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Congressional Record

PROCEEDINGS AND DEBATES OF THE 99th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Thursday, January 31, 1985*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Help us, O gracious God, to gain hearts of appreciation for blessings received, for the beauty and glory of Your world and the wonders of the universe, for our good traditions that continue to point the way, and for friends and family who surround us with their love. May not the dangers of the world or the anxieties that cause pain ever keep us from the joy and thanksgiving of knowing that Your love is ever with us, Your gracious spirit accompanies us and Your peace is with us wherever we may go. Bless us this day and every day. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

HOUR OF MEETING ON WEDNESDAY NEXT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, February 4, 1985, it adjourn to meet at 2 p.m. on Wednesday, February 6.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING THE SPEAKER TO DECLARE RECESSES ON WEDNESDAY, FEBRUARY 20, 1985

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Wednesday, February 20, 1985, for the Speaker to declare recesses, subject to the call of the Chair, for the purpose of receiving in joint meeting the Prime Minister of Great Britain, the Right Honorable Margaret Thatcher.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE FEDERAL SUPPLEMENTAL COMPENSATION BILL

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEASE. Mr. Speaker, today my colleagues, Mr. STARK and Ms. KAPTUR, are joining me in introducing legislation which would continue the Federal Supplemental Compensation Program for 18 more months. The program is currently scheduled to expire the week of March 31, 1985. Unless Congress takes action by that date, the only source of unemployment insurance benefits for many long-term unemployed workers will disappear.

While we are all pleased at the overall progress registered by the economy in recent months, we should not lose sight of the fact that there are still over 8 million jobless people in this country. Many States have jobless rates that are several points higher than the national average, and there are still pockets within States with near-depression level joblessness. In my own State of Ohio, for example, almost half of the counties still suffer with double-digit unemployment.

We believe that extension of the Federal Supplemental Compensation Program is necessary to ensure the continued availability of longer term benefits for those workers all across the country who are still subject to periodic spells of long-term unemployment.

It is my hope that Congress would be willing to go several steps further and undertake a comprehensive reform of the entire Federal-State unemployment compensation system. I think it is important that we start now to develop a system that is simpler, more dependable, and more responsive to the areas where the need is greatest. Next week, I plan to reintroduce the bill which Mr. STARK, Ms. KAPTUR, and I sponsored in the last Congress which I think can lead us to a better unemployment system—one that will bring stability, fairness, and common sense to this important area.

We should seize the opportunity afforded us by the current stable economic situation to safeguard our unemployment insurance safety net from any economic eventuality we might face.

DEFICIT REDUCTION SURTAX

(Mr. SCHULZE asked and was given permission to address the House for 1 minute.)

Mr. SCHULZE. Mr. Speaker, today I am introducing legislation to help reduce the Federal deficits our Nation will face over the next several years. It is crucial that we put reality before rhetoric and come to grips with our deficit problems now. We simply must stop spending more than we bring in.

If, after a sincere effort has been made by Congress to cut Federal spending, we find that our goals have not been reached, we should seriously consider my proposal. It provides for a temporary 1-percent surtax on individual gross income and on firms reporting gross sales of $1 billion or more.

Over the 3-year life of the legislation it would provide revenues of $145 billion which would be placed in a trust fund dedicated to deficit reduction.

Equity is the goal. It fairly assesses each individual no matter what his economic level and spreads the burden across the more successful portion of corporate America.

This legislation, in conjunction with reduced Federal spending, can make real progress toward solving the remaining major problem to sustained growth in this country—the Federal deficit.

I urge my colleagues to consider this approach to deficit reduction.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

THE PRESIDENT WHO CAME IN FROM THE COLD

(Mr. WEAVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEAVER. Mr. Speaker, President Reagan's luck has broken. On Inauguration Day, he was the President who came in from the cold. Now his assistant, Ed Meese, may not be confirmed for Attorney General. His attempts at deficit cutting are in shambles. With the stock market soaring with euphoria—just as it did in 1929—the economy still looks like roses. But an ominous undercurrent belies that: Our farmers are in despair and near bankruptcy; timber, steel, mining, textiles, and other basic industries are in depression already. The gargantuan trade deficit and the inflated dollar are warning of a crash to come.

Unfortunately, if the President's luck fails, the rest of us will suffer. So I wish him—and us—good luck. But he cannot rest on his luck anymore. We need action. Instead, we see our leader shrugging his shoulders as his administration falters.

ANOTHER ICE JAM—THIS ONE IN THE INTERSTATE COST ESTIMATE PROGRAM

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, the ice on the roads and streets outside will thaw in good time. I hope that that will be true of another "ICE"—the ICE Program, the Interstate Cost Estimate Program on which the highway projects of our Nation depend. That ICE Program, when Congress authorizes it, will release several billions of dollars across the United States for much-needed road work and to keep the economy pumping.

Yet there are a few Members of the House and of the Senate—just a handful—who are holding up the release of these funds for special demonstration projects and other pet projects. That is unfair to the American public, unfair to the other Members of Congress, and can deal a serious blow to the continuing upsurge in the economy.

I urge the Speaker of the House himself and other leaders to make sure that the ICE Program comes before our body as soon as possible so we can break the ICE jam and allow these funds to flow across the land so that the economy can stay on its upward swing.

ADJOURNMENT UNTIL MONDAY, FEBRUARY 4, 1985

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

A BILL TO EXPEDITE CITIZENSHIP FOR LI CUNXIN, BALLET ARTISTE

(Mr. ANDREWS asked and was given permission to address the House for 1 minute.)

Mr. ANDREWS. Mr. Speaker, today I am introducing a private relief bill for Li Cunxin, a principal dancer for the Houston Ballet and one of the Nation's greatest ballet talents. As a member of the congressional arts caucus, I recognize this bill to be of critical importance to the American arts community. Li has been invited to compete against the Soviets in June in a rare, worldwide ballet competition to be held in Moscow. There, he stands an excellent chance to win the gold medal for the United States in a discipline long dominated by the Russians. Unfortunately, if Li is not an official U.S. citizen when he competes, he may be disqualified by the Soviet judges. Li has been granted permanent resident status by the INS but will not be eligible to apply for citizenship before June.

Senator LLOYD BENTSEN is leading this effort in the Senate to expedite Li's citizenship process. It is my hope that working together we can carry the gold for the United States in Moscow this June. I urge my colleagues to join me in this important project.

□ 1110

TWO-THIRDS VOTE TO INCREASE STATUTORY LIMIT ON PUBLIC DEBT

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, based on the recommendation of newspaper publisher Al Totter, I am reintroducing a resolution to require a two-thirds vote on any legislation which increases the statutory limit on the public debt.

The need for such a resolution is obvious. Since 1980, this Congress has voted 10 times to increase the debt ceiling. Despite the hand-wringing that accompanies each new motion to raise the limit, the fact is Congress has not done much to curb spending or to stop the shocking escalation of the national debt. That debt now stands in excess of $1.8 trillion. Interest payments alone which have become the fastest growing category in the Federal budget will consume $116 billion this fisal year.

With an elastic debt ceiling, this Congress will never face up to the fact that there are limits on how we spend the hard-earned tax dollars of the American people.

By adopting my resolution, this Congress will remove the temptation to simply raise the debt ceiling and put off hard choices about establishing our spending priorities. It is time for Congress to take the first step toward fiscal responsibility, and my resolution is an appropriate place to start. I urge my colleagues to join in sponsoring this important resolution.

CONFIRMATION OF EDWIN MEESE III AS ATTORNEY GENERAL OF THE UNITED STATES

(Mr. KOLTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLTER. Mr. Speaker, serious questions have been raised concerning a nominee to the highest law enforcement office in the land. Allegations have been made regarding political favoritism and financial gain. These charges, as of yet, have never been answered satisfactorily.

It appears that Mr. Meese knows well the opportunities of political advantage.

Questions have been raised regarding his failure to include in his financial disclosure statements a $15,000 loan to Edwin Thomas and the subsequent Federal appointments obtained by several members and friends of the Thomas family.

Inquiries have been made about Mr. Meese's obtaining special treatment from Government agencies for business in which he had a financial interest.

And of course, there was the much publicized status change from retired Army Reserve to the Active Reserve and his later military promotion. Could this action be related to the subsequent nomination of Gen. William Berkman to a second 4-year term as Chief, Army Reserve?

My point is not that Mr. Meese should be perfect. My point is based solely on the fact that our judicial system should be above reproach and the character of the Attorney General above suspicion.

It is for this reason that I join many of my colleagues in voicing my opposition to the confirmation of Edwin Meese III as Attorney General of the United States.

HUMANITARIAN EFFORTS BY THE GOVERNMENT OF THAILAND

(Mr. McCOLLUM asked and was given permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. McCOLLUM. Mr. Speaker, I rise today to applaud the humanitarian response by the Government of Thailand to the continued aggression by the Vietnamese in Cambodia particularly the shelling of Khmer civilians living in the border area. The Thai Government has thus far removed from the line of fire almost 200,000 Khmer and offered them sanctuary within Thailand. Their humanitarian efforts have saved the lives of thousands of displaced Khmer and Vietnamese. The Government of Thailand has acted in a remarkably efficient manner in conjunction with the United Nations in this important undertaking. In almost all instances the Thais, at grave risk to their own safety, have done the impossible to save these innocent men, women, and children. By all accounts the Thais have done a remarkable job not only by protecting these civilians but by offering them a place of refuge away from the horror of the Vietnamese invasion. This intolerable situation is just another instance of Soviet instigated aggression through their Asian puppet, Vietnam. The United States has done too little to support the Thai Government. The least we can do is acknowledge their heroic efforts.

TAXPAYER RELIEF ACT

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, we need more Members of Congress to join us in cosponsoring H.R. 600, a bill which repeals the provision of the Tax Code which establishes contemporaneous records of the accounting standards for legitimate business deductions.

We have more than 125 cosponsors thus far. We need more.

Everyone agrees that the original IRS interpretation of this provision was too harsh. We now hope that everyone can agree that the IRS's new revisions are still too burdensome. The new regulations contain complicated thresholds, actually reduce compliance and continue the unneeded insistence on contemporaneous accounting.

We cannot compromise with the IRS on this issue. We need repeal.

Cosponsor H.R. 600. Otherwise you are supporting a cure that is worse than the disease.

SECRECY SURROUNDING NASA'S LATEST SPACE FLIGHT

(Mr. MRAZEK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MRAZEK. Mr. Speaker, the recent launch of America's first designated military-use flight of the space shuttle represented to many of us the end of NASA's age of innocence.

The secrecy surrounding the mission was unprecedented in the history of our Nation's Manned Space Program. The cloak-and-dagger air to the entire adventure brought to mind the Soviet Space Program, where secrecy has always been the norm.

Of course, anyone with a fleeting knowledge of the U.S. Space Program is aware that *Discovery's* latest flight hardly constituted the dawn of the military's involvement in the high frontier. In fact, the Pentagon's interest in space predates even the formation of NASA as our lead agency for space exploration, and most of our early astronauts were retrained fighter pilots.

Nonetheless, there was something quite sad about the shroud of secrecy which surrounded the shuttle's latest flight. Ours is an open society, by and large, and some of us in this body literally grew up with Walter Cronkite's exhaustive chronicling of our species' first attempts to escape our earthly bounds.

In the coming years, humankind will decide whether the heavens are to be the next giant step in our evolution, or merely a surreptitious orbital extension of an insane arms race.

THE SEATING OF RICHARD D. McINTYRE OF INDIANA

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, this is January 31. It is now exactly 4 weeks since the House refused to seat the duly elected and certificated winner in Indiana's Eighth Congressional District, Mr. McIntyre.

I read today from the Evansville Press editorial signed by Mr. Dale McConnaughay of Thursday, January 24. He says, and I quote:

> The danger now is one of cynicism. As this fiasco is prolonged the residents feel ever more alienated from and distrustful of the means by which "democratic" decisions are arrrived at, their confidence in the system becomes shaken, as it already has been.

We expect the recount to be completed tomorrow and I hope the House will have a chance to undo its error and seat Mr. McIntyre next week.

□ 1120

REPUBLICAN MONITORS IN BLACK POLLING PLACES IN MARYLAND

(Mr. MITCHELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MITCHELL. Mr. Speaker, on election day in my district in Baltimore I was very, very dismayed by what was a terribly appalling pattern of behavior. The Republican Party had established monitors in all of the polling places in which there were heavy concentrations of black voters. I toured all the district and in the white areas there were not the monitors; in the black area there were.

There were some private off-duty policemen, security policemen who marched in and out of the polling places where blacks were concentrated.

I almost got arrested that day because of the arrogant behavior of some of those Republican monitors who really sought to intimidate black folks to try to prevent them from voting.

Now we look at the election in Indiana and I discover that of the 4,000 votes that have been disallowed, the bulk of those disallowances are concentrated in the black communities of that district.

It makes me wonder, was there a definite pattern to discourage black voters? As I understand it legal action will be instituted by certain black groups and their friends in that district because they are assuming that their basic right to vote has been denied by the untoward behavior of some who have really raped and vitiated the electoral process in the district in which Mr. McIntyre wants to be seated. I would suggest that he not be seated until such time as we look at more carefully what appears to be a pattern of political skullduggery against blacks in that district.

Mr. Speaker, I yield back the balance of my time.

MISSING CHILDREN

(Mr. COATS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COATS. Mr. Speaker, this week photographs of missing children will begin appearing on milk cartons in northeast Indiana. The pictures along with information about the children and a toll-free telephone number to be used by anyone who may have seen the missing youths will appear on cartons distributed by Allen Dairy Products, Inc. I commend this project which is designed to help find missing children and to raise public awareness about missing children.

As part of the national effort to locate missing children initiated by the National Children's Safety Council five milk carton manufacturers have lent their support. The result will put photos of missing children on 1.5 to 2 billion milk cartons each year. For my own northeast Indiana district, this means that photos of four missing children will appear on milk cartons

each month on the shelves of Rogers Market, Kroger, and Scott's Food Stores, among others. The space on the milk cartons is being donated by the dairies and groceries participating in this project. I am proud of the efforts of the National Children's Safety Council, the dairies and groceries as well as the milk carton manufacturers for helping locate missing children. It is a tragedy that we as a nation must not tolerate.

Approximately 1.8 million children are missing from their homes each year. Many of these children are never returned home. The problems and sometimes tragic consequences surrounding the plight of missing children is a real concern that deserves attention.

If these efforts help to locate even one child or through increased public awareness prevent this tragedy from occurring they will indeed not have been in vain.

IF YOU REPEAT AN UNTRUTH OFTEN ENOUGH SOME WILL COME TO BELIEVE THAT IT IS TRUE

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, having heard the gentleman from Minnesota talk about the suggested stealing of a Republican seat in Indiana, I rise to speak about that because it has been clearly demonstrated in the past that if an untruth is repeated often enough some people will come to believe that it is true.

What is really going on in Indiana is an effort, if you will by the Republican Party in that State to undermine the democratic electoral process and possibly to steal a Democratic seat.

If you examine what has gone on since the November elections you will see that there has been selective determinations by a Republican secretary of state to certify the results at whatever moments during a count or recount the Republican candidate appeared to be leading while refusing to so certify when the Democrat was ahead, that different and inconsistent ground rules have been used by the Republicans in various counties in qualifying and disqualifying votes, all in an effort (a) to seat a Republican who is not entitled to be seated; and (b) to suggest improperly and unfairly that the Democrats are trying to take advantage when in fact it is the Republicans who are attempting to abuse the process.

It is a shameful effort which this House cannot allow to succeed.

I am surprised and distressed that our Republican colleagues in this body would lend themselves to support such unprincipled conduct.

I thank the Speaker.

COMMUNICATION FROM THE HONORABLE LES AUCOIN OF OREGON, MEMBER OF CONGRESS

The SPEAKER laid before the House the following communication from the Honorable LES AUCOIN of Oregon:

HOUSE OF REPRESENTATIVES,
Washington, DC, January 25, 1985.

Hon. TIP O'NEILL,
Speaker of the House of Representatives, the Capitol, Washington, DC.

DEAR MR. SPEAKER:

This is to notify you, pursuant to Rule L(50) of the Rules of the House of Representatives, that my staff has received a subpoena issued by the District Court of the State of Oregon for Multnomah County.

I will, in consultation with the General Counsel to the House, make the determinations required by the Rule and will promptly notify you of those determinations.

Sincerely,

LES AUCOIN,
Member of Congress.

APPOINTMENT AS MEMBERS OF THE JOINT ECONOMIC COMMITTEE

The SPEAKER. Pursuant to the provisions of 15 United States Code 1024(a) the Chair appoints as members of the Joint Economic Committee the following Members on the part of the House:

Mr. OBEY of Wisconsin;
Mr. HAMILTON of Indiana;
Mr. MITCHELL of Maryland;
Mr. HAWKINS of California;
Mr. SCHEUER of New York; and
Mr. STARK of California.

TRIBUTE TO THE LATE HONORABLE GILLIS W. LONG

(Mr. PEPPER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEPPER. Mr. Speaker, I had the sad honor to attend the funeral services for our cherished colleague, Representative Gillis Long in Alexandria, LA, and to make some remarks on that occasion.

Mr. Speaker, I ask unanimous consent that the remarks that I made on that occasion in tribute to Mr. Long be included in the official tribute delivered here on the floor of the House.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PEPPER. Mr. Speaker, my eulogy follows:

We have come here on this sad occasion to pay our final tribute to this great and beloved colleague and friend and to pour out the utmost expressions of our sympathy to his bereaved family including the sorrowing people of the 8th Congressional District fortunate enough to have this great and talented representative in the Congress of the United States. We especially extend our warmest condolence to the dear wife whom Gillis leaves behind. For 37 years Kathy and Gillis walked hand in hand and heart in heart across the mountains and the valleys and though the vineyards of life together. Those of us who have lost our own beloved will know the moments of loneliness that lie ahead. As it has been said, "There are times when she will sigh for the touch of a vanished hand and the sound of a voice that is still."

Gillis was the Ranking Member on the Democratic side of the Rules Committee which I have the honor and privilege to chair. He was a tower of strength on that committee, filled with the knowledge of parliamentary procedure, remarkably capable of handling delicate and intricate parliamentary problems and situations—a man whose zeal went to the service of the democratic parliamentary process. Every member of the Rules Committee was proud of sitting there with Gillis Long—so knowledgeable, so dedicated, so concerned about making ever more effective and perfect the democratic process to the service of the people.

Gillis was not only a doer, but he was a thinker, remarkably well informed about matters pertaining to the government. Gillis told me sometime last year that the year before he read 62 books—I think rather a record for busy Members of Congress. In the last four years he was a guiding light and leader in the protection of the rules of our House of Representatives, making the democratic process work more effectively, making us more able representatives of our people, making our democracy work better. The House of Representatives would not be the effective instrument of democracy it is without the knowledge, the skill and the genius of Gillis Long.

And then Gillis Long was a man of political genius, naturally adapted to public life who proudly said, "I am proud to be a Member of the Congress of the United States, I am proud to be a politician". Gillis regarded the prerogatives and the power of his great office as an instrument through which he could better serve his God and his fellowman. He was frequently quoting passages from the Bible that indicated his respect and esteen for the elderly. He said, "Old wood to burn, old wine to drink, old authors to read and old friends to trust". Gillis Long had ever a helping hand held out to those who needed assistance whether they were young, frail or having some other requirement for aid. Gillis Long burned with concern for his fellowman, and he used his great power, which was extraordinary, in their service.

When Anthony came upon the body of his fallen foe Brutus lying dead on the floor of his tent after Philippi, he stood and gazed down upon this man and soliloquized in words that I think most appropriate to describe Gillis Long: "His life was gentle and the elements so mixed in him that nature might stand up and say for all the world, 'this was a man' ".

HOW A BILL BECOMES A LAW

The SPEAKER pro tempore (Mr. ATKINS). Under a previous order of the House, the gentleman from Illinois [Mr. MICHEL] is recognized for 5 minutes.

● Mr. MICHEL. Mr. Speaker, those of us in Congress are so close to the legislative process that we sometimes forget that the way in which a bill becomes law is not clearly understood by many of our fellow Americans. I receive inquiries from time to time about this question. I have prepared a brief summary of the process in the hope it may be useful to anyone who is interested in the machinery of government.

HOW A BILL BECOMES LAW

Ours is a Government of the people, by the people, for the people. It is not a pure democracy. It is a republic in a democracy. It is a representative democracy.

Our laws are the embodiment of the wishes and wants, the ideas and ideals of the American people as expressed through their Representatives in the Congress: 435 in the House of Representatives and 100 in the Senate. Any Member of the House or Senate may introduce a bill embodying a proposed law or revision of existing laws, at any time when his respective House is in session. When introduced, the bill will be entered in the Journal of the House and the title and sponsors of it printed in the CONGRESSIONAL RECORD of that day.

EACH BILL NUMBERED

Each bill introduced is assigned a number by the clerk of each House and referred to the committee having jurisdiction over the subject matter by the presiding officer, that is, the Speaker of the House or the President of the Senate. Copies of the bill are printed by the Government Printing Office and made publicly available from the congressional document rooms.

Acting through its chairman, the committee decides whether a bill should be taken up by the full committee or referred to a subcommittee for its initial consideration.

THE DELIBERATIVE STAGE

The committee's deliberations are the most important stage of the legislative process. It is here that detailed study of the proposed legislation is made and where people are given the right to present their views in public hearings. When the chairman has set a date for public hearings it is generally announced by publication in the CONGRESSIONAL RECORD.

Copies of the bill under consideration by the committee are customarily sent to the executive departments or agencies concerned with the subject matter for their official views to be presented in writing or by oral testimony before the committee. The number of witnesses, pro and con, heard by the committee is largely dictated by the importance of the proposed legislation and degree of public interest in it.

TESTIMONY HEARD

The transcript of the testimony taken is available for inspection in the individual committee offices. Quite frequently, dependent on the importance of the subject matter, the committee hearings on a bill are printed and copies made available to the public.

After conclusion of the hearings the committee proceeds to meet in executive sessions—sometimes referred to as "markup" sessions—to discuss the bill in detail and to consider such amendments as any member of the committee may wish to offer. Each committee has its own rules of procedure but they generally conform to the rules of the House itself.

THE COMMITTEE VOTE

By a formal vote of the committee, it decides whether to report favorably to the House the bill with or without committee amendments. A committee report must accompany the bill, setting forth the nature of the bill and reasons for the committee's recommended approval. The report sets forth specifically the committee amendments and, in compliance with the rules of each House, indicates all changes the bill would make in existing law. Any committee member, individually or jointly, may file additional, supplemental or minority views to accompany the majority committee report. The committee report, accompanying the bill, is viewed by the courts and the administrative agencies as the most important document as to the intent of the Congress in the proposed legislation.

AFTER REPORTING

When a bill is reported by the committee it is placed on the appropriate calendar. The majority leadership decides how and when the bill will be considered on the floor. In general the bill is allowed to remain on the calendar for several days to enable members to become acquainted with its provisions.

In both the House and the Senate innumerable measures of relatively minor importance are disposed of by unanimous consent. In the Senate, where debate is unlimited, major bills are brought up on motion of the majority leader and in the House are called up under a privileged resolution reported from the Rules Committee which fixes the limits of debate and whether amendments may be offered from the floor. The Rules Committee resolution is called a rule for consideration of a bill; a closed rule if no amendments are allowed, as is generally the case in tax bills, and an open rule if amendments can be offered.

REACHING CONSENSUS

While there are distant differences between the House and Senate procedures, in general a bill is debated at length with the proponents and opponents presenting their views to acquaint the membership, as well as the general public, with the issues involved, and all with a view to arriving at the consensus. Amendments are frequently offered to make the measure more in conformity with the judgment of the majority. In the course of consideration of the bill there are various parliamentary motions, in both the House and the Senate, which may be offered to determine the sentiment of the members with respect to the pending legislation. The measure may be postponed to some future date or referred back to the committee which reported it.

With the conclusion of general debate and the reading of the bill for amendments, the question becomes whether the House or Senate, as the case may be, will pass the bill in its final form. The CONGRESSIONAL RECORD of the day the bill was under consideration will set forth the verbatim debate on the bill and the disposition made of such amendments as were offered.

AFTER PASSAGE

With the passage of a bill by either body it is messaged to the other with the request that they concur. If no action has been taken on the like measure by the body receiving the message the bill is usually referred to the appropriate committee of that body for consideration. Hearings are again held and the bill reported for floor action. On relatively minor or noncontroversial matters the Senate or the House accepts the measure as messaged to it by the other body.

If there are substantial differences between the House and Senate versions of a given bill, the measure is sent to a conference committee which is appointed by the Speaker and the President of the Senate from the ranking committee members of each body having original jurisdiction over the bill. The object of the conference committee is to adjust the differences between the two bodies, and to report back to each its agreement. The report of the conference committee must be in writing and signed by those agreeing thereto and must have the signature of the majority of the conferees of each House.

CONFERENCE REPORT

The report of the conference committee cannot be amended and must be accepted or rejected by each House as it stands. If either House finds itself unable to accept the conference committee report a further conference is usually requested.

When the bill has been agreed to in identical form by both bodies a copy of the bill is enrolled, signed by the Speaker and by the President of the Senate, for presentation to the President. The bill becomes law with the President's signature of approval, or it may become law without his signature if he does not return it, with his objections, to the Congress within 10 days of its presentation to him.

If the President should return the bill, with his objections, to the originating body of the Congress, his veto may be overriden by two-thirds of both the House and Senate respectively voting to have the measure become law the President's objections to the contrary notwithstanding. Both the President's veto message and a record of the vote of the individual Members in the motion to override are required by the Constitution and set forth in the CONGRESSIONAL RECORD.●

FAIR DEBT COLLECTION PRACTICES ACT: MAKING A GOOD INDUSTRY EVEN BETTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, H.R. 237 is a bill to amend the Fair Debt Collection Practices Act to provide that any attorney who collects debts on behalf of a client shall be subject to the provisions of the act. As the act stands, attorneys and their employees can engage in debt collection practices which are illegal for nonattorney collectors. Some attorneys persist in conduct prohibited if undertaken by nonattorneys, including calls at unusual hours, disclosure of consumer's debt to third parties, harassment, and calls to consumers' employers. We must put an end to this gross injustice. The rules governing debt collection practices ought to apply evenly to all debt collectors, whether the collector is an attorney or not.

When the act was passed in 1977 attorneys only rarely engaged in debt collection when incidental to other business of their clients. Today, how-

ever, there are hundreds of attorney debt collection firms identical to their conventional counterparts with the sole exception that they were formed by attorneys, and are, therefore, exempt from the provisions of the act. While they may be legal law firms, they are in fact, unbridled debt collection agencies. For example, one firm has 750 employees, of which only 85 are attorneys. The vast majority—the so-called account representatives—are employed full time for the sole purpose of collecting debts. Furthermore, considering the ratio of attorneys to account representatives the persons collecting the debts receive little or no supervision by attorneys.

Many of these after-hours debt collection firms even advertise their exemption, boasting that they are more effective in returning a creditor's money than are those agencies limited under the Fair Debt Collection Practices Act. Obviously, this situation is unfair to all the many thousands of honest debt collectors who diligently comply with the act's requirements. It is not only unfair, but damaging to the industry as a whole which has improved its practices and image since the passage of the act.

H.R. 237 has received uncompromised support from a vast majority of the ethical organizations in the debt collection industry. Among these organizations are the American Collectors Association, the Associated Credit Bureau, and several of the larger law firms specializing in debt collection. These organizations recognize the benefit the Fair Debt Collection Practices Act has been for American consumers and the collection industry as a whole. And, they recognize that H.R. 237 will further protect the entire collection industry from the reputations of a small but damaging percentage of attorney debt collection firms engaging in unscrupulous practices.

I invite the Congress to help make a good industry even better by passing H.R. 237.●

WATER RESOURCES PROJECTS AUTHORIZATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. BATEMAN] is recognized for 5 minutes.

● Mr. BATEMAN. Mr. Speaker, today I am introducing bills to authorize two important water resources projects in my congressional district. These projects have been under consideration for several years, but have not been authorized due to the deadlock between Congress and the last two administrations over how to fund water resources development projects.

The first bill would authorize the deepening of the channels in the Port of Hampton Roads, and the second would authorize the construction of a shoreline erosion control structure on Tangier Island, a small island in the Chesapeake Bay. The projects authorized by both of these bills received House approval in the last Congress, and both are included in H.R. 6, the omnibus water resources development bill, introduced by the Public Works Committee leadership in this Congress.

The deepening of the Hampton Roads channels from 45 to 55 feet has been in the design and planning stage for 15 years, and construction could begin almost immediately after Congress approves project authorization and funding.

Hampton Roads is by far the largest coal exporting center in the United States, accounting for about 47 percent of our annual coal exports, and the port's channels need to be deepened, if the United States is going to increase, or even maintain, its share of the world coal export market.

The average size of the colliers in the export trade has increased from 15,000 tons in the midsixties to 60,000 today, and is expected to increase to 100,000 tons in the next few years. This increase in the size has resulted in significant shipping cost savings, but also limits the ability of ports with shallow depths to compete in the world market. Therefore, without major port improvements, the United States will be placed at an ever-increasing competitive disadvantage in the world coal markets.

For 8 years now Congress has failed to enact legislation to provide either the authority or a funding mechanism for these much-needed port improvements and this impasse has already caused us to miss a valuable opportunity to expand our exports during the world coal shortage of 1980–81. We must break this legislative deadlock in order to insure that we do not miss any future opportunities.

The erosion control structure on Tangier Island has been under consideration since 1978 when it became clear that serious shoreline erosion on the island would soon threaten inhabited areas. The Commonwealth of Virginia joined with the Army Corps of Engineers to design a structure to stop the shoreline erosion on the island, and this project was first approved by the House in the Water Resources Act of 1979, legislation which never received final approval. Since the study, erosion on the island has not slowed, and prompt action is imperative if the unique community on the island is to be saved.

The residents of Tangier are direct descendants of early English settlers. Like their 17th-century forbears, the 20th-century islanders speak with an Elizabethan accent, and make their living off the resources of the Chesapeake Bay. If the Tangier natives are forced off the island by continued erosion, the members of this traditional community would face grave social and economic hardships, and the diversity of America's cultural heritage would be significantly diminished.

The erosion on the island also threatens two federally funded construction projects, a water treatment plant and an airport. The recently completed water treatment plant received $3.5 million from the Environmental Protection Agency and the Department of Housing and Urban Development, and the island's airstrip received $1.2 million in Federal funds during its planning and construction. To allow this substantial Federal investment to be endangered would, of course, be most unfortunate. Indeed without swift action both of these facilities may soon disappear into the waters of the Chesapeake Bay.

There are serious water resources development needs in this country which are not being met, and if these needs are not met soon, economic development will suffer, and the lives and property of our citizens will be in danger. Therefore, I urge all of my colleagues to join with the committee to break the deadlock over water resources funding this year, or, if that proves impossible, to see that projects which need immediate attention are authorized and funded on an emergency basis.●

□ 1130

CENTRAL AMERICAN REFUGEES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MCCOLLUM] is recognized for 60 minutes.

Mr. McCOLLUM. Mr. Speaker.

Mr. MICA. Would the gentleman yield?

Mr. McCOLLUM. I am glad to yield to the gentleman from Florida.

Mr. MICA. Could the gentleman give some indication as to the amount of time; how much of the 60 minutes he might use?

Mr. McCOLLUM. I am hopeful I can conclude in somewhere between 15 and 30 minutes. I am not sure of the amount of time.

Mr. Speaker, I have taken this time today to report to the Congress on a factfinding mission that I made a week before last to the Central American countries of El Salvador and Honduras. I spent 2 days in each of those countries, and I have a number of matters that I would like to report on relative to the purpose of the trip, which was down there under the auspices of the Immigration and Refugee Committee.

In El Salvador, one of the primary purposes was to determine the situation with respect to those who are being deported from the United

States; Salvadorans, upon their return, and those who are voluntarily returning and how they are treated.

There has been a good deal of controversy in this country about whether or not to extend the voluntary departure of those who are Salvadorans back to their country, and to otherwise maintain the status of those who we might deport.

I would like to first of all report on that, and then discuss the situation within the country of Honduras in particular.

First of all, let us talk for a moment about the folks who voluntarily returned from the United States. There are a lot who go back voluntarily, who are not deported through our official laws, but who choose to return. The way we keep track of those in El Salvador is by virtue of a procedure whereby the Immigration Service, when they are first leaving this country requires a bond, and because of that requirement within so many weeks after they return to El Salvador, most of those folks who go back voluntarily come into our consul's office in El Salvador, in the city of San Salvador, at our Embassy, and seek the return of that bond.

When they do that, we take the opportunity to ask them a lot of questions; politely, and I think in a very thorough manner. I sat in on the questioning of one or two of those individuals, and I am convinced that our embassy folks there are doing an extraordinary job of determining whether or not those who are returned voluntarily are in fact under any harrassment or undue political pressure or human rights violations or whatever.

I have seen, by reviewing the paperwork on those cases that they have already processed and many of them have gone before in the last year, as well as from the interviews I sat in on; I have seen that the overwhelming majority of the folks only talk about economic problems. There are one or two rare instances, of the hundreds that have gone back that are in fact concerned at all with anything that might remotely resemble a violation of any of their human rights as we would know them or political rights or concerns.

However, the issue that has most concerned those in the United States wherein the Salvadoran question is deposited is with the deportees; those who we are forcibly returning, those who might have been in some way sympathetic to the guerrilla activity or whatever. We are returning those in fairly sizable numbers right now; averaging I think substantially better than 30 or more a week; and up until recently we did not have a very good method of pursuing what was happening to those folks.

I can report from my own investigation and observation that the International Committee on Migration, which has its home office in Geneva and which is an international organization, has taken on and is doing an outstanding job monitoring the return of those individuals we deport to El Salvador, and I think has got the matter well in tow.

The ICM, International Committee on Migration, does not have any U.S. personnel operating in this task, and I think they are doing a good job of maintaining independence and credibility. They started their role at the beginning of December, so we have only a very brief period of time to look upon.

We do know from that period of time that several hundred have been deported and several hundred have arrived in El Salvador at the airport, that ICM, the International Committee on Migration, has a person to meet every plane from the United States; that it greets every one of the deportees who comes back from the States; that it provides them with the money and the wherewithal and transportation and housing and food to get to whatever destination they might want; that it asks them questions that I observed being asked in one case while I was at the airport, and I reviewed the procedures, in the logbooks and the records they keep in their office in San Salvador, many others.

They asked them whatever they can do: What is it that we can do to help you? And have been very helpful to everybody who has returned, and I think the program is working exceedingly well.

The question is, How does ICM, how does this procedure assist us in determining what happens to these people once they go back into the country? Well, what happens is, that in the process of interviewing them when they first come off the plane, ICM gives them a couple of forms, envelopes and stamps and asks them to periodically send those back in and report to them on what they discover when they get back home, what it is like, and what kind of conditions they meet and so on.

As a matter of course, although the program had only been operating about 6 weeks when I began to look into it a couple of weeks ago, the fact is that a great number of these folks who have been deported have indeed responded and we have a substantial data base to go from.

In only one instance out of the quite sizable number of responses has there been even the remotest question of any concern over political or violent activity or fear for life or safety or whatever, and that one instance is currently under investigation, both by ICM and by our Embassy personnel at this time.

We are talking about a very small percentage of those returned, if you only have one instance out of several hundred, as I say, who have been deported in the period of time that ICM has been monitoring it. I would be very interested, as I am sure my colleagues would be, in seeing what the fruits of this program are as far as this return goes over the coming months as more are deported, more records are kept, and we have a greater statistical data base to go from.

My impressions tell me that we are going to discover, as I have in the initial impact of this investigation, that those who are here in the United States are Salvadorans who are being deported, and those who are voluntarily returning are not at all under the pressure, under the gun of any nature, either literally or figuratively, from a political or from a human rights standpoint, or from a violent standpoint.

Their problems invariably are being found to be, as most have been in the past, economic; concerns of what has happened to their families as far as economic plights and so forth go.

It will be an interesting thing to follow and at the present moment, it certainly inclines me to be opposed, as a member of the Immigration Committee, to any kind of further special consideration on the return of Salvadorans as opposed to the return of any others who might be apprehended for deportation.

There are still about 500,000 displacados, displaced persons, in El Salvador who are off the farms who have not returned to work because of their concerns and because of the fact that they become pretty well entrenched in some of the camps and in some of the cities and the very poor areas in that country.

It disturbs all of us that we have that condition because the United Nations does not oversee those camps, it does not oversee anything internally since these folks are not technically refugees.

If you will recall, a number of my colleagues joined me, and we were able through the efforts of Project Hope and the Knights of Malta back a year and a half ago through last year to deliver over 200,000 pounds of medicines and medical supplies for the relief of these folks in these displaced persons camps.

I am pleased to report that in the last few months, operationally for about 2 or 3 months, Project Hope has become the grantee of AID funds for the purpose of providing medical care to the displaced persons, and they have already set up a structure, hired employees, under the good guidance of Dr. Long. I examined his program and I am confident that the progress that we would like to see is being made now and that the funds of this Congress appropriated for that purpose are

indeed going to the displaced persons in every region of El Salvador; whether it is in the city or in the rural areas, whether it is in the relatively quiet unaffected areas—as far as the war is concerned, or whether it is in the guerrilla-held areas.

It is a remarkable effort by Project Hope, and they are to be commended.

In the meantime, the Knights of Malta have continued their efforts and their clinics and in fact have expanded the contribution worldwide that have come in and that great Catholic order is doing an outstanding job in that country with the situation at hand.

Most recently, AID is working on a contract with CARE to provide the food, and I am impressed not with the great improvement of the status of the people who are displaced—who very badly need to return to their farms and need to get order back in their lives—but with the fact that what efforts we are making now are finally getting through and at least the health and the feeding and the care of these individuals during this stay is in much better shape and condition than it was a year or so ago.

The government in El Salvador we are all very pleased with; it is a democracy. President Duarte received an overwhelming mandate in the election last year, and as far as the people are concerned there is a spirit of optimism like there has not been in El Salvador in a long time.

I spent over an hour discussing matters of state with President Duarte; I met with opposition leader D'Aubuisson, and I explored with Ambassador Pickering all of the matters at hand. I think that we will see as the year progresses that President Duarte and others are going to be most concerned about the economic picture inside their country, as the effort at controlling the guerrillas for the moment is progressing well.

The economy is going to be a very serious matter, and we are going to have to look at some special considerations relative to that country, in my judgment, within the next year. Relative to the export-import question, and I think above and beyond any considerations that are already provided in the Caribbean Basin Initiative.

□ 1140

I would like to turn the attention of my colleagues for a moment to Honduras. Honduras, of course, is a neighboring country to El Salvador, but is also the land mass that falls between the country of Nicaragua and El Salvador. It has become a focal point of considerable debate and concern in this body over the last year or two as we have placed a task force for training our reserve forces inside Honduras, as we have used a base there to train some of the Salvadoran officers, as we have had a continuing concern over the welfare of Honduras itself with the increased activities of the Sandinistas and their apparent movement toward their own human rights violations and close proximity and viewpoint to those views shared by some of the Communist satellite countries, particularly Castro's Cuba.

Honduras I spent 2 days in, as well as El Salvador. I visited both Salvador refugee camps in and along the border of Honduras and El Salvador and I visited the Nicaragua refugee camps along the border of Nicaragua and Honduras. Now, these refugee camps are truly refugee camps. The camps are operated by the United Nations, are under their auspices, with many private voluntary organizations participating. The conditions in those camps and the conditions for life and work and for opportunity are far greater and far better in those camps for those individuals inside Honduras than they are for the hundreds of thousands of disposados, or displaced persons, in camps and in towns, off the farms in El Salvador. Now that does not mean that we want to bring up the conditions in El Salvador to meet those but it is a contrast and it is something that we ought to keep in mind.

The United Nations, as far as I can determine, has done a fine job in providing for these individuals. There is on the Salvadoran border several thousand Salvadoran refugees. In one camp I visited, Mesa Grande, there are about 10,000 Salvadorans today. They are in temporary housing, but they are, as I said, well provided for. There is another base camp with almost as many people in Comayaguela, which is located a little closer to the border. These two primary refugee camps exist there.

Our concern now at least in part is with the fact that there has been an effort made over the last few months to get the Honduras Government to allow the movement of these camps and these refugees further inland, further interior to Honduras and away from this border, away from the conflict, and while some progress was made in the early discussion, that has waned due to some geopolitical problems between the countries of El Salvador and Honduras and some of the other considerations.

But some Salvadorans are returning. Several hundred of them have returned and are returning on somewhat of a regular basis right now to El Salvador. There is a little rivalry between the ICM, the International Committee on Migration, that set up an operation in an attempt to assist those who are returning and the U.N., but other than that, I do not see any great problems on the Salvadoran border.

I am concerned more with what is going on with respect to the Nicaraguan border. On the Nicaraguan border where we have these two refugee camps, we have very few in numbers as far as actual U.N. refugees are concerned, comparatively. There are about 3,500 to 4,000 in two camps down there. One of the camps that I visited is Teupasenti. Teupasenti is a little village town that has been carved out for coffee growing and for workers to live in for the coffee growing area quite off the beaten track. It took a bit of effort to get into this camp. The temporary housing is very limited there. Most of the refugees live in the real housing that is there and I think they are also being very well cared for.

Most recently and most disturbing to the U.N. folks and to our people with regard to the refugees themselves is that there are several hundred young males who have come out of Managua in order not to be conscripted into the Nicaraguan Army who are in those camps. Those camps are predominantly farmers who are less educated or not educated at all and these young males, ages 17 to 22 or so, are for the most part college educated, or at least high school educated, and they are very restless, not willing to do their share of the work and so on. Those numbers are growing. So we may very well hear about the young male population dominating some of these refugee camps. They are picked up by the Honduran Government and given the choice of being shipped back to Nicaragua or going to the refugee camps. It is a bone of considerable concern in the international community at the present moment.

But what concerns me the most is what I learned from talking with the refugees that I met there, the Nicaraguan refugees, talking with Ambassador Negroponte, talking with our DCN Shepard Lowman, talking with Vince Shields in intelligence, visiting with Colonel Percy and spending a lot of time with our task force and learning about what is going on with respect to the Contras and with respect to what we might anticipate from the current status of affairs and what is likely to occur in the next few months with regard to refugees, as well as the whole Central American picture.

Quite frankly, out of the entire visit this concerns me the most and I think it should concern you the most.

First of all, as my colleagues know, this Congress has not supported the Contras, the so-called freedom fighters, since June of last year. In that period of time they have continued to operate against the Sandinista forces inside Nicaragua, but with every decreasing ability to do so. For one thing they have no longer the air capacity to airlift supplies to the interior that they did at one time. They are running low on ammunition. And about half of their numbers—there are about

14,000 in their army—have come out to a base camp not far from Teupasenti and were there at the time that I visited the region. There is a question of how many of these will be going back in the next few months, but there is no doubt in the minds of our officials, and there is no doubt in my mind that unless this Congress provides renewed support for the Contras, they will indeed no longer be a force to be contended with in a matter of a few months.

Exactly how long is not clear. But as we know there are gunship helicopters now in Nicaragua that I for one think we should have protested a lot more than we did. There is an increased military force. There is a determination on the part of the Sandinistas to rub out the FDN—and that is who the Contras are. And there is a tremendous problem with respect to the future of this group. I might add while we are talking about it that the FDN—there were three organizations, now there is largely just the one major force for the freedom fight down there against the Sandinistas—the FDN is headed by a man known as Adolpho Carrero. Adolpho was the head of Coca Cola inside the country of Nicaragua during the Somoza period and was the leader of the opposition party to Somoza. There is very little contact with anyone relative to the Somozan regime among these folks at the present time involved in this freedom fighting organization with 14,000 in their armed forces.

So I submit while we are talking about it that for the record at least we ought to recognize that most of the people involved are farmers, most of the people are very disenchanted with the Sandinistas or were themselves Sandinistas previously who fought the revolution against Somoza and certainly do not like what they see happening today inside the country.

At any rate, the problem that I see happening and what I want to bring to the attention of my colleagues, particularly today, from the assessment of all concerned when the Contras' effort collapses—now, please hear this—when the Contra effort collapses the estimate of our Embassy down there is that between 150,000 and 200,000 refugees will cross the Nicaraguan-Honduran border within a period of 3 to 6 months. That is a very realistic estimate based on what is clearly observable to the support contingent inside Nicaragua for these Contras.

What is going to happen when we see 150,000 to 200,000 new refugees from Nicaragua inside Honduras? Well, I would submit that while we may see opposition to it that there is going to be a sense of moral imperative in this body and in the other body for the bringing of a great number of these to the United States because we did support the Contras to begin with and we are going to feel a responsibility to those who are driven out as a result of the failure and collapse of the Contra effort.

For those from my home State of Florida there is going to be a special concern, because while the Salvadoran refugees tend to go to Los Angeles and California and that great State, the Nicaraguan refugees tend to go to south Florida and join their friends in the Cuban-American community there and Nicaraguans who have already left.

But it is not a question of where they are going to go, it is a question of reality. We are going to be faced undoubtedly with having to deal with thousands of refugees from that region in very short order if the Contra assistance is not continued.

Then what happens next? Well, the best analysis available and I think everybody agrees on this that is down there on the scene, and I happen to agree with it, is that within a period of months after the collapse of the Contras the Sandinistas will consolidate inside. The human rights violations will speed up. The property and interest that have been allowed to continue will probably no longer be allowed to function in the same manner and those who have expressed outward opposition, although muffled, will then be silenced.

As that occurs, the disenchanted and those are primarily the farmers and those are the people who are in the refugee camps, not Contras now, but farmers who are not participating in the freedom fighting business, who told me again and again in the interviews that I did that they do not like a darn bit what the Sandinistas are doing the way they handle their crops and they spoke out and they ran off because they were afraid for their safety as a result of that.

□ 1150

It is these folks and their friends, those just like them inside Nicaragua, who are going to at that point come out in the thousands and thousands more, in the second and third and fourth wave of migration.

Now, I remind my colleagues that we are not talking about a Cuba, where we have a water area to separate it from the mainland, where there is some ability to control migration. We are not talking about a Vietnamese situation, where yes, the Thais have experienced tremendous problems, but there is a great land mass between them that is difficult to navigate for those who seek refuge, and then a great water border elsewhere. We are talking about Nicaragua that borders on Honduras, with a vast border that is easier to cross, impossible to seal, and an easy trek and path from there through Mexico to the United States. I would submit we are going to see thousands more when that occurs.

What happens after that? And I think I would not be doing my duty if I did not warn my colleagues of my fears that are realistic about what will happen next, not about some gigantic, immediate collapse of the region or something, but what will likely happen will be this:

If the Salvadorans are continuing as they are now, with a relatively good democracy, in due course, because of our refusal to assist the Contras and because of the Sandinistas' ability to consolidate in country, not have to worry about the Contras anymore, and because when that happens the Hondurans are certainly not going to be standing so tall they are going to be trying to accommodate the Sandinistas at that point, we are going to see increased activity on the part of Nicaraguan Sandinistas to support the rebels inside El Salvador and increased ability to do that without being interfered with. They are going to be able to use, with some looking of the other way, Honduran land as sanctuary for this purpose, and they can turn their full attention and, believe you me, every indictation from Ortega and Borja and everyone else down there in that Sandinista regime says that is exactly what they are going to do, they are going to turn their attention to subverting democracy in El Salvador, and the rebel forces will rise and instability will increase in El Salvador, and I can only vaguely outline the manner and form in which that regime that we so proudly have been promoting and are pleased with may come to its knees.

Now, that is a sad thought, but that is precisely what we have to face as reality if we do not do anything about it and if we do not support the Contras.

Will we intervene to stop that? I do not know. What happens next? I do not know, and I do not think we do either. But I do know that at some point, as this series and scenario progresses, and instability might occur in Guatemala and Mexico, at some point the United States is going to intervene and going to intervene with American troops and going to intervene with bloodshed of American boys that I do not want to see, and I do not think that scenario is at all necessary.

So I come back from Central America, from a trip to El Salvador and Honduras, my third time in El Salvador and first time in Honduras, with a great sense of concern about where we go and what happens if we turn the other cheek and just ignore the situation down there. We are not going to get the kind of accommodation that is meaningful out of the Sandinistas. I cannot see that, and nobody on the scene does either. It is not realistic to expect hardened, philosophical Com-

munists to come around to anything but some kind of an agreement that they will have on paper, if they ever have it with us under the conditions that we are now setting up, that they will break quietly and quickly in their own way to allow the scenario I described to unfold.

The only way we can operate without having to face in a few years the question of our own commitment of our own soldiers, in my judgment, is for us to come to grips with this whole question of Contras either covertly, overtly or however, and provide the necessary support to at least the extent of getting some very meaningful and true concessions out of the Nicaraguan Government, including the elimination of the outside armed aggressive forces of Castro, the PLO who are in there actively now, the Khomeini interests who are there, the Soviet arms shipments that are coming in on a regular basis, and the quelling of that passion. And I truly hope that the President will submit at the end of February, the first of March, a request to us for renewed support for the Contras and that every one of the Members of this body will seriously look upon the consequences of not doing something with it and make a sane judgment to look at the situation from a realistic standpoint about what we do to deal with it before it becomes too great for us to control without the use of American forces.

Now, I cannot leave the scene without commenting on our task forces down there. Colonel Percy is just about the only one there for any length of time, for about a year. But I did talk and have time, because we were grounded in there with a low cover for a while, in the efforts to take a helicopter and go to Mesa Grande to visit with Salvadoran refugees, I was in there for several hours and I talked to a lot of our reserve personnel. What we are doing there with our task force in Honduras is literally training the Reserve units of our Army and other branches of the service in Honduras. They fly down there on short missions of a few weeks, no more than 3 weeks in most cases, on assignment, and those folks down there, regardless of the geopolitical questions of the mission and other purposes that might be debated, those personnel tell me this is absolutely the best Reserve training that we have ever been able to give the Reserve components of our Armed Forces. And disregarding the political issues, for the moment, of our presence in Central America, we ought not let the opportunity pass to seriously consider a long-term arrangement for Reserve training in Honduras. The terrain is right, the climate is right, the situation and locale are right, the people are well received, and it is an ideal training situtation for our young men and women in the Armed Forces. I also must say under some hardship, because they do not have, because of our insistence on no permanent presence down there for the political concerns that are expressed by members of the two bodies, they do not have the kind of support that they really need in experienced personnel in-country who can be there for longer than that 2- to 3-month period. They need that. Not for 3 years, but at least for, a few of them, a year long as Colonel Percy is. And I expressed this to Secretary Weinberger. But I know other Members, out of other fears, have expressed concerns in the opposite direction.

But we must not undermine the training operation and the training opportunities that we have in Honduras because of some panic or fear or political concern over the possibilities that we are doing something that we are not supposed to, in violation of the previous accords that this Congress passed on restrictions on assistance to Contras.

And while we are talking about that, going back to the Contras for a minute, one of the things I was really impressed with, in talking with our personnel at the Embassy, as well as in the task force, is how far they go, to what extreme they go, to avoid assisting the Contras. They go to carry out the mandate of this Congress to that regard to such an extent that, while I was down there, the intelligence operations knew of the movement of forces of the Sandinistas that were adverse to the Contras and they were not even telling them about it, not even saying there was a movement let alone giving them any indication of where it was going or what it was doing. I personally think that we are getting ready for a national disgrace, a national tragedy, and that is going to be on the heads not of the President, assuming that he comes forward, as I would expect him to do in another month or so and ask for renewed Contra assistance, but on this body, on Members of Congress, when we finally see the American public looking at this picture a few months from now and realizing that the good guys were the Contras, the bad guys were the Sandinistas, we did not help the Contras, in fact by our holding the hands of our personnel behind their backs we have assisted very, very much the Sandinista bad guys, and we see not only the collapse of the Contras and the horrors that go with that, but we will see the refugee migration that I have described earlier in the thousands to this country as well as to other parts of the world and the tremendous and almost impossible problem to deal with Sandinistas, once they have consolidated power and they are able to use a stronger base to spread subversion to the other regions of that part of the world.

It is not a problem that is somewhere on the other side of the Earth. The problem of what happens in this hemisphere, just a few miles away, with San Salvador closer to Washington, DC, than Washington, DC, is to Los Angeles, or, for that matter, many parts of Texas, that close, with a land mass between us and not water, it is not something we can just turn our heads the other way and ignore, it is not something we can simply turn our heads and say that we will make some paper accommodation and then let us see what happens to the Sandinistas, whom all of our people in the Embassy and in the intelligence force knows are simply the bad guys and we know what they are going to do if we let them run their course. We cannot afford to do that. We might be able to get away with it somewhere else, but we cannot get away with it down there.

Well, anyway, it is not a totally pleasant report. As I said earlier, the refugee situation at the moment is in good hands. I am pleased with what is happening in El Salvador and Honduras with regard to the displaced persons and the refugees and the returnees from El Salvador, but I see very ominous signals for the short run and tremendous storm clouds for the long run for our own people, not to mention theirs, for freedom and democracy in this hemisphere and the future generations of our country as well as this hemisphere if we do not take heed of those warning and we do not look at them.

And last, as I close this special order time, I would like to urge each of you, my colleagues, to make a special effort this spring to go down there yourself and look at those situations.

□ 1200

Do not just go to the two countries that I went to; if you can, go to others. But take the time, if it is only for a couple of days, take the time to go those few miles, that short distance, and examine what I have described to you. I think in good conscience most of you are going to come back with the same conclusions that I had.

I hope maybe, I pray, maybe, that with that in mind, a sizable majority of our Congress can come to grips with the reality and take the steps necessary to support freedom and democracy in Central America, and do what we can to stop the spread that is going on of the forces of totalitarianism in that region of the world.

I am very delighted to have been able to make the report and I yield back the rest of my time.

MR. McINTYRE HAS NOT YET BEEN SWORN IN TO HIS RIGHTFUL PLACE IN OFFICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BOULTER] is recognized for 1 hour.

Mr. BOULTER. Mr. Speaker, this is the 28th day since I and 33 of my Republican colleagues were sworn in on this House floor. It is also the 28th day, Mr. Speaker, since one of our colleagues, Mr. Rick McIntyre, who has in fact won twice now from the Eighth District of Indiana, has not been sworn in to his rightful place of office.

We are hearing talk now from the Democrat side of the aisle that the recount, having been completed, that is all of the disputed ballots were counted, then somehow or another Mr. McIntyre would be some 20-plus votes ahead. Mr. Speaker, we have tried to understand that argument and to analyze it, and we believe that it is not supported by any facts; that it is simply an allegation.

Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

The gentleman just made a misstatement that he would want to correct on the RECORD: He said the name "McIntyre"; I think he means "Mr. McCloskey." That Mr. McCloskey would win by 20 votes under the Democratic scenario that no one has been able at this point to validate in any way, shape or form, but which they run around making claims for. I do not think we want the RECORD to reflect it exactly as the gentleman said it.

The gentleman is right in the general drift of what he is trying to say. The Democrat claims with regard to that election just have absolutely no validity whatsoever. I thank the gentleman for yielding.

Mr. BOULTER. I thank the gentleman for his correction.

Mr. Speaker, the Democrats are claiming that Mr. McCloskey would be 20-plus votes ahead. Now, I think the dangerous thing about this argument is that this argument, coupled with the action of this House in not seating Mr. McIntyre, could set a very, very dangerous precedent. By refusing to recognize the certified winner from the Eighth District race in Indiana, a race which has been recounted, with the results now confirming a McIntyre victory by some 418 votes, the Democrat leadership is effectively disenfranchising over half a million people in the Eighth District of Indiana.

By vowing to leave that seat vacant until they can come up with some formula by which they can throw the election to their man, the Democrat leadership is blatantly ignoring the State election law of Indiana. Mr. Speaker, the last time I heard, Indiana was a sovereign State in these United States.

If you think about it, the precedent set in this situation could conceivably allow the Democrats to go into any State, even into the State of Texas, and claim that the election laws are invalid. They could do that in any one of the 50 States, and at their whim, refuse to seat Members of Congress who have been duly elected.

Mr. Speaker, this is a precedent which must not be allowed to be set. Rick McIntyre won this election; not Mr. McCloskey, Rick McIntyre has been duly certified by the highest election officer in this State; not Mr. McCloskey. Rick McIntyre deserves his place in this 99th Congress.

Mr. BOULTER. Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

What we have here is at best a very questionable constitutional procedure that is being used, and perhaps an outright unconstitutional procedure that is being used to deny a duly certified Member of Congress his seat in this Congress, on the mistaken notion put forth by the Democrats, and on mistaken precedents put forth by the Democrats, which indicate that we in this House can make that decision for the people of Indiana.

I know of no constitutional precedent, I know of no legal precedent which suggests that the people of Indiana shall be denied the right to choose their own elected Member of Congress. Yet, that is what the Democrats are asking us to accept right now. Mr. McIntyre won the election on election night, he won the election in the recount that has taken place, and now we are continuing to hear from the Democrats that they refuse to seat this Member of Congress because somehow the election ought to be recounted here and decided here.

Now, that is precisely the opposite of everything that the forefathers ever believed about our constitutional system. One of the things they tried to make certain of was that the Federal Government could not make those kinds of decisions; that local people and States could make the determination about the people that they sent here, without having people of, by, and for Washington make those decisions for them.

The Democrats have now figured out that they cannot win elections out in the country; that history is passing them by; that their philosophy simply cannot carry the majority of votes in many areas. Therefore, they have reapportioned this country in ways that allows them to protect themselves, and in this case, where the reapportionment did not serve to allow them to win the seat, now they are attempting to steal the seat in this body by turning the matter not over to the State of Indiana to determine the outcome of the election, where the Constitution makes very clear that matters should be settled, but rather turning the matter over to the House Administration Committee, where they just happen to hold nearly a 2-to-1 edge and where they can make the determination here in Washington.

This is absolutely terrible; it is an absolutely wrong precedent, and what we would end up with out of this is a precedent that will allow more and more seats to be determined under this procedure. What we are suggesting now is that if you win by some 400 votes, you may well have your election thrown into the House Administration Committee where a super majority of members of that committee will make the determination as to whether or not you are a Member of Congress.

The people of this country have long believed that our democracy says that if you go out and you compete in an election and you win by one vote, you in fact have won that election and are someone who should be able to serve in the body where you won the election. That is precisely what is being violated here. We are now having the creation of a whole series of myths about this election, so that in my mind what the Democrats can ultimately do is attempt to throw out the election that took place in November and get a special election later on that they would hope to win then by some nefarious procedure.

I feel very strongly that the case here is not just the case of Rick McIntyre and the people of his district who deserve to be presented, and he deserves to have his seat in this body. But the case goes far beyond that; the case goes to all 435 seats in this country, because all 435 Members are under the jeopardy of this kind of procedure. That is because from now on in, if you do not measure up to the standards of this body, despite the fact you have been elected in your seat, you have been elected in your State, certified by your State as the winner, you may in fact not get your seat in the Congress. That is a horrible way to proceed. There is no excuse for us sitting by and watching that happening. I think the defense of the majority party, of their actions in this regard, is one of the saddest commentaries on modern politics that has ever been written.

I thank the gentleman for yielding.

□ 1210

Mr. BOULTER. As the gentleman from Pennsylvania points out, in this strategy set up by the Democratic leadership, what we have is a series of myths, absolute myths, and one of those myths is that Washington, or this body, the House of Representa-

tives, is the body that should decide this election outcome.

It is interesting to note that Mr. McCloskey first told the Indiana courts and the U.S. district court in Evansville that the Federal Contested Elections Act vests in the House of Representatives sole and exclusive jurisdiction over congressional elections. He argued that the State of Indiana had no authority to conduct a recount and, again, the Federal court refused his request to enjoin the recount.

It is also interesting to note, Mr. WALKER, that Mr. McCloskey never did file a contest under the Federal Contested Elections Act.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. BOULTER. Yes; I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding, because I think what Mr. McCloskey needs to do is read his Constitution rather than the Federal Contested Election Act, and so on.

The fact is that the Constitution makes it very clear that the reason why the Federal courts would not enjoin that recount is because they probably read that Constitution. The Constitution, in section 4 of article I, makes it quite clear that times, places, and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof.

That is precisley what took place in Indiana. They set the time, the place, and the manner for holding the election. They even had a manner for recounting that election where there was some question. All of that has been prescribed. That is what the Constitution says about how Members of Congress shall get here. That is the reason why the Federal courts will not listen to Mr. McCloskey's argument. It has no validity in fact.

Beyond that, in section 5 it does say that each House shall be the judge of elections, returns, and qualifications of its own Members; however, all of the precedents under that particular section of the Constitution make it clear that the House cannot unlawfully deprive a State of its equal representation in this body.

That is precisely what we are doing in this House right now. We are unlawfully depriving the State of Indiana of their rightful representation within this House, and that is what every precedent suggests it is not possible to do. So Mr. McCloskey's claim to the Indiana courts and the U.S. district court simply comes from a man who evidently did not bother to read the Constitution.

Mr. BOULTER. So the gentleman's point, I believe, is that even according to the U.S. Constitution, this procedure is one that is up to the States, the individual States.

Mr. WALKER. The gentleman is absolutely correct.

Mr. BOULTER. And I would also point out, if my understanding is correct, that in these counties where the recount was taking place, in most of those cases the people who were responsible for conducting that recount most of the time were three-person committees, and two of those three were Democrats.

Mr. COBLE. Mr. Speaker, will the gentleman yield?

Mr. BOULTER. I yield to the distinguished gentleman from North Carolina.

Mr. COBLE. I thank the gentleman for yielding.

Mr. Speaker, last week I had the good fortune to address a history class in my district, the Sixth District of North Carolina. As the group adjourned, time after time each student would come to me and say, "Oh, I am sure you must be proud to be in the House," and I responded, "I am indeed proud to be a Member of this sitting body," Mr. Speaker; proud on the one hand, ashamed, however, on the other hand at what appears to be a willful disregard for fairness and equity, and I allude, of course, to the McIntyre matter in Indiana.

Rick McIntyre clearly appears to have been duly elected by the voters of the Eighth District of Indiana, but that is apparently not good enough for this body, for his seat on this floor remains vacant, his seat on this floor remains unoccupied, his seat on this floor remains inactive. Yes, his seat on this floor has been silenced, and the silence, Mr. Speaker, and ladies and gentlemen of the House, has taken the form of a muzzle that has been improperly and unfairly affixed.

The prayer breakfast this morning that I am sure most of my colleagues attended demonstrated bipartisan politics at its best. The manner in which the McIntyre case has been handled by this body, by the majority of this body, demonstrates partisan politics at its worst.

This body's decision to deny membership to Rick McIntyre constitutes, in my opinion, an abuse of power and a violation of trust, and those who suffer most directly and most painfully, it seems to me, Mr. Speaker, are the innocent residents of the Eighth District of Indiana, who simply ask to be represented by a Congressman whom they have elected.

The recount of votes, as my good friend from Texas just reminded us, enlarged the McIntyre margin—I think you said this—from the initial lead of 34 to a lead of 415 votes. But 415 votes, Mr. Speaker and ladies and gentlemen, apparently is not sufficient to satisfy the leaders of this body. If a victory margin of 415 is not sufficient today, what will be the magic number that must be required tomorrow—500, 1,000, 1,500 perhaps?

These rhetorical questions illuminate the arrogance we have disseminated across this land with the handling or the mishandling, I should say, of the Rick McIntyre matter.

I am about to conclude, and I thank the gentleman for yielding.

Mr. Speaker, it is a dangerous precedent that we have hammered out here, and I do not like to use the possessive because I did not hammer it out; I voted against it. But it is a dangerous precedent. The ship, it seems to me, is headed for the reefs and the shoals of blatant unfairness and inequity, and hypocrisy, for that matter.

We should, in the nautical sense, come about, reverse our course, seat Rick McIntyre, and get on with the business, the pressing business of this Nation.

Mr. BOULTER. I thank the gentleman for his remarks.

Mr. Speaker, it is interesting that the gentleman was talking about Congressman-elect McIntyre, how many more votes he might have to get. The interesting thing about that is that I talked with him on the telephone the other day when the recount had been completed, and he said to me, "BEAU, I am 415 votes ahead. that is about an elevenfold increase." His question was, "How many more times do I have to increase that? How many more votes do we have to get before I will be seated?" And I did not have a good answer.

Mr. BARTON of Texas. Mr. Speaker, will the gentleman yield?

Mr. BOULTER. I yield to the gentleman from Texas.

Mr. BARTON of Texas. I thank the gentleman for yielding.

Mr. Speaker, down in Texas where I come from we have an old saying that I think is probably universal in the United States that close only counts in horseshoes. I think we are going to have to change that; that close only counts in horseshoes and U.S. congressional races if you are the Democratic candidate and you come close.

I think that is a terrible precedent to set, as my honorable colleague from North Carolina just stated. We have heard a lot of talk in the last week or so about votes being stolen and on this floor this morning we heard some talk that the Republican recount commissioners disenfranchised some of the Democratic voters in the Eighth Congressional District of Indiana.

I took the time to look at the numbers, which may be somewhat unusual in this body, to take the time to actually go back and look at the facts, and I found out that in the recount that was just concluded last week, the Democratic candidate, Mr. McCloskey, gained votes in five counties, he lost

votes in seven counties, and he stayed the same in two counties.

Mr. BOULTER. Will the gentleman repeat that?

Mr. BARTON of Texas. In the recount that was just concluded, there were a total of 15 counties in Indiana's Eighth District. The Democratic candidate, Mr. McCloskey, lost votes in seven counties, he gained votes in five counties, and he stayed the same in two counties.

□ 1220

The Republican candidate, Mr. McIntyre, stayed the same in three counties. He gained in one county, and he lost votes in the rest of the counties. He lost votes in 11 counties. In 11 of those 15 counties, the Democrats controlled the recount commission 2 to 1. There was a total of 4,808 votes thrown out. Mr. McIntyre lost 2,212; Mr. McCloskey lost 2,596.

The county in which most of the votes were disallowed was Vanderburgh County. In Vanderburgh County Mr. McIntyre lost 1,494 votes and Mr. McCloskey lost 2,049 votes. In that county the Democrats controlled the recount commission 2 to 1.

How can the Republicans be accused of stealing an election when they controlled the recount commission in 11 of the 15 counties and in the county that most of the votes were thrown out in the Democrats controlled that 2 to 1? Mr. McIntyre, who is now accused, according to the Democrats, of stealing the election, lost votes in all but three of four counties.

I would like some of my Democratic colleagues to come back on the floor of the House and let us debate this thing on the facts. The facts are right here.

We have in this House set a dangerous precedent. Now I want to set some precedents. I want to set some precedents in this Congress that we pass a balanced-budget amendment. I want to set a precedent in this Congress that we allow our schoolchildren to voluntarily pray in the public schools if they so desire. I want to set a precedent of working with the President of the United States to reach a verifiable arms control agreement with the Soviet Union. But I do not want to set a precedent of saying that "close only counts in horseshoes and the U.S. Congress in elections if you are the Democratic candidate."

Mr. WEBER. Mr. Speaker, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Minnesota.

Mr. WEBER. Mr. Speaker, I thank the gentleman from Texas for yielding, and I would like to compliment the gentleman for taking this special order, as well as for showing such leadership on such a very sensitive and emotional issue in the first days of his first of many terms to come in the House of Representatives.

Mr. BARTON of Texas. We felt that we could do no less than call this issue to the attention of the American people.

Mr. WEBER. I think so. The point is that I think the American people, more so than perhaps many in Washington, are becoming aware of what the real issue is, and I would like to share with my colleagues some of the thoughts expressed in a recent editorial of the Detroit News of January 28, 1985, just this week.

The Detroit News, for the information of our colleagues, is the largest-circulation daily newspaper in the State of Michigan and has a long and honorable tradition of involvement in the politicial and economic affairs of that part of the country.

If I might, Mr. Speaker, at this point I ask unanimous consent that following my remarks the entire text of this editorial be included in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. WEBER. Mr. Speaker, I am not going to read the entire editorial, but I do want to quote from the editorial, which is entitled "The Undemocratic Party."

The editorial begins by saying:

The Democratic Party, ostensibly the party of compassion and fairness, has decided that Republican votes don't count in Indiana's Eighth Congressional District. Indiana's secretary of state has certified Richard McIntyre as the victor in his race against previous incumbent Democrat Frank McCloskey, and a recount this week widened his ostensible margin of victory from 34 votes to 415 votes.

But House Speaker Tip O'Neill and Tony Coelho, chairman of the Democratic Congressional Campaign Committee, have declared the voters and the Indiana officials wrong.

Therein lies, if I might say it, really one of the essential issues here. There is a serious constitutional issue. The Constitution does provide for means of deciding these kinds of disputed election contests, but the House of Representatives is not the only decider of these kinds of contests. The Constitution specifies that the State itself shall make determinations of who wins elections, and only when a State itself cannot decide who is going to win should this body be able to judge the case then on the merits of membership.

The Detroit News editorial goes on to state, quite accurately, I might say to my colleagues, all of the facts involved in the case, both from a legal and electoral and political point of view. I would like to again quote from the editorial of the Detroit News on some of their conclusions after they analyzed the case from an independent and nonpartisan perspective.

House leaders have merely confirmed that they believe in the one-man, one-vote concept only if it favors Democrats. Democrats won 50.03 percent of the popular vote for House seats this year, but district lines drawn by state legislatures gave them 58.16 percent of the seats in the House. By the same token, the membership on key committees hardly reflects Americans' preferences on policy. Democrats hold 58.7 percent of the votes on the Budget and Armed Services committees and 61.4 percent of the seats on the Appropriations Committee.

The McIntyre case demonstrates with frightening clarity how politicians can abandon their principles for partisan reasons. In a fairer world, the House would seat Richard McIntyre provisionally, and let the courts or the sovereign people of Indiana do what they must to resolve matters further. He has, by any reasonable standard, won that seat fairly. His only sin seems to be that he didn't win by enough votes to make Tip O'Neill happy.

Mr. Speaker, I would just suggest to my colleagues that that is very strong language, perhaps stronger language than we as Members would use in talking about the motives of our colleagues, but it is the language used by one of our Nation's leading newspapers, the largest-circulation newspaper in the State of Michigan. I think it is a point of view that is going to be increasingly reflected across the country.

Mr. Speaker, I thank the gentleman for yielding.

Mr. BARTON of Texas. Mr. Speaker, may I ask the gentleman one question about his remarks?

Does the gentleman know of any other case where one person held the certificate of election, only one person having been certified, and that person was refused to be seated under similar circumstances?

Mr. WEBER. Mr. Speaker, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Minnesota.

Mr. WEBER. I thank the gentleman for yielding.

Mr. Speaker, as I understand it, this is an absolutely unprecedented case. In my judgment, the Democratic leadership on this issue has tried to trump up a precedent by citing the Roush case of 1961, which is really not a precedent. It was indeed a contested election in that where was a contest or a dispute within the State of Indiana over who was the certified winner of that election. This is the only time, to my knowledge, in the entire history of the Republic, that the only certified winner of an election has been denied his seat.

Mr. BARTON of Texas. Mr. Speaker, I thank the gentleman for clearing that matter up.

Mr. WEBER. Mr. Speaker, I thank the gentleman for yielding, and at this point, under my unanimous-consent request, I include the entire text of the editorial to which I referred, as follows:

THE UNDEMOCRATIC PARTY

The Democratic Party, ostensibly the party of compassion and fairness, has decided that Republican votes don't count in Indiana's 8th Congressional District. Indiana's secretary of state has certified Richard McIntyre as the victor in his race against previous incumbent Democrat Frank McCloskey, and a recount this week widened his ostensible margin of victory from 34 votes to 415 votes.

But House Speaker Tip O'Neill and Tony Coelho, chairman of the Democratic Congressional Campaign Committee, have declared the voters and the Indiana officials wrong. "Nothing has changed the fact that Frank McCloskey won on Election Day, and an honest, complete, and nonpartisan vote count will confirm that," Rep. Coelho said recently. So the Washington polls have voted themselves the power to overturn the judgment of the people of Indiana.

Here's what happened. Republicans learned on election eve that the returns from two precincts had been counted twice, giving Mr. McCloskey an apparent victory. They asked the local county clerk to notify the secretary of state that the results from that county were in error, but the clerk, a Democrat, refused. Republicans took the matter to court, where a Democratic judge eventually ordered the clerk to amend the results. When that was done, Mr. McIntyre was certified the winner by the secretary of state (a Republican), and the results were forwarded to the clerk of the U.S. House of Representatives.

Under normal procedures, that would have been the end of the matter. No one had alleged fraud in the election, and no one implied that Mr. McIntyre had done anything shady or undignified. Democrats didn't even bother to challenge the results under the Contested Elections Act, which sets forth a procedure for reviewing very tight elections. The law in effect lets the House review an election much as a court would—taking depositions, reviewing evidence, even demanding a new election. At first, they tried to have the recount thrown out, asking a federal court to find fault with Indiana's recount procedure. The judge dismissed the case.

Meanwhile, a series of recounts was taking place in Indiana. County clerks appointed three-member, bipartisan election review boards, which examined ballots and double-checked procedures. Those recounts enlarged Mr. McIntyre's margin by 381 votes.

Still, Reps. O'Neill and Coelho wouldn't rest. They strong-armed colleagues into accepting House Resolution 1—the first legislation of the session—that essentially gave the House Administration Committee, and not the people of Indiana, final say about the election. The Democratic leaders argued that a 1961 case, in which Democrat Ed Rousch was seated after earlier results had given Republican George Chambers the victory, offers a precedent. But in that case, the Indiana secretary of state invalidated his own certification of victory for Mr. Chambers, after verifying charges of election fraud. As we noted above, there were no such charges or changes in certification this time around.

House leaders have merely confirmed that they believe in the one-man, one-vote concept only if it favors Democrats. Consider a few interesting statistics: Democrats won 50.03 percent of the popular vote for House seats this year, but district lines drawn by state legislatures gave them 58.16 of the seats in the House. By the same token, the membership on key committees hardly reflects Americans' preferences on policy. Democrats hold 58.7 percent of the votes on the Budget and Armed Services committees and 61.4 percent of the seats on the Appropriations Committee.

The McIntyre case demonstrates with frightening clarity how politicians can abandon their principles for partisan reasons. In a fairer world; the House would seat Richard McIntyre provisionally, and let the courts or the sovereign people of Indiana do what they must to resolve matters further. He has, by any reasonable standard, won that seat fairly. His only sin seems to be that he didn't win by enough votes to make Tip O'Neill happy.

Mr. ROWLAND of Connecticut. Mr. Speaker, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Connecticut.

Mr. ROWLAND of Connecticut. Mr. Speaker, I thank the gentleman for yielding.

There has been a lot of talk this morning and this afternoon about inequities and about the partisan politics that have taken place in this House. I think one of the other things we have talked about is the future of our electoral process and how we are going to affect the public and the many young people that we see watching this circumstance evolve.

As the youngest Member of Congress, I have had a number of opportunities, unique opportunities, to speak across my district and across my State, and during these discussions I continually urge young people to get involved in this political process, to run for office, to register to vote, and to participate in legislative opportunities. I tell them of the great opportunity that we have in this country to represent 500,000 people in an institution that I think is the greatest and finest in the entire world. I talk of the great pride that we have here and that we have shown and talked about.

But a few weeks ago, on January 3, we experienced an event that I am not very proud of. We experienced an event that disturbs me very much and obviously disturbs all of us very much, an event that may affect the attitudes of many young people who are watching this Congress and deciding whether to get involved in this legislative process. A duly elected Member of this House was asked to stand aside during the January 3 ceremonies, allegedly because he had not won by enough votes.

We have had a number of recounts, and Mr. McIntyre has accumulated a plurality of somewhere around 418 votes. That is 417 more votes than he needed to win this election, and for the first time in American history, as was pointed out, the majority party in this House is attempting to circumvent the election process in this country. As concerned freshmen, we are speaking out and urging the American people to take heed. It is a sad thing in this country when such partisan politics takes place in these great Halls.

I hope, as we all do, that this event will be corrected, and that when I have an opportunity again to speak with the many young people across my State, I can do it with the same enthusiasm, and I hope I can do it with the same pride I felt before January 3 when this event took place.

This event in Indiana must not set a precedent. It must not set a precedent in this House or in our electoral process, and I hope that we are not going to view this situation as a matter of routine election process but, rather, as an unfortunate decision that was made by the majority party and that will hopefully be corrected.

Mr. SHAW. Mr. Speaker, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Florida.

Mr. SHAW. Mr. Speaker, I thank the gentleman for yielding.

I would like to compliment the gentleman in the well, as well as his colleagues from the freshman Republican class, for taking this time out and for coming to the floor and voicing their absolute outrage at what has happened.

As I look over on the other side and see our many friends, many of whom believe very strongly in States rights and, I think, many of whom still embrace some of the democratic principles, I would almost urge them to start a new party or a new faction within the Democratic Party, and perhaps they could call it "Democrats for Democracy" or perhaps "Democrats for Constitutional Government."

As a freshman coming here to this institution, you must be absolutely outraged and shocked, not only at what has happened here, but when you see a party that is so unsure of itself that it refuses to seat one freshman Member, despite the fact that he has been certified across the board, you must be further shocked and absolutely outraged when you see what the Democratic Party has done under its rules regarding the placement of Members on committees.

□ 1230

Of course, even more insidious is what they are doing right now. As we are standing here there are caucuses all over the Hill on the various committees cutting down our representation even further on subcommittees. This is an absolute outrage.

I recently just got back, within the last few weeks, from the Union of South Africa, and there I viewed an apartheid which I thought was despicable. I thought it was disgraceful and I think it is an absolute outrage that the South African Government is not honoring one man/one vote, one of the basic principles that I thought we

in the United States embraced. Yet I see the same thing going on to a lesser degree but still going on right here in the House of Representatives.

I have seen on television many of our Members march to the South African Embassy and be arrested so they can register their outrage in a very real sense, and yet these same great liberals will come back here and when talking about the power of the Democratic Party they are so insensitive or perhaps I should say insecure that the dogma, that the rhetoric, that their exact position will not be imposed on the American people, that they take the various committees of this Congress and stack them in an unconscionable fashion.

Again I want to compliment you. I think that perhaps many of the Members on our side have gotten used to getting kicked around. But you are certainly not used to it. I am not used to it yet, and I do not intend to stay here so long that I will become used to it.

I would encourage you to keep up the good fight, keep focusing attention upon this outrage. When you are on the side of right you should stay there and stay vocal, and I thank the gentleman for yielding.

Mr. BOULTER. I thank you, sir. We may get kicked around, but we are not going to apologize when we do get kicked around.

Mr. ARMEY. Will the gentleman yield?

Mr. BOULTER. I yield to the distinguished gentleman from Texas.

Mr. ARMEY. I would like to express my outrage and my concern not as a Member of this House but as an American citizen who has had the opportunity to visit this House for at least one term by the good graces of the voters in my district.

When I entered my race for Congress I had absolutely no political background. I had no political connections. That did not bother me because I took faith in the one man/one vote principle. I believed in the principle of election by the ballot, and I declared my candidacy.

During my opening declaration I had a question posed to me by a reporter from the Fort Worth Star Telegram by a man named Jack Smith, a question that surprised me and confused me until January 3. Mr. Smith asked me if I had contacted any Members of the U.S. House of Representatives to see if they wanted me to join them in the House. I did not quite know how to respond to that because I did not know any Members of the U.S. House of Representatives. But I told him that I did not think that was necessary, that I was looking for the endorsement of the people of the district, and I was confident that if they gave me more votes than they did the other fellow that I would have my seat here in the House of Representatives, and my son and I, and many, many volunteers who believed in the things I believed in went out and campaigned, and by golly, we won more votes than the other fellow, and I came here and I was seated in the House.

That is the way I understand the process to work. That is the way the citizens that I talked to believed the process works. And I for one refuse to accept the proposition or the precedent that will let other candidates in the future understand they better check with the Members of Congress and see if they will be accepted when they get here. I do not think that is the way it should be.

I do not think Mr. McIntyre understood the need to do that. I do not think the rest of these Members did that. It is not by the benevolence or perhaps the oversight of the Democrat majority of the Members of this House that I have my seat. It is by the will of the people who gave me 6,700 more votes than they gave the other fellow.

That is what America is founded on. That is what the future of this Nation must stand on, and I think the time has come that this body correct its error and seat Mr. McIntyre and allow a proper representation of the people of Indiana.

I thank the gentleman.

Mr. BOULTER. I have known the distinguished gentleman from Texas for some time now, having compaigned during the same period of time. The gentleman is talking about a certain naiveness. I think that naiveness is shared by the American people, that the American people have always understood our process to be that even if you won by one vote, majority rule holds, the majority wins. and I think that is what you are talking about.

Mr. ARMEY. I thank the gentleman for that. And it is not naiveness. It is faith in the Constitution that this land adopted that makes it great, and I want that faith honored in the House.

Mr. MONSON. Will the gentleman yield?

Mr. BOULTER. I yield to the distinguished gentleman from Utah.

Mr. MONSON. I thank the gentleman and appreciate the gentleman from Texas yielding this time.

Mr. Speaker, I am frightened by the precedent that I see being set here, frightened for reasons that, having served as a State chief election officer myself, and having gotten to know those from other States who were in similar positions, recognizing in them the desire to be accurate in what they do, and knowing that that is foremost in their minds, and not a desire to be partisan in the work that they do but foremost to be accurate, I am frightened by the precedent that we would allow to be set here if we proceed in the manner that we have been proceeding, that a person that has been duly certified by the chief election officer of his State would not be seated as a Member of this House.

I am also frightened from the standpoint that, having gone through a very close election myself, I can see the possibility that if that were to happen to me again I might end up in the same situation. I could have easily ended up this time. I think probably the only reason I did not was that I was not running against an incumbent Member of this body. I ran against a person who had not previously held a position in this House and because it was in that situation it was not pursued to the extent that this election is being pursued.

So it frightens me as an individual that having won the most votes in my election I might come to Washington and not be given the seat that I have rightfully won.

We cannot allow this to go forward. We must act immediately to correct this situation and to allow Mr. McIntyre to be seated.

Since January 3, several of my Democrat colleagues have come to me and have indicated to me that the action that we took on that day to seat Mr. STALLINGS of Idaho was right and asked if I agreed with that. I most certainly did agree that that action was right and it is also right to seat Mr. McIntyre.

We should do it immediately and not waste any more time on this matter.

I thank the gentleman from Texas for yielding.

Mr. BOULTER. I thank the gentleman.

Mr. SMITH of New Hampshire. Will the gentleman yield?

Mr. BOULTER. I yield to the distinguished gentleman from New Hampshire.

Mr. SMITH of New Hampshire. I thank the gentleman from Texas for yielding. I also rise to express my support for Congressman McIntyre. I use that term deliberately.

Also to express my outrage as to what has happened in the past month in this body. As the gentleman said, I come from the State of New Hampshire, a small State with only two of us represented here in this Congress.

Mr. Speaker, I would find myself almost wishing that I could be in Mr. McIntyre's shoes because I pity the majority in this House of Representatives who made this decision if they had to face the constituents in my State if an individual were to be elected and not seated in this body. We are playing with the U.S. Constitution.

I have seen decisions rendered in small towns. We have town meetings in New Hampshire and I have seen critical decisions pass by one vote in my own hometown of Tuftonboro

many times. It happens. It is democracy at its best. It is the way democracy is supposed to work.

One of the shocking things that is coming about from this whole matter is that it is put into political terms. It should not and it is not a political issue. It is an issue dealing with the U.S. Constitution, and I say here and now to my colleagues and to you, Mr. Speaker, that the U.S. Constitution means more than Rick McIntyre, it means more than Mr. McCloskey, it means more than the 435 people who are now seated in this body.

□ 1240

It means more than the President of the United States and it means that the Constitution should be upheld, pure and simple.

You gentlemen on the opposite side of the aisle, we know you have the power, we know you have the power. I call on you in the interest of that Constitution, in the interest of the sacredness of that document, to reach down into your consciences next week, come back to the floor of this House and vote what you know in your heart is the right decision as the Republican party did earlier this month in seating Mr. STALLINGS because that was the right decision.

Seat Mr. McIntyre. He was elected.

This issue is not on the counting of votes. We have been talking about vote counting here over the last 45 minutes or so. However, it is not the counting of votes that is the issue. The Constitution, let us give some credit to the Founding Fathers; the Constitution, the Founding Fathers knew what they were doing.

They had a clause in there about this matter. But Mr. McIntyre was certified, certified by the secretary of state of Indiana.

In 1980 I went through a recount in my State. A Democratic secretary of state; I lost that recount and I lost the recount fair and square. My secretary of state, a Democrat, is a fair and honorable man and I resent the implication in some of the remarks made across the aisle that because the secretary of state of Indiana happens to have an "R" next to his name that that somehow invalidates this election.

We can seat and we should seat Rick McIntyre today. We should have seated him on January 3 and we still can go through the process of a recount which the Constitution provides for. If that recount overturns that decision, we can change that decision.

The process is wrong. We are playing with the Constitution and I am telling you, ladies and gentlemen, the American people are watching, they are watching.

Mr. Speaker, I thank the gentleman from Texas for yielding.

Mr. BOULTER. The gentleman from New Hampshire made an interesting point about the Republican secretary of state.

Now let us not forget that that Republican secretary of state himself certified, I believe, nine Democrats from the State of Indiana, several of whom had miscounts or mathematical errors in the tabulation of their votes. But they were seated by this body as was Mr. STALLINGS.

I thank the gentleman from New Hampshire.

Mr. Speaker, I yield to the gentleman from New Jersey.

Mr. GALLO. Mr. Speaker, I thank the gentleman for yielding to me.

As the freshman whip, I have listened to this debate, I have watched our freshman Members and others articulate this issue. When I look at the overall impact that has transpired on January 3, where in fact by law, by constitutional law, everything was met in dealing with Rick McIntyre's election, the secretary of state did authorize and certify that individual as a winner; when we go back to the district I think one of the most telling things that my colleagues have described is our young people; when we talk about young people getting involved in the process and understanding the process and then we have to go back and try to explain what has happened in this particular instance.

Mr. Speaker, I have never seen anything like this happen before.

Now, in the State of New Jersey we have had very close elections on many occasions. The last close election was for the Governor of that State. It was won by 1,700 votes. And, yes, there were some recounts. But not only was that upheld but the Democrat who was representing the Democratic Party and who comes from this House, Congressman FLORIO, did not contest the secretary of state when that was issued.

The precedent has been on the other side of this issue, it has not been on the side that the Democrats have stated.

I take exception with my colleagues in, specifically, what happened on January 3. I think it was a tragedy to have Rich McIntyre and his family put through the humiliation of stepping aside when in fact he had met all of the criteria, including the verification and certification from the secretary of state of Indiana's Eighth District.

So with that, I too stand here, Mr. Speaker, objecting to the blatant arrogance of the majority party in this House. And at the same time I would use this time to call upon them; and I have had an opportunity to serve and work with my colleagues on the majority side in the State of New Jersey and I know we have disagreements when we talk about political philosophy or whether we talk about a certain bill, and we argue those disagreements; but when it is the preservation of the Constitution whether it be the Federal Constitution or a State's constitution, I can tell you, my colleagues on the Democratic side, never try to perpetrate what has been perpetrated in this House.

For that I have a day that was supposed to be one of the most rewarding, exciting days, January 3 and it has a black mark next to it because of that injustice.

I thank the gentleman.

Mr. BOULTER. Mr. Speaker, I yield to the gentleman from Virginia.

Mr. SLAUGHTER. Mr. Speaker, I thank the gentleman from Texas for yielding to me.

Mr. Speaker, it is wrong and a poor precedent for this House in the absence of fraud to refuse to seat a candidate who has been certified by the election authorities of this State as the successful candidate for Congress.

As to the Eighth District of Indiana, there is no allegation of fraud in this case. Mr. McIntyre has been certified by the proper election authorities of his State. And until the decision of such authorities should be changed by their action or a change be ordered by a court of competent jurisdiction, neither of which has occurred, Mr. McIntyre is an elected Member of this Congress.

Mr. McIntyre is not only entitled to his seat in this House, but the people of the Eighth District of Indiana who do not have a Representative here in the present circumstances are entitled to have their elected Member of Congress seated in this body, voting in this body, and acting on all legislative matters on their behalf.

As a matter of constitutional right, as a matter of fairness, this House should proceed to seat Mr. McIntyre to represent the Eighth District of Indiana.

Mr. Speaker, I thank the gentleman for yielding.

Mr. BOULTER. Mr. Speaker, I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. I thank the gentleman for yielding.

Mr. Speaker, we have talked about a lot of things here over the last several days and weeks that this has carried on. Our colleague was talking a moment ago of addressing a class of youngsters, a school history class; and I think as adults one of the things we try to do is to set an example for our children to follow.

I think fairness and honesty are two things that have to be a very composite part of that.

What we are seeing, in my opinion, starting to develop in the McIntyre situation is a carryover from the campaign, and that is one of confusion and polarization of the people. Remarks that were made on the floor this morning, things that we are seeing in the popular press, is a deliberate at-

tempt, in my opinion, to confuse the people of this country and to polarize them against each other. For crying out loud, if we ever need people to work together, this is the time we need cooperation and not polarization.

In Mr. Webster's dictionary, if you look up the term "fairness," a couple of the definitions under it are: "Free of blemishes or stains; free of favoritism or bias; impartial; just to all parties; equitable; consistent with rules, logic or ethics."

□ 1250

Nothing in the McIntyre situation fits any of those descriptions of the word "fairness."

We have a practical joke that we use in our part of the country on some unsuspecting soul; we call it taking him on a "snipe hunt," where you take the individual out and put them down by a culvert, in a road ditch, and they are supposed to hold a sack open in the middle of the night while we go back to run the snipes into it. And, of course, everyone else goes home, because there is no such thing as a snipe.

I would suggest that the leadership on the other side of the aisle is taking the people in the Eighth District of Indiana on a snipe hunt. And today they are sitting in an empty ditch with an empty sack, waiting for something to run into it which does not exist.

I think it is time that we finished with this, that we put Mr. McIntyre in his seat. He has met all the legal qualifications; he has won his election; he has been certified; he is the proper age, he is a resident of the United States of America, it is time that we get on to the business of this House.

Mr. BOULTER. Mr. Speaker, what we have been talking about this morning are beliefs that are deeply held by the American people. Beliefs that are expressed in the little document to our country, the U.S. Constitution.

This, Mr. Speaker, is not an issue that pits or should pit Republicans versus Democrats. This is an issue which I would hope that many, many fairminded Democrats, with whom I intend to work with closely in the 99th Congress, will gain an appreciation for.

Frankly, we are concerned that many of our colleagues on the other side of the aisle have not heard the truth; that they do not understand the real facts. We believe that upon getting an understanding of the facts in this case that those Democrats and certainly there is a majority of them who do believe in the democratic process will join with us in seating Rick McIntyre.

The principle that we are talking about I think has been very eloquently spoken of by Congressman DICK ARMEY. I had a similar situation, running against an incumbent, an incumbent who I thought I would make a better Congressman than.

I knew that that decision was not going to be made by me; it was going to be made by the people in the 13th Congressional District of Texas, the people in Wichita Falls, in Pampa, in Borger, in Amarillo, and I knew I was going to have a tough race, but I always believed that absent some fraud, that if I got 50 percent of that vote plus 1—and frankly, I thought my race might be so tough that that is what it might come down to—I knew that I would be seated in this House.

So we are denying the principle of one man, one vote; the principle of majority rule. We are setting aside the clause in the U.S. Constitution which says that the States shall determine their own election processes.

Most of all, the people of the Eighth Congressional District in Indiana, for the 28th day, are being held hostage to this unfair situation created and trumped up by the Democratic leadership. It is nothing but trial by myth. The election is over and the recount is over.

I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding to me.

Mr. Speaker, as he finishes up I just want to say to the gentleman that I congratulate him on taking the special order and handling it in the manner that he handled it.

This is the first time that he has done something of this type on the floor; he did it very, very well, and I want to congratulate him not only on the subject matter and the people who spoke as a part of his special order, but also in the manner in which he conducted himself in the special order on the floor.

BALANCED BUDGET, VETERANS' ADMINISTRATION, AND IRS REGULATIONS

Mr. SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MICA] is recognized for 15 minutes.

Mr. MICA. Mr. Speaker, I take the floor to discuss two or three matters that are of importance to me and I would like to share with my colleagues. One deals with the balanced budget problems, the other with the Veterans' Administration situation in this Nation and in Miami in particular. The third, with IRS regulations.

First, I would like to say that this past year has been a year where we have had discussions about balancing the budget. I have no delusions about how we can balance the budget, and I do not have a solution nor do I think anyone in this Chamber has an immediate solution.

I think we have seen, with an administration that came into office espousing a belief in a balanced budget and ending up with a $200 billion a year deficit each year for 4 years, the difficulty in trying to balance the budget.

But I know and I think my colleagues know that the time of reckoning is here; we will have to approach this issue. It is an important issue and it is an issue that I think deserves every bit of attention.

With that, I would like to indicate that I have introduced as my first package of bills in this session, legislation aimed toward focusing attention on balancing the budget.

The first bill would be a phase-in period, requiring that we move toward a balanced budget over 3 years. I would be the first to say that 3 years is not a magic number; it would be 4 or 5, but I think we need the commitment. I believe everyone knows that we cannot do it overnight.

I introduced that bill, incidentally, the first day of the first session 6 years ago when I was elected. It did not pass. I feel that if we had made that commitment then, we might not be in the situation that we are in today; in fact, indeed, we would not.

The second bill would require the President of the United States to submit a balanced budget each year to the Congress. Now some might say that this is an exercise in futility, but I think it would be a worthy exercise, and one that we have discussed many times in this Chamber.

The President has said he wants a balanced budget; we say we would like a balanced budget, but we have never seen on paper what a balanced budget would mean or would do. At very least, it would give us a document of priorities to make a judgment as to the size of the cuts and the depth of the cuts, the adjustments or tax increases or whatever revenue changes might be necessary.

The third would be a final approach, if all else fails, that would require some type of constitutional amendment that would provide for a balanced budget except in times of national emergency or war.

We would, of course, have discussion, as we have had in the past, on the tenets of any constitutional amendment, but I think those three approaches at least shall focus some attention, not only on the rhetoric but on the reality of the balanced budget dilemma in this Nation.

Another area that I have been concerned with for the past 6 years is our veterans health care in this Nation. I know there has been a great deal of discussion about adequate funding for our medical facilities.

We had a situation that received national attention that started out with reports in south Florida of the very high death rate at the cardiac surgical

care unit in the Miami Veterans Hospital.

I would like to say at the onset that to this very date there is no proof in hand that there is a problem in the cardiac surgical care unit in Miami. That that published information led to a VA review panel going to Miami to look at the situation and closing down the facility until a determination is made.

It also led to a decision by the Veterans' Administration to review the VA Cardiac Surgical Care Program nationwide. I think both were appropriate actions, but I think we should withhold judgment until the review team, composed of three cardiac surgeons, reports in the next few weeks on the situation in Miami.

To that end, I have discussed with the chairman of the Hospital Subcommittee, Congressman EDGAR of Pennsylvania, the need for a hearing here in Washington to review the results of the investigations and reviews that are going on in Miami.

□ 1300

I am pleased that Chairman EDGAR has agreed to hold an open hearing as soon as the review team returns from Miami and presents its report. I think this will give us some indication and we can put on the public record exactly what the situation is in Miami.

I would say this: The fact that we are having a hearing is not a prejudgment that there is or is not a problem in Miami or in any other VA hospital. We are simply saying this: Throughout the Nation and particularly in Florida there have been major allegations in newspapers and across the media that problems exist. A team is reviewing this situation. A national review is taking place. We would like to have a hearing and set forth on the public record, yes, there is a problem and these are the steps that are being taken to correct it. Or, no, there is not a problem and veterans and the public should not be concerned. But in any event, the hearing has been agreed to by Congressman EDGAR. It will take place in the next month, maybe 6 weeks and we will have the information for the American public.

Lastly, I would like to mention an issue that has been coming to my attention in greater numbers almost every day and it may seem like a minor issue, but hundreds of thousands of Americans are affected by it and this is the subject of IRS regulations pertaining to tax deductions for automobiles.

Under legislation this House passed last year and incidentally most of us supported, regulations were issued that were somewhat onerous, in fact, very onerous and burdensome for the average American who tries to keep track of the mileage on the automobile for appropriate tax deductions.

Congressman ROEMER of Louisiana and I have cosponsored legislation. We have, with his leadership, received support of over 100 Members of the House to repeal this legislation and to say in effect that we, the American Government, the Internal Revenue Service, recognize that as a daily part of our business society, people do use automobiles, should be allowed some tax consideration and there should be a reasonable way to approach this.

So I have introduced legislation that would repeal these regulations so that we can move forward with a more reasonable approach. I think really that is the intent of the other 100-plus Members who have cosponsored this legislation.

So, with that, I intend to continue to try to report on the progress of our balanced budget legislation, the VA problems that we have and other legislation that comes before the House and hopefully we can have a successful 99th Congress.

A CONGRESSMAN'S VIEWS OF SOUTH AFRICA: SEEKING A PROPER PUBLIC POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. GUNDERSON] is recognized for 10 minutes.

Mr. GUNDERSON. Mr. Speaker, early this year on a bright Sunday morning, I found myself visiting with the owner of a medium-sized dairy farm outside Johannesburg, South Africa. With my background and interest in dairy agriculture, the opportunity to compare dairy support systems in different parts of the world should have been a great one indeed. However, as my view grew to include a distant hut, obviously lacking in electricity and plumbing, and lauded by the farmer as black servant housing, I began to realize the two contrasting societies functioning within this country—white versus black; power versus oppression; reform versus injustice; progress versus despair.

Certainly, South Africa is a country in need of change. Our challenge is how best to influence that change.

Recently, I joined three other Members of Congress on a visit to South Africa and Zimbabwe as guests of the South Africa Foundation. This foundation is an independent organization, financed entirely by private enterprise, which encourages a more informed understanding of South Africa through research, information, and dialog. With the issue of South Africa disinvestment becoming one of the top foreign policy issues of this session of Congress, the need to obtain as much insight as possible almost demanded participating in the trip.

As I left the States on this journey, I must admit to apprehension. The troubles in this faraway land were obvious, and I wondered whether the situation presented us would be comprehensive and unbiased. Further, I hoped that I could adequately respond to this newly acquired knowledge. Certainly a need exists in our national debate for thoughtful, informed, and constructive proposals to meet the moral challenges confronting us in South Africa.

Initially, thoughts upon my return were equally mixed. In South Africa, I had witnessed firsthand a country advanced, yet primitive. Natives—black and white—seemed defensive, convinced they were maligned either by their own country or world opinion, respectively. There simultaneously exists in this rich country hope and despair. The consensus believed the country was on a pendulum for reform and change that would never swing back. The real questions seemed to center on the form, substance, and timing of such change, for a time bomb of hopelessness and anger is ticking away among some elements of the black population. A crisis does exist. Whether it be a crisis of moral indignation at laws, customs, and living standards imposed upon the black community or it be a crisis of potential economic ruin and bloodshed from riot, it is difficult to determine. Perhaps it is both depending on emerging influences.

South Africa is an intensely complicated society. It is not the melting pot experienced in the United States. Rather, it is a fragmented population comprised of whites, blacks, coloureds, and Asians. The white population is divided between English and Afrikaans-speaking people of varied historical backgrounds and political philosophies. The black population is divided into four linguistic groupings: the Nguni, the Sotho, the Venda, and the Shangaan-Tsonga. The tribal ancestry of blacks has become most important for it is the basis upon which the government now decides to which "homeland" they are assigned.

The complicated society is even more obvious in its laws and customs regarding people of different races. For the typical American unfamiliar with South African politics, it is almost too monumental to comprehend. Fundamentally there exist two sets of laws: One of freedom for whites; one of submission to government control for others.

The most obvious element of this practice is known as apartheid. Apartheid, by definition, is separate existence for people of different races. It has been the official government policy since the late 1940's. Since that time, the government has passed or implemented numerous policies with the same concept in mind. "Pass laws" require the blacks and other nonwhites to restrict their movement from the rural areas into the cities.

"Influx control" is the system by which the movement of blacks is regulated. Each black is assigned a reference book which must be in their possession at all times. This book specifically designates the areas in which they can travel, thus regulating the movement of rural blacks into the cities.

Since 1977, following the Soweto riots, the government has used "emergency powers" to prohibit any meetings which would lead to breach of peace. This concept can be used by the government to prohibit any public meeting of blacks, especially those called to discuss political strategies. Laws on the books for some time, but predicted to be repealed by the Parliament this session, include the Immorality and the Mixed Marriages Act. These laws prohibit sexual relations or marriage between people of different races.

Finally, two government policies cause most of the recent conflict and controversy. First, it has been government policy for some time to cause the "forced removal" of blacks away from their present homes into the designated "homelands" often far away from previous living areas. By this process, the government actually tries to strip blacks of their South African nationality, thus permanently eliminating their citizenship and the potential for political participation in the government of South Africa. A second government action causing great worldwide concern is detention without trial. Following such detention for some black labor leaders, demonstrations began at the South African Embassy here in Washington.

Obviously, advocates for reform consequently focus their energy challenging blatant social injustices. At present, political equality is at best a dream. The new constitution implemented recently is a clear case in point as it grants political rights to the Asian and coloured populations. A house of parliament has been created for each. Blacks have remained conspicuously left out.

The most disturbing element of a visit such as ours is that one comes to the conclusion that changes other than political opportunity do seem most important now. In stark terms, it can be said that South Africa is one of the few places in the world where poverty is state-created through the apartheid system.

One black leader, wishing to remain anonymous, told us the worst element of the apartheid system is that it is destroying the black family as men are forced to leave their families to seek employment far from home. For example, in the mining industry, only 3 percent of the black laborers are allowed by law to live with their families near the site of employment.

REFORM IN SOUTH AFRICA

Surely the need for reform in South Africa is obvious and undeniable. It is important to note that this need for change is recognized by both whites and blacks in South Africa. Recently, six different business and industry organizations, from the traditionally conservative Afrikaanse Handelsinstituut to the black National Fricanederation of Chambers of Commerce, issued a joint statement calling on the government to enact a program of legislative reform. This reform package ranges from universal citizenship and meaningful political participation for blacks to an end to the forced removals. At this point, it is far too early to anticipate the government's reaction. Most analysts also project that the recent support for the new constitution by 65 percent of the white population verifies their commitment to change. While the new constitution does not go as far as Americans believe it should, it clearly moves toward that direction by bringing coloured and Asians into full political participation for the first time. While not said openly, the understanding among many South Africans is that the development of three houses of parliament in the new constitution is done in a way to allow for the creation of a fourth black house of parliament in the future. Thus, even for the most conservative people in South Africa, the road to full political participation for all citizens seems etched in their future.

The debate over reform in South Africa at times seems misdirected both among its own citizens and the world community. Those concerned seem determined to debate both the intended direction and the necessary end. However, we cannot anticipate answers until we begin the process of further reform. Certainly we, in America, would prefer one house of parliament, with all races given equal participation. But recognizing the long historical and social perspectives behind this country's problems, let's simply begin the process of further reform, come what may.

From an American point of view, we may be tempted to equate reform in South Africa with the story of the "Three Little Pigs." We would like to huff and puff and blow the laws down, and then all would be good. Unfortunately, it is not quite so simple.

As Americans, we should be committed to three goals. First, we should want change. Second, we should insist upon peaceful change. Third, we should want a strong economy remaining after the change has evolved. The simple realization of the huge commitment which will be needed from the government in the social service sector alone explains the crucial need for a strong economy to remain a part of South Africa.

It is tempting for Americans to support an immediate revolution. Our moral ethic can almost justify this type of immediate response. However, a thoughtful analysis of the situation will indicate the folly of such thoughts. First and foremost, the black population is not united. Due partly to government laws prohibiting public meetings for blacks and due partly to the different tribal backgrounds, there does not exist a single leader or single set of goals held by all blacks in South Africa. As evidenced by the recent problems Senator KENNEDY faced with some blacks, there is a growing breakdown between younger and older blacks.

As the young blacks are becoming polarized, unfortunately many young whites are becoming equally adamant in the protection of their present rights and benefits. Thus, one must realize that an attempt at revolution by the blacks would be bloody with major loss of life on both sides. And chances are at this time that any such effort would ill benefit any reform intentions. The simple fact is that the South African Army is the strongest on the continent. Unless the United States and other countries are willing to become involved militarily in such a conflict, the chances of success for the black population are remote indeed.

As one considers the elements of successful reform or revolution, we also consider the national agenda facing the government and people of South Africa. Perhaps no industrial country in the world faces a more costly social program than South Africa. Basic social policy dictates large government expenditures for housing, education, nutrition, and health care. Any effort to equate the standards and investment in these areas for blacks with those presently enjoyed by whites would cost literally billions of dollars. No government then, black or white run, can even begin to meet the social needs alone without a thriving economic base from which to raise its revenues. This point cannot be ignored.

Recent events throughout the African continent also come into play. The continent is suffering from its third consecutive year of drought. We have all witnessed the stark examples of starvation and famine on our television. While much of this is due to the weather itself, there must be a realization that most countries in Africa have also mismanaged their farm programs. South Africa is the most productive agriculture state on the continent. It is essential to the basic elements of life that this system not be destroyed in a bloody revolution.

Another essential consideration for Americans viewing the situation in South Africa is that while free enterprise and democracy are not necessarily coincidental, unfortunately most

native blacks equate the free enterprise system with South Africa's colonization and the political repression that followed. Subsequently, most blacks logically equate reform with socialism from both an economic and governmental perspective. Ours is a unique opportunity in that we can show that true freedom may exist in both a democratic government and a free enterprise system.

The question again, then, is not reform, but rather when and how that reform should occur.

As reform occurs, there exist numerous factors by which the United States and the world community can judge that change. These factors would include:

Repeal of the Mixed Marriages and Immorality Acts;

An end to forced removals and the homelands process;

An end to influx control and pass laws;

An end to detention without trial;

The legalization of all political parties.

Frankly, change can occur in all of these areas without any change or threat to the present power structure. Peaceful progress and reform would also require the creation of structures in which blacks can rationally discuss and form opinions, for the blacks are justifiably hesitant to accept any alternatives in which they cannot participate. Peaceful reform is commensurate, and I suspect there will be more compromise than is presently anticipated.

In the meantime, I again reiterate that the world community can be helpful in the long-term reform and progress that must occur. Governments and social organizations can and should join with the South African Government in common, if separate, investments in the black South African's future. Such investments must occur in education (presently more than six times as much per capita is spent for white education), in housing (reform cannot wait for political change), and black health care and nutrition (high infant mortality and starvation in some of the homelands).

Unfortunately, we must recognize that the comprehensive change and reform we are seeking will take time. Senator KENNEDY, in his speech in Johannesburg, said, "I suggest this form of progress only avoids the decisive issue—which is full and equal citizenship—not in a space of generations, but in a reasonable span of years."

We all know that governments, anywhere, are not the compelling factor in change. South Africa is no different. There the government will only respond to what it believes is the wish of its white constituents. However, in South Africa, business is and will be the compelling factor in change.

Presently, South Africa is the most industrialized country in the continent. It is both a first and third world country. Yet, its economy provides the best hope for true reform with true progress of any element in South Africa. Almost all agree that by the year 2050, blacks can control the country simply through economic progress. Some would rightly suggest that even today, if organized, blacks could stop working and bring the country to a halt. It is their lack of unity which prevents this.

South African business and economic leaders claim the growth essential for their economic needs calls for the creation of roughly 250,000 new jobs each year. Whites also recognize that there simply are not enough whites to accommodate the rapidly expanding economy. Thus, it is the black population which must be educated and trained to accept many of the new careers which will exist.

As mentioned earlier, in many ways, South African business is the leader among whites for reform. They are pressing their own government for reform and are the ones who led the efforts to allow black labor unions. In many cases, unlike the States, most of the vocational training is done by business, not the government. Without any mandate from the government, mines and other industries are investing in both specialized and general liberal arts education for their black workers. Recent years have also seen a significant growth in black salaries as many businesses accept the concept of equal pay for equal work. This does not justify the inadequate pay of the past, but it does suggest business thinking in much of the country has entered the modern era.

ROLE OF THE UNITED STATES

None of this, thus far, suggests how the United States should respond to the moral dilemma we face in South Africa. Our leadership in the free world almost compels America to develop some response to areas in the world where repression exists of this magnitude. Yet, the burning and difficult question for Americans is how best to be of assistance in achieving the reforms we seek. The U.S. Ambassador to South Africa put this dilemma in proper perspective recently when he said:

> Let everyone take note that there is no constituency for racism and apartheid in respectable American politics. As we enter an intense debate about U.S. policy toward South Africa, it is as important for Americans as it is for South Africans to keep this fact in mind. I remember only too vividly a dark period in our not-too-distant past when anticommunism ran the risk of being labeled—and libeled—as being "soft on communism." We do not need a repeat of this sordid chapter with respect to our policy toward South Africa. The real issue is not who is "soft on racism," but how the United States can best use its influence to advance the delicately interdependent process of peaceful change in South Africa itself, and peaceful change in the relations between South Africa and her neighbors.

Honorable people within the United States can differ on the means by which we can best achieve the reforms we seek. Strong moral statements of indignation may ultimately soothe the conscience; however, I am convinced they do nothing for South Africa nor her people. Allow me a couple of examples. First, I had the unique coincidence of being in South Africa at the same time as Senator KENNEDY's much heralded trip. While everything the Senator said was true and legitimate, the manner in which it was said and received may have only hurt the cause he championed. There is no question that his words served to polarize the white community.

Even whites in the liberal Progressive Party felt the Senator was too extreme, and his efforts in the black community only worked to polarize this element mainly between the young and old. When Bishop Tutu is forced to cancel KENNEDY's speech to the black community in Tutu's hometown of Soweto, the problems caused become all too apparent. Second, it is the conclusion of many in South Africa that the strong moral rhetoric of the Carter administration against South Africa may be the greatest element in the National Party's strong election in 1981.

There is certainly room for debate as to the success or chance of success for the policy of "Constructive Engagement." To the blacks, it seems inadequate because the strong moral statements of indignation are not there. Yet, there are many examples which do hold out hope for this policy. The South African Government is negotiating with its black neighboring states. Regional violence has been reduced. Except for the debate over Cuban troops in Angola, the Namibian settlement now seems possible. The internal situation in many ways seems to be improving as evidenced by the chambers of commerce joint statement for reform. "Constructive Engagement" needs to be judged, not by its intended direction but, rather, on the progress it is achieving.

Certainly, as leaders of the free world, America must take the lead in any policy of pressure that is adopted. Morally, as individuals, we must continue to press both here at home and in the world community for change in South Africa. We must realize that change will not occur without pressure, and we need to find ways for that pressure to occur from within its own constituency. Some would suggest that Africaaner today is even more committed to maintaining his economic progress and standard of living than to an ideology of apartheid.

All of this leads us to the immediate question of disinvestment. Certainly this will be one of the first foreign policy issues faced by the 99th Congress. Because South African law makes economic sabotage a crime, most blacks are hesitant to even discuss the issue of disinvestment, say nothing of advocating such action. Many in America seem committed to using the issue of disinvestment as a purity test for one's commitment to civil rights. The recent letter signed by myself and 36 other Republicans to the South African Ambassador has heightened interest in the issue of possible disinvestment or sanctions in the future.

If disinvestment would bring about immediate, peaceful, and total change to South Africa, I would be the first to support it; unfortunately, the facts suggest otherwise. In 1980, the United States placed an embargo on commercial business with the Soviet Union. When we realized that such action hurt our people without making any perceptible change in Soviet policies, the embargo was lifted. Let us not make the same mistake twice.

American investment in South Africa constitutes about 6 percent of the African gross national product. Of an economically active 7.5 million blacks, American companies employ 120,000 blacks. Unfortunately, if American interests are withdrawn, our investments would be promptly picked up by German, French, English, and Japanese investors. The cultural and traditional relationship between Europe and South Africa is strong. It does no good for us to pull out if our investments are retained by someone else.

Americans should again recognize the simple economic theory that the little man pays the price of the high roller. Assume our disinvestment would burden South Africa and immediately realize who would be hurt the most—the whites who own the companies or the blacks with the manual labor jobs? I suspect if an economic turndown occurred, the blacks would suffer the most.

An additional concern in this regard focuses upon South Africa's neighbors. Most Americans are committed to the success of new black majority countries such as Zimbabwe. Yet, 80 percent of Zimbabwe's trade is either with or through South Africa. Imagine the impact they would feel if total disinvestment occurred.

Few Americans can or should simply accept, however, the realization that disinvestment may not work, it may do more harm than good and, thus, decide we are helpless in changing the political and social structure of South Africa.

The head of the Black Chamber of Commerce, Mr. S.M. Monsuenyane, provides a clue to more positive action by Americans when he says:

I believe that instead of putting the accent on disinvestment, consideration should be given to alternatives such as giving direct financial support to black health and educational projects; or the channeling of foreign investments into worthwhile black business activities. This is certainly one of the ways in which concerned Americans could help to position blacks to become a viable part of the country's free enterprise economy.

If one assumes, and I believe rightly so, that in South Africa, business is ahead of the government and American business is ahead of South African business, there may be options for us to take in a positive and influential way. Rather than accepting the concept of disinvestment, or doing nothing, we should adopt the concept of "conditional investment." The Congress should adopt, and the President sign, a bill which allows American investment to continue providing that certain human rights conditions are achieved within a 5-year period. These conditions needing change would include those mentioned before:

Repeal of the Mixed Marriages and Immorality Acts;

An end to forced removals and the homelands process;

An end to influx control and pass laws;

An end to detention without trial; and

The legalization of all political parties.

American business has led the effort toward progress in human rights within the South African economic sector. Presently, American companies in South Africa adhere to the Sullivan principles. These principles are guidelines providing equal opportunity for all employees regardless of race. We may want to mandate that all American companies must do so. In addition, it is the American companies that have financed such educational efforts as the development, construction, and operation of a private commercial high school in Soweto.

At the end of the 5-year period, we would require the President, through the Secretary of State, to report to Congress on the progress made. If substantial progress has been achieved, American investment could continue. If not, then the administration would be directed to implement the methods by which disinvestment of American interests would occur.

Will it work? No one knows. But, based on numerous discussions with both black and white leaders, I believe this is the most positive step America could take to produce our desired results. It would not directly mandate anything upon the South African Government, but it would clearly take a strong moral position on behalf of our values for a truly free society. And, it would signal to the government and people of South Africa that the choice was theirs. If they desired the continuation of American investment, they could choose to implement the abovenamed human rights reforms.

Beyond this, America can take a more positive step in regard to the political rights of all people in South Africa. Presently, our Government has various sanctions against the Government of South Africa. We have taken steps to make it difficult for them to borrow from the International Monetary Fund. We have no mutual defense agreements, nor do we allow the sale of military weapons. It would seem that a logical and hopefully worthy incentive for reform could occur. We, as a Government, could adopt as policy our willingness to change, revise, or eliminate various sanctions against their government when all people in South Africa were given full political participation in their government.

Finally, if our goal is reform and progress, there exist some major needs that cannot wait for political decisions either at home or abroad. Presently, we provide $10 million annually direct to the black people of South Africa to assist in their struggles for progress—from education to political reform. This must continue.

But, in addition, and within our own economic constraints, a high priority must be placed upon additional funding for housing, education, nutrition, and health care. These are essential from a human rights and a moral perspective. We must equip the black population with the abilities if we choose to help them obtain full participation in their society.

I believe there is no unique invention called the "American Dream." Rather, it burns in the hearts and minds of people all over the world who yearn for the chance to be free and the opportunity to chart their own destiny. From that perspective, we can be the light of freedom throughout the world. And, based upon my visit through this rich yet tragic land, we can light that candle of hope for all—black or white, Asian or coloured. With the policies suggested above, we can make more than moral statements. We can be positive instruments for change.

VOLUNTARY NATIONAL YOUTH SERVICE ACT

(Mr. PANETTA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. PANETTA. Mr. Speaker, I rise today to introduce legislation designed to encourage local voluntary youth service programs which are just beginning to develop across the country. I am very pleased to be joined by Repre-

sentative JAMES JEFFORDS in sponsoring this important measure.

These innovative local youth service programs seek to tap our country's vast reservoir of young people and channel their energies toward the fulfillment of unmet human, social, and environmental needs in our communities. As a nation, we are committed to providing assistance for our elderly, ill and disabled citizens; caring for our children; conserving and protecting our environment and our natural resources; rebuilding our cities; educating our young people and helping educationally disadvantaged adults. Many valuable and worthwhile government programs exist to help us reach these and other important social goals. Yet, the last few years have seen a growing realization that government alone cannot provide all the answers. As we move into the end of the 20th century, we must draw on all the resources available to us; we must use imagination and innovation. I believe that voluntary youth service is one of the most promising of our alternatives to meet these challenges, a vast natural resource which we have barely begun to tap.

By identifying opportunities in local nonprofit social service organizations, hospitals, nursing homes, parks, schools, and neighborhoods where the efforts of young people can make a difference, local youth service programs offer our country tremendous benefits. Not only do such programs provide important services to their communities, but they impart lasting personal benefits to those who participate. Personal growth and self-esteem, a sense of participation in one's community as well as useful on-the-job training and experience are valuable products of public service. The fact is that public service can have unique and invaluable results in terms of personal growth of its individual participants—growth which reflects back on the society of which those individuals are a part.

Our young people represent our most precious resource, our investment in America's future. We cannot allow an entire generation to become dispirited and demoralized. It is shocking that 18.8 percent of American youth are currently unemployed and it is a national tragedy that over 350,000, 42.1 percent, of our black teenagers are jobless. Public service can serve as a barrier against the aimlessness and despair these high rates of unemployment can foster, in addition to making constructive use of idle energies and talents. It is unacceptable—economically, morally, politically, and socially—to allow the vitality and creativity of these young people to go to waste.

The legislation that Representative JEFFORDS and I are introducing today—the Voluntary National Youth Service Act—would provide the necessary incentives for the development of a truly broad-based program of voluntary youth service in our Nation's local communities. By providing matching Federal grants to State and local voluntary youth service programs, this legislation would encourage young people ages 17–24 to volunteer to serve in local nonprofit, social service or government agencies that meet important human, social, or environmental needs. Under these programs, participants would volunteer full time for a minimum 6 months of service with an approved sponsor organization.

In order to be eligible for a Federal grant, youth service programs must provide participants with stipends, housing, food or other in-kind assistance ranging in value from 50 to 110 percent of the Federal minimum wage. The State and local programs may also provide participants with postservice benefits—including educational assistance or matching salary grants for postservice employment. Total benefits would range between the equivalent of 80 to 160 percent of the Federal minimum wage. The sponsor organizations who contribute free training or who contribute funds toward their volunteers' living allowances will be given preference over those sponsors who do not contribute to the program.

While the Federal grants would be adminstered nationally by the Secretary of Health and Human Services, the overall focus of this legislation is at the local level. My legislation does not force a Federal program upon unwilling States and localities. Instead, this measure would lend important Federal support to locally initiated programs—programs directly responding to local needs and situations.

In my view, it is essential to allow the States and localities the flexibility necessary to develop innovative programs that encourage the maximum participation of young people in meeting the needs of their communities. The State and local programs are free to determine the exact combination of living allowances and postservice benefits that would best encourage youth service in their locality. This legislation also contains protections for salaried employees from replacement by voluntary youth service participants. Finally, under this legislation, individuals, businesses, foundations, and other groups can contribute time and money to local youth service programs. The key to the success of a voluntary youth service program is not only to enhance the service ethic in this country but to energize local communities behind these projects.

Already 14 States and 13 localities have seized this potential for youth service. The Washington State Service Corps, the San Francisco Conservation Corps, the City Volunteer Corps of New York, and the California Conservation Corps are all examples of innovative local efforts to focus the energies of young people toward meaningful constructive public service. The Governor of New York, Mario Cuomo, has also taken the initiative on the idea of youth service by proposing an Empire State Service Corps to the New York Legislature. Most recently, the State of Minnesota has begun to explore the possibility of a youth service initiative. With these and other initiatives underway at the State and local levels, I believe now is the time for the Federal Government to lend its support to these programs.

Mr. Speaker, there are those who would claim that these are worthwhile programs, with worthwhile goals, but that the Federal Government simply cannot afford the additional costs of such a program. I am sensitive to these concerns; however, the reality is that the long-term societal costs of not supporting these programs far exceed the costs of this legislation. The cost to our society of youth crime, of dependence on public assistance, and of the wasted talents and energies of idle youth are tremendous burdens on our country. An internal Justice Department study has estimated that the annual cost of youth crime alone is $5 billion. More importantly, however, studies done on the cost-effectiveness of youth service programs have shown that for every dollar spent on these projects at least $1.20 worth of benefits are produced in terms of work performed and services provided by youth service participants.

It is time that we revive the notion of citizenship. I continue to believe we can rekindle the spirit and activism which has motivated American youth in the past. John F. Kennedy sent out a call and received an answer to the challenge "Ask not what your country can do for you—ask what you can do for your country." I believe that my proposal for voluntary national service can succeed in rekindling this flame of activism and sounding a new call to national service. I sincerely hope that these remarks, and the legislation which follows, will help foster a renewed debate on the immense potential of voluntary service. For the convenience of my colleagues, the text of my legislation follows:

H.R. 888

A bill to authorize the Secretary of Health and Human Services to provide grants to States and units of general local government for youth service projects, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Voluntary National Youth Service Act".

PURPOSE

SEC. 2. The purpose of this Act is to encourage persons who are between 17 and 24 years of age, inclusive, to participate in voluntary national service by providing matching grants to eligible States and units of general local government for the operation of youth service projects.

DEFINITIONS

SEC. 3. For purposes of this Act:

(1) The term "Secretary" means the Secretary of Health and Human Services.

(2) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(3) The term "unit of general local government" means any city, county, town, township, parish, village, or other general purpose political subdivision of a State, or any combination of such political subdivisions recognized by the Secretary. Such term also includes any public body or agency, including a political subdivision, created by or under the laws of a State or two or more States, or any combination of such public bodies or agencies.

YOUTH SERVICE PROJECT GRANTS

SEC. 4. The Secretary may provide, to States and units of general local government determined to be eligible under section 6, grants for youth service projects administered by such States and units of general local government.

DESIGNATION OF SERVICE CATEGORIES

SEC. 5. (a) The Secretary shall by regulation designate specific activities as service categories in which persons serving in youth service projects may serve for purposes of this Act.

(b) An activity may be designated as a service category under subsection (a) if the Secretary determines that—

(1) such activity is of substantial social benefit in meeting unmet human, social, or environmental needs of or in the community where service is to be performed;

(2) involvement of persons serving in youth service projects under this Act in such activity will not interfere unreasonably with the availability and the terms of employment of employees of sponsoring organizations with positions available in such activity;

(3) persons serving in youth service projects under this Act are able to meet the physical, mental, and educational qualifications that such activity requires; and

(4) such activity is otherwise appropriate for purposes of this Act.

(c) The service categories referred to in subsection (a) may include—

(1) service in State, local, and regional governmental agencies;

(2) service in nursing homes, hospices, senior centers, hospitals, local libraries, parks, recreational facilities, day care centers, and schools;

(3) service in law enforcement agencies, and penal and probation systems;

(4) service in private nonprofit organizations whose principal purpose is social service;

(5) service in the rehabilitation or improvement of public facilities; neighborhood improvements; literacy training benefiting educationally disadvantaged persons; weatherization and basic repairs to low-income housing; energy conservation including solar energy techniques, removal of architectural barriers to access, by handicapped persons, to public facilities; and conservation, maintenance, or restoration of natural resources on publicly held lands.;

(6) any other service that the Secretary determines to be appropriate for purposes of this Act.

(d) The service categories referred to in subsection (a) may not include any position in any—

(1) business organized for profit;

(2) labor union;

(3) partisan political organization;

(4) organization engaged in religious activities, unless such position does not involve any religious functions; or

(5) domestic or personal service company or organization.

ELIGIBILITY FOR GRANTS

SEC. 6. (a) In order to be eligible for any grant under section 4, a State or unit of general local government shall—

(1) submit a plan that describes the existing or proposed youth service project for which such grant will be used; and

(2) demonstrate to the satisfaction of the Secretary that it will expend, for purposes of a youth service project assisted under this Act, an amount from public or private non-Federal sources (including the direct cost of employment or training services provided by State or local programs, private nonprofit organizations, or private for-profit employers) equal to the amount made available to such State or unit of general local government under section 4.

(b) The plan referred to in subsection (a)(1) shall include—

(1) a list of positions from which any person serving in such project may choose a service position, which list shall, to the extent practicable, identify a sufficient number and variety of positions so that any person living within such State or unit of general local government who desires to serve in voluntary youth service may serve in a position that fulfills the needs of such person;

(2) a list of requirements to be imposed on any sponsoring organization any person serving in a youth service project under this Act, including a provision that any sponsoring organization that invests in any project under this Act by making a cash contribution or by providing free training of any person participating in such project shall be given preference over any sponsoring organization who does not make such an investment;

(3) a provision that any permanent part-time or full-time employee of any employee of any employer shall not be displaced from any position by any person serving in a youth service project under this Act.

(4) a provision that any person serving in a youth service project under this Act who is not a high school graduate shall participate in an educational component whereby such person can earn a high school diploma or its equivalent;

(5) a provision that any person serving in a youth service project under this Act may arrange to receive academic credit in recognition of learning and skills obtained from service satisfactorily completed;

(6) a provision that persons who are eligible to serve in a youth service project under this Act shall be consulted as to the types of positions that should be available to persons who serve in youth service projects under this Act;

(7) a provision that special efforts will be made to enroll and recruit youths who are economically disadvantaged as defined in section 4(8) of the Job Training Partnership Act; and

(8) a schedule providing for an aggregate amount of compensation and benefits, including post-service education benefits or post-service employment vouchers, to be distributed to any person who serves in a youth service project under this Act—

(A) equal to not less than 80 percent and not more than 160 percent of the amount such person would have earned if such person has been paid at a rate equal to the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) during the period of service of such person; and

(B) that includes a subsistence allowance (in cash or in kind) of not less than 50 percent and not more than 110 percent of such minimum wage, to be paid to such person during such period of service.

(c) Earnings, and allowances received by an economically disadvantaged youth, as defined in section 4(8) of the Job Training Partnership Act, under this Act shall be disregarded in determining the eligibility of the youth's family for, and the amount of, any benefits based upon need under any Federal or federally assisted programs.

SELECTION CRITERIA

SEC. 7. The Secretary shall distribute grants among eligible States and units of general local government on the basis of which such States and units of general local government will best use such funds to further the purposes of this Act, as determined by the Secretary on the basis of the plans submitted by such States and units of general local government under section 6.

NONDISCRIMINATION PROVISION

SEC. 8. (a) No person in the United States shall on the ground of race, creed, belief, color, national origin, sex, handicap, or political affiliation, be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with, any youth service project for which any State or unit of general local government receives a grant under section 4.

(b) For purposes of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), any youth service project for which any State or unit of general local government receives a grant under section 4 shall be considered to be receiving Federal financial assistance.

LIMITATIONS

SEC. 9. (a) Any person who serves in a youth service project under this Act shall be not less than 17 years of age and not more than 24 years of age.

(b)(1) No person may serve in a youth service project under this Act for more than a 2-year period.

(2) Any person who agrees to serve in a youth service project under this Act shall agree to serve for not less than a 6-month period.

(c) Any person who does not hold a high school diploma or its equivalent may not be accepted for service in a youth service project under this Act unless such person has not been enrolled as a high school student during the 3-month period before the date of such acceptance.

(d) Not more than 15 percent of any grant awarded to any State or unit of general local government under section 4 may be used for administrative expenses.

REVIEW AND REPORTING REQUIREMENTS

SEC. 10. (a) Each State and unit of general local government that receives any grant under section 4 shall provide oversight of service by any person in a youth service project under this Act, and of the operations of any employer of such person, in accordance with procedures established by the Secretary. Such procedures shall include fiscal control, accounting, audit, and debt collection procedures to ensure the proper disbursal of, and accounting for, funds received under this Act. In order to carry out this section, each State and unit of general local government that receives a grant under section 4 shall have access to such information concerning the operations of any sponsoring organization as the Secretary determines to be appropriate.

(b) Each State and unit of general local government receiving a grant under section 4 shall prepare and submit an annual report to the Secretary on such date as the Secretary shall determine to be appropriate. Such report shall include—

(1) a description of activities conducted by the youth service project for which such grant was awarded during the year involved;

(2) characteristics of persons serving in such youth service project;

(3) characteristics of positions held by such persons;

(4) a determination of the extent to which relevant standards, as determined by the Secretary, were met by such persons and their sponsoring organizations;

(5) a description of the post-service experiences, including employment and education achievements, of persons have served, during the year that is the subject of the report, in youth service projects under this Act; and

(6) any additional information that the Secretary determines to be appropriate for purposes of this Act.

(c) The Secretary shall submit to the President and the Congress an annual report of the activities conducted under this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. There are authorized to be appropriated to carry out the provisions of this Act such sums as may be necessary for fiscal year 1986 and for each succeeding fiscal year. Any amount appropriated under this section shall remain available until expended.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BILIRAKIS) to revise and extend their remarks and include extraneous material:)

Mr. GUNDERSON, for 10 minutes, today.

Mr. BATEMAN, for 5 minutes, today.

Mrs. ROUKEMA, for 60 minutes, February 6.

Mr. BOULTER, for 60 minutes, today.

Mr. ROTH, for 60 minutes, February 4.

Mr. WALKER, for 60 minutes, today.

Mr. MICHEL, for 5 minutes, today.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. MICA, for 15 minutes, today.

Mr. WEAVER, for 30 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. SKELTON, for 60 minutes, February 4.

Mrs. BOXER, for 60 minutes, February 21.

Mr. OWENS, for 60 minutes, April 17.

(The following Members (at the request of Mr. PERKINS) to revise and extend their remarks and include extraneous material:)

Mr. PANETTA, for 5 minutes, today.

Mr. SKELTON, for 30 minutes, February 6.

Mr. HAMILTON, for 60 minutes, February 6.

Mr. ALEXANDER, for 60 minutes, February 6.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PANETTA, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $3,477.

(The following Members (at the request of Mr. BILIRAKIS) and to include extraneous matter:)

Mr. CHAPPIE.

Mr. MORRISON of Washington in two instances.

Mr. DANNEMEYER.

Mr. GEKAS in three instances.

Ms. SNOWE.

Mr. HAMMERSCHMIDT.

Mr. SCHULZE.

Mr. YOUNG of Alaska.

Mr. MICHEL in two instances.

Mr. HILER.

Mrs. JOHNSON.

Mr. KEMP.

Mr. RINALDO.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. PEPPER.

Mr. VENTO.

Mr. BRYANT.

Mr. LAFALCE.

Mr. BORSKI.

Mr. STARK.

Mr. HOYER.

Mr. KOLTER.

Mr. WILLIAMS in two instances.

Mr. SMITH of Florida.

Mr. DERRICK.

Mr. BIAGGI.

Mr. ACKERMAN.

Mr. HAMILTON in two instances.

Mr. DICKS.

Mr. PANETTA.

Mr. DARDEN.

Mr. MOODY in two instances.

ADJOURNMENT

Mr. PERKINS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 14 minutes p.m.), under its previous order, the House adjourned until Monday, February 4, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

451. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on human rights in countries receiving development assistance, pursuant to FAA, section 116(d) (91 Stat. 537); to the Committee on Foreign Affairs.

452. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on human rights in countries receiving development assistance and security assistance, pursuant to FAA, sections 116(d) and 502B(b); to Committee on Foreign Affairs.

453. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a determination continuing certain forms of assistance to Haiti, pursuant to Public Law 98-473, section 540; jointly, to the Committees on Appropriations and Foreign Affairs.

REPORT OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Filed on January 3, 1985]

Mr. RANGEL: Select Committee on Narcotics Abuse and Control. Annual report for the year 1984 of the Select Committee on Narcotics Abuse and Control (Rept. No. 98-1199). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AKAKA (for himself, Mr. MORRISON of Washington, Mr. YOUNG of Alaska, Mr. WYDEN, Mr. DENNY SMITH, Mr. HANSEN, Mr. NIELSON of Utah, and Mr. CHANDLER):

H.R. 862. A bill to grant the consent of the Congress to the Northwest Interstate Compact on Low-Level Radioactive Waste Management; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

By Mr. ANDERSON:

H.R. 863. A bill to repeal the provisions of the Tax Reform Act of 1984 relating to the maintenance of contemporaneous records with respect to the business use of certain property; to the Committee on Ways and Means.

By Mr. APPLEGATE (by request):

H.R. 864. A bill to amend title 38, United States Code, to improve veterans' benefits for former prisoners of wars; to the Committee on Veterans' Affairs.

By Mr. BATEMAN:

H.R. 865. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers, to carry out certain erosion control projects in the Chesapeake Bay, VA; to the Committee on Public Works and Transportation.

By Mr. BATEMAN (for himself, Mr. WHITEHURST, Mr. SISISKY, and Mr. BOUCHER):

H.R. 866. A bill to authorize the project for navigation at the Port of Hampton Roads, VA; to the Committee on Public Works and Transportation.

By Mr. BILIRAKIS:

H.R. 867. A bill to amend section 3104 of title 38, United States Code, to permit certain service-connected disabled veterans who are retired members of the Armed Forces to receive compensation concurrently with retired pay, without deduction from either; to the Committee on Veterans' Affairs.

By Mrs. BYRON:

H.R. 868. A bill to amend title 23, United States Code, to provide more flexibility in allocation of interstate substitute funds; to the Committee on Public Works and Transportation.

By Mr. CHAPPIE:

H.R. 869. A bill to rename a reservoir in the Central Valley project, California, as the "Trinity Lake" and the "Clair Engle Dam"; to the Committee on Interior and Insular Affairs.

By Mr. DANNEMEYER (for himself, Mr. ROE, Mr. HORTON, Mr. RAHALL, Mr. DWYER of New Jersey, Mr. LAGOMARSINO, Mr. FROST, Mr. FRENZEL, Mr. MOORHEAD, Mr. BEVILL, Mr. BRYANT, Ms. MIKULSKI, Mr. DUNCAN, Mr. SKELTON, Mr. QUILLEN, Mr. EVANS of Iowa, and Mr. REGULA):

H.R. 870. A bill to provide for the minting of half dollar coins to commemorate the 75th anniversary of the Boy Scouts of America and the Girl Scouts of the United States of America; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DAUB (for himself, Mr. LELAND, Mr. BIAGGI, Mr. FRANK, Mr. WEBER, Mr. ROE, Mr. STOKES, Mr. DANIEL, Mr. FISH, Mrs. MARTIN of Illinois, Mr. JEFFORDS, Mr. CONYERS, Mr. TALLON, Mr. DYMALLY, Mr. LAGOMARSINO, Mr. DWYER of New Jersey, Mr. BORSKI, Mrs. COLLINS, Mr. GARCIA, Mr. ADDABBO, Mr. LUNGREN, Mr. BILIRAKIS, Mr. SCHEUER, Mr. ROGERS, Mr. RIDGE, Mr. FAZIO, Mr. STENHOLM, Mrs. JOHNSON, Mrs. HOLT, Mr. HATCHER, Mr. NEAL, Mr. MCCANDLESS, Mr. BEDELL, and Mr. COATS):

H.R. 871. A bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies and that such benefit shall be payable for such month only to the extent proportionate to the number of days in such month preceding the date of the recipients' death; to the Committee on Ways and Means.

By Mr. DICKS (for himself and Mrs. SCHROEDER):

H.R. 872. A bill to preclude changes in the Federal regional office structure except by statute; to the Committee on Government Operations.

By Mr. DICKS (for himself, Mr. STRATTON, Mr. FAZIO, and Mr. WOLF):

H.R. 873. A bill to permit employee organizations, which are not eligible to participate in the Federal Employees Health Benefits Program solely because of the requirement that applications for approval be filed before January 1, 1980, to apply for approval to offer a health benefits plan; to the Committee on Post Office and Civil Service.

By Mr. DORGAN of North Dakota:

H.R. 874. A bill to amend subtitle C of the Consolidated Farm and Rural Development Act to add a family farm requirement to the emergency disaster loan program; to the Committee on Agriculture.

By Mr. GEJDENSON:

H.R. 875. A bill to amend title II of the Civil Rights Act of 1964 to include sex discrimination as a prohibited practice in places of public accommodation and to provide that private clubs used to a substantial degree for business purposes are places of public accommodation within the meaning of such title; to the Committee on the Judiciary.

H.R. 876. A bill to amend the Internal Revenue Code of 1954 to provide that no deduction from gross income shall be allowed for expenses for food, beverages, lodging, or entertainment incurred in a facility which limits access to such facility in any manner on the basis of race, color, religion, sex, or national origin; to the Committee on Ways and Means.

By Mr. GEKAS:

H.R. 877. A bill to prohibit the award of attorney's fees against judges growing out of actions for injunctive relief; to the Committee on the Judiciary.

By Mr. HAMMERSCHMIDT:

H.R. 878. A bill to repeal the changes made by the Tax Reform Act of 1984 with respect to the tax treatment of debt instruments issued for property; to the Committee on Ways and Means.

H.R. 879. A bill to repeal the contemporaneous recordkeeping requirement and certain other recently enacted provisions of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mrs. JOHNSON (for herself, Ms. SNOWE, Mrs. KENNELLY, and Mr. LEVIN of Michigan):

H.R. 880. A bill to amend the Social Security Act to provide for the conduct of pilot and demonstration projects to test whether the development of programs for the provision of education or vocational training and adequate support services for caretaker parents with preschool children under the AFDC program will assist them in leaving the AFDC rolls quickly and in securing gainful long-term employment at earnings levels sufficient to maintain their families without subsidies; to the Committee on Ways and Means.

By Mr. KOLTER:

H.R. 881. A bill to authorize construction of a highway project in Beaver County and Lawrence County, PA; to the Committee on Public Works and Transportation.

By Mr. LOWRY of Washington (for himself, Mr. BEREUTER, Mr. LEHMAN of California, Mr. FOLEY, Mr. SWIFT, Mr. MORRISON of Washington, Mr. BONKER, Mr. DICKS, Mr. CHANDLER, Mr. MILLER of Washington, Mr. LIGHTFOOT, Mr. KOLTER, Mr. PENNY, Mr. RANGEL, Mr. ROWLAND of Georgia, Mr. DYMALLY, Mr. ROYBAL, Mr. HAWKINS, Mr. DIXON, Mr. BERMAN, Mr. MATSUI, Mr. STARK, Mr. COELHO, Mr. EDWARDS of California, Mr. FAZIO, Mr. SHAW, Mr. MOORHEAD, Mr. LEVINE of California, Mr. DAUB, Mr. TORRES, Mr. BATES, Mr. BROWN of California, Mr. MILLER of California, Mr. NIELSON of Utah, Mrs. SMITH of Nebraska, Mr. BEDELL, Mr. LEHMAN of Florida, and Mr. KOLBE):

H.R. 882. A bill to amend the Housing and Community Development Act of 1974 to provide that 50 percent of the grants under the urban development action grant program shall be made solely on the basis of project quality; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MARLENEE:

H.R. 883. A bill to amend title 18 of the United States Code to penalize the obstruction of certain hunts, and for other purposes; to the Committee on the Judiciary.

By Mr. MICA:

H.R. 884. A bill to repeal the requirements added by the Deficit Reduction Act of 1984, (Public Law 98-369), relating to the maintenance of contemporaneous records with respect to business use of automobiles and certain other property; to the Committee on Ways and Means.

By Ms. MIKULSKI (for herself, Mr. STARK, Mrs. BENTLEY, Mrs. HOLT, Mr. DYSON, and Mr. MITCHELL):

H.R. 885. A bill to provide for stability in the location of professional sports franchises, to provide equitable relocation procedures to ensure that the interests of communities which support such franchises are given due consideration, and for other purposes; jointly, to the Committee on Energy and Commerce and the Judiciary.

By Mr. MONTGOMERY:

H.R. 886. A bill to amend title 10, United States Code, to ensure an orderly transition to the new educational assistance program provided under chapter 106 of such title; to the Committee on Armed Services.

By Mr. MOODY (for himself, Mrs. BOGGS, Mr. MITCHELL, AND Mr. ADDABBO):

H.R. 887. A bill to establish the National Commission on Women's Business Ownership; jointly, to the Committee on Banking, Finance and Urban Affairs; Government Operations; and Small Business.

By Mr. PANETTA (for himself, Mr. JEFFORDS, Mr. MARTINEZ, and Mr. BEILENSON):

H.R. 888. A bill to authorize the Secretary of Health and Human Services to provide grants to States and units and general local government for youth service projects, and for other purposes; to the Committee on Education and Labor.

By Mr. PEASE:

H.R. 889. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for political contributions to candidates for Congress which is more limited than the existing credit for such contributions; to the Committee on Ways and Means.

By Mr. PEASE (for himself, Mr. STARK, and Ms. KAPTUR):

H.R. 890. A bill to extend the Federal supplemental unemployment compensation program for 18 months; to the Committee on Ways and Means.

By Mr. RAHALL:

H.R. 891. A bill to amend the Food Stamp Act of 1977 to exclude from household income the actual and reasonable expenses incurred by household members for books and transportation incidental to attending school; to the Committee on Agriculture.

H.R. 892. A bill to require that a 3-year supply of coke be acquired for the National

defense stockpile; to the Committee on Armed Services.

H.R. 893. A bill to amend chapter 34 of title 38, United States Code, to extend the time limitation for completing a program of education; to the Committee on Veterans' Affairs.

By Mr. ROYBAL:

H.R. 894. A bill to provide assistance and coordination in the provision of child-care services for children living in homes with working parents, and for other purposes; to the Committee on Education and Labor.

By Mr. SCHULZE:

H.R. 895. A bill to reduce the Federal deficit by imposing temporary surtaxes; to the Committee on Ways and Means.

By Mr. SCHUMER:

H.R. 896. A bill to improve State criminal justice information systems, including criminal history records; to establish an interstate identification index based on criminal records and to provide assistance to States to use such index; to ensure that criminal history records are accurate and complete; and for other purposes; to the Committee on the Judiciary.

By Mr. SEIBERLING:

H.R. 897. A bill to recognize the Army and Navy Union of the United States of America; to the Committee on the Judiciary.

By Mr. STARK:

H.R. 898. A bill to revise the basis for issuing notices of deficiency and determining the judicial review of "oil item" issues under the Crude Oil Windfall Profit Tax Act of 1980; to the Committee on Ways and Means.

By Mr. VOLKMER:

H.R. 899. A bill to direct the Secretary of the Army to construct a levee along the Meramec River to prevent flood damage to the community of Pacific, MO; to the Committee on Public Works and Transportation.

By Mr. WILLIAMS (for himself and Mr. FOLEY):

H.R. 900. A bill to provide an experience of life in the United States to children from areas affected by civil strife in Ireland by permitting the use of education block grant funds; to the Committee on Education and Labor.

By Mr. WILLIAMS (for himself and Mr. FLORIO):

H.R. 901. A bill to provide a program of grants to assist local educational agenices to improve the basic skills of economically disadvantaged secondary school students, and for other purposes; to the Committee on Education and Labor.

By Mr. WISE (for himself, Mr. STAGGERS, Mr. MOLLOHAN, and Mr. RAHALL):

H.R. 902. A bill to waive certain requirements of section 103A of the Internal Revenue Code of 1954 with respect to certain veterans' mortgage obligations; to the Committee on Ways and Means.

By Mr. WOLPE:

H.R. 903. A bill to amend the Nuclear Non-Proliferation Act of 1978 and otherwise promote the nuclear nonproliferation policies of the United States; to the Committee on Foreign Affairs.

By Mrs. BOXER (for herself and Mr. MAVROULES):

H.J. Res. 119. Joint resolution entitled: the "Nuclear Test Ban Challenge"; to the Committee on Foreign Affairs.

By Mr. DELLUMS (for himself, Mr. BATES, Mr. DYMALLY, Mr. FAUNTROY, Mr. MITCHELL, Mr. SAVAGE, Mr. TOWNS, and Mr. CONYERS):

H.J. Res. 120. Joint resolution entitled: "Self-determination for Puerto Rico"; to the Committee on Interior and Insular Affairs.

By Mr. HILER (for himself, Ms. OAKAR, Mr. SUNIA, Mr. SWIFT, Mr. LEWIS of California, Mr. BONER of Tennessee, Mrs. LLOYD, Mr. TORRICELLI, Mr. TOWNS, Ms. KAPTUR, Mr. EDWARDS of California, Mr. ADDABBO, Mr. PEPPER, Mr. BRYANT, Mr. MANTON, Mr. BOLAND, Mr. CARNEY, Mr. SMITH of Florida, Mr. ROEMER, Mr. LAGOMARSINO, Mr. ARCHER, Mr. HOYER, Mr. KANJORSKI, Mr. HEFNER, Mr. SMITH of Iowa, Mr. WIRTH, Mr. LELAND, Mr. MCDADE, Mr. FUSTER, Mr. MILLER of California, Mr. AKAKA, Mr. FAUNTROY, Mr. STOKES, Mr. DARDEN, Mr. HAYES, Mr. KINDNESS, Mr. MCKINNEY, Mr. WEISS, Mr. DEWINE, Mrs. HOLT, Mr. TALLON, Mr. REID, Mr. HUTTO, Mr. JACOBS, Mr. HOWARD, Mr. HEFTEL of Hawaii, Mr. MRAZEK, Mr. WYDEN, Mr. FRANK, Mr. LEWIS of Florida, Mr. DORNAN of California, Mr. IRELAND, Mr. FRENZEL, Mr. YOUNG of Missouri, Mr. REGULA, Mr. WOLF, Mr. SCHEUER, Mr. PURSELL, Mr. MYERS of Indiana, Mr. RAHALL, Mr. OWENS, Mr. BIAGGI, Mr. PACKARD, Mr. DYMALLY, Mr. ATKINS, Mr. DASCHLE, Mr. MINETA, Mr. DANIEL, Mr. LANTOS, Mr. GUARINI, Mr. ENGLISH, Mr. FUQUA, Ms. MIKULSKI, Mr. FAZIO, Mr. MOAKLEY, Mr. ROE, Mr. HATCHER, Mrs. BOXER, Mr. FLORIO, Mr. MADIGAN, Mr. LEHMAN of Florida, Mr. DE LUGO, Mr. KOSTMAYER, Mr. COATS, Mr. DWYER of New Jersey, Mr. BARNES, Mr. NELSON of Florida, Mr. KASICH, Mr. WHEAT, Mr. BERMAN, and Mr. WYLIE):

H.J. Res. 121. Joint resolution to designate the month of April 1985 as "National Child Abuse Prevention Month"; to the Committee on Post Office and Civil Service.

By Mr. LATTA:

H.J. Res. 122. Joint resolution designating the week of November 11 through November 17, 1985, as "National Reye's Syndrome Week"; to the Committee on Post Office and Civil Service.

By Mr. MORRISON of Washington (for himself, Mr. ADDABBO, Mr. CHANDLER, Mr. FRENZEL, Mr. FUSTER, Mr. HORTON, Ms. KAPTUR, Mr. LOWRY of Washington, Mr. MILLER of Washington, Mr. ROE, Mr. STENHOLM, Mr. TORRICELLI, Mr. UDALL, Mrs. ROUKEMA, Mr. NIELSON of Utah, Mr. DELAY, Mr. DEWINE, Mr. LAGOMARSINO, Mr. DWYER of New Jersey, Mrs. HOLT, Mr. FAUNTROY, Mr. RODINO, Mr. JEFFORDS, Mr. PURSELL, and Mr. PACKARD):

H.J. Res. 123. Joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. BIAGGI:

H. Con. Res. 45. Concurrent resolution expressing the sense of the Congress that March 17, 1985, be recognized and observed as Irish Peace, Justice, Freedom, and Unity Day; to the Committee on Post Office and Civil Service.

By Mr. MOODY (for himself and Mr. PORTER):

H. Con. Res. 46. Concurrent resolution to express the sense of the Congress with respect to the urgency of reducing the Federal budget deficit and taking other necessary actions to safeguard the interests of America's younger and future generations; to the Committee on Government Operations.

By Mr. BILIRAKIS:

H. Res. 39. Resolution to amend the Rules of the House of Representatives to provide that the House may not consider the legislative branch appropriation bill until the House and the Senate have agreed to all other general appropriation bills for the fiscal year; to the Committee on Rules.

By Mr. DREIER of California:

H. Res. 40. Resolution to amend the Rules of the House of Representatives to require a two-thirds vote on legislation which increases the statutory limit on the public debt; to the Committee on Rules.

By Mr. SMITH of New Jersey:

H. Res. 41. Resolution calling upon the Union of Soviet Socialist Republics to permit the emigration of Yuli Kosharovsky and his immediate family to Israel, and for other purposes; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS:

H.R. 904. A bill for the relief of Li Cunxin; to the Committee on the Judiciary.

By Mr. BILIRAKIS:

H.R. 905. A bill for the relief of Mrs. Philip W. Cobb; to the Committee on the Judiciary.

By Mr. BROWN of California:

H.R. 906. A bill for the relief of Javid Labbaf; to the Committee on the Judiciary.

By Mr. CHAPPIE:

H.R. 907. A bill for the relief of Peter D. Bakis; to the Committee on the Judiciary.

H.R. 908. A bill for the relief of Manuel Valencia, Antonia Valencia, and America Valencia; to the Committee on the Judiciary.

By Mr. HILLIS:

H.R. 909. A bill for the relief of Porter County Plumbing, Heating Electric Co.; to the Committee on the Judiciary.

By Mr. RAHALL:

H.R. 910. A bill for the relief of Prashant Agarwal; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey:

H.R. 911. A bill for the relief of Alejandro Revancho and Zenaida Revancho; to the Committee on the Judiciary.

By Mr. WISE:

H.R. 912. A bill for the relief of Al Borromeo; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 6: Mr. PACKARD and Mr. DAVIS of California.

H.R. 7: Mr. KILDEE, Mrs. BURTON of California, and Mr. ROSE.

H.R. 8: Mrs. JOHNSON, Mr. MCKINNEY, and Mr. HOYER.

H.R. 26: Mr. LUNDINE, Mr. SENSENBRENNER, Mr. SIKORSKI, Mr. OWENS, Mr. RIDGE, and Mr. DAVIS.

H.R. 37: Mr. ADDABBO, Mr. BERMAN, Mr. BONIOR of Michigan, Mrs. BOXER, Mr. CONTE, Mr. DARDEN, Mr. DIXON, Mr. FISH, Mr. JEFFORDS, Ms. KAPTUR, Mr. KILDEE, Mr. KOSTMAYER, Mr. LUNDINE, Mr. MANTON, Mr. MARKEY, Mr. MARTINEZ, Mr. MAVROULES, Mr.

MOAKLEY, Mr. MOODY, Mr. RANGEL, Mr. RICHARDSON, Mr. RODINO, Mr. ROE, Mrs. SCHNEIDER, Mr. STOKES, Mr. TOWNS, Mr. WEAVER, Mr. WEISS, and Mr. WYDEN.

H.R. 47: Mr. ADDABBO, Mr. ANDERSON, Mr. BARNES, Mr. BERMAN, Mr. BIAGGI, Mr. BRYANT, Mrs. COLLINS, Mr. DAUB, Mr. DEWINE, Mr. DWYER of New Jersey, Mr. EMERSON, Mr. FISH, Mr. FORD of Michigan, Mr. FUSTER, Mr. GARCIA, Mr. GUARINI, Mr. HAYES, Mr. HEFTEL of Hawaii, Mr. HORTON, Mr. HUGHES, Mr. HUTTO, Mr. HYDE, Mrs. JOHNSON, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. LAGOMARSINO, Mr. LEVINE of California, Mr. LUKEN, Mr. LUNGREN, Mr. MCGRATH, Mr. MCKINNEY, Mr. MADIGAN, Mr. MANTON, Mr. MARTINEZ, Ms. MIKULSKI, Mr. MITCHELL, Mr. MURPHY, Mr. NEAL, Mr. PANETTA, Mr. RANGEL, Mr. RITTER, Mr. RODINO, Mr. ROE, Mr. SCHEUER, Mr. SMITH of Florida, Mr. SPRATT, Mr. STENHOLM, Mr. TAUZIN, Mr. TOWNS, Mr. VENTO, and Mr. WORTLEY.

H.R. 66: Mr. KANJORSKI, Mr. IRELAND, Mr. KOSTMAYER, Mr. HAYES, Mr. REGULA, Mr. MITCHELL, Mr. DWYER of New Jersey, Mr. DARDEN, Mr. BENNETT, Mr. BOLAND, Mr. STOKES, Mr. WEISS, Mr. WOLF, Mr. ROE, Mr. RANGEL, Mr. RICHARDSON, Mr. UDALL, Mr. SAXTON, Mr. FRENZEL, Mr. LENT, Mr. MCGRATH, Mr. LAGOMARSINO, Mr. BIAGGI, Mr. GIBBONS, Mr. HUTTO, and Mr. COLEMAN of Texas.

H.R. 67: Mr. KANJORSKI, Mr. IRELAND, Mr. KOSTMAYER, Mr. HAYES, Mr. REGULA, Mr. MITCHELL, Mr. DWYER of New Jersey, Mr. DARDEN, Mr. SMITH of Florida, Mr. BENNETT, Mr. BOLAND, Mr. STOKES, Mr. WEISS, Mr. WOLF, Mr. ROE, Mr. RANGEL, Mr. JACOBS, Mr. RICHARDSON, Mr. UDALL, Mr. SAXTON, Mr. FRENZEL, Mr. LENT, Mr. MCGRATH, Mr. GIBBONS, Mr. BIAGGI, Mr. HUTTO, and Mr. COLEMAN of Texas.

H.R. 99: Mr. BARNES, Mr. BERMAN, Mr. BIAGGI, Mrs. BOGGS, Mr. BONIOR of Michigan, Mr. DASCHLE, Mr. DAVIS, Mr. DICKS, Mr. DWYER of New Jersey, Mr. FISH, Mr. FLORIO, Mr. HORTON, Mr. HOYER, Mr. LAFALCE, Mr. LANTOS, Mrs. LLOYD, Ms. MIKULSKI, Mr. MINETA, Mr. MITCHELL, Mr. MOODY, Mr. NEAL, Mr. RAHALL, Mr. RANGEL, Mr. REID, Mr. RICHARDSON, Mrs. SCHNEIDER, Mr. SMITH of Iowa, Mr. SWIFT, Mr. TOWNS, Mr. WEISS, Mr. WHEAT, and Mr. WOLPE.

H.R. 100: Mr. CLAY, Mr. ROYBAL, Mr. STOKES, Mr. WHEAT, Mr. WEAVER, Mr. JACOBS, Mr. UDALL, Mr. SYNAR, Mr. RICHARDSON, Mr. GUARINI, Mr. FOGLIETTA, Mr. APPLEGATE, Mr. CONYERS, Mr. PRICE, Mrs. SCHROEDER, Mr. FROST, Mr. ATKINS, Mr. SHARP, Mr. LUNDINE, Mr. COELHO, Mr. WALGREN, Mr. CARPER, Mr. SMITH of Florida, and Mr. MANTON.

H.R. 107: Mr. FRANK, Mr. LAFALCE, Mr. MORRISON of Connecticut, and Mr. CARPER.

H.R. 111: Mr. APPLEGATE.

H.R. 151: Mr. SCHEUER, Mr. WAXMAN, Mr. BERMAN, Mr. BIAGGI, Mr. BONKER, Mr. COLEMAN of Texas, Mr. CROCKETT, Mr. HAMILTON, Mr. KANJORSKI, Mr. MARTINEZ, Mr. MITCHELL, Mr. OWENS, Mr. ROBINSON, Mr. RODINO, Mr. ROYBAL, Mr. TORRICELLI, Mr. TOWNS, Mr. TRAXLER, Mr. WHEAT, Mr. WEAVER, Mr. WEISS, Ms. KAPTUR, Mr. ROE, and Mr. SCHUMER.

H.R. 235: Mr. FOWLER.

H.R. 240: Mr. GINGRICH, Mr. NEAL, Mr. DANIEL, and Mr. DREIER of California.

H.R. 242: Mr. MORRISON of Connecticut, Mr. GINGRICH, Mr. WILLIAMS, Mr. MAVROULES, Mr. GROTBERG, Mr. IRELAND, Mr. SPENCE, Mr. MONTGOMERY, Mr. NEAL, Mr. FAUNTROY, Mr. MOORHEAD, Mr. FRANKLIN, Mr. ENGLISH, Mr. DURBIN, Mr. MADIGAN, Mr. RICHARDSON, Mr. SIKORSKI, Mr. DREIER of California, Mr. YATRON, Mr. SMITH of New Hampshire, Mr. EVANS of Iowa, Mr. PACKARD, Mr. SKEEN, Mr. WYLIE, Mr. MICA, Mr. COATS, and Mr. WISE.

H.R. 280: Mr. COLEMAN of Texas and Mr. WISE.

H.R. 422: Mr. STOKES, Mr. WEAVER, Mr. MOLLOHAN, Mr. HAYES, and Mr. ROE.

H.R. 423: Mr. TORRICELLI, Mr. HEFTEL of Hawaii, Mr. MANTON, Mr. GARCIA, Mr. FAUNTROY, Mrs. COLLINS, Mr. LAGOMARSINO, Mr. FORD of Michigan, Mr. LEHMAN of Florida, Mr. LANTOS, Mr. DIOGUARDI, Mr. SAXTON, Mr. ERDREICH, Mr. BIAGGI, Mr. MARTIN of New York, Mr. LENT, Mr. GALLO, Mr. FRANK, Mr. MADIGAN, Mr. SISISKY, Mr. DANNEMEYER, Mr. LUKEN, Mr. BERMAN, Mr. RICHARDSON, Mrs. BOXER, Mr. APPLEGATE, Mr. DARDEN, Mr. ANNUNZIO, Mr. FRENZEL, Mr. CARNEY, Mr. BILIRAKIS, Mr. FISH, Mr. PEPPER, Mr. BORSKI, Mr. COURTER, Mr. FROST, Mr. MCGRATH, Mr. VENTO, Mr. GINGRICH, and Mr. SCHEUER.

H.R. 445: Mr. DELLUMS, Mr. KOSTMAYER, Mr. LELAND, Mr. DURBIN, Mr. GARCIA, Mr. KILDEE, Mr. EDWARDS of California, Mr. MOODY, Mr. STOKES, Mr. FRANK, Mr. CROCKETT, Mr. WEAVER, Mr. TOWNS, Mr. MITCHELL, Mr. BATES, Mr. VENTO, Mr. FAUNTROY, Ms. KAPTUR, Mr. LEVIN of Michigan, Mr. BOUCHER, Mr. LOWRY of Washington, Mr. JEFFORDS, Mr. HEFTEL of Hawaii, Mr. JACOBS, Mr. HAWKINS, Mr. RAHALL, and Mr. LEVINE of California.

H.R. 508: Mr. LELAND, Mr. MANTON, Mr. TOWNS, Mrs. BENTLEY, Mr. SMITH of Florida, Mr. RODINO, Mr. DWYER of New Jersey, and Mr. ROE.

H.R. 535: Mr. HARTNETT.

H.R. 540: Mr. PRICE, Mr. BOUCHER, Mr. MCCAIN, Mr. WISE, Mr. GUNDERSON, Mr. LEACH of Iowa, Mr. KINDNESS, Mr. STOKES, Mr. ROE, Mr. MURTHA, Mr. WILSON, Mr. FROST, Mr. GRAY of Illinois, Mr. VENTO, Mr. WALGREN, Mr. HUBBARD, Mr. YOUNG of Missouri, and Mr. MOLLOHAN.

H.R. 585: Mr. HARTNETT and Mr. MRAZEK.

H.R. 593: Mr. RICHARDSON, Mr. FRANK, Mr. MITCHELL, Mr. FROST, Mr. FAUNTROY, and Mr. ST GERMAIN.

H.R. 633: Mr. JEFFORDS, Mr. CONTE, Mr. JACOBS, Mr. WILSON, Mr. TALLON, Mr. STRATTON, Mr. FAZIO, Mr. BRYANT, Mr. VENTO, Mr. MCGRATH, Mr. RAHALL, Mr. BIAGGI, Mr. SCHUMER, Mr. MINETA, Mr. FUQUA, and Mr. YATRON.

H.R. 667: Mr. LELAND, Mr. TOWNS, Mr. FROST, Mr. OWENS, Mr. ROE, Mr. FAUNTROY, Mr. SMITH of New Jersey, Mrs. BOXER, Mr. DE LUGO, Mr. KANJORSKI, and Ms. KAPTUR.

H.R. 749: Mr. SCHEUER, Mr. LAFALCE, Mr. FAZIO, and Mrs. BENTLEY.

H.R. 780: Mr. KOSTMAYER, Mr. LELAND, Mr. COATS, and Mr. PARRIS.

H.R. 837: Mr. STANGELAND.

H.J. Res. 49: Mr. HILLIS, Mr. MCGRATH, Mr. HARTNETT, and Mr. DREIER of California.

H.J. Res. 76: Mr. EMERSON, Mr. STRANG, Mr. WEAVER, Mrs. LLOYD, Mr. KOSTMAYER, Mr. SPRATT, Mr. JENKINS, Mr. HATCHER, Mr. MCKERNAN, Mrs. HOLT, Mr. WHEAT, Mr. COELHO, Mr. QUILLEN, Mr. HUTTO, Mr. OLIN, Mr. KILDEE, Mr. ROE, Mr. VOLKMER, Mr. ROBERT F. SMITH, Mr. ERDREICH, Mr. CARNEY, Mr. MURPHY, Mr. TALLON, Mr. HEFNER, Mr. SHUMWAY, Mr. STRATTON, Ms. SNOWE, Mr. TORRES, Mr. PERKINS, Mr. BROWN of California, Mr. RAHALL, Mr. ROSE, Mr. CRAIG, Mr. MURTHA, Mr. MANTON, Mr. NOWAK, Mr. MONTGOMERY, Mr. PRICE, Mr. CAMPBELL, Mr. PICKLE, Mr. DIXON, Mr. GUARINI, Mr. BRYANT, Mr. FUQUA, Mr. FRANKLIN, Mr. HAMILTON, Mr. DUNCAN, and Mr. LEHMAN of California.

H.J. Res. 77: Mr. HEFNER, Mr. MOAKLEY, Mrs. LLOYD, Mr. BENNETT, Mr. CARNEY, Mr. DENNY SMITH, Mr. ROE, Mr. MANTON, Mr. IRELAND, Mr. GRADISON, Mrs. HOLT, Mr. ROWLAND of Georgia, Mr. SPRATT, Mr. BONER of Tennessee, Mr. TALLON, Mr. CAMPBELL, Ms. KAPTUR, Mr. WEISS, Mr. LELAND, Mr. SMITH of New Jersey, Mr. YOUNG of Alaska, Mr. DWYER of New Jersey, 1Mr. JACOBS, Mr. BARNES, Mr. FAUNTROY, Mr. UDALL, Mr. STOKES, Mr. HAWKINS, Mr. LUJAN, Mr. SCHEUER, Mr. HUTTO, Mr. FROST, Mr. TORRICELLI, Mr. FRENZEL, Mr. SPENCE, Mr. VOLKMER, Mr. SUNIA, Mr. HENRY, Mr. ENGLISH, and Mr. GUARINI.

H. Con. Res. 34: Mr. ANDREWS, Mr. BATES, Mr. BOSCO, Mr. CLAY, Mr. COURTER, Mr. DANNEMEYER, Mr. EMERSON, Mr. FEIGHAN, Mr. FOLEY, Mr. HANSEN, Mr. IRELAND, Mr. LOEFFLER, Mr. LUNGREN, Mr. MATSUI, Mr. MORRISON of Connecticut, Mr. NEAL, Mr. NIELSON OF UTAH, Mr. PEPPER, Mr. PICKLE, Mr. RINALDO, Mr. SKELTON, Mr. TORRICELLI, Mr. VANDER JAGT, Mr. VOLKMER, Mr. WHEAT, Mr. YOUNG of Missouri, Mr. ZSCHAU, Mrs. BOGGS, Mr. MONTGOMERY, Mr. SKEEN, and Mr. VISCLOSKY.

PETITIONS, ETC.

Under clause 1 of rule XXII,

29. The SPEAKER presented a petition of the Ambassador, Embassy of Japan, Washington, DC, relative to Japan's 1985 budget; which was referred to the Committee on Foreign Affairs.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS

The following registrations were submitted for the fourth calendar quarter 1984:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.....

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§302(e).
(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

Organization or Individual Filing	Employer/Client
ELAINE ACEVEDO, 1601 DUKE STREET ALEXANDRIA VA 22314	SOCIETY OF AMERICAN FLORISTS
ADAMS QUACKENBUSH HERRING & STUART, P.O. BOX 394 COLUMBIA SC 29202	STATE OF SOUTH CAROLINA BUDGET & CONTROL BOARD
HENRY D. AKINS, P.O. BOX 75818 WASHINGTON DC 20013	
MICHAEL J. ALTIER, 1000 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	NATIONAL RETAIL MERCHANTS ASSN
AMERICAN ASSN OF PRESIDENTS OF INDEPENDENT COLLEGES & UNIVS., BOX 723 REXBURG ID 83440	
AMERICAN SOCIETY OF ANESTHESIOLOGISTS, 1201 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	
MORRIS J. AMITAY, P.C., SUITE 712 444 N. CAPITOL ST., NW WASHINGTON DC 20001	NATHAN LEWIN (FOR 47TH STREET PHOTO)
Do	SOLAR ENERGY INDUSTRIES ASSN
ANDERSON HIBEY NAUHEIM & BLAIR, 1708 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20009	INSTITUTO BRASILEIRO DE SIDERURGIA
LEWIS D. ANDREWS JR., 1825 EYE STREET, NW, #400 WASHINGTON DC 20006	COMMITTEE FOR EQUITABLE COMPENSATION
ARNOLD & PORTER, 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	SIEMENS CORPORATE RESEARCH & SUPPORT, INC
JOE H. AUSLEY JR., 431 FIRST STREET, SE WASHINGTON DC 20003	JOE H. AUSLEY, JR. CORPORATION
QUINTER S. BAKER, P.O. BOX 8091 FALLS CHURCH VA 22041	FRIENDSHIP HILL ASSN
BISHOP LIBERMAN COOK PURCELL & REYNOLDS, 1200 17TH STREET, NW, 7TH FL. WASHINGTON DC 20036	NATIONAL MASS RETAILING INSTITUTE
JACK A. BLUM, 1015 18TH ST., NW WASHINGTON DC 20036	GETTY NORTHEAST JOBBERS & DISTRIBUTORS ASSN
STUART J. BRAHS, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC
BUCHANAN INGERSOLL, P.C., 1667 K STREET, NW, 9TH FL. WASHINGTON DC 20006	CLOROX CO
Do	EXPRESS FOODS CO, INC
Do	GENERAL INSTRUMENT CORP
Do	GROCERY MANUFACTURERS OF AMERICA, INC
Do	LANGASCO ENERGY CORP
Do	WHEY PRODUCTS INSTITUTE
JANICE L. BURCH, 1050 CONNECTICUT AVENUE, NW, #980 WASHINGTON DC 20036	GOLD & LIEBENGOOD, INC
CLAIR W. BURGENER, P.O. BOX 8186 RANCH SANTA FE CA 92067	BIXBY RANCH CO
ROY BUSSEWITZ, 1319 F STREET, NW WASHINGTON DC 20004	NATIONAL ASSN OF PRIVATE PSYCHIATRIC HOSPITALS
BUTLER & BINION, 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	PROVIDENT MUTUAL LIFE INSURANCE CO
Do	TELEFLEX, INC
HELEN C. BUTLER, 1630 CONNECTICUT AVENUE, NW, #202 WASHINGTON DC 20009	GARRET & CO
CADWALADER WICKERSHAM & TAFT, 7TH FLOOR 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	MOCATTA METALS CORPORATION
F. PATRICIA CALLAHAN, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS
CAMP CARMOUCHE BARSH HUNTER GRAY HOFFMAN & GILL, 2550 M ST., NW, #275 WASHINGTON DC 20037	ALLSTATE
Do	GEORGIA PACIFIC CORP
WILLIAM E. CASSELMAN II , 2000 L STREET, NW, #802 WASHINGTON DC 20036	POPHAM HAIK SCHNOBRICH KAUFMAN & DOTY, LTD (FOR: APCOA, INC)
CASSIDY AND ASSOCIATES, INC, 955 L'ENFANT PLAZA, S.W. SUITE 1401 WASHINGTON DC 20024	ALEXANDER GRAHAM BELL ASSN
Do	BROWN UNIVERSITY
Do	CITY OF HATTIESBURG
Do	POLYTECHNIC INSTITUTE OF NEW YORK
Do	ROCHESTER INSTITUTE OF TECHNOLOGY
CHADBOURNE PARKE WHITESIDE & WOLFF, 1101 VERMONT AVENUE, NW WASHINGTON DC 20005	AMERICAN PAPER INSTITUTE
Do	APPLIED ENERGY SERVICES, INC
CHAMBERS ASSOCIATES, INC, 1411 K STREET, NW, #500 WASHINGTON DC 20005	BEAR STEARNS AND CO
Do	NATIONAL ASSN OF RETIRED FEDERAL EMPLOYEES
R. NANCY CLACK, 1250 EYE STREET, NW, #600 WASHINGTON DC 20005	DETROIT & MACKINAC RAILWAY CO
DONALD C. CLARK, 8224 OLD COURT HOUSE ROAD TYSONS CORNER VA 22180	SHEET METAL AIR CONDITIONING CONTRACTORS' NAT'L ASSN
COLETTE R. COLEMAN, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN
LISA COLLINS, 201 MASSACHUSETTS AVENUE, NE, #310 WASHINGTON DC 20002	NATIONAL COMM AGAINST REPRESSIVE LEGISLATION
TIM COLTON, P.O. BOX 498 CHESTER PA 19016	PENNSYLVANIA SHIPBUILDING CO
GERALD R. CONNOR, 1030 15TH STREET, NW, #1100 WASHINGTON DC 20005	HEALTH INDUSTRY MANUFACTURERS ASSN
SHEILA A. CONSAUL, BALCOR PLAZA 4849 GOLF ROAD SKOKIE IL 60077	BALCOR/AMERICAN EXPRESS, INC
ROBIN A. COOPER, 3238 WYNFORD DRIVE FAIRFAX VA 22031	U.S. DEFENSE COMMITTEE
LAW OFFICES, JAMES C CORMAN, P.C., 1420 16TH STREET, NW WASHINGTON DC 20036	BAITY & JOSEPH
Do	GATX CORPORATION
CRAMER HABER & LUKIS, P.C., 818 CONNECTICUT AVE., NW WASHINGTON DC 20036	DADE COUNTY INTERNATIONAL AIRPORT
WILLIAM C. CRAMER, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	CRAMER HABER & LUKIS, P.C. (FOR: DADE COUNTY INTERNATIONAL AIRPORT)
RICHARD L. CRAWFORD, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN
CROWELL & MORING, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	WESTERN GOVERNORS' ASSN
CHARLES FRANKLIN DAOUST, P.O. BOX 12910 CHARLESTON SC 29412	KIAWAH ISLAND CO LTD
DAVIS POLK & WARDWELL, 1575 EYE ST., NW WASHINGTON DC 20005	U.S. TRUST CORP
THOMAS A. DAVIS, SUITE 407 499 S. CAPITOL ST., SW WASHINGTON DC 20003	SPECIAL COMM FOR U.S. EXPORTS
Do	WINTHROP FINANCIAL
DEBEVOISE & PLIMPTON, 1777 F ST., NW WASHINGTON DC 20006	STATUE OF LIBERTY-ELLIS ISLAND FOUNDATION, INC
DELANEY MIGDAIL & YOUNG, CHTD, 1629 K STREET, NW, #1000 WASHINGTON DC 20006	GOVERNMENT EMPLOYEES INSURANCE CO
Do	MARYLAND SAVINGS SHARE INSURANCE CORP
Do	NATIONAL ASSN OF INDEPENDENT INSURERS
ROBERT A. DENMAN, 600 MARYLAND AVENUE, SW, #202W WASHINGTON DC 20024	FARMERS' EDUCATIONAL & CO-OPERATIVE UNION OF AMERICA
MICHAEL DESANTO, 9200 EDMONSTON ROAD, #304 GREENBELT MD 20770	GREATER WASHINGTON/MARYLAND SERVICE STATION ASSN
DEWEY BALLANTINE BUSHBY PALMER & WOOD, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	GTE SERVICE CORP
TIM DUDGEON, 1250 EYE STREET, NW, #900 WASHINGTON DC 20005	DISTILLED SPIRITS COUNCIL OF THE U.S.
KY P. EWING JR., 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	VINSON & ELKINS (FOR: FEDERAL LAND BANK ASSNS OF TEXAS STOCKHOLDERS' DEFENSE FUND)
PAUL K. EYER, 122 C STREET, NW, #875 WASHINGTON DC 20001	AMERICAN OSTEOPATHIC ASSN
WILLIAM D. FAY, 1130 17TH STREET, NW WASHINGTON DC 20036	NATIONAL COAL ASSN
FEDERATION FOR AMERICAN AFGHAN ACTION, 236 MASSACHUSETTS AVENUE, NE WASHINGTON DC 20002	
FINLEY KUMBLE WAGNER HEINE UNDERBERG MANLEY & CASEY, 10TH FLOOR 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	NEW YORK LIFE INSURANCE CO
DWIGHT R. FISHER, 600 MARYLAND AVENUE, SW, #700 WASHINGTON DC 20024	NATIONAL FED OF INDEPENDENT BUSINESS
JAMES E. FORD, 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO
GARRETT & COMPANY, 1630 CONNECTICUT AVENUE, NW, #202 WASHINGTON DC 20009	GOVERNMENT OF THE REPUBLIC OF HAITI
Do	REPUBLIC OF CHINA ON TAIWAN
NANCY WHORTON GEORGE, 499 SOUTH CAPITOL STREET, SW, #400 WASHINGTON DC 20003	HOUSTON NATURAL GAS
GEORGE TIMOTHY GOJIO, 1730 RHODE ISLAND AVENUE, NW, #204 WASHINGTON DC 20036	JAPANESE AMERICAN CITIZENS LEAGUE
GOLD & LIEBENGOOD, INC, 1050 CONNECTICUT AVENUE, NW, #980 WASHINGTON DC 20036	ELECTRONIC DATA SYSTEMS
Do	ENERGY RESEARCH CORP #200
Do	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S.
Do	FEDERATED INVESTORS, INC
Do	GLOBETROTTERS ENGINEERING CORP
Do	MARIOTT GROUP/MARRIOTT CORP
Do	OIL INVESTMENT INSTITUTE
Do	TEXAS CATTLEFEEDERS ASSN
BENSON S. GOLDSTEIN, 1600 M STREET, NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE
LAWRENCE T. GRAHAM, 1401 NEW YORK AVENUE, NW, #400 WASHINGTON DC 20005	NATIONAL FOOD PROCESSORS ASSN
GREATER WASHINGTON/MARYLAND SERVICE STATION ASSN, 9200 EDMONSTON ROAD, #304 GREENBELT MD 20770	
RANDY GREEN, 600 MARYLAND AVENUE, SW, #510 WASHINGTON DC 20024	AMERICAN SOYBEAN ASSN
H. THOMAS GREENE, 412 1ST ST., SE WASHINGTON DC 20003	NATIONAL AUTOMOBILE DEALERS ASSN
DALLAS E. GWYNN, BALCOR PLAZA 4849 GOLF ROAD SKOKIE IL 60077	BALCOR/AMERICAN EXPRESS, INC
HOLLY ELISABETH HAZARD, 400 FIRST STREET, NW, #800 WASHINGTON DC 20001	COMMITTEE FOR HUMANE LEGISLATION
Do	FRIENDS OF ANIMALS, INC
HERON BURCHETTE RUCKERT & ROTHWELL, 1200 NEW HAMPSHIRE AVENUE, NW, #420 WASHINGTON DC 20036	AMERICAN GRAPE GROWERS ALLIANCE FOR FAIR TRADE
Do	CASTLE AND COOKE
J. D. HITTLE, 3137 S. 14TH ST. ARLINGTON VA	KMS INDUSTRIES, INC
ADONIS E. HOFFMAN, 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: GOVERNMENT OF HAITI)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF KOREA)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)
LEE F. HOLDMANN, 7315 WISCONSIN AVENUE, #825W BETHESDA MD 20814	
LOIS HOLWERDA-HOYT, 600 MARYLAND AVENUE, SW, #770 WASHINGTON DC 20024	AMERICAN ACADEMY OF FAMILY PHYSICIANS
HOPKINS & SUTTER, SUITE 4200 THREE FIRST NATIONAL PLAZA CHICAGO IL 60602	LANE BANKING GROUP
MARION HOPKINS, 1400 S. 28TH STREET, APT. 8 ARLINGTON VA 22206	BARNETT & ALAGIA
GARY HYMEL, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MUTUAL OF OMAHA)
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: STROH BREWERY CO)
CATHERINE L. IMUS, 1000 16TH STREET, NW, #800 WASHINGTON DC 20036	BETHLEHEM STEEL CORP
CHARLES E. ING, 412 FIRST STREET, SE WASHINGTON DC 20003	NATIONAL AUTOMOBILE DEALERS ASSN
ITEL CONTAINER CORP, 55 FRANCISCO STREET, 6TH FL SAN FRANCISCO CA 94133	
STEPHEN M. JOHNSON, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)
JONES & WINBURN, SUITE 1040 1101 15TH STREET, NW WASHINGTON DC 20005	AMERICAN AUTOMOTIVE LEASING ASSN

Organization or Individual Filing	Employer/Client
Do	BURLINGTON NORTHERN, INC
Do	NATIONAL ASSN OF ASCS COUNTY OFFICE EMPLOYEES (NASCOE)
BERDJ KARAPETIAN, 1816 NEW HAMPSHIRE AVENUE, NW, #408 WASHINGTON DC 20009	ARMENIAN NATIONAL COMMITTEE OF AMERICA
KAYE SCHOLER FIERMAN HAYS & HANDLER, 1575 I ST., NW SUITE 1150 WASHINGTON DC 20005	PIONEER SYSTEMS, INC
KECK MAHIN & CATE, 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	SCHWINN BICYCLE CO
THOMAS F. KELLEY III, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN
HAROLD V. KELLY, 1101 15TH ST., NW WASHINGTON DC 20005	LTV CORP
KEMPER FINANCIAL SERVICES, INC, 120 SOUTH LASALLE STREET CHICAGO IL 60603	
KIRKPATRICK & LOCKHART, 1900 M ST., NW WASHINGTON DC 20036	MICHIGAN KNIFE CO
ALBERT B. KNOLL, 1800 K STREET, NW, #820 WASHINGTON DC 20006	SUN COMPANY, INC
GERALD J. KOVACH, 1133 19TH STREET, NW WASHINGTON DC 20036	MCI COMMUNICATIONS CORP
RAYMOND R. KRAUSE, THE PILLSBURY CENTER MS 3278 MINNEAPOLIS MN 55402	PILLSBURY COMPANY
EARL R. KREHER, 1620 EYE STREET, NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSN OF THE U.S., INC
KATHLEEN BONNER KRONMILLER, 600 WATER STREET, SW, #207 WASHINGTON DC 20024	SPACE SERVICES, INC (SSI) OF AMERICA
KUYKENDALL COMPANY, 517 3RD STREET, SE WASHINGTON DC 20003	ALPHA 21 CORP
Do	BROYHILL FURNITURE INDUSTRIES
Do	BROYHILL MANAGEMENT CORP
Do	GULF & CARIBBEAN FOUNDATION
Do	
Do	MUSE AIR CORP
Do	PEREGRINE RESOURCES, INC
Do	ROBERT THOMPSON
DAN H. KUYKENDALL, 517 3RD STREET, SE WASHINGTON DC 20003	KUYKENDALL COMPANY
VIRGINIA B. LAMP, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.
KARL F. LAUENSTEIN, 1745 JEFFERSON DAVIS HIGHWAY, #1000 ARLINGTON VA 22202	GENERAL DYNAMICS
MICHAEL R. LEMOV, 1319 F STREET, NW, #500 WASHINGTON DC 20004	FOOD RESEARCH & ACTION CENTER
LESNIK & COMPANY, 14701 GOV. ODEN BOWIE DRIVE UPPER MARLBORO MD 20772	BREED CORPORATION
ROBERT G. LIBERATORE, 1100 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CHRYSLER CORP
ROY LITTLEFIELD, 15900 PINECROFT LANE BOWIE MD 20716	GREATER WASHINGTON/MARYLAND SERVICE STATION ASSN
GERALD D. LORE, 1050 CONNECTICUT AVENUE, NW, #401 WASHINGTON DC 20036	HOFFMANN-LA ROCHE, INC
TIMOTHY LOVAIN, 1632 MT. EAGLE PLACE ALEXANDRIA VA 22302	DENNY MILLER ASSOCIATES
SYLVESTER LUKIS, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	CRAMER HABER & LUKIS, P.C. (FOR: DADE COUNTY INTERNATIONAL AIRPORT)
GARY B. MACDONALD, 1115 1/2 INDEPENDENCE AVENUE, SE WASHINGTON DC 20003	FEDERATION OF AIDS
NED W. MASSEE, 299 PARK AVENUE NEW YORK NY 10171	WESTVACO CORP
JAMES D. MASSIE, 1730 RHODE ISLAND AVENUE, NW, #400 WASHINGTON DC 20036	FREEPORT-MCMORAN, INC
R. G. MCBRIDE, MISSISSIPPI PETROLEUM COUNCIL P.O. BOX 42 JACKSON MS 39205	AMERICAN PETROLEUM INSTITUTE
JACK MCDONALD ASSOCIATES, SUITE 610 1120 20TH ST., NW WASHINGTON DC 20036	AMERICAN TEXTILE MANUFACTURERS INSTITUTE, INC
Do	COALITION FOR THE ADVANCEMENT OF INDUSTRIAL TECHNOLOGY
JACK MCDONALD, 1120 20TH STREET, NW, #610 WASHINGTON DC 20036	JACK MCDONALD ASSOCIATES, INC (FOR: AMERICAN TEXTILE MANUFACTURERS INSTITUTE, INC)
Do	JACK MCDONALD ASSOCIATES, INC (FOR: COALITION FOR THE ADVANCEMENT OF INDUSTRIAL TECHNOLOGY)
KURT CHARLES MCMILLAN, 1010 WISCONSIN AVENUE, NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC
LESLIE S. MEAD, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES
JOHANNA S.R. MENDELSON, 2025 M STREET, NW WASHINGTON DC 20036	NATIONAL PUBLIC RADIO
LARRY D. MEYERS, 412 FIRST STREET, SE WASHINGTON DC 20003	HUCHENG INTERNATIONAL CO
Do	LEMA PROPERTIES, INC
Do	SAM KANE PACKING
JEFFREY T. MILLER, 7 CAMPUS DRIVE PARSIPPANY NJ 07054	NABISCO BRANDS, INC
JOSEPH MINISH, 665 SHERATON AVENUE WEST ORANGE NJ 07052	U.S. LEAGUE OF SAVINGS INSTITUTIONS
MMB ASSOCIATES, INC, 122 C STREET, NW, #240 WASHINGTON DC 20001	COMMITTEE FOR FARMWORKER PROGRAMS
MARILYN MOONEY, 1701 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	E. I. DU PONT DE NEMOURS & CO
W. H. L. MULLINS, 1745 JEFFERSON DAVIS HIGHWAY, #1000 ARLINGTON VA 22202	GENERAL DYNAMICS
JOHN L. NAPIER, NAPIER AND JENNINGS P.O. DRAWER 995 BENNETTSVILLE SC 29512	OREGON INLET COMMISSION
NATIONAL ASSN OF SOCIAL WORKERS, 7981 EASTERN AVENUE SILVER SPRING MD 20910	
NORTHERN TELECOM, INC, 600 MARYLAND AVENUE, SW, #605 WASHINGTON DC 20024	
SHANNON O'CHESTER, 122 C STREET, NW, #800 WASHINGTON DC 20001	CONCERNED WOMEN FOR AMERICA
O'CONNOR & HANNAN, 1919 PENNSYLVANIA AVE., NW, #800 WASHINGTON DC 20006	AMERICAN BUS ASSN
Do	AMERICAN SOC OF ASSOCIATION EXECUTIVES
Do	MASSACHUSETTS MUTUAL LIFE INSURANCE CO
Do	SMITHKLINE BECKMAN CORP
PHILIP M. OLA, 1919 PENNSYLVANIA AVENUE, NW, #400 WASHINGTON DC 20006	STEEL SERVICE CENTER INSTITUTE
PATTON BOGGS & BLOW, SUITE 800 2550 M ST., NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN
ENDICOTT PEABODY, 71 SPIT BROOK ROAD NASHUA NH 03060	BROADCAST MUSIC, INC
LEEANN PELHAM, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE
THOMAS D. PESTORIUS, 1025 CONNECTICUT AVENUE, NW, #1014 WASHINGTON DC 20036	EBASCO SERVICES, INC
CLAY E. PETERS, 1901 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	WILDERNESS SOCIETY
DENNIS J. PHELAN, ONE THOMAS CIRCLE, NW, #900 WASHINGTON DC 20005	PACIFIC SEAFOOD PROCESSORS ASSN
DANIEL J. PILIERO II, P.C., 1750 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	INTEGRATED RESOURCES, INC
FRAN POLITI, 10 CRESCENT BEACH DRIVE BURLINGTON VT 05402	
POWELL GOLDSTEIN FRAZER & MURPHY, SUITE 1050 1110 VERMONT AVE., NW WASHINGTON DC 20005	ALTER GROUP
PRESTON THORGRIMSON ELLIS & HOLMAN, 1735 NEW YORK AVENUE, NW, #500 WASHINGTON DC 20006	COALITION FOR THE ADVANCEMENT OF INDUSTRIAL TECHNOLOGY
PRYOR CASHMAN SHERMAN & FLYNN, 410 PARK AVENUE NEW YORK NY 10022	O. EDMUND CLUBB
Do	
TOM RAILSBACK, BLUM NASH & RAILSBACK 1015 18TH STREET, NW WASHINGTON DC 20005	FEDERAL JUDGES ASSN
JEANNE RICHARDS, 218 D STREET, SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE
RJA, INC, 1250 EYE STREET, NW, #600 WASHINGTON DC 20005	GLOBAL COMMUNICATIONS
Do	WEDTECH CORP
LIZ ROBBINS ASSOCIATES, 132 D STREET, SE WASHINGTON DC 20003	NATIONAL COUNCIL OF COMMUNITY MENTAL HEALTH CENTERS
Do	NEW YORK STATE HOUSING FINANCE AGENCY
Do	PHOENIX HOUSE
BRADLEY H. ROBERTS, 1899 L STREET, NW WASHINGTON DC 20036	AMERICAN ASSN OF ADVERTISING AGENCIES
MICHAEL J. ROCK, 444 NORTH CAPITOL STREET, NW WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN
PETER ROGOFF, 122 C STREET, NW, #750 WASHINGTON DC 20001	NATIONAL ASSN OF INDEPENDENT COLLEGES & UNIVERSITIES
MICHAEL J. ROMIG, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC
RAYMOND W. ROPER, 1601 DUKE STREET ALEXANDRIA VA 22314	SOCIETY OF AMERICAN FLORISTS
JOHN W. ROSS, 425 13TH STREET, NW, #1032 WASHINGTON DC 20004	NATIONAL CATTLEMEN'S ASSN
JOHN C. ROTHER, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS
DEAN SAGAR, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING
SCHWINN BICYCLE CO, 1856 NORTH KOSTNER AVENUE CHICAGO IL 60639	
SEYFARTH SHAW FAIRWEATHER & GERALDSON, 1111 19TH ST., NW WASHINGTON DC 20036	AMERICAN SOC OF PENSION ACTUARIES
Do	JOHNSON & HIGGINS
SHEA & GOULD, 330 MADISON AVE. NEW YORK NY 10017	REPUBLIC OF HAITI
ELAINE SHOCAS, 555 NEW JERSEY AVENUE, NW WASHINGTON DC 20001	AMERICAN FED OF TEACHERS
LAWRENCE E. SIEGEL, 8283 GREENSBORO DRIVE MCLEAN VA 22102	SATELLITE BUSINESS SYSTEMS
C. KYLE SIMPSON, P.O. BOX 3 HOUSTON TX 77001	BROWN & ROOT, INC
SCOTT SKLAR, 1717 MASSACHUSETTS AVENUE, NW, #503 WASHINGTON DC 20036	SOLAR ENERGY INDUSTRIES ASSN
PETER B. SLONE, 1050 CONNECTICUT AVENUE, NW, #980 WASHINGTON DC 20036	GOLD & LIEBENGOOD, INC
SPACE SERVICES, INC (SSI) OF AMERICA, 7015 GULF FREEWAY, #140 HOUSTON TX 77087	
ELVIS J. STAHR JR., 1815 H STREET, NW, #600 WASHINGTON DC 20006	CASSIDY & ASSOCIATES, INC
JOHN J. STIRK, 1745 JEFFERSON DAVIS HIGHWAY, #1000 ARLINGTON VA 22202	GENERAL DYNAMICS
STEVEN F. STOCKMEYER, SUITE 610, ONE LAFAYETTE CENTRE SOUTH 1120 20TH STREET, NW WASHINGTON DC 20036	ALLNET COMMUNICATIONS SERVICES, INC
Do	JACK MCDONALD ASSOCIATES, INC (FOR: AMERICAN TEXTILE MANUFACTURERS INSTITUTE, INC)
Do	JACK MCDONALD ASSOCIATES, INC (FOR: COALITION FOR THE ADVANCEMENT OF INDUSTRIAL TECHNOLOGY)
JANE S. STONE, 1719 ROUTE 10 PARSIPPANY NJ 07054	NATIONAL ASSN OF MANUFACTURERS
PAUL M. TENDLER, 1110 VERMONT AVENUE, NW, #840 WASHINGTON DC 20005	TENDLER & BIGGINS (FOR: GEODESCO)
Do	TENDLER & BIGGINS (FOR: SOLARGISTICS CORP)
DANA S. THOMPSON, 418 SOUTH CAPITOL STREET, SE WASHINGTON DC 20003	SHEET METAL & AIR CONDITIONING CONTRACTORS' NAT'L ASSN
JAY C. TOWNLEY, 1856 NORTH KOSTNER AVENUE CHICAGO IL 60639	SCHWINN BICYCLE CO
SHANNON B. TUEL, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN
VAN NESS FELDMAN SUTCLIFFE CURTIS & LEVENBERG, P.C., 7TH FLOOR 1050 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	INTERNATIONAL LEISURE HOSTS, LTD

Organization or Individual Filing	Employer/Client
THERESA VARNER, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS
KRISTIN LEA VEHRS, 1110 VERMONT AVENUE, NW, #1160 WASHINGTON DC 20005	AMERICAN ASSN OF ZOOLOGICAL PARKS & AQUARIUMS
Do	TEXAS SHRIMP ASSN
VERNER LIIPFERT BERNHARD MCPHERSON & HAND, CHTD, 1660 L STREET, NW, #1000 WASHINGTON DC 20036	MUTUAL OF AMERICA
NANCY WALLACE, INC, 6404 CAMROSE TERRACE BETHESDA MD 20817	INTERNATIONAL FUND FOR ANIMAL WELFARE
ROLAND WESLEY, 1159 QUAIL RUN BOLINGBROOK IL 60439	
FORD B. WEST, 1015 18TH STREET, NW WASHINGTON DC 20036	FERTILIZER INSTITUTE
ROBERT L. WHITMIRE, 1745 JEFFERSON DAVIS HIGHWAY, #1000 ARLINGTON VA 22202	GENERAL DYNAMICS
WILLIAMS & JENSEN, P.C., 1101 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN HOSPITAL ASSN
Do	FIRST DATA
THOMAS C. WOODS, 1660 L STREET, NW WASHINGTON DC 20036	GENERAL MOTORS CORP
BARNABY W. ZALL, 1424 16TH STREET, NW, #707 WASHINGTON DC 20036	FAIR CONGRESSIONAL TASK FORCE, INC
DONALD ZARIN, BLUM NASH & RAILSBACK 1015 18TH STREET, NW WASHINGTON DC 20036	GETTY NORTHEAST JOBBERS & DISTRIBUTORS ASSN
LEO C. ZEFERETTI, 9912 FORT HAMILTON PARKWAY BROOKLYN NY 11209	GRUMMAN DATA SYSTEMS CORP
Do	PRATT AND WHITNEY

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the fourth calendar quarter 1984:

(NOTE.—The form used for reporting is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.....

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:
1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§302(e).
(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $.....Dues and assessments
2. $.....Gifts of money or anything of value
3. $.....Printed or duplicated matter received as a gift
4. $.....Receipts from sale of printed or duplicated matter
5. $.....Received for services (e.g., salary, fee, etc.)
6. $.....TOTAL for this Quarter (Add items "1" through "5")
7. $.....Received during previous Quarters of calendar year
8. $.....TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $.....TOTAL now owed to others on account of loans
10. $.....Borrowed from others during this Quarter
11. $.....Repaid to others during this Quarter

12. $.....Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": .....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and address of Contributor* ("*Period*" from Jan. 1 through....., 19.....)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $.....Public relations and advertising services
2. $.....Wages, salaries, fees, commissions (other than item "1")
3. $.....Gifts or contributions made during Quarter
4. $.....Printed or duplicated matter, including distribution cost
5. $.....Office overhead (rent, supplies, utilities, etc.)
6. $.....Telephone and telegraph
7. $.....Travel, food, lodging, and entertainment
8. $.....All other expenditures
9. $.....TOTAL for this Quarter (Add "1" through "8")
10. $.....Expended during previous Quarters of calendar year
11. $.....TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $.....TOTAL now owed to person filing
13. $.....Lent to others during this Quarter
14. $.....Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
A & S TRANSPORTATION COMPANY, 75 JACOBUS AVENUE SOUTH KEARNY NJ 07032			47.80
ROBERT J. AAGRE, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	382.00	48.00
PAUL C. ABENANTE, 3RD FLOOR 1111 14TH ST., NW WASHINGTON DC 20005	AMERICAN BAKERS ASSN	288.00	2.00
THOMAS G. ABERNETHY SR., 3973 STUART PLACE JACKSON MS 39211	U.S. CANE SUGAR REFINERS' ASSN		
ELAINE ACEVEDO, 1601 DUKE STREET ALEXANDRIA VA 22314	SOCIETY OF AMERICAN FLORISTS		
ACTION FOR CHILDREN'S TELEVISION, 46 AUSTIN ST. NEWTONVILLE MA 02160		35,282.20	293.60
ACTION, INC, 2025 EYE STREET, NW, #1022 WASHINGTON DC 20006	AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM		
CHARLES F. ADAMS, SUITE 700 1899 L ST., NW WASHINGTON DC 20036	AMERICAN ASSN OF ADVERTISING AGENCIES	2,500.00	750.00
JOHN J. ADAMS, 2000 PENNSYLVANIA AVE., NW, #900 WASHINGTON DC 20006	VEPCO		
Do	WESTVACO	3,200.00	
ADAMS QUACKENBUSH HERRING & STUART, P.O. BOX 394 COLUMBIA SC 29202	STATE OF SOUTH CAROLINA BUDGET & CONTROL BOARD	1,332.00	1,495.43
Do	U.S. CAPITAL CORP	5,232.00	1,840.54
HOBSON H. ADCOCK, 700 ANDERSON HILL RD. PURCHASE NY 10577	PEPSICO, INC		
V. J. ADDUCI, 1620 EYE ST., NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC	10.50	
ROBERT O. ADERS, 1750 K STREET, NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	200.00	
TERRANCE M. ADLHOCK, 1111 19TH ST., NW, #303 WASHINGTON DC 20036	SOUTHERN CALIFORNIA EDISON CO	2,000.00	1,750.00
JOHN MICHAEL ADRAGNA, SPIEGEL & MCDIARMID 2600 VIRGINIA AVENUE, NW WASHINGTON DC 20037	CITY OF STARKE, FLORIDA		
AEROSPACE INDUSTRIES ASSN OF AMERICA, INC, 1725 DESALES ST., NW WASHINGTON DC 20036		16,093.61	16,093.61
AGENCY FOR INSTRUCTIONAL TELEVISION, BOX A BLOOMINGTON IN 47401			
AGENDAS INTERNATIONAL, 820 SECOND AVENUE, #1302 NEW YORK NY 10017	MINISTERIO DEL EXTERIOR, REPUBLIC OF NICARAGUA		
ROBERT S. AGMAN, 100 INDIANA AVE., NW WASHINGTON DC 20001	LABOR MANAGEMENT MARITIME COMMITTEE, INC	1,436.00	107.61
DAVID J. AHO, 1090 VERMONT AVENUE, NW WASHINGTON DC 20005	AMERICAN HOSPITAL SUPPLY CORP		
HERBERT ALLEN AILSWORTH, SUITE 1101 1050 17TH STREET, NW WASHINGTON DC 20036	SANDOZ, INC		55.00
AIR CONDITIONING & REFRIGERATION INSTITUTE, 1501 WILSON BLVD. ARLINGTON VA 22209			
AIR PRODUCTS & CHEMICALS, INC, 1800 K STREET, NW, #1016 WASHINGTON DC 20006			
RANDOLF H. AIRES, 633 PENNSYLVANIA AVENUE, NW, #600 WASHINGTON DC 20004	SEARS, ROEBUCK AND CO	1,050.00	18.50
MICHAEL A. AISENBERG, SUITE 610 888 16TH ST., NW WASHINGTON DC 20006	DIGITAL EQUIPMENT CORPORATION	12,300.00	
AKIN GUMP STRAUSS HAUER & FELD, SUITE 400 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	AIR FREIGHT ASSOCIATION	825.00	
Do	AMERADA HESS CORPORATION		
Do	AMERICAN EXPRESS CO		
Do	AMERICAN INTERNATIONAL GROUP, INC		
Do	AMERICAN TELEPHONE & TELEGRAPH CO	2,050.00	38.00
Do	ARCHER DANIELS MIDLAND COMPANY	200.00	
Do	ATCOR, INC		
Do	BENEFICIAL CORPORATION	3,300.00	57.00
Do	CAPITAL MARKETS GROUP	4,150.00	76.00
Do	CELANESE CORPORATION	1,400.00	19.00
Do	COALITION OF SERVICE INDUSTRIES, INC	875.00	19.00
Do	COMMITTEE AGAINST NETWORK DOMINANCE	1,075.00	19.00
Do	COMMITTEE FOR PRUDENT DEREGULATION	425.00	
Do	CONSOLIDATED FOODS CORP		
Do	CONTINENTAL AIRLINES		
Do	E & J GALLO WINERY	500.00	19.00
Do	EMBASSY OF PEOPLE'S REPUBLIC OF CHINA	950.00	19.00
Do	FARM LABOR ALLIANCE		
Do	FRUPAC INTERNATIONAL CORP		
Do	GOLDMAN SACHS & CO	550.00	
Do	LEVI STRAUSS & CO		
Do	LONE STAR INDUSTRIES, INC		
Do	LONE STAR STEEL CO	9,825.00	171.00
Do	MARRIOTT CORP	500.00	
Do	MESA PETROLEUM CO		
Do	METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY	6,600.00	114.00
Do	MILITARY ACCESSORIES SERVICE ASSN, INC		
Do	MORGAN STANLEY & CO, INC	3,250.00	57.00
Do	MOTION PICTURE ASSN OF AMERICA, INC	5,280.00	95.00
Do	NATIONAL CABLE TELEVISION ASSN	450.00	
Do	NATIONAL FOOTBALL LEAGUE	2,300.00	38.00
Do	NEW YORK AIR		
Do	PUROLATOR, INC	800.00	
Do	RAUSCHER PIERCE REFSNES, INC		
Do	RETAIL TRADE ACTION COALITION	1,600.00	38.00
Do	RINGLING BROS. BARNUM AND BAILEY		
Do	SOUTHERN CALIFORNIA EDISON CO	350.00	
Do	TEXACO, INC		
Do	TEXAS AIR CORPORATION	2,175.00	38.00
Do	TIPPERARY CORP		
Do	WEBER HALL SALE & ASSOCIATES, INC	2,800.00	57.00
Do	WERTHEIM & CO		
Do	WESTERN GOVERNORS POLICY OFFICE	900.00	19.00
Do	ZALE CORPORATION		
ALASKA PULP CORP, P.O. BOX 1050 SITKA AK 99835			14,000.00
JAMES J. ALBERTINE, 1575 EYE STREET, NW WASHINGTON DC 20005	AMERICAN SOC OF ASSN EXECUTIVES	300.00	
JOHN M. ALBERTINE, SUITE 209 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BUSINESS CONFERENCE, INC	1,875.00	134.87
FREDERICK K. ALDERSON, 1730 M STREET, NW, #607 WASHINGTON DC 20036	ARIZONA PUBLIC SERVICE COMPANY	372.00	422.58
DONALD C. ALEXANDER, MORGAN LEWIS & BOCKIUS 1800 M ST., NW, #800 NORTH WASHINGTON DC 20036	ALIGNPAC		
Do	ALLEGHENY INTERNATIONAL		
Do	BALDWIN-UNITED CORPORATION		
Do	BECHTEL POWER CORPORATION		
Do	COMMITTEE FOR CAP FORMATION THROUGH DIVIDEND REINVESTMENT		
Do	DISABLED AMERICAN VETERANS		
Do	EASTERN AIR LINES, INC		
Do	FAMILY LIFE INSURANCE COMPANY		
Do	LUCASFILM, LTD		
Do	SCOTT PAPER CO		
Do	SECURITY PACIFIC INT'L LEASING (EUROPE), INC		
Do	TEXAS INDUSTRIES, INC		
Do	TUPMAN THURLOW CO, INC		
WILLIS W. ALEXANDER, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	2,500.00	53.83
RICHARD F. ALI, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,500.00	
MAXTON ALLCOX, 400 FIRST ST., NW, RM 801 WASHINGTON DC 20001	BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYES	14,373.81	
ROBERT G. ALLEN, 511 C STREET, NE WASHINGTON DC 20002	C.A.R.E		
ALLIANCE AGAINST HANDGUNS, P.O. BOX 75700 WASHINGTON DC 20013			
ALLIANCE OF AMERICAN INSURERS, 1501 WOODFIELD ROAD, #400 WEST SCHAUMBURG IL 60195			11,941.00
ALLIANCE TO SAVE ENERGY, 1925 K STREET, NW, #507 WASHINGTON DC 20006			
ROBERT F. ALLNUT, 950 L'ENFANT PLAZA, SW WASHINGTON DC 20024	COMMUNICATIONS SATELLITE CORP	7,250.00	85.55
ALLTEL CORPORATION, 100 EXECUTIVE PARKWAY HUDSON OH 44236			1,377.00
JOSEPH C. ALLWARDEN, 220 DANIEL WEBSTER HWY SOUTH MERRIMACK NH 03054	KOLLSMAN INSTRUMENT CO		
HARVEY ALTER, 1615 H STREET, NW WASHINGTON DC 20062	U.S. CHAMBER OF COMMERCE	200.00	
THOMAS H. ALTMEYER, 1575 I STREET, NW, #525 WASHINGTON DC 20005	MINING & RECLAMATION COUNCIL OF AMERICA	3,000.00	50.00
RICARDO R. ALVARADO, 2550 M STREET, NW, #600 WASHINGTON DC 20037	SIGNAL COMPANIES, INC	2,182.00	
SUSAN E. ALVARADO, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	1,500.00	880.29
AMALGAMATED TRANSIT UNION, AFL-CIO, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016			8,000.00
AMALGAMATED TRANSIT UNION, NATL CAP DIV. 689, 100 INDIANA AVE., NW, #403 WASHINGTON DC 20001			
JEROME A. AMBRO ASSOCIATES, SUITE 719 2301 S. JEFFERSON DAVIS DR. ARLINGTON VA 22202	ASSOCIATED UNIVERSITIES	1,600.00	1,171.82
Do	COUNTY OF SUFFOLK, NEW YORK	9,600.00	7,374.79
ROBERT P. AMBROSE, 14615 LONE OAK ROAD EDEN PRAIRIE MN 55344	COOPERATIVE POWER ASSOCIATION	2,400.00	51.75
AMERICAN ACADEMY OF FAMILY PHYSICIANS, 1740 WEST 92ND ST. KANSAS CITY MO 64114		9,640.24	9,640.24
AMERICAN ADVERTISING FEDERATION, SUITE 1000 1400 K ST., NW WASHINGTON DC 20005			
AMERICAN ARTS ALLIANCE, 424 C ST., NE WASHINGTON DC 20002		42,717.07	75,372.51
AMERICAN ASSN FOR COUNSELING AND DEVELOPMENT, 5999 STEVENSON AVENUE ALEXANDRIA VA 22304		34,544.62	22,832.31
AMERICAN ASSN OF BLOOD BANKS, SUITE 600 1117 NORTH 19TH STREET ARLINGTON VA 22209			
AMERICAN ASSN OF EQUIPMENT LESSORS, SUITE 1010 1300 NORTH 17TH STREET ARLINGTON VA 22209			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
AMERICAN ASSN OF EXPORTERS & IMPORTERS, 11 WEST 42ND STREET, 30TH FL. NEW YORK NY 10036		1,700.00	1,700.00
AMERICAN ASSN OF MEAT PROCESSORS, P.O. BOX 269 ELIZABETHTOWN PA 17022		724.85	50.00
AMERICAN ASSN OF PORT AUTHORITIES, INC, 1010 DUKE ST. ALEXANDRIA VA 22314		12,546.12	15,291.00
AMERICAN AUTOMOBILE ASSN, 8111 GATEHOUSE RD. FALLS CHURCH VA 22047			
AMERICAN BANKERS ASSN, 1120 CONNECTICUT AVENUE, NW WASHINGTON DC 20036		42,190.96	42,190.96
AMERICAN BUSINESS CONFERENCE, INC, 1025 CONNECTICUT AVENUE, NW, #209 WASHINGTON DC 20036		1,650.00	1,840.52
AMERICAN COUNCIL FOR CAPITAL FORMATION, SUITE 520 1850 K ST., NW WASHINGTON DC 20006		3,726.00	2,072.00
AMERICAN COUNCIL OF LIFE INSURANCE, INC, 1850 K ST., NW WASHINGTON DC 20006			8,511.36
AMERICAN FARM BUREAU FED, 225 TOUHY AVE PARK RIDGE IL 60068		89,282.00	89,282.00
AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS, 815 16TH ST., NW WASHINGTON DC 20006			139,909.91
AMERICAN FEED MANUFACTURERS ASSN, 1701 N. FT. MYER DR. ARLINGTON VA 22209		3,240.00	3,240.00
AMERICAN FROZEN FOOD INST, 1700 OLD MEADOW RD., #100 MCLEAN VA 22102			6,000.00
AMERICAN HEALTH CARE ASSN, 1200 15TH STREET, NW WASHINGTON DC 20005		129,355.15	24,642.89
AMERICAN HELLENIC INSTITUTE PUBLIC AFFAIRS COMMITTEE, 1730 K ST., NW WASHINGTON DC 20006			
AMERICAN HERITAGE CENTER, SUITE H 11244 WAPLES MILL RD. FAIRFAX VA 22030			
AMERICAN HONEY PRODUCERS ASSN, P.O. BOX 368 MINCO OK 73059		1,689.23	5,006.35
AMERICAN HOSPITAL ASSN, 840 N. LAKE SHORE DR. CHICAGO IL 60611		27,305.24	27,305.24
AMERICAN HOTEL & MOTEL ASSN, 888 SEVENTH AVE. NEW YORK NY 10019		19,665.07	11,303.77
AMERICAN INST OF MERCHANT SHIPPING, SUITE 1000 1625 K ST,. NW WASHINGTON DC 20006			
AMERICAN INSURANCE ASSN, 85 JOHN ST. NEW YORK NY 10038			
AMERICAN ISRAEL PUBLIC AFFAIRS COMM, #412 444 N. CAPITOL ST., NW WASHINGTON DC 20001		93,887.00	91,001.62
AMERICAN LAND TITLE ASSN, 1828 L ST., NW WASHINGTON DC 20036			5,703.00
AMERICAN LEAGUE FOR EXPORTS & SECURITY ASSISTANCE, #4400 475 L'ENFANT PLAZA, SW WASHINGTON DC 20024		12,000.00	12,528.49
AMERICAN LIBRARY ASSN, 50 E. HURON ST. CHICAGO IL 60611		7,613.25	4,520.84
AMERICAN MALTING BARLEY ASSN, INC, 735 NORTH WATER STREET, #908 MILWAUKEE WI 53202			
AMERICAN MEAT INSTITUTE, PO BOX 3556 WASHINGTON DC 20007			6,500.00
AMERICAN MEDICAL ASSN, 535 NORTH DEARBORN ST. CHICAGO IL 60610		1,510.00	32,835.54
AMERICAN MEDICAL CARE & REVIEW ASSN, SUITE 210 5410 GROSVENOR LANE BETHESDA MD 20814			
AMERICAN MEDICAL PEER REVIEW ASSN, SUITE 510 440 FIRST ST., NW WASHINGTON DC 20001			
AMERICAN METAL DETECTOR MANUFACTURERS' ASSN, 2814 NATIONAL DR. GARLAND TX 75401			
AMERICAN MOVERS CONFERENCE, 400 ARMY-NAVY DR. ARLINGTON VA 22202			912.00
AMERICAN NEWSPAPER PUBLISHERS ASSN, BOX 17407 DULLES INTERNATIONAL AIRPORT WASHINGTON DC 20041		1,449.00	1,449.00
AMERICAN NUCLEAR ENERGY COUNCIL, 410 1ST ST., SE WASHINGTON DC 20003		8,312.12	35,594.93
AMERICAN NURSES' ASSN, 2420 PERSHING RD KANSAS CITY MO 64108		26,101.99	26,101.99
AMERICAN OPTOMETRIC ASSN, C/O DR. JOHN D. TUMBLIN SUITE 400E 600 MARYLAND AVE., SW WASHINGTON DC 20024			
AMERICAN ORTHOTIC AND PROSTHETIC ASSN, 717 PENDLETON ST. ALEXANDRIA VA 22314			
AMERICAN PAPER INSTITUTE, INC, 260 MADISON AVE. NEW YORK NY 10016			3,231.10
AMERICAN PARATRANSIT INSTITUTE, P.O. BOX 340276 CORAL GABLES FL 33134			2,000.00
AMERICAN PETROCHEMICAL CONSUMERS, 1815 H STREET, NW, #1000 WASHINGTON DC 20006			
AMERICAN PETROLEUM INSTITUTE, 1220 L ST., NW WASHINGTON DC 20037		211,429.98	209,524.94
AMERICAN POSTAL WORKERS UNION, AFL-CIO, 817 14TH ST., NW WASHINGTON DC 20005		40,845.59	53,398.72
AMERICAN PSYCHOLOGICAL ASSN, 1200 17TH STREET, NW WASHINGTON DC 20036		17,266.58	17,266.58
AMERICAN PUBLIC TRANSIT ASSN, 1225 CONNECTICUT AVE., NW WASHINGTON DC 20036		34,752.00	34,752.00
AMERICAN PULPWOOD ASSN, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036			
AMERICAN RADIO RELAY LEAGUE, INC, 225 MAIN ST. NEWINGTON CT 06111			
AMERICAN RETREADERS' ASSN, P.O. BOX 17203 LOUISVILLE KY 40217		1,000.00	1,000.00
AMERICAN SEED TRADE ASSN, SUITE 964 1030 15TH ST., NW WASHINGTON DC 20005			11,350.00
AMERICAN SHORT LINE RAILROAD ASSN, 2000 MASSACHUSETTS AVE., NW WASHINGTON DC 20036			
AMERICAN SOYBEAN ASSOCIATION, 600 MARYLAND AVENUE, SW, #510 WASHINGTON DC 20024			
AMERICAN SUBCONTRACTORS ASSN, 1004 DUKE ST. ALEXANDRIA VA 22314			
AMERICAN VETERANS OF WORLD WAR II, KOREA & VIETNAM (AMVETS) , 4647 FORBES BOULEVARD LANHAM MD 20706		6,950.47	6,950.47
AMERICAN VETERINARY MEDICAL ASSN, SUITE 828 1522 K ST., NW WASHINGTON DC 20005			20.00
AMERICAN WATERWAYS OPERATORS, INC, SUITE 1000 1600 WILSON BLVD. ARLINGTON VA 22209		1,200.54	2,264.93
AMERICAN WATERWAYS SHIPYARD CONFERENCE, 1600 WILSON BOULEVARD, #500 ARLINGTON VA 22209			
AMERICAN WOOD PRESERVERS INSTITUTE, 1945 GALLOWS ROAD, #405 VIENNA VA 22180			
AMERICANS FOR THE NATIONAL VOTER INITIATIVE AMENDMENT, 3115 N ST., NW WASHINGTON DC 20007			
MORRIS J. AMITAY, P.C., SUITE 712 444 N. CAPITOL ST., NW WASHINGTON DC 20001	NATIONAL SATELLITE CABLE ASSN	3,000.00	
Do	NORTHROP CORP	3,000.00	
Do	PAN AMERICAN WORLD AIRWAYS, INC	4,500.00	
Do	THOMPSON MEDICAL	6,000.00	
JAN S. AMUNDSON, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
EDWARD ANDERSEN, 1616 H ST., NW WASHINGTON DC 20006	NATIONAL GRANGE	785.00	
STEPHEN O. ANDERSEN, 2000 L STREET, NW, #320 WASHINGTON DC 20036	CONSUMER ENERGY COUNCIL OF AMERICA		
BETTE B. ANDERSON, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MUTUAL OF OMAHA)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: PORTALS, INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: U.S. BANKNOTE)		
H. KIM ANDERSON, VIRGINIA PETROLEUM COUNCIL 1809 STAPLES MILL ROAD RICHMOND VA 23230	AMERICAN PETROLEUM INST		
ANDERSON HIBEY NAUHEIM & BLAIR, 1708 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20009	NATIONAL MULTIFAMILY HOUSING FINANCE ASSN		
J. LEM ANDERSON, 4111 FRANCONIA RD. ALEXANDRIA VA 22310	TIME INC	1,000.00	
JAMES A. ANDERSON JR., 1725 K STREET, NW, #710 WASHINGTON DC 20006	NATIONAL ASSN OF WHOLESALER-DISTRIBUTORS		
ROBERT L. ANDERSON, JOHN DEERE RD. MOLINE IL 61265	DEERE & COMPANY		
ROMILDA R. ANDERSON, 10 WESTPORT ROAD WILTON CT 06897	RICHARDSON-VICKS	10,500.00	1,021.56
STEVEN C. ANDERSON, 1700 OLD MEADOW RD. MCLEAN VA 22102	AMERICAN FROZEN FOOD INST		
WAYNE C. ANDERSON, NABISCO BRANDS PLAZA PARSIPPANY NJ 07054	NABISCO BRANDS, INC	5,000.00	1,612.00
WILLIAM C. ANDERSON, 1101 16TH ST., NW WASHINGTON DC 20036	INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA		37.50
ANDREWS & KURTH, 1747 PENNSYLVANIA AVE, NW, WASHINGTON DC 20006	SPACE SERVICES INC OF AMERICA		
LEWIS D. ANDREWS JR., 1825 EYE STREET, NW, #400 WASHINGTON DC 20006	COMMITTEE FOR EQUITABLE COMPENSATION	6,000.00	275.00
ROBERT B. ANDREWS, 1100 CONNECTICUT AVENUE, NW, #620 WASHINGTON DC 20036	MOBIL OIL CORP	500.00	
JACK R. ANGELL, 1101 17TH STREET, NW, #704 WASHINGTON DC 20036	UNITED GAS PIPE LINE CO		
JAY ANGOFF, 215 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	CONGRESS WATCH	4,882.52	
J. DONALD ANNETT, 1050 17TH ST., NW, #500 WASHINGTON DC 20036	TEXACO, INC	500.00	
TOBIAS ANTHONY, 1819 H STREET, NW, #510 WASHINGTON DC 20006	NATIONAL ASH ASSN, INC		
THOMAS ANTONE, CASSON CALLIGARO & MUTRYN 2600 VIRGINIA AVENUE, NW, #900 WASHINGTON DC 20037	SAMARITAN HEALTH SERVICE		
PATRICK S. ANTRIM, 1800 K STREET, NW WASHINGTON DC 20006	BANKAMERICA CORPORATION		
APARTMENT & OFFICE BUILDING ASSN OF METROPOLITAN WASH, DC, SUITE 600 1413 K ST., NW WASHINGTON DC 20005			
JOHN D. AQUILINO JR., 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER		
JOHN CHRISTIAN ARCHER, 1730 RHODE ISLAND AVE., NW, #213 WASHINGTON DC 20036	BROWN & ROOT, INC		
JOHN ARCHER, 8111 GATEHOUSE RD. FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
ARENT FOX KINTNER PLOTKIN & KAHN, 1050 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	BREED CORPORATION	10,000.00	1,149.80
Do	CENTRAL STATES SE & SW AREAS HEALTH, WELFARE & PENSION FUNDS	72,186.45	1,626.48
Do	GUARDIAN LIFE INSURANCE CO. OF AMERICA	17,035.72	59.43
Do	MOTOR AND EQUIPMENT MANUFACTURERS ASSOCIATION		
Do	TOYOTA MOTOR CORPORATION	480.39	41.75
Do	TUBULAR CORP OF AMERICA, INC	14,789.94	405.46
R. G. ARMISTEAD, 8613 JANET LANE VIENNA VA 22180			
ARNOLD & PORTER, 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	AMERICAN ASSN OF EXPORTERS & IMPORTERS (AAEI)	1,200.00	
Do	AMERICAN TRADING & PRODUCTION CORP		
Do	FLUOR CORPORATION		
Do	WERNER FLEISCHMANN		
CARL F. ARNOLD, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN IRON & STEEL INSTITUTE	720.00	
Do	CORPORATE PROPERTY INVESTORS	875.00	
Do	MEAD CORPORATION	1,260.00	
Do	QUINTANA PETROLEUM CORP	1,500.00	
Do	SECURITIES INDUSTRY ASSN		
JULIE L. ARNOLD, 1050 17TH STREET, NW, #1126 WASHINGTON DC 20036	TRAVENOL LABORATORIES, INC		
SANDY ARNOLD, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FED OF FEDERAL EMPLOYEES		
NAN ARON, 600 NEW JERSEY AVENUE, NW WASHINGTON DC 20001	ALLIANCE FOR JUSTICE	85.80	
ASBILL & JUNKIN, SUITE 603 1302 18TH ST., NW WASHINGTON DC 20036	COALITION ON SMOKING OR HEALTH	23,987.50	14,819.32
JOSEPH ASHOOH, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
ASIAN PACIFIC ECONOMIC EDUCATIONAL CULTURAL ORGANIZATION, P.O. BOX 891 MANILA, PHILIPPINE			
ASPHALT ROOFING MANUFACTURERS ASSOCIATION, 6288 MONTROSE ROAD ROCKVILLE MD 20852			
ASSOCIATED BUILDERS & CONTRACTORS, INC, 729 15TH ST., NW WASHINGTON DC 20005		7,500.00	
ASSOCIATED CREDIT BUREAUS, INC, P.O. BOX 218300 16211 PARK 10 PLACE HOUSTON TX 77084			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
ASSOCIATED EMPLOYERS, INC, SUITE 315 A 1222 N. MAIN SAN ANTONIO TX 78212			
ASSOCIATED GENERAL CONTRACTORS OF AMERICA, 1957 E ST., NW WASHINGTON DC 20006			
ASSOCIATION FOR BIOMEDICAL RESEARCH, 400-2 TOTTEN POND ROAD, #200 WALTHAM MA 02154		35,460.00	9,141.37
ASSOCIATION OF AMERICAN FOREIGN SERVICE WOMEN, P.O. BOX 8068 WASHINGTON DC 20024			
ASSOCIATION OF AMERICAN LAW SCHOOLS, ONE DUPONT CIRCLE, NW, #370 WASHINGTON DC 20036			
ASSOCIATION OF AMERICAN PUBLISHERS, 2005 MASSACHUSETTS AVE., NW WASHINGTON DC 20036		8,849.00	8,849.00
ASSOCIATION OF AMERICAN RAILROADS, AMERICAN RAILROADS BLDG., SUITE 720 1920 L ST., NW WASHINGTON DC 20036.		50,304.57	50,304.57
ASSOCIATION OF AMERICAN VETERINARY MEDICAL COLLEGES, SUITE 828 1522 K ST., NW WASHINGTON DC 20005			
ASSOCIATION OF DATA PROCESSING SERVICE ORGANIZATIONS, 1300 NORTH 17TH STREET, #300 ARLINGTON VA 22209			
ASSOCIATION OF TRIAL LAWYERS OF AMERICA, 1050 31ST ST., NW WASHINGTON DC 20007		9,500.00	9,500.00
GEORGE J. ASTE, 1825 K ST., NW, #607 WASHINGTON DC 20006	UNITED AIRLINES	500.00	
ATLANTIC RICHFIELD CO, 515 SOUTH FLOWER STREET LOS ANGELES CA 90071			1,576.31
FRITZ E. ATTAWAY, 1600 EYE ST., NW WASHINGTON DC 20006	MOTION PICTURE ASSN OF AMERICA, INC		
JOHN J. AUCIELLO, P.O. BOX 269 ELIZABETHTOWN PA 17022	AMERICAN ASSN OF MEAT PROCESSORS		
AUDIO RECORDING RIGHTS COALITION, P.O. BOX 33705 WASHINGTON DC 20033		45,000.00	52,851.75
JOHN D. AUSTIN JR., 1920 N STREET, N.W. WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
AUTOMOTIVE PARTS REBUILDERS ASSN, 6849 OLD DOMINION DRIVE MCLEAN VA 22101			
JOHN S. AUTRY, SUITE 810 2000 L ST., NW WASHINGTON DC 20036	SPERRY CORPORATION	2,200.00	2,600.00
AVENEL ASSOCIATES, INC, P.O. BOX 53131 WASHINGTON DC 20009	FLORIDA DEFENDERS OF THE ENVIRONMENT		
AVIATION CONSUMER ACTION PROJECT, BOX 19029 WASHINGTON DC 20036			
AVON PRODUCTS, INC, 9 WEST 57TH ST. NEW YORK NY 10019		525.00	30.00
GUS AVRAKOTOS, 1522 K ST., NW #406 WASHINGTON DC 20005	NATIONAL CONSUMERS LEAGUE		
GEORGE C. AXTELL, 475 L'ENFANT PLAZA, SW, #4400 WASHINGTON DC 20024	AMERICAN LEAGUE FOR EXPORTS & SECURITY ASSISTANCE	3,000.00	
WILLIAM H AXTMAN, RM. 160 950 N. GLEBE RD. ARLINGTON VA 22203	AMERICAN BOILER MANUFACTURERS ASSN, INC	30.00	109.00
CRAIG H. BAAB, 1800 M ST., NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	9.75
JED L. BABBIN, 4910 NORTH 27TH STREET ARLINGTON VA 22207	SHIPBUILDERS COUNCIL OF AMERICA	16,000.00	
DALE R. BABIONE, 1700 N. MOORE ST. ROSSLYN VA 22209	BOEING COMPANY	338.00	
CARL E. BAGGE, COAL BUILDING WASHINGTON DC 20036	NATIONAL COAL ASSN	3,040.00	1,000.00
JOAN N. BAGGETT, 815 15TH ST., NW WASHINGTON DC 20005	INTERNATIONAL UNION OF BRICKLAYERS & ALLIED CRAFTSMEN		
GEORGE F. BAILEY JR., P.O. BOX 21 MONTGOMERY AL 36101	ALABAMA RAILROAD ASSN		
PAUL C. BAILEY JR., 108 COLUMBUS ST. ARLINGTON VA 22204	SOUTHERN COMPANY SERVICES, INC	112.50	10.50
WILLIAM W. BAILEY, 1050 17TH ST., NW SUITE 650 WASHINGTON DC 20036	MERCK & CO, INC	1,000.00	510.28
JUDITH L. BAIRD, 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	200.00	
JOHN BAIZE, CAPITOL GALLERY BLDG., #510 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	AMERICAN SOYBEAN ASSOCIATION		
EDWARD R. BAJER, 1015 15TH ST., NW, #802 WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	450.00	
BAKER & BOTTS, 1701 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	HOUSTON LIGHTING & POWER COMPANY		
Do	PENNZOIL CO	400.00	
BAKER & HOSTETLER, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	CLEVELAND INSTITUTE OF ELECTRONICS		
BAKER & MCKENZIE, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FAMARCO LTD, INC		
DAVID BAKER, 1730 M STREET, NW WASHINGTON DC 20036	LEAGUE OF WOMEN VOTERS OF THE U.S.	2,376.90	104.00
EMIL F. BAKER, 1303 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	FLEET RESERVE ASSN		
GERALD E. BAKER, 1625 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	AIR LINE PILOTS ASSN		
KEITH L. BAKER, SUITE 600 1000 POTOMAC ST., NW WASHINGTON DC 20007	FEDERATION EMPLOYMENT & GUIDANCE SERVICE		
LISA BAKER, 1730 K STREET, NW, #703 WASHINGTON DC 20006	AMERICAN BUSINESS CONFERENCE	81.00	362.32
WALDON L. BAKER, SUITE 802 1015 15TH STREET, NW WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	100.00	
S. EASON BALCH JR., P.O. BOX 306 BIRMINGHAM AL 35201	BALCH & BINGHAM (FOR: SOUTHERN COMPANY SERVICES, INC)		
S. EASON BALCH, P.O. BOX 306 BIRMINGHAM AL 35201	BALCH & BINGHAM (FOR: SOUTHERN COMPANY SERVICES, INC)	675.00	350.54
H. R. BALIKOV, 333 THORNALL ST. EDISON NJ 08818	J. M. HUBER CORP		
BALLARD SPAHR ANDREWS & INGERSOLL, SUITE 1100 1850 K STREET, NW WASHINGTON DC 20006	ATLANTIC ALLIANCE FOR MARITIME HERITAGE CONSERVATION		
Do	DELAWARE RIVER PORT AUTHORITY	47.50	
Do	PHILADELPHIA PORT CORPORATION	31.50	3.00
Do	PORT OF WILMINGTON, DELAWARE	10.00	1.00
Do	SOUTH JERSEY PORT CORPORATION	10.00	1.00
Do	TITAN OCEAN SYSTEMS, INC		
Do	TREASURE SALVORS, INC		
Do	U.S. COMMITTEE FOR UNICEF	303.60	3.60
THOMAS M. BALMER, 888 16TH STREET, NW WASHINGTON DC 20006	MILK INDUSTRY FOUNDATION/INT'L ASSN OF ICE CREAM MFRS		
PHILIP A. BANGERT, 1010 WISCONSIN AVENUE, NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC		
CHARLES E. BANGERT, P.C., 1825 EYE STREET, NW, #300 WASHINGTON DC 20006	BUSINESS ROUNDTABLE		
BANK OF BOSTON CORPORATION, 100 FEDERAL ST. BOSTON MA 02110			
ROBERT D. BANNISTER, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
SAMUEL J. BAPTISTA, SUITE 603 1620 EYE STREET, NW WASHINGTON DC 20006	VISA U.S.A., INC		
JUDY BARDACKE, 555 NEW JERSEY AVENUE, NW WASHINGTON DC 20001	AMERICAN FED OF TEACHERS		
ROBERT O. BARKER, 801 NORTHLAND TOWERS WEST SOUTHFIELD MI 48075	NATIONAL ASSN OF MANUFACTURERS	1,500.00	
THOMAS H. BARKSDALE JR., 1220 L ST.,NW WASHINGTON DC 20036	AMERICAN PETROLEUM INST	5,500.00	498.41
BARNES RICHARDSON & COLBURN, SUITE 400 1819 H ST., NW WASHINGTON DC 20006	EHA VENTILFABRIK WILHELM FRITZ KG		
Do	PFIZER, INC		32.52
Do	TARTARIC CHEMICALS CORPORATION		32.52
Do	UNIROYAL, INC	2,047.58	159.00
BARNETT & ALAGIA, 1000 THOMAS JEFFERSON STREET, NW, #900 WASHINGTON DC 20007	CUBAN AMERICAN PUBLIC AFFAIRS COUNCIL		
Do	FARM CREDIT BANKS		
Do	FLORIDA FRUIT AND VEGETABLE ASSN		
Do	FLORIDA TOMATO EXCHANGE		
Do	THAI FOOD PROCESSORS ASSN		140.80
BARNETT YINGLING & SHAY, SUITE 810 1090 VERMONT AVE., NW WASHINGTON DC 20005	CITIBANK, N.A	380.00	6.00
NEIL D. BARON, BOOTH & BARON 122 EAST 42ND ST. NEW YORK NY 10168	STANDARD & POOR'S CORPORATION		
RICHARD L. BARR, P.O. BOX 834 DES MOINES IA 50304	IOWA RAILWAY ASSN		
DAVID M. BARRETT, BARRETT, HANNA, DALY & GASPAR 2555 M STREET, NW, #100 WASHINGTON DC 20037	ALLIED TUBE & CONDUIT CORP	9,894.37	1,396.49
Do	ENERGY CONSUMERS & PRODUCERS ASSN	4,500.00	654.38
Do	NATIONAL MEDICAL ENTERPRISES, INC	3,000.00	709.04
ROBERT W. BARRIE, 1331 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	GENERAL ELECTRIC CO	2,500.00	
HARVEY BARRISON, 291 BROADWAY NEW YORK NY 10007	C. A. SHEA & COMPANY, INC		
DAVID S. BARROWS, 1201 S. W. 12TH, #200 PORTLAND OR 97205	ASSOCIATION OF OREGON & CALIFORNIA LAND GRANT COUNTIES	1,200.00	
JAMES E. BARTLEY, 1090 VERMONT AVENUE, NW, #410 WASHINGTON DC 20005	NATIONAL INDUSTRIAL TRANSPORTATION LEAGUE	6,000.00	85.71
Do	PROCOMPETITIVE RETAIL STEERING COMM		5.00
R. WILLIAM BARTON, 1000 POTOMAC STREET, NW, #302 WASHINGTON DC 20007	FEDERATION EMPLOYMENT & GUIDANCE SERVICE		
RICHARD A. BARTON, 1730 K ST., NW, #905 WASHINGTON DC 20006	DIRECT MARKETING ASSN	1,400.00	
BASKIN AND STEINGUT, P.C., 1100 15TH STREET, NW, #1100 WASHINGTON DC 20005	ALMET, INC	5,000.00	302.74
Do	ASSOCIATION OF FOOD INDUSTRIES, INC	1,200.00	81.71
Do	COMMITTEE OF DOMESTIC STEEL WIRE ROPE & SPECIALTY CABLE MFRS	2,963.50	169.48
Do	P. L. THOMAS & COMPANY, INC, ET AL		
WALTER F. BATCHELOR, 1200 17TH STREET, NW WASHINGTON DC 20036	AMERICAN PSYCHOLOGICAL ASSN	500.00	74.59
DIANE BATEMAN, 1015 18TH STREET, NW WASHINGTON DC 20036	FERTILIZER INSTITUTE	10,000.00	4,460.34
ROBERT E. BATES JR., 1100 CONNECTICUT AVE, NW WASHINGTON DC 20036	MOBIL OIL CORP	1,125.00	
LAURIE C. BATTLE, 1709 NEW YORK AVE., NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS ASSOCIATIONS	5,443.00	
LYNNE D. BATTLE, 1101 CONNECTICUT AVE., NW, #705 WASHINGTON DC 20036	COLLEGE PLACEMENT COUNCIL, INC		
JOHN F. BATTLES, MASSACHUSETTS PETROLEUM COUNCIL 11 BEACON ST., #515 BOSTON MA 02108	AMERICAN PETROLEUM INST		
JOHN L. BAUER JR., 1747 PENNSYLVANIA AVENUE, NW, #702 WASHINGTON DC 20006	ARMCO	1,400.00	322.25
ROBERT J. BAUGHMAN, 717 PENDLETON ST. ALEXANDRIA VA 22314	AMERICAN ORTHOTIC AND PROSTHETIC ASSN		
BARBARA BAUMAN, 1990 M STREET, NW, #480 WASHINGTON DC 20036	DETROIT EDISON COMPANY	450.00	15.00
BARRY H. BAUMAN, 1615 H STREET, NW WASHINGTON DC 20062	U.S. CHAMBER OF COMMERCE		
JAMES R. BAXTER, 2033 K ST., NW, #200 WASHINGTON DC 20006	NATIONAL CONSTRUCTION EMPLOYERS COUNCIL		
BAYH TABBERT & CAPEHART, SUITE 1025 1575 I STREET, NW WASHINGTON DC 20005	AMERICAN CANCER SOCIETY	7,500.00	450.00
Do	LEXITEL CORPORATION	2,309.28	275.00
Do	NEW ENERGY CORPORATION	1,000.00	115.00
Do	SUGAR USERS GROUP	6,123.02	400.00
Do	VIRATEK	2,000.00	275.00
Do	FRANK W. WINNE & SON, INC	12,196.56	325.00
TINA MARTS BEACH, 1331 PENNSYLVANIA AVENUE, NW, #700 WASHINGTON DC 20004	GENERAL ELECTRIC CO	372.00	
BRUCE A. BEAM, SUITE 1041 1801 K ST., NW WASHINGTON DC 20006	AMERICAN ELECTRIC POWER SERVICE CORP	337.90	199.30
JEFFREY L. BEARD, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
DONALD S. BEATTIE, SUITE 1000 1815 H ST., NW WASHINGTON DC 20006	AMERICAN PETROCHEMICAL CONSUMERS		100.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	RAILWAY LABOR EXECUTIVES' ASSN	2,961.04	
BARBARA F. BEATTY, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,500.00	
CHRISTINE T. BEATTY, SUITE 200 1627 K ST., NW WASHINGTON DC 20006	ST. JOE MINERALS CORP	7,500.00	415.76
HUBERT BEATTY, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
LAURA L. BEATY, 806 N. JEFFERSON ST. ARLINGTON VA 22205	NATIONAL PARKS & CONSERVATION ASSOCIATION	71.50	
ORREN BEATY JR., 700 JEFFERSON BUILDING 1225 19TH STREET, NW WASHINGTON DC 20036	WESTERN FUELS ASSOCIATION, INC	3,930.00	434.73
JEAN A. BECHERER, 1800 K STREET, NW, #530 WASHINGTON DC 20006	TESORO PETROLEUM CORP	1,500.00	
EDWARD A. BECK III, 1220 L STREET, NW WASHINGTON DC 20005	AMERICAN PETROLEUM INSTITUTE	6,352.65	488.00
WILLIAM W. BEDDOW, 1101 15TH ST., NW WASHINGTON DC 20005	NATIONAL CONSTRUCTORS ASSOCIATION	1,600.00	
HOWARD BEDLIN, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	150.29	63.67
JON CHARLES BEDNERIK, 11 EMBARCADERO WEST, #202 OAKLAND CA 94607	WESTERN INDEPENDENT BANKERS	250.00	
LYDIA I. BEEBE, 1700 K STREET, NW, #1204 WASHINGTON DC 20006	CHEVRON USA, INC	160.00	
NOREEN H. BEEBE, 1016 20TH ST., NW WASHINGTON DC 20036	NATIONAL ASSN OF PLUMBING-HEATING-COOLING CONTRACTORS		
RONALD L. BEEBER, 1660 L STREET, NW WASHINGTON DC 20036	GENERAL MOTORS CORP	2,500.00	2,841.96
CHRISTOPHER M. BEERMANN, 240-40 43RD AVE. DOUGLASTON NY 11363	MORALITY IN MEDIA, INC	1.00	
ROBERT M. BEERS, 2101 E STREET, NW WASHINGTON DC 20037	AMERICAN FOREIGN SERVICE ASSN	4,450.00	200.34
EDWIN L. BEHRENS, 801 18TH STREET, NW, #400 WASHINGTON DC 20006	PROCTER & GAMBLE MANUFACTURING CO	2.50	
JAMES BEIZER, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
MARK BELANGER, 805 THIRD AVENUE NEW YORK NY 10022	MAJOR LEAGUE BASEBALL PLAYERS ASSN		
ALEXANDER B. BELL, 9618 COTTRELL TERRACE SILVER SPRING MD 20903	UNITED ASSN OF JNYMEN & APPREN. OF PLMBG & PIPEFTG INDUSTRY	3,750.00	240.48
HOWARD H. BELL, 1400 K ST., NW, #1000 WASHINGTON DC 20036	AMERICAN ADVERTISING FEDERATION		
WINSTON EVERETT BELL, P.O. BOX 26543 LAS VEGAS NV 89126			
MARY K. BELLAMY, 1600 M ST., NW WASHINGTON DC 20036	INVESTMENT CO INSTITUTE		
JAMES P. BELLIS, 11 DUPONT CIRCLE, NW, #700 WASHINGTON DC 20036	PALUMBO & CERRELL, INC (FOR: AMERICAN SOC OF COMPOSERS AUTHORS & PUBLISHERS).	9,600.00	
Do	PALUMBO & CERRELL, INC (FOR: NATIONAL SCHOOL TRANSPORTATION ASSN)	9,600.00	
Do	PALUMBO & CERRELL, INC (FOR: SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT).	9,600.00	
BENEFICIAL MANAGEMENT CORPORATION OF AMERICA, 1100 CARR RD. WILMINGTON DE 19899			
BRUCE BENEFIELD, SUITE 2600 1000 WILSON BLVD. ARLINGTON VA 22209	TRW, INC	1,000.00	
KENNETH U. BENJAMIN JR., 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	2,887.00	86.94
DANIEL BENNET, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,500.00	
ALAN R. BENNETT, 1575 EYE STREET, NW, #1150 WASHINGTON DC 20005	KAYE SCHOLER FIERMAN HAYS & HANDLER (FOR: BRISTOL-MYERS CO)		
BEVERLY L. BENNETT, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	250.00	
CATHERINE BENNETT, SUITE 730 1700 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	PFIZER, INC	650.00	512.74
TRISHA BENNETT, 1050 CONNECTICUT AVE., NW WASHINGTON DC 20036	BURLINGTON NORTHERN, INC	1,750.00	1,260.53
WILLIAM C. BENNETT JR., 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	150.00	
JOHN C. BENNISON, 4400 MACARTHUR BLVD., NW WASHINGTON DC 20007	AMERICAN SOC OF TRAVEL AGENTS	8,000.00	
BENOIT SMITH & LAUGHLIN, 2001 JEFFERSON DAVIS HIGHWAY, #501 ARLINGTON VA 22202	ECONOPURE		
Do	HUGHES AIRCRAFT COMPANY		
FREDERICK S. BENSON III, 1625 EYE STREET, NW, #902 WASHINGTON DC 20006	WEYERHAEUSER COMPANY		
TOM BENSON, 501 UNION STREET, #506 NASHVILLE TN 37219	TENNESSEE RAILROAD ASSN		
JAMES E. BENTON, N. J. PETROLEUM COUNCIL 170 W. STATE ST. TRENTON NJ 08608	AMERICAN PETROLEUM INST		
REBECCA J. BERG, 1140 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	SEA-LAND CORPORATION	400.00	28.19
O. M. BERGE, 12050 WOODWARD AVE. DETROIT MI 48203	BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYES		
BOB BERGLAND, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	580.00	1,237.25
EDWIN M. BERGSMARK, THREE SEAGATE TOLEDO OH 43603	TOLEDO TRUST COMPANY	59.00	
PAUL C. BERGSON, 2550 M ST., NW, #770 WASHINGTON DC 20037	RJR INDUSTRIES, INC	940.00	376.00
FRANK BRETT BERLIN, SUITE 210 655 15TH ST., NW WASHINGTON DC 20005	CRAY RESEARCH, INC		
ELLEN BERMAN, SUITE 320 2000 L ST., NW WASHINGTON DC 20036	CONSUMER ENERGY COUNCIL OF AMERICA		
JASON S. BERMAN, SUITE 250 2020 K ST., NW WASHINGTON DC 20006	WARNER COMMUNICATIONS, INC	15,000.00	12,821.00
WILLIAM R. BERMAN, 8111 GATEHOUSE RD. FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
MARY E. BERNHARD, 1090 VERMONT AVENUE, NW, #500 WASHINGTON DC 20005	FLEXIBLE PACKAGING ASSOCIATION		
CHARLES BERNHARDT, 1016 16TH ST., NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
MAX N. BERRY, 3213 O ST., NW WASHINGTON DC 20007	AMERICAN IMPORTERS MEAT PRODUCTS GROUP		
Do	CENTRE NATIONAL INTERPROFESSIONNEL DE L'ECONOMIC LAITIERE		
Do	COMMITTEE TO ASSURE THE AVAILABILITY OF CASEIN		
Do	FEDERATION DES EXPORTATEURS DE VINS & SPIRITUEUX DE FRANCE		
FRANK S. BESSON III, 1725 JEFFERSON DAVIS HWY, #900 ARLINGTON VA 22202	AM GENERAL CORPORATION	1,800.00	
ROBERT L. BEVAN, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN		
BEVERIDGE & DIAMOND, P.C., 1333 NEW HAMPSHIRE AVE, NW WASHINGTON DC 20036	J. C. BRADFORD		
Do	TEXAS OIL & GAS CORP		
BEVERLY ENTERPRISES, INC, 1901 N. FORT MYER DRIVE, #302 ROSSLYN VA 22209			11,473.00
CHERYL BEVERSDORF, 1200 15TH STREET, NW WASHINGTON DC 20005	AMERICAN HEALTH CARE ASSN	2,628.83	395.00
LEONARD BICKWIT JR., MILLER & CHEVALIER, CHTD. 655 15TH STREET, NW WASHINGTON DC 20005	CONSOLIDATED EDISON CO OF NEW YORK		
Do	GENERAL PUBLIC UTILITIES CORP	4,000.00	30.00
Do	LINCOLN SAVINGS & LOAN ASSN	34,064.12	687.17
Do	NUCLEAR FUEL SERVICES, INC	6,000.00	6.00
JOAN T. BIER, 1726 M STREET, NW, #701 WASHINGTON DC 20036	INTERNATIONAL MINERALS & CHEMICAL CORP		
JAMES N. BIERMAN, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FOLEY LARNDER HOLLABAUGH & JACOBS (FOR: VGS CORPORATION)		
MOE BILLER, 817 14TH ST., NW WASHINGTON DC 20005	AMERICAN POSTAL WORKERS UNION, AFL-CIO	8,337.29	
BILLIG SHER & JONES, 2033 K ST., NW, #300 WASHINGTON DC 20006	HAPAG-LLOYD, A.G.		
Do	PORT USERS	1,500.00	40.00
Do	PRIVATE TRUCK COUNCIL OF AMER, INC		
Do	SOUTH DAKOTA DEPT. OF TRANSPORTATION, DIV. OF RAILROADS		
Do	STEAMSHIP CONFERENCES		
KEVIN W. BILLINGS, 410 FIRST STREET, SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL	725.00	179.40
LEON G. BILLINGS, INC, SUITE 713 1660 L STREET, NW WASHINGTON DC 20036	STATE OF MONTANA	15,000.00	
ROBERT HENRI BINDER, 1150 CONNECTICUT AVENUE, NW, #800 WASHINGTON DC 20036	INTERNATIONAL AIRFORWARDER & AGENTS ASSOCIATION		
BINGHAM DANA & GOULD, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	CONSUMER BANKERS ASSN		
Do	FEDERATION FOR AMERICAN IMMIGRATION REFORM	300.00	
Do	UNICOVER CORP	500.00	46.00
Do	VISA U.S.A., INC		
VITINA BIONDO, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	215.77	
BIRCH HORTON BITTNER PESTINGER & ANDERSON, 12TH FLOOR 1155 CONNECTICUT AVE., NW WASHINGTON DC 20036	ALASCOM, INC		
Do	ALASKA BANKERS ASSN		
Do	ALASKA PACIFIC BANCORPORATION		
Do	ALASKA POWER AUTHORITY		
Do	ALASKA RAILROAD LEASEHOLDERS ASSN		
Do	ALASKA TEAMSTERS-EMPLOYER PENSION TRUST		
Do	AMERADA HESS		
Do	AMERICAN BUS ASSN		
Do	AMERICAN SOC OF ASSN EXECUTIVES		
Do	CALISTA CORP		
Do	CITY OF ST. GEORGE		
Do	COOK INLET REGION, INC		
Do	FIRST FEDERAL BANK OF ALASKA, S.B.		
Do	MASSACHUSETTS MUTUAL LIFE INSURANCE CO		
Do	SEALASKA CORP		
Do	SMITHKLINE BECKMAN CORP		
Do	ST. GEORGE TANAQ CORP		
Do	TEAMSTERS LOCAL 959		
Do	TURLOCK IRRIGATION DISTRICT		
Do	WESTINGHOUSE ELECTRIC CORP		
Do	YUKON PACIFIC CORP		
WILLIAM J. BIRKHOFER, 1015 15TH STREET, NW, #802 WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	875.00	
CHARLES O. BISHOP, 1225 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN PUBLIC TRANSIT ASSN	6,000.00	133.00
H. RADFORD BISHOP II, P.O. BOX 946 HOLLY HILL FL 32017	NATIONAL HEALTH CARE FINANCING ASSN		
BISHOP LIBERMAN COOK PURCELL & REYNOLDS, 1200 17TH STREET, NW, 7TH FL. WASHINGTON DC 20036	ALEUT CORPORATION	3,000.00	
Do	ALEUTIAN/PRIBILOF ISLANDS ASSN, INC	3,000.00	
Do	AMERICAN ACADEMY OF OPHTHALMOLOGY		
Do	AMERICAN MOTORCYCLIST ASSN		
Do	AMERICAN RICE, INC		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	ASSOCIATION OF FEDERAL HEALTH ORGANIZATIONS		
Do	AUDIO RECORDING RIGHTS COALITION	850.00	
Do	B.A.T. INDUSTRIES, LTD		
Do	BOARD OF TRADE OF KANSAS CITY, MO., INC		
Do	CNA INSURANCE CO OF CHICAGO, ILLINOIS	400.00	
Do	COALITION FOR COMPETITION		
Do	CONSOLIDATED NATURAL GAS CO		
Do	ENSERCH CORP		
Do	ETHYL CORPORATION		
Do	FIVE STATE RICE PRODUCERS LEGISLATIVE GROUP		
Do	HARLEY-DAVIDSON MOTOR CO, INC		
Do	HOME RECORDING RIGHTS COALITION		
Do	IOWA BEEF PROCESSORS, INC		
Do	MANUFACTURERS HANOVER BANK		
Do	MISSISSIPPI POWER & LIGHT		
Do	NATIONAL MASS RETAILING INSTITUTE	1,100.00	
Do	PESTICIDE PRODUCERS ASSN		
Do	PIONEER CORP		
Do	PIPE LINE EQUITY ACT COALITION	19,113.75	
Do	PLANTERS PEANUTS		
Do	PUBLIC SECURITIES ASSN		
Do	RIO GRANDE INDUSTRIES	675.00	
Do	ROADWAY SERVICES, INC	250.00	
Do	SALOMON BROTHERS, INC		
Do	SOUTH CAROLINA PUBLIC SERVICE AUTHORITY	250.00	
Do	TANADGUSIX CORPORATION	1,250.00	
Do	TEXACO, INC		
Do	TEXAS GAS TRANSMISSION CORP		
Do	TOBACCO INSTITUTE	2,500.00	
Do	VALLEY VIEW HOLDINGS, INC		
Do	WESTERN PEANUT GROWERS' ASSN		
DENNIS A. BITZ, P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORP		
BLACK & ASSOCIATES, 1110 VERMONT AVENUE, NW, #840 WASHINGTON DC 20005	COMPUTER & COMMUNICATIONS INDUSTRY ASSN	9,000.00	970.00
BLACK MANAFORT & STONE, INC, 324 NORTH FAIRFAX STREET ALEXANDRIA VA 22314	AMERICAN PETROFINA, INC	15,000.00	480.16
Do	DOMINICAN REPUBLIC	69,788.00	1,774.30
Do	GOVERNMENT OF BARBADOS	60,000.00	1,832.17
Do	GOVERNMENT OF ST. LUCIA	21,000.00	2,361.98
Do	INTERNATIONAL MEDICAL CENTERS	30,000.00	2,847.44
Do	KAMAN AEROSPACE	60,000.00	755.04
Do	NATURAL GAS SUPPLY ASSN	37,500.00	1,569.54
Do	SALOMON BROTHERS, INC	40,000.00	425.77
Do	SOLAR ENERGY INDUSTRY ASSN		
Do	SQUIBB CORP	30,000.00	9.25
Do	TOSCO CORPORATION	16,000.00	1,369.28
SPENCER BLACK, 214 N. HENRY STREET, #203 MADISON WI 53703	SIERRA CLUB	361.09	136.56
ROBERT J. BLACKWELL, BOGLE & GATES ONE THOMAS CIRCLE, NW, #900 WASHINGTON DC 20005	COVE MARITIME COMPANIES		
Do	EQUITY CARRIERS I, INC		
Do	EQUITY CARRIERS III, INC		
Do	FALCON TANKERS, INC		
Do	PHOENIX BULKSHIP I, INC		
Do	PHOENIX BULKSHIP II, INC		
BEV D. BLACKWOOD, 1899 L STREET, NW, #1100 WASHINGTON DC 20036	EXXON CORPORATION		
BARBARA S. BLAINE, P.C., 910 16TH STREET, NW, #410 WASHINGTON DC 20006	PHARMACEUTICAL MANUFACTURERS ASSN		
BOWEN BLAIR JR., 519 S.W. THIRD AVE., #810 PORTLAND OR 97204	FRIENDS OF THE COLUMBIA GORGE	90.00	
DAVID A. BLAIR, 1000 16TH STREET, NW, #800 WASHINGTON DC 20036	BETHLEHEM STEEL CORPORATION	70.00	
NEAL B. BLAIR, SUITE J 11244 WAPLES MILL RD. FAIRFAX VA 22030	FREE THE EAGLE & TARGET, INC	21,500.00	
ROSLYNNE BLAKE, 316 PENNSYLVANIA AVENUE, SE, #301 WASHINGTON DC 20003	SAN DIEGO GAS & ELECTRIC	603.72	26.18
MICHAEL D. BLANCHARD, 501 WEST 6TH STREET FORT WORTH TX 76102	TEXAS-NEW MEXICO POWER CO	12,000.00	50.00
HELEN BLANK, 122 C STREET, NW WASHINGTON DC 20001	CHILDREN'S DEFENSE FUND	1,515.50	
VIRGINIA B. BLISS, 1725 K STREET, NW WASHINGTON DC 20006	COURTNEY MCCAMANT & TURNEY	300.00	
JERALD BLIZIN, 1201 PENNSYLVANIA AVENUE, NW, #700 WASHINGTON DC 20004	HILL & KNOWLTON, INC		
L. THOMAS BLOCK, ONE WALL STREET NEW YORK NY 10015	IRVING TRUST CO	2,000.00	1,900.00
PETER L. BLOCKLIN, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	1,000.00	
HOLTON E. BLOMGREN, 1015 15TH STREET, NW, #1220 WASHINGTON DC 20005	NATIONAL MANUFACTURED HOUSING FEDERATION	20,000.01	
DOUGLAS M. BLOOMFIELD, 444 N. CAPITOL STREET, NW, #412 WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMM	16,999.98	258.60
MARK BLOOMFIELD, SUITE 520 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL FOR CAPITAL FORMATION	394.00	
JOHN B. BLOUNT JR., 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,250.00	291.26
JARED O. BLUM, 1730 M ST., NW, #610 WASHINGTON DC 20036	DIRECT SELLING ASSOCIATION	300.00	80.50
ROBERT A. BLUM, THREE EMBARCADERO CENTER 28TH FLOOR SAN FRANCISCO CA 94111	MCCUTCHEN DOYLE BROWN & ENERSEN (FOR: PERMANENTE MEDICAL GROUP, INC.)		174.75
MILLY S. BLUMEL, 1050 CONNECTICUT AVENUE, NW, #760 WASHINGTON DC 20036	UNION OIL COMPANY OF CALIFORNIA		657.07
SAMUEL D. BLUNT, 444 N. CAPITOL STREET, #828 WASHINGTON DC 20001	RADIO OFFICERS UNION	1,624.88	
WILLIAM J. BOARMAN, P.O. BOX 157 COLORADO SPRINGS CO 80901	COLUMBIA TYPOGRAPHICAL UNION #101, AFL-CIO		
BOAT OWNERS ASSOCIATION OF THE U.S., 880 S. PICKETT ST. ALEXANDRIA VA 22304		45,000.00	44,125.00
HAROLD BOEL, 444 N. CAPITOL STREET, NW, #718 WASHINGTON DC 20001	PACIFIC TELESIS GROUP	12,000.00	
DONALD P. BOGARD, 733 15TH STREET, NW WASHINGTON DC 20005	LEGAL SERVICES CORP		
TIMOTHY A. BOGGS, 2020 K STREET, NW, #250 WASHINGTON DC 20006	WARNER COMMUNICATIONS, INC	13,200.00	7,718.99
ROBERT Z. BOHAN, 1101 16TH ST., NW WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN		392.60
PATRICIA BOINSKI, 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO		
RICHARD O. BOLGER, 1010 WISCONSIN AVENUE, NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC	30.00	
ROBERT J. BOLGER, P.O. BOX 1417-D49 ALEXANDRIA VA 22313	NATIONAL ASSN OF CHAIN DRUG STORES, INC	1,500.00	
BERNADETTE BOLTON, 400 FIRST STREET, NW, #800 WASHINGTON DC 20001	BROTHERHOOD OF RAILROAD SIGNALMEN	300.00	
SHARON E. BOMER, 727 N. WASHINGTON STREET ALEXANDRIA VA 22314	UNITED FRESH FRUIT & VEGETABLE ASSN	650.00	165.31
A. DEWEY BOND, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN MEAT INSTITUTE	500.00	
JOHN E. BONITT, 1150 CONNECTICUT AVENUE, NW, #700 WASHINGTON DC 20036	ALLIED CORPORATION	1,800.00	105.00
SHARON LEE BONITT, 1025 CONNECTICUT AVE., NW, #200 WASHINGTON DC 20036	SHELL OIL CO	500.00	
GAYLON B. BOOKER, 1918 N. PARKWAY MEMPHIS TN 38112	NATIONAL COTTON COUNCIL OF AMER		
W. DAN BOONE, 345 PARK AVE. NEW YORK NY 10154	UNION PACIFIC CORP AND ALLIANCE FOR CLEAN ENERGY		
JOHN K. BOOTH, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	300.00	
EDWARD T. BORDA, 1625 EYE ST., NW, #1023 WASHINGTON DC 20006	ASSOCIATION OF GENERAL MERCHANDISE CHAINS	4,000.00	
BRIAN T. BORDERS, ROYER & SHACKNAI 1747 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	BABCOCK & BROWN		
LAURENCE D. BORY, SUITE 802 1015 15TH ST., NW WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	750.00	
G. STEWART BOSWELL, 1611 NORTH KENT ST., #800 ARLINGTON VA 22209	AMERICAN APPAREL MANUFACTURERS ASSN, INC	2,600.00	204.11
CHARLES G. BOTSFORD, SUITE 515 1730 M ST., NW WASHINGTON DC 20036		1,500.00	173.00
JOHN E. BOUCHARD, 1667 K STREET, NW, #350 WASHINGTON DC 20036	MOLLER STEAMSHIP COMPANY, INC		
MARY M. BOURDETTE, 4TH FLOOR 122 C STREET, NW WASHINGTON DC 20001	CHILDREN'S DEFENSE FUND OF THE WASHINGTON RESEARCH PROJECT	396.00	
ALBERT D. BOURLAND, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	170.00	80.00
FRANK J. BOWDEN JR., ASSOCIATED PETROLEUM INDUSTRIES OF PA P.O. BOX 925 HARRISBURG PA 17108	AMERICAN PETROLEUM INST		
JAMES J. BOWE, 4 WORLD TRADE CENTER NEW YORK NY 10048	COFFEE, SUGAR & COCOA EXCHANGE, INC		
RODNEY A. BOWER, SUITE 702 818 ROEDER RD. SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
DAVID W. BOWERS, 1801 K ST., NW, #1201 WASHINGTON DC 20006	U.S. TELEPHONE ASSOCIATION	1,000.00	
ROBERT R. BOWERS, WEST VIRGINIA PETROLEUM COUNCIL SUITE 714 ATLAS BLDG. CHARLESTON WV 25301	AMERICAN PETROLEUM INST		
BOWERY SAVINGS BANK, 110 EAST 42ND STREET NEW YORK NY 10017			
DOUG B. BOWLES, 205 SPRING HILL TERRACE ROSWELL GA 30075	GEORGIA POWER CO	18,900.00	6,750.16
RICHARD P. BOWLING, 1020 PRINCESS STREET ALEXANDRIA VA 22314	TRUCK TRAILER MANUFACTURERS ASSN		
BOWMAN CONNER TOUHEY & PETRILLO, 2828 PENNSYLVANIA AVENUE, NW, #203 WASHINGTON DC 20007	AMERICAN AUTOMAR CORP	1,220.00	104.52
Do	AMERICAN PETROFINA, INC	8,679.00	383.12
Do	COUNCIL OF AMERICAN FLAG SHIP OPERATORS	4,880.00	419.69
BOWMER COURTNEY BURLESON PEMBERTON & NORMAND, P.O. BOX 844 TEMPLE TX 76503	TRIBAL COUNCIL OF THE COUSHATTA TRIBE OF LOUISIANA		3,899.92
JIM D. BOWMER, P.O. BOX 844 TEMPLE TX 76503	TRIBAL COUNCIL OF THE COUSHATTA TRIBE OF LOUISIANA		52.30
JOAN COSTAIN BOWYER, 1015 15TH ST., NW WASHINGTON DC 20005	PHELPS DODGE CORP	150.00	
JOHN G. BOYD, 1801 K ST., NW WASHINGTON DC 20006	INTERNATIONAL BUSINESS MACHINES CORP	166.50	22.95
STEPHEN S. BOYNTON, 1015 MOOREFIELD HILL GROVE VIENNA VA 22180	AMERICAN FUR RESOURCES INSTITUTE	500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
BRACEWELL & PATTERSON, SUITE 1200 1825 EYE ST., N.W. WASHINGTON DC 20006	AMERICAN ASSN OF DENTAL SCHOOLS		
Do	AMERICAN COUNCIL ON EDUCATION		
Do	AUSTRIAN LANCE & STEWART, P.C.		
Do	CHEMICAL MANUFACTURERS ASSN	1,650.00	658.35
Do	DRESSER INDUSTRIES, INC		
Do	HOUSTON NATURAL GAS CORP		
Do	LOUISIANA LAND & EXPLORATION CO	825.00	329.18
Do	PENNSYLVANIA NATURAL GAS ASSOCIATES	660.00	263.34
Do	RALSTON PURINA CO		
Do	SOUTHDOWN/PELTO OIL COMPANY		
Do	U.S. TUNA FOUNDATION		
Do	VALERO ENERGY CORPORATION	990.00	395.00
BRACY WILLIAMS & COMPANY, 1000 CONNECTICUT AVENUE, NW, #304 WASHINGTON DC 20036	AMERICAN SOUTHWEST FINANCIAL CO	3,500.00	250.00
Do	CALIFORNIA NICKEL CORP	15,000.00	180.00
Do	CITY OF TUCSON	7,000.00	180.00
Do	CSX CORPORATION	12,000.00	390.00
Do	DAYLIGHT SAVING TIME COALITION		200.00
Do	ENERGY ABSORPTION SYSTEMS, INC	8,000.00	115.00
Do	ESTES COMPANY	3,000.00	130.00
Do	PRATT & WHITNEY AIRCRAFT GROUP	10,000.00	105.00
Do	SINGAPORE AIRLINES, LTD	12,000.00	340.00
Do	SOUTHERN ARIZONA WATER RESOURCES ASSOCIATION	3,000.00	235.00
JOAN BRADEN, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: GOVERNMENT OF CANADA).		
FRANK W. BRADLEY, 1700 K ST., NW WASHINGTON DC 20006	CHEVRON USA, INC	3,000.00	
WAYNE W. BRADLEY, 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	1,500.00	
DENNIS M. BRADSHAW, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
CHARLES N. BRADY, 8111 GATEHOUSE RD. FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
HUGH S. BRADY, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	500.00	
CARREN BRAGG, 1901 L STREET, NW, #303 WASHINGTON DC 20036	COLT INDUSTRIES, INC		
CHARLES G. BRAG[illegible] P.O. BOX 12285 MEMPHIS TN 38182	NATIONAL COTTON COUNCIL OF AMER	1,134.00	41.09
RAYMOND F. BRA[illegible] JR., 114 THIRD STREET, SE WASHINGTON DC 20003	AMERICAN INDEPENDENT REFINERS ASSN	300.00	
STUART J. BRAHS, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
BRAND LOWELL & DOLE, 923 15TH STREET, NW, FIFTH FL. WASHINGTON DC 20005	GENERAL DYNAMICS	1,032.50	
Do	METROPOLITAN TRANSPORTATION AUTHORITY		
Do	ZENITH RADIO CORP		
RICHARD D. BRANNICK, PO BOX 550 DEXTER NY 13634	NATIONAL BORDER PATROL COUNCIL	428.40	636.54
GERARD M. BRANNON, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
ROY BRAUNSTEIN, 817 14TH ST., NW WASHINGTON DC 20005	AMERICAN POSTAL WORKERS UNION, AFL-CIO	11,595.12	
PETER ELLIOT BRAVEMAN, SUITE 2200 101000 SANTA MONICA BLVD. LOS ANGELES CA 90067	LOEB AND LOEB (FOR: JOAN IRVINE SMITH)		
DONALD H. BRAZIER, P.O. BOX 12266 SEATTLE WA 98102	DOLLAR SAVINGS BANK, ET AL		
HAROLD E. BRAZIL, 1900 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20068	POTOMAC ELECTRIC POWER CO		
NOEL BRAZIL, 600 MARYLAND AVENUE, SW, #400 WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
EDWARD T. BREATHITT, 1050 CONNECTICUT AVE., NW WASHINGTON DC 20036	NORFOLK SOUTHERN CORPORATION	1,000.00	
BREED ABBOTT & MORGAN, 1875 EYE ST., NW, #1000 WASHINGTON DC 20006	AEROJET-GENERAL, INC, ET AL		
BREGMAN ABELL KAY & SIMON, SUITE 1212 1156 15TH ST., NW WASHINGTON DC 20005	AIR TRANSPORT ASSN OF AMERICA		
Do	AMERICAN CAR RENTAL ASSN	1,200.00	
Do	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS		
Do	AVIS, INC		
Do	BUDGET RENT A CAR CORP		
Do	CONSOLIDATED FREIGHTWAY CORP		
Do	HILTON INTERNATIONAL, INC		
Do	NATIONAL CAR RENTAL SYSTEM, INC		
Do	ROADWAY EXPRESS, INC		
Do	RYDER SYSTEMS, INC		
Do	TRANS WORLD AIRLINES, INC		
Do	TRANS WORLD CORPORATION		
Do	TRUCK RENTING & LEASING ASSN	1,250.00	
MICHAEL J. BRENNAN, 1750 NEW YORK AVE., NW WASHINGTON DC 20006	INTERNATIONAL ASSN OF BRIDGE, STRUCT. & ORNAMENTAL IRON WKRS	10,800.00	615.64
PETER E. BRERETON, 900 EUCLID AVENUE CLEVELAND OH 44101	AMERITRUST CO; NAT'L ASSN		
THOMAS M. BRESNAHAN III, 1700 K STREET, NW, #1204 WASHINGTON DC 20006	CHEVRON U.S.A., INC	400.00	
ALBERT E. BREWSTER, SUITE 2300 1000 WILSON BLVD. ARLINGTON VA 22209	NORTHROP CORP		
CHARLES BRIMER, 201 PARK WASHINGTON COURT FALLS CHURCH VA 22046	NATIONAL-AMERICAN WHOLESALE GROCERS' ASSN	3,000.00	
BELVA B. BRISSETT, 1771 N ST., NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	1,500.00	2,393.38
ELIZABETH Y. BRITTON, 2550 M STREET, NW WASHINGTON DC 20037	RJR INDUSTRIES, INC	92.48	213.15
STEPHEN W. BROADIE, 1629 K STREET, NW WASHINGTON DC 20006	ALLIANCE OF AMERICAN INSURERS		
MARINA L. BROCKMANN, 605 14TH STREET, NW WASHINGTON DC 20005	SOCIETY OF THE PLASTICS INDUSTRY		
WILLIAM M. BRODHEAD, 900 MARQUETTE BUILDING DETROIT MI 48226	PLUNKETT COONEY RUTT WATTERS STANCZYK & PEDERSEN, P.C. (FOR: MICHIGAN CONSOLIDATED GAS CO).	12,237.50	1,313.44
Do	PLUNKETT COONEY RUTT WATTERS STANCZYK & PEDERSEN, P.C. (FOR: CITY OF DETROIT, MICHIGAN).	7,500.00	
DAVID A. BRODY, 1640 RHODE ISLAND AVE., NW WASHINGTON DC 20036	ANTI-DEFAMATION LEAGUE OF B'NAI B'RITH	875.00	
PHILLIP J. BROMAN, SUITE 600 919 18TH STREET, NW WASHINGTON DC 20006	TOYOTA MOTOR SALES, USA, INC		
MICHAEL D. BROMBERG, 1111 19TH ST., NW, #402 WASHINGTON DC 20036	FEDERATION OF AMERICAN HOSPITALS	4,500.00	
MARY E. BROOKS, 1730 M STREET, NW WASHINGTON DC 20036	LEAGUE OF WOMEN VOTERS OF THE U.S.	3,080.48	62.35
DAVID W. BROOME, 1726 M STREET, NW, #401 WASHINGTON DC 20036	BURLINGTON INDUSTRIES, INC		
DANIEL T. BROSS, P.O. BOX 1478 HOUSTON TX 77001	UNITED ENERGY RESOURCES, INC		
MARIO BROSSI, 1730 M ST., NW WASHINGTON DC 20036	DIRECT SELLING ASSOCIATION		
BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS, FREIGHT HANDLERS, EXPRESS & STATION EMPL 815 16TH ST., NW WASHINGTON DC 20006.		6,000.00	7,653.10
DONALD G. BROTZMAN, 1400 K ST., NW WASHINGTON DC 20005	RUBBER MFGRS ASSN	10,000.00	
BROWN & SEYMOUR, 100 PARK AVENUE, #2606 NEW YORK NY 10017	GRAY PANTHERS	5,000.00	
BEN JARRATT BROWN, SUITE 103 1000 POTOMAC STREET, NW WASHINGTON DC 20007	CORPORATION FOR GOVERNMENT ACTION, INC	11,949.90	49.11
CHARLES T. BROWN, P.O. BOX 100 MIAMI AZ 85539	PINTO VALLEY COPPER CORPORATION		
DAVID S. J. BROWN, 1101 17TH ST., NW, #604 WASHINGTON DC 20036	MONSANTO CO	600.00	838.81
DONALD K. BROWN, 1121 L ST., #810 SACRAMENTO CA 95814	CROWLEY MARITIME CORPORATION		
Do	SUMMA CORPORATION		
ELLEN B. BROWN, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	2,400.00	456.34
JAMES P. BROWN, BROWN & ASSOCIATES 301 SOVEREIGN COURT, #102 ST. LOUIS MO 63011	CITY OF ST. LOUIS - CITY HALL		
JESSE P. BROWN JR., 1918 N. PARKWAY MEMPHIS TN 38112	NATIONAL COTTON COUNCIL OF AMER	375.00	16.48
JOHN J. BROWN, 1125 17TH ST., NW WASHINGTON DC 20036	INTERNATIONAL UNION OF OPERATING ENGINEERS	8,500.00	446.00
RALPH BROWN, SUITE 107 701 S. 22ND STREET OMAHA NB 68102	M.O.A.A.I.O.A. & SUBS, INC		
BROWN ROADY BONVILLIAN & GOLD, 1300 19TH STREET, NW, #300 WASHINGTON DC 20036	CITICORP CAPITAL INVESTORS, LTD	16,478.32	714.24
Do	KANSAS CITY SOUTHERN RAILWAY		367.00
Do	METROPOLITAN TRANSIT AUTHORITY	5,534.02	344.29
Do	NORTHEASTERN INTERNATIONAL AIRWAYS, INC		478.09
Do	SECONDARY LEAD SMELTERS ASSN (SLSA)	4,432.43	432.77
Do	SMITH DAWSON ASSOCS (FOR SAN FRAN. PUBLIC UTIL COMMISSION)	2,000.00	178.03
Do	WESTERN RIVER GUIDES ASSN		
BROWN TODD & HEYBURN, 1600 CITIZENS PLAZA LOUISVILLE KY 40202	BROWN & WILLIAMSON TOBACCO CORP	7,500.00	25.50
VINCENT D. BROWN, NEBRASKA PETROLEUM COUNCIL P.O. BOX 95063 LINCOLN NB 68509	AMERICAN PETROLEUM INST	500.00	46.20
WILLIAM E. BROWN, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FORD MOTOR CO		95.97
WILLIAM R. BROWN, SUITE 200 122 C ST., NW WASHINGTON DC 20001	COUNCIL OF STATE CHAMBERS OF COMMERCE	250.00	
DONALD T. BROWNE, 205 EAST 42ND STREET NEW YORK NY 10017	RISK & INSURANCE MANAGEMENT SOCIETY, INC		
STANLEY R. BROWNE, SUITE 1120 1701 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	E. I. DU PONT DE NEMOURS & CO		
THOMAS N. BROWNELL, 1700 NORTH MOORE STREET, 20TH FL. ROSSLYN VA 22209	BOEING COMPANY		
BROWNSTEIN ZEIDMAN & SCHOMER, SUITE 900 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	CANADIAN FINANCIAL CORPORATION		
Do	MORTGAGE GUARANTY INSURANCE CORP		
Do	NATIONAL CORPORATION FOR HOUSING PARTNERSHIPS		
Do	NATIONAL HOUSING REHABILITATION ASSOCIATION		
Do	NEW YORK STATE URBAN DEVELOPMENT CORP		
Do	ROOSEVELT RACEWAY ASSOCIATES LIMITED PARTNERSHIP		
Do	SCHOCHET ASSOCIATES		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
DAVID BRUBAKER, P.O. BOX 329 B-110 EPHRATA PA 17522	PENNAG INDUSTRIES ASSOCIATION		
JAMES W. BRUNER JR., 520 CAPITOL MALL SACRAMENTO CA 95814	ORRICK HERRINGTON & SUTCLIFFE		
KATHRYNE M. BRUNER, 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	GA TECHNOLOGIES, INC	705.00	165.96
J. CHARLES BRUSE, SUITE 600 633 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	ALLSTATE INSURANCE GROUP	520.00	255.57
DAWN M. BRYDON, 888 16TH STREET, NW WASHINGTON DC 20006	MILK INDUSTRY FOUNDATION/INT'L ASSN OF ICE CREAM MFRS		
BUCHANAN INGERSOLL, P.C., 1667 K STREET, NW, 9TH FL. WASHINGTON DC 20006	CLOROX CO		
Do	EXPRESS FOODS CO, INC		
Do	GENERAL INSTRUMENT CORP		
Do	GROCERY MANUFACTURERS OF AMERICA, INC		
Do	WHEY PRODUCTS INSTITUTE		
LANA BUCK, 1319 F STREET, NW WASHINGTON DC 20004	NATIONAL ASSN OF PRIVATE PSYCHIATRIC HOSPITALS	100.00	
BUILDING OWNERS & MANAGERS ASSN INTL, SUITE 200 1250 EYE ST., NW WASHINGTON DC 20005			
DOUGLAS W. BULCAO, 1101 CONNECTICUT AVE., NW, #300 WASHINGTON DC 20036	AMERICAN TEXTILE MANUFACTURERS INSTITUTE, INC	1,000.00	9.00
DARREL D. BUNGE, MINNESOTA PETROLEUM COUNCIL 386 N. WABASHA ST., #1025 ST. PAUL MN 55102	AMERICAN PETROLEUM INST	100.00	22.00
DAVID A. BUNN, SUITE 406 1211 CONNECTICUT AVE., NW WASHINGTON DC 20036	HEARST CORPORATION		
Do	MAGAZINE PUBLISHERS ASSN, INC		
Do	PARCEL SHIPPERS ASSN		
BURCH AND BENNETT, P.C., 1320 19TH STREET, NW, #200 WASHINGTON DC 20036	M.A.N. TRUCK & BUS CORP	954.50	
J. THOMAS BURCH JR., 1320 19TH STREET, NW, #200 WASHINGTON DC 20036	BURCH, WILHELM & MCDONALD, P.C. (FOR: M.A.N. TRUCK & BUS CORP)		
LAWRENCE E. BURCH, 1711 KING ST. ALEXANDRIA VA 22314	POTATO CHIP/SNACK FOOD ASSOCIATION		
NORMAN D. BURCH, SUITE 401 1101 VERMONT AVENUE, NW WASHINGTON DC 20005	COLLEGE OF AMER PATHOLOGISTS	5,220.00	22.00
BARBARA G. BURCHETT, 1201 PENNSYLVANIA AVENUE, NW, #210 WASHINGTON DC 20004	HALLMARK CARDS, INC		
DAVID S. BURCKMAN, P.O. BOX 7610 BEN FRANKLIN STATION WASHINGTON DC 20044	SENIOR EXECUTIVES ASSN		
DAVID G. BURDEN, 200 E. RANDOLPH DR. CHICAGO IL 60601	STANDARD OIL (INDIANA)		
PAUL F. BURDETT, SUITE 700 SOUTH 1800 M STREET, NW WASHINGTON DC 20036	MERRELL DOW PHARMACEUTICALS, INC		36.00
CLAIR W. BURGENER, P.O. BOX 8186 RANCH SANTA FE CA 92067	BIXBY RANCH CO	2,500.00	
Do	G A TECHNOLOGIES, INC	3,000.00	2,563.38
GERARD P. BURKE, SUITE 400 1707 H STREET, NW WASHINGTON DC 20006	INTERNATIONAL AIR LEASES, INC		
KEVIN BURKE, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	1,500.00	652.00
SALLY J. BURKE, SCOTT HARRISON & MCLEOD 2501 M STREET, NW WASHINGTON DC 20037	AMERICAN ASSN OF CROP INSURERS		
Do	UNITED EGG PRODUCERS		
BURLEY & DARK LEAF TOBACCO EXPORT ASSN, 1100 17TH ST., NW WASHINGTON DC 20036		41,767.96	1,158.18
BILL D. BURLISON, 499 SOUTH CAPITOL STREET, SE, #103 WASHINGTON DC 20003	EMERSON ELECTRIC CO	3,750.00	696.44
Do	MCDONNELL DOUGLAS CORPORATION	4,400.00	696.44
Do	PLANNING RESEARCH CORPORATION	250.00	
MAHLON A. BURNETTE III, 3812 NORTH 13TH STREET ARLINGTON VA 22201	GROCERY MANUFACTURERS OF AMERICA, INC	4,230.00	143.00
CHARLES S. BURNS, 1015 15TH ST., NW WASHINGTON DC 20005	PHELPS DODGE CORP	1,200.00	
MICHAEL BURNS, 21 DUPONT CIRCLE, NW, #401 WASHINGTON DC 20036	BUSINESS EXECUTIVES FOR NATIONAL SECURITY	810.00	191.11
TIMOTHY F. BURNS, 2501 M ST., NW WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSOCIATION, INC	300.00	
BURR PEASE & KURTZ, INC, 810 N ST. ANCHORAGE AK 99501	EKLUTNA, INC		
FRANK BURTNETT, 5999 STEVENSON AVENUE ALEXANDRIA VA 22304	AMERICAN ASSN FOR COUNSELING & DEVELOPMENT	1,041.87	
BUSBY REHM & LEONARD, 1629 K ST., NW, #1100 WASHINGTON DC 20006	TIMEX CORP	600.00	8.00
Do	UNIVERSAL LEAF TOBACCO CO., INC		
BARBARA L. BUSH, 1220 L ST., NW WASHINGTON DC 20005	AMERICAN PETROLEUM INST	200.00	
RICHARD R. BUTA, 1620 EYE ST., NW, #703 WASHINGTON DC 20006	BECHTEL NATIONAL, INC		
JAMES J. BUTERA, 4TH FLOOR 1101 15TH ST., NW WASHINGTON DC 20005	NATIONAL COUNCIL OF SAVINGS INSTITUTIONS		
M. CALDWELL BUTLER, P.O. BOX 720 ROANOKE VA 24004	NATIONAL CONFERENCE OF BANKRUPTCY JUDGES	285.00	12.34
MICHAEL F. BUTLER, 1747 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	ANDREWS & KURTH (FOR: TRANSCO EXPLORATION PARTNERS, LTD & TRANSCO ENERGY CO).		
C.A.R.E., 511 C STREET, NE WASHINGTON DC 20002			
EDWARD S. CABOT, 1285 AVENUE OF THE AMERICAS NEW YORK NY 10019	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S	75.00	170.00
CADWALADER WICKERSHAM & TAFT, 7TH FLOOR 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	GENERAL DYNAMICS CORPORATION		
Do	ISFA CORPORATION		
Do	KWAJALEIN ATOLL CORP		
Do	MOCATTA METALS CORPORATION	400.00	8.00
Do	SHELL OIL CO		
ANDREW A. CAFFEY, 1025 CONNECTICUT AVENUE, NW, #707 WASHINGTON DC 20036	INTERNATIONAL FRANCHISE ASSN		
ROY C. CAHOON, 6100 KNOLLWOOD DR. FALLS CHURCH VA 22041	NATIONAL AUTOMATIC MERCHANDISING ASSN		
MORRISON G. CAIN, 1625 I ST., NW, #1023 WASHINGTON DC 20006	ASSOCIATION OF GENERAL MERCHANDISE CHAINS	6,250.00	
ALAN CALDWELL, SUITE 770 2550 M STREET, NW WASHINGTON DC 20037	RJR INDUSTRIES, INC	1,200.00	146.21
CAROL V. CALHOUN, MORGAN LEWIS & BOCKIUS 1800 M STREET, NW WASHINGTON DC 20036	ALIGNPAC		
Do	FAMILY LIFE INSURANCE CO		
CHARLES D. CALHOUN, 30 MONTGOMERY STREET JERSEY CITY NJ 07302	RADIO OFFICERS UNION	2,091.78	
FRANK W. CALHOUN, 3400 TEXAS COMMERCE TOWER HOUSTON TX 77002	HOUSTON ENDOWMENT, INC		
CALIFORNIA HOUSING COUNCIL, 1225 8TH STREET, #325 SACRAMENTO CA 95814			4,732.92
PETER E. CALLANAN, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	HONEYWELL, INC	200.00	375.00
JOHN C. CALLIHAN, 299 PARK AVENUE NEW YORK NY 10171	WESTVACO CORP		230.00
CALORIE CONTROL COUNCIL, #500-D 5775 PEACHTREE-DUNWOODY RD. ATLANTA GA 30342	COMMERICIAL LAW LEAGUE OF AMER, COMM COLL. AGENCY SECTION		
GORDON L. CALVERT, BOX 34-531 BETHESDA MD 20817	NEW YORK STOCK EXCHANGE, INC		
DONALD L. CALVIN, 11 WALL ST. NEW YORK NY 10005	AMERACE CORPORATION, ET AL	5,250.00	
ARTHUR E. CAMERON, SUITE 110 499 S. CAPITOL ST., SW WASHINGTON DC 20003	AMERICAN GREYHOUND TRACK OPERATORS ASSN	2,250.00	
Do	SAFETRAN SYSTEMS CORPORATION	9,235.00	
Do	SIGNAL COMMUNICATIONS		
Do	AMERICANS FOR DEMOCRATIC ACTION	6,785.00	
BRUCE P. CAMERON, 1411 K ST., NW, SUITE 850 WASHINGTON DC 20005	BANKAMERICA CORP	9.65	2.05
NANCY CAMM, 1800 K STREET, NW, #900 WASHINGTON DC 20006	CHAMPLIN PETROLEUM COMPANY		
CAMP CARMOUCHE BARSH HUNTER GRAY HOFFMAN & GILL, 2550 M ST., NW, #275 WASHINGTON DC 20037	CHEMCRETE INTERNATIONAL CORP		
Do	CHEMICAL MANUFACTURERS ASSOCIATION, INC	7,275.00	
Do	EASTERN CENTRAL MOTOR CARRIERS ASSN		
Do	HOLLYWOOD MARINE SERVICES, INC	300.00	
Do	MOBIL OIL CORP	250.00	
Do	NATURAL GAS SUPPLY ASSN	750.00	
Do	OCCIDENTAL PETROLEUM CORP	800.00	
Do	PENNZOIL CO	300.00	
Do	PPG INDUSTRIES, INC	325.00	
Do	SEARS ROEBUCK & CO	5,650.00	
Do	SIGNAL COMPANIES, INC		
Do	SOUTH CENTRAL BELL	700.00	
Do	TEXACO, INC		
Do	U.S. LEAGUE OF SAVINGS ASSOCIATIONS		
CAMPAIGN FOR COMMUNITY-BASED ECONOMIC DEVELOPMENT, SUITE 901 2025 EYE STREET, NW WASHINGTON DC 20006		2,000.00	1,700.00
CAMPAIGN FOR U.N. REFORM - POLITICAL EDUCATION COMMITTEE, 600 VALLEY ROAD WAYNE NJ 07470		5,003.69	2,150.22
C. R. CAMPBELL JR , SUITE 900 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	GTE CORP	1,500.00	
CARL C. CAMPBELL, 1030 15TH ST., NW, SUITE 700 WASHINGTON DC 20005	NATIONAL COTTON COUNCIL OF AMER	200.00	
CHARLES ARGYLL CAMPBELL, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
CHARLES O. CAMPBELL, 1745 JEFFERSON DAVIS HIGHWAY, #511 ARLINGTON VA 22202	MANUFACTURED HOUSING INST	900.00	100.00
JERRY L. CAMPBELL, 1201 CHESTNUT ST. CHATTANOOGA TN 37402	TENNESSEE VALLEY PUBLIC POWER ASSN		
KEVIN B. CAMPBELL, 101 CONSTITUTION AVENUE, N.W. WASHINGTON DC 20001	UNITED BROTHERHOOD OF CARPENTERS & JOINERS OF AMERICA	9,800.00	4,658.55
THOMAS D. CAMPBELL, SUITE 500 1000 16TH ST., NW WASHINGTON DC 20036	STANDARD OIL CO (INDIANA)	1,500.00	828.27
CANADIAN COALITION ON ACID RAIN, 112 ST. CLAIR AVENUE, #504 TORONTO, ONTARIO M4V 2Y3		12,025.00	2,275.91
SHARON M. CANAVAN, 1125 15TH ST., NW WASHINGTON DC 20005	MORTGAGE BANKERS ASSOCIATION OF AMERICA	6,750.00	66.00
CANDLELIGHTERS, 123 C ST., SE WASHINGTON DC 20003			
PAUL W. CANE, 50 BEALE ST., P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORPORATION		
H. SPOFFORD CANFIELD, 1015 15TH STREET, NW, #900 WASHINGTON DC 20005	NORTHERN NATURAL GAS CO	2,000.00	
DAVE CANNARD, 113 W. 1ST VANCOUVER WA 98660	FRIENDS OF THE COLUMBIA GORGE		
W. DEAN CANNON JR , 9800 S. SEPULVEDA BLVD. SUITE 500 LOS ANGELES CA 90045	CALIFORNIA LEAGUE OF SAVINGS INSTITUTIONS		
DAVID L. CANTOR, 1133 15TH STREET, NW, #1200 WASHINGTON DC 20005	PORTER WRIGHT MORRIS & ARTHUR (FOR: COALITION FOR ENVIRONMENTAL ENERGY BALANCE (CEEB)).	112.00	
RICHARD A. CANTOR, P.O. BOX 8293 WASHINGTON DC 20024	OIL INVESTMENT INST		
GARY CAPISTRANT, 1200 15TH STREET, NW WASHINGTON DC 20005	AMERICAN HEALTH CARE ASSN	3,431.93	72.11
CONSTANTINE G. CARAS, 2828 PENNSYLVANIA AVENUE, NW, #205 WASHINGTON DC 20007	OGDEN CORPORATION		
DENISE A. CARDMAN, 1800 M ST., NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	50.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
NORVAL E. CAREY, 1025 CONNECTICUT AVE., NW #704 WASHINGTON DC 20036	GULF OIL CORP (FOR GA TECHNOLOGIES, INC)	4,120.00	770.37
ROBERT B. CARLESON, 1050 17TH STREET, NW WASHINGTON DC 20036	KMG MAIN HURDMAN, CPA'S		
CAROLE R. CARLIN, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
EDWARD J. CARLOUGH, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	SHEET METAL WORKERS' INTERNATIONAL ASSN	25,987.00	
LISA CARLSON, 3735 KANAWHA STREET, NW WASHINGTON DC 20015	PROFESSIONAL MANAGERS' ASSN	2,553.50	200.00
ROBERT E. CARLSTROM JR., SUITE 200 1627 K ST., NW WASHINGTON DC 20006	ST. JOE MINERALS CORPORATION	6,000.00	358.56
BERTRAM W. CARP, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN	2,750.00	
CY CARPENTER, 12025 E 45TH AVE. DENVER CO 80251	FARMERS' EDUCATIONAL & CO-OPERATIVE UNION OF AMERICA	8,750.00	144.00
GEORGE D. CARPENTER, 7162 READING ROAD CINCINNATI OH 45222	PROCTER & GAMBLE MANUFACTURING CO		
JACK CARPENTER, 1920 N ST. NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
HANS L CARSTENSEN, 1625 EYE STREET N.W. #902 WASHINGTON DC 20006	WEYERHAEUSER CO	275.00	5.00
DAVID C. CARTER, 1156 15TH ST., NW SUITE 1019 WASHINGTON DC 20005	U.S. BEET SUGAR ASSN		
HARLON B. CARTER, 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER	2,187.50	
JOSEPH L. CARTER JR , 412 FIRST ST., SE, #200 WASHINGTON DC 20003	ASSOCIATION OF AMERICAN RAILROADS	819.31	302.88
TERRIE M. CARTER, 910 17TH STREET, NW, #808 WASHINGTON DC 20006	DEERE & CO	37.50	
JAMES P. CARTY, 1776 F ST., NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	500.00	
SUSAN B. CARVER, 1130 17TH STREET, NW WASHINGTON DC 20036	NATIONAL COAL ASSN	500.00	900.80
ALLEN R. CASKIE, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	125.00	
EUGENE I. CASRAISS JR , 1757 N ST., NW WASHINGTON DC 20036	UNITED AUTO, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS	12,184.98	86.29
WILLIAM E. CASSELMAN II , 2000 L STREET, NW, #802 WASHINGTON DC 20036	DORSEY & WHITNEY (FOR: APCOA, INC)	33.75	94.26
Do	WILLIAM E. CASSELMAN, II, P.C. (FOR: NORTHROP UNIVERSITY)		
CASSIDY AND ASSOCIATES, INC, 955 L'ENFANT PLAZA, S.W. SUITE 1401 WASHINGTON DC 20024	ALEXANDER GRAHAM BELL ASSN		
Do	ANATOLIA COLLEGE BOARD OF TRUSTEES		
Do	ATLANTA UNIVERSITY	500.00	10.00
Do	BARRY UNIVERSITY		
Do	BOSTON COLLEGE	450.00	23.00
Do	BOSTON UNIVERSITY	500.00	18.00
Do	BROWN UNIVERSITY	100.00	
Do	CATHOLIC UNIVERSITY OF AMERICA	400.00	
Do	CENTEX COMMUNICATIONS, INC	300.00	
Do	CITY OF HATTIESBURG		
Do	COLUMBIA UNIVERSITY	700.00	6.00
Do	COMMAND CONTROL & COMMUNICATIONS CORP	1,000.00	18.00
Do	COMMUNITY CARE SYSTEMS, INC	400.00	
Do	ELECTRONICS CORPORATION OF AMERICA		
Do	INDIANA UNIVERSITY	700.00	54.00
Do	LESLEY COLLEGE		
Do	NORTHWESTERN UNIVERSITY		
Do	OCEAN SPRAY CRANBERRIES, INC	900.00	48.50
Do	OCEANIC INSTITUTE	200.00	
Do	PIRELLI CABLE CORPORATION	600.00	14.00
Do	POLYTECHNIC INSTITUTE OF NEW YORK	450.00	18.00
Do	ROCHESTER INSTITUTE OF TECHNOLOGY	200.00	6.00
Do	SOUTHWEST MARINE, INC		
Do	TUFTS UNIVERSITY	1,200.00	18.00
J. WARREN CASSIDY, 1600 RHODE ISLAND AVENUE, NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER	1,937.50	
LAWRENCE J. CASSIDY, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	SHEET METAL WORKERS' INTERNATIONAL ASSN	13,929.99	
MARK A. CASSO, 1735 NEW YORK AVENUE, NW WASHINGTON DC 20006	AMERICAN INSTITUTE OF ARCHITECTS		
JOHN J. CASTELLANI, 27TH FLOOR 1000 WILSON BLVD. ARLINGTON VA 22209	TRW, INC	100.00	
RITA L. CASTLE, 100 NE ADAMS PEORIA IL 61629	CATERPILLAR TRACTOR CO	10,000.00	1,260.50
G. THOMAS CATOR, 1050 17TH STREET, NW WASHINGTON DC 20036	NEECE, CATOR & ASSOCIATES, INC (FOR: ASSOCIATION OF SMALL BUSINESS DEVELOPMENT CENTERS).		
Do	NATIONAL ASSN OF DEVELOPMENT COMPANIES (NADCO)		
Do	NEECE, CATOR & ASSOCIATES, INC (FOR: SOUTHEASTERN LUMBER MANUFACTURERS ASSN).		
JOSEPH E. CAVANAGH, 1125 15TH ST., NW WASHINGTON DC 20005	INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO-CLC	6,000.00	26.00
GORDON CAVANAUGH, 509 C STREET, NE WASHINGTON DC 20002	ROISMAN, RENO & CAVANAUGH (FOR: COUNCIL OF LARGE PUBLIC HOUSING AUTHORITIES).	12,666.66	244.08
RED CAVANEY, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC		
NICHOLAS G. CAVAROCCHI, 6TH FLOOR 2010 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036			
CEDERBERG & ASSOCIATES, 7100 SUSSEX PLACE ALEXANDRIA VA 22307	MARTIN MARIETTA CORP.	200.00	
CENTER FOR LAW AND EDUCATION, INC., 6 APPIAN WAY CAMBRIDGE MA 02138		31,220.32	153.67
CF INDUSTRIES, INC., SALEM LAKE DR. LONG GROVE IL 60047			1,000.00
CHADBOURNE PARKE WHITESIDE & WOLFF, 1101 VERMONT AVENUE, NW WASHINGTON DC 20005	APPLIED ENERGY SERVICES, INC		
Do			
Do	MANUFACTURERS LIFE INSURANCE CO & MAINE FIDELITY LIC	15,740.10	706.01
Do	NEWMONT MINING CORP		
Do	WASHINGTON PSYCHIATRIC SOCIETY	14,000.00	245.44
HENRY CHAJET, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
DURWOOD CHALKER, P.O. BOX 660164 DALLAS TX 75266	CENTRAL AND SOUTH WEST CORP		
CHARLES E. CHAMBERLAIN, 1747 PENNSYLVANIA AVENUE, N.W. WASHINGTON DC 20006	COMMITTEE FOR 806.30 AND 807, INC	750.00	
CHAMBERS ASSOCIATES, INC, 1411 K STREET, NW, #500 WASHINGTON DC 20005	AMERICAN HOSPITAL ASSN		
Do	AMERICAN POSTAL WORKERS UNION, AFL-CIO	1,050.00	
Do	APACHE CORPORATION		
Do	COALITION OF PUBLICLY TRADED LIMITED PARTNERSHIPS	3,535.51	
Do	COMMISSIONED OFFICERS ASSN OF THE PUBLIC HEALTH SERVICE		
Do	FACET, CORP		
Do	MANVILLE CORPORATION	4,396.25	
Do	NATIONAL ASSN OF RETIRED FEDERAL EMPLOYEES	1,700.00	
Do	STATE OF IDAHO, DEPT. OF EMPLOYMENT	2,535.00	
Do	STATE OF OREGON, DEPT. OF HUMAN RESOURCES		
Do	U S WEST		
J. W. CHANDLER, 1575 I ST., NW WASHINGTON DC 20005	YORK DIV., BORG-WARNER CORP		15.60
CHAPMAN DUFF & PAUL, 1825 EYE ST., NW WASHINGTON DC 20006	ANNUAL CHARGES POLICY GROUP	1,900.00	72.39
JOHN M. CHAPMAN, 1000 WILSON BOULEVARD ARLINGTON VA 22209	BENDIX AEROSPACE SECTOR		
WILLIAM C. CHAPMAN, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	3,000.00	6,032.09
CHARLES KARALEKAS MCCAHILL & WILSON, 1250 CONNECTICUT AVENUE, NW, #318 WASHINGTON DC 20036	INDEPENDENT INSURANCE AGENTS OF AMERICA		
RICHARD M. CHARLTON, 229 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	ELECTRONIC DATA SYSTEMS CORPORATION	160.00	126.00
PEGGY CHARREN, 33 HANCOCK AVENUE NEWTON CENTRE MA 02159	ACTION FOR CHILDREN'S TELEVISION	250.00	
WILLIAM CHASEY ORGANIZATION, 1800 K STREET, NW, #600 WASHINGTON DC 20006	ALLAN RONSON CO		
Do	CAMPUS CRUSADE FOR CHRIST, INC		
Do	LIFE INSURANCE COALITION OF AMERICA		
LESLIE CHEEK III, SUITE 414 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	CRUM & FOSTER CORP	16,250.00	1,679.44
JANE CHEEVER, 100 FEDERAL ST. BOSTON MA 02110	BANK OF BOSTON CORPORATION		
Do	FIRST NATIONAL BANK OF BOSTON		
CHEMICAL MANUFACTURERS ASSOCIATION, INC., 2501 M ST.,NW WASHINGTON DC 20037		5,000.00	3,000.00
CHEMICAL SPECIALTIES MFGRS ASSN, SUITE 1120 1001 CONNECTICUT AVE., NW WASHINGTON DC 20036			1,439.39
WILLIAM B. CHERKASKY, 1025 CONNECTICUT AVENUE, NW, #707 WASHINGTON DC 20036	INTERNATIONAL FRANCHISE ASSN		
B. H. CHERRY, 100 INTERPACE PARKWAY PARSIPPANY NJ 07054	GPU SERVICE CORPORATION		
CHILDREN'S TELEVISION WORKSHOP, ONE LINCOLN PLAZA NEW YORK NY 10023			
BLAIR G. CHILDS, P.O. BOX 7610, BF STATION WASHINGTON DC 20044	SENIOR EXECUTIVES ASSN		
MICHAEL W. CHINWORTH, 1000 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	JAPAN ECONOMIC INSTITUTE OF AMERICA		
CHLORINE INSTITUTE, INC. 70 WEST 40TH STREET NEW YORK NY 10018		26,930.40	26,930.40
WILLIAM T. CHRISTIAN, 1333 NEW HAMPSHIRE AVENUE, N.W. WASHINGTON, DC 20036	ATLANTIC RICHFIELD CO	250.00	
CHUGACH ELECTRIC ASSN, INC, POUCH 6300 ANCHORAGE AK 99502			1,888.90
DONALD T. CHUNN, ROUTE 2, BOX 89 COLUMBIA TN 38401	TITLE ASSOCIATES, INC		
CHWAT/WEIGEND ASSOCIATES, 400 FIRST STREET, NW, #816 WASHINGTON DC 20001	AMERICAN HOME SEWING ASSN, INC	500.00	500.00
Do	ASSOCIATED LOCKSMITHS OF AMERICA	975.00	975.00
Do	NATIONAL ASSN OF COMPANION SITTER AGENCIES & REFERRAL SERV	375.00	375.00
Do	NATIONAL ASSN. OF TOBACCO DISTRIBUTORS	2,000.00	2,000.00
Do	NATIONAL WEATHER SERVICE EMPLOYEES ORGANIZATION	300.00	300.00
CIGAR ASSN OF AMERICA, INC, SUITE 1201 1100 17TH STREET, NW WASHINGTON DC 20036			
CITIZENS COMM FOR THE RIGHT TO KEEP & BEAR ARMS, LIBERTY PARK, 12500 NE TENTH PLACE BELLEVUE WA 98005		294,826.46	63,586.92

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
CITIZENS FOR SENSIBLE CONTROL OF ACID RAIN (CSCAR), P.O. BOX 33729 WASHINGTON DC 20033			
CITIZENS POLITICAL ACTION COMMITTEE, P.O. BOX 645 228 SOUTH A STREET, #2 OXNARD CA 93032			
R. NANCY CLACK, 1250 EYE STREET, NW, #600 WASHINGTON DC 20005	EMS DEVELOPMENT CORP		
Do	WEDTECH CORP		
CLADOUHOS & BRASHARES, 1750 NEW YORK AVE., NW WASHINGTON DC 20006	SMITH, BARNEY, HARRIS, UPHAM & CO		
JOHN W. CLAGGETT, 1825 EYE STREET, NW, #1040 WASHINGTON DC 20006	FUTURES INDUSTRY ASSN, INC		
PATRICIA T. CLAREY, 1025 CONNECTICUT AVENUE, NW #507 WASHINGTON DC 20036	ASHLAND OIL, INC	2,000.00	
BOB CLARK, SUITE 1908 400 MADISON ST. ALEXANDRIA VA 22314	RYDER SYSTEMS, INC		
DONALD C. CLARK, 8224 OLD COURT HOUSE ROAD TYSONS CORNER VA 22180	SHEET METAL AIR CONDITIONING CONTRACTORS' NAT'L ASSN		
GILBERT CLARK, SUITE 600 1117 N. 19TH ST. ARLINGTON VA 22209	AMERICAN ASSN OF BLOOD BANKS		
JAMES F. CLARK, ROBERTSON, MONAGLE, EASTAUGH & BRADLEY 240 MAIN ST., # 800, PO BOX 1211 JUNEAU AK 99802	ALASKA PULP CORP	12,000.00	
JAMES W. CLARK JR , 600 MARYLAND AVE., SW SUITE 400 WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
JOSEPH J. F. CLARK, 1750 K ST., NW, #260 WASHINGTON DC 20006	EATON ASSOCIATES, INC		
PHILLIP A. CLARK, SUITE 700 1050 17TH STREET, NW WASHINGTON DC 20036	NATIONAL OCEAN INDUSTRIES ASSN	3,750.00	
RUDY I. CLARK, 5342 WOODBURY WOODS LANE FAIRFAX VA 22032	AIR FORCE SERGEANTS ASSN, INC		
VERNON A. CLARK, 1899 L ST., NW, #403 WASHINGTON DC 20036	OUTDOOR ADVERTISING ASSOCIATION OF AMERICA, INC	2,438.00	318.00
WADE P. CLARKE JR , JOHN DEERE RD MOLINE IL 61265	DEERE & COMPANY		
SCOTT CHARLES CLARKSON, SUITE 607 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	WASTE MANAGEMENT, INC	2,000.00	451.93
CECIL D. CLAY, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	SHEET METAL WORKERS' INT'L ASSN	23,908.00	
JOAN CLAYBROOK, SUITE 605 2000 P ST., NW WASHINGTON DC 20036	PUBLIC CITIZEN, INC	109.58	
CLAYMARK CORPORATION, INC, C/O MILBANK TWEED HADLEY & MCCLOY 30 ROCKEFELLER PLAZA, RM. 5600 NEW YORK NY 10112.			
CLEAR CHANNEL BROADCASTING SERVICE (CCBS), 1776 K STREET, NW, #1100 WASHINGTON DC 20006			
CLEARY GOTTLIEB STEEN & HAMILTON, 1752 N STREET, NW WASHINGTON DC 20036	PPG INDUSTRIES, INC		
Do	PUBLIC SECURITIES ASSN	900.00	
Do	SYNTHETIC ORGANIC CHEMICAL MANUFACTURERS ASSN, INC	300.00	
JACQUELINE W. CLEMENTS, SUITE 900 1015 15TH STREET, NW WASHINGTON DC 20005	INTERNORTH	1,500.00	
RONALD D. CLEMENTS, 1111 19TH ST., NW, 9TH FLOOR WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	943.41	367.52
CLEVELAND ELECTRIC ILLUMINATING CO., 55 PUBLIC SQUARE P.O. BOX 5000 CLEVELAND OH 44113			
W. M. CLICK, BOX 719 DALLAS TX 75221	SOUTHLAND CORPORATION		
CLIFFORD & WARNKE, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	AUSTRALIAN MEAT & LIVE-STOCK CORP		
Do	JOINT CORPORATE COMM ON CUBAN CLAIMS	600.00	180.00
Do	NATIONAL TOUR ASSOCIATION, INC		
DEXANNE CLOHAN, 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	3,769.00	
CHRISTOPHER E. CLOUSER, 25TH & MCGEE KANSAS CITY MO 64108	HALLMARK CARDS, INC		
STANLEY A. CMICH, 1700 GATEWAY BOULEVARD CANTON OH 44707	FISCAL ASSOCIATES, INC		
Do	GIBBONS & GRABLE CO		
Do	TIMKEN CO		
Do	WHITE ENGINES, INC		
COALITION FOR UNIFORM PRODUCT LIABILITY LAW, SUITE 303 1901 L STREET, NW WASHINGTON DC 20036			
COAN COUTURE LYONS & MOORHEAD, SUITE 1015 1625 EYE ST., NW WASHINGTON DC 20006	A - C VALLEY CORPORATION	100.00	
Do	VIETNAM VETERANS OF AMERICA		
Do	WESTINGHOUSE ELECTRIC CORPORATION		
RICHARD B. COBB, PETROLEUM COUNCIL OF GA 230 PEACHTREE ST., NW, #1500 ATLANTA GA 30303	AMERICAN PETROLEUM INST	200.00	81.60
COFFEE SUGAR & COCOA EXCHANGE, INC, 4 WORLD TRADE CENTER, 8TH FL. NEW YORK NY 10048			
JOHN J. COFFEY, SUITE 1204 1700 K ST., NW WASHINGTON DC 20006	CHEVRON USA, INC	650.00	
DON V. COGMAN, 1100 CONNECTICUT AVE., NW SUITE 820 WASHINGTON DC 20036	MAPCO INC	4,750.00	24.60
DANIEL L. COHEN, 1050 31ST STREET, NW WASHINGTON DC 20007	ASSOCIATION OF TRIAL LAWYERS OF AMERICA	2,000.00	100.00
HERBERT B. COHN, MORGAN, LEWIS, & BOCKIUS 1800 M ST., NW WASHINGTON DC 20036	COMMITTEE FOR CAP FORMATION THROUGH DIVIDEND REINVESTMENT		
COLE & CORETTE, P.C., 1100 VERMONT AVENUE, NW, #900 WASHINGTON DC 20005	CHASE MANHATTAN BANK, N.A		
Do	GOVERNMENT OF THE NETHERLANDS ANTILLES		
Do	MEDTRONIC, INC		
Do	MILLIPORE CORPORATION		
E. WILLIAM COLE, 1050 CONNECTICUT AVENUE, NW, #760 WASHINGTON DC 20036	UNION OIL CO OF CALIFORNIA	700.00	65.00
RANDALL I. COLE, 1050 CONNECTICUT AVENUE, NW, #200 WASHINGTON DC 20036	EL PASO NATURAL GAS CO	1,000.00	696.94
ROBERT E. COLE, 900 17TH ST., NW WASHINGTON DC 20006	KAISER ALUMINUM & CHEMICAL CORP		
STACEY W. COLE, NEW HAMPSHIRE PETROLEUM COUNCIL 23 SCHOOL ST. CONCORD NH 03301	AMERICAN PETROLEUM INST		
JOHN M. COLLIER, 4436 PERRIER ST. NEW ORLEANS LA 70115	SOUTHERN FOREST PRODUCTS ASSN	12,893.12	
COLLIER SHANNON RILL & SCOTT, SUITE 308 1055 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	AMERICAN FROZEN FOOD INST		
Do	AMERICAN MEAT INSTITUTE		
Do	AMERICAN TEXTILE MACHINERY ASSN		
Do	BICYCLE MFGRS ASSN OF AMER, INC	250.00	250.00
Do	CROP INSURANCE RESEARCH BUREAU		
Do	CYLINDER MANUFACTURERS ASSOCIATION	500.00	500.00
Do	FOOD MARKETING INSTITUTE		
Do	FOOTWEAR INDUSTRIES OF AMERICA	4,000.00	4,000.00
Do	INDEPENDENT LUBRICANT MANUFACTURERS ASSN		
Do	NATIONAL ASSN OF CONVENIENCE STORES		
Do	NATIONAL BROILER COUNCIL		
Do	NATIONAL HAIRDRESSERS & COSMETOLOGISTS ASSN		
Do	NORRIS INDUSTRIES		
Do	OUTDOOR POWER EQUIPMENT INSTITUTE		
Do	PITTSBURGH CORNING CORPORATION		
Do	SOCIETY OF INDEPENDENT GASOLINE MARKETERS OF AMERICA	500.00	500.00
Do	WEST TEXAS LAND & ROYALTY OWNERS ASSN		
PAUL EDWARD MICHAEL COLLIN, 8901 S. WILMOT RD. P.O. BOX 9771 TUSCON AZ 85706	PAUL EDWARD MICHAEL COLLIN		
TERESE COLLING, COLLING ASSOCIATES 2062 14TH STREET, NORTH ARLINGTON VA 22201	MEDIA GENERAL, INC	300.00	90.43
MARY M. COLLINS, 1120 20TH STREET, NW, #600 SOUTH WASHINGTON DC 20036	UNION PACIFIC CORP	1,500.00	
STEPHEN J. COLLINS, SUITE 1000 1620 EYE ST., NW WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC		
COLORADO SKI COUNTRY USA, INC., SUITE A-201 1410 GRANT STREET DENVER CO 80203			
KENT W. COLTON, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S		
COLUMBIA GORGE UNITED, BOX 328 STEVENSON WA 98648			
COMMERCIAL UNION INSURANCE COMPANIES, ONE BEACON STREET BOSTON MA 02108			
COMMITTEE FOR CAP FORMATION THROUGH DIVIDEND REINVESTMENT, C/O HERBERT COHN 1800 M ST., NW, #800 NORTH WASHINGTON DC 20036.			
COMMITTEE FOR CONSTITUTIONAL INTEGRITY, SUITE 1212 1156 15TH ST., NW WASHINGTON DC 20005			
COMMITTEE FOR EFFECTIVE CAPITAL RECOVERY, SUITE 303 1901 L ST., NW WASHINGTON DC 20036		2,039.76	2,039.76
COMMITTEE FOR EQUALITY OF CITIZENS BEFORE THE COURTS, 2762 N. CLAYBOURN AVENUE CHICAGO IL 60614			
COMMITTEE FOR HUMANE LEGISLATION, INC, 11 WEST 60TH ST. NEW YORK NY 10023		4,672.05	6,424.33
COMMITTEE FOR PRIVATE EDUCATION, 1025 MICHIGAN AVENUE, NE WASHINGTON DC 20036			
COMMITTEE FOR PROPOSITION THIRTY, P.O. BOX 915 HARTSELLE AL 35640			
COMMITTEE TO ASSURE THE AVAILABILITY OF CASEIN, 3213 O ST., NW WASHINGTON DC 20007		10,972.22	
COMMON CAUSE, 2030 M ST., NW WASHINGTON DC 20036		2,245,892.00	494,702.73
COMMUNICATIONS MANAGEMENT, INC, 1925 NORTH LYNN STREET, #1140 ARLINGTON VA 22209	CITIZENS FOR SENSIBLE CONTROL OF ACID RAIN (CSCAR)		
Do	NATURAL GAS SUPPLY ASSN		
COMMUNITY NUTRITION INSTITUTE, SUITE 530 2001 S ST., NW WASHINGTON DC 20009			
LANCE COMPA, 1411 K ST., NW, #410 WASHINGTON DC 20005	UNITED ELECTRICAL, RADIO & MACHINE WORKERS OF AMER	5,891.96	
COMPUTER & COMMUNICATIONS INDUSTRY ASSOCIATION, 1500 WILSON BLVD SUITE 512 ARLINGTON VA 22209		10,146.00	10,000.00
STEPHEN R. CONAFAY, 1700 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	PFIZER, INC	3,000.00	3,315.76
EDWARD C. CONE P.O. BOX 1788 FOREST PARK GA 30051	SOUTHEASTERN LUMBER MANUFACTURERS ASSN		
CONFERENCE OF STATE BANK SUPERVISORS, 1015 18TH ST., NW WASHINGTON DC 20036			1,084.43
CONGRESS WATCH, 215 PENNSYLVANIA AVE., SE WASHINGTON DC 20003		69,920.29	49,173.23
JOHN B. CONNALLY, 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	VINSON & ELKINS (FOR: NORTHVILLE INDUSTRIES CORP)		
Do	VINSON & ELKINS (FOR: TRAVELERS INSURANCE COMPANY)		
ROBERT J. CONNER JR, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	CHRYSLER CORPORATION	500.00	1,057.89
STEPHEN N. CONNER, ROUTE 1, BOX 506 EASTON MD 21601	FOREIGN MINISTRY OF KINGDOM OF SAUDI ARABIA		3,481.22
RICHARD J. CONNOR JR, 1201 PENNSYLVANIA AVE, NW, #220, WASHINGTON DC 20004	JOSEPH E. SEAGRAM & SONS, INC	562.50	
JERRY C. CONNORS, SUITE 511 1745 JEFFERSON DAVIS HWY. ARLINGTON VA 22202	MANUFACTURED HOUSING INST	1,000.00	100.00
GREGORY E. CONRAD, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
MARK R. CONRAD, 1200 PEAVEY BUILDING MINNEAPOLIS MN 55479	NORWEST CORPORATION	10,800.00	1,126.00
SHEILA A. CONSAUL, BALCOR PLAZA 4849 GOLF ROAD SKOKIE IL 60077	BALCOR/AMERICAN EXPRESS, INC	6,500.00	2,841.73
CONSOLIDATED EDISON CO OF NEW YORK, INC, 4 IRVING PLACE NEW YORK NY 10003			325.00
CONSOLIDATED RAIL CORPORATION, PO BOX 23451 WASHINGTON DC 20024			13,093.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
CONSUMER ENERGY COUNCIL OF AMERICA, SUITE 320 2000 L ST., NW WASHINGTON DC 20036			
CONSUMERS UNION OF U.S., INC., 256 WASHINGTON ST. MOUNT VERNON NY 10550			4,120.00
CONSUMERS UNITED FOR RAIL EQUITY (C.U.R.E.), 1050 THOMAS JEFFERSON STREET, NW, 7TH FL WASHINGTON DC 20007			
CONTACT SYSTEMS CORP, 200 MADISON AVENUE, #1207 NEW YORK NY 10016			
JOHN J. CONTNEY, 1250 E. HOLLANDALE BEACH BLVD. HOLLANDALE FL 33009	TEXTILE RENTAL SERVICES ASSN OF AMERICA		
EMERY S. CONYERS, P.O. BOX 1706 MIDLAND MI 48640	DOW CHEMICAL CO		
ALEXANDRA W. COOK, 229 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	ELECTRONIC DATA SYSTEMS CORPORATION	224.00	156.00
FREDERCK N. COOK, VERMONT PETROLEUM ASSOCIATION P.O. BOX 566 MONTPELIER VT 05602	AMERICAN PETROLEUM INST	450.00	
HARRY N. COOK, 1130 17TH ST., NW WASHINGTON DC 20036	NATIONAL WATERWAYS CONFERENCE, INC		
K. RICHARD COOK, 1331 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	GENERAL ELECTRIC CO	325.00	
THOMAS M. COOK, SUITE 1032 425 13TH ST., NW WASHINGTON DC 20004	NATIONAL CATTLEMEN'S ASSN	1,000.00	
EILEEN D. COOKE, 110 MARYLAND AVE., NE, SUITE 101, BOX 54 WASHINGTON DC 20002	AMERICAN LIBRARY ASSN	1,332.00	
PAUL E. COONEY, 1775 PENNSYLVANIA AVE., NW, #1000 WASHINGTON DC 20006	SOUTH DAKOTA STUDENT LOAN ASSISTANCE CORP, ET AL		
C. WILLIAM COOPER, 603 BROAD ST. SEWICKLEY PA 15143	UNITED DISTRIBUTION COMPANIES		
JESSE D. COOPER, 345 PETROLEUM BLDG DENVER CO 80202	ROCKY MOUNTAIN OIL & GAS ASSN	2,600.00	1,139.11
JOSHUA W. COOPER, 400 MADISON STREET, APT. 808 ALEXANDRIA VA 22314	PORTSMOUTH-KITTERY ARMED SERVICES COMM, INC	2,400.00	491.56
KATHY J. COOPER, SUITE 1204 1700 K STREET, NW WASHINGTON DC 20006	CHEVRON USA, INC	100.00	
MITCHELL J. COOPER, 1001 CONNECTICUT AVE., NW WASHINGTON DC 20036	COUNCIL OF FOREST INDUSTRIES	3,000.00	
Do	FOOTWEAR DIV., RUBBER MFGRS ASSN	14,250.00	27.80
DARRELL COOVER, 499 SOUTH CAPITOL ST., SW, #401 WASHINGTON DC 20003	NATIONAL ASSN OF INDEPENDENT INSURERS	2,000.00	923.00
CORCORAN HARDESTY WHYTE HEMPHILL & LIGON, P.C., SUITE 510 1575 EYE STREET, NW WASHINGTON DC 20005	STANDARD OIL CO OF CALIFORNIA		
JOHN F. CORCORAN, 1050 CONNECTICUT AVE., NW, #740 WASHINGTON DC 20036	NORFOLK SOUTHERN CORPORATION	1,000.00	
PATRICK H. CORCORAN, SUITE 1205 1725 K ST., NW WASHINGTON DC 20006	ASSOCIATION OF OIL PIPELINES		
ALFRED C. CORDON, GORDON & JACOBS 2000 L ST., NW, #616 WASHINGTON DC 20036	BUFFALO BROADCASTING CO., INC		
LAW OFFICES, JAMES C CORMAN, P.C., 1420 16TH STREET, NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN RAILROADS	1,600.00	
Do	BANK AMERILEASE GROUP	355.55	
Do	CALIFORNIA VISION SERVICE PLAN		
Do	CARGILL LEASING CORP	355.55	
Do	CONNELL FINANCE CO, INC	355.55	
Do	CONSOLIDATED CAPITAL COMPANIES	9,400.00	
Do	EDS FINANCIAL CORPORATION	355.55	
Do	FIRST CHICAGO LEASING CORP	355.55	
Do	FIRST NATIONAL BANK OF BOSTON	355.55	
Do	FIRST NATIONAL BANK OF MINNEAPOLIS	355.55	
Do	GATX CORPORATION	9,650.00	
Do	GATX LEASING CORP	355.55	
Do	GENERAL ELECTRIC CREDIT CORP	355.55	
Do	INTERNATIONAL TAXICAB ASSN		
Do	MANUFACTURERS HANOVER LEASING CORP	355.55	
Do	MUSIC CORP OF AMERICA, INC	1,000.00	
Do	NATIONAL COMM TO PRESERVE SOCIAL SECURITY AND MEDICARE	200.00	
Do	NATIONAL RAILWAY LABOR CONFERENCE	1,600.00	
Do	STATE OF MICHIGAN	2,300.00	
Do	SUPERIOR ENGINEERING & ELECTRONICS	100.00	
Do	SYSTEMS AND APPLIED SCIENCES		
Do	TEXAS AIR CORP	6,300.00	
Do	UNITED ENERGY CORP	2,900.00	
BENNETT J. CORN, FOUR WORLD TRADE CENTER NEW YORK NY 10048	COFFEE, SUGAR & COCOA EXCHANGE, INC		
CORN REFINERS ASSOCIATION, INC., 1001 CONNECTICUT AVE., NW WASHINGTON DC 20036		4,583.00	2,176.00
CORPORATION FOR GOVERNMENT ACTION, INC, SUITE 103 1000 POTOMAC STREET, NW WASHINGTON DC 20007		35,334.90	32,889.66
ERNEST J. CORRADO, SUITE 1000 1625 K STREET, NW WASHINGTON DC 20006	AMERICAN INST OF MERCHANT SHIPPING		
MARY MARCOTTE CORRIGAN, 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER		
RICHARD L. CORRIGAN, 1201 PENNSYLVANIA AVENUE, NW, #250 WASHINGTON DC 20004	CH2M HILL, INC	1,875.00	
ALLAN D. CORS, 1800 K ST., NW, SUITE 1104 WASHINGTON DC 20006	CORNING GLASS WORKS	500.00	
WILLIAM R. CORSON, 1707 H ST., NW WASHINGTON DC 20006	PENTHOUSE INTL LTD		
R. H. CORY, 1005 CONGRESS AVENUE, #795 AUSTIN TX 78701	CENTRAL AND SOUTH WEST SERVICES, INC	2,535.00	4,021.31
COSMETIC TOILETRY & FRAGRANCE ASSN, INC, SUITE 800 1110 VERMONT AVE., NW WASHINGTON DC 20005			
JAMES R. COSTELLO JR , 1101 CONNECTICUT AVE., NW, #300 WASHINGTON DC 20036	AMERICAN TEXTILE MANUFACTURERS INSTITUTE, INC	500.00	39.40
MICHAEL E. COSTELLO, SUITE 600 1090 VERMONT AVE., NW WASHINGTON DC 20005	TEXAS EASTERN TRANSMISSION CORP		159.00
MARY ALICE COTTER, 410 FIRST STREET, SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL	493.75	
J. BARRY COUGHLIN, 815 CONNECTICUT AVE.,N.W. WASHINGTON DC 20006	FORD MOTOR CO		
COUNCIL FOR LANGUAGES AND OTHER INT'L. STUDIES, 3520 PROSPECT ST., NW WASHINGTON DC 20007		14,390.00	10,308.11
COUNCIL FOR RURAL HOUSING AND DEVELOPMENT, 2300 M ST., NW WASHINGTON DC 20036		4,000.00	4,000.00
COUNCIL OF INDUSTRIAL BOILER OWNERS, 11222 SILVERLEAF DR. FAIRFAX STATION VA 22039			
COUNCIL OF STATE CHAMBERS OF COMMERCE, SUITE 200 122 C ST., NW WASHINGTON DC 20001		595.23	608.15
COUNCIL ON MULTIEMPLOYER PENSION SECURITY, INC, 1000 POTOMAC STREET, NW, #103 WASHINGTON DC 20007		36,750.00	45,218.04
WILLIAM R. COURTNEY, P.O. BOX 844 TEMPLE TX 76503	TRIBAL COUNCIL OF THE COUSHATTA TRIBE OF LOUISIANA		
JAMES COUSINS, 1101 15TH ST., NW, #400 WASHINGTON DC 20005	NATIONAL COUNCIL OF SAVINGS INSTITUTIONS		
JOHN F. COVE, SUITE 702 918 16TH ST., NW WASHINGTON DC 20006	COVE ASSOCIATES INC. (FOR: ASSOCIATION OF U.S. NIGHT VISION MANUFACTURERS).		
COVINGTON & BURLING, 1201 PENNSYLVANIA AVENUE, NW P.O. BOX 7566 WASHINGTON DC 20044	AMERICAN WATCH ASSN	9,000.00	
Do	ASSOCIATION OF MAXIMUM SERVICE TELECASTERS, INC		
Do	COALITION TO PRESERVE THE INTEGRITY OF AMERICAN TRADEMARKS		
Do	GEORGE ROWE, JR. (FOR: ESTATE OF EDMUND G. MONELL)		
Do	HOUDAILLE INDUSTRIES, INC		
Do	INVESTMENT COMPANY INSTITUTE	3,500.00	
Do	MIDWEST TELEVISION, INC		
Do	NATIONAL FOOTBALL LEAGUE		8.10
Do	PACIFIC STOCK EXCHANGE, INC		
Do	POST-NEWSWEEK STATIONS, INC		
Do	WESLEYAN UNIVERSITY, AMHERST COLLEGE, ET AL		121.00
EUGENE S. COWEN, 2759 UNICORN LN., NW WASHINGTON DC 20015	AMERICAN BROADCASTING CO, INC		
C. DEMING COWLES, 6TH FLOOR 1050 THOMAS JEFFERSON STREET, NW WASHINGTON DC 20007	BERING SEA FISHERMEN'S ASSN	600.00	92.69
Do	MUNICIPALITY OF ANCHORAGE	10,400.00	2,048.41
Do	UNITED FISHERMEN OF ALASKA	2,000.00	388.96
ARCHIBALD COX, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	5,095.02	169.80
C. BRYAN COX, PO BOX 139 KANSAS CITY MO 64141	KANSAS CITY LIFE INSURANCE CO		
JEFFREY T. COX, 1420 KING ST. ALEXANDRIA VA 22314	NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS	1,250.00	
DONALD FORSYTH CRAIB III, SUITE 600 633 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	SEARS, ROEBUCK & CO	650.00	
CRAMER HABER & LUKIS, P.C., 818 CONNECTICUT AVE., NW WASHINGTON DC 20036	CANAVERAL PORT AUTHORITY	13,500.00	19.50
Do	CITY OF MIAMI	16,500.00	918.70
Do	DADE COUNTY	12,000.00	
Do	PENNSYLVANIA ENGINEERING CORP	12,500.00	
Do	REPUBLIC OF GABON		
WILLIAM C. CRAMER, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	CRAMER, HABER & LUKIS, P.C. (FOR: CANAVERAL PORT AUTHORITY)		
Do	CRAMER, HABER & LUKIS, P.C. (FOR: CITY OF MIAMI)		
Do	CRAMER, HABER & LUKIS, P.C. (FOR: DADE COUNTY)		
Do	CRAMER, HABER & LUKIS, P.C. (FOR: PENNSYLVANIA ENGINEERING CORP)		
Do	CRAMER, HABER & LUKIS, P.C. (FOR: REPUBLIC OF GABON)		
JOHN R. CRANE, 3238 WYNFORD DRIVE FAIRFAX VA 22031	U.S. DEFENSE COMMITTEE	1,200.00	
JOSEPH S. CRANE, 1735 NEW YORK AVENUE, NW WASHINGTON DC 20006	AMERICAN INST OF ARCHITECTS	600.00	
WILLIAM D. CRAWFORD, 400 FIRST ST., NW WASHINGTON DC 20001	BROTHERHOOD OF RAILWAY CARMEN OF THE U.S. & CANADA	2,032.53	
JOHN P. CREGAN, 1000 CONNECTICUT AVENUE, NW, #1200 WASHINGTON DC 20036	U.S. BUSINESS & INDUSTRIAL COUNCIL	6,600.00	
RICHARD C. CREIGHTON, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA	5,000.00	500.00
DOUGLAS P. CREW, 100 N.E. ADAMS STREET PEORIA IL 61629	CATERPILLAR TRACTOR CO		
JOSEPH M. CRIBBEN, 6900 VALLEY BROOK DR. FALLS CHURCH VA 22042	UNITED ASSN OF JNYMEN & APPREN. OF PLMBG & PIPEFTG INDUSTRY	1,750.00	30.00
MICHAEL F. CRIM, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FED OF FEDERAL EMPLOYEES		
RICHARD E. CRISTOL, 5775 PEACHTREE-DUNWOODY RD., #500D ATLANTA GA 30342	ROBERT H. KELLEN CO (FOR: CALORIE CONTROL COUNCIL)		
P. H. CROFT, 2000 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN SHORT LINE RAILROAD ASSN		
ROBERT W. CROMARTIE, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	50.00	
CHARLES H. CROMWELL, INC., 6709 GEORGIA ST. CHEVY CHASE MD 20815	GENERAL ELECTRIC CO		
Do	HUGHES HELICOPTERS		
Do	NORTHROP CORP		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
RAE E. CRONMILLER, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	180.00	
THOMAS R. CROSBY JR., 8111 GATEHOUSE ROAD FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
DONALD A. CROSIER, NEBRASKA PETROLEUM COUNCIL 334 S. 13TH ST., PO BOX 95063 LINCOLN NB 68509	AMERICAN PETROLEUM INST		
COLLEEN CROSSLAND, 444 N. CAPITOL STREET, NW, #718 WASHINGTON DC 20001	PACIFIC TELESIS GROUP	15,450.00	
BOBBY E. CROW, 3805 W. ALABAMA HOUSTON TX 77027	COLUMBIA GULF TRANSMISSION CO		
CROWELL & MORING, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	ASARCO INC	450.00	10.00
Do	ASSOCIATED GAS DISTRIBUTORS		
Do	AVON PRODUCTS, INC	525.00	30.00
Do	BROOKLYN UNION GAS CO	30.00	
Do	BURLINGTON NORTHERN		
Do	COMMUNICATIONS SATELLITE CORP	875.00	30.00
Do	CONTROL DATA CORPORATION		
Do	COOK INLET REGION, INC		
Do	ELI LILLY AND COMPANY	168.75	10.00
Do	NATIONAL ASSN OF MANUFACTURERS	67.50	
Do	NATIONAL ASSN OF WHOLESALER-DISTRIBUTORS	3,206.25	10.00
Do	PAN AMERICAN WORLD AIRWAYS, INC	3,133.75	96.25
Do	REGIONAL AIRLINE ASSOCIATION		
Do	TRUST FOR PUBLIC LANDS		
Do	WESTERN GOVERNORS' ASSN		
CUBA CLAIMS ASSOCIATION, PO BOX 014004 MIAMI FL 33101			20.00
BARRY M. CULLEN, 1620 EYE ST., NW, #700 WASHINGTON DC 20006	INTERNATIONAL PAPER CO		
JONNA LYNNE CULLEN, J.L. ASSOCIATES 1300 ARMY-NAVY DR., #209 ARLINGTON VA 22202	LAWRENCE KUDLOW ASSOCIATES, ET AL	4,800.00	
Do	ROBERT LAMBERT, CRUISE AMERICA	15,000.00	
Do	U.S. TUNA FOUNDATION		
WILLIAM E. CUMBERLAND, 1125 15TH ST., NW WASHINGTON DC 20005	MORTGAGE BANKERS ASSOCIATION OF AMERICA		
SCOTT S. CUNNINGHAM, 1100 15TH STREET, NW WASHINGTON DC 20005	UNION CARBIDE CORP		
JOHN T. CURRAN, 815 16TH ST., NW WASHINGTON DC 20006	LABORERS' INTL UNION OF NORTH AMERICA, AFL-CIO	14,182.50	215.60
Do	NATIONAL COORDINATING COMM FOR MULTIEMPLOYER PLANS		
MARY BETH CURRY, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	258.46	35.75
CURTIS MALLET-PREVOST COLT & MOSLE, 101 PARK AVENUE NEW YORK NY 10178	U.S. TRUST COMPANY		
M. RUPERT CUTLER, SUITE 103 1325 G ST., NW WASHINGTON DC 20005	ENVIRONMENTAL FUND		
EVERETT E. CUTTER, 620 SW FIFTH AVENUE BLDG., SUITE 912 PORTLAND OR 97204	OREGON RAILROAD ASSN		
D L ASSOCIATES, 1730 RHODE ISLAND AVENUE, NW, #210 WASHINGTON DC 20036	BRIGGS & STRATTON	250.00	
Do	SCIENCE APPLICATIONS, INC		
RUDOLPH N. D'AGARIS, 4708 NORBECK RD. ROCKVILLE MD 20853			
D'AMICO LUEDTKE DEMAREST & GOLDEN, 1920 N STREET, NW, #400 WASHINGTON DC 20036	CENERGY EXPLORATION CO	6,255.38	5,218.07
Do	ENHANCED ENERGY RESOURCES, INC		
Do	MITCHELL ENERGY & DEVELOPMENT CORP	6,255.38	5,218.07
Do	PITTS ENERGY GROUP	6,255.38	5,218.07
Do	SOUTHLAND CORPORATION		
Do	TEXAS OIL & GAS CORP	6,255.38	5,218.07
Do	U.S. TELEPHONE, INC	3,969.86	
Do	WESSELY ENERGY CORP	6,255.38	5,218.07
WILLIAM D. D'ONOFRIO, 1800 W. 8TH ST. WILMINGTON DE 19805	NATIONAL ASSN FOR NEIGHBORHOOD SCHOOLS, INC		
WILLIAM K. DABAGHI, REYNOLDS ALLEN & COOK 1667 K STREET, NW, #300 WASHINGTON DC 20006	COALITION FOR REGIONAL BANKING & ECONOMIC DEVELOPMENT	1,500.00	435.00
WILLIAM KAY DAINES, 1616 H ST., NW WASHINGTON DC 20006	AMERICAN RETAIL FEDERATION	550.00	48.00
LEWIS I. DALE, SUITE 1016 1800 K STREET, NW WASHINGTON DC 20006	AIR PRODUCTS & CHEMICALS, INC		
DALEY & GEORGE, LTD, 111 W. WASHINGTON STREET, #2035 CHICAGO IL 60602	COMBINED INSURANCE CO		
Do	DREYFUS INTERNATIONAL		
DONALD W. DALRYMPLE, 1575 I ST., NW WASHINGTON DC 20005	AMERICAN CYNAMID COMPANY (FOR: LEDERLE LABORATORIES)	2,730.00	932.68
JAMES G. DALTON, 1420 KING ST. ALEXANDRIA VA 22314	NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS	2,500.00	
JOHN M. DAMGARD, 1825 EYE STREET, NW, #1040 WASHINGTON DC 20006	FUTURES INDUSTRY ASSN, INC		
DAMRELL DAMRELL & NELSON, P.C., 911 13TH STREET P.O. BOX 3489 MODESTO CA 95353	CENTRAL SAN JOAQUIN RIVER ASSN		
TRACY DANESE, P.O. BOX 14000 JUNO BEACH FL 33408	FLORIDA POWER & LIGHT CO	883.30	108.96
JOHN E. DANIEL, 1133 15TH STREET, NW, #1200 WASHINGTON DC 20005	OHIO EDISON CO		
DAVID S. DANIELSON, SUITE 400 E 600 MARYLAND AVE., SW WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
CHARLES FRANKLIN DAOUST, P.O. BOX 12910 CHARLESTON SC 29412	KIAWAH ISLAND CO LTD		
WILLIAM H. DARDEN, SUITE 200 412 FIRST STREET, SE WASHINGTON DC 20003	ASSOCIATION OF AMERICAN RAILROADS	213.13	
ONEIDA L. DARLEY, SUITE 203 1840 WILSON BLVD. ARLINGTON VA 22201	NATIONAL LIMESTONE INST, INC	780.00	
COLLEEN A. DARLING, 1730 RHODE ISLAND AVENUE, NW, #204 WASHINGTON DC 20036	JAPANESE AMERICAN CITIZENS LEAGUE	4,800.00	78.00
DIANE DAVENNY DARNEILLE, SUITE 300 1726 M ST., NW WASHINGTON DC 20036	SCHERING-PLOUGH CORP	1,881.00	13,213.48
THOMAS ROGER DART, ALABAMA PETROLEUM COUNCIL P.O. BOX 4220 MONTGOMERY AL 36195	AMERICAN PETROLEUM INST	200.00	
M. DENNIS DAUGHERTY, 733 15TH STREET, NW WASHINGTON DC 20005	LEGAL SERVICES CORP		
JOHN B. DAVENPORT JR , 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	165.00	
LARRY C. DAVENPORT, 5775 PEACHTREE-DUNWOODY RD. SUITE 500-D ATLANTA GA 30342	ROBERT H. KELLEN CO (FOR: CALORIE CONTROL COUNCIL)		
THEODORE S. J. DAVI, 371-106 BURGUNDY LN. LONGWOOD FL 32779			
EARL F. DAVID, SUITE 1107 1825 K STREET, NW WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY	1,000.00	
DANIEL I. DAVIDSON, 2600 VIRGINIA AVE., NW WASHINGTON DC 20037	SPIEGEL & MCDIARMID (FOR: NORTHERN CALIFORNIA POWER AGENCY)		
DAVIS & SIMPICH, 1301 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	CALIFORNIA HOUSING COUNCIL	4,455.00	
DAVID R. DAVIS, INDIANA PETROLEUM COUNCIL 714 HARRISON BLDG. INDIANAPOLIS IN 46204	AMERICAN PETROLEUM INST		
DREW M DAVIS, 1101 16TH ST., NW WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN	270.38	266.16
EDWARD M. DAVIS, 410 FIRST ST., SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL	3,187.50	589.55
FRED G. DAVIS, 1111 19TH STREET, N.W. WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	2,030.77	739.00
DAVIS GRAHAM & STUBBS, SUITE 500 1001 22ND ST., NW WASHINGTON DC 20037	MUNICIPAL SUBDISTRICT, NO. COLORADO WATER CONSERVANCY DIST	2,869.20	2,869.20
Do	NORTHERN COLORADO WATER CONSERVANCY DISTRICT	3,751.20	3,751.20
Do	SNYDER OIL COMPANY		
DAVIS HOCKENBERG WINE BROWN & KOEHN, 2300 FINANCIAL CENTER DES MOINES IA 50309	NORTHWESTERN BELL (IOWA DIV.)		535.00
OVID R. DAVIS, P.O. DRAWER 1734 ATLANTA GA 30301	COCA-COLA COMPANY		
DAVIS POLK & WARDWELL, 1575 EYE ST., NW WASHINGTON DC 20005	ALTER GROUP	900.00	
Do	NORWEST CORP		
Do	U.S. TRUST CORP		
ROBERT DAVIS, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FORD MOTOR CO	800.00	319.00
W. KENNETH DAVIS, P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL GROUP, INC		
DAVIS WRIGHT TODD RIESE & JONES, SUITE 800 1752 N ST., NW WASHINGTON DC 20036	GTE SPRINT COMMUNICATIONS		
DONALD S. DAWSON, SUITE 310 1220 L ST., NW WASHINGTON DC 20005	OPTICIANS ASSN OF AMER	2,000.00	
Do	VIRGIN ISLANDS GIFT & FASHION SHOP ASSN		
Do	VIRGIN ISLANDS MERCHANTS ASSOCIATION		
HARRY F. DAY, 1800 K STREET, NW, #1100 WASHINGTON DC 20006	NEW YORK STOCK EXCHANGE, INC		
RALPH DE LA CRUZ, 1225 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN PUBLIC TRANSIT ASSN	6,000.00	133.00
O. MARK DE MICHELE, 411 NORTH CENTRAL AVENUE P.O. BOX 21666 PHOENIX AZ 85014	ARIZONA PUBLIC SERVICE COMPANY		
DEALER BANK ASSN, SUITE 1014 1800 K ST., NW WASHINGTON DC 20006			
JOHN RUSSELL DEANE III, 1607 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20009	AMERICAN METAL DETECTORS MANUFACTURERS, INC		
Do	AUTO INTERNATIONAL ASSN	150.00	84.99
Do	COALITION OF AUTOMOTIVE ASSNS		
Do	SPECIALTY EQUIPMENT MARKET ASSN	990.00	463.60
DEBEVOISE & PLIMPTON, 1777 F ST., NW WASHINGTON DC 20006	SONY CORP OF AMERICA	215.00	6.00
Do	STATUE OF LIBERTY-ELLIS ISLAND FOUNDATION, INC		1,264.31
ROBERT L. DEBO, MISSOURI OIL COUNCIL 428 E. CAPITOL, #203 JEFFERSON CIY MO 65101	AMERICAN PETROLEUM INST		
MARK O. DECKER, SUITE 1100 1707 H STREET, NW WASHINGTON DC 20006	PETROLEUM MARKETERS ASSN OF AMERICA	688.00	
WINSTON M. DECKER, SUITE 828 1522 K ST., NW WASHINGTON DC 20005	AMERICAN VETERINARY MEDICAL ASSN		
Do	ASSOCIATION OF AMERICAN VETERINARY MEDICAL COLLEGES		
BRIAN DEERY, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
DONALD H. DEFOE, 100 N.E. ADAMS STREET PEORIA IL 61629	CATERPILLAR TRACTOR CO		
GEORGE K. DEGNON ASSOCIATES, INC., SUITE 3A 1311-A DOLLEY MADISON BLDG. MCLEAN VA 22101	ASSOCIATION OF STATE & TERRITORIAL HEALTH OFFICIALS		1,000.00
MARY ELISE DEGONIA, 600 MARYLAND AVENUE, SW WEST WING, SUITE 300 WASHINGTON DC 20024	70001 LTD	100.00	20.00
GENE A. DEL POLITO, 1133 15TH STREET, NW, #1037 WASHINGTON DC 20005	THIRD CLASS MAIL ASSN	600.00	
STEPHEN T. DELAMATER, 2600 SOUTHLAND CENTER 400 N. OLIVE ST. DALLAS TX 75201	HALLIBURTON CO		
JOHN W. DELANEY, 100 FEDERAL ST. BOSTON MA 02110	BANK OF BOSTON CORPORATION		
Do	FIRST NATIONAL BANK OF BOSTON		
DELANEY MIGDAIL & YOUNG, CHTD, 1629 K STREET, NW, #1000 WASHINGTON DC 20006	GOVERNMENT EMPLOYEES INSURANCE CO	15,380.31	387.91
Do	MARYLAND SAVINGS SHARE INSURANCE CORP	24,465.03	75.84
Do	NATIONAL ASSN OF INDEPENDENT INSURERS		53.35

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
THOMAS J. DELANEY, 1111 NORTH 19TH STREET, #700 ARLINGTON VA 22209	NATIONAL ASSN OF FEDERAL CREDIT UNIONS	1,500.00	176.21
LAW OFFICES OF PAUL DELANEY, JR., 1120 20TH STREET, NW WASHINGTON DC 20036	BERMANS, THE LEATHER EXPERTS	7,277.82	
Do	BOWATER NORTH AMERICA CORP	3,839.68	
Do	CONTINENTAL GRAIN CO		
JOHN L. DELANO, 7 EDWARDS - BOX 1172 HELENA MT 59624	MONTANA RAILROAD ASSN		
ROBERT B. DELANO, 225 TOUHY AVE. PARK RIDGE IL 60068	AMERICAN FARM BUREAU FED	2,925.00	
CARTHA D. DELOACH, 700 ANDERSON HILL ROAD PURCHASE NY 10577	PEPSICO, INC		
MICHAEL J. DELOOSE, 1015 18TH STREET, NW WASHINGTON DC 20036	CONFERENCE OF STATE BANK SUPERVISORS	312.50	
GEORGIA L. DELYANNIS, 1730 K STREET, NW, #903 WASHINGTON DC 20006	AMERICAN HELLENIC INSTITUTE PUBLIC AFFAIRS COMMITTEE		
SUSAN C. DEMARR, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	2,500.00	
ELIZABETH C. DEMATO, 5210 AUTH WAY CAMP SPRINGS MD 20746	SEAFARERS INTERNATIONAL UNION	3,000.00	21.00
TANIA DEMCHUK, 499 SOUTH CAPITOL ST., SW SUITE 401 WASHINGTON DC 20003	NATIONAL ASSN OF INDEPENDENT INSURERS	100.00	
BRADFORD T. DEMPSEY, 512 W. MAPLE AVE. SUITE 210 VIENNA VA 22180			
GEORGE H. DENISON, SUITE 400 4801 MASSACHUSETTS AVE., NW WASHINGTON DC 20016	CRUISE AMERICA LINE, INC	900.00	
Do	NATIONAL OFFICE PRODUCTS ASSN	200.00	
Do	WESTINGHOUSE ELECTRIC CORP	1,200.00	
RAY DENISON, 815 16TH ST., NW WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	16,982.00	203.63
JOHN H. DENMAN, MISSOURI OIL COUNCIL 428 E. CAPITAL ST., #203 JEFFERSON CITY MO 65101	AMERICAN PETROLEUM INST		
THOMAS J. DENNIS SR., 1801 K STREET, NW, #1041 WASHINGTON DC 20006	AMERICAN ELECTRIC POWER SERVICE CORP		
EDWARD A. DENT, 3115 N ST., NW WASHINGTON DC 20007	AMERICANS FOR THE NATIONAL VOTER INITIATIVE AMENDMENT		
WELLS DENYES, 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	EASTMAN CHEMICAL PRODUCTS, INC	600.00	141.92
DEPARTMENT FOR PROFESSIONAL EMPLOYEES, AFL-CIO, 815 16TH ST., NW WASHINGTON DC 20006		9,202.10	9,202.10
DERREL BLAURETT DEPASSE, 1100 CONNECTICUT AVE., NW, #540 WASHINGTON DC 20036	CONTAINER CORP OF AMERICA		
GREGORY L. DEPRIEST, 1735 DESALES STREET, NW WASHINGTON DC 20036	ASSOCIATION OF MAXIMUM SERVICE TELECASTERS, INC		
ALPHONSE DEROSSO, SUITE 1100 1899 L STREET, NW WASHINGTON DC 20036	EXXON CORPORATION	250.00	44.45
LLOYD J. DERRICKSON, SUITE 906 1828 L STREET, NW WASHINGTON DC 20036	MERRILL LYNCH & CO., INC	6,500.00	
JAMES T. DEVINE, LAW OFFICES OF DERRIS LEONARD, P.C. 900 17TH ST., NW, #1020 WASHINGTON DC 20006	BOWLING PROPRIETORS ASSN OF AMER		
R. DANIEL DEVLIN, 1825 EYE STREET, NW, #350 WASHINGTON DC 20006	TRANS WORLD AIRLINES, INC	300.00	
DEWEY BALLANTINE BUSHBY PALMER & WOOD, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	AMAX, INC		
Do	AMERICAN CAN CO		
Do	AMERICAN STOCK EXCHANGE, INC		
Do	BENEFICIAL CORPORATION		
Do	BROWNING-FERRIS INDUSTRIES, INC		
Do	CHASE MANHATTAN CORP		
Do	FEDERAL NATIONAL MORTGAGE ASSN		
Do	GENERAL ELECTRIC PENSION TRUST		
Do	PHIBRO-SALOMON, INC		
Do	TEACHERS INSURANCE AND ANNUITY ASSN OF AMERICA		
DORIS J. DEWTON, 1025 CONNECTICUT AVENUE, NW SUITE 507 WASHINGTON DC 20036	ASHLAND OIL, INC	2,000.00	
KENDALL P. DEXTER, 9 COUNTRY CLUB ROAD MOBILE AL 36608	MACMILLAN BLOEDEL INC		
DGA INTERNATIONAL INC, 1225 19TH ST., NW WASHINGTON DC 20036	DIR INTL AFF OF THE GEN DEL FOR ARMEMENTS		
Do	SOCIETE NATIONALE D'ETUDE ET DE CONST. DE MOTEURS D'AVIATION		197.39
Do	SOFREAVIA		174.07
Do	THOMSON-CSF DIVISION SYSTEMS ELECTRONIQUE OF FRANCE		
DIAMOND SHAMROCK CORPORATION, 717 N. HARWOOD STREET DALLAS TX 75201			
CHARLES J. DIBONA, 1220 L ST., NW WASHINGTON DC 20005	AMERICAN PETROLEUM INST	1,875.00	
JOHN M. DICKERMAN, SUITE 700 1015 15TH ST., NW WASHINGTON DC 20005	NATIONAL LUMBER & BUILDING MATERIAL DEALERS ASSN		
CHESTER T. DICKERSON JR., 1101 17TH STREET, N.W. SUITE 604 WASHINGTON DC 20036	MONSANTO CO		695.94
WILLIAM E. DICKINSON, SUITE 300 206 N. WASHINGTON STREET ALEXANDRIA VA 22314	SALT INSTITUTE	250.00	250.00
DICKSTEIN SHAPIRO & MORIN, 2101 L ST., NW WASHINGTON DC 20037	BEAR, STEARNS & CO		
Do	BOUNDARY GAS, INC		
Do	CUSTOM AUTOMOTIVE SOUND ASSN, INC	250.00	
Do	FEDERATED CASH MANAGEMENT SYSTEMS		
Do	GILBANE BUILDING CO		
Do	GUAM ECONOMIC DEVELOPMENT AUTHORITY		
Do	HUGHES AIRCRAFT CO		
Do	LTV AEROSPACE & DEFENSE CO		
Do	MAREMONT CORP		
Do	MARINE ENGINEERS' BENEFICIAL ASSN		
Do	MARINETTE MARINE CORP		
Do	MCDONNELL DOUGLAS CORP	160.00	
Do	METROPOLITAN TRANSPORTATION AUTHORITY		
Do	NATIONAL ASSN OF PUBLIC TELEVISION STATIONS		
Do	NATIONAL FEDERATION OF SOCIETIES FOR CLINICAL SOCIAL WORK	600.00	
Do	NATURAL GAS SUPPLY ASSN		
Do	OPTIONS POLICY ASSN		
Do	PAULUCCI ENTERPRISES	250.00	
Do	STANDARD MANUFACTURING CO		
Do	STATE OF DELAWARE, STATE OF IOWA, STATE OF LOUISIANA, ET AL		
Do	UNITED BRANDS CO		
RICK DIEGEL, 1125 15TH STREET, NW WASHINGTON DC 20005	INTERNATIONAL BROTHERHOD OF ELECTRICAL WORKERS, AFL-CIO-CLC	2,281.25	375.00
GEORGE DILLARD, 5128 SAUER, SUITE A HOUSTON TX 77004	KALEIDOSCOPE RESEARCH & MARKETING GROUP		
TIMOTHY V. A. DILLON, SUITE 905 1331 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	SACRAMENTO MUNICIPAL UTILITY DISTRICT	3,600.00	185.44
Do	WESTLANDS WATER DISTRICT	3,000.00	98.55
THOMAS A. DINE, 444 NORTH CAPITOL ST, NW, #412 WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMM	14,604.15	1,832.69
MICHAEL F. DINEEN, 600 PENNSYLVANIA AVE., SE, #206 WASHINGTON DC 20003	FEDERAL KEMPER LIFE ASSURANCE COMPANY		
Do	KEMPER FINANCIAL SERVICES, INC		
Do	KEMPER INVESTORS LIFE INSURANCE CO		
Do	LUMBERMENS MUTUAL CASUALTY COMPANY		
CHARLES VERN DINGES IV , 1302 18TH STREET, NW, #403 WASHINGTON DC 20036	ENVIRONMENTAL FUND		380.50
DIRECT SELLING ASSOCIATION, 1730 M ST., NW WASHINGTON DC 20036			
HARLEY M. DIRKS, 400 FIRST STREET, NW, #712 WASHINGTON DC 20002	HEALTH & MEDICINE COUNSEL OF WASHINGTON		
Do	PROFESSIONAL SERVICES COUNCIL		
STEVEN P. DOEHLER, SUITE 1405 1725 K ST., NW WASHINGTON DC 20006	MORTGAGE INSURANCE COMPANIES OF AMERICA		
JAMES F. DOHERTY, 624 9TH ST., NW 7TH FL. WASHINGTON DC 20001	GROUP HEALTH ASSOCIATION OF AMERICA, INC		
JOHN D. DOHERTY JR., 900 17TH STREET, NW, #706 WASHINGTON DC 20006	CHASE MANHATTAN BANK, N.A		
GREGORY S. DOLE, BRAND LOWELL & DOLE 923 15TH STREET, NW WASHINGTON DC 20005	EDISON ELECTRIC INSTITUTE	1,500.00	
Do	NATIONAL HEAD INJURY FOUNDATION, INC		
JULIE DOMENICK, 1600 M ST., NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE		
DOMESTIC WILDCATTERS ASSN, P.O. BOX 4394 HOUSTON TX 77210			
BRIAN J. DONADIO, SUITE 875 122 C ST., NW WASHINGTON DC 20001	AMERICAN OSTEOPATHIC ASSN	2,865.00	
RICHARD M. DONALDSON, 1738 GUILDHALL BLDG. CLEVELAND OH 44115	STANDARD OIL CO (OHIO)		
JOHN F. DONELAN, DONELAN CLEARY WOOD & MASER, P.C. 914 WASHINGTON BUILDING WASHINGTON DC 20005	PROCOMPETITIVE RAIL STEERING COMMITTEE		
ANDREW J. DONELSON, 1101 15TH STREET, NW WASHINGTON DC 20005	MINNESOTA MINING & MANUFACTURING CO (3M)	2,500.00	
THOMAS E. DONLEY, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		
SALLY S. DONNER, 4TH FL. 1710 RHODE ISLAND AVE., NW WASHINGTON DC 20036	GENERAL FOODS CORPORATION	1,332.00	78.87
MARY K. DONNY, 1828 L STREET, NW WASHINGTON DC 20036	COOPERATIVE LEAGUE OF THE U.S.A.		
PAUL M. DONOVAN, LAROE WINN & MOERMAN 1120 G STREET, NW, #800 WASHINGTON DC 20005	CHLORINE INSTITUTE, INC	26,660.00	270.40
WILLIAM DONOVAN, 1111 N. 19TH ST, #700 ARLINGTON VA 22209	NATIONAL ASSN OF FEDERAL CREDIT UNIONS	2,500.00	194.34
FRANCIS X. DOOLEY, 525 SCHOOL ST., SW WASHINGTON DC 20024	AMERICAN ROAD & TRANSPORTATION BLDRS ASSN	7,500.00	410.00
IRA DORFMAN, 3RD FLOOR 1111 14TH ST., NW WASHINGTON DC 20005	AMERICAN BAKERS ASSN	116.50	3.00
MAY DEL RIO DORFMAN, 380 SECOND AVENUE NEW YORK NY 10010	PLANNED PARENTHOOD OF NEW YORK CITY, INC		
JAMES A. DORSCH, 1750 K ST., NW WASHINGTON DC 20006	HEALTH INSURANCE ASSOCIATION OF AMERICA, INC		
KENNETH W. DORSCH, 725 15TH STREET, NW WASHINGTON DC 20005	NATIONAL GRAIN & FEED ASSN		
DEAN R. DORT II , SUITE 808 910 17TH ST., NW WASHINGTON DC 20006	DEERE & COMPANY	577.50	
CHARLENE DOUGHERTY, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY	1,600.00	730.00
DIANE DOUGHTY, 425 13TH STREET, NW, #723 WASHINGTON DC 20004	NATIONAL ORGANIZATION FOR WOMEN, INC		900.64
THEODORE DOUGLAS, 6554 COVENTRY ST. LOUIS MO 63033			
JANE LIND DOWNEY, P.O. OC 2303 400 ARMY-NAVY DR. ARLINGTON VA 22002	AMERICAN MOVERS CONFERENCE	180.00	
CONNIE M. DOWNS, 1800 K STREET, NW WASHINGTON DC 20006	BANKAMERICA CORP		
JOHN H. DOWNS JR., 1101 16TH STREET, NW WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN		82.60
JOHN P. DOYLE JR., 1090 VERMONT AVE, NW, #1100 WASHINGTON DC 20005	BELL HELICOPTER TEXTRON, INC	3,839.43	2,058.57
WILLIAM A. DOYLE, 2346 S. ROLFE STREET ARLINGTON VA 22202	HARRIS CORP	2,700.00	1,277.73

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
NANCY DRABBLE, 215 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	CONGRESS WATCH	6,871.79	
JAMES E. DRAKE, 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	5,272.00	
JOAN ALBERT DREUX, 600 PENNSYLVANIA AVENUE, SE, #211 WASHINGTON DC 20003	NATIONAL ASSN OF CASUALTY & SURETY AGENTS	2,400.00	883.21
JEROME L. DREYER, 1300 N. 17TH ST. SUITE 300 ARLINGTON VA 22209	ASSOCIATION OF DATA PROCESSING SERVICE ORGANIZATIONS		
STEPHEN D. DRIESLER, SUITE 306 1150 17TH ST., NW WASHINGTON DC 20036	NATIONAL MULTI HOUSING COUNCIL	2,125.00	
JOHN P. DRING, SUITE 565 1331 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	TEXAS GAS TRANSMISSION CORP	1,500.00	275.75
KEVIN J. DRISCOLL, 1800 M ST., NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	50.00
DOROTHY J. DRUMMER, 1730 K ST., NW, #703 WASHINGTON DC 20006	AMERICAN BUSINESS CONFERENCE, INC	105.00	25.00
EDWIN JASON DRYER, 1775 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	FOLEY, LARDNER, HOLLABAUGH & JACOBS (FOR: VGS CORPORATION)		
ERNEST DUBESTER, 815 16TH STREET, NW WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	14,484.25	225.50
EVELYN DUBROW, 1710 BROADWAY NEW YORK NY 10019	INTERNATIONAL LADIES' GARMENT WORKERS UNION	10,965.50	3,072.85
MORGAN D. DUBROW, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	195.00	
JANE MCPIKE DUDLEY, 1101 15TH STREET, N.W. WASHINGTON DC 20005	NATIONAL CONSTRUCTORS ASSOCIATION	1,050.00	
MARY JANE C. DUE, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
ANN ANDERSON DUFF, 1776 F ST., NW WASHINGTON DC 20006	NATIONAL ASSOCIATION OF MANUFACTURERS	1,200.00	
MICHAEL J. DUFF, 1101 16TH STREET, NW WASHINGTON DC 20036	SCIENTIFIC APPARATUS MAKERS ASSN	1,400.00	433.20
MICHAEL F. DUFFY, 1920 N ST. NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
SARAH WELLS DUFFY, 1200 17TH STREET, NW WASHINGTON DC 20036	AMERICAN PSYCHOLOGICAL ASSN	374.06	62.54
C. R. DUGGAN, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
FRANCIS J. DUGGAN, 412 FIRST ST., SE, #200 WASHINGTON DC 20003	ASSOCIATION OF AMERICAN RAILROADS	500.67	365.97
EVELYN DUKOVIC, 475 RIVERSIDE DRIVE, #239 NEW YORK NY 10115	MORALITY IN MEDIA, INC		
MERVIN E. DULLUM, 1629 K ST., NW, #204 WASHINGTON DC 20006	DELTA AIR LINES, INC	200.00	70.85
DON R. DUNCAN, 1825 K ST.,NW SUITE 1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY		
DUNCAN WEINBERG & MILLER, P.C., SUITE 1200 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	MID WEST ELECTRIC CONSUMERS' ASSN, INC		
Do	STATE OF NEVADA		
Do	STATE OF NORTH DAKOTA		
Do	WESTERN FUELS ASSOCIATION, INC		
JAMES W. DUNLOP, 195 MONTAGUE ST. BROOKLYN NY 11201	BROOKLYN UNION GAS CO		
H. STEWART DUNN JR., SUITE 600 1700 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	SIR JAMES GOLDSMITH		
Do	ROCHESTER TAX COUNCIL		
Do	XEROX CORP		
MARI LEE DUNN, SUITE 520 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL FOR CAPITAL FORMATION		
JOHN H. DUNNE, 818 ROEDER ROAD SUITE 702 SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
DUNNELLS DUVALL BENNETT & PORTER, 1220 19TH STREET, NW, #400 WASHINGTON DC 20036	MULTIFAMILY HOUSING ASSOCIATION		
JAMES A. DUPREE, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FORD MOTOR CO	2,425.00	568.23
JOSEPH L. DURAN, 100 FEDERAL ST. BOSTON MA 02110	FIRST NATIONAL BANK OF BOSTON		
JUDY C. DURAND, 1120 20TH STREET, NW, #600S WASHINGTON DC 20036	UNION PACIFIC CORPORATION	666.00	1,345.90
B. J. DURHAM, P.O. BOX 2121 CORPUS CHRISTI TX 78403	CENTRAL POWER AND LIGHT COMPANY		
DUTKO & ASSOCIATES, SUITE 214 412 FIRST STREET, SE WASHINGTON DC 20003	A.R.M., INC		
Do	ANCHOR INDUSTRIES, INC	1,861.28	
Do	ASSOCIATES OF NORTH AMERICA	3,000.00	
Do	BILL'S COAL CO		
Do	CALIFORNIA SPACE INST. & SCRIPPS INSTITUTION OF OCEANOGRAPHY	4,000.00	
Do	CENERGY EXPLORATION CO	13,475.75	
Do	CHEROKEE COAL CO		
Do	COSMETICS CENTER, INC	8,637.08	
Do	D & B WHOLESALE COSMETICS, INC	8,637.08	
Do	MITCHELL ENERGY & DEVELOPMENT CORP	7,475.75	
Do	PATCH COAL CO		
Do	PITTS ENERGY GROUP	7,475.75	
Do	SCHLENSKER DRILLING CO		
Do	SWEETWATER COAL CO	677.53	
Do	TEXAS OIL & GAS CORP (TXO)	7,475.75	
Do	TRADE MAX, INC	9,872.91	
Do	UNITED TELECOM COMMUNICATIONS, INC	9,000.00	
Do	WESSELY ENERGY CORP	7,475.75	
L. L. DUXBURY, 210 7TH STREET, SE, #517 WASHINGTON DC 20003	RAILROAD RETIREMENT ASSN		620.50
HENRY I. DWORSHAK, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
DENIS J. DWYER, 700 NORTH FAIRFAX ST. ALEXANDRIA VA 22314	RAILWAY PROGRESS INST	437.50	
RODERICK T. DWYER, 1920 N STREET,N.W. WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
MICHAEL J. DYER, 1331 PENNSYLVANIA AVENUE, NW, #905 WASHINGTON DC 20004	NATIONAL COALITION FOR EMERGENCY MEDICAL SERVICES		
DYNALECTRON CORPORATION, 1313 DOLLEY MADISON BLVD. MCLEAN VA 22101			180.92
TALIS DZENITIS, 633 PENNSYLVANIA AVENUE, NW, #600 WASHINGTON DC 20004	SEARS ROEBUCK & CO	500.00	45.66
JACK D. EARLY, 1155 15TH ST., NW, #514 WASHINGTON DC 20005	NATIONAL AGRICULTURAL CHEMICALS ASSN		
CATHERINE EAST, 1411 K STREET, NW, #1110 WASHINGTON DC 20005	NATIONAL WOMEN'S POLITICAL CAUCUS	1,999.98	
GEORGE H. EATMAN, 1800 CONNECTICUT AVE., NW WASHINGTON DC 20009	SLURRY TRANSPORT ASSN		
EATON ASSOCIATES, INC, 1725 K ST., NW, #1111 WASHINGTON DC 20006			
CHARLES H. EATON, SUITE 1111 1725 K ST., NW WASHINGTON DC 20006	EATON ASSOCIATES, INC		
ROBERT E. L. EATON, 1725 K ST., NW, #1111 WASHINGTON DC 20006	EATON ASSOCIATES, INC		
DONALD R. EBE, 1800 K ST., NW, #800 WASHINGTON DC 20006	GOODYEAR TIRE & RUBBER CO	3,750.00	
ROBERT E. EBEL, 1025 CONNECTICUT AVE., NW, #1014 WASHINGTON DC 20036	ENSERCH CORPORATION	1,450.00	828.00
N. BOYD ECKER, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	MOBIL OIL CORP	1,500.00	16.00
ROBERT C. ECKHARDT, SUITE 1105 1750 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	CERTAIN TEXAS CLAIMANTS LAWYERS	5,000.00	
Do	CONSOLIDATED NATURAL GAS CO	5,000.01	
Do	INVESTMENT COMPANY INSTITUTE	5,000.01	
Do	STATE BAR OF TEXAS		
Do	WESTERN FUELS ASSOCIATION, INC	9,999.99	
PATRICIA K. ECONOMOS, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
MITCHELL H. EDELSTEIN, 1411 K ST., NW, #850 WASHINGTON DC 20005	AMERICANS FOR DEMOCRATIC ACTION	3,531.84	71.06
WILLIAM R. EDGAR, SUITE 501 1620 EYE ST., NW WASHINGTON DC 20006	GATES LEARJET CORPORATION		
HELEN H. EDGE, 700 N. FAIRFAX ST. ALEXANDRIA VA 22314	RAILWAY PROGRESS INST	430.37	
ARTHUR B. EDGEWORTH JR , 1709 NEW YORK AVE., NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS ASSOCIATIONS	1,484.00	
EDISON ELECTRIC INSTITUTE, 9TH FLOOR 1111 19TH ST., NW WASHINGTON DC 20036		22,000.91	46,451.49
V. ANNE EDLUND, 1620 EYE ST., NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC		
ED EDMONDSON, BOX 11 MUSKOGEE OK 74401	AMERICAN INLAND WATERWAYS COMMITTEE		
Do	CHEROKEE NATION		
Do	DOSS AVIATION, INC		
Do	IU INTERNATIONAL MANAGEMENT CORP		
Do	OKLAHOMA ASSN OF ELECTRIC COOPS		
Do	U.S. MARITIME COMMITTEE, INC		
EDS CORPORATION, 229 PENNSYLVANIA AVE., SE WASHINGTON DC 20003			2,067.00
JOHN M. EDSALL, 1120 20TH STREET, NW, #600S WASHINGTON DC 20036	UNION PACIFIC CORPORATION	218.00	858.86
CHRISTINE A. EDWARDS, SUITE 600 633 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	SEARS, ROEBUCK AND CO	194.40	2.00
J. RODNEY EDWARDS, 260 MADISON AVE. NEW YORK NY 10016	AMERICAN PAPER INST, INC		
WILLIAM A. EDWARDS, 1111 19TH STREET, NW WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	1,620.88	1,076.92
PAUL S. EGAN, 1608 K ST., NW WASHINGTON DC 20006	AMERICAN LEGION	8,599.00	71.92
EGGERS & GREENE, 1999 BRYON ST., #3220 DALLAS TX 75201	LTV CORPORATION	3,000.00	275.32
EUGENE EIDENBERG, 1133 19TH STREET, NW WASHINGTON DC 20036	MCI COMMUNICATIONS CORP	5,000.00	
YVONNE B. EIDER, 400 FIRST STREET, NW, #800 WASHINGTON DC 20001	FRIENDS OF ANIMALS, INC	5,317.62	507.72
JILL W. EILAND, 507 SECOND STREET, NE WASHINGTON DC 20002	PORTLAND GENERAL ELECTRIC CO		
ALBERT C. EISENBERG, 1735 NEW YORK AVENUE, NW WASHINGTON DC 20006	AMERICAN INST OF ARCHITECTS		
H. J. ELAM III, 1201 MAPLE ST. GREENSBORO NC 27405	CONE MILLS CORPORATION		
JANE ELDER, SUITE 203 214 N. HENRY ST. MADISON WI 53703	SIERRA CLUB	1,256.05	276.24
TIMOTHY L. ELDER, 1730 PENNSYLVANIA AVE., NW, #450 WASHINGTON DC 20006	CATERPILLAR TRACTOR CO	2,500.00	556.94
GEORGE K. ELIADES, 7297 LEE HIGHWAY FALLS CHURCH VA 22042	SOCIETY OF AMERICAN WOOD PRESERVERS, INC	400.00	640.00
C. M. ELKINS ASSOCIATES, SUITE 310 1100 17TH ST., NW WASHINGTON DC 20036	DELAWARE & HUDSON RAILWAY CO		
Do	MISSOURI KANSAS TEXAS RAILROAD		
Do	PITTSBURGH & LAKE ERIE RAILROAD		
J. BURTON ELLER JR , 425 13TH ST., NW, #1032 WASHINGTON DC 20004	NATIONAL CATTLEMEN'S ASSN	1,000.00	
CHARLES W. ELLIOTT, WISCONSIN PETROLEUM COUNCIL 25 W. MAIN ST., #703 MADISON WI 53703	AMERICAN PETROLEUM INST		
JOHN DOYLE ELLIOTT, 5500 QUINCY ST. HYATTSVILLE MD 20784			
KEITH H. ELLIS, 1015 18TH ST.,NW WASHINGTON DC 20036	CONFERENCE OF STATE BANK SUPERVISORS	725.00	46.93
EMERGENCY COMMITTEE FOR AMERICAN TRADE, 1211 CONNECTICUT AVE. WASHINGTON DC 20036		132,182.21	111,027.26

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
EMPLOYEE RELOCATION COUNCIL, SUITE 600 1627 K ST., NW WASHINGTON DC 20006			2,093.72
IRENE R. EMSELLEM, 1800 M STREET, NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	50.00
LOWELL J. ENDAHL, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	125.00	
ENERGY CONSUMERS & PRODUCERS ASSN, BOX 1726 PETROLEUM PLAZA SEMINOLE OK 74868		26,495.00	5,327.54
RALPH ENGEL, 1001 CONNECTICUT AVE., NW, #1120 WASHINGTON DC 20036	CHEMICAL SPECIALTIES MFGRS ASSN		
STEVEN L. ENGELBERG, 2033 M ST., NW, #404 WASHINGTON DC 20036	AMERICAN ASSN FOR MARRIAGE & FAMILY THERAPY		
CHRISTOPHER ENGQUIST, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
M. DALE ENSIGN, 2600 VIRGINIA AVENUE, NW, #901 WASHINGTON DC 20037	SINCLAIR OIL CORPORATION	500.00	
JOHN M. ERSKINE JR., 1122 COLORADO, SUITE 208 AUSTIN TX 78701	STANDARD OIL CO (INDIANA)		
MARTHA M. ESCUTIA, 20 F STREET, NW, #200 WASHINGTON DC 20001	NATIONAL COUNCIL OF LA RAZA	2,000.00	650.00
INGOLF G. ESDERS, 815 16TH STREET, NW WASHINGTON DC 20006	INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO	5,566.35	
MARK ESHERICK, 1346 CONNECTICUT AVENUE, NW, #603 WASHINGTON DC 20036	ZERO POPULATION GROWTH, INC	30.00	3.00
JOHN T. ESTES, 2550 M ST., NW, #770 WASHINGTON DC 20037	RJR INDUSTRIES, INC	200.00	55.00
STEPHEN E. EURE, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN MEAT INSTITUTE	2,000.00	
EUROPEAN TRAVEL COMMISSION, 630 FIFTH AVENUE NEW YORK NY 10111			
BROCK EVANS, 645 PENNSYLVANIA AVE, SE, WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY	834.00	17.00
DONALD C. EVANS JR., 214 MASSACHUSETTS AVENUE, NE, #560 WASHINGTON DC 20002	CONSOLIDATED FOODS CORP		
Do	FEDERATION FOR AMERICAN AFGHAN ACTION		
Do	FREIGHT FORWARDERS INSTITUTE		
Do	INDUSTRY COUNCIL FOR TANGIBLE ASSETS		
Do	OLYMPIA & YORK DEVELOPMENTS LTD		
Do	OLYMPIA & YORK EQUITY CORP		
JOSEPH O. EVANS, APARTMENT 21 4401 LEE HWY. ARLINGTON VA 22207			
RAE FORKER EVANS, SUITE 210 1201 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	HALLMARK CARDS, INC		
ROBERT D. EVANS, 1800 M ST., NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	50.00
J. BALLARD EVERETT, 1125 15TH STREET, NW, #700 WASHINGTON DC 20001	MORTGAGE BANKERS ASSN OF AMERICA	948.00	56.00
ELLEN E. EVES, NEW MURPHY RD. AND CONCORD PIKE WILMINGTON DE 19897	ICI AMERICAS, INC		
KY P. EWING JR., 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	VINSON & ELKINS (FOR: ARCHIE BENNETT)		
Do	VINSON & ELKINS (FOR: ALFRED C. GLASSELL JR.)	12,988.22	10.20
Do	VINSON & ELKINS (FOR: NORTHVILLE INDUSTRIES CORP)		24.51
Do	VINSON & ELKINS (FOR: PUBLIC SERVICE BOARD OF THE CITY OF EL PASO, TX)	20,770.13	70.12
Do	VINSON & ELKINS (FOR: TRAVELERS INSURANCE CO)		1,573.51
WAYNE S. EWING, ASSOCIATED PETROLEUM INDUSTRIES OF PA P.O. BOX 925 HARRISBURG PA 17108	AMERICAN PETROLEUM INST		
ROBBIE G. EXLEY, 1016 16TH ST., NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
F/P RESEARCH ASSOCIATES, SUITE 303 1700 K STREET, NW WASHINGTON DC 20006	NATIONAL CABLE TELEVISION ASSN, INC	1,000.00	
ROBERT R. FAHS, SUITE 205 1101 15TH ST., NW WASHINGTON DC 20005	CARGILL INC	2,500.00	
DALE W. FALLAT, P.O. BOX 119 MAUMEE OH 43537	ANDERSONS		
F. S. FALLON JR., P.O. BOX 888-F-9 ASHLAND KY 41101			
GEORGE W. FALLTRICK, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
PETER M. FANNON, 21 DUPONT CIRCLE, NW WASHINGTON DC 20036	NATIONAL ASSN OF PUBLIC TELEVISION STATIONS	600.00	150.00
THOMAS B. FARLEY II, 1220 L ST., NW WASHINGTON DC 20005	AMERICAN PETROLEUM INST	8,560.00	58.85
DAVID M. FARMER, 1629 K STREET, NW, #1010 WASHINGTON DC 20006	ALLIANCE OF AMERICAN INSURERS	5,200.00	
FARMERS' EDUCATIONAL & CO-OPERATIVE UNION OF AMERICA, P.O. BOX 2251 DENVER CO 80251		119,359.50	57,213.97
ROBERT M. FARQUHAR, P.O. BOX 130 LEVIS, QUEBEC, CANADA G6V 6N7	DAVIE SHIPBUILDING LIMITED		
DAGMAR T. FARR, 1750 K STREET, N.W. WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	450.00	
CHRISTOPHER G. FARRAND, 1120 20TH STREET, NW, #720 WASHINGTON DC 20036	PEABODY HOLDING COMPANY, INC		323.00
MICHAEL FARRAR, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC	200.00	
JOSEPH A. FARRELL, 1600 WILSON BOULEVARD, #1000 ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC		
MARCUS G. FAUST, SUITE 880 2121 K ST., NW WASHINGTON DC 20037	GLOBAL ASSOCIATES	10,327.35	
Do	STANDARD OIL CO (OHIO)	11,250.00	
CLINTON B. FAWCETT, NINE GREENWAY PLAZA, HOUSTON TX 77046	COASTAL CORPORATION		
JANE FAWCETT-HOOVER, 801 18TH ST., NW, #400 WASHINGTON DC 20006	PROCTER & GAMBLE MANUFACTURING CO		
FEDERATION EMPLOYMENT & GUIDANCE SERVICE, 114 FIFTH AVENUE NEW YORK NY 10011			
FEDERATION FOR AMERICAN AFGHAN ACTION, 236 MASSACHUSETTS AVENUE, NE WASHINGTON DC 20002		744.36	15,909.51
FEDERATION OF AMERICAN CONTROLLED SHIPPING, 50 BROADWAY NEW YORK NY 10004		1,410.55	1,410.55
FEDERATION OF AMERICAN HOSPITALS, SUITE 402 1111 19TH ST., NW WASHINGTON DC 20036		11,500.00	11,500.00
FEDERATION OF AMERICAN SCIENTISTS, 307 MASSACHUSETTS AVE., NE WASHINGTON DC 20002			2,230.98
DONALD M. FEHR, 805 THIRD AVE. NEW YORK NY 10022	MAJOR LEAGUE BASEBALL PLAYERS ASSN		
CARL B. FELDBAUM, 1716 N STREET, NW WASHINGTON DC 20036	J. W. MARRIOTT JR.		2,654.26
JUDITH W. FENSTERER, 242 E. 80TH STREET NEW YORK NY 10021	GENERIC PHARMACEUTICAL INDUSTRY ASSN		
EDWARD T. FERGUS, 100 GOLD ST. NEW YORK NY 10292	PRUDENTIAL-BACHE SECURITIES INC	750.00	
BETSY FERGUSON, 1875 EYE STREET, N.W. SUITE 1110 WASHINGTON DC 20006	TIMES MIRROR COMPANY		
JOHN L. FESTA, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC		
FRED C. FIELDING, 1725 JEFFERSON DAVIS HWY, #900 ARLINGTON VA 22202	AM GENERAL CORPORATION	2,750.00	152.00
GARY W. FIELDS, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	1,000.00	
HERBERT A. FIERST, 610 RING BLDG. 1200 18TH ST., NW WASHINGTON DC 20036	COUNCIL OF FOREST INDUSTRIES OF B.C.	31,251.00	2,455.00
MATTHEW P. FINK, 1600 M ST., NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE		
FINLEY KUMBLE WAGNER HEINE UNDERBERG MANLEY & CASEY, 10TH FLOOR 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036.	DIRECT BROADCAST SATELLITE CORP		
Do	GENERAL DYNAMICS CORP		
Do	GOLDEN NUGGET, INC	150.00	
Do	GOVERNMENT OF ANTIGUA & BARBUDA		
Do	GROUP HOSPITALIZATION, INC	690.00	
Do	NATIONAL CORP FOR HOUSING PARTNERSHIPS	2,175.00	
Do	POPULATION CRISIS COMMITTEE	2,582.00	
Do	RCA		
Do	TRT TELECOMMUNICATIONS CORP		
Do	TURNER BROADCASTING SYSTEM, INC		
Do	UNITED SATELLITE ACTION	1,110.00	
STEPHEN A. FINN, P.O. BOX 520783 - GENERAL MAIL FACILITY MIAMI FL 33152	BURGER KING CORP		
FINNEGAN HENDERSON FARABOW GARRETT & DUNNER, 1775 K STREET, NW WASHINGTON DC 20006	INTERNATIONAL COMMUNICATIONS ASSN	1,000.00	250.00
THOMAS D. FINNIGAN, OLD RIDGEBURY ROAD SECTION D228 DANBURY CT 06817	UNION CARBIDE CORP		
M. J. FIOCCO, 1090 VERMONT AVE., NW WASHINGTON DC 20005	NATIONAL INDUSTRIAL TRANSPORTATION LEAGUE	4,625.00	20.50
FIRST NATIONAL BANK OF BOSTON, 100 FEDERAL ST. BOSTON MA 02110			7,748.18
RICHARD L. FISCHER, 1000 16TH ST., NW WASHINGTON DC 20036	STANDARD OIL CO (INDIANA)	1,050.00	
DONALD W. FISHER, 3814 IVANHOE LANE ALEXANDRIA VA 22310	AMERICAN GROUP PRACTICE ASSN, INC		
JANET S. FISHER, 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	250.00	
JOHN FISHER, 1140 OKLAHOMA ROAD COOK WA 98605	COLUMBIA GORGE UNITED		
WILLIAM L. FISHER, 2828 N. HASKELL AVE. DALLAS TX 75204	SOUTHLAND CORPORATION		
WILLIAM P. FISHER, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN		
CHARLES L. FISHMAN, P.C., 1717 K STREET, NW, #502 WASHINGTON DC 20036	CAROLINA POWER & LIGHT CO		
Do	CONSOLIDATED EDISON CO OF NEW YORK		
Do	DUKE POWER CO		
Do	STONE & WEBSTER ENGINEERING CORP		
Do	VIRGINIA ELECTRIC & POWER CO		
Do	WESTINGHOUSE ELECTRIC CORP		
LAURI J. FITZ, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: GOVERNMENT OF CANADA).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF HAITI)		
DAVID M. FITZGERALD, 900 17TH STREET, NW WASHINGTON DC 20006	GOODYEAR TIRE & RUBBER/GOODYEAR AEROSPACE	2,000.00	
Do	LITTON DATA SYSTEMS		
MARY CLARE FITZGERALD, SUITE 900-N 1800 M STREET, NW WASHINGTON DC 20036	GOLEMBE ASSOCIATES, INC		
THOMAS H. FITZPATRICK, 410 ASYLUM STREET HARTFORD CT 06103	AMERICAN PETROLEUM INST		
ALAN M. FITZWATER, 3800 CONTINENTAL PLAZA 777 MAIN STREET FORT WORTH TX 76102	BURLINGTON NORTHERN RAILROAD	20,000.00	1,800.00
HILLIARD J. FJORD, 602 MAIN ST., #600 CINCINNATI OH 45202	OHIO RIVER CO	3,000.00	621.20
DANIEL V. FLANAGAN JR., 1730 RHODE ISLAND AVENUE, NW, #206 WASHINGTON DC 20036	VEPCO		
JAMES J. FLANAGAN, 25 RESEARCH DR. WESTBOROUGH MA 01581	NEW ENGLAND POWER SERVICE CO	273.72	31.10
MICHAEL FLEMING, SUITE 1010 1300 NORTH 17TH STREET ARLINGTON VA 22209	AMERICAN ASSN OF EQUIPMENT LESSORS		
FLORIDA BUSINESS ASSOCIATES, SUITE 200 2000 L STREET, NW WASHINGTON DC 20036	ETA SYSTEMS, INC	12,498.00	
Do	FLORIDA STATE UNIVERSITY	8,000.00	
Do	JACKSONVILLE TRANSPORTATION AUTHORITY	2,709.00	
Do	WESTINGHOUSE ELECTRIC CORP	5,900.00	
VERONICA M. FLOYD, 2001 S. JEFF DAVIS HIGHWAY, #1107 ARLINGTON VA 22202	BRUNSWICK CORP	5,700.00	720.90

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
RICHARD A. FLYE, MCKENNA CONNER & CUNEO 1575 EYE STREET, NW WASHINGTON DC 20005	FERTILIZER INSTITUTE	5,487.50	
JOHN J. FLYNN, 1125 17TH STREET, NW WASHINGTON DC 20036	INTERNATIONAL UNION OF OPERATING ENGINEERS	7,500.00	605.00
FOLEY & LARDNER, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	INVESTORS MORTGAGE INSURANCE CO		.94
Do	SOUTH DAKOTA STUDENT LOAN ASSISTANCE CORP, ET AL	3,465.00	
Do	VGS CORPORATION		5.00
R. D. FOLSOM, 1317 F STREET, NW, #400 WASHINGTON DC 20004	R. DUFFY WALL & ASSOCIATES, INC (FOR: FREEPORT MCMORAN, INC)	250.00	
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: LIFE OF VIRGINIA, ET AL)	250.00	
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: SCHULMAN MANAGEMENT CO)		
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: VOLUME FOOTWEAR RETAILERS OF AMERICA).	250.00	
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: WINE & SPIRITS WHOLESALERS OF AMERICA).	250.00	
FOOD & ALLIED SERVICE TRADES DEPT, AFL-CIO, 815 16TH ST., NW WASHINGTON DC 20006		15,592.00	15,592.00
FOOD MARKETING INSTITUTE, 1750 K ST., NW WASHINGTON DC 20006			5,100.00
FOODSERVICE & LODGING INST, 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006			
GORDON FORBES, 303 HANOVER BLDG., 480 CEDAR ST. ST. PAUL MN 55101	MINNESOTA RAILROADS		
LAURENCE S. FORDHAM, FOLEY, HOAG & ELIOT ONE POST OFFICE SQUARE BOSTON MA 02109	C & S WHOLESALE GROCERS, INC		
JOHN H. FOREHAND III, 12216 FLEMING LN. BOWIE MD 20715	COMPUTERVISION		
Do	OMNI-TECH OF AMERICA, INC		
DONALD D. FOREMAN, SUITE 880 5001 W. 80TH ST. MINNEAPOLIS MN 55437	STANDARD OIL CO (INDIANA)		
FOREST FARMERS ASSOCIATION, P.O. BOX 95385 ATLANTA GA 30347			
FOREST INDUSTRIES COMMITTEE ON TIMBER VALUATION & TAXATION, 1250 CONNECTICUT AVE., NW WASHINGTON DC 20036.			
MARK A. FORMAN, SUITE 600 S 1120 20TH STREET, NW WASHINGTON DC 20036	UNION PACIFIC CORP	625.00	
SALLIE H. FORMAN, 1825 K ST., NW WASHINGTON DC 20006	NATIONAL BROADCASTING CO, INC	380.00	32.47
LUISE FORSETH, 3055 OLD HIGHWAY 8 P.O. BOX 1453 MINNEAPOLIS MN 55440	MEDTRONIC, INC	60.00	141.10
RICHARD C. FORTUNA, 2916 STEPHENSON PL., NW WASHINGTON DC 20015	HAZARDOUS WASTE TREATMENT COUNCIL	2,200.00	2,200.00
EBERT E. FOURNACE, 3706 EATON RD., NW CANTON OH 44708	AMERICAN ELECTRIC POWER SERVICE CORP		
ALBERT A. FOX JR., 1150 CONNECTICUT AVE., NW, #700 WASHINGTON DC 20036	ALLIED CORPORATION		
ERIC R. FOX, 1700 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	APPLE COMPUTER CORP		
DONALD FRAHER, 633 E STREET, NW WASHINGTON DC 20004	AMERICAN SYMPHONY ORCHESTRA LEAGUE	8,749.98	512.55
DAVID E. FRANASIAK, 1001 22ND STREET, #600 WASHINGTON DC 20037	STANDARD OIL CO (OHIO)	675.00	30.00
FRANCES E. FRANCIS, SPIEGEL & MCDIARMID 2600 VIRGINIA AVENUE, NW WASHINGTON DC 20037	NORTHERN CALIFORNIA POWER AGENCY, ET AL	287.50	
DOUGLAS L. FRANCISCO, 1101 16TH ST., NW WASHINGTON DC 20036	INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA		80.50
ALFRED S. FRANK JR., 700 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20037	NCR CORP		
PETER M. FRANK, SUITE 906 1625 K STREET, NW WASHINGTON DC 20006	KERR-MCGEE CORP		
DAVID C. FRANKIL, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	200.00	
WALTER L. FRANKLAND JR., 1717 K ST., NW WASHINGTON DC 20006	SILVER USERS ASSN, INC	1,458.30	876.51
GEORGE FRANKLIN, 235 PORTER ST. BATTLE CREEK MI 49016	KELLOGG COMPANY	3,000.00	325.00
THOMAS C. FRANKS, 5TH FLOOR 1220 L ST., NW WASHINGTON DC 20005	AMERICAN LAND DEVELOPMENT ASSN	1,500.00	
CHARLES W. FRANZ, 1133 19TH STREET, NW WASHINGTON DC 20036	MCI COMMUNICATIONS CORP	10,375.00	138.79
MARIAN C. FRANZ, 2121 DECATUR PLACE, NW WASHINGTON DC 20008	NATIONAL CAMPAIGN FOR A WORLD PEACE TAX FUND	450.00	138.00
CHARLES L. FRAZIER, 475 L'ENFANT PLAZA, SW, #2250 WASHINGTON DC 20024	NATIONAL FARMERS ORGANIZATION	4,833.00	3,584.92
GREGORY W. FRAZIER, P.O. BOX 427 ENGLEWOOD CO 80151	INTERNATIONAL ENERGY BROKERS, INC		
ROBERT M. FREDERICK, 1616 H ST., NW WASHINGTON DC 20006	NATIONAL GRANGE	4,887.50	
FREDERICK SERVICE GROUP, 102 W. CHURCH STREET FREDERICK MD 21701			
ANN TODD FREE, 1120 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	400.00	
FREE THE EAGLE NATIONAL CITIZEN'S LOBBY, SUITE J 11244 WAPLES MILL RD. FAIRFAX VA 22030		51,060.00	210,995.13
D. MICHAL FREEDMAN, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	7,258.99	
JOEL FREEDMAN, 1600 M ST., NW, 5TH FLOOR WASHINGTON DC 20036	HARTFORD FIRE INSURANCE CO	5,000.00	
JAMES O. FREEMAN, 1709 NEW YORK AVE., NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS ASSOCIATIONS	2,392.00	15.00
LEWIS R. FREEMAN JR., 605 14TH STREET, NW WASHINGTON DC 20005	SOCIETY OF THE PLASTICS INDUSTRY		
MARY ANN FREEMAN, 1331 PENNSYLVANIA AVE, NW WASHINGTON DC 20005	GENERAL ELECTRIC CO		
PAULA A. FREER, 1800 M ST., NW, #975 WASHINGTON DC 20036	MARATHON OIL CO		
RONNA FREIBERG, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN IRON & STEEL INSTITUTE).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: ASARCO INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BROWNING-FERRIS INDUSTRIES, INC.).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BUDD COMPANY)		
Do	GRAY & CO. PUBLIC COMMUNICATION INTERNATIONAL, INC. (FOR: COMMONWEALTH OF PUERTO RICO).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: FINANCIAL INVESTMENT ASSOCIATES, INC).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: JOINT MARITIME CONGRESS).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: NATIONAL BRAODCASTING COMPANY).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SALOMON BROTHERS, INC).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SANTA FE CORP)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SHAKLEE CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: STROH BREWERY CO)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: TOBACCO INSTITUTE)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: WARNER COMMUNICATIONS).		
VERRICK O. FRENCH, 1000 CONNECTICUT AVE., NW, #700 WASHINGTON DC 20036	NATIONAL RETAIL MERCHANTS ASSN	650.00	40.00
SARA HAMRIC FREUND, 260 MADISON AVE. NEW YORK NY 10016	AMERICAN PAPER INST, INC		
GEORGE L. FRICK, P.O. BOX 1429 20 E.DIVISION ST. DOVER DE 19903	AMERICAN PETROLEUM INST		
SUSAN FRIDY, 1840 WILSON BOULEVARD ARLINGTON VA 22201	NATIONAL MILK PRODUCERS FED	2,490.00	
FRIED FRANK HARRIS SHRIVER & KAMPELMAN, SUITE 1000 600 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20037	AMERICAN INDIAN NATIONAL BANK		
Do	ASSINIBOINE TRIBE		
Do	CHEYENNE RIVER SIOUX TRIBE	1,760.00	36.00
Do	DOYON, LIMITED		
Do	MICCOSUKEE TRIBE OF INDIANS OF FLORIDA		
Do	NEZ PERCE TRIBE		
Do	PUEBLO OF LAGUNA		
Do	SCHENLEY INDUSTRIES, INC	427.50	
Do	SENECA NATION OF INDIANS		
RONALD A. FRIED, 2000 L STREET, NW, #200 WASHINGTON DC 20036	ORION SATELLITE CORPORATION	7,125.00	320.31
MAX L. FRIEDERSDORF, 700 ANDERSON HILL ROAD PURCHASE NY 10577	PEPSICO, INC		
PHILIP P. FRIEDLANDER JR., 1250 EYE STREET, NW, #400 WASHINGTON DC 20005	NATIONAL TIRE DEALERS & RETREADERS ASSN		
JAMES M. FRIEDMAN, 1100 CITIZENS BLDG. CLEVELAND OH 44114	CLEVELAND ELECTRIC ILLUMINATING CO	13,803.50	1,222.85
Do	COALITION FOR ENVIRONMENTAL-ENERGY BALANCE	15,970.14	1,019.32
FRIENDS OF ANIMALS, INC, 400 FIRST STREET, NW, #800 WASHINGTON DC 20001		11,000.00	9,896.97
FRIENDS OF THE COLUMBIA GORGE, 519 SW THIRD, #810 PORTLAND OR 97204		238.70	122.30
FRIENDS OF THE RURAL DEVELOPMENT LOAN FUND, 2025 I STREET, NW, #901 WASHINGTON DC 20006		2,200.00	2,411.26
OWEN V. FRISBY, 900 17TH ST., NW WASHINGTON DC 20006	CHASE MANHATTAN BANK, N.A		
SUSAN T. FRITSCHLER, 1111 19TH STREET, NW WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	698.35	374.87
ALLYN M. FRITTS, 1298 WOODSIDE DRIVE MCLEAN VA 22102	NEW BEDFORD SEAFOOD COUNCIL, INC	5,001.00	639.71
CHARLES H. FRITTS, 1125 15TH ST., NW WASHINGTON DC 20005	MORTGAGE BANKERS ASSN	6,210.00	145.00
CHARLES H. FRITZEL, 499 S. CAPITOL ST., SE, #401 WASHINGTON DC 20003	NATIONAL ASSN OF INDEPENDENT INSURERS	300.00	200.00
JEFFREY FRITZLEN, 1120 20TH STREET, NW, #600-S WASHINGTON DC 20036	UNION PACIFIC CORP	2,000.00	
ROBERT F. FROEHLKE, 1285 AVENUE OF THE AMERICAS NEW YORK NY 10019	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S		
FULBRIGHT & JAWORSKI, 1150 CONNECTICUT AVE., NW, #400 WASHINGTON DC 20036	CONSOLIDATED CAPITAL EQUITIES CORP		
Do	CRYSTAL OIL COMPANY		
Do	HOTEL INVESTORS TRUST		
Do	NATIONAL ASSN OF REAL ESTATE INVESTMENT TRUSTS, INC		
Do	SAMUEL GARY OIL PRODUCER, INC		
Do	SANTA ANITA REALTY ENTERPRISES, INC		
CLAUDIA R. FUQUAY, 1401 NEW YORK AVE., NW, #400 WASHINGTON DC 20036	NATIONAL FOOD PROCESSORS ASSN	500.00	58.43
JOSEPH F. FURLONG, 284 SOUTH AVENUE POUGHKEEPSIE NY 12601	CENTRAL HUDSON GAS & ELECTRIC CORP		
NANCY H. FUSSELL, 1700 N. MOORE ST. ROSSLYN VA 22209	BOEING COMPANY	2,310.00	750.54

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
FUTURES INDUSTRY ASSN, INC, 1825 EYE STREET, NW, #1040 WASHINGTON DC 20006			
DAVID H. FYOCK, SUITE 520 600 MARYLAND AVE., SW WASHINGTON DC 20024	GPU SERVICE CORPORATION	3,125.00	762.63
MARC P. GABOR, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO	3,000.00	347.12
TERRY GABRIELSON, 490 L'ENFANT PLAZA, SW, #3202 WASHINGTON DC 20024	TRANSCO ENERGY CO		
JAMES E. GAFFIGAN, SUITE 607 1899 L STREET, NW WASHINGTON DC 20036	TRAVEL & TOURISM GOVERNMENT AFFAIRS POLICY COUNCIL	1,750.00	
FRANK W. GAINES JR., OLWINE CONNELLY CHASE O'DONNELL & WEYHER 1850 K STREET, NW, #890 WASHINGTON DC 20006.	PROGRESS TRADING CO		
NORMAN S. GAINES, 2550 M ST., NW, #770 WASHINGTON DC 20037	RJR INDUSTRIES, INC	2,200.00	1,064.29
JOE H. GALIS, P.O. BOX 221 RAIFORD FL 32083			
KARL GALLANT, 8001 BRADDOCK ROAD SPRINGFIELD VA 22160	NATIONAL RIGHT TO WORK COMM	3,000.00	549.11
HARRY GANDERSON, P.O. BOX 871 CHARLOTTESVILLE VA 22902	INTERNATIONAL TRADE SERVICES CORP		
WILLIAM R. GANSER JR , 4804 FOLSE DR. METAIRIE LA 70002	SOUTHERN FOREST PRODUCTS ASSN	3,057.70	
NICOLE GARA, 1117 NORTH 19TH STREET, NW, #300 ARLINGTON VA 22209	AMERICAN ACADEMY OF PHYSICIAN ASSISTANTS		
HARRY D. GARBER, 1285 AVENUE OF THE AMERICAS NEW YORK NY 10019	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S	100.00	10.00
GARDNER CARTON & DOUGLAS, 1875 I ST., NW WASHINGTON DC 20006	EDWARD HINES LUMBER CO	840.00	42.00
Do	MIDCON CORP		
SHERWIN GARDNER, 1010 WISCONSIN AVE., NW SUITE 800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC		
EDWARD A. GARMATZ, 2210 LAKE AVE. BALTIMORE MD 21213	BALTIMORE GAS & ELECTRIC CO		
GARVEY SCHUBERT ADAMS & BARER, 1000 POTOMAC ST., NW WASHINGTON DC 20006	COMINCO AMERICAN, INC		
Do	GTE SERVICE CORP		
Do	JAPAN FISHERIES ASSOCIATION	2,642.50	
Do	NIKE, INC	2,160.00	
Do	NORTHWEST MARINE IRON WORKS		
Do	PACCAR, INC		
Do	PACIFIC RIM TRADE ASSN		
Do	SONATRACH	1,750.00	
Do	TOTEM OCEAN TRAILER EXPRESS, INC	647.50	
Do	WASHINGTON CITIZENS FOR WORLD TRADE	240.00	
E. JUNE GARVIN, OHIO PETROLEUM COUNCIL 88 E. BROAD SUITE 1960 COLUMBUS OH 43215	AMERICAN PETROLEUM INST	500.00	
W. BRADFORD GARY, 1050 17TH STREET, NW, #1126 WASHINGTON DC 20036	BAXTER TRAVENOL LABORATORIES, INC		
MARY A. GARZA, P.O. BOX 152777, 5B-7 IRVING TX 75015	ZALE CORP		
GAS APPLIANCE MANUFACTURERS ASSOCIATION, INC., 1901 NORTH FORT MYER DR. ARLINGTON VA 22209			
LILLIAN B. GASKIN, 1800 M ST., NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	50.00
PHILIP GASTEYER, 1709 NEW YORK AVE., NW SUITE 801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS ASSOCIATIONS	2,885.40	
JOHN GAUTHIER, 923 15TH STREET, N.W. WASHINGTON DC 20005	TRANSPORTATION INSTITUTE		
GEARY, STAHL & SPENCER, 2800 ONE MAIN PLACE DALLAS TX 75250	CITIES FOR RESPONSIBLE CABLE POLICY	5,768.84	2.85
RUTHANN GEIB, 1156 15TH STREET, NW, #1020 WASHINGTON DC 20005	AMERICAN SUGARBEET GROWERS ASSN		
RONALD L. GEIGLE, 1030 15TH STREET, NW, #1100 WASHINGTON DC 20005	HEALTH INDUSTRY MANUFACTURERS ASSOCIATION		
ROBERT C. GELARDI, 5775 PEACHTREE-DUNWOODY RD. #500-D ATLANTA GA 30342	ROBERT H. KELLEN CO (FOR: CALORIE CONTROL COUNCIL)	90.00	
MORTON A. GELLER, 100 FEDERAL ST. BOSTON MA 02110	FIRST NATIONAL BANK OF BOSTON		
GENERAL AVIATION MANUFACTURERS ASSOCIATION, 1400 K STREET, NW, #801 WASHINGTON DC 20005			1,971.14
GENERAL INSTRUMENT CORPORATION, 767 5TH AVE. NEW YORK NY 10153		600.00	105.58
GENERIC PHARMACEUTICAL INDUSTRY ASSN., SUITE 2404 200 MADISON AVENUE NEW YORK NY 10016		20,965.00	20,965.00
FRED J. GENTILE, 195 MONTAGUE STREET BROOKLYN NY 11201	BROOKLYN UNION GAS CO		
JOHN GENTILLE, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
NANCY WHORTON GEORGE, 499 SOUTH CAPITOL STREET, SW, #400 WASHINGTON DC 20003	CELERON		
Do	TRANSCO, INC		
GEORGIA ASSN OF PETROLEUM RETAILERS, INC, 900 N. HAIRSTON ROAD, SUITE D STONE MOUNTAIN GA 30083			
GEORGE W. GEPHART, P.O. BOX 1475 BALTIMORE MD 21203	BALTIMORE GAS & ELECTRIC CO		
GERARD BYLER & ASSOCIATES, INC, 1100 17TH STREET, NW WASHINGTON DC 20036	AK CHIN INDIAN COMMUNITY	3,368.00	
Do	COLVILLE BUSINESS COUNCIL		
Do	COMMISSIONED OFFICERS ASSN OF THE U.S. PUBLIC HEALTH SERVICE	100.00	
Do	MINNESOTA CHIPPEWA TRIBE		
Do	PAPAGO TRIBE OF ARIZONA		
Do	TULALIP TRIBES	523.00	
Do	LEECH LAKE RESERVATION BUSINESS COMMITTEE		
Do	WHITE EARTH RESERVATION BUSINESS COMMITTEE	3,904.00	
JOSEPH G. GERARD, 918 16TH ST., N.W. # 402 WASHINGTON DC 20006	AMERICAN FURNITURE MANUFACTURERS ASSN	1,500.00	1,263.83
LOUIS GERBER, 1925 K ST., NW WASHINGTON DC 20006	COMMUNICATIONS WORKERS OF AMERICA	5,467.38	10.00
DANIEL R. GERKIN, 1575 I STREET, NW, #525 WASHINGTON DC 20005	MINING & RECLAMATION COUNCIL OF AMERICA	500.00	
PHYLLIS H. GERSTELL, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
CHRIS GERSTEN, 444 NORTH CAPITOL STREET, NW, #412 WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMM	1,263.00	
ALVIN J. GESKE, SUITE 1109 1801 K ST., NW WASHINGTON DC 20006	NATIONAL CATTLEMEN'S ASSN	600.00	
DOROTHY F. GEVINSON, 801 18TH STREET, NW, #400 WASHINGTON DC 20006	PROCTER & GAMBLE MANUFACTURING CO		
ROBERT N. GIAIMO, 499 SOUTH CAPITOL ST., S.W. SUITE 110 WASHINGTON DC 20003	AETNA LIFE & CASUALTY	9,375.00	
Do	INSURANCE ASSOCIATION OF CONNECTICUT	7,500.00	
WILLIAM C. GIBB, 1750 K STREET, NW, #1200 WASHINGTON DC 20006			
WAYNE GIBBENS, 1919 PENNSYLVANIA AVE., NW, #503 WASHINGTON DC 20006	MID-CONTINENT OIL & GAS ASSN	6,700.00	132.00
ANNE MARIE GIBBONS, THIRD FLOOR 2301 M STREET, NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN	500.00	
GIBSON DUNN & CRUTCHER, 1050 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	ASSOCIATED SPECIALTY CONTRACTORS, INC		
Do	FEDERATION OF APPAREL MANUFACTURERS		
Do	INSURANCE ASSN OF CONNECTICUT		
Do	MECHANICAL CONTRACTORS ASSN OF AMERICA, INC		
THERESA GIBSON, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	1,500.00	1,297.36
WILLIAM G. GIERY, 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FOODSERVICE & LODGING INST		
PAMELA GILBERT, 215 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	U.S. PUBLIC INTEREST RESEARCH GROUP	3,250.00	
RICHARD GILBERT, 1015 15TH STREET, NW WASHINGTON DC 20005	AMERICAN PUBLIC HEALTH ASSN	1,222.00	
MICHAEL GILDEA, 815 16TH ST., NW WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	15,240.40	
JOHN E. GILES, 1600 EYE ST., NW WASHINGTON DC 20006	MOTION PICTURE ASSN OF AMERICA, INC	650.00	516.69
FLOYD H. GILKEY, 2111 HARBOR DRIVE ANNAPOLIS MD 21401	CHESAPEAKE INDUSTRIES, INC		
GINN & EDINGTON, INC, 121 SOUTH COLUMBUS STREET ALEXANDRIA VA 22314	GULFSTREAM AEROSPACE CORP	300.00	8.19
Do	HERCULES INC		
Do	LOCKHEED-GEORGIA COMPANY	2,000.00	54.61
Do	MECHANICAL TECHNOLOGY, INC		
Do	PROFESSIONAL INSURANCE AGENTS	6,000.00	165.55
Do	TEXAS INSTRUMENTS, INC	1,500.00	40.96
Do	TURNER BROADCASTING SYSTEM, INC		
Do	U.S. CANE SUGAR REFINERS' ASSN		
GERARD GIOVANIELLO, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	2,500.00	756.30
MICHAEL K. GIRE, BRICKER & ECKLER 100 E. BROAD ST. COLUMBUS OH 43215	AMERICAN SMALL AND RURAL HOSPITAL ASSOCIATION, OHIO CHAPTER		
BRENDA M. GIRTON, 633 PENNSYLVANIA AVENUE, NW, #600 WASHINGTON DC 20004	SEARS, ROEBUCK AND CO		
JONAH GITLITZ, SUITE 905 1730 K ST., NW WASHINGTON DC 20006	DIRECT MARKETING ASSOCIATION		
MICHAEL J. GIUFFRIDA, 204 E STREET, NE WASHINGTON DC 20002	NATIONAL FROZEN FOOD ASSOCIATION	1,000.00	
SOL GLASNER, SUITE 810 2000 L ST., NW WASHINGTON DC 20036	SPERRY CORPORATION		
CLAUDE R. GLAZE, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
GEORGE L. GLEASON, 410 1ST ST., SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL	2,637.50	125.94
JOHN P. GLEASON, 11490 COMMERCE PARK DR. RESTON VA 22041	BRICK INSTITUTE OF AMERICA		
LAW OFFICES OF THOS GLEASON, 90 BROAD STREET, #600 NEW YORK NY 10004	INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO		
ROBERT GLEASON, 815 SIXTEENTH STREET, N.W. WASHINGTON DC 20006	INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO	7,815.00	29.83
DONALD R. GLENN, 1627 K STREET, NW, #200 WASHINGTON DC 20006	ENERGY RESEARCH CORP		
ELMER G. GLESKE, 300 METROPOLITAN SQUARE 655 15TH STREET, NW WASHINGTON DC 20005	FLIGHT SAFETY INTL INC		
GLOBAL USA, INC, GLOBAL HOUSE 1823 JEFFERSON PLACE, NW WASHINGTON DC 20036	FANUC, LTD		
Do	KOMATSU LTD		
Do	KYOCERA CORPORATION	2,000.00	
Do	MAZAK CORPORATION		
JERE W. GLOVER, 1725 K STREET, NW, #308 WASHINGTON DC 20006	NATIONAL COUNCIL FOR INDUSTRIAL INNOVATION		
GODFREY ASSOC, INC, SUITE S-501 918 16TH ST., NW WASHINGTON DC 20006			
HORACE D. GODFREY, 918 16TH ST., NW, SUITE S-501 WASHINGTON DC 20006	GODFREY ASSOC, INC		
JAMES W. GODLOVE, 1825 K STREET, NW, #1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM CO	900.00	25.87
RICHARD P. GODWIN, P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL CIVIL & MINERALS, INC		
JOSEPH GOFFMAN, 215 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	CONGRESS WATCH	1,352.91	
GEORGE TIMOTHY GOJIO, 1730 RHODE ISLAND AVENUE, NW, #204 WASHINGTON DC 20036	JAPANESE AMERICAN CITIZENS LEAGUE	7,000.00	3,200.00
A. JAMES GOLATO, SUITE 800 2300 M ST., NW WASHINGTON DC 20037	H&R BLOCK, INC		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
GOLD & LIEBENGOOD, INC, 1050 CONNECTICUT AVENUE, NW, #980 WASHINGTON DC 20036	COLLEGE OF AMERICAN PATHOLOGISTS	3,750.00	4,592.77
Do	DESIGN PROFESSIONALS		
Do	INVESTMENT COMPANY INSTITUTE	6,870.00	4,859.05
Do	KAISER STEEL CORP		
Do	LOWRANCE ELECTRONICS		
Do	M-LIFE CORPORATION		
Do	NATIONAL COALITION FOR PORT PROGRESS	9,913.15	4,366.00
Do	NATIONAL FOOTBALL LEAGUE	5,520.00	4,743.87
Do	NATURAL GAS SUPPLY ASSN		
Do	OUTDOOR ADVERTISING ASSN OF AMERICA	1,800.00	5,065.07
Do	RICHARD SINNOTT & CO		
Do	TEXAS CATTLEFEEDERS ASSN	7,150.00	5,844.38
Do	TOBACCO INSTITUTE	30,000.00	4,844.90
Do	WAYNE COUNTY ROAD COMMISSION		
HARVEY S. GOLD, 8100 OAK STREET DUNN LORING VA 22027	NATIONAL PEST CONTROL ASSN		
STEPHEN V. GOLD, 1010 WISCONSIN AVENUE, NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA	24.00	246.68
HOWARD S. GOLDBERG, 1818 N ST., NW WASHINGTON DC 20036	DGA INTERNATIONAL INC (FOR: SOCIETE NATIONALE D'ETUDE ET DE CONST DE MOTEURS D'AVIATION).		
Do	DGA INTL, INC. (FOR: SOFREAVIA)		
PATRICIA R. GOLDMAN, 444 NORTH CAPITOL STREET, NW WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN	1,980.89	184.67
JACK GOLODNER, 815 16TH ST., N.W. WASHINGTON DC 20006	DEPARTMENT FOR PROFESSIONAL EMPLOYEES, AFL-CIO	4,312.81	
RUTH M. GOLTZER, 1785 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL TRUST FOR HISTORIC PRESERVATION	3,704.46	
JOHN GONELLA, SUITE 200 412 FIRST STREET, SE WASHINGTON DC 20036	ASSOCIATION OF AMERICAN RAILROADS	1,998.59	297.50
RUTH GONZE, THIRD FLOOR 2301 M STREET, NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN	500.00	
CHARLES E. GOODELL, KING & SPALDING 1730 PENNSYLVANIA AVENUE, NW, #1200 WASHINGTON DC 20006	DGA INTL INC (FOR SOFREAVIA)		
Do	DGA INTL, INC (FOR SNECMA)		
GOODWIN PROCTER & HOAR, 28 STATE STREET BOSTON MA 02109	POLAROID CORPORATION		54.44
ROBERT F. GOODWIN, 1850 K ST., NW, SUITE 275 WASHINGTON DC 20006	MEREDITH CORP	40.00	38.00
DOUGLAS GORDON, SUITE 400 1401 NEW YORK AVE., NW WASHINGTON DC 20005	NATIONAL FOOD PROCESSORS ASSN	375.00	
GORDON FEINBLATT ROTHMAN HOFFBERGER & HOLLANDER, 233 EAST REDWOOD STREET BALTIMORE MD 21202	MERCHANTS TERMINAL CORP		
STEPHAN H. GORDON, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FED OF FEDERAL EMPLOYEES		
IRMGARD GORDOS, FERNWOOD APT. L4 FERNWOOD-GLENDALE SPARTANBURG SC 29302	AMERICAN SECURITY COUNCIL		
MILLICENT GORHAM, SUITE 400E 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
JAMES D. GORMLEY, 1400 K STREET, NW, #801 WASHINGTON DC 20005	GENERAL AVIATION MANUFACTURERS ASSOCIATION	736.53	
ANN M. GOSIER, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
JOHN T. GOULD JR., SUITE 805 1625 EYE STREET, NW WASHINGTON DC 20006	ST. REGIS PAPER CO	400.00	900.00
HUGH J. GOWNLEY, 1225 19TH STREET, NW WASHINGTON DC 20036	DGA INTERNATIONAL INC (FOR: SNECMA)		
EDMUND GRABER, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA	1,000.00	500.00
JOHN R. GRAFF, SUITE 330 1025 VERMONT AVE., NW WASHINGTON DC 20005	INTERNATIONAL ASSN OF AMUSEMENT PARKS AND ATTRACTIONS	150.00	44.50
DONALD E. GRAHAM, MCDERMOTT, WILL & EMERY 1850 K STREET, NW, #500 WASHINGTON DC 20006	NATIONAL COUNCIL OF FARMER COOPERATIVES		
LAWRENCE T. GRAHAM, 1401 NEW YORK AVENUE, NW, #400 WASHINGTON DC 20005	AMERICAN HOTEL & MOTEL ASSN	771.81	
Do	NATIONAL FOOD PROCESSORS ASSN	500.00	61.62
FRANCES TURK GRANAHAN, 1090 VERMONT AVENUE, NW, #600 WASHINGTON DC 20005	TEXAS EASTERN TRANSMISSION CORP		
MARY GRANGER, 11 DUPONT CIRCLE, NW WASHINGTON DC 20036	AMERICAN FED OF TEACHERS		
WILLIAM W. GRANT, SUITE 710 1150 CONNECTICUT AVE., NW WASHINGTON DC 20036	UTAH INTL, INC		417.44
JAMES L. GRANUM, 1050 CONNECTICUT AVE., NW WASHINGTON DC 20036	NORFOLK SOUTHERN CORPORATION	1,000.00	
GRAPHIC COMMUNICATIONS INTERNATIONAL UNION, AFL-CIO, CLC, 1900 L STREET, NW WASHINGTON DC 20036		31,765.00	34,500.00
KARLA L. GRAUE, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	784.62	
RUTH P. GRAVES, SUITE 500 600 MARYLAND AVE., SW WASHINGTON DC 20024	READING IS FUNDAMENTAL, INC		
THOMAS P. GRAVES, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	100.00	
NEIL A. GRAY, 6811 KENILWORTH AVE. RIVERDALE MD 20737	NATIONAL ASPHALT PAVEMENT ASSN	6,311.13	1,537.81
ROBERT K. GRAY, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN IRON & STEEL INSTITUTE).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN MARITIME ASSN).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN TRUCKING ASSNS, INC).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: ASARCO INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BROWNING-FERRIS INDUSTRIES, INC.).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BUDD COMPANY)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: CANADIAN ASBESTOS INFORMATION CENTRE).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: COLLEGE OF AMER PATHOLOGISTS).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: COMMONWEALTH OF PUERTO RICO).	350.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: EL PASO NATURAL GAS CO).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: ELECTRONIC INDUSTRIES ASSN OF JAPAN).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: FINANCIAL INVESTMENT ASSOCIATES, INC).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: GRUMMAN CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: HEALTH INSURANCE ASSN OF AMERICA).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: HRH PRINCE TALAL BIN ABDUL AZIZ AL SAUD).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: HTB CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: JOINT MARITIME CONGRESS).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: LIFE CARE SERVICES CORP).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MARTIN BAKER AIRCRAFT COMPANY LTD.).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MOTOROLA, INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: NATIONAL BROADCASTING CO, INC).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: QUIXOTE CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SALEN DRY CARGO, INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SHAKLEE CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: STROH BREWERY CO)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: TOBACCO INSTITUTE)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: U.S. BANKNOTE)		
MARK E. GRAYSON, 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	HILL & KNOWLTON, INC		
SAMUEL A. GRAYSON, P.O. BOX 1745 BOISE ID 83701	UNION PACIFIC RAILROAD		
MARY R. GREALY, 1111 19TH STREET, NW, #402 WASHINGTON DC 20036	FEDERATION OF AMERICAN HOSPITALS	1,500.00	
GREAT AMERICAN RESERVE INSURANCE CO, 2020 LIVE OAK P.O. BOX 388 DALLAS TX 75221			
GREATER WASHINGTON BOARD OF TRADE, 1129 20TH ST., NW WASHINGTON DC 20036			
DONALD R. GREELEY, 1101 17TH ST., NW, #307 WASHINGTON DC 20036	CELANESE CORP	1,500.00	300.92
EDWARD M. GREEN, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
GEORGE R. GREEN, 1750 K ST., NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	450.00	
JOHN K. GREEN, 800 AMERICAN CHARTER CENTER 1623 FARNAM ST. OMAHA NB 68102	PAPILLION-LAVISTA NEBRASKA SCHOOL DISTRICT	1,820.00	28.10
KAYLENE H. GREEN, SUITE 880 555 NEW JERSEY AVE., NW WASHINGTON DC 20001	CONGOLEUM CORPORATION	300.00	231.91
LAURA MARIE GREEN, 8001 BRADDOCK ROAD SPRINGFIELD VA 22160	NATIONAL RIGHT TO WORK COMMITTEE	800.00	823.55
LEON GREEN JR., 2101 CONNECTICUT AVENUE, NW WASHINGTON DC 20005	CLEAN COAL COALITION, INC		
ELDON V. C. GREENBERG, GALLOWAY & GREENBERG 1835 K ST., NW, #801 WASHINGTON DC 20006	SOUTHEASTERN FISHERIES ASSN, INC	4,500.00	1,889.72
ELLEN F. GREENBERG, 1200 17TH STREET, NW WASHINGTON DC 20036	AMERICAN PSYCHOLOGICAL ASSN	2,137.50	53.00
H. THOMAS GREENE, 412 1ST ST., SE WASHINGTON DC 20003	NATIONAL AUTOMOBILE DEALERS ASSN	7,500.00	
MARCI E. GREENSTEIN, 2626 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20037	NATIONAL TELEPHONE COOPERATIVE ASSN	1,650.00	24.02
DALE W. GREENWOOD, 612 HOGE BLDG. SEATTLE WA 98104	WASHINGTON RAILROAD ASSN		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
JOHN M. GREER, 1900 L STREET, NW WASHINGTON DC 20036	GRAPHIC COMMUNICATIONS INTERNATIONAL UNION, AFL-CIO, CLC	31,765.00	34,500.00
SARAH MASSENGALE GREGG, 1090 VERMONT AVENUE, NW WASHINGTON DC 20005	AMERICAN HOSPITAL SUPPLY CORP		
SAUNDERS GREGG, PO BOX 2628 HOUSTON TX 77252	ENTEX, INC		34.00
CHELLIS O. GREGORY, 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	HILL AND KNOWLTON, INC (FOR: T. RAMIREZ AND COMPANY, INC)	3,450.00	22.00
JOHN D. GREGORY, AUSTIN & LEWIS 1529 LAUREL STREET, P.O. BOX 11208 COLUMBIA SC 29211	MULTIFAMILY HOUSING ASSOCIATION		
WILLIAM G. GREIF, 1155 15TH ST., NW WASHINGTON DC 20005	BRISTOL-MYERS CO	45,000.00	
EDWARD F. GREISSING JR , 1660 L ST., NW, #205 WASHINGTON DC 20036	UPJOHN COMPANY		
TOM W. GRIFFITH, SUITE 100 1448 DUKE ST. ALEXANDRIA VA 22314	NATIONAL RURAL LETTER CARRIERS' ASSN		
MARK N. GRIFFITHS, 1776 F ST., NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	200.00	
JACK GRIMES, 8100 OAK STREET DUNN LORING VA 22027	NATIONAL PEST CONTROL ASSN		
NORMAN E. GRIMM JR., 8111 GATEHOUSE ROAD FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
MARYBETH GRISWOLD, 1828 L STREET, NW, #500 WASHINGTON DC 20036	GTE SPRINT COMMUNICATIONS CORP	3,100.00	1,046.53
OLGA GRKAVAC, 1300 NORTH 17TH STREET SUITE 300 ARLINGTON VA 22209	ASSOCIATION OF DATA PROCESSING SERVICE ORGANIZATIONS		
GROCERY MANUFACTURERS OF AMERICA, INC., SUITE 800 1010 WISCONSIN AVE., NW WASHINGTON DC 20007			7,936.59
JAMES J. GROGAN, P.O. BOX 19614 IRVINE CA 92714	LINCOLN SAVINGS & LOAN ASSN	10,000.00	8,330.88
GROOM & NORDBERG, 1775 PENNSYLVANIA AVENUE, NW, #700 WASHINGTON DC 20006	AD HOC GROUP ON LIFE INSURANCE CO. TAXATION OF PENSION FUNDS		
Do	AETNA LIFE & CASUALTY		
Do	ALUMINUM CO OF AMERICA		
Do	BANKERS LIFE COMPANY		
Do	BAXTER TRAVENOL LABORATORIES, INC		
Do	COLORADO-UTE	100.00	4.00
Do	CONNECTICUT GENERAL INSURANCE CO.		
Do	DOW CHEMICAL CO		
Do	ELI LILLY AND COMPANY		
Do	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S.		
Do	GLOBAL MARINE, INC		
Do	GOLDMAN SACHS & CO		
Do	GUARDIAN LIFE INSURANCE CO OF AMERICA		
Do	GULF OIL CORP		
Do	JOHN HANCOCK MUTUAL LIFE INSURANCE CO		
Do	MINNESOTA MUTUAL LIFE INSURANCE COMPANY		
Do	NEW YORK CITY TEACHERS RETIREMENT SYSTEM		
Do	NEW YORK LIFE INSURANCE COMPANY		
Do	OCEAN DRILLING & EXPLORATION CO		
Do	PHILLIPS PETROLEUM COMPANY		
Do	PHOENIX MUTUAL LIFE INSURANCE COMPANY		
Do	PROVIDENT MUTUAL LIFE INSURANCE CO OF PHILADELPHIA		
Do	PRUDENTIAL INSURANCE COMPANY OF AMERICA		
Do	PUERTO RICO, U.S.A. FOUNDATION		
Do	READING & BATES CORPORATION		
Do	SOUTHERN CALIFORNIA EDISON COMPANY	100.00	4.00
Do	TRAVELERS		
Do	UNION TEXAS PETROLEUM		
Do	WESTERN CONFERENCE OF TEAMSTERS PENSION TRUST FUND		
Do	WESTINGHOUSE ELECTRIC CORP		
DAVID B. GROSS, 100 PEOPLES BANK BLDG JACKSON MS 39201			
NINA G. GROSS, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	500.00	
WALTER B. GRUBBS, P.O. BOX 841 ABILENE TX 79604	WEST TEXAS UTILITIES CO		
JOHN T. GRUPENHOFF, SUITE 306 10,000 FALLS ROAD POTOMAC MD 20854	AMERICAN ACADEMY OF DERMATOLOGY	1,600.00	207.40
Do	AMERICAN ACADEMY OF OTOLARYNGOLOGY-HEAD & NECK SURGERY	400.00	197.70
Do	AMERICAN GASTROENTEROLOGICAL ASSN	2,820.00	190.70
Do	AMERICAN SOC FOR GASTROINTESTINAL ENDOSCOPY	2,820.00	190.70
Do	AMERICAN SOC OF CLINICAL ONCOLOGY	600.00	153.00
Do	AMERICAN UROLOGICAL ASSN/AMER ASSN OF CLINICAL UROLOGISTS	860.00	168.10
Do	ASSOCIATION OF AMERICAN CANCER INSTITUTES	780.00	196.30
Do	COOLEY'S ANEMIA FOUNDATION	200.00	144.80
Do	NATIONAL HEMOPHILIA FOUNDATION	300.00	164.25
LARRY GRUPP, P.O. BOX 27 BOISE ID 83707	J. R. SIMPLOT CO		
CLARK J. GUILD JR., GUILD, HAGEN & CLARK, LTD. 102 ROFF WAY RENO NV 89505	MOTION PICTURE ASSN OF AMERICA, INC		
JAMES E. GUIRARD JR., 1730 RHODE ISLAND AVENUE, NW, #419 WASHINGTON DC 20036	BASF WYANDOTTE CORP		355.00
Do	BELL AEROSPACE TEXTRON		
Do	KMS FUSION, INC		554.25
Do	TANO CORPORATION		
JEROME R. GULAN, 1604 K ST., NW WASHINGTON DC 20006	NATIONAL SMALL BUSINESS ASSN	4,500.00	
Do	SMALL BUSINESS LEGISLATIVE COUNCIL	2,500.00	
GUN OWNERS OF AMERICA, INC., 5881 LEESBURG PIKE, #204 FALLS CHURCH VA 22041		346,019.66	376,878.44
JOHN E. GUNTHER, 1725 K STREET, NW, #1405 WASHINGTON DC 20006	MORTGAGE INSURANCE COS OF AMERICA		
DAVID GUSKY, 1016 16TH ST., NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES	11,118.55	
SUSAN L. GUSTAFSON, 8111 GATEHOUSE ROAD FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
NED H. GUTHRIE, 209 HAYES AVENUE CHARLESTON WV 25314	AMERICAN FED OF MUSICIANS	2,882.50	3,779.91
ROBERT F. GUTHRIE, #608 815 16TH ST., NW WASHINGTON DC 20006	DEPARTMENT FOR PROFESSIONAL EMPLOYEES, AFL-CIO	3,644.33	
RICHARD E. GUTTING JR., SUITE 580 2000 M ST., NW WASHINGTON DC 20036	NATIONAL FISHERIES INST	6,000.00	381.31
DALLAS E. GWYNN, BALCOR PLAZA 4849 GOLF ROAD SKOKIE IL 60077	BALCOR/AMERICAN EXPRESS, INC	20,200.00	4,250.36
H&W DRILLING, INC, 422 NORTH CLIFFWOOD AVENUE LOS ANGELES CA 90049			
DANA W. HAAS, SUITE 720 1920 N ST., NW WASHINGTON DC 20036	KANSAS CITY POWER & LIGHT CO, ET AL	2,625.00	4,763.97
CRAIG HACKLER, 412 FIRST ST., SE SUITE 214 WASHINGTON DC 20003	BENEFICIAL MANAGEMENT CORPORATION OF AMERICA	500.00	
Do	INTERNATIONAL CHIROPRACTIC ASSN		
LOYD HACKLER, 1616 H ST., NW WASHINGTON DC 20006	AMERICAN RETAIL FEDERATION	2,000.00	83.50
CHARLES W. HACKNEY JR , 15TH & M STS., NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
WILLIAM F. HADDAD, 924 WEST END AVE., #91 NEW YORK NY 10025	GENERIC PHARMACEUTICAL INDUSTRY ASSN		
THOMAS M. HAGAN, SUITE 795 1005 CONGRESS AVE. AUSTIN TX 78701	CENTRAL AND SOUTH WEST SERVICES, INC	2,060.08	3,294.84
HAGEDORN-CANDO, INC, 1704 23RD STREET SOUTH ARLINGTON VA 22202	DAVY MCKEE CORP	2,000.00	
Do	HASEN ENGINE CO	1,000.00	
ANN HAGEMANN, 1735 DESALES ST., NW, #400 WASHINGTON DC 20036	AMERICAN BROADCASTING CO, INC		
Do	ASSOCIATION OF MAXIMUM SERVICE TELECASTERS, INC		
THOMAS F. HAIRSTON, SUITE 760 1050 CONNECTICUT AVE., NW WASHINGTON DC 20036	UNION OIL CO OF CALIFORNIA	6,000.00	160.06
HALE AND DORR, SUITE 807 1201 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	INDIAN LAND CLAIM COMMITTEE		
Do	TOWN OF MASHPEE		
RANDOLPH M. HALE, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
BEVERLY HALEM, P.O. BOX 1419 COCOA FL 32922	HALEM INDUSTRIES, INC		
HALEY BADER & POTTS, SUITE 600 2000 M STREET, NW WASHINGTON DC 20036	PILOTS RIGHTS ASSOCIATION	135.00	17.83
CHERYL A. HALEY, 444 NORTH CAPITOL ST., NW, #500 WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN	1,350.23	123.61
MARTIN HALEY COMPANIES, 1015 15TH ST., NW WASHINGTON DC 20005	M&M/MARS		
REBECCA L. HALKIAS, 1850 K STREET, NW, #1100 WASHINGTON DC 20006	BALLARD, SPAHR, ANDREWS & INGERSOLL		
DEBI HALL, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,500.00	
JOHN F. HALL, 1619 MASSACHUSETTS AVE., N.W. WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN		
RICHARD F. HALL, 1050 CONNECTICUT AVENUE, NW, #760 WASHINGTON DC 20036	UNION OIL CO OF CALIFORNIA	2,000.00	419.92
WILLIAM F. HALL, P.O. BOX 7658 CHICAGO IL 60680	PUBLIC AFFAIRS RESEARCH ASSOCIATES, INC		
MARIAN HALL-CRAWFORD, 316 PENNSYLVANIA AVENUE, SE, #301 WASHINGTON DC 20003	SAN DIEGO GAS & ELECTRIC	1,186.00	2,483.14
PAUL HALLISAY, 1625 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	AIR LINE PILOTS ASSN, INT'L		
JOSEPH HALOW, SUITE 610-N 1800 M ST., NW WASHINGTON DC 20036	NORTH AMERICAN EXPORT GRAIN ASSN., INC		
SEYMOUR HALPERN, 540 MADISON AVENUE, 23RD FL NEW YORK NY 10022	BARON/CANNING & CO., INC. (FOR: AMERICAN CAN CO)		
Do	BARON/CANNING & CO., INC. (FOR: COORDINATION COUNCIL FOR NORTH AMERICAN AFFAIRS)		
Do	BARON/CANNING & CO., INC. (FOR: ELECTRONIC INDUSTRIES ASSN OF JAPAN)		
Do	BARON/CANNING AND COMPANY, INC (FOR: REPUBLIC OF KOREA)		
MAURICE E. HALSEY, 1001 CONNECTICUT AVENUE, NW, #501 WASHINGTON DC 20036	NORTHERN ILLINOIS GAS COMPANY	5,000.00	
J. PHILLIP HALSTEAD, P.O. BOX 24305 OAKLAND CA 94623	CLOROX COMPANY		
PAUL T. HALUZA, SUITE 333 1120 19TH STREET, NW WASHINGTON DC 20036	MOTOR AND EQUIPMENT MANUFACTURERS ASSOCIATION	2,000.00	164.09
RHONDA LEE HALVERSON, 1025 CONNECTICUT AVENUE, NW, #209 WASHINGTON DC 20036	AMERICAN BUSINESS CONFERENCE, INC	70.00	25.00
HAMEL & PARK, 888 16TH STREET, NW WASHINGTON DC 20006	BENEFICIAL FOUNDATION		
Do	ESTATE OF HELEN WODELL HALBACH		
Do	GRAEPER-VAN NOY-WAGNER, INC		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	SKYLINK CORPORATION, INC		
Do	TANDY CORPORATION		
JAMES L. HAMILTON III, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	U.S. STEEL CORPORATION	1,085.00	209.08
J. LEE HAMILTON, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	190.00	
PHILIP W. HAMILTON, 2029 K STREET, NW, #603 WASHINGTON DC 20006	AMERICAN SOC OF MECHANICAL ENGINEERS		
SUSAN WOODWARD HAMLIN, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
AMY R. HAMMER, SUITE 1100 1899 L STREET, NW WASHINGTON DC 20036	EXXON CORPORATION	400.00	44.63
ROBERT E. HAMPTON, NEW MURPHY ROAD & CONCORD PIKE WILMINGTON DE 19897	ICI AMERICAS, INC		
TIMOTHY A. HANAN, 1100 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	MOBIL CORPORATION	1,500.00	
NOLAN W. HANCOCK, 1126 16TH ST., NW WASHINGTON DC 20036	OIL, CHEMICAL & ATOMIC WORKERS INTERNATIONAL UNION	5,387.00	
TED HANDEL, THIRD FLOOR 2301 M STREET, NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN	4,000.00	
GEORGE J. HANKS JR , 12TH FL. 1100 15TH ST., NW WASHINGTON DC 20005	UNION CARBIDE CORP		
JAMES M. HANLEY, JAMES M. HANLEY AND ASSOCIATES 1301 PENNSYLVANIA AVENUE, NW, #1150 WASHINGTON DC 20004.	ALLIANCE OF THIRD-CLASS NON-PROFIT MAILERS	12,501.00	
ELIZABETH HANLIN, SUITE 810 2000 L ST., NW WASHINGTON DC 20036	SPERRY CORPORATION		
HANSELL & POST, 1915 EYE STREET, NW, #500 WASHINGTON DC 20006	AMEV HOLDINGS, INC		
Do	ROCKWELL INTERNATIONAL CORP		
J. E. HANSEN, 400 1ST ST., NW WASHINGTON DC 20001	BROTHERHOOD OF RAILROAD SIGNALMEN	350.00	
HANSON BRIDGETT MARCUS VLAHOS & STROMBERG, 333 MARKET STREET, #2300 SAN FRANCISCO CA 94105	ITEL RAILROAD CORP	5,727.17	2,672.57
PETER J. HAPWORTH, 1015 15TH STREET, NW, #200 WASHINGTON DC 20005	NATIONAL PORK PRODUCERS COUNCIL	2,000.00	9.00
ROBERT N. HARBOR, 1050 CONNECTICUT AVENUE, NW, #200 WASHINGTON DC 20036	EL PASO NATURAL GAS CO		
RALPH HARDING, SUITE 717 WATERGATE 2600 VIRGINIA AVENUE, NW WASHINGTON DC 20037	PHILIPPINE SUGAR COMMISSION	60,000.00	29,391.00
WILLIAM E. HARDMAN, 9300 LIVINGSTON ROAD FT. WASHINGTON MD 20744	NATIONAL TOOLING & MACHINING ASSN	20,419.54	
EUGENE J. HARDY, SUITE 1000 1100 17TH ST., NW WASHINGTON DC 20036	GERBER PRODUCTS COMPANY		
JON HARKAVY, 205 EAST 42ND STREET NEW YORK NY 10017	RISK & INSURANCE MANAGEMENT SOCIETY, INC		
CHARLES N. HARKEY, 453 NEW JERSEY AVENUE, SE WASHINGTON DC 20003	BENEFICIAL MANAGEMENT CORPORATION OF AMERICA	1,250.00	
DAN R. HARLOW, 717 N. HARWOOD STREET DALLAS TX 75201	DIAMOND SHAMROCK CORPORATION	1,000.00	
WILEY C. HARRELL JR , 1211 CONNECTICUT AVE., NW, #502 WASHINGTON DC 20036	ANHEUSER-BUSCH COMPANIES, INC		
TONI HARRINGTON, 955 L'ENFANT PLAZA NORTH, SW, #905 WASHINGTON DC 20024	AMERICAN HONDA MOTOR CO, INC	200.00	17,486.86
MARILYN A. HARRIS, 818 CONNECTICUT AVENUE, NW WASHINGTON DC 20006	U.S. STEEL CORPORATION	700.00	
ROBERT L. HARRIS, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	ALUMINUM ASSN		50.00
LYNN S. HART, 444 N. CAPITOL STREET, NW WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN	415.71	259.82
HARTFORD FIRE INSURANCE CO, HARTFORD PLAZA HARTFORD CT 06115			12,125.00
ARTHUR W. HARTMANN, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN		
EDWIN HAROLD HARVEY, 1016 16TH ST., NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
JAY HARVEY, 815 16TH STREET, NW, #408 WASHINGTON DC 20006	FOOD & ALLIED SERVICE TRADES DEPT, AFL-CIO	1,682.70	17.53
LINDA CAROL HASLETT, 55 PUBLIC SQUARE, #624 P.O. BOX 5000 CLEVELAND OH 44113	CLEVELAND ELECTRIC ILLUMINATING CO		
HOLLY HASSETT, 2000 L STREET, NW, #200 WASHINGTON DC 20036	HERSHEY FOODS CORP		
LEWIS B. HASTINGS, 1776 K ST., NW, #200 WASHINGTON DC 20006	MOTOROLA, INC	3,000.00	
WALTER A. HASTY JR , 801 18TH STREET, NW, #400 WASHINGTON DC 20006	PROCTER & GAMBLE MANUFACTURING CO	195.02	
JANET HATHAWAY, 215 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	CONGRESS WATCH	5,499.96	
GARY R. HATTAL, 818 ROEDER ROAD SUITE 702 SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
HOWARD M. HAUG, 100 EAST 42ND ST. NEW YORK NY 10017	NATIONAL FOREIGN TRADE COUNCIL, INC		
BARBARA S. HAUGEN, 311 FIRST STREET, NW, #700 WASHINGTON DC 20003	NATIONAL ASSN OF INSURANCE BROKERS		
MARILYN BETH HAUGEN, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC		
BARBARA J. HAUGH, 1050 CONNECTICUT AVENUE, NW, #760 WASHINGTON DC 20036	UNION OIL CO OF CALIFORNIA		1,100.71
MARY W. HAUGHT, 1800 K ST., NW, #820 WASHINGTON DC 20006	SUN CO, INC	700.00	
CHARLES W. HAVENS III, 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	LEBOEUF, LAMB, LEIBY & MACRAE		
KATHRYN JOANN HAWES, SUITE 702 818 ROEDER RD. SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
SIDNEY G. HAWKES, 1000 CONNECTICUT AVE., NW WASHINGTON DC 20036	MEAD CORPORATION		
CHARLES E. HAWKINS III, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,500.00	
JOHN H. HAWKINS JR , 600 N. 18TH ST. BIRMINGHAM AL 35291	ALABAMA POWER CO	14,394.00	
WESLEY F. HAYDEN, 5224 CHEROKEE AVE. ALEXANDRIA VA 22312	INTERNATIONAL ASSOCIATION OF FISH AND WILDLIFE AGENCIES	8,205.00	108.40
ROBERT A. HAYNOS, 4711 HUNT CIRCLE HARRISBURG PA 17112	HARSCO CORPORATION	15,750.00	869.89
HOLLY ELISABETH HAZARD, 400 FIRST STREET, NW, #800 WASHINGTON DC 20001	COMMITTEE FOR HUMANE LEGISLATION		
Do	FRIENDS OF ANIMALS, INC	875.00	
HEALTH INSURANCE ASSOCIATION OF AMERICA, INC., 1750 K ST., NW WASHINGTON DC 20006			
PATRICK B. HEALY, 1840 WILSON BOULEVARD ARLINGTON VA 22201	NATIONAL MILK PRODUCERS FED	543.75	
ROBERT L. HEALY, 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	300.00	
CHARLES L. HEBNER, NEW MURPHY ROAD & CONCORD PIKE WILMINGTON DE 19897	ICI AMERICAS, INC		
JAY HEDLUND, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	9,448.80	1,628.05
JULIE HEEGAARD, 880 22ND AVENUE, SE MINNEAPOLIS MN 55414	MINNESOTANS FOR PEACE IN CENTRAL AMERICA	2,616.62	104.87
EDWARD D. HEFFERNAN, 4TH FLOOR 1513 16TH ST., NW WASHINGTON DC 20036	CAMP, CARMOUCHE, BARSH, HUNTER, GRAY & HOFFMAN, P.C.	12,000.00	
Do	DUCTILE IRON PIPE RESEARCH ASSN		
Do	HAZELTINE CORPORATION	6,000.00	
JOAN A. HEFFERNAN, 1200 17TH STREET, NW WASHINGTON DC 20036	AMERICAN PSYCHOLOGICAL ASSN	2,047.00	96.73
JOHN HEFFNER, 1957 E STREET, N.W. WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
M. L. HEFTI, 1700 NORTH MOORE STREET, 20TH FL. ROSSLYN VA 22209	BOEING COMPANY		
ROBERT E. HEGGESTAD, CASEY, SCOTT & CANFIELD 1435 G ST., NW WASHINGTON DC 20005	MANUFACTURED HOUSING INST		
ROSS J. HEIDE, 1001 22ND STREET, NW, #600 WASHINGTON DC 20037	STANDARD OIL CO (OHIO)		
ROBERT M. HEINE, 1701 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	CONOCO, INC	1,000.00	
THOMAS M. HELLMAN, 1150 CONNECTICUT AVENUE, NW, #700 WASHINGTON DC 20036	ALLIED CORPORATION		
RICHARD L. HELLWEGE, 1911 JEFFERSON DAVIS HIGHWAY, #1002 ARLINGTON VA 22202	LEAR SIEGLER, INC		
THOMAS M. HELSCHER, 1101 17TH STREET, NW, #604 WASHINGTON DC 20036	MONSANTO CO	450.00	439.91
CAROL C. HENDERSON, 110 MARYLAND AVE., NE, #101, BOX 54 WASHINGTON DC 20002	AMERICAN LIBRARY ASSN	903.00	
KATHLEEN M. HENDERSON, 1025 VERMONT AVENUE, NW, #500 WASHINGTON DC 20005	MILES LABORATORIES, INC		
CAROL DIANE HENDRICKS, 2601 PARK CENTER DRIVE, #C804 ALEXANDRIA VA 22302	AMERICAN MARITIME OFFICERS SERVICE		
DENNIS A. HENIGAN, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FOLEY LARDNER HOLLABAUGH & JACOBS (FOR: VGS CORPORATION)		
C. DAYLE HENINGTON, 1101 CONNECTICUT AVE., NW, #801 WASHINGTON DC 20036	CHICAGO MERCANTILE EXCHANGE		
EDMUND P. HENNELLY, 150 E. 42ND ST. NEW YORK NY 10017	MOBIL OIL CORP	1,500.00	
GEORGE F. HENNRIKUS JR , 201 N. WASHINGTON ST. ALEXANDRIA VA 22314	RETIRED OFFICERS ASSN	6,319.00	
LEANN HENSCHE, 2550 M STREET, NW SUITE 770 WASHINGTON DC 20037	RJR INDUSTRIES, INC	263.74	7.50
DAVID A. HENSON, 100 N.E. ADAMS STREET PEORIA IL 61629	CATERPILLAR TRACTOR CO	625.00	692.35
BRUCE HEPPEN, 1016 16TH ST., NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
STEPHEN HERM, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FED OF FEDERAL EMPLOYEES		
WILLIAM HERMELIN, 1200 15TH STREET, NW WASHINGTON DC 20005	AMERICAN HEALTH CARE ASSN	4,230.35	527.18
HERON BURCHETTE RUCKERT & ROTHWELL, 1200 NEW HAMPSHIRE AVENUE, NW, #420 WASHINGTON DC 20036	AGRI-ENERGY, INC		
Do	AMERICAN GRAPE GROWERS ALLIANCE FOR FAIR TRADE	18,751.86	
Do	ASSOCIATION OF FLORAL IMPORTERS OF FLORIDA		
Do	BAY AREA RAPID TRANSIT DISTRICT		
Do	CALIFORNIA ALMOND GROWERS EXCHANGE	24,641.90	
Do	CASTLE AND COOKE	10,413.72	
Do	CHICAGO MERCANTILE EXCHANGE	14,386.41	
Do	CONFEDERATED SALISH & KOOTENAI TRIBES OF THE FLATHEAD RESERV		
Do	FARM LABOR ALLIANCE	60,796.10	
Do	IMPERIAL VALLEY ASPARAGUS GROWERS ASSN		
Do	INDEPENDENT CEMENT CORP		
Do	NATIONAL ASSN OF GROWERS & PRODUCERS FOR FREE TRADE	20,571.97	
Do	NATIONAL ASSN OF INSURANCE COMMISSIONERS	29,169.41	
Do	NATIONAL CABLE TELEVISION ASSN	8,599.00	
Do	NATIONAL POTATO COUNCIL	2,611.94	
Do	SOLID-TEK SYSTEMS, INC		
Do	SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT		
Do	SUN-DIAMOND GROWERS OF CALIFORNIA	53,944.82	
Do	SUNKIST GROWERS, INC	40,425.33	
Do	WESTERN COTTON GROWERS ASSN		
CATHERINE L. HERON, 1600 M ST., NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE		
HERRICK & SMITH, 1800 MASSACHUSETTS AVENUE, NW, #510 WASHINGTON DC 20036	SMITH COLLEGE		
WILLIAM G. HERROLD, SUITE 608 1111 19TH ST., NW WASHINGTON DC 20036	INSTITUTE OF ELECTRICAL & ELECTRONICS ENGINEERS		
FRED HERVEY, P.O. BOX 29021 2645 E. WASHINGTON PHOENIX AZ 85038	REDUCE OUR DEBT FOUNDATION		329.00
HEUBLEIN, INC., MUNSON ROAD FARMINGTON CT 06032			20,721.08
TED ALLEN HEYDINGER, 311 FIRST STREET, NW, #500 WASHINGTON DC 20001	COMPUTER & BUSINESS EQUIPMENT MANUFACTURERS ASSN	875.00	19.72
G. BROCKWEL HEYLIN, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
PAUL T. HICKS, RHODE ISLAND PETROLEUM ASSN 154 FRANCIS ST. PROVIDENCE RI 02903	AMERICAN PETROLEUM INST		
J. THOMAS HIGGINBOTHAM, ONE MELLON BANK CENTER, #2002 PITTSBURGH PA 15258	MELLON BANK N.A. AND MELLON NATIONAL CORP	2,000.00	3,441.58
LAWRENCE P. HIGGINS, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
SHARON L. HILDEBRANDT, 444 N. CAPITOL STREET, NW WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN		
CLIFTON T. HILDERLEY JR., SUITE 507 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	ASHLAND OIL, INC	2,000.00	
ALLAN D. HILL, 1825 K STREET, NW, #1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM CO	340.00	463.67
GERALD "JERRY" HILL, 6 EXECUTIVE PARK DRIVE ATLANTA GA 30329	STANDARD OIL CO (INDIANA)		
J. ELDRED HILL JR , SUITE 603 600 MARYLAND AVE., SW WASHINGTON DC 20024	UBA, INC	2,000.00	
MORTON A. HILL, 475 RIVERSIDE DRIVE, #239 NEW YORK NY 10115	MORALITY IN MEDIA, INC		
PATRICIA HILL, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC	875.00	106.00
ROBERT B. HILL, 2501 M STREET, N.W. WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSOCIATION, INC	300.00	
JOHN M. HIMMELBERG, SCOTT HARRISON & MCLEOD 2501 M STREET, NW, #400 WASHINGTON DC 20037	FLORIDA FRUIT & VEGETABLE ASSN	3,000.00	
Do	FLORIDA TOMATO EXCHANGE	1,500.00	
RICK HIND, 215 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	U.S. PUBLIC INTEREST RESEARCH GROUP	4,000.00	
CORNISH F. HITCHCOCK, SUITE 700 2000 P ST., NW WASHINGTON DC 20036	AVIATION CONSUMER ACTION PROJECT		
STEPHEN HITCHNER, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	12,760.02	
J. D. HITTLE, 3137 S. 14TH ST. ARLINGTON VA	LTV AERO-SPACE & DEFENSE CO	2,500.00	230.75
Do	KMS INDUSTRIES, INC	1,125.00	
SHEILA K. HIXSON, 1111 14TH STREET, NW WASHINGTON DC 20005	AMERICAN DENTAL ASSN	1,000.00	2,176.56
LAWRENCE S. HOBART, 2301 M ST., NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN	500.00	
CLAUDE E. HOBBS, 1801 K ST., NW WASHINGTON DC 20006	WESTINGHOUSE ELECTRIC CORP		
SCOTT HODES, 180 NORTH LA SALLE STREET CHICAGO IL 60610	INVESTMENT COMPANY INSTITUTE		
HOWARD E. HOELTER, ILLINOIS PETROLEUM COUNCIL P.O. BOX 5034 SPRINGFIELD IL 62705	AMERICAN PETROLEUM INST		
IRVIN A. HOFF, 20 N. LIVE OAK RD. HILTON HEAD ISLAND SC 29928	U.S. CANE SUGAR REFINERS' ASSN		
ADONIS E. HOFFMAN, 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: GOVERNMENT OF HAITI)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF KOREA)	2,250.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)		
ELMO R. HOFFMAN, PARKER, JOHNSON, OWEN & MCGUIRE 108 EAST HILLCREST STREET P.O. BOX 2867 ORLANDO FL 32801.	GLOBAL EXPLORATION & DEVELOPMENT CORP		
THOMAS F. HOFFMAN, 1701 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	CONSOLIDATION COAL CO		
WILLIAM L. HOFFMAN, 516 FIRST ST., S.E. WASHINGTON DC 20003	AMERICAN UNIVERSITY OF BEIRUT	11,445.00	1,771.24
F. NORDY HOFFMANN AND ASSOC., INC, SUITE 327 400 NORTH CAPITOL STREET, NW WASHINGTON DC 20001	ARCHER DANIELS MIDLAND COMPANY		
Do	INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION		
Do	MARINE ENGINEERS BENEFICIAL ASSN	1,000.00	
Do	O'CONNOR & HANNAN		
Do	PAGE AIRWAYS		
Do	WESTINGHOUSE ELECTRIC		
HOGAN & HARTSON, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	CLEVELAND CLINIC FOUNDATION		
Do	COUNCIL OF EUROPEAN & JAPANESE NATIONAL SHIPOWNERS' ASSN		
Do	HOME HEALTH SERVICES & STAFFING ASSN		
Do	MAY DEPARTMENT STORES CO	3,900.00	25.50
Do	MEDTRONIC, INC		
Do	MEHARRY MEDICAL COLLEGE	13,140.00	85.68
Do	METHODIST HOSPITAL		
Do	MUTUAL LIFE INSURANCE CO OF NEW YORK		
Do	NATIONAL HOSPICE EDUCATION PROJECT		
Do	NATIONAL HOSPICE ORGANIZATION		
Do	NATIONAL SOFT DRINK ASSN		
Do	TOYOTA MOTOR SALES, U.S.A., INC	5,760.00	24.00
Do	WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY	11,700.00	35.00
RICHARD F. HOHLT, 1709 NEW YORK AVE., NW SUITE 801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS INSTITUTIONS	5,876.00	95.75
WALTER HOLAN, 20 NORTH WACKER DRIVE CHICAGO IL 60606	PROFIT SHARING COUNCIL OF AMER		
BRUCE E. HOLBEIN, 111 POWDERMILL RD. (B79) MAYNARD MA 01754	DIGITAL EQUIPMENT CORPORATION	12,500.00	
MICHELE O'DONNELL HOLBROOK, 10 LAFAYETTE SQUARE ROOM 900 BUFFALO NY 14203	NATIONAL FUEL GAS DISTRIBUTION CORP., ET AL	322.00	977.72
NIELS C. HOLCH, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN IRON & STEEL INSTITUTE).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN MARITIME ASSN).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BROWNING-FERRIS INDUSTRIES, INC.).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: COMMONWEALTH OF PUERTO RICO).	1,650.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: LIFE CARE SERVICES CORP).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: QUIXOTE CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SHAKLEE CORPORATION)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: TOBACCO INSTITUTE)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: U.S. BANKNOTE)		
HOLIDAY INNS, INC, C/O TALCOTT MCCABE & ASSOCIATES 600 MARYLAND AVE., SW, 302 W. WING WASHINGTON DC 20024.			1,800.00
PHILIP C. HOLLADAY, 1025 CONNECTICUT AVENUE, NW, #200 WASHINGTON DC 20036	SHELL OIL COMPANY	500.00	
BRIGID A. HOLLERAN, 2550 M STREET, NW, #640 WASHINGTON DC 20037	CF INDUSTRIES, INC	500.00	104.99
THOMAS L. HOLLOWAY, 1920 N STREET, NW, #720 WASHINGTON DC 20036	UNION ELECTRIC CO, KANSAS CITY POWER & LIGHT CO, ET AL	2,187.00	4,508.00
WENDELL M. HOLLOWAY, 815 CONNECTICUT AVE., NW, #900 WASHINGTON DC 20006	FORD MOTOR CO	1,245.00	840.24
PETER E. HOLMES, 1331 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	GENERAL ELECTRIC CO	250.00	
E.Y. HOLT JR , 1111 NORTH 19TH ST., #700 ARLINGTON VA 22209	NATIONAL ASSN OF FEDERAL CREDIT UNIONS		
A. LINWOOD HOLTON JR , 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
HOLTZMAN & ASSOCIATES, 214 MASSACHUSETTS AVENUE, NE, #340 WASHINGTON DC 20002	HOLLAND ASSOCIATES		8.90
Do	NATIONAL COALITION FOR LOWER PRICES	6,000.00	7.43
LOIS HOLWERDA-HOYT, 600 MARYLAND AVENUE, SW, #770 WASHINGTON DC 20024	AMERICAN ACADEMY OF FAMILY PHYSICIANS	1,937.50	
HOME RECORDING RIGHTS COALITION, P.O. BOX 33576 WASHINGTON DC 20033		90,000.00	63,931.85
KAREN C. HONTZ, SUITE 940 1875 EYE STREET, NW WASHINGTON DC 20006	GULF & WESTERN MANAGEMENT COMPANY	300.00	16.00
EDWIN M. HOOD, 1725 K STREET, NW, #1102 WASHINGTON DC 20006	NATIONAL STEEL & SHIPBUILDING CO	1,140.00	128.32
HOOG & ASSOCIATES, 17000 E. OHIO PL. AURORA CO 80017	DENELCOR, INC		
CANDICE SHY HOOPER, 1025 CONNECTICUT AVE., NW, #1014 WASHINGTON DC 20036	ENSERCH CORPORATION	5,313.00	1,086.00
VIRGINIA E. HOPKINS, 21 DUPONT CIRCLE, NW, #600 WASHINGTON DC 20036	TAFT STETTINIUS & HOLLISTER (FOR: KINGS ENTERTAINMENT CO)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: MIAMI CONSERVANCY DISTRICT)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: SHERWIN-WILLIAMS CO)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: TAFT BROADCASTING COMPANY)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: TELEPHONE AND DATA SYSTEMS, INC.)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: WALD MANUFACTURING CO, INC)		
ROBERT JACK HORN, SUITE 480 1990 M ST., NW WASHINGTON DC 20036	DETROIT EDISON COMPANY	730.00	25.00
HARRY J. HORROCKS II , 40 IVY STREET, SE WASHINGTON DC 20003	NATIONAL LUMBER & BUILDING MATERIAL DEALERS ASSN		
SANFORD D. HORWITT, 5935 N. 5TH ROAD ARLINGTON VA 22203	COMMITTEE FOR HUMANE LEGISLATION, INC	2,774.50	14.78
Do	FRIENDS OF ANIMALS, INC		
WILLIAM J. HOTES, 919 18TH ST., NW, #400 WASHINGTON DC 20006	DIAMOND SHAMROCK CORPORATION	1,000.00	70.00
HOUDAILLE INDUSTRIES, INC, ONE FINANCIAL PLAZA FORT LAUDERDALE FL 33394			
MARGARET A. HOULIHAN, 1620 I ST., NW, #703 WASHINGTON DC 20006	BECHTEL POWER CORPORATION		
THOMAS B. HOUSE, 1700 OLD MEADOW RD. MCLEAN VA 22102	AMERICAN FROZEN FOOD INST	1,000.00	
HOUSLEY GOLDBERG & KANTARIAN, P.C., SUITE 500 2301 M ST., NW WASHINGTON DC 20037			
JACK W. HOUSTON, 900 N. HAIRSTON ROAD, SUITE D STONE MOUNTAIN GA 30083	GEORGIA ASSOCIATION OF PETROLEUM RETAILERS, INC		
MARY GREER HOUSTON, 1901 L ST., NW #804 WASHINGTON DC 20036	SIEGEL HOUSTON & ASSOC., INC. (FOR: FARM LABOR RESEARCH COMM)		
HOVING GROUP, 2550 M STREET, NW, #695 WASHINGTON DC 20037	EAGLE-PICHER INDUSTRIES	250.00	
Do	WESTERN SOUTHERN	500.00	
ROBERT M. HOWARD, 815 CONNECTICUT AVENUE, NW WASHINGTON DC 20006	FORD MOTOR CO	766.80	565.92
HOWELL CORP, 1010 LAMAR SUITE 1800 HOUSTON TX 77002			
GARY HOWELL, 1745 JEFFERSON DAVIS HIGHWAY, #1006 ARLINGTON VA 22202	TEXAS INSTRUMENTS, INC	450.00	
J. WILLIAM HOWELL, 1801 K ST., NW WASHINGTON DC 20006	INTERNATIONAL BUSINESS MACHINES CORP	155.55	180.47
MARY J. LYNCH HOWELL, SUITE 1100 1090 VERMONT AVE., NW WASHINGTON DC 20005	TEXTRON, INC	1,500.00	280.00
STEVEN K. HOWELL, SUITE 1800 1010 LAMAR HOUSTON TX 77002	HOWELL CORP		
WELDON U. HOWELL JR., 15 WEST CARRILLO STREET SANTA BARBARA CA 93101	SCHRAMM & RADDUE (FOR: H&W DRILLING, INC)		
JOHN B. HOWERTON, 1730 RHODE ISLAND AVE., NW, #209 WASHINGTON DC 20036	ASARCO INC	2,000.00	
MICHAEL R. HOWLAND, 1111 14TH STREET, NW, 3RD FL. WASHINGTON DC 20005	AMERICAN BAKERS ASSN	95.50	2.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
CLIFFORD T. HOWLETT JR , SUITE 400 1875 EYE ST., NW WASHINGTON DC 20006	GEORGIA-PACIFIC CORP	1,875.00	
HOWREY & SIMON, 1730 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	MEAD CORPORATION		
PAUL R. HUARD, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
BETTY HUDSON, 1627 K STREET, NW, #200 WASHINGTON DC 20006	FLUOR CORPORATION	10,000.00	913.41
MARGARET RENKEN HUDSON, 600 MARYLAND AVENUE, SW, #695 WASHINGTON DC 20024	NATIONAL FED OF INDEPENDENT BUSINESS	2,250.00	200.00
STEVEN D. HUFF, 111 EAST WISCONSIN AVENUE, #1800 MILWAUKEE WI 53202	NATIONAL EMPLOYEE BENEFITS INST		
DAVID EMERY HUGHES, 2211 CONGRESS ST. PORTLAND ME 04122	UNION MUTUAL LIFE INSURANCE CO		
DEBORAH HUGHES, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	4,750.02	565.80
GARY E. HUGHES, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
HUGHES HUBBARD & REED, SUITE 300 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	CONTINENTAL AIR LINES, INC		
Do	GROCERY MANUFACTURERS OF AMERICA, INC		
Do	TEXAS AIR CORP		
Do	47TH STREET PHOTO	295.00	3.75
WILLIAM HUGHES, 1522 K ST., NW, #836 WASHINGTON DC 20005	NATIONAL ASSN OF FEDERAL VETERINARIANS	17.90	
EDWARD L. HUIE, WHEATON PLAZA NORTH, #415 WHEATON MD 20902	NATIONAL ASSN OF AIR TRAFFIC SPECIALISTS	5,503.96	1,181.40
CORDELL W. HULL, 50 BEALE ST., P O BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORPORATION		
DAVID C. HULL, 1918 N. PARKWAY MEMPHIS TN 38112	NATIONAL COTTON COUNCIL OF AMER		
RANDALL K. HULME, 618 A STREET, SE, #25 WASHINGTON DC 20003	PETER FENN & ASSOCIATES, INC		
MARGOT SMILEY HUMPHREY, 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	KOTEEN & NAFTALIN (FOR: ALASCOM, INC)		
Do	KOTEEN & NAFTALIN (FOR: TELEPHONE & DATA SYSTEMS, INC)	280.00	
K. ADRIAN HUNNINGS, 1030 15TH STREET, NW, #700 WASHINGTON DC 20005	NATIONAL COTTON COUNCIL OF AMERICA		
FRANCIS M. HUNT, 1800 M STREET, NW, #700S WASHINGTON DC 20036	DOW CHEMICAL CO	500.00	204.00
MICHELE HUNT, 8500 BYRON ROAD ZEELAND MI 49464	HERMAN MILLER, INC		
PETER C. HUNT, 195 MONTAGUE ST. BROOKLYN NY 11201	BROOKLYN UNION GAS CO		
JAMES C. HUNTER, 1747 PENNSYLVANIA AVENUE, NW, #300 WASHINGTON DC 20006	CITIES SERVICE OIL & GAS CORP	249.00	
MICHAEL M. HUNTER, 1600 M ST., NW WASHINGTON DC 20036	INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION	1,400.00	65.00
ROBERT BRUCE HUNTER, 1801 N. MOORE STREET ARLINGTON VA 22209	AMERICAN ASSN OF SCHOOL ADMINISTRATORS		
MILTON F. HUNTINGTON, MAINE PETROLEUM ASSN 283 WATER ST. AUGUSTA ME 04330	AMERICAN PETROLEUM INST	68.00	20.00
ADELE M. HURLEY, 112 ST. CLAIR AVE., WEST SUITE 504 TORONTO,ONTARIO, CANADA M4V 2Y	CANADIAN COALITION ON ACID RAIN		
GERARD F. HURLEY, 1625 I ST., NW, #609 WASHINGTON DC 20006	NATIONAL CLUB ASSOCIATION		
HURT RICHARDSON GARNER TODD & CADENHEAD, 1100 PEACHTREE CENTER HARRIS TOWER 233 PEACHTREE STREET, NE ATLANTA GA 30043.	NATIONAL ASSN OF PENSION CONSULTANTS & ADMINISTRATORS, INC		
ROBERT R. HURT, SUITE 650 1050 17TH STREET, NW WASHINGTON DC 20036	MERCK & CO., INC.		
BENJAMIN MELVIN HURWITZ, SUITE 200 1925 K ST., NW WASHINGTON DC 20006	MITCHELL ENERGY & DEVELOPMENT CORP		470.00
RAYMOND W. HUSSEY, 29400 LAKELAND BLVD. WICKLIFFE OH 44092	LUBRIZOL CORPORATION	700.00	740.28
DEWEY M. HUTCHINS, 1919 PENNSYLVANIA AVE., NW, # 705 WASHINGTON DC 20006	EASTMAN KODAK CO	500.00	187.00
PHILIP A. HUTCHINSON, 490 L'ENFANT PLAZA, #3210 WASHINGTON DC 20024	VOLKSWAGEN OF AMERICA, INC	250.00	
ROBERT E. HUTCHINSON, P.O. BOX 29021 2645 E. WASHINGTON PHOENIX AZ 85038	CIRCLE K CORPORATION		
Do	REDUCE OUR DEBT FOUNDATION		329.25
JAMES L. HUTCHISON, 260 MADISON AVENUE NEW YORK NY 10016	AMERICAN PAPER INST, INC		
HELENA C. HUTTON, 1101 15TH STREET, NW WASHINGTON DC 20005	MINNESOTA MINING & MANUFACTURING CO (3M)	2,500.00	
RANDY HUWA, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	9,853.80	1,114.32
B. F. HYDE, TENNESSEE PETROLEUM COUNCIL 211 7TH AVENUE, NORTH, 4TH FL. NASHVILLE TN 37219	AMERICAN PETROLEUM INST	60.00	
ISABEL E. HYDE, 1800 K STREET, NW WASHINGTON DC 20006	GOODYEAR TIRE & RUBBER CO	2,275.00	
GARY HYMEL, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: AMERICAN IRON & STEEL INSTITUTE).		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: AMERICAN MARITIME ASSN).		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: ASARCO INC)		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: BROWNING-FERRIS INDUSTRIES, INC.).		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: BUDD COMPANY).		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: CANADIAN ASBESTOS INFORMATION CENTRE).		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: COMMONWEALTH OF PUERTO RICO).		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: HEALTH INSURANCE ASSN OF AMERICA).		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: HTB CORPORATION).		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: JOINT MARITIME CONGRESS).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: LIFE CARE SERVICES CORP).		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: MARTIN BAKER AIRCRAFT COMPANY LTD.).		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: MOTOROLA, INC).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MUTUAL OF OMAHA)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: NATIONAL ASSN OF IMMIGRATION JUDGES).		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: NATIONAL BROADCASTING CO, INC).		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: QUIXOTE CORPORATION).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF KOREA)		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: REPUBLIC OF TURKEY).		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: SANTA FE INTERNATIONAL).		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: SHAKLEE CORPORATION).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: STROH BREWERY CO)		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: TOBACCO INSTITUTE).		
Do	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: U.S. BANKNOTE).		
ROBERT D. HYNES JR , SUITE 807 1825 K ST., NW WASHINGTON DC 20006	NATIONAL BROADCASTING CO, INC	500.00	154.63
RICHARD H. ICHORD, 499 SOUTH CAPITOL STREET, SW, #400 WASHINGTON DC 20003	AAI CORPORATION	716.25	384.49
Do	EMERSON ELECTRIC CO	600.00	780.64
Do	WASHINGTON INDUSTRIAL TEAM, INC	600.00	
ANNELISE ILSCHENKO, 101 S. REYNOLDS STREET, #H-116 ALEXANDRIA VA 22304			
BERNARD J IMMING, 727 N. WASHINGTON ST. ALEXANDRIA VA 22314	UNITED FRESH FRUIT & VEGETABLE ASSN		
INDEPENDENT DATA COMMUNICATIONS MANUFACTURERS ASSOCIATION, C/O SQUIRE SANDERS & DEMPSEY 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004.			
INDEPENDENT LUBRICANT MANUFACTURERS ASSN, 1055 THOMAS JEFFERSON STREET, NW WASHINGTON DC 20007			
INDEPENDENT PRODUCERS GROUP, 240 PAGE COURT 220 W. DOUGLAS WICHITA KS 67202			
INDIANA RAILROAD ASSN, 143 W. MARKET STREET, #201 INDIANAPOLIS IN 46204			
INDUSTRIAL UNION DEPARTMENT, AFL-CIO, 815 16TH ST., NW WASHINGTON DC 20006		21,408.74	21,408.74
INDUSTRY COUNCIL FOR TANGIBLE ASSETS, 214 MASSACHUSETTS AVENUE, NE, #560 WASHINGTON DC 20002			
ANDREA L. INNES, 1130 17TH STREET, NW WASHINGTON DC 20036	NATIONAL COAL ASSN	5,125.00	487.71
INSTITUTE OF MAKERS OF EXPLOSIVES, 1575 EYE STREET, NW, #550 WASHINGTON DC 20005			
INTERNATIONAL ASSN OF BRIDGE, STRUCT. & ORNAMENTAL IRON WKRS, 1750 NEW YORK AVE., NW WASHINGTON DC 20006.			10,800.00
INTERNATIONAL BROTHERHOOD OF TEAMSTERS, 25 LOUISIANA AVE., NW WASHINGTON DC 20001			67,895.73
INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO, 17 BATTERY PLACE SUITE 1500 NEW YORK NY 10004			49,436.08
INTERNATIONAL TECHNICAL EXPERTISE, LTD, 7297 J LEE HIGHWAY FALLS CHURCH VA 22042			
INTERNATIONAL UNION OF BRICKLAYERS & ALLIED CRAFTSMEN, 815 15TH ST., NW WASHINGTON DC 20005			
INTERNATIONAL UNION OF OPERATING ENGINEERS, 1125 17TH ST., NW WASHINGTON DC 20036		23,500.00	1,251.00
INVESTMENT COMPANY INSTITUTE, 1600 M ST., NW WASHINGTON DC 20036			6,200.66
CHARLES C. IRIONS, 400 ARMY-NAVY DR. ARLINGTON VA 22202	AMERICAN MOVERS CONFERENCE	698.00	
THOMAS L. IRMEN, P.O. BOX 119 MAUMEE OH 43537	ANDERSONS		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
IRON ORE LESSORS ASSN, INC, 1500 FIRST NATL BANK BLDG. SAINT PAUL MN 55101		4,720.31	13,278.30
ITEL CONTAINER CORP, 55 FRANCISCO STREET, 6TH FL SAN FRANCISCO CA 94133			258.00
ROBERT A. JABLON, SPIEGEL & MCDIARMID 2600 VIRGINIA AVE., NW WASHINGTON DC 20037	FT. PIERCE UTILITIES AUTH OF THE CITY OF FT. PIERCE, ET AL	57.50	
CARLTON JACKSON, FLORIDA PETROLEUM COUNCIL 325 JOHN KNOX RD., #F-210 TALLAHASSEE FL 32303	AMERICAN PETROLEUM INST		
CHARLES L. JACKSON, 1990 M ST., NW, #450 WASHINGTON DC 20036	SHOOSHAN & JACKSON, INC (FOR: ROGERS U.S. CABLESYSTEMS, INC)		
GLENN JACKSON, 1660 L STREET, NW, #601 WASHINGTON DC 20036	INTERSTATE NATURAL GAS ASSN OF AMERICA	300.00	
MERCER L. JACKSON, 1101 17TH ST., NW SUITE 700 WASHINGTON DC 20036	NATIONAL ASSN OF REAL ESTATE INVESTMENT TRUSTS, INC	1,600.00	
ROBERT S. JACKSON, 1133 19TH STREET, NW WASHINGTON DC 20036	MCI COMMUNICATIONS CORP	12,375.00	15,977.41
WILLIAM P. JACKSON JR., JACKSON & JESSUP, P.C. 3426 N. WASHINGTON BOULEVARD ARLINGTON VA 22201	OSBORNE TRUCK LINE, INC, ET AL	3,715.14	2,049.66
STEPHEN JACOBS, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	1,500.00	594.41
ROY T. JACOBSEN, SUITE 600 1250 EYE ST., NW WASHINGTON DC 20005	BAUMANN, INC		
Do	BEZTAK COMPANY		
Do	DETROIT & MACKINAC RAILWAY COMPANY		
Do	DETROIT DOCTOR'S HOSPITAL		
Do	EDSI		
Do	EMS DEVELOPMENT CORP		
Do	GLOBAL COMMUNICATIONS		
Do	GRAND TRAVERSE DEVELOPMENT, INC		
Do	PRECISION MAGNETICS & CERAMICS		
Do	PRIMARK CORPORATION		
Do	RJK CONSTRUCTION COMPANY		
Do	SAFEKEEPER SYSTEMS, INC		
Do	SAFLOK/COMPUTORIZED SECURITY SYSTEMS, INC		
Do	U.S. MANUFACTURING COMPANY		
Do	URBAN REVITALIZATION, INC		
Do	WEDTECH CORP		
WALTER K. JAENICKE, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	4,500.00	
DANIEL L. JAFFE, SUITE 1000 1400 K ST., NW WASHINGTON DC 20005	AMERICAN ADVERTISING FEDERATION		
JAFFE SNIDER RAITT & HEUER, P.C., 1800 FIRST NATIONAL BUILDING DETROIT MI 48226			
EDWARD L. JAFFEE, 1730 RHODE ISLAND AVENUE, NW, #713 WASHINGTON DC 20036	PPG INDUSTRIES, INC		
JAPAN ECONOMIC INSTITUTE OF AMERICA, 1000 CONNECTICUT AVE., NW WASHINGTON DC 20036		1,345.78	1,345.78
JOSEPH J. JAQUAY, 5025 WISCONSIN AVE., NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO		
EVELYN JARVIS-FERRIS, 444 MARKET STREET SAN FRANCISCO CA 94111	SHAKLEE CORPORATION		
JERRY J. JASINOWSKI, 1776 F STREET, N.W. WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	2,000.00	
PHILIP F. JEHLE, 1150 CONNECTICUT AVE., NW, #310 WASHINGTON DC 20036	SMITHKLINE BECKMAN CORP	1,000.00	
JOSEPH S. JENCKES, SUITE 300 1710 RHODE ISLAND AVE., NW WASHINGTON DC 20036	ABBOTT LABORATORIES	5,000.00	1,704.80
LINDA JENCKES, 1750 K ST., NW WASHINGTON DC 20006	HEALTH INSURANCE ASSOCIATION OF AMERICA, INC		
DAVID M. JENKINS II , 1025 VERMONT AVENUE, NW, #500 WASHINGTON DC 20005	MILES LABORATORIES, INC		
KEMPTON B. JENKINS, SUITE 702 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	ARMCO, INC	300.00	268.95
JENNER & BLOCK, 21 DUPONT CIRCLE, NW WASHINGTON DC 20036	ADHESIVE & SEALANT COUNCIL, INC		
Do	AMERICAN ASSN OF NURSE ANESTHETISTS		
Do	AMERICAN DENTAL ASSISTANTS ASSN		
Do	AMERICAN DENTAL TRADE ASSN		
Do	AMERICAN FILM MARKETING ASSN		
Do	AMERICAN INTRA-OCULAR IMPLANT SOCIETY		
Do	AMERICAN PORTRAIT SOCIETY		
Do	AMERICAN SOC OF ASSN EXECUTIVES		
Do	AMUSEMENT & MUSIC OPERATORS ASSN	3,050.00	
Do	ASSOCIATION OF OPERATING ROOM NURSES		
Do	AUTO GLASS INDUSTRY COMM		
Do	DENTAL GOLD INSTITUTE		
Do	INTRAOCULAR LENS MFRS ASSN		
Do	NATIONAL GLASS ASSN		
JAMES C. JENNINGS, 3255 GRACE ST., NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC		
CHRIS L. JENSEN, FLORIDA PETROLEUM COUNCIL 325 JOHN KNOX RD, #F-210 TALLAHASSEE FL 32303	AMERICAN PETROLEUM INST		
NANCY H. JESSICK, 425 13TH STREET, NW WASHINGTON DC 20004	HIRAM WALKER & SONS, INC		
JOHNSON & ASSOCIATES, 3240 N. ALBEMARLE STREET ARLINGTON VA 22207	FOREMOST DAIRIES-HAWAII	250.00	26.00
Do	MEADOWGOLD DAIRIES-HAWAII	250.00	26.00
CARL T. JOHNSON, SUITE 1104 1800 K STREET, NW WASHINGTON DC 20006	CORNING GLASS WORKS	400.00	
CLIFFORD T. JOHNSON, 1700 NORTH MOORE STREET ROSSLYN VA 22209	BOEING MILITARY AIRPLANE COMPANY		
DAVID E. JOHNSON, 1100 15TH STREET, NW, #900 WASHINGTON DC 20005	PHARMACEUTICAL MANUFACTURERS ASSN	4,000.00	31.00
H. BRADLEY JOHNSON, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
JESS JOHNSON JR , SUITE 200 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	SHELL OIL CO	500.00	
JOEL L. JOHNSON, 475 L'ENFANT PLAZA, SW, #4400 WASHINGTON DC 20024	AMERICAN LEAGUE FOR EXPORTS & SECURITY ASSISTANCE	5,000.00	199.49
JOHN B. JOHNSON, ALABAMA PETROLEUM COUNCIL P.O. BOX 4220 MONTGOMERY AL 36195	AMERICAN PETROLEUM INST	279.50	
JUSTIN W. JOHNSON, P.O. BOX 970 FT. WORTH TX 76101	TEXAS ELECTRIC SERVICE CO	215.20	179.90
LARRY W. JOHNSON, P.O. BOX 3000 LEESBURG VA 22075	VOCATIONAL INDUSTRIAL CLUBS OF AMERICA, INC		
LINDA MEYER JOHNSON, 1575 EYE STREET, NW, #625 WASHINGTON DC 20005	ROLM CORPORATION		
MARK R. JOHNSON, 1667 K STREET, NW, #350 WASHINGTON DC 20036	MOLLER STEAMSHIP CO, INC		
NANCIE S. JOHNSON, 1701 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	CONOCO, INC	1,600.00	
NANCY J. JOHNSON, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		
NICHOLAS JOHNSON, BOX 1876 IOWA CITY IA 52244			
RADY A. JOHNSON, 1000 16TH ST., NW WASHINGTON DC 20036	STANDARD OIL CO (INDIANA)		
RICHARD W. JOHNSON JR., 219 N. WASHINGTON STREET ALEXANDRIA VA 22314	NON COMMISSIONED OFFICERS ASSN OF THE USA	5,417.04	55.06
SPENCER A. JOHNSON, SUITE 411 1101 VERMONT AVE., NW WASHINGTON DC 20005	PAPERBOARD PACKAGING COUNCIL		
STANLEY L. JOHNSON, 1050 17TH ST., NW WASHINGTON DC 20036	TEXACO, INC	175.00	
WILLIAM L. JOHNSON, SUITE 301 1050 17TH STREET, NW WASHINGTON DC 20036	PRIMARK CORPORATION	2,200.00	
DAVID JOHNSTON, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
ERNEST JOHNSTON, 1825 K STREET, NW, #1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM CO	1,072.50	121.50
JAMES D. JOHNSTON, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	3,600.00	4,964.45
JOINT CORPORATE COMM ON CUBAN CLAIMS, C/O LONE STAR INDUSTRIES, INC PO BOX 5050 GREENWICH CT 06830			180.00
JOINT TASK FORCE ON FED FINANCIAL ASSIST. FOR LAW STUDENTS, C/O LAW SCHOOL ADMISSION COUNCIL 11 DUPONT CIRCLE, NW WASHINGTON DC 20036.			
MARY KAAREN JOLLY, 1600 RHODE ISLAND AVENUE, NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER	828.00	26.38
HERBERT A. JOLOVITZ, 900 17TH STREET, NW WASHINGTON DC 20006	OWENS-CORNING FIBERGLAS CORPORATION	1,250.00	
CHERYL L. JONES, SUITE 565 1331 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	TEXAS GAS TRANSMISSION CORP		
ERNEST W. JONES, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
GERALD R. JONES, SUITE 810 2000 L STREET, NW WASHINGTON DC 20036	SPERRY CORPORATION		
JAMES E. JONES JR , SUITE 1010 1629 K ST., NW WASHINGTON DC 20006	ALLIANCE OF AMERICAN INSURERS	275.00	111.30
JAMES E. JONES, 40 FRANKLIN RD., SW P.O. BOX 2021 ROANOKE VA 24022	APPALACHIAN POWER COMPANY		
JULIE S. JONES, 1050 17TH STREET, NW, #301 WASHINGTON DC 20036	PRIMARK CORP	750.00	
NORVILL JONES, 1620 EYE ST., NW WASHINGTON DC 20006	REYNOLDS METALS CO	250.00	
ROY C. JONES, SUITE 300 717 2ND ST., NW WASHINGTON DC 20002	MORAL MAJORITY, INC	6,500.00	
WILEY N. JONES, SUITE 600 1667 K ST., NW WASHINGTON DC 20006	SOUTHERN PACIFIC CO. & AFFILIATES	1,000.00	500.00
DE SOTO JORDAN, 229 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	ELECTRONIC DATA SYSTEMS CORPORATION	132.00	
JAMES V. JORDAN III, PO BOX 2563 BIRMINGHAM AL 35202	SOUTHERN NATURAL GAS CO		
JEFFREY H. JOSEPH, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	1,365.00	10.00
MARY LOU JOSEPH, 2025 M STREET, NW WASHINGTON DC 20036	NATIONAL PUBLIC RADIO		
ARDON B. JUDD JR , 1100 CONNECTICUT AVE., NW, #310 WASHINGTON DC 20036	DRESSER INDUSTRIES, INC		
ROBERT E. JULIANO, 1875 I ST., NW, #450 WASHINGTON DC 20006	HOTEL & RESTAURANT EMPLOYEES & BARTENDERS INTL UNION	16,238.64	1,470.63
JUSTICE FELLOWSHIP, P.O. BOX 17181 WASHINGTON DC 20041			
GEZA KADAR, 1750 K STREET, N.W. WASHINGTON DC 20006	HEALTH INSURANCE ASSOCIATION OF AMERICA, INC		
JAMES A. KAITZ, 1101 16TH STREET, NW WASHINGTON DC 20036	SCIENTIFIC APPARATUS MAKERS ASSN	1,100.00	116.70
SUZANNE KALFUS, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FED OF FEDERAL EMPLOYEES		
LINDA HELLER KAMM, 1775 PENNSYLVANIA AVE., NW SUITE 1000 WASHINGTON DC 20006	FOLEY LARDNER HOLLABAUGH & JACOBS (FOR: INVESTORS MORTGAGE INSURANCE CO).		
Do	FOLEY, LARDNER, HOLLABAUGH & JACOBS (FOR: VGS CORPORATION)		
JAMES L. KANE JR., 1312 VINCENT PLACE MCLEAN VA 22101			
DONALD J. KANIEWSKI, 905 16TH ST., NW WASHINGTON DC 20006	LABORERS' INTL UNION OF NORTH AMERICA, AFL-CIO	7,500.00	44.20
KAPLAN RUSSIN & VECCHI, 1218 16TH STREET, NW WASHINGTON DC 20036	AMERICAN CHAMBER OF COMMERCE OF THE DOMINICAN REPUBLIC		
Do	TADIRAN ISRAEL ELECTRONICS INDUSTRIES, LTD		
GEORGE J. KARAM, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
GENE KARPINSKI, 215 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	U.S. PUBLIC INTEREST RESEARCH GROUP	5,250.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
PATRICIA L. KATSON, 300 INDEPENDENCE AVE., SE WASHINGTON DC 20003	LIBERTY LOBBY		
HOWARD C. KATZ, 4 WORLD TRADE CENTER NEW YORK NY 10048	J. ARON & CO. (FOR: COFFEE, SUGAR & COCOA EXCHANGE, INC.)		
EVERETT E. KAVANAUGH, SUITE 800 1110 VERMONT AVE., NW WASHINGTON DC 20005	COSMETIC, TOILETRY & FRAGRANCE ASSN, INC		
KAYE SCHOLER FIERMAN HAYS & HANDLER, 1575 I ST., NW SUITE 1150 WASHINGTON DC 20005	DRUMMOND COMPANY		
Do	PIONEER SYSTEMS, INC		
Do	RAYMARK CORPORATION		
RICHARD F. KEATING, SUITE 502 1211 CONNECTICUT AVE., NW WASHINGTON DC 20036	ANHEUSER-BUSCH COMPANIES, INC		
ROBERT J. KEEFE, 444 N. CAPITOL STREET, #711 WASHINGTON DC 20001	THE KEEFE CO. (FOR: CORDAGE INSTITUTE)		
Do	KEEFE COMPANY (FOR: WESTINGHOUSE ELECTRIC CORP)	8,625.00	
JOSEPH D. KEEFER, SUITE 325 1301 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	NATIONAL COUNCIL ON SYNTHETIC FUELS PRODUCTION	2,200.00	
DAVID A. KEENE, 500 N. WASHINGTON ST., #201 FALLS CHURCH VA 22046	NATIONAL TAX LIMITATION COMMITTEE		
KEITH KEENEY, SUITE 500-D 5775 PEACHTREE-DUNWOODY RD. ATLANTA GA 30342	ROBERT H. KELLEN CO (FOR: CALORIE CONTROL COUNCIL)	50.00	
ROBERT C. KEENEY, 727 N. WASHINGTON ST. ALEXANDRIA VA 22314	UNITED FRESH FRUIT & VEGETABLE ASSN	1,875.00	301.69
ROBIN E. KEENEY, 1156 15TH STREET, NW, #1101 WASHINGTON DC 20005	NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS	1,000.00	
ROBERT H. KELLEN, 5775 PEACHTREE-DUNWOODY RD., #500-D ATLANTA GA 20342	ROBERT H. KELLEN CO (FOR: CALORIE CONTROL COUNCIL)	90.00	
KELLER & HECKMAN, 1150 17TH STREET, NW, #1000 WASHINGTON DC 20036	AMERICAN INST OF MERCHANT SHIPPING		
Do	LAND MOBILE COMMUNICATIONS COUNCIL		
Do	UTILITIES TELECOMMUNICATIONS COUNCIL		
JAY KELLER, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	4,938.45	427.40
JOHN B. KELLEY, 1400 K STREET, NW, #1100 WASHINGTON DC 20005	AVCO CORP	2,500.00	
TY KELLEY, P.O. BOX 1417-D49 ALEXANDRIA VA 22313	NATIONAL ASSN OF CHAIN DRUG STORES, INC	1,500.00	
STEPHEN S. KELLNER, 1001 CONNECTICUT AVE., NW, #1120 WASHINGTON DC 20036	CHEMICAL SPECIALTIES MFGRS ASSN		
DEBORAH MARQUIS KELLY, 1200 17TH STREET, NW WASHINGTON DC 20036	AMERICAN PSYCHOLOGICAL ASSN	1,800.00	20.07
ERNEST B. KELLY III, 950 L'ENFANT PLAZA, SW WASHINGTON DC 20024	COMMUNICATIONS SATELLITE CORPORATION	1,250.00	176.11
HAROLD V. KELLY, 1101 15TH ST., NW WASHINGTON DC 20005	LTV CORP		
JOHN F. KELLY, 1828 L STREET, NW # 906 WASHINGTON DC 20036	MERRILL LYNCH & CO, INC	2,000.00	
RICHARD B. KELLY, 230 PARK AVE. NEW YORK NY 10017	NATIONAL ASSN OF CATALOG SHOWROOM MERCHANDISERS	2,000.00	27.00
Do	NATIONAL COALITION OF LOWER PRICES		
MARK L. KEMMER, 1660 L STREET, N.W. WASHINGTON DC 20036	GENERAL MOTORS CORP	2,500.00	2,555.59
KENDALL & ASSOCIATES, 50 E ST., SE WASHINGTON DC 20003	ANDERSON HIBEY NAUHEIM & BLAIR (FOR MARRIOTT CORP)		
Do	CLADOUHOS & BRASHARES (FOR SMITH BARNEY HARRIS UPHAM & CO)		
Do	CARL M. FREEMAN ASSOCIATES, INC		
Do	HELLER, EHRMAN, WHITE & MCAULIFFE		
Do	MANVILLE CORPORATION	150.00	
Do	TOYOTA MOTOR SALES, U.S.A	400.00	
Do	WORLDWIDE INFORMATION RESOURCES, INC		
WILLIAM T. KENDALL, 50 E ST., SE WASHINGTON DC 20003	ALLIANCE FOR FREE ENTERPRISE		
JOSEPH W. KENNEBECK, 490 L'ENFANT PLAZA, SW, #3210 WASHINGTON DC 20024	VOLKSWAGEN OF AMERICA, INC	300.00	
ART KENNEDY, P.O. BOX 3576 ECB ANCHORAGE AK 99501	ALASKA RESOURCE ANALYSTS, INC		
MICHAEL E. KENNEDY, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
EDWARD E. KENNEY & ASSOCIATES, INC., SUITE 520 499 S. CAPITOL ST., SW WASHINGTON DC 20003	LOCKHEED-GEORGIA CORPORATION		
JEREMIAH J. KENNEY JR , 12TH FL. 1100 15TH ST., NW WASHINGTON DC 20005	UNION CARBIDE CORP		107.25
J. H. KENT, KENT & O'CONNOR 1919 PENNSYLVANIA AVENUE, NW SUITE 300 WASHINGTON DC 20006	AMERICAN DENTAL HYGIENISTS ASSN		
Do	AMERICAN SUPPLY ASSOCIATION		
Do	AMERICAN WAREHOUSEMEN'S ASSOCIATION		
Do	CFS CONTINENTAL		
Do	GOULD, INC		
Do	NATIONAL CUSTOMS BROKERS & FORWARDERS ASSN OF AMERICA		
Do	TRANSPORTATION LAWYERS ASSN		
MICHAEL L. KERLEY, 1922 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF LIFE UNDERWRITERS		
FREDERICK A. KESSINGER, 1201 4TH ST., SE WASHINGTON DC 20024	ANIMAL HEALTH INST		
ROBERT M. KETCHEL, SUITE 895 1331 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	GENERAL ELECTRIC CO		
GILBERT W. KEYES, P.O. BOX 3999 (MAIL STOP 8K-36) SEATTLE WA 98124	BOEING AEROSPACE CO		
EARLINE A. KEYSER, 1620 I ST., NW, #703 WASHINGTON DC 20006	BECHTEL POWER CORPORATION		
KIAWAH ISLAND COMPANY, P.O. BOX 12910 CHARLESTON SC 29142			
BRIAN D. KIDNEY, 444 N. CAPITOL STREET, NW, #718 WASHINGTON DC 20001	PACIFIC TELESIS GROUP	15,450.00	
ROBERT W. KIERNAN, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
WILLIAM S. KIES, 1750 K ST., NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	200.00	
INGOLF N. KILAND JR., 1660 L STREET, NW WASHINGTON DC 20036	GENERAL MOTORS CORP	3,000.00	2,294.25
DANIEL L. KILEY, P.O. BOX 3609 NORFOLK VA 23514	NORFOLK SOUTHERN CORPORATION		
GREGORY KILGORE, 311 FIRST STREET, NW, #500 WASHINGTON DC 20001	COMPUTER & BUSINESS EQUIPMENT MANUFACTURERS ASSN	1,000.00	17.34
MARY K. KILLORIN, 1101 15TH STREET, NW WASHINGTON DC 20005	MINNESOTA MINING & MANUFACTURING CO (3M)	1,500.00	
ROBERTA D. KIMBALL, 1015 15TH STREET, NW, #802 WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	200.00	
RICHARD H. KIMBERLY, 1201 PENNSYLVANIA AVENUE, NW, #730 WASHINGTON DC 20004	KIMBERLY-CLARK CORP	3,238.04	118.00
KIMBERLY-CLARK CORP, 401 NORTH LAKE STREET NEENAH WI 54956			22,763.54
JAMES L. KIMBLE, 1025 CONNECTICUT AVE., NW, #415 WASHINGTON DC 20036	AMERICAN INSURANCE ASSN		
LISA KIMBRO, 1101 16TH STREET, NW WASHINGTON DC 20036	INDEPENDENT PETROLEUM ASSN OF AMERICA		9.00
KING & SPALDING, 1730 PENNSYLVANIA AVE., NW, #1200 WASHINGTON DC 20006	BELLSOUTH CORP		4.00
Do	BETHLEHEM STEEL CORP		1.60
Do	DAMSON OIL CORP	28,021.00	6.00
Do	FRAZIER LANIER CO (ALABAMA STATE DOCKS DEPT)		1.95
Do			
Do	LIFE OF GEORGIA		
Do	LINCOLN PROPERTY CO		20.00
Do	MILLER BREWING CO	120.00	
Do	NATIONAL ASSN OF CHILDREN'S HOSPITALS & RELATED INSTITUTIONS		256.19
AUBREY C. KING, 1625 EYE STREET, NW, #609 WASHINGTON DC 20006	NATIONAL CLUB ASSOCIATION		
CHARLES L. KING, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
EDWARD H. KING, 200 WILMOT RD. DEERFIELD IL 60015	WALGREEN CO		
G. JACK KING, WASHINGTON NATIONAL AIRPORT WASHINGTON DC 20001	U.S. AIR, INC	1,000.00	
GARY V. KING, P.O. BOX 12148 ARLINGTON VA 22209	COTTAGE INDUSTRIES		
W. RUSSELL KING, SUITE 400 1730 RHODE ISLAND AVE., NW WASHINGTON DC 20036	FREEPORT MCMORAN, INC	500.00	37.00
DANIEL T. KINGSLEY, 1655 N. FT. MYER DR., #700 ARLINGTON VA 22209	NATIONAL VENTURE CAPITAL ASSOCIATION	18,000.00	15,455.70
ROGER P. KINGSLEY, 10801 ROCKVILLE PIKE ROCKVILLE MD 20852	AMERICAN SPEECH-LANGUAGE-HEARING ASSN		
MARCIA Y. KINTER, 1600 WILSON BOULEVARD, #1000 ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC		
CECILIA ANNE KIRBY, 1819 L STREET, NW, #600 WASHINGTON DC 20036	AMERICAN HOTEL & MOTEL ASSN	1,244.50	
KIRBY GILLICK SCHWARTZ & TUOHEY, P.C., SUITE 303 EAST 600 MARYLAND AVENUE, S.W. WASHINGTON DC 20024	LAKE ONTARIO CEMENT LIMITED	2,718.75	40.78
ALAN G. KIRK II , 1900 PENNSYLVANIA AVE., NW WASHINGTON DC 20068	POTOMAC ELECTRIC POWER CO		
JOHN R. KIRK, BINGHAM, DANA & GOULD 100 FEDERAL ST. BOSTON MA 02110	FIRST NATIONAL BANK OF BOSTON		
PAUL G. KIRK JR., SULLIVAN & WORCESTER 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	NATIONAL FOOTBALL LEAGUE		
KIRKPATRICK & LOCKHART, 1900 M ST., NW WASHINGTON DC 20036	AMERICAN COUNCIL OF LIFE INSURANCE		
Do	CALVERT GROUP, LTD		
Do	COUNCIL OF STATE HOUSING AGENCIES		
Do	COUNTY OF SUFFOLK, NEW YORK		
Do	INTERNATIONAL GOLD CORPORATION LIMITED	1,460.00	
Do	INVESTORS FIDUCIARY TRUST CO		
Do	PAINE WEBBER JACKSON & CURTIS, INC		
Do	REPUBLIC NATIONAL BANK OF NEW YORK		
Do	SEARCH GROUP, INC		
Do	WHITNEY NATIONAL BANK OF NEW ORLEANS		
SALLY ANN KIRKPATRICK, 1110 VERMONT AVE., NW WASHINGTON DC 20005	ALLIANCE OF AMERICAN INSURERS	588.00	116.70
KIRLIN CAMPBELL & KEATING, SUITE 800 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	COUNCIL OF EUROPEAN & JAPANESE NATIONAL SHIPOWNERS' ASSN	16,800.00	340.22
ROBERT A. KIRSHNER, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN		
SAUL B. KLAMAN, 1101 15TH STREET, NW WASHINGTON DC 20005	NATIONAL COUNCIL OF SAVINGS INSTITUTIONS		
RICHARD L. KLASS, 1818 N ST., NW, #600 WASHINGTON DC 20036	DGA INTL. INC (FOR: DIR INTL AFF OF THE GEN DEL FOR ARMEMENTS)		
Do	DGA INTERNATIONAL, INC (FOR: SOCIETE NATIONALE D'ETUDE ET DE CONST DE MOTEURS D'AVIATION).		
Do	DGA INTERNATIONAL, INC (FOR: THOMSON-CSF DIVISION SYSTEMS ELECTRONIQUE OF FRANCE).		
RICHARD P. KLEEMAN, 2005 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN PUBLISHERS		
JAMES A. KLEIN, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S	1,750.00	185.17
KLINE KNOPF & WOJDAK, INC, 355 N. 21ST STREET, #105 CAMP HILL PA 17011	GENERAL PUBLIC UTILITIES CORPORATION		
RICHARD A. KLINE, 650 INDEPENDENCE AVE., SE WASHINGTON DC 20003	COUNCIL OF ACTIVE INDEPENDENT OIL & GAS PRODUCERS	3,815.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
WILLIAM J. KLINEFELTER, 815 16TH ST., NW SUITE 706 WASHINGTON DC 20006	UNITED STEELWORKERS OF AMER	9,192.84	
MICHAEL R. KLIPPER, 1600 I ST., NW WASHINGTON DC 20006	MOTION PICTURE ASSN OF AMERICA	575.07	288.00
DAVID M. KLUCSIK, 1415 WYCKOFF ROAD, P.O. BOX 1464 WALL NJ 07719	NEW JERSEY NATURAL GAS CO		31.33
GLENN KNAPP, 773 DARTMOUTH AVE. SAN CARLOS CA 94070			
JEFFREY W. KNIGHT, 1045 SANSOME ST. SAN FRANCISCO CA 94111	FRIENDS OF THE EARTH		
PETER E. KNIGHT, 1101 15TH STREET, NW, #400 WASHINGTON DC 20005	NATIONAL COUNCIL OF SAVINGS INSTITUTIONS		
ROBERT L. KNOUS JR., SUITE A-201 1410 GRANT STREET DENVER CO 80203	COLORADO SKI COUNTRY USA		
C. NEAL KNOX, NEAL KNOX ASSOCIATES BOX 6537 SILVER SPRING MD 20906			
RUTH E. KOBELL, SUITE 202 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	FARMERS' EDUCATIONAL & CO-OPERATIVE UNION OF AMERICA	7,715.00	200.00
THOMAS G. KOBUS, SUITE 350 2000 K ST., NW WASHINGTON DC 20006	NATIONAL PARKING ASSOCIATION	2,509.92	13.75
BRADLEY R. KOCH, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	17,393.24	
GEORGE W. KOCH, 1010 WISCONSIN AVE., NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC	153.90	
PATRICK C. KOCH, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	800.00	
STANLEY E. KOLBE JR., 418 SOUTH CAPITOL STREET, SE WASHINGTON DC 20003	SHEET METAL & AIR CONDITIONING CONTRACTORS' NAT'L ASSN		
MICHAEL S. KOLEDA, SUITE 325 1301 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	NATIONAL COUNCIL ON SYNTHETIC FUELS PRODUCTION	3,666.67	
JOHN C. KOLOJESKI, LAROE WINN & MOERMAN 1120 G STREET, NW, #800 WASHINGTON DC 20005	CHLORINE INSTITUTE, INC	26,660.00	270.40
NICHOLAS KOMINUS, 1001 CONNECTICUT AVE., NW WASHINGTON DC 20036	U.S. CANE SUGAR REFINERS' ASSN		
STEPHEN KOPLAN, 815 16TH ST., NW WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	16,174.34	784.94
EUGENE P. KOPP, SUITE 600 SOUTH 1120 20TH STREET, NW WASHINGTON DC 20036	UNION PACIFIC CORP	1,250.00	
STEVEN KOPPERUD, 1701 N. FT. MYER DRIVE ARLINGTON VA 22209	AMERICAN FEED MANUFACTURERS ASSN	3,240.00	
HORACE R. KORNEGAY, 1875 I ST., NW, #800 WASHINGTON DC 20006	TOBACCO INSTITUTE		
BERNARD KOTEEN, 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	KOTEEN & NAFTALIN (FOR: TAFT BROADCASTING CO)	2,300.00	
KENNETH S. KOVACK, 815 16TH ST., NW, #706 WASHINGTON DC 20006	UNITED STEELWORKERS OF AMER	9,192.84	
JOAN M. KOVALIC, SUITE 600 21 DUPONT CIRCLE, N.W. WASHINGTON DC 20036	TAFT STETTINIUS & HOLLISTER (FOR: INMONT CORP)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: PARSONS CORPORATION)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: SHERWIN-WILLIAMS COMPANY)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: ZIMPRO CORP)		
JEANNE P. KOWALSKI, SUITE 500 1828 L ST., NW WASHINGTON DC 20036	GTE SPRINT COMMUNICATIONS CORP	7,000.00	113.51
CHRIS KOYANAGI, 1702 WOODMAN DRIVE MCLEAN VA 22101	WASHINGTON ALTERNATIVES, INC	3,865.00	10.00
PATRICIA S. KOZIOL, 1719 ROUTE 10 PARSIPPANY NJ 07054	NATIONAL ASSN OF MANUFACTURERS	600.00	
MYLIO S. KRAJA, 1608 K ST., NW WASHINGTON DC 20006	AMERICAN LEGION	3,088.02	194.90
AMOS KRAMER, KANSAS PETROLEUM COUNCIL SUITE 1414 MERCHANTS BANK BLDG. 8TH & JACKSON STS. TOPEKA KS 66612.	AMERICAN PETROLEUM INST		
JOSEPH H. KRAMER III, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO. PUBLIC COMMUNICATIONS INTERNATIONAL, INC. (FOR: HTB CORPORATION).		
STEPHEN W. KRAUS, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
JEFFREY KRAUSS, 1350 PICCARD DRIVE, #304 ROCKVILLE MD 20850	M/A-COM, INC	2,500.00	50.00
ALAN G. KRAUT, 1200 17TH STREET, NW WASHINGTON DC 20036	AMERICAN PSYCHOLOGICAL ASSN	500.00	307.71
LAWRENCE E. KREIDER, 1015 18TH ST., NW WASHINGTON DC 20036	CONFERENCE OF STATE BANK SUPERVISORS		
JAMES C. KRONE, 1152 HASLETT ROAD P.O. BOX 99 HASLETT MI 48840	ROSES, INC	500.00	
KATHLEEN BONNER KRONMILLER, 600 WATER STREET, SW, #207 WASHINGTON DC 20024	SPACE AMERICA, INC		
Do	SPACE SERVICES, INC (SSI) OF AMERICA		
KROOTH & ALTMAN, 2101 L STREET, NW, #210 WASHINGTON DC 20037	BRISCOE CO		3,497.49
K. H. KRUKE, 1776 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	HIGHWAY USERS FEDERATION FOR SAFETY & MOBILITY	690.91	18.85
PAUL R. KRUSE, 1155 15TH ST., NW WASHINGTON DC 20005	PENNZOIL CO	625.00	99.50
THOMAS A. KUBE, 8111 GATEHOUSE ROAD FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
LLOYD R. KUHN, 1725 DESALES ST., NW WASHINGTON DC 20036	AEROSPACE INDUSTRIES ASSN OF AMERICA, INC	14,652.00	
THOMAS R. KUHN, 410 FIRST ST., SE WASHINGTON DC	AMERICAN NUCLEAR ENERGY COUNCIL	3,375.00	210.60
ROSE KUIUMGIAN, 1910 K STREET, NW, #700 WASHINGTON DC 20006	NATIONAL GROCERS ASSN		
ESTER KURZ, SUITE 412 444 NORTH CAPITOL STREET, NW WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMM	12,499.98	145.96
GARY JAY KUSHNER, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN MEAT INSTITUTE	1,000.00	
KUTAK ROCK & CAMPBELL, 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	HAYES, INC		17.30
Do	METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY		
KWAJALEIN ATOLL CORP, P.O. BOX 5220 KWAJALEIN EBEYE MARSHALL ISLAND			
LABOR MANAGEMENT MARITIME COMMITTEE, INC, 100 INDIANA AVENUE, NW WASHINGTON DC 20001		8,425.00	7,383.00
LABORERS' INTL UNION OF NORTH AMERICA, AFL-CIO, 905 16TH ST., NW WASHINGTON DC 20006			21,942.30
JOSEPH L. LACH, 1025 CONNECTICUT AVENUE, NW, #214 WASHINGTON DC 20036	MANVILLE CORPORATION		
JOHN D. LACOPO, 229 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	EDS CORPORATION	96.00	80.00
BRUCE C. LADD JR., 1776 K STREET, NW WASHINGTON DC 20006	MOTOROLA, INC		
ROBERT A. LADIG, SCOTT PLAZA PHILADELPHIA PA 19113	SCOTT PAPER COMPANY	2,950.00	1,033.80
SANDRA L. LAFEVRE, 2500 RIVA ROAD, SE ANNAPOLIS MD 21401	NATIONWIDE INSURANCE CO & AFFILIATES		
JACK L. LAHR, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	FOLEY LARDNER HOLLABAUGH & JACOBS (FOR: VGS CORPORATION)		
ROBERT LAMB, 1220 L STREET, NW WASHINGTON DC 20005	AMERICAN PETROLEUM INST	5,000.00	138.15
DAVID F. LAMBERT III, 311 FIRST STREET, NW, #700 WASHINGTON DC 20001	NATIONAL ASSN OF INSURANCE BROKERS		
DAVID M. F. LAMBERT, 1000 POTOMAC STREET, NW, #302 SUITE 900 WASHINGTON DC 20007	FEDERATION EMPLOYMENT & GUIDANCE SERVICE		
DAVID P. LAMBERT, 1800 K ST., NW WASHINGTON DC 20006	NEW YORK STOCK EXCHANGE, INC		
DAVID R. LAMBERT, 1030 15TH ST., NW SUITE 964 WASHINGTON DC 20005	AMERICAN SEED TRADE ASSN	5,000.00	
MARCY LAMBOURNE, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,250.00	
VIRGINIA A. LAMPLEY, 1818 N ST., NW, #600 WASHINGTON DC 20036	DGA INTERNATIONAL, INC (FOR: DIR INTL AFF OF THE GEN DEL FOR ARMEMENTS)		
Do	DGA INTERNATIONAL, INC (FOR: SOCIETE NATIONALE D'ETUDE ET DE CONST. DE MOTEURS D'AVIATION).		114.59
Do	DGA INTERNATIONAL, INC (FOR: SOFREAVIA)		
Do	DGA INTERNATIONAL, INC (FOR: THOMSON-CSF DIVISION SYSTEMS ELECTRONIQUE OF FRANCE).		
RAY H. LANCASTER, SUITE 565 1331 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	TEXAS GAS TRANSMISSION CORP	3,000.00	134.00
L. CHARLES LANDGRAF, 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	LEBOEUF, LAMB, LEIBY & MACRAE		
THOMAS M. LANDIN, ONE FRANKLIN PLAZA PHILADELPHIA PA 19101	SMITH KLINE BECKMAN CORP		
LANDIS COHEN SINGMAN & RAUH, 1019 19TH STREET, N.W. # 500 WASHINGTON DC 20036	AMERICAN SOC OF COMPOSERS AUTHORS & PUBLISHERS	2,000.00	
Do	COUNCIL OF CREATIVE ARTISTS, LIBRARIES & MUSEUMS		
Do	NFL PLAYERS ASSOCIATION	2,000.00	
BROCK R. LANDRY, 1333 NEW HAMPSHIRE AVENUE, NW, #1220 WASHINGTON DC 20036	NATIONAL WATER WELL ASSN		
BRUCE ALAN LANDY, 2700 VIRGINIA AVE., NW WASHINGTON DC 20037	B.A.I. CO		
Do	CRYOGENIC VACUUM TECHNOLOGY CO		
Do			
LANE & EDSON, P.C., 2300 M STREET, NW WASHINGTON DC 20036	CITY OF BALTIMORE	600.00	
Do	COUNCIL FOR RURAL HOUSING AND DEVELOPMENT	4,000.00	
Do	NATIONAL LEASED HOUSING ASSN	600.00	
ALBERT E. LANE, SUITE 537 1377 K STREET, NW WASHINGTON DC 20005	MEDCOM-MIC		
Do	PEOPLE OPPOSED TO ENERGY LOBBY - POTEL		
RICHARD F. LANE, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
ROBIN W. LANIER, 1000 CONNECTICUT AVE., NW WASHINGTON DC 20036	NATIONAL RETAIL MERCHANTS ASSN	160.00	20.00
WAYNE R. LAPIERRE JR., 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER	1,170.00	950.00
CLIFFORD LAPLANTE, 1331 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	GENERAL ELECTRIC CO	1,165.00	
WILLIAM L. LARSEN, 1025 CONNECTICUT AVENUE, NW, #415 WASHINGTON DC 20036	AMERICAN INSURANCE ASSN		
REED E. LARSON, 8001 BRADDOCK ROAD, #600 SPRINGFIELD VA 22160	NATIONAL RIGHT TO WORK COMM		
JAMES LASALA, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO		
MICHAEL LASHBROOK, 1600 RHODE ISLAND AVENUE, NW WASHINGTON DC 20036	NATIONAL RIFLE ASSN OF AMER	1,095.00	
JOHN LASTER, 1503 21ST ST., NW WASHINGTON DC 20036	SAVE OUR CHILDREN'S SECURITY		
LATHAM WATKINS & HILLS, SUITE 1200 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	AMERICAN DIETETIC ASSN	300.00	48.37
Do	SEARS, ROEBUCK & CO		
Do	WILSHIRE TERRACE COOPERATIVE HOUSING CORP	160.00	17.50
KARL F. LAUENSTEIN, 1745 JEFFERSON DAVIS HIGHWAY, #1000 ARLINGTON VA 22202	GENERAL DYNAMICS	1,000.00	1.30
LOUIS F. LAUN, 260 MADISON AVE. NEW YORK NY 10016	AMERICAN PAPER INST, INC		
ROBERT LAUTERBERG, 1707 H STREET, NW WASHINGTON DC 20006	PETROLEUM MARKETERS ASSN OF AMERICA	5,000.00	32.74
DENNIS LAVALLEE, 1016 20TH ST., NW WASHINGTON DC 20036	NATIONAL ASSN OF PLUMBING-HEATING-COOLING CONTRACTORS	500.00	37.35
JOAN H. LAVOR, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
DEBORAH A. LAWRENCE, P.O. BOX 12148 ARLINGTON VA 22209	COTTAGE INDUSTRIES		
ELIZABETH LAWSON, 1730 M STREET, NW WASHINGTON DC 20036	LEAGUE OF WOMEN VOTERS OF THE U.S.	3,080.48	69.80
JANIE L. LAWSON, 1025 CONNECTICUT AVENUE, NW, #200 WASHINGTON DC 20036	SHELL OIL COMPANY	500.00	
LAXALT CORPORATION, 214 MASSACHUSETTS AVE., NE, #380 WASHINGTON DC 20002	BARNESS ORGANIZATION		
Do	CITIZENS FOR AMERICA	9,000.00	
Do	MORGAN STANLEY & COMPANY		
Do	MOTION PICTURE ASSN OF AMERICA, INC	2,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
ERNEST M. LE SUEUR, 453 NEW JERSEY AVENUE, SE WASHINGTON DC 20003	BENEFICIAL MANAGEMENT CORPORATION OF AMERICA		
LEAGUE OF WOMEN VOTERS OF THE U.S., 1730 M ST., NW WASHINGTON DC 20036		19,276.29	19,276.29
LEAGUE TO SAVE LAKE TAHOE, 2197 LAKE TAHOE BLVD. P.O. BOX 10110 SOUTH LAKE TAHOE CA 95731			7,000.00
THOMAS B. LEARY, HOGAN & HARTSON 815 CONNECTICUT AVENUE, NW WASHINGTON DC 20006	BUSINESS ROUNDTABLE	947.93	
RICHARD J. LEASE, 2145 BOISE DRIVE LAS CRUCES NM 88001			
LEBOEUF LAMB LEIBY & MACRAE, 1333 NEW HAMPSHIRE AVE., NW, #1100 WASHINGTON DC 20036	BRITISH INSURANCE ASSN AND LLOYD'S OF LONDON		
Do	SHIPPING CORP OF INDIA, LTD		
Do	UNDERWRITERS AT LLOYD'S LONDON		
ROBERT F. LEDERER, 1250 I STREET, NW, #500 WASHINGTON DC 20005	AMERICAN ASSN OF NURSERYMEN		
THOMAS J. LEE JR., P.O. BOX 2628 HOUSTON TX 77252	ENTEX, INC		
LEFEVERE LEFLER KENNEDY O'BRIEN & DRAWZ, 2000 FIRST BANK PLACE WEST 120 SOUTH 6TH STREET MINNEAPOLIS MN 55402.	CITY OF NEW BRIGHTON		
KAREN LEICHTMAN, 201 MASSACHUSETTS AVENUE, NE, #319 WASHINGTON DC 20002	HALT: AMERICANS FOR LEGAL REFORM		
TERRY L. LEITZELL, BOYLE AND GATES ONE THOMAS CIRCLE, NW, #900 WASHINGTON DC 20005	AMERICAN SHRIMPBOAT ASSOCIATION	1,000.00	
Do	MARINE CONSTRUCTION & DESIGN CO		
Do	BOGLE & GATES (FOR: PACIFIC SEAFOOD PROCESSORS ASSN)		
Do	PORT OF SEATTLE	5,000.00	
JOSEPH L. LEITZINGER, 900 4TH AVE. SEATTLE WA 98164	SIMPSON TIMBER CO		
LAVERNE STILL LEMEN, 1030 15TH ST., NW, #700 WASHINGTON DC 20005	NATIONAL COTTON COUNCIL OF AMER	810.00	34.06
LYNETTE LENARD, 1050 CONNECTICUT AVENUE, NW, #300 WASHINGTON DC 20036	NABISCO BRANDS, INC	2,500.00	2,371.99
THOMAS J. LENGYEL, 1625 K STREET, NW, #1000 WASHINGTON DC 20006	AMERICAN INST OF MERCHANT SHIPPING		
DONNA LENHOFF, SUITE 400 2000 P STREET, NW WASHINGTON DC 20036	WOMEN'S LEGAL DEFENSE FUND	39.18	
LEONARD & MCGAUN, P.C., 900 17TH STREET, NW, #1020 WASHINGTON DC 20006	KANSAS CORPORATION COMMISSION		
BETTY JANE LEONARD, P.O. BOX 19109 GREENSBORO NC 27419	UNIFI, INC		
BURLEIGH C. W. LEONARD, 2550 M STREET, NW, #770 WASHINGTON DC 20037	RJR INDUSTRIES, INC	600.00	386.39
EARL T. LEONARD JR , P.O. DRAWER 1734 ATLANTA GA 30301	COCA-COLA COMPANY	3,112.00	4,099.62
KAYE LEONARD, SUITE 510 1090 VERMONT AVE., NW WASHINGTON DC 20005	POTLATCH CORPORATION	96.00	91.81
LLOYD LEONARD, 1730 M ST., NW WASHINGTON DC 20036	LEAGUE OF WOMEN VOTERS OF THE U.S.	4,153.86	103.93
RODNEY E. LEONARD, 2001 S STREET, NW, #530 WASHINGTON DC 20009	COMMUNITY NUTRITION INSTITUTE		
CHARLES LEPPERT JR., 801 18TH STREET, NW, #400 WASHINGTON DC 20006	PROCTER & GAMBLE MANUFACTURING CO	56.70	
DONALD G. LERCH & CO., 1030 15TH STREET, NW, #840 WASHINGTON DC 20005	NATURAL GAS SUPPLY ASSN		
RICHARD L. LESHER, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.		
WILLIAM J. LESSARD JR., 1300 19TH STREET, NW, #310 WASHINGTON DC 20036	NATIONAL COMM TO PRESERVE SOCIAL SECURITY & MEDICARE	3,000.00	
LEVA HAWES SYMINGTON & MARTIN, SUITE 1001 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FINNIGAN CORPORATION	1,350.00	4.70
Do	SCIENTIFIC APPARATUS MAKERS ASSN		27.00
ROBERT JOHN LEVERING, 1730 M ST., NW, #610 WASHINGTON DC 20036	DIRECT SELLING ASSOCIATION		
MORRIS J. LEVIN, 1050 17TH ST., NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN RAILROADS	2,500.00	
BARBARA W. LEVINE, 1015 15TH STREET, NW WASHINGTON DC 20005	AMERICAN PUBLIC HEALTH ASSN	634.50	
BERTRAM J. LEVINE, 1667 K STREET, NW, #410 WASHINGTON DC 20006	JOHNSON & JOHNSON	1,000.00	225.00
HARRY LEVINE JR , 1331 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	GENERAL ELECTRIC CO		
KENNETH S. LEVINE, 1201 PENNSYLVANIA AVE., NW #220 WASHINGTON DC 20004	JOSEPH E. SEAGRAM & SONS, INC	977.50	
LESLIE LEVY, 444 NORTH CAPITOL STREET, NW WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMM	7,439.22	124.42
F. THOMAS LEWAND, 1800 FIRST NATIONAL BUILDING DETROIT MI 48226	JAFFE SNIDER RAITT & HEUER, P.C		
CLUNET R. LEWIS, 1800 FIRST NATIONAL BUILDING DETROIT MI 48226	JAFFE SNIDER RAITT & HEUER, P.C		
E. DAVID LEWIS, UNIT P 7297 LEE HIGHWAY FALLS CHURCH VA 22042	SOCIETY OF AMERICAN WOOD PRESERVERS, INC	425.00	600.00
MICHAEL R. LEWIS, 1133 15TH ST., NW SUITE 640 WASHINGTON DC 20005	INTERNATIONAL LONGSHOREMEN'S & WAREHOUSEMEN'S UNION	9,242.00	1,799.68
RICHARD LEWIS, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	AMERICAN PULPWOOD ASSN		
JOHN F. LEYDEN, 815 16TH STREET, NW, #308 WASHINGTON DC 20006	PUBLIC EMPLOYEE DEPARTMENT, AFL-CIO	3,478.76	
WILLIAM J. LHOTA, 215 N. FRONT STREET COLUMBUS OH 43215	COLUMBUS AND SOUTHERN OHIO ELECTRIC CO	1,108.00	1,312.54
JUDITH LICHTMAN, SUITE 400 2000 P STREET, NW WASHINGTON DC 20036	WOMEN'S LEGAL DEFENSE FUND	124.65	
HERBERT LIEBENSON, 1604 K ST., NW WASHINGTON DC 20006	NATIONAL SMALL BUSINESS ASSN	5,625.00	
Do	SMALL BUSINESS LEGISLATIVE COUNCIL		
WILLIAM C. LIENESCH, 238 10TH ST., SE WASHINGTON DC 20003	NATIONAL PARKS & CONSERVATION ASSOCIATION	102.00	5.25
DUKE R. LIGON, 1575 EYE STREET, NW, #510 WASHINGTON DC 20005	CORCORAN HARDESTY WHYTE HEMPHILL & LIGON, P.C. (FOR: NOVA SCOTIA RESOURCES, LTD).		
Do	CORCORAN HARDESTY WHYTE HEMPHILL & LIGON (FOR: PROVINCE OF NOVA SCOTIA).		
RICHARD A. LILLQUIST, SUITE 500 1090 VERMONT AVE., NW WASHINGTON DC 20005	FLEXIBLE PACKAGING ASSOCIATION		
DIANE PALMER LILLY, 1200 PEAVEY BUILDING MINNEAPOLIS MN 55479	NORWEST CORPORATION		
STEPHEN R. LINDAUER, 1957 E STREET, NW WASHINGTON DC 20515	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
KATHLEEN M. LINEHAN, 1025 CONNECTICUT AVE., NW, #700 WASHINGTON DC 20036	GULF OIL CORP	800.00	200.00
ELENA LINTHICUM, 1150 CONNECTICUT AVE., NW, #700 WASHINGTON DC 20036	ALLIED CORPORATION		
HERSHEL LIPOW, 1735 NEW YORK AVENUE, NW WASHINGTON DC 20006	AMERICAN INST OF ARCHITECTS	3,625.00	84.48
LINDA A. LIPSEN, 2001 S STREET, NW, #520 WASHINGTON DC 20009	CONSUMERS UNION OF U.S., INC	2,000.00	
LISBOA ASSOCIATES, INC, 3600 M STREET, NW WASHINGTON DC 20007			39.25
CRAIG LISKE, P.O. BOX 2120 HOUSTON TX 77252	UNION TEXAS PETROLEUM CORP		
JOHN M. LISON, 16100 SOUTH LATHROP AVENUE HARVEY IL 60426	ATCOR, INC	6,000.00	510.19
SARA E. LISTER, PATTERSON, BELKNAP, WEBB & TYLER 1730 PENNSYLVANIA AVENUE, NW, #1060 WASHINGTON DC 20006.	F M S CORPORATION		
BARBARA A. LITTLE, SUITE 611 1155 15TH STREET, NW WASHINGTON DC 20005	ETHYL CORPORATION	1,200.00	
CHARLES B. LITTLE, SUITE 603 600 MARYLAND AVE., SW WASHINGTON DC 20024	UBA, INC	1,000.00	
WILLIAM F. LITTLE, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FORD MOTOR CO	487.00	332.40
ROY LITTLEFIELD, 15900 PINECROFT LANE BOWIE MD 20716	AMERICAN RETREADERS ASSN	1,000.00	
THEODORE M. LITTMAN, 2230 E. IMPERIAL AVE. EL SEGUNDO CA 90245	ROCKWELL INTL		
DAVID A. LITVIN, SUITE 600 1001 22ND ST., NW WASHINGTON DC 20037	STANDARD OIL COMPANY (OHIO)	325.00	197.13
ROBERT W. LIVELY, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	115.00	
FRANCI LIVINGSTON, 215 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	CONGRESS WATCH	437.50	
NEIL C. LIVINGSTONE, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: ELECTRONIC INDUSTRIES ASSN OF JAPAN).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: GOVERNMENT OF HAITI)	1,000.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF KOREA)	600.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)	600.00	
LOBEL NOVINS & LAMONT, 1523 L STREET, NW, #200 WASHINGTON DC 20005	GENERIC PHARMACEUTICAL INDUSTRY ASSN	9,619.50	463.68
PAUL LOCIGNO, 25 LOUISIANA AVENUE, NW WASHINGTON DC 20001	INTERNATIONAL BROTHERHOOD OF TEAMSTERS	16,220.52	
ROBERT F. LOCKHART JR., 490 L'ENFANT PLAZA EAST, SW WASHINGTON DC 20024	TENNECO, INC		
KAREN LOCKWOOD, 444 NORTH CAPITOL ST., NW WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN	2,787.01	651.31
NILS LOFGREN, 1620 EYE STREET, NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC		
ROBERT W. LONG, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
LONGNECKER & ASSOC, P.O. BOX 24209 WASHINGTON DC 20024			
JOHN H. LONNQUIST, 1025 CONNECTICUT AVE., NW SUITE 214 WASHINGTON DC 20036	MANVILLE CORPORATION	1,500.00	
LAURA LOOMIS, 419 N. NELSON STREET ARLINGTON VA 22203	NATIONAL PARKS & CONSERVATION ASSOCIATION	69.24	
LOOMIS OWEN FELLMAN & HOWE, 2020 K ST., NW WASHINGTON DC 20006	ASSOCIATION OF BITUMINOUS CONTRACTORS		
Do	TEXTILE RENTAL SERVICES ASSN OF AMERICA		
SUSAN J. LOOMIS, 1957 E STREET, N.W. WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA	2,000.00	500.00
PHILIP J. LOREE, 50 BROADWAY NEW YORK NY 10004	FEDERATION OF AMERICAN CONTROLLED SHIPPING	200.00	
ROBERT E. LOSCH, P.C., 1716 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20009	AMERICAN DREDGING CO, ET AL	17,500.00	3,463.23
CLAUDIA J. LOUIS, 1101 16TH ST., NW WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN		
RODNEY W. LOWMAN, SUITE 700 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	GULF OIL CORP	800.00	52.00
GERALD M. LOWRIE, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN		
MRS. FREDDIE H. LUCAS, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	3,000.00	1,020.58
SYLVESTER LUKIS, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	CRAMER, HABER & LUKIS, P.C. (FOR: CANAVERAL PORT AUTHORITY)		
Do	CRAMER, HABER & LUKIS, P.C. (FOR: CITY OF MIAMI)		
Do	CRAMER, HABER & LUKIS, P.C. (FOR: DADE COUNTY)		
Do	CRAMER HABER & LUKIS, P.C. (FOR: PENNSYLVANIA ENGINEERING CORP)		
Do	CRAMER, HABER & LUKIS, P.C. (FOR: REPUBLIC OF GABON)		
LUMAN & SCHOOR, 1030 15TH ST., NW, #720 WASHINGTON DC 20005	NATIONAL ASSN OF PERSONNEL CONSULTANTS		
LUMBERMENS MUTUAL CASUALTY COMPANY, LONG GROVE IL 60049			
MILTON F. LUNCH, 1420 KING ST. ALEXANDRIA VA 22314	NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS	1,000.00	
LUND & O'BRIEN, 1625 EYE ST., NW WASHINGTON DC 20006	FEDERATION OF AMERICAN CONTROLLED SHIPPING	600.00	31.21
Do	PENNSYLVANIA POWER & LIGHT CO	943.00	53.70
CHRISTIAN J. LUND, 1825 I STREET, NW, #700 WASHINGTON DC 20006	UNITED TECHNOLOGIES CORPORATION	15,750.00	
FRANCIS M. LUNNIE JR., 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
JOHN C. LYNCH, 1615 H STREET, NW WASHINGTON DC 20062	CITIZEN'S CHOICE, INC	10,375.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
TIMOTHY P. LYNCH, 1501 WILSON BOULEVARD, #910 ARLINGTON VA 22209	ROADWAY EXPRESS, INC	425.00	200.00
M.O.A./AIOA & SUBS, INC, SUITE 107 701 S. 22ND OMAHA NB 68102			
M/A-COM, INC, 1350 PICCARD DRIVE, #304 ROCKVILLE MD 20850			4,910.00
TIMOTHY MACCARTHY, 1620 I STREET, NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC	504.00	
ANTHONY R. MACCHIA, 127 JOHN STREET NEW YORK NY 10038	COFFEE, SUGAR & COCOA EXCHANGE, INC		
RUSSELL MACCLEERY, 1250 I STREET, NW, #400 WASHINGTON DC 20005	NATIONAL TIRE DEALERS & RETREADERS ASSN		
GARY B. MACDONALD, 1115 1/2 INDEPENDENCE AVENUE, SE WASHINGTON DC 20003	FEDERATION OF AIDS	14,081.00	15,914.00
JACK A. MACDONALD, 1901 N. FORT MEYER DRIVE, #302 ROSSLYN VA 22209	BEVERLY ENTERPRISES, INC	6,250.00	75.00
MIRIAM A. MACDONALD, 1025 CONNECTICUT AVENUE, NW, #1010 WASHINGTON DC 20036	METROPOLITAN INSURANCE COS	1,000.00	
JAMES E. MACK, 9005 CONGRESSIONAL COURT POTOMAC MD 20854	NATIONAL ASSN OF MIRROR MFGRS		
Do	PEANUT BUTTER & NUT PROCESSORS ASSN		
THOMAS L. MACK, P.O. BOX 49 PALO VERDE AZ 85343	BECHTEL POWER CORPORATION		
LEIGH U. MADDUX, 3600 NORTH 36TH ROAD ARLINGTON VA 22207	CERTAINTEED CORP		
JOHN H. MADIGAN JR., 1575 EYE STREET, NW, #1025 WASHINGTON DC 20005	AMERICAN CANCER SOCIETY	10,000.00	350.00
MARCIA G. MADSEN, MORGAN LEWIS & BOCKIUS 1800 M STREET, NW WASHINGTON DC 20036	TEXAS INDUSTRIES, INC		
SUSAN MAGAW, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN MEAT INSTITUTE	2,000.00	
A. JOHN MAGUIRE, 1030 15TH STREET, NW WASHINGTON DC 20005	NATIONAL COTTON COUNCIL OF AMERICA	452.92	
CHARLES MAGUIRE, 3315 P STREET, NW, #906 WASHINGTON DC 20036	MERRILL LYNCH & CO, INC	1,200.00	
W. TERRY MAGUIRE, BOX 17407 DULLES INTERNATIONAL AIRPORT WASHINGTON DC 20041	AMERICAN NEWSPAPER PUBLISHERS ASSN	1,125.00	324.00
JOAN A. MAHER, 1117 NORTH 19TH STREET, #600 ARLINGTON VA 22209	AMERICAN ASSN OF BLOOD BANKS		
THOMAS D. MAHER, 1600 M ST., NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE		
JOHN F. MAHONEY, 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	5,378.00	105.12
TERENCE P. MAHONY, 1825 K STREET, NW, #807 WASHINGTON DC 20006	NATIONAL BROADCASTING CO, INC	500.00	372.77
ROBERT L. MAIER, SUITE 1000 900 17TH ST., NW WASHINGTON DC 20006	KAISER ALUMINUM & CHEMICAL CORP		
STEVEN R. MAIMON, P.O. BOX 7579 WASHINGTON DC 20044			
MICHAL W. MAINWARING, 1730 RHODE ISLAND AVENUE, NW, #713 WASHINGTON DC 20036	PPG INDUSTRIES, INC		
JESSICA MAITZEN, 5755 THUNDER HILL ROAD COLUMBIA MD 21045	NORWEST MORTGAGE, INC		
MAJOR LEAGUE BASEBALL PLAYERS ASSN, 805 THIRD AVENUE NEW YORK NY 10022			
K. WAYNE MALBON, 1250 I STREET, NW, #400 WASHINGTON DC 20005	NATIONAL TIRE DEALERS & RETREADERS ASSN, INC	475.00	25.00
DAVID MALLINO, 815 16TH STREET, NW WASHINGTON DC 20006	INDUSTRIAL UNION DEPT, AFL-CIO	6,909.50	431.99
J. WILSON MALLOY JR., 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	EASTMAN CHEMICALS DIVISION	400.00	50.00
KURT L. MALMGREN, 1000 16TH STREET, NW, #800 WASHINGTON DC 20036	BETHLEHEM STEEL CORPORATION	362.00	
MALMGREN, INC, 1120 20TH STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF BEVERAGE IMPORTERS, INC	14,750.00	14,750.00
MARY JO MALONE, 1735 NEW YORK AVE., NW WASHINGTON DC 20006	AMERICAN INST OF ARCHITECTS	1,900.00	5,813.00
ROBERT H. MALONEY, 490 L'ENFANT PLAZA EAST, SW WASHINGTON DC 20024	TENNECO, INC		
WILLIAM R. MALONI, 3900 WISCONSIN AVENUE, NW WASHINGTON DC 20016	FEDERAL NATIONAL MORTGAGE ASSN	19,250.00	1,571.98
MAN-MADE FIBER PRODUCERS ASSN, INC, SUITE 310 1150 17TH ST., NW WASHINGTON DC 20036			100.00
CARTER MANASCO, 5932 CHESTERBROOK RD. MCLEAN VA 22101	NATIONAL COAL ASSN	7,812.51	59.15
MANATT PHELPS ROTHENBERG & TUNNEY, SUITE 200 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ALLIED TUBE & CONDUIT CORP		
Do	BANKERS TRUST CO		
Do	BKK CORPORATION		
Do	BOEING CO		
Do	KAUFMAN & BROAD, INC		
Do	MANUFACTURERS HANOVER LEASING CORPORATION		
Do	NATIONAL INVESTMENT DEVELOPMENT CORPORATION		
Do	NORTHROP CORP		
Do	SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT		
FRANK MANKIEWICZ, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN EXPRESS CO)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN IRON & STEEL INSTITUTE).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: JOINT MARITIME CONGRESS).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: NATIONAL BROADCASTING CO).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)		
DONALD W. MANN, 210 THE PLAZA TEANECK NJ 07666	NEGATIVE POPULATION GROWTH, INC		
DWAYNE E. MANN, 901 N. WASHINGTON STREET, #205 ALEXANDRIA VA 22314	SOCIETY OF AMERICAN FLORISTS		
RICHARD J. MANNIX, 195 MONTAGUE ST. BROOKLYN NY 11201	BROOKLYN UNION GAS CO		
CLAUDIA MANSFIELD, 1801 N. MOORE STREET ARLINGTON VA 22209	AMERICAN ASSN OF SCHOOL ADMINISTRATORS		102.02
CYNTHIA MANSFIELD, SUITE 520 600 MARYLAND AVE., SW WASHINGTON DC 20024	GPU SERVICE CORPORATION	3,384.48	1,004.55
MANUFACTURED HOUSING INST, 1745 JEFFERSON DAVIS HIGHWAY, #511 ARLINGTON VA 22202			4,900.00
JOHN V. MARANEY, 324 EAST CAPITOL ST., NE WASHINGTON DC 20003	NATIONAL STAR ROUTE MAIL CARRIERS' ASSN		
MARCH FOR LIFE, INC, PO BOX 2950 WASHINGTON DC 20013		20,900.63	46,733.24
R. V. MARIANI, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
MARITIME INSTITUTE FOR RESEARCH & INDUSTRIAL DEVELOPMENT, SUITE 600 1133 15TH STREET, NW WASHINGTON DC 20005.			14,675.00
PATRICIA MARKEY, SUITE 505 1899 L STREET, NW WASHINGTON DC 20036	UNITED DISTRIBUTION COMPANIES	1,000.00	16.80
RICHARD P. MARKEY, 729 15TH ST., NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC		
LAWRENCE D. MARKLEY, P.O. BOX 6300 ANCHORAGE AK 99501	CHUGACH ELECTRIC ASSN, INC	1,246.88	642.02
NATHAN FRED MARKS, 685 N.W. 8TH STREET GRESHAM OR 97030			
LUTHER A. MARKWART, SUITE 1019 1156 15TH STREET, NW WASHINGTON DC 20005	AMERICAN SUGARBEET GROWERS ASSN		
CHALMERS H. MARQUIS, 3430 BLAIR RD. FALLS CHURCH VA 22041	AGENCY FOR INSTRUCTIONAL TELEVISION		
Do	CHILDREN'S TELEVISION WORKSHOP		
Do	NATIONAL ASSN FOR PUBLIC TELEVISION STATIONS	600.00	150.00
JOHN MARSH, 100 OAKVIEW DRIVE TRUMBULL CT 06611	RAYMARK CORPORATION		
C. TRAVIS MARSHALL, 1776 K ST., NW WASHINGTON DC 20006	MOTOROLA, INC	1,500.00	
THOMAS A. MARTENS, P.O. BOX 10110 SO. LAKE TAHOE CA 95731	LEAGUE TO SAVE LAKE TAHOE	7,000.00	
DANEA KEHOE MARTIN, 1922 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF LIFE UNDERWRITERS		
DAVID F. MARTIN, 2020 14TH STREET, NORTH ARLINGTON VA 22201	TRANE COMPANY	1,000.00	
DAVID O. MARTIN, NORTH LAKE ST. NEENAH WI 54956	KIMBERLY-CLARK CORP		
DONALD N. MARTIN, DONALD N. MARTIN & COMPANY, INC. 630 FIFTH AVE. NEW YORK NY 10111			
FRED J. MARTIN JR., 1800 K STREET, NW WASHINGTON DC 20006	BANKAMERICA CORPORATION		
JAMES D. MARTIN, 4600 72ND AVENUE LANDOVER HILLS MD 20784	COMMUNICATIONS SATELLITE CORPORATION	2,000.00	189.50
JOHN M. MARTIN JR., 6909 FORT HUNT ROAD ALEXANDRIA VA 22307	FOOD MARKETING INSTITUTE	100.00	
Do	JEWELRY INDUSTRY COORDINATING COMMITTEE		
KATHERINE E. MARTIN, 412 FIRST ST., SE, #200 WASHINGTON DC 20003	ASSOCIATION OF AMERICAN RAILROADS	281.43	189.66
STEPHEN I. MARTIN, HARTFORD PLAZA HARTFORD CT 06115	HARTFORD FIRE INSURANCE CO		
THOMAS D. MARTIN, MARTIN ASSOCIATES INTERNATIONAL 1711 CONNECTICUT AVENUE, NW, #202 WASHINGTON DC 20009.	GOVERNMENT OF BOLIVIA	1,000.00	452.00
Do	GOVERNMENT OF PERU	1,000.00	452.00
JAMES C. MARTINELLI, 1025 CONNECTICUT AVENUE, NW, #300 WASHINGTON DC 20036	ENVIRONMENTAL MANAGEMENT CONSULTANTS, INC		
VILMA S. MARTINEZ, 612 S. FLOWER STREET, 5TH FLOOR LOS ANGELES CA 90017	MUNGER, TOLLES & RICKERSHAUSER (FOR: SPANISH INTERNATIONAL COMMUNICATION CORP).	3,900.00	3,149.44
ERNEST MARTY, 85 RIDGE ST. NORTH SIDNEY, NSW 2060 AUSTRALIA			
JUDITH MARTY, 85 RIDGE ST. NORTH SYDNEY, NSW 2060 AUSTRALIA			
JOSEPH J. MARTYAK, 12TH FL. 1100 15TH ST., NW WASHINGTON DC 20005	UNION CARBIDE CORP		
MARYLAND SAVINGS-SHARE INSURANCE CORP., 901 NORTH HOWARD STREET BALTIMORE MD 21201			
MIKE M. MASAOKA, SUITE 520, THE FARRAGUT BLDG. 900 17TH ST., NW WASHINGTON DC 20006	AMERICAN JAPANESE TRADE COMM		
Do	JAPAN TELESCOPES MANUFACTURERS ASSN	200.00	
Do	NISEI LOBBY		
Do	TOYOTA MOTOR SALES, U.S.A., INC	750.00	
Do	WEST MEXICO VEGETABLE DISTRIBUTORS ASSN	500.00	
W. A. MASON, P.O. BOX 21106 SHREVEPORT LA 71156	SOUTHWESTERN ELECTRIC POWER CO		
JAMES D. MASSIE, 1730 RHODE ISLAND AVENUE, NW, #400 WASHINGTON DC 20036	FERTILIZER INSTITUTE	1,666.66	2,137.47
Do	FREEPORT-MCMORAN, INC	300.00	35.00
RICHARD D. MATHIAS, SUITE 901 1660 L STREET, NW WASHINGTON DC 20036	PAN AMERICAN WORLD AIRWAYS, INC		
CHARLES D. MATTHEWS, SUITE 700 1050 17TH ST., NW WASHINGTON DC 20036	NATIONAL OCEAN INDUSTRIES ASSN	1,359.60	384.54
ROBERT A. MATTHEWS, 700 NORTH FAIRFAX ST. ALEXANDRIA VA 22314	RAILWAY PROGRESS INST	984.38	
JOANNE E. MATTIACE, 633 PENNSYLVANIA AVENUE, NW, #600 WASHINGTON DC 20004	SEARS, ROEBUCK AND CO	120.00	60.73
WILLIAM C. MATTOX, 1775 PENNSYLVANIA AVENUE, NW, #701 WASHINGTON DC 20006	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S	50.00	10.00
MARSHALL L. MATZ, SCOTT HARRISON & MCLEOD 2501 M STREET, NW, 4TH FL. WASHINGTON DC 20037	AFFILIATED FOOD PROCESSORS, INC		
Do	AMERICAN SCHOOL FOOD SERVICE ASSN	9,000.00	1,212.98
Do	ELECTRONIC DATA SYSTEMS	12,000.00	181.36

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
C.V. & R.V. MAUDLIN, 1511 K STREET, NW, #535 WASHINGTON DC 20005	BRASS AND BRONZE INGOT INSTITUTE		
ANTHONY F. MAURIELLO, NEW YORK STATE PETROLEUM COUNCIL 150 STATE STREET ALBANY NY 12207	AMERICAN PETROLEUM INST	937.50	662.79
THOMAS H. MAXEDON, KENTUCKY PETROLEUM COUNCIL 612-A SHELBY STREET FRANKFORT KY 40601	AMERICAN PETROLEUM INST	479.16	68.90
WILLIAM A. MAXWELL, 311 FIRST STREET, NW, #500 WASHINGTON DC 20001	COMPUTER & BUSINESS EQUIPMENT MANUFACTURERS ASSN	1,400.00	
WALTER R. MAY, 7004 PARK TERRACE DRIVE ALEXANDRIA VA 22307	YELLOW FREIGHT SYSTEM, INC	11,250.00	2,103.00
ARNOLD MAYER, 1775 K ST., NW WASHINGTON DC 20006	UNITED FOOD & COMMERCIAL WORKERS INTL UNION	16,853.86	584.26
MAYER BROWN & PLATT, 2000 PENNSYLVANIA AVENUE, NW, #6500 WASHINGTON DC 20006	AEROSPACE INDUSTRIES ASSN OF AMERICA, INC		
Do	COMDISCO, INC		
Do	GATX CORP		
Do	JMB REALTY CORP		
Do	SEARS ROEBUCK & CO		
Do	TRANSCANADA PIPELINES LTD		
JEFFREY G. MAYS, SUITE 400E 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
MICHAEL J. MCADAMS, 1015 18TH STREET, NW WASHINGTON DC 20036	FERTILIZER INSTITUTE		
ANN MCBRIDE, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	12,760.02	59.00
R. G. MCBRIDE, MISSISSIPPI PETROLEUM COUNCIL P.O. BOX 42 JACKSON MS 39205	AMERICAN PETROLEUM INSTITUTE		
MARTHA MCCABE, 1828 L ST., N.W. SUITE 1100 WASHINGTON DC 20036	COOPERATIVE LEAGUE OF THE USA	2,500.00	
MICHAEL J. MCCABE, ALLSTATE PLAZA NORTHBROOK IL 60062	ALLSTATE ENTERPRISES, INC		
Do	ALLSTATE INSURANCE COS		
JOHN A. MCCAHILL, 1250 CONNECTICUT AVE, NW WASHINGTON DC 20036	U.S. OLYMPIC COMMITTEE		
JULIE P. MCCAHILL, SUITE 715 1000 CONNECTICUT AVE., NW WASHINGTON DC 20036	MEAD CORPORATION		
A. R. MCCAMMON, 501 UNION ST., #506 NASHVILLE TN 37219	TENNESSEE RAILROAD ASSOCIATION		
LAW OFFICES OF R. C. MCCANDLESS, 1707 H ST., NW WASHINGTON DC 20006	MILLER & SCHROEDER MUNICIPALS, INC		
Do	SANTA ANITA REALTY ENTERPRISES, INC		
Do	TRANSAMERICA CORPORATION		
Do	TRANSAMERICA INTERWAY CORP	6,000.00	1,500.00
KATHERINE S. MCCARTER, 1015 15TH STREET, NW WASHINGTON DC 20005	AMERICAN PUBLIC HEALTH ASSN	2,566.00	
JAMES R. MCCARTHY, 1220 L STREET, NW WASHINGTON DC 20005	AMERICAN PETROLEUM INST	200.00	
MCCARTY NOONE & WILLIAMS, SUITE 3306 490 L'ENFANT PLAZA EAST, SW WASHINGTON DC 20024	AMERICAN MEDICAL TECHNOLOGISTS	855.00	97.04
MICHAEL A. MCCLELLAND, 1200 ONE MAIN PLACE DALLAS TX 75250	STRASBURGER & PRICE (FOR: DALLAS/FT. WORTH REGIONAL AIRPORT BOARD)		
ROBERT MCCLORY, BAKER & MCKENZIE 815 CONNECTICUT AVENUE, NW WASHINGTON DC 20006	GROCERY MANUFACTURERS OF AMERICA, INC		
Do	FRANCISCA WEI		
MCCLURE & TROTTER, SUITE 600 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	COCA-COLA COMPANY	3,275.31	466.61
Do	GULF & WESTERN INDUSTRIES, INC	1,744.88	548.23
Do	MOBIL OIL CORP	288.75	62.25
Do	NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS		.60
Do	PROVIDENCE CAPITOL CORP	13,031.50	66.41
ROBERT S. MCCONNAUGHEY, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
JOHN L. MCCONNELL, SUITE 1100 1800 K ST., NW WASHINGTON DC 20006	NEW YORK STOCK EXCHANGE, INC		
SALLY MCCONNELL, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	9,010.02	53.17
MOLLY MCCORMICK, 2301 MARKET STREET, S24-4 PHILADELPHIA PA 19101	PHILADELPHIA ELECTRIC COMPANY		
ALVIN MCCOY, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FED OF FEDERAL EMPLOYEES		
DENNIS R. MCCOY, 1101 17TH STREET, NW WASHINGTON DC 20036	UNITED GAS PIPE LINE CO		
E. L. MCCULLOCH, 819 RAILWAY LABOR BLDG., 400 1ST ST., NW WASHINGTON DC 20001	BROTHERHOOD OF LOCOMOTIVE ENGINEERS	284.60	480.22
ALBERT L. MCDERMOTT, 1819 L STREET, NW, #600 WASHINGTON DC 20036	AMERICAN HOTEL & MOTEL ASSN	2,371.47	
MARK T. MCDERMOTT, JOSEPH, POWELL, MCDERMOTT & REINER, P.C. 1300 19TH STREET, NW, #400 WASHINGTON DC 20036	CIVIL PILOTS FOR REGULATORY REFORM		
MCDERMOTT WILL & EMERY, SUITE 500 1850 K ST., NW WASHINGTON DC 20006	FEDERATION OF JAPAN SALMON FISHERIES COOPERATIVE ASSN		
Do	TUNA RESEARCH FOUNDATION, INC		
JACK MCDONALD ASSOCIATES, SUITE 610 1120 20TH ST., NW WASHINGTON DC 20036	AMERICAN EXPRESS CORP		
Do	MUTUAL BENEFIT LIFE INSURANCE CO		
E. T. MCDONALD, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
JACK MCDONALD, 1120 20TH STREET, NW, #610 WASHINGTON DC 20036	JACK MCDONALD ASSOCIATES (FOR: AMERICAN EXPRESS CORP)		
Do	JACK MCDONALD ASSOCIATES, INC (FOR: MUTUAL BENEFIT LIFE INSURANCE CO)		
MICHAEL D. MCDONALD, MARYLAND PETROLEUM ASSN 60 WEST ST. ANNAPOLIS MD 21401	AMERICAN PETROLEUM INST	120.00	
MCDONOUGH HOLLAND & ALLEN, SUITE 1275 1875 EYE ST., NW WASHINGTON DC 20006	CARMA-SANDLING GROUP		
Do	COUNTY OF ORANGE	2,000.00	
Do	FRANKLIN REINFORCING STEEL CO, INC		
Do	ORANGE COUNTY TRANSPORTATION COMMISSION	1,000.00	
Do	ORANGE COUNTY WATER DISTRICT		
Do	SANTA ANA RIVER FLOOD PROTECTION AGENCY	300.00	
PATRICK J. MCDONOUGH, 5999 STEVENSON AVENUE ALEXANDRIA VA 22304	AMERICAN ASSN FOR COUNSELING AND DEVELOPMENT		
DINAH D. MCELFRESH, SUITE 1030N 1800 M ST., NW WASHINGTON DC 20036	HAUCK & ASSOCIATES (FOR: NATIONAL ASSN OF CHILD CARE MANAGEMENT)		
ROBERT H. MCFADDEN, 1620 EYE STREET, NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC		
JOSEPH M. MCGARRY, MUNSON ROAD FARMINGTON CT 06032	HEUBLEIN, INC	16,120.00	4,437.81
PAUL J. MCGEADY, 475 RIVERSIDE DRIVE, #239 NEW YORK NY 10115	MORALITY IN MEDIA, INC	82.40	
DONNA LEE MCGEE, 1800 M STREET,N.W. #870-S WASHINGTON DC 20036	BURLINGTON INDUSTRIES, INC		
P. ANNE MCGHEE, 1750 K ST., NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	450.00	
ROBERT M. MCGLOTTEN, 815 16TH ST., NW WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	16,446.56	1,125.65
PHYLLIS M. MCGOVERN, 1875 EYE STREET, NW, #800 WASHINGTON DC 20006	TOBACCO INSTITUTE		
JEANNE H. MCGOWAN, 1025 CONNECTICUT AVENUE, NW, #415 WASHINGTON DC 20036	AMERICAN INSURANCE ASSN		
JEROME J. MCGRATH, 1660 L ST., NW, #601 WASHINGTON DC 20036	INTERSTATE NATURAL GAS ASSOCIATION OF AMERICA	500.00	
JOSEPH M. MCGUIRE, 1501 WILSON BLVD. ARLINGTON VA 22209	AIR CONDITIONING & REFRIGERATION INSTITUTE		
PETER E. MCGUIRE, 400 FIRST ST., NW WASHINGTON DC 20001	NATIONAL ASSN OF RETIRED & VETERAN RAILWAY EMPLOYEES	4,999.98	
MCHALE COOK & WELCH, P.C., 1122 CHAMBER OF COMMERCE BUILDING INDIANAPOLIS IN 46204	ESTATE OF MABEL R. LADD		20.00
MCHENRY & STAFFIER, P.C., SUITE 408 1300 19TH STREET, NW WASHINGTON DC 20036	FOOTHILLS PIPE LINES (YUKON) LTD		
Do	NOVA, AN ALBERTA CORP		
Do	NOVACOR CHEMICALS, LTD	600.00	
Do	PAN-ALBERTA GAS LTD		
CLARENCE M. MCINTOSH JR., 400 FIRST ST., NW WASHINGTON DC 20001	RAILWAY LABOR EXECUTIVES' ASSN	1,307.57	
DENNIS MCINTOSH, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	1,500.00	554.51
ROBERT MCINTYRE, ROOM 200 2020 K ST., NW WASHINGTON DC 20006	CITIZENS FOR TAX JUSTICE	7,150.26	16.00
WILLIAM F. MCKENNA, SUITE 500 2301 M ST., NW WASHINGTON DC 20037	HOUSLEY, GOLDBERG & KANTARIAN, P.C		
JAN E. MCKENZIE, 1111 19TH ST., NW SUITE 702 WASHINGTON DC 20036	ALLIED-GENERAL NUCLEAR SERVICES	2,055.49	570.95
ROBERT T. MCKERNAN, 1619 MASSACHUSETTS AVENUE, N.W. WASHINGTON DC 20036	AMERICAN PAPER INST, INC	250.00	
WILLIAM COLM MCKEVENY, 30 ROCKEFELLER PLAZA NEW YORK NY 10112	AMERICAN PULPWOOD ASSN		
JAMES D. MCKEVITT, SUITE 695 600 MARYLAND AVE., SW WASHINGTON DC 20024	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	2,250.00	200.00
C. A. 'MACK' MCKINNEY, 219 NORTH WASHINGTON STREET ALEXANDRIA VA 22314	NON COMMISSIONED OFFICERS ASSN OF THE USA	7,970.11	19,043.73
THOMAS I. MCKNEW JR., 1100 CONNECTICUT AVENUE, NW, #840 WASHINGTON DC 20036	SANTA FE SOUTHERN PACIFIC CORP	1,500.00	
JAMES D. MCLAUGHLIN, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN		
MICHAEL R. MCLEOD, SCOTT HARRISON & MCLEOD 2501 M ST., NW WASHINGTON DC 20037	AMERICAN ASSN OF CROP INSURERS		
Do	CHICAGO BOARD OF TRADE		
Do	LEAF TOBACCO EXPORTERS ASSN		
Do	UNITED EGG PRODUCERS		
WILLIAM F. MCMANUS, 1331 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	GENERAL ELECTRIC CO	565.00	
JAMES D. MCMILLAN, 1899 L ST., NW, #1100 WASHINGTON DC	EXXON CORPORATION	125.00	44.23
KURT CHARLES MCMILLAN, 1010 WISCONSIN AVENUE, NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC		
KATHRYN M. MCNAMARA, 633 PENNSYLVANIA AVENUE, NW, #600 WASHINGTON DC 20004	SEARS ROEBUCK & CO	25.00	5.00
LARAMIE FAITH MCNAMARA, SUITE 2700 1000 WILSON BLVD. ARLINGTON VA 22209	TRW, INC	1,000.00	
PATRICK H. MCNAMARA, 1800 M STREET, NW, #700 SOUTH WASHINGTON DC 20036	DOW CHEMICAL, U.S.A		
PETER F. MCNEISH, 1156 15TH STREET, NW, #1101 WASHINGTON DC 20005	NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS	2,000.00	
MICHAEL J. MCSHANE, 1200 NEW HAMPSHIRE AVENUE, NW, #320 WASHINGTON DC 20036	TECHNOLOGY FOR ENERGY CORP		
ROBERT MCVICKER, 2421 CAVENDISH DR. ALEXANDRIA VA 22309	KOLLSMAN INSTRUMENT CO		
JOHN K. MEAGHER, 1155 15TH ST.,N.W. SUITE 1004 WASHINGTON DC 20005	LTV CORPORATION	2,500.00	670.00
JOSEPH J. MEDER, SUITE 1100 1050 17TH ST., NW WASHINGTON DC 20036	INTERLAKE, INC		
MEDTRONIC, INC, 3055 OLD HIGHWAY 8 P.O. BOX 1453 MINNEAPOLIS MN 55440			429.10
WILLIAM H. MEGONNELL, 1111 19TH ST., NW, 9TH FLOOR WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	591.65	233.87
RICHARD A. MEHLER, 1742 N ST., NW WASHINGTON DC 20036	AUTOMOTIVE PARTS REBUILDERS ASSN		
LARRY MEHLHAFF, 23 N. SCOTT SHERIDAN WY 82801	SIERRA CLUB	6,500.00	873.41
MICHELLE MEIER, 2001 S STREET, NW, #520 WASHINGTON DC 20009	CONSUMERS UNION OF U.S., INC	1,000.00	
MENDELSOHN ASSOCIATES, INC., 1826 JEFFERSON PLACE, NW, #101 WASHINGTON DC 20036	AMERICAN PRESIDENT LINES		
Do	WOLF TRAP FOUNDATION FOR THE PERFORMING ARTS		
EDWARD L. MENNING, 1522 K STREET N.W. SUITE 836 WASHINGTON DC 20005	NATIONAL ASSN OF FEDERAL VETERINARIANS		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
CHARLES L. MERIN, 1875 I STREET, NW, #800 WASHINGTON DC 20006	TOBACCO INSTITUTE	2,500.00	1,242.76
EDWARD A. MERLIS, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN	2,307.69	
EDWARD L. MERRIGAN, 6000 CONNECTICUT AVE., NW WASHINGTON DC 20815	CENTRAL GULF LINES, INC		
Do	GOVERNMENT OF PUERTO RICO		
Do	NATIONAL ASSN OF RECYCLING INDUSTRIES, INC		8,500.00
MERRILL LYNCH & CO., INC., SUITE 906 1828 L STREET, NW WASHINGTON DC 20036	MARCH OF DIMES BIRTH DEFECTS FOUNDATION		
NANCY JO MERRILL, SUITE 600 1707 H ST., NW WASHINGTON DC 20006	CITIES SERVICE OIL & GAS CORP		
JEAN L. MESTRES, 1747 PENNSYLVANIA AVENUE, NW, #300 WASHINGTON DC 20006	STRASBURGER & PRICE (FOR: DALLAS/FT. WORTH REGIONAL AIRPORT BOARD)	410.00	
WILLIAM M. METHENITIS, 1200 ONE MAIN PLACE DALLAS TX 75250	MELEX USA, INC		
METZGER SHADYAC & SHCWARZ, 1275 K ST., NW WASHINGTON DC 20005			
CHRISTOPHER L. MEYER, P.O. BOX 888 ASHLAND KY 41101	ALUMINUM ASSN		
M. BARRY MEYER, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	FERTILIZER INSTITUTE	8,333.00	411.02
LARRY D. MEYERS, 412 FIRST STREET, SE WASHINGTON DC 20003	NATIONAL ASSN OF MANUFACTURERS		
ANN A. MICHEL, 1776 F STREET, NW WASHINGTON DC 20006	SOUTHERN CALIFORNIA EDISON CO	3,750.00	1,500.00
THOMAS A. MICHELETTI, 1111 19TH STREET, NW, #303 WASHINGTON DC 20036	AMERICAN NURSES' ASSN	4,410.13	243.21
KATHLEEN MICHELS, 1101 14TH STREET, NW, #200 WASHINGTON DC 20005	NATIONAL CATTLEMEN'S ASSN	1,000.00	
RONALD A. MICHIELI, SUITE 1032 425 13TH ST., NW WASHINGTON DC 20004		12,500.00	3,865.00
MID CONTINENT WILDCATTERS ASSN., 200 DOUGLAS BLDG. WICHITA KS 67202		245.50	10,089.88
MID-CONTINENT OIL & GAS ASSN, 711 ADAMS OFFICE BLDG. TULSA OK 74103	AMALGAMATED CLOTHING & TEXTILE WORKERS UNION	3,412.50	7.20
PAUL J. MIGNINI SR., 815 16TH STREET, NW, #310 WASHINGTON DC 20006	CLAYMARK CORPORATION		
MILBANK TWEED HADLEY & MCCLOY, 1825 EYE STREET, NW, #900 WASHINGTON DC 20006	JOINT TASK FORCE ON FEDERAL FINAN. ASSIST. FOR LAW STUDENTS		
Do	BLACK AND DECKER MANUFACTURING COMPANY		
MILES & STOCKBRIDGE, SUITE 500 1701 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	PEPSICO, INC		
Do	PIZZA HUT, INC		270.00
Do	ASSOCIATION OF AMERICAN PUBLISHERS	850.00	75.90
ROY H. MILLENSON, 2005 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	HALLMARK CARDS, INC		
MILLER & CHEVALIER, CHARTERED, METROPOLITAN SQUARE 655 15TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF TEMPORARY SERVICES, INC		
Do	TOSCO CORPORATION	1,500.00	49.70
MILLER ASSOCIATES, INC., 2500 QUE ST.,NW WASHINGTON DC 20007	47TH STREET PHOTO		1,225.00
MILLER CASSIDY LARROCA & LEWIN, SUITE 500 2555 M ST., NW WASHINGTON DC 20037	GULF INTRACOASTAL CANAL ASSN		
DALE MILLER, 4000 RENO ROAD, NW WASHINGTON DC 20008	TEXASGULF, INC		
Do	CHASE MANHATTAN BANK, N.A.		
DAVID H. MILLER, 900 17TH STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
DEBORAH IMLE MILLER, 15TH & M STS., NW WASHINGTON DC 20005	LTV AEROSPACE & DEFENSE CO	2,500.00	125.00
GRANT MILLER, 1725 JEFFERSON DAVIS HIGHWAY, #900 ARLINGTON VA 22202	OCCIDENTAL CHEMICAL CORP	227.00	52.33
HARRIS C. MILLER, 1747 PENNSYLVANIA AVENUE, #300 WASHINGTON DC 20006	NATIONAL GRANGE	3,462.50	
JAMES C. MILLER, 1616 H ST, NW WASHINGTON DC 20006	STANDARD OIL CO (OHIO)		
JOHN R. MILLER, 1750 MIDLAND BUILDING CLEVELAND OH 44115	AMERICAN LEGION	6,658.00	53.00
JOSEPH E. MILLER JR., 1608 K STREET, NW WASHINGTON DC 20006	AMERICAN NURSES' ASSN	3,836.64	293.15
RICHARD G. MILLER, 1101 14TH STREET, NW, #200 WASHINGTON DC 20005	TENNECO INC		
ROBERT H. MILLER, 490 L'ENFANT PLAZA EAST, SW, #2202 WASHINGTON DC 20024	ALLIANCE TO SAVE ENERGY		
ROBIN MILLER, 1925 K STREET, NW WASHINGTON DC 20006	AMERICAN METAL DETECTORS MANUFACTURERS, INC		
STEVEN T. MILLER, 1607 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20009	AUTO INTERNACIONAL ASSN	150.00	84.99
Do	COALITION OF AUTOMOTIVE ASSNS		
Do	SPECIALTY EQUIPMENT MARKET ASSN	990.00	463.60
Do	AMERICAN MALTING BARLEY ASSN, INC		
W. KIRK MILLER, 735 NORTH WATER STREET, #908 MILWAUKEE WI 53202	AMERICAN TELEPHONE & TELEGRAPH CO	2,200.00	
C.G. PETE MILLIGAN, 4360 N.E. JOE'S POINT STUART FL 33494	SOUTHEASTERN LUMBER MANUFACTURERS ASSN		
JOHN C. MILLINER P.O. BOX 1788 FOREST PARK GA 30051	TOBACCO INSTITUTE		
JOHN F. MILLS, 1875 I ST., NW WASHINGTON DC 20006	U.S. DEFENSE COMMITTEE	600.00	
ROBERT G. MILLS, 3238 WYNFORD DRIVE FAIRFAX VA 22031		150.00	62.88
MINERAL EXPLORATION COALITION, INC, P.O. BOX 15638 LAKEWOOD CO 80215			
MINING & RECLAMATION COUNCIL OF AMERICA, 1575 I STREET, NW, #525 WASHINGTON DC 20005		4,833.19	5,033.11
MINNESOTANS FOR PEACE IN CENTRAL AMERICA, 920 NICOLLET MALL, RM. 300 MINNEAPOLIS MN 55402	AMERICAN NUCLEAR ENERGY COUNCIL	1,000.00	52.15
THOMAS B. MIRANDA, 410 FIRST ST., SE WASHINGTON DC 20003	POTOMAC ELECTRIC POWER CO		
EDWARD F. MITCHELL, 1900 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20068	COMMODITY EXCHANGE, INC		
JOANNE MITCHELL, 2020 K STREET, NW, #435 WASHINGTON DC 20006	GEORGIA-PACIFIC CORP		
THOMAS F. MITCHELL, 1875 EYE ST., NW, #400 WASHINGTON DC 20006	E. I. DU PONT DE NEMOURS & CO		
STACEY J. MOBLEY, 1701 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	MARITIME INSTITUTE FOR RESEARCH & INDUSTRIAL DEVELOPMENT	500.00	616.49
TERRENCE W. MODGLIN & ASSOCIATES, 810 18TH ST., NW, #705 WASHINGTON DC 20006	AMERICAN INST OF MERCHANT SHIPPING		
TERRENCE W. MODGLIN, 810 18TH ST., NW, #705 WASHINGTON DC 20006	TERRENCE W. MODGLIN & ASSOCIATES (FOR: MARITIME INSTITUTE FOR RESEARCH & INDUSTRIAL DEVELOPMENT)	500.00	
Do	E. I. DU PONT DE NEMOURS & CO		
DAVID T. MODI, 1701 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	GENERAL ELECTRIC CO		
ROBERT M. MOLITER, 1331 PENNSYLVANIA AVE., NW, #865 WASHINGTON DC 20004	AMALGAMATED TRANSIT UNION, AFL-CIO	5,000.00	109.05
ROBERT A. MOLOFSKY, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	60.00	
MICHAEL J. MOLONY, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN MEAT INSTITUTE	1,000.00	
C. MANLY MOLPUS, P.O. BOX 3556 WASHINGTON DC 20007	AMERICAN WATERWAYS OPERATORS, INC		
HERMAN J. MOLZAHN, 1600 WILSON BLVD., #1101 ARLINGTON VA 22209	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
CHRISTOPHER MONEK, 1957 E ST., NW WASHINGTON DC 20006	TRW, INC	1,000.00	
MICHAEL MONRONEY, SUITE 2700 1000 WILSON BLVD. ARLINGTON VA 22209	FEDERATION OF AMERICAN CONTROLLED SHIPPING	200.00	
STEVEN M. MOODIE, 910 16TH STREET ROOM 302 WASHINGTON DC 20006			
D. MOODY & CO, INC, P.O. BOX 55389 TULSA OK 74155	NATIONAL CABLE TELEVISION ASSN, INC	3,666.67	
JAMES P. MOONEY, 1724 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	SANTA FE INDUSTRIES, INC	1,000.00	
ALAN J. MOORE, SUITE 840, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	WASTE MANAGEMENT, INC	5,000.00	1,364.86
FRANCIS B. MOORE, 3003 BUTTERFIELD ROAD OAK BROOK IL 60521	NATIONAL ASSN OF MANUFACTURERS	250.00	
JANIS E. MOORE, 1776 F ST., NW WASHINGTON, DC 20006	GREATER PROVIDENCE CHAMBER OF COMMERCE		
WILLIAM D. MOORE, 10 DORRANCE STREET PROVIDENCE RI 02903		91.73	91.73
MORALITY IN MEDIA, INC., 475 RIVERSIDE DRIVE SUITE 239 NEW YORK NY 10115	CONGOLEUM CORPORATION	1,000.00	559.61
VINCENT L. MORELLI, SUITE 880 555 NEW JERSEY AVE., NW WASHINGTON DC 20001	SOUTHERN FOREST PRODUCTS ASSN	10,000.02	
DUDLEY DIGGES MORGAN III, 4900 BARONNE NEW ORLEANS LA 70115	AMERICAN MINING CONGRESS		
E. JOYCE MORGAN, 1920 N ST., NW WASHINGTON DC 20036	COMMUNICATIONS WORKERS OF AMERICA		
JOHN MORGAN, 1925 K ST., NW WASHINGTON DC 20006	COMMITTEE FOR CAP FORMATION THROUGH DIVIDEND REINVESTMENT		
MORGAN LEWIS & BOCKIUS, SUITE 800 NORTH 1800 M ST., NW WASHINGTON DC 20036	CONSOLIDATED NATURAL GAS CO		
Do	KNOLL FINE CHEMICALS, INC		
Do	CHAMBER OF COMMERCE OF THE U.S.	3,750.00	133.56
JEANNE MORIN, 1615 H STREET, NW WASHINGTON DC 20062	SOCIETY OF REAL ESTATE APPRAISERS		
ROBERT E. MORIN, 600 NEW HAMPSHIRE AVENUE, NW, #354 WASHINGTON DC 20037	SCOTT PAPER COMPANY	2,250.00	252.00
JAMES A. MORRILL, SCOTT PLAZA I PHILADELPHIA PA 19113	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
MARTIN S. MORRIS, 1957 E STREET, NW WASHINGTON DC 20006	SECURITY PACIFIC NATIONAL BANK		
TESSA MORRIS, 1819 L STREET, NW, #800 WASHINGTON DC 20036	SHIPBUILDERS COUNCIL OF AMERICA		
W. PATRICK MORRIS, 1110 VERMONT AVENUE, NW WASHINGTON DC 20005	BUSINESS EXECUTIVES FOR NATIONAL SECURITY	2,875.00	531.76
JAMES MORRISON, 21 DUPONT CIRCLE, NW, #401 WASHINGTON DC 20036	AMERICAN CONSULTING ENGINEERS COUNCIL	750.00	
JULIAN K. MORRISON III, 1015 15TH STREET, NW, #802 WASHINGTON DC 20005	MEAT IMPORTERS COUNCIL OF AMERICA, INC	875.00	
WILLIAM C. MORRISON, 2001 NORTH ADAMS ST. ARLINGTON VA 22201	BENEFICIAL MANAGEMENT CORPORATION OF AMERICA	540.00	
VALERIE T. MORSE, 453 NEW JERSEY AVE., SE WASHINGTON DC 20003	GODFREY ASSOCIATES, INC		
MICHAEL L. MORTON, 918 16TH STREET, NW, #501 WASHINGTON DC 20006	ITALIAN AEROSPACE INDUSTRIES (U.S.A.), INC		
FRANK D. MORUZZI, SUITE 500 1235 JEFFERSON DAVIS HIGHWAY ARLINGTON VA 22202	COALITION OF HIGHER EDUCATION ASSISTANCE ORGANIZATIONS		
JOHN H. MOSEMAN, 11224 LEATHERWOOD DR. RESTON VA 22091	M/A-COM, INC	1,300.00	
GEORGE R. MOSES, 1341 G STREET, NW, #202 WASHINGTON DC 20005	AMERICAN BOILER MANUFACTURERS ASSN, INC		
RUSSELL N. MOSHER, SUITE 160 950 N. GLEBE RD. ARLINGTON VA 22203	CROWN ZELLERBACH CORPORATION		
SOL MOSHER, 1660 L ST., NW, #215 WASHINGTON DC 20036	ASSOCIATION OF BANK HOLDING COS	900.00	
MOSS ASSOCIATES, INC, 2440 VIRGINIA AVENUE, NW WASHINGTON DC 20037	INTERNORTH	2,000.00	
LYNN E. MOTE, 1015 15TH ST., NW, #900 WASHINGTON DC 20005		13,102.08	13,102.08
MOTION PICTURE ASSN OF AMERICA, INC, 1600 EYE STREET, NW WASHINGTON DC 20006	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	2,250.00	200.00
JOHN J. MOTLEY, SUITE 695 600 MARYLAND AVE., SW WASHINGTON DC 20024		2,000.00	164.09
MOTOR AND EQUIPMENT MANUFACTURERS ASSOCIATION, 1120 19TH ST., NW SUITE 333 WASHINGTON DC 20036		1,558.70	1,558.70
MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC., 300 NEW CENTER BLDG. DETROIT MI 48202	PUBLIC SERVICE COMPANY OF NEW MEXICO	10,005.00	218.82
MOUNTAIN WEST ASSOCIATES, SUITE 880 2121 K ST., NW WASHINGTON DC 20037	UTAH POWER & LIGHT CO	22,622.99	5,488.53
Do	BASIN ELECTRIC POWER COOPERATIVE		
MUDGE ROSE GUTHRIE ALEXANDER & FERNDON, 2121 K STREET, NW WASHINGTON DC 20037	ORGANIZATION OF CHINESE AMERICANS		
HENRY K. MUI, 2025 EYE STREET, NW, #926 WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
JAMES MULAR, 815 16TH ST., NW WASHINGTON DC 20006			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
RICHARD J. MULLER, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	CHRYSLER CORPORATION	2,000.00	105.00
ALBERT E. MULLIN JR , 111 POWDERMILL RD. (B79) MAYNARD MA 01754	DIGITAL EQUIPMENT CORPORATION	6,000.00	
TRACY MULLIN, 1000 CONNECTICUT AVE., NW, #700 WASHINGTON DC 20036	NATIONAL RETAIL MERCHANTS ASSN	160.00	20.00
ROBERT J. MULLINS, SUITE 202-W 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	FARMERS' EDUCATIONAL & CO-OPERATIVE UNION OF AMERICA	7,680.00	
W. H. L. MULLINS, 1745 JEFFERSON DAVIS HIGHWAY, #1000 ARLINGTON VA 22202	GENERAL DYNAMICS	1,000.00	232.35
MULTIFAMILY HOUSING ASSOCIATION, C/O LIZ ARCURI 1220 19TH ST., NW, #400 WASHINGTON DC 20036			
MURPHY & DAVENPORT, 711 CAPITOL WAY OLYMPIA WA 98501	STATE OF NEVADA, NUCLEAR WASTE PROJECT OFFICE		
JOHN P. MURPHY, 1828 L STREET, NW, #710 WASHINGTON DC 20036	STAUFFER CHEMICAL CO	2,800.00	524.10
PAUL T. MURPHY, SUITE 514 900 17TH ST., NW WASHINGTON DC 20006	NATIONAL FOREIGN TRADE COUNCIL, INC	5,000.00	634.00
RICHARD E. MURPHY, 2020 K ST., NW, #200 WASHINGTON DC 20006	SERVICE EMPLOYEES INTL UNION, AFL-CIO	4,000.00	
RICHARD W. MURPHY, 1401 NEW YORK AVENUE, NW, #400 WASHINGTON DC 20005	NATIONAL FOOD PROCESSORS ASSN		
MURRAY & SCHEER, SUITE 695 2550 M ST., NW WASHINGTON DC 20037	CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC RAILROADS	400.00	
Do	CLEVELAND CLIFFS IRON CO	250.00	
Do	CONNECTICUT MUTUAL LIFE INSURANCE CO	500.00	
Do	IRON ORE LESSORS ASSN, INC	250.00	
Do	LTV CORPORATION	450.00	
Do	MASSACHUSETTS MUTUAL LIFE INSURANCE CO	500.00	
Do	MUTUAL BENEFIT LIFE	500.00	
Do	NATIONAL BUSINESS AIRCRAFT ASSN	500.00	
Do	NATIONAL COUNCIL OF COAL LESSORS	300.00	
Do	NEW ENGLAND MUTUAL LIFE INSURANCE CO	500.00	
Do	PENN MUTUAL LIFE INSURANCE CO	500.00	
Do	SWAZILAND SUGAR ASSN	500.00	
DANIEL H. MURRAY, 1828 L STREET, NW WASHINGTON DC 20036	GTE SPRINT COMMUNICATIONS CORP	16,250.00	980.00
GORDON L. MURRAY, SUITE 1002 1911 JEFFERSON DAVIS HIGHWAY ARLINGTON VA 22202	LEAR SIEGLER, INC./ENERGY PRODUCTS DIV	78.00	78.00
JAMES E. MURRAY, ONE FARRAGUT SQUARE SOUTH WASHINGTON DC 20006	BROWN WOOD IVEY MITCHELL & PETTY (FOR: NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS, ET AL).		
WILLIAM E. MURRAY, 1800 MASS. AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	179.50	
LAWRENCE P. MUTTER, 6849 OLD DOMINION DR. MCLEAN VA 22102	AUTOMOTIVE PARTS REBUILDERS ASSN		
FRED J. MUTZ, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	3,000.00	
PAUL J. MYER, 1150 17TH ST., NW, 11TH FLOOR WASHINGTON DC 20036	AMERICAN BROADCASTING CO, INC		
GARY D. MYERS, 1015 18TH STREET, NW WASHINGTON DC 20036	FERTILIZER INSTITUTE	4,500.00	
ALAN Y. NAFTALIN, 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	KOTEEN & NAFTALIN (FOR: ALASCOM, INC)		
Do	KOTEEN & NAFTALIN (FOR: TELEPHONE & DATA SYSTEMS, INC)		
LINDA K. NAIDA, 1616 H STREET, NW WASHINGTON DC 20006	NATIONAL GRANGE	937.50	
PETER A. NALEWAIK, 4 WORLD TRADE CENTER NEW YORK NY 10048	COFFEE, SUGAR & COCOA EXCHANGE, INC		
JOHN L. NAPIER, NAPIER AND JENNINGS P.O. DRAWER 995 BENNETTSVILLE SC 29512	BEVERIDGE & DIAMOND, PC (FOR TEXAS OIL & GAS)		
Do	DARE COUNTY OREGON INLET COMMISSION	6,000.00	1,297.69
Do	FLUE CURED TOBACCO STABILIZATION CORPORATION		
Do	NATIONAL BEER WHOLESALERS' ASSN OF AMERICA, INC		626.32
FRANCES E NATHAN, 455 FIFTH AVENUE NEW YORK NY 10016	NEW YORK PUBLIC LIBRARY	5,021.00	
HARDY L. NATHAN, 1750 K ST., NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	900.00	
RAYMOND NATHAN, 4242 EAST-WEST HWY CHEVY CHASE MD 20815	AMERICAN ETHICAL UNION	600.00	152.28
NATIONAL AGRICULTURAL CHEMICALS ASSN, 1155 15TH ST., NW WASHINGTON DC 20005			
NATIONAL AIR CARRIER ASSN, SUITE 710 1730 M ST., NW WASHINGTON DC 20036			
NATIONAL ASSN FOR NEIGHBORHOOD SCHOOLS, INC, 335 LOCUST ST. PITTSBURGH PA 15218		2,155.30	2,245.62
NATIONAL ASSN FOR UNIFORMED SERVICES, 5535 HEMPSTEAD WAY SPRINGFIELD VA 22151		2,366.65	2,377.39
NATIONAL ASSN OF AIR TRAFFIC SPECIALISTS, SUITE 415 WHEATON PLAZA NORTH WHEATON MD 20902			18,781.93
NATIONAL ASSN OF AIRCRAFT & COMMUNICATIONS SUPPLIERS, INC, 23871 MADISON TORRANCE CA 90505		2,000.00	10.00
NATIONAL ASSN OF CATALOG SHOWROOM MERCHANDISERS, 276 FIFTH AVENUE NEW YORK NY 10021			2,900.00
NATIONAL ASSN OF CHAIN DRUG STORES, INC, P.O. BOX 1417-D49 ALEXANDRIA VA 22313			17.90
NATIONAL ASSN OF FEDERAL VETERINARIANS, SUITE 836 1522 K ST., NW WASHINGTON DC 20005			2,200.00
NATIONAL ASSN OF HOMES FOR CHILDREN, C/O TALCOTT, MCCABE & ASSOCIATES 600 MARYLAND AVE., SW, 302 W. WING WASHINGTON DC 20024.			
NATIONAL ASSN OF INSURANCE BROKERS, INC, SUITE 700 311 FIRST STREET, NW WASHINGTON DC 20001			
NATIONAL ASSN OF MANUFACTURERS, 1776 F ST., NW WASHINGTON DC 20006		56,126.17	56,126.17
NATIONAL ASSN OF MUTUAL INSURANCE COS., 3707 WOODVIEW TRACE P.O. BOX 68700 INDIANAPOLIS IN 46268			701.56
NATIONAL ASSN OF PENSION CONSULTANTS & ADMINISTRATORS, INC, SUITE 300 3 PIEDMONT CENTER ATLANTA GA 30305		1,437.35	1,437.35
NATIONAL ASSN OF PLUMBING-HEATING-COOLING CONTRACTORS, P.O. BOX 6806 FALLS CHURCH VA 22046			3,000.00
NATIONAL ASSN OF REAL ESTATE INVESTMENT TRUSTS, INC., 1101 17TH ST., NW SUITE 700 WASHINGTON DC 20036		65,321.50	5,985.00
NATIONAL ASSN OF STEVEDORES, 2011 I STREET, NW, #601 WASHINGTON DC 20006		37,638.00	
NATIONAL ASSN OF TEMPORARY SERVICES, INC, 119 SOUTH SAINT ASAPH STREET ALEXANDRIA VA 22314			2,681.70
NATIONAL ASSN OF WHEAT GROWERS, SUITE 300 415 2ND ST., NE WASHINGTON DC 20002		13,518.38	4,156.97
NATIONAL AUDIO-VISUAL ASSN, INC, 3150 SPRING ST. FAIRFAX VA 22031		1,750.00	1,750.00
NATIONAL BROILER COUNCIL, 1155 15TH ST., NW WASHINGTON DC 20005			
NATIONAL BUSINESS AIRCRAFT ASSN, ONE FARRAGUT SQUARE SOUTH WASHINGTON DC 20006		14,142.37	14,142.37
NATIONAL CABLE TELEVISION ASSN, INC, 1724 MASSACHUSETTS AVE., NW WASHINGTON DC 20036			4,000.00
NATIONAL CATTLEMEN'S ASSN, 5420 S. QUEBEC ST. P.O. BOX 3469 ENGLEWOOD CO 80155			
NATIONAL CITIZENS COMMUNICATIONS LOBBY, P.O. BOX 1876 IOWA CITY IA 52244		1,291,153.00	15,070.00
NATIONAL COAL ASSN, COAL BLDG. WASHINGTON DC 20036		1,735.00	17,677.64
NATIONAL COALITION FOR LOWER PRICES, 276 FIFTH AVE. NEW YORK NY 10001			
NATIONAL COMM FOR CITIZENS IN EDUCATION, SUITE 410 WILDE LAKE VILLAGE GREEN COLUMBIA MD 21044			
NATIONAL COMM ON SMALL ISSUE INDUSTRIAL DEVELOPMENT BONDS, BOX 1, 900 SOUTH 1800 M ST., NW WASHINGTON DC 20036.			
NATIONAL COMM TO PRESERVE SOCIAL SECURITY & MEDICARE, 1300 19TH STREET, NW, #310 WASHINGTON DC 20036		295,382.00	295,379.00
NATIONAL COMMERCIAL FINANCE ASSOCIATION, ONE PENN PLAZA NEW YORK NY 10001			
NATIONAL COTTON COUNCIL OF AMER, P.O. BOX 12285 MEMPHIS TN 38182		5,464.04	5,464.04
NATIONAL COUNCIL OF AGRICULTURAL EMPLOYERS, 499 S. CAPITOL ST, SW #411 WASHINGTON DC 20003		700.00	5,750.00
NATIONAL COUNCIL OF SAVINGS INSTITUTIONS, SUITE 400 1101 15TH ST., NW WASHINGTON DC 20005		3,039,667.51	
NATIONAL COUNCIL ON SYNTHETIC FUELS PRODUCTION, 1301 PENNSYLVANIA AVE., NW, #325 WASHINGTON DC 20006		5,866.67	5,866.67
NATIONAL ELECTRICAL MFGRS ASSN, 2101 L ST., NW WASHINGTON DC 20037		121.18	121.18
NATIONAL EMPLOYEE BENEFITS INST, SUITE 303 2550 M ST., NW WASHINGTON DC 20037		210.75	
NATIONAL FEDERATION OF COMMUNITY DEVELOPMENT CREDIT UNIONS, 29 JOHN STREET, #903 NEW YORK NY 10038			
NATIONAL FEDERATION OF FEDERAL EMPLOYEES, 1016 16TH ST., NW WASHINGTON DC 20036		23,111.49	23,111.49
NATIONAL FEDERATION OF INDEPENDENT BUSINESS, 150 W. 20TH AVE. SAN MATEO CA 94403		16,050.00	16,050.00
NATIONAL FERTILIZER SOLUTIONS ASSN, 8823 NORTH INDUSTRIAL ROAD PEORIA IL 61615		2,713.63	2,713.63
NATIONAL FOOD PROCESSORS ASSN., 1401 NEW YORK AVENUE, NW, #400 WASHINGTON DC 20005		1,495.05	1,495.05
NATIONAL FOREIGN TRADE COUNCIL, INC, 100 EAST 42ND ST. NEW YORK NY 10017		8,624.00	8,624.00
NATIONAL GRAIN & FEED ASSN, 725 15TH ST., NW WASHINGTON DC 20005			
NATIONAL GRANGE, 1616 H ST., NW WASHINGTON DC 20006		12,500.00	10,022.50
NATIONAL GUARD ASSN OF THE U.S., ONE MASSACHUSETTS AVE., NW WASHINGTON DC 20001		120,905.00	
NATIONAL INDUSTRIAL TRANSPORTATION LEAGUE, SUITE 410 1090 VERMONT AVE., NW WASHINGTON DC 20005		12,000.00	11,271.21
NATIONAL LIMESTONE INSTITUTE, INC, 1840 WILSON BLVD., #203 ARLINGTON VA 22201		20,573.43	20,573.43
NATIONAL MILK PRODUCERS FED, 1840 WILSON BLVD. ARLINGTON VA 22201		7,750.18	7,750.18
NATIONAL MOTORSPORTS COMM OF ACCUS, 1500 SKOKIE BOULEVARD, #101 NORTHBROOK IL 60062		12.65	
NATIONAL MULTI HOUSING COUNCIL, 1150 17TH STREET, NW, #306 WASHINGTON DC 20036			6,581.42
NATIONAL OFFICE MACHINE DEALERS ASSOCIATION, 810 LIVELY BLVD., P.O. BOX 707 WOOD DALE IL 60191	NATIONAL OFFICE MACHINE DEALERS ASSOCIATION	25.00	.50
NATIONAL PARKING ASSOCIATION, 1112 16TH ST., NW WASHINGTON DC 20036			31,311.32
NATIONAL PEST CONTROL ASSN, 8100 OAK ST. DUNN LORING VA 22027			
NATIONAL PRINTING EQUIPMENT & SUPPLIES ASSN, INC, 6849 OLD DOMINION DRIVE, #200 MCLEAN VA 22101			
NATIONAL PUBLIC AFFAIRS CORP., 900 17TH STREET, NW WASHINGTON DC 20006	WESTINGHOUSE ELECTRIC CORP	300.00	
NATIONAL REALTY COMMITTEE, 2033 M ST., NW WASHINGTON DC 20036		1,737.00	1,737.00
NATIONAL RETAIL MERCHANTS ASSN, 1000 CONNECTICUT AVENUE, NW WASHINGTON DC 20036			2,300.00
NATIONAL RIGHT TO WORK COMM, SUITE 600 8001 BRADDOCK RD. SPRINGFIELD VA 22160		8,539.86	8,539.86
NATIONAL RURAL ELECTRIC COOPERATIVE ASSN, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036			5,212.76
NATIONAL RURAL LETTER CARRIERS' ASSN, SUITE 100 1448 DUKE STREET ALEXANDRIA VA 22314		10,586.00	16,440.00
NATIONAL SECURITY TRADERS ASSN, INC, SUITE 4511 ONE WORLD TRADE CENTER NEW YORK NY 10048			4,375.00
NATIONAL SMALL BUSINESS ASSN, 1604 K ST., NW WASHINGTON DC 20006		5,000.00	1,046.57
NATIONAL SMALL BUSINESS INDEX, R.R. #1 AITKIN MN 56431			
NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS, 1420 KING STREET ALEXANDRIA VA 22314		12,500.00	
NATIONAL SOFT DRINK ASSN, 1101 16TH ST., NW WASHINGTON DC 20036			42,950.77
NATIONAL SOLID WASTES MANAGEMENT ASSN, 10TH FLOOR 1730 RHODE ISLAND AVE., NW WASHINGTON DC 20036			
NATIONAL TAX LIMITATION COMMITTEE, 500 N. WASHINGTON ST., #201 FALLS CHURCH VA 22046			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
NATIONAL TIRE DEALERS & RETREADERS ASSN, 1250 EYE STREET, NW, #400 WASHINGTON DC 20005		6,325.00	6,325.00
NATIONAL VENTURE CAPITAL ASSOCIATION, SUITE 700 1655 N.LYNN ST. ARLINGTON VA 22209			9,096.00
NATIONAL-AMERICAN WHOLESALE GROCERS' ASSN, 201 PARK WASHINGTON COURT FALLS CHURCH VA 22046		9,000.00	9,000.00
KAREN J. NEALE, 2501 M STREET N.W. WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSOCIATION, INC.	300.00	
JEFFREY NEDELMAN, 1010 WISCONSIN AVENUE, NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC.	68.07	
ALLEN NEECE JR., 1050 17TH STREET, NW WASHINGTON DC 20036	NEECE, CATOR & ASSOCIATES, INC (FOR: ASSOCIATION OF SMALL BUSINESS DEVELOPMENT CENTERS).		
Do	NEECE, CATOR & ASSOCIATES, INC (FOR: NATIONAL VENTURE CAPITAL ASSOCIATION).		
Do	NEECE, CATOR & ASSOCIATES, INC (FOR: SMALL BUSINESS UNITED)		
NEECE CATOR & ASSOCIATES, INC, 1050 17TH STREET, NW WASHINGTON DC 20036	ASSOCIATION OF SMALL BUSINESS DEVELOPMENT CENTERS		
Do	NATIONAL ASSN OF BUSINESS DEVELOPMENT CORPS		
Do	NATIONAL ASSN OF DEVELOPMENT COMPANIES (NADCO)		
Do	NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS		
Do	NATIONAL VENTURE CAPITAL ASSOCIATION		
Do	SMALL BUSINESS UNITED		
Do	SOUTHEASTERN LUMBER MANUFACTURERS ASSN (SLMA)		
MARY ELIZABETH NEESE, 1101 15TH ST., NW, #400 WASHINGTON DC 20005	NATIONAL COUNCIL OF SAVINGS INSTITUTIONS		
STANLEY NEHMER, 1320 19TH STREET, NW, #600 WASHINGTON DC 20036	LEAD-ZINC PRODUCERS COMMITTEE	500.00	350.00
NEILL & COMPANY, INC, SUITE 400 900 17TH ST., NW WASHINGTON DC 20006	ARAB REPUBLIC OF EGYPT	180,000.00	2,650.00
Do	HASHEMITE KINGDOM OF JORDAN	110,000.00	250.00
Do	KINGDOM OF MOROCCO		1,850.00
NEILL MULLENHOLZ SHAW & SEEGER, SUITE 410 1100 17TH STREET, NW WASHINGTON DC 20036	NATIONAL COUNCIL SOCIAL SECURITY MANAGEMENT ASSNS, INC	2,000.00	350.00
Do	NATIONAL FARM & POWER EQUIPMENT DEALERS ASSN	1,500.00	
Do	SENIOR EXECUTIVES ASSN	5,000.00	190.00
NELSON & YUDIN, SUITE 500 1707 H ST., NW WASHINGTON DC 20006	BUS TRANSIT CAUCUS	1,150.00	65.87
Do	DIMENSION FINANCIAL CORP	700.00	
CAROLYN B. NELSON, #2 METROPLEX DR., SUITE 500 BIRMINGHAM AL 35209	METROPOLITAN PROPERTIES, INC		
E. COLETTE NELSON, 1004 DUKE ST. ALEXANDRIA VA 22314	AMERICAN SUBCONTRACTORS ASSN		
MARK D. NELSON, SUITE 900 1701 PENNSYLVANIA AVE., NW WASHINGTON DC 20036	E. I. DU PONT DE NEMOURS & CO		
THOMAS C. NELSON, 1920 N STREET,N.W. WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
A. S. NEMIR ASSOCIATES, 2501 M STREET, NW, #400 WASHINGTON DC 20037	BRAZILIAN SUGAR & ALCOHOL INSTITUTE		
NETWORK, 806 RHODE ISLAND AVE., NE WASHINGTON DC 20018		31,023.80	25,158.17
E. JOHN NEUMANN, SUITE 820 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	BALTIMORE GAS & ELECTRIC CO	1,420.12	1,258.01
NEW YORK COMM OF INTL COMM OF PASSENGER LINES, 74 TRINITY PLACE NEW YORK NY 10006			
MARY BENNETT NEWBOULD, 122 C STREET, NW, #875 WASHINGTON DC 20001	AMERICAN OSTEOPATHIC ASSN	1,800.00	
LESLIE F. NEWCOMER, 226 W. RITTENHOUSE SQUARE PHILADELPHIA PA 19103	PHILADELPHIA NATIONAL BANK	164.00	178.24
NEWMAN & HOLTZINGER, P.C., SUITE 1000 1615 L ST., NW WASHINGTON DC 20036	UTILITY NUCLEAR WASTE MANAGEMENT GROUP		
THOMAS E. NEWMAN, 1719 ROUTE 10 PARSIPPANY NJ 07054	NATIONAL ASSN OF MANUFACTURERS	250.00	
WILLIAM B. NEWMAN JR., P.O. BOX 23451 WASHINGTON DC 20024	CONSOLIDATED RAIL CORPORATION	4,150.00	
NICHOLAS JOHN NICHOLS, 1620 EYE ST., NW WASHINGTON DC 20006	AMERICAN INST OF CERTIFIED PUBLIC ACCOUNTANTS	1,000.00	875.00
THOMAS NICKELS, 1101 14TH STREET, NW, #200 WASHINGTON DC 20005	AMERICAN NURSES' ASSN	5,143.96	258.50
NICKERSON INGRAM & ASSOCIATES, INC, 1101 VERMONT AVE., NW, #210 WASHINGTON DC 20005	SYSTEMS CONTROL TECHNOLOGY, INC		
PATRICK J. NILAN, 817 14TH ST., NW WASHINGTON DC 20005	AMERICAN POSTAL WORKERS UNION, AFL–CIO	10,040.06	3,059.79
NISSAN MOTOR CORPORATION IN U.S.A., 1919 PENNSYLVANIA AVENUE, NW, #707 WASHINGTON DC 20006			
NIXON HARGRAVE DEVANS & DOYLE, 1090 VERMONT AVENUE, NW, #1200 WASHINGTON DC 20005	AMERICAN FREE TRADE ASSN, INC		
Do	BAUSCH & LOMB		
BARBARA D. NOCERA, 955 L'ENFANT PLAZA, SW # 905 WASHINGTON DC 20024	AMERICAN HONDA MOTOR CO, INC		
A. ALLAN NOE, 1828 L STREET, NW, #710 WASHINGTON DC 20036	STAUFFER CHEMICAL CO	1,500.00	1,491.16
ROBERT W. NOLAN, 1303 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	FLEET RESERVE ASSN	100.00	
WALKER F. NOLAN, 1111-19TH STREET,N.W. 9TH FLOOR WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	1,468.68	668.29
H. CHRISTOPHER NOLDE, 2501 M ST.,NW WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSOCIATION, INC	300.00	
NICHOLAS T. NONNENMACHER, 491 BROADWATER ARNOLD MD 21012	TERRENCE W. MODGLIN & ASSOCIATES (FOR: MARITIME INSTITUTE FOR RESEARCH & INDUSTRIAL DEVELOPMENT).		
CHARLES M. NOONE, 490 L'ENFANT PLAZA EAST SUITE 3306 WASHINGTON DC 20024	NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS	5,400.00	83.90
JULIA J. NORRELL, 1850 K ST., NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	5,325.00	111.36
NORTH AMERICAN EXPORT GRAIN ASSN., INC., 1800 M ST., NW, SUITE 610–N WASHINGTON DC 20036			
NORTHEAST UTILITIES SERVICE CO, SELDEN ST. BERLIN CT 06037			596.40
NORTHERN TELECOM, INC, 600 MARYLAND AVENUE, SW, #605 WASHINGTON DC 20024			
CLIFFORD R. NORTHUP, 1120 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	3,600.00	
MARY JANE NORVILLE, 600 MARYLAND AVENUE, SW, #695 WASHINGTON DC 20024	NATIONAL FED OF INDEPENDENT BUSINESS	2,250.00	200.00
P. MICHAEL NUGENT, 229 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	ELECTRONIC DATA SYSTEMS CORPORATION	320.00	337.00
RALPH D. NURNBERGER, SUITE 412 444 NORTH CAPITOL STREET, NW WASHINGTON DC 20001	AMERICAN ISRAEL PUBLIC AFFAIRS COMM	11,045.46	157.51
C.D. NYBERG, P.O. BOX 800 AUSTIN MN 55912	GEO. A. HORMEL & CO		
KENNETH E. NYQUIST, 8600 BRYN MAWR AVE CHICAGO, IL 60631	NATIONAL ROOFING CONTRACTORS ASSN	2,500.00	
HUBERT K. O'BANNON, P.O. BOX 23451 WASHINGTON DC 20026	CONSOLIDATED RAIL CORPORATION		
GEORGE O'BEA JR., 815 16TH ST., NW, #304 WASHINGTON DC 20006	UNITED PAPERWORKERS INT'L UNION		
COLEMAN C. O'BRIEN, 1709 NEW YORK AVE., NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS INSTITUTIONS	6,884.00	11.75
JOHN F. O'BRIEN, CONNECTICUT PETROLEUM COUNCIL 410 ASYLUM ST. HARTFORD CT 06103	AMERICAN PETROLEUM INST		
MARY EILEEN O'BRIEN, 1800 M ST., NW, SUITE 710 SOUTH WASHINGTON DC 20036	DOW CORNING CORPORATION		
RAYMOND V. O'BRIEN, 1600 M ST., NW WASHINGTON DC 20036	INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION		
ROSEMARY L. O'BRIEN, SUITE 640 2550 M ST., NW WASHINGTON DC 20037	CF INDUSTRIES, INC	500.00	174.81
THOMAS H. O'BRIEN, 2600 VIRGINIA AVENUE, NW, #800 WASHINGTON DC 20037	HARRIS CORPORATION	2,500.00	2,550.25
DAVID S. O'BRYON, 1916 WILSON BLVD. ARLINGTON VA 22201	AMERICAN CHIROPRACTIC ASSN	500.00	78.20
SHANNON O'CHESTER, 122 C STREET, NW, #800 WASHINGTON DC 20001	CONCERNED WOMEN FOR AMERICA	2,000.00	
JAMES J. O'CONNELL, 1201 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	CONTROL DATA CORPORATION	600.00	253.62
RICHARD T. O'CONNELL, RICHARD T. O'CONNELL & ASSOCIATES, INC 3208 TRAVELER STREET FAIRFAX VA 22030	CHOCOLATE MANUFACTURERS ASSN OF THE USA		15.00
Do	NATIONAL CONFECTIONERS ASSN OF THE U.S.		
TERRENCE M. O'CONNELL II, 444 N. CAPITOL STREET, #711 WASHINGTON DC 20001	KEEFE COMPANY (FOR: WESTINGHOUSE ELECTRIC CORP)	7,125.00	
WILLIAM B. O'CONNELL, 111 EAST WACKER DR. CHICAGO IL 60601	U.S. LEAGUE OF SAVINGS INSTITUTIONS	17,500.00	3,677.07
O'CONNOR & HANNAN, 1919 PENNSYLVANIA AVE., NW, #800 WASHINGTON DC 20006	ALLIS-CHALMERS CORP		
Do	AMERICAN CLINICAL LABORATORY ASSN		
Do	AMERICAN FAMILY LIFE ASSURANCE CO	750.00	
Do	AMERICAN INST OF CERTIFIED PUBLIC ACCOUNTANTS	200.00	
Do	AMERICAN INSURANCE ASSN	5,168.00	
Do	ARMCO, INC		
Do	ASSOCIATION OF INDEPENDENT TELEVISION STATIONS, INC		
Do	AUTOMOTIVE PARTS & ACCESSORIES ASSN		
Do	BORDEN, INC	612.80	
Do	CENTURY MEDIA CORP		
Do	CITY OF MINNEAPOLIS	400.00	
Do	CKLW RADIO BROADCASTING, LTD.	166.65	
Do	CNA INSURANCE	13,099.28	
Do	COMMITTEE FOR PRUDENT DEREGULATION		
Do	COMMUNICATIONS COUNSEL		
Do	DESTILERIA SERRALLES, INC		
Do	ELECTRONIC DATA SYSTEMS CORPORATION	600.00	
Do	FAIRCHILD INDUSTRIES, INC	2,500.00	
Do	GLASS PACKAGING INSTITUTE	150.00	
Do	GOVERNMENT OF THE COMMONWEALTH OF PUERTO RICO	14,800.00	
Do	HEALTH CARE FINANCING STUDY GROUP	1,500.00	
Do	HENNEPIN COUNTY	500.00	
Do	HULES MEXICANOS, S.A.		
Do	INDUSTRIAS NEGROMEX, S.A. DE C.V.		
Do	INSURANCE ASSN OF CONNECTICUT	2,450.00	
Do	INVESTMENT COMPANY INSTITUTE	5,000.00	50.00
Do	J.C. PENNEY CO, INC		
Do	JOINT COMM OF KNITWEAR ASSOCIATIONS	5,000.00	
Do	JOSEPH E. SEAGRAM & SONS, INC	876.59	
Do	KIMBERLY-CLARK CORP	1,674.00	
Do	MERCEDES-BENZ OF NORTH AMERICA, INC		
Do	MERRILL LYNCH & CO, INC	17,210.00	
Do	MEXICAN CEMENT CHAMBER		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	MILLER & SCHROEDER MUNICIPALS, INC	3,000.00	
Do	NATIONAL COAL CONSUMERS ALLIANCE		
Do	NATIONAL COMM FOR QUALITY HEALTH CARE	1,100.00	
Do	PACIFIC TELESIS GROUP	3,359.62	
Do	PRUDENTIAL INSURANCE COMPANY OF AMERICA	2,247.00	
Do	SECURITIES INDUSTRY ASSN	24,022.00	
Do	SPARX CORPORATION		
Do	U.S. TELECOMMUNICATIONS SUPPLIERS ASSN		
Do	WESTINGHOUSE ELECTRIC CORP		
CHARLES ALBERT O'CONNOR JR., 2300 S. 24TH ROAD, #533 ARLINGTON VA 22206			
GEORGE E. O'CONNOR, 600 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20037	NEW YORK LIFE INSURANCE COMPANY	5,000.00	1,480.00
LEONARD F. O'CONNOR, 100 FEDERAL ST. BOSTON MA 02110	FIRST NATIONAL BANK OF BOSTON		
PATRICK C. O'CONNOR, KENT & O'CONNOR, INC 1919 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20006	AMERICAN SUPPLY ASSOCIATION		
Do	AMERICAN WAREHOUSEMEN'S ASSOCIATION		
Do	ASSOCIATION OF FOOD INDUSTRIES, INC		
Do	STEEL TANK INSTITUTE		
Do	TRANSPORTATION LAWYERS ASSOCIATION		
THOMAS A. O'DAY, SUITE 1010 1629 K ST., NW WASHINGTON DC 20006	ALLIANCE OF AMERICAN INSURERS	100.00	
ASHTON J. O'DONNELL, 50 BEALE ST., PO BOX 3965 SAN FRANCISCO CA 94119	BECHTEL NATIONAL, INC		
JANE O'GRADY, 815 16TH ST., NW WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	16,174.34	
BARBARA E. O'HARA, 4400 MACARTHUR BLVD., NW WASHINGTON DC 20007	AMERICAN SOC OF TRAVEL AGENTS	125.00	
O'KEEFE ASHENDEN LYONS & WARD, ONE FIRST NATIONAL PLAZA—SUITE 5100 CHICAGO IL 60603	AMERICAN INVSCO CORPORATION		
O'MELVENY & MYERS, 1800 M ST., NW WASHINGTON DC 20036	AIR TRANSPORT ASSN OF AMERICA		
Do	AMAX, INC		
Do	SANTA FE INTERNATIONAL CORP		
Do	WARNER COMMUNICATIONS, INC		
JEAN F. O'NEIL, 884 COLLEGE PARKWAY ROCKVILLE MD 20850	TERRENCE W. MODGLIN & ASSOCS (MARITIME INST FOR RESEARCH)	325.00	
SARAH E. O'NEIL, 1600 M ST., NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE		
O'NEILL AND HAASE, P.C., SUITE 1110 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ALLEGHENY COUNTY COMMISSION		
Do	AMERICAN IRON & STEEL INSTITUTE		
Do	ASSOCIATION OF PROGRESSIVE RENTAL ORGANIZATIONS		
Do	AYDIN CORP		
Do	BEER INDUSTRY ALLIANCE		
Do	BHC, INC		
Do	COMMERICAL UNION INSURANCE COMPANIES		
Do	CRUISE AMERICA LINE, INC		
Do	GLASS PACKAGING INSTITUTE		
Do	HARVARD MEDICAL CENTER		
Do	MARATHON MANUFACTURING CO		
Do	MARRIOTT CORPORATION		
Do	MASSACHUSETTS GENERAL HOSPITAL		
Do	MILK INDUSTRY FOUNDATION		
Do	NORTHWESTERN MUTUAL LIFE		
Do	PUGET SOUND POWER & LIGHT CO		
Do	SEARS ROEBUCK & CO	1,400.00	
Do	TEXAS UTILITIES SERVICES, INC		
Do	U.S. FOOTBALL LEAGUE		
Do	WESTINGHOUSE ELECTRIC CORP		
J. DENIS O'TOOLE, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	4,500.00	
M. DIANE O'TOOLE, SUITE 2300 1000 WILSON BLVD. ARLINGTON VA 22209	NORTHROP CORP		
STEPHEN E. O'TOOLE, 1660 L STREET, N.W. WASHINGTON DC 20036	GENERAL MOTORS CORP	3,000.00	3,382.95
HARRY R. OBLEY, MELLON SQUARE PITTSBURGH PA 15230	MELLON BANK N.A. AND MELLON NATIONAL CORP	2,000.00	951.59
G. H. OCHENRIDER, 1000 WILSON BLVD. ARLINGTON VA 22209	GRUMMAN AEROSPACE CORPORATION	2,500.00	256.81
BRADFORD C. OELMAN, 900 17TH STREET, NW, #508 WASHINGTON DC 20006	OWENS-CORNING FIBERGLAS CORPORATION		
NEIL H. OFFEN, 1730 M ST., NW WASHINGTON DC 20036	DIRECT SELLING ASSOCIATION		
OIL INVESTMENT INST, PO BOX 8293 WASHINGTON DC 20024			
PHILIP M. OLA, 1919 PENNSYLVANIA AVENUE, NW, #400 WASHINGTON DC 20006	STEEL SERVICE CENTER INSTITUTE		
MICHAEL D. OLDAK, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	100.00	
ALVIN E. OLIVER, 725 15TH ST., NW WASHINGTON DC 20005	NATIONAL GRAIN & FEED ASSN		
R. TEEL OLIVER, 1050 17TH STREET, NW, #650 WASHINGTON DC 20036	MERCK & CO, INC	687.50	500.00
AUSTIN P. OLNEY, 1333 NEW HAMPSHIRE AVE., NW, #1100 WASHINGTON DC 20036	LEBOEUF, LAMB, LEIBY & MACRAE (FOR: SHIPPING CORP OF INDIA, INC)		
DENNIS M. OLSEN, 485 E STREET IDAHO FALLS ID 83402	AETNA INSURANCE CO		
Do	AMERICAN BANKERS INSURANCE OF FLORIDA		
Do	CENTENNIAL INSURANCE COMPANY		
Do	CHARTER OAK INSURANCE		
Do	FLORISTS' MUTUAL INSURANCE CO		
Do	FOREMOST INSURANCE CO		
Do	GREAT AMERICAN INSURANCE COMPANY		
Do	MINNEHOMA INSURANCE COMPANY		
Do	MONSANTO CO		
Do	NATIONAL FARMERS UNION PROPERTY & CASUALTY INSURANCE CO		
Do	STATE FARM FIRE AND CASUALTY CO		
Do	STATE FARM INSURANCE COMPANY		
Do	STATE FARM MUTUAL AUTOMOBILE INSURANCE CO		
Do	TRAVELER'S INDEMNITY OF RHODE ISLAND		
Do	TRAVELERS		
VAN R. OLSEN, 1156 15TH ST., NW, #1019 WASHINGTON DC 20006	U.S. BEET SUGAR ASSN		
GERALD L. OLSON, 200 S. 6TH ST. MINNEAPOLIS MN 55402	PILLSBURY COMPANY		
RICHARD C. OLSON, 1313 DOLLEY MADISON BLVD. MCLEAN VA 22101	DYNALECTRON CORPORATION	111.00	59.92
ROY E. OLSON, 260 MADISON AVE. NEW YORK NY 10016	AMERICAN PAPER INST, INC		
CLARK ONSTAD, SUITE 300 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	TEXAS AIR CORP. AND CONTINENTAL AIR LINES	500.00	251.32
PHILIP C. ONSTAD, 500 WEST PUTNAM AVE. GREENWICH CT 06830	CONTROL DATA CORPORATION	200.00	186.35
FRANZ M. OPPENHEIMER, KOMINERS FORT SCHLEFER & BOYER 1776 F ST., NW WASHINGTON DC 20006	COMMERZBANK AG		
MICHEL ORBAN, 125 BROAD STREET, 39TH FL. NEW YORK NY 10004	AMERICAN EXPRESS CO		
ORGAN. FOR PROTECTION & ADVANCEMENT OF SMALL TELEPHONE COS, 2301 M STREET, NW, #530 WASHINGTON DC 20037.			
ABRAHAM ORLOFSKY, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES	1,198.61	
ELVIRA J. ORLY, SUITE 500 1050 17TH ST., NW WASHINGTON DC 20036	GETTY OIL COMPANY	179.17	
ORRICK HERRINGTON & SUTCLIFFE, 520 CAPITOL MALL SACRAMENTO CA 95814			
LAW OFFICES OF JOSE ORTIZ-DALIOT, SUITE 610 1101 14TH ST., NW WASHINGTON DC 20005	PUERTO RICO MAYORS ASSN		
DAVID S. OSTERHOUT, 1000 WILSON BOULEVARD ARLINGTON VA 22209	BENDIX AEROSPACE SECTOR		
HIDEAKI OTAKA, 19001 SOUTH WESTERN AVE. TORRANCE CA 90509	TOYOTA MOTOR SALES, USA, INC		
J. F. OTERO, 815 16TH STREET, NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	1,000.00	100.00
KEVIN D. OTT, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	172.00	
ROLAND A. OUELLETTE, 1660 L ST., NW, #501 WASHINGTON DC 20036	GENERAL MOTORS CORP	3,600.00	1,582.52
CLIFF OUSE, 1800 MASSACHUSETTS AVE., N.W. WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	25.00	
GENE E. OVERBECK, 1101 17TH STREET, NW WASHINGTON DC 20036	AMERICAN AIRLINES, INC	2,125.00	
JACK W. OWEN, SUITE 500 444 NORTH CAPITOL STREET, NW WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN		108.52
ROBERT W. OWEN, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF KOREA)	255.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)		
THOMAS J. OWENS, P.O. BOX 12266 SEATTLE WA 98102	DOLLAR SAVINGS BANK, ET AL	4,912.50	672.87
WILLIAM H. OWENS JR , 1111 14TH ST., NW, #1200 WASHINGTON DC 20005	AMERICAN DENTAL ASSN	1,000.00	567.11
WILLIAM J. OWENS, 1745 JEFFERSON DAVIS HIGHWAY, #511 ARLINGTON VA 22202	MANUFACTURED HOUSING INST	900.00	100.00
KATHERINE ANN OZER, ONE DUPONT CIRCLE, NW, #300 WASHINGTON DC 20036	U.S. STUDENT ASSN	3,234.00	85.00
R. RAY PAABO, SUITE 600 1667 K ST., NW WASHINGTON DC 20006	SANTA FE INDUSTRIES, INC	1,000.00	
PACIFIC MANAGEMENT DYNAMICS CORP, SUITE 107 910 FLOEIN RD. SACRAMENTO CA 95831			
LEE W. PADEN, P.O. BOX 201 TULSA OK 74102	PUBLIC SERVICE COMPANY OF OKLAHOMA		
HENRY H. PAIGE, 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO		
JOHN M. PALATIELLO, 210 LITTLE FALLS STREET FALLS CHURCH VA 22046	AMERICAN CONG. ON SURVEY. & MAPP./AMER SOC OF PHOTOGRAMMETRY	11,335.05	2,428.11
HENRY S. PALAU, 201 N WASHINGTON ST. ALEXANDRIA VA 223L4	RETIRED OFFICERS ASSN	1,152.00	
BRADLEY D. PALMER, 3238 WYNFORD DRIVE FAIRFAX VA 22031	U.S. DEFENSE COMMITTEE	2,400.00	
PALUMBO & CERRELL, INC, 11 DUPONT CIRCLE, NW, #700 WASHINGTON DC 20036	AMERICAN SOC OF COMPOSERS, AUTHORS & PUBLISHERS	20,368.75	
Do	DISTILLED SPIRITS COUNCIL OF THE U.S., INC	14,300.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	NATIONAL SCHOOL TRANSPORTATION ASSN	6,000.00	
Do	R.J. REYNOLDS TOBACCO CO	16,800.00	
Do	SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT	9,000.00	
BENJAMIN L. PALUMBO, 11 DUPONT CIRCLE, NW, #700 WASHINGTON DC 20036	WESTINGHOUSE ELECTRIC CORP		
GERARD PAUL PANARO, WEBSTER CHAMBERLAIN & BEAN 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	RETAIL BAKERS ASSN		
PETER J. PANTUSO, 7900 WESTPARK DRIVE, #514 MCLEAN VA 22102	NATIONAL CONFECTIONERS ASSN OF THE U.S.	450.00	1,279.40
JAMES E. PANYARD, 1346 CHESTNUT, #800 PHILADELPHIA PA 19107	GREATER PHILADELPHIA CHAMBER OF COMMERCE		
PAPERBOARD PACKAGING COUNCIL, SUITE 411 1101 VERMONT AVENUE, NW WASHINGTON DC 20005			
G. OLIVER PAPPS, N.J. PETROLEUM COUNCIL 170 W. STATE ST. TRENTON NJ 08608	AMERICAN PETROLEUM INST		
STEPHEN J. PARADISE, 1800 K STREET, NW, #1100 WASHINGTON DC 20006	NEW YORK STOCK EXCHANGE, INC		
HERSCHELL E. PARENT, 460 TWIN CITY BANK ONE RIVERFRONT PLACE NORTH LITTLE ROCK AR 72114	AMERICAN PETROLEUM INST		
ALAN A. PARKER, 1050 31ST STREET, NW WASHINGTON DC 20007	ASSOCIATION OF TRIAL LAWYERS	5,000.00	100.00
JOHN N. PARKER, 1100 CONNECTICUT AVE., NW SUITE 620 WASHINGTON DC 20036	MOBIL OIL CORP	375.00	
CARL M. PARKS, 633 PENNSYLVANIA AVENUE, NW, #600 WASHINGTON DC 20004	ALLSTATE INSURANCE GROUP	500.00	204.00
KEN PARMELEE, 1448 DUKE STREET ALEXANDRIA VA 22314	NATIONAL RURAL LETTER CARRIERS' ASSN	10,500.00	1,087.00
CHARLES C. PARTRIDGE, 5535 HEMPSTEAD WAY SPRINGFIELD VA 22151	NATIONAL ASSN FOR UNIFORMED SERVICES	1,487.51	
PASKUS GORDON & HYMAN, 2005 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL MUSIC PUBLISHERS ASSN, INC		
DAVID J. PASSAMANECK, 4647 FORBES BOULEVARD LANHAM MD 20706	AMVETS	6,800.00	150.47
RICHARD M. PATTERSON, 1800 M ST., NW, #700 SOUTH WASHINGTON DC 20036	DOW CHEMICAL CO	500.00	239.50
WILLIAM H. PATTERSON, 1331 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	GENERAL ELECTRIC CO	274.00	
KENTON H. PATTIE, 3150 SPRING ST. FAIRFAX VA 22031	NATIONAL AUDIO-VISUAL ASSN, INC	3,521.25	
DAVID J. PATTISON, 1750 K ST., NW WASHINGTON DC 20006	HEALTH INSURANCE ASSOCIATION OF AMERICA, INC		
PATTON BOGGS & BLOW, SUITE 800 2550 M ST., NW WASHINGTON DC 20037	AIR PRODUCTS & CHEMICALS, INC		
Do	AIWA AMERICA, INC	12.74	.28
Do	AKAI AMERICA, LTD	20.54	.46
Do	ALUMINUM COMPANY OF AMERICA		
Do	AMERICAN BROADCASTING CO, INC		
Do	AMERICAN COLLEGE OF MORTGAGE ATTORNEYS		
Do	AMERICAN CONGRESS ON SURVEYING & MAPPING		
Do	AMERICAN EXPRESS CO		
Do	AMERICAN HOME PRODUCTS CO		
Do	AMERICAN INTERNATIONAL AUTOMOBILE DEALERS ASSN		
Do	AMERICAN MARITIME ASSN		
Do	AMERICAN MOVERS CONFERENCE		
Do	AMERICAN PUBLIC POWER ASSN	300.00	
Do	AMERICAN SOC OF ASSN EXECUTIVES		
Do	ARMCO, INC		
Do	ASOCIACION DE AZUCAREROS DE GUATEMALA		
Do	ASSOCIATION OF TRIAL LAWYERS OF AMERICA	2,000.00	93.56
Do	BABCOCK & BROWN		
Do	BASIC INDUSTRIES COALITION, INC		
Do	C. F. BEAN		
Do	BIOGEN		
Do	BRISTOL-MYERS, INC		
Do	BURLINGTON INDUSTRIES, INC		
Do	CALIFORNIA STATE UNIVERSITY		
Do	CARTER-WALLACE CO		
Do	CASTLE & COOKE, INC		
Do	CHICAGO BOARD OPTIONS EXCHANGE		
Do	CHRYSLER CORPORATION		
Do	COALITION FOR LOW INCOME & MODERATE INCOME HOUSING		
Do	COALITION FOR NATIONAL AIRPORT		
Do	COLUMBIA, INC	1.82	.04
Do	COMMITTEE OF RAILROAD SHIPPERS		
Do	COMPUTER DEALERS & LESSORS ASSOCIATION, INC		
Do	COUNCIL OF STATE CHAMBERS OF COMMERCE		
Do	DUTY FREE SHOPPERS, LTD	1,500.00	329.65
Do	ENERGY RESEARCH CORPORATION		
Do	FLUE CURED TOBACCO COOPERATIVE		
Do	FUJI PHOTO FILM U.S.A., INC	36.66	.81
Do	GEORGIA PACIFIC CORP		
Do	GREAT LAKES DREDGE & DOCK		
Do	GTE SPRINT		
Do	HAYT HAYT & LANDAU		
Do	HITACHI SALES CORP OF AMERICA	338.00	7.50
Do	HOFFMAN & LAROCHE		
Do	E.F. HUTTON LIFE INSURANCE COMPANY	500.00	
Do	IC INDUSTRIES		
Do	INSTITUTE OF SCRAP IRON & STEEL, INC	2,600.00	
Do	INTERMEDICS, INC		
Do	JOHNSON & JOHNSON		
Do	KAISER ALUMINUM & CHEMICAL CORP		
Do	KENWOOD U.S.A. CORPORATION	10.66	.24
Do	LAUNDRY CLEANING COUNCIL		
Do	LOOP, INC		
Do	LOSS RESERVE DEDUCTION COMMITTEE		
Do	MARS, INC		
Do	MASCO, INC		
Do	MATSUSHITA ELECTRIC CORP OF AMERICA	741.52	16.46
Do	MAXELL CORP OF AMERICA	64.74	1.44
Do	MCI TELECOMMUNICATIONS, INC		
Do	MCINTOSH FOUNDATION		
Do	MEAD CORPORATION		
Do	MERCK & CO		
Do	MICHIGAN INSURANCE ASSN	62.50	
Do	MITSUBISHI ELECTRIC SALES OF AMERICA, INC	104.00	2.31
Do	MOCATTA METALS CORP		
Do	NAKAMICHI U.S.A. CORP	13.78	.31
Do	NATIONAL ASSN OF CHAIN DRUG STORES		
Do	NATIONAL ASSN OF RETAIL DRUGGISTS		
Do	NATIONAL CABLE TELEVISION ASSN, INC	445.00	
Do	NATIONAL MARINE MFRS ASSN	1,950.00	
Do	NATIONAL SOFT DRINK ASSN		
Do	NEC ELECTRONICS (USA) INC	10.92	.24
Do	NEW PROCESS CO		
Do	NORTH AMERICAN VAN LINES		
Do	OCEAN MINERALS CO		
Do	ONKYO U.S.A. CORP	6.50	.15
Do	OSG BULK SHIPS, INC		
Do	OVERSEAS MILITARY SALES GROUP		
Do	PENNZOIL CO		
Do	PIONEER ELECTRONICS (U.S.A.) INC	28.08	.62
Do	PPG INDUSTRIES, INC		
Do	PROCTER & GAMBLE		
Do	PROFESSIONAL SERVICES COUNCIL		
Do	READER'S DIGEST ASSN, INC		
Do	REDWOOD INDUSTRY PARK COMM		
Do	REPUBLIQUE D'HAITI	600.00	
Do	RETAIL TAX COMMITTEE		
Do	RICE MILLERS' ASSN		
Do	ROCKWELL INTERNATIONAL CORP		
Do	RORER GROUP, INC		
Do	SANSUI ELECTRONICS CORP	13.78	.29

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	SANYO ELECTRIC, INC	344.76	7.65
Do	SCHERING-PLOUGH CO		
Do	SHARP ELECTRONICS CORP	158.86	3.52
Do	SLURRY TRANSPORT ASSN		
Do	SONY CORPORATION OF AMERICA	262.08	5.81
Do	SQUIBB CORP		
Do	ST. JOE MINERALS CORP		
Do	STATE OF LA. DEPT OF CONSERVATION		
Do	STEPHENS, INC		
Do	STUART PHARMACEUTICALS		
Do	SULTANTATE OF OMAN		
Do	SYSCON CORPORATION		
Do	TDK U.S.A. CORP	80.34	1.78
Do	TEKNIKA ELECTRONICS CORP	12.74	.28
Do	TOSHIBA AMERICAN, INC	124.80	2.77
Do	U.S. LIFESAVING MANUFACTURERS ASSN		
Do	UNITED BRANDS CO		
Do	UNITED PLANT GUARD WORKERS ASSN		
Do	US JVC CORPORATION	206.96	4.59
Do	ZEISS AVIONICS SYSTEMS, INC		
ANDREW R. PAUL, 1875 EYE STREET, NW, #940 WASHINGTON DC 20006	GULF & WESTERN MANAGEMENT CO	1,000.00	45.14
PAUL HASTINGS JANOFSKY & WALKER, 6TH FLOOR 1050 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	AMERICAN TELEPHONE & TELEGRAPH CO		
Do	CALIFORNIA PORTLAND CEMENT CO		
Do	GAF CORPORATION		
Do	M LIFE INSURANCE COMPANY		
Do	OGLETHORPE POWER CORP		
Do	SECURITY LIFE OF DENVER		
PAUL WEISS RIFKIND WHARTON & GARRISON, 1714 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NEC ELECTRONICS U.S.A., INC	903.50	
Do	ORBITAL SCIENCES CORP		
LARRY E. PAULICK, 2111 EISENHOWER AVENUE ALEXANDRIA VA 22314	NATIONAL SPA & POOL INSTITUTE		
LOUIS R. PAULICK, 1901 NORTH FORT MYER DRIVE ARLINGTON VA 22209	GAS APPLIANCE MANUFACTURERS ASSN, INC		
RICHARD A. PAYSOR, SUITE 135 1415 ELBRIDGE PAYNE RD. ST. LOUIS MO 63017	FIRST CAPITOL ASSOCIATES - GATEWAY, INC		
JAMES M. PEIRCE JR , 1016 16TH ST., NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES	1,753.07	
LEEANN PELHAM, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	2,181.82	
PELTON RESEARCH CENTER, 1400 S. JOYCE STREET ARLINGTON VA 22202	HELP, INC		
HUMBERTO R. PENA, 1155 15TH ST., NW WASHINGTON DC 20005	BRISTOL-MYERS CO	500.00	
CRIS PENN, 1346 CHESTNUT, #800 PHILADELPHIA PA 19107	GREATER PHILADELPHIA CHAMBER OF COMMERCE		
MICHAEL J. PENNINGTON, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
PENNSYLVANIA POWER & LIGHT CO, 2 N. 9TH ST. ALLENTOWN PA 18101			996.70
DOMINIC V. PENSABENE, 1700 K ST., NW WASHINGTON DC 20006	CHEVRON USA, INC	1,200.00	
GREGORY M. PENSABENE, 1100 CONNECTICUT AVE., NW, #840 WASHINGTON DC 20036	SANTA FE INDUSTRIES, INC	2,056.00	
PEPPER & CORAZZINI, 1776 K ST., NW WASHINGTON DC 20006	SATELLITE SYNDICATED SYSTEMS, INC		
VICTOR J. PERINI JR , 1776 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	HIGHWAY USERS FEDERATION FOR SAFETY & MOBILITY		
PERITO DUERK & PINCO, P.C., 1140 CONNECTICUT AVENUE, NW, #400 WASHINGTON DC 20036	AMERICAN COLLEGE OF NEUROPSYCHOPHARMACOLOGY		
Do	AMERICAN PROTESTANT HEALTH ASSN		
Do	AMERICAN SOC FOR PHARMACOLOGY & EXPERIMENTAL THERAPEUTICS		
Do	COMBINED HEALTH RESOURCES, INC		
Do	JOHNSON & JOHNSON		
Do	NATIONAL ASSN OF ALCOHOLISM TREATMENT PROGRAMS, INC		
Do	SAMARITAN HEALTH SERVICE		
Do	SAMCOR, INC		
Do	SOCIETY OF REAL ESTATE APPRAISERS	1,991.75	3.40
PERKINS COIE STONE OLSEN & WILLIAMS, SUITE 1200 1110 VERMONT AVENUE, NW WASHINGTON DC 20005	BURLINGTON NORTHERN, INC		
ROBERT A. PERKINS, 1100 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CHRYSLER CORP	15,000.00	2,450.00
THOMAS P. PERKINS III, 1800 MERCANTILE BANK & TRUST BUILDING TWO HOPKINS PLAZA BALTIMORE MD 21201	MARYLAND SAVINGS-SHARE INSURANCE CORP		
GARY J. PERKINSON, 453 NEW JERSEY AVENUE, SE WASHINGTON DC 20003	BENEFICIAL MANAGEMENT CORPORATION OF AMERICA	750.00	
ERNEST MICHAEL PERLEY, 112 ST CLAIR AVENUE, WEST, #504 TORONTO, ONTARIO M4V 2Y3	CANADIAN COALITION ON ACID RAIN		
JEFFRY L. PERLMAN, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	2,600.00	478.63
LEONARD PERLMAN, 5999 STEVENSON AVENUE ALEXANDRIA VA 22304	AMERICAN ASSN FOR COUNSELING & DEVELOPMENT	1,050.00	70.32
MARK PERMAR, P.O. BOX 12910 CHARLESTON SC 29142	KIAWAH ISLAND COMPANY, LTD		1,038.00
G. STEPHEN PERRY, 950 L'ENFANT PLAZA, SW WASHINGTON DC 20024	COMMUNICATIONS SATELLITE CORP (COMSAT)	2,000.00	568.69
KATE M. PERRY, 1785 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL TRUST FOR HISTORIC PRESERVATION	39.42	
SUSAN PERRY, 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN BUS ASSN	2,687.50	75.00
THOMAS D. PESTORIUS, 1025 CONNECTICUT AVENUE, NW, #1014 WASHINGTON DC 20036	EBASCO SERVICES, INC		301.00
PHILLIPS S. PETER, 1331 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	GENERAL ELECTRIC CO		
MARY PETERS, 1319 F STREET, NW WASHINGTON DC 20004	NATIONAL ASSN OF PRIVATE PSYCHIATRIC HOSPITALS	90.00	
PETERSON ENGBERG & PETERSON, SUITE 907 1730 M ST., NW WASHINGTON DC 20036	FEDERATED RESEARCH CORP	23,400.00	469.39
GEOFFREY G. PETERSON, SUITE 900 1250 EYE ST., NW WASHINGTON DC 20004	DISTILLED SPIRITS COUNCIL OF THE US, INC	2,000.00	400.00
LARS E. PETERSON, 1750 K STREET, NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	450.00	
MARY B. PETERSON, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	3,000.00	4,999.15
MARY JO PETERSON, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA	1,000.00	500.00
SUSAN F. PETNIUNAS, SUITE 214 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	MANVILLE CORP	500.00	
MICHAEL J. PETRINA JR., 1110 VERMONT AVENUE, NW, #800 WASHINGTON DC 20005	COSMETIC, TOILETRY & FRAGRANCE ASSN, INC		
PETROLEUM MARKETERS ASSN OF AMERICA, 1707 H ST., NW 11TH FLOOR WASHINGTON DC 20006		189,451.05	39,733.40
BRIAN T. PETTY, SUITE 702 1901 L ST., NW WASHINGTON DC 20036	INTERNATIONAL ASSN OF DRILLING CONTRACTORS		
JAMES R. PHALEN, 1100 CONNECTICUT AVENUE, NW, #535 WASHINGTON DC 20036	MAPCO INC	3,250.00	190.82
PHARMACEUTICAL MANUFACTURERS ASSN., 1100 15TH STREET, NW WASHINGTON DC 20005		13,000.70	13,000.70
GWEN PHARO, 6310A BANDERA DALLAS TX 75225	OILFIELD INDUSTRIAL LINES, INC		
MARSHALL A. PHARR, 6103 ADIRONDACK AMARILLO TX 79106	SOUTHWESTERN PUBLIC SERVICE CO	3,091.20	128.60
DEBORAH M. PHILLIPS, SUITE 320 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	GENERAL INSTRUMENT CORPORATION		
DEIRDRE B. PHILLIPS, 100 FEDERAL STREET BOSTON MA 02110	BANK OF BOSTON CORP		
Do	FIRST NATIONAL BANK OF BOSTON	747.00	2,043.53
WILLIAM G. PHILLIPS, D.C. ASSOCIATES, INC. 402 THIRD STREET, SE WASHINGTON DC 20003	AIR QUALITY RESEARCH, INC	1,500.00	441.28
Do	ASSOCIATION OF UNIV. PROGRAMS IN OCCUPA HEALTH & SAFETY	4,500.00	965.08
Do	ASSOCIATION OF UNIVERSITY ENVIRONMENTAL HEALTH CENTERS	3,600.00	155.98
Do	HARVARD SCHOOL OF PUBLIC HEALTH		
Do	METAL TRADES DEPARTMENT, AFL-CIO	4,550.00	135.21
JOAN PICCOLO, 1776 K STREET, NW, #200 WASHINGTON DC 20006	MOTOROLA, INC	3,000.00	
SAM PICKARD, 1101 17TH ST., NW, #604 WASHINGTON DC 20036	MONSANTO CO	500.00	145.20
W.D. PICKETT, 400 FIRST ST. WASHINGTON DC 20001	BROTHERHOOD OF RAILROAD SIGNALMEN	350.00	
PAULETTE C. PIDCOCK, 1100 CONNECTICUT AVENUE, NW, #530 WASHINGTON DC 20036	BALTIMORE GAS & ELECTRIC CO	881.05	643.54
ROBERT R. PIERCE, 1701 18TH ST., NW WASHINGTON DC 20036	NATIONAL PARKS & CONSERVATION ASSN		
WAYNE PIERCE, 101 CONSTITUTION AVENUE, NW WASHINGTON DC 20001	UNITED BROTHERHOOD OF CARPENTERS & JOINERS OF AMERICA	21,125.00	110.00
PIERSON BALL & DOWD, 1200 18TH ST., NW WASHINGTON DC 20036	DUN & BRADSTREET CORP		
Do	EL POMAR		
Do	INDEPENDENT TELECOMMUNICATIONS SUPPLIERS' COUNCIL		
Do	INTERNATIONAL FUTURES EXCHANGE (BERMUDA) LTD		
Do	INTEX HOLDINGS (BERMUDA) LTD		
Do	NATIONAL ASSN OF CASUALTY & SURETY AGENTS	3,152.83	
Do	NATIONAL MUSIC PUBLISHERS ASSN, INC		
Do	SATELLITE BUSINESS SYSTEMS	2,500.00	
Do	SECURITIES INDUSTRY ASSN	2,750.00	
Do	UNITED SATELLITE COMMUNICATIONS, INC		
PIERSON SEMMES & FINLEY, 1054 31ST., NW WASHINGTON DC 20007	AMERICAN LAND TITLE ASSN		
Do	OKLAHOMA NATURAL GAS COMPANY		
Do	SIX FLAGS CORPORATION		
STUART F. PIERSON, VERNER, LIIPFERT, BERNHARD, & MCPHERSON 1660 L ST., NW, #1100 WASHINGTON DC 20036	PAN AM, ET AL		
DANIEL J. PILIERO II, P.C., 1750 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	AD HOC COMM FOR RESPONSIBLE TAX POLICY	550.00	
Do	AD HOC COMM OF MUTUAL FUND MANAGERS	2,202.66	
Do	INTEGRATED RESOURCES, INC	1,250.00	
Do	INVESTMENT CO INSTITUTE		
Do	NL INDUSTRIES	700.00	
Do	PRUDENTIAL LINES, INC	750.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
PILLSBURY MADISON & SUTRO, SUITE 900 1050 17TH ST., NW WASHINGTON DC 20006	AMERICAN PETROLEUM INST		
Do	MORGAN GUARANTY TRUST CO		
Do	TEMIS RAMIRES DE ARELLANO		
Do	TUBBS CORDAGE CO		
PILOTS RIGHTS ASSOCIATION, P.O. BOX 7000-367 REDONDO BEACH CA 90277			2,819.00
VALERIE F. PINSON, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	923.08	
PIPER & MARBURY, 888 16TH STREET, NW FIFTH FLOOR WASHINGTON DC 20006	MARINE CARGO CONTAINER & RELATED EQUIPMENT LEASING COS	2,910.00	1,347.80
LILLIAN M.S. PITCAITHLY, SUITE 209 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN BUSINESS CONFERENCE, INC	137.50	25.00
PLAINS COTTON GROWERS, INC, PO BOX 3640 LUBBOCK TX 79452			
PLANNED PARENTHOOD OF NEW YORK CITY, INC, 380 SECOND AVENUE, THIRD FL. NEW YORK NY 10010			
WYLL W. PLEGER, 1730 RHODE ISLAND AVENUE, N.W. # 213 WASHINGTON DC 20036	BROWN & ROOT, INC		
WESLEY A. PLUMMER, 1449 E. BASELINE ROAD PHOENIX AZ 85040	TRANS AMERICA DEVELOPERS, INC		
NANCY POLIKOFF, 2000 P STREET, NW, #400 WASHINGTON DC 20036	WOMEN'S LEGAL DEFENSE FUND		
MICHAEL A. POLING, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
RICHARD J. POLLACK, 444 NORTH CAPITOL STREET, NW WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN	1,186.89	668.53
FRANCES A. POLLAK, SUITE 390 1850 K STREET, NW WASHINGTON DC 20006	UNION CAMP CORPORATION		
ALFRED M. POLLARD, 1819 L STREET, NW, #800 WASHINGTON DC 20036	SECURITY PACIFIC NATIONAL BANK		
RAYMOND K. POPE, 2000 L STREET, NW, #200 WASHINGTON DC 20036	AMFAC, INC	3,437.49	416.72
PAULA D. PORPILIA, 1120 CONNECTICUT AVENUE, N.W. SEVENTH FLOOR WASHINGTON DC 20036	AMERICAN BANKERS ASSN	1,050.00	121.62
PORT OF SEATTLE, P.O. BOX 1209 SEATTLE WA 98111			650.18
PHILLIP PORTE & ASSOCS., INC., 3845 N. 26TH ST. ARLINGTON VA 22207	AMERICAN ASSN FOR RESPIRATORY THERAPY	7,000.00	
Do	AMERICAN MEDICAL RECORDS ASSN	1,500.00	
Do	NATIONAL ASSN OF MEDICAL DIRECTORS OF RESPIRATORY CARE	3,000.00	
PORTER WRIGHT MORRIS & ARTHUR, 37 WEST BROAD STREET COLUMBUS OH 43215	COALITION FOR ENVIRONMENTAL-ENERGY BALANCE	40,062.50	1,623.37
SHARON T. PORTNOY, ONE PENN PLAZA NEW YORK NY 10001	NATIONAL COMMERCIAL FINANCE ASSN		
JOHN MICHAEL POWDERLY, 815 16TH ST., NW, #706 WASHINGTON DC 20006	UNITED STEELWORKERS OF AMER	9,192.84	
CATHERINE POWELL, 880 S. PICKETT STREET ALEXANDRIA VA 22304	BOAT OWNERS ASSN OF THE U.S. (BOAT/U.S.)	4,000.00	
ROBERT D. POWELL, SUITE 400 1300 19TH ST., NW WASHINGTON DC 20036	NATIONAL BUSINESS AIRCRAFT ASSN		
JOHN J. POWER, 815 16TH ST., NW WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	15,712.34	673.38
FREDERICK W. POWERS III, 223 PERIMETER CENTER PARKWAY P.O. BOX 89000 ATLANTA GA 30338	SIEMENS-ALLIS, INC		
GRAYDON R. POWERS JR , 1101 16TH ST., NW WASHINGTON DC 20036	SCIENTIFIC APPARATUS MAKERS ASSN		
KATHY S. PRAGER, 1420 KING ST. ALEXANDRIA VA 22314	NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS	1,250.00	
ROBERT L. PRATT, 101 FIRST AVE. WAYLAND MA 02254	THERMO ELECTRON CORPORATION		
WILLIAM B. PRENDERGAST, 6215 KELLOGG DRIVE MCLEAN VA 22101	TOBACCO INSTITUTE	6,000.00	3,150.00
LLOYD T. PRESLAR, 1818 N ST., NW, #600 WASHINGTON DC 20036	DGA INTERNATIONAL INC (FOR: SOCIETE NATIONALE D'ETUDE ET DE CONST DE MOTEURS D'AVIATION).		
Do	DGA INTERNATIONAL, INC. (FOR: SOFREAVIA)		
Do	THOMSON-CSF DIVISON SYSTEMS ELECTRONIQUE OF FRANCE		
PRESTON THORGRIMSON ELLIS & HOLMAN, 1735 NEW YORK AVENUE, NW, #500 WASHINGTON DC 20006	AETNA LIFE & CASUALTY		
Do	ALASKA LUMBER & PULP CO, INC/LOUISIANA PACIFIC OF KETCHIKAN		
Do	ALLEGHANY CORPORATION	3,083.50	
Do	AMERICAN INSURANCE ASSN		
Do	AMERICAN PRESIDENT LINES	3,478.00	
Do	AMERICAN WATERWAYS SHIPYARD CONFERENCE		
Do	BELLINGHAM COLD STORAGE		
Do	CALISTA CORP		
Do	CHUGACH NATIVES, INC		
Do	CITIES & COUNTIES FOR CABLE		
Do	CITY OF CINCINNATI		
Do	CITY OF SCOTTSDALE		
Do	CITY OF ST. LOUIS	1,507.50	
Do	COALITION FOR THE ADVANCEMENT OF INDUSTRIAL TECHNOLOGY		
Do	COASTAL TRADING CO		
Do	CORPORATION FOR PUBLIC BROADCASTING		
Do	COUNCIL OF AMERICAN-FLAG SHIP OPERATORS		
Do	EMPLOYERS REINSURANCE CORP		
Do	HUDSON WATERWAYS	4,362.50	
Do	INTERGOVERNMENTAL CABLE COMMUNICATIONS AUTHORITY		
Do	MOORE MCCORMACK RESOURCES, INC		
Do	NATIONAL ASSN OF STATE DIRECTORS OF COMMUN & JUNIOR COLLEGES		
Do	NORTH WEST TIMBER ASSN	2,913.75	
Do	PORT OF SEATTLE		
Do	SPOKANE COUNTY	1,797.00	
Do	STATE OF ALASKA		
Do	SUNMAR SHIPPING, INC		
Do	TENNESSEE GAS PIPELINE CO	333.00	
Do	TRANSPORTATION INSTITUTE	1,271.00	
Do	WESTERN FOREST INDUSTRIES ASSN	2,913.75	
KEITH A. PRETTY, 322 W. OTTAWA LANSING MI 48933	STANDARD OIL CO (INDIANA)		
BARBARA J. PRICE, SUITE 1107 1825 K STREET, NW WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY	950.00	237.71
JAMES M. PRICE, P.O. BOX 11248 KNOXVILLE TN 37919	SIERRA CLUB		
LEE PRICE, 1757 N STREET, NW WASHINGTON DC 20036	INT'L UNION, UNITED AUTO AEROSPACE & AGRIC IMPLEMENT WORKERS	8,054.99	15.50
PATRICIA PRIDE, 1129 20TH ST., NW WASHINGTON DC 20036	FINANCIAL ACCOUNTING FOUNDATION	235.94	21.73
SHARON D. PRINZ, 2121 K STREET, NW, #830 WASHINGTON DC 20037	STEPHENS OVERSEAS SERVICES, INC		
GWENYTH PRITCHARD, SUITE 695 600 MARYLAND AVE., SW WASHINGTON DC 20024	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	2,250.00	200.00
PRO-LIFE CDAC 12, P.O. BOX 7145 MENLO PARK CA 94025		265.00	530.99
PRO/LIFE CONGRESSIONAL DISTRICT 11, P.O. BOX 727 SAN CARLOS CA 94070		1,362.00	2,016.66
SYDNEY PROBST, 1250 EYE STREET, NW, #900 WASHINGTON DC 20004	DISTILLED SPIRITS COUNCIL OF THE U.S.	200.00	100.00
PROCOMPETITIVE RAIL STEERING COMMITTEE, 1090 VERMONT AVENUE, NW, #410 WASHINGTON DC 20005		48,250.00	13,252.56
PROFESSIONAL MANAGERS' ASSN, P.O. BOX 7762, BEN FRANKLIN STATION WASHINGTON DC 20044		5,902.39	7,241.75
PROFIT SHARING COUNCIL OF AMER, 20 N. WACKER DRIVE CHICAGO IL 60606			
PROJECT ADVISORY GROUP, 1029 VERMONT AVE., NW SUITE 860 WASHINGTON DC 20005			
PROPRIETARY ASSN, 1700 PENNSYLVANIA AVE., NW WASHINGTON DC 20006			3,243.75
PRUDENTIAL-BACHE SECURITIES, INC, 100 GOLD ST. NEW YORK NY 10272			750.00
JAMES C. PRUITT, SUITE 500 1050 17TH STREET, NW WASHINGTON DC 20036	TEXACO, INC	130.00	
PUBLIC EMPLOYEE DEPARTMENT, AFL-CIO, 815 16TH ST., NW WASHINGTON DC 20006		53,721.29	16,861.51
DAVID E. PULLEN, 1025 CONNECTICUT AVE., NW, #214 WASHINGTON DC 20036	MANVILLE CORP	1,000.00	
JOHN R. PURCELL, 204 E STREET, NE WASHINGTON DC 20002	NATIONAL FROZEN FOOD ASSN	500.00	
WILLIAM E. PURSLEY, 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	SHELL OIL COMPANY	500.00	
EARLE W. PUTNAM, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO		
HOWARD PYLE III, 4930 QUEBEC ST., NW WASHINGTON DC 20016	HOUSTON LIGHTING & POWER COMPANY	3,600.00	
ROBERT N. PYLE, P.O. BOX 3731 WASHINGTON DC 20007	ELKEM METALS COMPANY	3,100.00	200.00
Do	INDEPENDENT BAKERS ASSN	3,000.00	
JOHN R. QUARLES JR., MORGAN, LEWIS & BOCKIUS 1800 M ST., NW WASHINGTON DC 20036	NATIONAL ENVIRONMENTAL DEVELOPMENT ASSN CLEAN AIR ACT PROJ	1,000.00	
JAMES M. QUIGLEY, SUITE 540 1875 EYE STREET, NW WASHINGTON DC 20006	CHAMPION INTERNATIONAL CORPORATION		
WILLIAM A. QUINLAN, 3045 RIVA RD. RIVA MD 21140	NATIONAL CANDY WHOLESALERS ASSN, INC		
Do	RETAIL BAKERS OF AMERICA		
PATRICK H. QUINN, SUITE 411 499 S. CAPITOL ST., SW WASHINGTON DC 20003	NATIONAL COUNCIL OF AGRICULTURAL EMPLOYERS	3,000.00	250.00
CLIFFORD RABER, ONE MCDONALD'S PLAZA OAK BROOK IL 60521	MCDONALD'S CORP		
ALEX RADIN, 2301 M ST., NW WASHINGTON DC 20036	AMERICAN PUBLIC POWER ASSN	287.04	
TESS A. RAE, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
JOHN D. RAFFAELLI, 499 S. CAPITOL ST., SW, #407 WASHINGTON DC 20003	R. DUFFY WALL & ASSOCIATES, INC (FOR: DEAN WITTER REALTY, INC)		
Do	GULF COAST WASTE DISPOSAL AUTHORITY		
Do	NATIONAL COUNCIL FOR HIGHER LOAN PROGRAMS		
Do	R. DUFFY WALL & ASSOCIATES, INC (FOR: TAYLOR & MIZELL)		
ROBERT A. RAGLAND, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	75.00	
TANYA A. RAHALL, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
RAILROAD RETIREMENT ASSN, SUITE 517 210 7TH ST., SE WASHINGTON DC 20003		3,433.51	3,433.51
RAILWAY LABOR EXECUTIVES' ASSN, 400 FIRST ST., NW SUITE 804 WASHINGTON DC 20001		4,800.00	77,673.36
RAILWAY PROGRESS INST, 700 NORTH FAIRFAX ST. ALEXANDRIA VA 22314			
DAVID H. RAITT, 1800 FIRST NATIONAL BUILDING DETROIT MI 48226	JAFFE SNIDER RAITT & HEUER, P.C		
RICHARD RAMIREZ, GNAU CARTER JACOBSEN & ASSOCIATES, INC 1250 EYE STREET, NW, #600 WASHINGTON DC 20005	EMS DEVELOPMENT CORP		
Do	WEDTECH CORP		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
KATHLEEN MARIE RAMSEY, 1010 WISCONSIN AVENUE, NW, #800 WASHINGTON DC 20007	GROCERY MANUFACTURERS OF AMERICA, INC		
JEANNETTE H. RANDALL, 3471 N. FEDERAL HIGHWAY, #511 FORT LAUDERDALE FL 33306	AMERISERV, INC	5,000.00	
DONALD A. RANDALL, P.C., 321 D STREET, NE WASHINGTON DC 20002	AUTOMOTIVE SERVICE COUNCILS, INC	600.00	
Do	NATIONAL INDEPENDENT DAIRY-FOODS ASSN	3,750.00	
R. RAY RANDLETT, 1150 CONNECTICUT AVE., NW, #700 WASHINGTON DC 20036	ALLIED CORPORATION	240.00	
JAMES D. RANGE, 600 MARYLAND AVENUE, SW, #607 WASHINGTON DC 20024	WASTE MANAGEMENT, INC	5,000.00	2,196.75
D. MICHAEL RAPPOPORT, P.O. BOX 1980 PHOENIX AZ 85001	SALT RIVER PROJECT	1,680.00	3,336.68
RARE, INC., 1601 CONNECTICUT AVENUE, NW WASHINGTON DC 20009			
CARL L. RASAK, 8301 FORT HUNT ROAD ALEXANDRIA VA 22308			
MAGDA RATAJSKI, P.O. BOX 3609 NORFOLK VA 23514	NORFOLK SOUTHERN CORPORATION		
CAROL L. RAULSTON, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC	1,550.00	55.10
G. DAVID RAVENCRAFT, SUITE 507 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	ASHLAND OIL, INC	2,000.00	
W. RANDALL RAWSON, 1840 WILSON BLVD., #203 ARLINGTON VA 22201	NATIONAL LIMESTONE INST, INC	10,400.00	
RAYMARK CORPORATION, 100 OAKVIEW DRIVE TRUMBULL CT 06611			
RBC ASSOCIATES, 324 FOURTH STREET, NE WASHINGTON DC 20003	BANGOR & AROOSTOOK RAILROAD	3,750.00	3,683.65
Do	CHICAGO & NORTH WESTERN TRANSPORTATION CORP	19,400.00	3,949.25
Do	DELAWARE OTSEGO SYSTEM	20,000.00	4,091.36
Do	GENESEE & WYOMING CORP	750.00	3,493.37
Do	PITTSBURG & SHAWMUT RAILROAD	2,100.00	3,493.37
JULIAN O. READ, 1005 CONGRESS AVENUE, #500 AUSTIN TX 78701	CENTRAL AND SOUTH WEST CORP		
READING IS FUNDAMENTAL, INC., 600 MARYLAND AVE., SW RM 500 WASHINGTON DC 20560			
SYDNEY C. REAGAN, NO. 10 DUNCANNON CT. DALLAS TX 75225	SOUTHWESTERN PEANUT SHELLERS ASSN		
JOHN DANIEL REAVES, 910 16TH STREET, NW WASHINGTON DC 20006	PHARMACEUTICAL MANUFACTURERS ASSN		
JOHN M. RECTOR, 205 DAINGERFIELD RD. ALEXANDRIA VA 22314	NATIONAL ASSN OF RETAIL DRUGGISTS	700.00	150.00
ROBERT O. REDDING, 3519 S.W. 147TH LANE ROAD OCALA FL 32673			
DWIGHT C. REED, 1101 16TH ST., NW WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN		
CHARLES C. REELY, SUITE 203 1840 WILSON BLVD. ARLINGTON VA 22201	NATIONAL LIMESTONE INST, INC	3,240.00	
PAULINE B. REEPING, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	NEW YORK SHIPPING ASSN., INC		
JOSEPH M. REES, SUITE 711 444 N. CAPITOL ST. WASHINGTON DC 20001	KEEFE COMPANY (FOR: CORDAGE INSTITUTE)		
Do	DELTA DENTAL PLANS ASSOCIATION	1,000.00	
J. RONALD REEVES, WASHINGTON NATIONAL AIRPORT WASHINGTON DC 20001	U.S. AIR, INC	2,000.00	143.75
JOHN T. REGGITTS JR., 95 BOOTON AVE. P.O. BOX 470 BOONTON NJ 07005			
DAVID M. REICHER, 777 EAST WISCONSIN AVE. MILWAUKEE WI 53202	FOLEY & LARDNER (FOR: SOUTH DAKOTA STUDENT LOAN ASSISTANCE CORP, ET AL.)		
REICHLER & APPELBAUM, 1776 K STREET, NW, #900 WASHINGTON DC 20006	REPUBLIC OF NICARAGUA	4,000.00	
REID & PRIEST, 1111 19TH STREET, NW WASHINGTON DC 20036	ASSOCIATED NATURAL GAS COMPANY, ET AL		
Do	BEAR STEARN & CO		
Do	EDISON ELECTRIC INSTITUTE		
Do	HILATURAS LERMA, S.A., DE C.V. AND AMYTEX CORP		
Do	MASSACHUSETTS MUTUAL LIFE INSURANCE CO		
Do	NORTHWESTERN MUTUAL LIFE INSURANCE CO		
REID & RIEGE, P.C., ONE STATE STREET HARTFORD CT 06103	WESLEYAN UNIVERSITY	1,627.50	
CHARLOTTE REID, 2466 CHATHAM ROAD AURORA IL 60506	MOTOROLA, INC	3,000.00	
MICHAEL W. REID, 1925 K STREET, NW, #206 WASHINGTON DC 20006	ALLIANCE TO SAVE ENERGY		
MARY LYNN REILLY, 3805 ALTON PLACE, NW WASHINGTON DC 20016	NEIGHBORHOOD HOUSING SERVICES OF AMERICA		
NOOLEY REINHEARDT, NOOLEY REINHEARDT & ASSOC. P.O. BOX 23190 WASHINGTON DC 20024	RURAL BUILDERS COUNCIL OF CALIFORNIA		
HARRY O. REINSCH, 50 BEALE ST. P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORPORATION		
JACK REITER, 1800 K STREET, N.W. SUITE 600 WASHINGTON DC 20006	FLYING TIGER LINE		
GEORGE E. RENAULT, 2108 YALE DR. ALEXANDRIA VA 22307	AMERICAN ENERGY PRODUCTS, INC		
RENDON COMPANY, 1439 RHODE ISLAND AVE., NW WASHINGTON DC 20005			
JOHN W. RENDON JR., 1439 RHODE ISLAND AVE., NW WASHINGTON DC 20005	RENDON COMPANY		
W. W. RENFROE, 69 FOUNTAIN PL. - P.O. BOX 417 FRANKFORT KY 40602	KENTUCKY RAILROAD ASSN		
DIANE RENNERT, 2005 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN PUBLISHERS	4,300.00	510.57
RESOURCES FUND, INC, 810 18TH ST., NW, #804 WASHINGTON DC 20006			
RETIRED OFFICERS ASSN, 201 N. WASHINGTON ST. ALEXANDRIA VA 22314		9,688.00	
JOHN H. REURS, 74 TRINITY PLACE NEW YORK NY 10006	NEW YORK COMM OF INTL COMM OF PASSENGER LINES		
VINCENT P. REUSING, 1025 CONNECTICUT AVENUE, NW, #1010 WASHINGTON DC 20036	METROPOLITAN INSURANCE COS	1,000.00	
ALAN V. REUTHER, 1757 N STREET, NW WASHINGTON DC 20036	UNITED AUTO, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS	14,113.17	228.94
ALLAN R. REXINGER, 1700 PENNSYLVANIA AVE., NW, #700 WASHINGTON DC 20006	PROPRIETARY ASSN	3,093.75	150.00
MARK E. REY, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	2,000.00	
RENEE REYMOND, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		100.00
MARY ANNE REYNOLDS, 8111 GATEHOUSE ROAD FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
FREDERICK W. RHODES, 1800 K STREET, NW, #800 WASHINGTON DC 20006	GOODYEAR TIRE & RUBBER CO	2,500.00	
JOHN J. RHODES, CUMMINGS & LOCKWOOD 1090 VERMONT AVENUE, NW, #650 WASHINGTON DC 20005	ALLIANCE FOR CLEAN ENERGY; UNION PACIFIC RAILROAD	500.00	
Do	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S.		
EDMUND B. RICE, 444 NORTH CAPITOL ST., NW, #500 WASHINGTON DC 20001	AMERICAN HOSPITAL ASSN	3,816.46	93.73
RICE GENOCIDE RESEARCH, 3046 ROOSEVELT STREET DETROIT MI 48216			98.71
LOIS D. RICE, 1201 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	CONTROL DATA CORPORATION	147.50	
M. LEE RICE, 1110 VERMONT AVENUE, NW WASHINGTON DC 20005	SHIPBUILDERS COUNCIL OF AMERICA	1,500.00	
THERON J. RICE, SUITE 900 1700 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	CONOCO, INC		
JAMES E. RICH JR., SUITE 200 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	SHELL OIL COMPANY	500.00	
RICHARD RICHARDS, BLISS, CRAFT & RICHARDS 1050 THOMAS JEFFERSON STREET, NW, 6TH FL WASHINGTON DC 20007	SIKORSKY AIRCRAFT	2,500.00	7.70
STACY RICHARDS, SUITE 802 1015 15TH STREET, NW WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	375.00	
ALAN H. RICHARDSON, 2301 M ST., NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN	1,000.00	
DONNA RICHARDSON, 1101 14TH STREET, NW, #200 WASHINGTON DC 20005	AMERICAN NURSES' ASSN	4,932.01	67.47
DOUGLAS C. RICHARDSON, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
JOHN C. RICHARDSON, 520 MADISON AVENUE NEW YORK NY 10022	LEBOEUF LAMB LEIBY & MACRAE (FOR: BRITISH INSURANCE ASSN AND LLOYD'S OF LONDON).		
K. O. RICHARDSON, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	2,000.00	200.00
LOIS RICHERSON, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	823.85	
LARRY D. RICKARDS, 1200 17TH STREET, NW WASHINGTON DC 20036	AMERICAN PSYCHOLOGICAL ASSN	491.25	20.07
JUDY NOEL RIDDLE, 6630 W. BROAD ST. RICHMOND VA 23230	LAWYERS TITLE INSURANCE CORP		
LOWELL J. RIDGEWAY, NORTH DAKOTA PETROLEUM COUNCIL P.O. BOX 1395 BISMARCK ND 58502	AMERICAN PETROLEUM INST	598.00	
E. GEORGE RIEDEL, 1600 M STREET, NW WASHINGTON DC 20036	INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION	1,800.00	150.00
MARK J. RIEDY, 1125 15TH ST., NW WASHINGTON DC 20005	MORTGAGE BANKERS ASSOCIATION OF AMERICA		
E. PHILIP RIGGIN, 1608 K ST., NW WASHINGTON DC 20006	AMERICAN LEGION	11,322.00	498.20
PAT RILEY, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FED OF FEDERAL EMPLOYEES		
SUSAN RILEY, 1150 17TH STREET, NW, #306 WASHINGTON DC 20036	NATIONAL MULTI HOUSING COUNCIL	1,687.50	
MARK ALAN RILLING, 110 MARYLAND AVENUE, NE, #409 WASHINGTON DC 20002	NATIONAL PEACE ACADEMY CAMPAIGN	4,481.40	
DALE P. RIORDAN, 3900 WISCONSIN AVENUE, NW WASHINGTON DC 20016	FEDERAL NATIONAL MORTGAGE ASSN	23,750.00	143.99
KEVIN J. RIORDAN, SUITE 1204 1700 K ST., NW WASHINGTON DC 20006	GULF OIL CORP	200.00	169.13
JOHN S. RIPPEY, 730 15TH ST., NW WASHINGTON DC 20005	ASSOCIATION OF BANK HOLDING COS	1,000.00	20.00
RISELLI & PRESSLER, 2033 M STREET, NW, #504 WASHINGTON DC 20036	PROFESSIONAL MANAGERS' ASSN	685.10	40.85
TED RISENHOOVER, 505 PLAZA DRIVE TAHLEQUAH OK 74464	W. A. REYNOLDS		
CAROL A. RISHER, 2005 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN PUBLISHERS	2,000.00	98.84
ROBIN RISSO, 511 C STREET, NE WASHINGTON DC 20002	CONTINENTAL ASSN OF RESOLUTE EMPLOYERS (C.A.R.E.)		
JEANNE M. RITCHIE, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
STARK RITCHIE, 1220 L ST., NW WASHINGTON DC 20005	AMERICAN PETROLEUM INST		
PHILLIP W. RIVERS, 1050 17TH ST., NW #500 WASHINGTON DC 20036	GETTY OIL COMPANY		
RJR INDUSTRIES, INC, 1100 REYNOLDS BLVD. WINSTON-SALEM NC 27106			10,624.29
LIZ ROBBINS ASSOCIATES, 132 D STREET, SE WASHINGTON DC 20003	ASSOCIATION OF LOCAL HOUSING FINANCE AGENICES (ALHFA)	3,947.67	
Do	GOLDMAN SACHS	1,215.00	
Do	NATIONAL COUNCIL OF COMMUNITY MENTAL HEALTH CENTERS	1,562.50	
Do	NATIONAL MUSIC PUBLISHERS ASSN, INC	1,000.00	
Do	SCHOLASTIC MAGAZINES, INC	900.00	
Do	SOUTHERN BAPTIST PRESS ASSN		
Do	WELK MUSIC GROUP		
RAY ROBERTS & ASSOCIATES, 2224 PEMBROOKE DENTON TX 76201	J. W. BATESON & CO. INC	3,000.00	1,632.39
Do	TEXAS UTILITIES SERVICES, INC	3,000.00	1,403.75
PATRICIA L. ROBERTS, SUITE 1107 1825 K STREET, NW WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY		
RICHARD R. ROBERTS, SUITE 403 1899 L ST., NW WASHINGTON DC 20036	OUTDOOR ADVERTISING ASSOCIATION OF AMERICA, INC	450.00	393.00
RICHARD W. ROBERTS, 100 EAST 42ND ST. NEW YORK NY 10017	NATIONAL FOREIGN TRADE COUNCIL, INC		
WILLIAM A. ROBERTS, 444 NORTH CAPITOL STREET, #711 WASHINGTON DC 20001	KEEFE COMPANY (FOR: WESTINGHOUSE ELECTRIC CORP)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
MARK ROBERTSON, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN EXPRESS CO)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: NATIONAL BROADCASTING CO).		
BETTY S. ROBINSON, 1757 N ST., NW WASHINGTON DC 20036	UNITED AUTO, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS	12,334.98	16.00
CHARLES A. ROBINSON JR , 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	126.94	
KENNETH L. ROBINSON, 1111 N. 19TH STREET, #700 ARLINGTON VA 22209	NATIONAL ASSN OF FEDERAL CREDIT UNIONS	1,400.00	
THOMAS E. ROBINSON, SUITE 700 1101 17TH STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF REAL ESTATE INVESTMENT TRUSTS, INC	1,400.00	
BOB JOHN ROBISON, 1201 PENNSYLVANIA AVENUE, NW, #700 WASHINGTON DC 20004	HILL & KNOWLTON, INC		
ANTOINETTE K. ROCHE, 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	GA TECHNOLOGIES, INC	1,500.00	250.00
JAMES ANTHONY ROCK, 1730 M STREET, NW, #607 WASHINGTON DC 20036	MONTANA POWER CO AND WASHINGTON WATER POWER CO	450.00	250.00
DAVID W. RODERER, 3900 WISCONSIN AVENUE, NW WASHINGTON DC 20016	FEDERAL NATIONAL MORTGAGE ASSN		
QUINCY RODGERS, 1200 NEW HAMPSHIRE AVE., NW SUITE 320 WASHINGTON DC 20036	GENERAL INSTRUMENT CORPORATION	600.00	105.58
WILLI ROELLI, VOLKART BROTHERS, INC. 120 WALL ST. NEW YORK NY 10005	COFFEE, SUGAR & COCOA EXCHANGE, INC		
ROGERS & WELLS, 1737 H STREET, NW WASHINGTON DC 20006	B. ALTMAN & CO		
Do	AMERICAN EXPRESS CO		313.62
Do	CEMENTOS ANAHUAC DEL GOLFO, S.A	1,250.00	
Do	DESERT PALACE, INC		
Do	FRANZIA, FRED T. JOHN C. & JOSEPH S		22.00
Do	WILLIAM ANTHONY HOGAN		
Do	INTERNOOR TRADE, INC		
Do	KAMEHAMEHA SCHOOLS/BERNICE P. BISHOP ESTATE		
Do	MERRILL LYNCH & CO., INC		
Do	MERRILL LYNCH COMMODITIES, INC		
Do	MERRILL LYNCH HUBBARD		
Do	MORRIS & GWENDOLYN CAFRITZ FOUNDATION		
Do	NATIONAL ASSN OF BEDDING MANUFACTURERS		
Do	PARIBAS CORPORATION		
Do	PFIZER, INC		
Do	TEACHERS INSURANCE & ANNUITY ASSN/COLLEGE RET. EQUITIES FUND		
BRUCE N. ROGERS, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	2,500.00	5,869.21
DONALD L. ROGERS, 730 15TH ST., NW WASHINGTON DC 20005	ASSOCIATION OF BANK HOLDING COS	2,083.40	
JAMES T. ROGERS, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN		
NANCY ROGERS, 815 16TH STREET, NW WASHINGTON DC 20006	INDUSTRIAL UNION DEPARTMENT, ALF-CIO	5,531.50	17.50
CAROLE M. ROGIN, 1800 M STREET, NW, #1030 WASHINGTON DC 20036	HAUCK & ASSOCIATES, INC (FOR: HEARING INDUSTRIES ASSN)		
Do	HAUCK & ASSOCIATES, INC. (FOR: NATIONAL ASSN FOR CHILD CARE MANAGEMENT).		
RICHARD A. ROHRBACH, 1625 I ST., NW SUITE 809 WASHINGTON DC 20006	BOISE CASCADE CORP	22,250.00	
JOHN F. ROLPH III, SUITE 350 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	CITIBANK, N.A	1,000.00	
KENNETH S. ROLSTON JR , 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PULPWOOD ASSN		
TENO RONCALIO, P.O. BOX 1707 CHEYENNE WY 82001	NORTHWEST ALASKAN PIPELINE CO & COLORADO INTERSTATE GAS CO		
FRED B. ROONEY, 6TH FL. 1050 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007	AMERICAN IRON & STEEL INSTITUTE	200.00	
Do	ASSOCIATION OF AMERICAN RAILROADS	300.00	
Do	CALIFORNIA PORTLAND CEMENT COMPANY	100.00	
Do	CONRAIL		
Do	CRAWFORD FITTING CO	100.00	
Do	DENVER & RIO GRANDE WESTERN RAILROAD CO	225.00	
Do	LONE STAR INDUSTRIES, INC	100.00	
Do	M LIFE INSURANCE CO	300.00	
Do	PAUL, HASTINGS, JANOFSKY & WALKER (FOR: SECURITY LIFE OF DENVER)	200.00	
JOHN C. ROOTS, SUITE 1001 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ATLANTIC RICHFIELD CO	426.31	
RAYMOND W. ROPER, 1601 DUKE STREET ALEXANDRIA VA 22314	SOCIETY OF AMERICAN FLORISTS		
ROPES & GRAY, SUITE 700 1001 22ND ST., NW WASHINGTON DC 20037	AMHERST COLLEGE; WELLESLEY COLLEGE		
Do	GENERAL MILLS, INC		
ROSE SCHMIDT DIXON & HASLEY, 1575 EYE STREET, NW, #500 WASHINGTON DC 20005	CIGAR ASSN OF AMERICA		
LOUISE L. ROSEMAN, SUITE 603 1620 I STREET, NW WASHINGTON DC 20006	VISA U.S.A., INC		
BURT ROSEN, 1700 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	PFIZER, INC	1,000.00	1,289.92
LESTER L. ROSEN, 1025 VERMONT AVENUE, NW, #500 WASHINGTON DC 20005	MILES LABORATORIES, INC		
RICHARD ROSEN, SUITE 118 5010 WISCONSIN AVENUE, NW WASHINGTON DC 20016			
RICHARD ROSENBAUM, C/O TIGHE CURHAN & PILIERO 1750 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	INTEGRATED RESOURCES, INC	3,000.00	250.00
SARA ROSENBAUM, 122 C STREET, NW WASHINGTON DC 20001	CHILDREN'S DEFENSE FUND	2,000.00	
MIRIAM A. ROSENBERG, 5999 STEVENSON AVENUE ALEXANDRIA VA 22304	AMERICAN ASSN FOR COUNSELING & DEVELOPEMENT	4,906.00	103.40
ROGER C. ROSENTHAL, SUITE 310 2001 S ST., NW WASHINGTON DC 20009	MIGRANT LEGAL ACTION PROGRAN, INC		
ROSES, INC., 1152 HASLETT ROAD P.O. BOX 99 HASLETT MI 48840		1,830.61	1,344.06
GAIL E. ROSS, GOLDFARB SINGER & AUSTERN 918 16TH STREET, NW WASHINGTON DC 20006	WASHINGTON INDEPENDENT WRITERS		
JOHN W. ROSS, 425 13TH STREET, NW, #1032 WASHINGTON DC 20004	NATIONAL CATTLEMEN'S ASSN	1,000.00	
WILLIAM F. ROSS, SOUTH CAROLINA PETROLEUM COUNCIL 716 KEENAN BLDG. COLUMBIA SC 29201	AMERICAN PETROLEUM INST		
LESLEY A. ROSSE, 1220 L ST., NW, 5TH FL. WASHINGTON DC 20005	AMERICAN LAND DEVELOPMENT ASSN		
ALAN J. ROTH, SPIEGEL & MCDIARMID 2600 VIRGINIA AVE., NW WASHINGTON DC 20037	FT. PIERCE UTILITIES AUTH OF THE CITY OF FT. PIERCE, ET AL		
BARRY N. ROTH, 1120 20TH STREET, NW, #700 WASHINGTON DC 20036	WILLIAMS COMPANIES	100.00	
SAMUEL A. ROTH, 1615 H STREET, NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S	2,000.00	50.00
DONALD D. ROUNDS, SOUTH DAKOTA PETROLEUM COUNCIL P.O. BOX 669 PIERRE SD 57501	AMERICAN PETROLEUM INST		112.92
WILLIAM C. ROUNTREE, SUITE 600 1001 22ND ST., NW WASHINGTON DC 20037	STANDARD OIL CO (OHIO)		
MICHAEL O. ROUSH, CAPITAL GALLERY EAST, #695 600 MARYLAND AVE. WASHINGTON DC 20024	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	2,250.00	200.00
LOIS ROWAN, 818 ROEDER ROAD, #702 SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
JOHN W. ROWLAND, 5025 WISCONSIN AVE.,NW WASHINGTON DC 20006	AMALGAMATED TRANSIT UNION, AFL-CIO		
ROXTON, INC, 2000 S. EADS STREET, #1003 ARLINGTON VA 22202	GLOBAL IDENTIFICATION CORP		
ROBERT STEWART ROYER, 1747 PENNSYLVANIA AVENUE, NW, #950 WASHINGTON DC 20006	AMERICAN MILITARY SALES		
Do	FORD, RIFF & BURGESS		
Do	INTEX HOLDINGS (BERMUDA) LTD		
Do	MORGAN STANLEY & CO., INC		
Do	OVERSEAS MILITARY SALES GROUP		
Do	SECURITIES INDUSTRY ASSOCIATION		
TOBI Z. ROZEN, 888 16TH ST., NW WASHINGTON DC 20006	MILK IND. FOUNDATION/INTL ASSN OF ICE CREAM MFRS		
JAMES S. RUBIN, 1150 CONNECTICUT AVE., NW, #700 WASHINGTON DC 20036	ALLIED CORPORATION	501.12	
PAUL M. RUDEN, WILNER & SCHEINER 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	AMERICAN SOC OF TRAVEL AGENTS		
BARBARA A. RUDOLPH, 1901 N. FORT MYER DRIVE, #302 ROSSLYN VA 22209	BEVERLY ENTERPRISES	3,375.00	150.00
CAMILLE KEARNS RUDY, 1346 CHESTNUT, #800 PHILADELPHIA PA 19107	GREATER PHILADELPHIA CHAMBER OF COMMERCE		
HENRY C. RUEMPLER, 1200 NEW HAMPSHIRE AVENUE, NW, #350 WASHINGTON DC 20036	CITIBANK, N.A	500.00	
NICHOLAS L. RUGGIERE, 1667 K STREET, NW, #410 WASHINGTON DC 20006	JOHNSON & JOHNSON	1,000.00	25.00
MORGAN S. RUPH, 4647 FORBES BOULEVARD LANHAM MD 20706	ANVETS	6,800.00	150.47
ROBERT C. RUPPERT, 1660 L STREET, NW, #901 WASHINGTON DC 20036	PAN AMERICAN WORLD AIRWAYS, INC		
CHARLOTTE RUSH, SUITE 700 1025 CONNECTICUT AVE., NW WASHINGTON DC 20036	GULF OIL CORP	950.00	
BARRY RUSSELL, 1101 16TH ST., NW WASHINGTON DC 20036	INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA		43.00
DOROTHEA L. RUSSELL, 1120 VERMONT AVENUE, NW, #1120 WASHINGTON DC 20005	NATIONAL CANDY WHOLESALERS ASSN, INC		
NANCY RUSSELL, 4921 SW HEWETT BLVD. PORTLAND OR 97221	FRIENDS OF THE COLUMBIA GORGE		
WALLY RUSTAD, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	25.00	
HERMAN MAX RUTH, P.O. BOX 4000 SPINGFIELD MO 65802			
J. T. RUTHERFORD & ASSOCIATES, INC., 1301 N. COURTHOUSE RD., #1802 ARLINGTON VA 22201	AMERICAN ASSN OF BIOANALYSTS/INTL SOC OF CLINICAL LAB TECHS		150.30
Do	AMERICAN COLLEGE OF RADIOLOGY		312.40
Do	AMERICAN OPTOMETRIC ASSN		265.20
Do	GTE/SPRINT COMMUNICATIONS		200.00
ELLA MARICE RYAN, 1156 15TH ST., NW WASHINGTON DC 20005	J. C. PENNEY CO, INC	100.00	
FRANK T. RYAN, 1400 K STREET, NW WASHINGTON DC 20005	RUBBER MFGRS ASSN	2,500.00	
GEORGE J. RYAN, 915 ROCKEFELLER BUILDING CLEVELAND OH 44113	LAKE CARRIERS' ASSN		
JOHN F. RYAN, 1600 M STREET, NW WASHINGTON DC 20036	INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION		
JOHN G. RYAN, 1700 K STREET, NW WASHINGTON DC 20006	SQUIBB CORP	1,500.00	
JOSEPH RYAN, SUITE 320 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	GENERAL INSTRUMENT CORPORATION		
NAJWA SA'D, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
PAUL R. SACIA, SUITE 202, WEST WING 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	FARMERS' EDUCATIONAL & CO-OPERATIVE UNION OF AMERICA	3,876.91	
DEAN SAGAR, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	252.50	5.10
THOMAS L. SAGER, 1007 MARKET ST. WILMINGTON DE 19898	E. I. DU PONT DE NEMOURS & CO		
GREGORY A. SAHD, 2033 M STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
JAMES H. SAMMONS, 535 NORTH DEARBORN STREET CHICAGO IL 60610	AMERICAN MEDICAL ASSN		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
SANDERS SCHNABEL & BRANDENBURG, P.C., 1110 VERMONT AVENUE, NW, #600 WASHINGTON DC 20005	AMERICAN SOC OF ASSN EXECUTIVES		
COLIN D. SANDISON, 1899 L STREET, NW, #1100 WASHINGTON DC 20036	EXXON CORPORATION	1,000.00	157.00
CHARLES E. SANDLER, 1220 L STREET, NW WASHINGTON DC 20005	AMERICAN PETROLEUM INST	6,000.00	
PETER G. SANDLUND, 1725 EYE ST., NW, #315 WASHINGTON DC 20006	COUNCIL OF EUROPEAN & JAPANESE NATIONAL SHIPOWNERS' ASSN	300.00	
BRUCE W. SANFORD, BAKER & HOSTETLER 818 CONNECTICUT AVENUE, NW WASHINGTON DC 20006	SOCIETY OF PROFESSIONAL JOURNALISTS, SIGMA DELTA CHI	1,500.00	73.12
JAMES D. SANTINI, BIBLE, SANTINI, HOY & MILLER 900 17TH ST., NW WASHINGTON DC 20006	GREENS CREEK JOINT VENTURE		
Do	LORIMAR PRODUCTIONS	4,500.00	37.09
Do	NATIONAL TOUR ASSOCIATION, INC.	11,250.00	990.86
Do	NORANDA EXPLORATION, INC	4,500.00	101.27
Do	NORANDA MINING INC.		
Do	REDFIELD LAND COMPANY	245.00	14.43
CHARLES SAPP, 3500 TEXAS COMMERCE TOWER HOUSTON TX 77002	HOUSTON ENDOWMENT, INC		
RONALD A. SARASIN, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN		
KAREN SASAHARA, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
JOHN S. SATAGAJ, 1250 I STREET, NW, #500 WASHINGTON DC 20005	AMERICAN ASSN OF NURSERYMEN		
KLARA B. SAUER, 9 VASSAR STREET POUGHKEEPSIE NY 12601	SCENIC HUDSON, INC.		
ALBERT C. SAUNDERS, 1100 15TH ST., NW #900 WASHINGTON DC 20005	PHARMACEUTICAL MANUFACTURERS ASSN	4,000.00	1.70
THOMAS C. SAWYER, 1825 K STREET, NW WASHINGTON DC 20006	NATIONAL BROADCASTING CO	2,000.00	119.28
ROBERT WAYNE SAYER, 4545 42ND STREET, NW WASHINGTON DC 20016	GCA CORP		105.16
OMAR SBITANI, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
STEPHEN G. SCHAFER, 1800 FIRST NATIONAL BUILDING DETROIT MI 48226	JAFFE SNIDER RAITT & HEUER, P.C.		
JEROME D. SCHALLER, 1101 15TH STREET, NW WASHINGTON DC 20005	MINNESOTA MINING & MANUFACTURING CO	10,000.00	47.40
WILLIAM T. SCHAPAUGH, 1030 15TH STREET, NW WASHINGTON DC 20005	AMERICAN SEED TRADE ASSN	4,000.00	
C. M. SCHAUERTE, P.O. BOX 3247 HOUSTON TX 77253	AMERICAN GENERAL CORPORATION	13,000.00	
JAY T. SCHECK JR., RT. 202-206 NORTH SOMERVILLE NJ 08876	AMERICAN HOECHST CORPORATION		
DALE E. SCHELL, 1919 PENNSYLVANIA AVE., NW, #300 WASHINGTON DC 20006	GATX CORP		
JANE N. SCHERER, SUITE 1204 1700 K STREET, NW WASHINGTON DC 20006	CHEVRON USA, INC	100.00	
JOSEPH SCHERER, 1801 NORTH MOORE ST. ARLINGTON VA 22209	AMERICAN ASSN OF SCHOOL ADMINISTRATORS		
JACQUES T. SCHLENGER, 1800 MERCANTILE BANK & TRUST BLDG. THE HOPKINS PLAZA BALTIMORE MD 21201	MARYLAND SAVINGS-SHARE INSURANCE CORP		
KENNETH D. SCHLOMAN, 1600 RHODE ISLAND AVENUE, N.W. WASHINGTON DC 20036	NATIONAL RIFLE ASSOCIATION OF AMERICA	915.00	43.50
RICHARD M. SCHMIDT JR , SUITE 600 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	ASSOCIATION OF AMERICAN PUBLISHERS	500.00	
ROBERT RICHARD SCHMITT, 11304-047 UNIT C P.O. BOX 888 ASHLAND KY 41101			
SCHNADER HARRISON SEGAL & LEWIS, SUITE 1000 1111 19TH ST., NW WASHINGTON DC 20036	SAVIN CORPORATION		
Do	TOYOTA MOTOR CORPORATION	2,241.00	80.85
MARK L. SCHNEIDER, 1001 22ND STREET, NW, #600 WASHINGTON DC 20037	STANDARD OIL CO (OHIO)		
THERESA A. SCHNEIDER, 1575 EYE STREET, NW, #550 WASHINGTON DC 20005	INSTITUTE OF MAKERS OF EXPLOSIVES		
FRANK SCHNELLER, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
SCHRAMM & RADDUE, 15 WEST CARRILLO STREET SANTA BARBARA CA 93101	H&W DRILLING CO		
JACK J. SCHRAMM, SUITE 607 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	WASTE MANAGEMENT, INC.	5,000.00	
A. KOLBET SCHRICHTE, SUITE 500 1133 15TH STREET, NW WASHINGTON DC 20005	AMERICAN LOGISTICS ASSOCIATION		
N. DONALD SCHROEDER, MARYLAND PETROLEUM COUNCIL 60 WEST ST., #403 ANNAPOLIS MD 21401	AMERICAN PETROLEUM INST		
MARK SCHULTZ, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	5,000.00	112.61
WILLIAM B. SCHULTZ, SUITE 700 2000 P ST., NW WASHINGTON DC 20036	PUBLIC CITIZEN, INC.	2,000.00	20.00
ROBERT L. SCHULZ, C/O IOWA PETROLEUM COUNCIL 1012 FLEMING BLDG. DES MOINES IA 50309	AMERICAN PETROLEUM INST		
WALTER A. SCHUMANN III, 1511 NATALIE JOY LN. MCLEAN VA 22101	POTOMAC OVERLOOK ASSOCIATES		
NEIL D. SCHUSTER, SUITE #1000 1620 EYE ST., NW WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSN OF THE U.S., INC	120.00	
JAMES H SCHUYLER, 15TH & M STS., NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
DONALD H. SCHWAB, 200 MARYLAND AVE., NE WASHINGTON DC 20002	VETERANS OF FOREIGN WARS OF THE U.S.	11,500.00	311.40
LYNDLEY M. SCHWAB, 410 1ST ST., SE WASHINGTON DC 20003	AMERICAN NUCLEAR ENERGY COUNCIL		
ELINOR SCHWARTZ, 318 S. ABINGDON STREET ARLINGTON VA 22204	CALIFORNIA STATE LANDS COMMISSION	7,800.00	529.97
RICHARD SCHWARTZ, 880 S. PICKETT ST. ALEXANDRIA VA 22304	BOAT OWNERS ASSOCIATION OF THE U.S.	4,000.00	
STEVE AARON SCHWARTZ, 818 ROEDER ROAD SUITE 702 SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
RICHARD S. SCHWEIKER, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	550.00	
CARL F. SCHWENSEN, 415 2ND ST., NE SUITE 300 WASHINGTON DC 20002	NATIONAL ASSN OF WHEAT GROWERS	1,026.02	
SCIENTIFIC APPARATUS MAKERS ASSN, 1101 16TH ST., NW WASHINGTON DC 20036		6,989.57	4,032.95
MICHAEL SCIULLA, 880 S. PICKETT ST. ALEXANDRIA VA 22304	BOAT OWNERS ASSOCIATION OF THE U.S.	6,000.00	
HAROLD B. SCOGGINS, 1101 16TH ST., NW WASHINGTON DC 20036	INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA		2.00
SCOTT COMPANY, INC., 66 SURFWATCH DRIVE JOHNS ISLAND SC 29455	COASTAL PROPERTIES INSTITUTE, INC		
JAMES M. SCOTT, 66 SURFWATCH DRIVE JOHNS ISLAND SC 29455	SCOTT COMPANY		
JOHN N. SCOTT, 1825 K STREET, NW, #1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY	222.00	691.17
SCRIBNER HALL & THOMPSON, SUITE 700 1875 EYE STREET, NW WASHINGTON DC 20006	CONTINENTAL AMERICAN LIFE INSURANCE CO		
Do	JEFFERSON-PILOT CORP. AND SUBSIDIARIES		
Do	OCCIDENTAL LIFE INSURANCE CO OF CALIFORNIA		
Do	PROVIDENT LIFE & ACCIDENT INSURANCE CO		9,778.00
TIMOTHY SCULLY, 25 LOUISIANA AVENUE, NW WASHINGTON DC 20001	INTERNATIONAL BROTHERHOOD OF TEAMSTERS	9,187.50	
WALTER J. SCZUDLO, 15 WEST CARRILLO STREET SANTA BARBARA CA 93101	SCHRAMM & RADDUE (FOR: H&W DRILLING, INC)		
EARL W. SEARS, P.O. BOX 12285 MEMPHIS TN 38112	NATIONAL COTTON COUNCIL OF AMER	283.04	3.88
LAW OFFICES OF JOHN SEARS, 818 CONNECTICUT AVENUE, NW WASHINGTON DC 20006	EMBASSY OF THE REPUBLIC OF SOUTH AFRICA	15,000.00	357.63
SANDY SEDACCA, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	2,770.35	
PAMELA SEDERHOLM, 2828 N. HASKELL AVE. DALLAS TX 75204	SOUTHLAND CORPORATION		
MARIA MCCREA SEGAL, 2033 M STREET, NW, #900 WASHINGTON DC 20036	NATIONAL ASSN OF ARAB AMERICANS		
H. RICHARD SEIBERT JR , 1776 F ST., NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	375.00	
GEORGE M. SEITTS, SUITE 900 1015 15TH STREET, NW WASHINGTON DC 20005	INTERNORTH	2,000.00	
ARMISTEAD I. SELDEN, SUITE 4400 475 L'ENFANT PLAZA, SW WASHINGTON, DC 20024	AMERICAN LEAGUE FOR EXPORTS & SECURITY ASSISTANCE	3,500.00	15.00
M. FRANK SELLERS, 1615 H STREET, NW WASHINGTON DC 20062	U.S. CHAMBER OF COMMERCE (FOR: BUSINESS ALLIANCE ON GOVERNMENT COMPETITION).	5,000.00	597.33
STANTON P. SENDER, 633 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	SEARS, ROEBUCK AND CO	850.00	16.05
STUART D. SERKIN, 1800 CONNECTICUT AVENUE, NW WASHINGTON DC 20009	SLURRY TECHNOLOGY ASSN		
SERVICE MASTER INDUSTRIES, INC, C/O OF TALCOTT MCCABE & ASSOCIATES 600 MARYLAND AVE., SW, 302 W. WING WASHINGTON DC 20024.			725.00
SEVEN MONTHS SESSION FOR CONGRESS, 3306 YELLOWPINE TERRACE AUSTIN TX 78757			604.00
SEWARD & KISSEL, 919 18TH ST., NW WASHINGTON DC 20006	A. I. LEASING CORP		9.00
Do	MERRILL LYNCH MONEY MARKETS, INC		
Do			
J. RICHARD SEWELL, 1111 19TH ST., NW, #1102 WASHINGTON DC 20036	FLORIDA POWER & LIGHT CO	2,100.00	377.96
SEYFARTH SHAW FAIRWEATHER & GERALDSON, 1111 19TH ST., NW WASHINGTON DC 20036	AGRICULTURAL PRODUCERS	33,324.10	
Do	FRIENDS OF THE HOP MARKETING ORDER		
DONNA S. SHAFFER, DULLES INTERNATIONAL AIRPORT P.O. BOX 17309 WASHINGTON DC 20041	PRIDE AIR, INC	7,500.00	240.00
VICTORIA MCKENZIE SHAIN, 1710 RHODE ISLAND AVENUE, NW, #300 WASHINGTON DC 20036	ABBOTT LABORATORIES	1,000.00	
WILLIAM H. SHAKER, SUITE 600 1523 L STREET, NW WASHINGTON DC 20005	NATIONAL TAX LIMITATION COMMITTEE		
JAMES M. SHAMBERGER, 1025 CONNECTICUT AVE., NW, #512 WASHINGTON DC 20036	REINSURANCE ASSN OF AMER		
DEBBIE SHANNON, 5TH FLOOR 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	2,500.00	487.04
DAVID L. SHAPIRO, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC		
GARY J. SHAPIRO, 2001 EYE STREET, NW WASHINGTON DC 20006	ELECTRONIC INDUSTRIES ASSN		
HARRY D. SHAPIRO, 1800 MERCANTILE BANK & TRUST BLDG. TWO HOPKINS PLAZA BALTIMORE MD 21201	MARYLAND SAVINGS-SHARE INSURANCE CORP		
NORMAN F. SHARP, 1100 17TH STREET, NW, #1201 WASHINGTON DC 20036	CIGAR ASSN OF AMERICA, INC		
KAREN DOLMATCH SHAW, SUITE 920 1800 K ST., NW WASHINGTON DC 20006	BANKAMERICA CORPORATION	58.16	65.42
LUTHER W. SHAW, SUITE 514 1155 15TH ST., NW WASHINGTON DC 20005	NATIONAL AGRICULTURAL CHEMICALS ASSN		
SHAW PITTMAN POTTS & TROWBRIDGE, 1800 M ST., NW, #900-S WASHINGTON DC 20036	ATLAS MINERALS DIVISION	819.50	
Do	COMMITTEE FOR PRIVATE EDUCATION		
Do	FARMERS FOR FAIRNESS		
Do	INSTITUTE OF FOREIGN BANKERS		
Do	INVESTMENT COMPANY INSTITUTE		
Do	NATIONAL COMM ON SMALL ISSUE INDUSTRIAL DEVELOPMENT BONDS		
Do	UTILITY NUCLEAR WASTE MANAGEMENT GROUP	1,622.63	33.20
SHEA & GOULD, 330 MADISON AVE. NEW YORK NY 10017	ELEANOR A. CLARK		
Do	HOSPITAL CORP OF AMERICA		
Do	NABISCO, INC.		
Do	REPUBLIC OF HAITI	50,000.00	6.00
JAMES V. SHEAHAN, 223 PERIMETER CTR. PKWY. P.O. BOX 89000 ATLANTA GA 30338	SIEMENS-ALLIS, INC		
SHEARMAN & STERLING, 153 EAST 53RD ST. NEW YORK NY 10005	BUSINESS ROUNDTABLE		
JOHN J. SHEEHAN, 815 16TH ST., NW, #706 WASHINGTON DC 20006	UNITED STEELWORKERS OF AMER	11,854.65	
PATRICIA Q. SHEEHAN, 1667 K STREET, NW, #410 WASHINGTON DC 20006	JOHNSON & JOHNSON	1,000.00	225.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
KATHLEEN SHEEKEY, 3RD FLOOR 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	9,868.80	471.03
JOHN P. SHEFFEY, 5535 HEMPSTEAD WAY SPRINGFIELD VA 22151	NATIONAL ASSN FOR UNIFORMED SERVICES	765.40	
JONATHAN R. SHEINER, 410 FIRST ST., SE WASHINGTON DC 20003	CONSOLIDATED EDISON CO OF NEW YORK, INC.	325.00	
SEYMOUR SHERIFF, 1126 WOODWARD BLDG. WASHINGTON DC 20005	MAN-MADE FIBER PRODUCERS ASSN, INC.		
R. PHILIP SHIMER, SUITE 405 444 N. CAPITAL ST., NW WASHINGTON DC 20001	WESTERN GOVERNORS ASSOCIATION	264.70	8.00
RUSSELL L. SHIPLEY JR , 1120 VERMONT AVENUE, NW, #1120 WASHINGTON DC 20005	NATIONAL CANDY WHOLESALERS ASSN, INC.		
SHIPLEY SMOAK & HENRY, SUITE 820 910 17TH ST., NW WASHINGTON DC 20006	FORT SILL GARDENS, INC.		
HARVEY A. SHIPMAN, 1701 PENNSYLVANIA AVENUE, NW, #830 WASHINGTON DC 20006	PENN CENTRAL CORPORATION		
MARY FRANCES SHLAGEL, SUITE 760 1050 CONNECTICUT AVE., NW WASHINGTON DC 20036	UNION OIL CO OF CALIFORNIA		
W. RAY SHOCKLEY, 1101 CONNECTICUT AVE., NW, #300 WASHINGTON DC 20036	AMERICAN TEXTILE MANUFACTURERS INSTITUTE, INC.	2,550.00	15.00
THOMAS K. SHOEMAKER, 1899 L STREET, NW, #600 WASHINGTON DC 20036	TRAVEL INDUSTRY ASSN OF AMERICA		
SHOOSHAN & JACKSON, INC., 1990 M ST., NW, #450 WASHINGTON DC 20036	ROGERS U.S. CABLESYSTEMS, INC.		
HARRY M. SHOOSHAN III, 1990 M ST., NW, #450 WASHINGTON DC 20036	SHOOSHAN & JACKSON, INC (FOR: ROGERS U.S. CABLESYSTEMS, INC)		
SCOTT SHOTWELL, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	2,475.00	
A. Z. SHOWS, RM 203 1801 COLUMBIA RD., NW WASHINGTON DC 20009			
JAMES V. SIENA, 1735 NEW YORK AVENUE, NW WASHINGTON DC 20006	AMERICAN INSTITUTE OF ARCHITECTS		
MARK SILBERGELD, 2001 S STREET, SW, #520 WASHINGTON DC 20009	CONSUMERS UNION OF U.S., INC.	1,000.00	10.00
RONALD G. SILLS, C/O 38832-066, A-1 F.C.I. BOX 7000 TEXARKANA TX 75501			150.00
DAVID SILVER, 1600 M ST., NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE		
STEVEN W. SILVER, ROBERTSON, MONAGLE, EASTAUGH & BRADLEY 240 MAIS ST., #800 JUNEAU AK 99802	ALASKA PULP CORP	2,000.00	
Do	U.S. CRUISES, INC.	2,930.89	
SILVER USERS ASSN, INC, 1717 K ST., NW WASHINGTON DC 20006		5,675.13	3,514.74
BRUCE A. SILVERGLADE, 1501 16TH STREET, NW WASHINGTON DC 20036	CENTER FOR SCIENCE IN THE PUBLIC INTEREST		
SILVERSTEIN & MULLENS, 1776 K ST., NW WASHINGTON DC 20006	ASSOCIATION FOR ADVANCED LIFE UNDERWRITING		
Do	BRISTOL-MYERS CO		
Do	F.W. WOOLWORTH CO		
Do	FEDERAL NATIONAL MORTGAGE ASSN		
Do	GATX CORP		
Do	MUSIC CORPORATION OF AMERICA, INC.		
Do	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
Do	NATIONAL COUNCIL OF SAVINGS INSTITUTIONS		
M. P. SIMMONS, P.O. BOX 860 VALLEY FORGE PA 19482	CERTAINTEED CORP		
NEIL A. SIMON, 1025 CONNECTICUT AVENUE, NW, #707 WASHINGTON DC 20036	INTERNATIONAL FRANCHISE ASSN		
PHILIP SIMON, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	3,400.03	
TALMAGE E. SIMPKINS, 100 INDIANA AVE., NW WASHINGTON DC 20001	LABOR MANAGEMENT MARITIME COMMITTEE, INC	1,436.00	128.13
WILLIAM G. SIMPSON, SUITE 424 1155 15TH STREET, NW WASHINGTON DC 20005	FIRST MISSISSIPPI CORPORATION	2,000.00	
Do	J.R. SCRIBNER EQUIPMENT	2,000.00	
Do	MISSISSIPPI POWER & LIGHT COMPANY	2,000.00	
Do	STATE OF MISSISSIPPI	4,000.00	
ALBERT M. SIMS, BOX 872 SMITHTOWN NY 11787	PERFORMANCE ENGINEERING, INC.		
MARGARET SIMS, 2025 M STREET, NW WASHINGTON DC 20036	NATIONAL PUBLIC RADIO		
IVAN E. SINCLAIR, 1000 WILSON BOULEVARD, #2700 ARLINGTON VA 22209	TRW, INC.	1,000.00	
JAMES C. SIVON, 730 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATION OF BANK HOLDING COS.	1,187.50	40.00
SKADDEN ARPS SLATE MEAGHER & FLOM, 919 18TH STREET, NW WASHINGTON DC 20006	CITIES SERVICE OIL & GAS CORP		
Do	TEXACO, INC.		
Do	TRANSCO ENERGY COMPANY		
Do	TRICENTROL U.S., INC.		
GREGG P. SKALL, BAKER HOSTETLER 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	DAYTIME BROADCASTERS ASSN		
Do	UNIDEN CORP OF AMERICA		
CYNTHIA ELLIOT SKIFF, 8111 GATEHOUSE ROAD FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
WILLIAM J. SKINNER, 815 15TH ST., NW WASHINGTON DC 20005	U.S. PHARMACOPEIAL CONVENTION, INC	169.01	
BARNEY J. SKLADANY JR , 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	MOBIL OIL CORP	1,125.00	
RUTH L. SKY, 2211 CONGRESS ST. PORTLAND ME 04122	UNION MUTUAL LIFE INSURANCE CO		
F. SLATINSHEK & ASSOCIATES, INC., 1102 BELLE VISTA DR. ALEXANDRIA VA 20007	GRUMMAN AERO CORP; D.L. LYNCH & ASSOCS.	200.00	
SCOTT L. SLESINGER, SUITE 804 1101 14TH ST., NW WASHINGTON DC 20005	NATIONAL APARTMENT ASSN		
BARRY S. SLEVIN, 1000 POTOMAC STREET, NW WASHINGTON DC 20007	SEIFMAN, SEMO, SLEVIN & MARCUS, P.C. (FOR: UNITED FOOD & COMMERCIAL WORKERS INT'L UNION).		
RONALD J. SLINN, 260 MADISON AVENUE NEW YORK NY 10016	AMERICAN PAPER INST, INC.		
CATHERINE REISS SLOAN, 1990 M ST., NW, #450 WASHINGTON DC 20036	SHOOSHAN & JACKSON, INC (FOR: ROGERS U.S. CABLESYSTEMS, INC)		
JOHN E. SLOAN JR., CAPITAL GALLERY EAST, #695 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	NATIONAL FED OF INDEPENDENT BUSINESS	1,150.00	200.00
SLURRY TRANSPORT ASSN, 1800 CONNECTICUT AVE., NW WASHINGTON DC 20009			
SMALL BUSINESS COUNCIL OF AMERICA, INC, P.O. BOX 4299 COLUMBUS GA 31904		6,325.00	31,159.74
SMALL BUSINESS LEGISLATIVE COUNCIL, 1604 K ST., NW WASHINGTON DC 20006		3,000.00	50.00
PETER SMALL, 295 MADISON AVENUE NEW YORK NY 10017	PETER SMALL & ASSOCIATES, INC. (FOR: WILLIAM M. MERCER-MEIDINGER, INC)		
SMATHERS SYMINGTON & HERLONG, SUITE 400 1700 K ST., NW WASHINGTON DC 20006	AMERICAN HORSE COUNCIL	3,666.00	
Do	COALITION OF COMMUNITY BANKS OF FLORIDA		
Do	FLORIDA EAST COAST RAILWAY CO	750.00	
Do	NATIONAL HOCKEY LEAGUE	1,500.00	
Do	PENNZOIL CO.	6,000.00	
Do	REPUBLIC OF SOUTH AFRICA	7,500.00	
SMC INTERNATIONAL, 1825 EYE STREET, NW, #400 WASHINGTON DC 20006	CAPITOL AIR, INC.		
Do	GC SERVICES CORP.	500.00	154.06
Do	PIEDMONT AIRLINES, INC.	2,000.00	216.72
Do	SAFECARD SERVICES, INC.		
ELEANOR SMEAL & ASSOCIATES, 2401 VIRGINIA AVE., NW, #306 WASHINGTON DC 20037	NATIONAL ORGANIZATION FOR WOMEN		
DONALD E. SMILEY, 1899 L ST., NW, #1100 WASHINGTON DC 20036	EXXON CORPORATION		
JAMES R. SMIRCINA, P.O. BOX 5000 CLEVELAND OH 44101	CLEVELAND ELECTRIC ILLUMINATING CO.		
CATHERINE S. SMITH, 1730 K ST., NW, #703 SUITE 209 WASHINGTON DC 20006	AMERICAN BUSINESS CONFERENCE, INC.	134.88	25.00
DANIEL T. SMITH, P.O. BOX 660074 DALLAS TX 75266	INTERNATIONAL AIRLINE PASSENGERS ASSN, INC.		
DAVID S. SMITH, 1701 PENNSYLVANIA AVE., NW, #1102 WASHINGTON DC 20006	MARTIN & SMITH		
SMITH DAWSON ASSOCIATES, INC, 1000 CONNECTICUT AVENUE, NW, #304 WASHINGTON DC 20036	N.Y. METROPOLITAN TRANSPORTATION AGENCY	15,750.00	16,083.13
Do	SAN FRANCISCO P.V.C.	9,000.00	9,000.00
DOUGLAS S. SMITH, 3219 MAGNOLIA AVENUE FALLS CHURCH VA 22041	NATIONAL INHOLDERS ASSN		
ELIZABETH M. SMITH, 815 16TH ST., NW, #310 WASHINGTON DC 20006	AMALGAMATED CLOTHING & TEXTILE WORKERS UNION	5,277.48	443.90
FREDERICK P. SMITH JR., 1575 EYE STREET, NW, #550 WASHINGTON DC 20005	INSTITUTE OF MAKERS OF EXPLOSIVES		
GORDON L. SMITH, 1201 PENNSYLVANIA AVE., NW, #700 WASHINGTON DC 20004	HILL & KNOWLTON, INC (FOR: FLORISTS' TRANSWORLD DELIVERY ASSN)	2,062.50	
JEFFREY A. SMITH, 1600 WILSON BOULEVARD, #1000 ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC		
JEFFREY A. SMITH, 919 18TH STREET, NW, #600 WASHINGTON DC 20006	TOYOTA MOTOR SALES, USA, INC.		
JENNIFER L. SMITH, 900 17TH STREET, NW, #520 WASHINGTON DC 20006	WEST MEXICO VEGETABLE DISTRIBUTORS ASSN	300.00	
JOSEPH M. SMITH, 1730 K ST., NW, #703 WASHINGTON DC 20006	AMERICAN BUSINESS CONFERENCE	52.40	25.00
JULIAN H. SMITH JR., 600 NORTH 18TH STREET BIRMINGHAM AL 35291	ALABAMA POWER CO.	12,882.00	9,912.19
MICHAEL E. SMITH, P.O. BOX 5000 CLEVELAND OH 44101	CLEVELAND ELECTRIC ILLUMINATING CO		
MICHAEL P. SMITH, 485 LEXINGTON AVE. NEW YORK NY 10017	NEW YORK STATE BANKERS ASSN	320.00	48.00
RONALD E. SMITH, 2501 M STREET, NW WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSN	2,500.00	493.64
SHALAH SMITH, 1130 17TH STREET, NW WASHINGTON DC 20036	NATIONAL COAL ASSN.	2,250.00	362.68
SUSAN SNYDER SMITH, 7900 WESTPARK DRIVE, #514 MCLEAN VA 22102	CHOCOLATE MANUFACTURERS ASSN OF THE USA	500.00	339.90
WILLIAM C. SMITH, 1850 K STREET, NW, #1100 WASHINGTON DC 20006	BALLARD, SPAHR, ANDREWS & INGERSOLL		
WAYNE H. SMITHEY, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FORD MOTOR CO.	1,200.00	150.98
FRANK B. SNODGRASS, 1100 17TH ST., NW, #306 WASHINGTON DC 20036	BURLEY & DARK LEAF TOBACCO EXPORT ASSN	1,158.18	
LARRY S. SNOWHITE, 1825 EYE ST., NW WASHINGTON DC 20006	ENVIRTIE CORPORATION	1,533.00	
Do	LIBERTY MUTUAL INSURANCE CO.	1,617.00	55.74
Do	MINTZ, LEVIN, COHN, FERRIS, GLOVSKY & POPEO (FOR: LION LINES, LTD.)		
Do	MINTZ LEVIN COHN FERRIS GLOVSKY & POPEO (FOR: MASS. CONSTRUCTION INDUS. COUNCIL TRUCK WEIGHT COMM).		
Do	MASSACHUSETTS COLLEGE STUDENT LOAN AUTHORITY	189.00	
Do	NEW ENGLAND EDUCATION LOAN MARKETING CORP	203.00	
Do	MINTZ, LEVIN, COHN, GLOVSKY AND POPEO (FOR: SCA SERVICES)	4,500.00	55.73
Do	MINTZ LEVIN COHN FERRIS GLOVSKY & POPEO (FOR: SECURITIES INDUSTRY ASSN)		
J. R. SNYDER, 400 1ST ST., NW, #704 WASHINGTON DC 20001	UNITED TRANSPORTATION UNION		1,600.00
JOHN M. SNYDER, 600 PENNSYLVANIA AVE., S.E. SUITE 205 WASHINGTON DC 20003	CITIZENS COMM FOR THE RIGHT TO KEEP & BEAR ARMS	12,500.00	
SOCIETY FOR ANIMAL PROTECTIVE LEGISLATION, P.O. BOX 3719 GEORGETOWN STATION WASHINGTON DC 20007		155,294.93	63,892.24
FREDERICK P. SOMERS, 1625 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	AIR LINE PILOTS ASSN		
EDMUND T. SOMMER JR , 1627 K STREET, NW, #1200 WASHINGTON DC 20006	COUNCIL OF AMERICAN-FLAG SHIP OPERATORS		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
CAROLE SONNENFELD, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	3,200.02	
CHARLES R. SONNIER, SONNIER & HEBERT P.O. DRAWER 1040 ABBEVILLE LA 70511	COUSHATTA TRIBE OF LOUISIANA		
E. RICHARD SOPER, 1957 E STREET, NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
SOUTHWESTERN PEANUT SHELLERS ASSN, 10 DUNCANNON CT. DALLAS TX 75225			
SPACE AMERICA, INC, 600 WATER STREET, SW, #207 WASHINGTON DC 20024			
SPACE SERVICES, INC (SSI) OF AMERICA, 7015 GULF FREEWAY, #140 HOUSTON TX 77087			
IAN D. SPATZ, 1785 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL TRUST FOR HISTORIC PRESERVATION	1,277.10	
SPECIALIZED CARRIERS & RIGGING ASSOCIATION, SUITE 616 2200 MILL RD. ALEXANDRIA VA 22314			
JOHN F. SPEER JR., 888 16TH STREET, NW WASHINGTON DC 20006	INTERNATIONAL ASSN OF ICE CREAM MFRS & MILK IND. FOUNDATION		
WILLIAM C. SPENCE, 3805 W. ALABAMA HOUSTON TX 77027	COLUMBIA GULF TRANSMISSION CO		
JOANN SPEVACEK, 1500 PLANNING RESEARCH DRIVE MCLEAN VA 22102	PLANNING RESEARCH CORP		188.29
SPIEGEL & MCDIARMID, 2600 VIRGINIA AVE., NW WASHINGTON DC 20037	NORTHERN CALIFORNIA POWER AGENCY, ET AL	115.00	
NICHOLAS J. SPIEZIO, 1709 NEW YORK AVNEUE, NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS INSTITUTIONS	4,500.00	
LARRY N. SPILLER, 1015 15TH ST., NW, #802 WASHINGTON DC 20005	AMERICAN CONSULTING ENGINEERS COUNCIL	900.00	
JOSEPH L. SPILMAN JR., 1220 L STREET, NW WASHINGTON DC 20005	AMERICAN PETROLEUM INST	200.00	
PETER A. SPINA, 150 EAST 42ND STREET NEW YORK NY 10017	MOBIL OIL CORP	900.00	
EARL C. SPURRIER, THE MADISON BUILDING, #514 1155 15TH STREET, NW WASHINGTON DC 20005	NATIONAL AGRICULTURAL CHEMICALS ASSN		
ELISABETH A. SQUEGLIA, BRICKER & ECKLER 888 11TH ST., NW WASHINGTON DC 20006	AMERICAN SMALL AND RURAL HOSPITAL ASSOCIATION, OHIO CHAPTER		
SQUIRE SANDERS & DEMPSEY, 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	ALAMO CEMENT COMPANY, ET AL	13,897.50	125.70
Do	AMERICAN CHAMBER OF COMMERCE IN EUROPE & THE MEDITERRANEAN		
Do	AMERICAN CHAMBER OF COMMERCE IN ITALY, INC		
Do	AMERICAN CHAMBER OF COMMERCE IN SPAIN, INC		
Do	AMERICAN CHAMBER OF COMMERCE IN GERMANY		
Do	AMERICAN SOC OF ANESTHESIOLOGISTS	1,240.00	601.00
Do	ASSOCIATION OF DATA PROCESSING SERVICE ORGANIZATIONS		
Do	INDEPENDENT DATA COMMUNICATIONS MANUFACTURERS ASSOCIATION		
Do	MICROBAND CORP OF AMERICA		
Do	NATIONAL COLLEGIATE ATHLETIC ASSN		
Do	TYMNET, INC		
JOHN W. SROKA, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
CARL F. ST. CIN, 1101 17TH STREET, NW, #604 WASHINGTON DC 20036	MONSANTO CO		
ROBERT P. ST. LOUIS, SUITE 880 555 NEW JERSEY AVE., NW WASHINGTON DC 20001	CONGOLEUM CORPORATION	1,000.00	435.27
JANIS ST. MARIE, 15 WEST CARRILLO STREET SANTA BARBARA CA 93101	SCHRAMM & RADDUE (FOR: H&W DRILLING, INC)		
CONNELL STAFFORD, P.O. DRAWER 1734 ATLANTA GA 30301	COCA-COLA COMPANY		
DAVID E. STAHL, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	3,500.00	
MELVIN R. STAHL, SUITE 1410 1235 JEFFERSON DAVIS HWY. ARLINGTON VA 22202	MOTORCYCLE INDUSTRY COUNCIL, INC		
LYNN E. STALBAUM, 1840 WILSON BOULEVARD ARLINGTON VA 22201	NATIONAL MILK PRODUCERS FED	2,610.00	139.77
TYRONE STALLWORTH, 220 NORTH DEVILLERS STREET PENSACOLA FL 32501			
STANDARD OIL CO (OHIO), MIDLAND BLDG. CLEVELAND OH 44115			22,346.13
DAVID P. STANG, P.C., SUITE 601 1629 K ST., NW WASHINGTON DC 20006	BENEFICIAL LIFE INSURANCE CO		
Do	COMMITTEE FOR AD VALOREM EQUITY	1,244.89	
Do	EMPLOYEE STOCK OWNERSHIP ASSN	35.14	
Do	NATIONAL ASSN OF ROYALTY OWNERS, INC	45.88	
Do	OCEAN MINERALS CO		
Do	OFFSHORE INDUSTRY COMMITTEE	217.65	
Do	OFFSHORE MARINE SERVICE ASSN		
Do	STANDARD OIL OF INDIANA		
Do	SUN COMPANY, INC		
MICHAEL J. STANTON, 1620 EYE STREET, NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC	400.00	
MELVIN L. STARK, 5TH FLOOR 1600 M ST., NW WASHINGTON DC 20036	HARTFORD FIRE INSURANCE CO	6,000.00	
WALTER M. STARKE, P.O. BOX 2563 BIRMINGHAM AL 35202	SOUTHERN NATURAL GAS CO		
BETTE ANNE STARKEY, 1030 15TH STREET, NW, #1100 WASHINGTON DC 20005	HEALTH INDUSTRY MANUFACTURERS ASSN		
LOIS STARKEY, SUITE 511 1745 JEFFERSON DAVIS HWY. ARLINGTON VA 22202	MANUFACTURED HOUSING INST	700.00	100.00
RONALD W. STASCH, 205 E. 42ND STREET NEW YORK NY 10017	RISK & INSURANCE MANAGEMENT SOCIETY, INC		
FRANK M. STASZESKY JR., P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORP		
CHARLES D. STATTON, P.O. BOX 3965 SAN FRANCISCO CA 94119	BECHTEL POWER CORPORATION		
STAUFFER CHEMICAL CO, NYALA FARM ROAD WESTPORT CT 06881			12,903.96
SAMUEL E. STAVISKY & ASSOCIATES, INC, 1725 DESALES STREET, NW, #804 WASHINGTON DC 20036	BROADCAST MUSIC, INC	100.00	50.00
SAMUEL E. STAVISKY, 1725 DESALES STREET, NW, #804 WASHINGTON DC 20036	SAMUEL E. STAVISKY ASSOCIATES INC. (FOR: BROADCAST MUSIC INC. (BMI))		30.00
RANDOLPH J. STAYIN, SUITE 600 21 DUPONT CIRCLE, N.W. WASHINGTON DC 20036	TAFT, STETTINIUS & HOLLISTER (FOR: MACHINERY DEALERS NATIONAL ASSOCIATION).		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: SHERWIN-WILLIAMS CO)		18.10
Do	TAFT STETTINIUS & HOLLISTER (FOR: SPECIAL COMM FOR WORKPLACE PRODUCT LIABILITY REFORM).		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: WALD MANUFACTURING CO, INC)	1,055.75	18.97
Do	TAFT, STETTINIUS & HOLLISTER (FOR: ZIMPRO CORP)		
JOHN HOWARD STECKER, 2020 LIVE OAK DALLAS TX 75221	GREAT AMERICAN RESERVE INSURANCE CO		
STEELE SIMMONS & FORNACIARI, 2020 K STREET, NW, #850 WASHINGTON DC 20006	K MART CORP	10,872.50	1,807.55
J. C. STEEN, 412 FIRST STREET, SE, #301 WASHINGTON DC 20003	FORD AEROSPACE & COMMUNICATIONS CORP	300.00	107.89
Do	MCDONNELL DOUGLAS CORP	600.00	204.59
Do	NORTHROP CORP	400.00	187.23
Do	SCHWINN BICYCLE CO	2,000.00	313.62
HENRY J. STEENSTRA JR., 1000 WILSON BOULEVARD, #2600 ARLINGTON VA 22209	TRW, INC	1,000.00	
JACK L. STEMPLER, 1725 JEFFERSON DAVIS HIGHWAY, #900 ARLINGTON VA 22202	LTV AEROSPACE DEFENSE CO	2,500.00	75.00
MARCY STEPHENS, 2030 M STREET, NW WASHINGTON DC 20036	COMMON CAUSE	5,400.00	10.00
STEPHENS OVERSEAS SERVICES, INC., 2121 K STREET, NW, #830 WASHINGTON DC 20037	NATIONAL OFFICE MACHINE DEALERS ASSN	59.99	.35
Do		82.30	92.26
STEPHENS, INC, 2121 K ST., NW, #830 WASHINGTON DC 20037			
STEPTOE & JOHNSON, CHTD, 1330 CONNECTICUT AVE., NW WASHINGTON DC 20036	COALITION FOR UNIFORM PRODUCT LIABILITY LAW		
Do	COMMITTEE FOR EFFECTIVE CAPITAL RECOVERY		2,039.76
Do	FOREST INDUSTRIES COMMITTEE ON TIMBER VALUATION & TAXATION		
Do	MASSACHUSETTS MUTUAL LIFE INSURANCE CO., ET AL	1,000.00	100.00
Do	MASSACHUSETTS MUTUAL LIFE INSURANCE CO	1,000.00	100.00
Do	RULE OF LAW COMMITTE		
Do	TRAILWAYS, IANC		
RICHARD W. STERNBERG, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	120.00	
MICHAEL E. STEWARD, 7957 REVENNA LANE SPRINGFIELD VA 22153	PUGET SOUND POWER & LIGHT CO	1,674.00	522.06
EUGENE L. STEWART, 1001 CONNECTICUT AVE., NW, #910 WASHINGTON DC 20036	ROSES, INC	500.00	226.62
IMAGENE STEWART, 214 P STREET, NW WASHINGTON DC 20001	AMERICAN WOMEN'S CLERGY ASSN		
ROBERT I. STEWART, 2001 THIRD AVENUE, SOUTH BIRMINGHAM AL 35233	TORCHMARK CORPORATION	5,000.00	3,000.00
WALTER J. STEWART, SUITE 700 1100 15TH ST., NW WASHINGTON DC 20005	SONAT, INC	475.00	929.57
WARREN E. STICKLE, SUITE 1120 1001 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CHEMICAL SPECIALTIES MFGRS ASSN	894.95	544.44
STEPHEN W. STILL, 1100 15TH STREET, NW, #700 WASHINGTON DC 20005	SONAT, INC	18.00	18.00
DON STILLMAN, 1757 N STREET, NW WASHINGTON DC 20036	INT'L UNION, UNITED AUTO AEROSPACE & AGRIC IMPLEMENT WORKERS	1,465.18	7.50
EDWARD W. STIMPSON, SUITE 801 1400 K ST., NW WASHINGTON DC 20005	GENERAL AVIATION MANUFACTURERS ASSOCIATION	1,234.61	
JOHN J. STIRK, 1745 JEFFERSON DAVIS HIGHWAY, #1000 ARLINGTON VA 22202	GENERAL DYNAMICS	1,000.00	97.78
JOHN J. STOCKER, 1110 VERMONT AVENUE, NW WASHINGTON DC 20005	SHIPBUILDERS COUNCIL OF AMERICA	16,000.00	
STOCKHOLDERS OF AMERICA, INC., 1625 EYE ST., N.W. # 724A WASHINGTON DC 20006		5,290.00	346.61
STEVEN F. STOCKMEYER, SUITE 610, ONE LAFAYETTE CENTRE SOUTH 1120 20TH STREET, NW WASHINGTON DC 20036	MANVILLE CORP		
JAY STONE, JAY STONE AND ASSOCIATES, INC 412 FIRST STREET, SE, #50 WASHINGTON DC 20003	MASSACHUSETTS MUTUAL LIFE INSURANCE CO	1,625.00	
Do	MELAMINE CHEMICALS, INC	2,000.00	1,600.00
MARTIN F. STONE, 1411 K STREET, NW, #850 WASHINGTON DC 20005	AMERICANS FOR DEMOCRATIC ACTION	2,845.82	90.40
STEPHEN STORCH, 1800 K STREET, NW, #1100 WASHINGTON DC 20006	NEW YORK STOCK EXCHANGE, INC		
WILLIAM M. STOVER, 2501 M ST., NW WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSOCIATION, INC	1,000.00	
STRASBURGER & PRICE, 1200 ONE MAIN PLACE DALLAS TX 75250	DALLAS/FT. WORTH REGIONAL AIRPORT BOARD		510.57
RAYMOND L. STRASSBURGER, 1875 EYE STREET, NW, #1110 WASHINGTON DC 20006	TIMES MIRROR CO		
TERRENCE D. STRAUB, 818 CONNECTICUT AVENUE, N.W. WASHINGTON DC 20006	U.S. STEEL CORPORATION	250.00	402.49
JAMES R. STREETER, 733 15TH STREET, NW WASHINGTON DC 20005	LEGAL SERVICES CORP	17.04	12.00
ROGER J. STROH, 727 N. WASHINGTON STREET ALEXANDRIA VA 22314	UNITED FRESH FRUIT & VEGETABLE ASSN		
STROOCK & STROOCK & LAVAN, 1150 17TH ST., NW WASHINGTON DC 20036	AMERICAN RED CROSS RETIREMENT SYSTEM		
Do	AMERICAN TRUCKING ASSNS, INC	132.00	
Do	CITY OF TUCSON	1,300.00	20.00
Do	DREYFUS CORPORATION		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	DREYFUS DOLLAR FUND		
Do	FIFTH AVENUE & 59TH CORP		
Do	J. ARON & CO, INC		
Do	PLAZA 400 OWNERS CORP		
DOROTHY E. STUCKE, 1004 DUKE STREET ALEXANDRIA VA 22314	AMERICAN SUBCONSTRACTORS ASSN		
WALTER B. STULTS, 1156 15TH STREET, NW, #1101 WASHINGTON DC 20005	NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS	2,000.00	
EUGENE F. STURGEON, 182 CRATER LANE KENSINGTON CT 06037	NORTHEAST UTILITIES SERVICE CO	417.92	178.48
SULLIVAN & CROMWELL, 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	AMERICAN INTERNATIONAL GROUP, INC		
Do	BP NORTH AMERICA, INC		
Do	GOLDMAN SACHS & CO		
Do	GRAND MET USA, INC		
Do	SECURITIES INDUSTRY ASSN		98.32
AUSTIN P. SULLIVAN JR, P.O. BOX 1113 MINNEAPOLIS MN 55440	GENERAL MILLS, INC		
BONNIE A. SULLIVAN, 725 15TH STREET, NW WASHINGTON DC 20005	NATIONAL GRAIN & FEED ASSN		
GAEL M. SULLIVAN, SUITE 1004 1155 15TH STREET, NW WASHINGTON DC 20005	LTV CORPORATION	2,344.00	640.00
HAROLD R. SULLIVAN, 1750 K ST., NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	900.00	
JOHN H. SULLIVAN, 2924 COLUMBIA PIKE ARLINGTON VA 22204	DEVELOPMENT ASSOCIATES, INC (FOR: GOVERNMENT OF THE FEDERATED STATES OF MICRONESIA)		
JUDY M. SULLIVAN, 1120 20TH STREET, NW, #700 WASHINGTON DC 20036	NORTHWEST ENERGY		
MARGARET COX SULLIVAN, 1625 EYE ST., N.W. # 724A WASHINGTON DC 20006	STOCKHOLDERS OF AMERICA, INC		
PATRICK J. SULLIVAN, 815 SIXTEENTH STREET, N.W. WASHINGTON DC 20006	INTERNATIONAL LONGSHOREMEN'S ASSOCIATION, AFL-CIO	8,820.00	928.22
J. MITCHELL SUMMERS, 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	ARMCO, INC	300.00	259.75
JOHN B. SUMMERS, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	1,500.00	559.10
IRIS SUNSHINE, 1710 BROADWAY NEW YORK NY 10019	INTERNATIONAL LADIES GARMENT WORKERS UNION	4,730.72	169.35
SURREY & MORSE, 1250 EYE STREET, NW WASHINGTON DC 20005	EMBASSY OF THE PEOPLE'S REPUBLIC OF CHINA	59,484.50	9.00
Do	PATHFINDER FUND		
Do	PIETRO BERETTA, S.P.A		
Do	UNITED NATIONS STAFF UNION		
Do	WESTINGHOUSE ELECTRIC CORP		
THOMAS M. SUSMAN, ROPES & GRAY 1001 22ND STREET, NW WASHINGTON DC 20037	INTEL CORP AND DIGITAL EQUIPMENT CORP		
SUTHERLAND ASBILL & BRENNAN, 1666 K STREET, NW, #800 WASHINGTON DC 20006	AMERICAN INDUSTRIAL CLAY & GEORGIA KAOLIN	798.48	5.93
Do	ANGLO-AMERICAN CLAYS CORP	798.48	5.93
Do	BANKING ISSUES GROUP	10,839.50	292.42
Do	CAPITAL HOLDING CORP	12,412.01	436.81
Do	CONSUMER CREDIT INSURANCE ASSOCIATION	1,092.12	
Do	CREDIT UNION NATL ASSN, INC		
Do	ENGELHARD MINERALS & CHEMICALS CORP	798.48	5.93
Do	EQUIFAX, INC	5,468.00	377.60
Do	FREEPORT KAOLIN	798.48	5.93
Do	J. M. HUBER CORP	798.48	5.93
Do	LINCOLN NATIONAL LIFE INSURANCE COMPANY	1,890.75	31.00
Do	MULLITE CO OF AMER	798.48	5.93
Do	MUTUAL OF OMAHA INSURANCE CO		
Do	NATIONAL ASSN OF LIFE COS	1,500.00	
Do	NATIONAL HOME LIFE ASSURANCE COMPANY	1,241.87	62.57
Do	NORD RESOURCES CORP	798.48	5.93
Do	STOCX INFORMATION GROUP	18,161.37	1,924.68
Do	THIELE KAOLIN CO	798.48	5.93
W. THOMAS SUTTLE, 1755 WILLARD ST., NW, #4 WASHINGTON DC 20009	INSTITUTE OF ELECTRICAL & ELECTRONICS ENGINEERS	2,376.00	650.00
WILLIAM W. SUTTLE, 1025 CONNECTICUT AVE., NW SUITE 415 WASHINGTON DC 20036	AMERICAN INSURANCE ASSN		
IRVING W. SWANSON, 11212 FARMLAND DRIVE ROCKVILLE MD 20852	HARRIS CORPORATION	12,800.00	1,706.40
DAVID A. SWEENEY, 25 LOUISIANA AVE., NW WASHINGTON DC 20001	INTERNATIONAL BROTHERHOOD OF TEAMSTERS	18,142.20	
TRICIA L. SWIFT, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	1,200.00	
RUSSELL A. SWINDELL, P.O. BOX 2635 RALEIGH NC 27602	NORTH CAROLINA RAILROAD ASSOCIATION		
RANDALL SWISHER, 2301 M STREET, NW WASHINGTON DC 20037	AMERICAN PUBLIC POWER ASSN	2,500.00	
DAVID A. SYKUTA, ILLINOIS PETROLEUM COUNCIL P.O. BOX 5034 SPRINGFIELD IL 62705	AMERICAN PETROLEUM INST		
CHRISTOPHER U. SYLVESTER, 1831 BRIAR RIDGE COURT MCLEAN VA 22101	GARRISON DIVERSION CONSERVANCY DISTRICT		
MERRIBEL SYMINGTON, SUITE 540 1875 EYE STREET, NW WASHINGTON DC 20006	CHAMPION INTERNATIONAL CORPORATION		
ROBERT TAFT JR., 21 DUPONT CIRCLE, NW, #600 WASHINGTON DC 20036	TAFT, STETTINIUS & HOLLISTER (FOR: GROCERY MANUFACTURERS OF AMERICA, INC.)		
Do	TAFT STETTINIUS & HOLLISTER (FOR: INMONT CORP)	1,132.25	773.95
Do	TAFT STETTINIUS & HOLLISTER (FOR: KINGS ENTERTAINMENT CO)	150.00	
Do	TAFT, STETTINIUS & HOLLISTER (FOR: MACHINERY DEALERS NATIONAL ASSOCIATION)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: MIAMI CONSERVANCY DISTRICT)	437.75	5.00
Do	TAFT, STETTINIUS & HOLLISTER (FOR: PARSONS CORPORATION)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: PIPER, JAFFRAY & HOPWOOD)	720.00	
Do	TAFT, STETTINIUS & HOLLISTER (FOR: RCA GLOBAL COMMUNICATIONS, INC)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: SHERWIN-WILLIAMS CO)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: SPECIAL COMM FOR WORKPLACE PRODUCT LIABILITY REFORM)	4,187.50	170.64
Do	TAFT, STETTINIUS & HOLLISTER (FOR: TAFT BROADCASTING COMPANY)	200.00	
Do	TAFT, STETTINIUS & HOLLISTER (FOR: TELEPHONE & DATA SYSTEMS, INC.)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: WALD MANUFACTURING CO, INC)		
Do	TAFT, STETTINIUS & HOLLISTER (FOR: ZIMPRO CORP)		
TAGGART & ASSOCIATES, 1015 15TH STREET, NW, #200 WASHINGTON DC 20005	ANIMAL HEALTH INSTITUTE		
Do	MARION LABORATORIES, INC		
Do	TELEPHONE & DATA SYSTEMS, INC		
WALTER G. TALAREK, SUITE 405 1945 GALLOWS RD. VIENNA VA 22180	AMERICAN WOOD PRESERVERS INSTITUTE		
TALCOTT MCCABE & ASSOCIATES, SUITE 302, WEST WING 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	HOLIDAY INNS, INC	1,800.00	
Do	NATIONAL ASSN OF HOMES FOR CHILDREN	2,200.00	
Do	SERVICEMASTER INDUSTRIES, INC	725.00	
DOYLE TALKINGTON, 1015 15TH STREET, NW, #200 WASHINGTON DC 20005	NATIONAL PORK PRODUCERS COUNCIL	1,000.00	9.00
H. WILLIAM TANAKA, TANAKA WALDERS & RITGER 1919 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	JAPAN AUTOMOBILE TIRE MANUFACTURERS ASSN (JATMA)		
TANAKA WALDERS & RITGER, 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	ELECTRONIC INDUSTRIES ASSN OF JAPAN		
SUSAN TANNENBAUM, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	5,028.78	55.00
TARGET, INC., 13924 BRADDOCK RD. P.O. BOX 881 CENTREVILLE VA 22020			16,500.00
KEITH TARR-WHELAN, 3626 N. KENSINGTON ST. ARLINGTON VA 22207	SAVE OUR SECURITY	8,700.00	
JOHN F. TATE, 3238 WYNFORD DRIVE FAIRFAX VA 22031	U.S. DEFENSE COMMITTEE	1,200.00	
M. LOUISE TATE, 3238 WYNFORD DRIVE FAIRFAX VA 22031	U.S. DEFENSE COMMITTEE	900.00	
GRACA DA SILVA TAVARES, 17 PERKINS STREET WEST NEWTON MA 02165			
CHARLES A. TAYLOR III, 499 SOUTH CAPITOL ST., SW, #401 WASHINGTON DC 20003	NATIONAL ASSN OF INDEPENDENT INSURERS	1,000.00	
DENNIS J. TAYLOR, SUITE 650 1090 VERMONT AVE., NW WASHINGTON DC 20005	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S		
Do	U.S. SURGICAL CORPORATION		
MARGIE A. TAYLOR, P.O. BOX 21 MONTGOMERY AL 36101	ALABAMA RAILROAD ASSN		
PEGGY TAYLOR, 815 16TH ST., NW WASHINGTON DC 20006	AMERICAN FED OF LABOR & CONGRESS OF INDUSTRIAL ORGANIZATIONS	16,174.34	355.64
R. WILLIAM TAYLOR, 1575 EYE STREET, NW WASHINGTON DC 20005	AMERICAN SOC OF ASSN EXECUTIVES	300.00	
ELAYNE L. TEMPEL, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES		
PAUL M. TENDLER, 1110 VERMONT AVENUE, NW, #840 WASHINGTON DC 20005	PAUL TENDLER ASSOCIATES, INC (FOR: AMERICAN LICENSED PRACTICAL NURSES ASSN)		
Do	PAUL TENDLER ASSOCIATES, INC (FOR: BASCOM, INC.)		
Do	PAUL TENDLER ASSOCIATES, INC (FOR: NATIONAL INSTITUTE OF TENANTS)		
Do	PAUL TENDLER ASSOCIATES, INC (FOR: RASCH ELEKTRONIK)		
Do	PAUL TENDLER ASSOCIATES, INC (FOR: SCHOENEMAN, INC)		
Do	PAUL TENDLER ASSOCIATES, INC (FOR: SOUTHEASTERN EXPORTERS)		
TENNESSEE HOME MEDICAL PROVIDERS ASSOCIATION,INC., P.O. BOX 23130 KNOXVILLE TN 37933			
BETTY-GRACE TERPSTRA, 918 16TH ST., NW, #402 WASHINGTON DC 20006	AMERICAN FURNITURE MANUFACTURERS ASSN	750.00	673.33
TEXTRON, INC., 40 WESTMINSTER ST. PROVIDENCE RI 02903			11,338.00
THACHER PROFFITT & WOOD, SUITE 512 1140 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN SAVINGS BANK, FSB	439.00	
Do	AMOSKEAG SAVINGS BANK	358.00	
Do	FAMILY-BACKED MORTGAGE ASSN, INC		
Do	MAINE SAVINGS BANK	358.00	
Do	MUTUAL SAVINGS CENTRAL FUND, INC	220.00	170.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	NEW HAMPSHIRE SAVINGS BANK	358.00	
Do	SALOMON BROTHERS, INC	14,913.00	339.00
Do	SAVINGS BANKS ASSN OF MASSACHUSETTS	1,269.00	170.00
Do	TOLLAND BANK	439.00	
MARGARET P. THAXTON, 418 SOUTH CAPITOL STREET, SE WASHINGTON DC 20003	SHEET METAL & AIR CONDITIONING CONTRACTORS' NAT'L ASSN		
KAREN E. THEIBERT, 1750 K STREET, NW WASHINGTON DC 20006	FOOD MARKETING INSTITUTE	200.00	
BRUCE D. THEVENOT, 1155 15TH ST., NW, #424 WASHINGTON DC 20005	CASSON CALLIGARO & MUTRYN (FOR HUMANA, INC)	1,950.00	
Do	NATIONAL FED OF LICENSED PRACTICAL NURSES	5,000.00	
Do	OKLAHOMA STATE NURSING HOME ASSN	4,080.00	
ALAN J. THIEMANN, 1199 N. FAIRFAX STREET, #801 ALEXANDRIA VA 22314	NATIONAL ASSN OF TRUCK STOP OPERATORS	150.00	
THIRD CLASS MAIL ASSOCIATION, 1133 15TH ST., NW, #1037 WASHINGTON DC 20005		600.00	600.00
DIANE KAY THOMAS, 6962 HANOVER PARKWAY, #301 GREENBELT MD 20770	AMERICAN ASSN OF MINORITY ENTERPRISE SMALL BUS. INVEST COS	3,181.00	
DORIS I. THOMAS, 15TH & M STS., NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
JAMES H. THOMAS, 1125 17TH STREET, NW WASHINGTON DC 20036	INTERNATIONAL UNION OF OPERATING ENGINEERS	7,500.00	200.00
JAMES M. THOMAS JR., 100 INDIANA AVENUE, NW, #403 WASHINGTON DC 20001	AMALGAMATED TRANSIT UNION, NATL CAP LOCAL 689		
JOHN W. THOMAS, SUITE 828 1522 K ST., NW WASHINGTON DC 20005	AMERICAN VETERINARY MEDICAL ASSN	20.00	
Do	ASSOCIATION OF AMERICAN VETERINARY MEDICAL COLLEGES		
MESHALL THOMAS, SUITE 400 2000 P STREET, NW WASHINGTON DC 20036	WOMEN'S LEGAL DEFENSE FUND		
PATRICIA THOMAS, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FEDERATION OF FEDERAL EMPLOYEES	7,877.48	
ROBERT L. THOMAS, 1319 F ST., NW WASHINGTON DC 20004	NATIONAL ASSN OF PRIVATE PSYCHIATRIC HOSPITALS	50.00	
THOMAS E. THOMASON, 1620 EYE STREET, NW, #703 WASHINGTON DC 20006	BECHTEL POWER CORP		
THOMPSON & MITCHELL, 1120 VERMONT AVENUE, NW, #1000 WASHINGTON DC 20005	AMERICAN INLAND WATERWAYS COMMITTEE	542.00	
Do	COLD FINISHED STEEL BAR INSTITUTE	954.00	
Do	CONTACT LENS MANUFACTURERS ASSN		
Do	CROWN LIFE INSURANCE CO	9,000.00	4,178.62
Do	MIDLAND ENTERPRISES, INC		
Do	VALLEY LINE COMPANY		
BOYD THOMPSON, SUITE 210 5410 GROSVENOR LANE BETHESDA MD 20814	AMERICAN MEDICAL CARE & REVIEW ASSN		
DANA S. THOMPSON, 418 SOUTH CAPITOL STREET, SE WASHINGTON DC 20003	SHEET METAL & AIR CONDITIONING CONTRACTORS' NAT'L ASSN		
THOMPSON HINE & FLORY, 1920 N ST., NW, #700 WASHINGTON DC 20036	ALLTEL CORPORATION	1,377.00	
JAMES P. THOMPSON JR., 1957 E STREET, N.W. WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA		
KENNETH W. THOMPSON, 1660 L ST., NW, #601 WASHINGTON DC 20036	INTERSTATE NATURAL GAS ASSOCIATION OF AMERICA	300.00	
LAW OFFICES OF FRED THOMPSON, 1919 PENNSYLVANIA AVENUE, NW, #850 WASHINGTON DC 20006	CENTRAL STATES SE & SW AREAS HEALTH, WELFARE & PENSION FUNDS	3,766.00	
Do	WESTINGHOUSE ELECTRIC CORP	3,417.00	
NANCY THOMPSON, 1600 EYE STREET, NW WASHINGTON DC 20006	MOTION PICTURE ASSN OF AMERICA, INC		
RICHARD L THOMPSON, 1700 K STREET, NW, #601 WASHINGTON DC 20006	SQUIBB CORPORATION	1,500.00	475.00
ROGER G. THOMPSON, 117 BELLEFONTE DRIVE ASHLAND KY 41101	KENTUCKY POWER CO		
W. REID THOMPSON, 1900 PENNSYLVANIA AVE., NW WASHINGTON DC 20068	POTOMAC ELECTRIC POWER CO		
RICHARD B. THORNBURG, SUITE 505 5205 LEESBURG PIKE FALLS CHURCH VA 22041	NATIONAL BEER WHOLESALERS' ASSN		2,786.82
JOHN A. THORNER, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN		
WILLIAM R. THORNHILL, P.O. BOX 2511 HOUSTON TX 77001	TENNESSEE GAS PIPELINE CO		
MARGO THORNING, 1850 K ST., NW, #520 WASHINGTON DC 20006	AMERICAN COUNCIL FOR CAPITAL FORMATION	106.00	
WALTER L. THREADGILL, 1220 19TH STREET, NW WASHINGTON DC 20036	STORER COMMUNICATIONS, INC	250.00	
SAMUEL THURM, 1725 K ST., NW WASHINGTON DC 20006	ASSOCIATION OF NATL ADVERTISERS		
CYRUS C. TICHENOR III, 1101 VERMONT AVENUE, NW, #405 WASHINGTON DC 20005	A. H. ROBINS CO, INC	800.00	67.00
WALLACE TILLMAN, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	150.00	
MARTIN R. TILSON JR, PO BOX 2563 BIRMINGHAM AL 35202	SOUTHERN NATURAL GAS CO		
PATTI A. TILSON, SUITE 520 900 17TH STREET, NW WASHINGTON DC 20006	TOYOTA MOTOR SALES, U.S.A., INC	500.00	
C. H. TIMBERLAKE, 1825 K ST., NW, #1107 WASHINGTON DC 20006	PHILLIPS PETROLEUM COMPANY	975.00	296.79
TIMMONS & CO, INC, 1850 K ST., NW, #850 WASHINGTON DC 20006	AMERICAN BROADCASTING CO, INC	1,472.50	
Do	AMERICAN INLAND WATERWAYS COMMITTEE	1,662.50	
Do	AMERICAN PETROLEUM INST	285.00	
Do	ANHEUSER-BUSCH COMPANIES, INC	997.50	
Do	ASSOCIATION OF TRIAL LAWYERS OF AMERICA		
Do	BOEING COMPANY	190.00	
Do	BROWN GROUP, INC	617.50	
Do	CAPITAL MARKETS GROUP	1,900.00	
Do	CHRYSLER CORPORATION	380.00	
Do	EASTERN AIR LINES, INC	524.88	
Do	G. D. SEARLE & CO	475.00	
Do	H. J. HEINZ CO	380.00	
Do	MAJOR LEAGUE BASEBALL	475.00	
Do	MIDDLE SOUTH SERVICES, INC	475.00	
Do	NATIONAL RIFLE ASSN OF AMER	285.00	
Do	NORTHROP CORP	855.00	
Do	STANDARD OIL CO (INDIANA)	617.50	
MICHAEL L. TINER, 1775 K ST., NW WASHINGTON DC 20006	UNITED FOOD & COMMERCIAL WORKERS INTL UNION	10,161.52	733.50
WILLIAM C. TINKLEPAUGH, 888 16TH STREET, NW WASHINGTON DC 20006	MILK INDUSTRY FOUNDATION/INT'L ASSN OF ICE CREAM MFRS		
CONSTANCE D. TIPTON, 888 16TH STREET, NW WASHINGTON DC 20006	MILK IND. FOUNDATION/INTL ASSN OF ICE CREAM MFRS		
E. LINWOOD TIPTON, 888 16TH ST., NW WASHINGTON DC 20006	MILK IND FOUNDATION/INTL ASSN OF ICE CREAM MFRS		
TITLE ASSOCIATES, INC., RT.2, BOX 89 COLUMBIA TN 38401			
TOBACCO ASSOCIATES, INC. SUITE 912 1101 17TH ST., NW WASHINGTON DC 20036			3,761.46
JAMES R. TOBIN, MACK CENTRE DR. PARAMUS NJ 07652	BECTON, DICKINSON & CO	2,000.00	
ROBERT TOBIN, 1187 NATIONAL PRESS BLDG. WASHINGTON DC 20045	AD HOC COMM IN DEFENSE OF LIFE, INC	2,600.00	3,981.70
M. DOUGLAS TODD, SUITE 2300 1000 WILSON BOULEVARD ARLINGTON VA 22209	NORTHROP CORP		
WILLIAM R. TOLLEY JR, PO BOX 37 MELBOURNE FL 32919	HARRIS CORPORATION		109.88
EDWARD TONAT, 6723 BRIGADOON DRIVE BETHESDA MD 20817	ROBERT GOFF & ASSOCIATES, INC		
ANN TONJES, 21 DUPONT CIRCLE, NW WASHINGTON DC 20036	NATIONAL ASSN OF PUBLIC TELEVISION STATIONS	600.00	115.00
WILLIAM D. TOOHEY, 1899 L ST., NW, #600 WASHINGTON DC 20036	TRAVEL INDUSTRY ASSOCIATION OF AMERICA		
GILBERT D. TOUGH, 70 NORTH MAIN ST. WILKES-BARRE PA 18711	BLUE CROSS OF N.E. PENNSYLVANIA		
WANDA TOWNSEND, 1724 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	886.46	
JOHN P. TRACEY, 1801 K ST., NW, #1201 WASHINGTON DC 20006	U.S. TELEPHONE ASSN	1,000.00	
JOSEPH P. TRAINOR, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS	3,000.00	353.10
JEFFREY B. TRAMMELL, 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BROWNING-FERRIS INDUSTRIES, INC.).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: BUDD COMPANY)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: COMMONWEALTH OF PUERTO RICO).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: FINANCIAL INVESTMENT ASSOCIATES, INC).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: HEALTH INSURANCE ASSN OF AMERICA).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: JOINT MARITIME CONGRESS).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: LIFE CARE SERVICES CORP).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MOTOROLA, INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MUTUAL INSURANCE COALITION).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MUTUAL OF OMAHA)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: NATIONAL BROADCASTING CO, INC).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SANTA FE CORP)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SHAKLEE CORPORATION)		
HUBERT TRAVAILLE, SUITE 510 1090 VERMONT AVE., NW WASHINGTON DC 20005	POTLATCH CORPORATION	500.00	126.37
TRAVEL & TOURISM GOVERNMENT AFFAIRS POLICY COUNCIL, SUITE 607 1899 L STREET, NW WASHINGTON DC 20036		1,760.00	1,760.00
TRAVEL INDUSTRY ASSOCIATION OF AMERICA, 1899 L ST., NW WASHINGTON DC 20036			
ERNEST B. TREMMEL, INC., 5908 ROSSMORE DRIVE BETHESDA MD 20014	BURNS & ROE, INC		
SALLY A. TRIPLETT, 1725 DESALES STREET, NW, #804 WASHINGTON DC 20036	SAMUEL E. STAVISKY & ASSOCIATES, INC (FOR: BROADCAST MUSIC INC. (BMI))		20.00
EUGENE M. TRISKO, 9817 ROSENSTEEL AVENUE SILVER SPRING MD 20910	STERN BROS., INC	7,512.00	525.00
MICHAEL G. TROOP, 1709 NEW YORK AVENUE, NW, #801 WASHINGTON DC 20006	U.S. LEAGUE OF SAVINGS INSTITUTIONS	460.00	9.50
ROBERT C. TROUP, BOX 893 NEW CANAAN CT 06840			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
GEORGE G. TROUTMAN, SUITE 1000, 1090 VERMONT AVE., NW WASHINGTON DC 20005	BELL HELICOPTER TEXTRON, INC	150.00	
ALEXANDER B. TROWBRIDGE, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
THOMAS TRUAX, 1200 15TH ST., NW WASHINGTON DC 20005	AMERICAN HEALTH CARE ASSN	3,300.00	2.32
THOMAS L. TRUEBLOOD, 401 NORTH MICHIGAN AVE. CHICAGO IL 60611	INTERNATIONAL HARVESTER CO	1,000.00	
MOTOYUKI TSUTSUI, 919 18TH STREET, NW, #600 WASHINGTON DC 20006	TOYOTA MOTOR SALES U.S.A, INC		
ANH TU, SUITE 860 1029 VERMONT AVE., NW WASHINGTON DC 20005	PROJECT ADVISORY GROUP		
TUCKER & VAUGHT, WESTERN FEDERAL SAVINGS BLDG., #1330 718 17TH ST. DENVER CO 80202	AMERICAN IRON & STEEL INSTITUTE		
Do	PETRO-LEWIS CORPORATION	500.00	
Do	THE MANVILLE CORPORATION	1,000.00	
B. ELIZABETH TUNNEY, 124 SALEM CHURCH ROAD MECHANICSBURG PA 17055	RETAIL, WHOLESALE & DEPT STORE UNION (INT'L), ET AL	7,995.00	694.63
BRIAN TURNER, 815 16TH STREET, NW WASHINGTON DC 20006	INDUSTRIAL UNION DEPARTMENT, AFL-CIO	7,218.25	
JANE L. TURNER, 1920 N STREET, NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
RICHARD F. TURNEY, 1725 K ST., NW WASHINGTON DC 20006	COURTNEY, MCCAMANT & TURNEY	300.00	
ST. CLAIR J. TWEEDIE, SUITE 220 1575 EYE STREET, NW WASHINGTON DC 20005	AMERICAN CYANAMID CO		
U.S. CANE SUGAR REFINERS' ASSN, 1001 CONNECTICUT AVE., NW WASHINGTON DC 20036			
U.S. DEFENSE COMMITTEE, 3238 WYNFORD DRIVE FAIRFAX VA 22031		9,830.39	9,830.39
U.S. LEAGUE OF SAVINGS INSTITUTIONS, 111 E. WACKER DR. CHICAGO IL 60601			146,692.56
U.S. PUBLIC INTEREST RESEARCH GROUP, 215 PENNSYLVANIA AVENUE WASHINGTON DC 20003		33,338.49	26,348.03
U.S.O.C.A. WASHINGTON D.C. LOBBY COMMITTEE, P.O. BOX 42404 WASHINGTON DC 20015		1,484.30	1,762.12
JERRY G. UDELL, 1616 H ST., NW WASHINGTON DC 20006	AMERICAN RETAIL FEDERATION	300.00	101.50
KENJI UENO, 919 18TH STREET, NW, #600 WASHINGTON DC 20006	TOYOTA MOTOR SALES, U.S.A., INC	60.00	135.00
PHILIP J. UFHOLZ, 1025 CONNECTICUT AVENUE, NW, #1010 WASHINGTON DC 20036	METROPOLITAN INSURANCE COS	1,000.00	
ROBERT D. UMPHREY JR., 1150 17TH STREET, NW WASHINGTON DC 20036	MAN-MADE FIBER PRODUCERS ASSN, INC	100.00	
MANYA S. UNGAR, 10 BRANDYWINE COURT SCOTCH PLAINS NJ 07076	NATIONAL CONGRESS OF PARENTS & TEACHERS		1,313.83
CHARLES K. UNGER, 1600 PRINCE STREET, #212 ALEXANDRIA VA 22314	NATIONAL ASSN OF STEVEDORES	1,000.00	30.00
STEVEN W. UNGLESBEE, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC	2,500.00	
UNIFI, INC., P.O. BOX 19109 GREENSBORO NC 27419			
UNION MUTUAL LIFE INSURANCE CO, 2211 CONGRESS ST. PORTLAND ME 04122			
THOMAS C. UNIS, 1200 ONE MAIN PLACE DALLAS TX 75250	STRASBURGER & PRICE (FOR: DALLAS/FT. WORTH REGIONAL AIRPORT BOARD)		
THOMAS C. UNIS, P.C., 1200 ONE MAIN PLACE DALLAS TX 75250	STRASBURGER & PRICE (FOR: DALLAS/FT. WORTH REGIONAL AIRPORT BOARD)		
UNITED BROTHERHOOD OF CARPENTERS & JOINERS OF AMERICA, 101 CONSTITUTION AVE., NW WASHINGTON DC 20001			35,693.55
UNITED FOOD & COMMERCIAL WORKERS INTL UNION, 1775 K ST., NW WASHINGTON DC 20006		183,503.70	44,808.80
UNITED FRESH FRUIT & VEGETABLE ASSN, 727 N. WASHINGTON ST. ALEXANDRIA VA 22314		3,675.00	659.22
UNITED GAS PIPE LINE CO, PO BOX 1478 HOUSTON TX 77001			
UNITED IRISH & AMERICAN SOCIETY OF ILLINOIS, BOX 219 3400 W. 111TH STREET CHICAGO IL 60655		1,280.00	250.57
UNITED SERVICES AUTOMOBILE ASSOCIATION, 9800 FREDERICKSBURG ROAD SAN ANTONIO TX 78288			
LLOYD N. UNSELL, 1101 16TH ST., NW WASHINGTON DC 20036	INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA		10.00
A. RUSSELL UPSHAW JR., 1030 15TH STREET, NW WASHINGTON DC 20005	EASTERN AIRLINES		
MARIAN S. URNIKIS, 1120 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	1,050.00	
UTILITY NUCLEAR WASTE MANAGEMENT GROUP, C/O EDISON ELECTRIC INSTITUTE 1111 19TH ST., NW WASHINGTON DC 20036.		1,655.84	1,655.84
MARY UYEDA, 1200 17TH STREET, NW WASHINGTON DC 20036	AMERICAN PSYCHOLOGICAL ASSN	686.28	54.87
ANTHONY VALANZANO, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC	1,600.00	250.00
JACK J. VALENTI, 1600 EYE ST., NW WASHINGTON DC 20006	MOTION PICTURE ASSN OF AMERICA, INC	375.00	
RICHARD VAN DEUREN, 111 E. WISCONSIN AVENUE, NW, #1800 MILWAUKEE WI 53202	NATIONAL EMPLOYEE BENEFITS INST		
JULIANE H. VAN EGMOND, SUITE 220 1575 EYE STREET, NW WASHINGTON DC 20005	AMERICAN CYANAMID CO		
LAURA VAN ETTEN CANNATA, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN		545.86
VAN FLEET ASSOCIATES, INC, SUITE 102 499 SOUTH CAPITOL ST., SW WASHINGTON DC 20003	CADILLAC GAGE	11,250.00	
Do	FORD AEROSPACE & COMMUNICATIONS CORP	3,000.00	
Do	MARCONI ELECTRONICS	4,550.00	
H. B. VAN GIESON, 1700 NORTH MOORE STREET ROSSLYN VA 22209	BOEING COMPANY		
C. D. VAN HOUWELING, 1015 15TH ST., NW, #200 WASHINGTON DC 20005	NATIONAL PORK PRODUCERS COUNCIL	75.00	
NICK L. VAN NELSON, SUITE 540 1875 EYE STREET, NW WASHINGTON DC 20006	CHAMPION INTERNATIONAL CORPORATION		
DANIEL W. VAN NESS, P.O. BOX 17500 WASHINGTON DC 20041	JUSTICE FELLOWSHIP		
VAN NESS FELDMAN SUTCLIFFE CURTIS & LEVENBERG, P.C., 7TH FLOOR 1050 THOMAS JEFFERSON ST., NW WASHINGTON DC 20007.	ALLIED-GENERAL NUCLEAR SERVICES		
Do	AMERICAN ELECTRIC POWER CO, INC, ET AL		
Do	AMERICAN INST OF CERTIFIED PUBLIC ACCOUNTANTS		
Do	AMERICAN PRESIDENT LINES		
Do	ARCTIC SLOPE REGIONAL CORP		
Do	BRAE CORPORATION		
Do	CHELAN #1, DOUGLAS #1 & GRANT #2		
Do	COLUMBIA GAS SYSTEM SERVICE CORP		
Do	CONSUMERS UNITED FOR RAIL EQUITY (C.U.R.E.)		
Do	HAWAIIAN ELECTRIC COMPANY, INC		
Do	INTERNATIONAL LEISURE HOSTS, LTD	165.00	
Do	JACOBS ENGINEERING GROUP, INC		
Do	NATOMAS CO		
Do	PEABODY HOLDING CO, INC		
Do	REPUBLIC GEOTHERMAL, INC		
Do	REPUBLIC OF PALAU		
Do	STATE OF ALASKA		
Do	TEXAS AIR CORP		
Do	UNION CARBIDE CORP		
ROBERT CLARKE VARAH, 1330 BURLINGTON STREET EAST/BOX 460 HAMILTON ONTARIO L8N 3J5 CANADA	DOFASCO, INC		
GEORGE F. VARY, 1747 PENNSYLVANIA AVENUE, NW, #702 WASHINGTON DC 20006	ARMCO, INC		220.00
DONALD R. VAUGHAN, P.O. BOX 1288 ASHEBORO NC 27204	STEDMAN CORP		
ROBYN E. VAUGHAN, 1600 M ST., NW WASHINGTON DC 20036	INVESTMENT COMPANY INSTITUTE		
LISA A. VEHMAS, 1920 N STREET, NW, #300 WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
VENTURE ENTREPRENEURS, INC., SUITE 206 1201 SAN MARCO BLVD. JACKSONVILLE FL 32207			
JERRY T. VERKLER, 1660 L STREET, NW, #601 WASHINGTON DC 20036	INTERSTATE NATURAL GAS ASSOCIATION OF AMERICA		
VERNER LIPFERT BERNHARD MCPHERSON & HAND, CHTD, 1660 L STREET, NW, #1000 WASHINGTON DC 20036	LABOR-INDUSTRY COALITION FOR INTL TRADE	1,250.00	
FRANK VERRASTRO, 1155 15TH STREET, NW, #600 WASHINGTON DC 20005	PENNZOIL COMPANY	937.50	
LINDA VICKERS, 1706 23RD ST., SOUTH ARLINGTON VA 22202	NATIONAL ASSN OF CROP INUSRANCE AGENTS	17,375.01	
BRENDA R. VIEHE-NAESS, 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	LEBOEUF LAMB LEIBY & MACRAE (FOR: BRITISH INSURANCE ASSN AND LLOYD'S OF LONDON).		
R. ERIC VIGE, SUITE 300 1747 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	CITIES SERVICE OIL & GAS CORP	245.00	208.59
RUDOLPH A. VIGNONE, 1800 K ST., NW, #800 WASHINGTON DC 20006	GOODYEAR TIRE & RUBBER CO	4,250.00	
HOWARD A. VINE, 1776 F ST., NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS	600.00	
RALPH VINOVICH, 1875 EYE STREET, NW, #800 WASHINGTON DC 20006	TOBACCO INSTITUTE	2,500.00	269.23
WALTER D. VINYARD JR., ZUCKERT, SCOUTT, RASENBERGER & JOHNSON 888 17TH ST., NW, 7TH FL. WASHINGTON DC 20006.	CONTINENTAL INSURANCE COMPANIES	5,000.00	
Do	HARTFORD INSURANCE GROUP	25.00	
Do	ITT CORP	25.00	
VIRGINIA ASSOCIATION OF RAILWAY PATRONS, P.O.BOX 867 RICHMOND VA 23207		60.40	233.85
GEORGE A. VIVERETTE JR., 8111 GATEHOUSE ROAD FALLS CHURCH VA 22047	AMERICAN AUTOMOBILE ASSN		
NICK J. VOLCHEFF, 2509 E. SAN MIGUEL PHOENIX AZ 85016	AT&T		
VOLKSWAGEN OF AMERICA, INC, 490 L'ENFANT PLAZA, SW, #3210 WASHINGTON DC 20024			600.00
DOUGLAS K. VOLLMER, 801 18TH ST., NW WASHINGTON DC 20006	PARALYZED VETERANS OF AMERICA	11,841.42	
VOLPE BOSKEY & LYONS, SUITE 602 918 16TH STREET, NW WASHINGTON DC 20006	AMERICAN ASSN OF EQUIPMENT LESSORS		
MARCOS VON GOIHMAN, 1835 K ST., NW, #600 WASHINGTON DC 20006	GUYANA AIRWAYS CORP		
INGRID A. VOORHEES, 1957 E ST., NW WASHINGTON DC 20006	ASSOCIATED GENERAL CONTRACTORS OF AMERICA	2,000.00	500.00
ABE J. VORON, 6204 WHITE OAK LANE TAMARAC FL 33319	NATIONAL RADIO BROADCASTERS ASSOCIATION	825.00	1,125.00
VORYS SATER SEYMOUR & PEASE, 1828 L STREET, NW, #1111 WASHINGTON DC 20036	CABOT CORPORATION	2,695.00	197.33
Do	COMMITTEE OF PUBLICLY OWNED COMPANIES		
Do	GROCERY MANUFACTURERS OF AMERICA, INC		
Do	INTERNATIONAL AGRICULTURAL DEVELOPMENT SERVICE		
Do	NATIONAL ASSN OF STATE SAVINGS INSURERS		
Do	OHIO DEPOSIT GUARANTY FUND	13,370.15	264.81

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	OHIO OIL & GAS ASSN		
Do	TOLEDO TRUSTCORP	15,600.00	488.72
Do	YANKEE RESOURCES, INC		
W.A.W. WAR AGAINST WOMEN, 1224 FREEMONT ROSEBURG OR 97470			
ROBERT J. WAGER, 3RD FLOOR 1111 14TH ST., NW WASHINGTON DC 20005	AMERICAN BAKERS ASSN	836.25	2.00
KERRI WAGNER, 1155 15TH STREET, NW WASHINGTON DC 20005	NATIONAL BROILER COUNCIL	750.00	
HOWARD W. WAHL, P.O. BOX 1000 ANN ARBOR MI 48106	BECHTEL POWER CORPORATION		
CHRISTINE M. WAISANEN, NEW MURPHY ROAD & CONCORD PIKE WILMINGTON DE 19897	ICI AMERICAS, INC		
HERBERT R. WAITE, 100 FEDERAL ST. BOSTON MA 02110	BANK OF BOSTON CORPORATION		
Do	FIRST NATIONAL BANK OF BOSTON	1,750.00	3,207.65
WALD HARKRADER & ROSS, 1300 19TH ST., NW WASHINGTON DC 20036	EMPACADORA DEL NORTE, S.A.		
Do	HARTFORD STEAM BOILER INSPECTION & INSURANCE CO		
Do	MATSUSHITA ELECTRIC INDUSTRIAL CO, LTD		
ANGELA S. WALDORF, N.C. PETROLEUM COUNCIL P.O. BOX 167 RALEIGH NC 27602	AMERICAN PETROLEUM INST		
ROBERT E. WALDRON, ASSOCIATED PETROLEUM INDUSTRIES OF MICHI 930 MICHIGAN NATL TOWER, PO BOX 10070 LANSING MI 48901.	AMERICAN PETROLEUM INST	845.00	691.17
CHARLS E. WALKER ASSOCIATES, INC, 1730 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	AGRICO CHEMICAL COMPANY, ET AL	6,000.00	
Do	ALUMINUM COMPANY OF AMERICA	312.50	
Do	AMERICAN TELEPHONE & TELEGRAPH CO	2,312.50	
Do	ANHEUSER-BUSCH COMPANIES, INC	3,000.00	
Do	BECHTEL CIVIL & MINERALS, INC	312.50	
Do	BETHLEHEM STEEL CORP		
Do	CBS, INC	3,750.00	
Do	CHEVRON U.S.A., INC		
Do	COPIAT	4,500.00	
Do	DEALER BANK ASSN	2,500.00	
Do	DIMENSION FINANCIAL CORPORATION, INC		
Do	DRESSER INDUSTRIES, INC	312.50	
Do	FEDERAL NATIONAL MORTGAGE ASSN		
Do	FORD MOTOR CO		
Do	GOODYEAR TIRE & RUBBER CO	312.50	
Do	GTE CORPORATION	312.50	
Do	IBM	312.50	
Do	INDEPENDENT REFINERS COALITION		
Do	LONE STAR STEEL CO	1,875.00	
Do	NATIONAL PAYMENT SYSTEMS COALITION		
Do	NETHERLANDS ANTILLES		
Do	NORTHVILLE INDUSTRIES CORP	4,000.00	
Do	NORTHWESTERN MUTUAL LIFE INSURANCE CO		
Do	OWENS-ILLINOIS	312.50	
Do	PROCTER & GAMBLE MANUFACTURING CO	312.50	
Do	SCOTT PAPER CO	500.00	
Do	SONGWRITERS GUILD	1,000.00	
Do	THE DREYFUS CORPORATION		
Do	TRACOR, INC		
Do	U.S. FIDELITY & GUARANTY CO		
Do	UNION CARBIDE CORP	312.50	
Do	WEYERHAEUSER CO	312.50	
R. DUFFY WALL & ASSOCIATES, INC, 1317 F STREET, NW, #400 WASHINGTON DC 20004	BABCOCK & BROWN	1,000.00	
Do	BALCOR/AMERICAN EXPRESS, INC	1,000.00	
Do	BANKERS TRUST CO	1,200.00	
Do	DEAN WITTER REALTY, INC	2,000.00	
Do	FREEPORT MCMORAN, INC	1,000.00	250.00
Do	JMB REALTY CORP	1,000.00	
Do	LIFE OF VIRGINIA, ET AL	1,500.00	250.00
Do	MORGAN GUARANTY TRUST CO	1,500.00	250.00
Do	SCHULMAN MANAGEMENT COMPANY		
Do	VOLUME FOOTWEAR RETAILERS OF AMERICA	1,000.00	250.00
Do	WINE & SPIRITS WHOLESALERS OF AMERICA, INC	1,000.00	250.00
RAYMOND C. WALLACE, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO		
LIONEL L. WALLENROD, 260 MADISON AVE. NEW YORK NY 10016	AMERICAN PAPER INST, INC		
CHARLES S. WALSH, FLEISCHMEN & WALSH 1725 N ST., NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	185.00	
JAMES P. WALSH, DAVIS WRIGHT TODD RIESE & JONES 1752 N ST., NW, #800 WASHINGTON DC 20036	AMERICAN TUNABOAT ASSN	4,600.00	
HENRY L. WALTHER, 3238 WYNFORD DRIVE FAIRFAX VA 22031	U.S. DEFENSE COMMITTEE	3,000.00	
WILLIAM C. WAMPLER, 412 FIRST STREET, SE WASHINGTON DC 20003	AMERICAN MEAT INSTITUTE		
Do	AMERICAN PEANUT PRODUCT MANUFACTURERS, INC	9,000.00	
HERBERT C. WAMSLEY, 1800 M STREET, NW, #1030N WASHINGTON DC 20036	INTELLECTUAL PROPERTY OWNERS, INC	17,539.00	
BONNIE B. WAN, 1201 PENNSYLVANIA AVENUE, #730 WASHINGTON DC 20004	KIMBERLY-CLARK CORP		
JOHN F. WANAMAKER, 201 N. WASHINGTON, ST. ALEXANDRIA VA 22314	RETIRED OFFICERS ASSN	2,217.00	
ALAN S. WARD, 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	BAKER & HOSTETLER (FOR: SOAP & DETERGENT ASSN)		
JUSTIN R. WARD, 1350 NEW YORK AVENUE, NW, #300 WASHINGTON DC 20005	NATURAL RESOURCES DEFENSE COUNCIL, INC	459.42	.80
STEPHEN E. WARD, 1919 PENNSYLVANIA AVENUE, NW, #503 WASHINGTON DC 20006	MID-CONTINENT OIL & GAS ASSN	1,644.23	65.50
RICHARD D. WARDEN, 1757 N ST., NW WASHINGTON DC 20036	UNITED AUTO, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS	17,898.68	197.26
JACK WARE, 1220 L STREET, NW WASHINGTON DC 20005	AMERICAN PETROLEUM INST	5,920.00	113.50
MICHAEL O. WARE, 1701 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	CONOCO, INC	1,200.00	
WILLIAM L. WARFIELD, 3900 WISCONSIN AVENUE, NW WASHINGTON DC 20016	FEDERAL NATIONAL MORTGAGE ASSN		
PETER F. WARKER, SUITE 2700 1000 WILSON BOULEVARD ARLINGTON VA 22209	TRW, INC	1,250.00	
ERNEST R. WARNER JR., 1818 N ST., NW WASHINGTON DC 20036	DGA INTERNATIONAL, INC. (FOR: DIR INTL AFF OF THE GEN DEL FOR ARMEMENTS).		
Do	DGA INTERNATIONAL, INC. (FOR: SNECMA)		82.80
Do	DGA INTERNATIONAL, INC. (FOR: SOFREAVIA)		174.07
Do	THOMSON-CSF DIVISION SYSTEMS ELECTRONIQUE OF FRANCE		
WILLIAM H. WARNER, 1201 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	CONTROL DATA CORP	500.00	53.64
CHRISTINE M. WARNKE, SUITE 300 1101 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN TEXTILE MANUFACTURERS INSTITUTE, INC	400.00	220.50
B. JACK WARREN, P.O. BOX 95385 ATLANTA GA 30347	FOREST FARMERS ASSN		
BARBARA J. WASHBURN, 1201 PENNSYLVANIA AVENUE, NW, #370 WASHINGTON DC 20004	CONTROL DATA CORPORATION	420.00	13.75
WASHINGTON INDEPENDENT WRITERS, INC., 1341 G ST., NW, #205 WASHINGTON DC 20005			
WASHINGTON INDUSTRIAL TEAM, INC., 499 SOUTH CAPITOL STREET, SW, #400 WASHINGTON DC 20003	BOEING COMPANY	900.00	552.58
Do	HUGHES AIRCRAFT COMPANY	1,500.00	900.31
Do	ROCKWELL INTL	1,500.00	900.31
WATERBED MANUFACTURERS ASSN, 1411 WEST OLYMPIC BOULEVARD LOS ANGELES CA 90015			1,000.00
RONALD D. WATERMAN, 4802 TABARD PLACE ANNANDALE VA 22003	CONNOR FOREST INDUSTRIES, INC	2,984.00	57.00
Do	MILWAUKEE COUNTY-INTERGOVERNMENTAL RELATIONS	9,375.00	185.50
Do	WISCONSIN COUNTIES ASSN	2,812.72	185.50
CLARKE R. WATSON, 655 BROADWAY, #425 DENVER CO 80203	WESTLAND COMPANIES, INC		
STEPHEN L. WATSON, 143 W. MARKET ST., #201 INDIANAPOLIS IN 46204	INDIANA RAILROAD ASSN		
CAROLYN HERR WATTS, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	25.00	
DOUGLAS R. WATTS, 1724 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL CABLE TELEVISION ASSN, INC	1,200.00	
GEORGE B. WATTS, 1155 15TH ST., NW WASHINGTON DC 20005	NATIONAL BROILER COUNCIL	1,000.00	
BRUCE H. WATZMAN, 1130 17TH STREET, N.W. WASHINGTON DC 20036	NATIONAL COAL ASSN	5,440.00	224.76
WILLIAM J. WAY, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	2,500.00	2,185.09
RAYMOND J. WEATHERLY, SUITE 511 1745 JEFFERSON DAVIS HWY. ARLINGTON VA 22202	MANUFACTURED HOUSING INST	450.00	50.00
WILLIAM H. WEATHERSPOON, NORTH CAROLINA PETROLEUM COUNCIL PO BOX 167 RALEIGH NC 27602	AMERICAN PETROLEUM INST	250.00	
A. VERNON WEAVER, 2121 K STREET, NW, #830 WASHINGTON DC 20037	STEPHENS OVERSEAS SERVICES, INC	82.30	
ANDREW H. WEBBER, 440 FIRST STREET, NW, #510 WASHINGTON DC 20001	AMERICAN MEDICAL PEER REVIEW ASSN		
FREDERICK L. WEBBER, 1101 16TH STREET, NW WASHINGTON DC 20036	NATIONAL SOFT DRINK ASSN		369.98
LANA N. WEBER, SUITE 205B 5455 BUFORD HWY. ATLANTA GA 30340	DENTAL MANAGEMENT SERVICES, INC		
SUSAN WEBER, 1346 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	ZERO POPULATION GROWTH, INC		
WEBSTER CHAMBERLAIN & BEAN, 1747 PENNSYLVANIA AVE., NW, #1000 WASHINGTON DC 20006	AMERICAN PARATRANSIT INSTITUTE	2,000.00	
Do	WATERBED MANUFACTURERS ASSN	1,000.00	
PAUL WECKSTEIN, SUITE 504 236 MASSACHUSETTS AVE., NE WASHINGTON DC 20002	CENTER FOR LAW AND EDUCATION, INC	117.39	
LEE J. WEDDIG, SUITE 580 2000 M ST., NW WASHINGTON DC 20036	NATIONAL FISHERIES INST	4,000.00	
CHARLES W. WEGNER JR., 600 PENNSYLVANIA AVENUE, SE, #203 WASHINGTON DC 20003	PROFESSIONAL INSURANCE AGENTS	500.00	7,750.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
JACK R. WEHRLY, SUITE 790 SOUTH 1800 M ST., NW WASHINGTON DC 20036	DOW CORNING CORPORATION		
STEVEN A. WEIN, 1090 VERMONT AVENUE, NW, #1100 WASHINGTON DC 20005	TEXTRON, INC.	600.00	150.00
DONALD G. WEINERT, 1420 KING ST. ALEXANDRIA VA 22314	NATIONAL SOCIETY OF PROFESSIONAL ENGINEERS	1,500.00	
ARTHUR E. WEISBERG, 2200 FIRST BANK PLACE EAST MINNEAPOLIS MN 55402	DORSEY & WHITNEY		
ARTHUR A. WEISS, 1800 FIRST NATIONAL BUILDING DETROIT MI 48226	JAFFE SNIDER RAITT & HEUER, P.C.		
MICHAEL A. WEISS, 490 L'ENFANT PLAZA EAST, SW WASHINGTON DC 20024	TENNECO INC		75.00
MORTON N. WEISS, SUITE 4511 ONE WORLD TRADE CENTER NEW YORK NY 10048	NATIONAL SECURITY TRADERS ASSN, INC.	4,375.00	
STANLEY A. WEISS, SUITE 401 21 DUPONT CIRCLE, NW WASHINGTON DC 20036	BUSINESS EXECUTIVES FOR NATIONAL SECURITY		
DON WELCH, P.O. BOX 841 ABILENE TX 79604	WEST TEXAS UTILITIES CO		
WELLFORD WEGMAN KRULWICH GOLD & HOFF, SUITE 450 1775 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	AMERICAN IRON & STEEL INSTITUTE	7,500.00	
Do	CANADIAN EMBASSY	632.50	
Do	DEPARTMENT OF NATURAL RESOURCES, PROVINCE OF MANITOBA		
Do	GRANTS & CONTRACTS PROJECTS, UNITED WAY OF AMERICA	300.00	
Do	JOHNS-MANVILLE	5,000.00	
Do	MITEX		
L. H. WELLS, SUITE 200 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	SHELL OIL CO	500.00	
THOMAS F. WENNING, 1910 K ST., NW WASHINGTON DC 20006	NATIONAL GROCERS ASSN		
FRED WERTHEIMER, 2030 M ST., NW WASHINGTON DC 20036	COMMON CAUSE	15,285.00	136.00
FORD B. WEST, 1015 18TH STREET, NW WASHINGTON DC 20036	FERTILIZER INSTITUTE	16,666.00	665.49
WEST MEXICO VEGETABLE DISTRIBUTORS ASSN, PO BOX 848 NOGALES AZ 85621			2,000.00
WEST TEXAS LAND & ROYALTY OWNERS ASSN., 4302 AIRPORT BLVD. AUSTIN TX 78722		46.00	125.00
W. P. WEST 1629 K ST., NW ROOM 204 WASHINGTON DC 20006	DELTA AIR LINES, INC.	273.00	152.69
HARRY H. WESTBAY III, SUITE 805 1625 EYE ST., NW WASHINGTON DC 20006	ST. REGIS CORP	1,600.00	1,000.00
WESTERN FUELS ASSOCIATION, INC, 700 JEFFERSON BUILDING 1225 19TH ST., NW WASHINGTON DC 20036			15,794.72
JOHN F. WETZEL JR., 412 FIRST ST., SE, #200 WASHINGTON DC 20003	ASSOCIATION OF AMERICAN RAILROADS	124.19	268.28
WILLIAM WEWER, 1300 19TH STREET, NW, #310 WASHINGTON DC 20036	NATIONAL COMM TO PRESERVE SOCIAL SECURITY	16,020.00	
WEXLER REYNOLDS HARRISON & SCHULE, INC, SUITE 600 1317 F STREET, NW WASHINGTON DC 20004	AETNA LIFE & CASUALTY		
Do	ALLIED CORPORATION		
Do	AMERICAN IRON & STEEL INSTITUTE		211.40
Do	AMERICAN LOW POWER TELEVISION ASSN		
Do	COMMITTEE FOR PRUDENT DEREGULATION	5,600.00	164.45
Do	COMMUNICATIONS SATELLITE CORP	2,515.00	214.33
Do	CONSORTIUM OF PUBLIC TV STATIONS	1,760.00	35.99
Do	DYCO PETROLEUM CO	525.00	6.00
Do	FOOTHILLS PIPE LINES (YUKON) LTD	25.00	9.00
Do	GENERAL MOTORS CORP		12.50
Do	HOECHST-ROUSSEL PHARMACEUTICALS, INC.	252,125.00	215.66
Do	INEXCO OIL CO	525.00	6.00
Do	MANVILLE CORPORATION	5,602.50	30.05
Do	MOTION PICTURE ASSN OF AMERICA, INC	375.00	96.04
Do	NATIONAL CABLE TELEVISION ASSN, INC.	2,250.00	45.73
Do	NATIONAL RADIO BROADCASTERS ASSOCIATION	280.00	6.00
Do	NEW ENGLAND ELECTRIC SYSTEM	30.00	
Do	NEW YORK POWER AUTHORITY	1,190.00	27.00
Do	NOVA, AN ALBERTA CORP		
Do	NOVACOR CHEMICALS, LTD	1,490.00	44.00
Do	PENNZOIL CO		
Do	SECURITY INVESTMENT CO	60.00	786.30
ROBERT G. WEYMUELLER, 1101 VERMONT AVENUE, NW, #402 WASHINGTON DC 20005	AMERICAN LUNG ASSN	2,663.00	2,345.00
BRIAN B. WHALEN JR , 401 N. MICHIGAN AVE. CHICAGO IL 60611	INTERNATIONAL HARVESTER CO	1,250.00	62.80
CURTIS E. WHALEN, 490 L'ENFANT PLAZA, SW, #3202 WASHINGTON DC 20024	TRANSCO ENERGY COMPANY	4,500.00	3,377.14
ELLAN WHARTON, 1701 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	E. I. DU PONT DE NEMOURS & CO, INC.		
LEONARD P. WHEAT, 1101 17TH STREET, NW, #1002 WASHINGTON DC 20036	AMERICAN DENTAL ASSN	1,000.00	55.95
CHARLES W. WHEELER, 1120 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	1,500.00	942.82
EDWIN M. WHEELER, 1815 H STREET, NW, #100 WASHINGTON DC 20006	AMERICAN PETROCHEMICAL CONSUMERS		
JUNE M. WHELAN, SUITE 600 S 1120 20TH STREET, NW WASHINGTON DC 20036	UNION PACIFIC CORPORATION	1,250.00	
WHITE & CASE, 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	ALLEGHANY CORPORATION		
DIANE WHITE, 499 S. CAPITOL STREET, #114 WASHINGTON DC 20003	CONCERNED WOMEN FOR AMERICA	3,600.00	
DONALD F. WHITE, 1616 H ST., NW WASHINGTON DC 20006	AMERICAN RETAIL FEDERATION	1,500.00	125.00
WHITE FINE & VERVILLE, SUITE 1100 1156 15TH ST., NW WASHINGTON DC 20005	AMERICAN EDUCATORS OF ARKANSAS, INC, ET AL	30,000.00	
GEORGE E. WHITE JR., P.O. BOX 61000 NEW ORLEANS LA 70161	MIDDLE SOUTH SERVICES, INC	1,339.60	1,514.40
JOHN C. WHITE, SUITE 207 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	COASTAL CORP & CHICAGO MERCANTILE EXCHANGE		
JOHN S. WHITE, 1800 M ST., NW, #975 WASHINGTON DC 20036	MARATHON OIL CO		
JOHN THOMAS WHITE II , SUITE 2202 490 L'ENFANT PLAZA EAST, SW WASHINGTON DC 20024	TENNECO INC		
SAM WHITE, 412 FIRST STREET, SE WASHINGTON DC 20003	INDEPENDENT CATTLEMEN'S ASSN	4,500.00	
Do	NATIONAL PEANUT GROWERS GROUP	6,000.00	
Do	SAM KANE PACKING		
BRYAN K. WHITEHEAD, 815 16TH ST., NW WASHINGTON DC 20006	BROTHERHOOD OF RAILWAY, AIRLINE & STEAMSHIP CLERKS		
ALTON W. WHITEHOUSE JR , 1750 MIDLAND BLDG. CLEVELAND OH 44115	STANDARD OIL CO (OHIO)		
MARSHALL E. WHITENTON, SUITE 600 1001 22ND ST., NW WASHINGTON DC 20037	STANDARD OIL CO (OHIO)		
RICHARD M. WHITING, 730 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATION OF BANK HOLDING COS	875.00	
WHITMAN & RANSOM, 1333 NEW HAMPSHIRE AVE., NW, #650 WASHINGTON DC 20036	JAPAN EXTERNAL TRADE ORGANIZATION (JETRO)		
JAMES A. WHITMAN, P.O. BOX 1417-D49 ALEXANDRIA VA 22313	NATIONAL ASSN OF CHAIN DRUG STORES, INC	500.00	
ROBERT L. WHITMIRE, 1745 JEFFERSON DAVIS HIGHWAY, #1000 ARLINGTON VA 22202	GENERAL DYNAMICS	1,000.00	206.00
WILLIAM F. WHITSITT, 1800 K ST., NW SUITE 820 WASHINGTON DC 20006	SUN CO, INC	700.00	436.97
DENNIS J. WHITTLESEY, WHITTLESEY & O'BRIEN, P.C. 21 DUPONT CIRCLE, #801 WASHINGTON DC 20036	COWLITZ INDIAN TRIBE		
WILLIAM E. WICKERT JR., 1000 16TH STREET, NW, #800 WASHINGTON DC 20036	BETHLEHEM STEEL CORPORATION	2,200.00	
WICKWIRE LEWIS GOLDMARK & SCHOOR, 500 MAYNARD BLDG. SEATTLE WA 98104	ARCTIC SLOPE REGIONAL CORP, ET AL		
RICHARD J. WIECHMANN, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC		
ANN R. WIESENECK, 900 17TH STREET, NW WASHINGTON DC 20006	KAISER ALUMINUM & CHEMICAL CORP		
CHARLES E. WIGGINS, 1050 17TH STREET, NW WASHINGTON DC 20036	FEDERAL JUDGES ASSN		
W. SCOTT WILBER, 1101 VERMONT AVENUE, NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	3,975.00	166.24
THOMAS D. WILCOX, P.C., 2011 EYE STREET, NW, #705 WASHINGTON DC 20006	NATIONAL ASSN OF STEVEDORES	2,200.00	585.00
T. J. WILDER, 1725 K STREET, NW, #1405 WASHINGTON DC 20006	MORTGAGE INSURANCE COS OF AMERICA		
HARRY G. WILES II , 499 S. CAPITOL STREET, SW, #401 WASHINGTON DC 20003	NATIONAL ASSN OF INDEPENDENT INSURERS		215.00
WILEY & REIN, 1776 K STREET, NW WASHINGTON DC 20006	CBS, INC	300.00	
Do	CLEAR CHANNEL BROADCASTING SERVICE		
GUENTHER O. WILHELM, SUITE 1100 1899 L STREET, NW WASHINGTON DC 20036	EXXON CORPORATION		
JULIAN A. WILHELM, 1320 19TH STREET, NW WASHINGTON DC 20036	BURCH, WILHELM & MCDONALD, P.C. (FOR: M.A.N. TRUCK & BUS CORP)		
CARL B. WILKERSON, 1850 K STREET, NW WASHINGTON DC 20006	AMERICAN COUNCIL OF LIFE INSURANCE, INC		
WILKINSON BARKER KNAUER & QUINN, 1735 NEW YORK AVE., NW WASHINGTON DC 20006	AMERICAN ASSN OF PRESIDENTS OF INDEPENDENT COLL. & UNIVER	8,515.42	4,631.40
PAUL R. WILLGING, 1200 15TH STREET, NW WASHINGTON DC 20005	AMERICAN HEALTH CARE ASSN	2,750.00	55.70
RALPH E. WILLHAM, 1750 NEW YORK AVE., NW WASHINGTON DC 20006	SHEET METAL WORKERS' INTL ASSN	11,850.00	
WILLIAMS & CONNOLLY, 839 17TH ST., NW WASHINGTON DC 20006	GADSDEN TIMES, INC		
Do	PUBLIC WELFARE FOUNDATION, INC		
Do	SPARTANBURG HERALD & JOURNAL, INC.		
Do	TUSCALOOSA NEWS, INC		
F. LEE WILLIAMS, 1616 H ST., NW WASHINGTON DC 20006	AMERICAN RETAIL FEDERATION	1,600.00	
JAMES H. WILLIAMS, 1840 WILSON BLVD., #203 ARLINGTON VA 22201	NATIONAL LIMESTONE INST, INC	4,254.00	
KAREN WILLIAMS, 1750 K STREET, NW WASHINGTON DC 20006	HEALTH INSURANCE ASSN OF AMERICA		
LEONARD B. WILLIAMS, 1000 16TH STREET, NW, #800 WASHINGTON DC 20036	BETHLEHEM STEEL CORPORATION	110.00	
LUCINDA L. WILLIAMS, 1111 19TH ST., NW, #402 ARLINGTON VA 20036	FEDERATION OF AMERICAN HOSPITALS	5,500.00	
MARGIE R. WILLIAMS, 415 2ND ST., NE SUITE 300 WASHINGTON DC 20002	NATIONAL ASSN OF WHEAT GROWERS	845.03	
WILLIAMS MYERS & QUIGGLE, 888 17TH ST., NW WASHINGTON DC 20006	CHURCH ALLIANCE FOR CLARIFICATION OF ERISA	16,611.25	1,040.01
PERRY F. WILLIAMS, 225 MAIN ST. NEWINGTON CT 06111	AMERICAN RADIO RELAY LEAGUE, INC		
ROBERT E. WILLIAMS, 1825 K ST., NW, #607 WASHINGTON DC 20006	UNITED AIRLINES	1,500.00	
THOMAS F. WILLIAMS, 6812 OLD KENT ROAD AMARILLO TX 79109	SOUTHWESTERN PUBLIC SERVICE CO	381.96	22.66
DAVID K. WILLIS, 1620 EYE STREET, NW, #1000 WASHINGTON DC 20006	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC.		
CHARLOTTE M. WILMER, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL RURAL ELECTRIC COOPERATIVE ASSN	175.00	
WILMER CUTLER & PICKERING, 1666 K ST., NW WASHINGTON DC 20006	AM INTERNATIONAL, INC	7,905.00	
Do	AMERICAN SOC OF COMPOSERS AUTHORS & PUBLISHERS	1,152.07	6.18
Do	APACHE CORPORATION	1,062.50	429.05
Do	PETER L. BERMONT		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	BUSINESS ROUNDTABLE		
Do	CAPITAL CITIES COMMUNICATIONS, INC	706.25	
Do	CBS, INC	158.75	21.44
Do	CITICORP		
Do	DEALER BANK ASSN		
Do	G-4 CHILDREN'S COALITION	2,911.15	24.73
Do	HANDGUN CONTROL, INC		8.58
Do	MORGAN GUARANTY TRUST CO		
Do	MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE U.S., INC		
Do	NATIONAL CORPORATION FOR HOUSING PARTNERSHIPS		
Do	PEOPLE OF ENEWETAK		3.80
CHARLES D. WILSON, 1850 K ST., NW, #390 WASHINGTON DC 20006	UNION CAMP CORP	965.76	25.00
DENA L. WILSON, SUITE 1000 1600 WILSON BLVD. ARLINGTON VA 22209	AMERICAN WATERWAYS OPERATORS, INC	2,100.00	164.93
DON T. WILSON, 1250 I STREET, NW, #400 WASHINGTON DC 20005	NATIONAL TIRE DEALERS & RETREADERS ASSN, INC	800.00	25.00
DOROTHY WILSON, 4201 CATHEDRAL AVENUE, NW, #607-E WASHINGTON DC 20016	COALITION OF CONCERNED CHARITIES		
PATRICIA M. WILSON, 2910 3RD AVENUE NORTH BILLINGS MT 59103	THERMAL ENERGY CO		
ROBERT C. WILSON, RM 400 499 S. CAPITOL ST., SW WASHINGTON DC 20003	RMI, INC	380.00	
Do	WASHINGTON INDUSTRIAL TEAM, INC	600.00	
ROBERT GARY WILSON, 1730 RHODE ISLAND AVENUE, NW WASHINGTON DC 20036	PPG INDUSTRIES, INC		
ROSEMARY L. WILSON, MINNESOTA PETROLEUM COUNCIL 1025 NORTHERN FEDERAL BLDG. ST. PAUL MN 55102	AMERICAN PETROLEUM INST		
WILLIAM A. WILSON III, 8001 BRADDOCK ROAD SPRINGFIELD VA 22160	NATIONAL RIGHT TO WORK COMM	750.00	
JUDY WINCHESTER, 3900 WISCONSIN AVENUE, NW WASHINGTON DC 20016	FEDERAL NATIONAL MORTGAGE ASSN	4,000.00	37.70
KATHLEEN J. WINN, 1155 15TH ST., NW SUITE 602 WASHINGTON DC 20006	PENNZOIL CO	475.00	20.00
MARIE WINSLOW, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FED OF FEDERAL EMPLOYEES		
WINSTON & STRAWN, #500 2550 M ST., NW WASHINGTON DC 20037	AMERICAN ASSN OF MUSEUMS		
Do	BEATRICE FOODS CO	110.00	53.15
Do	BUILDING OWNERS & MANAGERS ASSN INTL	82.50	
Do	GOULD, INC		
Do	INTERNATIONAL COUNCIL OF SHOPPING CENTERS	555.00	315.35
Do	LEASE MANAGEMENT CORP		
Do	NATIONAL AUDUBON SOCIETY		
Do	TERSON COMPANY, INC		
DAVID A. WINSTON, 1922 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF LIFE UNDERWRITERS		
JAMES L. WINSTON, 1730 M STREET, NW, #708 WASHINGTON DC 20036	NATIONAL ASSN OF BLACK OWNED BROADCASTERS		
MARK E. WINTER, 1828 L ST., NW WASHINGTON DC 20036	AMERICAN LAND TITLE ASSN	3,223.00	
RONALD S. WISHART JR., 1100 15TH STREET, NW, #1200 WASHINGTON DC 20005	UNION CARBIDE CORP		
WISNER & SCHWARZ, 900 17TH ST., NW WASHINGTON DC 20006	ENERGY RECOVERY SYSTEMS, INC	1,267.50	
ROBERT V. WITECK, THE POWER HOUSE 3255 GRACE STREET, NW WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN EXPRESS CORP).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN FLAGSHIPS)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: AMERICAN IRON & STEEL INSTITUTE).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: ANEUTRONIX, INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: CANADIAN ASBESTOS INFORMATION CENTRE).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: COMMONWEALTH OF PUERTO RICO).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: JOINT MARITIME CONGRESS).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: LIFE CARE SERVICES CORP).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: MUTUAL OF OMAHA)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: NATIONAL BROADCASTING CO, INC).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: NATIONAL MULTI HOUSING COUNCIL).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: PORTALS)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF TURKEY)	600.00	
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SALEN DRY CARGO, INC)		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: SALOMON BROTHERS, INC).		
CLAUDIA A. WITHERS, 2000 P STREET, NW, #400 WASHINGTON DC 20036	WOMEN'S LEGAL DEFENSE FUND		
WITKOWSKI WEINER MCCAFFREY & BRODSKY, SUITE 350 1575 I ST., NW WASHINGTON DC 20005	COMMERCIAL CREDIT CORP		
Do	COORDINATING COUNCIL ON MANUFACTURED HOUSING FINANCE	2,092.00	138.54
Do	FOREMOST INSURANCE CO	352.00	263.05
Do	MERRILL LYNCH & CO., INC.; COMMERCIAL CREDIT CORP		
Do	NATIONAL MANUFACTURED HOUSING FINANCE ASSN	263.50	
GLENN P. WITTE, 888 16TH ST., NW WASHINGTON DC 20006	MILK IND. FOUNDATION/INTL ASSN OF ICE CREAM MFRS		
HERMAN C. WITTHAUS, 1660 L ST., NW WASHINGTON DC 20036	GENERAL MOTORS CORP	3,000.00	2,873.75
CLINTON WOLCOTT, 1016 16TH STREET, NW WASHINGTON DC 20036	NATIONAL FED OF FEDERAL EMPLOYEES		
JAMES E. WOLF, 2020 14TH ST., NORTH ARLINGTON VA 22201	TRANE COMPANY	1,500.00	
JAMES WOLF, 1925 K ST., NW, #206 WASHINGTON DC 20006	ALLIANCE TO SAVE ENERGY		
THOMAS F. WOLFE, 1615 H ST., NW, WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	35.00	
RONALD WOLSEY, P.O. BOX 507 BALTIMORE MD 21203	AMOCO OIL COMPANY		
DON WOMACK, SUITE 303 1825 K ST., NW WASHINGTON DC 20006	TEXAS UTILITIES SERVICES, INC	2,575.00	74.67
BURTON C. WOOD, 1125 15TH ST., NW WASHINGTON DC 20005	MORTGAGE BANKERS ASSOCIATION OF AMERICA	13,050.00	2,021.00
CHARLES A. WOOD, 10 LAFAYETTE SQUARE BUFFALO NY 14203	NATIONAL FUEL GAS DISTRIBUTION CORP., ET AL		
JOHN L. WOOD, 2121 SAN JACINTO ST. P.O. BOX 660164 DALLAS TX 75266	CENTRAL AND SOUTH WEST CORP		
W. ALAN WOODFORD, 2501 M ST.,NW WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSOCIATION, INC	300.00	
WILLIAM E. WOODS, 205 DAINGERFIELD RD. ALEXANDRIA VA 22314	NATIONAL ASSN OF RETAIL DRUGGISTS		
PERRY W. WOOFTER, SUITE 530 1800 K ST. NW WASHINGTON DC 20006	TESORO PETROLEUM CORP	2,500.00	
HOWARD E. WOOLLEY, 1771 N STREET, NW WASHINGTON DC 20036	NATIONAL ASSN OF BROADCASTERS	1,500.00	508.71
LINDA ANZALONE WOOLLEY, 1600 M ST., NW WASHINGTON DC 20036	INTERNATIONAL TELEPHONE & TELEGRAPH CORPORATION		
NOEL C. WOOSLEY, 4647 FORBES BOULEVARD LANHAM MD 20706	AMVETS	6,800.00	150.47
DEE WORKMAN, 405 LEXINGTON AVE. NEW YORK NY 10017	MOBIL OIL CORP	18,750.00	1,600.00
ROSS WORKMAN, P.O. BOX 1396 HOUSTON TX 77251	TRANSCO ENERGY COMPANY		
WORLDWIDE INFORMATION RESOURCES, LTD, 1717 K STREET, NW, #706 WASHINGTON DC 20006	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S		
Do	PAN AMERICAN WORLD AIRWAYS, INC		
Do	STATE OF MONTANA		
Do	TOYOTA MOTOR SALES U.S.A., INC		
W. ROBERT WORLEY, 1736 CREEK CROSSING ROAD VIENNA VA 22180	SOUTHERN COMPANY SERVICES, INC		811.83
STEVEN M. WORTH, 3255 GRACE ST., NW THE POWER HOUSE WASHINGTON DC 20007	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: ELECTRONIC INDUSTRIES ASSN OF JAPAN).		
Do	GRAY & CO PUBLIC COMMUNICATIONS INT'L, INC (FOR: REPUBLIC OF KOREA)		
JOSEPH T. WRABEK, BOX 548 CASCADE LOCKS OR 97014	COLUMBIA GORGE UNITED		
BRENDA J. WRIGHT, SUITE 2600 1000 WILSON BLVD. ARLINGTON VA 22209	TRW, INC	1,000.00	
DAVID L. WRIGHT, ANDERSON HILL RD. PURCHASE NY 10577	PEPSICO, INC		634.05
SAMUEL H. WRIGHT, 11333 MCCORMICK ROAD HUNT VALLEY MD 21031	PHH GROUP, INC		
WYATT & SALTZSTEIN, SUITE 802 1725 DESALES STREET, NW WASHINGTON DC 20036	AMERICAN BUSINESS PRESS, INC		
THOMAS L. WYLIE, 1800 K STREET, NW, #820 WASHINGTON DC 20006	SUN COMPANY, INC	9,000.00	83.00
MARC D. YACKER, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	AMERICAN PAPER INST, INC	195.00	
MILAN P. YAGER, 727 N. WASHINGTON STREET ALEXANDRIA VA 22314	UNITED FRESH FRUIT & VEGETABLE ASSN	1,150.00	192.22
T. ALBERT YAMADA, SUITE 520 900 17TH ST., NW WASHINGTON DC 20006	TOYOTA MOTOR SALES, U.S.A., INC	500.00	
Do	WEST MEXICO VEGETABLE DISTRIBUTORS ASSN	500.00	
ANDREA J. YANK, 1785 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL TRUST FOR HISTORIC PRESERVATION	4,074.95	53.80
EDWARD R. YAWN, 1111 19TH ST., NW WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	350.00	452.32
KIM YELTON, 8120 FENTON ST. SILVER SPRING MD 20910	AMERICANS UNITED FOR SEPARATION OF CHURCH AND STATE	7,828.06	29.77
JACK YELVERTON, 1303 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	FLEET RESERVE ASSN		
RICHARD K. YEP, 5999 STEVENSON AVENUE ALEXANDRIA VA 22304	AMERICAN ASSN FOR COUNSELING AND DEVELOPMENT	4,470.43	183.05
D. SCOTT YOHE, 1629 K ST., NW, #204 WASHINGTON DC 20006	DELTA AIR LINES, INC	390.00	227.80
ANDREW YOOD, 1220 L STREET, NW WASHINGTON DC 20005	AMERICAN PETROLEUM INST	200.00	
EDWARD A. YOPP, P.O. BOX 1072 EL PASO TX 79958	MBANK EL PASO		
ROBERTA LYNN YOUMANS, 509 C STREET, NE STANTON PARK WASHINGTON DC 20002	ROISMAN, RENO & CAVANAUGH (FOR: NATIONAL HOUSING LAW PROJECT)	1,557.68	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
G. REYNOLDS YOUNG, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN		
JOHN ANDREW YOUNG, 1333 NEW HAMPSHIRE AVE., NW, #207 WASHINGTON DC 20036	COASTAL CORPORATION		
JUDITH A. YOUNG, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,500.00	204.20
BETSY YOUNKINS, 1220 L STREET, NW, #1200 WASHINGTON DC 20005	AMERICAN PETROLEUM INST	6,000.00	187.25
EUGENE A. YOURCH, 50 BROADWAY NEW YORK NY 10004	FEDERATION OF AMERICAN CONTROLLED SHIPPING	200.00	
RALPH ZAAYENGA, 1800 K STREET, NW, #820 WASHINGTON DC 20006	SUN COMPANY, INC	1,419.60	34.35
HARRY M ZACHEM, 1025 CONNECTICUT AVE., #507 WASHINGTON DC 20036	ASHLAND OIL, INC	2,000.00	
MICHAEL ZAGORAC P.O. BOX 4689 CLEARWATER FL 33518	JACK ECKERD CORPORATION		
LYNN ZAKUPOWSKY, 1331 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	GENERAL ELECTRIC CO	250.00	
BARNABY W. ZALL, 1424 16TH STREET, NW, #707 WASHINGTON DC 20036	FAIR CONGRESSIONAL TASK FORCE, INC		
Do	FEDERATION FOR AMERICAN IMMIGRATION REFORM		
JOHN S. ZAPP, 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN MEDICAL ASSN	4,900.00	375.94
ELAINE ZARAFONETIS, 201 PARK WASHINGTON COURT FALLS CHURCH VA 22046	NATIONAL-AMERICAN WHOLESALE GROCERS' ASSN	3,000.00	
JANICE ZARRO, SUITE 715-16 1660 L ST., NW WASHINGTON DC 20036	AVON PRODUCTS, INC		
L. ANDREW ZAUSNER, 1155 15TH ST., NW, #602 WASHINGTON DC 20005	PENNZOIL CO	1,000.00	
LEO C. ZEFERETTI, 9912 FORT HAMILTON PARKWAY BROOKLYN NY 11209	BUILDING & CONSTRUCTION TRADES DEPT., AFL-CIO		
Do	FAIRCHILD INDUSTRIES		
Do	GRUMMAN AEROSPACE CORPORATION		
Do	GRUMMAN DATA SYSTEMS CORP		
Do	NEW YORK TELEPHONE		
Do	PRATT AND WHITNEY		
Do	TRANSPORTATION INSTITUTE		
PHILIP F. ZEIDMAN, 1025 CONNECTICUT AVE., NW, #900 WASHINGTON DC 20036	AMERICAN BUSINESS CONFERENCE, INC		
DON J. ZELLER, SUITE 503 1000 16TH STREET, NW WASHINGTON DC 20036	STANDARD OIL CO (INDIANA)	1,850.00	312.39
ZERO POPULATION GROWTH, INC, 1346 CONNECTICUT AVE., NW WASHINGTON DC 20036		336.00	336.00
ZIONTZ PIRTLE MORRISSET ERNSTOFF & CHESTNUT, METROPOLITAN PARK, 16TH FLOOR 1100 OLIVE WAY SEATTLE WA 98101.	LUMMI TRIBE OF INDIANS		
Do	QUILEUTE INDIAN TRIBE		
ZUCKERT SCOUTT RASENBERGER & JOHNSON, 888 17TH ST., NW WASHINGTON DC 20006	RECON/OPTICAL, INC		
CHARLES O. ZUVER, 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036	AMERICAN BANKERS ASSN	5,000.00	
23RD CONGRESSIONAL DISTRICT ACTION COMM., 575 CHARLES ST. ST. MARYS PA 15857			
31ST PRO LIFE CONGRESSIONAL DISTRICT ACTION COMM, 8654 BONVIEW TERRACE WILLIAMSVILLE NY 14221			
32ND CONGRESSIONAL DISTRICT ACTION COMMITTEE/NY, 129 BELMONT AVE. BUFFALO NY 14223			
34TH CONGRESSIONAL DISTRICT ACTION COMM (NY), RD 2 ALLEGANY NY 14706			

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the third calendar quarter of 1984 were received too late to be included in the published reports for that quarter:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19.....

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:
1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).
(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $.....Dues and assessments
2. $.....Gifts of money or anything of value
3. $.....Printed or duplicated matter received as a gift
4. $.....Receipts from sale of printed or duplicated matter
5. $.....Received for services (e.g., salary, fee, etc.)
6. $.....TOTAL for this Quarter (Add items "1" through "5")
7. $.....Received during previous Quarters of calendar year
8. $.....TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $.....TOTAL now owed to others on account of loans
10. $.....Borrowed from others during this Quarter
11. $.....Repaid to others during this Quarter

12. $....."Expense money" and Reimbursements received this Quarter

Contributors of $500 or more (from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": .....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and address of Contributor ("Period" from Jan. 1 through....., 19.....)*
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $.....Public relations and advertising services
2. $.....Wages, salaries, fees, commissions (other than item "1")
3. $.....Gifts or contributions made during Quarter
4. $.....Printed or duplicated matter, including distribution cost
5. $.....Office overhead (rent, supplies, utilities, etc.)
6. $.....Telephone and telegraph
7. $.....Travel, food, lodging, and entertainment
8. $.....All other expenditures
9. $.....TOTAL for this Quarter (Add "1" through "8")
10. $.....Expended during previous Quarters of calendar year
11. $.....TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $.....TOTAL now owed to person filing
13. $.....Lent to others during this Quarter
14. $.....Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
A & S TRANSPORTATION COMPANY, 75 JACOBUS AVENUE SOUTH KEARNY NJ 07032			1,918.75
ALBERT E. ABRAHAMS, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	8,000.00	477.89
CHARLES F. ADAMS, SUITE 700 1899 L ST., NW WASHINGTON DC 20036	AMERICAN ASSN OF ADVERTISING AGENCIES	2,500.00	750.00
ADDUCI DINAN AND MASTRIANI, 1140 CONNECTICUT AVENUE, NW, #250 WASHINGTON DC 20036	MUNICIPAL CASTINGS FAIR TRADE COUNCIL	6,000.00	737.51
MICHAEL A. AISENBERG, SUITE 610 888 16TH ST., NW WASHINGTON DC 20006	DIGITAL EQUIPMENT CORPORATION	12,300.00	
JUANITA ALVAREZ, 218 D STREET, SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	838.54	
ROBERT ALVAREZ, 218 D ST., SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	157.72	
JEROME A. AMBRO ASSOCIATES, SUITE 719 2301 S. JEFFERSON DAVIS DR. ARLINGTON VA 22202	ASSOCIATED UNIVERSITIES	9,600.00	7,153.72
Do	COUNTY OF SUFFOLK, NEW YORK	11,250.00	8,397.84
AMERICAN ACADEMY OF OPHTHALMOLOGY, SUITE 300 1101 VERMONT AVE., N.W. WASHINGTON DC 20005			12,525.00
AMERICAN CANCER SOCIETY, 777 THIRD AVE. NEW YORK NY 10017			
AMERICAN CHAMBER OF COMMERCE OF THE DOMINICAN REPUBLIC, P.O. BOX 95-2 SANTO DOMINGO DOMINICAN REPUBLIC			
AMERICAN CLEAN WATER ASSN, P.O. BOX 6297 WASHINGTON DC 20015		2,432.65	1,944.65
AMERICAN DRUZE PUBLIC AFFAIRS COMMITTEE, P.O. BOX 7739 WASHINGTON DC 20044		4,090.00	5,108.56
AMERICAN FED OF STATE COUNTY & MUNICIPAL EMPLOYEES, 1625 L ST., NW WASHINGTON DC 20036			75,350.12
AMERICAN GAS ASSN, 1515 WILSON BOULEVARD ARLINGTON VA 22209		35,403.00	34,403.00
AMERICAN HEALTH PLANNING ASSN, 1110 VERMONT AVENUE, NW, #950 WASHINGTON DC 20005		58,987.00	5,343.20
AMERICAN RADIO RELAY LEAGUE, INC, 225 MAIN ST. NEWINGTON CT 06111			
AMERICAN RIVERS CONSERVATION COUNCIL, 322 4TH STREET, NE WASHINGTON DC 20002		46,823.00	3,298.00
AMERICAN SEED TRADE ASSN, SUITE 964 1030 15TH ST., NW WASHINGTON DC 20005			11,350.00
AMERICAN WATERWAYS SHIPYARD CONFERENCE, 1600 WILSON BOULEVARD, #500 ARLINGTON VA 22209			
AMERICANS FOR THE NATIONAL VOTER INITIATIVE AMENDMENT, 3115 N ST., NW WASHINGTON DC 20007			
JAN S. AMUNDSON, 1776 F STREET, NW WASHINGTON DC 20006	NATIONAL ASSN OF MANUFACTURERS		
ARNE ANDERSON, 1325 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	8,482.32	
ANDERSON HIBEY NAUHEIM & BLAIR, 1708 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20009	NATIONAL MULTIFAMILY HOUSING FINANCE ASSN		
JAMES A. ANDERSON JR., 1725 K STREET, NW, #710 WASHINGTON DC 20006	NATIONAL ASSN OF WHOLESALER-DISTRIBUTORS		
LINDA D. ANDERSON, SUITE 750 1275 K ST., NW WASHINGTON DC 20005	NATIONAL WOMEN'S POLITICAL CAUCUS	1,875.00	
L. J. ANDOLSEK, 1533 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	NATIONAL ASSN OF RETIRED FEDERAL EMPLOYEES	585.00	
AMY APPERSON, 810 18TH STREET, NW WASHINGTON DC 20006	HANDGUN CONTROL, INC	3,480.00	
MARC APTER, DAVID APTER & ASSOCIATES 1625 K STREET, NW WASHINGTON DC 20006	GOVERNMENT OF THE REPUBLIC OF TOGO		
JOHN A. ARMSTRONG, 1330 BURLINGTON STREET EAST HAMILTON, ONTARIO CANADA L8N 3J5	DAFASCO, INC		
ARNOLD & PORTER, 1200 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	CITY OF MIAMI	504.00	10.50
Do	CITY OF NEW YORK	693.00	
Do	SACRAMENTO MUNICIPAL UTILITY DISTRICT	4,222.11	95.73
Do	SACRAMENTO PUBLIC UTILITY DISTRICT, ET AL	1,254.60	
Do	TULANE UNIVERSITY	547.50	6.45
JULIE L. ARNOLD, 1050 17TH STREET, NW, #1126 WASHINGTON DC 20036	TRAVENOL LABORATORIES, INC		
ARNOLD STANDARD REVIEW CORP, 189 SUNRISE HIGHWAY ROCKVILLE CENTRE NY 11571			
ASSOCIATION FOR DEVELOPMENT POLICY RESEARCH, 1309 L STREET, NW WASHINGTON DC 20005		2,561.51	2,306.51
ASSOCIATION FOR WOMEN IN SCIENCE, 1346 CONNECTICUT AVENUE, NW, #1122 WASHINGTON DC 20036		4,980.85	4,720.90
ASSOCIATION OF AMERICAN FOREIGN SERVICE WOMEN, P.O. BOX 8068 WASHINGTON DC 20024		736.46	
ASSOCIATION OF GOVERNMENT ACCOUNTANTS, SUITE 100 727 SOUTH 23RD ST. ARLINGTON VA 22202			
ASSOCIATION OF PRIVATE PENSION & WELFARE PLANS, INC, SUITE 340 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004.		21,265.75	21,265.75
ASSOCIATION OF URBAN UNIVERSITIES, SUITE 228 1346 CONNECTICUT AVE., NW WASHINGTON DC 20036		6,000.00	10,380.45
AVIATION CONSUMER ACTION PROJECT, BOX 19029 WASHINGTON DC 20036			
HOPE M. BABCOCK, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY	3,500.00	484.35
JOHN R. F. BAER, 1856 NORTH KOSTNER AVENUE CHICAGO IL 60639	SCHWINN BICYCLE CO		
ELIZABETH BALDWIN, 1346 CONNECTICUT AVENUE, NW, #1122 WASHINGTON DC 20036	ASSOCIATION FOR WOMEN IN SCIENCE	3,900.00	
MICHAEL P. BALZANO JR., 444 NORTH CAPITOL ST., NW, #801 WASHINGTON DC 20001	JOINT MARITIME CONGRESS	1,076.80	
PATTY BANKSON, 1030 15TH STREET, NW, #976 WASHINGTON DC 20005	NATIONAL BOARD OF YOUNG MEN'S CHRISTIAN ASSNS	609.24	
DELMAR K. BANNER, 1800 MASSACHUSETTS AVENUE, NW, #604 WASHINGTON DC 20036	FARM CREDIT COUNCIL	1,325.00	
ROBERT D. BANNISTER, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
SAMUEL J. BAPTISTA, SUITE 603 1620 EYE STREET, NW WASHINGTON DC 20006	VISA U.S.A., INC		
BARAFF KOERNER OLENDER & HOCHBERG, P.C., SUITE 203 2033 M STREET, NW WASHINGTON DC 20036	COLLEGE FOOTBALL ASSOCIATION	550.00	
Do	NATIONAL BASKETBALL ASSN	1,440.00	
Do	NORTH AMERICAN SOCCER LEAGUE		
BARNES RICHARDSON & COLBURN, SUITE 400 1819 H ST., NW WASHINGTON DC 20006	EHA VENTILFABRIK WILHELM FRITZ KG		
Do	FLORIDA CITRUS MUTUAL	35,463.25	947.29
Do	PFIZER, INC		21.69
Do	JOSEPH E. SEAGRAM & SONS, INC, ET AL	15,255.60	
Do	TARTARIC CHEMICALS CORPORATION		21.69
Do	UNIROYAL, INC	4,097.00	
PAMELA H. BARNETT, 100 MARYLAND AVENUE, NE WASHINGTON DC 20002	RELIGIOUS COALITION FOR ABORTION RIGHTS, INC	3,431.66	
JAMES C. BARR, 1730 RHODE ISLAND AVE., NW, #810 WASHINGTON DC 20036	CREDIT UNION NATL ASSN, INC	300.00	119.25
BARRETT SMITH SCHAPIRO SIMON & ARMSTRONG, 1201 PENNSYLVANIA AVENUE, NW, #821 WASHINGTON DC 20004	BEAR STEARNS & CO		
Do	COFFEE SUGAR & COCOA EXCHANGE, INC		
Do	CSC CLEARING CORP		
Do	HUGO NEU & SONS, INC		
Do	IRVING TRUST CO		
Do	MERRILL LYNCH PIERCE FENNER & SMITH, INC		
Do	METROPOLITAN TRANSPORTATION AUTHORITY		
Do	NEW YORK FUTURES EXCHANGE, INC		
Do	NEW YORK MERCANTILE EXCHANGE		
Do	SINGAPORE AIRLINES, LTD		
T. MICHAEL BARRY, 2626 PENNSYLVANIA AVENUE, N.W. WASHINGTON DC 20037	NATIONAL TELEPHONE COOPERATIVE ASSN	3,500.00	376.32
WELDON V. BARTON, 1625 MASSACHUSETTS AVENUE, NW, #202 WASHINGTON DC 20036	INDEPENDENT BANKERS ASSOCIATION OF AMERICA	11,500.00	548.71
CHARLES F. BASIL, MILLER & CHEVALIER, CHTD 655 15TH STREET, NW WASHINGTON DC 20005	LINCOLN SAVINGS & LOAN ASSN		
CATHARINE R. BATKY, 1050 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	BURLINGTON NORTHERN, INC	750.00	62.83
DAVIS M. BATSON, 1155 15TH STREET, NW, #611 WASHINGTON DC 20005	ETHYL CORPORATION	400.00	
BAYH TABBERT & CAPEHART, SUITE 1025 1575 I STREET, NW WASHINGTON DC 20005	AMERICAN CAN CO	3,000.00	135.00
Do	NATIONAL BASKETBALL ASSN	7,000.00	165.00
MICHAEL K. BEARD, 100 MARYLAND AVE., NE WASHINGTON DC 20002	NATIONAL COALITION TO BAN HANDGUNS		
ROBERT J. BECKER, SUITE 204 3077 W. JEFFERSON JOLIET IL 60435	JOINT COUNCIL OF ALLERGY & IMMUNOLOGY		
HOWARD BEDLIN, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	150.29	35.44
LOUIS BEER, KEMP, KLEIN, ENDELMAN & BEER 1320 19TH STREET, NW WASHINGTON DC 20036	M.A.N. TRUCK & BUS CORP		
DONALD K. BELCH, ROYAL TRUST TOWER TORONTO DOMINION CENTER TORONTO ONTARIO CANADA M5K 1J4	STELCO, INC	600.00	1,120.00
BELL BOYD & LLOYD, THREE FIRST NATIONAL PLAZA 70 WEST MADISON STREET CHICAGO IL 60602	BOISE CASCADE CORP		
BENCHMARK TECHNOLOGIES CORP, 1995 TREMAINSVILLE RD. TOLEDO OH 43613			
TRISHA BENNETT, 1050 CONNECTICUT AVE., NW WASHINGTON DC 20036	BURLINGTON NORTHERN, INC	1,750.00	978.54
BENOIT SMITH & LAUGHLIN, 2001 JEFFERSON DAVIS HIGHWAY, #501 ARLINGTON VA 22202	ECONOPURE		
Do	HUGHES AIRCRAFT COMPANY		
DAVID BERICK, 218 D ST., SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	1,597.05	
ROBERT BETZ, 1101 14TH STREET, NW, #1100 WASHINGTON DC 20005	ROBERT BETZ ASSOCIATES, INC (FOR: ALABAMA HOSPITAL ASSOCIATION)	5,250.00	116.51
LEONARD BICKWIT JR., MILLER & CHEVALIER, CHTD. 655 15TH STREET, NW WASHINGTON DC 20005	CONSOLIDATED EDISON CO OF NEW YORK		
Do	GENERAL PUBLIC UTILITIES CORP	12,000.00	95.67
Do	LINCOLN SAVINGS & LOAN ASSN		406.11
Do	NUCLEAR FUEL SERVICES, INC		6.00
VITINA BIONDO, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	215.77	
ROBERT J. BIRD, 888 16TH STREET, NW WASHINGTON DC 20006	ZACHRY, INC		
BISHOP LIBERMAN COOK PURCELL & REYNOLDS, 1200 17TH STREET, NW, 7TH FL. WASHINGTON DC 20036	MANUFACTURERS HANOVER BANK	937.50	
Do	NATIONAL MASS RETAILING INSTITUTE		
Do	PIPE LINE EQUITY ACT COALITION	36,724.50	52.36
Do	RIO GRANDE INDUSTRIES	1,575.00	
BLACK & ASSOCIATES, 1110 VERMONT AVENUE, NW, #840 WASHINGTON DC 20005	COMPUTER & COMMUNICATIONS INDUSTRY ASSN	6,000.00	610.00
BRENT BLACKWELDER, 218 D ST., SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	867.09	
SMITH BLAIR, 1533 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	NATIONAL ASSN OF RETIRED FEDERAL EMPLOYEES	5,959.00	
KENNETH T. BLAYLOCK, 1325 MASSACHUSETTS AVE., NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	21,850.57	4,869.46
JACK A. BLUM, 1015 18TH ST., NW WASHINGTON DC 20036	GETTY NORTHEAST JOBBERS & DISTRIBUTORS ASSN	500.00	428.55
Do	INDEPENDENT GASOLINE MARKETERS COUNCIL	25,000.00	535.00
BLUM NASH & RAILSBACK, SUITE 408 1015 18TH ST., NW WASHINGTON DC 20036	AMERICAN NEWSPAPER PUBLISHERS ASSN	900.00	
Do	FLOATING POINT SYSTEM		
Do	GETTY NORTHEAST JOBBERS & DISTRIBUTORS ASSN	500.00	428.55

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	SOLAR ENERGY INDUSTRIES ASSN		
Do	TWIN COAST NEWSPAPERS, INC	3,362.50	
Do	WALT DISNEY PRODUCTIONS	498.00	24.00
SETH M. BODNER, 386 PARK AVENUE SOUTH NEW YORK NY 10016	NATIONAL KNITWEAR & SPORTSWEAR ASSN	1,250.00	
SHARON E. BOMER, 727 N. WASHINGTON STREET ALEXANDRIA VA 22314	UNITED FRESH FRUIT & VEGETABLE ASSN	650.00	296.20
BRIAN T. BORDERS, ROYER & SHACKNAI 1747 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	BABCOCK & BROWN		
WAYNE A. BOUTWELL, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	3,375.00	
BOWMAN CONNER TOUHEY & PETRILLO, 2828 PENNSYLVANIA AVENUE, NW, #203 WASHINGTON DC 20007	AMERICAN AUTOMAR CORP	380.00	664.88
Do	AMERICAN PETROFINA, INC	9,200.00	2,736.07
Do	COUNCIL OF AMERICAN FLAG SHIP OPERATORS	1,520.00	2,659.53
Do	NATIONAL ASSN OF AIRCRAFT & COMMUNICATIONS SUPPLIERS, INC	7,275.00	281.72
THERESA M. BRADY, 444 N. CAPITOL STREET, NW, #801 WASHINGTON DC 20001	JOINT MARITIME CONGRESS	769.20	
BRAND LOWELL & DOLE, 923 15TH STREET, NW, FIFTH FL WASHINGTON DC 20005	ZENITH RADIO CORP		
ROBERT M. BRANDON, 1300 CONNECTICUT AVE., NW, #401 WASHINGTON DC 20036	CITIZEN/LABOR ENERGY COALITION	2,000.00	37.00
BROADHURST BROOK MANGHAM HARDY & REED, 1730 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	COLUMBIA GAS SYSTEM SERVICE CORP		
Do	LOUISIANA INTRASTATE GAS CORP		
Do	PHILLIPS PETROLEUM CO		
Do	TEXAS GAS TRANSMISSION CO		
DONALD K. BROWN, 1121 L ST., #810 SACRAMENTO CA 95814	CROWLEY MARITIME CORPORATION		
Do	SUMMA CORPORATION		
DOREEN L. BROWN, 1346 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CONSUMERS FOR WORLD TRADE		
JOHN J. BROWN, 1125 17TH ST., NW WASHINGTON DC 20036	INTERNATIONAL UNION OF OPERATING ENGINEERS	8,500.00	444.00
MARGUERITE BRACY BROWN, 1625 L ST., NW WASHINGTON DC 20036	AMERICAN FED OF STATE COUNTY & MUNICIPAL EMPLOYEES	8,983.56	112.49
SHIRLE L. BROWN, P.O. BOX 663, GPO NEW YORK NY 10016	SLB ENTERPRISES		
WILLIAM K. BRUNETTE, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	377.31	143.00
ROBERT O. BRUNNER, 1909 K ST., NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	415.38	28.27
DAVID A. BUNN, SUITE 406 1211 CONNECTICUT AVE., NW WASHINGTON DC 20036	HEARST CORPORATION	900.00	
Do	MAGAZINE PUBLISHERS ASSN, INC	4,000.00	
Do	PARCEL SHIPPERS ASSN	1,000.00	
CHRISTINE CAPITO BURCH, 1625 L STREET, NW WASHINGTON DC 20036	AMERICAN FED OF STATE, COUNTY & MUNICIPAL EMPLOYEES	7,240.27	132.78
CLAIR W. BURGENER, P.O. BOX 8186 RANCH SANTA FE CA 92067	BIXBY RANCH CO	4,000.00	799.00
DAVID G. BURNEY, 2040 HARBOR ISLAND DR., #208 SAN DIEGO CA 92101	U.S. TUNA FOUNDATION	6,000.00	3,000.00
BUSBY REHM & LEONARD, 1629 K ST., NW, #1100 WASHINGTON DC 20006	AUTOMOBILE IMPORTERS OF AMERICA, INC	1,600.00	702.00
Do	TIMEX CORP	1,000.00	50.00
BUTLER & BINION, 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	CITY OF HOUSTON/DEPT. OF AVIATION		
Do	CITY OF PHILADELPHIA	14,988.75	31.00
Do	NEW MEXICO PUBLIC SERVICE COMMISSION/ENERGY & MINERALS DEPT		
Do	PENNSYLVANIA SHIPBUILDING CO	30,552.50	
Do	PHILADELPHIA FACILITIES MANAGEMENT CORP		
Do	PHILADELPHIA PORT CORP		
Do	PROVIDENT MUTUAL LIFE INSURANCE CO	1,957.50	36.88
Do	TELEFLEX, INC	11,787.50	27.00
WILLIAM A. BUTLER, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY	5,000.00	150.00
EDWARD S. CABOT, 1285 AVENUE OF THE AMERICAS NEW YORK NY 10019	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S.		
CADWALADER WICKERSHAM & TAFT, 7TH FLOOR 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	GENERAL DYNAMICS CORPORATION		
Do	ISFA CORPORATION	2,000.00	125.00
Do	PHILADELPHIA STOCK EXCHANGE		
Do	SHELL OIL CO		
BRUCE P. CAMERON, 1411 K ST., NW, SUITE 850 WASHINGTON DC 20005	AMERICANS FOR DEMOCRATIC ACTION	6,875.00	250.00
CAMP CARMOUCHE BARSH HUNTER GRAY HOFFMAN & GILL, 2550 M ST., NW, #275 WASHINGTON DC 20037	CHEMICAL MANUFACTURERS ASSOCIATION, INC	9,925.00	
Do	SEARS ROEBUCK & CO	15,200.00	
Do	SOUTH CENTRAL BELL	2,300.00	
CAMPAIGN FOR COMMUNITY-BASED ECONOMIC DEVELOPMENT, SUITE 901 2025 EYE STREET, NW WASHINGTON DC 20006		200.00	200.00
ALYCE D. CANADAY, SUITE 902 1730 M ST., NW WASHINGTON DC 20036	PACIFIC POWER AND LIGHT CO	740.00	1,269.55
CAPITAL ADVOCATES, 1127 11TH STREET, #950 SACRAMENTO CA 95814	CROWLEY MARITIME CORP	7,400.00	20,996.46
Do	DISTILLED SPIRITS COUNCIL OF THE US, INC		
ROSS CAPON, 417 NEW JERSEY AVE., SE WASHINGTON DC 20003	NATIONAL ASSN OF RAILROAD PASSENGERS	10,125.05	
HOLLYE E. CAPPLEMAN, SUITE 800 1701 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	GETTY OIL COMPANY		
DENISE A. CARDMAN, 1800 M ST., NW WASHINGTON DC 20036	AMERICAN BAR ASSN	400.00	50.00
PETER CARLSON, 218 D ST., SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	869.07	
DANIEL J. CASSIDY, 3333 EASTSIDE, #130 HOUSTON TX 77098	GREATER HOUSTON HOSPITAL COUNCIL		
TERESA D. CASSIDY, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	FARM CREDIT COUNCIL		
GORDON CAVANAUGH, 509 C STREET, NE WASHINGTON DC 20002	ROISMAN, RENO & CAVANAUGH (FOR: COUNCIL OF LARGE PUBLIC HOUSING AUTHORITIES).	12,666.66	
CENTER FOR LAW AND EDUCATION, INC., 6 APPIAN WAY CAMBRIDGE MA 02138		2,340.04	635.57
DAVID CERTNER, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	357.69	139.00
PHILIP CHABOT, 1317 F STREET, NW WASHINGTON DC 20004	EAST BAY REGIONAL PARK DISTRICT		
HENRY CHAJET, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
WILLIAM J. CHANDLER, SUITE 1100 1511 K ST., NW WASHINGTON DC 20005	NATURAL RESOURCES DEFENSE COUNCIL, INC	1,837.49	254.42
CHAPMAN DUFF & PAUL, 1825 EYE ST., NW WASHINGTON DC 20006	ANNUAL CHARGES POLICY GROUP	1,595.00	18.00
CHILDREN'S TELEVISION WORKSHOP, ONE LINCOLN PLAZA NEW YORK NY 10023			
LAURA CHIN, 2025 EYE STREET, NW, #926 WASHINGTON DC 20006	ORGANIZATION OF CHINESE AMERICANS		
JACK E. CHRISTY, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	418.85	344.29
CITIZEN/LABOR ENERGY COALITION, RM. 401 1300 CONNECTICUT AVE., NW WASHINGTON DC 20036		7,500.00	7,752.50
COALITION FOR FULL NUCLEAR ACCOUNTABILITY, 218 D ST., SE WASHINGTON DC 20003			
COALITION TO PROMOTE AMERICA'S TRADE, 1875 EYE STREET, NW, #540 WASHINGTON DC 20006			56,046.30
COHEN & URETZ, 1775 K STREET, NW, #400 WASHINGTON DC 20006	AD HOC COMM--TAX TREATMENT OF PROPERTY USED IN TRADE	32,406.96	2,359.08
Do	ESTATE OF SYLVIA S. BURING	46,216.25	129.97
Do	WHEELS, INC		38.59
COLE & CORETTE, P.C., 1100 VERMONT AVENUE, NW, #900 WASHINGTON DC 20005	DOW CHEMICAL CO		
Do	GOVERNMENT OF THE NETHERLANDS ANTILLES		
Do	MEDTRONIC, INC		
KENT W. COLTON, 15TH & M STREETS, NW WASHINGTON DC 20005	NATIONAL ASSN OF HOME BUILDERS OF THE U.S.		
COLUMBIA GORGE UNITED, BOX 328 STEVENSON WA 98648		1,168.75	8.33
COMMITTEE FOR DO-IT-YOURSELF HOUSEHOLD MOVING, SUITE 401 1725 K ST., NW WASHINGTON DC 20005			
COMMUNITY NUTRITION INSTITUTE, SUITE 530 2001 S ST., NW WASHINGTON DC 20009			
CONFERENCE OF STATE BANK SUPERVISORS, 1015 18TH ST., NW WASHINGTON DC 20036			2,118.20
JEFFREY B. CONLEY, 605 14TH ST., NW WASHINGTON DC 20005	E. BRUCE HARRISON COMPANY, INC (FOR: NEDA/CAAP)		
CHARLES E. CONLON, 923 15TH STREET, NW WASHINGTON DC 20005	TRANSPORTATION INSTITUTE	3,000.00	
PAULA J. CONNOLLY, SUITE 600 1020 19TH ST., NW WASHINGTON DC 20036	AMERICAN EXPRESS CO		
RICHARD J. CONNOR JR., 1201 PENNSYLVANIA AVENUE, NW, #220 WASHINGTON DC 20004	JOSEPH E. SEAGRAM & SONS, INC	562.50	
LORI CONSADORI, 1346 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CONSUMERS FOR WORLD TRADE	2,400.00	
CONSUMERS FOR WORLD TRADE, 1346 CONNECTICUT AVENUE, NW WASHINGTON DC 20036		3,023.33	3,023.33
CONSUMERS UNITED FOR RAIL EQUITY (C.U.R.E.), 1050 THOMAS JEFFERSON STREET, NW, 7TH FL WASHINGTON DC 20007			
BERNARD J. COONEY, SUITE 720 1030 15TH ST., NW WASHINGTON DC 20005	CATERPILLAR TRACTOR CO		
EDWARD COONEY, SUITE 500 1319 F ST., NW WASHINGTON DC 20004	FOOD RESEARCH & ACTION CENTER		3,386.54
CORCORAN HARDESTY WHYTE HEMPHILL & LIGON, P.C., SUITE 510 1575 EYE STREET, NW WASHINGTON DC 20005	STANDARD OIL CO OF CALIFORNIA		10.73
MARTY CORRY, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	428.08	807.70
MEREDITH COTE, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	357.69	162.38
COUNCIL OF INDUSTRIAL BOILER OWNERS, 11222 SILVERLEAF DR. FAIRFAX STATION VA 22039			
ERIC COX, 418 7TH ST., SE WASHINGTON DC 20003	CAMPAIGN FOR U.N. REFORM-POLITICAL EDUCATION COMMITTEE	96.58	
CREDIT UNION NATL ASSN, INC, SUITE 810 1730 RHODE ISLAND AVE. WASHINGTON DC 20036		300.00	840.61
RICHARD E. CRISTOL, 5775 PEACHTREE-DUNWOODY RD., #500D ATLANTA GA 30342	ROBERT H. KELLEN CO (FOR: CALORIE CONTROL COUNCIL)		
LAUREN JEANNE CRONIN, 300 LAKESIDE DRIVE OAKLAND CA 94612	KAISER CEMENT CORPORATION	7,820.00	11,835.13
SAM S. CRUTCHFIELD, 3528 GALLOWS ROAD ANNANDALE VA 22003	HALE FOUNDATION		
BARRY M. CULLEN, 1620 EYE ST., NW, #700 WASHINGTON DC 20006	INTERNATIONAL PAPER CO		
JONNA LYNNE CULLEN, J.L. ASSOCIATES 1300 ARMY-NAVY DR., #209 ARLINGTON VA 22202	LAWRENCE KUDLOW ASSOCIATES, ET AL	4,800.00	
Do	ROBERT LAMBERT, CRUISE AMERICA	15,000.00	
Do	U.S. TUNA FOUNDATION		
DIANE BROWN CUNNINGHAM, 1620 EYE ST., NW, #700 WASHINGTON DC 20006	INTERNATIONAL PAPER CO	2,000.00	450.00
JOHN T. CURRAN, 815 16TH ST., NW WASHINGTON DC 20006	LABORERS' INTL UNION OF NORTH AMERICA, AFL-CIO	14,182.50	584.95
Do	NATIONAL COORDINATING COMM FOR MULTIEMPLOYER PLANS		
KATHLEEN L. CURRY, SUITE 750 122 C ST., NW WASHINGTON DC 20001	NATIONAL ASSN OF INDEPENDENT COLLEGES & UNIVERSITIES	2,617.00	275.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
MARY BETH CURRY, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	258.46	34.60
JAY B. CUTLER, 1400 K STREET, NW WASHINGTON DC 20005	AMERICAN PSYCHIATRIC ASSN	5,412.00	597.96
RUDOLPH N. D'AGARIS, 4708 NORBECK RD. ROCKVILLE MD 20853			
LESLIE DACH, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY	8,125.00	4,006.51
TRACY DANESE, P.O. BOX 14000 JUNO BEACH FL 33408	FLORIDA POWER & LIGHT CO		3,952.82
DAN DANNER, 1747 PENNYSLVANIA AVE., NW WASHINGTON DC 20006	ARMCO, INC	600.00	279.50
DIANE DAVENNY DARNEILLE, SUITE 300 1726 M ST., NW WASHINGTON DC 20036	SCHERING-PLOUGH CORP	2,256.00	1,165.74
LARRY C. DAVENPORT, 5775 PEACHTREE-DUNWOODY RD. SUITE 500-D ATLANTA GA 30342	ROBERT H. KELLEN CO (FOR: CALORIE CONTROL COUNCIL)		
EDWARD J. DAVEY, 1201 PENNSYLVANIA AVENUE, NW, #340 WASHINGTON DC 20004	ASSOCIATION OF PRIVATE PENSION & WELFARE PLANS, INC	4,050.00	
THEODORE S. J. DAVI, 371-106 BURGUNDY LN. LONGWOOD FL 32779			
DAVIS & SIMPICH, 1301 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20004	CALIFORNIA HOUSING COUNCIL		26.25
CHRISTOPHER L. DAVIS, 8TH FLOOR ONE THOMAS CIRCLE, NW WASHINGTON DC 20005	ALLNET COMMUNICATION SERVICES, INC		
THOMAS A. DAVIS, SUITE 407 499 S. CAPITOL ST., SW WASHINGTON DC 20003	AMERICAN GENERAL LIFE INSURANCE CO	875.00	367.02
Do	AMERICAN HORSE COUNCIL		314.85
Do	CHICAGO BOARD OF TRADE	3,150.00	667.65
Do	FLORIDA POWER & LIGHT CO	525.00	
Do	FLORIDA SUGAR CANE LEAGUE, INC		
Do	NATIONAL CATTLEMEN'S ASSN		
Do	PROVIDENT LIFE & ACCIDENT INSURANCE CO		
Do	SPECIAL COMM FOR U.S. EXPORTS		
Do	U.S. SUGAR		
Do	WINTHROP FINANCIAL	350.00	
DAVIS WRIGHT TODD RIESE & JONES, SUITE 800 1752 N ST., NW WASHINGTON DC 20036	GTE SPRINT COMMUNICATIONS		
GASTON DE BEARN, SUITE 401 1050 CONNECTICUT AVE., NW WASHINGTON DC 20036	HOFFMANN-LA ROCHE INC		
JEFF DEBOER, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,750.00	795.36
ROBERT DEBRAGGA, 26 FLANDER RD. RFD #1, BOX 239 STONINGTON CT 06388	PROJECT CURE, INC		603.05
JOHN J. DEGNAN, SHANLEY & FISHER, P.C. 131 MADISON AVENUE MORRISTOWN NJ 07960	SHARP ELECTRONICS CORP		
LAW OFFICES OF PAUL DELANEY, JR., 1120 20TH STREET, NW WASHINGTON DC 20036	BERMANS, THE LEATHER EXPERTS	14,460.23	
Do	BOWATER NORTH AMERICA CORP	8,273.18	
DELOITTE HASKINS & SELLS, 655 15TH STREET, NW WASHINGTON DC 20005	ARKANSAS ELECTRIC COOPERATIVE CORP	1,900.00	
Do	HYDRIL CO	70.00	
Do	INDEPENDENT LIFE & ACCIDENT INSURANCE CO		
Do	TEKTRONIX CORPORATION	70.00	
Do	TRIANGLE INDUSTRIES, INC	985.00	
Do	UNION PACIFIC CORP		
MICHAEL J. DELOOSE, 1015 18TH STREET, NW WASHINGTON DC 20036	CONFERENCE OF STATE BANK SUPERVISORS	625.00	13.35
ELIZABETH C. DEMATO, 5210 AUTH WAY CAMP SPRINGS MD 20746	SEAFARERS INTERNATIONAL UNION	3,000.00	104.00
RALPH B. DEWEY, 1050 17TH ST., NW, #1180 WASHINGTON DC 20036	PACIFIC GAS & ELECTRIC CO	919.16	880.87
GREGORY S. DOLE, BRAND LOWELL & DOLE 923 15TH STREET, NW WASHINGTON DC 20005	NATIONAL HEAD INJURY FOUNDATION, INC		
DOMESTIC PETROLEUM COUNCIL TRADE ASSOCIATION, 1101 CONNECTICUT AVE., NW WASHINGTON DC 20036			
RICHARD M. DONALDSON, 1738 GUILDHALL BLDG. CLEVELAND OH 44115	STANDARD OIL CO (OHIO)		
MAY DEL RIO DORFMAN, 380 SECOND AVENUE NEW YORK NY 10010	PLANNED PARENTHOOD OF NEW YORK CITY, INC		
KARIN A. DOUGAN, MILLER & CHEVALIER, CHTD 655 15TH STREET, NW WASHINGTON DC 20005	LINCOLN SAVINGS & LOAN ASSN		
DIANE DOUGHTY, 425 13TH STREET, NW, #723 WASHINGTON DC 20004	NATIONAL ORGANIZATION FOR WOMEN, INC		1,656.74
DOW LOHNES & ALBERTSON, 1255 23RD ST., NW WASHINGTON DC 20037	ALGOMA STEEL CORP, LTD, ET AL	16,955.00	6,164.66
Do	LAKE ONTARIO CEMENT LIMITED		
Do	LESNINA, ET AL		
Do	TOBACCO MARKETING BOARD OF ZIMBABWE		
JOHN C. DOYLE JR , 218 D ST., SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	1,505.64	
ANTHONY V. DRESDEN, 444 N. CAPITOL STREET, NW, #801 WASHINGTON DC 20001	JOINT MARITIME CONGRESS		
STEPHEN D. DRIESLER, SUITE 306 1150 17TH ST., NW WASHINGTON DC 20036	NATIONAL MULTI HOUSING COUNCIL	2,125.00	64.32
W.H. DRUSHEL JR , 3500 FIRST CITY TOWERS HOUSTON TX 77002	VINSON & ELKINS (FOR: QUINTANA PETROLEUM CORP)		
Do	VINSON & ELKINS (FOR: QUINTANA REFINERY COMPANY)		
EVELYN DUBROW, 1710 BROADWAY NEW YORK NY 10019	INTERNATIONAL LADIES' GARMENT WORKERS UNION	10,965.50	2,863.45
DOUGLAS F. DUERR, 1730 RHODE ISLAND AVE. SUITE 810 WASHINGTON DC 20036	CREDIT UNION NATL ASSN, INC	300.00	424.39
LOUISE C. DUNLAP, 218 D ST., SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	52.25	
JAMES A. DUPREE, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	FORD MOTOR CO	4,100.00	1,030.00
JEAN DURNING, 1901 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	WILDERNESS SOCIETY	2,399.98	810.22
HENRY I. DWORSHAK, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
E. I. DU PONT DE NEMOURS & CO, INC, 1007 MARKET STREET WILMINGTON DE 19898		91.00	
JACK D. EARLY, 1155 15TH ST., NW, #514 WASHINGTON DC 20005	NATIONAL AGRICULTURAL CHEMICALS ASSN	275.00	6.00
EDEA, INC, 929 GUISANDO DE AVILA TAMPA FL 33612	AMERICAN SHIP BUILDING CO	6,500.00	3,187.91
TIMOTHY L. ELDER, 1730 PENNSYLVANIA AVE., NW, #450 WASHINGTON DC 20006	CATERPILLAR TRACTOR CO	2,500.00	975.13
JOSEPH J. ELEY, 1700 K ST., NW SUITE 601 WASHINGTON DC 20006	SQUIBB CORP		
KEITH H. ELLIS, 1015 18TH ST.,NW WASHINGTON DC 20036	CONFERENCE OF STATE BANK SUPERVISORS	1,450.00	29.85
EMPLOYERS COUNCIL ON FLEXIBLE COMPENSATION, 1700 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006			
J. BARRY EPPERSON, P.O. BOX 42464 HOUSTON TX 77242	ASSOCIATED WIRE ROPE FABRICATORS	500.00	1,025.96
KIMBERLY NEILSEN EPSTEIN, 2626 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20037	NATIONAL TELEPHONE COOPERATIVE ASSN	1,862.50	92.25
PAUL A. EQUALE, 600 PENNSYLVANIA AVE., SE, #200 WASHINGTON DC 20003	INDEPENDENT INSURANCE AGENTS OF AMERICA, INC	10,946.08	
MARTHA M. ESCUTIA, 20 F STREET, NW, #200 WASHINGTON DC 20001	NATIONAL COUNCIL OF LA RAZA	2,000.00	900.00
ESTATE OF MABEL R. LADD, R.R. 1 BUNKER HILL IN 46914			
EUROPEAN TRAVEL COMMISSION, 630 FIFTH AVENUE NEW YORK NY 10111			
WILLIAM J. EVANS JR., SUITE 901 1660 L ST., NW WASHINGTON DC 20036	PAN AMERICAN WORLD SERVICES, INC	550.00	166.80
MICHAEL W. FABER, REID & PRIEST 1111 19TH STREET, NW, #1100 WASHINGTON DC 20036	COMMITTEE OF CORPORATE TELECOMMUNICATIONS USERS		
FARM CREDIT COUNCIL, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036		16,465.45	2,612.96
FARMERS FOR FAIRNESS, ROUTE 1 BACANTON GA 31716			
STEPHANIE T. FARRIOR, 201 MASSACHUSETTS AVENUE, NE, #310 WASHINGTON DC 20002	NATIONAL COMM AGAINST REPRESSIVE LEGISLATION	3,750.00	
MICHAEL P. FARRIS, 122 C STREET, NW, #800 WASHINGTON DC 20001	CONCERNED WOMEN FOR AMERICA	1,200.00	
FREDERICK FEDELI, 1400 K ST., NW WASHINGTON DC 20006	AMERICAN PSYCHIATRIC ASSN	1,800.00	910.00
FEDERAL EXPRESS CORP, BOX 727 MEMPHIS TN 38194			36,548.19
FEDERAL KEMPER LIFE ASSURANCE COMPANY, KEMPER BLDG. D-3 LONG GROVE IL 60049			2,572.55
GEOFFREY A. FEISS, 1612 K STREET, NW, #1100 WASHINGTON DC 20006	AMERICAN ELECTRONICS ASSN	2,000.00	
DENISE G. FERGUSON, SUITE 600 1020 19TH ST., NW WASHINGTON DC 20036	AMERICAN EXPRESS CO		
SUSAN V. FERRIS, MILLER & CHEVALIER, CHTD 655 15TH STREET, NW WASHINGTON DC 20005	LINCOLN SAVINGS & LOAN ASSN		
STEVEN I. FIER, 777 14TH STREET, NW, 5TH FL. WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,750.00	176.28
THEODORA FINE, 1400 K STREET, NW WASHINGTON DC 20005	AMERICAN PSYCHIATRIC ASSN	2,502.00	1,191.26
FINLEY KUMBLE WAGNER HEINE UNDERBERG MANLEY & CASEY, 10TH FLOOR 1120 CONNECTICUT AVE., NW WASHINGTON DC 20036.	MUTUAL PROTECTION TRUST COOPERATIVE OF AMERICAN PHSYICANS		
Do	NEW YORK LIFE INSURANCE CO	2,067.35	
Do	OCCIDENTAL PETROLEUM CORP		
Do	SAVOY INDUSTRIES	10,875.00	509.44
JILL FINSEN, 923 15TH ST., N.W. WASHINGTON DC 20005	TRANSPORTATION INSTITUTE	3,000.00	
LAURIE A. FIORI, 1909 K ST., NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	504.23	61.25
STACY P. FISCHER, MILLER & CHEVALIER, CHTD 655 15TH STREET, NW WASHINGTON DC 20005	LINCOLN SAVINGS & LOAN ASSN		
FISHER KELLY FALLON SALERNO & BETLESKY, 770 LEXINGTON AVENUE NEW YORK NY 10021	NATIONAL COALITION FOR LOWER PRICES		
CHARLES L. FISHMAN, P.C., 1717 K STREET, NW, #502 WASHINGTON DC 20036	CAROLINA POWER & LIGHT CO	75.00	
Do	CONSOLIDATED EDISON CO OF NEW YORK	150.00	
Do	DUKE POWER CO	75.00	
Do	NEW ENGLAND ELECTRIC SYSTEM		
Do	STONE & WEBSTER ENGINEERING CORP	1,125.00	
Do	VIRGINIA ELECTRIC & POWER CO	75.00	
Do	WESTINGHOUSE ELECTRIC CORP	2,880.00	1,078.94
DAVID M. FITZGERALD, 900 17TH STREET, NW WASHINGTON DC 20006	GOODYEAR TIRE & RUBBER/GOODYEAR AEROSPACE	2,500.00	
Do	LITTON DATA SYSTEMS	3,500.00	
REV. MSGR. JAMES H. FITZPATRICK, 15 COMPUTER DRIVE WEST ALBANY NY 12205	HOSPITAL ASSOCIATION OF NEW YORK STATE	365.00	231.00
FELIPE M. FLORESCA, 67 WALL STREET, #1802 NEW YORK NY 10005			
JOHN J. FLYNN, 1125 17TH STREET, NW WASHINGTON DC 20036	INTERNATIONAL UNION OF OPERATING ENGINEERS	7,500.00	207.00
FOOD RESEARCH & ACTION CENTER, 1319 F STREET, NW WASHINGTON DC 20004		2,500.00	10,725.80
NANCY E. FOSTER, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	462.50	
ALLAN FOX, 1575 I STREET, NW, #1150 WASHINGTON DC 20005	AMERICAN MEAT INSTITUTE		
CHUCK FOX, 218 D STREET, SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	90.47	35.00
DONALD FRAHER, 633 E STREET, NW WASHINGTON DC 20004	HANDGUN CONTROL, INC	4,104.00	
DAVID E. FRANASIAK, 1001 22ND STREET, #600 WASHINGTON DC 20037	STANDARD OIL CO (OHIO)	891.50	103.47

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
GEORGE FRANKLIN, 235 PORTER ST. BATTLE CREEK MI 49016	KELLOGG COMPANY	3,000.00	325.00
MYRON L. FRANS, MILLER & CHEVALIER, CHTD 655 15TH STREET, NW WASHINGTON DC 20005	LINCOLN SAVINGS & LOAN ASSN		
GREGORY W. FRAZIER, P.O. BOX 427 ENGLEWOOD CO 80151	INTERNATIONAL ENERGY BROKERS, INC.		
SUSAN FRIDY, 1840 WILSON BOULEVARD ARLINGTON VA 22201	NATIONAL MILK PRODUCERS FED	2,490.00	
FRIED FRANK HARRIS SHRIVER & KAMPELMAN, SUITE 1000 600 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20037	NEW ENGLAND MUTUAL LIFE INSURANCE CO		260.05
RONALD A. FRIED, 2000 L STREET, NW, #200 WASHINGTON DC 20036	ORION SATELLITE CORPORATION	5,600.00	
FRIENDS OF THE RURAL DEVELOPMENT LOAN FUND, 2025 I STREET, NW, #901 WASHINGTON DC 20006		500.00	7,103.12
ROBERT F. FROEHLKE, 1285 AVENUE OF THE AMERICAS NEW YORK NY 10019	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S.	400.00	20.00
ALBERT E. FRY, 1828 L STREET, NW, #402 WASHINGTON DC 20036	BUSINESS ROUNDTABLE	800.00	
FULL EMPLOYMENT ACTION COUNCIL, 815 16TH STREET, NW WASHINGTON DC 20006		808.00	3,997.00
MARC P. GABOR, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO	3,000.00	274.04
HENRY T. GALLAGHER, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS		
CURTIS B. GANS, ROUTE 2, BOX 60 LOVETTSVILLE VA 22190	COMMITTEE FOR THE STUDY OF THE AMERICAN ELECTORATE	30,000.00	1,600.00
HARRY D. GARBER, 1285 AVENUE OF THE AMERICAS NEW YORK NY 10019	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S.	50.00	10.00
W. BRADFORD GARY, 1050 17TH STREET, NW, #1126 WASHINGTON DC 20036	BAXTER TRAVENOL LABORATORIES, INC.		
GAY RIGHTS NATIONAL LOBBY, INC, 750 7TH ST., SE WASHINGTON DC 20003		40,708.34	42,465.28
GERARD BYLER & ASSOCIATES, INC, 1100 17TH STREET, NW WASHINGTON DC 20036	AK CHIN INDIAN COMMUNITY	2,250.00	
Do	COLVILLE BUSINESS COUNCIL		
Do	COMMISSIONED OFFICERS ASSN OF THE U.S. PUBLIC HEALTH SERVICE	250.00	
Do	MINNESOTA CHIPPEWA TRIBE	527.00	
Do	PAPAGO TRIBE OF ARIZONA	574.00	
Do	TULALIP TRIBES	1,964.00	
Do	LEECH LAKE RESERVATION BUSINESS COMMITTEE		
Do	WHITE EARTH RESERVATION BUSINESS COMMITTEE	200.00	
WILLIAM C. GIBB, 1750 K STREET, NW, #1200 WASHINGTON DC 20006		20,000.00	
GIBSON DUNN & CRUTCHER, 1050 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	ASSOCIATED SPECIALTY CONTRACTORS, INC.		
ELMER G. GLESKE, 300 METROPOLITAN SQUARE 655 15TH STREET, NW WASHINGTON DC 20005	FLIGHT SAFETY INTL INC		
GODFREY ASSOC, INC, SUITE S-501 918 16TH ST., NW WASHINGTON DC 20006			
HORACE D. GODFREY, 918 16TH ST., NW, SUITE S-501 WASHINGTON DC 20006	GODFREY ASSOC, INC		
MICHAEL GOLDSTEIN, 276 FIFTH AVENUE NEW YORK NY 10001	NATIONAL ASSN OF CATALOG SHOWROOM MERCHANDISERS		
MILLICENT GORHAM, SUITE 400E 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
ANN M. GOSIER, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS	15.00	1.60
PETER GOSSENS, 122 C STREET, NW, #750 WASHINGTON DC 20001	NATIONAL ASSN OF INDEPENDENT COLLEGES & UNIVERSITIES	4,460.00	355.00
GEORGE B. GOULD III, 100 INDIANA AVE., NW WASHINGTON DC 20001	NATIONAL ASSN OF LETTER CARRIERS	11,793.21	11,177.50
DONALD E. GRAHAM, MCDERMOTT, WILL & EMERY 1850 K STREET, NW, #500 WASHINGTON DC 20006	NATIONAL COUNCIL OF FARMER COOPERATIVES		
JOHN K. GRAM, 319 SW WASHINGTON STREET, #714 PORTLAND OR 97204	PUBLIC TIMBER PURCHASERS GROUP	1,781.25	263.20
LUIS L. GRANADOS, SUITE 400 1725 DESALES ST., NW WASHINGTON, DC 20036	ESOP ASSOCIATION OF AMERICA	7,250.00	300.00
EDWARD S. GRANDIS, 218 D ST., SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	898.45	
ELDON V. C. GREENBERG, GALLOWAY & GREENBERG 1835 K ST., NW, #801 WASHINGTON DC 20006	SOUTHEASTERN FISHERIES ASSN, INC.	4,800.00	1,392.43
PHYLLIS GREENBERGER, 1400 K STREET, NW WASHINGTON DC 20005	AMERICAN PSYCHIATRIC ASSN	1,800.00	1,027.04
H. THOMAS GREENE, 412 1ST ST., SE WASHINGTON DC 20003	NATIONAL AUTOMOBILE DEALERS ASSN	7,500.00	
TOM W. GRIFFITH, SUITE 100 1448 DUKE ST. ALEXANDRIA VA 22314	NATIONAL RURAL LETTER CARRIERS' ASSN		
MARYBETH GRISWOLD, 1828 L STREET, NW, #500 WASHINGTON DC 20036	GTE SPRINT COMMUNICATIONS CORP	3,100.00	500.96
JAMES J. GROGAN, P.O. BOX 19614 IRVINE CA 92714	LINCOLN SAVINGS & LOAN ASSN	20,000.00	3,609.00
GROH EGGERS & PRICE, 550 WEST 7TH AVENUE, #1250 ANCHORAGE AK 99501	AMERICAN PETROFINA, INC.		
ROBIN W. GROVER, 1333 NEW HAMPSHIRE AVENUE, NW, #1220 WASHINGTON DC 20005	KECK MAHIN & CATE		
KENNETH A. GUENTHER, 1625 MASSACHUAETTS AVE., #202 WASHINGTON DC 20036	INDEPENDENT BANKERS ASSOCIATION OF AMERICA		
RAYMOND J. GUSTINI, LEFF & MASON 1700 PENNSYLVANIA AVENUE, NW, #450 WASHINGTON DC 20006	GREAT WESTERN FINANCIAL CORP	6,976.00	92.90
Do	HERON CORP, LTD	1,856.00	12.00
Do	U.S. LEAGUE OF SAVINGS INSTITUTIONS	7,024.00	
H&W DRILLING, INC, 422 NORTH CLIFFWOOD AVENUE LOS ANGELES CA 90049			
JAMES M. HACKING, 1909 K ST., NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	651.92	
HAGEDORN-CANDO, INC, 1704 23RD STREET SOUTH ARLINGTON VA 22202	HASEN ENGINE CO		
BRUCE N. HAHN, 9300 LIVINGSTON RD. FT. WASHINGTON MD 20744	NATIONAL TOOLING & MACHINING ASSN	10,933.86	1,965.05
PETER H. HAHN, 1100 17TH ST., NW, #1000 WASHINGTON DC 20036	CHROMALLOY AMERICAN CORP		
HALE FOUNDATION, 422 FIRST STREET, SE, #208 WASHINGTON DC 20003		18,223.70	14,656.64
BEVERLY HALEM, P.O. BOX 1419 COCOA FL 32922	HALEM INDUSTRIES, INC.		
MARTIN HALEY COMPANIES, 1015 15TH ST., NW WASHINGTON DC 20005	M&M/MARS		
SEYMOUR HALPERN, 540 MADISON AVENUE, 23RD FL. NEW YORK NY 10022	BARON/CANNING & CO., INC. (FOR: COORDINATION COUNCIL FOR NORTH AMERICAN AFFAIRS).	1,000.00	88.36
Do	BARON/CANNING & CO., INC. (FOR: ELECTRONIC INDUSTRIES ASSN OF JAPAN)	1,000.00	118.20
J. PHILLIP HALSTEAD, P.O. BOX 24305 OAKLAND CA 94623	CLOROX COMPANY		
NOLAN W. HANCOCK, 1126 16TH ST., NW WASHINGTON DC 20036	OIL, CHEMICAL & ATOMIC WORKERS INTERNATIONAL UNION	5,387.00	
HANDGUN CONTROL, INC, 1400 K STREET, NW, #500 WASHINGTON DC 20005		564,670.00	66,753.00
DONALD K. HANES, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	175.88	
RALPH HARDING, SUITE 717 WATERGATE 2600 VIRGINIA AVENUE, NW WASHINGTON DC 20037	AMPCO FOODS, INC.		
LEON HARPER, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	250.00	111.97
JIM HARRISON, SUITE 228 1346 CONNECTICUT AVE., NW WASHINGTON DC 20036	ASSOCIATION OF URBAN UNIVERSITIES	7,500.00	
J. WILLIAM W. HARSCH, 1825 K STREET, NW, #503 WASHINGTON DC 20006	ANDREW L. LUI AND ASPEN TECHNOLOGY, INC.	4,761.90	268.81
CLIFFORD J. HARVISON, 2200 MILL RD. ALEXANDRIA VA 22314	NATIONAL TANK TRUCK CARRIERS, INC.		
KATHRYN JOANN HAWES, SUITE 702 818 ROEDER RD. SILVER SPRING MD 20910	INTERNATIONAL FED OF PROFESSIONAL & TECHNICAL ENGINEERS		
JULIE HEEGAARD, 880 22ND AVENUE, SE MINNEAPOLIS MN 55414	MINNESOTANS FOR PEACE IN CENTRAL AMERICA	2,172.50	103.18
EDWARD D. HEFFERNAN, 4TH FLOOR 1513 16TH ST., NW WASHINGTON DC 20036	CAMP, CARMOUCHE, BARSH, HUNTER, GRAY & HOFFMAN, P.C.	12,000.00	
Do	DUCTILE IRON PIPE RESEARCH ASSN		
Do	HAZELTINE CORPORATION	6,000.00	
ROSS J. HEIDE, 1001 22ND STREET, NW, #600 WASHINGTON DC 20037	STANDARD OIL CO (OHIO)	225.00	25.00
HELICOPTER ASSOCIATION INTERNATIONAL, 1110 VERMONT AVE., NW SUITE 430 WASHINGTON DC 20005			4,120.00
STEVEN B. HELLEM, 605 14TH ST., NW WASHINGTON DC 20005	E. BRUCE HARRISON CO., INC (FOR: NEDA/CAAP)		
NOEL HEMMENDINGER, 1300 19TH STREET, NW WASHINGTON DC 20036	WALD, HARKRADER & ROSS (FOR: JAPAN IRON & STEEL EXPORTERS' ASSN)		
THOMAS R. HENDERSHOT, SUITE200 8181 PROFESSIONAL PL. LANDOVER MD 20785	PHILADELPHIA GAS WORKS	31,170.00	301.64
CAROL DIANE HENDRICKS, 2601 PARK CENTER DRIVE, #C804 ALEXANDRIA VA 22302	AMERICAN MARITIME OFFICERS SERVICE	9,000.00	
HERON BURCHETTE RUCKERT & ROTHWELL, 1200 NEW HAMPSHIRE AVENUE, NW, #420 WASHINGTON DC 20036	AMERICAN GRAPE GROWERS ALLIANCE FOR FAIR TRADE	2,943.75	4,975.27
Do	CALIFORNIA ALMOND GROWERS EXCHANGE	26,787.50	1,218.62
Do	CASTLE AND COOKE		1,529.50
Do	FARM LABOR ALLIANCE	71,075.00	5,103.15
Do	NATIONAL ASSN OF GROWERS & PRODUCERS FOR FREE TRADE	64,932.34	3,389.61
Do	NATIONAL CABLE TELEVISION ASSN	11,892.50	2,213.36
Do	NATIONAL POTATO COUNCIL	11,500.00	790.01
Do	SOLID-TEK SYSTEMS, INC.	2,413.66	
Do	SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT		
Do	SUN-DIAMOND GROWERS OF CALIFORNIA	10,000.00	
Do	SUNKIST GROWERS, INC.	94,740.00	4,372.81
Do	WESTERN COTTON GROWERS ASSN	50,338.25	
HERRICK & SMITH, 1800 MASSACHUSETTS AVENUE, NW, #510 WASHINGTON DC 20036	SMITH COLLEGE		
Do	TURLOCK IRRIGATION DISTRICT; MODESTO IRRIGATION DISTRICT	5,524.40	54.70
BARRY ALEXANDER HERRING, 66 VALECREST AVENUE HAMILTON, ONTARIO CANADA L7L 5N5	LAUREL STEEL PRODUCTS LIMITED		
CAROL M. HERRINGTON, 1235 JEFFERSON DAVIS HIGHWAY ARLINGTON VA 22202	EMERSON ELECTRIC CO		276.78
HEUBLEIN, INC., MUNSON ROAD FARMINGTON CT 06032			18,472.50
HIGH FRONTIER GROUP, P.O. BOX 5768 CHARLOTTESVILLE VA 22905			
CORNISH F. HITCHCOCK, SUITE 700 2000 P ST., NW WASHINGTON DC 20036	AVIATION CONSUMER ACTION PROJECT		
GLEN D. HOFER, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES		
HOGAN & HARTSON, 815 CONNECTICUT AVE., NW WASHINGTON DC 20006	AMERICAN ELECTRONICS ASSN	2,379.88	506.01
Do	COMPUTER & BUSINESS EQUIPMENT MANUFACTURERS ASSN	2,379.88	506.01
Do	MEHARRY MEDICAL COLLEGE		
Do	SCIENTIFIC APPARATUS MAKERS ASSN	2,379.88	506.01
Do	SEMICONDUCTOR INDUSTRY ASSOCIATION	2,379.88	506.01
HOLLAND & KNIGHT, 888 17TH ST., NW WASHINGTON DC 20006	EMHART CORPORATION	19,722.50	2,323.61
LOIS HOLWERDA-HOYT, 600 MARYLAND AVENUE, SW, #770 WASHINGTON DC 20024	AMERICAN OSTEOPATHIC ASSN	1,500.00	
LILLIE E. HOOVER, 103 N. COLLEGE ST. MARTINSBURG WV 25401	NATIONAL PEACH COUNCIL		
SANFORD D. HORWITT, 5935 N. 5TH ROAD ARLINGTON VA 22203	COMMITTEE FOR HUMANE LEGISLATION, INC.	8,000.00	196.16
Do	FRIENDS OF ANIMALS, INC		
HOSPITAL ASSOCIATION OF NEW YORK STATE, 15 COMPUTER DRIVE WEST ALBANY NY 12205		752.00	752.00
MARY GREER HOUSTON, 1901 L ST., NW #804 WASHINGTON DC 20036	SIEGEL HOUSTON & ASSOC., INC. (FOR: FARM LABOR RESEARCH COMM)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
GERALD M. HOWARD, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,750.00	272.47
JAMES P. HOWELL, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	1,100.00	
WELDON U. HOWELL JR., 15 WEST CARRILLO STREET SANTA BARBARA CA 93101	SCHRAMM & RADDUE (FOR: H&W DRILLING, INC)		
KARL T. HOYLE, SUITE 810 1730 RHODE ISLAND AVE., NW WASHINGTON DC 20036	CREDIT UNION NATL ASSN, INC	300.00	204.18
TERRY D. HUDGINS, P.O. BOX 21666 PHOENIX AZ 85036	ARIZONA PUBLIC SERVICE COMPANY		
HUDSON CREYKE KOEHLER & TACKE, 1744 R STREET, NW WASHINGTON DC 20009	JAMES P. PURVIS		
TONY R. HUERTA, 100 INDIANA AVE., NW WASHINGTON DC 20001	NATIONAL ASSN OF LETTER CARRIERS	5,069.32	
PETER W. HUGHES, 1909 K ST., NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	743.08	
HARRIET HUNT-BURGESS, 82 2ND ST. SAN FRANCISCO CA 94105	TRUST FOR PUBLIC LAND	3,960.00	2,797.00
GERARD F. HURLEY, 1625 I ST., NW, #609 WASHINGTON DC 20006	NATIONAL CLUB ASSOCIATION		
CATHY HURWIT, 1300 CONNECTICUT AVENUE, NW, #401 WASHINGTON DC 20036	CITIZEN/LABOR ENERGY COALITION	4,500.00	
RONALD K. IKEJIRI, 1730 RHODE ISLAND AVE., NW, #204 WASHINGTON DC 20036	JAPANESE AMERICAN CITIZENS LEAGUE	1,600.00	1,600.00
ANNELISE ILSCHENKO, 101 S. REYNOLDS STREET, #H-116 ALEXANDRIA VA 22304			
INT'L UNION, UNITED AUTO AEROSPACE & AGRIC IMPLEMENT WORKERS, WORKERS OF AMERICA (UAW) 8000 E. JEFFERSON DETROIT MI 48214.		98,671.87	98,671.87
INTERNATIONAL BUSINESS & ECONOMIC RESEARCH CORPORATION, 1331 PENNSYLVANIA AVE., NW WASHINGTON DC 20004.	KOREAN TRADERS ASSOCIATION		
INTERNATIONAL UNION OF OPERATING ENGINEERS, 1125 17TH ST., NW WASHINGTON DC 20036		23,500.00	983.00
INVESTMENT COUNSEL ASSN OF AMERICA, INC., 50 BROAD ST. NEW YORK NY 10004			
LEON E. IRISH, 1101 17TH STREET, NW, #1100 WASHINGTON DC 20036	CAPLIN & DRYSDALE (FOR: O.C. TANNER COMPANY)	6,724.00	397.82
JOHN ISAACS, 100 MARYLAND AVE., NE WASHINGTON DC 20002	COUNCIL FOR A LIVABLE WORLD	7,201.86	
BENJAMIN R. JACKSON, 12011 LEE JACKSON HIGHWAY, #503 FAIRFAX VA 22033	NORMAN D. SHUTLER		
NEAL A. JACKSON, 1156 15TH STREET, NW WASHINGTON DC 20005	CAROLINAS COTTON GROWERS ASSN, INC	120.00	48.32
WALTER K. JAENICKE, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	4,500.00	
T. DESTRY JARVIS, 529 TENNESSEE AVE. ALEXANDRIA VA 22305	NATIONAL PARKS & CONSERVATION ASSOCIATION	439.50	31.00
JOSEPH A. JEFFREY, 1920 N STREET,N.W. SUITE 300 WASHINGTON DC 20036	AMERICAN MINING CONGRESS	400.00	
RONALD P. JOHNSEN, SUITE 303 1625 EYE ST., NW WASHINGTON DC 20006	COLUMBIA GAS SYSTEM SERVICE CORP	175.00	244.40
B. GERALD JOHNSON, 500 MAYNARD BUILDING SEATTLE WA 98104	ST OF ALASKA, OFF OF THE ATT GEN, TRANSPORT SEC		
LINDA MEYER JOHNSON, 1575 EYE STREET, NW, #625 WASHINGTON DC 20005	ROLM CORPORATION		
NICHOLAS JOHNSON, BOX 1876 IOWA CITY IA 52244			
JOINT MARITIME CONGRESS, 444 N. CAPITOL ST. WASHINGTON DC 20001		25,640.02	25,640.20
JONES & WINBURN, SUITE 1040 1101 15TH STREET, NW WASHINGTON DC 20005	AMERICAN ASSN OF EQUIPMENT LESSORS	19,462.50	15,287.62
Do	AMERICAN AUTOMOTIVE LEASING ASSN		15,287.62
Do	CITY OF BATON ROUGE	9,000.00	15,287.62
Do	MCDONNELL DOUGLAS CORP		15,287.62
Do	NATIONAL FISHERIES INSTITUTE	4,000.00	15,287.62
RANDALL T. JONES, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	3,675.00	
THEODORE L. JONES, 3081 TEDDY DR. P.O. BOX 65122 BATON ROUGE LA 70896	HARTFORD FIRE INSURANCE CO	1,500.00	
Do	INSURANCE ASSN OF CONNECTICUT		
MARY LOU JOSEPH, 2025 M STREET, NW WASHINGTON DC 20036	NATIONAL PUBLIC RADIO		
DAVID W. JOYNER, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS		
HANS KAEHLER, P.O. BOX 118 COLD SPRING HARBOR NY 11724			
IRIS S. KANDEL, 1981 GREENBERRY ROAD BALTIMORE MD 21209	NORWEST MORTGAGE, INC	9,000.00	43,063.69
DONALD J. KANIEWSKI, 905 16TH ST., NW WASHINGTON DC 20006	LABORERS' INTL UNION OF NORTH AMERICA, AFL-CIO	7,500.00	594.45
KAYE SCHOLER FIERMAN HAYS & HANDLER, 1575 I ST., NW SUITE 1150 WASHINGTON DC 20005	BRISTOL-MYERS COMPANY	1,285.00	6,880.10
DAVID L. KEATING, 325 PENNSYLVANIA AVE., SE WASHINGTON DC 20003	NATIONAL TAXPAYERS UNION	1,788.47	
KECK MAHIN & CATE, 1333 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	SCHWINN BICYCLE CO	10,425.00	134.93
ROBERT C. KEENEY, 727 N. WASHINGTON ST. ALEXANDRIA VA 22314	UNITED FRESH FRUIT & VEGETABLE ASSN	1,875.00	330.73
KEIKI KEHOE, 218 D ST., SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	433.29	
SUELLEN KEINER, 218 D STREET, SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE		
DONALD W. KELLER, P.O. BOX 3331 HOUSTON TX 77253	QUINTANA REFINERY COMPANY		
PAUL J. KELLEY, 2727 NORTH CENTRAL AVE. PHOENIX AZ 85004	U-HAUL INTL, INC		
RICHARD B. KELLY, 230 PARK AVE. NEW YORK NY 10017	NATIONAL ASSN OF CATALOG SHOWROOM MERCHANDISERS	2,000.00	26.00
Do	NATIONAL COALITION OF LOWER PRICES		
KEMPER FINANCIAL SERVICES, INC, 120 SOUTH LASALLE STREET CHICAGO IL 60603			91.41
KEMPER INVESTORS LIFE INSURANCE CO, 120 SOUTH LASALLE STREET CHICAGO IL 60603			1,330.78
T. MICHAEL KERR, 1625 L ST., NW WASHINGTON DC 20036	AMERICAN FED OF STATE, COUNTY & MUNICIPAL EMPLOYEES	10,300.02	11.35
FREDERICK A. KESSINGER, 1201 4TH ST., SE WASHINGTON DC 20024	ANIMAL HEALTH INST		
EARLINE A. KEYSER, 1620 I ST., NW, #703 WASHINGTON DC 20006	BECHTEL POWER CORPORATION		
MARYANN KILDUFF, 923 15TH ST., N.W. WASHINGTON DC 20005	TRANSPORTATION INSTITUTE	3,000.00	
GENE KIMMELMAN, 1424 16TH STREET, NW WASHINGTON DC 20036	CONSUMER FEDERATION OF AMERICA	4,375.00	
JANIE A. KINNEY, BLUM NASH & RAILSBACK 1015 18TH ST., NW WASHINGTON DC 20036	FLOATING POINT SYSTEMS, INC		
Do	TWIN COAST NEWSPAPERS, INC	82.80	
Do	WALT DISNEY PRODUCTIONS		
KIRKPATRICK & LOCKHART, 1900 M ST., NW WASHINGTON DC 20036	COLUMBIA PICTURES INDUSTRIES, INC		
Do	GROCERY MANUFACTURERS OF AMERICA, INC		
Do	H. K. PORTER COMPANY, INC		
Do	SEARCH GROUP, INC		
PAUL E. KOHL, J.C. PENNY CO., INC. 1301 AVENUE OF THE AMERICAS NEW YORK NY 10019	18TH CONG. DIST. FOR PRO-LIFE ACTIVITIES		
STANLEY E. KOLBE JR., 418 SOUTH CAPITOL STREET, SE WASHINGTON DC 20003	SHEET METAL & AIR CONDITIONING CONTRACTORS' NAT'L ASSN		
THOMAS G. KRAJEWSKI, SUITE 1100 1828 L STREET, NW WASHINGTON DC 20036	COOPERATIVE LEGAUE OF THE USA		
LAWRENCE E. KREIDER, 1015 18TH ST., NW WASHINGTON DC 20036	CONFERENCE OF STATE BANK SUPERVISORS		
DAWN C. KRISTOF, P.O. BOX 17402 DULLES INTERNATIONAL AIRPORT WASHINGTON DC 20041	WATER & WASTEWATER EQUIPMENT MANUFACTURERS ASSN, INC		
JAMES S. KRZYMINSKI, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	590.63	
ROSE KUIUMGIAN, 1910 K STREET, NW, #700 WASHINGTON DC 20006	NATIONAL GROCERS ASSN		
JUDITH KUNOFSKY, 530 BUSH STREET SAN FRANCISCO CA 94108	SIERRA CLUB		
JAMES M. KUSZAJ, SUITE 700 SOUTH 1800 M STREET, NW WASHINGTON DC 20036	DOW CHEMICAL U.S.A.		
LABORERS' INTL UNION OF NORTH AMERICA, AFL-CIO, 905 16TH ST., NW WASHINGTON DC 20006			22,861.90
DAVID R. LAMBERT, 1030 15TH ST., NW SUITE 964 WASHINGTON DC 20005	AMERICAN SEED TRADE ASSN	5,000.00	
MARCY LAMBOURNE, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,250.00	156.50
STEPHEN K. LAMBRIGHT, ONE BUSCH PLACE ST. LOUIS MO 63118	ANHEUSER-BUSCH COMPANIES, INC		
LINDA L. LANAM, 1709 NEW YORK AVENUE, NW, #303 WASHINGTON DC 20006	BLUE CROSS & BLUE SHIELD ASSN		
BROCK R. LANDRY, 1333 NEW HAMPSHIRE AVENUE, NW, #1220 WASHINGTON DC 20036	SCHWINN BICYCLE CO		
LANE & EDSON, P.C., 2300 M ST, WASHINGTON DC 20036	NATIONAL ASSN OF ENERGY SERVICE COS		
LATHAM WATKINS & HILLS, SUITE 1200 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	AMERICAN DIETETIC ASSN	200.00	79.40
LECHNER & BUTSAVAGE, P.C., 3101 SOUTH ST., NW WASHINGTON DC 20007	NATIONAL ASSN OF POLICE ORGANIZATIONS	11,250.00	8,574.21
ROBERT F. LEDERER, 1250 I STREET, NW, #500 WASHINGTON DC 20005	AMERICAN ASSN OF NURSERYMEN		
DAVID A. LEFF, 444 NORTH CAPITOL WASHINGTON DC 20001	JOINT MARITIME CONGRESS	1,802.75	
KAREN LEICHTMAN, 201 MASSACHUSETTS AVENUE, NE, #319 WASHINGTON DC 20002	HALT: AMERICANS FOR LEGAL REFORM		
LEIGHTON LEMOV JACOBS & BUCKLEY, SUITE 800 2033 M ST., NW WASHINGTON DC 20036	CITY & REGIONAL MAGAZINE ASSN		
Do	CLOROX COMPANY		
Do	EXPRESS FOODS CO., INC		
Do	GENERAL INSTRUMENT CORPORATION		
Do	GROCERY MANUFACTURERS OF AMERICA, INC		
Do	WHEY PRODUCTS INST		
ELIZABETH LEMOND, 1111 19TH STREET, NW WASHINGTON DC 20036	EDISON ELECTRIC INSTITUTE	64.40	
LYNETTE LENARD, 1050 CONNECTICUT AVENUE, NW, #300 WASHINGTON DC 20036	NABISCO BRANDS, INC	2,500.00	1,084.00
DONNA LENHOFF, SUITE 400 2000 P STREET, NW WASHINGTON DC 20036	WOMEN'S LEGAL DEFENSE FUND	260.00	
KAYE LEONARD, SUITE 510 1090 VERMONT AVE., NW WASHINGTON DC 20005	POTLATCH CORPORATION	168.00	182.04
RODNEY E. LEONARD, 2001 S STREET, NW, #530 WASHINGTON DC 20009	COMMUNITY NUTRITION INSTITUTE		
MARTHA LESTER, 1925 K STREET, NW, #206 WASHINGTON DC 20006	ALLIANCE TO SAVE ENERGY		
KENNETH S. LEVINE, SUITE 220 1201 PENNSYLVANIA AVE., NW WASHINGTON DC 20004	JOSEPH SEAGRAM & SONS, INC	977.50	
STUART A. LEWIS, SUITE 300 1919 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	MANUFACTURERS HANOVER CORP	1,000.00	
Do	NATIONAL BANK OF DETROIT	700.00	
Do	WESCLAG		
BURTON LEWKOWITZ, 1410 N. 3RD STREET P.O. BOX 25489 PHOENIX AZ 85002	SAMARITAN HEALTH SERVICE		
JUDITH LICHTMAN, SUITE 400 2000 P STREET, NW WASHINGTON DC 20036	WOMEN'S LEGAL DEFENSE FUND	268.97	
HOWARD S. LIEBENGOOD, 1875 EYE STREET, NW, #800 WASHINGTON DC 20006	TOBACCO INSTITUTE		
ROSS W. LILLARD, 2100 CHARTERBANK CENTER KANSAS CITY MO 64105	STINSON, MAG & FIZZELL (FOR: FARMLAND INDUSTRIES, INC)		
LILLICK MCHOSE & CHARLES, 21 DUPONT CIRCLE, NW WASHINGTON DC 20036	KAISER STEEL CORP	5,775.00	
Do	PACIFIC MARITIME ASSOCIATION		
Do	PACIFIC WESTBOUND CONFERENCE	151.50	9.60
LINTON MIELDS REISLER & COTTONE, LTD, SUITE 200 1015 18TH ST., NW WASHINGTON DC 20036	AMBASSADOR BRIDGE CO		
Do	CENTRAL TRANSPORT	1,575.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	DENVER TECHNOLOGICAL CENTER		
Do	IOWA DEPARTMENT OF TRANSPORTATION	4,290.00	
Do	LAKE SUPERIOR DISTRICT POWER CO	330.00	
Do	MADISON GAS & ELECTRIC CO	751.00	
Do	METROPOLITAN SANITARY DISTRICT OF GREATER CHICAGO	6,236.00	38.00
Do	NORTHERN STATES POWER CO	870.00	
Do	OREGON DEPT OF TRANSPORTATION	3,000.00	
Do	STATE OF IL, DEPT OF TRANS, DIV OF WATER RES	3,640.00	112.00
Do	STATE OF IL, DEPT OF TRANSPORTATION	7,788.00	
Do	SUPERIOR WATER, LIGHT & POWER CO	240.00	
Do	WISCONSIN ELECTRIC POWER CO	2,359.00	42.00
Do	WISCONSIN FUEL AND LIGHT CO	153.00	
Do	WISCONSIN GAS CO	952.00	82.00
Do	WISCONSIN NATURAL GAS CO	526.00	
Do	WISCONSIN POWER & LIGHT CO	1,293.00	
Do	WISCONSIN PUBLIC SERVICE CORP	1,362.00	
Do	WISCONSIN SOUTHERN GAS CO	153.00	
FRANCES S. LIPSCOMB, 645 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL AUDUBON SOCIETY	200.00	
BARBARA A. LITTLE, SUITE 611 1155 15TH STREET, NW WASHINGTON DC 20005	ETHYL CORPORATION	1,000.00	
DAVID A. LITVIN, SUITE 600 1001 22ND ST., NW WASHINGTON DC 20037	STANDARD OIL COMPANY (OHIO)	1,122.00	82.00
JUDITH LOGAN-WHITE, 100 MARYLAND AVENUE, NE WASHINGTON DC 20002	RELIGIOUS COALITION FOR ABORTION RIGHTS, INC	2,625.00	
KATHLEEN D. LONG, MILLER & CHEVALIER, CHTD 655 15TH STREET, NW WASHINGTON DC 20005	LINCOLN SAVINGS & LOAN ASSN		
ROBERT W. LONG, 1920 N ST., NW WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
LONGNECKER & ASSOC, P.O. BOX 24209 WASHINGTON DC 20024			
LOOMIS OWEN FELLMAN & HOWE, 2020 K ST., NW WASHINGTON DC 20006	ASSOCIATION OF BITUMINOUS CONTRACTORS		
Do	CLASSROOM PUBLISHERS ASSN		
Do	TEXTILE RENTAL SERVICES ASSN OF AMERICA		
CHARLES M. LOVELESS, 1625 L STREET, NW WASHINGTON DC 20036	AMERICAN FED OF STATE, COUNTY & MUNICIPAL EMPLOYEES	9,205.38	239.85
MATTHEW A. LOW, 1607 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20009	NORMAN D. SHUTLER		
DONALD C. LUBICK, 1776 F STREET, NW WASHINGTON DC 20006	BUFFALO PHILHARMONIC ORCHESTRA		
CHARLES EMMET LUCEY, MCDERMOTT, WILL & EMERY 1850 K STREET, NW, #500 WASHINGTON DC 20006	CATHOLIC PRESS ASSN		
PETER J. LUCIANO, 923 15TH STREET, NW WASHINGTON DC 20005	TRANSPORTATION INSTITUTE	5,000.00	38.90
WILLIAM F. LUDLAM SR , P.O. BOX 5282 VIRGINIA BEACH VA 23455	ARBA LICENSEES ASSN		595.00
W. FLETCHER LUTZ, SUITE 100 727 SOUTH 23RD STREET ARLINGTON VA 22202	ASSOCIATION OF GOVERNMENT ACCOUNTANTS		
JERRY R. LYMAN, 11300 ROCKVILLE PIKE ROCKVILLE MD 20852	RKO GENERAL, INC	32,078.97	
JAMES LYON, 218 D ST., SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	34.57	
CLINTON LYONS, 1625 K STREET, NW, 8TH FL WASHINGTON DC 20006	ADVOCATES TO SAVE LEGAL SERVICES, INC		
WILLIAM T. LYONS, SUITE 700 1747 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	CIBA-GEIGY CORP	4,409.00	3,659.00
JOHN MACNAMARA, 503 QUEEN STREET EAST SAULT STE. MARIE ONTARIO CANADA P6A 5P2	ALGOMA STEEL CORP, LTD		
JOHN H. MADIGAN JR., 1575 EYE STREET, NW, #1025 WASHINGTON DC 20005	AMERICAN CANCER SOCIETY		
MICHAEL C. MAIBACH, 3065 BOWERS AVENUE SANTA CLARA CA 95051	INTEL CORPORATION	12,000.00	13,147.24
MICHAL W. MAINWARING, 1730 RHODE ISLAND AVENUE, NW, #713 WASHINGTON DC 20036	PPG INDUSTRIES, INC		
JESSICA MAITZEN, 5755 THUNDER HILL ROAD COLUMBIA MD 21045	NORWEST MORTGAGE, INC	7,000.00	
MANAGEMENT IMPROVEMENT CORP. OF AMERICA, 2634 CHAPEL HILL BLVD. DURHAM NC 27707			
MANAGEMENT INSIGHTS, INC, 5501 LBJ FREEWAY DALLAS TX 75240			
MANCHESTER ASSOCIATES, LTD, 1155 15TH STREET, NW, #811 WASHINGTON DC 20005	CORPORACION NACIONAL DEL COBRE DE CHILE (CODELCO)		
Do	NISSAN MOTOR COMPANY, LTD		
PETER T. MANGIONE, 1319 F STREET, NW, #700 WASHINGTON DC 20004	VOLUME FOOTWEAR RETAILERS OF AMERICA	362.50	
DONALD W. MANN, 210 THE PLAZA TEANECK NJ 07666	NEGATIVE POPULATION GROWTH, INC		
DWAYNE E. MANN, 901 N. WASHINGTON STREET, #205 ALEXANDRIA VA 22314	SOCIETY OF AMERICAN FLORISTS		
JENNIFER MARCH, 218 D STREET, SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	387.37	
THOMAS P. MARINIS JR., 3418 FIRST CITY TOWER HOUSTON TX 77002	VINSON & ELKINS (FOR: ARCHIE BENNETT JR.)		20.18
PATRICIA MARKEY, SUITE 505 1899 L STREET, NW WASHINGTON DC 20036	UNITED DISTRIBUTION COMPANIES	2,280.37	105.70
DONALD R. MARKLEY, 10880 WILSHIRE BOULEVARD LOS ANGELES CA 90024	WHITTAKER CORPORATION		
CHALMERS H. MARQUIS, 3430 BLAIR RD. FALLS CHURCH VA 22041	CHILDREN'S TELEVISION WORKSHOP		
DONALD N. MARTIN, DONALD N. MARTIN & COMPANY, INC. 630 FIFTH AVE. NEW YORK NY 10111			
PEGGY L. MARTIN, 777 14TH STREET, NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS		
JIM MATHESON, 218 D ST., SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE		
WILLIAM C. MATTOX, 1775 PENNSYLVANIA AVENUE, NW, #701 WASHINGTON DC 20006	EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S	350.00	50.00
ARNOLD MAYER, 1775 K ST., NW WASHINGTON DC 20006	UNITED FOOD & COMMERCIAL WORKERS INTL UNION	18,846.17	435.76
JEFFREY G. MAYS, SUITE 400E 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	AMERICAN OPTOMETRIC ASSN		
H. WESLEY MCADEN, SUITE 424 1155 15TH ST., NW WASHINGTON DC 20005	J. G. BOSWELL CO		
CHARLIE MCBRIDE ASSOCIATES, INC, 1717 K STREET, NW, #502 WASHINGTON DC 20036	CAROLINA POWER & LIGHT CO	500.00	
Do	CONSOLIDATED EDISON CO OF NEW YORK	1,000.00	
Do	DUKE POWER CO	500.00	
Do	NEW ENGLAND ELECTRIC SYSTEM	500.00	
Do	PACIFIC GAS & ELECTRIC CO	200.00	
Do	SOUTHERN CALIFORNIA EDISON CO	200.00	
Do	STONE & WEBSTER ENGINEERING CORP	4,300.00	
Do	TURLOCK IRRIGATION DISTRICT & MODESTO IRRIGATION DISTRICT	8,550.00	721.80
Do	TURLOCK IRRIGATION DISTRICT	5,793.75	756.47
Do	VIRGINIA ELECTRIC & POWER CO	500.00	
Do	WESTINGHOUSE ELECTRIC CORP	9,250.00	2,892.08
MARTHA MCCABE, 1828 L ST., N.W. SUITE 1100 WASHINGTON DC 20036	COOPERATIVE LEAGUE OF THE USA	2,500.00	
LAW OFFICES OF R. C. MCCANDLESS, 1707 H ST., NW WASHINGTON DC 20006	TRANSAMERICA-OCCIDENTAL LIFE INSURANCE CO.	13,512.49	1,496.28
JOHN L. MCCORMICK, 218 D ST., SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	470.62	
NORRIS MCDONALD, 218 D ST., SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	1,097.48	
CHRISTINE W. MCENTEE, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	290.87	82.75
JOSEPH M. MCGARRY, MUNSON ROAD FARMINGTON CT 06032	HEUBLEIN, INC	16,120.00	2,352.50
CHRISTOPHER C. MCGRATH, NEW YORK STATE PETROLEUM COUNCIL 156 WILLIAM ST. NEW YORK NY 10038	AMERICAN PETROLEUM INST		
DARINA MCKELVIE, MILLER & CHEVALIER, CHTD 655 15TH STREET, NW WASHINGTON DC 20005	LINCOLN SAVINGS & LOAN ASSN		
JAMES D. MCKEVITT, SUITE 695 600 MARYLAND AVE., SW WASHINGTON DC 20024	NATIONAL FEDERATION OF INDEPENDENT BUSINESS	2,250.00	200.00
MICHAEL R. MCLEOD, SCOTT HARRISON & MCLEOD 2501 M ST., NW WASHINGTON DC 20037	AMERICAN ASSN OF CROP INSURERS		
Do	CHICAGO BOARD OF TRADE		
Do	LEAF TOBACCO EXPORTERS ASSN		
Do	UNITED EGG PRODUCERS	2,037.50	
JANE PIERSON MCMICHAEL, 1325 MASSACHUSETTS AVE., NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	13,706.28	19,195.45
NANINE MEIKLEJOHN, 1625 L ST., NW WASHINGTON DC 20036	AMERICAN FED OF STATE COUNTY & MUNICIPAL EMPLOYEES		
JAMES T. MELVILLE, 503 QUEEN STREET EAST SAULT STE. MARIE ONTARIO CANADA P6A 5P2	ALGOMA STEEL CORP, LTD		
STEPHANIE MENSH, 1101 VERMONT AVENUE, NW, #300 WASHINGTON DC 20005	AMERICAN ACADEMY OF OPHTHALMOLOGY		
HAROLD E. MESIROW, 21 DUPONT CIRCLE, NW WASHINGTON DC 20036	LILLICK, MCHOSE & CHARLES (FOR: FOSS LAUNCH & TUG COMPANY; FOSS ALASKA LINE).	5,600.00	68.77
Do	WESTERN PIONEER, INC	3,885.00	1,013.67
FRED MILLAR, 218 D ST., SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	241.12	
MILLER & CHEVALIER, CHARTERED, METROPOLITAN SQUARE 655 15TH STREET, NW WASHINGTON DC 20005	WEBSTER, JEPPSON, JONES & AGRAN	944.18	21.68
DENNY MILLER ASSOCIATES, 203 MARYLAND AVE, NE WASHINGTON DC 20002	BOEING COMPANY	544.00	297.64
Do	MARINE ENGINEERS' BENEFICIAL ASSN	675.00	324.82
Do	PORT OF TACOMA	300.00	297.64
Do	ROCKCOR, INC	880.00	297.64
JOHN R. MILLER, 1750 MIDLAND BUILDING CLEVELAND OH 44115	STANDARD OIL CO (OHIO)		
LINDA B. MILLER, SUITE 810 1625 EYE ST., NW WASHINGTON DC 20006	VOLUNTEER TRUSTEES OF NOT-FOR-PROFIT HOSPITALS	5,833.33	360.83
C.G. PETE MILLIGAN, 4360 N.E. JOE'S POINT STUART FL 33494	AMERICAN TELEPHONE & TELEGRAPH CO	3,200.00	
CHRISTINE TOPPING MILLIKEN, SUITE 750 122 C ST., NW WASHINGTON DC 20001	NATIONAL ASSN OF INDEPENDENT COLLEGES & UNIVERSITIES	4,348.00	363.00
RICHARD M. MILLMAN, P.C., 1707 L ST., NW WASHINGTON DC 20036	FAIRCHILD INDUSTRIES, INC		
Do	HOUSE OF REPRESENTATIVES, SAN JUAN, PR		
Do	SENATE OF PUERTO RICO		
JOHN H. MINER, ROOM 1414-SOUTH BUILDING, USDA WASHINGTON DC 20250	ORGANIZATION OF PROFESSIONAL EMPLOYEES OF USDA	750.00	
MINNESOTANS FOR PEACE IN CENTRAL AMERICA, 920 NICOLLET MALL, RM. 300 MINNEAPOLIS MN 55402		4,574.81	6,132.31
MMB ASSOCIATES, INC, 122 C STREET, NW, #240 WASHINGTON DC 20001	COMMITTEE FOR FARMWORKER PROGRAMS	3,080.72	
Do	EAST LAKE COMMUNICATIONS	821.29	
Do	JOB TRAINING ASSN		
Do	MAGNA MEDIA CORP	821.29	
Do	NATIONAL BANKERS ASSOCIATION	2,417.70	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	NATIONAL RURAL DEVELOPMENT & FINANCE CORP		
Do	NCAF	30,000.00	
STACEY J. MOBLEY, 1701 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	E. I. DU PONT DE NEMOURS & CO	91.00	
EDWARD G. MODELL, BLUM NASH & RAILSBACK 1015 18TH STREET, NW WASHINGTON DC 20036	GETTY NORTHEAST JOBBERS & DISTRIBUTORS ASSN		
TERRENCE W. MODGLIN & ASSOCIATES, 810 18TH ST., NW, #705 WASHINGTON DC 20006	MARITIME INSTITUTE FOR RESEARCH & INDUSTRIAL DEVELOPMENT	1,150.00	610.05
TERRENCE W. MODGLIN, 810 18TH ST., NW, #705 WASHINGTON DC 20006	TERRENCE W. MODGLIN & ASSOCIATES (FOR: MARITIME INSTITUTE FOR RESEARCH & INDUSTRIAL DEVELOPMENT).	1,000.00	
JOHN V. MOLLER, 1155 15TH STREET, NW, #1010 WASHINGTON DC 20005	MANCHESTER ASSOCIATES (FOR: CORPORACION NACIONAL DEL COBRE DE CHILE (CODELCO)).		
Do	MANCHESTER ASSOCIATES, LTD. (FOR: NISSAN MOTOR COMPANY, LTD.)		
ROBERT A. MOLOFSKY, 5025 WISCONSIN AVENUE, NW WASHINGTON DC 20016	AMALGAMATED TRANSIT UNION, AFL-CIO		
POWELL A. MOORE, 8637 WINTHROP DRIVE ALEXANDRIA VA 22307	LOCKHEED CORP	775.00	
JOHN MORGAN, 1925 K ST., NW WASHINGTON DC 20006	COMMUNICATIONS WORKERS OF AMERICA		
MICHAEL L. MORTON, 918 16TH STREET, NW, #501 WASHINGTON DC 20006	GODFREY ASSOCIATES, INC		
SOL MOSHER, 1660 L ST., NW, #215 WASHINGTON DC 20036	CROWN ZELLERBACH CORPORATION		
RICHARD J. MULLER, 1100 CONNECTICUT AVE., NW WASHINGTON DC 20036	CHRYSLER CORPORATION	2,000.00	105.00
JEANNE MARIE MURPHY, 1730 RHODE ISLAND AVENUE, NW, #810 WASHINGTON DC 20036	CREDIT UNION NATIONAL ASSN, INC	300.00	92.79
KEITH MURPHY, KEMP, KLEIN, ENDELMEN & BEER 1320 19TH STREET, NW, #200 WASHINGTON DC 20036	M.A.N. TRUCK & BUS CORP		
JAMES E. MURRAY, ONE FARRAGUT SQUARE SOUTH WASHINGTON DC 20006	BROWN WOOD IVEY MITCHELL & PETTY (FOR: NATIONAL ASSN OF SMALL BUSINESS INVESTMENT COS, ET AL.).		
NATIONAL ABORTION RIGHTS ACTION LEAGUE, 1424 K ST., NW WASHINGTON DC 20005		7,774.98	
NATIONAL AGRICULTURAL CHEMICALS ASSN, 1155 15TH ST., NW WASHINGTON DC 20005		8,084.24	8,084.24
NATIONAL ASSN OF CATALOG SHOWROOM MERCHANDISERS, 276 FIFTH AVENUE NEW YORK NY 10021		2,000.00	23.00
NATIONAL ASSN OF ENERGY SERVICE COMPANIES, 2330 M ST., NW WASHINGTON DC 20037			
NATIONAL ASSN OF HOME BUILDERS OF THE U.S., 15TH & M STS., NW WASHINGTON DC 20005		35,836.61	83,413.23
NATIONAL ASSN OF INDEPENDENT COLLEGES & UNIVERSITIES, SUITE 503 1717 MASSACHUSETTS AVE., NW WASHINGTON DC 20036.		25.00	126,949.00
NATIONAL ASSN OF LETTER CARRIERS, 100 INDIANA AVE., NW WASHINGTON DC 20001		3,571,221.56	217,975.98
NATIONAL ASSN OF MARGARINE MFGRS, SUITE 1024-A 1625 I ST., NW WASHINGTON DC 20006			
NATIONAL ASSN OF RAILROAD PASSENGERS, 417 NEW JERSEY AVE., SE WASHINGTON DC 20003		41,779.20	31,455.57
NATIONAL ASSN OF REALTORS, 777 14TH ST., NW WASHINGTON DC 20005			93,177.99
NATIONAL ASSN OF RETIRED FEDERAL EMPLOYEES, 1533 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036		6,680.00	3,452.00
NATIONAL ASSN OF TEMPORARY SERVICES, INC, 119 SOUTH SAINT ASAPH STREET ALEXANDRIA VA 22314			2,836.61
NATIONAL ASSN OF WHEAT GROWERS, SUITE 300 415 2ND ST., NE WASHINGTON DC 20002		5,455.00	4,655.95
NATIONAL CITIZENS COMMUNICATIONS LOBBY, P.O. BOX 1876 IOWA CITY IA 52244			
NATIONAL CLUB ASSOCIATION, 1625 EYE ST., NW, #609 WASHINGTON DC 20006			
NATIONAL COALITION FOR LOWER PRICES, 276 FIFTH AVE. NEW YORK NY 10001		4,543.00	10,963.50
NATIONAL COALITION TO BAN HANDGUNS, 100 MARYLAND AVE., NE WASHINGTON DC 20002		230.00	230.00
NATIONAL COMM AGAINST REPRESSIVE LEGISLATION, 201 MASSACHUSETTS AVE., NE WASHINGTON DC 20002		7,830.38	7,830.38
NATIONAL COMMUNITY ACTION FOUNDATION, INC., 2101 L STREET, N.W. SUITE 906 WASHINGTON DC 20037		66,111.00	37,377.00
NATIONAL COUNCIL OF AGRICULTURAL EMPLOYERS, 499 S. CAPITOL ST, SW #411 WASHINGTON DC 20003		4,400.00	5,750.00
NATIONAL COUNCIL OF FARMER COOPERATIVES, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036		29,820.98	12,221.28
NATIONAL EDUCATION ASSN, 1201 16TH ST., NW WASHINGTON DC 20036		25,762.97	25,762.97
NATIONAL FAMILY PLANNING & REPRODUCTIVE HEALTH ASSN, INC, 122 C ST., NW, #380 WASHINGTON DC 20001		40,731.00	115.00
NATIONAL KNITWEAR & SPORTSWEAR ASSN, 386 PARK AVENUE SOUTH NEW YORK NY 10016			4,019.00
NATIONAL LEASED HOUSING ASSN, SUITE 260 2300 M ST., NW WASHINGTON DC 20037		600.00	600.00
NATIONAL LOTTERY ASSOCIATION, P.O. BOX 13365 LAS VEGAS NV 89112			
NATIONAL MULTI HOUSING COUNCIL, 1150 17TH STREET, NW, #306 WASHINGTON DC 20036			5,433.74
NATIONAL ORGANIZATION FOR WOMEN, 425 13TH STREET, NW, #723 WASHINGTON DC 20004			1,656.74
NATIONAL PEACH COUNCIL, P.O. BOX 1085 MARTINSBURG WV 25401			
NATIONAL PRINTING EQUIPMENT & SUPPLIES ASSN, INC, 6849 OLD DOMINION DRIVE, #200 MCLEAN VA 22101			
NATIONAL REALTY COMMITTEE, 2033 M ST., NW WASHINGTON DC 20036		3,414.00	3,414.00
NATIONAL RIFLE ASSOCIATION OF AMERICA, 1600 RHODE ISLAND AVE., NW WASHINGTON DC 20036		38,749.94	96,630.14
NATIONAL RURAL HOUSING COALITION, 1016 16TH STREET, NW, #8G WASHINGTON DC 20036		18,042.25	12,434.99
NATIONAL RURAL LETTER CARRIERS' ASSN, SUITE 100 1448 DUKE STREET ALEXANDRIA VA 22314		21,620.00	22,476.00
NATIONAL TAX EQUALITY ASSN, 1000 CONNECTICUT AVNEUE, NW, #615 WASHINGTON DC 20036		3,524.00	3,642.75
NATIONAL TOUR ASSOCIATION, INC., 120 KENTUCKY AVE. LEXINGTON KY 40502		25,346.00	25,346.00
GAYLORD NELSON, 1901 PENNSYLVANIA AVE., N.W. WASHINGTON DC 20006	WILDERNESS SOCIETY	251.30	
MARK D. NELSON, SUITE 900 1701 PENNSYLVANIA AVE., NW WASHINGTON DC 20036	E. I. DU PONT DE NEMOURS & CO		
THOMAS C. NELSON, 1920 N STREET,N.W. WASHINGTON DC 20036	AMERICAN MINING CONGRESS		
A. S. NEMIR ASSOCIATES, 2501 M STREET, NW, #400 WASHINGTON DC 20037	BRAZILIAN SUGAR & ALCOHOL INSTITUTE	35,793.78	1,203.57
FREDERICK H. NESBITT, 100 INDIANA AVENUE, NW WASHINGTON DC 20001	NATIONAL ASSN OF LETTER CARRIERS	8,010.99	4,380.95
NICKERSON INGRAM & ASSOCIATES, INC, 1101 VERMONT AVE., NW, #210 WASHINGTON DC 20005	FEDERAL LAW ENFORCEMENT OFFICERS ASSN		
Do	SYSTEMS CONTROL TECHNOLOGY, INC		
PETER NIXON, 503 QUEEN STREET EAST SAULT STE. MARIE ONTARIO CANADA P6A 5P2	ALGOMA STEEL CORP, LTD		
NICHOLAS T. NONNENMACHER, 491 BROADWATER ARNOLD MD 21012	TERRENCE W. MODGLIN & ASSOCIATES (FOR: MARITIME INSTITUTE FOR RESEARCH & INDUSTRIAL DEVELOPMENT).		
NONPROFIT MAILERS FEDERATION, 2555 M STREET, NW, #405 WASHINGTON DC 20037			5,445.48
EVANS W. NORTH, 1216 16TH STREET, NW WASHINGTON DC 20036			
O'CONNOR & HANNAN, 1919 PENNSYLVANIA AVE., NW, #800 WASHINGTON DC 20006	AMERICAN PETROFINA	5,500.00	
Do	BALFOUR BEATTY LIMITED (BBC)		
Do	CHRONAR CORPORATION		
Do	FIRST PENNSYLVANIA BANK	3,000.00	
Do	GOVERNMENT OF CYPRUS	30,000.00	
Do	GOVERNMENT OF JAMAICA	20,000.00	
Do	GOVERNMENT OF SUDAN		
Do	INVESTORS DIVERSIFIED SERVICES, INC		
Do	ITEL CORPORATION	23,000.00	
Do	JAMAICAN BROADCASTING CORP		
Do	RLC CORPORATION		
Do	ROLLINS ENVIRONMENTAL SERVICES		
CHARLES ALBERT O'CONNOR JR., 2300 S. 24TH ROAD, #533 ARLINGTON VA 22206			
JAMES W. O'DONNELL, 1110 VERMONT AVENUE, NW, #950 WASHINGTON DC 20005	AMERICAN HEALTH PLANNING ASSN	2,000.00	88.00
KATHLEEN O'LEARY, 1625 EYE ST., N. W. ROOM 301 WASHINGTON DC 20006	COLUMBIA GAS DISTRIBUTION COMPANIES	3,500.00	112.98
O'MELVENY & MYERS, 1800 M ST., NW WASHINGTON DC 20036	SANTA FE INTERNATIONAL CORP		
LAW OFFICES OF JOHN O'NEAL, P.C., 600 NEW HAMPSHIRE AVENUE, NW, #626 WASHINGTON DC 20037	NATIONAL RURAL TELECOM ASSN	1,750.00	
O'NEILL AND HAASE, P.C., SUITE 1110 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	TEXAS UTILITIES SERVICES, INC		
GERALD L. OLSON, 200 S. 6TH ST. MINNEAPOLIS MN 55402	PILLSBURY COMPANY		
FRANZ M. OPPENHEIMER, KOMINERS FORT SCHLEFER & BOYER 1776 F ST., NW WASHINGTON DC 20006	COMMERZBANK AG		
OPTICAL MANUFACTURERS ASSN, 6055A ARLINGTON BOULEVARD FALLS CHURCH VA 22044			
CHARLES J. ORASIN, 1400 K STREET, NW, #500 WASHINGTON DC 20005	HANDGUN CONTROL, INC	2,218.00	
ORGANIZATION OF PROFESSIONAL EMPLOYEES OF USDA, RM. 1414 S. BUILDING U.S. DEPT OF AGRICULTURE WASHINGTON DC 20250.		1,587.80	1,634.19
ORRICK HERRINGTON & SUTCLIFFE, 520 CAPITOL MALL SACRAMENTO CA 95814			
J. ALLEN OVERTON, 1920 N ST.,NW SUITE 300 WASHINGTON DC 20006	AMERICAN MINING CONGRESS	202.50	24.00
KATHERINE ANN OZER, ONE DUPONT CIRCLE, NW, #300 WASHINGTON DC 20036	U.S. STUDENT ASSN	3,234.00	75.00
PACIFIC MANAGEMENT DYNAMICS CORP, SUITE 107 910 FLOEIN RD. SACRAMENTO CA 95831			
ALLEN SCOTT PACK, 1250 ONE VALLEY SQUARE CHARLESTON WV 25301	ALGOMA STEEL CORP, LTD	500.00	317.30
PAKHOED USA, 2000 WEST LOOP SOUTH, #1800 HOUSTON TX 77027			
ANDREW PALMER, 218 D ST., SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	311.49	
HARRIET PARCELLS, 218 D ST., SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	113.21	
EDWIN T. PARIS, 1300 EMBASSY SQUARE OFFICE PARK LOUISVILLE KY 40299	RES-CARE, INC	260.91	402.80
JUDY E. PARK, 1533 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	NATIONAL ASSN OF RETIRED FEDERAL EMPLOYEES	11,433.00	
SARA LYNN PARKER, 1319 F. ST.,NW SUITE 500 WASHINGTON DC 20004	FOOD RESEARCH & ACTION CENTER		258.40
PRUDENCE H. PARKS, 1100 H STREET, NW WASHINGTON DC 20080	WASHINGTON GAS LIGHT CO	616.68	2,481.80
KEN PARMELEE, 1448 DUKE STREET ALEXANDRIA VA 22314	NATIONAL RURAL LETTER CARRIERS' ASSN	10,971.00	859.56
TOM E. PARO, 1735 DESALES ST., NW WASHINGTON DC 20036	ASSOCIATION OF MAXIMUM SERVICE TELECASTERS, INC	585.00	
PARRY AND ROMANI ASSOCIATES, INC, 1140 CONNECTICUT AVENUE, NW, #400 WASHINGTON DC 20036	STANDARD OIL OF SOUTHERN CALIFORNIA		
PEABODY LAMBERT & MEYERS, 1150 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	MICHIGAN KNIFE CO	374.00	2.25
Do	NATIONAL MASS RETAILING INSTITUTE		
PEACE POLITICAL ACTION COMMITTEE, 100 MARYLAND AVENUE, NE WASHINGTON DC 20002			4,654.80
ELIN PELTZ, 1511 K STREET, NW WASHINGTON DC 20005	HAWAIIAN SUGAR PLANTERS' ASSN	300.00	75.00
DON PENNY, 1045 31ST STREET, NW, #506 WASHINGTON DC 20007	AMERICAN EXPRESS	12,600.00	12,750.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
PENSION RIGHTS CENTER, 1346 CONNECTICUT AVE., NW WASHINGTON DC 20036			2,563.38
PERITO DUERK & PINCO, P.C., 1140 CONNECTICUT AVENUE, NW, #400 WASHINGTON DC 20036	AMERICAN COLLEGE OF NEUROPSYCHOPHARMACOLOGY	500.00	50.00
Do	AMERICAN PROTESTANT HEALTH ASSN	1,500.00	100.00
Do	AMERICAN SOC FOR PHARMACOLOGY & EXPERIMENTAL THERAPEUTICS	500.00	50.00
Do	COMBINED HEALTH RESOURCES, INC		
Do	JOHNSON & JOHNSON	1,500.00	100.00
Do	SAMARITAN HEALTH SERVICE		
Do	SAMCOR, INC		
Do	SOCIETY OF REAL ESTATE APPRAISERS		
ROBERT A. PERKINS, 1100 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CHRYSLER CORP	15,000.00	2,450.00
CAROLINE PETTI, 218 D STREET, SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	73.44	
JOHN D. PHILLIPS, SUITE 750 122 C ST., NW WASHINGTON DC 20001	NATIONAL ASSN OF INDEPENDENT COLLEGES & UNIVERSITIES	8,500.00	382.00
SUSAN E. PHILLIPS, 1709 NEW YORK AVENUE, NW WASHINGTON DC 20006	BLUE CROSS & BLUE SHIELD ASSN		
PAUL J. PHOENIX, 1330 BURLINGTON STREET EAST HAMILTON ONTARIO CANADA L8N 3J5	DOFASCO, INC	750.00	651.06
PIERSON BALL & DOWD, 1200 18TH ST., NW WASHINGTON DC 20036	CHEVRON USA, INC		
PIERSON SEMMES & FINLEY, 1054 31ST., NW WASHINGTON DC 20007	OKLAHOMA NATURAL GAS COMPANY	187.50	1.63
LINDA PINEGAR, 1709 NEW YORK AVE., NW WASHINGTON DC 20006	AIR TRANSPORT ASSN OF AMERICA	3,000.00	
SUMNER PINGREE, 1901 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	WILDERNESS SOCIETY		
PIPER & MARBURY, 888 16TH STREET, NW FIFTH FLOOR WASHINGTON DC 20006	MARINE CARGO CONTAINER & RELATED EQUIPMENT LEASING COS	59.38	
PLANNED PARENTHOOD OF NEW YORK CITY, INC, 380 SECOND AVENUE, THIRD FL. NEW YORK NY 10010			
RONALD L. PLESSER, BLUM & NASH 1015 18TH ST., NW, #408 WASHINGTON DC 20036	AMERICAN NEWSPAPER PUBLISHERS ASSN	225.00	
Do	TWIN COASTS NEWSPAPER, INC	750.00	
MICHAEL PODHORZER, SUITE 401 1300 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	CITIZEN/LABOR ENERGY COALITION		
POWELL GOLDSTEIN FRAZER & MURPHY, SUITE 1050 1110 VERMONT AVE., NW WASHINGTON DC 20005	CORNING ASSOCIATES	5,200.00	
Do	COUNCIL OF STATE HOUSING AGENCIES		
Do	CRUM & FORSTER INSURANCE COS		
Do	DIGITAL EQUIPMENT CORP	20,000.00	80.00
Do	FEDERAL NATIONAL MORTGAGE ASSN		
Do	HAYES MICROCOMPUTER PRODUCT, INC		
Do	JACQUES BOREL ENTERPRISES, INC		
Do	MARYLAND SAVINGS-SHARE INSURANCE CORP		
Do	N & F DEVELOPMENT CORP, INC	483.00	
Do	NATIONAL INVESTMENT DEVELOPMENT CORP	146.00	
Do	NATIONAL MULTI HOUSING COUNCIL	883.00	
PRATHER SEEGER DOOLITTLE & FARMER, 1101 16TH ST., NW WASHINGTON DC 20036	BANKER'S ASSN FOR FOREIGN TRADE	1,000.00	
PROJECT ADVISORY GROUP, 1029 VERMONT AVE., NW SUITE 860 WASHINGTON DC 20005			428.34
PROJECT CURE, INC, 2020 K STREET, NW, #350 WASHINGTON DC 20006		55,794.03	35,056.02
PUBLIC TIMBER PURCHASERS GROUP, 714 OREGON BANK BLDG. 319 S.W. WASHINGTON ST. PORTLAND OR 97204		36,179.78	2,688.10
ARTHUR LEE QUINN, 1015 15TH STREET, NW, #200 WASHINGTON DC 20005	COOPER LABORATORIES, INC	24,000.00	110.92
Do	GOVERNMENT OF BELIZE	4,500.00	217.04
Do	GOVERNMENT OF REPUBLIC OF PANAMA	3,000.00	32.91
Do	SUGAR ASSN OF THE CARIBBEAN	8,295.00	691.25
PATRICK H. QUINN, SUITE 411 499 S. CAPITOL ST., SW WASHINGTON DC 20003	NATIONAL COUNCIL OF AGRICULTURAL EMPLOYERS	4,000.00	250.00
QUINTANA REFINERY COMPANY, P.O. BOX 3331 HOUSTON TX 77001			
RICHARD W. RAHN, 1615 H ST., NW WASHINGTON DC 20062	CHAMBER OF COMMERCE OF THE U.S.	1,514.50	15.00
TOM RAILSBACK, BLUM NASH & RAILSBACK 1015 18TH STREET, NW WASHINGTON DC 20005	INSURANCE ASSN OF CONNECTICUT	2,390.00	96.00
Do	NATIONAL ASSN OF BROADCASTERS		
Do	PHARMACEUTICAL MANUFACTURERS OF AMERICA		
Do	WALT DISNEY PRODUCTIONS	498.00	24.00
ROBERT A. RAPOZA, SUITE 8G 1016 16TH STREET, NW WASHINGTON DC 20036	CAMPAIGN FOR COMMUNITY ECONOMIC DEVELOPMENT		
Do	NATIONAL RURAL HOUSING COALITION	7,500.00	
EILER C. RAVNHOLT, 723 INVESTMENT BLDG. WASHINGTON DC 20005	HAWAIIAN SUGAR PLANTERS' ASSN	600.00	430.00
ROBERT E REDDING, 425 13TH STREET N.W. SUITE 915 WASHINGTON DC 20004	SHIPPERS NATIONAL FREIGHT CLAIM	150.00	
JO REED, 1909 K STREET, NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	373.85	136.10
MARK REIHL, 5201 AUTH WAY RM 510 CAMP SPRINGS MD 20746	SEAFARERS INTERNATIONAL UNION	3,000.00	166.25
MARY LYNN REILLY, 3805 ALTON PLACE, NW WASHINGTON DC 20016	NEIGHBORHOOD HOUSING SERVICES OF AMERICA		
MARYALYCE REILLY, 1010 NORTH FAIRFAX STREET ALEXANDRIA VA 22314	NATIONAL SOCIETY OF PUBLIC ACCOUNTANTS	7,458.32	804.63
NOOLEY REINHEARDT, NOOLEY REINHEARDT & ASSOC. P.O. BOX 23190 WASHINGTON DC 20024	RURAL BUILDERS COUNCIL OF CALIFORNIA		
RELIGIOUS COALITION FOR ABORTION RIGHTS, INC., 100 MARYLAND AVENUE, N.E. WASHINGTON DC 20002		135,572.02	10,804.03
SARAH M. RENFROE, 1995 TREMAINSVILLE ROAD TOLEDO OH 43613	BENCHMARK TECHNOLOGIES CORP		
RESERVE OFFICERS ASSN OF THE US, 1 CONSTITUTION AVE., NE WASHINGTON DC 20002		2,627.01	22,779.00
ABRAHAM A. RIBICOFF, 1575 EYE STREET, NW, #1150 WASHINGTON DC 20005	KAYE SCHOLER FIERMAN HAYS & HANDLER (FOR: BRISTOL-MYERS CO)	1,755.00	452.60
RICE PORTER & SEILLER, 2200 MEIDINGER TOWER LOUISVILLE KY 40202	RES-CARE, INC	2,909.50	310.00
JEANNE RICHARDS, 218 D STREET, SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE		
DOUGLAS B. RICHARDSON, 2001 WISCONSIN AVENUE, NW, #100 WASHINGTON DC 20007	GEORESEARCH, INC		
SIERT F. RIEPMA, SUITE 1024-A 1625 I ST., NW WASHINGTON DC 20006	NATIONAL ASSN OF MARGARINE MFGRS		
ROBERT ROACH, 218 D ST., SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	796.88	
MICHAEL A. ROBERTS, 1101 VERMONT AVENUE, NW, #300 WASHINGTON DC 20005	AMERICAN ACADEMY OF OPHTHALMOLOGY		
ANTOINETTE K. ROCHÉ, 1025 CONNECTICUT AVENUE, NW WASHINGTON DC 20036	GA TECHNOLOGIES, INC	1,500.00	250.00
ROGERS & WELLS, 1737 H STREET, NW WASHINGTON DC 20006	B. ALTMAN & CO	5,911.83	100.00
Do	AMERICAN EXPRESS CO	34,500.00	757.29
Do	FRANZIA, FRED T. JOHN C. & JOSEPH S.		232.50
Do	KAMEHAMEHA SCHOOLS/BERNICE P. BISHOP ESTATE		746.00
Do	PAN AMERICAN WORLD AIRWAYS, INC		
Do	PAN AMERICAN WORLD SERVICES	2,477.50	81.00
Do	PFIZER, INC		197.00
ESTELLE H. ROGERS, 1350 NEW YORK AVENUE, NW, #300 WASHINGTON DC 20005	NATURAL RESOURCES DEFENSE COUNCIL, INC		
TERRENCE L. ROGERS, 1325 MASSACHUSETTS AVE., NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	10,411.80	64.00
PETER ROGOFF, 122 C STREET, NW, #750 WASHINGTON DC 20001	NATIONAL ASSN OF INDEPENDENT COLLEGES & UNIVERSITIES	1,485.00	78.00
ALBERT B. ROSENBAUM III, 2200 MILL RD. ALEXANDRIA VA 22314	NATIONAL TANK TRUCK CARRIERS, INC		
GAIL E. ROSS, GOLDFARB SINGER & AUSTERN 918 16TH STREET, NW WASHINGTON DC 20006	WASHINGTON INDEPENDENT WRITERS		
MARCUS ROTH, 100 INDIANA AVE., NW WASHINGTON DC 20001	NATIONAL ASSN OF LETTER CARRIERS	5,619.38	
EDWIN ROTHSCHILD, 2000 P ST., NW, #310 WASHINGTON DC 20036	CITIZEN/LABOR ENERGY COALITION	4,000.00	
WILLIAM C. ROUNTREE, SUITE 600 1001 22ND ST., NW WASHINGTON DC 20037	STANDARD OIL CO (OHIO)		
EUGENE F. ROWAN, 1156 15TH ST., NW WASHINGTON DC 20005	J. C. PENNEY CO, INC		
GLORIA CATANEO RUDMAN, SUITE 801 444 N. CAPITOL ST., NW WASHINGTON DC 20001	JOINT MARITIME CONGRESS	6,749.60	
ROBERT M. RUSSELL, 2170 PIEDMONT RD., NE ATLANTA GA 30324	ORKIN EXTERMINATING CO	188.00	698.08
DEAN SAGAR, 1050 17TH STREET, NW, #770 WASHINGTON DC 20036	AMERICAN ASSN OF HOMES FOR THE AGING	252.50	33.20
SAMARITAN HEALTH SERVICE, 1410 NORTH 3RD ST. P.O. BOX 25489 PHOENIX AZ 85004			
V. ALARIC SAMPLE JR., 1901 PENNSYLVANIA AVENUE, NW WASHINGTON DC 20006	WILDERNESS SOCIETY	54.01	
WILLIAM SAMUEL, 1325 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20005	AMERICAN FED OF GOVERNMENT EMPLOYEES	8,208.48	80.00
DONALD E. SANTARELLI, SUITE 700 2033 M ST., NW WASHINGTON DC 20036	EMPRESA BRASILEIRA DE AERONAUTICA, S.A	500.00	130.00
Do	PACIFIC AGRICULTURAL SERVICES, INC		
Do	SAFARI CLUB INTERNATIONAL	1,000.00	170.00
Do	STURM, RUGER COMPANY, INC	500.00	115.00
JAMES D. SANTINI, BIBLE, SANTINI, HOY & MILLER 900 17TH ST., NW WASHINGTON DC 20006	GREENS CREEK JOINT VENTURE	6,000.00	199.98
Do	LORIMAR PRODUCTIONS	4,500.00	148.03
Do	NATIONAL TOUR ASSOCIATION, INC	11,250.00	3,825.66
Do	NORANDA EXPLORATION, INC	3,750.00	374.60
Do	NORANDA MINING INC	3,750.00	755.53
Do	REDFIELD LAND COMPANY	2,760.00	128.93
RONALD A. SARASIN, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN		
JOHN S. SATAGAJ, 1250 I STREET, NW, #500 WASHINGTON DC 20005	AMERICAN ASSN OF NURSERYMEN		
SATELLITE SYNDICATED SYSTEMS, INC, P.O. BOX 702160 TULSA OK 74170			
KLARA B. SAUER, 9 VASSAR STREET POUGHKEEPSIE NY 12601	SCENIC HUDSON, INC		
SAVE OUR SECURITY, SUITE 222 1201 16TH STREET, NW WASHINGTON DC 20036		12,769.28	55,306.67
THOMAS J. SCANLON, 3248 PROSPECT STREET, NW WASHINGTON DC 20007	CHICAGO ASSN OF COMMERCE & INDUSTRY		
MARK S. SCHACHT, 3941 DAVIS PLACE, NW WASHINGTON DC 20006	FARMWORKER JUSTICE FUND, INC	103.04	164.48
HAROLD A. SCHAITBERGER, 1750 NEW YORK AVE. WASHINGTON DC 20006	INTERNATIONAL ASSN OF FIRE FIGHTERS	12,301.00	
WILLIAM T. SCHAPAUGH, 1030 15TH STREET, NW WASHINGTON DC 20005	AMERICAN SEED TRADE ASSN	4,000.00	
JOHN M. SCHEER, P.O. BOX 17402 DULLES INTERNATIONAL AIRPORT WASHINGTON DC 20041	WATER & WASTEWATER EQUIPMENT MANUFACTURERS ASSN, INC		
MARK L. SCHNEIDER, 1001 22ND STREET, NW, #600 WASHINGTON DC 20037	STANDARD OIL CO (OHIO)		
SCHRAMM & RADDUE, 15 WEST CARRILLO STREET SANTA BARBARA CA 93101	H&W DRILLING CO		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
MARSHA SCHRAMM, 1101 CONNECTICUT AVE., NW, #406 WASHINGTON DC 20036	DOMESTIC PETROLEUM COUNCIL, INC		
ELIZABETH NASH SCHWARTZ, 1700 N. MOORE ST. ROSSLYN VA 22209	BOEING COMPANY	4,600.00	2,191.89
CARL F. SCHWENSEN, 415 2ND ST., NE SUITE 300 WASHINGTON DC 20002	NATIONAL ASSN OF WHEAT GROWERS	2,223.04	
SCHWINN BICYCLE CO, 1856 NORTH KOSTNER AVENUE CHICAGO IL 60639			22,559.93
DOUGLAS W. SCOTT, 530 BUSH ST. SAN FRANCISCO CA 94108	SIERRA CLUB	10,044.00	347.66
THOMAS W. SCOVILLE, 444 N. CAPITOL STREET, NW, #801 WASHINGTON DC 20001	JOINT MARITIME CONGRESS	1,297.80	
WALTER J. SCZUDLO, 15 WEST CARRILLO STREET SANTA BARBARA CA 93101	SCHRAMM & RADDUE (FOR: H&W DRILLING, INC)		
MARLISSA SENCHAK, 777 14TH STREET, NW, 5TH FL. WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,620.50	89.60
SARAH SETTON, 1511 K ST., NW WASHINGTON DC 20005	SUGAR ASSOCIATION, INC.	150.00	8.00
PETER M. SHANNON JR., SUITE 1220 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	SCHWINN BICYCLE CO		
DAVID L. SHAPIRO, 729 15TH STREET, NW WASHINGTON DC 20005	ASSOCIATED BUILDERS & CONTRACTORS, INC		
RUSSELL H. SHAY, 6014 COLLEGE AVE. OAKLAND CA 94618	SIERRA CLUB	4,083.75	160.63
JOHN J. SHEPPARD, 267 WESTERVELT PLACE ENGLEWOOD CLIFFS NJ 07632	C. A. SHEA & COMPANY, INC.		
DALE SHERWIN, 1735 I ST., NW, #717 WASHINGTON DC 20006	A. E. STALEY MANUFACTURING CO	9,000.00	660.00
NELSON T. SHIELDS, 810 18TH ST., NW WASHINGTON DC 20006	HANDGUN CONTROL, INC	2,925.00	
RUSSELL L. SHIPLEY JR , 1120 VERMONT AVENUE, NW, #1120 WASHINGTON DC 20005	NATIONAL CANDY WHOLESALERS ASSN, INC.	175.00	
SHIPPERS NATIONAL FREIGHT CLAIM COUNCIL, INC, 120 MAIN STREET HUNTINGTON NY 11743			150.00
SCOTT SHOTWELL, 1619 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	2,475.00	
JOHN SHUEY, P.O. BOX 3151 HOUSTON TX 77253	BROWNING-FERRIS INDUSTRIES, INC.		
NORMAN D. SHUTLER, 1607 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20006	CLAYTON MFRG CO.		
SIERRA CLUB, 530 BUSH ST. SAN FRANCISCO CA 94108		304,577.41	304,577.41
FRANKLIN R. SILBEY ASSOCIATES, 1919 PENNSYLVANIA AVENUE, NW, #200 WASHINGTON DC 20006	WHYTE & HIRSCHBOECK	1,500.00	1,000.00
STEPHEN SILBIGER, 1625 L ST., NW WASHINGTON DC 20036	AMERICAN FED OF STATE, COUNTY & MUNICIPAL EMPLOYEES	13,321.20	310.17
RONALD G. SILLS, C/O 38832-066, A-1 F.C.I. BOX 7000 TEXARKANA TX 75501		140.00	140.00
MARSHA SIMON, 1319 F STREET, NW, #500 WASHINGTON DC 20004	FOOD RESEARCH & ACTION CENTER		2,722.45
JEAN SINDAB, 2480 16TH ST., NW, #610 WASHINGTON DC 20009	WASHINGTON OFFICE ON AFRICA	6,404.42	
MARCUS W. SISK JR , 2828 PENNSYLVANIA AVENUE, NW, #203 WASHINGTON DC 20037	HEAVY OIL PROCESS, INC (HOPCO)	4,357.50	
Do	TOSCO CORPORATION	4,065.00	
GREGG P. SKALL, BAKER HOSTETLER 818 CONNECTICUT AVE., NW WASHINGTON DC 20006	DAYTIME BROADCASTERS ASSN	250.00	10.00
Do	TIME, INC.		
Do	UNIDEN CORP OF AMERICA		
SCOTT SKLAR, 1717 MASSACHUSETTS AVENUE, NW, #503 WASHINGTON DC 20036	SOLAR ENERGY INDUSTRIES ASSN	3,198.00	
ROBERT G. SLAUGHTER, 2501 M ST., NW WASHINGTON DC 20037	PACIFIC RESOURCES, INC.	500.00	
SCOTT L. SLESINGER, SUITE 804 1101 14TH ST., NW WASHINGTON DC 20005	NATIONAL APARTMENT ASSN		
JOHN E. SLOAN JR., CAPITAL GALLERY EAST, #695 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	NATIONAL FED OF INDEPENDENT BUSINESS	1,150.00	200.00
SMATHERS SYMINGTON & HERLONG, SUITE 400 1700 K ST., NW WASHINGTON DC 20006	AMERICAN HORSE COUNCIL	3,666.00	
Do	COALITION OF COMMUNITY BANKS OF FLORIDA		
Do	FLORIDA EAST COAST RAILWAY CO	750.00	
Do	NATIONAL HOCKEY LEAGUE	1,500.00	
Do	PENNZOIL CO.	6,000.00	
Do	REPUBLIC OF SOUTH AFRICA	7,500.00	
DAVID S. SMITH, 1701 PENNSYLVANIA AVE., NW, #1102 WASHINGTON DC 20006	MARTIN & SMITH		
DON S. SMITH, BROADHURST BROOK MANGHAM HARDY & REED 1730 PENNSYLVANIA AVE., NW, #425 WASHINGTON DC 20006.			
VELMA SMITH, 218 D STREET, SE WASHINGTON DC 20003	ENVIRONMENTAL POLICY INSTITUTE	585.53	
SOCIETY FOR NUTRITION EDUCATION, 1736 FRANKLIN STREET OAKLAND CA 94612		12.72	220.22
VINCENT R. SOMBROTTO, 100 INDIANA AVE., NW WASHINGTON DC 20001	NATIONAL ASSN OF LETTER CARRIERS	3,292.08	
CHARLES B. SONNEBORN, SUITE 300 1101 VERMONT AVE., NW WASHINGTON DC 20005	AMERICAN ACADEMY OF OPTHALMOLOGY		
SONOSKY CHAMBERS SACHSE & GUIDO, 1050 31ST ST., NW WASHINGTON DC 20007	ASSINIBOINE AND SIOUX TRIBES		
Do	MULTI-HOUSING LAUNDRY ASSOCIATION, INC.		
Do	SHOSHONE INDIAN TRIBE		
Do	STANDING ROCK SIOUX TRIBE		
SOUTHEASTERN RESEARCH, INC., P.O. BOX 4956 COLUMBIA SC 29204			
ALAN P. SPIELMAN, 1709 NEW YORK AVENUE, NW WASHINGTON DC 20006	BLUE CROSS & BLUE SHIELD ASSN		
SPRIGGS BODE & HOLLINGSWORTH, 1015 15TH ST., NW WASHINGTON DC 20005	ENERGY CYCLE, INC.	10,831.25	
JANIS ST. MARIE, 15 WEST CARRILLO STREET SANTA BARBARA CA 93101	SCHRAMM & RADDUE (FOR: H&W DRILLING, INC)		
DAVID E. STAHL, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	3,500.00	
ELVIS J. STAHR JR., 1815 H STREET, NW, #600 WASHINGTON DC 20006	NATIONAL AUDUBON SOCIETY		
STANDARD OIL CO (OHIO), MIDLAND BLDG. CLEVELAND OH 44115			24,057.76
JEFFREY STANT, 325 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	NATIONAL TAXPAYERS UNION	3,692.15	
STEELE SIMMONS & FORNACIARI, 2020 K STREET, NW, #850 WASHINGTON DC 20006	K MART CORP	24,295.00	401.66
J. C. STEEN, 412 FIRST STREET, SE, #301 WASHINGTON DC 20003	SCHWINN BICYCLE CO		
STEPTOE & JOHNSON, CHTD, 1330 CONNECTICUT AVE., NW WASHINGTON DC 20036	ASSOCIATION OF PRIVATE PENSION & WELFARE PLANS, INC	14,215.00	788.81
IMAGENE STEWART, 214 P STREET, NW WASHINGTON DC 20001	AMERICAN WOMEN'S CLERGY ASSN		
JOHN J. STOCKER, 1110 VERMONT AVENUE, NW WASHINGTON DC 20005	SHIPBUILDERS COUNCIL OF AMERICA	16,000.00	
STOVALL SPRADLIN ARMSTRONG & ISRAEL, 1819 H STREET, NW, #700 WASHINGTON DC 20006	COMMISSION ON FUTURE POLITICAL STATUS & TRANSITION	5,000.00	33.00
RONALD J. STRECK, P.O. BOX 238 ALEXANDRIA VA 22313	NATIONAL WHOLESALE DRUGGISTS' ASSN		
MARY BETH SULLIVAN, 923 15TH ST., N.W. WASHINGTON DC 20005	TRANSPORTATION INSTITUTE	3,000.00	64.89
PAUL SUPLIZIO ASSOCIATES, 2948 UNIVERSITY TERRACE, NW WASHINGTON DC 20016	AMERISERV, INC.		
Do	ARNOLD STANDARDS REVIEW CORP		
Do	MANAGEMENT IMPROVEMENT CORP. OF AMERICA, ET AL		
Do	MANAGEMENT INSIGHTS, INC		
Do	SOUTHEASTERN RESEARCH, INC.		
SUTHERLAND ASBILL & BRENNAN, 1666 K STREET, NW, #800 WASHINGTON DC 20006	PROCESS GAS CONSUMERS GROUP	345.00	
ROSEMARIE SWEENEY, SUITE 770 600 MARYLAND AVE., SW WASHINGTON DC 20024	AMERICAN ACADEMY OF FAMILY PHYSICIANS	2,219.74	1,090.91
SWIDLER BERLIN & STRELOW, CHTD, 1000 THOMAS JEFFERSON ST., NW #500 WASHINGTON DC 20007	AIRCO, INC.		
Do	AMERICAN HOECHST CORPORATION	2,925.00	
Do	LUCASFILM, LTD.		
TRICIA L. SWIFT, 1619 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL FOREST PRODUCTS ASSN	1,200.00	
SCOTT R. SWIRLING, SUITE 380 122 C ST., NW WASHINGTON DC 20001	NATIONAL FAMILY PLANNING & REPRODUCTIVE HEALTH ASSN, INC	81.00	
SYRDAL DANELO KLEIN & MYRE, P.C., 24TH FLOOR FOURTH & BLANCHARD BLDG. SEATTLE WA 98121	WASHINGTON STATE CHARTERBOAT ASSN		
Z. MICHAEL SZAZ, 6415 FRANCONIA COURT SPRINGFIELD VA 22150	EMBASSY OF THE DEMOCRATIC REPUBLIC OF SOMALIA	1,000.00	
TAGGART & ASSOCIATES, 1015 15TH STREET, NW, #200 WASHINGTON DC 20005	ANIMAL HEALTH INSTITUTE		
Do	MARION LABORATORIES, INC.		
Do	TELEPHONE & DATA SYSTEMS, INC		
JULIE TANG, 100 MARYLAND AVENUE, NE WASHINGTON DC 20002	PEACE POLITICAL ACTION COMM	2,724.00	
KEITH TARR-WHELAN, 3626 N. KENSINGTON ST. ARLINGTON VA 22207	SAVE OUR SECURITY	8,700.00	
JOSEPH L. S. TERRELL, 1800 MASSACHUSETTS AVENUE, NW, #604 WASHINGTON DC 20036	FARM CREDIT COUNCIL		
TEST MARKETING GROUP, INC, 140 S. DEARBORN STREET, #910 CHICAGO IL 60603			
MARY KAY THATCHER, 600 MARYLAND AVENUE, SW WASHINGTON DC 20024	AMERICAN FARM BUREAU FED	3,750.00	69.97
MARGARET P. THAXTON, 418 SOUTH CAPITOL STREET, SE WASHINGTON DC 20003	SHEET METAL & AIR CONDITIONING CONTRACTORS' NAT'L ASSN		
JAMES H. THOMAS, 1125 17TH STREET, NW WASHINGTON DC 20036	INTERNATIONAL UNION OF OPERATING ENGINEERS	7,500.00	332.00
THOMPSON & MITCHELL, 1120 VERMONT AVENUE, NW, #1000 WASHINGTON DC 20005	COLD FINISHED STEEL BAR INSTITUTE	1,605.00	
LAW OFFICES OF FRED THOMPSON, 1919 PENNSYLVANIA AVENUE, NW, #850 WASHINGTON DC 20006	CENTRAL STATES SE & SW AREAS HEALTH, WELFARE & PENSION FUNDS	7,344.00	
Do	WESTINGHOUSE ELECTRIC CORP	3,501.50	
ROBERT N. THOMSON, ONE LANDMARK SQ. STAMFORD CT 06901	MOORE MCCORMACK RESOURCES, INC.		
CHARLES THONE, 400 CORN HUSKER PLAZA LINCOLN NB 68508	ERICKSON & SEDERSTROM, P.C. (FOR: SAND LIVESTOCK SYSTEMS, INC)		
GRACE F. THORPE, 1215 PRAIRIE LN. YALE OK 74085			
GIL THURM, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS		
MICHAEL L. TINER, 1775 K ST., NW WASHINGTON DC 20006	UNITED FOOD & COMMERCIAL WORKERS INTL UNION	9,461.52	584.21
DAVID G. TODD, P.O. BOX 6300 HUNTINGTON WV 25771	ASHLAND COAL, INC.	2,000.00	
JOHN G. TOTH, 2408 WANDA WAY RESTON VA 22091	RESTON ADVISER COMMITTEE		
JAY C. TOWNLEY, 1856 NORTH KOSTNER AVENUE CHICAGO IL 60639	SCHWINN BICYCLE CO	1,200.00	
THOMAS J. TRABUCCO, 1533 NEW HAMPSHIRE AVENUE, NW WASHINGTON DC 20036	NATIONAL ASSN OF RETIRED FEDERAL EMPLOYEES	9,712.00	
TRANSAFRICA, 545 8TH STREET, SE, #200 WASHINGTON DC 20003		24,871.98	29,791.47
TRANSPORTATION INSTITUTE, 923 15TH ST., NW WASHINGTON DC 20005			20,080.68
EUGENE M. TRISKO, 9817 ROSENSTEEL AVENUE SILVER SPRING MD 20910	STERN BROS., INC.	6,286.00	712.00
TRUST FOR PUBLIC LAND, 82 SECOND ST. SAN FRANCISCO CA 94105			14,433.00
ANH TU, SUITE 860 1029 VERMONT AVE., NW WASHINGTON DC 20005	PROJECT ADVISORY GROUP	181.20	
JON R. TUMLER, 1110 VERMONT AVENUE, NW, #1075 WASHINGTON DC 20005	PUBLIC SECURITIES ASSN	6,875.00	10,160.00
WILLIAM J. TURENNE, 1901 L STREET, NW WASHINGTON DC 20036	ELI LILLY AND COMPANY	3,000.00	116.00
WILLIAM A. TURNAGE, 1901 PENNSYLVANIA AVE., NW WASHINGTON DC 20006	WILDERNESS SOCIETY	99.20	
TURNER BROADCASTING SYSTEM, INC, 1140 CONNECTICUT AVE., NW WASHINGTON DC 20036			21,015.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
MAX TURNIPSEED, 1155 15TH STREET, NW, #611 WASHINGTON DC 20005	ETHYL CORP	2,150.00	150.20
W. GLENN TUSSEY, 600 MARYLAND AVE., SW WASHINGTON DC 20024	AMERICAN FARM BUREAU FED	7,224.99	24.75
GILMAN UDELL, 1750 NEW YORK AVENUE, NW WASHINGTON DC 20006	INTERNATIONAL ASSN OF FIRE FIGHTERS	3,000.00	
UNITED FOOD & COMMERCIAL WORKERS INTL UNION, 1775 K ST., NW WASHINGTON DC 20006		138,694.90	45,803.32
UNITED FRESH FRUIT & VEGETABLE ASSN, 727 N. WASHINGTON ST. ALEXANDRIA VA 22314		3,675.00	1,045.27
R. THOMAS VAN ARSDALL, 1800 MASSACHUSETTS AVE., NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	181.13	
RICHARD VAN DEUREN, 111 E. WISCONSIN AVENUE, NW, #1800 MILWAUKEE WI 53202	NATIONAL EMPLOYEE BENEFITS INST		256.50
LAURA VAN ETTEN CANNATA, 311 FIRST STREET, NW WASHINGTON DC 20001	NATIONAL RESTAURANT ASSN		
JOHN A. VANCE, 1050 17TH ST., NW, #1180 WASHINGTON DC 20036	PACIFIC GAS & ELECTRIC CO	4,466.00	2,508.47
ROBERT CLARKE VARAH, 1330 BURLINGTON STREET EAST/BOX 460 HAMILTON ONTARIO L8N 3J5 CANADA	DOFASCO, INC	1,050.00	1,423.00
DONALD R. VAUGHAN, P.O. BOX 1288 ASHEBORO NC 27204	STEDMAN CORP		
VERNER LIIPFERT BERNHARD MCPHERSON & HAND, CHTD, 1660 L STREET, NW, #1000 WASHINGTON DC 20036	BROWN & ROOT, INC		
Do	INTERNATIONAL ANTICOUNTERFEITING COALITION	800.00	
Do	JOHN D. & CATHERINE T. MACARTHUR FOUNDATION	5,050.00	
Do	JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS	1,080.00	
Do	ORION SATELLITE CORP	2,100.00	
Do	PUERTO RICO FEDERAL AFFAIRS ADMINISTRATION	12,750.00	
Do	TRAVELERS CORP	2,966.25	
Do	TURNER BROADCASTING SYSTEM, INC		
NICK J. VOLCHEFF, 2509 E. SAN MIGUEL PHOENIX AZ 85016	AT&T		
VOLUME FOOTWEAR RETAILERS OF AMERICA, 1319 F ST., NW, #700 WASHINGTON DC 20004			1,159.28
VOLUNTEERS TRUSTEES OF NOT-FOR-PROFIT HOSPITALS, 1625 EYE ST., NW WASHINGTON DC 20006		13,689.05	13,689.05
MARCOS VON GOIHMAN, 1835 K ST., NW, #600 WASHINGTON DC 20006	GUYANA AIRWAYS CORP		
VORYS SATER SEYMOUR & PEASE, 1828 L STREET, NW, #1111 WASHINGTON DC 20036	SEAGATE COMMUNITY DEVELOMENT CORP		
JOHN A. WAITS, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	FARM CREDIT COUNCIL	750.00	
WALD HARKRADER & ROSS, 1300 19TH ST., NW WASHINGTON DC 20036	JAPAN IRON & STEEL EXPORTERS' ASSN		
WILLIAM L. WARFIELD, 3900 WISCONSIN AVENUE, NW WASHINGTON DC 20016	FEDERAL NATIONAL MORTGAGE ASSN		
WASHINGTON GAS LIGHT CO, 1100 H ST., NW WASHINGTON DC 20080			3,307.98
WASHINGTON OFFICE ON AFRICA, 110 MARYLAND AVE., NE WASHINGTON DC 20002		44,921.77	29,971.05
CLARKE R. WATSON, 655 BROADWAY, #425 DENVER CO 80203	WESTLAND COMPANIES, INC		
PAUL WECKSTEIN, SUITE 504 236 MASSACHUSETTS AVE., NE WASHINGTON DC 20002	CENTER FOR LAW AND EDUCATION, INC	386.19	15.70
THEODORE F. WEIHE, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	U.S. OVERSEAS COOPERATIVE DEVELOPMENT COMMITTEE	2,812.00	
WILLIAM B. WELSH, 1625 L ST., NW WASHINGTON DC 20036	AMERICAN FED OF STATE COUNTY & MUNICIPAL EMPLOYEES	17,238.90	235.57
SHIRLEY H. WESTER, 1110 VERMONT AVENUE, NW, #950 WASHINGTON DC 20005	AMERICAN HEALTH PLANNING ASSN	1,500.00	65.00
ELLAN WHARTON, 1701 PENNSYLVANIA AVENUE, NW, #900 WASHINGTON DC 20006	E. I. DU PONT DE NEMOURS & CO, INC		
JOHN C. WHITE, SUITE 207 1333 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20036	COASTAL CORP & CHICAGO MERCANTILE EXCHANGE		
ALTON W. WHITEHOUSE JR , 1750 MIDLAND BLDG. CLEVELAND OH 44115	STANDARD OIL CO (OHIO)		
MARSHALL E. WHITENTON, SUITE 600 1001 22ND ST., NW WASHINGTON DC 20037	STANDARD OIL CO (OHIO)	430.00	59.79
DENNIS J. WHITTLESEY, WHITTLESEY & O'BRIEN, P.C. 21 DUPONT CIRCLE, #801 WASHINGTON DC 20036	COWLITZ INDIAN TRIBE		
WICKWIRE LEWIS GOLDMARK & SCHOOR, 500 MAYNARD BLDG. SEATTLE WA 98104	PUBLIC HEALTH HOSPITAL PRESERVATION & DEVELOPMENT AUTHORITY	57.50	12.05
WILLIAMS & JENSEN, P.C., 1101 CONNECTICUT AVE., NW WASHINGTON DC 20036	ALAMO CEMENT COMPANY	250.00	18.34
Do	AMERICAN HOME PRODUCTS	150.00	17.03
Do	AMERICAN PHYSICAL THERAPY ASSN		
Do	BRISTOL-MYERS	2,060.00	85.16
Do	CENTURY 21 REAL ESTATE CORP	80.00	13.10
Do	CIGNA	105.00	5.24
Do	COM DISCO, INC	105.00	5.24
Do	COMMITTEE FOR EMPLOYMENT OPPORTUNITIES		
Do	COMMITTEE FOR PRUDENT DEREGULATION		
Do	CUSATI/HEISE PARTNERSHIP	105.00	5.24
Do	D'ANCONA & PFLAUM	175.00	7.86
Do	DESIGN PROFESSIONALS COALITION	9.50	1.31
Do	ESTEE LAUDER, INC		
Do	FEDERATION FOR AMERICAN IMMIGRATION REFORM	1,287.50	136.24
Do	FIRST BANK SYSTEMS, INC		51.09
Do	FIRST BOSTON CORP	4,090.00	262.00
Do	FREIGHT FORWARDERS INSTITUTE		
Do	GENERAL ELECTRIC CO	1,200.00	93.01
Do	GENERAL PORTLAND, INC	145.00	7.86
Do	GIFFORD-HILL & COMPANY, INC	150.00	9.17
Do	HIGHER EDUATION ASSISTANCE FOUNDATION		
Do	HOFFMAN-LA ROCHE	1,970.00	78.60
Do	HOUSTON ENDOWMENT, INC	175.00	7.86
Do	IU INTERNATIONAL MANAGEMENT CORP	1,162.50	144.10
Do	JOHNSON & JOHNSON	1,960.00	75.97
Do	KAISER CEMENT CORPORATION	210.00	15.73
Do	KELLOGG COMPANY		
Do	KELLY, APPLEMAN, HART & HALLMAN		
Do	KRAUSE MILLING CO		
Do	MERCK & CO	1,960.00	75.98
Do	MONOLITH PORTLAND CEMENT COMPANY	105.00	5.24
Do	MUSTANG FUEL CORPORATION		
Do	NATIONAL ASSN OF WATER COS	2,675.00	262.00
Do	NATIONAL CABLE TELEVISION ASSN, INC	38.00	3.92
Do	NATIONAL OFFICE MACHINE DEALERS ASSN		
Do	NATIONAL SOFT DRINK ASSN		
Do	NATIONWIDE INSURANCE COMPANIES		
Do	PARALYZED VETERANS OF AMERICA	10.00	1.31
Do	PROCTER & GAMBLE	1,960.00	75.98
Do	RECORDING INDUSTRY OF AMERICA, INC	30.00	5.24
Do	SCHERING-PLOUGH CO	1,960.00	75.98
Do	SOUTHLAND ROYALTY CO		
Do	SOUTHWESTERN PORTLAND CEMENT COMPANY	105.00	5.24
Do	SQUIBB CORPORATION	12.60	41.92
Do	STUDENT LOAN MARKETING ASSN	5,010.00	339.31
Do	TEXACO, INC		
Do	TEXAS AIR CORP	1,380.00	86.46
Do	U.S. TELEPHONE COMMUNICATIONS, INC		
Do	UNIVERSAL FOODS , INC	205.00	28.81
Do	UNIVERSITY OF MICHIGAN HOSPITALS		
Do	USAA FINANCIAL SERVICE CO		197.82
Do	WILKIE FARR & GALLAGHER		22.27
BARRY WILLIAMS, 417 NEW JERSEY AVE., SE WASHINGTON DC 20003	NATIONAL ASSN OF RAILROAD PASSENGERS	6,000.02	
LAWRENCE F. WILLIAMS, 330 PENNSYLVANIA AVENUE, SE WASHINGTON DC 20003	SIERRA CLUB	8,280.00	
MARGIE R. WILLIAMS, 415 2ND ST., NE SUITE 300 WASHINGTON DC 20002	NATIONAL ASSN OF WHEAT GROWERS	1,193.04	
PERRY F. WILLIAMS, 225 MAIN ST. NEWINGTON CT 06111	AMERICAN RADIO RELAY LEAGUE, INC		
H. GRAHAM WILSON, 1330 BURLINGTON STREET EAST/BOX 460 HAMILTON ONTARIO L8N 3J5 CANADA	DOFASCO, INC		
RONALD J. WILSON, 1800 MASSACHUSETTS AVENUE, NW WASHINGTON DC 20036	NATIONAL COUNCIL OF FARMER COOPERATIVES	300.00	
JOSEPH B. WINKELMANN, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	2,500.00	1,120.54
WISNER & SCHWARZ, 900 17TH ST., NW WASHINGTON DC 20006	ENERGY RECOVERY SYSTEMS, INC		
CLAUDIA A. WITHERS, 2000 P STREET, NW, #400 WASHINGTON DC 20036	WOMEN'S LEGAL DEFENSE FUND	131.69	
DIANE WOODRUFF, SUITE 228 1346 CONNECTICUT AVE., NW WASHINGTON DC 20036	ASSOCIATION OF URBAN UNIVERSITIES	2,077.07	
WYMAN BAUTZER ROTHMAN KUCHEL & SILBERT, SUITE 580 600 NEW HAMPSHIRE AVE., NW WASHINGTON DC 20037	AMERICAN BOILER MANUFACTURERS ASSN, INC		
Do	AUTOMOTIVE DISMANTLERS & RECYCLERS ASSN		
Do	BRISTOL BAY NATIVE CORP		
Do	EKLUTNA, INC		
Do	FILMWAYS, INC		
MILAN P. YAGER, 727 N. WASHINGTON STREET ALEXANDRIA VA 22314	UNITED FRESH FRUIT & VEGETABLE ASSN	1,150.00	332.08
ROBERTA LYNN YOUMANS, 509 C STREET, NE STANTON PARK WASHINGTON DC 20002	ROISMAN, RENO & CAVANAUGH (FOR: NATIONAL HOUSING LAW PROJECT)	1,557.68	
JUDITH A. YOUNG, 777 14TH ST., NW WASHINGTON DC 20005	NATIONAL ASSN OF REALTORS	1,500.00	254.52
THANE YOUNG, 777 14TH STREET, N.W. WASHINGTON DC 20005	NATIONAL ASSOCIATION OF REALTORS	1,500.00	
MICHAEL ZAGORAC P.O. BOX 4689 CLEARWATER FL 33518	JACK ECKERD CORPORATION		
STEVEN S. ZALEZNICK, 1909 K ST., NW WASHINGTON DC 20049	AMERICAN ASSN OF RETIRED PERSONS	496.15	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
DONALD ZARIN, BLUM NASH & RAILSBACK 1015 18TH STREET, NW WASHINGTON DC 20036	FLOATING POINT SYSTEMS, INC		
Do	GETTY NORTHEAST JOBBERS & DISTRIBUTORS ASSN	836.00	
THOMAS K. ZAUCHA, 1825 SAMUEL MORSE DRIVE RESTON VA 22090	NATIONAL GROCERS ASSN		
LEO C. ZEFERETTI, 9912 FORT HAMILTON PARKWAY BROOKLYN NY 11209	GRUMMAN AEROSPACE CORPORATION		
MICHAEL J. ZIMMER, WICKWIRE, GAVIN & GIBBS 1819 L STREET, NW, #700 WASHINGTON DC 20036	COGENERATION COALITION, INC.		
KENNETH ZINN, 1837 WYOMING AVENUE, NW WASHINGTON DC 20009	WASHINGTON OFFICE ON AFRICA	3,999.99	
ZIONTZ PIRTLE MORRISSET ERNSTOFF & CHESTNUT, METROPOLITAN PARK, 16TH FLOOR 1100 OLIVE WAY SEATTLE WA 98101.	CONFEDERATED TRIBES OF THE COLVILLE INDIAN RESERVATION		
Do	HOOPA VALLEY TRIBE		
Do	INUPIAT COMMUNITY OF THE ARCTIC SLOPE		
Do	LUMMI TRIBE OF INDIANS		
Do	MAKAH INDIAN TRIBE		
Do	METLAKATLA INDIAN COMMUNITY		
Do	MILLE LACS BAND OF CHIPPEWA INDIANS		
Do	NORTHERN CHEYENNE INDIAN TRIBE		
Do	QUILEUTE INDIAN TRIBE		
Do	TULALIP INDIAN TRIBE		
Do	UKPEAGVIK INUPIAT CORPORATION		
JOHN L. ZORACK, 1140 19TH STREET, NW, #600 WASHINGTON DC 20036	FEDERAL EXPRESS CORP	30,000.00	

SENATE—*Thursday, January 31, 1985*

(Legislative day of Monday, January 21, 1985)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

There is a way that seemeth right unto a man, but the end thereof are the ways of death.—Proverbs 14:12.

Eternal God, in our television indoctrinated culture where crimes are committed and solved in 28 minutes, we have become addicted to the instantaneous solution. We tend to measure our judgments in the interest of immediate results which often may be destructive in the long term. Help us, Eternal Father, to take the long look to see things in perspective. Give us grace to consider the destination of the way we take rather than settle for what we can see to the next curve or hill. We are profoundly grateful, dear God, for the long view of our Founding Fathers who, despite incredible pressures, gave us a way which we still take seriously and to which we seek to conform. Save us, Lord, from pragmatism which would settle for anything less than God's best, that would short circuit truth and justice. In the name of Him who is Truth. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

Mr. SIMPSON. Thank you, Mr. President pro tempore.

THE NATIONAL PRAYER BREAKFAST

Mr. SIMPSON. Mr. President, let me thank the Chaplain again for his remarks, which were most moving, and on a particular day when many of us have come from the National Prayer Breakfast which was a very marvelous experience.

The President shared with us his philosophy and his feelings about this day, and it was a very impressive morning of the National Prayer Breakfast.

SERMONS ON THE HILL

Mr. SIMPSON. Mr. President, I appreciate the opportunity to have printed in the RECORD an article from this morning's Wall Street Journal about our Chaplain. It is a very excellent article. I commend it to my colleagues and thank the Chair for that opportunity.

Mr. President, I ask unanimous consent that that article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Jan. 31, 1985]

SERMONS ON THE HILL BECOME A TRADEMARK OF SENATE'S CHAPLAIN: REV. RICHARD HALVERSON GETS POINTS ACROSS IN PRAYERS; AN AMEN FROM THE PRESS

(By David Shribman)

WASHINGTON.—Let us pray.

"Save us, Lord," the preacher says, "from immaturity that cannot handle the prestige of high office, from love of power which breeds abuse and arrogance in power which corrupts."

The Rev. Richard C. Halverson, a former vaudevillian, speaks of the heavens to try to bring his flock down to earth.

Mr. Halverson is the Senate chaplain and, not so incidentally, one of the shrewdest observers on Capitol Hill. He addresses his prayers to God, but they often seem to be sermons on the Hill, directed at his parishioners.

"Dear God," he said at the opening of the election-year session last January, "surprise even senators by leading them through a productive legislative session."

BALM FOR THE LOSERS

Two months later, when it seemed as if half the senators had limped back to the chamber after decisive losses in the early presidential primaries, Mr. Halverson greeted them with a poignant prayer:

"We pray this morning for the senators who have withdrawn from the race for nomination," he said. "Be real to them in their lonely, questioning hours. Minister to whatever need they experience within. Especially do we pray for their wives, who probably suffer more than their husbands."

And as the vote on the school-prayer issue approached, he prayed: "Help the people to understand, Lord, that no senator is against prayer whatever his or her position on the issue." A few days later, he asked God to protect his Senate flock from "zealous advocates who often are very nasty and abusive."

Mr. Halverson, who was the minister of the Fourth Presbyterian Church in Bethesda, Md., for nearly a quarter-century, has transformed the normally invisible chaplain's post into one of Washington's bully pulpits. His prayers often drew humorous responses from Howard Baker of Tennessee, the former majority leader, who would ask—only partly in jest—for equal time.

"He used to pray for the President, for Congress, and even for the pages and telephone operators," says Mr. Baker, now a Washington lawyer. "But the day he started praying for the tax collectors, I told him he had started meddling."

With his shock of white hair and his domineering presence, Mr. Halverson is one of the few figures in the capital who can go over the head of Congress without fear of political repercussions. "Help the Senate to avoid superfluous issues that retard rather than advance progress," he said last February. As the Senate gathered for a new session recently, he prayed, "May the pressure of special interests and public clamor not have priority over truth and justice."

Mr. Halverson's appeal is bipartisan. "In telling us not to be so pompous around here, he lets us know that not only our constituents are watching what we do," says Sen. John Melcher, the Montana Democrat.

Mr. Halverson, who is the 60th Senate chaplain, isn't the first to find inspiration in the events of the day. Jacob Douche, an Episcopal clergyman who was chaplain to the Continental Congress, read the 35th Psalm when told—wrongly, it turned out—that the British had fired upon Boston: "Let them be turned back and brought to confusion that devise my hurt."

Four days after the Declaration of Independence, Mr. Douche again led the Continental Congress in prayer, this time for the survival of the frail young nation. "Look down in mercy, we beseech Thee, on these our American states, who have fled to Thee from the rod of the oppressor," he intoned.

In the beginning, and unto this day, the notion of congressional chaplains has generated great controversy.

In 1774, John Jay of New York and John Rutledge of South Carolina complained that the presence of Congregationalists, Presbyterians, Anabaptists, Episcopalians and Quakers in the Continental Congress made a single prayer impossible. But Samuel Adams of Massachusetts put an end to the debate when he responded, "I am no bigot. I can hear prayers from a man of piety and virtue, who is at the same time a friend of his country."

Four years before the outbreak of the Civil War, when the country was being torn apart by the slavery question and was most in need of divine intervention, a group of congressmen questioned whether a legislative chaplain "conflicted with the spirit of the Constitution and tended to promote a union of church and state."

In our own time, Mike Royko, the iconoclastic Chicago columnist, wrote, "If you senators and your 6,000 staff members need somebody to hold your hand or pray for you, his $52,000-a-year salary should come out of your own pockets, not ours." (Mr. Halverson's salary, which is set by the Senate, now has risen to $61,887, and his House counterpart, the Rev. James D. Ford, is paid $73,300 a year.)

The Supreme Court in 1983, however, upheld the "deeply imbedded" practice of opening legislative sessions with prayer.

Mr. Halverson, the latest Senate chaplain, grew up among the 50 wheat-farming families of Pingree, N.D., sang for nickels outside a pool hall, toured the West with a Canadian vaudeville troupe called the Winnee-

peg Kiddies and sought glamour in the studios of Hollywood. But a dramatic religious awakening pushed him to the pulpit rather than the stage.

"I think of myself as a pastor to all of the Senate and their families, and all of the staffs and their families," he says. "I spend most of my time doing pastoral calls, the way other clergymen do."

Those calls take him to the Senate floor itself. He tries to sense, as he puts it, "where people are hurting and where there's hostility." A theme that runs through his prayers is the notion that senators are people, too.

"I like to remind them," he says, "to be spouses and parents when they go home, not senators."

In a prayer he gave a year ago, he offered a stern warning: "Pressure, tension, urgency build, and it is easy to justify neglecting spouses and children. Help us to realize that there is no adequate substitute for a husband and wife, no adequate substitute for a father and mother."

Sen. Mark Hatfield, who has known Mr. Halverson for three decades, and who orchestrated his appointment, believes that the chaplain, for all his political acumen, is only marginally interested in politics. "He is interested in the *people* of politics," the Oregon Republican says. "But each one of us has felt that he has captured an insight on the issue of the day, verbalizing it in a prayer."

Mr. Halverson believes his parish also includes the congressional press corps, and he often visits the press gallery. Sometimes his invocations even have journalistic themes.

"Help the press and the media not to be hardened when they suffer the wrath of those who resent it when truth is exposed—or by the hypocrisy, caprice and weakness of the human flesh, remembering that they also are human," he said last year. "Save them from cynicism and help them not to impregnate the public mind with seeds of cynicism."

To which we add, "Amen."

[Mr. STAFFORD assumed the chair.]

THANKS TO SENATOR STAFFORD

Mr. SIMPSON. Mr. President, I particularly thank Senator STAFFORD, who now occupies the chair. He is certainly a utility man today, all around, touching all bases. I deeply appreciate your willingness to open the Senate, and I did make it. I thank you for being available and your kindness indeed throughout my Senate tenure because you have been the chairman of my committee. I appreciate your being available.

The PRESIDING OFFICER. The Chair thanks you.

ORDER OF PROCEDURE

Mr. SIMPSON. Mr. President, with that, we have special orders. We have 10 minutes for the minority leader, and he is represented by Senator PROXMIRE this morning.

We have special orders not to exceed 15 minutes each, and there are a rather lengthy array of those—Senators COCHRAN, PROXMIRE, SPECTER, BENTSEN, BYRD, BAUCUS, BIDEN, BRADLEY, LONG, LEVIN, RIEGLE, HOLLINGS, CHILES, BINGAMAN, and BOREN.

Following the conclusion of the special orders just identified, there will be a period for the transaction of routine morning business not to exceed the hour of 2 p.m., with statements limited therein to 5 minutes each.

Following morning business, it will be the intention of the leadership to turn to any Executive nominations which may be cleared for action and perhaps there may be a rollcall vote if Cabinet-level nominations might be cleared.

I can share with my colleagues the schedule for the remainder of this week and what we can share with you about next week.

ORDER FOR RECESS UNTIL MONDAY, FEBRUARY 4, 1985, AT 10 A.M.

Mr. SIMPSON. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 10 a.m. on Monday, February 4, 1985, for a pro forma session only.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. No business will be transacted during Monday's session, Mr. President.

For the information of all Senators, there will be no Friday session of the Senate this week.

ORDER FOR RECESS FROM MONDAY UNTIL TUESDAY, FEBRUARY 5, 1985, AT 2 P.M.

Mr. SIMPSON. Mr. President, I also ask unanimous consent that when the Senate completes its business on Monday, the Senate stand in recess until 2 p.m. on Tuesday, February 5.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY FEBRUARY 5, 1985

ORDER FOR THE RECOGNITION OF CERTAIN SENATORS

Mr. SIMPSON. Mr. President, after the recognition of the two leaders on Tuesday, I ask unanimous consent that the following Senators be recognized for not to exceed 15 minutes each for special orders: Senators SPECTER and PROXMIRE.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR A PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS ON TUESDAY

Mr. SIMPSON. Mr. President, following the special orders just identified, I ask unanimous consent that there then be a period for the transaction of routine morning business, not to exceed the hour of 3 p.m., with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE ON TUESDAY

Mr. SIMPSON. Mr. President, following morning business on Tuesday, it will be the intention of the leadership to turn to any nominations available, possibly the nomination of William Bennett, to be Secretary of Education. Therefore, a rollcall vote at that date is a distinct possibility.

With that, Mr. President, I reserve the remainder of the leader's time and yield to my friend.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, the acting minority leader is recognized.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the time of the minority leader be reserved until he has an opportunity to use it later in the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, may I just say to the Chair that I have a special order, also the distinguished Senator from Mississippi has a special order, and whatever order the Chair wishes to provide for is fine with me.

The PRESIDING OFFICER. Under the previous order, the Senator from Mississippi [Mr. COCHRAN] will be recognized first.

Mr. PROXMIRE. Fine.

RECOGNITION OF SENATOR COCHRAN

The PRESIDING OFFICER. If the Senator seeks recognition, the Senator from Mississippi is recognized.

THE STRATEGIC DEFENSE INITIATIVE

Mr. COCHRAN, Mr. President, on January 29, the distinguished Senator from Wisconsin [Mr. PROXMIRE] took a special order and discussed a recent article written by three distinguished defense experts which was published in the New York Times magazine on January 27.

A copy of the New York Times magazine article was made a part of the RECORD by Senator PROXMIRE following his remarks which appear on page S. 737 of the RECORD on January 29.

I read those remarks and I had read the article in the New York Times magazine which was written, incidentally, by Zbigniew Brzezinski, Robert Jastrow, and Max Kampelman, all of whom are described by the Senator from Wisconsin as persons with an impressive combination of experience and scientific competence.

I agree. These are outstanding experts in their fields of science, defense, and diplomacy.

I was impressed with their article, Mr. President, because it set out in a very persuasive way an argument for support of the defense initiative the President advocated in his 1983 address when he first called attention to the proposal he was making for a program of research to see whether or not there could be an alternative to our doctrine of mutual assured destruction, to better safeguard the security and the safety of our United States from the threat of strategic attack from the Soviet Union or other potential enemies.

This article contains a very detailed description of some aspects of the technical research that is going on. It also sets forth some principles that are the underlying foundation for the hope for an alternative to the current doctrine which amounts simply to a threat to retaliate against any potential enemy who might consider launching a nuclear strike against the United States.

As pointed out in the article, our search for security up until this point has been restricted, as a matter of national policy, to designing offensive weapons to deter aggression through a fear of reprisal.

I think it is important to recognize that most Americans probably do not realize, or did not before the President attracted the attention of the country to this serious problem, that we have no defense against an attack from the Soviet Union which would utilize its nuclear arsenal and its intercontinental ballistic missile capabilities. We have absolutely no defense.

One other factor that I think the American people are just now beginning to realize in this entire debate and discussion of the strategic defense initiative is that the proposal that is being made and which is now being funded by the Congress for research is a nonnuclear defense that would permit the United States to rely upon something other than just a threat of reprisal in order to safeguard the security of its citizens and this great country of ours.

Mr. PROXMIRE, in his excellent recitation of the facts, comes to what I think is a conclusion that is not based on the record, and that is that the writers of this article in the New York Times Magazine are talking about a completely different kind of defense from that being advocated by the President of the United States.

I am not conversant with everything the President has said in every instance about the strategic initiative proposal. But what I hope the Senate will look upon as authoritative in this respect is the pamphlet that has been issued by the White House entitled "The President's Strategic Defense Initiative." It was issued on January 3, 1985. Excerpts were published on that day in the New York Times.

I ask unanimous consent, Mr. President, at this time to have printed in the RECORD a copy of these excerpts.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS—THE PRESIDENT'S STRATEGIC DEFENSE INITIATIVE

WASHINGTON, January 3—Following are excerpts from a pamphlet issued today by the White House titled "The President's Strategic Defense Initiative":

PRESIDENTIAL FOREWORD

Since the advent of nuclear weapons, every President has sought to minimize the risk of nuclear destruction by maintaining effective forces to deter aggression and by pursuing complementary arms control agreements. This approach has worked. We and our allies have succeeded in preventing nuclear war while protecting Western security for nearly four decades.

Originally, we relied on balanced defensive and offensive forces to deter. But over the last 20 years, the United States has nearly abandoned efforts to develop and deploy defenses against nuclear weapons, relying instead almost exclusively on the threat of nuclear retaliation. We accepted the notion that if both we and the Soviet Union were able to retaliate with devastating power even after absorbing a first strike, that stable deterrence would endure. That rather novel concept seemed at the time to be sensible for two reasons. First, the Soviets stated that they believed that both sides should have roughtly equal forces and neither side should seek to alter the balance to gain unilateral advantage. Second, there did not seem to be any alternative. The state of the art in defensive systems did not permit an effective defensive system.

Today both of these basic assumptions are being called into question. The pace of the Soviet offensive and defensive buildup has upset the balance in the areas of greatest importance during crises. Furthermore, new technologies are now at hand which may make possible a truly effective non-nuclear defense.

For these reasons and because of the awesome destructive potential of nuclear weapons, we must seek another means of deterring war. It is both militarily and morally necessary. Certainly, there should be a better way to strengthen peace and stability, a way to move away from a future that relies so heavily on the prospect of rapid and massive nuclear retaliation and toward greater reliance on defensive systems which threaten no one.

On March 23, 1983, I announced my decision to take an important first step toward this goal by directing the establishment of a comprehensive and intensive research program, the Strategic Defense Initiative, aimed at eventually eliminating the threat posed by nuclear-armed ballistic missiles.

The Strategic Defense Initiative (S.D.I.) is a program of vigorous research focused on advanced defensive technologies with the aim of finding ways to provide a better basis for deterring aggression, strengthening stability, and increasing the security of the United States and our allies. The S.D.I. research program will provide to a future President and a future Congress the technical knowlege required to support a decision on whether to develop and later deploy advanced defensive systems.

At the same time, the United States is committed to the negotiation of equal and verifiable agreements which bring real reductions in the power of the nuclear arsenals of both sides. To this end, my Administration has proposed to the Soviet Union a comprehensive set of arms control proposals. We are working tirelessly for the success of these efforts, but we can and must go further in trying to strengthen the peace.

Our research under the Stategic Defense Initiative complements our arms reduction efforts and helps to pave the way for creating a more stable and secure world. The research that we are undertaking is consistent with all of our treaty obligations, including the 1972 Anti-Ballistic Missile Treaty.

In the near term, the SDI research program also responds to the ongoing and extensive Soviet anti-ballistic missile (ABM) effort, which includes actual deployments. It provides a powerful deterrent to any Soviet decision to expand its ballistic missile defense capability beyond that permitted by the ABM Treaty. And, in the long term, we have confidence that S.D.I. will be a crucial means by which both the United States and the Soviet Union can safely agree to very deep reductions, and eventually, even the elimination of ballistic missiles and the nuclear weapons they carry.

Our vital interests and those of our allies are inextricably linked. Their safety and ours are one. They, too, rely upon our nuclear forces to deter attack against them. Therefore, as we pursue the promise offered by the Strategic Defense Initiative, we will continue to work closely with our friends and allies. We will insure that, in the event of a future decision to develop and deploy defensive systems—a decision in which consultation with our allies will play an important part—allied, as well as U.S. security against aggression would be enhanced.

Through the S.D.I. research program, I have called upon the great scienfitic talents of our country to turn to the cause of strengthening world peace by rendering ballistic missiles impotent and obsolete. In short, I propose to channel our technological prowess toward building a more secure and stable world.

THE PRESIDENT'S VISION

In his March 23 address to the nation, the President described his vision of a world free of its overwhelming dependence in nuclear weapons, a world free once and for all of the threat of nuclear war. The Strategic Defense Initiative, by itself, cannot fully realize this vision nor solve all the security challenges we and our allies will face in the future; for this we will need to seek many solutions—political as well as technological. A long road with much hard work lies ahead of us. The President believes we must begin now. The Strategic Defense Initiative takes a crucial first step.

The basic security of the United States and our allies rests upon our collective ability to deter aggression. Our nuclear retaliatory forces help achieve this security and have deterred war for nearly 40 years. The fact is, however, that we have no defense against nuclear ballistic missile attack. And, as the Soviet building program widens the imbalance in key offensive capabilities, introducing systems whose status and characteristics are more difficult to confirm, our vulnerability and that of our allies to blackmail becomes quite high. In the event deterrence failed, a President's only recourse would be to surrender or to retaliate. Nucle-

51-059 O-86-4 (Pt. 2)

ar retaliation, whether massive or limited, would result in the loss of millions of lives.

The President believes strongly that we must find a better way to assure credible deterrence. If we apply our great scientific and engineering talent to the problem of defending against ballistic missiles, there is a very real possibility that future Presidents will be able to deter war by means other than threatening devastation to any aggressor—and by a means which threatens no one.

The President's goal, and his challenge to our scientists and engineers, is to identify the technological problems and to find the technical solutions so that we have the option of using the potential of strategic defenses to provide a more effective, more stable means of keeping the United States and our allies secure from aggression and coercion. The Joint Chiefs of Staff, many respected scientists, and other experts believe that, with firm leadership and adequate funding, recent advances in defense technologies would make such defenses achievable.

WHAT IS THE PRESIDENT'S STRATEGIC DEFENSE INITIATIVE

The President announced his Strategic Defense Initiative (SDI) in his March 23, 1983, address to the nation. Its purpose is to identify ways to exploit recent advances in ballistic missile defense technologies that have potential for strengthening deterrence—and thereby increasing our security and that of our allies. The program is designed to answer a number of fundamental scientific and engineering questions that must be addressed before the promise of these new technologies can be fully assessed. The S.D.I. research program will provide to a future President and a future Congress the technical knowledge necessary to support a decision in the early 1990's on whether to develop and deploy such advanced defensive systems.

As a broad research program, the S.D.I. is not based on any single or preconceived notion of what an effective defense system would look like. A number of different concepts, involving a wide range of technologies, are being examined. No single concept or technology has been identified as the best or the most appropriate. A number of non-nuclear technologies hold promise for dealing effectively with ballistic missiles.

We do feel, however, that the technologies that are becoming available today may offer the possibility of providing a layered defense—a defense that uses various technologies to destroy attacking missiles during each phase of their flight.

Some missiles could be destroyed shortly after they launch as they burn their engines and boost their warheads into space. By destroying a missile during this boost phase, we would also destroy all of the nuclear warheads it carries at the same time. In the case of ICBM's, they would probably be destroyed before leaving the territory of the aggressor.

Next, we could destroy those nuclear warheads that survive the boost phase by attacking them during the post-boost phase. During this phase we would target the device that sits on top of the missile and is used to dispense its warheads while it is in the process of releasing its cargo. By destroying this device, the post-boost vehicle, we can destroy all the warheads not yet released.

Those warheads that have been released and survive, travel for tens of minutes in the void of space on their ballistic trajectories towards their targets. While we would now have to locate, identify, and destroy the individual nuclear warheads themselves, this relatively long midcourse phase of flight again offers us time to exploit advanced technologies to do just that.

Finally, those warheads that survive the outer layers of defense, could be attacked during the terminal phase as they approach the end of their ballistic flight.

The concept of a layered defense could be extremely effective because the progressive layers would be able to work together to provide many opportunities to destroy attacking nuclear warheads well before they approach our territory or that of our allies. An opponent facing several separate layers of defenses would find it difficult to redesign his missiles and their nuclear warheads to penetrate all of the layers. Moreover, defenses during the boost, post-boost and midcourse phases of ballistic missile flight make no distinction in the targets of the attacking missiles—they simply destroy attacking nuclear warheads, and in the process protect people and our country. The combined effectiveness of the defense provided by the multiple layers need not provide 100 percent protection in order to enhance deterrence significantly. It need only create sufficient uncertainty in the mind of a potential aggressor concerning his ability to succeed in the purposes of his attack. The concept of a layered defense certainly will help do this.

There have been considerable advances in technology since U.S. ballistic missile defense were first developed in the 1960's. At the time the ABM Treaty was signed (1972), ballistic missile defense prospects were largely confined to the attacking nuclear warheads during the terminal phase of their flight using nuclear-tipped interceptor missiles. Since that time, emerging technologies offer the possibility of non-nuclear options for destroying missiles and the nuclear warheads they carry in all phases of their flight. New technologies may be able to permit a layered defense by providing: sensors for identifying and tracking missiles and nuclear warheads; advanced ground and spaceborne interceptors and directed energy weapons to destroy both missiles and nuclear warheads; and, the technology to permit the command, control and communications necessary to operate a layered defense.

Effective defenses against ballistic missiles have potential for enhancing deterrence in the future in a number of ways. First, they could significantly increase an aggressor's uncertainties regarding whether his weapons would penetrate the defenses and destroy our missiles and other military targets. It would be very difficult for a potential aggressor to predict his own vulnerability in the face of such uncertainties. An aggressor will be much less likely to contemplate initiating a nuclear conflict, even in crisis circumstances, while lacking confidence in his ability to succeed.

Such uncertainties also would serve to reduce or eliminate the incentive for first strike attack. Modern, accurate ICBM's carrying multiple nuclear warheads—if deployed in sufficiently large numbers relative to the size of an opponent's force structure, as the Soviets have done with their ICBM force—could be used in a rapid first strike to undercut an opponent's ability to retaliate effectively. By significantly reducing or eliminating the ability of ballistic missiles to attach military forces effectively, and thereby rendering them impotent and obsolete as a means of supporting aggression, advanced defenses could remove this potential major source of instability.

Finally, in conjunction with air defenses, very effective defenses against ballistic missiles could help reduce or eliminate the apparent military value of nuclear attack to an aggressor. By preventing an aggressor from destroying a significant portion of our country, an aggressor would have gained nothing by attacking in the first place. In this way, very effective defenses could reduce substantially the possibility of nuclear conflict.

Mr. COCHRAN. In this New York Times article containing the excerpts, I think it is important to notice the goal that is identified that we hope to reach through the research that is underway. It says:

The President's goal, and his challenge to our scientists and engineers, is to identify the technological problems and to find the technical solutions so that we have the option of using the potential of strategic defenses to provide a more effective, more stable means of keeping the United States and our allies secure from aggression and coercion.

Mr. President, I think it is important to note this because some who are debating the issue are now trying to focus attention on the fact that some experts are saying that we need an on-point kind capability to intercept missiles; that this is what our goal is; that the President and the Secretary of Defense are talking about a layered system of defenses. There are arguments being advanced now about the cost of such a program: whether or not it is a $60 billion program or a $126 billion program; whether or not the program is really designed to protect our cities or great population centers; does it extend to a protection of the citizens of Europe or does it not; is it designed to protect just our deterrant, our own missile forces, our own capability to retaliate?

These are, of course, subjects that do need discussion and debate, but I am suggesting, Mr. President, that these advanced concerns are advanced. It is premature now to start arguing about whether or not we are going to deploy this kind of system or whether another kind of system is feasible economically or technically.

At this point, Mr. President, what is important is to commit ourselves as a government to searching for an alternative to the present madness—the madness of mutual assured destruction, which is a way of saying that if an enemy of ours decides to destroy U.S. cities, then we will destroy the cities of that country that sends its missiles across our soil. And that is all there is that we have to offer at the present time. It is no defense, it is frightening, and citizens are terrified at the prospect of a nuclear exchange, which is what we are promising them as their national security if we are attacked. And that is what we are promising any potential enemy.

I am glad the President has led us to this point where we have agreed to

provide funding for research. This year it is $1.4 billion. Our Subcommittee on Defense Appropriations approved $1.6 billion for this fiscal year. I was convinced that would be a good investment, and I still am. In the budget that will be sent up next week I am sure we will be asked by the President to provide some additional funding. I do not know how much it will be. I am guessing something in the area of $3 billion. I do not know what the Congress will approve. I hope we approve an amount that will be adequate to keep this program of research under way so that we can find the answers to the questions that are being advanced now in the form of arguments against the effort.

That is my point of criticism, Mr. President. It is not that Senators such as the distinguished Senator from Wisconsin and others are questioning whether or not it is going to be feasible later on to deploy one kind of system or another, but that is the argument now for either abandoning or reducing the effort that is being made or in some way trying to sidetrack the very real and important work that is under way now to seek a safer means of defense and safer way to protect the security of American citizens.

Last October, I was invited to write an editorial on this subject by one of the newspapers in my State. I did on October 2, 1984. I provided the Meridian Star, in Meridian, MS, with my thoughts on this subject.

At this point, Mr. President, I ask unanimous consent to include in my remarks a copy of that article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STRATEGIC DEFENSE

(Thad Cochran, U.S. Senate)

The Senate Committee on Appropriations recently approved spending $286.6 billion for national defense during the fiscal year that began October 1. This is the largest amount for defense ever approved by our Committee.

It is, however, some $18 billion less than the President requested.

I don't know anyone who really feels comfortable discussing the immense cost of national security. It is a budget item that even the most zealous warriors would like to see at a lower level and still be responsive to the threat and the challenge posed by the recent actions of the Soviet Union.

The facts are disquieting. We have no defense against the nuclear arsenal that has been assembled and deployed by the Soviets.

More than twenty years ago it was decided by our national leaders that the most effective defense for us was an arsenal of our own that would give us the capability of destroying any nation that might attack us.

This nuclear doctrine came to be known as Mutually Assured Destruction. Any nation that sought to destroy or inflict damage on us could be assured that the same damage or destruction would be meted out in return.

An essential element in this doctrine is the ability to survive a first strike by an enemy and then be able to retaliate.

Many in Congress are arguing against modernizing our nuclear arsenal to guarantee its survivability. For most, the reason stated in their argument is the exhorbitant expense.

The MX missile deployment proposed by the President contemplates 100 new missiles, but Congress is reducing that to 21 and stretching out the deployment period, making the whole program suspect. It may never get done.

Compare that with the deployment by the Soviets of its new missile forces. These include an ICBM force of 818 large modern missiles which carry over six thousand warheads, and almost 400 SS-20s, their intermediate range missiles. The latter can be converted to long range missiles very easily.

The ICBM force is protected, with half of their silos having been rebuilt and hardened, while none of ours has been.

Despair could be our understandable response to this information. But it is not the best response.

My hope is that we will reexamine the concept of no defense. There has to be a more logical and less expensive strategy for our future on earth than the threat to slaughter any enemy who decides to slaughter us.

I admit the strategy has worked so far. We have not been attacked. But, in the past our arsenal has been the best available. The expense didn't seem to matter so much. Now we see forces at work in the country and in our government that make it doubtful to me that we can sustain the effort to keep up in the modern nuclear arms race.

The alternative may be strategic defense. In the bill we have just approved in my committee on defense appropriations over $1.6 billion is allocated for research that will enable us to determine whether it is scientifically possible to develop a defense against the nuclear weapons of the Soviet Union.

There are some leading scientists and defense experts who are confident this can be done. If they are right, and I hope they are, we could then press the Soviets to renegotiate the Anti Ballistic Missile treaty of the 1960s and move into a much safer and less expensive relationship than we have seen develop over these past twenty years of escalating nuclear power.

Modern technology offers the hope that security and arms control don't have to depend solely on a written agreement with an enemy who can't be trusted. It may hold the key to unlocking the door to a better and brighter future for all mankind.

The President urged the Congress to embark on this important effort, and when he did he asked us, "Would it not be better to save lives than to avenge them?" I think it would.

Mr. COCHRAN. My conclusion at that time, Mr. President, and it remains the same today, was that there is compelling evidence to show that modern technology, today's technology, offers the hope that security and arms control do not have to depend solely on a threat to annihilate a potential enemy, or a written agreement with an enemy who cannot be trusted. But technology offers the hope that we can unlock the door to a brighter and better future, safer for not only the citizens of the United States but for all mankind. When he asked the Congress to embark on this research project and support it, the President said, "Would it not be better to save lives than to avenge them?"

I think it would be.

Everybody wants to stop the arms race. I want it to stop. Some are saying, "Well, let us just stop it now."

Well, that is fine, but we are not the only people in the race. We cannot just say to the Soviet Union, "Let us stop running along this track," and expect that they will stop. Our experience in dealing with the Soviet Union over time has shown us that things just do not work that way in real life. While "nuclear freeze" sounds appealing, and "stop the arms race cold and stop it now" sounds appealing, we better be careful that we do not substitute a slogan for true security.

That is my point, Mr. President. We need to conduct this research and do it in an aggressive way, making available the funds that we can now to see if there is not a better alternative.

Just yesterday in the Wall Street Journal there was an excellent article by Mr. Vermont Royster on this subject.

I think it is a nice conclusion to my remarks today on this subject, Mr. President, and I ask unanimous consent that his article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THINKING THINGS OVER

(By Vermont Royster)

"STAR WARS" OR MADNESS?

One lesson from mankind's long history of wars is that there is no such thing as a perfect defense against a determined foe. From shields to castles and moats to the Maginot line, all have failed before the ingenuity of man at the making and use of weapons.

So a certain amount of skepticism is in order about the new defense shield against space missiles that President Reagan talks of developing. Dubbed "Star Wars" by some unknown journalist (probably a headline writer), it contemplates advancing technology to the point where incoming missiles, atomic or otherwise, can be shot down before they reach the U.S.

There are a lot of "ifs" in this program in its present state. For one, the technology is not yet developed. There must be not only the capability of using lasers to shoot them down but also the ability to instantly detect the hostile missiles and then properly aim and fire the intercepting weapons.

Then there is the cost, at present beyond measuring, of developing the system. Estimates run to many billions. And nobody knows how long it would take.

These are valid reasons for skepticism, for thinking Mr. Reagan's idea is a sort of pie in the sky. There are even reasons for moving carefully before trying to launch such a program.

But there are other objections raised, both here and in the Soviet Union, which are, to say the least, puzzling. Some here object that the system won't assure us perfect protection against Soviet atomic missiles, which is doubtless true, and argue that therefore it's not worth trying.

A peculiar objection, surely. A bronze shield against hostile spears was certainly better than nothing. Castles and moats did save the inhabitants on many occasions; at the very least they forced attackers to strain their resources. A less than perfect defense is better than none.

The objections from the Soviets are hardly surprising; they object to everything. Possibly misled by that phrase "Star Wars" with its impression of weapons rained down from space, they want the as-yet-unattained system included in the arms talks. Complained one Soviet official after Geneva: "Whenever our side tried to learn the specifics of the American space-arms program, Mr. Shultz tried to answer with vague generalities and unhelpful lectures."

I don't know about the unhelpful lectures but the "vague generalities" were necessary. Neither Mr. Shultz nor anyone else knows anything else at this point.

Nonetheless, the real worry in the Soviet mind isn't hard to figure out. If it were possible to build an effective defense against Soviet missiles (note the use of that subjunctive "were"), that would certainly pose problems for the Soviet military. In that case they couldn't launch a missile attack with much hope of success. Or, in the parlance of the gridiron, a good defense is a strong offense. You can't win if you can't score.

Consequently, if the U.S. were to develop a good defensive system it would also, in that sense, be a handicap for the Soviet Union. Under that reasoning it's wrong for the U.S. to try to develop defensive weapons. That strikes me as about on a par with saying that bullet-proof shields for bank clerks threaten bank robbers.

You can understand, then, why you can expect Mr. Gromyko to keep demanding that this "Star Wars" system either be shared with the Soviet Union or included in any arms-limitation treaty. If the Soviets can't have it we shouldn't either. Gives an unfair advantage.

There's another objection I've heard to beginning the technological exploration of this missile defense, this time not from the Soviet side but from our own.

This objection begins by accepting the idea that there's no such thing as a complete and perfect defense. What's called "Star Wars" is not some new single magic weapon or even a technological innovation on an existing one. Rather, it's a system, the putting together of lasers, computers and other technology to work in combination to locate and shoot down incoming missiles. Lots of room for lots of glitches.

To some, that makes Mr. Reagan's idea an impossible dream of protecting the entire U.S. from incoming missiles, should such ever arrive. The best we could hope for would be a system limited to protecting military installations, and even those not completely. The rest of the country would be left unprotected. To those of that mind that would be intolerable.

The argument here, you see, is that if everything can't be protected nothing should be. Hence the whole project should be abandoned.

I find this the most puzzling of all objections. It's about like objecting to sandbags before a defensive redoubt because some enemy shells penetrate them. Or as if in World War II, British fighter planes should have stayed on the ground because some German bombers got through anyway and wreaked havoc below.

I will admit to some skepticism myself that we can develop a security shield to destroy missiles before they reach their targets here. The technology for it lies far in the future, if ever. Even Mr. Reagan holds it as a "hope," not a promise.

I am mindful, though, that it may be a last best hope. For without it we are left only with the present defense strategy of Mutual Assured Destruction, that if tens of millions of our people are destroyed in an atomic war, our only recourse, as Mr. Reagan restated it the other day, is to threaten tens of millions of our enemies.

So for all the difficulties in realizing the dream, I, for one, will choose the hope of "Star Wars" to the MADness of the present.

Mr. COCHRAN. I yield back the remainder of my time.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. Mr. President, I am glad I was on the floor when my good friend from Mississippi made his presentation. He states the case very well, about the best I have heard it stated. Needless to say, I disagree wholeheartedly with his conclusion but I have great admiration for his eloquence and logic.

As I say, it is a very powerful case for a very weak position.

POINT DEFENSE: A DECEPTIVE ROAD TO STAR WARS

Mr. PROXMIRE. Mr. President, many of us in the Congress as well as many outside have strongly criticized the strategic defense initiative or Star Wars, the Reagan administration's antiballistic missile program. The potential trillion dollar cost of the program, the fact that it shoves the arms race into a new dimension in space, and the clear violation of the Senate ratified ABM Treaty that the program would require have probably created a congressional majority in opposition to this program. Perhaps not, but I think it probably has. But the administration has a strategy available for overcoming this opposition. The administration has indicated that for the next year or two the Star Wars Program will only require $2 or $3 billion a year for research and development. Over the next 5 years the total cost of R&D is expected to approach $25 billion. The really big trillion dollar production and deployment cost lies ahead in the 1990's and later.

Of course, anybody who thinks we will have solved the deficit problem by the 1990's is very, very optimistic and if we come on with Star Wars, a trillion-dollar program at that point, there is no way it will solve it.

The administration implies that the Congress can jump off that bridge when it comes to it, if it seems wise at the time. To justify the short-term relatively low-level spending, the administration argues that while Star Wars may or may not be an eventual beneficiary, the R&D now being conducted will help us combat an aggressive Soviet antisatellite program with our own antisatellite system. Of course, as the Congress appropriates that $25 billion, it builds a steadily increasing vested interest lobbying dependency that will provide a major push for full Star Wars funding.

In the November issue of Arms Control Today, Jonathan Stein, an expert in strategic studies and the author of a recent book entitled "From H Bomb to Star Wars," describes a second clever strategy we can expect the administration to pursue to eventually secure the Star Wars funding that today probably could not command the congressional majority it will need. Stein contends that the administration may be paving the way for Star Wars by working for a much more limited, less costly, and superficially more realistic goal: the protection of ICBM sites and control centers. Indeed, the Defense Department has contended in its publication: "Defense Against Ballistic Missiles" that their new technology:

> Can provide a basis for choosing specific, partial missile defense systems to be deployed by the early 1990's. Such partial systems could defend perhaps a few critical targets especially against smaller attacks.

As a matter of fact, that fine article that I put into the RECORD by Brzezinski, Jastrow, and Kampelman takes that position.

The DOD goes on to argue,

> Even in a much larger attack the limited effectiveness of a partial system could make a significant contribution to deterrence by depriving the enemy planner of reliable military results of his attack.

Stein argues that this seductive reasoning can lead the country down the path to the trillion dollar Star Wars deployment. And even if it does not, it will involve us in a repudiation of the ABM Treaty that the Senate ratified by an 88-to-2 vote in 1972. Furthermore, the point defense is no more realistic than Star Wars. First, it will discourage arms control and lead to an intense and unstable arms race. Second, it will not work. For example, Stein points out that:

> The most logical and likely Soviet response would be to expand their nuclear forces and restructure them to implement a strategy of defense suppression. The Soviets could deliver precursor waves off reentry vehicles to eliminate most of the point system through saturation. This would be followed by a much heavier ICBM and SLBM assault.

Stein argues that the Soviets could also respond with maneuverable reentry vehicles that can change their flight paths and frustrate even adaptive preferential point defense. With a maneuverable reentry vehicle the defense cannot calculate the impact point in time to intercept it. Further-

more, cruise missiles, bombers, and submarines could penetrate the point defense system just as readily as they could penetrate a comprehensive Star Wars system.

And everybody, Mr. President, agrees that there is no defense Star Wars would have against a cruise missile which hugs the ground and, of course, has no trajectory to shoot at.

Stein deals point defense the real coup de grace when he points out that even if the technology of the system should work, the Soviets not the United States would be the eventual big winners. Obviously, we could not keep such a technology exclusively ours for very long.

The whole history of the arms race has been that our initial technological achievements have, within a brief period of months or a few years, been copied by the Soviets. When both sides have a point defense, who would have the advantage? The answer is loud and clear. Since the Soviets have 75 percent of their deterrent in fixed land based missiles and we have only 25 percent of ours in that presently vulnerable mode, and since the point defense would primarily protect specific, fixed missile launching sites, the big winner in this kind of an arms race would be the Soviet Union by an emphatic 3-to-1 score.

Stein concludes his analysis of the point defense system with this dire warning:

Each superpower would worry that the other's point defense could be quickly upgraded to area defense. In a crisis between the United States and the Soviet Union, the pressure to strike first might increase. Each nation might fear that his opponent was planning to breakout to area defense, launch a first strike, then rely on its upgraded defense to deal with a weakened response. With both sides having such a fear, the danger of nuclear war through accident or loss of control would grow.

Mr. President, I ask unanimous consent that the article to which I have referred by Jonathan B. Stein from Arms Control Today be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Arms Control Today, November 1984]

(Jonathan B. Stein)

POINT DEFENSE

Since the launching of the Administration's Strategic Defense Initiative in 1983, the press and public have tended to focus on only one aspect of SDI—space-based defense, or "star wars." During the last debate of the last presidential campaign, for example, the candidates disagreed strongly over star wars without mentioning any other aspect of strategic defense. Much of the media coverage of SDI before the debate also equated the Administration's strategic defense program with space-based defenses.

The focus on star wars is understandable. President Reagan launched SDI in a speech calling for defensive weapons to "save lives rather than avenge them." His Secretary of Defense and other prominent national security officials have often given the impression that SDI and star wars were identical. In response, most of the criticism of SDI, to date, has focused on its space-based components.

Though understandable, the concentration on star wars alone could be dangerous. A very worrisome part of SDI—point defense—is not receiving the attention it should. As a result, point defense has gained some acceptance as the "realistic alternative" to star wars.

While the Reagan Administration has not been trumpeting hard site, local point defense the way it has star wars, it is clear that point defense is very much on the SDI agenda. In fact, the Administration appears to be following a two-part strategy. In public statements, especially by high-level officials, the Administration emphasizes that SDI holds out the prospect of a "thoroughly reliable and total" national defense through star wars. At the working level, however, the Administration's immediate goal is to protect ICBM sites and launch control centers. A key Defense Department (DOD) publication, Defense against Ballistic Missiles: An Assessment of Technology and Policy Implications, notes that the new SDI-developed technology "can provide a basis for choosing specific, partial missile defense systems to be deployed by the early 1990s. Such partial systems could defend perhaps a few critical targets, especially against smaller attacks." Even in a much larger attack, ". . . the limited effectiveness of a partial system could make a significant contribution to deterrence by depriving the enemy planner of reliable military results of his attack."

At first glance, point defense does seem much more "realistic" than star wars. Point defense has a much more limited goal. It aims to protect ICBM sites and associated command-and-control centers by using high-speed missiles to intercept incoming warheads within the atmosphere (endoatmospheric defense) or just outside it (exoatmospheric). Point defense supporters argue that it is technically feasible and attainable in the near term, unlike star wars. (Critics disagree, noting that point defense must be able to discriminate between re-entry vehicles [RVs] and decoys, then destroy the RVs within a hundred seconds. They argue that such a task may not prove technically feasible, or would be subject to easy countermeasures.) Supporters claim point defense will strengthen stability by protecting our land-based missiles, thereby "complicating" a Soviet first strike and making it less likely. It is also said that point defense can use "adaptive preferential tactics" to raise the relative cost of a Soviet attack. Even if the U.S. defends only one or two silos in each missile field, the Soviets—not knowing which missiles are defended—will have to add extra warheads and attack all the missiles. Finally, point defense supporters argue that such defenses will encourage arms control by discouraging first-strike or counterforce arsenals.

POINT DEFENSE AND ARMS RACES

These arguments do not stand up to close analysis. First, point defense would increase the incentives for an arms race and make arms control far less likely. If point defense does prove technologically feasible, the most logical and likely Soviet response would be to expand their nuclear forces and restructure them to implement a strategy of defense suppression. The Soviets could deliver precursor waves of RVs (perhaps) low-entry angle SLBMs that are hard to detect on radars) to eliminate most of the point defense system through saturation. This would be followed by a much heavier ICBM and SLBM assault.

The Soviets could also respond to point defense by developing MaRVs, maneuverable re-entry vehicles. Unlike current RVs, MaRVs can change their flight paths after re-entering the atmosphere. MaRV deployments en masse, coupled with unconstrained Soviet RV increases, will frustrate even adaptive preferential point defense. Because a MaRV can maneuver, the defense will simply not be able to calculate the RV's impact point in time to intercept it.

The Soviets could also expand their other strategic programs to defeat point defense. Stepped-up air and sea-launched cruise missile programs, enhanced bomber penetrability, depressed-trajectory submarine-launched ballistic missiles, and penetration aids could be used to overcome a point defense system. The advent of stealth technologies could turn some of these weapons into offensive prompt hard-target kill platforms, removing the supposed benefits of encouraging the Soviets to shift to slower air-breathing forces. The Soviet military would not necessarily forego developing these systems in the absence of strategic defense, but point defense would certainly be a strong incentive for expansion and a disincentive to cutbacks or arms control.

The Soviets could also heed the suggestion of General Abrahamson, the head of the SDI program, to salvage-fuse their RVs so their nuclear devices explode upon impact with a defensive interceptor. This would probably render defensive radars useless (conventional radars would experience "blackout" and air or space-based infrared sensors would suffer from 'redout.') The Soviets could proliferate penetration aids and decoys, attack command-and-control centers, and destroy space-based assets used for point defense.

In addition to weakening future arms control prospects by encouraging an expanded arms race, point defense would lead to the dismantling of the arms agreements already in place. A point defense will violate the ABM Treaty of 1972 and the Protocol of 1974 because it will be necessary to deploy advanced phased-array radars and interceptors at more than one site and in numbers beyond those allowed (100 fixed, unMIRVed interceptors and 18 radars). The radars and interceptors would probably also have to be mobile, another violation of the Treaty. Amending the Treaty to fit the contours of point defense paves the way to a gradual dismantling of the SALT ABM regime. In the process, a defensive arms race will have been spawned that nurtures the offensive arms race.

Second, it is not clear that the relative costs of an offense-defense arms race will favor the defense.[1] The technology of RVs

[1] On the problem of Costs, it is instructive to note the rhetorical confusion given free rein within the Administration. On the one hand, the SDIO claims that "the costs of actual development of various possible systems will . . . depend on the characteristics of the systems" (DOD, op. cit., note 1, p. 2), while presidential science adviser George Keyworth knowingly asserts that the SDI's full costs "would be comparable to offensive countermeasures or attempts to rebuild the Soviet ICBM fleet" ("Statement on the SDI," testimony to the Senate Foreign Relations Committee, April 25, 1984, p. 7).

is "mature," i.e. the research and development has been done, so it is now relatively cheap to deploy new RVs. New MX or SS-18 warheads could be added for about 5 to 8 million dollars per warhead. Defensive technology is at a very early stage. Huge expenditures will be necessary before a defensive system could be in place. (The Administration has requested $26 billion for SDI R&D through 1989.) Deployment of a limited point defense would, of course, be cheaper than deployment of a full, multi-layered defense including star wars. But it should be kept in mind that the deployment of point defenses will increase the pressure for star wars. Strategic defense enthusiasts will be able to argue that point defense would be more successful if Soviet missiles were thinned out in the boost phase and in midcourse. It should also be noted that even if point defense proved affordable, a U.S.-Soviet defense race would not necessarily favor the United States. ICBM point defense would allow the Soviets to protect 75% of their strategic assets. Point defense could be applied to only 25% of our own.

Finally, point defense could weaken crisis stability. Because of the number and location of ballistic missile fields (especially in the Soviet Union where many are close to cities) any significant point defense would greatly exacerbate fears of breakout. Each superpower would worry that the other's point defense could be quickly upgraded to area defense. In a crisis between the U.S. and the Soviet Union, the pressure to strike first might increase. Each nation might fear that its opponent was planning to breakout to area defense, launch a first strike, then rely on its upgraded defense to deal with a weakened response. With both sides having such to fear, the danger of nuclear was through accident or loss of control would grow.

Star wars deserves all the criticism it has received. It would be a dangerous mistake, however, to think that point defense offers any better hope for strategic stability, arms control, or enhanced security.

Mr. PROXMIRE. Mr. President, with point defense, the so-called MAD doctrine that the President has attacked and that the distinguished Senator from Mississippi also criticized this morning, Mutual Assured Destruction, would still be the basic military strategy of our country. We not only would have no defense for our cities, but the only purpose of the SDI, as Brzenski, Jastrow, and Kampelman see it, is to preserve our mutual assured deterrence. We would still have it. They just say this would make it together.

Mr. President, the difficulty with this whole defense operation—it is a happy concept. After all, who would not like to see this kind of defense succeed in stopping an attack on our country or knocking out missiles that would kill Americans?

The difficulty is that we can undoubtedly expect in the next 10 or 20 years that the technology will be able to solve this problem as far as the present offensive missiles are concerned. But the offensive missile system is dynamic. It would develop exactly the way that defense develops. It would be able to stay ahead because the offense can always pick the time, the place, the volume of attack.

Mr. President, I do think that even though this sounds attractive, because they say, all we want is research—I suppose you can make any kind of appeal. H. G. Wells, years ago, in his War of the Worlds, I remember, had a beautiful notion, that one side—our side, the peaceful side, the right side—in a war with tyranny—the Soviet Union—would develop a system of putting all the Soviet people to sleep—a happy, blissful, healthful sleep. They would not die; they would merely sleep. It would end the terrible threat of tyranny.

Why not come up with an idea like that? That is even more beautiful than Star Wars, but it is no more realistic.

[Mr. RUDMAN assumed the chair.]

WHAT'S WRONG WITH FEDERAL JOB APPOINTMENTS: McSTEEN AT SOCIAL SECURITY

Mr. PROXMIRE. Mr. President, this Senator has complained about the Reagan administration's consistent policy of ignoring competence in making appointments to top office in the Federal Government. To be fair, this policy is not peculiar to the Reagan administration. Past administrations, Democratic as well as Republican, have shown similar if not as conspicuous a disregard for qualifications in appointing the people that occupy the top management positions in our Government. President Carter's appointment of a wholly unqualified Bert Lance to be the Director of the Office of Management and Budget was not an isolated example. Unfortunately, it was typical.

All right, it is easy to criticize. But what would I do? I think people might say: "Well, PROXMIRE, if you think these appointments are so bad, whom would you appoint?"

The answer is that the country is full of highly qualified people who can do the job, and often the person who can do the job with the fullest qualifications is right there at hand. Take Martha McSteen. Martha McSteen, the Acting Commissioner of Social Security, is a prime example. Martha McSteen has exactly the qualifications we need in a Social Security Commissioner. She has spent a lifetime in the Social Security agency, 38 years to be exact. She has been consistently promoted. She has handled every job within the agency that has been entrusted to her with distinction, winning awards for her competence, right and left, along the way. She has faithfully followed the policies of whatever Presidential administration has been in office, including the Reagan administration.

So what happened to her? Was she continued in her position as Acting Commissioner of Social Security? No; she was replaced by one Dorcas Hardy, who just happened to be closer to the administration—as a Californian and as a consistent right wing Republican.

Mr. President, I am not arguing that McSteen deserved the office more than Hardy just because she had been in office so long. I am arguing that McSteen is obviously the best qualified person to handle the office. Indeed, she had been handling it with distinction for more than a year, and she knows this agency better on the basis of a demonstrated track record of recognized efficiency than anyone else.

Mr. President, for every Ed Meese appointed to a job for which he has no remote qualifications like Attorney General, for every Herrington appointed to a job about which he knows absolutely nothing—in this case as Secretary of Energy—there are hundreds, indeed thousands of persons like Martha McSteen who are better qualified and there are 10 or 15 who are eminently qualified and who are locked out.

This Senator is not crying about the injustice to the Martha McSteens of this world, although she deserves more than our tears. This Senator is concerned about what happens to this Federal Government with this kind of cavalier disregard of competence in losing the likes of Martha McSteen in the management positions that really count in this Government.

What an irony. Here we have the Reagan administration, whose strongest supporters constantly bemoan the stupidity, the lack of forceful intelligence in Federal Government policy. The Reagan supporters never tire of holding up corporate America as the great success story. This Senator happens to think they are right in doing so. Our private sector is far more competently managed than this mammoth, lumbering dinosaur of a stumblebum Federal Government. But why? One big part of the answer is that competition in the private marketplace has forced private business to pick their top managers based on hard, tough, tested, successful experience.

Would a business firm let a Martha McSteen, with 38 great years of one success after another with the organization, get bumped from her job, because someone else happened to come from the right part of town or made the right political noises? Once in a while, yes, that might happen, and it does. But not often. Oh, sure corporate America makes its share of mistakes too. Nepotism and favoritism corrupt some firms. But competition and the constant reminder in results in the marketplace that there is no substitute for competence keeps the private sector mostly on the right

track. Experience, a demonstrated winning record of the kind Martha McSteen has earned will usually, if not always, make it in American business. But in the Federal Government? No way. In the most business-minded administration since Coolidge, you can forget competence and experience. Forget it and watch the administration, as in the McSteen case, squander it. That is why this Senator is opposing so many of the nominees of this administration for top office, and why the outlook for the country as well as the administration in the next 4 years is in serious jeopardy.

THE MEESE NOMINATION

Mr. PROXMIRE. Mr. President, for some reason, the word got out that I intend to put a hold on the Meese nomination. Not that it would delay it for very long, because I am sure the majority leader is not going to be as hospitable to holding requests by Senators as other majority leaders have been, and I think he would be right if he were not. I am not putting a hold on Ed Meese's nomination. I shall speak against him, I shall vote against him. I think it is a bad nomination, but I certainly will not delay it for 5 minutes, except to speak for half an hour—I should say I shall not delay it more than a half hour. I do not want a time agreement until I can be guaranteed I shall have a half hour to speak on the nomination. But I certainly do not intend to hold it up any more than that.

ED MEESE AND GENERAL DYNAMICS

Mr. PROXMIRE. Mr. President, on January 18, 1985, I wrote to Edwin Meese III, Counselor to the President and the President's nominee for Attorney General. I asked Mr. Meese to provide me with information about any meetings or conversations he has had at the White House with officials of the General Dynamics Corp., or with the Navy and the Justice Department concerning the General Dynamics Corp.

This request was made because it recently came to my attention that Mr. Meese had met with David Lewis, chairman of the board of General Dynamics, at the White House on at least one occasion in 1981 to discuss the company's problems with the Navy. At the time, General Dynamics was involved in a dispute with the Navy over its submarine contracts, and the Department of Justice was investigating allegations of fraudulent claims submitted by General Dynamics against the Navy. In additon, General Dynamics was reportedly angered by Adm. H. G. Rickover, who had severely criticized the company's shipbuilding practices, and was attempting to get him fired.

My requests to Mr. Meese were intended to elicit information about the meetings that have a bearing on any of these matters. It so happens that, in the period from August 1981 to December 1981, everything that General Dynamics would have wanted to occur did occur.

The dispute with the Navy was resolved and negotiations began for the noncompetitive award of a new nuclear attack submarine and a new Trident submarine. Admiral Rickover was fired. The Justice Department investigation was closed, and no action was taken.

I received a response to my letter from Mr. Meese on January 29, 1985. Mr. Meese states that neither he nor his staff ever had any contact with the Department of Justice regarding General Dynamics, other than recent, routine briefings for the current confirmation hearings. However, he did have meetings and discussions with the company.

MEETING WITH DAVID LEWIS

The letter confirms that there was a meeting between Mr. Meese and David Lewis and others on August 7, 1981. This meeting concerned a conflict regarding problems in constructing the Trident submarine between the Secretary of Defense and General Dynamics. According to the letter, Mr. Meese "decided the White House would not become involved in the circumstances of the dispute, but that he would call Secretary Weinberger to determine the possibility of arranging a meeting between the parties." No mention is made of whether Mr. Meese actually talked with Secretary Weinberger.

The letter mentions meetings on October 14, 1981, and December 22, 1981, between Mr. Meese's staff and Edward LeFevre, General Dynamics' chief lobbyist in Washington.

The letter also mentions a telephone conversation on August 26, 1981, between Mr. Meese's staff and Mr. LeFevre. According to the letter, "the purpose appears to be a followup to the 7 August 1981 meeting."

The letter mentions a number of other meetings and telephone conversations between Mr. Meese or his staff and officials of General Dynamics.

MEESE RESPONSE RAISES NEW QUESTIONS

I appreciate the fact that Mr. Meese has answered my request in a timely and responsive manner. In my view, Government officials, including White House aides, should not be criticized just for having discussions with private individuals from any walk of life. The question here is whether the particular discussions that Mr. Meese and his staff had with General Dynamics raise any clouds of suspicion. In view of the circumstances, the timing and frequency of the meetings and conversations with General Dynamics, I believe there is reason to be suspicious.

The information provided by Mr. Meese raises additional questions that need to be answered in view of the number of meetings and contacts that occurred and their timing.

For example, at the August 7, 1981, meeting, General Dynamics apparently was attempting to get the White House to intervene in a dispute between it and the Secretary of Defense over the Trident Program. Mr. Meese states that he decided he would call Secretary Weinberger to try to arrange a meeting between the parties.

WHY DID GENERAL DYNAMICS GO TO ED MEESE?

One question is, Why didn't General Dynamics go directly to Secretary Weinberger's office to arrange a meeting? Why did the company feel it needed to go through Ed Meese at the White House? Was there a hope on the part of General Dynamics that, when Ed Meese called Secretary Weinberger, it would be viewed as a not so subtle sign of White House favoritism? Did a phone call mean the White House was tilting toward General Dynamics?

Mr. Meese's account of the two meetings between his staff and Edward LeFevre of General Dynamics in October and December of 1981 are vague. Of the October meeting, it's stated that the subject was apparently the same as the August meeting. Of course, the August meeting was about the Trident construction program. The December meeting is described as "of a purely social nature."

What was actually discussed at these two meetings? If it is known that at least one of the meetings concerned the Trident program, why should it not be disclosed what was said about the Trident program? Is it only a coincidence that, at about the time of this meeting, the Navy began negotiating with General Dynamics over a new Trident contract?

On March 17, 1983, Mr. Meese met again with Ted LeFevre; this time, they discussed General Dynamics' interest in the cruise missile project.

On October 28, 1983, a member of Mr. Meese's staff had a telephone conversation with Edward LeFevre in which Mr. LeFevre was "seeking guidance on government help in selling F-16A's to our allies." According to Mr. Meese's letter, this was referred to the Foreign Military Sales Office at the State Department.

Again, we must ask: Why did General Dynamics repeatedly go to Ed Meese to discuss defense contracts and sales of its defense products?

Why did Ted LeFevre call Mr. Meese's office in January 1984 to try to get it to intervene with the Justice Department concerning a press release which General Dynamics wanted the Justice Department to issue?

These are a few of the unanswered questions surrounding Mr. Meese's contacts with General Dynamics. There are many other questions, such as whether Mr. Meese had similar dealings with other defense contractors or other firms seeking to do business with the Federal Government.

It is my view that Mr. Meese's nomination should not be acted upon until these questions are answered.

I ask unanimous consent to have printed in the RECORD at the close of my remarks my correspondence with Mr. Meese.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, DC, January 18, 1985.

Mr. EDWIN MEESE III,
Counselor to the President, the White House, Washington, DC.

DEAR MR. MEESE: You may be aware that I have been investigating Navy shipbuilding contracts with the General Dynamics Corporation. According to press accounts, you met with David Lewis, General Dynamics' Chairman of the Board, at the White House on at least one occasion in 1981 to discuss the company's problems with the Navy. I am requesting the following information:

1. A listing of any meetings or telephone conversations since January 1981 between yourself or members of your staff and Mr. Lewis and any other officials or employees of General Dynamics, including lawyers and consultants representing the firm.

2. The dates and purposes of any such meetings or telephone conversations.

3. A listing of any meetings or telephone conversations since January 1981 between yourself or members of your staff and Navy Secretary John Lehman or other Navy officials concerning Navy contracts with General Dynamics.

4. The dates and purposes of any such meetings or telephone conversations.

5. A listing of any meetings or telephone conversations since January 1981 between yourself or members of your staff and Attorney General William French Smith or other Justice Department officials concerning General Dynamics.

6. The dates and purposes of any such meetings or telephone conversations.

Please provide this information no later than January 29, 1985. Your cooperation will be greatly appreciated.

Sincerely,

WILLIAM PROXMIRE,
Vice Chairman, Subcommittee on International Trade, Finance, and Security Economics.

THE WHITE HOUSE,
Washington, January 28, 1985.

Hon. WILLIAM PROXMIRE,
U.S. Senate,
Washington, DC.

DEAR SENATOR PROXMIRE: In response to your January 18, 1985 letter, I attach information derived from a search of my office records. You will note that neither I nor my staff ever had any contact with the Department of Justice regarding any matter concerning General Dynamics, other than recent routine briefings for my current confirmation hearings.

Indeed, you will see that my staff refused a request by General Dynamics that a call be made to the Department of Justice in support of a report for a favorable press release in January 1984. This refusal was considered so routine and so in accordance with my standard instructions that the matter was never even raised with me.

Sincerely,

EDWIN MEESE III,
Counselor to the President.

RESPONSE TO QUESTIONS OF SENATOR PROXMIRE

QUESTIONS 1 AND 2

A. Meetings with Edwin Meese

1. August 7, 1981 meeting for 15 minutes between Edwin Meese, Edwin Thomas (Meese's assistant), David Lewis (chairman of General Dynamics), and Edward LeFevre (a General Dynamics executive). Lewis and LeFevre told Meese that a conflict regarding problems in constructing the trident submarine had arisen between the Secretary of Defense and General Dynamics. Mr. Meese decided the White House would not become involved in the circumstances of the dispute, but that he would call Secretary Weinberger to determine the possibility of arranging a meeting between the parties.

2. March 17, 1983 meeting for 15 minutes between Edwin Meese and Edward LeFevre. LeFevre apprised Meese of General Dynamics' interest in the cruise missile project. Meese received this as information only and took no action.

B. Meetings with Meese's staff

1. October 14, 1981 meeting between Robert Garrick, then Meese's Deputy, and Edward LeFevre. The only record of this meeting is a secret service clearance into the White House, but the subject was apparently the same as the August 7, 1981 meeting described above.

2. December 22, 1981 meeting between James E. Jenkins, Deputy Counselor to the President, and Edward LeFevre that was of a purely social nature (Jenkins and LeFevre have known each other for 30 years).

3. May 7, 1984 meeting between Edward LeFevre and James Jenkins to secure a reference concerning someone LeFevre was considering for employment.

C. Telephone conversations with Edwin Meese

Our records revealed no telephone conversations between Edwin Meese and General Dynamics officials (or employees, lawyers, consultants).

D. Telephone conservations with Meese's staff

1. 26 August 1981 telephone conversation between Robert Garrick and Edward LeFevre. The purpose appears to be a follow-up to the 7 August 1981 meeting.

2. There were six telephone conversations between James Jenkins (Mr. Meese's Deputy at the time) and Edward LeFevre:

4 February 1982: concerning a social invitation.

18 April 1983: concerning setting up a meeting between Jenkins and LeFevre.

14 June 1983: asking Jenkins' assistance in having the Vice President accept a speaking invitation.

15 June 1983: same purpose as 14 June 1983 conversation.

15 September 1983: asking Jenkins' assistance in having the President attend launching of the trident submarine "Scoop Jackson".

28 October 1983: seeking guidance on government help in selling F-16A's to our allies. Jenkins referred this to the Foreign Military Sales Office at the State Department.

3. 19 January 1984 call from Ted LeFevre to Dorothy Kuhn, Assistant to James Jenkins. LeFevre had asked the Department of Justice to issue a press release saying that no charges against General Dynamics had resulted from the Department of Justice investigation, but DOJ refused. LeFevre wanted the White House to intervene. Miss Kuhn brought this up with Kenneth Cribb, Meese's Assistant. Cribb refused to place a call to DOJ or to interfere in any way on this matter.

QUESTIONS 3 AND 4

Our records revealed no such conversations or meetings.

QUESTIONS 5 AND 6

Our records revealed no meetings between Edwin Meese and Justice Department officials concerning General Dynamics. During the recent briefing process for confirmation hearings as Attorney General, the Justice Department advised Mr. Meese of Senator Grassley's interest in obtaining access to files on the ongoing investigation of the General Dynamics Electric Boat Division. Those briefings were as follows: (a) 20 December 1984 briefing by the Deputy Attorney General; (b) 6 January 1985 briefing by the Associate Attorney General; (c) 7 January 1985 briefing by the Acting Assistant Attorney General, Office of Legal Counsel.

DR. MENGELE'S VICTIMS SPEAK OUT

Mr. PROXMIRE. Mr. President, the January 3 issue of the London Times included an article by Jerusalem correspondent Christopher Walker entitled "Jewish Twins To Expose Evil Experiments of Nazi Doctor." The subject of Mr. Walker's article is an upcoming Holocaust survivors conference which will feature a tragically extraordinary group of former inmates of the Nazi concentration camp at Auschwitz. The conference, scheduled to convene in early February, was described in advance by Mr. Walker as "one of the most macabre gatherings ever held to stir the world's conscience." The combined testimony of the survivors will constitute another gruesome page in the damning collection of evidence attesting to the barbaric actions of the Nazis, and, in particular, Dr. Josef Mengele, known to many as "The Angel of Death."

The spotlight at the conference in Jerusalem will be focused on 106 Auschwitz survivors who received special treatment at the death camp solely because they were accompanied by twin brothers or sisters. Most inmates at Auschwitz followed one of two paths: Rapid death in the gas chamber, or slow death via hard labor and starvation. The twins, however, were removed from the general camp population at the behest of the demonic Dr. Mengele, who used them as laboratory animals in a series of horrifying genetic experiments.

Now, 40 years after their nightmarish ordeal, more than half of the 180 known surviving twins have consented to join together and tell their stories.

According to one of the organizers of the conference, Mr. Aime Dahan:

Much of the evidence will be made public for the first time and will cover a range of the most dreadful acts. In some cases the twins have only agreed to speak if they are hidden from view behind a curtain.

Testimony will also be forthcoming from midgets, Jewish women, and other former human guinea pigs at Mengele's laboratory. The evidence against the Angel of Death will be presented to a special panel chaired by Dr. Gideon Hausner, the man who served as chief prosecutor at the trial of Adolf Eichmann. The panel also includes Prof. Telford Taylor, the chief prosecutor at the Nuremberg war trials, as well as the renowned Nazi hunter Simon Weisenthal. After the conclusion of the 3-day convention on February 6, the panel will prepare its conclusions for publication.

The Auschwitz survivors have agreed to undergo the painful process of a public discussion of their agonies. They have done so because they do not want the world to forget or remain ignorant of what took place at Auschwitz and the other death camps. Nor do they wish to absolve the monster who tortured them in the laboratory and sent their loved ones to untimely deaths. Dr. Mengele remains a fugitive from justice, and although he is widely believed to be living in Paraguay, no one has been able to conclusively determine his whereabouts. Mengele's victims hope that the worldwide publicity attendant upon the conference will help to change the current situation. In the words of Mr. Dahan,

The twins have decided that this may be their last chance to try and goad the international community to take action to find Mengele before he dies.

Irrespective of whether or not we punish yesterday's mass murderers and torturers, we must work diligently in an effort to deter the evildoers of tomorrow. This Chamber can help by consenting to ratification of the Genocide Convention. This simple but important first step has already been taken by more than 90 nations. After 35 years of delay, further foot-dragging would make a mockery of our claim to world leadership and it would also constitute an unconscionable injustice against the survivors of Auschwitz. I urge my colleagues to take immediate action on this vital issue.

NATIONAL RETAIL BAKERS WEEK

Mr. PROXMIRE. Mr. President, I am certain that my colleagues join with me in saluting this Nation's retail bakers on the occasion of National Retail Bakers Week, which is being celebrated the week of February 25 through March 3, 1985.

America's retail bakeries are represented by the Retail Bakers of America, their national trade association. I am proud to say that both the current president of the association—Bob Hiller of the Rollin' Pin Bakery in Janesville—and the association's present treasurer and recent past president—Jim Grebe of Grebe's Bakeries in West Allis are outstanding Wisconsinites. Wisconsin will also host the retail bakers' annual convention next year in Milwaukee.

The State of Wisconsin is home to approximately 600 retail bakeries, which employ more than 70,000 persons and generate over $1 billion a year in payrolls alone. And, of course, Wisconsin hard rolls and kringles—thin, oval, flaky Danish creations—are famous throughout the United States and around the world.

Nationwide, there are some 32,000 retail bakeries, and the retail baking industry contributes a little over $8 billion a year to our national economy, not to mention the countless delicious and delightful products that we all enjoy so much.

Retail bakers are small businessmen who live, work, and serve in their local communities. They embody the spirit and dedication of those who founded and developed our great Nation. And they represent the kind of people who continue to help make the United States a world leader.

Mr. President, it is a privilege to pay tribute to all the retail bakers of America.

CAMPAIGN FINANCE REFORM

Mr. PROXMIRE. Mr. President, I am introducing legislation to reform the Nation's campaign laws governing election to the U.S. Senate. This legislation would limit overall campaign spending, curb the influence of political action committees, and provide a 100-percent tax credit up to a specified limit for individual contributors to qualified candidates.

In the 1984 election, congressional candidates raised an estimated $350 million. In one Senate race alone, the two candidates raised more than $23 million. That is about $10 per vote. By themselves, these figures are startling. Examining a 10-year trend, however, makes them appear even more troubling. In 1974, congressional candidates collected about $77 million, compared to an estimated $350 million 10 years later. This 350-percent jump in campaign spending is matched by an increase in the Consumer Price Index of less than one-third that rate. Even after adjusting for inflation, campaign spending more than doubled over the past decade.

Some have argued that this flood of money pouring into congressional campaigns is not a cause for alarm. They point out that those who make and sell cosmetics spend far more for advertising than do congressional candidates while running for national office. I remain unconvinced by this argument, since the purpose of a campaign is to provide the electorate with enough information to learn about the issues and intelligently choose a candidate. Who can seriously state that today's voters are twice as well informed as those of a decade ago, even though candidates now spend more than twice as much on campaigning? We have reached the point in political campaigning where a candidate's most important decision is not necessarily his stand on the issues, but his choice of a media adviser.

Media-based campaigns are costly, which explains in large measure the rapid rise in campaign costs. Political action committees have been eager to help candidates meet these increasing costs. In 1972, PAC's contributed about 14 percent of the total raised in congressional campaigns. By 1984, however, that figure had more than doubled, reaching nearly 29 percent of total funding.

PAC money is not free, however; it has strings attached. Since PAC's represent specific economic or ideological interests, their campaign contributions help to advance specific interests rather than those of the general public. Paraphrasing from a recent article by Gregg Easterbrook in "The Atlantic Monthly," PAC representatives usually want only small favors—a vote on a bill, sometimes just a few words inserted into a regulation, or a different effective date on a tax provision. Because the favor requested is small and specific, legislators know that lobbyists will be watching closely to make sure that it is delivered. By the same token, they also know that very few voters will notice or care whether a technical change in the tax law is made retroactive to 1 year or to the year before.

We do have to keep in mind the rights of individuals and organizations to approach the Government. The first amendment to the Constitution, in addition to protecting free speech, religion, assembly, and the press, also prohibits Congress from abridging the right to petition the Government for a redress of grievances.

I do not object to a political action committee having the right to present its case before Congress, or to exercise its right of free speech, or its right of making a campaign contribution as a reflection of its political choice. But, I do object to the steady, relentless, election-after-election increase in both the volume of PAC special interest contributions, and the proportion they represent of all contributions. The public interest is losing out. The average taxpayer, perhaps not sharing the concerns of the PAC, usually is not organized enough or does command sufficient resources to make his counter-

case to his Member of Congress. That bothers me. I am afraid that the interest of the majority of Americans is being lost in the louder, more politically attuned clamor being raised by organized special interests.

Mr. President, I accepted no contributions for my last two campaigns in 1976 and 1982. In earlier campaigns, I did accept contributions. Believe me, I find it much easier to represent all the people of Wisconsin without having to raise a campaign war chest. Let us not kid ourselves. Campaign contributions do lead to an implied obligation. The American people realize this fact of political life.

Most Americans are cynical about Congress as an institution and little wonder, given the campaign financing system we tolerate. We now have an opportunity to reform this system before serious scandals erupt.

I am introducing reform legislation which contains three major provisions. First, my bill sets a strict limit on how much can be spent by a senatorial candidate in a general election $600,000 plus $0.05 for each voting-age resident of the State. Second, it provides that individual contributors to qualifying candidates be granted a 100-percent tax credit up to $200 for single returns, double that amount for joint returns. This is the best way I know to stimulate public interest in funding Senate races and simultaneously assert the general interest over that of the specialized, albeit vocal minority. Finally, the bill limits the amount of contributions a candidate can accept from PAC's to 30 percent of the spending limit. A study conducted for me last year by the Congressional Research Service shows that even with this limit on PAC funding the tax-credit system I am proposing would more than adequately have financed all 1980 Senate races. Mr. President, I ask unanimous consent that the CRS study be inserted in the CONGRESSIONAL RECORD.

The time to act is now. Do we want the best Senate that money can buy or one that truly represents the interests of all Americans? Do we want the amount of money being spent on Senate campaigns to continue escalating precipitously or do we want to place it within some reasonable bounds? The position of the majority of Americans on these issues is abundantly clear. I urge the Senate to acknowledge that sentiment by acting this year to approve campaign reform legislation.

Mr. President, I ask unanimous consent that a copy of this bill and study be printed in the RECORD.

There being no objection, the bill and the study were ordered to be printed in the RECORD, as follows:

S. 323

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Clean Campaign Act of 1985".

SEC. 2. (a) Section 301(8)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)) is amended—

(1) in clause (i), by striking out "or" after the semicolon at the end;

(2) in clause (ii), by striking out the period at the end and inserting in lieu thereof "; or "; and

(3) by inserting after clause (ii) the following new clause:

"(iii) with respect to a candidate for the office of United States Senator and his authorized political committees, any extension of credit for goods or services relating to advertising on broadcasting stations, in newspapers or magazines, by direct mail (including direct mail fund solicitations) or other similar types of general public political advertising, if such extension of credit is—

"(I) in an amount of more than $1,000; and

"(II) for a period of more than thirty days after the date on which such goods or services are furnished, which date in the case of advertising by direct mail (including a direct mail solicitation) shall be the date of the mailing.".

(b) Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by striking out "Sec. 301. When used in this Act:" and inserting in lieu thereof "Sec. 301. Except as provided in section 501, when used in this Act—".

SEC. 3. (a) Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended—

(1) by redesignating paragraphs (4) through (8) as paragraphs (5) through (9), respectively; and

(2) by inserting after paragraph (3) the following new paragraph:

"(4) A candidate for the office of United States Senator and his authorized political committees shall not accept contributions from multicandidate political committees, other than multicandidate committees of a political party, aggregating more than 30 per centum of the spending limit provided for in subsection (b)(3) of this section, in the calendar year of the general election and the calendar year immediately preceding the year of such election, except that in the case of a candidate who is a candidate in a general election and a special election, such candidate may accept such contributions aggregating—

"(A) 30 per centum of the spending limit as provided in this section, with respect to such general election; and

"(B) 30 per centum of such spending limit, with respect to such special election.

For purposes of this paragraph, any contribution made in a year other than the calendar year in which the election is held with respect to which such contribution is made, is considered to be made during the calendar year in which such election is held, and any contribution made after the date of such election shall be considered a contribution with respect to such election only if such contribution is used to pay obligations incurred with respect to such election.".

(b) The sentence beginning "Each limitation" in section 315(c)(1) of the Act is amended by striking out "subsection (b)" and inserting in lieu thereof "subsection (a)(4), and subsection (b),".

(c) Section 315(c)(2)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(2)(B)) is amended by inserting after "calendar year 1974" the following: ", except that, with respect to the limitations established in subsection (a)(4) and subsection (b)(3), such term means the calendar year 1981".

SEC. 4. Section 315(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended—

(1) by striking out "and" at the end of paragraph (a)(A);

(2) by striking out the period at the end of paragraph (2)(B) and inserting in lieu thereof the following: "; and"; and

(3) by adding at the end thereof the following:

"(C) expenditures made on behalf of any candidate for the office of Senator of the United States shall be considered to be expenditures made by such candidate.

"(3)(A) Except as otherwise provided in this Act, no qualified candidate for the office of Senator who establishes eligibility pursuant to section 502 of this Act may make expenditures in such campaign in excess of $600,000, plus 5 cents multiplied by the voting age population, as certified under subsection (e) of this section, of the State in which the election is held.

"(B) For purposes of the limitation on expenditures contained in paragraph (A), only that percentage of an expenditure by a candidate or the authorized political committees of such candidate for broadcasting time which represents the cost to such candidate or such committees of transmitting the material broadcast to the State in which such candidate is seeking election shall be taken into account."

SEC. 5. (a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to nonrefundable personal credits) is amended by inserting after section 24 the following new sections:

"SEC. 24A. CONTRIBUTIONS TO CANDIDATES FOR THE OFFICE OF UNITED STATES SENATOR.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed, subject to the limitations of subsection (b), as a credit against the tax imposed by this chapter for the taxable year, an amount equal to the sum of all political contributions to qualified candidates for the office of Senator.

"(b) LIMITATIONS.—

MAXIMUM CREDIT.—The credit allowed by subsection (a) for a taxable year shall not exceed—

"(A) $100 with respect to political contributions to any qualified candidate ($200 in the case of a joint return under section 6013), and

"(B) $200 with respect to political contributions to all qualified candidates ($400 in the case of a joint return under section 6013).

"(2) TIME LIMITATIONS.—The credit allowed by subsection (a) shall be available—

"(A) in the case of political contributions to qualified candidates in a regularly scheduled general election, only in the year of such general election, and

"(B) in the case of political contributions to qualified candidates in a special election, only during the period of such special election.

"(c) VERIFICATION.—The credit allowed by subsection (a) shall be allowed, with respect to any political contribution, only if such contribution is verified in such manner as the Secretary shall prescribe by regulations. A receipt or acknowledgement from a qualified candidate confirming that the political contribution is eligible for the credit allowed by subsection (a) shall be deemed suf-

ficient to meet the verification requirements of this section.

"(d) DEFINITIONS.—For purposes of this section—

"(1) POLITICAL CONTRIBUTION.—The term 'political contribution' means a contribution (other than a threshold contribution) to a qualified candidate for use by such candidate in a general election for the office of Senator except that—

"(A) no contribution received as a subscription, loan, advance, or deposit, or as a contribution of products or services, shall be taken into account; and

"(B) no contribution made through an intermediary or conduit referred to in section 315(a)(5) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(5)) shall be taken into account.

"(2) OFFICE OF SENATOR.—The term 'office of Senator' means the office of Senator in the Congress of the United States.

"(3) QUALIFIED CANDIDATE.—The term 'qualified candidate' means, with respect to the office of Senator, a candidate who has met the eligibility requirements of section 502 of the Federal Election Campaign Act of 1971.

"(4) THRESHOLD CONTRIBUTION.—The term 'threshold contribution' means a contribution by an individual to a candidate for election to the office of Senator and used by such candidate to establish eligibility under section 502(a) as a qualified candidate for such election, except that no contribution received from any individual shall be taken into account to the extent that such contribution exceeds $100 when added to the amount of all other contributions made by such individual to such candidate for such purpose.

"(5) STATE.—The term 'State' means a State of the United States.

"(6) GENERAL ELECTION.—The term 'general election' means any election which directly results or can directly result in the election of a person to the office of Senator.

"(e) MISREPRESENTATION PROHIBITED.—No candidate or agent of a candidate or other person shall knowingly misrepresent to any contributor or potential contributor the status as a qualified candidate of any candidate for the United States Senate or the eligibility of the contributor to receive a tax credit under the provisions of this section.

"SEC. 24B. REPORT ON USE OF POLITICAL TAX CREDITS.

"Not later than the June 30 following each Federal election, the Secretary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, and to the Federal Election Commission, a report on the use by taxpayers of the tax credits allowable under sections 24 and 24 A and on compliance with the provisions and restrictions that such sections place on the use of such credits.".

(b)(1) Section 24(a) of such Code is amended by striking out all after "this chapter" and inserting in lieu thereof "in the taxable year of a congressional general election, an amount equal to one-half of all political contributions, payment of which is made by the taxpayer within that taxable year or within the preceding taxable year."

(2) Section 24(c)(1)(A) of such Code is amended by striking out "Federal,", by striking out the comma after "State", and by inserting after "public office" the following: "or the office of President or Representative to the House of Representatives of the United States".

(3) Section 24(c)(1)(B) of such Code is amended by striking out "Federal,", by striking out the comma after "State", and by inserting after "public office" the following: "or the office of President or Representative to the House of Representatives of the United States,".

(4) Section 24(c)(2) of such Code is amended in the matter before subparagraph (A) by striking out "Federal,", by striking out the comma after "State", and by inserting after "public office" the following: "or the office of President or Representative to the House of Representatives of the United States".

(5) The section heading for section 24 of such Code is amended to read as follows:

"SEC. 24. CONTRIBUTIONS TO CANDIDATES FOR THE OFFICE OF PRESIDENT OR REPRESENTATIVE TO THE HOUSE OF REPRESENTATIVES, TO CANDIDATES FOR STATE AND LOCAL OFFICE, AND TO POLITICAL COMMITTEES."

(c) The table of sections for subpart A of Part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 is amended by striking out the item relating to section 24 and inserting in lieu thereof the following:

"Sec. 24. Contributions to candidates for the Office of President or, Representative of the House of Representatives, to candidates for State and local office, and to political committees.

"Sec. 24A. Contributions to candidates for the office of United States Senator.

"Sec. 24B. Report on use of political tax credits.".

SEC. 6. The Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new title:

"TITLE V—FINANCING OF GENERAL ELECTION CAMPAIGNS FOR THE UNITED STATES SENATE

"DEFINITIONS

"SEC. 501. When used in this title, the term—

"(1) 'authorized committee' means, with respect to any candidate for election to the office of United States Senator, any political committee which is authorized by such candidate to accept contributions or make expenditures on behalf of such candidate to further the election of such candidate;

"(2) 'eligible candidate' means a candidate who is eligible under section 502 for tax credits for his contributions;

"(3) 'election' means any general or special election which directly results in the election of a person to the office of United States Senator;

"(4) 'immediate family' means a candidate's spouse and any child, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate, and the spouses of such individuals; and

"(5) 'Secretary' means the Secretary of the Treasury or his delegate.

"ELIGIBILITY TO RECEIVE PAYMENTS

"SEC. 502. (a) To be an eligible candidate for purposes of this title and the Internal Revenue Code of 1954, a candidate shall, with respect to an election, in such form and manner as the Commission may prescribe by regulation, and within ten days after such candidate qualifies for the election ballot under the law of the State involved or by August 1, 1986, whichever is later—

"(1) agree—

"(A) to furnish campaign records, evidence of contributions and expenditures, and other appropriate information to the Commission and the Secretary;

"(B) to cooperate in the case of any audit and examination conducted by the Commission under section 507;

"(C) that such candidate and his authorized committees will not accept any contribution in violation of section 315(a);

"(D) that such candidate and his authorized committees will not make any expenditure which exceeds the limitation established for such candidate in section 315(b)(3);

"(E) that such candidate will comply with the limitation on expenditures of personal funds established in section 503; and

"(F) will maintain and place in a separate account, in accordance with section 506, contributions that qualify for the tax credit under section 24A of the Internal Revenue Code of 1954 and will use such funds to defray general election campaign expenses; and

"(2) certify to the Commission that such candidate and the authorized committees of such candidate have received contributions aggregating not less than $25,000.

"(b) For purposes of subsection (a)(2) in determining the amount of contributions received by a candidate and his authorized committees—

"(1) no contribution received as a subscription, loan, advance, or deposit, or as a contribution of products or services, shall be taken into account;

"(2) no contribution received from any person other than an individual shall be taken into account, and no contribution received from an individual shall be taken into account to the extent that such contribution exceeds $100 when added to the amount of all other contributions made by such individual to or for the benefit of such candidate during the applicable period specified in paragraph (3);

"(3) in the case of a general election, no contribution received on or before the date of the preceding general election, or received after the date on which the general election involved is held shall be taken into account, and in the case of a special election, no contribution received more than 90 days before such election or received after the date on which such election is held shall be taken into account; and

"(4) no contribution received from any individual who resides in a State other than the State in which the election is held shall be taken into account to the extent that such contribution when added to all other contributions received from such individuals exceed 20 per centum of the aggregate of the total of all contributions.

"LIMITATION ON EXPENDITURES OF PERSONAL FUNDS

"SEC. 503. No candidate who is eligible under section 502 shall make expenditures from the personal funds of such candidate, or the funds of any member of the immediate family of such candidate, aggregating in excess of $50,000, with respect to the election involved.

"SUSPENSION OF EXPENDITURE LIMITATION

"SEC. 504. (a)(1) If any candidate in the general election has not become a qualified candidate, the limitations established in sections 315(b)(3) and 503 shall not apply to any qualified candidate in the election involved, and any such qualified candidate shall be entitled to mail campaign matter in the general election at the postal rates established for a qualified political committee under section 3626(e) of title 39, United States Code. All material mailed under this subsection shall receive the most expedi-

tious handling and transportation afforded mail matter by the Postal Service.

"(2) As used in this subsection, the term 'candidate' means—

"(A) an individual who is the candidate of a political party whose candidate for the office of President in the preceding general election receive, as the candidate of such party, at least 25 percent of the votes received by all candidates for such office; or

"(B) an individual who is seeking election as an independent or as a candidate of a political party whose candidate for the office of President in the preceding general election failed to receive, as the candidate of such party, at least 25 percent of the votes received by all candidates for such office, and who has received contributions aggregating at least $75,000 or made expenditures aggregating at least $75,000.

"(b) If any qualified candidate exceeds the limitations established in section 315(b)(3) or 503, except in the case of a qualified candidate whose limitations have been made inapplicable as provided in subsection (a)(1), the limitations established in sections 315(b)(3) and 503 shall not apply to any other qualified candidate in the election involved, and any other qualified candidate shall be entitled to mail campaign matter in the general election at the postal rates established for a qualified political committee under section 3626(e) of title 39, United States Code. All material mailed under this subsection shall receive the most expeditious handling and transportation afforded mail matter by the Postal Service.

"(c) Any candidate referred to in subsection (a)(2)(B), who has received contributions aggregating at least $75,000 or made expenditures aggregating at least $75,000, shall notify the Commission and all other candidates in the election within forty-eight hours (or twenty-four hours, in the fourteen days preceding a general election) after such funds are received or expended.

"(d) Any qualified candidate who exceeds the limitations established in section 315(b)(3) or 503, except in the case of a qualified candidate whose limitations have been made inapplicable as provided in subsection (a)(1), shall notify the Commission and all other candidates in the election within 48 hours (or twenty four hours, in the fourteen days preceding a general election) after such limitation has been exceeded.

"INDEPENDENT EXPENDITURES

"SEC. 505. (a) Any person who makes independent expenditures shall notify the Commission and each candidate in the election not later than 48 hours (or 24 hours, in the 14 days preceding a general election) after such independent expenditures total more than $45,000 and thereafter shall make such notification each time such person's additional independent expenditures total $2,500 or more.

"(b) If, with respect to an election, a total of more than $5,000 in independent expenditures is made in opposition to, or on behalf of an opponent of, a qualified candidate, such candidate shall be entitled to mail matter at the postal rate established for a qualified political committee under section 3626(e) of title 39, United States Code, with respect to an election in an amount equal to the value of the independent expenditures involved. All material mailed under this subsection shall receive the most expeditious handling and transportation afforded mail matter by the Postal Service. This subsection shall not apply to those independent expenditures that are covered under section 315(c) of the Communications Act of 1934 (47 U.S.C. 315(c)).

"(c) Expenditures by qualified candidates as provided in subsection (b) shall not count against the expenditure limit established in section 315(c).

"CERTIFICATION BY COMMISSION

"SEC. 506. (a) No later than forty-eight hours after a candidate files a request with the Commission to establish eligibility under section 502, the Commission shall certify such eligibility to the Secretary if such request contains—

"(1) the information required by this Act and the Commission, made in accordance with such procedures as the Commission may provide by regulation: and

"(2) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirements of this title.

"(b) Initial certifications by the Commission under subsection (a) and all determinations made by the Commission under this title, shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 508 and judicial review under section 511.

"(c) Any candidate certified as an eligible candidate by the Commission shall thereafter be subject to all provisions of this title.

"ACCOUNTING FOR CERTAIN CONTRIBUTIONS TO QUALIFIED CANDIDATES; REPAYMENT

"SEC. 507. (a) A qualified candidate for the office of Senator who receives contributions for a general election that qualify for the tax credit under section 24A of the Internal Revenue Code of 1954—

"(1) shall keep such contributions in a separate account which shall contain only funds so received and shall use such funds only to defray general election campaign expenses incurred with respect to the period beginning with the day after the date on which the candidate qualifies for the election ballot under the law of the State involved and ending on the date of the election or the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election, whichever occurs first; and

"(2) shall include in each report required under section 304 the number and aggregate amount of all contributions that qualify for the tax credit under section 24A of such Code.

"(b) A qualified candidate who does not become eligible for the general election within thirty days after the determination that the candidate is not eligible shall transfer all funds required to be placed in the special account established in compliance with this section either to the Secretary or to a political party committee, at the discretion of the candidate.

"(c) Any funds remaining in the account established under this section after a qualified candidate has defrayed all campaign expenses in a general or special election shall be deposited by the Secretary in the Treasury of the United States in the account established by section 3113(d) of title 31 of the United States Code.

"EXAMINATION AND AUDITS; REPAYMENTS

"SEC. 508. (a)(1) After each general election, the Commission shall conduct an examination and audit of the campaign accounts of 10 per centum of the qualified candidates of each political party and 10 per centum of the qualified candidates who are not candidates of a political party, as designated by the Commission through the use of an appropriate statistical method of random selection to determine whether the expenditure limits and other conditions of eligibility of this Act have been met.

"(2) After each special election, the Commission shall conduct such an examination and audit of the campaign accounts of each eligible candidate in such election.

"(3) Before any general election or special election, the Commission may conduct such an examination and audit of the campaign accounts of any eligible candidate in such election if the Commission, by an affirmative vote of four members, determines that there exists reason to believe that such candidate has violated any provision of this title.

"(b) If the Commission determines that any portion of the funds placed in a special account in accordance with section 507 was not used in compliance with such section, the Commission shall so notify such candidate, and such candidate shall pay to the Secretary an amount equal to 200 per centum of the amount of the misused funds.

"(c)(1) Any eligible candidate who makes an expenditure that exceeds, by 1 per centum or less, the limitation on expenditures under section 315(b)(3) shall pay to the Secretary an amount equal to the total amount of the excess expenditure.

"(2) Any eligible candidate who makes an expenditure that exceeds, by more than 1 per centum, the limitation on expenditures under section 315(b)(3) shall pay to the Secretary an amount equal to three times the amount of the excess expenditure.

"(d) All repayments made pursuant to this section shall be deposited by the Secretary in the United States Treasury in the account established pursuant to section 3113(d) of title 31, United States Code.

"REPORTS TO SENATE

"SEC. 509. Not more than six months after the end of each calendar year, the Commission shall submit to the United States Senate a report setting forth for such calendar year—

"(1) The expenditures made by qualified candidates, and their authorized committees;

"(2) the amounts certified by the Commission under section 505 with respect to such candidates; and

"(3) the amounts of repayments, if any, required from such candidates under section 508, and the reasons for each payment required.

Each report submitted under this section shall be printed as a Senate document.

"PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS

"SEC. 510. (a) The Commission may appear in and defend against any action filed under this title, either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, concerning appointments in the competitive service, and whose compensation the Commission may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) The Commission may appear, through attorneys and counsel described in subsection (a), in the district courts of the United States to seek recovery of any amounts determined to be payable to the

Secretary as a result of any examination and audit made under section 508.

"(c) The Commission may petition, through attorneys and counsel described in subsection (a), the courts of the United States for declaratory or injunctive relief concerning any civil matter arising under this title. Upon application of the Commission, an action brought under this subsection shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28, United States Code, and any appeal from the determination of such court shall lie to the Supreme Court. It shall be the duty of the judges designated to hear the case to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited.

"(d) The Commission may, on behalf of the United States, appeal from, and petition the Supreme Court of the United States for certiorari to review, judgments or decrees entered with respect to actions in which the Commission appears under the authority provided in this section.

"JUDICIAL REVIEW

"SEC. 511. (a) Any certification, determination, or other action by the Commission made or taken under this title shall be subject to review by the United States Court of Appeals for the District of Columbia upon petition filed in such court by any interested person. Any petition under this section shall be filed within thirty days after such certification, determination, or other action involved.

"(b)(1) The Commission, the national committee of any political party, and any individual eligible to vote for any Senator in, or Delegate or Resident Commissioner to, the Congress, are authorized to institute any action under this section, including an action for declaratory judgment or injunctive relief, as may be appropriate to implement or construe any provision of this title.

"(2) The district courts of the United States shall have jurisdiction of proceedings instituted under this subsection and shall exercise such jurisdiction without regard to whether a person asserting rights under the provisions of this subsection shall have exhausted administrative or other remedies provided by law. Such proceedings shall be heard and determined by a court of three judges in accordance with the provisions of section 2284 of title 28, United States Code, and any appeal shall lie to the Supreme Court. It shall be the duty of the judges designated to hear the case to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 512. There are authorized to be appropriated to the Commission, for the purpose of carrying out its functions under this title, such sums as may be necessary.".

SEC. 7. If any provision of any amendment made by this Act, or the application of such provision to any person or circumstance, is held invalid, the validity of any other such provision and the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 8. (a) The amendments made by subsections (b) and (c) of section 3 and by section 6 of this Act shall apply to any election to the office of United States Senator held after the date of the enactment of this Act.

(b) The amendments made by sections 2 and 3(a) of this Act shall take effect upon the date of enactment of this Act and shall not apply to contributions received before such date.

SEC. 9. If any provision of this Act or any amendment made by this Act, or the application of any such provision to any person or circumstance is held invalid, the validity of any other such provision and the application of such provision to other persons and circumstances shall not be affected thereby.

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC, April 17, 1984.

Subject: Estimation of Campaign Funds That Might Be Generated Under Proposed Campaign Finance Reform Legislation.

This memorandum is sent in response to your letter of January 19, and the subsequent conversations with your staff, regarding your proposed campaign finance reform legislation, to be patterned after H.R. 4428 (98th Congress, 1st Session).[1] The key feature of that proposal is the creation of a 100 percent tax credit for contributions by individuals to House candidates in the general election who agree to abide by specified limits on overall and personal campaign expenditures; the maximum credit would be $100 per candidate ($200 on joint returns) and $200 for all qualified candidates ($400 on joint returns). The intent of this provision is to encourage candidates to limit voluntarily their campaign expenditures in exchange for allowing their contributors to get a full refund of those donations—presumably a strong incentive to contribute. In line with your intention to propose a comparable bill for Senate elections, you posed the question: how much money can one reasonably expect to be generated in contributions to Senate candidates as a result of this plan, and to what extent will this amount cover the costs associated with Senate campaigns?

Federal law currently permits a 50 percent tax credit of the value of all political contributions in a calendar year, up to a maximum credit of $50 on single and $100 on joint returns (only contributions by individuals are eligible); qualifying contributions may be to candidates for Federal, State or local office, as well as to political parties and political action committees. Under H.R. 4428, the current tax credit would be continued, but with two changes: contributions to House candidates would no longer be eligible (in view of the separate credit specifically for that purpose), and the credit could only be taken in even-numbered years for that and the previous year's political contributions. My assumption is that your proposed bill—as the companion bill to H.R. 4428—would apply only to Senate candidates.

At the outset, I must caution that an analysis of this nature is necessarily based to a large extent upon assumptions, estimates and projections. While I believe my assumptions are valid ones, I am aware that different conclusions would result from different initial judgments in this study.

In evaluating the question you have posed, we are concerned not with the amount of revenue lost to the Federal treasury (a question economists are often called upon to analyze[2]) but rather with the amount of campaign funds generated to Senate campaign coffers. One is faced with several unknown factors, including: how will the increased rate of the credit from 50 to 100 percent affect the participation rate among the taxpayers; how many people who generally make political contributions might shift them to Senate candidates because of the 100 percent return on their money; and what will the average donation be—in view of the doubling of both the rate of credit and the maximum amount per candidate.

Rather than attempting the estimation of factors which are virtually imponderable, we will begin by posing the question: what is the current rate of participation of people claiming the tax credit for contributions to Senate candidates? Here we can examine data available from the Internal Revenue Service on the current political contributions tax credit, and from the Federal Election Commission and academic sources on campaign finances; we can then make certain assumptions based thereon.

From IRS data for any given year, we can determine the amount of money claimed in such credits and the number and percentage which claimed the credit. The IRS data do not reveal anything, however, regarding the beneficiaries of the contributions for which credits were claimed. We have no way of knowing how much was claimed for contributions to Senate candidates or to any other category of political candidate or entity for which donations are eligible for the tax credit. Only by estimating the proportion of credits claimed for contributions to Senate candidates among all political credits can we make informed guesses as to how much campaign money will be generated by establishing a separate credit with more favorable terms.

The fundamental assumption on which this analysis is based is that the amount of credits claimed under the current system for contributions to Senate candidates is in the same proportion to total credits claimed as the amount spent on Senate campaigns is to the total spent on all campaigns. Ideally, we would want to know how much was raised rather than spent because it correlates more directly with political contributions; however, we do not have such data or even estimates thereof at all levels of political campaigns, and receipts and expenditures are roughly the same for most categories (the major exception is probably political parties). Also, we would ideally like to know how much of the total raised (or spent) by candidates or committees came from individuals, as only such contributions are eligible for tax credits. At the Federal level, the Federal Election Commission data does not reveal this, although estimates can be attempted; campaign spending information for State and local elections is based wholly on such estimates.

By comparing Senate campaign spending with campaign spending at all levels in a given election year, one can get a reasonable idea of the proportion of political money that went specifically to Senate campaigns. The year 1980 was chosen for this analysis because it is the most recent election year for which we have complete IRS data on tax credit usage and also for which we have a fairly authoritative estimate—with relevant breakdowns—on political spending in the United States. For the latter information, I relied largely on the work of Herbert Alexander, Director of the Citizens' Research Foundation and a Professor at the University of Southern California, who is widely re-

[1] Your question No. 3 on constitutionality implications is being treated separately by the American Law Division.

[2] For such an analysis, you may wish to contact the CRS Economics Division.

garded as one of the foremost experts on campaign finance in this country. Of particular relevance to us is Dr. Alexander's compilation of election costs at all levels in 1980, a study which is widely regarded as authoritative. Alexander began his cost study with spending data reported by candidates and committees to the Federal Election Commission, organized the information into more usable categories, eliminated duplication in the assignment of financial activity to particular categories, and made estimates for other kinds of spending not required to be reported to the FEC; perhaps of greatest interest are his estimates of spending at the State and local levels, information not reported to the FEC and which, because of wide variations in disclosure systems at these levels, is impossible to ascertain.

For purposes of this analysis, I am presenting Table 4-1 from Alexander's Financing the 1980 Election (Lexington, D.C. Heath & Co., 1983), along with adjustments I have made to estimate Senate campaign spending attributable to individual contributions. Because large amounts of money entered the political system (and thus were spent) from public funds and from parties and interest groups, these amounts must be subtracted in order to best gauge the level of individual contributions (subject to political tax credits). Using supplementary data presented by Alexander in Chapter Four of his book and by other sources, I have made an effort to isolate to a large extent campaign spending in 1980 that can be attributed to individual contributions. Table 1, which follows, presents Alexander's data from his Table 4-1 in the first two columns with my adjustments in the second two columns. This is the first step in this exercise.

TABLE 1.—THE CAMPAIGN SPENDING DOLLAR IN 1980—COMPILED BY HERBERT ALEXANDER, WITH ADJUSTMENTS TO ISOLATE SPENDING ATTRIBUTABLE TO CAMPAIGN CONTRIBUTIONS FROM INDIVIDUALS

[In millions of dollars]*

Category	Amount spent	Excluded expenditures ($386.3)	Adjusted total
Presidential (including conventions and minor parties.	275	$100 (public funds in primaries, general election, conventions); $2.6 (communication costs); $16.8 (by unions, corporations, associations); $10.7 (miscellaneous).	144.9
Congressional	239	$55.2 (PAC's)	183.8
National party	55		55
Nonparty (mostly PAC), (noncandidate spending, including party and PAC operations, direct-mail, congressional independent expenditures).	95	$24 (communication costs and exempt spending); $10 (estimated administrative and fund-raising costs of separate segregated funds—affiliated PAC's.	61
State and local party (Federal-related) (nonpresidential, including congressional, voter registration, get-out-the-vote drives.	34	$5 (estimated corporate and labor contributions).	29
State (non-Federal)	265	$66 (estimated 25 percent from labor and corporate sources); [1] $6 (public funds) [2].	193
Local (non-Federal)	200	$50 (estimated 25 percent from labor and corporate sources) [1].	150
Ballot issues	40	$40 (contributions not eligible for tax credits).	0
Total	1,203		816.7

*Most figures include the 1979–80 election cycle, but most expenditures were made in 1980. Figures are adjusted for tansfer of funds, loans, refunds and so forth to avoid duplication.

[1] Some 26 States allow direct corporate contributions and 40 States allow direct labor contributions to State and local candidates; the 25-percent exclusion for labor and corporate money is probably quite conservative, especially in view of State and local PAC's augmenting the direct corporate and union involvement in campaigns.

[2] Some 17 States provide some form of public financing in statewide (and legislative) races.

Source: Alexander, Herbert E., and Brian A. Haggerty. Financing the 1980 Election. Lexington, D.C. Heath & Co., 1983. p. 103–133.

The $817 million figure from Table 1 is, of course, based to a large extent on subjective judgments as to the relevance of including certain financial activity. The final figure may be overstated a bit by virtue of its including some $19 million in State and local party spending on behalf of Presidential candidates (much of which might have come from corporate and labor sources); on the other hand, this was probably greatly outweighed by the fact that the $55 million listed as national party expenditures is well below the $121.6 million in net receipts by such committees reported by the FEC (after excluding $2.6 million from PACs and $21.2 million contributed to or spent on behalf of candidates).

The second step of our analysis is to examine the level of Senate campaign spending in 1980, in order to complete the other half of the equation. In the following table, the spending data is presented, with adjustments for receipts which were clearly from sources other than individuals.

TABLE 2.—CAMPAIGN EXPENDITURES BY SENATE CANDIDATES IN 1980, WITH ADJUSTMENTS FOR CAMPAIGN RECEIPTS BY PAC'S, PARTIES AND CANDIDATES

[In millions of dollars]

	Excluded receipts	Adjusted total
Senate expenditures [1] $102.9	$1.2 (from parties); $17.3 (from PAC's); $5.1 (estimated from candidates) [2].	79.3

[1] Includes net expenditures by all Senate candidates in the 1979–80 election cycle, in primary and general election.

[2] In 1980, the FEC ended its practice of reporting aggregate data on the level of candidate support for their own campaigns. Political scientist Gary Jacobson reported that the level ranged from .4 to 12 percent between 1972 and 1978; hence the 5 percent estimate here (which is probably a low figure).

Source: Jacobson, Gary C. The Politics of Congressional Elections. Boston, Little, Brown & Co., 1983. p. 53.

U.S. Federal Election Commission. FEC Releases Final Statistics on 1979–80 Congressional Races (press release). March 7, 1982.

The third step involves dividing the Senate spending figure from Table 2 ($79.3 million) by the overall spending figure from Table 1 ($816.7 million), resulting in a figure of 9.7 percent; we will round this off to 10 percent. It is also worth noting that the period of time covered in the overall spending data and the Senate data was the same—1979–1980.

Step Four is to examine the information from the Internal Revenue Service on the use of the political tax credit in 1980. The relevant information for all tax years from 1972–1981 is provided in Appendix 1 of this memorandum; all of this information is drawn from the IRS publication, "Statistics of Income; Individual Income Tax Returns" from each of those years. In 1980, a total of $269,384,000 was claimed in tax credits for political contributions (this amount was for contributions made during the election year of 1980). Taking 10 percent of the total credits, one arrives at a figure of $26.9 million dollars which can be assumed to have been taken for contributions to Senate candidates. Because that amount was yielded by a 50 percent credit, the total yield in contributions would have been $53.9 million. This represents just over one-half of all money spent by Senate candidates in 1980.

But taking into account only money claimed as credits in 1980 does not suffice when one is considering an election cycle that covers a two-year period. The problem with simply adding in the 1979 credits as well is the unknown amount of money spent on State and local elections which were held in 1979. For our purposes, we will arbitrarily assume that one-half of political money contributed in 1979 was spent in the 1980 elections (probably a very low figure). One-half of the $193,500,000 claimed in political credits in 1979 equals $96,750,000; ten percent of that equals $9,675,000; doubling that figure for credits to account for the full contribution yields a figure of $19.4 million. Adding the $53.9 million from 1980 to the $19.4 million from 1979 yields a total of $73.3 million which we assume would have filled Senate campaign coffers in 1979–1980. This, of course, represents about three-fourths of all money spent on Senate campaigns in 1980; another 18 percent of Senate campaign money in 1980 came from PACs and parties.

Examining this question from the perspective of participation, we know from Appendix 1 that 5.8 percent of tax returns claimed the credit in 1980 and 4.4 percent claimed it in 1979. If we assume that 10 percent took the credit for Senate contributions, we get a participation rate of 0.58 percent in 1980 and 0.44 percent in 1979. In 1980, 0.58 percent of the 93,902,000 returns filed equals 544,632 returns; the average credit (divide $269,384,000 by the number of returns claiming the credit—5,419,000) was $49.71—rounded off to $50. If the average credit was $50, the average contribution was $100; 544,632 multiplied by $100 yields $54.5 million. Following the same procedure for 1979, 0.44 percent of 92,694,000 returns is 407,854 returns; the average credit ($193,500,000 divided by the 4,069,000 returns claiming the credit) was $47.55—rounded off to $48. If the average credit was $48, the average contribution was $96; 407,854 multiplied by $96 yields $39.2 million; assuming only one-half of political money was for 1980 races leaves us with $19.6 million. Adding $54.5 million to $19.6 million gives us $74.1 million, virtually the same as the $73.3 million derived by our first methods of calculation. Henceforth, we will use the figure of $74 million (a rounded off average of these two figures).

This analysis suggests that the existing 50 percent tax credit probably yielded enough money to cover Senate candidate expenditures (when combined with a reasonable level of party and PAC money), even without factoring in the likely additional participation because of the availability of a full credit and because of the much higher limits on the credit amounts. One more exercise ought to be undertaken to test the thesis in light of the specific features of your intended proposal. The first feature which we have not considered until now is that the tax credit would only be available for contributions to general election candidates who abide by specific spending limits. All of our calculations and assumptions have been based on the full election cycle, including financial activity by candidates who were defeated in primaries and money spent in primaries by candidates who competed in general elections. Ideally, we would like to know how much money was spent only in general elections, particularly in view of your (and other) proposal(s) to limit general election expenditures. Unfortunately, the FEC does not report, and probably cannot report with great accuracy, spending information broken down into primary and general elections. The closest they come is to separate out primary losers, leaving financial activity only by candidates who competed in the general election (but including their receipts and expenditures in

the primaries, as well). It should be noted that there is a potential logistical problem in attempting to impose limits only on general election expenditures. Just where does one draw the line between spending for the primary and spending for the general election?

Because this analysis is by its very nature based on speculation and assumption, however, we will bypass this complication with no further comment beyond noting its reality. Looking at the data, we find that in 1980, the FEC reported net expenditures of $102.9 million by all candidates for the Senate but $75.2 million by just those candidates who ran in the general election. We can only estimate the amount of money spent specifically in general elections. If one-fourth of all Senate spending was by primary losers, let us assume that another one-fourth was spent by primary winners; hence we assume that one-half of all Senate expenditures in 1980 occurred in the general election per se. All of our previous calculations should be halved, leaving us with $37 million in tax credits for Senate candidates in general elections in 1980 (half of $74 million).

The second feature of your intended proposal, which we have not yet addressed, is the specific spending limits you have in mind. Rather than $102.9 million actually spent in 1980 (or $51.5 million we assume was spent in the general election alone), your bill would have limited this spending in conjunction with the 100 percent tax credits. Because you are considering the same limits as are incorporated in your S. 151 (98th Congress, 1st Session), I have calculated what those limits would have been in the 1980 Senate races and what the aggregate spending would have been had each major candidate spent up to the limit. Table 3 presents this information.

TABLE 3.—HYPOTHETICAL CAMPAIGN EXPENDITURES IN THE 1980 SENATE GENERAL ELECTIONS BASED ON LIMITS PROPOSED IN S. 151 (98TH CONGRESS)

State	Expenditure limit [1]	Number of major candidates	Total expenditures [2]
Alabama	$735,100	2	$1,470,200
Alaska	612,850	2	1,225,700
Arizona	688,950	2	1,377,900
Arkansas	678,100	2	1,356,200
California	1,447,800	2	2,895,600
Colorado	702,500	2	1,405,000
Connecticut	716,050	2	1,432,100
Florida	943,800	2	1,887,600
Georgia	781,450	2	1,562,900
Hawaii	632,850	2	1,265,700
Idaho	631,700	2	1,263,400
Illinois	1,002,300	2	2,004,600
Indiana	792,450	2	1,584,900
Iowa	704,650	2	1,409,300
Kansas	687,800	2	1,375,600
Kentucky	726,600	2	1,453,200
Louisiana	739,000	0	[3]
Maryland	751,950	2	1,503,900
Missouri	778,450	2	1,556,900
Nevada	626,650	2	1,253,300
New Hampshire	632,850	2	1,265,700
New York	1,245,000	3	3,735,000
North Carolina	802,750	2	1,605,500
North Dakota	623,450	2	1,246,900
Ohio	985,050	2	1,970,100
Oklahoma	706,550	2	1,413,100
Oregon	695,450	2	1,390,900
Pennsylvania	1,032,600	2	2,065,200
South Carolina	703,450	2	1,406,900
South Dakota	624,250	2	1,248,500
Utah	645,050	2	1,290,100
Vermont	617,950	2	1,235,900
Washington	748,900	2	1,497,800
Wisconsin	772,300	2	1,544,600
Total			52,200,200

[1] Limit equals $600,000 plus 5 cents per eligible voter (VAP) in State.
[2] Assumes that each major candidate would have spent the maximum under the limits imposed by S. 151.
[3] No general election was required, as 1 candidate received a majority in the 1st (primary) election, under Louisiana's unique election system.

Source: U.S. Census Bureau. Projections of the Population of Voting Age for States: November 1980. Series P-25, No. 879. March 1980. p. 6.

From Table 3, we learn that total spending in Senate general elections would have been roughly $52 million, had each major candidate spent the maximum under the limits in your bill, S. 151. We can compare this with the $37 million in contributions claimed by individuals for contributions to Senate candidates in the 1980 general election under the 50 percent credit. In other words, 71 percent of the money needed to wage those campaigns emanated from individuals participating in the 50 percent tax credit system. When one considers another feature of S. 151, that candidates may accept up to 30 percent of their spending limit from political action committees, it appears that more than sufficient funds would have been generated by the 100 percent credit, even if the participation rate did not rise. And, of course, given the role of the political parties in the funding equation, the individual role seems especially ample for the purpose of adequately funding Senate campaigns.

One final factor that has not been considered is the answer to a question posed earlier: how will the rate of participation be affected by the shift from a 50 percent to a 100 percent credit, to what extent will this change prove a greater incentive to contributing? In my conversations with an economist at the Joint Committee on Taxation, I learned that there do not appear to be any reliable formulas for making such forecasts. The lack of experience with 100 percent credits is a major factor in this situation.

It is also quite difficult to draw definitive conclusions from the Nation's twelve years of experience with the tax credit system, data for the first ten years of which appears in Appendix 1. From 1972 until 1979, taxpayers had a choice of the 50 percent credit or a full deduction for their political contributions. From 1972–1974, the maximum credit was $12.50 ($25 on joint returns) and the maximum deduction was $50 ($100 on joint returns); the maximum amounts for both credit and deduction were doubled, effective 1975, and the maximum credit was doubled again while the deduction was eliminated, effective 1979. Thus there have been three different sets of rules governing the tax incentive system, with the tax credit alone available only for the third (and current) phase. Moreover, as indicated in Appendix 1, we do not have data on the use of the tax deduction for the years 1974, 1976, and 1978, because the IRS only made such calculations in alternate years; as election years, participation would have undoubtedly been higher than off-years, as well.

In 1973, 1975, and 1977, participation in the deduction system added 0.8 percent to the combined participation rate. If we assume that participation in the succeeding election years would have been one percent higher with the deduction data included (one rather than 0.8 percent because it was in an election year), the estimated participation rates for 1974, 1976, and 1978 would have been respectively, 2.2, 2.7, and 3.8. Based on this assumption, we can take an average of the participation rates in each of the three phases of the tax incentive program. Hence, the average rate from 1972–1974 is 2.8 percent, the average from 1975–1978 is 3.8 percent, and from 1979–1981 is 5.2 percent. If one sees the terms of the incentive as having been made more attractive to taxpayers in each succeeding phase (arguable in view of the elimination of the deduction in 1979), one might draw the conclusion that participation increased with each upgrading of the incentives, registering an increase of 1 percent and, then, 1.4 percent.

If we are correct in asserting that participation probably did increase with the doubling of the maximum credits, it is probably not unreasonable to speculate on a comparable increase with the doubling of the percentage of contributions eligible for the credit. Any additional participation would add to our confidence that your proposal would provide more than enough funds for Senate candidates in general elections.

In conclusion, I must reiterate that the analysis in this memorandum is necessarily based on numerous assumptions and on estimates. However, if errors in judgment were made regarding these imprecise quantities, I made every effort to err on the side on being too conservative in my assessments or projections. In any event, the results of the analysis might differ from those derived from other assumptions or estimates.

I trust you will find this analysis helpful in your consideration of this proposed legislation. I am ready to assist you in any way possible in this matter and can be reached at 287-8646.

APPENDIX 1

TABLE A.—USE OF THE TAX CREDIT AND DEDUCTION FOR POLITICAL CONTRIBUTIONS ON FEDERAL TAX RETURNS: 1972–81

Year	Number of tax returns	Number of returns taking credit	Total value of credits	Participation rate in tax incentive system (percent) [1]
1981	95,396,000	5,207,000	$261,965,000	5.5
1980	93,902,000	5,419,000	269,384,000	5.8
1979	92,694,000	4,069,000	193,500,000	4.4
1978	89,772,000	3,560,000	103,900,000	[2] 4.0
Deductions		NA	NA	
1977	86,635,000	2,602,000	73,700,000	3.8
Deductions		716,000	70,000,000	
1976	84,670,000	2,342,000	60,800,000	[2] 2.8
Deductions		NA	NA	
1975	82,229,000	1,571,000	37,600,000	[2] 2.7
Deductions		688,000	61,400,000	
1974	83,340,000	1,375,000	22,000,000	[2] 1.6
Deductions		NA	NA	
1973	80,693,000	1,126,000	17,800,000	[2] 2.2
Deductions		646,000	39,100,000	
1972	77,573,000	1,749,000	26,549,000	[2] 3.5
Deductions		964,000	52,289,000	

[1] Percentage of all returns claiming the credit or deduction.
[2] Because the IRS did not provide data regarding use of the political tax deduction in these (even-numbered) years, these percentages only reflect participation in the tax credit system. They would be higher if the tax deduction participation could be included, particularly in view of likely increases thereof during election years.

Note: From 1972–74, taxpayers could claim either a 50-percent credit up to $12.50 ($25 on joint returns) or a full deduction of up to $50 ($100 on joint returns)—Public Law 92–178. From 1975–78, taxpayers could claim a 50-percent credit up to $25 ($50 on joint returns) or a full deduction of up to $100 ($200 on joint returns)—Public Law 93–443. Since 1979, taxpayers could claim a 50-percent credit of up to $50 ($100 on joint returns); the deduction was eliminated—Public Law 95–600.

Source: U.S. Internal Revenue Service. Statistics of Income: Individual Tax Returns (annual series).

Mr. COCHRAN. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. PROXMIRE. I am happy to yield, Mr. President.

Mr. COCHRAN. I thank the Senator.

ORDER OF PROCEDURE

Mr. COCHRAN. Mr. President, I ask unanimous consent that, following the special order of the Senator from Pennsylvania [Mr. SPECTER], the other

Senators having special orders be recognized in the order in which they appear in the Chamber.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. COCHRAN. I thank the Senator.

Mr. PROXMIRE. Mr. President, I yield the floor.

RECOGNITION OF SENATOR SPECTER

The PRESIDING OFFICER. Under the previous order, the Senator from Pennsylvania [Mr. SPECTER] is recognized for not to exceed 15 minutes.

Mr. SPECTER. I thank the Chair.

HOME EQUITY CONVERSION FOR THE ELDERLY

Mr. SPECTER. Mr. President, today I am introducing a bill that would enable elderly homeowners to maintain residency while converting the equity in their homes into income at the same time.

I introduced similar legislation in the 97th (S. 3045) and 98th Congresses (S. 831 and S. 1914). These bills have attracted considerable interest and have had the benefit of review and comment by a number of home equity conversion experts. The Treasury Department has also testified to S. 1914's insignificant revenue loss potential at hearings held before the Senate Taxation and Debt Management Subcommittee, and my legislation has since been modified to address the other concerns raised by Treasury at and subsequent to those hearings. The measure I introduce today provides a comprehensive, widely supported approach to assisting America's fast-growing elderly population who are house rich and cash poor.

Our elderly homeowners who must live on fixed incomes are often faced with a cruel choice. Confronted by ever-rising living costs, they must either reduce their standard of living, or sell their most precious asset, their home, to pay their bills.

The trauma of losing a home for which a person has worked a lifetime is profound. The alternative, however, is equally dismaying: Living out one's last years—the allegedly golden ones—in materially constrained circumstances. It is an alternative no elderly homeowner should have to face if an alternative can be devised.

My bill facilitates sale-leaseback arrangements for home equity conversion for the elderly. Under this arrangement, rather than having to sell for funds to meet living expenses and then moving into an apartment, the elderly homeowner can sell to a financial institution but continue to live in his or her own home for the balance of his or her life.

Tax barriers to sale-leaseback would be eliminated by this legislation. First, the elderly homeowner in the sale-leaseback transaction would be entitled to a one-time capital gains tax exemption that is otherwise available to homeowners past the age of 55 who sell their homes. And second, the purchaser/lessor could take depreciation on the value of the property it had purchased although the seller retains occupancy rights.

With these tax barriers removed, I am confident that the sale-leaseback transaction will prove attractive to financial institutions.

The President's Commission on Housing has estimated the potential market for these home equity transactions to be between $30 and $40 billion. And the Commission has said that this market can be expected to increase as the number of older Americans increases and the idea of home equity conversion gains acceptance.

My bill, S. 1914, was considered by the Senate Finance Committee during its markup on deficit reduction proposals held during February and March 1984. On March 21, 1984, the committee passed a deficit reduction proposal that included a section based on S. 1914; several substantive modifications were made, however. Certain restrictions were added which excluded from the safe harbor provision transactions between related parties, set allowable depreciation at a 40-year straight-line basis, and precluded tax shelters from being purchasers in sale-leaseback transactions. There was concern that these restrictions would make it more difficult for elderly homeowners to convert their equity in real estate into cash. I believe that such restrictions are unnecessary and have not included them in the bill I am introducing today.

The residential sale-leaseback section of the Deficit Reduction Act of 1984 was passed on April 12, 1984, after one of the detrimental Finance Committee modifications was removed, pursuant to my amendment, on the Senate floor. The House deficit reduction bill did not include a sale-leaseback provision, and the conference committee for the tax bills subsequently dropped the Senate provision.

Mr. President, access to the rewards of home equity—which has been dearly earned—should be given to our elderly Americans during their lifetimes. It is of no value to them after their deaths. And it will go a long way toward making their last years truly golden ones.

This legislation will make sale-leasebacks feasible. It will make the arrangement attractive both to the elderly homeowner and to the purchasing financial institution.

This legislation has had the support of all known experts in the field of home equity conversions, the Federal Council on Aging, numerous other senior citizens' groups, and the financial investment community.

Mr. President, I ask unanimous consent that the full text of my bill, and an article that appeared in the Washington Post describing my bill as a "Win-Win Tax Bill for Everyone," be printed in the RECORD.

There being no objection, the bill and article were ordered to be printed in the RECORD, as follows:

S. 324

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

That this Act may be cited as the "Home Equity Conversions Act of 1985".

SEC. 2. DEPRECIATION IN SALE-LEASEBACK TRANSACTIONS.

Section 167 of the Internal Revenue Code of 1954 (relating to depreciation) is amended by inserting after subsection (h) the following new subsection:

"(i) SALE-LEASEBACK TRANSACTIONS.—

"(1) IN GENERAL.—In the case of property involved in a sale-leaseback transaction, the purchaser-lessor shall be recognized as the absolute owner of the property, and the deduction shall be allowed to the purchaser-lessor.

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) SALE-LEASEBACK.—The term 'sale-leaseback' shall include the transaction in which—

"(i) the seller-lessee—

"(I) has attained the age of 55 before the date of such transaction,

"(II) sells property which during the 5-year period ending on the date of the transaction has been owned and used as a principal residence by such seller-lessee for periods aggregating 3 years or more,

"(III) obtains occupancy rights in such property pursuant to a written lease requiring a fair rental, and

"(IV) receives no option to repurchase the property at a price less than the fair market price of the property unencumbered by any leaseback at the time such option is exercised, and

"(ii) the purchaser-lessor—

"(I) is a person,

"(II) is contractually responsible for the risks and burdens of ownership and receives the benefits of ownership (other than the seller-lessee's occupancy rights) after the date of such transaction, and

"(III) pays a purchase price for the property that is not less than the fair market price of such property encumbered by a leaseback, and taking into account the terms of the lease.

"(B) OCCUPANCY RIGHTS.—The term 'occupancy rights' means the right to occupy the property for any period of time, including a period of time measured by the life of the seller-lessee on the date of the sale-leaseback transaction (or the life of the surviving seller-lessee, in the case of jointly-held occupancy rights), or a periodic term subject to a continuing right of renewal by the seller-lessee (or by the surviving seller-lessee, in the case of jointly-held occupancy rights).

"(C) FAIR RENTAL.—For purposes of paragraph (2)(A)(i)(III), the term 'fair rental' shall include a rental for any subsequent year which equals or exceeds the rental for

the first year of a sale-leaseback transaction.

SEC. 3. CAPITAL GAINS EXCLUSION IN SALE-LEASEBACK TRANSACTIONS.

Subsection (d) of section 121 of the Internal Revenue Code of 1954 (relating to one-time exclusion of gain from sale of principal residence by individual who has attained age 55) is amended by adding at the end thereof the following new paragraph:

"(9) SALE OR EXCHANGE DEFINED.—For purposes of this section, the term 'sale or exchange' shall include a sale-leaseback transaction (as defined in section 167(i)).".

SEC. 4. INCOME IN SALE-LEASEBACK TRANSACTION.

(a) GROSS INCOME.—Part III of subchapter B of chapter 1 of subtitle A of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by inserting after section 121 the following new section:

"SEC. 121A. INCOME IN SALE-LEASEBACK TRANSACTIONS.

"Gross income to the seller-lessee or the purchaser-lessor in a sale-leaseback transaction (as defined in section 167(i)) does not include any value of occupancy rights or discount from the fair market price of the property unencumbered by any leaseback, which is attributable to any leaseback.".

(b) GAIN OR LOSS.—Subsection (b) of section 1001 of such Code is amended—

(1) by striking out "and" at the end of paragraph (1),

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof ", and", and

(3) by inserting after paragraph (2) the following new paragraph:

"(3) in the case of a sale-leaseback transaction (as defined in section 167(i))—

"(A) there shall not be taken into account any value of occupancy rights or discount from the fair market price of the property unencumbered by any leaseback, which is attributable to any leaseback, and

"(B) there shall be taken into account the cost of any annuity purchased for a seller-lessee by a purchaser-lessor.".

(c) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of subtitle A of such Code is amended by inserting after the item relating to section 121 the following new item:

"Sec.121A. Income in sale-leaseback transactions.".

SEC. 5. INSTALLMENT SALES IN SALE-LEASEBACK TRANSACTIONS.

Section 453 of the Internal Revenue Code of 1954 (relating to installment method) is amended—

(1) by redesignating subsection (j) as subsection (k), and

(2) by inserting after subsection (i) the following new subsection:

"(j) Application With Section 167(i).—

"(1) IN GENERAL.—In the case of an installment sale in a sale-leaseback transaction (as defined in section 167(i)), subsection (a) shall apply.

"(2) Special rule for annuities.—In the case of an annuity purchased for the seller-lessee by the purchaser-lessor in a sale-leaseback transaction, the purchase cost of such annuity shall constitute the amount of consideration received by such seller-lessee attributable to such annuity and shall be deemed received in the year of disposition.".

SEC. 6. BASIS OF ANNUITY RECEIVED IN SALE-LEASEBACK TRANSACTION.

Subparagraph (A) of section 72(c)(1) of the Internal Revenue Code of 1954 (relating to annuities) is amended by inserting before the comma "(including such amount paid by a purchaser-lessor in a sale-leaseback transaction as defined in section 167(i))".

SEC. 7. SALE-LEASEBACK TRANSACTION ENGAGED IN FOR PROFIT.

(a) FOR PROFIT PRESUMPTION.—Section 183 of the Internal Revenue Code of 1954 (relating to activities not engaged in for profit) is amended—

(1) by striking out "If" in subsection (d) and inserting in lieu thereof "(1) IN GENERAL.—If",

(2) by inserting after paragraph (1) of subsection (d) (as designated by paragraph (1)) the following new paragraph:

"(2) SALE-LEASEBACK TRANSACTION.—Any sale-leaseback transaction (as defined in section 167(i)), unless the Secretary establishes to the contrary, shall be presumed for purposes of this chapter to be an activity engaged in for profit.", and

"(3) by inserting "(1)" after "subsection (d)" each place it appears in subsection (e).".

(b) USE OF DWELLING UNIT.—Paragraph (3) of section 280A(d) of such Code (relating to disallowance of certain expenses in connection with business use of home, rental of vacation homes, etc.) is amended by adding at the end thereof the following new subparagraph:

"(E) FAIR RENTAL IN A SALE-LEASEBACK TRANSACTION.—Any rental that constitutes a fair rental in a sale-leaseback transaction pursuant to section 167(i)(2)(C) shall be treated as a fair rental for purposes of subparagraph (A).".

SEC. 8. ACCELERATED COST RECOVERY SYSTEM IN SALE-LEASEBACK TRANSACTIONS.

Subparagraph (B) of section 168(e)(4) of the Internal Revenue Code of 1954 (relating to certain transactions in property placed in service before 1981) is amended by inserting "(except property acquired by the taxpayer in a sale-leaseback transaction as defined in section 167(i))" after "December 31, 1980".

SEC. 9. EFFECTIVE DATE.

The amendments made by this Act shall apply to sales after the date of the enactment of this Act, in taxable years ending after such date. Enactment of this Act shall not raise any presumption that sales occurring prior to such enactment should not be treated as valid sale-leaseback transactions.

WIN-WIN TAX BILL FOR EVERYONE

(By Kenneth R. Harney)

A new legislative proposal pending before Congress would open the way for tens of thousands of homeowners across the country to pull tax-free dollars from their houses, without moving or taking out a mortgage.

The same bill, which stands a good chance of becoming part of Capitol Hill's major 1984 tax and revenue package, also would allow thousands of individual private investors to acquire single-family rental properties on advantageous terms.

The proposal is known as the "Home-Equity Conversion Act," and is sponsored by Sen. Arlen Specter (R-Pa.). What it seeks to do is remove some of the technical glitches in the current federal tax code that prevent widespread use of a technique called the residential "sale-leaseback."

Although it sounds forbidding, the sale-leaseback concept is straightforward in essence: The owner of a home sells his or her property to a buyer who agrees to rent it back to the seller on reasonable terms for an extended period of time.

The sellers can receive payment for the house in hefty monthly installments say, $1,000 every 30 days—or can walk away with a full, tax-free cash settlement up front on sale profits up to $125,000.

The buyers, for their part, typically get a significant discount on the acquisition price of the property, a low down payment, and cut-rate mortgage-interest costs.

To illustrate, let's say a husband and wife in their late sixties own their home, but are "cash poor." Their retirement income barely lets them scrape by. They can't enjoy anywhere near the standard of living they did when they were younger. They worry about how they'll fare in the coming years.

The couple realizes that its house represents its major financial asset. But neither spouse wants to pack up and move. The equity money needed to change their life style is frozen inside their house, but the couple sees no way to make it liquid. Enter the sale-leaseback.

Under the broad terms of Specter's equity-conversion bill, the couple could sell the house to an outside investor—let's say a young, high-income husband and wife living in the same town.

The older couple could sell for an all cash price, or more likely, finance the sale themselves using an installment contract. That would entail a modest cash down payment by the purchasers, say 10 percent—and a 10- or 15-year note held by the sellers carrying a mutually acceptable fixed interest rate, such as 11 percent in today's market.

The sellers would give up legal title to the property, but they would get an iron-clad lease guaranteeing them occupancy of the home for life, if they chose, on advantageous rental terms.

Each month, the young buyers and the elderly sellers would exchange money: The buyers would send a fat installment check to the elderly couple as principal and interest on their purchase agreement. The sellers would in turn send a more modest rental payment to the new owners of the house.

Properly structured, the transaction would generate a steady cash inflow to the elderly couple. A house sold for $120,000 and financed via a sale-leaseback of this type would put $1,031 into the elderly couple's wallet every 30 days, according to figures from the nonprofit National Center for Home-Equity Conversion, a supporter of the Specter bill. A house sold for $90,000 and leased back would generate $773 a month for the couple. And a $60,000 sale-leaseback would produce a net $511 every month.

If the sellers chose, they also could buy an interest-bearing annuity that would mature after the mortgage-payment flow stopped, thereby guaranteeing term cash to pay the rent indefinitely.

The investor couple, for their part, would get a sizable discount on the sale price of the home perhaps 20 percent—plus below-market financing. They'd also get reponsible, stable tenants and hefty annual federal tax write-offs for depreciation, interest and other costs.

Sale-leasebacks of this type could well prove to be an important economic answer for large numbers of elderly homeowners in the coming two decades. And, because preliminary Treasury Department projections show no significant revenue losses to the government from such transactions. Specter's amendments could be one of those rarest of legislative vehicles: a "win-win" bill for everybody involved.

Mr. SPECTER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR BENTSEN

The PRESIDING OFFICER. Under the previous order, the Senator from Texas [Mr. BENTSEN] is recognized for not to exceed 15 minutes.

THE 1984 TRADE DEFICIT

Mr. BENTSEN. Mr. President, the announcement today of an all time record 1984 trade deficit of $123.3 billion is truly astounding, but, unfortunately, not unexpected. Each of the last 3 years, we have set one of these regrettable records. The Department of Commerce has been warning us of this event for a year. Indeed, everyone in the administration and in American business and in American labor have known about this trade deficit for a long time. We in the Finance Committee have been taking the pulse of this problem and have been reporting about it regularly to the Senate for years. We have been telling the Senate and the country that trade is no longer an arcane backwater of American policy, but the cutting edge of our economy.

We have a long pull ahead of us. This trade deficit has become structural, affected not just by our budget deficit but by our national investment policies, our tax policies, and above all our trade policies.

People said back in 1979, "Wait until we get our currencies back in balance"—but now, 5 or 6 years later, we are seeing 30 and 40 percent disparity between the yen and the dollar, great disparity between the D-mark and the dollar. People say, "Once that is corrected, all these problems are going to go away." Do not believe it.

Is the increased relative value of the dollar part of the problem? Of course it is. But to say that the dollar's strength is the only cause, and nothing else, could not be more wrong. Structural problems are developing that will cause this trade deficit to continue, regardless of whether we can return to balance in our currencies. Moreover, who is to tell us what that balance is any more? That balance is made up of many things. Part of it is the U.S. budget deficit. Part of it is the difference between the interest rates in Japan and Germany, where there is as much as a 2-percent difference in the prime rates. Part of the value of the dollar is due to the safety and stability of this country—billions of dollars are coming here for a safe harbor. So we have a long pull ahead of us, trying to turn the trade deficit around.

We can see evidence of the structural nature of the current trade deficit over the last 10 years. We have had double-digit trade deficits each year for the last 10 years, a total of $450 billion in trade deficits. That has to mean jobs going overseas, jobs lost from this country.

It may amaze some Senators that notwithstanding this trade deficit history, I am not a protectionist. I do not believe in closing down America and going it alone. I believe in expanding trade, and that means free trade. But our trade policies, in my opinion, no longer reflect reality. They reflect a myth that as we have lowered our trade barriers, other countries have done the same; as we have reduced our subsidies, other countries have done the same. The truth is that the world is now crawling with subsidies, preferences, cartels, and every other conceivable form of market distortion imaginable. Strange as it may seem, by not paying attention to trade policy, the administration has actually become more protectionist than any other administration in recent history. President Reagan's protection of textiles and motorcycles and steel and automobiles was forced upon him by inevitable pressures, which he might have resisted if he had been able to see through the free trade mythology, to the real world of trade.

What we need today is a trade strategy, not a trade mythology.

Let me give an example of what is happening: Let us take a look at agriculture. If you talk to people in the European Common Market as I did in visiting with the Trade Minister of France or with Mr. Mitterand a couple months ago, you will find they think we distort trade as much as they do. If you start talking about their subsidies, they will reply, "Well, you have subsidies in your country; you have subsidies for agriculture."

Yes, we do. But there is a great difference in the approach of the European Common Market to agricultural subsidies and subsidies within this country.

In the European Common Market, the subsidies are there to increase production, and thereby to add to the surpluses. They export these surpluses, in order to take over markets outside of the European Common Market.

The difference in the subsidies in this country for agriculture is that they are designed to curtail production.

When I talked to the French Trade Minister, I found that this is a point he does not like to admit.

But let me tell you how it works. Let me give you an example on sugar. Today, the European Common Market pays a farmer in the European Common Market 27 cents a pound for sugar. You know what they sell it for on the world market? Five cents.

That means the European Common Market taxpayer subsidizes their farmer to that extent. It has resulted in an incredible increase in production. Why should it not under those conditions?

The value of an acre of land in France devoted to sugar beet production has gone from $1,000 to $7,000. That is the kind of medallion that has been placed over French land.

In contrast, what did you see on the network news last night? Auctioneers selling out U.S. farmers, and the value of their equipment and their land in a tailspin.

Something has to give. And it is the American farmer that is doing it. Once again he is among the most efficient farmers in the world. Today we are spending 16 percent of our disposable income on food. No other major nation in the world matches that.

And yet we cannot survive because our farmers cannot compete against the exports of other countries. They can compete against other farmers but not against government treasuries. And that is what they are being forced to do.

We look at the Japanese. They talk about free trade. But do you think there is free trade when it comes to trying to sell to Japan? When it comes to an automobile, that comes from Japan to this country, we accept factory certification by the Japanese factory. At most, we do some spotchecks with regard to safety and environmental protection.

Does it work the same the other way? No. They want to inspect individually every American car that lands on their shore. And by the time they get it all done, it is time for a model change.

Is it any wonder we have problems? And then they try to tell us: "Your things do not fit culturally with us." They argue, for example, that beef is not part of their culture.

How can they say that about beef?

There is a tremendous restriction on the importation of our beef into their country. They do not import beef except in minimal amounts.

And I am not sure that the cultural background of our beef is that much different from the cultural background of the beef they raise. You have the Japanese paying three times as much for sirloin strip as we pay in our country.

Open up the markets and that will give us a free trade.

That is not the way it is working.

What happens in Third World countries now?

The IMF—which I support, which I think is necessary, which this Govern-

ment and its taxpayers support—goes into Third World countries and says, "You must stop these imports. You must increase your exports." And then these developing countries run into all the trade barriers in other industrial countries that we do. Where do those exports finally go? We take it. We are fueling the recovery for the world today, by this incredible increase of imported manufactured products.

What will the Japanese normally accept from us? They take logs. They do not want finished lumber. They will take raw materials. They do not want anything that requires a lot of labor. That is what they want to send us.

What do you call a country that ships its raw materials to another country and buys back finished products? You call that country a colony. We dumped a lot of tea in the harbor when we had that kind of relationship with England.

Now we have another country doing it to us. But this time it is Japan.

Twenty-seven countries now have an automobile local content requirement. Ninety percent of all trade barriers are not within the international rules. And worst of all, total world trade is not growing fast enough.

From 1963 to 1973, trade was truly the engine of growth on a worldwide scale, expanding in real terms some 2.5 percent per annum faster than production. From 1973 to 1982, taken as a whole, that margin has dropped to 1 percent, and in recent years the engine virtually stopped, in the sense that worldwide trade is no longer growing faster than worldwide production. In other words, trade is no longer that rising tide that lifts all the boats; instead, our imports are pulling the whole world along.

We have to restore growth by expanding total trade, not just our imports.

The minority leader has appointed a working group on trade policy, and I am chairman of that working group. I intend shortly to ask that group to begin a major study of American trade policy to try to come to grips with this kind of a deficit. I believe that part of the answer to be a new kind of toughness in trade policy by the American Government.

Let me give you an example: In 1982, the European Common Market agreed to limit its exports of pipes and tubes to the United States. It agreed to do so, not to protect the U.S. pipe and tube industry but because its steel manufacturers benefited from export subsidies. No one seriously questioned that. And export subsidies are unfair trade by anybody's definition.

Yet hardly before the ink was dry on that agreement, the European Community began exporting more than the limits, so that by the beginning of 1984, they were exporting pipe and tube at three times the rate in that agreement.

I sponsored legislation that simply authorized the administration to put a quota on those limits at the level of the pipe and tube agreement. And then I managed to extract from the administration a commitment that they would make that agreement work, no matter what. My amendment passed into law in the Omnibus Trade and Tariff Act of 1984 and that seemed to focus minds wonderfully.

The European Community had been negotiating about this trade agreement violation for 6 months, and once that law went into effect, Secretary Baldrige and Ambassador Brock, true to their word, advised the President to embargo imports of European pipe and tube on the ground that the European Community was not living up to their agreement. The embargo went into place and less than 1 month later, we negotiated a new pipe and tube arrangement which I believe has enough controls on it to work.

This experience and several others like it over the last several years have convinced me that progress on building a fair and reciprocal trade system is possible. But we just cannot negotiate from weakness. We have the tools to make a better trade world: our leadership, our vigorous and diverse market—there is no other market like it in the entire world; so we really have a major bargaining chip—there and our great natural and human resources.

There is a great risk in a tough trade policy. People say we are going to end up in a trade war. What do you think we are in? What are we being subjected to?

As we are learning from these devastating trade deficit figures, even greater risks lie in waiting for the rest of the world to adopt a free trade policy out of the goodness of their hearts. It will not just happen, and that is a reality.

I look forward to working with my Trade Policy Working Group colleagues. I believe we will produce a good and useful report. And I look forward to comments of all of my Senate colleagues concerning the announcement of the incredible trade deficit facing this country today.

Mr. President, I yield back the balance of my time.

RECOGNITION OF SENATOR BAUCUS

The PRESIDING OFFICER (Mr. CHAFEE). The Senator from Montana.

THE 1984 TRADE DEFICIT

Mr. BAUCUS. Mr. President, I would like to join with my colleague from Texas, Senator BENTSEN, for a few moments discussing the problems of our trade deficit.

Mr. President, in 1983, the President predicted "a future in which commerce will be king, the eagle will soar, and America will be the mightiest trading nation on Earth."

Well, commerce may be king, eagles may be soaring, but, unfortunately, they are not American eagles.

The U.S. trading position has never been worse, giving us a huge trade deficit that was almost unmanageable 4 years ago.

In the late 19th century, America began running a series of trade surpluses that lasted three-quarters of a century. Every year our country ran trade surpluses.

In the mid-1970's, not too many years ago, we began to run trade deficits which were fairly small and easily offset by capital inflows.

But in the past few years, our trade deficits have skyrocketed. Huge budget deficits attracted vast amounts of foreign capital. This, in turn, kept the dollar high and attracted a flood of foreign imports.

As a result, our recovery pulled other nations along—but, at what cost? We bought huge quantities of goods from Japan, Germany, and other nations. We helped their producers. But our own trade deficit almost doubled, from $32 billion in 1982 to $58 billion in 1983.

And yesterday came the news of another new record. Now America can claim the highest trade deficit in our country's history—$123 billion in 1984.

We bought $123 billion more than we sold. Or to put it another way, for every $1 worth of U.S. products going out, there is about $1.57 worth of foreign products coming in.

This is the flip side of the strong dollar. For Americans who travel abroad, a strong dollar is a godsend. I have recently noticed that Harrod's—the upscale London department store—is advertising in American newspapers. Americans are flocking to Europe to buy foreign goods.

But ask our farmers, timbermen, and manufacturers how they feel about the strong dollar. They have a different perspective.

You see, a trade deficit is not simply an abstract number for economists to play with. A trade deficit means lost jobs—millions of jobs, jobs in almost every State.

For example, in Butte, MT, the transformation has been stark. Butte was once the copper mining capital of the world. Today, every mine has closed. All 13,000 workers have lost their jobs to workers in Chile, Peru, and Zaire. And Butte, once our proudest city, has hit hard times. Its population has declined from 100,000 in 1920 to 30,000 people today.

Butte is not an isolated example.

Ask the people at Caterpillar tractor how they feel about the strong dollar.

A company whose quality and management are the envy of the modern world is losing sales and income to foreign competition, because of forces beyond its control.

As a result of situations like this, hundreds of communities, all across the country, have suffered the same fate as Butte—whether they produce steel, autos, or some other product; whether they are losing out to imports at home, or losing export sales abroad.

And there is more than just unemployment and painful short-term adjustments involved. The fact is, this trade deficit is threatening the survival of some of America's core industries.

And we are losing our foothold in critical export markets. As Federal Reserve Board member Henry Wallich told the Finance Committee last year:

> The longer exports remain depressed, the more difficult it becomes to maintain marketing networks, and the more costly and difficult it becomes to recover foreign sales.

What should America's response be?

Protectionism is not the answer. Ultimately, it will shrink the world economy and leave everyone worse off.

So what should we do?

First of all, as Martin Feldstein said last year:

> The appropriate remedy for the present trade deficit is to reduce the deficit in the Federal budget.

This budget deficit is increasing by $22 million an hour, inflating the international value of the dollar to make imports cheap and exports expensive. This is like slapping American exporters with a 35-percent tax and giving foreign importers a 35-percent import subsidy. No wonder American companies are having trouble competing.

I am hopeful that the Congress and the President will act this year to reduce that budget deficit. In fact, Mr. President, as you well know because of your position in the policy committee on the Republican side of the aisle, this has to be a bipartisan effort. The problem is so severe that this country can no longer afford the luxury of finger pointing and name calling, of each political party blaming the other, the President blaming the Congress and the Congress blaming the President.

The fact is, not only must the President and the Congress work together in every sense of the term, but Republicans and Democrats must work together in every sense of the term. It cannot be a charade. It has to be real; it has to be sincere.

In my judgment, Mr. President, if the Congress, the President, and Republicans and Democrats engage in a good faith, joint, bipartisan effort, we will get the budget deficit under control the way we know it should be.

Second, we must drive tougher bargains with our trading partners. America must stand tall in international trade—not just in the military arena.

Up until now, our trading partners have worn us down through painfully slow negotiations, followed by cosmetic concessions.

I say, enough is enough. When we negotiate with the Japanese, the EC, the Canadians, and others, we should demand more than good-faith negotiations. We should demand results, in the form of substantially increased U.S. sales.

Third, we must tighten up our own trade laws, so that we can compete fairly against subsidized foreign competition and adjust quickly to changed international conditions.

Fourth, we must tighten the rules governing the multilateral trading system; that is, the GATT.

GATT is riddled with loopholes. For example: the agricultural subsidy provision is feeble; the dispute resolution mechanism is slow and unwieldy; services are not covered at all.

It is high time that we held a new round of multilateral negotiations, to repair GATT so that it works for today's world and operates in the economic interest of the United States.

CONCLUSION

Mr. President, the hug trade deficit announced yesterday is deeply troubling.

In our hypercompetitive world, a country's balance of trade may be the most accurate indication of its fundamental economic strength.

If that is true—and I think it is—America faces a major challenge.

We have to turn those trade statistics around, so that they represent jobs created, not jobs lost.

It will not be easy. It will take a clear, rational trade policy.

As a member of the Democratic trade working group, I look forward to helping develop that policy, and making America a mighty trading nation once again.

TRADE POLICY

Mr. BINGAMAN. Mr. President, I want to take a few minutes today to discuss this very difficult issue facing the country; the issue of the trade deficit which was announced yesterday. The figures for 1984 were released yesterday, indicating a 1984 trade deficit of nearly $124 billion.

I firmly believe that unless we can get this problem under control, we shall see a systematic deterioration of our industrial capacity in this country; we shall see a systematic deterioration of our human capital in this country as we lose the skills that are needed to perform much of the productive work that is done in the world. I see the issue very plainly in my home State of New Mexico in several industries. I should like to take a few moments to point those out.

Mr. President, I am pleased to be a member of the Democratic Conference Working Group on Trade Policy and I am pleased to join with my Democratic colleagues in discussing the seriousness of our trade problems and means of remedying these problems.

In my opinion, the challenge for today, and for the remainder of this decade, is to take stock of our strengths and weaknesses, and put as our first priority restoring and maintaining America's competitive edge in the world economy. Today, we are in a world economy.

The average citizen in my State and the entire country today knows that we are in a world economy. That person, any of us today, is awakened by a Sony clock radio. We put on clothing made in China, Poland, Yugoslavia, or Taiwan. We step into imported shoes and possibly even drive an imported car or pickup to work. The price that we pay for gasoline, as we have heard in the last 24 hours, is greatly affected by how OPEC is succeeding in keeping its member nations from cutting the price of oil.

The simple fact is that many American companies—in fact, entire basic industries in this country—are being seriously damaged by international competition today. In consumer electronics, our share of the world market has fallen from 35 percent to 10 percent in the last 25 years. During that same period, our share of steel has dropped from 26 percent to 17 percent; automobiles from 44 percent to 23 percent; jet aircraft from 95 percent to 65 percent.

In New Mexico, my home State, we are all too aware of the precipitous decline in our mining industries, specifically uranium, copper, and potash.

In 1970 the United States had a gross national product which represented 30 percent of the gross world product and we had a trade surplus. By 1980, our GNP had fallen to 20 percent of gross world product and we had a trade deficit in 1984 of more than $120 billion.

We need to ask: What does this mean for the average American? Is this purely an economist's statistic or does this have real impact on the people of this country? As recently as 1968, our per capita income was the highest in the world. By 1980, we had fallen to 10th place. Adjusted for inflation, the average American worker earned less in 1982 than in the late 1960's.

I commend to my colleagues a new publication from the Harvard Business School. Profs. George C. Lodge and Bruce R. Scott put together a compilation of papers under the title "U.S. Competitiveness In The World Economy." I think it is a book that is very worthy of attention by Members of the Senate.

When we read the morning news and see that the recovery continues, it is perhaps hard to arouse concern about our economic competitiveness. But I am not talking about short-term trends over a few months or years. I am talking about the long-term trends which emerged in the early 1960's and which continue today.

There are many things we must do to be more competitive as a nation. But one of the more important things we must do is to develop a national trade and export strategy.

It has been at least half a century since trade has been a major issue in America. From 1891 to 1970 the United States enjoyed an almost unbroken string of trade surpluses with the rest of the world. That is, the rest of the world bought more from us than we bought from them.

Since 1970, that situation has reversed itself in a very dramatic way. In 1984, our trade deficit exceeded $123 billion. On its present course, it could reach $250 billion by 1989 and $300 billion by the early 1990's.

These figures are disturbing for two clear reasons. They indicate a relative decline in our industrial capacity, and they indicate that we are losing the skills that go with a productive society.

As America imports more and more, and exports less and less, we gradually lose the sources of production and, perhaps more important, we lose the skills that go along with a productive society. No nation can remain a net importer over a long period of time and also remain a major world power.

A. THE LOSS OF JOBS

The effect of our declining position in the world economy is already having significant impact here at home. More than 1.7 million jobs have been lost from 1980 to 1982. Many of these jobs are in heavy industry, which has been hardest hit by international competition. In 1972, 676,000 people in this country worked in auto factories. Ten years later, the number has slumped to 511,900.

This trade deterioration is not confined to heavy industry. In traditional strong sectors as foods, feeds, and beverages, our trade surplus dropped from $18.7 billion to $10.2 billion from 1981 to 1984, a 45-percent decline. In the service sector, a surplus of $41 billion in 1981 has declined to $22 billion in 1984, a $19 billion decrease in 3 years. Services decline combined with rising merchandise trade deficit has led to an estimated $100 billion current account deficit for 1984, according to statistics just released.

Similar declines are evident in the steel, rubber, and—in New Mexico—the mining industries.

B. IMPACT ON NEW MEXICO

The New Mexico mining industry has been particularly hard hit. In 1981, mining accounted for 6.6 percent of total employment in the State. Over the next 2 years, that fell to 4.4 percent as 10,000 jobs were lost. Since 1983, some 1,300 jobs have been regained, bringing total employment to about 21,500. But with the exception of the coal industry, mining in our State across the board—copper, potash, and uranium—is, as one industry official has said, "sick and depressed."

COPPER

Last spring, the ITC ruled that the copper industry had been injured by subsidized imports from Third World nations. The Commission recommended that the President grant trade relief. The President refused to follow the Commission's recommendations. The Senate then called upon the President to pursue voluntary restraint agreements with these countries in an attempt to reduce the amount of copper being dumped in the United States. The special Trade Representative has set up a copper task force to investigate the feasibility of such agreements. The task force is to report its recommendations by the end of this month. However, there is no reason to believe that these recommendations will be favorable to the industry.

I firmly believe that we must find some way to enter into voluntary restraint agreements with some of these other countries. Our remedy process must provide some type of arrangement to reduce the worldwide production.

POTASH

The Kerr McGee Co. announced earlier this month that it is closing its New Mexico operations in Lea County, resulting in the loss of approximately 500 jobs. Two other potash mines in the area closed earlier in this decade, and reductions in the remaining five operations have slashed employment from nearly 3,000 to approximately 1,990, under present arrangements. The potash industry has been severely hit in recent years by heavily subsidized foreign competition. Unfortunately, the remedies available to the industry have not proven helpful. On Monday, the Department of Commerce ruled against the industry's antidumping petitions against East Germany and Israel. The Department did rule that imports from the Soviet Union were undercutting U.S. potash, but the suggested relief was inconsequential. This was due to the inability of the Department to accurately determine the impact of competition from "nonmarket" or controlled economies. Statutory change is required to ensure that relief can be granted against these nonmarket economies when they are subsidizing exports to our market.

URANIUM

I have detailed the decline of the potash and copper industries. A third industry is near collapse in New Mexico—uranium. This was most recently evidenced by the shutdown of the Kerr McGee and Western Nuclear operations in Cibola County. These actions left approximately 500 individuals unemployed, and those communities lost their last vestige of employment in this very difficult industry.

The number of employees in the uranium industry has declined from 7,600 to approximately 200 today. Ironically, the uranium industry closings follow the announcement by the Department of Energy that the uranium industry is in a "viable" condition. As long as the Department maintains that the industry is viable, the industry is precluded from any effective remedies. I find it incredible that the Department has made this determination, and I have requested Secretary Hodel—or his successor—to take whatever measures are necessary to revive the industry.

WHAT CAN BE DONE

It is clear from what is happening that our current system of trade remedies is not working. The effect on our people is tragic. Either an industry is unable to make it through the tedious and expensive process because accurate information cannot be obtained—as with the potash industry—or it is able to prove its case through the existing administrative process only to be dropped due to political considerations—as in the copper industry.

That must change. We must develop an effective, cohesive trade policy that will bring our threatened industries the help comparable to that which the industries of other nations now enjoy. Otherwise, we will see our own industries destroyed, as we have seen to a large extent in the case of the domestic uranium industry.

While the number of New Mexico jobs is declining, there has been an explosion of new jobs created by U.S. businesses in less developed countries, primarily in the Far East and in Latin America. Five weeks ago, I visited several of the "maquiladora" or "twin plants" located in the State of Chihuahua. I visited a factory making vacuum cleaners in Juarez, and I visited the Ford Motor plant in the city of Chihuahua. Since 1969, when this "twin plant" program began, there have been over 108,000 manufacturing jobs created by U.S. businesses in the State of Chihuahua alone. That is more than twice the number of manufacturing jobs we have in the State of New Mexico.

The obvious question exists: Why do we sit by and watch the export of our manufacturing and our mining jobs? I believe we need to remember that the middle class of this country was largely build on these industries. We need to ask whether these trends can continue without doing severe damage to

the standard of living of that middle class.

And I also want to point out the obvious impact which the strong dollar is having on our agricultural sector. According to the Bureau of Business and Economic Research at the University of New Mexico, farm income in my home State of New Mexico in 1984 was 33 percent below its level in 1980.

NEEDED: A NATIONAL TRADE STRATEGY

In the modern world, where the well-being of the economy is a legitimate concern of government, we can no longer afford the luxury of internal bickering over ideology. We need to have progressive strategies which are aimed at keeping jobs in America and also aimed at making American business more competitive in the world economy. We need a cooperative effort between American Government, business, and labor. Our export and trade policies need to be reexamined. Support for industrial and agricultural exports must be increased rather than decreased, as the administration apparently intends in its new budget to come to us next week. We must be quicker to defend U.S. industry from unfair practices by foreign governments and we must be willing to fight to open foreign markets to accept U.S. products on the same basis that the U.S. market accepts foreign goods.

We no longer have the luxury of ignoring our trade relations with the rest of the world. We must learn that a system of free trade, which we all want, can only survive if it is also a system of fair trade.

These steps are going to require a reorientation and cohesion in our trade strategies. But they must be taken.

As I said, I am pleased to be a member of the Democratic Conference Working Group on Trade Policy, and I hope that through that group we can come up with some proposals which this body can consider to deal with these very difficult questions.

We remain the largest economy by far and still the richest and most successful. We have done more for more people than any society in history. We invented individual opportunity—we have housed, educated, employed, cared for, and enriched more people than ever before, and we have been generous to all with our prosperity in both peace and conflict.

But we have not been able to do all of this by being complacent. We have constantly faced new challenges and met those challenges with practical solutions.

Practical solutions are what we need today to deal with this trade crisis that is facing our country.

Mr. President, I appreciate the opportunity to speak on this important subject and I hope that this year in the Senate we can take some meaningful action to address it.

Thank you very much.

RECOGNITION OF SENATOR LEVIN

The PRESIDING OFFICER (Mr. HUMPHREY). Under the previous order, the Senator from Michigan is recognized for not to exceed 15 minutes.

A GROWING CRISIS IN INTERNATIONAL TRADE

Mr. LEVIN. Mr. President, this country is faced with a growing crisis in international trade, which threatens the jobs of millions of Americans. In 1981, our trade deficit was $28 billion. By 1983, it had grown to $61 billion. Now the deficit exceeds $120 billion. What does that mean to Americans? For every $1 billion of the trade deficit, an estimated 25,000 jobs are lost. Therefore, the 1984 deficit has cost us in the range of 3 million jobs, and an all too high proportion of them come from my constituents in Michigan.

Unless we take action, this threat to our economy from the trade deficit will continue and intensify. As imports take an increasing share of the market for specific products, the continued American production of these goods becomes jeopardized. When we are in the midst of seeing the grip of OPEC weakened further with respect to our energy supply, we must not stand idly by as new bonds are wrapped around the American consumer and the American economy for a whole new range of products and materials. At the same time, if we continue to allow our exports to be discriminated against, then we will be unable to improve our current position and make the strides necessary to compete effectively. We cannot afford to let American products become the afterthoughts of purchasing decisions made abroad.

It is essential that we address the causes of the trade deficit if we are to avoid these unacceptable results. In doing this, we have to look to three areas: Removing discriminatory trade barriers to our exports; achieving a more realistic valuation of the dollar; and improving our productivity and competitiveness.

As a nation, we have the goal of free trade and open markets for goods and services. We recognize that there are considerable benefits that flow from free trade. Consumers in all nations can enjoy a greater quality and quantity of goods and services in a truly free trade environment.

But free trade is a myth at the present time, and common sense requires that we reconcile ourselves to that reality. Does it make common sense to allow Brazil to subsidize its iron ore industry, and, at the same time, for us to allow it unrestricted access to our market? Does it make common sense to allow Japan to severely restrict its purchase of many of our products, including rice, beef, and citrus when, at the same time, we refuse to reciprocate and impose mandatory quotas on Japanese autos? Does it make common sense for us to allow our products to be kept literally and figuratively on the docks of foreign countries due to arbitrary nontariff barriers at the same time that we have a comparatively open door in terms of testing and product requirements? Legislation which the Congress passed last year to allow for reciprocal actions on our part is a small step in the right direction. But there must be the will necessary to utilize this new authority and the wisdom necessary to recognize that other strong measures are yet essential to assure a fair balance of trade.

In addition to challenging unfair trade barriers and seeking to exert leverage for their removal, we must also take action which will lead to a more realistic value for the dollar. In a sense, meeting this objective is easier because the solution lies more in our own hands. But in an all too real sense, the solution is more difficult because it calls for substantial deficit reduction. It will be impossible for this deficit reduction to be painless but it is essential that it be fair and in the spirit of shared sacrifice. As long as our deficit remains out of control, interest rates—particularly long-term interest rates—will remain too high when compared with the rate of inflation. These high real interest rates encourage investments from abroad, which creates a demand for the dollar, and, consequently, drives up its value. Unless the dollar is more realistically valued, our exports abroad will remain overpriced and foreign imports will continue to enjoy a price advantage as compared with American-made products. In either case, our trade balance worsens and individuals lose their skilled and well-paid industrial jobs and are forced into poorly paid service jobs, if they find any job at all.

Finally, if we are to achieve a lasting solution to our balance-of-trade problems, then we must move beyond rectifying the evils of discriminatory trade barriers; we must move beyond reestablishing the value of the dollar. It is time for us as a nation to take a critical view of our industrial vitality—our ability to generate high quality, well-paying jobs for future generations. We are at the beginning of a technological revolution that will be as profound as the earlier agricultural and industrial revolutions. A broad range of skills will be required for these new industries and for old industries competing in this new environment. How America will measure up to these dramatic and rapid changes depends to a large extent on what we do now to develop the appropriate structures and policies to make Government a facilitator of economic growth and progress.

We must take initiatives such as developing long-range voluntary strategies for U.S. industrial development and growth. We must assure a competent, skilled, responsive labor force ready to adapt to technological advancements and manufacturing shifts. Further, we must provide support and encouragement for the technological advancements so necessary for a competitive industrial capacity for today's and tomorrow's world. In addition, we must seek out opportunities to provide meaningful assistance to State economic development efforts, which, in turn, can blend local expertise with local resources.

In this new economic environment, American business and labor can no longer afford to "go at it" with each other while our international competitors are working together. Similarily the Government can no longer treat businesses as an adversary when so many of our businesses are already taking a beating from competition abroad. We have to work together—business, labor, Government, and the public—to develop a tough, lean, competitive America.

One approach to facilitating this new alliance in the American economy is to establish a Council on Economic Competitiveness and Cooperation. This body, which would be composed of representatives of business, labor, Government, and the public, would provide a forum within which the Nation's industrial strategy can be debated and formulated—where advisory working groups can analyze and develop responses to problems that affect individual industries and geographic regions. Most importantly, the Council would work to achieve a voluntary consensus around an equitable sharing of burdens, risks, and opportunities.

These, then, are choices which confront us regarding international trade. We can choose to tolerate discriminatory trade barriers. We can choose to ignore the deficit and its effect on the dollar. We can choose to be complacent about the adversarial tensions in our economy. But these are choices which we would make only at our great peril. I am confident that these are not the choices that my constituents in Michigan would want to make. I am confident that these are choices that we as a nation cannot afford to make. That is why we must choose, instead, a path of activism which has as its goals the removal of discriminatory trade barriers to our exports, a more competitive dollar through deficit reduction, and a new partnership in our economy for productivity, competitiveness, and growth.

I thank my friend the Chair and I yield the floor.

RECOGNITION OF SENATOR LAUTENBERG

The PRESIDING OFFICER. Under the previous order, the Senator from New Jersey is recognized for not to exceed 15 minutes.

TRADE POLICY/INTELLECTUAL PROPERTY

Mr. LAUTENBERG. Mr. President, this is a critical period in the economic history of this country. A new world economic system is emerging and our position in it is increasingly in question. The revolution in telecommunications and other high technologies is transforming old economic relationships. And it has intensified an already fierce struggle for jobs, markets, profits, and economic power. Let there be no mistake. The United States faces the most serious challenge to its long-term national economic interests since the Great Depression.

That is the real significance of the continuing decline in our international trade position. In 1980, we had a merchandise trade deficit of $25.5 billion. In 4 short years, that deficit has risen fivefold to a record high of $123.3 billion. Every billion dollars of that deficit, Mr. President, represents the immediate loss of at least 25,000 American jobs.

No one knows what the long-term impact will be. But it is clear that our companies are losing market share, perhaps permanently. Yet we drift along with no real policy for dealing with the problem. And the hemorrhage continues.

We are also about to become a debtor nation for the first time since World War I. In the last 4 years, we have liquidated our net investment position abroad. Mr. President, it took the better part of this century to build up that position. Earnings on our foreign assets have been a pillar of our international strength. Until recently, they were more than sufficient to offset deficits in our merchandise trade. We were creditor to the world. But no more. Now the United States is a net importer of capital. Sometime this year, in fact, we will join Mexico, Brazil, Argentina, and other nations of the Third World as net international debtors. And no improvement is in sight.

This is a grim situation, Mr. President. The causes are complicated. But in the end it comes down to a combination of bad policy, good intentions, and a failure of will. There is no easy solution and the problem will not simply go away. It will not take care of itself. We have to have a strategy for restoring American competitiveness and insuring open access to foreign markets.

One glaring example of unequal market access is in telecommunications, an industry key to an information age economy, and one critical to the economy of my State. The divestiture of AT&T and ongoing deregulation in the United States has opened our markets to unprecedented market entry. Meanwhile, American firms face a variety of barriers in Europe, Japan, and the developing world. The proof is in the trade numbers for the telecommunications. From a trade surplus in 1982 of $200 million, the United States ran an estimated trade deficit in 1984 of $1.03 billion.

Mr. President, telecommunications is not an industry in need of protection. Telecommunications is an industry in need of equal access. It is an industry where the United States is a technological leader. Yet, it faces increased competition at home from firms that launch forays from the shelter of their own protected markets.

That is unacceptable. I joined last year in a bipartisan effort with my colleague from Missouri, Senator DANFORTH, to press for legislation to open telecommunications markets abroad. I am hopeful that we will continue to make progress in this area. Much is at stake.

Now, Mr. President, trade policy is part and parcel of general economic policy. You cannot deal with one without affecting the other. One of the first steps we can take to improve our trade performance is to put our own fiscal house in order. As long as we have $200 billion deficits we can expect high interest rates and an overpriced dollar. The result is an unfair subsidy to imports and an excise tax on American exports. We cannot put $200 billion deficits on the back of American industry and expect to win in international competition.

We also have to learn to exploit and protect our real strengths. The United States has for most of its history been a world leader in scientific and technological development. These are critical resources in today's global economic competition. We are entering a new era, Mr. President—one unlike any other that has gone before. National economic destiny is no longer dependent primarily on natural resources. Comparative advantage is more and more a function of technological innovation and adaptability.

This is why, in my view, intellectual property protection has to be a central objective of any effective trade strategy. The theft of American products, ideas, and technologies by foreign nationals has reached epidemic proportions. Unless we move firmly to assure an effective regime for their protection, our economic future is at serious risk.

Last year, I introduced the Intellectual Property Rights Protection and Fair Trade Act of 1983. The legislation required the President to carry out a comprehensive assessment of the problem and submit a report to Con-

gress detailing his findings, recommendations, and plans; denied eligibility for the Generalized System of Preferences to countries that failed to provide adequate protection for intellectual property; and authorized the use of economic and technical assistance to assist the development of intellectual property rights protection in less developed countries.

This legislation was incorporated in part in the Trade and Tariff Act of 1984. The Office of the U.S. Trade Representative is preparing to implement those provisions. But much remains to be done.

Today, I am introducing, with several of my colleagues, legislation to preserve adequate protection of computer software. The United States dominates the world market in software. It is a position the United States has won with innovation, with technological leadership.

But maintaining that leadership depends upon providing adequate intellectual property right protection. America should enjoy the fruits of American innovation. Since 1964, the United States has recognized that software is a work of authorship protected by copyright. It is a view that had been shared by major industrialized nations.

However, there have been disturbing developments in Japan that threaten to undermine that consensus. Japanese industry and the Ministry of International Trade and Industry [MITI] have advocated stripping software of copyright protection and substituting a shorter, lesser form of protection. As the Department of Commerce noted in a recent study, such steps pose the greatest threat to continued American leadership in that industry.

The legislation I am introducing today would invoke authority granted under the Universal Copyright Convention. It would impose a kind of reciprocity in copyright.

The message should be clear. The United States will resist continued threats to undermine an adequate regime of intellectual property right protection. I would welcome the support of my colleagues of this legislation.

Still, Mr. President, it is but one step. The trade deficit is a reflection of a variety of problems, and a variety of challenges. I am honored to have been appointed to the Democratic task force on international trade.

I look forward to working with my colleague from Texas, Senator BENTSEN, and the other members of the task force, to formulate a broad approach to the issue. In an increasingly competitive world marketplace, we cannot affort to sit back or rely on yesterday's answers. Too much is at risk.

Thank you, Mr. President.

RECOGNITION OF SENATOR BYRD

The PRESIDING OFFICER. Under the previous order, the Democratic leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

THE CHALLENGE OF GLOBAL COMPETITION

Mr. BYRD. Mr. President, the Washington Post of December 3, 1984, carried an editorial that began, "Of all the symptoms of rising instability in the American economy, none is less noticed in this country than the deficits in foreign transactions. None is more dangerous." The trade deficit—like the Federal budget deficit—is one of those huge numbers bandied about by economists. For many Americans, it has little meaning.

So why should we be concerned when we learn that the United States ended 1984 with a trade deficit that totaled $123 billion? This figure is almost twice the level of last year's deficit and about equal to the trade shortfall during the entire 4 years prior to 1980. But does it make a difference? Does it say anything about the fundamental health of the American economy?

The answer is unequivocally "Yes." The trade deficit is important. When I first came to the Senate in January 1959, only about 5 percent of the Nation's gross national product was the result of exports. By 1983, that number had doubled. America is the world's largest trading nation. According to the Department of State, overseas customers buy 24 percent of our total agricultural production, 25 percent of our construction and mining equipment, and 20 percent of our aircraft production. My own State of West Virginia exports nearly 20 percent of all goods manufactured in the State. The Department of Commerce reports that this is well above the 13.4-percent national average. It makes West Virginia third in the Nation in the percentage of its goods going to export. One out of every seven West Virginia jobs depends upon exports, and there are more than 2,350 firms in West Virginia which depend upon the overseas market. Nationally, the Commerce Department tells us that every $1 billion of the trade deficit means 25,000 American jobs lost or not created.

Trade is of vital importance. American firms no longer compete against the company in the next city or the next State.

Competition is becoming truly global. With improved communications and transportation, we are approaching the point where all commodities and services must stand up against a world price structure. To say America is importing $123 billion more than it exports is another way of saying that we are becoming uncompetitive; that the world's greatest trading nation is losing out in the world market. This translates—very directly—into a loss of jobs and a decline in economic leadership.

Why is this the case? I have addressed my colleagues before about the problem of an unrealistically overvalued dollar. The Federal Reserve Bank of New York described the scope of this problem in a study which concluded that the appreciation of the dollar in 1983 increased the merchandise trade deficit by some $45 billion, lowering the GNP by 1 percent to 1.5 percent, as against the 1980 level.

And there are other problems. While most tariffs have been negotiated down to between 3 and 6 percent by the Tokyo round negotiations, there remains a long list of nontariff barriers. Some trade specialists estimate that these nontariff barriers now cover one-third of world trade. Prior to President Reagan's November 1983 meeting with Japanese Prime Minister Nakasone, I sponsored a successful sense-of-the-Senate amendment calling on him to seek reductions in the many nontariff barriers employed by the Government of Japan to restrict the importation of American-made goods to that market.

These same nontariff barriers limit American opportunities in the European Community and in our fastest growing market, the developing world. Such practices block U.S. goods, services, and investment and insulate other nations from the reality of global competition.

Finally, we must acknowledge that the trade shortfall is due in part to the difficulty American firms have had in adjusting to the rapidly changing terrain of international competition. These difficulties have been compounded greatly by the other problems I have just mentioned.

I have already said that these factors contribute to a loss in jobs and a decline in competitiveness. But it is important that we not underestimate their impact. Perhaps the most insidious result of the trade deficit has been its impact on our national defense. A declining industrial base weakens our readiness, and a loss of competitiveness can mean less capital for research and development. This becomes a vicious circle as the trade deficit increases.

Former U.S. Deputy Trade Representative Alan Wolff described this dangerous state of affairs in an editorial in the October 18, 1984, Washington Post. This experienced trade policy professional noted that, "Lost sales mean lost revenues. For every telephone system, nuclear power station, or conventional electrical generating system that the United States

does not supply abroad, U.S. firms have fewer dollars to spend on research and development and, therefore, learn less about ways to improve existing products and create new ones. More insidious still, our industries do not demand as many engineers and scientists, and fewer are trained.

I ask unanimous consent that Mr. Wolff's observations be printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BYRD. Mr. President, I am well acquainted with the dilemma Mr. Wolff described. I have worked with my colleagues to assure that the American steel industry survives the onslaught of subsidized foreign products that penetrated up to one-third of the American market last year. And I have offered legislation to preserve the ferroalloys industry in this country. That industry is among the most modern in the world, and it has an unquestionable lead in research and development of new products and technologies vital to our defense production base. But antimarket pricing and unfair competition have permitted foreign producers to garner 60 percent of the American market in this crucial industry.

I ask unanimous consent that a letter from the Ferroalloys Association, describing the role of those products in national defense, be printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 2.)

Mr. BYRD. Mr. President, during the past 4 years, I have been disappointed by what seems to be a lack of interest in the trade deficit on the part of the current administration. At times, American trade policy seems adrift—a ship without a rudder. At other times, we have seen interagency scuffles for control of the helm with the same result—U.S. trade policy without direction. The failure to articulate a clear set of objectives and carry them into action is especially hazardous when we consider that we are in competition with some extremely disciplined trading nations.

Democrats have always insisted on an open but fair trading system, tempered with realism about the world marketplace. Mindful of this tradition, I have asked Senator LLOYD BENTSEN, the distinguished ranking member of the International Trade Subcommittee of the Finance Committee, to chair a Democratic conference working group on trade policy. I am confident that Senator BENTSEN and the other members of the task force will take a hard look at the policies that brought us to this unenviable record trade deficit. And I am hopeful that they will offer insights and recommendations that will help the country deal with this unprecedented challenge to our ability to compete.

Faced with a record $123 billion trade deficit, the stakes are too high to permit us the luxury of inaction. We enjoy a comparative advantage in a great many goods and services. But we suffer from a comparative disadvantage in the lack of well-considered, realistic policy direction. I am confident that Senator BENTSEN and the other members of the working group will help fill that void, and contribute to the effort to assure a competitive world-class American economy.

EXHIBIT 1

[From the Washington Post, Oct. 18, 1984]

DEFICITS: A DANGER TO THE NATIONAL DEFENSE

(By Alan W. Wolff

Every nation must pay for its defense. England liquidated its overseas assets, the investments of generations, and borrowed heavily to wage war against Nazi Germany. After the war, it chose policies of current consumption rather than savings and investment. It did not earn its way in world trade, and was quickly surpassed by its former adversaries in economic strength and military potential.

America is pursuing policies today not unlike, Britain's after the war. It is doing so not out of necessity but because of a lack of political will. It has embarked on a military buildup without paying for it out of current revenue. Instead, it is borrowing $2 billion a week from foreign countries. High U.S. interest rates, the direct result of not taxing to pay for spending, extract this capital from other countries.

These economic policies damage the nation's security in a number of ways: 1) the nation's manufacturing base is being eroded; 2) America's technological lead is being undermined; 3) by curbing economic growth in Europe and Japan, relations with our allies are being strained; and 4) in the Third World, the cause of democracy is receiving a severe setback.

Imports are capturing an increasing share of the U.S. market. American exports are faring less and less well in the world's markets. Record trade deficits are announced monthly, resulting in millions of American workers' not being employed or trained. There is now a documentable erosion of both basic and emerging industries, which are necessary to the defense of the nation.

Steel-making capacity alone has shrunk 30 percent since January 1981; import dependency in steel has increased to well over 25 percent. Even this level of domestic production is maintained by a patchwork of export restraint agreements.

The telecommunications industry, in which America is the world leader in technology, has witnessed a sharp reversal in its trade position in the past 3½ years, from a surplus of $1 billion to a deficit of $200 million.

And this is only the beginning. The trade gap is predicted to widen sharply unless economic and trade policies are changed.

This disaster is not due to our workers' becoming less energetic, American management's becoming less far-sighted, or American scientists' becoming less innovative. It is due primarily to the overvaluation of the dollar adding to the other problems of international competition.

Every week that goes by under present policies, U.S. firms and workers make and export nearly $3 billion worth of goods *less* than the foreign goods this country imports. This trade gap causes a loss of invention of new products and new technologies.

Lost sales mean lost revenues. For every telephone system, nuclear power station or conventional electrical generating system that the United States does not supply abroad, U.S. firms have fewer dollars to spend on research and development and, therefore, learn less about ways to improve existing products and create new ones. More insidious still, our industries do not demand as many engineers and scientists, and fewer are trained, all due to an abstraction, an overvaluation of our currency that is pricing U.S. goods out of world markets and making imports unreasonably cheap in our own market.

In the mistaken belief that it will give America lasting strength, vast—borrowed—resources are being spent on defense hardware. But any arsenal of weapons becomes obsolete shockingly fast. To remain strong, the country must have a strong industrial base and the latest technologies, and the ability to create new products and new technologies. Current policies cannot achieve this necessary set of objectives; on the contrary, they are defeating them.

It has long been the objective of U.S. policies to promote the cause of democratic government throughout the world. We could not long survive as a single democracy in a sea of world communism. The strongest resource for our cause is the fact that communism produces want, and a working free market system produces well being.

But America's economic policies are curbing growth in the world's poorest nations. Interest on external debt has risen to extreme levels, and for the first time there is an actual inflow of capital from these poor countries to the United States. What is the sense of stockpiling arms while, at the same time, sowing the seeds of discontent and revolution that make their use ever so much more likely?

What is so tragic is that this damage to our national defense need not occur. There is no absence of the tools needed to restore health to the U.S. trade position, and thus its long-term defense posture, and to increase the numbers of productively employed Americans and friends of America everywhere. The first step is to cut the federal budget deficit.

EXHIBIT 2

THE FERROALLOYS ASSOCIATION,
Washington, DC., January 29, 1985.

Senator ROBERT C. BYRD,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR BYRD: The attached excerpts from our original submission under Section 232 of the Trade Act of 1962 made to the Commerce Department in 1981 very adequately state the importance of ferroalloys to the national security and the need for domestic ferroalloy capacity to protect the national security. Since the filing of our petition and the subsequent failure of the Administration to take positive actions to retain capacity, the industry has lost irretrievably one-half of its capacity and is on the brink of losing more to the extent that very soon it will be totally unable to respond in any emergency.

There is no question of the importance of ferroalloys to the national security but to be

forced to rely on far away off-shore supplies in an emergency opens a window of vulnerability that would greatly weaken our ability to produce needed materiel for defense. The U.S. cannot realistically depend on foreign sources for these essential and critical materials and must have in place sufficient domestic ferroalloy production capacity to insure the national security.

We believe that enactment of S-262 will retain present capacity and insure the national security.

GEORGE A. WATSON.

THE NATIONAL SECURITY REQUIRES A HEALTHY FERROALLOYS INDUSTRY

Whether our country is at war or at peace, the security of the United States demands a strong domestic ferroalloys industry. Ferroalloys are necessary to produce iron, steel, superalloys and aluminum and are of critical and strategic importance to any war effort. It is impossible to manufacture missiles, tanks, aircraft, guns and other forms of modern military hardware without an adequate supply of ferroalloys. Moreover, it would be impossible to sustain the nation's industrial strength without having the ferroalloys needed to produce efficient electrical generators and motors, petroleum refineries, chemical plants, more fuel efficient autos and trucks, machines and machine tools, silicone chemicals and aluminum castings, to name just a few of the vital components of our industrial economy which are dependent on ferroalloys. The need for a healthy U.S. ferroalloys industry would be especially critical during a war, as the military and industrial demand for ferroalloys would expand rapidly at just the time that ferroalloy imports (most of which come from overseas sources) would become least reliable.

But the country's security needs are by no means limited to the event of war. Since ferroalloys are essential to the maintenance and growth of our sophisticated industrial economy, our economic prosperity, and with it our national security, require a strong U.S. ferroalloys industry during peacetime as well as during war. OPEC has taught us the grave security implications of economic dependence upon foreign sources for materials critical to our economy. Unless the nation has substantial and active capacity to process ores into ferroalloys, its industrial economy will be hostage to the sudden supply interruptions and price escalations of foreign producers. Indeed, if the nation is truly to upgrade its industrial strength and its defense capability in the next few years, we must halt and indeed reverse our growing dependence on foreign sources of ferroalloys.

Ferroalloys are processed from chrome, manganese and silicon ores. While the United States has vast supplies of silica (the chemical term for quartz), it does not, for present practical purposes, have either chrome or manganese ore of metallurgical quality. The sources of chrome ore are heavily concentrated in southern Africa and in Communist countries, and those areas are also major sources of manganese.

Yet there is a tremendous difference in security terms between dependence on raw materials and dependence on processed products. Grave as is our reliance on foreign crude oil, the security risk would be much higher if we did not have our own capacity to refine the crude we import. When a nation has a viable refining capacity, it has the assurance of knowing that it can satisfy its needs for the processed product so long as it can obtain the raw material. As was the case in the 1973 oil embargo, raw materials often make their way into the world market even during a crisis—but only to those countries able to process them.

Without the capability to produce ferroalloys, we would become dependent not just on the off-shore mining and shipment of chrome and manganese ores but on the foreign processing of those ores (and of quartz) into ferroalloys as well. In that event, it would not be enough for the United States to find the ores somewhere in the world's markets or even to develop low-grade domestic sources. The nation would have to pay artificially high, possibly exorbitant, prices for the ferroalloys it cannot do without. Furthermore, since ferroalloy processing facilities are more technically advanced than ore mines, they are more susceptible to breakdown during a crisis. That additional dependence on foreign processing capability would thus increase the nation's security risk substantially.

Furthermore, the existence of an American ferroalloys industry is a critical factor in reducing U.S. dependence on a limited number of sources for ore (such as southern Africa and the USSR). It is well established that the quantity of raw material reserves often expends with increased demand. The more ferroalloy producers there are in countries without large reserves of certain ores (such as the U.S.), the more incentive countries with small or potential mineral resources have to become (or remain) significant alternative sources of ore. For example, the fact that a major U.S. ferrochrome producer was in business and needed to buy chrome ore in the 1970s spurred Finland to develop quickly substantial chrome reserves (which that producer then bought) that had not theretofore been considered an important source of chrome ore.

The PRESIDING OFFICER (Mr. KASTEN). The Senator from South Carolina [Mr. HOLLINGS] is recognized.

OUR FAILURE TO COMPETE IN INTERNATIONAL TRADE

Mr. HOLLINGS. Mr. President, I thank the distinguished leader. I commend his remarks to the attention of everyone. He is right on target. He is talking, at the close, with respect to basic industry and with respect to the State of West Virginia and the State of South Carolina.

Now the cancer of failing to compete in international trade is spreading. I go back on the trade issue to the 1950's with respect to my state's textile problem. I appeared before the Tariff Commission as a witness 25 years ago, and I remember Tom Dewey of New York, representing the Japanese Government, chasing me around the hearing room all day long. We lost that case.

So, we went to see President Eisenhower. We walked in, and the President said, "Don't worry. We know how vital textiles and clothing are." Later, the Government formally determined that textiles were second only to steel in their importance to America's national security.

We were told by President Eisenhower at that time: "Do not worry; you will win the case."

We did not. We lost.

Thereupon, I then went to work with our friend, Senator John F. Kennedy, and upon his election we worked and developed the seven-point program for textiles.

I do not want to get off the path right now with respect to the background and experience I have had in this field, but I wish to emphasize that I am looking historically—from hard experience—and now the cancer is spreading to all parts of this land. Not just to South Carolina and West Virginia, but into all States and into all parts of industry, not just steel and textiles, but into agriculture, too.

I walked into the wheatfields of Iowa in pursuit of the Presidency some 2 years ago and found our wheat farmers in Iowa in competition with the French wheat farmers. And the French farmer was receiving a 25-percent subsidy. We were trying for the wheat contract, if you remember, at that time with Egypt but it is difficult competing against a 25-percent subsidy.

Later when I got down into Texas and Arkansas, I found that the rice farmers there were competing against another 25 percent subsidy from Japan on its rice. Soybeans have been similarly impacted. I had built a grain elevator as Governor back 25 years ago, but my growers have found themselves in competition with Brazilian farmers with their 25-percent subsidy.

So the subsidies by Government have spread to agriculture as well as industry.

Go into the General Motors plant in Detroit, and you see a Japanese robot assembling foreign parts. We do not make American cars any more—the transmission, the gear, the clutch, all come from overseas. Just go up into the heartland of America; Michigan, Indiana, Illinois, Ohio, and you will find many of the producers have gone offshore and been forced offshore.

I know that Cincinnati Milacron makes a better robot; Geddings and Lewis makes a better robot than any foreign producer. But Japanese subsidies and Japanese financing put that robot there in the automobile factories of Detroit.

I can go right next door to Virginia and in Roanoke find Cabell Brand and his shoe company trying for 5, 6, or 7 years to be licensed in Japan. He can sell that shoe very competitively in downtown Tokyo. Do not try to give him this Chamber of Commerce line that you have to learn to speak Japanese or you have to try harder. He has learned to speak Japanese. He has tried harder. He has taken on the Japanese. But the Japanese refuse to license him.

Mr. President, what really is wrong here is lack of enforcement of our trade laws. We in Congress over 25

years have been passing laws to safeguard against the illegal trade practices used against us. We have a plethora of laws—the various trade acts, the various customs regulations, countervailing duties, antidumping provisions, escape clause provisions, trigger price mechanisms, perial points and so on. But they are not being enforced.

I do not have the time today under the limited time allocated to me to list all the violations and the lack of enforcement of laws passed to stop those violations.

Suffice it to say the executive branch, be it Democratic or Republican, never has understood, never has appreciated, and thereby never has enforced the trade laws which would level the playing field of international trade to give our industry and our agriculture a fair chance to compete. That is all we are looking for.

We are not looking for subsidies, we are not looking for financing, we are not looking for handouts.

I will never forget that that was the first question asked me out in the Iowa fields. We have to educate those particular farmers. They have been sold that bit that somehow if you start safeguarding, say, textiles, other countries will retaliate against America's agriculture.

That is hogwash. They are already retaliating in the highly, highly competitive field of international trade.

It is dynamic. You can produce anything anywhere and with Government subsidies, financing, procurement, full employment, licensing, inspection—I can go down the list of the various practices—the vital or decisive factor in the trade equation becomes the Government itself.

There is no such thing as free enterprise out there. It is Government to Government enterprise.

The trade arena has changed completely, but we poor Congressmen and Senators are being fed this "protectionism, free trade" pap day in and day out by the media.

I commend the one reporter who is in the press gallery today. The rest of them are not here. They will not ever understand it. It is somehow too complicated, and they do not want to write about it.

So we and they are fed this pap. By whom? By the multinationals.

Let's look at the history. The multinationals were instituted by a positive, affirmative action or policy by our own Government.

First, at the end of World War II, we had the Marshall plan and, thereupon, we said to American industry, if you go out and invest, produce, manufacture, set the example in overseas countries, we will give you foreign tax credits and we will give you foreign tax deferrals. Just spread that seed of capitalism, and these other countries will become capitalistic, freedom-loving, democratic societies.

And that worked.

Singapore, Hong Kong, Korea, Japan, Taiwan, all of these disparate governments, are all capitalistic, competitive entities. The plan worked.

Our trouble is that our blue chippers found out they could, No. 1, produce more cheaply overseas because we here as politicians have set a higher standard of living. I will go into that, but the point is they can produce cheaper not having to adhere to our standard of living, which is a fundamental involved in this debate.

And No. 2, they could get protection. Now if I obtain the dollars for the XYZ corporation to invest, produce, and make a profit, I do not palaver and dilly. I move with the competition and get ahead of the curve, as they say. While I would like to stay in Charleston, SC, and produce my gadget, if I can go into Taiwan, or Japan, or Indonesia, or now Mexico and make my profit quicker and greater, I would do it.

And if I can not only make that profit but be protected, sort of guaranteed profit, I would be ill-advised not to follow along, and so this gradually has occurred.

The multinational is a natural, not a sinister thing. They have taken on the nationalities of their host countries. They have become true multinationals.

And then they come back here and try to sell all this free trade, protection pay through the Trilateral Commission and the New York bankers who make most of their profits overseas—look at Chase Manhattan, look at Citicorp. I can give you the list of the blue chips. Many make more of their money outside of the United States than inside. They can be protected from any action that might be taken against them, so long as they can sell that shibboleth, that myth, to these dumb politicians in the Nation's capital about "free trade, free trade, protectionism, protectionism, trade war, trade war."

I remember during the days of Vietnam there was a saying that, "someday they are going to hold a war and nobody is going to show up."

Well, we have one. It is called a trade war and we are not in attendance. Every weapon—subsidies, financing, procurement, licensing—every weapon is being used. While we sit up in the grandstand caterwauling, the game is in the fourth quarter down on the field. We are about to become a colony. We are exporting our foodstuffs, our wheat, our coal from West Virginia, our timber from South Carolina, we are exporting our natural resources and we are importing the finished goods while caterwauling "free trade, free trade, protectionism, protectionism."

And our standard of living now is in question.

You and I, as the public's representatives, exact that standard. We have the minimum wage, unemployment compensation, social security, clean air, clean water, OSHA, a safe place to work, and everything else. That all culminates in what you might call the standard of American living.

You can make this shirt for about 18 cents an hour in downtown Shanghai. And they have a billion Chinese ready to do it. There are various wholesalers in America already into the Shanghai market. This shirt was not manufactured there, but a lot of them are.

Question: Should we reduce America's standard of living to 18 cents an hour? Obviously not.

So we join issue not just with the People's Republic, but with Mexico at 85 cents an hour, or other particular countries that do not have these requirements. We have to be able to set a policy to protect that standard of living and, as the distinguished leader has so well emphasized, our capacity to continue as a world power. You cannot be a world power unless you can produce steel and glass and rubber, textiles, automobiles, rolling stock. You cannot deliver your wheat on optic fibers—you hear high tech, high tech, winners and losers, service economy, and all of that babble.

They told that to England at the end of World War II. England was withdrawing from the colonies, and some said,

> Don't worry. You are going to be a nation of brains rather than brawn. Instead of producing products, you are going to provide services. Instead of creating wealth, you are going to handle it. You are going to be a financial center.

I was there last month. They are going to economic hell in a handbasket. You do not invest in England. They have the lords and ladies class of society and the poor workers class on the other side striking and nothing is being produced. We can become like England, we can become a second-rate power if we want to continue on our present route. We can become a colony, or we can face this competition realistically and get off of this shibboleth about protectionism.

Over in the rotunda here the week before last, the President said, "I hereby pledge to preserve, protect, and defend." I do not know why protection has gotten such a pejorative meaning in this Chamber, just a few yards down the hall.

We have the Army to protect us from enemies without, the FBI to protect us from enemies within, unemployment compensation to protect us from the loss of a job, Social Security to protect us from the ravages of old age, and laws to protect the water we drink, and the air we breathe. You can

go right on down that list. The fundamental of government itself and particularly the Federal Government is to protect our standard of living in a sensible and competitive way. And the most competitive worker in the world, be it on the farm or in the factories, is the U.S. farmer or the U.S. industrial worker.

I am constantly reading this babble—it comes out of that crowd—that somehow we have to get competitive, we have to get more productive. The U.S. Department of Labor, the chamber of commerce, the U.S. Department of Commerce, all agree that the most competitive worker, the most productive worker, is the U.S. worker. And certainly we know about America's agriculture, which is the most productive operation in the entire world.

I ask unanimous consent that the Bureau of Labor statistics be inserted at this point in my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTERNATIONAL PRODUCTIVITY COMPARISONS—GROSS DOMESTIC PRODUCT PER EMPLOYED PERSON [1]

	1983	1981
United States	100.0	100.0
Netherlands	96.7	94.0
France	94.3	92.8
Germany	93.8	91.2
Belgium	92.5	90.8
Canada	92.0	92.8
Japan	73.7	72.1
Italy	66.3	68.2
United Kingdom	66.0	62.4

[1] Includes all economic sectors: industrial, agricultural, service.

Source: Bureau of Labor Statistics, January 1985.

Mr. HOLLINGS. But, unfortunately, we have gone out and put a 25-percent penalty on everything produced with these high budget deficits. Anything produced in an American factory has a 25-percent tax on it. We live in an international economy and we are putting a 25-percent penalty on our farmers and our factory workers. And then some have the gall to tell them to be more productive, more competitive.

Some say we need a retraining act. I want to join in this debate about retraining America. That is also babble.

My low per capita income State of South Carolina can provide the best of technical arts, highest of skills and high tech, too. And we will give you anything you want, training anybody in 100 days to do anything and we will pay to do it.

So we do not have any problem about retraining America. What we need to do is retrain this Congress and retrain this Senate and retrain this Executive.

The people of America are producing and competing. This Government in Washington is not producing and competing. That is why I put in a bill the other day to establish a trade council on the Executive level to get enforcement.

Our distinguished colleague from Florida has some time. I thank the minority leader for this opportunity to say a few words. We will get into this debate later on. We want to discuss the history of Smoot-Hawley so we can clear up that record. We have got to reeducate America. The Yankee trader was the greatest of all. There is nothing wrong with America's industry. To say: "They have gotten fat and lethargic" is nonsense. They are lean and hungry. The worker is productive.

I am not anti-Japanese. I am anti-us. Anti this Government right here in Washington. I am angry with us. We have Japanese industries in South Carolina. We have Sony in Columbia and others. In our South Carolina plants, we are producing, not singing company songs. I can tell you here right now that we are outproducing the Japanese at this moment. What is not producing is the Government itself.

I thank the distinguished minority leader. I yield the floor.

RECOGNITION OF SENATOR CHILES

The PRESIDING OFFICER. The Senator from Florida is recognized.

TRADE AND THE AMERICAN ECONOMY

Mr. CHILES. Mr. President, I am glad to have the chance to join this discussion on our situation in world trade.

It comes at the perfect time, just a few days before the President sends Congress his new budget.

We have got ourselves in a strange position in this country. It looks like we are growing. We seem to be prosperous. We sound confident.

But the fact is, we are in hock up to our eyeballs.

I know the gross national product grew at nearly 7 percent last year, and it would be foolish to look a gift horse in the mouth. But you would not want to turn your back on that horse just now because you might get a good, swift kick.

Our economic recovery has been very expensive. For this fiscal year alone, we owe each other over $200 billion. But even that huge amount has not been enough to pay our bills.

Last year, the United States borrowed well over $100 billion from other nations. And with the size of our domestic deficits, it looks like we could be putting the tap on other nations for around $150 billion every year until the end of the decade.

I ask you: What is all that money doing for us? It seems to me it is just putting off the day of reckoning. The only way we have been able to manage our own $200 billion deficits is with a lot of help from our international friends. But all that borrowed money is not doing us any good. Not us. And not our friends.

For one thing, our deficits and high interest rates have produced a muscle-bound dollar. On the positive side, Americans can get themselves a pretty good bargain these days on foreign products.

Because the dollar is so high, good foreign wine is less expensive. Good shoes from overseas are not as expensive as they used to be. Foreign cars sell pretty well.

On the other hand, American wines cost a lot more in Europe. American fashions are not easy to afford overseas. And I would be surprised if we are selling as many Buicks in Tokyo as we are buying Toyotas in Los Angeles.

Well, come to think of it, there is really no surprise at all. In 1982, Japan sold 530,000 Toyotas in the United States. The same year, Japan bought 772 Buicks.

In 1982, while Japan was selling 1.8 million cars in the United States, we were selling exactly 3,562 American cars in Japan, according to Automotive News.

And there was one very special person in 1982 who became the owner of the only American Motors car sold that year to the Japanese.

Now, I understand the huge gap in sales is the result of a lot of factors. But it does underline the fact this country should be doing much more in an attempt to open up foreign markets to the goods we make at home.

All of us know about our record trade deficit. We know it is costing us jobs in the short run, and shrinking the American job market for the long run. Deficits have run up the dollar, and made our exports too expensive to buy. So we have to bring down our domestic deficits, and we better do it soon.

The next few weeks will tell us how far we are willing to go to achieve some real deficit reduction. But no matter what we do, we cannot rely on deficit cuts alone to cure our trade problems.

We have to ask ourselves if maybe—just maybe—we have not been overly generous in granting concessions and accepting foreign restrictions.

I think we have been too complacent. The United States just cannot go on playing Anne Landers and letting the rest of the world cry on our shoulders when it comes to foreign trade. Even Anne Landers can spot a bad deal when she sees one. We have to be more forceful in standing up for our own interests.

Now, I am not talking about any trade war. That term seems to come up every time the United States starts talking about getting more active in world markets. What we have to make our trading partners understand is

that we are not interested in getting even. But we are ready to get moving.

So let us start by realizing something very basic. We have become a debtor nation. The United States—this great economic machine that rescued so many countries after World War II—is now in debt to the rest of the world.

And if present trends continue, the United States will have an external debt of $1 trillion by the beginning of the 1990's.

If that tells us nothing else, it should at least tell us we have squandered an advantage. We have not been sharp enough in competing for world markets. And we have been too lenient in giving more than we get.

I was pleased to hear Bill Brock say just last week the United States was ready to encourage other nations to lower their trade barriers. It is about time. In fact, I will believe it when I see it. But I mean to tell you I will do all I can to stiffen our approach to the problem.

Three years ago, France told Japan that they had had enough of the nontariff barriers to trade. When the Japanese remained inscrutable, France said, OK, we will start importing all Japanese video recorders through a single French town. Japanese video recorder sales to France dropped almost at once. But so did some of those trade barriers.

The United States has also shown some muscle in the past. Not long ago, we subsidized the sale of 1 million tons of wheat to Egypt. It is true we displaced some French exports in the process. But our purpose was to let the Europeans know we would no longer accept their export advantages derived from their heavy agricultural subsidies.

There are strong indications that the administration this year will move to reduce our own subsidy levels in agriculture. And if that happens, the United States should be more willing than ever to compete for overseas markets with the gloves off.

We have to be tougher.

In Florida, we have a machine tool company. It is an efficient operation in Fort Lauderdale. They ran into tough competition from the heavily-subsidized machine tool industry of Japan. That Florida company tried hard to get the administration to invoke some import curbs on the Japanese. They would not. And today, Houdaille may be faced with layoffs or worse unless they can find a way to work with other Japanese manufacturers.

It seems to me that is exactly the kind of situation in which the United States ought to demonstrate its intent to stand up for itself in world markets.

Now I am all for starting up a new round of trade talks. But we better be ready to make sure the other side listens. We have to convince them Americans are just as willing to look out for the interest of American workers as, say, the Japanese are ready to take care of the workers of Japan.

Nobody wants to return to the tariff wars of the 1920's. In the process of penalizing other nations, we shot ourselves in the foot. We know better than to swing to extremes now.

But in the years ahead, we have to be guided by some basic facts.

First, we cannot sit back and hope that other nations will do what is best for America. While we've got to keep improving our domestic management practices to restore our competitive edge, we must also defend ourselves against unfair trade practices.

Second, we have to shake the idea that when a foreign nation uses every trick in the book to improve its trade levels, that is OK—that is competition. But when the United States reacts, that is protectionism.

That is nonsense. What we are really talking about is American export promotion. that is the name of the game worldwide, and we have just as much right to play as anyone else.

Third, it is not a trade war we want. But let us not be shy about waging war to reduce tariff barriers. What we need to do is let the rest of the world know we are going to be tough on the competition. We are not going to slam the door on foreign trade. But we are determined to open the windows, and remind our friends those windows open out as well as in.

And finally, we have to curb our appetite for borrowed money, both at home and from overseas. Our need for borrowed money from abroad has increased the value of the dollar by 75 percent since the middle of 1980. Even after allowing for differences in inflation, the real value of the dollar has grown 50 percent over the same period. And that is a crucial factor in our ability to compete in world markets.

The overvalued dollar has us at a disadvantage in world trade. Imports have grown twice as fast as they have during other recoveries. The trade deficit is undermining the competitive ability of our industries. And, because so much of our spending is heading overseas, over half of the purchasing power from the Federal budget deficit is leaking out to foreign nations.

That means we are helping create jobs abroad, while shrinking the job market at home. If you doubt it, let me remind you that manufactured imports have nearly doubled as a share of GNP over the last few years. That spells deindustrialization.

It seems to me it is time to cut our deficits at home. And it is time to compete abroad. The world wants us to bring down our deficits. The world should not stop us from doing all we can to promote our own exports.

Recent economic news has confirmed the damaging impact that our runaway budget deficits are having on our economy's capital and industrial base.

Last Friday we learned that orders to factories for durable goods—items expected to last 3 or more years—had fallen in December. More ominous is the trend we have seen over the last half of the year in which nondefense durable goods orders have fallen 3.3 percent below their May peak.

Yesterday we learned that in 1984, the United States posted its largest merchandise trade deficit on record—$123 billion. And the major source of this deterioration was in the U.S. manufacturing sector—autos, steel, telecommunications equipment, and electrical machinery. Even in the area in which the United States has its strongest international competitive advantage—the production of capital goods—our trade surplus has been cut in half in just 1 year. The budget deficit is crippling our industries in two ways. First, the high real interest rates discourage investment that is essential to our long-run ability to complete and, second, the overvalued dollar puts our producers at such a competitive disadvantage that they lose markets both overseas and at home.

Just this morning we learned that the leading index of economic indicators had declined by 2 percent in December. And the major sources of this decline were a drop in orders on new plant and equipment and, next in importance, a decline in net business formation.

So in the course of 1 week we have gotten three messages that point to one conclusion. We are living off our accumulated assets, employing workers in old industries and not undertaking the investment which will provide sustainable growth in the future. If our country is to move ahead while setting the groundwork for our long-term prosperity, we must attack our deficit problem.

Mr. CRANSTON. Mr. President, I am pleased to join with Senator BENTSEN and others today to discuss U.S. trade policy and the problems created by the trade deficit—the largest in U.S. history. I would like to discuss one step we can take immediately to help reduce this deficit—passage of the export administration legislation.

One of the tasks left unfinished by the 98th Congress was passage of legislation to extend and amend the Export Administration Act [EAA]. Although the conferees on the EAA legislation struggled for more than 8 months to achieve a compromise—and as a conferee I can attest to the strenuous effort that went into that search—we were unable to find a solution that was acceptable to the Con-

gress, the business community, or the executive branch.

Since the Congress adjourned last October, I believe that circumstances have changed enough to allow for a rapid passage of EAA early in the 99th Congress. The period since adjournment has given all those involved time to reassess their positions and better define their priorities. There is strong support now in the Congress, the business community, and the administration to move EAA legislation on a fast track.

Prompt action is imperative. We have been operating since last summer under the International Economic Emergency Powers Act [IEEPA]. The act is meant to be implemented when we face a national economic emergency, not because we cannot act on legislation. Continuing under IEEPA is poor national policy since the void left by the failure to extend the Export Administration Act leaves open to question enforcement of other statutes. As important, the vacuum created by the absence of EAA legislation translates to tremendous uncertainty for the business community. U.S. companies must know what the final legislation will be and how it will affect them if they are to proceed with their long-range planning. The present state of unpredictability is yet another impediment to U.S. companies trying to compete in a highly competitive international market. Washington should be helping U.S. companies instead of setting up more obstacles.

It is essential to move EAA legislation because we must begin to reduce the morass of export licensing procedures that are swamping U.S. companies. We had a record-smashing trade deficit last year of $125 billion. This trade deficit is inflicting long-term damage on U.S. competitiveness at home and abroad. The EAA legislation is no panacea for the problems that plague our trade account, but it is a step in eliminating licensing redtape. In particular, the EAA legislation provides for improvements in the distribution license process, and for the first time provides the Department of Commerce with the authority to issue comprehensive operating licenses.

There are other provisions in the bill that are aimed at easing the export procedures. Let me cite a specific example which illustrates the difficulties exporters have with an insensitive bureaucracy.

My State of California, I'm proud to say, leads the Nation in the export of manufactured goods, in the sale of high-technology goods and services, and in the export of agricultural products. California is in the forefront of States with an aggressive export policy and was one of the first to recognize the economic necessity of expanding our exports. Yet California exporters must work with a bureaucracy that refuses to acknowledge that California is 3,000 miles and three time zones away from Washington. The Department of Commerce operates under a myopic illusion that the world revolves on Washington's schedule. In order to do business with the Commerce Department—the agency that controls all export licensing—my constituents have to begin their work day at 5 a.m. Since the Commerce Department closes down at 2 p.m. California time, any questions or problems have to be deferred until the next day. Unfortunately, the rest of the world does not stand still and business deals in particular don't wait for Washington. The EAA legislation includes a provision that mandates that the Department of Commerce accommodate communications to its Office of Export Administration throughout the continental United States during the normal business hours of those exporters at least 4 days a week. It is a small action, but it is appalling to me that Congress has to instruct the Commerce Department to undertake such basic steps. It does serve to underscore the need for congressional action. And it is possible to move expeditiously.

One of the major stumbling blocks in the EAA conference last year was the dispute over the role of the Department of Defense in reviewing licenses to free world countries. This impediment has been removed. In January the President issued a directive to the Departments of Defense and Commerce outlining the role for each in the review process and procedures to determine how to resolve disagreements between the two agencies. Last year I supported the Department of Commerce's position to retain the status quo vis-a-vis the Defense Department and do not agree with all of the directive, but the step has been taken. Now we must give the Defense Department a chance to demonstrate that it can effectively fulfill the role. And now there is no need to provide statutory authority for DOD in the EAA legislation.

Another controversial provision contained in last year's bill related to U.S. policy toward South Africa. I supported title III of the House bill which contained the South African provisions because the United States must make clear in the strongest terms its abhorrence of the system of apartheid. The EAA legislation was one of the few vehicles in the last Congress that House and Senate Members could use to voice effectively their concern about United States-South Africa relations. In the intervening months since adjournment the situation in the Congress, in the country, and in South Africa has changed. I believe that it is now appropriate to consider legislation pertaining to South Africa separately from the EAA legislation, and I support such an approach.

Mr. President, for the reasons I have enumerated, we cannot afford further delays on the EAA legislation. I, therefore, urge my colleagues to support a fast track approach to extend and amend EAA. And I will continue to work actively with my colleagues on the Banking Committee to achieve this goal.

THE TRADE DEFICIT

Mr. MITCHELL. Mr. President, this morning, the Commerce Department announced that during 1984, the United States has run a record trade deficit of $123 billion.

This record trade deficit follows the 1983 record trade deficit of $69 billion.

Which followed the record 1982 trade deficit of $36 billion.

These figures, coupled with our recordbreaking budget deficits, make it crystal clear that our economic recovery today is based on borrowed dollars: Dollars borrowed from the future to finance unprecedented budget deficits and dollars borrowed from our accumulated national wealth to finance current consumption of imports.

Our budget deficits have not yet led to crowding out of other credit in the financial markets, not because the laws of supply and demand have been repealed, but because our budget deficits are being financed to an unprecedented degree by foreign money.

Unfortunately, the effects of our recordbreaking trade deficits have not been so benign. Trade deficits have two major effects: On the immediate short-term economic health of the country in terms of jobs and Government spending, and on the long-term health of the country, in terms of national wealth and prosperity.

The first and most pervasive effect of the trade deficit has been upon job growth in our economy.

It is estimated that every billion dollars of trade deficit we run—for every billion dollars' worth of foreign products we buy which are not offset by American products that foreigners buy—25,000 jobs in this country are lost.

With a 1984 trade deficit of $123 billion, that is about 3,075,000 jobs. That is a staggering number of jobs, especially when we recall that the total number of unemployed Americans is less than 9 million.

If those jobs were available to, and filled by, Americans, our unemployment rate would be reduced by a third. That, in turn, would have a dramatic effect on the budget deficit, since employed people pay taxes while the unemployed do not, so Government revenues increase; and employed people do not need Government services that are extended to the unemployed, so Government spending decreases.

The second effect of the trade deficit is a longer term one. Because the trade deficit springs from the fact that we are buying more abroad than we are earning from abroad, we are exporting our Nation's accumulated wealth to pay for our imports.

As a practical matter, what this means is that we are doing today exactly what we have accused developing countries of doing: We are living beyond our means.

We are doing so without any apparent adverse effect—yet—because foreign money is pouring into this country to take advantage of our high interest rates.

Almost exactly 1 year ago, the Chairman of the Federal Reserve, Paul Volcker, warned us what the inevitable consequences will be:

Testifying before the House Banking Committee last February 7, Mr. Volcker said:

> The net investment position of the United States overseas built up gradually over the entire postwar period, will, in the space of only 3 years—1983, 1984 and 1985—be reversed. The richest economy in the world is on the verge of becoming a net debtor.

So long as foreign dollars continue to finance our budget deficit, we can continue to avoid the consequences. But the size of the budget deficit itself—particularly if it is not substantially reduced—has created the danger that even if foreigners remain willing to invest their money here to finance the deficit, our trade deficit will still drain our national wealth.

The effect of being a debtor nation is simple. Domestic resources—wealth generated in this country—must go abroad to pay foreign debt.

In 1981, for example, U.S. investors earned $86 billion on their foreign holdings, while foreigners earned $53 billion on their American holdings. That left Americans $33 billion ahead.

So even though we ran a trade deficit in 1981 which amounted to $28 billion, our national earnings abroad helped offset that trade gap, and our overall international financial condition left us ahead.

But because of the combination of our huge trade deficit, which has virtually quadrupled since 1982, and the unprecedented string of budget deficits, which have not fallen below $100 billion in the last 3 years, we are predicted to have something in the nature of an $80 billion gap in our current account this year.

Briefly speaking, that means that $80 billion of the production of our economy will be sent abroad to pay foreigners for the money we have borrowed and the goods and services we are buying from them.

It is not difficult to see that a continuation of this trend cannot help but weaken our economy over the long term, even if the current domestic economic figures look good. Regardless how much growth we see domestically, if we are forced to ship such huge sums abroad, we are, in effect, shipping our wealth abroad, rather than using it to invest in new competitive enterprises, in more efficient production, and in more jobs in this country.

To enter U.S. capital markets, foreign investors must buy dollars. Competition for dollars has pushed the value of the dollar up sharply in the last 4 years. The value of the dollar has risen by over 40 percent since 1980.

A strong dollar automatically makes the products of American companies less price-competitive overseas. Our exports cost buyers more in foreign markets. Their products cost our consumers less in our own market.

The sheer magnitude of the dollar's strength has played a large role in keeping our rate of inflation low. It has prevented domestic manufacturers from increasing prices, because they have to compete with cheap imports.

And it has undercut our exporters by artificially inflating the cost of their products abroad.

The effect of a 40-percent increase in the value of the dollar is almost precisely the same as if we imposed a tax of 40 percent on all our exports and gave a subsidy of 50 percent to every import. No business can compete in such circumstances.

This situation is unprecedented in world economic history. Never has an economy as fundamentally strong and sound as ours siphoned off so much of the world's capital.

Never has our Nation run deficits of this magnitude consistently both in trade and in the domestic budget.

Obviously, one outcome of the situation—unless it is reversed—is that we will become a net debtor nation. Americans will owe more money to foreigners each year than they owe to us, so each year a portion of whatever wealth we generate will be shipped abroad to pay those debts.

Trade-impacted companies today constitute up to 60 percent of American business. That is the number of firms which now actively compete with companies either based abroad or multinational American companies.

Many of these companies are expanding abroad, rather than at home, as they see the continued uncompetitiveness of goods produced in our Nation. The effect on our economy of that movement is obvious.

Goods produced abroad provide no jobs here. Factories established overseas reduce the degree of modernization here.

The single most effective action we, in Government, can take to help turn that situation around is to bring down the enormous deficits that prop up our interest rates and continue to attract foreign investment.

That action alone will not reverse the trade deficit overnight. Nor will it or could it alter the political considerations that make investment in our Nation more attractive to many foreigners than investment elsewhere.

So we must also adapt our trade policies to the reality of the trading world as it exists today.

Our trade laws and our international trade agreements are premised on the benefits of an open trading system. The benefits of an open trading system remain clear. But the difficulties of achieving such a system in the real world have multiplied.

Our Nation was the dominant producer of manufactured products in the world when the current trading system was set up. So we could afford to tolerate some abuses of the free trade rules by our competitors as we concentrated on lowering tariffs and worked for the elimination of all tariffs.

Through several rounds of trade negotiations, tariffs have in fact been largely eliminated as a major factor in international trade. But in the interval, as we concentrated on removing that kind of barrier, other nations substituted other policies and created nontariff barriers in their place.

Nontariff barriers range from subsidies, to preferential government procurement programs, to special loan rates and the subsidization of market mechanisms—a host of policies designed to protect local industries from competition or develop industries targeted toward particular overseas markets.

The rise of such nontariff barriers has been the most remarkable of the postwar phenomena that have accompanied prosperity.

For instead of these policies being short-term efforts to get infant industries on their feet, in many instances they have become permanent fixtures in the government policies of our trading partners and competitors, domestic policies so deeply integrated into the operations of their own economies that the resistance to eliminating those barriers is tremendous.

A report last year estimated that one-half of all international trade is now affected by nontariff barriers of one kind or another. The General Accounting Office even found that three of our major trading partners—Japan, France, and the United Kingdom—currently subsidize one-third of their exports.

Clearly this is a significant change in the international trading field and it is a change to which our national policy has yet to respond. Neither the domestic laws that seek to protect our domestic producers from unfair competition, nor our efforts to promote our own exports have kept pace with

the changing nature of international trade.

In the forthcoming months, Congress must not only work to reduce the budget deficit directly, we must make a serious effort to develop trade laws that reflect the reality of the international trading climate.

That will be a challenge in many ways far harder than the reduction of the budget deficit. But in the long term, our failure or success could have a much greater and more lasting impact on the future of our Nation.

U.S. TRADE DEFICIT

Mr. LONG. Mr. President, it has often been said that the U.S. trade deficit is caused by the U.S. budget deficit. I would like to make two points about that relationship.

First, I wonder if it has occurred to the administration that the relationship works both ways. That is, it is not only true that the U.S. budget deficit is one factor which contributes to the U.S. trade deficit; it is also true that the U.S. trade deficit contributes to the budget deficit. After all, we are told by the Department of Commerce that each billion dollars of exports amounts to 25,000 jobs. Let's assume that we could reduce the trade deficit by only one-half. We would increase exports to half the amount of the 1984 deficit. That would amount to about $70 billion, equivalent to 1¾ million jobs. If we reached a better solution, which is to have our exports equal our current imports we would gain 3.5 million jobs. All those people would pay taxes.

The second point I want to make is that budget balancing is not a total solution to the trade deficit, or even the largest part of such a solution.

I sincerely hope that the Congress is able to come up with a package for reducing Federal spending that will help to balance the budget of the United States. I will support any reasonable effort in this regard.

But let me warn my fellow Senators that this action is not going to make the trade deficit go away.

For one thing, the action is going to be too little, and it is going to be too late. Any action we take now will at best effect the Federal budget for fiscal year 1986. Moreover, such actions frequently take a year or two to have their effect upon the economy, and particularly to have their effect upon the value of our currency. Therefore, even if we are able to cut the Federal budget deficit for fiscal year 1986 by the majority leader's target of around $50 billion, this fact will have almost no impact upon U.S. trade deficits until sometime in 1987 at the earliest. That means we are in for another 2 years of $150 billion trade deficits.

Moreover, budget action will not help dramatically with our trade deficit because our trade deficit has become what economists call structural. A structural economic problem is one that reflects some basic change in our economy. That is exactly what our trade deficit has come to reflect.

As companies learn that this country is neither going to defend its industries nor insist upon fair trading practices or markets for its exports, those companies change their investment plans. They close their U.S. factories and open production facilities abroad. Many Senators in this Chamber have had the unpleasant experience of learning that a business in their State has decided to close a facility there or reduce employment at that facility and make up the difference by opening some project abroad, in Asia, or in Latin America, or in the Middle East, or in Europe. This reflects a structural problem, and even if our dollar eventually goes down, we will be unable, at least for a substantial period of time, to take advantage of that decline in the dollar's value, because we simply will not have the plants in the United States to make products to export. That is a structural problem.

I submit the reason for this problem is that this country no longer pursues the correct trade policy. When this trade program was framed by Cordell Hull 50 years ago, he convinced Congress that the program would be fair and it would be reciprocal. The current policy is neither.

Let me give Senators just one example of how foreign countries cheerfully take away our export markets while subjecting us to a flood of imports. In this case, as in most others, all the trade agreements in the world have not made a bit of difference. These trade-distorting practices go on as if there were no GATT. Indeed, I sometimes wonder whether we are the only Government in the world that has ever opened up the GATT and read the thing.

Now the example I have for Members concerns the country of Mexico. Mexico is not a member of GATT, so we can hardly say that they are disobeying GATT rules. They just make it plain they do not intend to abide by them. Nevertheless, Mexico benefits from the U.S. generalized system of preferences [GSP] and from the policy we have had in effect since 1923 called unconditional most-favored-nation [MFN] treatment, which means that Mexico gets the best treatment we give anybody, including those countries that do not adhere to the GATT.

Mexico happens a few years ago to have discovered a great deal of oil and natural gas, and they are in a position to export that product at whatever price the market will bear. As OPEC has raised its prices, Mexico has taken advantage of that situation by charging U.S. purchasers of petroleum more or less the OPEC price. But recently, Mexico's oil company, which is owned by the Mexican Government, decided that it was not making enough money off of selling petroleum and natural gas. They, therefore, began to move downstream, that is, they began to produce products in which a substantial cost of production was accounted for by the cost of energy.

In the case of ammonia, for example, where natural gas is 70 percent of the cost of production, they arrived at an export price backward. They figured out what price they needed to charge in order to sell ammonia in the United States; then they worked in the cost of transportation and whatever capital equipment they had to buy; and then they put the natural gas in at whatever cost was necessary to come up with a profit on the transaction. The cost of the natural gas was a small percentage of the price at which Mexico sells natural gas to U.S. purchasers, yet those U.S. purchasers have to compete against imported ammonia made from natural gas that is priced at a fraction of what our manufacturers pay for gas.

This pricing is a form of downstream dumping. It amounts to an unregulated unfair trade practice.

The House passed legislation last year to allow U.S. companies to petition for relief from such dumping under the countervailing duty law, but the administration opposed the provision, and it was eventually dropped in the conference.

This action gave Mexico the confidence to stop selling the United States any natural gas at all.

Meanwhile, how does Mexico treat our exports? Well, last week the Mexican Government announced something called an import substitution program. In the January 1985 edition of the information bulletin put out by the Government-owned Mexican petroleum company, PEMEX, it is announced that PEMEX will limit imports of capital equipment for all of its projects to 25 percent of its expenses. It announces rather proudly that in the past Mexican goods used for capital projects in the petroleum production area accounted for only 20 percent of the cost of those projects, but that in one oilfield development started in 1984, Mexican capital goods accounted for 67 percent of the capital costs. They want that number to be 80 percent. Now what country do Senators think is adversely affected by this limitation on imports into Mexico?

Of course, the country adversely affected is the United States, because as a major producer of oil country goods, our exports will be hurt by this new Mexican policy. So we are not only treated to the fact of Mexico subsidiz-

ing or dumping downsteam products in the United States, but we are also prevented from exporting oil country goods, such as pumps, and wells, and pipe, into Mexico. They get not just a petroleum industry; not just a downstream chemical industry; but an oil country capital goods industry. That is not fair, and it is not reciprocal.

Now I submit that this kind of practice is going on all over the world, in Brazil, and Indonesia, and Korea, and Japan, and Europe, and Saudi Arabia; everywhere. Countries all over the world, regardless of whether they are members of the GATT, are playing this trade game like a violin. And the United States is the sucker that is dancing to the tune. That is one reason we have a structural problem in trade.

So, in looking at this trade deficit, I urge Senators to look beyond the problem of the budget deficit at the structural issues. What are we doing to our basic economy by allowing such policies to continue?

THE TRADE DEFICIT

Mr. MOYNIHAN. Mr. President, I rise today to discuss a grave situation which faces this Nation. The topic has, unfortunately, become an all too familiar one during the last 4 years—our Nation's trade deficit.

Yesterday, the Secretary of Commerce announced the final figure for 1984.

In 1984, our merchandise trade deficit was an incredible $123 billion. That is nearly twice the record deficit of only a year earlier; more than four times as large as our trade deficit in 1981.

This is not an abstract figure. It measures the domestic job opportunities lost because demand at home is met by goods from abroad. The International Trade Commission estimates that 25,000 new job opportunities are lost for every $1 billion increase in the trade deficit.

The reasoning is quite straight forward. When demand for foreign goods increases, and demand for domestic manufactures falls correspondingly, U.S. firms scale back their activities. Meanwhile, the increased demand for foreign-produced goods allows for the expansion of foreign firms, thus increasing employment overseas. In this way American job opportunities are lost, and in fact, are exported overseas.

Using the ITC's estimate, because the trade deficit increased $54 billion this past year, approximately 1,350,000 new job opportunities were lost last year. How are we to get them back?

Equally important, but often overlooked, is the fact that our current account deficit will exceed $100 billion. The current account deficit is a broader measure taking into account not only our trade in goods, but also our trade in services and interest and earnings from our investments abroad.

This is truly startling. The merchandise trade balance has been in deficit every year since 1970, except for 1970, 1973, and 1975. However, our trade in services and foreign investment income has shown a surplus in every year since 1970. In most years, this surplus was greater than the merchandise trade deficit so that our current account balance was positive. Now, however, our merchandise trade deficit is so large that it swamps trade in services and foreign investment income.

What does a current account deficit of $100 billion mean? It means that we are borrowing from abroad—on average, about $2 billion every week. It means that this country is increasingly dependent on the willingness of foreigners to hold dollars. It means that our economy is increasingly vulnerable to economic disruptions caused by the decisions of foreign investors.

Some of us still remember the dislocation and suffering that followed from our exteme dependence on imported oil during the 1980's. We are becoming similarly dependent on imported capital. Just as with oil, capital is a basic input throughout the economy. Just as with energy, a relatively few numbers of foreign actors—in the main bankers—can make decisions that could undermine the economy. If foreigners become less willing to hold dollars, interest rates here would rise as the supply of capital fell, slowing or halting much of our basic economic activity. And, just as with oil, foreigners' willingness to continue to hold dollars—to supply our credit market with capital—is not simply an economic decision.

Things have not always been this bad. What then, Mr. President, has changed?

Undoubtedly some of our trading partners subsidize their exports, and generously, but that is not the whole story. Put simply, quite apart from any subsidies they may receive from their own governments, for the past several years foreign industries have been receiving a huge subsidy from our own Government as a result of the overvalued dollar.

Over the past 4 years, the dollar has appreciated about 60 percent against an average of other major currencies. The overvalued dollar makes American goods more expensive in foreign markets, while foreign-produced goods become much cheaper in the American market. We have, in short, priced ourselves out of many world markets.

Mr. President, I think we should be clear that the large Reagan administration budget deficits have contributed significantly to the overvalued dollar and our huge trade deficit.

This is a relationship that we ought to understand. Let me be clear about it. If the Federal Government spends more money than it takes in, the Government must either print money to pay the difference—thereby giving rise to inflationary pressures—or the Government must borrow money. When the Government chooses to borrow large amounts of money, it competes with private business and consumers for available credit.

The credit market responds much as the markets for most merchandise would respond. Given a constant supply—in this case determined by the money supply—an increase in demand—for dollars—leads to an increase in the price of the good. In the case of money, its price is represented by the interest rate.

High interest rates, in turn, make the dollar an attractive investment for foreigners, vis-a-vis investments in other countries. This increases the value of the dollar in the international capital market place. The result? The overvalued dollar makes American goods more expensive in foreign markets, while foreign-produced goods become cheaper in the American market. This leads to an imbalance of trade much like the one that was announced yesterday.

Mr. President, the budget deficit and the trade deficit are both problems that demand timely action. Failure to do so today only magnifies the problem we will have to face tomorrow.

IMPROVING INTERNATIONAL TRADE

Mr. BIDEN. Mr. President, the greatest single challenge facing the Senate during its coming session is to take the actions necessary to extend the current economic recovery. I do not doubt that this can be done if we have the leadership of the President and if Congress is willing to make some difficult decisions. We will begin to find out in the next few weeks whether Congress is willing to do what is necessary to extend this current period of economic growth and share its benefits among all Americans.

We have just finished a year in which our national economy grew at a real rate of 6.8 percent. This is an accomplishment not seen since 1951. Despite this strong economic growth, inflation, for a third year, remained remarkably low. The 1984 experience of a 4-percent increase in the Consumer Price Index compares very favorably with our experience of 3.9 percent and 3.8 percent in 1982 and 1983. More recently, interest rates have begun to fall, more in line with the low levels of inflation we have been enjoying. Treasury 91-day bill rates have fallen dramatically in the past weeks. There are still things that remain to be done, however.

51-059 O-86-5 (Pt. 2)

Most important, we must find a way to spread the benefits of this economy to everyone. Our unemployment rate is still stuck above 7 percent, a totally unacceptable figure. Finding ways of decreasing this rate must be high priority. While we have created about 7 million jobs in the past 4 years, this still compares unfavorably with the 10.5 million created in the 4 years before that.

Another of the economic problems we must meet and overcome was symbolized in a figure reported by the Commerce Department yesterday. The U.S. merchandise trade deficit for all of 1984 reached a record shattering level of $123 billion. The United States has been running trade deficits since the mid-1970's. But in recent years they have grown alarmingly. In 1980 our trade deficit was $25 billion. By 1983 it had grown to $69 billion. And then in 1 year it almost doubled.

This is a matter of the greatest importance to our economic well-being. The United States is the world's greatest trading nation. U.S. two-way trade in goods and services accounts for more than 20 percent of our gross national product. Millions of American jobs are export related. Our economic health is dependent upon fair and open two-way trading with the rest of the world.

Yet, since the third quarter of 1980 our inflation adjusted exports have dropped by $80 billion—equal to about 5 percent of our gross national product. We have lost over 2 million jobs and untold amounts of earnings for American corporations.

One basic cause of the recent increases in the U.S. trade deficit has been high interest rates in the United States. These have attracted foreign capital and strengthened the dollar. The result has been to cheapen imports, which have flowed in in great quantity. It has also made prices of our exports higher, drying up many export markets for U.S. firms. The result is low export levels and high trade deficits.

The strong dollar has had its positive side. It has brought in large amounts of foreign capital—currently estimated to be $100 billion a year or more. These funds have served to finance our recovery and to provide funds to finance our huge national debt. Had we not had these huge inflows of foreign capital, we might not have been able to finance both our national debt and our economic growth from available U.S. capital.

The fact remains, however, that if we wish to continue our economic recovery we must find ways to reduce the level of our trade deficits. Because they pose a serious hazard to an increased standard of living in the future.

Unless there is a sudden change in economic direction, the United States is moving away from its present status as a net lender to the rest of the world. In 1985 it now appears likely that the United States will become a debtor nation. Shortly thereafter we will become the world's largest debtor nation, with a debt that exceeds that of Mexico or Brazil. And by the end of this decade we could well have a net external debt of over $1 trillion. This could make our present world debt crisis look small by comparison.

Does it make any difference to our economic future if we become a debtor nation? Or is it just a bookkeeping technicality? I am afraid it is a very real fact of life that could have serious repercussions throughout our economy. It would mean that we will be paying out money to foreigners on their investments in the United States, rather than receiving funds from them on our investments in other countries. The money that we pay out will not be available for domestic use. The standard of living of future generations will have to be lowered to pay these debts which are being incurred to raise our present day standards. Another equally unpleasant possibility is that there will be pressures on the U.S. economic policy by our foreign debt holders—something that Mexico, Brazil, and others have already experienced. This could have a serious economic consequences as the OPEC price increases of the 1970's

What must we do to assure continuation of our economic growth? There are at least two very important things currently under discussion that I believe Congress should act on with all possible speed.

First, we must act to reduce our budget deficits by reducing Federal spending. A major cause of our high interest rates is the need to finance budget dificits that may run over $200 billion per year. Clearly the strong dollar, which has played a large role in our trade deficit problem, is a result of these high interest rates. Action on deficits is urgent. It is important that the value of the dollar recede slowly. A precipitous plunge could unsettle financial markets, and create problems in financing the national debt, and cause a sudden surge in the cost of living as the relatively inexpensive imports are cut off.

I believe, as I have for some time, that a 1-year budget freeze is the answer. A fair and equitable freeze can be enacted quickly, without the divisiveness of abolishing programs or agencies. It will freeze deficit levels for the next several years, allowing for reasoned consideration of other means to reduce deficits further. And it is not such a drastic action that it might cause the value of the dollar to plunge. Such a freeze would hold fiscal year 1986 budget authority levels for all appropriated programs, defense and nondefense alike, to the previous year's levels. It would freeze all cost-of-living adjustments for 1 year. And it would freeze doctor and hospital fees for Medicare for a year. This will produce spending savings of $35 billion in fiscal year 1986 and freeze deficit at about $160 billion.

Such action on Federal deficits is one positive contribution that the Federal Government must make toward improving our international economic position. I believe that the other important step we can make is to rationalize our tax system. While this will not make an immediate obvious change in our economic condition—like that which would result from deficit reduction—I believe the results could be equally important over the long run.

We have reached the point where the taxes that we forgive for corporations is greater than what they pay. Tax breaks for business corporations will amount to over $75 billion in fiscal year 1985 while corporate taxes will be nearer $65 billion. This is, of course, a serious revenue loss. But at least as important is the evidence of the nonproductive effort by corporations in seeking to get maximum share of that $75 billion in tax breaks. Decisions that should be made on the basis of economics and the market place, are now based upon the Tax Code. These kinds of games result in the misallocation of untold billions of dollars of resources each year. Investment is attracted by tax advantages to places where it would never go if the market were allowed to work its will. If we are going to compete in world markets, we must get off this tax break kick and base our decisions on domestic and international competition on the economic facts of life.

That is why I am supporter of the fair tax, which I am cosponsoring again this year with Senator BRADLEY. It will provide for a greatly reduced corporate tax rate—30 percent instead of the present 46 percent. And it will eliminate many of the tax preferences that skew investment decisions.

This reduced tax rate will stimulate new and greater investment in areas of the economy which need such growth. It will lead U.S. business to operate as the market dictates. I believe this will all make the United States a more effective competitor in world markets, equipping the United States to hold its own in international competition in decades to come. Our present Tax Code has been warped out of shape by special provisions. The most important contribution Government can make to business competition, domestically and internationally, is to get the Tax Code off the back of business and let it operate freely.

There are other things that need to be done to change our international trading position. But today I simply

wanted to mention the fundamentals—the things to be done to get our Federal house in order so that the Government no longer interferes with business activity and the effects of the marketplace. I believe that if we do these things—and do them promptly this year—we will reverse the trend toward higher and higher trade deficits and will begin to ease the value of the dollar downward. When we do that, I am convinced that American business can compete with the rest of the world and we can look forward to a bright tomorrow.

THE 1984 TRADE DEFICIT

Mr. RIEGLE. Mr. President, yesterday the Commerce Department confirmed our fears about the Nation's deteriorating trade balance, announcing that the merchandise trade deficit for 1984 was over $123 billion. This is a $54 billion increase over the previous year's record-setting $69 billion deficit. We cannot afford this continuing drain of American jobs and capital.

Using the standard calculation of 25,000 jobs for every billion dollars of merchandise trade, this increase in the merchandise trade deficit cost us well over 1 million jobs in 1984. Some estimates are that the figure is closer to 2 million jobs.

Particularly disturbing is the composition of the deficit. While the merchandise deficit increased 75 percent, the deficit in manufactured goods increased more than 100 percent. Manufactured goods accounted for more than 75 percent of last year's increase. The manufacturing industries, such as autos, steel, and aerospace make up the backbone of our industrial economy, and the workers in these industries are the core of our middle class.

The deficit is taking a critical toll on American industry at the time it is most vulnerable. American industries are losing large chunks of the domestic market to foreign competition. This makes it even harder for the industries to generate the capital needed to invest in modernizing plants, products, and manufacturing processes to improve competitiveness.

More disturbing than the effects of the current trade deficit is the failure of this Nation, and particularly this administration, to develop any kind of strategy to address this situation. It is appropriate that this announcement of this record deficit comes as we are nearing the expiration date for the fourth year of voluntary restraints on Japanese auto imports. Nothing is more indicative of the problem with American trade policy than the current debate on the American auto industry.

The United States is still the only major industrialized nation without an auto policy. Over 50 nations restrict auto imports through content laws, restraint agreements, tariffs, and nontariff barriers. Every major European producer limits Japanese auto imports. Thirty nations have content laws. And in Japan, quotas, tariffs, tax breaks, financial assistance, and R&D aid were essential to the development of the domestic auto industry.

The auto industry is too critical to the Nation's economy for us to neglect it in the name of free trade. The auto industry is the cornerstone of our industrial base. It accounts for 20 percent of manufacturing employment and is strongly linked to many other industries, from steel to textiles, and from hi-tech to mining.

Ironically it is this very lack of a coordinated policy that leads to protectionism. Because of the failure to develop a long-term policy for increasing national competitiveness, our Government is able to act only at the last moment, when an industry is already facing a crisis. This atmosphere inevitably leads to the ad hoc protectionism that addresses a long-term problem with a quick-fix solution.

Our current trade policy on auto imports is made at the whim of our biggest competitor. Under the current restraint agreement Japan was able to sell nearly 2 million cars in the last year, a new record. For the last 3 years they have had one-fifth of the American market. That is almost twice the share they are allowed in other countries.

In spite of this drain on capital, the American carmakers have invested over $50 million over the last 4 years in new plant and equipment. They have modernized their plants, updated their manufacturing processes, and made a better, more fuel-efficient car. The industry is in a much better position than it was at the beginning of the decade but still must invest over $80 billion over the next decade to stay competitive.

According to an article in Automotive News, an unreleased Commerce Department analysis found that the industry is still extremely vulnerable and "could easily slip back into a new round of plant closings, job layoffs and losses should sales turn down again * * * as some forecasters say they might." According to the analysis, the debt-to-equity ratio of the American auto manufacturers is twice the level it was in 1978.

Our failure to develop a coherent policy is even more distressing in light of the ongoing currency and tax inequities between the United States and Japan. The current 25-percent imbalance between our currencies acts as a 25-percent subsidy on Japanese imports sold in this country. That is worth $2,000 on an $8,000 car. Whether it is caused by "manipulation" of the yen, or the overvaluation of the dollar, this is an unacceptable burden on American automakers.

This situation is compounded by the Japanese tax system. Japan uses a commodity tax as a primary source of revenues, but this tax is rebated on exported products. This is not only an incentive to export, but as the only industrialized major nation without any sort of commodity or value-added tax, this system acts as an incentive to export to the United States in particular.

If the restraints on Japanese auto imports are lifted the Japanese will be able to take up to 50 percent, by some estimates, of the American auto market. This will add at least another $10 billion annually to our already record setting trade deficit. It will cost over 1 million jobs and add over $70 billion to the budget deficit over the next 3 years in increased unemployment payments and lost taxes.

Some people have suggested that an agreement is not needed because the Japanese will not, and according to some cannot, flood the American market. If this is so why are they not willing to publicly commit to what they already are willing to do. This issue is too critical to be left to an informal verbal agreement. Japanese auto import restraints must be continued.

Unquestionably part of the cause of last year's trade deficit lies in macroeconomic factors, primarily our ballooning budget deficits. But that is far from the whole problem.

Yesterday's announcement by the Commerce Department is one more warning signal that we must face up to a new situation in the international economy. The extension of voluntary restraints on automobiles is essential. It will give the U.S. auto industry needed time to adjust to increasing foreign competition and we, in the Government, more time to rethink our role in national competitiveness.

THE CRISIS IN INTERNATIONAL TRADE

Mr. SASSER. Mr. President, I rise today to voice my concern about the latest figures released by the Commerce Department yesterday with respect to the merchandise trade deficit.

The Commerce Department yesterday announced that the merchandise trade balance for 1984 was a record high deficit of $123.3 billion. This represents a 70-percent increase over last year's trade deficit, which was then a record high, and is more than 2½ times the $46 billion deficit just 2 short years ago.

Imports into this country have been exceeding exports at an increasingly alarming rate. While exports in this country grew last year by 8.7 percent, imports grew by 26.4 percent. Thus, imports are growing at an annual rate

of more than three times that of exports.

And the trade deficit is expected to worsen in coming years, leading some economists to predict that the rising trade deficit will work to refuel the inflationary spiral which stifled economic growth during the 1970's. One such economist, Raymond T. Dalio, who is president of Bridgewater Associates, an economic consulting firm in Wilton, CT, was quoted in this past Sunday's New York Times business section that he expects the trade deficit to reach $1 trillion by 1990.

The consequences of such large deficits are very grave already; the United States is projected to join the ranks of net debtor nations this year. By the end of 1985, Data Resources, Inc., projects our net investment position to be minus $93.5 billion, implying a shift of $243 billion in just 3 years.

Thus, for the first time in 67 years, the United States will become a debtor nation.

Now, what are the consequences of these massive trade deficits? Well, for one, the Commerce Department has estimated that for each $1 billion in the trade deficit, there is a corresponding loss of some 25,000 American jobs. That means that last year alone, the imbalance between imports and exports in this country resulted in an additional 1.3 million lost jobs.

The year 1984 was disastrous for the domestic footwear industry. Eighty-nine factories closed costing 11 thousand workers their jobs. Third quarter unemployment in the domestic footwear industry was 17 percent, compared to the 7-percent average in the U.S. manufacturing sector.

In the first 11 months of 1984, 725 million pairs of shoes were imported, contributing $5 billion to the trade deficit. That represents an increase of 25 percent in imports for last year. Shoe imports now account for almost 75 percent of footwear sold in the United States.

Lest anyone think that the picture looks any brighter in the future, domestic production in the footwear industry was down 19 percent in the last 5 months of 1984, compared to a drop of 11 percent in the first 7 months.

Earlier this month, another shoe factory closed in McKenzie, TN, costing 300 workers their jobs. Discussing the closing in the local newspaper, the Jackson Sun, McKenzie Mayor Joe Morris spoke graphically of the effects of losing the area's second largest employer.

Summing it all up, the employment situation in McKenzie looks very bleak right now, and things weren't really booming to begin with, the Mayor said. He estimated that the closing could raise the town's unemployment rate to 10 or 12 percent. You figure they have a payroll of about $2.5 or $3 million, then multiply that about three times for every time it changes hands in the economy and you see what kind of impact it will have on our community.

If shoe imports are allowed to continue unchecked, more and more local officials will be echoing Mayor Morris' statistics.

My own State of Tennessee is the fourth most important footwear producing State in the United States. The industry employs about 10,600 workers in over 30 factories and generated in excess of $130 million in payroll dollars last year. We simply must preserve these businesses and these jobs for our citizens.

The footwear industry is the leading employer in 6 counties in Tennessee and is among the top three employers in another 14 counties. It is a significant industry in 29 counties. Twenty-five of these twenty-nine counties have populations under 50,000. Sixteen of them have populations under 25,000.

The textile industry is facing similar pressures. Last year, imports of textiles came to 9.8 billion square yard equivalents. That contributed $16.2 billion to our trade deficit, an increase of 53 percent over 1983. The deficit in textiles contributes 13 percent to the overall trade deficit. Almost 2,000 textile workers have lost their jobs in the last 4 years in Knoxville, TN, alone.

Other sectors of the economy face similar pressure from imports. Tennessee Chemical Co. is planning to close its copper mining operations. That one company makes up about 45 percent of the tax-base of Polk County, TN. The reason for the closing is familiar—imports.

The agricultural economy is another sector of the American economy which is particularly hard hit by the merchandise trade deficit. The unattractiveness of American agricultural products abroad is contributing to a full-blown crisis in the farming country.

Current overvaluation of the U.S. dollar and high real interest rates in this country have further exacerbated the international trade situation. The dollar began the new year on a high note, setting new records against the British, French, and Italian currencies and reaching a 12-year high against the German mark on January 2, according to a Data Resources, Inc. review of the U.S. economy.

The attraction of high rates of return on investments has also contributed to a huge influx of foreign capital into this country, accounting for a 50-percent increase since 1980. This year, according to former Council of Economic Affairs Chairman Martin Feldstein, capital inflow will be enough to offset half of the Government's borrowing.

It is highly unlikely that we can continue to sustain economic recovery unless we work to appreciably reduce the size and growth of annual budget and trade deficits. Yet, the President has shown a reluctance to exercise leadership on these issues. In fact, when looking at the recent budget proposals which will be included in his fiscal year 1986 budget, and when looking at the budgets he has submitted the last couple of years, it seems clear that this administration has surrendered its will on the deficit issue.

We must work toward prudent and responsible solutions to current budget deficit problems. In this way we will begin to address the serious trade deficit problems which are now hitting our agricultural community and which threaten to retard future generations' potential standard of living.

RECOGNITION OF SENATOR BOREN

The PRESIDING OFFICER. Under the previous order, the Senator from Oklahoma is recognized.

Mr. BOREN. Thank you, Mr. President.

THE AGRICULTURAL CRISIS

Mr. BOREN. Mr. President, I rise again today to continue my vigil on the crisis confronting American agriculture. As I have previously indicated, I intend to come to the Chamber and speak each day on this subject until somehow and in some way we gain the attention of the administration, Congress as a whole, and the American people to the grave emergency and the immediate emergency which we are now facing in the agricultural sector.

This year Congress is scheduled to write a new farm bill and the debate over the farm program is important to every citizen in this country, not just to those who live on the farm or make a living or attempt to make a living through agriculture.

Agriculture is in the worst crisis since the Great Depression of the thirties. In some ways conditions are worse.

Yesterday, the Senator from Montana, Senator MELCHER, chaired an informal meeting which scores of agricultural leaders from across the country, religious leaders as well, the Catholic bishop of Iowa, leaders of the Lutheran Church, and others appeared, to use very strong language about the situation that now confronts American agriculture.

One Member of the Senate as well as the Catholic bishop of Iowa used the term "dying" to describe what is happening to rural America.

President Kennedy once wrote a book, "While England Slept." I wonder if someone in future years will write a book looking back on this period of crisis in American agriculture, a crisis that is bound to spill over

into the rest of the American economy, and perhaps that future writer will entitle his book "While America Slept."

Our policymakers have been asleep while a crisis gains force and storm clouds continue to gather over our entire economy.

In the past 4 years, the value of equity in agricultural land owned by the farmers of this country has decreased by over $150 billion. Almost one-fourth of the equity in agriculture has been wiped out in 4 years because so many farmers are forced out of business and so much land has, therefore, been put on the market that the market value of argricultural land has decreased by almost 25 percent.

Mr. President, there were reports aired yesterday at the farm crisis meeting which was held that indicated that in several States of the heartland of this country as many as 10 to 15 percent of the farmers in those States are likely to go out of business this year.

I ask you, Mr. President, if land values have fallen 25 percent over the last 4 years, when we have averaged 1 to 2 percent of the farm units going out of business each year, what will happen to land values and what will happen to equities if 10 to 15 percent of the farmers go out of business in a single year?

How soon we forget. We forget what happened in this country in rural America when in the late twenties the value of land in some areas fell so drastically that in less than a year farms were worth less than 10 percent of what they were worth at the beginning of the year.

And have we forgotten, Mr. President, how that rapidly translated into disaster in the towns and cities as well as being a disaster on the farm? Have we forgotten when 90 percent of the equity value in agriculture was wiped out, how quickly bank after bank and financial institution after financial institution in this country collapsed? Have we forgotten the short time it took between the collapse of farm and land values for the collapse of the small businesses on the main streets across America to follow?

How long are we going to wait? The planting season will soon be upon us. The banks across rural America right now are having to make decisions as to whether or not they are going to supply the credit to put those crops into the ground.

Mr. President, if that credit is denied to 10 to 15 percent of the farmers of this country, if they are not allowed to plant, with mortgages already overdue, no one can begin to estimate the ultimate impact of these developments upon the economy of this country as a whole.

There will not be a financial institution even in the largest city of this country that remains untouched and the whole fabric of life in the rural parts of this country is going to be torn into shreds.

We should be acting today on emergency farm credit legislation. We should not wait until tomorrow. We should not wait until next week. We should be acting today. How long will we wait?

How many farms are going to go out of business; how many banks are going to fail; how many small businesses are going to fail; how much of a crisis are we going to create in the financial system of this whole country before we act?

We do not have a year. We do not have 6 months. We have, at best, only a few weeks to enact meaningful legislation to prevent these results.

The agricultural sector of this country and the family farm unit as we know it is dying. It is in need of emergency action.

Just 35 years ago, net farm income for 1 year would have more than paid off total farm debt. This past year the debt was over 16 times as much as annual income. In 1950, net farm income was $19 billion and total farm debt was $12.5 billion. In 1983, net farm income had fallen to $5.4 billion while total farm debt had skyrocketed to $216.3 billion. For the past 5 years, American farmers have had very little case income with which to attempt to service a huge debt. At the same time, the farmer's ability to borrow, as I have said, is declining because so many farms are being forced onto the market. The value of agriculture land has fallen 22 percent in the last 3 years. It is important to note that this percentage decline, of necessity, includes land near urban areas which are being converted from farmland to land for other uses, such as apartments and shopping centers. The inclusion of this land in the estimate, though unavoidable, blankets the fact that in many counties, dependent totally upon agriculture, land values have fallen over 50 percent in the past 2 or 3 years. As land values have fallen, more and more farmers find their equity eroded to unacceptable levels. In the past 5 years, we have seen a 200-percent increase in farm bankruptcies and forced liquidations.

There are many who claim that we are merely getting rid of "inefficient" farmers. I assure you, we got rid of the inefficient farmers years ago. The farmers that are going out of business today are farmers who have been successful for 20 years or more. The farmers that are being forced out of farming today are family farmers, those who get up at 4 o'clock in the morning during calving season, those who work until 2 or 3 o'clock in the morning to get their crops harvested before rain. These are the farmers that are going under today.

And these people are not mere statistics in a record book. They are real human beings who deserve our concern and understanding. There is a tragedy unfolding that should tear at the heartstrings of the American people and would if they but understood it.

One farmer shows up in the statistic books. One more farm liquidated. A number on a page. But I have seen a lot of those real people. And I have listened to what they have had to say. I have confronted in my meetings people who have come up to me and said. "My great grandfather homesteaded that land. My grandfather lived on it. My father made a living and gave us an education through what it earned, and now I am losing it." And losing it through no fault of his own or losing it through no failure to work hard.

The Senator from New Mexico just talked about the trade imbalance. We had testimony before the Finance Committee this week by some of those who are going to be occupying positions of responsibility in the Treasury Department. Overall, they made a good presentation. But, at one point in the testimony, they were asked how they felt about the strong dollar which was contributing to this trade imbalance that has been discussed on the floor this morning. They said, "Well, in some ways, maybe it is a good thing because through that strong dollar we are getting people in other countries to invest in this country and in essence service the national debt, in essence, pay the interest on the national debt for us."

I do not have mixed feelings about the overvaluation of the dollar that is destroying our trade deficit. I do not see anything good about it. When I think about what it is doing to the farmers of this country, driving them more and more in record numbers into bankruptcies, I think to say there is anything good about it is inexcusable.

Recently, one of our grain trading companies, while we have a huge surplus of grain in this country, they talked about importing wheat from Argentina. They claimed they could import the wheat from Argentina, pay the freight on that wheat, pay the 21 cents a bushel tariff on that wheat and still bring it into the Port of Houston at a substantially lower price than the price per bushel of wheat in this country.

Of course, that is true. But why is it true? Is it because our farmers are not productive? Is it because our farmers are not the most efficient producers in the world?

Absolutely not. It is because the value of Argentine currency has fallen 86 percent against the value of the American dollar in the last 12 months. How can any sector in our economy,

no matter how efficient it is, compete with those kinds of dislocations in the value of currency compared to the American dollar?

We are going to sit here and dismantle a whole sector of our domestic economy, important not only to the economic health of this Nation but to its moral fiber, as well, if we do not do something about it.

Why has the crisis reached this point? In part, I believe it is because many Americans do not understand the economics of agriculture or the importance of the farm sector to them personally. They do not know that to start an average family farm today requires over $425,000 in capital. The majority of the American people believe that they are subsidizing the farmer. In one sense, the taxpayers have subsidized farmers through programs which have cost far more than they should due to shortsighted farm policies.

In the larger sense, it is the farm sector which is subsidizing the rest of the country. The facts are clear. Agriculture is the most productive and most efficient sector of our Nation's economy. It is consistently one of the few sectors of our economy where we have a favorable trade balance. Last year, we sold to other countries $19 billion more in agricultural products than we purchased. Additionally, our farmers have been giving Americans the greatest food bargain in the world. Americans spend only 16 percent of their income for food. The average Russian spends 45 percent for food. Even in Great Britain the average is about 28 percent. American food consumers get more for their money today than in 1950. In 1950, an hour's wage for the average worker bought 10 pounds of bread or 8 quarts of milk. Today, it will buy 16 pounds of bread or 15 quarts of milk. The American consumer only has to work an average of 18.5 minutes to buy 1 pound of steak today; whereas, in 1950, the same consumer would have had to work 32.8 minutes for the same steak.

In great part, American consumers have received these benefits due to dramatic increases in the productivity of our farmers. At the beginning of this century, one farmworker could only feed seven persons. By 1970, this farmworker supplied enough food and fiber for 47 people. In the past 10 years the productivity of this 1 farmworker has almost doubled—he now supplies enough for 78 people. This increased agricultural productivity, the rise of output per unit of input, has been a major contributor to improved living standards for Americans. As agricultural productivity has increased, consumers have been able to upgrade their diets at a lower cost.

The farmers, however, have been absorbing the cost of providing these benefits to the rest of the Nation, usually selling below their actual cost of production and by going broke in record numbers. When we have record numbers of farmers going bankrupt, our entire economic system is threatened. History has shown that the Great Depression of the thirties was "farm led and farm fed."

What can be done? No one can pretend to have all the answers, but some steps clearly must be taken.

First, and foremost, we must bring down Federal budget deficits which lead to high interest rates for farmers and an overvalued dollar which prevents them from selling in world markets. A balanced Federal budget would be of great economic benefit to our Nation's farmers.

Second, we should develop a long-range, multiyear policy aimed at bringing production in line with demand and announce it early enough so that farmers can make plans. Often programs are changed even after farmers have planted their crops. All of this wastes taxpayers' money and our precious national resources.

Third, in our foreign aid programs, we should send fewer dollars overseas, and make greater use of our surplus farm products.

Fourth, a long-range conservation component is an essential ingredient in any good farm program. We need a program which will allow farmers to take erosion-prone land out of cultivation and place it in conservation treatment for a number of years, while also providing financial incentives to make up for lost income from this land. Such a program would save our precious soil resources and would help the taxpayers by reducing surpluses and by cutting the cost of our commodity programs by hundreds of millions of dollars.

Of course, Mr. President, any consideration of long-range improvements in the farm program will become moot if we do not have emergency action on the credit front to keep the massive bankruptcies and collapse of the agricultural sector, which is looming before us now, from occurring. I wish that I could say to every person in America as loud as I can shout it: Wake up. Wake up before it is too late. It is not just the security and well-being of the farmer which is at stake, it is the security and well-being of every American city and every American household, as well.

The soundness of our financial system is our economic security, which is at stake. Obviously, Mr. President, every American should care about what is happening on the farm. Let us band together now to work for a commonsense farm bill this year and for emergency credit help to the agricultural section.

Mr. LEVIN. I thank my friend from Oklahoma for his tremendous statement. It was well thought out, as always.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond the hour of 2 p.m., with statements limited therein to 5 minutes each.

Mr. ZORINSKY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MATHIAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

VISIT TO THE SENATE BY A MEMBER OF THE SENATE OF FRANCE

Mr. MATHIAS. Mr. President, I should like to advise the Senate that we have a distinguished guest: the Honorable Jean-Marie Girault, who is a member of the Senate of France and is mayor of the city of Caen.

LEAVE OF ABSENCE

Mr. MATHIAS. Mr. President, pursuant to the provisions of rule VI of the Standing Rules of the Senate, I ask the leave of the Senate to be absent for the purpose of visiting the Union of the Soviet Socialist Republic at the invitation of the Supreme Soviet for the purpose of discussing with the Soviet officials questions of arms control, human rights, and other matters.

The PRESIDING OFFICER (Mr. CHAFEE). Without objection, it is so ordered.

INTERGOVERNMENTAL COOPERATION

Mr. DURENBERGER. Mr. President, I know that in the next few days many of the State and local elected officials of this Nation will be focusing on the President's budget proposal for 1986 and many will feel compelled to speak out against the program reductions and terminations that the President will recommend. We will have a spirited debate on the budget, I am sure.

But before we get to the budget, I would like to call attention to a little good news in the Federal partnership. There is evidence today that I can bring to the attention of my colleagues here in the Senate and State and local elected officials across the Nation that there is a commitment to

consultation and cooperation on the part of the President and high officials in his administration.

In early 1982 the Office of Management and Budget announced that OMB Circular A-95 would be reviewed with the possible intention of abolishing these regulations which had been the focus of a cooperative process between the Federal Government and State and local governments since the Johnson administration. Many of those with long experience in the intergovernmental system expressed concern that the zeal for regulatory reform—read to mean the abolition of existing regulations—would surely mean the demise of A-95 which had become a comfortable and familiar landmark in the American Federal partnership.

I was one who expressed concern and as chairman of the Senate Subcommittee on Intergovernmental Relations, I scheduled hearings and directed the resources of the subcommittee to follow the review process closely. I learned that OMB was justified in raising concerns.

Although A-95 was working well in Minnesota where I could see its benefits most directly, in other parts of the Nation it had become just one more part of the redtape jungle imposed on State and local officials who were doing their best to meet the needs of their constituents.

A-95 was not abolished. After a thorough and careful review, President Reagan issued Executive Order 12372 to replace the circular which had been the instrument to implement the Intergovernmental Cooperation Act. I think that the President's order strengthened the foundation of intergovernmental cooperation. I think that the Federal agencies now pay more heed to the views of State and local governments before assisting an activity through grants or entering into a development project directly.

My confidence in Executive Order 12372 has been expressed legislatively. I have referenced the Executive order as the mechanism to assure intergovernmental cooperation in two of the bills I have sponsored in recent months, the State and Local River Conservation Act and legislation to control nonpoint sources of water pollution.

The President's confidence in Executive Order 12372 is made evident by two memoranda that I am about to introduce into the RECORD. The first is a memo to the President from David Stockman entitled "A Federalism Success Story." The second is an attachment to the Stockman memo written by Lee Verstandig, the President's Assistant for Intergovernmental Affairs.

Mr. President, the memos that I have are copies. They went into the President's office and came out with the following handwritten notation in the upper corner, "This is great * * * R.R." On this point I am in wholehearted agreement with the President of the United States and he and the members of his administration who are responsible for the successful implementation of Executive Order 12372 have my sincere congratulations.

So as we enter what will at times seem an acrimonious debate on the budget and its impact on State and local governments, I want my colleagues here in the Senate and my many friends in the State and local community to know that the commitment from the White House to a successful intergovernmental partnership continues and that the desire to work together to meet the needs of all Americans in a cooperative spirit is real.

I ask unanimous consent that the material to which I have referred be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE
OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, January 4, 1985.

Memorandum for: The President.
From: David A. Stockman.
Subject: A Federalism Success Story.

When you came into office, the policy governing the way proposed Federal activities were reviewed by and coordinated with State and local governments was directly contrary to your concept of Federalism. The old OMB Circular A-95 system:

Mandated State and local governments to establish certain organizations and processes to review proposed Federal actions.

Established Federal requirements through an administrative circular rather than an Executive order, giving rise to both a confusing welter of varying agency rules and a seeming lack of Federal understanding or adherence to the intergovernmental dialogue Congress intended.

As a result, and at the recommendation of the Vice President's Task Force on Regulatory Relief, you signed Executive Order 12372 on July 14, 1982. The Order, which took effect on October 1, 1983, totally reversed the old system. Under the new system:

States, in consultation with their local governments, can establish systems to review proposed Federal actions according to their own needs and requirements.

Federal agencies are now mandated to be responsive to State and local concerns and to use the States' systems, instead of States responding to Federal requirements.

The attached report briefly describes the way Federal, State, and local governments have implemented the Order, and provides examples that validate OMB's findings that, in general, Federal agencies are complying with your intent:

Most Federal agencies are being more responsive to State and local concerns. For example, the Department of Housing and Urban Development delayed funding of a Urban Development Action Grant at Florida's request; the Corps of Engineers halted expansion of an Army reserve center in Vermont in order to discuss their proposal with State and local officials; and the Air Force changed its plans for a hazardous waste disposal site in Nevada to accommodate local concerns.

The negotiation and cooperation furthered by E.O. 12372 brings about better, more efficient public decisions and avoids costly duplication of services. At Kansas' recommendation, HHS did not fund a potentially duplicative health services project, saving the Federal Government about $100,000. Three small localities in North Carolina coordinated their plans for sewage treatment drawing not only upon Federal funds, but also existing State and county funds, and, as a result, saving Federal, State, and local governments an estimated $1,500,000 in project costs. Governor Thompson used the Order to identify more employment opportunities for Illinois' Job Training Partnership Act trainees.

At the recommendation of the State and local officials we contacted, OMB and the agencies are undertaking various procedural changes that will make the Order work better. OMB will work with the agencies to increase the number of proposed Federal activities State and local officials can review. We will also ensure continued Federal responsiveness to State and local concerns, and continued use of the States' review processes. We will undertake periodic reviews of agency implementation and will ensure that agency officials understand the Order's broader Federalism policies.

In summary, we have found those policies to be sound and our basic approach sufficient. The commitment of policymakers at all levels of government to utilize the Order will guarantee that the intergovernmental partnership you envisioned is a vital one.

THE WHITE HOUSE,
Washington, DC, January 11, 1985.

Memorandum for: The President.
From: Lee L. Verstandig.
Subject: Attached Assessment of Executive Order 12372, "Intergovernmental Review of Federal Programs".

The attached report from Dave Stockman assesses the first year's implementation of Executive Order 12372, "Intergovernmental Review of Federal Programs." This consultation policy replaced the old OMB circular A-95 system and took effect on September 30, 1983. The new system pertains to Federal consultation with state and local officials on proposed Federal actions which directly affect their jurisdictions.

Just as block grants have carried your federalism goal of a balanced intergovernmental partnership to program decisions and State/local regulatory decisions, Executive Order 12372 brings this kind of partnership to those day-to-day interactions Federal agencies have with state and local officials. The agencies are now more responsive to state and local concerns, and officials at all levels are communicating with each other more effectively.

In this spirit, I am joining with OMB to underscore your commitment to this element of your Federalism efforts. To that end and with your approval, I plan to transmit copies of this new report to the Cabinet secretaries and agency heads encouraging their continued successful implementation of Executive Order 12372.

JIM THOMAS, AN OUTSTANDING ENTREPRENEUR

Mr. DURENBERGER. Mr. President, one of the true strengths of the

American economy is the opportunity it provides for individuals who are highly motivated to succeed in a business which they own and control.

Historically, a substantially majority of the growth in jobs in this country has taken place in what we have come to call small business. Given the right kind of training, strong ambition and willingness to work, adequate financial backing, and a little luck, it is refreshing to note that it is still possible to exercise the kind of entrepreneurial spirit which has made this Nation great.

This entrepreneurial spirit is evident in the story of James Thomas who, in just over 5 years, has built up one of the most successful black-owned businesses in Minnesota.

Jim Thomas is a native of south Minneapolis who began his relationship with the automotive industry while working as a management trainee at Ford Motor Co. Like another graduate of the Ford management trainee program—Lee Iacocca—Jim soon found his place in the sales end of the business at a Lincoln-Mercury dealership on the South Side of Chicago. Three years later, General Motors recruited him to start up a new dealership in a rapidly growing suburban area north of Minneapolis.

These past 5 years have not been easy years for auto dealers nationally. According to the Minnesota Auto Dealers Association, Minnesota lost 130 of its 810 dealers between 1979 and 1982. Nationally, in those 3 years, about 4,000 of the country's nearly 29,000 dealerships folded.

But, Jim Thomas' dealership has thrived—growing from $2.5 million in sales in its first year to over $20 million in 1984. Today, Thomas Pontiac Buick GMC, Inc., ranks 57th on the Black Enterprise magazine's annual roster of the top 100 black businesses in the United States.

Jim, at age 36, is already a role model for other minority entrepreneurs in Minnesota and has been active in establishing a mentoring program to pair established high-ranking executives in Minnesota with minority business operators. In 1983, he was named "Entrepreneur of the Year" by the Metropolitan Economic Development Association, a privately funded group which provides management and technical assistance to minority owned businesses.

Because of the outstanding achievements represented in Jim Thomas, I ask unanimous consent that the text of a recent article on him from the St. Paul Pioneer Press and Dispatch be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

1979 GAMBLE PAYS OFF FOR CAR DEALER

AUTO BUSINESS POSTS 1984 SALES OF $20 MILLION

(By Wilma Randle)

James Thomas probably could not have picked a worse time to go into business if he had tried.

It was the fall of 1978 and Thomas was about to realize a dream: opening a car dealership. Given the state of the economy then, it was a dream on which few smart odds-makers would have wagered.

Interest rates were pushing up to all-time highs. Going-out-of-business stickers were replacing grand opening signs on car lots.

But Thomas, who was raised in South Minneapolis, decided to take a chance.

"There was a lot of concern, but my will to survive was strong," he said of the first months of operations.

He won the bet and today, his Coon Rarids dealership is flourishing. Last year, Thomas Pontiac Buick GMC Inc. posted sales of $20 million, up from $2.5 million in its first year. The agency employs 70 workers, up from 16 when it started doing business.

His success has not gone unnoticed. In 1983 the Metropolitan Economic Development Association named him Entrepreneur of the Year. MEDA is a privately funded group that provides management and technical assistance to minority-owned businesses.

His firm ranks 57th on Black Enterprise magazine's latest annual roster of the Top 100 Black Businesses in the United States. Only two other Minnesota companies, Adult Inc., Brooklyn Center, and Superior Ford, Plymouth, have made the list in its 12-year history. (They were not on last year's list.)

Survival is always easier in the telling. Thomas 36, recalls that he and his employees worked long and hard to keep the doors open in the early days. "I knew I could adapt," he said. "What we did to survive was to control expenses. I wore about five different hats—from sales manager to selling cars—whatever it took."

Thomas's sister, LaJune Thomas Lange, said he's always had a talent for an interest in business. "When he was growing up he had his own lawn-mowing service, he was a golf caddy and collected pop bottles," said Lange, who was named earlier this month as a Hennepin County municipal judge by Gov. Rudy Perpich.

"He hired me to iron his shirts."

She explained that she wasn't yet 16, the legal age then for getting a job, and brother James was willing to give her the business.

"At the time the style was cotton, starched shirts, which took a lot of time to do. I charged him 25 cents for shirts and the same for slacks."

MANAGEMENT TRAINEE

Thomas and his sister have always been close. He said she influenced his decision to atttend Augsburg. "It had a good reputation for being a liberal arts college and my sister had graduated from there so I sort of followed in her footsteps."

Like his sister, he majored in psychology. But that's where their paths split. An encounter with a recruiter for Ford's management training program aroused his interest. He was accepted into the program and a childhood liking for cars began evolving into a career.

"I had always been able to identify every car on the road," he said.

Thomas stayed with Ford for five years, starting out handling customer complaints.

"My career with Ford ended up being one long training program. I went through a lot of courses—about 75—everything from marketing to auto technology

When he left Ford, Thomas was convinced he wanted to be in the dealer end of the business.

"TOO SHARP"

Unsuccessful attempts at getting his own dealership led him to Chicago, where he worked for Horace Noble, owner of Noble Lincoln Mercury on the city's South Side. That agency is one of the country's most successful black-owned auto dealerships.

The two had met during Thomas' early days at Ford.

Noble said he tried to help Thomas get a dealership in Cincinnati. "We went there. I tried to back him with my influence and money, but it was said he was too young and too inexperienced."

Then Thomas went to work for Noble in Chicago.

His title was store manager and he did a good job, Noble recalled.

"He was too sharp for my dealership," said Noble. "In fact, when General Motors called me to ask about him I said 'put him in a good middle class area.' He was a little too high quality to work at an inner city dealership."

He left Chicago three years later after GM recruited him to open the Coon Rapids dealership.

"It was a good experience," said Thomas of his Chicago years. "It was a tough market. I believe there are 300 auto dealerships within the city limits and they're open seven days a week. We worked from 8 a.m. to 9 p.m."

General Motors had plans to establish a Coon Rapids dealerships for about a year before Thomas applied for the franchise, said William W. Frickling, GM's manager of dealer development. The company also had determined it wanted a minority operator at the site.

"People were impressed with him, with his experience and knowledge of the business.

"It was the absolute worst time for anybody to start in the business. It was in the middle of the worst recession in the industy's history."

Thomas' success is directly tied to the upturn in the nation's economy and for the auto industry in particular. The rebound was reflected by the Black Enterprise survey, which shows car dealers holding 23 of the 100 spots.

From 1979 when Thomas opened shop until 1982, Minnesota lost about 130 of its 810 dealerships to the poor economy, said Gary Rippentrop, executive vice president of the 625-member Minnesota Automobile Dealers Association. Nationally, from 1979 to 1982, about 4,000 of nearly 29,000 dealerships folded.

The downturn in the auto industry ended in 1983. Minnesota dealer's sales last year ranked with their best in history, according to Rippentrop.

The location of the Thomas agency has helped, too. Metropolitan Council analysts say Coon Rapids is one of the fastest growing municipalities in the state. They predict that population and jobs there will nearly double by the year 2000.

HARD WORK, SERVICE

But there's more to Thomas' success, said Rippentrop.

"I think it's his aggression—and I say that in a positive way. What I see about Jim is that he aggressively works his business, day

to day. And the second thing is that he's a counselor. People know that buying a car is a major purchase and they want to be guided, counseled in making that decision. Jim is exellent at this."

Thomas stressed service as a key to his success. His service department is open 18 hours a day, Mondays through Thursdays.

MEDA likes to tell Thomas' story, said Experanza Guerrero, the organization's director of business development. That group helped Thomas develop the loan package for his mortgage.

"We use him as a role model for our smaller clients," she said. "What's impressive about him is that he's a good manager. He understands his strengths and weaknesses and he hires people to complement those things."

She credits Thomas with suggesting that MEDA establish a mentoring program to pair established high-ranking executives with minority business operators.

Started in 1982, the mentoring program has increased to 36 from 12 participants. MEDA hopes the number will top 50 this year.

SENSE OF COMMUNITY

Thomas said he considers himself a community as well as corporate citizen. "I believe that when an employer succeeds it impacts on the community."

He sponsors sports calendars for several schools in his area, provides cars for parades and backs youth sports teams.

Thomas noted that there are only two other black auto dealers in Minnesota, but said being a minority hasn't made that much difference to his business. His dealership, located at 3815 N.W. Coon Rapids Blvd., serves a suburban area where few minorities live.

He added: "Growing up, you didn't even deal with being a minority. It was no big deal. I had friends of all nationalities."

Thomas was born in Kansas City. His family moved to Minneapolis when he was two. His father, James Sr., was a postal carrier. His mother, Myrtle, was a housewife.

"My parents participated in our education," his sister recalled. "It was a time when PTAs were strong and our parents were really involved in school and at home. My father worked with us, drilling us on math and geography outside school."

The younger Thomas said he had no ambitions of being a car dealer. "I never thought about it. There weren't any role models."

His sister said while they share in each other's successes, she's not surprised at how well he's done.

"When my brother's dealership was first opened, some of the people in the industry said to me, 'Your brother's going to a millionaire,' and I didn't have any trouble believing that at all."

Mr. DURENBERGER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMENDATION OF SENATOR BARRY GOLDWATER FOR EXCEPTIONALLY DISTINGUISHED SERVICE ON SELECT COMMITTEE ON INTELLIGENCE

Mr. DURENBERGER. Mr. President, I have a resolution at the desk that I now call up.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

S. RES. 56

Whereas, Senator Barry Goldwater, with unstinting devotion to the national security of the United States, served on the Select Committee on Intelligence from its inception in April, 1976, until January, 1985;

Whereas, Senator Barry Goldwater, as Vice Chairman of the Committee during the 95th and 96th Congresses and with his belief that our country's intelligence efforts were beyond normal politics, worked in the best traditions of bipartisanship with Chairman Daniel K. Inouye and Chairman Birch Bayh;

Whereas, Senator Barry Goldwater set a standard for diligence, dedication, bipartisanship, and fairness during his leadership of the Committee as its Chairman during the 97th and 98th Congresses;

Whereas, Senator Barry Goldwater recognized that intelligence is the first line of national defense and that good intelligence is vital in meeting the challenges of a complex and dangerous world;

Whereas, his unique background, knowledge, and experience as a soldier, pilot, photographer, communicator, author and world traveler proved invaluable in providing the Committee with wisdom and perspective in dealing with complicated intelligence oversight issues;

Whereas, this distinguished legislator played a vital role in securing the enactment of a series of Intelligence Community budget authorizations that were essential to the enhancement of the intelligence capabilities of the United States;

Whereas, Senator Barry Goldwater provided leadership and support crucial to the enactment of legislation to protect the identities of undercover intelligence officers and intelligence agents and legislation to safeguard the operational files of the Central Intelligence Agency from unwarranted search and review;

Whereas, Senator Barry Goldwater's unrelenting devotion to principle, his courage, his honesty, and his abiding patriotism led him to voice constructive criticism in the interest of improved intelligence;

Whereas, Senator Barry Goldwater's stewardship of the Select Committee on Intelligence has conclusively demonstrated that congressional oversight of our nation's intelligence activities can be both tough and fair, both responsible and supportive, and both rigorous and secure; and

Whereas, Senator Barry Goldwater for over eight years discharged his responsibilities on the Select Committee on Intelligence with unfaltering adherence to the highest standards of the Senate and the country; Now, therefore, be it

Resolved, That the United States Senate express and record its deep appreciation for Senator Barry Goldwater's exceptionally distinguished service to the Select Committee on Intelligence, to the Senate, and to the people of the United States.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DURENBERGER. Mr. President, I rise to salute one of the great institutions of the Senate, Senator BARRY GOLDWATER of Arizona. The public has heard of many of his exploits, but we are also grateful to him for his fine work on the Select Committee on Intelligence. The resolution before us is a modest effort to call attention to one more area in which Senator GOLDWATER has done great services for his country.

As BARRY GOLDWATER leaves our committee, he leaves behind an unsurpassed record of Intelligence Committee leadership. He served for 4 years as vice chairman, and then another 4 years as chairman—the longest that any human being has survived in that position.

Senator GOLDWATER has often said that he opposed the very creation of the Select Committee on Intelligence, and I suppose that is true. But you would not know it from watching him.

Senator GOLDWATER has always understood why the Intelligence Committee was created and what it had to do. He himself has said that it was the failure of the Senate to exercise effective oversight over intelligence activities that led to the Church committee and the creation of a permanent oversight committee. And throughout his service on the Intelligence Committee, Senator GOLDWATER has pursued that oversight function.

Senator GOLDWATER has led the Intelligence Committee to several notable achievements, among them the Intelligence Identities Protection Act of 1982 and the Central Intelligence Agency Information Act of 1984. He has also led successful efforts for reform of the CIA retirement system to protect the rights of spouses and for support of a National Historical Intelligence Museum.

The Intelligence Identities Protection Act has put an end to the malicious naming of names of purported U.S. intelligence personnel by certain publications. And it has done so without any chilling effect on the press.

The CIA Information Act is affording needed Freedom of Information Act [FOIA] relief to the CIA, which will save it much money and improve security for sensitive programs. And this will be done without affecting the amount of information obtained by FOIA requesters. Indeed, the Act will result in better CIA processing of FOIA requests for information that can in fact be released.

Mr. President, Senator GOLDWATER thus leaves us an important legacy: The lesson that we can indeed help the intelligence community without

harming the open society that we are all trying to protect. His work has been in the great tradition of the Senate, lifting issues out of the fog of ideology and coming up with practical solutions to problems.

Under Senator GOLDWATER, the Intelligence Committee has broadened its oversight of intelligence activities and has taken steps to make that oversight more effective. The committee pays greater attention nowadays to Department of Defense intelligence units; our oversight has encouraged that Department to clarify lines of authority and generally to improve its management of clandestine intelligence activities. The committee also laid the groundwork for more effective oversight of covert action activities, reaching a written agreement with the Director of Central Intelligence on reporting responsibilities.

Senator GOLDWATER also presided over a superb buildup of intelligence capabilities, which was sorely needed after several years of inordinate budgetary constraints and which began when he was vice chairman. We will miss his presence when we consider intelligence budgets. But we are heartened by the fact that Senator GOLDWATER, now chairs the Armed Services Committee, to which that budget is sent each year on sequential referral. We are confident that the Nation's intelligence community will be treated fairly by that committee.

Mr. President, I just said that we would miss Senator GOLDWATER's presence when we considered the intelligence budget. Let me broaden that: We will miss BARRY GOLDWATER constantly. He is, as we all know, a nonsense Senator who understands both the importance of intelligence and the need to improve it. He may on occasion have to suffer fools, but he is never fooled by them. He has been—and I truly hope that he will continue to be—a source of wise counsel to all of us in military and intelligence matters.

Senator GOLDWATER has left our Intelligence Committee, Mr. President, but he will always be welcome. We value him greatly, and I plan—with his indulgence—to consult him regularly during my term as chairman.

All of us on that committee who have had the opportunity to serve with him have learned lessons, in terms of our approach as U.S. Senators to the responsibility of intelligence and intelligent oversight of intelligence, that we will never forget and for which we will always be most grateful to BARRY GOLDWATER.

SENATOR GOLDWATER: 19 YEARS OF OUTSTANDING SERVICE

Mr. DOLE. Mr. President, I want to join my colleagues in praising Senator BARRY GOLDWATER for 8 years of outstanding service on the Intelligence Committee.

As one of the original members of the intelligence panel, Senator GOLDWATER showed the same kind of perseverance that he has brought to all of his legislative responsibilities. During his tenure, first as vice chairman, and starting in 1981 as chairman, Senator GOLDWATER has been a stalwart supporter of the intelligence community and fought diligently to protect the role it plays in keeping America safe and secure.

I have no doubt that Senator GOLDWATER, in his new role as chairman of the Senate Armed Services Committee, will continue to do everything possible to see that the United States maintains the highest standards in our national security.

Mr. GOLDWATER. Mr. President, I did not know all of that was going to go on or I would not have come in. But I would be lying if I did not say to my distinguished friends that I am greatly appreciative of their remarks.

I can say honestly that without the gentleman sitting next to me here, PAT MOYNIHAN, of New York, we never could have pulled the committee together and accomplished what we have accomplished with everybody working toward one goal. And I wish to publicly thank you, PAT, for all that you have done.

I wish to thank all of the members of the committee and members of the staff for the great work that they have done.

Intelligence is the basis on which we make all of our moves in this country, in fact in the world. I am happy to say that I believe our intelligence community, the American intelligence family, has improved tremendously over the last 8 years. Under the leadership of Senator DURENBERGER, it will improve over the next 8 years, and I hope the years past that, although I may not be around to watch it. But it will be fun from wherever I am looking at it.

Mr. President, I want to thank Senator DURENBERGER for his kind remarks. I wish him every success as chairman of the Intelligence Committee for the next 2 years. I was honored to have had the opportunity to serve on the Intelligence Committee for over 8 years, and especially to serve as chairman for the last 4 years. I know that I can state without fear of contradiction that those of us who served on the committee during this period left the Intelligence Committee a stronger, more effective, and more efficient organization.

COMMENDING ROBERT RUHL SIMMONS, FOR DISTINGUISHED SERVICE TO THE UNITED STATES OF AMERICA

Mr. GOLDWATER. Mr. President, during most of my chairmanship on the Intelligence Committee, I was fortunate to have the support of a truly outstanding staff director, Robert Ruhl Simmons.

Rob Simmons came to the committee after military service in Vietnam and a 10-year career in the CIA's clandestine service. His talents and knowledge for dealing with people and problems were invaluable to me. He played a key role in the successful effort to enact legislation to protect the identities of undercover intelligence operators and to protect CIA files from unwarranted search and review.

These laws will continue to help the intelligence community to more effectively accomplish its mission over the years to come.

Mr. President, I believe that Rob Simmons' contributions to the committee and to the national security deserve special recognition.

Mr. President, at this point I send a resolution to the desk and ask for its immediate consideration. It is my understanding that this resolution has been cleared on both sides of the aisle.

The PRESIDING OFFICER. Does the Senator from Minnesota ask unanimous consent to temporarily set aside the pending resolution?

Mr. DURENBERGER. Yes, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The bill clerk read as follows:

S. RES. 57

Whereas, Robert Ruhl Simmons served with honor and distinction in the Republic of Vietnam as an officer in the United States Army;

Whereas, Robert Ruhl Simmons subsequently devoted a decade of his life to service with the Central Intelligence Agency, advancing the national security of his country through the successful accomplishment of sensitive missions overseas under difficult and dangerous circumstances;

Whereas, Robert Ruhl Simmons continued his selfless dedication to public service on the staff of Senator John H. Chafee of Rhode Island, and as a member of the staff of the Select Committee on Intelligence;

Whereas, Robert Ruhl Simmons displayed outstanding leadership, judgment, and effectiveness in bringing his skills and expertise to bear as Staff Director of the Select Committee on Intelligence during the period November 1981 to January 1985, providing invaluable assistance to Chairman Barry Goldwater and the other Members of the Committee;

Whereas, Robert Ruhl Simmons played a key role in the enactment of legislation to protect the identities of undercover intelligence officers and intelligence agents;

Whereas, he helped lead the successful effort to enact legislation to protect the operation files of the Central Intelligence Agency from unwarranted disclosure;

Whereas, his steady-handed management skills, his ability to productively channel the creative energies of a diverse staff, and his diligent representation of the Committee's interests at the highest levels of government during periods of turbulence as

well as tranquility in the relationship between the legislative and executive branches were crucial in enabling the Select Committee to fulfill its statutory responsibilities related to congressional oversight of our nation's intelligence activities: Now, therefore, be it

Resolved, that the United States Senate express and record its deep appreciation to Robert Ruhl Simmons for his dedication, loyalty, integrity, and distinguished service to the Select Committee on Intelligence, the United States Senate, the national intelligence mission, and the national security of the United States.

The PRESIDING OFFICER (Mr. KASTEN). The Senator from New York

Mr. MOYNIHAN. Mr. President, as the distinguished chairman of the Armed Services Committee and my dear friend BARRY GOLDWATER has just stated, the services of Rob Simmons as staff director of this committee have been singularly not uncharacteristic of his previous career; but certainly at this point, the highest public service he has performed, they should augur, I would think, higher service to come. It would scarcely be possible to consider a more important one.

If we have achieved the purposes in the Senate, and to a degree we have, of keeping our committee both informed and effective in a situation where those who most need to know are often by definition the least capable of learning, it is because of his experience, his integrity, his absolute trust, the absolute trust in which he was held by the members of the committee and the consequences of that in the executive branch.

The public never says thanks very well. On the other hand, there are not many youths who have the Senate pass a resolution on their behalf. I will hope he will consider this effect on his life as important as we consider it to be.

Mr. DURENBERGER. Mr. President, I am glad that both my colleagues, Senator GOLDWATER and Senator MOYNIHAN, have spoken to the resolution offered by the Senator from Arizona.

Mr. President, I am especially pleased to pay tribute to a fine member of the staff of the Select Committee on Intelligence.

Robert Ruhl Simmons, who will shortly be leaving this town for the rocky coast of his native Connecticut, has served on the committee staff for 4 years—and over 3 years as staff director. He has helped keep our ship afloat in some terrible storms, with both courage and dignity.

Those fine qualities come naturally to Rob Simmons, as much as inheritance as the rocky fields and chill New England winters that have forged his family over generations. The call of duty was never something that Rob could ignore.

After graduating from Haverford College, Rob Simmons served as a U.S. Army officer in Vietnam. In 1969, he joined the Central Intelligence Agency, where he served for nearly 10 years. Rob received two Bronze Stars as an Army officer, and several awards and citations during his CIA career.

Rob Simmons came to the Hill in 1979 as a legislative assistant to Senator CHAFEE of Rhode Island. As a member who worked closely with Senator CHAFEE on SALT and defense issues in those days, I can testify to the high caliber of Mr. Simmons' work.

When Rob Simmons came to the Intelligence Committee staff in 1981, he was immediately thrust into the legislative battle over the Intelligence Identities Protection Act. Now that the act has been law for 2 years and civil libertarians see that it has not harmed our free press, it is hard to remember what emotion it caused. But that was a bruising fight, and Rob Simmons helped Senator CHAFEE to carry it through to a successful conclusion.

It was in November 1981 that Rob Simmons was named staff director by Senator GOLDWATER. This was the not-so-quiet period of the Casey investigations and Executive orders, hardly an easy time to take the helm. But Rob Simmons did so, and saw the Intelligence Committee through those trials and later ones—especially on Nicaragua.

The last 3 years have been hard ones, and were Rob Simmons a retiring person, I would wish him a quiet retirement. But I believe that most of us get stuck with precisely what we are seeking. So I wish Rob Simmons many more enjoyable years of blood and thunder, confident that he will find ways to spend them in continued service to his country.

Mr. LEAHY. Mr. President, will the Senator yield?

Mr. DURENBERGER. I yield.

Mr. LEAHY. Mr. President, I wish to echo the comments of the distinguished chairman of the Senate's Intelligence Committee regarding Rob Simmons, and say that the admiration felt for him is shared equally by Senators on both sides of the aisle, especially those Senators who are serving and who served on the Senate Intelligence Committee.

I know of no time during the little over 5 years that I have been on the Intelligence Committee that Rob Simmons was anything but totally professional and totally responsive to the needs of all Senators. It did not matter what State they were from or what their party affiliation was, he was there foremost to do the Senate's business and to do the country's business.

Americans should feel proud that we have professionals such as Rob Simmons serving our country.

I thank the Senator for yielding.

COMMENDING SENATOR DANIEL PATRICK MOYNIHAN FOR EXCEPTIONALLY DISTINGUISHED SERVICE ON THE SENATE INTELLIGENCE COMMITTEE

Mr. DURENBERGER. Mr. President, I ask unanimous consent to temporarily lay aside the Goldwater resolution before us so that we might consider other resolutions from other Members.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. LEAHY. Mr. President, it is with great pride and pleasure I have the honor to send to the desk a resolution concerning my friend the senior Senator from New York (Mr. MOYNIHAN). I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

S. RES. 58

Whereas, Senator Daniel Patrick Moynihan, with unstinting devotion to the national security of the United States, served on the Select Committee on Intelligence from March 1977 until January 1985;

Whereas, Senator Daniel Patrick Moynihan served as Vice Chairman of the Committee in the 97th and 98th Congresses in a spirit of bipartisanship and national interest;

Whereas, throughout his tenure on the Committee, Senator Daniel Patrick Moynihan demonstrated a keen appreciation of the role of intelligence and through his leadership of the Committee has materially helped the United States remain free and at peace;

Whereas, Senator Daniel Patrick Moynihan brought to his leadership of the Committee his extraordinary background as Ambassador to India and to the United Nations, service in the cabinets of Presidents of both parties, and a well deserved reputation as scholar, social critic, wit and raconteur;

Whereas, Senator Daniel Patrick Moynihan is truly a tribune of the Empire State;

Whereas, Senator Daniel Patrick Moynihan has throughout his career vigorously defended and enhanced the role of law at home and abroad;

Whereas, Senator Daniel Patrick Moynihan may justly be proud of the immeasurable role he has played in strengthening responsible oversight of the Intelligence Community by the Congress;

Whereas, Senator Daniel Patrick Moynihan by his efforts has added to the understanding and support by the American public of the necessary and constructive role that responsible intelligence gathering plays in maintaining the security of the United States; therefore be it

Resolved, that the United States Senate express and record its deep appreciation for Senator Daniel Patrick Moynihan's exceptionally distinguished service to the Select

Committee on Intelligence, to the Senate, and to the people of the United States.

Mr. LEAHY. Mr. President, this resolution is intended as a heartfelt expression of the deep appreciation shared, I believe, by all members, past and present, of the Select Committee on Intelligence who have noted the contributions of PAT MOYNIHAN of that committee.

For the first 8 years of its existence, PAT MOYNIHAN has been one of the most active, committed, and effective Senators on the committee. From 1977 to 1981 he was one of the most hard working of its members, and since 1981, as vice chairman, Senator MOYNIHAN has provided strong and determined leadership to a committee wrestling with some of the most difficult and controversial problems it has faced in its short existence.

Senator MOYNIHAN had many, many accomplishments, both as a member and as vice chairman. Listing them would take far too much time and I suspect would only embarrass him, but let me point out three of the major areas where he made substantial contributions to an effective intelligence capability operating within the constraints of American law and values.

First, Senator MOYNIHAN was in the forefront of a broad consensus effort to rebuild a stronger and more effective intelligence community after it had been weakened by the distortions of the Vietnam war. This expansion began under President Carter and it continues under the present administration. It has been a bipartisan effort and it is one in which my friend from New York played a central role. He can take justifiable pride, along with our distinguished former chairman, Senator BARRY GOLDWATER, in ensuring that the intelligence agencies have the resources they need.

He can also take pride in the fact that he stressed that these resources and needs are not just the province of one political party, be it Democratic or Republican, but rather reflect the needs of the United States, and to that end he strove to make sure that there was the bipartisan consensus necessary to bring this rebuilding about.

Second, Senator MOYNIHAN has worked hard to ensure that the intelligence agencies act within the law. Part of oversight is to guarantee that the protectors of our freedom do not, through either overzealousness or bureaucratic inertia, encroach on liberties we as Americans take for granted. As a committee member and then as a vice chairman, Senator MOYNIHAN stood firmly for the rights guaranteed by the first and fourth amendments. At the same time, he rightly insisted that the greatest threat to the civil liberties and privacy of Americans is Soviet prying into our national life. Senator MOYNIHAN has worked to balance a firm commitment to basic American liberties against an urgent need to take effective measures against Soviet intelligence activities directed against our country.

Third, he has fought to make the United States a force for international law and peaceful resolution of disputes. I think he would be the first to recognize in this regard that the committee—actually, the entire Congress—has had difficulties with certain intelligence activities of recent date. All of us recall the painful episode of the mining of Nicaragua's harbors last year, followed by the dismal mishandling of Nicaragua's case against the United States in the World Court. I admire and respect PAT MOYNIHAN's taking the administration to task for the terrible blow done to American credibility by those fiascoes. In meetings since that time, he stressed to the committee that we all must take to heart the bitter lessons learned. As Senator MOYNIHAN has said, the challenge to our committee is to maintain unwavering vigilance over intelligence activities and to insist upon a full accounting at every turn.

Mr. President, there is so much that goes on within this committee which the public never sees; so much of the work is done behind closed doors, as it must. But it is during that time that we probably get more of an opportunity to really act as Senators, to bring to bear whatever our own backgrounds might be and whatever expertise we might have. In this regard, Senator MOYNIHAN has been invaluable, not only as a representative of a major and great State but one who has served, in administrations past, as Ambassador to the United Nations and as Ambassador to India, to provide not only a national, but an international perspective. It is a valuable asset that was relied upon by the whole Senate.

He also is one who, because of his expertise and knowledge, will continue to be a major voice, as he should be, in this area. We are grateful for that.

Mr. President, before requesting unanimous consent for adoption of this resolution, I shall also say a word of appreciation to my good friend and former chairman, the Senator from Arizona, Mr. GOLDWATER. I have worked with Senator GOLDWATER on the Intelligence Committee for 6 years. Prior to that time I served with him on the Armed Services Committee. I have nothing but admiration for his commitment to bipartisanship in the oversight of intelligence. Without running the risk of going into any of those secret hearings, I can think of only a handful of times in all the years we have served together on that committee where the Senator from Arizona and I ever disagreed. In very, very few instances, if I found myself in disagreement with him, I usually went back and tried to analyze just where it was I had made a mistake. Again, the great advantage to having Senator GOLDWATER as chairman was that we had a person who could bring a lifetime of experience to both national and international matters and to remind us, every time we saw something new in the committee, that it was not new, that he had seen it once or twice or three times before. That in itself was a valuable resource which could never be cataloged or overstated.

So his commitment to bipartisanship in oversight is one that BARRY GOLDWATER shares with PAT MOYNIHAN. If we could go through all of the things both of these men have done for the Senate and the country, I do not think we could point to anything better than the legacy they have left to the new chairman and myself in this bipartisanship spirit, and it is a legacy that I am determined to preserve.

I also, Mr. President, express my deep thanks to my departing colleagues from the Intelligence Committee, Senators GARN and CHAFEE, LUGAR and WALLOP, and Senators HUDDLESTON, BIDEN, and INOUYE.

If it is appropriate, at this time I ask unanimous consent for adoption of the resolution of appreciation by the Senate for the work of Senator MOYNIHAN on the Select Committee on Intelligence.

Mr. DURENBERGER. Mr. President, will the Senator yield?

Mr. LEAHY. Of course.

Mr. DURENBERGER. Mr. President, before we act on the motion by my colleague from Vermont, I spoke earlier of the departure of our chairman, BARRY GOLDWATER, and the reality is that eight other members of the Select Committee on Intelligence, who have helped BARRY look good over the last number of years, have left us recently.

Our vice chairman has meant something special to me in my 6 years. Senator DANIEL PATRICK MOYNIHAN of New York, we all know, is a man of rhetorical eloquence and deep passion. In his 8 years on the Intelligence Committee he worked tirelessly to hold the executive branch to high standards of thoughtfulness and exposition. PAT MOYNIHAN rightly believes, if I judge him, that if a policy is not stated clearly it probably has not been thought through clearly, and although many of us so often despair of ever getting bureaucracies to understand that particular point, it does remain the essential standard for all of us, particularly those of us who will remain on the Intelligence Committee. We see ourselves thus in that particular regard as the inheritors of PAT MOYNIHAN's charge. We know that it must apply to our own thinking and our own writing as well as to those in the community and in the administration whom we oversee.

Mr. President, I will not miss PAT MOYNIHAN or BARRY GOLDWATER because they will both be here to be called upon, but it is those particular lessons that you can only learn in a committee around a particular issue that redirect and guide your thought processes, and for that I am particularly grateful to PAT MOYNIHAN and will continue to be.

Mr. PRESIDENT, Senator JAKE GARN of Utah was one of the original members of the Intelligence Committee. He played an important role in the crafting and adoption of the Foreign Intelligence Surveillance Act, which brought foreign intelligence wiretaps under a constitutional regime for the first time. Senator GARN has been a faithful supporter of both the intelligence community and thoughtful intelligence reform. We will miss his counsel, but we hope that we will retain his support as intelligence budgets move through the appropriations process.

Senator JOHN CHAFEE of Rhode Island will be most remembered for his leadership on the Intelligence Identities Protection Act of 1982. His skill and determination were crucial in that effort, and he can look back with pride at a law that is doing its job well and has even won over many of those who originally opposed it.

Senator RICHARD LUGAR's 8 years on the Intelligence Committee included 6 in which he was our crucial link to Republicans on the Foreign Relations Committee. In that, as in all his work, he demonstrated his abundant wisdom and good sense. Winning his support was an essential step if the committee was to have influence on the floor or downtown. This is sure to remain true now that Senator LUGAR has become chairman of the Foreign Relations Committee. I look forward to years of fruitful cooperation between our committees, with such a level-headed veteran to work with.

Senator MALCOLM WALLOP of Wyoming made his greatest mark on the intelligence budget authorization process. His mastery of that material and dedication in dozens of subcommittee hearings made a signal contribution to the work of the committee. Senator WALLOP will also be noted as a man who kept the discipline of counterintelligence in everybody's mind. We will not forget his message that our intelligence agencies are most at risk when they convince themselves that there is no risk.

Senator Walter D. Huddleston of Kentucky will be remembered for his diligent pursuit of workable legislative charters for the intelligence agencies. While such charters have not been enacted into law, the ideas raised by Senator Huddleston over the years found their way into many executive orders and agency procedures. We will miss the almost tender way in which a set of Huddleston questions in a hearing would quietly pry the truth out of many a witness.

Senator JOSEPH BIDEN of Delaware served 8 years as our link to Democrats on the Foreign Relations Committee. His spirit and his incisiveness helped to focus the committee's attention, especially during its consideration of covert action matters. Senator BIDEN was also the father of the important Classified Information Procedures Act, which is now the Government's first line of defense against "graymail" tactics by defendants who threaten the disclosure of classified information in a trial.

Finally, Mr. President, I want to pay special tribute to our first chairman, Senator DANIEL K. INOUYE of Hawaii. Our debt to Senator INOUYE begins with the beginning, when he moulded the Intelligence Committee into an institution based upon nonpartisan professionalism and strict security. It was Senator INOUYE who blazed those paths of rectitude and convinced intelligence officials and policymakers alike to entrust our committee with the Nation's most sensitive secrets.

Senator INOUYE's achievements on the Intelligence Committee were many. He was instrumental in securing passage of the Foreign Intelligence Surveillance Act, the Intelligence Oversight Act, and the CIA Spouses Retirement Equity Act. His service as chairman was followed by years of leadership as chairman and then vice chairman of the Budget Authorization Subcommittee, and his powers of persuasion were a vital factor in gaining the budget increases that supported the current great rebuilding of intelligence capabilities.

Senator INOUYE's greatest legacy to his committee, however, must be his personal example. His commitment to the national interest, his understanding of how congressional oversight could contribute to that cause, and his skill at convincing colleagues of all persuasions to work together made him a rock to which all of us cleaved. Though he had already stepped down as chairman before I joined the committee, it was Senator INOUYE's standard against which we all have compared ourselves in the last 6 years.

Mr. President, if 2 years from now my own chairmanship may be seen as following in the footsteps of DAN INOUYE, then I shall be accounted a great success and our country most fortunate.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. After the distinguished chairman spoke with regard to those singular qualities of BARRY GOLDWATER, I happened to be sitting next to him, and I have to report once again that his response was unprintable and that it will have to remain so. It suggests that mine be equally brief, but for purposes of some balance, may I just recall the opening passage of Huckleberry Finn in which Huck says, "My name is Huckleberry Finn. You will know about me from a book called "Tom Sawyer" which was written by a Mr. Mark Twain, and mostly he told the truth."

I am deeply grateful to my colleagues for this occasion, the first of its kind in my experience. I would only insist that it does reflect the bipartisanship which has been preserved in this committee and without which in my judgment it cannot function. I see no more confirming prospect that it will continue to do so than the presence of the distinguished chairman and vice chairman, perhaps noting for the record what is too little observed; that the Senate has made the judgment that this committee should have a chairman and a vice chairman, not a chairman and a ranking member. In the absence of the chairman, the vice chairman presides, a singular assertion of this bipartisanship, and a condition we hope to see continue and which I fully expect will be continued.

I express my gratitude, after 8 years, for the kind remarks of my neighbor from Vermont and my friend from Minnesota.

Mr. BYRD. Mr. President, I would like to express, for myself and on behalf of my colleagues, my appreciation to Senator GOLDWATER and Senator MOYNIHAN. In their respective capacities as chairman and vice-chairman of the Senate Select Committee on Intelligence, they have performed their duties in extraordinary fashion.

Theirs has been a thankless task. They have dealt with questions of grave importance to the national security interests of our country involving subjects of the utmost sensitivity. Because of the high degree of classification of most of those matters, the public may never know the magnitude of the service they have performed and how ably they have accomplished their tasks.

In their leadership of the Select Committee they have served the Senate well. They have served the Senate leadership well.

Under the provisions of Senate Resolution 400, which created the Senate Select Committee on Intelligence in 1976, a new system of intelligence oversight was created by this body to insure the most effective oversight of our intelligence agencies without public exposure of the country's most vital secrets. I believe that the system we created has served us well. And its success may in no small measure be directly attributed to the committee leadership which Senator GOLDWATER and Senator MOYNIHAN have provided.

The select committee has dealt with some very controversial issues. I know that the chairman and vice-chairman

whom we commend today have at all times maintained as their priority the best national interests of our country. Their approach has always been to work toward bipartisanship and toward achieving committee consensus. They have set for the committee the highest standards of professionalism. They have been true safeguards of the national security.

I commend them both for a job well done.

The PRESIDING OFFICER. The question is on agreeing to the resolutions.

The resolutions (S. Res. 56, S. Res. 57, and S. Res. 58) were agreed to.

The preambles were agreed to.

COMMENDATION TO PETER M. SULLIVAN FOR SERVICE ON SELECT COMMITTEE ON INTELLIGENCE

Mr. MOYNIHAN. Mr. President, I send to the desk a resolution in this series and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title

The assistant legislative clerk read as follows:

A resolution (S. Res. 59) To commend Peter M. Sullivan for his able and dedicated service on the Select Committee on Intelligence.

Mr. MOYNIHAN. Mr. President, the resolution speaks the mind of the Senate in an explicit and forthright manner. Perhaps as much in that quality as in anything substantive, it reflects the character of Peter Sullivan, who has served us well these many years as minority staff director, as minority counsel, and, prior to that, in a series of Government positions beginning with service to Representative Hastings Keith, a distinguished former Republican Representative from Massachusetts.

Mr. Sullivan has brought to a subject that so easily makes its way into the elusive and the tenuous and the incomprehensible the very disciplined habits of an attorney of the finest training and the highest standards.

It is with great pleasure that we learned that the Department of Defense has asked him to come to a position of the highest responsibility where he will continue to deal with matters we have dealt with in this committee, but in open and public concerns, with respect to the degree to which the Soviets have complied with the treaties we have agreed to on arms control. That is something to which he brings the finest talents.

Mr. DURENBERGER. I am pleased to join in saluting Mr. Peter Sullivan, who recently left his position as minority staff director of the Select Committee on Intelligence to take a new assignment with the Department of Defense.

Peter Sullivan has given the select committee years of loyal and effective service, both as minority counsel and as minority staff director. His insight and moderation were especially valuable to the committee, and we will miss his wry perspective on affairs of state.

Mr. Sullivan leaves to become the legal expert on arms control compliance in the Defense Department. That is a position that will surely test Peter's equanimity. It will also make use of his hard-hitting investigative experience with the Securities and Exchange Commission and the Permanent Subcommittee on Investigations.

Although I regret his departure, Mr. President, I welcome the fact that Peter Sullivan will remain where we can get at him. For the Select Committe on Intelligence cares deeply about questions of arms control compliance and monitoring. We look forward to working with Peter in the years to come.

Mr. LEAHY. Mr. President, Peter Sullivan served the Intelligence Committee ably, first as minority counsel, then as minority staff director, for over 4 years. He assisted us in dealing with the confirmation hearings of Mr. William Casey as Director of Centeral Intelligence, handling the difficult and controversial legal matters associated with that hearing. He provided wise counsel on the many legal and legislative matters the committee dealt with over the ensuing 4 years and was, without a doubt, one of the hardest working members of the staff. His long work hours and insistence on mastery of the detail of extraordinarily complicated legal issues became a byword among the committee staff.

Mr. Sullivan now leaves the Senate for service on arms control matters in the Department of Defense. I know he will serve as devotedly and ably there as he did on the Intelligence Committee. He is a dedicated patriot and an outstanding public servant. I wish him well in his new endeavor.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 59) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 59

Whereas, Peter M. Sullivan served as Minority Staff Director of the Select Committee on Intelligence from July 24, 1984 to January 18, 1985 and as its Minority Counsel from February 1981 to July 1984;

Whereas, Mr. Sullivan represented in these capacities not only the former Vice Chairman of the Select Committee, Senator Moynihan, but also both the Minority and Majority Members of the Committee;

Whereas, Mr. Sullivan demonstrated through this period both excellent ability and exceptional dedication in resolving the numerous and important issues that arose before the Committee;

Whereas, Mr. Sullivan demonstrated during his period of service to the Select Committee qualities of keen analysis, especially with regard to legal issues; persistence and dedication in doing the work of the Committee; and a sense of humor endearing him to his fellow staff members;

Whereas, through his service to the Committee Mr. Sullivan has played an important role in enhancing the national security of the United States through the effective oversight by the Senate of the foreign intelligence activities of the United States Government;

Whereas, Mr. Sullivan has gone on to a position with the Department of Defense in which his legal skills, experience derived from service on the Select Committee, and traits of character will be well utilized in improving the national security of the United States through the careful analysis and assessment of arms control agreements: Therefore be it

Resolved, That the United States Senate express and record its appreciation to Peter M. Sullivan for his able and dedicated service to the Select Committee on Intelligence.

ORDER OF PROCEDURE

Mr. LEAHY. Mr. President, it would appear that once more we have saved the Nation, so I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DURENBERGER). The Clerk will call the roll.

Mr. MOYNIHAN addressed the Chair.

Mr. LEAHY. I withhold that, Mr. President.

The PRESIDING OFFICER. The Senator from New York.

PROTECTING THE PRIVACY OF AMERICANS' COMMUNICATION FROM FOREIGN ESPIONAGE

Mr. MOYNIHAN. Mr. President, the New York Times of January 28 carries an account about the site of the new Soviet Embassy in Washington, currently under construction, which in intelligence circles is described as the biggest giveaway since Peter Minuit got Manhattan in 1626 for the equivalent of $24.

The site is at the summit of Mount Alto north of Georgetown. Its acquisition was so extraordinary a bargain for the Soviets because, in the words of an anonymous senior American intelligence official quoted in the article, "from an eavesdropping standpoint, (it is) one of the most magnificent vantage points in Washington."

From their new buildings, the Soviets will be able to do much more easily and thoroughly that which they do already, in somewhat more constraining circumstances, at virtually every one of their diplomatic properties in the United States: listen in on phone calls between Americans. We have available the statement of the highest ranking Soviet defector to date, Mr. Arkady Shevchenko, that Soviet electronic es-

pionage specialists are working full-time in suburban Glen Cove, in the vicinity of several private firms who are surely the object of continuous eavesdropping. We know that the Soviet diplomatic residential compound in the Riverdale section of the Bronx is a center of such electronic eavesdropping, within range of the vast network of financial and other commercial transactions that occur millions of times each day in New York City over the phone.

The practice would be illegal if undertaken by an agency of the U.S. Government, or by any private concern. Yet it continues to be done by hostile foreign governments—which in the process gather considerable information about American commerce and the private lives of many, many individuals, as well as information vital to the military defense of the Nation—without penalty.

As the Times article of Monday also notes, I have earlier this month introduced—for the third time in my two terms in the Senate—legislation to provide to the President authority expel foreign diplomats who are discovered to be engaged in electronic eavesdropping on American citizens.

The bill is S. 12, and was introduced on January 3, 1985. A longer discussion of the issue and the details of the legislation appears in the CONGRESSIONAL RECORD of that date.

The legislation has been referred to the Senate Committee on Foreign Relatons, where I hope it will engage the attention of the Chairman and other members. Hearings to examine the problem would certainly seem to be in order.

I ask unanimous consent that the text of the article to which I have referred be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Jan. 28, 1985]

HILL WITH TOPFLIGHT ELECTRONIC VIEW

WASHINGTON—In intelligence circles, the site of the new Soviet Embassy in Washington is considered the biggest give-away since Peter Minuit got Manhattan in 1626 for the equivalent of $24.

Near the intersection of Wisconsin and Massachusetts Avenues where upper Georgetown and Glover Park crest at the top of a hill called Mount Alto, 350 feet above sea level, the site has a commanding view of the entire Washington area.

In the arcane world of electronic spying, the site is described as an ideal place to monitor government, commercial and private communications flowing into, out of and over Washington. "From an eavesdropping standpoint, that's one of the most magnificent vantage points in Washington," a senior American intelligence official said.

By contrast, intelligence officials say, the new United States Embassy in Moscow is being built in the middle of the city where surrounding buildings will limit the ability to monitor Soviet communications.

STILL SOME DEBATE IT

How the Soviet Union ended up with the Mount Alto site remains the subject of considerable debate 16 years after Washington and Moscow reached agreement on the construction of new embassies. That agreement, six years in the making, provided new sites in exchange for each other and permitted each country to bring in its own construction crews to work on the interior of its new chanceries, to prevent the installation of bugs.

The main reason the Russians got such a favorable spot, according to intelligence and State Department officials, was that electronic eavesdropping was relatively primitive at the time and American officials were not aware of the site's potential advantages. The property, once used by a Veterans Administration hospital, was also surplus Federal land.

The United States and the Soviet Union have each invested billions of dollars in trying to intercept the communications of the other. Much of this is done from satellites. In addition, the United States and its allies, particularly Britain, maintain ground stations in Europe and Asia to track Soviet communications.

The Soviet Union, in turn, operates a large ground station in Cuba that American intelligence officials say is able to monitor almost all domestic communication, including telephone and television, that is relayed to and from the East Coast by satellite. Electronic spying is considered vital by both countries. One of the most sensitive applications, according to intelligence officials, is monitoring the electronic data, telemetry, that are transmitted by missiles and rentry vehicles in tests.

The tracking of missiles as they fly down range is carried out by satellites, ground stations and specially-equipped aircraft and ships. This kind of monitoring has played a key role in the ability of both countries to verify compliance with arms agreements.

The Soviet eavesdropping in Washington is designed to pluck off any stray unsecured Government communications as well as communications involving commercial transactions, largesly unprotected, and even private telephone conversations, intelligence officials say. The United States tries to do the same in Moscow. For a brief period in the 1970's, according to intelligence officials, the United States was able to monitor the radio telephone conversations of Soviet leaders as they drove around Moscow in their limousines.

The site of the new Soviet Embassy, the officials say, provides a clear sight line to the State Department, the White House, Defense Department, Commerce Department and a number of important foreign compounds, including the British, West German and French Embassies. Even Central Intelligence Agency headquarters in suburban Virginia is partly in electronic view. It also offers a largely unobstructed view of several key mircowave relay towers that serve as the conduit for most telephone and data-transmission communications from Washington to other cities on the East Coast.

GYMNASIUM IS INCLUDED

When completed in several years, the 10-acre Soviet compound will have a nine-story apartment building, a small school, a gymnasium, an eight-story administration building and a residence for the ambassador. The apartment building and school are already occupied.

Exotic antennas and dish-shaped receivers will be tucked away in these buildings, according to American intelligence officials. They said some were already in operation.

To counter Soviet spying from the new site as well as from other Soviet installations in the area, not to mention satellites and ships off shore, the Government, working with the phone company, has tried to route nearly all sensitive calls in the Washington area or underground cables. In addition, the Government has invested heavily in the development and installation of secure telephones. Government messages to posts abroad are encoded.

MOYNIHAN WANTS A CHANGE

Many commercial and most private communications, however, are not handled on secure lines or encoded.,

Senator Daniel Patrick Moynihan, Democrat of New York, has tried unsuccessfully since 1977 to get Congress to approve a foreign surveillance prevention act that would give the President the power to expel any foreign diplomats found to be involved in electronic spying. When he introduced the legislation again earlier this month, Mr. Moynihan called it "an effort to address what must properly be regarded as the gravest threat to Americans' right to privacy which has yet arisen."

"I refer to the well-known Soviet practice," he said, "of making use of its diplomatic establishments in this country to monitor the telephone conversations of Americans on a truly sweeping scale."

CONGRATULATIONS TO MAYOR BLACKWOOD OF MOUNT VERNON, NY

Mr. MOYNIHAN. Mr. President, 6 days ago, a historic event occurred in New York: Ronald Alexander Blackwood was elected mayor of the city of Mount Vernon, our State's 11th largest city. In so doing, he has become the first black to be elected a mayor in New York State.

This is not just another milestone for equality in our country, though it is surely that.

It also recognizes the promise of opportunity for which our country stands. Mr. Blackwood immigrated to the United States from Jamaica three decades ago, "seeking a better life," he told the New York Times. "I wanted to better myself. Where better to do that than in America?"

Where indeed, Mr. President.

Not only New Yorkers, but all Americans should be proud of Mount Vernon's new mayor. His success should be inspiring to us all.

Mr. President, without objection I ask unanimous consent that the New York Times' "Man in the News" article about my friend Mayor Blackwood be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, January 30, 1985]

MILESTONE FOR NEW MT. VERNON MAYOR, RONALD ALEXANDER BLACKWOOD

(By Lena Williams)

MOUNT VERNON, N.Y., Jan. 29.—Ronald A. Blackwood, who came from Kingston, Jamaica, to this southern Westchester County city 30 years ago "seeking a better life," today became the first black to be elected a mayor in New York State.

"This should have happened a long time ago—a long time ago," Mr. Blackwood said. "Perhaps we will reach a point, when we will no longer speak of our achievements in terms of firsts."

Mr. Blackwood was chosen in a special election Jan. 25 to fill the remaining three years of the unexpired term of Mayor Thomas E. Sharpe, Jr., who died last October. The County Board of Elections confirmed today that Mr. Blackwood, a Democrat, had a 1,087-vote lead over his opponent, John R. Branca, a Democrat who ran on the Republican line.

For Mr. Blackwood—who was raised by his grandmother while his mother, a domestic worker, tried to make a living for him and his brother—the victory represents the "end of a long struggle" and the fulfillment of a dream he had when he left his homeland for America.

PLACE IN HISTORY BOOKS

"I wanted to better myself," he said. "Where better to do that than in America?"

He said, however, that he never thought the dream would carry him to top office in this city or afford him a place in New York State's history books. At the same time, he said the road to success was paved with "obstacles, disappointments and frustrations."

Mr. Blackwood, a four-term City Councilman, had been a registered Republican from the time he became a citizen in 1960 and had traditionally been one of the top vote getters in Mount Vernon. But he was twice rebuffed for the party's nomination for mayor.

His first rejection came in 1976. At the time, Mr. Blackwood as president of the City Council was serving as acting mayor of Mount Vernon after Mayor August Petrillo died suddenly, in 1979. Mr. Blackwood lost the party's nomination by 13 votes.

Friends and supporters of Mr. Blackwood and many in this city's black community accused the Republicans of denying him the nomination because he was black. Mr. Blackwood accused the party leadership of being "out of step with the times."

"They weren't afraid that I would lose the election," he says now. "They were afraid I might win."

Disheartened, Mr. Blackwood accepted an invitation four years ago to join the Democratic Party. The invitation was extended by the late Mayor Sharpe, a former Republican turned Democrat, David R. Ford, chairman of the city's Democratic committee, and former Representative Richard L. Ottinger, a Democrat whose district included Mount Vernon.

"Mayor Sharpe drove me up to White Plains to the Board of Elections to change my registration card," Mr. Blackwood remembers with a smile. "I felt I couldn't get anywhere with the Republican Party. It reached a point where it no longer made sense to pursue a career as a Republican."

Last November, Mr. Blackwood unanimously won the Democratic nomination for mayor in the special election.

Today, the County Board of Elections confirmed what Mr. Blackwood declared shortly after the polls had closed here last Friday night: that he was indeed "the new mayor of this city."

With returns reported from all 55 election districts, including more than 400 of some 700 absentee ballots, Mr. Blackwood had 9,681 votes. His opponent, Mr. Branca, had 8,594 votes. Because the Board of Elections cannot officially certify the results until this Friday—the deadline for all absentee ballots, postmarked Jan. 24, to be received and counted at the Board headquarters—Mr. Blackwood cannot officially be sworn in as mayor until then.

Even if Mr. Branca were to receive all of the approximate 300 absentee ballots unaccounted for, it would not be enough to overcome Mr. Blackwood's lead. Nevertheless, Mr. Branca has refused to concede.

But since last Friday night, Mr. Blackwood has been proceeding as if the job were his. The morning after the election, he walked the streets of this city thanking supporters and accepting congratulations.

He said he has not specifically "mapped out my order of business" once he is sworn in, but lists three areas that will be looked into—"first and foremost" contract negotiations with the city's police department. He said he also wanted a review of all departments and staffing to "see where there are deficiencies and where performance can be improved" and a review of development projects already underway.

Ronald Alexander Blackwood was born in St. Andrews, Jamaica, on Jan. 19, 1926. His first home when he left Jamaica was Mount Vernon—"a one-room apartment on the south side." While taking accounting courses at Westchester Community College, Mr. Blackwood got his first job here as a secretary with Electronics for Medicine, which was acquired by Honeywell Electronics in 1979. He now works as a contract administrator at Honeywell Medical Electronics Division in Pleasantville, N.Y.

Mr. Blackwood received a bachelor's degree in management from Elizabeth Seton and Iona College in New Rochelle, N.Y., last June, after eight years of study. He met his second wife, Ann Griffin, a schoolteacher, at a wedding. They were married in June 1976. He has a daughter, Helen Marie, 28, a lawyer, from a first marriage, which ended in divorce.

Throughout the campaign, Mr. Blackwood tried to downplay race as an issue and attempted to assuage fears that his election would dramatically change the "color" of those who work at City Hall or lead to a "massive exodus" of whites from the city.

But no matter how hard he tried, he said shaking his head good naturedly, the issue of race came up.

"I was doing some door-to-door campaigning at a cooperative apartment on the north side of town," Mr. Blackwood recalled, laughing as he retold the story, "and this elderly white man pulls me aside and said he wanted to ask me a personal question."

"The man said that some people were saying I wasn't black," Mr. Blackwood continued. "I told him that I was not running as a black, but as the qualified candidate. The man listens to what I have to say, then looks me in the eye and says: 'So tell me, are you black?' "

TRIBUTE TO REPRESENTATIVE GILLIS LONG

Mr. HOLLINGS. Mr. President, last week Congress lost one of its finest and most loved Members. Throughout his 14 years as a Representative, Gillis Long served his State of Louisiana and his country with a sense of dedication and conscience that made him one of the truly effective legislators in our national assembly. I knew Gillis as a friend and held for him the utmost respect as a Congressman. I know I speak for my colleagues in the Senate and the House when I say we mourn his passing and will miss him dearly.

Gillis Long had a well-deserved reputation for being a master of consensus building and legislative procedure. He was one of the relatively few who really knew how to make the wheels of Government work. From his post on the House Rules Committee, there was scarcely any bill or piece of major legislation he didn't help shape or guide over the legislative shoals.

Gillis was an insider's insider in Congress, but he never took his eyes off of the need to keep the Democratic Party unified and in touch with the needs of the American people. He left one of his biggest marks as chairman of the House Democratic Caucus for the 97th and 98th Congresses, a job that tested his skills as a consensus builder to the fullest. He helped hold the House Democratic delegation together through the trying times of 1981–82 when it seemed the "Boll Weevils" and more liberal Democrats might permanently part ways.

Gillis used the caucus chairmanship as a platform from which to explore new policy directions for the party. He appointed the task force whose work culminated in September 1982 with the joint release, along with Congressman TIM WIRTH, of the report, "Rebuilding the Road to Opportunity," espousing the belief that we Democrats had to move beyond the New Deal and start emphasizing new economic productivity rather than just redistribution of wealth. He was also a member of the Congressional Joint Economic Committee, where he developed an expertise in and pushed the study of such crucial issues as the international trade competition and world energy supplies.

One of the things, however, for which I admired and respected Gillis the most was his steadfast stand as a supporter of civil rights legislation, a stand that cost his seat in 1962 when support for civil rights wasn't always a popular thing to do. But Gillis was a man of conscience, and by 1972 his district had come around to his way of thinking. Our National Congress was so much the richer for his presence.

We wish his wife, Cathy, well in this time of sorrow. We'll miss you, Gillis, but you'll always be with us in memory.

The PRESIDING OFFICER. The Chair, in its capacity as a Senator from the State of Minnesota, suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRAMM). Without objection, it is so ordered.

ORDER FOR EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that morning business be extended until 4 p.m. today under the same terms and conditions.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRUCKING DEREGULATION IMPACT

Mr. PRESSLER. Mr. President, as a member of the Senate Surface Transportation Subcommittee, I have been a long-time opponent of trucking deregulation because of the negative economic impact it has had on rural States like South Dakota, and because of its adverse effects on transportation safety.

The adverse economic impact of truck deregulation to rural State truckers, shippers, and consumers was well documented in a December 15, 1983, oversight field hearing in Sioux Falls, SD (Senate Hearing 98-627, Serial No. 98-55) which focused on the impact of the Motor Carrier Act of 1980.

I recently received some very interesting and illustrative correspondence from one of my constituents, Mr. Robert A. Appelwick, a highly respected businessman in my home State and president of Apple Lines, Inc., of Madison, SD, which sheds light on the general public's perception of the decline in safety since deregulation.

Knowing of my interest in this issue, Mr. Appelwick was kind enough to send me a copy of an unsolicited letter he received from Mr. R.M. Hovland of Rochester, MN, congratulating Apple Lines for its safety policies, but expressing grave concern over the general deterioration of trucking safety since deregulation.

Mr. President, I am very proud of the independent safety efforts taken by Apple Lines and commend Bob Appelwick for his outstanding efforts in this area. But I share the concern of Mr. Hovland and Bob Appelwick over the safety problems caused by deregulation. Because I found these letters so illustrative of the problems I have pointed out in the past, and because these letters say it much better than I could, I urge my colleagues to read them carefully.

Mr. President, I ask unanimous consent that the letters of Mr. Appelwick and Mr. Hovland be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

APPLE LINES, INC.,
Madison, SD, October 23, 1984.

Senator LARRY PRESSLER,
U.S. Senate,
Washington, DC.

DEAR LARRY: Please find enclosed a copy of a letter we received recently from Mr. R. M. Hovland of Rochester, MN.

You will note in the second paragraph of this correspondence that the individual indicates that deregulation has had an impact on his perception of the safety of the highways. It was my personal projection that there would be an impact with respect to safety as a result of the relaxation of the governmental oversight of the operations of the motor carrier industry as a public utility in our economy. This letter serves as the first confirmation of my expectations.

I am certain that you appreciate my inability to measure the public response with respect to the confirmation of the concerns which I had with regard to safety. For me to go out and solicit comments from the public would have been meaningless.

However, to receive an unsolicited letter of the type herein enclosed makes a very strong statement when an individual will take the time and energy to forward to our company his remarks with respect to his concern with regard to his personal safety in the utilization of our highway system and at the same time offer Apple Lines' a compliment with respect to our policies regarding safety.

I hope this information will be of interest and value to you in guarding the interest and concerns of the public.

Yours very truly,
ROBERT A. APPELWICK, *President.*

ROCHESTER, MN,
October 6, 1984.

President and General Manager,
Apple Truck Lines,
Madison, SD.

DEAR SIR: This is to congratulate you on your policy of posting an 800 number on the rear of your truck trailers to let you know how your drivers are doing.

We do a great deal of traveling. In the past we have had great respect and admiration for truck drivers, but since deregulation our experience has been terrible. Actually, but by the grace of God, we were almost killed in Montana by an independent trucker doing 70 on a mountain road, U.S. 89, near Browning, middle of the road, small bridge, missed us by 2 inches due to our moving to within 6" of edge of shoulder with a 15' drop off and stopping before we arrived at the narrow bridge abutment. The approaching truck had just finished completing a blind curve and was straddling the no passing lines when he thundered across the bridge.

Truck drivers often pass in no passing zones and they ride your bumper at 55 because most of them travel at 70.

Just returned from vacation and had the experience of being passed on a hill, no passing zone, when the trucker was on my side blew his air horn and started cutting in, had to hit the gravel shoulder as did the on coming car.

I have no complaint with the driver of trailer 7004 on U.S. 52 heading south at about 4:00 p.m. on Thursday, October 4, near Rochester, Minnesota. I saw that 800 number and planned to call in the courteous way he passed. The last two digits of the 800 number had been scratched off, so I couldn't call. Apparently not everyone is in agreement with your policy.

Perhaps this policy should be extended to the trucking industry, an ID number on the trailer. Some lives might be saved if truckers knew their actions could be reported, good or bad.

The trucking industry does have a problem now, but I'm pleased to see you are trying to do something about it.

Sincerely

R.M. HOVLAND.

VEHICULAR RECORD-KEEPING REQUIREMENTS FOR BUSINESS DEDUCTIONS

Mr. MATTINGLY. Mr. President, very briefly, I am pleased to cosponsor, and therefore support, legislation to amend the Internal Revenue Code to return sanity to the record-keeping requirements necessary for a business expense deduction for the use of an automobile or truck.

Prior to 1985, a taxpayer had to maintain adequate records or other evidence to qualify for the business deduction. However, a virtually unknown provision in the Deficit Reduction Act of 1984 changed those rules substantially. In fact, the changes will place an onerous and unreasonable administrative burden on businesses of all sizes, their employees, and the agriculture community by requiring taxpayers to maintain contemporaneous, detailed records. The new record-keeping rules, in my opinion, have the potential of adversely affecting worker productivity by requiring substantial employee time in maintaining records. I believe that we in Congress should be concentrating on efforts to "get Government off our backs" rather than increasing its presence in the private sector. Therefore, I have cosponsored S. 260 which will repeal the recently enacted contemporaneous record-keeping requirements. To the extent abuses occur, Congress can find a more reasonable manner to address them without penalyzing honest taxpayers and placing an unnecessary burden on business.

The Treasury Department announced last Friday that they will make changes in the originally proposed regulation regarding the contemporaneous requirements. However, as I stated earlier, I believe the requirements that existed prior to January 1, 1985, were reasonable and adequate without placing additional governmental redtape on honest business men and women. I will therefore continue to support and push for repeal of the record-keeping requirements included in the Deficit Reduction Act of 1984.

JOHN R. CALDWELL—DEDICATED PUBLIC SERVANT

Mr. DIXON. Mr. President, I would like to call the Senate's attention to an individual who recently retired from an outstanding and selfless career of public service.

I refer, Mr. President, to John R. Caldwell, who was the downstate Illinois chief of staff for my former colleague, Senator Charles Percy. I have known John for many years. I first met him when he was in the Illinois secretary of state's office. He was concerned about bringing safety to the roads of Illinois. He became so knowledgeable in auto and traffic safety that he was asked to testify as an expert witness throughout the Midwest. John served in the secretary of state's office for 8 years and was Senator Percy's invaluable assistant for 16 years in Springfield and all of downstate Illinois.

Besides government service, John is active in many municipal, county, and State charities. He served as chairman of the Community Chest and war bond drives during World War II. He also served as chairman of the Easter Seals drive and Crippled Children's Project. John is a model citizen in our Springfield community, our State and Nation. On Tuesday, January 29, 1985, former Senator Percy and I hosted a civic luncheon in John's honor in Springfield.

His outstanding dedication serves as a good example of the great man John Caldwell is. I am proud that John Caldwell is a fellow Illinoisan, and even prouder to call him my friend.

JOHN EARL FETZER—MARCH OF DIMES "HUMANITARIAN OF THE YEAR"

Mr. LEVIN. Mr. President, the name John Fetzer has long been associated with excellence and achievement in both the broadcasting field and American League baseball. Sole owner of the Detroit Tigers for 21 years he is a self-made man who parlayed radio pioneering into a fortune but never lost his youthful love for baseball and other sports. John's leadership and support of Detroit have earned him the honor of being selected as Humanitarian of the Year by the March of Dimes.

Indiana-born but a Michigan resident virtually all his adult life, John Fetzer built a broadcasting empire by developing the Fetzer Broadcasting Co. from a one-lung station into a corporation with nine radio-television outlets. An engineering authority and a respected leader among broadcasters, he has been called upon frequently by the U.S. Government for critical assignments in the communications field.

In spite of his many other interests, John has found plenty of time for baseball—both on the major league level and at Tiger Stadium, where his strong leadership has developed one of the most efficient organizations in professional sports. When he became president of the club in 1962, he proudly stated that "I've been a Tiger fan for 30 years." John's first aim has been the development of a winning team for Detroit and Michigan. It was under his leadership that the Detroit Tigers won the World Championship in 1978. Then when he sold the Tigers in 1983 he guaranteed that his winning team stayed in Detroit.

John Fetzer's position in baseball is as eminent as that in broadcasting. His inventive mind and sharp sense of personal relations made him one of the strong figures on the American League scene and in interleague affairs. He was a member of baseball's executive council from 1961 through 1965 and was named again to that top-level policy group in 1974. He played a prominent role in drafting bonus payment legislation as a member of a special interleague committee and was instrumental in player pension plans as a member of the American League committee on that subject. In 1963, John Fetzer advanced a revolutionary plan for a weekly series of "baseball spectaculars" that developed into the successful Monday night baseball series, also used in other sports.

I am delighted to come to the Senate floor to salute John Fetzer, the Michigan March of Dimes Humanitarian of the Year, for his numerous achievements and commend him for his continued leadership.

VOLUNTEER TAX HELP FOR ELDERLY—ONE OF GOVERNMENT'S BEST INVESTMENTS

Mr. DECONCINI. Mr. President, millions of Americans are either gathering their tax records or preparing their tax returns. This is frequently a time consuming and difficult task. But, it is often more complicated for older Americans because they may be exposed to new tax rules upon reaching age 65.

Those who have stopped working and have interest, dividends, or other income not subject to withholding may need to make quarterly estimated tax payments. Older persons who contributed jointly with their employers to a pension must compute the taxable portion of their pension payments. This can be a complex computation, even for expert tax preparers.

Social Security benefits may now be taxable for certain higher income persons. The majority of older Americans will not have sufficient other income to pay tax on their Social Security. However, millions of elderly individuals must still make a complex computation in order to make this determination.

Fortunately, many aged persons are helped by the Tax Counseling for the Elderly Program [TCE]. The American Association of Retired Persons' [AARP] Tax-Aide Program is by far and away the largest of the TCE programs. Tax-Aide volunteers prepared more than 1.3 million returns in 1984, free of charge.

The history of Tax-Aide demonstrates that volunteer tax consultants can improve taxpayer compliance. This not only assures that taxpayers pay what is lawfully due the Government, but also reduces Internal Revenue Service administrative costs.

Tax-Aide provides another valuable service because IRS has repeatedly stressed that no taxpayer should pay more tax than is legally required. However, many older persons overpay their taxes each year or file a return when this is not necessary.

Some are baffled by the tax forms and the recent changes in the tax law. Others are unaware of helpful deductions, credits, exemptions or exclusions. Tax-Aide helps assure that older taxpayers receive the tax benefits to which they are entitled under the law.

My good friend and colleague on the Senate Treasury, Postal Services, and General Government Appropriations Subcommittee—Senator ABDNOR, the distinguished chairman of that subcommittee—shares my enthusiasm about the value and achievement of the AARP Tax-Aide Program. He recently published an article about the importance of Tax-Aide. I, too, want to reaffirm my strong support for Tax-Aide and the TCE Program.

Mr. President, I ask unanimous consent that the article by Senator ABDNOR—entitled "Volunteer Tax Help for Elderly—One of Government's Best Investments"—be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VOLUNTEER TAX HELP FOR ELDERLY ONE OF GOVERNMENT'S BEST INVESTMENTS

(By Senator JIM ABDNOR)

The stories of savings are countless.

An elderly woman on a very limited income has donated $300 to campaigns, mistakenly thinking they were bills to be paid and not realizing they were tax-deductible contributions. Another older person, a retired government employee, had not known that he could receive a tax refund for the contributions he had made to his pension fund.

These people, and hundreds of thousands more like them, have been helped by one of the most useful, efficient programs affiliated with the federal government. The Tax-Aide program is a cooperative agreement between the Internal Revenue Service and the American Association for Retired Persons to assist elderly persons in filling out their tax forms at no charge.

As chairman of the Senate subcommittee that approves funding for the IRS, I'm a big supporter of the Tax-Aide program. In fact,

I've been leading the fight to maintain funding for the very small administrative budget the program requires.

The budget is small because Tax-Aide is largely a volunteer program. Last year, over one million senior citizens were assisted in filling out their tax returns by 19,000 volunteers associated by the American Association of Retired Persons. In South Dakota, in 1983, there were 112 Tax Aide centers operating and approximately 2,200 persons received volunteer tax filing assistance.

It's been shown in many studies that elderly taxpayers consistently pay too much each year because they don't take advantage of perfectly legal tax breaks to which they are entitled. The AARP volunteers are trained in IRS-taught classes and are kept up to date on the latest changes in tax laws.

The small amount of federal money devoted to this program goes to maintain a small central staff to coordinate the program with the IRS and to keep volunteers current on new tax laws. Volunteers are also reimbursed for their out-of-pocket expenses.

This is one of the federal government's least expensive programs and one that I am most proud to support in that it fulfills a definite need and brings a greater amount of fairness to hundreds of thousands of American taxpayers.

THE YEAR OF THE EXECUTIONER

Mr. LEVIN. Mr. President, I want to call to the attention of my colleagues portions of an article by Colman McCarthy entitled "The Year of the Executioner," which appeared in the Washington Post on Saturday, January 26, 1985. As Mr. McCarthy points out, there are over 1,400 men and women on death row in America today. The pace of executions in the United States has increased dramatically over the past 2 years and will undoubtedly continue to rise since the number of people sentenced to death increases by about 250 each year.

The brutalizing impact of executions upon American society has been the subject of numerous studies by proponents and opponents of capital punishment. In his book "Legal Homicide, Death as Punishment in America, 1864-1982," William J. Bowers, director of the Center for Applied Social Research at Northeastern University, concludes that:

> Studies of the long-term effect and short-term impact of executions give ample indication that executions may have—contrary to prevailing belief—not a deterrent but a brutalizing effect on society by promoting rather than preventing homicides.

Rather than promoting the cycle of violence in America, we should consider alternatives to the death penalty which will make our society less prone to violence.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 26, 1985]

THE YEAR OF THE EXECUTIONER

(By Colman McCarthy)

With only a few weeks gone by, 1985 promises to be the Year of Death for American prisoners. In the first 16 days of January alone, four capital-punishment killings occurred. In 1984, 20 men and one woman were executed. That was 16 more than 1983, which was double the rate of 1982. The quick pace for all these last miles means that Chief Justice Warren Burger's disdain for the appeals and re-appeals that delay executions is now shared by the lower courts.

The frequency of death has diminished its new value. Executions now rate only wire-service stories, with back-page placement. To prevent boring the readers, execution stories routinely focus on the human side of this inhumanity. Colorful details are provided on the last meal, the last gasps and the last rites.

What need to be told are the stories of the last years of the prisoners. Despite the crowds outside the prison gates that cheer at executions, and despite the satisfaction that the vengeful seem to crave, Justice William Brennan is right: "Even the vilest criminal remains a human being possessed of human dignity."

That sentiment gets a ferocious mocking by many supporters of the death penalty. These fevered ones are not to be taken with credence because they have so distanced themselves from death row that the people living there are no longer seen as the human beings that they are.

Among those who best understand that humanity is present on death row are the criminologists who have interviewed the condemned men and women. It is not a population easily kept up with. Four years ago, the nation's 35 warehouses of death were stocked with 700 waiting people. Now the number is 1,400 and rising. With the United States as the only Western industrial nation that kills prisoners, we now have still another bolstering of our reputation for solving problems through violence.

One of the criminologists who has gone into the death rows is Prof. Robert Johnson of the school of justice at American University. His 1981 book, "Condemned to Die: Life Under Sentence of Death," is based on interviews with 35 men on Alabama's death row. Johnson found the expected realities: men who were poor, of low self-esteem and from harsh backgrounds. Life near the execution chamber was an extension of the unstable and violent environments of these men before murder was committed.

The get-tough-with-criminals view is that murderers are in some inexplicable way subhuman. Johnson dismisses such simplism: "To deny the humanity of violent men is to deny a part of ourselves and our society. For violence, after all, is an all too common failing of individuals and societies. Not until the basic humanity of the murderer is felt and understood can the work of explaining and ameliorating his violence begin. At this point one discovers that violence is not some spectre or disease that afflicts some of us without rhyme or reason, but rather that it is an adaption to bleak and often brutal lives."

At the moment, Johnson is involved in researching the effects of deathwork on some of the guards in the killing chambers: "The business of carrying out executions is almost as dehumanizing as being killed. The job of preparing the prisoners is a wrenching process that society tends to ignore or distance itself from. If you look at people trained to be torturers, they lose some of their humanity. So the executioners lose theirs. This can be extended to society. We have so removed ourselves from the day-to-day lives of people who turn to violence that when we get around to killing them, it is all disembodied and not very real to us."

This is not new to the current American death wave. In the 1957 "Reflections on the Guillotine," Albert Camus wrote that even those who themselves may suffer "the administrative murder that is called capital punishment" can be numb to its horror. In the days "when pickpockets were executed in England, other pickpockets exercised their talents in the crowd surrounding the scaffold where their colleague was being hanged. Statistics drawn up at the beginning of the century in England show that out of 250 who were hanged, 170 had previously attended one or more executions."

To write with mercy—as do Camus and Johnson—about murderers is often interpreted, first, as spineless liberalism and, second, insulting to the victims' families. There is no logic in the leaps to those conclusions. Mercy and care are owed to the violated families. Liberals have been leaders in the victim-rights movement.

What needs to be remembered now is that our rising execution rate drops that much lower America's claim to be a humane society.

OFFICIAL OBSERVERS ON U.S. DELEGATION TO ARMS CONTROL NEGOTIATIONS

Mr. DOLE. Mr. President, for the information of all Senators, pursuant to the provisions of Senate Resolution 19, which passed the Senate unanimously on January 3, 1985, I have recommended to the President that Senators STEVENS, WARNER, LUGAR, WALLOP, and NICKLES be included as official observers on the U.S. delegation to the Arms Control Negotiations, taking place in Geneva. I have also asked that I be designated an ex officio observer.

Mr. BYRD. For the information of Senators, I have recommended to the President that Senators NUNN, PELL, MOYNIHAN, KENNEDY, and GORE be designated as official observers from the Senate to planned arms control negotiations with the Soviet Union. Senators NUNN and PELL will serve as cochairmen of the observers' group. As has Mr. DOLE, I have also designated myself, or my designee, as an ex officio member of the observers' group. Senator DOLE has designated a group of Senators from the other side of the aisle for the same purpose.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate message from the President of the United States submitting sundry nominations which referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:42 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that pursuant to the provisions of title 20, United States Code, sections 42 and 43, the Speaker appoints as members on the part of the House: Mr. MINETA, Mr. BOLAND, and Mr. CONTE.

At 2:38 p.m., a message from the House of Represenatatives, delivered by Mr. Berry, one of its reading clerks, announced that pursuant to the provisions of title 15, United States Code, section 1024(a), the Speaker appoints as members of the Joint Economic Committee the following Members on the part of the House: Mr. OBEY, Mr. HAMILTON, Mr. MITCHELL, Mr. HAWKINS, Mr. SCHEUER, and Mr. STARK.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-306. A communication from the General Counsel of the Department of Energy, transmitting, pursuant to law, notice of a meeting related to the International Energy Program; to the Committee on Energy and Natural Resources.

EC-307. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60-day period prior to January 10, 1985; to the Committee on Foreign Relations.

EC-308. A communication from the Assistant Legal Advisor for Treaty Affairs. transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60-day period prior to January 23, 1985; to the Committee on Foreign Relations.

EC-309. A communication from the Secretary of Commerce, transmitting, pursuant to law, notice that he is extending until January 20, 1986 the export controls maintained by the Department for foreign policy purposes; to the Committee on Foreign Relations.

EC-310. A communication from the Chairman of the Merit Systems Protection Board, transmitting, pursuant to law, a report entitled "Blowing the Whistle in the Federal Government: A Comparitive Analysis of 1980 and 1983 Survey Findings"; to the Committee on Governmental Affairs.

EC-311. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-252 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-312. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-254 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-313. A communication from the Chairman of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-255 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-314. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-256 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-315. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-257 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-316. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-259 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-317. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-262 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-318. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-258 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-319. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-251 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-320. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-230 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-321. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-244 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-322. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-245 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-323. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-247 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-324. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-246 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-325. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-250 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-326. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-249 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-327. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-248 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-328. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-229 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-329. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-240 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-330. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to the law, copies of D.C. Act 5-242 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-331. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-241 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-332. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 5-238 adopted by the Council on December 18, 1984; to the Committee on Governmental Affairs.

EC-333. A communication from the Chairman of the Council of the D.C. Council transmitting, pursuant to law, a copy of D.C. Act 5-239; to the Committee on Governmental Affairs.

EC-334. A communication from the Chairman of the Council of the D.C. Council transmitting, pursuant to law, a copy of D.C. Act 5-237; to the Committee on Governmental Affairs.

EC-335. A communication from the Chairman of the Council of the D.C. Council transmitting, pursuant to law, a copy of D.C. Act 5-236; to the Committee on Governmental Affairs.

EC-336. A communication from the Chairman of the Council of the D.C. Council transmitting, pursuant to law, a copy of D.C. Act 5-235; to the Committee on Governmental Affairs.

EC-337. A communication from the Chairman of the Council of the D.C. Council transmitting, pursuant to law, a copy of D.C. Act 5-234; to the Committee on Governmental Affairs.

EC-338. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. Act 5-233; to the Committee on Governmental Affairs.

EC-339. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. Act 5-232; to the Committee on Governmental Affairs.

EC-340. A communication from the Chairman of the D.C. Council transmitting, pur-

suant to law, a copy of D.C. Act 5-231; to the Committee on Governmental Affairs.

EC-341. A communication from the Chairman of the D.C. Council transmitting, pursuant to law, a copy of D.C. Act 5-243; to the Committee on Governmental Affairs.

EC-342. A communication from the Acting Comptroller General of the United States transmitting, pursuant to law, a report listing GAO reports issued during the month of December 1984; to the Committee on Governmental Affairs.

EC-343. A communication from the Director of the Federal Mediation and Conciliation Service transmitting, pursuant to law, the Service's 1984 report on its accounting system under the Federal Manager's Financial Integrity Act; to the Committee on Governmental Affairs.

EC-344. A communication from the Assistant Secretary of the Navy transmitting, pursuant to law, a report on a decision to convert the storage and warehousing function at the Naval Air Station, Jacksonville, FL, to performance under contract; to the Committee on Armed Services.

EC-345. A communication from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a report on the intention of the Air Force to exclude certain records from examination by the Comptroller General; to the Committee on Armed Services.

EC-346. A communication from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a report listing enlisted members and officers with 12 to 18 years of submarine service, those entitled to continuous monthly submarine duty incentive pay; and those with 18 or more years of submarine service, and those entitled to such incentive pay; to the Committee on Armed Services.

EC-347. A communication from the Deputy Assistant Secretary of the Air Force transmitting, pursuant to law, a report on the decision to convert 64 functions at various bases from in-house operation to performance under contract; to the Committee on Armed Services.

EC-348. A communication from the Deputy Assistant Secretary of the Air Force transmitting, pursuant to law, a report on a decision to study the conversion of the South Range Operations, Nellis Air Force Base, NV, to performance under contract; to the Committee on Armed Services.

EC-349. A communication from the Federal Inspector, Alaska Natural Gas Transportation System transmitting, pursuant to law, a report on the status of the transportation system; to the Committee on Energy and Natural Resources.

EC-350. A communication for the Chairwoman of the U.S. International Trade Commission transmitting a draft of proposed legislation to authorize appropriations for the Commission for fiscal year 1986; to the Committee on Finance.

EC-351. A communication from the Chairman of the Commodity Futures Trading Commission transmitting, pursuant to law, a report on the Commission's system of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-352. A communication from the Executive Director of the Board for International Broadcasting transmitting, pursuant to law, a report on the Board's system of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-353. A communication from the vice chairman of Potomac Electric Power Co. transmitting, pursuant to law, a copy of the company's balance sheet as of December 31, 1984; to the Committee on Governmental Affairs.

EC-354. A communication from the Acting Commissioner of Social Security transmitting, pursuant to law, notice of a computer matching program, SSA/State and Federal agencies administering workers' compensation programs; to the Committee on Governmental Affairs.

EC-355. A communication from the Chief, Insurance and Debt Management, Department of the Air Force transmitting, pursuant to law, a report on the Air Force Nonappropriated Fund Retirement Plan for Civilian Employees; to the Committee on Governmental Affairs.

EC-356. A communication from the Director of the U.S. Office of Personnel Management transmitting, pursuant to law, a report summarizing the valuation of the Civil Service Retirement System as of September 30, 1982; to the Committee on Governmental Affairs.

EC-357. A communication from the Chairperson of the National Advisory Council on Adult Education transmitting, pursuant to law, the Council's fiscal year 1983 Annual Report; to the Committee on Labor and Human Resources.

EC-358. A communication from the Commandant, U.S. Coast Guard, transmitting, pursuant to law, a listing of functions at various locations intended to be converted to performance under contract during fiscal year 1985; to the Committee on Commerce, Science, and Transportaiton.

EC-359. A communication from the Chairman of the Navajo and Hopi Indian Relocation Commission transmitting, pursuant to law, a letter indicating the Commission's intention to establish a system of internal accounting and administrative control; to the Committee on Governmental Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-1. A resolution adopted by the Stanton County Public Power District of Stanton, Nebraska, relating to the Economy of Rural America and other Farming programs; to the Committee on Agriculture, Nutrition, and Forestry.

POM-2. A resolution adopted by the Philippine Veterans Federation (Isabela Chapter Alicia Post) relating to S. bill 200 and supporting its enactment; to the Committee on Armed Services.

POM-3. A resolution adopted by the White Savannah Freewill Baptist Church relating to advertisement of any alcoholic beverage on television and radio; to the Committee on Commerce, Science and Transportation.

POM-4. A resolution adopted by the American Association of State Highway and Transportation Officials relating to Interstate Cost Estimate and an Interstate Substitute Cost Estimate; to the Committee on Environment and Public Works.

POM-5. A resolution adopted by the Senate of the Commonwealth of Puerto Rico relating to the incidents that took place at Cerro Maravilla on July 25th, 1978; to the Committee on Energy and Natural Resources.

POM-6. A resolution adopted by the Nitijela of the Marshall Islands urging the Government of the United States to appoint a committee to inquire into the allegations of corruption made by U.S. Congressman, Douglas Bereuter, and report its finding to the Nitijela; to the Committee on Energy and Natural Resources.

POM-7. A resolution adopted by the Hawaii State Association of Counties urging Congress to review the implementation of recommendations adopted by the Federal-State Task Force on Hawaiian Home Lands on August 13, 1982 and to initiate breach of trust of other appropriate legal action for noncompliance by the State of Hawaii or the United States Department of the Interior; to the Committee on Energy and Natural Resources.

POM-8. A resolution adopted by the General Assembly of the State of Pennsylvania; to the Committee on Energy and Natural Resources.

RESOLUTION

Whereas, The Appalachian Trail has become one of the best known and most popular long distance hiking trails in the world; and

Whereas, The Appalachian Trail stretches nearly 2,100 miles from Springer Mountain, Georgia, to Mount Katahdin, Maine; and

Whereas, The Appalachian Trail, in passing through Pennsylvania, follows a course which runs through the Cumberland Valley and which includes the Townships of Middlesex, Monroe, Silver Spring and South Middleton, in Cumberland County; and

Whereas, This traditional and historic course has, throughout the years, remained compatible with the residents, the industries and the farming activities of the valley, despite occasional conjunction with public roadways which have developed adjacent to the trail; and

Whereas, The National Park Service of the United States Interior Department has indicated a desire to relocate the Appalachian Trail from its existing route along the public roads of the Cumberland Valley to a path located on State lands and private lands; and

Whereas, The general area accommodating the Appalachian Trail in the Cumberland Valley is an interesting blend of rural and urban life, served by four major highways, including I-81, the Pennsylvania Turnpike and U.S. Routes 11 and 15, and is a thriving community which should not be limited in its growth and development by the imposition of a legal barrier through its heartland; and

Whereas, The relocation of the Appalachian Trail at places other than its present route will be tantamount to the creation of a new public thoroughfare which severs extremely fertile productive farmland and creates a legal barrier between adjoining lands; and

Whereas, The National Trails System Act (Public Law 90-543, 82 Stat. 919) provides in section 1246(b) "that a substantial relocation of the rights-of-way" of the Appalachian Trail shall be by Act of Congress; therefore be it

Resolved (the House of Representatives concurring), That the General Assembly memorialize the Congress to prohibit legislation that would allow the National Park Service to substantially relocate any portion of the Appalachian Trail within a particular state or commonwealth, unless its General Assembly has voted approval of the relocation; and be it further

Resolved, That copies of this resolution be transmitted to the Speaker of the United States House of Representatives, the Presi-

dent pro tempore of the United States Senate, each member of Congress who represents a state or a congressional district through which passes the Appalachian Trail and to each member from Pennsylvania elected to the United States Senate and the United States House of Representatives.

POM-9. A resolution adopted by the Legislature of the State of Alabama; to the Committee on Finance.

S.J. RES. 16

Whereas, the textile and apparel industry is our state's largest manufacturing industry, employing 93,000 Alabamians, representing one-third of our state's total manufacturing employment, and with payrolls over one billion dollars annually; and

Whereas, the textile/apparel manufacturers contribute millions of tax dollars to the economic, social, and cultural growth and success of our state, as well as thousands of dollars annually for scholarships, universities, technical schools, and for other support in the field of education; and

Whereas, the textile/apparel industry is of vital importance to the continued prosperity of our state and its people, and since there have been recent plant closings and a loss of 5,000 jobs in Alabama due to the flood of imports which are at record high levels—increasing 56% over the same period in 1983, and realizing for every 1,000 jobs lost in textiles/apparels, an additional 1,000 jobs are lost within a wide range of businesses and services as a result; now therefore,

Be it resolved by the Legislature of Alabama, both Houses thereof concurring, That we urge the President and Congressional leaders in Washington to take proper action to assure fair trade and preserve American jobs in our textile/apparel industry throughout the nation.

Be it further resolved, That a copy of this resolution be mailed to President Reagan and to each member of the United States Senate and House of Representatives.

POM-10. A resolution adopted by the Council of the City of Sylacauga, Alabama relating to the textile and apparel industries; to the Committee on Finance.

POM-11. A resolution adopted by the Oktibbeha Post No. 13 American Legion relating to ratification of the Genocide Treaty; to the Committee on Foreign Relations.

POM-12. A resolution adopted by the Town Council of Greenfield, Massachusetts calling for a halt to the persecutions of the Baha' in community in Iran; to the Committee on Foreign Relations.

POM-13. A resolution adopted by the Los Angeles County Board of Supervisors urging Congress to assist in any way possible in feeding the starving multitudes in Africa and preventing their needless deaths; to the Committee on Foreign Relations.

POM-14. A resolution adopted by the American Philosophical Association, Western Division, opposing any United States support for military attacks on Nicaragua and to the use of United States funds and/or personnel in such attacks; to the Committee on Foreign Relations.

POM-15. A resolution adopted by the General Assembly Council of the Presbyterian Church relating to United States policy in Central America; to the Committee on Foreign Relations.

POM-16. A resolution adopted by the Episcopal Diocese of Olympia relating to Nicaragua; to the Committee on Foreign Relations.

POM-17. A resolution adopted by the Legislature of the State of Michigan; to the Committee on Foreign Relations.

SENATE CONCURRENT RESOLUTION No. 948

Whereas, The American people have been profoundly shocked and deeply saddened by the abhorrent conditions in Ethiopia, where an estimated six to ten million people face starvation. Graphic television news reports have brought the astounding reality of the Ethiopian famine to the forefront and stirred the conscience of all Americans; and

Whereas, Unfortunately for the Ethiopian people, a good part of the blame for this tragic situation rests with the dictatorial Ethiopian government whose shortsighted and self-serving policies have done little to alleviate this disturbing situation. Indeed, the current regime has proven itself to be not only untrustworthy but also totally incapable of responding to the situation; and

Whereas, The American public and United States government have traditionally responded to such crises with great compassion and an outpouring of money, food, and other aid. Indeed, various charitable organizations in our nation have already received millions of dollars in donations from individuals, businesses, and the federal government. However, in light of the Ethiopian government's obvious shortcomings and total failure to deal with the situation we call upon the President of the United States and the United States Congress to marshal all available resources, including air transport and personnel, to provide and deliver emergency food aid directly to the starving masses of Ethiopia; now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That we hereby memorialize the President of the United States and the United States Congress to use all available resources to deliver emergency food aid directly to the starving people of Ethiopia; and be it further

Resolved, That a copy of this resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and the Michigan congressional delegation.

POM-18. A petition from a citizen of Concord, New Hampshire relating to Prayer in Public Schools; to the Committee on the Judiciary.

POM-19. A resolution adopted by the National Council of the Federal Bar Association urging Congress to take positive steps toward greater scrutiny of the impact that legislation will have on the Federal Court System; to the Committee on the Judiciary.

POM-20. A resolution adopted by the Hawaii State of Association of Counties urging Congress to give full consideration to the recommendation of the Native Hawaii Study Commission Report Volume II; to the Committee on the Judiciary.

POM-21. A resolution adopted by the Hawaii States Association of Counties urging Congress to include native Hawaiians in the definition of native American and extend to native Hawaii eligibility in all programs affected by such definition without prejudice; to the Committee on Labor and Human Resources.

POM-22. A resolution adopted by the Council of the City of Hawaii supporting the programs, particularly with relation to the University of Hawaii at Hilo and other entities in the County of Hawaii; to the Committee on Labor and Human Resources.

POM-23. A resolution adopted by the Whatcom County Council declaring the area a "nuclear free zone;" to the Committee on Energy and Natural Resources.

POM-24. A resolution adopted by the South Carolina Baptist Convention opposing a United States Ambassador to the Vatican; to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DURENBERGER, from the Select Committee on Intelligence, without amendment:

S. Res. 55. An original resolution authorizing expenditures by the Select Committee on Intelligence; referred to the Committee on Rules and Administration.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HATCH, from the Committee on Labor and Human Resources:

Joseph Epstein, of Illinois, to be a Member of the National Council on the Arts for a term expiring September 3, 1990;

Helen Frankenthaler, of New York, to be a Member of the National Council on the Arts for a term expiring September 3, 1990;

Margaret Eleanor Hillis, of Illinois, to be a Member of the National Council on the Arts for a term expiring September 3, 1990;

M. Ray Kingston, of Utah, to be a Member of the National Council on the Arts for a term expiring September 3, 1990;

Talbot Leland MacCarthy, of Missouri, to be a Member of the National Council on the Arts for a term expiring September 3, 1990;

Lloyd George Richards, of New York, to be a Member of the National Council on the Arts for a term expiring September 3, 1990;

James Nowell Wood, of Illinois, to be a Member of the National Council on the Arts for a term expiring September 3, 1990; and

Carlos Mosley, of South Carolina, to be a Member of the National Council on the Arts for a term expiring September 3, 1990.

(The above nominations were reported from the Committee on Labor and Human Resources with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DECONCINI (for himself and Mr. SYMMS):

S. 321. A bill to amend the Internal Revenue Code of 1954 to implement a flat rate tax system; to the Committee on Finance.

By Mr. KASTEN:

S. 322. A bill to amend title XVIII of the Social Security Act to revise the requirements relating to nursing care provided by certain hospice programs through arrangements with other medicare certified providers; to the Committee on Finance.

By Mr. PROXMIRE:

S. 323. A bill to amend the Federal Election Campaign Act of 1971 to limit contributions by nonparty multicandidate political committees in election campaigns for the U.S. Senate, to provide for tax credits for contributions to general election campaigns for the U.S. Senate, and for other purposes; to the Committee on Finance.

By Mr. SPECTER:

S. 324. A bill to amend the Internal Revenue Code of 1954 to facilitate home equity conversions through sale-leaseback transactions; to the Committee on Finance.

By Mr. KASTEN:

S. 325. A bill to reduce tax rates in a manner that is fair to all taxpayers and to simplify the tax laws by eliminating most credits, deductions, and exclusions; to the Committee on Finance.

By Mr. BINGAMAN (for himself, Mr. HOLLINGS, and Mr. PRYOR):

S. 326. A bill to amend the Public Works and Economic Development Act of 1965 to authorize appropriations for additional fiscal years; to the Committee on Environment and Public Works.

By Mr. MATHIAS (for himself and Mr. SARBANES):

S. 327. A bill to amend title 23, United States Code, to provide more flexibility in allocation of interstate substitute funds; to the Committee on Environment and Public Works.

By Mr. MATHIAS:

S. 328. A bill for the relief of Henry W. Lerch of Maryland and Harold J. Nussbaum, Dolores Murray, and Edward C. Kennelly of the District of Columbia; to the Committee on the Judiciary.

By Mr. HECHT (for himself, Mr. LAXALT, Mr. NICKLES, and Mr. SYMMS):

S. 329. A bill entitled the Highway Speed Modification Act of 1985; to the Committee on Commerce, Science, and Transportation.

By Mr. MATHIAS:

S. 330. A bill for the relief of Bhaskarbhai S. Patel; to the Committee on the Judiciary.

S. 331. A bill for the relief of Panivong Norindr and Panisouk Norindr; to the Committee on the Judiciary.

S. 332. A bill for the relief of Ramzi Sallomy and Marie Sallomy; to the Committee on the Judiciary.

S. 333. A bill for the relief of Mrs. Ghodsi Motamen; to the Committee on the Judiciary.

S. 334. A bill for the relief of Bobby Lochan; to the Committee on the Judiciary.

S. 335. A bill for the relief of Chang Ai Bae; to the Committee on the Judiciary.

S. 336. A bill for the relief of John Sandstrand and Inger Sandstrand; to the Committee on the Judiciary.

By Mr. BURDICK:

S. 337. A bill to terminate the effect of provisions of the Voting Rights Act of 1965 that require bilingual ballots and election materials; to the Committee on the Judiciary.

By Mr. RIEGLE:

S. 338. A bill to provide for the investigation of consumer complaints regarding interstate telephone toll service, to require companies offering interstate telephone toll service to notify consumers of changes in rates and charges, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LAUTENBERG (for himself, Mr. FORD, Mr. ROTH, Mr. MOYNIHAN, Mr. WILSON, Mr. RIEGLE, Mr. DURENBERGER, and Mr. GORTON):

S. 339. A bill to implement the Rule of the Shorter Term in the case of computer programs; to the Committee on the Judiciary.

By Mr. LEVIN:

S. 340. A bill to amend the Internal Revenue Code of 1954 to qualify the preapplied insulation portion of exterior siding for the residential energy credit; to the Committee on Finance.

By Mr. GRASSLEY (for himself, Mr. HEFLIN, Mrs. KASSEBAUM, Mr. PROXMIRE, Mr. DENTON, Mr. SIMON, Mr. KASTEN, Mr. INOUYE, Mr. MELCHER, Mr. BOSCHWITZ, Mr. EAGLETON, and Mr. PELL):

S. 341. A bill to amend section 552(a)(4)(F) of title 5 of the United States Code, and for other purposes; to the Committee on the Judiciary.

By Mr. LEVIN:

S. 342. A bill for the relief of Abdul Hafiz Tannir; to the Committee on the Judiciary.

S. 343. A bill for the relief of Hyong Cha Kim Kay; to the Committee on the Judiciary.

S. 344. A bill for the relief of Fernando Chau Kiok, doctor of medicine, his wife, Soledad Chute, and their child, Richard Kiok; to the Committee on the Judiciary.

S. 345. A bill for the relief of Nabil Yaldo; to the Committee on the Judiciary.

S. 346. A bill for the relief of Evelyn M. Rachoza; to the Committee on the Judiciary.

S. 347. A bill for the relief of Maria Theresa Chung; to the Committee on the Judiciary.

S. 348. A bill for the relief of Akram Yousif; to the Committee on the Judiciary.

By Mr. INOUYE:

S. 349. A bill for the relief of Doctors Benjamin C. and Paulita M. Mahilum; to the Committee on the Judiciary.

S. 350. A bill for the relief of Mr. and Mrs. John Reginald Delaney; to the Committee on the Judiciary.

By Mr. DECONCINI:

S. 351. A bill entitled "The American Copper Production Act of 1985"; to the Committee on Finance.

By Mr. D'AMATO (for himself, Mr. HEINZ, Mr. SPECTER, Mr. MOYNIHAN, and Mr. MATHIAS):

S. 352. A bill to amend the Urban Mass Transportation Act of 1964; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DECONCINI:

S. 353. A bill to increase the duty on imported copper by an amount which offsets the cost incurred by copper producers in the United States in meeting domestic environmental requirements; to the Committee on Finance.

By Mr. BOSCHWITZ (for himself and Mr. DURENBERGER):

S. 354. A bill to provide for separation of the Mille Lacs Band of Chippewa Indians from the Minnesota Chippewa Tribe; to the Select Committee on Indian Affairs.

By Mr. ZORINSKY (for himself, Mr. HELMS, Mr. PRYOR, Mr. ANDREWS, Mr. BAUCUS, Mr. BENTSEN, Mr. COCHRAN, Mr. DIXON, Mr. LEAHY, Mr. MELCHER, Mr. EXON, and Mr. HEFLIN):

S. 355. A bill to strengthen the operation of the agricultural stabilization and conservation committee system, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. GORTON (for himself, Mr. HATFIELD, Mr. HATCH, Mr. MURKOWSKI, Mr. JOHNSTON, Mr. MATSUNAGA, Mr. BAUCUS, Mr. INOUYE, Mr. GARN, Mr. MCCLURE, and Mr. STEVENS):

S. 356. A bill granting the consent of Congress to the Northwest Interstate Compact on Low-level Radioactive Waste Management; to the Committee on the Judiciary.

By Mr. DURENBERGER:

S. 357. A bill entitled the "Medicare part B Premiums Non-smoking Discount"; to the Committee on Finance.

S. 358. A bill entitled the "Part B Prevention Incentive Act"; to the Committee on Finance.

S. 359. A bill to provide for medical demonstrations in health promotion and disease prevention; to the Committee on Finance.

By Mr. ZORINSKY:

S. 360. A bill to direct the Secretary of Agriculture to convey, without consideration, to the Nebraska Game and Parks Commission, approximately 160 acres of land within the Nebraska National Forest to be used for the purposes of expanding the Chadron State Park, Nebraska; to the Committee on Energy and Natural Resources.

By Mr. MOYNIHAN (for himself, Mr. SYMMS, Mr. MATSUNAGA, Mr. GRASSLEY, Mr. RIEGLE, Mr. CRANSTON, Mr. BURDICK, Mr. HEFLIN, Mr. ZORINSKY, Mr. COCHRAN, Mr. SPECTER, Mr. D'AMATO, and Mr. HELMS):

S. 361. A bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by nonitemizers; to the Committee on Finance.

By Mr. HELMS (for himself and Mr. EAST):

S. 362. A bill to authorize the use of certain lands in connection with the project at Manteo (Shallowbag) Bay, NC to the Committee on Environment and Public Works.

By Mr. EAGLETON:

S. 363. A bill for the relief of Mary Patricia McLaughlin; to the Committee on the Judiciary.

By Mr. SPECTER:

S. 364. A bill for the relief of Shailesh K. Patel and Premlata Patel; to the Committee on the Judiciary.

S. 365. A bill for the relief of Dr. Pablo Esquerra, Theresa Esquerra, and Micheline Esquerra; to the Committee on the Judiciary.

By Mr. ABDNOR (for himself, Mr. MOYNIHAN, Mr. STAFFORD, Mr. BENTSEN, Mr. ANDREWS, Mr. CHAFEE, Mr. D'AMATO, Mr. DENTON, Mr. EVANS, Mr. GORE, Mr. GORTON, Mrs. HAWKINS, Mr. LAXALT, Mr. MATHIAS, Mr. MURKOWSKI, Mr. PRESSLER, Mr. SARBANES, Mr. SASSER, Mr. STEVENS, Mr. TRIBLE, Mr. WARNER, Mr. WILSON, and Mr. BOSCHWITZ):

S. 366. A bill to authorize the U.S. Army Corps of Engineers to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; to the Committee on Environment and Public Works.

By Mr. HART (for himself, Mr. CRANSTON, Mr. MURKOWSKI, Mr. SIMPSON, Mr. MATSUNAGA, Mr. HOLLINGS, Mr. SPECTER, Mr. SASSER, Mr. ANDREWS, Mr. LEVIN, Mr. COHEN, Mr. CHILES, Mr. STAFFORD, Mr. BIDEN, Mr. DOMENICI, Mr. LEAHY, Mr. DURENBERGER, Mr. DECONCINI, Mr. KENNEDY, Mr. SARBANES, Mr. RIEGLE, Mr. MELCHER, Mr. PELL, Mr. JOHNSTON, Mr. BURDICK, and Mr. MITCHELL):

S. 367. A bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to

rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. DURENBERGER:

S. 368. A bill to amend title 31, United States Code, to include in the President's budget of the U.S. Government a statement of the interest which accrues for each fiscal year on outstanding zero-coupon bonds; to the Committee on Governmental Affairs.

By Mr. THURMOND:

S. 369. A bill to permit the enlistment of a limited number of aliens in the Regular Army of the United States; to the Committee on Armed Services.

By Mr. MELCHER (for himself, Mr. SARBANES, Mr. SIMON, Mr. KENNEDY, Mr. MOYNIHAN, Mr. LEVIN, Mr. PRYOR, and Mr. BAUCUS):

S. 370. A bill to make available supplemental assistance for famine relief and recovery in Africa; to the Committee on Appropriations.

By Mr. ABDNOR:

S. 371. A bill to amend the Consolidated Farm and Rural Development Act to provide emergency farm credit assistance, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. JOHNSTON:

S. 372. A bill to amend the Mineral Lands Leasing Act of 1920, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BUMPERS:

S. 373. A bill to establish competitive oil and gas leasing and establish fairer leasing procedures for onshore Federal lands; to the Committee on Energy and Natural Resources.

By Mr. PRESSLER (for himself, Mr. WARNER, Mr. INOUYE, Mr. LAXALT, Mr. SASSER, Mr. MELCHER, Mr. HECHT, Mr. LEAHY, Mr. JOHNSTON, Mrs. HAWKINS, Mr. STAFFORD, Mr. SPECTER, Mr. WILSON, Mr. MOYNIHAN, Mr. NUNN, and Mr. HEFLIN):

S. 374. A bill to provide authorization of appropriations for the U.S. Travel and Tourism Administration; to the Committee on Commerce, Science, and Transportation.

By Mr. MATTINGLY (for himself, Mr. CHAFEE, Mr. HOLLINGS, Mr. LUGAR, Mr. NICKLES, Mr. NUNN, Mr. QUAYLE, Mr. STENNIS, Mr. SYMMS, Mr. GRASSLEY, Mr. INOUYE, and Mr. DENTON):

S.J. Res. 33. Joint resolution to authorize and request the President to designate May 12, 1985 to June 16, 1985, as "Family Reunion Month"; to the Committee on the Judiciary.

By Mr. QUAYLE (for himself, Mr. LUGAR, Mr. MATTINGLY, and Mr. NUNN):

S.J. Res. 34. Joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "National Children's Week"; to the Committee on the Judiciary.

By Mr. GORTON:

S.J. Res. 35. Joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week"; to the Committee on the Judiciary.

By Mr. SIMPSON (for Mr. COCHRAN (for himself, Mr. LUGAR, Mr. DURENBERGER, Mr. BENTSEN, Mr. THURMOND, Mr. WILSON, Mr. CHAFFE, Mr. HATCH, Mr. CHILES, Mr. DECONCINI, Mr. JOHNSTON, Mr. STENNIS, Mr. PELL, Mr. PRESSLER, Mr. FORD, Mr. NUNN, Mr. BOREN, Mr. GRASSLEY, Mr. HATFIELD, Mr. GOLDWATER, Mr. LEVIN, Mr. PRYOR, Mrs. KASSEBAUM, Mr. HOLLINGS, Mr. GORTON, Mr. BAUCUS, Mr. HELMS, Mr. BRADLEY, and Mr. MATTINGLY)):

S.J. Res. 36. Joint resolution to designate the week of February 10, 1985, through February 16, 1985, as "National DECA Week"; considered and passed.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MATHIAS:

S. Res. 54. Resolution to refer the bill (S. 328) entitled "A bill for the relief of Henry W. Lerch of Maryland and Harold J. Nussbaum, Dolores Murray, and Edward C. Kennelly of the District of Columbia" to the Chief Judge of the United States Claims Court for a report thereon; to the Committee on the Judiciary.

By Mr. DURENBERGER:

S. Res. 55. An original resolution authorizing expenditures by the Select Committee on Intelligence; from the Select Committee on Intelligence; to the Committee on Rules and Administration.

S. Res. 56. Resolution to commend Senator Barry Goldwater for exceptionally distinguished service on the Select Committee on Intelligence; considered and agreed to.

By Mr. GOLDWATER (for himself and Mr. CHAFEE):

S. Res. 57. Resolution to commend Robert Ruhl Simmons for distinguished service to the United States of America; considered and agreed to.

By Mr. LEAHY:

S. Res. 58. Resolution to commend Senator Daniel Patrick Moynihan for exceptionally distinguished service on the Select Committee on Intelligence; considered and agreed to.

By Mr. MOYNIHAN:

S. Res. 59. Resolution to commend Peter M. Sullivan for his able and dedicated service on the Select Committee on Intelligence; considered and agreed to.

By Mr. BYRD:

S. Res. 60. Resolution commending Patrick J. Griffin for his faithful and exemplary service to the United States Senate; considered and agreed to.

S. Res. 61. Resolution electing David J. Pratt as Secretary for the Minority of the Senate; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DECONCINI (for himself and Mr. SYMMS):

S. 321. A bill to amend the Internal Revenue Code of 1954 to implement a flat rate tax system; to the Committee on Finance.

FLAT RATE TAX SYSTEM

Mr. DECONCINI. Mr. President, I am today introducing a bill that will have the effect of restructuring our entire method of Federal income taxation, both for wage earners and for business income. The bill puts in place a modified flat tax system. All income would be taxed at the same rate of 19 percent; it would be taxed only once and as near the source as possible; the poorest households would pay no tax; and the tax will be simple—the tax return may be able to fit on a single page.

This bill is the direct result of the enormous dissatisfaction felt by the American people with our present income tax system. The present tax code is too complex, uncertain, and riddled with loopholes. It is seen as promoting economic inefficiencies and because of its steep rate structure, encourages many people to seek out tax shelters or to just plain cheat on their taxes. A release on January 28, 1985, by the Washington Post indicates that 63 percent of the American people would favor an alternative tax system as proposed by the Department of the Treasury over the present system. I'm sure an even greater majority would endorse the general concept of a tax reform that made our tax system more fair, easier to comply with, and which took a smaller bite out of a person's income.

We must return to the basic principles upon which a sound tax system must stand: equity, efficiency, and simplicity. My bill eliminates all tax preferences, deductions and credits. These only lead to contempt and abuse of the tax system. The Tax Code should exist as a means of raising revenue and not to achieve results that cannot be accomplished through normal expenditures.

Constituents in my State of Arizona have frequently and resoundingly indicated their support for major tax reform at the Federal level. Simplification and lower rates are what they demand. Many commentators and activities of the past year indicate that a simmering tax revolution is brewing. To solve the problem before it becomes completely chaotic the Congress must seriously consider creating a tax system based on new more equitable principles. I believe that a modified flat tax system is the answer.

I applaud the efforts of my colleagues such as Senators BRADLEY, KASTEN, ROTH, and QUAYLE, who in the past have proposed tax reform measures of their own. I applaud the President for instructing his Department of the Treasury to study the issue and propose a plan. However, after reviewing all of the other proposals, I remain convinced that the tax system embodied by the bill I am introducing today, and which is very similar to previous such legislation I introduced in the 97th and 98th Congresses, remains the best solution to our problems associated with taxation.

My bill is based on the work of Drs. Robert Hall and Alvin Rabushka of the Hoover Institute at Stanford University. They are the authors of the book "Low Tax, Simple Tax, Flat Tax" published in 1983 that served as a catalyst for the tax reform movement. Most recently, they have authored a new book titled "The Flat Tax" released in January of this year. Their works reflect an outstanding scholarly effort directed at forging a workable flat tax system.

They detail the problems of the present system and provide a thorough and readable discussion of how a flat tax might work. Although all the other reform proposals to a degree achieve the ends of equity, simplicity and efficiency, I believe the Hall-Rabushka proposal as embodied by my bill clearly stands out as the simplest and also the fairest of all the proposals. In all individual income brackets by category, taxpayers will pay less under my bill than they pay under the current system.

By the same token, wealthy taxpayers who take full advantage of sheltering opportunities offered by the present law, will begin to pay their fair share of taxes. But with a uniform low rate of 19 percent, I honestly feel the great majority of the American people will more willingly, and honestly, be prepared to shoulder their share of keeping the Government funded. The essence of what a good tax system must contain was outlined by Secretary of the Treasury Mellon years ago in his book "Taxation: The People's Business":

The problem of the Government is to fix rates which will bring in a maximum amount of revenue to the Tressury and at the same time bear not too heavily on the taxpayer or on business enterprises. A sound tax policy must take into consideration three factors. It must produce sufficient revenue for the Government; it must lessen, so far as possible, the burden of taxation on those least able to bear it; and it must also remove those influences which might retard the continued, steady development of business and industry on which, in the last analysis, so much of our prosperity depends.

Furthermore, permanent tax system should be designed not merely for one or two years nor for effect it may have on any given class of taxpayers, but should be worked out with regard to conditions over a long period and with a view to its ultimate effect on the prosperity of the country as a whole.

I have never viewed taxation as a means of rewarding one class of taxpayers or punishing another. If such a point of view ever controls our public policy, the traditions of freedom, justice and equality of opportunity, which are the distinguishing characteristics of our American civilization, will have disappeared and in their place we shall have class legislation with all its attendant evils. The man who seeks to perpetutate prejudice and class hatred is doing America an ill service. In attempting to promote or defeat legislation by arraying one class of taxpayers against another, he shows a complete misconception of those principles of equality on which the country was founded.

Any man of energy and initiative in this country can get what he wants out of life. But when that initative is crippled by legislation or by a tax system which denies him the right to receive a reasonable share of his earnings, then he will no longer exert himself and the country will be deprived of the energy on which its continued greatness depends."

I believe that a modified flat tax system, by restoring incentives and closing present inequalities in the tax law, is the key to longterm economic development and taxpayer satisfaction.

Reforming and simplifying the Federal income tax has been one of the most important issues in national policy throughout the 1980's. Widespread consensus exists in the White House, the Congress, and around the country at large that the time is ripe for comprehensive change. Prominent members in both parties have put forth bold tax-restructuring plans that would change the current individual and corporate income taxes beyond recognition. Hearings have been held before the Senate Finance Committee, the House Ways and Means Committee, and the Joint Economic Committee on proposals to reform and simplify the tax system.

I propose legislation to simplify and reform the tax system. My plan puts a 19 percent flat-rate tax on all income after a large personal allowance. It provides an investment incentive of a 100-percent, first-year writeoff. It is the most fair, efficient, simple, and workable plan on the table. This plan is based on the work of two Stanford University scholars, Robert E. Hall and Alvin Rabushka, who have spent several years developing the analysis and details of this plan. They have published a new book, "The Flat Tax" (Hoover Press, 1985), that sets forth the principles of the flat tax, and explains why this tax reform plan is good for America. The proposed legislation rests on serious academic scholarship, not political expediency or the claims of special interest groups.

EVALUATING TAX SYSTEMS

To see why the proposal represents sound national policy, it is important to be able to analyze alternative tax systems. Economists generally agree that sound tax policy should aim at certain goals. First, taxes should distort as little as possible the prices resulting from the interaction of supply and demand in the market. Tax policy should strive for neutrality between investment and consumption and among products and industries. Government should not use its power to alter prices to favor any one industry or producer. To give but one example, import duties protect domestic producers from competition, penalize consumers, and raise the costs of imputs for exporters.

A tax is efficient if it brings minimal price distortions. An efficient system of taxation would collect money without seriously influencing individual decisions on how much to work and to save and where to invest. It would not discourage people who put in longer hours to earn more income. It would not reward borrowing and penalize savings. It would not tax savings twice—once when the money is earned and again when the money earns a return. An efficient system would not be riddled with exemptions, deductions, and credits that direct money to investments with lower tax liabilities instead of to investments that increase real output at the highest rates of return.

A second important standard against which to evaluate systems of taxation is equity or fairness. Historically, equity has always meant equal treatment of equals. This interpretation conforms to American constitutional guarantees of equal treatment before the law. To discriminate among equal classes of taxpayers is arbitrary, capricious, and generally regarded as wrong. So, for example, if two families earn identical incomes, this doctrine of equity would imply that each should contribute identical shares in taxation.

A uniform, or proportional, tax meets the norm of horizontal equity. Every taxpayer bears taxes in direct proportion to his income. As incomes double, triple, or grow tenfold, tax obligations increase at the same rate.

The advent of the Great Depression and the New Deal programs that followed in its wake brought a new dimension to the concept of equity. Ability to pay, or vertical equity, was regarded as a hallmark of sound tax policy. In this view, fairness means that high-income earners should pay higher fractions of their incomes in taxes than low-income earners.

Under current tax law, hundreds of legal loopholes exist that permit some millionaires to pay no taxes whatsoever, a violation of the norm of vertical equity. Wealthy investors can exploit tax shelters that reduce total income to a very modest level of taxable income. Application of a pure vertical equity norm would preclude such loopholes to ensure that those who can afford to pay more do so.

Efficiency and equity are only two of the standards by which to evaluate tax systems. Yet another is simplicity. The notion of simplicity encompasses the

comprehensibility of the system, the ease with which taxpayers can figure out how much they owe, and how much time and effort they have to put into filing their tax returns. It also reflects the extent to which taxpayers have to consult expert counsel from their lawyers or accountants either to compute their taxes or to take advantage of tax-saving devices. The current U.S. income tax system is a nightmare of complexity. A truly simple system would require no more than a postcard-sized form that all literate persons could easily complete.

The basic document that governs the Federal income tax is the Internal Revenue Code of 1954, which has been amended by major tax-writing efforts in 1964, 1969, 1971, 1976, 1977, 1978, 1981, 1982, and 1984. These periodic amendments were not minor modifications. The Joint Committee on Taxation issued a 411-page document explaining the changes embodied in the 1981 act; they issued an equally long document for 1982. Many of the changes introduced new loopholes into the code, and every new loophole further narrowed the tax base. The Government's need for revenue required that high tax rates be maintained on the decreasing share of national income that remained subject to taxation, promoting other groups to petition Congress for preferential tax treatment. The number of tax-expenditure items rose from 50 in 1967 to 104 in 1981, at a cost in lost tax revenues that rose from $37 billion to $229 billion.

In 1982, the Tax Code contained 109 tax subsidy items, costing the Treasury $243 billion. In just 1 year, five new items received tax subsidy status. This annual increment in preferential tax treatment, at ever-increasing cost to the Treasury, is the postwar pattern of American tax legislation. The 1984 act is estimated to run to 1,000 pages. Because the tax system is so open for special interest legislation, there are thousands of groups and individuals registered to lobby the U.S. Government for preferential tax changes. Each group fights taxes that hit its clients or tries to secure new benefits for them. Every time the tax-writing committees of Congress sit down to work, millions of people stand to gain or lose billions of dollars.

THE EFFICIENCY OF FEDERAL INCOME TAXES

There are two important dimensions to the inefficiency of the present tax system. First, it biases economic activity against the most socially rewarding forms of work, investment, and entrepreneurial activity, thus reducing overall national well-being. Examples include special treatment of owner-occupied housing at the expense of renting, leveraged investments stemming from deductibility of interest payments, investments that warrant tax credits such as solar energy devices, and syndicated art prints made from lithographic plates, to name a few. These and other tax shelters play havoc with efficiency in investment. Also, the very high marginal tax rates in existence today encourage a good deal of outright cheating and underground economic activity. This is not efficient for either the private economy or the collection of Federal receipts.

The second dimension of this inefficiency is the cost the current system imposes on individual and business taxpayers just to comply with a complex set of forms and instructions, as compared with, say, a simple, postcard-sized form.

There are a number of broad distortions to overall economic efficiency. The chief villain is high tax rates. Twenty years ago, few Americans paid high marginal tax rates on their income. Today, millions of middle-class Americans face high marginal rates that were intended only for the very rich just a short while ago. Eighty-eight percent of all taxpayers in 1961 paid marginal rates in the 20- to 22-percent range, 10 percent paid from 23 to 31 percent, and a trivial number paid over 32 percent. In 1979, in stark contrast, 45 percent exceeded rates of 23 percent, and 18 percent paid at rates exceeding 32 percent. This last category, all by itself, paid well over half of all Federal income taxes. To be precise, the top one-quarter of income earners pays about three-fourths of all income taxes, with marginal tax rates ranging from 30 to 50 percent. It is easy to see why they pay so much attention to sheltering income from taxation, a legal form of tax avoidance, or to engaging in underground activities, an illegal form of tax evasion.

The tax base is less than half of the national income. We got into that situation by granting selective relief in the form of preferential tax treatment to well over a hundred special economic activities. The Treasury Department exempts from taxation or gives tax credits to a wide variety of business and personal investments. The tax treatment of business activity is, in effect, a haphazard industrial policy that biases business and investment decisions against maximum economic benefit—efficiency—and for tax-advantaged treatment.

When individuals and businesses arrange their financial affairs and investments on the basis of tax advantages, instead of the production of more income, the economy as a whole suffers. The Treasury, collecting fewer tax receipts, suffers as well.

Sheltering income has become a major industry, consuming an ever-larger share of the Nation's top talent. Tax lawyers number some 50,000 to 60,000, accountants who worry about tax-related issues range from 100,000 to 200,000 in number, and sellers of tax shelters now surpass 100,000. Financial planning is a rapidly growing profession. A reasonable estimate might place at a half-million or more the number of people who earn very handsome livings from helping taxpayers cope with, take advantage of, or circumvent the Tax Code. Using a conservative average figure of $50,000 annual income for members of the tax-avoidance profession, taxpayers pay $25 billion and more to support this burgeoning industry. It is jokingly said that a massive simplification of the Tax Code would create a white-collar recession by throwing a half-million people out of work, not to mention costing the jobs of the tens of thousands who aid H&R Block and other tax-preparation firms on a part-time basis during tax-filing season.

The economic loss from distortions induced by the Tax Code is a $100 billion dollar figure. Direct tax-avoidance costs come to $25 billion or more in the form of purchasing expert advice.

A major cause of the poor revenue performance of the income tax is tax evasion, which is a polite word for cheating. A flood of books and articles has appeared in the past few years trying to determine the causes and size of the underground economy. Estimates of the size of the underground economy range up to several hundred billion dollars.

Cheating is widespread. The IRS estimates that tax evasion cost the U.S. Treasury Department $29 billion in 1973, $87 billion in 1981, and a likely $120 billion in 1985. These sums exclude unreported income from drugs, prostitution, and gambling, which represent more than another $10 billion lost in taxes.

Where does most cheating occur? Not among wage earners, for whom the IRS estimates underreporting at less than 2 percent. Unreported income from interest ran to 16 percent, which explains why the IRS tried so hard but failed, due to heavy lobbying from the banking industry, to get legislation adopted that would require banks to withhold a portion of interest payments and send those funds directly to the Treasury.

Unreported income from dividends was 16 percent; from capital gains, 22 percent—which is why brokerage firms must now report every transaction on a form 1099 to the IRS—from rents and royalties, 50 percent; and from self-employment income, 40 percent. For 1981, reported income in these last two categories came to $21 billion and $68.5 billion, respectively, which means that the Treasury lost at most $33.3 billion. Self-employed middle- and upper-income households cheat to an incredible degree. The current system fails to collect almost half of the taxes it should from noncorporate

business income. This evidence confirms that the tax system is unfair to wage earners, who cannot easily cheat when their income comes solely from wages and salaries on which taxes are directly withheld.

COMPLIANCE COSTS

There is yet one further element of inefficiency in the current income tax: the cost to the average American of preparing his or her annual income-tax return above and beyond the purchase of an accountant's or lawyer's services. Federal reporting is a growing and notorious burden for individuals and businesses who must comply with the information requirements of several dozen governmental agencies. The President's Office of Management and Budget has determined that Federal tax forms alone comprise 78 percent of all Federal reporting requirements. Excluding the time for compliance with State forms and the outlays on professions assistance, the most conservative estimate of the compliance costs for the Federal income tax exceeds $10 billion.

THE COSTS OF INEFFICIENCY

The costs associated with the inefficiency of the Federal income tax are extensive. Distortions from pursuing tax-advantaged investments in the form of lost output may exceed $100 billion. Compliance costs, both in filing and buying expert advice, exceed $35 billion. Revenue lost to the Treasury due to evasion exceeds $120 billion. Considering that the entire individual and corporation taxes only brought in about $350 billion in 1984, these costs in economic and fiscal inefficiency are nothing short of phenomenal, and all by themselves would warrant, indeed demand, a complete reform of the system.

THE EQUITY OF FEDERAL INCOME TAXES

Judged on the basis of horizontal equity, the current Federal income tax is a complete failure. By now the reason is obvious. The aggressive taxpayer can select from a shopping list of lawful deductions and happy—or unhappy—circumstances to lower his total income to a much smaller adjusted gross income and a still smaller taxable income. It is not surprising that people believe their neighbors do not pay their fair share of the tax burden. Nor does this story encompass evasion, the underreporting of income or exaggeration of deductions, which annually increases in volume. Much of the hue and cry for comprehensive tax reform stems from growing discontent over the lack of horizontal equity in the system.

If the U.S. income tax mocks the principle of equal treatment, how does it fare against the canon of vertical equity, the view that ability to pay is the basis of fairness in allocating the tax burden?

One problem with analyzing the distribution of the tax burden by income classes is that the treatment of individuals within any one class can vary over an enormous range. After all, an average is the result of adding up the total within the class and dividing by the number of persons in the class. In any income class, some may pay no taxes and others may pay a very high share of their income in taxes. Thus, although the aggregate distribution of the tax burden by income class displays considerable progressivity, class-based analysis masks the wide variety of tax treatments different individuals within any one class experience.

There is yet a more serious problem: the treatment of income from both incorporated and unincorporated businesses. First, in the individual income tax, accurate reporting of wage and salary income runs at 98 percent. For self-employed persons, it is a much lower 60 percent, and the rate is a still lower 50 percent for rents and royalties. If all other deductions remain the same, a salaried person with the exact same income as a renter or self-employed businessman—after deducting the cost of producing income—pays much higher taxes. Thus, the present system is grossly unfair to wage earners as compared to those who receive their income from business activity. Indeed, the failure of business operators to pay their lawful tax obligations is one reason why tax rates remain so high and wage earners are so heavily burdened.

SIMPLICITY OF FEDERAL INCOME TAXES

The income tax took effect in 1913 after three-fourths of the American States ratified the amendment to the Constitution of the United States. In that first year, the personal income-tax return, form 1040, was two pages long, and the accompanying instructions filled only two pages. Moreover, only 0.4 percent of the American population had to file a return. 1983 was another story. A complete form 1040 booklet included 10 separate schedules and 46 pages of instructions to assist taxpayers in preparing their returns. The index to this hefty brochure contained 139 entries, and the order blank on the inside rear cover listed an additional 55 forms and instructional booklets that taxpayers could request by mail. Still other forms and publications are not even listed in the 1040 package.

Reflecting this complexity is the growth of commercial tax preparation. Thirty years ago, only 10 to 15 percent of the population sought professional help to complete their tax returns. By 1976, the figure reached 45 percent, and it now exeeds 50 percent.

The Internal Revenue Code of 1954, as amended, contains thousands of pages of tax regulations. It enumerates rules, exceptions to the rules, and exceptions to the exceptions. The complexity of the code has made it impossible to design a simple tax form or to write clear easy-to-follow instructions for the filer.

Some statistics on the Tax Code are mind-boggling. The entire Code of Federal Regulations, which includes all general and permanent laws in force in the United States, has 50 different titles filling more than 180 volumes. Title 26, the Internal Revenue Code, is responsible for 14 of these volumes, of which 8 are just for the income tax. Title 26 occupies 14 inches of library shelf space. The eight volumes for the income tax fill 5,105 pages. The 1981 Economic Recovery Tax Act amended some 89 separate sections to the Tax Code. To explain these changes, the staff of the Joint Committee on Taxation published a 411-page booklet. It takes more than a full-time job to keep abreast of changes in the law and regulations.

THE HALL-RABUSHKA PROPOSAL

The Hall-Rabushka plan represents a complete plan for a whole new tax system. Their system puts a uniform low tax rate on a comprehensive definition of income. Because its base is so broad, the tax rate can be set at 19 percent, but still raises the same revenue as the current tax system. The tax on individuals is fair and progressive—the poor pay no tax at all, and the fraction of income that people pay in taxes rises with income. The system is simple and easy to understand and comply with—tax returns for both families and businesses are simple enough to fit on postcards. And the tax operates on the consumption-tax principle—people are taxed on what they take out of the economy, not what they put into it.

Their system rests of a very basic administrative principle: Income should be taxed exactly once, as close as possible to its source. This principle seems obvious enough, but the tax system of the United States today violates it repeatedly. Some kinds of income—like fringe benefits—are never taxed at all. Other kinds, like dividends, are taxed twice. And interest income, which is supposed to be taxed once, actually escapes taxation completely in all too many cases, where clever taxpayers arrange to receive interest in a way that escapes the income tax.

In their plan, all income is taxed at the same rate. Equality of tax rates is the crux of the flat-rate tax. Its logic is much more profound than just the simplicity of calculation with a single tax rate. Whenever different forms of income face different tax rates or different taxpayers face different tax rates, the public takes full advantage of the opportunities to receive income in ways involving low rates. When the tax system permits deductions, deductions will be taken as often as possible against the income that pays the highest tax.

Limiting the burden of taxes on the poor is a central principle of tax reform. The current Federal tax system avoids taxing the poor, and I think it should stay that way. But again I stress that exempting the poor does not require graduated tax rates that rise to high levels for upper-income families. Graduated taxes automatically create differences among taxpayers in tax rates, with all the attendant opportunities for leakage. A flat rate, applied to all income above a generous personal allowance, provides progressivity without creating differences in tax rates.

Every tax system involves decisions about taxes on the return to saving and on investment incentives. The current tax system involves an incredible hodgepodge of provisions. As a general matter, it puts substantial tax rates on the earnings from savings. On that account, the economy is biased toward too little saving and too much consumption. But Congress has inserted a number of special provisions intended to spur investment and offset the bias. On the business side, there is an investment tax credit for purchases of equipment and accelerated depreciation deductions for both equipment and buildings. On the personal side, savings placed in Keogh and IRA accounts are excused from double taxation; they are taxed only once, at the time that retirement benefits are paid out. But the overall effect of the saving-investment incentives are spotty. In our tax system, there is a single, coherent provision for taxing the return to saving. All income is taxed, but the earnings from saved income are not taxed further.

AN INTEGRATED FLAT TAX

The flat tax applies to both businesses and individuals. Although the system has two separate tax forms—one for business income and the other for wages and salaries—it is important to think of it as an integrated system. When I speak of its virtues, like its equal taxation of all types of income, I mean the system, not one of its two parts.

Under this system, all income in the country is classified as either business income of wages and salaries. The system is airtight; the taxes on both types of income are equal. The wage tax has features to make the overall system progressive. The forms for both taxes will fit on postcards. The low tax rate of 19 percent is enough to match the revenue of the Federal tax system as it existed in 1984.

Although our business and wage-salary taxes will replace the present corporate and personal income taxes, it would be a mistake to think of the business tax as the replacement for the corporate tax and the wage-salary tax as the replacement for the personal income tax. Many types of businesses besides corporations will file our business tax form. Even within corporations, vastly more income is covered by the business tax than by today's corporate income tax.

THE INDIVIDUAL WAGE TAX

The individual wage tax has a single purpose—to tax the large fraction of total income paid as cash by employers to workers. It is not a tax system in itself, but one of two major parts of a complete system. The base of the tax is stated precisely and narrowly as actual payments of wages, salaries, and pensions. Pension contributions and other fringe benefits paid by employers are not counted as part of wages. In other words, the tax on pension income is paid when the retired worker actually receives the pension, not when the employer sets aside the money to pay the future pension.

The tax return for the wage tax is almost self-explanatory. To limit the burden of the tax on poor families, only earnings above a personal allowance are taxed. The allowance is $12,600 for a family of four in 1985, but would grow along with the cost of living in later years. All the taxpayer has to do is report total wages, salaries, and pensions at the top, compute the personal allowance based on marital status and number of dependents, subtract the allowance, multiply by 19 percent to computer the tax, take account of withholding, and pay the difference or apply for a refund. For about 80 percent of the population, filling out this postcard once a year would be the only effort imposed on them by the Federal tax system. What a change from the many pages of schedules filled out by the typical frustrated taxpayer today!

At a low flat rate of 19 percent, the individual wage tax would generate a large fraction of the revenue needed by the Federal Government. In 1983, wages, salaries, and private pensions were about $1,722 billion. Personal allowance that would have been deducted under the Hall-Rabushka system would have been about $640 billion (this estimate takes into account the number of people who would not be able to deduct the full amount of the allowance because their earnings were below the allowance). Tax revenues would have been $206 billion. For comparison, the personal income tax produced $290 billion in revenue in 1983.

For the 80 percent or so of the population that receives no business income directly, the individual wage tax will be the only tax to worry about. All interest payments will be put on an aftertax basis, an aspect of the buisness tax we will explain shortly. On the other hand, deductions for business expenses for people like commission salesmen are permitted, because they are among the 20 percent who file the business tax return.

Again, I stress that the wage tax is not a complete income tax on individuals. It taxes only wages, salaries, and pensions. The companion business tax picks up all other components of income. Together they form an airtight tax system.

THE BUSINESS TAX

In the first place, the purpose of the business tax is not to tax business. Fundamentally, people pay taxes, not businesses. The idea of the business tax is to collect the tax that the owners of a business owe on the income produced by the business. Collecting business income tax at its source avoids one of the biggest causes of leakage in the tax system today, the avoidance and outright evasion of imcome tax on interest and dividends.

Airtight taxation of individual business income at the source is possible because we already know the tax rate of all of the owners of the business—it is the common flat rate paid by all taxpayers. If the tax system had graduated rates, taxation at the source would be difficult or impossible. Suppose there were three or four different rates, as some modified flat-rate proposals call for. Then the business would have to find out the tax rate applicable to each of its owners, and apply that rate to the income produced in the business for that owner. The form would have at least five more lines for these computations.

But that is only the beginning of the problem. The Internal Revenue Service would have to audit a business and its owners together in order to see that the owners were reporting the correct tax rates to the business. Further, suppose one of the owners made a mistake, and later discovered he was in a higher tax bracket. Then the business would have to refile its tax form to collect the right tax. Obviously, this wouldn't work. Business taxes have to be collected from the owners, not from the source, if tax rates are graduated. This is a powerful practical reason for a flat-rate tax.

The business tax is a giant, comprehensive withholding tax on all types of income other than wages, salaries, and pensions. It is carefully designed to tax every bit of income outside of wages, but to tax it only once. The business tax does not have deductions for interest payments, dividends, or any other type of payment to the owners of the business. As a result, all income that people receive from business activity has already been taxed. Because it has already extracted its tax, the tax system need not worry about what happens to interest or dividends after they leave the firm. The resulting simplification and improvement in the tax system is enormous.

The tax would be assessed on all the income originating in the business, but it will not tax any income that originates in other businesses, nor will it

tax the wages, salaries, and pensions paid to employees.

The business tax works in the following way: All income derives fundamentally from the sale of the products and services produced by the business. On the top line of the business tax form goes the gross sales of the business—its proceeds from the sale of all of its products. But some of the proceeds come from the resale of things the firm purchased; tax has already been paid on these items because the seller also has to pay the business tax. So the firm can deduct the cost of all the goods, materials, and services it purchases for the purpose of making the product it sells. In addition, it can deduct its wages, salaries, and pensions, for the taxes on these will be paid by the people receiving them, under our wage tax. Finally, the business can deduct all its outlays for plant, equipment, and land. A little later, I will explain why this investment incentive is just the right one.

Everything left from this calculation is the income originating in the firm, and is taxed at the flat rate of 19 percent. In most American businesses, a lot is left, and the revenue from the business tax is substantial. Many deductions allowed to businesses under current laws are eliminated in the Hall-Rabushka plan, including interest payments and fringe benefits. But the exclusion of these deductions is not an arbitrary move to increase the tax base. In all cases, the elimination of deductions, when combined with the other features of the system, moves toward the goal of taxing all income once at a common, low rate.

Eliminating the deduction for interest paid by businesses is a central part of the general plan to tax income at the source. It makes sense because I do not propose to tax the interest receipts of individuals. The tax that the Government now hopes (often in vain) that individuals will pay will assuredly be paid by the business itself.

My bill sweeps away the whole complicated apparatus of depreciation deductions and replaces it with something more favorable for capital formation, an immediate 100-percent first-year tax writeoff of all investment spending, also called expensing of investment. The Hall-Rabushka plan doesn't deny depreciation deductions; it enhances them.

Fringe benefits are outside the current tax system completely, which makes no sense. The cost of fringes is deductible by businesses, but workers are not taxed on the value of fringes. Consequently, fringes have a big advantage over cash wages. As taxation has become heavier and heavier, fringes have become more and more important in the total package offered by employers to workers; fringes were only 1.2 percent of total compensation in 1929, when income taxes were unimportant, as opposed to 16.4 percent in 1983. The explosion of fringes is strictly an artifact of taxation, and fringes are an economically inefficient way to pay people. Were the tax system neutral, taxing fringes at the same rate as cash wages, people would rather take their income in cash and make their own decisions about health and life insurance, country club dues, exercise facilities, and all the other things they now get from their employers without much choice. Futhermore, failing to tax fringes means taxes on other types of income are all the higher. Bringing all types of income under the tax system is essential for low rates.

INVESTMENT INCENTIVES

The high tax rates of the current tax system significantly impede capital formation. On this point, almost everyone agrees. The Government's solution to the problem has been to pile one special incentive on another, creating a complex and unworkable maze of regulations and tax forms. Existing investment incentives are appallingly uneven in their effect. Capital projects taking full advantage of accelerated depreciation, the investment tax credit, and the deductibility of interest are actually subsidized by the Government, not taxed at all. But equity-financed projects not eligible for fast depreciation are taxed heavily. Investment incentives severely distort the flow of capital into the most favored areas.

I propose to start over by throwing away all of the present incentives and replacing them with a simple, uniform principle—the total amount of investment will be treated as an expense in the year it is made. The first virtue of this reform is simplicity. The business and the Government need not quarrel, as they do now, over what is an investment and what is a current expense. The distinction doesn't matter for the tax. Complicated depreciation calculations, carrying over from 1 year to the next and driving the small business owner to distraction, and the cost of professional tax assistance, will vanish from the tax form. The even more complicated provisions for recapturing depreciation when a piece of equipment or a building is sold will vanish as well, to everyone's relief. All the complexities of the investment credit—what investments are eligible, whether the project lasts long enough to earn the full credit, what fraction of a plant is actually equipment and therefore receives the credit, and the recapture of the credit when an asset is sold—will disappear along with the credit.

Expensing of investment has a much deeper rationale than simplicity. Every act of investment in the economy ultimately traces back to an act of saving. Exempting investment from taxation is the same thing as exempting saving. A tax on income with an exemption for saving is in effect a tax on consumption, for consumption is the difference between income and saving. Consumption is what people take out of the economy; income is what people contribute to the economy. A consumption tax is the exact embodiment of the principle that people should be taxed on what they take out, not what they put in. The simple tax, with expensing of investment, is precisely a consumption tax.

Expensing investment eliminates the double taxation of saving; this is another way to express the most economically significant feature of expensing. Under an income tax, people pay tax once when they earn and save and again when the savings earn a return. With expensing, the first tax is abolished. Saving is, in effect, deducted in computing the tax. Later, the return to the saving is taxed through the business tax. Although economists have dreamt up a number of other ways to eliminate double taxation of saving (most involving complicated recordkeeping and reporting by individuals), the technique exploited in the simple tax is by far the most straightforward.

CAPITAL GAINS

Capital gains on rental property, plant, and equipment would be taxed under the business tax. The purchase price would be deducted at the time of purchase, and the sale price would be taxed at the time of the sale. Every owner of rental real estate would be required to fill out the simple business tax return.

Capital gains in the overall value of a successful firm will also be taxed under the new business tax and should not be taxed again at the household level. To see this point, consider the case of the common stock of a corporation. The value of its stock in the market is the capitalization of its future earnings. Because the owners of the stock will receive their earnings after the corporation has paid the business tax, that tax will depress the stock's market value. When the market learns that future earnings are likely to be higher than previously thought, the stock will rise in value and its owners will receive capital gains. When the high earnings materialize in the future, they will be correspondingly taxed. To tax the immediate capital gains of business income at the source, capital gains should be excluded from taxation at the household level.

Another way to see that capital gains should not be taxed separately under the flat tax is to look at the national income accounts. Gross national product, the most comprehensive measure of the Nation's command over resources, does not include capital gains. The base of the flat tax is GNP minus investment and Govern-

ment, that is, consumption. To include capital gains in the flat-tax base would depart from the principle that it is a tax on consumption.

INTEREST DEDUCTIONS

Loss of interest deductions and elimination of interest taxation are two of the most conspicuous features of the tax reform. The bill calls for the parallel removal of interest deduction and interest taxation. If a transitional measure allows the continuation of deductions for interest on outstanding debt, it should also require the continuation of taxation of that interest as income of the lender. If all deductions are completely matched with taxation on the other side, then a transition provision to protect existing interest deductions would have no effect on revenue. In that respect, interest deductions are easier to handle in the transition than are depreciation deductions.

I propose a transitional measure preserving the interest deduction. Any borrower may choose to treat interest payments as a tax deduction. If the borrower so chooses, the lender must treat the interest as taxable income. But the borrower's deduction should be only 90 percent of his actual interest payment during the year, while the lender's taxable income should include 100 percent of the interest receipts.

Under this transitional plan, borrowers would be protected for almost all of their existing deductions. Someone whose personal finances would become untenable if the mortgage-interest deduction were suddenly eliminated can surely get through with 90 percent of his earlier deduction.

STIMULUS TO GROWTH

The flat tax at a low, uniform rate of 19 percent will improve the performance of the U.S. economy. Improved incentive to work through increased take-home wages will stimulate work effort and raise total output. Rational investment incentives will raise the overall level of investment and channel it into the most productive areas. And sharply lower taxation of entrepreneurial effort will enhance this most critical input to the economy.

The great majority of economically active Americans would face improved incentives for productive effort under the simple tax. In 1981, married taxpayers had marginal rates under 18 percent only if their taxable income was less than $7,600. The majority of families in that year had marginal tax rates of 32 percent or higher, and just 16 percent had incomes so low or deductions so high that their marginal rates were below 18 percent. Even these figures understate the improvement in incentives, because many of the couples taxed at low rates are in school or are retired. Only 2 percent of total gross income was earned by couples taxed below 18 percent on the margin. Half of all gross income was taxed at marginal rates of 37 percent or higher. The net effect of equalizing marginal rates at 19 percent is a dramatic improvement of incentives for almost everyone who is economically active.

An excellent series of studies by MIT economist Jerry Hausman, published by the Brookings Institution and a number of professional journals, has measured the potential stimulus to work effort from tax reform. For a flat-rate plan quite similar to ours, Hausman projects an increase of about 8 percent in total hours of work in the U.S. economy.

The total annual output of goods and services in the U.S. economy would rise by about 6 percent, or almost $240 billion. That is nearly $1,010 per person.

CAPITAL FORMATION

Economists are far from agreement on the impact of tax reform on investment. As I stressed earlier, the existing system puts heavy tax rates on business income, even though the net revenue from the system is small. These rates seriously erode investment incentives. Generous but erratic investment provisions in the current law and lax enforcement of taxes on business income at the personal level, however, combine to limit the adverse impact. The current tax system subsidizes tax-shelter investments—leased equipment, railway boxcars, cable television, oil wells, and the like—while it taxes capital formation heavily if it takes the form of complete new plants. The result has been to sustain capital formation at reasonably high levels, especially since the 1982 recession, but to channel the investment into inefficient uses.

The flat tax has a single, uniform incentive for investment of all types—businesses would treat all purchases of capital equipment and buildings as expenses. Allowing immediate write-off of investment is considered the ideal investment incentive. A tax system that taxes all income evenly and allows expensing of investment is a tax on consumption. Alan Auerbach, Laurence Kotlikoff, and Jonathan Skinner, working at Harvard, Yale, and the University of Virginia, respectively, estimated that the use of a flat-rate consumption tax in place of an income tax would raise the ratio of capital stock to GNP from 3.0 to 4.4. Other economists are less optimistic that the correction of the double taxation of saving would provide the resources for this large an increase in investment. But all would agree that there would be some favorable effect on capital formation.

In terms of added GNP, the increase in the capital stock projected by Auerbach and his coworkers would translate into 12 percent more goods and services. Not all of this extra growth would occur within the 7-year span we are looking at. But, even allowing for only partial attainment in 7 years and for a possible overstatement in their work, it seems reasonable to predict a 2 to 4 percent increase in GNP on account of added capital formation within 7 years.

INCOME DISTRIBUTION AND FAIRNESS

The simple tax would not make everyone better off straightaway. Today, heavy taxation of successful salary earners yields quite a bit of revenue, pushing these people out of their most productive undertakings and diverting their attention to tax avoidance. Until a response to improved incentives takes place, it is an obvious mathematical law that lower taxes on some people will have to be made up by higher taxes on others. If tax reform were a zero-sum process, giving relief to some by raising taxes on others, it would be politically unlikely to occur.

Revitalization of the economy, with more income to divide between the big earners and the rest, is the point of tax reform. A flat tax, however, is designed to be fair from the start. It will insulate the poor from all taxation. It will dramatically limit the taxation of wages and salaries, especially among those who are most successful and productive. It will pay for these tax reductions by imposing on business income a sensible tax at a low rate, thus raising the amount of Federal revenue collected from businesses.

TAXES ON WAGES AND SALARIES

My comparative analysis starts by looking at a comparision of the current tax and the flat tax for families who have nothing but wage income; these comparisons are relevant for the great majority of Americans.

Here is a comparision of the taxes that would be paid under the current system and under the flat-tax system by a family of four in 1985. This family, like most, derives its income from earnings. It consists of two adults and two children. Only one of the adults works, and the family does not take a deduction for child-care expenses—in 1981, the average child-care deduction was only $12. The family takes itemized deductions equal to the average in its income category.

	Current tax	Flat tax
Earnings:		
$5,000	0	0
$10,000	$258	0
$15,000	882	$456
$25,000	2,374	2,356
$35,000	4,355	4,256
$50,000	8,189	7,109
$80,000	17,574	12,806

The table shows that people at every level of earnings will pay less under the flat wage tax than under the current personal income tax.

The taxation of business income under the present system is complete-

ly unsatisfactory. In spite of the burdensome tax rates imposed on business income by the combination of the corporate and personal income taxes, the total amount of tax collected on business income is remarkably small. In 1983, revenue from the corporate income tax was only $44 billion. In addition, the tax paid on all nonwage income reported for the personal income tax was no more than $30 billion. Total revenue from business taxation was no more than $74 billion. By contrast, revenue from taxes on wages under the personal income tax was $260 billion. The average tax rate on business income was only 11 percent, compared to over 15 percent on wages. Wage earners pay much heavier average tax rates than do business owners.

The flat tax would correct this fundamental inequity. The average tax rate on wages would be a little under 12 percent—19 percent on the margin, but less on the average because of allowances. The average tax rate on business income would be exactly 19 percent. At 1983 levels, business tax revenue would rise from $74 billion under the present tax to $129 billion under the flat tax.

INTEREST RATES

The simple tax would pull down interest rates immediately. High interest rates today are sustained partly by the income-tax deduction for interest paid and the tax on interest earned. Much of the pain of high interest is ameliorated by the tax benefit, and part of the income from interest is taken away by the IRS. Borrowers tolerate high interest rates and lenders require them. The simple tax would permit no deduction for interest paid and put no tax on interest received. Interest payments throughout the economy will be flows of after-tax income, thanks to taxation of business income at the source.

With the simple tax, borrowers will no longer be so tolerant of interest payments, and lenders will no longer be concerned about taxes. The meeting of minds in the credit market, where borrowing equals lending, will inevitably occur at a lower interest rate. Potentially, the fall could be spectacular. Much borrowing comes from corporations and wealthy individuals, who face marginal tax rates of 46 and 50 percent. On the other hand, the wealthy, almost by definition, are the big lenders in the economy. If every lender and every borrower were in the 50-percent bracket, simple logic shows that a tax reform eliminating deduction and taxation of interest would cut interest rates in half—for example, from 16 to 8 percent. But the leakage problem in the United States is so great that the actual drop in interest would be far short of this huge potential. So much lending comes through the devices by which the well-to-do get their interest income under low tax rates that a drop of half would be impossible. Lenders taxed at low rates would be worse off if taxation were eliminated but interest rates fell by half. The meeting of the minds in an economy with lenders enjoying low marginal rates before reform would have to come at an interest rate well above half the prereform level. But the decline would be at least a fifth—say from 16 percent to 13 percent. Reform would bring a noticeable drop in interest rates.

HOUSING

Everyone who hears about the simple flat tax, with no deductions for interest, worries about its effect on the housing market. Won't the elimination of the deduction depress the prices of existing houses and impoverish the homeowner who can only afford a house because of its interest deductions? Our answer to all of these questions is no, but we freely concede that there is a significant issue here.

I don't argue that tax reform will stimulate the housing market. But we do feel that the potential effects on house prices are small—small enough to be lost in the ups and downs of a volatile market. Basically, reform has two effects—to reduce interest rates and related costs of funds (and so to stimulate housing and other asset markets) and to deny interest deductions (and so to depress housing). To a reasonable approximation, these influences will cancel each other out.

Transition proposal takes care of the problem of existing mortgages without compromising the principles of the flat tax or diminishing its revenue. Homeowners would have the right to continue deducting 90 percent of their mortgage interest. Recall that the bank would then be required to pay tax on the interest it received, even though interest on new mortgages would be untaxed. Homeowners could expect to receive attractive propositions from their banks to rewrite their mortgages at an interest rate about three percentage points lower, but without tax deductibility. Even if banks and homeowners could not get together to lower rates, the homeowners could still deduct 90 percent of what he deducted before.

CHARITABLE CONTRIBUTIONS

Deduction of contributions to worthy causes would be a thing of the past under our tax reform. Will the Nation stop supporting its churches, hospitals, museums, and opera companies when the tax deduction disappears? We think not. But we should also be clear that incentives matter—the current tax system with high marginal rates and tax deductions provides inappropriately high incentives for some contributions. The immediate effect of tax reform may be a small decline in giving. Later, as the economy surges forward under the impetus of improved incentives for productive activity, giving will recover and likely exceed its current levels.

Of this, only $36 billion was deducted on tax returns. The great bulk of contributions were not even affected by the law permitting deduction. We can confidently expect the continuation of the $97 billion in contributions being made today without any special tax benefits. Further, the bulk of contributions is made today by people in modest tax brackets—less than $14 billion in contributions were deducted in 1981 by families with taxable incomes over $35,000. In this connection, it is important to understand that well over half of all cash contributions go to churches, and these gifts are generally from the middle of the income distribution.

The major tax cut enacted in 1981—the Economic Recovery Tax Act—cut marginal tax rates from 70 percent to 50 percent for the highest incomes. As a result, major donors shifted from spending 30-cent dollars to spending 50-cent dollars for tax-deductible gifts. In spite of this major reduction in the incentive to give, donations to charity grew robustly. Here are the numbers:

[In billions of dollars]

Year	Tax deductions	Total gifts
1979	24	94
1980	28	111
1981	33	118
1982	36	133
1983	(1)	145

[1] Not available.

Thus, there is a sound basis for our projection that contributions will not decline when a further diminution of the tax incentive occurs.

LIFE IS A 19-PERCENT WORLD

What would life be like in a world with a 19-percent flat tax? The most important change in our behavior is that we would spend our time thinking about producing goods and services and improving productivity instead of remaining obsessed with getting advice on how to exploit tax-advantaged opportunities. With 50-percent top marginal rates, many high-income people feel that they cannot afford to reveal any significant income to the IRS. They put great effort into reducing taxable income by investing in tax shelters and diverting their incomes to tax-free destinations. Indeed, at 50 cents on the dollar, dishonesty is very lucrative. At 19 percent, most people would relax. Evasion and avoidance are far less profitable at 19 percent than at 50 percent. Conversely, keeping 81 cents of every additional dollar of income is a true stimulus to produce as much as possible. With taxes taking no more than 19 cents from each additional dollar at every income level, most people will pursue those economic activities that bring the highest

return and the most satisfaction, rather than the ones that minimize taxable income.

Think of the everyday kinds of decisions most people make that are governed by a steeply graduated tax-rate structure. Reducing the Government's contribution to business lunches from 50 to 19 cents will restrict the spending of dining dollars to absolutely essential business activity. Tickets for box seats at baseball stadiums, club memberships, business travel, company cars, and a host of other business outlays that incorporated and unincorporated firms regularly purchase, would now cost the owners of that business 81 cents of after-tax income, rather than the current 50 cents. Business would be expected to run a tighter ship with the much higher returns that a 19-percent rate affords over current high rates.

At the level of the individual household, toward which so many tax shelters are directed, cutting the top rate from 50 to 19 percent will virtually make all shelters uneconomic. Combined with the loss of the current interest deduction, no investment decision would ever be governed by tax considerations.

Those who believe that life would grind to a halt with the loss of deductions for interest and charitable contributions, or that investors heavily leveraged into shelters would suffer enormous losses, need to consider how they would alter their lives the morning the flat tax took effect. They would fire their lawyers and accountants and tear up all of their tax-shelter brochures. Instead, they would seek advice and information on sound economic investments. A half million of the Nation's brightest people would change their professions into meaningful, productive work, away from selling tax advice and shelters. The Wall Street Journal would no longer carry ads touting oil, gas, cattle, energy, real estate, and other shelters. As real incomes rose, people's charitable propensities would keep pace—remember that most charitable giving today is after-tax dollars, not declared deductions.

Perhaps most important, for the ordinary working American, the 19-percent world would abolish the annual nightmare of tax-return preparation in April. Both forms 1 and 2 could be filled out in a few minutes on the basis of records that everyone keeps anyway.

SUMMARY

A good tax system is efficient, equitable, and simple. The progressive flat-rate tax allows investment and other resources to flow to where they yield the highest return, thus meeting the test of maximizing overall economic efficiency. Business decisions would be made on the basis of pretax returns, not tax considerations; nor would any system of graduated rates penalize overtime, marriage, second jobs, thrift, or risk-taking. The Hall-Rabushka plan eliminates double taxation, abolishes the capital gains tax, and replaces the complex depreciation schedules with 100 percent write off of all investment spending in the year it occurs. It is, thus, a tax on consumption, providing maximum encouragement to investment and savings, the foundation of economic growth. Everyone would get to keep 81 cents of each additional dollar, however few or many. In the same vein, the Hall-Rabushka plan meets the test of efficient revenue collection. Taxpayers would minimize their preparation time and costs, and the Treasury would finally get a handle on tax shelters and the growing incidence of evasion.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subtitle A of the Internal Revenue Code of 1954 is amended to read as follows:

"Subtitle A—Income Taxes

"Chapter 1. Computation of taxable income.
"Chapter 2. Determination of tax liability.
"Chapter 3. Exempt organizations.
"Chapter 4. Withholding.

"CHAPTER 1—COMPUTATION OF TAXABLE INCOME

"Sec. 101. Compensation defined.
"Sec. 102. Business receipts defined.
"Sec. 103. Cost of business inputs defined.
"Sec. 104. Cost of capital equipment, structures, and land defined.
"Sec. 105. Business taxable income defined.

"SEC. 101. COMPENSATION DEFINED.

"(a) IN GENERAL.—Compensation means all cash amounts paid by an employer or received by an employee, including wages, salaries, pensions, bonuses, prizes, and awards.

"(b) CERTAIN ITEMS INCLUDED.—Compensation includes—

"(1) the cash equivalent of any financial instrument conveyed to an employee, measured as market value at the time of conveyance; and

"(2) workman's compensation and other payments for injuries or other compensation for damages.

"(c) CERTAIN ITEMS EXCLUDED.—Compensation excludes—

"(1) reimbursements to employees by employers for business expenses paid by the taxpayer in connection with performance by him or her of services as an employee;

"(2) goods and services provided to employees by employers, including but not limited to medical benefits, insurance, meals, housing, recreational facilities, and other fringe benefits; and

"(3) wages, salaries, and other payments for services performed outside the United States.

"SEC. 102. BUSINESS RECEIPTS DEFINED.

"Business receipts are the receipts of a business from the sale or exchange of products or services produced in or passing through the United States. Business receipts include—

"(1) gross revenue, excluding sales and excise taxes, from the sale or exchange of goods and services;

"(2) fees, commissions, and similar receipts, if not reported as compensation;

"(3) gross rents;

"(4) royalties;

"(5) gross receipts from the sale of plant, equipment, and land;

"(6) the market value of goods, services, plant, equipment, or land provided to its owners or employees;

"(7) the market value of goods, services, and equipment delivered from the United States to points outside the United States, if not included in sales; and

"(8) the market value of goods and services provided to depositors, insurance policyholders, and others with a financial claim upon the business, if not included in sales.

"SEC. 103. COST OF BUSINESS INPUTS DEFINED.

(a) IN GENERAL.—The cost of business inputs is the cost of purchases of goods, services, and materials required for business purposes.

"(b) CERTAIN ITEMS INCLUDED.—The cost of business inputs includes—

"(1) the actual amount paid for goods, services, and materials, whether or not resold during the year;

"(2) the market value of business inputs brought into the United States; and

"(3) the actual cost, if reasonable, of travel and entertainment expenses for business purposes.

"(c) CERTAIN ITEMS EXCLUDED.—The cost of business inputs excludes purchases of goods and services provided to employees or owners, unless these are included in business receipts.

"SEC. 104. COST OF CAPITAL EQUIPMENT, STRUCTURES, AND LAND DEFINED.

"The cost of capital equipment, structures, and land includes any purchases of these items for business purposes. In the case of equipment brought into the United States, the cost is the market value at time of entry into the United States.

"SEC. 105. BUSINESS TAXABLE INCOME DEFINED.

"Business taxable income is business receipts less the cost of business inputs, less compensation paid to employees, and less the cost of capital equipment, structures, and land.

"CHAPTER 2—DETERMINATION OF TAX LIABILITY

"Sec. 201. Personal allowances.
"Sec. 202. Compensation tax.
"Sec. 203. Business tax.

"SEC. 201. PERSONAL ALLOWANCES.

"(a) IN GENERAL.—For the year 1985, personal allowances are—

"(1) For married taxpayers filing jointly, $9,000. A taxpayer is considered married if he was married at the end of the year or his spouse died during the year.

"(2) For heads of households, $8,000. A taxpayer is a head of a household if he is not married, and maintains as his home a household which is the principal home of a dependent son, stepson, daughter, stepdaughter, mother, or father of the taxpayer, and the taxpayer provides more than half the support for the dependent.

"(3) For single taxpayers, $4,500.

"(4) For each dependent, $1,800. A dependent is a son, stepson, daughter, stepdaughter, mother, or father of the taxpayer, for whom the taxpayer provides more than half support.

"(b) ADJUSTMENTS.—Each year, personal allowances rise by the proportional increase

from the beginning to the end of the immediately preceding year in the Consumer Price Index.

"SEC. 202. COMPENSATION TAX.

"Each individual employed at any time during the year will pay a tax of 19 percent of his compensation less his personal allowance, or no tax if his compensation is less than has personal allowance.

"SEC. 203. BUSINESS TAX.

"(a) BUSINESS DEFINED.—Each sole proprietorship, partnership, and corporation constitutes a business. Any organization or individual not specifically exempt under chapter 3, with business receipts, is a business.

"(b) COMPUTATION OF TAX.—Each business will pay a tax of 19 percent of its business taxable income, or zero if business taxable income is negative.

"(c) FILING UNITS.—A business may file any number of business tax returns for its various subsidiaries or other units, provided that all business receipts are reported in the aggregate, and provided that each expenditure for business inputs is reported on no more than one return.

"(d) CARRY-FORWARD OF LOSSES.—When business taxable income is negative, the negative amount may be used to offset positive taxes in future years. The amount carried forward from one year to the next is augmented according to an interest rate equal to the average daily yield on 3-month Treasury Bills during the first year. There is no limit to the amount or the duration of the carry-forward.

"CHAPTER 3—EXEMPT ORGANIZATIONS

"Sec. 301. Exempt organizations.

"SEC. 301. EXEMPT ORGANIZATIONS.

"Organizations exempt from the business tax are—

"(1) State and local governments, and their subsidiary units; and

"(2) educational, religious, charitable, philanthropic, cultural, and community service organizations that do not return income to individual or corporate owners.

"CHAPTER 4—WITHHOLDING

"SEC. 401. Withholding.

"SEC. 401. WITHHOLDING.

"Each employer, including exempt organizations, will withhold from the wages, salaries, and pensions of its employees, and remit to the Internal Revenue Service, an amount computed as follows: 19 percent of the excess of compensation in each pay period over the employee's annual personal allowance, prorated for the length of the pay period. Every employee will receive a credit against tax for the amount withheld.".

(b) The amendment made by this section shall apply to taxable years beginning after December 31, 1985.

By Mr. KASTEN:

S. 322. A bill to amend title XVIII of the Social Security Act to revise the requirements relating to nursing care provided by certain hospice programs through arrangements with other medicare certified providers; to the Committee on Finance.

NURSING CARE PROVIDED BY CERTAIN HOSPICE PROGRAMS

Mr. KASTEN. Mr. President, today I am introducing legislation which will allow more hospices to subcontract for nursing services and participate in the Medicare program.

As most of my colleagues are aware, Congress adopted Medicare coverage of hospice services in TEFRA. As a result, terminally ill Medicare patients now have the opportunity to live most of their last months in the home with necessary medical support services.

Unfortunately, Mr. President, in our effort to prevent abuse of the new benefit and to ensure quality care, we created a situation that makes it very difficult, if not impossible, for hospices to serve Medicare patients. Specifically, Congress required that a hospice must routinely provide substantially all of four specific core services, including nursing, medical, social, physician, and counseling services, to qualify for Medicare coverage. We have provided coverage for a service many people will never benefit from—not because they are ineligible, but because too few hospices will be able to meet the criteria the law mandates. In effect, we have rendered the hospice benefit virtually nonexistent in many areas.

First, the requirements pose severe problems in rural and underserved areas where medical resources are lacking. Limited manpower and limited capital make subcontracting vital to the existence of hospices in these areas.

Second, many small- and middle-sized hospices, regardless of location, simply cannot afford the labor and administrative costs of directly hiring the necessary professionals.

Third, many hospital-based hospices now provide the home care component of their service through certified home health agencies. Without the flexibility of subcontracting, many hospitals may forgo a hospice program or create new home health programs of their own, in areas where more than enough already exist. This is simply not cost effective.

Mr. President, hospices were built around a coalition model which draws on many community resources. They bring together hospitals, physicians, home health agencies, medical social workers, counselors, and volunteers to care and comfort the terminally ill. The current core services requirement directly undermines the concept of hospices and causes unnecessary duplication of services.

It is important to note that more than half of the hospital-based hospices studied in the Federal hospice demonstration program contract out for services. Many freestanding hospices continue to contract out as well. While many hospices do exist in spite of the strict regulations, they forfeit Medicare certification. As an original cosponsor of legislation providing Medicare coverage of hospice benefits, I believe we must act to ensure that Medicare benefits are provided as Congress intended.

Last year, we did make some headway in relaxing the core service requirements. Under provisions of the Deficit Reduction Act, the Secretary of Health and Human Services may now waive the nursing care core service requirements for hospices located in rural areas, provided that the hospice was in operation on or before January 1, 1983, and that it made a good-faith effort to hire its own nurses.

Despite this progress, there are still many hospices that will not be able to meet the onerous requirements for Medicare coverage.

The legislation I have introduced will allow hospices in rural areas and health manpower shortage areas to contract out for nursing services. This bill also will allow hospices certified and in existence before January 1, 1985, to benefit from contracting out. To ensure quality care, the bill also adds a new requirement that the subcontractees be Medicare certified, licensed, or State certified before January 1, 1985—if the applicable State has such a law.

Mr. President, I believe that this legislation will provide the flexibility necessary for the effective operation of hospice services while it upholds the standards of care. I ask that my colleagues join me in this effort to help make hospice care a viable option for all those in need.

By Mr. PROXMIRE:

S. 323. A bill to amend the Federal Election Campaign Act of 1971 to limit contributions by nonparty multicandidate political committees in election campaigns for the U.S. Senate, to provide for tax credits for contributions to general election campaigns for the U.S. Senate, and for other purposes; to the Committee on Finance.

(The remarks of Mr. PROXMIRE and the text of the legislation appear earlier in today's RECORD.)

By Mr. SPECTER:

S. 324. A bill to amend the Internal Revenue Code of 1954 to facilitate home equity conversions through sale-leaseback transactions; to the Committee on Finance.

(The remarks of Mr. SPECTER and the text of the legislation appear earlier in today's RECORD.)

By Mr. KASTEN:

S. 325. A bill to reduce tax rates in a manner that is fair to all taxpayers, and to simplify the tax laws by eliminating most credits, deductions, and exclusions; to the Committee on Finance.

FAIR AND SIMPLE TAX ACT

Mr. KASTEN. Mr. President, I am very pleased to reintroduce the Fair and Simple Tax Act. This bill—with minor changes—is the same as the bill Congressman JACK KEMP and I introduced last year.

Our plan—which provides the American taxpayers with a better system—

51-059 O-86-6 (Pt. 2)

calls for a broadened tax base, a single low-tax rate, and the essential deductions that most itemizing taxpayers take.

Our counterparts in the tax reform movement—Senator BRADLEY and Congressman GEPHARDT—are also reintroducing their legislation today. Mr. President, this is a very important event, because it shows that the bipartisan spirit of tax reform is very much alive in the U.S. Congress.

And, as almost everyone knows, the administration has also come up with a plan for tax reform, and I think it is safe to say that the prospect for some kind of tripartisan tax reform measure is very likely this session.

Like my colleagues, I am excited about this, because it's about time the American people got a break from the maze of tax laws, regulations, and interpretations of those laws and regulations. Did you know, for example: That nearly 36 million—or 40 percent—American taxpayers seek professional help when filing their tax returns? That there are over 5,105 pages in the Internal Revenue Code, and about 10,000 pages of IRS interpretations of that code? This has got to stop.

The American people deserve a break from a Tax Code that's nothing more than a maze of complexity. The Kemp-Kasten Fair and Simple Tax does just that.

FAST is fair in the sense that everyone will pay the same rate of tax. Under today's tax system, two people—or businesses—can pay very different rates—and amounts—of tax. This depends on the source of the income, as well as the opportunities to take advantages of preferences in the Tax Code.

The tax system also needs to be simple. In our bill, we make the tax rules simple. Currently there are different rules for different people. People earning wage and salary income are treated differently from those earning investment income. What we need is a common set of rules so that everyone understands the rules of the game.

Mr. President, when there are two or three proposals based on a similar concept—like tax reform—it's very easy to focus on the differences between them. It's very true that there are differences between the three leading tax reform proposals, but there are also many more similarities. And, the similarities are far more important than the differences.

All three bills lower marginal tax rates in an effort to provide incentives for work, saving, and investment, and, to provide a disincentive for tax avoidance. The plans also broaden the tax base, so that they will be revenue neutral.

Under the current tax system, Congress continually passes laws which, in one way or another exclude large amounts of income from the tax base. This is done in order to provide tax relief for specific interest groups, but the result is to force higher tax rates on everyone else just for the Treasury to break even. And, as tax rates rise, so does the incentive to avoid paying taxes—through deductions, credits and exclusions and blatant evasion. Tax reform will put a stop to this.

All three bills are concerned with protecting lower income Americans from taxation. Under current tax law, the average family of four begins paying tax on $8,936 of income. This is far below the official U.S. poverty level of $11,000. Under all three plans the tax threshold is above the poverty level, although FAST is the most generous with the tax threshold at $14,375.

All three bills provide a simpler tax system.

All three bills are revenue neutral—at least in the first year. And, all three bills are designed to be revenue neutral by income distribution. In other words, no taxpayer will pay more to the Treasury than they do now.

Tax reform is not an excuse for a tax increase. The Republican platform makes this clear—and so do the leading tax reform proposals.

Unlike the Deficit Reduction Act of 1984 and the Tax Equity and Fiscal Responsibility Act of 1982, this next tax bill won't call for revenue enhancement. It won't take away important deductions, exclusions, and credits, and give taxpayers nothing in return.

The point of this year's exercise is to broaden the tax base in order to provide lower tax rates. The benefits from tax reform are significant. It provides American businesses with a "level playing field" for investment decisions and incentives for saving, investment, risk taking, and economic growth. As the economy grows—both businesses and jobs—more revenue will flow into the Treasury.

Mr. President, the most important thing about tax reform in the short run, most people—business and individuals—have something to gain from tax reform. In the long run, everyone gains a great deal from it. The trick is to get people to look beyond the loss of a particular deduction, exclusion, or credit, and to instead focus on the total effect of tax reform.

Mr. President, the fair and simple tax plan is a change for the better. The plan offers the best features of a flat tax system—a simple low tax rate applied to all taxpayers—with special provisions for wageearners, families with children, savers, and homeowners. For the benefit of my colleagues, I would like to offer a brief description of the plan.

THE KEMP-KASTEN "FAIR AND SIMPLE TAX"
[FAST]

GENERAL DESCRIPTION

After deducting generous personal allowances and employment income exclusion, all taxable income is taxed at a reduced rate of 24%:

Kemp-Kasten eliminates most deductions, credits, exemptions, exclusions except:

Personal allowances:

Personal exemption doubled to $2,000 for each taxpayer, spouse, and dependent below age 19.

Extra $2,000 exemption for elderly, blind and disabled.

Zero-bracket amounts (standard deduction) of $2,600 single, $2,700 head of household, $3,300 joint.

Indexes for inflation the personal exemption, zero-bracket amounts, earned income credit.

New exclusion for earned and unearned income:

Excludes 20% of gross wage, salary, and self-employment income up to Social Security wage base ($41,700 in 1986, and indexed by law); phased out to result in a maximum effective marginal tax rate of about 28%.

For those with employment income of less than $10,000 (single) or $15,000 (joint return), excludes 20% of any income from taxation, regardless of its source, up to those amounts; this is designed to protect those who live mostly from saving and pension income rather than wages.

Retains deductions for:

Charitable contributions.

Interest on mortgages and loans for education and investments.

Real property taxes.

Medical expenses above 10% of adjusted gross income.

Treatment of capital gains and losses:

Taxpayers may choose between full taxation of gains, with basis indexed for inflation from date of enactment, or excluding 40% of gains and losses (17% top rate) without indexing.

Current homeowner's rollover and one-time exclusion is retained.

Six-month holding period made permanent.

Retains current treatment of:

Retirement annuities (IRAs, Keoghs [H.R. 10], Social Security [improved treatment], corporate pensions); military and veterans benefits; employer-provided benefits (such as health, life insurance premiums); foreign source income; earned income credit (slightly modified); general obligation tax-exempt bonds; employee business expenses and moving expenses; ordinary business expenses.

Corporate income tax:

Reduced rate of 35% applied to the following tax base:

Kemp-Kasten eliminates most deductions, credits, exemptions, exclusions except:

Deductions listed above, if applicable, e.g., charitable contributions.

Ordinary business expenses.

Capital gains treatment: either full taxation with indexing, or a reduced 20% rate without indexing.

Foreign income tax credit.

Small business provisions:

15% tax rate up to $50,000 taxable income; 25% rate for $50,000 to $100,000 taxable income.

Expensing for up to $10,000 of business property.

Neutral Cost Recovery System (NCRS): current-law capital cost recovery schedules

are modified to provide the economic equivalent of expensing, and indexed for inflation.

Mr. President, there are often a number of questions as to how Kemp-Kasten compares to the current Tax Code. In response to these questions, I submit the following chart produced by the Congressional Budget Office.

A COMPARISON OF KEMP-KASTEN WITH CURRENT LAW

	Current law	Kemp-Kasten
	INDIVIDUAL INCOME TAX	
Tax rates:		
Ordinary income	11 to 50 percent	24 percent.
Capital gains	20 percent maximum rate.	18.8 percent to 25 percent.
Alternative minimum tax.	20 percent	Current law with capital losses included in the minimum tax base.
Exemptions:		
Taxpayer	$1,000	$2,000.
Spouse	$1,000	$2,000.
Dependent	$1,000	$2,000.
Blind, aged	$1,000	$2,000.
Zero bracket amount (single/joint).	$2,300 to $3,400	$2,600 to $3,300.
Indexing	Yes.	Yes.
Income averaging	Yes.	No.
Taxable income:		
Dividends	$100 excluded	Included.
Municipal bond interest	Excluded.	Interest on public-purpose bonds excluded.
IRA, Keough earnings and earnings on pension reserves.	Excluded.	Excluded.
Employer contributions for health insurance plans.	Excluded.	Excluded.
Employer contributions for life insurance plans.	Excluded.	Excluded.

	Bradley-Gephardt	Kemp-Kasten
Social Security benefits (single/joint).	Half benefits taxed if modified AGI over $25,000 to $32,000.	Liberalizes current law.
Unemployment compensation.	Included, depending on other income.	Included.
Employment income	Included	20 percent excluded.
IRA, Keough contributions.	Deducted	Current law.
State and local taxes:		
Income	Deducted	Not deducted.
Property:		
Real	Deducted	Deducted.
Personal	Deducted	Not deducted.
Sales	Deducted	Not deducted.
Charitable contributions	Deducted	Deducted.
Medical expenses	Only if more than 5 percent of AGI.	Only if more than 10 percent of AGI.
Home mortgage	Deducted	Deducted.
Other nonbusiness interest.	Deducted	Only interest on educational loans is deductible.
2-earner deduction	10 percent of earnings of lesser earning spouse, up to $3,000.	Not deducted.
Capital gains	60 percent excluded	Included, indexed.
Capital losses	50 percent taken against income, up to $3,000.	Unlimited, indexed.
Loss carryover	Unlimited	1 yr.
Tax credits: Earned income credit.	Yes.	Modified.

	Current law	Kemp-Kasten
	PROVISIONS AFFECTING BUSINESS (CORPORATE AND NONCORPORATE)	
Investment tax credit	6 to 10 percent	No.
Intangible drilling costs of oil, gas, and geothermal.	Expensed	Repealed.
Treatment of depletion of oil, gas, and geothermal.	Cost depletion for integrated oil companies, percentage depletion for mineral producers and independent oil companies.	Repealed.
R&D credit	Yes	No.
Targeted jobs tax credit	Yes	No.
Rehabilitation credit	Yes	No.
Excess bad debt reserves	Yes	No.
Employee stock ownership plan.	Yes	No.
Depreciation	ACRS	Modified ACRS.

A COMPARISON OF KEMP-KASTEN WITH CURRENT LAW—Continued

	Current law	Kemp-Kasten
	CORPORATE INCOME TAX	
Tax rates:		
Regular	15 to 40 percent on 1st $100,000, 46 percent thereafter.	15 percent on 1st $50,000, 25 percent up to $100,000 and 35 percent thereafter.
Capital gains	28 percent	See individuals.
Add-on minimum tax	15 percent	Current law.
Deductions:		
Capital losses	Limited to capital gains.	Limited to capital gains.
Excess capital losses	Carryback 3 yr, carryforward 5 yr.	Current law.
Charitable contributions	Deducted	Deducted.

Mr. President, since the fair and simple tax plan was introduced last April, there have been many questions about it. Here are the top nine questions most often asked—with answers.

QUESTIONS AND ANSWERS ON THE KEMP-KASTEN "FAIR AND SIMPLE TAX"

1. What deductions are allowed under the Kemp-Kasten plan?

Individuals can deduct interest on loans for residential property (including mortgage interest) and education costs, charitable contributions, real property taxes, investment interest expenses, and catastrophic medical expenses.

2. How does the employment income exclusion work?

If you earn up to the Social Security wage base ($41,700 in 1986), you may exclude 20% of your salary from taxes, for a maximum exclusion of $8,340 in 1986. Two-earner couples with combined incomes in excess of the wage base may figure their exclusions separately and add the two.

Taxpayers with less than $10,000 (single) or $15,000 (joint return) in wages may exclude 20% of income from any source, up to those amounts, for a maximum exclusion of $2,000 (single) or $3,000 (joint return). This especially helps retirees who are living primarily on pensions or savings.

If you earn more than $41,700, 20% of your gross income over $41,700 is added back. To figure the net exclusion on an income over the wage base, multiply the excess of your income over $41,700 by 20%, and subtract that dollar figure from your maximum exclusion of $8,340. For 1986, this results in a zero exclusion for incomes over $83,400.

3. Are there any proposed changes that specifically benefit older Americans?

Individuals over age 65 may take an extra personal exemption (for a total personal exemption of $4,000). As mentioned above, all retirees will benefit from the employment income exclusion.

Social Security recipients will benefit from several changes. The retirement test, which reduces benefits by 50 cents for every $1 earned above $7,320 in 1985, is gradually phased out. The benefit reduction is immediately cut from 50 cents to 25 cents on a dollar.

The bill also reduces the taxation of Social Security benefits for most recipients, by reducing the taxable amount.

4. How are municipal bonds treated under the Kemp-Kasten plan?

The bill "grandfathers" current municipal bonds so if you presently receive tax-exempt interest income from a bond, it would remain tax-exempt. For bonds issued after the bill's enactment, interest on general obligation bonds would remain tax-exempt. Interest from future private-purpose bonds (such as industrial development bonds and mortgage revenue bonds) would become taxable.

5. How does Kemp-kasten treat capital gains?

Taxpayers could choose between two options. (1) Capital gains would be treated as ordinary income, with the basis indexed for inflation so investors are only taxed on real gains. The current holding period is eliminated. (2) Investors could exclude 40% of gains (for a top 17% effective rate), with no indexing, and subject to the six-month holding period.

The bill retains the current homeowner's rollover and the one-time exclusion of capital gains on the sale of a home by a taxpayer over age 55.

6. Does Kemp-Kasten change the status of employer-provided benefits, such as health and life insurance?

No! Employees would not be taxed on contributions made by their employers for important benefits, such as health and life insurance, pension plans, and educational assistance.

7. Does Kemp-Kasten retain indexing so that taxpayers are protected from inflation?

Yes! The bill indexes for inflation the personal exemption, the standard deduction, the 20% employment income exclusion, the earned income credit, capital gains, and depreciation allowances.

8. How does Kemp-Kasten treat business expenses?

Business expenses are deductible to the same extent as under current law. This includes employee business expenses (such as union dues or professional fees), ordinary business expenses, interest expenses, and moving expenses.

9. Does Kemp-Kasten change the current depreciation schedules?

Yes. The bill modifies the current capital cost recovery system to provide the economic equivalent of expensing, and the system is indexed for inflation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 325

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "Fair and Simple Tax Act of 1985".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—The Secretary of the Treasury or his delegate, not later than 90 days after the date of the enactment of this Act, shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a draft of any technical and conforming amendments to the Internal Revenue Code of 1954 which are necessary to reflect the substantive amendments made by this Act.

TITLE I—REDUCTION OF INDIVIDUAL AND CORPORATE TAX RATES

Subtitle A—Reduction of Rates

SEC. 101. INCOME TAX RATES FOR INDIVIDUAL, ESTATES, AND TRUSTS.

(a) IN GENERAL.—Section 1 (relating to tax imposed on individuals) is amended to read as follows:

"SECTION 1. TAX IMPOSED.

"There is hereby imposed on the taxable income of every individual for each taxable year a tax equal to 24 percent of the taxable income for the taxable year."

(b) CONFORMING AMENDMENT.—Subsection (a) of section 641 (relating to tax applied to estates and trusts) is amended by striking out "section 1(e)" and inserting in lieu thereof "section 1".

SEC. 102. CORPORATE TAX RATES.

Subsection (b) of section 11 is amended to read as follows:

"(b) AMOUNT OF TAX.—The amount of tax imposed by subsection (a) shall be the sum of—

"(1) 15 percent of so much of the taxable income as does not exceed $50,000,

"(2) 25 percent of so much of the taxable income as exceeds $50,000 but does not exceed $100,000, and

"(3) 35 percent of so much of the taxable income as exceeds $100,000."

Subtitle B—Increase in Amount of Personal Exemption and Zero Bracket Amount

SEC. 111. INCREASE IN AMOUNT OF PERSONAL EXEMPTION.

Subsection (f) of section 151 (relating to allowance of deductions for personal exemptions) is amended—

(1) by striking out "$1,000" each place such term appears in such subsection and inserting in lieu thereof "$2,000", and

(2) by striking out "section 1(f)(3)" and inserting in lieu thereof "section 63(d)(2)(C)".

SEC. 112. INCREASE IN ZERO BRACKET AMOUNT.

Subsection (d) of section 63 (defining zero bracket amount) is amended to read as follows:

"(d) ZERO BRACKET AMOUNT DEFINED.—For purposes of this subtitle—

"(1) IN GENERAL.—The term 'zero bracket amount' means—

"(A) $3,300 in the case of—

"(i) a joint return, or

"(ii) a surviving spouse (as defined in section 2(a)),

"(B) $2,600 in the case of an individual who is not married and is not a surviving spouse (as so defined),

"(C) $1,650 in the case of a married individual filing a separate return, and

"(D) zero in every other case,

adjusted in the manner provided in paragraph (2).

"(2) ADJUSTMENTS SO THAT INFLATION WILL NOT REDUCE THE VALUE OF ZERO BRACKET AMOUNT.—

"(A) IN GENERAL.—Not later than December 15 of 1985 and each subsequent calendar year, the Secretary shall prescribe the zero bracket amounts which shall apply in lieu of the amounts defined in paragraph (1) with respect to taxable years beginning in the succeeding calendar year.

"(B) METHOD OF ADJUSTING ZERO BRACKET AMOUNT.—The amounts which shall apply in lieu of the amounts described in paragraph (1) with respect to taxable years beginning in any calendar year shall be prescribed by increasing each amount contained in paragraph (1) by the cost-of-living adjustment for such calendar year. If such increase is not a multiple of $10, such increase shall be rounded to the nearest multiple of $10 (or if such increase is a multiple of $5 but not a multiple of $10, such increase shall be increased to the next multiple of $10).

"(C) COST-OF-LIVING ADJUSTMENT DEFINED.—For purposes of subparagraph (B), the cost-of-living adjustment for any calendar year is the percentage (if any) by which—

"(i) the CPI for the preceding calendar year, exceeds

"(ii) the CPI for the calendar year 1983.

"(D) CPI FOR ANY CALENDAR YEAR.—For purposes of subparagraph (C), the CPI for any preceding calendar year (or for 1983) is the average of the Consumer Price Index as of the close of the 12-month period ending on September 30 of such preceding calendar year (or 1983, as the case may be).

"(E) CONSUMER PRICE INDEX.—For purposes of subparagraph (D), the term 'Consumer Price Index' means the last Consumer Price Index for all-urban consumers published by the Department of Labor."

SEC. 113. EXEMPTION FOR DEPENDENTS WHO ARE STUDENTS OVER THE AGE OF 18 REPEALED.

Subparagraph (B) of section 151(e)(1) (relating to additional exemption for dependents) is amended by striking out ", or (ii) is a student".

Subtitle C—Employment Income Exclusion Established

SEC. 121. EMPLOYMENT INCOME EXCLUSION.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 (relating to items specifically excluded from income) is amended by redesignating section 134 as section 135 and by inserting after section 133 the following new section:

"SEC. 134. PROGRESSIVE EXCLUSION OF EMPLOYMENT INCOME.

"(a) IN GENERAL.—Gross income of an individual does not include an amount equal to 20 percent of the amount received during the taxable year by such individual as employment income.

"(b) MAXIMUM AMOUNT OF EXCLUSION.—The amount of the employment income excluded from gross income under subsection (a) shall not exceed an amount equal to 20 percent of the FICA maximum wage base for the calendar year in which the taxable year of the taxpayer began.

"(c) LIMITATION IN CASE OF GROSS INCOME IN EXCESS OF FICA MAXIMUM WAGE BASE.—

"(1) IN GENERAL.—If a taxpayer has gross income for the taxable year in excess of the FICA maximum wage base for the calendar year in which the taxable year began, the amount which, but for this paragraph, would be excluded from gross income under subsection (a) shall be reduced (but not below zero) by an amount equal to 20 percent of such gross income in excess of the FICA maximum wage base.

"(2) TECHNICAL RATE ADJUSTMENT.—If, in the case of a taxpayer to whom paragraph (1) applies—

"(A) 20 percent of the gross income of such taxpayer in excess of the FICA maximum wage base, exceeds

"(B) the amount which, but for paragraph (1), would be excluded from gross income under subsection (a),

the excess of the amount described in subparagraph (A) over the amount described in subparagraph (B) shall be treated as income of the taxpayer for purposes of this title and included in gross income.

"(d) SPECIAL RULES.—For purposes of this section—

"(1) INDIVIDUAL WITH EMPLOYMENT INCOME OF $10,000 OR LESS ($15,000 OR LESS IN THE CASE OF JOINT RETURN).—In the case of a taxpayer whose employment income for the taxable year is $10,000 or less ($15,000 or less in the case of a joint return), so much of the investment income (if any) of the taxpayer for the taxable year as does not exceed the difference between—

"(A) $10,000 ($15,000 in the case of a joint return), and

"(B) the aggregate amount of employment income of such taxpayer for such taxable year,

shall be treated as employment income for purposes of this section.

"(2) TWO-EARNER MARRIED COUPLE FILING JOINT RETURN.—In the case of a married couple filing a joint return for a taxable year in which each spouse has employment income, this section shall be applied separately with respect to each such spouse. The amount excludable under this section for the taxable year shall be the sum of the amounts computed with respect to each such spouse.

"(e) DEFINITIONS.—For purposes of this section—

"(1) EMPLOYMENT INCOME DEFINED.—The term 'employment income' has the meaning given to the term 'earned income' in section 32(c)(2) and includes any amount included in gross income of the taxpayer under section 71.

"(2) INVESTMENT INCOME DEFINED.—The term 'investment income' means any income of the taxpayer which is not employment income.

"(3) FICA MAXIMUM WAGE BASE DEFINED.—The term 'FICA maximum wage base' means the contribution and benefit base as determined under section 230 of the Social Security Act.

"(f) ADJUSTMENTS SO THAT INFLATION WILL NOT REDUCE THE VALUE OF CREDIT.—

"(1) IN GENERAL.—Not later than December 15 of 1985 and each subsequent calendar year thereafter, the Secretary shall prescribe the amounts which shall apply in lieu of the $10,000 amount and the $15,000 amount described in subsection (c) with respect to taxable years beginning in the succeeding calendar year.

"(2) METHOD OF ADJUSTING AMOUNTS.—The amounts which shall apply in lieu of the amounts referred to in paragraph (1) with respect to taxable years beginning in any calendar year shall be prescribed by increasing each such amount by the cost-of-living adjustment (as defined in section 63(d)(2)(C)) for such calendar year. If such increase is not a multiple of $10, such increase shall be rounded to the nearest multiple of $10 (or if such increase is a multiple of $5 but not a multiple of $10, such increase shall be increased to the next multiple of $10)."

(b) CLERICAL AMENDMENT.—The table of sections for such part III is amended by redesignating the item relating to section 134 as section 135 and by inserting after the item relating to section 133 the following new item:

"Sec. 134. Progressive exclusion of employment income."

Subtitle D—Repeals Related to Reduction in Rates

SEC. 131. REPEALS.

(a) GENERAL RULE.—The following provisions are hereby repealed:

(1) Section 3 (relating to tax tables for individuals).

(2) Paragraphs (1), (2), and (3) of section 402(e) (relating to special averaging rules for lump-sum distributions).

(3) Part I of subchapter G of chapter 1 (section 531 and following, relating to corporations improperly accumulating surplus).

(4) Part II of subchapter G of chapter 1 (section 541 and following, relating to personal holding companies).

(5) Part I of subchapter Q of chapter 1 (section 1301 and following, relating to income averaging).

(6) Section 1551 (relating to graduated corporate tax rates).

(b) TRUST THROWBACK RULES APPLY ONLY TO FOREIGN TRUST.—Subpart D of part I of subchapter J of chapter 1 (relating to treatment of excess distributions by trust) is amended by adding at the end thereof the following new section:

"SEC. 669. SUBPART TO APPLY ONLY TO FOREIGN TRUSTS.

"This subpart shall apply only with respect to amounts distributed from a foreign trust."

TITLE II—BASE BROADENING

Subtitle A—Credits

SEC. 201. REPEALS.

The following provisions are hereby repealed:

(1) Section 21 (relating to credit for expenses for household and dependent care services necessary for gainful employment).

(2) Section 22 (relating to credit for the elderly and the permanently and totally disabled).

(3) Section 23 (relating to residential energy credit).

(4) Section 24 (relating to contributions to candidates for public office).

(5) Section 28 (relating to clinical testing expenses for certain drugs for rare diseases and conditions).

(6) Section 29 (relating to credit for producing fuel from a nonconventional source).

(7) Section 30 (relating to credit for increasing research activities).

(8) Paragraphs (1), (2), (3), and (4) of section 38(b) (allowing credits determined under sections 40 and 41 and subparts E and F).

(9) Sections 40 and 87 (relating to alcohol used as fuel).

(10) Section 41 (relating to rules for determining amount of employee stock ownership credit).

(11) Section 42 (relating to general tax credit).

(12) Subpart E of part IV of subchapter A of chapter 1 (relating to rules for determining credit for investment in certain depreciable property).

(13) Subpart F of such part IV (relating to rules for determining credit for employment of certain new employees).

Subtitle B—Exclusions

PART I—REPEALS

SEC. 211. REPEALS.

The following sections are hereby repealed:

(1) Section 104 (relating to compensation for injuries or sickness).

(2) Section 116 (relating to partial exclusion of dividends received by individuals).

(3) Section 120 (relating to amounts received under qualified group legal service plans).

(4) Section 124 (relating to qualified transportation furnished by employer).

(5) Section 305(e) (relating to dividend reinvestment in public utilities).

(6) Section 621 (relating to payments to encourage exploration, development, and mining for defense purposes).

PART II—OTHER CHANGES

SEC. 212. CHANGE OF EARNED INCOME CREDIT MAXIMUM AMOUNT.

(a) IN GENERAL.—Subsection (a) of section 32 (relating to earned income credit) is amended—

(1) by striking out "11 percent" and inserting in lieu thereof "15", and

(2) by striking out "$5,000" and inserting in lieu thereof "$4,000".

(b) PHASEOUT OF CREDIT.—Subsection (b) of such section 32 is amended to read as follows:

"(b) LIMITATION.—The amount of the credit allowable to a taxpayer under subsection (a) shall not exceed the excess (if any) of—

"(1) $600, over

"(2) 15 percent of so much of the adjusted gross income (or, if greater, the earned income) of the taxpayer for the taxable year as exceeds $4,000."

(c) ADJUSTMENTS SO THAT INFLATION WILL NOT REDUCE THE VALUE OF CREDIT.—

"(1) IN GENERAL.—Not later than December 15 of 1985 and each subsequent calendar year thereafter, the Secretary shall prescribe the amounts which shall apply in lieu of—

"(A) the $4,000 amount contained in subsections (a), (b)(2), and (f)(2)(B),

"(B) the $600 amount contained in subsection (b)(1), and

(C) the $8,000 amount contained in subsections (f)(2) (A) and (B),

with respect to taxable years beginning in the succeeding calendar year.

"(2) METHOD OF ADJUSTING AMOUNTS.—The amounts which shall apply in lieu of the amounts referred to in paragraph (1) (A), (B), and (C) with respect to taxable years beginning in any calendar year shall be prescribed by increasing each such amount by the cost-of-living adjustment (as defined in section 63(d)(2)(C)) for such calendar year. If such increase is not a multiple of $10, such increase shall be rounded to the nearest multiple of $10 (or if such increase is a multiple of $5 but not a multiple of $10, such increase shall be increased to the next multiple of $10)."

(d) TECHNICAL AMENDMENT.—Paragraph (2) of subsection (f) of such section 32 is amended—

(1) in subparagraph (A) by striking out "$11,000" and inserting in lieu thereof "$8,000", and

(2) in subparagraph (B) by striking out "$6,500 and $11,000" and inserting in lieu thereof "$4,000 and $8,000".

SEC. 213. TAXATION OF UNEMPLOYMENT COMPENSATION.

(a) IN GENERAL.—Subsection (a) of section 85 (relating to unemployment compensation) is amended to read as follows:

"(a) IN GENERAL.—Gross income includes any unemployment compensation received by the taxpayer during the taxable year."

(b) CONFORMING AMENDMENT.—Section 85 is amended by striking out subsection (b) and redesignating subsection (c) as subsection (b).

SEC. 214. TAXATION OF ANNUAL INCREASE IN CASH SURRENDER VALUE OF LIFE INSURANCE POLICIES.

(a) IN GENERAL.—Part II of subchapter B of chapter 1 (relating to amounts specifically included in gross income) is amended by adding at the end thereof the following new section:

"SEC. 89. INCOME ATTRIBUTABLE TO LIFE INSURANCE, ANNUITY, OR ENDOWMENT CONTRACTS.

"(a) IN GENERAL.—There shall be included in the gross income for the taxable year of the owner of any annuity, life insurance, or endowment contract an amount equal to the excess of—

"(1) the sum of—

"(A) any change in the cash surrender value of such contract during the policy year ending with or within such taxable year,

"(B) any withdrawals during such policy year under such contract,

"(C) the cost of insurance provided during such policy year under such contract, and

"(D) any policyholder dividends paid during such policy year under such contract, over

"(2) the amount of premiums paid during such policy year under such contract.

"(b) CARRYOVER.—If the amount described in paragraph (2) of subsection (a) exceeds the amount determined under paragraph (1) of subsection (a) for any policy year, the amount of such excess shall be treated as a premium paid during the following policy year under the contract.

"(c) INSURANCE COMPANIES TO REPORT TO POLICYHOLDER AND TO THE SECRETARY.—The insurance company (or other payor) under any annuity, life insurance, or endowment contract shall, after the close of each policy year, report to the owner of the contract, and to the Secretary, such information as may be necessary for purposes of this section.

"(d) COORDINATION WITH SECTION 72.—For purposes of section 72, any amount included in gross income under this section with respect to any annuity, life insurance, or endowment contract shall be treated as consideration paid for such contract.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary for purposes of this section."

(b) CLERICAL AMENDMENT.—The table of sections for part II of subchapter B of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 89. Income attributable to life insurance, annuity, or endowment contracts."

SEC. 215. LIMITATION ON PRIVATE-PURPOSE TAX-EXEMPT BONDS.

(a) REPEAL OF TAX EXEMPTION FOR INDUSTRIAL DEVELOPMENT BONDS.—Each paragraph of section 103(b) (relating to industrial development bonds) other than paragraphs (1), (2), and (3) is hereby repealed.

(b) REPEAL OF TAX EXEMPTION FOR MORTGAGE SUBSIDY BONDS.—Section 103A is amended to read as follows:

"SEC. 103A. MORTGAGE SUBSIDY BONDS.

"(a) GENERAL RULE.—Any mortgage subsidy bond shall be treated as an obligation not described in subsection (a) of section 103.

"(b) MORTGAGE SUBSIDY BOND DEFINED.—For purposes of this title, the term 'mortgage subsidy bond' means any obligation which is issued as part of an issue a significant part of the proceeds of which is to be used directly or indirectly for mortgages (or other owner financing) on owner-occupied residences."

(c) REPEAL OF TAX EXEMPTION FOR CERTAIN PRIVATE PURPOSE BONDS.—

(1) IN GENERAL.—

(A) Subsection (a) of section 103 is amended to read as follows:

"(a) GENERAL RULE.—Gross income does not include interest on the obligations of a State, a territory, or a possession of the United States, or any political subdivision of any of the foregoing, or of the District of Columbia."

(B) Subsection (e) of section 103 is amended to read as follows:

"(e) CERTAIN PRIVATE PURPOSE BONDS.—Any obligation which is issued as part of an issue all or a major portion of the proceeds of which are to be used (directly or indirectly)—

"(1) to finance loans to individuals for educational expenses, or

"(2) by an organization described in section 501(c)(3) which is exempt from taxation under section 501(a),

shall be treated as an obligation not described in subsection (a)."

(2) CONFORMING AMENDMENTS.—

(A) Subsections (b)(1) and (c)(1) of section 103 are each amended by striking out "subsection (a) (1) or (2)" each place it appears and inserting in lieu thereof "subsection (a)".

(B) Paragraph (3) of section 103(b) (defining exempt person) is amended to read as follows:

"(3) EXEMPT PERSON.—For purposes of paragraph (2)(A), the term 'exempt person' means a governmental unit."

(C) Subsections (d), (e), (g), (h), (k), (l), (n), and (o) of section 103 are hereby repealed.

SEC. 216. REPEAL OF STOCK FOR DEBT EXCEPTION FOR PURPOSES OF DETERMINING INCOME FROM DISCHARGE OF INDEBTEDNESS.

Subsection (e) of section 108 (relating to income from discharge of indebtedness) is amended by adding at the end thereof the following new paragraph:

"(10) INDEBTEDNESS SATISFIED BY CORPORATION'S STOCK.—For purposes of determining income of the debtor from discharge of indebtedness, if a debtor corporation transfers its stock to a creditor in satisfaction of its indebtedness, such corporation shall be treated as having satisfied the indebtedness with an amount of money equal to the fair market value of the stock. In the case of a debtor in a title 11 case or when the debtor is insolvent, paragraph (8) (and not this paragraph) shall apply."

SEC. 217. SCHOLARSHIP AND FELLOWSHIP EXCLUSION LIMITED TO TUITION AND RELATED EXPENSES.

(a) GENERAL RULE.—Subsections (a) and (b) of section 117 (relating to scholarships and fellowships) are amended to read as follows:

"(a) IN GENERAL.—In the case of an individual who is a candidate for a degree at an educational organization described in section 170(b)(1)(A)(ii), gross income does not include any amount received as—

"(1) a scholarship, or

"(2) a fellowship grant,

to the extent such amount is used for qualified tuition and related expenses (within the meaning of subsection (c)(2)).

"(b) PAYMENT FOR TEACHING, RESEARCH, ETC.—Subsection (a) shall not apply to that portion of any amount received which represents payment for teaching, research, or other services in the nature of part-time employment required as a condition to receiving the scholarship or the fellowship grant. If teaching, research, or other services are required of all candidates (whether or not recipients of scholarships or fellowship grants) for a particular degree as a condition to receiving such degree, such teaching, research, or other services shall not be regarded as part-time employment within the meaning of this subsection."

(b) CLARIFICATION OF DEFINITION OF QUALIFIED TUITION AND RELATED EXPENSES.—

(1) Clause (i) of section 117(c)(2)(A) is amended by striking out "at an institution of higher education" and inserting in lieu thereof "at an educational organization described in section 170(b)(1)(A)(ii)".

(2) Subparagraph (B) of section 117(c)(1) is amended by inserting "at an institution of higher education" after "qualified tuition and related expenses".

SEC. 218. TERMINATION OF TAX EXEMPTION FOR DEPOSITS INTO, AND WITHDRAWALS FROM, THE CAPITAL CONSTRUCTION FUND UNDER SECTION 607 OF THE MERCHANT MARINE ACT, 1936.

(a) TAXATION OF DEPOSITS.—Subsection (d) of section 607 of the Merchant Marine Act, 1936 (relating to nontaxability for deposits) is hereby repealed.

(b) ALL WITHDRAWALS TREATED AS NONQUALIFIED.—Subsection (f) of such section 607 is amended by adding at the end thereof the following new paragraph:

"(3) No withdrawal after December 31, 1985, shall be treated as a qualified withdrawal."

SEC. 219. REDUCTION IN AMOUNT OF SOCIAL SECURITY BENEFITS INCLUDED IN GROSS INCOME.

Paragraphs (1) and (2) of subsection (a) and clause (ii) of subsection (b)(1)(A) of section 86 (relating to social security and tier 1 railroad retirement benefits) are each amended by striking out "one-half" and inserting in lieu thereof "one-quarter".

Subtitle C—Deductions

PART I—REPEALS

SEC. 221. REPEALS.

The following provisions are hereby repealed:

(1) Subsections (c)(3), (e), and (h) of section 165 (relating to deduction for casualty and theft losses).

(2) Section 196 (relating to deduction for unused business credits).

(3) Section 221 (relating to deduction for two-earner married couples).

PART II—OTHER CHANGES

SEC. 226. REPEAL OF DEDUCTION FOR STATE AND LOCAL INCOME, SALES, AND PERSONAL PROPERTY TAXES.

Subsection (a) of section 164 (relating to deduction for taxes) is amended—

(1) by striking out paragraphs (2) and (4),

(2) by redesignating paragraphs (3) and (5) as paragraphs (2) and (3) respectively,

(3) in paragraph (2) (as redesignated by paragraph (2)), by striking out "income, war profits," and inserting in lieu thereof "war profits and", and

(2) by inserting after paragraph (3) (as redesignated by paragraph (2)) the following new paragraph:

"(4) Foreign income taxes."

SEC. 227. INCREASE IN FLOOR ON MEDICAL DEDUCTION.

Subsection (a) of section 213 (relating to medical, dental, etc., expenses) is amended by striking out "5 percent" and inserting in lieu thereof "10 percent".

SEC. 228. REPEAL OF DEDUCTION FOR CONSUMER INTEREST.

(a) IN GENERAL.—Section 163 (relating to interest expenses) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) DENIAL OF DEDUCTION FOR CERTAIN CONSUMER INTEREST.—

"(1) IN GENERAL.—No deduction shall be allowed under subsection (a) for any consumer interest.

"(2) CONSUMER INTEREST DEFINED.—For purposes of this subsection, the term 'consumer interest' means any interest which is allowable as a deduction under this chapter solely by reason of this section, except that such term does not include any interest on any indebtedness the proceeds of which were used exclusively—

"(A) to acquire, construct, or rehabilitate any residential property, or

"(B) to pay educational expenses of the taxpayer, the taxpayer's spouse, or any dependent (as such term is defined in section 152) of the taxpayer."

Subtitle D—Adjustment to Basis; Changes in Certain Special Capital Gains Treatment Provisions

SEC. 231. ADJUSTMENTS TO BASIS TO ALLOW FOR INFLATION.

(a) IN GENERAL.—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

"(a) GENERAL RULE.—

"(1) INDEXED BASIS SUBSTITUTED FOR ADJUSTED BASIS.—Except as provided in paragraph (2), if an indexed asset is sold or otherwise disposed of, for purposes of this title the indexed basis of the asset shall be substituted for its adjusted basis.

"(2) EXCEPTION FOR DEPRECIATION, ETC.—The deduction for depreciation, depletion, and amortization shall be determined without regard to the application of paragraph (1) to the taxpayer or any other person.

"(b) INDEXED ASSET.—

"(1) IN GENERAL.—For purposes of this section, the term 'indexed asset' means any capital asset (within the meaning given to such term by section 1221) and property used in the trade or business (within the meaning given to such term by section 1231 applied without regard to any minimum holding period).

"(2) CERTAIN PROPERTY EXCLUDED.—For purposes of this section, the term 'indexed asset' does not include—

"(A) CREDITOR'S INTEREST.—Any interest in property which is in the nature of a creditor's interest.

"(B) OPTIONS.—Any option or other right to acquire an interest in property.

"(C) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (i)(1)).

"(D) CERTAIN PREFERRED STOCK.—Stock which is fixed and preferred as to dividends and does not participate in corporate growth to any significant extent.

"(E) STOCK IN CERTAIN CORPORATIONS.—Stock in—

"(i) an electing small business corporation (within the meaning of section 1371(b)), and

"(ii) a foreign corporation.

"(3) EXCEPTION FOR STOCK IN FOREIGN CORPORATION WHICH IS REGULARLY TRADED ON NATIONAL OR REGIONAL EXCHANGE.—Clause (ii) of paragraph (2)(E) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis other than—

"(A) stock of a foreign investment company (within the meaning of section 1246(b)), and

"(B) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

"(c) INDEXED BASIS.—For purposes of this section—

"(1) IN GENERAL.—The indexed basis for any asset is—

"(A) the adjusted basis of the asset, multiplied by

"(B) the applicable inflation ratio.

"(2) APPLICABLE INFLATION RATIO.—The applicable inflation ratio for any asset is the percentage arrived at by dividing—

"(A) the gross national product deflator for the calendar quarter in which the disposition takes place, by

"(B) the gross national product deflator for the calendar quarter in which the asset was acquired by the taxpayer (or, if later, the calendar quarter ending December 31, 1985).

The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest 1/10 of 1 percent.

"(3) GROSS NATIONAL PRODUCT DEFLATOR.—The gross national product deflator for any calendar quarter is the implicit price deflator for the gross national product for such quarter (as shown in the first revision thereof).

"(d) SPECIAL RULES.—For purposes of this section—

"(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

"(A) A substantial improvement to property.

"(B) In the case of stock of a corporation, a substantial contribution to capital.

"(C) Any other portion of an asset to the extent that separate treatment of such portion is appropriate to carry out the purposes of this section.

"(2) ASSETS WHICH ARE NOT INDEXED ASSETS THROUGHOUT HOLDING PERIOD.—

"(A) IN GENERAL.—The applicable inflation ratio shall be appropriately reduced for calendar months at any time during which the asset was not an indexed asset.

"(B) CERTAIN SHORT SALES.—For purposes of applying subparagraph (A), an asset shall be treated as not an indexed asset for any short sale period during which the taxpayer or the taxpayer's spouse sells short property substantially identical to the asset. For purposes of the preceding sentence, the short sale period begins on the day after the substantially identical property is sold and ends on the closing date for the sale.

"(3) TREATMENT OF CERTAIN DISTRIBUTIONS.—A distribution with respect to stock in a corporation which is not a dividend shall be treated as a disposition.

"(4) SECTION CANNOT INCREASE ORDINARY LOSS.—To the extent that (but for this paragraph) this section would create or increase a net ordinary loss to which the second sentence of section 1231(a) applies or an ordinary loss to which any other provision of this title applies, such provision shall not apply. The taxpayer shall be treated as having a long-term capital loss in an amount equal to the amount of the ordinary loss to which the preceding sentence applies.

"(5) ACQUISITION DATE WHERE THERE HAS BEEN PRIOR APPLICATION OF SUBSECTION (a)(1) WITH RESPECT TO THE TAXPAYER.—If there has been a prior application of subsection (a)(1) to an asset while such asset was held by the taxpayer, the date of acquisition of such asset by the taxpayer shall be treated as not earlier than the date of the most recent such prior application.

"(6) COLLAPSIBLE CORPORATIONS.—The application of section 341(a) (relating to collapsible corporations) shall be determined without regard to this section.

"(e) CERTAIN CONDUIT ENTITIES.—

"(1) REGULATED INVESTMENT COMPANIES; REAL ESTATE INVESTMENT TRUSTS; COMMON TRUST FUNDS.—

"(A) IN GENERAL.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

"(B) RATIO OF 90 PERCENT OR MORE.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

"(C) RATIO OF 10 PERCENT OR LESS.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

"(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.—Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

"(E) QUALIFIED INVESTMENT ENTITY.—For purposes of this paragraph, the term 'qualified investment entity' means—

"(i) a regulated investment company (within the meaning of section 851),

"(ii) a real estate investment trust (within the meaning of section 856), and

"(iii) a common trust fund (within the meaning of section 584).

"(2) PARTNERSHIPS.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners.

"(3) SUBCHAPTER S CORPORATIONS.—In the case of an electing small business corporation, the adjustment under subsection (a) at the corporate level shall be passed through to the shareholders.

"(f) DISPOSITIONS BETWEEN RELATED PERSONS.—

"(1) IN GENERAL.—This section shall not apply to any sale or other disposition of property between related persons except to the extent that the basis of such property in the hands of the transferee is a substituted basis.

"(2) RELATED PERSONS DEFINED.—For purposes of this section, the term 'related persons' means—

"(A) persons bearing a relationship set forth in section 267(b), and

"(B) persons treated as single employer under subsection (b) or (c) of section 414.

"(g) DISPOSITIONS OF RECOVERY PROPERTY.—In the case of an asset which is recovery property (within the meaning of section 168), the amount determined by applying to the unadjusted basis of such recovery property (as determined under section 168(d)) immediately before the disposition the applicable percentage determined in accordance with the following table shall be treated as the adjusted basis of such property for purposes of subsection (a):

"If the recovery year in which the disposition takes place is:	The applicable percentage for the class of property is: 4-year	6-year	15-year	20-year public utility	25-year real property
1	87	93	98	99	99
2	59	76	92	96	97
3	30	58	86	92	94
4	0	39	80	88	91
5		20	74	83	88
6		0	67	79	85
7			60	75	82
8			53	70	79
9			45	65	75
10			37	60	72
11			30	55	68
12			23	50	64
13			16	44	60
14			8	39	56
15			0	33	52
16				27	47
17				20	43
18				14	38
19				7	33
20				0	28
21					23
22					17
23					12
24					6
25					0.

"(h) ELECTION TO DISREGARD INDEXED BASIS.——

"(1) IN GENERAL.—At the election of the taxpayer, the indexed basis shall not be substituted for the adjusted basis in determining gain or loss from the sale or exchange of indexed assets for the taxable year.

"(2) TIME, MANNER, AND SCOPE OF ELECTION.—An election under paragraph (1) with respect to any taxable year shall—

"(A) be made at such time and in such manner as the Secretary shall prescribe by regulations, and

"(B) apply to the sale or disposition of all indexed assets by the taxpayer during the taxable year.

Such an election, once made, shall be irrevocable with respect to such taxable year.

"(i) TRANSFERS TO INCREASE INDEXING ADJUSTMENT OR DEPRECIATION ALLOWANCE.—If any person transfers cash, debt, or any other property to another person and the principal purpose of such transfer is—

"(1) to secure or increase an adjustment under subsection (a), or

"(2) to increase (by reason of an adjustment under subsection (a)) a deduction for depreciation, depletion, or amortization,

the Secretary may disallow part or all of such adjustment or increase.

"(j) DEFINITIONS.—For purposes of this section—

"(1) NET LEASE PROPERTY DEFINED.—The term 'net lease property' means leased real property where—

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

"(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property.

"(2) STOCK INCLUDES INTEREST IN COMMON TRUST FUND.—The term 'stock in a corporation' includes any interest in a common trust fund (as defined in section 584(a)).

"(k) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section."

(b) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of such chapter 1 is amended by inserting after the item relating to section 1021 the following new item:

"Sec. 1022. Indexing of certain assets for purposes of determining gain or loss."

SEC. 232. CHANGES IN SPECIAL TREATMENT OF CAPITAL GAINS AND LOSSES.

(a) ALTERNATIVE TAX FOR CORPORATIONS.—Subsection (a) of section 1201 (relating to alternative tax for corporations) is amended to read as follows:

"(a) CORPORATIONS.—If for any taxable year a corporation has a net capital gain from the sale or exchange of any capital asset which is not an indexed asset (as defined in section 1022) or is an indexed asset subject to election by the taxpayer under section 1022(h), then, in lieu of the tax imposed by sections 11, 511, 821 (a) or (c) and 831(a), there is hereby imposed a tax (if such tax is less than the tax imposed by such sections) which shall consist of the sum of—

"(1) a tax computed on the taxable income reduced by the amount of such net capital gain, at the rates and in the manner as if this subsection had not been enacted, plus

"(2) a tax of 20 percent of such net capital gain."

(b) AMOUNT OF ALTERNATIVE TAX ON INDEXED ASSETS.—Subsection (a) of section 1201 is amended by adding at the end thereof the following new paragraph:

"(3) AMOUNT OF ALTERNATIVE TAX ON INDEXED ASSETS.—The amount of the tax imposed by paragraph (2)(A) shall be the sum of—

"(A) 15 percent of so much of the net capital gain as does not exceed $50,000;

"(B) 25 percent of so much of the net capital gain as exceeds $50,000 but does not exceed $100,000; and

"(C) 35 percent of so much of the net capital gain as exceeds $100,000."

(c) SPECIAL TREATMENT FOR CAPITAL GAINS OF INDIVIDUALS.—

(1) IN GENERAL.—Section 1202 (relating to deductions for capital gains is amended to read as follows:

"(a) IN GENERAL.—If, in the case of an individual, the taxpayer has a net capital gain for the taxable year, and if—

"(1) such gain is derived from the sale or exchange of assets which are not indexed assets (as defined in section 1022) or

"(2) the taxpayer has made an election under section 1022(h) to disregard the indexed basis of indexed assets in determining capital gains or losses for the taxable year,

40 percent of the amount of such gain shall be excluded from gross income of such individual for such taxable year.

"(b) ESTATES AND TRUSTS.—In the case of an estate or trust, the computation of any exclusion under subsection (a) for the taxable year shall not take into account the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includible by the income beneficiaries as gain derived from the sale or exchange of capital assets."

(d) CAPITAL LOSSES OF INDIVIDUALS; CARRYOVER OF THE EXCESS OF SUCH LOSSES OVER GROSS INCOME ALLOWED.—

(1) REPEAL OF LIMITATION ALLOWING DEDUCTION ONLY TO EXTENT OF CERTAIN NET LOSSES OVER NET GAINS.—Subparagraph (C) of section 1211(b)(1) (relating to limitation on deduction of capital losses) is hereby repealed.

(2) CARRYFORWARD ALLOWED.—Subsection (b) of section 1212 (relating to carryovers for taxpayers other than corporations) is amended to read as follows:

"(b) OTHER TAXPAYERS.—

"(1) GENERAL RULE.—If an individual taxpayer has capital losses for any taxable year which exceed an amount equal to—

"(A) the gross income of the taxpayer for the taxable year, reduced by

"(B) the sum of the deductions allowed by this chapter for the taxable year (determined in accordance with paragraph (2)),

such excess amount shall be treated as a capital loss in the succeeding taxable year.

"(2) DETERMINATION OF SUM OF DEDUCTIONS.—In determining the sum of the deductions allowable under this chapter for the taxable year for purposes of paragraph (1)(B)—

"(A) the amount of any capital loss incurred in the taxable year shall not be taken into account, and

"(B) the amount of any capital losses incurred in the preceding taxable year which may be treated, under this subsection, as capital losses incurred in the taxable year shall be taken into account."

TITLE III—CAPITAL COST RECOVERY

Subtitle A—Neutral Cost Recovery System for Depreciable Property

SEC. 301. MODIFICATION AND REDESIGNATION OF ACCELERATED COST RECOVERY SYSTEM.

(a) RECOVERY PERIODS FOR ALL RECOVERY PROPERTY EXTENDED.—Paragraph (2) of section 168(c) (defining classes of property) is amended to read as follows:

"(2) CLASSES OF RECOVERY PROPERTY.—Each item of recovery property shall be assigned to one of the following classes of property:

"(A) 4-YEAR PROPERTY.—The term '4-year property' means section 1245 class property—

"(i) with a present class life of 4 years or less; or

"(ii) used in connection with research and experimentation.

"(B) 6-YEAR PROPERTY.—The term '6-year property' means recovery property which is section 1245 class property and is not 4-year property, 15-year property, or 20-year public utility property.

"(C) 15-YEAR PROPERTY.—The term '15 year property' means—

"(i) public utility property (other than section 1250 class property or 4-year property) with a present class life of more than 18 years but not more than 25 years; and

"(ii) section 1250 class property with a class life of 12.5 years or less.

"(D) 20-YEAR PUBLIC UTILITY PROPERTY.—The term '20-year public utility property' means public utility property (other than section 1250 class property or 4-year property) with a present class life of more than 25 years.

"(E) 25-YEAR REAL PROPERTY.—The term '25 year real property' means section 1250 class property which—

"(i) does not have a class life of 12.5 years or less, and

"(ii) is not low income housing.

"(F) LOW INCOME HOUSING.—The term 'low income housing' means property described in clause (i), (ii), (iii), or (iv) of section 1250(a)(1)(B).

"(G) SPECIAL RULE FOR THEME PARKS, ETC.—For purposes of subparagraphs (C) and (D), a building (and its structural components) shall not be treated as having a present class life of 12.5 years or less by reason of any other use than the use for which such building was first placed in service."

(b) AMOUNT OF DEDUCTION.—Paragraph (1) of section 168(b) (relating to amount of deduction) is amended to read as follows:

"(1) IN GENERAL.—Except as otherwise provided in this section, the amount of the deduction allowable by subsection (a) for any taxable year shall be the product of—

"(A) the applicable inflation ratio, and

"(B) the aggregate amount determined by applying to the unadjusted basis of recovery property the applicable percentage determined in accordance with the following table:

	The applicable percentage for the class of property is:				
	4-year	6-year	15-year	20-year public utility	25-year real property
"If the recovery year is:					
1	16	10	5	4	4
2	30	20	9	7	6
3	30	20	9	7	6
4	30	20	9	7	6
5		20	9	7	6
6		20	9	7	6
7			9	7	6
8			9	7	7
9			9	7	6
10			9	7	6
11			8	7	6
12			8	7	6
13			8	7	6
14			8	7	6
15			8	7	6
16				7	6
17				7	6
18				7	6
19				7	6
20				7	6
21					6
22					6
23					6
24					6
25					6."

(c) APPLICABLE INFLATION RATIO.—Subsection (d) of section 168 (relating to unadjusted basis and adjustments) is amended by adding at the end thereof the following new paragraph:

"(3) APPLICABLE INFLATION RATIO DEFINED.—For purposes of this section—

"(A) IN GENERAL.—The term 'applicable inflation ratio' has the meaning given to such term by section 1022(c)(2).

"(B) APPLICATION OF DEFINITION TO RECOVERY PROPERTY.—Subparagraph (A) of section 1022(c)(2) shall be applied by substituting 'in which the taxable year ends' for 'in which the disposition takes place'. Subparagraph (B) of such section shall be applied by substituting 'recovery property' for 'asset'."

(d) CERTAIN EXPENDITURES TREATED AS RECOVERY PROPERTY.—Section 168 is amended by redesignating subsection (k) as subsection (l) and by inserting after subsection (j) the following new subsection:

"(j) CERTAIN EXPENDITURES TREATED IN THE SAME MANNER AS RECOVERY PROPERTY.—

"(1) IN GENERAL.—For purposes of this section—

"(A) research and experimental expenditures, and

"(B) intangible drilling or development costs in the case of any oil or gas wells or wells drilled for geothermal deposit (as defined in section 613(e)(3) (as in effect on the day before the enactment of this Act)),

which are paid or incurred by the taxpayer during the taxable year may be treated in the same manner as recovery property. The amount of any such expenditure shall be

treated as the unadjusted basis in applying this section to such expenditure.

"(2) CLASS OF PROPERTY.—The Secretary shall prescribe by regulations—

"(A) the class (or classes) of property to which the expenditures described in paragraph (1), or

"(B) the manner in which each such expenditure may be assigned to a class.

"(3) LAND.—This subsection shall not apply to any expenditure for the acquisition of land."

(e) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 168(b) is hereby repealed.

(2) Section 168 is amended—

(A) by striking out "3-year property" each place such term appears and inserting in lieu thereof "4-year property",

(B) by striking out "5-year property" each place such term appears and inserting in lieu thereof "6-year property",

(C) by striking out "10-year property" each place such term appears and inserting in lieu thereof "15-year property",

(D) by striking out "15-year public utility property" each place such term appears and inserting in lieu thereof "20-year public utility property", and

(E) by striking out "18-year real property" each place such term appears and inserting in lieu thereof "25-year real property".

(f) CLERICAL AMENDMENT.—The heading for section 168 is amended to read as follows:

"SEC. 168. NEUTRAL COST RECOVERY SYSTEM."

Subtitle B—Other Changes

PART I—REPEALS

SEC. 311. REPEALS.

The following provisions are hereby repealed:

(1) Section 174 (relating to research and experimental expenditures).

(2) Section 175 (relating to soil and water conservation expenditures).

(3) Section 178 (relating to depreciation or amortization of improvements made by lessee on lessor's property).

(4) Section 182 (relating to expenditures by farmers for clearing land).

(5) Section 194 (relating to amortization of reforestation expenditures).

(6) Section 263(c) (relating to intangible drilling and development costs in the case of oil and gas wells and geothermal wells).

(7) Sections 613, 613A, and 614 (relating to percentage depletion).

(8) Section 616 (relating to development expenditures).

(9) Section 617 (relating to deduction and recapture of certain mining exploration expenditures).

PART II—OTHER CHANGES

SEC. 316. 10-YEAR AMORTIZATION OF CONSTRUCTION PERIOD INTEREST AND TAXES.

(a) GENERAL RULE.—Subsection (b) of section 189 (relating to amortization of amounts charged to capital account) is amended to read as follows:

"(b) AMORTIZATION OF AMOUNTS CHARGED TO CAPITAL ACCOUNT.—Any amount paid or accrued which would (but for subsection (a)) be allowable as a deduction for the taxable year in which paid or accrued shall be allowed as a deduction ratably over the 10-year period beginning with such taxable year."

(b) ELIMINATION OF CERTAIN EXCEPTIONS.—Subsection (d) of section 189 (relating to certain property excluded) is amended to read as follows:

"(d) CERTAIN PROPERTY EXCLUDED.—This section shall not apply to any real property acquired, constructed, or carried if such property is not, and cannot reasonably be expected to be, held in a trade or business or in an activity conducted for profit."

SEC. 317. CIRCULATION EXPENDITURES.

Section 173 (relating to circulation expenditures) is amended to read as follows:

"SEC. 173. CIRCULATION EXPENDITURES.

"(a) GENERAL RULE.—Expenditures (other than expenditures for the purchase of land or depreciable property or for the acquisition of circulation through the purchase of any part of the business of another publisher of a newspaper, magazine, or other periodical) to establish, maintain, or increase the circulation of a newspaper, magazine, or other periodical shall be allowed as a deduction ratably over the 5-year period beginning with the taxable year in which such expenditure was made.

"(b) EXCEPTION.—Subsection (a) shall not apply with respect to any portion of the expenditure as (under regulations prescribed by the Secretary) is chargeable to capital account if the taxpayer elects, in accordance with such regulations, to treat such portion as so chargeable. Such election, if made, must be for the total amount of such portion of the expenditure which is so chargeable to capital account, and shall be binding for all subsequent taxable years unless, upon application by the taxpayer, the Secretary permits a revocation of such election subject to such conditions as he deems necessary."

SEC. 318. DEPLETION ALLOWANCE DEDUCTION FOR TIMBER REPEALED.

Subsection (a) of section 611 (allowing deduction for depletion) is amended by striking out "and timber,".

TITLE IV—MISCELLANEOUS PROVISIONS

Subtitle A—Foreign Income

SEC. 401. REPEAL OF DISC.

(a) Section 991 (relating to tax exemption of a DISC) is amended by adding at the end thereof the following: "This section shall not apply to any taxable year beginning after December 31, 1985."

(b) Section 992(a) (defining DISC) is amended by adding at the end thereof the following new paragraph:

"(4) TERMINATION.—No corporation shall be treated as a DISC for any taxable year beginning after December 31, 1985."

(c) Section 995(b)(2) (relating to deemed distributions upon DISC disqualification) is amended by adding at the end thereof the following new subparagraph:

"(C) A corporation which, by reason of the provisions of section 992(a)(4), is a former DISC, for its first taxable year beginning after December 31, 1985, shall be treated, for purposes of this paragraph, as having failed to satisfy the conditions of section 992(a)(1) for such taxable year."

Subtitle B—Other Miscellaneous Provisions

SEC. 411. METHOD OF ACCOUNTING FOR TAXPAYERS ENGAGED IN FARMING.

(a) GENERAL RULE.—The section heading and subsection (a) of section 447 (relating to method of accounting for corporations engaged in farming) are amended to read as follows:

"SEC. 447. METHOD OF ACCOUNTING FOR TAXPAYERS ENGAGED IN FARMING.

"(a) GENERAL RULE.—The taxable income from farming (including timber) shall be computed on an accrual method of accounting and with the capitalization of preproductive expenses described in subsection (b)."

(b) ACCRUAL METHOD NOT REQUIRED FOR TAXPAYERS HAVING GROSS RECEIPTS OF $1,000,000 OR LESS; REPEAL OF OTHER EXCEPTIONS.—Section 447 is amended by striking out subsections (c), (d), (e), (g), and (h) and by inserting after subsection (b) the following new subsection:

"(c) TAXPAYERS HAVING GROSS RECEIPTS OF $1,000,000 OR LESS.—

"(1) IN GENERAL.—This section shall not apply with respect to any taxpayer if for each prior taxable year of such taxpayer beginning after December 31, 1985 (December 31, 1975, in the case of a corporation), such taxpayer (and, in the case of a corporation, any predecessor) did not have gross receipts exceeding $1,000,000. For purposes of the preceding sentence, all taxpayers which are treated as a single employer under subsection (a) or (b) of section 52 (as in effect before its repeal) shall be treated as 1 taxpayer.

"(2) FARMING SYNDICATES SUBJECT TO ACCRUAL METHOD WITHOUT REGARD TO AMOUNT OF GROSS RECEIPTS.—Paragraph (1) shall not apply to any farming syndicate (as defined in section 464(c))."

SEC. 412. RECOGNITION OF GAIN OR LOSS ON DISTRIBUTIONS OF PROPERTY BY CORPORATIONS.

(a) DISTRIBUTION.—Section 311 (relating to taxability of corporation on distribution) is amended to read as follows:

"SEC. 311. TAXABILITY OF CORPORATION ON DISTRIBUTION.

"(a) GENERAL RULE.—Except as provided in subsection (b), gain or loss shall be recognized to a corporation on the distribution of property with respect to its stock in the same manner as if the property distributed had been sold to the distributee at its fair market value.

"(b) EXCEPTION FOR DEBT OF CORPORATION.—Subsection (a) shall not apply with respect to any distribution of an obligation of the corporation."

(b) DISTRIBUTIONS IN LIQUIDATION.—Section 336 (relating to distributions of property in liquidation) is amended to read as follows:

"SEC. 336. DISTRIBUTIONS OF PROPERTY IN LIQUIDATION.

"(a) GENERAL RULE.—Except as provided in subsection (b), gain or loss shall be recognized to a corporation on the distribution of property in complete liquidation in the same manner as if the property distributed had been sold to the distributee at its fair market value.

"(b) EXCEPTION WHERE BASIS DETERMINED UNDER SECTION 334(b).—Subsection (a) shall not apply to any liquidation under section 332 for which the basis of property received is determined under section 334(b)."

(c) REPEAL OF SECTION 337.—

(1) Section 337 (relating to gain or loss on sales or exchanges in connection with certain liquidations) is hereby repealed.

(2) ADJUSTMENTS TO SECTION 338.—

(A) Paragraph (1) of section 338(a) (relating to certain stock purchases treated as asset acquisitions) is amended by striking out "to which section 337 applies".

(B) Subsection (c) of section 338 is hereby repealed.

SEC. 413. ELIMINATION OF SPECIAL BAD DEBT RESERVES OF FINANCIAL INSTITUTIONS.

(a) BANKS.—

(1) Paragraph (1) of section 585(b) (relating to addition to reserves for bad debts of banks) is amended to read as follows:

"(1) GENERAL RULE.—For purposes of section 166(c), the reasonable addition to the reserve for bad debts of any financial institution to which this section applies shall be

an amount determined by the taxpayer which shall not exceed the addition to the reserve for losses on loans determined under the experience method as provided in paragraph (2)."

(2) Subsection (b) of section 585 is amended by striking out paragraphs (2) and (4) and by redesignating paragraph (3) as paragraph (2).

(b) OTHER FINANCIAL INSTITUTIONS.—Subsection (b) of section 593 (relating to addition to reserves for bad debts) is amended to read as follows:

"(b) ADDITION TO RESERVES FOR BAD DEBTS.—For purposes of section 166(c), the reasonable addition for the taxable year to the reserve for bad debts of any taxpayer described in subsection (a) shall be the amount determined to be a reasonable addition to the reserve to the extent such amount does not exceed an amount determined in the same manner as provided with respect to additions to the reserves for losses on loans of banks under section 585(b)(2)."

SEC. 414. LIBERALIZATION FOLLOWED BY REPEAL OF SOCIAL SECURITY EARNINGS TEST.

(a) LIBERALIZATION OF EARNINGS TEST.—Paragraph (3) of section 203(f) of the Social Security Act is amended—

(1) by striking out "33⅓ percent" and inserting in lieu thereof "25 percent", and

(2) by striking out "in the case of an individual who has attained retirement age (as defined in section 216(l)) before the close of such taxable year, or 50 percent of his earnings for such year in excess of such product in the case of any other individual,".

(b) LIBERALIZATION EFFECTIVE IN 1986.—Subsection (b) of section 347 of the Social Security Amendments of 1983 is amended by striking out "1989" and everything that follows thereafter through the period at the end and inserting in lieu thereof "1985".

(c) REPEAL OF EARNINGS TEST AFTER 1989.—Subsections (b) and (f) of section 203 of the Social Security Act are hereby repealed.

SEC. 415. WITHHOLDING TABLES TO REFLECT BROADENING OF TAX BASE AS OF EFFECTIVE DATE OF ACT.

Subsection (a) of section 3402 (relating to income tax collected at source) is amended by adding at the end thereof the following new paragraph:

"(4) CHANGES MADE BY THE FAIR AND SIMPLE TAX ACT OF 1985.—The Secretary shall modify the tables and procedures under paragraph (1) to reflect any repeals or amendments made by the Fair and Simple Tax Act of 1985, including repeals of or amendments to—

"(A) exclusions from gross income under this title, and

"(B) deductions from gross income and credits of tax allowed under this title,

which have the effect of broadening the tax base as well as the changes in tax rates under sections 101 and 102 of such Act.

TITLE V—EFFECTIVE DATES

SEC. 501. EFFECTIVE DATES.

(a) GENERAL RULE.—Except as otherwise provided in this Act, the amendments made by this Act shall apply to taxable years beginning after December 31, 1985.

(b) TRUST THROWBACK RULES.—The amendment made by section 131(b) shall apply with respect to income accumulated during taxable years of trusts beginning after December 31, 1985.

(c) CREDITS.—

(1) INVESTMENT TAX CREDIT.—The repeals made by section 201(2) shall apply to—

(A) property (to which section 46(d) of the Internal Revenue Code of 1954 does not apply) placed in service after December 31, 1985, and

(B) property to which such section 46(d) applies to the extent of qualified progress expenditures made after December 31, 1985.

(2) PRESERVATION OF EXISTING CARRYOVERS.—The repeals made by section 201 shall not apply to any carryover of an excess credit from a taxable year beginning before January 1, 1986, to a taxable year beginning after December 31, 1985; except that any carryover to a taxable year beginning after December 31, 1985, shall be reduced to an amount equal to 35/46 of the amount which would have been such carryover but for this paragraph.

(d) INCREASE IN CASH SURRENDER VALUE OF LIFE INSURANCE CONTRACTS.—The amendment made by section 214 shall apply with respect to policy years beginning after December 31, 1985.

(e) TAX-EXEMPT BONDS.—The amendments made by section 215 shall apply to obligations issued after December 31, 1985.

(f) INDEXED BASIS.—The amendments made by section 231 shall apply to dispositions after December 31, 1985, in taxable years ending after such date.

(g) CAPITAL GAINS AND LOSSES TREATMENT.—The amendments made by section 231 shall apply to gains and losses from sales or exchanges of capital assets after December 31, 1985, in taxable years beginning after such date.

(h) NEUTRAL COST RECOVERY SYSTEM.—The amendments made by section 301 shall apply with respect to property placed in service by the taxpayer after December 31, 1985.

(i) RECOGNITION OF GAIN OR LOSS ON DISTRIBUTIONS OF PROPERTIES BY CORPORATIONS.—

(1) The amendments made by subsections (a) and (b) of section 412 shall apply to distributions after December 31, 1985, in taxable years ending after such date.

(2) The amendments made by subsection (c) of section 412 shall apply to sales or exchanges after December 31, 1985, in taxable years ending after such date.

(j) REPEAL OF SOCIAL SECURITY EARNINGS TEST.—The amendments made by section 414(c) shall apply to taxable years beginning after December 31, 1989.

By Mr. BINGAMAN (for himself, Mr. HOLLINGS, and Mr. PRYOR):

S. 326. A bill to amend the Public Works and Economic Development Act of 1965 to authorize appropriations for additional fiscal years; to the Committee on Environment and Public Works.

PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT APPROPRIATION AUTHORIZATION

● Mr. BINGAMAN. Mr. President today I am introducing legislation to reauthorize the Economic Development Administration [EDA]. The bill is a simple reauthorization for an additional 2 years, through fiscal years 1985, 1986, and 1987. The bill makes no substantive changes in the program.

Since 1965, when EDA was first authorized as a successor to the Area Development Administration, it has provided an invaluable service to many of the neediest communities in each of the 50 States.

EDA's mission has been to generate new jobs and help protect existing jobs in economically distressed areas of the Nation. The Agency has administered a variety of successful programs which have increased personal incomes of individuals and enriched communities in distressed areas by providing the support necessary to create long-term jobs and lasting growth in the private sector. The program includes grants and loans for public works, business loans, and loan guarantees; and planning and technical assistance. In addition, grants are made to continue programs of economic development planning for States, cities, multicounty development districts, cooperating jurisdictions, and Indian tribes and councils. The services provided have improved the communities and lives of millions of Americans. It has helped needy communities to build roads, sewers, industrial parks, and much more.

EDA has had a tremendous impact on our States and communities. In my own State of New Mexico, countless numbers of individuals have been helped through EDA's grants. Over the past several years, EDA funding for New Mexico has exceeded $165,831,000, which was spent on some 585 different projects. EDA has been especially important to Indian tribes which have depended heavily upon EDA funding for many of their programs. Some 265 New Mexican Indian projects have received EDA funding over the past 3 years. These projects have ranged from the construction of tribal office buildings to the completion of irrigation improvement projects.

In spite of its success and flexibility the EDA has operated without congressional authorization since 1982. EDA appropriations have fallen from $668 million in fiscal year 1981 to $228 million for fiscal year 1986. While I am not proposing an increase in funding, it is time for us to once again affirm our support for the important time-tested EDA programs which have proven themselves to be of great value for nearly 20 years in all parts of this Nation. Reauthorization of the Agency is a reaffirmation of EDA's successful past. It is not a call for any new expenditure of funds, it would simply authorize the existence of the Agency.

A simple extension is not without precedent. Such was done in December 1980, when Congress reauthorized EDA for 2 years through fiscal year 1982. Congress at that time passed simple extension for 2 years, just as my bill calls for.

The future of the EDA is imperiled. I joined five of my colleagues earlier this month in introducing a resolution calling on the President to reconsider his intention to dismantle the EDA in

1986 and to restore EDA's obligated funding for 1985. This funding was impounded by the administration on January 8 of this year. The Senate must reaffirm its support for this important program.

I hope my colleagues will join me in calling for swift congressional approval of this bill.●

By Mr. MATHIAS (for himself and Mr. SARBANES):

S. 327. A bill to amend title 23, United States Code, to provide more flexibility in allocation of interstate substitute funds; to the Committee on Environment and Public Works.

ALLOCATION OF INTERSTATE SUBSTITUTE FUNDS

Mr. MATHIAS. Mr. President, I am delighted to introduce legislation that would enable the State of Maryland to complete construction on the remaining 18-mile gap in the National Freeway from Hancock to Cumberland in western Maryland.

The idea of building an interstate highway to cut through the Appalachian Mountains and link the networks of highways on either side of the peaks was conceived in the early 1970's. The new highway, now only partly built, is already an important route for shippers seeking the shortest and least costly route to consumers in the Midwest. The completion of this freeway would also be a significant shot in the arm for the ailing economy of the Appalachian region and a boon for the city of Baltimore, where there would be an infusion of business at the Port of Baltimore.

Since its conception, however, the effort to get the National Freeway built has been filled with frustrations. After a string of legal and financial barriers, the State of Maryland is eager to get the project underway. Recognizing the limited availability of Federal funds under the Appalachian Regional Commission Program, the State has decided to move forward with the project on its own and has developed a creative package to finance it. Officials from the State and the Baltimore area have agreed to divert funds from transportation projects in the city of Baltimore to the National Freeway.

In order to consummate that agreement, however, legislation is needed to revise the Interstate Substitution Concept Program. In establishing that program, the Congress set a deadline of September 30, 1983, for States to submit lists of transportation projects to which they planned to transfer Federal funds. Since Maryland officials at that time were still counting on direct Federal assistance for the freeway under the Appalachian Regional Commission Program, they did not include the project on their list of transfer projects.

Now that they have decided to put aside other federally-funded transportation projects in Baltimore in order to pay for completion of the National Freeway, they need to revise their list to include the freeway project. The legislation which I submit today would extend the deadline in the original law from September 30, 1983, to September 30, 1986, enabling Maryland to add the freeway to its list of substitution projects.

In addition to that small change in the Substitution Program law, one clarification is required. The Substitutional Program requires that all projects involved in a transfer of funds serve the same geographical area. The intent of that provision was to ensure that funds would not be grabbed from a region against the will of its people.

The National Freeway's service to the Baltimore area should be evident, given the favorable impact it will have on the area's economy and the Port of Baltimore. The fact that the mayor of the city, William Donald Schaefer, and the Baltimore county executive, Donald Hutchinson, have both agreed to this transfer is also telling. While it is clear to Marylanders that this project serves the same geographical area, this legislation will make that fact explicitly clear. It will do so by recognizing that if all parties agree to a transfer, it must be mutually beneficial and therefore serves the same geographical area.

The people who will benefit from the completion of the National Freeway are diverse. They are not only the miners and builders of western Maryland, but include also the dockworkers of Baltimore, the farmers of the Ohio Valley, and shippers and consumers throughout the East and the Midwest. I hope that my colleagues will find it possible to support this cost-free legislation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 327

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph 4 of section 103(e) of title 23, United States Code, is amended—

(1) by striking out "which will serve the area or areas from which the interstate route or portion thereof was withdrawn" in the second sentence,

(2) by striking out "area or areas to be served" in the second sentence and inserting in lieu thereof "area from which the interstate route, or portion thereof, was withdrawn", and

(3) by striking out the third sentences and inserting in lieu thereof the following new sentences: "The Secretary shall not approve any withdrawal of a route under this paragraph after September 30, 1983, except that the Secretary may approve withdrawals until September 30, 1986, on any route which on, May 12, 1982, was under a judicial injunction prohibiting the construction of such route. The Secretary may approve a substitute project under this paragraph after September 30, 1983 (or September 30, 1985, in the case of any route which was under a judicial injunction on May 12, 1982 prohibiting the construction of such route) only if the approval of such substitute project does not alter the aggregate amount of funds to which any State is entitled under this paragraph. The two preceding sentences shall not apply with respect to any route that, on November 6, 1978, was under a judicial injunction prohibiting the construction of such route.";

(4) by inserting after the eighteenth sentence (as redesignated by reason of paragraph (3) of this section) the following new sentences: "In September of each year, the Secretary shall adjust the last cost estimate submitted to reflect (1) changes in the amounts available to the Secretary under this paragraph, (2) changes in State estimates of the division of funds between substitute highway and transit projects, and (3) the allocation and apportionment of substitute highway funds in prior fiscal years. The Secretary shall use the Federal share of such adjusted estimate in making apportionments for substitute highway projects on October 1 of the year of adjustment if the Congress has not approved an interstate substitute cost estimate to make such apportionment."; and

(5) by inserting after the twenty-sixth sentence (as redesignated by reason of paragraphs (3) and (4) of this section) the following new sentence: "In September of each year, the Secretary shall adjust the last cost estimate submitted to reflect (1) changes in the amounts available to the Secretary under this paragraph, (2) changes in State estimates of the division of funds between substitute highway and transit projects, and (3) the allocation and apportionment of substitute transit funds in prior fiscal years. The Secretary shall use the Federal share of such adjusted estimate in making apportionments for substitute transit projects on October 1 of the year of adjustment if the Congress has not approved an interstate substitute cost estimate to make such apportionment.".

By Mr. HECHT (for himself, Mr. LAXALT, Mr. NICKLES, and Mr. SYMMS):

S. 329. A bill entitled the "Highway Speed Modification Act of 1985"; to the Committee on Commerce, Science, and Transportation.

HIGHWAY SPEED MODIFICATION ACT

Mr. HECHT. Mr. President, over 10 years ago, the United States experienced one of the most threatening and economically devastating situations ever witnessed by this country, that being the Arab oil embargo of the early 1970's. Drastic upheaval in American lifestyles transpired and for the first time in modern-day America, the abundance and convenience of life, which we all were used to, was severely restricted. As we watched energy prices increase fourfold, conservation became our initial goal with the most visible action being the lowering of speed limits on our roads and highways to 55 miles per hour. Enacted as a temporary provision in 1973, Con-

gress made the law permanent in 1974 and it has stood ever since.

As we all know, Mr. President, the situation is much different today. The American people responded to the oil embargo in a strong and resourceful fashion. Advanced technology has made our cars more fuel efficient, strict conservation was adhered to, and new ways were found to develop alternative energy sources. In the past few years, a renewed and strengthened American economy has created an environment where energy supplies are abundant, oil prices continue to decline, and the adverse effects of the embargo are all but forgotten.

Mr. President, as the memories of the oil embargo have faded, there is now great concern in many sectors of society over whether or not the original 55-mile-per-hour law is as effective and useful as it once was. A recently published report of the National Research Council clearly raised questions about the 55-mile-per-hour law and has cast doubt on the law's future. Generally approving the benefits of the 55-mile-per-hour limit, the National Research Council report acknowledges that while the law has been beneficial in reducing fuel consumption and traffic fatalities, in certain circumstances, speed limits might justifiably be allowed to be raised. Moreover, Mr. President, in the past few years, compliance with the 55-mile-per-hour law has dramatically decreased and States appear to have lost interest in enforcing the law, even with the threat of possibly losing Federal highway construction dollars.

The National Research Council report states that "as with many other policies that attempt to modify public behavior, the benefits of the 55-mile-per-hour speed limit diminished along with public awareness and compliance with the law." Indeed, Mr. President, compliance has decreased dramatically and it is now estimated that over 75 percent of all drivers today exceed the 55-mile-per-hour limit. While compliance diminishes, an interesting fact reflects the gains in highway safety made over the years; as the national average speed continues to increase, the national highway fatality figure continues to decrease.

The inadequacies of the current 55-mile-per-hour speed limit and the trend away from compliance have moved me to introduce today legislation that will modify the 1974 speed limit law. I want to assure my colleagues that this bill is in no way intended to repeal the law, for I believe, as the National Research Council indicates, that in certain circumstances, the 55-mile-per-hour speed limit is justified. On the other hand, for rural areas and on highways originally constructed to be traveled at higher speeds, some alteration in the law should be made. Basically, my law would do the following:

Allow each State to raise speed limits as high as 65 miles per hour on roads outside urban areas. Urban areas will be defined as communities with a population of 50,000 people or more.

It would give the States the right to determine which roads, outside urban areas, are suitable for higher speeds and it would hold speed limits within urban areas at the current 55 miles per hour.

Mr. President, America prospers today because of an administration that strives for less government and more self-determination by individuals and States. The bill I am introducing is a further step in that direction. It is a realistic and balanced approach, one that recognizes the benefits and problems of the 55-mile-per-hour speed limit while attempting to offer a rational and workable solution.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 329

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Subsection 154(a) of title 23, United States Code, is amended—

(1) by inserting "in any urbanized area" immediately after "highway" the first time it appears;

(2) by redesignating clause (2) in the first sentence as clause (3);

(3) by inserting immediately after "hour," the following: "(2) a maximum speed limit on any other public highway within its jurisdiction, as designated by the Governor or other appropriate State official, in excess of sixty-five miles per hour,"; and

(4) by changing "(2)" in the last sentence to "(3)."

SEC. 2. Subsection 154(f) of title 23, United States Code, is amended—

(1) by inserting "in any urbanized area" immediately after "hour" the first time it appears;

SEC. 3. Section 154 of title 23, United States Code is amended by adding the following new subsection—

(i) As used in this section the term "urbanized area" means any urbanized area identified in the Federal census of 1980.

By Mr. BURDICK:

S. 337. A bill to terminate the effect of provisions of the Voting Rights Act of 1963 that require bilingual ballots and election materials; to the Committee on the Judiciary.

VOTER PARTICIPATION

Mr. BURDICK. Mr. President, today I am introducing legislation to terminate the effect of provisions of the Voting Rights Act of 1965 that require bilingual ballots and election materials. I want to emphasize that this bill would not prohibit States and localities from printing bilingual or multilingual ballots. Rather, the Federal Government would no longer require such ballots and materials.

One of the major problems resulting from bilingual ballots is cost. In the general election of 1980, the counties of the State of California spent $862,756 on bilingual ballots, with costs reaching more than $50 per bilingual ballot request in many counties. While the cost of English ballots is usually less than $2 per registered voter, non-English ballots range from $6 upward. In one case, a county spent $6,619 producing foreign language ballots and not a single one was used. The General Accounting Office is doing a study of the costs incurred by States and localities under the bilingual ballot provisions for the election last November. The results are not yet available, but I look forward to receiving them so that we can get a better view of the tremendous expense the Federal Government is forcing on State and local governments by this ill-advised policy.

A second and more important problem is that bilingual ballots do not encourage non-English speakers to learn English. While I applaud one's ability to speak foreign languages, I think it is absolutely essential that citizens of the United States speak English. It is important for unity. It is important for stability. In essence, it is important for the future of this country. Any mechanism—and the bilingual ballot is one—that encourages one not to learn English is dangerous for American society. It is counterproductive to achieving and maintaining a common language. A common language is a goal for which we, as leaders of this country, should all strive.

I want to emphasize that the effect of a single language ballot would not be the disfranchisement of voters. Rather, the single language ballot is an attempt to bring non-English speaking citizens full force into the system. English is the language of politics and public debate. In order to cast informed votes, and in fact, in order to have an effective impact on public policy as a voter, candidate, or elected official, one must speak English.

In addition, efforts which would allow non-English speaking citizens to get along in this society are themselves disfranchising. In fact, bilingual ballots promote exactly that. The supposed beneficiaries can get along with bilingual ballots, but they do not become full participants in the process. In the long run, the result is much more damaging than the short-term price of forcing, if you will, everyone to know English.

Finally, let us look to the States and localities themselves for guidance on this issue. In 1983, the citizens of San Francisco qualified and passed by 63 percent an initiative in favor of English-only ballots. Then, the citizens of

California took the issue a step further in a statewide referendum. Last November, these citizens advised the Federal Government of their preference for English-only ballots by approving the referendum 71 percent to 29 percent. Furthermore, five States have declared English their official language and more are expected to follow.

We would do well to listen to these people and let them know that if they want to have bilingual ballots, so be it. But we are not going to force this misguided policy on them.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 337

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That no provision of the Voting Rights Act of 1965 (42 U.S.C. 1973 et seq.) that requires ballots or other materials relating to the electoral process to be made available in a language other than English shall apply with respect to any election taking place on or after the date of the enactment of this Act.

By Mr. RIEGLE:

S. 338. A bill to provide for the investigation of consumer complaints regarding interstate telephone toll service, to require companies offering interstate telephone toll service to notify consumers of changes in rates and charges, and for other purposes; to the Committee on Commerce, Science, and Transportation.

INTERSTATE TELECOMMUNICATIONS CONSUMER PROTECTION ACT

● Mr. RIEGLE. Mr. President, between now and the end of the year some 40 million Americans will have been afforded the opportunity to choose among alternative long-distance telephone companies which will be offering them essentially similar types of services. And between now and the end of 1986 roughly 70 percent of all Americans owning 183 million telephones connected to 111 million telephone lines will be able to pick up their phone, dial the number "1," and place a long-distance call over the long-distance carrier of their choice. Currently, customers using long-distance carriers other than AT&T must dial a lengthy access code before placing a long-distance call.

This process of providing "equal access" to competitors of AT&T—such as MCI, GTE/Sprint, SBS/Skyline, Allnet, U.S. Tel, and MAX Long Distance Phone Service—is one result of the breakup of the American Telephone & Telegraph Co., which was agreed to by the Justice Department and AT&T. This process of equal access is proving to be confusing, however. It is time-consuming and disconcerting to many Americans as they try to make an intelligent choice of a long-distance telephone company.

Headlines indicate that consumers all across the country are baffled by a barrage of alternatives which they do not understand and which often make little sense when compared one to another. A sample of newspaper headlines from a cross section of publications tell the story. Here are a couple: "Bewildering Changes Coming for Phone Users"; "Long-Distance War Baffling to Customers"; "Need Telephone Service? Dial 'C' for Confusion"; "Long Distance Phone-Battle: Rivals Seek Equal Access Customers"; "Long Distance Rivals Take Off the Gloves"; "A Marketing Blitz Is in Progress"; "Behind the Chaos in Phone Service."

The Washington Post has reported: "As AT&T competitors gear up for this election on the part of the public, they are expanding sales forces, running ads, and soliciting customers through direct mail, personal presentations, and telemarketing. In some instances, the companies themselves are confused."

Last October I wrote a letter to the Chairman of the Federal Communications Commission, which was signed by 16 other Senators, requesting that the FCC devise a standard, uniform, long-distance disclosure form for the benefit of consumers. Our letter expresses the concern that this administration owes the public a duty to minimize the confusion in long-distance service being offered.

Mr. President, I ask unanimous consent that the letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, DC, October 10, 1984.

Chairman MARK S. FOWLER,
Federal Communications Commission,
Washington, DC.

DEAR CHAIRMAN FOWLER: In order to afford the consumer a certain measure of comparable information upon which to base an educated choice of a long distance telephone company, especially during this critical three-year period when equal access is being phased-in, we believe that the Federal Communications Commission should develop a standard disclosure form which each long distance telephone company that qualifies for equal access be required to complete, and have this sent to each potential customer.

The result of "equal access," which is supposed to promote full and fair competition in the long distance telephone industry, as well as provide consumers with the cheapest, most efficient service possible, is that the consumer is now being thrust into an arena of decision-making without basic, adequate, comparative information.

Even professional, full-time consumer groups are finding it exceedingly difficult to get correct information to some very basic questions such as: "From how many cities does your company offer service?" "Do you have a monthly service fee?" "Is there a minimum monthly bill?" "What credit card features does your company offer?"

These are all questions one might ask when comparing services and features of different long distance companies. But when researchers from the Telecommunications Research and Action Center (TRAC), a non-profit, consumer group based in Washington, D.C., called the long distance companies recently to get answers to those and similar questions, they found that it is not the least bit easy to get a correct answer. TRAC researchers found that repeated calls to a company's toll free information number often resulted in different answers to the same question.

The result is that consumers are forced to compare apples and oranges, and their choices are subsequently made without sufficient and adequate comparative information and sometimes for illogical reasons.

A basic form might, for example, require long distance companies to indicate their basic rates (day, evening, and late night/weekend) for a call from the potential caller's residence to certain present distances. In this way, consumers would be better able to compare the same set of basic rates and would be able to contact the particular company if they desired more specific information. The form might also indicate what cities or sections of the country the company serves, if there are additional charges for calls to non/metropolitan areas, what the billing structure is, and the extent of the service offered (i.e., intra-state, international services, travel features, etc.).

Similar standard disclosure requirements have already been adopted in other areas to promote better consumer knowledge of products and services. This list includes, but is not limited to, truth-in-lending laws for consumer credit transactions; the securities laws for investor protection; the requirements for ingredient labeling by the Food and Drug Administration; and standards for fuel economy disclosure by the Environmental Protection Agency. Unlike these cases, however, disclosure in this instance would only be for the three-year period during which equal access is being phased-in.

Finally, a consumer should be able to make a choice of a long distance carrier with the confidence that the information on which his or her original decision was based will not change precipitously, and without notice. Therefore, we feel that long distance companies should be required to notify their customers a reasonable period before the effective date of any rate or major service feature change.

We understand the complexity involved with the new diversity in the industry, yet only in this way—by reducing the current bewilderment of the long distance telephone customers, as he or she is inundated with literature concerning the various alternative long distance telephone companies—will be goals of fair competition, efficient long distance service, and the public interest all be achieved.

We trust you will give this request your careful consideration.

Sincerely,

Donald W. Riegle, Jr., Jennings Randolph, Paul S. Sarbanes, Carl Levin, Thomas F. Eagleton, Paul E. Tsongas, Wendell H. Ford, Jim Sasser, Howard M. Metzenbaum, Dennis DeConcini, Jeff Bingaman, Max Baucus, Christopher J. Dodd, Edward M. Kennedy, David Pryor, Claiborne Pell, Daniel Patrick Moynihan.

Mr. RIEGLE. Mr. President, this letter, in addition to being coauthored by the above Senators, received the support of national consumer groups including the Telecommunications Research and Action Center [TRAC] and the Consumer Federation of America, as well as local groups in my home State including the Public Interest Research Group in Michigan and the Michigan Citizens Lobby.

The response from the Federal Communications Commission was polite but not the action we sought. A copy of that letter is attached below.

According to FCC Chairman Fowler: "Numerous organizations appear to be responding to the need for adequate consumer information." What Chairman Fowler fails to recognize, however, is that some of the very organizations that are attempting to respond to the need for adequate consumer information are the very groups that continue to support my recommendation for a uniform, standard, straightforward language, FCC disclosure requirement.

Very shortly, in my home State of Michigan, our local telephone company, Michigan Bell, will begin offering the same long-distance dialing service to all long-distance companies in a number of different areas throughout the State. Beginning February 16, 1985, if a consumer's telephone number begins with 343, 881, 882, 884, 885, or 886, that person will be able to place his or her long-distance calls with the long-distance company of his or her choice and enjoy the ease of "1 plus" dialing.

This exact same process has already taken place, is about to take place, or shortly will take place in every Senator's State throughout the Nation. I predict, with some degree of certainty, that during the next 2 years every Senator will be hearing from constituents about this phenomenon, about their constituents' confusion in making an intelligent choice of a long-distance carrier, and about the need for more basic, comparative information than consumers are currently receiving. We will also be hearing complaints from consumers about some of the marketing, sales, and pricing practices of some of the long-distance companies currently involved in the equal access process.

Mr. President, today I am introducing the Interstate Telecommunications Consumer Protection Act of 1985 as a followup to my October 10, 1984, letter to Federal Communications Commission Chairman Mark Fowler.

Briefly the Interstate Telecommunications Consumer Protection Act of 1985 provides the following:

First, it gives the Federal Trade Commission jurisdiction over interstate long-distance telephone companies and their advertising and marketing practices where beforehand the FTC had none.

Second, it requires the Federal Communications Commission to promulgate rules to ensure that interstate long-distance telephone companies notify all residential consumers in writing of any change in rates or related charges at least 10 business days before any such charge is to become effective.

Third, it requires interstate long-distance telephone companies to provide consumers with a simple, straightforward, schedule of rates in effect before and then after any rate change is scheduled to be implemented.

Fourth, it requires any company offering interstate long-distance telephone service to maintain a copy of a current rate schedule and related charges at corporate headquarters and to make such schedule and charges available to any consumer upon request.

Fifth, the Interstate Telecommunications Consumer Protection Act of 1985 requires that periodic reports be made to the Congress by both the Federal Communications Commission and the Federal Trade Commission regarding conditions in the telecommunications industry.

The Federal Communications Commission is required to file reports on First, the state of competition in the various sectors of the telecommunications industry; second, the level of rates for interstate long-distance telephone service; and third, the status of universal service including the extent of residential dropoff.

The Federal Trade Commission is required to report on the consumer complaints it has received and actions it has taken regarding its new authority over the interstate long-distance telephone industry.

Sixth, my bill makes clear that no additional Federal funds are necessary for the purposes of carrying out these provisions and it is the intention of Congress that the activities mentioned in the bill be carried out with the existing resources and personnel available at the Federal Communications Commission and Federal Trade Commission.

A few additional comments.

I believe this legislation addresses a fundamental gap in our consumer protection laws. Currently the Federal Trade Commission is the Government agency principally responsible for handling consumer complaints regarding false or deceptive advertisements for most consumer products. The Federal Trade Commission Act prohibits unfair methods of competition in or affecting commerce, and unfair or deceptive acts or practices in or affecting commerce. Under existing law, however, the Federal Trade Commission Act, as drafted, provides a specific exemption for common carriers. Therefore, under existing law, long-distance telephone companies as such do not fall within the jurisdiction of the FTC.

The Interstate Telecommunications Consumer Protection Act of 1985 makes interstate long-distance telephone companies subject to FTC jurisdiction. This legislation specifically provides the FTC with jurisdiction to investigate consumer complaints relating to the advertisement and provision of interstate long-distance telephone service and to determine if any action which is the subject of such a complaint is an unfair method of competition, or an unfair, or deceptive act, or practice. It also provides the Federal Trade Commission with the same administrative and enforcement remedies available to it for other violations of the Federal Trade Commission Act.

At the same time, nothing in this bill limits the jurisdiction of the Department of Justice, the Federal Communications Commission, or any other Federal agency from investigating or taking action concerning the provision of service by telephone companies.

While I do not require it in this legislation, I continue to believe that the Federal Communications Commission should ensure the provision to all potential residential consumers of a standard, uniform disclosure form. Such a form would be organized in a standard manner permitting ready comparison between similar companies offering similar services. Such a form I believe would help minimize consumer confusion caused by the administration during this 2-year period when equal access is being phased in across the country. It might include information concerning: First, basic rates for interstate telephone toll service between the residence of the consumer and telephone exchanges servicing identified cities at set distances; second, the cities and regions of the United States served by the company; third, any additional charges for calls to nonmetropolitan areas; fourth, other factors in the billing structure of the service; fifth, any projected change or increase in such rates, charges, or billing structure expected to occur within a 1-year period after the offering of such service; sixth, other features or options included in such service; and seventh, any other information the Federal Communications Commission determines would be helpful to a consumer of such service to make a cost and service comparison among companies. I did not include such a requirement in my bill because I believe that the fundamental issues included in the Interstate Telecommunications Consumer Protection Act of 1985 should be considered first.

I urge my colleagues to support the Interstate Telecommunications Consumer Protection Act of 1985 so that consumers will have a more meaning-

ful outlet for their complaints and will be able to obtain the basic information that is so vital to choosing a long-distance telephone service.

Mr. President, I ask unanimous consent that the text of the bill and other materials be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 338

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Interstate Telecommunications Consumer Protection Act of 1985".

INVESTIGATION OF CONSUMER COMPLAINTS

SEC. 2. Section 5(a) of the Federal Trade Commission Act (15 U.S.C. 45) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3)(A) Notwithstanding the provisions of paragaph (2), the Commission is hereby empowered and directed to prevent persons, partnerships, or corporations engaged in the provision of interestate telephone toll service from using unfair methods of competition in or affecting commerce and unfair or deceptive acts or practices in or affecting commerce.

"(B) Nothing in the provisions of subparagraph (A) shall be construed to limit the jurisdiction of the United States Department of Justice, the Federal Communication Commission, or any other federal agency from investigating or taking action concerning the provision of service by telephone companies.".

NOTIFICATION TO CONSUMERS

SEC. 3. (a) Within sixty days after the date of enactment of this Act the Federal Communication Commission shall promulgate rules to require any company offering interstate telephone toll service to—

(1) notify all residential consumers of such service of any change in rates or related charges within ten business days before any such change is to become effective;

(2) provide such notice in writing to the consumer and include a schedule of rates—

(A) in effect before and after such change occurs; and

(B) in a form which can be easily interpreted and used by the consumer;

(3) maintain a copy of a current rate schedule and related charges at corporate headquarters which can be easily interpreted and used by a consumer; and

(4) make such schedule and charges available to any consumer upon request or mail such schedule and charges to the consumer within ten days after such a request.

(b) Any consumer may file a complaint with the Federal Communications Commission concerning the failure of a company to comply with the requirements of subsection (a). The Commission shall—

(1) investigate any such complaint;

(2) order any company failing to meet such requirements to comply with the provisions of subsection (a); and

(3) provide any other appropriate relief pursuant to the provisions of title II of the Communications Act of 1934 (47 U.S.C. 201 et seq.).

REPORTS TO CONGRESS

SEC. 4. (a) The Federal Communications Commission shall submit a report on January 1, 1986, January 1, 1988, and January 1, 1990, to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives concerning—

(1) the state of competition in the various sectors of the telecommunications industry;

(2) the level of rates for telephone toll and exchange service; and

(3) the status of universal telephone service, including the extent of any decrease of service being made available and used by residential consumers.

(b) The Federal Trade Commission shall submit a report on January 1 of each year, beginning with January 1, 1986 to the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Energy and Commerce of the House of Representatives concerning the actions taken by the Federal Trade Commission pursuant to section 5(a)(3) of the Federal Trade Commission Act.

LIMITATION ON FUNDS

SEC. 5. No additional funds are authorized to be appropriated to carry out the provisions of this Act.

FEDERAL COMMUNICATIONS COMMISSION,
Washington, DC, October 25, 1984.

Hon. DONALD W. RIEGLE, Jr.,
U.S. Senate,
Washington, DC.

DEAR SENATOR RIEGLE: Thank you for your letter of October 10, 1984, in which you and your colleagues express concern regarding the information currently afforded consumers in selecting the best interexchange telephone carrier for their needs. Your letter reflects the concern that the availability of "equal access" for providers of long distance telephone services now thrusts the consumer "into an arena of decision-making without basic, adequate, comparative information." You suggest that the situation be ameliorated by means of a standard disclosure form, to be developed by the FCC, which each interexchange carrier obtaining equal access be required to complete and send to each potential customer. You further suggest that carriers be required to provide all customers advance notice of rate or major service changes in order to assure that consumers may reasonably rely on the information provided.

While we certainly recognize that consumers need and deserve sufficient and reliable information to make reasoned choices in this area, we believe that the existing and developing sources of relevant consumer assistance information and the concept of a competitive, unregulated marketplace preclude the need for this type of Commission intervention.

I believe that extensive intervention is unwarranted at this point because numerous organizations appear to be responding to the need for adequate consumer information. The Commission is aware of increasing numbers of efforts by carriers, consumer assistance groups and governmental consumer assistance offices at all levels to assist consumers in sorting through the mass of information to select a long distance carrier. Local Better Business Bureaus, state public service commissions, consumer magazines and countless others are providing a variety of brochures and checksheets to assist consumers in their choices. Consumer Checkbook, a Washington based non-profit organization, has developed a comprehensive guide to long distance and other telephone services, including cost comparisons based on actual consumer telephone bills. Consumer Reports has also recently published an extensive comparison of service offerings available from various market participants.

The U.S. Consumer Information Center, under the purview of the White House Special Advisor on Consumer Affairs, is also currently preparing a workbook for nationwide distribution to consumers of long distance telephone service. The workbook, which will be reviewed by our staff, as well as industry and consumer groups, before its release, is designed to assist consumers in how to obtain useful information, what questions to ask, and how to evaluate the information in terms of their particular usage patterns. We believe that efforts of this type should enable consumers to obtain the information they need to make proper decisions both during this transition period to equal access and beyond.

While governmental action of the type you suggest might yield short term benefits, I believe that Commission intervention would be inappropriate at this time because it would be inconsistent with the developing competitive interexchange marketplace this Commission has sought to assure. For over a decade, the FCC has been pursuing a policy of introducing the benefits of competition in the telephone marketplace including equipment, computer-like services and long distance offerings. These efforts, combined with spectacular technological achievements by the industries, have resulted in obvious and dramatically increased benefits in terms of new and better quality services and lower prices.

Throughout our Competitive Carrier proceeding, begun in 1980, this Commission, in order to promote competition and lower costs, has taken repeated steps to identify and eliminate unnecessary regulation of certain classes of carriers in the various telecommunications markets, including the interexchange telephone market. As a result, various unnecessary and costly regulatory burdens have gradually been lifted from non-dominant carriers, including MCI, GTE Sprint, and other similar long distance service providers. Because non-dominant carriers lack market power we have found the filing of rate schedules generally unnecessary and unreasonably burdensome.

While AT&T, with sufficient market power to be considered a dominant carrier, remains subject to full rate and facilities regulation under the Communications Act, the other long distance providers are currently subject to minimal filing requirements. We are continuing these efforts to minimize unnecessary regulatory burdens on non-dominant carriers and are currently considering a mandatory detariffing of these non-dominant "specialized" common carriers. The underlying rationale of these actions is that the nature of a vigorously competitive marketplace should meet the demands of consumers in terms of new, lower priced and better quality offerings. In addition, it is in the carriers' best economic self-interest to make their service offerings understandable to the consumers.

In line with these concerns, I believe that the notification proposal you have advanced could impede the important goal of lower long distance rates. In particular, the proposal's requirement for advance notification to customers before rate or service charges would impose severe contraints on an unregulated carrier's flexibility to respond to dynamic market demands. Limitations on this flexibility would not only interfere with full and fair competition, it would also serve as a disincentive for carriers to lower their

long distance rates. Moreover, the imposition of an extensive notification scheme, even for the relatively short transition period to equal access, could impose on carriers potentially significant costs.

While we are not persuaded that Commission intervention is appropriate at this time, we will continue to monitor this situation closely. Accordingly, we would welcome any specific information you might have indicating that the developing assistance resources are not adequate for consumer needs.

We appreciate your interest in a smooth transition to a more vigorous telecommunications industry responsive to the needs of the consumer.

Sincerely,

MARK S. FOWLER,
Chairman.●

By Mr. LAUTENBERG (for himself, Mr. FORD, Mr. ROTH, Mr. MOYNIHAN, Mr. WILSON, Mr. RIEGLE, Mr. DURENBERGER, and Mr. GORTON):

S. 339. A bill to implement the rule of the shorter term in the case of computer programs; to the Committee on the Judiciary.

INTERNATIONAL COMPUTER SOFTWARE PROTECTION ACT

Mr. LAUTENBERG. Mr. President, I rise today to introduce legislation to preserve international copyright protection of computer software. I am joined by Senators FORD, ROTH, MOYNIHAN, WILSON, RIEGLE, DURENBERGER, and GORTON.

The bill provides that if a foreign nation denies or limits the term of copyright protection of computer software, then the United States shall reciprocally deny or limit protection here of software first published in that nation or by one of its nationals. This step is fully authorized by the Universal Copyright Convention, of which the United States is a signatory.

Mr. President, this legislation is intended to address developments that threaten to undermine the international consensus on the appropriate intellectual property right protection of software. Since 1964, the United States has considered computer software a work of authorship protected by copyright. This view has come to be shared by most industrialized nations, including Japan, the Netherlands, Germany, and the United Kingdom.

Unfortunately, a proposal to abandon copyright protection has been the subject of continuing discussion and deliberations in Japan. The Japanese Ministry of International Trade and Industry [MITI] has considered legislation that would strip software of copyright protection. It would substitute a new, and unique form of intellectual property right protection that would provide lesser protection, of much shorter duration, while providing the Government a right of compulsory licensing.

That this proposal has not yet been submitted to the Japanese Diet is a reflection more of protests from our Nation, than a reaffirmation of copyright by the Japanese. U.S. industry protested. The administration protested. And so did the Congress.

Yet, the idea is not dead. MITI does not embrace the notion of copyright. It is worth noting that at a recent software and computer services industry convention in Tokyo, attended by representatives from industry the world over, members of Japanese industry pressed their view that copyright was inappropriate for software. They maintained that a scheme more suitable to industrial works should be adopted.

Mr. President, copyright protection of computer software has encouraged investment in research, development, and innovation in computer software, and has preserved for American authors the fruits of their labor. According to a recent Department of Commerce report, the United States held as of 1983 an estimated 70 percent of the $18 billion market in software. It is predicted that the industry will grow at a rate of 30 percent a year. By 1987, the United States could hold 75 percent of a $55 billion market.

America's continued dominance is based on its technological leadership, and that leadership is tied to maintaining intellectual property rights. As the Commerce Department report notes in assessing the long-terms prospects for the industry:

The major negative factors affecting the U.S. software industry overseas are likely to be inadequate legal protection of software and restricted access to key foreign markets.

Abandonment of copyright protection will provide our competitors with a short cut to innovation. It would allow them to close the gap without the investment that American firms have made.

The bill we introduce today will take one important step toward securing adequate protection of software. As the Commerce Department notes:

[T]here is little question of the emergence of Japan as the strongest U.S. competitor in the world market.

The bill would provide that Japanese authors could enjoy no greater copyright protection in the United States than that provided to American authors in Japan. Some new kind of patent-like protection is not copyright protection. Regardless of the term of the new protection, it equals zero years of copyright protection. Under this bill, and the Universal Copyright Convention, the United States would, in response, provide zero copyright protection to Japanese works.

This legislation should, I hope, impress upon the Japanese and other nations our strong views on this matter. It should, I hope, deter the Japanese and others from proceeding with proposals that would upset the essential regime of intellectual property right protection.

Mr. President, last year, the Congress adopted as an amendment to the omnibus trade bill a resolution expressing its firm opposition to the MITI proposal, expressing its support for copyright of software, and for appropriate relief if such protections were undermined. I believe the legislation we introduce today is the next logical step.

I am pleased to learn that Senator MATHIAS, chairman of the Subcommittee on Patents, Copyrights and Trademarks of the Senate Judiciary Committee, has expressed an interest in the bill, and in exploring its ramification. I am looking forward to working with him.

I urge all of my colleagues to support this important legislation. It is one measure we can take now to enhance America's competitiveness abroad. It is one step we can take now to ensure that America enjoys the fruits of America's innovation.

I ask unanimous consent that at the conclusion of my remarks there be printed in the RECORD the text of the bill, an explanation, and a letter of support by the Association of Data Processing Service Organizations [ADAPSO], a software industry trade association.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 339

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "International Computer Software Protection Act of 1985".

SEC. 2. Section 104 of title 17 of the United States Code is amended by adding at the end thereof the following:

"(C) Notwithstanding subsections (a) and (b) of this section, its computer programs are protected under the copyright law of a foreign nation for a period of less than twenty-five years, the protection which would otherwise be granted by this title shall not be granted to computer programs by nationals of such foreign nation or to computer programs first published in such nation.

"(d) Notwithstanding subsections (a) and (b) of this section, if computer programs are protected under the copyright law of a foreign nation for a period of time of twenty-five years or longer, the term of the protection granted under this title for computer programs by nationals of such nation and for computer programs first published in such nation shall not exceed the term of the protection granted to computer programs by the law of such nation.".

EXPLANATION

Subsection C provides that the United States shall provide no copyright protection to software first published in another nation or produced by a national of that nation, if that nation provides no copyright protection for computer software, or provides less than 25 years of such protection. The Universal Copyright Convention defines a term of 25 years as a minimum term of protection for compliance with the con-

vention. If a nation provides a lesser term, it in effect does not provide copyright protection as defined by the U.C.C.

Subsection D provides that if a nation provides copyright protection for computer software for a term exceeding 25 years, but for a term less than that provided by the United States, then the United States shall provide a term of copyright protection of no greater length to software first published in that nation or by one of its nationals.

THE ASSOCIATION OF DATA PROCESSING SERVICE ORGANIZATIONS,
January 30, 1985.

Hon. FRANK R. LAUTENBERG,
United States Senate, Hart Senate Office Building, Washington, DC.

DEAR FRANK: This is to endorse your proposed legislation amending the U.S. Copyright Act to implement the Rule of the Shorter Term in the case of computer programs.

At its meeting of October 16, 1984, the ADAPSO Board of Directors affirmed its belief in the propriety of copyright protection for computer programs both domestically and internationally. More particularly, the Board took the position of urging the national government to confirm by appropriate legislation the availability of copyright protection for computer software and to resolve remaining problems within the framework of national copyright laws.

Although many countries have recognized the preferability of copyright protection for computer programs, this international consensus has been threatened by the attempts of some to legislate alternative industrial property regimes. Your legislation, along with the efforts of the United States Government and groups like ADAPSO working with their international counterparts, should serve to enhance the role of copyright as a preferred method of legal protection for computer programs.

If ADAPSO may be of assistance to you in the course of the legislative process, please do not hesitate to call upon us.

With warm regards,

JERRY.

By Mr. LEVIN:

S. 340. A bill to amend the Internal Revenue Code of 1954 to qualify the preapplied insulation portion of exterior siding for the residential energy credit; to the Committee on Finance.

RESIDENTIAL ENERGY CREDIT FOR INSULATED SIDING

Mr. LEVIN. Mr. President, I am today introducing legislation which amends the Energy Tax Act of 1978 to qualify preapplied insulation—insulation applied directly onto exterior alumium siding at the factory—for a residential energy tax credit.

Under current law, insulation installed at the home qualifies for the tax credit. Insulation applied to aluminum siding at the factory, however, does not. This is a result of the Internal Revenue Service's [IRS] interpretation of the law—the law itself passed by Congress did not address the tax treatment of insulated siding. It is simply inequitable to give a tax credit for insulation applied at the home but not for the same material which is attached to the siding at the factory.

The IRS bases its reason for denying a tax credit for insulated siding on the fact that aluminum siding without insulation applied does not qualify for a tax credit. The IRS argues that aluminum siding is primarily decorative rather than primarily energy saving and thus excluded from the energy tax credit. Insulated siding, however, contains energy saving insulation and should not be treated in the same manner as noninsulated aluminum siding for tax purposes.

This legislation permits a tax credit only for the preapplied insulation and not for the aluminum siding to which it is attached. It simply treats preapplied insulation as any other insulation for tax purposes.

The current residential energy tax credits are set to expire at the end of this year, unless Congress extends them. It is my hope that the Congress will extend these credits and, in the process, make the modification which is included in the legislation I am introducing today. Energy conservation should remain a national priority and we should continue to encourage homeowners to take energy-saving steps. Not only do the homeowners benefit by lower utility costs, the Nation moves closer to the goal of energy independence.

By Mr. GRASSLEY (for himself, Mr. HEFLIN, Mrs. KASSEBAUM, Mr. PROXMIRE, Mr. DENTON, Mr. SIMON, Mr. KASTEN, Mr. INOUYE, Mr. MELCHER, Mr. BOSCHWITZ, Mr. EAGLETON, and Mr. PELL):

S. 341. A bill to amend section 552(a)(4)(F) of title 5 of the United States Code, and for other purposes; to the Committee on the Judiciary.

LEGAL PROTECTION FOR WHISTLEBLOWERS

Mr. GRASSLEY. Mr. President, last year I, along with 21 of my colleagues, sponsored a bill that would enhance legal protections for Federal whistleblowers. This bill was passed unanimously in the Senate, but fell victim in the House to a last-ditch effort of opposition on the part of the Justice Department. Consequently, the outlook for whistleblower security continues to appear gloomy at best.

If words could be considered evidence of intent, one would have thought this administration was not only willing, but anxious to aid the plight of civil servants who dare to speak up about failings in our system. In 1981, President Reagan said:

> The vital element in any program designed to fight fraud and waste is the willingness of employees to come forward when they see this sort of activity. They must be assured that when they "blow the whistle," they will be protected and their information properly investigated.

Words, however, are often contradicted by actions. In the last 4 years we have seen materialize the exact opposite of President Reagan's expressed desires.

The administration's own survey has found nearly 70 percent of observed waste or fraud is going unreported for two basic reasons; One, the belief that nothing will be done to correct the activity and; two, the fear of reprisal.

Perhaps most disturbing though is the finding that since 1980, fear of reprisal among would-be whistleblowers has nearly doubled.

What does this mean? It means that despite the high-toned rhetoric and assurances about protections, and despite the supposed safeguarding mechanisms within the system, reality tells us there is virtually no protection for whistleblowers—and it's getting worse.

While I am citing statistical findings here, I didn't need numbers and statistics to conclude in my own mind that we have a grave problem. I have been in direct contact with various whistleblowers over the past 3 years and witnessed the types of rewards heaped on them by the system. Harassment, demotions and undesired relocations are the only prizes they have collected for what one whistleblower has termed "committing truth".

This system of rewards and punishments in practice is evidence of a bureaucracy whose incentives produce the direct opposite of its stated goals. In other words, the objectives of an efficient Government, as outlined by President Reagan's 1981 statement, cannot be attained as long as the system's incentives generate activity 180 degrees in the reverse direction.

The bill I am introducing today along with Senators HEFLIN, KASSEBAUM, PROXMIRE, DENTON, SIMON, KASTEN, INOUYE, MELCHER, BOSCHWITZ, EAGLETON, and PELL, would not by itself turn this system around. What it will do though is provide whistleblowers with a legal remedy if they have suffered retaliation from superiors for their disclosures of waste, abuse, mismanagement, or fraud.

Presently civil servants who suffer reprisal are tried entirely within the administrative system. If the system prevails, the whistleblower is at the end of his rope. However, if the whistleblower happens to succeed through the administrative route, those found guilty of retaliation do have another chance to have their case heard in the outside judicial arena.

This bill would equalize the appeal rights, so that whistleblowers by themselves, or through the Office of the Special Counsel, could seek protections in Federal court. It would also allow application to the court for protective orders, enforcement of subpoenas, and injunctions against interference and harassment.

I plan to hold hearings on this bill in the Subcommittee on Administrative Practice and Procedure and explore additional ways to provide civil servants with effective protections.

Mr. President, Congress bears an important responsiblity to determine the context in which our civil servants work. If the objectives and principles espoused in our Code of Ethics are directly countered by how the work of Government is actually executed, then we will destroy any noble sense of purpose among our civil servants, and feed a cancer of cynicism.

It is our intent—those of us sponsoring this bill—that we work toward matching up reality with the goals of a moral and efficient Government. I hope the rest of our colleagues will join us in this effort.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 341

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds and affirms that—

(1) the Code of Ethics for Government Service charges that any person in government service should expose corruption wherever discovered;

(2) reprisals against employees who report incidents of fraud, waste and mismanagement is prohibited by law;

(3) the Constitution protects the rights of all citizens; and

(4) every person has a right to seek remedies to protect their individual rights.

SEC. 2. Section 552(a)(4)(F) of title 5, United States Code, is amended by adding at the end thereof the following: "The Special Counsel may obtain judicial review of a final order or decision rendered by the Board in actions brought pursuant to Sec. 1206 and 1207 of this title. Employees affected by an agency action subject to the Special Counsel complaint and who are aggrieved by the final decision may file a petition to intervene as a matter of right and will be considered a party to the proceeding. In corrective actions, the agency responsible for the matter giving rise to the Special Counsel complaint before the Board shall be the named respondent. In disciplinary actions, the respondent employees named in the Special Counsel complaint before the Board shall be the named respondent in the judicial proceeding. Petitions brought pursuant to this subpart shall be filed with the District Court and the right of a trial de novo and appellant review shall be preserved. The Special Counsel may file a petition for enforcement of subpoena and protective orders with the District Court pursuant to investigative and prosecutorial authority granted to the Special Counsel."

Mr. HEFLIN. Mr. President, today Senator GRASSLEY and I are reintroducing legislation to strengthen protections for Government employees who reveal waste, fraud, and mismanagement they see on the job. This legislation is identical to S. 2927, which unanimously passed the U.S. Senate in the closing hours of the 98th Congress. Unfortunately, the House of Representatives failed to act on the bill.

Mr. President, the continued waste and mismanagement of taxpayer dollars is intolerable. Under the distinguished leadership of my colleague from Iowa, Senator GRASSLEY, the Administrative Practice and Procedure Subcommittee has delved deeply into this problem.

I was outraged to hear Defense Department employees testify before the subcommittee that the Department is paying $700 for hammers that can be bought at the hardware store for $7. When employees attempt to bring horror stories like these to the attention of their superiors, they are harrassed, intimidated, transferred, or fired. Auditors uncovering millions of dollars of waste are instructed not to rock the boat, while millions more go down the drain.

It is so dangerous to be honest these days that William J. O'Connor, the Special Counsel created to protect whistleblowers, has advised potential whistleblowers: "Don't put your head up, or it will get blown off." A 1984 Merit Systems Protection Board survey revealed the number of civil servants afraid to speak out about waste and mismanagement has actually increased since the Office of Special Counsel was created. The very office created to protect these courageous employees has failed to do so—and failed miserably. The Justice Department maintains that the protections currently in place are working. This survey proves they are not.

Our bill would give the Special Counsel the authority to seek protective orders in Federal court, enforce subpoenas, and prevent agencies from harassing whistleblowers. Most importantly, it would give the Special Counsel the power to seek review of Merit Systems Protection Board orders in Federal court.

Mr. President, the need for these modest, but vital reforms in the Special Counsel's power is irrefutable. Taxpayer money would be saved, Government efficiency promoted, and honest Government employees rewarded.

I urge my colleages to join with us in this effort.

By Mr. DECONCINI:

S. 351. A bill entitled the "American Copper Production Act of 1985"; to the Committee on Finance.

AMERICAN COPPER PRODUCTION ACT

Mr. DECONCINI. Mr. President, on June 27, 1984, the International Trade Commission unanimously agreed that the American copper industry has been seriously injured by foreign imports. In recommending remedies for this injury, two of the Commissioners recommend the imposition of quotas and two recommended the imposition of tariffs.

On September 6, President Reagan rejected the ITC decision. In doing so, he turned his back on the 29,000 men and women currently in the copper mining labor force and those thousands of Americans who have already lost their jobs with the closing of three-fourths of America's largest copper mines. Furthermore, President Reagan's decision put into deep jeopardy our Nation's ability to supply itself with this strategic metal during a national emergency, leaving us, instead, to depend on unstable Third World nations, such as Zambia, Chile, and Zaire.

Our copper industry's foreign competitors, many of which are Government-subsidized and benefit from U.S. foreign-aid dollars, are not responsive to the free-market system. Only the privately owned producers in the United States and Canada have responded to recent decreases in world demand for copper with decreased production. Most other foreign producers have responded to decreased demand for copper by either maintaining or increasing their production. Rather than responding to market forces, these producers are motivated by their Government's need to generate foreign exchange, maintain domestic employment, and service massive international-debt obligations. These are the conclusions which led the International Trade Commission to recommend import relief.

The legislation which I am introducing today is designed to stop the serious injury to the copper industry which the ITC unanimously found to exist. It incorporates the proposals of the two ITC Commissioners who recommended that import relief be provided through the imposition of quotas. Both of these Commissioners proposed that the President impose quantitative restrictions on for a 5-year period in an aggregate amount of 425,000 short tons per year on imports of black copper, blister copper, and anode copper, provided for in item 612.03 of the TSUS, and unwrought copper, other than alloyed, provided for in item 612.06 of the TSUS, as follows: 375,000 short tons annually for unwrought copper, other than alloyed, provided for in item 612.06 of the TSUS, which tonnage shall include a separate allocation of 25,000 short tons for wire bar, and 50,000 short tons annually for black copper, blister copper, and anode copper, provided for in item 612.03 of the TSUS. These quotas would be administered on a country-by-country basis in a manner to be determined by the President, and no more than 25 percent of a country's annual allocation would be permitted to enter in any calendar quarter.

This legislation is necessary to promote and expand the economic viability of the U.S. copper industry and to prevent further declines in its work force, production, and market position. If enacted, this bill will provide sales volume and price relief for copper pro-

ducers and will enhance the industry's ability to be truly competitive in the long term. The increased market share that will be obtained by domestic producers will allow them to achieve reductions in stocks, increase their utilization of domestic copper mining and smelting facilities, and continue their efforts to enhance efficiency and competitiveness.

Mr. President, I strongly believe that the copper industry must take full advantage of the relief this bill would give them by investing in copper facilities, reducing costs, and striving for greater efficiency. In fact, many copper producers in this country has already made a substantial commitment to pursue these means of insuring long-term viability. Much of the industry has taken steps to modernize equipment, develop and utilize technological innovation, institute extensive cost-saving programs, and increase productivity.

Unfortunately, the massive losses suffered by our Nation's copper industry in recent years have led to deferrals or cancellations of many of these needed improvements. Significant capital investment in technology and facilities is virtually impossible under current conditions in the copper industry. A continuation of high levels of imported copper jeopardizes the overall effort of the industry to modernize and enhance competitiveness. Stabilization of import levels is needed to allow reinvestment and continued gains in productivity. During the temporary period of relief proposed in this bill, the copper industry would have the opportunity, and the obligation, to make real strides in investment and cost saving. With this opportunity, however, the copper producers of this country can be competitive and viable over the long term.

Mr. President, the copper industry of the United States is critical to the maintenance of a strong industrial economy and to the national defense. The effect on this industry of unfair production and exports by foreign copper producers has been devastating as the International Trade Commission has recognized. It is time that we stopped allowing the United States to be used as a respository for the overproduction of copper by producers who are unaffected by the world supply and demand. This bill will do that, and will be one step toward restoring the true competitive position of the U.S. industry.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD. I urge my colleagues to study the bill and give it their support.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 351

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEFINITIONS.

For purposes of this Act—

(1) The term "entered" means entered, or withdrawn from warehouse for consumption, within the customs territory of the United States.

(2) The term "Secretary" means the Secretary of the Treasury.

SEC. 2. QUANTITATIVE RESTRICTIONS.

(a) BLACK COPPER, COPPER BLISTER AND ANODE COPPER.—The aggregate quantity of—

(1) black copper,

(2) blister copper, and

(3) anode copper,

provided for in item 612.03 of the Tariff Schedules of the United States (19 U.S.C. 1202) that may be entered during any year within the 5-year period beginning on the date of enactment of this Act shall not exceed 50,000 short tons.

(b) UNWROUGHT COPPER—

(1) NOT WIRE BAR.—The aggregate quantity of unwrought copper (other than alloys of copper) provided for in item 612.06 of the Tariff Schedules of the United States which is not in the form of wire bar that may be entered during any year within the 5-year period beginning on the date of enactment of this Act shall not exceed 350,000 short tons.

(2) WIRE BAR.—The aggregate quantity of unwrought copper (other than alloys of copper) provided for in item 612.06 of the Tariff Schedules of the United States which is in the form of wire bar that may be entered during any year within the 5-year period beginning on the date of enactment of this Act shall not exceed 25,000 short tons.

(c) QUARTERLY RESTRICTIONS.—No more than 25 percent of any quantity of imports allocated to a foreign country under section 3(c) for any year may be entered during any quarter within such year.

SEC. 3. ADMINISTRATION. .

(a) IN GENERAL.—The Secretary shall take such action as may be necessary to ensure that the aggregate quantity of copper articles described in section 2 which may be entered during any year does not exceed the quantitative limitation established for that year under section 2.

(b) REGULATION.—

(1) IN GENERAL.—The Secretary is authorized to prescribe such regulations as may be necessary or appropriate to affect the purposes of this Act and to enforce its provisions.

(2) CONSULTATION.—Before issuing any such regulations under paragraph (1), the Secretary shall consult with domestic copper producers and importers, afford an opportunity for comments from interested parties and shall consider all such comments before prescribing final regulations.

(c) ALLOCATION.—The Secretary shall equitably allocate among foreign countries the aggregate quantity of each copper article described in section 2 which may be entered during any year within the 5-year period beginning on the date of enactment of this Act, and in doing so shall be guided by—

(1) the relative increases of imports into the United States by each foreign exporting country since 1979,

(2) findings of unfair trade practices by each foreign country with respect to such copper articles,

(3) the extent to which copper production and export policies of producers in each exporting country do not reflect or are not responsive to supply and demand conditions in the world copper market, and

(4) such other considerations as the Secretary may deem appropriate.

By Mr. D'AMATO (for himself, Mr. HEINZ, Mr. SPECTER, Mr. MOYNIHAN, and Mr. MATHIAS):

S. 352. A bill to amend the Urban Mass Transportation Act of 1964; to the Committee on Banking, Housing, and Urban Affairs.

PUBLIC TRANSIT IMPROVEMENT ACT OF 1985

● Mr. D'AMATO. Mr. President, today I am introducing the Public Transit Improvement Act of 1985. Mass transit plays a crucial role throughout the Nation and this bill provides beneficial amendments to the Surface Transportation Assistance Act of 1982 [STAA].

This legislation will provides essential funding levels to support mass transit, both in urban and rural communities, and will enable transit systems across the country to provide better service to passengers and to assist those areas which are appropriate for new start transit systems.

The STAA was a landmark statute for mass transit. For the first time, Congress created a special mass transit trust account to fund discretionary capital grants for transit projects. In addition, formula grants were made to depend on predictable service related factors, as well as population factors. By passing the STAA, Congress recognized the vital role of mass transit and made a commitment to its future growth.

This bill will continue the spirit of that commitment: To meet the mobility needs of urban and rural citizens, the poor, the elderly, and the handicapped. The legislation:

Increases authorization levels for section 3, mass transit trust account, from $1.1 to $1.3 billion in fiscal year 1985 and from $1.1 to $1.4 billion in fiscal year 1986. Also, the bill will extend the authorization for section 3 through fiscal year 1987 at a level of $1.5 billion.

Restores the 3-for-2 trade-in provisions of the STAA and authorizes them through fiscal year 1986. These provisions allow transit systems to receive $2 in operating assistance for every $3 in capital funds traded in to UMTA. Under current law, these provisions expired at the end of fiscal year 1984.

Provides that those transit systems which exercise the 3-for-2 swap are not eligible for discretionary capital grants except for emergency purposes.

Defines emergency discretionary capital grants and describes the circumstances under which such grants may be made.

Expands the definition of associated capital maintenance costs by lowering

the eligible threshold cost from 1 to 0.5 percent, and includes as eligible expenses, the cost of leasing equipment and facilities; for example, computers, heavy construction equipment.

Earmarks a portion of section 3 discretionary capital grants for transit crime prevention grants.

Provides for multiyear contracting authority in order to enable local transit systems to better plan construction projects and financing arrangements.

Clarifies congressional intent regarding operating assistance for newly urbanized by indicating that 40 percent of such areas' authorized section 9 funds may be used for operating assistance.

There is a simply enormous need for transit funding. The American Public Transit Association, representing bus and rail transit systems which carry 94 percent of all transit riders in the United States, estimates that $36 billion will be needed to cover transit capital needs over the next 5 years.

The funds exist to increase authorizations. CBO, in recent testimony last year before a House committee, repeated that the funds are available from the 1 penny of the gas tax to increase the authorizations. In fact, CBO's testimony stated:

> While the surplus generated by the Mass Transit Account is of some small help in offsetting the Nation's $180 billion budget deficit, such use diverts the trust fund from its intended purpose, that of financing new transit investments.

Additional funds in the section 3 program will enable transit properties to replace aging buses, accelerate badly needed rail modernization work, and construct new systems which have a local commitment and meet objective cost-effective criteria.

We in Congress earmarked 1 penny of the gas tax increase specifically for mass transit—these are the funds which we are now attempting to spend, and that we are entitled to spend, but not 1 cent more. Federal law intends that the Government spend these funds on mass transit and any attempts to transfer them to the highway account must be opposed.

In addition, this bill will restore the 3-for-2 swap provisions that expired at the end of fiscal year 1984. During 1983, nearly 70 transit systems traded in over $40 million in capital funds and received $26 million in operating assistance. The $13 million which resulted from these trade-ins was used primarily by the Nation's smaller bus operations. The bill will enable transit operators to continue to have the flexibility to exercise this trade-in; however, those which do trade in capital for operating funds will not be permitted to receive section 3 capital funds, except under compelling circumstances, or to honor existing Federal funding commitments.

Another important element of this bill is the earmark of a portion of the increase in authorizations from section 3 for transit crime and security related capital equipment. Transit crime is a significant problem throughout the Nation's transit systems. It erodes the Federal investment in these facilities. It is both morally sound and fiscally prudent for the Federal Government to promote ridership and to protect its investment by helping transit properties enhance safety and security measures.

Mass transit not only provides essential public service, but it is also a $13 billion a year industry, employing more than 900,000 people. A public investment of $100 million in transit can be expected to generate 7,500 to 9,000 jobs, as well as stimulate private sector development, broaden the tax base, and promote retail sales. It is essential to the vitality of cities: It has been shown that for each $1 invested in public transit, more than $3 will accrue in business revenue.

Mass transit has been a part of American life for more than 150 years. It helped promote the growth of urban centers, as well as suburban areas. Often, it is the only efficient and economical method of transporting citizens in densely populated urban areas. During the 1970's, when Americans were held in the paralyzing grip of the oil shortage and the subsequent increases in energy prices, the critical value of well planned, efficient transit systems became evident.

The economic health and growth of our cities, towns, and outlying villages depends on the extent and dependability of their transportation links. This bill will provide essential Federal funds to maintain, create, and improve the mass transit systems throughout this Nation. It must be adopted.

Mr. President, I asked unanimous consent that this bill be printed in the RECORD in its entirety at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 352

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Public Transit Improvement Act of 1985."

TRADE-IN

SEC. 2. Section 9(1) of the urban Mass Transportation Act of 1964 is amended—

(1) in paragraph (1)(A), by striking out "and 1984" and inserting in lieu thereof ", 1984, 1985, and 1986";

(2) by striking out paragraph (2)(B);

(3) by inserting before the period at the end of the first sentence of paragraph (3) the following: "for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities";

(4) in the last sentence of paragraph (3), by striking out "construction" and by inserting "the first sentence of this paragraph and" after "subject to"; and

(5) by striking out paragraph (4) and inserting in lieu thereof the following:

"(4) A recipient of funds under this section is not eligible to receive discretionary grants under subsection (l)(3) or section 4(a) of this Act, except for the purposes of emergency grants as defined under section 12. Nothing in this paragraph affects the validity of any letter of intent issued prior to the date of enactment of this paragraph.

AUTHORIZATION

SEC. 3. Section 21(a)(2)(B) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "$1,100,000,000" after "1984," and inserting in lieu thereof "$1,300,000,000"; and

(2) by striking out "and $1,100,000,000 for fiscal year 1986" and inserting in lieu thereof "$1,400,000,000 for fiscal year 1986, and $1,500,000,000 for fiscal year 1987".

AGREEMENTS FOR ADVANCE CONSTRUCTION

SEC. 4. Section 3(a) of the Urban Mass Transportation Act of 1964 is amended to read as follows: "(4)(A) Notwithstanding any other provision of law, the Secretary is authorized, in connection with the initial funding of a project under this section, to establish a basis for multi-year financing of such project through the issuance of a multi-year project obligation to the recipient agency. At least thirty days prior to the issuance of amendment of any such obligation under this paragraph, the Secretary shall notify, in writing, the Committee on Public Works and Transportation of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, of the proposed issuance of such an obligation. Such obligations shall stipulate the Secretary's maximum future participation in the financing of a defined project, including an estimated annual rate of participation, and the total amount so stipulated shall, when issued for a new fixed guideway project, be sufficient to complete an operable segment. The total amount of future Federal expenditures contained within such multi-year obligations shall not exceed seventy-five per centum of the aggregate contract authority amounts authorized in section 21(a)(2)(B), nor shall the amounts estimated for use in any given fiscal year exceed 75 per centum of the amounts authorized for that fiscal year. Amounts necessary to finance continued commitments to projects defined in subparagraph (B) shall be subtracted from such percentage. The total amount covered by such multi-year obligations shall not exceed any limitation that may be specified in an appropriations Act. Nothing in this paragraph shall affect the validity of Letters of Intent issued prior to the enactment of the Public Transit Improvement Act of 1985.

"(B) Funding for projects covered by letters of intent or letters of commitment issued, and full funding contracts executed prior to the date of enactment of the Federal Public Transportation Act of 1982 should be funded under this section while not precluding the funding of a portion of such projects using section 9 capital funds unless such funding would impair the recipient's ability to fund routine capital projects under such section. Notwithstanding the provisions of section 4(a), the Federal share of any project under this section covered by a full funding contract, Letter of Intent, or Letter of Commitment in effect on the date of enactment of the Federal Public Transportation Act of 1982, or those projects within the federally agreed upon scope for

the Washington, District of Columbia, metropolitan area transit system (as of such date) shall not be altered.

"(C) Ninety days prior to the commencement of each fiscal year, the Secretary shall publish in the Federal Register a table indicating the aggregate and annual estimated amounts contained in all outstanding multiyear obligations entered into as of that date. Based on this table, the Secretary shall prepare and publish, prior to the commencement of the fiscal year, an apportionment of funds necesssary to sustain the projects approved under subparagraph (A) for the coming year. Such funds shall be released to the recipient agencies on the first day of the fiscal year and may be obligated by the recipient agencies to meet project costs or to be applied to the payment of principal and interest on bonds, notes, or other obligations issued by the recipient to finance project costs. Federal obligations under this paragraph shall be charged to the budget year in which funds are released to recipient agencies.".

NEWLY URBANIZED AREAS

SEC. 5. The last sentence of section 9(k)(2) of the Urban Mass Transportation Act of 1964 is amended by inserting "authorized" after its".

EMERGENCY GRANTS

SEC. 6. Section 4 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following:

"(j)(1) The Secretary is authorized, in accordance with this section, to make capital grants to States and local public bodies and agencies thereof on such terms and conditions as the Secretary shall provide to permit expedited grants for repair or replacement of public transportation equipment and facilities which the Secretary finds have recently suffered serious damage as the result of—

"(A) a natural disaster over a wide area; or

"(B) a catastrophic occurrence from any cause, which seriously disrupts scheduled public transportation service.

"(2) No grants may be made under this subsection unless the Secretary has received an application from the State or local public body, or agency, as the case may be, and unless an emergency has been declared by the Governor of the State and concurred in by the Secretary, except that if the President has declared emergency or a major disaster within the meaning of the Disaster Relief Act of 1974 (Public Law 93-288), concurrence of the Secretary is not required.

"(3) The Secretary may defer payment of the non-Federal portion of the net project cost. Such amount must be provided by the grant recipient prior to closeout of the grant.

"(4) Sums authorized to be appropriated by section 4(a)(3)(A) are authorized to be used to carry out this subsection.".

DEFINITION OF ASSOCIATED CAPITAL ITEM

SEC. 7. The last sentence of section 9(j) of the Urban Mass Transportation Act of 1964 is amended by striking out "1 per centum" and inserting in lieu thereof "one-half of one per centum".

TRANSIT CRIME PREVENTION

SEC. 8. (a)(1) Section 21(a) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following:

"(6) Of the funds available for obligation under paragraph (2)(B) for fiscal years 1985, 1986, and 1987 there shall be available for the purposes of section 23 of this Act not less than $75,000,000 for fiscal year 1985, $100,000,000 for fiscal year 1986, and $150,000,000 for fiscal year 1987. Nothing in this paragraph shall be construed as prohibiting the use of additional funds, available under this subsection, for public transit crime prevention and security.".

(2) Section 21(a)(2)(B) of such Act is amended by striking out "and 16(b)" and inserting in lieu thereof "16(b), and 23".

(b) The Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new section:

"CRIME PREVENTION AND SECURITY

"SEC. 23. (a) From funds made available pursuant to section 21(a)(6) of this Act, the Secretary is authorized to make grants to public mass transit systems for crime prevention and security in connection with the operation of such systems. The Secretary is authorized to make such grants in such amounts, at such times, and subject to such conditions, as the Secretary shall by regulation prescribe. In selecting appropriate recipients of grants under this section, the Secretary shall consider, among other matters, the amount of crime on public mass transit systems.

"(b) The Secretary shall require each public mass transit system receiving a grant pursuant to this section to submit, on not less than an annual basis, a report with respect to the amount of crime on such system. Such report shall contain such information and data, and shall be submitted at such time and in such manner and cover such period, as the Secretary shall by regulation prescribe.".

LEASED PROPERTY

SEC. 9. Section 9(j) of the Urban Mass Transportation Act of 1964 is amended by inserting after the first sentence the following: "Grants for construction projects under this section shall also be available to finance the leasing of facilities and equipment for use in mass transportation service, subject to such regulations limiting such grants to leasing arrangements which are more cost effective than acquisition or construction as the Secretary shall prescribe not later than 90 days after the date of enactment of the Public Transit Improvement Act of 1985".●

● Mr. HEINZ. Mr. President, I am pleased to join my distinguished colleague from New York to introduce the Public Transportation Improvement Act of 1985. This legislation provides the much-needed assistance required to preserve the integrity of our Nation's mass transit systems. The health and growth of our cities depends upon this legislation which authorizes a steady and predictable source of Federal funds for transit.

In 1982, I was an original cosponsor of the Surface Transportation Act of 1982 [STAA]. In that landmark legislation, Congress demonstrated its recognition of, and its commitment to, mass transit. The bill introduced today will renew that commitment.

Title III of the STAA created a new mass transit account under the highway trust fund. This account is funded by 1 cent of the 9 cent per gallon gasoline tax. The legislation we are offering today will not alter the manner by which this account is funded. Most importantly, this bill will not add to the Federal deficit and will not result in a tax increase. The money has already been collected and is sitting in the mass transit account. Our objective is to provide authority to spend these funds in the manner which Congress intended that they be spent.

Unless the authorization levels are raised to utilize all of the funds in the penny set-aside account, it will be impossible for transit authorities in Pennsylvania and across the United States to meet their capital needs. According to the American Public Transit Association, the capital needs of the transit industry exceed $36 billion over the next 5 years. Therefore, it is crucial that the Congress not allow tax moneys intended for transit capital needs to lie idle.

Earlier this month, I was able to tour and review transit operations in both Philadelphia and Pittsburgh. As a result of my examination of the transit situation in these cities, I am convinced that the Public Transit Improvement Act is the key to their survival. The current authorization levels are insufficient to solve the problems caused by years of deterioration in our major mass transit systems.

America's mass transit authorities must have additional capital assistance in order to run safe and efficient systems at a reasonable cost. Without the additional funds, fares will skyrocket out of the reach of our Nation's poor, elderly and handicapped. Transit riders will return to our already overcrowded and deteriorated roads, and our environmental quality will decline significantly.

Mr. President, the measure we are introducing today will provide essential Federal moneys to maintain and improve mass transit systems throughout this Nation without increasing taxes or the deficit. I urge my colleagues to lend their support.●

● Mr. SPECTER. Mr. President, I would like to join my distinguished colleague from New York, Senator D'AMATO, in sponsoring S. 352, the Public Transit Improvement Act of 1985.

This legislation seeks to increase the authorization levels for section 3—the Mass Transit Discretionary Account—from $1.1 billion to $1.5 billion over the next 3 fiscal years. These funds are urgently needed by mass transit authorities throughout the country for necessary capital improvement projects. This commitment will assist transit organizations who need to repair aging bus fleets and unsafe rail commuter systems.

On Monday, January 28, 1985, I visited the Southeastern Pennsylvania Transportation Authority [SEPTA] headquartered in Philadelphia and witnessed first hand the serious problems that many transit organizations are experiencing. With SEPTA officials, I inspected two rail bridges that were deteriorated and identified by an

engineering study as being "severe"—the worst possible rating. The necessary repair of these two bridges will cost approximately $2 million. However, SEPTA is faced with an $11 million deficit this fiscal year and lacks the funding needed for reconstruction and overhaul of these bridges.

In fact, SEPTA was forced to close a rail bridge on its Columbia Avenue branch in November 1984, when they discovered that the bridge was unsafe. The closure of this bridge severed commuter access to Philadelphia's Center City Tunnel which funnels thousands of people to city shopping malls. A total of $2.4 million was used by SEPTA to replace this vital link.

It is important to point out that these three bridges that I mentioned are only a minor part of the problem. SEPTA maintains 435 rail bridges covering a 246-mile system with the average age of a bridge being 75 years. SEPTA has identified 34 critical bridges which are presently deficient and in need of repair within 4 years. Between $60 to $75 million would be needed to repair these bridges.

It is my sense that mass transit operating subsidies are indispensable to the continued operations of many transit authorities. The new authorized levels of funding in this bill would indicate the Federal Government's support of mass transit activities as well as providing crucial funds to help alleviate serious deficiencies in many transit systems.

Finally, Mr. President, this legislation would not add to the deficit, but would accurately reflect incoming revenues estimated by the Congressional Budget Office from the penny a gallon gas tax dedicate to mass transit.

I would like to conclude by saying that the transit industry is very important to Pennsylvania. It is a $1 billion business and provides over 12,000 desperately needed jobs directly and over 80,000 indirectly. I urge my colleagues to support this legislation.●

By Mr. DECONCINI:

S. 353. A bill to increase the duty on imported copper by an amount which offsets the cost incurred by copper producers in the United States in meeting domestic environmental requirements; to the Committee on Finance.

COPPER ENVIRONMENTAL EQUALIZATION ACT

Mr. DECONCINI. Mr. President, our Nation's domestic copper industry is facing a very real and serious financial crisis. Unemployment is high; production levels are the lowest since the Great Depression; and foreign imports of copper are at the highest in this country's history. There are many reasons for this situation—some that we in the Congress have the ability to do something about and others which will require action by the executive branch. The legislation I am introducing today is a responsible and reasonable approach to resolving a portion of the copper problem, and I believe it makes eminent sense.

At the heart of the copper industry's financial woes is unfair foreign competition. Domestic producers must compete in the same international markets as foreign producers who may receive subsidies from their own government or assistance for plant expansion and rehabilitation through multilateral international financing organizations. At the same time, such plants do not have to invest substantial sums of money to meet environmental standards like we do in the United States.

Certainly wage scales and employee benefits, health and safety requirements, and environmental regulations add to the costs of our domestic copper production. Consequently, the price per pound of copper produced in the United States is higher than copper produced in many foreign countries. However, the added costs to protect labor and our environment, I believe, are for the most part warranted and worthwhile. These requirements reflect certain values which we, as Americans, feel are important sacrifices we must make in order to protect the strength of our Nation, and in particular, the strength of our domestic labor force and long-term environmental health.

On the other hand, Mr. President, why should American industry be forced to suffer at the hands of foreign governments who do not share our values and priorities. Copper is a critical strategic material vital to this country's national security. In order to ensure a ready supply of this strategic material for domestic and defense purposes, we must have a strong and healthy industry. This Nation's copper industry is an efficient and cost-effective one. It does not have the benefit of governmental subsidies; but in order to comply with environmental regulations and meet our national objectives, it must invest millions of dollars in control technology equipment. The costs for plant modification and emission controls are reflected in the end price per pound of copper produced. Calculations of the cost for environmental controls in the United States range anywhere from 10 to 15 cents per pound of copper. The cost of production of some foreign copper is not governed by any environmental regulations.

In order to achieve equity, protect our Nation's domestic industry, and place foreign countries on notice that we will not allow them to undercut domestic production, I believe we ought to levy a duty, on a sliding-scale basis, on copper products coming into this country from nations not having environmental standards and regulations comparable to those in the United States. This action, Mr. President, will not impact countries which compete fairly and have in place strong environmental regulations. It will, however, affect nations which continue to produce high levels of copper even during periods of recession, and which do not have similar environmental laws. The Environmental Equalization Tariff Act authorizes the President, under the guidance of the Administrator of the Environmental Protection Agency, to impose an environmental tariff, not to exceed 15 cents per pound, on copper imported from countries which do not have clean air standards. The result, Mr. President, will be a stronger domestic copper industry and a message being sent foreign countries that we do not agree with and do not condone their lack of environmental standards.

Until recently, Mr. President, our domestic copper industry was internationally competitive. As times and laws have changed, however, we have placed ourselves at an unfair economic disadvantage. We, as a nation, need to assess our trade practices and priorities. I believe environmental equalization is a very good place to start. It will not only protect our industry here at home but it will make a major contribution toward improving our global environment.

Mr. President, I request unanimous consent that the full text of my bill, the Environmental Equalization Tariff Act of 1985, appear in the RECORD at this point. I further urge the bill's expeditous consideration by the members of the Finance Committee.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 353

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Copper Environmental Equalization Act of 1985".

PURPOSE

SEC. 2. The purpose of this Act is—

(1) to enhance the world's environment by encouraging foreign copper producers to adopt environmental measures substantially equivalent to those employed in the United States; and

(2) to offset the cost advantage obtained by foreign copper producers who do not employ environmental measures substantially equivalent to those imposed on domestic copper producers.

AMENDMENTS TO THE TARIFF SCHEDULES OF THE UNITED STATES

SEC. 3. The Appendix to the Tariff Schedules of the United States (19 U.S.C. 12602) is amended by adding at the end thereof the following new part:

Item	Stat. Suffix	Articles	Units of Quantity	Rates of duty 1	LDDC	2
		"Part 5.—				
		Environmental Equalization Duties.				
		Part 5 headnotes:				
		1. The duties provided for in this part are cumulative duties which apply in addition to the duties, if any, otherwise imposed on the articles involved. Unless otherwise stated, the duties provided for in this part are effective until suspended or terminated.				
		2. The duties provided for by items 970.00 and 972.00 may be adjusted as provided in section 4 of the Copper Environmental Equalization Act of 1985.				
		Subpart A. Metal-Bearing Ores and Other Metal-Bearing Materials				
970.00		Copper bearing ores and materials (provided for in items 602.28, 602.30, 603.49, 603.50, 603.54, and 603.55 of part 1, schedule 6).		15c per pound on copper content	15c per pound on copper content	15c per pound on copper content

				Rates of duty 1-a	1-b	2
		Subpart B. Metals, Their Alloys and Their Basic Shapes and Forms.				
972.00		Copper, its alloys and their so called basic shapes and forms (provided for in items 612.02 through 612.06, inclusive, and items 612.15 through 613.18, inclusive, of part 2C, schedule 6).		15c per pound on copper content	15c per pound on copper content	15c per pound on copper content".

ADJUSTMENTS TO COPPER EQUALIZATION DUTY

SEC. 4. (a) The President shall, under the circumstances described in subsection (b), adjust the duty imposed on an article of copper under part 5 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202).

(b) The President shall, based upon determinations of the various environmental costs of production by the Administrator of the Environmental Protection Agency (hereinafter in this Act referred to as the "Administrator") under section 6—

(1) increase the duty imposed by such part 5 on an article of copper by an amount equal to the amount by which—

(A) the United States environmental costs of production per pound of such article, exceed

(B) the sum of—

(i) the foreign environmental costs of production per pound of such article, plus

(ii) the amount of such duty (prior to such increase); and

(2) decrease the duty imposed by such part 5 on an article of copper, by an amount equal to the amount by which—

(A) the sum of—

(i) the foreign environmental cost of production per pound of such article, plus

(ii) the amount of such duty (prior to such decrease), exceeds

(B) the United States environmental cost of production per pound of such article.

PROPOSALS FOR ADJUSTMENT TO THE COPPER EQUALIZATION DUTY

SEC. 5. The Secretary of the Treasury (hereinafter in this act referred to as the "Secretary") shall by regulation prescribe a procedure by which interested parties may propose an adjustment in the rate of duty under section 4. If the Secretary finds pursuant to such procedure that there may be cause to make an adjustment under section 4, he shall request the Administrator to make a determination under section 6 of each of the environmental costs of production required to be made by such section.

DETERMINATION OF ENVIRONMENTAL COSTS OF PRODUCTION

SEC. 6. (a) The Administrator shall by regulation prescribe a method or methods for the determination of environmental costs of production for the articles of copper subject to the duty imposed by part 5 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202), which shall include a method or methods for the determination of the foreign environmental cost of production of such an article of copper in cases in which environmental costs of production have been incurred in more than one country.

(b) When requested by the Secretary under section 5, the Administrator shall, applying the methods prescribed under subsection (a), determine—

(1) the environmental cost of production for each phase of processing of each article for which such request is made, with respect to each country in which such processing occurs, and

(2) the comparable environmental cost of production of such article in the United States for each such phase.

The foreign environmental cost of production shall be computed with respect to each such article for each combination of countries in which such article may be processed for importation into the United States.

REDUCTION OF DUTIES

SEC. 7. Notwithstanding any other provision of law, the President may reduce the duty which is imposed on articles of copper by part 5 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) only in accordance with the provisions of this Act.

AMENDMENT TO THE TRADE ACT OF 1974

SEC. 8. Paragraph (1) of section 503(c) of the Trade Act of 1974 (19 U.S.C. 2463(c)) is amended—

(1) by striking out "and" at the end of subparagraph (F);

(2) by striking out the period at the end of subparagraph (G) and inserting in lieu thereof ", and"; and

(3) by adding at the end thereof the following new subparagraph:

"(H) copper articles which are subject to the duty imposed by part 5 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202).".

DEFINITIONS

SEC. 9. For purposes of this Act—

(1) The term "environmental cost of production" means any cost incurred in the mining, milling, smelting, or refining of, or in any other phase of the processing of, an article of copper that is attributable to compliance with any law or regulation of the country in which such processing occurs which is designed for the purpose of protecting the environment.

(2) the term "United States environmental cost of production" means the aggregate of the environmental costs of production of an article of copper—

(A) which would be subject to the duty imposed by part 5 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) if it were imported into the United States, and

(B) for which each phase of the processing occurs in the United States.

(3) The term "foreign environmental cost of production" means the aggregate of the environmental costs of production of an article of copper subject to the duty imposed by part 5 of such Appendix which is imported into the United States.

EFFECTIVE DATE

SEC. 10. The provisions of this Act shall be effective with respect to articles entered, or withdrawn from warehouse, for consumption after the date that is 15 days after the date of enactment of this Act.

By BOSCHWITZ (for himself and Mr. DURENBERGER):

S. 354. A bill to provide for separation of Mille Lacs Band of Chippewa Indians from the Minnesota Chippewa Tribe; to the Select Committee on Indian Affairs.

MILLE LACS BAND OF CHIPPEWA INDIANS SEPARATION ACT

Mr. BOSCHWITZ. Mr. President, today I am reintroducing legislation at the request of the Mille Lacs Band of Chippewa Indians to allow the Mille Lacs Band to separate from the Minnesota Chippewa Tribe, a confederation of six separate and distinct Chippewa bands, which the Mille Lacs Band joined in 1936.

I introduced this bill near the end of the 98th Congress with the commitment it would be reintroduced early this year. At that time I received the assurance of the chairman of the Select Committee on Indian Affairs, Senator ANDREWS, that a hearing would be scheduled early in the session.

The Mille Lacs Band historically has functioned as an independent tribal policy. During the past 150 years, the band has struggled, with great tenacity, to preserve its separate identity, to govern itself, and to determine its own future.

In recent years, the band has endeavored to reorganize its tribal government to incorporate the principle—often lacking in tribal governments—

of separation of powers. To the regret of the Mille Lacs Band it has realized that their goal of a reorganized and revitalized tribal government cannot be achieved so long as it remains a member of the confederation known as the Minnesota Chippewa Tribe.

I believe that what the Mille Lacs Band seeks is right and proper. Allowing the Mille Lacs Band to achieve full self-government fulfills the commitment of the United States to Indian self-determination.

This legislation should not increase costs to the Federal Government. It does not seek additional services or programs. It seeks only to fulfill the promise of tribal self-determination, which is at the heart of our Indian policy.

By Mr. ZORINSKY (for himself, Mr. HELMS, Mr. PRYOR, Mr. ANDREWS, Mr. BAUCUS, Mr. BENTSEN, Mr. COCHRAN, Mr. DIXON, Mr. LEAHY, Mr. MELCHER, Mr. EXON, and Mr. HEFLIN):

S. 355. A bill to strengthen the operation of the agricultural stabilization and conservation committee system, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

AGRICULTURAL STABILIZATION AND CONSERVATION COMMITTEE ACT

Mr. ZORINSKY. Mr. President, today, I am introducing the Agricultural Stabilization and Conservation Committee Act of 1985, which will assure the continuation of a grassroots approach to farm program administration through farmer-elected committees at the county and community level. This bill passed the Senate last year as S. 1643 without a dissenting vote. But it failed to pass the House of Representatives in the rush toward adjournment of the 98th Congress.

The bill I am introducing today is identical to the bill passed June 29, 1984, with the support and encouragement of my distinguished colleague from North Carolina, the chairman of the Committee on Agriculture, Nutrition, and Forestry, Senator JESSE HELMS. Joining me in introducing this legislation in the 99th Congress, in addition to Senator HELMS, are Senators PRYOR, ANDREWS, BAUCUS, BENTSEN, COCHRAN, HEFLIN, DIXON, LEAHY, MELCHER, and EXON.

Mr. President, for more than 50 years now, the farmer-elected committee system has played a vital role in administering farm programs in our Nation. Established by the Agricultural Adjustment Act of 1933, it has achieved the extremely worthwhile goal of putting the day-to-day operation of these programs in the hands of those best equipped to handle the task—the farmers themselves.

Unfortunately, Mr. President, at various times over the years, and again recently, attempts have been made to eliminate these panels or scale down their use. Such actions by the Reagan administration fully justify attempts by Congress to clarify the status and standing of these committees.

The farmer-elected committees are more important today than ever before. At a time when further reductions in programs are possible, we must have experienced leadership in place with firsthand knowledge of local problems and conditions. Otherwise, with the farm economy at a half-century low point, it will be just that much more difficult for hard-pressed farmers to stay in business.

Beefed up use of both ASCS personnel and records by the Federal Crop Insurance likewise increases the need for community committee members. The need for fair and equitable yields established by the committees is essential to both the farmer and the USDA.

This bill allows the number of community committees nationwide to rise back to the number in existence on December 31, 1980, with the approval of the county committees. It increases the term of community committee members from 1 to 3 years, spells out their duties for the first time, and increases the pay for both county and community committee members.

The bill also reduces the minimum number of annual community committee meetings from four to one and limits to four the number of annual meetings for which committee members can be compensated.

It has been my privilege to consult with the leaders of the National Association of Farmer Elected Committeemen in drawing up this legislation. I can report that they are in total agreement with its content.

Mr. President, these provisions represent a reasonable approach to allowing the farmer-elected committee system to continue as it has in the past. It is important that this legislation reach the White House as soon as possible. Hopefully, that will send a message to the Reagan administration that further attempts to reduce these grassroots committees would be both unwise and unwarranted.

At this point, Mr. President, I ask unanimous consent to have printed in the RECORD the bill I am introducing as well as the remarks made when this legislation passed the Senate last June by my good friend from North Carolina [Mr. HELMS] the chairman of the Committee on Agriculture.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 355

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Stabilization and Conservation Committee Act of 1985".

LOCAL COMMITTEES

SEC. 2. (a) The fifth paragraph of section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) is amended by—

(1) inserting, after the third sentence, the following: "The county committee for a county, by majority vote, may petition the Secretary to change the number of local areas in the county, and the Secretary shall make such change as petitioned by the county committee, except that any such change may not result in the number of local areas in a county exceeding the number of such areas in the county on December 31, 1980.";

(2) striking out "annually" in the fourth sentence;

(3) inserting, after the fourth sentence, the following: "Each member of a local committee shall be elected for a term of three years. Each local committee shall meet (1) one time each year, and (2) at the direction of the county committee, with the approval of the State committee, such additional times during the year as may be necessary to carry out this section. Notwithstanding section 388 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1388), the Secretary may not provide compensation or payments to a member of a local committee under such section for work performed at, or travel expenses incurred in attending, more than four meetings of such committee in any year. The meetings of a local committee shall be held on different days of the year."; and

(4) inserting after the eighth sentence, the following: "The local committees in each county shall (1) in counties in which there are more than one local committee, serve as advisors and consultants to the county committee; (2) periodically meet with the county committee and State committee to be briefed on farm program issues; (3) communicate with producers within their communities on issues or concerns regarding farm programs; (4) report to the county committee, the State committee, and others on changes to, or modifications of, farm programs recommended by producers in their communities; and (5) perform such other functions required by law or as the Secretary may specify. The Secretary shall ensure that the information regarding changes in the Federal laws in effect with respect to agriculture programs and in the administration of such laws, are communicated in a timely manner to the local committees for areas that contains farmers who might be affected by such changes.".

(b) The amendments made by subsection (a) of this section shall take effect on January 1, 1986, except that the amendments made by clauses (2) and (3) of subsection (a) shall not apply with respect to the term of office of any member of a local committee elected before January 1, 1986.

(c) If a change in the number of local administrative areas in a county under section 8(b) of the Soil Conservation and Domestic Allotment Act under the amendment made by subsection (a)(1) of this section will increase the number of the county's—

(1) local administrative areas, and

(2) local committees,

any member of a local committee elected before January 1, 1986, shall serve the unexpired portion of the member's term following such increase as a member of the local committee for the local administrative area in which such member resides.

COUNTY COMMITTEES

SEC. 3. Effective January 1, 1986, the first sentence of the fifth paragraph of section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) is amended by—

(1) inserting "and as otherwise directed by law with respect to other programs and functions," after "Alaska,"; and

(2) inserting a semicolon and "and the Secretary may utilize the services of such committees in carrying out other programs and functions of the Department of Agriculture" before the period at the end thereof.

SALARY AND TRAVEL EXPENSES

SEC. 4. Effective January 1, 1986, section 388 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1388) is amended by—

(1) adding, at the end of subsection (b), the following: "In addition, the Secretary shall provide compensation for members of such county committees, and to members of local committees of farmers within a county, for work actually performed by such persons in cooperating in carrying out the provisions of such Act; and such persons shall be compensated for such work (1) in the case of persons who are members of local committees within a county, at a rate (per hour of work actually performed) not less than the rate for grade GS-9 in the General Schedule set out in section 5332 of title 5 of the United States Code, as adjusted to an hourly rate; and (2) in the case of persons who are members of county committees, at a rate (per hour of work actually performed) not less than the rate for grade GS-11 in the General Schedule set out in section 5332 of title 5 of the United States Code, as adjusted to an hourly rate."; and

(2) adding, at the end thereof, a new subsection (c) as follows:

"(c) The Secretary shall make payments to members of local, county, and State committees of farmers to cover the expenses for travel incurred by such persons (including, in the case of members of local and county committees, travel between their homes and the local county office of the Agricultural Stabilization and Conservation Service) in cooperating in carrying out the provisions of the Acts in connection with which such committees are utilized. Such travel expenses shall be paid in the manner authorized, under section 5703 of title 5 of the United States Code, for the payment of expenses and allowances for individuals employed intermittently in the Government service. No part of such travel expense payments may be deducted from the Soil Conservation payments, parity payments, or loans, or other payments under such Acts.".

● Mr. HELMS. Mr. President, those of us who represent States with strong agricultural interests are well acquainted with the agricultural stabilization and conservation committee system. These committees are comprised of men and women who serve their fellow farmers in helping to administer our agricultural programs. Community committees are elected by participating farmers in relatively small subcounty areas, such as townships, where farmers know each other and committee members can respond quickly to individual inquiries. These community committee members elect the members of their ASC county committee which represents all farmers in that county.

In my own State of North Carolina approximately 3,000 dedicated farmers serve on almost 1,000 community committees to make this system work. That figure does not include the 300 others who serve on our county committees. These people are the grassroots organization that helps our agricultural programs stay in touch with the farmer. Without this network all across the country most producers would have no contact with the administration of the programs that affects their livelihoods.

This bill, as amended, will help to ensure that this valuable resource, our ASC committee system, is preserved and strengthened. The bill will accomplish this in several ways. Most importantly, it gives the farmers of a county—through the county committee—a say in how many local community committees there will be in that county. Under the bill, a county committee, by majority vote, may petition the Secretary of Agriculture to change the number of local administrative areas in the county which are represented by a community committee. The Secretary would have to make the changes petitioned by the county committee except that the number of local areas in a county under such a change could not exceed the number of such areas in the county on December 31, 1980. This provision will ensure that there is local support for reducing the number of community committees before such action is taken.

The bill also increases the elected term of service of community committee members from the current 1-year term to a 3-year term. The community committees will benefit from the experience its members will derive during this longer period of service. Furthermore, the 3-year term may encourage more farmers to become involved with the ASC committee system. I understand that the Department of Agriculture estimates that by conducting the elections every 3 years instead of each year, a savings will be realized over current law of approximately $6 million for each year that community committee elections are no longer required.

The bill will also increase the pay scale of members serving on both community and county committees to a level more which closely reflects a reimbursement of the time they spend away from their farm operations at ASC committee meetings. Although most, if not all, of the committeemen I have talked with would gladly serve in their capacity without compensation, the service these farmers render to the Nation is important enough to warrant the minimal expense.

The bill for the first time spells out the duties of the community committees and specifies that they are to meet at least one time each year and such additional times, as directed by the county committee with the approval of the State committee, as may be necessary to carry out their functions. The bill also provides, however, that compensation and travel expenses will not be paid for more than a total of four meetings of the community committees in any year.

Mr. President, the contributions of thousands of men and women who serve on local ASC committees are largely unheralded. Even though they fulfill their responsibilities without fanfare, the farmers of this country know who they are and the unquestioned importance of their work. I am proud to urge the passage of this bill, with the amendment, so that our ASC committee system will continue to remain strong and viable in the future.●

By Mr. GORTON (for himself, Mr. HATFIELD, Mr. HATCH, Mr. MURKOWSKI, Mr. JOHNSTON, Mr. MATSUNAGA, Mr. BAUCUS, Mr. INOUYE, Mr. GARN, Mr. MCCLURE, and Mr. STEVENS):

S. 356. A bill granting the consent of Congress to the Northwest Interstate Compact on Low-level Radioactive Waste Management; to the Committee on the Judiciary.

CONGRESSIONAL CONSENT TO THE NORTHWEST INTERSTATE COMPACT ON LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT

Mr. GORTON. Mr. President, on behalf of myself, Senators HATFIELD, HATCH, MURKOWSKI, JOHNSTON, MATSUNAGA, BAUCUS, INOUYE, GARN, MCCLURE, and STEVENS, I am reintroducing legislation to give congressional consent to the Northwest Interstate Compact on Low-Level Radioactive Waste Management. I previously introduced this bill in the 98th Congress, S. 247, and in the 97th Congress, S. 2829. Representative AKAKA from Hawaii is introducing a companion measure today in the House of Representatives.

In 1980, the 96th Congress passed the Low-level Radioactive Waste Policy Act, Public Law 96-573. In that law, Congress declared it to be the policy of the Federal Government that each State be responsible for providing for the availability of capacity for the disposal of low-level radioactive waste generated within its borders. This capacity may exist either within or outside the State. The Congress also declared that low-level radioactive waste can be most safely and efficiently managed on a regional basis. Pursuant to this declared policy, Congress authorized States to enter into interstate compacts in order to provide for the establishment and operation of regional disposal facilities for low-level radioactive waste.

The bill which I reintroduce is the compact which has been developed pursuant to the authority granted by

Public Law 96-573 to develop regional compacts. It is the compact negotiated by the following States: Washington, Oregon, Idaho, Montana, Utah, Wyoming, Hawaii, and Alaska. It has been adopted by the legislative action of the States of Washington, Oregon, Idaho, Montana, Utah, Hawaii, and Alaska. The State of Wyoming instead chose to ratify a different compact.

Interstate compacts entered pursuant to the Low-level Radioactive Waste Policy Act of 1980 are required by that law to obtain the consent of Congress. I reintroduce this bill in the 99th Congress in order to obtain that consent.

During the 98th Congress five regional interstate compacts, including the Northwest's, were introduced in the Senate for the purpose of gaining congressional consent. They are the Central, Southeast, Rocky Mountain, and Midwest.

The issue of radioactive waste disposal is an important one for persons residing in the State of Washington. This is so because the Nation's largest low-level radioactive waste disposal facility is located at the Hanford Nuclear Reservation near Richland, WA.

In 1980 voters of the State of Washington passed Initiative 383. The purposes of that initiative were to require Federal-State cooperation in the siting of low-level radioactive waste repositories, and to address the radioactive waste transportation problem with regional responsibility for regionally generated radioactive waste.

The initiative was passed by a majority of over 73 percent of the State's electorate. The proponents argued that the State of Washington should not be responsible to all the other States in the Nation to provide a waste disposal facility for all their low-level radioactive waste. The initiative did not provide for, nor did its proponents advocate, a total exclusion of deposits of out-of-State nuclear waste within the State. Rather, the initiative asserted that management of low-level radioactive waste was safest and most efficient on a regional basis, a policy which is wholly consistent with the statement of Federal policy in Public Law 96-573.

The initiative was subsequently invalidated, first by a U.S. district court and then by the Ninth Circuit Court of Appeals. The court ruled that Initiative 383 was unconstitutional because its exclusionary and regulatory provisions violated the supremacy and commerce clauses of the U.S. Constitution.

Nevertheless, Initiative 383 is dedicated to the same ideals as the Low-Level Radioactive Waste Policy Act of 1980. The Washington State Legislature responded to Washingtonians' sense of concern by joining other States of the region in passing the Northwest interstate compact on low-level radioactive waste. States of the Pacific Northwest have negotiated their differences in the best tradition of interstate cooperation, and I encourage Congress to continue that sense of cooperation and responsible management of the Nation's low-level wastes by giving prompt consideration to the bill I introduce today.

Congressional approval of the Northwest compact is crucial to Washingtonians to insure that responsibility for regionally generated radioactive waste becomes a reality. Hanford is currently receiving over 50 percent of the low-level radioactive waste produced in the entire United States, although the State of Washington produces only 4 percent of that total. Approximately 45 percent of all the low-level radioactive waste disposed of at Hanford is generated in the Northeastern United States, which has no existing disposal sites. In other words, over 600,000 cubic feet of low-level radioactive waste per year is currently being transported by truck over 2,500 miles from the Northeastern region to be disposed of in Washington State, and the majority of the States in the Northeast have failed to reach agreement on a regional compact.

Currently, only the States of Washington, Nevada, and South Carolina accept low-level radioactive waste. The State of Nevada has significantly reduced the amount of waste it receives—the site accepted only 1 percent of the Nation's low-level radioactive waste in 1984. Essentially this leaves two States—Washington and South Carolina—with the burden of disposing of waste produced by all 50 States. The fundamental unfairness and inefficiency of this system was made abundantly clear in 1979 when several shipments of leaking wastes and unsafe trucks arrived in Washington State. Due to considerable concern regarding health and safety problems Hanford was temporarily closed that year. The waste site located in Nevada was also closed during that time period leaving only the Barnwell, SC, site as the sole depository for the Nation's low-level radioactive waste.

Developing a responsible regional approach to the resolution of this national problem benefits not only the State of Washington, but the entire Nation. A State-developed system of regional sites would provide greater cost stability, reduce transportation requirements, enhance safety, and provide greater equity among all States.

In addition to giving the Northwest compact prompt consideration, it is also incumbent upon the Congress to evaluate whether the regional interstate compacts which developed across the Nation create an integrated low-level radioactive waste program. All the compacts need not be identical to accomplish this. Indeed, all the compacts need not be before the Congress in order to evaluate whether their combined effect is national in scope. But the compacts must operate in an integrated fashion and not be inconsistent in major interstate or interregion provisions. The reintroduction of the Southeast, Northwest, Central, Rocky Mountain, and Midwest compacts will provide Congress with enough information about an integrated low-level radioactive waste management system to allow congressional consent for these and provide guidance for congressional approval of those subsequently introduced.

In both the 97th and 98th Congresses, the Senate Judiciary Committee held hearings on the Northwest compact bill. Thanks, in large part, to Senator STROM THURMOND, chairman of the Senate Judiciary Committee, consideration of the Northwest compact and other interstate compacts accelerated other regional compacting activity and addressed issues which arose both under Public Law 96-573 and specific compact bills. It is my intention now, upon reintroducing this bill in the 99th Congress, to work aggressively for its passage.

States in the Northwest region have complied in good faith with the Low-Level Radioactive Waste Policy Act of 1980 by developing a compact to manage the low-level waste generated within their region. The bill I reintroduce today allows the party States to refuse to accept for disposal waste generated outside of the region after January 1, 1986, as authorized by the Low-Level Radioactive Waste Policy Act of 1980.

It is time for Congress to approve the Northwest region's efforts to comply with the Federal Government's stated policy and grant party States the authority to exclude waste from outside their region. All compacts which comply with Public Law 96-573 and conform to an integrated national waste program should be approved by Congress, and regions without compacts should explore individually and collectively, and with the assistance of the Congress, alternatives for managing their waste until they acquire a new disposal site.

The State of Washington has cooperated in dealing with the national problem of low-level radioactive waste disposal in an exemplary fashion. In conjunction with the other Northwest States, the State of Washington has responded to Congress' call to establish regional disposal facilities, and I urge Congress to reiterate its support for the Low-Level Radioactive Waste Policy Act of 1980 by giving prompt consideration to this bill.

Mr. President, I ask unanimous consent that the bill and attachment be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 356

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is hereby given to the States of Alaska, Hawaii, Idaho, Montana, Oregon, Utah, Washington, and Wyoming to enter into the Northwest Interstate Compact on Low-level Radioactive Waste Management, and to each and every part and article thereon. Such compact reads substantially as follows:

"NORTHWEST INTERSTATE COMPACT ON LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT

"ARTICLE I—POLICY AND PURPOSE

"The party states recognize that low-level radioactive wastes are generated by essential activities and services that benefit the citizens of the states. It is further recognized that the protection of the health and safety of the citizens of the party states and the most economical management of low-level radioactive wastes can be accomplished through cooperation of the states in minimizing the amount of handling and transportation required to dispose of such wastes and through the cooperation of the states in providing facilities that serve the region. It is the policy of the party states to undertake the necessary cooperation to protect the health and safety of the citizens of the party states and to provide for the most economical management of low-level radiactive wastes on a continuing basis. It is the purpose of this compact to provide the means for such a cooperative effort among the party states so that the protection of the citizens of the states and the maintenance of the viability of the states' economies will be enhanced while sharing the responsibilities of radioactive low-level waste management.

"ARTICLE II—DEFINITIONS

"As used in this compact:

"(1) 'Facility' means any site, location, structure, or property used or to be used for the storage, treatment, or disposal of low-level waste, excluding federal waste facilities;

"(2) 'Low-level waste' means waste material which contains radioactive nuclides emitting primarily beta or gamma radiation, or both, in concentrations or quantities which exceed applicable federal or state standards for unrestricted release. Low-level waste does not include waste containing more than ten (10) nanocuries of transuranic contaminants per gram of material, nor spent reactor fuel, nor material classified as either high-level waste or waste which is unsuited for disposal by near-surface burial under any applicable federal regulations;

"(3) 'Generator' means any person, partnership, association, corporation, or any other entity whatsoever which, as a part of its activities, produces low-level radioactive waste;

"(4) 'Host state' means a state in which a facility is located.

"ARTICLE III—REGULATORY PRACTICES

"Each party state hereby agrees to adopt practices which will require low-level waste shipments originating within its borders and destined for a facility within another party state to conform to the applicable packaging and transportation requirements and regulations of the host state. Such practices shall include:

"(1) Maintaining an inventory of all generators within the state that have shipped or expect to ship low-level waste to facilities in another party state;

"(2) Periodic unannounced inspection of the premises of such generators and the waste management activities thereon;

"(3) Authorization of the containers in which such waste may be shipped, and a requirement that generators use only that type of container authorized by the state;

"(4) Assurance that inspection of the carriers which transport such waste are conducted by proper authorities, and appropriate enforcement action taken for violations;

"(5) After receiving notification from a host state that a generator within the party state is in violation of applicable packaging or transportation standards, the party state will take appropriate action to assure that such violations do not recur. Such action may include inspection of every individual low-level waste shipment by that generator.

"Each party state may impose fees upon generators and shippers to recover the cost of the inspections and other practices under this article. Nothing in this article shall be construed to limit any party state's authority to impose additional or more stringent standards on generators or carriers than those required under this article.

"ARTICLE IV—REGIONAL FACILITIES

"(1) Facilities located in any party state, other than facilities established or maintained by individual low-level waste generators for the management of their own low-level waste, shall accept low-level waste generated in any party state if such waste has been packaged and transported according to applicable laws and regulations.

"(2) No facility located in any party state may accept low-level waste generated outside of the region comprised of the party states, except as provided in article V.

"(3) Until such time as paragraph (2) of article IV takes effect, facilities located in any party state may accept low-level waste generated outside of any of the party states only if such waste is accompanied by a certificate of compliance issued by an official of the state in which such waste shipment originated. Such certificate shall be in such form as may be required by the host state, and shall contain at least the following:

"(A) The generator's name and address;

"(B) A description of the contents of the low-level waste container;

"(C) A statement that the low-level waste being shipped has been inspected by the official who issued the certificate or by his agent or by a representative of the United States Nuclear Regulatory Commission, and found to have been packaged in compliance with applicable Federal regulations and such additional requirements as may be imposed by the host state;

"(D) A binding agreement by the state of origin to reimburse any party state for any liability or expense incurred as a result of an accidental release of such waste during shipment or after such waste reaches the facility.

"(4) Each party state shall cooperate with the other party states in determining the appropriate site of any facility that might be required within the region comprised of the party states, in order to maximize public health and safety while minimizing the use of any one (1) party state as the host of such facilities on a permanent basis. Each party state further agrees that decisions regarding low-level waste management facilities in their region will be reached through a good faith process which takes into account the burdens borne by each of the party states as well as the benefits each has received.

"(5) The party states recognize that the issue of hazardous chemical waste management is similar in many respects to that of low-level waste management. Therefore, in consideration of the State of Washington allowing access to its low-level waste disposal facility by generators in other party states, party states such as Oregon and Idaho which host hazardous chemical waste disposal facilities will allow access to such facilities by generators within other party states. Nothing in this compact shall be construed to prevent any party state from limiting the nature and type of hazardous chemical or low-level wastes to be accepted at facilities within its borders or from ordering the closure of such facilities, so long as such action by a host state is applied equally to all generators within the region comprised of the party states.

"(6) Any host state may establish a schedule of fees and requirements related to its facility, to assure that closure, perpetual care, and maintenance and contingency requirements are met, including adequate bonding.

"ARTICLE V—NORTHWEST LOW-LEVEL WASTE COMPACT COMMITTEE

"The governor of each party state shall designate one (1) official of that state as the person responsible for administration of this compact. The officials so designated shall together comprise the northwest low-level waste compact committee. The committee shall meet as required to consider matters arising under this compact. The parties shall inform the committee of existing regulations concerning low-level waste management in their states, and shall afford all parties a reasonable opportunity to review and comment upon any proposed modifications in such regulations. Notwithstanding any provision of article IV to the contrary, the committee may enter into arrangements with states, provinces, individual generators, or regional compact entities outside the region comprised of the party states for access to facilities on such terms and conditions as the committee may deem appropriate. However, it shall require a two-thirds (⅔) vote of all such members, including the affirmative vote of the member of any party state in which a facility affected by such arrangement is located, for the committee to enter into such arrangement.

"ARTICLE VI—ELIGIBLE PARTIES AND EFFECTIVE DATE

"(1) Each of the following states is eligible to become a party to this compact: Alaska, Hawaii, Idaho, Montana, Oregon, Utah, Washington, and Wyoming. As to any eligible party, this compact shall become effective upon enactment into law by that party, but it shall not become initially effective until enacted into law by two (2) states. Any party state may withdraw from this compact by enacting a statute repealing its approval.

"(2) After the compact has initially taken effect pursuant to paragraph (1) of this article, any eligible party state may become a party to this compact by the execution of an executive order by the governor of the state. Any state which becomes a party in this manner shall cease to be a party upon the final adjournment of the next general or regular session of its legislature or July 1, 1983, whichever occurs first, unless the compact has by then been enacted as a statute by that state.

"(3) Paragraph (2) of article IV of this compact shall take effect on July 1, 1983, if consent is given by Congress. As provided in public law 96-573, Congress may withdraw its consent to the compact after every five (5) year period.

"ARTICLE VII—SEVERABILITY

"If any provision of this compact, or its application to any person or circumstances, is held to be invalid, all other provisions of this compact, and the application of all of its provisions to all other persons and circumstances, shall remain valid; and to this end the provisions of this compact are severable.".

SEC. 2. Congress finds that the compact consented to herein is in furtherance of the policy contained in section 4(a)(1) of the Low-level Radioactive Waste Policy Act of 1980 and with the intent of Section 274(b) of the Atomic Energy Act of 1954. In order that this compact may be given full effect, the Nuclear Regulatory Commission is authorized and directed to require licensees subject to its jurisdiction under the Atomic Energy Act of 1954 to comply with the provisions of this compact. The Commission shall consult and cooperate with the states which are parties to this compact in carrying out this section.

SEC. 3. The Consent of Congress granted pursuant to this act is limited by the following conditions:

(a) Notwithstanding the provisions of Article V and Article VI. Paragraph (3) of the Northwest Interstate Compact on Low-Level Radioactive Waste Management, Article IV, paragraph (2) of that compact shall not take effect until January 1, 1986.

(b) The right of Congress to alter, amend, or repeal this Act is hereby expressly reserved.

INTERSTATE LOW-LEVEL RADIOACTIVE WASTE COMPACTS LEGISLATIVE STATUS AS OF JANUARY 28, 1985 [1]

(Key: e—Enacted, i—Introduced, p—Has petitioned to join, x—Signed by Executive Order)

Northwest: Alaska—e, Hawaii—e, Idaho—e, Montana—e, Oregon—e, Utah—e, Washington—e.

Central States: Arkansas—e, Kansas—e, Louisiana—e, Nebraska—e, Oklahoma—e.

Midwest: Indiana—e, Iowa—e, Michigan—e, Minnesota—e, Missouri—e, North Dakota—p, Ohio—e, Wisconsin—e.

Southeast (S. 44, H.R. 3777): Alabama—e, Florida—e, Georgia—e, Mississippi—e, North Carolina—e, South Carolina—e, Tennessee—e, Virginia—e.

Northeast: Connecticut—e, Delaware—e, Maryland—e, New Jersey—e.

Western: Arizona—e, California—i.

Rocky Mountain: Colorado—e, Nevada—e, New Mexico—e, North Dakota—p, Wyoming—e.

Central-Midwest: Illinois—e, Kentucky—x.

Unaffiliated States: Maine, Massachusetts, New Hampshire, New York, Pennsylvania,[2] Rhode Island, South Dakota, Texas,[3] Puerto Rico, Vermont, Virgin Islands, Washington, DC, West Virginia.

[1] From the U.S. Nuclear Regulatory Commission.

[2] Pennsylvania's Governor has announced that he will attempt to introduce the Appalachian Compact into the legislature. Other eligible States are WV, MD and DE.

[3] Texas is actively planning a site of its own.

Mr. HATFIELD. Mr. President, it is a pleasure to join with my colleagues today in cosponsoring the Northwest Interstate Compact on Low-Level Radioactive Waste Management.

The problem of managing and disposing low-level radioactive wastes is something that must be solved and done so quickly. In Oregon many schools and hospitals produce low-level radioactive wastes that have to be disposed of in a safe and efficient manner. Oregon's only nuclear power generating system, Trojan, located at Rainier, also produces quantities of these radioactive wastes. This compact, which has gone through a great deal of discussion in the effected States deserves to be ratified by Congress. This compact is a good faith effort in recognizing a serious problem, and working out a framework to begin negotiating a suitable low-level radioactive waste disposal site.

Mr. President, this legislation is critical to my State and to other States in the West that have joined in the compact as authorized by Public Law 96-573. It is my hope that the Senate can expeditiously move to ratify this important compact during this session of Congress.

Mr. McCLURE. Mr. President, I am pleased to join my colleagues in cosponsorship of the Northwest Interstate Compact on Low-Level Radioactive Waste Management. It is my greatest hope that the Congress, with patience, perseverance, and farsightedness, will ratify this, as well as all, regional low-level waste compacts this year in a manner that reflects the original intent of the 1980 Low-Level Radioactive Waste Policy Act: That is, to assign responsibility for disposal of such waste to the States, via the formation, ratification, and implementation of regional compact agreements.

Mr. President, the clock is running out on this issue. Since passage of the Low-Level Radioactive Waste Policy Act in 1980, we have seen several attempts to successfully ratify the regional compacts in Congress. Yet, in each case, Congress has adjourned without final resolution of the key issues needed for ratification. Such vacillation on the part of the Congress and the regions was anticipated by the original authors of the act, whose provisions were carefully structured to encourage diligence with respect to the timeframe and structure of the act. I for one would much prefer to work toward realizable solutions now, rather than let the hourglass drain and the structure crumble.

No one will deny the fact that there are several serious and substantial issues that must be resolved to the satisfaction of all States before congressional ratification of the compacts can proceed to a successful conclusion. Some of these issues are of a technical or regulatory nature, and can be resolved in a relatively simple, straightforward manner. Other issues, however, including interregional agreements and post-1985 access provision, will require a great deal more deliberation and ingenuity in order to reach an acceptable, workable compromise.

I firmly believe, as I am sure my colleagues do, that the best and most expedient manner in which to address these seemingly insurmountable issues is through open and constructive dialog among the various States and regions, as well as close State and regional association with the congressional committees having jurisdiction over the compacts. I am confident that, by working together in such a manner, we will be able to reach a consensus that is fair and reasonable to all parties. I am prepared to help the Congress—and in particular, the Senate Judiciary Committee—in any way I can to seek such a final resolution by the end of this calendar year. For if we do not succeed this year, the Congress will be faced with a far greater task in 1986, and with far less likelihood that the end result will be as palatable to the States or to the Nation, compared to what is so near at hand right now.

Our country and our people reap a tremendous benefit from the many peaceful applications of nuclear technology: Radiochemistry, cancer therapy, and nuclear power generation, just to name a few. It would indeed be an inexcusable hardship that our citizens would have to bear should these benefits have to be sacrificed even temporarily for want of adequate low-level waste disposal capabilities.

And so, Mr. President, it behooves us all to accept and share in the responsibility for low-level radioactive waste disposal in a manner that is equitable to all. To turn our backs on this responsibility now would not remove the problem, but would merely postpone and exacerbate it. I say let us get on with it now, while time is still on our side.

By Mr. DURENBERGER:

S. 357 A bill entitled the "Medicare Part B Premiums Nonsmoking Discount"; to the Committee on Finance.

S. 358 A bill entitled the "Part B Prevention Incentive Act"; to the Committee on Finance.

S. 359. A bill to provide for medical demonstrations in health promotion and disease prevention; to the Committee on Finance.

MEDICARE HEALTH PROMOTION AND DISEASE PREVENTION LEGISLATION

Mr. DURENBERGER. Mr. President, 1 month ago today, I kicked the habit. I put down my tobacco pipes for the last time and resolved not to smoke them again. It was not an easy decision, but for me it was a necessary one.

I am an advocate for consumer choice reform in health care. I have argued that people should be provided incentives to stay healthy and to choose among competitive health plans which assure them cost-effective and quality sick care. It is up to us as consumers to buy right in the marketplace.

However, consumer choice is more than choosing better sick care. It means first that we all take greater responsibility for our own health. Health plan buyers should be financially encouraged to reduce their risk of illness and be made to contribute more if they choose to increase their sick care consumption risk through smoking or other obviously dangerous habits.

Up until now the elderly and disabled received automatic entry into the Medicare Hospital Reimbursement Program and, by election, into a similar Medicare physician plan. But change is on the way. Choice in the purchase of a health plan is now being offered to Medicare beneficiaries. As of February, Medicare beneficiaries will have an opportunity to choose a health maintenance organization or competitive medical plan option. Through promoting choice, this significant reform will in time reduce Medicare Program costs and I believe increase beneficiary access to quality services.

Personal choice about lifestyle is important. Incentives to promote self-responsibility should also be incorporated in the Medicare Program. So on this, my first month's anniversary off the pipe, I thought it a particularly appropriate time to propose a package of measures for Medicare which would encourage health promotion and disease prevention for seniors.

The purpose of the package is to provide incentives for seniors to both take it upon themselves to reduce risk of illness and lay a base for restructuring Medicare to meet its full potential as a health as well as a sickness program. Since 1965 Medicare has, appropriately, been from its establishment an acute care program. However, as research now and recent experience have graphically shown, not only can costs and lives be saved by better prevention but the risk of chronic disabilities which frequently prey on the elderly, can be reduced. It is time to explore the many ways Medicare can be restructured to incorporate the possibilities of prevention.

MEDICARE PART B PREMIUMS NONSMOKING DISCOUNT

The National Center for Health Statistics reported in 1980 that 17.9 percent of men over 65 and 16.8 percent of women over 65 smoked. It has been projected that about 5 million seniors smoke today. Surgeon Generals since the sixties and studies too numerous to mention have indicated these smokers are at greater risk of disability and fatal illness than nonsmokers. As the noted gerontologist, Anne Somers has argued, "The time has passed when the American taxpayer can promise full coverage of health benefits to the victims of known self-destructive behavior without asking for a contribution from them."

The private sector is already taking the lead in rewarding those who choose to avoid smoking which unquestionably increases the risk of illness. The American Council on Life Insurance Co. reports that over 80 percent of life insurance companies now offer premium discounts to nonsmokers.

The National Association of Insurance Commissioners is also taking positive steps in this direction. The organization has adopted a resolution encouraging the health insurance industry to offer financial incentives to insureds who have healthy lifestyles. Risk factors the insurance commissioners encourage the health insurers to recognize include use of tobacco, excessive weight, and high blood pressure.

Many Blue Cross and Blue Shield plans around the country have already adopted nonsmoker discounts for their health plans. Blue plans have offered discounts for nonsmokers in California, Idaho, and Roanoke, VA.

The Blue plan in my home State of Minnesota has also just introduced a nonsmoker discount. Under the plan's program, a 30- to 34-year-old nonsmoker now paying $19.69 a month for health coverage with a $500 deductible would receive a discount of $1.35, or nearly 7 percent. A 60- to 65-year-old nonsmoker would receive a discount of nearly 22 percent or $16.02 of a $74.31 monthly policy.

It is time for Medicare to move in this direction. Nonsmokers should be rewarded and smokers asked to pay more of the tab. Smokers are at greater risk for a host of chronic illnesses—cancers, respiratory ailments, and heart disease.

Under my bill, the Medicare Part B Premiums Act, S. 357, the part B premium would be raised on January 1, 1986, to $17.60 for smokers. Nonsmokers would receive a $1 discount.

A recent article by Cindy L. Jajich and others which appeared in the Journal of the American Medical Association showed that smokers in the 65-to-74 age group, for their sample, had a risk of death from coronary heart disease 52 percent higher than nonsmokers, ex-smokers. This research indicated that even ex-smokers of cigarettes, pipes, and cigars who had smoked for years, had no higher death rate than those who never smoked. Clearly, when seniors kick the habit it can make a positive contribution to their health and the health bill of the Nation.

PART B PREVENTION INCENTIVE ACT

The current administration and some of my colleagues would like to raise the Medicare part B premium from $75 to $100. Most private insurers now have at least a $100 deductible and many are instituting deductibles of $250 or $500 for the health plans they sell. Medicare part B has had a $75 deductible since 1982, while program costs increased by about 25 percent. So there is a strong argument for those who want us to go to $100 for the part B deductible. If we are going to $100, why not do it in such a way that it will do some good for the beneficiaries.

It is important that we begin to incorporate in the Medicare Program incentives to promote disease prevention for seniors. This bill will raise the part B deductible from $75 to $100, but, in exchange, allow costs incurred for certain preventive health measures incurred by beneficiaries to be counted toward satisfying the deductible.

Health measures eligible for the deductible would include health screening, to be defined by the Secretary of Health and Human Services; immunization, not otherwise covered by Medicare; and prescription drugs for the control and treatment of hypertension.

This new allowance under part B of Medicare will provide an incentive for Medicare beneficiaries to seek preventive services. Experience has indicated those beneficiaries who take advantage of this option increase the likelihood of improving their health, reducing health costs, and lowering the risk to them of disability and death.

Health screening is particularly important for the elderly. Health screening, for example, will identify those services with high blood pressure. Seniors are particularly at risk of stroke. It is estimated that 135,000 individuals that are over the age of 65 die each year of stroke yet more than half a million survive but become disabled from stroke.

Over the last 16 years death rates from stroke have declined by 45 percent. The greater part of this decrease has occurred since 1972 when the Federal Government's National Heart, Lung and Blood Institute began its National High Blood Pressure Education Program. This NIH program has been successful because it promoted identification of those at risk and high blood pressure control. It is time Medicare policy is redirected to better effort.

MEDICARE DEMONSTRATIONS IN HEALTH PROMOTION AND DISEASE PREVENTION

This final bill in the package instructs the Secretary of Health and Human Services to fund five demonstration projects designed to reduce the risk of disability and death of Medicare beneficiaries through the

provision of preventive health services. These demonstrations would encompass an array of services including those in the previous bill as well as such items as health risk appraisals, dietary consultation, stress reductions, exercise counseling and programs, smoking cessation, sleep regulation targeted mental health intervention, prevention of injury, instruction in self-medication, and prevention of substance abuse. These demonstrations would allow for the thorough testing of efficacy of such activities.

We know from the success of ON LOK Health Services Program that comparable measures can improve the lives of seniors eligible for institutional care and reduce the costs of expensive hospital use. These demonstrations will help determine whether or not preventive measures aimed at identifying and meeting the health concerns of the "at risk" elderly can produce the same positive results.

The demonstrations can provide direction to Congress concerning the potential usefulness of adapting preventive benefits to the Medicare Program. They can also provide important knowledge on preventive approaches to the health care providers who offer service to the elderly. It is, therefore, vital these programs be strictly monitored and evaluated and that results be reported to Congress in a timely manner as outlined in the bill. To assure appropriate evaluation, the bill calls for oversight and evaluation of these programs by relevant experts from this Nation's schools of public health.

It is my hope that these bills will encourage additional discussion among health care policymakers, professionals, and insurers concerning health promotion and disease prevention. As a nation, we need to focus more of our efforts and resources to the area of prevention both to reduce health care costs and improve the quality of life of all Americans.

Mr. President, I ask unanimous consent that a copy of the three bills be printed at this point in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 357

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1839(a)(2) of the Social Security Act is amended to read as follows:

"(2) Except as provided in subsections (b) and (e), the monthly premium for each individual enrolled under this part for each month after December 1985 shall be—

"(A) $17.60 for months in calendar year 1986, and

"(B) the amount determined under paragraph (3) for months thereafter.".

(b) Subsection 1839(a)(3) of such Act is amended—

(1) by striking out "September of 1983" and inserting in lieu thereof "September of 1985";

(2) by striking out "(except as otherwise provided in subsection (e)"; and

(3) in subparagraph (B), by striking out "most recently promulgated by the Secretary under this paragraph" and inserting in lieu thereof "established under paragraph (2) or this paragraph (without regard to subsection (b) or (e)) for the current year".

(c) Subsection (e) of section 1839 of such Act is amended to read as follows:

"(e)(1) The amount of the monthly premium for an individual enrolled under this part, as determined under subsection (a) and after the application of subsection (b), shall be reduced by $1 for any such individual who is a nonsmoker with respect to such month, and has certified to the Secretary prior to the beginning of such month that such individual is a nonsmoker.

"(2) For purposes of this subsection, an individual is a nonsmoker if such individual has not smoked any tobacco or tobacco product during the preceding six months.

"(3) Each individual shall be provided the opportunity to certify to the Secretary that such individual is a nonsmoker—

"(A) at the time such individual enrolls under this part,

"(B) during the period from October 1, 1985, through December 31, 1985, in the case of individuals enrolled under this part prior to January 1, 1986, and

"(C) during the months of January and July of each calendar year after 1985.

"(4) Any false certification by an individual that such individual is a nonsmoker, or any failure by an individual to report to the Secretary that such individual is no longer a nonsmoker (after previously certifying that such individual was a nonsmoker), shall constitute a criminal offense under section 1877(a).".

(d) The amendments made by this Act shall apply to premiums for months after December 1985.

S. 358

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1833(b) of the Social Security Act is amended to read as follows:

"(b)(1) Before applying subsection (a) with respect to expenses incurred by an individual during any calendar year, such individual must satisfy a deductible of the amount determined under paragraph (3). Such deductible shall consist of—

"(A) expenses incurred by such individual during such year which would, but for this subsection, constitute incurred expenses from which benefits payable under subsection (a) are determinable; and

"(B) expenses incurred which constitute the reasonable charge for items or services described in paragraph (2) (or the reasonable cost of such items or services when provided by an entity which is generally reimbursed on a cost basis under this part).

"(2) Items and services which are included only for purposes of satisfying the deductible pursuant to paragraph (1)(B) are—

"(A) health screenings (as defined by the Secretary),

"(B) immunizations not otherwise covered under this part, and

"(C) prescription drugs for the control or treatment of hypertension.

"(3)(A) The amount of the deductible for calendar year 1986 shall be $100.

"(B) The amount of the deductible for any calendar year after 1986 shall be an amount equal to—

"(i) the deductible for the preceding calendar year, increased by

"(ii) the percentage (rounded to the nearest one-tenth of one percent) by which the Consumer Price Index (prepared by the Department of Labor) for the quarter ending on September 30 of such preceding calendar year, exceeds such index for the quarter ending on September 30 of the second preceding calendar year, determined in the same manner as under section 215(i).

"(4) The deductible under paragraph (1) shall not apply to—

"(A) pneumoccoccal vaccine and its administration;

"(B) home health services;

"(C) surgical and related services for which payment is determined under subsection (a)(1)(F) or under subsection (i)(2) or (i)(4); and

"(D) clinical diagnostic laboratory tests for which payment under this part is made—

"(i) under subsection (a)(1)(D)(i) or (a)(2)(D)(i) on the basis of an assignment described in section 1842(b)(3)(B)(ii), under the procedure described in section 1870(f)(1), or to a provider having an agreement under section 1866, or

"(ii) on the basis of a negotiated rate determined under subsection (h)(6).

"(5) In addition to satisfying the deductible under paragraph (1), an individual shall be subject to a deductible for blood. Such deductible shall be equal to the expenses incurred for the first three pints of whole blood (or equivalent quantities of packed red blood cells, as defined under regulations) furnished to the individual during the calendar year, except that such deductible for blood shall, in accordance with regulations, be appropriately reduced to the extent that there has been a replacement of such blood (or equivalent quantities of packed red blood cells, as so defined). For purposes of this paragraph, blood (or equivalent quantities of packed red blood cells) furnished to an individual shall be deemed replaced when the institution or other person furnishing such blood (or such equivalent quantities of packed red blood cells) is given one pint of blood for each pint of blood (or equivalent quantities of packed red blood cells) furnished to such individual with respect to which a deduction is made under this paragraph.".

(b) The amendment made by subsection (a) shall apply to calendar years after 1985.

S. 359

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Health and Human Services shall establish a demonstration program which shall be designed to reduce disability and dependency through the provision of preventive health services to medicare beneficiaries.

(b)(1) Preventive health services to be made available under the demonstration program shall include the following:

(A) health screenings,

(B) immunizations,

(C) health risk appraisals,

(D) dietary consultations,

(E) stress reduction,

(F) exercise counseling and programs,

(G) smoking cessation,

(H) sleep regulation,

(I) mental health intervention, particularly targeted to preventing depression,

(J) prevention of intentional and unintentional injury,

(K) instruction is self-care, including use of medications, and,

(L) prevention of alcohol abuse.

(2) Such services may be provided by the following public health personnel:

(A) physicians,

(B) behavioral scientists,

(C) nurses,

(D) allied health personnel,

(E) dieticians, and

(F) clinical psychologists.

(c) The demonstration program shall—

(1) be located at no fewer than five sites, which sites shall be geographically diverse and generally accessible to the medicare population;

(2) be conducted under the direction of school of public health, as defined in section 701(4) of the Public Health Service Act;

(3) be designed to provide public health services to medicare beneficiaries using alternative methods of reimbursement for such services, including payment on both a prepayment and fee-for-services basis;

(4) involve community outreach efforts at each site to enroll the maximum number of medicare beneficiaries in the program; and,

(5) be designed to facilitate the analysis required by subsection (d).

(d) Not later than three years after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit a report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives on the demonstration program, which report shall include—

(1) a preliminary evaluation of the short- and long-term costs and benefits of preventive health services for the medicare beneficiaries who received such services under the program, including any reduction in admissions to hospitals and long-term care facilities or in the average length of stay in such facilities; and

(2) recommendations with respect to a practical financing mechanism to support full integration of preventive health services into the medicare program.

(e) The Secretary of Health and Human Services is authorized and directed to waive certain requirements of title XVIII of the Social Security Act, pursuant to section 402(a) of the Social Security Amendments of 1967 (as amended by section 222 of the Social Security Amendments of 1972) and pursuant to section 1115 of such Act, as may be necessary to carry out the demonstration program required by this Act.

By Mr. ZORINSKY:

S. 360. A bill to direct the Secretary of Agriculture to convey, without consideration, to the Nebraska Game and Parks Commission, approximately 160 acres of land within the Nebraska National Forest to be used for the purposes of expanding the Chadron State Park, NE; to the Committee on Energy and Natural Resources.

NEBRASKA LAND TRANSFER

Mr. ZORINSKY. Mr. President, today I am introducing a bill which would transfer approximately 160 acres of land within the Nebraska National Forest to the Nebraska Game and Parks Commission to be utilized in adding camping facilities and nature trails—hiking and horseback riding—to the Chadron State Park.

The land involved is bordered on two sides by the Chadron State Park and is therefore contiguous to the State park. The use of this land would be upgraded and all improvements of course would be provided by the State of Nebraska.

The bill is the only solution to a longstanding problem of inadequate camping facilities at Chadron State Park. The park attracts some 200,000 visitors a year, but it has no campground and no land suitable for campground development. As a result, camping occurs randomly near the park entrance.

Transfer of the land would greatly enhance public use of Chadron State Park and we simply have no other alternative for developing camping facilities at the park.

The bill protects the Federal Government's rights to oil and gas and other subsurface interests. In addition, the bill also provides that in the event the Nebraska Game and Parks Commission shall fail to utilize the land as a part of Chadron State Park, the land shall revest in the U.S. Forest Service.

I ask for the support of my colleagues on this bill, and I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 360

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) no later than the one hundred and eighty days following the date of enactment of this Act and subject to the provisions of subsection (b), the Secretary of Agriculture shall convey, without consideration, to the Nebraska Game and Parks Commission, all right, title, and interest of the United States in the real property described in subsection (c).

(b) The Secretary of Agriculture shall reserve for the United States any subsurface rights that the United States owns in the real property conveyed under this Act including oil and gas rights. The Secretary shall provide that title in such real property shall revest in the United States upon failure of the Nebraska Game and Parks Commission to use the land as part of the Chadron State Park, Nebraska.

(c) The land referred to in subsection (a) consists of approximately 160 acres within the Nebraska National Forest and is described as follows:

The east half of the southwest quarter, the west half of the southeast quarter, and that part of the southeast quarter of the southeast quarter lying west of State Highway 385, of Section 25, Township 32 North, Range 49 West, 5th Principle Meridian, Dawes County, Nebraska.

By Mr. MOYNIHAN (for himself, Mr. SYMMS, Mr. MATSUNAGA, Mr. GRASSLEY, Mr. RIEGLE, Mr. CRANSTON, Mr. BURDICK, Mr. HEFLIN, Mr. ZORINSKY, Mr. COCHRAN, Mr. SPECTER, Mr. D'AMATO, and Mr. HELMS):

S. 361. A bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by nonitemizers; to the Committee on Finance.

DEDUCTION FOR CHARITABLE CONTRIBUTIONS BY NONITEMIZERS

● Mr. MOYNIHAN. Mr. President, I rise today to offer legislation to make permanent the provision of the tax law that permits every American taxpayer, whether or not he or she itemizes his or her deductions, to deduct charitable contributions.

This provision, introduced in 1981 by myself and the distinguished chairman of the Senate Finance Committee, Senator PACKWOOD, gives taxpayers who do not itemize their deductions the same right to deduct their charitable contributions as those who do itemize. It was then considered worthwhile and responsible legislation, overwhelmingly approved by Congress, and remains so today. Under this law, nonitemizers could deduct 25 percent of their charitable contributions, up to $100, in the 1982 and 1983 tax years; and from that point the amounts and percentages rose at a gradual rate. In 1984, nonitemizing taxpayers can deduct 25 percent of their charitable contributions up to $300; and under the law this year, the percentage will rise to 50 percent with no upper limit. In 1986, next year, nonitemizers will be able to deduct all of their charitable contributions—just as can taxpayers who do itemize the other deductions.

The need—even the duty, as Thomas Jefferson put it in 1806—to support charities is a well-recognized public purpose. In 1981, when this provision was enacted, we attached a sunset provision, eliminating the right in 1987. In 5 years, we reasoned, we could see if this provision served the public purpose. It has, and now the sunset should be eliminated.

Charles T. Clotfelter, vice provost of Duke University and a distinguished expert on charitable giving, has estimated that the above-the-line deduction for charitable contributions will produce some $3.8 to $6.5 billion in additional charitable giving in 1986. The deduction for nonitemizers is responsible today for 10 full percent of all charitable donations, and permitting this important provision of the Tax Code to sunset would, in effect, drastically cut the budgets of all of our voluntary and not-for-profit organizations that today provide essential services in our communities.

Our Nation has a long history of prudent caution about unnecessary Government intervention in the affairs of our society. We prize independent collective actions and responses, precisely of the kind supported by the deduction for charitable contributions. The elaborate American network of charitable organizations enables us to address pressing prob-

lems of disease and deprivation, and to support cultural enrichment through universities, museums, and libraries—all without direct Government involvement.

Why, then, limit the incentives for charitable giving to the minority of 35 percent of Americans who itemize their tax returns? It is Americans earning less than $50,000—those less likely to itemize their tax returns—who are responsible for most individual charitable giving. Is it reasonable to encourage charitable contributions only among certain Americans, and discourage giving by others? The purpose of the above-the-line deduction is the same as for the itemized deduction, to increase charitable giving. And as Professor Clotfelter points out, the above-the-line deduction, like the itemized one, has achieved this end.

Mr. President, I first came to Washington with the administration of John Fitzgerald Kennedy. I, like millions of Americans and many in this Chamber, recall his State of the Union Address in January 1962, when President Kennedy spoke of our national resolve to better the lives of all American citizens:

> A strong America cannot neglect the aspirations of its citizens—the welfare of the needy, the health care of the elderly, the education of the young. For we are not developing the nation's wealth for its own sake. Wealth is the means and people are the ends.

Could we do better, in our effort to live up to John Kennedy's vision of us, than to support all our charitable and nonprofit organizations? The above-the-line charitable deduction should be a permanent part of our Tax Code not only because it encourages Americans to support worthy causes, but also because it makes available to all Americans the same incentives for charitable giving, regardless of income.

Mr. President, I urge my colleagues to support this legislation, and I ask unanimous consent that the text of the bill appear in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 361

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (i) of section 170 of the Internal Revenue Code of 1954 (relating to the rule of nonitemization of deductions) is amended by striking out paragraph (4).●

● Mr. D'AMATO. Mr. President, I am pleased to join as an original cosponsor of legislation to make permanent the deduction for charitable contributions by nonitemizers now scheduled to sunset on December 31, 1986. I believe this legislation, introduced by my distinguished colleague, the senior Senator from New York, is crucial to assure the continued viability of philanthropic, humanitarian, and cultural organizations. This legislation is made even more timely by the Treasury tax reform proposal, which would repeal the deduction for charitable contributions made by nonitemizers.

As part of the Economic Recovery Tax Act of 1981 [ERTA], Congress established a 5-year phase-in of this deduction by nonitemizers. I believe this was responsible tax policy. In 1982 and 1983, nonitemizers could deduct 25 percent of their charitable contributions up to $100. In 1984, the deduction rose to 25 percent of contributions up to $300. It increases to 50 percent of total contributions in 1985. Finally, in 1986, 100 percent of all contributions will be deductible by nonitemizers. However, for tax year 1987, the deduction is completely repealed.

The charitable deduction for nonitemizers is estimated to lose $5.7 billion in tax revenue when 100 percent of all contributions can be deducted. This is in stark contrast to estimates by the Urban Institute of $25 billion less Federal funding of these same organizations. Clearly, charitable institutions are experiencing a funding shortfall. With the sunset of December 31, 1986, for charitable deductions by nonitemizers, the financial difficulties of charities will be further exacerbated.

Eliminating the sunset provision would effectively reduce the financial burden felt by these worthy groups. This is consistent with the administration's goal of encouraging private sector funding of private nonprofit activities.

The Federal funding crisis aside, private giving to charities has been sharply reduced as of late. The recession has constrained an individual's ability to contribute to worthy causes. With the recovery gaining strength, this trend hopefully will be reversed. However, changes in the tax structure mandated in ERTA will permanently reduce giving to charities by certain economic groups. By dropping the maximum individual tax bracket from 70 to 50 percent, the wealthy have less of an incentive to give. Consequently, some individuals in the highest tax bracket will reduce their contributions.

Mr. President, I am not suggesting that the maximum individual tax rate be increased. Rather, I am supporting adoption of the legislation introduced by Senator MOYNIHAN as a means of partially replacing Federal cutbacks and less giving by the affluent. The legislation is designed specifically to encourage middle class participation in charitable giving. Approximately 67 percent of all taxpayers do not itemize. Without the deduction for charitable contributions by nonitemizers, the middle class will have no monetary incentive to give.

The charities of our society are a precious natural resource in need of further development. This legislation will ease the financial stress felt by the Nation's humanitarian and cultural organizations. I am proud to be an original cosponsor of this legislation and I urge its enactment.●

By Mr. HELMS (for himself and Mr. EAST):

S. 362. A bill to authorize the use of certain lands in connection with the project at Manteo (Shallowbag) Bay, NC; to the Committee on Environment and Public Works.

OREGON INLET

● Mr. HELMS. Mr. President, Senator East and I are introducing legislation to address a serious problem in North Carolina—the future of Oregon Inlet as a safe navigable channel for commercial and recreational vessels; and most important of all, the future of many people who live in and around Dare County, NC, and who depend on the local fishing industry for their livelihoods.

Oregon Inlet is in Dare County, along the Outer Banks. Mr. President, those who haven't visited the Outer Banks have missed a great joy. It is one of the most beautiful areas of the country, with some of the best fishing to be found anywhere.

Oregon Inlet is the only inlet along the Outer Banks from Norfolk—more than 90 miles to the north—and Hatteras Inlet—roughly 45 miles to the south. Oregon Inlet is therefore a potential haven for all kinds of oceangoing vessels in bad weather. And when the weather is bad along the Outer Banks things can get pretty rough. You have got to be hardy to live there year-round, and you have to be particularly hardy—and brave—to sail through Oregon Inlet every day in search of your livelihood.

Wanchese Harbor, which is on the back side of the Outer Banks sheltered from the Atlantic Ocean, houses a commercial fishing fleet. The only access to Wanchese Harbor is through Oregon Inlet.

The age-old problem there, and the problem Senator EAST's and my bill seeks to remedy, is serious shoaling in the inlet itself. There is often too little water in the channel for the fishing boats to pass safely. At such times, the captains must take their boats to other ports, which are many miles away. This costs them dearly in time and money—sometimes making a catch unprofitable. Often the captains risk making it through the inlet. Sometimes they make it, and sometimes they do not.

In 1970, in section 101 of the River and Harbor Act of 1970, Congress authorized the Manteo (Shallowbag) Bay project, which provides for the stabilization of Oregon Inlet with dual jetties and facilities for sand transfer. Despite this authorization, however, jetties have never been built. When

the project was authorized, all Federal agencies involved, including the Department of the Interior, the Department of Health, Education, and Welfare, and the Department of Transportation, as well as the Corps of Engineers were in favor of the project.

Unfortunately, the authorization did not contain a specific grant of authority to the Department of the Interior to make available to the Corps of Engineers the land necessary for jetty construction.

I refer, of course, to land to the north of Oregon Inlet—the Cape Hatteras National Seashore—and land to the south—the Pea Island National Wildlife Refuge. These lands are under the jurisdiction of the Department of Interior, and cannot be released without authority.

Omission of this grant of authority has caused great hardship for those who depend on the channel for their livelihoods, and has led to one of the most ridiculous and time-consuming bureaucratic hassles I have ever witnessed.

Repeated attempts to get the Department of the Interior to issue permits for jetty construction have proven unsuccessful. Interior's lawyers have concluded they have no authority in law to issue the necessary permits. I have accepted the lawyers' interpretation of the law, and that is why Senator EAST and I are introducing this legislation today.

Our bill would simply authorize the Corps of Engineers to use land within the boundaries of the Cape Hatteras National Seashore and land within the boundaries of the Pea Island National Wildlife Refuge to carry out the project at Manteo (Shallowbag) Bay, NC.

This is the same bill that passed the House of Representatives during the 98th Congress due to the good efforts of Congressman WALTER JONES and then Congressman—now Governor—Jim Martin. Congressman JONES and I, and Senator EAST and Governor Martin have been working together, and have solicited and received the support of the Governor of our State and other interested officials and citizens, to see this project through.

I should mention that this bill does not authorize the expenditure of any funds—it simply settles the question of authority to use certain land for jetty construction.

Mr. President, I ask unanimous consent that its text be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 362

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the Secretary of the Army, acting through the Chief of Engineers, is authorized to use land within the boundaries of the Cape Hatteras National Seashore and land within the boundaries of the Pea Island National Wildlife Refuge which he determines to be necessary to carry out the project at Manteo (Shallowbag) Bay, North Carolina, authorized by section 101 of the River and Harbor Act of 1970.●

● Mr. EAST. Mr. President, I am honored to join as a cosponsor of this legislation offered by the senior Senator from North Carolina, Senator HELMS. This legislation would authorize the U.S. Army Corps of Engineers to utilize lands under the jurisdiction of the U.S. Department of the Interior for the purpose of anchoring jetties at Oregon Inlet.

The legislation has my full support. It would allow for the completion of the Manteo (Shallowbag) Bay project, authorized under the River and Harbor Act of 1970 as a navigational project. That enabling legislation specifically identified the construction of jetties as the means by which the inlet would be stabilized. In keeping with the congressional mandate, the Congress has authorized, over a period of years, $15 million for the construction of jetties. The project is of major importance to the economic advancement of northeastern North Carolina and to the lives and well-being of the fishing crews who work the stormy ocean area nearby.

The good people on the Outer Banks of North Carolina have too long endured delays in the completion of the Manteo (Shallowbag) Bay project. The State of North Carolina and local interests in the Oregon Inlet vicinity wish to support and expand our domestic fishing industry. This legislation, by resolving the land issue once and forever, would permit the stabilization of Oregon Inlet and allow safe passage through the channel. The impact on our domestic fishing industry would be enormous.

Mr. President, if we are to continue to be responsive to the water resource needs of present and future generations, we ought to aim to improve navigational facilities to allow our fishing vessels safe passage. To this effort I commend this legislation to my colleagues.

I urge my colleagues to support this legislation. It provides for the vital use of lands important to the development of a safe and stable navigation channel.●

By Mr. SPECTER:

S. 364. A bill for the relief of Shailesh K. Patel and Premlata Patel; to the Committee on the Judiciary.

FOR THE RELIEF OF THE PATELS

Mr. SPECTER. Mr. President, I rise today to introduce a private immigration relief bill on behalf of Shailesh Patel and his wife, Premlata.

Shailesh Patel has lived in this country for 18 years, since leaving India. His wife, Premlata, has been here for 13 years. They have three young children who attend school here and have made close friends.

The Patel family have been good members of the community. The children have absolutely no familiarity with India, cannot speak their parents' dialect, and cannot possibly succeed in school there. Mr. Patel is well liked in his community and has operated a successful service station for many years.

I have taken the time and had occasion to visit the Patels in their home in suburban Philadelphia, a beautiful home, indicative to the contribution which they have made to this country. I have visited Mr. Patel's service station and can personally attest to the fact that Mr. Patel is a productive, law-abiding citizen.

The Patels will be faced with a deportation order under which they will be forced to return to India. Their American dream will be brought to an abrupt and painful end if that deportation order is carried out.

The forced exclusion of such hard-working, conscientious, and community-spirited people is certainly not what our immigration laws were designed to accomplish. This is certainly the case when their effect is to permanently disrupt the lives of young, American-born children. By virtue of their long residence in the United States and their American citizen children, the Patels meet the criteria I proposed last Congress in my legislation entitled the "Alien Parental Amnesty Act."

Through hard work and initiative, Shailesh Patel and his wife have come far toward realizing their ambition, and in doing so, have enriched the lives of their community and the United States.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 364

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding paragraph (14) of section 212(a) of the Immigration and Nationality Act, for purposes of such Act, Shailesh K. Patel and Premlata Patel shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the proper number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas which are made available under section 203(a) of the Immigration and Nationality Act to natives of the countries in which the aliens were born or, if applicable, the total number of immi-

grant visas which are made available under section 202 of such Act to natives of the countries in which the aliens were born.

By Mr. SPECTER:

S. 365. A bill for the relief of Doctor Pablo Esguerra, Theresa Esguerra, and Micheline Esguerra; to the Committee on the Judiciary.

FOR THE RELIEF OF THE ESGUERRAS

Mr. SPECTER. Mr. President, I rise today to introduce a private immigration relief bill on behalf of Dr. Pablo Esquerra, his wife Theresa, and his 10-year-old daughter, Micheline.

Dr. Esguerra has been in the United States continuously since 1975. He has an American-born son, Francis, age 6, who is an American citizen and therefore not technically subject to deportation. However, as a practical matter, he will be forced to join his parents and sister if they are deported to the Philippines.

Based on inquiries, I am reliably advised as follows:

Dr. Esquerra is liked and respected in his community in Fayette County, PA, where he is a member of the emergency room staffs of the Green County and Uniontown Hospitals. Dr. Esguerra also works at the D.W. Allen Memorial Clinic, an institution that provides desperately needed medical services to the residents of small communities outlying the Uniontown, PA, area. Nearly 100 patients, many of them senior citizens, look to Dr. Esquerra for their medical care.

As a productive, valued member of his community, residing within the United States for more than 9 years and, most importantly, with an American-born child, Dr. Esguerra meets the criteria I proposed in the last Congress in my legislation entitled the "Alien Parental Amnesty Act." This situation bears close resemblance to that of Shailesh Patel, on whose behalf I have also reintroduced a private bill. Deportation of Mr. Patel or Dr. Esguerra would work a grievious hardship on their young, American-born children, while penalizing the communities that have come to value highly their contributions.

It is in the interest of all Americans to have such talented, community-spirited individuals join us as citizens.

I ask unanimous consent that the bill be reprinted in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 365

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding paragraph (14) of section 212(a) of the Immigration and Nationality Act, for purposes of such Act, Doctor Pablo Esguerra, Theresa Esguerra, and Micheline Esguerra shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the proper number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas which are made available under section 203(a) of the Immigration and Nationality Act to natives of the countries in which the aliens were born or, if applicable, the total number of immigrant visas which are made available under section 202 of such Act to natives of the countries in which the aliens were born.

By Mr. ABDNOR (for himself, Mr. MOYNIHAN, Mr. STAFFORD, Mr. BENTSEN, Mr. ANDREWS, Mr. CHAFEE, Mr. D'AMATO, Mr. DENTON, Mr. EVANS, Mr. GORE, Mr. GORTON, Mrs. HAWKINS, Mr. LAXALT, Mr. MATHIAS, Mr. MURKOWSKI, Mr. PRESSLER, Mr. SARBANES, Mr. SASSER, Mr. STEVENS, Mr. TRIBLE, Mr. WARNER, Mr. WILSON, and Mr. BOSCHWITZ):

S. 366. A bill to authorize the U.S. Army Corps of Engineers to construct various projects for improvement to rivers and harbors of the United States, and for other purposes; to the Committee on Environment and Public Works.

WATER RESOURCES DEVELOPMENT ACT

● Mr. ABDNOR. Mr. President, I am very pleased to join with 22 of my colleagues today in introducing this omnibus water resources legislation. If this bill looks familiar to many of my colleagues, it ought to: It is the exact text of the amendment which Senators STAFFORD, RANDOLPH, MOYNIHAN, and myself offered to the continuing resolution toward the end of the 98th Congress.

But it should look familiar to many for a more important reason: The Committee on Environment and Public Works has been working on this legislation for 4 years. Throughout that period we have tried to involve Members of this body in reaching compromises necessary to enact fiscally responsible and fair legislation which can break the deadlock on water projects. This legislation is a result of that work.

The word "compromise" is key here, because the policy reforms in this bill balance competing views of water resource development. The bill is a compromise between those who would like to have their favorite water projects constructed under traditional cost sharing and those who believe that local project sponsors should pay a greater share of project costs. It is also inherently a compromise between big ports and little ports; between the railroads and the inland waterway interests; between the shippers of grain and coal and the shippers of containerized cargo; and between the people who don't like any water projects and those of us who feel that if planned properly they are an essential tool for improving the quality of life and the economy of this Nation.

There can be no absolute winners in these or any of the other disputes which surround any omnibus water resources legislation. There must be compromises or there can and will be no water resources legislation in the 99th Congress; I can guarantee that as a fact.

I am sure that there is no Member of this body who is comfortable with every position in this bill. Some of my colleagues who have cosponsored this legislation may have concerns with certain provisions. But we all realize that the day must come when Congress must decide on the Federal Government's role in constructing and maintaining our water resources infrastructure. That decision will be painful but it must be made soon because the cities and communities, the private individuals, and the businesses which we represent all suffer from our inability to collectively make tough choices.

To my colleagues who believe the cost sharing in this legislation is too tough, let me just say that the administration will soon send to Congress its own water resources legislation that will curl your toes. The details of that legislation aren't important to know at this point. Its existence is just one more piece of evidence to the effect that the administration is serious about cutting the Federal deficit, and, for better or for worse, they perceive greatly reduced Federal expenditures on water resources as one way to help reach that goal. I have no doubt that is we send the President a bill with cost sharing provisions weaker than those in this bill, he will veto it.

So, we must have legislation that revives our water resources programs without adding to our serious deficit problems. Yet, it must do these things without adding an unbearable or unfair burden on the States, the cities, or other entities who must be required to financially participate in project construction.

Mr. President, having said these things, let me now outline how this bill reforms existing Corps of Engineers water policy and programs in such a way as to guarantee that its passage will not result in increased budget deficits.

First and foremost, Mr. President, title I caps the Corps of Engineers annual construction obligations at levels closely approximating the CBO projections for the next 5 years. We will examine these figures again in

committee to ensure that they reflect today's budget projections.

Therefore, no matter how many projects or programs are in the bill, there is little if any impact on the budget.

I am continually asked, "How much does this bill cost?" or "Is it as big as the House bill?" Let me say that these questions are meaningless in the context of the title I construction obligation cap.

This is not—I repeat, is not—a budget-busting bill. This bill merely provides the opportunity for these programs and policies to go forward.

In addition to the title I obligations cap, there are a number of other provisions designed to minimize any impact this legislation might have on the budget—I will very briefly mention them:

Section 201 prevents any single individual from receiving windfall benefits from the construction of a water resources project.

Section 203 automatically deauthorizes any project that hasn't received construction funding in 10 years. This will automatically, in one stroke, deauthorize 18.5 billion dollars' worth of outdated and unneeded water projects.

Section 204 automatically deauthorizes unfunded Corps of Engineers' feasibility studies.

Section 205 limits obligations for any project in this legislation to the sums listed in the bill.

Section 218 limits the degree to which the Corps of Engineers can make post-authorization changes to project features.

Section 223 assures that bidding by contractors for Corps of Engineers work is as competitive as possible.

Section 226 assures that bidding by contractors for Corps of Engineers work is as competitive as possible.

Title V requires that all spending for newly authorized locks and dam projects comes from the existing Inland Waterway Trust Fund which is fed by a tax on barge fuel bought by users of the system.

Title VI contains requirements for increased financial commitment by local sponsors for flood control, shoreline erosion control, recreation, and municipal and industrial water supply projects of the Corps of Engineers.

And title IX requires substantial local participation by non-Federal entities for the construction of general cargo and deep draft harbor projects.

Mr. President, the cost-sharing provisions of this legislation are designed to allow necessary new water development projects to proceed in fiscally responsible ways. That means, and we all know it, that non-Federal interests must begin to share a larger part of the price tag of these projects.

Now, I know that some of my colleagues will argue that we have been too kind in this bill, that we have not shifted a large enough burden to non-Federal sponsors. Others will, I know, make a case that no new cost-sharing is reasonable, that these programs should remain 100 percent federally funded.

Mr. President, the Committee on Environment and Public Works has struggled with this issue of degree for the last 4 years. And while there is no solution which is going to please all parties, I believe we have developed a cost-sharing proposal for Corps projects which is sound, and which can be supported by the vast majority of my colleagues.

The three areas of cost-sharing which have received the most attention concern flood control projects, deep-draft navigation projects, and inland navigation projects. Mr. President, I would like to make up these provisions briefly for the benefit of my colleagues.

Current policy on flood control cost-sharing, Mr. President, requires that non-Federal interests contribute necessary lands, easements, and rights of way, and that is all. While these costs are upon rare occasion very large, and on other rare occasions very small, they normally run in the range of 15 to 20 percent of total project costs. Mr. President, the committee has wrestled for years with this issue. The testimony of many experts and economists has led the committee to determine that for purposes of flood control, two principles should prevail. One was that some minimal level of the cost-sharing required would have to be contributed during construction of the project in order to provide for a "market test" of project viability, and second was that flood control projects could not be burdened with cost-sharing so as to preclude non-Federal interests from even financing their share of project costs.

Thus the committee settled on a 5 percent requirement for cash to be contributed while the project is being built, with a total requirement of 25 percent if contributed entirely while the project is being built, or 35 percent if part of the contribution is to be paid over time. Traditional lands, easements, and rights of way would count toward these precentages. In addition, and most importantly, while these guidelines are likely to be reasonable for most non-Federal interests, the committee recognized that local interests unable to finance a project should not thereby be precluded from such an element of basic infrastructure. Therefore, these cost-sharing percentages for flood control are tempered by the requirement of the Corps of Engineers to establish the ability of the non-Federal sponsor to contribute these costs, and the waiving of these costs in those cases where that ability does not exist.

Our flood control cost-sharing provisions are thus fiscally responsible, yet reflect the reality of individual case-by-case assessment of the financial where-with-all of project sponsors, which is the foundation of a solid water development partnership between Federal and non-Federal interests, as we in the West have known for years, and which is reflected in the President's letter of January 24, 1984, to Senator LAXALT outlining the administration's water policy.

Deep-draft navigation cost-sharing policy as presented in this measure, Mr. President, is also flexible, reflects the needs of our Nation's ports for improvements, and the need for a shifting of the burden of these costs to the port community.

We have established essentially three cost-sharing rules depending on the size of the port as measured by the depth of its channel. Very small ports of up to 20 feet in depth are to remain a full Federal responsibility. Frankly, Mr. President, I do not believe that very many of these very small ports, which are really small boat harbors, will be constructed by the Federal Government in the future under any cost-sharing policy.

For ports between 20 to 45 feet, Mr. President, we have created essentially a strong market test of project viability, but not an unreasonable one. We would require that such port improvement sponsor contribute 30 percent of project costs, and lands and easements would count toward this percentage, and contribute this amount during construction of the project. In order to insure that the port would have the financial backing and where-with-all to provide the necessary security for a commercial loan for such work, we would also provide a 90-percent Federal loan guarantee for the non-Federal share of these projects. In this way, these projects can go forward with little or no Federal appropriations in the initial years of construction.

For ports deeper than 45 feet, Mr. President, we have taken a different course for two reasons. First, the best economic and financial experts in the country are in essential agreeement that we need very, very few of these super deep-draft harbors for the foreseeable future. Second, we wanted to ensure that the Federal Government does not get stuck with the bill for constructing 20 or 30 of these super ports and create an inefficient port system.

Mr. President, this proposal asserts that the role of the Federal Government in the development of super deep ports should be to give limited financial backing to such efforts, but not direct budgetary support. We have therefore, set out a basic policy that such super ports should be built by local initiative, with the Federal role reserved to guaranteeing 90 percent of

the loan for such work at the determination of the Secretary of the Army.

This is the basic policy of this measure for deep-draft super port development. However, because of the controversy, which this concept has aroused, we have also included a limited cost-sharing option for super port development. For 5 years after the date of authorization, these projects could be constructed with 50-50 cost sharing providing the non-Federal sponsor has provided the Secretary of the Army with adequate assurances of his ability to meet his half of project costs, and the Federal Government and non-Federal sponsors expend 10 percent of the project costs in the 5-year period.

Again, Mr. President, we have tried to be flexible and fiscally responsible. Inland navigation cost sharing, Mr. President, is the most controversial element of this legislation, and I want to say a few words about this subject. There are two undeniable facts: The first is that there are new inland projects which this country needs. The second fact is that in the current budget picture they are not going to go forward with anything like the construction pace of the corps in past years.

There has to be a balance. And I have not found any one among the barge interests able to accept the reality of the budget picture, and I have not found any evidence that the user fee proposals of the OMB have any credibility with many of my colleagues. This stalemate must end. The barge operators must recognize that we will never be returning to the days of open-ended Federal budgetary support for inland projects; OMB must appreciate that any program which has received support for over 150 years is not going to have the budget burden of this system shifted dramatically to the users of the system overnight.

I believe that the original package of reforms, which the Committee on Environment and Public Works reported on the subject, reflected a substantial movement toward a partnership with the users of the waterways which held promise of more substantive change in future years. However, that proposal was clearly rejected last year. Therefore we come to you today with a simple proposal to limit the future construction of inland projects so that they will not increase the deficit one cent.

Let me emphasize that this proposal is not a revenue-raising measure of any kind. There is no provision for new user fees to be imposed at any time in the future; moneys already collected from the existing fuel tax will be used immediately.

All this measure does is say that for new commercial inland locks and dam projects the pace at which they would be constructed would be limited by the availability of funds in the Inland Trust Fund. General taxpayer dollars would not, will not be used to finance these projects in the future. We impose no new burdens; we allow new work to proceed, but at a pace which is not a new imposition on the budget.

On this subject, Mr. President, as well as the previous cost-sharing proposals, you will hear some of my colleagues say this is too much. We cannot bear this burden. Others will say it is too little. Mr. President, we need new water development projects and this proposal, like the others, is a compromise which I believe the President should accept.

Mr. President, I would sum up by saying something about this legislation and the Nation's economy. It can be stated very simply: If we do not begin to invest in and begin to rebuild this Nation's infrastructure, including water resources work, we will go bankrupt.

Some types of Federal expenditures do create wealth and add value to this Nation's economic base. A reformed and well-defined water resources program is just such an expenditure.

This legislation reforms, redefines, and revitalizes the programs of the Corps of Engineers—this Nation's largest water agency. This a critically important agency that is floundering without our guidance.

Mr. President, compared with many others, my State receives relatively few benefits from Corps of Engineers projects and activities. I have worked hard on this legislation because it is vital; it is long overdue; and I believe in its value.

I ask other Senators to support us in recognizing this bill for what it is and what it sould be—a piece of legislation in the national interest, not a special interest or parochial Christmas tree.

Finally, Mr. President, I would like to say that Senator MOYNIHAN and I intend to act quickly to report this bill out of subcommittee soon and get it through committee by early May. Since we have held numerous hearings in the past on most of the individual provisions and projects in this bill, we intend to hold a maximum of two hearings in the Subcommittee on Water Resources to focus exclusively on its policy provisions.

Although we will send a "Dear Colleague" letter soon, I would like to say now that any Senator who wishes to testify at these hearings on the major policy provisions of this bill will be welcome to do so. If the Senate is to ever pass water resources legislation, I believe we must all be prepared to listen to each other's concerns. We hope that Members will use these hearings to help make their concerns known.●

● Mr. MOYNIHAN. Mr. President, during the 98th Congress I repeatedly reminded my Senate colleagues that we have not enacted a major water bill since 1970. This long period of inaction is a symptom of our inability to agree on a national water policy. In order for a water policy to be truly national, it must include two essential ingredients. First, the beneficiaries of water projects must contribute to the cost. This is the best way I know to ensure that a project is really economically sound. It is also the only fair way to meet the Nation's water resource needs in this period of budget deficits.

The second essential ingredient is equity. During the period between 1956 and 1980, the four major Federal water agencies spent 36 percent of their construction money in the West and 40 percent in the South. They spent 6 percent in the Northeast. One reason is that a major problem of the Northeast—the deterioration of aging municipal water systems—is not considered a "Federal interest." It should be.

Today I join Senator ABDNOR in introducing a bill that takes significant steps toward a national water policy. The Environment and Public Works Committee reported a water bill during the first half of the last Congress. The bill was modified repeatedly until a consensus on the major issues could be reached. After all our effort, the Senate never brought the bill up. It was a good bill last year, and it is still a good bill.

There is no question that we need to proceed with new water projects. Consider the inland waterway system. Last summer, while visiting lock and dam 26 on the Mississippi River, the Gallipolis lock and dam on the Ohio River, and Monongahela River lock and dam 8, I witnessed long barge queues and the effects of structural deterioration. But new locks and dams are expensive, and limited funds must be spent carefully. Our bill would rely on existing fees to finance new construction projects. Any project not yet under construction would be financed solely by the Inland Waterway Trust Fund, which receives revenue from an 8-cent-per-gallon fuel tax. The bill does not establish any new user fees. I believe that this approach represents a modest but useful step toward greater financial responsibility for the beneficiaries of inland waterway projects.

Similarly, we must modernize our ports to ensure the efficient transport of cargo. In the Port of New York, for example, there is an immediate need to deepen the Kill van Kull and Arthur Kill channels to 45 feet. The possibility of dredging the Ambrose and Anchorage channels to 55 feet is now under study.

Our proposal for harbor projects emphasizes flexibility. We seek to encourage port authorities to finance deep draft projects with their own resources, making available Federal loan

guarantees to facilitate borrowing. There would, however, be a second option. Congress could authorize selected projects, and the Federal Government would then share costs with non-Federal sponsors. The non-Federal share would be 50 percent for the dredging of channels deeper than 45 feet, 30 percent for channels between 20 and 45 feet, and zero for shallower channels. A substantial portion of the non-Federal share would have to be paid during construction. The ports could recover their share of the costs with user fees.

I am pleased to note that the bill also includes a water supply loan program. The Corps of Engineers would be authorized to lend money to cities for the rehabilitation of water supply systems. Municipalities with severe financial constraints and those with contaminated drinking water would receive priority. The loans would be repaid at market interest rates. The program would represent one way to address a heretofore neglected national problem, one that is especially severe in older urban areas. In these areas the water distribution systems often date back to the 19th century, and large volumes of water are wasted through leakage.

The Nation badly needs this legislation. We must move on with water resource development, but we cannot do so under the old rules. Those who derive economic benefit from water development must contribute to the cost, and the problems of all regions of the country must be addressed.

Let us move toward these goals by approving this legislation.●

● Mr. STAFFORD. Mr. President, my colleagues, I know, share my concern that we were unable to pass needed water resources development legislation last year.

I commend the distinguished chairman of our Subcommittee on Water Resources [Mr. ABDNOR], and my distinguished friend, the Senator from New York [Mr. MOYNIHAN], who are today reintroducing a version of that legislation.

Their action will initiate the legislative process, a process that I hope we can complete in the Senate before this summer.

The leadership demonstrated by JIM ABDNOR on this issue has been outstanding.

When we eventually get a water resources law, it will be due almost entirely to Senator ABDNOR's perseverance and dedication. Senator, thank you.

I am honored to serve as a cosponsor on this bill. This is the bill we debated in the context of the continuing resolution last October. But events since then have convinced me we may need to strengthen this bill.

It may need to be strengthened to assure that it is acceptable to the administration.

I do not need to tell my colleagues of the challenge facing America today as we struggle to reduce the Federal deficit. We are working mightily to cut spending in all areas of the Federal budget.

That is not a happy process, but it is an essential one.

This omnibus water resources bill contains many important and innovative reforms. But it fails to take the additional step of reducing Federal expenditures in this decade. Even in the area where this bill is most controversial—navigation cost sharing—this bill will not produce, for many years to come, as much savings as may be necessary.

The issue is not whether the Nation needs sound water resources development. Of course, we do.

The real issue is this: Where will the money come from?

Mr. President, taxpayer spending on Army Corps of Engineers construction work will total about $890 million in this fiscal year. That represents a program, in real dollars, that has declined 78 percent from the level of construction spending two decades ago.

It is quite likely that we will see no significant increase in Federal spending on water resources projects during the coming decade.

If that assumption is correct, then any major increase in spending must come from non-Federal sources, including beneficiaries, users, and shippers. Alternatively, we must also seek more efficient uses of existing resources.

Unless we do, we will fall farther and farther behind in meeting development needs.

I have been convinced for some time that many proponents of water development have simply walked away from the struggle over the difficult issue of project cost sharing. They were convinced they could get the major new projects they wanted directly from the appropriations process.

As my colleagues will recall, that approach failed in the closing days of the 98th Congress. The will of the administration's was misjudged.

So now we must confront directly the issue of cost sharing, or it is likely there will again be no law.

The core issue in this legislation involves commercial navigation, particularly inland navigaion. The question is whether the costs for maintenance and improvements shall continue to be the responsibility of the taxpayers at large, or whether direct beneficiaries should eventually shoulder a significant portion of those costs.

Current law imposes an 8-cents-per-gallon fuel tax on operators on some of these federally operated waterways. That tax will produce about $50 million this year, well under 10 percent of the Federal spending on the commercial components of our inland waterways ($650 million).

In the 98th Congress, the administration sent up legislation, which I was pleased to introduce. That bill, S. 1554, required 70 percent cost recovery from direct beneficiaries.

I cannot tell my colleagues that 70 percent is the magic number. It may not be. But until we obtain some significant cost recovery, our national system is almost certain to continue to deteriorate.

Let me point out the view of the Congressional Budget Office, which urged the Congress to correct water project inefficiencies by adjusting Federal user fees both to produce a reliable measure of national needs and to correct present misalignment among users.

In other words, we need a program that utilizes the market place to help establish priorities in project implementation, that focuses construction spending on the most cost-effective solutions, not the most grandiose ones.

The CBO went on to say:

> To the extent that users of services are willing to repay the Government for investments made in their behalf, revenues become available to support those projects. But to the extent that higher fees prompt users to reduce demand, investment needs decline. When high fees cause reductions in demand, investments can be tailored accordingly.

Let me turn now to the issue of our ports and harbors, where taxpayer spending is high and recovery is nil. To obtain early development of a few superports, a politically neutral force—the marketplace—must become a major factor in site selection. A system of local financing, where a port authority or local government goes to the bond market and potential users to test the economic viability of the project provides such a neutral force.

This will enable us to break the cycle of inaction, to achieve harbor dredging projects in a more timely and economical fashion.

I ask my colleagues, as well as others interested in water development, to look at our challenge from that practical approach.

Unless a Federal policy can be developed that recognizes and encourages local initiative, the slow and often fruitless pace of development seems certain to continue.

I would hope that the lesson learned from the 98th Congress has been that the authorizing committees, the administration, and the water development interests must begin to work together in a constructive manner to develop—and pass—a Water Resources Act, one that authorizes needed projects and makes the policy changes necessary to strengthen the program.

The need to make inroads against the rising deficit compounds this challenge.

It is my hope that the Congress and the American people will use this bill to move toward meeting that challenge—to cut the deficit while increasing the efficiency of the program—while at the same time authorizing needed water projects.●

● Mr. BENTSEN. Mr. President, I am pleased to be included as a cosponsor of the Water Resources Development Act of 1985. This measure is the product of several years of hard work and consideration on the part of the members of the Committee on Environment and Public Works.

There has been some criticism of this bill because of its cost, which is approximately $13 billion. That is a lot of money, but the reason for it is simple: A water resources bill has not been signed into law since 1976, over 8 years ago. There are now over 100 proposed water resources projects which have been approved and recommended for construction by the Army Corps of Engineers but which have not been authorized by Congress.

I would emphasize that the $13 billion I mentioned will not be expended immediately upon enactment, or even in a few years. These new projects will simply become eligible to receive appropriated Federal funds, along with projects already authorized and under construction.

The fiscal year 1985 Corps of Engineers appropriation for construction funds was $890 million. Title I of this bill places a cap on corps construction, beginning with $1.4 billion in fiscal year 1986 and increasing to $1.6 billion in fiscal year 1989. That means that all the construction undertaken by the Corps of Engineers, ongoing as well as new, cannot exceed the limitation imposed for any given year.

This bill also contains cost-sharing proposals in the form of user fees for certain navigation projects, but I would add that I am not locked into the specific terms of this proposal or any other. I intend to study this aspect of the bill thoroughly in order to assess its impact on our ports and inland waterways.

I look forward to working with other members of our committee on this issue.●

● Mr. D'AMATO. Mr. President, I rise today in support of the Water Resources Development Act of 1985, and I commend my distinguished colleagues, Senator ABDNOR and Senator MOYNIHAN, for their leadership in this area. It has been several years—far too long—since Congress last enacted comprehensive water resources legislation. I believe enactment of this legislation would be a commendable first step toward that goal.

This bill contains several projects and programs of importance to New York, including long-overdue assistance for the rehabilitation, reconstruction, and maintenance of the New York Barge Canal. It also authorizes important Federal assistance for single-purpose water supply projects.

Although it authorizes other worthy New York projects, such as the inland navigation project at Olcott Harbor, shoreline protection from Rockaway Inlet to Norton Port, the Gowanus Creek channel and the Kill Van Kull Channel, and other very important projects, it does not match the level and extent of authorizations that the House of Representatives included in last year's version of this bill, H.R. 3678.

I am deeply concerned about these omissions, and, while I see the need for comprehensive water resources legislation and support this legislation, I would like to see the Senate give strong consideration to many other worthwhile projects that have not been included in the bill we are introducing today.●

● Mr. TRIBLE. Mr. President, I'm pleased to join with Senators STAFFORD, ABDNOR, MOYNIHAN, WARNER, and others in cosponsoring the Water Resources Development Act of 1985. I have long advocated the need for a permanent, equitable system of financing water projects. States and local authorities must be permitted to proceed with deep dredging and other water resources improvement projects essential to the economic well-being of the Nation.

Virginia badly needs the projects included in this bill. Other Members of the Virginia delegation and I have long pressed for their authorization. The deepening of the Port of Hampton Roads, in particular, is of great economic importance to the Commonwealth.

The failure to devise a system for financing port development has resulted in the United States falling seriously behind our trading allies in providing the type of bulk, deep-draft facilities so necessary to international trade. Improved bulk facilities mean lower transportation costs, and a more competitive posture for U.S. exports. Had we embarked on an aggressive national port development program 4 years ago, we would have a much brighter trade picture today.

An equally important reason for the deepening and improving of our Nation's ports is their vital role in our commitment to a modern Navy. The timely deployment of ships and troops and the maintenance of adequate logistical support can only be assured by modern, well-maintained harbors.

It has been 8 years since the passage of the last water projects authorization bill. The continual delay is an abrogation of Federal responsibility. We need to ensure access to waterborne commerce, maximized trade opportunities, and to meet our defense requirements. I urge my colleagues to join with me and other cosponsors of this measure in working toward a permanent system of cost sharing for all water projects as outlined in the Water Resources Development Act of 1985.●

● Mr. BOSCHWITZ. Mr. President, I rise to cosponsor the omnibus water resources bill being introduced today by Senators ABDNOR and MOYNIHAN, the distinguished chairman and ranking member of the Water Resources Subcommittee.

Mr. President, I do not claim to support every provision of this bill and I intend to work to improve it. However, I wish to point out to all of my colleagues that Congress has not passed a water resources authorization bill since 1976. It's time we pass one now.

This bill contains some projects that are important to the health and welfare of the people of my State. In particular, it would authorize a very needed flood control project in Rochester, MN.

This bill also includes the language of a bill I sponsored in the 98th Congress, S. 449, the Upper Mississippi River Management Act. This section would authorize a needed public works project, a second chamber at locks and dam 26 near Alton, IL. It would also authorize certain environmental mitigation programs for the upper Mississippi River.

I want to thank Senators ABDNOR and MOYNIHAN for their dedicated leadership on this issue. I pledge my support to their efforts to pass authorization legislation this year.●

● Mr. WARNER. Mr. President, it is a privilege today for me to join with my very distinguished colleague Senator ABDNOR as a cosponsor of this omnibus water resources bill which provides the framework for crucial improvements in our national port system as well as facilitating the development of other important water resources projects.

I commend Senator ABDNOR and others in the leadership of the Senate Environment and Public Works Committee for the patience and dedication which they have demonstrated on this important national issue.

The legislation which we are introducing today is not perfect, and I am certainly reserving the option to offer possible amendments on the Senate floor.

But this bill does reflect the experiences we have gained through the difficult process of negotiation and compromise during the last Congress.

This legislative framework is a firm foundation to begin the difficult but vital process of enacting an omnibus water resources bill into law.

I am encouraged by the wide degree of support the bill has already gath-

ered and most particularly am pleased that my distinguished colleagues from Maryland have joined with Senator TRIBLE and me as cosponsors.

A modern harbor system is in the strong national interest of the United States.

It means jobs for unemployed Americans, a favorable balance of trade, fulfillment of our national security commitments, a stable source of energy for our allies, and a renewal of American competitiveness in international trade.

From throughout the heartlands of the United States goods flow to our seaports which are the lifeblood of our national economy.

The economic benefits of modern ports do not stop at the coast, but flow inland to consumers throughout the United States.

Regrettably, major public works legislation like that being proposed today has not passed the Senate since 1976.

It is long overdue.

I urge my colleagues to support this vital legislation.●

Mr. WILSON. Mr. President, I wish to join the distinguished subcommittee chairman in the introduction of legislation to provide the first omnibus water resources development bill since 1976.

While I recognize that the Federal deficit is the top priority of business as the 99th Congress begins, I am cosponsoring this bill because it is a responsible and necessary bill.

The Senate has a distinct choice to make with regard to water development in the United States. We can address the Nation's water resource development needs in a structured and comprehensive manner through the authorization committee as this bill proposes to do, or we can continue to pursue the country's water development needs in a haphazard way through the appropriations process with no determination of the Nation's real water development needs.

Senator ABDNOR and his committee have spent more than 4 years to put this legislative package together. I commend them on their efforts and commitment and believe that the bill Senator ABDNOR is introducing today is a solid and responsible omnibus bill which includes initiatives and reforms that will restore the credibility of the Nation's water development.

I am not advocating an increase in Federal spending to support water resources needs; however, I am advocating restraint and realistic controls over the work of the major Federal water resources agency and that the Nation's real water development needs are addressed in an orderly and comprehensive manner. This legislation meets this objective and is premised on the belief that future increases in spending on water development must come from non-Federal resources, including beneficiaries, the users, and shippers. Cost-sharing provisions for inland waterways and port development are a major element of this bill. Without cost sharing there will be no increase in development.

This bill is not a budget buster because it does not include increases in Federal expenditures. It sets limitations on the overall construction program for the Corps of Engineers for each of the next several years. It requires that each project authorized be reviewed favorably by the chief of engineers before it becomes effective. Projects will no longer be able to balloon out of control without having to be reauthorized.

For these reasons, I am joining my colleague and friend, Senator ABDNOR, in sponsoring this bill.

● Mr. SASSER. Mr. President, I join my colleagues in sponsoring S. 366, the Omnibus Water Resources bill. S. 366 is an important step toward establishing a sound national water resources policy.

Many of the canals, locks, and dams on our Nation's inland waterway system are fast approaching the end of their useful lives. The average age of our locks is 40 years with many locks having been in service for almost 80 years. If we are to meet the transportation challenges of the next century, it is incumbent that we repair, rehabilitate and make improvements to our inland waterway system.

Similarly, major dredging and improvement efforts are essential to our Nation's port facilities. Coal is this country's most abundant resource. Last year, the United States produced 874 million tons of coal. Of this total, coal exports accounted for about 70.2 million tons. We can be even more competitive in the world coal export market. But to accomplish this goal, we must be willing to commit our resources toward upgrading and improving our port facilities.

Another critical section of S. 366 is that relating to flood control initiatives. At a tremendous cost to human life, and real and personal property many regions of our Nation have been hard hit by ravaging and destructive floodwaters. Among the most vulnerable areas affected by heavy flooding are Memphis and Shelby County in west Tennessee, and northern Mississippi. S. 366 will go a long ways toward mitigating the human and economic despair which so often accompanies natural disasters.

S. 366 authorizes several projects vital to Tennessee, but particularly to Memphis and Shelby County. Briefly, these projects are as follows: Nonconnah-Johns Creek flood control projects, $19.2 million and $16.6 million respectively; Horn Lake flood control project, $2.4 million; Memphis Harbor channel dredging, $43 million, and Big South Fork National River and Recreation development, $50 million.

Last year, Congress failed to reach a consensus on the cost sharing features of S. 1739. I expect that extensive discussions will accompany S. 366. While S. 366 is not a perfect bill, it provides a framework by which we can begin constructive debate essential to the enactment of a major water resources bill.

Again, Mr. President, I am pleased to join in sponsoring S. 366 I look forward to working with my colleagues on the Public Works Committee, as well as my other colleagues in both bodies in achieving a comprehensive water resources bill in the 99th Congress.●

By Mr. HART (for himself, Mr. CRANSTON, Mr. MURKOWSKI, Mr. SIMPSON, Mr. MATSUNAGA, Mr. HOLLINGS, Mr. SPECTER, Mr. SASSER, Mr. ANDREWS, Mr. LEVIN, Mr. COHEN, Mr. CHILES, Mr. STAFFORD, Mr. BIDEN, Mr. DOMENICI, Mr. LEAHY, Mr. DURENBERGER, Mr. DECONCINI, Mr. KENNEDY, Mr. SARBANES, Mr. RIEGLE, Mr. MELCHER, Mr. PELL, Mr. JOHNSTON, Mr. BURDICK, and Mr. MITCHELL):

S. 367. A bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes; to the Committee on Veterans' Affairs.

VETERANS' ADMINISTRATION ADJUDICATION PROCEDURE AND JUDICIAL REVIEW ACT

Mr. HART. Mr. President, today I am introducing, or reintroducing, the Veterans' Administration Administrative Procedures and Judicial Review Act of 1985. The purpose of this bill is to provide veterans and other claimants before the Veterans' Administration [VA] the right to judicial review of final decisions of the administrator of veterans affairs denying claims for those beneficiaries or benefits. The bill is also designed, as its predecessor bills were in the last several Congresses to codify certain VA benefit claim procedures, to require that the VA comply with the public notice and the comment provisions of the Federal Administrative Procedures Act in its rulemaking, and to grant veterans the right to pay reasonable attorneys fees, none of which rights today exist.

Mr. President, the Veterans' Administration—the second largest client

agency of the Federal Government—is one of the few agencies whose benefit decisions are not subject to the scrutiny of the Federal courts. Too often in the past, this exclusion, together with an outdated $10 limitation on attorneys fees, has resulted in an abridgement of the fundamental constitutional rights of the veteran in hearings before the VA.

Mr. President, this bill is about the fourth or fifth attempt by the Senator from Colorado to seek correction of these inequities and to bring the Veterans' Administration in line with the established administrative procedures of other agencies, or most other agencies of the Federal Government.

This bill has already 26 cosponsors, including, if I am correct, both Republicans and Democrats from the Veterans' Affairs Committee, indeed a majority of the members of that committee, both Democrats and Republicans.

Mr. President, a veteran seeking VA benefits must file a claim with the VA regional office's rating board to determine eligibility for disability, pension, or other benefits. If the local rating board renders an unfavorable decision, the veteran can appeal to the Board of Veterans Appeals [BVA] in Washington, DC, which is also part of the VA. Under existing law, the decision of the BVA on, "any question of law or fact under any laws administered by the Veterans' Administration providing benefits for veterans and their dependents or survivors, shall be final and conclusive, and no other official or any court of the United States shall have power or jurisdiction to review any such decision" (38 U.S.C. 211 (a)). Unlike claimants before other Federal agencies, a veteran who feels that the BVA has misinterpreted the law, or decided a case without taking all relevant facts into account, has no recourse outside the Veterans' Administration.

By contrast, the Social Security Administration—which also adjudicates disability claims—has been subject to judicial review of its final benefit decisions (42 U.S.C. 405(g)) for more than two decades.

Mr. President, to insulate any agency from the scrutiny of the courts runs counter to some of our most cherished constitutional principles. In human terms, this denial of the due process rights of veterans has too often resulted in hardship and disillusionment for those who have defended our country and are most deserving of the guarantees of our constitutional form of government.

Mr. President, I first introduced legislation to open the Veterans' Administration to outside court review in May 1976. Since that time, my colleagues in the Senate have joined me in successfully passing on three occasions legislation similar to that which I am introducing today in the 96th, 97th, and 98th Congresses. Both Senators CRANSTON and SIMPSON have supported this legislation through their distinguished leadership as chairmen of the Senate Veterans' Affairs Committee. I was grateful for their help and guidance when this legislation was brought to the floor for its successful consideration in the last Congress as S. 636.

Mr. President, the central issue in the debate on this bill is whether we are going to afford the American veteran the same constitutional rights we grant other citizens in this country. Judicial review is important in granting the veteran adequate protection of his or her rights as a citizen, and it will provide improved oversight of VA procedures and activities by an independent outside body. American veterans have been denied for too long their fundamental right to simple justice in the adjudication of Veterans' Administration claims. Under current VA procedures, veterans have no right to appeal outside the agency, are effectively denied access to an attorney, and cannot question in Federal court the validity of VA rules and regulations promulgated by the agency. My legislation will correct these deficiencies and finally restore the full consitutional rights of the American veteran.

Mr. HART. Mr. President, I also am pleased that the senior Senator from the State of California, Senator CRANSTON, who, of course, has been so deeply identified with the concerns of veterans of all wars over the past several years is the principal cosponsor of this bill and joins me in its introduction and in the effort that we jointly propose to seek early enactment of this legislation and hopefully the signature of the President.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 367

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Veterans' Administration Adjudication Procedure and Judicial Review Act".

(b) Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—ADJUDICATION PROCEDURES

SEC. 101. (a) Chapter 51 is amended by adding at the end of subchapter I the following new section:

"§ 3007. Burden of proof; benefit of the doubt

"(a) Except when otherwise provided by the Administrator in accordance with the provisions of this title, a claimant for benefits under laws administered by the Veterans' Administration shall have the burden of submitting evidence sufficient to justify a belief by a fair and impartial individual that the claim is well grounded. The Administrator shall assist a claimant in developing the facts pertinent to his or her claim.

"(b) When, after consideration of all evidence and material of record in any proceeding before the Veterans' Administration involving a claim for benefits under laws administered by the Veterans' Administration, there is an approximate balance of positive and negative evidence regarding the merits of an issue material to the determination of such claim, the benefit of the doubt in resolving each such issue will be given to the claimant, but nothing in this section shall be construed as shifting from a claimant to the Administrator the burden described in subsection (a) of this section.".

(b)(1) The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part IV of such title are each amended in the item relating to chapter 51 by striking out "Applications" and inserting in lieu thereof "Claims".

(2) The heading of such chapter is amended to read as follows:

"CHAPTER 51—CLAIMS, EFFECTIVE DATES, AND PAYMENTS".

(c)(1) The table of sections at the beginning of such chapter is amended in the item relating to subchapter I by striking out "APPLICATIONS" and inserting in lieu thereof "CLAIMS".

(2) The heading of subchapter I of such chapter is amended to read as follows:

"SUBCHAPTER I—CLAIMS".

(d) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 3006 the following new item:

"3007. Burden of proof; benefit of the doubt.".

SEC. 102. Section 3311 is amended by adding at the end the following new sentences: "Subpenas authorized under this section shall be served by any individual authorized by the Administrator by (1) delivering a copy thereof to the individual named therein, or (2) mailing a copy thereof by registered or certified mail addressed to such individual at such individual's last known dwelling place or principal place of business. A verified return by the individual so serving the subpena setting forth the manner of service, or, in the case of service by registered or certified mail, the return post office receipt therefor signed by the individual so served shall be proof of service.".

SEC. 103. Section 4001 is amended—

(1) in the second sentence of subsection (a), by inserting before the period at the end of such sentence "in a timely manner"; and

(2) by adding at the end thereof the following new subsection:

"(d) The Chairman of the Board shall submit a report to the appropriate committees of the Congress, not later than December 31, 1986, and annually thereafter, on the experience of the Board during the prior fiscal year together with projections for the fiscal year in which the report is submitted and the subsequent fiscal year. Such report shall contain, as a minimum, information specifying the number of cases appealed to the Board during the prior fiscal year, the number of cases pending before the Board at the beginning and end of such fiscal year,

the number of such cases which were filed during each of the twenty-four months preceding the prior fiscal year and the then current fiscal year, respectively, the average length of time a case was before the Board between the time of the filing of an appeal and the disposition during the prior fiscal year, and the number of members of, and the professional, administrative, clerical, stenographic, and other personnel employed by, the Board at the end of the prior fiscal year. The projections for the current fiscal year and subsequent fiscal year shall include, for each such year, estimates of the number of cases to be appealed to the Board and an evaluation of the Board's ability, based on existing and projected personnel levels, to ensure timely disposition of such appeals as provided for by subsection (a) of this section.".

SEC. 104. Section 4003 is amended—

(1) in subsection (a), by inserting a comma and "after notice of such additional information is furnished to the claimant and the claimant is provided an opportunity to be heard in connection with such information," after "concerned"; and

(2) in subsection (b)—

(A) by striking out "When" and inserting in lieu thereof "(1) Except as provided in paragraph (2), when";

(B) by inserting a comma and "after notice of such additional information is furnished to the claimant and the claimant is provided an opportunity to be heard in connection with such information," after "concerned"; and

(C) by adding at the end thereof the following new paragraph:

"(2) When, without the vote of a temporary member designated under section 4001(c)(1) of this title or the vote of an acting member designated under section 4002(a)(2)(A)(ii) of this title, a section would be evenly divided, such member shall not vote.".

SEC. 105. Section 4004 is amended—

(1) in subsection (a)—

(A) by striking out "involving" in the first sentence and inserting in lieu thereof "for"; and

(B) by inserting before the period at the end of the second sentence "after affording the claimant an opportunity for a hearing and shall be based exclusively on evidence and material of record in the proceeding and on applicable provisions of law";

(2) by striking out subsection (b) and inserting in lieu thereof the following:

"(b)(1) Except as provided in paragraph (2) of this subsection, when a claim is disallowed by the Board, it may not thereafter be reopened and allowed and no claim based upon the same factual basis shall be considered.

"(2) Following such a disallowance, the Board (directly or through the agency of original jurisdiction, as described in section 4005(b)(1) of this title)—

"(A) when new and material evidence is secured, shall, and

"(B) for good cause shown, may

authorize the reopening of a claim and a review of the Board's former decision.

"(3) A judicial decision under subchapter II of chapter 71 of this title, upholding, in whole or in part, the disallowance of a claim shall not diminish the Board's authority set forth in paragraph (2) of this subsection to authorize the reopening of a claim and a review of the former decision."; and

(3) by striking out subsection (d) and inserting in lieu thereof the following:

"(d) After reaching a decision in a case, the Board shall promptly mail notice of its decision to the claimant and the claimant's authorized representative, if any, at the last known address of the claimant and at the last known address of the claimant's authorized representative, if any. Each decision of the Board shall include—

"(1) a written statement of the Board's findings and conclusions, and reasons or bases therefor, on all material issues of fact and law and on matters of discretion presented on the record; and

"(2) an order granting appropriate relief or denying relief.".

SEC. 106. Section 4005(d)(5) is amended by striking out "will base its decision on the entire record and".

SEC. 107. Section 4009 is amended by adding after subsection (b) the following new subsection:

"(c) Whenever there exists in the evidence of record in an appeal case a substantial disagreement between the substantiated findings or opinions of two physicians with respect to an issue material to the outcome of the case, the Board shall, upon the request of the claimant and after taking appropriate action to attempt to resolve the disagreement, arrange for an advisory medical opinion in accordance with the procedure prescribed in subsection (b) of this section. If the Board denies the request of such claimant for such an opinion, the Board shall prepare and provide to the claimant and the claimant's authorized representative, if any, a statement setting forth the basis for its determination. Actions of the Board under this subsection, including any such denial, shall be final and conclusive, and no other official or any court of the United States shall have the power or jurisdiction to review any aspect of any such decision by an action in the nature of mandamus or otherwise, the provisions of subchapter II of chapter 71 of this title to the contrary notwithstanding.".

SEC. 108. (a) Chapter 71 is further amended by adding at the end thereof the following new sections:

"§ 4010. Adjudication procedures

"(a) For purposes of conducting any hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, the Administrator may administer oaths and affirmations, examine witnesses, and receive evidence.

"(b) Any oral, documentary, or other evidence, even though inadmissible under the rules of evidence applicable to judicial proceedings, may be admitted in a hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, but the Administrator, under regulations which the Administrator shall prescribe, may provide for the exclusion of irrelevant, immaterial, or unduly repetitious evidence.

"(c)(1) In the course of any proceeding before the Board, any party to such proceeding or such party's authorized representative shall be afforded opportunity—

"(A) to examine and, on payment of a fee prescribed pursuant to section 3302(b) of this title (not to exceed the direct cost of duplication), obtain copies of the contents of the case files and all documents and records to be used by the Veterans' Administration at such proceeding;

"(B) to present witnesses and evidence, subject only to such restrictions as may be set forth in regulations which the Administrator shall prescribe, pursuant to subsection (b) of this section, as to materiality, relevance, and undue repetition;

"(C) to make oral argument and submit written contentions, in the form of a brief or similar document, on substantive and procedural issues;

"(D) to submit rebuttal evidence;

"(E) to present medical opinions and request an independent advisory medical opinion pursuant to section 4009(c) of this title; and

"(F) to serve written interrogatories on any person, including any employee of the Veterans' Administration, which interrogatories shall be answered separately and fully in writing and under oath unless written objection thereto, in whole or in part, is filed with the Administrator by the person to whom the interrogatories are directed or such person's representative.

"(2) The fee provided for in paragraph (1)(A) of this subsection may be waived by the Administrator, pursuant to regulations which the Administrator shall prescribe, on the basis of the party's inability to pay or for other good cause shown.

"(3) In the event of any objection filed under paragraph (1)(F) of this subsection, the Administrator shall, pursuant to regulations which the Administrator shall prescribe establishing standards consistent with standards for protective orders applicable in the United States District Courts, evaluate such objection and issue an order (A) directing that, within such period as the Administrator shall specify, the interrogatory or interrogatories objected to be answered as served or answered after modification, or (B) indicating that the interrogatory or interrogatories are no longer required to be answered.

"(4) If any person upon whom interrogatories are served under paragraph (1)(F) of this subsection fails to answer or fails to provide responsive answers to any such interrogatories within thirty days after service or such additional time as the Administrator may allow, the Administrator shall, upon a statement or showing by the party who served such interrogatories of general relevance and reasonable scope of the evidence sought, issue a subpena under section 3311 of this title (with enforcement of such subpena to be available under section 3313 of this title) for such person's appearance and testimony on such interrogatories at a deposition on written questions, at a location within one hundred miles of where such person resides, is employed, or transacts business.

"(d) In the course of any hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, an employee of the Veterans' Administration may at any time disqualify himself or herself, on the basis of personal bias or other cause, from adjudicating the claim. On the filing by a party in good faith of a timely and sufficient affidavit averring personal bias or other cause for disqualification on the part of such an employee, the Administrator shall determine the matter as a part of the record and decision in the case.

"(e) The transcript or recording of testimony and the exhibits, together with all papers and requests filed in the proceeding, and the decision of the Board (1) shall constitute the exclusive record for decision in accordance with section 4004(a) of this title, (2) shall be available for inspection by any party to such proceeding, or such party's authorized representative, at reasonable times and places, and (3) on the payment of a fee prescribed under section 3302(b) of this title

(not to exceed the direct cost of duplication), shall be copied for the claimant or such claimant's authorized representative within a reasonable time. Such fee may be waived by the Administrator, pursuant to regulations which the Administrator shall prescribe, on the basis of the party's inability to pay or for other good cause shown.

"(f) Notwithstanding section 4004(a) of this title, section 554(a) of title 5, or any other provision of law, adjudication and hearing procedures prescribed in this title and in regulations prescribed by the Administrator under this title for the purpose of administering veterans' benefits shall be exclusive with respect to hearings, investigations, and other proceedings in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration.

"§ 4011. Notice of procedural rights

"In the case of any disallowance, in whole or in part, of a claim for benefits under laws administered by the Veterans' Administration, the Administrator shall, at each procedural stage relating to the disposition of such a claim, beginning with disallowance after an initial review or determination, and including the furnishing of a statement of the case and the making of a final determination by the Board, provide to the claimant and such claimant's authorized representative, if any, written notice of the procedural rights of the claimant. Such notice shall be on such forms as the Administrator shall prescribe by regulation and shall include, in easily understandable language, with respect to proceedings before the Veterans' Administration, (1) descriptions of all subsequent procedural stages provided for by statute, regulation, or Veterans' Administration policy, (2) descriptions of all rights of the claimant expressly provided for in or pursuant to this chapter, of the claimant's rights to a hearing, to reconsideration, to appeal, and to representation, and of any specific procedures necessary to obtain the various forms of review available for consideration of the claim, and (3) such other information as the Administrator, as a matter of discretion, determines would be useful and practical to assist the claimant in obtaining full consideration of the claim.".

(b) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 4009 the following new items:

"4010. Adjudication procedures.
"4011. Notice of procedural rights.".

SEC. 109. (a) In order to evaluate the feasibility and desirability of alternative methods of (1) assuring the resolution of claims before the Administrator of Veterans' Affairs for benefits under laws administered by the Veterans' Administration as promptly and efficiently as feasible following the filing of a notice of disagreement pursuant to section 4005 (as amended by section 106 of this Act) or 4005A of title 38, United States Code, and (2) affording claimants the opportunity for a hearing before or review by a disinterested authority at a location as convenient and on as timely basis as possible for each claimant, the Administrator is authorized to conduct a study, commencing not more than one year after the date of the enactment of this Act, for a period of twenty-four months, involving either or both of the alternative methods described in subsection (b) of this section for resolution of claims.

(b)(1) In not more than three geographic areas, the Administrator is authorized to provide an intermediate-level adjudication process whereby each claimant may, within the time afforded such claimant under paragraph (3) of section 4005(d) or 4005A(b) of title 38, United States Code, to file an appeal, request a de novo hearing at the agency of original jurisdiction (as described in section 4005(b)(1) of such title) before a panel of three Veterans' Administration employees, each of whose primary responsibilities include adjudicative functions but none of whom shall have previously considered the merits of the claim at issue. Following such hearing, such panel shall render a decision and prepare a new statement of the case in accordance with the requirements of paragraphs (1) and (2) of section 4005(d) of such title. Such new statement of the case shall, for all purposes relating to appeals under chapter 71 of such title, be considered to be a statement of the case as required by paragraph (1) of such section 4005(d).

(2) In not more than three other geographic areas, the Administrator is authorized to provide for an enhanced schedule of visits, on at least a quarterly basis each year, by a panel or panels of the Board of Veterans' Appeals to conduct formal recorded hearings pursuant to section 4002 of such title in such areas.

(c) Not later than six months after the completion of such study, the Administrator shall report to the Congress on the results thereof, including an evaluation of the cost factors associated with each alternative studied and with any appropriate further implementation thereof, the impact on the workload of each regional office involved in such study, and the impact on the annual caseload of the Board of Veterans' Appeals resulting from each alternative studied, together with any recommendations for administrative or legislative action, or both, as may be indicated by such results.

SEC. 110. Section 3010(i) is amended—

(1) by inserting "(1)" after "(i)"; and

(2) by adding at the end the following new paragraph:

"(2) Whenever any disallowed claim is reopened and thereafter allowed on the basis of new and material evidence in the form of official reports from the proper service department, the effective date of commencement of the benefits so awarded shall be the date on which an award of benefits under the disallowed claim would have been effective had the claim been allowed on the date it was disallowed.".

TITLE II—VETERANS' ADMINISTRATION RULE MAKING

SEC. 201. (a) Subchapter II of chapter 3 is amended by adding at the end the following new section:

"§ 223. Rule making

"Notwithstanding the provisions of subsection (a)(2) of section 553 of title 5, the promulgation of rules and regulations by the Administrator, other than rules or regulations pertaining to agency management or personnel or to public property or contracts, shall be subject to the requirements of section 553 of title 5.".

(b) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 221 the following new item:

"223. Rule making.".

TITLE III—JUDICIAL REVIEW

SEC. 301. Section 211(a) is amended by striking out "sections 775, 784" and inserting in lieu thereof "sections 775 and 784 and subchapter II of chapter 71 of this title".

SEC. 302. (a) Chapter 71 is further amended—

(1) by inserting after the table of sections the following new heading:

"SUBCHAPTER I—GENERAL"; and

(2) by adding at the end thereof the following new subchapter:

"SUBCHAPTER II—JUDICIAL REVIEW

"§ 4025. Right of review; commencement of action

"(a) For the purposes of this chapter—

"(1) 'final decision of the Administrator' means—

"(A) a final determination of the Board of Veterans' Appeals pursuant to section 4004 (a) or (b) of this title; or

"(B) a dismissal of an appeal by the Board of Veterans' Appeals pursuant to section 4005 or 4008 of this title; and

"(2) 'claim for benefits' means—

"(A) an initial claim filed under section 3001 of this title;

"(B) a challenge to a decision of the Administrator reducing, suspending, or terminating benefits; or

"(C) any request by or on behalf of the claimant for reopening, reconsideration, or further consideration in a matter described in clause (A) or (B) of this paragraph.

"(b) Except as provided in subsection (f) of this section, after any final decision of the Administrator adverse to a claimant in a matter involving a claim for benefits under any law administered by the Veterans' Administration, such claimant may obtain a review of such decision in a civil action commenced within one hundred eighty days after notice of such decision is mailed to such claimant pursuant to section 4004(d) of this title. Such action shall be brought against the Administrator in the district court of the United States for the judicial district in which the plaintiff resides or the plaintiff's principal place of business is located, or in the district court of the United States for the judicial district where the principal offices of the Board of Veterans' Appeals (established under section 4001 of this title) are located.

"(c) The complaint initiating an action under subsection (a) of this section shall contain sufficient information to permit the Administrator to identify and locate the plaintiff's records in the custody or control of the Veterans' Administration.

"(d) Not later than thirty days after filing the answer to a complaint filed pursuant to subsection (a) of this section, the Administrator shall file a certified copy of the records upon which the decision complained of is based or, if the Administrator determines that the cost of filing copies of all such records is unduly expensive, the Administrator shall file a complete index of all documents, transcripts, or other materials comprising such records. After such index is filed and after considering requests from all parties, the court shall require the Administrator to file certified copies of such indexed items as the court considers relevant to its consideration of the case.

"(e) In an action brought pursuant to subsection (b) of this section, the court shall have the power, upon the pleadings and the records specified in subsection (d) of this section, to enter judgment in accordance with section 4026 of this title or remand the cause in accordance with such section or section 4027 of this title.

"(f)(1) No action may be brought under this section unless (A) the initial claim for benefits is filed pursuant to section 3001 of this title on or before the last day of the fifth fiscal year beginning after the effective date of this section, and (B) the com-

plaint initiating such action is filed not more than one hundred and eighty days after notice of the first final decision of the Administrator rendered after the last day of such fiscal year is mailed to the claimant pursuant to section 4004(d) of this title. If the case is reopened pursuant to section 4004(b)(2)(A) of this title within one hundred and eighty days after such notice is mailed, the next final decision shall, for purposes of this subsection, be considered the first final decision of the Administrator.

"(2) No action may be brought under this section with respect to matters arising under chapters 19 and 37 of this title.

"§ 4026. Scope of review

"(a)(1) In any action brought under section 4025 of this title, the court, to the extent necessary to its decision and when presented, shall—

"(A) decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of an action of the Administrator;

"(B) compel action of the Administrator unlawfully withheld;

"(C) hold unlawful and set aside decisions, findings (other than those described in clause (D) of this paragraph), and conclusions of the Administrator found to be—

"(i) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law;

"(ii) contrary to constitutional right, power, privilege, or immunity;

"(iii) in excess of statutory jurisdiction, authority, or limitations, or in violation of a statutory right; or

"(iv) without observance of procedure required by law; and

"(D) in the case of a finding of material fact made in reaching a decision on a claim for benefits under laws administered by the Veterans' Administration, hold unlawful and set aside such finding when it is so utterly lacking in a rational basis in the evidence that a manifest and grievous injustice would result if such finding were not set aside.

"(2) Before setting aside any finding of fact under paragraph (1)(D) of this subsection, the court shall specify the deficiencies in the record upon which the court would set aside such finding and shall remand the case one time to the Administrator for further action not inconsistent with the order of the court in remanding the case. In remanding a case under the first sentence of this paragraph, the court shall specify a reasonable period of time within which the Administrator shall complete the ordered action. If the Administrator does not complete action on the case within the specified period of time, the case shall be returned to the court for its further action.

"(b) In making the determinations under subsection (a) of this section, the whole record before the court pursuant to section 4025(d) of this title shall be subject to review, and the court shall review those parts of such record cited by a party, and due account shall be taken of the rule of prejudicial error.

"(c) In no event shall findings of fact made by the Administrator be subject to trial de novo by the court.

"(d) When a final decision of the Administrator is adverse to a party and the sole stated basis for such decision is the failure of such party to comply with any applicable regulation of the Veterans' Administration, the court shall review only questions raised as to compliance with and the validity of the regulation.

"§ 4027. Remands

"(a)(1) In any action brought under section 4025 of this title, the court shall, on motion of the Administrator made before the expiration of the time specified for the filing of an answer to a complaint filed pursuant to subsection (b) of such section, allow a single remand of a case to the Administrator for further review by the Administrator. If such review is not completed within ninety days after the date of such remand, the matter shall be returned to the court for its action.

"(2)(A) At any time after the Administrator files an answer, the court may, in the exercise of its discretion, remand the case to the Administrator for further action by the Administrator.

"(B) If either party shall apply to the court for leave to adduce additional evidence and shall show to the satisfaction of the court that such additional evidence is material and that there is good cause for granting such leave, the court shall remand the case to the Administrator and order such additional evidence to be taken by the Administrator.

"(C) In the case of a remand under subparagraph (A) or (B) of this paragraph, the court may specify a reasonable period of time within which the Administrator shall complete the required action.

"(b) After a case is remanded to the Administrator under subsection (a) of this section, and after further action by the Administrator, including consideration of any additional evidence, the Administrator shall modify, supplement, affirm, or reverse the findings of fact or decision, or both, and shall file with the court any such modification, supplementation, affirmation, or reversal of the findings of fact or decision or both, as the case may be, and certified copies of any additional records and evidence upon which such modification, supplementation, affirmation, or reversal was based. Any such modification, supplementation, affirmation, or reversal of the findings of fact or decision shall be reviewable by the court only to the extent provided in section 4026 of this title.

"§ 4028. Survival of actions

"Any action brought under section 4025 of this title shall survive notwithstanding any change in the person occupying the office of Administrator or any vacancy in such office.

"§ 4029. Appellate review

"The decisions of a district court pursuant to this chapter shall be subject to appellate review by the courts of appeals and the Supreme Court of the United States in the same manner as judgments in other civil actions.".

(b) The table of sections at the beginning of such chapter is amended—

(1) by inserting before the item relating to section 4001 the following new item:

"SUBCHAPTER I—GENERAL";

and

(2) by adding after the item (added by section 108(b) of this Act) relating to section 4011 the following new items:

"SUBCHAPTER II—JUDICIAL REVIEW

"4025. Right of review; commencement of action.
"4026. Scope of review.
"4027. Remands.
"4028. Survival of actions.
"4029. Appellate review.".

SEC. 303. Section 1346(d) of title 28, United States Code, is amended by inserting before the period at the end thereof ", except as provided in subchapter II of chapter 71 of title 38".

TITLE IV—ATTORNEYS' FEES

SEC. 401. Section 3404 is amended by striking out subsection (c) and inserting in lieu thereof the following:

"(c) The Administrator shall approve reasonable attorneys' fees to be paid by the claimant to attorneys for representation before the Veterans' Administration in connection with a claim for benefits under laws administered by the Veterans' Administration, but in no event shall such attorneys' fees exceed—

"(1) for any claim resolved prior to or at the time that a final decision of the Administrator is first rendered, $10; or

"(2) for any claim resolved after such time—

"(A) if the claimant and an attorney have entered into an agreement under which no fee is payable to such attorney unless the claim is resolved in a manner favorable to the claimant, 25 percent of the total amount of any past-due benefits awarded on the basis of the claim; or

"(B) if the claimant and an attorney have not entered into such an agreement, the lesser of—

"(i) the fee agreed upon by the claimant and the attorney; or

"(ii) $500, or such greater amount as may be specified from time to time in regulations which the Administrator shall prescribe based on changed national economic conditions subsequent to the date of enactment of this subsection, except that the Administrator may, in the Administrator's discretion, determine and approve a fee in excess of $500, or such greater amount if so specified, in an individual case involving extraordinary circumstances warranting a higher fee.

"(d)(1) If, in an action brought under section 4025 of this title, the matter is resolved in a manner favorable to a claimant who was represented by an attorney, the court shall determine and allow a reasonable fee for such representation to be paid to the attorney by the claimant. When the claimant and an attorney have entered into an agreement under which the amount of the fee payable to such attorney is to be paid from any past-due benefits awarded on the basis of the claim and the amount of the fee is contingent on whether or not the matter is resolved in a manner favorable to the claimant, the fee so determined and allowed shall not exceed 25 percent of the total amount of any past-due benefits awarded on the basis of the claim.

"(2) If, in an action brought under section 4025 of this title, the matter is not resolved in a manner favorable to the claimant, the court, taking into consideration the likelihood at the time such action was filed that the claimant would prevail, may determine and allow a reasonable fee not in excess of $750 to be paid to the attorney by the claimant for the representation of such claimant.

"(e) To the extent that past-due benefits are awarded in proceedings before the Administrator or a court, the Administrator shall direct that payment of any attorneys' fee that has been determined and allowed under this section be made out of such past-due benefits, but in no event shall the Administrator withhold for the purpose of such payment any portion of benefits payable for a period subsequent to the date of the final decision of the Administrator or court making such award.

"(f) The provisions of this section shall apply only to cases involving claims for benefits under the laws administered by the Veterans' Administration, and such provisions shall not apply in cases in which the Veterans' Administration is the plaintiff or in which other attorneys' fee statutes are applicable.

"(g) For the purposes of this section—

"(1) the terms 'final decision of the Administrator' and 'claim for benefits' shall have the same meaning provided for such terms, respectively, in section 4025 (a) of this title; and

"(2) claims shall be considered as resolved in a manner favorable to the claimant when all or any part of the relief sought is granted.

"(h) In an action brought under section 4025 of this title, the court may award to a prevailing party, other than the Administrator, reasonable attorneys' fees and costs in accordance with the provisions of subsection (d) of section 2412 of title 28, as in effect on the day before the effective date of the repeal of such subsection (as provided in section 204(c) of the Equal Access to Justice Act (Public Law 96-481; 94 Stat. 2329; 28 U.S.C. 2412 note)).".

SEC. 402. Section 3405 is amended—

(1) by striking out "or" after "title,"; and

(2) by striking out "him" and inserting in lieu thereof "such claimant or beneficiary, or (3) with intent to defraud, in any manner willfully and knowingly deceives, misleads, or threatens a claimant or beneficiary or prospective claimant or beneficiary under this title with reference to any matter covered by this title".

TITLE V—EFFECTIVE DATES

SEC. 501. This Act and the amendments made by this Act shall take effect on the first day of the first month beginning not less than one hundred and eighty days after the date of enactment of this Act.

SEC. 502. A civil action authorized in subchapter II of chapter 71 of title 38, United States Code (as added by section 302(a) of this Act) may be instituted to review decisions of the Board of the Veterans' Appeals rendered on or after April 1, 1985.

S. 367: VETERANS' ADMINISTRATION ADJUDICATION PROCEDURE AND JUDICIAL REVIEW ACT

Mr. CRANSTON. Mr. President, I am pleased to join with my good friend, the Senator from Colorado [Mr. HART], in introducing S. 367, the proposed Veterans' Administration Adjudication Procedure and Judicial Review Act. I am delighted to note that we are joined by 24 original cosponsors, including the chairman of the Veterans' Affairs Committee, Mr. MURKOWSKI, the immediate past chairman of the committee, my good friend from Wyoming, Mr. SIMPSON, and my good friends and other colleagues on the Veterans' Affairs Committee, Senators MATSUNAGA, DECONCINI, MITCHELL, STAFFORD, and SPECTER. Five of the cosponsors are members of the Judiciary Committee, including the ranking minority member of that committee, Mr. BIDEN, and three members, Mr. SIMPSON, Mr. DECONCINI, and Mr. SPECTER, who serve on both the Veterans' Affairs and Judiciary Committees. The broad bipartisan support demonstrated by this array of cosponsors is a strong indication of the merits of this legislation.

PURPOSE OF THE BILL

The basic purpose of this measure is to ensure that veterans and other claimants before the VA receive all benefits to which they are entitled under law by providing them with the opportunity for judicial review of final decisions of the Administrator of Veterans' Affairs denying claims for benefits, by codifying certain internal procedures of the VA relating to the adjudication of benefit claims, by requiring that VA rulemaking processes comply with provisions of the Administrative Procedure Act relating to notice and comment, and by allowing claimants to pay attorneys reasonable fees for representation before the VA after a decision by the Board of Veterans' Appeals and for representation in judicial proceedings. My June 15, 1983, floor statement upon Senate passage of S. 636 discusses the bill's provisions in detail—S8488 of the daily edition of the CONGRESSIONAL RECORD.

BACKGROUND

Mr. President, the measure we are introducing today is substantially identical to S. 636, as reported by the Veterans' Affairs Committee on May 18, 1983, and passed by the Senate as H.R. 2936 on June 15, 1983, in all respects except one, the absence of provisions that had been included in title I of S. 636 dealing with the size and membership of the Board of Veterans' Appeals, an issue that was resolved in Public Law 98-223.

Mr. President, legislation to provide for judicial review of decisions of the Veterans' Administration on claims for benefits has been through an extended period of development in the Senate—beginning in the 94th Congress when the Senator from Colorado [Mr. HART] first introduced such legislation. During this period, the Committee on Veterans' Affairs has held nine hearings on judicial review legislation, and the Judiciary Committee has held one such hearing. Judicial review legislation has been before both the Veterans' Affairs Committee and the Judiciary Committee, with the Veterans' Affairs Committee three times voting to report such legislation, and the Judiciary Committee twice, after referral of the reported bill for a period of time, taking no action to amend the reported measures before being discharged from further consideration. The measures reported by the Veterans' Affairs Committees—S. 330 in the 96th Congress, S. 349 in the 97th Congress, and S. 636 in the last Congress—were passed by the Senate without dissent.

Unfortunately, the House Veterans' Affairs Committee, to which the measures were referred in the other body, has taken no action on any of the measures. Nevertheless, I continue to hope that, should the Senate again pass judicial review legislation, the Committee on Veterans' Affairs in the other body will work with us to develop a consensual approach on this important issue.

NEED FOR THE BILL

Mr. President, there are a number of strong reasons supporting the enactment of judicial review legislation, and I would like to highlight some of them briefly at this time.

FAIRNESS FOR INDIVIDUAL CLAIMANTS

One of the principal reasons judicial review is needed is to help ensure fairness to individual claimants before the VA. In saying this, I do not mean to indicate a belief that the Board of Veterans' Appeals—the final adjudicative body within the VA—in any way intends to deny to veterans such fairness or that, despite the Board's best efforts, there is a routine denial of fairness. To the contrary, I believe that the members of the Board are fairminded, conscientious individuals who make a concerted effort to carry out their responsibilities in an evenhanded fashion and that, by and large, most claimants before the VA are treated fairly. However, I do know that the present system, which results in final, unappealable decisions by the Board, together with the statutory limit of $10 on the amount a claimant before the VA can pay an attorney for representation, leaves many disappointed claimants believing that they have been denied a full and fair opportunity to pursue their claims and that, as veterans, they are denied important rights that citizens have in dealing with virtually all other Federal agencies.

In addition to this perception of a denial of justice, Mr. President, is the very real chance that actual injustices do occur under the current system, a problem that opportunity for judicial review would substantially ameliorate. Although I know that the VA claims adjudication system is set up to be supportive of the veteran—as it should be—the VA is a very large and complex Federal agency, and unfair results do occur. I have long been concerned that the tremendous volume of claims handled by the Board of Veterans' Appeals provides a significant opportunity for some injustices to occur. On the basis of current trends, the number of claims handled by the Board will continue to increase, thereby increasing the possibility of unintended unfair results.

REVIEW OF QUESTIONABLE AGENCY POLICIES

Mr. President, another principal reason for judicial review legislation is the need to establish a basis for the review of questionable agency actions restricting, withholding, or withdrawing VA benefits—actions that can be expected to increase in frequency as there is greater pressure within the executive branch for the VA to act

unilaterally to achieve cost savings in current programs. There have been numerous examples of such actions in recent years—such as efforts by the VA to collect for the cost of health care provided to veterans who happen to be VA employees; attempts by the agency, at the direction of the Office of Management and Budget, to restrict beneficiary travel reimbursement for eligible veterans; allegations that some VA stations are applying very stringent standards in cases in which Vietnam veterans are seeking to be granted service connection for post traumatic stress disorder; and the VA's drawing overly restrictive regulations to implement the targeted GI bill delimiting-date extension enacted in Public Law 97-72 as well as the radiation-exposure health-care eligibility enacted in that same public law.

In each of these cases and in other similar cases, the lack of access to court review has serious implications. Although the Committees on Veterans' Affairs in both Houses do their utmost to oversee the activities of the VA, the limited resources of the committee do not allow for thorough review of and congressional action to resolve satisfactorily all of the issues arising in such a large and complex agency. In addition, I do not believe that aggrieved veterans should have to be dependent for relief on congressional committee processes which, for all their virtues, cannot be fairly said to be designed to achieve or to be capable of achieving systematically the even-handed dispensation of justice. Also, although the results of committee oversight are often salutary in terms of bringing about—either through legislation or administrative action under pressure, as was the case in the latter two examples I just cited—reversals of agency action, there is usually a long delay in having the correction made. In contrast, injunctive relief for irreparable injury can be a very speedy remedy.

By way of a current example of this type of situation, apparently there is, at present, a plan being developed within the administration which would establish a "means test" to determine eligibility for VA health care—ostensibly pursuant to authority provided by the Congress in 1980—in such a way as to deny care to veterans with incomes above specified levels regardless of whether they are, in fact, able to defray the costs of their care. If the plan is implemented in this way, many veterans who Congress intended to be eligible for care on the basis of actual inability to defray the costs of their care will be denied such care, and this would be just the latest example of a questionable agency action affecting veterans which an individual veteran should have the right to have adjudicated by a tribunal outside of the VA.

If the veterans affected by various VA actions had access to court to challenge those actions, the individuals most directly affected by these actions would be guaranteed the opportunity to be heard by an entity outside of the VA and to obtain urgent and timely relief in certain cases. In a similar way, the VA's handling of claims based on exposure to agent orange or to radiation from the detonation of a nuclear weapon would benefit from outside review by allowing those who believe they have been harmed to have their claims tested in an independent forum.

Mr. President, in making this point, I do not want to be understood as suggesting that the VA is wrong on all or any of these issues. Rather, I am suggesting that outside review by the independent branch of Government established in our constitutional framework with the special responsibility of determining whether governmental action is legal and whether it is fundamentally fair would benefit all parties involved. The VA would have its processes subjected to appropriate scrutiny and, to the extent the agency's actions were upheld, would be vindicated. Likewise, to the extent the agency's actions were held unlawful or fundamentally unfair, steps could be taken to improve the process so as to ensure that the agency is fulfilling its mission to serve veterans in the best possible fashion. I am concerned that agency action that does not have the benefit of outside scrutiny may fail to address fully the legitimate needs of those the agency exists to serve, and I believe that providing for judicial review would basically correct this shortcoming.

REVIEW BY AN INDEPENDENT TRIBUNAL

Mr. President, another important reason in support of judicial review is related to the status of the Board of Veterans' Appeals. Fundamental principles of due process, as guaranteed by the Constitution, require an independent review of administrative action affecting individuals' liberty or property interests. Although there are earlier court decisions suggesting that veterans' benefits are gratuities and not worthy of general due process protections, such a viewpoint is no longer valid, either philosophically—veterans' benefits are earned by service in the military—or legally in light of a number of decisions rendered by the Supreme Court in the last decade holding that various statutory governmental benefits are legal entitlements and, thus, protected property interests of the beneficiary.

Mr. President, I do not believe that review by the Board provides the required independent action required by due process. Although the Board is not directly under the control of the Administrator of Veterans' Affairs, it is far too bound up with the agency, in many informal ways, to be truly independent and, more importantly, its independence is restricted by law. Under section 4004(c) of title 38, the Board is "bound in its decisions by the regulations of the Veterans' Administration, instructions of the Administrator, and the precedent opinions of the chief law officer." Although I have high regard for the integrity of both the incumbent Administrator and the acting general counsel, this does not alter the fact that the potential for them—and future incumbents in those offices—to restrict the decisionmaking authority of the Board significantly restricts that body's independence.

CLARIFY THE STATE OF THE LAW

A final purpose of judicial review legislation is to help clarify the state of the law on the scope of the current law provision that bars judicial review, section 211(a) of title 38. At present, there are some important differences between the various U.S. courts of appeals regarding the sweep of this prohibition, and I am concerned that the VA contributes to this confusion by raising the 211(a) bar in cases in which it is not appropriate. Thus, the circuit where a veteran seeks to bring an action may well determine the outcome of the case—a result that should be avoided.

Some courts have held, correctly I believe, that the 211(a) bar applies only to claims for benefits by individual veterans, while other courts have let the bar preclude suits involving other than individual benefit decisions.

Despite the agency's acknowledgement, in testimony before our committee in 1983, that some courts of appeals clearly have allowed veterans to bring actions challenging VA regulations on other than constitutional grounds, the U.S. Government, on behalf of the VA, continues to raise the section 211(a) statutory bar to judicial review in VA cases that do not involve individual claims for benefits.

SCOPE OF REVIEW

The last matter that I want to touch on involves the appropriate scope of review that a court would apply in the review of a VA fact decision. This issue has been a matter of long and involved discussion in our committee over the years, and I will not attempt to go over all that background. Rather, the one point I want to stress on this issue today is my belief that it is vital that whatever scope of review is chosen must provide some basis for court review of questions of fact. The bills passed by the Senate in 1981 and 1983 each included a very narrow scope of review of factual issues. The bill we are introducing today contains that same provision. Providing only a very narrow basis on which a court could review a decision by the Board of Veterans' Appeals on a question of fact reaffirms the Board's role as the expert

final arbiter of such questions. However, by refusing to limit the review to questions of law only and thus preclude all review of questions of fact—an approach that some have advocated—this legislation affords an opportunity to correct truly egregious decisions on fact questions. Although I believe that such decisions are rare, I do not believe that total preclusion of review of facts would be appropriate or productive. Indeed, I believe that the very existence of even a narrow window of review would have the effect of preventing almost all such outrageous decisions from ever being made in the first instance.

FUNDAMENTAL FAIRNESS FOR VETERANS

Mr. President, I want to answer a question I am sometimes asked in view of our lack of success to date in getting judicial review legislation considered in the other body. The question is usually posed along the following lines: "What is so wrong about the present system for adjudicating VA claims that you persist in pursuing this legislation?" Although I am fully able to respond to the issue when it is posed in this way—as I did briefly earlier in my statement—I do not believe finding fault with the current system is a necessary step in making the case for judicial review. Rather, I believe the appropriate first question is whether there is any continuing reason—putting to one side the question of whether there ever was a valid reason—for denying veterans the same right of access to court review of VA benefits decisions that is available in the case of virtually every other Federal benefit. Although there are some restrictions in current law on access to judicial review of some Federal agency actions, only one area, Federal employee workers' compensation benefits, is at all analogous to VA benefits.

When the issue is posed this way—why should veterans be denied rights available to others in their dealings with the Federal Government? I have never heard a satisfactory answer justifying maintaining the current-law preclusion. I realize that concerns have been expressed that judicial review would have an undue impact on the agency's current claims adjudication processes. I have also heard concerns that providing for judicial review would make the VA claims process more adversarial, would create unnecessary delay, and would cost veterans money in the form of attorneys' fees. Although I fully recognize the genuineness of these concerns, I do not believe they are well founded. Briefly, here is why.

RESPONSES TO ARGUMENTS ABOUT JUDICIAL REVIEW

As to the possibility that providing for judicial review could have an untoward effect on the current VA system, the legislation that has been developed in the Senate over the years contains numerous provisions that have been designed expressly to avoid that result. These provisions would ensure that, to the extent feasible, the VA's current, desirable adjudiciation practices and procedures would be protected by providing a statutory basis for them. In this way, not only would current processes be protected in the event of judicial review, but they would actually be strengthened by being set out in law rather than being based on regulations or, in some cases, on no more than informal past practice.

With reference to the concerns about judicial review causing undue delay or about it somehow making the veteran and the agency adversaries, it is important to remember that under this legislation, judicial review would be available only after a veteran's claim has been turned down by the regional office, and, on appeal, by the Board of Veterans' Appeals. At that point, it is difficult to see how providing for judicial review could create any delay. The VA proceedings would have run their normal course. A process no longer going anywhere can't be delayed. Moreover, once the claim is finally denied, a dispute clearly exists. A veteran whose claim has been finally denied by the VA's highest appeal tribunal would not become an adversary of the VA by virtue of having court review available. Courts don't create adversarial situations; they resolve them.

Regarding attorneys' fees, to me it's almost incomprehensible that the current law limit of $10 on the amount that an attorney can be paid has survived to this time. Whatever behavior characterized the legal profession at the time the original limitation was enacted following the Civil War, it is no longer credible to insist that attorneys would prey on innocent veterans. I also am unable to accept the view that veterans, as a class, are so unable to protect themselves that there needs to be a barrier erected in law between them and attorneys. Let me be clear—I do not believe that most veterans with claims before the VA should be advised to seek the assistance of an attorney. Certainly, my first advice to a veteran with such a claim is to contact a veterans' service officer. But the existence of that superb resource is not a reason for totally precluding a veteran from seeking to obtain the services of an attorney if the veteran wishes to do so.

On this point, I stress again that this legislation would not lift the $10 limit in a particular case until after the veteran has received an initial BVA decision. Thus, this legislation contemplates that the current practice of veterans being assisted by skilled veterans' service officers throughout the VA and BVA administrative process would continue to operate exactly as it does now.

I want to address one final argument that is sometimes raised as a reason for continuing the bar to judicial review—the impact of a new class of claimants on the Federal judiciary. Without detailing the various contentions on this point—and there have been widely differing views on this issue expressed before our committee over the years—I do not understand why veterans and others with claims before the VA should continue to be discriminated against and denied important rights because treating them fairly might enlarge the responsibilities of the court system. If the Federal court system is overburdened, the Congress should address that problem on an equitable basis by expanding available resources or limiting access to court on some basis that applies to all citizens. It is blatantly unfair and arbitrary to deal with perceived problems in the courts by singling out veternas for exclusion with respect to benefits earned by service in the military.

In any event, in my view, after a shakedown period in which the narrow scope of fact-review had resulted in summary judgments against plaintiffs with poor cases and after the BVA had become accustomed to being subject to outside review and had adjusted its decisionmaking and decisionwriting activities accordingly, I do not believe the amount of litigation would be a substantial burden on the Federal judiciary.

In summary, it is for one reason—to provide access to justice for veterans as a matter of fundamental fairness—that I continue to support this legislation.

COST ESTIMATE

Mr. President, when S. 636 was before the Senate in the last Congress, the Congressional Budget Office estimated that its first-year costs—not including costs attributable to changes in the size of the Board of Veterans' Appeals made by Public Law 98-223—would be $1.7 million and the cost for the first 5 years would be $26.5 million. Although that estimate has not yet been updated, I see no reason for any change except for the effects of inflation. Thus, the final cost of this measure would be, I believe, a very modest cost to pay to ensure that veterans, their survivors, and other claimants before the VA are given a full and fair opportunity to have their claims for statutory benefits reviewed and evaluated.

CONCLUSION

Mr. President, I look forward to working with our new Veterans' Affairs Committee chairman, Mr. MURKOWSKI, and with Senator HART, Senator SIMPSON, the other cosponsors of this measure, and all of my colleagues

on this important legislation in the months ahead.

By Mr. DURENBERGER:

S. 368. A bill to amend title 31, United States Code, to include in the President's budget of the U.S. Government a statement of the interest which accrues for each fiscal year on outstanding zero-coupon bonds; to the Committee on Governmental Affairs.

ZERO-COUPON BONDS

Mr. DURENBERGER. Mr. President, about 6 months ago, I read a disturbing article in the New York Times that recommended the U.S. Treasury Department issue zero-coupon bonds [ZCB's] and thus defer interest payments on the national debt. By the use of ZCB's, the Federal Government would borrow money and pay no annual interest on the bonds until the bond matures at which time the accumulated interest and principle would be due and payable.

It is sad indeed that we are mortaging our future by borrowing large sums of money to finance the deficit and leaving the repayment of the principal to the next generation—our children. With the use of ZCB's as recommended by the New York Times, not only would the principal amount of the loans be repaid by our children, but all the interest on the principal of the loans would also be shifted to our children. The size of the Federal deficit is without a doubt, one of the most important issues facing the Congress and this Nation. However, we should not and we cannot impose unreasonable burdens on the next generation for our irresponsible deficit spending

In order to better understand ZCB's, I ask unanimous consent my letter that was published September 3, 1984, in the New York Times be printed following these remarks, and I urge my distinguished colleagues to take a minute to read it.

I am concerned about the extent to which the issuance of a ZCB would tend to establish a floor on interest rates, particularly where the underlying obligation has a long maturity. In addition, I am concerned about the uncertainty under existing governments accounting procedures as to whether the interest accrued on zero-coupon obligations would be properly reflected in the annual interest expense of the Federal Government.

Last fall, in a meeting with my staff, Treasury officials assured us that the Department had, at that time, no plans to issue ZCB's. But in case the Treasury does decide to issue ZCB's, I am firmly convinced that the accrued interest on these bonds should be properly reflected as a separate item in the President's budget when it is submitted to the Congress.

Earlier this month, the Treasury Department announced plans to make it easier for banks and securities dealers to sell separately the interest payments and principal of certain 10-year notes and 30-year bonds. This program is known as separate trading of registered interest and principal of securities or "strips." This is not a ZCB since Treasury pays the interest on a semiannual basis. Treasury officials have again advised my staff that Treasury has no plans to issue ZCB's.

To make certain that the President's budget reflects the accrued interest on a ZCB that might be issued by the Treasury, I am today introducing a bill which amends section 1105 of title 31 of the United States Code—relating to various items that must be included in the President's budget—to require a separate statement in each budget setting forth the interest that would accrue on any ZCB's. This bill is identical with S. 3038 which I introduced on September 29, 1984.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON FINANCE,
Washington, DC, August 28, 1984.

LETTERS TO THE EDITOR,
The New York Times,
New York, NY.

TO THE EDITOR: I am alarmed that the New York Times would so casually recommend abusing zero-coupon bonds (ZCBs) to defer interest payments on the national debt ("Cut the Debt Caused by Debt," August 15). There ought to be a law against seizing the wealth of the next generation and, frankly, I can't think of a better place to start than with ZCBs.

Sadly, zero-coupon bonds are only the latest and most effective of a long line of popular schemes my generation has devised to pass the costs of our lifestyles onto our children. Under decades of bipartisan leadership, this country has run down its infrastructure and passed regressive taxes on future wage-earners to fund bloated middle-class entitlement programs; we have stimulated non-productive speculation in housing that has made it all but impossible for today's young to buy homes.

Worst of all, we have run up an enormous national debt rather than pay for the cost of our federal programs. The size of this mortgage on our nation's future is so staggering that the payments almost defy description.

For fiscal year 1985, for example, Congress will budget $67 billion more for interest payments on the national debt than we did in fiscal 1980. By fiscal 1989, continually-mounting deficits could raise the annual interest bill to $219 billion—$40 billion more than we currently pay for Social Security.

Now, the Treasury has come up with a dangerous new gimmick to help my generation avoid some of these interest payments altogether. Zero-coupon bonds would permit the government to borrow money on its promise to repay the lender all of the interest plus the principal. This "balloon payment" would come at the end of a bond's life, instead of the yearly "coupon" installments that most bonds require. With ZCBs we could borrow $1,000 at today's 13 percent interest rate and not have to make a single payment during the next 20 years. At the end of this period, our children, not we, would come up with $13,300. It's a deal our kids can't refuse.

Borrowing with ZCBs would not be so reprehensible if we actually used the money to make productive investments in America's future. But we would not. The vast majority of our tax and spending policies over-indulge the living comforts of every interest group and voting bloc that has the power to influence an election. The natural outflow of this process is government that imposes sacrifice only on those who are least able to resist.

I fear that history will one day show that Congress stopped representing the interest of all Americans in the mid-20th Century, and began kow-towing to a selfish generation of voters who wouldn't be taxed or part with their benefits. Perhaps it will reflect that the consequence of this short-sightedness was a bitter struggle between the generations. For when our children comprehend the legacy of encumbrance we have provided them, they will justifiably respond with anger and indignation.

I will lead the fight in Congress to see that the Treasury cannot use zero-coupon bonds to rip off our young. Yet, this is only the first of many steps Congress must take if it is to again represent the long-term national interest. American is at a crossroads. We can either rediscover the nobility of self-sacrifice, or plague our children with the ignoble consequences of our own shortsightedness and greed.

Sincerely,

DAVE DURENBERGER,
U.S. Senator.

S. 368

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 1105 of title 31, United States Code, is amended by adding at the end thereof the following new clause:

"(26) a separate statement estimating the total interest which would accrue in the fiscal year for which the budget is submitted on all outstanding obligations issued on a discount basis under sections 3102 through 3104 of this title if such obligations had been issued on an interest-bearing basis."

By Mr. THURMOND:

S. 369. A bill to permit the enlistment of a limited number of aliens in the Regular Army of the United States; to the Commission on Armed Services.

PERMITTING LIMITED NUMBERS OF ALIENS TO ENLIST IN THE REGULAR ARMY OF THE UNITED STATES

Mr. THURMOND. Mr. President, I am today introducing legislation to grant temporary authority to the Secretary of the Army to enlist certain aliens into the Regular Army. The authority this bill would grant is limited to aliens who are between the ages of 18 and 35, and who have no dependents. Additionally, the authority granted would terminate on September 30, 1987, unless extended further through enactment of subsequent legislation.

The Secretary of the Army has been granted similar authority by Congress on previous occasions. When Eastern Europe fell to Soviet dominance following World War II, many freedom-

loving Eastern Europeans fled their native lands to avoid Communist oppression. It became apparent to Congress that many of these refugees, with their linguistic and other skills, could perform a valuable service and bring knowledge to our military that could not otherwise be obtained.

Accordingly, Congress amended the law limiting enlistment to U.S. citizens, in order to permit the Secretary of the Army to enlist these refugees. Commonly known as the "Lodge Act," the legislation initially limited the alien enlistment authority given the Secretary of the Army to a 3-year period. However, it was subsequently twice extended by Congress. The Lodge Act also provided a mechanism whereby enlisted aliens, who rendered military service to this country could obtain, under certain conditions, permanent residence status in the United States. The legislation I am introducing today would also provide such a mechanism. Under the provisions of my bill, an alien enlisted pursuant to the measure who:

First, subsequently enters the United States (or any territory or possession of the United States) pursuant to military orders;

Second, is otherwise qualified for citizenship;

Third, has completed 5 or more years of active duty in the Regular Army; and

Fourth, has been honorably discharged therefrom; shall be deemed to have been lawfully admitted to the United States for permanent residence within the meaning of section 316(a) of the Immigration and Nationality Act (8 U.S.C. 1427(a)).

Mr. President, this legislation will not swing wide the doors of the Army to aliens desirous of coming to the United States. In addition to the limitations I have already mentioned, not more than 2,500 aliens would be allowed to enlist under this authority. Furthermore, the Secretary of the Army would be authorized, subject to approval by the Secretary of State, to issue regulations regarding the acceptance of alien enlistments and reenlistments.

Today, the continual efforts of Communist countries to expand their spheres of influence and subjugate free peoples of the world, have forced many individuals from their homelands. The experience knowledge, abilities, and strong anti-Communist beliefs of these refugees make many of them well suited to serve in the U.S. Army.

Mr. President, the Lodge Act resulted in the enlistment of aliens who proved to be dedicated individuals loyal to this country. In fact, there are service members in the Army today who enlisted under the provisions of that act. I believe the rationale for enactment of the Lodge Act over three decades ago is just as sound today, as I introduce this similar bill, and I urge my Senate colleagues to join me in supporting its swift consideration and passage.

By Mr. MELCHER (for himself, Mr. SARBANES, Mr. SIMON, Mr. KENNEDY, Mr. MOYNIHAN, Mr. LEVIN, and Mr. PRYOR):

S. 370. A bill to make available supplemental assistance for famine relief and recovery in Africa; to the Committee on Appropriations.

AFRICAN FAMINE RELIEF AND RECOVERY ACT OF 1985

● Mr. MELCHER. Mr. President, Americans are understandably puzzled by the twin specters of huge piles of surplus agricultural commodities and the stark tragedy of starvation in Ethiopia. Yesterday I held a public meeting on the farm credit crisis now facing rural America. Unless immediate action is undertaken now, hundreds of thousands of those farmers and ranchers who have produced the agricultural bounty will be driven out of business. One of the themes that came throughout the meeting, however, is that credit is only a short-term solution. In the long term, farmers and ranchers need adequate prices for their product to survive. The administration spends time talking about a "market oriented" farm policy without talking about how best to develop those markets.

It is rare in public policy development that one has the chance to enter a proposal that is good for America, good for the world, and is simply the right thing to do. The African Famine Relief and Recovery Act of 1985 that I am introducing along with Senators SARBANES, SIMON, KENNEDY, MOYNIHAN, PRYOR, and LEVIN is such a proposal.

For the past several months the dramatic picture of starvation in Ethiopia has been brought to the attention of the American public. However, this situation has existed for a number of years and affects many other countries in Africa as well. In fact, reliable figures add up to as many as 50-million people in 27 countries who face the effects of serious famine without expanded American and international relief assistance.

Over the past 2 months the administration has reacted commendably in committing supplemental food aid. As recently as January 3, the President issued a major statement on African hunger relief. In that statement he pointed out that much of sub-Saharan Africa suffers increasingly from severe hunger, malnutrition, and starvation, and that a timely American response can save many lives.

The time is now. By the end of February the current pipeline of food aid will dry up without additional funding.

This legislation will provide a significant increase in funds for the Food for Peace Title II Program, as well as directing use of surplus commodities under section 416 of the Agriculture Act. As the world's largest food surplus producer, the United States has traditionally provided at least half of the international food assistance in emergencies.

Not only should those piles of commodities be used to feed people, but also history has shown that whenever America has assisted with meeting the food needs around the world, we have also developed markets for agricultural products when the economy of the recipient country recovers. The amount of surplus commodities we now have is immense. In fact, I would like to attach to the end of this statement the CCC Commodity Inventory as of January 1, 1985.

I think that it is high time that the Department of Agriculture started looking at food as something that is meant to feed people. Acquiring cheese in 500-pound barrels may make sense if your intent is simply to store it away until it is unpalatable. If, however, you would like to see people have access to that cheese, it should be in the form of smaller units. Not many families can use a 500-pound barrel.

In addition to the food aid, the bill will include funds for nonfood aid for projects to promote longer term recovery in the affected countries. This will include funding for rehabilitation programs, international disaster assistance, including emergency health needs, refugee assistance, and assistance with transportation, storage, and logistical problems affecting regular food aid programs.

The bill will also include a modest amount for improved planning, monitoring and supervision of the food aid to insure maximum utilization of the American assistance.

This effort has the support of every major private hunger relief organization in the country. A similar measure has been introduced in the House of Representatives and has over 100 cosponsors.

Mr. President, I ask unanimous consent that the bill which I am introducing today be printed in the RECORD at the close of my remarks.

CCC COMMODITY INVENTORY, JANUARY 1, 1985

Commodity/million units[1]	Outstanding under loan	Farmer-owned reserve	CCC-owned inventory[2]
Butter (pounds)	0	0	250.4
Cheese (pounds)	0	0	746.8
Nonfat dry milk (pounds)	0	0	1,238.8
Barley (bushels)	44.9	98.0	13.9
Corn (bushels)	553.7	415.9	209.8
Oats (bushels)	3.0	2.9	1.4
Rye (bushels)	9.7	0	4.7
Sorghum (bushels)	47.8	171.7	97.2
(hundred weight)	(26.8)	96.1)	(54.0)
Soybeans (bushels)	160.1	0	1.0
Wheat (bushels)	231.8	680.3	369.3
Rice (hundred weight)	43.8	0	20.6

CCC COMMODITY INVENTORY, JANUARY 1, 1985—Continued

Commodity/million units[1]	Outstanding under loan	Farmer-owned reserve	CCC-owned inventory[2]
Honey	87.7	0	73.9
Upland cotton (bale)	271,500	0	107,818
Els cotton (bale)	7,400	0	21,345
Tobacco (pounds)	1,058.9	0	0
Peanuts (pounds)	309.3	0	0

[1] Cotton in single units.
[2] The following quantities are included but committed to: Disaster Reserve—barley 2.7, corn 44.3, sorghum 28.0; food security reserve—wheat 147.0; dairy sales and donations—butter 62.8, cheese 193.1, nonfat dry milk 120.0

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 370

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "African Famine Relief and Recovery Act of 1985".

TITLE I—AUTHORIZATIONS OF APPROPRIATIONS

SEC. 101. In addition to the amounts appropriated for such purposes by Public Law 98-473, there are authorized to be appropriated for the fiscal year 1985 for famine relief and recovery in Africa—

(1) $240,000,000 for purposes of section 103 of the Foreign Assistance Act of 1961;

(2) $105,000,000 for purposes of section 491 of the Foreign Assistance Act of 1961;

(3) $4,000,000 for purposes of section 667 of the Foreign Assistance Act of 1961; and

(4) $25,000,000 for the "Migration and Refugee Assistance" account of the Department of State. Amounts authorized to be appropriated by this title shall be available for use only in accordance with the provisions of title II of this Act.

TITLE II—APPROPRIATIONS

SEC. 201. The following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes, namely:

DEPARTMENT OF AGRICULTURE

PUBLIC LAW 480

For an additional amount for "Public Law 480", for agricultural commodities supplied in connection with dispositions abroad pursuant to title II of the Agricultural Trade Development and Assistance Act of 1954, $610,000,000 of which $395,000,000 is hereby appropriated.

DISPOSITION OF ADDITIONAL AGRICULTURAL COMMODITIES UNDER SECTION 416 OF THE AGRICULTURAL ACT OF 1949

To prevent the waste of commodities acquired by the Commodity Credit Corporation through price support operations, the Secretary of Agriculture shall make available for donation to African nations requiring emergency food assistance, for Fiscal Year 1985, not less than three hundred thousand metric tons of agricultural commodities: *Provided,* That not less than one hundred thousand metric tons of the commodities made available under this sentence shall be in the form of wheat or wheat products. The Corporation shall pay, with respect to the commodities donated under the foregoing sentence, transporting, handling, and other charges, including the cost of overseas delivery. Such donations shall be in addition to the level of assistance programmed under any other authority.

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION, DEVELOPMENT ASSISTANCE

For an additional amount for "Agriculture, rural development and nutrition, Development Assistance," $240,000,000, of which—

(1) $135,000,000 shall be for inland transportation of agricultural commodities made available under title II of the Agricultural Trade Development and Assistance Act of 1954,

(2) $25,000,000 shall be for Project Outreach/Enhancement grants to provide logistical and other program support for supplemental feeding programs under title II of the Agricultural Trade Development and Assistance Act of 1954, and

(3) $80,000,000 to remain available until expended, shall be for rehabilitation and recovery projects to benefit the poorest people, including projects such as income-generating agricultural development projects, health and water projects, women in development projects, forestry and energy renewal projects, and flood protection and preservation projects.

Not less than 80 percent of the funds used pursuant to paragraph (3) shall be used for grants to private and voluntary organizations and to international organizations.

INTERNATIONAL DISASTER ASSISTANCE

For an additional amount for "International Disaster Assistance", $105,000,000 of which $40,000,000 shall be for emergency health needs, including vaccinations.

OPERATING EXPENSES

For an additional amount for "Operating Expenses of the Agency for International Development", $4,000,000 to remain available until expended, which shall be used for management support activities associated with the planning, monitoring, and supervision of emergency assistance for African under title II of the Agricultural Trade Development and Assistance Act of 1954.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for "Migration and Refugee Assistance", $25,000,000, for assisting refugees and displaced persons in Africa. Not less than $5,000,000 of this amount shall be made available to the United Nations Development Program Trust Fund for ICARA II for projects such as those proposed at the second International Conference on Assistance to Refugees in Africa (ICARA II) to address the immediate and longer-term development needs created by refugees and displaced persons in Africa. The remaining funds shall be for emergency relief and recovery efforts in Africa by the Bureau for Refugee Programs of the Department of State and for use under the "African Resettlement Services and Facilities Project" for projects such as those proposed at the second International Conference on Assistance to Refugees in Africa (ICARA II).

GENERAL PROVISIONS

Funds appropriated by this title for "Public Law 480", for "Agriculture, Rural Development and Nutrition, Development Assistance" (other than funds for rehabilitation and recovery projects), and for "International Disaster Assistance" shall be available only for those countries in Africa which suffer during calendar year 1985 from exceptional food supply problems due to drought and other calamities (as determined by the World Food Program and the Food and Agriculture Organization), except that funds appropriated for "Public Law 480" may also be used to reimburse those ongoing title II programs from which fiscal year 1985 funds were transferred in order to provide emergency relief assistance in Africa.

In light of the severity and duration of this emergency, fiscal year 1985 funds may be carried into fiscal year 1986 and are in addition to funds appropriated for that year.

Funds appropriated by this title for "Agriculture, Rural Development and Nutrition, Development Assistance" for rehabilitation and recovery projects and funds appropriated by this title for "Migration and Refugee Assistance" shall be available only for those countries in Africa which have suffered in the last two years from exceptional food supply problems due to drought and other calamities (as determined by the World Food Program and the Food and Agriculture Organization).●

● Mr. MOYNIHAN. Mr. President, the tragedy of human starvation, in a world of plenty—which recently reached horrific dimensions in Ethiopia, and neighboring African nations—requires a response by the United States.

The continuing drought that has afflicted eight African nations in the past decade has put at risk an estimated 10 million human beings. Since October 1, 1984, the United States has shipped an estimated 700,000 metric tons of emergency food aid to famine-stricken regions of Africa. This is a good start, but it is not enough.

Today, I am proud to be an original cosponsor of the African Famine, Relief and Recovery Act of 1985. The situation is critical, and the Congress must act quickly if we are to avoid any worsening of an already tragic situation. Human lives are at stake.

This supplemental appropriations bill will provide food aid, and also will provide nonfood aid to promote longer term recovery in the affected countries. The United States must continue to work for the elimination of world hunger, both through actions in the Congress and through greater public awareness of this most persistent and real problem.●

By Mr. ABDNOR:

S. 371. A bill to amend the Consolidated Farm and Rural Development Act to provide emergency farm credit assistance, and for other purposes; to the Committee on Agriculture, Nutrition and Forestry.

EMERGENCY FARM CREDIT ASSISTANCE ACT

● Mr. ABDNOR. Mr. President, our farmers and main street merchants, especially in the midcontinent region, are undergoing traumatic times.

It is no understatement to point out that it's a life-or-death matter as rural America struggles with the worst agricultural recession since the 1930's.

It is unfortunate that too many in pivotal leadership positions here in Washington are so insulated from the reality that is rural America today that they write regulations which ignore the true state of the problems. If they knew—or would take the time and interest to find out—they would be less complacent in working to do something about the situation beyond the confines of Washington, DC.

It is time that the leadership here wake up to the fact that this Nation's agricultural economy is in a desperate state—that they start to bring the forgotten economy of rural America back into the mainstream of economic thinking. Something has to be done before it is too late. Unfortunately, for far too many, it is already too late.

If those who write the regulations would become more aware of the plight of farmers and agri-businesses, rules such as those published last November 30 by the Farmers Home Administration would have been worded differently. The regulations lack the ingredients of compassion and understanding of the problems existing in rural America.

Words, not people are the major elements. Legalities, not reality, prevail. It is time we bring the people aspect back into government, into the writing of regulations. That, Mr. President, is the thrust of the legislation I am introducing today.

It puts compassion and understanding back into the Farmers Home loan process. It recognizes that there are human beings out beyond Washington, not inanimate objects. It recognizes the distressed state of the farm economy—not the failed logic of bureaucrats.

The Farmers Home rules as proposed last fall do not care whether people live or die, survive or go broke. The concern is what is best for government—for Washington.

The proposed rules would not recognize the distressed state of the farm economy as a circumstance beyond a borrower's control that could be a basis for loan deferral eligibility. My legislation says that the distressed state of the farm economy is justification enough for a borrower to obtain a loan deferral.

The proposed rules would eliminate current regulations which assure that Farmers Home borrowers receive family living and farm operating expenses as priority releases from farm production income. My legislation would change that. The priority would be to make certain that whatever the Government does, the farmer and his or her family will have something to eat—to survive—to have a roof over their heads, and importantly, put in this year's crop.

Main street businesses—those who extend short-term operating credit to farmers—need all the business they can get at this time.

Mr. President, as one person wrote to me in commenting on the proposed regulations:

The net effect of these changes on farmers and local business communities can be tragic. Proud, hard-working farm families are humiliated because they cannot maintain their households or their farms in a responsible way. Rural business communities lose the business they depend on for survival.

Mr. President, my legislation will return dignity to our agricultural sector. I ask unanimous consent that a copy of the legislation be inserted in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 371

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Farm Credit Assistance Act of 1985".

LOAN DEFERRALS AND FORECLOSURES

SEC. 2. Section 331A of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981a) is amended—

(1) by designating the first and second sentences as subsections (a) and (b), respectively; and

(2) by adding at the end thereof the following new subsection:

"(c) For purposes of subsection (a), the term 'circumstances beyond the borrower's control' includes, but is not limited to—

"(1) a reduction of the income of a borrower occurring after August 4, 1978, as a result of—

"(A) the unemployment or underemployment, illness, or injury of the borrower;

"(B) the death of a member of the family of the borrower; or

"(C) the occurrence of a natural disaster, crop or livestock disease, insect damage, or adverse conditions in the farm economy (such as high interest rates, declining farm equity, or high cost of production relative to the market price for farm products); and

"(2) the occurrence of unplanned, essential farm and home operating expenses as a result of—

"(A) the illness or injury of the borrower;

"(B) the death of a member of the family of the borrower; or

"(C) the cost of repair, or uninsured loss, of property used to secure a loan made under this title.".

RELEASE OF NORMAL INCOME SECURITY

SEC. 3. The Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 349. (a) As used in this section:

"(1) The term 'normal income security' has the same meaning given such term in section 1962.17(b) of title 7, Code of Federal Regulations (as of January 1, 1984).

"(2) The 'poverty line' has the same meaning given such term in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

"(b) The Secretary shall release from normal income security amounts sufficient—

"(1) to assure that the income of the household of the borrower exceeds the poverty line by at least 50 per centum; or

"(2) to pay necessary farm operating expenses incurred in the production, harvesting, or marketing of crops, livestock, poultry, or products, as determined by the Secretary.

"(c) To assist in the determination of necessary farm operating expenses under subsection (b)(2), the Secretary shall publish a schedule of necessary annual production costs for State or region.".

EFFECTIVE DATE

SEC. 4. The amendments made by this Act shall become effective on the date of the enactment of this Act and be implemented by regulation no later than sixty days after such date.●

By Mr. JOHNSTON:

S. 372. A bill to amend the Mineral Lands Leasing Act of 1920, and for other purposes; to the Committee on Energy and Natural Resoruces.

FEDERAL COAL LEASING AMENDMENTS ACT

● Mr. JOHNSTON. Mr. President, today I am introducing a bill to amend provisions of the Mineral Leasing Act of 1920 that relate to Federal coal leasing.

The Federal Government owns an estimated 50 percent of the Nation's coal. Despite this distinction, the Federal Coal Leasing Program has been embroiled in controversy for several years. In 1971, the Nixon administration imposed a moratorium on Federal coal leasing which lasted, in effect, until the Carter administration. At that time, under the direction of Secretary Andrus, the Federal Coal Leasing Management Program was put together in 1979. This long awaited framework occurred only after several lawsuits and after the enactment of the Federal Coal Leasing Amendments Act of 1976, a law which contained several provisions intended to provide a fair and effective mechanism for future leasing.

A leasing schedule resumed under the Reagan administration, but the program was once again brought to a halt—this time by a congressionally imposed moratorium—amid allegations of gross mismanagement. Congress also established the Commission on Fair Market Value Policy to examine the program and recommend changes to the Secretary of the Interior. The Commission's report, submitted almost a year ago, made 36 recommendations, virtually all of which were agreed upon by the Department.

The Department is currently in the process of instituting some of the recommended changes. However, others cannot be accomplished without legislation. My bill addresses this need. It would first, modify existing diligent development provisions for leases issued both prior to and after August 4, 1976; second, define by law certain critical terms; third, eliminate the 3-year requirement for submittal of the operation and reclamation plan; fourth, provide for automatic royalty rate increases upon the date of lease

readjustment; fifth, allow lessees to relinquish undisturbed pre-1976 leases; sixth, prohibit the leasing of new production tracts unless competition is present; seventh, provide for experimentation with negotiated sale of leases for captive tracts; eighth, require GAO to monitor the program; and ninth, require lessees to report to the Department the financial terms of lease assignments.

The provisions that I expect will generate the most interest relate to the diligent development of Federal coal leases issued both prior to and after August 4, 1976. Current law—section 3 of the Federal Coal Leasing Amendments Act of 1976—provides that the Secretary of the Interior shall not issue additional Federal leases for any leasable mineral to a lessee who has held a Federal coal lease for 10 years without producing coal in commercial quantities. For leases issued prior to August 4, 1976, this 10-year period expires on August 3, 1986. Because this provision applies to all leasable minerals subject to the act, it has significance not only for coal lessees interested in acquiring or holding coal reserves, but also for potential development of oil and gas.

As this 10-year deadline approaches, there has been a growing consensus that Congress should modify section 3. This provision is regarded by many as too punitive for lessees who have made a good-faith effort to develop the reserves under lease. Some leases have remained undeveloped because of a lack of diligence on the part of the lessee, or because they were acquired for speculation; however, others have remained dormant for reasons beyond the control of the lessee. Factors such as a slack-coal market, limited access to transportation, difficult mine configuration, and various environmental logistics have slowed or prevented development of many noncompliance leases.

If Congress does not modify section 3 it will be extremely disruptive to the energy market. Not only will it affect the mineral development and energy-producing sectors of this country, but, in turn, it will affect the utilities and consumers that depend on them. A 1981 report by the Office of Technology Assessment substantiates this disturbing prognosis in its estimate that two-thirds of the lessees in the West hold at least one lease that is unlikely to meet the diligent development deadline. It is clear that the companies who stand to lose the most from this restriction are the multimineral developers.

My bill would limit the section 3 ban on acquiring new mineral leases to coal only—so that lessees who do not produce coal in commercial quantities would be eligible to lease other minerals such as oil and gas. It would provide lessees with noncompliance pre-1976 coal leases, two options for acquiring additional leases: First, turnback; or second, payment of a rental fee.

The turnback option would allow lessees with these leases to obtain new leases if they relinquish undeveloped leases containing equal coal tonnage. In lieu of the turnback, those lessees who hold no more than two noncompliance leases may elect to pay a per acre rental fee on each acre acquired under a new lease. The rental fee would be assessed according to the density of the coal tract in the newly acquired tract. Tracts would be divided into three tonnage classes and assessed as follows: 0–100 million tons at $25 per acre; 100–300 million tons at $35 per acre; and over 300 million tons at $45 per acre.

Additionally, this bill addresses the issue of lease development for leases issued after August 4, 1976. Current law provides that these leases must be producing in commercial quantities—defined by Interior regulations as 1 percent of the recoverable reserves—within 10 years after lease issuance, or the lease is terminated. This 10-year period appears minimally sufficient under the most favorable mine development conditions. However, in a situation where there are delays because of special permitting problems, this time period is simply too short to bring the mine on line.

I advocate providing the lessee with a more flexible approach: through the payment of an advance escalating royalty he may extend his lease for up to 10 additional years. This provision distinguished the serious lessee from the idle speculator who is unlikely to pay an additional finance charge on a lease he has no serious intention of developing.

This bill also makes several changes that would clarify the implementation and administration of the Federal Coal Management Program. It would define by law the concepts of "commercial quantities," "diligent development," and "continued operation." These terms are currently defined only in the Department's regulations. My bill essentially retains these definitions as they now stand. Clarifying their meaning in the law will eliminate the ambiguity frequently associated with their application in implementing the Mineral Leasing Act.

The remaining provisions in my proposal are tied directly to recommendations made by the congressionally established Commission on Fair Market Value Policy for Federal Coal Leasing. These items are necessary to further restore public confidence in the program—a vital step to getting the program started up again. Included among these is a requirement that the General Accounting Office monitor the Federal coal leasing program over the next 5 years and submit a semiannual report to the Congress on the administration's activities under the program. The bill would also mandate a criminal penalty for the disclosure of proprietary data by a Federal employee.

A successful Federal coal program is essential to this country's future as a reliable supplier of energy both in the world export market and in our own domestic market. In 1984, 55.3 percent of the net electricity produced in this country was generated from coal. According to the Department of Energy, this figure is expected to rise to 57 percent in 1985. To meet this demand, we need to insure a steady new domestic supply of this abundant resource. And this depends on a stable, responsible Federal coal program.

Congress must do its part in getting this program back on sound footing. The coal industry needs legislation this year so that they have the necessary time to make management planning decisions regarding which leases to hold onto and which ones to relinquish.

I see this proposal as the genesis for a new and optimistic beginning for the Federal program. I urge my colleagues to join me as cosponsors of this measure. Let us work together to make any necessary changes to the bill to reflect particular concerns. In particular I am eager for the Committee on Energy and Natural Resources to move promptly to schedule hearings on this bill.●

By Mr. PRESSLER (for himself, Mr. WARNER, Mr. INOUYE, Mr. LAXALT, Mr. SASSER, Mr. MELCHER, Mr. HECHT, Mr. LEAHY, Mr. JOHNSTON, Mrs. HAWKINS, Mr. STAFFORD, Mr. SPECTER, Mr. WILSON, Mr. MOYNIHAN, Mr. NUNN, and Mr. HEFLIN):

S. 374. A bill to provide authorization of appropriations for the U.S. Travel and Tourism Administration; to the Committee on Commerce, Science, and Transportation.

U.S. TRAVEL AND TOURISM ADMINISTRATION APPROPRIATION AUTHORIZATION

Mr. PRESSLER. Mr. President, I am pleased to introduce, for myself and my colleagues who have joined as cosponsors, authorizing legislation for the U.S. Travel and Tourism Administration [USTTA].

This legislation will provide an authorization of $15 million for the USTTA for fiscal year 1986, consistent with the blueprint unanimously approved by this body 2 years ago. This modest funding level is more than justified by the increasing importance of travel and tourism to the American economy and by the outstanding work the USTTA has done since it was created by the National Tourism Policy Act (Public Law 97–63) in 1981.

I remind my colleagues that this bill reflects the overwhelming support for the USTTA expressed by the Senate in the 98th Congress with the unanimous passage of legislation to authorize the USTTA at levels of $13 million, $14 million, and $15 million for the respective fiscal years 1984 through 1986. I urge you all to join me in reaffirming this support and asking our friends in the House of Representatives to work with us to provide an appropriate authorization for the USTTA.

Certainly, the size of the travel and tourism industry warrants the attention of the Federal Government. Tourism is the third largest retail industry in the United States and 1 of the top 3 employers in 39 States, including my home State of South Dakota where tourism is our second largest industry. The industry employs nearly 5 million Americans and generates over $40 billion per year in wages. As the health of our economy becomes increasingly dependent upon service industries, travel and tourism become even more important to American prosperity and employment. We need a strong Federal commitment to international tourism promotion in order to maximize employment, minimize our trade deficit, and begin keeping pace with our western competitors who have vastly outspent us on tourism promotion and consequently have cut deeply into our share of worldwide tourism revenues.

While the Senate has steadfastly backed the USTTA since its creation, the agency has never attained the level of funding that we all supported in the 98th Congress. Since the USTTA was created, strict budgetary restraints have been imposed by the administration, and Federal budget officials have cited the USTTA's lack of a comprehensive plan for utilizing additional funds as a reason for balking at funding increases. The administration has argued that the tourism industry should be responsible for promoting itself.

As a result of these restraints, USTTA's budget languished at about $8 million per year during the early 1980's. Meanwhile, as I have mentioned, other western nations were spending much more on international tourism promotion. In 1983, for instance, Mexico spent $182 million, Greece spent $69 million, Spain spent $61 million, and Canada spent $39 million. Given these figures, one can see why our share of international tourism revenues dropped from 13 percent in 1976 to 10.6 percent in 1982.

I am pleased to say that the USTTA has benefited during the past year from the bolstered support of the administration, the Congress, and the travel and tourism industry. Without question, much of this support has been generated by Mrs. Donna Tuttle, the Under Secretary of Commerce for Travel and Tourism. Since her appointment in December of 1983, Mrs. Tuttle has worked continuously to highlight the importance of tourism within the Federal Government, State and local governments, and to unify the travel industry in cooperative private sector involvement with the USTTA. Congress responded with a fiscal year 1985 appropriation of $12 million for the USTTA, the largest Federal tourism promotion budget in this decade, but still far below our earlier international tourism promotion funding levels of the 1970's, and only a fraction of that spent by our competitors who are gaining an increasing share of the international market. We need to fight back.

I am pleased to see that the travel and tourism industry has taken an active, cooperative role in working with the USTTA in its promotional efforts. Top marketing executives from all segments of the industry devoted their time and resources over a 1-year period, developing an international tourism marketing plan, in conjunction with the USTTA. The industry has contributed funding and resources to a number of new marketing and advertising initiatives sponsored by the USTTA. Through these initiatives, we have reached new markets in Canada and elsewhere for the first time. The USTTA is on the threshold of unveiling a new advertising program to promote America overseas—which will be released next week, February 5–6, during the City/State Days Program sponsored by the USTTA to assist State and local governments in tourism promotion efforts.

Finally, Mr. President, there was another event last year that encouraged me perhaps even more than those I have already discussed. The Republican Party, at its 1984 convention, adopted the following language in the party platform:

> In a continuing effort to offset our balance of trade, we reaffirm our strong support for this Nation's tourism industry.

Last February, the President met with a number of tourism leaders from Congress, the administration and the private sector to sign a Presidential proclamation designating a "National Tourism Week" and recognizing the economic importance of this industry.

Clearly, the USTTA has a broader base of support today than ever before, and I look forward to helping translate this support into a USTTA budget that reflects the importance of the industry to the Nation.

Recently, however, I have learned that the Administration's budget planners have different ideas for the USTTA. In their admirable attempt to reduce the Federal deficit, they have apparently targeted the USTTA for major budget cuts. While I share their desire to reduce the deficit, I do not see how cutting the USTTA will do so. Deficits are not reduced by cutting an agency that generates $18 in revenues for every dollar spent. Negative trade balances are not offset by allowing competitors to dominate the marketing of a product for which each percent of market share represents more than $1 billion. The economy is not bolstered by abandonment of a commitment to an industry that employs nearly 5 million people and generates over 1 billion tax dollars per year.

If deficit reduction is the objective, as I am certain it is, cutting the USTTA budget simply does not make sense. Indeed, given the remarkable return on investment figures, a huge budget cut will increase rather than reduce our Federal deficit.

I would like to invite my colleagues to learn more about the USTTA's activities. As part of the USTTA's City/State Days, a congressional luncheon has been scheduled on Wednesday, February 6, in room SR-325. This luncheon provides a unique opportunity for Members of Congress to discuss travel and tourism with their constituents, USTTA representatives, and one another. I hope that my colleagues will join me at the luncheon and in sponsoring this legislation, so that we can maximize the economic and cultural benefits of international travel to and within the United States.

In closing, Mr. President, I ask unanimous consent that the attached printout, entitled "State Tourism Impact Statistics—1982," be printed in the RECORD immediately following my remarks so my colleagues can see the economic impact of the travel and tourism industry in their States. I also ask unanimous consent that the attached "Budgets of the National Tourist Offices of Selected Countries—1983" be printed in the RECORD to illustrate how far we in the United States are outspent in this area. I again urge my colleagues to join us in cosponsoring this important legislation, and in pushing for its swift passage in the Senate.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATE TOURISM IMPACT STATISTICS—1982

[Dollars are in millions; direct employment is in thousands] [1]

	Domestic travel expenditures	Direct employment	Payroll	Federal/State/local travel tax revenues
Alabama	$1,092.4	37.1	$224.4	$103.2
Alaska	550.9	11.3	142.5	66.8
Arizona	2,257.7	68.3	466.9	232.5
Arkansas	1,261.3	44.7	240.1	106.5
California	19,128.2	473.8	4,474.2	2,246.6
Colorado	2,908.1	96.7	878.6	345.2
Connecticut	1,805.6	40.8	371.0	249.9
Delaware	363.0	15.2	101.5	47.3
Florida	10,797.5	316.4	2,374.9	952.1
Georgia	3,586.2	97.1	723.0	348.7
Hawaii	1,912.0	58.7	538.0	202.4
Idaho	703.0	29.3	153.5	67.0
Illinois	4,619.5	122.4	1,091.5	570.8
Indiana	2,133.0	70.1	464.4	229.4
Iowa	1,384.3	52.4	285.6	130.0
Kansas	1,279.7	42.3	254.8	122.8
Kentucky	1,767.3	49.2	318.5	165.8
Louisiana	2,424.0	69.8	618.8	248.5
Maine	936.6	34.1	198.9	85.8
Maryland	2,131.2	67.7	501.2	288.7
Massachusetts	3,327.2	90.4	765.9	432.2
Michigan	4,738.0	138.3	1,006.5	556.1
Minnesota	3,357.4	114.4	735.1	411.7
Mississippi	861.7	29.1	166.2	79.9
Missouri	3,270.1	96.6	894.4	376.6
Montana	545.2	21.6	108.9	38.4
Nebraska	923.1	35.1	190.1	98.1
Nevada	2,690.8	73.2	834.6	215.8
New Hampshire	868.1	30.1	174.8	61.7
New Jersey	3,750.1	104.4	932.5	454.8
New Mexico	985.5	34.9	209.3	85.9
New York	9,487.8	237.7	2,281.3	1,465.7
North Carolina	3,041.5	97.7	601.6	273.7
North Dakota	527.4	17.7	98.4	49.4
Ohio	4,859.6	137.3	1,029.0	552.7
Oklahoma	1,805.5	59.8	393.8	161.2
Oregon	1,830.6	61.1	414.2	158.3
Pennsylvania	5,612.7	177.7	1,270.1	696.4
Rhode Island	327.5	11.3	79.0	44.6
South Carolina	1,872.8	65.1	373.0	166.9
South Dakota	388.1	15.2	75.3	35.5
Tennessee	2,055.4	68.1	425.9	196.5
Texas	8,676.1	240.6	1,858.0	850.0
Utah	949.4	37.7	211.9	102.0
Vermont	879.4	38.2	199.4	84.3
Virginia	2,733.1	83.9	572.5	254.0
Washington	2,208.1	65.1	509.7	233.4
West Virginia	884.7	30.1	181.4	68.9
Wisconsin	2,864.5	109.3	606.2	298.2
Wyoming	607.8	20.7	120.0	51.1
District of Columbia	767.7	24.7	258.3	135.2
Total	$140,739.5	4,164.5	$31,340.6	$15,499.2

[1] Combines the categories of public and automobile transportation, lodging, food, entertainment and recreation, incidental purchases and travel arrangements.

Note: Details may not add to totals due to rounding.
Source: U.S. Travel Data Center.

Budgets of the national tourist offices of selected countries—1983

	Millions
Mexico	$182.1
Brazil	78.6
Greece	69.1
Turkey	62.1
Spain	61.1
Korea	59.0
Switzerland	47.4
Canada	39.3
Jamaica	29.5
Bahamas	28.0
France	25.2
Singapore	24.3
West Germany	13.5
Hong Kong	10.6
United States	[1]7.6

[1] 1985 equals $12 million.

By Mr. MATTINGLY (for himself, Mr. CHAFEE, Mr. HOLLINGS, Mr. LUGAR, Mr. NICKLES, Mr. NUNN, Mr. QUAYLE, Mr. STENNIS, Mr. SYMMS, Mr. GRASSLEY, Mr. INOUYE, and Mr. DENTON);

S.J. Res. 33. A joint resolution to authorize and request the President to designate May 12, 1985 to June 16, 1985, as "Family Reunion Month"; to the Committee on the Judiciary.

FAMILY REUNION MONTH

Mr. MATTINGLY. Mr. President, the joint resolution which I am introducing today would authorize and request the President to proclaim the period from Mother's Day to Father's Day 1985 as "Family Reunion Month." Those holidays are occasions when Americans traditionally recognize and celebrate the importance of the family. I believe it is an appropriate time for us in Congress to encourage the reaffirmation of family ties and the reunion of estranged family members.

Each year thousands, probably millions, of Americans become personally acquainted with the grief and anxiety which occur when one of their family members is missing. No records exist to document how many runaways and driftaways leave home every year or how many Americans disappear as victims of foul play. The evidence, however, indicates that the problem is a serious one. It is believed that over 1.8 million children disappear annually. This figure does not account for the hundreds of adults who are discovered missing each day. The magnitude of the problem identifies it as legitimate national concern.

This resolution, like the one Congress passed and the President signed into law last year, would encourage runaways and driftaways to utilize the networks which currently exist, largely through volunteer organizations and the private sector, to reestablish contact with their families. It would encourage families to honor the individual's effort to communicate.

Last year during "Family Reunion Month," a number of young people were reunited with their families. In 1 week alone, 67 children took advantage of Trailways' Free Ride Home Program, "Operation: Home Free." If by focusing on the issue of missing family members, we foster the creation of similar programs or encourage the reunion of one family, it will be worth the effort. I encourage all my colleagues to join me in cosponsoring and supporting this resolution to designate May 12, 1985 to June 16, 1985 as "Family Reunion Month."

By Mr. QUAYLE (for himself, Mr. LUGAR, Mr. MATTINGLY, and Mr. NUNN):

S.J. Res. 34. A joint resolution to designate the week of October 6, 1985, through October 12, 1985, as "National Children's Week"; to the Committee on the Judiciary.

NATIONAL CHILDREN'S WEEK

● Mr. QUAYLE. Mr. President, today I am introducing with my colleagues, Senators LUGAR, MATTINGLY, and NUNN, a resolution to designate the week of October 6 through October 12, 1985, as "National Children's Week."

While recognizing many important causes through commemorative resolutions, we sometimes overlook what is often closest to our hearts. National Children's Week seeks to focus our hearts and our energies on our children—our own, if we have them—on the children of the less fortunate, on the children without families, or those who may be in need. Children growing up today face many emotional and physical dangers—from a wrenching divorce, to lack of adequate nourishment, to experimentation with drugs. We hope every child is given the benefits of a strong family unit, and good guidance through childhood, but unfortunately these days, that does not always occur. When a child is set loose, without a caring family or wise restrictions, the result is often juvenile delinquency or drug abuse in later years. National Children's Week hopes to help children by focusing attention on the need for strong family support in childhood and on how the community can help families and children.

The first National Children's Week was celebrated in 1981 by concerned citizens and child advocacy groups in several States including Indiana and Georgia, which have been very active in publicizing the celebration. Since 1981, more and more States are sponsoring Children's Week activities and focusing attention on some of the problems facing children and youth.

During Children's Week, advocacy groups, parents, community organizations, and the business community conduct numerous events to heighten public awareness and increase volunteer participation in child and youth projects. Activities focus on the inadequacy of infant health care, youth alcohol and drug abuse, child abuse, juvenile justice, and assistance for disadvantaged and handicapped children.

Our children are our future and our most precious resource. If we can help them and their families with support, and encouragement, and caring, we will be building a stronger nation. Please join with me and Senator LUGAR, Senator MATTINGLY, and Senator NUNN in support of National Children's Week.●

● Mr. MATTINGLY. Mr. President, I am pleased to join my distinguished colleague from Indiana in cosponsoring the joint resoluton to designate the week beginning October 6, 1985, as "National Children's Week."

Children's Week is a familiar occasion for the citizens of my home State of Georgia. For the past few years, the week has been celebrated in Atlanta. Because Atlanta's experience has been so successful, it has been replicated in Macon, GA, for 3 years. This copycatting of the celebration is what its originators had in mind and what a National Children's Week would encourage on a large scale throughout the country. In Georgia, a private foundation has underwritten the production of a Children's Week guidebook which is designed to aid other communities organizing Children's Week activities.

The purpose of Children's Week is to focus on the special needs of our Nation's 65 million children, to provide information about services available in the community to meet these unique needs, and to encourage the involvement of volunteers in the delivery of these services. The success of Children's Week in Atlanta has been dependent on the cooperation of the public and private sectors. Volunteer agencies, small local and large national firms, and public agencies—groups which offer a wide variety of services to meet the diverse needs of our children—have come together during children's week to demonstrate their dedication to a common goal. That goal is to assist our children, the Nation's most precious resource, in developing into mature and responsible adults. It is a purpose, I believe, worthy of our recognition and support, for that which benefits our children ultimately benefits the entire Nation.

I urge my colleagues to support this resolution requesting the President to proclaim the week of October 6–12, 1985, as National Children's Week.●

● Mr. NUNN. Mr. President, I am pleased to join my colleague from Indiana, Senator QUAYLE, as a cosponsor of a joint resolution designating the week of October 6, through October 12, 1985, as "National Children's Week." This week will highlight the needs of children and the community services available to assist them.

In 1981, a dedicated group of citizens from Atlanta, GA, celebrated the first Children's Week. The success of that first effort led several organizations to conclude that Children's Week should become an annual event to publicize services for children. The week of October 6 through 12 will mark the fifth year for Children's Week in Atlanta. Activities during past celebrations have included a fun run for children 14 and under, a balloon launch, a child advocacy forum, and several shopping mall exhibits which highlighted not only services available for children but also ways that adults may become personally involved in programs to help children.

The success of Children's Week in metropolitan Atlanta and the passage of a resolution to establish National Children's Week during October 1984 prompted other communities within Georgia and in several other States to develop their own observances. It is my hope that the designation of National Children's Week for the second consecutive year will continue a nationwide examination of the needs of children and the ways that all citizens may become involved in efforts to assist children. As the resolution states, children are our Nation's "most precious resource and its greatest hope for the future."

I hope all of my colleagues will join in support of National Children's Week.●

By Mr. GORTON:

S.J. Res. 35. Joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week;" to the Committee on the Judiciary.

NATIONAL ORGAN DONATION AWARENESS WEEK

Mr. GORTON. Mr. President, it is my great pleasure today to introduce a Senate Joint Resolution calling on the President to proclaim April 21 through April 27, 1985, as "National Organ Donation Awareness Week;" Congressman SID MORRISON is introducing the companion measure today in the House of Representatives, and I ask my colleagues to join us in supporting this legislation.

This effort builds on the 1983 resolution, Public Law 98-99, and subsequent Presidential Proclamation declaring April 22 through April 28, 1984 as "National Organ Donation Awareness Week;" It traces back to the pioneering work of the Organ Association in Washington State. The Organ Donation Association came together in 1976 as a partnership of the Lions Eye Bank, Northwest Kidney Foundation, the Washington State Medical Association Auxiliary, and others. The Organ Donation Association organized a statewide "Organ Donation Awareness Week;" in 1981, and the idea has spread to most of the States of the Union.

Many Americans whose kidneys, eyes, hearts, lungs, bone, skin, or other tissues and organs are unable to sustain them can be helped or cured through organ transplants. Through organ donation, those who care and have foresight may, when they die, give the gift of life and living to those in need. Since the passage of the Uniform Anatomical Gift Act in 1968, every State has legally recognized the organ donor card, in hopes that its citizens will make an anatomical gift upon death, as Mrs. Gorton and I have

pledged to do. A donor may pledge any needed organs or parts; only specified organs or parts; or may donate his or her body for anatomical study.

Research by the National Kidney Foundation indicates that more than 100,000 Americans a year could benefit from an organ transplant if donors were available. About 6,000 Americans received kidney transplants in 1983, but that was less than half the number of people waiting for one. In my own Washington State, the Organ Donation Association reports that there were 104 kidney transplants and about 500 cornea transplants in 1984, and that many more could have been done had donors been available.

I am sure that all of my colleagues have received letters from their constituents describing the pain, trauma, and frustration that families go through in seeking suitable organs for transplantation. We all know too well the many cases where lack of public awareness complicates the search, and how simple it is to make an anatomical gift by signing and carrying the Uniform Donor Card. State, local, and national groups are coordinating their efforts to promote "National Organ Donation Awareness Week" in 1985, and I anticipate that my House and Senate colleagues will be hearing from these dedicated people in their own States in the next few weeks. I welcome my colleagues' support and their cosponsorship of the joint resolution.

Mr. President, I ask unanimous consent that the text of the Senate joint resolution be printed in the RECORD at this point.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 35

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating April 21 through April 27, 1985, as "National Organ Donation Awareness Week".

ADDITIONAL COSPONSORS

S. 24

At the request of Mr. MOYNIHAN, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 24, a bill to amend the Safe Drinking Water Act to provide for the protection of certain recharge areas overlying sole source underground water supplies.

S. 36

At the request of Mr. ABDNOR, the name of the Senator from Idaho [Mr. SYMMS], the Senator from Mississippi [Mr. COCHRAN], the Senator from Nebraska [Mr. ZORINSKY], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 36, a bill to amend the Internal Revenue Code of 1954 to provide an exemption for agricultural vehicles from the requirements of section 280F of such Code (relating to limitation on certain property used for personal purposes).

S. 58

At the request of Mr. BENTSEN, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 58, a bill to amend the Internal Revenue Code of 1954 to increase research activities, to foster university research and scientific training, and to encourage the contribution of scientific equipment to institutions of higher education.

S. 63

At the request of Mr. GOLDWATER, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of S. 63, a bill to encourage the rendering of in-flight emergency care aboard aircraft by requiring the placement of emergency first aid medical supplies and equipment aboard aircraft and by relieving appropriate persons of liability for the provision and use of such equipment and supplies.

S. 68

At the request of Mr. HART, the name of the Senator from North Dakota [Mr. BURDICK], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Maine [Mr. MITCHELL], the Senator from Massachusetts [Mr. KERRY], the Senator from Tennessee [Mr. GORE], and the Senator from California [Mr. CRANSTON] were added as cosponsors of S. 68, a bill to prohibit the use of appropriated funds for the production of lethal binary chemical weapons; to express the sense of the Congress on achieving an international agreement to ban the production and stockpiling of chemical weapons; and to express the further sense of the Congress encouraging the improvement of defenses against the effects of the use of chemical weapons on the Armed Forces of the United States.

S. 104

At the request of Mr. THURMOND, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 104, a bill to amend chapter 44, title 18, United States Code, to regulate the manufacture and importation of armor piercing bullets.

S. 176

At the request of Mr. PROXMIRE, the name of the Senator from Florida [Mrs. HAWKINS] was added as a cosponsor of S. 176, a bill to require a charge for meals furnished to certain high-level Government officers and employees in the executive branch and for meals furnished in Senate dining facilities.

S. 209

At the request of Mr. D'AMATO, the name of the Senator from Indiana [Mr. QUAYLE] was added as a cosponsor of S. 209, a bill to amend chapter 37 of title 31, United States Code, to authorize contracts retaining private counsel to furnish collection services in the case of indebtedness owed the United States.

S. 213

At the request of Mr. THURMOND, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 213, a bill to provide State and local governments greater flexibility and self-determination in addressing how specific highway needs can best be met.

S. 231

At the request of Mr. DOLE, the names of the Senator from Nebraska [Mr. ZORINSKY], and the Senator from Virginia [Mr. TRIBLE] were added as cosponsors of S. 231, a bill to establish a National Commission on Neurofibromatosis.

S. 232

At the request of Mr. PRYOR, the name of the Senator from Florida [Mrs. HAWKINS] was added as a cosponsor of S. 232, a bill to amend the Internal Revenue Code of 1954 to add a new subsection dealing with exchanges and rentals of names from donor lists and membership lists.

S. 235

At the request of Mr. THURMOND, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 235, a bill to amend title 5, United States Code, to prohibit employment in civil service positions in the executive branch of any individual required to register under the Military Selective Service Act who has not yet registered.

S. 245

At the request of Mr. ABDNOR, the names of the Senator from Florida [Mrs. HAWKINS], the Senator from Idaho [Mr. MCCLURE], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Tennessee [Mr. GORE], the Senator from Arizona [Mr. DECONCINI], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of S. 245, a bill to amend the Internal Revenue Code of 1954 to repeal the requirement that contemporaneous records be kept to substantiate certain deductions and credits.

S. 281

At the request of Mr. PRYOR, the names of the Senator from Florida [Mr. CHILES], and the Senator from North Carolina [Mr. EAST] were added as cosponsors of S. 281, a bill to amend the Internal Revenue Code of 1954 to add a section dealing with public safety vehicles.

S. 282

At the request of Mr. HOLLINGS, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 282, a bill to establish a National Trade Council within the Executive Office of the President, and for other purposes.

S. 295

At the request of Mr. BOREN, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 295, a bill to amend title 28, United States Code, to authorize a service pension of $150 per month for veterans of World War I and for certain surviving spouses of such veterans.

S. 300

At the request of Mr. GRASSLEY, the names of the Senator from Kansas [Mr. DOLE], and the Senator from Florida [Mrs. HAWKINS] were added as cosponsors of S. 300, a bill to amend section 1951 of title 18 of the United States Code, and for other purposes.

SENATE JOINT RESOLUTION 8

At the request of Mr. SYMMS, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of Senate Joint Resolution 8, a joint resolution to approve the Interstate and Interstate Substitute Cost Estimates, to amend title 23 of the United States Code, and for other purposes.

SENATE JOINT RESOLUTION 10

At the request of Mr. KENNEDY, the names of the Senator from Vermont [Mr. STAFFORD], the Senator from Illinois [Mr. DIXON], the Senator from Michigan [Mr. RIEGLE], the Senator from Illinois [Mr. SIMON], the Senator from Hawaii [Mr. INOUYE], the Senator from Connecticut [Mr. DODD], and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of Senate Joint Resolution 10, a joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men.

SENATE JOINT RESOLUTION 15

At the request of Mr. DECONCINI, the names of the Senator from Connecticut [Mr. DODD], the Senator from Kansas [Mr. DOLE], the Senator from California [Mr. CRANSTON], the Senator from Colorado [Mr. ARMSTRONG], the Senator from Michigan [Mr. RIEGLE], the Senator from Alabama [Mr. DENTON], the Senator from California [Mr. WILSON], the Senator from Pennsylvania [Mr. SPECTER], the Senator from South Carolina [Mr. THURMOND], the Senator from Utah [Mr. HATCH], and the Senator from North Dakota [Mr. ANDREWS] were added as cosponsors of Senate Joint Resolution 15, a joint resolution to designate May 7, 1985, as "Helsinki Human Rights Day."

SENATE JOINT RESOLUTION 22

At the request of Mr. HOLLINGS, the names of the Senator from Iowa [Mr. GRASSLEY], the Senator from Michigan [Mr. LEVIN], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of Senate Joint Resolution 22, a joint resolution designating March 1985 as "National Mental Retardation Awareness Month."

SENATE JOINT RESOLUTION 23

At the request of Mr. MOYNIHAN, the names of the Senator from Texas [Mr. BENTSEN], the Senator from Maine [Mr. COHEN], the Senator from Rhode Island [Mr. CHAFEE], the Senator from South Dakota [Mr. PRESSLER], the Senator from Illinois [Mr. DIXON], and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of Senate Joint Resolution 23, a joint resolution designating 1985 as the "Year of Social Security."

SENATE JOINT RESOLUTION 28

At the request of Mr. HOLLINGS, the names of the Senator from California [Mr. CRANSTON], and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of Senate Joint Resolution 28, a joint resolution to designate the week of September 8–14, 1985, as "National Independent Retail Grocer Week."

SENATE JOINT RESOLUTION 31

At the request of Mr. BURDICK, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of Senate Joint Resolution 31, a joint resolution to designate the week of November 24 through November 30, 1985 as "National Family Week."

SENATE JOINT RESOLUTION 41

At the request of Mr. HOLLINGS, the names of the Senator from Tennessee [Mr. GORE], the Senator from Hawaii [Mr. INOUYE], and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of Senate Resolution 41, a resolution to express the sense of the Senate that the funds of the Economic Development Administration should not be impounded.

SENATE RESOLUTION 54—TO REFER THE BILL S. 328 TO THE COURT OF CLAIMS

Mr. MATHIAS submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 54

Resolved, That the bill (S. 328) entitled "A bill for the relief of Henry W. Lerch of Maryland and Harold J. Nussbaum, Dolores Murray, and Edward C. Kennelly of the District of Columbia" now pending in the Senate, together with all the accompanying papers, is referred to the Chief Judge of the United States Claims Court. The Chief Judge shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, and report thereon to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States or a gratuity and the amount, if any, legally or equitably due to each claimant from the United States. In considering such bill, the doctrine of preferential treatment shall not be considered.

SENATE RESOLUTION 55—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE SELECT COMMITTEE ON INTELLIGENCE

Mr. DURENBERGER, from the Select Committee on Intelligence, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 55

Resolved, That, in carrying out its powers, duties and functions under S. Res. 400, approved May 19, 1976, in accordance with its jurisdiction under section 3(a) of such resolution, including holding hearings, reporting such hearings and making investigations as authorized by section 5 of such resolution, the Select Committee on Intelligence is authorized from March 1, 1985, through February 28, 1986, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The expenses of the committee under this resolution shall not exceed $2,170,000.00 of which amount (1) not to exceed $20,000.00 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1986.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contigent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

NOTICES OF HEARINGS

SUBCOMMITTEE ON THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES

Mr. McCLURE. Mr. President, I ask unanimous consent that the schedule of hearings to be held by the Subcommittee on the Department of the Interior and Related Agencies of the Committee on Appropriations on the fiscal year 1986 budget. While we are not holding public witness hearings, the public is invited to submit written testimony to be included in the hearing record. Those who wish to submit such testimony should send two copies, no longer than three single spaced, typewritten pages to the Subcommittee on the Department of the Interior and Related Agencies, Committee on Ap-

propriations, room SD-114, Washington, DC. In order to ensure that all testimony is included in the RECORD, please submit testimony by April 15.

Testimony from Members of Congress will be taken on February 26, 1985. Any Members wishing to testify before the subcommittee should let us know, either by letter or by phone, 224-7233, as soon as possible.

SUBCOMMITTEE ON THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES HEARING SCHEDULE FOR FISCAL YEAR 1986

February 19, SD-138, 2 p.m.—Pennsylvania Avenue Development Corporation, National Capital Planning Commission, Advisory Council on Historic Preservation.

February 21, SD-138, 2 p.m.—Woodrow Wilson International Center for Scholars, Holocaust Memorial Council.

February 26, SD-124, 9 a.m.—Congressional Witnesses, Secretary of the Interior.

February 28, SD-138, 2 p.m.—Commission of Fine Arts, National Gallery of Art.

March 5, SD-138, 2 p.m.—Fish and Wildlife Service.

March 7, SD-138, 2 p.m.—Strategic Petroleum Reserve, Office of Emergency Preparedness.

March 14, SD-138, 2 p.m.—Smithsonian Institution.

March 19, SD-138, 2 p.m.—Land and Water Conservation Fund (all 4 agencies).

March 21, SD-138, 2 p.m.—Energy Conservation.

March 26, SD-138, 2 p.m.—Geological Survey.

March 28, SD-138, 2 p.m.—Navajo and Hopi Indian Relocation Commission, Office of Surface Mining Reclamation and Enforcement.

April 2, SD-138, 2 p.m.—National Park Service.

April 4, SD-138, 2 p.m.—Bureau of Indian Afairs.

April 16, SD-138, 2 p.m.—Bureau of Mines.

April 18, SD-138, 2 p.m.—National Endowment for the Humanities, National Endowment for the Arts.

April 23, SD-138, 10 a.m.—Forest Service.

April 25, SD-138, 2 p.m.—Office of Indian Education, Institute of Museum Services.

April 30, SD-138, 10 a.m.—Office of the Secretary, Office of the Solicitor.

May 2, SD-138, 2 p.m.—Territorial Affairs.

May 7, SD-138, 10 a.m.—Indian Health Service.

May 9, SD-138, 2 p.m.—Bureau of Land Management.

May 14, SD-138, 10 a.m.—Energy Information Administration, Economic Regulation Administration.

May 21, SD-138, 10 a.m.—Minerals Management Service.

May 23, SD-138, 2 p.m.—Naval Petroleum Reserves, Fossil Energy.

SUBCOMMITTEE ON LABOR, HEALTH AND HUMAN SERVICES, EDUCATION AND RELATED AGENCIES

Mr. WEICKER. Mr. President, I am pleased to advise the Senate that the Appropriations Subcommittee on Labor, Health and Human Services, Education and Related Agencies will hold its fiscal year 1986 public witness hearings on Thursday, May 2; Tuesday, May 7; Wednesday, May 8; Thursday, May 9; and conclude on Tuesday, May 14. These hearings will be preceeded by a hearing on Wednesday, May 1 when the subcommittee will take testimony from Members of Congress.

The deadline for interested groups and individuals to submit their requests for an opportunity to testify is Friday, March 15. All requests must be in handwriting and should be addressed to me in care of the Labor Health and Human Services Education and Related Agencies Appropriations Subcommittee, SD-131, Washington, DC.

Those persons whose requests are received by March 15 will receive a letter providing instructions for their appearance before the subcommittee.

In addition, the deadline for those who only wish to submit statements for the hearing record will be Tuesday, May 21. Such statements must be no longer than seven double-spaced pages, and three copies should be sent to me in care of the subcommittee.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Committee on Energy and Natural Resources.

On Friday, February 15, 1985, at 10 a.m., in the House Chamber of the State Capital Building at 2300 North Lincoln Boulevard in Oklahoma City, OK, the committee will receive testimony on how the proposed treasury tax simplification plan regarding energy taxes may affect the domestic oil and gas industry.

Those wishing to testify or who wish to submit written statements for the hearing record should contact the office of Senator NICKLES, at the Old Post Office Building, Suite 820, 215 Dean McGee Avenue, Oklahoma City, OK 73102, Phone 405-231-4941—staff contact: Clinton Key.

Because of the number of witnesses expected to testify, witnesses will be placed in panels and oral testimony will be limited to 5 minutes per witness. Written statements are optional and will be printed in full in the hearing record. Witnesses with written statements are requested to provide the committee 15 copies of their testimony at the hearing.

For further information, please contact the full committee, Mr. David Doane 202-224-5304.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. WEICKER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, January 31, 1985, in order to receive testimony concerning the nomination of Edwin Meese III, to be Attorney General of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. WEICKER. Mr. President, I ask unanimous consent that the Foreign Relations Committee be authorized to meet during the session of the Senate on Thursday, January 31, 1985, at 10 a.m., for a briefing on American foreign policy, to be conducted by Secretary Shultz.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. WEICKER. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, January 31, to hold a hearing on the nomination of John S. Herrington, to be Secretary of Energy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Foreign Relations Committee be authorized to meet during the session of the Senate on Thursday, January 31, 1985, at 2 p.m., for a briefing on American foreign policy, to be conducted by Secretary Weinberger.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

APPROPRIATIONS STATUS REPORT

● Mr. DOMENICI. Mr. President, I believe it would be useful as we begin the 99th Congress to bring up to date the tables on fiscal year 1985 appropriation actions that I have inserted in the RECORD over the past several months. I ask to have printed in the RECORD at the conclusion of my remarks a summary table showing Appropriations Committee spending activities through the end of the second session of the 98th Congress.

The summary table shows the effect of all actions that impact on fiscal year 1985, that is, outlays from prior-year budget authority and other actions completed in prior years; the regular appropriation bills, the final continuing resolution, and supplementals which were enacted during the second session; possible later requirements, primarily for the Federal pay raise that went into effect on January 1, 1985, and certain entitlement programs; and adjustments to keep mandatory programs at the levels assumed in the budget resolution.

Compared to the section 302(a) "crosswalk" allocation to the Appropriations Committee under the fiscal year 1985 budget resolution, the committee is under its crosswalk allocation

by $5.1 billion in budget authority and $1.3 billion in outlays.

Mr. President, I commend the chairman of the Appropriations Committee, my distinguished colleague Senator HATFIELD, for the committee's efforts last year. It was a challenging year as the Senate sought to make a substantial downpayment on reducing the Federal deficits. The Senate Appropriations Committee, under the able chairmanship of Senator HATFIELD, worked hard to stay within the guidelines of the Senate deficit reduction package and the budget resolution. The committee was successful in staying within these guidelines and was instrumental in helping the Congress achieve its deficit reduction goals.

I commend Chairman HATFIELD, the esteemed members of the Appropriations Committee, and my distinguished Senate colleagues for a tough job well done.

The table referred to is as follows:

SUMMARY OF SENATE APPROPRIATIONS ACTION TO DATE FOR FISCAL YEAR 1985

[In billions of dollars]

	Fiscal year 1985	
	Budget authority	Outlays
Outlays from prior-years and other actions	9.0	190.5
Appropriation bills enacted to date	544.3	351.7
Possible later requirements	4.0	3.3
Adjustment to conform mandatory programs to budget resolution assumptions	−2.4	−.6
Adjusted total, Appropriations Committee	554.9	544.9
President's request	554.9	541.5
Senate 302(a) allocation in first concurrent resolution (H. Con. Res. 280)	560.0	546.2
Appropriations Committee compared to:		
President's request		+3.3
Senate 302(a) allocation	−5.1	−1.3

●

MILITARY MEDICAL CARE NEEDS TO BE IMPROVED

● Mr. SASSER. Mr. President, the military health care system operated by the Department of Defense consists of 470 hospitals and clinics in the continental United States and overseas. There are over 12,000 Medical Corps officers plus thousands of support staff to provide health care to over 2 million active duty service members, their families, and the retired military population. The mission of the military health care system is not only to insure the health and well-being of the military community, but in times of war it must be ready to care for our fighting personnel.

Medical care is one of the benefits provided to our service members for their service to the Nation. Their health and that of their families is critical to the national security of the United States because a soldier who is healthy has a good morale and makes a better soldier. Part of that good morale is the soldier's confidence that the care he and his family receives is the best that can be found.

In the last several years several constituents who serve in the military as well as the group, Citizens Against Military Injustice, have brought to my attention problems with the military health care system. In one case, a career Navy petty officer was diagnosed for congestive heart failure, but placed back on active duty. Several weeks later he went to a military treatment facility and was given a drug known to cause problems for heart patients; subsequently, his condition deteriorated rapidly and he died. In another case, which is still ongoing, a sailor has been in and out of four military hospitals and had eight operations in the front of his face. His condition has not improved substantially and at the present time he has no skull bone above his eyes from ear to ear. While it has not been determined that there is malpractice in this case, it does appear that his medical records are not complete and may have been tampered with.

Of course, no hospital can have a perfect record of care. However, further examination of the military health care system indicates that the military has experienced problems in attracting doctors; that there has been insufficient recordkeeping by military doctors; that there are problems with credentialing and with licensing of military physicians;

As a result of these problems Senator PELL and I have requested that the General Accounting Office investigate the quality of health care in the Department of Defense. This study was initiated in February of 1984.

At the same time that the General Accounting Office began its investigation, the Department of Defense inspector general was conducting a similar audit. An interim report released by the inspector general's office showed some serious systematic problems. Some of these problems were:

That credential committees did not have standard criteria to appraise physicians.

That temporary privileges had expired before full privileges had been granted in 35 of 149 cases, or 23 percent.

That letters of recommendations verifying the provider's capabilities, information which is required by the Joint Commission on Accreditation of Hospitals, were not obtained in 388 of 461 cases, or 84 percent.

That full privileges had expired before renewal in 153 of 205 cases, or 75 percent. At five hospitals, eight providers were practicing with expired privileges for as long as 6 months. This violated the Joint Commission on Accreditation of Hospitals' standards.

At six hospitals visited, 435 emergency room records were reviewed. Of those records, 374 or 86 percent had illigible notations, missing records, or both.

The Army, the Navy, and the Air Force have all conducted audits of quality assurance at their facilities. Similar problems have been discovered by all the services.

While the Department of Defense Health Affairs Office has assured me that steps are being implemented to correct these matters, it is important to note that all the deficiencies reported all violated existing regulations as well as standards of the Joint Commission on Accreditation of Hospitals. These audit reports all seem to point to systematic problems that impair the military's ability to provide the highest possible level of quality of care to our service members and their families.

During the coming months Congress will need to ensure that corrective steps to improve military health care are implemented. The Congress should examine the medical branches of the services to ensure that commanding officers who are not diligent in pursuing problems are held accountable. In addition, the Congress should examine the compensation system currently in place to determine if it adequately compensates members and their families who are the victims of malpractice. And, finally, the *Feres* doctrine, which prohibits active duty service members from suing the Government for injuries like malpractice, should be evaluated to determine if it is just and fair to the service member.

I ask that the following articles which have appeared lately about the problems of military medicine be entered into the RECORD at this point in my remarks.

The articles follow:

[From the New York Times, Jan. 16, 1985]

CONGRESS ANXIOUS ABOUT MILITARY HOSPITALS' CARE

(By Philip M. Boffey)

WASHINGTON, January 15.—Military medical leaders and Congressional staffs are giving increased attention to the quality of care at military hospitals as a result of reports challenging the professional performance of some military doctors.

The latest incident involves the suspension of the chief heart surgeon at the Naval Hospital in Bethesda, Md., which has treated President Reagan for minor ailments, as well as other high ranking officials.

Pentagon health officers are scheduled to brief the staffs of the Senate and House Armed Services Committees Wednesday on steps the services have been taking to improve and insure the quality of care.

The briefing, being held at the request of the Pentagon, comes after a series of military audit reports documenting deficiencies in the quality assurance program at military hospitals and after news reports about particular cases.

SUSPENSION IN NOVEMBER

The surgeon suspended at Bethesda was identified today by a Navy spokesman as Comdr. Donal Billig, who headed the cardiothoracic surgery unit at the hospital until Nov. 28, when his surgical and clinical privileges were suspended for an inquiry.

Efforts to reach Commander Billig today proved unavailing. A message left with his answering service at home was unanswered, and public relations officials at the Naval Medical Command and the Naval Hospital declined to rely messages to him.

The Navy said simply that concerns had been raised about his "technical performance" as chief of his unit. The cardiothoracic surgery unit had been operating with a staff of three surgeons and two surgical residents and had been performing 170 operations a year, according to Lieut. Alan Goldstein, a spokesman for the Naval Medical Command.

NO HAMPERING OF SERVICE SEEN

Lieutenant Goldstein said that suspension of the unit's head "has not hampered" services of the hospital. He declined to provide information about the rate of surgical mortality in the cardiothoracic unit at the hospital.

Congressional interest in the issue has been stimulated by military audits documenting problems in a sampling of military hospitals. Last year, the Defense Department's Inspector General issued a report criticizing health care procedures at six military hospitals, two each from the Army, Navy and Air Force. It found deficiencies in the way decisions were made to grant doctors the right to operate in the hospitals, in emergency room functions and in the supervision of physician assistants.

At two hospitals, for example, when staff members challenged the quality of care given by two doctors, neither the hospital commanders nor credentials committees took firm action. Similar audits by the Navy and the Army found defects in their own hospitals.

Senator Jim Sasser, Democrat of Tennessee, has also requested an investigation by the General Accounting Office, an investigative arm of Congress. A staff aide said the Senator's concern had been raised by the cases of two constituents who suffered "grievous malpractice" injuries at the hands of military doctors.

[From the New York Times, Jan. 18, 1985]

DEFECTS REPORTED IN MILITARY CARE—PROBLEM IN EVALUATING DOCTORS FOUND IN THREE HEALTH AUDITS

(By Philip M. Boffey)

WASHINGTON, January 17.—Three internal audits of the military medical care system have reported serious deficiencies in appointing and evaluating doctors in the military.

The audits also found that emergency rooms of military hospitals were often staffed by unqualified personnel, that lax drug-dispensing systems allowed some doctors to prescribe drugs for themselves or for friends, and that poorly supervised physicians' assistants sometimes gave improper care without bothering to refer patients to doctors.

The problems with military medical care have come to light as the Defense Department's top military and health officials focused renewed attention on the need to assure the quality of care dispensed in the military hospitals.

The most serious challenges to the Defense Department's medical system were raised by the three internal audits. These audits, by the Defense Department's Inspector General, the Naval Audit Service and the Army Audit Agency, were completed last year and were made available this week by the office of Senator Jim Sasser, Democrat of Tennessee, who became interested in military medical care because of complaints from constituents.

At a meeting with the officials this week, Defense Secretary Caspar W. Weinberger "stated clearly and emphatically that he expects the quality of military health care to be of the highest possible standard," Dr. William Mayer, Assistant Secretary of Defense for health affairs, said in a statement.

Dr. Mayer said Secretary Weinberger had told those at the meeting that health care was a "top priority" and that whenever medical mischance or accident occurred "he expects a rapid, appropriate and decisive response by the responsible officials of the military departments."

A delegation from the Pentagon's health affairs office briefed staff members of the House and Senate Armed Services Committees Wednesday on "steps the Defense Department had taken to improve medical quality assurance over the past year and answered questions about recent news reports critical of the medical system.

The three internal audits found that doctors were often given credentials, or the authority to practice, at military facilities with little checking of their qualifications. The Pentagon audit, for example, found that letters of recommendation verifying the doctor's capabilities were not obtained in 84 percent of 461 cases reviewed. One hospital's credentials committee took only 40 minutes to recommend the authority to practice for 86 individuals, the audit found.

The Army audit found that 362 of 366 doctors' files checked did not contain the required information on training and experience. As one result, two military doctors who had not obtained credentials at their previous assignments were granted full and unrestricted authority to practice at a new post, which had mistakenly assumed that they had credentials. Similarly, the Navy audit found two civilian physicians serving at one hospital had never been granted credentials at all.

VARIETY OF FACILITIES

Health care is furnished by the military services in a variety of treatment facilities, ranging from large hospitals such as the Naval Hospital in Bethesda, Md., which often treats Presidents and other dignitaries, to small treatment facilities at rural sites. The services employ both military and civilian doctors and care for a mixture of active duty personnel, retirees, dependents and eligible civilians. The three audits concentrated on some of the more significant treatment centers.

All the audits said military health officials were taking steps to rectify the problems found. And a chronology of "quality assurance initiatives" supplied to Congress by the Pentagon indicated a number of changes to improve medical care.

The audits also found that doctors whose care of patients had been criticized by other doctors or health personnel sometimes escaped any loss of privileges to practice or any adverse reference in their files. The Navy audit found that hospital staff members were reluctant to file reports on unusual or questionable medical incidents and unexplained deaths lest their relationship with the doctor be strained or their medical judgment questioned.

UNDUE PRIVILEGES GIVEN

The Army audit said that senior medical personnel were sometimes not called to account or were given undue medical privileges because of their rank and power.

Auditors also found that the civilian physician-licensing authorities were sometimes not told about restrictions imposed on doctors who were leaving military practice. The Pentagon audit, for example, found that a civilian doctor working for the Air Force, whose privileges to practice had been suspended because of allegations of sexual misconduct with a patient, had the privileges reinstated the day before he resigned from the hospital staff. He thereby avoided a requirement that the suspension be reported to civilian medical boards, according to the audit.

SOME DOCTORS COMPLAINED

Emergency room defects, a prime focus of previous audits, were found to be a serious and continuing problem in some of the audits. The Navy's audit found that emergency room medical staffs were often untrained in emergency medicine or of questionable competence. One patient died after an intern on duty in an emergency room discharged him despite tests with abnormal results. Another died because the emergency room officer was unskilled in managing breathing problems.

The Pentagon audit reported that some doctors assigned to emergency room duties complained that they were unqualified for the job.

Malpractice claims against military medical facilities and doctors have been rising even faster than claims against their civilian counterparts. Medical malpractice claims filed against all three military services jumped from 638 in the fiscal year 1981 to 915 in the fiscal 1983, an increase of about 43 percent, according to military figures supplied to Congress. The increase in the civilian malpractice claims filed between 1981 and 1983 was about 33 percent, as reported by the American Medical Association and the insurance industry.

The malpractice claims against military facilities did not include claims by active duty personnel, who are generally not eligible to sue the Government.

[From the Baltimore Sun, Jan. 13, 1985]

CHIEF BETHESDA SURGEON'S SUSPENSION IS LATEST MILITARY HEALTH CARE DISPUTE

WASHINGTON.—The chief heart surgeon at the Navy's showcase hospital in Bethesda has been stripped of his surgical and clinical privileges pending a review of what has been described as an abnormally high surgical death rate in the hospital's cardio-thoracic unit.

The physician, who was not identified, was suspended from the surgical floor in late November of last year and assigned to duties outside patient care, a spokesman at Bethesda confirmed Friday.

"The action was based on concerns as to this doctor's technical performance which arose through the ongoing process of the quality assurance program," the spokesman said.

A Navy investigation of the suspension and the incidents leading to it is expected to be completed within the next two to three months. As a part of the investigation, the physician will be permitted to testify and present evidence in his behalf, the spokesman said.

The suspension comes when the entire military's health care delivery system has been drawing fire. The Department of Defense's own Inspector General's office is looking into the quality control of health care within the services. Those investigations, apparently at the direction of Secre-

tary of Defense Caspar W. Weinberger, are nearing completion and should be released soon.

Several Pentagon and Congressional officials have indicated that the preliminary findings of the inspector's office are critical of the military's health care system.

Senator Jim Sasser (D, Tenn.) has also asked that the General Accounting Office (GAO) conduct its own investigation of the quality of health care given members of the armed services. A staff aide to Mr. Sasser said the senator called for the probe after receiving a large number of constituent complaints from retired and active duty military personnel about their health care.

The Bethesda Naval Hospital investigation apparently began after concerns rose over "a greater than should be expected" number of surgical deaths in the cardio-thoracic unit. The decision to lift the privileges of the head surgeon apparently came after a study by an outside expert called in by the Navy.

The incident was reminiscent of a similar investigation four years ago at the Air Force's largest hospital, the Wilford Hall Medical Center in San Antonio, Texas.

There, the Air Force's chief heart surgeon at the time, Col. William Stanford, was found to have a surgical mortality rate of over 40 percent of his patients, a figure well above the national average.

When Colonel Stanford was transfered to a civilian hospital in Milwaukee for brushup training, he incorrectly hooked a heart-lung machine to a woman patient, causing her to suffer permanent brain damage. A lawsuit against the government later determined that the Air Force had not informed the Milwaukee hospital group of Colonel Stanford's mortality rates.

[From the Long Island Newsday, Dec. 22, 1984]

AN IMPOSTER'S ODYSSEY IN MEDICINE

(By Kathleen Kerr)

For 15 years, Abraham V.K. Asante practiced medicine, posing as a medical student and physician, all the while caring for patients and winning praise from Army officers.

Equipped with bogus credentials in 1968, Asante began an odyssey through East Coast hospitals, including Nassau County Medical Center in East Meadow. Evidence presented at a congressional subcommittee on health care earlier this month has revealed that Asante continued his charade until 1983, although medical authorities knew of his false credentials as early as 1974. Finally, last April, Asante was convicted of charges that he caused brain damage to a patient at a Fort Dix, N.J., hospital, where he posed as an anesthesiologist.

Asante's brief association with the Nassau County Medical Center in 1977 was disclosed for the first time by the subcommittee. "He was never employed," hospital spokesman Ed Smith said. "We did a very careful check, and we discovered he didn't have the proper credentials." Smith said Asante, formerly of Roosevelt, observed surgery for several months as an "extern," but that he never treated patients.

* * * The lack of an adequate reporting system allowed Asante to slip through the cracks; there was not way for medical officials, like those at Nassau County Medical Center, to warn medical institutions throughout the country. Although the Federation of State Medical Boards of the United States keeps a computer bank of licensed physicals who have been disciplined, there is no nationwide list of those with phony credentials as medical doctors. Asante claimed that he was a medical doctor, not a licensed physician.

Asante came to the United States from Ghana and said he was a doctor with a degree from Charles University's Medical School in Czechoslovakia. In 1974, Asante showed his phony degree to the Educational Commission for Foreign Medical Graduates, which administers tests for hospital residency and state licensure to foreign students. Commission officials confirmed their suspicions that his degree was phony and warned two hospitals where Asante had applied for internships.

"Although his name was on it [the degree], there were a number of defects in it," said Dr. Ray Casterline, vice president of the commission.

In 1975, the Army hired Asante as chief medical officer at its Buffalo station, but he did not have the state license that the Army began requiring in 1976. Asante's phony degree had fooled the Army, but he was terminated when he could not produce a license. Still, he received a glowing recommendation.

"At all times, Dr. Asante has demonstrated the highest levels . . . of medical knowledge . . .," Lieut. Col. George Helsel wrote.

From 1978 to 1981, Asante was a house physician at the Brooklyn Jewish Hospital. Hospital spokesman Lars Larmon said Asante left in 1981 when he could not produce a state license the hospital began requiring that year.

The National Institutes of Health then hired Asante as a $30,000-a-year fellow. Again, he was released for lack of a license. Walson Army Hospital in Fort Dix. N.J., then hired Asante as a staff anesthesiologist and he was involved in about 70 operations. According to court papers, when he administered anesthesia to Joseph Branda, Branda's heart stopped, Asante failed to notice for four minutes, and the patient went into a coma. Officials rechecked Asante's credentials and reported him to the FBI. Asante is serving a 12-year term in Otisville Federal Prison for aggravated assault in the Branda case.●

RESOLUTION BY THE PRESIDENT'S COMMITTEE ON MENTAL RETARDATION

● Mr. WEICKER. Mr. President, I would like to call the attention of my colleagues to an important resolution recently adopted unanimously by the President's Committee on Mental Retardation [PCMR]. This resolution reaffirms the fundamental right of mentally retarded persons to live in the community.

The Supreme Court will shortly consider the Cleburne case where a local zoning ordinance has excluded mentally retarded persons from living in the community, unless a special zoning permit is issued. The Fifth Circuit Court of Appeals has correctly upheld the right of mentally retarded persons to reside in the community. It is incumbent upon the Supreme Court to do the same.

While I commend PCMR for demonstrating the courage of their convictions in working toward securing and maintaining the inalienable rights of mentally retarded persons, I am once again disheartened by the action taken by the U.S. Department of Justice. Rather than leading the march for the rights of America's handicapped citizens, it has positioned itself as an obstacle in that march. By filing an amicus brief supporting the reversal of the court of appeals decision, the Department of Justice has placed one more hurdle in the road to independence for America's retarded citizens.

I urge my colleagues to carefully review the President's Committee on Mental Retardation resolution, and I ask that this resolution be printed in today's RECORD at the conclusion of these remarks.

The resolution follows:

PCMR RESOLUTION CONCERNING THE CLEBURNE CASE

Whereas mentally retarded persons have historically been subjected to State imposed exclusion from education, employment and housing and denied the opportunity to participate fully in American community life; and

Whereas systematic State imposed exclusion and hostile differential treatment continues to prevent mentally retarded persons from full enjoyment of the rights and opportunities guaranteed to other citizens such as the right to associate actively within the social and economic fabric of families, neighborhoods, and communities, unrestricted by prejudice or stereotype; and

Whereas the zoning ordinance passed by the City of Cleburne, Texas, in 1947, excluding except by special use permit from apartment districts and other areas of the city where congregated living is permitted, "feeble minded" persons, is an integral part of this type of systematic State exclusion of and hostile treatment towards mentally retarded citizens; and

Whereas the President's Committee on Mental Retardation has consistently supported all efforts to combat and overcome the effects of State imposed exclusion and hostility toward mentally retarded Americans and to establish the right of mentally retarded persons to choose their living arrangements; and

Whereas Group Homes currently are the principal community living alternatives for persons who are mentally retarded and the availability of such a home in communities is an essential ingredient of normal living patterns for mentally retarded persons; and

Whereas the President's Committee on Mental Retardation has long recognized that mentally retarded citizens lack sufficient political power to effectively access or use the political and legislative process to asset and to protect their basic rights; and

Whereas the President's Committee on Mental Retardation has vigorously supported both legislative and judicial action to ensure Equal Protection under the laws of state and localities; and

Whereas the Fifth Circuit Court of Appeals has struck down the Cleburne Ordinance as contrary to the Equal Protection guarantees of the Fourteenth Amendment of the U.S. Constitution; and

Whereas the Supreme Court of the United States now has before it a challenge to the validity of this zoning ordinance under the Equal Protection Clause;

Now therefore be it resolved that: The President's Committee on Mental Retardation express its view that the application of the Cleburne Ordinance to Americans with Mental Retardation represents a type of unlawful invidious discrimination existing across the Nation which is barred by the U.S. Constitution.●

THE NEW CORPORATE ELITE

● Mr. LAUTENBERG. Mr. President, on January 21, 1985, the editors of Business Week highlighted a group of industrialists they dubbed "The New Corporate Elite." On that list is Donald C. Burr, a resident of Somerset County, NJ. Donald C. Burr is the founder, chairman, and president of People Express Airlines. According to Business Week, he ranks among the top of America's corporate officials. In New Jersey, we are proud of him.

On January 7, 1985, Time singled out Don as one of seven unique individuals who succeeded—through innovation, boldness, and resolve—to conquer significant challenges in meeting goals. Don Burr certainly fits that description, for he has taken an idea, providing low-cost air fares and no-frills service, and turned it into one of America's thriving companies.

Since the time of Thomas Edison, New Jersey has been noted for innovation and invention. Don Burr and People Express fit squarely into that heritage. Recently, People Express moved into a new terminal at Newark Airport. This was a significant event for the growth of the airport, the airline itself, and the surrounding community. People Express has made a major contribution to New Jersey's economy and growth.

On December 23, 1984, the New York Times Magazine carried a lengthy article on the history, organization, and development of People Express. I commend these articles to my colleagues and ask that they be printed in the RECORD.

The articles follow:

DONALD BURR: THE PERFECTION IMPERATIVE

The problem: Could dependable air travel be maintained while prices were severely cut by abolishing all frills? More important, could the basic structure of the U.S. corporation be changed so that everyone is an owner, everyone a manager?

Sure, says Donald Burr, 43, founder and chairman of People Express, who has done both. Four years ago, when People Express became one of the first new carriers to go into business after the Airline Deregulation Act of 1978, Burr's fledgling venture consisted of little more than one abandoned, rat-infested terminal in Newark and three used Boeing 737s purchased from Lufthansa. Today, People Express is the tenth busiest airline in the U.S., carrying nearly 1 million passengers a month. Some of its fares are one-fourth those of its competitors, but its profits for 1984 will total $23.5 million.

Part of Burr's success has been his policy of cutting amenities: passengers must pay for any checked luggage, even for a cup of coffee (50¢). As a result, he has kept costs down to a little over 5¢ a seat-mile, vs. an industry average of 8.5¢. One key way of keeping those costs down is that Burr hires only "managers" (even a flight attendant is a "customer-service manager"), and all 4,000 full-time employees must move around in several different kinds of jobs. Burr occasionally takes his turn as a steward. Not only are the managers nonunion but each of them must buy at least 100 shares of People Express stock, on credit if necessary.

"This is not some old company refurbishing itself, it's a brand-new idea in brand-new clothes," says Burr. "This is not a social experiment. It's a hard-driving capitalist business. We want to maximize profits, and we want to do very well at that. But we can find a better way to do it, a way that is more friendly and more conducive to people getting out of life what the hell they're trying to get out of it. You don't just want to make a buck. You want people to become better people."

If Burr sounds like a combination of a choirmaster's son and a Harvard M.B.A., it is because he is both. His mother, who lives near Hartford, remembers him as "a very emotional boy with great faith." His older brother, an Air Force colonel, says their father's rule was: "There's nothing you cannot do, no task is impossible." Since boyhood, Burr has been interested in aviation; he became a Wall Street analyst of aviation stocks before he was 30, rescued and took over a nosediving airline, Texas International, before he was 36.

Burr believes strongly in what he calls the perfection imperative, the desire to be better. He stopped smoking a year and a half ago; he trains for the marathon every morning; on his upcoming ski trip to Utah, his first extended vacation in five years, he plans to reflect on "life-style improvement to improve my efficiency."

Other corporations fail to follow Burr's lead, he says, because "they think humankind is lazy and bestial and won't do anything unless you beat them to death., We live with a 'boss' structure. But we've proved that if you give people space, room and freedom, you can get trustworthy behavior."

[From the New York Times Magazine, Dec. 23, 1984]

THE AIRLINE THAT SHOOK THE INDUSTRY

(By Sara Rimer)

It is Friday night at Newark International airport, any Friday night, rush hour in the round-the-clock mecca of the discount air traveler.

At the North Terminal, the silver buses roll in one after the other, standing room only, from Manhattan. Burdened with suitcases, briefcases, backpacks and shopping bags stuffed with food for the no-frills journey, the travelers join the throngs of people already hurrying to the 21 gates along the terminal's two long and narrow wings.

Lines form everywhere, for a hot dog, for the bathrooms, for a standby seat on any People Express plane that leaves for Boston between 7 and 11 P.M., when tickets go for $19. At some gates, people sit on the carpet, awash in luggage. College students study textbooks, men and women in business garb scrawl notes across legal tablets, crying babies get fed.

"I've got a headache," groans Lorri Turano, a 19-year-old data processor from Nutley, N.J., lighting a cigarette as she collapses in a chair near the Washington gate.

"It's a zoo out here," says Heather Fitzenhagen, a marketing representative for a Manhattan computer consulting firm. "It's nutso!" She's on her way to Syracuse for the weekend.

Lorri Turano and Heather Fitzenhagen and thousands of others are crowded inside a building that was, just 40 months ago, a near-ghost town of a terminal with a single scheduled flight a day. They are going to Chicago, Miami, Denver, Washington—a total of 27 cities across America—for less than $100. Over in more spacious quarters at Terminal C, they are on their way to London and the West Coast.

All this is something new, spawned by Federal deregulation of the airtransport industry. Dozens of fledgling airlines have emerged, transforming America's travel habits, their low-cost flights luring people away from cars, buses and trains and from out of their living rooms. But none of the new operations has had anything like the impact or the success of People Express and its fast-talking, 43-year-old founder and chief executive, Donald Calvin Burr. In 1980, for example, 540,000 passengers flew the Newark-to-Boston route; since then, that figure has almost tripled, with People Express accounting for the lion's share of the difference.

"I think Don Burr is a public benefactor," says Alfred E. Kahn, a former chairman of the Civil Aeronautics Board. "People are flying who have never flown before in their lives." Of course, Burr has not hurt his own cause, either.

People Express has gone from an upstart with 250 employees and three planes in the spring of 1981 to a company with a half-billion dollars in assets, 4,000 full-time employees and more than 60 planes. That's the fastest growth in aviation history. And the airline is still growing, fueled by one of the lowest operating costs in the industry. Counting new planes scheduled for delivery, the airline will have 73 aircraft in use by May. By May 1986, Burr hopes to be serving about 10 additional cities.

Just as remarkable as People Express's success is the way it was achieved. Burr leads a company without traditional supervisors, without secretaries, without organizational charts. The workers, who belong to no union, are expected to perform a variety of jobs—it's known as cross-utilization. They all hold stock and share in company profits. The glue is Burr himself, who dashes about preaching his horizontal-management style with messianic zeal.

Burr's ideas are taken seriously by the likes of the Harvard University Graduate School of Business Administration, where People Express is one of the case studies offered as an example of an advanced management model. Says D. Daryl Wyckoff, a professor of transportation there: "Anyone who isn't studying People Express and the way they're managing people is out of their minds."

Yet Wyckoff and other observers have some doubts about the company's future. Will Burr's unorthodox management style work as the airline grows ever larger? There have been some morale problems, and the company structure is being overhauled. Can People Express continue to challenge the established giants of the airline world? The major carriers are getting tough, streamlining their operations and even cutting their fares to hold on to passengers on well-traveled routes. On Wall Street, security analysts are nervous about the volatile industry—there have been several bankruptcies among the upstart airlines, and their stock prices have been tumbling. Since July 1983,

even People Express's stock has fallen—from a high of 25½ to less than 10.

Almost three years ago, another airline that had experienced explosive growth collapsed. Is Don Burr going to be another Sir Freddie Laker? "He's already gone further than Laker ever dreamed of," says Michael R. Armellino, of Goldman, Sachs & Company. "I seriously doubt he's going to be another Laker. But who the hell knows? What's the economy going to do? What are fuel prices going to do? I think the book is still open as to how this is all going to come out in the end."

"The Party's on the 7 o'clock!" shouted Thomas P. Haskins, a 23-year-old sales representative for the Xerox Corporation, loosening his tie. He and four of his buddies were on their way to Holy Cross College in Worcester, Mass.—their alma mater—for the big football game against Boston College.

It was Friday night at the Boston gate. Haskins was among the more than 100 standbys who waited anxiously, hoping to be called before the last plane took off. His friends had reservations. But everyone would buy tickets aboard the plane—one of a long list of People Express's cost-cutting strategies. The cost of their round-trip: $38. (I'll spill more than $38 worth of beer this weekend," Haskins said.) They also paid $3 for each piece of baggage they checked.

People Express has elements of an aerial "Love Boat," the cut-rate answer to long-distance relationships. In the crowd was Michael Todaro, a 23-year-old banking examiner for the Federal Reserve, who lives in Hoboken and flies up to visit his girlfriend. From Churchville, Pa., were William and Lucille Hartnett, who were on their way to Boston for a friend's surprise 60th birthday party. "We wouldn't be going if it weren't so cheap," said the Hartnetts.

At 6:40 P.M., the passengers on Flight 296 began boarding the Boeing 737-200 with the purple, red and orange stripes. There are no assigned seats on most People Express flights, and Tom Haskins led the Holy Cross rush across the tarmac and up the outdoor stairs. The plane had 130 seats, 10 more than can be found in most 737-200's—a trick made possible by removing a galley (there is no hot-meal service) and by reconfiguring the first-class section seating. Except on 747's, the airline has no first class. (We're not a doily service," says Don Burr. "If you want a daily, go fly Swissair.")

The passengers seem a hearty breed, prepared for tight seating and unconcerned about such things as having to pay 50 cents for a cup of coffee. "I could take anything for the price," said Arthur P. Ciacchella, a fourth-year medical student at the University of Pittsburgh.

Not everyone, though, takes the inconveniences of upstart airlines in stride. Complaints come pouring into the C.A.B. For some of the new airlines, the complaints go as high as 20 and 30 per 100,000 passengers—and as low as one or two complaints, figures that match the record of such established lines as American and Eastern. For People Express, it was 4.7 complaints per 100,000 last year; for the first eight months this year, the figure has fallen to 3.8. One problem: flight delays. People Express' on-time record was only 55 percent last winter, though in recent months it has reached a respectable 84 percent. Another problem: Trying to make reservations by telephone.

On Boston Flight 296, the men in the cockpit were Capt. Scott Wankel and First Officer Ron Toler. At People Express, the pilots are known as flight managers. In the aisles were the flight attendants—known as customer service managers, or CSM's.

The duties of CSM's are not confined to the aisles of planes. They check in passengers and meet planes and also are expected to work in one or more other areas such as accounting or aircraft scheduling, wherever their curiosity takes them. What's more, they are part of a system Burr calls "self-management" that gives all employees unusual decision-making opportunities.

Here come the CSM's. Pushing their metal beverage and money carts down the aisle, they sold tickets, drinks and snacks in record time. And they did it with all the smiles and high energy of a freshman cheerleader at a home-coming game.

The 737 landed at Logan International Airport a couple minutes after 8, on time. Liebe Coolidge, who was returning to Boston after a week in Los Angeles, retrieved her artist's portfolio from the overhead rack and bid the CSM's a fond goodbye. "They're a scream," she said.

For some men, it happens during the first handshake with a Joe DiMaggio, but Don Burr's dreams of what he might become grew out of a meeting during his junior year at Stanford University with two stars from another galaxy: an investment banker named W. Peter Slusser, and Keith Funston, the tall patrician who was chief of the New York Stock Exchange.

"They were two impressive guys," Burr recalled one evening in his office overlooking the runway at North Terminal. He had just returned from a ski trip with his wife, Brigit, and two of their four children. The office is modest by corporate standards—the furniture includes a few airline seats—and Burr is disarmingly informal. He was sipping coffee from a Styrofoam cup, which he had filled at the communal coffeepot down the hall. He was laughing a lot and talking fast, answering his own telephone—he has no secretary.

"Keith was Rock Hudson and all those other guys mixed into one," Burr said. "He was a big-time guy." Funston and Slusser advised the young English major, who was thinking about law school, to head for Harvard Business School—their alma mater.

The world of high finance seemed far removed from the small Connecticut town of South Windsor where Don Burr grew up, the son of an electrical engineer; his mother was the town's assistant postmaster. He and his older brother, Myron, who became an Air Force colonel, found excitement at the local airport, watching the planes come and go. Don dated Brigit Rupner, a blonde, blue-eyed cheerleader; they married when they were 20.

Burr sang in the Congregational church choir, which was directed by his father. His mother ran the Sunday school. "I was the leader of the youth group," he said. "I went out proselytizing. They picked me out in church to go to seminary." His family had other plans. "My mother wanted me to be a doctor or a lawyer—one of the high-prestige positions," he recalled. "From my family's point of view, business didn't have any redeeming value."

But Burr changed his major at Stanford from English to economics after that brief meeting with Funston and Slusser—he also earned a private pilot's license on the side—and he did go on to Harvard Business School. After Harvard, he spent eight years on Wall Street with the National Aviation Corporation, a small securities firm. By the time he was 30, he was president.

In 1973, Burr went to work for Frank Lorenzo, the chief executive of Texas International Airlines, a floundering regional carrier based in Houston. The two men were of an age, fellow Harvard M.B.A.'s, with matching competitive urges. By 1978, with Burr as chief operating officer, the airline had become profitable—partly because it was among the first to offer low-cost, off-peak fares.

The next year, Burr was made president of Texas International, but he resigned six months later. The reason, Burr now claims, was a deep, longstanding dissatisfaction with the company. "It was grind, grind, grind, with no better purpose than to grind out some profits," he said. "It had no vision, no excitement." (Lorenzo refused to be interviewed on the subject of Don Burr, but through a spokesman he offered a comment on Burr's description of Texas International: "Those statements simply aren't true. Don was part of the hierarchy at T.I., and he never expressed those feelings to me.")

Many in the airline business view the relationship between Lorenzo and Burr with mystified fascination. Burr was best man at Lorenzo's wedding and is godfather to one of Lorenzo's children. Yet, according to a former executive at Texas International, "They were at war the whole time. It's a love-hate relationship."

Today, the competition goes on. Lorenzo runs Texas Air Corporation, a holding company that operates two low-fare operations, New York Air and Continental Airlines, both of which go head-to-head with People Express on several routes. When Don Burr was reminded that Lorenzo, like Burr, runs marathons, he interrupted. "I got Frank started running," he said.

People Express was born at the start of a new era. Before deregulation began in 1978, the Federal Government controlled routes and fares, providing a kind of safety net for the airlines. While Burr might have seemed like a rookie playing in the big leagues of the airline world, many authorities felt the big leagues weren't all they were cracked up to be, that those at the helm had become inefficient and uninspired. Sam Coats, president of Muse Air, describes them as "the most mediocre group of managers in American industry." Deregulation freed airlines to set their own routes and fare structures and plunged them into the real world of competition.

Burr had nothing like enough money to compete, and he went to William Hambrecht, of the San Francisco venture capital firm of Hambrecht & Quist, for help. It was a hard sell; financial analysts derided the idea of a new airline at Newark airport.

"It was a double cab fare to Newark from Manhattan at the time," Hambrecht recalled. "They were convinced Newark couldn't work." That cab fare has since been reduced to the meter plus $10 and tolls, but People's customers don't generally rely on cabs. They're more likely to pay $4 a person to ride the New Jersey Transit express buses that leave every 15 minutes, 24 hours a day, from the Port Authority Bus Terminal. Five years ago, before People Express, 375,000 people made the trip; last year, the figure was more than 1.5 million.

Why couldn't the Wall Street experts see what was coming? "Most financial analysts," Hambrecht said, "don't take the bus."

The timing of the People Express start-up was ideal. For one thing, though Wall Street was nervous about the project, investment funds in general were in good

supply. So were cheap aircraft. Burr was able to pick up Boeing 737's from Lufthansa, the German airline, for $3.7 million apiece, a fraction of what they would have cost new. And he could choose from a large pool of workers who had been laid off by other airlines and were willing to accept lower, nonunion wages from People Express.

Service began in April 1981, with three planes making short-haul round trips between Newark and some smaller cities, steering clear of routes blanketed by the major airlines and offering discounts of 40 to 60 percent. Burr also adopted an important costcutting tactic. He used outside contractors instead of employees to handle some of the basic work of the airline, including aircraft maintenance, baggage handling and ramp maintenance.

Three months after start-up, disaster loomed in the form of the air-traffic controllers' strike. People's departures from Newark had to be cut back, reducing revenues at the very moment when Burr had to accept delivery of more planes from Lufthansa or lose the $6 million deposit.

"Everything fell apart," Burr says. "We began to lose money at a terrific rate—$3 million a month." Burr went to Washington to ask the Federal Aviation Administration for help. "They basically said, 'Tough, we didn't tell you to buy those planes. Sell your planes. You're on your own, sweetheart.' "

Gerald L. Gitner, one of the 10 Texas International managers Burr corralled and a founding partner and president of People, created an unorthodox strategy. The planes would be flown out of Newark at dawn—before the Government restrictions on the numbers of flights went into effect—to cities such as Buffalo and Syracuse. Picking up low-fare passengers there, they would fly on to such Florida cities as Jacksonville and Sarasota. The plan kept People afloat until the Government restrictions were eased.

When Burr sought more capital with a second sale of stock in August 1982, Wall Street knew People Express was really on its way. Joining with Hambrecht & Quist in the public offering was the blue-chip investment firm of Morgan Stanley & Company.

Have you ever heard a person say, "I'm not going to fall in love?" Don Burr asked. He paced back and forth in front of a class of 50 new People Express recruits, a handsome trim executive in a Paul Stuart suit. "It's risky business, falling in love. You might fall out of love. Someone might not like you. We're trying to find a way for you to welcome commitment at People Express. It's a hell of a lot more fun to be committed and involved than sitting on the sidelines."

Burr never misses an indoctrination session. He cracks jokes. He preaches, sometimes taking "Star Wars," his favorite film, as his text for a sermon on the forces of good and evil in the business world. And he inevitably ends with his own vision of People Express: The Good Company.

"You're not a commodity," he told the recruits. "The minute you think you're a commodity you'll end up an undifferentiated mass—bubble gum on the streets. You're not a beaten-down worker. You're a manager. You're an owner."

With questions and answers and time for a break, the session lasted two hours. Burr was awarded a resounding ovation. John McGrail, a former Coast Guard pilot from Pensacola, Fla., practically floated out of the room. "I think the man's a wizard," he said. "This is the opportunity I've been waiting for all my life. This is my road to self-actualization."

Why are so many Americans unhappy at their jobs? According to Michael Maccoby, author of "The Gamesman" and the director of the nonprofit Project on Technology, Work and Character in Washington, it is not so much the work itself. "What people don't like," he says, "is the way they're treated, the lack of respect by supervisors, the lack of information about what the hell is going on, the lack of people asking their view, the lack of fairness."

In most corporations, the mass of workers, those who actually manufacture products and deal directly with customers, have so-called line jobs. The people who have little or no direct contact with products or customers—the executives and those in such departments as accounting or marketing—hold so-called staff jobs. Important decisions are made at the top, and trickle down through layers of management to the lower ranks.

Airlines have, by and large, followed this traditional vertical approach. "What an airline is, from an operational standpoint, is a coordination job," says Michael E. Levine, a former general director of the Civil Aeronautics Board and former head of New York Air. "It takes a lot of coordination to dispatch 100 flights a day on some rough approximation of a timetable. The conventional wisdom in the business has been that you have to really stay on top of that in a very structured way."

People Express is different. It operates on the theory that people will work harder and have a better time at it if they are given four things:

A financial stake in the company. The employees of People Express hold a third of all the outstanding shares of company stock, and they also share in company profits. Every new recruit is required to purchase at least 100 discounted shares of stock. Some workers, like Tom Kohl, former music director at a church in Cleveland, are serious collectors. He has 5,800 shares after three and a half years and proclaims with assurance: "I expect to be a millionaire by my 10th anniversary." (Don Burr holds 1.35 million shares; profit-sharing plus a $68,000 salary brought his total earnings last year to $108,000.)

A chance to learn and hold a variety of jobs. Before he came to People Express 4 years ago, Roger Hill, 36, had spent most of his adult working life in the cockpit of an airplane. "All I knew about the airline business was what I read," Hill says. At People Express, he become a 737 captain, but he also had a chance to learn aircraft scheduling and to become what passes for a boss at People Express. Employees are organized in teams of three or four people, units that tend to move about from job to job; the personal relationships within a team are thought to make the work more fun and to increase efficiency. As one among 150 team managers, Hill functions as a kind of playing coach. While pursuing his own scheduling assignment, he guides and encourages his teams.

Four years ago, Hill was a pilot, period. Now, he says, "I can go out and do anything that needs to be done to get that airplane airborne on time."

An organizational structure that allows workers to make large and small decisions based upon a company philosophy and tradition. When People Express decided to start service between Newark and Gatwick Airport outside London, 12 employees were dispatched to Gatwick to set up the operation. CSM Mike Brown, a 28-year-old, one-time social worker and a three-year People Express veteran, was a member of the team. He helped decide which vendors would be hired, what bank would be used, how the check-in facility would be laid out. Says Brown: "Setting up an international station for People Express! I was part of a team that pulled that off!"

There are limits on employees' decision-making powers. "Obviously," says Burr, "the pilots don't sit up there and decide whether they're going to land or not. You have to maintain schedules."

A sense of belonging—not just to a company, but to a family. Unmarried employees share apartments and houses. They party together, they introduce each other to friends and families. Romance is rife. "We work together, we play together," says Carl Comasco, a 24-year-old CSM who is engaged to another CSM, 25-year-old Cheri Cueroni. They met while working the same flight.

And in this family, mom and dad wash the dishes. Officers of the company can be found on flights, serving drinks and selling tickets alongside CSM's, and on the ground, checking in passengers or handling an occasional bag. Pilot James Morris remembers seeing Harold J. Pareti, who became the airline's president this summer, move in on a long, slow-moving line of passengers waiting to go to Washington and start fastening name tags to bags. "I was so embarrassed," Morris says, "I started to help, too."

To tie the disparate pieces of the company together, Burr has created an elaborate communications system. The goal is to make sure that everyone knows what's going on in the company and to give everyone a chance to have his or her say. According to Leonard A. Schlesinger, a Harvard professor and author of the People Express case study at the business school: "The level of commitment to the dissemination of information—and the amount of it—is virtually unprecedented for a company of its size."

Dozens of color television sets are scattered around the general offices, in training classrooms, and in lounges so that employees can tune in the company's daily, 15-minute news show. Workers themselves produce and star in the show, which is created each night and provides information about the company and its competitors.

Burr takes the pulse of his workers each year with a survey in which they are asked to give anonymous answers to such questions as: Do you respect the leadership? Are you satisfied with the compensation program? Should we have an employee cafeteria? And once a month, Burr and the other officers of the company conduct question-and-answer sessions for employees. At a recent session, which lasted more than 3 hours, there were probing questions about everything from finances to future plans.

Beyond such formal programs, the company encourages employees to keep in touch with each other and to give credit where due. The hallways at company headquarters are papered with handwritten notes Scotch taped to the walls. Revenue Accounting, for example, had praise for Jeff Plain "who came in today on his day off to give us a hand."

The People Express philosophy yields corporate benefits. "It's definitely a work-ethic company," says Jim Miller, a 28-year-old team manager. Theoretically, employees work 40-hour weeks, but Miller and many others put in hours of extra time—without additional pay. "I'm here all the time," he says. "It's because I want to be."

Yet there have been occasional dissatisfactions. Pilots see themselves as an elite, highly skilled profession. When People Express began, as a symbol of its democratic ways, the airline left off the traditional wings and stripes from the uniforms of its pilots. They felt "belittled," says a 32-year-old captain. "A lot of them were concerned the passengers couldn't tell them from the flight attendants." Eighteen months ago, the company yielded and the wings and stripes materialized.

Some pilots also complain about money. Flight managers' salaries start at $22,000 and can rise as high as $56,250, not counting profit sharing. Though such figures are more or less in line with salaries at other upstart airlines, they don't begin to match the pay of captains at the established airlines. On average, captains who belong to the Air Line Pilots Association earn about $103,000 a year.

On the other hand, People Express offered pilots work at a time when jobs were scarce. Many pilots, who would otherwise have had to wait years, quickly became captains. The pilots' association has twice appealed for the flight managers' support for a union election at People Express, and twice been overwhelmingly rebuffed. A third effort is underway.

Last year, Burr says, he sensed a widespread problem with employee morale. The company was growing by leaps and bounds, and many employees were feeling lost. "You can smell it," he says. "All you've got to do is walk down the hallway. People don't look right." His diagnosis: "We had outgrown our structure."

After months of discussion and meetings throughout the company, People Express began remodeling that structure. Employees were divided into 10 operational groups, with 200 to 300 people in each. The groups are committed to different aircraft, functioning like miniairlines within the big airline. So far, there are three 737 groups, six 727 groups, and one 747 group.

Within the new structure, though, Burr will go on preaching his unorthodox management approach—and many observers will go on debating whether it could work so well without him. "It takes almost a messiah," William Hambrecht says. "That's the glue that holds it together."

Burr himself insists that People Express is not a one-man show. He points to the increasing role of Harold Pareti, who has, for example, taken over from Burr as the leader of the daily operational meeting.

"My role is reducing," Burr says. But he makes it clear that he is still in charge: "It's very much a Don Burr place."

The company's growth continues to be phenomenal. Industry analysts predict that total operating revenues for 1984 will be $613 million, up from $287 million in 1983. This year's profits will be close to the $10 million figure for 1983; the company is the only new airline that is earning a significant profit, and it is being plowed back to keep the airline expanding.

But Wall Street is nervous about the upstart airlines. Some have gone bankrupt. And during the last year, the established airlines have begun to fight back. Some have negotiated two-tier labor contracts that pay new employees dramatically lower wages. And they have started to match the new carriers' fares on some routes, though usually with restrictions such as advance booking. American, Eastern, and United, for example, have been meeting People Express' low fares to Florida, the Middle West, and the West Coast.

But Don Burr remains ever the optimist. One night last fall, he was driving back to the airport in his BMW after an orientation session. It had been a long day, starting with a 7-mile run in the early morning near his home in bucolic Somerset County, N.J. For a moment, he let his fatigue show. Then another question was posed, and suddenly the evangelical fervor was back in his voice. No, he wasn't worried that People Express was expanding too fast. "It's our No. 1 precept," he said.

Within the next two years, People Express will be leaving its cramped headquarters at the North Terminal in Newark and moving into a glamorous, refurbished Terminal C, complete with atrium, waterfall—and 44 gates, nearly double the current number. The airline will be flying to new cities, on the West Coast, in the South, in the Northeast. As the BMW approached North Terminal, threading a path among buses and scurrying passengers, Don Burr began to dream about even more distant frontiers. Hawaii? Japan? "Who knows?" he said. "Maybe we'll be going to the moon in 50 years—as a regular deal!"●

EXTENSION OF GENERAL REVENUE SHARING

● Mr. D'AMATO. Mr. President, I rise today as an original cosponsor of legislation, S. 318, introduced by the senior Senator from Pennsylvania, Senator HEINZ, to reauthorize and extend the General Revenue Sharing Program for another 5 years through 1991.

The General Revenue Sharing Program matches the best talents of the Federal Government with the best talents of local government. The Federal Government is effective at raising money, but spends it inefficiently. Local government spends money more effectively, but has difficulty raising funds. The General Revenue Sharing Program has the Federal Government extend funds to local government based on a formula of need with no strings attached. Local governments they are free to spend the money on the programs they deem most important.

The General Revenue Sharing Program was the initial brainchild of our last majority leader, Senator Howard Baker. Senator Baker felt, rightly, that Federal funds should be given to local governments with as little direct Federal supervision as possible. The rationale for this was that the Federal Government cannot possibly know what is best for a specific project in New York and Tennessee. It should be left to the local experts to decide what projects should be undertaken.

Since Senator Baker promulgated the revenue sharing concept, the program has proven to be quite effective. General revenue sharing is now due to expire on December 31, 1986. I strongly believe that it is not too early to begin considering an extension of the program. Only in this way can local governments begin making future budget plans with any degree of accuracy and certainty.

I urge my colleagues on both sides of the aisle to support S. 318, an extension and reauthorization of the General Revenue Sharing Program through 1991.●

MORRIS "MO" SCHIFFMAN

● Mr. CHILES. Mr. President, I would like to take a moment to pay tribute to Morris "Mo" Schiffman, one of Florida's most endeared and dedicated citizens. Mo Schiffman was 84 at the time of his recent death. During the 20 years he lived in Miami Beach, he was constantly active in community service. He served as president of Miami Beach Tenants' Association, was vigorously involved in the Committee for Better Government for Miami Beach, served as a Silver Haired Legislator for the State of Florida, and was former vice president of the Congress of Senior Citizens. Mo Schiffman was a respected fighter for the interests of the elderly, and at the time of his death was president of the Miami Beach Retirees. I am sure that the Members of this body join me in expressing sympathy for Mo's wife Beatrice and his family. He will be noticeably and sincerely missed by many of us in Florida.●

THE NOMINATION OF JAMES BAKER

● Mr. KASTEN. Mr. President, I am pleased to vote for James Baker to be our next Secretary of the Treasury. Mr. Baker won the unanimous support of the finance committee, and he is sure to gain our near unanimous support here today.

As President Reagan's chief of staff, Mr. Baker has made significant contributions to this administration, the country, and all Americans. As Secretary of the Treasury, Mr. Baker will continue to keep the country's best interest at hand.

I am especially pleased to support a new secretary who will continue the Treasury's work toward tax reform. With Mr. Baker at the helm, the future of tax reform—whether it's the Reagan bill, Kemp-Kasten, Bradley-Gephardt, or some modified version of all three—is secure. And, with Secretary Regan as chief of staff, the prospect of tax reform is even more definite.

Mr. Baker shares my concern that the tax system is neither fair nor simple. It is about time the American people got a break from the maze of tax laws, regulations, and interpretations of those laws and regulations. And, we believe that tax reform is just the way to do it.

Mr. Baker also believes—as do I—that tax reform should not be an excuse for a tax increase. We both know that tax increases have been

tried as part of our efforts to get the deficits under control. We both have found that while the tax increases have come through, the spending reductions have not. And, the deficits have gotten bigger, not smaller.

President Reagan has outlined a full agenda for the next 4 years that includes tax reform and deficit reduction through spending restaint. I believe that Mr. Baker will be a strong supporter of the President's policies, and that he will do everything possible to put them in place.

Mr. President, I urge my colleagues on both sides of the aisle to lend their support to Mr. Baker.

IMPORTS FROM THE U.S.S.R. MADE BY FORCED LABOR

● Mr. MOYNIHAN. Mr. President, in November 1983, the Senate Finance Committee agreed to my proposal to instruct the International Trade Commission to provide Congress with a comprehensive report, drawing together all information available to the U.S. Government, on the nature and extent of U.S. imports from state trading nations, such as the U.S.S.R., manufactured by forced labor. Last month the ITC released its reports.

I requested this study in the face of the administration's apparent unwillingness to enforce existing law prohibiting the importation of goods made by forced labor.

Section 307 of the Smoot Hawley Tariff Act of 1930, as amended, prohibits the importation of goods from "any foreign country" made "wholly or in part" by convict, forced, or indentured labor. The regulations currently governing implementation of section 307 provide that if the Commissioner of Customs has information "that reasonably but not conclusively indicates that merchandise within the purview of section 307 is being, or is likely to be, imported," such merchandise will not be permitted to enter our country until a final determination is made. That final determination requires the approval of the Secretary of Treasury. Once merchandise is detained, the burden falls, as it should, on the importer to show that the goods were not made, in part or in whole, by forced labor.

There can and should be no doubt about the extent of forced labor in the Soviet Union. As Undersecretary for Political Affairs, Lawrence Eagleburger reported almost 2 years ago:

> Forced labor in the Soviet Union is a long-standing and grave human rights issue. The Soviet forced labor system, the largest in the world, comprises a network of some 1,100 forced labor camps, which cover most areas of the USSR. The system includes an estimated four million forced laborers, of whom at least 10,000 are considered to be political and religious prisoners.

During the spring and summer of 1983, Senator ARMSTRONG and others brought to the administration's attention the fact that many goods produced by these forced laborers were being imported into the United States. They relied on a list supplied by the CIA of the industries and products in which forced labor is used extensively, as well as on information supplied by the Customs Service regarding the level and kinds of imports from the Soviet Union. These products included camera lenses, wood cabinets, mattresses, steel drums, cathode ray tube components, electrical motors, clothing, bauxite, gold ore, manganese, and limestone. The Commissioner of Customs, William von Raab, was persuaded. However, rather than proceed to enforce section 307—as is in his authority to do—he wrote to Secretary of the Treasury Regan, who apparently was unpersuaded. Secretary Regan consigned the issue to an interagency group for further study.

There the issue remained, despite overwhelming congressional sentiment that section 307 be enforced. In November 1983, the Senate adopted a resolution calling on the administration to use section 307 to bar the import of goods from the U.S.S.R. unless they were produced without forced labor, and the House passed a resolution condemning the use of forced labor in the Soviet Union.

Still the administration refused to listen. Treasury developed the argument—contrary to the plain terms of the statute and the regulations currently in force—that Customs could not proceed without specific and detailed information regarding each particular product. Yet, the CIA reported that it could not provide such information without compromising intellifence sources and methods. A new application of Joseph Heller's "Catch 22," and another case of nonenforcement of a statute.

Given the current situation, Mr. President, the report by the International Trade Commission is especially important in two respects.

First, the ITC report assembles and reviews estimates made by others about the extent of forced labor imports from the Soviet Union. The report reviews the estimate made by the Commission on Security and Cooperation in Europe [the Helsinki Commission], that the value of U.S. imports from the U.S.S.R. produced by Soviet industries which, in part, use compulsory labor, totaled $138 million in 1982—of total imports from the U.S.S.R. of $228 million. The report also examines why that estimate may be somewhat overestimated and reports later estimates, previously unpublished, by the Commerce Department and the Customs Service during the interagency deliberations. Commerce estimated that forced labor imports from the Soviet Union totaled about some $28 million in 1982, or about 10 percent of all U.S. imports from the U.S.S.R. that year. Customs, backing away from its earlier estimate, now says that forced labor imports totaled only $11 million in 1982. With respect to this lower Customs estimate, the ITC notes that at least some information exists that forced labor was used to produce other items as well imported into the United States.

Second, the ITC's report demonstrates the wisdom of the approach of current regulations, placing the burden on the importer to show that particular goods were not made by forced labor. The ITC expresses frustration, understandable to this Senator, at its inability to verify the role of forced labor, in the manufacture of particular imports, the productivity of forced labor and the types of goods they produce. We cannot be surprised at the Soviet's reluctance to permit an inspection tour. Yet, this lack of verification must not impede our administration of the statute, because we do have reasonable information suggesting which imports have been made with forced labor. If that is not the case, those who do have information rebutting the charge can come forth.

Mr. President, the use of forced labor transcends concerns with trade: It is a grave violation of human rights. We should not encourage or countenance this monstrous practice by importing any goods made with such labor. The Commissioner of Customs and the Secretary of the Treasury have information that reasonably, even if not conclusively, indicates that we are importing forced labor goods from the Soviet Union. They should proceed expeditiously to do what should have been done all along: Prevent suspect goods from entering our country unless and until the importer can demonstrate that they were not made by forced labor, in whole or in any part.●

PROTECTION OF AMERICANS FROM EXTORTION AND VIOLENCE: REINTRODUCTION OF THE HOBBS ACT BILL

● Mr. EAST. Mr. President, today Senator GRASSLEY has reintroduced his bill to make it clear that Congress intends to punish those who resort to extortion and violence during labor disputes. The bill would clarify the purpose behind 18 U.S.C. 1951, commonly known as the Hobbs Act.

Congress passed the Hobbs Act in 1946 to cover all forms of violence, extortion, and related crime involving interstate commerce. At the time, Congressman Hobbs explained Congress' purpose in passing the Hobbs Act: "crime is crime, no matter who commits it; and that robbery is robbery, and extortion is extortion, whether or not the perpetrator has a union card."

51-059 O-86-8 (Pt. 2)

In 1973 in *Enmons* v. *United States*, 410 U.S. 396 (1973), however, the Supreme Court ruled that the Hobbs Act did not cover violence in interstate commerce when "in pursuit of legitimate labor objectives." Until the decision in Enmons, no person or group, whatever its objective, was exempt from the coverage of the Hobbs Act. Any actual or threatened use of violence or force to obtain property was wrongful—resorting to violence was simply not condoned as a means of settling a dispute.

S. 300 would reestablish Congress' original intent under the Hobbs Act, and eliminate the loophole created by the Enmons decision. It would define the crime of extortion as taking another's property by force, no matter what the objective, and it would make union officials subject to prosecution when involved in acts of extortion. At the same time it would make it an affirmative defense that a defendant's conduct was incidental to peaceful picketing and consisted solely of minor bodily injury or minor damage to property.

Let me say here that I firmly believe in the importance of collective bargaining. I believe that we should excuse minor, unavoidable incidents during legitimate strikes, and I do not believe that the Federal Government should be involved in policing normal, every day, labor disputes. I believe just as firmly, however, that a free society presupposes an orderly community and that violence is not a necessary part of labor disputes. In England, labor violence of the sort we have here seldom if ever occurs yet the unions are able to bring whole industries to a standstill. When a labor dispute becomes extremely violent and involves death threats or shootings, Federal jurisdiction is needed. Congress should take action to preserve our freedom from fear.

Last Congress both the Subcommittee on Separation of Powers and the full Committee on the Judiciary held hearings on the Hobbs Act bill. On July 19, 1983, the subcommittee favorably reported the measure to the committee. During these hearings I was appalled to learn of the violent acts that have been committed with impunity because of the Enmons decision.

Since 1975 public records revealed the occurence of over 3,350 separate cases of union inspired violence, violence against both employers and individual workers. Incident after incident involves assault, battery, threats and other forms of violence. Some of it occurs inside the plant, some of it occurs on the picket line, and a good deal of it occurs away from the place of employment, the most terrifying often occurring at the employee's only sanctuary—his home.

During the 1981 United Mine Workers Union strike, sharpshooters and saboteurs ravaged the highways in the coal-producing regions of Kentucky, Pennsylvania, West Virginia, and Virginia. Out-gunned, intimidated or financially strained local law enforcement agencies often looked the other way in the face of this well-orchestrated violence. Because of Enmons, sorely pressed States like Virginia which were forced to mobilize hundreds of State troopers to protect life and property on the highways could obtain no Federal help. Often the perpetrators slipped easily across State lines to elude capture by State and local authorities. Kentucky State Police, for instance, acknowledged that out-of-State hit men were responsible for much of the strike havoc wreaked upon their State.

In Oakman, AL, during the violent coal miners' strike of 1977, seven people, including the owners of a small family mining operation were surrounded by miners firing shots and exploding dynamite. Local authorities refused to become involved. Said the sheriff, "Well, there is nothing I can do. I am a union man myself." UMW sharpshooters drove off a State police helicopter and two Army National Guard helicopters. One of the pilots, a Vietnam war veteran, likened the scene to a Vietnam fire fight. The party of seven was finally rescued by a convoy of cars from the State police but the miners—between 1,200 and 1,500 of them—did thousands of dollars worth of damages to the State police cars. No convictions ever arose out of this activity at the State or local level.

In Port Arthur, TX, in 1982, William H. Hinote, who crossed a picket line and returned to work, was subjected to months of violent threats and intimidation culminating in his being ambushed and shot five times. His wife and two children—ages 7 and 12—received a stream of obscene phone calls and were told repeatedly that Hinote was a dead man. Mrs. Hinote's employer received calls threatening to blow up the store if Mrs. Hinote were not discharged.

In Lancaster, PA, on June 8, 1983, Robert Wohlsen, Sr., of Wohlsen Construction Co. was hit on the head by a striker with what appeared to be a rock. He sustained a hemorrhage between the skull and the membrane around the brain that required surgery. Wohlsen had requested that State police be at the strike site. None showed up until after Wohlsen and others in his party had been assaulted, and his camera and video equipment had been destroyed or stolen. Even the subsequent presence of the police did not prevent truck tires from being slashed and hydraulic hoses from being cut.

In Honolulu, HI, Walter Mungovan, his family, and the employees of his construction company were subjected to a program of harassment and intimidation. Picketers carried guns on the picket line. Union members repeatedly contacted the Mungovans and threatened to blow up their home or to kill Mr. Mungovan. They harassed the families of Mungovan's employees and threatened employees of his delivery companies. One night the Mungovan's vehicles were damaged in the amount of $3,000. The word "SCAB" was painted all over them. The police at best were uncooperative; at worst they were openly aiding the picketers. For 3½ months the Mungovan's called the police to their jobsites. They either did not come or showed up late. At the picket site, police officers warned picketers not to talk to Mr. Mungovan because he was carrying a tape recorder. The Mungovan's discovered that, during this period, the police officers failed to file adequate reports about union threats and violence. When confronted with their negligence they replied on one occasion that they were in a union themselves and did not want trouble with another union; another time they admitted that the picketers were friends and relatives of theirs.

On August 5, 1983, in Willamina, OR, strikers threw paint, golf balls, and rocks at those crossing a picket line. One car was badly damaged and another burned 5 feet from a natural gas meter and 10 feet from an elderly woman's window.

In Great Falls, MT, for 10 days beginning on July 22, 1983, a union launched a campaign of violence against supervisory personnel of the Brinderson Corp. Four trucks and three cars were damaged, six people were injured enough to require medical assistance, and two were hospitalized. Neither of the two were connected with the union or Brinderson. One was a civilian Air Force base employee, and another was a member of the general public who had wandered onto the scene. The Governor of the State told Brinderson representatives that State law prevented him from taking any action to prevent such violence. The local sheriff did send men to the picketing site but they were outnumbered by a 20-to-1 ratio.

During the summer of 1983 in Moyie Springs, ID, strikers and union officials threw rocks at employees of Louisiana Pacific Corp., slashed their tires both at home and at work, strewed nails across driveways, fired lug nuts, rocks and ballbearings with wrist rockets, derailed two railroad cars and set one of them afire with a Molotov cocktail, wrecked the company office, shot out street lights in the area, threw rocks at police cars, exploded a bomb on the plant site, and sabotaged the town's main power pole so that the town was without electricity for 18 hours. According to one witness, living

in Moyie Springs was like living in a war zone. The local county sheriff, Ronald R. Smith, testified that these incidents taxed the available manpower to its limits, as officers became physically tired and emotionally drained. He had only five deputies. The city police department had six officers, but no jurisdiction in the county. Only one State highway patrolman regularly operates in the county. Sheriff Smith called the Governor's office but was referred from office to office until he finally found a State police lieutenant who offered him some help.

In May 1983 in Millville, NJ, strikers conducted a program of violence and abuse against nonstrikers that included threats that a pregnant lady "would have an abortion after 8 months, out in the middle of the street," threats with knives, bricks thrown out of moving vehicles, and glass shattered against the side and front of homes. The union published and distributed to its members a "scab list" that included the names and addresses of employees who had chosen to return to work.

In February 1983 in Fort Lauderdale, FL, union members hurled rocks, scraps, grapefruits, conduit pipes, and cinder blocks at nonunion workers who had been called to do a job on a construction site. Finally the nonunion workers were trapped in an auditorium where union men attempted to knock them over with stage curtain metal rods. A police officer standing between the two groups was hit by a 4 by 4 and ran out of the auditorium. He remained outside taking no action. The nonunion workers were finally rescued by a deal between their boss and the laborers' business agent.

In Port Huron, MI, in the summer of 1983, picketers attacked the local police, tore down the 6-foot-high fence surrounding the construction site and trapped the owner of a construction firm and seven of his employees on a roof for 5 hours. Police from five departments in the Port Huron area proved no match for the 700 to 1,000 picketers on the site. The State police, afraid to interfere remained five blocks away at an armory.

In Philadelphia, PA, during the summer of 1983 Sigmund Kaye hired a nonunion carpenter to help renovate two buildings. On August 23 a gray bus that belonged to the carpenters union appeared at the site and Kaye subsequently found 15 men tearing the inside of the building apart. When Kaye confronted them they beat, kicked and hit him about the head and face, knocked him to the ground and left him battered and bleeding. The men walked to the bus and drove off in it. As a result of this beating Kaye suffered two herniated discs and a crushed vertebra and had to undergo reconstructive surgery for his neck. The Philadelphia police department did nothing besides take the license plate number of the van. Although they confirmed that it belonged to the union, they dropped the case entirely.

Mr. President, clearly Congress needs to address the problem of union violence. Such violence is occurring at a staggering level in many parts of our country. Although many States currently have laws under which they can prosecute intrastate cases of labor violence and extortion, it is virtually impossible for them to deal with violence that is interstate in nature. As the hearings before the Committee on the Judiciary have shown, moreover, for political reasons it is often difficult to apprehend, much less convict, those who violate State antiextortion laws. In many areas local politicians and officials rely heavily on the support of unions. Knowing the immense power the unions wield, officials are often slow to respond in cases of labor violence and reluctant to utilize local law to protect the victims of intimidation. Also, in areas where unions are powerful, local residents who know of evidence and facts that would lead to the conviction of those guilty of extortion and other crimes, are too terrified to come forward and testify.

Clearly, the investigatory resources of the Federal Government should be made available to locate and protect these witnesses. With Federal jurisdiction these witnesses, if necessary, could be placed in the Federal victims and witness protection program and would be free to tell their stories without fear of reprisal. Mr. President, it is imperative that the Senate and the House of Representatives pass S. 300 and act to protect Americans from extortion and violence.●

THE OPPRESSION OF SOVIET JEWS

● Mr. SIMON. Mr. President, I am honored to be a part of the 1985 Congressional Call to Conscience, an effort involving many of my colleagues. Today, I will add my voice to the increasingly loud chorus of protest against the oppression of Soviet Jews.

Almost 200 years ago, our Founding Fathers began the Bill of Rights with the cherished freedom of speech and freedom of religion clause. As Americans, we are privileged to be able to practice the religion of our choosing. Our Jewish sisters and brothers in the Soviet Union do not have that luxury. The Government of the Soviet Union not only suppresses the practice of any religion, it also has recently begun a virulent campaign of anti-Semitism. Those Jews who want to leave are held prisoner in a country which despises them.

The emigration numbers, once a statistic of hope, now invoke fear and frustration. Just 5 years ago, over 50,000 Soviet Jews were released from the Soviet Union. In 1980, the number of emigrants was cut in half. Last year, only 896 Soviet Jews obtained the necessary permission to pursue their freedom. Over 350,000 have begun the application process to leave. Twenty thousand are categorized as refuseniks—those who have made application to join their families and friends in Israel and have been refused. One of those is a family with whom my daughter and I had the pleasure of visiting. Their names are Naum Meiman and his wife, Inna Kitrosskaya.

Naum and his wife, Inna, first applied to leave the Soviet Union in December 1974. Just 2 months later, the Meimans became refuseniks. Naum was one of the most respected scientists in the Soviet Union. His application to emigrate was denied on the basis of Naum's knowledge of "secrets of the State." Naum refuted this assertion with a character reference from the Institute of Theoretical and Experimental Physics, his employer. The character reference certificate was signed by the Secretary of the local Communist Party branch and the director of the institute. Naum is being used as an example, a warning to deter others from applying to emigrate.

Inna Meiman was stricken with cancer 2 years ago. All efforts to allow her to leave the Soviet Union for treatment have failed. Instead, she is refused necessary treatment in the Soviet Union. During my visit with the Meimans in December 1982, I was impressed with their determination and strength. As we were leaving, Inna pulled aside my daughter, Sheila. Inna took off her locket and placed it in Sheila's hand. "I want you to have this locket, because if we disappear, I want someone to remember."

Inna's message is one which we, as American citizens concerned about freedom and human rights, must heed. We cannot rest. We cannot allow apathy to strangle us. We must remember. We must work until every person who desires freedom is released from oppression.●

NATIONAL SKIN CANCER PREVENTION AND DETECTION WEEK

● Mr. D'AMATO. Mr. President, I rise today in support of Senate Joint Resolution 4, introduced by my good friend, the junior Senator from Utah [Mr. HATCH], which would designate March 24, 1985, through March 30, 1985, as "National Skin Cancer Prevention and Detection Week."

Skin cancer is the most common cancer in the United States, accounting for 30 to 40 percent of all cancers. The incidence of this cancer continues to increase. I feel it is time that public

awareness of this issue be broadened throughout our country in order to encourage and facilitate its early detection and prevention. Because over 500,000 Americans will develop some type of skin cancer this year causing 7,000 deaths, a concerted effort must be made by professional medical organizations along with Government officials to draw public attention to the causes of skin cancer and alert those individuals most at risk of developing this cancer. Only through such efforts, can the trend of doubling incidences of skin cancer every decade be reversed. It is my hope that these efforts will rid us of this national health threat sometime in the near future.

In recognition of the effort being made by health care professionals, voluntary groups, and individuals to educate and protect the citizens of this country from the threat of skin cancer, I am pleased to cosponsor this resolution. I urge my colleagues to join me.●

RURAL AMERICA FACES CREDIT CRISIS

● Mr. MELCHER. Mr. President, yesterday I conducted a public meeting to receive testimony from farmers, ranchers, bankers, and the farm credit system regarding the current agricultural credit situation facing rural America. I was joined by over a dozen of our colleagues both from the House and the Senate, both Republican and Democrat, who clearly share my concern that we are confronted with a situation that demands immediate action.

There were several themes that emerged from this meeting. One is that we simply must have fast action. "Now!" Farmers and ranchers in the Southern part of our country are already facing the need to make production decisions. Farmers and ranchers in heavily agricultural States such as Iowa, Michigan, Minnesota, and my own Montana will be faced with those decisions in the next 30 to 60 days. They will have to place their orders for seed, fertilizer, diesel fuel, and all the other input supplies necessary for putting in a crop.

Without knowledge of their credit situation, they cannot arrange to have the wherewithal to plant a crop and stay in business. Without credit now, they are out of business. Several of the witnesses suggested that at least 20 percent of the farmers and ranchers will not be able to get credit. That means that 450,000 farmers and ranchers will not only be out of work but will also be faced with the loss of their homes and land, which in many cases has been in the family for generations.

The fast action necessary must have at least three elements. It must provide lower than the current interest rates of 14 to 15 percent that they must pay for farm loans. Simply to provide more credit at backbreaking interest rates will make the situation worse, not better. A person can be loaned to death. Excessively high interest rates are exactly one of the reasons why rural America is stressed already.

There must also be stretched out terms. A short term, quick fix may do some good but will also guarantee that we will be back again next year looking for another quick fix. There has to be an adequate breathing space so that farmers and ranchers can survive until the real solution—better prices—can take effect.

Fast action must also incorporate shared risk. A healthy agriculture is in the interest of us all. American consumers are beneficiaries of the lowest cost food in the world. We spend a smaller percent of our income on food than any other citizen in the history of the world.

Further, rural America is not just farmers and ranchers. Small town businesses, implement dealers, bankers, lawyers, doctors, investors in farm credit bonds, all earn a living based on what is produced on the ranches and farms. I feel that it is very significant that one of the witnesses in the hearing was a representative of the Bank of America. Clearly, a shaky farm economy has implications for us all—the great and the small.

One of the witnesses who had the most concrete and specific suggestion for helping meet the credit situation was N. Rollie Lake, president of Communicating for Agriculture in Fergus Falls, MN. Communicating for Agriculture [CA] offered what they call the CA Modified Debt Recovery Program. Basically, this proposal, which has been endorsed by all major farm organizations in Minnesota as well as both of the State banking organizations, meets all of the criteria I suggested as being necessary for a fast action program.

It would modify an agricultural loan with a private bank to a joint program of the Farmers Home Administration. It can also be used by the farm credit system as well. The Modified Debt Recovery Program utilizes the Farmers Home Administration Approved Lenders Program and Operating Loan Programs with modification that would place a maximum rate to be charged on interest. Under this proposal the maximum rate under the Approved Lenders Program would be set at 2½ percent above the discount rate. This would put the interest rate for the farmer at about 10½ percent. Further, under the FmHA operating loans, direct loans could carry under certain circumstances an interest rate as low as 7¼ percent.

The second part of this type of loan is that it is spread out over a number of years.

Under the Modified Debt Recovery Program, it would be possible to utilize the expertise of private lenders to put together a blend of loans that would provide the individual farmer or rancher with the capital needs he must have to stay in business at an interest rate his cash flow could, in fact, pay back.

To use this program, it will be necessary to have the cooperation of the Farmers Home Administration, banks, the Federal credit system, the administration, and Congress. I am certain that all of these entities share my concern that we prevent the collapse of rural America. I think the program offered by Communicating for Agriculture is innovative and can be implemented quickly. I would like to include in the RECORD at this point both the testimony of Mr. Lake and an explanation of the CA Modified Debt Recovery Program.

The material follows:

TESTIMONY BEFORE THE MEETING ON THE FARM CREDIT CRISIS, JANUARY 30, 1985

(Presented by N. Rollie Lake, President, Communicating for Agriculture, Inc.

Mr. Chairman, my name is Rollie Lake and I am president of Communicating for Agriculture, a nonpartisan rural membership organization with members in over 40 States.

CA is an organization working and speaking for agricultural America. We are based in Fergus Falls, Minnesota.

CA is in addition to and not in place of any other farm or rural organization. CA strives to unite and not divide agricultural America.

We appreciate the opportunity to be part of this meeting on the farm credit crisis. There is indeed a crisis in agricultural America. It is a crisis of troubled debt for the American farmer and of classified assets for agricultural lenders. It is a crisis which must and can be met.

There are a large number of farmers with substantial debt who and are in various stages of financial difficulty. For many of these farmers, economic survival is a serious question. To help this group, there must be a restructuring of farm debt.

We would like to present to you today a plan to restructure farm debt, known as the CA Modified Debt Recovery Program.

It is a program that has been endorsed by all four farm organizations in Minnesota plus both of the State banking organizations. The Minnesota Farmers Union, the Minnesota Farm Bureau, the Minnesota National Farmers Organization, and the Minnesota American Agricultural Movement have endorsed the CA Modified Debt Recovery Program as well as the Independent Bankers of Minnesota and the Minnesota Bankers Association.

There are not many issues which can command the endorsement of all the organizations that have endorsed the CA Modified Debt Recovery Program. In many ways, it can be viewed as an historic first.

The CA Modified Debt Recovery Program is a proposal to buy time. It is a proposal to make cash flow work. It is a proposal to share risk.

To accomplish this, we use the expertise of private lenders and the lending programs of the Farmers Home Administration. Both

of these resources are already in place. What is needed is for them to be grought together in a modified form, that is what we have done in the CA Modified Debt Recovery Program.

The program is meant to be used for family farm operations with a reasonable chance for success. It is meant for those who can still bet the family future that their future is with farming.

The CA Modified Debt Recovery Program is designed for farm borrowers who are in financial difficulty, yet who can be helped with the right program. It is targeted to family farm operations with annual gross sales of between $40,000 to $200,000.

Today's farmers have been asked to make the transition from an economy of high inflation, rising land values, and low interest rates to an economy of low inflation, low prices, falling land values and high interest rates. There are many good farmers facing bankruptcy for the lack of a way to make this transition. These farmers, mostly full-time family farmers, were caught with too much debt at the wrong time, debt that was manageable under the prevailing economic conditions when it was incurred but became a crushing burden when conditions changed.

Today the situation is critical. All across the agricultural Midwest, and in other major agricultural areas of the country, the farm debt problem is becoming a crisis situation. State governments are wrestling with what role they can play in the current economic crisis. In Minnesota, where more than 10,000 farmers recently gathered at the State Capital, legislation is currently being considered to provide a 120-day grace period to buy time until the Federal Government brings forth a viable debt restructuring program, such as the CA Modified Debt Recovery Program. Minnesota law makers and CA accept the 120-day grace period because it will buy the necessary time to put the CA Modified Debt Recovery Program in place on a national level.

Again, I emphasize that there are many farmers who can be saved with the right debt restructuring program. We believe, as do the Minnesota farm groups and banking organizations, that the CA Modified Debt Recovery Program is that right program. It is the only program now on the table that can come close to solving the problem and handle the amount of debt restructuring necessary.

The CA Modified Debt Recovery Program utilizes the expertise of the local lenders and the lending programs of the Farmers Home Administration to achieve a significant plan for farm debt restructuring.

Attached to this testimony is a copy of the CA Modified Debt Recovery Program. Rather than take the time of the committee today to go through it in its entirety, I would like to refer to the modified credit illustrations beginning on page eight to demonstrate what the CA Modified Debt Recovery Program can do to restructure an individual's troubled farm debt.

Thank you for this opportunity to appear before you today on this most important topic and to present the CA Modified Debt Recovery Program. I would be happy to answer any questions which you may have.

FARM DEBT RESTRUCTURING, CA MODIFIED DEBT RECOVERY PROGRAM, JANUARY 28, 1985

(Prepared by Communicating for Agriculture)

CA is proposing a farm-debt restructuring plan designed to build on present programs, and target farm borrowers who are in financial difficulty yet who can be helped with the right program.[1]

Today, many farmers find themselves in a financial bind. While about 30% of farmers have little or no debt and are doing well economically, there are between 30% and 40% of all farmers who have substantial debt and are in various stages of financial difficulty.

WHO ARE THESE FARMERS IN DIFFICULTY?

Most agricultural production, about 60% in 1982, comes from 205,000 farms (out of 2.4 million total farms) with more than $150,000 in annual sales. Narrowing our focus somewhat, of these farms with sales of $40,000 to $200,000.

19% have a debt-to-asset ratio of greater than 70%. That means, for every $10 of assets, the farmer has more than $7 of debt;

44% have a debt-to-asset ratios greater than 40%;

Farms with debt-to-asset ratios greater than 40% account for 71% of debt on farms in this sales class but only 36% of assets.

For farms in all sales categories with a greater than 70% debt-to-asset ratio, there is little hope of economic survival. In a recent Iowa study, 10% of the farmers fall into this category, hold 9% of the assets and 25% of the total debt.

Farmers with debt-to-asset ratios of greater than 40% are also facing financial difficulties. In that same Iowa study, 28% of the farmers with 30% of the assets and 65% of the debt fall into that category.

The Iowa survey further shows that farmers from all sales/size categories are in the over 40% group and that the majority of these are full-time family farmers.

WHAT IS THE ANTURE OF THE FARM DEBT?

Nationally, the total farm debt has increased dramatically. In 1971, total farm debt totalled around $54 billion; in 1976, around $91 Billion; and in 1984, total farm debt stands at $215 billion.

Farmers as a group have a much higher debt to income ratio now than in the past. In 1950, the overall debt-to-income ratio stood as less than 1; in 1960, it doubled to 2, changed to over 3 in the early 1970's, to 8 in 1980 and to 10 in 1984. Today the average farmer is trying to support $10 of debt for every $1 of income.

But even more important, the nature of the debt has changed dramatically. Debt today has a much shorter maturity.

Much of the debt is short term with interest rates tied to current loan rates. Even real estate debt is based on variable interest rates or is based on realatively short contract purchases. Maturities on a great deal of real estate debt has moved from 20-25 years in the 1960's and 1970's to 10-15 years or less today.

CAN FARMERS WITH HEAVY DEBT LOADS BE SAVED?

For a substantial segment of the 30% to 40% of farmers who have substantial debt and who are in various stages of financial difficulty, economic survival is a serious question. To help this group there must be a restructuring of farm debt. This group, mostly full-time family farmers, were caught with too much debt at the wrong time, debt that was manageable under the prevailing economic conditions when it was incurred but became a crushing burden when conditions changed.

In the group of farmers, there are many good farmers facing bankruptcy for lack of a way to make the transition from an economy of high inflation, raising land values and low interest rates to one of low inflation, sinking land values and high interest rates.

Many of the farmers in this group can be helped and saved with the right debt restructuring programs.

CA'S DEBT RESTRUCTURING PROPOSAL

In order for farm debtors to pay off debt obligations, a major restructuring of indebtedness will be necessary.

The number one feature of any debt restructuring program is to stretch out principal payments into a manageable debt repayment schedule. The second major feature must provide for a lower rate of interest, and third, for farm lending to continue, the risks must be shared.

The CA proposal utilizes existing FmHA programs and expertise of commercial lenders to accomplish this.

These are the Approved Lenders Program, Insured Operating Loan Program and Limited Resource Program. CA's Debt Restructuring Plan modifies slightly these existing FmHA programs to create a program of modified recovery debt credit.

The heart of the CA debt restructuring proposal is the utilization of FmHA's Approved Lender Program, with some minor modifications.

FMHA APPROVED LENDER PROGRAM

Under FmHA's Approved Lenders Program, a qualified commercial lender is approved in advance to process FmHA Guaranteed Loans. The approved lender makes the loan, services the loan and collects the loan, thereby reducing the paperwork and time required for FmHA approval of loan guarantees. The lender is responsible for seeing that proper and adequate security is obtained and maintained. FmHA makes the final decision on farmers' eligibility, use of funds, and credit worthiness.

WHO DOES THE APPROVED LENDERS PROGRAM HELP?

In today's farm economy, there are many farmers whose debt-to-assets ratio between 40% and 70% who are caught in a "credit availability gap." These farmers are not in serious enough financial difficulty for consideration by the lender of last resort, FmHA. Yet, they do not quite meet the credit standards of private commercial lenders.

This group is a relatively stronger class of farm borrowers than normal FmHA borrowers. The problem for this class of farm borrowers is that their cash flow is inadequate under current high interest rates and low commodity prices, though their basic personal net worth and equity remains relatively strong. The security behind the loan is strong enough to satisfy the bank lender, yet the loan is classified by bank regulators as a classified loan. For the bank, every classified loan reduces the amount of available assets against which credit can be made available, resulting in less credit being available to farm borrowers.

THE FMHA LOAN GUARANTEE PROGRAM

FmHA Loan Guarantees are designed to provide the credit necessary for family farmers to conduct successful operations. The loans are to be used for the purchase of farm machinery and equipment, basic livestock, annual operating expenses and refinancing for authorized operating loan purposes. Interest rates may be fixed or variable and cannot exceed the rate common in the area. The terms of the loan may be up to seven years on basic security, Quality

[1] See example 3 for an illustration of CA Modified Debt Recovery Program.

loans may be guaranteed up to 90% while high risk loans may receive less than a 50% guarantee.

HOW WILL THE APPROVED LENDERS PROGRAM HELP?

Utilizing FmHA's Loan Guarantee Program, the commercial lender will have the additional security to make a bankable loan to farmers who find themselves in a "credit gap". The program is not a bailout for lenders. Unless the loan meets requirements, with a reasonable chance for success FmHA will not approve it.

The program will help, first, by making credit available. Second, the banker will use the banks own (pre-FmHA approved) loan forms familiar to both the borrower and the banker, reducing FmHA's paper-handling load. Third, credit will be available on a much quicker basis, assuring that available guarantee loan funds reach eligible farmers as quickly as possible. Fourth, the banker and borrower are familiar with each other, helping to insure that better loans will be made. Fifth, the borrower is most likely to stretch out the loan payback. A commercial lender will normally have a maximum of five years on the loan while under the FmHA Loan Guarantee Program, a maximum of seven years is possible. This extra two years can assist the farm borrower in achieving an attainable cash flow-payback program.

CA'S MODIFIED DEBT RECOVERY PROGRAM

CA proposes to utilize FmHA's Approved Lenders Program and Operating Loan Programs to achieve a significant plan for farm debt restructuring. To achieve this will require some modification of each of these programs.

MODIFICATIONS TO THE APPROVED LENDERS AND DIRECT LOAN PROGRAMS

A basic modification to the Approved Lenders Program is to place a *maximum rate to be charged on interest.* Under the Approved Lenders Program, interest rates may not exceed the prevailing interest rate in the areas in which the loan is made. At present, this interest rate is approximately 13½%.

Under the modified Approved Lenders Program, a maximum interest rate would be set at 2½% above discount rate. This would yield an interest rate of 10½% at December 31, 1984 rates.

Clearly, there is a need to lower interest rates in order to create a more achievable positive cash flow-debt repayment plan for many farm borrowers. In addition to the obvious advantage of lower interest rates, by lowering the maximum interest rate which a commercial lender may charge under the Approved Lenders Loan Program, the result will be to create opportunities for additional farm borrowers to take advantage of the Loan Guarantee Program. A lower maximum interest rate will encourage the lender to graduate the borrower to a regular commercial status.

The second basic change in the Approved Lenders Program would be to limit the Approved Lenders guarantee to a maximum of 50%.

FMHA OPERATING LOAN PROGRAM

FmHA Operating Loans are made for both operating expenses and farm ownership. Ownership loans may carry an interest rate as low as 5½% and may be written up to 40 years. Operating loans may carry an interest rate as low as 7¼% and may be written up to 7 years. Under the Direct Loan Program, appraisals are done by the FmHA and security in the loan is named and itemized per lender.

MODIFICATIONS TO THE DIRECT LOAN PROGRAM

In order to restructure farm debt, lower interest rates and longer pay back terms will be required to attain a manageable, attainable cash flow for many farm borrowers.

The CA Modified Debt Recovery Program would incorporate into the Approved Lenders Program the use of FmHA Operating Loans in the same manner as the FmHA Guaranteed Loans. The pre-FmHA approved commercial lender would process the paperwork for FmHA Operating Loans, using the commercial lender's forms. FmHA would still have the final say-so on the loan under a shortened turn around approval or denial. Appraisals would be done by the pre-FmHA approved commercial lender or qualified appraiser. The main change in the present FmHA Direct Operating Loan Program would be to share security on a prorated dollar value basis. This last change is important to create an environment where the financial risk is shared and one which will create far fewer complications than the present system of named security.

MODIFIED CREDIT ILLUSTRATION

Under the CA Modified Debt Recovery Program, there can be a significant debt restructuring which will assist present financially troubled borrowers who have a stronger asset base yet who can neither qualify for FmHA loans or regular commercial lender loans.

As an illustration: Farm Borrower with $100,000 of indebtedness—cash flow shows $21,000 available for debt retirement.

EXAMPLE 1.—*Farm borrower with commercial lender*

[Loan term, 5 years; loan interest rate, 13½ percent]

Cash required for:	
Principal reduction	$20,000
Interest payment	13,500
Total	33,500
Payment deficit	12,500

EXAMPLE 2.—*Farm borrower under approved lenders program (no modifications)*

[Loan term, 7 years; loan interest rate, 13½ percent]

Cash required for:	
Principal reduction	$14,285
Interest payment	13,500
Total	27,785
Payment deficit	6,785

EXAMPLE 3.—FARM BORROWER UNDER CA MODIFIED DEBT RECOVERY PROGRAM

[Debt is divided between approved lender loan and limited resource loan (3A) and insured loan programs (3B)]

	Approved lender loan (3B)	Approved lender loan (3A)
FmHA guarantee loan	$40,000	$50,000
Loan term (years)	7	7
Loan interest rate (percent)	10½	10½
Repayment required for:		
Principal reduction	$5,714	$7,143
Interest payment	4,200	5,250
Total	$9,914	$12,393
	Plus insured loan	Plus limited resource
FmHA operating loans	$60,000	$50,000
Loan term (years)	15	15
Loan interest rate (percent)	10¼	7¼
Repayment required for:		
Principal reduction	$4,000	$3,333
Interest payment	6,150	3,625
Total	$10,150	$6,958
Total payment required for:		
Principal reduction	$9,714	$10,476
Interest payment	10,350	8,875
Total	$20,064	$19,351
Cash flow balance	$936	$1,649

From the above example, the Modified Debt Recovery Program has accomplished a significant reduction in interest rates and has extended payments over a longer period of time to achieve a reasonable and achievable cash flow.

The Modified Debt Recovery Program covers the three areas of need: restructuring of debt, adjustment of interest and sharing of risk. The Modified Debt Recovery Program shares the risk by bringing the Government in on a maximum of 50% guarantee of the Approved Lender Program. Debt is restructured by adding the Direct Lending Program, and interest is lowered with a combination of ability through the Direct Lending Program to lower to a minimum of 7¼% and a maximum of 2½% plus Discount Rate on the Approved Lender portion. The Modified Debt Recovery Program utilizes the assets of the FmHA, the types of funds which are already available and adds the expertise of Commercial Lenders. The Modified Debt Recovery Program would only be in place long enough to carry agriculture through this present period of adjustment.

SHARED BY LENDER

	Billions of dollars					Percent	
	1980	1981	1982	1983	1984	1980	1984
Farm real estate debt:							
FL Banks	29.89	36.29	43.26	47.09	48.12	35.00	43.00
FmHA	6.83	7.64	8.44	8.76	10.07	8.00	9.00
Life Ins	11.96	13.27	12.66	13.14	12.31	14.00	11.00
Comm'l	8.54	8.6	8.44	8.76	8.95	10.00	8.00
Ind. and Oth	28.18	30.56	31.65	31.76	32.45	33.00	29.00

SHARED BY LENDER—Continued

	Billions of dollars					Percent	
	1980	1981	1982	1983	1984	1980	1984
Total	85.4	96.36	104.45	109.51	111.9	100.00	100.00
Farm nonreal estate debt:							
PCA	17.69	19.87	21.14	20.27	18.58	22.01	18.22
FmHA	8.84	12.1	14.42	14.94	15.48	11.00	15.18
FICB	.8	.86	.96	.85	.82	1.00	.80
Comm'l	31.36	31.97	32.67	36.28	38.18	39.01	37.45
Ind. and Oth	16.88	18.14	19.22	19.21	18.58	21.00	18.22
CCC	4.82	5.18	7.69	14.94	10.32	6.00	10.12
Total	80.39	88.12	96.1	106.96	101.96	100.00	100.00
Total	165.79	184.48	200.55	216	213.86		

Average D/A ratio, by sales Class (Jan. 1, 1984): 10–20, 15.7; 20–40, 15.9; 40–100, 19.4; 100–200, 21.5; 200–500, 27; >500, 36.6.
Analysis: Nonre total, 101.96; FmHA, 15.48; CCC, 10.32; Non-Com'l, 18.58; Bal, 57.58; Excl high risk, 23.03; Excl part time 5.00. Bal Full time, 29.548. Est full time, in trouble with 40–70 pct d/a ratio, 2.9548 bil dlrs.

CA PROGRAM RESTRUCTURE $2,954 BILLION IN CURRENT DEBT

[In millions of dollars]

Two programs	A	B	Total
Guarantee approved lender	739.70	590.96	[1] 1,329.66
Interest subsidy	0	0	0
Administrative cost	51.709	41.3672	93.0762
Total	51.709	41.3672	93.0762
FmHA OL			
Limited resource	738.70	0	[2] 738.70
Insured	0	886.44	886.44
Subsidy, CCC at 10, 5	180.06	16.62	196.68
Administrative cost	110.81	132.97	243.77
Total	290.86	149.59	440.45
Total credit	1,477.40	1,477.40	2,954.80
Total govt. cost	342.57	190.95	533.53
Annual govt. cost	26.78	15.88	42.66

[1] Much of the credit would be available government subsidized interest.
[2] Subsidies would be required for 55 percent of the credit under plan.●

LEGAL PROTECTION FOR WHISTLEBLOWERS

● Mr. SIMON. Mr. President, today I am introducing the whistleblower's bill with my distinguished colleagues, Senators HEFLIN and GRASSLEY. This bill provides protection for those workers in the Government who display honesty and forthrightness in uncovering waste and abuse in their workplaces.

In these times of imperative deficit reduction, we must assume the responsibility of eliminating the $1,000 coffeepot. Too often the whistleblower is subjected to harassment or dismissal merely for exposing abuse. This bill encourages Federal employees to come forward without fear of reprisal.

The bill allows the Special Counsel to seek Federal court redress. Currently, the Office of Special Counsel is limited in its authority. K. William O'Connor, the Special Counsel, has stated that whistleblowers should not expose waste because he does not have the power to protect their rights.

Yesterday, a record trade deficit was announced. We cannot afford to allow this bill to be overlooked.●

KIM DAE JUNG

● Mr. HARKIN. Mr. President, on Tuesday, I attended a luncheon honoring Kim Dae Jung. Mr. Kim is regarded by many as the most important voice for democracy in South Korea. I believe that Kim Dae Jung's return to South Korea is an opportunity to move that country toward democratic values that we in the United States value so highly.

Clearly, with the great ties that we have with South Korea, many in the Congress are closely watching to see how Kim Dae Jung will be treated when he arrives. We are hoping that he will have the chance to fully and openly participate in South Korea's political processes.

Mr. President, I request that the remarks I gave at the luncheon be printed in the RECORD.

The remarks follow:

I am pleased to join the Center for International Policy and the North American Coalition for Human Rights in Korea in this testimonial luncheon for Kim Dae Jung. Both organizations are in the forefront of the movement to bring about democracy and human rights in Korea, and it is indeed fitting that they should convene this gathering of American friends of South Korea and the leaders of human rights organizations in connection with his decision to return to his homeland to participate there directly again in the restoration of democracy.

Let me briefly touch on the grave injustices done this brave man:

In 1971 he was deprived of the Presidency of his country by a fraudulent national election, the last Presidential election in that country with more than one candidate.

In 1973 Mr. Kim was kidnapped by the KCIA while on a visit to Japan. The names of the kidnappers are known to both the Japanese police and the South Korean authorities. Yet they are still free in South Korea ever since Mr. Kim has been persecuted.

Between 1973 and 1980 Kim was tried on two separate occasions for speaking out against President Pak Chong-Hee, he was imprisoned and subsequently released under house arrest.

In 1980 Mr. Kim was again tried—this time essentially on charges of sedition—charges which our State Department termed "far fetched." He was sentenced to death after a trial which several international legal groups decried as a mockery of due process of law.

In 1981 the death sentence was commuted to life in prison, and in 1982 this sentence was reduced to 20 years as part of a deal between our two Governments in order to pave the way for South Korean President General Chun Doo-Hwan to visit the United States.

In December 1982 Mr. Kim was exiled to the United States "for medical reasons."

During the past year Mr. Kim has been a Fellow at the center for international af-

fairs at Harvard. Mr. Kim has now announced his intention to return home. The South Korean Government responded both in Seoul and Washington by stating that if he returns, Mr. Kim will be reimprisoned. Seoul now appears to be backing away, as they realize their intention to jail Kim could complicate the South Korean President's projected visit to Washington in April.

The bizarre events that have befallen Mr. Kim are enough to boggle the mind. Indeed for the past 15 years Mr. Kim has been persecuted for his political beliefs as have few other advocates of democracy. He stands here today in the tradition of other great leaders of human dignity—Mahatma Gandhi, Martin Luther King, Benigno Aquino, Raul Alfonsin of Argentina, Bishop Tutu of South Africa, and Archbishop Oscar Romero of El Salvador.

Kim's views on democracy have been decried by his enemies as insignificant. In fact, Kim is the disciple of our own Thomas Jefferson, and strangely enough his belief in Jeffersonian democracy was among the incredible charges brought against him during his infamous trials. If Kim's role were insignificant, why then has the South Korean Government gone to such lengths to obstruct his return home?

The fact is that Kim is regarded by most political analysts of Korea, and this obviously includes those in the South Korean Government itself, as the most important voice for democracy in South Korea, and the leading critic of that Government's repressive rule.

South Korea is an important ally of the United States. We have spent our blood and treasure in its defense. And we are currently committed by treaty to defend freedom in South Korea. We have spent billions in economic and military assistance, and we have supported its cause internationally—in the United Nations, the specialized agencies, and the international financial institutions. It is important to the United States that South Korea become a viable democratic country, just as it is important to us that it maintain a free economy.

The defense of Korea from aggression can best be accomplished if Korea establishes an open society and Americans can identify with the Korean people's democratic aspirations. How can Americans be asked to sacrifice for a Government which essentially is undemocratic? Surely we have not forgotten all the lessons of Vietnam. Certainly then our national security and human rights in South Korea are interrelated as in every other country.

In the past, our State Department has publicly characterized Mr. Kim as a "respected political leader" and a "friend of the United States." It knows that the charges against him are fraudulent and politically inspired by enemies of democracy. Yet today, the State Department is showing great restraint in supporting his right to return home and to participate in the political process. Limiting our support for Kim to a limp hope that his return will be "trouble free" is not enough.

Mr. Kim is a political leader who is worthy of all-out American support. We should in both quiet diplomacy as well as public posture be saying loud and clear that our future relations with Korea will hang largely on how he is treated in South Korea. He believes in the same democratic values we do, and he represents the aspirations of millions of South Koreans for democratic government. He is entitled to a more forceful defense of his political liberties and rights than he is receiving.

I am pleased to join with others in this room and throughout our country in this expression of solidarity with his cause and his noble crusade for human dignity. We ask only that his safety be assured and that his civil and political rights be restored so that he can participate freely again in the political affairs in his country. We have faith that the Korean public will make the right choice as to his political future as they have before in other instances when granted the opportunity to express themselves freely for democratic government.●

THE U.S. TRADE DEFICIT

Mr. JOHNSTON. Mr. President, the United States has earned the inglorious title of being the world's largest debtor nation. The Commerce Department announced that the U.S. trade deficit is higher today than at any other time in history.

Twenty years ago, the United States exported 11 percent of all goods produced and imported a mere 8 percent of goods consumed here. Today, we export over a quarter of all products we produce and import almost one-third of the products we consume.

These figures are not meaningless. They reflect the loss of millions of U.S. job opportunities and billions of dollars in lost output. Sustained trade deficits promise to gravely impair the economic health of U.S. industries.

The Reagan administration's budget policies have produced enormous budget deficits and high interest rates which have had disastrous results on U.S. trade. These large budget deficits have attracted foreign investors to the United States like magnets. The influx of foreign capital into the United States helps shore up the exchange value of the dollar. The result is an overvalued dollar and an economy quite dependent on the decisions of foreign investors.

We cannot continue to ignore this existing trade pattern. Our domestic laws and international rules no longer respond to the unfair trade practices that currently place barriers on U.S. trade. My colleagues, I trust, are well aware of my support of a free market economy. Our trade policy, however, should provide the opportunity for the United States to compete equally in world markets. At no other point in history has it been more critical than now to strengthen the open and free trading system. We must continue to advance the economic interests of the United States in the world trade market.

The time is long overdue for the development of a coherent international policy. The administration has failed to recognize the severe impact these enormous trade deficits have on the U.S. economy. In 1981, the trade deficit was $40 billion. Today, it is a staggering $130 billion. Yet we have seen little direction by the administration in the form of a policy change.

I applaud the efforts of my dear friend, Senator BENTSEN, whose persistence and knowledge has led the Senate to confront the problems of our trade deficit. I look forward to working with him in the coming months.●

FREEZE DEFENSE SPENDING

● Mr. HEINZ. Mr. President, reducing the size of the Federal deficit must be the most important task we confront in the coming weeks. The American people are prepared to make the sacrifices necessary to help us achieve this objective.

However, unless we freeze defense spending, there will be a total breakdown in our ability to convince the American people that our deficit reduction package is either fair or sensible. We will never reach agreement on spending cuts of the magnitude we need without including defense in an across-the-board freeze, and no freeze will ever be enacted without defense bearing its share. The American people see that as fair, and I think they are pretty much on the mark.

Mr. President, this Nation is strong and secure enough to freeze defense spending. Most of the arguments I have heard against a freeze of Defense Department budget authority are either based on misinformation or greed. More simply, this Senator takes strong exception with recent statements which indicate that a freeze will either jeopardize our national security or inhibit our ability to negotiate meaningful arms reductions with the Soviet Union.

The facts, Mr. President, are exactly the opposite from what many who oppose the defense freeze assert; unless we seek deep cuts in DOD budget authority, we will ultimately erode the readiness of our Armed Forces.

Consider that between fiscal year 1980 and 1985, DOD budget authority increased by $150 billion. Every major program requested by the administration has been accommodated. Procurement has grown by over 100 percent from $48 billion to $97 billion. More important than this dramatic increase in the so-called investment accounts is the fact that we may not be able to pay for all these weapons. In fact, last January the Congressional Budget Office estimated that at some point in the future we will have to find an additional $100 billion to pay for all the weapons contracts DOD has signed. In short, the defense budget is out of control. By 1989 CBO has estimated that outlays from prior years appropriations will comprise 42 percent of defense outlays.

The consequences of such mismanaged overspending are obvious. Unless we get defense spending under control, we will end up robbing readiness and operations and maintenance accounts to pay for bloated procurements bills when they come due. Ultimately, unless we pull the reigns in on defense procurement, we will find ourselves compromising our conventional capabilities.

This is why our strategy with regard to the defense budget must be to freeze budget authority rather than outlays. We must avoid falling into the trap of seeking deep outlay savings in 1986 which can only come from our readiness and personnel accounts.

A Defense Budget freeze would give the Defense Department about $30 billion less in budget authority than the Pentagon is asking for in fiscal year 1986 and would ensure that the procurement accounts are affected. Such a strategy would realize that amount of outlay savings over several years, not all at once. Most importantly, this approach would mean that savings would not have to be directed at quick spending accounts—fuel savings, military pay, steaming hours or flying hours—all of which provide near-term outlay savings but negatively impact our main defense objective: military readiness. Rather, a freeze in defense spending budget authority at fiscal year 1985 levels would require DOD to establish priorities, eliminate redundant procurement, and either cancel weapons programs or stretch them out. Such an approach makes sense from the perspective of sound management, and makes sense for the national security of this Nation.

Now, Mr. President, let me take a moment to assess the impact of a freeze on defense spending on our ability to negotiate an arms control agreement with the Soviet Union. The fact is that the Soviet Union has returned to the negotiating table in part because President Reagan in concert with the Congress has embarked upon a program to significantly increase the capability and credibility of our strategic forces.

Consider that the area of largest growth in the defense budget has been in strategic forces. From fiscal years 1981–84, the portion of the defense budget allocated to strategic forces has experienced average annual real growth of 27 percent compared to 8.5 percent for general purpose forces and 9 percent for the defense budget as a whole.

This 27-percent figure does not take into account the 15.5-percent average annual real growth in the Department of Energy nuclear weapons budget, or the substantial amounts of money in R&D for the weapons life of the B–1 or the MX, or dollars allocated for either the strategic defense initiative or theater nuclear forces.

The Senate has thus far ratified actions which will lead to the eventual deployment of: 100 MX missiles; a new single-warhead small ICBM in the early 1990's; by the late 1980's, 100 B–1 bombers and by the early 1990's, 132 advanced technology or Stealth bombers; deployment by 1988 of about 400 nuclear-armed sea-launched cruise missiles on some attack submarines and surface ships; and continued procurement through 1993 of Trident submarines at the current rate of 1 per year to a total of 20 and the deployment on most Trident submarines by 1996 of the new D–5 missile.

Mr. President, the cost of these efforts has been estimated by the Congressional Budget Office to be $50 billion a year in budget authority and $250 billion over the fiscal year 1984–88 time period to build, operate, and modify these strategic forces.

Now, we can disagree about the priorities established by the Defense Department. Certainly, I for one am very concerned that we have emphasized the modernization of our strategic forces at the expense of our conventional readiness. But the fact remains that a freeze on defense spending, in light of the level of modernization already undertaken, will not erode our long-term strategic capability.

A freeze in defense spending only means that we must establish realistic priorities in the way we spend our defense dollars. It means that we may have to slow down our procurement. It means ending outright programs of marginal utility. It does not necessarily mean that we must cancel programs which are vital to our national security, but it does mean that we must be honest in our assessment of what is or is not important.

Let's take an example. The conventional wisdom is that the $1.4 billion we are spending in fiscal year 1985 on the technologies associated with the strategic defense initiative brought the Soviets back to the negotiating table. It is my understanding that the administration will propose to increase SDI research by $2.4 billion to a total of $3.8 billion for fiscal year 1986. Should we be expected to believe that our ability to negotiate with the Soviets will be impaired if we allow SDI research to grow, but at a more reasonable rate? Would a $2 billion program—still a 40-percent increase—create any less leverage with the Soviets than a $3.8 billion program in light of President Reagan's will to proceed to find and create a strategic defense capability? I think not.

Mr. President, the strategic defense initiative is just one example of how a more modest level of effort can be achieved under a budget freeze without jeopardizing our long-term national security interests. Many more programs can be adjusted in a similar manner—if there is a will to do it.

Let me close by saying that this Senator and the American people want a strong national defense. The best way to maintain consensus for a strong national defense and avoid the apathy which affected defense spending in the 1970's is to ensure that DOD is the equal partner in any deficit reduction scheme which expects significant sacrifices from the American people. Failure to address the deficit will sap the economic vitality, the lifeblood that allows us to make and keep our defense and foreign policy commitments. In the final analysis, our national security is dependent upon our economic strength and health.●

REVENUE SHARING—S. 318

● Mr. PRYOR. Mr. President, I rise today to express my strong support for S. 318, a bill introduced by Senator HEINZ to reauthorize the General Revenue Sharing Program through 1991, and I ask unanimous consent that I be added as a cosponsor.

I believe Congress has a compelling responsibility to take substantive action to reduce the incredible deficit which our Nation currently faces. However, this program, which we are supporting at fiscal year 1985 levels, should not be allowed to expire. On the contrary, funding for this program has remained constant since 1976. The reauthorization bill continues the present $4.6 billion annual program. It is, therefore, a glowing example of a Federal program which has both served its purpose well and has done so without budget increase for almost 10 years.

As a former Governor, I have seen first hand the efficiency and worth of this program to local governments. It provides money for many essential services, such as law enforcement, fire protection, community development, and transit projects, just to name a few. The key characteristic, and overwhelming justification, for the continuation of revenue sharing stems from the fact that local governments are able to use the funds to meet their unique needs without the customary bureaucratic redtape with which taxpayers have grown so tired and frustrated.

Mr. President, taxpayers across the country are demanding accountability. This program provides that much-deserved accountability by returning to the citizens the power to have some direct say in the allocation of their tax dollars. In doing so, Congress is telling our constituents that we care about their needs as they preceive them. After all, it is clear to me they know much better than Congress or the administration what services they need the most.

General revenue sharing is a program that has met and exceeded ex-

pectations. It is a program to assist hardworking citizens across this country in obtaining services which benefit individuals and enrich communities.

Finally, Mr. President, general revenue sharing returns taxpayer dollars to taxpayers. I can think of nothing more appropriate.

I hope we can act on this important measure in the very near future, and I urge my other colleagues to join in this effort.●

COSPONSORSHIP OF SENATE RESOLUTION 53 AGAINST RETROACTIVITY OF MAJOR TAX REFORM

● Mr. D'AMATO. Mr. President, I rise today as a cosponsor of legislation, Senate Resolution 53, introduced by my friend from Connecticut, Senator DODD, to put the Senate on record that major tax reform should be effective only upon enactment and that transition rules should be incorporated into any tax reform legislation to cover prior transactions.

Everyone knows that tax reform is in the air. The Treasury Department has proposed its version of a modified flat tax. Many leading Democrats and Republicans in the Congress have also proposed their own tax reform proposals. While the fate of tax reform legislation is uncertain, the impact of the Treasury proposal has been awesome.

Economic transactions that would be impacted by tax reform have been halted in place. This is because taxpayers have no idea whether tax reform will be enacted and in what form. This freeze in economic activity is bad for the economy.

Senate Resolution 53 will be a notice to the market and Treasury that any future tax reform will not leave the Senate with a retroactive effective date. Senate Resolution 53 will put the Senate on record protecting transactions, like the purchase of a home, from the provisions of major tax reform.

Mr. President, I urge the Senate to quickly adopt Senate Resolution 53 as part of any move to reform the Tax Code.●

RUBEN BURKS

● Mr. RIEGLE. I rise today to pay tribute to Ruben Burks, a man whose works have been integral to the growth of the UAW into an international organization. He is a tremendous community leader who has contributed countless hours to many organizations in Flint, MI.

Since his arrival in Flint, Ruben Burks has been active in union matters, as well as community affairs. His first job was in the Fishery Body Plant No. 2, where he became involved with local 598 of the union, serving in a number of capacities ranging from alternate committeeman to a member of the executive board. At the same time, he was a major force on the education, fair practice, and recreation committee.

For 6 years he served as secretary-treasurer of the UAW General Motors Sub Council, No. 2, which represented 11 Fisher Body plants. He then moved up to the region 1-C staff, and became international representative for Fisher Body locals, Chevrolet locals, and for the membership in the independent parts and supplier plants. Two years ago, Ruben was appointed assistant director of UAW region 1-C.

While he has devoted great amounts of time and energy to his UAW responsibilities, Ruben Burks always reserved a part of himself for the community. He has been involved with many organizations, too numerous to list in their entirety. They range from the United Way to the Special Olympics, to the Goodwill, the Boy Scouts, and many others, all indicative of his commitment to make Flint a better place to live.

Ruben Burks' accomplishments as a loyal public servant and concerned community leader are an inspiration to us all. For 30 years, his efforts have helped to form the UAW into a proud and successful institution. I salute Ruben Burks, as does the UAW and the city of Flint for his valuable contributions.●

GRADUATE MEDICAL EDUCATION: A PROPOSAL FOR REFORM

● Mr. QUAYLE. Mr. President, it is my intention to work toward a reform of the system of Federal funding for graduate medical education. I believe that this reform is necessary both for reasons of policy—to make the educational system more responsive to the Nation's health needs—and as a matter of fiscal prudence. I have outlined my basic approach below and will welcome comments and suggestions as I move toward turning this proposal into specific legislative form.

Graduate medical education [GME] is the generic term for the clinical training that interns and residents receive in the various specialties and subspecialties of medicine. This training is an integral and necessary component of the education of the physician in preparation for clinical practice. At the present time, the majority of States require at least 1 year of graduate medical education for licensure to practice medicine.

Graduate medical education is conducted in the Nation's teaching hospitals. Most GME programs are conducted in the over 400 hospitals that hold membership in the Association of American Medical Colleges' Council of Teaching Hospitals. GME programs vary in length depending upon the nature of the specialty training, but generally range between 3 years, for general internal medicine and pediatrics, and 7 years, for thoracic surgery and other surgical subspecialties.

GME programs have always operated on the premise that the patient care and educational components of the clinical training experience are completely interwoven and thus all program costs should be accepted as a part of the cost of providing patient care. This principle was accepted at the time that the Medicare Program was established in 1965. For the past 20 years, Medicare has paid from the hospital insurance trust fund the costs associated with GME programs. Indeed, until recently, all third-party payers have paid their proportional share of the costs associated with these programs. However, during this time, payers have exercised no influence over the number of training positions, the amount of the stipend associated with each position, or the distribution of positions among the various medical specialties. At the present time, therefore, there is "open-ended" funding for GME programs. Each hospital can determine if it wants to establish GME programs, the kind of specialty training it wants to offer, and the number of positions to offer without any consideration of the costs involved.

The impending insolvency of the Medicare hospital trust fund and concern with escalating health care costs in general have focused attention on the appropriateness of the educational costs incurred by the teaching hospitals. Indeed, the 1982 Social Security Advisory Council recommended that the Medicare Program discontinue paying educational costs from the hospital trust fund. However, the Council recognized that simply defunding GME programs would result in a severe disruption in the system of medical education that exists in this country and thus recommended that Medicare continue to pay these costs until an alternate source of funds could be identified. Along similar lines, the inspector general of the Department of Health and Human Services has recommended that the Medicare hospital trust fund should pay for only the first year of clinical training. According to this recommendation, residents would support themselves in subsequent years by billing patients for the services provided.

I do not believe that either of these approaches are practical if we wish to maintain a system of high quality graduate medical education for the training of physicians in this country. I believe that it would be inappropriate to divorce the funding of GME programs from the revenue that hospitals receive for providing patient care services. Accordingly, I believe that

Medicare should continue to pay its fair share of the costs of appropriate graduate medical education programs. In my view the issue, then, is not whether Medicare will continue to pay GME costs, but whether Medicare will continue to pay in an "open-ended" fashion regardless of the appropriateness of the GME system that exists in this country at the present time. In this context, the focus of the debate shifts from a concern with financing mechanisms to a concern with physician manpower issues.

Since publication of the Report of the Graduate Medical Education National Advisory Council in 1980, attention has focused increasingly on the excess supply and geographic and specialty maldistribution of physicians in our society. As a result, there is a growing consensus that a larger percentage of medical school graduates should be trained in the primary care specialties, rather than the medical and surgical subspecialties. In this context, the Federal Government has attempted during the past decade to promote primary care training, using several different approaches with little success. Presently, the Public Health Service provides grants to help fund primary care GME programs. However, the amount of money distributed by these grants is inadequate to affect significantly the distribution of GME positions among the various specialties.

While I believe that it is appropriate for the Medicare Program and, incidentially, other payers to continue to pay the cost of GME programs, I believe that Medicare should pay only when it can be documented that institutions have responded in a responsible fashion to important societal issues regarding the number and specialty distribution of physicians.

There are three general principles which should be considered in any legislative proposal which would link Medicare support for GME programs with institutional compliance with national guidelines reflecting sensitivity to physician manpower issues. These principles are:

First, there should be an opportunity for every graduate of an LCME-approved U.S. medical school to compete successfully for a position in an approved and funded GME program. Since GME training is required for licensure in almost all States, we must be certain that every qualified graduate has the opportunity to compete for the training necessary to complete his or her medical education. Recognizing the concerns about an oversupply of practicing physicians and the need to constrain Medicare expenditures, it is important that the number of first-year training positions offered throughout the country approximate the number of graduates of U.S. LCME-approved medical schools.

Second, there is no requirement that each graduate be able to receive training in the specialty of his or her choice. At the present, there is intense competition across the country for positions in the various specialties and in the various teaching hospitals. This is desirable. Individuals who choose to enter medical school must recognize from the outset that society does have a legitimate interest in the specialty distribution of physicians practicing in this country and that the individual may have to accommodate to society's needs when competing for GME training.

Third, education and patient care are completely interwoven in GME programs. Thus, it is essential that the educational component of an institution's GME program must meet uniform standards of quality if the institution is to be eligible for Medicare funds for its GME programs. These standards should be developed by appropriate private sector bodies and applied in a critical fashion when evaluating individual programs. Furthermore, since medical education, in a larger sense, is the responsibility of our Nation's medical schools, each teaching hospital must have an appropriate affiliation agreement with a U.S. medical school that will further attest to the quality of the institution's GME programs. A hospital must not be able to justify maintaining a GME program simply and solely on the basis of the patient care services provided by the physicians in training.

Within the context of these general principles, there are three specific steps which should be taken to address the specific manpower issues.

First: A larger percentage of graduate physicians should enter training in the primary care specialties of internal medicine, pediatrics, family medicine, and obstetrics/gynecology. In order to be eligible for Medicare funds to support GME programs, the majority of positions offered by a single hospital or a group of hospitals sharing an affiliation agreement with a U.S. medical school must be in the primary care specialties. I do not favor allocating positions by specialty because there is useful and desirable variation in the capability and capacity of the teaching hospitals to provide specific forms of training. I would simply require that some majority of all positions, for instance 70 percent, should be allocated to the primary care specialties and the balance to the nonprimary care specialties, without any concern for the distribution of those positions among the various specialties and subspecialties in each major category. All positions funded by patient care generated revenues, including hospital and physician charges, would be counted in determining compliance with the distribution formula. I believe that a private sector body, similar to the Graduate Medical Education National Advisory Council, should be charged with monitoring physician manpower data and making recommendations on the percentage of positions to be allocated to primary care training. These recommendations should be made every 5 years and become operative only after an appropriate time has expired to allow institutions to make adjustments in their GME programs, probably 2 years.

Second: In view of the projections that there will be a substantial excess of physicians in this country by the end of the decade, it does not seem appropriate for Medicare to continue to provide funds in an open-ended fashion for GME training for graduates of foreign medical schools who, by virtue of the training they receive, become eligible to establish practices in this country. Clearly, highly qualified graduates of foreign medical schools should have the opportunity to compete with graduates of U.S. medical schools for GME positions. In order to encourage true competition for positions, Medicare should pay educational costs only when at least 75 percent of trainees in a GME program are graduates of an LCME-approved U.S. medical school.

Third: In order to assure nationwide compliance with these manpower criteria, it is essential that responsibility for coordinating GME programs be vested with institutions that are in the position to negotiate with teaching hospitals to reallocate positions in their GME programs. I believe that undergraduate and graduate medical education should be better coordinated and that this responsibility should be placed upon the Nation's medical schools. The medical schools already have substantial influence over the teaching hospitals by virtue of supplying graduate physicians to fill GME positions and by maintaining a degree of supervision and control over the clinical faculty teaching in GME programs. By requiring each teaching hospital that wishes to be eligible for Medicare funds for GME to have an affiliation agreement with a medical school, the school will be appropriately armed to negotiate with each institution to alter its GME programs. Similarly, this arrangement will provide an incentive for the school to take the leadership in seeking out new sites for primary care training to accommodate the additional students that will be required to enter primary care GME programs. I believe that it will be to the mutual benefit of the medical schools and the affiliated teaching hospitals to work in a cooperative manner to achieve the appropriate distribution of positions required by this proposal.

In summary, I believe that attention to these principles should allow us to

develop a consensus around which a legislative proposal can take shape which will result in a more rational system of GME in this country. Although I have focused my comments on the manpower sensitive issues, I would like to add that I believe that a proposal based on these principles will result in cost savings for the Federal Government. First, it seems likely that the number of GME positions will decrease under such a proposal. Second, I believe that it is desirable to impose a cap on the stipend the Medicare will pay for each GME position. Finally, if appropriate attention is paid to the need to shift GME positions from nonprimary care to primary care specialties, it should be possible to discontinue the Public Health Service grants which promote primary care training since they will no longer be needed for this purpose.●

TRIBUTE TO PRENTICE WITHERSPOON, PRESIDENT OF THE UNITED FOOD & COMMERCIAL WORKERS UNION, LOCAL 328, AFL-CIO

● Mr. PELL. Mr. President, I should like to take this opportunity to congratulate a dear friend on his many years of devoted service not only to his union and its membership but also to many other Rhode Islanders. Prentice N. "Red" Witherspoon, retired this month after 8 years as the president of the United Food & Commercial Workers Union, Local 328 in Providence, RI, and decades of outstanding service to organized labor and the entire Rhode Island community.

Red has been involved in the retail food industry in a great many capacities since 1946. In 1951, he led the first major organizing campaign to unionize the United Public Markets, now Star Markets, in an effort to obtain better wages and working conditions for its employees. Several years later, in 1957, Red accepted a full-time organizing position with Local 328 of the United Food & Commercial Workers Union. From 1957 until 1977 Red served as shop steward, organizer, press correspondent, recording secretary, vice president, legislative agent, safety coordinator and business representative for Local 328. Since January he has served as president of Local 328.

In addition to serving the membership of Local 328 of the UFCW, Red served the citizens of Rhode Island in many ways. He has been chairman of the Public Relations Committee for the Twin Valley, Boy Scouts of America; a member of the Budget Committee for the Catholic Charity Fund, chairman of the Rhode Island AFL-CIO Community Service Committee, vice president and executive committee member of the United Way of Southeastern New England, a member of the parish council for St. Mary's in Crompton, and a member of the Rhode Island Consumers Council. He is a former member of the board of trustees for Rhode Island Historical Society and a former member of the State of Rhode Island Board of Regents for Education. Additionally, Red continues to serve the people of Rhode Island as a member of the board of governors for higher education, as chairman of the Consumer Relations Committee for the RI Group Health Association, as vice president of the Rhode Island Institute for Labor Studies and as corporate secretary and member of the executive committee of the Rhode Island Group Health Association.

As anyone can conclude from the description of this man's activities he is as dedicated as he is energetic in his service to his membership as well as to his community. Red has been a dear personal friend for a great many years. He is a rare individual who always impressed me with his broad imagination and his never ending range of solutions to the difficulties confronting his membership, his fellow workers and his fellow citizens. I particularly appreciate his support of the concept of codetermination, or concept I have pursued for a number of years.

I extend to him my congratulations on his outstanding contributions to the labor movement and to the entire Rhode Island community, and I extend to Red and his family my very best wishes for the future.●

EXTENSION OF TRADE ADJUSTMENT ASSISTANCE PROGRAM NEEDED THIS YEAR

● Mr. HEINZ. Mr. President, one of the most cogent editorials I have seen on trade policy recently appeared in the New York Times on January 14 discussing trade adjustment assistance—the Government program assisting workers and firms adversely affected by imports.

Any growing economy requires change, and any economic change is going to produce victims—workers and firms in industries that have lost their competitive edges. While I might disagree with the Times as to which industries are in that category—as opposed to victims of unfair and illegal foreign trade practices—we are in accord that such victims exist and that addressing the problem is a legitimate policy question for Government.

It is a practical question as well, for as the editorial notes, and as I have stated in this Chamber on numerous occasions in the past, if Government does not respond to this problem with a viable adjustment assistance program, the import-impacted workers and firms will have nowhere to go but the Congress and nothing to ask for but protection. And they are likely to get it.

Adjustment assistance is the fair price of a free trade policy. The program needs renewal and expansion before its expiration on September 30. This editorial reminds us of both the fairness of the price and the expense of the alternative. I ask that the editorial be printed at this point in the RECORD.

The editorial follows:

[From the New York Times, Jan. 14, 1985]

EVEN OUT THE FREE TRADE PAIN

Why should sweater makers in Hong Kong be permitted to drive New York City garment workers to the unemployment lines? Why should Chile's nationally owned copper company be allowed to force mines in Arizona out of business? Why must steelworkers in Gary have to compete with those in South Korea who make $2 an hour?

There's a good answer to all such questions: Open markets are vital to America's economic interests. But undeniably, free trade creates losers as well as winners. And those who understand the value of free trade have a political—and moral—duty to try spreading the pain more equitably.

Open markets serve America in tangible ways. Unfettered trade gives consumers access to a greater variety of products at lower prices. Trade forces domestic industries to adjust to changing technology before they become hopelessly inefficient. Perhaps most important, trade is the primary source of hope for the world's poor, increasing their stake in a stable world order.

But the advantages of open trade apply to the economy. Americans are better off if they can buy winter vegetables from Mexico at lower prices, but unemployed farm workers in Florida aren't. Tax collectors and grocers and shoe store owners in the crumbling mill towns of western Pennsylvania have no reason to rejoice over the cheap, high-quality steel coming from Brazil.

To try sharing out the sacrifice, the Government started the trade adjustment assistance program in the 1960's. A few hundred million dollars was spent each year on retraining and extra unemployment benefits for workers displaced by imports. But the program never had a constituency. Unions, seeing it only as an alternative to protected, high-paying jobs, labeled it "burial insurance." Liberals saw no reason to favor a relatively small group of workers over worse-off victims of racism or hard-core poverty. So there was little resistance when the Administration last year lobbied to kill the assistance program as a way to cut spending.

True, the $20-a-hour auto workers who refuse to take big pay cuts to preserve their jobs don't need assistance as desperately as ghetto teen-agers who can't read. True, the trade adjustment money wasn't spent effectively. But it still makes sense, practically and philosophically, to pay politically powerful workers to end their opposition to import competition. Consider the steel industry. According to Robert Crandall, an economist at the Brookings Institution, it costs $100,000 a year in higher prices to protect a single steelworker's job.

Nor is it necessarily beyond the capacity of government to provide limited, well-targeted aid to ease the transition for businesses, workers and communities. Such aid

might include training and relocation allowances for younger workers, speeded-up pensions for older workers, subsidized loans for companies and cash grants for affected communities. Assistance would be linked to specific cost-cutting concessions from labor and suppliers and to a gradual reduction of productive capacity. Japan, for example, has managed just such a program for its aluminum industry.

Industry by industry, the battle to maintain open markets is being lost. With nothing else to offer constituents victimized by rapidly changing trade patterns, elected officials succumb to protection. If the drift continues, if Washington continues to deny the possibility of general interest solutions to special interest problems, the economic cost will be enormous.●

GEN. EDWARD ALLEN PARTAIN

● Mr. PRYOR. Mr. President, today Gen. Edward Allen Partain will turn over the command of the 5th U.S. Army and retire after over 35 years in the U.S. armed services.

We in Arkansas, especially those citizens and friends in his hometown of Paragould, are proud of the contributions General Partain has made during his years of service.

A graduate of the U.S. Military Academy, he has risen through the ranks until he received appointment as lieutenant general on January 19, 1983.

During his distinguished career, General Partain has received the Silver Star, Legion of Merit, Distinguished Flying Cross, Bronze Star Medal with Oak Leaf Cluster, Air Medals, Army Commendation Medal with V Device and three Oak Leaf Clusters, Purple Heart with two Oak Leaf Clusters, Combat Infantryman Badge, Master Parachutist Badge, and the Army Aviator Badge.

As an Arkansan and an American, I thought it most appropriate to pay tribute to him today and thank him for his loyal service to our Nation.●

THE EAST LYME HIGH SCHOOL MARCHING BAND

● Mr. WEICKER. Mr. President, I wish to take this opportunity to recognize the East Lyme Viking Marching Band from East Lyme, CT. These 173 high school musicians, through various fund raisers, subsidized their own trip to Washington to march in celebration of the inauguration. The Vikings have performed around the world representing not only East Lyme, CT, but the United States as well. They have an impressive list of honors and awards. They are repeated winners of numerous statewide and regional competitions such as the Barnum Festival, the Groton marching competition and the Woonsocket marching competition. The East Lyme Marching Band is widely recognized as one of the best bands in the State and they are the pride of their parents, the town of East Lyme and indeed all of Connecticut.

While it was a bitter disappointment for all involved, I want the band members to realize what a great honor it is to have been chosen to represent Connecticut on such a prestigious occasion. This has been a memorable experience for all these fine musicians. I would like to extend my admiration and gratitude to the dedicated parents, fans and supporters, as well as each and every band member. Thanks to:

Linda Allik, Daniel Amann, Thomas Amann, Erik Anderson, Michelle Arsenault, Dana Askelson, Mark Askelson, Jana Avery, Robin Balaska, Jennifer Bates, Nancy Bates, Theresa Bates, Michael Begg, Karen Bell, Kathleen Benoit, Amy Bennett, Patricia Benvenuti, Diane Bialowans, Greg Boivin, Suzette Boutin, Michael Brand, Carl Brown, Matt Brown, Michael Brown, Kristine Burkhardt, Robin Burkhardt, Cynthia Burnham, Deborah Burnham.

Lisa Capozzoli, Chris Cavanaugh, Theresa Cavanaugh, Marjorie Cave, Ronald Chao, Tyrone Chao, Karen Christensen, Holly Cini, Christian Coale, Laura Coleman, Keith Crawford, Andrea Cronin, Anna Cushman, Michael Dargel, Ann DeGray, Edward DeLaura, Tammy Denesha, Kristine Dishaw, Catherine Dolan, Vanessa Dorman, Stacey Duke, Michelle Dwyer, Erika Ellis, Brian Faulkner, Dana Fiorillo, Monica Fisch, Catherine Fox, Dawn Fraser.

Wendi Giachino, Dean Gilbert, Denise Gilbride, Debra Gillman, Mary Gilstad, Paul Gilstad, John Graham, Carolyn Gregor, Sonia Greenhagen, Kathleen Hall, Albert Harraka, Stephen Harraka, Kathleen Hartley, Jeff Holleran, Heidi Houseman, Tracy Houseman, Katherine Ingalls, Robert Ingalls, Anne Isleib, Eileen Isleib, Tammy Javor, Elaine Jolly, Peter Jolly, Timothy Kavarnos, Kimberly Kelly, Tracy Kowalski, Mary Kowenhoven, Thomas Kowenhoven.

Kimberly Kress, Kevin Krom, Kari LaFountaine, Laura LaGrotteria, Colleen LaBranche, Jennifer Lanza, Amy Lazev, Scott Lazev, Robert Levandoski, Chressy Lewis, Theresa Liappes, Bithia Lim, Nathan Lim, Elizabeth Lindquist, Dennis Lynch, Mandy MacDonald, Chris MacTavish, Barbara Mahon, Pamela Mahon, Lori Maiorano, Lori Malchiodi, Beth Mansfield, Lori Mansfield, Lynda Manzi, Kari Mariani, Karen Marr, Sandra Marr, Andrea Martin, Renee Mazzella, Valerie McGinley.

Jennifer McKinlay, Troy Mesick, Matt Miller, Jim Mingo, Noel Monat, Tracy Monal, Dean Mooney, Mark Nelson, Kim Page, Cynthia Painter, Theresa Painter, Kirsten Parker, Christine Pellegrino, Paul Peterson, Kathryn Petitpas, Melinda Petteruti, Kirsten Pflomm, Dianne Porucznik, Kurt Prochorena, Mark Reams, Matthew Reams, Robyn Ribner, John Ripley, John Rogers, Teri Rosenblatt, Steven Rozen, Krista Rue, Jennifer Russo, Michael Salerno, Lynne Sanford, Denise Saunders.

Michelle Saunders, Christina Shenas, Sandra Sinagra, Steven Sinagra, Thomas Sistare, Carol Skinner, Melissa Smith, Stacy Smith, Cori Snell, Barbara Somes, Geoffrey Somes, Scott Stadnicki, Diane Steenson, Christy Stevens, Michele Taday, Edward Toth, Sarah Turano, Scott Turano, Sheri Uhrich, Jill Ulery, James Villano, Richard Virgin, Natalie Wagner, Marion Westner, Deborah Whiteford, Scott Whitehouse, Steve Whitehouse, Paul Williams, Ellen Wilson, Ann-Marie Young.

Assistant musical directors: Karen Anthony, Carol Cassanero, Richard DeCapio, Alfred LaPorte III, Gary Rubchinsky, and Robert Shastany. Superintendent of Schools John A. Whritner, chairman of the East Lyme Board of Education David, and Director Donald MacTavish.●

FEDERAL OIL AND GAS LEASING ACT OF 1985

Mr. BUMPERS. Mr. President, I am introducing a bill today that I have introduced three times in the last 5 years. It is popularly known as the competitive leasing bill and it is designed to eliminate what I think is one of the most egregious, outrageous practices that continues unabated in the management of this country's public lands.

Every Senator, with the exception of those who have just come to the Senate, has heard me make this speech no less than a half-dozen times. But I must emphasize again that Government leasing policies for oil and gas on onshore lands not only violate the criminal laws of this country, but are an absolute betrayal of the American people.

I have never been more shocked than I was in 1979 to find that the U.S. Government had leased 33,000 acres of the choicest natural gas lands that in Arkansas on a first-come first-serve basis for $1 an acre. I was shocked by the blatancy of it, but I was even more shocked having come from the Governor's office of the State of Arkansas because our State laws demand that every single act of the State—every lease, every purchase—be done on a competitive basis. But I found that an anachronistic practice which is a carryover of the 1920's still exists in our Federal leasing policies.

I cannot really believe that there ever was much justification for the system, but if there was, it has long since terminated.

Let me explain the three ways that you can lease onshore lands from the Federal Government. But first I might point out that 548 million acres of land that belongs to the United States is subject to this kind of leasing.

One, any person can go to the Bureau of Land Management in the Department of the Interior and say, "There is a 2,000-acre tract of land" or whatever size tract of land they have found in some State, we will say in Wyoming, "and I would like to lease that land for $1 an acre."

The Bureau of Land Management then says, if that land is not over a "known geological structure," which is referred to as a KGS, "you can have it."

That is what happened to 33,000 acres of land down at Fort Chaffee, AR, 2 miles from my home.

Fort Chaffee is surrounded by roughly 500 producing gas wells, and the only reason the 74,500 acres at Fort Chaffee had never been leased is because for many years the law prohibited the leasing of military reservations for oil and gas exploration.

But in 1976, we amended the law to make military reservations subject to lease. The Texas Oil & Gas Co. immediately went to the Bureau of Land Management and said, "We picked out 33,000 acres down at Fort Chaffee we want to lease."

The Bureau of Land Management said, "You go down to Tulsa, OK, and get the U.S. Geological Survey to sign this piece of paper that this land is not over a known geological structure and you can have it."

A gentleman from Texas Oil & Gas took off for Tulsa, spent 2 hours there, came back the next day, wrote the Bureau of Land Management a check for $33,000 and left with a lease for 33,000 acres that was worth $100 million.

And we talk about cutting waste, fraud, and abuse in government.

We talk about all the things we are going to do to bring deficit spending under control and yet we continue to allow a policy like this to continue.

Well, Mr. President, that story has a happy ending. It has two happy endings.

When I discovered that the BLM had leased this 33,000 acres for $1 an acre, I asked Senator BOREN of Oklahoma to hold a hearing so that we could find out what was going on. He did, and I must say the U.S. Geological Survey, an agency for which I had a great respect, acquitted themselves in a very poor manner in that hearing.

USGS could not explain what a known geological structure was. No wonder the BLM could not put it up for competitive bids. They could not tell you what a known geological structure was. There was no such thing. You would have had to have oil spouting out of the ground in the middle of the lease for the BLM to put the land up for lease on a competitive basis.

But because of those hearings and because I was squealing like a pig under a gate, a year later the BLM leased another 24,000 acres in Fort Chaffee. But this time they put it up for competitive bids and the land brought nearly $1,300 an acre, or $43 million. Later I got a bill passed to return half of that money to the State. The only reason a bill was necessary to do that was because of an oversight when Congress opened military reservation to leasing. I had to get a special bill passed in order for Arkansas to get what other States had been getting all along for oil and gas leases on Federal lands.

The Interior Department canceled those leases, but the second happy ending is that the Texas Oil & Gas Co. appealed the cancellation of those leases. Without belaboring the long trial, 2 weeks ago the Supreme Court affirmed the district court and a court of appeals decision which said that the leases should never have been granted noncompetitively to Texas Oil & Gas and, therefore, that that 33,000 acres is now free to be leased again.

Now is not the best time in the world to lease for natural gas because gas and oil are both a glut on the market right now. But in any event, that 33,000 acres will eventually be put up competitively, and instead of the U.S. Government and the State of Arkansas getting $1 an acre, those leases could bring as much as $5,000 an acre, or as much as $100 million. I daresay it will not bring less than $50 million.

The second way lands are leased by the Bureau of Land Management is that you send them $75 and they will put your name in a lottery. Once every 2 months they will whirl the squirrel cage and pull out a name. If you happen to be the winner, you get the tract of land under consideration for $1 an acre. By the way, none of that $75 you pay to get your name put in the squirrel cage goes to the States. The States only get half of the $1 an acre paid for the lease.

Out in Wyoming in August 1983, the BLM put up for lease several thousand acres of land in 18 separate tracts by lottery.

The people who happened to get their names pulled out of the squirrel cage got, for example, 500 acres of land for $500, or $1 an acre.

I want to point out to you that this land that was being let was in the Ames Draw region in Wyoming and within eyeshot of the biggest oil find in the United States in the past 5 years—12 of the 18 happy winners sold their winnings for $50 million to $100 million within 6 weeks.

The Government, counting the $75 entry fee, plus the $1 an acre, received, I think, just over $1 million. Just 12 of the 18 winners sold those leases for at least $50 million. You should also bear in mind that most of the winners would not know an oil derrick if they saw one. These are people in Fort Lauderdale, they are people in Wyoming, they are people from all over the country who are shooting craps, just like they would in Las Vegas. The lottery players do not want to develop those leases. They want to win something that is worth of lot of money. In that one lottery drawing in Wyoming, the Government got only $1 million for what was worth $100 million.

The third way we lease lands occurs if the Bureau of Land Management determines that a particular tract to be leased is over a known geological structure. It then must be leased competitively.

Mr. President, do you know how much land leased in this country is leased competitively? We lease around 12 million acres a year, and only 2.7 million is let competitively; 97.3 percent of it goes for $1 an acre.

If I had done that while I was Governor, I would be in jail.

Mr. President, I have been objecting to this for 6 years, and the truth of the matter is that those who favor this system, and who benefit from it, have successfully defeated me every time I brought it up on the floor.

Last year I went door to door and I talked to Senators. I thought I had 51 votes. Unhappily, I did not get a chance to offer it except on the continuing resolution and it was admittedly legislation on an appropriation bill. The Senate was not in the mood to vote for proposals like this on a continuing resolution. I understand that.

But should we continue this egregious policy of leasing noncompetitively the public resources of this Nation which belong to everybody—not 100 Senators, not 435 House Members? Those resources belong to the public.

We go home and make speeches galore and say, "I will treat your money just like I treat my own. I am a fiscal conservative. I promise we will not spend a dime we do not have to. I will be a good guardian of your money."

When Secretary Clark was nominated to be Secretary of the Interior, I asked him, "Don't you own about 800 acres in California?" Yes; he did.

I said, "Do you have it leased for oil and gas exploration?" Yes; he did.

"What did you get for it?" He did not know.

I like Judge Clark. It is hard for me to believe that a man who owns 800 acres of land and leases it for oil and gas does not know what he got for the lease.

Anyway, I said, "Did you get $1 an acre?" He said he got more than that.

I said, "Did you get $10? He said, "I don't know."

I said, "How far are you from an oil and gas well?" He said, "Thirty-five miles."

The Department of Interior would probably pay you to take land 35 miles away from oil and gas wells. They would not charge you $1 an acre.

I said to judge Clark, "You would not sell your land for $1 an acre, would you?" He said no, he would not.

I said, "How in the name of all that is good and holy do you justify this noncompetitive leasing policy which they call the simultaneous leasing system?"

They ought to call it the simultaneous bilk-the-public policy. How anybody can defend that is beyond me. I have never heard one argument that made one scintilla of sense in defending this outrageous system.

Some people think Arkansas is a backward State. Incidentally, I will tell you it is not very backward. We are growing. People are coming from all over the country to live in Arkansas. So many retirees are moving to my State that we are second only to Florida in the percentage of our people over 65 years of age.

I might say when I was Governor my policy never was to see how many people I could stack in that State. I did not think that was particularly good policy. But they were welcome to come.

Anyway, getting back to the point, in Arkansas we have enough sense not to let our lands be leased for $1 an acre; 49 other States now, including Wyoming, which was the last holdout, have the same policy. You cannot lease lands for less than they will bring in competitive bids.

In Arkansas, 2 years ago, the Forest Service turned over to the Bureau of Land Management 2,000 acres to lease for oil and gas exploration. The State of Arkansas just happened to have 80 acres right in the middle of that tract. That was just for the mineral rights. The State did not even own the surface. The State decided to lease those 80 acres of mineral rights.

Of course, you understand the Bureau of Land Management was giving theirs away for $1 an acre. That was cut and dried. But the State of Arkansas put its 80 acres up on a competitive basis and got $107 an acre for 80 mineral acres. We got four times more money for the 80 mineral acres than the Government got for the 2,000 acres that surrounded it.

There is not an acre of land anywhere around any Corps of Engineers lake in Arkansas that brings less than $150 an acre in bonus bids for oil and gas leases. The Bureau of Land Management is continuing to lease the lands around our Corps of Engineers lakes, our national forests, and everything else it can get its hands on for $1 an acre, not only cheating the Federal Treasury, but also cheating the people of Arkansas, who are entitled to half of it.

You will hear a lot of muttering and mumbling around here when I bring this issue up and we begin to debate it. But it is indefensible. There is no justification for it.

Ask anybody on the streets of Washington, DC; Little Rock, AR; or anyplace else: "Do you think the Government ought to be leasing its lands for $1 an acre?" They will demand you take a saliva test. Yet we do it.

Why do we do it? I do not want to implicate any of my colleagues who vote consistently to continue this policy. They get up and say, "Well, little independent operators, mom and pop operators, would not get any land to develop if it were not for this policy."

Is that right? The Bureau of Land Management says that on that 3 percent of the lands we do put up competitively, independent operators get 82 percent of the leases. Of the land that the State of Wyoming owns and puts up on a competitive basis, independents get 80 to 90 percent of the leases. So where is the support for the argument about the mom and pop operators?

Do you know the other argument for this system? The oil companies and the little mom and pop operators and the independents hardly bother to send their $75 in to participate in the lottery directly. Do you know why? There is no point in them putting their names in a hundred times and spending $7,500 to get a shot at winning a lottery when they can go buy it from a little old retiree down in Fort Lauderdale for half that.

The system has always been rife with fraud. The BLM just puts band-aid after band-aid on it but the fraud keeps popping up. The U.S. attorney out in Colorado told me when I first got into this that he had to put extra chairs in his office to take care of the plea bargainers that were coming in during one investigation. People were submitting to the lottery the names of dead people, friends' names, and fictitious names.

A good friend from Arkansas told me that a fellow walked into his office one day and said, "I won this Federal lottery lease. I put my name in there a hundred times on behalf of this oil company." The company then came to him and said, "Well, now, you have won this lease. We are ready to pay you for your trouble." He said, "You know, I think I will just keep this one." They said, "Well, now, just a minute; that's not the way the game is played. "Yeah," he said, "I think I will just keep this one and sell it myself."

Well, there was nothing the company could do about it. The company offered him $42,000 for the lease. But within 6 weeks this fellow had sold his lease for over $100,000 and made himself independently wealthy.

There is just no end to the abuses in this system. ABC and NBC have done segment after segment on it. "20/20" did a segment on this. Everybody talks about it, but the Congress does nothing.

Mr. President, I am not ashamed to tell you we need the money in my State. We are looking forward to that Chaffee lease being let again competitively and bringing in $50 to $100 million because the State is going to get half of the money.

Do you know what the CBO says about this? It said in 1952 that over the next 5 years we could increase revenues by $700 million by leasing all lands competitively.

Mr. President, my bill essentially tracks the leasing policies of the Outer Continental Shelf leasing. I have asked why we should lease onshore lands under a different policy than the one we use offshore. The answer has been that it is because this one is the one on the books and you cannot get it off.

My bill is extremely fair. It simply provides that if two or more people nominate a tract, it will immediately be put up for competitive bids. If only one person nominates it and nobody else indicates interest, he can nominate it again on the second round and, if he is still the only one interested, it will be put up for bids. If that person is the only one who offers a bid, he gets the lease. Who can be hurt by that?

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 373

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. This Act may be cited as the "Federal Oil and Gas Leasing Act of 1985".

SEC. 2. Subsections (a) through (e) of section 17 of the Act entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (30 U.S.C. 226 (a) through (e)), are amended to read as follows and subection 17(f) and following are relettered accordingly:

"SEC. 17. (a) The Secretary may lease onshore Federal lands for oil and gas development by competitive bidding only. Competitive bidding shall be on the basis of those bidding systems set forth in section 8(a)(1) of the Outer Continental Shelf Lands Act, as amended (43 U.S.C. 1337), which the Secretary determines would maximize competition.

"(d) The Secretary shall issue a lease to the highest responsible qualified bidder for each tract offered at a lease sale.

"(e) No lease issued under this section shall be for a tract exceeding five thousand one hundred and twenty acres, unless the Secretary finds that a larger area is nec-

essary to comprise a reasonable economic unit.

"(f) Each lease that the Secretary issues under this section shall be for an initial period of five years and so long thereafter as oil or gas is produced in paying quantities or drilling or well reworking operations as approved by the Secretary are conducted thereon. A lessee may apply to extend the initial term for an additional period or periods not to exceed a total of five years. Each extension application shall include an exploration plan for the extended term. The Secretary, in his discretion, may extend the initial term only if he finds that because of adverse technical, environmental or economic conditions which are beyond the control of the lessee, the lessee cannot adequately explore the lease during the initial five year term or any extended term. Nothing in this subsection shall be construed as affecting existing leases.

"(g) All leases issued under this section shall be conditioned upon payment be the lessee of a rental of not less than $2 per each acre of the lease. Each year's lease rental shall be paid in advance. A minimum royalty of $4 per acre in lieu of rental shall be payable at the expiration of each lease year beginning on or after a discovery of oil or gas in paying quantities on the lands leased.".

SEC. 3. Action taken by the Secretary pursuant to the bidding, nomination, and lease procedures of subsections (a), (b), and (c) of section 17 of the Act of February 25, 1920 (U.S.C. 226 (a) through (c)), shall not be considered "major Federal actions" for purposes of implementing section 102 of the National Environmental Policy Act. Nothing in this subsection shall be construed as affecting the application of section 102 of that Act to the issuance of a lease under section 17.

SEC. 4. Section 30(a) of the Act of February 25, 1920 (30 U.S.C. 187a) is amended by striking the third sentence and inserting in lieu thereof "The Secretary shall disapprove the assignment or sublease only for lack of qualification of the assignee or sublessee or for lack of sufficient bond: *Provided, however,* That the Secretary may, in his discretion, disapprove an assignment (1) of a separate zone or deposit under any lease, (2) of less than six hundred and forty acres, or (3) containing an overriding royalty which exceeds limitations established by regulations.".

SEC. 5. The Secretary shall prescribe such rules and regulations, or amendment to existing rules and regulations, as may be necessary to reflect the amendment made by this Act within one hundred and eighty days after the date of enactment of this Act.

Mr. BUMPERS. Mr. President, I ask unanimous consent that a letter dated April 16, 1984, to Mary L. Walker of the Department of the Interior from Christopher DeMuth of the Office of Management and Budget be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, April 16, 1984.

MARY L. WALKER,
Deputy Solicitor,
Department of Interior, Washington, DC.

DEAR MS. WALKER: Last October the Bureau of Land Management suspended Simultaneous Oil and Gas (SOG) leasing in response to reports of abuse in the program, and on March 15, 1984, the Bureau proposed regulatory changes to improve the program (49 Federal Register p. 9752). Prior to issuance of this proposal, OMB staff met with several Bureau officials to discuss alternative leasing systems and program reforms developed since October. We were impressed by the scope of alternatives considered, the thoroughness of the analysis, and the clear articulation of evaluation criteria.

We believe, however, that the alternative proposed in the March notice—advance payment of the first year's lease rental—falls short of the reforms needed in this program, and is inferior to other approaches according to the Department's evaluation criteria. In our view, a straightforward competitive offer leasing system would be by far the best cure for the deficiencies of the existing SOG program. The rental offer system (in which lands are offered initially at a very high rent, then reoffered at progressively lower rents) also appears to offer substantial advantages over the advance rental proposal.

The primary goal of the noncompetitive oil and gas leasing programs is to promote discovery and production of hydrocarbon resources by assigning leases, quickly and efficiently, to those who are willing and able to explore and develop them. Both a competitive offer system and a rental offer system would accomplish this, without having to rely on the secondary assignment market to correct the inherently arbitrary nature of the lease awards in the current SOG system. This is the approach set forth in the Regulatory Policy Guidelines issued by the Presidential Task Force on Regulatory Relief last summer (Reagan Administration Regulatory Achievements, Presidential Task Force on Regulatory Relief, August 11, 1983, pp. 43-45).

A secondary goal of the noncompetitive program is to recover for the taxpayer the maximum practicable share of fair market value for leased resources. The proposed advance rental system is particularly poor at achieving this goal. Compared to the existing SOG system, federal revenues [1] would decline by between $17 and $37 million per year, while state revenues would remain unchanged. A rental offer system, on the other hand, could increase federal revenues by $13 million and state revenues by $108 million per year. We expect that a competitive offer system would do at least as well as a rental offer system. Overall, the current SOG program recovers between one-third and one-half of the market value of the leased lands. Alternative systems can do far better than this.

A third goal, and the motivation for this rulemaking, is to assure that leasing systems for federal lands are designed to minimize fraud and abuse. The SOG program is susceptible to fraud and abuse, as the events of the past year have demonstrated. While the proposed advance rental system might alleviate these problems somewhat, a substantial risk would remain. In contrast, a competitive offer system is highly resistant to abuse. While collusion in bidding is always a possibility, it would be extremely difficult in a market with as many potential bidders as the onshore oil and gas market. Similarly a rental offer system would be far less vulnerable to fraud and abuse than the SOG system.

Finally, ease of administration is an important concern in evaluating alternative leasing systems. In the case of a competitive offer system, the chief administrative consideration would be whether a prior determination of fair market value was needed before conducting a sale. Even without a fair market value determination, however, we believe competitive leasing would outperform the SOG system. A rental offer system would be something of a novelty, but we see no major administrative obstacles to overcome.

We believe now is the opportune time to make thorough reforms in the noncompetitive oil and gas leasing program that would cure the current program's underlying problems as well as its symptoms. We urge you to reconsider the options that would assign leases directly to persons interested in developing them and that would recover more of their value for federal and state taxpayers. My staff is available to assist you in any way we can.

Sincerely,

CHRISTOPHER DEMUTH,
Administrator for Information and Regulatory Affairs.

[1] These figures are based on the Department's own analysis of the performance of alternative leasing options. We have not reviewed all the assumptions underlying this anslysis, but the trends appear approximately correct. OMB would be happy to work with DOI staff to refine these revenue estimates.

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the Executive Calendar under "Department of Defense" on page 1 and ending with "New Reports" on page 12, and including all nominations placed on the Secretary's desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, reserving the right to object, so that we will not do that until I have removed my reservation, may I say most respectfully to the Chair.

The PRESIDING OFFICER. The Chair recognizes the Democratic leader.

Mr. BYRD. We on our side, I say to our distinguished assistant Republican leader, are prepared to proceed with all the nominations that have been alluded to by the distinguished Senator from Wyoming.

Mr. SIMPSON. I thank the Senator.

I further ask unanimous consent that they then be considered en bloc and confirmed en bloc.

The PRESIDING OFFICER. Without objection it is so ordered.

The nominations are considered en bloc and confirmed en bloc.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF DEFENSE

John W. Shannon, of Maryland, to be an Assistant Secretary of the Army (new position—P.L. 98-94 of September 24, 1983), to which position he was appointed during the last recess of the Senate.

AIR FORCE

The following officers for appointment in the U.S. Air Force under provisions of section 624, title 10 of the United States Code:

To be major general

Brig. Gen. Melvin G. Alkire, xxx-xx-... FR, Regular Air Force.

Brig. Gen. Thomas A. Baker, xxx-xx-xx... FR, Regular Air Force.

Brig. Gen. Anthony J. Burshnick, xxx-xx-x... FR, Regular Air Force.

Brig. Gen. Henry D. Canterbury, xxx-xx-... FR, Regular Air Force.

Brig. Gen. Michael P. C. Carns, xxx-xx-... FR, Regular Air Force.

Brig. Gen. Alexander K. Davidson, xxx-... FR, Regular Air Force.

Brig. Gen. James B. Davis, xxx-xx-... FR, Regular Air Force.

Brig. Gen. Larry D. Dillingham, xxx-xx-... FR, Regular Air Force.

Brig. Gen. Chris O. Divich, xxx-xx-x... FR, Regular Air Force.

Brig. Gen. Jack K. Farris, xxx-xx-xxxx FR, Regular Air Force.

Brig. Gen. David W. Forgan, xxx-xx-x... FR, Regular Air Force.

Brig. Gen. Gordon E. Fornell, xxx-xx-... FR, Regular Air Force.

Brig. Gen. Lee V. Greer, xxx-xx-xxxx FR, Regular Air Force.

Brig. Gen. Ralph E. Havens, xxx-xx-... FR, Regular Air Force.

Brig. Gen. Edward J. Heinz, xxx-xx-... FR, Regular Air Force.

Brig. Gen. Donald W. Henderson, xxx-xx-... FR, Regular Air Force.

Brig. Gen. Charles A. Horner, xxx-xx-... FR, Regular Air Force.

Brig. Gen. John M. Loh, xxx-xx-xxxx FR, Regular Air Force.

Brig. Gen. Charles C. McDonald, xxx-xx-... FR, Regular Air Force.

Brig. Gen. Monte B. Miller, xxx-xx-... FR, Regular Air Force.

Brig. Gen. Stanton R. Musser, xxx-xx-... FR, Regular Air Force.

Brig. Gen. Richard M. Pascoe, xxx-xx-... FR, Regular Air Force.

Brig. Gen. Jack W. Sheppard, xxx-xx-x... FR, Regular Air Force.

Brig. Gen. Leo W. Smith II, xxx-xx-... FR, Regular Air Force.

Brig. Gen. Ralph E. Spraker, xxx-xx-... FR, Regular Air Force.

Brig. Gen. Richard E. Steere, xxx-xx-... FR, Regular Air Force.

Brig. Gen. John T. Stihl, xxx-xx-xxxx FR, Regular Air Force.

Brig. Gen. Samuel H. Swart, Jr., xxx-xx-... FR, Regular Air Force.

Brig. Gen. Bernard L. Weiss, xxx-xx-... FR, Regular Air Force.

Brig. Gen. Ronald W. Yates, xxx-x... FR, Regular Air Force.

The following officers for appointment in the U.S. Air Force to the grade of brigadier general under the provisions of section 624, title 10 of the United States Code:

Col. Edward P. Barry, Jr., xxx-xx-xxxx FR, Regular Air Force.

Col. Billy J. Boles, xxx-xx-xxxx FR, Regular Air Force.

Col. Chalmers R. Carr, Jr., xxx-xx... FR, Regular Air Force.

Col. James E. Chambers, xxx-xx-xx... FR, Regular Air Force.

Col. George E. Chapman, xxx-xx-xxxx FR, Regular Air Force.

Col. Edward D. Cherry, xxx-xx-xxxx FR, Regular Air Force.

Col. James R. Clapper, Jr., xxx-xx-... FR, Regular Air Force.

Col. Maralin K. Coffinger, xxx-xx-xx... FR, Regular Air Force.

Col. Keith B. Connolly, xxx-xx-xx... FR, Regular Air Force.

Col. John M. Davey, xxx-xx-xxxx FR, Regular Air Force.

Col. Rufus M. DeHart, Jr., xxx-xx-... FR, Regular Air Force.

Col. Robert S. Delligatti, xxx-xx-xxxx FR, Regular Air Force.

Col. John P. Dickey, xxx-xx-xxxx FR, Regular Air Force.

Col. John R. Farrington, xxx-xx-xxxx FR, Regular Air Force.

Col. Thomas R. Ferguson, Jr., xxx-xx-... FR, Regular Air Force.

Col. Ronald R. Fogleman, xxx-xx-xxxx FR, Regular Air Force.

Col. Albert A. Gagliardi, Jr., xxx-xx-... FR, Regular Air Force.

Col. Roy M. Goodwin, xxx-xx-xxxx FR, Regular Air Force.

Col. James W. Hopp, xxx-xx-xxxx FR, Regular Air Force.

Col. Lawrence E. Huggins, xxx-xx-xxxx FR, Regular Air Force.

Col. Larry R. Keith, xxx-xx-xxxx FR, Regular Air Force.

Col. George W. Larson, Jr., xxx-xx-... FR, Regular Air Force.

Col. Clarence H. Lindsey, Jr., xxx-xx-x... FR, Regular Air Force.

Col. Paul A. Maye, xxx-xx-xxxx FR, Regular Air Force.

Col. Gary H. Mears, xxx-xx-xxxx FR, Regular Air Force.

Col. Richard C. Milnes II, xxx-xx-xxxx FR, Regular Air Force.

Col. Burton R. Moore, xxx-xx-xxxx FR, Regular Air Force.

Col. Thomas S. Moorman, Jr., xxx-xx-... FR, Regular Air Force.

Col. David C. Morehouse, xxx-xx-xxxx FR, Regular Air Force.

Col. Gary W. O'Shaughnessy, xxx-xx... FR, Regular Air Force.

Col. Basil H. Pflumm, xxx-xx-xxxx FR, Regular Air Force.

Col. William J. Porter, xxx-xx-xxxx FR, Regular Air Force.

Col. James F. Record, xxx-xx-xxxx FR, Regular Air Force.

Col. James M. Rhodes, Jr., xxx-xx-... FR, Regular Air Force.

Col. David H. Roe, xxx-xx-xxxx FR, Regular Air Force.

Col. James G. Sanders, xxx-xx-xxxx FR, Regular Air Force.

Col. Wayne E. Schramm, xxx-xx-xxxx FR, Regular Air Force.

Col. Charles J. Searock, Jr., xxx-xx... FR, Regular Air Force.

Col. William H. Sistrunk, xxx-xx-xxxx FR, Regular Air Force.

Col. John D. Slinkard, xxx-xx-xxxx FR, Regular Air Force.

Col. Roger C. Smith, xxx-xx-xxxx FR, Regular Air Force.

Col. W. J. Soper, xxx-xx-xxxx FR, Regular Air Force.

Col. Joseph K. Spiers, xxx-xx-xxxx FR, Regular Air Force.

Col. Joseph K. Stapleton, xxx-xx-xxxx FR, Regular Air Force.

Col. Charles F. Stebbins, xxx-xx-xxxx FR, Regular Air Force.

Col. Gorham B. Stephenson, xxx-xx... FR, Regular Air Force.

Col. Daniel A. Taylor, Jr., xxx-xx-xxxx FR, Regular Air Force.

Col. David J. Teal, xxx-xx-xxxx FR, Regular Air Force.

Col. Walter E. Webb III, xxx-xx-xxxx FR, Regular Air Force.

Col. William T. Williams IV, xxx-xx-xx... FR, Regular Air Force.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of sections 593, 8218, 8373, and 8374, title 10, United States Code:

To be major general

Brig. Gen. Miles C. Durfey, xxx-xx-... FG, Air National Guard of the United States.

Brig. Gen. Frank L. Hettlinger, xxx-xx... FG, Air National Guard of the United States.

Brig. Gen. Bobby W. Hodges, xxx-xx-... FG, Air National Guard of the United States.

Brig. Gen. Donald L. Owens, xxx-xx-... FG, Air National Guard of the United States.

Brig. Gen. Robert W. Paret, xxx-xx-... FG, Air National Guard of the United States.

Brig. Gen. Paul M. Thompson, xxx-xx-... FG, Air National Guard of the United States.

To be brigadier general

Col. Nicholas Annicelli, Jr., xxx-xx-... FG, Air National Guard of the United States.

Col. Roland E. Ballow, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Richard W. Bertrand, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Emiel T. Bouckaert, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Gene A. Budig, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Wayne O. Burkes, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Drennan A. Clark, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Thomas R. Elliott, Jr., xxx-xx... FG, Air National Guard of the United States.

Col. Harold R. Hall, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Charles W. Harris, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Richard R. Hefton, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Thor A. Hertsgaard, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Harold C. Morgan, xxx-xx-... FG, Air National Guard of the United States.

Col. David W. Noall, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. William R. Ouellette, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Dudley P. Smidt, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Kenji Sumida, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Charles W. Taylor, Jr., xxx-xx-... FG, Air National Guard of the United States.

Col. Carleton B. Waldrop, xxx-xx-xxxx FG, Air National Guard of the United States.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of section 8218, 8362, and 8373, title 10, United States Code:

To be major general

Brig. Gen. Donald G. Aten, xxx-xx-... xxx-...FV, Air Force Reserve.

Brig. Gen. Robert G. Mortensen, xxx-xx-... xxx-...FV, Air Force Reserve.

To be major general

Brig. Gen. Charles R. Parrott, xxx-xx-... xxx...FV, Air Force Reserve.

Brig. Gen. James C. Wahleithner, xxx... xxx-...

To be brigadier general

Col. Courtney W. Anderson, xxx-xx-... xxx...FV, Air Force Reserve.

Col. Dale R. Baumler, xxx-xx-xxxx FV, Air Force Reserve.

Col. Clyde C. Deckard, Jr., xxx-xx-xxxx FV, Air Force Reserve.

Col. Robert S. Dotson, xxx-xx-xxxx FV, Air Force Reserve.

Col. Dominick V. Driano, xxx-xx-xxxx FV, Air Force Reserve.

Col. Jack P. Ferguson, xxx-xx-xxxx FV, Air Force Reserve.

Col. Richard A. Freytag, xxx-xx-xxxx FV, Air Force Reserve.

Col. Eugene C. Galley, xxx-xx-xxxx FV, Air Force Reserve.

Col. Clarence B.H. Lee, xxx-xx-xxxx FV, Air Force Reserve.

Col. Beverly S. Lindsey, xxx-xx-xxxx FV, Air Force Reserve.

Col. Jack L. Lively, xxx-xx-xxxx FV, Air Force Reserve.

Col. William C. Rapp, xxx-xx-xxxx FV, Air Force Reserve.

Col. John D. Riddle, xxx-xx-xxxx FV, Air Force Reserve.

Col. Augustine A. Verrengia, xxx-xx-... xxx-xx-..., Air Force Reserve.

Col. Robert L. Wright, xxx-xx-xxxx FV, Air Force Reserve.

IN THE ARMY

The U.S. Army Reserve officers named herein for appointment as Reserve Commissioned Officers of the Army, under the provisions of title 10, United States Code, sections 593(a), 3371 and 3384:

To be major general

Brig. Gen. Roger R. Blunt, xxx-xx-xxxx

Brig. Gen. Richard O. Christiansen, 529-46-1666.

Brig. Gen. Albert E. Gorsky, xxx-xx-xxxx

Brig. Gen. Jack Strukel, Jr., xxx-xx-xxxx

Brig. Gen. William P. Sylvester, Jr., 158-14-4348.

To be brigadier general

Col. Paul L. Babiak, xxx-xx-xxxx

Col. Richard D. Chegar, xxx-xx-xxxx

Col. Clyde R. Cherberg, xxx-xx-xxxx

Col. Ronald V. McDougall, xxx-xx-xxxx

Col. Douglas J. O'Connor, xxx-xx-xxxx

Col. Frederick W. Roeder, xxx-xx-xxxx

Col. Felix A. Santoni, xxx-xx-xxxx

Col. Paul Skok, xxx-xx-xxxx

Col. Richard E. Stearney, xxx-xx-x...

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be general

Gen. Paul F. Gorman, xxx-xx-xxxx (age 57), U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Lt. Gen. John R. Galvin, xxx-xx-xxxx, U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be general

Gen. Wallace H. Nutting, xxx-xx-xxxx (age 56), U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be general

Lt. Gen. Fred K. Mahaffey, xxx-xx-xxxx, U.S. Army.

IN THE NAVY

The following-named captains of the line of the Navy for promotion to the permanent grade of commodore, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

UNRESTRICTED LINE OFFICER

Henri Bertram Chase III
James Edward Taylor
Robert Lee Leuschner, Jr.
Harold John Bernsen
David Neil Rogers
Robert Theodore Reimann
Michael Peter Kalleres
John Frederick Calvert
Lyle Franklin Bull
Larry Gene Vogt
Jeremy Michael Boorda
Virgil Lusk Hill, Jr.
Henry Goodman Chiles, Jr.
Wayne Elwin Rickman
William Charles Francis
Dwaine Orris Griffith
Jimmy Pappas
William Adam Dougherty, Jr.
Thomas Witherspoon Evans
Thomas Kenneth Mattingly II
Daniel Charles Richardson
Gerald Eugene Gneckow
Eric Alton McVadon, Jr.
Roland George Guilbault
Richard David Milligan
John Samuel Yow
John Kenneth Ready
Cathal Liam Flynn, Jr.
Ronald Hans Jesberg
Roberta Louise Hazard

RESTRICTED LINE—ENGINEERING DUTY OFFICER

Richard George Camacho
Robert Leavy Topping

RESTRICTED LINE—AERONAUTICAL DUTY OFFICER

Thomas Cherrill Betterton

RESTRICTED LINE—SPECIAL DUTY OFFICER (CRYPTOLOGY)

James Stephen McFarland

RESTRICTED LINE—SPECIAL DUTY OFFICER (INTELLIGENCE)

Thomas Aloysius Brooks

RESTRICTED LINE—SPECIAL DUTY OFFICER (PUBLIC AFFAIRS)

Jimmie Bennie Finkelstein

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. James R. Hogg, xxx-xx-xxxx xxx..., U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Frank B. Kelso II, xxx-... xxx-... xx..., U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. Edward H. Martin, xxx-xx-... xxx-..., U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Paul F. McCarthy, Jr., xxx-xx-x... xxx-xx-xxxx, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. Robert F. Schoultz, xxx-xx-... xx..., U.S. Navy.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, ARMY, MARINE CORPS, NAVY

Air Force nominations beginning Edward A. Cardoza, and ending Iris L. Vinson, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning G.C. Adams, and ending Roger G. Santala, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning Larry G. Broome, and ending Francis M. Rembert, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning Maj. Garry S. Bahling, and ending Maj. Lana H. Baldy, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning Maj. James G. Abbey, and ending Maj. Earl J. Rubis, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning John Joseph Conroy III, and ending Stanley Edward Zeitz, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning John H. Lamb, and ending Mcburnett J. Smith, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning Charles H. Mead, and ending Gregory D. Denney, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning William E. Bartlett, and ending Frank A. Zazula, Jr., which nominations were received by the

Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning Maj. Kenneth D. Allen, Jr., and ending Maj. John A. Allen, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning Douglas A. Abbott, and ending Rutherford C. Wooten, Jr, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning Jorge Acevedo, and ending Stephen R. Zwicker, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning Anthony C. Adamson, and ending Alan L. Zohner, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Army nominations beginning Brian D. Bailey, and ending Linda K. Webster, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Army nominations beginning David E. Bell, and ending Sterling L. Throssell, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Army nominations beginning Jeffrey Berenberg, and ending David R. Stoehr, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Army nominations beginning James P. Abramson, and ending Susan Zivnuska, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Marine Corps nomination of Maj. Charles P. Erwin, U.S. Marine Corps, which was received by the Senate on January 3, 1985, and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Marine Corps nominations beginning Rudy K. Abrams, and ending Wayne J. Zimmerman, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Navy nominations beginning Cmdr. Jon A. McBride, and ending Lt. Cmdr. David C. Leestma, which nominations were received by the Senate on January 3, 1985, and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Navy nomination of Cmdr. David M. Walker, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Navy nomination of Charles E. Shipman, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF THE TREASURY

Mr. SIMPSON. Mr. President, I ask that the Senate now proceed to the nomination of Richard G. Darman, to be Deputy Secretary of the Treasury.

Mr. BYRD. Mr. President, there is no objection to proceeding to the nominations referred to under "New Reports."

The PRESIDING OFFICER. The nominations will be stated.

The assistant legislative clerk read the nomination of Richard G. Darman, of Virginia, to be Deputy Secretary of the Treasury.

Mr. PACKWOOD. Mr. President, on Tuesday, January 29, the Finance Committee favorably reported the nomination of Richard G. Darman to be Deputy Secretary of the Treasury. The vote was unanimous.

Dick Darman will bring a wealth of experience to his new job at Treasury. Mr. Darman served in senior policy positions in five cabinet offices from 1970 to 1977. Just prior to joining the White House staff, he was a member of the faculty of Harvard's Graduate School of Government and, at the same time, was a partner in a Washington-based economic and management consulting company.

By virtue of his impressive public service, private sector experience and academic background, Dick Darman is well qualified for the position at Treasury.

I offer my strong recommendation for the approval, by the Senate, of Mr. Darman's nomination.

Mr. THURMOND. Mr. President, I rise to express my support for two nominees who were unanimously approved by the Committee on Finance earlier this week.

Richard Darman, who has been nominated for the position of Deputy Secretary of the Treasury and Ronald Pearlman, nominated to be an Assistant Secretary of the Treasury for Tax Policy, are ably qualified for the positions they will fill.

Mr. Darman has had valuable experience working with the policy issues that a high ranking Cabinet official must face. He has worked as an Assistant Secretary of Commerce and, more recently, as a close adviser to the President on legislative issues. His past experiences as a member of the Harvard faculty and as a distinguished member of the business community are but two of an impressive list of qualifications.

Mr. Pearlman has also demonstrated his qualifications for the position he will be assuming. As Acting Assistant Secretary for Tax Policy, Mr. Pearlman has had actual experience in the duties of the important section of the Treasury Department which he has been nominated to head. In addition, Mr. Pearlman can continue to draw upon his experiences as a tax lawyer and professor of law at the Washington University School of Law in St. Louis, MO as the new Assistant Secretary.

The confirmation of both men, when coupled with the installation of James Baker as Secretary of the Treasury, should provide that Department the solid management necessary to aid the President and Congress in the current efforts to reduce the deficit and institute a simpler and fairer Federal income tax system.

I urge my colleagues to unanimously approve these capable nominees.

NOMINATIONS OF RICHARD G. DARMAN TO BE DEPUTY SECRETARY OF THE TREASURY AND RONALD A. PEARLMAN TO BE ASSISTANT SECRETARY OF THE TREASURY FOR TAX POLICY

Mr. DOLE. Mr. President, I am glad that we have been able to follow the expedited schedule for floor consideration—and, I am sure, approval—of two outstanding nominations to the Treasury Department. We have completed Senate action on the nomination of Jim Baker to become Secretary of the Treasury. With the two nominations now before us the new Treasury team will be off and running. They need to be, because there is a lot to be done.

Ron Pearlman is to become Assistant Secretary of the Treasury for Tax Policy. Ron, of course, has been acting in that post since last August, and it is good that we are finally getting around to make his position official. The members of the Finance Committee have worked closely with Ron Pearlman since 1983, on tax legislation and on regulatory matters that have come up in the tax area. I am sure my colleagues in the Senate share my belief that Ron will be a strong and effective advocate for the Treasury in the upcoming tax reform debate. He is someone we trust and know we can work with.

Not only has Ron Pearlman demonstrated his skill in tax policy at the Treasury, he has complied a distinguished record as a member of the tax bar in St. Louis and a professor of tax law at Washington University. I hope we approve Mr. Pearlman's nomination without delay.

RICHARD DARMAN

Mr. President, Richard Darman has been the very able assistant to the President who, among many other responsibilities, was instrumental in putting forth the President's tax and budget program and securing congressional approval for the "Reagan revolution" in economic policy.

Dick Darman is not just a behind-the-scenes policymaker and strategist: He made an excellent record as Assistant Secretary for Commerce under President Ford, and he has had considerable experience in both the public and private sectors with issues of economic policy and international legal

questions—A background that should serve him very well indeed in his new post. I hope we will approve both these nominations without delay.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate now turn to the nomination of Ronald Alan Pearlman, to be an Assistant Secretary of the Treasury.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

Mr. BYRD. There is no objection. I thank the Chair.

The PRESIDING OFFICER. The nomination will be stated.

DEPARTMENT OF THE TREASURY

The assistant legislative clerk read the nomination of Ronald Alan Pearlman, of Missouri, to be an Assistant Secretary of the Treasury.

Mr. PACKWOOD. Mr. President, by submitting Ronald Pearlman's nomination to be the Assistant Secretary for Tax Policy, the President has asked the Senate to confirm a man who already has been serving in a significant tax capacity at the Treasury Department.

Since Mr. Pearlman has been Deputy Assistant Secretary for Tax Policy during the past 2 years, he is well known to me and the other Finance Committee members.

Mr. Pearlman has had a distinguished career both in Government, at Treasury and the IRS, as well as in the private sector as an associate and then partner in a St. Louis law firm.

He is extremely knowledgeable in tax law and is well qualified for the position to which he has been nominated.

I hope the Senate will agree that Mr. Pearlman should be confirmed in an expeditious fashion.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. SIMPSON. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL DECA WEEK

Mr. SIMPSON. Mr. President, I send to the desk on behalf of Mr. COCHRAN, Mr. LUGAR, Mr. DURENBERGER, Mr. BENTSEN, Mr. THURMOND, Mr. WILSON, Mr. CHAFEE, Mr. HATCH, Mr. CHILES, Mr. DECONCINI, Mr. JOHNSTON, Mr. STENNIS, Mr. PELL, Mr. PRESSLER, Mr. FORD, Mr. NUNN, Mr. BOREN, Mr. GRASSLEY, Mr. HATFIELD, Mr. GOLDWATER, Mr. LEVIN, Mr. PRYOR, Mrs. KASSEBAUM, Mr. HOLLINGS, Mr. GORTON, Mr. BAUCUS, Mr. HELMS, Mr. BRADLEY, and Mr. MATTINGLY a joint resolution designating the week of February 10, 1985, through February 16, 1985, as "National DECA Week."

The PRESIDING OFFICER. The resolution will be stated by title.

The bill clerk read as follows:

A joint resolution (S.J. Res. 36) to designate the week of February 10, 1985, through February 16, 1985, as "National DECA Week."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. Without objection, the resolution will be considered to have been read the second time at length.

● Mr. COCHRAN. Mr. President, today I am introducing a resolution to designate the week of February 10, 1985 through February 16, 1985 as "National DECA Week." DECA, the acronym for Distributive Education Clubs of America, is a student-centered organization with a program of leadership and personal development designed specifically for secondary and postsecondary students with career objectives in the marketing field.

In describing the state of American education in its much publicized report, the National Commission on Excellence in Education stated: "Our Nation is at risk. Our once unchallenged preeminence in commerce, industry, science, and technological innovation is being overtaken by competitors throughout the world." The report follows up this gloomy prognosis with a mandate for action to strengthen America's educational system and ensure our Nation's continued leadership role in world affairs.

Mr. President, I believe that the Distributive Education Clubs of America have been following this mandate since their beginning. The qualities that are encouraged by DECA—vocational understanding, civic consciousness, social intelligence, and leadership development—parallel those that the Commission's report indicates are needed in our Nation. With a national membership of over 150,000 in the 50 States, the District of Columbia, and Puerto Rico, DECA is making an indispensable contribution to the improvement of our educational system and, in the long run, to the growth and prosperity of our Nation.

Through professional conferences, chapter activities, school improvement projects, and support of community activities, DECA strives to ensure that America will continue to have productive entrepreneurs and business persons in community leadership positions. That's the foundation of the type of free enterprise that has kept America strong.

The American work force, however, is undergoing a dramatic change. The American Productivity Center predicts that, by 1995, fully 90 percent of the Nation's jobs will be white collar jobs. Even today, at a corporation like Westinghouse, a manufacturing company by tradition, about one-third of the total sales are generated by service businesses. As America tries to manage and adapt to these changes, DECA will be an increasingly significant source of leadership.

The intellectual and productive potential of America's youth is enormous, and no one is more aware of that fact than those affiliated with DECA. The fine work done by DECA with thousands of young people throughout the country richly deserves this special recognition. I am very pleased to be offering this resolution, and would like to thank those Senators who have given this measure such tremendous support through their original cosponsorship. In addition, I especially would like to thank the chairman of the Judiciary Committee, Senator THURMOND, for his assistance in expediting consideration of this measure.●

● Mr. PRYOR. Mr. President, all parents strive to nurture certain qualities in their children, setting forth such examples as integrity and social consciousness. While the foundation for these attributes remains in the home, we also look to teachers, administrators, and school programs and activities to reinforce these positive messages. Further, we encourage our children to participate in those clubs and organizations which foster character development and a sense of personal achievement.

The Distributive Education Clubs of America [DECA] have been promoting

these values for many years. DECA was organized specifically for secondary and postsecondary students contemplating careers in the marketing field. With a national membership of over 150,000, DECA emphasizes vocational awareness, social intelligence, civic-mindedness, and leadership development.

I am very proud of my State's leadership role in DECA history. When the Distributive Education Clubs of America were first organized in 1947, an Arkansas chapter was among the charter group. Today, there are 50 Arkansas DECA chapters, with 2,000 student members.

The indispensable contributions made by the Distributive Education Clubs throughout the country are deserving of special recognition. My friend from Mississippi [Mr. COCHRAN] has introduced a resolution designating the week of February 10 through February 16, 1985 as "National DECA Week." I am pleased to cosponsor this measure, which salutes DECA's 38-year history, and urge all of my colleagues to support this worthwhile resolution.●

The joint resolution (S.J. Res. 36) was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

S. J. RES. 36

Whereas members of the Distributive Education Clubs of America are playing an outstanding role in assuring the future progress and prosperity of our Nation;

Whereas it is vital in our complex society that young people are trained in the field of marketing and distribution to fill the increased demand for such people;

Whereas the members of the Distributive Education Clubs of America, are young secondary and postsecondary students who are preparing for careers in marketing and distribution, and the intense interest shown by such members is an assurance that the business world will grow and improve; and

Whereas marketing and distributive education has provided the valuable service of developing leadership, encouraging cooperation, promoting good citizenship, teaching current information, and inspiring patriotism among its members: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of February 10, 1985, through February 16, 1985, is designated as "National DECA Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs, ceremonies, and activities.

Mr. SIMPSON. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER FOR THE RECOGNITION OF SENATOR BOREN ON TUESDAY, FEBRUARY 5, 1985

Mr. SIMPSON. Mr. President, I ask unanimous consent that following the Proxmire special order on Tuesday, February 5, 1985, there be a special order in favor of the Senator from Oklahoma [Mr. BOREN] for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECORD TO BE OPEN UNTIL 5 P.M. AND AUTHORITY FOR CERTAIN ACTION DURING RECESS

Mr. SIMPSON. Mr. President, I ask unanimous consent that the RECORD remain open today until the hour of 5 p.m. for the introduction of bills, resolutions, and for the submission of statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR DEPUTY LEGAL COUNSEL

Mr. SIMPSON. Mr. President, I ask unanimous consent that the President pro tempore of the Senate have a period of 60 days after the beginning of the 1st session of the 99th Congress to announce the appointment of the Deputy Legal Counsel of the Senate, pursuant to 2 U.S.C. 288 and Public Law 96-576.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMENDING PATRICK J. GRIFFIN FOR HIS FAITHFUL AND EXEMPLARY SERVICE TO THE U.S. SENATE

Mr. BYRD. Mr. President, I send a simple resolution to the desk and ask that it be stated by the clerk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 60) commending Patrick J. Griffin for his faithful and exemplary service to the U.S. Senate.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed immediately to the consideration of the resolution, it having been cleared by the other side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the resolution.

The resolution (S. Res. 60) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 60

Whereas Patrick J. Griffin has faithfully served the Senate as an officer of the Senate, the Senate wishes to express its appreciation for his dedicated service as an officer of the Senate; and

Whereas the said Patrick J. Griffin at all times has discharged the important duties and responsibilities of his office with great efficiency, and diligence; and

Whereas prior to his service as Secretary for the Minority, he served the Senate in other important capacities; and

Whereas his loyalty, his exceptional service and continuing dedication have earned for him esteem and affection, so therefore, be it

Resolved, That Patrick J. Griffin is hereby commended for his faithful and outstanding service to the Senate.

SEC. 2. The Secretary of the Senate is directed to transmit a copy of the Resolution to Patrick J. Griffin.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ELECTING DAVID J. PRATT AS SECRETARY FOR THE MINORITY OF THE SENATE

Mr. BYRD. Mr. President, I send to the desk a resolution and ask it be stated by the clerk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A resolution (S. Res. 61) electing David J. Pratt as Secretary for the Minority of the Senate.

Mr. BYRD. Mr. President, the resolution having been agreed to by the distinguished assistant Republican leader, I ask unanimous consent that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the resolution.

The resolution (S. Res. 61) was agreed to, as follows:

Resolved, That David J. Pratt be, and he is hereby, elected Secretary for the Minority of the Senate, effective February 1, 1985.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I thank the distinguished acting—assistant Republican leader. He is not just the acting leader; he is the assistant leader.

Mr. SIMPSON. I thank the Senate minority leader.

TRIBUTES TO PATRICK J. GRIFFIN

Mr. SIMPSON. Mr. President, I would just like to add a word about Pat Griffin. In my time here he has

been most attentive and helpful to me personally and to those of us on this side of the aisle whenever he could do so. I certainly wish him well.

I was pleased to see the very fine reception for him the other evening. I trust that he will enjoy his new work. I wish him Godspeed and thank him for the attentiveness he gave to me in this body.

Mr. BYRD. Mr. President, I thank the distinguished assistant Republican leader for the remarks he has made with respect to Mr. Griffin's service here to Senators on both sides of the aisle. It is very good of the distinguished Senator from Wyoming, the majority whip, to speak in this way concerning Pat Griffin.

Pat Griffin has proved his ability and his dedication to the difficult task that was assigned to him 2 years ago. He leaves this post with the admiration and the good wishes of Senators on both sides of the aisle. He leaves a great number of friends here behind him in both the majority and minority parties.

I join with all my colleagues, I am sure, in wishing Pat Griffin the very best and hoping that we will continue to see him from time to time. He has fought a good fight, he has kept the faith, and he has finished the course.

WELCOME TO DAVID J. PRATT

Mr. SIMPSON. Mr. President, as we await further resolution, I reflect that those on both sides of the aisle who serve as senior staff go on to bigger and better things and we often do see them again—in fact, often too often—as they go into the private sector. I think the minority leader might agree that that does happen and indeed it should with skilled persons such as that.

I welcome, too, David J. Pratt, whom I have not come to know. I will enjoy working with him in his new role effective tomorrow.

Mr. BYRD. I thank the distinguished majority whip. I am sure that Mr. Pratt, as well as Mr. Griffin, will be deeply grateful for the kind remarks that have been made on the majority side of the aisle.

I am sure that David Pratt will perform as expected. He has the ability, dedication to purpose, devotion, and the love for the Senate that I think are required to do a high-quality performance in the job as secretary to the minority.

Mr. SIMPSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT OF SENATOR WEICKER TO THE BOARD OF TRUSTEES OF THE JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

The PRESIDING OFFICER. The Chair on behalf of the Vice President appoints the Senator from Connecticut [Mr. WEICKER] to the Board of Trustees of the John F. Kennedy Center for the Performing Arts, vice the former Senator from Illinois Mr. Percy, pursuant to Public Law 85-874.

RECESS UNTIL 10 A.M., MONDAY, FEBRUARY 4, 1985

Mr. SIMPSON. Mr. President, I move in accordance with the previous order that the Senate stand in recess until 10 a.m., Monday, February 4, 1985.

The motion was agreed to; and, at 4:13 p.m., the Senate recessed until Monday, February 4, 1985, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate January 31, 1985:

FOREIGN SERVICE

The following-named career members of the Senior Foreign Service of the Department of Agriculture for promotion in the Senior Foreign Service to the class indicated:

Career members of the Senior Foreign Service of the United States of America, class of Minister-Counselor:

Williamd L. Davis, Jr., of Arkansas.
Bryant H. Wadsworth, of Virginia.

The following-named career members of the Senior Foreign Service of the Department of Agriculture for promotion into the Senior Foreign Service as indicated:

Career members of the Senior Foreign Service of the United States of America, class of Counselor:

John M. Beshoar, of Maryland.
George J. Pope, of Virginia.

The following-named career members of the Senior Foreign Service of the U.S. Information Agency for promotion in the Senior Foreign Service to the class indicated:

Career members of the Senior Foreign Service of the United States of America, class of Career Minister:

Leonard J. Baldyga, of Virginia.
David I. Hitchcock, of Maryland.
Joann Lewinsohn, of Oklahoma.

Career members of the Senior Foreign Service of the United States of America, class of Minister-Counselor:

Paul P. Blackburn, of the District of Columbia.
F. Weston Fenhagen, of Maryland.
John E. Graves, of California.
Sally M. Grooms, of the District of Columbia.

The following-named career members of the Foreign Service of the U.S. Information Agency for promotion in the Senior Foreign Service to the class indicated:

Career members of the Senior Foreign Service of the United States of America, class of Counselor:

Robert Charles Bemis, of Massachusetts.
Stephen Mitchell Chaplin, of Virginia.
Sigmund M. Cohen, Jr., of Maryland.
Lawrence Donald Daks, of Virginia.
Charles Robert Dickerman, of Virginia.
Guy W. Farmer, of Nevada.
Henry W. Grady, of California.
Larry J. Ikels, of Texas.
Irwin S. Kern, of Virginia.
Robert R. LaGamma, of Virginia.
Charles Collin Loveridge, of Utah.
R. Ellsworth Miller, of Florida.
Michael F. O'Brien, of California.
Jerry Lincoln Prillaman, of Virginia.
Stanley N. Schrager, of Illinois.
David Michael Wilson, of Florida.

Career member of the Senior Foreign Service, class of Counselor, and a consular officer and a secretary in the Diplomatic Service of the United States of America:

William W. Marsh, of Florida.

The following-named career members of the Senior Foreign Service of the Agency for International Development for promotion in the Senior Foreign Service to the classes indicated:

Career members of the Senior Foreign Service of the United States of America, class of Career Minister:

Edgar C. Harrell, of Maryland.
Jay P. Johnson, of California.
Alexander R. Love, of California.
Frederick W. Schieck, of California.

Career members of the Senior Foreign Service of the United States of America, class of Minister-Counselor:

Henry H. Bassford, of Connecticut.
Robert H. Bell, of Virginia.
Anthony J. Cauterucci, of Virginia.
Daniel A. Chaij, of California.
Robin L. Gomez, of Arizona.
James S. Holtaway, of the District of Columbia.
Charles W. Johnson, of California.
Ted D. Morse, of California.
Barry Sidman, of Virginia.
Louis G. Sleeper, of New Mexico.

The following-named career members of the Foreign Service of the Agency for International Development for promotion into the Senior Foreign Service, and consular officer and secretary in the Diplomatic Service appointments, as indicated:

Career members of the Senior Foreign Service of the United States of America, class of Counselor:

James Michael Anderson, of Maryland.
Larry T. Armstrong, of California.
Gerard R. Bowers, of Maryland.
David Alan Cohen, of New Jersey.
Larry Keith Crandall, of Colorado.
Robert Lee Friedline, of Virginia.
Thomas L. Geiger, of Virginia.
J. Paul Guedet, of California.
Francis Robert Herder, of Virginia.
John Frederick Hicks, of Florida.
Leland Stanford Hunsaker, of Florida.
Arthur S. Lezin, of Oregon.
Terrence F. Liercke, of Virginia.
John M. Miller, of California.
William A. Miller, of South Carolina.
John E. Popovich, Jr., of California.
Samuel S. Rea, of the District of Columbia.
William Pierre Schoux, of California.
Samuel Taylor, of Mississippi.
Bernard Dwight Wilder, of Florida.
Marcus L. Winter, of Florida.
John B. Woods, of Florida.

Career members of the Senior Foreign Service of the United States of America, Class of Counselor, and consular officers and secretaries in the Diplomatic Service of the United States of America:

Frank Almaguer, of Virginia.
Richard M. Brown, of North Carolina.
James A. Graham, of Virginia.

William H. Janssen, Jr., of California.
Herbert N. Miller, of Michigan.
Robert W. Nachtrieb, of Virginia.
William T. Oliver, Jr., of Virginia.
Lee A. Twentyman, of Florida.

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 601, to the grade of general in a position of importance and responsibility designated by the President under title 10, United States Code, section 601, to which grade he was appointed during the recess of the Senate from October 12, 1984, until January 3, 1985:

Gen. Robert W. Bazley, xxx-xx-xxxx FR, U.S. Air Force.

IN THE MARINE CORPS

The following-named Naval Reserve Officers Training Corps graduates for permanent appointment in the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, sections 531 and 2107:

Racine L. Christensen, xxxx
Border L. Crow, xxxx
Michael A. Frese, xxxx
Brenton D. Harder, xxxx
Johnnie L. Manis, xxxx
Marc D. McCoy, xxxx
David A. Tagg, xxxx

The following-named Marine Corps Enlisted Commissioning Education Program graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 531:

Terry L. Compton, xxxx
Richard D. Davis, Jr., xxxx
Joseph C. Fox, xxxx
Tracy L. Martin, xxxx
Dennis Miles, xxxx
Michael R. Morris, xxxx
Darrell Philpot, xxxx
Scot S. Seitz, xxxx
Kevin M. Sutherland, xxxx
James K. Thorp, xxxx
Harry C. Turner III, xxxx
Joseph W. West, xxxx

CONFIRMATIONS

Executive nominations confirmed by the Senate January 31, 1985:

DEPARTMENT OF DEFENSE

John W. Shannon, of Maryland, to be an Assistant Secretary of the Army.

IN THE AIR FORCE

The following officers for appointment in the U.S. Air Force under provisions of section 624, title 10 of the United States Code:

To be major general

Brig. Gen. Melvin G. Alkire, xxx-xx-... FR, Regular Air Force.
Brig. Gen. Thomas A. Baker, xxx-xx-... FR, Regular Air Force.
Brig. Gen. Anthony J. Burshnick, xxx-xx-... FR, Regular Air Force.
Brig. Gen. Henry D. Canterbury, xxxx FR, Regular Air Force.
Brig. Gen. Michael P. C. Carns, xxxx FR, Regular Air Force.
Brig. Gen. Alexander K. Davidson, xxx-xx-x... FR, Regular Air Force.
Brig. Gen. James B. Davis, xxx-xx-... FR, Regular Air Force.
Brig. Gen. Larry D. Dillingham, xxx-xx-... FR, Regular Air Force.
Brig. Gen. Chris O. Divich, xxxx R, Regular Air Force.
Brig. Gen. Jack K. Farris, xxx-xx-xxxx FR, Regular Air Force.
Brig. Gen. David W. Forgan, xxx-xx-... FR, Regular Air Force.
Brig. Gen. Gordon E. Fornell, xxxx FR, Regular Air Force.
Brig. Gen. Lee V. Greer, xxx-xx-xxxx FR, Regular Air Force.
Brig. Gen. Ralph E. Havens, xxx-x... xxxx FR, Regular Air Force.
Brig. Gen. Edward J. Heinz, xxxx xxxx FR, Regular Air Force.
Brig. Gen. Donald W. Henderson, xxx-xx-... FR, Regular Air Force.
Brig. Gen. Charles A. Horner, xxx-xx... FR, Regular Air Force.
Brig. Gen. John M. Loh, xxx-xx-xxxx FR, Regular Air Force.
Brig. Gen. Charles C. McDonald, xxx-xx... FR, Regular Air Force.
Brig. Gen. Monte B. Miller, xxx-xx-... FR, Regular Air Force.
Brig. Gen. Stanton R. Musser, xxx-xx-... FR, Regular Air Force.
Brig. Gen. Richard M. Pascoe, xxxx FR, Regular Air Force.
Brig. Gen. Jack W. Sheppard, xxxx xxxx FR, Regular Air Force.
Brig. Gen. Leo W. Smith, II, xxx-xx-... FR, Regular Air Force.
Brig. Gen. Ralph E. Spraker, xxx-xx-... FR, Regular Air Force.
Brig. Gen. Richard E. Steere, xxx-... xxxx FR, Regular Air Force.
Brig. Gen. John T. Stihl, xxx-xx-xxxx FR, Regular Air Force.
Brig. Gen. Samuel H. Swart, Jr., xxxx xxxx FR, Regular Air Force.
Brig. Gen. Bernard L. Weiss, xxxx xxxx FR, Regular Air Force.
Brig. Gen. Ronald W. Yates, xxx-xx-... xxx-... FR, Regular Air Force.

The following officers for appointment in the U.S. Air Force to the grade of brigadier general under the provisions of section 624, title 10 of the United States Code.

Col. Edward P. Barry, Jr., xxx-xx-xxxx FR, Regular Air Force.
Col. Billy J. Boles, xxx-xx-xxxx FR, Regular Air Force.
Col. Chalmers R. Carr, Jr., xxx-xx-... FR, Regular Air Force.
Col. James E. Chambers, xxx-xx-xxxx FR, Regular Air Force.
Col. George E. Chapman, xxx-xx-xxxx FR, Regular Air Force.
Col. Edward D. Cherry, xxx-xx-xxxx FR, Regular Air Force.
Col. James R. Clapper, Jr., xxx-xx-... FR, Regular Air Force.
Col. Maralin K. Coffinger, xxx-xx-xxxx FR, Regular Air Force.
Col. Keith B. Connolly, xxx-xx-xxxx FR, Regular Air Force.
Col. John M. Davey, xxx-xx-xxxx FR, Regular Air Force.
Col. Rufus M. DeHart, Jr., xxx-xx-... FR, Regular Air Force.
Col. Robert S. Delligatti, xxx-xx-xxxx FR, Regular Air Force.
Col. John P. Dickey, xxx-xx-xxxx FR, Regular Air Force.
Col. Joh R. Farrington, xxx-xx-xxxx FR, Regular Air Force.
Col. Thomas R. Ferguson, Jr., xxx-xx-... FR, Regular Air Force.
Col. Ronald R. Fogleman, xxx-xx-xxxx FR, Regular Air Force.
Col. Albert A. Gagliardi, Jr., xxx-xx-... xxx-... FR, Regular Air Force.
Col. Roy M. Goodwin, xxx-xx-xxxx FR, Regular Air Force.
Col. James W. Hopp, xxx-xx-xxxx FR, Regular Air Force.
Col. Lawrence E. Huggins xxx-xx-xxxx FR, Regular Air Force.
Col. Larry R. Keith, xxx-xx-xxxx FR, Regular Air Force.
Col. George W. Larson, Jr., xxxx FR, Regular Air Force.
Col. Clarence H. Lindsey, Jr., xxx-xx-... FR, Regular Air Force.
Col. Paul A Maye, xxx-xx-xxxx FR, Regular Air Force.
Col. Gary H. Mears, xxx-xx-xxxx FR, Regular Air Force.
Col. Richard C. Milnes, II, xxx-xx-xxxx FR, Regular Air Force.
Col. Burton R. Moore, xxx-xx-xxxx FR, Regular Air Force.
Col. Thomas S. Moorman, Jr., xxxx xxxx FR, Regular Air Force.
Col. David C. Morehouse, xxx-xx-xxxx FR, Regular Air Force.
Col. Gary W. O'Shaughnessy, xxx-xx-... FR, Regular Air Force.
Col. Basil H. Pflumm, xxx-xx-xxxx FR, Regular Air Force.
Col. William J. Porter, xxx-xx-xxxx FR, Regular Air Force.
Col. James F. Record, xxx-xx-xxxx FR, Regular Air Force.
Col. James M. Rhodes, Jr., xxx-xx-... FR, Regular Air Force.
Col. David H. Roe, xxx-xx-xxxx FR, Regular Air Force.
Col. James G. Sanders, xxx-xx-xxxx FR, Regular Air Force.
Col. Wayne E. Schramm, xxx-xx-xxxx FR, Regular Air Force.
Col. Charles J. Searock, Jr., xxx-xx-... FR, Regular Air Force.
Col. William H. Sistrunk, xxx-xx-xxxx FR, Regular Air Force.
Col. John D. Slinkard, xxx-xx-x... FR, Regular Air Force.
Col. Roger C. Smith, xxx-xx-xxxx FR, Regular Air Force.
Col. W.J. Soper, xxx-xx-xxxx FR, Regular Air Force.
Col. Joseph K. Spiers, xxxx FR, Regular Air Force.
Col. Jospeh K. Stapleton, xxx-xx-xxxx FR, Regular Air Force.
Col. Charles F. Stebbins, xxx-xx-xxxx FR, Regular Air Force.
Col. Gorham B. Stephenson, xxx-xx-... FR, Regular Air Force.
Col. Daniel A. Taylor, Jr., xxx-xx-xxxx FR, Regular Air Force.
Col. David J. Teal, xxx-xx-xxxx FR, Regular Air Force.
Col. Walter E. Webb, III, xxx-xx-xxxx FR, Regular Air Force.
Col. William T. Williams IV, xxx-xx-... FR, Regular Air Force.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of sections 593, 8218, 8373, and 8374, title 10, United States Code:

To be major general

Brig. Gen. Miles C. Durfey, xxx-xx-... FG, Air National Guard of the United States.
Brig. Gen. Frank L. Hettlinger, xxx-xx-... FG, Air National Guard of the United States.
Brig. Gen. Bobby W. Hodges, xxx-xx-... FG, Air National Guard of the United States.
Brig. Gen. Donald L. Owens, xxxx xxxx FG, Air National Guard of the United States.
Brig. Gen. Robert W. Paret, xxx-xx-... FG, Air National Guard of the United States.

Brig. Gen. Paul M. Thompson, xxx-xx-... FG, Air National Guard of the United States.

To be brigadier general

Col. Nicholas Annicelli, Jr., xxx-xx-... FG, Air National Guard of the United States.

Col. Roland E. Ballow, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Richard W. Bertrand, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Emiel T. Bouckaert, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Gene A. Budig, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Wayne O. Burkes, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Drennan A. Clark, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Thomas R. Elliott, Jr., xxx-xx-... FG, Air National Guard of the United States.

Col. Harold R. Hall, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Charles W. Harris, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Richard R. Hefton, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Thor A. Hertsgaard, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Harold C. Morgan, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. David W. Noall, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. William R. Ouellette, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Dudley P. Smidt, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Kenji Sumida, xxx-xx-xxxx FG, Air National Guard of the United States.

Col. Charles W. Taylor, Jr., xxx-xx-... FG, Air National Guard of the United States.

Col. Carleton B. Waldrop, xxx-xx-xxxx FG, Air National Guard of the United States.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of section 8218, 8362, and 8373, title 10, United States Code:

To be major general

Brig. Gen. Donald G. Aten, xxx-xx-... FV, Air Force Reserve.

Brig. Gen. Robert G. Mortensen, xxx-xx-... FV, Air Force Reserve.

Brig. Gen. Charles R. Parrott, xxx-xx-... FV, Air Force Reserve.

Brig. Gen. James C. Wahleithner, xxx-xx-... x...

To be brigadier general

Col. Courtney W. Anderson, xxx-xx-... FV, Air Force Reserve.

Col. Dale R. Baumler, xxx-xx-xxxx FV, Air Force Reserve.

Col. Clyde C. Deckard, Jr., xxx-xx-xxxx FV, Air Force Reserve.

Col. Robert S. Dotson, xxx-xx-xxxx FV, Air Force Reserve.

Col. Dominick V. Driano, xxx-xx-xxxx FV, Air Force Reserve.

Col. Jack P. Ferguson, xxx-xx-xxxx FV, Air Force Reserve.

Col. Richard A. Freytag, xxx-xx-xxxx FV, Air Force Reserve.

Col. Eugene C. Galley, xxx-xx-xxxx FV, Air Force Reserve.

Col. Clarence B.H. Lee, xxx-xx-xxxx FV, Air Force Reserve.

Col. Beverly S. Lindsey, xxx-xx-xxxx FV, Air Force Reserve.

Col. Jack L. Lively, xxx-xx-xxxx FV, Air Force Reserve.

Col. William C. Rapp, xxx-xx-xxxx FV, Air Force Reserve.

Col. John D. Riddle, xxx-xx-xxxx FV, Air Force Reserve.

Col. Augustine A. Verrengia, xxx-xx-x... FV, Air Force Reserve.

Col. Robert L. Wright, xxx-xx-xxxx FV, Air Force Reserve.

IN THE ARMY

The U.S. Army Reserve officers named herein for appointment as Reserve Commission Officers of the Army, under the provisions of title 10, United States Code, sections 593(a), 3371 and 3384:

To be major general

Brig. Gen. Roger R. Blunt, xxx-xx-xxxx.

Brig. Gen. Richard O. Christiansen, xxx-x... x...

Brig. Gen. Albert E. Gorsky, xxx-xx-xx...

Brig. Gen. Jack Strukel, Jr., xxx-xx-xxxx.

Brig. Gen. William P. Sylvester, Jr., xxx-xx-xxxx.

To be brigadier general

Col. Paul L. Babiak, xxx-xx-xxxx.

Col. Richard D. Chegar, xxx-xx-xxxx.

Col. Clyde R. Cherberg, xxx-xx-xxxx.

Col. Ronald V. McDougall, xxx-xx-xxxx.

Col. Douglas J. O'Connor, xxx-xx-xxxx.

Col. Frederick W. Roeder, xxx-xx-xxxx.

Col. Felix A. Santoni, xxx-xx-xxxx.

Col. Paul Skok, xxx-xx-xxxx.

Col. Richard E. Stearney, xxx-xx-xxxx.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be general

Gen. Paul F. Gorman, xxx-xx-xxxx (age 57), U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Lt. Gen. John R. Galvin, xxx-xx-xxxx United States Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be general

Gen. Wallace H. Nutting, xxx-xx-xxxx (age 56), U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Lt. Gen Fred K. Mahaffey, xxx-xx-xxxx, U.S. Army.

IN THE NAVY

The following-named captains of the line of the Navy for promotion to the permanent grade of commodore, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

UNRESTRICTED LINE OFFICER

Henri Bertram Chase III
James Edward Taylor
Robert Lee Leuschner, Jr.
Harold John Bernsen
David Neil Rogers
Robert Theodore Reimann
Michael Peter Kalleres
John Frederick Calvert
Lyle Franklin Bull
Larry Gene Vogt
Jeremy Michael Boorda
Virgil Lusk Hill, Jr.
Henry Goodman Chiles, Jr.
Wayne Elwin Rickman
William Charles Francis
Dwaine Orris Griffith
Jimmy Pappas
William Adam Dougherty, Jr.
Thomas Witherspoon Evans
Thomas Kenneth Mattingly II
Daniel Charles Richardson
Gerald Eugene Gneckow
Eric Alton McVadon, Jr.
Roland George Guilbault
Richard David Milligan
John Samuel Yow
John Kenneth Ready
Cathal Liam Flynn, Jr.
Ronald Hans Jesberg
Roberta Louise Hazard

RESTRICTED LINE—ENGINEERING DUTY OFFICER

Richard George Camacho
Robert Leavy Topping

RESTRICTED LINE—AERONAUTICAL DUTY OFFICER

Thomas Cherrill Betterton

RESTRICTED LINE—SPECIAL DUTY OFFICER CRYPTOLOGY

James Stephen McFarland

RESTRICTED LINE—SPECIAL DUTY OFFICER INTELLIGENCE

Thomas Aloysius Brooks

RESTRICTED LINE—SPECIAL DUTY OFFICER PUBLIC AFFAIRS

Jimmie Bennie Finkelstein

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. James R. Hogg, xxx-xx-xxxx / xxx-..., U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Frank B. Kelso II, xxx-xx-... xxx-..., U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. Edward H. Martin, xxx-xx-... xxx-x..., U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Paul F. McCarthy, Jr., xxx-xx-... xxx-xx-..., U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. Robert F. Schoultz, xxx-xx-... xxx-xx... U.S. Navy.

DEPARTMENT OF THE TREASURY

Richard G. Darman, of Virginia, to be Deputy Secretary of the Treasury, vice R. T. McNamar.

Ronald Alan Pearlman, of Missouri, to be an Assistant Secretary of the Treasury, vice John E. Chapoton, resigned.

IN THE AIR FORCE

Air Force nominations beginning Edward A. Cardoza, and ending Iris L. Vinson, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning G.C. Adams, and ending Roger G. Santala, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning Larry G. Broome, and ending Francis M. Rembert, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning Maj. Garry S. Bahling, and ending Maj. Lana H. Baldy, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning Maj. James G. Abbey, and ending Maj. Earl J. Rubis, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning John Joseph Conroy III, and ending Stanley Zeitz Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning John H. Lamb, and ending Mcburnett J. Smith, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning Charles H. Mead, and ending Gregory D. Denney, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning William E. Barlett, and ending Frank A. Zazula, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning Maj. Kenneth D. Allen, Jr., and ending Maj. John A. Allen, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning Douglas A. Abbott, and ending Rutherford C. Wooten, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning Jorge Acevedo, and ending Stephen R. Zwicker, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Air Force nominations beginning Anthony C. Adamson, and ending Alan L. Zohner, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

IN THE ARMY

Army nominations beginning Brian D. Bailey, and ending Linda K. Webster, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Army nominations beginning David E. Bell, and ending Sterling L. Throssell, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Army nominations beginning Jeffrey Berenberg, and ending David R. Stoehr, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Army nominations beginning James P. Abramson, and ending Susan Zivnuska, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

IN THE MARINE CORPS

Marine Corps nominations of Maj. Charles P. Erwin, U.S. Marine Corps, was received by the Senate on January 3, 1985, and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Marine Corps nominations beginning Rudy K. Abrams, and ending Wayne J. Zimmerman, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

IN THE NAVY

Navy nominations beginning Cmdr. Jon A. McBride, and ending Lt. Cmdr. David C. Leestma, which mominations were received by the Senate on January 3, 1985, and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Navy nominations of Cmdr. David M. Walker, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

Navy nomination of Charles E. Shipman, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of January 3, 1985.

EXTENSIONS OF REMARKS

LESSON TO BE LEARNED FROM FALLEN POLICE HERO

HON. MARIO BIAGGI
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. BIAGGI. Mr. Speaker, as a 23-year police veteran, I am deeply saddened by the recent shooting death of D.C. Police Sgt. Joseph M. Cournoyer. I want to pay a richly deserved tribute to this fallen hero and I want to extend my condolences to his family.

History tells us that over the last 10 years some 1,600 law enforcement officers have been killed in the line of duty. Like so many of those courageous men and women, Sergeant Cournoyer was shot and killed while confronting an armed felon. The news accounts tell us that Sergeant Cournoyer, who was 30 years old and a 6-year veteran of the D.C. Police Force, was shot through the heart at close range during the arrest of a robbery suspect.

Other facts stand out when we learn about Sergeant Cournoyer's tragic death. For example, we know that it was only a matter of moments between the time of the robbery and when Sergeant Cournoyer located a suspect aboard a nearby shuttle bus. We also are told Sergeant Cournoyer did not draw his service revolver when he boarded that bus because he was concerned for the safety of innocent passengers. Thus, we know that Sergeant Cournoyer acted both quickly, courageously and responsibly. We can ask nothing more of our police officers. Unfortunately, while that type of police work provides a maximum level of safety for the public it does not always ensure a police officer's safety.

There is also one other fact associated with Sergeant Cournoyer's death that cannot be overlooked. Although all D.C. police officers have recently been furnished with bullet resistant vests purchased by funds raised largely from the community, Sergeant Cournoyer was not wearing his vest when he was shot. We can only speculate why Sergeant Cournoyer was not wearing his vest. Some police officers have complained that the bullet resistant vests are uncomfortable to wear. But, that does not seem to be the case with Sergeant Cournoyer since reports indicate he usually did wear his vest. What we do know, though, is that there is a very good chance Sergeant Cournoyer would be alive today if he had been wearing his vest. It would have covered his chest area and we know that the vest D.C. police officers wear stops most conventional handgun ammunition.

In fact, bullet resistant vests have been credited with saving more than 400 police lives since they first started being used around 1974. Reports indicate that more than half of our Nation's 570,000 law enforcement officers have been issued protective vests. Unfortunately, we cannot be certain that those officers actually wear their vests on a day-to-day basis.

As one D.C. police official was quoted as saying, "Everybody is aware of the dangers of the job, and the trouble is it gets to be routine. Something like this snaps everybody back into the real world."

Ultimately, it is up to each police officer as to whether or not they wear their vest. However, we all have a responsibility to see that police officers across the country have a vest to wear. That is why I joined so many others in the D.C. area in seeing to it that enough money was raised to purchase vests for each of the approximately 3,000 D.C. police officers who patrol our streets. We can all be proud of the successful nature of that effort, and be hopeful that more police officers will realize the need to wear those vests.

We can also do something more to better protect our police officers. We can ban the armor-piercing handgun ammunition that can penetrate bullet resistant vests. For nearly 6 years, I have proposed legislation aimed at eliminating these awesome projectiles that cannot be stopped by even the best of the soft body armor worn by police. Significantly, these so-called cop killer bullets are not used for any sporting or other legitimate purpose. Only one element of our society stands to benefit from the continued availability of these bullets—the criminal element. This situation must not be allowed to continue and my bill, H.R. 4, would put an end to it by banning the manufacture, importation and sale of armor-piercing ammunition. I am confident that enactment of this important legislation is very close at hand.

Mr. Speaker, last year I was proud to have authored a law allowing a National Law Enforcement Heroes Memorial to be built in Washington, DC. This memorial will provide a well deserved and long overdue tribute to the Federal, State and local law enforcement officers who die in the line of duty. Sergeant Cournoyer will be honored by that memorial.

Clearly, a memorial to those courageous individuals, like Sergeant Cournoyer, who sacrifice their lives while protecting others is something good. But, while we work to memorialize police deaths, let's also work to prevent them.

At this time, Mr. Speaker, I wish to insert an article discussing Sergeant Cournoyer's death, which appeared in today's Washington Post:

MANHUNT FAILS TO NET KILLER OF D.C. OFFICER

(By John Ward Anderson and Alfred E. Lewis)

Scores of D.C. police officers, some equipped with flak jackets and armed with shotguns, combed through a 40-block section of far Northeast Washington yesterday but failed in their effort to capture the gunman who fatally shot a District police sergeant Tuesday night.

While squads of heavily armed officers and dog handlers searched a number of buildings in response to telephoned tips, others went door to door circulating fliers and interviewing neighborhood residents.

"In the history of this department, there has never been a person who killed a police officer who hasn't been arrested," Assistant Chief Isaac Fulwood Jr. said of the vast manhunt. "We think we have a lead, but that's all I can say at this point. We do not have a suspect," he said at a late afternoon news conference.

"This really hits close to home," another police official said yesterday. "Everybody is aware of the dangers of the job, and the trouble is it gets to be routine. Something like this snaps everybody back into the real world. . . ."

Fulwood yesterday released a composite drawing and description of the man who shot and killed 6th District Sgt. Joseph M. Cournoyer, 30, a six-year veteran of the force, at a bus stop outside the Minnesota Avenue Metrorail station about 7:45 p.m. Tuesday. Fulwood also announced that a $7,500 reward would be paid for information leading to the gunman's arrest and conviction.

Police said that moments before the shooting the gunman and an accomplice robbed a Murray's Steaks store less than a block from the Metro station. Cournoyer, who was in uniform and alone in a marked police cruiser, apparently heard a radio report of the robbery, went to the Metro station and boarded a waiting neighborhood shuttle bus to look for suspects, police said.

They said about 10 persons and the driver were on the bus, and that Cournoyer spotted a passenger who fit the description of one of the holdup men and asked him to stand.

LAW OFFICERS KILLED

[Total number killed nationwide in line of duty and number not wearing protective vests]

	Nationwide	No vests
1980	104	90
1981	91	80
1982	92	78
1983	80	60

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

LAW OFFICERS KILLED—Continued

[Total number killed nationwide in line of duty and number not wearing protective vests]

	Nationwide	No vests
1984 [1]	69	53

[1] Preliminary figures.

Source FBI uniform crime statistics.

Cournoyer did a "preliminary frisk" of the man, Fulwood said, and ordered him to the front of the bus and outside onto the platform. There, a fight broke out during which the man pulled a handgun from his jacket and shot Cournoyer once in the chest, Fulwood said.

He was taken to Prince George's General Hospital—the closest to the shooting scene—where he was pronounced dead about an hour later. An autopsy yesterday revealed that the bullet pierced Cournoyer's heart.

Cournoyer, who was not wearing the bulletproof vest he had been issued, apparently didn't draw his service revolver while on the bus because of concern for the passengers' safety, Fulwood said. He said that, while the investigation is under way, he was "not privileged to say what happened to the second man" involved in the holdup, and whether that man was on the bus at the time of the shooting or how he made his escape.

According to one police official, the department had received a large number of calls from people offering information, but that so far none had led them any closer to a suspect. The most dramatic moment of the search came about 5:30 p.m. yesterday when riot gear-equipped police surrounded an apartment building at 3693 Jay St. NE after an anonymous caller said one of the holdup men was inside. Police conducted a room-to-room search of the building but found nothing, officials said.

Officers throughout the department wore strips of black tape over their badges yesterday in public mourning for Cournoyer, who lived in Riverdale with his wife, Darlene.

Cournoyer, who was promoted to sergeant six months ago, was the 33rd D.C. officer to die in the line of duty since 1963. Twenty-two of those died of gunshot wounds. The last two D.C. officers slain on duty were Robert K. Best, who was killed in December 1982 in a fight with a gunman on Suitland Parkway, and Donald G. Luning, who was killed in September 1982, in a struggle with a stolen-car suspect five blocks from where Cournoyer was slain Tuesday. Both Best and Luning were shot to death, and neither was wearing a bulletproof vest.

Their deaths sparked a massive campaign that ultimately raised $634,000 to buy bulletproof vests for all D.C. police officers, and law enforcement officials said yesterday that Cournoyer's death was a grim reminder of the protective value of those vests.

"From what I hear, [Cournoyer] wore his vest all the time," said Sgt. Robert Hanbury of the 1st District, where Cournoyer was previously assigned. "He was a quiet individual and he was always standing erect, always sharp, shoes shined and neat as a pin. Of all the people not to have it on . . . ."

A police spokesman said that the department has issued about 3,000 vests to members of the department—nearly everyone from the rank of sergeant down in the field operations division, which conducts routine street patrol.

Wearing the vests has not been made mandatory, he said, because of the large number of complaints made by rank-and-file officers that the vests are often uncomfortable.

Gary Hankins, spokesman for the Fraternal Order of Police, said yesterday that "the same quality that keeps bullets out keeps virtually 100 percent of the body heat in."

During the summer months, Hankins said, officers wearing the vests have had to be treated at the police and fire clinic for body rashes and heat fatigue caused by the vests, which weigh about 3½ lbs. and are constructed of 10 layers of Kevlar, a man-made fiber that, pound for pound, has five times the strength of steel.

Vests worn by D.C. officers are designed to stop a .357 magnum bullet at close range, police said. Federal law enforcement officials said such vests are credited with saving the lives of more than 500 police officers since they were introduced nationwide in 1974. Currently, about 270,000 of the nation's 570,000 police officers have been issued protective vests, authorities said, but there are no figures available on how many are actually used on a day-to-day basis.

Funeral services for Cournoyer will be held at 11 a.m. Saturday at St. Bernard's Catholic Church in Riverdale, with burial to follow at Fort Lincoln Cemetery in Brentwood.

Police investigators asked yesterday that anyone with information about the shooting contact the D.C. police homicide division at 727-4347.●

SOVIET REFUSENIKS

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. CLINGER. Mr. Speaker, I recently traveled to the Soviet Union where I was fortunate enough to be able to meet with several refusenik families. The term "refusenik" is self-explanatory. Refuseniks are Soviet citizens who have been refused permission to emigrate from the Soviet Union. For having, in Soviet eyes, the temerity to apply for emigration, they automatically lose their jobs and then in a classic "Catch-22" situation are liable and frequently are charged with being parasites under Soviet law.

This year, in which we are proudly restoring the Statue of Liberty and the Soviet Union is slamming the gates shut on emigration and stepping up persecution of dissidents, provides a sharp portrait of the differences between our freedom loving society and the Soviet tyranny. Meeting with refuseniks brought this even closer home to me. It was both heartwarming and heartrending to meet with them. Heartrending because of the persecution and harassment that they must endure as citizens of a state that heaps only abuse on them. Heartwarming because of the steadfast courage with which they meet their persecution.

Through my membership on the Congressional Coalition on Soviet Jewry, I am fighting to have the Soviet state allow refuseniks to emigrate. With warmer relations developing between the United States and the Soviet Union, I hope that the Soviet Union can be prevailed upon to free its refuseniks.

Though a more temperate climate presently prevails between the United States and the Soviet Union, we cannot flag in our efforts on behalf of refuseniks for fear of jeopardizing further improvement in our relations with the Soviets. One of our main goals should be to help Soviet dissidents through cautious but friendly relations with the Soviet Union. Noted scholar Robert Conquest rightly points out that the "crux" of the divide between the United States and the Soviet Union is their denial that all humans have basic rights. We must and can proudly continue our noble heritage of fighting for freedom.

I urge my colleagues to work on behalf of Soviet refuseniks and all Soviet dissidents and to publicize their opposition to Soviet suppression of human rights. If the Soviet Union is sufficiently embarrassed it will remove the leash it collars its refuseniks with and allow them to live in freedom in the West.●

TRIBUTE TO WILLIAM O. PERRY

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. LEHMAN of Florida. Mr. Speaker, one of the true pioneers of black business in our Miami community was recently honored by the daughters and brothers of Elkdom and friends throughout our counties.

William O. Perry and I go back a long way. Even then, "he did it his way." And, indeed, it proved to be the best way.

We are all proud of Bill for the kind of man that he is, and has always been. We've all benefited from his personal successes and from his many humanitarian endeavors, and join with Bill's many admirers in the praise and appreciation bestowed on one of our finest citizens.

An article from the Miami Times follows:

[From the Miami Times, Jan. 24, 1985]

ADMIRING FRIENDS ROAST AN ELK

(By Starla Vaughns)

"He did it his way." That was the general consensus of W.O. Perry's roasters.

The Banquet-Roasters held at the Elks Atlas Lodge No. 308 to honor Perry who has been a community activist and businessman in the Black community since 1923.

Over 200 people attended the affair honoring Perry. Many walked to the podium to give words of praise and jest, led by Toastmaster Judge Alcee Hastings.

Hastings, who is also an Elk, said that Perry was a fine example of masculinity and a generous businessman, an organizer and visionary.

After introducing him in such a fine manner, Hastings proceeded to say "His color is often mistaken for the majority race, but he knows he's Black.

Owner of Perry Florist, Perry was elected exhalted ruler of the Atlas Lodge No. 308 in 1937. Within two years, he was crowned King of Exalted Rulers for having the greatest increase in membership of the lodges in the United States.

In 1942, he built the Elks Home, which was referred to as the Elks Rest, to house visiting Brothers and Daughters. In 1942, he was appointed Deputy of the Dade County District, serving for seven years, during which time he organized the Liberty Lodge No. 1052 and the Oversea Lodge No. 1057 of Homestead.

Later, Perry recommended the purchase of a 12-room-two story building at 316 N.W. 16th Terr. He renovated the building to make it comfortable and then, through volunteer service and the financial help of the Brothers and the Daughters of Elkdom, a new building was built at that location.

Elected State President in 1960 of the Florida State Association, Perry made a bid for the Grand Lodge to convene in Florida, and won. He worked during this time of segregation to have his Grand Lodge headquarters at Biscayne Bay Auditorium and won, despite the Jim Crow rules of segregation.

Giving almost 50 years to the benefit and upliftment of Elkdom, Perry earned the title, State President Emeritus, which signifies his services to the organization for which he was honored.

"I have given service all my life to God, family, business and the fraternal orders of Elks and Mason," said Perry. "I have met with obstacles and have not had an easy life, but I kept on going and did it my way."

Perry's secretary, Eloise Johnson gave him a money-covered football in honor of the Superbowl and then proceeded to call her boss a slave driver.

"He's the kind of man that does the job himself," said Johnson. "If he found out you weren't doing the job his way, he would do it himself."

Father Kenneth Major was on hand to roast Perry, saying that when Black people have no place to go to celebrate their wonders, Perry found a place for them.

"Now you can go to Miami Beach if you have the money to spend, but it is not the same as having your own place to go." said Major. "He is an organizer and he believed in Blacks having a place of their own."

The mood of the roast was set from the beginning when the audience shouted out that Perry's middle initial "O", means "old" Perry replied, the "O" stands for "Oh Lord, Oh Lord, help me" said Perry. "I knew if I were to succeed I would need His help. If I have touched someone along this road I know my life would not have been in vain."●

HUNGER—A CONTINUING PROBLEM

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. PANETTA. Mr. Speaker, today I submit for inclusion in the RECORD an outstanding series of recent articles on hunger in America published by the Chicago Tribune. These articles provide an in-depth review of the complex hunger problem—its extent, its causes, the role of Federal programs, and the role of the private sector.

These articles make clear that a serious hunger problem remains in this country, despite recent improvements in the economy. Recent reports from the U.S. Conference of Mayors, the National Association of Counties, and many others, confirm that the need for emergency food assistance remains high, and is still growing, in many areas of the country.

As we begin another year of debate on the budget, particularly in this year of the freeze, it is extremely important that we keep the needs of the most vulnerable Americans in mind. For many, a freeze in benefits would put them further behind in their losing battle against hunger.

[From the Chicago Tribune, Aug. 12, 1984]

MORE AND MORE GOING HUNGRY IN LAND OF PLENTY

(By Barbara Mahany)

In the shadows of its skyscrapers, factories and suburban housing tracts, America, a nation of plenty, is also a nation of want. On the edges of its fruited plains, behind its well-stocked supermarkets, America remains a land where millions cannot always find enough to eat.

Hunger in America: It is not a new condition, but in 1984 it is a paradox. American soils yield enough crops each year to feed the nation twice over, yet one in five of its people, more than 47 million, live near or below the poverty level and hunger or the threat of malnutrition.

And, after a decade that almost brought an end to hunger, the problem has grown worse despite the strongest economic recovery since the end of World War II.

To be sure, hunger in America is not made obvious by scenes of starving children lying on the sidewalks, crying out for food as they do in the streets of the Third World.

Instead, it is a silent gallery of portraits reflecting the slow, subtle damage that undernutrition inflicts on those who can't afford to buy enough food for themselves and their families.

Its faces include the 78-year-old Massachusetts widow who, according to a Harvard University study, subsisted on no more than a bowl of Rice Krispies each day for six months. Or the pregnant mother in Greenwood, Miss., who researchers found had had no milk to drink in six days, whose four children cried for food and whose cupboards were bare.

Also included are the 17,500 Massachusetts schoolchildren whose growth has been stunted by malnutrition, according to the state's Health Department. And the 1 in 38 West Side Chicago babies who die by age 1, often because their mothers nursed them with Kool-Aid or watered-down milk. That is almost three times the national infant mortality rate.

"We're not seeing starvation in America in a sense that one sees it in a country where there is an acute loss of food or a chronic undersupply," said Harvard University's Larry Brown, who headed a team of health professionals that spent 15 months documenting hunger problems in New England. He is now leading a team of 22 physicians, sponsored by the Field Foundation, in the first on-site nationwide hunger survey since 1977.

The absence of visible signs of hunger "takes the dramatic edge off," he continued, "but from a medical standpoint, if we had any (health) problem approaching the numbers of people who are hungry, we'd think we had a severe epidemic. It is, in fact; a crisis."

Two decades ago that was supposed to change. In 1964, when America was still basking in the radiant idealism of the Kennedy era and looking for causes to consider, President Lyndon Johnson declared war on poverty. It was hoped that by creating the Great Society, the kind of poverty and hunger that haunted America during the dust bowl days of the 1930s and continued to exist in rural areas and urban ghettos in the 1960s would be wiped out.

An arsenal of federal food-assistance programs was created in the Food Stamp Act of 1964 and the Child Nutrition Act of 1966. As the programs expanded, so did the spending—in real terms a sixfold increase, from $1 billion in 1969 to $19.2 billion today.

By the late 1970s, hunger was retreating, according to most of those who studied the problem. But the tide was reversed during the recent recession, and hunger persists across America, even with the recovery, say experts such as nutritionist Jean Mayer, president of Tufts University in Boston.

Hunger's renewed presence spurred a storm of controversy last winter after former presidential adviser Edwin Meese dismissed its existence as "a lot of anecdotal stuff." President Reagan's Task Force on Food Assistance conceded that "hunger does persist" in America but maintained that "allegations of rampant hunger simply cannot be documented." Meanwhile, bread lines at churches, missions and emergency shelters continued to grow.

Experts say the re-emergence of hunger was ushered in by the length and serverity of the recent recession and aggravated by the Reagan administration's 1981 budget cuts in social welfare. The recession drafted unprecedented numbers into the ranks of the needy; the budget cuts dropped the safety nets out from under many of them.

In the last three years, 4.6 million, or one in eight previously participating Americans, have been cut from Federal food-assistance programs in Reagan's efforts to curb the federal deficit.

By 1985, the cuts will total $12.3 billion in real terms, according to the bipartisan Congressional Budget Office. That figure, adjusted for inflation, takes into account what the level of funding each year would have been had the 1981 cuts not been enacted.

Defending those cuts, Reagan administration officials say they have only stripped waste from the programs and ensured that the truly eligible are not shortchanged. They also say they are spending more than ever on food programs, a fact that fails to account for inflation and the increased number of needy during recent periods of high unemployment.

Though critics dispute the government's claims, they agree that to single out the Reagan administration for blame is to miss the point.

Rather, a whole decade of policy changes adopted under Republican and Democratic administrations was abetted by a tide of conservatism that swept the nation, accompanied by economic hardship.

"The economic stress the nation is going through, be it from inflation or unemployment or the national debt, has struck people in such a way that their better natures are not being tapped now," said Amy Fine, director of the University of North Carolina's Child Health Outcomes Project, a group monitoring key indicators of children's health.

"I don't see much difference in the conditions of hunger now and in the '60s," said Bard Schollenberger, policy analyst on domestic hungry for Bread for the World, a nonprofit food-policy research group. "The only difference is that there's not a strong commitment on the part of policymakers to do much about it," he continued. "The major thing lacking is a political will."

That middle-class America was growing increasingly reluctant to share its dwindling wealth with those less prosperous was reflected by the 30 percent decline from 1970 to 1980 in benefits from the basic welfare grant program, Aid to Families with Dependent Children [AFDC]. The figure represents decisions about benefit levels and eligibility made repeatedly by most of the 50 states during that decade.

By the 1980 presidential election, America—out of work, running out of hope—was ready for a candidate who promised to put the people back to work, the economy back on its feet.

To do that, Reagan cut taxes with the 1981 Tax Act, arguing that people with more money to spend would buy more and provide more jobs. Need would be relieved with such "trickle-down" economics, he said, not government spending.

The 1981 Omnibus Budget and Reconciliation Act, another of Reagan's keys to putting the nation on the course to recovery, instituted the sharpest cutbacks in federal nutrition programs since their inception.

More specifically, the Reagan administration's 1981 budget cuts have meant that:

900,000 people have lost eligibility for food stamps and, by 1985, the program cumulatively will have been slashed in real terms by $7 billion, according to the Congressional Budget Office.

A recent nationwide survey conducted by the nonprofit Food Research and Action Center found that two-thirds of the households receiving food stamps deplete their monthly allotment by the second or third week of the month.

3.2 million children, 40 percent of them from low-income families, no longer get school lunch, and 475,000 children no longer get school breakfast. In 1981, the Child Nutrition Programs budget was cut by a third, or $1 billion, the budget office reports. By 1985, the cumulative cuts will be $5.2 billion, adjusted for inflation.

493,000 families have been dropped from AFDC rolls because of tightened eligibility, according to Congress' General Accounting Office. In 26 states, families with incomes at 50 percent of the poverty level are ineligible. In 1981, federal AFDC spending was slashed $1 billion, combined with the resulting loss in state matching funds of another $1 billion, the budget office reports. By 1985, the cumulative federal cuts will be $2.4 billion after adjustment for inflation.

Women, infants and children, considered high-risk for nutritional deficiencies, have fared well since 1981: Spending for the federal supplemental feeding program for that group has almost doubled to $1.4 billion, but only because Congress repeatedly rejected the administration's efforts to cut the program each year by more than a third, or 1.5 million recipients. Not an entitlement program, the Women, Infants, Children fund serves only 3 million of the 8.9 million eligible recipients. Nationwide, 300 counties, or one in 10, still have no such program because of its limited spending level.

Those changes alone do not account for hunger's resurgence, critics acknowledge. Rather, the problem has been compounded by the fact that the cuts came at a time when the nation's poor were in need of more, not less, government support.

"The re-emergence of hunger is clearly tied to the whole picture of federal aid," said public health analyst Fine. "The food programs are there to help those in need, and if you have increased need, even if you have maintained the food programs, you're going to have a bigger problem.

"The need under the current administration has been exacerbated by cuts across the board," Fine said. "They did not take into account that unemployment would increase the need for assistance. The administration is saying funding rose or stayed the same. That's true, but that's skirting the issue."

The Reagan administration argues that though unemployment peaked at 10.8 percent in December, 1982, there are now 5.4 million more Americans at work than when Reagan took office. But labor statistics also show that there are 469,000 more people out of work now than in January, 1981. Both figures are seasonally adjusted, meaning they account for summer work force expansions. The current jobless rate, at 7.5 percent, is the same as when Reagan took office.

The administration's claim, made by Meese last December, that food-program spending was at an all-time high was later undercut by the Agriculture Department, which showed that food prices rose 15 percent from 1980 to 1983 and that each 1 percent rise in unemployment adds about $600 million a year to food stamp costs.

Through it all, more and more Americans found themselves scraping to get by: A laid-off steelworker's wife serves no more than canned corn to her four teenage sons; a welfare mother fries leftover chicken bones for her husband and five children; an out-of-work business executive knocks on a North Shore church's door, begging for a bag of day-old bread, bruised apples and a few cans of stew.

New poor, old poor, homeless—their unemployment benefits exhausted, their disability claims denied, their welfare benefits reduced or terminated, their income taxes increased—all stand in the food lines, marooned by an economy that bottomed out around them. This summer some of those lines have shrunk, but those still there say they're growing more desperate.

In April, the budget office issued a report showing that the Reagan administration's combined budget cuts and tax changes caused an average loss of $1,100 for households with $10,000 annual incomes, while the same 1981 initiatives meant an average gain of $24,000 for households with $80,000-plus annual incomes.

In June, the number of unemployed Americans receiving benefits, 29 percent of the 8.1 million jobless, hit an all-time low. That compared with more than 60 percent of the unemployed who received benefits during the corresponding month after the 1975 recession, said Robert Greenstein, director of the Center on Budget and Policy Priorities, a Washington, D.C., nonprofit research and analysis organization.

No doubt hunger's caseload is vast, but pinning a number to it is an elusive task. When experts estimate that 47.1 million, or one in five, Americans live at or near the poverty level of $10,178 annual income for a family of four in 1983, that is at best a rough calculation.

Not all of those poor Americans, 17 million of whom are children and 5.9 million 65 and over, are hungry every day, but many are exposed to chronic undernutrition because too often they cannot afford adequate food.

Perhaps the best documentation that hunger is on the rise is the dramatic increase in malnutrition-related health problems reported by hospitals across the country in the last three years.

Despite critics' claims, this national malady has not escaped Reagan's attention. Indeed, last September he remarked: "If even one American child is forced to go to bed hungry at night, or if one senior citizen is denied the dignity of proper nutrition, that is a national tragedy."

But a few months later, Meese, one of Reagan's closest aides, created a furor when he said: ". . . We've had considerable information that people go to soup kitchens because the food is free and that that's easier than paying for it."

Defending the administration, John Bode, deputy assistant agriculture secretary of food and consumer services, said his department's cuts fit into the overriding Reagan agenda of curbing the federal deficit by trimming program misspending.

Critics of the food stamp program have long said fraud riddled the system, and tales of black-market counterfeiting and trafficking are rampant. In fact, such incidents are exaggerated: 90 percent of the misspending occurs at the "front end of the system between caseworkers and applicants," said the Agriculture Department's Robb Austin. "The majority of that is not out-and-out fraud but rather errors in issuance levels because of inaccurate reporting about income and household composition."

To counter such misspending, the Reagan administration launched an all-out attack on the problem by instituting a series of safety checks and increasing state accountability for program administration.

From 1981 through 1983, the food stamp program's error rate declined 14 percent, for an annual savings of $900 million, according to Agriculture Department reports. Though $1 in $10 is still misspent, the current margin of error of 8.5 percent is the lowest ever.

Further, Bode noted that food stamps were never intended to provide every meal for the needy. Rather, he said, the program was conceived as a means to provide a food supplement for low-income families to ensure at least minimum nutrition.

"Judgments about changes made in the nutrition-assistance programs shouldn't be made in terms of how much money is thrown in their direction," Bode said. "but rather in terms of how well that money is targeted."

He pointed out that the $19.2 billion currently spent on federal food-assistance programs still provides 21.4 million people with food stamps; 12 million schoolchildren with lunches; 3 million women, infants and children with supplemental feedings; and 2.1 million low income elderly with daily meals.

That may be, but critics argue that while targeting is important, the total level of spending still must be increased to solve the hunger problem. Study after study points to the programs' success in improving the nutritional status of low-income recipients.

Dr. Frederick L. Trowbridge, renowned nutritionist with the federal Centers for Disease Control in Atlanta, compiled data from 270,000 low-income children between 1976 and 1982 and found that the nutritional status of those enrolled in government food programs was improved for the first time since the 1960s.

"Once we commit ourselves to licking hunger, it's a relatively easy task," said Schollenberger, of Bread for the World. "In the short term, we need to expand those food programs already in place. The food stamp program is the nation's No. 1 weapon against hunger. We need to allow it to work.

It is frequently argued that one way to attack hunger is to reform the nation's farm programs, which are blamed for creating artificially high prices for milk and other commodities, or to distribute to the hungry the millions of pounds of surplus food stored by the federal government. Some blame the giant food-processing companies and their multimillion dollar advertising budgets for encouraging many poor people to spend their meager food dollars on more convenient but less nutritious foods.

But assessing the blame is not that easy. Farm surpluses also help keep prices low, and past efforts to hand the surplus products to the poor have run into serious distribution problems. The efficiency of the food-processing system is one of the major reasons Americans spend less of their incomes on food than do people in most other countries.

The consensus for a long-term solution to hunger centers on jobs—the creation of jobs, job training and matching job skills. Experts on both sides of the debate agree: Put people to work and they'll have the money to buy the food they need.

"That alone will never do," counters policy analyst Greenstein. "We forget that the bulk of the poor are out of the labor force; there is always a need for a basic safety net system. It's not a terribly arcane question as to what to do to alleviate hunger; it's really a political question."

The idea of a national policy that creates jobs for those who are able and provides a guaranteed income for those who are not has long been controversial. "This is one area where there's definitely a clear ideological division in policy," Greenstein said.

Last January, Democratic presidential candidate Walter Mondale revealed a plan to cut the deficit in half that included $10 billion in restorations in low-income programs, with food and hunger programs specifically marked for increases. Although at San Francisco's recent convention he vowed to cut the deficit by two-thirds and acknowledged that more taxes are needed, insiders speculate that those restorations—though smaller—will still appear on Mondale's agenda.

In May, David Stockman, director of the Office of Management and Budget, spoke before the U.S. Chamber of Commerce and said that 1985 was the administration's year to go after major additional budget cuts to cut the national debt. "There is little question around town," Greenstein said, "that deep cuts in the low-income programs are being drawn up."

Hunger did not come to America overnight and it will not go away quickly or quietly. Its history here is long and complex. Its solution, "a redirection of the items on the national policy agenda," Greenstein said, is not so easy.

"We need a president, a Congress and an American people committed to voting hunger out of the country," he said.

[From the Chicago Tribune, Nov. 25, 1984]

NEEDY FALL THROUGH TATTERED "SAFETY NET"

(By Christopher Drew)

In many ways, Katherine, a 28-year-old black woman living on the city's South Side, is a typical welfare mother. She grew up in a public housing project and now depends solely on public aid to support herself and her 8-year-old daughter.

Never married, she tried to break out of this cycle of dependency by working when she was in her early 20s. But she gave up hope for employment after her other child, a baby boy, crawled into a refrigerator and suffocated while in the care of a sitter.

These days, Katherine isn't as worried about her daughter's safety as she is about putting enough bread on the table to feed her.

While the general cost of living has jumped 25 percent in the last four years, Katherine's food stamp and welfare benefits have risen only half as much, from $336 a month to $378. As a result, she said, even sticking to a limited diet such as hot cereal for breakfast and turkey wings and potatoes for dinner isn't enough to keep her cupboards from running bare.

"At the end of the month I usually start running short of food, and I have to borrow to get things," she said. "I may borrow from a girlfriend who gets her stamps at a different time or go to my mother's, or the lady next door will give me hamburger patties."

Katherine's problems illustrate how sharp cuts in the nation's aid programs have forced many of the poor to scrounge more than ever for a square meal. Few are starving, but many clearly are seeing less balance in their diets, and medical researchers say this is contributing to an alarming increase in malnutrition-related diseases in some parts of the country.

The basic aid programs were created in the 1960s by a nation eager to root out the kind of Third World squalor then evident in Appalachia, the rural South and some urban ghettos.

By most accounts, the programs quickly eradicated the worst conditions and, by the mid-1970s, they were even making progress toward lifting the standard of living for all poor Americans. But then inflation started eroding the public's generosity, and the Carter administration and a number of states began looking for ways to tighten program budgets.

Critics say, however, that the "safety net" that had started to be woven under the poor didn't start unraveling until the early 1980s, when the recession threw many people out of work and the deficit-conscious Reagan administration decided to target social programs for its biggest cutbacks.

The recession barred critical flaws in the fabric of the aid programs. Many of the "new poor"—the laid-off autoworkers, the unemployed steelworkers—had expensive assets such as houses and cars and couldn't qualify for food stamps. Their only recourse was to scurry for the food pantries run by charitable organizations.

The budget cuts instead hit welfare mothers and disabled and elderly people, but the result was the same: Even though many of these people had come to depend on the government to take care of them, they were forced for at least a few days each month, to join the swell outside the food banks.

And while the economic recovery has put some of the new poor back to work, the traditional poor find themselves falling further and further behind.

"I know of no one who can have an adequate supply of food and clothing on a welfare budget today," said Sister Hannah Marie O'Brien, a nun who runs a food bank in one of the poorest sections of New Orleans. "There's no doubt that this is a very bad time for all the people who are dependent on the government."

In proposing the cuts, White House officials said the welfare programs had gotten fat, and they argued that they could achieve substantial savings and provide more benefits to the most needy by clamping down on waste and fraud and by kicking the less needy off the rolls.

Critics say the cuts they pushed through Congress went far beyond that, and numerous government and private studies support their contention.

In the food stamp program, the basic line of defense against hunger, the nonpartisan Congressional Budget Office has estimated that the total reductions will reach $7 billion in real terms by 1985, and even the President's Task Force on Food Assistance concluded that only a small part of the savings will result from cutting waste or dropping 900,000 of the less needy from the program.

Instead, the task force said, most of the savings will come from reducing or delaying benefit increases to the 21 million remaining recipients, most with incomes below the poverty line, currently defined as $10,200 for a family of four.

Studies also show that the damage from the cuts in food stamps has been compounded for many impoverished families by an additional $5.3 billion in cuts in several supplemental programs.

While their food stamps are running out faster, many families have found that their checks from the Aid to Families with Dependent Children [AFDC] program aren't stretching as far, their Medicaid cards aren't covering as many services, their children aren't getting as many free meals at school and their public-housing rents are going up.

Their distress over this and what they see as penny ante changes in program rules has heightened tension and even led to violence at many welfare offices, administrators say.

Perhaps more disturbing—and surprising, given the President's desire to get people off the dole—is how the cutbacks have reduced incentives to work and shoved some of the working poor further into poverty.

In a five-city survey, the General Accounting Office [GAO], an investigative arm of Congress, found that many of the working poor who were dropped from the welfare rolls couldn't boost their earnings enough to make up for the lost benefits. A significant number were left without medical coverage, and they frequently had to turn to relatives for money and charities for food, the study said.

Interestingly enough, most of these people decided to keep working rather than go back on welfare, the GAO said. But other analysts, including economist Arthur B. Laffer, one of the architects of the President's theory of supply-side economics, say the fear of losing medical coverage or suffering an overall income decline seems to be keeping others still on welfare from taking jobs.

Critics, of course, contend that the poor are being shortchanged to pay for the administration's defense build-up.

Administration officials counter that the willingness of private charities and relatives to step in and help the disadvantaged over

the roughest spots proves one of their basic arguments—that the government doesn't have to shoulder all the responsibility for feeding the poor.

The officials point out that the government continues to spend a substantial amount on food programs—about $20 billion a year—and assist 1 in 10 Americans. They also maintain that some of the problems stem from factors beyond the government's control, such as poor household budgeting.

"So when we have these discussions about 'Do we have hunger in America?' I think we need to ask ourselves, If we do, is it a question that money is going to solve?" said Mary C. Jarratt, the Agriculture Department undersecretary in charge of administering food and nutrition programs.

Many of the poor "are needy one month, but not necessarily the next," she said. "It's a changing base. But I don't feel that the resources are not there, because if people want them, they can get them."

Jarratt said the department has cut waste in the food stamp program to the lowest level ever, saving $900 million a year, and has succeeded in targeting more of the benefit payments to the poorest recipients.

But she expressed concern about the effect of the cutbacks on the working poor and said she has assigned an aide to check into the cause of increases in malnutrition-related diseases.

Still, even some fairly conservative Republicans are concerned that the food programs have been slashed too deeply, and congressmen on both sides of the aisle say Reagan will face tough sledding if the tries to parlay his landslide reelection into further benefit cuts. There also appears to be a growing conviction in Congress that more needs to be done to address the underlying problems, such as joblessness, that lead to hunger.

"We are not attacking the root causes, and this bothers me more than anything," said Rep. Bill Emerson of Missouri, the ranking Republican on a House subcommittee that oversees nutrition programs.

The Tribune, in interviews with social workers and welfare recipients, found clear evidence of the greater suffering because of the food-assistance cutbacks and of a need for more training and counseling to help people get out of the welfare rut. But it was also clear that private sources are easing some of the worst problems—though many charities insist they can't get enough food to meet the demand—and that the poor don't always make the wisest budget choices.

In places such as Chicago and New Orleans, a typical Southern city with a large poor population, most of the welfare recipients interviewed reported running low on food much more often than they used to. And their descriptions of their diets—long on starches and fatty cuts of meat and short on fruits and vegetables—would have made any nutritionist cringe.

"Everything's gone up so much, and we have not got much of an increase" in benefits, Donna London said as she stood in line at Hope House, a Catholic charity in New Orleans, late last month for a bag of canned and dried goods for herself and her 11-year-old son. "So my food runs out before the end of the month, and I got to come here to survive."

"I eat neckbones and pig tails and, once a week, a cheap cut of chicken or turkey legs with macaroni or potatoes," said Thelma Boyd, 67, who is confined to a wheelchair and lives alone in New Orleans in a tin-roofed shack decorated with religious pictures and drawings of John F. Kennedy and Rev. Martin Luther King Jr. "The doctor said I'm supposed to drink fruit juice, but I can't afford it, so I drink Kool-Aid instead."

Doctors in both cities have linked such dietary deficiencies to increased health problems, such as last year's 24 percent increase in pediatric admissions at Cook County Hospital for stunted growth, dehydration and weight loss. Social workers say the greater difficulty in providing for their families has been a severe blow to the self-esteem of many poor people.

"Most of them are angry when they come into the pantry; they're angry at themselves that they have to ask for food," said J. Pat Morris, director of a food bank at South Deering United Methodist Church on Chicago's Far South Side.

More often than not, this hostility boils over at the welfare offices.

As part of the campaign against fraud and waste, the Reagan administration got Congress to require welfare recipients to file more frequent income reports—monthly rather than annually in some cases. But in many cities, caseworkers haven't been able to keep up with the flood of reports, and each month many food stamp clients are cut off because of clerical problems, according to the state officials who administer the program for the federal government.

This requires a trip to the welfare office to re-enroll, which adds to the burden on the welfare workers and causes tempers to flare on both sides. As a result, some welfare offices have come to resemble armed camps.

On one recent morning, guards in olive uniforms patrolled the drab lobby of the office in New Orleans, and the dozens of clients clustered there needed to get passes to take an elevator to a higher floor. Samaria Harris, a thin, pert mother of two, was sitting on one of the plastic chairs, coughing and wheezing from what she described as a case of jangled nerves.

"I had an appointment for 9:30, and it's 10:45, and I'm still here, she complained. She finally got called about 11:15, but after she finished her appointment she was fuming even more.

Though Harris was down to just a few bags of beans and rice in her kitchen, the caseworker had threatened to suspend her benefits because she didn't have documentation that $200 she got from a friend was a loan and not a gift. "They talk to you so rough and nasty," she said.

Still, the motivation behind this kind of scrutiny was apparent on a visit to one of Harris' neighbors, who couldn't pay her water bill and had to borrow food for her four children. As she talked about her problems on the crumbling front porch of her rented house—a hole in the front of her dress pinned shut—a 4-foot-wide console color television blared out soap operas in the living room.

Food bank officials confirm that they have been reaching many of the people in need especially since Congress authorized the Agriculture Department three years ago to temporarily distribute surplus milk and cheese to the pantries. But they said they don't have the resources to help many of the worst cases, including an increasing number of homeless people who can't get food stamps because they don't have a permanent address.

Waving her arm to guide a visitor's eyes across the nearly empty shelves of the Hope House pantry, Sister Ruth Marie Doyle spoke for a lot of food bank administrators when she argued that the most sensible solution would be for Congress to restore some of the spending cuts.

"It's just much more difficult to move the system now to help someone," she said. "They say they don't have the money."

Social workers argue that Congress also needs to rescind cuts in job training, mental health counseling and other social programs.

Moved by these problems, a coalition of Democrats and moderate Republicans in Congress plans to press next year to undo a few of the food program cutbacks and to raise the asset limits for food stamps to keep some of the new poor from falling through the cracks in the programs.

But several of the congressmen said they doubted they would make much headway. They expect the White House to push for further cutbacks and even stricter rules, and the likely result will be tradeoffs involving minor increases in benefits and further administrative tightening.

Both sides agree about the need to address the underlying problems, but their proposals differ, and little significant action seems likely.

The White House believes job training should be left largely to the private sector, but administration officials also would like to require all welfare recipients to perform community services to pay for their benefits and gain some work experience. Most Democrats, however, argue that such "workfare" programs, in practice in some states, don't prepare people for jobs unless they are combined with intensive—and expensive—training and counseling programs.

"People worry the most about the children in these welfare situations, because we could get another generation . . . on that dependency," said Rep. Emerson. Whatever the differences in approach, he said, "I think we're remiss in not addressing that."

[From the Chicago Tribune, Nov. 26, 1984]

ALL POOR AREN'T EQUAL UNDER STATES' LAWS

(By Barbara Mahany)

It's dinner time at Willamae Flemister's South Side row house, and 10 arms are flailing for a plate of fried chicken bones. Little more than flour and grease grace these leftover bones, but that's better than next week's menu: "catch-as-catch-can."

Flemister can stretch a single fryer three weeks—first roast, then soup, then fried backbones—but by month's end, when the food stamps run out and the cupboard's near bare, it's slim eating here. That's when the children eat first, and if anything's left it's shared by Flemister and her husband, Richard, Jr., who says he's disabled by a disorder that involves seizures. If nothing's left, they go without.

Getting by on monthly checks of $296 in food stamps and $556 in welfare, the Flemisters have a tough time making it, they say. So tough, they've had to send two of their seven children to live at their grandmother's.

Prices at the corner market "eat quick" through their checks; discount stores are too hard to get to by bus, they explain. Winter cold blows brisk through the front-door cracks, pushing heating bills through the roof.

Chicago, they conclude, is a "nasty place to be poor."

If it's nasty in Chicago, it's even nastier in Greenwood, Miss., said Zuella McNelson, who, like the Flemisters, has seven children, is poor and gets monthly welfare checks and food stamps. There, the similarities end.

McNelson gets $196 in food stamps and $144 in welfare each month. That puts her $512 below the Flemisters. The only thing that separates them is state lines—three, to be exact.

But the 647-mile difference—and the respective legislatures that set policy and benefit levels for state welfare programs—put a 60-percent difference between the families' monthly incomes, though the best available government statistics suggest it is only 23 percent cheaper for poor people to live in Greenwood than in Chicago.

That statistical average, though, too easily glosses over the starkness of McNelson's poverty. The Flemisters, for example, pay $39.50 a month for a two-story, three-bedroom Chicago Housing Authority apartment; the McNelsons pay $65 a month to a landlord and crowd two families into a three-room shotgun shack.

Depending on one's spot on the map, and the whims of one's state government, one can receive lower benefits or face higher hurdles to get into government-aid programs.

The result is a patchwork of state programs that pull apart, at a local level, whatever federal programs have been sewn together in Washington.

There is no single safety net stretching from coast to coast, providing uniform support for the nation's poor and near-poor. Rather, imbalances in states' revenues, expenditures and policymaking loosen the weave, sometimes making it more likely the poor will fall through the holes.

Sad testimony to that is Zuella McNelson. Staring out from the front stoop of her Mississippi Delta shack, hers is a panorama of some of the nation's most glaring poverty.

Her body bone-thin, her bare feet dusty, an oleander bush shading her back, McNelson, 34, brushes away her 3-year-old son and talks bitterly about the system that allowed her three times as much welfare at her former Detroit address as at her home on Cotton Street. Her widowed father's lingering battle with throat cancer is the only thing that brought her back to Greenwood.

"It's like this here in Mississippi, we're livin' raggedy," she says, kicking a chunk of plaster off the porch. "You can't make it through a month on what they give you. It's just pitiful. Once you leave this state, it's another world, Detroit, it wasn't no heaven, but this . . . this is hell."

McNelson is not the first nor the only one to complain about the absence of a uniform national social welfare policy or a guaranteed federal income.

The issue is one that has reared its head many times in national debates. Its most noted appearance was the Nixon administration's Family Assistance Plan of 1969, which called for a limited version of a guaranteed annual income. Despite its billing as the welfare reform plan that would attack poverty at its roots rather than merely pruning its attendant symptoms—hunger being a chief one—through a piecemeal approach of disparate programs, the plan died in Congress three years later.

Inherent in that defeat—aside from a national distaste for welfare, thought to grate against the American work ethic—were lawmakers' arguments that a flat rate would raise overall welfare costs, underpay residents of high-cost areas and overpay residents in low-cost areas.

The concerns still exist, but they are countered by a mounting cry that the safety net is unraveling and poverty and hunger are on the rise.

The resurgence of hunger and poverty in America "clearly is a national problem that warrants a national response," said Barbara Leyser, social policy analyst with the Center on Social Welfare Policy and Law in Washington.

The main threads of the safety net intended to keep the poor from becoming the hungry are the federal food stamp program and the basic welfare grant, Aid to Families with Dependent Children [AFDC], a program overseen by the U.S. Department of Health and Human Services, administered by state governments and funded by both.

But the poor's access to food is affected by state variances. Those include sales tax on food [17 states have a tax, ranging from 3 percent in Wyoming, Oklahoma, North Carolina and Georgia, to 6 percent in Mississippi], public transportation, food costs based on proximity to production sites and a potpourri of cash-assistance programs that may or may not exist in various states, counties or municipalities.

For example, only 36 states have general-assistance programs for poor people who are otherwise unqualified for aid because they are single, without children or not disabled, according to government reports. Of those, 19 have uniform state standards with ongoing cash payments. The rest are variations on a limted theme.

Even if the programs exist, the issue is tangled by a variety of rules, regulations and benefit levels left to the discretion of local governments.

Unemployment compensation, for instance, ranges from minimum weekly payments of $5 in Hawaii to $60 in North Dakota and from maximum weekly benefits of $84 in Indiana to $278 in Massachusetts. The duration of payments can be as short as 20 weeks, as it is in Puerto Rico, or as long as 30 weeks, as in Massachusetts and Washington state.

But it's the differences in AFDC and food stamps from state to state that account for the major inequities in aid to the poor.

Maximum AFDC payments vary sharply from state to state, with a low of $96 a month for a family of three in Mississippi to a high of $696 a month for a three-person family in Alaska, according to reports from the Congressional Research Service.

In only one state does the combination of AFDC and food stamp benefits meet the federally set poverty threshold [$10,178 annually for a family of four in 1983], the research service reported. But closer inspection showed a wide range of percentages, with Mississippi's combined benefits equaling only 45 percent of the poverty level and Alaska's equaling 108 percent of the poverty level.

The difference in payments is said to take into account variations in living costs, as well as revenue available to state legislatures, but critics say the system isn't working.

"Clearly there is no evidence of cost-of-living differences to support the wide variations in needs and benefits," said Leyser, the social policy analyst. "A lot of that is strictly political."

Though it is true that states such as Mississippi, with the nation's lowest per capita income, have less money than others, critics of state-set benefit levels argue that residents of poor states should not be penalized for living there, while wealthier states—or states with fewer needy residents—can afford to provide more benefits.

The Reagan administration sees it otherwise, resting instead on the pillar of federalism that admonishes, "The further control is from the people, the less likely that it is responsive to their needs."

Says Barabara Levering, spokeswoman for Health and Human Service's Family Assistance office: "For 50 years this has been largely a state-run program. Maybe you'd gain some apparent, superficial benefit in the cohesion [brought about by a federal program], but you'd lose the chance to respond to needs as they are, not as someone in Washington thinks they are."

In addition to differences in AFDC benefit levels, states also determine eligibility from a wide array of variables. In 27 states, two-parent households are ineligible for aid, regardless of work status or income level. In 10 states, "able-bodied" recipients must participate in workfare programs—minimum-wage government jobs—to get aid. In 23 states, pregnant women get no aid for unborn children.

With food stamps, the problem is not eligibility or benefit levels—those are set uniformly nationwide by the U.S. Department of Agriculture. Rather, it is the workings of the program that have administrators "choking and strangling in bureaucracy," while recipients are "forced to go hungry, waiting for stamps," said Donald B. Roark, chairman of the food stamp committee of the National Council of State Public Welfare Administrators.

Bearing the weight of a federal food stamp policy change once every 10 days on average in the last year, Roark, also Mississippi's public welfare commissioner, calls the red tape "an administrative nightmare, a needless jungle of paperwork." He cites the yeasty expansion of the food stamp manual from 40 pages in 1965 to 978 pages at last check.

It's not much better for the food stamp applicants who must fill out four-page forms in Mississippi, but must wade through 38-page forms in Alaska.

Driven by the Agriculture Department's mandate to slash error rates to less than 5 percent by 1986 or else—pay costly penalties, states are scrambling to catch fraud and abuse.

So much so that recipients like a man in rural Georgia was told by his local office that he had to hitch a ride two miles to a local farmer, known to be hiring workers, and get an affidavit proving he was not one of those hired before he could file for food stamps. That story, told by attorney Nancy Lindbloom of Georgia Legal Services, is repeated with a few plot twists all around the country.

An Arkansas county requires its food stamp applicants to obtain letters from at least five banks stating they do not have savings accounts at the institutions. Only then are their applications processed.

In Greenwood, Miss., local residents refer to a term of fraud investigators as "The Gestapo" saying they go so far as to check to see if women who claim they are unmarried have men's shoes in the closet—a sure clue, the officials charge, that someone may be surreptitiously adding to monthly income and thus bilking the government.

Behind these concrete differences in program spending, rules and regulations are differences in attitudes about the poor in general and welfare in particular.

Local charges that Yankee pride in New England, racism in the South and the frontier spirit in the West put up barriers to justice and equal rights for America's downtrodden add to the regional texture of the

social welfare net and make it seem all the more uneven.

The situation, summed up by Zuella McNelson: "Hardly seems like America when you got so many ways to be poor. Don't no one in Washington care about us just 'cause we're livin so bad out here in places they don't never see.

[From the Chicago Tribune, Nov. 27, 1984]

STORES FORSAKE THOSE WHO NEED THEM MOST

(By Barbara Mahany and Christopher Drew)

When the "Out of Business" sign was recently posted on the last of seven groceries in Aliquippa, Pa.—a nearly boarded-up steel town in the heart of America's Rust Belt—Linda Twigger was left with a tough choice.

The 37-year-old mother and caretaker of two, whose truck-driver husband was laid off nine years ago from the town's only steel mill, could walk 2½ miles to the nearest store and get three bags of groceries for $109 in food stamps.

Or, if—as is usually the case—no one's around from whom Twigger could thumb a ride, she could pay $15 to an illegal jitney driver for a round trip to a discount supermarket where lower prices made it possible for her to purchase six bags of groceries with the same amount of stamps. That ride would cost Twigger more than one-seventh of her grocery money, a day's worth of food.

"That's highway robbery," Twigger said, thumping her fist on the sill of the kitchen window overlooking Aliquippa's dead-silent main street. "This town's too poor to even afford a taxi, so we gotta pay through the nose or walk."

Twigger's dilemma is one increasingly common among America's poor as more and more supermarkets move out of small towns and inner cities, seeking instead rich suburban markets. The poor are left with no choice but to pay dearly for rides or depend on high-priced corner markets.

Partly to patch such flaws in the modern-day food chain, the government recently stepped up the distribution of surplus farm commodities to the needy, a practice that was largely abandoned a decade ago in favor of food stamps.

But, as Twigger, a recipient of this largesse, points out, the limited offerings—mostly cheese, butter and dry milk—don't make for balanced meals. And that, along with opposition from some agribusiness interests, is what keeps commodity distribution from being more than a partial solution to the nation's increasing hunger problems, experts say.

"You know when it's the end of the month here," Twigger said, "because we squeeze in a whole lot of macaroni and cheese, grilled cheese and cheese omelettes."

Twigger's story typifies the plight of the poor and the near poor, who are hard-pressed to stretch evershrinking food dollars through a month's worth of menus.

Obvious reasons for the shortfalls at the grocery—and an attendant rise in hunger among America's poor—include the recent across-the-board cuts in federal and state benefits and the perennial rise in food prices, though the rate of increase has slowed from 10.9 percent in 1979, to 3.6 percent so far this year.

Beyond that, though, are problems that lie in the day-to-day workings of the agribusiness establishment—the sector of the modern economy that moves food from farm to grocery, determining the prices and availability of products along the way.

Experts marvel at the system's ability to grow enough food to feed the nation twice over and distribute it so efficiently that few Americans are starving and the average American family spends only 16 percent of its disposable income on food—less than people almost anywhere else.

Critics, however, say Americans still have to pay more for their food than they should.

Backed by many government and private studies, they argue that the food companies—through their multimillion-dollar advertising campaigns or sometimes deceptive packaging—encourage consumers to squander their food dollars on more convenient but less nutritious items. Advertisers, however, argue that creating national brand markets holds down prices by eliminating duplicate costs of marketing on a region-to-region basis.

Critics also point with alarm to the growing number of mergers in the food industry, a phenomenon that contributes to even higher prices.

Some also argue that the government's programs to boost farm incomes add to the cost of food, but others say these increases are offset by the savings that result from the recurring surpluses created by those programs.

Rich and poor alike pay for these problems. But the poor in particular are hurt, because for them, one added cost, one unanticipated expense, means that some foods must be stricken from their grocery lists.

Says Pat Slaughter, a mother of seven in Yarmouth, Me., who shops with a blue suitcase full of coupons, "If prices are higher than I plan for, I don't have the luxury of scrimping elsewhere in my menu. I just cut out fruit or milk, and we fill up on starch."

Because their budgets are so precariously pieced together with the start, one of the most critical agribusiness problems facing the poor is the migration of supermarkets away from where they live. For many rural poor, this has long been a problem. For others, it is getting worse.

Not too dissimilar from the "white flight" that sociologists say has shifted inner-city demographics, the trend toward fewer big chain stores within the urban core is one supermarket analysts say leaves many of those living there with little choice but to pay higher prices. Often, the quality and selection of foods inside those stores is poor at best.

In Chicago, for instance, the A&P and National Tea chains long served the inner city, but in the late 1970s, both pulled out, weary from intense competition. Industry officials say Safeway Stores, another of the biggest chains, has practically deserted Washington, D.C., in favor of surrounding suburbs.

A "black tax"—the term industry insiders give to an extra mark-up said to cover the added costs of inner-city operations such as pilferage and higher real estate costs and taxes—usually accounts for a 1 percent to 2 percent price differential between city and suburban stores but may push prices as much as 10 percent higher in the city, industry officials acknowledged.

"Some difference in the prices probably makes sense, but I don't think the black tax is fully justified," said a Chicago-based official of a major food company who keeps track of the disparities in retail prices of his company's products. "Maybe 1 percent or 2, but not 10 percent."

He pointed out that retail chains typically divide metropolitan areas into a dozen or more price zones, with the highest generally in the inner city. "Yep, the poor pay more," he said, "and they're trapped and penalized by their environment."

Industry analysts said some warehouse groceries, the huge discount operations popping up all over the suburbs, would love to locate closer to the inner city because poor people would undoubtedly flock to them. They are barred, analysts said, because real estate prices are at a premium and they have trouble finding enough open space for their block-long stores.

Still, the enticement of lower prices at the suburban chains or warehouse stores draws some bargain-minded shoppers out of the inner city, but their savings are consumed by delivery charges as high as $10. On Chicago's South Side, Virginia Morgan said that fee kept her from shopping for her family of 13 more than once a month.

To avoid paying more than once for the long-distance delivery, Morgan and others like her said they depend the rest of the month on the "mom and pop" groceries that still grace many an urban corner.

These markets push inner-city price averages up because they get their food from independent wholesalers who base their prices on the retailer's volume; hence, the smaller the store, the higher the wholesale price it pays.

Because operating costs are so high already, many small-time storeowners said they try to keep the lid on prices by purchasing lower-grade produce. It's not unusual to see bruised apples or heads of lettuce in a bin. Because of low volume, turnover is slow and out-of-date dairy products can often be found on the shelves.

But one thing those stores offer that big stores wouldn't dream of giving their customers is credit. Often, though, shoppers become tied to the higher-priced stores by hard-to-break credit cycles.

"People get roped into the corner stores," said social worker Joie Kammer of Greenwood, Miss., "because when times are lean they let them run up credit. In order to keep up the credit, they keep going back there and never break away to bigger, less expensive stores."

Another problem is that food prices can vary greatly from region to region. So, by the accident of geography, some poor find the odds are stacked even higher against them in their struggle to get more for their food dollars.

During a recent market survey done by The Tribune in a dozen regions from Maine to Northern California, prices for the same 22-item market-basket at stores frequented by the poor showed variations of up to 34.5 percent, from $30.91 at The Giant Eagle, outside Aliquippa, Pa., to $41.62 at the Old Sawmill Trading Post, in Sawmill, Ariz.

While few would argue that some grocery industry policies have helped to distance the poor from affordable foods, there remains great debate about the degree to which the commodity surpluses—the results of other glitches in the nation's food chain—can bring the nation closer to ending hunger.

The stockpiles of grains and dairy products stored in government warehouses are quickly pointed to by critics who demand to know why—in the shadows of those mounds of wheat, corn, butter, cheese and powdered milk—hunger persists in America.

Those stockpiles are sagging under the weight of 2.4 billion bushels of grain and 2.1 billion pounds of dairy products, enough to provide each American household with

almost a ton of cereal and more than 26 pounds of dry milk, butter and cheese, although the cost of packing the foods into usable portions would be exorbitant. These goods were acquired by the government through programs designed to support farm incomes and stabilize prices.

But government officials say the limited range of available foods the massive problems involved in trying to store and distribute them and opposition from food processing companies limits the effectiveness of commodity distribution as a cure for hunger.

Processors fear government "dumping" of thousands of tons of cheap products into the open market would force down prices. Dairy processors complained about declining sales after Congress authorized distribution of surplus cheese after the first reports of increased hunger in 1981.

Although farmers say they would welcome distribution of the government's surpluses to the "truly needy," the problem is that most of the surplus grain is owned by farmers and not the government and can't be touched for distribution—even if it were already processed and put in family-sized packages.

It was these kinds of problems that led President Richard Nixon to choose food stamps over commodity distribution as the chief weapon in the war on hunger in 1974. He kept a minimal version of the commodity program alive as a supplement to a nutrition program for pregnant women, infants and children.

As a result, government officials now see commodity distribution as useful only as a supplement to other food assistance programs during times of increased need.

So in creating the emergency distribution program in 1981, said Christine Bolton, an aide to Sen. Robert J. Dole [R., Kan., chairman of the Senate Finance Committee and a key player in food policy legislation, "We never intended to create a new entitlement program. We just tried to link up two needs—to get rid of the agriculture surpluses and help a lot of people who need assistance."

Antihunger advocates agree that commodity distribution should not play a bigger role in the mix of food programs. Nancy Amidei, former director of the Food Research and Action Center, a Washington, D.C., research group, said she and others are afraid the expansion of the commodities program will be used, underhandedly, to pave the way for further cutbacks in the food stamps.

With the new acceptance of distribution as a tool in times of emergency, the food industry has stepped up its donations to the poor in an effort to help restock the nation's emptying pantries.

Perhaps the nation's biggest gleaner, Second Harvest, a nationwide network of 74 food banks, collects from 150 food manufacturers and retailers edible food that cannot be sold because it falls short of corporate standards—it may be mislabled, dented or out-of-date—and then distributes it to member food banks. The Chicago-based group has supplied its members with 160 million pounds of food since it was founded in 1979.

"In no way is this a solution to the problem of hunger in America," said Susan Fischer, the group's national director of operations. "But it's making a big difference in getting food to the hungry that would otherwise be burned or end up dumped in a landfill."●

UKRAINIAN INDEPENDENCE DAY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. BIAGGI. Mr. Speaker, January 22, 1985, marked the 67th anniversary of the proclamation of independence in Ukraine. I would like to recognize this day and reaffirm my support for the spirit of freedom which is alive in those who are desparately trying to maintain their cultural, religious, and national identifies in the face of Soviet oppression.

Although the independent republic endured only 3 years, until Communist takeover in 1921, the Ukrainian spirit of freedom has not been quenched, for it is as prevalent in the hearts of Ukrainians today as it was in 1918.

For many years the courageous Ukrainian people have withstood the increased efforts of the Soviet Union to integrate them into the Soviet system. This system attempts to rob citizens of their national identity, culture, and religious traditions just as it has robbed so many independent republics of their independence throughout the years.

It is encouraging to know that brave Ukrainian freedom fighters speak out against Soviet oppression and fight for their individual rights, rights which are granted to citizens in any civilized nation. However, these courageous men and women pay a price for espousing the principles of democracy and freedom as they are charged with crimes committed against the state and are treated harshly, receiving particularly long terms of imprisonment and being denied the few rights which they possess such as visitation of relatives.

The Ukrainian situation is one for the United States to take note of as it it indicative of the expansionary and oppressive behavior of the Soviet Union today. Poland and Afghanistan are but two examples.

The Ukrainian people are fighting for the same freedoms and liberties which are embodied in our constitution and with which we have lived for over 200 years. While enjoying these guaranteed freedoms, we must recall the struggle which was undertaken to gain them and support all those who are involved in similar struggles.

Mr. Speaker, we must maintain our solidarity with the Ukrainian people and encourage their efforts to overcome oppression so they may once again enjoy the freedoms which they had briefly 67 years ago.●

NATO AND THE FUTURE OF UNITED STATES-WESTERN EUROPEAN RELATIONS

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. CLINGER. Mr. Speaker, this month I had the opportunity to deliver a speech before European Parliamentarians in Brussels, Belgium, as part of an annual meeting of Members of Congress with that body. The basic premise of my statement is that while we have an obvious interest in being in Europe as part of our obligation to provide a check on Soviet activities, the U.S. Congress may decide to sponsor a reduction of U.S. troop levels in Europe if European nations do not agree to shoulder more of the financial and manpower burden of NATO. I would not, however, be inclined to favor an American troop reduction in Europe at this time because it might demonstrate to the Soviets during the upcoming arms control talks, a weakening of U.S. ties with our European allies. My remarks in full were as follows:

NATO AND THE FUTURE OF UNITED STATES-WESTERN EUROPEAN RELATIONS

In the past year, U.S. relations with Western Europe have undergone strains caused by different rates of economic growth and trade disagreements. However, the questions which have dominated much of the trans-Atlantic discussion are the status of NATO, the future of the American troops in Europe, and the equitable division of defense costs among NATO members. This debate affects the European Community not only because 9 of its 10 members are also members of NATO but because it is the current economic situation in Europe as well as in the United States which will greatly influence any solution of the problems raised in this debate.

Unlike the Mansfield amendment of a decade ago, the latest proposal threatening a possible reduction of U.S. troop levels was fathered by one of the closest friends NATO and Western Europe have in Congress, Senator Sam Nunn (Dem.-Georgia). It is the very fact that a respected figure like Senator Nunn has raised questions about NATO's welfare that has attracted so much congressional interest. I must stress that Senator Nunn's floor statement on NATO's present capabilities reflected the concern of many Members of the Senate and House. At present, I do not believe a comparable version of this amendment would pass in the Senate or House in 1985. However, I cannot be as certain about the following years. That will depend greatly on how Congress perceives European actions.

The Nunn-Roth amendment, although defeated by a 55-41 vote, correctly saw problems in the Atlantic Alliance. Its danger, which is why I oppose it, rested in the method by which it sought to obtain European agreement—the threatened removal of up to 90,000 U.S. troops during 1985-87. This is policy by intimidation rather than cooperation. Any reduction of U.S. troop levels in Europe should be accomplished

through negotiation with our allies. A unilateral withdrawal of some or all U.S. forces would in fact produce the following negative results:

It would weaken the commitment of the United States to western security before both European and Soviet eyes. Not only are the 350,000 U.S. troops in Europe critical to the strategic balance in Europe, they are a symbol of U.S. determination to honor that commitment. The maintenance of a nuclear umbrella over Europe is not enough in itself to demonstrate that commitment by the United States; American troops are the necessary additional proof to our allies and the Soviets that the United States will join in the defense of its allies. Soviet policymakers have worked with that assumption for 35 years since NATO was created.

Removing U.S. troops would encourage the West European public and their governments to consider politics independent of NATO which would not be in the best interest of the United States. Without a demonstrable commitment of U.S. forces to Europe's security, many will question any remaining U.S. commitment and very likely recommend that their governments find a new relationship with the Soviet Union. Such developments could lead to NATO's disintegration and present enhanced opportunities for Soviet exploitation of Western Europe's weakened security.

U.S. troops have contributed to the stabilization of Europe. No one should suggest that the removal of these troops would cause an automatic resurgence of historical rivalries in Europe. But there is no doubt that the U.S. presence has helped heal the wounds of old suspicions and contributed greatly to the spirit which has let the European Community grow. Their removal would inevitably force Western Europe to redefine its security policy, and in the subsequent discussions long entrenched suspicions might well surface. This would be a blow to the postwar cohesion and stability of Europe.

Lastly, it is important for us Americans to remember that it would be difficult for our allies to replace 350,000 U.S. troops with their own. The pool of available manpower is shrinking. West Germany, for example, could not be expected to replace fully the 256,000 U.S. troops stationed there in 1982.

The supporters of the Nunn-Roth amendment stress the importance of meeting the guideline set by NATO in 1978 for annual increases in defense spending by each member nation—3 percent after inflation. Frankly, the record of the European allies has not been as good as it should be. Since 1981, according to the Department of Defense, between four and six NATO members besides the United States have annually matched or come close to this goal. Continued and sustained efforts to meet this goal are critical if NATO is going to take steps to increase its defensive capability, and to forestall additional support in the United States for the Nunn-Roth amendment or similar initiatives.

Nevertheless, it is dangerous to become too strict in pressing this guideline. In light of the present U.S. debate over cuts in defense spending, it is important to consider the economic reasons which may make it temporarily difficult for some NATO members to increase defense spending by this much. Also, it is worth considering that a 2.5-percent real increase that goes toward additional equipment and ammunition will do more for NATO's capability than a 3-percent real increase largely spent on salaries and other personnel costs.

Where Western Europe and the United States need to direct their energies is now the focus of discussion in the Atlantic Alliance. Rather than dwell on many of the technical issues which concern NATO specialists, I see several broader policy issues which, if effectively addressed, will strengthen our mutual security and diminish the appeal of the Nunn-Roth amendment.

NATO'S CONVENTIONAL STRENGTH

The upgrading of NATO's conventional capabilities is, in the view of NATO's new Secretary General, Lord Carrington, the highest priority. I wholeheartedly agree; historically, the Warsaw Pact has had more troops and conventional weapons. And at present, according to NATO's military commander, Gen. Bernard Rogers, NATO command would have to request an early use of nuclear weapons in order to stop a conventional Warsaw Pact attack. Thus, NATO has to improve its conventional posture if it is to delay the early use of nuclear weapons and increase its ability to sustain a conventional defense.

INF DEPLOYMENT AND ARMS CONTROL

It is critically important that the Atlantic Alliance continue to maintain a united front on arms control, particularly as a new round of arms control negotiations may be approaching. This also means that NATO must hold to the scheduled deployment of Pershing II and cruise missiles. Since their suspension of the INF talks, the Soviets have continued to deploy SS-20 missiles. More importantly, the Soviets have continued deployment since the Dutch government in June 1984 decided to delay their own decision on cruise missile deployment until November 1985. This demonstrates that the Soviets are not going to fulfill the freeze on SS-20 deployment which the Dutch stated as one of their conditions.

Still, the United States must continue to explore the prospects of arms control negotiations with the Soviets on INF. This is not only because arms control is important to world security, it is also because the United States must preserve the trust of our allies and our own citizens who expect the United States to continue to follow the terms of the 1979 "dual track" decision and the May, 1984 NATO statement on East-West relations which urge such negotiations.

NON-NATO REGIONS

The dependency of NATO members, especially those in Western Europe, on outside energy sources and the growing inter-relationships of foreign policy problems throughout the world make it necessary for the United States and Western Europe to continue to investigate ways to coordinate policy, including military strategy, and to assist one another where possible. It is true that some European nations face constitutional problems when sending troops beyond borders, but such conditions should not preclude examination of ways for European forces to replace U.S. troops who may have to be redeployed outside of Europe. Likewise, we should build on the type of cooperation found recently in Lebanon, the Persian Gulf, and the Red Sea among the United States and some of its European allies.

ECONOMIC COOPERATION

Much of NATO's present difficulty is underscored and exacerbated by economic problems. These issues are being discussed at other times during our two days of meetings, but the United States and its European friends would all agree that a healthier world economy, lower budget deficits, and faster rates of growth in Europe would make discussion of NATO's needs much easier. Consequently, we must work together on policies which will promote sustained economic growth rather than revisiting the economic nationalism of the 1930's which led to such tragic destruction in World War II.

The United States and the Congress continue to place the highest importance on our close relationship with the nations of Western Europe. It is the maintenance of the Atlantic Alliance and our economic and commercial ties which has helped preserve our security for over 30 years and will continue to do so in the future. This is why many in the Congress are so concerned about the health of NATO and of our broader political and economic relations. We believe all countries involved must take actions to resolve some of the problems facing NATO. If the Congress sees actions taken on some of these concerns, I do not believe Western Europe will have to fear the passage of a Nunn-Roth amendment or the creation of a more independent foreign policy in the United States.●

INTRODUCTION OF THE KEMP-KASTEN FAIR AND SIMPLE TAX [FAST]

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. KEMP. Mr. Speaker, today, together with Senator ROBERT KASTEN of Wisconsin I am reintroducing our tax reform bill called the Fair and Simple Tax [FAST].

Since we introduced our first tax reform bill, we have been continually working to improve it, especially by looking for ways to reduce the tax disincentives facing low and middle income families, to enhance investment incentives, to increase the rewards for entrepreneurship and risk-taking, and to meet our goals of essential revenue and distributional neutrality.

We have not changed the basic strengths of the original Kemp-Kasten modified flat tax: We lower marginal tax rates, dramatically reduce the number of tax brackets, double the personal exemption to increase fairness for families, raise the income tax threshold above the poverty line to help break the poverty cycle, greatly simplify the Tax Code, eliminate many deductions and loopholes that distort economic activity, and make sure that all Americans pay their fair share.

While we have kept the major outlines of the original Kemp-Kasten bill, there are some changes which we believe are significant.

PERSONAL RATE STRUCTURE

The first significant change is in the income tax rates for individuals. We have lowered our flat rate on taxable

income to 24 percent from 25 percent. This change will affect middle and lower income Americans. Since Kemp-Kasten contains an employment income exclusion of one-fifth of all employment income below $41,700 a year (the social security wage base), the effective marginal tax rate on those earning below about $40,000 will now be 19 percent.

The employment income exclusion is now phased in so that everyone earning above about $40,000 yearly pays an effective marginal tax rate of about 29 percent. This preserves the ability-to-pay principle. And compared to our earlier bill, this change will result in a more continuous combined income and payroll tax rate at all income levels.

CAPITAL GAINS

We know that low capital gains taxes are crucial for risk taking, entrepreneurship, venture capital formation, new stock offerings, and new business starts. Yet we realize that there are two different types of investors who require different types of capital gains treatment. Investors seeking high growth prefer a large capital gains exclusion and are relatively indifferent to inflation indexing. Long-term investors looking for a relatively low rate of return need indexing protection against inflation; the current code does not include indexing, an omission which results in real taxes on phony, inflated gains.

To meet the legitimate needs of both types of investors, we permanently allow two options for capital gains. In any year an investor may either first, have all capital gains indexed for inflation and taxed as ordinary income, or second, without the benefit of indexing, 40 percent of the gain can be excluded from taxation, which cuts the top rate to 17 percent. Corporations have a similar choice between indexing and 35 percent rates, or no indexing and a capital gains rate of 20 percent.

DEPRECIATION

Our new bill contains a corporate and business depreciation system that should significantly increase incentives for new investment. Many tax experts favor expensing of capital investment because it treats all assets and industries alike, avoiding the Tax Code favoring some industries and punishing others. Expensing also virtually eliminates the distortions caused by inflation on corporate capital. These distortions arise because under historical cost accounting the corporate tax system can actually tax corporate capital rather than the return to capital. And expensing eliminates the double tax on corporate income.

However, one major problem has been that pure expensing involves large revenue losses in the first year, trailing off in later years, after which it raises money compared to current law. Some experts suggest phasing in expensing or keeping corporate tax rates very high to offset the short-term revenue loss. But long phase-in periods could cause business and other investors to delay their investment to receive the best tax treatment.

To avoid revenue loss while preserving the long-term economic advantage of expensing, the Kemp-Kasten bill modifies the current law depreciation schedules. It moderately stretches out the number of years of depreciation writeoff, increases the total depreciation writeoff, and indexes depreciation allowances for inflation. This gives the full economic value of expensing for all capital investment assuming a 3.5 percent real rate of return (this is slightly above the average postwar rate). Combined with cutting the corporate rate to 35 percent, the new depreciation system greatly reduces the cost of investment capital and will help assure that investment dollars are channeled to the most efficient projects.

CORPORATE INCOME TAX RATES

The new Kemp-Kasten bill lowers the corporate rate from 46 percent to 35 percent, which will greatly reduce double taxation of corporate dividends, lessen the relative advantage of tax-deductible debt financing, and ameliorate the anti-investment bias in our Tax Code. However, the top corporate rate remains slightly higher than the top rate for individuals. Kemp-Kasten also recognizes the important role for small business by including a 15 percent rate on all business income below $50,000 and a 25 percent on income up to $100,000 a year.

SOCIAL SECURITY

The new Kemp-Kasten bill uses a different method to lessen the taxation of Social Security benefits. We reduce taxation from one-half to one-quarter of Social Security benefits for income earners above $32,000 joint ($25,000 single). As in our previous bill, we phase out the so-called earnings test, by which retirees lose 50 cents in Social Security benefits for every dollar of earnings above a threshold.

We are excited by our new plan because it brings even closer the goals which we set for ourselves in the original Kemp-Kasten bill: tax simplicity, efficiency, and fairness. And by increasing economic incentives, plugging loopholes, and spurring economic growth, the Kemp-Kasten bill will also make a power contribution to deficit reduction, even though the measure itself is designed to be revenue neutral in a static sense.

The American people know that the current system is in disarray. The President strongly supports tax reform and Congressmen of both parties understand the popular yearning for change. To symbolize the spirit of bipartisan support for tax simplification, Senator BRADLEY and Congressman GEPHARDT are also introducing their tax reform plan in Congress on this same day. As Senator KASTEN and I have said on many occasions, we welcome the contribution that Senator BRADLEY and Congressman GEPHARDT have made to lower marginal tax rates, increase investment incentives, and simplify the Tax Code. This kind of support from our Democratic colleagues signals Congress and the administration that the movement for comprehensive tax reform is building undeniable momentum and strength.

The bipartisan support in Congress simply reflects the public's overwhelming support for tax simplification, lower tax rates, and fairness. According to a New York Times poll, almost 95 percent of the American public feel that the present tax system is unfair to the ordinary working man or woman. By almost 2 to 1, the public favors proposals to simplify the tax system by reducing the tax rate and the number of special tax preferences. According to a Washington Post/ABC News poll, over 60 percent of the public believes that tax rates are just too high.

We disagree with the special interests who want tax reform to wait. Tax simplification should not be put on the back burner or studied to death; it is absolutely essential in 1985 to deepen and expand our economic recovery and provide opportunity to every one who wants a job. Comprehensive tax reform to help create full employment without inflation must be enacted this year.

EXPLANATION BY CONGRESSMAN JACK KEMP, REPUBLICAN OF NEW YORK, OF THE KEMP-KASTEN FAIR AND SIMPLE TAX

The "Fair and Simple Tax" (FAST) plan, which I have introduced, is a comprehensive proposal designed to bring about a simpler, fairer, and more efficient tax code, with greater after-tax incentives for work, saving and investment.

Our current income tax code is now too complex, too encrusted with special provisions, and its tax rates are too high, to be either fair or efficient in raising revenues. Many provisions intended to protect families, like the personal exemption, have been eaten away by years of inflation.

The Fair and Simple Tax is unique in combining the simplicity of a flat income tax on taxable income with a progressive tax base. The plan eliminates many tax preferences or "loopholes" and imposes a flat tax rate, but also provides generous protection for families with children, homeowners, workers, senior citizens, and the poor.

FAST doubles the personal exemption to $2,000, and retains important deductions such as mortgage interest, charitable contributions, real property taxes, and catastrophic medical expenses. Also retained are the current tax treatment of retirement annuities (such as IRAs, Keoghs, and company pensions) and veterans' benefits.

Kemp-Kasten introduces a new exclusion to protect wage earners, the working poor, and retired citizens. For wage earners, the exclusion is 20% of employment income up to about $42,000, and is phased out entirely

at about $84,000. This new exclusion lowers the effective income tax rate and offsets the Social Security payroll tax, resulting in a smooth, almost flat total tax rate. Taxpayers with employment income of less than $10,000 (single) or $15,000 (joint return) may exclude 20% of any income up to those amounts, regardless of its source. After deducting the generous personal allowances and employment income exclusion, all taxable income is taxed at the same 24% tax rate.

As a result of Kemp-Kasten's generous allowances, Americans near or below the poverty level would no longer pay income tax under FAST. For example, the income at which people start paying income tax in 1985 would rise from $3,430 to $5,750 for a single taxpayer, and from $8,936 to $14,125 for a family of four. This lifts the income tax threshold above the poverty line, which is $5,517 for a single person and $11,101 for a family of four. More than a million of the lowest-income taxpayers are removed from the tax rolls. And FAST helps millions more to get out of the "poverty trap" of steep disincentives caused by a combination of high tax rates and means-tested social welfare payments.

For taxpayers in general, the FAST tax is designed to raise about the same amount of revenue in each income class as under current law. However, because many tax preferences are eliminated, most taxpayers whose deductions are no greater than average would receive a tax cut. For example, a nonitemizing family of four earning $20,000 would receive a tax cut of $497.

FAST increases incentives, too. Today's top income tax rate is cut almost in half, from 50% to 28%. FAST indexes the tax code for inflation, including the personal exemption, the zero-bracket amounts, the employment income exclusion, and the earned income credit. This prevents automatic tax increases caused by inflation, which hit lower and middle incomes the hardest. The poor and working poor would be permanently protected from inflation. For the first time, capital gains are indexed for inflation, to end the taxation of phony, inflated gains on assets like stocks or houses.

On the corporate side, most tax preferences are repealed, and the top tax rate is cut from 46% to 35%, with a reduced rate of 15% for small businesses. The new depreciation schedules enacted in 1981 are modified to be equivalent in economic terms to expensing. An expensing provision for small business is retained. Corporations may choose between treating capital gains as ordinary income, with indexing of capital basis, or a flat 20% tax rate without indexing.

With its simplicity, protection for families and the poor, and increased incentives to work, save and invest, the Fair and Simple Tax is a plan which families across the country can embrace.

THE KEMP-KASTEN FAIR AND SIMPLE TAX [FAST]

General Description

After deducting generous personal allowances and employment income exclusion, all taxable income is taxed at a reduced rate of 24%:

Kemp-Kasten eliminates most deductions, credits, exemptions, exclusions except:

Personal allowances: Personal exemption doubled to $2,000 for each taxpayer, spouse, and dependent below age 19; extra $2,000 exemption for elderly, blind and disabled; zero-bracket amounts (standard deduction) of $2,600 single, $2,700 head of household, $3,300 joint; and indexes for inflation the personal exemption, zero-bracket amounts, earned income credit.

New exclusion for earned and unearned income: Excludes 20% of gross wage, salary, and self-employment income up to Social Security wage base ($41,700 in 1986, and indexed by law); phased out to result in a maximum effective marginal tax rate of about 28%; and for those with employment income of less than $10,000 (single) or $15,000 (joint return), excludes 20% of any income from taxation, regardless of its source, up to those amounts; this is designed to protect those who live mostly from saving and pension income rather than wages.

Retains deductions for: Charitable contributions; interest on mortgages and loans for education and investments; real property taxes; and medical expenses above 10% of adjusted gross income.

Treatment of capital gains and losses: Taxpayers may choose between full taxation of gains, with basis indexed for inflation from date of enactment, or excluding 40% of gains and losses (17% top rate) without indexing; current homeowner's rollover and one-time exclusion is retained; and six-month holding period made permanent.

Retains current treatment of: Retirement annuities (IRAs, Keoghs [H.R. 10], Social Security [improved treatment], corporate pensions); military and veterans benefits; employer-provided benefits (such as health, life insurance premiums); foreign source income; earned income credit (slightly modified); general obligation tax-exempt bonds; employee business expenses and moving expenses; ordinary business expenses.

Corporate Income Tax

Reduced rate of 35% applied to the following tax base:

Kemp-Kasten eliminates most deductions, credits, exemptions, exclusions except: deduction listed above, if applicable, e.g., charitable contributions; ordinary business expenses; capital gains treatment: either full taxation with indexing, or a reduced 20% rate without indexing; foreign income tax credit; small business provisions: 15% tax rate up to $50,000 taxable income; 25% rate for $50,000 to $100,000 taxable income, expensing for up to $10,000 of business property; Neutral Cost Recovery System (NCRS): current-law capital cost recovery schedules are modified to provide the economic equivalent of expensing, and indexed for inflation.

THE KEMP-KASTEN FAIR AND SIMPLE TAX [FAST] SUMMARY OF EFFECTS OF THE EMPLOYMENT INCOME EXCLUSION

A distinctive feature of the Kemp-Kasten "Fair and Simple Tax" (FAST) is a new "up-front" or "above-the-line" exclusion for part of wages and salaries: the employment income exclusion. In general, taxpayers may exclude 20% of wage and salary income, up to the Social Security wage base (which is $41,700) in 1986, and indexed by law).

Two exceptions are permitted for the sake of fairness. First, taxpayers with less than $10,000 (single) or $15,000 (joint return) in wages and salaries may exclude 20% of all gross income, up to those amounts. This especially helps retired senior citizens. Second, two-earner couples with combined wages and salaries in excess of the Social Security wage base may figure their exclusions separately and add the two.

The exclusion is phased out by adding back 20% of a taxpayer's income in excess of the Social Security wage base. This phases out the exclusion completely for incomes greater than twice the Social Security wage base (about $83,000 in 1986). Above this point, the phaseout acts as a surtax which equalizes the tax rate for upper-bracket taxpayers at about 28%.

This provision has several advantages:

First, it protects the poorest individuals and families, by raising the threshold at which they start paying income tax. For example, under Kemp-Kasten the personal exemptions and standard deduction allowed for a family of four total $11,300. The wage exclusion raises the tax-free level of income further, to $14,125. (The income tax threshold is less than $9,000 under current law; the official poverty level is more than $11,000 in 1985.)

Second, for low- and middle-income taxpayers, the exclusion offsets most of the Social Security payroll tax rate. Without such a provision, there can be significantly higher combined marginal tax rates (Social Security plus income tax) below the Social Security wage base than above it. The FAST plan fixes the problem. (The marginal tax rate is the tax on an additional dollar of income.)

Third, the exclusion results in smooth, virtually flat total marginal tax rates both below and above the Social Security wage base. It equalizes the tax rates on employment and savings income. And compared with a "pure flat" income tax, the exclusion reduces the tax burden for all wages and salaries less than about $80,000.

Finally, the employment income exclusion helps keep the distribution of the income tax burden virtually unchanged in each income class, right up to the point at which the exclusion disappears. This makes FAST fairer than a straight flat rate tax, while remaining almost as simple.

TREATMENT OF TAXPAYERS BELOW OR NEAR THE POVERTY LEVEL

Under current law, many taxpayers living below the poverty level pay federal income taxes. Under the Kemp-Kasten "Fair and Simple Tax" (FAST), however, no working family or single taxpayer below the poverty line would pay any federal income tax.

FAST also extends similar protection to "the working poor"—families with incomes of up to about 130% of the poverty level. In this way, about a million and a half taxpayers near or below the poverty level would be removed from the tax rolls entirely.

This is because three features of the FAST proposal combine to increase the income threshold at which taxpayers begin to pay Federal income tax: the doubled personal exemption, the zero bracket amounts (standard deductions), and the new exclusion for employment income.

What is just as important, the FAST plan makes sure that this protection will always exist in the future. Under FAST, the personal exemption, the zero bracket amounts, and the employment income exclusion are all indexed to keep up with inflation.

INCOME TAX THRESHOLDS AND THE POVERTY LEVEL: "FAST" COMPARED WITH CURRENT LAW

[All figures are for 1985]

Taxpayer status	Single	Married couple	
		No children	Two children
Poverty level	$5,517	$7,071	$11,101
Income tax threshold:			
Current law	$3,430	$5,638	$8,936
FAST proposal	$5,750	$9,125	$14,125
Income tax threshold as percent of poverty level:			
Current law	62	80	81

INCOME TAX THRESHOLDS AND THE POVERTY LEVEL: "FAST" COMPARED WITH CURRENT LAW—Continued

[All figures are for 1985]

Taxpayer status	Single	Married couple	
		No children	Two children
FAST proposal	104	129	127

Note.—Assumes nonitemizers whose income is entirely from wages and salaries; includes earned income credit where applicable.

Source.—Joint Committee on Taxation, U.S. Congress.

TREATMENT OF OLDER AMERICANS

One of the most exciting features of FAST is its elimination of certain disincentives in current law which disproportionately affect older citizens.

FAST increases the total size of exemptions for older individuals and the blind from $2,000 to $4,000 each, and the exemptions are indexed to keep their full value.

Taxpayers also may exclude 20% of the first $10,000 (single) or $15,000 (joint return) of any income from taxation, regardless of its source. These amounts are indexed for inflation. This provision is designed to protect those who live mostly from savings income rather than wages (which receive a 20% exclusion under Kemp-Kasten up to about $40,000).

FAST slashes what Forbes magazine has called "the 96% bracket" for America's older citizens. That is, under current law an ill-conceived combination of federal programs result in marginal tax rates on the elderly which can range from 80% to more than 100%.

These high tax rates under current law are caused by an interaction of the following factors:

(1) The so-called "retirement test" reduces Social Security benefits by 50 cents for every $1 above $7,320 a year of income earned by those between the ages of 65 and 70. This creates, in effect, a 50% marginal tax rate on earned income.

(2) The 1983 Social Security amendments effectively raise the federal marginal tax rate by 50% above what it would otherwise be. This provision adds 50 cents in Social Security benefits to a taxpayer's tax base for every dollar of income earned above a certain income "threshold." For example, if a taxpayer is in the 30% federal income tax bracket under current law, the "threshold" method can effectively raise the marginal income tax rate to 45%.

(3) Such workers must also pay ordinary federal, state and local income and payroll taxes.

Kemp-Kasten eliminates this "96% bracket":

(a) FAST liberalizes the retirement test, by cutting the benefit reduction from 50 cents to 25 cents on a dollar immediately, and to zero after five years.

(b) FAST reduces the marginal tax rates on Social Security benefits by reducing the taxable amount from 50 cents to 25 cents per dollar of additional income.

This combination of improvements would reduce that "96% tax bracket" on middle-income older Americans by almost two-thirds.

THE NEUTRAL COST RECOVERY SYSTEM [NCRS]: CAPITAL COST RECOVERY UNDER KEMP-KASTEN

The Kemp-Kasten "Fair and Simple Tax" (FAST) modifies the current-law Accelerated Cost Recovery System (ACRS) to provide the economic equivalent of investment expensing—the Neutral Cost Recovery System (NCRS).

The ACRS depreciation classes are retained. The depreciation allowances are indexed for inflation. The class lives are slightly lengthened and the total nominal writeoffs are increased to provide the present value of expensing. For example, the 5-year writeoff for machinery is lengthened to 6 years under NCRS, but the total depreciation allowance is increased from 100 to 110 percent of the initial investment (plus inflation-indexing). This is equivalent to expensing at a 3.5% real rate of return, which is slightly above the postwar average. [NCRS is more favorable than ACRS depreciation for real interest rates up to 24% (3-year property) or 48% (5-year property).]

NCRS is neutral with respect to long-lived and short-lived investments, unlike current law. It is also neutral with respect to the relative value of capital assets and consumption goods. And an expensing-equivalent depreciation schedule effectively eliminates the double tax on corporate income.

NCRS avoids a drawback of pure expensing: a large up-front revenue loss which could be recouped only in later years. Though the cost of capital is lower under NCRS than under current-law schedules, NCRS is not "front-loaded" like ACRS, and should raise corporate tax receipts for several years.

Aside from instituting NCRS, Kemp-Kasten repeals most corporate tax preferences, including the investment tax credit, and cuts the top corporate tax rate from 46% to 35%.

AMOUNT OF DEPRECIATION ALLOWANCES UNDER NCRS COMPARED WITH ACRS

CURRENT 3–YR CLASS

[Per $1,000 investment]

Year	ACRS 3-year	NCRS 4-year	
		0 percent inflation	5 percent inflation
1	$250	$160	$160
2	380	300	315
3	370	300	331
4		300	347
Nominal total	1,000	1,060	1,153
Inflation adjusted total	915	1,060	1,060
Present value:			
0 percent inflation	963	1,000	
5 percent inflation	915		1,003
Assumptions:			
Real return (percent)	3.5		
Inflation (percent)	5.0		
Nominal discount rate (percent)	8.5		

CURRENT 5-YR CLASS

[Per $1,000 investment]

Year	ACRS 5-year	NCRS 6-year	
		9 percent inflation	5 percent inflation
1	$150	$100	$100
2	220	200	210
3	210	200	221
4	210	200	232
5	210	200	243
6		200	255
Nominal total	1,000	1,100	1,261
Inflation adjusted total	847	1,100	1,100
Present value			
9-percent inflation	931	1,003	
5-percent inflation	847		1,007
Assumptions:			
Real return (percent)	3.5		
Inflation (percent)	5.0		
Nominal discount rate (percent)	3.5		

CURRENT 10-YR CLASS

[Per $1,000 investment]

Year	ACRS 10-year	NCRS 15-year	
		0 percent inflation	5 percent inflation
1	$80	$50	$50
2	140	90	95
3	120	90	99
4	100	90	104
5	100	90	109
6	100	90	115
7	90	90	121
8	90	90	127
9	90	90	133
10	90	90	140
11		80	130
12		80	137
13		80	144
14		80	151
15		80	158
Nominal total	1,000	1,260	1,812
Inflation adjusted total	819	1,260	1,260
Present value:			
0 percent inflation	867	1,000	
5 percent inflation	724		1,010
Assumptions:			
Real return (percent)	3.5		
Inflation (percent)	5.0		
Nominal discount rate (percent)	8.5		

CURRENT 15-YR CLASS

[Per $1,000 investment]

Year	ACRS 15-year	NCRS 20-year	
		0 percent inflation	5 percent inflation
1	$50	$40	$40
2	100	70	74
3	90	70	77
4	80	70	81
5	70	70	85
6	70	70	89
7	60	70	94
8	60	70	98
9	60	70	103
10	60	70	109
11	60	70	114
12	60	70	120
13	60	70	126
14	60	70	132
15	60	70	139
16		70	146
17		70	153
18		70	160
19		70	168
20		70	177
Nominal total	1,000	1,370	2,285
Inflation adjusted total	743	1,370	1,370
Present value:			
0 percent inflation	807	1,000	
5 percent inflation	622		1,014
Assumptions:			
Real return (percent)	3.5		
Inflation (percent)	5.0		
Nominal discount rate (percent)	8.5		

CURRENT 18-YR CLASS

[Per $1,000 investment]

Year	ACRS 18-year	NCRS 25-year	
		0 percent inflation	5 percent inflation
1	$50	$40	$30
2	90	60	63
3	80	60	66
4	80	60	69
5	70	60	73
6	60	60	77
7	60	60	80
8	50	60	84
9	50	60	89
10	50	60	93
11	50	60	98
12	50	60	103
13	40	60	108
14	40	60	113
15	40	60	119
16	40	60	125
17	40	60	131
18	40	60	138

CURRENT 18-YR CLASS—Continued

[Per $1,000 investment]

Year	ACRS 18-year	NCRS 25-year	
		0 percent inflation	5 percent inflation
19	20	60	144
20		60	152
21		60	159
22		60	167
23		60	176
24		60	184
25		60	194
Nominal total	1,000	1,480	2,834
Inflation adjusted total	715	1,480	1,470
Present value:			
0 percent inflation	785	1,004	
5 percent inflation	590		1,011
Assumptions:			
Real return (percent)	3.5		
Inflation (percent)	5.0		
Nominal discount rate (percent)	8.5		

A SALUTE TO THE CITY OF CLEVELAND HEIGHTS, OHIO

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. STOKES. Mr. Speaker, I would like to take this opportunity to share some exciting news about the city of Cleveland Heights, OH, with my colleagues. For my colleagues who have never been to Cleveland Heights, I can only say that you have missed a great experience.

It is a delightful place to visit. It is picturesque. Its cultural diversity is fascinating. More importantly, it is an ideal place to live and work. The fact that the city has been named an All-American City twice in the last 10 years is a tribute to the leaders and people of this community. In addition to this honor, numerous magazine articles have appeared detailing the fine schools, housing, job opportunities, architecture and cultural diversity of Cleveland Heights, OH.

Mr. Speaker. I am proud to represent the people of Cleveland Heights, OH, here in the Congress. I am even more proud of the way the citizens of Cleveland Heights have made their community an ideal place to live.

Accordingly, I would like to insert in the RECORD an article which appeared in the Cleveland Plain Dealer on January 20, 1985, on the city of Cleveland Heights. I ask my colleagues to join me in saluting the leaders and citizens of this community.

DIVERSE CLEVELAND HEIGHTS—PUTTING ALL THAT TOGETHER AND MAKING IT WORK

(By George E. Jordan)

Cleveland Heights has spirit. It's the smell in incense and hand-tooled leather in Coventry, Jewish bakeries on Taylor Rd. and foreign coffee in eateries in dozens of unassuming storefronts.

It's small-town neighborliness, people who take extreme pride in home and family and practice aggressive, grass-roots politics as a way of life.

It's an arts festival or play in Cain Park, a block club party, street fair or jazz concert. Perhaps a stroll along street after street of well-tended apartments, condominiums, modest homes and vintage estates.

It's a place where the overwhelming majority of 56,438 young and old, black and white, rich and not so rich citizens at the gateway to the eastern suburbs reflect tolerance and good will.

"This is the most cosmopolitan community in Cuyahoga County and in northeast Ohio," said Councilman Barbara H. Boyd. "Cleveland Heights is a strong and active community. It's hard to describe. You're talking a city of communities and much diversity."

Cleveland Heights' schools, housing stock, businesses and amenities of life have earned it praise from cities across the country.

Its complex diversity and communal spirit did not evolve by chance.

Today's Cleveland Heights—chic, vibrant, progressive—is perhaps most directly the result of pro-integration activism and a commitment to commercial and residential development beginning in the mid-1960s.

In the early 1800s, it was a farming community called Turkey Ridge, which later became a haven for the wealthy who wanted to be close to the Rockefeller and Severance families on "millionaire's row."

In the early 1900s, small businesses sprang up and slate-roofed Tudors and other stylish homes began popping up along heavily wooded avenues and up Cedar Hill. A town hall was built on Mayfield Rd. in 1923, and a sizable Orthodox Jewish community developed in the Taylor Rd.-Washington Blvd. area.

By the early 1960s, blacks and other minorities began to move there in growing numbers. As of the last census, 27% of the population was non-white.

In 1965, a black family's house was firebombed in Cleveland Heights. The city's elected officials and community leaders, taken aback by the racially motivated incident, adopted a hold posture.

They issued statements welcoming minorities and rallied residents to get involved in government, know their neighbors and accept social change. They began monitoring real estate practices to fight resegregation of any of the city's well-defined neighborhoods.

By the mid-1970s, a tight housing market and an interest in older homes—two factors over which the city had no control—slowed the flight of white homeowners.

But leading the way against fear and tension were groups like the Heights Community Congress, a housing watchdog agency; the Cuyahoga Plan of Ohio Inc.; and the Jewish Community Federation's Heights Area Project.

At the same time, city government began a historical landmarks commission, organizing neighborhood groups and a massive streets, sewers and parks improvement project. The school system, which serves neighboring University Heights, embarked on a multimillion-dollar renovation effort.

That commitment to open housing, good schools, neighborhood activism and economic development led in 1976 and 1978 to All-America City awards from the National Municipal League.

"The total diversity is what makes Cleveland Heights the great place that it is. Integration is a positive experience," observed Lana Cowell, executive director of the Heights Community Congress.

"You find a lot of diversity in every neighborhood of Cleveland Heights," said Susan Burkons, real estate programs coordinator for the city. "The unique thing about Cleveland Heights is that conceivably you could never leave it and live a full life . . . It's a great place to raise kids. It's an education they're not aware of."

"What it really is," said newly appointed City Manager Robert C. Downey, Jr., "is putting all that together and making it work."

Downey, 31, becomes the city's chief executive tomorrow, when City Manager Richard V. Robinson formally relinquishes his post to become manager of Lakewood, Colo.

Under Robinson, appointed in 1975, the city embarked on several development projects, such as a systematic sewer and streets repair program and computerization of the city's finance department, which took over income tax collections at a savings from the Regional Income Tax Agency.

The city recently broke ground for a new $6 million municipal center adjacent to Severance Center.

Robinson helped expand the Local Development Corporation, a non-profit volunteer group that grants rebates to businesses for storefront renovations. Another city program, the commercial area improvement fund, concentrates on landscaping in business districts.

"It's very grass roots and nuts and bolts, but if he (Robinson) hadn't been involved, we wouldn't have had our commercial areas looking so attractive," said Marcia Nolan, assistant city manager for economic development.

"We want development, but we're not just going to take anything. It has to fit Cleveland Heights. It has to have a Cleveland Heights flavor," she said. "We want businesses that fit into our community, and they can prosper if they fit."

Attempts to uphold the Heights image in city planning, zoning and legislative initiatives, have prompted protests from some merchants and community groups. They contend the highly regulatory city government, particularly with Robinson's emphasis on long-range planning, is unresponsive to its citizens.

The focal point of their dissent is a series of strict housing codes enacted last year that, among other things, give inspectors the power to obtain search warrants to enter private homes for inspections. Repeated code violators can be fined and even jailed.

A group gathering signatures on initiative petitions hopes to call a special election this year on three proposed charter amendments that would change the form of government to an elected mayor and seven-member council elected by wards. The proposed amendments would require a popular vote on all zoning issues.

"The government is not being responsive to the people out here," said Frank M. Vitale, a petition drive supporter. "We, in a sense, want the city to be accountable, and we want the total community to decide what form of government we want. The city manager form of government has outlived itself."

Cleveland Heights, Bedford and East Cleveland are the only municipalities governed by a council/manager government in Cuyahoga County. This fall, Cleveland Heights voters are to choose among candidates for four of seven council seats.

"I think it's a bad idea," Robinson said of the proposed charter amendments. "It could cause a lot of frustration. I think the coun-

cil manager form of government provides a responsiveness."

He emphasized elected mayors have the authority to veto legislation, which weakens the authority of councilmen.

Beginning in 1922, with adoption of the city charter, until the mid-1960s, strict zoning laws to control and prompt steady growth have been a recurring theme within Cleveland Heights' 8.1 square miles.

Coventry, in its early days, belonged to the carriage trade. Shoppers were brought to their destination by chauffeurs. Other businesses sprang up along Lee Rd., trolley cars lumbered along Fairmount Blvd.'s center strip and streetcars traveled on Cedar Rd.

Frank C. Cain, mayor for 36 years, spearheaded construction in the 1930s of a 3,000-seat theater in Cain Park, a 23-acre wooded ravine later named in his honor. The partially enclosed Alam Theater in the same park, near Superior Rd. between Lee and Taylor roads, was erected a few years later.

Besides summer weekend jazz concerts and impressive stage productions, Cain Park is the site of a nationally acclaimed arts festival in which as many as 30,000 entries compete to be among 100 works placed on display.

As land for new developments began to disappear, Cleveland Heights became a more stable community. In 1970, for example, nearly 70% of the people who lived there owned their homes, and the apartment vacancy rate was less than 1%.

In the midst of such stability, Coventry's heyday as an island of free expression for children of the baby boom was drawing to a close.

"It's matured," said Cowell. "It's become a much more family-oriented neighborhood, much more conservative. But conservative in Cleveland Heights is probably much more left than in some neighborhoods."

Hippies, flower children, motorcycle gangs, long hair and tattered clothes, exotic novelties and the smell of marijuana are no longer the rule on the sidewalks between Mayfield Rd. and Euclid Heights Blvd.

Even Coventry Neighbors Inc.'s 12-year-old summer street fair may be canceled this year because it was getting too unwieldy. Its fate will be decided at a meeting tomorrow.

"I think there is a basic continuity between Coventry and the rest of Cleveland Heights," said David Burwasser, a longtime community activist and self-professed gadfly. "Coventry is a place that's best wrapped up in the word 'latitude,' a willingness to tolerate behavior by others that is not immediately harmful to one's self."

If Coventry does make a statement about present-day Cleveland Heights, perhaps the buzzwords would be atmospheric and avant-garde, designer jeans, wine and cheese and Epicurean delights.●

THE TRUTH IN MILEAGE ACT OF 1985

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. BRYANT. Mr. Speaker, today's consumer in the market for a used car or truck is likely to pay between $750 and $1,000 more for the vehicle if it has been the target of one of the fastest growing consumer frauds—odometer tampering. A conservative estimate is that each year the odometers of more than 3 million vehicles are rolled back as much as 30,000 miles or more. The cost to American consumers is in excess of $2 billion.

Odometer tampering is difficult to detect, however, so the real amount of loss suffered by used car buyers could be much higher.

Today we are introducing legislation to help eliminate this extensive fraudulent practice. Our proposal will enable law enforcement officers and the general public to more readily detect and identify those vehicles which have altered odometers.

Briefly, this bill provides that:

1. Following the sale of a motor vehicle from one person to another, such vehicle may not be registered or licensed for use in any State unless:

(a) The seller discloses on his title certificate the true odometer reading as of the date of sale, and;

(b) The application by the new owner of the vehicle for a certificate of title is accompanied by the prior owner's most recent vehicle registration card.

2. No registration card may be issued in any State unless the application includes the odometer reading on the vehicle as of the date of the application.

3. The State must take the odometer reading shown on the application and include it as part of the new registration card.

4. The certificate of title issued by the State to the new owner must indicate the odometer reading as of the day of transfer (printed on the title) and the title must be printed in bank note intaglio printing process.

5. In addition, the certificate of title must contain a space for the disclosure of the odometer reading when the car is sold in the future.

6. All auction companies are required to maintain the following records for all cars sold at their auctions:

(a) The name of the seller and the name of the buyer of the motor vehicle;

(b) The vehicle identification number of the vehicle, and;

(c) The odometer reading on the date on which the auction company took possession of the vehicle.

7. Maximum criminal penalties are increased from one year to three years.

8. Maximum civil penalties are increased from $1,000 to $2,000 per violation.

9. The Secretary of Transportation is granted the authority to approve alternative methods of complying with the requirements of the Act upon application from a state, if such alternative compliance method is consistent with the purposes of the act.

Reputable new and used car dealers, as well as consumer groups have expressed support for this legislation. I encourage all my colleagues in the House to join TOM TAUKE and myself in supporting this proposal by cosponsoring the Truth in Mileage Act of 1985.

For your information, the text of the bill follows:

H.R. 780

A bill to amend section 408 of the Motor Vehicle Information and Cost Savings Act to strengthen, for the protection of consumers, the provisions respecting disclosure of motor vehicle mileage when motor vehicles are transferred

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT OF MOTOR VEHICLE INFORMATION AND COST SAVINGS ACT.

(a) TRANSFERS OF MOTOR VEHICLES.—Section 408 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1988) is amended by adding at the end thereof the following new subsections:

(d)(1) The purpose of the requirements of paragraphs (2), (3), and (4) of this subsection is to discourage tampering of odometers in the transfer of motor vehicles and to protect consumers in such transfers.

(2) No motor vehicle, registered or licensed before any transfer subject to this subsection, the ownership of which is transferred by any person to another person in interstate commerce may be registered or licensed for use by the transferee in any State or used by the transferee in interstate commerce, unless the transferee of such motor vehicle in submitting an application to a State for the certificate of title upon which such registration or license will be issued includes with such application—

(A) the transferor's most recent registration card for such motor vehicle; and

(B) the transferor's title and, if that title contains the space referred to in paragraph (2)(C), a statement, signed and dated by the transferror, of the mileage required to be disclosed by the transferor under subsection (a).

To assist in the implementation of this paragraph, each State shall require in the case of a transfer of a motor vehicle in the State that the transferor provide the transferee with the transferor's registration card for the motor vehicle transferred.

(3) No motor vehicle the ownership of which is transferred by any person to another person in interstate commerce may be registered or licensed for use in any State or used in interstate commerce, unless the certificate of title (or other document indicating ownership) of such motor vehicle which is issued by a State to the transferee following such transfer—

"(A) is printed in bank note intaglio printing process;

"(B) indicates on its face the mileage required to be disclosed by the tranferor under subsection (a); and

"(C) contains a space for the transferee to disclose (in the event of a future sale or other transfer of title by such transferee) the mileage at the time of such future transfer and to sign and date such disclosures.

"(4) No registration card may be issued in any State for any motor vehicle used in interstate commerce unless—

"(A) the application for such registration card contains the information required by subsection (a), determined as of the date on which such application is submitted by the owner of the motor vehicle; and

"(B) such registration card contains the information provided in such application under subparagraph (A).

"(5) The requirements of paragraphs (3) and (4) that a State issue a certificate of title or registration for a motor vehicle which contains mileage information for the

motor vehicle does not require the State to verify, or preclude the State from verifying, the mileage information contained in the certificate of title or registration.

"(6) Any State in which, on the date of the enactment of this subsection, there is in effect requirements respecting the disclosure of motor vehicle mileage when motor vehicles are transferred may submit to the Secretary such requirements for approval in lieu of the requirements of this subsection. The Secretary may promulgate regulations establishing procedures for the consideration and approval of such alternative requirements. Such alternative requirements shall be approved by the Secretary unless the Secretary determines that under such alternative requirements there is not substantial compliance with the requirements of this subsection. Any modification of approved alternative requirements must be approved by the Secretary. Upon the termination of approved alternative requirements of a State, the requirements of this subsection shall take effect in such State.

"(e) If any motor vehicle is sold at an auction, the auction company which conducts such auction shall establish and maintain for a period of at least 4 years following the date of such sale the following records:

"(1) The name of the most recent owner of the motor vehicle (other than the auction company) and the name of the buyer of the motor vehicle.

"(2) The vehicle identification number of the motor vehicle.

"(3) The odometer reading on the date on which the auction company took possession of the motor vehicle.".

(b) DEFINITION.—Section 402 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1982) is amended by adding the following new paragraph at the end thereof:

"(6) The term 'auction company' means any person who takes possession (whether through consignment or bailment or through any other arrangement) of a motor vehicle owned by another person for purposes of selling such motor vehicle at an auction."

(c) EFFECTIVE DATES.—(1) Except as provided in paragraph (3), paragraphs (2) and (3) of section 408(d) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1988), as added by subsection (a) of this section, shall apply with respect to motor vehicles which are transferred after the date 30 months after the date of enactment of this Act.

(2) Except as provided in paragraph (3), paragraph (4) of such section, as added by subsection (a) of this section, shall apply with respect to motor vehicles which are registered in any State after the date 30 months after the date of the enactment of this Act.

(3) Subsection (e) of such section, as added by subsection (a) of this section, shall apply with respect to motor vehicles which are sold by an auction company after the date 30 months after the date of the enactment of this Act.

(4) The Secretary of Transportation shall, upon application, assist a State in revising its laws to comply with the requirements of paragraphs (2), (3), and (4) of section 408(d) of the Motor Vehicle Information and Cost Savings Act. If any State requires time, in addition to the period prescribed by paragraph (1) or (2) of this subsection, to revise its laws to achieve such compliance, the Secretary may, upon the request of such State, grant, by notice published in the Federal Register, the State such reasonable additional time as the Secretary determines is necessary to achieve such compliance. The Secretary shall include in the Federal Register notice the reasons for granting additional time. In granting additional time, the Secretary shall ensure that the State is making reasonable effort to achieve such compliance.

(5) For purposes of this subsection, the terms "motor vehicle" and "auction company" shall have the same meanings as when used in the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1901 et seq.).

SEC. 2. PENALTIES.

(a) CIVIL PENALTY.—Section 412(a) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1990c) is amended by striking out "$1,000" and inserting in lieu thereof "$2,000".

(b) CRIMINAL PENALTY.—Section 413(a) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1990c) is amended by striking out "not more than one year," and inserting in lieu thereof "not more than three years,".●

THE IRISH KIDS BILL

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. WILLIAMS. Mr. Speaker, in the book, "Children of War," the author states:

There are places in the world like Northern Ireland * * * that have been at war for the past 20 years or more. Therefore, the children living in these places have known nothing but war in their experience * * * (and) * * * Everything they feel and sense occurs in a situation where their lives may be ruined any moment.

Because the Irish children of "the troubles" lead such different lives from our children and have little opportunity to know about peace, TOM FOLEY and I are introducing a bill which, if enacted, would provide all Americans the opportunity to help children from war-torn Northern Ireland to live and learn in America for a year-long respite from violence and fear.

Our bill would amend subchapter C, the special projects section, of chapter 2 of the Elementary and Secondary Education Block Grant. It would provide an option to local education agencies to offer a chance to these children to attend American schools, to associate with children from various religious, ethnic, social, and cultural backgrounds, and to experience life without the daily threat of violence.

Funds under this act would be used to pay a portion of the cost of:

(1) Transporting children age 10 through 18 who reside in areas affected by civil strife in Ireland to the United States, and their return,

(2) Such children's education in the schools of the local education agency concerned, and

(3) The books, supplies, clothing, and other living expenses of such children while they are participating in the project.

I hope my colleagues will join with TOM FOLEY and me in sponsoring and passing this legislation.

The text of the bill follows:

H.R. 900

A bill to provide an experience of life in the United States to children from areas affected by civil strife in Ireland by permitting the use of education block grant funds

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subchapter C of chapter 2 of the Education Consolidation and Improvement Act of 1981 is amended by inserting at the end thereof the following: "projects for Irish children

"SEC. 582A. (a) It is the purpose of this section to permit funds available under this subchapter to be used to provide an opportunity to live in the United States to children from areas of Ireland that have been torn by civil strife and violence. Such opportunity should include attendance in American schools and affiliation with children of diverse religious, ethnic, cultural, and social backgrounds in a peaceful atmosphere.

"(b) Funds available under this subchapter may be used for projects for Irish children in accordance with this section if the local educational agency concerned files with the Secretary a plan which contains—

"(1) assurances that such funds will be used in accordance with subsection (c);

"(2) assurances that not less than one-half the cost of such projects will be provided from private donations; and

"(3) such other information as the Secretary may by regulation require.

"(c) Funds available for purposes of this section may be used only—

"(1) to pay a portion of the cost of transporting children aged ten through eighteen who reside in areas affected by civil strife in Ireland to the United States and of their return;

"(2) to pay a portion of the cost of such children's education in the schools of the local education concerned; and

"(3) to pay a portion of the books, supplies, clothing, and other living expenses of such children while they are participating in the project.".

(b) Section 582 of such subchapter is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following:

"(4) projects for Irish children in accordance with section 582A.".●

IT IS TIME TO STOP HATE CRIMES

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. BIAGGI. Mr. Speaker, today I am introducing legislation aimed at combating a national problem of disgraceful proportions—namely the proliferation of so-called hate crimes directed against religious property, institutions, and practices. My legislation

represents a modified version of a bill I sponsored in the prior Congress.

Specifically my bill provides the following:

It establishes stiff new federal penalties on a graduated basis against individuals who engage in acts of violence or vandalism against religious institutions property or individuals seeking the free exercise of their religion. The minimum penalty would be a fine of $250,000 or imprisonment for not more than five years. The most severe penalty would be imposed in those instances where death results. In that case the individual could receive life imprisonment.

It requires the Attorney General to include in the uniform crime reports information regarding the incidence of offenses involving racial, ethnic or religious prejudice.

My legislation addresses itself to a real and present problem which shows no sign of abating. All one has to do is review the most recent report issued by the Anti-Defamation League of B'nai B'rith discussing incidents of antisemitism during 1984. The report indicates that the number of incidences of "anti-Semitic vandalism and of other attacks against Jewish institutions, businesses and homes in the United States during 1984 showed a small increase compared to 1983." Specifically the ADL reported a total of 715 of these cases or the equivalent of almost 2 a day for the entire year.

Included in these cases were major increases in such heinous crimes as bombings, arsons, and cemetery desecrations. In 1984, there were three bombings as compared to none in 1983. There were nine arsons in 1984 compared to three in 1983. There were 11 cases of cemetery desecrations in 1984 as compared to 9 in 1983.

In addition, the ADL reported that there was a 5.4-percent increase in the number of assaults against Jewish individuals and threats and harassment in which Jewish individuals or Jewish-owned properties were the victims or targets. All told there were a total of 369 such cases in 1984.

The ADL reports noted that the 715 hate crimes directed against Jewish individuals and property were concentrated in 32 States and the District of Columbia, the same total of States as in 1983. As the report states: "Once again as in recent years New York and California were the States reporting the largest number of anti-Semitic vandalisms—New York with 237 and California with 99."

One of the main reasons for my legislation is the fact that there remains a glaring lack of initiative on the part of State and local governments to fight this problem. The Federal Government must set the example and impose stiff new penalties against those individuals who commit these acts against any religious institution or individual. Certain States and localities have been aggressive in combating this problem but the best proof rests with statistics. Again citing the ADL report, during 1984 police and law enforcement authorities arrested 84 people in connection with 51 of the total number of incidents reported. This represents less than 10 percent of the cases reported. That is an unacceptably low figure.

It is my hope that my combined approach will provide the foundation upon which we can build an effective strategy to combat these hate crimes.

We must provide a deterrent against these crimes by providing penalties which are certain. Further, it is vital that we take a better account of the situation by having the vast resources of the Justice Department keep statistics on the number of these crimes committed against all religions.

Failure to act to combat this problem in many ways is as bad as condoning their existence. Worse it invites their continuation. I urge the Judiciary Committee to schedule early hearings on my proposal as well as others that have been introduced to achieve the same objective.

The text of the bill follows:

H.R. 775

A bill to require the Attorney General to include in the uniform crime reports information regarding the incidence of offenses involving racial, ethnic, or religious prejudice and to amend chapter 13 of title 18, United States Code, to prohibit damage to property used for religious purposes, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That under authority of section 534 of title 28, United States Code, the Attorney General shall acquire, and shall include in the uniform crime reports, information regarding the incidence of the following offenses:

(1) Robbery, burglary, theft, arson, vandalism, and trespass involving property which symbolizes, or is customarily used in, the performance of a religious activity or the achievement of a religious purpose.

(2) Homicide, assault, robbery, burglary, theft, arson, vandalism, and trespass committed to manifestly express racial, ethnic, or religious prejudice.

SEC. 2. (a) Chapter 13 of title 18, United States Code, is amended by adding at the end the following new sections:

"§ 247. Damage to property used for religious purposes

"(a) Whoever willfully damages or destroys or attempts to damage or destroy—

"(1) a cemetery;

"(2) a building or other real property used for religious purposes; or

"(3) a religious article contained in a cemetery or such building or real property;

shall be fined not more than $250,000 or imprisoned not more than five years, or both; if bodily injury results, shall be fined not more than $250,000 or imprisoned not more than fifteen years, or both; and if death results, shall be fined not more than $250,000 or imprisoned for any term of years or for life, or both.

"§ 248. Injury to person exercising religious beliefs

"Whoever injures, intimidates, or interferes with any person in the free exercise of that person's religious beliefs secured by the Constitution or laws of the United States shall be fined not more than $250,000 or imprisoned not more than five years, or both; if bodily injury results, shall be fined not more than $250,000 or imprisoned not more than fifteen years, or both; and if death results, shall be fined not more than $250,000 or imprisoned for any term of years or for life, or both.".

(b) The table of sections for chapter 13 of title 18, United States Code, is amended by adding at the end the following new items:

"247. Damage to property used for religious purposes.

"248. Injury to person exercising religious beliefs.".●

THE BASIC SKILLS ACT

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. WILLIAMS. Mr. Speaker, last year the President's Commission on Excellence in Education pointed out serious deficiencies in the ability of this Nation's secondary schools to provide students with basic academic skills. And, according to data from the National Assessment of Educational Progress, the achievement of high school age students has fallen steadily in reading, writing, math, and science since the early 1970's. In contrast, in the elementary grades, where chapter I moneys are heavily concentrated, student achievement has been marked by impressive gains.

Today I, along with my colleague, JIM FLORIO, am introducing the Secondary Schools Basic Skills Act, to help schools correct the deficiencies by providing qualifying local secondary schools with grants to develop, implement, and conduct basic skills instructional activities for all low-achieving students attending. My colleague, JIM FLORIO, again joins me in this effort. To be eligible, at least 20 percent of a school's student body must qualify as low-income students on the basis of chapter I criteria or be eligible for a free school lunch.

After the first 2 full years of program operation, continued funding would be contingent upon a school's improvement in the number of students passing a nationally normed test of basic skills, or a decrease in the school's dropout rate. This is an important quality control feature of this legislation.

An educated citizenry is our strength. I hope that all my colleagues will join me in sponsoring this legislation.

The language of the bill follows:

H.R. 901

A bill to provide a program of grants to assist local educational agencies to improve the basic skills of economically disadvantaged secondary school students, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited at the "Secondary School Basic Skills Act".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to furnish financial assistance to local educational agencies having especially high concentrations of youths from low-income families to enable such agencies to provide more effective instruction in basic skills for economically disadvantaged secondary school students.

DEFINITIONS

SEC. 3. As used in this Act—

(1) the term "basic skills" includes reading, writing, communications, and mathematics proficiency as well as problem-solving, comprehension, and reasoning;

(2) the term "economically disadvantaged secondary school students" means students, aged twelve to seventeen, inclusive, who are counted under section 111(c) of the Elementary and Secondary Education Act of 1965, as modified by chapter 1 of the Education Consolidation and Improvement Act of 1981 or who qualify for a free school lunch under section 9 of the National School Lunch Act of 1946;

(3) the term "institution of higher education" has the same meaning given that term under section 1201(a) of the Higher Education Act of 1965;

(4) the term "local educational agency" has the same meaning given that term under section 198(a)(10) of the Elementary and Secondary Education Act of 1965;

(5) the term "secondary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965;

(6) the term "Secretary" means the Secretary of Education; and

(7) the term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands.

AUTHORIZATION OF APPROPRIATIONS

SEC. 4. There are authorized to be appropriated to carry out the provisions of this Act—

(1) $900,000,000 for the fiscal year 1986 of which—

(A) $3,000,000 shall be available for the technical assistance and national evaluation under section 10(a) and (d); and

(B) the remainder shall be available for grants under section 7;

(2) $900,000,000 for the fiscal year 1987 of which—

(A) $3,000,000 shall be available for the technical assistance and the national evaluation under section 10(a) and (d); and

(B) the remainder shall be available for grants under section 7;

(3) $900,000,000 for the fiscal year 1988 of which—

(A) $4,000,000 shall be available for the provision of technical assistance and national evaluation under section 10(a) and (d);

(B) the remainder shall be available for grants pursuant to section 7; and

(4) $900,000,000 for each of the fiscal years 1989, 1990, and 1991 of which—

(A) $4,000,000 shall be available for provision of technical assistance and for the national evaluation to be conducted under section 10(a) and (d); and

(B) the remainder shall be available for program grants under section 7.

ELIGIBILITY

SEC. 5. A secondary school is eligible to receive assistance under this Act for grants only if 20 per centum or more youths aged twelve to seventeen, inclusive, who are enrolled in such school and are counted under section 111(c) of the Elementary and Secondary Education Act of 1965, as modified by chapter 1 of the Education Consolidation and Improvement Act of 1981 or who qualify for a free school lunch under section 9 of the National School Lunch Act of 1946.

USES OF FUNDS

SEC. 6. Funds made available under this Act for grants shall be used for the development of approaches to, and for carrying out educational services and activities designed specifically to raise the basic skills of low-achieving students attending eligible secondary schools.

PROGRAM GRANTS

SEC. 7. (a) From the amounts appropriated for grants pursuant to section 4 for fiscal years 1985 through 1990, the Secretary is authorized, in accordance with the provisions of this section, to make grants to enable eligible secondary schools to develop, implement, and carry out new approaches to achieving improved basic skills instruction of low-achieving students attending eligible secondary schools.

(b) No grant may be made under this section unless—

(1) an application is submitted at such time, in such manner, and containing or accompanied by such information as the Secretary deems necessary;

(2) the application is made—

(A) by the local educational agency on behalf of an eligible secondary school, or

(B) by an institution of higher education acting in concert with the local education agency or, where clearly appropriate, a public agency or private nonprofit organization acting in concert with the local education agency, on behalf of an eligible secondary school if the institution, agency, or organization will provide educational services or will conduct educational activities for students enrolled in eligible secondary schools subject to the proposal for which the assistance is sought;

(3) the application contains assurances that the applicant will participate in the national evaluation required by section 10(a);

(4) the proposal described in the application was prepared with the participation of administrators (including principals), teachers, and parents in the eligible secondary schools, and, where appropriate, individuals representing participating institution of higher education, public agencies, or nonprofit organizations; and

(5) the appropriate State educational agency was provided an opportunity for review and comment prior to submittal to the Secretary under this subsection.

(c) In approving applications under this section the Secretary shall assure that eligible applicants represent various geographic regions of the country, including both rural and urban secondary schools within these various geographic regions.

ASSURANCES

SEC. 8. Each local educational agency which desires to receive a grant under this Act shall file with the Secretary an application containing assurances that—

(1) the local educational agency will be designated as the agency responsible for the administration and supervision of programs assisted under this Act; and

(2) the local educational agency will use grants made under this Act—

(A) so as to supplement the level of funds that would, in the absence of such grants, be made available from non-Federal sources for the purposes of the program for which assistance is sought; and

(B) in no case to supplant such funds from non-Federal sources.

APPLICATIONS

SEC. 9. (a) Any eligible organization may apply for a five-year grant, subject to restrictions in section 11(b)(1), on behalf of an eligible secondary school. Each such application shall—

(1) describe the eligible secondary school and the program to be conducted at the eligible secondary school for carrying out the purposes of section 6;

(2) provide assurances that the program for which assistance is sought is of sufficient size, scope, and quality as to give reasonable promise of substantial progress toward improving the basic skills of low-achieving students in eligible secondary schools and that the proposed program properly utilizes the latest research on effective schools, teaching, student learning, and student retention;

(3) provide assurances that the program for which assistance is sought was designed and will be implemented in consultation with parents, teachers, principals, and administrators of low-achieving students in eligible secondary schools;

(4) describe, in the case of a local educational agency, the procedures which the local educational agency will follow with respect to subcontracting to any private nonprofit organization, any program or activity to be conducted in an eligible secondary school for low-achieving secondary school students if the agency determines that the alternative education program to be offered by such organization will best serve the interests of such students;

(5) provide assurances that the agency will cooperate with Federal efforts to evaluate the effectiveness of the programs assisted under this Act;

(6) provide such assurances as the State educational agency may reasonably require; and

(7) provide assurances that the local education agency will expend no more than 2 per centum of total grant funds to administer this program.

(b) An application filed under subsection (a) of this section may be amended annually as may be necessary to reflect changes without filing a new application.

ADMINISTRATION

SEC. 10. (a) The Secretary shall, through the National Institute of Education, conduct a national evaluation of the effectiveness and the implementation of the grants made under section 7.

(b) The Secretary shall submit to the Congress and disseminate to State and local educational agencies, State legislatures, and Governors the results of the assessment made under subsection (a) of this section.

(c) The Secretary, through the National Institute of Education, shall monitor grants made under this Act and shall carry out procedures for the coordination of activities assisted under this Act with other research ac-

tivities conducted by the National Institute of Education and through the Office of Educational Research and Improvement in the Department.

(d) The National Institute of Education, once program grants are awarded, shall provide eligible recipients with technical assistance, including assistance designed to facilities program evaluation, to ensure the successful implementation and carrying out of the proposed program of basic skills instruction.

(e) The Secretary shall not disapprove the application filed by the local education agency without affording notice and opportunity for a hearing.

PAYMENTS; RESTRICTIONS

SEC. 11.(a) The Secretary shall make payments as expeditiously as possible after the approval of applications under section 7.

(b)(1) If, after completion of the first two academic years of program operation, there is not meaningful improved performance of the targeted secondary school students at the eligible school on a nationally normed test of basic skills, or there is not a meaningful decrease in the crop-out rate at such school, no further grant may be made with respect to that secondary school to any local education agency or to any institution of higher education, public agency, or private nonprofit organization. The Secretary is authorized to grant a waiver for one additional academic year of programming if external conditions warrant a waiver of this requirement.

(2) The Secretary shall prescribe regulations to carry out the provisions of paragraph (1) of this subsection.●

HYDROELECTRIC RELICENSING

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. PEPPER. Mr. Speaker, recently, I, and other members of the Florida congressional delegation, signed on again as cosponsors of the Electric Consumers Protection Act, introduced this session as H.R. 44 by RICHARD SHELBY of Alabama. The bill responds to an issue of basic fairness and equity for millions of consumers. At stake are billions of kilowatt-hours of low-cost hydroelectricity. That inexpensive power could be taken away from the vast majority and made available to only a small segment of this country's consumers who by geographic happenstance are served by government-run State or municipal utilities.

Although Florida is not rich in hydroelectric power, this important consumer issue is arising with increasing frequency in the relicensing of existing projects throughout the country. And of course, it is of particular concern to me on behalf of the country's senior citizens, many of whom are living on fixed incomes. Congress must ensure that no Americans, and particularly the elderly, are forced to pay higher electric bills due to a preferential policy that would allow government-run utilities to take away this low-cost energy from millions.

A little background will help to make clear the inequities inherent in such a preferential policy. Hydroelectric projects are licensed by the Federal Energy Regulatory Commission for periods of up to 50 years. When the initial license expires, the existing licensee must file an application with FERC for a new license if it wishes to continue to operate these valuable projects. At the time of relicensing, other applicants may file applications for the new license in competition with the existing licensee. If a competing application is judged on the merits by FERC to be best adapted to develop the resource, the competitor should and would receive the new license for the project.

But because of a lack of clarity in the Federal Water Power Act of 1920, now the Federal Power Act, and conflicting interpretations in recent years, the law is now unclear whether competing State and municipal utilities are to be given a preference against existing private licensees at the time of relicensing these projects. If State and municipal licensees have a preference, they will be able to take away hydroelectric projects from existing licensees and their customers simply by filing plans to develop the water resource that are only as good as the existing licensees, not better. Thus, by reason only of the government status of such potential competitors, the low-cost hydroelectric power would be transferred from millions of consumers of existing licensees to the relatively small segment of consumers who happen to live in an area served by a State or municipally operated electric utility. This does not make sense.

If the existing licensee has had a successful 50-year track record of operating these projects in the public interest and FERC determines the licensee would continue to do so in the future, it should receive the new license. Why cause the economic hardship and disruption associated with transferring ownership of these valuable assets, when the public interest in utilizing the resource would not be served any better by the new owner?

The unfairness is readily apparent. Municipal competitors are currently trying to take away 11 hydroelectric projects from private utilities that have developed, operated, and maintained them for the benefit of their customers for 50 years or more. Over 8.5 million customers benefit from the these 11 projects operated by the existing licensees. The competing municipal utilities have only 955,000 electric customers. This is a 9-to-1 ratio. Using 1983 prices and data, those 8.5 million customers realized, in that year alone, fuel-cost savings based on equivalent fossil-fueled generation of approximately $308 million. And such equivalent fuel-cost savings occur year after year. With approximately 177 investor-owned utility hydroprojects coming up for relicensing by December 31, 1993, and more after that, these same comparisons will be arising across the country.

But why should Congress adopt a policy that could have the effect of making nine consumers worse off for the sake of just one who will benefit? Already customers of State and municipal utilities, which represent approximately 13 percent of the electric customers in the country, have preferential access to 68.3 percent of the hydroelectric project capacity in the country. This is because Federal laws already give them: First, a preference to obtain initial licenses to develop new hydroelectric sites, and, second, a preference to purchase low-cost power generated at federally owned and operated hydroelectric projects. Because the customers of private utilities, which represent 76.5 percent of the country's electric consumers, have none of these preferences, they have only 31.6 percent of the country's hydroelectric capacity. Given these facts, I do not believe it is good public policy for the small segment of electric consumers served by municipal utilities to receive through a relicensing preference even more of such inexpensive electricity simply because of the government ownership status of the electric utility which provides them service.

Hydroelectricity is a relatively inexpensive form of power because it has no associated fossil or nuclear fuel costs. Throughout most regions of the country it helps to hold down the cost of electricity for millions of consumers served by investor-owned utilities having a generating mix that includes more expensive fossil or nuclear generation or both. If these utilities lose their hydroelectric projects their cost of electricity will increase. This would not be as troublesome if it resulted from fair competition for and better utilization of the resource. However, consumers, particularly, the elderly, should not be forced to bear the burden of increased electric rates, no matter what the amount, in order to benefit a relatively small segment of preferred consumers whose only claim on the resource is that they happen to be served by State or municipal utilities. Those utilities for the most part already boast of electric rates well below typical rates for customers of neighboring investor-owned utilities. On this score, I direct my colleagues attention to a very constructive article by two MIT economics professors recently published in Public Utilities Fortnightly. The article concludes that a municipal relicensing preference would only promote economic inefficiency in the allocation of our hydroelectric resources. Joskow and Schmalensee, "Adversary Hydro Reli-

censing Applications: Using Economic Efficiency Criteria," Public Utilities Fortnightly, December 20, 1984.

I agree with the statement of the executive director of the American Association of Retired Persons in a letter to the president of the Edison Electric Institute endorsing H.R. 4402, Congressman SHELBY's bill in the 98th Congress:

> The country's older Americans, most of whom live on limited incomes, can ill afford increases in electric rates and the cost of goods and services, particularly those resulting from laws and policies that do not reflect equity, fairness and the public interest.

Congress should not enact yet another preference for a small class of consumers. Instead, Congress should promote fair competition for this valuable low-cost form of electricity in order that it be spread equitably among as many consumers throughout the country as possible. H.R. 44, the Electric Consumers Protection Act, would do just that and, therefore, has my full support.●

HOUSE HONORS SEVEN EAGLE SCOUTS FROM SIXTH DISTRICT

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. ERDREICH. Mr. Speaker, the attainment of the highest rank of Scouting, Eagle Scout, is an achievement toward which all Boy Scouts aspire but few achieve. That is why I feel particularly honored to represent Boy Scout Troop No. 86 in Birmingham, AL, which will hold an Eagle Scout award ceremony on Monday, February 4, 1985, to present, not one, but seven Eagle Scout badges to seven outstanding young men.

The seven young men who have attained this highest scouting rank are Charles B. Collat, John O. Greaves, Bryan B. Patton, Lee A. Pilleteri, William E. Smith III, Thomas M. Spencer, and Benjamin S. Will. All possess the strength of character, integrity, physical and leadership abilities that our country needs as we advance into the future.

Only 2 percent of the Scouts across this country achieve the rank of Eagle Scout, and it is quite extraordinary for this number, seven, to become Eagle Scouts in one location. This is a testament not only to these fine young men, but also, the members of Troop No. 86 in Birmingham and Scoutmaster Harry Jeffcoat III, who has done such an outstanding job of providing these youth with the tools they will need to be tomorrow's leaders.

I believe Scoutmaster Jeffcoat, and these young men and their parents, deserve to be recognized by my colleagues in the House of Representatives. They have earned our admiration, praise, and respect.●

YOUTH—AMERICA'S STRENGTH

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. GEKAS. Mr. Speaker, on January 3, 1985, more than 200 of my constituents came from Pennsylvania to our Nation's Capital to witness the swearing in ceremony for the U.S. House of Representatives. Many of them had visited Washington, DC, before, but for some this was their first glimpse of their Government in action.

One guest in particular, Melissa A. Houghton of Sunbury, PA, was no stranger to Washington. Ms. Houghton came to Washington on March 8, 1983, to be honored by the Veterans of Foreign Wars as their student Voice of Democracy champion. Melissa's winning speech was on the theme of "Youth—America's Strength."

Miss Houghton, now a freshman student attending Dickinson College in Carlisle, PA, was asked by her Congressman to give her impressions of what it was like to visit our Nation's Capital for the very first time. I am very pleased to insert in the CONGRESSIONAL RECORD the speech Ms. Houghton delivered to the people of the 17th Congressional District during their visit to Washington.

YOUTH—AMERICA'S STRENGTH

(By Melissa Houghton)

Crowds of people hurrying everywhere. Hundreds of cars in different shapes, sizes, and colors. Families walking in the park. Small children playing. Motion. . . . These are sights that can be seen in every major city of the U.S. Business is transacted, children are being educated and life goes on. However, the above description of any city appeals only to the eyes and to the ears. It takes a very special place, specifically our nation's capital, to also appeal to one's heart. I would like to take a few minutes to describe the feelings that an American citizen has in coming to Washington D.C. Perhaps the most prevalent feeling one has upon entering the nation's capital is a tremendous sense of history. At the core of this history is the Smithsonian Institution. This giant testimonial to our nation's past transcends all textbooks. The exhibits can be viewed, the explanations heard, but the true meaning behind this exhibit can only be felt. The monuments also provide this feeling of history. Giant-sized statues to long-gone heroes remind us of all that our country has fought for. From the honesty of Lincoln to the bravery of our men in battle, monuments have been erected to remind us of our heritage. Though these also, can be viewed, the true meaning of the rows of thousands of tombstones in Arlington or the importance of the enormous Lincoln Memorial can only be felt.

However, this is only a very small part of what an American citizen feels upon coming to Washington. It is impossible to be here without realizing the power that is housed in this city. It was once said that the Oval Office is the innermost sanctuary of American power. Within this office and others throughout the city, life changing decisions are constantly being made. These decisions not only affect you and I as American citizens, but also citizens throughout the world. It is impossible for a person to overlook this aspect of the Capital. Just as it is possible to feel this power emanating from all surroundings, it is inevitable that one would feel awed by the men and women that hold this power.

Finally, an American citizen feels a very rare emotion in Washington-security. At a time when there is so much unrest in the nation and the world, one can find solace here. There is the Washington Monument which reaches to the sky proclaiming the greatness and strength of our nation. The Viet Nam Memorial which proudly displays the names of our brave men that gave their lives for our country. Also, the White House, built like an elegant fortress to protect our citizens from harm. All of these elements help contribute to this feeling of security.

There is yet one more aspect that contributes to this feeling. The way the city was set up provides for a sense of continuity and security. Designed in the shape of a wheel, Washington is certainly a place where ideas are set in motion. With the mall as the hub of the wheel, avenues radiate outward toward key sites forming the spokes, when viewed from the Washington Monument at night, the lights help to complete the design.

Automobiles, people rushing, horns blowing. These are sights and sounds that can be observed by any citizen in any city of the world. Historical heritage, power, awe, security. These are emotions that can only be felt by American citizens in Washington, D.C.—a city that appeals to one's heart and mind.●

THE REAGAN INAUGURAL

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, January 30, 1985, into the CONGRESSIONAL RECORD:

THE REAGAN INAUGURAL ADDRESS

President Reagan delivered his second Inaugural Address in the Rotunda of the U.S. Capitol before a restricted group of 1,000 people. Members of Congress, the Diplomatic Corps, the Cabinet, and close friends of the President were in attendance. For the first time in history, outdoor events were cancelled because of record low temperatures and brisk winds. The indoor setting gave the ceremony an unusual air of intimacy.

Mr. Reagan's style was low key and undramatic. Several Members of Congress observed that the President seemed subdued. The speech lacked rhetorical flair, and it was delivered in conversational tones. It was no call to arms. Mr. Reagan, said one observer, did not exactly come "roaring out of the gate."

The President made it clear from the outset of his speech that he did not intend

to redirect his energies or revise his programs at the beginning of his second term. "I don't believe you re-elected us in 1984 to reverse course," he said. He was characteristically optimistic, seeing America "poised for greatness," on the verge of "a new emancipation," still "mighty in its youth and powerful in its purpose." The speech was suffused with hope and patriotism; the future that Mr. Reagan described was rich with possibilities. Some of the speech was eloquent, as when the President talked of the American sound, "hopeful, big-hearted, idealistic—daring, decent, fair. That's our heritage, that's our song. We sing it still."

In his address, Mr. Reagan returned to the themes of his political past. Indeed, the largely inspirational speech was vintage Reagan. Part of it was a vindication of his first term, and he spoke with genuine conversative conviction as he sketched the agenda for 1985. For him, progress will come with a smaller role for government and a wider role for free enterprise, an "economy finally freed from government's grip." He placed great faith in a healthy, vigorous, growing economy as the surest cure for inequality in the land. He promised "an opportunity society" that will free the economically disadvantaged from dependency on a bloated bureaucracy. He claimed that "there are no limits to growth and human progress, when men and women are free to follow their dreams." He stressed his favorite issues: limits on domestic spending, continuation of the military buildup, shifting federal programs to the States, radical tax reform, and a constitutional amendment mandating a balanced budget.

The President hit big government hard in his speech, but in his first term he did little to cut it back. Rather, he has switched its direction, spending less on domestic programs and more on defense. Mr. Reagan correctly stated that "we have begun to reduce the increase in the cost and size of government." It is important to note, however, that he is not claiming government has gotten smaller. The federal share of the gross national product claimed from 22.8 percent in 1981 to 23.5 percent in 1984. The real difference between the President and his critics is not that the former resists the exercise of government power while the latter supports it, but rather that each considers the exercise of that power to be appropriate in different circumstances.

Mr. Reagan also attacked the federal budget deficits that rose sharply in his first term. Indeed, the average annual deficit of the Reagan Administration ($134.8 billion) was three times greater than the average annual deficit of the Carter Administration ($45.3 billion). In addition, the national debt doubled, and the government's ability to control the budget weakened dramatically. The President warned that "a time of reckoning" has arrived, but the critics point out that he should be presenting a balanced budget, not a balanced budget amendment which would not take effect for years. He has announced a program "aimed at freezing government program spending for the next year." That carefully phrased statement leaves room, for example, for much higher interest payments on the national debt. We will know more about the program in a few days, but there is nothing to suggest in early reports that it will be significant.

With respect to the Soviet Union, Mr. Reagan was unrelenting, though careful, in his rhetoric. He pointedly said that "one nation, the Soviet Union, has conducted the greatest military buildup in the history of man." Nonetheless, he pledged to press ahead with nuclear arms control. In that vein, he spoke of his desire "to rid the world of the threat of nuclear destruction" and made extravagant claims about his "Star Wars" plan to destroy nuclear missiles before they reached their target: the plan "wouldn't kill people; it would destroy weapons and would render nuclear weapons obsolete." In a strange aside, the President discredited mutual assured destruction as an ineffective and immoral strategic doctrine, even though it is the only deterrent to nuclear war known to be effective.

I did not hear much new in Mr. Reagan's address. Thus, I think that he will pursue the agenda of the past four years, with the possible addition of arms control and tax reform. The doubt in my mind is whether the President will be able to translate his goals into reality. Presidents have not always had an easy time doing that, though Mr. Reagan does have a lot going for him. He enjoys high personal popularity. He appears buoyant and vigorous. He articulates the clear public mood to limit the role of government and strengthen national security. I was not surprised that the tone of the speech was somewhat conciliatory. It is obvious that the President wants to get things done. He made several bipartisan gestures, but there was no suggestion at all that he will moderate his stance on today's most divisive issues.

Mr. Reagan's program, as set forth in his inaugural speech, will be spelled out in more detail in the State of the Union address and the budget message. Then the action will move to Congress.●

THE NATIONAL CHILD PROTECTION ACT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. BIAGGI. Mr. Speaker, on January 3, along with my colleague from New York, Senator ALFONSE D'AMATO, I introduced, H.R. 276, the National Child Protection Act. This bill is identical to the bill that was introduced during the second session of the 98th Congress.

This bill is designed to provide full-scale protection of children in federally funded day care centers from abuse and addresses a problem which has grown in severity in the past several years. We have seen a tenfold increase in the number of reported cases of sexual abuse of children in day care centers, just since 1976. Major scandals rocked both New York and California last year and began what seemed to be an almost chain reaction in other cities and towns across the country.

In introducing H.R. 276, we are taking the step of conditioning future Federal aid for day care in recognition of the fact that a significant portion of Federal funds support these activities. In New York City, for example, as much as 60 percent of the $165 million spent on day care is Federal money. A majority of these funds come from the social services block grant—formerly title XX, of the Social Security Act. The philosophy behind the block grant was to minimize Federal regulation of activities and to encourage States to conduct initiatives tailored to their own needs.

What the block grant experiment has demonstrated, in this instance, is that the elimination of the Federal presence, has resulted in more than just a lessening of Federal responsibility. In my eyes, it represents a full-scale abdication of these responsibilities which cannot be tolerated if in abdicating, we contribute to something as abhorrent as child abuse.

The National Child Protection Act would promote the safety of children receiving day care services by conditioning future Federal funds for such services by requiring States to establish programs to license child day centers as well as provide for a screening of day care center personnel. The act also establishes a clearinghouse for information with respect to criminal records of employees of day care centers and establishes a toll-free hotline for the reporting of abuse of children receiving day care services.

It is critical to note that in response to national attention focused on this problem last year, Congress approved an increase of $25 million in funding under the social services block grant, specifically aimed at reducing this problem through improved training of day care center personnel and parents. On January 15, of this year, the Department of Health and Human Services published conditions for use of this $25 million by States. I commend the Department for moving in an expeditious fashion to ensure that these training funds are utilized as quickly as possible. However, I also believe that under the block grant scheme, flexibility is still provided to a number of providers that would not necessarily protect all children in all kinds of day care facilities. The approach provided in my bill would impose a greater responsibility upon States to protect services to children in all kinds of facilities.

In addition to the training guidelines, on January 28, HHS also released a Model Child Care Standards Act which will provide guidance to State day care licensing authorities in establishing protection programs within facilities and for parents. This act is most worthy of our close attention and in my eyes, should be the adopted national standard—not an option for States to adopt at their discretion. This act is consistent with one of the recommendations of the Select Committee on Children, Youth and Families in its report released at the end of last year on "Families and Child Care: Improving the Options."

Last year on September 17, the select committee, chaired by my distinguished colleague GEORGE MILLER, in conjunction with the Ways and Means Subcommittee on Oversight, chaired by my good friend CHARLIE RANGEL, conducted a hearing on child abuse in day care facilities. In my testimony before that hearing I joined with a number of witnesses in urging quick action to address this problem. I am pleased that our initial efforts in Congress produced the much-needed $25 million in new block grant funds for training and expect that this will be the start of a national crusade to attack and eliminate this problem.

Passage of H.R. 276 would enhance this effort and I urge my colleagues to join me in support of this initiative.

The text of H.R. 276 follows:

H.R. 276

A bill to promote the safety of children receiving day care services by establishing a national program for the licensing of child day care providers, establishing a clearinghouse for information with respect to criminal records of employees of day care centers, and establishing a hotline for reporting of abuse of children receiving day care services, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Child Protection Act".

AMENDMENT TO TITLE XX

SEC. 2. Title XX of the Social Security Act is amended by adding at the end thereof the following new section:

"LICENSING AND INFORMATION WITH RESPECT TO PROVIDER OF CHILD BY CARE SERVICES

"SEC. 2008. (a) As a condition for receiving any funds under this title, a State must have in effect a program under which—

"(1) the State will require the licensing and monitoring of all providers of child day care services in accordance with the standards established by the Secretary pursuant to subsection (b);

"(2) the State will provide information to the Secretary with respect to all individuals providing child day care services or employed by providers of child day care services, and with respect to all individuals convicted of child abuse, child molesting, or similar crimes, in accordance with subsection (c); and

"(3) the State will have in effect a toll-free telephone hotline for the reporting of any allegations of child abuse, child molestation, or simliar acts committed by any individual providing child day care services or by any employee of a provider of child day care services, in accordance with subsection (d).

"(b)(1) The Secretary shall by regulation establish standards and guidelines for State licensing and monitoring of providers of child day care services. Such standards and guidelines shall assure the safety, health, and developmental potential of children while receiving child day care services, and shall promote the social, emotional, physical, and cognitive growth of such children while receiving such services. The standards and guidelines shall include provisions for assuring that only adequately trained individuals provide such services.

"(2) The Secretary shall determine a uniform definition of 'child day care services', and of a 'provider of child day care services', which shall apply for purposes of this section, and which will assure that the maximum feasible number of children shall be protected under the provisions of this section.

"(c)(1) The Secretary shall establish a national file of the names, addresses, and social security numbers of all individuals convicted of crimes involving child abuse, child molestation, or such similar acts which the Secretary determines ought to be included in such file for the purpose of protecting children receiving child day care services.

"(2) Each State shall report to the Secretary the name, address, and social security number of any individual convicted in such State of child abuse, child molestation, or a similar act which the Secretary has determined under paragraph (1) ought to be included in the national file. For purposes of this paragraph the Secretary shall establish a uniform reporting system which shall apply to all the States.

"(3) Each State shall require that no individual or provider may be licensed to provide child day care services in such State if such individual, or any employee of such provider, has been convicted of a crime which has been reported (by any State) to the Secretary and is contained in the national file. Each State must, for purposes of ensuring compliance with this subsection, request the Secretary to check the names of each individual seeking a license to provide child day care services, and each employee of a provider seeking such a license, against the list of names contained in the national file, prior to granting such license.

"(d) Each state shall establish a toll-free telephone hotline for the reporting of any allegations of child abuse, child molestation, or any similar act designated by the Secretary for inclusion in the national file, committed by an individual providing child day care services, or by an employee of a provider of such services. The State must provide followup investigation of each such allegation in accordance with standards established by the Secretary under regulations.

"(e)(1) There is established an 'Advisory Panel on Child Protection', hereafter in this section referred to as the 'Panel'. The Panel shall consist of 13 members as follows:

"(A) four members appointed by the President, one of whom shall be designated as the chairman;

"(B) four members appointed by the Speaker of the House of Representatives;

"(C) four members appointed by the President pro tempore of the Senate (upon recommendation of the majority leader and the minority leader); and

"(D) the Secretary of Health and Human Services, ex officio.

"(2) It shall be the duty of the Panel to advise the Secretary with respect to the standards and guidelines issued under this section, and to propose any recommendations for changes in such standards and guidelines which may be appropriate.

"(3) Members of the Panel who are not employees of the United States shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be compensated at a per diem rate established by the Secretary for each day (including traveltime) during which they are engaged in the actual business of the Panel. Any member of the Panel engaging in the actual business of the Panel away from his home or place of business may be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(4) The Secretary shall make available to the Panel such clerical and other assistance, and any pertinent data prepared by the Secretary, as the Panel may require to carry out its functions.".

EFFECTIVE DATE

SEC. 3. (a) The Secretary of Health and Human Services shall promulgate all regulations required under section 2008 of the Social Security Act within ninety days after the date of the enactment of this Act.

(b) The requirements of section 2008 of the Social Security Act shall apply to States beginning one hundred and eighty days after the date of enactment of this Act.●

THE SCIENCE TALENT SEARCH

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. GEKAS. Mr. Speaker, recently, Science Service announced the names of 300 outstanding high school seniors across the Nation who have won honors in the 44th Annual Westinghouse Science Talent Search.

Science Search, engaged in the interpretation and public understanding of science on a broad front, administers the annual talent search. The science talent search was the pioneering endeavor to discover at the high school year level those who have the potential to become the research scientists and engineers of the future.

I am proud to note in the CONGRESSIONAL RECORD today that a young man from my congressional district, Jonathan Emmanuel Dwarkin, a student attending Hershey High School, was selected into the 1985 honors group. Mr. Dwarkin's winning research project is titled "Neural Mechanisms of Vision and the Evolution of the Alphabet."

The achieving of honors in the science talent search is an evidence of ability and interest in science and engineering. I want the record to reflect my own personal pride in the accomplishment of Mr. Dwarkin, our constituent from Hershey, PA.●

CAMPAIGN FINANCE REFORM

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. VENTO. Mr. Speaker, with each passing congressional election, the need for effective, total campaign reform becomes more crucial.

The 1984 congressional elections are no exception to that rule. In fact, these elections strongly reaffirm a growing problem with ever-increasing campaign spending. In effect, our electoral process is flowing from the hands of the people to the pocketbooks of a few and to a megabuck campaign fund.

Once again, campaign spending for congressional elections has set new records. For the 1984 election, over $210 million was spent for House races, an increase of nearly $75 million over the 1982 expenditures. Similarly, expenditures by political action committees have increased during this election cycle. Based on an analysis by Congress Watch, PAC's gave $104 million to congressional races, an increase of 25 percent.

Obviously, Congress must act to end the uncontrolled growth in campaign spending and the increasing role of PAC's. Several positive proposals were introduced last Congress to limit congressional campaign spending and PAC contributions. Hopefully, the 99th Congress will act on this type of legislation.

Mr. Speaker, current campaign finance reforms, no matter how extensive, are undermined by the Supreme Court decision in Buckley versus Valeo. In that decision, the Court ruled that certain campaign expenditures are the equivalent of free speech and thus are protected by the first amendment. In effect, this ruling has handcuffed Federal and State efforts to control independent campaign expenditures.

The amount of independent expenditures in our political process is on the increase. These expenditures are largely negative in content—for the 1981–82 election cycle, 80 percent of independent expenditures were for negative campaigns—and do have a dramatic impact on campaigns. The October 30, 1984, Washington Post reported on the rise in independent expenditures. In that article, the Post noted that a real estate developer spent more than $419,000 of his own money against Senator Charles Percy. Similarly, other races were targeted by independent campaign committees or were funded primarily through personal funds.

A growing tendency is the increased use of independent expenditures by organizational PAC's. Through independent expenditures, these PAC's are able to circumvent existing spending limits and drastically increase their financial support for the candidates of their choice.

Mr. Speaker, until the Buckley versus Valeo decision is modified, meaningful campaign reform will not be effective. Congress can and should limit campaign spending and PAC contributions. However, we must realize that such actions will, in many instances, only give added impetus to uncontrolled independent expenditures. For this reason, I have reintroduced a constitutional amendment to address the problems created by the Supreme Court decision.

The joint resolution would allow Congress and the States to regulate political contributions and expenditures. Under this amendment, the entire issue of campaign spending, from PAC's to independent expenditures, could be addressed rather than the current piecemeal approach to which we are now limited.

Congress and the States have a responsibility to control campaign spending and the joint resolution provides the needed flexibility to Congress and the States to act. I hope that my colleagues will support my resolution so that we may act on needed campaign reforms.●

ESSAY WINNERS FROM THE SOUTH CAROLINA LIEUTENANT GOVERNOR'S ESSAY CONTEST

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. DERRICK. Mr. Speaker, I take this opportunity to present to you the essays that were chosen as winners in the South Carolina Lieutenant Governor's Essay Contest for Excellence in Composition for the fifth and eighth grades. This year the winners are brothers—Bill and James Long. Both were school winners for W.E. Parker School and went on to be the district winners for the Edgefield School District. This is the first time that family members have won in the same year.

Their parents, Jim and Cheryl Long of Edgefield, SC, are constituents of mine and I know their family personally. I request that Bill's and James' essays be printed in the CONGRESSIONAL RECORD so that my colleagues may enjoy them. Their essays follows:

IF THE WORLD WERE MINE . . .

(By Bill Long)

If the world were mine, I would try my best to make it a better place for everyone; not just myself or my family friends.

I would first build more and better homes for the elderly and disabled. They have given us the best years of their lives, so now they need special love and care.

Next, I would find more ways and more people to work to find a cure for diseases; such as cerebral palsy, muscular dystrophy, and cancer. The victims of these diseases and their families have suffered enough.

Housing is a problem all over the world. I would like to build more homes and apartments at affordable prices, so everyone would have a nice place to stay.

I would like to have all the governments of the world working together for world peace. If this could happen, maybe everyone would know the freedom we have now in the United States.

There are too many people going to bed hungry at night. I would make sure there was enough food for everyone in all parts of the world. We would no longer see children and adults starving to death.

Maybe it sounds like I would try to play God, but after all, we are all His children. I would just like for everyone in this great, big beautiful world to enjoy their lives as much as I enjoy mine.

SOUTH CAROLINA—NONE FINER

(By James Long)

There are fifty states in this great country of ours, but one state stands out as the greatest. This state is South Carolina. Why, you ask. Let me explain.

South Carolina may not be the largest state in the country in size, but in beauty, opportunity, and love for man and country, it tops the list.

Let's talk about the beauty of our grand state. There are some of the most beautiful gardens here in South Carolina—Magnolia, Edisto, Brookgreen—just to name a few. Beautiful, historic and modern homes line our roadways. How many other states can enjoy the beauty of majestic mountains reaching for the sky and at the same time have the tide of the ocean gently roll over shores? Our state song could well be "South Carolina, The Beautiful."

Opportunities are unlimited in South Carolina. We have some of the greatest colleges—Clemson, University of South Carolina, Citadel, Medical College of Charleston—and many, many more. Land in our great states is great for a variety of crops. We can grow soybeans, corn, cotton, tobacco, apples, peaches, and just about anything else you can name.

There is a wide variety of industries in South Carolina. These are the bread and butter for a lot of people as are our many hydroelectric plants.

South Carolinians love their state. Why else would she be so rich in history?

Many battles of the Civil War were fought on her grounds. Some of our finest leaders have come from South Carolina—Francis Marion, Andrew Jackson, Strom Thurmond and many others.

South Carolina may be small in size, but her people have hearts as big as all outdoors. We are loving, caring people, not just for our neighbors or family, but for everyone regardless of their color or background.

We have traveled to several other states and every time we cross the state line back into South Carolina, Mom always says, "we're back in God's country." I used to not understand what she meant, but as I got older and understood things a little better, I know what she meant. God has truly blessed this great state in more ways than we could ever name. I'm proud to say I'm an American, but it's a special feeling to say I'm a South Carolinian. Our state motto could well be "South Carolina—None Finer".●

THE USE OF MILITARY FORCE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. HAMILTON. Mr. Speaker, I am inserting my Foreign Affairs Newslet-

ter for January 1985 into the CONGRESSIONAL RECORD:

THE USE OF MILITARY FORCE

When and how military force properly may be applied in the conduct of U.S. foreign policy is the most agonizing issue that government faces. When I am confronted with the decision to send U.S. troops abroad, I remember Walter Lippmann's comment: "I don't think old men ought to promote wars for young men to fight." Looking at the past four years and the places where military force could play a role today, I see little consensus on the conditions under which the United States should bring military force to bear.

Most of us would agree that the use of military force to accomplish our foreign policy objectives should never be ruled out. We should not tie the hands of the President as commander-in-chief or lessen our effectiveness in international relations by letting it be known we will not take up arms. Americans support a posture of military strength and favor the use of military force when the circumstances demand it.

Disagreement arises over what circumstances are appropriate and what limits there should be on the use of military force. Of course, we will respond immediately with devastating effect in the event of an attack on U.S. territory. A forceful response is also likely in the event of an attack on our treaty allies. In other cases, it is usually unclear whether vital U.S. interests are involved and whether military force is the answer.

Limited amounts of economic and military assistance to friendly governments, economic sanctions and other non-military pressure against hostile governments, and the time-honored option of proceeding diplomatically are our preferred instruments in the conduct of U.S. foreign policy. The art of diplomacy especially is underrated. It neither excites nor stirs us. Its successes often are the quiet ones: an unpublicized problem is solved without fanfare or a potential crisis is averted before the threat is widely known. It got the hostages out of Iran, restored the Sinai to Egypt, and turned China from militant adversary to trading partner. The cost of diplomacy is low when compared to the cost of armed intervention, both in taxpayers' dollars and American lives. Diplomacy should be the initial remedy of choice.

Assistance, non-military pressure, and deliberate diplomatic efforts sometimes are not enough to resolve conflicts. When they are not, the use of military force often appeals to us because we believe that it might resolve conflicts advantageously and quickly. It is clear that military force may be used successfully against terrorism, the Israeli attack on Entebbe Airport in Uganda being the best example. Military force also may be used to restore order in a governmental crisis, as President Reagan intended with the U.S. intervention in Grenada.

In assessing whether the use of military force is desirable, we should remember that the results of even the most carefully guided military action may not match our expectations. By its very nature, military action is unpredictable and dangerous. It can produce a strong reaction and further inflame almost any situation. The failed U.S. mission to rescue hostages in Iran and the disastrous commitment of U.S. Marines to Lebanon are cases in point. Military force alone will not help us solve complex political problems in most of the world's trouble spots. It may be harmful if it solidifies anti-U.S. sentiment in the local population, as it often does. When we are presented with local turmoil and the possibility of military action, staying out is the first option that we should consider.

Use of military force that risks the lives of U.S. servicemen is not justified for symbolic reasons. It should be considered only when we have clearly defined objectives and the ability to achieve them in a limited period of time. The cost and size of a military operation must be justified by the immediacy of a threat that military force can quell effectively. Vietnam was the product of an open-ended commitment of U.S. armed forces with dimly perceived objectives and too little attention paid to cost.

There are several other prerequisites for the effective use of military force. We need good intelligence for adequate foreknowledge of the strengths and weaknesses of allies and enemies alike. We need consensus on the particular action in question among key officials. We must have properly trained and equipped troops, ready for combat not only in Europe but also in jungles and deserts in the Third World. We need to understand the local political context into which our armed forces will be introduced. Any use of military force must be integrated with diplomacy.

Possibilities of military success must be weighed against the broader considerations of U.S. foreign policy, including the views of allied governments and the publics that they represent. Generally speaking, we should respect human rights, international law, and the sovereignty of even the smallest nation. It is hard for us to criticize the actions of repressive or aggressive governments if we ourselves do not respect such things. We should not quit the moral "high ground" unless we have a compelling reason closely related to vital U.S. interests.

Most important, no military operation should be contemplated unless there is, as Secretary of Defense Caspar Weinberger has said, "a reasonable assurance that we will have the support of the American people and their elected representatives in Congress." The Constitution vests in Congress the power to declare war. Federal law demands that Congress review the deployment of U.S. armed forces in hostile conditions overseas. Such requirements are intended to help, not hinder, the President in his role as commander-in-chief.

A final point about the use of military force needs emphasis. If circumstances change after we commence a military operation and our objectives became impossible to achieve, we should cut our losses and withdraw from the field. Such an act shows strength, not impotence. It preserves our military resources for another day and commands more respect at home and abroad than the decision to maintain armed forces in an untenable position.●

POPE HONORS MAINE COUPLE

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Ms. SNOWE. Mr. Speaker, a couple residing in my congressional district has received a special decree from Pope John Paul II, in honor of their extraordinary accomplishment.

John and Anna Ivanisin, of Lisbon Falls, have been married now for 74 years, and for that the Pope presented them with a decree recognizing them as the longest married Roman Catholic couple in Maine. I believe that their marriage is a testament to the endurance and vitality of human compassion, and a symbol of the steadfastness of spirit and stability that characterizes the people of the State of Maine.

I want to add my congratulations and express my respect to the Ivanisins, and include a Lewiston Daily Sun article describing their recognition after my remarks:

LONGEST-MARRIED CATHOLIC COUPLE HONORED—IVANISINS CELEBRATE 74 YEARS TOGETHER

(By Connie Footman)

LISBON FALLS.—A Lisbon Falls couple, John and Anna Ivanisin, were presented a decree from Pope John Paul II Thursday afternoon, in recognition of their distinction as the longest married Roman Catholic couple in Maine.

The Ivanisins have been married 74 years.

Making a special visit to the couple's Lisbon Falls home, Bishop Edward C. O'Leary, bishop of the Diocese of Portland, celebrated Mass and presented the couple with the decree.

The decree featured a picture of the pope and a special message to the couple, which read in part, "The Holy Father commends John and Anna Ivanisin for their love of God and their Fidelity." The presentation was made in conjunction with World Marriage Day to be observed on Feb. 10.

John Ivanisin, a native of what was then Austria-Hungary, and Anna Karkos of New Jersey were married on April 19, 1910 in Lisbon Falls. Shortly thereafter, they moved into the large two story home that John built on 29 Free St., where the couple still live today.

Both worked in the textile mill in Lisbon Falls, then known as Worumbo Manufacturing Co., until their retirement.

An avid baseball player in his youth, Ivanisin still enjoys watching baseball on television.

The couple has five children, Ann Ivanisin, Margaret Ivanisin, Mrs. Catherine Anicetti, Mrs. Marion Kazimer and John Ivanisin, seven grandchildren and 10 great-grandchildren.●

PULLIAM VERSUS ALLEN

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. GEKAS. Mr. Speaker, I am today introducing legislation to alleviate a problem raised by the Supreme Court's decision in *Pulliam* v. *Allen* (No. 82-1432). In that case, the Court by a 5-4 majority held that judicial immunity is not a bar to the award of attorney's fees under the Civil Rights Attorney's Fees Awards Act even when damages themselves would be barred or limited by immunity doctrines.

In Pulliam, a justice of the peace imposed bail on defendants charged with a nonjailable offense and incarcerated

those who did not post sufficient bond, in accordance with State law. The named defendants sought and received injunctive relief against this practice and were awarded $7,691.09 in attorney's fees under 42 U.S.C. 1988. The propriety of this relief was upheld by the Supreme Court.

The threat that this decision poses to the independence of our judiciary was stated in the dissent of Justice Powell, in which the Chief Justice as well as Justices O'Connor and Rehnquist joined. Even though the majority opinion of Justice Blackman recognized and upheld judicial immunity from suits for damages, the dissent warned that the decision opens the door for those who would harass judges with vexatious actions for injunctive relief and make such actions particularly attractive with the litigatory siren song of attorney's fees.

My proposed legislation is not intended to address the broad range of abuse to which 18 U.S.C. 1988 has been subjected and which Justice Powell scored (slip opinion, p. 1213). The legislation attempts only to isolate the major problem and to alleviate it. It does not prohibit the seeking of injunctive relief under 42 U.S.C. 1983 against judges, even though Justice Powell argued that the doctrine of judicial immunity should extend to such actions. Nor on the other hand does it codify that portion of the majority opinion, preferring rather to permit subsequent Court construction on the extent of judicial immunity.

My bill simply prohibits the award of attorney's fees against judges growing out of actions for injunctive relief. As Justice Powell noted in Pulliam, there is no difference between monetary damages against a judge and making him personally liable for a plaintiff's attorney's fees. The latter is the same as the former in its effect and would make even the most conscientious judge reticent about making the difficult decisions necessary to discharge his responsibilities.

Mr. Speaker, an independent judiciary is the essence of workable Democracy and must be protected not only from the encroachments of other branches of government, but also from other forms of intimidation.●

COMMEMORATIVE COINS FOR THE SCOUTS

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. DANNEMEYER. Mr. Speaker, this year, and again in 1987, this Nation celebrates two important anniversaries. The first is the 75th anniversary of the Boy Scouts of America and it is followed, just 2 years later, by the diamond jubilee of the Girl Scouts, U.S.A. If ever there were two organizations deserving of recognition for what they have contributed to this country over the years, it is these two. Since their inception in 1910 and 1912 respectively, the Boy Scouts and the Girl Scouts have provided over 133 million youngsters with an opportunity to develop, in a properly supervised setting, new skills, and added confidence. Today, over 6 million boys and girls are members of Boy Scouts and Girl Scouts and their enthusiasm speaks volumes as to the continuing relevancy of scouting.

In view of this record of accomplishment, I feel it is only appropriate that we honor these two fine organizations as they get ready to celebrate their diamond jubilees. Therefore, in association with 16 original cosponsors (Mr. ROE, Mr. HORTON, Mr. RAHALL, Mr. DWYER, Mr. LAGOMARSINO, Mr. FROST, Mr. FRENZEL, Mr. MOORHEAD, Mr. BEVILL, Mr. BRYANT, Ms. MIKULSKI, Mr. DUNCAN, Mr. SKELTON, Mr. QUILLEN, Mr. EVANS of Iowa, and Mr. REGULA), I am today reintroducing legislation, first introduced in the 98th Congress, calling for the issuance of two commemorative coins, one to mark the 75th anniversay of the Boy Scouts and the other to remember the 75th anniversary of the Girl Scouts. Both coins would be 50 cent pieces, both would be legal tender, both would be coated instead of precious metal, and up to 10 million of each could be produced and made available for purchase. The cost of the coins, to the public, would be 50 cents or the cost of production whichever was higher, a figure low enough to enable scouts themselves to purchase the coins but sufficiently high to make it unlikely there would be any long-term cost to the taxpayer.

Although there haven't been many commemorative coins in recent years—the Olympic coins and the George Washington coin are the only ones that have been produced in the last 30 years—precedents certainly exist for the coins I am recommending. In fact, commemorative coins date all the way back to 1892 and, from that date until their temporary discontinuance in the early 1950's, 68 of them were issued. Moreover, three of those coins—all 50 cent pieces—were diamond jubilee coins, the first honoring the 75th anniversary of California statehood, the second commemorating the 75th anniversary of the Battle of Antietam and the third marking the 75th anniversary of the Battle of Gettysburg. Precedent even exists for issuing commemorative coins either before or after the actual anniversary year; the aforementioned Battle of Gettysburg commemorative half dollar came out 2 years early and a similar coin honoring the 100th anniversary of Alabama statehood came out 2 years late.

Mr. Speaker, my reason for mentioning this last set of precedents is that the measure I am reintroducing calls for both scout coins to be issued in 1986. The reason for that timing is to avoid any possible conflict with the windup of the eminently successful Olympic coin program or the possible startup of a coin program commemorating the bicentennial of the Constitution. Also, a 1986 date for the minting of the two coins should give sufficient time for design consultation with the Boy Scouts and the Girl Scouts (provided for in the bill) as well as the minting and distribution of the coins for sale.

Lest anyone have any doubts as to how deserving these two organizations are of the recognition these coins would confer, let me point out that the Boy Scouts and the Girl Scouts have built a reputation for both individualized instruction and community service. For instance, in my home State of California, just over 2 years ago, more than 15,000 scouts worked for 6 or more hours apiece on public trails and campsites in the Angeles National Forest. And 2 years before that the Boy Scouts volunteered to distribute informational material for the 1980 Census thereby saving American taxpayers some $5 million that year. Indeed, the Boy Scouts even have an award—the Tom C. Clark Award—for scout units that volunteer to do needed work on Government property.

Of course, community work is only one aspect of Scouting; there are many other aspects and advantages. In fact, one of the major benefits that should result from the issuance of Boy and Girl Scout commemorative coins is that they would advertise the virtues of Scouting to millions of children and parents that might not consider it otherwise. The coins would give the two Scout groups more than just a pat on the back for what they have done in the past; they would also speak to the potential of Scouting for the future.

Mr. Speaker, as a former Scout, I could go on at great length about the virtues of Scouting, the adventures it brings, and the sense of responsibility it teaches. But, rather than do that, let me close by simply urging my colleagues to support this commemorative coin legislation and work for its adoption. The monetary value of the coins may not be all that large, but the contributions of the Boy Scouts and the Girl Scouts over the years certainly are. The least we can do is give them the recognition they so richly deserve.

Mr. Speaker, I insert the text of the aforementioned commemorative coin bill in the RECORD at this time:

H.R. 870

A bill to provide for the minting of half dollar coins to commemorate the seventy-fifth anniversary of the Boy Scouts of America and the Girl Scouts of the United States of America

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Scout Commemorative Coins Act".

SEC. 2. Section 5112 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(g)(1) Notwithstanding any other provision of law, the Secretary shall mint and issue Boy Scouts of America half dollar coins and Girl Scouts of the United States of America half dollar coins, in such quantities as the Secretary determines are necesessary to meet public demand. Not more than ten million of such Boy Scout coins may be minted under this subsection, and not more than ten million of such Girl Scout coins may be minted under this subsection.

"(2) Each half dollar coin minted under this subsection shall—

"(A) have the size and weight of the half dollar coin described in subsection (a)(2);

"(B) have the composition described in the first four sentences of subsection (b);

"(C) have a design on each side of the coin, determined by the Secretary after consultation with the Boy Scouts of America in the case of the Boy Scout coins and the Girl Scouts of the United States of America in the case of the Girl Scout coins, symbolizing the seventy-fifth anniversary of the Boy Scouts of America or the Girl Scouts of the United States of America, as the case may be; and

"(D) have a designation of the value of the coin, an inscription of the year '1986', and inscriptions of the words 'Liberty', 'In God We Trust', 'United States of America', and 'E Pluribus Unum'.

"(3) All half dollar coins minted under this subsection shall be legal tender as provided in section 5103 of this title.

"(4) The Secretary shall sell the coins minted under this subsection to the public for 50 cents each or, if greater, for a price equal to the average cost of minting and distributing such coins (including expenses for labor, materials, dies, use of machinery, promotion, and overhead).

"(5) Coins may be minted under this subsection only during calendar year 1986.

"(6) There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this subsection.".

SEC. 3. The amendment made by section 2 of this Act shall be effective on October 1, 1985.●

SCOUTS TOP VALOR MEDAL TO GO TO RANDY REED, OF VIENNA, VA

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. WOLF. Mr. Speaker, a young constituent of mine will be honored by the Boy Scouts of America for extraordinary heroism and I wanted to bring his outstanding efforts to the attention of my colleagues. I ask that the Boy Scouts of America press release be printed at this point in the RECORD:

SCOUTS TOP VALOR MEDAL TO GO TO VIRGINIA YOUTH

IRVING, TX.—Boy Scouting's highest award for valor will go to a Vienna, VA teenager credited with saving the life of a church youth group leader in a swimming accident last June 11.

Randy Reed, 17, of 10400 Hunt Country Lane, Vienna, will be recognized with the Honor Medal for Lifesaving with Crossed Palms in ceremonies slated for Wednesday, February 6, 8 p.m. at Vienna Presbyterian Church, 124 Park St., Vienna, according to National Capital Area Council Scout executive Rudolph Flythe.

It was only the 4th such award approved in the country last year and is the first to go to a Virginian since at least 1968, the earliest year for which records are currently available. It is considered the rarest award offered by the Boy Scouts of America.

Reed, a junior at Oakton High School, is a member of Scout Troop 152, Vienna, chartered to the Vienna Presbyterian Church. He was with a group of young people and adults from that church on a mission project near Robbins, TN, when the incident occurred.

According to Scout officials, Reed was with five others from the Vienna Presbyterian Church who had decided to go swimming in a river near Robbins during a break from mission work in which they were participating. Several of the youths had swung into the river from a steel cable attached to a tree.

Ken Newsome, 24, a leader with the group, slipped from the cable as he swung out over the river, falling and striking his head and hands on a rocky ledge before landing in the water unconscious.

Reed immediately dove into the murky stream and found Newsome on the bottom in about 14 feet of water.

The youth covered Newsome's mouth and nose to prevent further intake of water and, despite more than 50 pounds difference in weight, was able to free him from a rocky crevice and bring him to the surface. He then applied pressure to Newsome's abdomen to expel water from his lungs. Once on shore, he adminstered first aid to a severe cut on the victim's head, and supported an apparently broken wrist and thumb.

With two young women sent to search for aid on one side of the river, Reed then left two Boy Scouts in the group with Newsome, swam across the river, and ran to seek aid on the other side.

"Reed saved Newsome from drowning and demonstrated the value of his Boy Scout training," asserted the National Court of Honor here in approving the recognition.

The youth group leader was treated at Scott County Hospital, Oneida, TN, where 15 stitches were taken to close head wounds and a cast put on the broken wrist. He was subsequently admitted to the University of Virginia Hospital, Charlottesville, for additional hand surgery.

The Honor Medal for Lifesaving is presented by the Boy Scouts of America through action of a national review board to those registered members of the 4.7 million member organization, both youth and adult, "who demonstrate unusual heroism in saving or attempting to save life at the risk of their own."

It is awarded with Crossed Palms in "exceptional cases" to those members, both youth and adult, who demonstrate both unusual heroism and extraordinary skill or resourcefulness in saving or attempting to save life at the extreme risk to their own."

I wish to note that this is only the fourth Honor Medal for Lifesaving with Crossed Palms approved by the Boy Scouts of America last year. It is recognized as the rarest award given by this 4.7 million member organization and is the first to go to a Virginian since 1968.

I join my colleagues in congratulating Randy Reed on this distinctive honor in recognition of his selfless heroism. We are all as citizens enriched and inspired by Randy Reed's example.●

KIM DAE JUNG'S RETURN

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. ACKERMAN. Mr. Speaker, today I am inserting into the CONGRESSIONAL RECORD an editorial from the Washington Post of January 28 that addresses the circumstances surrounding the return of Kim Dae Jung to his native country, the Republic of Korea. Kim, an outspoken opponent of the Seoul government, was accused of sedition, a charge that was politically motivated. However, after serving 2½ years of a 20 year sentence, and after much pressure from our Government, he was finally allowed to seek medical care in the United States. During his exile here, he has gained the respect of many Members of Congress and the American people as he has pursued his quest to restore civil and human rights in South Korea.

Kim Dae Jung must not meet the same fate upon his return to the Republic of Korea as did Benigno Aquino, the Philippine opposition leader, who sought to return to his land under similar circumstances. Further, the United States should forcefully express our distress with the Seoul government's claims that Kim will be returned to jail upon his return. Further imprisonment is absolutely unacceptable. The Korean Government must be put on notice that the American people will not tolerate the supression of political opinion.

I call on my colleagues in the Congress to direct their attention to this matter, and to join in expressing support for Kim Dae Jung's peaceful return to his native land. In this light, I would commend to my colleagues the following editorial, which cogently expresses this sentiment.

[From the Washington Post, Jan. 18, 1985]

KIM DAE JUNG'S RETURN

The shoving between opposition leader Kim Dae Jung and President Chun Doo Hwan of South Korea illustrates nothing so much as the central role the United States plays in the affairs of its longtime ally. It

isn't that the Reagan administration is deliberately butting in. But Washington's natural weight is so great that it becomes all but impossible for Korean parties not to try to swing it to their advantage. That puts a burden on Washington in turn to use its weight for American ends.

In 1981 Seoul released Kim Dae Jung early from a 20-year "sedition" sentence—plainly, he was a political prisoner—in order to earn President Chun's passage to Washington to visit President Reagan. In the current cycle, Mr. Kim is preparing what he hopes will be a safe return from Washington exile to Korean public life. He has reaped dramatic publicity by suggestively evoking the assassination of the returning Filipino opposition leader, Benigno Aquino. Around him he has fashioned a living shield comprised of prominent Americans interested in Korean democratization. For his return he deftly chose the moment when President Chun was again planning a visit to Washington—and would again likely be on his best behavior.

It's working well for Mr. Kim so far. Last Tuesday the Chun regime said that if Mr. Kim returned he would be clapped back in jail. On Wednesday the State Department reacted to this publicly, and privately informed Korea that it was deferring announcement of the return visit to Washington that Mr. Chun has avidly sought. On Thursday the Koreans started backtracking on the threat to imprison Mr. Kim. D-Day is Feb. 8.

It infuriates the Korean government to see the gadfly Mr. Kim making this use of the open American political system. But the government has a good alternative: open up the Korean system to make room for legitimate opposition figures such as Mr. Kim. Over the past 30 years, Korea has become, in educational and economic terms, one of the most successful developing countries; it is beginning to challenge Japan. Yet it retains a narrow and obsolete political system dominated by the military.

Both government and opposition are in the habit of turning to the United States for approval and internal leverage. It is one of the clearest signs of Korea's political weakness. Korean politicians should be turning to their own citizens instead. And Washington should always be trying to push them in this direction.●

INTRODUCTION OF LEGISLATION MAINTAINING THE GOVERNMENT'S REGIONAL OFFICE STRUCTURE

HON. NORMAN D. DICKS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. DICKS. Mr. Speaker, today I am introducing legislation, on behalf of Congresswoman SCHROEDER and myself which would seek to preserve the existing system of standard Federal regions in the United States. These regions were created by Presidential directive in 1969 as a means of instituting a rational order to the structure of field offices in major Federal agencies. Since that time, the 10 so-called little Washingtons around the Nation have provided access to Federal agencies for millions of people around the Nation. These regional offices of the Department of Labor, the Transportation Department, HHS, and other key Federal agencies have also had the authority to solve regional problems, to commit funds and to represent regional concerns to the headquarters in Washington, DC. This decentralization of the Federal Government made sense in 1969 when it was implemented, and it makes just as much sense today—both economically and in terms of efficiency.

Two years ago, the Reagan administration began a process designed to recentralize authority and staff of Federal agencies by bringing them back to Washington, DC, and eliminating some of the 10 existing standard Federal regions. These regional centers currently exist in Boston, New York, Chicago, Atlanta, Dallas, Kansas City, Seattle, San Francisco, Los Angeles, and Philadelphia. In proposals which were being considered by the Cabinet Council on Management and Administration last year, plans were being made for the total elimination of Federal regions in two to three of these regions, with authority shifted to neighboring regions. Those plans would have produced a regional structure which would have required a person with a Department of Labor Problem in Kansas City, for example, to take that problem to a regional office in Dallas-Fort Worth. Obviously, the opposition which developed on Capitol Hill was enormous, and the Cabinet Council shelved the ill-fated reorganization plan, at least until after the November elections.

But under the guise of slashing the budget and reducing the Federal deficit, the proposal has surfaced again, and this time in an even more devastating form.

I have heard from regional agency personnel from around the Nation who have revealed the plans for dismantling their agencies—this time occurring from the bottom up rather than from the top down. By that I mean that the directive from the Office of Management and Budget has not come on a governmentwide basis—agencies are being asked to develop their own plans for shrinking their field structures, so that the 10-standard Federal regions will simply erode on their own. Even more disturbing is the report that many agencies will additionally be removing the regional authority which exists in the regional offices. That is a greater problem because it further removes the ability of Government agencies to take action. An example from my district is the authority which exists at the region 10 office of the Environmental Protection Agency. With one of the largest Superfund sites in the Nation located in Tacoma, WA, it was primarily because some regional authority existed in Seattle that anything was done to begin cleaning up this site, especially during the turbulent times of the Gorsuch tenure in Washington, DC. With the shift of the regional EPA office to San Francisco—as could be envisioned under scenarios now planned by the administration—and with the additional removal of any authority in that San Francisco office, the Environmental Protection Agencies field structure is rendered irrelevant.

Therefore we believe that the Congress must exercise its authority to review any changes in the existing Federal field structure before they are implemented. Up until now, the Presidential directive which created the 10-region structure does not specifically allow congressional review because it was not created by statutory language. This legislation we are introducing today resolves that problem by putting the language of OMB Circular A-105, which regulates agency field office structure, into law. In doing so, it provides that Congress shall have the authority to review any proposal to consolidate or eliminate any regional office. At a time when plans for a large-scale dismantling of the Federal agency field structure are being considered by David Stockman and other budget officials, we need that authority now more than ever.●

THE BEAVER VALLEY EXPRESSWAY

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. KOLTER. Mr. Speaker, today I am introducing legislation to correct a situation that has been neglected for too long. This legislation will authorize construction of a highway project in the Beaver and Lawrence Counties of Pennsylvania known as the "Beaver Valley Expressway" or Route 60.

The Beaver Valley Expressway is a "missing link" in the economic evolution of Beaver and Lawrence Counties. A distance of 15 miles is the only thing which stands in the way of a beginning for economic recovery.

As a direct result of this missing link, thousands of acres of land with vast potential lie dormant and unproductive.

While many of you may very well be experiencing the benefits of an improved economy, my district has not been as fortunate.

The Beaver Valley has an unlimited, and unfortunately, untapped number of valuable resources. The Beaver Valley Expressway's missing link is an essential lifeline that will help pull the entire region from the depths of economic recession

To finish this desperately needed project, I need the help of my honored

colleagues in the House. It is my sincere hope that you will hear our need and lend a hand through your cosponsorship of my legislation to complete Route 60.

Thank you, Mr. Speaker.●

A BILL TO IMPROVE STATE CRIMINAL JUSTICE INFORMATION SYSTEMS

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. SCHUMER. Mr. Speaker, today I am introducing the Criminal Justice Information Improvement Act of 1985, a bill designed to improve State criminal justice information systems, including criminal history records; to establish an interstate identification index based on criminal records and to provide assistance to States to use such index; to ensure that criminal history records are accurate and complete; and for other purposes.

Crime rates have soared across the Nation in the past two decades, rising 200 percent since 1960. One way State law-enforcement officials have tried to meet this growing crime threat is by increased reliance on high-tech crime fighting methods. Computers have become an important tool in fighting crime effectively because they can provide instant access to important information.

However, because of insufficient funding and interstate coordination, much of the data contained in States' crime-fighting computer data bases are inaccurate. In particular, the accuracy and completeness of criminal history record information has emerged as one of the most significant information issues confronting the criminal justice community.

Criminal history records are the most widely used records within the criminal justice process. Law enforcement officials, for example, use criminal history records for a variety of investigative purposes, as well as for assistance in making arrest decisions. Prosecutors use criminal history record information to assist in making decisions about charging and prosecuting arrestees, as well as in plea bargaining negotiations. Judges use criminal history record information in shaping their recommendations and decisions. Finally, statisticians and researchers depend upon criminal record information as a feedstock for statistics and analysis which, in turn, inform and guide policymakers and the public.

In addition, criminal history records are widely used for noncriminal justice purposes. For example, they may be available to Federal agencies for security clearance and personnel suitability decisions; to Federal and State agencies for licensing decisions; to public and private employers for employment decisions; and to a countless variety of private sector decision makers for use in insurance, credit, housing, and other important decisions.

Numerous studies have shown that there are serious problems with the quality of criminal history records maintained in Federal, State, and local record systems. The most serious shortcoming is the lack of speedy and accurate disposition reporting. Yet the technology and methodology exists to achieve complete records. We should not be satisfied until 100 percent complete records are achieved.

Basic fairness demands that the Government not rely upon inaccurate or incomplete information to make decisions about individuals. The Supreme Court declared as long ago as 1948 that the use of erroneous criminal history record information for sentencing purposes violates an individual's fifth amendment due process rights. Also, to the extent that incomplete or inaccurate criminal histories falsely overstate a record subject's criminal activities, that person suffers damage to his or her reputation and privacy interests. Moreover, a person in this situation may be unfairly harmed in applications for licenses, jobs, government benefits, and so forth. Finally, criminal justice agencies are hampered by inaccurate or incomplete records. One very clear example of this is the frequency with which courts overturn convictions because the original arrest or search was made on the basis of erroneous criminal justice information.

The Criminal Justice Information Improvement Act of 1985 is designed to address this problem by improving the quality and flow of information. The bill sets up an interstate identification index under the Attorney General in order to help Federal, State, and local agencies to share criminal identification and crime records. The bill provides funding for States to participate in the index and to update their criminal history records. At the same time, it requires States receiving these funds to meet standards for accuracy, timeliness, and completeness of criminal history information.

I urge my colleagues to support this effort to help Federal, State, or local officials to use technology wisely, both to curb crime and to protect the privacy and rights of citizens.

The text of the bill follows:

H.R. 896

A bill to improve State criminal justice information systems, including criminal history records; to establish an interstate identification index based on criminal records and to provide assistance to States to use such index; to ensure that criminal history records are accurate and complete; and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Criminal Justice Information Improvement Act of 1985".

INTERSTATE IDENTIFICATION INDEX

SEC. 2. Section 534 of title 28, United States Code, is amended—

(1) by redesignating subsection (c) as subsection (d), and

(2) by inserting after subsection (b) the following new subsection:

"(c)(1) For the purpose of assisting Federal, State, and local departments and agencies to locate, for criminal justice use, criminal identification and crime records held by such departments and agencies, the Attorney General shall—

"(A) establish and maintain an interstate identification index which shall contain only information—

"(i) identifying individuals with respect to whom there exists any criminal identification or crime record;

"(2) with respect to each such individual, identifying the Federal, State, and local departments and agencies which created and hold criminal identification and crime records; and

"(iii) with respect to each such individual, indicating whether the Attorney General holds any such record; and

"(B) make such information available to such departments and agencies for criminal justice use.

"(2) The Attorney General may make available information in the interstate identification index to any State or local department or agency for criminal justice use only if—

"(A) such department or agency has not obtained information under this subsection at any time preceding the 3-year period ending on the date any such information was first requested under this subsection; or

"(B) in the case of a department or agency which obtained information under this subsection in such 3-year period, such department or agency complied with section 4 of the Criminal Justice Information Improvement Act of 1984 during a period of not less than 180 days ending on the date of the current request of such department or agency for information.".

AMENDMENTS TO OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968

SEC. 3. (a) Section 401(a) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3741(a)) is amended—

(1) in paragraph (22) by striking out "and" at the end thereof,

(2) in paragraph (23) by striking out the period at the end thereof and inserting in lieu thereof a semicolon, and

(3) by adding at the end thereof the following new paragraphs:

"(24) developing capabilities necessary to submit information for inclusion in, and to obtain information contained in, the interstate identification index established under

section 534(c)(2)(B) of title 28, United States Code; and

"(25) complying with the requirements of section 534(c)(3) of title 28, United States Code, and section 4 of the Criminal Justice Information Improvement Act of 1984.".

(b) Section 401(b) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3741(b)) is amended—

(1) in subparagraph (A) by striking out "and" at the end thereof,

(2) in subparagraph (B)—

(A) by inserting "except as provided in subparagraph (C)," after "(B)", and

(B) by striking out the period at the end thereof and inserting in lieu thereof "; and", and

(3) by adding at the end thereof the following new subparagraph:

"(C) for any fiscal period beginning after the effective date of this subparagraph, that portion of a Federal grant made under paragraph (20) for the purpose of establishing a criminal justice information system or under paragraph (24) or (25) shall be 100 per centum of the cost of the program or project specified in the application for such grant.".

(c) Section 402 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3742(b)) is amended by adding at the end thereof the following new subsection:

"(e) No eligible jurisdiction may receive finanical assistance under this part for the purpose of establishing a criminal justice information system or for any purpose specified in paragraph (24) or (25) of section 401 unless such jurisdiction agrees, as a condition of receiving such assistance, to comply with section 4 of the Criminal Justice Information Improvement Act of 1984 not later than 3 years after first receiving assistance under this Act for any such purpose.".

CRIMINAL HISTORY RECORDS

SEC. 4. (a) For purposes of section 534(c)(2)(B) of title 28, United States Code, and section 402(e) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3742(e)), a State or local department or agency or an eligible jurisdiction, as the case may be, shall—

(1) comply with sections 20.3, 20.20 (without regard to subsection (a)), 20.21 (without regard to the requirement that a plan be submitted or amended), and 20.24 of title 28 of the Code of Federal Regulations as in effect on the date of the enactment of this Act, and

(2) permit the Attorney General of the United States, or the designee of the Attorney General, to audit the criminal justice and related records of such department, agency, or jurisdiction to verify such compliance.

(b) The Attorney General of the United States shall conduct audits of the type described in subsection (a)(2) on a random basis to ensure that State and local departments and agencies and eligible jurisdictions to which such subsection applies comply with such subsection.

NATIONAL CRIME INFORMATION ADVISORY POLICY BOARD

SEC. 5. (a) There is hereby established in the Department of Justice a National Crime Information Advisory Board (hereinafter in this section referred to as the "Board") whose purpose it shall be to recommend to the Attorney General general policies with respect to—

(1) the philosophy, concept, and operational principles applicable to the acquisition, classification, storage, and dissemination of information, and the exchange and use of records made available, by the Attorney General under section 534 of title 28, United States Code, and

(2) the relationship of the activities of the Attorney General under such section to State and local systems relating to the collection, processing, storage, dissemination, and use of criminal history information and records.

(b) The Board shall be composed of 26 members as follows:

(1) Six members shall be appointed by the Attorney General. At least 1 of such members shall be appointed from among each of the following—

(A) individuals representing the judiciary,

(B) attorneys who prosecute criminal defendants,

(C) attorneys who provide legal counsel to criminal defendants,

(D) individuals representing administrators of correctional institutions and agencies, and

(E) individuals representing civil rights organizations.

Such members shall serve for an indeterminate period of time.

(2) Twenty members shall be elected by entities throughout the United States which obtain information under such section from the Attorney General. Such members shall serve for a term of two years beginning on January 5th of each odd numbered year.

(3) The Board shall be representative of the entire criminal justice community at the State and local levels and shall include representation from law enforcement agencies, the courts, and corrections agencies and institutions.

(c) The Board shall review rules and procedures applicable to carrying out section 534 of title 28, United States Code.

(d) The Board shall consider operational needs of criminal justice departments and agencies in light of public policies, and local State, and Federal statutes.

(e)(1) The Board shall review, on a continuing basis, security and privacy aspects of operations carried out under section 534 of title 28, United States Code, and shall, as needed, appoint ad hoc subcommittees to provide information and recommendations to the Board regarding the security and privacy aspects of such operations.

(2) The Board shall recommend standards for participation by criminal justice departments and agencies in such operations.

(f) The Board shall report directly to the Attorney General of the United States or to the designee of the Attorney General.

(g) The Federal Advisory Committee Act shall apply with respect to the Board (5 U.S.C. App.).

EFFECTIVE DATES

SEC. 6. (a) Except as provided in subsections (b) and (c), this Act and the amendments made by this Act shall take effect on the date of the enactment of this Act.

(b) The amendment made by section 3(b)(2) shall take effect on the first day of the first fiscal year beginning after the date of the enactment of this Act.

(c) Section 5 shall take effect on January 5, 1986.●

ESTABLISHMENT OF THE CCC II

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. ROYBAL. Mr. Speaker, having served in the Civilian Conservation Corps during the 1930's, I am proud to introduce legislation, H.R. 701, to reestablish it now in the 1980's.

My bill would set up the Civilian Conservation Corps II for the purpose of providing a work force of young people to maintain the natural resources of this Nation. The program would provide employment and experience for its participants, as well as foster the principle and practice of conservation. Preference from employment with the CCC II would be given to minority youth and to youth from areas of high unemployment. Supervisory positions would also be available to older individuals.

My commitment to the CCC is a deep one. During the 1930's, I was the victim of the greatest period of unemployment this country has ever experienced: The Great Depression. The CCC provided work, perhaps the greatest possible relief during these economically desperate times. And, more importantly, it gave me a cause to which I could wholeheartedly commit myself. Instilling in me a deep sense of pride and dignity that so many around me had lost, the CCC provided the inspiration and the means for attending college. It also provided the impetus for my long career in public service.

Many young people today are experiencing difficulties similar to those facing me during the Depression. They desperately need a program like the CCC to take that first step from poverty, chronic unemployment and despair to job training, higher education, and hope for the future.

There is support for the CCC II both in Congress and throughout the country. Last year, both the House and the Senate overwhelmingly passed legislation calling for the establishment of a youth conservation corps, but President Reagan vetoed the measure. I have heard from many groups across the country which would strongly support the program. One fine example is the CCC Historic Center in Sacramento, CA. The center was set up by individuals, like myself, who served in the CCC in the 1930's. Its purpose is to honor those who served in the CCC and to educate many of the younger generation who are unaware of the significance and accomplishments of the Corps. Such groups would do everything they could to make the CCC II a success.

The President seems to believe that both the youth unemployment prob-

lem and management of our natural resources can be best handled by the private sector. I disagree. I believe that we must address this problem directly and that one fine way to do so would be through the enactment of this legislation. I urge you all to join me in establishing the CCC II, and making it even more successful than its predecessor.●

HARLON CARTER'S 10 YEARS OF SERVICE TO THE NRA

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. MARLENEE. Mr. Speaker, on Saturday, January 26, Harlon B. Carter stepped down as executive vice president of the National Rifle Association, an organization of nearly 3 million men, women, and children who are dedicated to preserving the principles for which our flag stands.

For the past 10 years, Harlon Carter has been a name and a man that Members of Congress have associated with the National Rifle Association. It was he who led the NRA into the legislative arena. Under Harlon Carter, the NRA became synonymous with the concept of "grassroots lobbying." The NRA, it is fair to say, wrote the book on uniting men, women, and children of every city, town and village across the Nation into the single most effective organization representing the American gunowner and hunter. And, again, much credit belongs to Harlon Carter.

I'm sure that anyone who knows Harlon Carter would agree with my portrait of him. They would say that as impressive a man, politically, intellectually, ethically, and in terms of his achievements in the area of law enforcement and competitive shooting that Harlon Carter is, he is above all else a humble and sensitive man who would decline the honors due him. If I or anyone else said that under Harlon Carter, the NRA grew from less than a million to nearly 3 million members, that its programs of firearm safety have flourished across the land, that the number of competitive tournaments sanctioned by the NRA grew from 3,800 to nearly 11,000 annually, that not one single piece of legislation designed to diminish law abiding citizens rights to keep and bear arms passed from this or any other Congress sitting during his tenure at the NRA, he would object.

Harlon Carter would point to the "fine, bright, enthusiastic" staff headquartered at 1600 Rhode Island Avenue and in the various branch offices across the Nation. He would point to the nearly 3 million Americans who rally when their rights are threatened, who write and phone their elected officials, who work the polls and cast their ballots for those of us who work to insure that the Bill of Rights remains intact. He would say that the NRA united and strong, not he, is due the credit for not only a decade but 114 years of service to the Nation. And, of course, Harlon would be right.

Those of us who are members of the NRA bear our membership as we bear our citizenship, with pride. As NRA members we work and walk in our communities a little taller and a little stronger not because we feel smug or superior but because we have pledged to accept the responsibility that comes with citizenship to dedicate ourselves to the vigilance necessary to defend our constitutionally guaranteed second amendment rights long held as the keystone of all our liberties. We are proud to proclaim that we are citizens of the United States of America and that we are the NRA. None among us stands as the very embodiment of that pride, resolve, and dedication more than Harlon Carter.

Members of Congress of both Houses and on both sides of the aisle know and respect Harlon Carter. He served the Nation for 34 years as an outstanding example of the fine men and women who daily guard our borders with the U.S. Border Patrol. He was Chief of the Border Patrol. And he was a Commissioner of the Immigration and Naturalization Service and Border Patrol for the southwest region. He retired from Federal law enforcement in 1970.

He holds some 44 national shooting records won with pistols, military rifles and smallbore rifles. He is one of but 22 civilians who was awarded the Department of the Army's Distinguished Award for marksmanship excellence for both rifle and pistol in 100 years. And his prowess with rifle, pistol, and shotgun in the field has earned him the respect of his fellow hunters throughout the world.

Harlon Carter's full career and rich legacy as leader of the Nation's most powerful hunting and gunowner organization in the minds of most would pose a formidable precedent that would make the task of finding a successor a near impossibility. To the credit of the National Rifle Association, they did indeed chose a man worthy to follow in Harlon Carter's shoes. That man is G. Ray Arnett.

Ray Arnett is an imposing man. Physically he overshadows most in this Capital City. As the new executive vice president of the NRA he will cast a shadow the length and breadth of the land in championing the rights of Americans to hunt and own and use guns for a multitude of legitimate reasons.

Ray Arnett is well known and well respected by friend and foe alike. As Assistant Secretary of Interior for Fish, Wildlife and Parks, Ray was a tough and capable administrator of the Nation's natural resources. He fought for all Americans. And, during a time when it has become politically fashionable to curry favor with the media and those who would end hunting and gun ownership, Ray Arnett stood tall as the hunters' and gunowners' friend in Washington.

I've had the pleasure of working with Ray on matters of critical concern to the Nation's wildlife resources. I know that he is a worthy ally, one that by force of will and the rightness of his cause will continue to fight until the rights of all hunters' and gunowners' are strictly protected.

I hope that in someway I've demonstrated the honor due Harlon Carter and my faith that the vision held for the National Rifle Association by Harlon Carter will be carried proudly by my friend, Ray Arnett.●

CONGRATULATIONS TO THOMAS V. OGDEN ON HIS 90TH BIRTHDAY

HON. GENE CHAPPIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. CHAPPIE. Mr. Speaker, I rise today to pay tribute to Thomas V. Ogden, a long-time resident of northern California, who has recently celebrated a milestone. On January 10, of this new year, Tom became 90 years old, and I want to take this opportunity to join the many others in wishing him a happy birthday. Tom has worked and played an important role in northern California for many years and is very deserving of the praise he has received during his birthday celebration.

As a veteran firefighter in the city of Santa Ana, Tom risked his life on numerous occasions to save and protect others. This trait, of sacrificing to help others, has been a trademark of Tom's for many years. Besides working for others as a firefighter, Tom has been a member of the Elks Club for 50 years. During this time, Tom participated in many projects to raise money and assist his community in any way he could. Today, the results of Tom's work can be found throughout the neighborhood where he spent his life serving the people.

Tom's interests also extend into the field of politics. Tom was one who was never afraid to voice his opinion on a subject and never backed down from a fight. His main interests were not to further his own political interests, but to work for the benefit of the people and the community as a whole. From this we can all learn a lesson. Today, Tom resides in Los Molinos, CA, and I

feel honored and privileged to represent him and the rest of Los Molinos in the 99th Congress.

Mr. Speaker, I ask you and the rest of the House of Representatives to join me in congratulating Thomas Ogden on the celebration of his 90th birthday and to wish him many more birthdays in the future.●

THE NUCLEAR EXPLOSIVES CONTROL ACT OF 1985

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. WOLPE. Mr. Speaker, I am very pleased to introduce today a bill which seeks to tackle one of most complicated and pressing problems affecting American and world security for the foreseeable future—the proliferation of nuclear technology, equipment, and materials that can be applied to making nuclear weapons. This legislation, the Nuclear Explosives Control Act of 1985, is identical to legislation introduced in the last Congress by Congressman Dick Ottinger. The need to strengthen U.S. nonproliferation laws is even greater today than it was 2 years ago. Recent developments and a close examination of the policies pursued over the past 4 years by the administration reveal not only a troubling lack of U.S. leadership in combating nuclear weapons proliferation, but a perceptible relaxation in the official American posture toward the risk posed by nuclear proliferation. I urge my colleagues to support the original intent of the Nuclear Nonproliferation Act of 1978 which established the United States as a world leader in setting high standards in the area of nonproliferation by which other countries could measure their own conduct. I think it may be most effective to quote directly from Mr. Ottinger's statement from May 18, 1983 to emphasize the necessity of this legislation. Also a summary of the bill follows:

Mr. OTTINGER. Mr. Speaker, today, on the ninth anniversary of India's detonation of a so-called "peaceful nuclear explosive," I am submitting a bill which is badly needed to strengthen the Nuclear Nonproliferation Act of 1978. * * *

My deepest concern is over the direction taken by the Reagan administration in promoting nuclear commerce and trade that will surely contribute to the rapid spread of nuclear weapons throughout the world. I urge Members to give their immediate and personal attention to these matters and to support our proposal as contained in the legislation being jointly introduced today in the House and the Senate.

* * * * *

The most dramatic and dangerous departure from past policy is the Reagan administration's active promotion of plutonium, a nuclear explosive material, as a civilian fuel. By actively promoting commercial development of breeder reactors and reprocessing plants at home and abroad, it is paving the way for an industrial process that will produce, by the ton, plutonium that can be used by the pound to make atomic bombs. Although this policy may be responsive to certain industrial interests, it is contrary to the best interests of the nuclear industry and it is certainly anathema to the public interest. Unless the Congress takes immediate steps to reverse this policy, the United States will be exporting the very technologies and materials that can be turned into weapons of mass destruction and used against us.

I urge my colleagues to heed the fact that the global spread of nuclear weapons poses a grave danger to the United States and to the entire world, rivaling that of the arms race between the superpowers. * * * In addition, we are not at all reassured by President Reagan's recent statement that "we are pretty well on our way to, if not, entirely eliminating nuclear proliferation, holding it down to where a country might have a weapon or two, but they are not going to have enough to threaten the world." In fact, as was shown with small nuclear devices used at Hiroshima and Nagasaki, just one bomb can wreak devastation and destruction and result in an enormous loss of life. A weapon of that size would likely kill the entire 10 million population of metropolitan New York.

As the number of nations possessing nuclear weapons grow, so does the likelihood that nuclear weapons will be used—possibly in a regional conflict that could engulf the superpowers and result in world nuclear war. Our concern is that the policies now being carried out by the administration are directly and significantly contributing to the perilous process of proliferation. It is unreasonable to expect that a nation, once having acquired a weapon or two, will not proceed to develop a substantial arsenal, along with the means for delivering those weapons, or that other nations, especially regional rivals, will not soon follow suit or that such weapons will not be used or fall into the hands of unscrupulous terrorist groups. If the administration continues to act as if proliferation is inevitable, of course it will be.

* * * * *

In a July 16, 1981, policy statement on nonproliferation, the Reagan administration announced some laudatory objectives: "* * * the need to prevent the spread of nuclear explosives to additional countries * * * to inhibit the transfer of sensitive nuclear material, equipment, and technology * * * requiring—international—safeguards on all nuclear activities in a non-nuclear-weapon state as a condition for any significant new nuclear supply commitment." However, the policy is rendered self-contradictory and self-defeating by the further declaration that the administration would "not inhibit or set back civil reprocessing and breeder reactor development abroad in nations with advanced nuclear power programs where it does not constitute a proliferation risk."

The Reagan administration's policy also advocates improving regional and global stability in order to reduce "motivations that can drive countries toward nuclear explosives." But while conflict resolution should be an important objective in U.S. foreign policy, it is no substitute over the long run for preventing the introduction of nuclear explosive materials into international commerce. The cause of regional and global stability is best served by keeping nuclear bomb materials out of as many nations as possible.

In our judgment, the administration's policy has had precisely the opposite effect. It has hastened the proliferation of nuclear weapons by:

First, actively promoting U.S. exports of the enrichment and reprocessing technologies needed to produce weapons-usable uranium and plutonium. This constitutes a complete reversal of the policy and practice of the U.S. Government from the birth of the nuclear age until President Reagan took office.

Second, approving foreign reprocessing of plutonium from U.S.-origin spent fuel despite the fact that the IAEA has publicly declared that the international safeguards system is incapable of providing timely warning of a diversion of this material from civilian to weapons purposes.

Third, offering no incentives for other countries to forgo the use of plutonium fuel and, in fact, encouraging plutonium use abroad by means of our own domestic example of championing commercial development of breeder reactors and reprocessing plants.

Fourth, exploiting loopholes in the Nuclear Nonproliferation Act by approving export of nuclear and dual-use items to nations that refuse to accept international safeguards on all their nuclear activities. These nations, which refuse to ratify the Nuclear Nonproliferation Treaty and are most suspected to developing nuclear weapons, include Argentina, Brazil, India, Pakistan, and South Africa. In those instances where the act strictly forbids certain nuclear exports to such countries, the administration has found other nations, less committed to nonproliferation, to serve as alternative suppliers of these items.

Fifth, continuing to export highly enriched uranium, an atom bomb material, for use in research reactors while cutting back on U.S. programs to develop alternative low-enriched fuels not suitable for weapons in these reactors.

Sixth, eliminating restrictions on economic and military assistance to Pakistan's obvious nuclear weapons program, and failing to make clear that development of a nuclear weapon by any country will result in a cutoff of all forms of assistance to that country.

To the often heard argument that restrictions on nuclear commerce are useless because if we do not sell dangerous materials, equipment, others will: the argument ignores the effectiveness of previous administration's nonproliferation efforts to halt the sale of reprocessing technology from France to Pakistan and Germany to Brazil. The efforts of past administrations to oppose such transfers were successful until President Reagan introduced his new policy to have the United States set an example of exportation rather than restraint.

In order to remedy these dangerous flaws in the administration's conduct of nuclear commerce with other nations, we are introducing today the "Nuclear Explosives Control Act of 1983." This legislation strengthens the earlier Nonproliferation Act in the following ways:

First, banning U.S. exports of enrichment and reprocessing technology.

Second, establishing a moratorium on foreign reprocessing of plutonium from U.S.-origin spent fuel, other than for limited research and development and demonstration facilities for which commitments have al-

ready been made. Use of this plutonium in large commercial powerplants—breeders or otherwise—would be prohibited. Reprocessing of plutonium from U.S.-origin spent fuel for other than R&D purposes could not proceed until Congress determined that effective international safeguards will be applied and that effective sanctions exist against violations.

Third, requiring the United States to offer—as an incentive for other nations to forego plutonium—uranium enrichment services at a discounted price for the production of low enriched uranium (unsuitable for weapons) fuel. As a further inducement, the United States would offer assistance in the management of unreprocessed spent fuel, in developing alternative sources of energy, and in providing existing nuclear powerplants with improved nuclear fuel to increase reactor efficiency. This assistance would stretch out the supply nonweapons usable uranium and reduce inventories of plutonium left as a byproduct in spent nuclear fuel.

Fourth, closing loopholes in the Nuclear Nonproliferation Act by requiring uniform, strict criteria to govern export actions of all Federal agencies. At present, only the Nuclear Regulatory Commission is required to halt exports to nations that refuse to accept international safeguards on all their activities; under the new law, the Energy and Commerce Departments would be under the same restrictions. This would prevent nuclear and dual-use items from being exported to nations suspected of developing nuclear weapons. This provision also would prevent U.S. companies from using foreign affiliates to engage in nuclear trade with countries with which the American companies are barred from trading. In addition, the Defense Department would, for the first time, be required to approve from the national security standpoint nuclear exports approved by other Federal agencies.

Fifth, barring U.S. exports of highly enriched uranium as soon as foreign research reactors can use alternative fuels unsuitable for nuclear weapons. This provision also would accelerate the U.S. program for developing such alternative fuels.

Sixth, strengthening sanctions to require an automatic cut-off of all nuclear and other assistance to nations that explode nuclear devices.

The legislation introduced today would redirect U.S. nuclear policy away from the path of proliferation and onto a course of prudence and sanity. I urge you to support the legislation and the sound policy it embodies. * * *

THE NUCLEAR EXPLOSIVES CONTROL ACT OF 1985

The bill has three principal objectives:

I. To discourage and sharply restrict commerce in nuclear-explosive materials—plutonium and highly enriched uranium;

II. To offer other nations positive incentives, in the form of nuclear-fuel assurances and technical assistance, to forego the use of plutonium and highly enriched uranium in their nuclear programs;

III. To strengthen nuclear-export criteria for all Federal agencies to ensure that nuclear exports go only to nations that accept international safeguards inspections of all their nuclear activities ("full-scope safeguards") and have nuclear-cooperation agreements with the United States.

I. RESTRICTIONS ON NUCLEAR-EXPLOSIVE MATERIALS

Bans U.S. exports of civilian technology and equipment that are important to the construction of enrichment, reprocessing and heavy water plants essential to the production of nuclear explosive materials (section 4);

Defers foreign extraction (reprocessing) of plutonium from nuclear fuel provided by the United States for commercial activities until such time as Congress determines adequate international safeguards and sanctions are in place (section 5);

Requires the phasing out of U.S. exports of highly enriched uranium as soon as research reactors can be operated with lower enriched fuel unsuitable for nuclear weapons (section 6);

Requires Federal agencies to improve physical security arrangements for nuclear exports (section 11);

Strengthens the process in existing law for cutting off nuclear trade with nations that develop or assist other nations in developing nuclear weapons or that violate safeguards or other fundamental nonproliferation commitments (section 19);

II. NUCLEAR-FUEL ASSURANCES AND TECHNICAL ASSISTANCE

Offers to nations which agree to forego development of reprocessing and enrichment facilities, as well as to forego the use of separated plutonium, the following major incentives (section 8):

A substantial discount on the price of U.S. uranium enrichment services for low-enriched uranium fuel, which is unsuitable for nuclear weapons;

A further discount on the enrichment price for nations agreeing to run reactors on specially improved low-enriched fuel that conserves uranium, reduces spent fuel generation and lowers the production of residual, by-product plutonium;

A single export license to assure supplies of low-enriched uranium fuel sufficient to meet the lifetime requirements of all their nuclear powerplants—the fuel to be provided in shipments sufficient to operate each plant for three years at a time;

Technical assistance to increase the fuel efficiency of light water reactors and thereby reduce inventories of residual, by-product plutonium;

Technical assistance to resolve nuclear-waste management problems, including the storage and disposal of spent fuel;

Technical assistance in developing alternative energy sources.

III. STRENGTHENED NUCLEAR EXPORT CRITERIA

Upgrades export criteria for the Energy and Commerce Departments to ensure that exports of nuclear technology and "dual-use" items go only to nations that accept full-scope safeguards and have a nuclear-cooperation agreement with the United States—the same strict standard that now governs Nuclear Regulatory Commission licensing of nuclear-reactor and fuel exports (sections 13, 14 and 16);

Establishes the same strict standards for NRC export licensing of nuclear components as now exist for NRC export licensing of complete reactors and fuel (section 17);

Requires that nuclear transfers by foreign affiliates of U.S. companies are subject to the same requirements as transfers directly from U.S.-based firms (section 18);

Requires the Secretary of Defense to play a key nonproliferation role in determining that proposed nuclear agreements, exports and arrangements are not inimical to the common defense and security (section 15);

Requires that U.S. origin nuclear materials cannot be substituted for nuclear materials not under the control of the United States without the approval of the Secretary of Energy (section 7).●

BIRMINGHAM WILL MISS MRS. JESSIE LEE BEAVERT

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. ERDREICH. Mr. Speaker, Birmingham, AL, which I represent, recently lost a citizen whose concern for the city and those who live there set an example of commitment to community involvement to which we should all aspire.

Mrs. Jessie Lee Beavert was a doer. Not one to be content merely complaining about her community, Mrs. Beavert set about the task of making her community better by actively pursuing solutions and helping the city progress.

She was past president of the Eastern Area Chamber of Commerce and was named Eastern Area Citizen of the Year. She was a member and past president of Huffman Business and Professional Women and was president of the Birmingham chapter of the National Association of Remodeling Industry. She was also a member of the executive board of directors of the Vacca Campus.

Last year, I presented Mrs. Beavert with a congressional commendation for her outstanding efforts as a national officer and local coordinator of the National Block Watch Association, a nationwide effort to encourage greater citizen and neighborhood participation in the fight against crime. On the evening of August 7, 1984, in Jefferson County, AL, and across the Nation, citizen volunteers participated in "National Night Out," a volunteer effort in which watch vigils were conducted to make neighborhoods and property safer from those who would steal or vandalize. Mrs. Beavert coordinated 500 neighborhood watch captains throughout the city of Birmingham. Her efforts spread the word that simple vigilance can help protect lives and property.

Jessie Lee Beavert did much more than talk about what needed to be done to improve her city and help her fellow citizens. Her life was a shining example of the good that concern and commitment can accomplish. She was loved and will be missed by her community.●

LOW-INCOME STUDENT ASSISTANCE MUST BE IMPROVED

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. RAHALL. Mr. Speaker, today I am introducing legislation which would amend the Food Stamp Act of 1977 to exclude from household income the actual and reasonable expenses incurred by household members of books and transportation incidental to attending school.

As the current law reads, educational loans on which payment is deferred, grants, scholarships, fellowships, veterans' educational benefits, and the like—to the extent that they are used for tuition and mandatory school fees—are excluded as income, and therefore do no detract from food stamp aid that a family may be receiving.

By definition, mandatory school fees are those charged to all students or those charged to all students within a certain curriculum. For example, uniforms, lab fees, or equipment charged to all students to enroll in a chemistry course would be considered mandatory school fees, and thus would be excluded as income. However, transportation, supplies, and textbook expenses which are not uniformly charged to all students, would not be considered mandatory school fees, and thus—as income—would limit food stamps available to the family.

Anyone who has attended an educational facility where books need be purchased or rented knows the tremendous cost that this can incur within a short period of time. This is especially true in institutions of higher education where anywhere from 1 to 15 texts may be required for one course. While utilization of the school library may be substituted for purchase in a few of these cases, such a recourse is not always advisable or possible.

It is necessary in many instances for the student to purchase the texts required to take full advantage of the course. However, when money received to pay for the purchase of those books detracts from aid to the family, it becomes necessary for either the student's education or the family's welfare to be compromised.

Therefore, because the intent of the Food Stamp Act was and is to aid the needy, I urge my collegues to join me in eradicating this educational barrier to America's underprivileged youth. My bill will exclude book purchase and rental costs—in addition to reasonable transportation costs—as income. Since the Food Stamp Act stipulates that the receipt of food stamps be based on household members only, the transportation costs in my bill would be commuter fees, not transportation to or from an educational facility at which the student was planning to live while attending school. This bill should alleviate much of the burden that has been placed on the family, without excluding unreasonable transportation costs as income.

Mr. Speaker, I do not believe that the intent behind the Food Stamp Act was to penalize needy families for educational opportunities which their children may receive. If we allow this unfortunate circumstance to continue, we are undermining the chance for many individuals to become self-supporting through opportunities that are provided by a good education. I invite my colleagues to join me in this effort to alleviate some of the burden which has been placed on many needy American families, thus providing America's underprivileged youth the hope to work for a better tomorrow.●

AMENDMENT TO ADMINISTRATION OF WINDFALL PROFIT TAX ACT OF 1980

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. STARK. Mr. Speaker, I am today reintroducing my bill from the 98th Congress, H.R. 5934, which revises the basis for issuing notices of deficiency and determining the judicial review of "oil item" issues under the Crude Oil Windfall Tax Act of 1980.

This bill merely implements two legislative recommendations of the GAO. As the GAO reported to the Congress:

NOTICES OF TAX DUE

The Congress should expand IRS' authority to issue notices of additional tax due as a result of examinations of oil properties. IRS presently is limited by law to the issuance of a single notice of tax due per taxpayer each year. Thus, issuance of notices of tax due with respect to a single oil-producing property in any given year means that IRS would be prohibited from issuing the subject taxpayers any further notices that year.

Yet many producer-taxpayers invest in multiple oil properties managed by different parties. IRS thus has found it necessary to refrain from issuing notices until it has consolidated the results of numerous examinations of oil properties. If IRS were able to issue notices of tax due after each examination, both the government and taxpayers could benefit. The government would benefit from faster collection of additional taxes due; taxpayers would benefit from reduced interest charges on any additional tax they must pay.

COURT APPEALS

The Congress also should modify the law governing court appeals of IRS decisions. Under present law, each individual producer in an oil property has the right to appeal any IRS decision to the courts. Where individual circumstances can vary, this appeal right is both necessary and appropriate. But there are certain oil property-related issues which do not vary from one individual producer to another.

For example, the kind of oil obtained from a particular well necessarily is the same for all producers owning an interest in that well. Therefore, it is inefficient and duplicative to allow each individual producer to appeal that issue separately to the courts. Accordingly, there is a need for legislation to prevent duplicative court appeals.

The Department of the Treasury agrees with the GAO's legislative proposals to the Congress, and has suggested amendments to the Internal Revenue Code that would incorporate them.

I hope that these statutory changes will strengthen the IRS' ability to successfully administer the windfall profit tax, and in so doing, enhance voluntary compliance with our tax laws.

The integrity of our tax base is a matter of vital concern to every American. Therefore, we should fully support this timely tax reform initiative.●

INTERNAL REVENUE CODE AMENDMENTS

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. YOUNG of Alaska. Mr. Speaker, I have re-introduced legislation, H.R. 734, to amend the Internal Revenue Code to exempt certain emergency transportation of individuals from the excise tax on transportation by air. Also, this bill calls for the exemption from excise tax on air transportation for helicopters not using or benefiting by federally assisted facilities.

Presently, injured or ill persons that require air transportation to medical facilities are charged with an 8 percent excise tax on the cost of their flight. These flights are often not covered by insurance and must be paid for out of the individual's or family's personal income. This is a burden to people already facing a costly and emotionally difficult situation. The average air medical transport costs between $2,000 and $3,000. Eight percent of this cost can be substantial to individuals paying the tax. However, the amount of revenue gained by the Treasury is likely to be minimal due to the relatively few number of air medical transports.

To insure that this exemption is not abused by individuals using commercial airlines for travel to medical facilities, this bill states that the exemption applies only for transportation of an injured or ill person by an aircraft which: (1) contains special equipment for purposes of transporting injured or ill persons, or (2) contains seats that may be modified to accommodate a

stretcher, and (3) is used predominantly in the transportation of injured or ill persons. This narrow language will limit the exemption to air ambulance travel and prevent the involvement of ordinary passenger commercial airlines.

The remainder of this bill deals with some of the excise taxes on helicopter transportation as imposed by the Airport and Airway Improvement Act of 1982. When Congress passed the act, it believed there was a pressing need to improve our airport and airway systems. It chose to raise the revenue necessary to accomplish this by imposing user fees on fuel, persons, and property. The helicopter service industry sought an exemption from these "user" fees so long as the vehicle did not take off from, or land at, a facility eligible for assistance under the Airport and Airway Development Act of 1970, and did not otherwise use services provided pursuant to the Airport and Airway System Improvement Act during such transportation. The exemption was only granted to the mining and timber industry.

Since the rationale for this exemption lies in the fact that the helicopters are not using or benefiting by facilities assisted by the 1970 and 1982 acts, it seems illogical that other helicopter operations fitting the same user criteria do not qualify for the exemption. This bill seeks to make this exemption logically consistent by exempting all helicopter operations from fuel, persons, and property excise taxes so long as they do not use or benefit by facilities assisted by the 1970 and 1982 acts. User fees should be paid by users and nonusers should be exempt. This simple logic is what this bill hopes to accomplish.●

SOLUTIONS TO THE FEDERAL BUDGET DEFICIT

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. MOODY. Mr. Speaker, today I will introduce with my colleague, Representative JOHN PORTER, a resolution identifying the need for long-range solutions to the spiraling Federal budget deficit.

As we all know, deficits do not affect merely our parents generation and our generation. On the contrary, budget deficits will have an enormous impact on the lives of our children and our grandchildren. Indeed, a child born this year may have to pay over his or her lifetime as much as $10,000 in extra taxes to cover the interest on this year's budget deficit.

High budget deficits push up interest rates, discouraging private investment. This hurts our economy now, but it also impedes the creation of new jobs. As a result, young Americans and their children will have few employment opportunities available to them. It is already the case that many young couples cannot afford to buy a home in which to raise their families.

We are mortgaging our children's future and, ultimately, our Nation's future by allowing budget deficits to grow out of control.

How we address this crisis, and we must address it in this Congress, will have far-reaching consequences for our young people. This resolution highlights the problems resulting from deficits and, most importantly, calls on the President to provide data on the effects of deficits on Americans of different age groups.

Congress must work from this point to avert greater economic hardship and to promote greater prosperity for all Americans. We hope our colleagues will join us in this effort.●

POETIC JUSTICE DONE TO LOGGING REQUIREMENTS

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. HAMMERSCHMIDT. Mr. Speaker, I would like to share with my colleagues an editorial about the new IRS contemporaneous recordkeeping requirements that recently appeared in a newspaper in my district, and a clever poem written by several of my most creative constituents. This little ditty would be funny if these burdensome requirements weren't such a serious matter.

Let me add that I did not support the Deficit Reduction Act of 1984, which gave rise to these regulations, and I have introduced legislation to repeal this unreasonable demand on many of our Nation's taxpayers.

[From the Southwest Times Record, Jan. 10, 1985]

NEW IRS RULES ASKING IMPOSSIBLE

The Internal Revenue Service is giving people nightmares already, and April 15 is months away. And the tax boys are encouraging the very people who support this nation by paying a very large share of all taxes to break the law by imposing impossible rules and regulations that cannot be enforced

Congress, which created the mess, needs to stop this madness NOW!

We are referring to the new IRS regulations on use of company or personal vehicles in work that require detailed daily logs of travel in order to claim reasonable business deductions. Perhaps nothing the IRS and Congress have ever done before compares with this latest encroachment into virtually every movement of free people in a free society.

All "personal" travel in a car or truck used in any large or small business, by salesmen, delivery people, executives, farmers, etc. must not be claimed as business expense under the law. That's not the problem. Until now, people simply claimed 25 percent 100 percent use of vehicles for business purposes and generally tried to be honest. That no longer is good enough.

The new rules force people to maintain elaborate sets of logs and records that border on insanity in the most ridiculous extreme. They raise questions that CPAs and lawyers cannot answer. They make people feel that their government believes they are all thieves and liars. And if allowed to continue, these same stupid rules indeed will turn masses of decent, honest people into technical, it not deliberate, tax cheaters.

If a salesman swings by his apartment to change clothes before calling on a customer and wears those clothes to a private party when he leaves that customer, how much of his travel is personal and how much is business? If a man lives in the country and also works in a factory and has a pickup in which he hauls hay to feed three or four cows, what kind of travel is he supposed to "log in" for the IRS when he goes to the general store and buys both hay and groceries? Is any self-respecting physician going to take the time to "log in" his mileage to a hospital emergency room to treat a bleeding patient before he applies his healing talents? What if surgery requires him to work until normal quitting time and he then drives home? Will a fatigued doctor get out his handy pocket computer and compute what portion of his mileage was business and what portion was personal? If an attorney is asked a legal question by a former or potential client during a private lunch in a restaurant, can he claim the drive to and from the eatery was for business purposes?

Those are not the real issues, of course. The real issue is whether Uncle Sam has any trust at all in the American people. The real issue is that hundreds of IRS bureaucrats will be making hundreds of different, personal judgment calls when they audit taxpayers, and no law in the world can specify all the situations that will be encountered. Of course, the law will not be fairly applied to all taxpayers who use company and personal vehicles in our highly mobile society. Another very real aspect of the new vehicle regulations is that, if actually enforced, they keep people from doing their jobs by making them federal record keepers every working day throughout the year primarily on the employer's time.

Most people want to obey the law, particularly when it comes to paying taxes. It is our opinion that millions of Americans annually overpay state and federal governments when they render their taxes, because they bend over backwards not to break the law.

If the IRS, by imposing impossible restrictions on masses of taxpayers, believes people will simply give up and pay taxes on business use of vehicles, that is wrong morally and every other way!

Congress just once needs to have the guts to stand up and admit it was wrong.

We urge you to write your congressman or senator today and tell him exactly where you stand on the new IRS regulations. If you are too busy filling out your personal/business travel log, at least take the time to clip out this editorial and mail it to a member of Congress. This mess needs to be cleaned up. It stinks.

This short poem was sent to me by several constituents in Paris, AR:

I'm learning how to walk again
It's easier I guess

Than to drive and keep account of miles
For the IRS
I don't get there quite as fast
Or carry near as much
But the government is happy
And it has a common touch
For the world is going much too fast
And we must slow it down
Why that's what all the red tape's for
The bureaucrats have found
So let the liars tell their lies
And auditors talk their talk
I'll just let business go to pot
'Cause it's easier to walk.●

A FEDERAL CHARTER FOR THE ARMY AND NAVY UNION OF THE U.S.A.

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. SEIBERLING. Mr. Speaker, I am reintroducing legislation I first introduced in the 97th Congress to grant a Federal charter to the Army and Navy Union of the U.S.A. This legislation passed the House under suspension on May 7, 1984, but was not considered by the Senate before the 98th Congress adjourned.

Founded in 1886, the Army and Navy Union is the oldest veterans' organization of its type still active in the United States. It is the only veterans' organization in which membership is not limited to any specific form, date, branch, place, or nature of the military service performed.

Incorporated in Ohio in 1888, the Army and Navy Union is dedicated to the preservation of a free and independent United States, and to providing assistance to veterans and their dependents. Since its earliest days, the Army and Navy Union has worked for the enactment of laws to provide adequate pension benefits and medical care for the Nation's veterans.

The Army and Navy Union currently has some 8,400 members and posts in Ohio, New York, Georgia, Indiana, Tennessee, North Carolina, South Carolina, New Jersey, New York, Massachusetts, and the District of Columbia. Members of the Army and Navy Union work on a voluntary basis performing services for veterans and their families.

The Army and Navy Union has a long and illustrious record of service. Forty-one recipients of the Congressional Medal of Honor, including Eddie Rickenbacker and Douglas MacArthur, have held membership in the organization. Other members include President William McKinley, Supreme Court Justice Harold Burton, and Senator Charles Dick of Ohio.

Mr. Speaker, I am happy to report that Senator FRANK LAUTENBERG of New Jersey intends to introduce a companion to this bill in the Senate in a few days. A Federal charter for the Army and Navy Union will provide this organization with the recognition it so richly deserves, and I am pleased to be the sponsor in the House of the legislation to grant that charter. Since the House concurred in that judgment last year, I am hopeful that my bill will be approved by this body quickly.●

SID MORRISON COSPONSORS NORTHWEST INTERSTATE COMPACT ON LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT

HON. SID MORRISON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. MORRISON of Washington. Mr. Speaker, today I'm happy to join Congressman DANNY AKAKA as a cosponsor of the legislation which grants the consent of Congress to the Northwest interstate compact on low-level radioactive waste management.

I have a longstanding interest in devising an equitable and feasible solution to low-level nuclear waste management. As a former member of the Washington State Legislature, I was a representative to the Western interstate nuclear compact. I now represent a district in central Washington State which includes the 570-square-mile Hanford Nuclear Reservation. Hanford will be the disposal site for the Northwest region; Hanford already accepts over half of the Nation's low-level waste.

I cosponsored last year's consent legislation for the Northwest compact, H.R. 1012, which is identical to this year's bill, and I also testified in support of this legislation before the Energy and Commerce Committee's Subcommittee on Energy Conservation and Power.

I generally support the concept of regional compacts for the disposal of low-level radioactive wastes. The compact strategy represents a viable compromise; it mandates that each State be responsible for the disposal of the low-level waste generated within its borders but also encourages the establishment of regional State compacts to facilitate efficient waste management.

I strongly support the provisions in this consent legislation which adhere to the 1986 exclusion date contained in the Federal enabling statute, Public Law 96-573. After January 1, 1986, any ratified compact can exlude from their regional disposal facility any low-level waste generated outside their region. This is the current Federal law and I believe we must exhaust all reasonable options before Congress extends the statutory deadline beyond 1986. The exclusionary date is the teeth in the act which forces the States to negotiate and consummate regional compacts for disposal of low-level waste.

We must continue to prod States which have not yet ratified compacts to do so and to accept their responsibility to share more equitably the burdens of low-level waste disposal. I am proud that the Northwest compact was the first compact ratified by the States and the first submitted to Congress for consent in 1982. We in the Northwest are committed to the regional approach embodied in the Federal act and we hope other regions will follow our lead.

I fully understand many of the physical, logistical, as well as political impediments which can delay the formation of compacts, particularly in those regions which must site and construct new disposal facilities. Because of this, the 1986 exclusionary date may be unrealistic.

The Northwest has worked with various regions to work out compromises and we are willing to work with all parties involved—including congressional committees—to resolve the exclusionary date issue. But I want to warn all involved that Hanford might help with post-1986 disposal only if we have assurances that other States are expeditiously proceeding in good faith to formulate their own compacts and disposal capacity. We must dissuade the political mentality in which State generators outside the Northwest rely upon the Hanford site for post-1986 disposal and become complacent in their efforts to develop their own compacts and disposal sites.

This bill is a good starting point from which to build a compromise. I urge the various committees to hold hearings as soon as possible.●

A TRIBUTE TO MARK GILBERT, LOCAL HERO

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. LIPINSKI. Mr. Speaker, it is with great pride that I call attention to the feat a young resident of Illinois' Fifth Congressional District, which I am privileged to represent, carried out last September, and he is Mark Gilbert.

On September 28, Mark and his friend, Deborah Fico, aged 11, were walking near their school, Davis Elementary, in the Brighton Park community, when a man in a car called out to Deborah. The man claimed that Deborah's mother was hurt and that he had been sent to take her to the hospital.

Mark, from training he received under the Chicago Police Department's "Officer Friendly" program, re-

alized the man's hoax and told Deborah not to go with the man. The man drove away, but returned minutes later. Upon his return, the man knocked Deborah down and started to drag her by the hair into his car. Mark kicked the man in the groin, grabbed Deborah, and started to run. The man threw a brick at the young pair—which hit Mark in the side—and he quickly drove off. However, Mark was alert enough to copy the man's license plate number on his shoe. Mark and Deborah then proceeded to Davis Elementary where the police were contacted. Police credit Mark with quick thinking under adverse conditions in protecting Deborah from further harm and allowing the suspect to be apprehended.

As expected, Chicago city officials were quick to bestow suitable honors on Mark. Twelfth Ward Alderman Al Majerczyk introduced a resolution before the Chicago City Council honoring Mark for his act of heroism. This resolution was presented to Mark by Mayor Harold Washington. Twelfth Ward Democratic Committeeman Robert S. Molaro presented Mark with a $100 U.S. savings bond for his heroic deed. Central Post No. 1028 also presented a citation and U.S. flag to Mark.

Mark provided young people throughout the United States with the lesson of "don't take any chances with strangers." I join with the residents of the Fifth Congressional District in paying tribute to Mark's heroic act.●

U.S. SUPPORT FOR PANAMA

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. BORSKI. Mr. Speaker, I would like to voice my support for the Republic of Panama. Last year, the Panamanian people directly elected their President for the first time in 16 years. Recently, I visited Panama with other members of the Merchant Marine and Fisheries Committee, and I saw first hand its return to democracy.

President Nicolas Ardito Barletta and his people are an inspiration to other Central American countries to move toward democratic government. They deserve our full support and encouragement.

At a time when Central America is undergoing great instability and violence, Panama remains one of our strongest allies and one of the most stable nations in the region. Its strategic value cannot be overestimated; our ability to defend ourselves and our interests in the Western Hemisphere hinge on the Panama Canal.

A Central America free from communism and Soviet influence is vital to our security. Today we are faced with the choice of honoring our commitment to democracy, or watching our hopes for democracy in Central America die and the security of our Nation erode.

Helping newly formed democracies, like the Republic of Panama, must be one of our top priorities. By assisting their economic stablization and development, we stand the best chance of bringing peace, stability and security to Central America.

President Reagan stated in his February 17, 1984, address to Congress:

> We must face an inescapable reality: We must come to the support of our neighbors . . . unless we act—quickly, humanely and firmly—we shall face a crisis that is much worse for everyone concerned.

I agree with the President's statement, and urge the administration to fund assistance to Panama as much as possible, in these times of fiscal restraint and reduced government spending. America's security and our hopes for democracy should not be shortchanged. Our future and the future of our children is at stake.●

NORTHWEST INTERSTATE COMPACT ON LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT

HON. DANIEL K. AKAKA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. AKAKA. Mr. Speaker, the legislation I am introducing today is a bill granting the consent of Congress to the Northwest Interstate Compact on Low-Level Radioactive Waste Management. In 1980, Congress passed Public Law 96-573, the Low-Level Radioactive Waste Policy Act. In that law, Congress made it national policy that States were to assume the responsibility for disposal of low-level radioactive waste. To aid the States in this matter, Congress proposed that regional interstate compacts be developed for disposal of the low-level waste shipped to a disposal site within the region and to deal with the disposal of any low-level waste shipped to a disposal site within the region from States not included in the regional compact.

Interstate compacts entered into pursuant to the Low-Level Radioactive Waste Policy Act of 1980 are required by that law to be consented to by Congress. I am introducing this legislation to obtain congressional consent to the Northwest Interstate Compact. The States of Hawaii, Washington, Oregon, Utah, Idaho, Montana, Wyoming, and Alaska comprise this compact region. The compact has been adopted by legislative action in all of the States except Wyoming which has approved the Rocky Mountain Interstate Compact.

This bill does differ in one respect from the Northwest Interstate Compact. It is a change which I believe is essential to national acceptance of the compact. The northwest compact, as ratified by the States in the region, provides that party States can refuse to accept any low-level radioactive waste generated outside of the region after July 1, 1983, except such waste as may be allowed by the northwest compact committee. Such a restriction is authorized by the Low-Level Radioactive Waste Policy Act, but may only become effective after January 1, 1986. Rather than seek congressional consent to the proposed exclusionary date of the northwest compact, section 3 of the bill ratifies the January 1, 1986, effectiveness date of Public Law 96-573.

Low-level radioactive waste is a national problem, but is of particular concern to the States of the northwest region. For most of the last decade, only the States of Washington, Nevada, and South Carolina have maintained disposal sites for low-level nuclear wastes. The Hanford, WA, site currently receives approximately 52 percent of the low-level radioactive waste produced in the entire United States. Yet, the northwest region produces less than 4 percent of the Nation's low-level waste. Clearly, there has been an unfair burden placed on the northwest region, particularly the State of Washington.

Mr. Speaker, low-level radioactive waste is an important issue for the citizens of the northwest compact States, and indeed, for the entire country. For too long, the people of the Northwest have shouldered more than their fair share of the responsibility of low-level nuclear waste disposal. Low-level radioactive waste regional compacts provide an equitable solution to the disposal problem. I encourage the most prompt consideration of this legislation.●

NATIONAL COMMISSION ON WOMEN'S BUSINESS OWNERSHIP

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. MOODY. Mr. Speaker, today I am reintroducing with Representatives LINDY BOGGS, PARREN MITCHELL, and JOSEPH ADDABBO a bill to create a 2-year National Commission on Women's Business Ownership. As you may remember, this measure had the bipartisan support of 84 House Members in the last Congress.

The Commission would conduct a comprehensive review of the status of women business owners. It would also make recommendations to the President and Congress regarding improving Federal procurement practices and

access to credit for women entrepreneurs.

The creation of the Commission is a necessary and long-overdue step toward a coordinated national effort to improve opportunities for women business owners. This bill is the first of several legislative initiatives I will introduce or cosponsor to address the concerns of women entrepreneurs. I hope our colleagues will consider joining with us as cosponsors.●

DEFICIT REDUCTION SURTAX LEGISLATION

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. SCHULZE. Mr. Speaker, Congress and the President must face up to the fiscal facts of life and offer Americans an effective and honest solution to the Nation's deficit troubles. The legislation I am offering provides just such an effective and honest answer to the red ink that threatens our continued economic growth. It provides for a temporary 1 percent surtax on all individual gross income and on corporate gross sales for firms reporting more than $1 billion in sales. The new revenues raised by this measure would be devoted solely to the purpose of reducing the budget deficit, and be placed in a trust fund for this exclusive use. Thus, instead of allowing the deficit to continue to impose a hidden tax on Americans, my bill would require Congress and the President to confront the deficit with an aboveboard surtax that is fair and workable.

Based on the most recent Treasury Department income statistics, the 1-percent surtax on individual gross income and corporate gross sales would raise $145 billion in new revenue over the 3-year life of the tax.

This temporary 1-percent surtax can, therefore, make a significant contribution to deficit-reduction efforts without placing too heavy a burden on individuals or firms. Indeed, a small surtax on the gross income of all individuals distributes the tax burden equitably across all income brackets. And because the tax is placed on gross income, rather than taxable income or tax payments, each taxpayer will only contribute the same 1 percent of his actual income as all other taxpayers, regardless of the amount of tax deductions or credits he is entitled to under the present Tax Code. Likewise, all corporations subject to the surtax will only be required to pay 1 percent of their gross sales in additional tax—no more or no less. Finally, it should be noted that individuals and corporations will share equally in raising the estimated $145 billion in new revenue, with each providing half of that total figure.

In addition, taxpayers who qualify for either the earned income credit or the credit for the elderly or permanently disabled and who comply with the surtax exemption regulations may be entitled to a rebate of the surtax.

Mr. Speaker, in submitting this legislation today, I recognize tht the road back to fiscal responsibility is both long and difficult. However, I also believe that it is crucial that we begin to return to a balanced fiscal program without further delay and with a serious commitment to reversing the ever-increasing cost of Government. My bill sets the stage for such an honest effort to control the national deficit and underscores our determination to end the flood of red ink. I therefore urge my colleagues to give this legislation their prompt and careful consideration and to join me in removing the threat that larger deficits present to our future prosperity.●

A BILL TO EXTEND VETERANS' EDUCATIONAL BENEFITS

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. RAHALL. Mr. Speaker, today I am introducing legislation which would amend title 38, section 1662 of the United States Code, to extend the time limitation for completing a program of education to veterans of the Vietnam era as determined in chapter 34.

Veterans eligible for educational benefits under title 38, chapter 34 are those veterans who served more than 180 days of active duty between January 31, 1955, and January 1, 1977, and who were discharged under conditions other than dishonorable.

The educational benefits provided to these veterans in section 1662 extend up to 10 years after discharge. To many veterans who served in active duty during the Vietnam era, 10 years is a relatively short period of time in the process of becoming readjusted to civilian life. At the end of 10 years, many veterans have just begun to take advantage of the educational opportunities that their benefits provide. It is my belief that an additional 5 years is needed in most cases to complete educational programs.

For this reason my bill strikes out "10 year(s)" and inserts "15 year(s)" in section 1662 of title 38. In order to give this 5-year extention of benefits to all Vietnam-era veterans, my bill also extends to December 31, 1989, education benefits for all veterans covered by chapter 34 whose educational benefits expire prior to the passage of this bill.

Mr. Speaker, these veterans served our country during an era when it was not popular to do so. The conditions in Vietnam were in many instances incomprehensible to the point of being barbaric. These veterans deserve every benefit that their service to this country provides for them. I invite my colleagues to join me in reaffirming our commitment to America's veterans. This is an opportunity for us to say once again that, "we have not forgotten."●

DR. FRANCIS CHIARAMONTE

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. HOYER. Mr. Speaker, on Saturday, February 2, in my congressional district, a ceremony will be held marking the official opening of the Capitol Heights Medical Center in a neighborhood that has not had immediate access to good medical care. One of the driving forces behind the opening of the medical center is Dr. Francis Paul Chiaramonte, who is also the founder of the Southern Maryland Hospital Center. Responding to a request from the town manager and town officials of Capitol Heights, Dr. Chiaramonte has established a modern, well-equipped clinic that will serve the community with access to medical specialists at the lowest possible rates. The clinic will succeed, I am confident, as have Dr. Chiaramonte's many other endeavors over the years on behalf of the people of Southern Maryland.

Dr. Chiaramonte was born and raised in Shelter Island, NY. At the age of 17 he entered Colgate University, from which he received his degree in just 3½ years. Following his graduation, during the Korean conflict, he was granted a direct commission in the U.S. Air Force as a career officer. During his service in the Air Force he served as an assistant hospital administrator and was also in charge of the Air Base Department of Environmental Health, Communicable Disease Control and Health Education.

After his Air Force service, Francis Chiaramonte studied at Georgetown University School of Medicine, from which he received his medical degree. He also received a masters degree in public health from the Columbia University School of Public Health and Administrative Medicine.

Dr. Chiaramonte's internship was spent as a commissioned officer of the U.S. Public Health Service and he completed the 4-year residency in the specialty of urology at Georgetown University and affiliated health programs.

During these years, Dr. Chiaramonte moved his rapidly growing family to Southern Maryland., Follow-

ing his training, he became the first full-time urologist in Prince George's County.

As his practice progressed, it became evident to Dr. Chiaramonte that there was a need in our area for greater access to medical specialists. He became interested in opening a hospital to meet the medical needs of the people of Southern Maryland. In response to these needs, after many years of hard work, Dr. Chiaramonte established Southern Maryland Hospital Center in Clinton, south of the Beltway on Route 5.

Dr. Chiaramonte has developed a major hospital with full services for a community which previously had been underserved.

The hospital is also an important part of the community in providing health screening and health education services.

A fellow of the American College of Surgeons since 1968, Dr. Chiaramonte was inducted into the International College of Surgeons in 1982. Both the doctor and the hospital have received many accolades and awards: full accreditation on its initial expansion from the Joint Committee on the Accreditation of Hospitals; the "Barrier Free" Award for barrier-free design was presented to the hospital by the Governor's Committee for the Handicapped; and the doctor received the Professional Award from the Prince Georges Chamber of Commerce for Business-Community Service, the Citizen of the Year Award from the John F. Kennedy Council, Knights of Columbus, and the Citizen of the Year Award from the Prince Georges County Board of Trade. Dr. Chiaramonte was also the recipient of the Metropolitan Washington Executive of the Year Award from the Sales and Marketing Executives of Metropolitan Washington.

Recently appointed to the advisory council of the Johns Hopkins University School of Arts and Sciences, Dr. Chiaramonte is a member of the honorary board of directors of the Children to Children Foundation and a member of the Citizens Advisory Committee of Prince Georges Community College.

In addition to his involvement with the hospital and his extensive civic and educational activities, Dr. Chiaramonte continues to practice urology extensively.

With the opening of the Capital Heights Medical Center, Dr. Chairamonte complements his goal of providing improved health care services for the people of southern Maryland. For that we all thank him.●

LET'S SEND THE FmHA LOANS IN THE RIGHT DIRECTION

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. DORGAN of North Dakota. Mr. Speaker, I have introduced a bill today that both restores the Farmers Home Administration to its rightful role as a family farm lender and targets scarce farm program resources to those who need it most.

Historically, the Farmers Home Administration has been a lender of last resort for farmers. Their basic loan programs are targeted to beginning and low-equity farmers to buy land and operate their farms.

However, Congress erred, I believe, when it added the Disaster Emergency Loan Program to FmHA's jurisdiction. These loans are available to any size farm, in amounts up to $500,000—far beyond the limits needed by most family-sized farms struck by a natural disaster.

This program has been in the news over the past year because John W. Curry, who owns over 35 farms in Iowa, Missouri, and Minnesota, and who is a long-time farming business partner of Agriculture Secretary John Block, received a disaster emergency loan for $400,000. Earlier this month, Mr. Curry defaulted on that loan.

There is something fundamentally wrong here. Disaster emergency loans to farms of unlimited size go against the grain of the whole thrust of the Farmers Home Administration. While FmHA was doling out disaster emergency funds in $400,000 chunks, beginning farmers were not able to get other FmHA loans because demand far exceeded money available.

My bill deals with this problem in a straightforward way. It simply restricts the Disaster Emergency Loan Program to family farms, as is required in FmHA ownership and operating loans. I believe it is a simple, yet effective, step which puts FmHA back on the right track in helping family farmers.●

TRIBUTE TO BOB COCHRAN

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. DARDEN. Mr. Speaker, this past Thanksgiving, Bob Cochran a much respected newspaperman, who also worked at various times for two former Members of the House, passed away in Cabin John, MD.

Bob Cochran was a familiar figure here on Capitol Hill and his writings, reproduced in many publications, appeared nationwide. One of Bob's many friends, John L. Perry, editor of the Rome News Tribune, wrote a very touching tribute to Bob, recounting his many accomplishments and saying, in a very special way, how much Bob is missed by those who knew him. Because I know that many of those who knew Bob may not have had the opportunity to read John Perry's article, I am asking that it be inserted in the CONGRESSIONAL RECORD. I know that you will find it to be a truthful and fitting tribute to Bob Cochran.

OF ALL HE DID SO WELL, HE DID FRIENDSHIP BEST

If the world seems slightly shrunken and a little off its axis it's because Bob Cochran died this Thanksgiving.

As word went out from Washington among his network of friends around America, it was greeted almost universally by two short words—the same expletive evoked by a receiver who drops the football on the one-yard line after catching a sure-touchdown pass.

He was unknown in most communities, but what he stood for and how he did it had to have made them all, including this one, the better.

Although he had lived in Texas, Brazil and Virginia, he belonged to the nation's capital, where he settled and raised his family in the Maryland suburbs close by the Potomac River. He died in the little community of Cabin John, just up from Glen Echo.

Trained in the law, Cochran found its restraints too confining for his soaring mind. The avenue of the written word became the appropriate outlet for his insatiable intellect.

He could send words marching like Coldstream Guardsmen across the page. His sentences might drift in like exquisite, discrete snowflakes falling upon an indigo blanket. Or, his thoughts would roar like an icy waterfall cascading down the Blue Ridge.

It was near-impossible to edit him. When he chose, he could entwine one word with the next, one idea to another—in the trade it's known as knitting and purling—so intricately that to disturb one would cause all others to come tumbling like so many jackstraws.

His addiction to history led hm into biographical writing, and he numbered among his subjects and acquaintances presidents and cooks, soldiers and Supreme Court justices, senators and financiers, philosophers and weavers, lobbyists and guitarists.

His words were reproduced in New Yorker, the Washington Post, Smithsonian magazine and numerous journals. He once edited the editorial page of the Houston Chronicle and a weekly in Leesburg, Virginia. He had been on the editorial staff of the National Geographic Magazine and in the employ of Arthur Godfrey.

Government lured him temporarily. He ran the Small Business Administration for its nominal head. During President Lyndon B. Johnson's campaign against Barry Goldwater, he was on the White House speechwriting team. For a while, he produced the newsletter that kept local and state officials informed on federal disaster-assistance programs.

But, his was a free spirit, and the fetters of bureaucracy chaffed.

Next to writing, he loved American government. No one revered so much as he the

very halls of the democracy, and he watched down the years the parade of political pygmies and titans, measuring each with the historian's harsh eye. He insisted on holding them all to the standards of the founders. Had he lived a couple of centuries earlier, his name would have been among those at the bottom of the Declaration of Independence.

He found charity in his heart for all who occupied the Oval Office—all, that is, save Richard Nixon. Cochran had his number from the outset, and when Watergate finally broke and the dirty water of deceit and arrogance gushed forth for all to see, Cochran raised a toast to the Republic, which he believed all along would somehow save itself, like a well-hewn ship righting in a desperate storm.

Cochran took the occasion also to pay his respects to Nixon, in memorable language deserving enshrinement in the National Archives. Shunning barnyard blasphemy, he was a creative cusser, ever apt and original. Harry Truman, among his heroes, would approve.

Nowhere around Washington was political conversation better than at Cochran's. He was one of the dwindling few unreconstructed Adlai Stevensonians.

A gourmet cook, he understood—as few cooks do, which is why there are so few good cooks—that cooking is but the incidental final touch on a meal, which begins with the shopping and is part of a long continuum. He did it all, from menu-planning to cooking, carving to serving. No one enobles a pork roast as Cochran could.

The Cochran's table was always full—children, grandchildren, friends. Their bank account was often low—life in the Cochran household being a number of harrowing escapes from creditors—but, as if by divine intent, the table was always laden.

Bodily nourishment was not all they served: The table was where the Cochrans passed on the heritage, adjudicated disputes, defined justice, set standards.

His was a marvelous sense of humor, which, mixed with honest outrage, was Cochran's way of living in a world overloaded by fools and knaves. He found no need for forgiveness. Those he loved were covered by it so completely there was nothing left to forgive.

Cochran made acquaintances easily; friends, warily. Once admitted to that honest embrace, one was never allowed to leave.

No matter how bad things got, a friend could turn to Cochran for unsentimental solace. His was the kind of friendship that permitted long absences or silences, which, when broken, found the friendship intact as ever. He had a sixth sense of when to write or phone, just when his reassurance was needed most.

Something hit him about 20 years ago—a stroke or some neurological malady that zapped a piece of his fertile brain, but not the thinking part. It left him with a slightly gimpy leg and arm and a Chaplinesque shamble. It demanded a cane, so Cochran adopted—with elan—one with a gold head.

He was a tailored man, and with his imposing stick and bowler hat—he wrote also about hats—Cochran cut a figure that enabled him to enter any office unquestioned.

He was in love all his life, and America was his mistress. He loved her so much he wept at her slightest shortcoming.

Just before the end, he was asked to take on some special, silent assignments for his country. He did, with distinction.

This is a safer, more-decent land for his having walked it.

He did more than one man's share of maintaining the integrity of the language, leaving it richer before he had to lay it down.

He was an historian, a chef. A writer, a conversationalist. An editor, a political scientist. A humorists, a patriot.

Best of all, a friend.●

NATIONAL ORGAN DONATION AWARENESS WEEK

HON. SID MORRISON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. MORRISON of Washington. Mr. Speaker, today I have the privilege to introduce a joint resolution to authorize and request the President of the United States to issue a proclamation designating April 21 through 27, 1985, as "National Organ Donation Awareness Week."

Mr. Speaker, I could tell you that this year alone it is estimated that 100,000 Americans could benefit from an organ transplant, and that many won't, because donors just aren't available. And, I could tell you that some of these folks in need will die this year, not because suitable donors don't exist, but because suitable donors have not pledged this lifesaving gift.

Instead, I would like to focus on one man who now has a chance to live his entire life, fully. He's not anybody famous. He's not anybody in the news. His name is James Merrill Johnson and he lives in Kennewick, WA, with his wife and small children. Merrill, as his friends call him, received a kidney this past September from someone who didn't even know him, a somebody, though, who obviously must have cared a lot that someone else wasn't cheated out of a few more precious years of life.

Because of this gift of time, Merrill can continue to do the things that are important to him, like helping his wife raise their kids and maybe teaching them to fish when they get old enough; and volunteering at his church, where he works with children. He says this is his calling.

Now I think this donor must be a great person, but you know, I'm sure that there are many other equally generous folks out there who just haven't pledged. And, I figure that the only reason they haven't done so is because they either don't know they can, or don't know how easy it is, to make this beautiful lifesaving gift.

And this is why, Mr. Speaker, I ask my colleagues in both Houses to join me in making this resolution for "National Organ Donation Awareness Week." The need to tell people about organ donation is clear. Until there are enough donors to meet the need, for all the Mr. Johnsons who get this chance to live out their entire lives, there will be countless others who won't. And the contributions that these less fortunate persons could have made in the balance of the lives they were cheated out of, will be lost to us, forever.●

HUNTERS' PROTECTION ACT OF 1985

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. MARLENEE. Mr. Speaker, I want to bring to your attention and the attention of my colleagues a bill which I am today introducing called the Hunters' Protection Act of 1985. A bill which will protect the civil rights of all sportsmen.

The Hunter Protection Act will establish penalties for individuals who seek to disrupt lawful hunts. This bill will protect sportsmen from the hunting/sabotage activities of antihunting groups. These groups have published pamphlets on methods of disrupting hunts and have ruined sanctioned, lawful hunts in many parts of the country.

The sportsmen of America have rights and I intend to fight to protect those rights and I urge my colleagues to join me in this effort by cosponsoring this bill.●

NATIONAL CHILD ABUSE PREVENTION MONTH

HON. JOHN HILER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. HILER. Mr. Speaker, it has been my pleasure to introduce in the 97th, 98th, and 99th Congresses commemorative legislation designed to assist our Nation's children by increasing the awareness of a very serious national problem—child abuse. It is estimated that more than 5,000 children were killed by their parents or parent-surrogates last year. An estimated 2 million children experience some form of child abuse every year. These statistics are tragic and growing.

Again this year, my colleague Mary Rose Oakar and I are bringing this intolerable situation to the attention of Congress in an effort to alert Americans to the problem and to make them aware of the remedies available through largely volunteer organizations, such as Parents Anonymous and the National Committee for the Prevention of Child Abuse. Because of the tremendous success in many parts of the Nation resulting from this legislation over the last few years, I urge my

colleagues to support, once more, a resolution designating April as national child abuse prevention month.

The other body will soon be considering such legislation. Let us continue a tradition of support for national child abuse prevention month and help curb this national tragedy.●

A TRIBUTE TO A TRUE PATRIOT

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. SMITH of Florida. Mr. Speaker, today, I rise in commemorating the 132d anniversary of Jose Marti's birth on January 28th. Jose Marti was a great Cuban patriot who fought to bring freedom to his nation and died for his cause.

He dedicated his life to ending colonial rule in Cuba and preventing the island from developing a government inimical to the principles of democracy. At the young age of 17, he was exiled to Spain for opposing colonial rule. Marti returned to Cuba in 1895 to lead the Cuban War for Independence in which he was killed during one of the battles.

From the early years of his youth to his death in the struggle to free the Cuban people, Jose Marti was devoted to bringing liberty and morality to his beloved Cuba. It is for this great man that the United States named the new radio program to Cuba which broadcasts the truth to the Cuban people.

If Jose Marti were alive today, he would surely condemn the repressive and totalitarian Castro government and fight to bring freedom to Cuba. He was a true democratic theorist who stressed individual freedom and human rights in his writings.

I join the Cuban-American community and city of Miami in saluting this major democratic patriot.●

SELF-DETERMINATION FOR PUERTO RICO

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mr. DELLUMS. Mr. Speaker, today, I offer a bill to provide self-determination for Puerto Rico.

Puerto Rico was taken in war and has been held without a true determination of the will of the Puerto Rican people.

Our Declaration of Independence holds a guarantee to all people of the inalienable right to self-determination. There is no power in the Constitution for the United States to hold people in a subordinate, colonial status.

I am not seeking to decide a particular status for Puerto Rico, but, rather to establish a just procedure for allowing the Puerto Rican people, free from outside pressure, intimidation or harassment, to decide their own status.

These are the proposals of the resolution:

First, we establish as policy two points. One, that it is the sovereign right of the people of Puerto Rico to freely decide their status without intervention whatsoever of any outside government and/or foreign force. Two, the process of self-determination shall comply with the requirements of the United Nations.

We mandate that all powers and authority presently exercised by the three branches of the Government of the United States over Puerto Rico shall be relinquished and transferred to the people of Puerto Rico.

The President will announce the withdrawal and surrender of all rights of possession, supervision, jurisdiction, and control of sovereignty then existing, including the military.

The Puerto Rican people will then establish an organizing committee, with equal representation from all political parties. This organizing committee will carry out the election of a constituent assembly with proportional representation of political parties and states.

The constituent assembly shall assume the powers over Puerto Rico from the U.S. Government and the powers outlined by the Constitution of the Commonwealth.

A negotiating commission of the United States and Puerto Rican Governments is created to negotiate on terms of relations including citizenship, property rights, and other questions in the event Puerto Rico decides to be independent, and all terms of relationships in the event Puerto Rico proposes some form of free association.

The resolution establishes a transition mechanism to hold U.S. funds due to Puerto Rico while the decision of status is being made. It ensures that the people of Puerto Rico will receive the rights and benefits acknowledged under U.S. law by virtue of their status as veterans or beneficiaries of pensions.

What is created is a means whereby Puerto Ricans can determine their status free from U.S. pressures and free from the fear of losing owed benefits. Further, Puerto Rico and the United States can approach each other in appropriate discussions as equals.

In other words, self-determination.●

ASSISTANCE TO WELFARE RECIPIENTS

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 31, 1985

● Mrs. JOHNSON. Mr. Speaker, today, with my colleagues BARBARA KENNELLY and OLYMPIA SNOWE, I am proud to reintroduce legislation that I originally submitted last August. This bill provides welfare recipients with young children access to the education and training they so desperately need to break the cycle of welfare dependence.

Welfare reform is an issue of concern for everyone. It touches the recipient, the taxpayer, and even the Social Security beneficiary. In 1950, the wages of 17 workers contributed to the benefits of each Social Security retiree. By the year 2000, the checks will reflect the contribution of only three workers. With this dramatic shift in the ratio of retirees to workers, we can't afford to ignore that the quality of life for future seniors depends to a great extent on the job readiness of today's children.

Yet, one in five children born in this country are the children of single parents, and of these, 50 percent are born to teenage mothers. In addition, 70 percent of women on welfare don't have a high school diploma. We can't expect these mothers or their children to realize economic security for themselves now or in the future.

The long-term benefits of this proposal would far exceed its short-term costs. It establishes a limited demonstration program, with 10 pilot projects, and coordinates existing programs, services, and facilities that taken individually, are not accessible nor geared to the needs of a welfare parent.

The pilot project would offer 20 hours a week of education and training to single AFDC parents, with emphasis on assisting the participant to attain her high school diploma. The bill promotes the use of facilities that are already available in the community to minimize the cost of the program, such as classroom space and school buses—for instruction, onsite day care, and transportation.

A voluntary advisory group, composed of local educators, members of the business community, family service professionals, and the recipients themselves, would design the projects. Before beginning training, the participant would be required to help plan, approve, and sign her program, so she develops a sense of responsibility for her career development.

Finally, support services are provided on an income-related basis following completion of the program so that

51-059 O-86-10 (Pt. 2)

the new graduate is not forced to return to the welfare rolls when she finds that she can't afford child care or health care.

Our support for the social and economic well-being of all persons is based on the understanding that unskilled women cannot achieve self-reliance without education and vocational training. We must recognize, however, that the single head of household cannot take advantage of education and training unless child care is available, too.

Welfare reform is crucial to our future competitiveness in an increasingly global economy, to preserve the quality of life we have developed for older Americans, and to create the opportunity this country has always symbolized. It is imperative that we create new solutions to old problems, and we can do this by better organizing and integrating the resources we now possess. I hope you will agree and support this legislation.●

SENATE—*Monday, February 4, 1985*

(Legislative day of Monday, January 21, 1985)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Under the previous order, the Senate will stand in recess until 2 p.m. on Tuesday, February 5, 1985.

RECESS TO TUESDAY, FEBRUARY 5, 1985, AT 2 P.M.

Thereupon (at 10 o'clock and 9 seconds a.m.), the Senate recessed, under the order of Thursday, January 31, 1985, until Tuesday, February 5, 1985, at 2 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

HOUSE OF REPRESENTATIVES—*Monday, February 4, 1985*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Just as we thank You, O God, for all the good gifts that we have received, so our hearts go out to those whose gifts have been few and who stand in need of our encouragement and support. We remember specially those who suffer from famine in our world. May we see how our abundance can be used to ease the pain of want, and may we invest our resources in ways that enable people everywhere to know the necessities of life. In Your name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed, without amendment, a joint resolution of the Senate of the following title:

S.J. Res. 36. Joint resolution to designate the week of February 10, 1985, through February 16, 1985, as "National DECA Week."

The message also announced that the Vice President, pursuant to the provisions of Public Law 85-874, appoints Mr. WEICKER to the Board of Trustees of the John F. Kennedy Center for the Performing Arts, vice Mr. Percy.

APPOINTMENT AS MEMBERS OF MARTIN LUTHER KING, JR., FEDERAL HOLIDAY COMMISSION

The SPEAKER. Pursuant to the provisions of section 4(a), Public Law 98-399, the Chair appoints as members of the Martin Luther King, Jr., Federal Holiday Commission, the following Members on the part of the House:

Mr. GRAY of Pennsylvania;
Mr. LELAND of Texas;
Mr. REGULA of Ohio, and
Mr. COURTER of New Jersey.

APPOINTMENT AS CHAIRMAN AND VICE CHAIRMAN OF DELEGATION TO ATTEND CONFERENCE OF INTERPARLIAMENTARY UNION IN LOME, TOGO

The SPEAKER. Pursuant to the provisions of 22 U.S.C. 276a-1, the Chair appoints the gentleman from Florida [Mr. PEPPER], as chairman and the gentleman from Indiana [Mr. HAMILTON], as vice chairman of the delegation to attend the Conference of the Interparliamentary Union to be held in Lome, Togo, on March 25 through March 30, 1985.

APPOINTMENT AS ADDITIONAL MEMBERS OF JOINT ECONOMIC COMMITTEE

The SPEAKER. Pursuant to the provisions of 15 U.S.C. 1024(a) the Chair appoints as additional members of the Joint Economic Committee the following Members on the part of the House:

Mr. WYLIE of Ohio;
Mrs. HOLT of Maryland;
Mr. LUNGREN of California; and
Ms. SNOWE of Maine.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
February 4, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House at 5:55 p.m. on Friday, February 1, 1985 and said to contain a message to the Congress transmitting the President's unclassified Report on Soviet Noncompliance with Arms Control Agreements as required by the FY-1985 Defense Authorization Act.

With kind regards, I am,
Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

REPORT ON ARMS CONTROL COMPLIANCE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs and the Committee on Armed Services:

To the Congress of the United States:

During 1984, at the request of the Congress, I forwarded two reports to the Congress on arms control compliance. The first, forwarded last January, was an in-depth analysis of seven specific issues of violations or probable violations by the Soviet Union of arms control obligations and commitments. The second report, forwarded in October, was an advisory study prepared independently by the General Advisory Committee on Arms Control and Disarmament. These reports indicate that there is cause for serious concern regarding the Soviet Union's conduct with respect to observance of arms control agreements.

In the FY-1985 Defense Authorization Act and the Conference Report on that Act, the Congress called for additional classified and unclassified reports regarding a wide range of questions concerning the Soviet Union's compliance with arms control commitments. The Administration is responding to these requests by providing both classified and unclassified reports which update the seven issues initially analyzed in the January 1984 report, and analyze a number of additional issues.

In this unclassified report the United States Government reaffirms the conclusions of its January 1984 report that the USSR has violated the Helsinki Final Act, the Geneva Protocol on Chemical Weapons, the Biological and Toxin Weapons Convention, and two provisions of SALT II: telemetry encryption and ICBM modernization. The United States Government also reaffirms its previous conclusions that the USSR has probably violated the SS-16 deployment prohibition of SALT II and is likely to have violated the nuclear testing yield limit of the Threshold Test Ban Treaty. In addition, the United States Government has determined that the USSR has violated the ABM Treaty (through the siting, orientation and capability of the Krasnoyarsk Radar), violated the Limited Test Ban Treaty, and violated the SALT II provision prohibiting more than one new type of ICBM, and probably violated the ABM Treaty restriction on concurrent testing of SAM and ABM components. Evidence regarding the USSR's compliance with the ABM Treaty provision on component mobility was determined to be

ambiguous. In addition, the United States Government is concerned about Soviet preparations for a prohibited territorial ABM defense. Further, the USSR was determined to be currently in compliance with those provisions of the SALT I Interim Agreement and its implementing procedures that deal with reuse of dismantled ICBM sites and with the reconfiguration of dismantled ballistic missile launching submarines.

Beyond the issues that are treated in the unclassified report released today, there are other compliance issues that will not be publicly disclosed at this time but which remain under review. As we continue to work on these issues, we will brief and consult with the Congress in detail and will, to the maximum extent possible, keep the public informed on our findings.

In order for arms control to have meaning and credibly contribute to national security and to global or regional stability, it is essential that all parties to agreements fully comply with them. Strict compliance with all provisions of arms control agreements is fundamental, and this Administration will not accept anything less. To do so would undermine the arms control process and damage the chances for establishing a more constructive US-Soviet relationship.

As I stated last January, Soviet noncompliance is a serious matter. It calls into question important security benefits from arms control, and could create new security risks. It undermines the confidence essential to an effective arms control process in the future. With regard to the issues analyzed in the January 1984 report, the Soviet Union has thus far not provided satisfactory explanations nor undertaken corrective actions sufficient to alleviate our concerns. The United States Government has vigorously pressed, and will continue to press, these compliance issues with the Soviet Union through diplomatic channels.

Our approach in pursuing these issues with the Soviet Union is to ensure that both the letter and intent of treaty obligations and commitments will be fulfilled. To this end the Administration is: analyzing further issues of possible noncompliance; as noted above, seeking from the Soviet Union through diplomatic channels explanations, clarifications, and, where necessary, corrective actions; reporting on such issues to the Congress; and taking into account in our defense modernization plans the security implications of arms control violations. At the same time, the United States is continuing to carry out its own obligations and commitments under relevant agreements. Our objectives in the new negotiations which begin in March are to reverse the erosion of the ABM Treaty and to seek equitable, effectively verifiable arms control agreements which will result in real reductions and enhance stability. While all of these steps can help, however, it is fundamentally important that the Soviet Union take a constructive attitude toward full compliance with all arms control obligations and commitments.

The Administration and the Congress have a shared interest in supporting the arms control process. For this reason, increased understanding of Soviet violations or probable violations, and a strong Congressional consensus on the importance of compliance to achieving effective arms control, will strengthen our efforts both in the new negotiations and in seeking corrective actions from the Soviet Union.

I look forward to continued close consultation with the Congress as we seek to make progress in resolving compliance issues and in negotiating sound arms control agreements.

RONALD REAGAN.

THE WHITE HOUSE, *February 1, 1985.*

THE BUDGET OF THE U.S. GOVERNMENT, 1986—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-17)

The SPEAKER laid before the House the following message from the President of the United States; which was read, and together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

In the past 2 years we have experienced one of the strongest economic recoveries of the post-war period. The prospect of a substantially brighter future for America lies before us. As 1985 begins, the economy is growing robustly and shows considerable upward momentum. Favorable financial conditions presage a continuation of the expansion. Production, productivity, and employment gains have been impressive, and inflation remains well under control. I am proud of the state of our economy. Let me highlight a few points:

—The economy expanded at a 6.8% rate in 1984 and at a 6% annual rate over the 2 years since the recession trough at the end of 1982—faster than any other upturn since 1951.

—Confidence in the economy has prompted business firms to expand their capital facilities. Real investment in new plant and equipment has grown 15.4% annually since the end of 1982—faster than in any other post-war recovery.

—The ratio of real investment to real GNP has reached its highest level in the post-war period.

—Industrial production is 23% above its level at the recession trough in November 1982—a greater advance than in any other recovery since 1958.

—Corporate profits have risen nearly 90% since the recession trough in 1982—the fastest 8-quarter increase in 37 years.

—Civilian employment has grown 7.2 million over the past 25 months and the number of unemployed has fallen by 3.7 million. In the last 4 months alone, more than 1.1 million Americans have found jobs.

—Inflation remains well under control. The December 1984 CPI was 4% higher than a year earlier, about a third of the rate of inflation this administration inherited. The GNP deflator, the broadest measure of inflation, increased only 3.5% last year and at only a 2.4% annual rate in the fourth quarter.

—The prime rate of interest is now only half of what it was when I took office.

Contrast our current circumstances with the situation we faced just 4 years ago. Inflation was raging at double-digit rates. Oil prices had soared. The prime rate of interest was over 20%. The economy was stagnating. Unemployment had risen sharply and was to rise further. America's standing in world opinion was at low ebb.

All that, mercifully, is behind us now. The tremendous turnaround in our fortunes did not just happen. In February 1981, I presented the four fundamentals of my economic program. They were:

—Reducing the growth of overall Federal spending by eliminating activities that are beyond the proper sphere of Federal Government responsibilities and by restraining the growth of spending for other activities.

—Limiting tax burdens to the minimum levels necessary to finance only essential government services, thereby strengthening incentives for saving, investment, work, productivity, and economic growth.

—Reducing the Federal regulatory burden where the Federal Government intrudes unnecessarily into our private lives, the efficient conduct of private business, or the operations of State and local governments.

—Supporting a sound and steady monetary policy, to encourage economic growth and bring inflation under control.

FOUR YEARS OF ACCOMPLISHMENT

These policies were designed to restore economic growth and stability. They succeeded.

The past 4 years have also seen the beginning of a quiet but profound revolution in the conduct of our Federal Government. We have halted what seemed at the time an inexorable set of trends toward greater and greater Government intrusiveness, more and more regulation, higher and higher taxes, more and more spending, higher and higher inflation, and weaker and weaker defense. We have halted these trends in our first 4 years.

—The rate of Federal spending growth was out of control at 17.4% a year in 1980. Under my budget proposals the growth of programmatic spending—that is, total Federal spending except for debt service—will be zero next year—frozen at this year's levels.

—Further, spending will grow only 30% over the 4 years from 1982 to 1986, compared to its record pace of 66% between 1977 and 1981, and this despite legislated additions to my program and the needed rebuilding of our defense capabilities.

—The Federal tax system was changed for the better—marginal tax rates were reduced and depreciation reform introduced. These reforms were designed to increase incentives for work, training and education, saving, business growth, and capital expansion. Tax loopholes have been closed, improving the equity of the system.

—Domestic spending, which previously grew faster than any other major part of the budget (nearly fourfold in real terms between 1960 and 1980), will have been virtually frozen from 1981 to 1985.

—Our defense capabilities are now getting back to a level where we can protect our citizens, honor our commitments to our allies, and participate in the long-awaited arms control talks from a position of respected strength.

—Federal credit programs, which had also grown out of control, have been cut back, and their management has been vastly improved.

—The rapid growth of regulations and red tape has also been halted. The number of Federal rules published by agencies has fallen by over 35% during the past 4 years, and many unnecessary old rules have been eliminated. For the first time, the Federal Register of new regulatory actions has grown shorter for 4 consecutive years; it is now 41% shorter than it was in 1980.

—Major management improvement initiatives are underway that will fundamentally change the way the Federal Government operates. The President's Private Sector Survey on Cost Control has completed its report, and many of its recommendations are included in this budget. The President's Council on Integrity and Efficiency has reported $46 billion in improved use of funds through reduction of waste and fraud.

—The Federal nondefense work force has been reduced by over 78,000.

The proposals contained in this budget will build on the accomplishments of the last 4 years and put into action a philosophy of government that is working and that has received the overwhelming endorsement of the American people.

THE 1986 BUDGET PROGRAM

If we took no action to curb the growth of spending, Federal outlays would rise to over a trillion dollars in 1986. This would result in deficits exceeding $200 billion in each of the next 5 years. This is unacceptable. The budget I propose, therefore, will reduce spending by $51 billion in 1986, $83 billion in 1987, and $105 billion in 1988. Enactment of these measures would reduce the deficit projected for 1988 to $144 billion—still a far cry from our goal of a balanced budget, but a significant step in the right direction and a 42% reduction from the current services level projected for that year.

Last year my administration worked with Congress to come up with a downpayment on reducing the deficit. This budget commits the Government to a second installment. With comparable commitments to further reductions in the next two budgets, and, I hope, other spending reduction ideas advanced by the Congress, we can achieve our goal in an orderly fashion.

The budget proposes a 1-year freeze in total spending other than debt service. This will be achieved through a combination of freezes, reforms, terminations, cutbacks, and management improvements in individual programs. For a number of reasons, a line-by-line budget freeze is not possible or desirable. Further, such an approach would assume that all programs are of equal importance. Taken together, the specific proposals in this budget hold total Federal spending excluding debt service constant in 1986 at its 1985 level.

The budget proposals provide for substantial cost savings in the medicare program, in Federal payroll costs, in agricultural and other subsidies to business and upper-income groups, in numerous programs providing grants to State and local governments, and in credit programs. A freeze is proposed in the level of some entitlement program benefits, other than social security, means-tested programs, and programs for the disabled, that have hitherto received automatic "cost-of-living adjustments" every year. The budget proposes further reductions in defense spending below previously reduced mid-year levels.

Despite the reforms of the past 4 years, our Federal tax system remains complex and inequitable. Tax rates are still so high that they distort economic decisions, and this reduces economic growth from what it otherwise could be. I will propose, after further consultation with the Congress, further tax simplification and reform. The proposals will not be a scheme to raise taxes—only to distribute their burden more fairly and to simplify the entire system. By broadening the base, we can lower rates.

THE BUDGET TOTALS

[In billions of dollars]

	1984 actual	1985 estimate	1986 estimate	1987 estimate	1988 estimate
Receipt	666.5	736.9	793.7	861.7	950.4
Outlays	851.8	959.1	973.7	1,026.6	1,094.8
Deficit (—)	—185.3	—222.2	—180.0	—164.9	—144.4

Note: Totals include outlays that are off-budget under current law, proposed to be included on-budget.

There will be substantial political resistance to every deficit reduction measure proposed in this budget. Every dollar of current Federal spending benefits someone, and that person has a vested self-interest in seeing these benefits perpetuated and expanded. Prior to my administration, such interests had been dominant and their expectation and demands had been met, time and time again.

Freeze on programmatic outlays

	Billions
Fiscal year 1985 estimate:	
Programmatic outlays	$804
Debt service	959
Fiscal year 1986 estimate:	
Programmatic outlays	804
Debt service	974

At some point, however, the question must be raised: "Where is the political logrolling going to stop?" At some point, the collective demands upon the public Treasury of all the special interests combined exceed the public's ability and willingness to pay. The single most difficult word for a politician to utter is a simple, flat "No." The patience of the American people has been stretched as far as it will go. They want action; they have demanded it.

We said "no" frequently in 1981, and real spending for discretionary domestic programs dropped sharply. But we did not accomplish enough. We now have no choice but to renew our efforts with redoubled vigor. The profusion of Federal domestic spending programs must be reduced to an acceptable, appropriate, and supportable size.

It will require political courage of a high order to carry this program forward in the halls of Congress, but I believe that with good faith and goodwill on all sides, we can succeed. If we fail to reduce excessive Federal benefits to special interest groups, we will be saddled either with larger budget deficits

or with higher taxes—either of which would be of greater harm to the American economy and people.

1986 MANAGEMENT AND REGULATORY PROGRAM

Not only must both the scope and scale of Federal spending be drastically cut back to reduce the deficit: we must also institute comprehensive management improvements and administrative reforms to make sure that we use available funds as efficiently as possible.

Tough but necessary steps are being taken throughout the Federal Government to reduce the costs of management and administration. Substantial savings in overhead costs have been achieved under provisions of the Deficit Reduction Act of 1984. A 5% Federal civilian employee salary cut has been proposed; a 10% reduction in administrative overhead has been ordered; termination of programs that have outlived their usefulness is proposed; outmoded, inefficient agency field structures that have evolved over the past half-century are being consolidated and streamlined to take advantage of efficiencies made possible by modern transportation, communication, and information technology.

Administration of Federal agencies is being made more efficient through the adoption of staffing standards, automation of manual processes, consolidation of similar functions, and reduction of administrative overhead costs. A program to increase productivity by 20% by 1992 in all appropriate Government functions is being instituted, as are improved cash and credit management systems and error rate reduction programs.

This management improvement program will result in a leaner and more efficient Federal structure and will be described in a management report that I am submitting to the Congress for the first time shortly after my annual budget submission.

We have also made a great deal of progress in reducing the costs imposed on businesses and State and local governments by Federal regulations. These savings are estimated to total $150 billion over a 10-year period. We have reduced the number of new regulations in every year of my first term and have eliminated or reduced paperwork requirements by over 300 million hours each year. In addition, the regulations are more carefully crafted to achieve the greatest protection for the least cost, and wherever possible to use market forces instead of working against them.

A recent Executive Order will strengthen the executive branch coordination that has made these accomplishments possible. For the first time, we will publish an annual program of the most significant regulatory activities, including those that precede the publication of a proposed rule. This will give Congress and the public an earlier opportunity to understand the administration's regulatory policies and priorities.

CONCLUSION

The key elements of the program I set out 4 years ago are in place and working well. Our national security is being restored; so, I am happy to report, is our economy. Growth and investment are healthy; and inflation, interest rates, tax rates, and unemployment are down and can be reduced further. The proliferation of unnecessary regulations that stifled both economic growth and our individual freedoms has been halted. Progress has been made toward the reduction of unwarranted and excessive growth in domestic spending programs.

But we cannot rest on these accomplishments. If we are to attain a new era of sustained peace, prosperity, growth, and freedom, Federal domestic spending must be brought firmly under control. This budget presents the steps that I believe must be taken. I do not exclude other economies that Congress may devise, so long as they do not imperil my fundamental constitutional responsibilities to look after the national defense and the general welfare of the American people.

Let us get on with the job. The time for action is now.

RONALD REAGAN.

FEBRUARY 4, 1985.

□ 1210

NO TO DEFENSE DEPARTMENT SPENDING INCREASES

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, today President Reagan has sent Congress a $973.7 billion budget for fiscal year 1986. We've just heard the President's message.

President Reagan proposes a military budget of $277.5 billion for next fiscal year, about 13 percent more than the Defense Department will spend this year.

Yes—the administration budget would push military spending higher than ever.

Congress has approved more than 96 percent of the Reagan administration's defense budget requests.

During my 10 years in Congress I have supported almost all defense budget requests.

I represent Fort Campbell, KY, and hundreds of my constituents work at Fort Knox, KY.

I've served in the Air Force and the Army.

I continue to support a strong national defense for many reasons.

But, let's be serious. Our No. 1 problem today is this massive national debt and continued deficit spending.

If Congress is to make meaningful and significant spending reductions during this year, there must be cuts both in domestic and military spending.

My constituents in Kentucky, 92 percent registered as Democrats but who gave President Reagan a big majority last November 6, want big reductions in Federal spending.

I would remind President Reagan that one reason for his landslide victory on November 6 was that Americans believed he would reduce Federal spending more quickly and more substantially than his opponent.

Most of the people I represent in Kentucky are more scared in 1985 of the words "continued deficit spending will ultimately destroy us" than they are the words "the Russians are coming."

ONE HUNDRED AND EIGHTY BILLION GALLONS OF RED INK

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, today the country was engulfed by a torrent of red ink—Ronald Reagan's fiscal year 1986 Federal budget.

Yet all the newspapers report it as if it were actually a budget.

I do believe that if the White House announced that President Reagan was a giraffe, the next morning's papers would all have headlines, "Reagan a Giraffe, White House Discloses."

The headlines would be followed by studious analysis on how the giraffe disclosure would affect municipal bond rates, Japanese auto imports, and the 1986 elections. Republican congressional leaders would note the Reagan was a fine-looking giraffe, in good condition for his age.

Democrats would complain that he spends too much time ruminating in California. Environmentalists would criticize him for chewing leaves off trees.

Meanwhile, somewhere out in the country someone, most likely a child, would say, "But Reagan's not a giraffe."

Well, this is not a budget, it's a crimson niagara. It calls for 180 billion gallons of red ink in fiscal year 1986 and over 400 billion gallons in the 3 years thereafter.

If you don't believe me, just paddle over to the OMB. David Stockman is hard at work building an ark.

FIDEL CASTRO AND A CHANGING CUBA

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend

his remarks and include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, I would like to announce that I have taken a special order following regular business today for the purpose of responding to the President's budget, and invite all Democratic Members to join in that initiative.

Meanwhile, Mr. Speaker, I would point out to Members who were traveling to their districts over the weekend that the lead story in the Washington Post on Sunday reported extensively about the Republic of Cuba and President Fidel Castro's apparent desire to seek a more moderate, more conciliatory road to change in Latin America. These news articles in large measure reflect my own personal impressions of Castro and of the changing conditions in Cuba following a recent trip to the island nation in January during which the delegation spent 3 days with Castro. I counted 37.5 hours of direct discussion on policy issues.

While certainly all dealings with foreign heads of state by our United States and representatives of our nations should be approached with caution, still we must leave no stone unturned in our quest for peace.

I would like, therefore, to invite all Members from both sides of the aisle to attend a briefing session that I and the gentleman from Iowa [Mr. JIM LEACH] and the gentleman from Texas [Mr. MICKEY LELAND] will be giving to the members of the House Foreign Affairs Committee this Wednesday at 2 p.m. in the regular meeting room.

Also, I submit a summary of my impressions for printing in the RECORD:

JANUARY 30, 1985.

Memorandum to: Members of the House of Representatives.

From: Bill Alexander, Chief Deputy Majority Whip.

In re: Trip to the Republic of Cuba January 10-17, 1985.

IMPORTANT NOTE

As a preface for this report, it is stated that at no time did I or any other member of the Congressional Delegation attempt to negotiate for the United States government with the Cuban government. The Cubans were aware of our position on this point since we explicitly and specifically advised them we were not serving in the role of negotiators.

MEMBERSHIP OF THE BIPARTISAN CONGRESSIONAL DELEGATION

The Congressional Delegation was composed of Congressman Bill Alexander, Chief Deputy Majority Whip of the House; Congressman Jim Leach, Ranking Minority Member of the Committee on Foreign Affairs Subcommittee on Human Rights and International Organizations and of the Committee on Banking, Finance and Urban Affairs, Subcommittee on International Trade, Investment and Monetary Affairs, and two Congressional staff assistants. The CoDel was accompanied by seven private sector advisors who paid their own trip costs privately.

Congressman Mickey Leland, who had traveled to the Republic of Cuba on a separate trip, participated in the meetings with President Fidel Castro on Cayo Piedras and in the general conference on Wednesday.

SUMMARY

Discussions with Cuban government leaders, observations and contact with individual Cubans, not involved in the discussions with government officials confirmed some conclusions gained during a shorter visit in August, 1984. These are:

1. President Castro and his government are interested in achieving improved relations with the United States. As in August, President Castro maintained that he had sent signals on this to the U.S. more than once in the past, specifically citing a July 26, 1984, speech as one of the more recent examples. He is apparently convinced the U.S. government, through the time of the January visit, has not treated his signals with the seriousness he believes they warrant.

2. President Castro appears to perceive the principal U.S. interest in improved relations with Cuba to be, primarily, political—the opportunity to improve the U.S. image among Latin American nations and among Third World nations.

3. The interest of the Cubans in improved U.S.-Cuban relations is, at a minimum at least, primarily economic rather than rooted in significant changes of belief in the value of a "socialist" system to poor, less developed Third World nations.

4. Negotiations between the U.S. and Cuba, on virtually any issue, will be complicated by President Castro's concern for maintaining Cuba's perceived position of leadership in the Third World and could become impossible if the Cubans' perceive the U.S. attitude toward Cuba to patronizing in any degree.

These conclusions were drawn or confirmed during extended discussions with President Castro and other Cuban government officials. These discussions included a final general session in which seven questions, prepared before departure for Cuba, were asked. The bases for these conclusions are described in the following sections.

EVIDENCE OF INTEREST IN IMPROVED RELATIONS

President Castro stated clearly, as he had not done in August, that his government is willing to "exchange views" with the U.S. on "problems in Central America", specifically on issues relating to Nicaragua and El Salvador. At the same time, he agreed that neither the U.S. nor Cuba could negotiate for a third nation and stated that Cuba would support the decision reached by the Nicaraguan government. He expressed a willingness to support simultaneous withdrawal from Central America of foreign military forces.

President Castro expressed a willingness to cooperate in the Contadora efforts to obtain a general peace agreement in Central America and that he would support "verification" related to such agreement. He indicated that he would support verification activities being carried out by representatives of Contadora nations and/or representatives of Western European nations and that the verifications program personnel should be "civilian" rather than "military". He described as "good" the efforts of El Salvadoran President Duarte to negotiate with Salvadoran guerrilla movement leaders a peaceful resolution of the conflict in that Central American nation.

President Castro expressed a willingness to "exchange views" with the U.S. on issues relating to Angola and Namibia, Africa, with the objective of supporting efforts to obtain peaceful resolutions in this region.

Apparently based on the disparity between the distances from Cuba to Angola and from South Africa to Namibia, he stated he would not support simultaneous withdrawal of foreign military forces.

As he had done in August, President Castro, and other Cuban officials, cited the example of U.S. relations with the Peoples Republic of China as evidence of their contention that "capitalist" and "socialist" nations need not be enemies and could coexist.

President Castro arranged for the CoDel to visit with him on Cayo Piedras from mid-afternoon Monday through 5 p.m. Tuesday. During two extended sessions, totaling approximately 11 hours, free-ranging discussions were encouraged on subjects as widely diverse as political philosophy, economic organization, religion and environmental protection.

In addition to the Cayo Piedras discussions, President Castro met with the U.S. party individually, in small groups and as a whole for approximately fourteen and a half hours beginning at 11 a.m. on Wednesday, January 16, and running to about 1:30 a.m. Thursday.

Based on requests made by the CoDel, the Cuban government arranged meetings with the Minister of Foreign Trade, the President and some of the leadership of the Cuban National Academy of Sciences, the Vice President for education, and the Minister of the Fishing Industry and two of his Deputy Ministers. The shortest of these scheduled meetings ran for approximately two hours. No restrictions were placed on the subjects which might be discussed or on the questions which might be asked. Although, in some instances, answers to questions were general and given with reluctance, there were no flat refusals to answer questions which were pursued.

The Cubans appeared eager for the CoDel to see some of the things the government has accomplished. They arranged for the CoDel to visit two boarding schools for secondary education students—one near Santa Maria de los Banos for Cuban students and one on the Isle of Youth which Cuba sponsors for students from Ghana, Africa, the "Old Havana City" area where a major historic preservation and renewal program is underway, and a marine reserve at Isle of Youth.

Cuban leaders point to the spread of education and health services to all areas of the island nation as a major post-revolution achievement.

No obvious restrictions were placed on movements by individual members of the U.S. party.

Throughout the trip the Cubans, ranging from interpreters and foreign ministry officials to President Castro, maintained a conspicious attitude of friendly, courteous hospitality. Cubans who were not among the officials assigned to work with the CoDel appeared to be friendly and displayed no more reserve in dealing with the U.S. party than would be considered normal among strangers in the United States.

EVIDENCE OF CUBAN PERCEPTION OF U.S. INTEREST

When pressed for an answer to a question concerning U.S. government response to signals he said he has sent indicating an interest in improved relations, President Castro said the response relating to these, received by his government, were indirect and/or low level.

In a separate meeting, officials of the U.S. Interest Section in Cuba, during a briefing of the CoDel, had stated that these signals had been followed-up and that the evaluation of the Cuban response had been that the Cubans were not willing to move from generalities to specifics.

President Castro was even more firm in the January meetings than he had been in August, in attempting to counter the perceived U.S. belief that Cuba is a proxy for the Soviet Union. He restated his contention that Cuba is a sovereign nation which makes its own foreign policy.

President Castro repeatedly indicated his belief that the U.S. can improve or damage its relations with the Third World nations, including those of Central America, through its actions in connection with the Contadora negotiations and the South African-Namibian-Angolan situation.

In addition to the Central American and African problems, President Castro indicated an interest in cooperating with the U.S. on deterring aircraft hijacking, "this problem of radio interference", and coast guard cooperation on ocean transportation matters, particularly emergencies at sea. These were listed when he was asked whether there were areas other than the immigration area, on which the U.S. and Cuba have recently reached a new agreement, in which he believed the U.S. and Cuba might achieve agreement.

CUBA'S ECONOMIC INTEREST IN CUBA-UNITED STATES RELATIONS

Throughout the discussions conducted with the Cuban President and other officials there was a strong thread of interest in reaching accommodation on economic issues.

President Castro has publicly announced to the Cubans a goal of increasing, by 20 percent, export trade in hard currency markets. He had told the Cuban people there is a need for increased production for export and that they should not expect to increase domestic consumption in the near future.

President Castro and other Cuban officials specifically mentioned, during economic discussions, that Cuba does not have access to the U.S. market. Also, there was specific mention of Cuba's interest in expanding its tourism industry, in discussions of fisheries issues, in the development of joint ventures in manufacturing areas and in tripartite trade agreements.

The interest in tourism development had been raised during the August visit. The Cuban government has adopted a foreign investment law, and President Castro had stated in August that he believes there can be a place for foreign private business and industrial investment in a "socialist" economy. President Castro indicated, in January, he had urged the Nicaraguan government not to be inflexible in its opposition to foreign investment.

In response to a question from Congressman Leach about whether he had considered adopting the "China model" represented by the movement toward a more market-oriented economy in the Peoples Republic of China, President Castro said "all the problems of centralization have not been solved" and that "socialist nations should learn what capitalism has to teach about management". In August, he had said "socialist" nations needed to learn to stimulate the competition, innovation and production that is an inherent part of capitalism.

A new law allows Cubans to own their own homes. As a spur to production, factory managers are permitted to circumvent Havana's central planners by making deals with others and supermarkets are opening which have scarce, high-priced, consumer goods as their only products. Although farmers may own land, a limit of 166.6 acres has been in force for most of the post-revolution years. The Cuban government owns between 50 and 60 percent of the farmland.

CLIMATE FOR FUTURE NEGOTIATIONS

President Castro repeatedly emphasized as essential elements in any negotiations between nations: respect, flexibility and fairness.

As in August, President Castro emphasized the need for recognizing that Third World nations, including Cuba, "are proud" nations, are "independent" and must be "respected".

The only times the cordiality of the discussions, informal and formal, cooled were when the Cubans might have perceived the discussions to have been taking a tinge of "patronization".

WALLOPING MIDDLE-INCOME FOLKS

(Mr. WILLIAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILLIAMS. Mr. Speaker, we have a saying in this Nation: the rich take care of themselves. The Government helps the poor and the middle class pays the way for both. It is those middle-class Americans that will now feel the sting if the President's budget proposals are adopted. Middle-income workers will feel that sting because this President adamantly, stubbornly refuses to cut defense spending and, therefore, he has to go after the middle class.

Let me give you an example. The President wants to eliminate middle-income students from college loans, work study, direct student loans, and grants. He wants to cut 1 million middle-income students off of that assistance.

He refuses to cut defense spending and yet the Defense Department spends in 23 hours the total of the savings that the President gets by cutting 1 million middle-income American students from these college assistance efforts.

In other areas the President intends to cut $160 million from the Summer Youth Program. The Pentagon spends that in 3 hours.

He intends to cut $122 million from America's disabled workers. The Pentagon spends that in 2½ hours.

He intends to totally eliminate the Job Corps in this country. The Pentagon will spend that saving in 13 hours.

This President is preparing to wallop middle-income people who pay the way in this country because he will not touch the Pentagon.

A TRIBUTE TO RICHARD C. TONGG

(Mr. AKAKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AKAKA. Mr. Speaker, it is a great honor and privilege for me today to bring to the attention of my colleagues a beloved and great citizen of Hawaii, Richard C. Tongg, whose 85th birthday we celebrated recently.

Richard, Uncle Dick as he is affectionately and respectfully called, is an outstanding and talented citizen of Hawaii and of America, contributing as he did to our war effort during World War II, our economic well-being, and our entertainment world. We thank and salute him for his genius and artistry in landscaping, and for sharing so much, and for giving so much.

Hawaii thanks him for his meritorious service to our home and country during World War II. Under the command of Lt. Gen. Robert C. Richardson, Jr., commanding general, U.S. Army Forces, central Pacific area, he commanded the Hawaii Defense Volunteers, Hawaii's multiracial civilian home guard unit, a regiment of troops, trained and charged with guarding Hawaii's vital shorelines and installations.

Hawaii thanks him, too, for devoted service during World War II while serving on the Food Rations Board of the Office of Price Administration.

Hawaii thanks him for bringing competitive air travel service to the islands in 1946 when he and his brother, Ruddy F. Tongg, founded Aloha Airlines—originally Transpacific Airlines—well known to all as the people's airline because of its pledge of service with the spirit of aloha to Hawaii's multiracial community.

Hawaii thanks him for 60 years of beautiful gardens in Hawaii, and for national award winning landscaping designs for Honolulu's International Airport, Hilo's Waiakea Resort Hotel, and Maui's Hyatt, Kapalua, and Wailea Beach Hotel, and others. And, for coauthoring with Lorraine Kuck, the book "The Modern Tropical Garden."

Richard, Uncle Dick, mahalo for everything you did for Hawaii and for all of us. We honor and love you, and we wish you a happy and joyous 85th birthday, and many happy returns.

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REAGAN'S PROPOSALS FOR VETERANS' BENEFITS

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of California. Mr. Speaker, this morning I reviewed President Reagan's budget proposal with regard to our Nation's veterans. He wants to increase the military

budget by $30 billion, but cut veteran programs.

President Reagan is now making distinctions between the types of veterans, dividing them into "deserving" and "nondeserving" classes. Mr. Speaker, I remind our colleagues of—and regret that the President ignores—the fact that our debt is owed to every veteran who honorably served our country.

Just as our aging veteran population is reaching 65, the President's proposals are designed to ensure that these aging veterans will not be eligible for care in the VA hospital system. The President has developed a means test for eligibility for care and projects a so-called saving of $3.2 billion. This is a false savings if I've ever seen one and, mark my words, reneging on our commitment in this manner will come back to haunt us.

Just as our aging veteran population is reaching 65, the President proposes to cut the funds for new VA hospitals and nursing homes by $157 million. Who is being fooled here? Currently, nondisabled veterans over 65 can only get into VA hospitals if there are empty beds available. By cutting funds for nursing home and hospital construction, the President is ensuring that, even if the veterans meets his proposed means test, space will not be available.

I deplore these proposals and I ask my colleagues to join with me in refusing to allow the President to abandon our elderly veterans.

REPEAL CONTEMPORANEOUS RECORDKEEPING

(Mr. ROEMER asked and was given permission to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, I know that each and every Member of Congress has received a flood of mail protesting proposed regulations by the IRS which radically shift recordkeeping requirements on the part of farmers, salesmen, small business men and women, just to name a few. Most everyone with business rather than bureaucratic experience agrees with the protestors. The Congress and the IRS have gone too far; the cure is worse than the disease; the contemporaneous accounting provisions ought to be repealed.

Cosponsor H.R. 600 to repeal this provision. We have more than 100 cosponsors and are headed toward 200. We need you.

The Committee on Ways and Means has a tough job of balancing equity with revenue and frankly some of its members and staff are hoping to finesse this provision; are hoping that the IRS can keep changing the regulations to temper the outrage but maintain contemporaneous recordkeeping.

Let the Committee on Ways and Means and IRS know how we feel about this. Cosponsor H.R. 600. Let us send them a message by the way of 218-plus Members. We will pay our taxes but we will not spend our working days keeping records for the IRS. Enough is enough.

Cosponsor H.R. 600; repeal contemporaneous recordkeeping now.

MILLARD FILLMORE CALDWELL, A FLORIDA GIANT

(Mr. FUQUA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FUQUA. Mr. Speaker, on October 23, 1984, the people of Florida mourned the passing of one of the great men in Florida's history. Millard F. Caldwell died on October 23 at the age of 87 and his passing is a sad occasion for generations of Floridians who knew him for his many accomplishments in a lifetime of public service.

Mr. Caldwell attended college at the University of Mississippi and the University of Virginia before enlisting in the Army in World War I. He was commissioned a second lieutenant in the field artillery and, after his wartime service, he studied law and was admitted to the bar in Florida.

After service as prosecuting attorney and country attorney in Santa Rosa County, he served 4 years in the Florida House of Representatives. He was elected to the U.S. House of Representatives in 1932 and served until 1941 when he chose to return to Florida to practice law.

Never one to shirk his responsibility to his State and Nation, he chose to run for Governor in 1944 because he perceived the fact that strong leadership was needed. He was elected and served one term as Florida's Chief Executive.

In 1950, after once again having returned from public service, he was persuaded by President Truman to return to Washington as Administrator of the Federal Civil Defense Administration. He led the postwar effort to improve our civil defense capability for 2 years before turning once again to private life.

Some would have felt that these accomplishments would be enough for any mortal but Millard Caldwell rose to the occasion once again and began service in 1962 as a member of the Florida Supreme Court. In 1967 he became chief justice.

In 1969 he decided that he wanted to spend more time on his farm and he retired from the court.

All of these facts and dates tell part of the story but they do not tell the whole story of Millard Caldwell. He was a tall, distinguished looking man of erect bearing. His mere presence let you know that you were in the company of an accomplished individual.

He was a man of his word and his honesty and forthrightness were respected by all.

He has left a magnificent legacy of public service to all in Florida who came after him. His accomplishments may never be equaled and his name will live forever in the annals of Florida history.

PRESIDENT REAGAN SHOULD VISIT THE NAZI CONCENTRATION CAMP

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WEISS. Mr. Speaker, the officials of the Reagan administration indicated last week that the President has decided against visiting a Nazi concentration camp when he visits West Germany later this year in May at about the time of the 40th anniversary of V-E Day, the victory over nazism.

The President is said to believe that even though the West Germans suggested visiting such a camp it would in some way be unfair to present day Germans to do so.

I urge the President to rethink his decision. World War II was waged against the evil of Adolf Hitler's nazism. The deliberate murder in those camps of 6 million Jews and millions of other nationalities whom the Nazis considered to be inferior was the ugliest aspect of nazism.

Not to recall that by a Presidential visit to such a camp at the time of the commemoration of V-E Day is to desecrate the memory of all those people killed by the Nazis as well as all those Americans and others who fought and died to defeat Nazi Germany.

Mr. Speaker, an article by Charles Krauthammer, which appeared last week in the Washington Post, addresses the matter cogently. I include it in the RECORD at this point:

HOW NOT TO REMEMBER WORLD WAR II

(By Charles Krauthammer)

Ever since President Reagan went to Omaha Beach last year to commemorate the 40th anniversary of D-Day, we have been engaged in an historical reenactment, 1½ generations removed, of the march of Allied armies across Europe. Last year it was Normandy. This week, the liberation of Auschwitz. Soon other milestones: the crossing of the Rhine, Hitler's death and finally the surrender of Germany and V-E Day.

Why the obsessive need to mark every painful station of the cross?

In part it has to do with the magnitude of the event: a war that created our world, the "postwar" world, de-Nazified, bipolar and nuclear. In part it has to do with the nature of the interval that separates us from the event. Why, after all, the great celebrations now, and not in 1975 or '65 or '95? Forty years, the Biblical span, has a peculiar hold

on the Western imagination. It is the ellipsis, the wait and the wandering, between deliverance and redemption. Now is about the time we should be coming to the Promised Land. Perhaps because we can catch no sight of it, we look back so anxiously and nostalgically to the exodus.

Still, if satisfying anxiety and nostalgia were the only reason, month-by-month observances would indeed be excessive. There is a deeper reason for remembering the war. It has to do with pedagogy.

Consider two items. Last Friday SS Maj. Walter Reder, who led the 1944 reprisal murder of 1,830 Italian civilians, returned home from prison in Italy. At the airport to greet him was Austria's minister of defense.

A few days earlier, the West German chancellor agreed to address a rally of German exiles who dream of returning to their homeland in what is now Poland. Their slogan is "Forty years of banishment: Silesia remains our future in a Europe of free peoples." This was toned down from the original "Silesia remains ours." Either way, it is in poor taste. In the shadow of V-E Day, it defiantly echoes Hitler's idea (*"ein Volk, ein Reich, ein Fuhrer"*) of uniting all Germans in a Greater Germany.

This is not to say, as does Soviet propaganda, that Chancellor Helmut Kohl is a revanchist; only that domestic politics inclines him to gloss over some unpleasant history. Younger Germans may never have learned that history to begin with. They show (the Greens, in particular) a growing tendency to blame the partition of Germany on a conspiracy of the superpowers, especially the United States. They need reminding exactly how American and Soviet armies came to meet in Berlin in the first place. A commemoration of the war Germany started helps.

But what kind of commemoration? That has become something of a diplomatic problem. Last year the Germans were miffed that they were not invited to the celebration of D-Day. They felt that after 40 years of good Western citizenship they deserved a place at Normandy. Moreover, exclusion created domestic problems for the pro-Western Kohl: the anti-NATO opposition was able to argue that the West refuses to accept Germany, and yet makes it bear the burdens and dangers of alliance.

So the idea this time is to include Germany and tone things down. President Reagan said that V-E Day ceremonies are not for "rejoicing [over] victory and recalling the hatred that went on at the time." Accordingly: no concentration camps on Reagan's V-E Day itinerary. "The president thinks we should try to put this behind us," said one administration official. The idea is to underscore "reconciliation."

No doubt the sanitized ceremonies will do something to secure the political fortunes of our friends in West Germany. However, tact has its price. In this case it is truth.

World War II did have a happy ending in which a remnant of Germany was able to lead it back to civilized life. The point of the war, however, was not rehabilitating Germany, but saving the world from it. To emphasize the first, and suppress the second, is not only to reverse cause and effect, but to distort the meaning of the war.

What is at stake is not just historical, but moral truth. This was the most just of wars against the most radical of evils. The reason for recalling that is not to punish Kohl and modern Germany for the sins of 40 years ago, but to teach a new generation exactly what the fight from Omaha Beach to Berlin was for, and against.

The president is a gracious winner. He doesn't like to belabor victories. But this is not a budget battle with Congress, or a win in the Electoral College. This is World War II. Nearly half a million Americans and millions of others died for it. Can we not discretely ask our German friends to sit this one out? There will be time enough to celebrate their remarkable moral rebirth. That came after V-E Day 1945. Its remembrance, too, can wait until after V-E Day 1985.

REGULATIONS ON ADEQUATE CONTEMPORANEOUS RECORDS

(Mr. HORTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HORTON. Mr. Speaker, I would like to express my strong support for the bills H.R. 531 and H.R. 600 introduced by my friends Congressmen ANTHONY and ROEMER. These bills will repeal the new IRS regulations on "adequate contemporaneous records" which place an unreasonable paperwork burden on the taxpayers of America.

From 1974 to 1977, I chaired the Commission on Federal Paperwork. During that time, the Commission worked diligently to review Federal paperwork requirements and made recommendations to enable the Federal Government to serve the American people more efficiently and effectively. The regulations on adequate contemporaneous records mark a significant departure from the efforts we in Congress made to reduce the paperwork burden and the instrusion of the Government into the daily lives of the American people.

I would like to share with you a portion of my 1977 transmittal letter from the final report of the Paperwork Commission which is very pertinent to these new regulations:

The theme we heard repeatedly throughout the country is that the vast majority of Americans want to obey the law. Most Americans want to cooperate and participate in furthering Federal programs and national goals. However, these people can be frustrated by a Government which, in their view, does not trust them.

Many people feel, and the Commission agrees, that a multibillion dollar wall of paperwork has been erected between the government and the people. Countless reporting and recordkeeping requirements and other heavy-handed investigation and monitoring schemes have been instituted based on what we view as a faulty premise that people will not obey laws and rules unless they are checked, monitored, and rechecked.

This situation and this assumption must be reversed if we are to restore efficiency within Government and confidence in Government by the people and if we are to realize the potential for cooperative attainment of our goals as a Nation. Many of the major conclusions and recommendations of the Commission on Federal Paperwork are aimed at this goal.

I believe those words and that philosophy are as true today as they were in 1977. Citizens, by and large, have no problem maintaining necessary tax records. But the recordkeeping required in these regulations is, at the very least, excessive, burdensome and beyond reason. I urge my colleagues to support H.R. 531 and H.R. 600 and join the effort to remove this burden and restore a more responsible and effective policy. This change will be appreciated by millions of taxpayers across the country.

MANDELA FREEDOM RESOLUTION HAS BEGUN TO BEAR FRUIT

(Mr. CROCKETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CROCKETT. Mr. Speaker, the Mandela freedom resolution, which passed the House last September, has begun to bear fruit. South African President Botha has announced his government's willingness to grant a conditioned release for Nelson Mandela, the black South African leader who has been imprisoned for more than 20 years. President Botha knew, of course, that the condition he attached was totally unacceptable since it would require a pledge by Mr. Mandela and the banned African National Congress not to resort to violence in their revolutionary struggle against apartheid.

The significance of his offer, however—and the further announcement of the suspension of South Africa's program of forced resettlement of black communities—is the fact that each of these developments is an obvious and welcomed response to the pressures exerted upon South Africa by our congressional action and by the current "Free South Africa Movement."

As we have pointed out many times, Mr. Speaker, the South African Government must begin to communicate with all of its people in the search for a just, a rapid, and a nonviolent end to apartheid. The unconditional release of Nelson Mandela and an end to forced resettlements are necessary steps toward accommodation and reconciliation.

WHY IS THE ADMINISTRATION PROPOSING TO PUT FAMILY FARMS AND RURAL HOSPITALS OUT OF BUSINESS?

(Mr. BEDELL asked and was given perimission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. BEDELL. Mr. Speaker, I have had quite a morning. I started with a meeting with the Secretary of Agriculture in which he explained how we are going to destroy the family farm. Then I met with people from rural

hospitals who pointed out that this administration has put in a differential which is probably going to close down a large number of our rural hospitals because of the fact that it costs a lot less to provide services in rural hospitals than it does in urban hospitals.

Mr. Speaker, this country was built upon efficiency. Does it make any sense to anyone that we would close our rural hospitals where costs are less and send everybody to the cities where the costs are more?

This country was also built upon efficiency in business. It is recognized that small business provides most of our jobs, most of our creativity, so what are we doing? We are eliminating taxes for big business, and we are leaving small business to continue to pay those taxes, so the GE's, Westinghouses, Du Ponts, and others pay no taxes whatsoever.

Now we want to eliminate the Small Business Administration. If that were not enough, I met with the Secretary; now he wants to destroy the family farm, the most efficient type of agriculture production we have ever had in the world, and now we will destroy it.

Mr. Speaker, my God, how long is this madness going to continue in our society?

HIGHLIGHTS OF THE PRESIDENT'S FISCAL YEAR 1986 BUDGET—A MISNOMER DEFENSE BUDGET—UNREAL INCREASES

The SPEAKER pro tempore (Mr. AKAKA). Under a previous order of the House, the gentleman from New York [Mr. ADDABBO] is recognized for 5 minutes.

Mr. ADDABBO. Mr. Speaker, for the interest of my colleagues, several of my House and Senate colleagues and myself were called to the White House this morning for a briefing on the President's so-called fiscal year 1986 budget and were given a pamphlet called the "Highlights and Information Summary."

We were told about the tremendous reductions in social programs and the huge increases in defense spending. Of equal concern was not just the reductions in nondefense areas but almost the entire elimination of many programs essential for the American people.

Some of those reductions called for in the budget areas follows: disadvantaged education; handicapped education; employment training grants and programs; Older Americans Act; social services block grants; Head Start programs; Foster Care child welfare; handicapped rehabilitation services; Maternal and Child Health Services block grants; low income energy; and right down the line. All programs that are directly affecting the way of life and human needs are being reduced.

Then we look at the defense budget and find this tremendous increase. They are increasing the DOD request by 10.8 percent for fiscal year 1986. Meanwhile, in the last 5 years DOD has received over $1.1 trillion, and in the next 5 years they are requesting double that amount or over $2 trillion.

It is beyond me how the President can request huge sums for the production of MX missiles, B-1 bombers and other major weapons systems which add nothing or only marginally add to our national defense, while reducing other important nondefense programs.

I believe my colleagues must be aware of how the President proposes to finance this large increase in the defense budget. The President proposes to reduce or eliminate certain human needs programs, incur a budget deficit of $180 billion for fiscal year 1986 and continue large deficit financing in the foreseeable future.

I will include in the RECORD a list showing the major reductions and the terminations which are proposed by this administration, and the President so proudly set forth in the highlights of his fiscal year 1986 budget.

The administration speaks of only a 5.9-percent real increase in budget authority, but then when one looks at the outlay projections we suddenly find that it is no longer a 5.9-percent real increase but actually a 13.5 percent, or an increase of over $32.1 billion.

While DOD has received all these large increases, we find that the Pentagon has unexpended balances of $243.4 billion estimated for fiscal year 1985 and with this budget the unexpended balances will increase to $279.6 billion. And who will pay for that increase? The middle class, and those who are in need.

Mr. President, I do not believe it should be called the "highlights." I believe it should be called by its true name, the destruction of our American society. I attach a list showing the major reductions and terminations proposed in the fiscal year 1986 budget:

MAJORREDUCTIONS/TERMINATIONS PROPOSED

	1985	1986	Change
AGRICULTURE			
Agricultural Stabilization & Research Service	262,257,000	0	−$262,257,000
Farmers Home Administration: (Insured loans)	(3,221,000,000)	0	(−3,221,000,000)
(Rent supplement auth.)	(116,000,000)	0	(−116,000,000)
Rural Development Insurance Fund Loans	(605,000,000)	($50,000,000)	(−555,000,000)
Rural Electrification Admin. (Insured loans)	(1,100,000,000)	(575,000,000)	(−1,100,000,000)
(Guaranteed loans)	(1,325,000,000)	(300,000,000)	(−1,025,000,000)
Conservation programs	820,683,000	452,681,000	−368,000,000
Rural Development Grants	197,250,000	25,000,000	−172,250,000
COMMERCE-JUSTICE			
Economic Development Admin.	228,500,000	14,522,000	−213,978,000
NOAA (ops, research & fac.)	1,113,066,000	826,427,000	−286,639,000
Small Business Administration	728,750,000	578,000,000	−150,750,000
Legal Services Corporation	305,000,000	0	−305,000,000
ENERGY AND WATER			
Corps of Engineers—Civil	2,791,000,000	2,330,000,000	−461,000,000
Bureau of reclamation	2,052,704,000	788,760,000	−263,944,000
Appalachian Regional Commission	149,000,000	0	−149,000,000
Tennessee Valley Authority	120,000,000	38,665,000	−81,335,000
FOREIGN OPERATIONS			
Export-Import Bank (Limitation on Direct Loans)	3,865,000,000	0	−3,865,000,000
HUD-INDEPENDENT AGENCIES			
Assisted Housing	8,004,769,775	499,000,000	−7,505,769,775
Low-Income Operating Subsidies	1,138,500,000	1,010,600,000	−127,900,000
Solar Bank	15,000,000	0	−15,000,000
Urban Development Action Grants	440,000,000	0	−440,000,000
General Revenue Sharing	4,566,700,000	0	−4,566,700,000
INTERIOR			
SPR Petroleum Account	(2,049,500,000)	0	(−2,049,500,000)
Department of Energy	982,188,000	434,553,000	−547,635,000
LABOR-HHS-EDUCATION			
Training and Employment Services	3,769,545,000	2,805,521,000	−964,024,000
Health Resources and Services	1,506,963,000	1,157,393,000	−349,570,000
Work Incentives Program	266,760,000	0	−266,760,000
Community Services Block Grant	372,435,000	3,864,000	−368,571,000
Student Financial Assistance	4,621,000,000	3,569,000,000	−1,052,000,000
Guaranteed Student Loans	3,744,323,000	2,714,482,000	−1,029,841,000
TRANSPORTATION			
Amtrak	684,000,000	0	−684,000,000
UMTA—formula grants	2,449,500,000	0	−2,449,500,000
UMTA—interstate transfer grants	250,000,000	0	−250,000,000
TREASURY			
Payment to the Postal Service Fund	1,040,509,000	39,128,000	−1,001,381,000

ANALYSIS OF THE FISCAL YEAR 1986 DEFENSE BUDGET

Mr. Speaker, the fiscal year 1986 Defense budget estimate for those items included in the annual Defense appropriations bill totals $303.9 billion. The fiscal year 1986 Defense budget represents an increase of $29.5 billion more than the $274.4 billion appropriated

and made available to date for fiscal year 1985. The fiscal year 1986 request is 10.8 percent more than the fiscal year 1985 appropriations.

The press release of Secretary of Defense Weinberger alludes to a real increase in fiscal year 1986 budget authority of 5.9 percent after adjustments for anticipated inflation. This real increase, of course, refers to the total Department of Defense budget which includes military construction, family housing, and certain supplementals and contingencies anticipated in both fiscal year 1985 and 1986.

The figures supplied by the Department of Defense anticipate proposed supplementals for fiscal year 1985 of $2.6 billion for increased pay costs. This supplemental would cover the cost associated with the 3.5 percent civilian pay raise and the 4 percent military pay raise effective January 1, 1985, and the proposed military pay raise of 3 percent effective July 1, 1985.

The Department of Defense figures also include an amount of $1.8 billion for fiscal year 1986 to cover military pay raises. The budget proposes a military pay raise of 3 percent, effective July 1, 1985. The defense figures also include a 5-percent civilian pay reduction effective January 1, 1986, which amounts to a reduction of $1.1 billion.

The outlays estimated in the accounts covered in the annual Defense appropriations bill total $270.1 billion for fiscal year 1986 as compared with $238.0 billion in fiscal year 1985 to date. The $32.1 billion increase in outlays in fiscal year 1986 equates to a 13.5 percent increase which exceeds the 10.8 percent increase projected in budget authority. Even with this increase in outlays, unexpended balances will continue to grow in the various Defense accounts.

The budget authority increase in fiscal year 1986 over fiscal year 1985 for the Defense bill alone, is distributed by military service as follows:

[In billions of dollars]

	Fiscal year 1985	Fiscal year 1986	Increase
Army	$70.7	$78.2	+$7.5
Navy	93.4	102.0	+8.6
Air Force	96.7	107.1	+10.4
OSD/Defense agencies	13.1	16.5	+3.4

Another interesting comparison is the budget authority increase in fiscal year 1986 over fiscal year 1985 for the Defense bill alone as distributed by appropriation accounts:

[In billions of dollars]

	Fiscal year 1985	Fiscal year 1986	Increase	Percentage increase
Operation and maintenance	$77.5	$82.4	+$4.9	+6.3
Procurement	97.1	106.8	+9.7	+10.0
Research, development, test and evaluation	31.2	39.3	+8.1	+26.0

The above figures emphasize the trend toward large growth rates in the investment accounts (procurement and RDT&E) while the operation and maintenance accounts receive much smaller increases. This situation will result in the need to provide large amounts of funds in the outyears to pay for these major weapons systems resulting in less funding availability for the troops in the field and other readiness programs. Readiness will have to suffer further in order to finance this bow wave of new weapons systems coming on line in future years.

MILITARY PERSONNEL

Overall funding for active and reserve manpower requirements increases by about $5 billion to a total of $73.4 billion for fiscal year 1986. A summary table follows:

SUMMARY OF BUDGET REQUEST FOR ACTIVE AND RESERVE FORCES

[In millions of dollars]

	Fiscal year 1985—			Fiscal year 1986	Change
	Enacted	Supplementals and transfers	Total fiscal year 1985		
Active Forces	59,056	1,377	60,433	64,339	+3,906
Reserve Forces	7,840	60	7,900	9,086	+1,186
Total	66,896	1,437	68,333	73,425	+5,092

Included in the above amounts for military personnel are their pay and allowances, payments to the military retired pay fund, plus the funds required to move personnel between duty stations and the funds needed to provide subsistence to enlisted personnel.

The major increases in the military personnel budget result from the 26,000 increase in active duty end strengths and 47,000 increase in reserve component end strengths. There are also increases resulting from annualization of the fiscal year 1985 pay raise and new initiatives on the part of the Defense Department concerning special and incentive pay, bonuses, and permanent change of station [PCS] travel reimbursements.

The Department has provided for a 3-percent military pay raise effective July 1, 1985, within the Defensewide contingency portion of the overall budget request. If approved, this pay raise would add $450 million in fiscal year 1985 and $1.8 billion in fiscal year 1986 above amounts required under current military pay rates.

SUMMARY OF ACTIVE DUTY END STRENGTH

[In thousands]

	1985 authorization	1986 request	Change fiscal year 1985 to fiscal year 1986
Army	781	781	0
Navy	571	586	+15
Marine Corps	198	199	+1
Air Force	602	612	+10
Total, Defense active duty	2,152	2,178	+26

End strength for active duty forces is proposed to increase by approximately 26,000 in fiscal year 1986 to a total of 2,152,000. Retention and recruiting experience in recent years has been excellent. End strength goals have been achieved and quality has improved. Even with the pay raise being capped at 4 percent for fiscal year 1985, the military departments still anticipate achieving their 1985 strength goals. Important issues to be addressed for fiscal year 1986 are the need for increases in military compensation and the advisability of increasing the number of military personnel, especially in light of administration efforts to reduce the deficit. It should be noted that while the administration proposes a 3-percent pay increase for military, they also propose a 5-percent reduction in civil service pay.

SUMMARY OF GUARD AND RESERVE END STRENGTH

[In thousands]

	Fiscal year 1985 authorization	Fiscal year 1986 request	Change fiscal year 1985 to fiscal year 1986
Army Reserve	286	301	+15
Navy Reserve	129	142	+13
Marine Corps Reserve	42	43	+1
Air Force Reserve	75	77	+2
Army National Guard	438	450	+12
Air National Guard	108	111	+3
Total Guard/Reserve	1077	1124	+47

End strength for the Guard and Reserves is proposed to increase by 47,000 to a total of 1,124,000 for fiscal year 1986. The proposed increases result from additional full-time support personnel, additional individual mobilization augmentees and additional paid drilling reservists.

One of the major issues to again be addressed in fiscal year 1986 is the number of and management of full-time support personnel, both Active Guard/Reserve [AGR] and military—civilian—technicians.

OPERATION AND MAINTENANCE

In the operations and maintenance area, the budget requests $82.5 billion in fiscal year 1986, an increase of $5 billion or 6.4 percent above the $77.5 billion already appropriated for fiscal year 1985. In addition, the administra-

tion has announced that it will be requesting a fiscal year 1985 supplemental totaling $721 million for civilian pay increases taking effect January 1, 1985. In real terms, the fiscal year 1986 request for O&M is up 6.1 percent. In actual purchasing power, this is larger than any amount since the final year of World War II when we had over 12 million troops in combat all over the globe. In fiscal year 1986, DOD will have only 2,178,000 military personnel on active duty.

These appropriations finance the costs of operating and maintaining the Armed Forces, including the Reserve components and related support activities of the Department of Defense, except military personnel costs. Included are amounts for pay of civilians, contract services for maintenance of equipment and facilities, fuel, supplies, and repair parts for weapons and equipment. Financial requirements are influenced by many factors, including force levels such as the number of aircraft squadrons, Army or Marine Corps divisions, installations, military strength and deployments, rates of operational activity, and quantity and complexity of major equipment—aircraft, ships, missiles, tanks, et cetera—in operation.

The budget as proposed for fiscal year 1986 provides day-to-day support to meet the higher levels of readiness being recommended. For example, major increases include $264 million for flying hours in all services, $400 million for Army force modernization, $450 million for support to the Reserve components, $250 million in airlift/sealift operations, $230 million for ship modernization, $172 million for space support increases, and $325 million for logistics support programs. Despite these increases, the continuing need to improve the readiness of our military forces is not uniformly reflected throughout the operation and maintenance accounts. For example, at a time when the investment appropriations are increasing at twice the rate of real growth of the operating accounts, the backlog of maintenance and repair of real property increases in fiscal year 1986 and depot maintenance funding remains roughly level with the number of ship overhauls decreasing from 55 in fiscal year 1985 to only 35 in fiscal year 1986.

One of the areas that is an indicator of the readiness of our military forces is flying hours. It is noted that in fiscal year 1986, Army flying hours will increase by approximately 100,000 hours. Also it is noted that the Navy flying hour program will increase by 100,000 while the Air Force flying hour program will grow by 80,000 hours. Although the Congress traditionally has supported increases in flying hours as being real contributions toward military readiness, such substantial increases for the Navy and the Air Force must be viewed in the perspective that in fiscal year 1985 the Department of Defense suggested that reductions could be made to both the Navy and Air Force flying hour requests since they would not be able to use the money to fly the programs originally included in the President's budget request.

The proposed fiscal year 1986 budget includes a reduction of 5 percent, or $1.1 billion, in civilian manpower pay. While the budget reflects this reduction, it will be the responsibility of Congress to approve this pay cut.

There is clearly a concern about the quality of health care for military personnel. However, during this time of budget austerity, Congress will be scrutinizing all requests for additional health care appropriations for their reasonableness and financial implications.

The Department of Defense has requested an additional 19,000 civilian manpower spaces, 10,000 of which are for Air Force needs. These spaces will support maintenance and readiness functions throughout the Department. With this increased manpower and the elimination of end strength ceilings, the committee anticipates a more cost effective use of resources, increased productivity and readiness.

The operation and maintenance budget also includes an increase of $531 million reflecting the revised definition of what is an expense item which may be funded in the O&M accounts as opposed to an investment item to be funded in the procurement accounts. While judgment will be reserved on this until a more detailed explanation can be received during the course of hearings, it appears questionable at this time as to the wisdom of permitting an operating account to purchase a multimillion-dollar item and label it as an expense as opposed to a capital investment.

STOCK FUNDS

In fiscal year 1986 the Department is requesting a total of $1.9 billion for stock funds in the Department of Defense. This is $306 million higher than enacted in fiscal year 1985. These funds provide for repair parts and supplies for peacetime as well as wartime operations and are critical to our capability to sustain our military forces over protracted conflicts, as well as to provide adequate training during peacetime.

PROCUREMENT

The proposed fiscal year 1986 procurement budget is $106.8 billion, an increase of $9.7 billion or 10 percent over the $97.1 billion made available in fiscal year 1985. For the fourth year in a row, the increase for procurement again represents the largest increase of any category in the new Defense budget. The increase is in addition to the 26.4-percent increase in fiscal year 1981 over fiscal year 1980, the 30.5 percent increase in fiscal year 1982 over fiscal year 1981, the 23.5-percent increase in fiscal year 1983 over fiscal year 1982, the 6.5-percent increase in fiscal year 1984 over fiscal year 1983, and the 12.1 percent increase in fiscal year 1985 over fiscal year 1984. An additional $1.5 billion in prior year unobligated balances is available for fiscal year 1985 MX missile procurement if Congress approves authorization and appropriation legislation this year.

The fiscal year 1986 budget continues the trend, begun in fiscal year 1982, of procurement appropriations surpassing the operation and maintenance appropriations as the largest category in the budget. In fiscal year 1986, procurement is 35 percent of the budget while O&M is 27 percent of the budget.

The fiscal year 1986 budget proposes to delete a separate appropriation for Guard and Reserve equipment procurement which the Congress has provided for the past several years.

The Air Force procurement budget is 44 percent of the total, about the same percentage as the fiscal year 1985 budget submission. This reflects the administration's emphasis on strategic programs like the B-1 bomber and MX missile. To put this into perspective, the amount included just for the B-1 and MX is greater than the total of any of the Army procurement appropriations; it is more than three times the total for Army ammunition, and five time the total for all Marine Corps procurement. Budgeted appropriation totals in fiscal year 1986 show an actual decrease from the fiscal year 1985 levels for Aircraft procurement, Army, procurement of ammunition, Army, shipbuilding and conversion, Navy, procurement, Marine Corps, and aircraft procurement, Air Force.

The budget proposes to start six multiyear procurement programs: M-1 tank fire control system, M-1 tank engine, T-700 series helicopter engines, LHD ships, P-3 Orion patrol aircraft, and MK-46 torpedoes.

ARMY PROCUREMENT

The Army consumes 20 percent of the procurement budget in fiscal year 1986, a total of $21.4 billion. This is an increase of $2 billion, or 10 percent over the amounts made available in the current fiscal year.

The Army aircraft procurement budget if $3.9 billion, a decrease of $48.4 million from last year. The total number of aircraft to be procured is 240, including 18 EH-60A quickfix helicopters, 144 AH-64 attack helicopters, and 78 UH-60A Blackhawk helicopters. This compares with a total of 280 aircraft funded last year. The aircraft spares and repair parts budget goes from $675.9 million to $949.7 million, a 40 percent increase.

The Army missile procurement budget is $3.4 billion, an increase of

$219.7 million, or 7 percent over last year. Over 103,000 missiles are budgeted, compared with about 70,000 in the current year. Included in the budget are 585 Patriot air defense missiles, 3,439 Stinger missiles, 6,576 Laser Hellfire air-to-surface missiles, 20,100 TOW antitank missiles, and 300 Chaparral missiles. The budget also includes a continuation of the multiyear contract for the multiple launch rocket system, with 72,000 rockets to be procured.

The budget for procurement of weapons and tracked combat vehicles is $5.7 billion, an increase of $1.2 billion, or 26 percent over last year, the largest increase of any of the Army procurement appropriations. Over 2,400 tracked combat vehicles are budgeted, compared to about 2,100 funded in the current fiscal year. The new budget provides for procurement of 716 Bradley fighting vehicles, and 840 M-1 tanks. The budget also provides for procurement of command post carriers, armored personnel carriers, artillery ammunition support vehicles, and recovery vehicles. For weapons and other combat vehicles, the budget provides $834 million, more than double the amount in the current year. Initial procurement is proposed for a new 120mm mortar. The budget provides for procurement of 117 Sergeant York [DIVAD] air defense systems.

The Army ammunition procurement budget is $2.6 billion, a decrease of $11.3 million from last year. Initial production is again proposed for the GB-2 binary chemical artillery projectile. A chemical demilitarization program is also funded. The budget for production base support increases from $280.6 million to $368.4 million, with a portion of the increase going to chemical weapon production facilities and RDX/HMX explosive manufacturing facilities.

The other procurement, Army budget is $5.7 billion, an increase of $590.3 million or 11 percent. The increase for electronic and telecommunications equipment is $876 million, compared to a $119 million increase in other support equipment, and a decrease of $405 million in tactical and support vehicles.

NAVY PROCUREMENT

The Navy procurement request of $37.4 billion represents nearly 35 percent of the total procurement budget in fiscal year 1986. This increase of $3.2 billion, or 9 percent from the amounts made available in the current fiscal year.

The Navy aircraft procurement budget is $12.1 billion, an increase of $1.2 billion, or 11 percent over last year. The total number of aircraft to be procured is 322 compared with 299 funded the current year. Overall, the aircraft budget includes the procurement of 6 A-6E and 12 EA-6B aircraft, 46 AV-8B V/STOL aircraft for the Marine Corps, 84 F-18 aircraft, 18 F-14 aircraft, 14 CH-53E heavy lift helicopters, 11 AH-1T Sea Cobra helicopters, 18 SH-60B Seahawk helicopters, 9 P-3C Orion aircraft, 6 E-2C Hawkeye aircraft, 6 SH-2F antisubmarine warfare helicopters, 8 C-2 COD aircraft, 12 F-16 Adversary aircraft, 2 E-6A TACAMO aircraft, 38 T-34C trainer aircraft, 9 VH-60 helicopters, and 12 UC-12B/CX airlift aircraft. The aircraft modification budget increases from $1.7 billion to $1.9 billion, and the spares and repair parts budget remains $1.5 billion.

The Navy request for procurement of weapons is $5.6 billion, an increase of $1.3 billion, or 29 percent, over the amount provided for last year—$528 million is requested for procurement related to preparation for production in future years of the new Trident II ballistic missile. A total of 249 sea-launched Tomahawk cruise missiles are requested, up from the 180 provided last year. The total number of tactical missiles, which includes a variety of airborne and shipborne weapons, is requested to rise by 41 percent, from the 6,600 total units funded last year to 9,300 units in the current budget. There also is a 10-percent increase in funding for torpedoes and other related equipment, a category which includes $417 million for procurement of the MK-48 ADCAP torpedo.

The shipbuilding and conversion budget is $11.4 billion, a decrease of $324.4 million, or 3 percent from last year. A total of 40 vessels—new construction, conversion, and major craft—are included in the budget request, which includes the procurement of 1 Trident submarine, 4 SSN-688 attack submarines, 3 Aegis cruisers, 2 LSD-41 landing ships, 1 LHD-1 amphibious assault ship, 4 mine countermeasures ships, 4 MSH-1 coastal mine hunters, 2 T-AO fleet oilers, 2 Surtass ships, 1 AG sound barge, and 12 LCAC landing craft.

The other procurement, Navy budget is $6.6 billion, an increase of 23 percent over last year. The increase is spread across the entire spectrum of budget activities in this multifaceted appropriation.

The Marine Corps procurement budget is $1.7 billion, a decrease of $109.9 million, or 6 percent from last year. Increases are included for ammunition—8 percent—guided missiles and equipment—9 percent—communications and electronics—14 percent—engineering and other equipment—7 percent—and support vehicles—11 percent. These are offset by a large decrease in weapons and tracked combat vehicles.

AIR FORCE PROCUREMENT

The Air Force consumes 44 percent of the procurement budget in fiscal year 1986, a total of $46.6 billion. This is an increase of $4.6 billion, or 11 percent over the amounts made available in the current fiscal year. The Air Force consumes the largest portion of the procurement budget, a fact accounted for in large measure by the procurement programs for the MX missile, tactical fighter aircraft, and the B-1B bomber.

The Air Force aircraft procurement budget is $26.2 billion, which is $22.8 million less than appropriated last year. This appropriation is the largest of all procurement appropriations, more than twice any other. The new budget provides for procurement of 357 aircraft, an increase from the 286 funded in the current year. A total of $5.5 billion is included for procurement of the last 48 B-1B aircraft, which is $1.6 billion less than last year due to previous advance procurement funding. The only new Air Force aircraft in the 1986 budget is the HH-60 helicopter, of which 3 are budgeted. Most other aircraft are funded at higher quantities than last year. These include 48 F-15 aircraft, 180 F-16 aircraft, 12 KC-10 tanker aircraft, 1 MC-130 special mission aircraft, 16 C-5B cargo aircraft, 8 C-20 airlift aircraft, 33 T-46 trainer aircraft, and 8 TR-1/U-2 aircraft. The aircraft modification program decreases by 5 percent to $2.9 billion. Major programs in this category include the B-52 bomber, tactical aircraft, cargo aircraft, tanker aircraft, and the Civil Reserve air force [CRAF]. The aircraft spares budget decreases 7 percent to $4.9 billion due primarily to savings that have resulted from spare parts acquisition reforms.

The Air Force missile procurement budget is $10.9 billion, an increase of $4.0 billion, or 57 percent over the amount appropriated last year. Even if the Congress votes this spring to release $1.5 billion of prior year funds for the MX missile, the growth in this appropriation would still be 36 percent. The budget includes $3.0 billion for 48 MX missiles, which accounts for the largest portion of the increase. The budget proposes to initiate Air Force procurement of the powered GBU-15 glide bomb, and includes initial procurement funding for the new medium range air-to-air missile. Also, the budget includes 95 ground launched cruise missiles, 3,500 Maverick missiles, 1,715 HARM missiles, 425 Sparrow missiles, and 800 Sidewinder missiles. Modification of missiles decreases by 17 percent to $134.5 million while missile spare and repair parts increase by 5 percent to $539.3 million. Other support programs increase by 11 percent to $4.2 billion. This category includes a number of space programs. The budget proposes continued funding of $98 million for the space defense system.

The other procurement, Air Force budget is $9.5 billion, an increase of

$676 million, or 8 percent over last year. The munitions and associated equipment budget increases by 30 percent to $1.6 billion. The budget for vehicular equipment remains the same at about $340 million. Electronics and telecommunications equipment increases by 23 percent to $2.8 billion, and other base maintenance and support equipment decreases by 4 percent to $4.8 billion.

DEFENSE AGENCIES

Defense agencies procurement, which represents about 1 percent of the total DOD procurement budget, totals $1.4 billion in the fiscal year 1986 budget. This is an increase of $226 million, or 19 percent over the fiscal year 1985 level. Funding of procurement items for OSD, Defense Nuclear Agency, Defense Communications Agency, Defense Logistics Agency, Defense Intelligence Agency, and other intelligence and related agencies are included in this appropriation.

DEFENSE PRODUCTION ACT PURCHASES

The budget includes an appropriation request of $59 million for Defense Production Act purchases, an increase of about 500 percent from the $10 million provided in fiscal year 1985.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

The fiscal year 1986 budget request for RDT&E of $39.3 billion is $8.1 billion more than was provided for this purpose in fiscal year 1985. This is a 26 percent increase over last year. In constant dollars, the 1986 RDT&E budget shows a 20-percent real growth over the 1985 appropriation, when the administration's projected defense inflation rate of 6 percent is considered. Within the overall RDT&E program, the budget request for basic research and advanced development is up 47 percent in constant dollars over last year, strategic programs are down 3 percent, tactical programs are up 25 percent, intelligence and communications are up 22 percent, and program support is up 9 percent.

The budget includes a total of $3.7 billion for continuation of the strategic defense initiative [SDI], an increase of 164 percent over the $1.4 billion provided last year. The requested sum is the second installment of a 5-year, $26 billion program intended to determine whether it is feasible to develop a defense against strategic ballistic missiles.

In strategic programs, ICBM modernization includes $804 million to continue MX and $625 million to continue the small ICBM. The Air Force has also requested $367 million for continued development of the B-1 bomber, although fiscal year 1986 is the last year for production funding of that aircraft. The Navy budgeted $2.2 billion for the Trident II missile system, and projects that $1.7 billion will be required in fiscal year 1987 for that program.

Major Army tactical programs being continued include antitactical missile—$63 million—light helicopter experimental—$76 million—and advanced antitank weapon—$81 million. The Navy budget request includes continuation of such tactical programs as JVX—$604 million—DDG-51—$101 million—and advanced light weight torpedo—$168 million. Air Force tactical programs being continued include C-17—$454 million—advanced medium range air-to-air missile—$101 million—and advanced tactical fighter—$243 million.

New starts requested for fiscal year 1986 include the Army's air mobility support—$15 million—the Navy's space technology—$14 million—and the Air Force's infrared search and track system—$24 million.

As in previous years, the Air Force is budgeted to receive the largest portion of DOD's RDT&E funds. This year, the relative shares are: Air Force, 40 percent; Navy, 29 percent; Defense agencies, 18 percent; Army, 13 percent.

INTELLIGENCE AND COMMUNICATIONS

The budget request for intelligence, tactical intelligence and related activities, and communications contains significant increases for a number of programs. To a great extent these increases are a continuation of initiatives started in recent years. While some new programs are proposed, the budget request continues to reflect acceptance by the Department of Defense of the need to moderate the initiation of new programs in order to adequately fund existing programs.

In the area of communications, command and control, significant increases are requested in a number of programs, including the following:

Program:	*Funding requested*
SINCGARS radios (proc.)	$231,300,000
Mobile subscriber equipment (proc.)	335,300,000
ECX aircraft (proc.)	400,200,000
MILSTAR RDT&E	477,800,000

A BILL TO CLARIFY THE POWER OF THE FERC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ROBINSON] is recognized for 5 minutes.

Mr. ROBINSON. Mr. Speaker, recently a FERC administrative law judge ruled that Arkansas must pay part of the cost for a nuclear plant in another State. Never before has the FERC decided that the people of any State must purchase power from, or pay for unneeded power from an out-of-State powerplant. The need for domestic power has always been within the sovereign power of each State.

Our Public Service Commission which is statutorily charged with the responsibility of making such determination was never asked for, nor did it even give approval for such a plan. Congress clearly never intended for the FERC to interfere with the rights of the States to regulate such matters. Section 201(a) of the Federal Power Act sets the jurisdictional boundaries of the FERC, providing that its regulation shall extend "only to those matters * * * not subject to regulation by the States" and further, "shall not have jurisdiction * * * over facilities used for the generation of electric energy * * *" The legislative history of the Federal Power Act clearly states that Congress, in formulating the act, intended only to fill the existing gaps in the regulatory scheme; it did not intend to remove traditional State regulatory authority.

Large corporations, small businesses, and farms are vital to the economy of Arkansas and this case threatens the existence of our State's industrial base. Also it threatens the survival of our elderly and less fortunate citizens who cannot afford any increase in utility rates. This case could very well be the single greatest threat to the people of Arkansas.

Congress must regain control of the Federal bureaucracy. Once again a nonelected law judge has usurped the powers, we the Congress, gave him. If this ruling stands the law judge in effect has abolished the Pubic Service Commission concept in all 50 States.

My bill clarifies Congress' original intent as to the power of the FERC. Mr. Speaker, I include the text of my bill for the information of my colleagues:

H.R. 931

A bill to amend the Public Utility Holding Company Act of 1935 and the Federal Power Act to clarify the respective regulatory authorities of Federal and State agencies respecting certain transactions by electric utility companies

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. STATE APPROVAL OF CERTAIN ELECTRIC UTILITY TRANSACTIONS.

(a) ISSUANCE OR SALE OF SECURITIES, ETC. BY UTILITY.—Section 10(q) of the Public Utility Holding Company Act of 1935 is amended by inserting "(1)" after (g) and by adding the following new paragraph at the end thereof:

"(2) Whenever any declaration is filed under this section by an electric utility or by any associate company with respect to any act enumerated in section 6(a), if such act (or any transaction related to such act) could affect the costs of electric energy sold by such electric utility to retail customers, the Commission shall—

"(A) notify each State commission having ratemaking authority over sales of electric energy by the electric utility to its retail customers;

"(B) transmit a copy of such declaration (and all related materials received by the Commission) to the State commission; and

"(C) provide an adequate period for the State commission to determine it approves of such enumerated act.

For purposes of paragraph (1), State laws applicable to an act enumerated in section 6(a) shall not be treated as having been complied with by an electric utility or by any associate company unless each State

commission having ratemaking authority over sales of electric energy by the electric utility to retail customers has approved the enumerated act concerned or notified the Commission that no State laws are applicable to that act.".

(b) EXEMPTIONS.—Section 3(d) of such act is amended by adding the following at the end thereof: "No exemption may be granted by the Commission with respect to the requirements of section 10(g)(2).".

SEC. 2. EFFECT OF FERC RATEMAKING DECISIONS ON STATE REGULATORY AUTHORITIES.

Section 201 of the Federal Power Act is amended by adding the following new subsection at the end thereof:

"(g) PASS THROUGH OF COSTS APPROVED BY FERC.—If a State commission has jurisdiction under State law over rates and charges for sales of electric energy by any public utility to consumers within a State or municipality, nothing in this Act shall be construed to prohibit such State commission from—

"(1) examining any rate or charge which is applicable under this part to electric energy purchased by such public utility from any other public utility subject to the jurisdiction of the Commission; or

"(2) making a determination, for purposes of establishing the rates and charges for the resale of such electric energy to such consumers, not to take into account all or part of any such rate or charge which is in effect under this part.".

SEC. 3. SYSTEM FOR ALLOCATION OF COSTS AMONG PUBLIC UTILITY HOLDING COMPANY SYSTEMS.

Section 205 of the Federal Power Act is amended by adding the following new subsection at the end thereof:

"(g) STATE APPROVAL OF COST ALLOCATIONS AMONG PUBLIC UTILITY HOLDING COMPANY SYSTEMS.—(1) the Commission may not fix, or permit to take effect, any rate or charge under this Act applicable to the purchase of electric energy—

"(A) by any associate company of a public utility holding company system required to be registered under the Public Utility Holding Company Act of 1935,

"(B) from any other associate company of such system unless each State commission having ratemaking authority over sales to consumers of electric energy by the associate company referred to in subparagraph (A) has approved such rate or charge.

"(2) For purposes of this subsection, the terms 'holding-company system' and 'associate company' shall have the meanings provided by section 2 of the Public Utility Holding Company Act of 1935.".

□ 1240

FIRST PACIFIC CAUCUS OF PARLIAMENTARIANS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Mrs. BURTON] is recognized for 5 minutes.

● Mrs. BURTON of California. Mr. Speaker, I recently attended the First Pacific Caucus of Parliamentarians—Strengthening International Parliamentary Consultation on Atlantic and Pacific Issues. At the conference an excellent speech was delivered by Walter E. Hoadley, an American economist. While I do not agree with everything in the statement, I was greatly impressed with Mr. Hoadley's analysis of the Pacific region's economic status.

The text of his speech, entitled "World Economy and the Pacific Region" follows:

THE WORLD ECONOMY AND THE PACIFIC REGION

This is an historic gathering. Elected legislative officials from Atlantic and Pacific nations for the first time are meeting together. I commend the leaders of the Pacific Forum and The Atlantic Council of the United States for arranging these sessions in the interest of better global public understanding, economic improvement, and peace.

It is extremely difficult for most people to grasp much meaning in such broad concepts as the World economy or the Pacific Region. Unless we try to do so, however, we fail to realize our rising economic interdependence—opportunities and risks—with other peoples beyond our normal range of vision and contact.

I want to identify my biases at the outset. My perspective as an American economist reflects experience in the profit, private non-profit, and public sectors. I am sometimes known as a "crisis" forecaster. This is not because I favor or enjoy crises, but because long ago I came to realize that most very difficult public decisions are deferred and debated almost endlessly until a crisis forces action. Therefore, I often find it practical for policy-making purposes to pursue major problems mainly in terms of economic reality and the political urgency to resolve them.

It is my conviction that all sectors have to be involved to achieve effective enduring results. The key to real economic gains, in my opinion, lies in private profitable investments made in an encouraging governmental environment. General monetary, fiscal, and regulatory policies always will be vital in guiding the future course of the economy, but the initiative of entrepreneurs, especially at the local community level will be the ultimate source of sustainable economic growth.

The Pacific Region has become widely recognized in recent years as having greater economic promise, at least for the next several decades, than any other region in the world. Glowing reports and forecasts abound to support this very positive image.

Pacific prospects are indeed very encouraging, but no regional economy can prosper for long in isolation. The Pacific Region (excluding the U.S. and Canada) comprise roughly 20 percent of the world economy and, therefore, can hardly control its own destiny in global affairs. Nevertheless, the relatively "open" Asian economies should do well.

Research has established fairly clearly that a worldwide annual real growth rate of at least three to four percent is necessary to promote vigorous trade and development across nations. Whenever the growth rate falls below this minimum, as in 1981 and 1982, widespread global stagnation occurs and deepens in developing nations.

For perspective in pursuing our interregional discussions, it should be well noted that global unemployment increasingly threatens to reach crisis proportions over the years ahead. The worldwide unemployment rate now is probably 30 to 35 percent. Labor force estimates received at the recent Congress of the International Chamber of Commerce in Stockholm place the number of new jobs needed across the world by the end of the century as close to one billion. One third of these new jobs must be found in the Pacific Region, no easy task regardless of current relatively low prevailing unemployment rates.

Unless the world economic growth rate is well maintained and substantial new employment actually generated, the potential for national, regional, and global political, social, and economic instability can only increase.

My latest canvass of views of responsible economic forecasters and my own judgment indicate that near-term economic prospects are mixed, but positive. However, they provide no basis for complacency.

The world's total output is currently at an annual rate of about $13 trillion. In 1984, global real growth was roughly 4.5% and is projected to be 3.5% in 1985, mainly because growth will be slowing in the United States and Japan. Growth in the Pacific Region, which averaged 5.5% in 1984, also is expected to be slightly lower, around 5% in 1985.

The global inflation rate last year averaged close to 15 percent in 1984 and will drop to roughly 13 percent in 1985. This will be due mainly to projected lower fuel costs and continued weak agricultural and other commodity prices. The Pacific Region has long achieved a relatively low inflation rate, e.g. 4.5% in 1984, which seems likely to be maintained during the year ahead.

Inflation control, a major objective throughout most of the industrialized nations in recent years, has been pursued by tight monetary and constrained fiscal policies. As governments have competed with their private sectors for funds, higher interest rates have persisted and slowed economic growth.

The Pacific Region is by no means an economy of monolithic nations. Diversity is one of the region's greatest strengths and necessitates vigorous trade. Size and development pace vary considerably. Japan, of course, dominates the region, accounting for half of the total output. Japan is an obvious global economic tower of strength, but the so-called "Japan problem" persists. This concerns large trade surpluses, and long-standing reluctance to assume global political and capital responsibilities commensurate with economic achievements.

The People's Republic of China is now roughly one-fourth the economic size of Japan; Korea in turn is about one-fourth the size of the PRC; and Hong Kong is approximately one-third the size of the Korean economy.

The most dynamic job creating nations in the Asia/Pacific Region are Japan and the new industrial nations (i.e. NICS—Korea, Taiwan, Hong Kong, and Singapore). Canada, Australia, and New Zealand have moved away from old ties to the United Kingdom and expanded trade, but Australia and New Zealand are less competitive and have debt and fiscal deficit problems. The ASEAN countries (Brunei, Indonesia, Malaysia, Philippines. Singapore, and Thailand) have achieved considerable economic progress individually and as a loosely knit economic group.

Financial clouds in the Pacific Region now hang heaviest over the Philippines, Indonesia, and Thailand for political and social as well as economic reasons.

In general, the Pacific nations reflect Asian cultures and are marked by above average savings, quality managements and products, and considerable adaptability to changing export markets and goods. With rising fears of protectionism overseas, many Pacific countries are now moving to give higher priority to expanding their own domestic demand, mobilizing savings for domestic investment, and seeking more foreign direct investment.

Entrepreneurship in a positive governmental climate repeatedly proves to be the

strongest force for economic growth, jobs, and development. The United States has had 600,000 new businesses start during the past year in contrast to 70,000 in all of Western Europe with about the same population. No comparable data are available for the Pacific Region, but the number of new businesses clearly exceeds the European level. Venture capital has been abundant in the U.S. and liberal tax laws have added strong motivation.

Asian returnees from temporary Mid-East work assignments have demonstrated many distinct entrepreneurial tendencies as they have put their overseas earnings to work in business and farm ventures in their home lands.

A realistic appraisal of the outlook for the World and Pacific Regions focuses attention upon a number of developments with crisis potentials:

1. The global financial system seems to have weathered the worst of the developing nations' outstanding debt problems reasonably well. Restructuring loans to more realistic maturities and terms, falling interest rates, and expanding international trade have all assisted materially.

A major problem, however, remains. This concerns the steady drying up of new funds to developing nations in the Pacific and elsewhere. This may not be surprising in light of widespread public criticism of banks for lending overseas, loan losses, and new regulations limiting new credit extensions.

In addition, corporations paralleling the banks have become much more restrictive on advancing funds to foreign customers. As a result, it now frequently requires more cash or credit plus collateralized and documented procedures to complete overseas transactions than previously. Official lenders, e.g. World Bank and Regional Development Banks, do not have adequate funds to fill private sector deficiencies.

Accordingly, I can foresee a crisis 18–36 months ahead when a number of developing countries simply will run out of liquidity and funds to keep their economies moving forward. Past experience suggests that a 5 to 10 percent annual increase in external funding to LDC's is usually required to promote sufficient development to insure political and social stability. At present, the flow of new funds into the Third World is well below the traditional level.

High interest rates are always a deterrent to healthy economic growth. A decade ago, when the world was flooded with short-term funds from excessive monetary expansion, recycling of OPEC revenues, and sluggish private demand, interest rates were relatively low. Moreover, most borrowers paid about the same level of rates, reflecting the intense competition among lenders for loans.

More recently, after adverse loan collection experiences, lenders have readjusted upward rates to reintroduce differences in credit risks as well as industry and political risks. These developments account for the much higher prevailing basis level in interest rates than a decade ago, and probably foreshadow limited future declines in international lending rates to developing nations.

The U.S. dollar has appreciated more than 50 percent during the first half of the 1980's. Some correction to a lower value is to be expected on economic grounds. But, this is by no means exclusively a narrowly economic question of correcting adverse U.S. international trade and capital balances.

Put simply, the profit rate of return on U.S. dollar investments averages higher than on most others. Moreover, the return in the Asia/Pacific region is commonly well above that in Europe. When capital flight considerations to the U.S. dollar for safe political haven are added, it becomes clear that the value of the dollar is likely to remain rather high until such time as profitability and confidence in the U.S. begin to deteriorate. Also, vast technical and liquidity problems would have to be resolved to accommodate any possible massive flight from the U.S. dollar—as well as to which currency? So little immediate dollar value relief to developing nations to pay their bills is to be expected soon. The strong dollar, however, will continue to favor LDC sales of goods to U.S. buyers. The U.S. dollar will remain an economically treacherous currency and crisis prone for some considerable time ahead.

Leaders in a number of developing countries are now well aware that they cannot count nearly as much on new debts to finance development as in the past. They seem more willing to consider new foreign equity investments. This turn of events open an opportunity for some negotiations of enormous potential importance and should not be lost by inertia.

More private overseas investments cannot be expected to occur in volume until a clear-cut encouraging environment is assured. Very likely some entirely new guarantee or insurance mechanisms probably will be required. A few new good success stories of LDC-multinational corporate investments could spark a major wave of new development over the years ahead.

2. The most dynamic economies of the world and the Pacific Region consistently are marked by their vigorous pursuit of market-oriented economic policies. Some practical problems arise, however, as more and more *market-oriented* enterprises and nations face competition with *others who don't follow the same principles.* In theory, the superiority of market freedom and rewards should prevail and erase the issue. In the long run, this should be true. In practice, however, competition is real intense, with many government owned plants and companies around the world which ignore markets, costs, and profits, and simply produce and sell almost solely to preserve jobs. This is commonly seen by "market" organizations as uneconomic or unfair competition and provides a basis for serious protectionist sentiments. Better ways must be found to mesh the market and non-market systems or else trade wars may well erupt.

150 U.S. industries now have protectionist bills pending in the U.S. Congress.

3. International economic programs and policies hold little interest for most United States voters. Americans repeatedly demonstrate their desire to offer generous disaster assistance to the world's underprivileged, but have grave doubts about the wisdom of more U.S. funding of world official lending bodies or most foreign governments. Persistent sting'ing criticisms of the U.S. from abroad have reached the point where a majority of Americans now feel that no U.S. foreign economic policy or programs can please foreigners, or at least American money will be wasted or fall into unfriendly hands.

History warns that provincialism and protectionism reinforce emotional public anti-foreign feelings, cause resentment overseas and inevitable retaliation, and can lead to trade wars which always pose a threat of shooting wars.

More programs to demonstrate clearly and personally to Americans that our nation is growing increasingly interdependent with the rest of the world and the Pacific Region in particular are urgently needed. Overseas commentators would do well to be more sensitive to the practical negative consequences of their anti-American comments.

Americans, in turn, should note that our global leadership requires some special foreign policies and actions to win respect, but admiration should not always be expected. We cannot realistically hope as Americans to enjoy the benefits of world or regional leadership without incurring ongoing costs and responsibilities.

4. A delicate but critically important subject which is gradually getting more public attention concerns new massive migrations of people across borders in search of opportunity or safety. Included are large numbers of young graduates who refuse to return to their native lands after education in the U.S. or elsewhere. No easy solution is to be expected, but more open discussions among those involved are essential to try to ward off dangerous tensions and conflicts. Few nations are prepared politically or logistically to deal with the potential numbers involved.

5. Statistics are to be found at the root of most economic policy conflicts between nations. Too often economic statistics are used far too narrowly or precisely to prove or disprove a point. Frankly, our present global and national statistical systems have numerous shortcomings and need careful review and remedial action which will involve some expense. To ignore this matter is to invite more conflicts because of misinformation or lack of information. As an example, the "errors and omissions" item in the global payments statistics is now more than $100 billion which could suggest that at least some adverse international balances may reflect poor statistics as much or more as poor performance.

I make no appeal for a grand design of international economic strategy across the Pacific or with the Atlantic community. Rather, I sense a strong need for leaders and voters in both regions to become more aware of these and no doubt other looming crises as a first step in resolving them. At the outset, more emphasis needs to be placed on small problems or segments of larger ones which can be handled more readily and which give promise of successful resolution.

This first caucus of parliamentarians is an excellent start. The size and scope of the group give promise of fair and constructive consideration of pressing problems, careful identity of policy options, and a genuine willingness to go home and take some positive actions to prevent these looming crises from becoming real ones.●

TRIBUTE TO JOHN W. BYRNES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KASTENMEIER] is recognized for 60 minutes.

Mr. KASTENMEIER. Mr. Speaker, I take this time in conjunction with my colleague from the Eighth District of Wisconsin [Mr. ROTH] to pay honor to the memory of one of Wisconsin's most distinguished public citizens, a gentleman who served in this body for 28 years, John W. Byrnes.

John Byrnes died on January 12, last month. He was buried in Wisconsin, in

Green Bay. Services were held in the cathedral on January 16. On January 19 the minority leader, the gentleman from Illinois [Mr. MICHEL], together with some of John Byrnes' very closest friends and former colleagues, Glenn Davis, Mel Laird, had a very special memorial service in a room in this Capitol honoring John Byrnes.

As a matter of fact, John Byrnes served the State of Wisconsin and this body longer than any other person save three: the gentleman from Wisconsin, Mr. O'Konski, who retired some years ago; the late Clem Zablocki of Wisconsin and Henry Cooper of Wisconsin. He not only served in this body but he served with very great distinction. For he was a leader and he was unusually gifted.

My own service corresponded with him for 14 years. The first 14 years that I served here, John Byrnes had served here his last 14 years. He, during this period of time, was the ranking minority member on the House Ways and Means Committee and was very well respected, not only in this body, but throughout the country for his leadership.

Earlier he was a founder in 1949 of the Chowder Marching Club which was an informal organization of House Republicans, notable, together with John Byrnes, in that closely knit group were Gerry Ford, Glenn Davis, Mel Laird, and Richard Nixon.

Later John Byrnes became the chair of the Republican Policy Committee from the period 1959 to 1965 and of course he served on the Joint Congressional Committee on Internal Revenue Taxation.

I must state that he can be characterized perhaps best by one of our former colleagues, Mel Laird, who said last month that John Byrnes was a "powerful, confident and convincing speaker to debate world issues with skill that was truly amazing. He was equally adept in helping the Eighth District constituents with their every personal concern and problem." Mel sometimes said that when he, Mel Laird, carried on at some length that, referring to himself "that when I got out of hand on the floor of the House on some national or international issue, John would point his finger at me and say, 'Mel, just remember, I served with your father in the Wisconsin State Senate,' " which indeed John Byrnes did from 1940 to 1944 immediately before he came here.

His hometown, Green Bay, a journalist recently said last month in summing up John Byrnes' appeal to the voters, he wrote that perhaps his real importance in public life in his era is that he has shown that a conservative can be respected and popular and cumulatively more successful at the ballot box if he combines a conservative inclination with intelligence and courage.

He indeed, John Byrnes, was popular at home and in this body. Indeed, John was a conservative. Indeed, he was an intelligent man and indeed, he served with very great courage.

So I am honored today to be here to remember John Byrnes, his kindnesses to me personally, his contributions to this body and also to say that we would like to be remembered to his widow, Barbara Byrnes and his six children, who will carry on for John in his absence.

Mr. Speaker, I yield at this time to the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. I thank the gentleman for yielding.

Mr. Speaker, I rise because it was my privilege when I came to the House in 1962 and was sworn in on January 10 to have been very kindly welcomed by Congressman John Byrnes. He was a very generous, warm-hearted individual. And even though he was a member of the other party and I was freshly arrived here after a special election, he took time to be very kind and very welcoming in his meeting and introducing himself to me and then later in subsequent years as we worked together in several sessions of the House.

I think that it would be remiss on my part to remain silent and not give testimony to the fact that regardless of what the political or governmental philosophies may have been that he was a very kind and a very effective and a very prominent Member of this body. He served honorably and with great distinction. Some of us recall his memory with a great deal of gratitude and friendship. I wish to go on record as expressing my sincere and deepest condolences to his next of kin and surviving members of his family.

□ 1250

Let the record show that, as Franklin Roosevelt often said, the sins of the warmhearted and the sins of the coldhearted are weighed on different scales, and that certainly whatever judgment would be rendered in the case of John Byrnes would be on the basis that he was a warmhearted human being

I thank the gentleman for having yielded.

Mr. KASTENMEIER. I thank the gentleman from Texas for his recollections, which I think accord with many, many other Members, particularly on our side of the aisle, who were so generously and warmly treated by John Byrnes.

Mr. ROTH. Mr. Speaker, will the gentleman yield?

Mr. KASTENMEIER. Mr. Speaker, I now yield to John Byrnes' successor in the Eighth District, who now so nobly serves the Eighth District of Wisconsin [Mr. ROTH].

Mr. ROTH. I thank the dean of the Wisconsin delegation for yielding.

Mr. Speaker, I am pleased and appreciative that the distinguished dean of the Wisconsin delegation [Mr. KASTENMEIER] is taking this special order so that we can pay tribute to a truly great man and certainly one of the real towers of this body.

John Byrnes represented the Eighth District of Wisconsin for 28 years, from 1945 to his retirement in 1973. Before coming to Congress, he served 4 years in the Wisconsin State Senate, where, at the age of 30, he was elected majority leader.

For 26 of the years John Byrnes was a Member of this body, he served on the Committee on Ways and Means, and was its ranking minority leader for many years. In addition, he served as chairman of the Republican Policy Committee from 1959 to 1965, and was chairman of the Wisconsin delegation for many years.

Many people will recall that period of time as the era of Wilbur Mills, who chaired the Ways and Means Committee. But the Ways and Means Committee was by no means a one-man show during that period. The monumental tax, Social Security health and trade legislation of that era bears the indelible stamp of John W. Byrnes.

Mastery of the art of constructive compromise is a key to success in this body, and it was the ability of John Byrnes to work effectively with Chairman Mills that not only gave him influence but also made the enactment of certain landmark legislation possible.

In a 1970 book on the Ways and Means Committee, John Manley wrote that "Mills and Byrnes together, not just Mills alone, are responsible for the way the committee goes about its business. Far from being cut off from influence in the committee, the Republicans feel that because of Mills and Byrnes they have as much say if not more than the Democrats."

I have even heard it said that if you wanted to know how a particular Ways and Means measure would fare, the real clue was what John Byrnes thought about it.

The Customs Simplification Act of 1954, the 1954 Internal Revenue Code reform, the Kerr-Mills Health Care Act and the Medicare Act of 1965 all bear John Byrnes' imprint.

John Byrnes accomplished what he did because of his towering intellect, an unceasing commitment to certain deeply held principles, and common sense.

Congressman Byrnes was considered to be one of the brightest Members of this body, something which was evident during committee deliberation and debates on the House floor.

But behind this intellect was something more—a commitment to his principles. He was guided by the belief that the resources and responsibilities of the Federal Government were not infinite. He continually attempted to persuade his colleagues that Congress should limit the growth of Federal spending and reduce the national debt. He stood by those principles, even if they placed him in the small minority—and they did on more than one occasion.

Today especially, as we receive the new budget, we should remember John Byrnes as a man who cared deeply about the taxpayer's dollar—a man who believed that if tax dollars were to be spent, they should be spent wisely and well.

John Byrnes was a contemporary and friend of the major political figures of the past generations, including his House contemporaries Gerald Ford and Richard Nixon. He was, in fact the founder of the Republicans' Chowder and Marching Club to which these two future Presidents belonged. The group also included a future Secretary of Defense, fellow Wisconsinite Mel Laird.

In later years he was a mentor and friend of then-Congressman George Bush and Barber Conable, who carried on the Byrnes legacy on the Ways and Means Committee.

John Byrnes achieved a national political prominence almost unparalleled in the history of Wisconsin. He was a friend and adviser to Presidents. He was a true giant in the House of Representatives, who left his mark on some of the most important legislation of our lifetime. He was considered for the Vice Presidential nomination in 1960. He was Wisconsin's favorite son candidate for President in 1964. When he left Congress in 1973 he could have, had he desired, served in the Cabinet.

But beyond the national attention he deservedly received, he was above all a true Representative of the people. He never forgot his roots in the Green Bay community. That made him all the more effective as a Congressman.

In 1960, when John Byrnes was being considered for his party's Vice Presidential nomination, a journalist said this about his appeal to the voters:

> Perhaps his real importance in the public life of this era is that he has shown that a conservative can be respected, and popular, and cumulatively more successful at the ballot box, if he combines a conservative inclination with intelligence and courage.

From time to time there are individuals who serve in this body who truly stand out—whose achievements will be honored for generations to come. John Byrnes, through his intellect, his courage, and his commitment to people, was one such individual. The standards he set through almost three decades of service to Wisconsin and the Nation are those we should all try and emulate.

I want to extend to John's wife, Barbara, and their six children my deepest sympathy. Their loss is our loss as well.

I am also pleased to insert a personal statement by Vice President BUSH, a former Ways and Means Committee colleague and friend of former Congressman Byrnes, and an article from the Milwaukee Journal of January 20, 1985:

FEBRUARY 4, 1985.

As a former colleague of Johnny Byrnes and as one who served with him on the Committee on Ways and Means, I want to join in this tribute to him.

What a man he was. Knowledgeable, principled, and bright—he set an example of excellence that is hard to match. He just knew more about taxes and social security than most in Congress. He and Wilbur Mills, one a Democrat, one a Republican, dominated the Ways and Means Committee. They did it not through throwing their seniority around, but by studying, learning, and in the final analysis, teaching.

John Byrnes, a super human being—we will miss him very, very much.

Sincerely, GEORGE BUSH.

[From the Milwaukee Journal, Jan. 20, 1985]

BYRNES STOOD FAST AGAINST GOVERNMENT'S DEFICIT SPENDING

(By John W. Kote)

WASHINGTON, DC—John W. Byrnes was a loyal Republican, but he did not cave in to party leaders when he disagreed on a fundamental principle. He was a traditional conservative, and friends say he was appalled by the record federal deficits of $200 billion or more being projected.

Byrnes, 71, who represented Wisconsin's 8th Congressional District for 28 years in the House, died of a stroke last weekend. In 1972, Byrnes took the unusual step of announcing that he would not run for re-election, although he was only 59.

He had been in the minority for all but four of his years in Congress. For many of those years, he was the top Republican on the House Ways and Means Committee, which has responsibility for tax, trade and Social Security bills.

Byrnes and other Republican leaders made a lot of noise about the deficits in the 1960s under Democratic Presidents John F. Kennedy and Lyndon B. Johnson, particularly over what was then the post-World War II record of $25.2 billion in fiscal 1968. They argued that Johnson should have raised taxes during prosperous times to finance U.S. efforts in the Vietnam War and expanded domestic and social programs.

NO REVENUE TO SHARE

But when Republican President Richard M. Nixon, a good friend, started pushing various spending buttons in his first term to aid his 1972 re-election campaign, Byrnes rebelled. One notion pushed by Nixon with support from many Republicans was general revenue sharing with state and local governments. Byrnes thought that was ridiculous in the face of continuing deficits.

"We must recognize that there is no revenue to share," Byrnes said in March 1971. "The only thing the federal government has to share today is debt."

Byrnes felt strongly that the Nixon plan had a basic defect—it placed the burden of collecting taxes on elected federal officials, but allowed mayors and governors to spend the money.

"People who spend the money should be accountable to the taxpayer," Byrnes said. "There should be some connection between the spending of funds and the onus of collecting them."

For years, Byrnes and the longtime Ways and Means chairman, former Rep. Wilbur Mills (D-Ark.), ran the committee with iron hands. Because both were fiscal conservatives, they had few disputes. But Mills got the presidential bug and switched on revenue sharing, which had lots of support from state and local officials. In October, 1972, a five-year, $30 billion revenue-sharing bill sailed through the House and Senate.

In the House, there were only 33 Republican votes against it, two of which came from Byrnes and former Wisconsin Rep. Glenn Davis, a friend of Byrnes for more than 40 years. There were, by the way, three Democratic votes against it from Wisconsin: from Rep. David Obey, Sen. William Proxmire and then Sen. Gaylord Nelson.

Davis, who served in the House from 1947 to 1957 and again from 1965 to 1975, continued to see Byrnes regularly during the last decade. Their homes were only a mile apart in Arlington, Va., a Washington suburb. Byrnes took a job with the Washington office of Milwaukee's Foley & Lardner, Wisconsin's largest law firm, using his expertise in tax law to advise top clients.

In an interview, Davis said that Byrnes was disturbed by the supply-side economics of President Reagan's administration and the theory that no tax increases were necessary to help narrow the record deficits.

"We commiserated about the supply-side theories," Davis said. "He just could not accept the fact that the economy would expand to the point where we would not have a deficit."

That, of course, is the theory pushed by Sen. Robert W. Kasten (R-Wis.) and others who fashioned the 1984 Republican platform, which demanded that taxes not increase and advocated more tax cuts to stimulate the economy.

FRIENDSHIP WITH LAIRD

Another close friend was former Defense Secretary Melvin Laird, who served with Byrnes in the Wisconsin House delegation from 1953 through 1968 before joining Nixon's first cabinet. Laird recalled that Byrnes had a favorite way of putting him down.

"Mel, you don't know what you're talking about," Byrnes would say, shaking his finger in Laird's face. "For God's sake, I served in the State Senate with your father."

That is true. Byrnes arrived in Madison from Green Bay to take his seat in 1941 at the tender age of 27, the same year that Laird's father, a retired Presbyterian minister, took office. Four years later, Byrnes was in the US House.

Byrnes was in the forefront of the campaign that led to a sweeping tax reform bill in 1969, which narrowed some of the many loopholes in the internal revenue code. But he was always uncomfortable with government social programs.

"Government at its costliest can only nibble at the edges of human and social problems," he once said. "The only way these problems can be solved is by the people themselves working with the initiative and energy which comes from drive and incentive."

To avoid a fight between Arizona Sen. Barry Goldwater, the eventual 1964 GOP presidential nominee, and then New York Gov. Nelson Rockefeller, Laird came up with Byrnes as Wisconsin's favorite son candidate. Laird calls Byrnes "the most reluctant presidential candidate in history." But he got Wisconsin's 30 votes at the Republican convention in San Francisco.

"You're a hell of a campaign manager, Byrnes kidded Laird. "I don't have a single bumper sticker."

Mr. ROTH. I thank the dean of our delegation, Mr. KASTENMEIER, for taking this time, for his graciousness and for his generosity in yielding some of his time to me.

Mr. KASTENMEIER. I compliment my colleague on his eloquent remarks.

Mr. MICHEL. Mr. Speaker, the reason I take this moment is because we had a very special beautiful memorial service here in the Capitol the day before inauguration day in room 227. Mr. Glenn Davis of Wisconsin, a former Member, led off the memorial service, which was participated in by our good Chaplain, Dr. James Ford, and joining me in eulogies to our dear friend, John Byrnes, were our former Member and Defense Secretary, Congressman Mel Laird, and Bill Gage, who was John Byrnes' administrative aide and knew him from grade school days on until the day he left this Congress and also attended his funeral. And then the memorial service was concluded with remarks by John's senior son, John Robert Byrnes.

Mr. Speaker, I taped the recorded service, and I ask unanimous consent that those comments appear in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

MEMORIAL SERVICE OF JOHN BYRNES, JANUARY 19, 1985

Mr. GLENN DAVIS. The family, Bobbie, Barbara, Bonnie, Mike, Charlie, Betsy, John, minus only two grandchildren which were John's pride and joy and their mother who is with them in Madison. The friends, workmates and playmates of John William Byrnes, June 12, 1913 to January 12, 1985.

We are met in commiseration to share grief and sorrow, We are met in reconciliation and acceptance and a few cherished moments of recollections of this man.

John devoted twenty-eight years, and I think the word devoted is exactly correct, twenty-eight of those seventy-one years to the House of Representatives. It is most appropriate that the words of the scripture have been selected by and be presented by the Chaplain of the House of Representatives, The Reverand Dr. James Ford.

Dr. FORD. As you know the psalms are part of our religious traditions from whatever background we know. I want to read from the psalms today which express the comfort and the hope and the joy that we can know by the fact that God is in charge of our lives in this world.

The first is psalm 139, and it suggests where ever we are, God is with us and his spirit follows us. I always feel when I read this psalm the bond between the living and the dead and between all of us. The second is the familiar 23.

PSALM 139

O Lord, thus hast searched me, and known me.

Thou knowest my downsitting and mine uprising, thou understandest my thought afar off.

Thou compassest my path and my lying down, and art acquainted with all my ways.

For there is not a word in my tongue, but, lo, O Lord, thou knowest it altogether.

Thou has beset me behind and before, and laid thine hand upon me.

Such knowledge is too wonderful for me; it is high, I cannot attain unto it.

Whither shall I go from thy spirit? or whither shall I flee from thy presence?

If I ascend up into heaven, thou are there: if I make my bed in hell, behold, thou art there.

If I take the wings of the morning and dwell in the uttermost parts of the sea;

Even there shall thy hand lead me, and thy right hand shall hold me.

If I say, Surely the darkness shall cover; even the night shall be light about me.

Yea, the darkness hideth not from thee; but the night shineth as the day: the darkness and the light are both alike to thee.

Search me, O God, and know my heart: try me, and know my thoughts:

And see if there by any wicked way in me, and lead me in the way everlasting.

PSALM 23

The Lord is my shepherd: I shall not want.

He maketh me to lie down in green pastures: he leadeth me beside the still waters.

He restoreth my soul: he leadeth me in the paths of righteousness for his Name's sake.

Yea, though I walk through the valley of the shadow of death, I will fear no evil: for thou art with me; thy rod and thy staff they comfort me.

Thou preparest a table before me in the presence of mine enemies: thou anointest my head with oil, my cup runneth over.

Surely goodness and mercy shall follow me all the days of my life: and I will dwell in the house of the LORD for ever.

Let us pray. Almighty God we give thanks this day for the life and work of John Byrnes. We offer our praise and thanksgiving for his commitment to our nation and his deeds of service to this community.

Bless we pray his family, to keep them in your grace. May they be substained by the knowledge of your presence and your abounding spirit and your love to us all.

Now let us pray together.

Our Father who art in heaven, Hollowed be thy name, Thy kingdom come, Thy will be done, on earth as it is in heaven. Give us this day our daily bread; And forgive us our trespasses, as we forgive these who trespass against us; And lead us not into temptation, But deliver us from evil. For thine is the kingdom, and the power, and the glory, for ever and ever. Amen.

Mr. GLENN DAVIS. A few words now from a great friend, fellow member of Burning Tree former Secretary of the Chowder & Marching Society, the Former Whip, and the present Republican Leader in the House, the Honorable Robert Michel.

Mr. MICHEL. It is very appropriate that we should have this memorial service in this room where the portraits hang of distinguished Republicans who served with John during his tenure here in the Congress, Joe Martin Charlie Halleck, Les Arends, Jerry Ford and John Rhodes.

John Byrnes, now there was beautiful person to remember, both as a former Colleague of some of us in the Congress, but all the more so as a dear personal friend to all of us.

For those of us who never would have known John except for the quirk of fate that brought us together in the political arena, we want it to be known that our lives were all enriched simply by our association with him.

His was always a class act professionally. He gave real meaning to the expression that politics can be a very noble profession.

When John retired from the Congress after 28 years, Jerry Ford, who was then our Leader in the House, said:

"John Byrnes . . ., has been one of the great legislators of our time. Formidable in debate, unequalled in conference and universally respected for his integrity and intelligence. He has left a lasting imprint on the fiscal policies of the postwar period."

An editorial in the Washington Evening Star commenting on John's retirement said in part:

"The popular image of the Ways and Means Committee wholly dominated by Wilbur Mills is false. It has been more a tandem operation.

Mills and Byrnes, two seasoned, energetic pros working together over the years to shape an enormous amount of legislation on taxes, international trade, social security, health, welfare, and lately revenue sharing.

One Committee member summed it up rather neatly: "The two together are eighty percent of the Committee. Forty percent will be missing when John is gone."

Continuing on, the editorial said:

"Byrnes personifies so many of the qualities a Congressman should have. He is immensely hard-working and knowledgable, tough-minded yet compassionate where the problems of the average citizen are at stake.

And he has been a thoroughly independent thinker, willing to depart from GOP orthodoxy as he did to support the Administration's family assistance plan or to refuse as he did to support Mr. Nixon's revenue sharing concept.

. . . The Committee, the House and the public interest all will feel the loss when he is gone."

There was indeed a void in the House when John retired and now his passing leaves a void in each of our lives.

Chowder and Marching won't be quite the same with out John's hearty laugh about our picayunish problems that he no longer had to worry about.

I am personally going to miss sitting in on the friendly poker games that John enjoyed so much with the likes of former members Ben Guill, Tex., Don Jackson, Calif., and Charlie Potter of Michigan.

His gin rummy game wasn't all that good out at Burning Tree, but there was no more competitive golfer in the club. I loved him as a partner, not only for his handicap, but because he inspired me with his grit and determination.

And finally, I guess I'll never forget the times Corinne and I have been privileged to be in the company of mutual friends to see John put on that apron and cook for the lot of us on that charcoal grill. He was always a delight to be with.

To Bobbie and members of the family: We know how devoted John was to his family. We'd like to be as helpful as we can during this difficult time and just wanted you to know that Johnny was something extra special to us.

We loved him dearly, just as you did.

Mr. GLENN DAVIS. I think Mr. Leader, since you have mentioned the part he played on the Ways and Means Committee and the tandem of which he was a part, I think his family will be gratified to know that the other half of that tandem and the great former Chairman of the Ways and Means Committee, Wilbur Mills is with us here today.

The man that made John Byrnes his idle and in his own right became a great minority leader of the Ways and Means Committee, Barber Conable is also here with us today.

Twenty-nine years ago this spring, three Wisconsin Congressmen were sitting having breakfast in Madison Wisconsin where we could see the state Capitol out of the window and the junior member of that trio began to talk with enthusiasm about his adventures as a member of the State Senate and after it had reached a maximum degree of thickness the senior member of that trio turned to him and said For goodness sake Melvy I served in the State Senate with your father. That ended that particular recitation but he was a particularly bouyant young fellow and he continued to serve in the House of Representatives with John for sixteen years.

From adjoining districts the only real thrash point of that service was the manner in which they vied with each other with respect to the 186 Menominee Indians who resided on the border between their two districts.

After that sixteen years of joint service this colleague became the Secretary of Defense, John's former colleague Mel Laird.

Mr. LAIRD. Bobbie, members of the family. I had the opportunity to be in Green Bay on Tuesday in that beautiful Cathedral for the mass and for the services that were conducted for our friend John.

I see so many people here today from the Congress, and Chowder and Marching. I see Bobbie's friends from the Red Cross. I see our friends from Burning Tree. I see members of the Wisconsin Congressional Delegation.

We are all John's friends whether it be in the Congress from Wisconsin or Burning Tree. We love him.

We also remember his lack of pretense, his loyalty to his friends, his warmth, compassion and commonsense. His very special qualities as a person. He loved us all very much. He loved Barbara most of all and those six children and the two grandchildren.

No run-of-the-mill Congressman was he. For four years he represented the Green Bay area of Wisconsin as their state senator and as Glenn Davis has pointed out he had served fourteen terms here in the House of Representatives with great distinction.

He was recognized as Wisconsin's most outstanding Congressman in the entire history of our state.

He was truly Wisconsin's favorite son. In 1964, all of Wisconsin's thirty delegates at the convention in San Francisco cast their ballots for John Byrnes as Wisconsin's favorite for President.

More legislation in the field of taxation, trade finance, and social programs bears his imprint and name than any other member of the House of Representatives in the past fifty years. He brought to his duties a fine intelligence, a deep interest in broad national and international issues.

He always had an abiding concern for the every day needs of his constituents. He served as ranking member of the Ways and Means Committee and Chairman of the House Republican Policy Committee. He participated in the most far reaching Congressional decisions of our time. A powerful, competent, and convincing speaker that could debate global issues with skill and certitude in committee or on the House floor that was truly amazing. He was equally adept in helping eighth district constituents with their every personal concern and problem.

At the service in Green Bay, I read a little poem that was included in a card I received at the time of my mother's death some two years ago. I would like to share it with you today.

"Do not stand at my grave and weep,
I am not there, I do not sleep.
I am a thousand winds that blow,
I am the diamond glints of snow,
I am the sunlight on ripened grain,
I am the gentle autumn rain
When you awaken in the morning's hush,
I am the swift uplifting rush
of quiet birds in circled flight.
I am the soft star that shines at night.
Do not stand at my grave and cry,
I am not there, I did not die."

Mr. GLENN DAVIS. There is one man here with us this morning who probably knew John Byrnes longer than anyone else. He knew him in Green Bay. He came to Washington with him and he was his good right hand through all of his years in the House of Representatives. His friend and Administrative Assistant, Bill Gage.

Mr. BILL GAGE. It is true I knew John Byrnes for a long time. In fact I can't remember when I didn't know John Byrnes. I know we were together in our first grade class, I have a picture to verify that.

That incidently was back in the first years of the Harding administration. We probably have known each other even before that. My mother use to tell me that she and John's mother use to take walks together pushing our baby carriages.

From first grade and until John retired from Congress, we were never very far apart. Grade school, high school, college, twenty-eight years in the House.

We were very close. We worked together, we played together, even on various occasions we lived together. I even met my wife through John. She was his date at the time. I was there during John's courtship of Bobbie, at least part of the time. I once made the supreme sacrifice of accompaning John on the weekend to see Bobbie in New Jersey.

We got married about the same time, and our first children were born in the hospital a week apart. As that was about to happen I will never forget, I was suddenly called to Green Bay because of a death in the family and I left my wife in John's care. Putting him in charge of the feeding, transporting if necessary of not one but two alarmingly overdue women. It was an assignment that would have reduced me to a state of terror.

John not only accepted it willingly, but he performed it capably and with good cheer. These distinguished gentlemen have told you of John's accomplishments, to me that was his finest hour.

What can you say about this friend, this companion, this brother who who is now gone. What can you say about a woman who was so close for so long.

Well I can testify by close observation that we all know John was a good man, he was an honest man, a man of courage and a man of integrity. For those virtues and what he accomplished he will long be remembered.

I will keep two memories. I will always remember the faithfulness and the utter dependability of his friendship. I will never forget John's capacity for bringing happiness to everyone around him. His zest for life. His genuine affection for people. His unfailing sense of humor when facing up to the good things in life and the bad.

To put it simply John Byrnes brought joy into our lives. For that in our thoughts and our hearts he will never be forgotten.

Mr. GLENN DAVIS. John Byrnes gave not only a great heritage, he gave his name to his oldest son. The United States Attorney for the western district of Wisconsin, John Robert Byrnes.

Mr. JOHN ROBERT BYRNES. Dad was a remarkable public man. Not only for his accomplishments in public office, but for the quality of character he brought to both his public and private life.

He loved his country. This guiding principle motivated him throughout his public life. He deeply respected the traditions of the Congress and the democratic principles represented by this Capitol.

He had all his respect and affection for the people in Wisconsin who sent him to Congress for twenty-eight years. He was truly a servant of the public.

It is fitting to commemorate his life at this time of Inauguration when all Americans hope for the selfless, honest leadership that he exemplified.

Like all public men, he was also a private man. He reluctantly made the sacrifice of time with his family that is demanded by public men. There were times when it was impossible for him to leave the responsibility and stress of public duties outside the front door. But even with those sacrifices, he was a loving and caring husband and father. He was a true and loving partner in marriage to my mother for almost thirty-eight years.

He had strong values and high standards. He knew what was right and what was wrong. He taught it to his children. He shared our joys and sorrows. Like all fathers he took pride in our accomplishments. He bore frustrations at our occasional weaknesses. But not always in silence.

He was guided in his private life by love for his family, with the same intensity the love for his country guided his public life.

We all loved him and will miss him. Even though he is gone his love for us and the example of his life will stay with us for the rest of out lives.

My mother and brother and sisters and I all want to thank you for the love and respect and affection you showed Dad and us, both during his life and today.

Mr. GLENN DAVIS. When John Byrnes came to the state senate in 1941, across the street from the Capitol, presiding as Speaker of the Assembly was the man who served later as Attorney General and Governor of the State and then became one on John's colleagues in the House for fourteen years. We had hoped Governor Thompson could have come and shared in this but he is just not strong enough to come to this ceremony. But I know he wanted so very much to do so.

So as we approach the end of this ceremony, we hope, members of John's family, that it has not brought grief or sorrow, that it has helped to bring a few cherished moments of memories to this good and dear man.

BENEDICTION

Dr. FORD. Let us pray. O God, who healest the broken in heart, and bindest up their wounds: Look in tender pity and compassion upon thy servants whose joy has been turned into mourning. Leave them not comfortless, but grant that they may be drawn closer to thee and to one another by their common sorrow. Fill their souls with the light and comfort of thy presence. Grant unto them such a vision of that life wherein all mysteries shall be revealed, and all tears be wiped away, that they may be able to endure as seeing thee who art invisible. So dwell with them and be their God, until the day break and the shadows flee away. The Lord bless you and keep you, The Lord make his face shine upon you, and be gracious unto you, The Lord lift up his countenance upon you and give peace. Amen.

GENERAL LEAVE

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the life, character and public service of the late Honorable John W. Byrnes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

THE PRESIDENT'S MESSAGE ON THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 60 minutes.

Mr. ALEXANDER. Mr. Speaker, it was with great interest that a few minutes ago I listened to the President's message on the budget. As I listened to it, I thought that if I had a wish that I would wish that every American citizen who is concerned about the plight, the economic plight of this Nation, could sit back and listen, as I did, to the words that were read here in this Chamber today that were sent by the President of the United States. To do so and to not think about the conditions that exist economically in this country today would lead one to the inevitable and inexorable conclusion that all is well on the economic front in America today.

□ 1300

Essentially, if you are to look at the President's budget, you would do so as we look at all of our budgets; our personal budget, the budget that we use in conducting the affairs of our business or our farms, and we must deal with them in two parts: one, we deal with the income side, and the other, the expense side.

When you think about what the President has sent to Congress and to the American people, he actually deals with one-half of the budget problem. He ignores the income, the revenues, and deals with the outlays, the expenses. He ignores the need for tax reform to close those enormous gigantic loopholes that are used by the wealthy and the powerful in this country to avoid paying taxes, and deals entirely, almost entirely, with the expense side, the outlay side of the budget.

So he has sent to the American people half a budget, during which he tells us how he wants to increase military expenses, and he will later show us how he wants to increase foreign aid outlays. On the other side, he wants to reduce the outlays for domestic programs, those things that deal with more directly the American people.

Mr. Speaker, my concern in taking this special order on the budget today, offered by Mr. Reagan and by the Republican Party, I believe is best illustrated by the comments made to me by a young, concerned American constituent from my congressional district. Last fall, during the Presidential elections, after giving a campaign speech for my candidate, who was not elected, I was approached by this young man who asked to speak to me about the Presidential election. He personally did not think that Mr. Reagan was deserving of a second term, but added, "Congressman, frankly, it seems to me that the economy is improving so well it must mean that the administration's policies are really working." This is the message that Mr. Reagan has sent to this young man; it is the one that he heard and it was the one that he believed. I do not know how he voted, but a majority of the American people heard this message. They believe it, and they reelected Mr. Reagan.

Mr. Speaker, there is a famous parable that is told over and over again each year and throughout thousands of years that is written in the Bible called the "Sower and the Seed." One part of the story described the seed that fell upon good soil which, when nourished, grows into a healthy plant that produces fruit and food for the people.

However, the parable goes on to report that weeds grow up alongside this healthy plant, and eventually also flourish, and after they are nourished, choke off this plant as they overcome it in time. I commended this story to the young constituent and to all those who believe the Republican economic policies are producing a truly sound recovery, and a stable economic future.

Today, the headlines in the local newspapers read, "Reagan Promises New Budget." However, the real story today is that Mr. Reagan has promised yet another staggering deficit. Not much said about the deficit, a deficit which will add another $200 billion this next fiscal year to the national debt. Need I remind the American people that in 4 short years these Republican policies have doubled the national debt. I was asked not too long ago if the deficit mattered any longer. My reply was, "Only during Democratic administrations; obviously, the deficits do not apply during the Republican administrations."

By 1989, according to the budget that was submitted here today, the debt will have tripled under Mr. Reagan's policies. While our economy appears to have all the signs of a blossoming recovery promised permanent in nature by the President's words today, the fact is that the weeds of the deficit are spreading and growing nearby the recovery, and that all signs indicate that they are reaching out to choke off our future and the future of our children throughout generations to come.

In 1989, when Mr. Reagan leaves office, the the Congressional Budget Office reports that nearly one-half of all taxes paid by the American people under the present system will go simply to paying interest on the national debt. Let me say that again: By 1989, the Congressional Budget Office reports that if nothing is changed, if Mr. Reagan's policies persist without any change, that by 1989 one-half of all taxes paid by the American people will go toward the payment of interest on the national debt. Yet, Mr. Reagan says do not worry, everything is all right. We have a permanent recovery; take your eye off the ball, American people, do not look at the deficits because we have here an economic recovery.

Mr. Speaker, last fall, when many of us tried to warn the voters that deficit spreading was beyond the reasonable limit, Mr. Reagan said, we were an antiprosperity party; that we were throwing cold water upon his success, and that we would keep our hands off his recovery. He managed to convince the American people, in his words, that the "Democrats are reckless spenders." He said just a few short weeks ago, during his second inaugural address, "The reason we have this enormous deficit is because of a runaway Congress that has recklessly appropriated funds beyond what the President has proposed for over 50 years, leading us down into the cravasse of deficit and debt."

I challenged the President's statement, and in fact, over the last 40 years the bipartisan, nonpartisan, nonpolitical Appropriation Committee reports, and I have the data, and I will include it as a part of my remarks today, that out of the last 40 years, Congress has appropriated more than requested by the President only three times out of the last 40 years. Thirty-seven of those years we appropriated less than requested by the President, but the "Great Communicator" is able

to sell the American people on the opposite of those facts, and unfortunately, they bought it, hook, line, and sinker.

Mr. Reagan was wrong; there is no one in this House or in the other body across the Capitol who wants to see our economy fail. Everyone of us in this body, every Member of Congress wants America to succeed. We want to see our economic growth; we want a strong and vibrant economy.

□ 1310

There is no one who wants a stronger and more vibrant economy than the gentleman from Texas, our majority leader, who will be here in a few minutes to respond to the President's deficit.

We do not believe that a recovery fueled by the Government's borrowing of $200 billion a year will lead ultimately to a stable, healthy economy. You cannot borrow yourself into a status of wealth, no matter how much you wish it to be true. The seeds of deficit spreading, planted by Mr. Reagan and his Republican allies, are seeds of future economic chaos, and while we are basking in the sunlight of a current economic recovery which is temporary, we are living on borrowed time.

The Democratic Party knows and the American people know that a true recovery, one that is sound and ongoing, must be based on real money, not on borrowed time. For those in this body who believe the Republicans when they say that deficits do not matter, I suggest you try their approach to deficit spending on your own personal finances. Your creditors will not be so generous as the American people have demonstrated their generosity in reelecting Mr. Reagan to a second term.

Imagine now what would happen if you went out and borrowed all the money that you could, you borrowed up to your credit limit on each credit card that you carry in your purse or your billfold, you financed your home, you refinanced your car, your household personal possessions. Then you went to your banker and said, "Oh, what the heck, I would like to borrow as much as you will let me have again, over and above what you have already lent me."

What do you expect that he would say? Go to your in-laws: go to your children, go to your relatives around the country and cosign a note, because your credit and your collateral has been exhausted.

What then would happen? I would say that you would be living pretty well, pretty well for a while, that is; but that you would have to start paying your bills when the banker would not extend your credit any longer. Somehow you would have to figure out a way to pay back all the money that you had borrowed, unless of course you went to your attorney and filed for personal bankruptcy.

The annual Federal deficit, which is simply added each year to the cumulative Federal debt, works the same way. During the elections the Republicans told us we could borrow and spend our way into economy prosperity. That is what they have done for the past 4 years—borrow and spend, borrow and spend, borrow and spend. They will reply that, of course, the Democrats tax and spend. Of course, you need revenues in order to prevent borrowing.

So what do you want, my fellow Americans: A huge deficit which looms like dark clouds on the horizon portending a dim future for your children and your grandchildren, or do you wish to come to grips with the Federal budget, the same as we are required to come to grips with our own personal finances and the way we have to manage our own business affairs if we want to continue in the business and to maintain our good credit and our good standing in the community where we live.

That is what we have done for the past 4 years—borrow and spend. But where will they be when the bills come due? Where will they be when someone has to get up before this Chamber some day and take responsibility for these policies. So far, Mr. Reagan has run from the consequences. He has produced a fine television presence before the American people. He has convinced them that deficits do not matter.

But when, oh when, and who will come forth among those who represent his administration and take credit for what they have done to the American people and the financial structure in this Nation.

Actually, Ronald Reagan is not a conservative on economic policy. Ronald Reagan is the most fiscally irresponsible President ever to serve in the White House as President of the United States, and history will prove it some day when the pigeons come home to roost.

Where are those today who are fiscally responsible on the other side of the aisle? Why is it that the Republican Party is not here to defend the $200 billion deficit that they say does not matter? On previous occasions, my colleagues on the other side of the aisle, the Republican Party, have come forward and asked, "Who among the Democrats will answer the questions that we are posing today?"

I am returning the favor. I am asking, where are the Republicans? Where are those who defend the President's policies? Where are they that would come forth and defend the $200 billion deficit that he is handing to the American people?

We can all see in this Chamber that there is no one here to defend the President, and I would conclude that his budget, even among his own Representatives in his own party, is dead on arrival because there is no one here to defend it.

In 1981, when they wanted to reward their wealthy friends with a series of tax cuts, I am told that there is a whole tax-cut culture that had developed in the last 4 years among those people who are manipulating the Tax Code in such a way as to avoid paying their own fair share of the taxes that all working people in this country must pay each week when they receive their paychecks.

But in 1981, when they wanted to reward these friends with all of these tax cuts, how did they propose to make up for the lost revenue? If you look at the scale, while the deficit has increased enormously over the past 4 years, also the revenues have decreased as well because of the enormous, outrageous tax cuts that the President has given to his friends on Wall Street and among the rich sections of this country.

Borrow, borrow, borrow is what we have done with this administration's economic policy, and they continue to borrow, continue the cost of that tax cut. The cost of that tax cut in 1981 was $750 billion, which contributed to the red ink which is demonstrated and illustrated here on this chart today. $750 billion they borrowed purely on the good faith and credit of the American people. The one question they never answered, and the President has not addressed and continues to avoid in his new budget is: Who will pay? Who will pay this deficit that Mr. Reagan has presented to the American people?

Mr. Speaker, let me now take a moment to turn to the specifics of the budget that Mr. Reagan has presented to us and the Republicans want us to adopt in this Chamber.

1320

But before I do, I would like to yield to my colleague, the majority leader of the House of Representatives, the gentleman from Texas [Mr. WRIGHT], so that he may use whatever time he may desire in order to address this question of the President's budget.

Mr. WRIGHT. Mr. Speaker, I thank my colleague for yielding, and I appreciate his taking the time today to discuss this very vital subject.

There are several myths that have been perpetrated, no doubt innocently, by people in the White House and within the administration. In his inaugural speech President Reagan was guilty of one of these myths, in which he said that 50 years of deficit financing have finally caught up with us. Well, a mere reference to the chart re-

veals that it is not 50 years of deficit financing that have finally caught up with us, it is 4 years of Mr. Reagan's own policies.

More has been added to the deficit in those 4 years than was added in all the cumulative 46 previous years. So if you go back 50 years, including even Mr. Roosevelt's three terms and 1 year, during which time we fought a war and defended the freedoms of this country, we discover that all those Presidents combined did not add as much to the deficit as Mr. Reagan did in one term.

About 1 year ago today the national debt reached a level of $1 trillion. That is not correct. I should have said, about 4 years ago this month, at about the beginning of Mr. Reagan's first term, and that, of course, was the result of the cumulative effect of 192 years, from George Washington through Jimmy Carter. But this year, before this year is out, in 1985, because of Mr. Reagan's policies, the national debt will reach $2 trillion. More will have been added to the national debt in 5 years of Mr. Reagan's administration than was added in the entirety of the previous 192 years of our constitutional history.

A second point that I think really needs clarification is that the President was quoted in the Washington Post of Sunday, January 27, as having said in an interview with radio broadcasters, that the huge rise in deficits during his administration was the responsibility of the Congress, so that the Congress is the one to blame for these huge increases during his administration. He went on to say, as he was quoted, at least in this news story, that every year since he has been in the White House the budget deficit he has sent to the Congress was lower than the Congress would accept. That just is not a true statement. That is an inaccurate statement.

Last year I recall very clearly that the House passed in April our congressional budget resolution. That resolution reduced by $181 billion over the next 3 years the deficits that Mr. Reagan had asked for. Now, if he meant by use of the word, "budgets," appropriations, the same would be the case.

Last year the President asked for the spending in our regular appropriation bills of some $568 billion. Congress appropriated instead $551 billion, or $17 billion less for this current fiscal year in the appropriations than Mr. Reagan had asked for.

I suppose these things really need to be made a part of the record so that myths do not become ingrained in the public's consciousness. I understand that the President is going to go out and talk with the American people, promoting his budget. That is his right, it is his privilege, and I think it is his responsibility. I hope that he shows them exactly what he proposes to cut because it is the American people who are affected.

To me it seems grossly unfair to suggest that we require working Americans to pay taxes on their health insurance, and that we require medicare patients to pay higher hospital bills for their needed medical treatment at a time when certain multi-billion dollar corporations got by last year without paying any income tax at all. That just seems to me manifestly unfair.

So we will come to grips with this budget recommendation. We will alter it, we will amend it, we will rearrange some of the priorities. I hope and trust we will be more responsive to the wishes of the American people, and that we will balance our set of priorities in a sensible, sane way. But when it is all said and done, we do really need to reduce these deficits because it simply is not fair for us to go on a credit-card binge, taking some 19 percent of the gross national product annually in taxes and spending some 25-percent annually and just putting the rest of it on the bill of our children who someday will have to pay for things that we will have used up and worn out long before they ever reach taxpaying age.

So, Mr. Speaker, I am grateful to my colleague, the gentleman from Arkansas [Mr. ALEXANDER], for his timeliness in bringing this matter to the public's attention and to the attention of our colleagues.

Mr. ALEXANDER Mr. Speaker, I thank the gentleman from Texas [Mr. WRIGHT] for his contribution.

If I could urge the people I know throughout my congressional district to just listen to this debate and to those remarks that have been made today, we would all make a beginning toward resolving this enormous deficit that is demonstrated here on this chart. Only by coming to grips with the facts can we begin to formulate a plan that will offer a solution to the enormous problem that faces our Nation.

Certainly we cannot continue to ignore this increasing deficit which began 1 year following the President's inauguration—$110 billion in 1982, a $196 billion deficit in 1983, a $189 billion deficit in 1984, and a $222 billion deficit in 1985. And the President himself projects a $180 billion deficit for fiscal year 1986, which everyone knows is the only conservative part of the budget that the President has submitted to the American people. It is more likely to be $230 billion if one should add all of the columns and subtract therefrom a lack of revenues that are needed in order to contribute to the balancing of our budget.

Mr. Speaker, I seek my good friend and colleague, the gentleman from Massachusetts [Mr. FRANK], who is here, and I yield to him for the purpose of responding to the President's budget.

Mr. FRANK. Mr. Speaker, I thank the gentleman from Arkansas. He and the gentleman from Texas are performing an important service in elucidating this issue to the American public.

There might be a certain amount of confusion because people might have been under the impression during the last Presidential campaign that they were listening to the President talk about the budget of the United States. We learn now that apparently he was not. That, you may remember, was a budget which had a deficit out of which we were going to grow. All of that ended on election day, the notion that we could grow out of the deficit without any serious problems.

I think it ought to be clear that the budget we have before us is not the budget on which the President campaigned. I say that because it seems to be in the interest of our democratic system there ought to be some tenuous relationship between the things a candidate talks about in his or her campaign and the things that are subsequently proposed.

Let us talk for just a minute about the housing project in Buffalo of recent but apparently dim memory. The President dedicated a housing project in Buffalo during the campaign, and Walter Mondale said during one of their debates that the President's proposals had made that kind of housing impossible. The President denied that. The President was, of course, wrong, and it appears to bother neither him nor a lot of other people very much when he is wrong.

□ 1330

He had already ended that kind of housing, but at the very least the President could have said:

> Yes, but I support a small number of units only for the elderly and the severely handicapped, built by nonprofit institutions.

The President did not like the housing programs that were there, but he did come forward with a voucher program that his own Secretary of HUD talked about. He came forward with the units for the elderly and handicapped which had existed and he is now proposing that we end those.

There will not be under this budget a unit of housing built for the desperately poor elderly in this society. We can do everything that is proposed to aid the homeless with short-term advantage, but if we do as the President asks we will also exacerbate the problem of the inadequate supply of lower income housing that the homeless problem can only get worse.

Now, people have a right to make any proposals they want, but let us

not if this budget is adopted, and every proposal that has been made to help people with housing programs, the administration's own voucher programs, which they are subjecting to infanticide very early in its young life.

Housing built by nonprofit institutions for the elderly and handicapped, the administration has changed the regulations. They told us they would be made as efficient as possible. They are going to end that.

If this budget is adopted and 1½ years from now we have many more homeless, let us at least not pretend that these homeless were sent to us from Mars. Let us not wonder where they came from. The increase in homeless will be the result of a refusal to build a single unit, a single unit in this country of housing.

Let us talk about other areas. There is one thing that should be clear now. We are not differing, those of us on the Democratic side, with the President over the overall amount of money to be spent. This is not a fight about how much the Government should spend so much, it is about what the priorities should be.

The President sends us a budget with a significant increase in military spending. It is not an increase if you compare it to the Rose Garden. It is not an increase if you compare it to Caspar Weinberger's dreams. It is not an increase if you think about what it might have been, except that it is an increase. Every semantic evasion known to man will be dragged out to deny that a $34 billion increase is an increase, but it is. We have military needs, but we have security needs here at home.

I think the people I represent believe in many cases that they are more in need of protection on their own streets at night than they are in some of the places this administration seeks to protect them.

I think most people would feel that a budget which says that we will have an MX missile, an expensive and unnecessary, an inefficient and even dangerous weapon, will have that at a cost of billions, but will abolish all revenue sharing so that the cities you live in will not be able to hire as many police officers as they used to.

We are being asked to take an MX missile and sacrifice police officers.

We are being asked to continue to build an airport in Grenada and we are building that airport in Grenada that the President said had only one purpose, to allow for the facilitation of a Cuban invasion.

Well, apparently our freiend, the gentleman from Arkansas, has more influence with this administration than he realizes. I mean, he has gone and talked to Cuba. Maybe the President will not talk to the Cubans, but he is building them an airport, because he went on television, and he is our President, he tells only the truth as he knows it, and he said that this airport had only one purpose and it was to facilitate a Cuban invasion.

Well, who is now building this airport which has only that one purpose? The taxpayers of America.

The city of Fall River, which I represent, which has had economic problems because of trade, because of unfair imports, because of an overvalued dollar, they are told by this administration that there will be no more urban programs to help them get jobs. They will lose revenue sharing. They will get cut way back on aid to public transportation. They will get no urban development action grants. The community development block grants will be cut back. All of that will be cut back, but I can say to the people of Fall River:

> Despair not. You may be losing police and losing street lights and you may be losing public transportation and you will be losing the UDAG program, which helps to get jobs, but know in your hearts that you helped build an airport in Grenada and that should make you of good cheer.

I do believe that the people in this country want to be helpful to others. The outpouring of concern over starvation in Africa was moving. The American people are not selfish and hardhearted, but I do not think that the people of Fall River, those who lost their jobs because of a subsidized foreign textile industry and an overvalued dollar are going to be in a mood to see vital urban services cut back, while at the same time we build an airport in Grenada and an MX missile and continue with many of the other areas of waste that the administration is supporting.

The point made by the gentleman from Arkansas and the gentleman from Texas has to be hammered home. It is the President of the United States who has said to the Congress, "Please enact a deficit that will be $180 billion." That is the President's request. That brings pain to the faces of our Republican colleagues who have entered at this inopportune time and I am sorry to have to be the one to reiterate the bad news to them; but if we did everything the President wanted, the deficit would be $180 billion by his projection, and everybody who believes his projection by now are setting themselves up to be twice burned. No one thinks if we did everything he says that it will be only $180 billion.

We have to address the deficit in a more serious way. What we got from the President, I am afraid, is not a serious effort to reduce the deficit. He asks us for a deficit of $180 billion.

He also has in there, of course, no tax increases, but fee increases. When is a tax not a tax? When the President has promised not to raise any and he needs the dough. Then he calls it a fee increase. If you are out there on your boat, you will not be paying a tax. You will be paying a fee. It will cost you the same amount of money. The dollars will be the same, but it will not be called a tax increase.

The President has sent us a proposal which if it goes exactly as he hopes, wishes and prays, will be a deficit of $180 billion. It will not be a deficit of $180 billion, it will be $180 billion deficit in which we build an MX missile and require police forces to be cut back, in which we build an airport for the people of Grenada and maybe for that Cuban invasion they may or may not decide, but we will not allow programs to help with the economic development to our cities.

We will build some housing. It will be in various parts of the globe, but not one unit will be added to the stock for those who are in desperate need.

It is a budget that manages to give us the worst of both worlds, an enormous deficit and a very regressive set of social priorities.

The American people will continue to be victimized by a budget deficit which has distorting effects, long term on the economy, and at the same time will get very little benefit from it.

I think the House can do better. I appreciate the initiative of the gentleman from Arkansas in giving us a chance to begin to lay out the implications of the President's budget and the need for us to do better.

Mr. ALEXANDER. I thank the gentleman for his comments and observation and especially for his noting that the very best that the President hopes to do if all his policies are enacted is to establish a deficit for fiscal year 1986 of $180 billion, the best that he can do.

Remember, just 4 years ago when Ronald Reagan was campaigning, he was Governor Reagan then, campaigning against the former President, Jimmy Carter. I remember I was in Mountainview, AR, and I heard the President's comments when he was criticizing former President Carter, saying:

> Can you imagine that while Jimmy Carter has been President, that he has allowed our Federal budget to become in such terrible shape that there is a $30 billion deficit?
>
> $30 billion, imagine that, if you were running a business in this country and you have to balance your budget every week or every year that Jimmy Carter has allowed our fiscal problems in this country to become so bad that it is $30 billion.

The first year after Ronald Reagan was President, what did he have, $110 billion. The second year, $196 billion. The third year, $189 billion. Last year, a $222 billion deficit and the best that he can do for next year is $180 billion.

Ronald Reagan is the Babe Ruth of deficits. He is the champion of all previous Presidents of creating red ink for the American people. There is none

better. We have never fielded a team like Ronald Reagan and his White House, to contribute so much in such a short period of time to the Federal deficit. If he has done nothing else while he has been President, he has retired the cup on creating deficits under Federal budgets.

Mr. FRANK. Mr. Speaker, if the gentleman will yield further.

Mr. ALEXANDER. I yield to the gentleman from Massachusetts.

Mr. FRANK. I have to rise as a former Yankee fan to the defense of Babe Ruth, because I would make just this one distinction. When Babe Ruth hit one of his most famous home runs, he pointed to where he was going to hit it, you will remember when he played the Chicago Cubs.

Mr. ALEXANDER. I do, indeed.

Mr. FRANK. Babe Ruth told us he was going to hit it that way. The President, if he were to be the equivalent of Babe Ruth, would have pointed to right field and then hit the longest foul ball in the history of baseball. It would have left Yankee Stadium and I think would have landed somewhere in Hoboken, probably near Frank Sinatra's hometown, which would have been appropriate, given their friendship.

So in fairness to Babe Ruth, when he set the record, he told us which way he was going to hit it.

The President, as the gentleman from Arkansas pointed out, told us he was going to make the American people forget about Jimmy Carter's deficits, but we did not understand that he meant to do it by making Jimmy Carter's deficits look insignificant in size, not just be a memory.

□ 1340

Mr. ALEXANDER. I agree with the gentleman from Massachusetts. It was a very poor analogy because Ronald Reagan, obviously, has never played baseball because he cannot keep his eye on the ball. In fact, he has caused the American people, through his great talent of communication, to take our eyes off the ball and look in a different direction, in the direction of prosperity and temporary recovery in our economy to totally ignore these enormous deficits that are historic and history making, certainly the largest deficits ever created in history in all time.

Never before has any head of state created such enormous deficits as Ronald Reagan has during his 4 short years in the White House. In fact, if you should add up all of this red ink and total it you would conclude that Ronald Reagan has created more deficits in only 4 years than all previous American Presidents combined, from George Washington through Jimmy Carter. All of them combined have created less deficit during our entire history than Ronald Reagan has in 4 years, and yet he is parading around pretending to be conservative.

He is not conservative. He is the most radical fiscal President we have ever had in the history of this Nation.

While I have the time I would like to devote a few minutes to some of the particulars, some of the details of this budget, and before the arrival of the chairman of the Budget Committee, the gentleman from Pennsylvania [Mr. GRAY] who is presently engaged in a news conference, and who will depart that news conference momentarily and come here. I will then yield time to him in order that he can report to the American people immediately following the news conference that he is having now.

I noticed last weekend that the White House staff was instructed to wear earmuffs. You know the Republicans are real cute about the way they go about politics. They always illustrate what they are doing with some little gimmick to draw attention to it.

The idea of the earmuffs was to demonstrate the concept of a freeze, that the President was going to offer a freeze in this budget to freeze the Government spending at last year's levels so that it would not increase beyond what he did last year.

I am here today to report that such was not the case at all. The truth is that the earmuffs were worn, in my judgment, to prevent the thoughtful people at the White House, and there are many good ones there, from hearing the truth about this budget and the truth about this deficit.

The truth is that their budget is anything but a freeze on Government spending. The freeze is the last thing that this budget is.

It is a freeze maybe on some of the important programs that the President intends to dismantle. It is a freeze to the farmers who will be put out in the cold, in the bitter arctic wind of the Midwest. It is a freeze to schoolchildren whose lunches are cut back substantially. It is a freeze to small businessmen who want to start up a business or to expand their business because of the dismantlement of the Small Business Administration.

It may be a freeze to them. But it is not a freeze in spending across the board because what this budget does is to increase defense, to increase foreign aid, and to cut back aid to our own people in this country who need it, like the American farmer, like our schoolchildren who are trying to get an education, like the poor, and the handicapped, and the elderly, who are frozen out by this President's budget and by imposing a freeze upon their programs, and even a cutback.

I made a speech not too long ago up in New York and I was asked what this freeze meant and where this President was going to take the cutbacks. I said he will pick on the poor people and the elderly people and the handicapped and the children and the poor farmers who are trying to grub out a living out on the farms in the Midwest and in the Southwest and in the Deep South of this country. He will not take on the rich and the powerful because they can fight back.

The Wall Street friends of Ronald Reagan can hire the best lawyers in the country to represent them, but the blind, and the elderly, and the handicapped, they cannot fight back. They are represented here by Members of Congress who are speaking out today in their behalf. They are the ones who are ignored in this budget: the poor people, the blind people, the handicapped, the little children. Those are the people that Mr. Reagan is freezing out of this budget, not the rich and the powerful on Wall Street who have not only the money but the resources to fight back.

I see my friend from Pennsylvania, the chairman of the Budget Committee, has just entered the Chamber.

Mr. GRAY of Pennsylvania. Will the gentleman yield?

Mr. ALEXANDER. I now yield to the gentleman from Pennsylvania [Mr. GRAY], the chairman of our Budget Committee, who will respond to the President's budget.

Mr. GRAY. Mr. Speaker, distinguished colleagues and the gentleman from Arkansas, we gather today when the President has submitted to the Congress his economic blueprint for continued good health of our economy.

There are, first of all, two things that I would like to share with my colleagues and with the American people. First, I am concerned that the President's budget does not respond to the future economic crisis which his deficit spending invites. Second, I am concerned about the need to maintain a proper balance and equity as we make the difficult choices on how to cut Government spending.

The President, in his budget submission to us today, has given us essentially a repeat of the policies which have predicated huge deficits during the past 4 years.

Why is that a problem? It is a problem because we are burdening ourselves and our children with intolerable and perhaps a ruinous burden of being forced to pay for the enormous Federal debt shown in the charts that I have before you today.

In a word, you will see that in the last 4 years the national debt has literally doubled and in the next 4 years, if we follow these policies of this budget, they will at least triple. Of course, we have heard the statement that these deficits are the result of 50 years of past spending.

I would like to share, Mr. Speaker, with you and my colleagues this aver-

age deficit for each President from 1934 to 1985, from Roosevelt to Reagan. If you will share a moment with me, you will see that in 1934, beginning with the Roosevelt Presidency, that during the entire time of that Presidency the deficits reached an average of $16.4 billion. Under the Truman Presidency, during all of the years of his Presidency and his leadership of the executive branch, the average deficit was $0.6 billion. During the Presidency of President Eisenhower the average deficit during that period was $1.9 billion. And during the Presidency of John F. Kennedy, the average deficit was $5.9 billion. During the Presidency of Lyndon Baines Johnson the average deficit was $7.1 billion. And during the Presidency of Richard Nixon the average deficit was $19 billion.

□ 1350

Under the Presidency of Gerald Ford that moved up to a record high at that time of $55.2 billion average deficit during his Presidency.

During the Carter Presidency it dropped to $48.5 billion, as the average deficit.

Then beginning in 1981 the average deficit for the last 4 years of this Presidency has been $175.9 billion.

Thus when we look at the deficits going back 50 years and how our national debt is growing and growing and the interest is being paid on that national debt, we see clearly that it is not the result of the 50 years of deficit spending but clearly there has been a dramatic change in fiscal policy under this administration.

What has been that change? That change has been essentially borrow, borrow, borrow, and spend, spend, spend.

Mr. LOWRY of Washington. Mr. Speaker, will the gentleman yield?

Mr. GRAY of Pennsylvania. I yield to the gentleman from Washington who is a senior member of the Committee on the Budget.

Mr. LOWRY of Washington. I thank the distinguished chairman for this information.

Mr. Speaker, I am amazed. I cannot figure this out. I thought President Reagan was a President who is calling for a constitutional amendment to balance the budget. Something must be wrong with this chart here, Mr. Chairman. How could this President, who always goes out onto the steps and calls for a constitutional amendment to balance the budget, be the one who has that big red stripe there?

Mr. GRAY of Pennsylvania. I will assure you that this chart is absolutely accurate and I would challenge anyone to question its accuracy. It was prepared by the House Budget Committee staff, a professional nonpartisan core staff.

If you look you will find, even if you start in 1947 on the second chart, that the historical deficits have a unique kind of line. In fact it was under LBJ that we had a balanced budget which was not so long ago. Suddenly in 1981 these long red towers, the world trade of deficits, have been created. The reason that they have been is because what we have been doing is simply spending, spending, spending and borrowing, borrowing, borrowing to pay for that spending.

Now, the problem that we face is simply this: That if we do not address the fiscal policy that created this average, if we do not address the fiscal policy that creates these enormous deficits and doubling, over the next 4 years, a tripling of the national debt, what is going to happen? Let me share with you: First of all, we will erode our Nation's savings so that most of the savings of this Nation will be utilized just to pay the interest on this debt by about 1990.

Our trade deficit has soared, setting record after record, and it has been accompanied by the loss of 2.5 million jobs to foreign competitiors, simply because these structural deficits cause an overvalued dollar and means we are less competitive in the international marketplace.

More importantly, we are just a couple of years away, if we continue to follow these fiscal policies, of becoming the world's largest debtor nation.

Now, I want to repeat that. The United States of America, in just a couple of years, will become the world's largest debtor nation. Our debt will be so large that we will be No. 1 in the world in terms of debt.

We are heading toward a point at which Americans will have to pay taxes of $230 billion per year, more than $900 for every man, woman, and child, just to pay the interest on this debt.

Every day this debt increases we make it harder for our businesses, our workers, and our Nation to remain competitive in that world marketplace.

If we do not control these deficits, if we do not reduce our dependency on foreign funds to finance our debt, we will burden ourselves and our children with taxes, foreign interest payments or inflation so high that our incomes and living standards will be seriously eroded.

Clearly this bill, of this debt, by these fiscal policies is going to be paid.

In that sense I am a little disappointed that the budget we received today is a continuation of the same fiscal policies which have caused the problem that now confronts us.

The President has not met the goals he set for himself many times prior to today.

The other point I would like to make to you, Mr. Speaker, is simply this: That I am committed to working with the administration and with my colleagues on both sides of the aisle to fashion a budget which demonstrates equity, compassion, while reducing the spending of our Government because if we do not, all of us will suffer whether we are the small farmer out in Iowa who is going through an extreme crisis right now, or whether we live in the inner city of north Philadelphia.

It is in all of our interests to deal with this problem. I think we can develop a budget which asks the American people to share the sacrifice, to share the sacrifice which will be necessary to reduce the deficit.

This week, Mr. Speaker, we will begin the process of fashioning a budget resolution in the House. We will be starting that process this Saturday with a series of regional hearings around this Nation followed by hearings here in Washington, DC. Our purpose will be threefold: First, we want to target and define the problem of the deficit for the American people; second, we want to share with the American people the various alternatives and difficult choices that confront us; and third, we want to get the input of the American people across this country as we prepare to decide among those choices.

Then we will hear from the administration's representatives. I am hopeful that despite these startling red lines that we will be able to work in a bipartisan fashion across all lines so that we can address the problem because it is not a Republican problem, it is not a Democratic problem, and it does none of us any good to point the finger at Congress and say they are to blame, but we must join in this, to deal with it, and I certainly hope that the administration, as it looks at these deficits, as it looks at the fiscal policies that created them, will join us here in the House so that we can come up with a fiscal policy that will move us away from becoming the largest debtor nation in the world and saddling future generations, unborn, with a debt that will change the American dream and make it a hopeless, nostalgic memory of something in the past.

It is with that spirit that I seek to work with all in the House to make sure that we have deficit reductions, strong deficit reduction through spending cuts, but done with balance, with equity and fairness for all in this Nation.

I thank the Speaker.

Mr. Speaker, I yield back the balance of my time to the distinguished gentleman from Arkansas.

Mr. ALEXANDER. I thank the gentleman from Pennsylvania, the chairman of the Committee on the Budget.

Are there other Members who wish to address this important subject? If there are not, I would add only one fact that needs to be noticed, as we discuss this very startling, historic re-

ality that faces our Nation. That is that just last week it was reported that the merchandise trade deficit which measures the amount of money that we spend for foreign goods, reached an all-time record deficit of $126 billion which is likewise startling because we are buying, as Americans, $126 billion more in products each year than we can afford to pay.

Mr. Speaker, I call upon this House to reject the budget that Mr. Reagan and his Republican colleagues have offered. It is unrealistic, it is unfair, it does not address the realities of our time, and it is wrong.

□ 1400

THE ENERGY CONSUMER REGULATORY REFORM ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MOORHEAD] is recognized for 30 minutes.

● Mr. MOORHEAD. Mr. Speaker, I am pleased to join colleagues from both sides of the aisle in introducing the Energy Consumer Regulatory Reform Act. This legislation will reform six energy regulatory statutes that are needlessly burdening consumers, small and large businesses, and utilities alike. Identical legislation was introduced last Congress by a bipartisan coalition of Congressmen who recognize the value of an unfettered energy marketplace in satisfying our country's future energy needs. We have learned over the last decade that reliance on the marketplace must be the cornerstone of our national energy policy.

The bill I am introducing today will help to end Government interference in the marketplace by repealing several mandatory conservation measures, including: The building energy performance standards; industrial energy conservation reporting regulations; the Residential and Commercial Apartment Conservation Service Programs; the Department of Energy intervention authority in State utility proceedings, and the mandate requiring consideration of national retail electric rates; and the Emergency Energy Conservation Act of 1970.

These mandatory conservation measures, rather than helping to reduce our dependence on foreign oil, have burdened small businesses, cost energy consumers millions of dollars, and distorted the marketplace for alternative energy conservation products and services over the last decade. These statutes have required small energy consumers to subsidize duplicate energy conservation programs; they have placed a regulatory straightjacket on State and local officials, they have hampered the valuable work of energy conservation entrepreneurs, have exacerbated the Federal deficit, and have involved the Federal Government in the regulation of public utility rates—traditionally a local responsibility that can be handled more effectively and less expensively by State and local governments.

Most importantly, many of the statutes that would be reformed by my bill have attempted to substitute the Federal Government for the operation of the marketplace in areas where the free market is already solving the problem. The building energy performance standards, the Residential and Commercial Apartment Conservation Service Programs, and appliance efficiency standards are clear examples of the folly of this policy. These programs attempted to mandate energy efficiency and proved to be both costly and unnecessary. Higher energy prices spurred the housing industry to increase energy efficiency in new houses. Manufacturers responded to consumer preferences with major consumer products with much greater operating efficiency. Also, studies of the Residential Conservation Service Program has shown that audit participation rates never achieved the levels originally anticipated—not because of the public's insensitivity to conservation, but because households had already responded to high energy prices by hiring private energy entrepreneurs to conduct audits and by purchasing cost-effective conservation devices.

Mr. Speaker, the limited Federal dollars available for energy projects should not be wasted on bureaucratic redtape and burdensome and costly regulations. Both bodies of Congress recognized this fact last year in our consideration of the Commercial Apartment Conservation Service [CACS] Program. The House acknowledged the harm and expense to ratepayers associated with CACS when we voted to repeal this program. For its part, the Senate voted to postpone implementation of CACS for a year. Unfortunately, due to time constraints, we were unable to resolve this issue. I have confidence that we will take this program up again in this Congress—but our attention should not be focused exclusively on CACS. I ask my colleagues to review the legislation I am introducing today and each of the mandatory conservation measures it would rescind. A short synopsis of this bill's provisions follows this statement. I urge my colleagues to study this issue and join with me in supporting the Energy Consumer's Regulatory Reform Act of 1985.

SYNOPSIS OF THE ENERGY CONSUMERS' REGULATORY REFORM ACT OF 1985

SECTION 1—SHORT TITLE

SECTION 2—FINDINGS AND PURPOSE

SECTION 3—REPEAL OF BUILDING ENERGY PERFORMANCE STANDARDS (TITLE III OF ECPA)

The Building Energy Performance Standards regulatory authority would be repealed. Authority for DOE to provide technical assistance to the building industry would continue under the "Buildings and Community Systems" portion of the DOE Authorization bill.

SECTION 4—REPEAL OF RESIDENTIAL AND APARTMENT CONSERVATION SERVICE (TITLE II OF NECPA, TITLE V OF THE ENERGY SECURITY ACT)

Federal statutes which mandate that electric and gas utilities offer energy audits to residents and commercial building operators under burdensome regulatory standards would be eliminated. Existing utility energy audit programs could continue under State and local law.

SECTION 5—REPEAL OF CONSUMER APPLIANCE EFFICIENCY STANDARDS (TITLE III OF ECPA)

DOE authority to regulate the energy efficiency of consumer appliances would be repealed. The requirement that consumer appliances display energy efficient labels would be continued.

SECTION 6—REPEAL OF DOE INTERVENTION AUTHORITY AND NATIONAL RETAIL ELECTRIC RATE STANDARDS (PURPA)

Sections of the Public Utility Regulatory Policies Act of 1978 which authorize DOE to intervene in State utility proceedings and which mandate consideration of national retail electric rate standards would be repealed. DOE intervention in State utility proceedings intrudes on matters exclusively the concern of State and local governments, and most State utility commissions have completed their consideration of national retail electric rate standards. Section 210 of PURPA regarding small producers and cogeneration would be retained.

SECTION 7—REPEAL OF INDUSTRIAL ENERGY CONSERVATION REPORTING REGULATIONS (TITLE III OF EPCA)

The industrial energy conservation reporting requirements, which burden businesses with needless and duplicative paperwork, would be repealed. The industrial sector has been the top achiever in energy conservation compared to all other sectors since the 1973 Arab oil embargo. The Federal Government has no business imposing additional regulatory burdens on industry unrelated to public health or safety. Voluntary industry reporting of energy conservation gains would continue.

SECTION 8—REPEAL OF EMERGENCY ENERGY CONSERVATION ACT

DOE stand-by authority to preempt State and local energy emergency consumption targets would be repealed. Presidential authority to allocate energy supplies in an emergency would not be affected by repeal of this regulatory authority.●

THE TRADE DEFICIT

The SPEAKER pro tempro. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, on previous occasions, from the beginning of my service in the Congress I have addressed my colleagues through this means; since the first month that I came to this House, which was January 10, 1962, and have always addressed myself to my colleagues. Of course, it was not dreamed at that time that the proceedings of the House would be covered by television; and to me it makes no difference; I am

happy to enlarge the participation of the constituencies in the proceedings of this House.

There has always been a very definite purpose in mind for importuning the Members of the House as well as the staff of the Clerk and others that open the doors, so to speak, and close the doors of the proceedings of the House of Representatives.

Always the intent has been a blend of two. One to proceed in an enlarged fashion which the limited debate rules prevent in the House Representatives, a numerous body, from so doing on either a matter that has a direct, almost exclusive, impact on the parochial or local interests of the given district, the 20th Congressional of Texas, or one that partakes of a national importance or imminence and which I feel is an indefensible part of our duties; that is, just because the extent of our jurisdiction is limited to the geographic bonds of the given district that we have issued which transcend the parochialism of the district's interests.

Today I would like to start by outlining the general interest which concerns me and which I feel even with discussions such as we have had are not being addressed either in debate or otherwise by either the Congress or the executive branch of the Government and which are absolutely necessary that they be debated because without debate and discussion in our society, we cannot have participatory democracy.

The issues are so grave, so imminent in what can be crises, that I feel impelled to rise as I have over the course of these 23 years to do so.

I might remind my colleagues of recent joinder as Members of this House, that on such issues as the murder of a Federal judge, the attempted murder of a Federal district attorney in the western judicial district for Texas, that I spoke singlehandedly a total of more than 39 times, but not until the murder of that judge was at least resolved as far as it could be up to that point—though I am afraid not really fully and completely for the best interests of the Nation.

It was a murder that occurred on the outside of my district, but which was within the county which for my first 8 years I had the honor of representing, because the county was contiguous and the same as the 20th Congressional District at that time.

I felt that the meaning and significance of this greatest crime of the century, on par with the assassination of President Kennedy because of its implication to our form of government. There were months in which the judiciary and other Federal officials connected with law enforcement were actually intimidated, and nothing was being done, and that case was going to be lost in the dust of history.

I am glad that I did, even though I was criticized, I was ridiculed, I was accused of seeking some purpose; we live in a cynical age; if one does anything the question is, What's his angle? What's he going to get out of it? And I faced that ever since I started my political career 33 years ago, 34 years ago on the city council.

Today I am going to start with one aspect which I believe impacts on our domestic resolutions, no matter what they are as we address these turning serious, deeply rooted problems that are coming up from the midst of our society.

First and foremost is the question of the international trade deficit. For the first time in the history of any Nation, our trade deficit when we ended the last quarter of this last year, 1984, was in excess of $133 billion, yet nobody discusses this. There has been no debate.

During the Presidential debates, no allusion was made that that nor an issue drawn, by either one; the incumbent President or the challenger. Here in the Halls of Congress I have waited for years, since 1960 and 1961 which were the 2 years preceding my entry into this body, for the first time then the trade deficit had reached $10 billion and it was considered disastrous.

The whole subject of conversation, the concentrated effort and energy of the President that first year was to address that problem. Even then, the preceptions of the world were just as misperceived by our leaders as they are today. Nobody asks, why? What is the basic underlying cause? Sure this is the immediate, but what is the basic underlying cause?

Nowhere in the 10 or 11 volumes of the collected and published addresses and papers of President Eisenhower is there one reference to the Common Market of Europe which was in the process of development. My first year here in 1962, one of the big issues was the Trade Act that President Kennedy, the closest friend I have ever had on that level; a close and intimate friendship, and I was asked to vote for it. It was going to be the first round of the so-called General Agreement on Trade and Tariffs, or the GATT.

I read it, and I read some provisos that disturbed me, as I do almost everything that I am asked to vote on. I raised questions, and they couldn't be answered satisfactorily, so I voted "no." Immediately I had all my friends jumping all over me, asking, How in the world could you have done this? I said because there are certain provisos.

One of them, you say this is taking cognizance of this thing called the Common Market of Europe. Yet I do not see any evidence that the implications of that development will have as I look into the future.

□ 1410

But you also have a provision here that says in the case that as a result of the adoption of this legislation there is some American trade activity or industry, industrial or manufacturing enterprise, that suffers detriment, this Commission shall be established to consider this deterimental impact and see what can be done about it. If on the one hand you tell me it is advantageous, there is no prospect of detriment to the country if we approve, yet you have this proviso on the other hand saying, well, maybe there will be. Can you tell me wherein and how that possibility can arise? Well, it will never happen.

I had that happen before and I have had it happen subsequently and when it does I vote "no." No matter what the political consequences might be. I do not think that is an act of bravery. I think that is an act of being responsive and responsible under the oath of office that I have taken, which simply says: I shall to the best of my ability, will and faithfully discharge my duties as a Representative.

Well, lo and behold, today the international trade dificit for the United States is well better than $133 billion. Now, just like in the case of interest, which I have gotten up ad nauseam and discussed here for 20 or the 23 years I have been a Member of the House and member of the Banking Committee since I first came in and still am. And very much like a coyote, baying out in the brush country at the moon at midnight that is pretty much the way I have felt, pretty lonely. I hate to feel that I can say, well, I told you so. I hate to say that for 14 months and for 12 of those 14 months the only voice in or out of the Congress, House or Senate, I was asking the President, Mr. President, what is the mission of our marines in Beirut? And at 4 days before their murder I asked that question as the House was adjourning for that week and asked my colleagues, "Gentlemen, please, how can you. You haven't discussed. How can you go home tonight, eat a nice good steak at suppertime and you, Mr. President, up in the White House, you will retire to your dining room and not give thought to those marines that are under the shadow of death this very moment." How could a President in heedless and callous disregard of the unanimous advice of his own Joint Chiefs of Staff, that is our expertise in military matters, why have them if a Commander in Chief calculatingly ignores. You do not have to be a prophet to know that under those circumstances you are going to have a catastrophe. But who gives a hoot or a hollar for any 1 of those dead 242 marines? The President does not seem to have any worry about going to sleep at night and having that on his con-

science. Yet, single handedly, willfully, not because of a week's determination, but 14 months. Why? Why is it that we can sit here and think we can temporize without even debating the question $133 billion plus of trade deficit. We can temporize with these charts and these domestic I think that that is one reason the President smiles and all of that and what he used to say was unpardonable, now it is tolerable, because we can play around I would say for the next 2 years. Even though two-thirds—even those charts reveal it, even the other side's charts reveal it, if they put them out—two-thirds of the cost of our military outlays which everybody is shooting at are interest payments for that borrowing, two-thirds. That goes back to this other fundamental question of interest which will be the second part of what I wish to address.

Generally because every year I have been a Member of this body or any other legislative body if I have gotten up and I have criticized and I have said this is a mistake, I have offered a suggested alternative and I have done precisely that in every one of these issues. I did it in the State senate. I did it on the city council of the city of San Antonio and I have done it for 23 years and 3 months in the U.S. House of Representatives.

Why? Why is it that we think we can temporize with that? Which means jobs, which means not that we have these monstrous domestic deficits, but that America has been converted from a producing nation; a nation that produces goods, food, fiber and other materials, to a dumping market of all the world from Japan to China, to France, Germany, and England.

Why? That is the reason that we have the deficits, but why could we get into that to begin with. Well, it is not a simplistic matter. It is complicated. Other policies that either have been implemented or have never been put together, either the President's or the absence of policies that are very basic but which have been ignored and incidentally, from time to time, the Congress has aided and abetted in producing from the willful, arrogating usurpation of power by the Federal Reserve Board, who among all the speakers today on this side and on that side will be willing to confront the root causes of our dilemma and the reason why before we even celebrate the bicentennial of our form of government in 1989 we are destroying the very pillars that the men who founded the Nation and ruled as Presidents for at least three terms after the first under this form of government, felt were the critical and basic issues. And which, incidentally have been in all countries and all lands and all climes at all times and that is who has the power to determine the credit allocation, the financial allocation of any nation's society.

When President Kennedy and those who drafted that Trade Act of 1962 did so, they did perceive in a world that was no longer so. When we are asked today to pass and approve a so-called defense budget of about now—if the President's requests are satisfied—$315 billion, who is asking the question about how much of that represents the outlay for "the defense of Europe?" Nobody does. Every statement I heard on either side, every statement uttered from the Presidents since I have been here has been based with respect to a defense budget at a world's outlook and perception that was true in 1946, 1947 but no longer true. It is another world. Over half of that defense budget—and these are my estimates, though I have been told they are not wrong, they are not astray, they are not out of the ball park because there is no other voice that has arisen here to ask the gentleman involved in the approval of the appropriation bills if they could tell me what amount in that budget or in that appropriation was destined for the so-called defense of Europe. They said, "Oh, we can't tell you because it is scattered here, it is scattered there, it is scattered everywhere." It is almost as bad as the moneys that the CIA has. There is not a soul in this Congress that can tell me how much money is allocated to the CIA. The President's discretionary budget, that is, that is the amount of money he can play around with that is not budgeted specifically, that he has discretion to use any way he wants, has grown 700 percent, more than that, 7½ times in just 3 years. How much of that goes to the CIA? There is not a man who can tell you. Maybe the President himself does not even know. I do not know.

All I know is this: That when I raised a question why is it you are predicating your policies and asking us to tax the American people in this amount for a defense posture that assumes that there are certain conditions that are no longer true, why is it you do not even debate?

□ 1420

The other day a West German Federal Government official from one of the provinces said, "We are not American vassals. We are coequals. We are allies."

When has this House debated the fact that the real issue in the deployment of the Pershing II, even in the cruise missile in England, was for the first time the German finger on the bomb?

This is the initial basic issue in the post-war period, even during the terminal points of the war, that is, the German question, that gave rise to what now we take as a matter of scriptural word that Russia is the eternal enemy and that the cold war is because we must defend against communism.

We have come in other areas of the world as inheritors of the old colonial power responsibilities. Our perception of ourselves do not say that but they do not coincide with the world's perception of us, nor with the facts involved.

But if in Germany we have changed the designation of our troops from occupation to defense, would it not be very wise to find out what that interpretation is on the part of the German people? Is it not a wise individual who would consider the fact that the generations now on the threshold of power have no memory about what World War II really was about or means?

If we were German citizens, would we say their troops, if they were occupying our country, were defense forever, while our country was dismembered, and the basic issue that the nations have refused to want to consider, or could not, or were unable, and that was German reunification, if our leaders today are predicating their faith on the policy of a temporary German leader, as tenuous a hold as the leader of the West German Federal Republic has today, are we not then being rather foolish and naive to think that a crisis cannot develop in which the whole aims, purposes and responsibility for the 300,000 of our military and families who are there should be looked for? Should we wait until we have more of a few things that have happened already?

And, as I said, even prominent ministers say, "Hey, wait a while, we are not your vassals, we are your coequals. You are not occupying. We are just letting you be here for a while, though we think if you give us the resources, why, we could do a better job than you can, we have better soldiers than you have, and always have had."

Well, maybe that can be temporized. I do not think so. And I have been raising the issue now for a few years in which every time the appropriation comes up I will get on the record and say, "How much is this? It is for the defense of Europe, and is it predicated on the basis that you expect a terrain invasion," which really, really reveals our naivete about everybody involved.

Blithefully we have gone into the most nettlesome mixed up areas, with absolutely no conscious revelation of being steeped in that history, even, such as Middle Europe, in which for years we have had invasions one way and the other way.

Should we be naive to think that the Russians, having lost 20 million to a German invasion, should sit back and watch us without protest rearm Germany?

Even Maggie Thatcher would not let us station the cruise missile until we had joint management, that is, we cannot press the trigger unless they also come in and say, "OK, you can." When was that ever debated?

Central America, where I have tried futilely to bring about some consciousness of the responsibility of needed debate. The War Powers Resolution. I have introduced one, just the other day—I introduced it in the last session—in which I point out the President is in absolute violation of the War Powers Limitation Act.

We never had a debate on that. What was described as a debate turned out to be a test of loyalty: Were you for or were you against the President? Not on the War Powers Resolution in the last Congress.

I introduced one on Beirut, when the President could not answer or would not answer. And then I happened to find out about the Joint Chiefs of Staff, which revelation did not come to light until much after the marines had been killed.

I even introduced a bill of impeachment after the Grenada invasion. Today we hear one of our colleagues say, "Well, you know that airport that the President said the Cubans were building, we had to go in and take over the island? We are now doing it. We are now building it."

The truth at that time was that the invasion was immediately on the heels of the disaster in Lebanon.

The truth is that world opinion solidly is against us in that venture. There were only six countries, five of them absolute client states in the Caribbean, that if we cut them off they will have real crisis, and Israel, that backed us on Grenada. But constitutionally, who gave a hoot in this body that the President had violated three treaties, forever destroyed our moral, our actual physical ability to lead collectively in the Western World? We have gone completely unilateral and military intervention with no attempt to have a collective type of solution. Nobody says a thing here. There is no debate.

We are in the course of conducting war against the Nicaraguan regime there now called the Sandinistas, and have been now for more than a year. We have had some of our servicemen die there. They have not been reported that way. The truth is that they have. What is the difference, Vietnam, Central America? Yet where is the debate? Where is anybody challenging anybody on that?

No, the headlines will drag us into an open conflict sooner or later. I just heard a colleague here on the other side of the aisle just last week say, "Why, there is no question that if we keep going we will ultimately have to intervene with our own soldiers." He takes for granted that it is great for us to have training for our National Guardsmen in Honduras, as if Honduras were one of our States and not an independent sovereign body where the people from the beginning have been incensed and opposed to our occupation of the country. We are not there training. We are occupying Honduras. We have been at war in a very hypocritical fashion, because we have an Ambassador, a duly accredited Ambassador in Managua.

□ 1430

And while he talks nice and all of that, the CIA and other agents of our Government are attempting to assassinate their leaders; have killed many of their peasants in the border areas; have continued to finance the operations that would do what? Undo the regime, without one thought ever being expressed by anybody. Suppose you do, suppose even if we do invade and knock them out and have to do it that way, who is going to govern? The Contras? They are over 75 percent ex-Somocistas. They were kicked out by an indigenous revolution. Castro did not send soldiers to fight that revolution; Russia did not send one soldier and has not even now, to fight that revolution. It was a civil war. It was an indigenous uprising against the most despotic, cruel, inhuman regime in the whole world which we had imposed. For we have invaded Nicaragua at least half a dozen times, and the last time for 5 years in which we ended up in creating their National Guard and imposing what has turned out to be the Somoza regime.

We are identified with the despots, with the people that have long exploited and horribly abused the masses to the south of our border. Is anybody debating that? Is anybody really questioning? No, because the issue will be in the headlines, "Migs In Nicaragua." We have a duty to go in there and knock them out.

Well, Castro has had Migs, I do not know how long. Are we also going to invade Cuba? If so, I say this to my colleagues, and I said it before I came to this body, right on the eve of my coming to this body. In the case of the Bay of Pigs Invasion, I tried to point out, futilely, to then President-elect Kennedy, I was in the State senate. I became privy to some information from Miami. I found out that the CIA had invested $250 million alone in what would be an invasion.

In the Florida area alone, I forget how many millions. They also had a training camp in Nicaragua and other places in Central American areas. My informant said, "Look, I am one of the exiles, but it is not going to succeed. President Kennedy does not know the exact nature of what has already been committed since 1960. The group leading the invasion, even if they succeeded physically, will never be able to govern Cuba, unless the United States goes in, occupies Cuba and governs it, they will not do it." I say my friends, this is far truer in the case of Nicaragua even today.

Has anybody stopped to ask, suppose we give so much help to the so-called Contras, that they are able to physically or that we have to go in, as I am sure we are, the way we are going. There is nothing I see that is reversing the course that the President has set irreversibly when he ordered on both sides of the Isthmus, the heaviest military deployment in the history of that part of the world since we have known it and Columbus has discovered it. We have now 30,000 in the air, on the sea, on the land, surrounding Nicaragua alone. Is that accounted for here? I have not heard it.

So, when these issues, which really seem specific but really are general because what it is, it is basic to the policies or lack of policies that have as a premise a flawed perception of the world. Suppose our leaders had had the correct perception of the so-called Communist world, particularly in Southeast Asia. I doubt seriously that 50,000 of our soldiers would have died there; I doubt it seriously. The perceptions then, I recall them vividly. I went to innumerable White House conferences. At least that President had communication. I remember well.

Today, there is not a knowledgeable citizen that would say that that was the correct perception. We are being led by men whose perception of Central America, Latin America generally, are the 1929 perceptions. Even John Kennedy, who was idolized, and continues to be in Latin America, were he President today, and were he to try to launch the Alliance for Progress, he would not suceed, because that was a unilateral approach.

Twenty-three years ago, 24 years ago, yes; that was great; it was wonderful. Today, it would not fly. The real world has changed; it takes another approach. If a President, like President Reagan, who made the trip 2 years ago down to four or five countries, he came back to California and his first words in California were, "Gee, I did not know they were so different." That kind of perception is dangerous today not only because it is outmoded, but because it seems to be the premise for which our policies, such as they are, but which have led to fateful, and at this point seem to be irreversible courses. Why? Why would a President insist for 14 months in full knowledge of the vehement and united opposition of the Joint Chiefs of Staff? Why the other policies? Well, I do not know myself. I know it happens. I know that as a Member of this body, I look at my grandchildren and I say to myself, if what I see and think happens, and God forbid it does, what

will they think, what will they say? Will they have a chance to say, "Well, my grandfather was a member of a national policymaking body, and he never once said a word." I think that would be the worst thing that could ever happen to me now or in afterlife.

I do not get up assured of being infallible; in fact, it is the other way around. But I do, as I said at the beginning today, based on a study, based on hearing the debate for hours, or what passes for discussion if not debate, and then raising questions. All I can do is cast a vote or record my voice. They are not answered; then nothing keeps me quiet. Why in 1965, with the great, illustrious chairman of the Judiciary Committee, Manny Cellars sitting there, and presenting the resolution that called for the 25th amendment to our Constitution, did I say, "Mr. Chairman, I cannot believe it; are you serious about this?" He said, "What is the matter with you; of course, we have got to do something. In all these crises we have had while Lyndon was President a whole year without a Vice President. Woodrow Wilson vegetated over there."

I said, "Yes, but this second section here, it seems to me that it calls for an elimination of that section or something else." Then he got angry with me so I had to come over here. The record will show I was one of about 28 that voted no. The record will also show that I was the only one that spoke into the record and said why I was voting no.

I said, "To me, this is reminiscent of the old, Roman Senate, and the potential for intrigue. It reminds me more recently and in modern times of the Third French Republic and those intrigues. Because how many know, how many stop even to stop to read the 25th amendment today?" The potential for mischief. Never did I dream or did I ever in my wildest fears imagine that in my lifetime I would see the realization of some of those fears when Henry Kissinger and General Haig got together and said, "If the President does not quit, we are going to invoke the 25th amendment."

Why? Why would I get up in 1965, never thinking any such thing would happen or that it would even be approved. Because, first, and above all, my background.

□ 1440

My father was what today would be called a refugee because he actually had been placed against a wall and was going to get shot, and through a miracle there he was saved and fled the country. But his roots had been there for 400 years, so the anguish of that exile cannot be described. But we were born here, and our parents never quite realized that.

I could see, and he, himself, would always say, "This great land has given me freedom and a chance to earn my bread and peace, which my own country could not. You love it and you respect it." Well, I do, and also realize that nowhere else, even there, perhaps even in my father's time with his own wealth and everything, I could never have given the opportunity, certainly not the great, tremendous honors and privileges of having served on every single legislative position as a representative that the community could offer without any attribute of wealth, without any attribute of social position. So I am grateful. If I cannot help to preserve that, I certainly am not going to do anything to diminish it one iota, and in that zeal, I tremble when I see the calculated course for catastrophe and danger and, therefore, I hope never through cowardice—I did one time only, and regret it, and that was when the Gulf of Tonkin resolution was brought up here and I hestitated two rollcalls, finally came up to the desk here and answered. My judgment said no, because the wording of that resolution was clear prescription for a backdoor war.

I was the last to vote, maybe, but I made up my mind never again to let the fear of embarrassment, the fear of being the only one, and I am glad to say up to now there have been a couple of times I was the only one, and I have been called peculiar or something, idiosyncratic.

But that is not the point. The point is if I could see that these issues were really being freely debated on the basis of the issues, not on partisanship, as my colleague said a while ago, not on the basis of who is to blame. It is too late for that. I think one of the things that I hold the President in less esteem for has been his constant, constant allusion to the predecessor as being the one to blame for everything, everything. After 4 years certainly that really is improper and that is the only thing I see repugant, that shocks me personally, in a personal way, because so what? What are we going to do to resolve it? What are we going to do now to anticipate, so that we can, therefore, prevent?

To me, that has always been my motto. Anticipatory presentations, legislation.

In 1966 we had the first credit crunch. I asked the chairman of the Banking Committee then, they used to call it the Committee on Banking and Currency, "Mr. Chairman, I think there are issues here that are ominous. You know, there is nothing to say that interest rates will not rise to 10 percent."

He said, "It will never happen. Over my dead body." At that time, they were barely 6 percent. They had just crept up.

But I said, "Mr. Chairman, there is nothing to prevent it. There are certain things that I see as I read the history of interest rates."

He finally shut me up by saying, "You are too deep for me; you are talking out of my range," because I said, "Mr. Chairman, there has been no society on earth, even 7,000 years before Jesus Christ, the Code of Hammurabi proscribed usurious interest charges. Even during the time that our Lord, Jesus Christ, was preaching, the law and penalty of death prevented usurious interest rates."

Today, in Japan, there is no interest charge that can exceed 7½ or 8 percent. The average is about 7 or 7½ percent. But in no way could they go to 9. That country is outproducing us, and we are becoming the consumer and not the producer. At the root of it is such a basic thing as that, but what will it take to reverse it? It is not simple, and it will take some hard, mean action that I am afraid now will come only after a crisis.

I have always been an enemy of crisis. These are not God-created crises. There are not acts of God. They are manmade. They are susceptible of manmade solutions. They are even susceptible of being prevented.

Why, at the height of war, on the Federal level, could this Government be using 46½ percent of the gross national product and still not have interest rates—the Government was paying barely 2 percent. Do not get me wrong. The bankers tried, but you had men who did not have to be told what the public interest was and where the real control should be.

Thomas Jefferson in the beginning, we must remember that in the first 10 years of our national existence, the founding people thought so little of such an office as the presidency they did not even have one, but what was the biggest issue? The allocation of credit, the Government's ability to use credit and at what charge, and they chartered the Bank of North America.

That was the issue. If you think anything I have ever said has been harsh to the so-called bankers, even though I am not talking about 95 percent of the bankers, you ought to read what Thomas Jefferson said, and later Andrew Jackson, with the First and Second Bank of the United States, the same issue: Who is going to control the allocation of credit, the people or the bankers?

You cannot survive with the monstrous trade deficit we have now as a viable industrial nation. We cannot piddle around with the domestic deficit. We cannot, for about every one of the $30 billion or so of the $133 billion, we have lost a million American jobs permanently—not temporarily, permanently. Of course it grieves me. This is my country.

But I also see a fatal, almost Greek tragic comedy enacted. The same ele-

mental issues that we had after World War I we have confronted again in different form, in different nations, but essentially the same with almost the same identical mistakes, the banking system before 1929 overextending on the bonds of the Imperial Japanese Government, the bonds of the German Government.

I think the record ought to show that the Japanese Imperial bonds, that our depositors' money was being sucked up and invested through the New York firms and the international bankers, had a maturity date of 1941.

□ 1450

Well, of course, we got Pearl Harbor payment. I think it is interesting to note that we have the same thing now, but it is so basic because the people have lost the control of their own destiny in the United States with respect to these vital matters.

Why are they vital? Because they have everything to do with what we have done and are justifiably proud of—the American standard of living. I know of countries right across the border where, my goodness, the normal interest rate is 30 percent, if you were able to borrow down there, and you were going to pay that. But in America, as I have been futilely arguing since 1965, certainly with a lot of voice since 1965, it is fatal. We cannot anymore survive with this imbalance of trade for long. We can temporize with the other, but not with this.

In America our economy has been predicated, before World War II, as we proudly said, on mass production and mass consumption.

But I remember before the war I would walk the streets of my native city of San Antonio and I would see droves of little urchins, not at school, barefooted. The kid that stuck out like a sore thumb was the one that had shoes. Then after World War II the kid that sticks out like a sore thumb is the kid that goes barefooted. The variety, the beauty, and the color of our clothing is common. The poorest of the poor today can afford good clothing because of the abundance and diversity of production. But we cannot for long, as I think some segments of our economy show, if interest rates are exorbitant and in fact if they are as unconscionable and extortionate as they are today.

I do not know of a business that can, at 16 percent or even at 10 or 11 percent, borrow $1,000 or $2,000 to try to have a little floor inventory in a very small room in a truly small business today and pay that amount of interest and be in the swim for long. And that goes all through the economy.

If the Government has been paying, as it has been, over 12½ percent as a yield on long-term Treasurys and bonds and notes, my goodness, should we be amazed that two-thirds of our defense budget or two-thirds of our figure for spending is just for interest payments alone?

That goes also to the debt management. The Congress aided and abetted the highway robbery of the American people. Who cared? You look at your dollar bills today, and every one of them says, "Federal Reserve Note." You, the taxpayer, pay interest every time that bill is printed.

We are the only country in the industrialized world that handles our monetary and fiscal matters that way. It was not always that way. When I came to the Congress, I found just as many dollar bills that said, "Treasury Notes," not "Federal Reserve" but "Treasury."

Why the difference? Why does somebody not ask that? Was that debated? No.

So I conclude by saying that these issues I will again address as we go into this Congress, and God willing, given the opportunity, I will develop them in very specific terms. I have even introduced bills of impeachment of the Chairman of the Federal Reserve Board.

Why would I do that? Because I was bombastic? No, the papers did not even report it. I do not go around making releases. I am speaking to the record and to my colleagues, because I can look back and I can tell my grandchildren, if it happens before I die as the 25th amendment, "Well, look. I did. At least I spoke."

We have had the benefit of a lot of history, not as a nation but the history of many others, including our Mother Country. We have had that benefit, but not lately. We have consumed our youth, our blood, and our Treasury in useless, meaningless, and hard-to-define quests of war.

Why? Why should it be? Is it certainly not inherent in our capacity as a national policymaking body, and first in the Constitution, to have that power because it is a representative branch? And I remind you again that the men who wrote that Constitution thought so much of that office that at first, during the debates in the Convention, it was called the Chief Magistrate. Why? Why did they place solely and exclusively the warmaking power in this body?

Well, I think recent history should have revealed that by now. But time is on us, and we can see that there is now such a close interaction that these outside forces at so-called recovery are illusory, because it is predicated on the forces that are external to our shores and that make us susceptible no matter what we do. We can tax ourselves to death and in fact cut everything from Social Security to half of defense, and we will still have the threat of that deficit and our dependence on external foreign forces that have no prime allegiance to us, that never have and never will, because we have traded our heritage for a mess of pottage.

Mr. Speaker, I will close by saying that yesterday I had the honor of addressing the National Association of Housing Officials here in Washington, and I place in the RECORD the remarks I made yesterday, as follows:

REMARKS OF U.S. REPRESENTATIVE HENRY B. GONZALEZ

HOUSING: THE TIME TO CHOOSE

When President Reagan transmits his fiscal year 1986 budget proposal to Congress, we will at last come down to the basic, irreducible issue in housing and community development. Will this nation have any housing policy? Will this nation have any policy for community redevelopment? There will be some who will argue that the President's proposal will be meaningless, since his budget has been declared dead even before its delivery to Congress. There will be some who will argue that in view of the urgent need to reduce the Federal budget deficit, housing program should be zeroed out for a year, and that further cuts in community development funds are an essential part of a painful budget reduction process; and they will say housing program can be revived at some future date. But the blunt truth is that Congress must this year face the housing and community development question for what it is—a matter of principle. If we do not have a national policy on housing and community development now, then when will we? If those who are committed to housing and community development do not take a stand now, then when will they? For the time of temporizing and compromising is past. The time to take a stand on basic principle is now. This year is the time to choose.

The President's budget will show a repudiation even of the housing programs that he has personally espoused—specifically, assisted housing production for the elderly and handicapped, and the housing voucher program that his administration has presented as the ultimate solution to the housing needs of poor and moderate income Americans. His budget will request nothing for new housing production programs. It will request a termination of the Urban Development Action Grant Program, and it will propose a ten per cent cutback in the Community Development Block Grant Program. His program calls for the imposition of new fees on the secondary mortgage market operations of FNMA and GNMA; and he will continue to advocate, in one degree or another, limiting even FHA mortgage insurance to individuals and families who can in no other way obtain mortgage financing—reducing FHA to a meaningless, vestigial role in housing, despite fifty years of exceptional performance.

The American political system owes its durability and strength to the fact that it has been predicated more on pragmatism than ideology. American political leaders have generally differed on a few matters of principle, but have worked toward pragmatic solutions rather than become impaled on unyielding devotion to some narrow and empty ideology. Our government has not, for instance, tried to pour every thought and program through a theological strainer of Marxist thought. But contrary to the basic American tradition, the Reagan administration has embraced a peculiar theology of its own, a theology that disregards practicality,

discounts the truth, and never stops to count the social cost, and to which it clings with enormous zeal.

Because of its ideological blindness, the Reagan administration does not, as its predecessors did, evaluate programs on the basis of their effectiveness, nor on the basis of demonstrable needs, nor does it evaluate programs on the basis of how well they have met defined national needs and goals. The Reagan approach is not one of practicality, but ideology. If a program does not fit with the ideology of these latter-day Luddites, it is deemed worthless and ready for the scrap heap. It matters not what the needs are, nor how effective a program is, nor how pragmatic its application may be; if it fails to meet the measure of Ronald Reagan's ideological Procrustean bed, it is chopped off. By contrast, any program that fits within the ideology is maintained, regardless of how ineffective or wasteful it might be, or how much it might be discredited. Thus, no matter how great the need for assisted housing construction, it fails to meet the test of the pure market ideology, and perforce is eliminated from any possibility of White House support; but because the MX missile fits the Reagan ideology of nuclear superiority at any cost, the President clings to it with the tenacity of a bulldog regardless of its credibility or cost. Likewise, the Administration will use all possible means, legal, extralegal, or questionably legal, to win an ideological point, either to keep alive something they support, or to kill and cripple something they oppose but cannot persuade Congress to eliminate as had happened with the Legal Services Corporation.

The Reagan approach has thus brought a profound and disturbing change to our political system. It has legitimized the thoughtless, empowered the fanatic, and enfeebled the ability of the Congress and Executive alike to deal with economic and social problems in a realistic, effective way. This blind devotion to ideology has caused the White House to claim that deficits either are no problem, or that they will vanish through the magic of supply-side economics, years after that notion has been discredited by all but the most pale-eyed fanatics of the Republican right wing. A President whose minions must bend in the direction of approved thought, regardless of realities, is something new on the American scene. It is as if our political system had been taken over by the mirror image of a nineteenth century European ideologue.

Our political system has long recognized that it's better to have a program that works than it is to have one that fits into a convenient set of preconceived ideas. This is why our political parties have not become splinter groups, and why the parties have sought to find new constituencies. Our system has been inclusive, not exclusive, because it has sought to provide solutions, not worship fixed ideas. But today, we are in danger of becoming immobilized by political buzz words and catch phrases, frozen by an inability and unwillingness to see the world as it really is, and enfeebled by a refusal to agree on what works; we are increasingly debating the economic theology of how many angels there are on the head of a pin, and not the practical question of whether or not the pin works or is relevant in a world blessed with buttons and zippers.

So it is that in issue after issue, the discussion has turned from how to meet the problem, to the question of whether there is a problem at all. Politics is thus being reduced to a state of irrelevance, while economic and social problems are growing apace. I submit that we cannot afford the luxury of this kind of drawing-room debate, if we expect this great and complex country to remain the dynamic engine of human and social growth, the world's symbol of progress and hope.

What kind of world would this be if Franklin D. Roosevelt had allowed himself to be fettered and frustrated by the unyielding isolationism of men like Gerald P. Nye, or had he been an isolationist himself? What kind of world would this be if he had embraced the cold hatred of the brown shirts or the hot demagoguery of Huey Long? Roosevelt was above all a practical man; he understood that the answers to the ills of the country and of the world lay not in magic catchwords, but in practical action. His approach to government was perhaps best expressed in these words, which also express the common-sense practicality that has given our political structure its supple strength:

"The country needs, and unless I mistake its temper, the country demands bold, persistent experimentation. It is common sense to take a method and try it. If it fails admit it frankly and try another. But above all, try something."

As much as anything else, this expressed the kind of political approach that this country has almost always followed—not one of slogans or image-making, not one of demagoguery and ducking the issue, but one of matter-of-factness and common sense, one of human decency and compassion.

The issue in housing this year is no different than the issue in education, or agriculture, or human nutrition, or foreign policy. In each case, the question is whether this government will respond to reality and fact with practicality and compassion. For example, the issue of unemployment is the fact of human hardship, not whether it is the ideologically pure and economically sound thing to tax unemployment compensation, not the stony economic question of whether in a pure sense unemployment exists at all. With millions out of work, we need to talk about jobs, not whether to tax the pitiful compensation that some—but by no means not all—of the unemployed receive. The practical and human question is how to get people back to work, not the academic issue of how to place taxes on human misery.

Unfortunately, those who advocate policies of humanity and compassion, of practical solutions to practical problems, have too long misunderstood the terms of today's political debate. Housing advocates and many others have thought that Ronald Reagan and his servants have been talking about budget issues, or about ways and means to attack social ills; but that is not the case at all. They are not talking about how to attack the lack of affordable housing; they are telling us that there is no need to do anything about it at all. They are not asking housing advocates to moderate their programs, or to cut back; they are—and have been all along—telling us to abandon these efforts altogether. They are not seeking compromise, but total destruction of Federal housing programs. This was made clear from the beginning, when David Stockman appeared before the Subcommittee on Housing to explain the rationale for what later became Gramm-Latta. Perhaps it was too shocking for many to accept his aims for what they were and are; but this year, at last, the budget leaves no room for doubt.

The Reagan administration sees no Federal responsibility for housing, and will not even seek added funding for its own voucher program, which it said would be the market-based substitute for housing production programs, and which its principal mentor, the Heritage Foundation, envisions as a possible entitlement program. It is not, the budget makes clear, a debate about how to meet the nation's housing and community development needs, but whether there is to be a Federal policy to address these needs at all.

Almost exactly four years ago, David Stockman appeared before the Housing Subcommittee and argued that assisted housing programs were not justifiable because they did not serve all of the eligible population; it was unfair, he argued, to provide heavy subsidies for some while others waited in line. His conclusion was that there should be no assisted housing program at all. It therefore should come as no surprise that today, after four years of seeing housing programs slashed beyond any bound of reason, and after four years of seeing the progressive administrative sabotaging of what little was left, the President seeks the utter abandonment of housing programs.

Today, there is in fact no Federal policy on housing and community development. The assisted housing production pipeline is being rapidly emptied, with no replacement in sight. Community development block grants have been cut and frozen for so long that they have become atrophied, not a source of dynamic change. Urban development action grants are threatened; so are many types of revenue bonds; and the so-called enterprise zone is more brave talk than any realistic hope of effective redevelopment.

We face a clear choice: either we continue down the road to the abolition of housing and community development efforts, or we reverse direction. The choice this year is not how much of a Federal housing effort there will be, but whether there will be any effort at all. It is not a choice of how to structure a program, but whether there will be one at all. It is not a choice between housing vouchers and the production of public housing units, but whether there will be any effort at all to provide decent, affordable housing for all Americans.

There are some who believe that the President's budget will be dead on arrival, because it lacks economic reality and political acceptability. Some will be tempted to say that the Senate will reject out of hand the President's attack on housing and community development programs. But in human affairs there is always the element of the unexpected, the trivial, or the eccentric. This year, the Senate's most knowledgeable Republican in housing is preoccupied with other matters. Much to his credit, Senator Garn is training to go on a mission with the space shuttle; unfortunately, this leaves him little time and energy to housing. In the Senate, the President's effort to abandon housing may have more vigor than would be first appear, through simple default.

On the House side, the budget committee is headed by Bill Gray, who has substantial personal experience with assisted housing development. He knows how these programs operate and what they can do. He has worked with the mortgage banking community, and knows what it can do. Likewise, there is the added presence of Chuck Schumer on the Budget Committee. It would be hard to think of a more energetic, imaginative and persuasive housing advocate than Congressman Schumer. The Committee on Banking has, in the past, been able to force

housing programs down the throat of both the Senate and White House. We may be able to do so again, but this year it will be harder than ever. This year there is little that the Administration wants, the pressure to cut any and all domestic programs is intense, and there is fear on every side. Whatever we are able to accomplish in housing will be accomplished only if there is a deep and broad public demand for decent housing programs, and for workable community development and renewal programs.

Effective housing advocacy must start at the grass roots, at the community level. It must clearly be understood that Ronald Reagan is not merely talking about killing public housing; he is not talking merely about killing housing subsidies; he is also talking about the effective death of FHA mortgage insurance, about the crippling of the secondary mortgage market, and about the siphoning off of housing credit. The threat is not just to the poor, but to every American who pays rent or is seeking to buy a home, or who hopes to see the neighborhood revitalized. For we are no longer discussing how much programs can be cut and still survive; we are talking about whether they will survive at all. Whether or not they do will depend upon how well the public understands the issue, and that in turn depends upon how well you and I communicate the need.

The fact is that the rate of homeownership is falling, and will fall much more rapidly if the President's program succeeds. The fact is that the stock of affordable low-cost housing is shrinking rapidly, and will shrink much more rapidly if the President succeeds in killing the nation's housing programs. The fact is that community renewal efforts will soon become moribund, if the President has his way.

There are those who say that Calcutta is a city that represents an ideal kind of economic efficiency. You and I associate Calcutta with hardship and desperation, but if you view it through the pure lens of market economics, what you see is a city where almost everyone has achieved as much as skill and energy and determination makes possible; a city where no possible opportunity is overlooked, a city where a kind of Darwinian natural selection takes place. When Ronald Reagan speaks of his glowing city on the hill, he is thinking of a city, not unlike Calcutta, in which the rich are comfortable and need not worry about the plight of the poor, who have been assigned their proper place by the immutable forces of the market. He is thinking about a city where natural selection takes place, with the lucky rising and the unlucky falling, and nothing to interfere with the flow up and down. He is talking about the society of the ant-heap.

I believe that human beings are endowed with the same dignity and right that Jefferson described. The basic value of our society has been that what individuals cannot do for themselves, the community will help. The basic value has been that when communities are overwhelmed and cannot meet the basic needs of the people, the nation will help. The basic value has been that every human being is entitled to a fair chance, to a realistic opportunity, and when need be, a helping hand.

It is no exaggeration to say that the issue this year, not just in housing, but in education, in agriculture, in health care, and in all manner of other issues, is whether we will maintain our commitment to each other as a great community of people working with decency and compassion, or whether we will embrace the soul-lessness of the perfect marketplace, where the privileged have their place and the remainder must fight over the scraps.

In housing, H.R. 1 represents the choice: either this country will reaffirm its commitment to housing and community development, or abandon it. The President says that it should be abandoned. I say that we do so only at the peril as endangering human well being and social stability, not to mention human decency. In 1985, it is time to choose.

COMPARISON OF KEMP-KASTEN FAIR AND SIMPLE TAX WITH OTHER TAX PROPOSALS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. KEMP] is recognized for 60 minutes.

● Mr. KEMP. Mr. Speaker, last week I introduced a new version of the Kemp-Kasten fair and simple tax [FAST] and included a great deal of explanatory material outlining the modifications to our original proposal. Since then, many people have asked how Kemp-Kasten compares with other major tax proposals, such as the Bradley-Gephardt bill and the Treasury proposal, and also how various taxpayers would fare under the Kemp-Kasten plan.

In response, I am including some examples of how taxpayers at various income levels would be treated under current law, Bradley-Gephardt, the Treasury plan, and Kemp-Kasten.

		Current law	Bradley-Gephardt	Treasury plan	Kemp-Kasten
MARRIED TAXPAYER NO. 1, $15,000 NON-ITEMIZER					
Taxpayer Data:					
Marital status (S=1, Jt=2, Sep=3, Head=4)	2				
Tax year	1986				
Income:					
Salary (primary)	$15,000	$15,000	$15,000	$15,000	$15,000
Employer paid health	$1,200		$1,200	$0	
Employer paid life	$150		$150	$150	
Subtotal		$15,000	$16,350	$15,150	$15,000
Wage exclusion					$3,000
FICA wage base	$41,700				
Adjusted gross income		$15,000	$16,360	$15,150	$12,000
Zero-bracket amount		$3,673	$6,000	$3,800	$3,300
Excess itemized deductions		0	0	0	0
Personal exemptions:					
1 Taxpayer/spouse	2		$3,200		
2 Dependents	2		$2,000		
3 Senior citizens	0		0		
Total	4	$4,317	$5,200	$8,000	$8,000
Child care: Number of children	0				
Child care expenses	0		0	0	
Taxable income		$10,683	$11,150	$7,150	$4,000
Tax before credits		$868	$721	$502	$168
Additional payroll tax			$193		
Total tax		$868	$914	$502	$168
Change from current law		0	$46	($366)	($701)
SINGLE TAXPAYER NO. 1, $15,000 NONITEMIZER					
Taxpayer data:					
Marital status (S=1, Jt=2, Sep=3, Head=4)	1				
Tax year	1986				
Income:					
Salary (primary)	$15,000	$15,000	$15,000	$15,000	$15,000
Employer paid health	$1,200		$1,200	$360	
Employer paid life	$150		$150	$150	
Subtotal	$16,350	$15,000	$16,350	$15,510	$15,000
Wage exclusion					$3,000
FICA wage base	$41,700				
Adjusted gross income		$15,000	$16,350	$15,510	$12,000

		Current law	Bradley-Gephardt	Treasury plan	Kemp-Kasten
Zero-bracket amount		$2,480	$3,000	$2,800	$2,600
Excess itemized deductions		0	0	0	0
Personal exemptions:					
1 Taxpayer/spouse	1		$1,600		
2 Dependents	0		0		
3 Senior citizens	0		0		
Total	1	$1,079	$1,600	$2,000	$2,000
Child care: Number of children	0				
Child care expenses	0		0	0	
Taxable income		$13,921	$14,750	$13,510	$10,000
Tax before credits		$1,705	$1,645	$1,606	$1,776
Additional payroll tax			$193		
Total tax		$1,705	$1,838	$1,606	$1,776
Change from current law		0	$133	($99)	$70
MARRIED TAXPAYER NO. 2, $30,000 NON-ITEMIZER					
Taxpayer data:					
Marital status (S=1, Jt=2, Sep=3, Head=4)	2				
Tax year	1986				
Income:					
Salary (primary)	$30,000	$30,000	$30,000	$30,000	$30,000
Employer paid health	$1,200		$1,200	0	
Employer paid life	$300		$300	$300	
Subtotal		$30,000	$31,500	$30,300	$30,000
Wage exclusion					$6,000
FICA wage base	$41,700				
Adjusted gross income		$30,000	$31,500	$30,300	$24,000
Zero-bracket amount		$3,673	$6,000	$3,800	$3,300
Excess itemized deductions		0	0	0	0
Personal exemptions:					
1. Taxpayer/spouse	2		$3,200		
2. Dependents	2		$2,000		
3. Senior citizens	0		0		
Total	4	$4,317	$5,200	$8,000	$8,000
Child care: Number of children	0				
Child care expenses	0		0	0	
Taxable income		$25,683	$26,300	$22,300	$16,000
Tax before credits		$3,548	$2,842	$2,775	$3,048
Additional payroll tax			$215		
Total tax		$3,548	$3,057	$2,775	$3,548
Change from current law		0	($491)	($773)	($500)
SINGLE TAXPAYER NO. 2, $30,000 NON-ITEMIZER					
Taxpayer data:					
Marital status (S=1, Jt=2, Sep=3, Head=4)	1				
Tax year	1986				
Income:					
Salary (primary)	$30,000	$30,000	$30,000	$30,000	$30,000
Employer paid health	$1,200		$1,200	$360	
Employer paid life	$300		$300	$300	
Subtotal		$30,000	$31,500	$30,660	$30,000
Wage exclusion					$6,000
FICA wage base	$41,700				
Adjusted gross income		$30,000	$31,500	$30,660	$24,000
Zero-bracket amount		$2,480	$3,000	$2,800	$2,600
Excess itemized deductions		0	0	0	0
Personal exemptions:					
1 Taxpayer/spouse	1		$1,600		
2 Dependents	0		0		
3 Senior citizens	0		0		
Total	1	$1,079	$1,600	$2,000	$2,000
Child care: Number of children	0				
Child care expenses	0		0	0	
Taxable income		$28,921	$29,900	$28,660	$22,000
Tax before credits		$5,507	$4,546	$4,815	$4,656
Additional payroll tax			$215		
Total tax		$5,507	$4,761	$4,815	$4,656
Change from current law		0	($747)	($692)	($851)
MARRIED TAXPAYER NO. 3, $30,000 ITEMIZER					
Taxpayer data:					
Marital status (S=1, Jt=2, Sep=3, Head=4)	2				
Tax year	1986				
Income:					
Salary (primary)	$30,000	$30,000	$30,000	$30,000	$30,000
Employer paid health	$1,200		$1,200	0	
Employer paid life	$300		$300	$300	
Subtotal		$30,000	$31,500	$30,300	$30,000
Wage exclusion					$6,000
FICA wage base	$41,700				
Adjusted gross income		$30,000	$31,500	$30,300	$24,000
Itemized deductions:					
Mortgage	$5,400	$5,400	$5,400	$5,400	$5,400
Other interest	0	0	0	0	0

	Current law	Bradley-Gephardt	Treasury plan	Kemp-Kasten
(Consumer interest)	0	0	0	0
Charity	$500	$500	$500	0	$500
State/local income	$1,000	$1,000	$1,000	0	
Salestax	$400	$400		0	
Property tax	$1,000	$1,000	$1,000		$1,000
Medical	0	0	0	0	0
Total	$8,300	$8,300	$7,900	$5,400	$6,900
Zero-bracket amount		$3,673	$6,000	$3,800	$3,300
Excess itemized deductions		$4,627	$1,900	$1,600	$3,600
Personal exemptions:					
1 Taxpayer/spouse	2		$3,200		
2 Dependents	2		$2,000		
3 Senior citizens	0		0		
Total	4	$4,317	$5,200	$8,000	$8,000
Child care: Number of children	0				
Child care expenses	0		0	0	
Taxable income		$21,057	$24,400	$20,700	$12,400
Tax before credits		$2,559	$2,576	$2,535	$2,184
Additional payroll tax			$215		
Total tax		$2,559	$2,791	$2,535	$2,184
Change from current law		0	$231	($25)	($376)
SINGLE TAXPAYER NO. 3, $30,000 NON-ITEMIZER					
Taxpayer data:					
Marital status (S=1, Jt=2, Sep=3, Head=4)	1				
Tax year	1986				
Income:					
Salary (primary)	$30,000	$30,000	$30,000	$30,000	$30,000
Employer paid health	$1,200		$1,200	$360	
Employer paid life	$300		$300	$300	
Subtotal		$30,000	$31,500	$30,660	$30,000
Wage exclusion					$6,000
FICA wage base	$41,700				
Adjusted gross income		$30,000	$31,500	$30,660	$24,000
Itemized deductions:					
Mortgage	$5,400	$5,400	$5,400	$5,400	$5,400
Other interest	$0	$0	$0	$0	$0
(Consumer interest)	$0				
Charity	$500	$500	$500	$0	$500
State/local income	$1,200	$1,200	$1,200	$0	
Sales tax	$250	$250		$0	
Property tax	$1,000	$1,000	$1,000	$0	$1,000
Medical	$0	$0	$0	$0	$0
Total	$8,350	$8,350	$8,100	$5,400	$6,900
Zero-bracket amount		$2,480	$3,000	$2,800	$2,600
Excess itemized deductions		$5,870	$5,100	$2,600	$4,300
Personal exemptions:					
1 Taxpayer/spouse	1		$1,600		
2 Dependents	0		0		
3 Senior citizens	0		0		
Total	1	$1,079	$1,600	$2,000	$2,000
Child care: Number of children	0				
Child care expenses	0		0	0	
Taxable income		$23,051	$24,800	$26,060	$17,700
Tax before credits		$3,840	$3,832	$4,165	$3,624
Additional payroll tax			$215		
Total tax		$3,840	$4,047	$4,165	$3,624
Change from current law		0	$207	$325	($216)
MARRIED TAXPAYER NO. 4, $60,000 ITEMIZER					
TAXPAYER DATA:					
Marital status (S=1, Jt=2, Sep=3, Head=4)	2				
Tax year	1982				
Income:					
Salary (primary)	$60,000	$60,000	$60,000	$60,000	$60,000
Employer paid health	$1,200		$1,200	0	
Employer paid life	$600		$600	$600	
Subtotal		$60,000	$61,800	$60,000	$60,000
Wage exclusion					$4,680
FICA wage base	$41,700				
Adjusted gross income		$60,000	$61,800	$60,600	$55,320
Itemized deductions:					
Mortgage	$10,800	$10,800	$10,800	$10,800	$10,800
Other interest	0	0	0	0	0
(Consumer interest)	0				
Charity	$1,500	$1,500	$1,500	$1,500	$1,500
State/local income	$2,400	$2,400	$2,400	0	
Sales tax	$800	$800		0	
Property tax	$2,000	$2,000	$2,000	0	$2,000
Medical	0	0	0	0	0
Total	$17,500	$17,500	$16,700	$11,088	$14,300
Zero-bracket amount		$3,673	$6,000	$3,800	$3,300
Excess itemized deductions		$13,827	$10,700	$7,288	$11,000
Personal exemptions:					
1 Taxpayer/spouse	2		$3,200		
2 Dependents	2		$2,000		
3 Senior citizens	0		0		

		Current law	Bradley-Gephardt	Treasury plan	Kemp-Kasten
Total	4	$4,317	$5,200	$8,000	$8,000
Child care: Number of children	0				
Child care expenses	0		0	0	
Taxable income		$41,857	$45,900	$45,312	$36,320
Tax before credits		$8,043	$8,202	$7,578	$7,925
Additional payroll tax			0		
Total tax		$8,043	$8,202	$7,578	$7,925
Change from current law		0	$159	($465)	($118)
SINGLE TAXPAYER NO. 4, $60,000 ITEMIZER					
Taxpayer data:					
Marital status (S=1, Jt=2, Sep=3, Head=4)	1				
Tax year	1986				
Income:					
Salary (primary)	$60,000	$60,000	$60,000	$60,000	$60,000
Employer paid health	$1,200		$1,200	$360	
Employer paid life	$600		$600	$600	
Subtotal		$60,000	$61,800	$60,960	$60,000
Wage exclusion					$4,680
FICA wage base	$41,700				
Adjusted gross income		$60,000	$61,800	$60,960	$55,320
Itemized deductions:					
Mortgage	$10,800	$10,800	$10,800	$10,800	$10,800
Other interest	0	0	0	0	0
(Consumer interest)	0				
Charity	$1,500	$1,500	$1,500	$281	$1,500
State/local income	$3,000	$3,000	$3,000	0	
Sales tax	$700	$700		0	
Property tax	$2,000	$2,000	$2,000	0	$2,000
Medical	0	0	0	0	0
Total	$18,000	$18,000	$17,300	$11,081	$14,300
Zero-bracket amount		$2,480	$3,000	$2,800	$2,600
Excess itemized deductions		$15,520	$14,300	$8,281	$11,700
Personal exemptions:					
1 Taxpayer/spouse	1		$1,600		
2 Dependents	0		0		
3 Senior citizens	0		0		
Total	1	$1,079	$1,600	$2,000	$2,000
Child care: Number of children	0				
Child care expenses	0		0	0	
Taxable income		$43,401	$45,900	$50,679	$41,620
Tax before credits		$10,606	$11,394	$11,578	$9,365
Additional payroll tax			0		
Total tax		$10,606	$11,394	$11,578	$9,365
Change from current law		0	$788	$971	($1,242)
MARRIED TAXPAYER NO. 5, $120,000 ITEMIZER					
Taxpayer Data:					
Marital status (S=1, Jt=2, Sep=3, Head=4)	2				
Tax Year	1986				
Income:					
Salary (primary)	$60,000	$60,000	$60,000	$60,000	$60,000
Salary (second)	0	0	0	0	0
Interest	$10,000	$10,000	$10,000	$10,000	$10,000
Dividends	$10,000	$10,000	$10,000	$10,000	$10,000
Capital gains:					
Years asset held	5				
Price paid	$40,000				
Indexed basis	$51,051				
Price received	$80,000				
Nominal gain	$40,000				
Real gain	$28,949				
Taxable gain		$16,000	$40,000	$28,949	$24,000
Employer paid health	$1,200		$1,200	0	
Employer paid life	$600		$600	$600	
Subtotal		$96,000	$121,800	$109,549	$104,000
Exclusions and adjustments:					
Dividends		$200		0	
Second earner		0			
IRA's	0	0	0	0	0
Total	0	$200	0	0	0
Wage exclusion					($4,120)
FICA wage base	$41,700				
Adjusted gross income		$95,800	$121,800	$109,549	$108,120
Itemized deductions:					
Mortgage	$14,400	$14,400	$14,400	$14,400	$14,400
Other interest	$5,000	$5,000	$5,000	$5,000	$2,500
(Consumer interest)	$2,500				
Charity	$5,000	$5,000	$5,000	$2,809	$5,000
State/local income	$7,000	$7,000	$7,000	0	
Sales tax	$1,200	$1,200		0	
Property tax	$3,000	$3,000	$3,000	0	$3,000
Medical	0	0	0	0	0
Total	$35,600	$35,600	$34,400	$22,209	$24,900
Zero-bracket amount		$3,673	$6,000	$3,800	$3,300
Excess itemized deductions		$31,927	$28,400	$18,409	$21,600
Personal exemptions:					
1 Taxpayer/spouse	2		$3,200		

		Current law	Bradley-Gephardt	Treasury plan	Kemp-Kasten
2 Dependents	2		$2,000		
3 Senior citizens	0				
Total	4	$4,317	$5,200	$8,000	$8,000
Child care: Number of children	0				
Child care expenses	0		0	0	
Taxable income		$59,557	$88,200	$83,140	$78,520
Tax before credits		$14,389	$23,596	$18,969	$18,053
Additional payroll tax			0		
Total tax		$14,389	$23,596	$18,969	$18,053
Change from current law		0	$9,207	$4,579	$3,663
SINGLE TAXPAYER NO. 5, $120,000 ITEMIZER					
Taxpayer Data:					
Marital status (S=1, Jt=2, Sep=3, Head=4)	1				
Tax year	1986				
Income:					
Salary (primary)	$60,000	$60,000	$60,000	$60,000	$60,000
Salary (second)	0	0	0	0	0
Interest	$10,000	$10,000	$10,000	$10,000	$10,000
Dividends	$10,000	$10,000	$10,000	$10,000	$10,000
Capital gains:					
Years Asset held	5				
Price paid	$40,000				
Indexed basis	$51,051				
Price received	$80,000				
Nominal gain	$40,000				
Real gain	$28,949				
Taxable gain		$16,000	$40,000	$28,949	$24,000
Employer paid health	$1,200		$1,200	$360	
Employer paid life	$600		$600	$600	
Subtotal		$96,000	$121,800	$109,909	$104,000
Exclusion and adjustments:					
Dividends		$100		0	
Total	0	$100	0	0	0
Wage exclusion					($4,120)
FICA wage base	$41,700				
Adjusted gross income		$95,900	$121,800	$109,909	$108,120
Itemized deductions:					
Mortgage	$14,400	$14,400	$14,400	$14,400	$14,400
Other interest	$5,000	$5,000	$5,000	$5,000	$2,500
(Consumer interest)	$2,500				
Charity	$5,000	$5,000	$5,000	$2,802	$5,000
State local income	$7,500	$7,500	$7,500	0	
Sales tax	$1,000	$1,000		0	
Property tax	$3,000	$3,000	$3,000	0	$3,000
Medical	0	0	0	0	0
Total	$35,900	$35,900	$34,900	$22,202	$24,900
Zero-bracket amount		$2,480	$3,000	$2,800	$2,600
Excess itemized deductions		$33,420	$31,900	$19,402	$22,300
Personal exemptions:					
1 Taxpayer/spouse	1		$1,600		
2 Dependents	0		0		
3 Senior citizens	0	0			
Total	1	$1,079	$1,600	$2,000	$2,000
Child care: number of children	0				
Child care expenses	0		0	0	
Taxable income		$61,401	$88,300	$88,507	$83,820
Tax before credits		$18,210	$26,930	$24,817	$19,493
Additional payroll tax			0		
Total tax		$18,210	$26,930	$24,817	$19,493
Change from current law		0	$8,720	$6,607	$1,283
MARRIED TAXPAYER NO. 6, $120,000 ITEMIZER					
Taxpayer data:					
Marital status (S=1, Jt=2, Sep=3, Head=4)	2				
Tax year	1986				
Income:					
Salary (primary)	$60,000	$60,000	$60,000	$60,000	$60,000
Salary (second)	0	0	0	0	0
Interest	$30,000	$30,000	$30,000	$30,000	$30,000
Dividends	$30,000	$30,000	$30,000	$30,000	$30,000
Capital gains:					
Years Asset Held	1				
Employer paid health	$1,200		$1,200	0	
Employer paid life	$600		$600	$600	
Subtotal		$120,000	$120,800	$120,600	$120,000
Exclusions and adjustments:					
Dividends		$200		0	
Total	0	$200	0	0	0
Wage exclusion					($7,320)
FICA wage base	$41,700				
Adjusted gross income		$119,800	$121,800	$120,600	$127,320
Itemized deduction:					
Mortgage	$21,600	$21,600	$21,600	$21,600	$21,600
Other interest	$5,000	$5,000	$5,000	$5,000	$2,500
(Consumer interest)	$2,500				
Charity	$5,000	$5,000	$5,000	$2,588	$5,000
State/local income	$7,000	$7,000	$7,000	0	

		Current law	Bradley-Gephardt	Treasury plan	Kemp-Kasten
Sale tax	$1,200	$1,200		0	
Property tax	$3,000	$3,000	$3,000	0	$3,000
Medical	0	0	0	0	0
Total	$42,800	$42,800	$41,600	$29,188	$32,100
Zero-bracket amount		$3,673	$6,000	$3,800	$3,300
Excess itemized deductions		$39,127	$35,600	$225,388	$28,800
Personal exemptions:					
1 Taxpayer/spouse	2		$3,200		
2 Dependents	2		$2,000		
3 Senior citizens	0		0		
Total	4	$4,317	$5,200	$8,000	$8,000
Child care: Number of children	0				
Child care: expenses	0		0	0	
Taxable income		$76,357	$81,000	$87,212	$90,520
Tax before credit		$21,235	$22,588	$20,394	$20,933
Additional payroll tax			0		
Total tax		$21,235	$22,588	$20,394	$20,933
Change from current law		0	$1,353	($841)	($302)
SINGLE TAXPAYER NO. 6, $120,000 ITEMIZER					
Taxpayer data:					
Marital status (S=1, Jt=2, Sep=3, Head=4)	1				
Tax year	1986				
Income:					
Salary (primary)	$60,000	$60,000	$60,000	$60,000	$60,000
Salary (second)	0	0	0	0	0
Interest	$30,000	$30,000	$30,000	$30,000	$30,000
Dividends	$30,000	$30,000	$30,000	$30,000	$30,000
Capital gains:					
Years asset held	1				
Employer paid health	$1,200		$1,200	$360	
Employer paid life	$600		$600	$600	
Subtotal		$120,000	$121,800	$120,960	$120,000
Exclusions and adjustments:					
Dividends		$100		0	
Total	0	$100	0	0	0
Wage exclusion					($7,320)
FICA wage base	$41,700				
Adjusted gross income		$119,900	$121,800	$120,960	$127,320
Itemized deductions:					
Mortgage	$21,600	$21,600	$21,600	$21,600	$21,600
Other interest	$5,000	$5,000	$5,000	$5,000	$2,500
(Consumer interest)	$2,500				
Charity	$5,000	$5,000	$5,000	$2,581	$5,000
State local income	$7,500	$7,500	$7,500	0	
Sales tax	$1,000	$1,000		0	
Property tax	$3,000	$3,000	$3,000	0	$3,000
Medical	0	0	0	0	0
Total	$43,100	$43,100	$42,100	$29,181	$32,100
Zero-bracket amount		$2,480	$3,000	$2,800	$2,600
Excess itemized deductions		$40,620	$39,100	$26,381	$29,500
Personal exemptions:					
1 Taxpayer/spouse	1		$1,600		
2 Dependents	0		0		
3 Senior citizens	0		0		
Total	1	$1,079	$1,600	$2,000	$2,000
Child care: Number of children	0				
Child care expenses	0		0	0	
Taxable income		$78,201	$81,100	$92,579	$95,820
Tax before credits		$26,274	$25,922	$26,243	$22,373
Additional payroll tax			0		
Total tax		$26,274	$25,922	$26,243	$22,373
Change from curent law		0	($352)	($32)	($3,901)
MARRIED TAXPAYER NO. 7, $1,000,000 ITEMIZER					
Taxpayer data:					
Marital Status (S=1, Jt=2, Sep=3, Head=4)	2				
Tax year	1986				
Income:					
Salary (primary)	$200,000	$200,000	$200,000	$200,000	$200,000
Salary (second	0	0	0	0	0
Interest	$400,000	$400,000	$400,000	$400,000	$400,000
Dividends	$400,000	$400,000	$400,000	$400,000	$400,000
Capital gains:					
Years asset held	1				
Employer paid health	$1,200		$1,200	0	
Employer paid life	$2,000		$2,000	$2,000	
Subtotal		$1,000,000	$1,003,200	$1,002,000	$1,000,000
Exculusions and adjustments:					
Dividends		$200		0	
Total	0	$200	0	0	0
Wage exclusion					($183,320)
FICA wage base	$41,700				
Adjusted gross income		$999,800	$1,003,200	$1,002,000	$1,183,320

		Current law	Bradley-Gephardt	Treasury plan	Kemp-Kasten
Itemized deductions:					
Mortgage	$180,000	$180,000	$180,000	$180,000	$180,000
Other interest	$100,000	$100,000	$100,000	$100,000	$50,000
(Consumer interest)	$50,000				
Charity	$50,000	$50,000	$50,000	$29,960	$50,000
State/local income	$100,000	$100,000	$100,000	0	
Sales tax	$4,000	$4,000		0	
Property tax	$10,000	$10,000	$10,000	0	$10,000
Medical	0	0	0	0	0
Total	$444,000	$444,000	$440,000	$309,960	$290,000
Zero-bracket amount		$3,673	$6,000	$3,800	$3,300
Excess itemized deductions		$440,327	$434,000	$306,160	286,700
Personal exemptions:					
1 Taxpayer/spouse	2		$3,200		
2 Dependents	2	$2,000			
3 Senior citizens	0		0		
Total	4	$4,317	$5,200	$8,000	$8,000
Child care: Number of children	0				
Child care expenses	0		0	0	
Taxable income		$555,157	$564,000	$687,840	$888,620
Tax before credits		$257,511	$231,232	$230,614	212,477
Additional payroll tax			0		
Total tax		$257,511	$231,232	$230,614	$212,477
Change from current law		0	($26,279)	($26,898)	(45,035)
MARRIED TAXPAYER NO. 8, $1,000,000 ITEMIZER					
Taxpayer data:					
Marital status (S=1, Jt=2, Sep=3, Head=4)	2				
Tax year	1986				
Income:					
Salary (primary)	$200,000	$200,000	$200,000	$200,000	$200,000
Salary (second)	0	0	0	0	0
Interest	$200,000	$200,000	$200,000	$200,000	$200,000
Dividends	$200,000	$200,000	$200,000	$200,000	$200,000
Capital gains:					
Years asset held	5				
Price paid	$400,000				
Indexed basis	$510,513				
Price received	$800,000				
Nominal gain	$400,000				
Real gain	$289,487				
Taxable gain		$160,000	$400,000	$289,487	$240,000
Employer Paid Health	$1,200		$1,200	0	
Employer Paid Life	$2,000		$2,000	$2,000	
Subtotal		$760,000	$1,003,200	$891,487	$840,000
Exclusions and adjustments:					
Dividends		$200		0	
Total	0	$200	0	0	0
Wage exclusion					($151,320)
FICA Wage Base	$41,700				
Adjusted gross income		$759,800	$1,003,200	$891,487	$991,320
Itemized deductions:					
Mortgage	$108,000	$108,000	$108,000	$108,000	$108,000
Other interest	$100,000	$100,000	$100,000	$100,000	$50,000
(Consumer interest)	$50,000				
Charity	$50,000	$50,000	$50,000	$32,170	$50,000
State/local income	$100,000	$100,000	$100,000	0	
Sales tax	$4,000	$4,000		0	
Property tax	$10,000	$10,000	$10,000	0	$10,000
Medical	0	0	0	0	0
Total	$372,000	$372,000	$368,000	$240,170	$218,000
Zero-bracket amount		$3,673	$6,000	$3,800	$3,300
Excess itemized deductions		$368,327	$362,000	$236,370	$214,700
Personal exemptions:					
1. Taxpayer/spouse	2		$3,200		
2. Dependents	2		$2,000		
3. Senior citizens	0		0		
Total	4	$4,317	$5,200	$8,000	$8,000
Child care: Number of children	0				
Child care expenses	0		0	0	
Taxable income		$387,157	$636,000	$647,117	$768,620
Tax before credits		$173,511	$241,312	$216,361	$183,677
Additional payroll tax			0		
Total tax		$173,511	$241,312	$216,361	$183,677
Change from current law		0	$67,801	$42,849	$10,165
MARRIED TAXPAYER NO. 9, $30,000 RETIRED COUPLE					
Taxpayer Data:					
Marital status (S=1, Jt=2, Sep=3, Head=4)	2				
Tax year	1986				
Income:					
Salary (primary)	0	0	0	0	0
Salary (second)	0	0	0	0	0
Interest	$20,000	$20,000	$20,000	$20,000	$20,000
Dividends	0	0	0	0	0
Capital gains:					
Years asset-held	1				
Subtotal		$20,000	$20,000	$20,000	$20,000
Wage exclusion					$3,000
FICA wage base	$41,700				
Social Security benefits	$10,000				

		Current law	Bradley-Gephardt	Treasury plan	Kemp-Kasten
(Tax-free bond income)	0				
Social Security base amt.		$30,000	$30,000	$30,000	$27,000
Taxable benefits		0	0	0	0
Adjusted gross income		$20,000	$20,000	$20,000	$17,000
Zero-bracket amount		$3,673	$6,000	$3,800	$3,300
Excess itemized deductions		0	0	0	0
Personal exemptions:					
1. Taxpayer/spouse	2		$3,200		
2. Dependents	0		0		
3. Senior citizens	2		$2,000		
Total	4	$4,317	$5,200	$4,000	$8,000
Taxable income		$15,683	$14,800	$16,000	$9,000
Tax		$1,625	$1,232	$1,830	$1,368
Change from current law		0	($393)	($205)	($257)
SINGLE TAXPAYER NO. 9, $30,000 RETIRED PERSON					
Taxpayer data:					
Marital status (S=1, Jt=2, Sep=3, Head=4)	1				
Tax year	1986				
Income:					
Salary (primary)	0	0	0	0	0
Salary (second)	0	0	0	0	0
Interest	$23,000	$23,000	$23,000	$23,000	$23,000
Dividends	0	0	0	0	0
Capital gains:					
Years asset held	1				
Subtotal		$23,000	$23,000	$23,000	$23,000
Exclusions and adjustments:					
Dividends		0		0	
Second earner		0			
IRA's	0	0	0	0	0
Total	0	0	0	0	0
Wage exclusion					$2,000
FICA wage base	$41,700				
Social Security benefits	$7,000				
(Tax-free bond income)	0				
Social Security base amt.		$30,000	$30,000	$30,000	$28,000
Taxable benefits		$2,500	$2,500	$2,500	$750
Adjusted gross income		$25,500	$25,500	$25,500	$21,750
Zero-bracket amount		$2,480	$3,000	$2,800	$2,600
Excess itemized deductions		0	0	0	0
Personal exemptions:					
1 Taxpayer/spouse	1		$1,600		
2 Dependents	0		0		
3 Senior citizens	1		$1,000		
Total	2	$2,158	$2,600	$2,000	$4,000
Taxable income		$23,342	$22,900	$23,500	$17,750
Tax		$3,915	$2,846	$3,525	$3,636
Change from current law		0	($1,069)	($390)	($279)

RULES OF THE COMMITTEE ON AGRICULTURE FOR THE 99TH CONGRESS

(Mr. DE LA GARZA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. DE LA GARZA. Mr. Speaker, I am pleased to submit for printing in the CONGRESSIONAL RECORD pursuant to the rules of the House a copy of the rules of the Committee on Agriculture which were adopted at the organizational meeting today. The rules were agreed to by a unanimous voice vote.

RULES OF THE COMMITTEE ON AGRICULTURE, U.S. HOUSE OF REPRESENTATIVES

I. GENERAL PROVISIONS

a. *Rules of the U.S. House of Representatives.*—The Rules of the House shall govern the procedure of the Committee so far as applicable, and the rules of the Committee shall be interpreted in accordance with the Rules of the House except that the motion to recess from day to day, and a motion to dispense with the first reading (in full) of a bill or resolution, if printed copies are available, are nondebatable motions of high privilege in committees and subcommittees. (See Appendix B for the applicable Rules of the U.S. House of Representatives.)

b. *Applicability to Subcommittees.*—The following rules shall apply to meetings, hearings and other activities of Subcommittees, which are part of the Committee and subject to its authority and direction, only when specifically so stated.

II. COMMITTEE OR SUBCOMMITTEE BUSINESS MEETINGS

a. *Regular and Additional Meetings.*—The Committee shall meet on the first Tuesday of each month while the Congress is in session. The Committee shall also meet at the call of the Chairman at such other times as he considers to be necessary, subject to advance notice to all Committee members. Insofar as practicable, an agenda for all regular and additional Committee meetings, setting forth all the measures and matters to be considered, shall be furnished each Committee member prior to the meeting. Items may be placed on the agenda by the Chairman or a majority of the Committee. If the Chairman determines that any meeting convened by him need not be held, he shall give all members of the Committee notice to that effect as far in advance of the meeting day as practicable, and no meeting shall be held on such day. See Rule VI. e. for provisions which apply to meetings of Subcommittees.

b. *Special Meetings.*—If at least three members of the Committee file a written request in the Committee offices that a special meeting be called by the Chairman to consider a specific measure(s) or matter(s), the Staff Director shall immediately notify the Chairman of the filing of such request. If, within three calendar days after the filing of such request, the Chairman does not call the requested special meeting to be held at a time within seven calendar days after the filing of such request, a majority of the members of the Committee may file in the Committee offices their written notice that a special meeting will be held at a specified date and hour to consider a specified measure(s) or matter(s). If such a notice is filed, the Committee shall meet on that date and hour. Immediately upon the filing of such a notice, the Staff Director shall notify all members of the Committee that such special meeting will be held at the specified date and hour to consider the specified measure(s) or matter(s). Only the measure(s) or matter(s) so specified in the meeting notice as filed by the majority of Committee members and transmitted to all

Committee members may be considered at a special meeting.

c. *Vice Chairman.*—The Committee shall, by a majority vote, designate one of its members as Vice Chairman who shall perform such duties as the Chairman may direct in the absence of the Chairman.

d. *Presiding Member.*—If the Chairman is not present at any Committee meeting or hearing the Vice Chairman or, in his absence, the ranking member of the majority party on the Committee who is present shall preside. If the Chairman is not present at any Subcommittee meeting or hearing, the ranking member of the majority party who is present shall preside.

e. *Committee and Subcommittee Meetings Prohibited.*—The Committee or any of its Subcommittees may not sit, without special leave, while the House is reading a measure for amendment under the five-minute rule.

f. *Open Business Meetings.*—Each Committee or Subcommittee meeting for the transaction of business, including the markup of legislation, shall be open to the public except when the Committee or Subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public. No person other than members of the Committee or Subcommittee and such congressional staff and departmental representatives as the Committee or Subcommittee may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to Committee or Subcommittee hearings or to any meeting that, as announced by the Chairman of the Committee or Subcommittee, relates solely to internal budget or personnel matters.

g. *Records and Rollcalls.*—A complete record of all Committee or Subcommittee action shall be kept in the form of written minutes, including a record of the votes on any question as to which a rollcall is demanded. A rollcall vote shall be ordered upon demand by one-fifth of the members present. The record of such action and the results of the rollcall votes during each session of the Congress shall be made available by the Committee, upon request, for public inspection during regular office hours in the Committee offices and upon telephone request. The information so available on rollcall votes shall include a brief description of the amendment, motion, order or other proposition; the name of each member voting for and each member voting against such amendment, motion, order or other proposition; whether such vote was by proxy or in person; and names of those members present by not voting. A stenographic record of a business meeting of the Committee or Subcommittee may be kept and may thereafter be published if the Chairman of the Committee determines there is need for such a record. The proceedings of the Committee or Subcommittee in a closed meeting other than rollcall votes shall not be divulged unless otherwise determined by a majority of the Committee or Subcommittee. See Rule IV.f. for publication of the minutes of meetings.

h. *Quorums.*—A majority of the members of the Committee or Subcommittee shall constitute a quorum of the Committee or Subcommittee for the purpose of convening meetings, conducting business, and voting on any matter: *Provided,* That the Chairman of the Committee may determine that one-third of the members of the Committee shall constitute a quorum of the Committee at any meeting for such purpose (other than for the reporting of any measure or recommendation, and voting on the authorization of subpoenas and on the closing of hearings and business meetings to the public) if he gives written notice to that effect to the members prior to the meeting.

i. *Proxy Voting.*—A member may vote by proxy on any matter before the Committee or Subcommittee other than the issuance of a subpoena pursuant to Rule III. b. The proxy authorization shall be in writing, shall assert that the member is absent on official business or is otherwise unable to be present at the Committee or Subcommittee meetings, shall designate the member who is to execute the proxy authorization and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto. A member may authorize a general proxy only for motions to recess, adjourn, or other procedural matters. Each proxy to be effective shall be signed by the member assigning the vote and shall contain the date and time of day the proxy is signed as well as the date or dates during which it is to be effective. The proxy form required by the Committee or Subcommittee is appended to these rules as Appendix A. In order to be cast in a vote it shall be filed with the Committee or Subcommittee during such vote and must be placed on file with the Staff Director. Proxies shall not be counted toward a quorum.

j. *Location of Persons at Meetings.*—No person other than a Member of Congress or Committee or Subcommittee staff may walk in or be seated at the rostrum area of the Committee or Subcommittee unless the Chairman or a majority of the Committee or Subcommittee determines otherwise.

k. *Consideration of Amendments and Motions.*—A member, upon request, may be recognized by the Chairman to address the Committee or Subcommittee at a meeting for not more than five minutes on behalf of an amendment or motion offered by himself or another member, or upon any other matter under consideration, unless he receives unanimous consent to extend the time limit. Every amendment, substitute amendment, amendment to an amendment, or amendment in the nature of a substitute made in Committee or Subcommittee that is substantial as determined by the Chairman shall, upon the demand of any member present, be reduced to writing, and a copy thereof shall be made available to all members present: *Provided,* That such amendment shall remain pending before the Committee or Subcommittee and may not be voted upon until the requirements of this section have been met.

l. *Points of Order.*—No point of order, other than a point of order that a quorum is not present, against the hearing or meeting procedures of the Committee or Subcommittee shall be sustained unless it is made in a timely fashion either at the commencement of the hearing or meeting or at the time such occasion for a point or order first occurs.

III. COMMITTEE OR SUBCOMMITTEE HEARINGS

1. *Power to Hear.*—For the purpose of carrying out any of its functions and duties under House Rules X and XI, the Committee is authorized to sit and hold hearings at any time or place within the United States whether the House is in session, has recessed or has adjourned: [See Rule VI. e. for provisions relating to Subcommittee hearings and meetings.]

b. *Announcement of Hearings.*—The Chairman of the Committee of Subcommittee shall publicly announce the date, place and subject matter of any hearing to be conducted on any measure or matter at least one week before the commencement of that hearing unless the Committee or Subcommittee or the Chairman of the Committee or Subcommittee, after consultation with the Ranking Minority Member of the Committee or Subcommittee, as applicable, determines that there is good cause to begin such hearing at an earlier date, in which case the announcement of the hearing shall be made by the Chairman of the Committee or Subcommittee at the earliest possible date. The Staff Director shall notify the Daily Digest Clerk of the Congressional Record as soon as possible after such public announcement has been made and enter the announcement into the Committee scheduling service of the House Information Systems.

c. *Power to Subpoena.*—For the purpose of carrying out any of its functions and duties under House Rules X and XI, the Committee is authorized to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as it deems necessary. A subpoena may be authorized and issued in the conduct of any investigation or series of investigations or activities by the Committee or by a Subcommittee when authorized by a rollcall vote of the majority of the members of the Committee, a majority being present, except that no proxies may be used to vote on the authorization and issuance of such a subpoena. Authorized subpoenas shall be signed by the Chairman or the Vice Chairman of the Committee or by any other member the Committee may designate. Notice of a meeting to consider a motion to authorize and issue a subpoena shall be given to all members of the full Committee by 5 p.m., of the day preceding the day of such meeting. Compliance with a Committee or Subcommittee issued subpoena may be enforced only as authorized or directed by the House.

d. *Scheduling of Hearings and Witnesses.*—Except as otherwise provided in this paragraph, the scheduling of hearings and witnesses and determination of the time allowed for the presentation of testimony and interrogation shall be at the discretion of the Chairman or a majority of the Committee or Subcommittee. Whenever any hearing is conducted by the Committee or Subcommittee upon any measure or matter, the Committee's or Subcommittee's minority party members shall be entitled, upon request by a majority of them to the Chairman of the Committee or Subcommittee before the completion of the hearing, to call witnesses selected by them to testify with respect to that measure or matter during at least one day of hearing.

e. *Witnesses' Statements in Advance.*—Each witness who is to appear before the Committee or Subcommittee shall, insofar as practicable, file with the Staff Director a written statement of the witness' prepared testimony at least two working days in advance of the witness' appearance in order to permit the testimony to be distributed to and reviewed in advance by Committee or Subcommittee members Witnesses shall provide sufficient copies of their statement for distribution to Committee or Subcommittee members, staff and the news media. The Committee or Subcommittee staff shall distribute such written statements to all members of the Committee or Subcommittees as soon as they are received as well as

any official reports from departments and agencies on such subject matter.

f. *Testimony of Witnesses.*—The Chairman of the Committee or Subcommittee or any member designated by him may administer an oath to any witness. Each witness who has been subpoenaed, upon the completion of the witness' testimony, may report in person or in writing to the Staff Director and sign appropriate vouchers for travel allowances and attendance fees. All witnesses may be limited in their oral presentations to brief summaries of their statements within the time allotted to them, at the discretion of the Chairman of the Committee or Subcommittee in light of the nature of the witness and the length of time available.

g. *Questioning of Witnesses.*—Committee or Subcommittee members may question witnesses only when they have been recognized by the Chairman of the Committee or Subcommittee for that purpose. Each member so recognized shall be limited to questioning a witness (or panel of witnesses) for five minutes until such time as each member of the Committee or Subcommittee who so desires has had an opportunity to question the witness (or panel of witnesses) for five minutes, and thereafter, the Chairman of the Committee or Subcommittee may limit the time of further questioning after giving due consideration to the importance of the subject matter and the length of time available. All questions put to witnesses shall be germane to the measure or matter under consideration. Unless the Chairman or a majority of the Committee or Subcommittee determines otherwise, no person shall interrogate witnesses other than members and Committee or Subcommittee staff.

h. *Open Hearings.*—Each hearing conducted by the Committee or Subcommittee shall be open to the public except when the Committee or Subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided, however,* That the Committee or Subcommittee may, by the same procedure, vote to close one subsequent day of hearing. Notwithstanding the requirements of the preceding sentence, a majority of those present, there being in attendance the requisite number required under the rules of the Committee to be present for the purpose of taking testimony (1) may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security or violate Rule III. k. or (2) may vote to close the hearing, as provided in Rule III. k. In any event, no member may be excluded from nonparticipatory attendance at any hearing unless the House shall by majority vote authorize the Committee or Subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its meetings to members by means of the above procedure.

i. *Quorum.*—The quorum for taking testimony and receiving evidence shall be two members of the Committee or Subcommittee.

j. *Record of Hearing.*—An accurate stenographic record shall be kept of all testimony taken at public hearings. Any public witness may, during Committee office hours in the Committee offices and within two weeks of the close of hearings, examine the transcript of his or her own testimony and make such grammatical or technical changes as will not substantially alter the nature of testimony given. Members of the Committee or Subcommittee shall receive copies of transcripts for their prompt review and correction for return to the Committee. The Chairman of the Committee may order the printing of a hearing record without the corrections of any member or witness if he determines that such member or witness has been afforded a reasonable time in which to make such corrections and further delay would seriously impede the consideration of the legislative action which is the subject of the hearing. The record of a hearing closes ten calendar days after the last oral testimony, unless the Chairman of the Committee or Subcommittee otherwise determines. Any person requesting to file a statement for the record of a hearing must so request before the hearing concludes and must file the statement before the record closes. No written statement becomes part of the record and thus publicly available until such time as it has been approved by the Chairman of the Committee or any Committee staff he designates, and the Chairman of the Committee or Subcommittee or his designee may reject any statement in light of its length or its tendency to defame, degrade, or incriminate any person.

k. *Investigative Hearings.*—The Chairman of the Committee or Subcommittee at an investigative hearing shall announce in an opening statement the subject of the investigation. A copy of the Committee rules (and the applicable provision of the House Rules set forth in Appendix B) shall be made available to each witness. Witnesses at investigative hearings may be accomplished by their own counsel for the purpose of advising them concerning their constitutional rights. The Chairman of the Committee or Subcommittee may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings, but only a the full Committee may cite the offender to the House for contempt. Whenever it is asserted that the evidence or testimony at an investigatory hearing may tend to defame, degrade, or incriminate any person—

(1) such testimony or evidence shall be presented in executive session, notwithstanding the provisions of Rule III. h., if by a majority of these present, there being in attendance the requisite number required under the rules of the Committee to be present for the purpose of taking testimony, the Committeee or Subcommittee determines that such evidence or testimony may tend to defame, degrade, or incriminate any person;

(2) the Committee or Subcommittee shall proceed to receive such testimony in open session only if a majority of the members of the Committee or Subcommittee, a majority being present, determine that such evidence or testimony will not tend to defame, degrade, or incriminate any person. In either case the Committee or Subcommittee shall afford such person an opportunity voluntarily to appear as a witness; and the Committee or Subcommittee shall receive and the Committee shall dispose of requests from such person to subpoena additional witnesses.

Except as provided herein, the Chairman shall receive and the Committee shall dispose of requests to subpoena additional witnesses. No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the Committee or Subcommittee. In the discretion of the Committee or Subcommittee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The Committee or Subcommittee is the sole judge of the pertinency of testimony and evidence adduced at its hearings. A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the Committee or Subcommittee.

1. *Broadcasting and Photography.*—Television, film making and live radio broadcasting of all or part of any Committee hearing or meeting shall be permitted only when the Committee by a majority vote agrees or, if the Committee cannot be polled in a timely manner, when approved by the Chairman of the Committee after consultation with the Ranking Minority Member. Except as otherwise determined by the Committee, television, film making and live radic broadcasting of all or part of any Subcommittee hearing or meeting shall be permitted only when the Subcommittee by a majority vote agrees or, if the Subcommittee cannot be polled in a timely manner, when approved by the Chairman of the Committee or the Chairman of the Subcommittee after consultation with the Ranking Minority Member of the Committee or Subcommittee. Radio broadcasting that is not live and still photography are permitted of any Committee or Subcommittee meeting or hearing unless otherwise determined by the Chairman of the Committee or applicable Subcommittee after consultation with the Ranking Minority Member of the Committee or Subcommittee: *Provided,* That when such radio broadcasting is conducted, written notice to that effect shall be placed on the desk of each Member. Each committee or subcommittee chairman shall determine, in his or her discretion, the number of television and still cameras permitted in a hearing or meeting room. Any broadcasting, electronic recording, film making, and/or still photography of all or part of a hearing or meeting shall be subject to the provisions of House Rule XI. 3. (f) which appear in Appendix B.

IV. THE REPORTING OF BILLS AND RESOLUTIONS

a. *Filing of Reports.*—The Chairman shall report or cause to be reported promptly to the House any bill or resolution approved by the Committee and shall take or cause to be taken all necessary steps to bring said bill or resolution to a vote. A Committee report on any bill or resolution approved by the Committee shall be filed within seven calendar days (not counting days on which the House is not in session) after the day on which there has been filed with the Staff Director of the Committee a written request, signed by a majority of the Committee, for the reporting of that bill or resolution. The Staff Director of the Committee shall notify the Chairman immediately when such a request is filed.

b. *Content of Reports.*—Each Committee report on any bill or resolution approved by the Committee shall include as separately identified sections:

(1) a statement of the intent or purpose of the bill or resolution;

(2) a statement describing the need for such bill or resolution;

(3) the results of the rollcall vote on the motion to report such bill or resolution, including the total number of votes cast for

and total number of votes cast against said reporting;

(4) the detailed statement described in section 308(a) of the Congressional Budget Act of 1974 if the bill or resolution provides new budget authority (other than continuing appropriations) or new or increased tax expenditures;

(5) the estimate of costs and comparison of such estimates, if any, prepared by the Director of the Congressional Budget Office in connection with such bill or resolution pursuant to section 403 of the Congressional Budget Act of 1974 and submitted in timely fashion to the Committee;

(6) any oversight findings and recommendations made by the Committee or the Committee on Government Operations or both to the extent such were available during the Committee's deliberations on the bill or resolution;

(7) a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy;

(8) an estimate of the costs which would be incurred in carrying out such bill or joint resolution in the fiscal year in which it is reported and for its authorized duration for each of the five fiscal years following the fiscal year of reporting, whichever period is less, together with a comparison of these estimates with those made and submitted to the Committee by any Government agency (the provisions of this clause do not apply if a cost estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of the Congressional Budget Act of 1974 has been timely submitted prior to the filing of the report and included in the report);

(9) the changes in existing law (if any) shown in accordance with Rule XIII, clause 3, of the House Rules;

(10) the determination required pursuant to section 5(a) of Public Law 92-463, if the legislation reported establishes or authorizes the establishment of an advisory committee; and

(11) such other matter as the Chairman of the Committee determines to be useful for public understanding of the intent and effect of the bill or resolution.

c. *Supplemental, Minority, or Additional Views.*—If, at the time of approval of any measure or matter by the Committee, any member of the Committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the Staff Director of the Committee. All such views so filed by one or more members of the Committee shall be included within, and shall be a part of, the report filed by the Committee with respect to that measure or matter. The report of the Committee upon that measure or matter shall be printed in a single volume which shall:

(1) include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report; and

(2) bear upon its cover a recital that any such supplmental, minority, or additional views (and any material submitted under subdivisions (C) and (D) of paragraph (1)(3) of House Rule XI, clause 2) are included as part of the report.

This shall not preclude the immediate filing or printing of a Committee report unless timely request for the opportunity to file supplement, minority, or additional views has been made as provided by this subparagraph or the filing by the Committee of any supplemental report upon any bill or resolution which may be required for the correction of any technical error in a previous report made by the Committee upon the bill or resolution.

d. *Availability of hearing.*—If hearings have been held on any reported bill or resolution, the Committee shall make every reasonable effort to have such hearings printed and available for distribution to the Members of the House prior to the consideration of such bill or resolution by the House.

e. *Committee Prints.*—All Committee or Subcommittee prints or other Committee or Subcommittee documents, other than reports or prints of bill, that are prepared for public distribution shall be approved by the Chairman of the Committee or the Committee prior to public distribution.

f. *Publication of Minutes.*—The Chairman of the Committee, in consultation with the Ranking Minority Member, shall cause to be published as a Committee Print on a periodic basis (and insofar as practicable on a semiannual basis) the minutes of all business meetings and hearings of the Committee and any of its Subcommittees and such minutes shall include a record of the attendance of members, all recorded votes and the action on all amendments and motions relating to legislation.

V. OTHER COMMITTEE ACTIVITIES

a. *Annual Appropriations.*—The Committee shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing programs and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. The Committee shall review, from time to time, each continuing program within its jurisdiction for which appropriations are not made annually in order to ascertain whether such program could be modified so that appropriations therefor would be made annually.

b. *Budget Act Compliance: March 15* (See Appendix C).—The Committee shall, on or before March 15 of each year, submit to the Committee on the Budget (1) its views and estimates with respect to all matters to be set forth in the concurrent resolution on the budget for the ensuing fiscal year which are within its jurisdiction or functions, and (2) an estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within its jurisdiction which it intends to be effective during that fiscal year.

c. *Budget Act Compliance: Subdivision of Allocations* (See Appendix C).—As soon as practicable after a concurrent resolution on the budget for any fiscal year is agreed to, the Committee (after consulting with the appropriate committee or committees of the Senate) shall subdivide any allocations made to it in the joint explanatory statement accompanying the conference report on such resolutions, and promptly report such subdivisions to the House, in the manner provided by section 302 of the Congressional Budget Act of 1974.

d. *Budget Act Compliance: Recommended Changes* (See Appendix C).—Whenever the Committee is directed in a concurrent resolution on the budget to determine and recommend changes in laws, bills, or resolutions under the reconciliation process, it shall promptly make such determination and recommendations, and report a reconciliation bill or resolution (or both) to the House or submit such recommendations to the Committee on the Budget, in accordance with the Congressional Budget Act of 1974.

e. *Conference Committees.*—Whenever in the legislative process it becomes necessary to appoint conferees, the Chairman shall determine the number of conferees he deems most suitable and then recommend to the Speaker as conferees, in keeping with the number to be chosen, the names of those members of the Committee who were primarily responsible for the legislation and, to the fullest extent feasible, those members of the Committee who were the principal proponents of the major provisions of the bill as it passed the House and such other Committee members of the majority party as the Chairman may designate in consultation with the members of the majority party. Such recommendations shall provide a ratio of majority party members to minority party members no less favorable to the majority party than the ratio of majority members to minority party members on the Committee. In making recommendations of minority party members as conferees, the Chairman shall consult with the Ranking Minority Member of the Committee.

f. *Committee Records.*—All Committee or Subcommittee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the member serving as Chairman, and such records shall be the property of the House with all Members of the House having access thereto. The Staff Director shall promptly notify the Chairman and Ranking Minority Member of any request for access to such records.

VI. SUBCOMMITTEES

a. *Number and Composition.*—There shall be such Subcommittees as specified in clause b of this rule each of which shall be composed of the number of members set forth in such clause, including ex officio members.[1] The Chairman may create additional Subcommittees of an ad hoc nature as he determines to be appropriate.

b. Jurisdiction.—The Subcommittees shall have the following general jurisdiction and number of members.

Commodity subcommittees

Cotton, Rice, and Sugar (18 members, 11 majority and 7 minority).—Cotton, cottonseed, rice, and sugar matters, generally.

Livestock, Dairy, and Poultry (18 members, 11 majority and 7 minority).—Livestock, dairy, poultry, and bees, generally.

Tobacco and Peanuts (15 members, 9 majority and 6 minority).—Tobacco and peanut matters, generally.

Wheat, Soybeans, and Feed Grains (20 members, 12 majority and 8 minority).—Wheat, soybeans, feed grains, oilseeds not otherwise assigned, dry beans, peas, and lentils, generally.

Operational subcommittees

Conservation, Credit, and Rural Development: (18 members, 11 majority and 7 minority).—Soil and water conservation, small watershed program, commodity futures, agricultural credit and rural development matters, generally.

[1] The Chairman and Ranking Minority Member of the Committee (See paragraph d. of this Rule).

Department Operations, Research, and Foreign Agriculture (15 members, 9 majority and 6 minority).—Foreign agricultural programs, agency review and analysis, research, and pesticides, generally.

Domestic Marketing, Consumer Relations, and Nutrition (13 members, 8 majority and 5 minority).—Marketing orders, domestic marketing, food stamps, nutrition, and consumer programs, generally.

Forests, Family Farms, and Energy (15 members, 9 majority and 6 minority).—Family farming, forestry, and energy matters, generally.

c. *Referral of Legislation.*—In the case of any measure or matter not specifically described above, or which includes the jurisdiction of two or more Subcommittees, the Chairman may, unless the Committee by a majority vote decides otherwise, refer such measure or matter simultaneously to two or more Subcommittees for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any Subcommittee), or divide the matter into two or more parts reflecting different subjects and jurisdiction and refer each part to a different Subcommittee, or refer the matter to an ad hoc Subcommittee appointed by him for the specific purpose of considering that matter and reporting to the Committee thereon, or make such other provisions as may be considered appropriate. The Chairman, with the approval of a majority of the Committee, shall have authority to discharge a Subcommittee from further consideration of any bill, resolution, or other matter referred thereto and have such bill, resolution or other matter considered by the Committee. All legislation and other matters considered by the Committee. All legislation and other matters referred to the Committee shall be referred to all Subcommittees of appropriate jurisdiction within two weeks unless, by majority vote of the members of the Committee, consideration is to be by the Committee.

d. *Service on Subcommittees.*—The Chairman and the Ranking Minority Member shall serve as ex officio members of all Subcommittees and shall have the right to vote on all matters before such Subcommittees, but shall not be counted for the purpose of establishing a quorum. Any member of the Committee may have the privilege of sitting with any Subcommittee during its hearings or deliberations and participate therein, but shall not have authority to vote on any matter, nor be counted present for the purpose of a quorum for any Subcommittee action, nor, except as the Subcommittee Chairman or a majority of the Subcommittee may permit, particpate in questioning of witnesses under the five-minute rule, nor raise points of order unless such member is a member of such Subcommittee.

e. *Subcommittee Hearings and Meetings.*—Each Subcommittee is authorized to meet, hold hearings, receive evidence, and report to the Committee on all matters referred to it or under its jurisdiction. Subcommittee Chairmen shall set dates for hearings and meetings of their Subcommittees, after consultation with the Chairman of the Committee and one another, with a view toward avoiding simultaneous scheduling of Committee and Subcommittee meetings or hearings whenever possible. Notice of all such meetings shall be given to the Chairman and the Ranking Minority Member of the Committee by the Staff Director. No Subcommittee shall hold meetings or hearings outside of the House unless permission to do so is granted by the Chairman, or a majority, of the Committee. If a vacancy should occur in a Subcommittee chairmanship, the Chairman of the Committee may set the dates for hearings and meetings of the Subcommittee during the period between the date of the vacancy and the date the vacancy is filled. The provisions of Rule II regarding notice and agenda of Committee meetings and of Rule II. b. regarding special meetings shall apply as well to Subcommittee meetings.

f. *Subcommittee Action.*—Any bill, resolution, recommendation or other matter ordered reported to the Committee by a Subcommittee shall be promptly reported by the Subcommittee Chairman or any Subcommittee member authorized to do so by the Subcommittee. Upon receipt of such report, the Staff Director shall promptly advise all members of the Committee of the Subcommittee action. The Committee shall not consider any matters reported by Subcommittees until two calendar days have elapsed from the date of reporting, unless the Chairman or a majority of the Committee determines otherwise.

g. *Subcommittee Investigations.*—Except for the Subcommittee on Department Operations, Research, and Foreign Agriculture, no investigation shall be initiated by a Subcommittee without the approval of the Chairman of the Committee or a majority of the Committee.

VII. COMMITTEE BUDGET, STAFF, AND TRAVEL

a. *Committee Budget.*—The Chairman, in consultation with the majority members of the Committee, shall for each session of the Congress prepare a preliminary budget. Such budget shall include necessary amounts for staff personnel, travel, investigation, and other expenses of the Committee and Subcommittees thereof. After consultation with the Ranking Minority Member, the Chairman shall include an amount budgeted to minority members for staff under their direction and supervision. Thereafter, the Chairman shall combine such proposals into a consolidated Committee budget, and shall take whatever action is necessary to have such budget duly authorized by the House.

b. *Committee Staff.*—The staff of the Committee shall perform such duties as are authorized by law and shall be under the general supervision and direction of the Chairman. Staff assigned to each Subcommittee shall perform such duties as are authorized by law and shall be under the general supervision and direction of the Chairman of the Committee and the Chairman of the Subcommittee. Committee members seeking assistance from the staff shall make their requests through the Chairman or Ranking Minority Member. The Chairman shall insure that each Subcommittee is adequately funded and staffed to discharge its responsibilities.

c. *Committee Travel.*—Funds authorized for the Committee under clause 5 of House Rule XI are for expenses incurred in the Committee's activities within the United States; however, local currencies owned by the United States shall be made available to the Committee and its employees engaged in carrying out their official duties outside the United States, its territories or possessions. No appropriated funds shall be expended for the purpose of defraying expenses of members of the Committee or its employees in any country where local currencies are available for this purpose; and the following conditions shall apply with respect to their use of such currencies;

(1) No member or employee of the Committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in applicable Federal law; and

(2) Each member of employee of the Committee shall make an itemized report to the Chairman within 60 days following the completion of travel showing the dates each country was visited, the amount of per diem furnished, the cost of transportation furnished, any funds expended for any other official purpose, and shall summarize in these categories the total foreign currencies and/or appropriated funds expended. All such individual reports shall be filed by the Chairman with the Committee on House Administration and shall be open to public inspection.

VIII. AMENDMENT OF RULES

These rules may be modified, amended, or repealed, by a majority vote of the Committee, provided that two legislative days written notice of the proposed change has been provided each member of the Committee prior to the meeting date on which such changes are to be discussed and voted upon.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. ROTH) to revise and extend their remarks and include extraneous material:)

Mr. MCDADE, for 30 minutes, today.

Mr. MOORHEAD, for 30 minutes, today.

Mr. FRENZEL, for 15 minutes, today.

Mr. KEMP, for 60 minutes, today.

(The following Members (at the request of Mr. KASTENMEIER) to revise and extend their remarks and include extraneous material:)

Mr. ADDABBO, for 5 minutes, today.

Mr. ROBINSON, for 5 minutes, today.

Mrs. BURTON of California, for 5 minutes, today.

Mr. ALEXANDER, for 60 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. EDWARDS of California, for 60 minutes, February 6.

Mr. EDWARDS of California, for 60 minutes, February 7.

Mr. COELHO, for 60 minutes, February 7.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. ROTH) and to include extraneous material:)

Mr. FAWELL.

Mr. YOUNG of Alaska in two instances.

Mr. CONTE.

Mr. GUNDERSON.

Mr. SCHULZE.

Mr. BROOMFIELD.
Mr. MCKERNAN.
(The following Members (at the request of Mr. KASTENMEIER) and to include extraneous matter:)
Mr. PEPPER.
Mr. DYMALLY.
Mr. TORRICELLI in two instances.
Mr. NATCHER.
Mr. MURTHA.
Mr. DE LUGO.
Mr. FLORIO.
Mr. FRANK.
Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mrs. LLOYD in five instances.
Mr. HAMILTON in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in five instances.
Mr. WYDEN.
Mr. HERTEL of Michigan.
Mr. LELAND.
Mr. HAWKINS.
Mr. ENGLISH.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following titles was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 36. Joint resolution to designate the week of February 10, 1985, through February 16, 1985, as "National DECA Week"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock p.m.), under its previous order, the House adjourned until Wednesday, February 6, 1985, at 2 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

454. A letter from the Acting Assistant Secretary of the Navy, transmitting a notice of decision to convert the laundry, dry cleaning services at the Marine Corps Base, Camp Pendleton, CA, to contractor performance, pursuant to 10 U.S.C. 2304 nt. (Public Law 96-342, section 502(b) (96 Stat. 747)); to the Committee on Armed Services.

455. A letter from the Assistant Secretary of Defense (Manpower, Installations and Logistics), transmitting a report of the extent of contractor performance of commercial and industrial functions during preceding fiscal year, pursuant to Public Law 96-342, section 502(c); to the Committee on Armed Services.

456. A letter from the Auditor, District of Columbia, transmitting a report entitled: "Review of D.C. Lottery Contracts with Former Council chairman," pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

457. A letter from the Acting Secretary of Education, transmitting final regulations in connection with administration of education programs, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

458. A letter from the Acting Secretary of Education, transmitting a report on progress being made toward the provision of a free appropriate public education for all handicapped children, pursuant to 20 U.S.C. 1418(f)(1) (Public Law 91-230, section 618(f)(1) (89 Stat., 792; 97 Stat. 1362)); to the Committee on Education and Labor.

459. A letter from the Acting Secretary of Education, transmitting the annual report on activities of centers on educational media and materials for the handicapped, pursuant to Public Law 91-230, section 653(c) (89 Stat. 795); Public Law 96-88, section 207; to the Committee on Education and Labor.

460. A letter from the Acting Administrator, Environmental Protection Agency, transmitting a report on progress in the prevention and control of air pollution, pursuant to CAA, section 313 (81 Stat. 506; 84 Stat. 1705 and 1713; 91 Stat. 771); to the Committee on Energy and Commerce.

461. A letter from the Secretary of State, transmitting the fourth report on the multinational force and observers with financial information concerning the participation of the United States, pursuant to 22 U.S.C. 3425; to the Committee on Foreign Affairs.

462. A letter from the Comptroller General of the United States, transmitting a list of reports issued by GAO during the month of November 1984, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

463. A letter from the Chairman, Advisory Commission on Intergovernmental Relations, transmitting the Commission's 26th annual report, pursuant to Public Law 86-380, section 5(3); to the Committee on Government Operations.

464. A letter from the Chairman, Equal Employment Opportunity Commission, transmitting an evaluation of compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

465. A letter from the Secretary of the Interior, transmitting notification that no compensatory royalty agreeements relating to oil or gas were entered into during the previous year, pursuant to the act of February 25, 1920, chapter 85, section 17(g) (74 Stat. 781); to the Committee on Interior and Insular Affairs.

466. A letter from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting orders and applications concerning each alien whose deportation was suspended, pursuant to INA, Section 244(c) (66 Stat. 214, 76 Stat. 1247); to the Committee on the Judiciary.

467. A letter from the Director, Federal Judicial Center, transmitting the annual report of the Federal Judicial Center, pursant to 28 U.S.C. 623(b); to the Committee on Judiciary.

468. A letter from the President and Chief Executive Officer, Little League Baseball, transmitting the annual report, pursuant to Public Law 88-378, section 14(b); to the Committee on the Judiciary.

469. A letter from the Administrator, Panama Canal Commission, transmitting an unaudited financial statement covering maintenance and operation of the canal during fiscal 1984, pursuant to Public Law 96-70, section 1312; to the Committee on Merchant Marine and Fisheries.

470. A letter from the Director, Administrative Office of the United States Courts, transmitting a report on their current positions in grades GS-16, GS-17, and GS-18, pursuant to 5 U.S.C. 5114(a); to the Committee on Post Office and Civil Service.

471. A letter from the Administrator, Veterans' Administration, transmitting notice of the delay of the disposition of cases granted relief from administrative error, overpayment, and forfeiture, pursuant to 38 U.S.C. 210(c)(3)(B); to the Committee on Veterans' Affairs.

472. A letter from the Secretary of Energy, transmitting the eighth annual report on Federal energy education, extension, and information activities, pursuant to Public Law 96-294, section 404; jointly, to the Committees on Energy and Commerce and Science and Technology.

473. A letter from the Secretary, Railroad Retirement Board, transmitting a report on the ability of the railroad retirement account to pay benefits in each of the next succeeding 5 years, pursuant to 45 U.S.C. 231u(a)(1) (Public Law 93-445, title I, section 22(a)(1), (97 Stat. 416); jointly, to the Committees on Energy and Commerce and Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANNUNZIO:

H.R. 913. A bill to extend and modify the "Net Worth Certificate Act" and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BREAUX:

H.R. 914. A bill to amend the Agricultural Act of 1949 to expand authority for the use abroad of Commodity Credit Corporation stocks; jointly, to the Committees on Agriculture, and Foreign Affairs.

By Mrs. BYRON:

H.R. 915. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for amounts paid or incurred for maintaining a household a member of which is a dependent of the taxpayer who has attained the age of 65; to the Committee on Ways and Means.

By Mr. COOPER:

H.R. 916. A bill requiring deposit insurance of all entities that claim to be a bank; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DYMALLY (for himself, Ms. OAKAR, Mrs. SCHROEDER, Mr. HOYER, and Mr. BARNES):

H.R. 917. A bill to amend title 5, United States Code, to extend to certain employees in the excepted service the same procedural and appeal rights as are afforded to employees in the competitive service with respect to certain adverse personnel actions; to the Committee on Post Office and Civil Service.

By Mr. DYSON (for himself, Mrs. BYRON, Mrs. HOLT, Mr. BARNES, Mr. HOYER, Mr. MITCHELL, Mr. HUTTO, Mr. MAVROULES, and Mr. BADHAM):

H.R. 918. A bill to clarify the statutory limitation on the amount the Department of Defense may spend during fiscal year 1985 for certain contracted advisory and assistance services and to require the Secretary of Defense to develop an accounting procedure for identifying and controlling expenditures for such services in later fiscal years; to the Committee on Armed Services.

By Mr. ENGLISH:

H.R. 919. A bill to prohibit the land disposal of all hazardous waste and to make funds available from the superfund to equalize the cost of landfill disposal and treatment of hazardous waste; to the Committee on Energy and Commerce.

By Mr. FRANK:

H.R. 920. A bill to amend title II of the Social Security Act to eliminate the disparity between the benefits payable to individuals who retired in or after 1979 (when the decoupling changes in the benefit formula became effective) and the benefits payable to individuals similarly situated who retired before that year, by providing that the benefits payable to the former individuals may never be less than those payable to the latter; to the Committee on Ways and Means.

H.R. 921. A bill to amend title II of the Social Security Act to increase the primary insurance amounts of individuals who retire after attaining age 62, in or after 1979 (when decoupling changes in the benefit formula became effective), in order to aid in eliminating the present disparity between the benefits payable to such individuals and the benefits payable to individuals similarly situated who retired before 1979; to the Committee on Ways and Means.

By Mr. GRAY of Illinois:

H.R. 922. A bill to amend title 18 of the United States Code to provide capital punishment for first degree murders committed by prisoners serving a life sentence; to the Committee on the Judiciary.

H.R. 923. A bill to amend title 23, United States Code, and the Surface Transportation Assistance Act of 1982 to eliminate obligation limitations on highway expenditures, to provide States with greater flexibility in the use of Federal highway funds, and to allow the construction of new toll highways with Federal funds; to the Committee on Public Works and Transportation.

H.R. 924. A bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonsble fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HAWKINS:

H.R. 925. A bill to amend the reporting and disclosure requirements of title I of the Employee Retirement Income Security Act of 1974 to require from each employee pension benefit plan an annual report to the Secretary of Labor describing investments by the plan in South Africa; to the Committee on Education and Labor.

H.R. 926. A bill to require the Secretary of Labor to analyze the labor practices of South Africa and to propose changes in U.S. policies which would promote changes in those practices, and for other purposes; jointly, to the Committees on Education and Labor and Foreign Affairs.

By Mr. LELAND (for himself, Mr. WIRTH, Mrs. COLLINS, Mr. RICHARDSON, Mr. KOSTMAYER, Mr. TOWNS, Mr. WEISS, Mr. CROCKETT, Mr. BARNES, Mr. HAYES, Mr. HAWKINS, Mr. GARCIA, Mr. WORTLEY, Mr. RODINO, Mr. STOKES, Mr. SABO, Mr. CLAY, Mr. DIXON, Mr. FAUNTROY, Mr. RANGEL, Mr. LEHMAN of Florida, Mr. MITCHELL, Mr. SAVAGE, Mr. OWENS, Mr. MRAZEK, Mr. DELLUMS, Mr. MARTINEZ, Mr. CONYERS, Mr. ACKERMAN, Mr. FISH, Mr. BERMAN, Mr. FAZIO, Mr. PANETTA, Mr. FRANK, Mr. ATKINS, Mr. WHEAT, Mr. FRENZEL, Mr. DYMALLY, Ms. KAPTUR, Mr. MOODY, Mr. LANTOS, Mr. SWIFT, Mr. WILLIAMS, Mr. HOYER, Mr. LEVINE of California, Mr. DE LUGO, Mr. NEAL, Mr. DOWNEY of New York, Mr. SEIBERLING, Mr. PENNY, Mr. GRAY, of Pennsylvania, Mr. GRAY of Illinois, and Mr. HORTON):

H.R. 927. A bill to revise and extend title XX of the Public Health Service Act to provide services for pregnant adolescents and adolescent parents; to the Committee on Energy and Commerce.

By Mr. McKERNAN (for himself and Mr. FRANK):

H.R. 928. A bill to amend section 552(a)(4)(F) of title 5 of the United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MOORHEAD (for himself, Mr. RALPH M. HALL, Mr. BROYHILL, Mr. DANNEMEYER, Mr. OXLEY, Mr. BLILEY, Mr. NIELSON of Utah, and Mr. LOEFFLER):

H.R. 929. A bill to reform the Federal regulation of energy use and allocation, and for other purposes; jointly, to the Committees on Energy and Commerce; and Banking, Finance and Urban Affairs.

By Mr. NELSON of Florida:

H.R. 930. A bill to amend title 18 of the United States Code with respect to computer crime; to the Committee on the Judiciary.

By Mr. ROBINSON:

H.R. 931. A bill to amend the Public Utility Holding Company Act of 1935 and the Federal Power Act to clarify the respective regulatory authorities of Federal and State agencies respecting certain transactions by electric utility companies; to the Committee on Energy and Commerce.

By Mr. SCHULZE (for himself and Mr. DOWNEY of New York):

H.R. 932. A bill to amend the Internal Revenue Code of 1954 to revise the withholding rules applicable to certain parimutuel wagering payouts; to the Committee on Ways and Means.

By Mr. SCHUMER:

H.R. 933. A bill to amend title II of the Social Security Act to prohibit the payment of benefits thereunder to individuals who have been deported or ordered deported from the United States on account of certain activities conducted under the direction of or in association with the Nazi government of Germany during World War II; to the Committee on Ways and Means.

By Mr. SEIBERLING:

H.R. 934. A bill to provide certain authority to reduce erosion within the Cuyahoga Valley National Recreation Area, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SYNAR (for himself and Mr. WOLPE):

H.R. 935. A bill to abolish the United States Synthetic Fuels Corporation, to reduce Federal deficits, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs; and Energy and Commerce

By Mr. WEAVER:

H.R. 936. A bill to amend the Bretton Woods Agreements Act with respect to the use of the compensatory financing facility of the International Monetary Fund; to the Committee on Banking, Finance and Urban Affairs.

By Mr. WYDEN:

H.R. 937. A bill to amend the Higher Education Act of 1965 to require that schools of education provide warranties for the teachers such schools train with Federal student assistance; to the Committee on Education and Labor.

By Mr. SCHULZE:

H.J. Res. 124. Joint resolution proposing an amendment to the Constitution of the United States to provide for a 6-year term for the President and the Vice President, to limit the number of terms the President and the Vice President may serve, to provide for 3-year terms for Representatives, and to limit the number of consecutive terms Senators and Representatives may serve; to the Committee on the Judiciary.

By Mr. YOUNG of Alaska:

H.J. Res. 125. Joint resolution designating May 1985 as "National Community College Month"; to the Committee on Post Office and Civil Service.

By Mr. BROOMFIELD:

H. Con. Res. 47. Concurrent resolution expressing the sense of Congress that the Soviet Union should allow Igor Ogurtsov to be released from internal exile and allowed to emigrate to the West without renouncing his views; to the Committee on Foreign Affairs.

By Mr. REID (for himself, Mr. HUGHES, Mr. BONER of Tennessee, Mr. FLORIO, Mr. BADHAM, Mr. ROTH, Mr. NELSON of Florida, Mr. DYMALLY, Mr. PEPPER, Mr. ADDABBO, Mr. SENSENBRENNER, Mr. TORRICELLI, Mr. OBERSTAR, Mr. STANGELAND, Mr. SMITH of Florida, Mr. DANNEMEYER, Mr. FAUNTROY, Mr. DWYER of New Jersey, Mr. CHAPPELL, Mr. HORTON, Mr. SHAW, Ms. SNOWE, and Mrs. VUCANOVICH):

H. Con. Res. 48. Concurrent resolution expressing the sense of the Congress that the President should urge the Canadian Government to discontinue its practice of imposing taxes on travel literature imported from the United States; jointly, to the Committees on Foreign Affairs and Ways and Means.

By Mr. ROEMER:

H. Res. 42. Resolution expressing the sense of the House of Representatives that no major tax act enacted by the Congress should take effect until the year after the year in which it is enacted or should apply to transactions entered into or property placed in service before the effective date of the act; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. BURTON of California:

H.R. 938. A bill for the relief of Fatima Rio Frio Benitez; to the Committee on the Judiciary.

H.R. 939. A bill for the relief of Chen-Chuan Jen; to the Committee on the Judiciary.

H.R. 940. A bill for the relief of Reynaldo B. Nidoy and Bella Anderson Nidoy; to the Committee on the Judiciary.

H.R. 941. A bill for the relief of Barry David Tombs; to the Committee on the Judiciary.

H.R. 942. A bill for the relief of Cheng Hsiang-Lin; to the Committee on the Judiciary.

By Mr. VANDER JAGT:

H.R. 943. A bill for the relief of Clive Francis Harrison; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 21: Mr. TORRES, Mr. PENNY, Mr. LOWRY of Washington, Mr. BEDELL, Mr. DYMALLY, Mr. CROCKETT, Mr. RANGEL, Mr. WILLIAMS, and Mr. KOLTER.

H.R. 87: Mr. RUDD.

H.R. 111: Mr. BOEHLERT.

H.R. 236: Mr. CARPER, Mr. SEIBERLING, Mr. ROYBAL, Mr. WHEAT, Mr. LOWRY of Washington, Mr. HANSEN, Mr. CROCKETT, and Mr. RICHARDSON.

H.R. 240: Mr. GRAY of Illinois and Mr. SWINDALL.

H.R. 242: Mr. DELAY, Mr. SMITH of New Jersey, Mr. DYSON, Mr. WHITLEY, Mr. SOLOMON, Mr. PARRIS, Mr. EVANS of Illinois, Mrs. BOGGS, Mrs. BYRON, Mr. BOEHLERT, Mr. HUTTO, Mr. COLEMAN of Missouri, and Mr. GRAY of Illinois.

H.R. 280: Mr. OLIN.

H.R. 512: Mr. BONIOR of Michigan and Mr. EVANS of Illinois.

H.R. 528: Mr. DOWNEY of New York, Mr. ARMEY, Mr. ANTHONY, Mr. MCCOLLUM, Mr. RAHALL, Mr. PEPPER, Mr. BENNETT, Mr. BADHAM, Mr. VANDER JAGT, Mr. TOWNS, Mr. LANTOS, Mr. TAUZIN, Mr. SWIFT, Mrs. KENNELLY, and Mr. RANGEL.

H.R. 535: Mr. BOEHLERT and Mr. HORTON.

H.R. 537: Mr. WHEAT.

H.R. 539: Mr. VANDER JAGT, Mr. SHUSTER, Mr. COUGHLIN, Mr. ECKART of Ohio, Mr. WILSON, Mr. CROCKETT, Mr. SCHAEFER, Mr. MAVROULES, Mr. BOLAND, Mr. MOAKLEY, Mr. PEPPER, Mr. RICHARDSON, Mr. ANDREWS, Mr. ANNUNZIO, Mr. PEASE, Mr. EDGAR, Mr. HAYES, Mr. VENTO, Mr. BONIOR of Michigan, Mr. RUSSO, Mr. RAHALL, Mr. NOWAK, Mr. GAYDOS, Mr. ROE, Mr. VOLKMER, Mr. FLORIO, Mr. ADDABBO, Mr. FLIPPO, Mr. YATRON, Mrs. BENTLEY, Mr. ROGERS, Mr. MACKAY, Mr. MILLER of Ohio, Mr. CALLAHAN, Mr. LUJAN, Mr. LIPINSKI, Mrs. HOLT, Mr. BROWN of California, Mr. SEIBERLING, Mr. IRELAND, and Mr. COATS.

H.R. 600: Mr. DYMALLY, Mr. BEREUTER, Mr. SUNIA, Mr. KEMP, Mr. CHAPPELL, Mr. BARTON of Texas, Ms. MIKULSKI, Mr. CHENEY, Mr. BUSTAMANTE, Mr. LATTA, Mr. ERDREICH, Mr. MOORHEAD, Mrs. BOGGS, Mr. COBEY, and Mr. YATRON.

H.R. 691: Mr. BEDELL, Mr. COUGHLIN, Mrs. SCHNEIDER, Mr. BOEHLERT, and Mrs. KENNELLY.

H.R. 755: Mr. EDWARDS of California.

H.R. 780: Mr. HILLIS, Mr. FROST, Mr. MACKAY, Mr. SENSENBRENNER, Mr. BEILENSON, Mr. WAXMAN, and Mr. RAHALL.

H.R. 838: Mr. MOAKLEY.

H.J. Res. 49: Mr. DELAY and Mr. SOLOMON.

H. Con. Res. 35: Mr. GINGRICH, Mr. RUDD, Mr. MCGRATH, Mr. SAXTON, Mr. COURTER, Mr. SKELTON, Mr. ORTIZ, Mr. HUNTER, Mr. BARTON of Texas, Mr. SOLOMON, and Mr. NIELSON of Utah.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

30. By the SPEAKER: Petition of the Board of Supervisors, County of Los Angeles, CA, relative to homeless persons; to the Committee on Banking, Finance and Urban Affairs.

31. Also, petition of the City Council of Wilkes-Barre, PA, relative to the budget deficit; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

TERRORISM STRIKES AGAIN IN EUROPE

HON. WM. S. BROOMFIELD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. BROOMFIELD. Mr. Speaker, now more than ever, our Government must continue to do all that it can to counter the growing threat of terrorism in the world. Again, the specter of mindless terrorism is raising its ugly head in Europe.

Leftist terrorists groups have launched a series of attacks on NATO and American targets in Italy, Germany, Belgium, and France. NATO targets, defense firms, and government facilities have been hit and some have been damaged.

For the first time, the French terrorist group "Direct Action" and the German group "Red Army Faction" recently announced their fusion into one group. The newly formed group has declared war against NATO and U.S. influence in Europe.

The level of terrorist violence has also escalated. French Gen. Rene Audran was shot and killed last week as he returned home from work. The general was a high-ranking French Defense Ministry official. Direct Action claimed responsibility for the crime. Never before has the terrorist group resorted to murder. In past years, their attacks have been mostly symbolic. Just this week, a leftist terrorist group fired mortar rounds at NATO warships anchored in Lisbon harbor. The Popular Forces of April 25, an extremist Communist group, took credit for the unsuccessful attack. The same group mortared the U.S. Embassy in Lisbon in November, and attacked NATO's Iberian headquarters in Portugal a month later. Italian antiterrorist forces foiled an Islamic Jihad plan to attack the American Embassy in Rome in recent months.

Terrorist groups in Europe are also increasing their level of cooperation. According to available intelligence, there are links between Direct Action and Basque terrorists, as well as contact between Direct Action and the Fighting Communist cells, a new leftist terrorist group from Belgium.

Terrorism is not confined to Western Europe. Last year brought a number of devastating terrorist attacks in the Middle East, and terrorist operations continue in Central and South America. Already, our Government is making plans to increase security here in the United States in anticipation of possible terrorist activities in Washington and in other cities.

I commend the administration for its continuing support of antiterrorism legislation, and its strong interest in this critical issue. During the last session, the Congress passed H.R. 6311 giving over $350 million to the Department of State for antiterrorism programs and physical security projects at our missions around the world. Much more must be done, both in the area of enhancing Embassy security and in improving our intelligence collecting capabilities.

Terrorism is a form of political war. It is low level warfare directed against the United States and other democracies in the West. As long as the United States represents certain values in the world, there will be groups which will seek to intimidate us and force us to change our policies by directing violence at us and at our interests. Our battle against terrorism has just begun with the first step in a journey of many, many miles. Finding the courage to speak out about terrorism is surely the first step toward the defeat of those who would destroy our freedom and our world.

I strongly commend the following article on terrorism in Europe from the Christian Science Monitor to my colleagues in the Congress.

[From the Christian Science Monitor, Jan. 25, 1985]

EUROTERRORISM IN THE 1980'S—UNITED STATES AND W. EUROPEAN MILITARY, POLITICAL INSTITUTIONS BECOME TARGETS FOR NEW WAVE OF TERRORIST ATTACKS

(By Gary Yerkey)

BRUSSELS.—Urban terrorism has returned to Western Europe, with its perpetrators this time taking aim at new targets and pledging to strengthen cross-border cooperation.

National government and NATO officials are not panicking. "We'll cope," says one investigator here.

But concern clearly runs deep in government and military circles, as well as among the public at large.

Today's terrorists, mostly claiming to fight for leftist causes, have struck where their forerunners caused havoc a decade ago, mainly in West Germany and Italy. But they have also hit out in countries previously spared organized terror, such as France and Belgium.

The newest target: the Western world's defense community, specifically installations, personnel, and suppliers connected with the Brussels-based North Atlantic Treaty Organization.

The number of attacks against NATO targets has increased dramatically over the past four months. Earlier this month, two well-known guerrilla groups—Direct Action in France and the Red Army Faction (Baader-Meinhof Gang) in West Germany—announced that they were forming a political-military front in Western Europe with NATO as its main target.

This disturbing sign of stepped-up cooperation among terrorist groups in different countries was followed by news this week that the explosives used by Direct Action in a failed attack in Paris last summer were of the same type as those employed by the Red Army Faction in the attempted bombing of a NATO officers' school in West Germany on Dec. 18.

This same type of explosive had also been used in six bomb attacks against NATO fuel pipelines in Belgium nine days earlier by the newest self-proclaimed leftist group to appear on the terrorist scene, the Fighting Communist Cells. All the explosives were reportedly stolen in southern Belgium last June.

"It's the first piece of concrete evidence we've had in a long time that the different groups are working together," says one investigator. He notes that previous reports of links between various guerrilla groups in Western Europe were based more on suspicion than fact.

New evidence of closer links also came this month when the Fighting Communist Cells, which launched a series of bomb attacks against NATO-related targets in Belgium last October, said in a communiqué:

"We dedicate our attack [against the administrative headquarters of the US military in Belgium on Jan. 15] to the fighters of the Red Army Faction who struggle today in a collective hunger strike against their conditions of detention/extermination in special prisons."

Nearly 40 suspected and convicted Red Army Faction (RAF) terrorists have been on hunger strike in West German jails since last month.

Since mid-December more than 40 bomb and arson incidents have been investigated by West German police—at least 20 of them strongly believed to have been the work of the RAF, including seven against US installations. The rest were directed at French diplomatic buildings, British barracks, and large West German industrial plants.

Security authorities reportedly have tightened security around likely human targets such as senior NATO officers, judges, lawyers, and leading businessmen.

Unlike the terrorist groups of the 1970s, however, the born-again violence-wreakers of the mid-1980s so far have been content for the most part to wreck property and to leave human beings alone. The RAF's predecessor, the Baader-Mainhof Gang, claimed responsibility for killing a number of victims, including West German business leader Hanns-Martin Schleyer and Dresdner Bank chief Jurgen Ponto.

The exception to the current tendency to avoid killing people is Italy, where attacks against human life by both the extreme left and extreme right have continued almost unabated since the days of the now-infamous Red Brigades in the late 1960s and 1970s.

France's Direct Action group came to prominence in 1980 with a series of bomb attacks against government buildings. It has also struck out against rightists and Israelis.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Last year, Direct Action indicated that it could be making a change in tactics when it tried (unsuccessfully) to bomb the Paris offices of the Western European Union (WEU)—a long-moribund organization of several European countries now being brought to life as a forum for discussing the strengthening of West European defense.

Announcing the formation of a joint "political-military front" earlier this month, the RAF and Direct Action said specifically that they had joined forces in order to more effectively fight "NATO's new politics" and other Western defense-related activities, including the deployment of new US cruise and Pershing II nuclear missiles in Western Europe.

From the start, the Fighting Communist Cells, which has carried out bomb attacks in Belgium on nine separate occasions since it first became known last October, has left no doubt that its main goal would be to terrorize NATO-related targets.

It singled out Belgium for an "armed political-military struggle." It said this was because Belgium has a "limited but central place" in the "imperialist military machine," as evidenced by NATO's decision to locate both its political and military headquarters on Belgian soil.

Until its latest attack, on Jan. 15, the Belgian group avoided tactics such as kidnappings and bombings, which have the potential of injuring or killing human beings. All its work was done in pre-dawn hours or far from populated areas. But now the Fighting Communist Cells has vowed to change that.

A communiqué signed by the group and found after the Jan. 15 bombing of the administrative headquarters of the US military in Brussels warned that future actions could "kill Yankee military and their accomplices. . . . Human life is not an absolute in itself, a mysterious value. It holds no sacred character for us."

The group's latest bombing, in fact, which caused an estimated $500,000 in property damage, did slightly injure a US military policeman guarding the building and appeared calculated to kill him and his fellow guard on duty the night of the bombing.

We're taking this new threat very seriously, said a Belgian Justice Ministry official.

The difficulty, if not impossibility, of tracking down small bands of terrorists who strike and then disappear underground until their next attack has been underscored by Belgium's failure to turn up concrete leads (except those stolen explosives used by the Fighting Communist Cells and groups in France and West Germany) since the Belgian group surfaced for the first time nearly four months ago.

Even NATO security officials here have become impatient with the Belgian police, who protect the perimeter of the organization's sprawling headquarters just outside Brussels.

"We'd feel a little more comfortable if we had more information," said one official.

After the Fighting Communist Cells' first bombing last October, the Belgian Justice Ministry beefed up the country's antiterrorist squad. Some 250 policemen will be hired this year to help fight terrorism. But Justice Minister Jean Gol has been left empty-handed in the struggle, issuing statements calling for greater cooperation among European countries to fight terrorism but having little to show as an example of how to do it.

A grim reminder that terrorism in Western Europe is not limited to left-wing, or even right-wing, groups but can cover the whole spectrum of causes and ideas—anti-British (IRA), anti-Semitic, anti-Palestinian, anti-Spanish (Basques), anti-Turk (Armenians)—came earlier this month when Belgium's intelligence services learned that a possible suicide bomb attack was being planned by the Islamic fundamentalist group, Islamic Jihad, against undisclosed targets in Belgium.

Some 1,500 police were put on full alert for nearly a week, and security was tightened at Western and some Middle Eastern embassies, NATO headquarters, and most government installations.

The plot, which was apparently foiled, was also a reminder that isolated acts of terrorism can be prevented.

Perhaps the best example of that came only last month when Swiss and Italian antiterrorist squads joined forces to squash a plan to destroy the US Embassy in Rome—a plot also reportedly being hatched by the Islamic Jihad.

The combined counter-terrorist operation began when Swiss police found several explosive devices in the suitcase of a Lebanese national changing planes in Zurich on his way to Rome.

The Swiss police alerted the Italian secret service. As a result, in a predawn raid on two apartments northwest of Rome, the Italian security services were able to round up seven young Lebanese students.

US officials found out about the plot only after the raid had taken place. Later, the American Ambassador to Italy, Maxwell Rabb, paid a call on Rome's police chief to express his gratitude. "Your country," he said, "has again demonstrated that it is in the vanguard of the fight against subversive elements that stain the world with blood."

SIX-MONTH TALLY OF EUROTERRORISM

June 1984: Explosives stolen from Ecaussines quarry near Brussels.

July 14: French Ministry of Industry bombed.

Aug. 2: European Space Agency headquarters in Paris bombed.

Aug. 14: West German helicopter carrying federal prosecutor fired on.

Aug. 23: Unexploded car-bomb discovered outside Western European Union in Paris.

Oct. 3: Brussels office of Litton Industries bombed.

Oct. 4: Brussels subsidiary of West German M.A.N./Volkswagen plant bombed.

Oct. 8: Brussels office of Honeywell bombed.

Oct. 15: Brussels study center of Belgian Liberal Party bombed.

Oct. 15: Ghent, Belgium, offices of Flemish Social Christian Party bombed.

Oct. 18: School bombed in Kassel, West Germany.

Nov. 5: Car-bomb defused outside Brussels police station.

Nov. 26: Communications pylons blown up outside air base near Brussels.

Nov. 27: Plot foiled to blow up U.S. Embassy in Rome.

Dec. 11: Six bomb attacks on NATO fuel pipelines in Belgium.

Dec. 18: Bomb defused at NATO officers' school in Oberammergau, West Germany.

Dec. 23: Bombing of Rome-Milan express train.

Dec. 29: Bomb defused outside U.S. Air Force base in Wiesbaden, West Germany.

Dec. 30: Bomb damages U.S. Army intelligence building in Düsseldorf, West Germany.

Dec. 31: French Embassy in Bonn bombed.

Jan. 3, 1985: U.S. consul's home firebombed in Frankfurt, West Germany.

Jan. 5: West Germany-bound train halted near Amsterdam by 25 terrorists and spray-painted with slogans.

Jan. 7: Bomb explodes near NATO fuel pipeline in Karlsruhe, West Germany.

Jan. 9: Italian policeman killed in Tor Valancia, Italy.

Jan. 15: Car-bombing of U.S. Army community center in Brussels.

Jan. 20: Stuttgart computer center bombed.●

HOMEMAKER EQUITY ACT

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Ms. KAPTUR. Mr. Speaker, I am introducing the Homemakers Equity Act—legislation to provide the same tax treatment to homemakers for contributions to an individual retirement account that is now available under current law to wage earners. Currently, our tax laws are biased against homemakers who wish to ensure that they will have sufficient funds to live their retirement years with the dignity and self-respect which is rightfully theirs. A marriage is both a social and economic partnership and this bill will allow homemakers the economic recognition they deserve in anticipation of their retirement years.

Presently, workers outside the home are permitted to make tax-deductible contributions of 100 percent of compensation up to $2,000 each year to an IRA. Accordingly, if a married individual and his spouse each receive compensation during a year, each may make separate deductible contributions to his or her IRA of up to 100 percent of compensation up to $2,000 each year. If an individual receives no compensation during a year, the individual generally is not allowed to make a deductible IRA contribution for such year. A special rule applies to married couples with only one paid worker. It is referred to as a "spousal IRA." The worker may establish an IRA for the nonearner spouse, and make a maximum combined contribution of $2,250 to the two IRA's—the worker's and the spouse's. The amount may be divided among the IRA's in any manner, but no more than $2,000 may be placed in either IRA.

The existing rules governing IRA's are unfair to homemakers who have not worked outside the home or who have temporarily interrupted their careers or who have chosen to work part-time. The relatively minor allowances for a spousal IRA fail to recognize the important economic contributions made by non-wage-earning spouses. Moreover, they are inconsistent with other rules of current law under which married couples are treated as an economic and taxpaying unit. A husband and wife who both

work and earn $10,000 each, for example, can make aggregate IRA contributions of $4,000 under current law. A couple with the same joint income of $20,000, all of it earned by one spouse, can make aggregate IRA contributions of only $2,250. A third couple, with $20,000 of joint income, but with one spouse earning only $200, is limited even further to a $2,200 aggregate IRA contribution. These disparate results are inconsistent with the general principle of requiring similar tax treatment of similarly situated taxpayers.

In addition to considerations of simple fairness, the Homemakers Equity Act merits congressional support for related compelling reasons. The legislation will contribute to an increase in the national pool of savings and encourage individuals to make adequate provisions for their retirement security. Incentives for savings are crucial for lowering interest rates, increasing capital formation and promoting productivity and economic growth.

Furthermore, financial security in retirement continues to be difficult to achieve for homemakers. It is noteworthy that the poorest members in our society are older women. IRA's are not and should not become a replacement for public and private pension programs. For homemakers, however, they offer an important way to ensure supplementary financial security in retirement. In this respect, IRA tax exemptions for homemakers are even more crucial than they are for wage earners.

While it would be preferable to redress the inequitable treatment of homemakers by immediately raising the aggregate limit to $4,000 this year, the historic Federal budget deficit calls for a more prudent phase-in. This legislation would phase in the increase over a 7-year period beginning in 1986 according to the following schedule:

For the taxable years beginning in:	The applicable amount is:
1986 and 1987	$2,750
1988 and 1989	3,250
1990 and 1991	3,750
1992 and thereafter	4,000

I hope the House will give the Homemakers Equity Act full and timely consideration. It is time to give the American homemaker equitable treatment in providing for financial security in retirement.●

AN OVERVIEW OF THE 1985 FARM BILL, PART 1—IS THERE STILL ROOM FOR THE AMERICAN DREAM?

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. GUNDERSON. Mr. Speaker, one of our most cherished national hymns begins, "Oh beautiful for spacious skies, for amber waves of grain; For purple mountains' majesty, above the fruited plains * * *." The mere mention of this phrase cannot help but produce an image of farmers harvesting their crops in the fall as one soars high above the ground.

Yet, until recently, it had been a long time since any of us truly felt the meaning of these inspirational words. Years of Vietnam, Watergate, stagflation, and hostage crises had numbed our senses to the greatness which is America.

The events of the last 4 years have done much to reverse the national malaise of the 1970's and create a national renaissance in its place. As a whole, Americans are feeling good about themselves again.

Perhaps the most significant of the changes has occurred in our general economy where, by working together, in 4 short years we have been able to reduce inflation to its lowest levels in 20 years, cut the prime interest rate in half, and produce the single largest annual increase in GNP in 30 years.

Regrettably, this recovery has not been consistent throughout the various sectors of our economy. In fact, for most American farmers—be they dairy, livestock, or cash crop farmers—the economic situation is getting worse, not better. Total farm debt now exceeds $200 billion.

For those farmers with debt to asset ratios in excess of 70 percent, it is simply too late. For others with debt asset ratios of between 40 and 70 percent, it may only be a matter of time unless a dramatic turnaround occurs. Thus, some States face losing between 10 and 20 percent of their farm population to liquidation in the next 5 years unless we act—and act immediately.

The crisis facing American agriculture is not new in 1985—it has been with us ever since the 1980 grain embargo.

The decade of the 1970's was a time of high inflation. That inflation led to increased land values as real estate was used as a hedge against inflation. As a result, farmers watched their net worth accelerate because of outside forces. As net worth increased, credit became easier to obtain and many farmers expanded their operations in response to the nationwide call to plant fence row to fence row.

This brief boom in agriculture ended abruptly when President Carter imposed a grain embargo on the Russians. Not only did American farmers lose Russian sales, but our reputation as a reliable supplier was damaged. At the same time, competitors in the Southern Hemisphere prospered and took over our markets.

As a result, our agricultural economy was plagued with huge commodity surpluses and low prices. And, with an incredible sense of timing, interest rates soared higher than at any previous time in history. This meant that net income was reduced not only by low prices, but by increased costs as well.

After 5 years, major newspapers and periodicals have finally realized that those of us who represent the 3 percent of the American population who feed our country are not crying "wolf" when we warn that, without concerted efforts, the structure of American agriculture will be irretrievably altered.

Clearly, the entire Congress—not just a few rural legislators—must be concerned about the prospect that the amber waves will no longer be tended by our network of family farmers, for the demise of the family farm will also threaten those businesses which depend upon a large rural constituency as well as create new problems for our cities as former farmers seek employment elsewhere.

As producers become insolvent and leave their farms, the small businesses that depend on their patronage will soon close their doors. Schools, churches, and hospitals whose day-to-day existence depends on volume of people served cannot survive when their population base is eroding rapidly. Banks will recover only a small percentage of outstanding loans under these depressed conditions and will not remain open for long. In short, we are facing the fundamental destruction of rural society.

Even if, for some reason, that destruction does not concern our urban brethren, we must all remember that, while only a few of us represent producers, we all represent consumers. For years, American consumers have benefited, rightly or wrongly, from a cheap food policy. That policy will not long endure with the agricultural productive capacity of our country in the hands of a relatively small number of large corporate farms who can demand—and receive—whatever compensation they choose for their efforts. The result will be an unprecedented consumer revolt as food prices soar.

As such, the future of American agriculture is justifiably the concern of every Member of the House of Representatives. Thus, we must take every opportunity to craft legislation that will reverse those economic conditions forcing producers off their land.

FEDERAL LEGISLATION

Of course, the landmark agricultural legislation we will consider this year will be the 1985 farm bill. Yet, we will need much more than a good farm bill to revive the agricultural sector of our economy.

Even before we report the farm bill from committee, we must produce interim credit legislation to meet the immediate needs of the hundreds of good

producers who, without some type of extraordinary help, will not get a crop into the ground this spring.

Further, we must be aware of the fact that virtually every bill we pass in Congress has an impact on the farm sector of the economy.

Since interest payments constitute the largest portion of any farmer's current expenses while depressed commodity prices are often related to declining exports, Clayton Yuetter, president of the Chicago Merchantile Exchange, and others have suggested that what we do in the areas of fiscal, monetary, and trade policy will impact more greatly on farmers than the farm bill, itself.

Accordingly, as we consider the budget and the appropriations bills that follow, we must be ever-mindful of the need for deficit reduction so as to relieve pressure on interest rates and decrease the strength of the U.S. dollar. Both actions would enhance net farm income in the long run.

THE IMPORTANCE OF THE 1985 FARM BILL

At the same time, the importance of the 1985 farm bill should not be underemphasized for it is the single greatest combination of Federal farm programs that comes before Congress at any one time and the quickest way to affect prices in the short run. While we will begin working on this legislation in the Agriculture Committee in the upcoming week, it probably will not emerge from committee until late spring or early summer.

During that time, I intend to publish a series of articles in this section of the RECORD calling the attention of my colleagues to the various issues surrounding the drafting of the farm bill in hopes of providing continuing information on these important topics.

Virtually everyone from the Secretary of Agriculture on down have so often repeated that American agriculture is at a crossroads that the expression is becoming trite. Regardless, the facts are that agriculture faces a bigger challenge today than at any time in the past 50 years. And, quite frankly, how we respond to that challenge will determine the structure of the American farm economy not only until the end of the decade, but well into the 21st century.

We can ill-afford to bury our heads in the sand and make mere cosmetic changes in old laws. We need to respond creatively to this challenge with new thoughts and ideas, not mere repetition of what has come before.

At the outset, we must consider going to a longer farm bill—perhaps as much as 6 years—that will permit us to address both the short-term needs of our individual producers and the long-term market goals of the industry as a whole. In this way, we not only preserve the American dream of our farmers in the present, but protect it from the future as well.

Additionally, an authorization for 6 years would move consideration of the next farm bill into the middle of the first term of the next administration—where it belongs in the first place. This has the dual benefit of providing producers with 6 years of future information for planning purposes and allows the next President time to get his team in place before taking on a major reauthorization of farm programs. Accordingly, serious attention should be given to a 6-year farm bill.

In conclusion, Mr. Speaker, I would simply say that I look forward to working with all of my colleagues in the 99th Congress on solutions to the grave problems facing our farm communities. Our work will be long and difficult, but our reward will be a sound agricultural economy that will continue to feed not only our Nation, but the hungry of the world. We should work to achieve nothing less.●

GILLIS LONG REMEMBERED

HON. LINDY (MRS. HALE) BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mrs. BOGGS. Mr. Speaker, recently this House paused from its legislative schedule so that a number of its Members could honor and remember our late friend and colleague, Gillis Long. I would like to share the editorial and commentary that appeared in the New Orleans Times-Picayune-States-Item the week of Gillis' death.

The editorial and commentary follow:

[From the New Orleans Times-Picayune/States-Item Editorial, Jan. 23, 1985]

GILLIS W. LONG

Gillis W. Long, who died Sunday at the age of 61, will be remembered by his colleagues in the U.S. House of Representatives for his efforts to define new policies for his faltering Democratic Party. But those who knew him best in Louisiana will remember him mainly for the consistency of his political convictions throughout his public career.

Many would call Mr. Long, who represented Louisiana's 8th Congressional District for 12 years and ran unsuccessfully for governor twice, a liberal. He was impatient with the term, preferring to be known simply as someone with compassion for the less fortunate of our society.

Yet the term "liberal" was not inappropriate. Many of the positions in which he served, as well as his voting record in Congress, reflected his devotion to such classical liberal concerns as the welfare of the poor and minorities. He earned high marks from the National Association for the Advancement of Colored People and Americans for Democratic Action, a liberal monitoring group.

Yet Mr. Long, whose varied district reached all the way from Alexandria in central Louisiana to St. John the Baptist Parish in the south, had his conservative side as well. He was a financial lawyer specializing in investment banking between his congressional stints, and he voted conservatively on such economic issues as oil policy and water projects that were of special interest in Louisiana.

There is no doubt, however, of the direction of Mr. Long's basic political instincts. He was a champion of civil rights in the 1960s, a time when it took courage for a white Southern politician to support publicly the issues of most concern to blacks. Mindful of Mr. Long's commitment, President Lyndon Johnson named him the first assistant director of the Office of Economic Opportunity, the federal anti-poverty agency, in 1965. Mr. Long had lost his congressional seat the year before to his cousin Speedy Long, who argued that Gillis Long was too liberal on civil rights issues.

Faithful to his convictions, Rep. Long was the only member of Louisiana's 10-member congressional delegation to back Walter Mondale for the Democratic presidential nomination before last year's Democratic convention.

Among his colleagues, conservatives as well as liberals, Rep. Long was respected for his hard work and leadership abilities. He was a key figure on several important House committees, including the Rules Committee. He was also a driving force in the House Democratic caucus, a group dedicated to producing new policies for the Democratic Party.

Gillis Long stuck by his convictions and earned the respect of political friend and foe alike, and it was a fitting tribute that President Reagan, before beginning his inaugural address Monday, called the nation's attention to his passing and asked for a moment of silence in his honor.

THE LITTLE MAN: A CHAMPION OF THE LITTLE FELLOW

[From the New Orleans Times-Picayune/States Item, Jan. 23, 1985]

(By Jack Wardlaw)

("In the old Long tradition, Gillis Long was always the little man's public official."—Gov. Edwin W. Edwards.)

Edwin Edwards has it right; Gillis Long was the quintessential modern Louisiana populist, the friend of the little guy.

Long died this week at the age of 61, the victim of a heart that wouldn't stand up to the massive workload he imposed upon himself. If it can be truly said of anyone that he worked himself to death, here is the example.

The last time I saw Gillis, he turned up a couple of months ago at a luncheon of the Baton Rouge Press Club, which happens to meet in his district. He wasn't the speaker, he just showed up to say hello. He looked terrible.

I'd known Gillis since the early 1960s, and when I asked how he was feeling it wasn't a pleasantry, and he knew it. But he brushed the inquiry aside and launched into a lengthy litany of what he was up to in Washington—the Rules Committee was doing this, the Louisiana delegation was doing that, the Joint Economic Committee was doing the other. The Democratic Party was about to undertake something or other, and Common Cause was pushing a reform bill with his name on it. Whatever it was, Gillis Long was in the thick of it.

Gillis Long, only a distant cousin of Huey, Earl and Russell Long, came on the political scene in 1962, getting elected to Congress from the old 8th District, when it was located in North Louisiana. That district has since migrated south along with the popula-

tion, and is now dominated by the River Parishes and reaches into the New Orleans area to include St. John the Baptist.

Soon—perhaps too soon—he became a statewide political figure and plunged into the 1963 governor's race. At that time, he was a "new face" up against such old ones as Chep Morrison, Bob Kennon and Shelby Jackson. But there was another "new face" in the race, that of one John J. McKeithen.

Gillis couldn't unite the Long faction behind him and McKeithen (the other Long faction candidate) edged him out of second place and went on to upset Morrison in the runoff.

Factional disputes run deep in Louisiana, and Gillis had earned the enmity of the McKeithen people. Thus in 1964, with McKeithen in the Mansion, Gillis was challenged for his congressional seat by another distant cousin, Speedy O. Long on Jena. Speedy won, and Long was out of public office for eight years.

But he remained active politically, and in 1971 was ready for his big push for the governorship. McKeithen was retiring and Gillis, though no longer a "new face," figured he could take the measure of the front runners, former Gov. Jimmie H. Davis and longtime Lt. Gov. C.C. "Taddy" Aycock.

That he might have done, but as it turned out, the race was dominated by two newcomers—a young congressman named Edwin Edwards, and a state senator from Shreveport named J. Bennett Johnston.

Johnston came out of nowhere to edge Gillis out of second place, and came within an eyelash of whipping Edwards in the runoff. Edwards then polished off one David C. Treen in the general election.

This time, however, Gillis wasn't out in the cold. He had taken the precaution of endorsing Edwards against Johnston in the runoff, and when it came time to remap the state's congressional districts, a grateful Edwards saw to it that the 8th District was structured to Gillis' liking. He returned to Congress in 1974.

Packing Gillis off to Congress kept him out of Edwards' hair, but it was like throwing Br'er Rabbit into the briarpatch. He became a leader among Democratic congressmen and, had his health held up, he might someday have been House speaker. Or he might have returned to Louisiana as governor.

But he was felled by a heart attack in 1979 and passed up that year's governor's race, in which he arguably might have beaten Treen. He recovered and went back to a frantic pace in Congress.

He compiled an unusual voting record for a Louisiana congressman, championing the cause of minorities, women and the "little man." Even his critics will agree that he chalked up a distinguished career.

Now it's over, but he won't be soon forgotten. The heart that failed him in the end was big enough to assure that.

[From the New Orleans Times-Picayune/States-Item, Jan. 24, 1985]

REMEMBERING THE LATE GILLIS LONG, WITH FONDNESS

(By Iris Kelso)

Gillis Long, more than any politician I ever knew, was motivated by a sense of responsibility. That and a driving intellect.

Intellect, not ego, although he was not short of ego. He wanted to look after people, to see that things ran right.

I first noticed this in 1963, when Long was running for governor. He, his wife Cathy and some staff members had been campaigning through the state, flying from city to city in a private plane. I was with them.

When we landed at the New Orleans Lakefront Airport, several of us were going to different places. Most politicians, when they get off an airplane, start looking for photographers. Or they march off looking very important, their wives and staff members flapping along behind them.

Not Gillis Long. He headed straight for the luggage, which had been placed on the runway. He stood there over the luggage cart, separating the bags, checking with each of us to see that our bags were there and not headed for the wrong destination.

Long was like this whether he was dealing with national legislation, the national Democratic Party, the Louisiana Democratic Party, a political campaign or a luncheon with friends. He wanted everybody to reach their destination, and he accepted responsibility for the system for getting them there.

He treasured his friends and kept up with friends all over the country.

Kathy Vick, Louisiana's national Democratic committeewoman, recalls that she once asked Long if he would help her in her campaign to get elected head of the National Association of Democratic State Chairs, an organization of state Democratic leaders. She got involved in her campaign and forgot all about asking Long for help. She picked up the telephone one day and it was Long, asking, "How you coming, Kathy?" He was there to help.

Bob D'Hemecourt, Gov. Edwin W. Edwards' executive assistant in New Orleans, says Long often called him just to see how he and his family were doing. "He didn't want me to do anything. He just wanted to see how we were," says D'Hemecourt.

John Mmahat, a New Orleans businessman, was one of Long's closest friends in New Orleans. Long was best man in his wedding.

"I always knew that I could call Gillis any time of the night or day if I needed anything. He would do it if it was legal and right," Mmahat says.

D'Hemecourt says Long knew after his heart surgery in 1981 that he was living on borrowed time. "He had only 35 percent of his heart capacity working," says D'Hemecourt.

Yet Long continued his work in Congress as if he were fully recovered. It was typical of him—pragmatic, efficient, concerned about details—that he would have been making plans for his funeral two weeks before his death. He specified that he wanted women and blacks included among his pallbearers.

Long was a true populist, in that he cared deeply about the fate of ordinary people, especially the poor.

He had been poor himself. His father owned a restaurant in the little town of Tannehill, near Winnfield, La., and lost everything in the Depression. Long often said that he would never have been able to go to college if he had not had the GI bill after his service in World War II.

Long met Cathy while attending Louisiana State University and they were married shortly afterward. The two had a 38-year romance and partnership.

They were best friends, in a way that other political couples envied. Most politicians are quick to say that their wives are "supportive." But Gillis Long was "supportive" of Cathy, too.

Some years ago, she decided to go to work as a "Kelly girl," filling temporary jobs in Washington. Many congressmen would have been embarrassed to have their wives working in such jobs. But Long backed Cathy in her decision, knowing that she needed an interest of her own.

More than any other Louisiana politician, Long was interested in the state's Democratic Party. He was a close friend of Jesse Bankston, the party's longtime chairman, and the two worked together to try to develop a real party organization.

Although he ran twice for governor, Long never realized his dream of being governor. I think it was because he didn't look right to the anti-Long forces and he didn't sound right to the Long people.

In sum, Gillis Long was one of the best human beings I ever met, that rare breed, a man of unselfish motivations.●

HUMAN RIGHTS ABUSES BY NICARAGUAN "CONTRAS"

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. MILLER of California. Mr. Speaker, the decision to fund or not fund the efforts of the anti-Sandinista "Contra" rebels will soon be once again before this House. I wish to bring to the attention of my colleagues an incident which took place on January 8, 1985, involving the kidnapping by the Contras of an American Maryknoll Sister. Sister Nancy Donovan was released by her captors unharmed. But 14 civilians were killed near the town of Limay where she worked, on that same day. According to Sister Donovan, almost 40 civilians were killed in 1 month from the town of Limay alone. She reports that the Contra attacks have been made on civilian, and not military targets.

It is becoming increasingly difficult for this administration to put a good face on the Contra war. Covert action against Nicaragua has come to mean the destruction of economic infrastructure, the publication of manuals urging the assassination of Sandinista officials, the terrorizing of civilians and the kidnapping of American citizens. On January 4 of this year the Contras described their goal on the clandestine Radio 15th of September: "to defeat the Sandinistas militarily."

I urge you to read Sister Donovan's statement, and consider carefully the evidence she presents during our deliberations over funding for the covert war later in this session.

PRESS STATEMENT OF SISTER NANCY DONOVAN

My name is Sister Nancy Donovan from Waterbury, Connecticut and I have been a Maryknoll Sister for thirty-five years. I have served as a missionary in Central America for twenty-nine years and my most recent mission assignment is to the parish of San Juan de Limay, in the Diocese of Esteli, in Nicaragua where I have been a pastoral worker for three years. I wish to relate to you to the details of the events that occurred on Tuesday, January 8, 1985 in that same town.

At approximately 6 a.m. I left the town of Limay to go to Esteli in order to attend the Clergy meeting of the Diocese of Esteli which had been called by my Bishop Ruben Lopez Ardon. I had to search for a ride in a private vehicle since the town's only bus had been burnt by counterrevolutionary forces on December 9th and now there is no public transportation. I found a ride with a refugee family which had been displaced by a counterrevolutionary attack on a village on the outskirts of Limay on December 27th. This family was transporting their few belongings to Esteli. An 18 year old boy also had asked to be taken in the same pick-up truck. All were civilians and unarmed.

About six kilometers outside of Limay, just before the turn-off onto the new road to Esteli, we spotted a tractor parked in the middle of the road. Five armed men in blue counter-revolutionary uniforms with FDN marked on their uniforms came from behind the tractor and stopped our truck. They made us leave the vehicle and we joined about twenty-five civilians who were being held in a gully by the side of the road. After about ten minutes they told us we could continue on our way. I do not know what eventually happened to the other civilians who were being held by the side of the road.

We continued on down the new road to Esteli. I began to be fearful for the safety of those being held on the road, and others who would leave Limay and would be stopped by the counter-revolutionary forces. I also feared for the safety of the passengers in our car since I believed there were probably more forces on the road ahead. I felt the most important thing I could do to prevent danger to travelers was to try to return to Limay as quickly as possible to inform departing vehicles about the danger on the road. After traveling another four kilometers we came to a small village called El Pedernal. I asked the driver to leave me there and he continued in the direction of Esteli. I went to four houses to search for a horse to ride back but there was none. So I set out walking on a small back road which I knew from my pastoral visits to the zone would lead me to Platanares and then to Limay. I walked about two kilometers and passed the houses of Pozo Colorado. Shortly after that I was stopped on the path by two armed men in FDN uniforms. They asked me where I was going and I told them to Limay. They spoke on walkie-talkies for some moments and then told me I could go no further and must stay in their custody. They directed me to a stone wall where there were more armed, uniformed men, about twenty in all. I estimate that this was about 7 or 7:30 a.m.—I had no watch. I was held there for approximately three hours. During that time three or four peasants and a woman and child also were stopped on the path and held with me. At about 8 a.m. I heard some gunfire from the old road where we had initially been stopped. There was a long wait of over an hour. Then I heard very loud automatic machine-gun fire and heavy artillery coming from Loma Atravesada which is further along the road to Esteli. I prayed for the lives of those who were involved.

A few minutes later, after talking on walkie-talkies, the counter-revolutionary forces lined us up between their own forces in single file and had us begin to walk. After a short distance the counter-revolutionary forces separated me from the rest of the civilians and sent me with three armed men to wait at the top of the hill ahead. The other civilians never appeared again. They were left behind and I do not know what happened to them. The rest of the twenty armed men joined me and the three men guarding me and we continued the march for about one kilometer where we joined up with about twenty armed uniformed men of the FDN. We moved on for another one to two kilometers to Santa Ana. I told the counterrevolutionary forces I would leave them and cut back to Limay but they would not let me go. We then walked another kilometer on the path and then began marching over rough terrain, through rivers and hills for about four kilometers until we joined about twenty more armed, uniformed men making the total about sixty. We were there about an hour or so. During that time some of the men were boasting about the success they had had in the ambushes on the road.

I then again attempted to leave. They prevented me from doing so until the arrival of four of their FDN leaders who joined them. These four men began to interrogate me about my work and identity. They searched my belongings and began to read my address book. After some time of discussion among themselves and on the walkie-talkie they told me that I could go. I estimate that this was about 3:30 p.m.

I walked to the village of Santa Ana where a family gave me food and coffee since I had not eaten all day. A farmer took me on his horse as far as La Grecia which is about three to four kilometers from Limay. I walked the rest of the way to the town and it was close to 6 p.m. when I arrived there. I estimate that I walked about sixteen to eighteen kilometers that day.

Regarding my time with the counterrevolutionary forces I was never physically mistreated by any of them. I received the most abrupt treatment from the FDN leaders. I observed that the sixty men were well armed and equipped. One of the men wore an arm patch which said "Soldier of Fortune, Second Convention". Another had "U.S. army" written on the front of his uniform. They showed me their new knapsacks and told me they had received new equipment recently. They told me that their supplies are dropped by planes which "fly very quietly at night". They hoped that they would be receiving new supplies that night to replenish the ammunition they had used that day.

When I arrived in Limay I was greeted by a North American woman who is a member of Witness for Peace, who has been present with me in Limay for a few weeks. I quickly found out that fourteen civilians had been killed by the FDN forces in different ambushes along the roads to Limay that same day. Nine were construction workers ambushed in Loma Atravesada, two workers from the Ministry of Natural Resources, two young coffee pickers and a tractor driver were killed along the road to Pueblo Nuevo. I saw four tractors which were destroyed. At least ten persons were kidnapped, but there may be more. I also found out that the original vehicle in which I had been traveling had been stopped again by the FDN forces after I had left it to walk to Limay. The eighteen year old youth, Freddy Castellon, had been kidnapped.

We spent that night and the next day washing the bodies of the dead, comforting families and praying with them, and burying the dead from Limay. The bodies of the eleven people who were from other places were transported the next day to Esteli. It was very difficult to communicate all that had happened because the telephone and telegraph lines were destroyed by the counter-revolutionaries about one month ago.

Yesterday, January 10th, I traveled from Limay to Esteli in our jeep accompanied by the Witness for Peace member and a small child who was ill. I went immediately to inform Bishop Lopez of all that happened and then I came to Managua late last night.

To conclude I want to say that I feel grateful to God for my own safety but that I am much more concerned for those who were killed on the same day in Limay and for the thousands of innocent people who have been killed over the past four years as a result of the counterrevolutionary attacks. Just in Limay, almost forty civilians have been killed in the past month. The attacks have been made on civilian, not military, targets and they are increasing. As a Christian and as a U.S. citizen I am deeply pained by the fact that my government has been responsible for arming and training these forces which have caused the deaths of so many. I continue to join my voice and my prayer to that of the U.S. Catholic Bishops, and of the churches and faithful across the U.S. who have protested the U.S. government's covert war against Nicaragua, and who are calling for a peaceful solution to the conflict. I express my deep gratitude for the messages of love and concern I have received. I will return to my pastoral work in Limay this week.

QUESTIONS

Question. When you described these people as civilians, do we assume that they were unarmed, that there was no combat? When you say civilians, what do you mean?

Answer. I meant that they were not members of the armed forces, as far as I know. I was not there at the time of the attack. I do not know what really happened, but they were not members of the armed forces, they were road workers, coffee pickers, tractor drivers, workers of the Natural Resources Institute.

Question. Sister, why do you think you were released? Sometimes captives are not released. Why do you think that you were released?

Answer. I think that I was released because I was not much help to them, and I could have caused them problems. I was not much help because captives are kept to carry burdens or to cook. I'm not much good for either of these.

Question. Did they know that you were a Catholic sister?

Answer. Yes, some of the people recognized me.

Question. The way you described it you implied that the reason that they held you for a time was so that you would not be able to inform the people that there was an ambush in the area. Is that a correct interpretation?

Answer. That's the way that I felt the situation. Yes.

Question. What were the words that they used when they were boasting about the ambush? Do you remember what they said?

Answer. They came back and told the group—because apparently of the group of 60, only about 20 of them, I understood, had been in the ambush of Loma Atravesada—and they came back and said that there were so many vehicles and so many dead, and they just seemed to be in such a happy mood about the situation.

Question. Were all the counterrevolutionaries Nicas as far as you could see, or were there people of other nationalities?

Answer. The ones that I talked to seemed to be Nicaraguans. I'm not sure whether the others were Nicaraguans or not.

Question. Don't you fear after those clear words that you have said about the counter revolution in this press conference that next time they get you they will kill you?

Answer. I don't know. I think that their orientation changes from time to time. Right now their orientation seems to be to terrorize and to kill civilians. I hope not, and I know that every mother who sees her sons going out in the morning and everyone who has to travel this road has the same fear. Fear is present. We may be killed at any time. I may be killed, the boy down the street may be killed, a woman with a child may be kidnapped to cook for them. So this is part of it.

Question. What do you mean by abrupt? (Referring to the questioning by the counter-revolutionary leaders.)

Answer. He seemed very much in charge of the situation, demanding my papers, demanding to search my things without any type of discussion going on there. He definitely was in command of the situation. At one time, he grabbed my bag and started going through it.

Question. What did you say to the Contras when you asked to leave? What did you say to convince them to let you go?

Answer. When I was first stopped, they told me that they would let me go as soon as the action was over. And they kept promising to let me go, but then the chain of command seemed to get higher and higher. They would always have to check with someone further up and then someone further up would say: "No, not yet, bring her." So I kept being brought further. When we got to Santa Ana, I said that this was the place to let me go so that I wouldn't have to walk further and then go back because I was beginning to wonder if they meant it or not. "No," they said, "keep on walking." So when we finally got to Los Encuentros, I said, "I'd like to talk to your highest in command." And I reminded him that this could cause more repercussions if he didn't let me go. I think that by this time, he was aware of who I was. I don't think that in the beginning he was aware that I was a North American. He said, "They didn't let me know. They didn't give me good information." However, I think that the important thing is that whoever is kidnapped runs this risk of being let go or not.

Question. How many of the dead did you know? Do you know the names of the FDN leaders?

Answer. Some of the people who were killed and their families, I know very well. They were friends of mine. They were right from Limay. Some of the road workers I probably knew but they were burned so badly that I didn't even look at them, I don't know, I didn't even see those people. I do not know the names of the FDN men. I wasn't interested in finding out.●

MARION WADE DOYLE

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. PEPPER. Mr. Speaker, I am privileged to insert at this point in the CONGRESSIONAL RECORD the Washington Post's tribute to the late Mrs. Henry Grattan Doyle. A woman of extraordinary depth, Marion Wade Doyle's selfless life was an inspiration to the many whose lives she influenced. In her biography in "Who's Who in America," the final statement reflects Mrs. Doyle's 90 years of life: "Let no day pass without doing something for somebody else."

Marion Wade Doyle received her Phi Beta Kappa key on the occasion of the 60th anniversary of her graduation from Radcliffe College when she led the commencement procession at Harvard University in 1984. Mrs. Doyle graced my 84th birthday celebration as an honored octogenarian on October 4, 1984.

It is my honor to share with my distinguished colleagues and all who read this RECORD Mrs. Doyle's profound achievements and her unwavering faith of a lifetime by inserting the following account of her dedicated life, as well as the Washington Post's editorial, in the CONGRESSIONAL RECORD.

[From the Washington Post, Jan. 9, 1985]

ACTIVIST MARION W. DOYLE DIES AT 90

(By J.Y. Smith)

Marion Wade Doyle, 90, a member of the D.C. school board from 1928 until she resigned in 1949, and its president from 1935 until the end of her service, died of a heart ailment Jan. 8 at her home in Washington.

Mrs. Doyle's service on the school board was the longest and most visible facet of a career in civic and public works that included a term as executive vice president of the national League of Women Voters and the chairmanship of the D.C. commission for the 1960 White House Conference on Children and Youth. As a young woman, she marched in behalf of women's suffrage.

When she announed that she was leaving the school board, The Washington Post said in an editorial that she had "worked tirelessly to improve not merely the schools in this city, but also the full area of educational activity. . . . No single person knows Washington better than she, and none has done more valiant work to build a better city."

Mrs. Doyle, a teacher by training, was fond of noting that in 1805, Thomas Jefferson became the first president of the first board of trustees of the Washington school system and that he took the post out of a commitment to education. In her day, members of the board were appointed by the judges of the U.S. District Court for the District of Columbia. The board members elected one of their own number to be president. Mrs. Doyle was the first woman to hold the post.

During her years on the board, Mrs. Doyle was guided by her conviction that teachers are more important than buildings and that teachers and school buildings exist to serve students.

To this end, she worked to improve teacher salaries and benefits and to persuade Congress, which then had sole responsibility for the D.C. budget, to provide money for classrooms to house a steadily growing school population. When she was appointed to the board in 1928, the system had 73,157 students, of whom 48,585 were white and 24,772 were black. When she resigned, there were 91,219 students, of whom 47,955 were white and 43,264 were black.

Although the schools here were segregated by law, Mrs. Doyle was known as an opponent of segregation and as an advocate of improved opportunities for blacks.

On matters of curriculum, she took the Jeffersonian view that a well-informed citizenry is the best guarantee of democracy. Thus, in 1935, she opposed a "red rider" clause in the school appropriations bill that required teachers to sign a statement each payday declaring that they had not taught or advocated communism.

"No American is in favor of 'advocating' communism, but to 'teach' it in the sense of explaining to students what communism is should be a part of any educational program," she wrote in an article for the Radcliffe Quarterly that was excerpted in The Post. "Fear ruled the teachers in the history classes and, of course, many of them skipped over any mention of communism. In effect, the Congress of the United States was writing a history course for the pupils of Washington."

In 1937, Congress repealed the clause.

Mrs. Doyle was born in Cambridge, Mass. She graduated from Radcliffe College and then taught in the Cambridge schools. In an interview with The Post in 1968, when she had returned to Radcliffe for a reunion, she recalled marching in a suffrage parade in Boston. That was in 1915, and to take part in the parade she passed up a chance to attend a Harvard-Brown football game with a young Harvard instructor named Henry Grattan Doyle.

"Principle prevailed," she said. "But I am a woman of determination and, in those days, fleet of foot, and I chased that young man until I caught him, and he was my husband for 47 years."

The Doyles moved to Washington in 1917. Dr. Doyle taught at George Washington University and became dean of its Columbian College. He died in 1964.

Mrs. Doyle became active in the League of Women Voters and was president of the Washington chapter in the late 1920s. She also held national office in the organization. During World War II, she was president of the D.C. Commissioners' War Hospitality Committee. In the 1950s, she chaired the Advisory Commission to the D.C. Juvenile Court.

Her numerous honors included the National Brotherhood Award of the National Conference of Christians and Jews in 1956. Radcliffe designated her a distinguished alumna and in 1984, on the 60th anniversary of her own graduation, she led the commencement procession at Harvard University.

Survivors include a son, Robert Carr Doyle of Chevy Chase; a daughter, Marion Wade Campbell of Richmond; eight grandchildren, and three great-grandchildren.

MARION WADE DOYLE

Though it may strike some of today's readers as extraordinarily lavish praise, The Post's editorial in 1949—when Marion Wade Doyle resigned after more than 20 years of remarkable service on the D.C. School Board—was meant to be just that. "No single person knows Washington better than she," it said, "and none has done more valiant work to build a better city." Mrs. Doyle, who died here Tuesday at the age of 90, knew firsthand the many worlds of Washington—from the well-heeled white establishment to the strictly segregated blacks of the city and the other urban underclasses that depended on understanding and gener-

osity to survive. And out of this deep love of people in general and young people in particular came a tireless devotion to the betterment of public education and the importance of brotherhood.

Mrs. Doyle's service on the school board—including 15 years as its president—may have been the most visible and lasting of her many contributions to life in this city. But her commitment to civil liberties and rights came earlier, in her home town of Cambridge, Mass. It was there, this Radcliffe College graduate would recall in an interview, that she marched in a suffrage parade, passing up a chance to attend the 1915 Harvard-Brown football game with a young Harvard instructor named Henry Grattan Doyle. "Principle prevaled," she said, "but I am a woman of determination. . . . I chased that young man until I caught him, and he was my husband for 47 years."

In Washington, where the Doyles moved in 1917, she became active in the League of Women Voters, eventually serving as president of the local chapter and a national officer. On the school board, Mrs. Doyle fought for better teacher salaries and stood up annually before Congress to argue for more school money in the D.C. budget for classrooms and supplies needed desperately by a growing school population. And she made no bones about her strong opposition to the racial segregation that divided the schools then and well afterward, until the *Brown* decision.

Another courageous battle was Mrs. Doyle's vigorous opposition in 1935 to a "Red rider" clause in the school appropriations bill that required teachers to sign a statement each payday declaring that they had not taught or advocated communism. It was repealed two years later.

To those who know a different Washington today, maybe much of this seems as routine as it is right. But for a woman to speak out as she did when she did took exceptional courage and a true sense of justice. And that which is different and better about Washington today is living tribute to Marion Doyle's presence among us.●

THE BELLS OF BASTOGNE

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. TORRICELLI. Mr. Speaker, this past holiday season I was inspired by an article I read concerning the actions taken by Mr. Alden Todd of Leonia, NJ in the name of peace and brotherhood. Forty years ago Mr. Todd, than a rifleman with the 101st Airborne Division, fought gallantly beside his comrades to defend the Belgian town of Bastogne from a brutal German assault. The Battle of the Bulge, as we know it today, lives on in our memories as one of the bloodiest battles of the Second World War, but for Mr. Todd, its legacy is one of hope rather than despair.

Mr. Todd recently returned to Bastogne and found a town grateful for its freedom but mindful of its cost. I have chosen to share the story of Mr. Todd's journey so that we may learn from his insights and appreciate the magnitude of sacrifice shown on that fateful day 40 years ago.

THE BELLS OF BASTOGNE

(By Alden Todd)

Since Christmas Eve, the bells of Saint-Pierre, the central church of Bastogne in the Belgian Ardennes, have rung out with a new sound—one of gratitude for deliverance and the hope for peace. To the ringing of the three bells that have long hung in this 12th century church have been added the sound of three new bells that commemorate the 40th anniversary of Bastogne's deepest agony and of her rescue.

During World War II, the name Bastogne became well-known to Americans. When the Germans launched their final, desperate offensive against the Allied forces on Dec. 16, 1944, they swept through southern Belgium and northern Luxembourg. By the time they were finally halted and driven back to the German frontier, the Battle of the Bulge had taken its place in history. Within that battle, the defense of Bastogne deserves a special place.

The Germans encircled Bastogne, where the 101st Airborne Division, along with several other scattered military units, held out for nearly a week against heavy odds until the first armored units broke through the siege lines on Dec. 26. When the German commander told the Americans to surrender, Gen. Anthony McAuliffe gave his classic defiant reply, "Nuts!"

Those of us who were under McAuliffe's command at the time revere his memory. We knew we could depend on him, and he knew he could count on us. The ammunition and food were short, but the morale was high.

What is often overlooked when stories of battles are told is the agony of the civilian population. The shelling and bombings brought devastation and death to Bastogne and its neighboring villages. Where the Germans took possession, the SS slaughtered men and boys in senseless, brutal reprisal.

As the 40th anniversary of the Battle of Bastogne approached, there were discussion in the town about the 1984 commemoration. Active among those planning the events was the senior priest of Bastogne, the Abbe Georges Galand, pastor of Saint-Pierre.

In mid-December, when I visited him in his study, he told me of the role that his church would play. Three bells would be added to its belfry, one of them dedicated to the Americans of 1944-45.

Installed shortly before Christmas, the American bell is inscribed to the "76,890 Americans killed, wounded, or missing in the Battle of the Bulge. May their sacrifice contribute to lasting peace. Noel 1984."

The second new bell was given by the association of Belgian veterans, inscribed with the message of hope for a world without war. The third was contributed by a group of Germans who wanted to add their voice to the call for peace.

For Americans, the bells have a particular significance. The six together sound the notes: do, re, mi, sol, la, and do of the major scale. On the half-hour, the bells sound the first six notes of our national anthem. On the hour, they play the first 22 notes of the largo movement of Dvorak's symphony "From the New World."

Although he was at first reluctant to discuss the matter, I found from the Abbe Galand that the new American bell cost 450,000 Belgian francs—about $7,300. This is a large sum for the Bastognois to raise but a fairly modest amount for Americans.

Those in the United States who feel touched by this gesture of gratitude to us by the people of Bastogne may wish to show their support to the Abbe Galand and his associates. Charles Boggess of Austin, TX, commander of the lead tank that broke through the ring around Bastogne in 1944 and who returned for the 40th anniversary, has already pledged his support. Who will follow?

(Alden Todd of Leonia was a rifleman and interpreter during the Battle of Bastogne.)●

TEACHER WARRANTY ACT OF 1985

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. WYDEN. Mr. Speaker, I rise today to introduce the Teacher Warranty Act of 1985.

The word is out—in the next few years we are going to have a teacher shortage in this country. The pendulum has swung back and the glut of the past few years has disappeared. We have crossed the demographic divide: There are more students entering the classrooms while fewer people are choosing to enter the teaching profession.

The National Center for Education Statistics has found that by the fall of this year there will be a shortage of 11,000 teachers in the profession. By 1992, we will be 72,000 people short of the needed number of teachers to instruct our children.

The reasons for this shortage are fairly obvious. More and more young people are attracted to business, medicine, and the law—for the money and prestige that those professions offer. The close scrutiny and criticism that the teaching profession has received lately, combined with low teacher salaries, will cause a teacher shortage.

In the 98th Congress, I introduced the Talented Teacher Act to take the first step to reverse this trend. The Talented Teacher Fellowships and the Carl D. Perkins Scholarship Program were authorized by the Congress and signed into law by the President. Once the appropriations are secured, these programs will attract more young people to the profession and provide incentives for excellent teachers to stay in the classroom.

But, what do we do to help the new teacher in the first year in the classroom? How do we assure that person that it isn't "sink or swim" in the first year of teaching?

I recently visited Oregon State University School of Education and learned more about an excellent new program that has been implemented to provide support for the new teacher. This program has been established at several other teacher-training colleges around the country, as well.

The idea is basic:

Education schools are held accountable for the in-classroom teaching abilities of their graduates during their first 2 years of teaching.

If new teachers are evaluated by a school system and found deficient in a particular area, they may return to the education school for "re-tooling" at no cost.

A professor of education at Purdue University said of their new warranty program, "There is no way we could afford this kind of guarantee if we didn't have confidence in the quality of our graduates." This plan holds the university responsible for the quality of their graduates.

That is the key to the success of the program. The schools that have instituted this warranty are confident that they are providing a high-quality teacher-training program and that few of their graduates will need further help. But, the help is there for those teachers who may need a little extra attention.

This is not a gimmick—the schools do not stamp "satisfaction guaranteed" on the foreheads of their graduates, nor do they send out a Maytag repairman if there are problems. The schools are backing up their graduates with the knowledge that help is available, and they are instilling that essential ingredient—confidence—in the new teacher.

Teacher warranty programs are just getting off the ground in several schools across the country. In a recent conversation with Robert Barr, dean of education at Oregon State University, I learned that in the 6 months that their teacher warranty program has been in existence, they have had only one student return for help.

This is testimony to the excellent teacher training program at that school and it is something that every education school in the country should do for their graduates.

Therefore, I am introducing the Teacher Warranty Act of 1985. It does the following:

It amends the Higher Education Act to require that schools of education that receive Federal funds will have to provide a 2-year warranty on the classroom performance of graduates who have received Federal financial aid.

It says, quite simply, that such graduates who receive an unsatisfactory evaluation during their first 2 years of teaching may return to that school of education for retraining to eliminate that deficiency.

This retraining will be provided at no cost to the graduate as long as it does not exceed the amount of Federal assistance received by the student while at the education school. Dean Barr believes that schools of education can easily provide these basic follow up services for graduates within existing budgets.

Retraining or refresher courses may be provided through correspondence programs, summer programs, or courses provided through reciprocal agreements with other institutions of higher education.

This bill does not tie the hands of individual schools. It leaves universities plenty of room to design unique, innovative approaches within their own programs.

The warranty bill establishes a partnership between the education school and the new teacher which is essential if we are to have excellent teachers in the classroom. Eventually, the warranty program can become obsolete—because teachers will be so well prepared that they will not need retraining.

I have spoken with the staffs of the American Federation of Teachers and the National Education Association and they feel that this idea is a strong step in the right direction. I ask that you join them in their quest for improvements in teacher education and support this innovative legislation.

The legislation follows:

H.R. 937

A bill to amend the Higher Education Act of 1965 to require that schools of education provide warranties for the teachers such schools train with Federal student assistance

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Teacher Warranty Act of 1985".

SEC. 2. Section 487(a) of the Higher Education Act of 1975 (20 U.S.C. 1094), relating to the program participation agreements required for student assistance programs, is amended by adding at the end thereof the following new paragraph:

"(7) In the case of a school of education (as that term is defined in section 533(d) of this Act), the institution will, for any graduate thereof who receives an unsatisfactory evaluation after the first or second year as a teacher, provide such training or retraining as the graduate requires to eliminate the deficiency. The graduate shall only be charged that part of the cost of such training or retraining as exceeds the amount of the assistance received by the graduate under this title while in attendance at such institution. Such training or retraining may be provided through correspondence programs, summer programs, or programs provided through reciprocal agreements with other institutions of higher education.".

SEC. 3. The amendment made by section 2 of this Act shall only apply with respect to assistance made available under title IV of the Higher Education Act of 1965 after the date of enactment of this Act.●

MOTHERS WERE MUZZLED: WHO WILL SPEAK OUT?

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. FRANK. Mr. Speaker, on October 20, four Salvadoran women were supposed to receive the first Robert F. Kennedy Human Rights Award here in Washington. Unfortunately, the date passed and no one was able to claim the award, because these women were denied visas. The State Department chose to invoke provisions of the 1952 McCarran-Walter Act, which enables consular officers to deny visas on political and ideological grounds. I am very disturbed by this latest denial of visas; I believe it is an embarassment to our foreign policy and an infringement of the right of American citizens to hear from a broad range of views. This incident points up the need to reform our immigration laws. No one should be denied a visa because of the opinions he or she holds, however abhorrent these may be; that person's expected behavior should be the basis for denying a visa.

Mr. Speaker, the Philadelphia Inquirer printed an excellent editorial on the subject, and I ask that it be reprinted here in the RECORD.

[From the Philadelphia Inquirer, Nov. 27, 1984]

MOTHERS WERE MUZZLED: WHO WILL SPEAK OUT?

Four mothers from El Salvador were denied entry into the United States last week. They were to receive the first Robert F. Kennedy Human Rights Award at Georgetown University. They are members of CO-Madres, a group of 500 mostly poor and unschooled women whose brothers, sons and husbands have disappeared or been shot or dismembered in El Salvador's bloody civil strife.

The State Department said the women were wolves in sheep's clothing—that they had advocated violence, taken part in terrorism, that their group had said some stridently anti-American and anti-Duarte things. They were a run-of-the-mill pressure group, the State Department said, who hid behind human rights rhetoric.

Perhaps, a department emissary hinted to the RFK awards staff, something could be done if the award were broadened to include mothers from other Latin American nations. Perhaps, if a speaking tour were curtailed; perhaps, then the visas might not be such a problem.

On the record, the course, and officially, the State Department said it would never stoop to negotiate a visa or to suggest restrictions on the freedom to speak out or to dissent. And, in the end, one mother who was attending a conference in Argentina and who spent the day being vouched for by an English-speaking Catholic priest obtained a visa from the American Embassy in Argentina.

She was flanked by four empty chairs on the Georgetown University stage. She was, she said, no different from her fellow CO-Madres—a victim, not a subversive: She had been raped repeatedly, like many of the others; she had buried the bodyless head of a brother, like many of the others; she had catalogued horrors and protested and demanded investigations. But her compatriots were denied entry—denied the forum to tell their story.

The public might be "prejudiced," the State Department said; U.S. security might be endangered. Such is the language of the 1952 McCarran Act—Section 212(a)(28)(f)—

that stopped the mothers. Such is the shield of the immigration law's "ideological exclusion" provisions.

That U.S. security might be shaken by four mothers is an arguable proposition. But there is no doubt the American people might be "prejudiced" against certain Reagan administration policies in Central America were they to take the mothers' stories to heart.

In fact, a large number—perhaps the majority—of Americans already are disenchanted with the trend of U.S. involvement on the isthmus. And there are even more who are appalled at El Salvador's death squads and Washington's continuing inability—despite the leverage of millions of dollars of military aid—to pressure Salvadoran courts to punish their leaders.

Has support worn so thin that the Reagan administration fears a visit by four mothers will rip it to shreds? Does it fear that four mothers will hoodwink the American people if Big Government does not step in to protect them?

Or, and this is the most alarming, is the administration tinkering with Soviet-style information control, picking and choosing who will address the masses, granting the freedom to speak to those who toe the line, muzzling dissenting voices?

The McCarran Act's "ideological exclusion" provisions stand ready for abuse by the powers that be. They should be thoroughly rewritten. but this administration has not only abused them, it has fine-tuned them.

A case in point is the turnabout on El Salvador's most infamous rightwing leader, Roberto D'Aubuisson. He was turned down for a U.S. visa last year, discrediting his presidential candidacy before the Salvadoran elections. But he was approved for one last summer to be feted by Sen. Jesse Helms (R., N.C.) after the Duarte government was safely in office.

Save for civil liberties groups, there is little outcry.

The government will be emboldened by the silence. If it can cut the shape of speech at the margins, why not go for its heart?

That is the clear and present danger to the health of America's democracy: Not that four mothers would speak, but that Big Brother has gagged them.●

TIME FOR US TO LOOK BEYOND VIETNAM WAR

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. SKELTON. Mr. Speaker, General Crittenberger, a retired U.S. Army major general and himself a veteran, has recently called my attention to an article about Vietnam veterans which appeared in USA Today. I agree with General Crittenberger and the author that, as so many veterans have already done, it is time to put away the fatigues and work toward building America's future. I ask that the article be reprinted in the RECORD, and I commend it to my colleagues.

[From the USA Today, Nov. 14, 1984]

TIME FOR US TO LOOK BEYOND VIETNAM WAR—AN OPPOSING VIEW

(By John Wheeler)

BETHESDA, MD.—We can each take specific steps to speed the national assimilation of the Vietnam War. One step is to lay aside the battle fatigues.

For Americans who were not in the military in the 1960s, that means abandoning the stereotype of the Vietnam veteran as someone who still, in his 30s, wears his boonie hat and old battle dress.

Working as chairman of the Vietnam Veterans Memorial Fund, I have watched the media coverage of activities on the Mall in Washington during Veterans Day and Memorial Day in recent years. The nation is flooded with pictures of men in old fatigues.

But the overwhelming majority of Vietnam veterans are not found in fatigues, even on patriotic holidays. They can be identified by their growing leadership in the nation's public and private life, not by the clothes they wear.

The men who do wear the fatigues should ask themselves, "Am I wearing the old uniform in patriotism and celebration? Or is it that I feel better in the old times and am not fully ready to move on?"

The Vietnam Veterans Memorial is simultaneously a stern and comforting place, which helps us answer these questions. Increasingly, it is helping men shed their fatigues, to be saved for wear at times of reunion and remembrance.

But the most important step is to face up to the truth that the Vietnam War affects every citizen in complex ways.

The powerful movements during the Vietnam era—the war, the war protest, and the hyperacceleration of the civil rights, women's, and environmental movements—were interconnected, and they shape our lives and attitudes.

The greatest effects are on the people who came of age politically and emotionally during that period—60 million of us who make up the Vietnam generation, the bulk of the World War II baby-boomers.

Important effects include division and guilt over choices made about the draft and politics during the war years, and separation of one interest group from another, including a sense of estrangement of white males from the leadership of the women's movement.

Foundations, universities, and leaders in government and churches should make study of the after effects of the war a top agenda item, with focus on the Vietnam generation. If we understand how our past shapes us, we can govern how it shapes us.

Meanwhile, it's time for all Americans to shed the fatigues of Vietnam. It's time for those veterans still in camouflage garb to get on with life. And it's time for non-veterans to reject the perpetuation of this inaccurate stereotype; those who shared the Vietnam experience are in fact already building the America of tomorrow.●

THE ADOLESCENT PREGNANCY AND PARENTHOOD ACT OF 1985

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. LELAND. Mr. Speaker, today, along with 52 of our colleagues from both sides of the aisle, I am introducing the Adolescent Pregnancy and Parenthood Act of 1985. Identical to H.R. 5534, which I introduced in the 98th Congress, this bill would amend title XX of the Public Health Service Act. The legislation does not create a new authority; it merely seeks to amend the current title XX, the Adolescent Family Life Demonstration Projects, to enact a service program designed to meet the pressing needs of children who bear children. It has been designed specifically to help those teenagers who have chosen to carry their pregnancies to term.

I certainly do not need to alert you to the seriousness of the problems of adolescent pregnancy and parenthood. I would, however, like to share some alarming statistics with you. Consider these facts:

During the last decade, the out-of-wedlock birth rate has risen every year among white teens, and has fallen only slightly among black teens.

In 1980, teens accounted for 16 percent of all U.S. births and 28 percent of all first births; among females aged 15 to 19, 8.3 percent of all whites, approximately 691,200 girls, and 16.1 percent of nonwhites, approximately 335,645 girls, became pregnant.

In 1981, approximately 537,000 teenagers became pregnant and chose to carry their pregnancies to term; 197,000 of these teenage births were to mothers under the age of 18.

In 1982, 190,000 adolescents under the age of 18 gave birth.

Babies born to teenage mothers are much more likely to die in the first year of life than those born to mothers over the age of 20. Maternal mortality and morbidity, and the risk of having a low-birth-weight infant are also considerably greater among teenage mothers.

The adverse consequences of adolescent childbearing are far-reaching and long lasting; not only are the young mothers, fathers, and infants touched, but their families as well. The education and training of both young parents must often be curtailed, resulting in a limitation of opportunities for these teenagers to gain the basic skills necessary to compete in today's society; income is, on average, much lower. A high proportion of teenage parents live below the designated poverty level; many more are near poor and in danger of slipping beyond the so-called safety net.

Finally, the probability is high that a teenage mother will bring up her child alone. Even if young parents do marry, they are far more likely to become divorced, their babies far more likely to spend a large part of their childhood in a single-parent household.

Mr. Speaker, grantees under this legislation would provide pre- and post-

natal care; well-child care for the infant; family planning services to prevent a repeat pregnancy; education, job, and other counseling services. The bill recognizes the critical role of the family, and thus stresses the importance of family support and involvement. Finally, in view of the current fiscal realities, the Adolescent Pregnancy and Parenthood Act focuses on the most vulnerable young people: those who give birth under the age of 18, have low income, or experience other barriers to services.

The adolescent family life demonstration projects were authorized in 1981. For each of the past 4 years, the authority has been $30 million; actual program appropriations have been less than half of this amount.

Mr. Speaker, adolescent pregnancy and parenthood is a serious and critical problem in our Nation today, and I believe the time has come to adopt a service program which will meet the pressing needs of these children who bear children.

The youth of our Nation is our future; for most, that future is bright, but, for some, that future holds little promise. This legislation will give teenage parents and their babies a chance to participate in the future. It will give them a chance at life.●

HEROISM IN THE GLENCOE FLOOD

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. MURTHA. Mr. Speaker, I want to continue to recognize and honor individuals who showed great acts of personal heroism in the Glencoe Flood which affected the area I represent.

Mr. Joseph F. McKenzie of Glencoe helped to save the life of Hulda Raupach when he carried her to high ground from the mounting flood water on his shoulders.

Mr. Dan Bell of Johnstown helped rescue Mr. Carl Raupach by grabbing him and tying him to a tree. In doing so, Mr. Bell endangered his own life, was momentarily swept away and had to be rescued himself.

I am also enclosing for the information of the House of Representatives a recent article citing individuals who aided, and I particularly join in commending Ms. Nila Cogan who helped avert further disaster by notifying the county emergency management agency of the growing disaster.

I certainly send my personal congratulations along to these individuals and enclose the attached article on the flood situation.

The article follows:

[From the Somerset (PA), Daily American, Jan. 24, 1985]

GLENCOE FLOOD WAS RARITY, SAY OFFICIALS

(By Vicki Rock)

The August 13, 1984, flood in Glencoe and Hyndman was one of the rare daytime killer floods, according to Dave Sisk of the National Weather Service in Pittsburgh.

Most floods which take lives happen after 11 p.m., Sisk said.

Five persons died in Somerset and Bedford counties. Charles Lee Merkel and Pamela Sue Phillippi drowned in Glencoe. Killed in Hyndman were Robert Gibner and Samuel Leydig Jr., both of Hyndman, and Clyde Burley Jr., Bel Air, Md.

Nila Cogan, who lives in Wittenberg, Meyersdale RD 4, at the time of the flood, was one of the first people to notify the county emergency management agency that a problem was developing in the lower watershed, according to Sisk.

She recently received a special public service award from the NWS for her quick reporting of the heavy rainfall.

"If we have an ample lead time to give warnings we are able to minimize the loss of life and property," Sisk said.

The United States Geological Survey Water Resources Division has estimated such a devastating flood won't happen again in Glencoe and Hyndman for more than 100 years.

Wills Creek, which has an average flow of 183 cubic feet per second at Hyndman, tore through its stream at an estimated 19,400 cubic feet per second, according to the December issue of the "Pennsylvania Topographic and Geological Survey."

That is more than 100 times the average flow following a severe rain storm.

The rain gauge at the Verl Bittner farm near the headwaters of Wills Creek measured 7.5 inches of rain in a four-hour period, stated the survey, which is published by the state Department of Environmental Resources.

The storm was confined to the upper reaches of Wills Creek in Somerset County, according to the survey.

"It was characterized by a severe intensity acting over a small, sparsely populated area with an extremely high rate of stream erosion," it stated.

"The more populated downstream areas of Glencoe, Fairhope and Hyndman received very little precipitation, only 1.5 inches was recorded, but extremely heavy stream flow. Truck-sized boulders which hadn't budged much in 100 years were moved tens of feet or more downstream."

Lt. Gov. William W. Scranton III has sent letters to 11 individuals and organizations in Somerset County commending them for their assistance during the flood.

According to the Pennsylvania Emergency Management Agency, letters were sent to Nila Cogan; Tom Villeneuve, Glencoe; Somerset County Jeep Club; Sheriff Guy Davis; Merle D. Kimmel, American Red Cross representative; Somerset Community Hospital Paramedics; and the following volunteer fire departments: Meyersdale, Berlin, New Centerville and Rural, Windber and Hooversville.●

SOUTH AFRICAN LABOR RELATIONS REFORM ACT AND PENSION PLAN SOUTH AFRICAN INVESTMENT REPORTING ACT

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. HAWKINS. Mr. Speaker, I am today introducing two pieces of legislation designed not only to focus the attention of this body on the policy of apartheid as practices by the Government of South Africa, but also, and I believe more importantly, to foster a reexamination of this country's investment and labor policy toward South Africa, and hopefully to offer some positive alternatives to current policy.

The first bill I am introducing is entitled the "Pension Plan South African Investments Reporting Act of 1985." This bill will amend the reporting and disclosure requirements of the Employee Retirement Income Security Act of 1974 [ERISA] to require, with specificity, that each employee pension benefit plan report to the Secretary of Labor describing the plan's investments in South Africa whether they are made directly or through the acquisition of a share or interest in a business enterprise in South Africa.

It should be understood that this proposal neither imposes a sanction against doing business in South Africa, nor does it prohibit private pension fund investment there. It does insure, however, that adequate and accurate information is available as to the extent of America's private pension fund investment in a country who's policies have incurred the condemnation of the overwhelming majority of world opinion.

This measure will allow us as a country to determine, on the basis of the obtained factual information, whether investment is South Africa is an appropriate use of such funds, or whether as a policy matter we wish, at some later date, to prohibit such investment. In addition, I hope it will draw attenton to the fact that the issue of apartheid is not something remote, an issue of another country and another culture, but rather that it directly affects each of us to the extent that those are our pension dollars being so invested. There is some projected evidence that "foreign investment has arguably strenghtened rather than mitigated apartheid." We are that "foreign investment" and we must face facts and decide whether that is an appropriate position for a nation that prides itself on a policy of "freedom and equality."

While the debate will continue over whether private pension funds should be consciously used for "social investment"; that is, to further the purpose

of achieving specific and affirmative social goals, I believe we can ultimately unite in our view that our pension dollars should not be used to enhance repugnant labor and social policies. With hundreds of billions of dollars now available in our private pension funds, we must decide whether we as a nation want to be a part of apartheid or whether we take the high and moral road and back that choice with our pension dollars—or the absence thereof.

Working in tandem and with concomitant purpose, is the second piece of legislation that I have introduced today. It is entitled the "South African Labor Relations Reform Act of 1985." This measure directs the Secretary of Labor to investigate the labor practices and policies of South Africa, as compared to the internationally accepted labor standards as set forth in the listed convention's of the International Labor Organization. In addition, the Secretary is to investigate the extent to which the labor policies and practices of South Africa cause the export of capital and jobs from the United States.

Having made these findings, the Secretary is directed not only to report these findings to the Congress, but also to make specific recommendations on changes in U.S. policies and activities that could better promote labor practices in South Africa that more nearly conform to the above described international labor standards. In making these recommendations, the Secretary must include an analysis of the following proposed statutory revisions:

First, revising the Employee Retirement Income Security Act of 1974 to prohibit investment of pension funds in South Africa;

Second, revising the Fair Labor Standards Act of 1938 to apply minimum wage, equal pay, and child labor restrictions to the employees in South Africa of U.S. companies;

Third, revising the National Labor Relations Act to prevent sanctions from being imposed on employees for refusal to off-load shipments from South Africa;

Fourth, revising title VII of the Civil Rights Act of 1964 to apply to the employees—or applicants for employment—in South Africa of U.S. companies; and

Fifth, revising Federal education statutes to increase the amount of assistance available to South African students who have been subject to a denial of the rights described in section 2(a).

The keystone in South Africa's system of apartheid is a repressive labor system. It operates to deprive the back population of free access to employment and training; it is the predicate by which South Africa's law and policy declares that a person's racial classification determines what education and training he will receive and what job he will be allowed to perform and where. While we as a nation cannot directly force changes in South African labor law, we can by our acts, whether through government or as employers in South Africa or as buyers of its products, express our outrage over the denial of economic security and equality of opportunity so apparent in South Africa.

For the information of my colleagues, I am enclosing a section-by-section explanation of each of the bills I have introduced today.

SECTION-BY-SECTION

Section 1. Short title: South African Labor Relations Reform Act of 1985.

Section 2. Findings: (1) that all human beings, irrespective of race, creed, or sex, have the right to pursue both their material wellbeing and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity; (2) that the labor policies and practices of South Africa have severely and intractably abridged the exercise of this right; and (3) that the United States has an obligation to promote affirmatively and actively the exercise of this right by means that are peaceful and that are not counterproductive.

Purpose: To collect information and make recommendations to guide the Congress in the formation of United States policies and activities that will promote improved rights of labor in South Africa.

Section 3. Investigation by the Secretary of Labor which must include (1) a comparison of the labor practices and policies of South Africa as measured against the labor conventions of the ILO; Convention 87—"Freedom of Association and the Right to Organize"; Convention 98 —"Application of the Principle of the Right to Organize and to Bargain Collectively"; Convention III—"Discrimination in Respect of Employment and Occupation"; (2) the extent to which changes in United States policies and activities can promote labor practices and policies of South Africa that do not vary from such standards; and (3) the extent to which the labor policies and practices of South Africa cause the export of capital and jobs from the United States.

Section 4. The Secretary of Labor must submit his findings and recommendations in the next annual report submitted more than six months after the date of enactment.

The Secretary must include an analysis of the following proposed statutory revisions:

(1) revising the Employee Retirement Income Security Act of 1974 to prohibit investment of pension funds in South Africa;

(2) revising the Fair Labor Standards Act of 1938 to apply minimum wage, equal pay, and child labor restrictions to the employees in South Africa of United States companies;

(3) revising the National Labor Relations Act to prevent sanctions from being imposed on employees for refusal to off-load shipments from South Africa;

(4) revising title VII of the Civil Rights Act of 1964 to apply to the employees (or applicants for employment) in South Africa of United States companies; and

(5) revising Federal education statutes to increase the amount of assistance available to South African students who have been subject to a denial of the rights described in section 2(a).

Section 5. Definition of the term "South Africa".

SECTION BY SECTION

Section 1. Short title: Pension Plan South African Investments Reporting Act of 1985.

Section 2. (a) Amends section 103(b) of the Employee Retirement Income Security Act of 1974 by adding a new paragraph (5) which requires that as part of the existing reporting and disclosure provisions of paragraph (2) of section 103(b), and its required statement of assets and liabilities, that, in the future, private employee pension benefit plans subject to the Act, must include a separate schedule itemizing each investment it made in South Africa which either initially occurred during the plan year covered by the statement or with respect to which any funds were expended or received by or on behalf of the plan during such year, i.e. a long term investment purchased before the date of this act but for which a funds adjustment or a return on the investment was made after the date of enactment but during the plan year. The itemization must include: (1) the identity of each party; (2) a description of the asset to which the transaction relates; (3) the purchase or selling price, the rental, the interest rate and maturity date in the case of a loan or the extention of credit; (4) expenses; and (5) the cost of the asset, the current value of the asset, and the net gain or loss on the investment.

This section defines the term "South Africa" to be the Republic of South Africa; any territory under the administration, legal or illegal, of the Republic of South Africa; and the 'bantustans' of 'homelands', to which South African blacks are assigned on the basis of ethnic origin, including Transkei, Bophuthatswana, Ciske, and Venda.

This section also defines the terms "investment in South Africa" and "business enterprise in South Africa" which taken together will describe the types of investments and their relationship to South Africa that will trigger the reporting and disclosure duties under this Act. The term "investment in South Africa" includes: (1) the direct establishment of a business enterprise in South Africa, i.e. the fund invests directly in a South African enterprise; (2) the fund makes a direct loan or other extension of credit for the establishment of a business enterprise in South Africa, or (3) the fund invests in the securities of a business doing business in South Africa. The investment can include the acquisition of a share or interest in the business enterprise, the acquisition of a bond or other debt instrument issued by the business enterprise, a capital contribution in money or kind to the business enterprise, and the making of a loan or other extension of credit with a maturity of more than two years to the business enterprise.

Once the nature of the investment is analyzed it must then be determined that such investment relates to a "business enterprise in South Africa" for this is in essence the term for doing business in South Africa. A "business enterprise in South Africa" means: (1) any organization, association, branch, or venture which is located in South Africa which exists for profitmaking purposes or to otherwise secure economic advantage, and (2) reaches any "person" individual, partnership, joint venture, corporation, mutual company, joint stock company,

trust, estate, unincorporated organization, association or employee organization) *controlling* any business enterprise described in (1) above, even if such person is not located in South Africa. The "person" shall be presumed to be in *control* if: (1) the person beneficially owns or controls (whether directly or indirectly) more than 35 percent of the outstanding voting securities of the business enterprise; (2) the person beneficially owns or controls (whether directly or indirectly) 25 percent or more of the voting securities of the business enterprise, if no other person owns or controls (whether directly or indirectly) an equal or larger percentage; (3) the business enterprise is operated by the person pursuant to the provisions of an executive management contract; (4) a majority of the members of the board of directors of the business enterprise are also members of the comparable governing body of the person; (5) the person has authority to appoint a majority of the members of the board of directors of the business enterprise; or (6) the person has authority to appoint the chief operating officer of the business enterprise.

The term "branch is also specifially defined in this section to mean the "*operations* or *activities* conducted by a person in a different location in its own name rather than through a incorporated entity". It is so defined so as to insure coverage where there is no *controlled* incorporated entity in South Africa (e.g. a wholly owned subsidiary located in South Africa) and where the corporate structure is located outside South Africa (e.g. in Rhodesia) but where such a corporation maintains extensive *operations* and *activities* in South Africa, (e.g. a loan officer with substantial funds available for business investment). In this example, any pension fund investment in the operations and activities in South Africa of the company in Rhodesia would be subject to the requirements of this Act.

Section 2. Amends sections 104(a)(2) and 110(a) of the Act to insure the applicability of this bill to *all* pension plans and that with regard to the specific reporting and disclosure provision of this bill there may be no alternative methods of compliance.

Section 3. Provides for civil enforcement against the plan administrator, or under certain conditions against "any fiduciary of the plan" for the failure to comply with the reporting and disclosure requirements of this bill. The amount of the civil penalty may not exceed $100 a day from the date of such violation and can only be assessed against the administrator or fiduciary in their personal capacities done so as to avoid penalizing the fund and its eventual pensioners. There is, however, no liability if the plan administrator or other fiduciary shows that the administrator acted in a good faith effort to avoid such violation as set forth in the bill.

Section 4. Effective date covers reports for plan years beginning after one year after the date of the enactment of this Act.●

LAND DISPOSAL AMENDMENTS OF 1985

HON. GLENN ENGLISH

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. ENGLISH. Mr. Speaker, today, I am introducing some preventive medicine for the people of this Nation. The medicine is packaged as the Land Disposal Amendments of 1985 and is designed to encourage alternative disposal methods for hazardous wastes.

We are spending millions of dollars to clean up existing hazardous waste landfill dump sites, and I am hopeful that these efforts will be successful. There is, however, no guarantee that once existing sites are cleaned up that new, presently nonexisting, sites will not require additional future funding for dumpsite cleanups.

My legislation would prevent future sites from needing additional future cleanup funds. By banning the land disposal of all hazardous waste and by making available a portion of current Superfund money to make alternate hazardous waste disposal methods more economically attractive, I feel we can avoid the further buildup of landfill dumpsites which would otherwise require expenditure of enormous funds. I am convinced that companies which require hazardous waste disposal methods would choose methods other than landfill dumps if alternate disposal methods were more affordable. My bill would allow the use of Superfund money to equalize the costs and encourage alternate disposal methods. We can pay now or we can pay twice as much later. I feel this is clearly a case where prevention is the best cure.

The text of the legislation follows:

H.R. 919

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Land Disposal Amendments of 1985".

SEC. 2. PROHIBITION OF LAND DISPOSAL OF HAZARDOUS WASTE.

(a) REPEAL OF 1984 PROVISIONS.—Section 3004 of the Solid Waste Disposal Act is amended by striking out subsections (b), (c), (d), (e), (f), (g), (h), and (i).

(b) NEW PROHIBITION.—Section 3004 of such Act is amended by inserting the following new subsection after subsection (a):

"(b) PROHIBITION ON LAND DISPOSAL.—Effective on the date of the enactment of the Land Disposal Amendments of 1985, the land disposal of hazardous waste listed or identified under section 3001 is prohibited.".

(c) CONFORMING AMENDMENTS.—(1) Section 3004(m)(1) of such Act is amended by striking out "Simultaneously with the promulgation of regulations under subsection (d), (e), (f), or (g) prohibiting one or more methods of land disposal of a particular hazardous waste" and substituting "As promptly as practicable after the enactment of the Land Disposal Amendments of 1985".

(2) Section 3004(m)(2) of such Act is amended by—

(A) striking out the last sentence thereof; and

(B) striking out "any prohibition promulgated under subsection (d), (e), (f), or (g)" and substituting "the prohibition established under subsection (b)".

(3) Section 3004(o) of such Act is amended by striking out subparagraph (1)(A) and paragraphs (4) through (6).

SEC. 3. GRANTS TO EQUALIZE COSTS.

(a) GRANT AUTHORITY.—Subtitle C of the Solid Waste Disposal Act is amended by adding the following new section at the end thereof:

"GRANTS TO EQUALIZE COSTS OF TREATMENT AND LAND DISPOSAL

"SEC. 3020. (a) AUTHORITY TO MAKE GRANTS.—The Administrator is authorized to make grants to the owners and operators of hazardous waste treatment facilities to reimburse such owners and operators for a portion of the costs of construction and operation of such facilities.

(b) AMOUNT OF GRANTS.—The amount of any grant made under this section shall be an amount determined by the Administrator which is equal to the excess of the amount referred to in paragraph (1) over the amount referred to in paragraph (2):

"(1) COST OF TREATMENT.—The cost of construction and operation (over its estimated useful life) of the treatment facility for which such grant is made.

"(2) COST OF LANDFILL DISPOSAL.—The amount which the Administrator estimates it would cost to construct and operate a landfill in the same region to dispose of the same volume of hazardous waste as will be treated and rendered nonhazardous by the treatment facility.

"(c) FUNDS DERIVED FROM SUPERFUND.—Grants under this section shall be made from amounts available in the Hazardous Substance Response Trust Fund established under section 221 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.".

(b) AMENDMENT OF SUPERFUND ACT.—(1) Section 221(c)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 is amended by inserting after "described in" the following: "(A) section 3020 of the Solid Waste Disposal Act or (B)" and by redesignating subparagraphs (A) through (D) as clauses (i) through (iv) respectively

(2) Section 221(c)(2) of such Act is amended by inserting after "shall be reserved" the following: "for the purposes specified in section 3020 of the Solid Waste Disposal Act and".

(3) Section 111(e)(2) is amended to read as follows:

(2) For reservation of 85% of certain amounts appropriated to the Fund established under title II for specific purposes, see section 221(c)(2).".●

AMENDMENT TO SOCIAL SECURITY

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. SCHUMER. Mr. Speaker, today I am introducing an amendment to title II of the Social Security Act to prohibit the payment of benefits thereunder to individuals who have been deported from the United States on account of certain activities conducted under the direction of or in association with the Nazi government during World War II.

This amendment plugs a loophole in the Social Security Act. The current law provides for the termination of

benefits upon deportation of the primary beneficiary under 18 of the 19 grounds for deportation under section 241(a) of the Immigration and Nationality Act. The 19th ground provides for deportation when an individual engaged in certain activities involving the persecution of persons during World War II in association with the German Nazi government. This ground was added as an amendment to the Immigration and Nationality Act in 1978. However, due to an oversight, the Social Security Act was not amended at the same time to include paragraph (19) as a basis for terminating benefits. Thus, a Nazi persecutor who is deported from the United States under paragraph (19) of the Immigration and Nationality Act may continue to collect Social Security benefits.

This situation offends my sense of fair play and justice. These individuals have already benefited by living in the United States and largely escaping detection all these years. They have never been brought before a tribunal for their crimes. In most cases, they never will. Yet, as the law stands now, they can collect Social Security. This is particularly unfair when individuals deported under the other 18 paragraphs of the Immigration and Nationality Act cannot collect Social Security.

To add insult to injury, this loophole is often used as a basis to plea bargain with these criminals. I am outraged that these criminals are enticed to admit to persecutions under paragraph (19) in order to continue to receive Social Security benefits.

Mr. Speaker, for thse reasons I am introducing this amendment and I urge the support of my colleagues. The text of the bill is below.

H.R. 933

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 202(n)(1) of the Social Security Act is amended by striking out "or (18)" in the matter preceding subparagraph (A) and inserting in lieu thereof "(18), or (19)".

(b) Section 202(n) of such Act is further amended by adding at the end thereof the following new paragraph:

"(3) For purposes of paragraphs (1) and (2) of this subsection, an individual against whom a final order of deportation has been issued under paragraph (19) of section 241(a) of the Immigration and Nationality Act (relating to persecution of others on account of race, religion, national origin, or political opinion, under the direction of or in association with the Nazi government of Germany or its allies) shall be considered to have been deported under such paragraph (19) as of the date on which such order was issued or became final.".

SEC. 2. The amendments made by the first section of This Act shall apply only in the case of deportations occurring, and final orders of deportation issued, on or after the date of enactment of this Act, and only with respect to benefits for months beginning (and deaths occurring) on or after that date.●

FIRST NATIONAL BANK DECLARES WAR ON FEDERAL BUDGET DEFICITS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. PORTER. Mr. Speaker, people across the United States are becoming fed up with Congress' inability to control its spending habits. This Nation is currently facing one of the most severe fiscal crisis that it has encountered since the Great Depression. The Federal debt, and the current budget deficit, must be reduced, and spending restraint is the primary solution.

As an indiction of the degree of concern over the Federal deficit, the First National Bank of Deerfield, located in my congressional district, has formally declared war on Federal budget deficits. The following article, drafted by the bank's president, Alan Meyer, reinforces the importance of Congress' actions to limit spending over the next year:

FIRST NATIONAL BANK DECLARES WAR ON FEDERAL BUDGET DEFICITS

How would you like to be able to borrow all the money you want, anytime you wanted to, and never have to worry because you could always borrow more to pay back what you already owe?

It sounds pretty tempting, doesn't it?

The policy makers in the federal government know how attractive it is. They have fallen to the temptation for more than two decades. And the only way to keep them from falling again and again is to take the temptation away. As the record shows, they cannot handle it.

Since 1961, the federal government has experienced 22 deficits and just one surplus in its budget.

As a result, it is more than $1.6 trillion in debt. Furthermore—if things don't change—it will be adding in the neighborhood of $200 billion to that debt year after year for the foreseeable future. At that rate, the total debt would double in just seven years.

If you divided $1.6 trillion among every man, woman, and child in the U.S., each individual would receive almost $7,000. That is almost $28,000 for the traditional family of four.

In 1982 prices, $1.6 trillion would buy more than 24 million new homes and almost 270 million new automobiles.

Furthermore, it would take nearly every dollar on deposit in domestic offices of America's banks to pay that debt off. In other words, we would almost wipe out all the savings in U.S. banks to pay the debt.

The numbers are frightening—but the speed at which the government has racked up this debt is even more frightening.

In 1970, the entire federal budget was $200 billion and the government had overspent by $2.8 billion. In other words, our current deficit just about equals all the money spent by the government just 13 short years ago.

Government deficits affect our everyday lives—they help determine how many Americans are working, how much the value of our dollar is eroded by inflation, and how difficult it is for businesses and consumers to get credit.

How?

These deficits must somehow be financed. To do this the government can borrow money or it can simply increase the amount of dollars in circulation.

If it borrows, it will absorb new savings needed for the private investment necessary to keep our economy moving and our standard of living rising: investment for plant and equipment, research, technology and consumer goods.

Traditionally, the federal government has used about one-quarter of our national savings pool.

If deficits continue at their current high level, this figure will be closer to one-half to two-thirds of that pool—year after year.

The obvious result of this course is that interest rates will be pushed higher and higher, since there will be greater competition for the same amount of funds. Think about that the next time you or someone you know wants to purchase a car or a home.

As an alternative to borrowing, the federal government may decide to finance its deficit by creating more money. Then we will suffer from inflation. In the classic economic definition, we will have more dollars chasing the same amount of goods.

When inflation is on the rise, no one has any incentive to save and invest. Industry becomes starved for capital, savers watch their nest eggs disappear and recession returns to the horizon. In addition, interest rates rise.

Whichever course the government takes to finance its deficit—borrowing, creating money or a mix of the two—interest rates rise, bringing higher unemployment in their wake.

Fortunately, since we live in a democracy we can deal with the deficits.

Democracies are vulnerable to deficit spending because it is far more pleasant to raise spending than to reduce it.

Elected officials know that Santa Clauses get re-elected and Scrooges get rejected.

In Scrooge's day, individuals who could not pay their debts were thrown into debtor's prison.

Our accumulated deficits are slowly, but surely, incarcerating our entire population—and our children for years to come—in what soon may become an inescapable debtors' prison. The walls of this prison are not made of brick, concrete and steel. Instead, they are composed of high interest rates, inflation, unemployment and sluggish investment.

Our key to escape can be found in legislation introduced in both the U.S. House of Representatives and the Senate that would provide for a congressionally initiated constitutional amendment requiring a balanced budget. The requirement would not apply in case of national emergency.

This amendment is necessary to provide Congress with the incentive to make the tough decisions that must be made to eliminate the deficit. Without such direction, the Congress would continue to spend, spend, spend, far beyond the country's means.

For that key to work we must convince Congress to use it now, before we are locked into this debtors' prison forever.

A little more than two centuries ago, 58 Americans stood up to create this country. Now the members of the House and Senate must stand up to save it.●

HOUSE JOINT RESOLUTION 124, TERM LIMITATION CONSTITUTIONAL AMENDMENT

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. SCHULZE. Mr. Speaker, the debate over the length of term to be served by Members of Congress is as old as our Republic and proposals to reform the system have been introduced in almost every Congress since 1869.

While we have adapted to our current system, it may serve us well to reexamine the question of tenure in light of the events that led to our Founding Fathers initial choice and in light of our needs in the 20th century.

Therefore, today I am reintroducing a constitutional amendment increasing the term of a Member of the U.S. House of Representatives from the present 2 years to 3, and limiting the number of consecutive terms Members may serve to six. In addition, my amendment limits to three, the 6-year terms of Members of the Senate and establishes a 6-year term for the Presidency.

History shows us that at the Constitutional Convention of 1787, the 2-year term emerged as a compromise between annual elections and a proposal for triennial elections supported by James Madison. Madison argued for a House term short enough to be responsive to a Member's constituents yet long enough to enable legislators to learn their jobs and carry out their public function. Although a compromise was forged, the long and impassioned debate over the term length question continued to be one of the great controversies throughout the ratification process of our Constitution. And, since the Constitutional Convention, approximately 211 constitutional amendments to lengthen the House term have been introduced.

Certainly, one would wish only to amend the Constitution if the reasons were imperative. Therefore, to explore the reasons, let us consult experience.

A recent article in the Washington Post entitled "Woes of a Hill Freshman" outlined the circumstances with which freshman Members contend as they assume their new responsibilities as legislators. As related in the article, information overload, managerial nightmares and the time-consuming need to raise money in order to win reelection quickly transform high expectations into a mantle of frustration. Unfortunately, this situation is not confined only to a Member's freshman year. We all grapple with the obstacles that detract from the wholehearted devotion to public service.

Under the current 2-year term, Representatives are often forced to be campaigners when their real choice is to be legislators. Many times the reelection treadmill impinges on the important time needed to develop informed judgments concerning today's complex issues.

Mr. Speaker, applied to the realities of a 20th century Congress, does our short 2-year term actually contribute to the best interest of democracy? The primary purpose of my proposed constitutional amendment is to allow Members to spend more time in the substance of their work which is framing the policies of our country and serving the people who sent them here. I urge my colleagues to join me in support of this constitutional amendment so that we may give our fullest measure of skill to the citizens we all serve.●

IN MEMORY OF MORRIS BRYAN, JR.

HON. ED JENKINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. JENKINS. Mr. Speaker, too often we wait until death to pay tribute to someone who selflessly devotes time, energy, and personal and financial resources to others. We did not overlook paying public tribute to Morris Bryan. He insisted in life that we not turn the spotlight on him. He spent his life turning the spotlight on others, often after he had provided the stage, the props and the script.

When he died December 29, 1984, he left legacies in education, textile manufacturing, and athletics.

In education, he not only gave of his time serving 10 years on the board of regents of the University System of Georgia; in the Georgia Tech National Alumni Association in several leadership positions; as a trustee of both Brenau College and the Richard B. Russell Foundation; as a founding trustee of Gainesville Junior College; and for 35 years, as chairman of the board of Education of the Jefferson City School System in Jefferson, GA; he put his money into those educational systems, as well. He preferred to keep amounts of monetary contributions out of the headlines, but credit for the library, the football stadium, and the first all-weather track at Jefferson High, his alma mater, goes to Morris Bryan, Jr.

Conceiving, organizing and operating the Georgia Olympics for State high school track and field championships earned him the Georgia High School Association Distinguished Service Award in 1972. His other education awards included the 1975 Distinguished Service Award from Brenau College, the 1976 Georgia Tech Alumni Distinguished Service Award, the Sam Burke Award from the Georgia Athletic Coaches Association in 1977, the Service to Sports Citation in 1978 in the Georgia Athletic Hall of Fame, and in 1978, National Distinguished Service Award from the National High School Athletic Coaches Association and appointment to the Georgia Sports Hall of Fame Board of Trustees.

Morris Bryan's contributions in textile manufacturing gained him State, national, and international recognition and status. During his professional career as president of Jefferson Mills, Inc., he had served as president of the Textile Education Foundation of Georgia, president of Georgia Textile Manufacturers Association, president, vice president, director, and chairman of the education, membership, and economic committees of the American Textile Manufacturers Institute, Inc., director and chairman of the Sales Promotion Committee of the National Cotton Council, director and vice president of the Georgia State Chamber of Commerce, and at his death was a director of the Southern Industrial Relations Conference.

His reputation in the textile community, reflected in many positions he held, did not come by chance. His innovative engineering and construction design at his Jefferson plant showed the industry that the textile manufacturing environment could be made safe for the workers. OSHA developed its standards, using Morris Bryan's plant as an example. His exterior roof support construction eliminated cumbersome columns, which impeded the manufacturing process.

In his list of personal accomplishments, one can see marks of a leader. His leadership style encouraged others to join him in pursuits of goals. He saw potential in others and challenged it to be used. Those who accepted his challenges will continue his legacy.

For those of us who knew him personally, Morris Bryan was a gentleman's gentleman. His strong-willed approach put him among the true movers and shakers. His expertise and honesty put him in the role of confidential adviser to public officials from mayors, Governors and Congressmen to Presidents. And all this he did without publicity.

Even though he was a statesman in State, national, and international matters, he never lost personal contact or sight of his goals for his beloved home, Jefferson, GA. It was there he worked in community and civic groups and devoted most of his time, money and energy. And in death, his family honored that first obligation. His obituary requested that memorial donations be made to Jefferson High School Foundation or a favorite charity.

No doubt, many tributes will be paid to Morris Bryan; however, the silent,

51-059 O-86-12 (Pt. 2)

solemn gesture made on the day of his death could have meant no more to him. The flag on the Jefferson High School lawn flew at half-mast.●

CONDEMNING ANTI-SEMITISM

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Ms. MIKULKSI. Mr. Speaker, religious tolerance was fundamental to the founding of this Nation. In fact, the guarantee of religious freedom is explicitly stated in our Constitution. Yet for too long our country has been enduring increasing incidences of anti-Semitic activity. This is abhorrent to the essential principles of our Nation. Anti-Semitism must be comdemned and combated, until it is no longer evidenced in America.

The Anti-Defamation League of B'nai B'rith recently released its audit of anti-Semitic activity. This study reveals that such activities are on the rise nationwide. In 1984, there were 715 reports of violence against Jews and Jewish institutions, compared with 670 in 1983. The B'nai B'rith report shows that my own State of Maryland ranks third in the country in the number of anti-Semitic attacks.

The increase in incidences also reveals a rise in more serious anti-Semitic crimes, such as bombing and arson. No one knows why there has been this increase in the country, or why Maryland should rank so high. But no reason can alleviate the horror of these incidences of religious terrorism.

In 1985 we commemorate the 40th anniversary of the liberation of the Nazi death camps. In November 1976 I went to Poland. I had read the lessons of history but I wanted to learn those lessons first hand. I went to the Warsaw ghetto where so much in some ways began. I was stunned by how small it was and envisioned the numbers of people packed into that space. I went to Auschwitz to see the camp, the barracks, the gas chambers, the liberation films. I never made it all the way through the tour. The bins of children's shoes broke my heart and I could go no further.

Then, during the Passover-Easter season in 1983 I revisited Israel and felt the sense of renewal that Auschwitz was not the final end. From Y'ad Vashem, the Holocaust Memorial, to the new settlements we celebrated the lives of the survivors—as we do today.

But we are also left with a legacy of warning: Zachor, remember. Remember the genocide. Remember those who were killed. Remember the religious persecution. Through remembrance of what did happen, and continued vigilance and public education, we can work to be free of anti-Semitism.

In Congress I am cosponsoring legislation to halt religious hate crimes. This bill, H.R. 665, will impose stiff penalties, including fines and prison sentences, for individuals committing acts of violence and vandalism against religious property.

Maryland has taken the lead in State action to address the problem of anti-Semitism. Maryland's coalition opposed to violence and extremism coordinates statewide programs. Maryland also passed legislation to establish sophisticated reporting procedures for religious terrorism.

The National Institute for the Prevention and Control of Violence and Extremism is a national research and education institute founded in Baltimore. This institute will centralize data collection and dispersal, will prompt research into the links between prejudice and violence, and will help develop models for States to use in response to religious terrorism and other violence motivated by prejudice. I urge my colleagues to see to it that their States support and work with the institute, and initiate efforts back home to combat anti-Semitism.

The B'nai B'rith audit chronicles the rise of violence against Jews in America. These incidences are motivated by ignorance and prejudice. As we remember the Holocaust, let's not forget to renew our efforts to wipe out current anti-Semitic activity. Zachor.●

NATIONAL COMMUNITY COLLEGE MONTH

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. YOUNG of Alaska. Mr. Speaker, I am today introducing legislation to recognize the contributions that community colleges have made to our Nation. This bill designates May 1985, as "National Community College Month."

Community, technical, and junior colleges educate more than half of all first and second year students enrolled in postsecondary institutions. They prepare people for employment in over 1,400 different occupations, usually within reasonable commuting distance for more than 90 percent of all Americans. The cost of going to community, technical, and junior colleges is low, with an average tuition of $501 a year. Black, Hispanic, American Indian, and Alaskan Native credit students are represented at higher than average population rates in these institutions, enrolling more than half of all minority undergradutes attending postsecondary institutions.

More than 97 percent of the congressional districts in the United States have at least one community, technical, or junior college, educating a total of over 11.41 million Americans in 1981 alone. For many of them it is their first, and sometimes only, chance for postsecondary learning—and they are of benefit to us all. I therefore urge my colleagues to support "National Community College Month" and join me in saluting them for all of their contributions to this great Nation.●

BOY SCOUTS OF AMERICA

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. NATCHER. Mr. Speaker, throughout 1985 the Boy Scouts of America will celebrate the 75th anniversary of the founding of this organization with the theme—"Pride in the Past * * * Footsteps to the Future."

Observances during anniversary week, February 3-9, include a heritage campfire caravan; Scout jamboree in Fredericksburg, VA, for 30,000 Scouts; and a congressional breakfast in Washington, DC.

Membership in the Boy Scouts of America increased in 1984 for the fifth consecutive year. There are currently 4,773,000 Scouts and over 70 million have participated in Boy Scouts since its founding in 1910.

Boy Scouts of America continued to expand its programs last year. Sports has been introduced as an integral part of the program for Cub Scouts. A family camping association has been formed to enable families to use Scout camps. "Mom and Me" provides an opportunity for 8-, 9-, and 10-year-old boys to camp with their moms on weekends. Varsity Scouting showed a 30-percent growth during its first year. Explorers elected their own national youth president who has been appointed to the national executive board of the Boy Scouts of America.

The Four Rivers Council, serving the Second Congressional District of Kentucky, which I have the privilege of representing, has had a 20-percent increase in membership during the past year. The council has completed negotiations for continued use of Camp Roy C. Manchester and kicked off a $100,000 capital campaign for the camp. The council also increased service to young people in remote rural areas who were previously not served.

At this time I want to congratulate the Boy Scouts of America on its 75th anniversary. I am pleased to commend the Boy Scouts for their past accomplishments and I wish them further successes in the years ahead.●

LONG-OVERDUE PROTECTION FOR CIVIL SERVICE EMPLOYEES

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. DYMALLY. Mr. Speaker, today I am introducing legislation which I believe provides long-overdue protection for the many civil service employees in the excepted service. My bill will give excepted service employees the right to administrative due process when adverse personnel actions are taken against them—a right they do not now have.

A wide variety of positions in the civil service are excepted from the competitive process. These positions include attorneys, physicians, scientists, chaplains, handicapped workers, and certain midlevel administrative positions. Positions may be excepted from the competitive service by law, Executive order, or by the Office of Personnel Management. There are over one-half million excepted service employees in executive agencies.

Under current law, Federal employees in the competitive service have the right to receive advance written notice of an adverse action and to respond in writing to the action. They also have the right to appeal an adverse action to the Merit Systems Protection Board, an independent agency established by the Civil Service Reform Act of 1978. These procedures also apply to veterans' preference eligibles in the excepted service. However, all other excepted service employees have no way to defend themselves in an adverse action situation, even though they may have served in the Federal Government for many years. They may be summarily terminated without even knowing the reason for such an action.

The bill I am introducing, with my colleagues, Ms. OAKAR, Mrs. SCHROEDER, Mr. HOYER, and Mr. BARNES, will entitle employees in an executive agency who have served 2 continuous years in the excepted service to these same procedural rights when an adverse action is taken. The bill will not cover personnel in positions which are confirmed by the Senate, or are confidential or policy determining in character.

I strongly believe that excepted service employees will be better able to serve the American public if they are free from the fear of adverse actions taken against them without cause. The right to due process and to defend one's work and career is fundamental to all working men and women. Those in public service should be no exception to the rule.●

A MEMORIAL TRIBUTE TO JOHN W. JACKSON, JR.

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. HERTEL of Michigan. Mr. Speaker, I rise today to express my deepest sorrow upon the loss of a close friend and loyal public servant, Michigan Assistant Attorney General John W. Jackson, Jr. Mr. Jackson was in charge of the Michigan attorney general's office in Detroit and, prior to that, represented the Michigan Department of Treasury.

John Jackson, Jr., was a dedicated professional and an exceptionally talented public servant. Mr. Jackson's accomplishments and contributions to Michigan's legal system are certainly impressive and will continue to have an impact on the legal process.

Over the years, many young lawyers, fresh out of law school, served in the attorney general's office and they always found a friend and confidant in John Jackson, Jr. I am proud to have been one of those lawyers.

Mr Jackson served the State of Michigan with tremendous patience, diligence, conviction, and dedication and always gave of himself to his fellow man. Mr. Jackson's honesty and integrity were the factors that set him apart from other public servants. John Jackson, Jr., was a great family man who dedicated his life to helping others. We thank God for sharing John with us. His quality of professionalism will live on in those he inspired by his example.

I join the fine people of the State of Michigan in paying our highest respect to John Jackson, Jr., and we sorrowfully extend our deepest sympathy to his wife, Berniece, and his son, Javon. We greatly appreciate the outstanding contributions of John Jackson, Jr., to the State of Michigan. He will always be remembered in our prayers.●

THE SECONDARY SCHOOLS BASIC SKILLS ACT

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. FLORIO. Mr. Speaker, I am pleased today to join my colleague, PAT WILLIAMS of Montana, in reintroducing the Secondary Schools Basic Skills Act. I would urge my colleagues to join us in supporting this effort to provide necessary funding for assisting local education agencies with large numbers of economically disadvantaged students in upgrading their basic skills.

Mr. Speaker, our Nation's secondary schools are in the midst of an economic and academic crisis. Secondary schools across this country are experiencing increased dropout rates, and more and more high school students are unable to pass the required basic skills tests necessary not only for graduation but also for functioning in an increasingly complex society and work environment. The President's Commission on Excellence in Education focused our attention to educational studies that have indicated that proficiency in basic skills of reading, writing, and comprehension has seriously faltered over the past 20 years. At this time, it is estimated that 23 million Americans, and approximately 13 percent of all 17-year-olds, do not have adequate reading, writing, and comprehension skills to function in everyday life. Last year, in my own State of New Jersey, over 50,000 entering college freshmen took the New Jersey College Basic Skills Test. Less than a third proved proficient in verbal skills and only 12 percent were proficient in elementary algebra.

Despite this proven need in our Nation's high schools for increased attention, our secondary schools are receiving very little funding to strengthen their basic academic program. Department of Education analyses indicate that 77 percent of chapter 1 funds are invested in preschool, kindergarten, and lower elementary grades. Our secondary school students are being neglected to the detriment of their future and our country's future.

To correct this inequity, the Secondary Schools Basic Skills Act would provide secondary schools with a 6-year authorization of $900 million annually to upgrade their basic skills program. Any secondary school in which 20 percent of the student body is economically disadvantaged, would be eligible for funding. The funds would be used for the benefit of all students at that school that are classified as low achievers, and not merely those low-achievers that are also economically disadvantaged. Funding would be discontinued at the end of 2 years if that school could not demonstrate progress in improving the basic skills of its student body. We have however included a 1-year waiver provision if extenuating circumstances precluded an improvement within the space of 2 years.

During the 98th Congress, when Mr. WILLIAMS and I introduced this bill, two concerns were expressed by educators relating to the authority of the National Institute of Education [NIE] to administer the program and with the discontinuation of funding if the school could not demonstrate an improvement after 2 years. We have modified our new bill to address these concerns by eliminating the provision establishing a National Secondary

Schools Basic Skills panel under NIE authority and placing the program directly under the supervision of the Department of Education and the Secretary of Education. This should eliminate further layers of bureaucracy and hopefully accelerate the decisionmaking and evaluation process. We have also allowed for extenuating circumstances by empowering the Secretary of Education to grant 1-year waiver for schools whose circumstances warrant additional time.

Our country's future rests in the ability of our youth to function and succeed in our society. The lack of basic skills precludes any such success and can only spell disaster for our country. I urge my colleagues to support this worthwhile effort.●

A GREAT MAN IN MICHIGAN

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. FORD of Michigan. Mr. Speaker, it is a special pleasure to make note of 25 years of dedicated and selfless public service to the people of our area on the part of Robert McLachlan. His remarkable record includes being an active member in the Lions, Elks, Masons, Moose, Shrine, Knights Templer, and Goodfellows.

Besides being the clerk for the city of Dearborn Heights, he is the city's representative to the Peoples Community Hospital Authority and the Central Wayne County Sanitation Authority. He is past president of the Wayne County Municipal and Township Clerks Association and the Michigan Association of Municipal Clerks.

It is highly appropriate that Members of Congress and others be aware of this remarkable example of a gentleman who has maintained his dedication and interest in serving our citizens in a remarkable variety of ways. So often we take for granted people who serve in these offices with no thought or expectation of having public notice or attention. Therefore, I think it is fitting and proper that we now take a moment to give special accolades and thanks to Robert McLachlan and to wish him well in the years ahead.●

STRENTHENING FEDERAL WHISTLEBLOWER PROTECTIONS

HON. JOHN R. McKERNAN, JR.

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. McKERNAN. Mr. Speaker, the Merit Systems Protection Board, which is charged with determining the validity of complaints by Federal employee whistleblowers of act of employer reprisal, recently issued a report which found that, despite the existence of the Board, most Federal employees who know firsthand of instances of waste, fraud, or abuse still fail to report them. The reasons given by these employees were: First, their belief that nothing would be done to correct the situation; and second, their fear of reprisal by their superiors if they reported wasteful or illegal activities taking place in their agencies.

Mr. Speaker, perhaps such findings would not have been surprising before the enactment of the 1978 Civil Service Reform Act, which created the Merit Systems Protection Board [MSPB] and a Special Counsel's Office to prosecute cases of Federal employer reprisal against whistleblowers. One of the major purposes of that legislation was to provide assurances to Federal workers that they would be protected from acts of reprisal if they reported instances of waste, fraud, or abuse known to them. The Civil Service Reform Act was intended to encourage Federal employees to come forward when they know of illegal or abusive practices taking place within their agencies. Unfortunately, the Merit Systems Protection Board's recent report has verified what many of us already suspected—that if anything, Federal employees are now more frightened of possible employer reprisal if they report any instances of waste, fraud, or abuse than they were in earlier years. The report found that in 1983, 69 percent of those Federal employees who said they knew firsthand of some example of Government waste failed to report it. That was approximately the same percentage found in a similar survey conducted in 1980. Of those who knew of waste but did not report it, 37 percent in 1983 gave fear of reprisal as a reason for keeping silent. In 1980, that figure was only 20 percent. Of those who reported their findings to superiors, 20 percent of them in 1980 said they subsequently suffered reprisal, in the form of a demotion, a poor performance rating or losing a promotion. In 1983, 23 percent of those reporting such incidents said they subsequently suffered reprisal—a notable increase over the 1980 figure.

Clearly, the findings contained in this report indicate that the creation of the Merit Systems Protection Board and the Office of the Special Counsel have not succeeded in assuring Federal employees that they will be protected if they report wasteful or illegal practices at work. And just as clearly, the report suggests that employees' fears are well founded. Whistleblowers are not adequately protected under the Civil Service Reform Act of 1978. Under that law, a Special Counsel was created to receive complaints by Federal whistleblowers of employer reprisal, investigate such complaints, and, if the complaint is found to have merit, to argue before the MSPB that such whistleblower's superior committed an act of reprisal in response to having had the whistle blown on him or her. The Board then decides whether an act of reprisal was in fact committed and, if so, what relief is appropriate.

Unfortunately, in practice this arrangement has not been as effective in successfully prosecuting offending Federal employers as Congress intended. There are several reasons for this. Often, the Special Counsel has an almost insurmountable burden to overcome in proving his case, and while agencies have the right to appeal unfavorable Board decisions on behalf of an accused supervisor, the Special Counsel currently lacks the authority to appeal a board decision against the whistleblower.

I am convinced that such appeal authority is crucial if the Special Counsel is to be able to successfully prosecute those cases where his investigation has revealed an act or acts of employer reprisal.

During the 98th Congress, I, along with Congressman BARNEY FRANK, introduced legislation which would authorize the Special Counsel to appeal unfavorable Board decisions to Federal court. Our introduction of this legislation followed a hearing by the House Manpower and Housing Subcommittee in which we heard from a Federal worker employed at the Kittery Portsmouth Naval Shipyard in my district who had been reprimanded by his supervisor for pointing out safety hazards at the shipyard to the Occupational Safety and Health Administration. My constituent's experience pointed up the need to protect Federal employees from employer reprisal for reporting health or safety hazards, as well as instances of waste, fraud or abuse. The day after our August 9 hearing, Congressman FRANK and I introduced our legislation.

A similar bill was introduced in the Senate by CHARLES GRASSLEY, and was eventually passed by the Senate in an amended version. Unfortunately, the House adjourned for the year before it had a chance to vote on the bill.

The legislation we are introducing today, and which Senator GRASSLEY has again introduced in the Senate, incorporates the minor changes which were made to last year's bill by the Senate. In addition to granting the Special Counsel authority to appeal unfavorable MSPB decisions to Federal district court, our bill would permit the aggrieved employee to intervene in the Special Counsel's action as a matter of right. The bill would also give the Special Counsel authority to enforce subpoenas and protective orders pursuant to his or her investigative and prosecutorial authority.

Mr. Speaker, I am hopeful that our legislation will be considered early in this session of Congress. Enactment of our bill will encourage would-be whistleblowers throughout the Government to come forward by increasing the authority currently available in the Special Counsel to prosecute those who commit acts of reprisal against such employees. And by encouraging more whistleblowers to report known waste, fraud or abuse in their agencies, our bill will indirectly benefit all the taxpayers in this Nation who are currently footing the bill for such practices.●

A TRIBUTE TO HERBERT E. LOCKHART

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. DE LUGO. Mr. Speaker, I would like to bring to your attention and to that of my colleagues, the name of a remarkable Virgin Islander whose accomplishments have won him recognition not only in my district, the U.S. Virgin Islands, but as far away as Sweden. The man to whom I am referring is Herbert E. Lockhart, a member of one of the most distinguished families in the U.S. Virgin Islands. For the past 33 years, he has served as the Swedish Counsel to the Virgin Islands, a longer term than any other Swedish Counsel in the United States. This achievement combined with his superlative work, led to his being awarded the honor of commander of the Royal Order of Polar Star by Order of the King of Sweden. It was conferred on him by the Swedish Consul General who made a special trip to our islands for this tribute to Herbert Lockhart.

I salute Herbert E. Lockhart, an illustrious Virgin Islander who has earned the respect and love of his community.●

H.R. 852

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. YOUNG. Mr. Speaker, I have introduced legislation to repeal the interest and dividend tax compliance provisions of Public Law 98-67.

On August 5, 1983, Congress repealed the 10-percent withholding provisions on interest and dividents. However, in their place, Congress accepted backup withholding and reporting requirements nearly as onerous to payers and payees as those repealed. These backup provisions were the price Congress had to pay to see the 10-percent withholding repealed. Through H.R. 852, I now seek to complete the repeal process and return us to prewithholding reporting requirements. Specifically, sections 104, 105, 106, 107, 108, and 109 of the Interest and Dividend Tax Compliance Act of 1983 are repealed by this bill.

Foremost in my rationale for sponsoring this legislation is the belief that the people of this country are opposed to greater Government intervention in their lives. The reporting and compliance provisions of Public Law 98-67 allow the Government to intrude into the private financial relationships between individuals and businesses. This intrusion into the private financial affairs of tax-abiding citizens is hardly justified by the increased ability of the IRS to track down tax-delinquent citizens. Granted, only the guilty suffer the legal penalties of these provisions but the public's opposition to these measures is motivated by its value of privacy, not the concern for being found guilty of tax evasion. Most taxpayers honestly report their income and have no fear of being accused otherwise. Congress must recognize and act to preserve the privacy that this country regards with such conviction.

In addition to the privacy argument made above, my rationale for repealing the backup withholding provisions includes the belief that financial institutions and businesses should not be forced to be tax collectors. The Internal Revenue Service has been given the authority to collect taxes levied by Congress and it, not the financial institutions and businesses, should bear the burden of this responsibility. Tax collection should be between the IRS and the taxpayer. Forcing the task of tax collection onto third parties complicates their operations and requires them to absorb added expenses. It should be noted that section 103 of the Interest and Dividend Tax Compliance Act, which appropriates additional revenues for purposes of collecting tax, remains unchanged by this bill. If Congress wants better tax compliance, it should use the IRS as its vehicle and properly equip it to do the job.

In closing, I cannot stress strongly enough the need for Congress to evaluate our Nation's regard for privacy and the role of the IRS as our Nation's tax collector. In light of this evaluation, I urge all Members to consider and support H.R. 852.●

A TRIBUTE TO MR. ERIC STAHLBERG

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. CONTE. Mr. Speaker, I rise today to share with my colleagues some of my thoughts on one of my constituents. It is always a pleasure to have the opportunity to honor such a devoted man. Eric Stahlberg has dedicated his life to community service. As a nationally known pioneer in fabricated plastics, he worked for the Pre Corp., in Florence, MA, for over 40 years. His last 13 years with them, he served as their vice president for manufacturing and operations, before his retirement in 1982. He has been said to be involved in a lifelong love affair with plastics.

Mr. Stahlberg is known around Florence as a "good neighbor." He has been active in the United Way, the regional YMCA and the Clarke School for the Deaf. Besides working hard for various community organizations, Mr. Stahlberg also works hard not to let people know all that he has done.

Since childhood, one of Mr. Stahlberg's greatest passions has been the Boy Scouts of America. Coincidentally, the Great Trails Council's boundaries, which is the area of most of Mr. Stahlberg's work, almost fully coincide with my congressional district. Mr. Stahlberg was the first young boy in this region to be awarded the high scouting honor of Eagle Scout. That was some 50 years ago. Since that time, Mr. Stahlberg has dedicated a great deal of time to giving back to the Boy Scouts that which he feels he received from them. He has held various voluntary positions with the Great Trails Council, including serving on the district council, organizing activities and chairing fund raising drives.

Mr. Speaker, it has been my pleasure to honor Eric Stahlberg, a fine businessman and citizen.●

TRIBUTE TO JAMES AND MARGARET LA GRECA

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. TORRICELLI. Mr. Speaker, in our fast-paced world often we don't stop and take the time to appreciate those things which are truly valuable in our lives. Few would argue with the fact that the American family is a central institution in our society. Today I rise to pay tribute to one family in particular, James and Margaret La Greca of Garfield, NJ, who have celebrated their 50th wedding anniversary.

As parents, the La Grecas were blessed with two kind and caring children. Now fully grown, Marilyn and James, Jr., have families of their own. The grandchildren, Cindy, Susan, Lenny, Danny, Jimmy, and Jeff, are a constant source of happiness and pride for James and Margaret.

Active in town affairs, both James and Margaret have been a constant

source of inspiration for their neighbors. Whether through their involvement in the Democratic Party or Elks Lodge events, they have provided strength for each other and service to the community of Garfield.

Let us look to the example of James and Margaret La Greca, who through their 50 years together have proven that bonds of friendship and love are everlasting, and from those bonds, good things grow.●

CARL SANDBURG HIGH SCHOOL

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 1985

● Mr. FAWELL. Mr. Speaker, I would like to take a moment to commend the Carl Sandburg High School in Orland Park, IL, for being selected as one of the Illinois nominees in the National Secondary School Recognition Program for 1984-85.

The purpose of the National Secondary School Program is to identify and call attention to a national group of schools that are unusually successful in meeting the educational needs of the students. Carl Sandburg High will now compete with schools from every State in the Union for the National Excellence in Education Award. Those schools receiving this award will be announced in June.

I am proud a high school in my congressional district has been deemed worthy of the nomination. I am certain my colleagues will join me in congratulating the faculty and staff of Carl Sandburg High School for contributing to the success of meeting the educational needs of its students.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, February 5, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 6

9:00 a.m.
Armed Services
To continue hearings on proposed authorizations for fiscal year 1986 for the Department of Defense, focusing on Navy and Marine Corps programs.
SR-253

10:00 a.m.
Budget
To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1986 budget.
SD-608

Environment and Public Works
To hold hearings on the nomination of Lee M. Thomas, of South Carolina, to be Administrator, Environmental Protection Agency.
SD-406

Foreign Relations
To continue hearings to discuss American foreign policy.
SD-419

Judiciary
To hold hearings on S. 172, to provide a cause of action to cities to prevent professional football teams from abandoning them for more profitable locations, and to provide limited antitrust immunity to joint action of those teams engaged in professional football, and S. 298, to clarify congressional intent regarding the application of antitrust laws to certain types of major sports leagues practices and decisions.
SD-226

FEBRUARY 7

9:00 a.m.
Agriculture, Nutrition, and Forestry
Foreign Agricultural Policy Subcommittee
To hold hearings to examine the competitive position of U.S. agriculture in the current world environment.
SR-328A

Armed Services
To continue hearings on proposed authorizations for fiscal year 1986 for the Department of Defense, focusing on Air Force programs.
SR-253

9:30 a.m.
Budget
To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1986 budget.
SD-608

10:00 a.m.
Foreign Relations
To continue hearings to discuss American foreign policy.
SD-419

Labor and Human Resources
Alcoholism and Drug Abuse Subcommittee
To hold hearings to review advertisements promoting the use of alcohol.
SD-430

Joint Economic
To continue hearings in preparation of its forthcoming annual report.
SD-342

2:00 p.m.
Small Business
Small Business: Family Farm Subcommittee
To hold hearings to examine the farm credit problem and its impact on rural agricultural banks.
SR-428

FEBRUARY 8

9:00 a.m.
Budget
To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1986 budget.
SD-608

9:30 a.m.
Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings on the famine effects on African refugees.
SD-226

FEBRUARY 19

10:00 a.m.
Appropriations
To hold hearings to review the President's proposed budget requests for fiscal year 1986.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Pennsylvania Avenue Development Corporation, National Capital Planning Commission, and the Advisory Council on Historic Preservation.
SD-138

FEBRUARY 20

9:00 a.m.
Commerce, Science, and Transportation
To resume hearings on S. 259 and S. 287, bills to protect local community interests regarding the relocation of certain professional sports teams.
SR-253

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider the committee budget for 1985, and other pending calendar business.
SD-366

Environment and Public Works
To hold hearings on those programs which fall within the jurisdiction of the committee as contained in the President's budget requests for fiscal year 1986, focusing on requests for the Environmental Protection Agency.
SD-406

1:00 p.m.
Veterans' Affairs
To hold hearings on proposed budget estimates for fiscal year 1986 for the Veterans' Administration.
SR-418

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on Army civil works programs.
SD-192

FEBRUARY 21

9:00 a.m.
Veterans' Affairs
Business meeting, to consider committee budget for 1985, and committee rules of procedure for the 99th Congress.
SR-418

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Woodrow Wilson International Center for Scholars, Holocaust Memorial Council, and the Federal Inspector for the Alaska Gas Pipeline.
SD-138

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Transportation.
SD-124

FEBRUARY 26

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Interior and related agencies.
SD-124

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary of Labor, and the Employment and Training Administration, Department of Labor.
SD-116

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of the Disabled American Veterans.
345 Cannon Building

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Research and Special Programs Administration and the Office of the Inspector General, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Department of the Interior.
SD-192

Armed Services
To hold closed hearings on the maritime threat to U.S. national interests.
SR-222

FEBRUARY 27

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Labor-Management Services Administration, Employment Standards Administration, and Bureau of Labor Statistics, all of the Department of Labor, and the Pension Benefit Guaranty Corporation.
SD-116

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of the Paralyzed Veterans of America, Blinded Veterans of America, Purple Heart, and Vietnam Veterans of America.
334 Cannon Building

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's proposed budget for fiscal year 1986, focusing on the Department of the Interior.
SD-366

2:00 a.m.
Appropriations
To resume hearings to review the President's proposed budget requests for fiscal year 1986.
SD-192

FEBRUARY 28

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Occupational Safety and Health Administration, Mine Safety and Health Administration, and Departmental Management, all of the Department of Labor, and the President's Committee on Employment of the Handicapped.
SD-116

9:30 a.m.
Energy and Natural Resources
To continue oversight hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's proposed budget for fiscal year 1986, focusing on the Department of Energy.
SD-366

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Highway Traffic Safety Administration, Department of Transportation.
SD-138

2:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Commission of Fine Arts, and the National Gallery of Art.
SD-138

MARCH 1

9:00 a.m.
Energy and Natural Resources
To continue oversight hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's proposed budget for fiscal year 1986, focusing on the Forest Service (Department of Agriculture), U.S. Synthetic Fuels Corporation, and the Federal Energy Regulatory Commission (Department of Energy).
SD-366

MARCH 5

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Secretary of Health and Human Services.
SD-116

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Highway Administration, Department of Transportation, and the Panama Canal Commission.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Tennessee Valley Authority.
SD-192

MARCH 6

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Health Resources and Services Administration, and the Office of the Assistant Secretary for Health.
SD-116

Veterans' Affairs
Business meeting, to mark up proposed legislation authorizing funds for fiscal year 1986 for the Veterans' Administration.
SR-418

MARCH 7

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Department of Energy.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the strategic petroleum reserve, and the Office of Emergency Preparedness.
SD-138

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Transportation Safety Board, and the St. Lawrence Seaway Development Corporation, Department of Transportation.
SD-192

MARCH 12

9:30 a.m.
Veterans' Affairs
To hold hearings with the House Committee on Veterans' Affairs to review the legislative priorities of the Veterans of Foreign Wars.
345 Cannon Building

10:30 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Interstate Commerce Commission.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on solar and renewables and energy research.
SD-192

MARCH 14

10:00 a.m.
Appropriations
HUD—Independent Agencies Subcommittee
To hold hearings in proposed budget estimates for fiscal year 1986 for the National Aeronautics and Space Administration.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Smithsonian Institution.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on nuclear fission, commercial waste management, and uranium enrichment.
SD-192

MARCH 19

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Institutes of Health, Department of Health and Human Services.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the land and water conservation fund.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for the Nuclear Regulatory Commission, and the Federal Energy Regulatory Commission.
SD-192

MARCH 20

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for the National Institutes of Health, Department of Health and Human Services.
SD-116

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, World War I Veterans, Jewish War Veterans of the U.S.A., and Atomic Veterans.
334 Cannon Building

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the American Battle Monuments Commission, Army cemeterial expenses, Office of Consumer Affairs (Department of Commerce), and the Consumer Information Center.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Railroad Administration, Department of Transportation, and the National Railroad Passenger Corporation (AMTRAK).
SD-138

MARCH 21

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for the National Institutes of Health, Department of Health and Human Services.
SR-428A

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Neighborhood Reinvestment Corporation, National Credit Union Administration, Office of Revenue Sharing and the New York City loan program (Department of the Treasury), Federal Home Loan Bank Board, and the National Institute of Building Sciences.
SD-192

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on atomic energy defense activities.
SD-116

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Washington Metropolitan Area Transit Authority, and the Architectural and Transportation Barriers Compliance Board.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for energy conservation programs.
SD-138

MARCH 26

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Centers for Disease Control, Alcohol, Drug Abuse and Mental Health Administration, Office of the Inspector General, and Office for Civil Rights.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Geological Survey, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Power Marketing Administration.
SD-192

MARCH 27

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Health Care Financing Administration, Social Security Administration, and refugee programs.
SD-116

10:00 a.m.
Appropriations
HUD—Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Selective Service System, Consumer Product Safety Commission, Office of Science and Technology Policy, and the Council on Environmental Quality.
SD-124

MARCH 28

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including Human Development Services, Office of Community Services, Departmental Management (salaries and expenses), and Policy Research.
SD-116

10:00 a.m.
Appropriations
HUD—Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Veterans Administration, and the Environmental Protection Agency.
S-126, Capitol
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Navajo and Hopi Indian Relocation Commission, and the Office of Surface Mining Reclamation and Enforcement, Department of the Interior.
SD-138
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 1

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 2

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office of Civil Rights, Office of Inspector General, National Institute of Education, and Bilingual Education, all of the Department of Education.
SD-116

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Park Service, Department of the Interior.
SD-138
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 3

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including vocational and adult education, education for the handicapped, rehabilitation services and handicapped research, special institutions (including Howard University), and education statistics.
SD-116

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Aviation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 4

10:00 a.m.
Appropriations
HUD—Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.
SD-192
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Conrail, U.S. Railway Association, and the Office of the Secretary of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Indian Affairs, Department of the Interior.
SD-138

APRIL 16

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Urban Mass Transportation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Mines, Department of the Interior.
SD-138

APRIL 18

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Coast Guard, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Endowment for the Humanities, and the National Endowment for the Arts.
SD-138

APRIL 23

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including elementary and secondary education, education block grants, and impact aid.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Forest Service, Department of Agriculture.
SD-138

APRIL 24

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including student financial assistance, guaranteed student loans, higher and continuing education, higher education facilities loans and insurance, educational research and training, and libraries.
SD-116

10:00 a.m.
Appropriations
HUD—Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Emergency Management Agency, and the National Science Foundation.
SD-124

APRIL 25

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Labor Relations Board, National Mediation Board, OSHA Review Commission, and the Federal Mediation and Conciliation Service.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Indian Education, and the Institute of Museum Services.
SD-138

APRIL 30

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary and the Office of the Solicitor, Department of the Interior.
SD-138

MAY 1

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
HUD—Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

MAY 2

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
HUD—Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for territorial affairs, Department of the Interior.
SD-138

MAY 7

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Indian Health Service, Department of Health and Human Services.
SD-138

MAY 8

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

MAY 9

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Land Management, Department of the Interior.
SD-138

MAY 14

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Energy Information Administration, and the Economic Regulatory Administration, Department of Energy.
SD-138

MAY 21

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Minerals Management Service, Department of the Interior.
SD-138

MAY 23

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Naval Petroleum Reserves, and fossil energy.
SD-138

CANCELLATIONS

FEBRUARY 6

10:00 a.m.
Joint Economic
To continue hearings in preparation of its forthcoming annual report. SD-G50

SENATE—*Tuesday, February 5, 1985*

(Legislative day of Monday, January 21, 1985)

The Senate met at 2 p.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. The Chaplain is unavailable today. The distinguished Senator from Missouri [Mr. DANFORTH] will open the Senate with a prayer.

PRAYER

Senator JOHN C. DANFORTH, of Missouri, offered the following prayer:

Let us pray.

Our Heavenly Father, we give You thanks for many blessings in this life and especially for the privilege of living in this wonderful country; and for the opportunity to serve it in a public way. We ask for the gift of perseverence in our task, for personal humility as we perform this service, and for tolerance of one another, that through our efforts, Your kingdom may be accomplished.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

SENATE SCHEDULE

Mr. DOLE. Mr. President, let me first indicate to my colleagues what we may accomplish today.

There are three special orders for not to exceed 15 minutes each, as follows: The distinguished Senator from Pennsylvania [Mr. SPECTER], the distinguished Senator from Wisconsin [Mr. PROXMIRE], and the distinguished Senator from Oklahoma [Mr. BOREN].

Following the execution of the special orders, there will be a period for the transaction of routine morning business, not to extend beyond 3 p.m., with statements limited therein to 5 minutes each.

Following the completion of routine morning business, it will be the intention of the leadership to go into executive session to consider the nomination of William J. Bennett to be Secretary of Education, hopefully with a time limitation of 1 hour or less, though it may be more. A rollcall vote is expected on the confirmation of William J. Bennett.

It is my hope that when we recess today, we will recess until 12 noon, Wednesday. There is a series of special orders, about seven, for tomorrow for 15 minutes each. Then there will be a period for the transaction of routine morning business.

It is also my hope that fairly early tomorrow afternoon we can take up the nomination of Donald P. Hodel to be Secretary of the Interior and John S. Herrington to be Secretary of Energy. I think Mr. Herrington has an appointment to see the distinguished minority leader some time tomorrow afternoon. Hopefully following that meeting, that nomination will be in order. Then we will have completed our business and will stand in recess until 8:30 p.m., Wednesday evening, for the President's State of the Union Message.

Of course, we are also working on a highway bill which is of considerable interest to the distinguished Senator from Idaho [Mr. SYMMS]. There may be additional announcements later on today.

Mr. President, I yield 5 minutes of my time to the distinguished Senator from Wisconsin [Mr. KASTEN].

(The remarks of Mr. KASTEN appear at a later point in the RECORD.)

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. MATTINGLY). The minority leader is recognized.

Mr. BYRD. I thank the Chair.

Mr. President, do I have 10 minutes under the standing order?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. I thank the Chair. I yield 2 minutes to the Senator from New Jersey [Mr. BRADLEY].

(The remarks of Mr. BRADLEY appear at a later point in the RECORD.)

Mr. BYRD. Mr. President, does any other Senator on this side wish me to yield at this time?

If not, Mr. President, I yield back the remainder of my time.

Mr. DOLE. Mr. President, I yield back the remainder of my time.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR SPECTER

The PRESIDING OFFICER. Under the previous order, the Senator from Pennsylvania is recognized for not to exceed 15 minutes.

Mr. SPECTER. I thank the Chair.

HEALTH COST CONTAINMENT ACT OF 1985

Mr. SPECTER. Mr. President, today I am introducing the "Health Care Cost Containment Act of 1985." This legislation is designed to confront what has become a national crisis—the disappearance of affordable health care in the United States

By any statistical measure, the cost of adequate health care costs is on the rise, far outstripping the ability of most Americans to pay for it. Last year, the health care component of the Consumer Price Index rose by 6.2 percent, more than 1½ times greater than the national inflation rate. The average cost of a semiprivate hospital room in the United States has increased 150 percent since 1976. Total health care costs were $355 billion, fully 10.8 percent of the gross national product.

Unchecked by market forces or regulation, escalating health care costs burden consumers in several punishing guises. There are higher taxes for Medicare and Medicaid. Health insurance premiums steadily rise, with annual increases of 20 to 30 percent in recent years. And aggregate higher health care costs ultimately fuel inflation at the expense of the quality of life of all Americans.

Health care is not a luxury. It is a basic necessity of life that cannot be allowed to slip inexorably out of the financial reach of American families. The Health Care Cost Containment Act of 1985 offers a useful step in controlling these costs.

Essentially, the legislation provides a limited antitrust exemption to accomplish two results. First, it would allow health care insurers to collaborate in collecting health care data on the costs and quality of care rendered by health care providers such as hospitals and clinics. This information base would promote better consumer choices on health care while spurring competition among the providers of such care. Second, it would allow insurers to enter into agreement with providers clearly stipulating the level and cost of health care, thereby pro-

moting competition within the health care industry and giving further clarity to consumer decisions on how to choose health care most efficiently.

This legislation recognizes that it is the health care insurers, or so-called third-party payors of health care costs, that are in a good position to restrain costs. Consumers lack enough information under the present systerm. A limited antitrust exemption will enable insurers to more accurately assess costs, so that they may intelligently deal with health care providers. This will redound to the benefit of all consumers.

In order to ensure that this exemption only promotes joint activities which actually will help contain costs, the bill authorizes the Attorney General to investigate all joint conduct provided hereunder. The bill provides that, if the Attorney General determines that the joint conduct fails to contain costs or unduly restricts competition, he shall order the cessation of such activities. This investigatory and remedial power would effectively deter potential abuses of the limited antitrust exemption the bill provides.

The exemption is designed to override any conflicting State law which would prevent health care payors from engaging in the activities designated in the bill. It is not intended to supersede State hospital cost control statutes or insurance laws which do not conflict with the bill's purpose, but which may impose additional duties or responsibilities on payors or providers.

The magnitude of the health care cost control problem compels Government and private business to take unusual steps to reach solutions. Antitrust exemptions are not suggested lightly. But in order to control costs and to promote competition, this narrow exemption appears to be warranted.

Since the Federal antitrust laws have been enacted, they have been of enormous benefit to our Nation in promoting competition. As a variety of economic problems have arisen, it has been appropriate to restructure and clarify the antitrust laws in order to promote the national interest.

On June 26, 1984, the Committee on the Judiciary held a hearing to consider the proposed exemption in this bill. The committee received testimony detailing the reluctance of health care insurers to act jointly to restrain costs, absent an assurance that such joint action will not subject them to charges of anticompetitive activity. The legislation I introduce today would provide such assurance, while protecting against potential abuses or undue restrictions on competition in the delivery and financing of health care services.

The committee also received testimony from the Federal Trade Commission and the Department of Justice raising technical and policy questions about the proposed legislation. Their concerns and valuable suggestions are under review, and will be addressed in due course. Perhaps further consideration will result in refinement or modification of this legislation. Given the urgent problem of exploding health care costs, however, we must not delay our efforts to fairly and reasonably facilitate cost containment.

This legislation is not a panacea for the problem of exploding health care costs, but it is a reasonable first step toward cost containment, a problem deserving our urgent attention.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 379

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this bill may be cited as the "Health Care Cost Containment Act of 1985".

SEC. 2. The Congress finds that—

(1) the spiraling costs of the United States health care system requires cooperation among various private sectors to control those costs;

(2) the public interest requires that health insurers and other payors who reimburse recipients for the expense of health care, or pay providers directly on behalf of such recipients, be encouraged to work together to contain the cost to recipients; and

(3) the health care cost spiral appears not only to be part of the national inflation in the cost of living, but also to exceed other inflation rates; and

(4) insurers and others have cooperated in the limited collection, exchange, interpretation and use of data on the delivery of and charges for health care services, with a salutory effect on health care costs; and

(5) it is desirable that such cooperation continue and that the right to engage in further cooperative efforts to contain health care costs be clarified.

SEC. 3. As used in this chapter—

(a) "Health care provider" means an individual, group of individuals, hospital, clinic, partnership, corporation, association, company, firm or any other form of business enterprise which provides medical and other health services, or any association of such health care providers.

(b) "Insurer" means any individual, group of individuals, partnership, corporation, association, company, firm or any other form of business enterprise authorized to do the business of insurance or administer insurance under the laws of the United States or of a State, territory, district, or possession thereof, or any association of such insurers.

(c) "Health care services" means any item or service defined in 42 U.S.C. section 1395x (b), (c), (d), (f), (g), (h), (i), (j), (m), (n), (p), (q), and (s), all as amended.

(d) "Person" means an individual, group of individuals, partnership, corporation, association, company, firm or any other form of business enterprise.

SEC. 4. The antitrust laws, as defined in section 1 of the Clayton Act, and the Federal Trade Commission Act, shall not apply to any activity undertaken (either directly or through a third party or parties) individually by an insurer or other person engaged in making payments with respect to charges for health care services or jointly among such insurers or such persons for the purpose of—

(a) acquiring, processing, reporting or analyzing information relating to the quality, cost or utilization of health care services, including reasonable and customary levels of charges for such services, or collecting, distributing, publishing or using analyses or interpretations of such information;

(b) collecting and distributing insurance claims for health care services; or

(c) negotiating, entering into or acting upon agreements with health care providers with respect to the utilization of health care services or the levels of charges or reimbursement for health care services.

SEC. 5. (a) Activities permitted by this Act may be investigated at any time by the Attorney General for the purpose of—

(1) determining whether the activities under investigation are subject to the Act; or

(2) determining whether such activities have had the effect or will have the effect of increasing the cost of health care services or unduly restricting competition in the delivery or financing of health care services.

(b) In the event the Attorney General undertakes an investigation, all persons engaged in the particular activity that is the subject of the investigation shall be given notice thereof in writing. The Attorney General shall conduct his investigation in conformance with procedures to be established by him pursuant to section 553 of title 5, United States Code. If the Attorney General determines after the conclusion of such investigation that an activity does not comply with the requirements of this Act, he shall give written notice of such determination, which notice shall—

(1) include a statement of the circumstances underlying, and the reasons in support of, the determination; and

(2) state with specificity any actions required in order for the activity to come into compliance.

(c) If persons engaged in the activity under investigation fail to take the actions specified by the Attorney General within sixty days, he shall commence an action in the United States District Court for the District of Columbia to restrain and prevent the offending activity.

(d) In the event the district court finds that the venture or program is in violation of the requirements of section 4 or 5 of this Act, such court shall order the cessation of such activity.

(e) Any party aggrieved by the determination of the district court may, within thirty days of such determination, seek review by the court of appeals on the grounds that such determination is erroneous.

(f) Information generated in the course of any investigation or court action, or submitted by any person in connection therewith, shall be exempt from disclosure under section 552 of title 5, United States Code.

(g) Neither a determination by the Attorney General pursuant to subsections (a) and (b), or by the district court or court of appeals pursuant to subsections (d) and (e), nor any statements, opinions, or recommendations issued in connection therewith, shall be admissible in evidence in any administrative or judicial proceedings in support of any claim under the antitrust laws.

SEC. 6. This Act shall supersede any law of any of the several States that might otherwise prohibit the actions authorized within,

the intent of Congress being to encourage payors or health care services to assist in containing health care costs.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 15 minutes.

WHAT SHOULD CONGRESS DO ABOUT FEDERAL DEFICITS IF WE HAVE A RECESSION

Mr. PROXMIRE. Mr. President, making generally favorable economic assumptions, the administration's budget document tells us that this year—1985—the deficit will come in at about $222 billion. That would be the biggest Federal Government deficit in American history, by far. What will the Federal deficits be in 1986 and succeeding years? The administration says they will be very big but they will steadily decline to about $80 billion in 1990. That prediction is worth about as much as a guess on what number will win the Maryland lottery tomorrow. It is worthless.

Consider: We know from vivid recent experience that administration estimates of future deficits are not exactly reliable. Four years ago, the administration estimated that by 1984 there would be no deficit. The Federal budget would be in balance. Was it? How wrong can you get. That is like forecasting to your spouse that your new diet will take off 15 pounds in the coming year. But, lo and behold, when you step on the scales at the end of the year, you weigh not 15 pounds less but 30 pounds more. Obviously, if you announce that you have another new diet that will take off that 30 pounds you just put on, your spouse is not going to place any bets on the results of the new diet.

So why will the administration be wrong again? There are many reasons to suspect that the Federal deficit will not decline in the next 5 years. It will not. It will grow. Consider all the developments that stand in the way of the forecast decline in the Federal budget: First, the Congress may not agree to the administration's recommendation to cut programs for the poor, the middle-class, and American business.

The President is absolutely right that these recommendations will encounter the fiercest kind of opposition. The mail will soon begin to flood into my office and other congressional offices; the visits from sincere and concerned Wisconsin people protesting any cuts in their education, welfare, health, small business, job creation, farm, legal services, revenue sharing, Federal civilian pay, veterans' pensions will be coming on like gangbusters. House and Senate Members all over the Hill will be receiving the same kind of imprecations: "Don't cut our program."

In the past, Congress has not stood up to these pleas from back home voters. Congress has caved in. Will it cave in again? This time it will be tougher. In the past, Presidents have never asked for the kind of comprehensive across-the-board reductions or elimination of just about every program on the book. I think the President has done the right thing in asking these reductions and eliminations. If he can win congressional support for his request, it will be an extraordinary achievement and to his credit. Unfortunately, the odds are against him.

But it gets worse. Even if the President makes a clean sweep and gets every last cut he requests, the prospect of reducing the deficit in the next 5 years will be unlikely. Here is why: The administration assumes that the country will enjoy a steady period of 4 percent growth without recession for 5 more years. At the very same time, Congress reduces the Federal Government's highly stimulative fiscal policy. The present recovery is already past its 27th month. It has already lasted longer than most recoveries. No one has repealed the business cycle. In the next couple of years we are likely to have a drop in growth below 4 percent and a recession. If we do, there will be two blows to the administration's aim of reducing the deficit.

First, the recession will cut revenues. That will stop any deficit reduction as Federal revenues fall. Also, the recession will increase Federal spending for unemployment compensation and welfare—automatically. Second, the recession will destroy the congressional and maybe even the Presidential will to cut spending. Costly job creation programs, credit relief programs, and a burst of spending bills to get-the-economy-moving-again will be all but inevitable. This Senator will predict that if we encounter another recession in the Reagan term, the President will even call for and probably get another tax cut. So revenues will drop further. Before we emerged from the next recession, the country would easily face a $300 or $400 billion deficit as we race on our way to a $3 trillion national debt.

Economists are in such ill repute today that the economic fraternity has not even speculated on what policies we should follow if the business cycle has not been repealed and we do move into a recession accompanied by deficits that hover at the $200 billion level at the beginning of the recession. Do we grit our teeth, close our eyes, and tough it out, holding down spending until the recession runs its course? Or do we follow the old New Deal program of public works and widespread subsidies to industry and agriculture to push recovery along? Or do we really go all out, as America did in World War II, when the Great Depression was finally overcome with deficits that were a mammoth 25 percent of the GNP for 3 straight years?

Congress and the country seem to be breezing along with a popular President—hoping for the best—but with no realistic contingency plans for the most likely economic development: a recession any time in the next 3 or 4 years. Let us think about it.

BUDGET DEFICIT ESTIMATES USUALLY WIDE OF THE MARK

Mr. PROXMIRE. Mr. President, an article by Robert D. Hershey, Jr., which appears in today's New York Times, reiterates the point I have made several times that the official estimates of the Federal deficit have been fantastically wrong over the years.

As the article points out, in only 5 of the past 16 years has the error in projecting the Federal deficit been less than 50 percent.

Given the fact that every administration wants to show that it is doing a great job of fighting the budget deficit, it is not surprising that in only 5 of the past 16 years was the actual deficit lower than the projected one.

Mr. Hershey's article discusses some of the economic and political problems of projecting a deficit.

As we begin the monumental task of reviewing and revising the fiscal year 1986 budget, we would be wise to remember that the deficit estimates are often frighteningly underestimated.

I ask unanimous consent that the article from the New York Times, "Any Way You Figure, It's Political," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 5, 1985]

ANY WAY YOU FIGURE, IT'S POLITICAL

(By Robert D. Hershey, Jr.)

WASHINGTON, Feb. 4.—For all its apparent precision, with neat columns of numbers, some of them refined to the decimal point for years as far distant as 1990, the Federal budget for the fiscal year 1986 that was officially sent to Congress today is of relatively little use to those who want to know such basics as how spending, revenue and the deficit will actually turn out.

Frequently, in fact, an Administration's figures will prove almost grotesquely wrong.

When President Reagan presented his first budget in early 1981, for example, the deficit for the next fiscal year was put at $24.1 billion. When the 1982 fiscal year ended, the actual deficit was $110.6 billion.

But that was not an isolated case. In only five years of the past 16 has the margin of error on the deficit been less than 50 percent.

There now seems to be broad recognition that budgets, above all, are statements of a President's political goals, many of which have no chance of being legislated in Congress. Politics apart, budget outcomes also depend on forecasts of what will happen to the nation's economy.

"Probably the bulk of the error over time is due to errors in economic forecasting," Rudolph G. Penner, head of the Congressional Budget Office, once observed. Even policy makers, he said, are not sufficiently aware of the critical role of the underlying economic assumptions, which have often gone awry.

For example, few if any economists foresaw the depth of the 1982 recession, the main reason revenue fell 12.7 percent, or $90.1 billion, short of the initial forecast for that year.

In the past 16 years, the average error for revenue has been 4.4 percent, while the average for outlays has been 3 percent. Even relatively small errors in these, however, can have a huge effect on the deficit, particularly when receipts and outlays move in opposite directions.

The deficit itself, as one banker puts it, is really an intersection of two guesses: the forecast for receipts and the forecast for outlays.

Although the President's budget makers acknowledge this problem, and even offer tables showing the sensitivity of basic figures to economic change, nobody really knows what the economy will do. Forecasters as a group have had a particularly dismal record in recent years, even as they have made rapid gains with the aid of computers.

RECESSIONS AND BOOM PERIODS

Recessions have the effect of both reducing the Government's revenue and raising its spending. Those thrown out of work, for example, pay little or no income tax and often begin to draw unemployment compensation. Booms, on the other hand, have the opposite effect, a fact crucial to Mr. Reagan's argument that the country can largely "grow" its way out of deficits.

A meaningful reading of the budget starts with the realization that it is not an accounting statement so much as the expression of political goals.

And it is always biased on the side of optimism. "It has to be optimistic because it has to show things getting better because of what the President wants," says Stanley E. Collender, a former Congressional aide who is director of Federal budget policy for Touche Ross & Company, the accounting firm.

The Congressional Budget Office tries to remove undue Presidential optimism by recalculating the budget on the basis of different, frequently more conservative economic assumptions. But this stops short of trying to predict whether Congress will adopt policy changes.

Then there are the many problems in calculation not directly related to the economic forecast. How many of the unemployed, for example, will be eligible for unemployment benefits or welfare? How many will actually claim benefits? How fast will a military contactor build a new bomber and bill the Government for payments? Will there be a drought or other natural disaster that will require increased payments to farmers?

Of the economic assumptions, perhaps none have been more crucial than the inflation rate, which is notoriously hard to predict. Its sharp rise in the 1970's had the effect of pushing people into progressively higher tax brackets. This revenue bonanza was removed Jan. 1 with automatic adjustment of tax brackets to offset wage inflation.

Nevertheless, inflation creates budget uncertainties because many Federal benefits, including Social Security, are keyed to it and because it has a strong effect on interest rates and the Government's debt burden, the budget item now showing the fastest rate of growth.

Moreover, the unreliability of nearly every budget number increases dramatically as the forecasters try to peer further into the future.

Thus, the budget, especially since Mr. Reagan came to office, says Mr. Collender, is probably best regarded as little more than an "opening political salvo."

BUDGETS: PLANS AND REALITY

[Administration estimates and actual spending in billions of dollars]

	Outlays			Receipts			Deficit		
	Original estimate	Actual	Percent error	Original estimate	Actual	Percent error	Original estimate	Actual	Percent error
Fiscal year:									
1969	$186.1	$184.5	+0.9	$178.1	$187.8	−5.4	$8.0	−$3.3	+141.3
1970	195.3	196.6	−.7	198.7	193.7	+2.5	−3.4	2.9	−185.3
1971	200.8	211.4	−5.3	202.1	188.4	+6.6	−1.3	23.0	−186.9
1972	229.2	232.0	−1.2	217.6	208.6	+4.1	11.6	23.4	−101.7
1973	247.3	247.1	+.1	220.8	232.2	−5.2	26.5	14.9	+43.8
1974	270.2	259.5	+.2	256.0	264.9	−3.5	14.2	4.7	+66.9
1975	305.7	326.2	−6.7	295.0	281.0	+4.7	10.7	45.2	−322.4
1976	351.2	366.4	−4.3	297.5	300.0	−.8	53.4	66.4	−23.6
1977	394.3	402.7	−2.1	351.3	357.8	−1.9	43.0	44.9	−4.4
1978	440.7	450.8	−2.3	393.0	402.0	−2.3	47.7	48.8	−2.3
1979	501.0	493.6	+1.5	439.6	466.9	−6.0	61.4	27.7	+54.9
1980	531.5	579.6	0	502.6	520.1	−3.6	28.9	59.5	−105.9
1981	615.7	660.5	−7.3	600.0	602.6	−.4	15.7	57.9	−268.8
1982	732.0	728.4	+.5	707.9	617.8	+12.7	24.1	110.6	−358.8
1983	757.6	795.9	−5.0	666.1	600.6	+9.8	113.5	195.4	−113.5
1984	848.5	841.8	+.8	659.7	666.5	−1.0	188.8	175.3	+7.1

Source: Office of Management and Budget.

IS IT POSSIBLE TO NEGOTIATE ARMS CONTROL TREATIES WITH THE SOVIETS?

Mr. PROXMIRE. Mr. President, there is a faction in the administration and a faction in the U.S. Senate that believes that the United States is wasting its time trying to negotiate arms control agreements with the Russians. Why do they oppose arms control negotiations? The reason is simple. The faction says we can not trust the Russians to keep the agreements. This faction believes that the Russians will cheat whenever they have the chance to cheat. The antiarms control faction believes that the Russians have cheated again and again and again on arms control and will always cynically use it to restrain the United States. They believe that significant arms control treaties cannot be made "cheat proof." They believe that, since our economy is almost twice as big and productive as the Soviet economy, since our scientists are generally well ahead of Soviet scientists in the nuclear arms technology race, and since the NATO countries enjoy and even more decisive advantage over the Warsaw Pact countries both in economic strength and technological expertise, we should forget about arms control and go all out to win the arms race.

Well, why not? This no-arms-control faction sees the telling factors in a nuclear arms control race as: Economic strength, technological capability, and the will to use both to succeed. They contend that we have a massive lead in the first two ingredients, and they are convinced that if the American people can understand this, this Nation can develop the will—and that is all it will take. Why is this analysis, which shows our side as the clear winner, not right? And if it is right, why is not the conclusion that we should not fear but welcome an arms race that we would surely win also right? What is the answer? The answer is that the first analysis is right. We do, indeed, have a far more productive economy than the Soviets. NATO, indeed, enjoys an even greater advantage—close to 3 to 1 over

the Warsaw Pact economies. Our advantage in nuclear weapons technology is at least as decisive as our economic superiority.

If this country developed a unified public will to outproduce the Soviet Union in every single nuclear weapons that were category and develop weapons that were less vulnerable, more accurate, more reliable, we could certainly do so. We would win the arms race. But then what? Would we be more secure or less secure? The obvious answer may be the wrong answer. In an all-out, unrestrained, go-for-broke race, let us assume that we could increase our 25,000 nuclear warheads to 200,000; that we could produce the ICBM's, the bombers, and the submarines all equipped with super advanced missiles, computerized with maps in their brains to thread through any radar or other obstacles, under any defensive net, and hone right on target. And suppose the Russians could produce only 50,000 warheads, with proportionately fewer ICBM's, bombers and submarines. Assume further that their guidance systems were inferior, less accurate, less reliable by a factor of 5 or 10. And assume that we had an equivalent advantage in conventional forces.

Would all this make peace more likely because of our much greater strength? The answer is "No." All of this would add nothing to our present security. Here is why: The Soviets fully understand that any nuclear attack by them on this country would mean a death warrant for both countries. There is no conceivable circumstance in which a preemptive nuclear attack by one superpower on the other would not, right now, today, result in the total destruction of both. It would be a double knockout. No winners. Two total losers. The Soviet Union knows that. We know it. Deterrence works. We do not need the arms race to acheive that deterrence. We have it now.

But, you ask, if we can not lose the arms race by any measure, how does it lessen our security if we continue it? The answer: We lessen our security for two reasons. First, the more vast, complex and numerous our neclear arms, the more likely it is that someday, someone, somehow will make the fatal mistake: A computer misinterpretation, a low-level conspiracy to start such a catastrophe, or even a suicidal impulse by a superpower leader.

Second, and much more likely, is the influence a continued, all-out nuclear weapons competition is likely to have on the spread of nuclear weapons to other countries. As the years go by and the super powers pour ever more scientific genious into the refinement and advance of these grim weapons of destruction, the weapons will become cheaper, smaller, and far more available to dozens of countries that today cannot afford them. The super power arms race is the vital ingredient in the future spread of nuclear weapons power. If we continue this race, somewhere, sometime in the next 10 or 20 or 30 or 50 or 100 years, nations in all parts of the world will have advanced nuclear weapons. Meanwhile, human nature with all its hostilities and aggressions is unlikely to change very much. So nuclear wars will break out. That is where the nuclear arms race surely leads.

Oh, yes, indeed. Arms control is risky. It is untrustworthy. It is dangerous. But it offers a chance of human survival. the nuclear weapons arms race does not.

THE UW-MILWAUKEE'S HOLOCAUST CURRICULUM

Mr. PROXMIRE. Mr. President, the University of Wisconsin at Milwaukee has announced a new curriculum designed to enable teachers to educate their students about the Holocaust. The program is being developed through the Holocaust Resource and Information project of the department of comparative literature at the university. The first of its kind in the United States, it is geared toward secondary and adult educators. The course for teachers is divided into an overall understanding of the topic and the second part will emphasize models and strategies for teaching it. The course will be ready for implementation in the fall of 1985.

The UW-Milwaukee should be commended for taking the first step in educating both teachers and students about the Holocaust. It is imperative that we understand how such an atrocity like the Holocaust could be committed. Why is this course such a good idea? George Santayna answered this question when he wrote, "Those who cannot remember the past are condemned to fulfill it." As age takes the survivors of the Holocaust, we will lose their personal testimony about man's ability to be inhuman. But through education, we can alert each generation to the fact that genocide is an ever present danger. We can see that this dark episode from the past is remembered so that it is not repeated again.

The U.S. Senate must also do its part by doing all that's feasible to make sure a crime like genocide is never committed again. We can do this by ratifying the Genocide Convention and once and for all making this heinous crime illegal and punishable. Six million Jews died senselessly during World War II. It is our duty to make sure a despicable incident like this is never repeated. I urge the Senate to ratify the Genocide Convention this session.

REVOLVING DOOR ACT

Mr. PROXMIRE. Mr. President, I am introducing a measure today providing for a 2-year cooling off period before Federal contracting personnel can accept employment with a firm over which they had contracting authority.

One inherent flaw with Federal procurement is the desire of some Federal procurement officials for high-paying jobs with companies they come into contact with in carrying out their official responsibilities. In fact it is well documented that many such officials go to work immediately after leaving Federal service for companies over which they had specific contract responsibility.

I have introduced similar legislation many times since I first came to the Senate more than 25 years ago. However, the need for such legislation has never been more pressing than it is today. Never before has the Federal Government been responsible for awarding more money to American industry. Never before has it been more imperative that this money be spent wisely.

The revolving door through which Federal employees pass on their way to private-sector jobs is wide open and growing. In 1984 companies doing $10 million or more in Pentagon business employed more than 2,100 Defense Department employees who had left Government service within the past 3 years. That is a 63-percent increase over the number they employed just 6 years earlier and more than three times what it was in 1975. Last year five major defense contractors—Martin Marietta, TRW, Hughes Aircraft, Boeing and Northrop—together employed almost 500 of these former Federal officials alone.

There have been numerous reports of inept contract management resulting in billion dollar cost-overruns, production delays, and procurement errors. Companies involved in these incidents make undeserved profits at the taxpayers' expense.

Consider the case of the Divad antiaircraft gun. Companies involved in designing and manufacturing that weapon hired three former Army lieutenant generals who, before retirement, had been involved in the Divad research program. One helped formulate the Army's requirements for the system while he ran the Air Defense Command. These companies also hired five additional lower ranking Army officers who had been involved in Divad testing. One, a test manager, assumed the exact same position with a contractor 3 months after the contract award.

In such cases, there is a temptation for a contracting official to be less than zealous when bargaining on behalf of the Government with his

prospective employer. The right of the American taxpayer to an objective and independent evaluation of every Government contract must take precedence. There simply is no room for even the appearance of influence peddling.

My bill, a similar version of which passed the Senate unanimously in 1977, would close the loophole by imposing a cooling-off period on Federal employees at the GS-13 level and above, forcing them to wait at least 2 years before taking a job with any firm receiving a contract in which they had been substantively involved. Only the last 3 years of an individual's Federal employment would be subject to the provisions of this law. This legislation also would make the Office of Personnel Management available to advise individuals and contractors in cases involving potential conflicts of interest. Violators of this law would be subject to stiff fines, imprisonment, or both.

Mr. President, I strongly urge the Senate to act this year to approve this reform legislation. We can no longer tolerate costly conflicts of interest. We need to slam the "revolving door" shut.

Mr. President, when this bill passed the Senate in 1977 as an amendment to the Defense Production Act of 1950, it came out of the Banking Committee. I am therefore calling this to the attention of the Senate Parliamentarian. I understand that, under the rules, the Senate Parliamentarian makes his own judgment on this, and he should. But I wanted to remind him that, in the past, the Banking Committee has had jurisdiction, and I hope he will give that consideration this time.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 385

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Acquisitions Officers Ethical Counduct Act of 1985".

SEC. 2. As used in this Act, the term—

(1) "excutive agency" means—

(A) an executive department (as defined by section 101 of title 5, United States Code);

(B) an independent establishment (as defined by section 104 of title 5, United States Code), except that it should not include the General Accounting Office;

(C) a military department (as defined by section 102 of title 5, United States Code); and

(D) the United States Postal Service;

(2) "acquisitions officer" means any employee of an executive agency who, by virtue of his position or appointment in accordance with applicable agency regulations, is authorized—

(A) to solicit or select sources of supply,

(B) define or describe requirements for, audit, award, modify, terminate, or make determinations or findings with respect to, or review, certify, or evaluate contractor performance under any contract, or

(C) to exercise any part of such authority, and who is paid a rate of basic pay not less than the minimum rate of basic pay provided under the General Schedule for grade GS-13;

(3) "compensation" includes any payment, gift, benefit, reward, favor, gratuity, or employment valued in excess of $50 at prevailing market price;

(4) "contractor" is any person, partnership, corporation, or agency thereof, other than the Federal Government (including the independent agencies of the Federal Government) or the District of Columbia, who offers, negotiates, agrees, or otherwise contracts to supply the Federal Government (including the independent agencies of the Federal Government) or the District of Columbia, with goods, services, or supplies, and includes any parent, subsidiary, or affiliate of such person, partnership, corporation, or agency thereof; and

(5) "procurement contract" is any agreement in an amount greater than $25,000 by which the Federal Government (including the independent agencies of the Federal Government) or the District of Columbia purchases, leases, or otherwise acquires supplies, services, or other material, including an order for the procurement of services or supplies, an award, a notice of award, a contract of fixed price, an incentive contract, and a cost or cost-plus-a-fixed-fee contract, a contract providing for the issuance of job orders, task orders, or task letters under the contract, a letter contract, a letter purchase order, or any agreement that is supplemental to any of the foregoing.

SEC. 3. (a) Except as otherwise provided in this subsection, an acquisitions officer who at any time engaged, personally and substantially, in duties of his office in regard to any procurement contract shall not accept compensation from any contractor receiving funds under such contract for a period of two years after the date of termination of his employment with the Federal Government (including any independent agency of the Federal Government) or with the District of Columbia. This subsection shall not apply with respect to any duties performed by such acquisitions officer more than three years before such date of termination. This subsection shall not apply to any acquisitions officer who is involuntarily separated from the service other than for cause or charges of misconduct, delinquency, inefficiency, or for failure to be selected for a higher grade.

(b) Whoever violates subsection (a) shall be guilty of a felony and shall be fined not more than $5,000 or imprisoned for not more than one year or both.

(c) Whoever knowingly and willfully offers, tenders, or grants any compensation to any acquisitions officer the acceptance of which would be a violation of subsection (a), shall be guilty of a felony and shall be fined not more than $25,000 and imprisoned for not more than one year, or both.

SEC. 4. In any criminal or civil case brought against any person for a violation of section 3, it shall be a defense that—

(1)(A) the Office of Personnel Management issued an advisory opinion pursuant to section 5(b) finding that the acceptance of compensation alleged to violate such section would not violate the intent of such section; and

(B) such person fully complied, without alteration, with the understanding of circumstances as expressed by the office in the advisory opinion and any accompanying statement of findigs of fact, and with any additional guidance or suggestions proposed by the office; or

(2) the Office of Personnel Management did not file a timely advisory opinion, in accordance with the provisions of section 5(b)(1) or 5(b)(2).

SEC. 5. (a) An acquisitions officer who is offered compensation that might place him in violation of section 3(a) may, before accepting such compensation, apply to the Office for advice on the applicability of this Act to such compensation. Such application shall be made jointly by the acquisitions officer and the contractor who proposed to grant such compensation. The application shall include a full and complete description of the duties of such applicant during the last three years of his employment as an acquisitions officer, any official responsibilities such applicant exercised with regard to any procurement contract in which an interest is or was retained by the contractor proposing to provide such compensation, and a description, by a representative of the contractor, or the complete terms and conditions of the proposed compensation, including any prospective services that such applicant will perform on behalf of the contractor. Promptly upon receipt of such application, the Office shall publish a notice of the receipt of the application in the Federal Register.

(b)(1) Not later than ten days after the date the Office receives an application pursuant to subsection (a), the Office shall issue an interim advisory opinion stating whether the payment and acceptance of compensation referred to in the application would violate the intent of section 3. Pending issuance of a final advisory opinion, payment and receipt of such compensation may be temporarily authorized if the Office of Personnel Management states in the interim advisory opinion that, based on the initial review, the Office concludes that the payment and acceptance of such compensation would not result in a violation of the intent of such section.

(2) Not later than thirty days after the date the Office receives an application pursuant to subsection (a), the Office shall issue a final advisory opinion stating whether the payment and acceptance of the compensation referred in the application would result in a violation of the intent of section 3.

(c) The Office may find that the proposed compensation would not violate the intent of section 3 if—

(1) the involvement of the applicant, as an acquisitions officer, in a procurement contract in which the contractor proposing to grant the compensation was involved was so remote or inconsequential that it could not have had a significant effect on the procurement contract in question;

(2) the involvement of the contractor in such procurement contract was remote or inconsequential; or

(3) the national interest requires that, the prohibitions of this Act notwithstanding, such applicant should be allowed to accept such compenstion.

(d) Pursuant to regulations promulgated by the Director of the Office of Personnel Management, interested parties are permitted to present information or comments relating to the issuance of any advisory opinion under this section.

(e) The Director shall inform Congress, and publish a notice in the Federal Register within thirty days after the date the Office issues an advisory opinion pursuant to subsection (b), describing—

(1) the name of the applicant for such advisory opinion;

(2) the contractor from which such applicant intends to accept compensation;

(3) the duties of such applicant during the last three years of his employment as a contracting officer;

(4) any official responsibilities such applicant exercised with regard to any procurement contract in which an interest is or was retained by the contractor proposing to provide such compensation;

(5) a description, by a representative of the contractor, of the complete terms and conditions of the proposed compensation, including any prospective services that such applicant will perform on behalf of the contractor; and

(6) a statement of the findings of fact and opinion which led the Office to conclude that such compensation would or would not violate the intent of section 3.

SEC. 6. (a) The Office of Personnel Management shall coordinate and review the implementation and administration of this Act. In consultation with the Attorney General, the Administrator of the Office of Federal Procurement Policy, and appropriate heads of executive agencies, the Director of the Office of Personnel Management is authorized to issue regulations and to review the regulations of executive agencies, as approrpiate, to implement and administer this Act.

(b) For the purposes of implementing and administering this Act, each executive agency shall cooperate with the Office of Personnel Management and furnish information, appropriate personnel, with or without reimbursement, and such financial and other assistance as may be agreed upon between the Office and the executive agency.

(c)(1) The Office may hold such hearings, sit and act at such times and places, administer such oaths, and require by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Office considers appropriate to carry out this Act.

(2) In the case of contumacy or refusal to obey a subpena, issued under paragraph (1), by any person who resides, is found, or transacts business within the jurisdiction of any district court of the United States, the district court shall have jurisdiction to issue, at the request of the Director of the Office of Personnel Management, to such person an order requiring such person to appear before the Office, to produce evidence if so ordered, or to give testimony on the matter under inquiry. A failure of any such person to obey any such order of the court may be punished by the court as a contempt thereof.

(d) All meetings to consider applications for an advisory opinion on the applicability of section 3 shall be open to the public, and a verbatim transcript of all such meetings shall be available for public inspection during regular working hours at the Office of Personnel Management.

(e) Whenever the Director of the Office of Personnel Management learns of an act appearing to involve a violation of section 3 or any other similar provision of Federal law, the Director shall promptly report the act to the Attorney General and shall furnish the Attorney General such assistance as may be required. The Attorney General shall report to the Director and to the Congress on the disposition of any such case.

(f) The Director shall review all executive agency programs to assure that all positions subject to the provisions of this Act are identified and that all persons subject to such provisions are provided adequate notice of prohibitions and restrictions set out in this Act.

(g) The Director shall transmit to the Congress an annual report on all activities, deliberations, and investigations under this Act, and shall recommend such legislation or regulatory actions as he considers appropriate to promote high ethical standards for Government employees to whom the Act applies.

SEC. 7. This Act—

(1) shall take effect with respect to compensation accepted on or after October 1, 1985; and

(2) shall not apply with respect to employment with the Federal Government (including an independent agency of the Federal Government) or the District of Columbia that was terminated before such date.

SEWALL WRIGHT'S REMARKABLE CONTRIBUTION TO GENETICS

Mr. PROXMIRE. Mr. President, 30 years ago at the age of 65 Sewall Wright was required to retire from the University of Chicago as a professor of zoology because of age. He came to the University of Wisconsin as a member of the university's genetics department, until again he had to retire—this time 25 years ago when he reached the age of 70. Mr. President, those 25 years since Professor Wright retired to emeritus status at the age of 70 were so remarkably productive that he has just, a month before his 95th birthday, been awarded the Balzan prize in Rome, Italy, and the $100,000 that accompanies the prize. In winning the Balzan prize, Wright joins such luminaries as psychologist Piaget, composer Hindemith, zoologist Ernst Mayr and Mother Teresa. At the age of 93 Wright published the last of his four volumes, "Evolution and the Genetics of Population." He did not begin publishing the series until he was 79 years old in 1968.

Wright has been called the most influential evolutionary theorist of the 20th century. In a recent article on Professor Wright, Jerry Pockar reports on the remarkable quality of Wright's mind today at the age of 95. Pockar writes:

When he is asked about genetics or other aspects of science, his gentle shyness opens and there is suddenly a torrent of information, all precisely remembered and articulated, each date, personality and scholarly issued given its proper place.

Mr. President, I ask unanimous consent that Mr. Pockar's article from the Wisconsin State Journal of December 24, 1984, which is a remarkable tribute to a great American be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GENETICIST, 95, ROSE QUIETLY TO TOP

(By Jerry Pockar)

Sewall Wright turned 95 on Friday.

On Nov. 15 he flew to Rome, Italy, where he was awarded the Balzan Prize and the $100,000 which accompanies it.

Though the prize has received scant attention in the U.S. media, it is an award of high international distinction.

On winning it, the University of Wisconsin-Madison emeritus professor of genetics joined the winners of the award who include psychologist Piaget, the composer Hindemith, the zoologist Ernst Mayr, and Mother Teresa. The recognition is not surprising given Wright's 10 honorary degrees and his stature as, in the estimation of one historian of science, "The most influential evolutionary theorist of the 20th century."

If recognition is not surprising, Wright continues to be.

The latest of his more than two hundred scientific papers was published this summer. Twenty-three years after he reached the mandatory retirement age at the University of Chicago, he published the last volume of his four volume "Evolution and the Genetics of Population."

He didn't begin publishing the series until the age of 79 in 1968. The longevity of Wright's 75-year career in science is extraordinary, but the quality of the man who labored all those years to unravel the mysteries of gentics is more remarkable.

At age 7, Wright wrote a pamphlet title, "The Wonders of Nature." If the young scientists' biological grasp of chicken gizzards, squash and marmoset monkeys indicated he was still in need of education, he had announced his calling.

The line of his progress over the next 88 years was essentially unbroken, although his humanist educator father discouraged young Sewall's scientific bent, and he did take a year off to work as a railroad surveyor in, what was then, the Wild West of the South Dakota Badlands,

From Lombard College with its student body of 65 in Galesburg, Ill., Wright moved through graduate study at the University of Illinois, Cold Spring Harbor Laboratory in New York and then Harvard. Ten years at the United States Department of Agriculture labs were followed by 29 years as a professor of zoology in Chicago. In 1954 he was forced to retire at Chicago, so he came to the UW-Madison genetics department where he served until he began his productive professor emeritus years in 1960.

A skeletal itinerary of his scholarly years doesn't begin to capture the texture and richness of Wright's achievements.

He hadn't heard of Mendelian heredity until his senior year at Lombard in 1910. Mendel's work had been rediscovered only in 1900, and in the first decade of the century there weren't enough geneticists in the world to fill a good-sized laboratory.

Before 1920 Wright was on the cutting edge of genetic investigation. By 1931, with the publication of his seminal paper, "Evolution and Mendlian Populations," he had become recognized as one of the primary shapers of evolutionary theory.

Over the next half century he tirelessly refined the central ideas of his life's work.

He had no eureka moment, no single discovery of the order of Einstein's Theory of Relativity or Watson and Crick's double

helix. Wright was one of a number, a small number, of evolutionary theorists who pieced together important segments of the puzzle Charles Darwin first brought to the attention of the world.

Wright's contribution to the still evolving solution required experimentally breeding thousands of guinea pigs, following complex lines of mathematical reasoning through the thickets of experimental evidence, collaborating on and debating the issues over the course of decades.

One of Wright's primary ideas is that chance happenings in small genetic populations may have important effects in modifying gene frequencies, independently of natural selection. This is known as the "Sewall Wright Effect," and that effect is a central component in Wright's "shifting balance" theory of how various forces interact in determining evolutionary directions.

If the above two sentences are "Greek" to most newspaper readers, there may be consolation in noting that as recently as this decade Wright has entered the scientific arena to explain and defend his complex argument against serious misunderstandings by some fellow geneticists, misunderstandings which have persisted for more than a half century.

Nonetheless, the Balzan Prize, the honorary degrees and his many other honors, such as the prestigious Darwin Medal, testify that, though the debates may continue, there has long been a consensus within the scientific community as to the value and validity of Wright's work in evolutionary theory.

Wright's esteem is not, however, solely based on his work as an evolutionist. At the USDA he laid the principal groundwork for the modern science of livestock breeding. There isn't an agricultural school or animal breeding service in the world which doesn't rest, however indirectly, on his scholarly shoulders.

Moreover, the path analysis theory he developed in the late teens of the century has had a profound impact not only in genetics and other biological sciences, but also in psychology, econometrics, sociology and political science.

Wright's contributions in evolutionary theory, animal breeding and mathematics were the reasons why he received the Balzan Prize.

But the man, his personality and values, have also had powerful effects within the scientific community. He is famous for his generosity in helping other scientists. He has commonly reworked all the calculations and interpretations in papers sent to him by young scientists.

Wright's colleague at the UW-Madison genetics department James Crow, tells of the time Crow brought one of his students to Chicago to see the renowned geneticist.

The student verbally submitted twelve carefully prepared questions to Wright, and to each question Wright laconically replied that he did not know the answer.

As the Madison visitors returned home the student commented that if Wright were the greatest population geneticist, the field was in deep trouble.

Several days later the questioner received a 14-page letter, tight with calculations, in which all the problems posed had been carefully worked out.

Crow also tells how the National Science Foundation offered Wright a cost of living adjustment in the stipend he was receiving while writing his four volume series on evolution.

According to Crow, Wright's response was that "his productivity was declining at a rate which he calculated to be about the same as the decrease in the value of the dollar and that he did not deserve an increase. He never accepted it."

The shy, determinedly modest nonagenarian, now lives at the Oakwood Village, 6209 Mineral Point Road. Louise, his wife of 54 years, died in 1975.

At 95, Wright has lost much of his sight, a limitation which recently made it impossible for him to continue his work. This physically slight man, who was denied life insurance in his youth because of his damaged lungs, walks miles each day.

And when he is asked about genetics or other aspects of science, his gentle shyness opens and there is suddenly a torrent of information, all precisely remembered and articulated, each date, personality and scholarly issue given its proper place.

William Provine, a historian of science at Cornell University, recently completed a lengthy biography of Wright. The last sentence of the manuscript reads, "He is a great man."

Mr. President, I yield such time as may be required to the Senator from Arkansas if he wishes my remaining time.

Mr. BUMPERS. I think the Senator from Oklahoma is entitled to recognition at this point.

RECOGNITION OF SENATOR BOREN

The PRESIDING OFFICER. Under the previous order, the Senator from Oklahoma is recognized for a time not to exceed 15 minutes.

Mr. BOREN. Mr. President, I yield to the Senator from Arkansas such time as he requires.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

(The remarks of Mr. BUMPERS are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

Mr. BUMPERS. Mr. President, I thank the Senator from Oklahoma for yielding.

Mr. BOREN. Mr. President, I yield to the distinguished majority leader.

SCHEDULE FOR VOTES ON NOMINATIONS

Mr. DOLE. Mr. President, I thank the distinguished Senator from Oklahoma.

Mr. President, earlier I indicated there might be a vote today on the nomination of William Bennett.

There will be no vote today on that nomination. The vote will occur tomorrow.

Mr. BUMPERS. Mr. President, will the Senator yield for a question?

Mr. DOLE. I yield.

Mr. BUMPERS. I am sorry. I was not paying attention. Did the majority leader discuss the Meese nomination or the Hodel or Herrington nominations?

Mr. DOLE. I discussed all those earlier, and since I discussed the Hodel, Herrington, and Bennett nominations with the distinguished minority leader, it is our hope we will dispose of those, hopefully all three, tomorrow.

The Meese nomination will hopefully come to the floor on February 19.

Mr. BUMPERS. I thank the majority leader.

The PRESIDING OFFICER. The Senator from Oklahoma.

THE CRISIS IN AGRICULTURE

Mr. BOREN. Mr. President, a few days ago, speaking in the Chamber about the unparalleled crisis facing American agriculture, I indicated that I intended to take the floor each day that the Senate was in session to talk about the very critical situation that now faces the agricultural sector of our country.

Several other Senators have indicated that they are also going to join in that effort to try to bring to the attention of the American people, Congress as a whole, and of the administration the emergency that we face, an emergency in the agricultural sector that could well spill over and impact the rest of the economy as well.

Because of our very serious concern about the emergency which we now confront, the junior Senator from Nebraska, Senator EXON, and myself sent a letter to the majority leader, Senator DOLE, on February 1. I wish to quote from the letter.

DEAR MAJORITY LEADER: The agricultural economy is facing an imminent collapse which has already begun to threaten the entire economy of this country including main street businesses, rural banks, and other institutions.

We and others have been working on a major farm credit bill which will be introduced soon. It is imperative that Congress enact a meaningful package for farm credit. An emergency farm credit bill is absolutely necessary. It cannot be delayed.

In all fairness, we wanted to let you know that after the February recess, we will be prepared to take whatever parliamentary steps are necessary to delay consideration of all other matters on the Senate floor until action is taken on an effective farm credit package. We will be encouraging others to join us in this effort.

It is signed by myself and the junior Senator from Nebraska, Senator EXON.

We are taking this action because of our belief that we cannot afford to wait. We are doing research on proposals of our own at the present time, and we are consulting with other Senators in regard to these proposals.

After the February recess, we also expect and hope to have the opportunity to sit down with the majority leader to see if action can be scheduled at a very early time and, as our letter clearly indicates, we are prepared to take whatever parliamentary steps that are at our disposal to bring the attention of the Senate to this issue

and to prevent action on other matters which might be pending before the body until action is taken on effective farm credit legislation or until we have the assurance that an effective proposal will be brought before the Senate for a vote of the full Senate in a timely fashion.

I wish to very briefly bring to the attention again today of the entire body and of the country some of the figures, the statistics, which tell the story in a dramatic way of what is going on in the farmlands of America.

Over the past 3 years, land values have declined in real terms by 22 percent in the United States, and, in some counties, lands have fallen by as much as 50 percent in value.

In the 10th Federal Reserve District, land values have fallen between 26 to 30 percent.

Over the past 4 years, equity in American agricultural land declined by more than $150 billion.

Total farm debt equaled $12.5 billion in 1950, while, in that year, total net farm income was $19 billion.

By 1984, however, farm income in constant dollars had fallen to $5.4 billion compared to $215 billion in total farm debt.

Over the past 5 years, bankruptcies and forced liquidations have increased by 200 percent.

It is possible, in some States, that between 10 and 15 percent of all farmers, by some estimates, could go out of business before the end of 1985.

This compares with an average of between 1 and 2 percent of farmers going out of business over the past decade.

Again, Mr. President, I ask: If farm values have declined by 25 percent in 4 years, when we have been losing between 1 and 2 percent of our farmers per year, can we imagine what will happen to land values in this country if 10 to 15 percent of the farm units are forced into liquidation in a single year?

Can we imagine the impact on the banking sector? Can we imagine the impact on the rural communities of this country? And can we imagine the domino effect that these results and these developments will finally have on the total economy of this country, the great urban centers, the great financial centers, as well, before the ripple effects are finally ended?

Loan losses at agricultural banks reached 0.9 percent of total outstanding loans in 1983, up from an average of 0.2 percent in the 1970's. Over 4,100 U.S. banks have at least 25 percent of their total loan portfolios committed to farm and ranch loans. There were 79 bank failures in 1984, 40 of which occurred after June 15, 1984. Four of the thirty-nine which failed before June 15 were agricultural banks. Twenty-two of the forty that have failed since June 15 are agricultural banks.

Between April 8, 1983, and October 1984, seven production credit associations were liquidated. Nine of the twelve Federal intermediate credit banks had to infuse capital into about 10 percent of the 384 production credit associations in the United States.

Mr. President, the tragedy is that while agriculture faces this grave economic crisis, this is occurring through no fault of the farmers themselves. In fact, during this same period of time, the productivity of American agriculture has increased at a rate of 1.75 percent per year. Productivity goes up. Efficiency goes up, and yet the crisis and the web of crises in which farmers find themselves is increasing at an alarming rate.

I reserve time for my colleagues who are also here to speak about this crisis today.

Mr. President, I ask unanimous consent to have printed in the RECORD two articles which further amplify the extent of the crisis facing agriculture today. One is by Mr. Hobart Rowan and is entitled "Catch 22 in the Farm Belt," from the Washington Post of Thursday, January 31, 1985; another is a report from the U.S. News & World Report, February 4, 1985, entitled "America's Farmers Down the Tubes?" I ask unanimous consent that these two timely articles be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

AMERICA'S FARMERS DOWN THE TUBES?

In St. Paul, Minn., some 12,000 farmers and supporters march on the Capitol to protest foreclosures.

In Chicago, 35 farmers are arrested outside the Mercantile Exchange, and 12 more demonstrators are arrested trying to enter the Board of Trade.

In Iowa, 200 angry farmers chant "No sale, no sale" as an auctioneer sells off a neighbor's machinery because he defaulted on a $300,000 bank loan.

In Washington, Senator Tom Harkin (D-Iowa) warns: "I think the specter of widespread violence throughout the Midwest is there."

The tide of worry and anger sweeping across rural America in late January reflected rising concern that thousands of the country's best food producers are in danger of being forced over the brink in the worst agricultural crisis since the 1930s Depression.

Normally conservative and law-abiding, farmers are resorting to desperate tactics to focus attention on their worsening economic plight.

Added to their growing frustration is this tragic irony: American agriculture is burdened by mountains of surplus grain, butter, milk, honey and other products at a time when millions of people are facing famine in Ethiopia and other African nations.

"It's a real shame to be in a situation where we have people starving on one side of the world, and farmers on the other side are going out of business because they can't get a decent price on their produce," says John Woodruff, a state agronomist in Tifton, Ga.

Since 1981, about 20,000 farms have been auctioned off. Thousands of other farmers are simply giving up, forced to sell their land and equipment before they go hopelessly deeper in debt.

"We're losing one American farmer every 2 minutes," declares William Shelton of Danville, Ill.

A recent Agriculture Department survey found that as many as 243,000 of the nation's 2.3 million farms may have serious financial problems, and 145,000 more are in extreme trouble. Many of these debt-laden farmers fear they will be forced out of business this spring because they have exhausted their credit and will be unable to borrow money to plant crops.

As more and more farmers are driven from the land, small towns and cities are dying. Equipment dealers, grain elevators and mom and pop stores along Main Street are closing. Banks that have extended repayments and renegotiated loans to hard-pressed farmers now are threatened themselves.

LIST GROWS

The Federal Deposit Insurance Corporation's latest problem-bank list included 231 farm banks, more than double their number a year earlier. Since that June 30 report was issued, more than half of all bank failures have involved farm banks.

Almost 30 percent of the federal Farmers Home Administration's 25.2 billion dollars in outstanding loans are delinquent. The problem is most severe in the heart of the nation's bread-basket—Kansas, Iowa, Illinois, Nebraska, Indiana and Ohio.

The crisis had its beginning in the 1970s, when the Soviet Union began buying massive amounts of U.S. grain and predictions of worldwide famine made agriculture a fast-growth industry. Established farmers rushed to expand operations, while about 70,000 young Americans took up the occupations of their parents. Many borrowed heavily to buy land and equipment. Farm debt jumped from 73.3 billion dollars in 1974 to 182 billion in 1981.

The heavy borrowing was backed by rapidly escalating land prices. Between 1974 and 1981, the average price of farmland in the U.S. rose from $302 an acre to $795. Prime Midwestern land shot up to $4,000 an acre.

The boom peaked in 1981, and land values have careened downhill ever since. Economists blame the global recession, a stronger U.S. dollar, years of high interest rates and politically inspired embargoes on food exports that made overseas customers doubt the reliability of American suppliers and provided an opening for competitors.

Net farm income fell from 31 billion dollars in 1981 to an estimated 24 billion, at most, this year. A farm worth $500,000 will earn an average of $10,000 a year—$40,000 less than that amount would draw if put in a bank.

Nationwide, the price of farmland has fallen to about $724 an acre. Prices in Iowa plunged an estimated 20 percent last year alone. Farm debt has barely moved—from a peak of 216.3 billion dollars in 1983 to an estimated 212.1 billion this year. America's farmers now owe more money than Brazil and Mexico put together.

Emanuel Melichar, an economist with the Federal Reserve System, estimates that 83 percent of the farm debt is owed by only 29 percent of farmers. More than two thirds of

them have debts equal to 40 percent of the value of their farms—the point at which they owe more in interest than they earn from their crops.

The boom-and-bust cycle has accelerated dramatic changes that already were transforming the nation's farms and rural communities. While politicians still sing the praises of the "family farm," critics say that it now exists only in legend.

Most producers rely on outside income from city jobs or working spouses to keep them in business. A tiny 1 percent of all farmers earn 60 percent of total farm income. Many of them operate like any other big business, relying on ticker tape to keep them abreast of market prices and using computers to tell them how much fertilizer to apply to the fields.

Most of the young operators who mortgaged their land heavily to buy more acreage and add costly equipment already are out of business. Today's central figure is the farmer working 300 to 500 acres—too big to allow the owner to take significant outside work and too small to fully modernize. These midsized operations are the ones most threatened despite the fact that many of them are run by people considered to be good managers.

Typical is Mike Moeller, who farms 500 acres near the central Texas community of Buda. In the last four years, Moeller points out, his only profit was the $15,000, before taxes, that he earned in 1983. His debt now has climbed to $100,000.

What can be done to help Moeller and other farmers like him? No one has any easy answers, but there is growing agreement among farmers, lawmakers, agricultural economists and agribusiness leaders that the nation's farm policy is in serious need of a major overhaul.

The current system is full of contradictions. Some programs bribe farmers to increase production; others get them to reduce output. Some encourage farmers to idle acreage; others prod them to "sod bust" virgin land. There are subsidies that drive up domestic grain prices, and there are export programs that reduce costs for foreign buyers.

The result, critics contend, is to soak American taxpayers a pile of money for farm programs—an estimated 12 billion dollars in the current year—while making U.S. food too expensive to sell abroad. The latter fact was driven home recently when Cargill, Inc., a huge grain-trading firm, attempted to bring Argentine wheat into the United States. Although Cargill relented under intense political pressure, the company argued that it was cheaper to buy abroad, even with shipping costs and import duties, than to buy at home.

Legislators and other officials in farm states are rushing to do what they can to relieve the stress. In Minnesota, the Senate passed a bill that would halt farm-mortgage foreclosures for 120 days. Similar actions are being pressed in Iowa, North Dakota, Nebraska and other farm-belt states.

During the 1984 political campaign, President Reagan ordered a farm-relief program that offers loan guarantees and delays repayments, but critics complain that the money it made available is not sufficient and is not being released fast enough.

The real answer rests with what sort of farm bill the President and Congress will produce to replace the current one, which is to expire next September. The four-year plan that emerges could set national farm policy for the rest of the decade and perhaps for the rest of this century.

Agriculture Secretary John Block promises a program that will bring "revolutionary" changes while saving taxpayers more than 6 billion dollars over the next three years. The objective: Create a safety net of support that would be based on prices in the free market instead of guaranteeing farmers specific prices set by Congress. Farmers would be required to repay government crop loans in cash instead of having the option to pay in commodities. Ceilings would be placed on direct income payments to individual operators. By the end of the 1980s, all such payments would be phased out.

FEARFUL MOOD

Many farmers and rural lawmakers are unhappy over the prospect of dismantling programs that have underpinned the farm economy since the New Deal of the '30s. Major cuts in subsidies, they warn, would jerk the rug from under thousands already struggling to stay in business.

Jim Hightower, Texas agriculture commissioner, calls Block's plan "such an ugly anti-farm proposal that it will wrinkle your shirt just to read it."

"Secretary Block is talking about a five-year transition period," says Billy Griggs of Unadilla, Ga., who grows cotton and peanuts. "But I don't know too many of us who can survive the five years."

Adds Representative Charlie Rose (D-N.C.): "If you're concerned about the family farm, if you're concerned about why the little stores and houses are leaving John Block's boyhood town and want to do something about it . . . then you take a more human-needs-oriented approach."

Numbers of farmers agree there is a necessity to expand exports and reduce subsidies, but they argue that now is not the time to do it.

Mark Cobler, a grain-and-livestock farmer in Ottumwa, Iowa, says the immediate need is to help farmers survive the current crisis. He adds: "On down the road, we need some changes because agriculture is changing."

Even though the Reagan administration's plan would lower the cost to government, and thus to taxpayers, many urban residents and spokesmen may be apprehensive about tampering with a farm program under which the share of after-tax income spent on food has dropped from 25.2 percent in 1933 to an estimated 17 percent last year.

Yet Leo Hopper, an Oklahoma farmer and rancher, notes: "We go to any length to preserve an old building or an endangered animal. But if the new farm bill doesn't help, we are going to see a breed of people disappear."

CATCH-22 IN THE FARM BELT

After 110 years of doing business in the farm heartland of America, the Steele State Bank in Cherokee, Iowa, closed its doors on Jan. 25. This little bank had withstood the ravages of the Great Depression—but it wasn't able to cope with a major agriculture crisis sweeping through the central farm states.

It's just one of a score of rural banks that have gone belly-up since mid-1984. More banks and credit associations are sure to close their doors as thousands of farmers who can't repay current debts are forced out of business. The situation is most acute in the Midwest, but it is spreading to California and other farm states.

Sky-high interest rates (bank lending rates have come down elsewhere, but not in farm country), low prices for crops, the impact on exports of the overvalued dollar and staggering losses in the value of their land and equipment are pushing farmers into bankruptcy and ruin.

In a telephone interview from Kansas City, Marvin Duncan, economist and vice president of the Federal Reserve Bank, said that farm liquidations and partial liquidations in the last half of 1984 were running at "three times the rate" bankers consider normal.

Because land values are plunging—farm acreage in the Midwest can be bought at a 40 percent discount from peaks hit in 1981—more and more farmers have worsening debt-asset ratios. A survey just conducted by the American Farm Journal shows that 21 percent of farmers in the central states have debts that have grown to the dangerous level of 70 percent or more of their assets. That is double the percentage in such dire straits less than a year ago.

John Marten, staff economist for the Farm Journal, said in an interview: "When the debt-asset ratio passes 70 percent, with the returns being what they are, cash flow is negative and the deterioration is substantial. That calls for radical surgery."

Iowa State University economist Neil Harl and other farm experts, along with farm-district politicians and lobbyists, have been begging the Reagan administration and Congress to pay heed by starting some sort of expanded loan-guarantee program. "There is genuine economic fear, and growing anger," Harl told me.

The situation is somewhat analogous to the excessive debt piled up by Third World nations that were fed loans by banks counting on a payoff from ever-inflated prices. Duncan warns that a shakeout is now inevitable "because the hard reality is that some kinds of agriculture production in this country [such as wheat] are in danger of being priced out of world markets."

Nonetheless, as in the Third World, there is an immediate problem that needs to be dealt with, for the sake of compassion as well as to minimize the ripple effect of an agricultural crisis through the rest of the economy. by Duncan's own assessment, unless there is dramatic "intervention" by the government in the next 90-120 days—before spring plantings are completed—farmer bankruptcies will pile up. the casualty list could be 10 to 15 percent of the farm population in some states.

Harl urges a system of federal and state help based on a lien against farmland, with the expectation that the public would share in any profits on future land value. (This would compare to the public's bailout of Chrysler, which returned a profit to the federal government.) "By themselves," says Harl, "farmers can't make their payments, and the lenders can't afford to wait. I'm an economist, and I believe in the market economy too. But there comes a time when government must intervene to avoid massive economic wreckage."

Even though the bank prime rate has plunged nationally from 13 percent to 10.5 percent, the rates that farmers must pay as they try to borrow money to finance new crops run from 13 to 14 percent. "The critical thing is interest rates—we need relief," said Marten.

The problem, of course, is a classic Catch-22: as farm debt soars and the value of farmer assets declines, more farmers careen toward bankruptcy and become a bad risk for banks, already overcommitted in their agricultural loans.

So far, the Reagan administration—to the consternation of Republicans who will have

to run for reelection in 1986—has paid little attention. It is concentrating instead on the need to make budget savings by cutting back farm-support programs.

"Given what is happening in rural America, the administration's timing is abominable," according to one of those who will be up for reelection next year, Sen. Mark Andrews (R-S.D.). "This isn't the year to begin tampering with agriculture's safety net."

Mr. BOREN. Mr. President, I yield to my distinguished colleague from the State of Nebraska, Senator EXON, who has been so active in trying to call the attention of the American people to the crisis facing agriculture and has also been one of those in the Congress who has for the past several years led in the effort to make constructive suggestions for the solutions of problems that are faced by the agricultural sector.

I yield at this time to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I thank very much my friend and colleague from Oklahoma, whom I have had the privilege of working with in various capacities over a considerable period of time, including the matter of agriculture, which is tremendously important to our two States.

Mr. President, I am pleased to rise and join my friend and colleague, Senator DAVID BOREN of Oklahoma and others in our continuing effort to bring the plight of American agriculture before the President, Congress, and the American people.

Agriculture is the engine that drives the economic well-being of my State of Nebraska and it is in deep, serious trouble.

It has been in trouble for a long time, but those of us who have been saying it is in trouble have been cast aside, and it has not been considered. I remember well on the floor last spring when there were 18 of us, I believe, who stood up in opposition to the administration's proposal to reduce the target price of corn, feed grains, and wheat. I remember well the amendment that I offered sometime in midsummer of last year to restore those target prices back to the commitment that we made to the American farmer in the 1981 farm bill. Above everything else, what the farmers need is when a commitment is made to have that commitment kept because you cannot plan farm production unless you know what the rules are, and we expect them to be followed until they are changed in a proper order of things as with the new farm bill.

Above everything else, we should recognize that the main problem in agriculture today is that we have too low a price for the product of the American food producer—price, price, and improved price is the main thing that we have to have.

As important as restructuring of loans, reduction of interest rates, more help from the Farmers Home Administration when they are giving very little right now, some kind of a plan for acreage control—as important as all of these things are—unless we can get the price up in the future for the products of the American farmer, there is no way that he is going to survive, and there is no way that he is going to be able to pay back the heavily structured debt that has forced many of them into bankruptcy, and all too many are right on the verge of that today.

We have a two-pronged problem that we have to deal with: No. 1, the short-term problem which is now down to a matter of 40 or 60 days at most, and that simply is to provide some loans so that they can get their crops in the ground in many places in the great bread basket of America. People say why is that? The reason for that is in Nebraska, as well as in other States, there have been eight agricultural banks go out of business, forced out of business in the last 9 months in Nebraska.

In many instances there is just no longer any credit available, and, under this administration, the Farmers Home Administration, which traditionally has been the lender of last resort, is not a lender at all. In fact, the word that seems to be coming out of the Nation's Capital today out of the Department of Agriculture is, make all the loans you want, just do not put out any money.

We hear much about the economic recovery which is taking place in America today. The general economic indicators are up and things sound rosy for most Americans. We have heard it for months. Yet there is one segment of the Nation's economy which is suffering from a real depression—our segment—agriculture. "Depression" is not too strong a word.

We have been hit by what I call the triple whammy—low commodity prices, high interest rates, and declining land values. To the best of my recollection, these three terrible troubles have not hit agriculture since the Great Depression one-half century ago. In the intervening 50 years, one or two of these factors have hit at various times, but not all three at once.

Low commodity prices have hit hard. Farmers and ranchers are not getting a fair return for their investment and work. We have been let down by the failure to live up to the promises made in the 1981 farm bill with respect to target prices. The administration even succeeded in lowering target prices last year over the violent objections of those of us who do our best to work for agriculture and the family sized farm and ranch.

High interest rates have hit hard. Our staggering Federal budget deficits keep interest rates abnormally high, choking off investments and making it exceedingly difficult for farmers and ranchers to borrow the money they need to operate. High deficits and interest rates choke off exports as well, causing American agricultural products to be way overpriced in world markets.

Declining land values have hit hard. Nebraska farmland has been devalued by an average of 25 percent over the last 3 years. With declining equity amidst these other difficulties, no wonder agricultural bankers are more reluctant than ever to lend money.

So American agriculture sticks out like a sore thumb in the middle of America's economic recovery. If you do not believe it, go to Verdigre, NE. That is a town where we have had to organize food banks for farmers. That revelation tells the story. It is a story of human tragedy, lost dreams, and suffering. And it is widespread throughout Nebraska and the Midwest—not just isolated pockets of trouble.

This is the problem as I see it. We have a true depression in agriculture. What are we going to do to resolve this situation? That is a question we must ask ourselves.

First, we must ensure that the rest of the country and the political power brokers understand the situation. One or two spots on the network evening newscast is not enough. We have to cry out loud enough to be heard and taken seriously. It should be obvious by now that the administration is not going to do anything for farmers and ranchers unless American agriculture unites and we make ourselves heard.

There is a big difference between the Great Depression of the 1930's and the agricultural depression of the 1980's—something was done in the 1930's. There has been lots of talk, but very little concrete action. This has got to stop. We need action and we need it now.

Second, I have called upon the President of the United States to address the agricultural crisis directly in his State of the Union Message tomorrow night. Last year, agriculture was not even mentioned when the President discussed the State of our Nation as called for in our Constitution. Let us hear what he thinks and what he, as the reelected leader of our country, has to say on this issue of paramount importance to Nebraska and the Midwest.

Third, with the simple stroke of his pen, President Reagan could increase commodity loan prices and provide farmers with a more equitable and meaningful income for their labor. The President should raise these loan rates for corn, as well as other grains, by a minimum of 25 cents per bushel in two phases—an immediate 12-cent

increase followed by a 13-cent increase by September 1 of next year, certainly no later than that date. I am talking about shoring up the price of the 1985 crops.

Such a one-time boost in prices will clear the way for many solid farmers to make it through this very difficult period where they simply cannot generate cash flow if they have any leverage whatsoever with $2.50 corn that is projected to go down to $2.20 a bushel, or less, and if the administration's new nonfarm policy is put into effect.

Fourth, we need an immediate expansion of farm credit. While the administration talks endlessly of moving toward a so-called free market over the next few years, our farmers are moving toward planting season in just a few short weeks. They need credit and they need it now.

Those of us who have long been fighting for agriculture finally got the administration to "budge" a little last week when OMB Director David Stockman and Agriculture Secretary John Block announced modifications to the President's credit plan of last September. But those steps do not go far enough and we must do much, much more.

Senator BOREN and I have already announced our intention to force this action. We are working on a major farm credit bill, which will be introduced very soon. Emergency legislation of this type is absolutely necessary and cannot wait. We have already told the majority leader that we will take whatever steps are necessary to delay consideration of all other matters on the Senate floor until action is taken on an effective farm credit package. The outlines of our proposal have already been released, so I will not take time to go over its main points this afternoon.

Suffice to say, Mr. President, that the agriculture economy is facing an imminent collapse which has already begun to threaten our entire economy.

This Senator from Nebraska is going to keep sounding the alarm on behalf of American agriculture. I am going to join with as many others that we can enlist to stand up for our farmers and our ranchers. I am pleased to say that yesterday and again today my good friend and colleague, Senator CARL LEVIN, from the generally considered industrial State of Michigan, has volunteered to begin to put together a coalition of so-called industrial States, who also have agriculture, to come to the aid of the family-size farmer in deep trouble today.

So I am going to keep trying to build a coalition to put back together once again the so-called farm coalition that once controlled, without question, all farm legislation on this floor.

As it has been clearly spelled out by the Director of Management and Budget in his famous article in Atlantic Monthly, this administration went about a detailed program, and they succeeded in splitting us under that farm bill by making different deals with different groups. We are going to try and bring this group back together.

I do not accept the argument that the problem that we have today is just part of some so-called long overdue shakeout in the farm economy that should be allowed to roll over good farmers and ranchers. We will stand and we will fight, and we will do it here and now.

There are pages upon pages of criticism of certain officials, but hardly a word is said about the President's role or his responsibility. Rural America is being devastated by the policies of one man, the President of the United States, Ronald Reagan. It is clear he either does not know or does not care. There is no other explanation. And in either event, it is a sad state of affairs that cries out for correction by the Congress.

Mr. President, it is time for action, not just talk. We will keep up the pressure until the job is done.

Mr. HEFLIN. Mr. President, I rise today to join my distinguished colleagues to express my deepest concern with the current economic conditions on the farms in rural Alabama as well as other food- and fiber-producing States scattered across this great land.

I should first like to commend the distinguished Senator from Oklahoma [Mr. BOREN] for taking the leadership on this issue and bringing the plight of the American farmer to the attention of the American people through the forum of the U.S. Senate.

Other Senators who have or will join us today in this forum should also be commended on their recent actions to have the public eye focus on the current farm crisis. The Senator from Montana [Mr. MELCHER] and the Senators from Nebraska [Mr. EXON and Mr. ZORINSKY] just last week scheduled a public meeting to initiate the dialog on the growing farm credit problem.

Mr. President, I have known for some time now that all is not well on the American farms and ranches. I have joined my colleagues in an attempt to educate the OMB Director, the Secretary of Agriculture, and other members of this administration on this issue. It appears that just last week they opened their eyes and realized that the farmers in this country are in a financial strait.

We all know the reasons—persistently low farm income, strong dollar, weak export demand, high interest rates, droughts, and declining farmland values. Many agricultural economists and bankers call this period as the worse time on American farms since the Great Depression. In the face of this economic disaster, American agriculture has steadily increased productivity at a rate of 1.75 percent annually. Such a rate generally brings economic enhancement. However, this innovation and hard work is adding to problems of the farmer.

These problems are not just limited to the farm families. There are growing problems in the banking industry and the entire economy. Until last summer, bank failures did not reflect this declining quality of farm loans. But of the 27 commercial banks that failed from June until September last year, 10 were agricultural banks. These are banks that have farm loans equal to 25 percent or more of total loans.

Mr. President, there is a farm credit crisis in this country. The White House said last week, "We view it as a significant serious economic situation that needs to be focused on." But the President is not considering any new approaches beyond the debt restructuring he announced last fall. I realize that David Stockman and Secretary Block have since that time proposed a new credit program. But the sad part of this situation is the fact that the Farmers Home Administration had $630 million available in Federal Loan guarantees since the President's four-point program was announced last fall and had done almost nothing to implement it. Since that time only $25 million has actually been used.

Mr. President, I repeat, there is a farm credit crisis in this country. It must be addressed. Credit must be made available to the farmers of this country and it must be available before planting time.

The administration must understand that we are not just discussing the concept of a man with overalls living on 40 acres and farming with a mule. My colleagues and I are expressing our concern with one of the most capital intensive industries in our economy. The farm debt of this Nation stands at $215 billion.

Almost every Member of this institution, and the administration, will tell you that something must be done about the budget deficit. But when the farm debt held by 3 percent or less of our population of this country is equal to the annual deficit of the United States of America, it is difficult to get the leadership of the Nation to even recognize the problem.

Again, Mr. President, there is a farm credit crisis in this country. It must be addressed now.

THE MODIFIED DEBT RECOVERY PROGRAM FOR AMERICAN AGRICULTURE

Mr. MELCHER. Mr. President, I wish to commend the Senator from Oklahoma, Senator BOREN, for starting the vigil for the farm credit crisis that involves us all here in America now.

Mr. President, I am addressing my remarks to the modified debt recovery program for American agriculture. Farmers and ranchers in Montana, along with the rest of agriculture, have found the prices they have received were lower in 1984 than they were in 1980. The last 2 years have been the worst 2 years of net farming income since the 1930's.

As a result of that, many farmers and ranchers who have suffered losses in the past few years have now seen their debt-to-asset ratio increase to the point that their credit may be shut off. Three production credit associations have closed their doors in Montana since the first of the year. Five more have been liquidated in the Northwest since August 1983. American agriculture needs better prices that exceed the cost of production, so there is income to pay their bills and to stay in business. To survive, many operators will need credit with lower interest rates and a stretched-out time for repayment.

The key is affordable credit. That is why I am for the modified debt recovery program. This modifies an agricultural loan with a private bank or PCA with an interest rate of about 10.5 percent. Further, under certain circumstances, an interest rate as low as 7.25 percent could be worked out under the Farmers Home Administration Operating Loan Program, with the bank or PCA lender handling all of the forms and paperwork.

It is very important under the modified debt recovery program that the expertise of private lenders be used to avoid the bottleneck of the Farmers Home Administration offices that are bogged down with too many loans and too much paperwork. The use of guaranteed Farmers Home Administration loans that back up the debts of the individual farm borrowers is essential to provide the individual farmer or rancher with the capital needs he must have to stay in business at an interest rate his cash flow could, in fact, pay back. But I stress the loans are still handled by the banks and the production credit associations.

The Modified Debt Recovery Program was supported at a public hearing we held here in Washington on January 30. At that meeting, individual farmers and ranchers, farm groups, their leaders, and farm credit system officials all testified to the urgency of this crisis. Many of these same spokesmen endorsed the Modified Debt Recovery Program. This is a concrete step that we can take immediately and does not need new legislation. We cannot afford to wait. Some of us have written the President and urged him to take all the necessary administrative steps as quickly as possible.

This is the first step to shore up American agricultural credit and to do it immediately. After that, we can discuss at length the farm programs and the expansion of trade and the broader use of American agriculture products that will shore up and improve the prices our producers receive for their products.

A CRISIS IN FARM POLICY

Mr. President, American farmers have efficiently produced huge quantities of food commodities to provide plenty for U.S. consumers, almost all of the emergency food provided for starving African countries and an adequate surplus to meet next year's foreign commitments, plus meeting the projected 18 to 24 months of African emergency needs. Most of the world marvels at American farm production. It is a great success for the United States, and sharing food abundance is a noteworthy policy.

But Secretary of Agriculture Block and President Reagan are calling for steps to discourage farm production and decimate farm credit to decrease the number of farmers, all in the belief that less food production will be beneficial. As part of that plan they have tightened eligibility for the Farmers Home emergency loans. This is at the very time farmers need the credit most and the starving in Africa most need American food.

In ancient Egypt, Joseph and the Pharaoh conceived the need of saving food for years of drought. Today, just south of there, we witness the 20th century drought of the Sahel, which has caused starvation for millions, but is gradually being alleviated from food stored during years of American abundance. Under the leadership of private charitable U.S. food aid organizations, food is being distributed, almost all of it produced on American farms and donated by the U.S. Government.

Although the food produced in the United States is saving lives in Africa, many American farmers are desperately trying to save themselves from an increasingly stark economic crisis. Several years of tough times with low farm prices and high interest rates have culminated in the lowest 2 years of net farm income since the 1930's. The immediate crisis is insufficient income for many farmers to pay the interest on their loans and their operating bills. Altogether, the 2 million American farmers have total debts of $216 billion, and their lack of net income is compounded by declining land values, rapidly declining values for farm machinery, and other agricultural assets as well.

The asset side of their ledger is deteriorating so rapidly as to cause an increasing number of farm liquidations, accompanied by failures of their banks, of production credit associations that have provided operating loans. The Federal Deposit Insurance Corporation has placed 231 farm banks on their "problem bank list," double a year earlier.

For those farmers whose debt-to-asset ratio is so bad that banks cannot loan them money, the Department of Agriculture has emergency loans available. But last fall President Reagan, before the election, announced that the loans were available but did not reveal the strings attached to the loans that make it impossible for farmers to qualify. As a result, of the $4.3 billion appropriated by Congress last fall for Farmers Home loans, over $3.3 billion remains in the Department of Agriculture till.

To increase American farm crop sales abroad, Secretary Block and President Reagan propose to lower U.S. farm prices even more. Food costs U.S. consumers only 16 percent of disposable income, lower than anywhere else in the world. So whatever Federal farm programs cost, consumers have obviously reaped benefits in low food costs. In addition, abundant food supplies have provided minimum nutritional needs for the impoverished through domesic food assistance programs.

Although American farmers' efficiency exceeds all others throughout the world, sufficient open markets are not available to clear supplies. Most other countries severely restrict agricultural imports and subsidize their own exports to lower the price and attract buyers. U.S. policy, on the other hand, accepts most food imports and avoids subsidies for our food exports.

For corn, wheat, cotton, rice, and milk, the U.S. Government provides a basic price at which the Government is willing to purchase the commodities from the farmer and keep them in Federal storage until the market price is higher or the food is used for emergency relief. The United States produces these commodities in such quantities that U.S. support prices become the world price in times of surplus.

A current example is the U.S. support price for wheat, which is $3.30 per bushel. And that establishes the world price. At that price, a pound of wheat costs less than 7 cents, providing almost a whole day's nutrition of 10 to 15 percent protein and approximately 1,500 calories. A pound of dried powdered milk costs the Government 91 cents, has 1,600 calories, excellent nutrition, and when reconstituted is 1⅓ gallons of milk.

As inexpensive as American-produced commodities are, and despite the loss of net farm income that threatens to drag under almost 20 percent of U.S. farmers, Secretary Block advocates legislation to lower U.S. support prices to make U.S. producers more market oriented. In short, the administration argues that we can sell more if we sell cheaper but defines an

orderly transition as lower production with a fewer number of U.S. farmers.

If the plan contrived by Secretary Block and the President is adopted, it could achieve lower farm production by bankrupting farmers, or it could result in a severe shortage of food supplies if demand were much greater than anticipated or drought drastically lowered anticipated production.

The administration's proposals are neither wise nor necessary. There are probably no supporters in the banking and agribusiness community, which have in recent months become greatly alarmed at dwindling farm income and assets. Secretary Block's scheme has no takers among farmers or farm organizations.

American agricultural production is a strength that should be maintained. Humanitarian food relief is good U.S. policy, and building toward more world trade with barter or reduced prices for sales to hard-pressed countries is good business.

Forcing more farm insolvency through lower farm income should not be viewed as at all acceptable. From the humanitarian view, it is cruel, because millions are surviving only because of our surplus production.

Farmers need two honest policies: A better price and available credit spread over a longer time at lower interest rates. Hungry people here and abroad need U.S. farmers with stable production.

Secretary Block is right about one thing—all of us want farmers' income from the market, not from the U.S. Treasury. His problem is that his proposals never get us there; he and President Reagan have spent more on farm program failures than any other administration. A good farm bill can be drafted that leads us there without drawing down on the Treasury as much as he has and without draining from the land the large number of farmers his policies are wringing out of business.

Doing the right thing for both farmers and the starving happens to coincide with the soundest U.S. policy. Save the farmers to save the people.

NORTH DAKOTA'S FARM ECONOMY

Mr. BURDICK. Mr. President, I want to take a few minutes today to point out that the North Dakota farm economy resembles the other States we are hearing about today.

Recently, the North Dakota Department of Agriculture released a survey it has been conducting of farm economic conditions. The question in that survey asked, "Given the present conditions and trends, how long do you think you will be able to continue farming?" Thirteen and one-tenth percent of the farmers surveyed said 1 year or less. Translated into the total number of farms in our State, that would mean the loss of about 4,700 farm units in our State. That is more farms in 1 year than North Dakota lost between 1978 and the 1982 Census of Agriculture when our farm numbers dropped from 40,357 to 36,436. The projection had been that we would be down to 33,000 farm units by 1995. This survey indicates that we will go past that trend line this coming year.

Yet, these survey results are not that surprising. Last summer, in a research bimonthly bulletin published by the Agricultural Experiment Station of North Dakota State University [NDSU], it was estimated that 28 percent of the indebted farmers in our State, a total of approximately 7,000 farmers were in, what the agricultural economists termed, "moderate to severe financial difficulty."

While the survey is a judgment call by respondents, it is noteworthy to point out that those who felt they had 1 year or less left in farming had an average debt-to-asset ratio of 60 percent. According to the NDSU research publication, and most lending agencies, farmers with a debt/asset ratio of more than 40 percent are in a cash-flow problem and are simultaneously experiencing a significant loss of equity capital.

Significantly, the North Dakota Department of Agriculture's survey revealed that 42.5 percent believe that, based on present trends, they would only be able to continue farming for 2 to 5 years. The judgment of these farmers is fairly accurately reflected in the fact that they averaged a debt-to-asset ratio of 42 percent.

When the figures are combined, farmers who believe they have less than 5 years left to farm total 55.6 percent. This statistic underlines the importance and urgency of both new farm credit initiatives by the Federal Government and the price and income issues of the 1985 farm bill.

The study shows that 37.5 percent of North Dakota farmers surveyed had debt-to-asset ratios of 40 percent or more. This corresponds closely to Federal Reserve statistics this past year which estimated that 31 percent of the farms with gross annual sales between $40,000 and $200,000 are carrying debt-to-asset ratios above 40 percent, and of that group, one-third have debt-to-asset ratios above 70 percent. (Realized gross income per farm in North Dakota averaged $83,146 in 1982 and $95,932 in 1983.)

Dr. Harold Breimyer, of the University of Missouri, reported recently that he believes 25 percent of midwestern farmers are essentially insolvent; that is, if their deflated assets were liquidated, they could not cover their debts. He also stated, "It is worth noting that farmers' individual situations are determined in large measure by the time and terms of their entering farming, and not primarily by their operating efficiency." The North Dakota Department of Agriculture's survey further verifies this observation.

According to the Economic Research Service [ERS] of USDA, total farm debt in North Dakota has increased from a little less than $3.1 billion in 1979 to over $5.4 billion in 1983. At the same time, the debt-to-equity ratio has increased from 19.1 percent to 29.9 percent, while farm income to repay that debt has been declining.

While farm debt has been increasing, the value of farm assets has been decreasing. According to the ERS, average land values in North Dakota dropped from a high of $436 per acre in North Dakota dropped from a high of $436 per acre in 1982 to $414 in 1983. A survey released last week by an agricultural economist at NDSU showed an 8-percent declined in land values this past year, with some counties experiencing up to a 16-percent decline.

Mr. President, for the past 5 years, we have been trying to catch up to the inventors and the regulators in undertaking the first comprehensive restructuring of the banking and finance industries in many, many years. We have heard the concept of the level playing field advanced many times as our guide toward banking and finance legislation. Farm income has to be a part of the level playing field concept in banking.

Unlike much of the 1970's when landowners could often reamortize real estate debt to free equity out of land to supplement current cash flow, this option tended to close as farmland and other capital assets ceased to appreciate and started to decline. Some agricultural lenders and farm operators have been able to substitute debt for cash returns to an unusual extent, but neither party can do business for long on that basis. Farmland appreciation in real terms may remain nil for several more years, and further depreciation will occur if commodity price support loan rates and target prices are dropped.

What that means, Mr. President, is that in addition to bankrupting our farm operators, we are putting our rural bankers in a very tough spot. As we move toward nationwide deposit-taking powers for financial institutions, where is the level playing field if you cut farm income, the major source of deposits for our rural banks? If you cut farm income, and allow the money center financial institutions to compete with our rural banks for what is left, how long and how well can you expect our rural banks to adequately service the commercial lending needs of our farm operators and main street businessmen?

Mr. President, rural commercial banks extend credit to farmers and ranchers primarily for working capital and the financing of equipment and

livestock. On January 1, 1983, commercial banks remained the largest supplier of such non-real-estate credit to agriculture, with slightly over 34 percent market share. Commercial banks also held 7.7 percent of real estate farm debt.

Thus far during the 1980's, the primary shift in market share among lenders of non-real-estate farm debt is a substantial increase in direct credit by FmHA and CCC, with corresponding reductions in short- and intermediate-term debt held by commercial banks and PCA's. On January 1, 1983, the FmHA and CCC held an estimated 27.2 percent of total farm debt of this type. However, this shift to USDA credit derives mostly from the serious depression in agriculture.

And now I understand the administration is going to propose ending all direct lending activities by the Farmers Home Administration.

Mr. President, for a variety of reasons, some of which are beyond our control and some of which we do control, we are at a center of history in rural America. Who will control agriculture in the year 2000? Who will own the farmland? Who will control the financing? These are questions in which every citizen in America has a stake.

Bishop Maurice Dingman, past National Catholic Rural Life Conference head, said last week that if we lose the number of farmers over the next couple of years that our studies are predicting, we may soon face a land problem similar to those in Latin American countries.

Mr. President, the problem is that serious.

MICHIGAN'S FARM ECONOMY

Mr. LEVIN. Mr. President, I commend our colleague from Oklahoma for setting aside the Senate's time to focus on the farm crisis currently occurring in rural America. It is a crisis which affects all Americans, wherever we happen to live. Senator BOREN's agricultural vigil has brought the emergency in the farm belt to the attention of the Senate and I hope the country. I also hope it gets the administration's attention; neither the administration nor the country, nor the Senate for that matter, have yet recognized the severity of the problem.

Most people think of Michigan as primarily an industrial State, but it also has a large agricultural industry. Michigan has more farmers than Kansas. The farm population of Nebraska is about identical to that of Michigan. Michigan ranks first in the production of many forms of beans and tart cherries. It ranks third in the production of apples, carrots, celery, mushrooms, prunes, plums, red kidney beans, sweet cherries, and tomatoes for processing. We are major producers of dairy products, soybeans, corn, wheat, and a number of other products. The farm bankruptcies in Michigan have risen dramatically since 1980. The proportion of agricultural loans in Michigan that are at least 90 days past due is one-third higher than the national average and many farmers face foreclosures in the near future if they do not get a decent price for their products this year. Agriculture economists are already projecting lower commodity prices this year.

Farm income is very low. The latest Michigan farm statistics show that total net income per farm in Michigan was $6,900, the lowest since 1976. The farmer's expenses have not declined, however. A tractor which cost $27,000 in 1979 now costs $40,000. Pesticides which cost $64.50 per 5 gallon in 1979 now cost $97.50 per 5 gallon. Telephone and utility costs have also steadily increased.

Michigan farm land values have dropped in the last several years and are expected to fall further in 1985. Michigan farmers are desperately hoping their land values will not drop to the drastic levels of many other States. In addition, U.S. agricultural exports dropped from a peak of about $44 billion in 1981 to about $35 billion in 1983. That has affected all our States.

Mr. President, the statistics I cite give a bleak picture of Michigan agriculture and U.S. agriculture. The outlook in the farm belt, in particular, is even bleaker. These statistics are more than just numbers on a page. They are the faces of a community whose major source of income is drying up. They are the faces of small farmers who have no other source of income. They are the faces of children who cannot plan on staying in the farm community. They are the faces of the farm implement dealer who has no buyers. They are the faces of the fertilizer dealer who cannot afford to extend any more credit to his customers. They are the faces of the young farmer who cannot afford to start his own farm. They are the faces of parents who worry about when the banks will foreclose.

There is a real crisis going on in America's rural community. Although the farmers have tried to get the attention of the rest of the Nation in the past several years, they have been patient. They were patient when the administration proposed cuts in agricultural programs because they were willing to contribute their fair share. They have been patient with Congress which changes the rules of the farm programs every year. They have been patient with the administration that promised them a better loan credit program and then neglected to act. They have been patient with promises of greater exports from an administration that is now proposing to eliminate direct export credit to our trading partners.

But they have lost their patience. The farmers in this country are asking for help. They are picketing the Chicago Board of Trade. They are banding together to prohibit foreclosures. They are organizing groups to lobby their State legislatures. And they are asking their Senators and Representatives for help.

This is a situation which we must all be concerned about whether we represent a predominantly farm State or a predominantly industrial State. What happens to the farm economy directly affects the rest of our economy. Consumers who are accustomed to adequate supplies of food at a stable price will be adversely affected by a dwindling number of farmers. Failure of rural banks which carry high agriculture debts further damages the local economy.

Time and time again when I have asked individuals what should be done about the low prices our farmers are receiving and the credit problems they face, I hear that the farmers in trouble are those that are poor managers and inefficient farmers. How efficient does one have to be to make ends meet on $6,900 a year? Is it due to poor management that farm land prices have fallen? Is it the farmer's poor management that resulted in a drop in agriculture exports?

In the President's background on major spending reforms which accompany his proposed fiscal year 1986 budget, there is a statement that, in my opinion, sums up the attitude of this administration:

> Added Federal credit is not the answer to correct current financial problems within the farm sector. The immediate financial crisis experienced by farm operators will not be addressed by adding to already unmanageable debt burdens. New Federal credit cannot serve as a substitute for income.

In other words, do not look to us for help—we will only add to your problems. Go to the banks or find a way to increase your income. The President's fiscal year 1986 budget is also proposing cuts of $2 billion for commodity programs and farm lending programs.

We all recognize the significance of the Federal deficit and its effect on farmers. As long as deficits remain excessive, high interest rates will continue to plague our international trade and our domestic production. The strong dollar makes our agricultural exports less competitive abroad and high interest rates increase the farmer's operating costs. There is no question that farmers are willing to make sacrifices in order to get the deficit reduced. The question is what is fair and what is effective.

THE FARM CRISIS

Mr. BENTSEN. Mr. President, I salute my distinguished friend the Senator from Oklahoma [Mr. BOREN] for his efforts in helping to draw at-

tention to, and hopefully to get some action on, the plight of the American farmer. I share his concerns about the problems facing the American farmer, and I am pleased to stand with him now as I have in the past to point out the need for positive solutions to this worsening problem.

Mr. President, the term "farm crisis" is so overused that it no longer has any emotional impact on some people. We have been hearing about the crisis in agriculture for several years, and I have been talking about that crisis together with the Senator from Oklahoma and other concerned Senators. But the fact that some people in this administration may be tired of hearing about farm problems does not mean that they have gone away.

Instead of going away our farm problems have gotten steadily worse. Net farm income increased in 1984, but most of that came from an increase in inventories. In other words, our surplus just got larger.

What farmers really need is cash income to pay their bills, cash to pay the crushing expenses of today's high interest rates. Farmers' net cash income is forcast to drop for the third year in a row in 1985. This could well mean that farmers' real, after inflation, cash income would be the lowest since 1968. Farmers can't pay 1985 bills with 1968 paychecks.

You do not need a college finance course to know that when you don't have the cash to pay your bills, then you're bankrupt no matter what your balance sheet says. With those cash income figures it is no wonder that farmers are going under in droves. The Kansas City Federal Reserve bank reports that farm liquidations in late 1984 were running three times the normal rate.

Farm balance sheets are eroding fast also. In some areas land prices have dropped by 40 percent or more. Farmers are losing the cushion of land equity that many have been borrowing against, and those farmers that were already borrowed up to the limit have been plunged over the edge.

Mr. President, we have a crisis in farm credit on our hands. Farmers right now are going in to get financing to plant their next crop in most areas of the country. In my home area of south Texas planting season starts in about a week. In many cases that credit is not going to be there.

Let us be honest about why many of those loans will not be made. I have talked to Texas bankers. I know they want to help their farm customers survive. But all too often, they cannot. One banker said quite frankly that if the rumors he was hearing about the Reagan farm bill were true then he would simply liquidate all his farm loans. He pointed out that his farmers were barely making it at current prices, and that he had a fiduciary duty to his depositors and his stockholders that would not allow him to throw away money on loans that could not be repaid.

We have heard a lot about the administration's debt restructuring program. It was announced last September, just before the election. The regulations were not announced until after the election, and I am told by Texas farmers that the program is largely useless.

In fact, in many cases it is actually hurting farmers. Overworked local FmHA offices are having to process applications for loan deferrals on a high-priority basis, taking time that they desperately need for processing their heavy workload of regular loan applications. Almost no one is getting these deferrals, but many regular customers may not get the money to plant because of these delays. One farmer told me that his local FmHA office could not get to his loan application until March because of delays with deferral applications, even though he should plant his sugar beet crop on March 1. He also said the local FmHA office had yet to approve a single deferral.

Yes, we have a farm credit crisis right now, and it looks like it is going to be much worse than those we have experienced in past years. But the real crisis in agriculture is a crisis in prices. Farmers cannot get loans because they can't pay them back.

They can't pay off those loans because interest rates are too high and prices are too low. The prime interest rate has been over 10 percent for 6 years now. Since 1981 the price of wheat has dropped 20 percent, grain sorghum has dropped 25 percent, cotton has dropped 26 percent, and rice has dropped 38 percent.

Some say prices have dropped because of surpluses, and they're right. Why do we have surpluses? We have surpluses because we can't export. Why can't we export? Because our prices are too high.

But wait a minute. That does not sound right. How can our prices be both too low and too high?

The answer is the bloated value of the U.S. dollar. Our domestic economic policies of high interest rates since 1981 have caused the value of the dollar to go up by 63 percent against the Dutch guilder, and Rotterdam is one of the centers of the world grain trade. Our Government's economic policies are pricing our farmers out of their export markets.

Look at how this works. In January 1981, an American farmer could get $5.25 per bushel for his wheat on the dock in Houston. To a Dutch trader in Rotterdam, this was 11.44 guilders. In January 1985 a U.S. farmer could get only $4.11 for his wheat at the dock in Houston. However, to the Dutch trader this was 14.59 guilders. The farmer's price dropped 22 percent, but the export customer's price went up 28 percent.

This is what I mean when I say our farm prices are both too high and too low. They are too low for our producers but, because of the bloated dollar, too high for our foreign customers.

This is a major reason that the volume of U.S. farm exports has dropped for 4 years in a row.

Argentina's agricultural exports are booming, in no small part because the value of their currency against the dollar has fallen by 86 percent in just the last 12 months. Cargill recently made it clear that they could deliver Argentine wheat to Houston, including purchase price, ocean freight, and a 21-cent-per-bushel U.S. tariff, cheaper than Amarillo wheat.

Another major reason we can't export is our trade policy. We are selling out U.S. farmers by forcing them to compete against foreign governments. The European Community, for instance, subsidizes its farmers to increase production, and then it dumps the resulting surplus on the world market. We subsidize our farmers to reduce production, and then we pay to store the surplus when the European Community takes our export market.

Let me give you an example on sugar. Today the European Community pays their farmers 27 cents a pound for sugar. You know what they sell it for on the world market? Five cents.

The European Community pays a tremendous subsidy, and in return it has gotten a tremendous increase in production. Why should it not under those conditions?

The value of an acre of land in France used for sugar beet production has increased from $1,000 to $7,000.

By contrast, every night on the network news we see more U.S. farmers being sold out at auction. We are told that U.S. farm land prices have dropped 40 percent in some areas and they are still falling rapidly.

Mr. President, last Thursday I made a floor speech on our trade problems. I pointed out that although a trade war poses great risks, even greater risks lie in waiting for the rest of the world to adopt a free trade policy out of the goodness of their hearts. It just will not happen.

Likewise, facing up to our farm problems may cost some money at a time when we are trying hard to reduce our deficit, but the cost of not facing those problems may be much higher.

Agriculture is our Nation's biggest industry. Agriculture employs 22 million people, more than any other industry, and generates one in every five jobs. It accounts for 20 percent of our gross national product. Farming alone has as many workers as the transportation, steel, and auto industries combined.

Farmers keep 150,000 auto workers employed just to make the equipment they buy each year. Farmers use 6.5 million tons of steel each year, employing 40,000 steelworkers. They spend $15.4 billion on petroleum products and maintenance.

Each farmer now grows food for 78 other people who are thus free to make other products to raise our standard of living. The U.S. consumer can purchase those other products because he spends only 16 percent of his disposable income on food. The Russians spend 45 percent, and even the British spend 28 percent.

This productivity has been passed through to the American consumer in the form of lower food prices. In 1950 the average worker worked 32.8 minutes to buy a pound of steak, and worked an hour to buy 10 pounds of bread. Today it only takes 18.5 minutes to get the steak and 37.5 minutes to get the bread.

Agriculture has also paid for many of our imports. In 1984 we had an all time record trade deficit of $123.3 billion, but the agriculture sector had a net trade surplus of $19 billion.

Also in 1984, a farmer in west Texas rented a building on the town square of his small town. In better times it had been a store. He tore out the back wall to make a large door, and now he uses it as a barn. You see, it was cheaper to rent the store than to build the new barn he needed. There used to be a small business in that store, run by a local family. Now they and many others are gone. That's happening all over rural America.

Farmers tell me they don't want more credit—they want a fair price for their product. They know they can't borrow their way out of debt. They want to earn their way out of debt.

They know they can compete with farmers anywhere in the world. We have tremendous advantages. We have financial and political stability, excellent land and climate, a trained and efficient work force. But U.S. farmers cannot be expected to compete successfully against foreign government trade barriers and export subsidies. U.S. farmers cannot be expected to hold onto export markets when every President since Nixon has subjected them to an agricultural embargo. U.S. farmers cannot expect to compete in world markets when their own Government's policies are subsidizing their competition by tilting the currency exchange rates.

Let us give our farmers a free market to compete in and let them go. But don't weight them down with a bloated dollar, high interest rates, and foreign trade barriers and then throw them into the world market to sink or swim. They may well sink, and if they sink much of our country's economy sinks with them.

I think our Government's policy should be cushion the shock of our current farm problems, not make it worse. I for one do not intend to abandon this Nation's most important industry, and I hope that this administration will do likewise and come up with some better farm policies than those we have seen and heard rumors about in recent months.

OUTLINING AN EMERGENCY FARM CREDIT ASSISTANCE PROPOSAL

Mr. ZORINSKY. Mr. President, Our Nation's farmers are experiencing severe financial stress due to low farm income, high interest rates, and declining farmland values. The Department of Agriculture estimates that about 18 percent—or 430,000 farmers—have debt-to-asset ratios that are dangerously high, in excess of 40 percent.

In addition, farmers have lost an unprecedented amount of equity in their operations during the last 4 years—$200 billion in inflation-adjusted dollars. Further, the rate of return to equity in farm assets has been negative for the past 4 years. Although farmers have traditionally realized a low rate of return on their investment, prior to the Reagan-Stockman-Block years, 1953 was the last time the rate of return to equity was negative.

Senator BOREN has undertaken an important task—to inform the administration and Members of Congress about the crisis in the agricultural economy. Our colleague from Oklahoma is to be commended for conducting his vigil on the farm economy and I intend to do what I can to ensure that adequate assistance will be available for our Nation's farmers.

The long-term solution to farm credit problems is stronger commodity prices and improved farm income. However, immediate action is needed to provide some measure of emergency relief. For that reason, I have developed an emergency credit assistance proposal.

The proposal I am offering is fiscally sound. It does not create any new bureaucracies and the responsibilities associated with making this assistance available will be shared with lenders, Federal and State governments, and farmers.

Using existing discretionary authorities provided by Congress, some elements of my proposal can be implemented immediately. I have sent a letter to the President requesting him to direct the Secretary of Agriculture to begin using those authorities.

The Farmers Home Administration could take immediate action to hire additional personnel on a temporary basis to process and service loans; reduce the interest rate on direct loans; and eliminate unnecessary administrative requirements that have made the Debt Set-Aside Program and the Loan Guarantee Program unworkable.

Further, I have urged the President to appoint a special task force to study agricultural credit problems and make recommendations on what steps can be taken to provide solutions.

The Senate called for the establishment of such a task force on May 2, 1984, when Senate Resolution 287 was approved. Under that proposal, the task force would have completed its work by January 1, 1985. It is unfortunate that we must now address agricultural credit problems without the benefit of the task force's recommendations.

To supplement the administrative actions outlined, I am preparing legislation that I plan to introduce in the immediate future. In addition to requiring the administration to use the discretionary authorities I have mentioned, that legislation would:

Provide additional loan guarantee authority for the Farmers Home Administration;

Authorize the Farmers Home Administration to provide $100 million in matching funds to States that implement a program to buy down the interest rate on loans made by commercial or cooperative lenders;

Authorize transition assistance for certain Farmers Home Administration borrowers to ease the hardship resulting from insolvency;

Provide expanded regulatory authority for the Farm Credit Administration to ensure greater protection of the borrowers and investors of the farm credit system;

Require the Farm Credit Administration to study the feasibility of obtaining insurance type protection for farm credit system borrower stock; and

Direct Federal bank regulators to exercise caution and restraint in adversely classifying agricultural loans.

Without the type of credit assistance I have outlined, thousands of farmers will be faced with financial ruin. We must make an effort to assist our Nation's farmers or what is now an agricultural credit crisis will quickly develop into an economic disaster for all of rural America.

I ask unanimous consent that a brief explanation of the emergency credit proposal, the text of the letter to the President, and a background paper on farm credit problems be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON AGRICULTURE,
NUTRITION, AND FORESTRY,
Washington, DC, February 1, 1985.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I am pleased that some high-ranking officials in the administration have acknowledged that there is a

farm credit crisis and that the Federal Government has a responsibility to act quickly in addressing the problem. To help ease the severe financial stress in the agricultural economy, I respectfully recommend that you direct the Secretary of Agriculture to take immediate action to provide emergency credit assistance for our Nation's farmers.

Specifically, the Farmers Home Administration should use its authorities under existing law to:

Implement the $650 million operating loan guarantee program as Congress intended by issuing 90 percent guarantees of loans made by commercial or cooperative lenders and eliminating administrative requirements that lenders must write off part of the principal;

Modify the administrative requirement that a borrower must show that he will have 110 percent of the cash flow needed to meet his obligations to qualify for the administration's debt set-aside program;

Reduce the interest rate—to one-half the Treasury's cost of borrowing—on 50 percent of the agency's existing direct loan funds; and

Hire temporary personnel on an emergency basis to provide assistance with loan processing and servicing.

Further, I urge you to appoint a Presidential task force to study agricultural credit problems and make recommendations on what steps can be taken to provide long-term solutions. The Senate approved a resolution (Senate Resolution 287) on May 2, 1984, calling for such a task force. Under that proposal, the task force would have completed its work by January 1, 1985. It is unfortunate that we must now address agricultural credit problems without the benefit of the task force's recommendations.

The administrative actions I have outlined would provide some immediate relief. However, I believe additional assistance is needed. Therefore, it is my present intention to introduce legislation that would:

Provide additional loan guarantee authority;

Authorize the Farmers Home Administration to provide $100 million in matching funds to States that implement a program to buy down the interest rate on loans made by commercial or cooperative lenders;

Authorize transition assistance for certain Farmers Home Administration borrowers. The legislation will authorize the agency to release to certain borrowers up to $10,000 (current market value) in assets used as security for a loan. The assistance would be directed to borrowers who have a negative net worth and who are faced with imminent foreclosure or bankruptcy. The Farmers Home Administration would allow such borrowers to keep or liquidate enough assets so that the borrower would have $10,000 in cash or assets with which to assist in a transition out of farming;

Provide expanded regulatory authority for the Farm Credit Administration to ensure greater protection of the borrowers and investors of the Farm Credit System. The legislation would give the Farm Credit Administration many of the same authorities that other banking regulatory agencies have;

Require the Farm Credit Administration to study the feasibility of obtaining insurance type protection for Farm Credit System borrower stock; and

Direct Federal bank regulators to exercise caution and restraint in adversely classifying agricultural loans.

Without the type of credit assistance I have outlined, thousands of farmers will be faced with financial ruin. If the administration fails to assist our Nation's farmers, what is now an agricultural credit crisis will quickly develop into an economic disaster for all of rural America.

Sincerely,

EDWARD ZORINSKY.

SENATOR ZORINSKY'S EMERGENCY AGRICULTURAL CREDIT ASSISTANCE PROPOSAL

IMMEDIATE ACTIONS THAT CAN BE TAKEN USING EXISTING AUTHORITIES

1. *Additional personnel to process Farmers Home Administration loans.* The Farmers Home Administration has authority to hire additional temporary personnel on an emergency basis to provide assistance with loan processing and servicing.

2. *Improvements in the Farmers Home Administration direct loan program.* The Farmers Home Administration has authority to reduce the interest rate on direct loan funds.

The proposal calls for the rate to be reduced to one-half the Treasury's cost of borrowing on 50 percent of FmHA's existing direct loan funds. Borrowers would use these low-interest FmHA loan funds in conjunction with loans from commercial or cooperative lenders. The blend of commercial or cooperative credit with FmHA credit would effectively reduce the amount of interest a borrower must pay to obtain credit.

3. *Improvements in the Farmers Home Administration loan guarantee program.* The Farmers Home Administration has the authority to issue 90-percent guarantees and eliminate existing administrative requirements that lenders must write off part of the principal to obtain a loan guarantee. Lenders could voluntarily write off principal or interest if that was necessary to ensure repayment ability.

4. *Improvements in the Farmers Home Administration loan deferral program.* The Farmers Home Administration has authority to modify an existing regulation that requires a borrower to show that he will have 110 percent of the cash flow needed to meet his obligations to qualify for a loan deferral or the debt set-aside program. The proposal calls for borrowers to show enough cash flow to meet only 100 percent of their obligations.

5. *Agricultural credit task force.* The President could establish a special task force to study agricultural credit problems and make recommendations on what steps can be taken to provide assistance to farmers. Such a task force was called for in Senate Resolution 287 which was approved on May 2, 1984.

NEW LEGISLATIVE AUTHORITIES

1. *Additional Loan Guarantee Authority.* The legislation will provide new loan guarantee authority in addition to the $650 million authorized for fiscal year 1985. Loan guarantees result in Federal expenditures only when a borrower—whose loan has been guaranteed up to 90 percent of the principal amount—is unable to meet his obligations. The lender and the Government share in the loss. Historically, the loss rate has been about 5.5 percent on Farmers Home Administration loan guarantees.

2. *Transition assistance for certain Farmers Home Administration borrowers.* The Farmers Home Administration would be authorized to release to certain borrowers up to $10,000 (current market value) in assets used as security for a FmHA loan. The assistance would be directed to FmHA borrowers who have a negative net worth and who are faced with imminent foreclosure or bankruptcy. FmHA would allow such borrowers to keep or liquidate enough assets so that the borrower would have $10,000 in cash or assets with which to assist in a transition out of farming. The borrower, in consideration for his transition assistance, would convey the remainder of his property to the government or conduct a sale of the property.

The program would save the government the legal fees and administrative problems of going through a foreclosure or bankruptcy proceeding. In addition, the problems of abandonment would be reduced and the government would likely recover more of the principal owed if a farmer had some incentive to conduct the sale himself and maintain the property until it is liquidated and the proceeds applied against his FmHA loan.

3. *Expanded regulatory authority for the Farm Credit Administration to ensure greater protection of the borrowers and investors of the Farm Credit System.* The Farm Credit Administration (FCA) would be given many of the same authorities that other banking regulatory agencies have. These additional authorities would include power to issue cease and desist orders to stop and activity that (a) is an unsound of unsafe banking practice; (b) violates law or regulations; (c) violates conditions of operation imposed by FCA. FCA would also be given power to sue and be sued, to issue subpoenas, require mergers of Farm Credit System institutions, and to realign the territories of system institutions.

4. *Protection of borrower capital.* The legislation would require the Farm Credit Administration to study the feasibility of obtaining insurance type protection for Farm Credit System borrower stock.

System borrowers are required to invest capital, in the form of stock, in the system. In the event of financial problems, the stock or "risk capital" might be partially or entirely lost as was the case when several production credit associations began liquidation proceedings during the past year.

5. *Federal/State interest buy-down.* The Farmers Home Administration would be authorized to provide $100 million in matching funds to States that implement a program to buy down the interest rate on loans made by commercial or cooperative lenders. The interest buy-down would apply to at least the first three years of loans that are secured by real estate and made for the purpose of restructuring a borrower's debts. The Federal interest subsidy would be recaptured when the land is sold or the title is otherwise transferred. The States would also have the option to recapture the interest subsidy.

6. *Classification of loans by Federal bank regulators.* Federal bank regulators would be directed to exercise caution and restraint in adversely classifying agricultural loans.

FINANCIAL STRESS IN THE FARM ECONOMY

Persistently low farm income (due in part to weak export demand), high interest rates, and declining farmland values have created severe financial stress for many farmers. This is particularly true for highly leveraged operators. As a result of this severe financial stress, about 5 percent—or 125,000—farm operators could be forced out of business for financial reasons during the coming year. In some regions of the country, the failure rate could be higher.

SOME INDICATORS OF FINANCIAL STRESS

About 16,000 Farmers Home Administration farm borrowers have been delinquent for four or more years.

The Farmers Home Administration currently has 2,163 farms in inventory consisting of 629,512 acres. Prior to 1981, the Farmers Home Administration had no more than 231 farms in inventory at any time.

During the past two years, production credit associations had loan losses of about $540 million. That amount nearly equals the total losses sustained during the previous 50 years.

The Farm Credit System had an estimated $4.6 billion in nonperforming loans for the year ended December 31, 1984.

Farmland values have declined by over 25 percent during the last four years. The decline in farmland values is a major reason that farmers have lost $200 billion in equity since 1981.

The rate of return to equity in farm assets has been negative for the past four years. Prior to 1981, the last time farmers experienced a negative rate of return on equity was 1953.

The percentage of agricultural banks (defined as banks with agriculture loans equal to 25 percent or more of total loans) reporting negative earnings for 1983 reached 7 percent, up from 1 percent each year of the last decade.

Of the banks identified by Federal bank regulators as having financial problems, 37 percent are agricultural lenders. However, only 30 percent of the Nation's banks are considered agricultural banks and in 1982 and 1983 they accounted for only 20 percent to 24 percent of the problem banks.

MID-SIZED AND LARGE FARMERS MOST AFFECTED

Based on current returns on investment, most farm operators with debt to asset ratios in excess of 40 percent are experiencing financial stress. About 30 percent of farm operators with sales of at least $100,000 have debt to asset ratios in excess of 40 percent.

Over 10 percent of the farm operators with sales of at least $100,000 have debt to asset ratios in excess of 70 percent. That group of farmers is highly vulnerable and, without a significant improvement in the farm economy, most of them will be forced out of business or find it necessary to liquidate part of their operations during the next two years.

If current economic conditions persist, the adjustments that highly leveraged farm operators will make are likely to have a substantial affect on agricultural lenders and agri-business. For example, about 56 percent of the $215 billion in total farm debt is owed by operators with debt to asset ratios in excess of 40 percent.

FARM CREDIT SYSTEM PROBLEMS

The Farm Credit System is the single largest source of agricultural credit in the world. The System has three components: (1) Federal land banks ($51 billion in loans outstanding); (2) production credit associations ($19 billion in loans outstanding; and (3) banks for cooperatives.

The System obtains its funds without direct Federal assistance from private credit markets through the sale of securities. However, because the System is one of seven financial institutions that has "agency status", the securities issued by the System have certain characteristics that make them attractive for investors.

The special benefits of agency status and the perception that the Federal government would—if necessary—meet the System's obligations, enable the System to obtain funds at very competitive interest rates. Currently, the System's cost of borrowing is only a fraction of a percent above the Treasury's cost of borrowing.

However, in recent years the System has suffered record losses and numerous production credit associations have been forced to consolidate or liquidate their operations. In the northwest alone, eight production credit associations have been liquidated.

The liquidation of a production credit association usually results in the members of that association losing part or all of their "B" stock. That stock is the investment the members of the cooperative make in the association and, as member-owners, that stock is viewed as risk capital.

When losses increase in the System, interest rates must be raised and over time this could place cooperative lenders in a less competitive position. There is concern that this might drive the larger and more credit worthy borrowers out of the System leaving behind only the riskier borrowers.

The Office of Management and Budget is currently considering a proposal to end the benefits of agency status or at least assess a user fee. The result would be higher interest rates for borrowers and that too could affect the ability of the System to compete for borrowers.

Despite its problems, the System appears to be sound and investor confidence remains high. The System currently has $12 billion in capital and, as a whole, has a strong positive cash flow.

THE FEDERAL RESPONSE TO AGRICULTURAL CREDIT PROBLEMS

Historically, the Farmers Home Administration has been the primary source of Federal assistance for farmers with credit problems. Since 1977, the agency has provided over $36 billion in agricultural credit.

However, it appears that the agency, as it is currently structured and staffed, has nearly reached its limit in terms of the assistance it can provide in a responsible manner. At the end of fiscal year 1984, the agency had over $60 billion in outstanding principal, equivalent to about $5.7 million in loans for each employee of the agency.

Despite the volume of credit the agency has provided during the past decade and the assistance currently provided to about 270,000 farm borrowers, FmHA is the source for only about 15 percent of the non-real estate credit and 10 percent of the real estate credit.

When considering the dimensions of existing farm credit problems, the need to assist current Farmers Home Administration borrowers, and the statutory limitations that direct agency assistance to smaller farm operations, it is evident that FmHA is capable of assisting only a relatively small number of the farmers affected by the credit crisis.

This point is clearly made by examining the Administration's much publicized debt adjustment program that was announced several weeks before the election.

STATUS OF THE ADMINISTRATION'S DEBT ADJUSTMENT PROGRAM

The administration's debt adjustment program raised the hopes of the estimated 430,000 farmers facing serious credit problems. To date, the number of farmers receiving assistance under that program has been very limited.

The program has two key features (1) an interest free set-aside of part of the principal owed on FmHA farm loans; and (2) a loan guarantee program.

Unofficial estimates from FmHA indicate that as of January 25, 109,319 borrowers had applied for assistance under the debt set-aside program (applications for the program had to be filed within 30 days of the announcement). Of that number, 3,248 borrowers had their applications approved and 9,150 have been rejected.

At the current rate of approval, about 28,000 borrowers will be assisted under the debt set-aside program or about 6.5 percent of the 430,000 farmers experiencing credit problems. In terms of loan guarantees, 457 applications are being reviewed (275 of them from three states) and only 7 loan guarantees have been issued.

Mr. ANDREWS. Mr. President, I rise in support of the efforts of my esteemed colleagues to raise the level of awareness of the American public to the plight of the farm sector. I can assure any doubters that the problem in rural America is not imaginary, it is real.

We have all heard about, and are very concerned about, the Latin and South American debt crisis. But think for a moment about the size of that debt. Latest estimates put the U.S. portion of problem loans in the $160–$175 billion range.

Agricultural lending has at the current time, $215 billion in outstanding loan commitments. My point is this, the level of agricultural loans is far greater than the loan commitments south of our border, yet it is the foreign loans we have been hearing about.

It is time we take a hard look into our own backyard, and deal with the problems we find out there. Three years of low prices and high interests rates have taken their toll on the American farmer. In my home State of North Dakota, a poll of farmers indicated that 13.7 percent of the farmers questioned did not think that they would be farming for another year.

Congress has an obligation to the citizens of the United States to squarely address this agricultural crisis. We must recognize agriculture for what it truly is—our only renewable strategic resource. Food will win us many more friends and provide more influence than all of the weapons and military assistance we could ever provide. If the United States wants to become the world leader in the eyes of suffering people, we must provide support in the form of foodstuff, not military guidance.

We will not, however, be able to provide food, and strategically position ourselves in the world, if the American farmer is forced out of business. Nowhere on this Earth, has a nation been as abundantly blessed with agricultural production capacity as right here in the United States. We, as a united body, must strive to ensure that we do not waste that blessing.

Of primary importance today is agricultural credit. Farmers are faced with the prospect of not having the avail-

able credit to put their crop into the ground. I can think of no quicker mechanism to facilitate the demise of agriculture than failing to provide the means for a farmer to plant the crop.

In North Dakota, fully 15 percent of farmers are without funds to operate this year. As you can see, Mr. President, we do not have the luxury of debating at length on this credit problem. Spring planting is right around the corner. Something must be done, and done quickly.

American agriculture is much too valuable to squander. It will take a bipartisan effort to arrest the decline we all have witnessed in rural America. We have the resources to come to grips with this problem, and come to grips with it we must.

THE CRISIS IN AMERICAN AGRICULTURE

Mr. FORD. Mr. President, I want to compliment my good friend from Oklahoma for his tireless efforts in bringing the crisis on our American farmland to the forefront. We, who represent our constituents from these magnificent marble-lined corridors of Capitol Hill, are too often isolated from the bleak realities that hang over our Nation's farms.

However, I make a point of going home nearly every weekend so that I cannot forget, or fail to understand, the pain that farm families in Kentucky, and across the Nation, are feeling today.

I was, at first, shocked at the statements this administration's OMB Director made to a group of my Senate colleagues. Mr. Stockman said that farmers as well as other "special interests were going to be cut off at the knees" by the administration. My shock turned to anger, then my anger was replaced by total disbelief that anyone could consider America's farmers to be just another special interest group.

Agriculture is the very backbone of this Nation. The farmers fed this Nation from its birth, and now they have become important to the economy of the entire free world. Farming is not a special interest that is isolated in a particular segment of the economy or by geographical region. Instead, it cuts across the Nation, woven as a fabric of life in a special breed of men and women—America's farm families.

We now have only a precious 2 percent of the population working as craftsmen of the land. However, they grow an abundance of goods that, when moved through the production chain, results in the largest employment segment of the economy. The agricultural industry employs over 17 million people.

So I ask how this administration can look upon the farm segment as a special interest group, especially when agriculture was able to export $38 billion of goods last year. This industry contributed directly to the favorable balance of trade of $19 billion—in a year when the Nation's trade deficit reached a sad $123 billion. Our farmers fuel the very economy of this Nation. But members of this vital economic sector are suffocating under a tremendous debt load that threatens any future viability.

Most of us, since childhood, have thought of farming as a serene, peaceful and an idyllic way of life. The word farm conjures up images of country roads lined by neat fence rows, and of sprawling yards with quaint houses and barns. But these peaceful images mask what is really happening to our farm families across this great land.

The debt now borne by U.S. farmers totals in excess of $216 billion, a debt that is far beyond the amount owed this country by our neighbors in the Southern Hemisphere. Yet they, and not our farmers, seem to have the sympathy of the press and the public.

Today's total farm debt has grown almost tenfold from the $22.5 billion figure of 1960. Since 1960, the cash-flow required for input items has risen 50 percent, resulting in a shrinking profit margin. Cash expenses in 1960 totaled about 64 percent of cash receipts to over 84 percent today. Because of these factors, about 40 percent of a farmer's cash-flow is financed by credit today, compared to only 17 percent during the 1960's. That does not include financing on the land itself.

Furthermore, no one today looks at the nominal or stated rate of interest pertaining to production. The real rate of interest, the difference between the rate and inflation is the highest in history, choking off our American farmer.

While we still hold images of tranquility in our minds when we ponder the lifestyle of the American farmer, growing statistics shatter this fiction. A recent informal study of farm State banks by the Federal Reserve Bank of Kansas City shows that 8 to 15 percent of the region's farmers will not receive their crop planting loans this year.

The family farm that has been passed down from generation to generation has been mortgaged to the hilt. Foreclosures are rampant, threatening an entire way of life. The grim facts are reflected in three counties of southwest Iowa where suicides are reported to have increased by 38 percent.

These difficult times for our farm sector are rocking our financial industry as well. Loan losses have more than tripled since 1979 at commercial banks which have more than 25 percent of their lending dedicated to agriculture.

In the farm credit system, five production credit associations have entered liquidation as a result of loan losses in the last 2 years. Nationwide, commercial banks project a loss of $600 million on farm loans for 1984, while the farm credit system estimates loan losses will exceed $300 million.

The administration announced on a campaign tour of Iowa last year that it would allocate $630 million in Farmers Home Administration loan guarantees and deferred loan payments of 5 years.

Because of redtape and a lack of manpower in field offices, this much ballyhooed plan has provided only $3 million in loan guarantees and has granted its deferred payment plan to a only 3,248 farmers.

The average farm nationwide is about 400 acres, whereas in my State of Kentucky it is only 147 acres. There are 101,000 farms in my State, many supporting more than one family. It is not unusual that the father, the patriarch of the family, works alongside the families of his sons and daughters perpetuating a way of life, and teaching his craft to his offspring. The art of farming is learned by doing. It can be refined in our Nation's schools and colleges, but it can only be learned on the farm.

I have refrained from expressing to this body the situation and pressures my Kentucky farmers are experiencing for a reason. The problem facing American agriculture confronts us all. There is no special segment, no special interest group of farmers. Agriculture is a cornerstone of the economic foundation of this Nation; which crosses all boundaries of this great land.

Last week, I wrote President Reagan and urged him not to forget our Nation's farmers in his State of the Union Address. Many were deeply hurt by such an omission last year. I ask unanimous consent that a copy of that letter be entered into the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, February 1, 1985.

President RONALD REAGAN,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: As you finalize your State of the Union address, I respectfully urge you to not forget, in those remarks, to mention our nation's farmers.

Many Kentucky farmers expressed to me their disappointment last year when there was not a single mention of agriculture in your State of the Union message. At a time when agriculture in America is at a virtual crossroads, our nation's farmers need you, their President, to give them words of encouragement and hope for tomorrow.

The problems facing agriculture are not regional; they are found in every community, in every state. Real interest rates are at the highest level ever, making it difficult or impossible for many farmers to finance debt repayments out of current income. The percentage of production costs attributable to interest on debts has risen from 7.6 percent in 1970 to nearly 16 percent in 1983. Federal fiscal policies have dramatically strengthened the dollar, making U.S. agricultural ex-

ports more expensive. Our ability to compete in the world market has been undermined.

However, the statistic that is most alarming to me is a human one—the rising age of our nation's farmers. The last agricultural census showed that there were 4,200 fewer farmers age 25 and under nationwide than there were four years earlier.

These numbers show that young men and women are deserting the family farms at an alarming rate. A whole way of life, passed down for generations, is being abandoned because of the fear young people have of tying their futures to American agriculture. They are simply unable to seek fulfillment of dreams about a life spent on their farms. Who, Mr. President, will tend our lands tomorrow?

Our nation's farmers desperately need to know that you are aware of the problems which they face, and that your Administration plans, in the 1985 farm bill, to present a roadmap that will take them into tomorrow without the fear of failure which has overtaken them.

Your State of the Union message is the optimal opportunity to encourage these farmers by giving them reason to hope and to believe that you plan to restore farm livelihoods. Finally, Mr. President, farmers need to hear you affirm to the public that agriculture is the cornerstone of this nation's economy, important to the future of both urban and rural Americans.

On behalf of the farmers of Kentucky, I would earnestly appreciate your consideration of this request.

Sincerely,

WENDELL FORD.

Mr. ABDNOR. Mr. President, I am pleased to join with my farm State colleagues to call to the Senate's, Congress', and America's attention the crisis facing rural America.

This crisis is not about nuclear war, hazardous wastes, or foreign affairs. Rather, it is a crisis that well could destroy America's heartland. This crisis, an agricultural crisis, could destroy over one-third of this Nation's best and most efficient food producers. Yes, Mr. President, this crisis could sound the death knell for the backbone of our Nation and the Midwest—America's family farmers and ranchers.

But it is not just our farmers and ranchers that we may be losing. This crisis is much more serious than that. We could lose the small businesses on main street, the schools which educate rural children, the health care facilities which provide needed medical services in the sparsely populated regions of our country, and much, much more.

Troubling questions are being asked out in rural America today. Farmers and ranchers are asking, "Is anyone in Washington listening? Do the Reagan administration, Congress, and urban America care?" I am listening, I care, and hope that my urban colleagues are just as attentive, understanding, and supportive of measures which are needed to solve this crisis.

The rural economy is in jeopardy. While the early- and mid-1970's showed overall economic strength, growth, and vitality, the same is not true for the late 1970's and 1980's thus far. Over 800 counties in the United States—one-fourth of all—lost population since 1980. Nonmetropolitan income and employment growth is not keeping pace with metropolitan measures.

Following what many experts have judged the worst recession since the Great Depression, the U.S. economy experienced initially rapid, and now sustainable, growth. Since November 1982 the coincident index of economic indicators has risen better than 18 percent. Between the third quarter of 1982 and the third quarter of 1984, gross national product has climbed almost 20 percent; gross private investment is up 60 percent; and corporate profits increased 72 percent. During the last 2 years almost 2 million jobs have been created and industrial production as of October 1984 is 19 percent greater than in 1982: Production of business equipment is up 19 percent, construction supplies up 27 percent, motor vehicles, and parts up almost 45 percent and even the production of iron and steel has risen 22 percent—as of September 1984. Since 1982, new construction expenditures have increased 37 percent and new private housing starts are up 43 percent. Reagan administration economic policies have set a new standard for economic recoveries.

But things are different down on, and around, the farm. Since the fall of 1982, when the economic recovery began, total farm production expenses have increased $3.1 billion while total farm cash marketing receipts rose but $500 million. According to Department of Agriculture, farm production costs will equal farm cash marketing revenues in 1984. Therefore the Department's net farm income forecast of $31 billion for 1984 is composed of the value of inventory change ($8 billion), nonmoney income—value of home consumption of farm products and imputed rental value of farm dwellings, $13 billion—other cash income—income from custom work, machine hire, and farm recreational activities, $2 billion—and direct Government payments ($8 billion). After a full year of national ecomomic recovery, in 1983, nonfarm proprietor's income increased 21 percent while farm proprietor's income fell by 36.7 percent.

Capital expenditures in agriculture remain virtually unchanged since 1982; agricultural employment has declined by almost 300,000 jobs; prices received by farmers have risen but 3 percent (or fallen 4 percent relative to the GNP deflator); and farm equity has fallen by almost $64 billion. The volume of U.S. agricultural exports has declined for 4 consecutive years. President Reagan has acknowledged the fact on several occasions that this Nation's largest and oldest industry remains in economic recession.

There is, of course, a very strong linkage between agriculture and the rural economy. Not only does the farm sector create activity through the purchase of agricultural inputs, but also through the purchase of goods and services for household consumption. In contrast to the expansionary decade of the 1970's, farms—as businesses and as family units—recently have had to modify their operating budgets to accommodate the stringent financial situation of agriculture. As a consequence, the rural economy by and large has inherited the same misfortune as the agricultural economy in the 1980's.

The facts are there; we are in the midst of the worst agricultural recession since the 1930's, and nobody, including the Department of Agriculture, is predicting when it will end. Since the fall of 1982, when the National economy recovery began:

Employment in agricultural industries has declined by 100,000 jobs;

Per capita personal income for rural residents increased 40 percent less than that of metropolitan residents;

Farm equity—land value—has fallen by $64 billion;

Capital expenditures in agriculture remain virtually unchanged;

The volume of agricultural exports has declined 9 percent;

Total farm production expenses have increased $3.1 billion while total farm cash marketing receipts rose but $500 million.

The Department of Agriculture reports that America's farmers and ranchers will realize no net income from the sale of their products in 1984 because marketing revenues will be completely offset by production expenses. What net income farmers and ranchers realize in 1984 will be in the form of changes in the value of inventories, the value of farm home consumption of farm produced commodities, income from for-hire custom work and Government payments. Perhaps most disheartening, in 1980 less than 4 percent of farm net cash income came from Government payments, but in 1984, over 22 percent of farm net cash income will be in the form of public aid. I contend that this dramatic increase in the dependence of the American farmer on public assistance during the last 4 years may be our greatest economic failure and political embarrassment.

Record amounts from the Federal Treasury have been spent on farm income support, export promotion and credit programs during the last 4 years. But I am sure my colleagues will agree that never has so much done so little. Given budget deficit considerations we have no choice but to develop the vision and the confi-

dence to do better with less. The consequences of continued neglect are grave: An unchecked, draining loss of our farmers—the most productive workers on the face of this Earth—and the making of ghost towns of our rural communities.

Mr. President, I take this opportunity to alert you, Congress and America to a clear and present danger—an America without agriculture. Because of misguided policies we are rapidly yielding this country's largest, and perhaps its last, international comparative advantage. A consequence of such a failure will be a rural America without economic purpose and an America without its heritage. Be warned: The continued failures of our farmers, our rural bankers, our Main Street merchants will leave rural America devastated and the consequences will ripple disastrously throughout the fabric of our national life for generations to come.

Mr. President, we have been down this road before where once-proud U.S. industries such as autos, steel, and textiles, which were once on the cutting edge of global domination are today mere shadows of what they could have been. Rural America and agriculture are exhausted and embattled; we need your help and plead for your patience and understanding. Anything less will dishonor the hard-working, honest people who constitute the backbone of this Nation. It is time for a national commitment to rural America. The national goal of keeping a farm family on its land is no less grand than President John Kennedy's commitment of putting a man on the Moon.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. HECHT). Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 3 o'clock p.m. with statements therein limited to 1 minute each.

THE CHARLESTON PUBLIC HOUSING AUTHORITY

Mr. THURMOND. Mr. President, the city of Charleston, SC, enjoys a rich heritage as one of America's first settlements. People travel from around the world to visit this beautiful coastal community, which has been the setting of some of our Nation's most significant events. Since its founding, Charleston—formerly known as Charles Towne—has grown and adapted to the changes of our progressive society. Remarkably, in the midst of these transitions, Charleston has been able to preserve the traditions and architecture of past generations.

Mr. President, many American cities face difficulties with urban renewal, particularly in the area of providing low-income housing for its citizens. I am proud to say that the city of Charleston, in cooperation with the U.S. Department of Housing and Urban Development and the Charleston Department of Housing and Urban Development, is succeeding in achieving this challenging objective.

By revitalizing the inner city with housing similar to the design of the surrounding historical structures, the city of Charleston has been able to maintain architectural integrity, while meeting the housing needs of its citizens. For this outstanding accomplishment, Charleston was recognized with the "Presidential Award for Design Excellence" by President Reagan on January 29, 1985.

This is a tremendous honor, and one in which all South Carolinians can take great pride. The city of Charleston sets a fine example for other cities facing similar dilemmas, and I am pleased to congratulate Mayor Joseph P. Riley, Jr., Charleston Housing Authority Executive Director Donald J. Cameron, and all those at the local, State, and Federal levels who made this project a resounding success.

Mr. President, I know my colleagues in the Senate would want to join me in saluting this exemplary cooperative venture, and I ask unanimous consent that the following article from the Charleston News and Courier newspaper and other relevant material, be included in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Charleston (SC) News and Courier, Jan. 31, 1985]

"CHARLESTON PUBLIC HOUSING PROJECT WINS PRESIDENTIAL DESIGN AWARD"

WASHINGTON.—A Charleston public housing program received a Presidential Award for Design Excellence from President Reagan Wednesday at the White House.

The award was one of 13 given for excellence in the design of projects built with federal money between 1974 and 1984. Six hundred and thirty projects were considered.

The 113 units, designed along the lines of a traditional Charleston "side-house," are "exemplary in their social, architectural and urbanistic goals and set an important precedent for future public housing projects," the awards jury said in its citation.

On hand to accept the award in a White House ceremony were Charleston Mayor Joseph P. Riley Jr., and the executive director of the city's Housing Authority, Donald J. Cameron.

The houses were designed by Edgar B. Gale of Middleton, McMillan Architects of Charleston and Richard B. Bradfield of Bradfield and Associates of Atlanta.

"In all of our redevelopment work on the (city's) East Side, we felt that quality urban design was just as important in a redevelopment area as it was downtown," Riley said after an America Institute of Architects ceremony honoring the award winners.

Cameron said the projects actually cost $1,000 to $2,000 less per unit than if the city had built a traditional public housing project. Construction of the houses began in 1978 and has cost about $3.2 million. The houses were built on 14 vacant lots in six city neighborhoods.

The houses are located on Coming, Cannon, Huger, South, Reid, Amherst, Marion, Nassau, St. Philip and Line streets.

"Never before has a president put his stamp of approval on the design of any public housing project," Cameron said in an interview Tuesday. The program was developed jointly by the Housing Authority, the city and the U.S. Department of Housing and Urban Development.

Cameron said the houses—called scattered infill public housing—have provided housing for low-income people and helped in neighborhood renewal. Some of the sites had been vacant for many years, he said.

"Over decades, neighbors had seen vacant lots, vacant buildings and no new construction. Neighborhoods were chosen for the scattered infill public housing program to demonstrate to residents the investment in their community was worthwhile," Cameron said.

Riley said Tuesday the program initially was viewed with skepticism by federal officials and some members of the Housing Authority's own board of commissioners.

"It was difficult to convince all of those who needed to be convinced, that scattered site public housing could be built and be successful," Riley said. "It's meaningful that this city, known for its old architecture, is being recognized for its new architecture," Riley said.

Other award winners were the National Aeronautics and Space Administration, for the design and use of its logo; the National Park Service, for designs used in its publications; Franklin Court, the area around the Benjamin Franklin Home in Philadelphia; Historic Preservation Tax Incentives, for encouraging restoration of historic buildings, the Linn Cove Viaduct project on the Blue Ridge Parkway in North Carolina; The Intercity Bridge between Pasco and Kennewick, Wash.; the Department of Transportation for its symbol signs; The Seattle Foot, a prosthetic device; the General Service Administration's Art-In-Architecture program; the Charles River Project in Boston; The Gardens, a housing project in San Mateo, Calif.; and the new Partnership for Restoring American Cities in St. Paul, Minn.

PROGRAM EXERPTS FROM "WINNERS OF THE FIRST PRESIDENTIAL AWARDS FOR DESIGN EXCELLENCE"

INTRODUCTION

The Presidential Design Awards Program is the first government-wide effort to recognize and foster excellence in Federal design efforts. President Reagan stated on establishing the awards that: ". . . what we build, print, or cause to be manufactured for Federal use directly affects every citizen. We must ensure that these vast investments are cost-effective, well-planned, and reflect the standards of excellence which we all expect from our government."

The thirteen winners of the first Presidential Awards for Design Excellence exemplify the standards fo excellence that should be expected from the Federal government. The best design results from careful planning, technical creativity, and sensitivity to human requirements and sensibilities. It is an instrument to better inform organize, assist, and serve. It should reflect our di-

verse cultural values and the highest standards.

I believe that these winners clearly illustrate what is possible when dedicated designers work with able administrators to produce functional, cost-effective products and public services. Excellence in Federal design requires not only designers of skill and creativity, but administrators and lawmakers who provide mandates and policies to stimulate good design.

The Presidential Design Awards Program was managed by the National Endowment for the Arts as part of its efforts to nurture and recognize design excellence in America. Through its Federal Design Improvement Project, the Endowment's commitment to Federal design excellence is long-standing and includes initiation of such projects as the Federal Design Assemblies, the Federal Architecture Project, the Federal Graphics Improvement Program, and the Excellence Attracts Excellence program with the Office of Personnel Management.

The Presidential Design Awards have special symbolic value. They call attention to design quality at the highest level of government. Through the President, they bring to all of us a sense of what can be.—Frank Hodsoll, Chairman, National Endowment for the Arts.

REPORT OF THE PRESIDENTIAL DESIGN AWARDS JURY

The Presidential Design Awards Program was established in December 1983 to recognize exemplary achievements in Federal design in the fields of architecture, engineering design, graphic design, interior design, landscape architecture, product/industrial design, and urban design and planning. This is the first government-wide design awards program and its Presidential sponsorship places the issue of design excellence at the highest level of government.

Quality in design has been a national cause since the founding of our Republic. In the planning and design of Washington, both George Washington and Thomas Jefferson recognized that the success of the nation was linked to the vision that people had of themselves and the buildings that housed their institutions.

In the twentieth century, this condition continues with the Federal Design Improvement Project administered by the National Endowment for the Arts—an effort strongly supported by four Presidents for over a decade. In 1982, Federal projects in the fields of design and construction amounted to approximately forty billion dollars. Most of these expenditures exert an important influence on design practices in the private sector, either from the scope and volume of everyday products necessary to the operation of government or from specially designed products which have been adapted for civilian or commercial use. Therefore, a Federal mandate for design quality affects the entire environment and contributes to improving the quality of life of the people of this country.

It should be recognized that the benefits of design excellence also have economic implications. The vast majority of advanced industrial nations have national design programs and their business and government leaders have recognized that good design is good business. As part of our effort to improve the nation's competitiveness in world trade, the Federal government's leadership in improving American design standards is both timely and important.

In this context, the jury applauds the Federal government's initiative in establishing the Presidential Design Awards Program. From among 630 submissions, 91 have been selected to receive Federal Design Achievement Awards, 13 of which have been chosen to receive the Presidential Award for Design Excellence.

Projects receiving the Presidential Award range from a simple prosthetic device commissioned by the Veterans Administration to free amputees from the physical and visual implications of their disability to the Department of the Interior's program of tax incentives for historic preservation—a program engendering thousands of private-sector projects that have raised public appreciation of America's architectural heritage.

By far the largest number of entries were submitted under the category of graphic design, ranging from a single postage stamp to a total graphic communications program. Especially noteworthy is the visual communications system developed by the National Aeronautics and Space Administration whose posters, publications, and logotype generally maintain a high standard of design which truly captures the spirit and vitality of the space program.

The jury further wishes to call attention to the importance of the Urban Environmental Design program of the Department of Housing and Urban Development which has provided local governments and the professional design community with opportunities to make our cities more liveable.

On the other end of the spectrum of design, the jury found much to applaud in the Art-in-Architecture program of the General Services Administration which aims to achieve an integration of building and works of art. The jury recommends, however, that greater involvement of artists in early stages of the design process would significantly alter the relationship between buildings, site, landscaping and works of art.

In conclusion, the jury would like to commend the Federal government for its support of quality design and suggests that it expand on its already proven record. In order to do this, programs that stimulate design through incentives, as well as those that create jobs and educational possibilities, should be expanded. This could include criteria for the selection of design professionals from both the public and private sectors, peer evaluation of projects in progress, and recognition of work that exhibits high standards of excellence. Finally, the jury believes that Presidential endorsement of good design, as evidenced by completed projects, would help create a better climate within the Federal government to strive for design excellence resulting in a higher quality of life for all.—I. M. Pei, Jury Chairman.

SCATTERED INFILL PUBLIC HOUSING, CHARLESTON, SC

"The Scattered Infill Public Housing Project is a highly commendable example of a sensitive approach to public housing. An effective planning process created a partnership of the local community, involved the City of Charleston, the U.S. Dept. of Housing and Urban Development and the Charleston Department of Housing and Urban Development. These groups chose a developmental strategy that both increased the supply of housing and provided a stimulus to neighborhood revitalization. Existing open sites were carefully selected for their potential for neighborhood renewal and for their ability to provide the necessary social continuity.

"The choice of a vernacular house type, the Charleston 'side-house,' proved to be appropriate contexturally and climatically. The use of local construction methods, materials, detailing and colors helped aesthetically to integrate the structures into their surroundings. The new dwellings are so skillfully and sensitively designed and sited that they do not resemble public housing. User satisfaction is high: tenants have been integrated into an existing community, thus avoiding the stigma often associated with large-scale public-housing projects.

"The infill approach to public housing is clearly a time-consuming process requiring the utmost commitment from a housing authority. In Charleston attractive livable environments have been created within stringent budgetary and time constraints. These examples are exemplary.

* * * * *

CONGRESS NOT RESPONSIBLE FOR THE DEFICIT

Mr. HATFIELD. Mr. President, as the Congress grapples with ways to reduce the deficit in the days ahead, there is one proposition for budget control which should not be on the agenda. I am speaking of the proposal to grant the President the unprecendented power to veto individual items in congressional appropriation bills—the so-called line-item veto.

Control over Federal spending is one of the most important responsibilities bestowed upon the Congress by the Constitution. The notion behind the line-item veto is that the Congress has acted irresponsibly in carrying out its appropriations duties. A second notion behind this proposition is that the President will act more responsibly in carrying out these duties than the Congress. Both these notions should be rejected.

First, let us look at our track record on appropriations. Mr. President, I ask unanimous consent that a table showing appropriations enacted as compared to the President's request over the fiscal year 1980 through 1985 period be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

APPROPRIATION TOTALS

[In millions of dollars]

	Fiscal year 1980		Fiscal year 1981		Fiscal year 1982		Fiscal year 1983		Fiscal year 1984		Fiscal year 1985	
	Request	Enacted	Request	Enacted	Request	Enacted	Request	Enacted	Request	Enacted	Request	Enacted
Subcommittee:												
Agriculture, Rural Development and Related Agencies	19,176	18,310	21,683	21,547	30,486	30,857	37,820	38,448	32,408	32,486	31,618	31,689
Commerce, Justice, State, Judiciary	12,140	11,213	9,924	9,472	8,278	8,640	9,144	10,043	10,030	10,493	11,034	11,410
Defense	126,689	125,442	152,627	157,284	192,976	190,093	229,301	215,680	246,054	234,030	291,945	274,141
District of Columbia	607	450	532	491	570	557	580	524	570	601	503	533
Energy and Water Development	12,521	11,751	12,373	12,123	11,889	12,611	12,660	14,813	14,866	14,541	15,875	15,372
Foreign Assistance	9,705	7,605	13,716	11,806	11,681	11,968	12,112	11,972	21,107	21,921	18,230	18,150
HUD-Independent Agencies	54,240	53,006	49,308	44,355	33,211	37,044	27,460	33,634	30,301	36,625	35,267	37,525
Interior	31,355	28,498	9,880	8,927	6,794	7,484	7,005	8,563	6,711	8,649	7,975	8,126
Labor, Health and Human Services, and Education	33,670	32,900	20,176	22,281	25,448	28,168	20,869	29,738	26,171	33,804	28,882	33,041
Legislative	531	482	611	530	636	551	813	645	780	726	700	659
Military Construction	3,985	3,780	5,721	5,326	7,513	7,112	8,208	7,221	8,747	7,178	10,318	8,405
Transportation	10,591	10,009	12,989	12,027	9,775	10,299	10,970	11,489	10,706	10,687	11,382	11,197
Treasury, Postal Service, General Government	6,186	5,982	6,189	6,104	5,245	5,495	5,718	6,193	6,245	6,635	6,641	7,058
Grand total appropriations	321,306	309,428	315,729	312,273	344,502	350,879	382,660	388,963	414,696	418,376	470,310	457,306
Nominal dollars:												
National defense (function 050)	134,066	132,372	162,394	166,571	205,744	202,133	242,842	228,951	262,341	248,136	310,517	290,258
Foreign Operations Subcommittee	9,705	7,605	13,716	11,806	11,681	11,968	12,112	11,972	21,107	21,921	18,230	18,150
Nondefense domestic appropriations	177,535	169,451	139,619	133,896	127,077	136,778	127,706	148,040	131,248	148,319	141,563	148,898
Constant 1972 dollars:												
National defense (function 050)	70,192	69,305	76,241	78,202	90,636	89,045	102,465	96,604	106,643	100,868	121,771	113,827
Foreign Operations Subcommittee	5,572	4,366	7,164	6,166	5,691	5,831	5,678	5,612	9,534	9,902	7,961	7,926
Nondefense domestic appropriations	101,932	97,291	72,920	69,931	61,916	66,643	59,866	69,398	59,284	66,994	61,818	65,021
Defense deflator	1.91	1.91	2.13	2.13	2.27	2.27	2.37	2.37	2.46	2.46	2.55	2.55
GNP deflator	1.74	1.74	1.91	1.91	2.05	2.05	2.13	2.13	2.21	2.21	2.29	2.29

Note: Excludes synfuels rescission of $2,000,000,000 in fiscal year 1984 and $5,375,000,000 in fiscal year 1985.

Mr. HATFIELD. This table indicates that enacted appropriations over the past 6 years have been under the President's request by slightly less than 1 percent. The mix of money may have differed from that which the President requested, but spending has been held under the overall level requested by the President. This is not evidence of the Congress wielding a "free-wheeling" hand in providing funds for a wide array of Federal programs and activities. It is evidence of responsible appropriations action by the Congress.

Second, Mr. President, I would like to dispose of the notion that the President is necessarily more responsible than the Congress. I would like to call to my colleagues attention an article which appeared in the January 7, 1985, issue on Fortune magazine on this issue. It is entitled "Veto the Line Item Veto", and was written by Norman J. Ornstein, a resident scholar of the American Enterprise Institute. Mr. President, I ask unanimous consent that this article be printed in the RECORD at the conclusion of my remarks.

Mr. Ornstein points out that the line-item veto, if granted, may defeat its intended purpose. His basic premise is that controlling Federal spending is a political problem, not an institutional one. Presidential interests are more costly. Weakening the spending hand of the Congress by strengthening the spending hand of the President will allow these interests to flourish.

I would also urge my colleagues to read a commentary by George F. Will on Mr. Ornstein's article which appeared in the Friday, February 1, 1985, edition of the Washington Post. Mr. President, I ask unanimous consent that this editorial be printed in the RECORD at the conclusion of my remarks.

Mr. President, I have stated my opposition to the line-item veto on numerous occasions. I believe it is a simple solution on face, full of inherent dangers. I caution my colleagues. The veto of individual appropriation bill items will not lead to a significant reduction in the deficit. It will not be an effective method of controlling Federal expenditures. Instead, it will provide for the transfer of spending power from the legislative to the executive branch of Government. As Members of the Congress, we will be giving up one of our most important powers—"the power of the purse."

I urge my colleagues to study this issue closely.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Fortune, Jan. 7, 1985]

VETO THE LINE ITEM VETO

(By Norman J. Ornstein)

The war on federal spending—at least the rhetorical war—will heat up in the coming months as President Reagan renews his call for the line item veto, the power for the President to veto individual appropriations without having to veto an entire bill. Reagan called for a line item veto throughout the 1984 campaign, suggesting that it would be the most effective, most efficient, and least onerous way to deal with federal spending.

The idea sounds simple and sensible, and many conservatives have embraced the concept. After all, Congress frequently engages in "logrolling," adding programs for special interests that simply pad the federal budget. Then it sends the padded appropriations bills to the President, with his only alternatives being to veto the whole bill—both the good and the bad—or to swallow hard and sign it.

But conservatives should look beyond appearances and join others in opposing this idea. Rather than help contain spending, a line item veto would probably do just the opposite—increase government spending.

The problem with the line item veto starts with its basic premise: that the President is more provident than Congress. That may be true with President Ronald Reagan, but it isn't true in general. We have more to worry about from strong Presidents than a strong Congress. When the Founding Fathers allocated powers among the branches of government, they gave the basic power, and final say, over taxing and spending to the branch of government they felt was least likely to overtax or overspend—Congress.

Though you'd never know it from the political discourse of today, the Founding Fathers were basically on target. Over time, any executive-centered political system will almost certainly spend more and enlarge the scope of government more than one with substantial legislative power; witness the fate of our European allies that rely on parliamentary systems with strong executives and weak legislatures. Compared with nearly all of them, the United States is small indeed in the size of government and the level of taxation as a proportion of gross national product.

Through most of American history, Congress has battled parochial interests on the outside that wanted to expand government largess, and has diffused parochial members on the inside who wanted to bring home more bacon to their districts. More often than not, Congress has had to protect the public purse from Presidents pursuing expensive military objectives, wanting to buy more territory, or expanding federal involvement in commercial affairs. Overall, Congress has had great success; up to the 1970s, our national debt was almost entirely rooted in the massive deficits of our major wars. Our 180 years of peacetime budgets were, on average, virtually in balance.

This is not to say that Congress is either noble or penurious. It is not. But Congress is more likely than Presidents to resist the demands of special interests. Our perception so different because we pay so much attention to the pork barrel, the relatively small share of the budget that is directly involved with parochialsim and logrolling.

The fact that pork is so limited is one of the main reasons a line item veto couldn't really curtail government spending. Most spending, as the Office of Management and

Budget has pointed out, is not directly in the hands of the appropriations committees. Consider, for example, the $926 billion in the fiscal 1985 budget. Some $188 billion goes for Social Security; $116 billion goes to net interest payments, something a President could not item-veto; $90 billion goes to Medicare and Medicaid, and they must be changed by legislation, not an item veto.

Another $123 billion of spending is mandated by past legislation. Obligations under contracts signed in past years total another $97 billion for defense and $74 billion for domestic programs. We're left with $237 billion—but $175 billion of that is defense. That leaves, in other words, $62 billion in discretionary domestic spending as the prospective target for line item vetoes. That includes the general operating expenses of the federal government—meaning the CIA, the FBI, the national parks, and so on. The President could effectively veto very little of that whether he had the desire to or not.

And few Presidents, including Reagan, really have that desire. Driven by the same political considerations as Congress, Presidents generally support the kinds of programs that clearly stand out as wasteful. Reagan hasn't taken strong action to reduce outlays for subsidized electric power in the West, his strongest political base and the home of his closest supporters. Nor has he been much of a hawk over subsidized federal grazing lands out West or the water projects that Jimmy Carter tried to eliminate.

President Reagan supported the Clinch River breeder reactor. He supported swollen farm subsidies and generous farm loan guarantees. And during the campaign he pledged to protect the benefits not only of present Social Security recipients, but of future recipients as well. These are not the habits of an individual who would wield the item veto mercilessly.

The problem is not President Reagan; it is Presidents in general. Every President wants to make his mark on the country. Some significant part of that mark comes from proposing new programs and allocating resources for them. Part of President Reagan's ambition has been to beef up our defenses, and he has pushed for the dollars to do so. These dollars may be justified, but they are federal spending. Moreover, Reagan has proposed such new deficit enhancers as tuition tax credits, enterprise zones, and a permanent manned space station.

The bottom line is that if you give the President more power, that power is going to be used to advance presidential interests. That means that over the long run the line item veto will likely increase spending. Beyond any doubt, if the line item veto had been available last year when Congress cut 25% from Reagan's proposed outlays on the MX missile, calls would have been made by the White House to recalcitrant legislators suggesting that a favored dam or building would be item-erased if the lawmaker didn't support the MX. We would have paid for all those dams and buildings—and more MXs.

Yes, but what about President Reagan's claim that the item veto exists and has worked well, in 43 states? We have significant evidence that the line item veto, overall, is not terribly effective inside states. As Benjamin Zycher has catalogued in the *Wall Street Journal*, per capita spending in the seven states lacking item veto authority actually is lower on average than in states with some form of line item veto. Zycher concludes that the data "do not support the conclusion that the item veto power provides an effective constraint on government spending."

Given the history of our country, and the likelihood that future Presidents will be even more aggressive, innovative, and free with the government's money than Ronald Reagan, it is foolhardy for conservatives to propose a wholesale expansion of presidential power at the expense of Congress. For all of us it is important to remember two other points. First, there is no panacea for the hard work necessary to reduce federal spending. We are all special interests, and cutting spending will bring howls of pain from every force in the society.

Second, we must realize that our problem is not institutional but political. A political problem requires political solutions. The best environment for this is two strong and confident institutions. A line item veto, by weakening Congress significantly, would damage the political environment for deficit reduction. Weaken Congress by any means, and it will have less mettle to resist pressure from interests or Presidents. Instead, we ought to devote our attention to changing the political climate. We need to change public attitudes and create a better opportunity for compromise between the President and Congress that will lead to spending restraint. Diversions like the line item veto don't help.

[From the Washington Post, Feb. 1, 1985]

DEFICIT? DON'T BLAME CONGRESS

(By George F. Will)

Someone should silence naughty Norman Ornstein before he spoils the sport of Congress-bashing. He demonstrates that congressional irresponsibility has not been the primary cause of the many deficits that have produced our national debt.

In an essay for the American Enterprise Institute, he notes that the $80 million Revolutionary War debt was cut in half by 1811. The War of 1812 tripled the debt, but it was almost eliminated in the 1830s. It rose as a result of the Mexican War, but then declined until the Civil War produced a $2.6 billion national debt. That caused Congress to centralize spending, resulting in two powerful appropriations committees. In 31 years (1867-1897), there were 27 surpluses. In 13 years revenues exceeded expenditures by more than 25 percent.

The Spanish-American War, combined with the 1896 recession, initiated 20 years with 11 deficits, but in 1916 the national debt was approximately what it had been in 1896. After 127 years the republic's debt was $1.23 billion. But in 1919, modern war, the foremost shaper of the modern world, had increased the debt 20-fold, to $25.8 billion. Then Congress again tightened budget procedures, and the debt again shrank, to $16 billion by 1930.

Depression deficits were almost trivial compared to those of World War II—$211 billion. The national debt as a percentage of GNP was 33 percent on the eve of the Depression, 43 percent in 1940, 128 percent in 1946.

In 1946 Congress cut the number of committees and took other measures to restrain spending. Thanks to that and economic growth, the national debt as a percentage of GNP shrank to 98 percent by 1949, 56 percent by 1961.

But in the next quarter-century there was just one small surplus ($3.2 billion in 1969). From 1960 to 1980 the debt grew from $293 billion to $993 billion. In Reagan's first term it nearly doubled, as did the clamor against Congress and four proposed constitutional amendments (to restrain Congress).

Although Congress has been, in Ornstein's word, an "accomplice" it has been less important as a deficit-maker than presidents, from Lyndon Johnson with a guns-and-butter policy through Reagan's gamble that the stimulative effect of his tax cuts would make them virtually self-financing, eliminating the need for politically hazardous cuts in spending on middle-class programs.

Ornstein acknowledges that Congress has contributed to the deficits by the decline of its institutional tough-mindedness and the rise of "subcommittee government," which has weakened central control of spending through appropriations committees. And Congress has mastered the art of bestowing blessings by tax breaks rather than appropriations.

But Congress has reduced politically profitable discretionary domestic spending by reducing the amount (as a percentage of the budget) and the discretion (adopting formula programs). Congress indexed entitlement programs, thereby stopping the politically advantageous but fiscally irresponsible process of voting ad hoc increases every few years.

In 1982 Congress, dragging a reluctant president, attacked the deficit by raising taxes in an election year. In 1983 it attacked the deficit by initiating an energy-tax increase. In 1984 there again was something like congressional government, with another attempt to reduce the deficit by raising taxes in an election year, with an essentially passive president acquiescing.

Today there are reports that Reagan will go barnstorming to rally support for substantial cuts in middle-class programs. I, for one, will believe it when I see it from the man who, as Ornstein notes, has supported almost all the water projects President Carter tried to kill, has supported swollen farm subsidies and generous farm-loan guarantees, has supported subsidized electric power and grazing fees for his western friends, has pledged to "not stand for" cuts in the biggest sector of big government (Social Security), and wants some new deficit-enlarging programs, such as tuition tax credits. "These," says Ornstein dryly, "are not the habits of a President who would wield the line-item veto pen mercilessly."

The proposed item veto would cover only appropriation bills, and only a small portion of spending is controlled by such bills. In the $925 billion fiscal 1985 budget, there is just $81 billion in non-defense discretionary spending. And Ornstein thinks an item veto might increase spending because presidents would use it as a club. For example, he says, in Reagan's hands the item veto could be used to threaten dams and federal buildings desired by legislators opposed to MX. We would wind up buying the dams and buildings—and the larger number of MXs.

Ornstein, you see, is doubly insufferable. He robs us of two comforts: the image of Congress as a convenient villain, and the hope that constitutional tinkering can be a panacea.

SUPPORT FOR THE AMERICAN CONSERVATION CORPS

Mr. CRANSTON. Mr. President, I am pleased to join as a cosponsor of S. 27, a bill to establish an American Conservation Corps to provide unemployed young people between the ages

of 16 and 24 the opportunity to perform needed conservation work on public lands.

As a cosponsor of similar legislation in both the 97th and 98th Congresses, it's my great hope that we will finally be able to achieve enactment of the measure this year.

S. 27 introduced on January 3, 1985, by Senator MOYNIHAN and others is virtually identical to the legislation passed by the Senate last year and pocket vetoed by President Reagan. The few changes are in response to administration objections raised in the veto message. The bill differs from S. 27 as introduced in 1983 in that the authorization levels have been reduced from $250 million annually for 6 years to $75 million annually for 3 years. Additionally this bill places a cap of 10 percent on administrative costs—the earlier bill had no cap—and revises the funding distribution mix to increase the States' share from 35 percent to 50 percent and reduce the Departments of Agriculture and Interior's shares from 25 percent to 20 percent each.

Mr. President, this legislation addresses two problems—youth unemployment and deterioration of natural resources. Today despite all efforts by Federal, State, and local governments to alleviate the problems of youth unemployment, the rate of unemployment among young Americans between the ages of 16 and 19 was 18.4 percent in the fourth quarter of 1984. For members of a minority group, the rate was a disastrous 41.1 percent. Nearly 1.5 million young people who were actively seeking work during the fourth quarter were unable to find jobs. In California the rate of youth unemployment in the fourth quarter of 1984 was 18.4 percent also, but higher for Hispanics at 20.4 percent and for blacks at 22.9 percent.

Today there are 27 functioning State and local conservation programs—four of which are in California—the California Conservation Corps started under Gov. Ronald Reagan, the San Francisco Conservation Corps, the Martin Conservation Corps, and the East Bay Conservation Corps. These programs are providing meaningful work—erosion control, flood control, trail maintenance, park landscaping, building renovation—for unemployed youths and at the same time improving California's environment.

These and past programs of putting unemployed youths to work preserving our natural resources have proven to be highly successful. The Civilian Conservation Corps employed 3 million young people over its 9 year history and performed conservation work valued at over $1.5 million. The more recent Youth Conservation Corps and Young Adult Conservation Corps performed similar conservation projects on public lands. In California, 15,878 youths participated in the YCC program from 1975 to 1981 when YCC was the undeserving victim of Reagan budget cuts. In its peak year of 1979, the Forest Service provided jobs in California for 1560 YCC enrollees in reforestation, fishery enhancement, campground improvements and other needed projects. This year without YCC moneys jobs were available for only 179 young people to assist with Forest Service conservation projects in California. Yet the need for jobs and conservation work remains.

Mr. President, I want to point out that studies done on the YCC and YACC also show youth conservation programs to be cost effective—returning $1.20 in appraised conservation work for each $1 expended. This figure does not include the benefits realized by putting previously unemployed young people to work.

Mr. President, I recognize there is another current problem—the massive Federal deficit. Although I do not believe that we should bring a halt to all of our efforts to deal with pressing national needs—like jobs and conservation—I am acutely aware of the need to bring down the growing Federal deficit. Thus, it would be my intention to seek reductions in spending in other areas to offset any new funds appropriated for the American Conservation Corps Program. This approach would allow us to continue to address pressing areas of need in a fiscally prudent manner. Clearly, outdated, ineffective or unnecessary programs should be eliminated and those that are too costly or low priority should be trimmed back so that new, needed initiatives can be pursued.

A TRIBUTE TO JOHN HORNE

Mr. HEFLIN. Mr. President, on January 8, 1985, America lost an outstanding public servant when John E. Horne passed away.

During his lifetime, Mr. Horne had performed a number of different jobs in public service, and done an excellent job at each.

A native of Clayton, AL, Mr. Horne received a certificate from Alabama's Troy State University prior to earning bachelor's and master's degrees from the University of Alabama. He became a fellow in history at that school in 1935.

After serving in the Navy during World War II, Mr. Horne first came to Washington in 1947 as administrative assistant to Senator John J. Sparkman, who was elected to the Senate that year and would serve with many of my colleagues in this distinguished body before his retirement in 1978.

In 1951, John Horne became head of the Small Defense Plants Administration. Three years later, he was named staff director of the Democratic Senatorial Campaign Committee.

The 1956 Presidential election found John serving as assistant campaign manager of Adlai E. Stevenson's 1956 Presidential candidacy. This was one of the few ventures in which he did not meet with success.

In 1960, he went on to serve as executive director of the National Citizens Committee for Kennedy and Johnson. After President Kennedy's election, John Horne was named Administrator of the Small Business Administration. In 1963, he was appointed to serve as a member of the Federal Home Loan Bank Board, and served as Chairman of that Board from 1965 until 1968. In 1969, he became president of the Investors Mortgage Insurance Co., and would serve as chairman of that firm from 1979 to 1978. At the time of his death, Mr. Horne was president of John E. Horne Associates, a consulting firm he founded in 1979 to deal with housing, small business, and general government matters.

His lifetime of varied pursuits brought Mr. Horne many different honors and activities. In 1981, he was named one of 50 outstanding contributors to better housing by the American National Housing Conference. John was also a governor of the Society of Financial Examiners, a member of Phi Beta Kappa, the American Legion, the Veterans of Foreign Wars, the Sons of Confederate Veterans, and numerous other civic and community organizations.

Mr. President, I wish to extend my most sincere personal sympathy to John's wife, Ruth, his daughters, Linda Clark and Susan Ewart, and the remainder of his family.

Mr. President, I ask unanimous consent that articles from the Washington Post and the Washington Times be printed in full in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Times, Jan. 9, 1985]

FORMER HEAD OF SBA JOHN E. HORNE, 76

John E. Horne, 76, a former head of the Small Business Administration and chairman of the Federal Home Loan Bank Board, died yesterday at his home in Alexandria after a heart attack.

At his death he was president of John E. Horne Associates, a consulting firm he founded in 1979 to deal with housing, small business and general government matters.

In 1981, Mr. Horne was named one of 50 outstanding contributors to better housing by the American National Housing Conference.

He became president of the Investors Mortgage Insurance Co. in 1969 and, from 1970 to 1978, was chairman of the firm.

Born in Clayton, Ala., Mr. Horne received a certificate from Troy State Universtiy in Alabama in 1928 and his A.B. and M.A. degrees from the University of Alabama. He became a fellow in history at the latter school in 1935.

From 1935 to 1939, he was a representative of the Macmillan Publishing Co., and, from 1939 to 1942, he worked for the Row,

Peterson Publishing Co. He came to Washington as administrative assistant to former Sen. John J. Sparkman, D-Ala., in 1947.

In 1951, Mr. Horne became head of the Small Defense Plants Administration and three years later was named staff director of the Democratic Senatorial Campaign Committee in 1954.

Mr. Horne was assistant campaign manager for Adlai E. Stevenson's 1956 presidential candidacy and in 1960 was executive director of the National Citizens Committee for Kennedy and Johnson.

When the Kennedy administration came to power in 1961, Mr. Horne was named administrator of the SBA. In 1963, he was appointed a member of the Federal Home Loan Bank Board and from 1965 to 1968 was chairman of the board.

He next was an official of Investors Mortgage Insurance Co. before founding his own firm.

Mr. Horne was a trustee of the Foundation for Cooperative Housing and a member of the board of directors of the National Housing Conference.

In World War II, Mr. Horne served in the Navy and later was a captain in the Naval Reserves.

He was also a governor of the Society of Financial Examiners and a former president of the Phi Kappa Alpha Memorial Foundatin. He was a member of the American Legion, the Veterans of Foreign Wars, the Sons of Confederate Veterans, the Elks Club, the National Press Club, the National Capital Democratic Club, the Metropolitan Club, the Newcomen Society, the Alabama Historical Society, Phi Beta Kappa, and several other honorary societies.

He is survived by his wife, the former Ruth F. Kleinman; two daughters, Linda Clark of Chapel Hill, N.C., and Susan Ewart of Columbia, S.C.; three sisters, Marvelle Brown of Hollywood, Fla., Lillian Bailey of Charlotte, N.C., and Louise Price of Clayton, Ala.; two brothers, Winfred Horne, also of Clayton, and Robert Horne of Eufaula, Ala., and four grandchildren.

A memorial service will be held at noon tomorrow in Immanuel Episcopal Church-on-the-Hill, 3606 Seminary Road, Alexandria.

The family suggests that expressions of sympathy be in the form of contributions to the John E. Horne Scholarship Fund at the University of Alabama and Troy State University.

[From the Washington Post, Jan. 9, 1985]

HORNE, JOHN ELMER

On Tuesday, January 8, 1985, at his residence, John Elmer Horne of Alexandria, Va., husband of Ruth K. Horne; father of Mrs. Richard Clark, Chapel Hill, N.C., and Mrs. James Ewart of Columbia, S.C.; four sisters; two brothers; four grandchildren. Friends may call at the Everly Wheatley Funeral Home, 1500 W. Braddock Rd., Alexandria, Va., Wednesday from 7 to 9 p.m. Funeral service will be held 12 noon Thursday in the Seminary Chapel of the Virginia Theological Seminary, Alexandria, Va. Interment Arlington National Cemetery. Contributions may be made to the John E. Horne Scholarship Fund of the University of Alabama, Tuscaloosa, Ala., or to Troy State University, Troy, Ala.

JOHN E. HORNE

John E. Horne, 76, a former chairman of the Federal Home Loan Bank Board, an administrator of the Small Business Administration and aide to former Sen. John Sparkman (D-Ala.), died Jan. 8 at his home in Alexandria after a heart attack.

Mr. Horne was named to the Federal Home Loan Bank Board by President Kennedy in 1963 and he was chairman from 1965 until 1968. He resigned to become president and director of the Investors Mortgage Insurance Co. in Boston. He returned to Alexandria in 1971, but continued to work for the company until the late 1970s, when he formed his own consulting business.

Mr. Horne was born in Clayton, Ala., and graduated from the University of Alabama. He earned a master's degree in history there.

He was a textbook publishers' representative before World War II and served in the Navy during the war. He came to the Washington area in 1947 as administrative assistant to Sparkman. He became deputy administrator of the old Small Defense Plants Administration, predecessor to the Small Business Administration, in 1951, and later became administrator of that agency.

In 1953, Mr. Horne rejoined Sparkman's staff. In 1956, he was assistant campaign manager for the Democratic ticket of Adlai Stevenson and Sparkman in the presidential election. He was executive director of the National Citizens Committee for the Kennedy-Lyndon B. Johnson ticket in the 1960 presidential election.

In 1961, he returned to the Small Business Administration as administrator, and he served there until he was appointed to the Federal Home Loan Bank Board.

Mr. Horne was a member and former vestryman at the Emmanuel-on-the-Hill Episcopal Church in Alexandria.

He is survived by his wife, Ruth, of Alexandria; two daughers, Mrs. Richard Clark of Chapel Hill, N.C., and Mrs. James Ewart of Columbia, S.C., and four grandchildren.

BIRMINGHAM MAYOR RICHARD ARRINGTON

Mr. HEFLIN. Mr. President, I rise today to share with my colleagues an article from the Birmingham Post-Herald about Dr. Richard Arrington, mayor of Birmingham.

As the chief executive of Alabama's largest city, Mayor Arrington has helped make Birmingham write an economic success story during the last 5 years, a success story which has benefited his entire constituency.

During Mayor Arrington's tenure, the city of Birmingham has seen a great deal of new construction and renovation, new industry, and, in large part, an overall economic transition from a heavily industrial base to a largely service economy. Birmingham's business leaders have credited the mayor's contributions with playing a large part in these progressive developments. From creating the impression of a city in the forefront of economic and social progress, to successfully managing the city budget, to developing a good relationship with the business community, Richard Arrington has been credited with helping to create a stable political and economic environment in Birmingham—an environment that has served to boost the city, its surroundings, and the entire State.

Mr. President, I ask unanimous consent that an article from the Birmingham Post-Herald of January 8, 1985, be printed in full in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Birmingham Post-Herald, Jan. 8, 1985]

GARNERING PRAISE: BUSINESSES THANK ARRINGTON FOR SUCCESS

(By Andrew Kilpatrick)

Birmingham Mayor Richard Arrington gets high marks from Birmingham business leaders, who say he has been an important figure in the city's economic progress.

They say he has a pretty good sense of business even though he doesn't profess to be a businessman.

They say he has a real rapport with Birmingham's business leaders and that he is a good administrator.

They point out that he has personally helped with plans for such landmarks as the Financial Center, the SouthTrust Building under construction and the renovation of the new National Bank of Commerce headquarters downtown.

They credit him with bettering race relations, which in turn creates a better environment for the private sector to prosper.

They see him as a man who has grown in the job and who can concentrate on the issues as he serves his second term.

Some say that if he doesn't understand all the intricacies of tax credits and bond issues, he can leave that to others.

But they also say he has a good understanding of the city budget, much of which he handles personally instead of relying heavily on staffers, as was sometimes the case with past mayors.

Judy Thompson, president of Thompson Tractor, said, "He's the best thing that's happened to Birmingham in years.

"I give him a lot of credit for improving the city in a time of a poor economic climate," she said, adding that Arrington has kept in mind his whole constituency and not just a narrow part of it.

She said she thinks the mayor has looked realistically at what high-technology industries Birmingham can attract.

The mayor has been realistic in his understanding that industry is difficult to attract, that there are only so many new industries considering new operations in Alabama and that often the better course is to encourage industry already here to expand, she said.

Further, she said, "He's very accessible, very open."

Buffalo Rock Chairman Jimmy Lee said, "He has a fine rapport with the business community.

"He's grown and matured on the job."

Lee recalls that Arrington and some Birmingham business leaders had to go to Washington, D.C., to see Sen. Howell Heflin and officials of the Mead Corp. so that Birmingham and Homewood could obtain land for a research and development park.

He said Arrington's role was the key to getting the land.

SouthTrust Corp.'s Wallace Malone said, "I think he does a very good job," at a difficult time when Birmingham faced a severe recession, high unemployment and a particularly heavy loss of jobs in the steel industry.

"He's very able, extremely conscientious."

However, "Like any mayor of any big city, nobody is going to agree with everything he does," Malone said.

"I think he has pretty doggone good business sense," Malone said.

Arrington must answer to about 300,000 people, which is far more complex a matter than a top business executive's answering to a board of directors and stockholders, Malone said.

"Dick Arrington has been smooth. He's not erratic, not crazy and he doesn't make wild statements. He's got his feet on the ground," Malone said.

Tom Rast, chairman of the board of the Johnson Rast & Hays Co. Inc. real estate development firm, said, "He has done a good job. . . . He has a lot of vision."

He said the mayor has had a big hand not only in the Financial Center and South-Trust Building but in seeing that downtown has more parking space. He said Arrington has done all that can be expected in the way of getting Urban Development Action Grants and other federal government money for development.

"I don't agree with him on everything he does," Rast said.

For example, Rast said he thinks Arrington should have given more consideration to South Central Bell's bid to supply a telephone system for City Hall when the company had done so much for the city.

Rast also said Arrington has grown on the job even though he entered office without very much political experience.

Before being elected mayor, Arrington was a school administrator and City Council member.

Sonat Inc. Chairman Henry Goodrich described Arrington as "effective" and "well educated," a man who has been good for the community.

Birmingham, he said, could be a lot worse off with someone else as mayor, adding that Arrington has developed good relationships with the business community.

In the past, Sonat has provided executives to do a city budget study, and Goodrich said Arrington himself has a full understanding of the budget, whereas in some past administrations, only the staff understood it.

Louis Willie, executive vice president of Booker T. Washington, Insurance Co., said Arrington has created "a positive image with the business community, which is probably one of his strengths."

When you consider the city's finances are not in difficulty, that its services have not been cut, . . . that there have been some raises, if not substantial, for city employees and that the city has a good credit rating—then I think you have to say the city is being run in a businesslike manner," Willie said.

Alabama Power Co. President Joe Farley said the decision to build his company's new headquarters in downtown Birmingham was helped by the fact that Arrington is mayor.

Farley said Alabama Power wanted to remain downtown and probably would have even if Arrington were not mayor, but "it made us much more comfortable."

Farley said he thinks Arrington has convinced the business community he genuinely wants its suggestions and ideas.

"He's a good mayor—good for the city. . . . He's brought stability to the city," Farley said.

Mike Calvert, executive director of Operation New Birmingham, said Arrington's leadership in business matters can be seen from last week's opening of the National Bank of Commerce headquarters in the old Woodward Building.

Many leaders praise Arrington's role in the $6 million renovation project, in which the city helped with a series of assistance efforts.

For example, the city's help involved a UDAG grant, tax-exempt bonds and bonds for the parking deck. The building also was designated a historic building, which gave it a tax credit.

"He understands the finances and he's a good administrator. Many politicians are politicians first and managers second or not at all," Calvert said.

He said Arrington is to be credited with the stable political climate in Birmingham and he said business leaders who consider setting up businesses in Birmingham and whom Calvert introduces to the mayor come away "quite reassured."

[From the Birmingham Post-Herald, Jan. 8, 1985]

MAYOR AVOIDS TAKING CREDIT FOR LOCAL ECONOMY

"We have made fair to good economic progress," says Mayor Richard Arrington, assessing economic progress in Birmingham in his five years as mayor.

"We have been in an economic transition for 10 to 15 years from heavy industry to a service economy," and he said Birmingham was particularly hard hit by the recession several years ago.

But Birmingham has made progress and Arrington thinks he has helped, although he said the economic progress here "is basically the work of others."

"I hope I have helped some but mostly other people have done the work. The mayor's role is in part symbolic."

He said it's important that the mayor be perceived as caring about the city's race relations, "as indeed I am."

"I believe I convey that to people," he said.

The mayor can particularly help by encouraging progress, instilling pride and bringing together the goals of both blacks and whites, he said.

"I think there is a sense that positive things are happening in this city."

He said there have not been many racial problems and those few have been handled quietly.

Arrington lists as accomplishments the revitalization of downtown including the Financial Center and South Trust Building, housing improvements, the commercial redevelopment of North Birmingham and the industrial parks as sites for research and for businesses to locate cheaply, and the revitalization of Five Points South.

Perhaps the crowds at fashionable Highlands Bar & Grill symbolize the new popularity of that area.

"Birmingham may be the nation's best-kept secret," Arrington said, "No longer a symbol of racial strife, Birmingham is watching as its neighborhoods improve, as historic structures are restored and as downtown becomes a hub of the metropolitan area again."

He said downtown has the enviable problem of facing an office space shortage, whereas a number of cities are faced with a glut.

Downtown's new public library has been as magnificent as dreamers had hoped, he said, and the new YMCA will mean further development along 21st Street.

North Birmingham and Five Points South have both received national awards for successful revitalization programs.

"I hope I have become more knowledgeable," Arrington said, responding to praise that he has grown in the office.

"I didn't have the sophistication in finance and business when I came into office. Had I been a bit more sophisticated about financial matters, I probably could have pulled off the Block 60 project," he said.

He said that perhaps an accusation that he is too naive or trusting applies, adding that he may have a tendency to believe in deals when he is told they are in place and that the financing is there.

Arrington said he sees sustained, but not explosive, economic growth for Birmingham for the rest of the decade.

"I see us cutting the unemployment rate to 4 percent by 1990 if there is no national recession," he said.

The jobless rate in the Birmingham area is 9.5 percent.

Arrington said he thinks the race track will create a number of jobs and that the track will create spinoff jobs in other areas, such as the hotel industry.

CONDITION OF SOVIET JEWRY CONTINUES TO DETERIORATE

Mr. SPECTER. Mr. President, on January 30, 1985, I participated in the Congressional Coalition for Soviet Jews' first "Emergency Action for Soviet Jews," a conference designed to call attention to the plight of Jewish refuseniks and prisoners of conscience in the U.S.S.R. The event was highly successful, with some 550 persons in attendance, including, I am pleased to say, many Pennsylvanians. As a member of the coalition's steering committee and long-time supporter of Soviet Jewry, I was especially gratified to see such a large turnout.

The coalition's inauguration was particularly important, Mr. President, because the condition of Soviet Jewry today continues to deteriorate. In 1979, some 51,000 Soviet Jews were allowed to emigrate from the U.S.S.R. By 1982, when I traveled to the Soviet Union to meet with refuseniks in Moscow and Kiev and to press the Soviet authorities on their emigration policies, the number of Jews allowed to leave was down to less than 3,000. In 1984, when I applied for a visa to take this matter up again with Soviet authorities, the number of Jewish emigrants totaled fewer than 900. Tellingly, my request for a visa in 1984 was denied.

Moreover, the reduction in emigration witnessed in 1984 has coincided with a severe crackdown on Soviet Jews who seek to preserve their heritage by teaching the Hebrew language and Jewish history. Recent jailings of a number of Jewish educators, including Yuli Edelshtein, Yakov Levy, Joseph Berenshtein, and Aleksandr Kholmiansky, to name just a few, on trumped-up charges ranging from drug-dealing to "anti-Soviet slander," have clearly highlighted one of the most odious aspects of the Soviet

regime—a basic disregard for the human rights of its citizenry.

During the course of yesterday's conference, I met with numerous individuals deeply concerned about life for Jews in the U.S.S.R. Among those that I spoke to was a representative of the Gratz College Senate, who shared my anguish over the ordeal of those who have been punished for bravely seeking to teach their brothers and sisters about the history and culture of Judaism, despite the obvious risks. The college, which is located in Philadelphia, was founded in 1895, and was the first nondenominational Hebrew teachers' college established in North America. Thus, it is especially fitting that their views on what can only be called the tragic situation of Soviet Jewish educators, as expressed in a recent letter to Soviet President Konstantin Chernenko, be known, and I ask unanimous consent that they be printed in the RECORD.

Mr. President, while the outlook for Soviet Jewry today is grim, we can be heartened by one thing. That is the fact that the plight of Jews in the U.S.S.R. continues to be a rallying point in the free world, and in fact is gathering strength. Through the efforts of private institutions like Gratz College, private citizens like the thousands who have written to me since I came to the Senate, and public officials who, like so many of my colleagues, have joined in hoisting this banner, we can impress upon the Soviet regime that the current situation must be changed. I am delighted to be a part of the Congressional Coalition for Soviet Jews, and look forward to continued cooperative efforts on behalf of those unable to speak out for themselves.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GRATZ COLLEGE,
December 19, 1984.

CONSTANTIN CHERNENKO,
President, U.S.S.R. Supreme Soviet, The Kremlin, Moskow:

Whereas the Hebrew teachers in the Soviet Union are being harassed and persecuted, we their colleagues in Jewish education at Gratz College in Philadelphia, Pennsylvania—(established 1895, as the first Hebrew Teacher's College in North America)—support them in their efforts to preserve Hebrew Language and culture.

Be it resolved that the Gratz College Senate expresses its protest at the treatment of teachers of Hebrew in the Soviet Union and implores the leadership of the Soviet Union to recognize the teaching of Hebrew as a legitimate profession and its study as an important cultural contribution to civilization. The great Soviet leader Lenin himself advocated the study and teaching of *all* languages desired by the many national minorities in the Soviet Union and freely chosen by them.

Respectfully submitted.

GRATZ COLLEGE SENATE.

A TRIBUTE TO WILLIAM R. "RUDDY" FAVRE

Mr. HEFLIN. Mr. President, it is with extreme sadness that I rise today to note the recent untimely death of Chief Assistant U.S. Attorney William R. "Ruddy" Favre, Jr., of Mobile, AL. Mr. Favre was a truly outstanding prosecutor; a dedicated public servant, and a fine man. I would have spoken earlier about my constituent and friend had the Senate been in session.

Favre has been with the U.S. attorney's office for 15 years, specializing almost exclusively in the prosecution of criminal cases. He had first been brought into that office during the first Nixon administration, stayed on during the Democratic Carter administration, and remained into the Reagan administration. In fact, he served briefly as ACTION U.S. attorney for the southern district of Alabama prior to confirmation of President Reagan's appointee for the post.

During his one and a half decades of service as a Federal attorney, Ruddy Favre built a tremendous reputation as a very successful prosecutor. In fact, in 1979, he was brought here to Washington to be honored for superior performance as an assistant U.S. attorney, an honor received by only 1 percent of our Nation's assistant U.S. attorneys.

Mr. President, having myself been a trial lawyer and having later served as a judge, it is my belief that it is usually the trial court to which aggrieved parties look for equity and justice. The vast majority of the numerous cases filed in Federal court never reach the Supreme Court, not because they are not meritorious, but because they have been disposed of and the parties have been given redress, at the trial level.

In turn, it is dedicated attorneys like "Ruddy" Favre who help our judicial system meet the stringent responsibilities placed on the trial court. I believe it is a clear testimony to his ability, fairness, and sense of justice that his funeral was attended by Federal and State judges, prosecutors and defense attorneys, and even persons whose convictions stemmed from Favre's prosecutions.

Mr. President, William R. "Ruddy" Favre, Jr., will be greatly missed. I wish to extend my sincerest sympathies to his wife, Katherine, and two daughters, Laura Hicks and Deborah Bender.

I ask unanimous consent that two articles from the Mobile Press Register be printed in full in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HEART ATTACK FATAL TO "RUDDY" FAVRE

A wake for Chief Assistant U.S. Attorney William R. "Ruddy" Favre Jr., who died Christmas Day of a heart attack, will be held today at 5 p.m. at Radney Funeral Home here.

The 56-year-old dean of area prosecutors died of a massive heart attack which struck him at 5:30 p.m. at his residence.

A funeral Mass is scheduled at 10 a.m. Thursday at St. Pius X Catholic Church on Sage Avenue.

Favre had been with the United States attorney's office for 15 years, specializing almost exclusively in the prosecution of criminal cases.

He prosecuted a number of major federal cases over the years, and tried the government's case against City Commissioner Gary Greenough who was convicted by a federal jury on Dec. 6 on 14 counts of fraud, conspiracy and extortion.

Favre was hired as an assistant U.S. attorney by U.S. Attorney Charles White-Spunner Jr. during the first Nixon administration, stayed on during the Democratic Administration of Jimmy Carter under U.S. Attorney William Kimbrough, and during the Reagan administration under present U.S. Attorney Jeff Sessions.

Favre was named acting U.S. attorney for the U.S. Southern District of Alabama in April 1981, when Kimbrough left the post, pending the confirmation of Sessions' appointment as U.S. attorney.

U.S. Attorney Sessions said, "I considered Ruddy to be one of the finest prosecutors in the United States, no question about that. He was respected by both defense attorneys and prosecutors throughout this region.

"He was closer to me than a brother. All of us are heartbroken at his death.

"I don't believe Mobile has had a finer public servant in the last 15 years than Ruddy Favre.

"He loved the United States attorney's office, and his loyalty to it was unsurpassed . . . His leadership inspired all of us in the office and his support to me both professionally and personally has been invaluable."

White-Spunner, who is now an assistant in Sessions' office, said, "Ruddy was a longtime very good friend, both before he worked in this office and during the time that he did. He was very loyal to all the U.S. attorneys that he worked with. He always did in the most exceptional manner all the things he was asked to do. He continually provided outstanding leadership in the office. He was a very fine person as well as a very fine public servant. He'll be missed by all who knew him both personally and professionally."

Former U.S. Attorney William A. Kimbrough Jr. said simply "the world has lost a * * *."

"And I know his family has lost one of the best fathers and husbands any family could have," said Kimbrough. "I'm sure his memory will sustain them during this period of sorrow."

"Our profession has lost a very valuable member," Kimbrough said. "I think above all as a lawyer he was a professional. You'd sit there (in the courtroom) sometimes thinking nothing was happening and then all of a sudden you'd realize you'd been 'out-Ruddied.'"

FBI supervisory special agent Joseph A. Mahoney spoke of a "very special relationship with Ruddy in the FBI. He was an outstanding lawyer and prosecutor. There was a great deal of respect between him and our office."

"He was extremely supportive of the FBI as an assistant U.S. attorney and as acting U.S. attorney," said Mahoney. "Throughout

the years he prosecuted many major and varied cases investigated by the FBI in the fields of gambling, bank robbery and public corruption and prosecuted the first major case in which the FBI had concurrent jurisdiction in drug investigations. We'll miss him as a professional in his capacity as a great lawyer and prosecutor and personally as a good friend."

Defense attorney Jim Atchison, who said he has known Favre for 16 years, said, "I think he is one of the greatest prosecutors who ever lived. He was one of the best, most efficient, most methodical prosecutors I've ever run up against." Atchison said, "I have respected him. He has always been a gentleman and if he gave you his word, you could depend on it. That meant a lot."

On learning of his death, attorney Barry Hess said, "He was a fine man, a fine lawyer. I trusted him. His word was gold. I can't say much more, I am shocked."

Attorney Tommy Haas said, "Ruddy was an old and dear friend. He must have been working too hard lately. We lost a great lawyer and fine man."

Mobile District Attorney Chris Galanos said, "Ruddy was a good and decent man who tried and succeeded in helping to clean up this community."

Mobile County Circuit Court Judge Ferrill McRae said, "He was a dedicated public servant of more than 15 years and was loved and respected by all he came in contact with. We will all miss his professional and diligent approach to prosecuting cases."

In 1979, Favre was honored in Washington, D.C., for superior performance as an assistant U.S. attorney, an honor received by only one percent of assistant U.S. attorneys in the nation.

A native of Mobile, Favre was a graduate of Murphy High School and Spring Hill College, and obtained his law degree at the University of Alabama.

He is survived by his wife, Katharine; two daughters, Laura Hicks and Deborah Bender, of Mobile; a sister, Mrs. Thomas Kimbrell Harris of Pascagoula, Miss.; and two grandchildren.

MOBILE SAYS FAREWELL TO "RUDDY" FAVRE

Chief Assistant U.S. Attorney William R. "Ruddy" Favre, Jr. was buried in Pine Crest Cemetery here Thursday afternoon following a funeral Mass that was attended by much of the city's legal community.

The service at St. Pius X Catholic Church was conducted by Rev. Sidney A. Tonsmeire S.J. and Father Francis V. Cusack.

Noting that the 56-year-old Favre's death of a heart attack on Christmas night left his friends "surprised, shocked and amazed," Tonsmeire said a closer examination of the circumstances surrounding the event reveals "something of God's hand in this."

"Life is a very tenuous thing," said Tonsmeire, adding that God provides us with "faith and hope" to "understand and interpret the meaning of God's calling our friend back to Him."

U.S. District Judges W. Brevard Hand, Emmett R. Cox, Virgil Pittman and Daniel Thomas were joined at the Sage Avenue church for the ceremony by the federal magistrates and bankruptcy judges and most of the Mobile County Circuit Court bench, Favre's colleagues in the U.S. Attorney's office, state prosecutors, countless defense attorneys, representatives from all branches of law enforcement and even persons whose convictions stemmed from Favre's prosecution.

Tonsmeire said he was "amazed and marveled at the wonderful things that were said about" Favre by his friends and peers.

It was apparent, said Tonsmeire, that Favre was an accomplished prosecutor although the priest has "never been in a position to experience his expertise, thank heavens."

A friend of the Favre family for years, Tonsmeire described the Mobile native as "an outstanding Christian man" who was "loved and respected for his integrity, his honesty and his justice."

Favre is survived by his wife, Catherine; two daughters, Laura Hicks and Deborah Bender, both of Mobile; a sister, Mrs. Thomas Kimbrell Harris of Pascagoula, Miss.; and two grandchildren.

VA ADJUDICATION PROCEDURE AND JUDICIAL REVIEW ACT

Mr. BUMPERS. Mr. President, I am very pleased today to join Senator HART, Senator CRANSTON, Senator SIMPSON, Senator MURKOWSKI and my many other colleagues as a cosponsor of S. 367, the Veterans' Administration Adjudication Procedure and Judicial Review Act. This bill represents a significant improvement in the rights and ability of veterans to pursue claims for VA benefits. During my service in the Senate I have always been a strong supporter of veterans programs. Our Nation is extremely lucky to have had the service and protection of the thousands of dedicated men and women who served in the Armed Forces and I feel that we have a basic moral obligation to assist those veterans in their time of need.

I believe S. 367 offers veterans a fundamental legal protection routinely enjoyed by other citizens, including other claimants for Federal benefits—the right to pursue their case in a court of law. This bill is practically identical to bills previously reported by the Veterans' Affairs Committee and passed by the Senate in September 1979, in September 1982 and in June 1983. I was proud to support each of those measures then, and I am proud to support S. 367 today.

Mr. President, under current law, the Veterans' Administration is a unique agency because of the barring of court review of the agency's decisions on veterans' claims for benefits. Also unique is the fact that the law limits to $10 the amount which may be paid an attorney for representation of a veteran before the VA. I don't know many attorneys who would agree to take on such a case for only $10. It appears obvious to me that when a veteran pursues his claim all the way through the administrative channels and argues his case before the Board of Veterans Appeals, he may have real need for both legal counsel and the opportunity to seek further legal remedy. As I said before, such rights are allowed claimants for other Federal benefits, notably Social Security.

This bill would correct this inequitable situation and allow review of claims for VA benefits by the U.S. Federal court system, substantially improving a veterans' ability to successfully pursue a claim through impartial channels. The court would have the authority to decide constitutional and statutory questions and to rule on actions taken by the agency's Administrator. The $10 limitation on attorney fees would be maintained for services rendered before a final decision by the Board of Veterans Appeals. For cases represented within the VA administrative channels after a Board of Veterans Appeals decision, the Administrator could approve reasonable attorney fees up to a maximum of $500, or if the claimant and attorney have entered into a contingency-fee agreement, no more than 25 percent of any past-due benefits awarded. For cases reviewed in court and not resolved in a manner favorable to the claimant, the maximum fee the court could approve would be $750. For favorably resolved court cases, the court could approve a reasonable fee, or again, in the case of a contingency-fee agreement, a fee not in excess of 25 percent of the total past-due benefits awarded.

Other provisions in this bill improve the claims adjudication procedures of the Veterans' Administration to ensure that veterans receive improved and timely assistance in pursuing their claims. I feel that these efforts are vital since claims can currently take months upon end to settle, and such delays can impose severe financial and physical strain upon claimants.

Many veterans in Arkansas have shared their frustration with the current system with me. Many times they feel unnecessarily defeated by the system as they pursue benefits they believe to be rightfully theirs. These veterans are losing confidence in the system that was established to assist and protect them.

I think that these proposed changes to the existing laws are necessary to ensure the fundamental rights of veterans and their survivors. One of the basic tenets of our system of justice in this country is that everyone who has a legal claim should be entitled to a day in court before an impartial judge. Our veterans are entitled to no less. I therefore strongly urge each and every one of my colleagues to join in support of this important and just legislation so that we may once again see its passage and take the first significant step toward successfully guaranteeing complete basic legal rights for veterans.

Thank you, Mr. President.

SOVIET JEWRY

Mr. BINGAMAN. Mr. President, I am pleased to join Senator BOSCHWITZ and my other distinguished colleagues who have heeded the Congressional Call to Conscience with respect to the

plight of Soviet Jewry. I commend my colleague from Minnesota, Senator BOSCHWITZ, for taking the lead in our effort to raise our voices on behalf of Jews in the Soviet Union.

Preserving national security and developing trade and commerce are essential elements of the foreign policies of all countries, including the United States. What has historically distinguished the conduct of American foreign policy from that of other states, however, is our abiding commitment to liberal-democratic values and to the principle of individual freedom from which these values derive.

Because we Americans have traditionally expressed openly our thoughts without fear of reprisal, chosen our houses of worship without Government interference, and traveled unfettered beyond our borders, we may tend to take our freedoms for granted. At such moments, Mr. President, it is chastening to remember how fortunate we are in comparison to the countless millions of people in countries throughout the world whose human rights are severely circumscribed or are denied altogether.

Mr. President, in Latin America there are hopeful signs that the process of democratization may be taking hold in Argentina, Brazil, and in other countries on the continent. Yet glaring human rights abuses continue to take place every day. In Chile, for example, the citizenry is not permitted to participate in the political process. The same is true in Cuba, where religious worship is also suppressed. Notwithstanding the recent elections in El Salvador and Nicaragua, the preservation of the dignity of the individual in those countries remains a tenuous proposition.

Equally flagrant violations of basic human rights—including freedom from physical harm—have become institutionalized in other parts of the world. In Cambodia, for example, people daily face the physical and psychological insecurity of a threatening environment with no semblance of the individual rights we Americans have historically enjoyed. In South Africa, a minority white government refuses to franchise the black majority. In Ethiopia, a repressive regime forcibly relocates its citizens rather than provide them with food to satisfy basic human needs.

Regrettably, Mr. President, the denial of human rights is not confined to the developing world. Throughout its empire, the Soviet Union systematically shackles the spirit of millions of people who live under its tyrannical rule. Nobel Prize laureate Andrei Sakharov and his wife, Yelena Bonner, have been persecuted because they dared to express views that were not sanctioned by the Government. Members of the Pentecostal faith, we will recall, took refuge in the American Embassy in Moscow because the Soviets would not permit them to practice their faith. The small group of Soviet citizens who tried to monitor their Government's compliance with its human rights obligations under the Helsinki Final Act have been either imprisoned or exiled. Indeed, last year three Ukrainian human rights activists died while serving sentences in Soviet labor camps.

No group in the Soviet Union, however, has been treated more harshly or suffered greater collective repression than Jews. The current campaign of persecution began in 1977-78 with the arrest and trial of Anatoly Shcharansky. As we know, Shcharansky was imprisoned on the contrived charge of spying for the United States.

The names of Shcharansky, Iosif Begun, Yuriy Tarnopolskiy, Aleksandr Yakir, and other prominent Jewish scholars and intellectuals who have been imprisoned are well known; and they have been the subject of Senate resolutions or letters which I have enthusiastically cosponsored or cosigned, calling on Soviet authorities to grant their release and their emigration. But, Mr. President, these individuals are simply the visible symbols—the tip of the iceberg—of a pervasive Soviet campaign that denies Jews the right to worship, emigrate, and to sustain their cultural identity.

During the past 6 months, 11 Hebrew teachers and Jewish cultural activists were arrested and 4 sentenced to labor camps for engaging in anti-Soviet agitation, slander, and propaganda. In fact, they were simply encouraging identification with one's religious heritage.

Refuseniks have been increasingly confined to psychiatric hospitals or exiled to Soviet prisons and labor camps. An estimated 10,000 Soviet citizens, many of them Jewish, have been incarcerated as political prisoners. Meanwhile, Soviet authorities refuse to provide information to Western governments or to human rights organizations about their conditions.

Emigration has consistently declined since the peak-year total of 51,000 in 1979. Last year, only 896 Jews were permitted to leave the Soviet Union, 30 percent less than in 1983 and 98 percent less than in 1979. Although the Soviets claim that all Jews who wish to leave have done so, the State Department has estimated that in excess of 400,000 Soviet Jews, or 20 percent of the Jewish community, would emigrate if they could.

The Soviet Government has engaged in propaganda designed to repress Jewish cultural activities. It has launched a vicious anti-Semitic campaign in the media centered on the "Anti-Zionist Committee on the Soviet Public." Cartoons, broadcasts, and articles increasingly equate Jewish culture with racism and compare Israel to Nazi Germany.

Finally, in this larger cultural context, Jews are systematically denied the opportunity to make full use of their talents within the Soviet Union. Jewish high school graduates are denied admission to the mathematics and science departments of Moscow State University and other prestigious institutes. Their parents are not likely to receive promotions in their professions.

Mr. President, we in Congress bear a responsibility to impress on Soviet officials, even as we seek in Geneva to redirect our relations on a politically constructive course, that Americans cannot ignore human rights abuses. We will therefore continue to denounce Soviet practices, as well as those of other countries, that seek to destroy the dignity of the individual because it is on the basis of this ideal that we came into existence as a nation.

OLIN B. KING: EXECUTIVE OF THE YEAR

Mr. HEFLIN. Mr. President, I rise today to share with my colleagues an honor recently awarded to a fellow Alabamian, Olin B. King.

Olin King, the chairman and chief executive officer and one of the founders of SCI Systems, Inc., was named "Executive of the Year" by the National Management Association. With this honor, he joined a distinguished roster of the Nation's foremost executives so honored since 1925.

SCI was founded in 1961 and, with Olin King's leadership, has developed from a three-man operation in his basement to a multinational corporation with almost $450 million in 1984 revenues.

Today, from its Huntsville, AL, headquarters, the company operates five manufacturing plants in north Alabama, a computer software center in Research Triangle Park, NC, and manufacturing facilities in Scotland and Singapore.

Mr. President, I am always thrilled by stories of initiative and success, such as the one Olin King has written at SCI Systems. I believe we should all be inspired by examples such as this. Of course, Olin King has been writing success stories for most of his life.

He earned his bachelor of science degree from North Georgia College at the age of 19, prior to doing graduate work in physics and electrical engineering at Emory University, Rutgers University, and the University of Pennsylvania. Before founding SCI, then known as Space Craft, Inc., he was associated with RCA, the Army Ballistic Missile Agency, and NASA's Marshall Space Flight Center.

At SCI, King has built a company providing a wide variety of high technology products and services including sophisticated missile, satellite, and aircraft electronics systems, high volume computer manufacturing, and several computer system product families.

In addition to his duties at SCI, Olin King is a dedicated and involved member of the civic community. He is a director of the Alabama Research Institute and a member of the Auburn University Research Advisory Council. He is involved with the Alabama Commission on Higher Education and the Governor's task force on economic recovery. He has served as director of the United Way of Madison County, Eagle chairman of the Tennessee Valley Chapter of the Boy Scouts of America, and president of the local chapter of the American Defense Preparedness Association.

Mr. President, the listing of Olin King's honors and activities could go on and on. To list them all would seem endless. To have listed none would seem an injustice.

Today, Mr. President, SCI Systems, Inc., its facilities, its success, and its continued growth all stand as monuments to Olin King and his hard work. On behalf of all Alabamians, I congratulate him on this great honor and thank him for all he has done for our State.

Mr. President, I ask unanimous consent that an article from the October 1984 issue of Manage magazine be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Manage Magazine, Oct. 1984]

OLIN B. KING NAMED EXECUTIVE OF THE YEAR

Throughout the dynamic growth of SCI Systems Inc., Olin B. King has managed the Company's interrelationship of people, funds, business and technology.

As the 1984 recipient of NMA's highest individual citation presented October 10, 1984 at NMA's National Conference, Mr. King joins a distinguished roster of the nation's foremost executives so honored by the Association since it was founded in 1925.

Olin B. King is chairman, chief executive officer and a founder of SCI Systems, Inc. Under his leadership, the company has grown from a three-man operation in the basement of his home, to a multinational 'Fortune 500' sized company. Fiscal year 1984 revenues were $437 million and the company's growth continues unabated.

SCI was founded in 1961. The Company provides a wide variety of high technology products and services including sophisticated missile, satellite and aircraft electronics systems, high volume computer manufacturing, and several computer system product families. Headquartered in Huntsville, Alabama, the company operates five manufacturing plants in north Alabama; a computer software center in Research Triangle Park, North Carolina; and manufacturing facilities in both Scotland and Singapore. Regional sales offices are maintained in more than a dozen major U.S. cities.

King's formula for success is direct. "Provide high quality products at attractive prices." Emphasis upon customer responsiveness and organizational efficiency complete his equation.

His success story serves as an example for others. He actively encourages employees to develop themselves within the company and regards SCI's National Management Association chapter as a primary tool in this development process. King describes his company's management style as 'distributed autocracy.' "This means that we extensively rely upon individual judgement and action at multiple levels rather than depend upon committees in the decision making process," he elaborated.

King was born in a small town in Georgia in 1934. He received a Bachelor of Science degree from North Georgia College in 1953. He did graduate work in physics and electrical engineering at Emory University, Rutgers University and the University of Pennsylvania. He served as an officer in the U.S. Army Signal Corps during the Korean War. Prior to founding SCI—then known as Space Craft, Inc.—he was associated with RCA, the Army Ballistic Missile Agency and NASA's Marshall Space Flight Center.

King has authored numerous engineering and business papers, including several definitive papers on pioneering satellite designs. He holds over a dozen patents for electronic circuits and mechanical devices. A recent personal invention, the Rotary Printer, was named by Industrial Research Magazine as one of a selected list of 100 most significant new products.

In addition to his responsibilities at SCI, King serves as a director of the First Alabama Bank of Huntsville, N.A., as a director of First Alabama Bancshares Inc., as president of Crown Properties, Inc. and as a director of Delta Communications, Inc.

In recent years he has been very active in state and local affairs. He is a director of the Alabama Research Institute and is a member of the Auburn University Research Advisory Council. He has served as trustee of the Alabama Heritage Trust Fund; a member of the Council of Twenty-one, Alabama Commission on Higher Education; and a member of the Governor's Task Force on Economic Recovery. Locally he is a director of the High Technology Resources Foundation, vice chairman and a trustee of the Huntsville Hospital Foundation, a director of The Chamber of Commerce of Huntsville/Madison County, a director of the Huntsville Museum of Art, a member of the Research Park Board of the City of Huntsville and a member of the University of Alabama in Huntsville's Science and Engineering Advisory Committee. He has served as director of the United Way of Madison County, Eagle chairman of the Tennessee Valley chapter of the Boy Scouts of America and president of the local chapter of the American Defense Preparedness Association.

In recognition of his vigorous support of both higher education and economic development in Alabama, King was awarded an honorary Doctorate by the University of Alabama in 1983. SCI's NMA chapter presented him with the Silver Knight of Management in 1975 and the Sunbelt Council of NMA Chapters awarded him the Gold Knight of Management in 1983.

DR. ANNA FISHER

Mr. LEAHY. Mr President, one of the most extraordinary people in our Government is Dr. Anna Fisher. Dr. Fisher, her husband, Dr. William Fisher, and their daughter, Kristin, are an inspiration to all Americans.

My family and I have gotten to know Dr. Fisher through the space program, and it was with great pride that we saw a recent article in the October 28, 1984, issue of Parade magazine. So that it can be shared with the rest of the country, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHEN MOM IS AN ASTRONAUT

By Aimee Lee Ball

Kristin Anne Fisher, age one, likes to watch the lift-off of spaceships on TV and shout, "Jet! Jet!" In a few days, there may be other equally precocious toddlers watching the space shuttle Discovery blast off from its launch pad at Cape Canaveral, but Kristin will be the first child ever to watch her mother ride a missile bound for outer space. Remember, for what will surely be a question on some 21st-century edition of Trivial Pursuit: The first astronaut-mother is Anna Fisher.

When Anna joined the space program in 1978, one of its first six women, she was a physician with a practice in emergency medicine. She was also a newlywed—she and William Fisher had met when both were medical residents in California, working toward the same specialty—and the couple were honeymooning when NASA summoned Anna for an interview. Both Fishers grew up as "Army brats," both with a passionate interest in space travel. On Bill's first-grade report card, the teacher noted that he spent too much time drawing rockets. And, at 12, Anna says, she speculated that "by the time I grew up, there were going to be space stations, and they'd need doctors." Both applied to NASA—the first step was filling out a U.S. Civil Service application, and in the space marked "Kind of position you are filing for," they simply wrote "Astronaut." After months of grueling tests, Anna was accepted. Bill followed two years later.

A two-astronaut family makes for a hectic household. NASA is a rigorous employer, and the Fishers each went through navigation and flight training, land- and water-survival, simulations of weightlessness, studies of mechanics, meteorology, astronomy, physics and computers, in addition to keeping up in their own field of expertise by working in hospital emergency rooms. One year they were apart 130 nights out of 365—Bill counted. When people asked if they were planning on having a child. Bill used to say they were having trouble watering their plants. They joked that in their spacious home, where each of them had a study, there would be a fight to the death over which room became the nursery, and a baby might have to rent space at a motel down the road.

But raising a family was a pleasure Anna was not willing to relinquish in order to have a space-age career. (She's a pioneer at combining the two: Soviet cosmonaut Valentina Tereshkova also is a mother, but her daughter was born a year after her spaceflight.) "I've always wanted to have a family—that was never a question," says Anna, "but I'd always hoped the timing would work out so that I would fly first and find out if this is what I want to do. If I found I was one of those people who is mis-

erably sick in space, perhaps I wouldn't want to fly again, and then the question would have been academic. If I was like a lot of other people in the astronaut office who say, 'It's neat, and it's so neat that it's worth waiting 20 years, and oh, boy' I want to go right away again'—if I was one of those people, which I suspect I probably will be, I figured I'd deal with the decision at that point. Perhaps it would be OK to take a little bit of time off, depending on how my career was going."

"When we first got to Houston, "she recalls, "we were told we'd all be flying within three or four years, and now we're into the sixth year. We're here considerably longer than we originally expected. That's just the way things go. And so when we decided to have Kristin, it was just a matter of looking at how old I was [she's now 35, he's 38] and the risks of maternal complications and not being sure you can get pregnant right away when you want to. I wasn't assigned to a crew, so for me it was a scary decision. I didn't have any real confidence I was helping my career. But I felt it was important enough."

Anna probably had one of the more unusual pregnancies, although no one but Bill knew about it for the first five months (Anna didn't want to be grounded from flying T-38s, NASA's two-seater jet trainers). At one point, she was called upon to be at the Kennedy Space Center in Florida as the Astronaut Support Person, or ASP, the one who straps all the crew members in when they go for launch. "So far, they hadn't had a woman do that job," she recalls, "and the reason was: If they had a contingency on the launch pad [contingency is NASA-speak for sudden emergency] and all the crewmen were unconscious, it would be the responsibility of the ASP to rush in and try to rescue them and carry them out. Some of those people are 6 feet tall and weigh 200 pounds." Anna is 5 feet 4, weighs 110 pounds soaking wet and looks like a hothouse flower.

"They were going to have a test," she continues, "where I would demonstrate how a woman could haul these big, burly guys out of the orbiter. At that point, I was four months pregnant and hadn't told anyone yet. And I couldn't think of any excuse as to why I didn't want to do this test. Bill said, 'Anna, if you do that, I'm going to shoot you.' And I said 'Bill, if you can think of a way for me to get out of it without telling them I'm pregnant, fine. Otherwise, I'm going to do it.' I was not going to harm Kristin—I'd already had an amniocentesis. I knew it was a girl, and we'd already named her Kristin, so to me she was real. I was not going to do anything to harm that baby. I got out there, and I did it. It was hard physical work. It was a hot day in Florida, and I had breathing equipment on, and I carried somebody out of the commander's seat and another guy out of the pilot's seat. And nobody knew I was pregnant. About a month later, it got to be time to tell people I wasn't gaining all this weight because I'd been eating too much. It was a relief when I finally got to tell. But the guy who had sent me to do that test was very chagrined."

That attitude is understandable. Even though there are two other mothers in NASA's space program. Bill Fisher says. "We still work among a bunch of people who basically believe that pregnancy is a disease state. At the hospital, we're working with people who are familiar with the fact that women can be pregnant and do a job. But in the astronaut office, it was a new thing." Anna made few concessions to her condition. As she got bigger, she simply borrowed former astronaut Alan Shepard's old spacesuit, and she would run around on her busiest days talking to her stomach, saying. "Kristin. I don't need a good baby. I need a great baby." She went snow skiing five months into her pregnancy and water-skiing two weeks before delivery. That was one of the few time Bill wanted to yell. "That's my kid in there too!" but to no avail. "Being a doctor helps." he says. "I know how well that baby's protected. It's unbelievably well protected. We finally compromised on two skis—no slaloming. And she broke that rule twice." She didn't even slow down for childbirth. She delivered on a Friday and was back at work on Monday.

Anna Fisher is a good astronaut ("I'm no longer wondering." she says. "'Will I be able to do this?' I've been in enough simulations, seen enough malfunctions, made enough dumb mistakes"). She's a good doctor (All the people she's saved in emergency rooms would attest to that.) She's even a good citizen (Since she'll be in preflight quarantine during the Presidential election on Nov. 6, she's voting by absentee ballot.) But is she a good mother? That will be the question on millions of minds when the first astronaut-mother goes up, leaving a year-old daughter behind.

"When I first had Kristin," she remembers, "I got a letter from someone to that effect. It took me aback. I showed it to Bill, who tore it up and said, 'Don't read these things.' Everyone puts so much stock in the mother being more important to the early development of a child, but I think both parents are equally important. I do not think the first year is critical, and I've been fortunate in being around for quite a bit of Kristin's first year. There's a lot I look forward to, but I think Bill and I have gotten her to where she's going to be a certain type of person, no matter what. We've insured that she has a lot of sources of love and devotion. But I made my commitment to NASA before I made my decision to have a family, and I can't back out of that commitment.

Certainly there are other women who put themselves at some risk in their work—police officers, athletes, even architects and construction workers, who must climb out on scaffolding. And it could be argued that a woman who smokes two packs of cigarettes a day is putting her child in more danger of being orphaned that an astronaut. But still, some people will look at Anna Fisher's adventurous occupation and think: "How dare you?"—an attitude that makes Bill Fisher, for one, defensive. "This is not 1900," he says, "and How dare you?" is no different for a woman that for a man. A child has two parents. No one says, 'Omigod, how could you leave your family?' to a male astronaut."

Anna and Bill have necessarily had the kind of conversations that, they say, anyone in the aviation professions must have, the kind that begin. "What if something happened to me?" And this particular space flight is fairly complicated, its purpose being the retrieval of two $40 million satellites locked in useless orbit. "But most people who aren't involved in the space program don't realize how much testing goes on," says Anna, "all the levels of redundancy designed into those computers to be able to detect a problem and make the right decision in critical seconds. As a mother, there are certain things I wouldn't do because I think there is too much risk and because I feel a responsibility to Kristin not to do something knowingly that could harm me. But for me to be a good mother, I have to be happy with myself. And my job's very important to me. I'm the kind of person who needs to be doing things to be happy. And when I'm happy, I'm a better person to anyone I'm supporting. I think, in the long run, Kristin winds up benefiting from this particular arrangement."

Bill's only responsibility for this flight is to select Anna's music—She's allowed five tapes—and he plans to stick in a lot of songs like "Mamas, Don't Let Your Babies Grow Up To Be Cowboys." As for those people who wonder if Bill isn't feeling jealous that Anna gets to fly first, here's her answer: "We've agreed I"ll go out and try it before my husband goes—you know, women and children first." The only "spousal communication" allowed during the mission is in brief messages. "I always thought they were made up," Bill admits, "like, 'Your family is real excited and wishes you well.'" The left-on-earth spouse is not encouraged to forward questions about domestic crises, like, "Where did you leave the car keys, Honey?" Although, Bill explains, he may have to do some of that: "We have a sweeper in our pool that sucks up sand dirt, and it uses panty hose over the top. I left the panty hose out one day, and Anna hid them. If she's up there, and I miss something like that, I may have to send a message: 'Bill says "hi" and wants to know where the panty hose are.'"

Anna and her four male crewmates will go into quarantine a week before their lift-off, now scheduled for Nov. 7. It's not just to insure that the astronauts don't get last-minute chicken pox. "It's sort of to isolate you from the world emotionally," Anna says, "to let you start focusing on the mission, so you don't go home and worry about mowing the lawn." Sure she's worried about leaving her daughter for such a long time, but, she says, "It's going to be a lot harder on me than on her." Bill reminds Anna, "The world isn't going to stop because you don't take care of her—there are a lot of people taking care of her," to which Anna replies with maternal smugness, "I take care of her better than anybody." Among the mother's helpers on ground duty during the eight-day flight will be the young housekeeper Anna calls Kristin's substitute mom, and Anna's own mother, Elfriede Tingle. If you think Geraldine Ferraro's mother is proud of her daughter, you should meet Anna Fisher's mother. The German-born woman was proud when Anna became the first in her family to earn a college degree, prouder still when she became a doctor, but her being an astronaut, says Anna, was "an immigrant's dream come true."

Launch dates for this and other shuttles have been postponed a number of times, and while Anna is anxious to get this show on the road, she says. "Each time the launch date slips, Kristin is a little older, and I'm excited that she'll remember more. I look forward to talking it over with her some day. She's so independent already. I think she will be the kind of child who will adjust very well to all the things we're doing and be glad she has all these opportunities."

And what does a husband say to a wife making perhaps the ultimate business trip? Simply. "See you when you get back, Honey. Have a good one."

THE FAMILY CIRCUS

Mr. LEAHY. Mr. President, for years my family and I have thoroughly enjoyed "The Family Circus" by Bil Keane. With three children ranging from 14 to 21 years old, we are constantly reminded of things about their early years by this extraordinarily perceptive work.

Bil Keane is able to reach out to all parts of our country and to virtually every family on a consistent daily basis. One of my proud possessions is an autographed cartoon showing the family visiting Washington, DC. In one panel he captured all the frustrations a family feels when they try to convince the children that the monuments in our capital are at least as important as what is on television.

Mr. President, Bil Keane and "The Family Circus" are truly national treasures, and I ask unanimous consent that an article entitled "The Keane Eye for Family Foibles," by William E. Smart, which appeared in the Washington Post on December 3, 1984, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE KEANE EYE FOR FAMILY FOIBLES

(By William E. Smart)

For Bil Keane, being a family man has paid off.

While other artists may have to plumb their souls for inspiration, he only had to observe the going-on in his own home. The result: one of the most popular, long-running (and uncynical) daily newspaper cartoons.

When Keane began "The Family Circus" in 1960, he worked in a studio attached to this Paradise Valley, Ariz., home, and his kids were small and underfoot. Consequently, "I enjoyed drawing the foibles and funny situations in a typical family with small children."

At the time, there already were a number of successful strips stressing the comic aspects of family life—"Dennis the Menace," started in 1951 by Hank Ketcham; Charles Schulz's "Peanuts," begun in 1950, and "Blondie," created in 1930 by Chic Young—but Keane found that he had something different.

"I realized that the cartoons that gathered most comment and that people really seemed to love were the ones that weren't necessarily funny, but had a typical situation they could identify with."

An early Keane cartoon showed Jeffy toddling into the living room late one night while Mommy and Daddy were watching TV. Jeffy: "I don't feel so good. I think I need a hug."

Letter flooded in, says Keane, 61. "I realized it hadn't been done in cartoon form before—where somebody touched on those tender moments. Then I sought them out."

The idea for the strip came when the then-36-year-old Keane was ending a 15-year stint as staff artist with The Philadelphia Bulletin newspaper and moving west to launch a new career as a syndicated cartoonist.

"I called the feature 'The Family Circle,' and drew it in a circle," he says, "because I felt it was distinctive and fit right in with the mood." It focused on the daily life in a family populated by Mom, Dad, Billy, Dolly and Jeffy.

The strip went originally to 19 newspapers. Within six months, Keane found himself threatened with a lawsuit. Family Circle magazine said that was their title and insisted that Keane change the name of his feature. "At that time, with just a few newspapers, running into a long legal battle wasn't worth the money to my syndicate the Register and Tribune Syndicate, Des Moines, so I changed the 'le' to 'us' and made it 'The Family Circus.'"

Over the years, Keane continued using his own family—wife Thel, daughter Gayle, and sons Neal, Chris and Jeff—as subjects for his "paper" family. In fact, he sometimes mixes them up. "I live with these situations and these characters, and I get to love them so much that Billy, Dolly, Jeffy and PJ the baby, although based on our own children, are separate to me."

They even show up in his dreams, Keane admits, along with his and Thel's own children. "I can't separate the real-life family from my family that I have created on paper."

Keane mixups have occasionally caused some real-life confusion: In 1962, he realized that Jeffy, though he was only a toddler, was too old for some of the baby situations—diapers, baby food, high chair. Keane needed a newborn, an infant.

"My wife was outside the studio working in her garden, the flower bed. I thought it would be a good idea to show Mommy pregnant in the cartoon and then have the baby born.

"I ran out of the studio and said, 'Thel, what would you think of adding a new baby to the family?' She said, 'Well, it's all right, but let me finish the weeding first.' PJ was born in the daily cartoon on Aug. 1, 1962. It's short for Paul John."

Some of the cartoons come from Keane's own experiences as a youngster, growing up in Philadelphia. In one strip, Jeffy is upstairs sleeping in his bed when Mommy and Daddy raise their voices in an argument. He wakes up, sweating and on the verge of tears. In the next panel, they make up and Jeffy calms down. In the final panel, they kiss and Jeffy is asleep again.

Says Keane: "I can remember lying up in my bed and hearing my mother and father arguing about something and just being frozen, where I couldn't get to sleep and I was perspiring. The world was wrong at that point, until I heard their voices back to normal, and then you realize everything is normal and you go back to sleep."

Years later, when Keane's son Jeff, now 26, was helping him work on the just-published The Family Circus Album: A 25th Anniversary Celebration (Fawcett Columbine, $7.95), Jeff told him: "Dad, I thought you drew that cartoon about me, because I remember that myself."

Our children and grandchildren are different from when we were small, notes Keane. Different in language, attitudes and knowledge, but "in their innocence and frankness, in saying the wrong thing at the wrong time, in mispronouncing a word or innocently evoking an emotion such as nostalgia or love," the generations don't change.

That, says Keane, is another reason he doesn't just go for the funny bone. "Sometimes I'll throw out cartoon ideas that are funny because they're a little too exaggerated, too trumped up, and I'll substitute something that's more tender, that will cause a tear in the eye or a tug at the heart."

His readers apparently approve, and they let Keane know when they don't. He averages 100-150 cards and letters each week and tries to personally answer "as many as I can."

"Family Circus" now appears in around 1,100 newspapers, with an estimated 50 million-plus readers weekdays and Sundays. (A cartoonist with that circulation could expect to make roughly $400,000 a year from syndication and licensing.)

And Keane has had his share of personal recognition, perhaps capped last year when his peers voted him winner of the National Cartoonists Society's Reuben Award as "Cartoonist of the Year." Twice previously they had elected him president of the society.

That the feature continues to grow in popular acceptance can be seen in its most recent growth: Somewhere between 200-250 newspapers have been added to its client list over the last two years. "If a new comic strip gets 50 to 75 sales in its first year or so, you're doing a pretty good job," says Register and Tribune Syndicate executive Tom Norquist. "To add as many as Bill has after this long is unheard of."

"The reason that any strip endures of 25 years is that it finds a niche. You have to have some kind of hook to make it through the changes and cycles that the country goes through."

The Keanes' real-life children are now all grown. Chris, 28, is a Santa Barbara marine biologist; Glen, 30, a Los Angeles free-lance film animator; Neal, 33, a Los Angeles computer engineer; Jeff, 26, a Los Angeles actor; Gayle, 35, owner and operator of Bloomin-Gayle's, a Sacramento plant shop. Cartoon inspiration now often comes from four grandchildren.

And the "paper" kids are doing fine. In fact, they've hardly aged. "I had PJ grow on a slow-motion basis to 18 months old," explains Keane, "so Jeffy grew to be 3. Dolly is 5 and in kindergarten. Billy went from first to second grade. He's 7 years old.

"I figured 'If I keep this up, in no time, Billy's going to be 13 by our 25th anniversary,' so I froze them at those ages. Now, if I could just get that to work for myself, I'd be home free."

SOVIET JEWRY

Mr. TRIBLE. Mr. President, I am pleased to join in the 1985 call to conscience in behalf of Soviet Jewry, and I want to commend my distinguished colleague from Minnesota, Senator BOSCHWITZ, for his leadership in this important effort.

It is especially fitting that the U.S. Senate reflect on the treatment of Soviet Jews at this time. Our Nation is about to embark on renewed arms negotiations with the Soviet Union. It is therefore appropriate at this time to consider the Soviets' refusal to abide by numerous other agreements—including those meant to protect human rights, most notably the Helsinki accords.

Nearly a decade ago, the Soviet Union joined the United States and many other nations in signing the Helsinki agreement. The right of every individual to practice and express his religious faith is its most fundamental

guarantee. The right of free emigration is also preserved. Yet by its treatment of the Jews, the Soviet Union violates the Helsinki accords and ignores the most basic of human rights.

In response to heartfelt expressions of faith, the Soviet leadership has torn a page from the darkest and most repressive chapters of Soviet history. As a result, the plight of the Soviet Jews has rarely been worse.

Over the past few years, the Soviets have slammed the door on the many Jews who wish to emigrate. The Jewish exodus from the Soviet Union had increased steadily during the 1970's, and more than 50,000 Jews were permitted to leave that nation in 1979. Since then, the Soviets have severely constricted the flow of emigrants. In 1984, fewer than 1,000 Soviet Jews were allowed to leave.

In effect, the Soviets have imprisoned their Jewish population. And in recent years, the conditions of their imprisonment have grown markedly worse. The Soviet regime routinely closes synagogues and confiscates prayer books. The government continues to ban Hebrew language instruction as part of its program for destroying the Jewish culture.

The most fervent and vocal dissidents are also the most vulnerable. The Soviet police regularly plant drugs or weapons in the homes of refuseniks and religious leaders, only to arrest them on charges of possessing contraband or engaging in subversive activities.

In a recent article in the New York Times, Elie Wiesel wrote that Jews in the Soviet Union were entering a dark and threatening time. "They are counting on our human solidarity in order to standfast," he wrote. "If we deny it to them, we are condemning them to solitude and despair. As for ourselves, we shall never be forgiven for any indifference."

The congressional call to conscience is one means of affirming our solidarity, and I join Senator BOSCHWITZ in urging my colleagues to take part. We are further reminded of the plight of Soviet Jews by the invaluable efforts of the Union of Councils for Soviet Jews, the National Conference of Soviet Jewry, and the Student Coalition for Soviet Jewry.

These and other groups maintain the transcendent bond of faith that links us with the Soviet Jews. In my own State of Virginia, the Union of Councils Chapter in Newport News long ago adopted a particular refusenik, Igor Guberman. Mr. Guberman was recently released from a Soviet prison, and I join the members of the Newport News council in praying that he will soon be allowed to leave the Soviet Union entirely.

As free men and women, we rejoice whenever another joins our ranks. But we are obliged to remember the hundreds of thousands of Jews who remain imprisoned in the Soviet Union, struggling daily for the fundamental right to worship God.

VIETNAM VETERANS' MEMORIAL DEDICATION

Mr. WARNER. Mr. President, on Veterans Day, I had the honor of participating in the dedication ceremony for the Vietnam Veterans' Memorial in Washington, DC.

The dedication ceremony was the culmination of the efforts of the Vietnam Veterans' Memorial Fund Committee headed by Mr. Jan Scruggs.

Speakers at the ceremony included President Reagan; Secretary of the Interior, William P. Clark; Congressman DAVID BONIOR of Michigan; the Rt. Rev. John T. Walker; chairman of the board of the Vietnam Veterans' Memorial Fund, Mr. John P. Wheeler III; Brig. Gen. (retired) George Price; commander in chief of the Veterans of Foreign Wars, Mr. Billy Ray Cameron; vice commander of the American Legion, Mr. Robert Turner; Mr. Francis Whitebird; Jan Scruggs, and myself.

Because the dedication of this memorial was such an important event for our country and especially for Vietnam veterans and because this event so effectively served to heal the wounds from this war that have plagued our Nation for so long, I ask unanimous consent that the speeches presented at that ceremony be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

VIETNAM VETERANS MEMORIAL TRIBUTE

Mr. JAN SCRUGGS. My name is Jan Scruggs. I am here to certainly thank each and every one of you on behalf of the Vietnam Veterans Memorial Fund and on behalf of the National Park Service for being with us on this very historic occasion.

For Vietnam Veterans and for America, this is a very special day. This is a time for remembrance and a time for healing the wounds of that war.

The ceremony will now begin with the posting of the colors and the Invocation by The Right Reverend John T. Walker.

Reverend Walker is the Episcopal Bishop of Washington, D.C. who made possible the vigil of names during the 1982 National Salute to Vietnam Veterans. He opened the doors of the National Cathedral to Vietnam veterans for a special ceremony of healing and remembrance.

Please post the colors.

The Right Reverend JOHN T. WALKER. Let us maintain silence for a moment. It is, I think, appropriate that we begin these ceremonies with prayer because the religions of this land and of the world that we all adhere to are concerned about reconciliation and the bringing of peoples together again. And so we pray to God for this.

Almighty God who has given us this good land for our heritage and has filled our lives with the desire for freedom and honor, bless all who are gathered here this day. You have bound us together in common life. You have helped us in our struggles for justice and truth at home. We thank you for men and women who have made this country strong, who have been clear models for us in our effort to remain true to the great promise of this nation. Though we have sometimes failed, yet, we do trust in your love to guide us back to that truth. Continue, O God, to help us that we may finish the task given into our hands. Forgive us those confrontations that have divided us into factions of hating and bitter people. Lead us, O Lord, into reconciliation and grant that from this day forward we may work together with mutual forbearance and respect. Save us from violence and discord and fashion anew this multitude from many places and tongues into a united people committed to justice and peace at home and abroad. All this we ask in your most Holy Name. Amen.

Mr. JAN SCRUGGS. Thank you. And a special thanks to the Marine Corps Band for that very stirring introduction.

Let's hear it for the Marine Corps Band. They've never let us down.

Welcoming remarks today will be delivered by Mr. John P. Wheeler, III. He is the Chairman of the Board of the Vietnam Veterans Memorial Fund. He is a Vietnam Veteran and a graduate of West Point. He has sacrificed many thousands of hours as a volunteer for this project and he has also done a great deal of work in helping us all to understand the impact of Vietnam on veterans and on the Vietnam generation.

Ladies and Gentleman, John P. Wheeler, III.

Mr. JOHN P. WHEELER III. On behalf of the Vietnam Veterans Memorial Fund, welcome to the dedication of this statue and to the ceremony where the Memorial Fund gives the Vietnam Veterans Memorial to the United States.

There are many myths about Vietnam. One is that Vietnam Veterans are losers; people to feel sorry for. It's not true. The truth is in the great contributions Vietnam veterans are making right now today in all the callings and professions of life. In fact, Vietnam Veterans all across America have kept giving to our country just like they did in a country far away over a decade ago.

They are earning trust and positions of great responsibility and authority in American life.

Another myth is that somehow our field commanders in Vietnam, the Colonels and Generals, let us down and have walked away from us unharmed by the war. It's not true. The greatest friends of the Memorial Fund have been men who first fought for our country in World War II. You see them with us on the podium. They will be speaking today.

The greatest myth is that Americans who did not wear the uniform were not deeply touched by the Vietnam War; that life went on pretty much as usual for most people back home without significant lasting effects. It's not true.

The events of the Vietnam era in Vietnam and at home deeply influenced the ideas and attitudes of all of us who lived through the period, especially the Vietnam generation, the millions of us who came of age then. Because of these formative effects, the Vietnam War is likely to have as much impact on American life in the next twenty years as in the last twenty.

This Memorial, the vigil at the Cathedral and the idealism and sense of introspection of so many Americans are signs that the final result of the Vietnam War can be healing that gives us new strength together.

The heart of the Memorial is names. Here are some names of people who we particularly thank today for their hand in building the Memorial: Ambassador Ellsworth Bunker, our great friend and counselor. He died at the end of this summer. His wife and our friend, Ambassador Carol Laise Bunker is with us.

Robert Dubek, in charge of all construction and planning. Our board: Sandy Mayo, Bob Frank, Richard Radez, John Morrison, Ron Gibbs and John Woods. Our fund raisers and managers: Bob Carter, Don Schaet, Sandy Fauriol, Karen Dubek and Kathie Kielich. And those who are speaking here today. Thank you. And thank you very much.

Mr. JAN SCRUGGS. Thank you very much, John.

Our first speaker today will be a very special friend of mine and a very special friend of Vietnam Veterans and certainly a special friend of this Memorial. A man who volunteered for both World War II and Korea.

In 1979, when I had this idea, I was able to get an appointment with a fellow who had just gotten himself a job as United States Senator from Virginia, a fellow named John Warner. And I told him about the idea, and he, having been former Secretary of the Navy, he thought this—maybe it would work and certainly if it could work, it could do a lot for our country and a lot for the veterans.

Senator Warner helped us raise the money for the Memorial. Senator Warner helped us resolve the many difficulties that have come in our way. I can't say enough good about this very very wonderful and distinguished man. Ladies and gentlemen, the distinguished Senator John Warner of Virginia.

Senator JOHN WARNER. Thank you Jan Scruggs and all gathered here today.

One is reminded on this afternoon of that brief refrain written about the turn of the century by Rudyard Kipling when he was addressing the life of a soldier. And that poem went, and he was speaking of a British Tommy:

For it's Tommy this, an' Tommy that, an' "Chuck 'im out, the brute!"
But it's "Savior of 'is country" when the guns begin to shoot.

Ladies and gentleman, my brief message is that this statute, this great monument, will stand as an everlasting reminder to those who have the responsibility of the leadership of this nation, be that the President or the Congress, that never again shall America send forth its men and women in the cause of freedom to make those ultimate sacrifices unless this nation stands solidly behind those men and women—and unless this nation is prepared to receive them back with the honor, the dignity, and all the legal rights to which they are accorded.

When I think back over the many years that it was my privilege to work with Jan Scruggs and others—and all of the obstacles that were thrown in the path—and yet somehow we worked our way through, I shall always think that this statue is here today by act of divine providence. Thank you.

Mr. JAN SCRUGGS. Thank you very much, Senator Warner.

Our next speaker today is Retired Brigadier General George Price. General Price was wounded while fighting in the Korean War, stayed in the military and also fought in the Vietnam War. He was a career military officer, one of the first black officers to become Brigadier General and a very amazing and astounding man who has been a great friend of the Vietnam Veterans Memorial, ladies and gentlemen, Brigadier General George Price.

Brigadier General GEORGE PRICE. Thank you Jan, Senator Warner, distinguished guests, fellow veterans, friends, parents, loved ones and families. I am deeply honored to participate in this tribute today because I understand our Commander in Chief is going to join us on this momentous occasion. And if I was in a position to render a report to our President, I would tell him, sir, it is with a great deal of gratitude that we bring home those Vietnam Veterans who served our country so nobly and with such distinction in a moment of crisis. That nine and a half million Americans answered our country's call, two and a half million served in Southeast Asia and they served with the same dignity and pride that has characterized his country's service members throughout our history. And we accomplished all of our missions, sir. We failed this country not one step. We never dropped the flag nor did we ever turn our back and we're delighted to make that report to you, sir.

We would also like to tell him that our mission and our convictions were never confused. We participated as one and we've collectivized our efforts behind one of our real heros, Jan Scruggs, whose sensitivity to the needs of his country carried on beyond the battlefields of Vietnam, but back home where it really was even more important.

His dream of this Memorial as a symbol of reconciliation, as a symbol of coming home, is among the most noble traditions of service this country has ever known. Jan is really one of our heros on and off the field of battle. And I think his staff and Jan deserves high praise.

To Maya Lin who transposed a thought and a dream into a reality in a fashion to memorialize those fifty seven odd thousand people who gave the supreme sacrifice. Her sensitivity as a young American certainly pays great tribute to the knowledge of what it is to live in this great country of ours. And I believe that Frederick Hart's sensitivity and the statue just adds to that tribute and makes all of us know that this entire two-acre plot belongs to all of us and we have an obligation to take away from here, from this place, on this day, our feelings to those who are less fortunate than ourselves, who because of reasons personal and economic and otherwise, will never see this Memorial except through our eyes. Take it home to them with a good feeling.

And I would tell our President that we were that which others did not want to be. We went where others feared to go and did what others failed to do. We asked nothing from those who gave nothing and reluctantly accepted the thought of eternal loneliness should we fail.

We have seen the face of terror. We have felt the stinging cold of fear and endured the sweet taste of a moment's love. We have cried, pained, hoped, but most of all, we have lived times others would say were best forgotten.

At least someday we will be able to say that we were proud of what we are—Vietnam Veterans, one and all.

It is very fitting that this day—or that we start with this day, our Memorial Day, because they have names on the Memorial Wall just as our male counterparts. And their service has been keeping with the highest tradition of our country and they deserve the great recognition that we hope this week will bring to them.

We share your anguish, we share your pain and we stand behind you in your week of recognition one hundred percent.

I believe we need to know that one of the philosophies and doctrines and practices of Vietnam was that we never leave our battlefield with any wounded or dead. And we cannot close this report to our Commander in Chief without saying that we hope that he will use all of the powers of his good offices to continue to search for those twenty five hundred Americans and bring their remains home.

Our hearts and our minds cannot rest in peace until we know. I believe also that the families of the veterans, and particularly Jan Scruggs and his family, deserve special recognition. It is no easy task to see your man go out on the venture where Jan Scruggs has and to pay those sacrifices which I'm sure his family paid, during the years that he was trying to realize a dream, and he now can see that dream fulfilled. I think they deserve the highest praise of anyone around and my compliments to you.

Some time ago, I made a comment from this platform that aptly described the feelings we had at the time from a poem by James Weldon Johnson. I think in 1984 I can give you another version of that poem that said:

God of our weary years
God of our silent tears
Thou who has brought us thus far on our way
Thou who has by thy might led us into the light
Keep us forever in the path we pray
Lest our feet stray from the places, O God, where we met Thee
Lest our hearts drunk with the wine of the world we forget Thee
Shattered beneath Thy hand
May we forever stand true to our God
True to our native land

Thank you very much.

Mr. JAN SCRUGGS. Thank you General.

Billy Ray Cameron is our next speaker. He is a native of North Carolina who saw heavy combat as a United States marine in Vietnam. He has always been involved with volunteer efforts to help veterans, to help his community. And he now holds a very great distinction of being the Commander in Chief of the Veterans of Foreign Wars. The first Vietnam Veteran to hold this very distinguished position. Ladies and Gentlemen, Billy Ray Cameron.

Mr. BILLY RAY CAMERON. Thank you very much, Jan, for that kind introduction. And I'd like to say on behalf of the Veterans of Foreign Wars, Jan, you and your staff a job well done. And it was a thrill to be here in 1982 and it's a thrill to be back again this year to dedicate this statue.

When I enlisted in the United States Marine Corps, the popular recruitment theme at that time was, the Marines are looking for a few good men. The unfortunate thing about the search for good men is that too many of the names on this Memorial, without doubt, represent the best of what America had. They were men who did not run away. They were willing to make the greatest sacrifice that any man or woman can make for their country. To give one's life to preserve the values that we Americans cherish so greatly, freedom and liberty.

This morning as I stood in Arlington Cemetery, I looked out at the thousands of headstones and thought about the service that American veterans have provided this

great nation. Some veterans came home to enjoy the values that they fought to preserve. And some did not come home. Some came home to mighty celebrations and hearty welcomes, and some did not.

The men who fought America's wars are a very courageous group. But hardly a select group. Most of them are ordinary people, undistinguished from their neighbors until a day when the crisis of battle lifted them to the heights of valor. General of the Army Douglas MacArthur stated the heritage of the American fighting man very adequately when he said this about their accomplishments. I did not know the dignity of their burdens, but I do know the glory of their death.

To veterans, it's the constant reminder of the value that America places in freedom. A reminder of our blessings and the hard-fought bitter experience undertaken to protect our heritage. But we veterans have been more than soldiers. We have been human rightists, our compassions are reflected in thousands of civil actions, projects and other things that we served in other nations.

We built schools in other nations. We built hospitals. We held Christmas parties using food from our own daily rations and arranged for food and clothing to be sent from the United States to under-priviledged children and elderly persons in need. In our own country, we promoted the welfare of those less fortunate by assisting them through domestic actions and other programs. Not only in our military duties, but also in the voluntary capacities.

We in our veterans organization have helped millions of people abroad and at home. The American public, freedom loving citizens everywhere, have recognized our work and respect us for it.

Today, many veterans, particularly those from the Vietnam era, are themselves in need of help. For some, the problem has been making the transition from military to civilian life and forgetting about the war.

The Vietnam Veteran is of special concern to the Veterans of Foreign Wars. We know all the problems that they face: unemployment, the effects of Agent Orange, and often dismaying welcomes when they returned home to their friends and neighbors in Hometown, U.S.A.

This year, as your National Commander in Chief of the Veterans of Foreign Wars, I personally make it my business to do all that I can to ease the unwarranted remarks and the unkind things said about those who served so greatly in Vietnam.

I would also ask all veterans to join me in recognizing the positive accomplishments of the hundreds of thousands of Vietnam Veterans today.

Today, this beautiful and inspiring statue is being installed as part of our National Veterans Salute. I pray that we use this event as a signal to end all remaining divisions among veterans. And from that, from this day on and the days forth, that we consider ourselves American veterans, one and all. Today would be a great day to start thinking about this.

Veterans Day is also the right time to remind you of the 2,489 of my comrades who are still missing in action. You know, they didn't have the opportunity to celebrate Veterans Day with us today in America. But to me, I feel personally, maybe some are still alive in the longest war that has ever been fought by these people that are missing in action.

The Veterans of Foreign Wars has a resolution to support President Reagan's pledge to keep the POW-MIA issue a matter of the highest national priority.

In closing, I ask you to remember that veterans have always been a source of pride to our great nation. We hope to exemplify the kind of dedication and sacrifice needed for safeguarding our great freedom. I ask your support for this cause of freedom also, not only on Veterans Day, but every day.

God bless you, and I ask you to remember, we, as veterans, stand for our God, our country and our flag. America is the greatest nation. Welcome home, my fellow Vietnam Veterans, men and women, for a job well done.

Thank you, Jan.

Mr. JAN SCRUGGS. Thank you, Commander Cameron.

Our next speaker today is Mr. Robert Turner, who is the Vice Commander of the American Legion. Mr. Turner is a native of Griffin, Georgia, who served in the Army during the Vietnam War and was formerly State Commander of the Georgia American Legion.

He was recently elected National Vice Commander of the great organization, the American Legion. Ladies and gentleman, Vice Commander Robert Turner.

Vice Commander ROBERT TURNER. Thank you, Jan, ladies and gentlemen.

It is with great pride that I come here today to represent National Commander Clarence Bacon and the 3½ million members of the American Legion and the American Legion Auxiliary.

On this day which is so important to this country, we honor those men and women of the United States who put duty, honor and country before self.

I'm especially pleased to participate in these ceremonies devoted to our most recent wartime veterans and to be able to share with you the tremendous emotional experience of seeing this powerful memorial completed by the addition of the sculpture to my left.

I, as have millions of other Americans who have been to this wall, have looked at the names of my friends and people from my home town there and reflect on those who served in Vietnam, those who returned, and those who did not.

I think about you fellow veterans, your strength and character as you withstood more than you deserved and I think about your dignity, your dedication and your patriotism.

Two years ago, when we gathered to dedicate the Memorial, we saw a great outpouring from the American people that showed their appreciation for your service and your sacrifice. For too long, you were led to believe that no one cared about the duty you performed so valiantly or about the battles you had to fight when you came home, but on that cold, damp day, there were signs that the wounds were beginning to heal.

Still, there were those who said that this Memorial was not enough. It was not heroic enough but that did not stop the construction and the eventual dedication of the Memorial. Instead it encouraged us to work together so that the monument would indeed be a rallying point to help the wounds heal and to help us unite again as a nation.

The differences surrounding the Memorial were worked out thoughtfully and, I think, appropriately, to include the statue that we're installing today.

You know, one of the great things about this country and our democratic tradition is that it recognizes differences and the value of discussions to resolve them. And today we recognize the people symbolized by the sculpture and those named on the wall who fought to preseve that tradition.

The statue of the three servicemen ties together the memories of the living and the dead and unifies the whole. The Vietnam Veterans Memorial to those who died in Vietnam for it has touched every American just as it has touched every American citizen.

From this day forward, the United States Park Service will manage the Memorial and that is a victory for all of us. It is fitting that the Nation be the custodian of this site, to preserve and protect it as the men and women we honor today preserved and protected the nation through their service.

This Memorial represents a part of our national history we cannot afford to forget. Neither can we afford to forget the members of the armed forces who, because of their convictions, served their country when they were needed most. They deserve our respect. They deserve our devotion. They earned their Memorial.

Last night near this place, I was fortunate to witness a moving and dignified service for nearly twenty five hundred courageous Americans whose names are on this Memorial but whose fates remain a mystery to all of us. To the families and friends of those still missing and unaccounted for, I say that we have not forgotten them and we have not forgotten you. Your strength, courage and conviction inspire all of us to work harder on the POW-MIA issue and we will not rest until it is resolved.

On this day of national salute to Veterans, I salute you.

Thank you.

Mr. JAN SCRUGGS. (Transcript not available—introduced the Honorable David E. Bonior, U.S. Congressman, 12th District, Michigan.)

Hon. DAVID E. BONIOR. For over 200 years, this nation revered its warriors who joined battle against those who sought through force to alter our chosen way of life.

Today, places like Yorktown and Omaha Beach are objects of pilgrimage for those who never experienced their glory, yet feel a sense of intangible gratitude to those who did.

The soldiers of the Vietnam War met our nation's highest standard of service. The house-to-house battles for Hue, the murderous shellings absorbed at Khe Sahn, tested the courage of our soliders no less than the battles of World War II and Korea.

Yet, if the courage was the same, the war was not. It was hard to separate the warrior from the debate over the Vietnam War and the nations was slow to recognize our Vietnam Veterans. But, today we add this Memorial to our nation's proud monuments.

Last Sunday, I was in Mount Sterling, Kentucky, at the dedication of the Montgomery County Vietnam Memorial. In my own state of Michigan, planning is underway for a memorial in Westland. And these are just signs of a tide that are sweeping across this great land of ours.

Vietnam veterans came from small towns and ghettos, from steel mills and farms. Their story is America's story; the story of the last two decades of our history. Yes, it is the tragic story of a nation that forgot its veterans, but it is also the proud story of veterans that would not be pushed aside and of a nation that was at last prepared to listen.

You can see that story on the faces of thousands of people who visit this Memorial each day. Some are veterans seeking out the

names of lost comrades, some are fathers and mothers, wives and brothers, sisters and friends. Most are just Americans who regret the years of neglect and welcome the opportunity to remember. As we honor the value of service to country that is the duty of citizenship; so we are proud of those who fight and die in the country's name. But those who wander by this place, pause to look at this statue, to read from these names, and to remember—to remember the courage of those who served and the sorrow of a nation that turned away. But let them also remember that despite the years of delay, we came together as one people to honor our dead, to praise the living, and to plant this Memorial forever in the memory of our people. I am deeply honored to have had this opportunity to be with you today.

Mr. JAN SCRUGGS. Thank you very much, Congressman.

Our next speaker today is a very special man. Francis Whitebird served as a combat medic in Vietnam with the 196th Light Infantry Brigade. He is a Sioux Indian who has been very active in Indian Affairs and civil rights. He is a graduate of Harvard, yet is a traditionalist who practices and believes strongly in the Sioux Tribe's traditional religion.

We are very honored to have with us a very distinguished American, a graduate of Harvard and a very wonderful person, ladies and gentlemen, Mr. Francis Whitebird.

Mr. FRANCIS WHITEBIRD. Thank you, Jan.

I'm going to pray with my pipe.

Grandfather, the Great Spirit from the Spirit Land, you who have taken and protected all of the spirits before us from the Vietnam War, hear our weak voice in the strong wind so that you may hear our thoughts. And Grandfather, Great Spirit of the West, the land of the thunderbeings, look in our direction, we stand before you, humble and pitiful as we have traveled a road of troubles and war for the last two decades. Our shoulders and our minds have carried the blame of war and all the effects of it.

Grandfather, give us some of the Bison spirit so that we may start to collect as a group and start to move in one direction, towards the wind, that we may not have to seek shelter against the storm of ridicule and criticism. And Grandfather, Great Spirit of the North, home of the snow goose, look in our direction. We stand before you, our thoughts weak and impure with narrow mindedness. Give us your cleansing breath so that our thoughts and our bodies will be purified so we may enjoy respect for ourselves, respect for others, and enjoy the feeling of truth and honesty and to be relatives again.

Grandfather, Great Spirit of the East, home of the daybreak star, look in our direction. We stand before you without guidance within ourselves and we do not have any direction for the past two decades. Grandfather, give us direction as a nation so we may have the strength in our ideas and have a clear vision of duty and honor to our country, now and in the future. And Grandfather, Great Spirit of the South, home of the summer, look in our direction. We stand before you tired and unhappy, our thoughts dried and blowing in the winds, and we have just endured a hard winter of our lives.

Grandfather, give us the breath, the spring of life, so that we may enjoy the warmth of life and grow with the grace and beauty in our lives and as a nation all of whom may be within a sacred life. And Grandfather, the Eagle Spirit of the skies, look down, look upon us as our thoughts and our spirits are very low flying below the tree tops so that we do not see beyond the next minute, the next hill. Grandfather, lift our thoughts and our minds so that we may work towards high ideals and high goals within ourselves as a nation.

And Grandmother Earth, the Giver of Life, we ask for your help as we have stopped growing within ourselves and as a nation. Grandmother Earth, restore our lives so that we may live happy and productive lives, live in the warmth of your home, be pure in thought, possess a clear vision and live in the harmony with everything within a sacred circle of life with all our relatives.

Thank you.

Mr. JAN SCRUGGS. My fellow veterans, because of this Memorial, we do now have our recognition. And we can now say that we have honored our dead and all of this has been a long time in coming. But it's a time for America to be proud again.

This Memorial has given America far more than honor for its veterans. Out of the bitter devisiveness of Vietnam has come a symbol of national unity. This is a memorial to heal the wounds of the Veterans and to heal the wounds of a nation.

People will always debate the Vietnam War, and let them. But this site is sacred ground where Americans have shown their honor and their respect for the sacrifices made by generations of young soldiers who answered the call of duty.

Before we turn this Memorial over to the government, I have something to say. It is indeed ironic that Vietnam Veterans are giving the government a Memorial. It would seem more appropriate for the government to be giving a memorial to the Vietnam Veterans. But Vietnam was that kind of war.

We Vietnam Veterans, in the same spirit that we served in that conflict, now prepare to give America something very wonderful. We give our country this Memorial. We give our country back its pride. We give our country back its unity, both of which were wounded so badly by that war.

Today, we also thank those who made this Memorial possible. The funds for this Memorial came from the people of this country, they came from locals of the AFL-CIO, the Teamsters Union, Veterans' Posts, high school students, elementary school children. People who were against the war donated and conservative businessmen. Every type of person in America is a part of this Memorial.

From across America, when the idea for this Memorial came out, compassionate people responded to our need for funding. As a Vietnam Veteran, I have to say, thank you, America.

Yet, there is more work to be done. We must have a full accounting for those who are missing in action.

We must resolve the Agent Orange controversy. We must be assured that those who make the foreign policy decisions for our country remember the lessons learned in Vietnam. And we as veterans must never let another generation of returning war veterans, if that happens, get the reception that we received after our military service.

For me, personally, the project has probably been the most challenging and difficult thing that I have ever done in my life, but I have had a lot of help. I've had a very talented staff with people such as Colonel Robert A. Carter, a retired fighter pilot who served in Vietnam, flew over 100 missions, and who has managed the Memorial Fund. I've met others like Bob Dubek, Colonel Don Shaet, Kathie Kielich, and many others who put in countless hours on this project, and people on our Board of Directors who have served as volunteers and done so very much to help the project move along.

Recognition is also due another very, very special person. I and all Vietnam veterans thank Miss Maya Yin Lin.

She gave us her talent at designing this beautiful wall that has been a catharsis for so many of us and so many of the parents whose sons are on that wall. And to Frederick Hart, the sculptor, for this extraordinary work of art that we dedicate here today for his great work.

And we recognize General Michael S. Davidson who came with the idea to include a statue to the Vietnam Memorial, and we give our very special thanks to the National Park Service and to the people who actually literally built the Memorial, the construction workers, people like Joe Mussolino, the Gilbane Building Company, the architecture firm of Cooper Lecky, and many others.

People in the National Park Service have been particularly helpful with the ceremonies and everything concerning the Vietnam Veterans Memorial. We are thankful to them as public servants. If you were to see the work that they do and have done for us, you would be very pleased, you're getting your money's worth with the United States Park Service.

There is a hand for the Park Service.

Ladies and gentlemen, I would like to now introduce the Secretary of the Interior, Mr. William P. Clark—the Honorable William P. Clark. He's had a very distinguished career of public service as a judge and recently served two years as Assistant to the President for National Security Affairs. He is the 44th Secretary of Interior of our Government, but he is the only one to ever get a Vietnam Veterans Memorial. So, ladies and gentlemen, the Honorable Secretary of the Interior, William P. Clark.

Hon. WILLIAM P. CLARK. Ladies and gentlemen, standing here this Veterans Day, together, among the great monuments of America's history, I am reminded of the words that Abraham Lincoln spoke at Gettysburg in the midst of our most bitter war, words that are chiseled in stone in the monument to our right. His speech was brief, as mine will be this moment, but President Lincoln spoke long enough to remind the people gathered together on that battlefield that they could not dedicate that ground, they could not consecrate that ground, they could not hallow that ground. The brave men, living and dead, who struggled here, he said, have consecrated it. Far above our poor power to add or to detract. He went on, it is for us the living to be dedicated here to the unfinished work that they who fought here have thus far so nobly advanced. It is rather for us to be here dedicated to the great task remaining before us that from these honored dead, we take increased devotion to that cause for which they gave the last full measure of devotion, that we here highly resolve that these dead should not have died in vain.

Today, unlike Mr. Lincoln at Gettysburg, we cannot meet on the battlefields of Vietnam, we cannot gather in the rice paddies and the jungles of a far away land to honor those who served so courageously and honorably in that our longest and most painful war since the Civil War.

So, we come together here instead, amidst the most enduring symbols of our history as a nation. We come together to add yet one more monument to this most noble setting. And in doing so we say, as Lincoln said at Gettysburg, that this ground is now sacred. We do not make it so. The 58,022 men and women whose names here are enshrined have consecrated it far above our own poor power, again, to add or to detract.

But we pledge them that we will not allow their sacrifice again to be in vain. We dedicate ourselves anew to the cause of freedom for which they gave their lives. We dedicate ourselves again to the task of assuring that America that they left us will ever be the land of the free, the home of the brave, and in so doing, we also honor those who serve, but whose fate remains unknown, those who have still not returned. As president Reagan said last Memorial Day at the funeral of the Unknown Serviceman of the Vietnam Conflict, and I quote: "An end to America's involvement in Vietnam cannot come before we have achieved the fullest possible accounting of those missing in action."

And, yes, their names are also inscribed on this Memorial. We honor the families of those who have served, and especially the families of those who are still missing. But, they still bear the personal sorrows of war and its uncertainty.

We honor their comrades, so many of whom have come from across America to be here with us this day. This Memorial is for you, you have served your country so well. And, thus, ladies and gentlemen, I'll now join the President who will join you with the First Lady very shortly.

Thank you and God bless.

Senator JOHN W. WARNER. Ladies and gentlemen, the President of the United States and Mrs. Reagan, accompanied by Secretary Clark.

Men and women of the Armed Forces of the United States, veterans who served America with pride, it is my privilege to present to you the Commander in Chief of the Armed Forces of the United States, the President of the United States.

President REAGAN. Thank you very much.

Thank you. Thank you. Senator Warner, thank you very much and may I thank you also for the crucial personal support that you gave to the building of this Memorial. I extend the thanks of the Nation also to all who have contributed so much to this fine cause.

Ladies and gentlemen, honored guests, my remarks today will be brief because so much has been said over the years and said so well about the loyalty and the valor of those who served us in Vietnam.

It's occurred to me that only one very important thing has been left unsaid, and I will try to speak of it today. It is almost 10 years now since U.S. military involvement in Vietnam came to a close.

Two years ago, our Government dedicated the Memorial bearing the names of those who died or are still missing. Every day the families and friends of those men and women come to the wall and search out a name and touch it. The Memorial reflects as a mirror reflects, so that when you find a name you're searching for, you find it in your own reflection. And as you touch it from certain angles, you are touching too the reflection of the Washington Monument or the chair in which great Abe Lincoln sits.

Those who fought in Vietnam are part of us, part of our history. They reflected the best in us. No number of wreaths, no amount of music and memorializing will ever do them justice, but it is good for us that we honor them and their sacrifice. And it's good that we do it in the reflected glow of the enduring symbols of our republic.

The fighting men depicted in the statue we dedicate today, the three young American servicemen are individual only in terms of their battle dress. All are as one, with eyes fixed upon the Memorial, bearing the names of their brother in arms.

On their youthful faces, faces too young to have experienced war, we see expressions of loneliness and profound love and a fierce determination never to forget. The men of Vietnam answered the call of their country. Some of them died in the arms of many of you here today, asking you to look after a newly born child or care for a loved one. They died uncomplaining, the tears staining their mud caked faces were not for self-pity, but for the sorrow that they knew the news of their death would cause their families and friends.

As you knelt along side his litter and held him one last time, you heard his silent message. He asked you not to forget. Today we pay homage not only to those who gave their lives, but of their comrades present today and all across the country. You didn't forget. You kept the faith. You walked away from the litter, wiped away your tears and returned to battle. You fought on, sustained by one another, and deaf to the voices of those who didn't comprehend. You performed with a steadfastness and valor that veterans of other wars salute, and you are forever in the ranks of that special number of Americans in every generation that the nation records as true patriots.

Also among the service men and women honored here today is a unique group of Americans whose fate is still unknown to our nation and to their families. Nearly twenty five hundred of the names on this memorial are still missing in Southeast Asia and some may still be serving. Their names are distinguished by a cross rather than a diamond. Thus, this Memorial is a symbol of both past and current sacrifice.

The war in Vietnam threatened to tear our society apart and the political and philosophical disagreements that animated each side continue to some extent. It's been said that these memorials reflect a hunger for healing. Well, I do not know if perfect healing ever occurs, but I know that sometimes when a bone is broken, if it's knit together well, it will in the end be stronger than if it had not been broken.

I believe that in the decade since Vietnam, the healing has begun and I hope that before my days as Commander in Chief are over, the process will be completed.

There were great moral and philosophical disagreements about the rightness of the war and we cannot forget them because there is no wisdom to be gained in forgetting. But we can forgive each other and ourselves for those things that we now recognize may have been wrong, and I think it's time we did.

There has been much rethinking by those who did not serve and those who did. There has been much rethinking by those who held strong views on the war and by those who did not know which view was right. There has been rethinking on all sides and this is good. And it's time we moved on in unity and with resolve—with a resolve to always stand for freedom as those who fought did and to always try to protect and preserve the peace.

And we must in unity work to account for those still missing and aid those returned who still suffer from the pain and memory of Vietnam.

We must, as a society, take guidance from the fighting men memorialized by this statute. The three servicemen are watchful, ready and challenged, but they are also standing forever. And let me say to the Vietnam veterans gathered here today, when you returned home, you brought solace to the loved ones of those who fell, but little solace was given—given to you. Some of your countrymen were unable to distinguish between our native distaste for war and the stainless patriotism of those who suffered its scars. But there has been a rethinking there, too. And now we can say to you, and say as a nation, thank you for your courage. Thank you for being patient with your countrymen.

Thank you. Thank you. Thank you for continuing to stand with us together.

The men and women of Vietnam fought for freedom in a place where liberty was endangered. They put their lives in danger to help a people in a land far away from their own. Many sacrificed their lives in the name of duty, honor and country. All were patriots who lit the world with their fidelity and courage. They were both our children and our heros. We will never ever forget them. We will never forget their devotion and their sacrifice. They stand before us marching into time and into shared memory forever. May God bless their souls.

Now, I shall sign the document by which this Memorial has been gratefully received by our Government.

(President Reagan then signed the document which accepted the Memorial as a part of the United States Government's system of National Parks.)

OPPOSING FULL FUNDING FOR STAR WARS

Mr. CRANSTON. Mr. President, in the weeks ahead the Congress will address the important question of extending the current moratorium on testing of antisatellite weapons.

The debate on ASAT testing will be the first of many I believe we will hold this Congress on the whole issue of star wars and the appropriate level of funding for the President's strategic defense initiative.

I recently addressed this issue both in a statement made to the press in San Francisco and in a Washington press conference convened by the California Democratic delegation.

After the meeting of the California delegation, Representative GEORGE BROWN presented a statement on these issues to which I subscribe fully. I ask unanimous consent that these two statements be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR ALAN CRANSTON

I oppose the testing and deployment of "Star Wars".

I agree with Paul C. Warnke that "the testing and deployment of such systems would be fatal to prospects of controlling and reducing strategic nuclear warheads."

The Soviet response to deployment would be not only to build their own system, but to build more missiles, bombers and cruises to saturate and overcome our defenses. Thus we and they would extend the arms race into space creating new dangers and costing us alone more than $1 trillion.

I also believe that the United States should extend the moratorium against testing of U.S. anti-satellite (ASAT) weapons. The present moratorium established by Congress expires on March 1.

I am a strong advocate of arms control, arms limitations and arms reductions.

But not if is unilateral.

And not if it is unverifiable.

A halt of all U.S. research on anti-missile defense would be unilateral the Soviet Union is conducting research on a strategic defense initiative of its own.

And a mutual agreement to halt research would be unverifiable. There is no way we could verify that Soviet research has ended unless we check every laboratory and classroom look into the minds of every student and scientist in the Soviet Union.

Therefore I have supported, and now support, a modest program of research.

I know of no member of Congress who is opposed to research. My position is identical to that of Congressman George Brown, the leader of the entire California House delegation on this issue, who supports limited, prudent research, but who will work for cuts in the massive spending proposed by the Reagan administration.

I agree, too, with Warnke, who stated on January 18, "Advanced research can be justified to explore the frontiers of technology and to ensure that we are not presented with a rude Soviet surprise in the future."

STATEMENT OF REPRESENTATIVE GEORGE E. BROWN, JR.

Good morning and welcome. As Members of the California Democratic Delegation, we are seeking to develop a House position on the issue of space weapons—in particular the President's Strategic Defense Initiative and the Anti-satellite weapon—and to encourage support for U.S. civilian space programs which have played an important role in California's economy.

There are three questions which will dominate the debate over Star Wars—the President's hope of rendering nuclear weapons "impotent and obsolete" by calling for the deployment of exotic weapons in space. The first is, can we afford it? Congress has already expressed skepticism about this by cutting the President's fiscal year '85 request for the Strategic Defense Initiative by almost 25 percent. And there will be even greater pressure to cut this program in fiscal year '86 with deficits projected at over $200 billion.

As most of you know, the President's Strategic Defense Initiative research program alone is expected to cost about $25 billion over the next five years, if Congress approves it. The ASAT program would add another $3 to $12 billion over the same period. A fully-deployed ballistic-missile defense program, by many estimates, would cost between half a trillion and a trillion dollars, at least. Put another way, it would add $50 billion per year to the defense budget for ten to twenty years.

Secretary Weinberger also indicates that a $50 billion continental defense system would be required to counter a new Soviet emphasis on manned bombers and cruise missiles if they think our SDI might be effective. This kind of spending would create a drain not only on domestic programs, but on defense programs as well. I know that many of our Republican colleagues will join us in taking a close look at the spending request for Star Wars as well.

The second question is, would Star Wars serve national security? The prospect of U.S. deployment of a space-based BMD system designed to threaten the effectiveness of Soviet missile forces is tantamount to inviting an open-ended buildup of nuclear weapons. This is because the first, and simplest response to a BMD system, is to build more missiles that will saturate, and overcome, the defense. A second response would be to build more intercontinental bombers and cruise missiles. A strategic defense system would therefore fuel the nuclear arms race, in addition to launching a totally new arms race in space.

Finally, how will arms control and the upcoming "umbrella talks" be effected? First, I should say that I commend and support the President for his renewed arms control efforts, and for agreeing to these talks. My colleagues and I will lend our support where we can.

Although the President has stated that the Star Wars, or the SDI research program, is strictly a research program, not a testing or development program, activities which are prohibited by the 1972 Anti-Ballistic Missile Treaty, the possibility of future deployment of potentially effective systems, and the abrogation of the ABM Treaty, have a chilling effect on any effort at new arms control agreements.

As a gesture of good faith in the importance and need for these negotiations, we urge the President to extend the moratorium against testing of the U.S. anti-satellite (ASAT) weapon beyond March 1, 1985, the date of expiration of the moratorium set by Congress. The California Democratic Delegation was virtually unanimous in its support of my amendment to the FY'85 Defense Authorization bill last year establishing a one year ASAT test moratorium. We believe that this moratorium has been a factor in the return of the Soviet Union to the negotiating table, and that it provides important bargaining leverage in the impending negotiations.

Finally, and I can't speak for all of my colleagues here, I am a bonafide space enthusiast. My guess is that most of my colleagues are too. I have long believed that we should be building a space station as our next logical step into space. I also believe that we ought to return to the moon and consider a manned mission to Mars. We should provide adequate support for scientific research in space, and should be exploiting the economic and commercial potential of space. In fact, most of my colleagues also support the military uses of space, where that use contributes to global stability and security, including the use of military satellites for communications, reconaissance, and early warning.

The U.S. is the world leader in the use of space for scientific and economic progress. This leadership will be threatened if we continue with programs which minimize the civilian scientific and commercial development of space, in favor of a massive program of weaponization of space. Such action diverts manpower and resources from our real needs in space, as it is doing on earth, and creates a chilling effect on private investment in space for commercial and industrial purposes. It reflects a direct repudiation of the vision of President Eisenhower and all subsequent Presidents, who have called for the peaceful uses of space for the benefit of all mankind.

Thank you. I would be happy to take questions.

Mr. WARNER. Mr. President, seeing no other Member seeking recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER [Mr. WALLOP]. Without objection, it is so ordered.

STAR PRINT OF S. 372

Mr. DOLE. Mr. President, I ask unanimous consent that S. 372 be star printed to reflect typographical corrections, and that the bill, as corrected, be printed in the RECORD. I send the corrected version to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill follows:

S. 372

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be referred to as the "Federal Coal Leasing Amendments Act of 1985".

(b) Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to or repeal of, a section or other provision of the Mineral Lands Leasing Act, the reference shall be considered to be made to a section or other provision of the Act of February 25, 1920, entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain" (41 Stat. 437).

SEC. 2. Section 2(a)(2) of the Mineral Lands Leasing Act (30 U.S.C. 201(a)(2)) is amended by deleting subparagraph (A) and inserting in lieu thereof the following:

"(A)(i) The Secretary shall not issue a lease or leases to coal deposits under the terms of this section to any person, association, corporation, or any subsidiary, affiliate, or persons controlled by or under common control with such person, association, or corporation, where any such entity holds a lease or leases issued prior to August 4, 1976, by the United States to coal deposits and has held such lease or leases for a period of ten years when such entity is not, except as provided in section 7(b) of this Act, producing coal from the leased deposits in commercial quantities. In computing the ten-year period referred to in the preceding sentence, periods of time prior to August 4, 1976 shall not be counted.

"(ii) The prohibition in subparagraph (A)(i) shall not apply if such entity agrees to relinquish a noncompliance coal lease or leases issued pursuant to this Act containing estimated recoverable coal reserves equivalent to the estimated recoverable coal reserves from the lease or leases being issued. To the extent coal reserves relinquished under this subparagraph exceed the coal reserves to be acquired, the entity with the approval of the Secretary may, for the purposes of complying with this section, apply

the amount of excess reserves toward future competitive lease sales.

"(iii) The prohibition in subparagraph (A)(i) shall not apply if such entity holds no more than two noncompliance leases issued prior to August 4, 1976, and pays an additional rental on those coal deposits being acquired.

"(iv) For the purposes of this section, the term 'noncompliance lease' means a coal lease issued prior to August 4, 1976, which has been held by the lessee for a period of ten years and has not produced coal from the lease deposits in commercial quantities. The number of acres on which the fee is assessed shall not exceed the number of acres within the noncompliance lease held by the lessee.

"(v) The additional rental set forth in subparagraph (A)(iii) shall be assessed on the following basis:

"(I) an entity acquiring a coal lease with estimated recoverable reserves of coal up to one hundred million tons would pay an additional rental of $25 per acre for such lease;

"(II) an entity acquiring a coal lease with estimated recoverable reserves of coal of one hundred million tons or more but less than three hundred million tons would pay an additional rental of $35 per acre for such lease; and

"(III) an entity acquiring a coal lease with estimated recoverable reserves of coal of over three hundred million tons would pay an additional rental of $45 per acre for such lease.

"(iv) Estimations of acreage or recoverable reserves necessary to determine the terms of relinquishment or the rental assessed under subparagraph (A)(v) shall be based on the Secretary's estimate of recoverable coal reserves without regard to quality or location.

"(vii) Notwithstanding any other provision of this Act, the Secretary shall accept the relinquishment by the lessee of any coal lease or leases issued prior to August 4, 1976, where there has not been significant surface disturbance pursuant to a permit issued under section 506 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1256).

"(viii) The prohibition on the Secretary issuing coal leases under subparagraph (A)(i) shall not apply to an entity that has met the conditions set forth under subparagraphs (A)(ii) or (A)(iii) or (A)(vii) regarding the relinquishment of noncompliance coal leases, the payment of an additional rental, or the relinquishment of leases issued prior to August 4, 1976.

SEC. 3. (a) Section 7 of the Mineral Lands Leasing Act (30 U.S.C. 207) is amended to read as follows:

"SEC. 7. (a) A coal lease shall be for a term of twenty years and for so long thereafter as the condition of continued operation is met. The Secretary shall by regulation prescribe annual rentals on leases. A lease shall require payment of a royalty in such amount as the Secretary shall determine of not less than 12.5 per centum of the value of coal as defined by regulation, except the Secretary may determine a lesser amount in the case of coal recovered by underground mining operations. The lease shall include such other terms and conditions as the Secretary shall determine. Such rentals and royalties and other terms and conditions of the lease will be subject to readjustment at the end of its primary term of twenty years and at the end of each ten-year period thereafter if the lease is extended. With respect to a lease issued prior to August 4, 1976, upon the effective date of the first readjustment after the date of enactment of the Federal Coal Leasing Amendments Act of 1985, the amount of the royalty required to be paid under such lease shall be readjusted automatically by operation of law to a rate of not less than 12.5 per centum of the value of coal for surface mined coal, and to a rate of not less than 8 per centum in the case of coal recovered by underground mining operations.

"(b)(1) A lease that is not producing coal in commercial quantities at the end of ten years shall be terminated unless the lessee chooses to extend the lease beyond the tenth lease year through the payment of advance royalties.

"(2) Such advance royalties shall be no less than the production royalty which would otherwise be paid and shall be assessed on an escalating basis as follows:

"(A) in the eleventh lease year, an advance royalty would be assessed on assumed production of 0.1 per centum of total recoverable reserves;

"(B) in the twelfth lease year, an advance royalty would be assessed on assumed production of 0.2 per centum of total recoverable reserves;

"(C) in the thirteenth lease year, an advance royalty would be assessed on assumed production of 0.3 per centum of total recoverable reserves;

"(D) in the fourteenth lease year, an advance royalty would be assessed on assumed production of 0.4 per centum of total recoverable reserves;

"(E) in the fifteenth lease year, an advance royalty would be assessed on assumed production of 0.5 per centum of total recoverable reserves;

"(F) in the sixteenth lease year, an advance royalty would be assessed on assumed production of 0.6 per centum of total recoverable reserves;

"(G) in the seventeenth lease year, an advance royalty would be assessed on assumed production of 0.7 per centum of total recoverable reserves;

"(H) in the eighteenth lease year, an advance royalty would be assessed on assumed production of 0.8 per centum of total recoverable reserves;

"(I) in the nineteenth lease year, an advance royalty would be assessed on assumed production of 0.9 per centum of total recoverable reserves; and

"(J) in the twentieth lease year, an advance royalty would be assessed on assumed production of 1 per centum of total recoverable reserves.

"(3) Payment by a lessee of advance royalties under subsection (b) of this section shall constitute compliance with Section 2(a)(2)(A) of the Mineral Lands Leasing Act (30 U.S.C. 201(a)(2)(A)).

"(4) The payment of any advance royalty by the lessee for any year in which production of lease reserves exceeds commercial quantities, as this term is defined in section 7(e) of this Act, may be credited against production, to the extent that such production exceeds commercial quantities.

"(c) Each lease shall be subject to the conditions of diligent development and continued operation of the mine or mines, except where operations under the lease are interrupted by strikes, the elements, or casualties not attributable to the lessee. The Secretary of the Interior, upon determining that the public interest will be served thereby, may suspend the condition of continued operation upon the payment of advance royalties. Such advance royalties shall be no less than the production royalty which would otherwise be paid and shall be computed on a fixed reserve to production ratio (determined by the Secretary). The aggregate number of years during the period of any lease for which advance royalties may be accepted in lieu of the condition of continued operation shall not exceed ten. The amount of any production royalty paid to suspend the condition of continued operation for any year shall be reduced (but not below zero) by the amount of any advance royalties paid under such lease to the extent that such advance royalties have not been used to reduce production royalties for a prior year. No advance royalty paid during the initial twenty-year term of a lease shall be used to reduce a production royalty after the twentieth year of a lease. The Secretary may, upon six months' notification to the lessee cease to accept advance royalties in lieu of the requirement of continued operation. Nothing in this subsection, with the exception of payment of advance royalties in lieu of production, shall be construed to affect the requirement contained in subsection (b)(1) relating to commencement of production at the end of ten years.

"(d) Prior to taking any action on a leasehold which might cause a significant disturbance of the environment, the lessee shall submit for the Secretary's approval an operation and reclamation plan. The Secretary shall approve or disapprove the plan or require that it be modified. Where the land involved is under the surface jurisdiction of another Federal agency, that other agency must consent to the terms of such approval.

"(e) For the purposes of this Act, with respect to leases issued to coal deposits or readjusted after the date of enactment of the Federal Coal Leasing Amendments Act of 1985, the term—

"(1) 'commercial quantities' means one per centum of the recoverable coal reserves under lease or within a logical mining unit (LMU);

"(2) 'diligent development' means the production of recoverable coal reserves in commercial quantities;

"(3) 'continued operation' means the production of not less than commercial quantities of recoverable coal reserves in each year following the achievement of diligent development and an average amount of not less than commercial quantities of recoverable reserves each year therafter, computed on a three-year basis consisting of the year in question and the two preceeding years.".

SEC. 4. Section 2(a)(1) of the Mineral Lands Leasing Act (30 U.S.C. 201(a)) is amended by inserting after the first sentence, the following: "For purposes of this subsection, the term 'competitive bidding' shall mean the receipt of bids by two or more bidders, with the exception of bidding for a maintenance or bypass lease as defined in regulation.".

SEC. 5. Section 2 of the Mineral Lands Leasing Act (30 U.S.C. 201(a)) is amended by inserting the following new subsections and renumbering thereafter, accordingly:

"(a)(3) The Secretary shall promulgate rules and regulations to provide for experimentation with the negotiated sale of leases for bypass and maintenance tracts as defined by the Secretary. Such rules and regulations as are necessary shall be published in the Federal Register within six months after the date of enactment of the Federal Coal Leasing Amendments Act of 1985.

"(4)(A) Notwithstanding any other provisions of law, neither the Secretary nor any

other officer, employee, contractor or agent of the Department of the Interior or bureau or agency thereof, shall disclose to anyone who is not an employee, contractor or agent of the Department of the Interior or bureau or agency any data developed by the Department of the Interior for estimating coal tract value.

"(B) Any Federal employee, contractor or agent of the Department, including the Secretary, who willfully violates subsection (a)(4)(A) shall be guilty of a crime and subject to the penalties set forth in section 1905 of title 18, United States Code.".

SEC. 6. The Mineral Lands Leasing Act (30 U.S.C. 208-2) is amended by adding after section 8B the following new section 8C:

"SEC. 8C. The Comptroller General of the General Accounting Office shall monitor the management, supervision, and enforcement relating to the leasing and production of coal on coal lands subject to this Act for a period of five years after the date of enactment of the Federal Coal Leasing Amendments Act of 1985, and shall report his findings with respect to these activities in a semiannual report to the Congress beginning six months after the date of enactment of the Federal Coal Leasing Amendments Act of 1985.".

SEC. 7. Section 30 of the Mineral Lands Leasing Act (30 U.S.C. 187) is amended by inserting after the first sentence thereof the following: "Within one hundred and eighty days of enactment of the Federal Coal Leasing Amendments Act of 1985, the Secretary of the Interior shall promulgate regulations which require, prior to this approval of any transfer of a record title interest or assignment of operating rights in a lease, that the transferor submit to the Secretary of the Interior a financial document describing the consideration or value paid or promised for the transfer. Such regulations shall set forth both the extent and type of the information required to be filed in such financial document.".

MESSAGES FROM THE PRESIDENT RECEIVED DURING THE RECESS

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on February 4, 1985, during the recess of the Senate, received messages from the President of the United States submitting sundry nominations; which were referred to the appropriate committees.

(The nominations received on February 4, 1985, are printed at the end of Senate proceedings.)

REPORT ON SOVIET ARMS CONTROL COMPLIANCE—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE RECESS—PM 12

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on February 1, 1985, during the recess of the Senate, received the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

During 1984, at the request of the Congress, I forwarded two reports to the Congress on arms control compliance. The first, forwarded last January, was an in-depth analysis of seven specific issues of violations or probable violations by the Soviet Union of arms control obligations and commitments. The second report, forwarded in October, was an advisory study prepared independently by the General Advisory Committee on Arms Control and Disarmament. These reports indicate that there is cause for serious concern regarding the Soviet Union's conduct with respect to observance of arms control agreements.

In the FY-1985 Defense Authorization Act and the Conference Report on that Act, the Congress called for additional classified and unclassified reports regarding a wide range of questions concerning the Soviet Union's compliance with arms control commitments. The Administration is responding to these requests by providing both classified and unclassified reports which update the seven issues initially analyzed in the January 1984 report, and analyze a number of additional issues.

In this unclassified report the United States Government reaffirms the conclusions of its January 1984 report that the USSR has violated the Helsinki Final Act, the Geneva Protocol on Chemical Weapons, the Biological and Toxin Weapons Convention, and two provisions of SALT II: telemetry encryption and ICBM modernization. The United States Government also reaffirms its previous conclusions that the USSR has probably violated the SS-16 deployment prohibition of SALT II and is likely to have violated the nuclear testing yield limit of the Threshold Test Ban Treaty. In addition, the United States Government has determined that the USSR has violated the ABM Treaty (through the siting, orientation and capability of the Krasnoyarsk Radar), violated the Limited Test Ban Treaty, and violated the SALT II provision prohibiting more than one new type of ICBM, and probably violated the ABM Treaty restriction on concurrent testing of SAM and ABM components. Evidence regarding the USSR's compliance with the ABM Treaty provision on component mobility was determined to be ambiguous. In addition, the United States Government is concerned about Soviet preparations for a prohibited territorial ABM defense. Further, the USSR was determined to be currently in compliance with those provisions of the SALT I Interim Agreement and its implementing procedures that deal with reuse of dismantled ICBM sites and with the reconfiguration of dismantled ballistic missile launching submarines.

Beyond the issues that are treated in the unclassified report released today, there are other compliance issues that will not be publicly disclosed at this time but which remain under review. As we continue to work on these issues, we will brief and consult with the Congress in detail and will, to the maximum extent possible, keep the public informed on our findings.

In order for arms control to have meaning and credibly contribute to national security and to global or regional stability, it is essential that all parties to agreements fully comply with them. Strict compliance with all provisions of arms control agreements is fundamental, and this Administration will not accept anything less. To do so would undermine the arms control process and damage the chances for establishing a more constructive US-Soviet relationship.

As I stated last January, Soviet noncompliance is a serious matter. It calls into question important security benefits from arms control, and could create new security risks. It undermines the confidence essential to an effective arms control process in the future. With regard to the issues analyzed in the January 1984 report, the Soviet Union has thus far not provided satisfactory explanations nor undertaken corrective actions sufficient to alleviate our concerns. The United States Government has vigorously pressed, and will continue to press, these compliance issues with the Soviet Union through diplomatic channels.

Our approach in pursuing these issues with the Soviet Union is to ensure that both the letter and intent of treaty obligations and commitments will be fulfilled. To this end the Administration is: analyzing further issues of possible noncompliance; as noted above, seeking from the Soviet Union through diplomatic channels explanations, clarifications, and, where necessary, corrective actions; reporting on such issues to the Congress; and taking into account in our defense modernization plans the security implications of arms control violations. At the same time, the United States is continuing to carry out its own obligations and commitments under relevant agreements. Our objectives in the new negotiations which begin in March are to reverse the erosion of the ABM Treaty and to seek equitable, effectively verifiable arms control agreements which will result in real reductions and enhance stability. While all of these steps can help, however, it is fundamentally important that the Soviet Union take a constructive attitude toward full compliance with all arms control obligations and commitments.

The Administration and the Congress have a shared interest in supporting the arms control process. For this reason, increased understanding

of Soviet violations or probable violations, and a strong Congressional consensus on the importance of compliance to achieving effective arms control, will strengthen our efforts both in the new negotiations and in seeking corrective actions from the Soviet Union.

I look forward to continued close consultation with the Congress as we seek to make progress in resolving compliance issues and in negotiating sound arms control agreements.

RONALD REAGAN.

THE WHITE HOUSE, *February 1, 1985.*

BUDGET OF THE U.S. GOVERNMENT FOR FISCAL YEAR 1986—MESSAGE RECEIVED FROM THE PRESIDENT DURING THE RECESS—PM 13

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on February 4, 1985, during the recess of the Senate, received the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1985, was referred jointly to the Committee on the Budget and the Committee on Appropriations:

To the Congress of the United States:

In the past 2 years we have experienced one of the strongest economic recoveries of the post-war period. The prospect of a substantially brighter future for America lies before us. As 1985 begins, the economy is growing robustly and shows considerable upward momentum. Favorable financial conditions presage a continuation of the expansion. Production, productivity, and employment gains have been impressive, and inflation remains well under control. I am proud of the state of our economy. Let me highlight a few points:

—The economy expanded at a 6.8% rate in 1984 and at a 6% annual rate over the 2 years since the recession trough at the end of 1982—faster than any other upturn since 1951.

—Confidence in the economy has prompted business firms to expand their capital facilities. Real investment in new plant and equipment has grown 15.4% annually since the end of 1982—faster than in any other post-war recovery.

—The ratio of real investment to real GNP has reached its highest level in the post-war period.

—Industrial production is 23% above its level at the recession trough in November 1982—a greater advance than in any other recovery since 1958.

—Corporate profits have risen nearly 90% since the recession trough in 1982—the fastest 8-quarter increase in 37 years.

—Civilian employment has grown 7.2 million over the past 25 months and the number of unemployed has fallen by 3.7 million. In the last 4 months alone, more than 1.1 million Americans have found jobs.

—Inflation remains well under control. The December 1984 CPI was 4% higher than a year earlier, about a third of the rate of inflation this administration inherited. The GNP deflator, the broadest measure of inflation, increased only 3.5% last year and at only a 2.4% annual rate in the fourth quarter.

—The prime rate of interest is now only half of what it was when I took office.

Contrast our current circumstances with the situation we faced just 4 years ago. Inflation was raging at double-digit rates. Oil prices had soared. The prime rate of interest was over 20%. The economy was stagnating. Unemployment had risen sharply and was to rise further. America's standing in world opinion was at low ebb.

All that, mercifully, is behind us now. The tremendous turnaround in our fortunes did not just happen. In February 1981, I presented the four fundamentals of my economic program. They were:

—Reducing the growth of overall Federal spending by eliminating activities that are beyond the proper sphere of Federal Government responsibilities and by restraining the growth of spending for other activities.

—Limiting tax burdens to the minimum levels necessary to finance only essential government services, thereby strengthening incentives for saving, investment, work, productivity, and economic growth.

—Reducing the Federal regulatory burden where the Federal Government intrudes unnecessarily into our private lives, the efficient conduct of private business, or the operations of State and local governments.

—Supporting a sound and steady monetary policy, to encourage economic growth and bring inflation under control.

FOUR YEARS OF ACCOMPLISHMENT

These policies were designed to restore economic growth and stability. They succeeded.

The past 4 years have also seen the beginning of a quiet but profound revolution in the conduct of our Federal Government. We have halted what seemed at the time an inexorable set of trends toward greater and greater Government intrusiveness, more and more regulation, higher and higher taxes, more and more spending, higher and higher inflation, and weaker and weaker defense. We have halted these trends in our first 4 years.

—The rate of Federal spending growth was out of control at 17.4% a year in 1980. Under my budget proposals the growth of programmatic spending—that is, total Federal spending except for debt service—will be zero next year—frozen at this year's levels.

—Further, spending will grow only 30% over the 4 years from 1982 to 1986, compared to its record pace of 66% between 1977 and 1981, and this despite legislated additions to my program and the needed rebuilding of our defense capabilities.

—The Federal tax system was changed for the better—marginal tax rates were reduced and depreciation reform introduced. These reforms were designed to increase incentives for work, training and education, saving, business growth, and capital expansion. Tax loopholes have been closed, improving the equity of the system.

—Domestic spending, which previously grew faster than any other major part of the budget (nearly fourfold in real terms between 1960 and 1980), will have been virtually frozen from 1981 to 1985.

—Our defense capabilities are now getting back to a level where we can protect our citizens, honor our commitments to our allies, and participate in the long-awaited arms control talks from a position of respected strength.

—Federal credit programs, which had also grown out of control, have been cut back, and their management has been vastly improved.

—The rapid growth of regulations and red tape has also been halted. The number of Federal rules published by agencies has fallen by over 35% during the past 4 years, and many unnecessary old rules have been eliminated. For the first time, the Federal Register of new regulatory actions has grown shorter for 4 consecutive years; it is now 41% shorter than it was in 1980.

—Major management improvement initiatives are underway that will fundamentally change the way the Federal Government operates. The President's Private Sector Survey on Cost Control has completed its report, and many of its recommendations are included in this budget. The President's Council on Integrity and Efficiency has reported $46 billion in improved use of funds through reduction of waste and fraud.

—The Federal nondefense work force has been reduced by over 78,000.

The proposals contained in this budget will build on the accomplishments of the last 4 years and put into action a philosophy of government that is working and that has received the overwhelming endorsement of the American people.

THE 1986 BUDGET PROGRAM

If we took no action to curb the growth of spending, Federal outlays would rise to over a trillion dollars in 1986. This would result in deficits exceeding $200 billion in each of the next 5 years. This is unacceptable. The budget I propose, therefore, will reduce spending by $51 billion in 1986, $83 billion in 1987, and $105 billion in 1988. Enactment of these measures would reduce the deficit projected for 1988 to $144 billion—still a far cry from our goal of a balanced budget, but a significant step in the right direction and a 42% reduction from the current services level projected for that year.

Last year my administration worked with Congress to come up with a downpayment on reducing the deficit. This budget commits the Government to a second installment. With comparable commitments to further reductions in the next two budgets, and, I hope, other spending reduction ideas advanced by the Congress, we can achieve our goal in an orderly fashion.

The budget proposes a 1-year freeze in total spending other than debt service. This will be achieved through a combination of freezes, reforms, terminations, cutbacks, and management improvements in individual programs. For a number of reasons, a line-by-line budget freeze is not possible or desirable. Further, such an approach would assume that all programs are of equal importance. Taken together, the specific proposals in this budget hold total Federal spending excluding debt service constant in 1986 at its 1985 level.

The budget proposals provide for substantial cost savings in the medicare program, in Federal payroll costs, in agricultural and other subsidies to business and upper-income groups, in numerous programs providing grants to State and local governments, and in credit programs. A freeze is proposed in the level of some entitlement program benefits, other than social security, means-tested programs, and programs for the disabled, that have hitherto received automatic "cost-of-living adjustments" every year. The budget proposes further reductions in defense spending below previously reduced mid-year levels.

Despite the reforms of the past 4 years, our Federal tax system remains complex and inequitable. Tax rates are still so high that they distort economic decisions, and this reduces economic growth from what it otherwise could be. I will propose, after further consultation with the Congress, further tax simplification and reform. The proposals will not be a scheme to raise taxes—only to distribute their burden more fairly and to simplify the entire system. By broadening the base, we can lower rates.

THE BUDGET TOTALS

[In billions of dollars]

	1984 actual	1985 estimate	1986 estimate	1987 estimate	1988 estimate
Receipts	666.5	736.9	793.7	861.7	950.4
Outlays	851.8	959.1	973.7	1,026.6	1,094.8
Deficit (—)	−185.3	−222.2	−180.0	−164.9	−144.4

Note: Totals include outlays that are off-budget under current law, proposed to be included on-budget.

There will be substantial political resistance to every deficit reduction measure proposed in this budget. Every dollar of current Federal spending benefits someone, and that person has a vested self-interest in seeing these benefits perpetuated and expanded. Prior to my administration, such interests had been dominant and their expectation and demands had been met, time and time again.

Freeze on programmatic outlays

Fiscal year 1985 estimate:	*Billions*
Programmatic outlays	$804
Debt service	959
Fiscal year 1986 estimate:	
Programmatic outlays	804
Debt service	974

At some point, however, the question must be raised: "Where is the political logrolling going to stop?" At some point, the collective demands upon the public Treasury of all the special interests combined exceed the public's ability and willingness to pay. The single most difficult word for a politician to utter is a simple, flat "No." The patience of the American people has been stretched as far as it will go. They want action; they have demanded it.

We said "no" frequently in 1981, and real spending for discretionary domestic programs dropped sharply. But we did not accomplish enough. We now have no choice but to renew our efforts with redoubled vigor. The profusion of Federal domestic spending programs must be reduced to an acceptable, appropriate, and supportable size.

It will require political courage of a high order to carry this program forward in the halls of Congress, but I believe that with good faith and goodwill on all sides, we can succeed. If we fail to reduce excessive Federal benefits to special interest groups, we will be saddled either with larger budget deficits or with higher taxes—either of which would be of greater harm to the American economy and people.

1986 MANAGEMENT AND REGULATORY PROGRAM

Not only must both the scope and scale of Federal spending be drastically cut back to reduce the deficit: we must also institute comprehensive management improvements and administrative reforms to make sure that we use available funds as efficiently as possible.

Tough but necessary steps are being taken throughout the Federal Government to reduce the costs of management and administration. Substantial savings in overhead costs have been achieved under provisions of the Deficit Reduction Act of 1984. A 5% Federal civilian employee salary cut has been proposed; a 10% reduction in administrative overhead has been ordered; termination of programs that have outlived their usefulness is proposed; outmoded, inefficient agency field structures that have evolved over the past half-century are being consolidated and streamlined to take advantage of efficiencies made possible by modern transportation, communication, and information technology.

Administration of Federal agencies is being made more efficient through the adoption of staffing standards, automation of manual processes, consolidation of similar functions, and reduction of administrative overhead costs. A program to increase productivity by 20% by 1992 in all appropriate Government functions is being instituted, as are improved cash and credit management systems and error rate reduction programs.

This management improvement program will result in a leaner and more efficient Federal structure and will be described in a management report that I am submitting to the Congress for the first time shortly after my annual budget submission.

We have also made a great deal of progress in reducing the costs imposed on businesses and State and local governments by Federal regulations. These savings are estimated to total $150 billion over a 10-year period. We have reduced the number of new regulations in every year of my first term and have eliminated or reduced paperwork requirements by over 300 million hours each year. In addition, the regulations are more carefully crafted to achieve the greatest protection for the least cost, and wherever possible to use market forces instead of working against them.

A recent Executive Order will strengthen the executive branch coordination that has made these accomplishments possible. For the first time, we will publish an annual program of the most significant regulatory activities, including those that precede the publication of a proposed rule. This will give Congress and the public an earlier opportunity to understand the administration's regulatory policies and priorities.

CONCLUSION

The key elements of the program I set out 4 years ago are in place and working well. Our national security is being restored; so, I am happy to

report, is our economy. Growth and investment are healthy; and inflation, interest rates, tax rates, and unemployment are down and can be reduced further. The proliferation of unnecessary regulations that stifled both economic growth and our individual freedoms has been halted. Progress has been made toward the reduction of unwarranted and excessive growth in domestic spending programs.

But we cannot rest on these accomplishments. If we are to attain a new era of sustained peace, prosperity, growth, and freedom, Federal domestic spending must be brought firmly under control. This budget presents the steps that I believe must be taken. I do not exclude other economies that Congress may devise, so long as they do not imperil my fundamental constitutional responsibilities to look after the national defense and the general welfare of the American people.

Let us get on with the job. The time for action is now.

RONALD REAGAN.

FEBRUARY 4, 1985.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

ECONOMIC REPORT OF THE PRESIDENT—MESSAGE FROM THE PRESIDENT—PM 14

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Joint Economic Committee:

To the Congress of the United States:

In 1981, when I first assumed the duties of the Presidency, our Nation was suffering from declining productivity and the highest inflation in the postwar period—the legacy of years of government overspending, overtaxing, and overregulation.

We bent all of our efforts to correct these problems, not by unsustainable short-run measures, but by measures that would increase long-term growth without renewed inflation. We removed unnecessary regulations, cut taxes, and slowed the growth of Federal spending, freeing the private sector to develop markets, create jobs, and increase productivity. With conviction in our principles, with patience and hard work, we restored the economy to a condition of healthy growth without substantial inflation.

Although employment is now rising, business opportunities are expanding, and interest rates and inflation are under control, we cannot relax our economic vigilance. A return to the policies of excessive government spending and control that led to the economic "malaise" of the late seventies would quickly draw us back into that same disastrous pattern of inflation and recession. Now is the time to recommit ourselves to the policies that broke that awful pattern: policies of reduced Federal spending, lower tax rates, and less regulation to free the creative energy of our people and lead us to an even better economic future through strong and sustained economic growth.

MAJOR ECONOMIC DEVELOPMENTS 1981–1984

The Program for Economic Recovery that we initiated in February 1981 had four key elements:

—Budget reform to cut the rate of growth in Federal spending,

—Reductions in personal and business taxes,

—A far-reaching program of regulatory relief, and

—Restoration of a stable currency and a healthy financial market through sound monetary policy.

The success of this program is now obvious—the U.S. economy is experiencing the strongest recovery in 30 years;

—Real business fixed investment in plant and equipment is higher, relative to real gross national product, than at any time in the postwar period.

—Productivity growth in the business sector has averaged 2.2 percent since the fourth quarter of 1980, compared with a rate of less than 0.3 percent over the prior 4 years.

—The inflation rate is now about one-third the rate in 1980, and short-term interest rates are less than one-half their peak 1981 levels.

But the quantitative record alone does not tell the full story. Four years ago, there was a widespread and growing anxiety about the economy. Many thought that the Nation had entered a condition of permanent economic decline, and that we would have to live with permanent double-digit inflation unless we were willing to suffer massive long-term unemployment.

We did not share this pessimism. It was clear to us that the Nation's economic problems were not the product of the economic system, but of the onerous influence of government on that system. The creative potential of the American people, choosing their own economic futures, was more constrained than helped by the increasingly heavy hand of government. Nor did we share the negative views that a reduction of inflation would increase long-term unemployment; that economic growth, by itself, would increase inflation; and that the government had to protect a "fragile" market system by regulating oil prices and interest rates.

The primary economic responsibility of the Federal Government is not to make choices for people, but to provide an environment in which people can make their own choices. The performance of the economy in the past 2 years under our Program for Economic Recovery fully justifies our faith in the Nation's basic economic health. In 1983 and 1984 the economy generated about 300,000 new jobs per month without an increase in inflation. Real gross national product increased 5.6 percent during 1984, and the unemployment rate declined from 8.1 percent to 7.1 percent. Inflation was steady at its lowest level in more than a decade, and most interest rates are now lower than a year ago. Yet while the U.S. economy grew rapidly in 1984, it maintains the potential for continued strong growth. The inventory/sales ratio is low by historical standards, and capacity utilization rates in most industries are well below prior peak rates.

Economic conditions in 1984 were more favorable than during the second year of a typical recovery, and we see none of the warning signs that usually precede the end of an expansion. The temporary slowing of economic growth starting in July—reflecting the combination of a minor adjustment of consumer spending and inventories and little growth of the basic money supply—seems to have ended in November. These conditions, plus an expectation that the Federal Reserve System will maintain sufficient money growth, support our forecast that the present recovery will continue. *The thriving venture capital market is financing a new American revolution of entrepreneurship and technological change. The American economy is once again the envy of the world.*

THE ECONOMIC OUTLOOK

For the years 1985 through 1988, we assume real gross national product growth of 4 percent per year, slowing slightly in 1989–90. We know that economic recoveries have not been stable in either duration or magnitude, in part because monetary and fiscal policies have often been erratic. We may not be able to eliminate recessions entirely, but a sustained commitment to policies that promote long-term growth and stability can reduce their frequency and severity. Our forecast that the unemployment rate, the inflation rate, and interest rates will de-

cline gradually in the years ahead reflects this commitment to sound, sustainable, and predictable policies.

THE TASK AHEAD: A PROGRAM FOR GROWTH AND OPPORTUNITY

Our 1981 Program for Economic Recovery was designed for the long run with priority attention to the major problems we faced at that time. Our second-term Program for Growth and Opportunity represents a continuation and expansion of the earlier program, with priority attention to the major problems we face in 1985 and beyond. Our objectives—economic growth, stability of the general price level, and increased individual economic opportunity—have not changed. Federal economic policy will continue to be guided by the four key elements of the earlier program. Our progress in solving the most important economic problems we inherited in 1981, however, has allowed us to refocus our attention on the remaining problems and to shift our priorities and resources toward their solution.

Several significant problems remain to be addressed. The rate of growth of Federal spending has been substantially reduced from the rate projected in the budget we inherited in fiscal 1981, but spending growth continues to outpace the economy. Spending too much has left us with a large budget deficit that must and will be reduced. In our efforts to reduce the deficit, we must not forget that the cause of the deficit is increased spending and insufficient growth, not decreased taxes. Federal tax receipts are now almost the same share of gross national product as in the late 1970s, even after the substantial reduction in tax rates that we initiated in 1981.

Another economic problem demanding resolution is unemployment and its effects on the Nation's workers and families. Despite significant progress, much remains to be done. More than 6 million more Americans are now employed than in January 1981, but the unemployment rate is still too high. We will not be satisfied until every American who wants a job is employed at a wage that reflects the market value of his or her skills. Another aspect of this problem is that the poverty rate remains stubbornly high, despite a strong recovery and a continued increase in government assistance. Also, although the inflation rate has been reduced substantially, it is still higher than during most of our peacetime history prior to 1965. We will not be satisfied until we have totally and permanently wrung inflation out of our economy.

Work also remains to be done in the areas of regulatory and monetary policy. Many Federal regulations still impose a substantial cost to the economy. In addition, we need to strengthen the commitment to a sound monetary policy that never again retards economic growth, or reaccelerates inflation.

Our trade deficit, another area of concern, has been caused in large part by a strong dollar. Investors around the world have bid up the dollar as they have become increasingly confident in our economy. That confidence is an asset and not a liability. However, the conditions that have led to the trade deficit have increased the obstacles faced by some important industries. Agriculture, one of our most productive export sectors, has been harmed by a combination of rigid and outdated Federal agricultural policies and subsidized foreign competition as well as by the strong dollar. Some of our import-competing industries, such as steel, have also been hurt by subsidized foreign competition and the strong dollar. In one respect the trade deficit is like the budget deficit; both are too large to be sustained, but there are both beneficial and detrimental ways to reduce them. Our goal is a system of free and fair trade in goods, services, and capital. We will work toward this goal through both bilateral and multilateral agreements.

Economic conditions during the past 4 years are best characterized as transitional—from a period of low productivity growth to a period of high productivity growth; from a period of high inflation and interest rates to a period of much lower inflation and interest rates; from a period of economic "malaise" to a period of economic opportunity. Our task is to consolidate and extend these gains.

FEDERAL SPENDING AND THE DEFICIT

The rate of growth of Federal spending has been reduced from 14.8 percent in fiscal 1981 to an average rate of 9.1 percent in fiscal years 1982 through 1985. During this period, however, current dollar gross national product has increased at an average rate of 7.6 percent. The continued growth of the Federal spending share of gross national product and lost revenues from the recession are the main reasons we are now faced with such large Federal deficits.

The projected Federal deficits are much too large, and they must be reduced. As explained in the accompanying report, however, the economic consequences of reducing these deficits depend critically on how they are reduced. A sustained reduction of the growth of Federal spending will contribute to economic growth, while an increase in tax rates would constrain economic growth. Federal spending on many programs is far larger than necessary, and far larger than desired by most Americans.

My fiscal 1986 budget proposal will protect the social safety net and essential programs, such as defense, for which the Federal Government has a clear constitutional responsibility, and will reform or eliminate many programs that have proven ineffective or nonessential. With no resort to a tax increase, this budget will reduce the deficit to about 4 percent of gross national product in fiscal 1986 and to a steadily lower percentage in future years. Additional spending reductions will probably be necessary in future years to achieve a balanced budget by the end of the decade.

The problems of excessive spending and deficits are not new. In the absence of fundamental reform, they may recur again and again in the future. I therefore support two important measures—one to authorize the President to veto individual line items in comprehensive spending bills, and another to constrain the Federal authority to borrow or to increase spending in the absence of broad congressional support. These structural changes are *not* substitutes for the hard fiscal choices that will be necessary in 1985 and beyond, nor for the need to simplify our tax system to stimulate greater growth; but they are important to provide the mechanisms and discipline for longer term fiscal health.

The case for a line-item veto should by now be obvious. The Governors of 43 States have used this authority effectively, and such authority has only once been withdrawn, only later to be reinstated. For over a century, Presidents of both parties have requested such authority.

The proposed constitutional amendment providing for a balanced budget and a tax limitation would constrain the long-run growth of Federal spending and the national debt. In 1982 a proposed amendment to constrain Federal authority to spend and borrow was approved by more than two-thirds of the Senate and by more than a majority of the House of Representatives; a balanced budget amendment has also been endorsed by the legislatures of 32 States. Approval of the proposed balanced budget/tax limitation amendment would ensure that fiscal decisions by future Presidents and Members of Congress are more responsive to the broad interests of the American population.

FEDERAL TAXATION

The Economic Recovery Tax Act of 1981 was one of the most important accomplishments of my first term. Individual income tax rates were reduced nearly 25 percent, effective tax rates on the income from new investment were substantially reduced, and beginning this year tax brackets are adjusted for inflation.

But more needs to be done. Personal tax rates should be reduced further to encourage stronger economic growth which, in itself, is our best tool for putting deficits on a steady downward path. Our tax system needs basic reform. It is extraordinarily complicat-

ed; it leads to substantial economic inefficiency; and it is widely perceived to be unfair.

At my request, the Treasury Department has developed a comprehensive proposal to simplify and reform the Federal tax system, one that for expected economic conditions would yield about the same revenues as the present system. This proposal, by substantially broadening the tax base, would permit a significant further reduction of marginal tax rates. Shortly, I will be submitting my own proposal for tax simplification, and will urge the Congress to give serious sustained attention to tax simplification—in order to enact a program that will increase fairness and stimulate future savings, investment, and growth.

FEDERAL REGULATION

We have made major efforts in the past 4 years to reduce and eliminate Federal regulation of economic activity. Executive Office review of new regulations was streamlined. Oil prices were deregulated by Executive authority early in 1981. New legislation was approved to reduce regulation of banking and to largely eliminate regulation of interstate bus travel.

Regulatory reform, however, has been painfully slow. The Congress failed to approve our proposals to further deregulate banking and natural gas prices, and to reform the regulation of private pensions. In addition, the reauthorization of several major environmental laws has been delayed for several years.

I urge the Congress to consider further deregulation efforts in several areas. The experience with deregulation of oil prices makes clear that continued regulation of natural gas prices is not appropriate. Reform of nuclear licensing requirements also deserves attention. Further deregulation of the banking system should be paired with a major reform of the deposit insurance systems. Some changes in the single-employer pension law and an increased premium are necessary to preserve the pension insurance system. We should also seriously consider eliminating the remaining Federal regulation of trucking and railroads. Finally, I remain hopeful that the Administration and the Congress can work together to reauthorize the major environmental laws in a way that serves our common environmental and economic goals.

MONETARY POLICY

The Constitution authorizes the Congress "To coin Money (and) regulate the Value thereof," and Congress has delegated this authority to the Federal Reserve System. The role of the executive branch is restricted to advising the Congress and the Federal Reserve about the conduct of monetary policy, and to nominating members of the Board of Governors as positions become vacant.

During my first term, the Federal Reserve reduced the rate of money growth relative to the high rates of the late 1970s. This change in policy, assisted by the related strong increase in the exchange value of the dollar helped produce a substantial reduction of inflation and market interest rates. On occasion, however, the rate of money growth has been quite volatile, contributing to instability in interest rates and a decline in economic activity. The sharp reduction in money growth through mid-1982, for example, undoubtedly added to the length and severity of the 1981-1982 recession. And a similar reduction in money growth in the second half of 1984 contributed to the temporary slowing of economic growth late in the year.

We reaffirm our support for a sound monetary policy that contributes to strong, steady economic growth and price stability. Moreover, we expect to cooperate closely with the Federal Reserve in defining and carrying out a prudent and predictable monetary policy.

CONCLUSION

The Federal Government has only a few important economic responsibilities. Given a proper conduct of these important roles, additional Federal intervention is more often a part of the problem than a part of the solution. We should continue to reduce the many less-important economic activities of the Federal Government so that individuals, private institutions, and State and local governments will have more resources and more freedom to pursue their own interests. Good stewardship of our constitutional responsibilities and the creative energies of the American people will ensure a future of continued economic growth and opportunity.

RONALD REAGAN.

FEBRUARY 5, 1985.

MESSAGES FROM THE HOUSE

At 2:09 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that pursuant to the provisions of 15 United States Code, section 1024(a), the Speaker appoints as additional members of the Joint Economic Committee the following Members on the part of the House: Mr. WYLIE, Mrs. HOLT, Mr. LUNGREN, and Ms. SNOWE.

The message also announced that pursuant to the provisions of 22 United States Code, section 276a-1, the Speaker appoints Mr. PEPPER as chairman, and Mr. HAMILTON as vice chairman of the delegation on the part of the House to attend the Conference of the Interparliamentary Union to be held in Lome, Togo, on March 25 through March 30, 1985.

The message further announced that pursuant to the provisions of section 4(a) of Public Law 98-399, the Speaker appoints as members of the Martin Luther King, Jr., Federal Holiday Commission, the following Members on the part of the House: Mr. GRAY of Pennsylvania, Mr. LELAND, Mr. REGULA, and Mr. COURTER.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-360. A communication from the Fiscal Assistant Secretary of the Treasury transmitting, pursuant to law, a report on the amount of revenue deposited in the Panama Canal Commission Fund during fiscal year 1984; to the Committee on Armed Services.

EC-361. A communication from the President and Chairman of the Export-Import Bank of the United States transmitting, pursuant to law, a report on a transaction involving U.S. exports to Japan; to the Committee on Banking, Housing, and Urban Affairs.

EC-362. A communication from the Chairman of the Board of the U.S. Synthetic Fuels Corp. transmitting, pursuant to law, the Corporation's 1984 Annual Report; to the Committee on Energy and Natural Resources.

EC-363. A communication from the Secretary of the Interior transmitting, pursuant to law, a report on compensatory oil and gas royalty agreements involving unleased Government lands for 1984; to the Committee on Energy and Natural Resources.

EC-364. A communication from the Secretary of Energy transmitting, pursuant to law, the eighth Annual Report on Federal Energy Education, Extension, and Information Activities; to the Committee on Energy and Natural Resources.

EC-365. A communication from the Acting Administrator of the Environmental Protection Agency transmitting, pursuant to law, a report on the implementation of the Clean Air Act; to the Committee on Environment and Public Works.

EC-366. A communication from the Administrator of the Saint Lawrence Seaway Development Corporation transmitting, pursuant to law, a summary of 39 major Seaway accomplishments during 1984; to the Committee on Environment and Public Works.

EC-367. A communication from the Chairman of the Board for International Broadcasting transmitting, pursuant to law, its annual report for 1984; to the Committee on Foreign Relations.

EC-368. A communication from the Acting Assistant Secretary of State transmitting, pursuant to law, a determination for continued U.S. assistance to Haiti; to the Committee on Foreign Relations.

EC-369. A communication from the Director of the Federal Emergency Management Agency transmitting, pursuant to law, a report on the Agency's system of internal accounting and administrative control; to the Committee on Governmental Affairs.

EC-370. A communication from the Acting Administrator of the General Services Administration transmitting, pursuant to law, an evaluation of GSA's systems of

management control; to the Committee on Governmental Affairs.

EC-371. A communication from the Chairman of the Equal Employment Opportunity Commission transmitting, pursuant to law, a report on the Commission's system of internal control and accounting system; to the Committee on Governmental Affairs.

EC-372. A communication from the D.C. Auditor transmitting, pursuant to law, a report entitled "Review of D.C. Lottery Contracts with former Council Chairman"; to the Committee on Governmental Affairs.

EC-373. A communication from the Director of the Administrative Office of the United States Courts transmitting, pursuant to law, a report on the 15 positions in grades 16, 17, and 18 allocated by statute to the Administrative Office of the U.S. Courts; to the Committee on Governmental Affairs.

EC-374. A communication from the Director of the Federal Judicial Center transmitting, pursuant to law, the Center's 1984 Annual Report; to the Committee on the Judiciary.

EC-375. A communication from the Acting Secretary of Education transmitting, pursuant to law, the annual report "Center to Increase State Capacity Related to Technology Applications in Special Education"; to the Committee on Labor and Human Resources.

EC-376. A communication from the Secretary of the Board, Railroad Retirement Board, transmitting, pursuant to law, a report on the Railroad Retirement Account's ability to pay benefits in each of the next five years; to the Committee on Labor and Human Resources.

EC-377. A communication from the Administrator of the Veterans Administration transmitting, pursuant to law, a letter relating to the annual report of the VA on cases of equitable relief granted where loss has been suffered as a result of relying on erroneous information provided by the VA; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SYMMS, from the Committee on Environment and Public Works, without amendment:

S. 391. An original bill to approve the Interstate and Interstate Substitute Cost Estimates, to amend title 23 of the United States Code, and for other purposes (Rept. No. 99-2).

S.J. Res. 44. An original joint resolution to approve the Interstate Cost Estimate and the Interstate Substitute Cost Estimate, to amend title 23, United States Code, and for other purposes (Rept. No. 99-3).

S. Res. 64. An original resolution waiving section 303(a) of the Congressional Budget Act of 1974 for consideration of S. 391; referred to the Committee on the Budget.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary: Edwin Meese III, of California, to be Attorney General.

By Mr. HATCH, from the Committee on Labor and Human Resources:

William J. Bennett, of North Carolina, to be Secretary of Education.

(The above nomination was reported from the Committee on Labor and Human Resources with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. McCLURE, from the Committee on Energy and Natural Resources:

John S. Harrington, of California, to be Secretary of Energy; and Donald P. Hodel, of Virginia, to be Secretary on the Interior.

(The above nominations were reported from the Committee on Energy and Natural Resources with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BURDICK:

S. 375. A bill for the relief of Elizabeth Khakshouri, Paul Khakshouri, Nathan Khakshouri, and David Khakshouri; to the Committee on the Judiciary.

By Mr. CHAFEE:

S. 376. A bill to amend the Internal Revenue Code of 1954 to deny an employer a deduction for group health plan expenses unless such plan includes coverage for pediatric preventive health care; to the Committee on Finance.

By Mr. DeCONCINI (for himself, Mr. KENNEDY, Mr. PELL, Mr. DURENBERGER, Mr. SPECTER, Mr. BOSCHWITZ, and Mr. LEAHY):

S. 377. A bill to provide for a General Accounting Office investigation and report on conditions of displaced Salvadorans, to provide certain rules of the House of Representatives and of the Senate with respect to review of the report, to provide for the temporary stay of detention and deportation of certain Salvadorans, and for other purposes; to the Committee on the Judiciary.

By Mr. ROTH:

S. 378. A bill to modify a project of the U.S. Army Corps of Engineers to increase beach erosion control; to the Committee on Environment and Public Works.

By Mr. SPECTER:

S. 379. A bill entitled the "Health Care Cost Containment Act of 1985"; to the Committee on the Judiciary.

By Mr. DOMENICI:

S. 380. A bill to amend section 504 of title 5, United States Code, and section 2412 of title 28, United States Code, with respect to awards of expenses of certain agency and court proceedings, and for other purposes; to the Committee on the Judiciary.

By Mr. METZENBAUM:

S. 381. A bill for the relief of Mishleen Earle; to the Committee on the Judiciary.

By Mr. BUMPERS:

S. 382. A bill to amend the Consolidated Farm and Rural Development Act relating to the standard of eligibility for water and waste facility grants; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BUMPERS:

S. 383. A bill to authorize appropriations for a highway demonstrations project in the vicinity of Fort Smith, AR, that would widen a segment of the Federal-aid urban system and would improve signalization on such segment; to the Committee on Environment and Public Works.

By Mr. BUMPERS:

S. 384. A bill to authorize appropriations for a highway demonstration project on U.S. Highway 71 between Alma, AR, and Bella Vista, AR, that would increase the number of lanes on this segment of the route from two to four; to the Committee on Environment and Public Works.

By Mr. PROXMIRE (for himself, Mr. BURDICK, Mr. DURENBERGER, Mr. KERRY, Mr. MELCHER, Mr. SIMON, and Mr. GORE):

S. 385. A bill to prohibit acquisitions officers of the Federal Government from accepting compensation from certain contractors; to prohibit certain contractors from paying compensation to certain acquisitions officers of the Federal Government; to provide criminal penalties of the prohibited conduct, and for other purposes; to the Committee on Governmental Affairs.

By Mr. PACKWOOD:

S. 386. A bill to confirm a conveyance of certain real property by the Southern Pacific Transportation Co. to Ernest Pritchett and his wife, Dianna Pritchett; to the Committee on Governmental Affairs.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 387. A bill to require the establishment of a national cemetary on the island of Oahu in the State of Hawaii; to the Committee on Veterans Affairs.

By Mrs. KASSEBAUM:

S. 388. A bill to amend the Consolidated Farm and Rural Development Act to establish a debt adjustment program for guaranteed loans, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 389. A bill to clarify procedures for the disposal of Federal lands for use for public airport purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. EAGLETON (for himself and Mr. DANFORTH):

S. 390. A bill for the relief of Jose de la Luz Carmona—Frias and his wife Silvia Rascon de Carmona; to the Committee on the Judiciary.

By Mr. SYMMS, from the Committee on Environment and Public Works:

S. 391. An original bill to approve the Interstate and Interstate Substitute Cost Estimates, to amend title 23 of the United States Code, and for other purposes; placed on the calendar.

By Mr. KASTEN:

S.J. Res. 37. Joint resolution to reaffirm U.S. solidarity with the aspiration of captive nations in Central and Eastern Europe by repudiating the negative consequences of the 1945 Yalta Executive Agreements; to the Committee on Foreign Relations.

By Mr. HEINZ (for himself, Mr. GLENN, Mr. ABDNOR, Mr. BUMPERS, Mr. COHEN, Mr. BURDICK, Mr. DOLE, Mr. CHILES, Mr. DOMENICI, Mr. CRANSTON, Mr. GRASSLEY, Mr. DeCONCINI, Mrs. HAWKINS, Mr. DIXON, Mr. HELMS, Mr. DODD, Mrs. KASSEBAUM, Mr. EXON, Mr. LUGAR, Mr. HOLLINGS, Mr. QUAYLE, Mr. JOHNSTON, Mr. WILSON, Mr. LEVIN, Mr. MATSUNAGA, Mr. MOYNIHAN, Mr. NUNN, Mr. PROXMIRE, Mr. PRYOR, and Mr. ZORINSKY):

S.J. Res. 38. Joint resolution authorizing and requesting the President to designate the week of March 10 through March 16, 1985, as "National Employ the Older Worker Week"; to the Committee on the Judiciary.

By Mr. GORE (for himself and Mr. SASSER):

S.J. Res. 39. Joint resolution to designate October 26, 1985, as "Mule Appreciation Day"; to the Committee on the Judiciary.

By Mr. LUGAR (for himself, Mr. ANDREWS, Mr. BENTSEN, Mr. BOSCHWITZ, Mr. BUMPERS, Mr. CHAFEE, Mr. CRANSTON, Mr. DIXON, Mr. DOLE, Mr. DURENBERGER, Mr. EAGLETON, Mrs. HAWKINS, Mr. HOLLINGS, Mr. KENNEDY, Mr. MATHIAS, Mr. MATTINGLY, Mr. NUNN, Mr. PELL, Mr. QUAYLE, Mr. SARBANES, and Mr. WEICKER):

S.J. Res. 40. Joint resolution to designate the month of October 1985 as "National Down Syndrome Month"; to the Committee on the Judiciary.

By Mr. LEAHY (for himself, Mr. MELCHER, Mr. BOREN, Mr. PRYOR, Mr. STAFFORD, and Mr. PROXMIRE):

S.J. Res. 41. Joint resolution to prohibit the Secretary of Agriculture from using his discretionary authority to reduce the support price of milk on July 1, 1985; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. INOUYE:

S.J. Res. 42. Joint resolution to consent to an amendment enacted by the legislature of the State of Hawaii to the Hawaiian Homes Commission Act; to the Committee on Energy and Natural Resources.

By Mr. THURMOND (for himself, Mr. WARNER and Mr. TRIBLE):

S.J. Res. 43. Joint resolution to authorize the Armored Force Monument Committee, the U.S. Armor Association, the World Wars Tank Corps Association, the Veterans of the Battle of the Bulge, the 11th Armored Cavalry Regiment Association, the Tank Destroyer Association, the 1st, 2d, 3d, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th, and 16th Armored Division Associations, and the Council of Armored Division Associations, jointly to erect a memorial to the "American Armored Force" on U.S. Government property in Arlington, VA, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SYMMS, from the Committee on Environment and Public Works:

S.J. Res. 44. An original joint resolution to approve the Interstate Coast Estimate and Interstate Substitute Cost Estimates, to amend title 23 of the United States Code, and for other purposes; placed on the calendar.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BRADLEY:

S. Res. 62. Resolution to oppose cuts in Education Programs; to the Committee on Labor and Human Resources.

By Mr. INOUYE (for himself and Mr. HOLLINGS):

S. Res. 63. Resolution to urge the President to reconsider certain decisions regarding the U.S. Travel and Tourism Administration; to the Committee on Appropriations.

By Mr. SYMMS, from the Committee on Environment and Public Works:

S. Res. 64. An original resolution waiving section 303(a) of the Congressional Budget Act of 1974 for consideration of S. 391; referred to the Committee on the Budget.

By Mr. HEINZ (for himself, Mr. GLENN, Mr. WILSON, Mr. MOYNIHAN, Mr. ZORINSKY, Mr. SARBANES, Mr. BRADLEY, Mr. DOMENICI, Mr. PRYOR, Mr. CHILES, Mr. DOLE, Mr. CHAFEE, Mr. BURDICK, Mr. BENTSEN, Mr. GRASSLEY, Mr. MATSUNAGA, Mr. DODD, Mr. JOHNSTON, Mr. MITCHELL, Mr. SIMON, and Mr. RIEGLE):

S. Con. Res. 9. Concurrent resolution expressing the sense of the Congress that Medicare be commended on its 20th anniversary for the program's success in protecting older Americans against the high cost of health care; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHAFEE:

S. 376. A bill to amend the Internal Revenue Code of 1954 to deny an employer a deduction for group health plan expenses unless such plan includes coverage for pediatric preventive health care; to the Committee on Finance.

CHILD HEALTH INCENTIVES REFORM PLAN

● Mr. CHAFEE. Mr. President, I am pleased to offer legislation today that will require businesses to include children's preventive care and health supervision services in their employee health benefit packages. Such services would be required for the insurance premiums to be deductible as a business expense.

Employer group health insurance plans are the major method of financing health care in the United States. Over 90 percent of all employment groups now have some form of private health insurance. Few Americans would disagree with the old adage "an ounce of prevention is worth a pound of cure," yet our present system of health care contradicts this proposition. Unfortunately, most coverage provided by health insurance plans is aimed at acute care, not preventive care. The result is an acute care system, in which costs are out of control, rather than a true health insurance system that would avoid unnecessary illnesses.

Nowhere is this focus less appropriate than when it is applied to children. Unfortunately, group health insurance plans have been given no incentive to cover the services children need most.

The legislation I am introducing today, the child health incentives reform plan [CHIRP], focuses on children for a simple reason, more than any other age group in the population, children require regular preventive care and screening to detect and prevent disease and disorders. Preventive care not only improves their overall health but it is also cost effective.

More than one study has shown that immunizations save money in the long run. Results indicate that for every dollar spent on measles vaccinations, $10 was saved and for every dollar spent on mumps vaccinations, $7.40 was saved. Other studies have demonstrated that eligible Medicaid children provided with early and periodic screening, diagnosis, and treatment [EPSDT] had 30 to 50 percent lower hospital and medical costs than other Medicaid children.

Opponents to health insurance coverage for preventive services for children argue that regular health screenings are a budgetable expense. However, young families with children generally have limited incomes and must rely heavily on their employer-provided health insurance. If the plan does not cover preventive health care, such as immunizations, many families will wait for serious symptoms to appear before paying for care. The sad truth is that 24 percent of all pre-school-age children are not immunized. Besides the tragic diminution in the quality of life for a child left retarded by measles, the cost of lifetime institutional care can be staggering. The Children's Defense Fund estimates the cost at between $500,000 and $1,000,000.

The average monthly cost per family for the additional coverage outlined in the bill would be at the most $2.28, or about 1 percent of the employer's current payment. The cost for all recommended services from birth through the age of 20 is approximately equal to the cost of 1 day in the hospital.

I believe that this is an important step to take and support for this measure will come from all groups in our society who feel as I do: That our children are our most important and precious asset and that their health must be protected.●

By Mr. DECONCINI (for himself, Mr. KENNEDY, Mr. PELL, Mr. DURENBERGER, Mr. SPECTER, Mr. BOSCHWITZ, and Mr. LEAHY):

S. 377. A bill to provide for a General Accounting Office investigation and report on conditions of displaced Salvadorans, to provide certain rules of the House of Representatives and of the Senate with respect to review of the report, to provide for the temporary stay of detention and deportation of certain Salvadorans, and for other purposes; to the Committee on the Judiciary.

INVESTIGATION AND REPORT WITH RESPECT TO DISPLACED SALVADORANS

Mr. DECONCINI. Mr. President, today I am introducing legislation to suspend the deportation of Salvadorans from the United States and to require the impartial General Accounting Office to study and report to Congress the living conditions and security of displaced Salvadorans in Central America.

Many of us in Congress have been trying for the last 5 years to persuade the Department of Justice to stop the deportations of Salvadorans from the United States. Although Congress adopted a resolution in 1983 recommending that Salvadorans be granted extended voluntary departure [EVD] status in the United States, the Reagan administration has simply ignored it. In November 1983, Representative JOE MOAKLEY and I introduced legislation to require that the United States suspend the deportations. The Moakley bill was reported near the end of the last Congress by the House Immigration Subcommittee. The leadership of this body did not feel the issue to be important enough to schedule hearings on my bill, S. 2131.

There is renewed interest in the plight of Salvadorans at this time because of the ongoing Government prosecution of religious leaders involved in the sanctuary movement in the United States. While I do not condone the activities of those in the sanctuary movement, I certainly understand and sympathize with their motives. I believe, however, that instead of breaking the law, we should strengthen our resolve to change it.

The nation of El Salvador, a country about the size of Massachusetts, is plagued with widespread violence—both random and specifically directed. Amnesty International reports that at least 40,000 civilians have been killed since 1980. It is also estimated that 1 million people or 20 percent of the population of El Salvador is externally or internally displaced. Half a million are still in Central America, particularly Honduras, Guatemala, Mexico, and El Salvador itself. Another half a million are in the United States. INS has estimated that 250,000 of these Salvadorans have entered since January 1980. There are approximately 65,000 Salvadorans in the metropolitan Washington, DC, area alone.

The United States has repatriated, through deportation or voluntary departure, approximately 35,000 Salvadorans in the last 5 years. Thousands of Salvadorans have applied for political asylum, but only 3.3 percent have been granted such status. This figure is drastically lower than such countries as Iran, Ethiopia, Honduras, Nicaragua, or Poland.

Although I question the low percentage of asylum claims approved, it is important to point out that my legislation is not intended to raise it. My legislation is not designed, nor should it be interpreted to protect persons who can prove an individual well-founded fear of persecution. If an individual is being targeted as a returnee, he or she should be granted asylum. Suspension of deportation or EVD should be granted because of the general condition of violence that exists in El Salvador.

I do not offer this legislation as a criticism of the administration's policies in El Salvador or Central America. I have supported U.S. policy in El Salvador because I believe it is in the best interests of both countries. However, along with that involvement comes certain responsibilities. We have a responsibility to these distressed people to protect them from violence, both random and specific. It is my hope that the serious nature of this problem will be realized and that Congress will take action on this issue early in this session.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 377

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—GENERAL ACCOUNTING OFFICE INVESTIGATION AND REPORT

INVESTIGATION

SEC. 101. (a) REQUIRING GAO INVESTIGATION ON DISPLACED SALVADORANS.—Within 60 days after the date of the enactment of this Act, the Comptroller General shall begin an investigation concerning displaced nationals of El Salvador.

(b) DETERMINATIONS ON DISPLACED SALVADORANS IN CENTRAL AMERICA.—The investigation shall determine the following with respect to displaced Salvadorans who are present in either El Salvador, Honduras, Guatamala, or Mexico, regardless of whether or not they are registered:

(1) The number of these displaced persons and their current locations.

(2) Their place of origin in El Salvador and the period of, and reason for, their displacement.

(3) Their current living conditions, with particular attention to (A) their personal safety and the personal safety of those providing assistance to them, and (B) the availability of food and medical assistance.

(4) An assessment of (A) current efforts to provide food, medical assistance, housing, and other necessities and to secure personal safety for these persons, and (B) policies and procedures that reasonably could be implemented to assure more efficient and equitable distribution of this assistance.

(5) The impact of the war in El Salvador and of activities of officers of the Government or political parties in El Salvador on the matters described in the previous paragraphs.

(c) DETERMINATIONS ON SALVADORANS RETURNED TO EL SALVADOR FROM THE UNITED STATES.—In the case of nationals of El Salvador who have been required (whether through deportation, voluntary departure proceeding, or otherwise) to depart from the United States and who return to El Salvador, the investigation shall assess—

(1) their condition and circumstances in El Salvador upon return from the United States, with particular attention to any violations of fundamental human rights that have occurred upon their return to El Salvador, and

(2) the extent to which these persons, upon their return, have become displaced persons within El Salvador.

(d) DETERMINATIONS ON SALVADORANS IN THE UNITED STATES IN AN UNLAWFUL STATUS.—In the case of nationals of El Salvador who are present in the United States in an unlawful status, the investigation shall—

(1) compare the situation in El Salvador with the situation in other countries during periods when nationals of those countries have been provided administrative grants of extended voluntary departure under the immigration laws,

(2) describe the policies and procedures of the United States respecting the treatment of aliens (other than Salvadorans) in the United States in similar circumstances, and

(3) describe the policies of all other countries in which Salvadorans have sought refuge as these policies concern the return of the Salvadorans to El Salvador.

REPORT

SEC. 102. The Comptroller General shall submit to the Speaker of the House of Representatives and the President of the Senate, not later than one year after the date of the initiation of the study under section 101, a report on that study including detailed findings on the items described in subsections (b), (c), and (d), of that section.

TITLE II—CONGRESSIONAL REVIEW

REFERRAL OF REPORT, COMMITTEE HEARINGS, AND COMMITTEE REPORT

SEC. 201. (a) Referral.—The report, when submitted under section 102, shall be referred, in accordance with the rules of each House, to the standing committee or committees of each House of Congress having jurisdiction over the subjects of the report, and the report shall be printed as a document of the House of Representatives.

(b) COMMITTEE HEARINGS. —No later than 90 days of continuous session of Congress after the date of the referral of the report to a committee, the committee shall initiate hearings, insofar as such committee has legislative or oversight jurisdiction, to consider—

(1) the findings of the report,

(2) the appropriate steps that should be taken to provide assurances of personal safety and adequate, efficient and equitable distribution of assistance with respect to Salvadorans who are displaced within El Salvador or who have fled to other countries in Central America,

(3) treaty obligations of the United States, humanitarian considerations, and previous practice of the United States respecting the treatment of aliens in similar circumstances, and

(4) whether it is appropriate to extend, remove, or alter the restrictions contained in title III.

(c) COMMITTEE REPORT.—No later than 270 days of continuous session of the Congress after the date of the referral of the report to a committee, the committee shall report to its respective House its oversight findings and any legislation it deems appropriate.

(d) TREATMENT OF CONTINUITY OF SESSION.—For purposes of this Act, continuity of session of Congress is broken only by an adjournment sine die at the end of the second regular session of a Congress, and days on which either House of Congress is not in session because of an adjournment of more than 10 days to a date certain are excluded from the computation of the periods of continuous session of Congress.

TITLE III—TEMPORARY STAY OF DEPORTATION

LIMITATION ON DETENTION AND DEPORTATION

SEC. 301. (a) LIMITATION.—(1) Except as provided in paragraph (2), the Attorney General shall not detain or deport (to El Salvador) aliens described in subsection (b) during the period beginning on the date of enactment of this Act and ending 270 days of continuous session of Congress after the date of transmittal of the report of the Comptroller General to the Speaker of the House of Representatives under section 102.

(2) Paragraph (1) shall not be construed to prohibit the brief interrogation of an alien under section 287(a)(1) of the Immigration and Nationality Act (8 U.S.C. 1357(a)(1)) for the purpose of determining whether this section applies to particular aliens.

(b) SALVADORANS COVERED BY THE LIMITATION.—The nationals referred to in subsection (a)(1) are aliens who—

"(1) are nationals of El Salvador,

"(2) are continuously present in the United States since the date of the enactment of this act, and

"(3) are determined to be deportable only under—

(A) paragraph (1) of section 241(a) of the Immigration and Nationality Act (8 U.S.C. 1251(a)), but only as such paragraph relates to a ground for exclusion described in paragraph (14), (15), (20), (21), (25), or (32) of section 212(a) of such Act (8 U.S.C. 1182(a)), or

(B) under paragraph (2), (9), or (10) of section 241(a) of such Act (8 U.S.C. 1254(a)).

PERIOD OF STAY OF DEPORTATION NOT COUNTED TOWARDS OBTAINING SUSPENSION OF DEPORTATION BENEFIT

SEC. 302. With respect to an alien whose deportation is temporarily stayed under section 301 during a period, the period of the stay shall not be counted as a period of physical presence in the United States for purposes of section 244(a) of the Immigration and Nationality Act (8 U.S.C. 1254(a)).

Mr. DURENBERGER. Mr. President, I rise in support of this legislation which would grant extended voluntary departure status to the many Salvadorans who have sought sanctuary in this country, and I ask unanimous consent that I be added as a cosponsor of this bill.

I would first like to commend the Senator from Arizona, Senator DECONCINI, for his continuing efforts to bring this issue to the attention of the Senate. I have joined with the Senator from Arizona on several occasions in the past to express my support for the granting of refugee status for the displaced Salvadorans. In September 1983, I cosponsored a sense of the Congress resolution to this effect. In April of last year, I became a cosponsor of S. 2131, which did not receive a hearing in the Senate Judiciary Committee, despite attracting 21 cosponsors.

Once again, I have decided to support this proposal despite some reservations about the legislation and despite the marked improvement in human rights conditions in El Salvador in the past year. I consider President Duarte of El Salvador not only a friend, but also a man worthy of our highest respect for his courage and his devotion to democratic principles. Under President Duarte's leadership, El Salvador has made significant strides in establishing and strengthening democratic institutions, despite the opposition of authoritarian forces on the right and totalitarian forces on the left. It is vitally important that we, in the United States, recognize that a strong and vibrant democracy cannot be constructed overnight in any nation, yet that is exactly what many have demanded of El Salvador. In a recent speech, President Duarte cited the successes of, and the challenges to, the democratic process in El Salvador:

El Salvador faces in 1984 a new and different reality than that of 4 or 5 years ago. The people have confirmed that their decision at the polls has been respected. The violation of human rights and abuses of authority have decreased. The campesinos and the workers are part of the government; they are assembled in cooperatives to work the land. The people in the country who formerly rented the land have become owners of such land. And the Salvadorean armed forces, since October 1979, with an unparalleled historical institutional attitude, heralded the coming of a new era for El Salvador. Realities are now different in El Salvador.

I think that few impartial observers would contend that the forces of democracy have not made significant progress in El Salvador in the past 4 or 5 years. The Salvadoran electoral process has come a long way since 1979, as reflected in the successful enfranchisement of over 75 percent of the Salvadoran voting population in the 1984 Presidential election. Significant reform programs in agriculture and banking have been initiated, but our Salvadoran policy must reflect our support for the goals of these reforms. Much remains to be done in the area of judicial reform, but a number of steps have been taken in the past year to strengthen public respect for legal institutions. Grim as the figures on death squad killings are, President Duarte has been notably successful in reducing the incidence of death-squad violence. In a recent article, the Economist provided an excellent assessment of trends in violence in El Salvador:

The main chronicler of death-squad activity is Socorro Juridico, the legal aid department of the archbishopric of San Salvador. Its statistics are considered inflated by the American Embassy in El Salvador and Socorro's lawyers make no secret of their anti-government feelings. Still, people turn to Socorro when a member of the family is taken away in the night. Socorro's spokesman told your correspondent that there had been "quite a big reduction in death-squad killings since Duarte became President."

The total of noncombatant killings by the army, the security forces, and paramilitary groups has declined from a high of 16,200 in 1981 to a provisional figure of 2,500 last year. Since Mr. Duarte's inauguration in June, the killings, which were running at around 300 a month, have dropped to around 120 a month. Three-fifths of these are not in fact carried out by the death squads but by the armed forces during anti-guerrilla sweeps.

I don't believe that anyone would argue that this record could not be improved, and I feel that American policy in El Salvador should continue to encourage this trend. It is clear by the reception of the Salvadoran people to the peace process which was begun by President Duarte at La Palma that the average Salvadoran is sick and tired of the civil war which has plagued his country since 1979.

Both President Duarte and various Salvadoran guerrilla leaders have repeatedly spoken of the need to "humanize" the war. It is my belief that the United States can contribute to this healing process by granting extended voluntary departure status to the many displaced Salvadorans in this country. Immediate repatriation in some areas of El Salvador, specifically a large portion of the eastern third of that country, is simply inhumane. Extended voluntary departure makes the United States a temporary haven until safe repatriation can be guaranteed.

Sadly, participants on both sides of this issue, in the sanctuary movement and policymakers in the Immigration and Naturalization Service, have chosen to become embroiled in a dispute over the legality or providing sanctuary to these unfortunate refugees. A recent editorial in the Minneapolis Star and Tribune aptly summed up this conflict:

The escalating confrontation between Federal authorities and the sanctuary movement for people fleeing El Salvador and Guatemala is unfortunate and unnecessary. Both the movement and the U.S. Government share the blame, for both are using the Central Americans in a political argument over U.S. foreign policy.

In my view, the primary objective of both parties should be to alleviate the suffering and to care for the hundreds of thousands of Central American refugees already in this country, not to carry on some unresolving ideological dispute over the conduct of our foreign policy. As I've stated in the past, my support of the granting of extended voluntary departure stems from my firm conviction that it is a humanitarian approach for dealing with a serious problem that exceeds the bounds of human decency. It is a humane approach to an inhumane problem. Because of its long tradition of responding in a humane manner to the suffering of those less fortunate than we, it is my hope that the U.S. Government will realize that it has a special responsibility in this instance because of its support for the Salvadoran Government. So long as the level of violence and instability re-

mains as high as it is in El Salvador, I think that we, in the United States, have a responsibility not to deport these Salvadorans.

Before I concluded my remarks, I would like to briefly discuss a developing refugee situation which has been all but ignored by the Congress, the executive branch, the media, and the church community. The plight of the Salvadorans has been widely reported and extensively investigated by a wide range of organizations. To a somewhat lesser extent, the same can be said of the many displaced Guatemalan refugees now in this country and in Mexico. Strangely enough, there seems to be a conspiracy of silence associated with the many thousands of Nicaraguan refugees now in Costa Rica, Honduras, the United States, and Mexico. Although it is impossible to determine the exact number of displaced Nicaraguans in this country, the Immigration and Naturalization Service estimates that there are more than 50,000 in this country.

The number of Nicaraguan refugees scattered throughout the countries of Central America has not been definitively determined. The U.S. High Commissioner for Refugees [UNHCR] maintains camps both in Honduras and Costa Rica. Approximately 20,000 Nicaraguans now live in UNHCR camps north of the Rio Coco in Honduras. Perhaps as many as 10,000 other Nicaraguans live in various camps maintained by other organizations in Honduras. In Costa Rica, at least 4,000 Nicaraguans live in UNHCR camps. Various sources offer much higher figures for the number of Nicaraguans now living in exile in Costa Rica. As the Nicaraguan civil war intensifies and as larger and larger numbers of Nicaraguans flee Sandinista repression, the burden of refugees upon UNHCR will grow. Curiously, many of the relief organizations which have assisted Salvadoran refugees have not been quite so willing to aid the Nicaraguans. I would hope that they would see this refugee situation as one requiring humanitarian assistance rather than partisan political posturing. Senator DECONCINI has assured me that the question of granting extended voluntary departure status for displaced Nicaraguans will be given full consideration when hearings are held on this legislation.

Mr. President, I ask unanimous consent that both the article from the Economist and the editorial from the Minneapolis Star and Tribune be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Minneapolis Star and Tribune, Jan. 26, 1985]

TO SAFEGUARD DISPLACED CENTRAL AMERICANS

The escalating confrontation between federal authorities and the sanctuary movement for people fleeing El Salvador and Guatemala is unfortunate and unnecessary. Both the movement and the U.S. government share the blame, for both are using the Central Americans in a political argument over U.S. foreign policy.

Providing refuge for displaced Central Americans is commendable. But those in the sanctuary movement sometimes seem more interested in challenging U.S. policies than in ministering to human beings who need help. That tendency is apparent in the movement's insistence that Central Americans be admitted to the United States as "political refugees." Claiming refugee status makes sense as a legal tactic to delay individual deportations, but such a claim on behalf of all Central Americans entering the United States is neither credible nor helpful.

"Political refugee" has a narrow legal meaning: individuals who fear they will be persecuted or killed for their political views if returned to their native land. Because the governments that do the persecuting and killing enjoy strong U.S. support, pressure for "political refugee" status is freighted with criticism of U.S. policy. The Reagan administration cannot accept the Central Americans as refugees without casting the Salvadoran and Guatemalan governments in a bad light. So U.S. officials insist—wrongly, we think—that most Central Americans come to the United States only in search of jobs. Thus the political contest is joined.

That contest grew vicious with a recent federal crackdown on the sanctuary movement. While the sanctuaries have violated U.S. law by helping smuggle people into the United States, the crackdown was far out of proportion to the movement's small effect on illegal immigration. The federal action seemed a political response to the movement's attack on U.S. policy in Central America.

Meanwhile, the focus has shifted away from caring for the hundreds of thousands of needy Central Americans already in this country illegally. Most are neither "political refugees" nor mere job seekers. They are ordinary people fleeing generalized violence that has claimed tens of thousands of lives in the last five years.

Help for these people need not be encumbered by debates about U.S. foreign policy: Grant them "extended voluntary departure," a more neutral status than "political refugee." "Extended voluntary departure" makes the United States a temporary haven when immediate repatriation is unsafe. Such protection has been granted to Ethiopians, Poles, Ugandans, Lebanese, Afghans, Cubans, Chileans and others.

While the Reagan administration has refused such status for Central Americans, Congress could force the issue by voting to prohibit further deportations. But Congress will act only if the public exerts strong pressure, untainted by challenges to U.S. foreign policy.

Reagan administration policies offer legitimate targets for activist opposition. But that opposition should remain separate from efforts to ensure the well-being of those displaced by violence in Central America.

[From the Economist, Jan. 19, 1985]

EL SALVADOR—WHEN THE KILLING HAS TO STOP

Such bones as still lie on El Playon, El Salvador's lava-bed dumping ground for death-squad victims, are rather old these days. The killers who used to put them there have not been brought to trail nor, for the most part, dismissed from their jobs in the security forces. But the country's president, Mr. Jose Napoleon Duarte, has gone a long way towards redeeming his election pledge last spring to "remove the people's fear".

The main chronicler of death-squad activity is Socorro Juridico, the legal aid department of the archbishopric of San Salvador. Its statistics are considered inflated by the American embassy in San Salvador, and Socorro's lawyers make no secret of their anti-government feelings. Still, people turn to Socorro when a member of the family is taken away in the night. The organization's spokesman told your correspondent that there had been "quite a big reduction in death-squad killings since Duarte became president".

The total of non-combatant killings by the army, the security forces and paramilitary groups has declined from a high of 16,200 in 1981 to a provisional figure of 2,500 last year. Since Mr. Duarte's inauguration in June, the killings, which were running at around 300 a month, have dropped to around 120 a month. Three fifths of these are not in fact carried out by the death squads but by the armed forced during anti-guerrilla sweeps.

Early last year artillery and aerial bombardment was widely used to soften up guerrilla targets. In the first four months of 1983 there were some 14 bombings of populated areas by the air force, as well as five artillery bombardments by the army and four joint operations. El Salvador's guerrillas sought an end to these attactks in their two meetings last year with government officials: President Duarte has promised an improvement. Socorro says the attacks are falling off, although it claims that this is because the guerrillas are now taking refuge in heavily populated areas which the army is reluctant to bomb.

The massacres of civilians by army men has dropped off sharply, as American trainers have persuaded Salvadorean soldiers that the best way of getting information on guerrilla movements is to treat civilians half-decently. More than 100 civilians died in two massacres in Chalatenango province last summer, but no big slaughters have been reported since. Socorro Juridico claims that there have been only isolated instances of guerrillas killing civilians. Some 2,000 soldiers died at the guerrillas' hands last year.

The death squads themselves consist mainly of off-duty members of the two main security forces—the Finance Police (whose nominal job is to collect taxes) and the National Guard. The link is proven: Socorro showed your correspondent photographs of National Guardsmen handing two young brothers over to casually dressed men, who shoved them into the back of a truck. A day later, the brothers were found dead.

Death-squad victims are often men who have been taken in for questioning by the security forces, then released, only to disappear a couple of days later. Socorro claims that the number taken in for questioning has sharply increased under Mr. Duarte's government, although fewer disappear afterwards. Officials of the interior ministry

do not deny that most of the killers come from the two forces, although not from the army itself. "There is a culture of violence within the Finance Police, in particular. Part of the problem is education," said one of Mr. Duarte's senior ministers.

The president's first move against the squads was to set up a parliamentary commission to look into the problem. In October commission members were themselves threatened by one of the main groups, the Secret Anti-Communist Army; inquiries are now proceeding, at snail's pace. The ministry of justice, which is responsible for bringing prosecutions, is largely in the hands of functionaries loyal to Arena, the far-right party to which the death squads are said to be linked.

So far, only five National Guardsmen have been convicted for their part in a death-squad killing-that of four American nuns in 1980, which became a cause célèbre in the United States. Two more members of the security forces are expected to be tried soon for their alleged role in the killing of two land reform advisers in San Salvador's main hotel in 1981. Charges may also be brought soon against those involved in the murder of San Salvador's Archbishop Romero in 1980. The police disclosed on January 14 that they had uncovered a plot against the current archbishop, Monsignor Riverary Damas, who acted as the main broker between the government and the guerrillas last year.

The overwhelming majority of the 20,000 or so death-squad killings over the past four years are likely to go unpunished in a society where killing is the traditional way of resolving disputes. The carnage has diminished largely because of a shake-up in the Financial Police: its head, Colonel Nicolas Carranza, was posted off as El Salvador's military attaché in Bonn. Colonel Reynaldo Golcher, his successor, is seeking a "cultural change" in the attitude of his men, to turn them toward ordinary policing. The 18 members of the intelligence wing of the Finance Police, S2, have been transferred from San Salvador to regional postings.

The government's critics say the repressive apparatus could be reactivated if Mr. Duarte loses his continuing struggle with the far right (which dominates congress) or if the guerrillas make a comeback. Mr. Duarte, however, has been helped by the warnings about human rights issued by the United States. Senior officers know that the price of a resurgence of the death squads is the loss of some $200m in military aid a year.

The improvement in El Salvador is a long way short of what campaigners in the United States and western Europe would like. Socorro insists that human rights are "qualitative, not quantitative". But Mr. Duarte has probably made as big a step toward civilising his country as is possible in the harsh context of Salvadorean politics.

By Mr. SPECTER:

S. 379. A bill entitled the "Health Care Cost Containment Act of 1985"; to the Committee on the Judiciary.

(The remarks of Mr. SPECTER and the text of this legislation appear earlier in today's RECORD.)

By Mr. DOMENICI:

S. 380. A bill to amend section 504 of title 5, United States Code, and section 2412 of title 28, United States Code, with respect to awards of expenses of certain agency and court proceedings, and for other purposes; to the Committee on the Judiciary.

AWARDS OF CERTAIN EXPENSES IN AGENCY AND COURT PROCEEDINGS

Mr. DOMENICI. Mr. President, this will mark the fourth Congress wherein I have introduced legislation to reimburse individual Americans and small businessmen and women who successfully litigate against the Federal bureaucracy. In the 96th Congress, we passed a law with a sunset provision so the Congress could monitor this experimental exception of the "American rule" regarding legal fees.

In the second session of the last Congress, a permanent extension of the legislation passed both bodies of the Congress. Included in that bill were proposals to correct judicial interpretations inconsistent with the original intent of the legislation; corrections technical in nature and corrections to extend the Equal Access to Justice Act, uniformly through the federal system.

The President, unfortunately, took exception to certain portions of the legislation and it was pocket votoed.

As we begin the 99th session of Congress, I, therefore, introduce a bill which will be the framework for the speedy enactment of the continuation of the Equal Access to Justice Act. The White House is presently negotiating with the Judiciary Committees of the Senate and the House. My main concern is that in order to be effective in stemming capricious and arbitrary Government action, our citizens need this act in the Federal Code and we need it quickly.

With this legislation referred to the Judiciary Committee, I promise the American people that this legislation will move with dispatch and that when it is passed it will have a retroactive clause to insure that the Government will remain monetarily responsible for its decisions in the time between the expiration of the original authority, October 1, 1984, and the date of enactment of this reauthorization.

Mr. President, I ask unanimous consent that the editorials be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

TO SOME VICTORS GO THE LEGAL FEES

(By Ruth Marcus)

Pentagon whistle blower A. Ernest Fitzgerald recovered $200,000 in legal fees after he won his lawsuit against the government to get his old job back.

A Colorado company accused of unfair labor practices was awarded more than $14,000 to cover its legal bills after the government lost the case.

Even the Ku Klux Klan may win some money from the government to pay for the cost of a suit it brought.

They all took advantage of the Equal Access to Justice Act, a nine-month-old federal law that allows small businesses, nonprofit groups and individuals who win legal disputes with the government to recover up to $75 an hour in lawyer's fees and other court costs if the government's position was not "substantially justified."

The law was designed to discourage agencies from bringing frivolous of unwarranted cases and enable people to fight out their battles with the government rather than give up when faced with the prospect of skyhigh legal bills.

Since it took effect last Oct. 1, the law has spawned at least 40 federal court decisions and an equal number of rulings by agencies' administrative law judges, with even more requests for fees still to be decided.

But the amount of money private parties have won since then is far below the $125 million the Justice Department and other opponents had warned the law would cost in its first year alone.

So far, courts have awarded about $680,000 and agencies another $32,000 in legal fees and costs, although the exact amount of several additional awards remains to be determined and the government has appealed many of the assessments against it.

There's "no question" that the act isn't being used as much—or costing as much—as expected, said Stephen Babcock of the Administrative conference of the United States, which monitors the law. "In fact, the awards this year will never even get to $1 million."

Why have successful litigants made so little use of the law, and tended to lose when they did ask for fees, recovering costs in just 16 of about 80 cases decided so far?

"People suspected the government was acting improperly in a lot more cases than they actually were," Babcock speculated.

In addition, he suggested, "It's also possible that because the act exists, government agencies are taking a harder look at the cases they bring"—the chilling effect forecast by those who opposed the law, since agencies that lose cases must pay the costs out of their own tight budgets, unlike most other fee awards, which come out of a general fund appropriated by Congress.

"I've gotten lots of calls from agencies expressing great concern about the possibility of bankrupting themselves," Babcock said.

So far that doesn't seem likely to happen, although agency lawyers said the law was still too new to gauge its eventual effect.

"It is very difficult to consider litigation these days without considering the impact of the Equal Access to Justice Act on our budgets," said Justice Department attorney Susan Herdina, who is monitoring such cases for the department's civil divisions, which represents many government agencies when they are sued.

Even when the government doesn't have to pay for face, Herdina and other government lawyers note, merely having to spend time fighting fee requests puts a strain on agency resources.

Stuart Weisberg of the National Labor Relations Board, which has accounted for half of the cases that were decided at the agency level, said that "there's been no change of policy at all in the general counsel's office to date, but one can only speculate what would happen in the future if, indeed, a significant number of these cases are lost."

Some fee requests "have really been staggering," Weisberg said. "I personally have some trouble with the concept that a company that can afford to pay $125,000 or

$150,000 in legal fees essentially to keep out a union would square with my definition of a small business."

The law covers companies with net worths of under $5 million and individuals whose net worth is less than $1 million, along with nonprofit groups and agricultural cooperatives regardless of their wealth.

The biggest victor so far was the Greater Los Angeles Council on Deafness, which won $436,000 to cover its successful suit against several agencies. The group charged that the government had discriminated against the handicapped by failing to require a Los Angeles public television station to provide sign language interpreters for deaf viewers.

The award, which is currently on appeal, was made under both the Equal Access to Justice Act and another federal law allowing legal fees to be recovered in handicapped discrimination cases. The court paid the lawyers $175 an hour for their time, far above the $75 cap set by the new law.

Other cases have involved everything from a horse repossession under the Interior Department's Adopt-a-Horse program to tax quarrels with the Internal Revenue Service.

THE KU KLUX KLAN MAY WIN LEGAL FEE

In the Ku Klux Klan case, currently pending before a Louisiana federal court, the Klan sued to recover its legal fees after successfully challenging a school board regulation, supported by federal agencies, that banned any group that advocates discrimination from using school facilities.

The fee request reached the Supreme Court, which sent the case back to the lower court to reconsider in light of the new law.

If not for the act, whistle blower Fitzgerald would not have been able to recover any of the costs of his decade-long battle for reinstatement. Before the law was passed, Fitzgerald's lawyers had lost their fee requests; after it was in place they settled with the Air Force for $200,000.

A fee is "only going to be collectible where it should be collected," said Fitzgerald's lawyer, John Bodner. "If the statute works properly, I think the government will correct its own actions so that it will not suffer the liability."

But Juan A. del Real, general counsel of the Health and Human Services Department, a defendant in the Klan and handicapped discrimination cases, worried that the cost of the law "may well turn out to be a substantial sum, depending on how many of these claims for attorneys' fees get made. As time goes on, there seems to be a progression in the numbers that are being filed."

FIGHTING A U.S. AGENCY WITH ITS OWN MONEY

(By Mary Thornton)

Last summer a small Washington, D.C., printing and typesetting firm submitted the low bid to the Government Printing Office for a contract to publish the Federal Personnel Manual. But instead of getting the contract, the company, Photo Data Inc., received a terse letter from the GPO stating that the bid was considered "nonresponsible."

Scott Watkins, president of the company, decided to fight in court, and the GPO eventually agreed to award the contract to the firm. But Watkins did not stop there. Using a law that went into effect last Oct. 1, he has convinced a federal judge that the GPO should pay nearly $6,000 in legal costs that the firm incurred during the dispute.

Although a number of similar cases are before the courts, Photo Data is believed to be the first plaintiff to be awarded fees under the Equal Access to Justice Act. It requires federal agencies to pick up the legal fees and costs when they lose a case and can't prove that they had a good reason to bring (or contest) it.

Except for the largest corporations and the wealthiest individuals in America, almost anyone who wins a lawsuit against the government is eligible to collect.

The court has the authority to order the government agency to pay up to $75 per hour in attorney fees, costs for expert witnesses and other incidental expenses.

The law is designed to discourage the government from bringing frivolous or unwarranted cases that individuals or small businesses may not be capable financially of fighting.

In the case of Photo Data, GPO decided to try to settle the case after the company filed suit. The GPO then reexamined Photo Data's presentation, declared the company responsible and accepted its low bid.

Two weeks after receiving the contract, the company filed under the act to collect more than $10,700 in attorney fees and expenses.

U.S. District Judge John Garrett Penn, in an opinion last month, cut back the allowed amount to just under $6,000, saying that the attorneys had charged more than $75 per hour and that they had not justified the number of hours worked. He called the GPO behavior "precisely the type of government action that small businesses do not ordinarily have the resources to contest, and the act is therefore intended to prevent."

Photo Data doesn't have the money yet, however, because the GPO is deciding whether to appeal.

Watkins sees the award as a victory for all small businesses. "In the past, rather than fight it, you'd just let the government do what it wanted to do," he said. "Now the law tells the small contractor, 'If you're right and you know you're right, you can afford to fight them.'"

GOOD VICTORY, GOOD LOSS

Sen. Pete V. Domenici, R-N.M., deserves commendation for successfully steering "equal access to justice" legislation through Congress.

But no sympathy should be forthcoming over the sidetracking of his effort to have Uncle Sam pick up the tab for housing New Mexico's homeless prisoners.

The measure that passed will be felt by many Americans. It could be labeled, in time, as the "Little Magna Charta" for its calculated effect of protecting Americans from arbitrary and oppressive government.

The sidetracked measure violates many principles of good government so ably expounded by Sen. Domenici himself—most notably the principle of fiscal responsibility. It is a pork-barrel type measure calculated to benefit New Mexico at the expense of the nation as a whole. It asks the federal government with a chronic budget deficit, to cancel a rightful debt of New Mexico, which enjoys a chronic budget surplus.

The expense of relocating and housing New Mexico prisoners, who were displaced by the disastrous February riot in the state penitentiary, is one of the many small penalties New Mexico must pay for permitting insufferable conditions to develop and persist at the prison. The bitter February lesson will be forgotten before reform can be achieved if someone else can be persuaded to pick up the chips.

Sen. Domenici's "equal access to justice" legislation will permit the courts and federal administrative law judges to require the federal government to pay court costs and legal expenses for those who successfully sue the federal government for administrative wrongs.

It could cause the bureaucracy to think twice before saddling an individual or firm with total assets of less than $1 million with capricious directives or penalties. It also provides a means by which to "fight city hall."

Heretofore, too many individuals and small enterprises have lived with unpleasant governmental orders because of the high cost of fighting back. The "even chance" that the government might bear the cost of litigation will encourage reasonable protests through the courts or by administrative appeal.

By Mr. METZENBAUM:

S. 381. A bill for the relief of Mishleen Earle; to the Committee on the Judiciary.

RELIEF OF MISHLEEN EARLE

● Mr. METZENBAUM. Mr. President, today I introduce this private relief legislation to grant Mishleen Earle permanent residency in the United States. There are no administrative or judicial remedies available to Mrs. Earle and no pending court proceeding to change or adjust her status. I believe the compelling facts surrounding Mrs. Earle's case will merit the granting of permanent residency.

Bryan Earle, a U.S. Navy corpsman serving his country in Lebanon, and Mishleen Abi Ghanem, a young Lebanese citizen, were married in Beirut on October 16, 1983. Two days later the newly married couple arrived at the American Embassy in Beirut where Mr. Earle began to file a petition on his new wife's behalf for permanent residency in the United States. The young couple anticipated that Mishleen would travel to the United States and reside safely there until they could be reunited after Mr. Earle's tour of duty in war-torn Lebanon was completed.

Tragically, Mr. Earle was killed 5 days later in the terrorist bombing of the Marine headquarters in Beirut. Mrs. Earle accompanied her husband's body back to the United States for the funeral services in his hometown of Painesville, OH. She wishes to remain in her husband's country, which he served so bravely. However, the Immigration and Naturalization Office has sadly informed Mishleen that her petition for permanent residency died along with her husband. Also, because she has no immediate relatives who are American citizens and because her visitor's visa had expired, she will have to return to Lebanon and its war unless this legislation is enacted.

Mr. Earle was serving the United States as a member of the peacekeeping force in Beirut. He was not there for his own personal reasons; he was in Lebanon because his duty to his country required him to be there. If he had filed the petition for Mishleen at any Immigration and Naturalization Office in the United States, she would have walked out of that office, that day, with a stamp in her passport authorizing her to remain and work in the United States pending a routine investigation. Instead, the Earles became victims of circumstances, circumstances which neither of them chose. They visited the Embassy to complete the necessary forms. Because of the large number of other persons at the Embassy with their own requests, Mr. Earle collected all the necessary papers for permanent residency and returned to the barracks to complete them. He planned to return them to the Embassy in the coming days. Before he could return the forms, he was killed in the massacre. When his body was found among the rubble of the explosion, the completed papers rested in his pocket.

Mr. President, I introduce this private relief legislation to grant Mrs. Mishleen Earle permanent residency in the United States so that she may have the opportunity and honor of remaining in Bryan Earle's native country that he served with such dignity. This is how he wanted it.●

By Mr. BUMPERS:

S. 382. A bill to amend the Consolidated Farm and Rural Development Act relating to the standard of eligibility for water and waste facility grants; to the Committee on Agriculture, Nutrition, and Forestry.

ELIGIBILITY STANDARDS FOR WATER AND WASTE FACILITY GRANTS

Mr. BUMPERS. Mr. President, I am introducing a bill today that will give the Farmers Home Administration the flexibility to make grant funds for water system construction available to areas where ground water supplies are hopelessly contaminated—even though the areas may be over the grant eligibility median income threshold.

Mr. President, we have a small community in my State, Green Forest, AR, a rural area where the underground water supplies have been contaminated. We have been trying to get a water system for the residents there so they will not have to draw from a polluted underground source. But the Farmers Home Administration cannot make a grant or a loan to them because the service area is over the grant-eligibility median income threshold.

My bill simply says that where there is an urgent health problem the Farmers Home Administration can waive that requirement.

My bill will also direct the Secretary to establish the nonmetropolitan median household income grant-eligibility threshold at no lower than the national poverty level as established by the Office of Management and Budget.

As my colleagues know, since 1981 the Secretary of Agriculture has established grant eligibility guidelines for the Farmers Home Administration water and waste program. Without statutory authorization, the Secretary has developed regulatory guidelines based on the State nonmetropolitan median household income level. Using the latest census figures the Secretary has developed median income levels for each State and has directed each FmHA State office to restrict grant funds to those service areas whose median income level does not exceed 85 percent of the State nonmetropolitan median household income. If a service area believes the established levels for the area to be in error it must prove the median income figure to be in error—a difficult and expensive process.

Other limitations on the availability of grant funds for construction of water and waste systems are that only communities of 10,000 population or less are eligible for assistance, and grant funding cannot exceed 75 percent of the eligible project cost. Yearly items such as interest charges and operation and management costs are not eligible. Currently, regulations do not allow FmHA the discretion to use grant funds for a service area in which the nonmetropolitan median household income exceeds the grant eligibility threshold.

This lack of discretion in the use of grant funds has been a hardship on communities in many areas of the country that are in need of grant assistance to construct water supply systems because of the hopeless contamination of ground water supplies. In Arkansas, the rural area just outside of the city of Green Forest recently suffered an irreversible contamination of ground water supplies caused by sewage discharge of an overburdened sewerage system. A correction of the sewerage system will not solve the ground water contamination problem for the innocent citizens inside of the contamination area.

Their only hope to receive safe drinking, cooking, bathing, and livestock water in the service area is to transfer water through a water system from water supplies outside of the contaminated area. The cost of constructing such a system is huge, completely outside of the ability of the citizens to repay on a loan only basis, so grant funds are essential. However, due to census calculations, the service area barely exceeds the grant-eligible median income threshold and is therefore ineligible for grant assistance.

My bill will give the Farmers Home Administration the discretion to make grant funds available to areas facing a State health emergency, as certified by the State, due to contaminated ground water supplies even if the median income of the area exceeds an eligibility threshold established by the Secretary. This provision will not require an additional appropriation, it only allows the Farmers Home Administration greater authority in using grant moneys already appropriated.

The second provision of my bill requires the Secretary, in establishing grant eligibility criteria using median income guidelines, to set the threshold at no lower than the national poverty level as established by the Office of Management and Budget. Currently four States—Arkansas, Alabama, Mississippi and Missouri—have grant-eligible thresholds well below the poverty level. In Arkansas, the State nonmetropolitan median household income level is $11,115. The 85 percent grant-eligible threshold is $9,447 and the national poverty level is $10,200. This anomaly has put many counties, communities and other service areas in Arkansas in the unusual position of making too much to be eligible for grant funds, but not enough to be above the poverty level. My bill will correct this unintended and inequitable operation of the law.

I hope my colleagues will study my bill closely. I believe these provisions are necessary revisions and will go a long way in tailoring program objectives to community needs.

Mr. President, I ask unanimous consent to have this bill printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 382

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 306(a)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(2)) is amended by adding at the end thereof the following new sentence: "If the Secretary establishes a standard of eligibility for grants made under this paragraph based on the median family income of the persons to be served by the facility, the standard of eligibility established by the Secretary (A) may not require that the median family income of such persons be at a level below the poverty line, as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)), and (B) may be waived by the Secretary in the case of any area of a State if the appropriate official or body of the State in which such area is located determines that such facility is necessary to avoid or mitigate the serious contamination of groundwater in such area.".

By Mr. BUMPERS:

S. 383. A bill to authorize appropriations for a highway demonstration project in the vicinity of Fort Smith, AR, that would widen a segment of

51-059 O-86-14 (Pt. 2)

the Federal-aid urban system and would improve signalization on such segment; to the Committee on Environment and Public Works.

WALDRON ROAD PROJECT AUTHORIZATION

Mr. BUMPERS. Mr. President, I am today introducing a bill, which I have introduced before here, that would authorize the highway demonstration project in Fort Smith, AR. Most of my colleagues are familiar with it because I have spoken frequently about it here before.

But it is designed to alleviate one of the gravest traffic congestion areas in the United States.

The people in Fort Smith will never be able to do it by themselves without some help and will allow a very small portion of the highway trust fund to be used for the purpose.

The problem involves monumental traffic tie-ups in Fort Smith, AR, the State's second largest city. Traffic through Fort Smith's busiest commercial section moves at a crawl; accidents are frequent; property damage is heavy; and economic growth in the area is adversely affected. It is a situation which the city and the State are absolutely incapable of dealing with. Authorization of funding for a highway demonstration project in this area is imperative, and I think if my colleagues will listen to an explanation of this proposed project, they will agree that it is extremely deserving of our consideration.

Last October when the Senate debated S. 3024, the Federal Aid Highway Act, I offered an amendment that would have authorized $8.5 million in funding for widening and improving signalization of Waldron Road in Fort Smith, AR. My amendment was already incorporated in the House-passed version of the highway bill. Following assurances from the chairman of the Public Works Committee that the Waldron Road language would receive the Senate conferees serious consideration in conference, I withdrew the amendment. Unhappily, the highway authorization bill stalled in conference and didn't pass before the 98th Congress adjourned. For that reason, I am again introducing legislation to fund the Waldron Road project.

On March 20, 1984, I testified before the Transportation Subcommittee of the Environment and Public Works Committee and made the case for Federal assistance to the Waldron Road project. This crucial project would improve the major north-south route in Fort Smith, AR. Specifically, the project would involve acquiring an 80 foot right-of-way along two major arterial roads—Waldron Road and Grand Avenue; relocating families and businesses which are affected by the acquisition; relocating necessary utilities; widening Waldron Road and Grand Avenue to four, and in some places five lanes; and installing necessary signalization. The total length of the improvements is some 2.03 miles. The cost to complete the project is $8.5 million.

Waldron Road serves the area with the highest concentration of commercial development in Fort Smith. I'm sure that my colleagues are familiar with the typical pattern of suburban development when stores and offices from a city's old downtown move to outlying areas. That is what has happened in Fort Smith, and the result is an area so congested with automobile traffic that it is nearly impossible to enter Waldron Road from either the community college or the businesses and shopping centers that line the route. Two more shopping centers are under construction in the area, which will add to the congestion. Waldron Road also intersects Grand Avenue, which is connected to interstate 540 by an interchange. Traffic entering and exiting interstate 540 at Grand Avenue causes additional traffic problems in the area. The intersection of Waldron Road and Rogers Avenue, also know as Arkansas State Highway 22, is the most congested intersection in Fort Smith, and is one of the most congested in the State of Arkansas.

Another factor contributing to the traffic congestion around Waldron Road is Westark Community College. From 1975 to 1983 enrollment in the community services program increased from 500 to 12,000, or a phenomenal 2,300 percent. During the past 5 to 10 years, very few improvements to Waldron Road have been made for lack of city funds. I think that you can see why Waldron Road is so congested. With the proposed improvements, it is fully anticipated that the traffic problem will be alleviated to a great extent. I can personally attest to the serious nature of the traffic problems in the Waldron Road corridor. My home is only a few miles outside Fort Smith, and the Waldron Road area is where we must go to do our shopping. The congestion is worse than anything I have ever experienced in the Washington area. In the Waldron Road corridor between 1981 and June 1984 there were 249 traffic accidents resulting in 62 personal injuries and $270,340 in property damage. I ask unanimous consent that the following city of Fort Smith official traffic and accident records be included in the RECORD as if Read.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SUMMARY

	Number of accidents	Personal injuries	Property damage
Waldron Rd. (Euper Lane to Grand Ave.)	214	58	$241,740
Grand Ave. (Waldron Rd. to I-540)	35	4	28,600
Total	249	62	270,340

Traffic count on Friday, July 27, 1984 at Waldron, north of Euper Lane, both north and south bound.

Time	*Count*
0100	177
0200	127
0300	81
0400	38
0500	23
0600	17
0700	42
0800	85
0900	123
1000	105
1100	190
1200	464
1300	1,153
1400	1,102
1500	888
1600	1,133
1700	1,254
1800	1,257
1900	1,049
2000	1,080
2100	1,084
2200	670
2300	397
2400	270
Total	12,807

I am sure that other Senators know of deserving projects in their States too, but there is something unique about Waldron Road that I hope my colleagues will consider. The city of Fort Smith is simply not eligible for sufficient funds under existing Department of Transportation programs to undertake the necessary improvements to Waldron Road. The project represents 20 to 30 percent of the entire city budget—an amount that the city cannot be expected to commit to a single project. Fort Smith would be forced to use every penny of its urban high density funds for a period of 5 years to complete this project, and other important needs would go unmet. Nevertheless, the project is vital to the safety and economic well-being of the city and surrounding areas.

Mr. President, if any project is deserving of this body's special consideration, it is the Waldron Road project. I urge my colleagues to support this bill.

I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 383

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)

notwithstanding any other provision of law, the Secretary of Transportation is authorized to carry out a highway project to demonstrate the economic growth and development benefits of—

(1) widening a segment of the Federal-aid urban system that connects a community college and a large commercial center in the vicinity of Fort Smith, Arkansas, and

(2) improving traffic signalization on such segment.

(b) Notwithstanding any other provision of law, there are hereby authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) for the purpose of carrying out the provisions of this Act an amount not to exceed $8,500,000 for the fiscal year 1985.

(c) Funds authorized by this Act shall be available for obligation by the State of Arkansas in the same manner and to the same extent as if such funds were apportioned to such State under chapter 1 of title 23, United States Code, and such funds shall remain available until expended.

(d) Notwithstanding any other provisions of law, the project authorized by this Act shall not be subject to any obligation limitation.

(e) Notwithstanding any other provision of law, the Federal share payable for the project authorized by this Act shall be 100 percent of the total cost of such project.

By Mr. BUMPERS:

S. 384. A bill to authorize appropriations for a highway demonstration project on U.S. Highway 71 between Alma, AR, and Bella Vista, AR, that would increase the number of lanes on this segment of the route from two to four; to the Committee on Environment and Public Works.

DEMONSTRATION PROJECT FOR U.S. HIGHWAY 71 IN ARKANSAS

Mr. BUMPERS. Mr. President, I am introducing a bill today that has been popularly referred to as the Highway 71 project which would authorize the widening and improvement of U.S. Highway 71, the most important primary road in northwest Arkansas.

Our State has made an effort to widen this highway to four lands from Interstate 40 north to Fayetteville. Unfortunately, we will never be able to do it with available funds at the local level.

This bill has been introduced here before, and I recognize the budget strains we are going to be suffering this year. But I am offering these bills because they are absolutely critical to the economic future of my State.

My State desperately needs Federal assistance to widen this major north-south highway through the Ozark Mountains. It provides to a mushrooming population in the Ozark resort region of Arkansas and Missouri the primary access to interstate I-40, which bisects Arkansas between Fort Smith in the west and Memphis, TN, in the east.

In the past 10 years, we in Arkansas undertook in our limited way with limited means to do something about the problem of Highway 71, but we will never be able to handle this project alone. This bill would make limited funds available from the highway trust fund so that a new Highway 71 could be built. The Arkansas Highway and Transportation Department proposes to widen Highway 71 from two to four lanes.

Highway 71 is already eligible for interstate 4-R funds, but most of Arkansas' allotment of 4-R funds is already allocated to repair projects on existing interstate mileage. With the combination of interstate 4-R funds, regular Federal-aid highway funds, State moneys and the assistance provided by this bill, the State of Arkansas will be able to carry out the needed improvements to Highway 71. This legislation will provide funds for preliminary engineering, design, right-of-way acquisition, and relocation activities in connection with the project.

The Ozark region is the fastest growing area in Arkansas and one of the fastest growing regions in the country. Between 1970 and 1980, the permanent population of the four counties in which Highway 71 is located increased from 232,800 to 310,780. The projected population in 1990 is 382,231. By the year 2004, it is estimated that these four counties alone will have 551,900 inhabitants. Visitors to the region combined with residents of adjacent counties account for many times those numbers.

The University of Arkansas' main campus at Fayetteville is also served by Highway 71. As a parent, I can tell my colleagues that I have worried every time my children have traveled that route. Highway 71 serves a very mountainous area, making travel difficult at best in good weather and very hazardous in rain, fog, and ice. The Arkansas Highway and Transportation Department rates the level of service on Highway 71 "D," on a scale of "A" to "F"—"A" being the best and "F" the worst. The highway is one steep grade after another for approximately 90 miles. The average speed on those grades is 10 to 20 miles per hour. Highway 71 serves an average of 11,000 vehicles per day. The average number of vehicles served on a comparable U.S. Highway in Arkansas is 3,600. Twenty-one percent of the vehicles using Highway 71 on a given day are heavy trucks. This last statistic helps account for the hair-raising accident figures on the road. Fatal accidents on Highway 71 are five times the statewide average of 1.9 per 100 million vehicle-miles traveled. Between 1980 and 1982 there were 8 fatal accidents causing 16 deaths.

Last October when the Senate debated S. 3024, the Federal Aid Highway Act, I offered an amendment that would have authorized $25 million in funding over a 2-year period for Highway 71. My amendment was already incorporated in the House-passed version of the highway bill. Following assurances from the chairman of the Senate Environment and Public Works Committee that the Highway 71 language would receive the Senate conferees' serious consideration in conference, I withdrew the amendment. Unhappily, the highway authorization bill stalled in conference and didn't pass before the 98th Congress adjourned. For that reason, I am again introducing legislation to fund the Highway 71 improvements.

Mr. President, if any project is deserving of this body's special consideration, it is the Highway 71 project. I urge my colleagues to lend their support to this legislation, and I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 384

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provision of law, the Secretary of Transportation is authorized to carry out a highway project in the State of Arkansas on a segment of a north-south highway on the Federal-aid primary system from the vicinity of the junction of Interstate routes I-40 and I-540 to the boundary between the States of Arkansas and Missouri in the vicinity of Bella Vista, Arkansas, for the purpose of demonstrating methods of improving highway safety and accelerating highway construction. Such project shall increase the number of lanes on such segment from two to four.

(b) Notwithstanding any other provision of law, there are hereby authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) for the purposes of carrying out the provisions of this Act an amount not to exceed $10,000,000 for fiscal year 1986, and not to exceed $15,000,000 for fiscal year 1987.

(c) Funds authorized to be appropriated by this Act shall be available for obligation by the State of Arkansas in the same manner and to the same extent as if such funds were apportioned to such State under chapter 1 of title 23, United States Code, and such funds shall remain available until expended.

(d) Notwithstanding any other provision of law, the project authorized by this Act shall not be subject to any obligation limitation.

(e) Notwithstanding any other provision of law, the Federal share payable for the project authorized by this Act shall be 100 percent of the total cost of such project.

By Mr. PROXMIRE (for himself, Mr. BURDICK, Mr. DURENBERGER, Mr. KERRY, Mr. MELCHER, Mr. SIMON, and Mr. GORE):

S. 385. A bill to prohibit acquisitions officers of the Federal Government from accepting compensation from certain contractors; to prohibit certain contractors from paying compensation to certain acquisitions officers of the Federal Government; to provide crimi-

nal penalties for the prohibited conduct, and for other purposes; to the Committee on Governmental Affairs.

(The remarks of Mr. PROXMIRE and the text of this legislation appear earlier in today's RECORD.)

By Mr. PACKWOOD:

S. 386. A bill to confirm a conveyance of certain real property by the Southern Pacific Transportation Co. to Ernest Pritchett and his wife, Dianna Pritchett; to the Committee on Commerce, Science, and Transportation.

CONVEYANCE OF CERTAIN PROPERTY

● Mr. PACKWOOD. Mr. President, today I am pleased to introduce legislation to confirm a conveyance of land from Southern Pacific Railroad to Mr. and Mrs. Ernest Pritchett of Rogue River, OR.

In 1978, the Pritchetts purchased a mobile home park in Rogue River. The park is located alongside a fence erected long ago by the railroad. It was assumed that the fence marked the boundary of the Southern Pacific's land. In 1981, Mr. and Mrs. Pritchett discovered that part of their park was actually owned by Southern Pacific.

Southern Pacific has now transferred the land to the Pritchetts. However, because the land was part of an old Federal land grant to the railroad, Congress must confirm the conveyance. The bill I am introducing today, will do that.●

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 387. A bill to require the establishment of a national cemetery on the island of Oahu in the State of Hawaii; to the Committee on Veterans' Affairs.

ESTABLISHMENT OF NATIONAL CEMETERY ON THE ISLAND OF OAHU

● Mr. INOUYE. Mr. President, today my colleague, Senator MATSUNAGA, and I have introduced legislation to require that the Veterans Administration develop a national cemetery on the island of Oahu in the State of Hawaii.

The National Cemetery of the Pacific in Punchbowl Crater on the island of Oahu serves today as the final resting place for more than 29,000 American veterans together with their wives and dependents. As anyone who has visited there well knows, it is a moving and appropriate tribute. Its existence and beauty is also a promise kept to those who have served our country.

Later this year, the last available burial space at Punchbowl will have been filled. Thereafter, veterans who wish to be buried in the Punchbowl national cemetery will have to be interred in Riverside, CA—2,500 miles and half an ocean away—because it is the current policy of the Veterans Administration that no national cemeteries will be begun or expanded except for regional cemeteries such as the one in existence in Riverside.

This policy may impose a substantial inconvenience upon residents of the noncontiguous States. In practice, it will absolutely preclude veterans from Hawaii, or those who would choose to be buried there, from resting finally in what we have recognized by statute to be among our "national shrines as a tribute to our gallant dead."

Mr. President, I do not believe this to be right. I have therefore introduced and urge my colleagues to support this legislation which will do no more than compel the Veterans Administration to recognize geographic reality and satisfy a debt owed to those who have served our Nation.

I ask unanimous consent that the text of the measure be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 387

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That the Administrator of Veterans' Affairs shall (1) establish a national cemetery on the island of Oahu in the State of Hawaii at such location as he determines most appropriate, and (2) acquire by donation, purchase, condemnation, or otherwise, such land as may be required for the establishment of such cemetery, but not less land than is necessary to provide for 22,000 full casket burial grave sites.

SEC. 2. The national cemetery established under authority of this Act shall become part of the National Cemetery System and shall be administered in accordance with the provisions of chapter 24 of title 38, United States Code.

SEC. 3. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.●

By Mrs. KASSEBAUM:

S. 388. A bill to amend the Consolidated Farm and Rural Development Act to establish a debt adjustment program for guaranteed loans, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

HOMESTEAD PROTECTION ACT

Mrs. KASSEBAUM. Mr. President, I join my colleagues in focusing attention on the real and very immediate crisis in the farm credit sector. It has become increasingly clear that something must be done to assist farmers and private lenders in providing the financing necessary to thousands of America's farmers. Today I will introduce legislation which provides such assistance

Mr. President, this legislation offers a temporary cushion for efficient and well-managed farmers, allowing them to survive the ongoing transition in our agricultural economy. The administration plans to ease the farm credit crunch soon. Although that plan may include provisions found in the legislation I introduce today, I believe it will be inadequate to meet the needs of the farm economy. What America's farmers need is a farm credit plan that meshes with the realities of today. Discussions with farmers, bankers, and economists in my home State have convinced me that more assistance is necessary than the administration is prepared to provide. Though I welcome the administration's apparent recognition that the crisis is real and worsening, I cannot embrace a program that offers too little assistance and too little hope.

I believe my legislative program can work. It is not a bail out. It is not a charity commitment by the Government. It is a balanced program, a reasonable program, which calls upon the best efforts of private lenders, farmers, and ranchers, and the Government. In return for a short-term Federal Guarantee, bankers will agree to write down, take a loss on, certain farm operating and farm ownership loans. Farmers will have to restructure their debt and their farming operations in order to assure both the bank and the Farmers Home Administration that they can service their debt, pay production costs, and feed and clothe their families. The Federal Government will provide loan guarantees to encourage banks to renegotiate farm loans. And these guarantess are phased out over time, shifting the economic risks over time to the private sector.

Mr. President, the stark reality facing the farm sector cannot be ignored. High interest rates make it difficult or impossible for many farmers to finance debt repayments out of current income. The percentage of production costs attributable to interest on debt has risen from 7.6 percent in 1970 to nearly 16 percent in 1983. Macroeconomic policies of the United States have dramatically strengthened the U.S. dollar, making U.S. agricultural exports more expensive and slowing the growth in the economics of developing countries. Low commodity prices and successive years of weather problems have compounded the problems of numerous farmers.

These general observations are buttressed by other, more dramatic data. Farmers are being forced out of business in extraordinary numbers. In the 10th Federal Reserve District during the second and third quarters of 1984, 4.5 percent of the district's farmers went out of business because of financial stress—2.8 times the number bankers considered normal. Partial liquidation reflected a similar story. Agricultural banks posted loan loss rates five times as great in 1983 as in 1979, and bank profits, measured by returns to equity, have fallen sharply; 25 agricultural banks failed during 1984, and hundreds are considered by Federal

regulators as troubled; 30 percent of Farmers Home Administration borrowers were delinquent in their loan payments. Production Credit Association losses for 1984 are expected to total $250 million, compared with only $109 million for the entire decade of the 1970's. Federal land banks are also threatened, as equity in land is rapidly dissipated by declining land values.

These are not local or regional problems. The proportion of highly leveraged farmers—those in the greatest financial difficulties—with debt-to-asset ratios over 70 percent, exceeds the national average in the Great Lakes States, the Northern Plains, the Appalachians, the Southeast, the Delta States, the Southern Plains, and the Rocky Mountain States. When farmers with over 40-percent debt-to-asset ratios are included, the Northeast and the Corn Belt States join those areas with leverage above the national average. This is a crisis of national proportion.

Mr. President, this is a national responsibility, and one which can only be fulfilled by the National Government. It cannot be fulfilled at no cost, and given the seriousness of our Federal budget problems, no magic wand can be waved to produce billions of dollars for the farm economy. We can, however, underscore the Federal Government's concern for and commitment to a stable farm economy and a stable flow of food and fiber to our citizens.

This is not a welfare program for farmers. We will not save all farmers. We will not save all rural or agricultural banks. And we will not reverse totally the confusion and turmoil in rural communities. We can, though, cushion these blows and preserve a structure and a way of life which has served this country well for over 200 years.

Mr. President, the Federal Government has enacted policies to protect many industries in the United States, from agriculture, to steel, to textiles, to automobiles, and shoes. Often the cost of the protections is not evident to the American consumer, citizen, taxpayer. Voluntary agreements now being finalized to restrict the importation of foreign steel will cost an estimated $18 billion over the next 5 years. Voluntary restriction on the importation of Japanese automobiles has cost the American consumer an estimated $10 billion over its 4-year period. Limitations on the importation of textiles have cost consumers billions of dollars as well.

Mr. President, my point is not to challenge here those types of protection for American industry and American jobs. My point is to emphasize that Federal assistance to agriculture is the most visible and open assistance given any industry in this country. It is visible to the taxpayer and open to the debate, advocacy, and criticism of the democratic process. We and the American people can measure the cost and understand the commitment of the Government. This is not always true with Government protection programs.

I think the program I am introducing will withstand the scrutiny of the Federal taxpayer and policymaker. It is limited. It is a partnership. It is vital to the agricultural sector of the economy, which touches one of every five jobs in this country.

Mr. President, in conclusion, something must be done. While we may not be able to save every individual farmer, it is essential that the Government not allow thousands of efficient family farms to be pushed into bankruptcy. If this is allowed to happen, as it clearly will under present policies and conditions, then we face a profound ripple effect as more agricultural banks fail and the health of rural communities is further eroded.

The legislation will expand on the debt restructuring program announced by the administration last September. The worthy goals of that program have proven unattainable. For various reasons, only a minute portion of credit-desperate farmers have participated in that program. Private lenders and farmers have been faced with unrealistic eligibility requirements, unnecessary paperwork, and unproductive delays. My legislation supplements the September program, building on its foundation a program which profits from the lessons of the past few months. I sincerely believe the modifications I have suggested are necessary if we are to preserve the financial, economic, and social network of our farm States. This program entails a commitment by the Government. However, that commitment is neither open-ended, nor is it unreasonable. It will require the best effort of farmers, lenders, and the Government, but it can succeed.

Mr. President, I urge my colleagues to study the six points of my program which follow my statement, ask questions, and discover its potential. I welcome support for this plan, and I thank the Senator from Oklahoma for the opportunity to discuss the farm credit situation.

Mr. President, I ask unanimous consent that the bill and a summary of its provisions be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 388

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Homestead Protection Act of 1985".

SEC. 2. The Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 349. (a) The Secretary shall establish and carry out in accordance with this section a debt adjustment program for real estate loans and operating loans guaranteed under this title.

"(b) The Secretary shall guarantee a real estate loan or operating loan under this title made by a legally organized lending institution to a borrower if—

"(1) the lender—

"(A) cancels at least 10 per centum of the total principal and interest outstanding on such loan and all other real estate and operating loans owed the lender by the borrower and guaranteed under this title; or

"(B) reduces the interest rate on such real estate or operating loan by an amount which, over the remaining term of the loan, would reduce by at least 10 per centum the total principal and interest outstanding on such loan and all other real estate and operating loans owed the lender by the borrower and guaranteed under this title; and

"(2) the borrower—

"(A) demonstrates to the Secretary that the total estimated cash income to be received by the borrower during the twelve month period beginning on the date the loan guarantee contract is entered into (including all farm and non-farm income) will equal or exceed the total estimated cash expenses to be incurred by the borrower during such period (including all farm and non-farm expenses); and

"(B) meets the other eligibility requirements prescribed under this title for the guarantee of such real estate or operating loan.

"(c)(1) During the thirty-six month period beginning on the date the loan guarantee contract is entered into, the Secretary may not guarantee under this title the repayment of more 90 per centum of the principal and interest on a real estate loan or operating loan.

"(2) During the twelve month period following the period referred to in paragraph (1), and each succeeding twelve month period, the percentage of principal and interest on a loan guaranteed under this title during any such period shall equal the percentage guaranteed during the period immediately preceding such period, reduced by 10 percentage points.

"(3) If the reduction required under paragraph (2) would reduce such percentage to 10 per centum or less, the Secretary shall cease the guarantee of the repayment of the principal and interest on such loan.

"(d) In order to expedite the guarantee of real estate and operating loans for borrowers under this title, the Secretary shall—

"(1) permit applications for the guarantee of such loans to be submitted directly to State offices of the Farmers Home Administration;

"(2) provide such employees, equipment, and assistance to such State offices as are necessary to expedite the processing of such applications;

"(3) expedite the processing of applications of lenders for participation in the approved lender program established by exhibit A to subpart B of part 1980 of title 7, Code of Federal Regulations, and give priority review to such applications; and

"(4) target the assignment of employees of the Farmers Home Administration to those States with the greatest need for farm credit assistance, as measured by the number of requests received for such assistance, the amount of farm debt incurred by borrowers, the proportion of debts to assets of borrowers, the availability of such assist-

ance in the absence of such guarantee, and such other factors as the Secretary determines appropriate.

"(e) The Board of Directors of the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Board of Governors of the Federal Reserve Board shall by regulation provide that—

"(1) a loan which is guaranteed in accordance with this section shall not be considered a problem loan, except under extraordinary circumstances; and

"(2) in the case of a loan which is secured by a title to farm real estate held by a lender, the amount of such loan which is considered a problem loan shall be limited to the difference between the total amount of principal and interest due on such loan and the current fair market value of such real estate.".

HOMESTEAD PROTECTION ACT—SUMMARY

Allow lenders to write down interest rates on farm loans in exchange for federal guarantees on the principal. Currently, lenders are not allowed to substitute a lower rate of interest and instead are permitted to write down principal only.

Allow farmers to be eligible for the program if they can break even under the new guidelines. Current regulations require that farmers have a "positive cash flow" of 10 percent above costs.

Increase the authorized level of available federal guarantees from the current $630 million to $4 billion.

Allow a gradual but steady reduction of the federal loan guarantee percentage over a period of years. Currently, the guarantee percentage remains fixed over the entire term of the note.

Ease government pressure on commercial lenders by eliminating the classification of renegotiated loans with a federal guarantee as "problem" loans. The Kassebaum plan encourages the Federal Deposit Insurance Corporation and other government agencies to change regulations that currently discourage agricultural lenders from renegotiating loans and pressure lenders to place land on an already-flooded market.

Direct the Farmers Home Administration to make available additional field personnel and equipment—in areas where they are most needed—to speed up the processing of loan applications under the new program.

By Mr. INOUYE (for himself and Mr. MATSUNAGA):

S. 389. A bill to clarify procedures for the disposal of Federal lands for use for public airport purposes; to the Committee on Commerce, Science, and Transportation.

AIRPORT AND AIRWAY IMPROVEMENT ACT AMENDMENTS

● Mr. INOUYE. Mr. President, this morning my colleague, Senator MATSUNAGA, and I have introduced a measure to amend the Airport and Airways Improvement Act of 1982, and section 13g of the Surplus Property Act of 1944, to correct what we believe to be an improper interpretation of those sections of the law relating to the transfer of Federal property to State and local jurisdictions for airport development purposes.

Section 516 of the Airport Act, 49 U.S.C. 2215, compels the transfer of Federal lands suitable for airport development to State and local governments upon the recommendation of the Secretary of Transportation if such a use would not be inconsistent with needs of the Federal agency in control of the property. This mechanism is, of course, designed to facilitate the orderly development of local airports in accordance with Federal needs and priorities.

Section 13g of the Surplus Property Act of 1944, in the context of the existing statutory scheme for the disposition of such property, provides the Administrator of the General Services Administration with the authority to transfer surplus Federal property to State and local governments for airport development purposes. Both the Secretary of Transportation and Administrator of the General Services Administration are thus apparently provided with the power to transfer property for the purposes of airport development.

This overlapping authority has resulted in unnecessary conflict and confusion. Specifically, the General Services Administration has refused to conduct a transfer which had been requested by the Department of Transportation because the property involved had been declared surplus. In its defense, the GSA argued that the transfer provisions of the Surplus Property Act superseded the terms of the Airport Act so that any Federal property declared surplus fell within the exclusive jurisdiction of the GSA. The result of such an interpretation is that States and localities which comply with the provisions of the Airport Act may be deprived of intended benefits under the act because of the conflicting requirements and policies of the GSA. This is, in fact, precisely the situation which arose in Hawaii. The transfer in that case was ultimately accomplished after the filing of a suit in Federal court, congressional intervention, and extended negotiations. But the underlying confusion, statutory ambiguity and potential for unfairness remains.

The bill we have introduced today makes it clear that it was the intention of Congress that the Department of Transportation have the authority to transfer Federal property for airport development purposes whether or not such property has been declared surplus. The language of the 1982 act could not have been clearer in this respect. It provides that upon recommendation of the Secretary of Transportation, the department or agency head in control of desired Federal property is authorized and directed to transfer unneeded parcels. The GSA is not exempted and no exception is made for surplus property. I believe that it was the intention of Congress that issues regarding the wisdom of transferring unneeded Federal lands for airport development should rest principally with the Department of Transportation. This bill merely clarifies that intent.

A second element of the law addressed in this bill involves the present necessity that the Attorney General approve all transfers under the Airport Act. In defense of its position the GSA asserted in Federal court that the inclusion of the Attorney General provided him with absolute discretion over the transfers of such property. They therefore argued that no State or locality may legally complain of a failed transfer under the Airport Act if the Attorney General, for any reason, failed to approve of a DOT recommendation.

The context and history of the statute in question appears to undermine the argument that the Attorney General was ever intended to have the absolute discretion to veto a DOT-recommended transfer. Indeed, the President of the United States formally delegated his approval authority under the 1970 version of the act to the Secretary of Transportation and was removed altogether under the 1982 reenactment of the statute. Under these circumstances, I believe that it is clear that Congress intended that the Attorney General perform no more than the essentially ministerial duties of assuring conformity with existing law. I know of no reason why this function cannot be performed adequately by the Department of Transportation and therefore recommend that the role of the Attorney General in this process be deleted in order to clarify and streamline the procedures involved.

Mr. President, I ask unanimous consent that the text of our proposal be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD as follows:

S. 389

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) the second sentence of subsection (b) of section 516 of the Airport and Airway Improvement Act of 1982 (49 U.S.C. 2215 (b)) is amended—

(A) by striking out "is hereby authorized and directed, with the approval of the Attorney General of the United States, and" and inserting in lieu thereof "shall,";

(B) by striking out "to" before "perform any acts"; and

(C) by striking out "to" before "execute any instruments".

(2) Such section is further amended by adding at the end thereof the following new subsection:

"(d) Applicability of Surplus Property Act.—The provisions of section 13 (g) of the Surplus Property Act of 1944 shall not apply to any conveyance of land under this section.".

(b) Section 13 (g) of the Surplus Property Act of 1944 (50 U.S.C. App. 1622(g)) is amended at the end thereof the following new paragraph:

"(7) The provisions of this subsection shall not apply to any conveyance of land under section 516 of the Airport and Airway Improvement Act of 1982 (49 U.S.C. 2215).".●

By Mr. KASTEN:

S.J. Res. 37. Joint resolution to reaffirm U.S. solidarity with the aspirations of captive nations in Central and Eastern Europe by repudiating the negative consequences of the 1945 Yalta executive agreements; to the Committee on Foreign Relations.

REPUDIATION OF NEGATIVE CONSEQUENCES OF THE YALTA AGREEMENTS

Mr. KASTEN. Mr. President, 40 years ago yesterday, a meeting began in the Crimean resort city of Yalta that was to have immense consequences for the freedom of Eastern Europe, and the security of the West.

The Yalta conference produced a series of executive agreements that, in effect, established Soviet domination of Eastern and Central Europe, resulted in the enslavement of millions of people, and even today provides a justification for inaction in the face of Communist offenses against human rights in those regions.

In commemoration of this anniversary, I am reintroducing my legislation from last year that calls upon Congress to repudiate the consequences of the Yalta executive agreements. By reintroducing this joint resolution, I am acting in the spirit of President Dwight D. Eisenhower, who stated in his message to Congress of February 2, 1953, that he would ask that body to join in "making it clear that we would never acquiesce in the enslavement of any people in order to purchase fancied gain for ourselves, and that we would not feel that any past agreement committed us to any enslavement." I am acting in the spirit of Zbigniew Brzezinski, President Carter's National Security Advisor, who has called for a repudiation of the Yalta agreements in a recent Foreign Affairs article. And I am acting in the spirit of Secretary of State George Shultz, who, speaking at the Stockholm Conference on European Disarmament last year, said, "the United States does not recognize the legitimacy of the artificially imposed division of Europe." That division of Europe has as its basis the Yalta agreement.

I do not question the motives of the Western leaders who negotiated this agreement with Stalin in 1945. After all, the Red Army already controlled much of Eastern Europe at the time of the meeting, and the Western leaders believed that by acquiescing temporarily to Soviet control of this region, they could extract valuable concessions from Stalin. History has proven them wrong. But the reasons for repudiating Yalta has less to do with questioning these political judgments than with the fact that Yalta has become, like Munich, a symbol of the inability of liberal democracies to stand up to a totalitarian power, and a willingness to abandon friends and principles.

Equally important, the Yalta agreements are contrary not only to the great founding principles of this Nation, but also to the Atlantic Charter which established the goals of the Allies in World War II.

Both the Atlantic Charter and the founding principles of this Nation stress the idea of self-determination. But there was no self-determination at Yalta. The representatives of the peoples whose fates were being determined were not even consulted. Instead, the future of millions of people was laid out on the basis of geographical location alone.

The Soviet Union looks to Yalta to justify its domination of Central and Eastern Europe. Therefore, to repudiate Yalta would make it clear that we do not accept the forcible division of Europe. To repudiate Yalta would make it clear to the Soviet Union—and to our allies—that cooperation with the U.S.S.R. will not be at the expense of the subjugated people of central and Eastern Europe. And to repudiate Yalta would send a message to those subjugated people that we have not forgotten them.

The repudiation of Yalta is, of course, a symbolic act and it should not be seen as a substitute for substantive economic and political pressure on the Soviet Empire. But the renunciation of Yalta is an important symbolic act in which the same way that the Emancipation Proclamation was an important symbolic act. Just as the Emancipation Proclamation gave hope to those who languished in slavery before they were actually freed, so the repudiation of Yalta is intended to give hope to the people of the Soviet bloc.

Mr. President, last year the Foreign Relations Committee was on record as calling for hearings on this resolution. I concur: I hope that hearings can be held at the earliest moment possible and that the Senate can send a clear message to the people of central and Eastern Europe that we have not written off their hopes and aspirations for a better world. I hope that all my colleagues will join me in this effort.

Mr. President, I ask unanimous consent that the text of my resolution be printed in the RECORD at this point, along with copies of articles by George Will, Adam Ulam, and Zbigniew Brzezinski; and a memorandum on Yalta by the Polish Government-in-exile.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 37

Whereas, during World War II, representatives of the United States, Britain, and the Soviet Union took part in agreements and understandings concerning other peoples who were not represented;

Whereas, the Soviet Union violated the Yalta guarantee of free elections in the countries involved, specifically the Yalta agreement commitment "to form interim intergovernmental authorities broadly representative of all democratic elements in the population and pledge to the earliest possible establishment of free elections of government responsive to the wills of the people and to facilitate where necessary the holdings of such elections;"

Whereas, at Yalta it was decided that a new Polish government should be formed using an unpopular Soviet backed Provisional Government as a base which was to expand on a broader democratic basis with the inclusion of democratic leaders from Poland itself and from Poles abroad, and was to hold free elections, provisions which the Soviets violated by arresting or executing democratic leaders while holding fraudulent elections;

Whereas, at the Yalta Conference, it was agreed to repatriate all Soviet citizens who remained abroad after the war, irrespective of their individual wishes and by force if necessary, resulting in much tragedy and suffering;

Whereas, millions of people around the world, especially those residing in Central and Eastern Europe believe the 1945 Yalta executive agreement involved alleged United States acquiescence in the enslavement of entire nations under a Soviet totalitarian system of government;

Whereas, the nations of Central and Eastern Europe continue to resist Soviet domination as for example in guerrilla wars after World War II in Lithuania, Ukraine, and other countries, in East Berlin 1953, Poznan and Budapest 1956, Prague in 1968 and in Poland 1970 and again since 1980;

Whereas it is appropriate for the United States according to the principles on which this nation was founded to respect the desires and aspirations of all freedom-loving people around the world;

Whereas it is appropriate that the United States express the hopes of the people of the United States for the freedom of the people subjected to the captivity of Soviet despotism in Central and Eastern Europe as well as elsewhere around the world; and

Whereas it is appropriate for the United States to reject any interpretation or application that, as a result of the signing of the 1945 Yalta executive agreements the United States accepts the present position of nations being held captive by the Soviet Union. Now, therefore, be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That the United States does not recognize as legitimate any spheres of influence in Europe and that it reaffirms its refusal to recognize such spheres in the present or in the future, by repudiating the negative consequences of the Yalta executive agreements of 1945.

That the United States proclaims the hope that the people who have been subjected to the captivity of Soviet despotism shall again enjoy the right to self-determination within a framework that will sustain peace, that they shall again have the right to choose a form of government under which they shall live, and that the sovereign rights of self-determination shall be restored to them in accordance with the pledge of the Atlantic Charter.

The United States hereby expresses its solidarity with the peoples of Central and Eastern Europe.

[From the Washington Post, Jan. 6, 1985]

YALTA'S FALSE PROMISE

(By George F. Will)

Four decades of fraud are enough. The coincidence of the historical calendar and the quickening pace of what is called U.S.-Soviet "dialogue" make this the moment for the United States to denounce the agreements entered into 40 years ago at Yalta.

These words open a chapter in the final volume of Churchill's history of the war: "As the weeks passed after Yalta it became clear that the Soviet government was doing nothing to carry out our agreements. . . ." Churchill was referring especially to Poland, on whose behalf Britain had gone to war in 1939, when the Soviet Union was Hitler's ally.

In February 1945 the Soviet Union began sealing Poland from Western eyes and destroying democratic elements. There were fewer of those elements than there might have been. When the Polish resistance rose in Warsaw against the Germans, the Soviet army loitered on the outskirts of the city to allow the Nazis to massacre the Polish freedom fighters, who would have been inconvenient for the arriving Soviet totalitarians. The Soviet Union compounded its crime by even refusing to allow U.S. and British planes to land in Soviet-held territory after dropping supplies to the Polish resistance. This was six months before Yalta.

The Yalta conference ended Feb. 11, 1945. On Feb. 27, Andrei Vyshinsky, the satanic prosecutor at the 1930s Moscow show "trials," arrived in Bucharest, Romania, to demand that King Michael dismiss the all-party government. The next day, Churchill wrote, Vyshinsky returned to the king, "banged his fist on the table, shouted for an immediate acquiescence, and walked out of the room, slamming the door. At the same time Soviet tanks and troops deployed in the streets of the capital, and on March 2 a Soviet-nominated administration took office."

The Yalta agreements "binding" the allies to work for open societies in Eastern Europe were, at best, forlorn attempts to blunt Soviet bayonets with parchment. It took six days for them to be revealed as an empty pretense.

Yalta did not "give" Eastern Europe to the Soviet Union. The Red Army took it. But Yalta codified the West's wishful thinking about the Soviet Union. The latest Shultz-Gromyko session, like the arms control process generally, is another manifestation of the hope that if the Soviet Union can be talked into talking, and into adopting the forms of orderly relations, then the substance of such relations will somehow follow.

Perhaps we should periodically enter into agreements like those signed at Yalta or, 30 years later, at Helsinki, if only for what they can teach. That is, such agreements can be useful because of the lesson that can be extracted from the instant and comprehensive Soviet violation of them. The problem is that Western governments wind up teaching their publics precisely, the wrong lesson. They refuse to teach the lesson by denouncing the agreements. Instead they convince themselves and their publics that there is something inherently wholesome in the mere "process" of producing agreements.

It may be argued that denouncing the Yalta agreements would be an empty gesture. Not true. It would be an act of public pedagogy, underscoring a lesson at a pregnant moment.

Plans are now being made for commemorating the 40th anniversary of the end of the war in Europe, and there is a revival of the sort of sentimentalism that helped produce Yalta. Today the sentimentalism is, "We were friends then, so . . ." "Friends," forsooth. In 1945 the sentimentalism took the form of the belief that the Soviet regime (which can claim legitimacy only as the enemy of bourgeois democracies) would desire in peace a continuation of the cooperative relationship that served it well in war.

In 1985, the anniversary of V-E day will be an appropriate moment for commemorating the fact that the Soviet Union began the war as Hitler's enthusiastic ally. It was convinced that Hitler would destroy England and other decadent bourgeois democracies, and was eager for that outcome. Hitler initiated the rupture with the Soviet Union, which then received enough aid from the decadent bourgeois democracies that it could survive and become the legatee of Hitlerite values—conquest, totalitarianism, anti-Semitism.

This June will mark the 10th anniversary of the Helsinki agreements on human rights. Those agreements are extensions of the Yalta agreements, but are even less defensible because they came after 30 years of experience with the Yalta agreements. Under the Helsinki agreements the Soviet Union undertook to stop being the Soviet Union—that is, to be minimally civilized.

It has, of course, declined to do that. So 1985 is the year also to denounce the Helsinki agreements. A decade of fraud is enough.

[From the New Republic, Feb. 11, 1985]

FORTY YEARS AFTER YALTA

(By Adam B. Ulam)

STALIN OUTWITTED FDR, AND THE WEST STILL PAYS

The shadow of Yalta still hovers over Europe. When Solidarity was repressed in December 1981, the chancellor of West Germany, Helmut Schmidt, excused the Polish Communist regime's action by citing the alleged fact that the United States, Great Britain, and the Soviet Union had agreed at Yalta that East Europe should be a Soviet-Communist preserve.

Especially to East Europeans, the word Yalta—the former Crimean resort of the Russian imperial family—has a sinister ring, just like the word Munich. As at Munich in 1938, Western democracies at Yalta in 1945 retreated under pressure from a totalitarian power, and pusillanimously abandoned their friends and principles. Forty years later, there is still neither peace nor war in Europe.

The indictment continues: the dereliction of Great Britain, and especially of the United States, had nefarious consequences for countries outside Europe as well. It was in the Crimea that the Western powers asked—quite needlessly, it turned out—for Soviet help in the war against Japan. And they had no compunction about promising to compensate the Soviets for this help mostly at the expense of their absent Chinese ally. And thus at the price of a few days' fighting, the Soviet Union was able, six months later, to render significant help to Mao which later enabled his forces to conquer the Chinese mainland. The Soviets' brief intervention in the Far Eastern war also led to Communist rule in North Korea, with dire consequences for the world.

For many, even in this country, and not only on the right, it was at Yalta that the United States lost the peace. The ailing president was maneuvered by Stalin into agreements that destroyed hopes for a really peaceful and orderly postwar world.

During its brief flowering, the revisionist school presented a drastically different version of Yalta. American diplomacy at the conference, far from being naive and ill-informed, was judicious and alert. Far from frittering away the fruits of victory, the United States laid there the foundations of what could have been a stable and equitable peace based on mutual trust between East and West. After FDR's death, however, American policymakers repudiated the spirit of Yalta, and attempted to deny the Soviets the deserved fruits of the joint victory. Those anti-Soviet policies, in turn, increased Moscow's feeling of insecurity, provoking repression at home and in East Europe, and an ominous isolationist attitude toward the West. Hence the cold war.

Who is right? For a start, it is important to recall the background of the week-long conference, which opened 40 years ago on February 4. The war against Germany had been all but won. Surrender was expected, perhaps within weeks. There was no doubt that Japan also would be defeated, but the end of the Pacific war was not yet in sight.

Roosevelt, Churchill, and Stalin met at Yalta for two major reasons. First, there was a need to resolve disputes over the postwar settlement on the continent, and over the projected organizational framework and powers of the United Nations. Second, the United States felt it was imperative to bring Russia into the war against Japan.

In hindsight, of course, Soviet intervention was unnecessary. But in February 1945, the United States could not be absolutely sure that the fission bomb would work, still less that it would prove to be the frightful weapon that would abruptly terminate the Pacific war. The only way to compel Tokyo to surrender, Washington believed, was through a massive land invasion of the Japanese homeland, mounted after the finale in Europe. The Joint Chiefs of Staff firmly believed that the Soviet Union ought to be brought into the war, to reduce a potentially huge cost in American lives, and to shorten the final phase of the conflict.

As to the other topics of the conference, each of the three chief participants brought his special anxieties. President Roosevelt was mainly concerned about the U.N. He worried that the Soviet Union might still refuse to join, or would do so only on conditions that would make the world organization, like the late League of Nations, ineffectual and unacceptable to the American public. If so, Roosevelt feared, the United States might revert to isolationism and peace might be ephemeral, as after 1919. To induce Stalin to go along with his plans for the U.N., Roosevelt was ready to go quite far in conceding to Soviet views about Germany and Poland. He also was eager to dispel any suspicion his host might have that the Western powers were "ganging up" on the Soviet Union over the postwar settlement.

Churchill's worries centered on Europe. Great Britain had fought for more than two centuries against the domination of the continent by a single power, something which now threatened to happen. And that danger would increase if Germany was permanently enfeebled, while all of East and Southeast Europe found itself behind what he later called the iron curtain. It was agreed at the conference that after the victory, Germany would be divided into occupation zones, yet no one, including Stalin, could have antici-

pated that 40 years later, the country would still be partitioned.

Earlier, at the Big Three meeting at Teheran in November 1943, it had been tenatively agreed that Poland should be compensated, at the cost of Germany, for those Polish territories the Soviet Union had acquired under the Molotov-Ribbentrop agreement, and which it now proposed to retain. Churchill, who then had incautiously agreed to "move Poland" westward, now contemplated with a sinking heart the probable consequences of such a move, Germany would be stripped of some of its richest agricultural land and much of its mining wealth. Seven or eight million ethnically German refugees would become an intolerable burden on the rest of the truncated country. Its economy would be crippled for decades, with ominous consequences for Western Europe, and with communism the likely beneficiary.

Stalin managed to keep his own worries to himself. The main one was how debilitated the Soviet Union would be compared to the United States. His nation already had lost 20 million lives and its economy was in a shambles. It could not be expected to recover for at least a decade. In contrast, the war had catalyzed the enormous military and economic power of the United States, which would emerge from the conflict barely scratched, with its industrial output accounting for more than half of the entire world's.

Stalin's negotiating tactics might be best described in military terms: you attack your protagonist at a crucial spot, break through, and then, by unremitting pressure there and feints and diversions elsewhere along the front, you enlarge the bridgehead until the opponent calls a retreat. Then comes the time for an offensive all along the line.

At Teheran the Soviets had established such a bridgehead, on the most contentious and crucial issue at Yalta: that of "moving" Poland. After that it was no longer a question merely of Poland's future borders, but also of its government. In 1943 the Soviet Union had broken off relations with the legitimate Polish government in London. When the Soviet armies reached Poland, the Kremlin installed a group of Poles more to its liking as a quasi-governmental committee in Lublin. Shortly before Yalta, the Soviet Union recognized this group as the provisional government of the country. Stalin fended off Roosevelt's rather feeble protest by arguing that since the recognition had been voted upon by the Soviet Union's highest constitutional body, the Supreme Soviet, he was powerless to reverse it!

Roosevelt thought at first he could still change the arrangements for Poland, pleading that "it would make it easier for me at home if the Soviet government could give something to Poland," a rather quaint way of asking the Soviets to take less from Poland. Stalin rose to the occasion: he himself would be in trouble politically if his people thought he did not champion their cause vigorously enough. The final communiqué of the conference allowed the Soviet Union to retain the land it secured by agreement with the Nazis in 1939; Poland's western borders were to be established later, but the presumption was that they would cut deeply into pre-1939 Germany.

And now for the offensive: to make Britain and the United States abandon the London-sponsored Polish government and recognize the Soviet-sponsored one. In storming the Western ramparts, Stalin appealed to his allies' democratic sentiments: after five years of exile, the London group was out of touch with the people; anyway, it was mostly fascist. (In fact it included representatives of all the major parties in interwar Poland, including Socialists, and enjoyed an overwhelming support among the Poles.) Churchill asked: Shouldn't British and American observers be first sent to Poland to report on what is going on? Stalin retorted: the Poles are a proud nation. They would resent foreign interference. Roosevelt would have liked some of the Lublin Poles brought to Yalta for an inspection. Stalin said that, unfortunately, for the moment the Soviet authorities could not locate them. Wearily, the British and Americans conceded the main point. The Lublin group would be the nucleus of the future government to be augmented by a few political leaders from Poland and abroad, their democratic virtue to be certified by a commission chaired by Stalin's foreign minister, Vyacheslav Molotov. A cleaning-up operation still remained, but the battle had been won.

What made this success possible were the Russians' concessions on the issue closest to Roosevelt's heart: the United Nations. The Soviets previously had held firmly to the position that each permanent member of the U.N. Security Council should have the right to veto any of its procedures and decisions. On February 7, Molotov suddenly announced that the Soviet Union agreed that procedural questions in the council should be decided by a majority vote, and that a permanent member would not be able to veto discussions of a dispute to which it was a party. For Roosevelt this was "a step forward which would be welcomed by all peoples of the world."

Until Yalta the Russians had insisted that all the 16 constituent republics of the Soviet Union should be represented in the General Assembly, an arrangement that might have jeopardized the chance of the U.S. Charter passing the Senate, or led to demands that the United States should have 48 seats. Now Stalin also abruptly announced that the Soviet Union would be content with just three seats for the Soviet Union as a whole, the Ukraine, and Byelorussia. The United States, he generously added, could also have three places, if it so desired.

A quick-witted Western delegate might have inquired why 8 million Byelorussians deserved such considerations while 100 million Great Russians did not. But so great was the relief on the American side that no one was inclined to ask embarrassing questions, or to be obdurate about the remaining questions on the table. The dangerous rents in the Grand Alliance had been repaired, the cordial partnership among the Big Three had been reaffirmed. That was the main thing for the U.S. policymakers, and by this time Churchill, having very largely accepted Roosevelt's leadership when it came to dealing with Russia, felt constrained, even if groaning inwardly, to go along with the president.

Today we may feel inclined to laugh or cry at some of the incidental glimpses of American diplomacy at Yalta. The president, so successful in dealing with political bosses at home, tried to mellow Boss Stalin. At one time he avowed to his host the belief that it "was difficult to have any prejudices—social, religious, or otherwise—if you really knew people," to which the dictator, who counted among his victims close relatives and friends, readily assented. Peace, Roosevelt felt, would be made more secure if the Soviet Union and the pope were on speaking terms. Hence the incongruous presence in the American delegation of Ed Flynn, the Democratic boss of the Bronx, who called at the Vatican on his way home.

But was Yalta the place of the Great Betrayal (or Deception)? No. The division of Europe resulted from a whole series of events: Soviet usurpations, Western sins of omission and commission, as well as sheer accidents—all going back to 1943 and continuing through 1947. Yalta was simply one stage. As for China, Yalta mattered far less in Mao's ultimate victory than other factors such as the ineptitude of the Kuomintang.

Were Stalin's games an indication of his low esteem for the democratic statesmen? Not exactly. He genuinely admired Churchill, and his behavior at Yalta testifies to his conviction that Roosevelt, though visibly failing, would be a formidable adversary if aroused. The correspondence between them during the few weeks between the conference and Roosevelt's death suggests strongly that he was beginning to take the true measure of Stalin's designs. Had Roosevelt lived out his fourth term, the course of events might have been different.

But Stalin did perceive that the democracies, unless provoked beyond endurance, had little staying power when it came to bargaining about what should come after the victory. How many people in America would have approved a drawn-out dispute with the Russians for the sake of some Polish politicians with unpronounceable names? How many in 1945 would have had patience with the argument that Tokyo could be made to surrender within a year or so after V-E Day through a blockade and aerial attacks, and that neither an invasion of the Japanese homeland nor a Soviet intervention were needed?

One American action that had the most damaging consequences was Roosevelt's statement that U.S. troops could not be expected to remain in Europe for more than two years after Germany's capitulation. This was a signal that the Russians needn't take seriously the Western powers' solemn pledge that the nations liberated from the Nazi yoke must be allowed to determine their own fate through free elections. Impatience, whether to bring the boys home or to settle the issues in dispute in a hurry, was a dangerous tendency when it came to negotiating with the likes of Stalin. But both Roosevelt and Churchill realized that once the guns were silenced, they would cease being war leaders enjoying unquestioning support of their peoples and become once more politicians, subject to pressures and whims of public opinion.

It is almost superfluous to add that the American officials were very badly informed about the political system headed by their intimidating host. People in the State Department such as George Kennan and Charles Bohlen (who was present at Yalta) had considerable knowledge of the Soviet Union, but they were still in junior positions. When the Soviets' policies in East Europe became more arbitrary following the conference, Secretary of State Edward Stettinius wondered whether this could be because "Marshal Stalin had difficulties with the Politburo when he returned to Moscow, for having been too friendly and for having made too many concessions to the two capitalist nations."

And so, without exaggerating the importance of what happened at Yalta, we still ought to ponder its lessons, for some of them are relevant today when the United States is about to embark on yet another

predictably complex series of negotiations with the Soviet Union.

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THE FUTURE OF YALTA

(By Zbigniew Brzezinski)*

Yalta is unfinished business. It has a longer past and it may have a more ominous future than is generally recognized. Forty years after the fateful Crimean meeting of February 4-11, 1945, between the Allied Big Three of World War II, much of our current preoccupation with Yalta focuses on its myth rather than on its continuing historical significance.

The myth is that at Yalta the West accepted the division of Europe. The fact is that Eastern Europe had been conceded de facto to Josef Stalin by Franklin D. Roosevelt and Winston Churchill as early as the Teheran Conference (in November-December 1943), and at Yalta the British and American leaders had some halfhearted second thoughts about that concession. They then made a last-ditch but ineffective effort to fashion some arrangements to assure at least a modicum of freedom for Eastern Europe, in keeping with Anglo-American hopes for democracy on the European continent as a whole. The Western statesmen failed, however, to face up to the ruthlessness of the emerging postwar Soviet might, and in the ensuing clash between Stalinist power and Western naivete, power prevailed.

Yalta's continuing significance lies in what it reveals about Russia's enduring ambitions toward Europe as a whole. Yalta was the last gasp of carefully calibrated Soviet diplomacy designed to obtain Anglo-American acquiescence to a preponderant Soviet role in all of Europe. At Yalta, in addition to timidly reopening the issue of Eastern Europe, the West also deflected, but again in a vague and timorous fashion, Soviet aspriations for a dominant position in the western extremity of the Eurasian land mass.

Yalta thus remains of great geopolitical significance because it symbolizes the unfinished struggle for the future of Europe. Forty years after Yalta that struggle still involves America and Russia, but by now it should be clear that the issue is unlikely to be resolved in a historically constructive manner until a more active role is assumed by the very object of the contest, Europe itself.

II

The setting for Yalta was prostrated Europe. That once globally dominant civilization had committed historical suicide in the course of two devastating wars fought within the span of a mere quarter-century. When the two leaders of the British and American democracies met with the Georgian tyrant of the Great Russian Empire to resolve the future of Europe, continental Europe was absent from the deliberations. In the meantime, much of Europe's future was being decided on the ground, by the great extra-European armies pushing from the east and the west into Germany, the heart of Europe.

Until Yalta, the key issue perplexing the wartime alliance was Poland, the key to control of Eastern Europe. Thereafter, the issue has increasingly been Germany, the key to control over Western Europe. Poland represented to Moscow the gate to the West, and thus the Kremlin in its wartime diplomacy adopted an attitude of utter intransigence on the question of Poland's future. Though in his memoirs Churchill later described the Polish issue as "the first of the great causes which led to the breakdown of the Grand Alliance," neither he nor his Atlantic partner, President Roosevelt, seemed tp grasp the central strategic importance of the Polish issue; nor was either of them inclined to exploit Russia's initial weakness to obtain a satisfactory resolution of the Polish-Soviet dispute, initiated by the Soviet seizure of almost half of Poland in 1939 as a result of the Stalin-Ribbentrop agreement.

Stalin correctly saw in the territorial dispute the opportunity to transform Polish independence into dependence on Moscow. So did the Poles. Prior to the Teheran meeting, the Polish prime minister desperately warned Churchill (as recorded by Sir William Strang on September 9, 1943) that "what was at stake between Poland and Russia was not merely a question of frontiers but a question of general relations and indeed the question of the survival of Poland as an independent state. . . ."[1] A month later, Foreign Minister Anthony Eden reported to the British War Cabinet that the Polish prime minister had told him on October 6, "The general attitude of Stalin towards Poland, towards Germany and the Free German movement and towards questions touching other occupied countries, as well as his record and his whole mentality, implied more extensive ambitions than ambitions only in the eastern provinces of Poland which were strategically important to Poland but in no sense vital to Russia." Finally, on the eve of the Teheran meeting, Eden briefed the War Cabinet on November 22 that the Poles feared "that Russia's long-term aim is to set up a puppet government in Warsaw and turn Poland into a Soviet republic. . . ."

The British took a more benign view of Stalin's goals. Eden assured the Poles "that British experience suggested that Stalin was much less intransigent . . .," and his internal memorandum on preparations for the forthcoming Teheran Conference makes it clear that the United Kingdom was prepared to satisfy Stalin's territorial goals in the hope that this would produce acceptable political arrangements. If anything, the Americans were even more inclined to gratify Stalin. In keeping with the foregoing, at Teheran in late November and early December 1943, both Churchill and Roosevelt to changes in the Polish frontiers, without any further consultation with the Poles, and more generally conceded to Moscow a preponderant role in the Balkans.

To make matters worse, while pressing the Poles to make territorial concessions to Moscow in the hope of assuaging Russian desires, the British and Americans were unwilling to offer the Poles any assurances regarding compensation in the West. Adopting the position that changes in Germany's frontiers must await the end of the war, London and Washington made the Polish plight more desperate. As a result, most Poles simply refused any compromise on the grounds that a truncated Poland could not survive as an independent entity, while others, shocked and embittered, increasingly saw in Moscow the only sponsor of major Polish territorial acquisition of German territory as a compensation for what was to be absorbed by Russia. The price, however, was the inevitable emergence of Polish dependence on Russia, and through it Soviet domination over Eastern Europe.

By the time of Yalta, not only was Poland occupied by the Red Army, but a new government, sponsored by Stalin, had been installed in Warsaw. At Yalta, the West exacted Soviet promises that the Soviet-installed government would be enlarged and would hold free elections, following which the West would recognize it, but Western leaders agreed not to have any binding obligations regarding the elections inserted into the joint communiqué issued at the conclusion of the Yalta Conference. As a result, how free elections were to be organized remained an exclusive Soviet prerogative, with the outcome thereby predetermined. (Indeed, the Western powers recognized the Warsaw government in mid-1945, even though—contrary to the Yalta agreement—no elections had been held.)

III

By finally foreclosing the issue of Poland in Russia's favor, Yalta opened the battle for the future of Germany. Eastern Poland had been incorporated into the Soviet Union, but the West continued to oppose major Polish expansion at Germany's expense. The Russians at first hesitated in deciding how extensively they ought to support Polish claims. But at the Potsdam Conference in July 1945, following Germany's final collapse, Stalin apparently concluded that with his armies firmly implanted in the middle of Germany he could afford to satisfy Polish needs (thereby permanently cementing Polish dependence on Russia), while continuing to wage his struggle for a preeminent Soviet role in Western Europe.

For Stalin, that struggle was the vital substance of his wartime alliance with the West. Later in 1943, on the eve of the Teheran Conference, Stalin, whose armies were then still fighting on Soviet soil, had succeeded in obtaining Western accord for a major Soviet role in both postwar Germany and Italy, and Western acquiescence to the scuttling of the Polish-Czechoslovak plans for a Central European confederation which might have represented an obstacle to Soviet domination over the region.

The Teheran Conference further nurtured Stalins' grandiose hopes that the British would be unable and the Americans unwilling to oppose his larger designs, which he revealed cautiously, while continuously probing the intentions and the will of his British and American interlocutors. Throughout, Stalin and his associates skillfully played on the anti-imperialist sentiments of the Americans to weaken the British role in any postwar arrangements and on the British rivalry with France to make certain that no center of effective power

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[1] This, and the other documents cited, are contained in the very useful collection edited by A. Polonsky, The Great Powers and the Polish Question, London: L.S.E., 1976. See also V. Mastny, Russia's Road to the Cold War, New York: Columbia University Press, 1979.

would emerge in postwar Western Europe. In the Soviet interpretation, Roosevelt's penchant for speaking of the world's "four policemen" could have had only one geopolitical meaning: America's central concern would be the Western Hemisphere, a weak China would be preoccupied with its own problems, and a bankrupt Britain would be enmeshed in its imperial dilemmas, leaving most of Eurasia to the care of the fourth policeman.

In testing Western reactions to his design, Stalin used as bait two somewhat varying schemes for Europe. Though one will never know to what extent these plans were alternative scenarios or competing concepts, both plans provided for a major Soviet role in all of Europe. The two options were succinctly summed up in a conversation on August 31, 1943, between British Foreign Minister Eden and the Soviet ambassador to London, Ivan Maisky, as reported by Eden:

". . . Maisky continued that there were two possible ways of trying to organize Europe after the war. Either we could agree each to have a sphere of interest, the Russians in the East and ourselves and the Americans in the West. He did not himself think this was a good plan, but if it were adopted we should be at liberty to exclude the Russians from French Affairs, the Mediterranean and so forth, and the Russians would claim similar freedom in the East. If, on the other hand, we would both, and the United States also, agree that all Europe was one, as his Government would greatly prefer, then we must each admit the right of the other to an interest in all parts of Europe. If we were concerned with Czechoslovakia and Poland, and the United States with the Baltic States, then we must understand Russian concern in respect of France and the Mediterranean. . . ."[2]

The latter variant was apparently advocated at least until Yalta by Maxim Litvinov, the former Soviet Commissar for Foreign Affairs and former ambassador to Washington. Postulated on the unstated assumption that America would disengage militarily from Europe but that at least a semblance of congeniality between the Soviet Union and its principal wartime allies would continue even after the war, and bound to appeal to the idealistic American dislike of spheres of influence, the plan envisaged not only a Soviet role in all of occupied Germany but in effect a thinly camouflaged arrangement for a Europe dominated indirectly by the Soviet Union, the only effective power in the region. British influence was to be confined to several narrow maritime enclaves, France was to play a negligible role, while continued Soviet-American accommodation would be tacitly premised on American noninvolvement in European affairs. There can be little doubt that the Soviets took seriously Roosevelt's repeated hints both at Teheran and even later at Yalta that the United States would not maintain a postwar military presence in Europe. Given their ideological cast, they must also have been reassured by Roosevelt's tendency to speak privately to Stalin in most negative terms both of the British and of the French, seeing in that confirmation of their theory of "inherent capitalistic contradictions."

The alternative to this strategy of domination through Western acquiescence was associated with Litvinov's principal rival and successor at the helm for foreign affairs, Vyacheslav Molotov. It took more for granted that an American-Soviet collision would eventually occur, presumably after the expected U.S. disengagement from Europe and probably in the context of sharpened intercapitalist conflicts. Molotov's alternative strategy of exclusive control by fait accompli put more emphasis, therefore, on directly subordinating eastern Europe and as much of central Europe as possible, while vigorously asserting Soviet claims to a major role in the West and to a coequal veto-wielding status in relations with the United States. In more specific discussions regarding postwar arrangements for Germany, Stalin was careful to keep his options open. At times he seemed to be favoring a central German government, at other times he would opt for the fragmentation of Germany into several constituent states. In either case, he was always insistent that the Soviet Union have a major say in all of Germany, while making certain that no major West European power was reconstituted.

As the Soviet armies marched westward, Stalin's claims became more explicit both territorially and politically. In addition to retaining everything seized during the collaboration with Hitler, by late 1944 and early 1945 the Soviet Union made territorial demands on Norway (Bear Island and the Spitzbergen) and regarding the Far East (southern Sakhalin, and Kurile Islands, and a preponderant role in Manchuria and Outer Mongolia). Stalin also sought a share in controlling Tangier and a slice of the Italian colonies on the Mediterranean, in addition to proposals for joint action against Franco's Spain and increased political pressure on neutral Switzerland and Sweden. This was followed later by demands for territorial concessions by Turkey. Moreover, the Soviets consistently spoke of France as totally demoralized and worthless, underlining the proposition that Europe was a political vacuum.

Anglo-American surprise and protracted failure to come to grips with the scope of these Soviet ambitions is all the more remarkable when one considers the extent to which Stalin's aspirations mirrored traditional Russian goals. Indeed, they so closely replicated Tsarist objectives in World War I that one may suspect that old Russian planning papers were disinterred for Stalin's and Molotov's use. Some 30 years earlier, in late 1914, the Russian Council of Ministers had also considered the related problems of Poland and of Russian postwar objectives. The majority report focused on the restoration of a Polish kingdom, but under Imperial Russian sway, as Russia's major postwar objective. However, the minority report prepared by the more reactionary members went beyond that priority and defined Russian war objectives much more ambitiously.

Russia's general aims were stated as involving the "strengthening of Russia herself, in an ethnic, economic and strategic way"; in addition to "the possible weakening of Germanism as the chief enemy of Slavdom and Russia at the present time"; and to "the possible liberation of other Slavic peoples from the authority of Germany and Austria-Hungary (insofar as such liberation does not conflict with the direct interests of Russia)." To accomplish the above, Russia was to attain the following specific goals in order of importance:

(1) Completion of the historic task of uniting all sections of the Russian people by reuniting eastern Galicia, northern Bukovina and Carpathian Rus' with Russia.

(2) Realization of the historic tasks of Russia in the Black Sea by the annexation of Tsar'grad (Constantinople) and the Turkish Straits.

(3) Rectification of the borders of the Russian state at the expense of East Prussia and also in Asiatic Turkey.

(4) The weakening of Germany internally in every possible way by means of her complete territorial reconstruction on a new basis, with a possible decrease in Prussian territory to the advantage of France, Belgium, Luxemburg, Denmark and the smaller German states as well, and, perhaps, the restoration of the Kingdom of Hanover, Hesse-Nassau, etc.

(5) Unification and liberation of Poland within the widest possible boundaries, but, in any case, within limits which are ethnographic rather than historic (which would be contrary to the basic interest and entire history of Russia).

(6) Liberation of the remaining Austria Slavs.[3]

What is striking about these war aims, drafted by the more nationalistic and reactionary members of the Council, is their identity with Soviet post-World War II objectives defined by Stalin and Molotov. Everyone of the objectives became Stalin's: the incorporation of parts of Polish Galicia were previously held by Russia and of Czechoslovak Subcarpathia were identical with the first 1914 goal; the second objective was denied to the Soviets, but they did press for it in their conversations with the Western allies (presumably recalling that in the spring of 1915 France and Britain had conceded as much to Tsarist Russia); the third objective was obtained in East Prussia (again a surprise to Westerners), and the Soviets in 1945 pressed for territorial concessions from Turkey but without success; the fourth was achieved in a different form in Germany; the fifth pushed Poland further west than was thought possible in 1914 but with functionally the same result—the creation of a Poland highly dependent on Russia for its territorial integrity.

One can thus classify Soviet wartime objectives as falling into three categories: first, recovery of the territorial status quo ante as of June 1941; second, securing politically acquiescent regimes in east-central Europe; third, gaining a preponderant voice regarding the political organization of the rest of Europe. The Soviets were totally unyielding and quite open about the first objective; they were prepared, however, to camouflage the second objective if it served to promote the attainment of the third goal. It is easy to forget how uncertain at the time was America's postwar role in Europe, while American unwillingness during wartime to focus concretely on postwar issues fortified the expectation that it would again turn inward. As Soviet forces moved westward, their pursuit of the second objective became more brazen, and it assumed brutal manifestations when it dawned upon the Soviets that there might not be an American acquiescence to the attainment of the third objective. That realization dawned on Stalin and his colleagues with increasing intensity after Yalta.

IV

Yalta can therefore be said to have initiated the postwar struggle for Europe. Yet it was hailed in the West as an unmitigated

[2] Palonshy, *op. cit.*

[3] Gifford D. Malone, quoting *Russko-pol'skie otnosheniia v period mirovoi voiny* (Moscow, 1926), in *Russian Diplomacy and Eastern Europe, 1914-1917*, New York: King's Crown, 1963. pp. 20-21, 139-40.

diplomatic trumph, foreshadowing a period of prolonged East-West accommodation. Forty years later this very same Yalta continues to evoke equally simplistic—though opposite—emotions. It is now the synonym for betrayal. At the time its decisions were said (according to a *New York Times* editorial of February 13, 1945) to "justify and surpass most of the hopes placed on this fateful meeting . . . they show the way to an early victory in Europe, to a secure peace and to a brighter world."

Sumner Wells might be accused of some partiality when he announced (in *The Washington Post* on February 28, 1945) that ". . . the Declaration of Yalta, whatever the future may bring forth, will always stand out as a gigantic step forward toward the ultimate establishment of a peaceful and orderly world." But even such an experienced observer as Walter Lippmann was not to be outdone. Writing in *The New York Herald Tribune* on February 15, 1945, Lippmann informed his readers that Churchill, Stalin and Roosevelt "have checked and reversed the normal tendency of a victorious coalition to dissolve as the war, which called it into being, approaches its end. . . . The military alliance is proving itself to be no transitory thing, good only in the presence of a common enemy, but in truth the nucleus and core of a new international order."

Skeptical voices were few and far between. *The Wall Street Journal* warned on February 16, 1945, that the Yalta deal on central Europe "can only lead to increasingly unsatisfactory relations between the United States and Russia"; while a perceptive Frenchman, Andre Visson, (writing in *The Washington Post* on February 18, 1945, in an article entitled "Big Powers and Small Nations") noted that the United States was finally becoming committed to the future of Europe and was showing signs of a willingness even to contest the Soviet domination over Eastern Europe—unlike at Teheran, where it seemed uninterested in postwar arrangements and willing to settle for "the division of Europe into two zones of influence."

In fact, Yalta was the last effort by the wartime partners to construct the postwar world jointly. Unlike Teheran, where Churchill was still clearly Roosevelt's equal, at Yalta the lead was taken by the Americans, foreshadowing the bipolar world that was in fact emerging. The real collision at Yalta was between Roosevelt's well-meaning vagueness about arrangements for Europe's postwar future and Stalin's studied vagueness about the extent of Russia's desire to dominate that future. The former desperately wanted to believe in postwar cooperation while the latter deliberately exploited that faith to create facts on the ground while pressing for Western acceptance of Soviet claims in both the west and the far east of the Eurasian continent.

As a result, the Yalta declarations were manifestly escapist in character. The provisions regarding free elections in Poland were at best a transparent fig leaf for outright Soviet domination, while the rhetoric concerning future peace simply obscured the emerging and very basic differences between the major powers. However, that rhetoric did serve to further delude Western public opinion regarding Russia's true intentions, thereby making it more difficult for the Western democracies to cope effectively with the emerging East-West confrontation.

By failing to construct an agreed-upon world, while in effect sanctioning the concessions made earlier at Teheran, Yalta became subsequently the symbol of Europe's partition. The follow-on meeting at Potsdam was merely a contentious session to carve the spoils. It was at Yalta that the Westerners belatedly had their first inklings that the concession of Eastern Europe to Soviet domination might be the beginning of the contest for central and Western Europe, while to Stalin Western reticence regarding satisfaction of the wider Soviet goals foreshadowed a more difficult political struggle than apparently anticipated earlier. Henceforth, the increasingly overt preoccupation of Soviet policy became one of driving the United States out of Eurasia.

v

That preoccupation has endured for the 40 subsequent years—and today it is still the central motif of Soviet foreign policy. Its concomitant is the determination to prevent the emergence of a genuine Europe motivated by shared political will. The last four decades, however, also reveal an important strategic lesson: what has come to be seen as the legacy of Yalta—namely the partitioned Europe—can only be undone either in Soviet favor through Litvinov's more subtle design of domination through acquiescence, or to Europe's historical advantage by the emergence of a truly European Europe capable both of attracting Eastern Europe and of diluting Soviet control over the region. America does not have the power or the will to change basically the situation in Eastern Europe, while crude and heavy-handed Soviet efforts to intimidate West Europe merely consolidate the Atlantic connection.

Of the two principal sides, it has been the Soviet that has sought much more persistently than the American to achieve a geopolitical breakthrough, settling the fate of Eurasia. Yalta had stimulated Soviet anxieties that America might not in fact disengage totally from Europe; Potsdam reinforced them, while the subsequent announcement of the Marshall Plan confirmed Moscow's worst fears: America, contrary to Stalin's hopes and expectations, was becoming implanted on the continent, de facto checking the expansion of Soviet power.

Subsequent history has been punctuated by more overt and direct Soviet efforts to challenge that reality head-on—above and beyond the relentless attempts to undermine it. The political campaign against the Marshall Plan, and Stalin's open decision to keep both Czechoslovakia and Poland out of it, were undertaken in the context of the strategic conclusion that not only would America remain engaged in European affairs but that a protracted political conflict was now inevitable. The subsequent Berlin crisis was thus an important test of will, designed to challenge America's suddenly improvised determination to play a major role in the truncated Germany.

It is important to be clear about it: neither Stalin's blockade of Berlin, nor Khrushchev's Berlin crisis of a decade later, was about Berlin itself. In both cases, the stake was the American security connection with Western Europe. This is why both Stalin and Khrushchev were willing to risk even a period of very high tension—dangerously high tension—with America, something which Berlin itself did not merit. Had the Soviets prevailed, Germany would have been panicked, and the vaunted American commitment to the defense of Europe would have been rendered impotent. The geopolitical effect of a Soviet success in Berlin would have been to establish Soviet paramountcy over Western Europe.

Though the two Berlin crises were the most overt indicators of enduring Soviet determination to sever the Atlantic security connection, Soviet diplomacy throughout the postwar era has pursued also the cardinal objective of ensuring that a geopolitically vital Europe does not surface as a competitor or even as a neighbor. Soviet foreign policy—using all its diplomatic leverage as well as such overt and hidden tools as the West European Communist parties and the myriad of fellow travelers—has been active in opposing such schemes as the European Defense Community, and it has above all persistently tried to place obstacles in the way of the Common Market's evolution toward a political personality. Even if Western Europe cannot be severed from America, it must at least be kept divided and weak.

The commitment to the goal of expelling America from Europe is not just lingering in the Kremlin. It animates the current Soviet leadership, a leadership more Stalinist in substance than any since 1953. Attempting to exploit the West European "peace movements" and unease regarding the anti-Soviet rhetoric of the Reagan Administration, the current Soviet leadership decided to evaluate the INF (intermediate-range nuclear forces) issue into a new test of will, again making the Atlantic security connection the ultimate stake. The Soviet decision to refuse to negotiate with the United States on arms control issues unless the United States dismantles and removes its Pershing IIs and ground-launched cruise missiles is tantamount to an attempt to impose on America a public humiliation with wide-ranging strategic consequences. It is the functional equivalent to the earlier Berlin crises.

But the Soviet leadership has again overreached itself. Its heavy-handed tactics contributed to the defeat of the neutralist Social Democratic Party in Germany, to the discrediting of the unilateral disarmers in the Labour Party in Britain, and to the strong show of solidarity with America displayed by Europe on this issue. (Parenthetically, one may add that almost simultaneously the present Soviet leadership has stimulated in Japan the highest degree of anti-Sovietism since World War II.) It did so because it overestimated the depth of the neutralist sentiments and the extent of the West European, even the German, stake in the East-West détente. It may also have overestimated the impact on West European public opinion of the greatly increased Soviet strategic power, especially in comparison to the Berlin crises of the late 1940s and the late 1950s. The Soviet leaders may have calculated that the combination of a specifically West European interest in détente with the growing fear of Soviet military power (especially with the massive deployment of the SS-20s targeted on Western Europe) might stampede the West Europeans—even if not the Americans—into a unilateral accommodation. They thus relied too much on simple political intimidation.

Nonetheless, in addition to noting Soviet persistence in seeking to achieve the subordination of Western Europe, it is important not to be overly reassured by the Soviet failure. For that failure is due more to the crudeness of the Soviet tactics than to the resilience of Western Europe. The fact is that Western Europe as such has not emerged politically. In that respect the Soviet Union can be said to have achieved at least a part of what it has been seeking since Yalta. In the meantime, the continued division of Europe breeds growing resent-

ment not only of the direct Soviet domination over Eastern Europe but also of the American role in Europe, a situation which more skillfull Soviet diplomacy could at some point more intelligently exploit.

The political reality is that America cannot undo Europe's partition, but the existence of that partition intensifies the American-Soviet rivalry which in turn perpetuates the partition. Though America has at times sought to loosen the bonds that both tie and subordinate Eastern Europe to Moscow, at the truly critical junctures America has chosen not to contest Soviet domination directly. American policy has aimed at carefully encouraging the peaceful evolution of a somewhat more pluralistic Eastern Europe, a process that is bound to take time and which can periodically be reversed by force, as through martial law in Poland in 1981. However, when the East German regime collapsed in 1953, when Hungary arose in 1956, when Czechoslovakia peacefully emancipated itself in 1968 only to be invaded by Soviet armed forces, the United States adopted a passive posture masked by anti-Soviet rhetoric. Whether more could have been done is debatable, but that not much was done is undeniable.

VI

American prudence is one reason why the Europeans sense that America cannot undo the division of Europe. The other reason is even more basic. America cannot undo the partition of Europe without in effect defeating Russia. And that the Russians must and will resist firmly—just as the direct expulsion of America from Western Europe would be resisted by America as an intolerable defeat. At the same time, the partition of Germany in the context of the partition of Europe makes both partitions a live issue. It ensures a continuing political struggle for the future of Germany and thus for the future of Europe. It locks America and Russia into a strategically central conflict, but with the stakes so high that neither can countenance a direct defeat. With divided Germany thus serving as the permanent catalyst for change, the issue of the future of Europe remains a live issue, despite the stalemate of the last 40 years.

The situation might have been altogether different if the division of Europe had not entailed simultaneously the division of Germany. If instead of the Elbe the geopolitical American-Soviet frontier had been fixed on the Rhine or on the Oder-Neisse line, the division of Europe into two spheres of influence would have been neater and politically easier to maintain. With the Rhine as the dividing line, the West European rump would have felt so threatened by the Soviet presence, backed by a Sovietized Germany, that henceforth its enduring preoccupation would have been to insure the closest possible ties with America, forgetting altogether about the fate of the Soviet-dominated central and eastern Europe. If, on the other hand, Soviet sway had been extended only to the Oder-Neisse line, the Poles and the Czechs would have been so fearful that an American-backed Germany might resume its traditional *Drang nach Osten* that the partition of Europe would have been of very secondary concern.

As it happens, the existing stalemate is increasingly resented by all Europeans. The Germans—no longer dominated by feelings of war guilt, less mesmerized by the American ideal, distressed by the failure of Europe to become an alternative to divisive nationalisms—are naturally drawn to a growing preoccupation with the fate of their brethren living under an alien system. The notion that the destiny of a united Germany depends on a close relationship with Russia is not a new one in German political tradition. Frustration with the nation's division is giving it a new lease on life.

Moreover, for Germany especially but also for Western Europe as a whole, the East holds a special economic attraction. It has been the traditional market for West European industrial goods, As Western Europe discovers that in its fragmented condition it is becoming less competitive with the high-tech economies of America and Japan, the notion of a special economic relationship with the East becomes particularly appealing. The fear that America may be turning from the Atlantic to the Pacific has in this connection a self-fulfilling and a self-validating function: it justifies a wider economic, and potentially even a political, accommodation between an industrially obsolescent Western Europe and the even more backward Soviet bloc, a logical consumer for what Western Europe can produce.

More than most Europeans, the East Europeans, no longer expecting American liberation, long for a genuine Europe which would free them from the Soviet yoke. That longing explains the extraordinary standing to this day in Eastern Europe of de Gaulle—simply because he raised the standard of "Europe to the Ural." It explains also the special appeal of the Pope, whose vision of Europe's spiritual unity has obvious political implications. But the East Europeans will settle for half a loaf if they cannot have the whole. Faced with the choice of exclusive Soviet domination, only occasionally contested by American policy, or of at least growing ties with even a politically weak Western Europe, the East Europeans clearly prefer the latter.

To register all of this is not to say that Europe will simply drift into a separate accommodation with the Soviet Union, fulfilling long-standing Soviet ambitions. It is to note, however, the potential and growing West European susceptibility to a Soviet policy based more on Litvinov's prescriptions than on Stalinist practices. A Soviet policy designed to exploit more subtly the continued absence of a united Europe, the mounting American frustration with the low level of the European defense effort, and the inevitable appeal of escapist notions regarding disarmament, nuclear freezes, and the like could have a significant impact on both American and European public opinion. Indeed, under certain circumstances, one can even envisage a spontaneous American inclination to disengage from Europe, with conservatives advocating it out of irritation with European unwillingness to do more for common defense, and with liberals propounding it because of their current tendency to deal with difficult security matters by evasion. The U.S. deficit will, in any case, drive Congress toward a more critical look at the cost of the U.S. NATO commitment.

In Europe itself, such a more subtle Litvinov-type Soviet policy would aim not at the dismantling of NATO as such but at depriving it of any political or military substance. Exploiting the duality of German feelings and the growing ties between Bonn and East Berlin, it would seek to transform Germany into a quasi-neutral member of NATO, thereby alarming and further fragmenting Western Europe. Instead of concentrating on trying to inflict on America a visible and direct political defeat in Europe, it would play on European unwillingness to associate itself with America in wider global and ideological rivalry with Russia, in order to achieve European acquiescence to a subordinate relationship with Moscow.

It is not self-fulfilling pessimism to note that a Europe dependent military, fragmented politically, and anachronistic economically remains a Europe more vulnerable to such blandishments. In brief, a sustained Soviet peace offensive poses the greater danger that Moscow finally might succeed in splitting Europe from America and thus, taking advantage of Europe's continued historical fatigue, attain finally a Yaltanized Europe.

VII

As President Mitterrand put it some two years ago, *"Tout ce qui permettera de sortir de Yalta sera bon. . . ."* But how to escape from Yalta? Forty years later, there must be a better option for both Europe and America than either a partitioned and prostrated Europe that perpetuates the American-Soviet collision, or a disunited Europe divorced from America acquiescing piecemeal to Soviet domination over Eurasia. And there is such a third option: the emergence of a politically more vital Europe less dependent militarily on the United States, encouraged in that direction by an American guided by a timely historic vision, and leading eventually to a fundamentally altered relationship with Eastern Europe and with Russia.

This third option requires a long-term strategy of the kind that the West simply has not devised in dealing with the enduring post-Yalta European dilemma. The point of departure for such a long-term strategy has to be joint recognition of the important conclusion which the experience of the last several decades teaches: the historic balance in Europe will be changed gradually in the West's favor only if Russia comes to be faced west of the Elbe rather less by America and rather more by Europe.

Thoughtful Europeans realize, moreover, that the future of Europe is intertwined with the future of Germany and of Poland. Without spanning, in some non-threatening fashion, the division of Germany, there will not be a genuine Europe; but continuing Russian domination of Poland makes Russian control over East Germany geopolitically possible. Thus the relationship between Russia on the one hand and Germany and Poland on the other must be peacefully transformed if a larger Europe is ever to emerge.

Both Americans and Europeans must also face up to the implications of the fact that the division of Europe is not only the unnatural consequence of the destruction of Europe in the course of two world wars; in the long run it is also an inherenty unstable and potentially dangerous situation. It is likely to produce new explosions in Eastern Europe and it could also generate a basic and destabilizing reorientation in Western Europe, especially since for many Europeans the existence of the two alliances across the dividing line in the middle of Europe is seen as an extension of superpower efforts to perpetuate the status quo.

Accordingly, concentration on the purely military dimension of the East-West problem, or trying to get the West Europeans to hew to the U.S. line in the Middle East or in Central America, is not going to preserve Western unity. America has to identify itself with a cause which has deeply felt emotional significance to most Europeans. Undoing the division of Europe, which is so

essential to its spiritual and moral recovery, is a goal worthy of the Western democracies and one capable of galvanizing a shared sense of historic purpose.

But that objective, so essential to Europe's restoration, cannot be accomplished as an American victory over Russia. Nor will it be achieved by an explicit Russian acceptance, through a negotiated agreement, of Eastern Europe's emancipation from Russian vassalage. Moscow will not yield voluntarily. A wider Europe can ony emerge as a consequence of a deliberately but subtly induced process of change, by historical stealth so to speak, which can neither be quickly detected nor easily resisted.

The West must shape that process and give it historical direction. As the point of departure for seeking the common goal, one can envisage a strategy combining five broad political, economic and military dimensions. Some involve relatively simple acts and can be summarized succinctly; some require more complicated processes of change, are bound to be more controversial, and thus require a fuller justification.

First, on the symbolic plane, it would be appropriate for the heads of the democratic West as a whole, perhaps on February 4, 1985, to clarify jointly, through a solemn declaration, the West's attitude toward the historic legacy of Yalta. In publicly repudiating that bequest—the partition of Europe—the West should underline its commitment to a restored Europe, free of extra-European control. It should stress its belief that there now exists a genuine European political identity, the heir to Europe's civilization, which is entitled to unfettered expression. It should affirm the right of every European nation to choose its sociopolitical system in keeping with its history and tradition. It should explicitly reject and condemn Moscow's imposition on so many Europeans of a system that is culturally and politcally so alien to them. Finally, by drawing attention to the positive experience of neutral Austria and Finland, it should pledge that a more authentic Europe would not entail the extension of the American sphere of influence to the European state frontiers of the Soviet Union.

Second, and in direct connection with the renunciation of Yalta's burden, the West should simultaneously reconfirm its commitment to the Helsinki Final Act. This is absolutely essential, for otherwise the repudiation of Yalta could give the Soviets the convenient argument that the territorial integrity of Poland and of Czechoslovakia is thereby again endangered. The Helsinki agreements confirmed the durability of the existing frontiers in central and eastern Europe, and the eastern nations must be reassured on this score. At the same time, the Helsinki agreements legalized and institutionalized the notion that the West has a right to comment on the internal practices of East European governments and that respect of human rights is a general international obligation. Accordingly, the repudiation of Yalta's historic legacy should be accompanied by the reaffirmation of the West's commitment to peaceful East-West relations, to the maintenance of the existing territorial status quo, and to the indivisibility of the concepts of freedom and human rights.

Moreover, reaffirmation of the continued Western commitment to the Helsinki Final Act could help to resolve the potentially fatal European ambivalence regarding Germany. The fact is that, while the Europeans resent their historic partition, they fear almost as much a reunited Germany. Therefore, the renunciation of Yalta's legacy—the division of Europe—should be accompanied by an explicit pledge, through the reaffirmation of Helsinki's continued relevance, that the purpose of healing the East-West rift in Europe is not to dismantle any existing state but to give every European people the opportunity to participate fully in wider all-European cooperation. In that context, the division of Germany need not be undone through formal reunification but by the gradual emergence of a much less threatening loose confederation of the existing two states.

Third, much in keeping with the spirit of these symbolic acts, Western Europe should strive to create the maximum number of opportunities for East European participation in various all-European bodies. There is today a proliferation of such institutions, both private and public. East Europeans should be encouraged quietly but systematically to increase their participation—even if initially only as observers—in such bodies as the European Parliament, as well as the myriad of more specialized technical agencies. The fostering in Eastern Europe of the European spirit, and of greater East European recognition that there is more to Europe today than meets the eye, is clearly in the interest of all Europe. But a new burst of energy in this regard is much needed.

It would also be appropriate for the major West European nations, as well as for America, to sponsor during the Yalta year of 1985—on either a private or public basis—a series of seminars and conferences on the future of post-Yalta Europe. A special effort should be made to invite East Europeans to participate, on whatever basis is possible, in deliberations designed to forge during that year a wider consensus on how best to undo peacefully Yalta's legacy.

In addition, Western Europe should reactivate efforts previously initiated but lately dormant designed to encourage closer contacts and eventually even some form of collaboration between the Common Market and Eastern Europe. In different ways, both East Germany and Yugoslavia today have practical relationships with that important West European entity. Precisely because the present Soviet leadership has stepped up its efforts to integrate Eastern Europe into COMECON and thus to bind it to the Soviet economy, additional initiative on the part of the Common Market is now badly needed. Even if the East Europeans, under Soviet pressure, were to refuff such Western efforts at closer contacts, exchange of information and some cooperative projects, the Western initiative would still have a positive effect. The recent East German willingness to risk Soviet displeasure at growing inter-German ties reflects the widespread desire as well as economic need of Eastern Europe for closer links with the rest of Europe. The continued economic stagnation of the Soviet-type economies makes the timing for greater Western activism in this regard particularly propitious.

Fourth, and in no way in conflict with the preceding, Europe should intensify its aid to those East Europeans who are struggling actively for the political emancipation of Eastern Europe. That struggle is the necessary concomitant and at least partially also the cause of evolutionary change in Eastern Europe. Only too often do West European well-wishers of a more independent Eastern Europe look askance at those in the East who undertake more direct forms of struggle. While cultivation of East European officials enjoys a certain fashionable prestige in Western circles, tangible assistance to those resisting totalitarianism is viewed only too frequently as somehow "in the spirit of the cold war."

Yet a division of labor between America and Europe in which the former is seen as alone in supporting dissident "subversion" while the latter engages exclusively in official courtship would be self-defeating. West Europeans should undertake to provide support for some of the activities that America has quite generously, for Europe's sake as well as for its own, sustained for more than three decades. The French recently have done so for the Polish Solidarity movement, and so have some other Europeans. Radio Paris has been gaining more East European listeners. But much more needs to be done. Germany, for example, after Chancellor Helmut Schmidt in effect endorsed Wojciech Jaruzelski's martial law in Poland, confined itself to truly humanitarian private philanthropy; it has not been as active as it could be in sustaining various forms of East European political activity designed to induce the existing regimes to transform themselves.

In subtle but sustained fashion West Europe could aid the East Europeans in such efforts, because in the age of transistors and mass communications totalitarian control can be pierced, with positive political effect. Western Europe should, after all, be a direct partner in the struggle for Europe's future, and a well-funded Franco-British-German-Italian consortium (a Foundation for a Post-Yalta Europe) to aid East European efforts to emancipate peacefully the eastern portion of Europe would be an appropriate and long overdue contribution.

Fifth, the time has come for a more fundamental rethinking of the relationship between Western security and political change in Europe as a whole. The West can make the needed adjustment, and America—since it plays the central military role—should take the lead to that end. America is needed in Europe to deter Russia not only from military aggression but from political intimidation. That is obvious and it justifies NATO and the American military presence on the continent. But an American military presence that reduces the incentive for the Europeans to unite politically, yet simultaneously increases the incentive for the Soviets to stay put militarily in central and eastern Europe, is a military presence not guided by a subtle political-historical calculus. A more sensitive calibration of the political-military equation is needed in order to safeguard Western Europe while promoting change in the East-West relationship.

If Europe is to emerge politically, it must assume a more direct role in its own defense. A Europe that plays a larger defense role will require a lesser, or at least a redefined, American military presence. A Europe that can defend itself more on its own is a Europe that is also politically more vital, while less challenging to the Soviet Union from a purely military point of view, than a Europe with a large American military presence in its very center. Such a Europe would then be better able to satisfy the East European yearning for closer association without such association being tantamount to an American defeat of Russia.

But Europe must be prodded to move in that direction. Left as it is, Europe's cultural hedonism and political complacence will ensure that not much is done. Even the modest 1978 NATO commitment to a three percent per annum increase in defense ex-

penditures was not honored by most European states. America should, therefore, initiate a longer-term process to alter the nature of its military presence in Europe gradually, while making it clear to the Europeans that the change is not an act of anger or a threat (á la the Mansfield resolution) but rather the product of a deliberate strategy designed to promote Europe's unity and its historic restoration.

Ultimately, the United States in NATO should be responsible primarily for offsetting Soviet strategic power, thus deterring both a Soviet attack or nuclear blackmail. But on the ground, the defense of Europe over the next decade should become an even more predominantly European responsibility. The needed process of replacing gradually but not totally (and certainly not in Berlin) the U.S. ground combat forces could perhaps be accelerated if, through the Mutual and Balanced Force Reductions talks or otherwise, the Soviet Union were willing to reciprocate by comparable withdrawals of its own ground forces. But, in any case, it should be accompanied by appropriate European efforts to assume greater responsibility for the defense of Europe not only on a purely national basis but through enhanced European defense coordination.

The United States should particularly encourage efforts at increased Franco-German military cooperation and eventual integrational. France has a historic awareness of a European identity while Germany chafes under Europe's partition. A Franco-German army would have the manpower, the resources, and the fighting potential to pick up the slack created by a gradual decrease in the American combat presence on the ground. The eventual fusion of these two national forces into a joint combat force would represent a giant step toward a politically more vital Europe, yet a Europe which would be less conflictual with the Soviet Union than a Europe hosting a large U.S. army and less threatening to Eastern Europe than a Europe with a powerful separate German army. A gradually reduced U.S. ground presence would in turn create pressure from even the existing East European regimes for a commensurate Soviet redeployment, thereby gradually creating a more flexible political situation.

To move Europe in this direction, the United States will have to take the first steps, even perhaps unilaterally through a ten-year program of annual cuts in the level of the U.S. ground forces in Europe. But these steps should be taken in the context of an articulated strategy that has a constructive political as well as military rationale. Its political purpose should be openly proclaimed; to create the setting for Europe's restoration and, through it, also for a more stable East-West relationship. It would also have to be made clear that some American combat forces would remain in Europe, as they do in Korea, thereby ensuring immediate American engagement in the event of hostilities. Moreover, continued American strategic protection of Europe should not remain confined only to the possible employment of nuclear weaponry. It should over time, with technological advance, be enhanced to include also some strategic defense. As strategic defense for America becomes more viable, it should be a major American goal to extend some of its protection to Europe as well.

A division of labor in NATO along the foregoing lines would make it much easier to consider by Yalta's fiftieth anniversary also those East-West security and political arrangements which at the moment seem premature, unrealistic, or excessively threatening to America or to Russia. These could include demilitarized or nuclear-free zones or extension of the Austrian-type neutrality to other areas, including later even to a loosely confederated Germany. It would encourage a process of change permitting the latent or frustrated West and East European impulses for the restoration of Europe gradually to surface. Eventually, it would permit Europe to emerge, and to play a major role on the Eurasian continent, along with the Soviet Union, India and China, while helping to ensure through its links with America that no single power dominates that geopolitically vital continent.

VIII

The fiftieth anniversary of Yalta is only ten years away. It should be our shared goal to fashion by then political-military arrangements which, instead of perpetuating the division of Europe—and perhaps even prompting West Europe's political decay, create the preconditions for peacefully undoing Yalta. A Western Europe essentially self-reliant in regional defense, while covered by the U.S. system of nuclear deterrence and also eventually by U.S. strategic defense, would be a Western Europe more capable of pursuing a positive policy toward the East without fear of domination by Moscow. In the final analysis, only Europeans can restore Europe; it cannot be done for them by others.

To be sure, Moscow will resist the aspirations of the Europeans. No empire dissolves itself voluntarily—at least not until it becomes evident that accommodation to gradual dissolution is preferable to the rising costs of preserving the imperial system. So it will be also with the Soviet empire. Moscow will violently protest any Western disavowal of Yalta's legacy and will accuse the West of worsening East-West relations; that is only to be expected. But such public disavowal is the necessary point of departure for more focused efforts by all the Europeans gradually to undo their continent's division. Once that historic commitment has been made, these efforts, as recommended here, need not be either aggressive or initially even very explicit. As time passes, with the organic growth of a larger Europe gathering momentum, it will become more and more difficult for the Kremlin to resist a process that over time may acquire the hallmarks of historical inevitability. At some point, then, even the Soviets may find it useful to codify some new neutrality arrangements in central Europe and to reduce and eventually to remove their occupation forces.

One should not underestimate in this connection Moscow's adaptability. Despite his ruthlessness, even Stalin accommodated himself to the reality of an independent Catholic Church in Poland; Khrushchev to a Polish peasantry free from collectivization and to a separate Romanian foreign policy; Brezhnev to "goulash communism in Hungary and to army rule in Poland. Why then should not the next generation of Soviet leaders be pressed also to come to terms with the fact that even the interests of the Soviet people would be better served by a less frustrated and oppressed east-central Europe, partaking more directly of the benefits of all-European cooperation.

As divided Europe enters the fifth decade after Yalta, it is important to reiterate that undoing Yalta cannot involve a precise blueprint or a single dramatic initiative. The shape of the future cannot be reduced to a neat plan, with specific phases and detailed agreements. Rather, it requires an explicit commitment and a sense of strategic direction for a process of change that is bound to have also its own dynamic. In any case, for America the emergence of a more vital Europe would be a positive outcome, for ultimately a pluralistic world is in America's true interest. Moreover, such a development would avert the major danger that if Yalta's legacy is not deliberately—though peacefully—undone in the East, it will eventually become the reality in the West. In other words, Yalta must be consigned to Europe's past if it is not to become Europe's future.

MEMORANDUM OF THE POLISH GOVERNMENT-IN-EXILE ON THE REPUDIATION OF THE YALTA AGREEMENTS OF FEBRUARY 1945

SUMMARY

1. The Yalta decisions have their origin in the Soviet territorial expansion in the period from 1939 to 1941, made possible by the Soviet-German collaboration following the Ribbentrop-Molotov Pact.

2. The Yalta decisions on Poland constituted an internationally consecrated satellisation of an independent state.

3. The real meaning of the Yalta agreement was that it facilitated further Soviet expansion up to the Elbe by way of both, formal annexations and the creation of a belt of satellite states. It is, however, incorrect to speak of the partition of Europe into two spheres of influence, the situation in Western Europe not being comparable in any way to that prevailing in the East.

4. The legal nature of the Yalta decisions remains obscure; whether or not these constitute an international treaty, there is no legal obstacle to their termination.

5. Such termination cannot by itself change the actual situation in Central and Eastern Europe; it would, however, be of major moral and political significance in the shaping of new policies aiming at such a change.

6. The Polish Government-in-Exile which, in 1945, vigorously protested against the Yalta decisions and refused to recognise their validity, now requests the Governments of the Free World to repudiate the Yalta agreements and to declare them null and void.

INTRODUCTION

The recent events in Poland have broken the silence which has prevailed over the Yalta decisions for 37 years. As the question is now reopened, it seems useful to attempt a reassessment of the Yalta agreement, its origins, meaning and consequences for Europe.

THE ORIGINS

The Yalta meeting between Churchill, Roosevelt and Stalin on 4–11 February 1945 was not an isolated event but a link in the chain of historical events out of which it grew. Soviet-German collaboration for almost two years after the start of the Second World War brought the Soviet Union important territorial acquisitions: from a strip of Finnish territory in the north, through the three Baltic states, Eastern Poland, down to Rumanian Bessarabia and Bukovina, i.e. to the mouth of the Danube in the South. The acquisition of Eastern Poland proved to be of decisive influence for the future.[1]

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[1] "From the partition of Poland the path leads, even in a roundabout way, to the agreements with

Even prior to the German attack on 22 June 1941, the Soviet Union made it clear that she expected Great Britain to recognise her annexation of the Baltic states before relations between the two countries could improve.[2] Having found herself in the Allied camp as a result of the German attack, the USSR made her position unmistakably clear as early as December 1941: she intended not only to keep all the gains achieved during the period of Soviet-German collaboration but demanded moreover the right to establish bases in Finland and Rumania, while signalling her agreement to possible future British bases in Denmark and Norway.[3] It soon became evident that the intended Soviet expansion would take two forms: straightforward annexations and the creation of a belt of satellite states endowed with "friendly" governments along the Soviet formal frontiers. It is impossible, within the limits of this paper, to trace the long road the Western powers have travelled from an initial categorical rejection of all such demands, through successive partial concessions, to their complete endorsement. The process is now fully documented both in official publications and in memoirs of statesmen.

THE YALTA DECISIONS

In this process the Yalta Conference represents a crucial development. The Conference dealt with a wide range of problems.[4] It was, however, the Polish question which occupied most of its time and which, by common admission, was of particular importance. The decisions on Poland must therefore briefly be recalled.

Poland, the ally on whose behalf Britain and France went into war, was absent from a conference which was to decide her future frontiers and her government. Moreover, Poland was treated as if she existed only in a vacuum, possessing no statehood, no government, no frontiers and not even a population which need be consulted. The vacuum was not filled in complete accordance with the long standing Soviet claims. Poland's eastern frontier was drawn as the Soviet Union demanded, thus, confirming the territorial gains already made under the 1939 Ribbentrop-Molotov agreement. Against this decision, the compensation Poland was to receive in the West was left undetermined both in its geographical extent and in its legal status. This new territorial entity, determined in the loss but undetermined in the gain, was to be endowed with a "friendly" government which, by common consent,[5] was to be a Soviet puppet, intended to act as an instrument of Soviet policy, which Western powers for this very reason had consistently refused to recognise. To make such recognition now palatable, this body had to be slightly refashioned by the inclusion of an insignificant number of outsiders, the refashioning to take place in Moscow, under the auspices of Molotov, the Soviet Foreign Minister, accompanied by the British and American ambassadors accredited to the Soviet Government. This "new" Polish government itself not a party to the decision—was to conduct "free and unfettered" elections at an unspecified date and in the absence of all institutional guarantees.

The Yalta decision on Poland was thus a clear case of an internationally consecrated satellisation of an independent state, to be borne out later by events within Poland and outside.

THE REAL MEANING OF YALTA

The question must now be asked (a) what was the real meaning of Yalta and (b) what it was not.

(a) If the decision on Poland was given pre-eminence in this paper it was because it transcends by far the fate of the Polish nation. Indeed, the abandonment of Poland to the Soviet empire, combined with the already existing Soviet occupation of Baltic states and the impending control of Eastern Germany, was inexorably bound to result in the loss of independence of all countries lying between Germany and Russia and in the establishment of Soviet domination up to the Elbe. It may be a matter of speculation whether a joint military occupation of Germany, on the model of the joint occupation of Berlin and Vienna, would have impeded or at least rendered more difficult such domination.[6] The fact remains that the attribution of individual Allied zones of occupation had already been decided long before the Yalta conference [7] and that this obviously helped to close the Soviet ring around Poland.

The satellisation of Poland, an international act performed at a single stroke, was followed by unilateral and more gradual satellisation of other countries in Central and Eastern Europe. Thus, for instance, the subjudication of Czechoslovakia took place as a result of unilateral Soviet pressure and as late as February 1948.[8]

As a result, this stage of Soviet empire-building was completed around 1953, with formal annexations including strips of Finland, the Baltic states, part of East Prussia with Konigsberg, Eastern Poland, Subcarpathian Ukraine, Bessarabia and Bukovina. The formal Soviet frontiers now surpass anything Czarist Russia ever held in Europe. To the West of these formal frontiers there was erected an advanced glacis of satellite states, including Poland, East Germany, Czechoslovakia, Hungary, Rumania, Bulgaria, Yugoslavia and Albania, although the last two succeeded later in recovering their independence from the Soviet suzerainty.

This then is the real meaning of Yalta: the extension of the formal Soviet frontiers and the enslavement of half of Europe not by way of a formal stipulation to this effect, but as a result of an internationally consecrated satellisation of a state holding a geographical key position in the area.[9] It was in this way that Yalta has become the foundation of the Soviet colonial empire in Europe.[10] This is why the USSR clings to the Yalta decisions with the utmost tenacity and violently reacts to all attempts to reopen the question.

(b) This situation has given rise to the widespread myth of a Yalta partition of Europe into spheres of influence. The myth does not correspond to reality. Yalta has indeed divided Europe into a vast Soviet-dominated area and one that is not Soviet-dominated; but this has been done not by a parallel attribution of respective spheres of influence to the participating powers, but by the Western allies condoning unilateral Soviet expansion. Neither in their text nor by their implications do the Yalta decisions provide for either territorial gains by or a hegemony of the Anglo-Saxon powers in Western Europe.

This remains true in spite of the fact that the idea of spheres of influence did in fact time and again appear in the course of the Western-Soviet negotiations during the war. Suggestions to this effect originated with the USSR, in the obvious intention of strengthening its own expansionist case.[11] Such suggestions were met with the same vacillations as were all other Soviet demands, ranging from straight refusal [12] through partial acceptance, qualified as a matter of military responsibility and for a limited period of time [13] to downright local

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the Western democracies that culminated in Yalta and actually placed East Central Europe within Russia's sphere of interest." Ripka, Eastern Europe in the Post-War World, London 1961, p. 52.

[2] The Rt. Hon. the Earl of Avon, The Eden Memoirs, vol. II, The Reckoning, London 1965, p. 263.

[3] Eden, op. cit., p. 290. Cf. Stettinius, Roosevelt and the Russians, The Yalta Conference, London 1950, p. 18.

[4] Its decisions, released on 12 February 1945 in the form of a "communique", bore on (1) the defeat of Germany, (2) the occupation and control of Germany, (3) reparations from Germany, (4) United Nations Conference, (5) liberated Europe, (6) Poland, (7) Yugoslavia, (8) meetings of Foreign Secretaries and (9) unity for peace as for war. The so-called "Protocol of Proceedings, released only on 24 March 1947, repeated textually the decisions mentioned above under (5), (6), and (7), as well as the decisions under (8) in a slightly abridged form, while carrying moreover an enlarged section on World Organisation, a distinct section on the dismemberment of Germany, though with no precise indications and subject to future study, a distinct section on the French zone of occupation in Germany as well as the French participation in the Control Council for Germany, and finally an enlarged section on German reparations. Furthermore, the questions of major war criminals, the Italo-Yugoslav and the Italo-Austrian frontiers, relations between Yugoslavia and Bulgaria, South Eastern Europe, Iran, the Montreux Convention and the question of the Straits were mentioned as problems for further study and consideration. A separate protocol on German reparations was attached. The agreement regarding entry of the Soviet Union into the war against Japan was classified top secret and was released only on 11 February 1946. Finally, a bilateral agreement between the United States and the USSR concerning liberated prisoners of war and civilian persons was released on 8 March 1946. Foreign Relations of the United States, Diplomatic Papers, The conferences at Malta and Yalta 1945, United States Government Printing Office, Washington 1955, pp. 968-987.

[5] Churchill, The Second World War, vol. VI: Triumph and Tragedy, London 1954, pp. 205 and 207; Eden, op. cit., p. 486; De Gaulle, Memories de querre, Le Salut, Paris 1959, p. 71.

[6] Thus Ripka: "* * * it was regrettable that Germany * * * was not subject to a joint occupation, but was divided into four occupation administrations * * * such a division of Germany into Western and Soviet spheres meant a division of all Europe." op. cit., p. 58.

[7] Stettinius, op. cit., p. 43.

[8] For the history of the satellisation of Central-East European countries, see Fejto, Histoire des démocraties populaires, Lère de Staline 1945/1952, Paris 1952.

[9] "There appears to be little doubt that Poland, due to its geographical position, was the primary objective of Soviet policy in East Central Europe. A non-Communist Poland would have resulted in the exclusion of the USSR from Central Europe." Brzezinski The Soviet Bloc—Unity and Conflict, revised edition, New York 1961. p. 4.

[10] "* * * a Varsovie, Budapest, Sofia, Belgrade, Tirana, les gouvernements qu'ils avaient investis étaient à leur discrétion et presque tous de leur obédience. Aussi la soviétization s'y développait-elle rapidement. Mais ce n'était là que la suite fatale de ce dont on avait convenu à la conférence de Crimée." De Gaule, op. cit., p. 202.

[11] A typical example is the conversation between Maisky and Eden in August 1943: "Maisky then said that after the war we could each have a sphere of influence in Europe the Soviet Union in the east and Britain and America in the west." Eden, op. cit., p. 405.

[12] Stettinius, op. cit., pp. 20-21: Eden op. cit,. p. 405.

[13] Churchill, op. cit., p. 198; Stettinius, op. cit, pp. 20-21; Eden, op. cit, p. 459.

deals of sordid character.[14] While such developments should in no case be glossed over, the general context would seem to indicate that what was at stake for the Western powers was less an actual establishment of their own spheres of influence than an attempt to set limits to growing Soviet expansion. This led to differing results such agreements being in some cases respected,[15] and other disregarded.[16]

The myth of Yalta partition of Europe into two spheres of influence founders equally on further developments and on the present day situation. Indeed, what has come to be known as the two blocs or alliance systems, is not comparable. As already mentioned, there are neither territorial gains by the Anglo-Saxon powers in Europe, nor any sort of hegemony. Great Britain is anyway no longer a world power and the United States heads an alliance system within which she is confronted not with vessel states but with authentic and, at times, very difficult allies. This system is based on a free decision of its members. France and Greece were free to leave the military organization of NATO without American tanks rolling into Paris or Athens and every Western European state is free to determine its own political, social and economic system without facing the danger of "normalisation". The existing division of Europe must be seen for what it is: a monolithic empire in the East from which no secession is permitted and within which no deviation, however slight, is tolerated, and a free alliance of heterogenous states in the West, with freedom of decisions, diverging interests and, all too often, conflicting policies.

THE LEGAL ASPECTS OF THE YALTA DECISIONS

The Yalta decisions have been described by a prominent American international lawyer as a "legal monstrosity".[17] They certainly stand unique in the history of international instruments both in form and in contents.

As regards from, they lack all normal characteristics of an international treaty, even by most lenient standards. However great the flexibility of international law in matters of form, some minimum requirements have yet to be met for an instrument so to qualify. Thus, an international treaty, whatever its designation—treaty, convention, agreement, protocol, etc.—is an agreement between two or more subjects of international law, giving rise to rights and obligations under that law; it is not an agreement between individuals, however elevated their rank.

Nowhere in the Yalta decisions is there any mention of the participating states. They are couched in the form of personal understandings between three highly placed political figures, speaking in their own name/"we have considered", "we have agreed", "we came", "we discussed"/, in the absence of any indication of their acting as organs of their respective states. They thus bear such a personal character as to prompt the question "whether the United States, in contrast possibly to President Roosevelt, was ever legally bound upon signature of the agreement by the latter." [18] Nor do the Yalta decisions carry any of the usual final clauses determining the coming into force of the treaty, its duration, termination, possible denunciation, etc. In fact, the decisions did not provide for ratification without at the same time indicating their entry into force upon signature. While purporting to deal with problems of general interest, they do not carry an accession clause and were in fact not acceded to be any other state.[19]

As regards contents, the instruments are a monument of obscurity, couched in a language of political proclamations, rarely encountered in legal acts, full of general statements with no discernible normative meaning and abounding in ambiguous qualifications—"democratic", "free and unfettered", "peace-loving", etc.—which were bound to give rise to widely differing interpretations, especially in the obvious absence of any common value judgment. This, by the way, is exactly what was to happen long after the Yalta conference. It is finally totally unclear what precise rights and obligations arise out of these decisions for the contracting parties, through this may result from the fact that these deal mostly with rights and obligations of third states—Poland, China, Yugoslavia, etc.

The participants at the Yalta conference chose, however, to qualify ex post the Yalta decisions as an international treaty and it must be conceded that they were free to do so. It was on the strength of such qualifications that the Western powers were repeatedly to accuse the Soviet Union of its violation.

But if that is so, and if the Yalta decisions in fact constitute a treaty, then it is a treaty tainted ab initio with illegality, being concluded in violation both of the basic principle of general international law according to which no state can, without its consent, be deprived of its rights by other states and also of an impressive list of existing treaties to which the Yalta participants were contracting parties.[20]

Summing up: on all generally accepted criteria, the treaty character of the Yalta decisions is subject to doubt; on the authentic interpretation of the contracting parties, it is not. On either assumption, the way is free for putting an end to Yalta: for either the decisions do not constitute an international treaty and thus have no legal existence whatsoever; or else, they do constitute such a treaty binding on the three contracting parties, but have been, as forcefully asserted by the two Western powers, repeatedly violated by the Soviet Union and are thus ripe for denunciation on the strength of the general principle of international, as of any law, that of inadempenti non est adimplendum, i.e. termination of the treaty on account of its violation by the contracting party.[21]

Thus there is no legal obstacle to ending the Yalta decisions for their participants; for the third states, Yalta anyway was and remains a res inter alios acta—a matter settled between other parties.

CONCLUSION

The Yalta decisions, spelling the enslavement of half of Europe, did not even bring about the expected peace and security for the rest of the world. On the contrary, the division of Europe became the source of permanent unbalance and tension. Moreover, the Soviet domination of Central-East Europe turned out to be not a final satisfaction of Soviet claims but a mere springboard for further Soviet expansion which is nowadays spreading over all continents.

Last but not least, the situation created in Central-East Europe as a result of Yalta keeps on being dramactically contested by its victims. East Berlin 1953, Poznan 1956, Budapest 1956, Prague 1968 and Poland 1970 and again 1980-81, bear witness to the determination of the enslaved peoples of that region to re-assert the rights of which they have been deprived. Nothing indicates that this process will stop, sparing the Western world recurring crises and even greater tensions. The end of Yalta is therefore in the common interest of those who are already enslaved and those who are still free.

Admittedly, the situation of fact prevailing in Central-East Europe will not cease by a mere withdrawal of its legal or pseudo-legal basis. Such withdrawal would, however, represent an immense moral and political asset in the shaping of new policies aimed at bringing about an effective change in Europe and the world. It is long overdue.

February 1982.

By Mr. LEAHY (for himself, Mr. MELCHER, Mr. BOREN, Mr. PRYOR, Mr. STAFFORD, and Mr. PROXMIRE):

S.J. Res. 41. Joint resolution to prohibit the Secretary of Agriculture from using his discretionary authority to reduce the support price of milk on July 1, 1985; to the Committee on Agriculture, Nutrition, and Forestry.

PROHIBITING THE REDUCTION OF SUPPORT PRICE OF MILK

Mr. LEAHY. Mr. President, I am pleased to introduce, along with Sena-

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[14] Thus the truly unique Churchill-Stalin "percentage deal" for the Balkans in October 1944 in Moscow. The Churchill proposal for zones—or degrees of influence there, accepted by Stalin, was as follows: "Rumania: Russia 90%, the others—10%, Greece: Great Britain—in accord with the USA—90%, Russia—10%, Yugoslavia: 50-50%, Hungary: 50-50%, Bulgaria: Russia—75%, the others—25%." The question was settled "in no more time than it takes to sit down." Churchill, op. cit., p. 198.

[15] E.g. Greece; Stettinius, op. cit., p. 195.

[16] E.g. Yugoslavia; Churchill, op. cit., p. 550.

[17] Briggs, The Leaders' Agreement of Yalta, American Journal of International Law, 1946, p. 383. The study of Prof. Briggs bears more particularly on the Yalta decisions dealing with the Far East; his formal criticisms however apply with equal force and accuracy to the whole of the decisions.

[18] Briggs, op. cit., p. 380. While not concluded under Article 2, section 2, clause 2 of the Constitution, requiring the "advice and consent of the Senate", the Yalta decisions could of course have fallen into the category of executive agreements for which such advice and consent are not required. Concerning the Far Eastern part of the decisions, Prof. Briggs held, however, that they "contain commitments of such uncertain meaning and doubtful duration as to raise serious doubts as to the President's constitutional competence to commit the United States by executive agreement." Ibid., p. 381. Here again, "uncertain meaning" and "doubtful duration" are characteristic of the whole of the Yalta packet and not only of its Far Eastern part.

[19] Curiously enough, not even the Yalta-sponsored government of Poland accomplished a formal act of accession, choosing instead the rather unusual formula of "recognition" of the Crimean decisions on Poland. Documents on American Foreign Relations, VII, p. 904.

[20] For the list of treaties violated by the Yalta decisions in the case of Poland, see Marek, Identity and Continuity of States in Public International Law, 2nd edition, Geneva 1968, pp. 490-491. For an analogous list concerning China, see Pan, Legal Aspects of the Yalta Agreement, American Journal of International Law 1952, pp. 51-55.

[21] The principle was qualified by one of the greatest international lawyers of our century, Dionisio Anzilotti, as "so just, so equitable, so universally recognized, that it must be applied in international relations also." Permanent Court of International Justice, Series A/B No. 70 p. 50. It is today codified in article 60 of the 1969 Vienna Convention on the Law of Treaties.

tors MELCHER, BOREN, PRYOR, STAFFORD, and PROXMIRE, legislation to maintain the support price of milk constant from April 1, 1985, to September 30, 1985. The joint resolution will remove the threat of a potentially disruptive and ill-advised reduction in the milk support price, while dairy farmers consider the kind of program needed in the new farm bill.

Specifically, the joint resolution will eliminate the discretionary authority for the Secretary of Agriculture to reduce the support price of milk on July 1. It will not require an increase in the support price.

CURRENT SITUATION

Under the provisions of Public Law 98-180, the Dairy Production Stabilization Act of 1983, the support price of milk was reduced from $13.10 per hundredweight to $12.60 per hundredweight, effective December 1, 1983. On April 1, 1985, the Secretary can reduce the support price of milk by 50 cents, to $12.10 per hundredweight, if he estimates that net price support purchases of milk or milk products during the 12-month period beginning on April 1 will exceed 6 billion pounds—milk equivalent—but the 50-cent-per-hundredweight fee levied against all milk produced in the United States will be removed.

The Secretary can also make an adjustment in the support price of milk on July 1, 1985. If the Secretary estimates that net price support purchases of milk or milk products during the 12-month period beginning on July 1 will exceed 5 billion pounds—milk equivalent—he can reduce the price support rate in effect on July 1, by 50 cents per hundredweight. The Secretary retains his authority to increase the support rate to ensure an adequate supply of milk.

This possible reduction on July 1 is unwise policy for several reasons, and this legislation is directed toward eliminating the authority for the reduction.

PRODUCTION AND CONSUMPTION ARE BECOMING EQUAL

Milk production in 1984 was down 3 percent from 1983 while milk and dairy product sales increased about 3 percent. As a result, net purchases by the Commodity Credit Corporation declined by nearly 50 percent from the previous year.

Dairy producers have achieved these results by reducing feed rations, going from three to two milkings per day, milking first calf heifers, slaughtering cows, and stepping up promotional efforts. Dairy producers have taken these actions at their own expense.

Many people are encouraged by the success of recent efforts and believe that these actions will result in a better balance between production and use without substantial change in the program provisions.

COMPREHENSIVE PROGRAM NEEDED

Mr. President, the writing of the 1985 farm bill will begin soon. That bill will establish a new dairy program after October 1, 1985.

Based on meetings and conversations I have had with Vermont dairy farmers, I believe that, while there is still a wide range of opinion concerning the specific provisions of the new program, many of the objectives of a new program are already clear to farmers and to others who are involved with the dairy industry.

I will be working with my colleagues on the Senate Committee on Agriculture, Nutrition, and Forestry to see that the new bill takes these objectives into account.

The dairy program in the new farm bill should be a long-term, enduring program that will not invite or require year-by-year adjustment by Congress. Dairy farmers deserve a program that allows realistic planning.

The program should protect family farmers by seeing that they do not have to operate under unrealistic programs. In my home State of Vermont, most farms are small and family operated. They are increasingly disadvantaged by persistent high interest charges and other costs of producing. The administration's command to—"get big or get out"—could lead to scores of bankruptcies in Vermont.

Increasing domestic use of milk and dairy products is a key feature of any program that intends to address the long-term needs of dairy producers. I hope that the new dairy program will make increases in consumption a major objective. Many of Vermont's dairy farmers tell me that milk isn't overproduced—it's undersold.

U.S. dairy farmers are hurt by unfair import competition. At the same time, the efforts of the administration to develop overseas markets for domestically produced dairy products are disappointing. Certainly more can be done to use the abundance of milk products to relieve the famine in Africa and other parts of the world.

Unity on dairy policy is a chief objective of many dairy farmers in Vermont. They would like to see a broad agreement among dairy farmers, in Vermont and elsewhere, about a new dairy policy. To get this broad agreement, we in Congress will have to reach out for the best advice from our dairy farmers. I have had many meetings with dairy farmers in Vermont, and I intend to hold many more.

Vermont dairy farmers are aware of the past criticisms of the milk price support program. They recognize the dangers of overly generous price support program provisions that encourage production solely for Government warehouses. They want to avoid such dangers, and agree with the need to hold down the cost of Federal programs. At the same time, no one wants a support price cuts that can drive many family farms out of business.

CONCLUSION

Mr. President, I believe that adoption of this joint resolution will improve the prospects for a sensible debate on the dairy program needed in the new farm bill. I urge my colleagues to support it. Also, I invite Senators to join me in working for a new dairy program in the 1985 farm bill that will meet the needs of dairy farmers and address the concerns raised by critics of current programs.

I ask unanimous consent that the resolution be printed in the RECORD at this time.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 41

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculure may not take any action under the provisions of section 201(d)(1)(B)(ii)(I) of the Agricultural Act of 1949 to reduce the support price for milk for the period July 1, 1985 through September 30, 1985.

By Mr. HEINZ (for himself, Mr. GLENN, Mr. ABDNOR, Mr. BUMPERS, Mr. COHEN, Mr. BURDICK, Mr. DOLE, Mr. CHILES, Mr. DOMENICI, Mr. CRANSTON, Mr. GRASSLEY, Mr. DECONCINI, Mrs. HAWKINS, Mr. DIXON, Mr. HELMS, Mr. DODD, Mrs. KASSEBAUM, Mr. EXON, Mr. LUGAR, Mr. HOLLINGS, Mr. QUAYLE, Mr. JOHNSTON, Mr. WILSON, Mr. LEVIN, Mr. MATSUNAGA, Mr. MOYNIHAN, Mr. NUNN, Mr. PROXMIRE, Mr. PRYOR, and Mr. ZORINSKY):

S.J. Res. 38. Joint resolution authorizing and requesting the President to designate the week of March 10 through 16, 1985, as "National Employ the Older Worker Week"; to the Committee on the Judiciary.

NATIONAL EMPLOY THE OLDER WORKER WEEK

● Mr. HEINZ. Mr. President, I am pleased to introduce today, together with the ranking minority member of the Aging Committee, Senator GLENN, and numerous cosponsors, a joint resolution to authorize and designate the week of March 10 through 16, 1985, "National Employ the Older Worker Week." The chairman and ranking minority members of the House Select Committee on Aging, Representatives ROYBAL and RINALDO, along with Representative PEPPER, are also introducing this resolution in the House of Representatives.

Our resolution calls attention to both the potential of older workers and some of the problems which block employment opportunity for them. The American Legion has sponsored such a week for older workers every year since 1959, joining with local

American Legion posts, State and area agencies on aging, the National Council on Aging, the American Association of Retired Persons, and Senior Community Service Employment Program sponsors to focus attention on the advantages of employing older persons. The American Legion has presented citations to employers who have promoted successful programs for hiring and retraining older workers within their organizations.

Special programs will be held around the country to mark this important week and to encourage employers to generate employment opportunities for older persons. Employers will become more aware of job opportunities and job retention options.

Mr. President, the trends and the demographics are clear. We need to look to the future and prepare for the inevitable work force changes that will occur. Our Nation will need these productive older workers. As you are aware, Mr. President, age discrimination of the population will be shifting dramatically over the coming decades. The population of the younger—16 to 44—working-age population has ceased growing and will remain a constant number for nearly two decades. The enormous baby boom generation will retire with fewer younger people in the work force and fewer to contribute to their support. Unless we convince older workers to stay productive members of the work force, we will not have the necessary labor force to produce what this country must to support today's—let alone a rising—standard of living. Not only are we wasting valuable human resources, but failure to adapt work patterns to the needs of older workers will take a serious toll on the economic well-being of our entire society.

Older workers today represent a large but neglected national resource. Only 14 percent of individuals between 55 and 64 are presently in the labor force. More than 770,000 Americans 55 and over are out of work—1.1 million if one adds to the "officially unemployed" the so-called discouraged older workers who have withdrawn from the labor force unwillingly because they simply could not find jobs and eventually gave up looking for them. These unemployed and discouraged older workers often have greater financial obligations than younger workers do. Many workers in their fifties have children in college whom they must support. Mortgage and car payments as well as other financial commitments often rise with a worker's age and income. Many older unemployed workers cannot begin to draw a pension because they worked for a company that lacked one or because they have not met the age and service requirements. They do not become eligible for Social Security's reduced early retirement benefits until age 62, nor for Medicare until age 65. Once unemployed, the older worker runs the greatest risk of being without work for long periods of time. People 55 and over are out of work on the average nearly 20 weeks before being reemployed. That is 23 percent longer than the 15.5 weeks between jobs, on the average, for all unemployed Americans.

Mr. President, older people want to work. National polls and research findings indicate that many more would like to find full- or part-time jobs, but feel that the opportunity is not there.

Three out of four retirees in a 1981 Harris survey stated that they wished they had never quit work. Futher, the poll found that among all those now working in the key preretirement age between 55 and 64, a majority of 79 percent are proposed to stopping work completely when they retire. And surveys show that 90 percent of Americans disapproved of mandatory retirement.

Some employers are already recognizing older workers as a resource. They are initiating hiring, retraining, second career and job retention programs for older workers. These progessive companies, large and small, deserve to be recognized as examples for others to follow. There are still too many other employers who do not perceive older workers in such a positive light and continue to practice, consciously or unconsciously, age discrimination against them.

Mr. President, I realize that this resolution is just a small step, but it is a step that is worth taking now to help dramatize the need for action. As chairman of the Special Committee on Aging, I will be working toward the development of substantive policies to promote greater employment opportunities. I believe that we can no longer ignore the vast potential contribution that these Americans are capable and desirous of making to our society. The results of this promotional week will benefit older workers, employers, and the Nation as a whole. I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 38

Whereas individuals aged fifty-five and over are a major national resource, constitute 21 per centum of the population of the United States at the present time, and will constitute a larger percentage of the population in future decades;

Whereas a growing number of such individuals, being willing and able to work, are looking for employment opportunities, want to remain in the work force, and would like to serve their communities and their Nation in productive roles;

Whereas such individuals, who have made continuing contributions to the national welfare, should be encouraged to remain in, or resume, career and voluntary roles that utilize their strengths, wisdom, and skills;

Whereas employers who retain older workers or rehire older former employees report that such workers and employees exhibit greater company loyalty, high levels of job performance, and low rates of absenteeism; and

Whereas The American Legion has sponsored a "National Employ the Older Worker Week" during the second full week of March in every year since 1959, focusing public attention on the advantages of employing older individuals: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to designate the week of March 10 through 16, 1985, as "National Employ the Older Worker Week", and to issue a proclamation calling upon—

(1) the employers and labor unions of the United States to give special consideration to older workers, with a view toward expanding career and employment opportunities for older workers who are willing and able to work and who desire to remain employed or to reenter the work force;

(2) voluntary organizations to reexamine the many fine service programs which they sponsor with a view toward expanding both the number of older volunteers and the types of service roles open to older workers;

(3) the United States Department of Labor to give special assistance to older workers by means of job training programs under the Jobs Training and Partnership Act, job counseling through the United States Employment Service, and additional support through its older worker program, as authorized by title V of the Older Americans Act; and

(4) the citizens of the United States to observe this day with appropriate programs, ceremonies, and activities.●

● Mr. GLENN. Mr. President, I am pleased to join my colleagues in introducing this resolution to designate the week of March 10, 1985, as "National Employ the Older Worker Week." Older workers have contributed much to our Nation in the past and continue to enrich our society through their services. They deserve our recognition and support. I appreciate the efforts of the American Legion in sponsoring such a week for older workers.

Citizens age 55 and over, who constitute 21 percent of our population, are a major national resource. Many of these persons do not want to stop work completely upon retirement, but desire to continue working part time, full time, or on a voluntary basis. We should encourage these persons to reenter or remain in the work force, for we can all benefit from their wisdom, skills and experience.

The aging of the American work force will be a prominent issue facing both Congress and employers during the coming decade. The bulk of our current work force is the group of younger workers aged 16 to 44, but this group will peak in numbers around 1990 and then begin to decline. In order to sustain economic growth and productivity, we must look to the

pool of middle-aged and older persons. Yet, our current Social Security and pension policies encourage early retirement and overlook the positive contributions that older workers are capable of making. We must adapt these programs to the demographics of the aging work force.

I would also like to accentuate the positive contributions that middle-aged and older women are making to the American work force. I recently chaired a hearing of the Senate Special Committee on Aging in Columbus, OH, on "Women in Our Aging Society." The purpose of the hearing was to examine the changing roles of women in American society and to identify the issues that must be addressed in order to plan ahead for the 21st century. One of the issues we discussed was the growing participation of women in the work force. Women now account for 53 percent of the American work force, as compared to just 32 percent in 1960. Middle-aged women are the fastest growing segment of our labor force and their contributions will be even more critical in the years ahead when we will confront a shortage of younger skilled workers. But these women often face an uphill battle in gaining the necessary job skills and combating age discrimination. One of our witnesses at the hearing, Mrs. Marjorie Jenks of Columbus, OH, told her story of reentering the work force in her midforties after raising four children:

My 40's were years in which I began to discover myself again. I became something other than someone's mother. My confidence and job skills improved, and by the time I was 50, I was ready to move to a better paying position.

I felt well, and it never really occurred to me that anyone would find me too old to hire. I just never thought of it. I began answering advertisements in the newspaper for which I could meet and even exceed the requirements. However, after giving my employment history and dates either over the phone or by mail, I was never called for an interview. This puzzled me because there was supposedly a shortage of qualified secretaries.

I remember then how when I was in my middle 20's and worked in a law office, we used to run ads for secretaries stating they had to be 35 years or under. I began to wonder why I hadn't questioned that policy.

Finally, I simply presented myself at the personnel office of a very large international corporation which had opened a large facility near my home. Many of the graduates from the high school at which I worked were obtaining clerical jobs there as salaries higher than what I was making after 7 years. I interviewed with a clever personnel officer who told me that though there were entry level jobs available, I would not be happy working there as I was overqualified, and they had very few jobs which required skills as good as mine. She was so clever that it wasn't until I was in the car on the way home that I realized that I had not said I didn't want an entry level job. She said I didn't want it. I smiled to myself when in the last month or so I picked up the newspaper and saw an article saying that this company has been accused of a longstanding policy of age discrimination. I now doubt that they wanted to put me under their pension plan at age 50.

I finally heard of a secretarial opening with a State agency through a friend. I was interviewed, was hired and have been employed there for 6 years now as an administrative secretary. Although I do like my job, there is nevertheless the knowledge that this is probably it. I cannot conceive of going out into the job market again at 57.

Mrs. Jenks offered a good example of both the problems encountered by older workers and the opportunities available to them. We must continue to support programs which train and employ middle-aged and older workers, such as the Older Americans Act Title V Program and the Job Training Partnership Act. These programs enable older persons to remain self-sufficient and independent. I have introduced legislation to establish a job training trust fund to enable displaced workers to acquire the necessary skills for employment in today's economy.

I urge my colleagues to join me in recognizing the past, present, and future contributions of older workers, by supporting this resolution for "Employ the Older Worker Week."●

By Mr. LUGAR (for himself, Mr. ANDREWS, Mr. BENTSEN, Mr. BOSCHWITZ, Mr. BUMPERS, Mr. CHAFEE, Mr. CRANSTON, Mr. DIXON, Mr. DOLE, Mr. DURENBERGER, Mr. EAGLETON, Mrs. HAWKINS, Mr. HOLLINGS, Mr. KENNEDY, Mr. MATHIAS, Mr. MATTINGLY, Mr. NUNN, Mr. PELL, Mr. QUAYLE, Mr. SARBANES, and Mr. WEICKER):

S.J. Res. 40. Joint resolution to designate the month of October 1985 as "National Down Syndrome Month"; to the Committee on the Judiciary.

NATIONAL DOWN SYNDROME MONTH

● Mr. LUGAR. Mr. President, it is my pleasure today to introduce again this year, along with a number of my colleagues, a joint resolution to designate the month of October 1985 as "National Down Syndrome Month."

Down syndrome occurs once in every 1,000 births. It results from a genetic mishap in which an extra chromosome No. 21, that affects physical and mental development, is found within the individual's genetic material. For years Down syndrome carried the stigma of being a hopeless impediment to a meaningful and productive life. In fact, early literature on children with Down syndrome indicated that their development plateaued by age 5.

Happily, the past 15 years have brought a revolution in terms of discovering the potential for individuals with Down syndrome. Significant medical advances have enabled correction of a number of the congenital disorders associated with Down syndrome which have impeded normal functioning in society. Moreover, infant stimulation programs being taught to new parents of babies with Down syndrome, have increased intellectual development far beyond previous expectations.

Mr. President, since enactment of Public Law 94-142, we can see the rewards of educating the developmentally disabled in our public schools, both in terms of their increased achievements and consequently, the contributions that these children will make to society in the future as productive citizens.

An integral part of this process has been the fostering of public awareness, the dissolution of old stereotypes and stigmas about Down syndrome, and an acceptance of these individuals into the mainstream of our society. Mr. President, given the tremendous success of October 1984 as National Down Syndrome Month, I am confident that this resolution will again contribute to that education and acceptance and I urge my colleagues to join as cosponsors of this measure.

I ask unanimous consent that the text of this joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 40

Whereas the past decade has brought a greater and more enlightened attitude in the care and training of the developmentally disabled;

Whereas one such condition which has undergone considerable reevaluation is that of Down syndrome—a problem which, just a short time ago, was often stigmatized as a mentally retarded condition which relegated its victims to lives of passivity in institutions and back rooms;

Whereas, through the efforts of concerned physicians, teachers and parent groups such as the National Down Syndrome Congress, programs are being put in place to educate new parents of babies with Down syndrome; to develop special education classes within mainstreamed programs in schools; the provision for vocational training in preparation for competitive employment in the work force and to prepare young adults with Down syndrome for independent living in the community.

Whereas the cost of such services designed to help individuals with Down syndrome move into their rightful place in our society is but a tiny fraction of the cost of institutionalization;

Whereas along with this improvement in educational opportunities for those with Down syndrome is the advancement in medical science which is adding to a more brightened outlook for individuals born with this chromosomal configuration; and

Whereas public awareness and acceptance of the capabilities of children with Down syndrome can greatly facilitate their being mainstreamed in our society: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1985 is designated "National Down Syndrome Month" and that the President of the

United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the designated month with appropriate programs, ceremonies and activities.●

By Mr. INOUYE:

S.J. Res. 42. Joint resolution to consent to an amendment enacted by the legislature of the State of Hawaii to the Hawaiian Homes Commission Act, 1920; to the Committee on Energy and Natural Resources.

CONSENT TO AN AMENDMENT TO THE HAWAIIAN HOMES COMMISSION ACT, 1920

● Mr. INOUYE. Mr. President, today I have introduced a measure to give the necessary consent of Congress to amendments to the Hawaiian Homes Commission Act which have been recommended and adopted by the State of Hawaii. These amendments reduce the blood quantum requirement for a Hawaiian homestead lessee's spouse or children to assume his unexpired homestead interest upon his death from 50 to 25 percent Hawaiian. They also limit the Hawaiian Homes Commission's authority to designate a successor if a lessee dies without having designated a successor.

In 1920, by the passage of the Hawaiian Homes Commission Act, the U.S. Congress dedicated approximately 200,000 acres of Government lands to a homesteading program for persons of at least 50 percent Hawaiian ancestry. Under this program, the Hawaiian Homes Commission was authorized to:

First, lease residential, agricultural or pastoral lots to eligible Hawaiians for 99-year periods at a rental of $1 per year;

Second, offer financial assistance to individual homesteaders through low-interest loans for agricultural development and home construction; and

Third, provide agricultural and other experts to aid the homesteaders in developing their farms and ranches. Such leases have been, and continue to be, made.

When Hawaii became a State in 1959, Congress required, as a condition of admission, that the Hawaiian Homes Commission Act become a provision of the Hawaii State Constitution. In addition, title to Hawaiian Homes lands, and responsibilities for the administering of the act were transferred to the State. However, the amendment of certain provisions of the act remained subject to the approval of the U.S. Government. Included among these provisions are those sections relating to the qualifications of lessees and their successors. The measure I am introducing today is thus necessary to ratify the State of Hawaii's decision to reduce the blood quantum requirement for a spouse or child to succeed an original lessee's homestead interest.

The Hawaiian Homes Commission Act presently requires that successors to unexpired terms of Hawaiian home lands leases must be of at least 50 percent Hawaiian ancestry. In many instances, however, original homesteaders have spouses who are nonnative Hawaiians so that neither the homesteader's spouse nor offspring have the minimum blood requirement to qualify as successors. The death of a lessee thus often results in the eviction of his wife and children.

The lawmakers of the State of Hawaii are convinced that this situation threatens family stability and security and frustrates the intent of the Hawaiian Homes Commission Act. They have concluded that the native Hawaiian lessees should be provided with assurances that his closest family may succeed him in order to encourage stability and the improvement of property as well as to avoid inhumane results. It is to be emphasized, however, that the proposed relaxing of the blood requirement applies only to the surviving spouse and children so that all other successors to homestead leases will have to meet the existing 50 percent criteria.

Another concern reflected in the measure is that if a lessee dies without having designated a successor, the Hawaiian Homes Commission Act currently requires that the Department select a successor from among the lessee's spouse, children, widow or widowers of children, grandchildren, brothers, and sisters, widows or widowers of brothers and sisters, or nieces and nephews. Should the Department be successful in contacting all qualified relatives, the Hawaiian Homes Commission must, somehow, select the successor. This has not been an easy task because of the problems it has caused within family units. The language hereby submitted for approval therefore limits selection by the Commission of a qualified successor to a spouse, or if none, then the children. If there are neither spouse nor children, the lease will be canceled. This places the onus on the lessee to designate a successor.

Mr. President, this measure represents the first time that the State of Hawaii has sought the consent of Congress for amendments to the Hawaiian Homes Commission Act. These amendments, passed as Act 272 of the 1982 Hawaii State Legislature, have been carefully debated and reviewed on the State level and I believe represents a reasonable means of forwarding the purposes of the original act. A Federal-State Task Force on the Hawaiian Homes Commission, composed of representatives of the Hawaiian community and Federal Department of Interior, after careful examination of the matter, have also recommended Federal consent to these amendments. I therefore urge my colleagues to act favorably on this measure and ask unanimous consent that the full text of the measure be printed in the RECORD at this point.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 42

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, as required by section 4 of the Act entitled "An Act to provide for the admission of the State of Hawaii into the Union", approved March 18, 1959 (73 Stat. 4), the United States hereby consents to the amendment enacted by the legislature of the State of Hawaii and approved by the Governor of such State on June 18, 1982, to section 209 of the Hawaiian Homes Commission Act, 1920.●

By Mr. THURMOND (for himself, Mr. WARNER, and Mr. TRIBLE):

S.J. Res. 43. Joint resolution to authorize the Armored Force Monument Committee, the United States Armor Association, the World Wars Tank Corps Association, the Veterans of the Battle of the Bulge, the 11th Armored Cavalry Regiment Association, the Tank Destroyer Association, the 1st, 2d, 3d, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th, and 16th Armored Division Associations, and the Council of Armored Division Associations jointly to erect a memorial to the American Armored Force on U.S. Government property in Arlington, VA, and for other purposes; to the Committee on Energy and Natural Resources.

AMERICAN ARMORED FORCE MEMORIAL MONUMENT

Mr. THURMOND. Mr. President, once again, joined by my distinguished colleagues from Virginia, Senators WARNER and TRIBLE, I am pleased today to reintroduce a joint resolution to authorize the erection of a memorial in Arlington, VA, for the purpose of honoring those men of "flesh and steel" who have honorably served their country as members of the American Armored Force, during World Wars I and II, the Korean and Vietnam wars, as well as those who are currently serving in comparable fighting units worldwide.

The measure I am today introducing is identical to Senate Joint Resolution 277, which passed the Senate during the 98th Congress on a unanimous voice vote. Unfortunately, the House was unable to consider the resolution prior to sine die adjournment.

Mr. President, this proposal has the endorsement, among others, of the Armored Force Monument Committee and its eminent chairman, Gen. Bruce C. Clarke (U.S. Army, retired). It has the support of the United States Armor Association; the World Wars Tank Corps Association; the Veterans of the Battle of the Bulge; the 11th Armored Cavalry Regiment Association, the Tank Destroyer Association;

the 1st, 2d, 3d, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th, and 16th Armored Division Associations.

Simply stated, this joint resolution would authorize the Secretary of the Interior to select, with the approval of the National Commission of Fine Arts and the National Capital Commission, a suitable site for this memorial in Arlington, VA. With private donors assuming the cost of erecting the monument, the only expense to the U.S. Government would be that incurred by the Interior Department for the maintenance and care of the memorial area.

Mr. President, one of the finest chapters in the epic history of the U.S. Army has been the story of the American Armored Force. This great military force had its beginning when Gen. "Black Jack" Pershing established the U.S. Army Tank Corps during World War I. Col. George Patton commanded one of the first tank brigades at the time when the American tankers received their first baptism of fire in the battle of St. Mihiel. Between the two World Wars, U.S. Army visionaries, like General Van Voorhis and Gen. Adna Chaffee, labored mightily to mechanize and modernize the U.S. Army. In January 1940, Gen. George C. Marshall brought fruition to their labors by creating the American Armored Force.

It was this American Armored Force that provided the powerful armored units. This force was composed of armored divisions, mechanized cavalry groups, separate armored field artillery, tank destroyer, and tank and armored infantry battalions, all of which contributed substantially to the victory of American arms in all the theaters of war in World War II.

Mr. President, this is the same American Armored Force that provided the basis of the Armored infantry, armored cavalry, armored artillery, armored engineers, armored signal and tank units that were an integral part of the success achieved by our forces in the many battles fought in the Korean and Vietnam wars.

Mr. President, it is an honor and a personal pleasure for me, along with my colleagues, Senators WARNER and TRIBLE, to once again introduce this joint resolution to authorize the erection of a monument honoring the American Armored Force. This memorial will signify permanent recognition by a grateful nation for heroic achievements in combat against aggression. I urge that this measure be given early and favorable consideration.

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. CRANSTON, the names of the Senator from New Jersey [Mr. LAUTENBERG] and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc.

S. 11

At the request of Mr. HEINZ, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 11, a bill to amend the Steel Import Stabilization Act.

S. 43

At the request of Mr. MATTINGLY, the names of the Senator from Rhode Island [Mr. CHAFEE], the Senator from Kansas [Mr. DOLE], the Senator from Texas [Mr. GRAMM], the Senator from New Hampshire [Mr. RUDMAN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Kentucky [Mr. MCCONNELL], the Senator from South Dakota [Mr. PRESSLER], the Senator from South Dakota [Mr. ABDNOR], the Senator from California [Mr. WILSON], the Senator from Virginia [Mr. WARNER], the Senator from Idaho [Mr. SYMMS], the Senator from Nebraska [Mr. EXON], the Senator from Oklahoma [Mr. NICKLES], the Senator from North Carolina [Mr. HELMS], the Senator from Nevada [Mr. HECHT], the Senator from Wyoming [Mr. WALLOP], the Senator from Mississippi [Mr. COCHRAN], the Senator from Wyoming [Mr. SIMPSON], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Iowa [Mr. GRASSLEY], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Indiana [Mr. QUAYLE], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Virginia [Mr. TRIBLE], the Senator from Alaska [Mr. STEVENS], the Senator from Missouri [Mr. DANFORTH], the Senator from Alabama [Mr. DENTON], the Senator from North Carolina [Mr. EAST], the Senator from Indiana [Mr. LUGAR], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Idaho [Mr. MCCLURE], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Arizona [Mr. GOLDWATER], the Senator from New York [Mr. D'AMATO], the Senator from Nevada [Mr. LAXALT], the Senator from Utah [Mr. GARN], the Senator from Nebraska [Mr. ZORINSKY], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Oklahoma [Mr. BOREN], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of S. 43, a bill to provide that each item of any general or special appropriation bill and any bill or joint resolution making supplemental, deficiency, or continuing appropriations that is agreed to by both Houses of the Congress in the same form shall be enrolled as a separate bill or joint resolution for presentation to the President.

S. 46

At the request of Mr. HELMS, the name of the Senator from South Dakota [Mr. ABDNOR] was added as a cosponsor of S. 46, a bill to amend the Civil Rights Act to protect the lives of unborn human beings.

S. 51

At the request of Mr. STAFFORD, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 51, a bill to extend and amend the Comprehensive Environmental Response, Compensation and Liability Act of 1980, and for other purposes.

S. 52

At the request of Mr. STAFFORD, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 52, a bill entitled "the Acid Rain Control Act of 1985".

S. 53

At the request of Mr. STAFFORD, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 53, a bill to amend the Clean Water Act, and for other purposes.

S. 58

At the request of Mr. BENTSEN, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 58, a bill to amend the Internal Revenue Code of 1954 to increase research activities, to foster university research and scientific training, and to encourage the contribution of scientific equipment to institutions of higher education.

S. 67

At the request of Mr. GORE, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 67, a bill to amend the Agricultural Adjustment Act of 1938 to prohibit the importation of tobacco which has been grown or processed using pesticides and other chemicals whose use has been prohibited in this country for health reasons.

S. 104

At the request of Mr. THURMOND, the names of the Senator from Minnesota [Mr. DURENBERGER], the Senator from North Dakota [Mr. BURDICK], the Senator from Michigan [Mr. RIEGLE], the Senator from Virginia [Mr. TRIBLE] and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 104, a bill to amend chapter 44, title 18, United States Code, to regulate the manufacture and importation of armor piercing bullets.

S. 120

At the request of Mr. MOYNIHAN, the name of the Senator from Georiga [Mr. MATTINGLY] was added as a cosponsor of S. 120, a bill to amend the Tax Reform Act of 1984 to provide a transitional rule for the tax treatment of certain air travel benefits provided to employees of airlines.

S. 171

At the request of Mr. QUAYLE, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cospon-

sor of S. 171, a bill to provide additional market credit options for developing nations with expanding economies and to expand markets for U.S. agricultural commodities abroad, and for other purposes.

S. 178

At the request of Mr. SYMMS, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 178, a bill to approve the Interstate and Interstate substitute cost estimates, to amend title 23 of the United States Code, and for other purposes.

S. 207

At the request of Mr. D'AMATO, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Nevada [Mr. HECHT], the Senator from Oklahoma [Mr. BOREN], the Senator from Illinois [Mr. SIMON], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of S. 207, a bill concerning vandalism of religious property.

S. 209

At the request of Mr. D'AMATO, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 209, a bill to amend chapter 37 of title 31, United States Code, to authorize contracts retaining private counsel to furnish collection services in the case of indebtedness owed the United States.

S. 210

At the request of Mr. D'AMATO, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 210, a bill to repeal the inclusion of tax-exempt interest from the calculation determining the taxation of Social Security benefits.

S. 233

At the request of Mr. D'AMATO, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of S. 233, a bill to provide for the minting of coins in commemoration of the centennial of the Statue of Liberty.

S. 235

At the request of Mr. THURMOND, the names of the Senator from Utah [Mr. GARN] and the Senator from Georgia [Mr. MATTINGLY] were added as cosponsors of S. 235, a bill to amend title 5, United States Code, to prohibit employment in civil service positions in the executive branch of any individual required to register under the Military Selective Service Act who has not yet registered.

S. 260

At the request of Mr. HEINZ, the names of the Senator from Virginia [Mr. TRIBLE], the Senator from Florida [Mr. CHILES], the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 260, a bill to amend the Internal Revenue Code of 1954 to provide that the substantiation requirements of section 274(d) of such code may be met, in the case of passenger automobiles and other transportation property, if the taxpayer provides substantial evidence other than contemporaneous records.

S. 267

At the request of Mr. SPECTER, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 267, a bill to authorize the implementation of a project for the control of beach erosion at Presque Isle Peninsula, PA, and for other purposes.

S. 268

At the request of Mr. SPECTER, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 268, a bill to authorize the implementation of a project for the prevention of flood damage on the west branch of the Susquehanna River at Lock Haven, PA, and for other purposes.

S. 269

At the request of Mr. SPECTER, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 269, a bill to authorize implementation of a project for the prevention of flood damage in Wyoming Valley, Luzerne County, PA, for other purposes.

S. 270

At the request of Mr. SPECTER, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 270, a bill to authorize the implementation of a project for the prevention of flood damage on the Susquehanna River at Harrisburg, PA, and for other purposes.

S. 271

At the request of Mr. SPECTER, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 271, a bill to authorize implementation of a project for flood damage prevention at Milton, PA.

Mr. SPECTER. Mr. President, I ask unanimous consent that the Senator from Pennsylvania [Mr. HEINZ] be added as an original sponsor at the next printing of the following bills:

S. 267. Erosion Control Project at Presque Isle (Erie) Pennsylvania.

S. 268. Flood Control Project at Lock Haven, Pennsylvania.

S. 269. Flood Control Project at Wyoming Valley, Luzerne County, Pennsylvania.

S. 270. Flood Control Project at Harrisburg, Pennsylvania.

S. 271. Flood Control Project at Milton, Pennsylvania.

Unfortunately, Senator HEINZ' name was inadvertently omitted from the first printing of these bills.

As I said in my statement (CONGRESSIONAL RECORD, January 24, 1985, pages S554-S555), I was reintroducing this legislation "for Senator HEINZ and myself."

S. 299

At the request of Mr. CHILES, the names of the Senator from New Mexico [Mr. BINGAMAN], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from California [Mr. CRANSTON], the Senator from Maryland [Mr. SARBANES], the Senator from Tennessee [Mr. SASSER], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of S. 299, a bill to provide for the release of Interstate construction and Interstate substitution funds.

S. 318

At the request of Mr. HEINZ, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from New York [Mr. MOYNIHAN], and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of S. 318, a bill to extend the revenue sharing program for local governments through fiscal year 1991.

S. 329

At the request of Mr. HECHT, the name of the Senator from Montana [Mr. MELCHER] was added as a cosponsor of S. 329, a bill entitled the Highway Speed Modification Act of 1985.

S. 339

At the request of Mr. LAUTENBERG, the names of the Senator from Rhode Island [Mr. CHAFEE], the Senator from Iowa [Mr. GRASSLEY], the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 339, a bill to implement the Rule of the Shorter Term in the case of computer programs.

S. 367

At the request of Mr. HART, the names of the Senator from California [Mr. WILSON], the Senator from Arkansas [Mr. BUMPERS], and the Senator from Nebraska [Mr. EXON] were added as cosponsors of S. 367, a bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes.

S. 370

At the request of Mr. MELCHER, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 370, a bill to make available supplemental assistance for famine relief and recovery in Africa.

S. 374

At the request of Mr. PRESSLER, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor

of S. 374, a bill to provide authorization of appropriations for the United States Travel and Tourism Administration.

SENATE JOINT RESOLUTION 8

At the request of Mr. SYMMS, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of Senate Joint Resolution 8, a joint resolution to approve the Interstate and Interstate Substitute Cost Estimates, to amend title 23 of the United States Code, and for other purposes.

SENATE JOINT RESOLUTION 13

At the request of Mr. THURMOND, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of Senate Joint Resolution 13, a joint resolution proposing an amendment to the Constitution relating to a Federal balanced budget and tax limitation.

SENATE JOINT RESOLUTION 15

At the request of Mr. DECONCINI, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of Senate Joint Resolution 15, a joint resolution to designate May 7, 1985, as "Helsinki Human Rights Day."

SENATE JOINT RESOLUTION 26

At the request of Mr. PRESSLER, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of Senate Joint Resolution 26, a joint resolution to designate "National Farm Crisis Week."

SENATE JOINT RESOLUTION 28

At the request of Mr. BOSCHWITZ, the names of the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Michigan [Mr. LEVIN], the Senator from Utah [Mr. HATCH], the Senator from Oklahoma [Mr. NICKLES], the Senator from Iowa [Mr. GRASSLEY], the Senator from Indiana [Mr. QUAYLE], and the Senator from Mississippi [Mr. STENNIS] were added as cosponsors of Senate Joint Resolution 28, a joint resolution to designate the week of September 8-14, 1985, as "National Independent Retail Grocer Week."

SENATE JOINT RESOLUTION 29

At the request of Mr. GLENN, the names of the Senator from Illinois [Mr. DIXON] and the Senator from Mississippi [Mr. STENNIS] were added as cosponsors of Senate Joint Resolution 29, a joint resolution to designate the week of November 11, 1985, through November 17, 1985, as "National Reye's Syndrome Week."

SENATE JOINT RESOLUTION 33

At the request of Mr. MATTINGLY, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of Senate Joint Resolution 33, a joint resolution to authorize and request the President to designate May 12, 1985 to June 16, 1985, as "Family Reunion Month."

SENATE CONCURRENT RESOLUTION 4

At the request of Mr. MOYNIHAN, the names of the Senator from South Carolina [Mr. HOLLINGS], the Senator from Massachusetts [Mr. KERRY], the Senator from Maryland [Mr. SARBANES], and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of Senate Concurrent Resolution 4, a concurrent resolution calling on the President to appoint a special envoy for northern Ireland.

SENATE RESOLUTION 34

At the request of Mr. D'AMATO, the names of the Senator from Massachusetts [Mr. KENNEDY], the Senator from Nebraska [Mr. ZORINSKY], the Senator from California [Mr. WILSON], the Senator from Alabama [Mr. DENTON], the Senator from Hawaii [Mr. INOUYE], the Senator from Wisconsin [Mr. KASTEN], the Senator from Maine [Mr. MITCHELL], the Senator from South Dakota [Mr. PRESSLER], the Senator from Maine [Mr. COHEN], the Senator from Nevada [Mr. HECHT], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Wyoming [Mr. WALLOP], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Virginia [Mr. WARNER], and the Senator from Georgia [Mr. MATTINGLY] were added as cosponsors of Senate Resolution 34, a resolution condemning the government of the Union of Soviet Socialist Republics for 5 years of forced and oppressive military occupation of Afghanistan in the face of popular resistance to Soviet imperialism.

SENATE CONCURRENT RESOLUTION 9—COMMENDING THE SUCCESS OF THE MEDICARE PROGRAM

Mr. HEINZ (for himself, Mr. GLENN, Mr. WILSON, Mr. MOYNIHAN, Mr. ZORINSKY, Mr. SARBANES, Mr. BRADLEY, Mr. DOMENICI, Mr. PRYOR, Mr. CHILES, Mr. DOLE, Mr. CHAFEE, Mr. BURDICK, Mr. BENTSEN, Mr. GRASSLEY, Mr. MATSUNAGA, Mr. DODD, Mr. MITCHELL, Mr. SIMON, and Mr. RIEGLE) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 9

Whereas Congress authorized Medicare in 1965 under title XVIII of the Social Security Act to consist of Hospital Insurance and Supplemental Medical Insurance;

Whereas Medicare has contributed immeasurably to the security, improved health and extended longevity of older Americans;

Whereas Medicare provides health insurance coverage to 31 million aged and disabled persons, and is the largest personal health care financing program in the United States;

Whereas over half of all physicians serve Medicare patients, and over 20,000 organizations—hospitals, nursing homes, home health agencies, labs and clinics participate in Medicare;

Whereas Medicare is one of the most vitally important and successful programs in the history of the United States, without which many older Americans could not afford basic health care;

Whereas one of the greatest social issues facing our nation today is maintaining the integrity of Medicare to ensure the health and well-being of all older Americans: Now, therefore be it

Resolved by the Senate (the House of Representatives concurring), That Medicare be commended on its 20th anniversary for the program's success in helping to protect older Americans against the high cost of health care.

● Mr. HEINZ. Mr. President, I am proud to offer today, along with 20 cosponsors, a Senate concurrent resolution expressing the sense of the Congress that the Medicare Program be commended on its 20th anniversary for the program's success in protecting older Americans against the high cost of health care.

This year marks the 20th anniversary of the enactment of the Social Security Amendments of 1965, creating a new title XVIII to provide health insurance coverage to older Americans against the cost of acute care. Medicare was destined not only to become one of the most important contributions to security in old age, but also the key to strengthening the safety net established by Social Security 30 years earlier. Medicare guaranteed that most older Americans would have the needed hospital insurance protection they deserved.

Since its enactment, Medicare has contributed immeasurably to the improved health and well-being of older Americans by helping to ensure access to appropriate and affordable health care. Over the years, Congress has expanded eligibility to include certain disabled persons under age 65 and individuals suffering from chronic renal failure. Congress has also responded to the need for less costly, more appropriate health care services by enhancing benefits to include hospice and health maintenance organization [HMO] services. In 1967, Medicare's first year of operation, the program served 19 million older persons. Today, more than 28 million older persons and 3 million disabled persons enjoy insurance protection under Medicare, making it the single largest personal health care financing program in the United States.

The medical community has played a key role in the success of Medicare. Over half of all physicians in the United States serve Medicare patients. More than 20,000 health organizations—hospitals, nursing homes, home health agencies, labs, and clinics—participate in Medicare. Quite simply, without the hard work and dedication of this Nation's health care professionals, we could not begin to meet the health care needs of older and disabled Americans.

Mr. President, Medicare is one of the most vitally important and successful

programs in the history of the United States, without which millions of older Americans would be denied access to basic health care services. But the promise of Medicare to assure older Americans access to quality health care without fear of impoverishment is being threatened by skyrocketing health care cost. For the past decade, Congress has attempted to gain control over these rising costs, with only limited success. That is why we must continue to seek ways to solve the looming financial crisis in the Medicare hospital trust fund. We must look at ways to restructure our present health care financing system which are consistent with American values of individual choice, creativity and innovation. It is clear that any serious attempt to restore solvency to Medicare must create a system of incentives for States, hospitals, physicians, insurers, and patients to control health costs.

Unless we take decisive action now, the Medicare program will be rapidly depleted of vital resources and older Americans will be left unprotected. By supporting this resolution, Congress recognizes and salutes the important contribution of Medicare to our Nation's health and security, and demonstrates its firm commitment to maintaining the integrity of the program in the future.

As chairman of the Senate Special Committee on Aging, I am proud to sponsor this concurrent resolution to commemorate the 20th anniversary of Medicare, and to commend Medicare for the program's success in protecting older Americans against the high cost of health care.●

SENATE RESOLUTION 62—OPPOSING CUTS IN EDUCATION PROGRAMS

Mr. BRADLEY submitted the following resolution; which was referred to the Committee on Labor and Human Resources:

S. RES. 62

Whereas the administration has proposed $170 million in recissions in education programs.

Whereas the administration has proposed an 8.6 per centum reduction in real terms in elementary and secondary education programs and a 32 per centum reduction in real terms in higher education programs in 1986;

Whereas the administration has proposed a 16 per centum reduction in 1986 in real terms in child nutrition programs;

Whereas the administration has proposed a reduction in real terms of 29 per centum for the Department of Education by 1990;

Whereas the administration has proposed a reduction in Department of Education funding in real terms of nearly 45 per centum over the current decade;

Whereas the Nation needs a better educated populace to meet the changing job demands and challenges of the 1980's and beyond; Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the Congress rejects the proposals of the President for further reduction in education programs and

(2) the Congress should provide sufficient resources for education programs to ensure that this Nation will continue in a leadership position in the World.

Mr. BRADLEY. Mr. President, today I am submitting a resolution opposing any further cuts in education programs. This resolution is submitted with full awareness that we are confronted by a budget deficit of unprecedented magnitude which cannot go unaddressed. Yet to place the burden of the deficit so heavily and unfairly on these education programs merely invites another deficit the consequences of which would be equally devastating over the long term—an education deficit. The President has proposed $3.5 billion in education cuts for fiscal year 1986 and recissions totaling $174 million. These cuts amount to roughly 9 percent in elementary and secondary education programs, a reduction of 16 percent in child nutrition programs, and a 32-percent reduction in higher education programs. Looking to the future, this budget proposes cutting the Department of Education budget in real terms by 29 percent by 1990, which would result in an accumulated cut of nearly 45 percent during the present decade.

These education programs have taken more than their fair share of cuts already. Further reductions are unconscionable.

Mr. President, we need only compare the proposals in the budget before us with our past commitments to education to realize that these proposals represent a fundamental shift in Federal priorities—a shift that I cannot and will not support. In 1980 we spent over $7.2 billion for elementary and secondary education programs. These programs, however, have been eaten away both by real cuts and by inflation. Compensatory education programs, for example, have been reduced by nearly 20 percent since 1980, and we are being asked to let them erode even further.

How can we continue to whittle away at these programs when over the past several years a national consensus has emerged for higher standards and greater expectations of our youth and their teachers. How can we speak of a commitment to excellence in education and support these drastic cuts? Quite simply, we can't. Federal dollars cannot guarantee excellence, but they are necessary components of the infrastructure which helps support our schools and our youth in their pursuit of excellence. Reductions in Government assistance are hurting our capacity to adequately educate our youth. This is not the time to cut Federal support in real terms by $230 million for compensatory education programs which are targeted to the most needy of our youth. Or to cut vocational education funding by $42 million. Or to slash impact aid payments to hard-hit school districts across the country, including 41 in New Jersey, by 22 percent. These actions will only serve to exacerbate the fiscal burden we have shifted to the States in recent years and erode the quality of the education we provide our youth. This is not the time to cut our support for these educational programs; our children's education needs additional support. And we need to develop new ways—funded adequately—to give our children the skills and chance they need to meet the changing job demands and challenges of the 1980's and beyond.

Mr. President, further cuts in child nutrition are unacceptable. Since 1980 we have witnessed a reduction of over 3 million students in the National School Lunch Program. In New Jersey alone, almost 100,000 fewer students are participating and about 120 schools have dropped out of the program already. Should these proposed cuts be accepted, we are likely to see 87,000 additional children in New Jersey forced out of this program. These cuts are predicated on a misconception regarding the operation of the program at the local level, a misconception which would result in the undercutting of a program which provides needed nourishment to millions of disadvantaged children. I will not support these cuts.

Furthermore, Mr. President, we are being asked to dramatically reduce our commitment to higher education. We all know that Federal aid to higher education is as good as any investment we can make to keep our leadership position in the world. The President's proposals, however, would place significant barriers between hundreds of thousands of our children and their opportunity for a higher education. Limiting federally subsidized student aid to $4,000 per year would cut deeply into the financial aid packages of a large percentage of students currently receiving aid, particularly low- and moderate-income students. In my State of New Jersey, the proposed changes in the student financial assistance programs would result in reductions in aid for nearly 50 percent of all students currently receiving assistance. This is hardly the time to slash Federal student aid by 27 percent.

Enough is enough. We cannot afford to cut back these valuable programs any further.

Mr. President, Thomas Jefferson fully appreciated the centrality of education to the future of our country and the democratic process itself. "If a nation expects to be ignorant and free," said Jefferson, "it expects what never was and what never will be." We would do well to continue to heed Jefferson's warning, which remains no less apt than it was 200 years ago. We

must stand together and reject the President's proposal. That is the purpose of the resolution I am submitting today. I urge my colleagues to join me in that effort.

SENATE RESOLUTION 63—RELATING TO THE U.S. TRAVEL AND TOURISM ADMINISTRATION

Mr. INOUYE (for himself and Mr. HOLLINGS) submitted the following resolution; which was referred to the Committee on Appropriations:

S. RES. 63

Whereas the travel industry is the third largest retail or service industry in the United States, and such industry involves over $210 billion annually;

Whereas the travel industry is the second largest employer nationwide, and directly and indirectly employs over 6.8 million men and women, many of whom are among the least employable persons in the Nation's workforce;

Whereas unemployment in the United States was still at the intolerable rate of 7.2 percent for December 1984, and on that date unemployment exceeded 12 percent in seven hundred forty-eight counties of the Nation and was at a rate of 18.8 percent among youth, including 42.1 percent among black youth;

Whereas the United States Travel and Tourism Administration is the agency of the Federal Government responsible for promoting tourism to the United States;

Whereas the Department of Commerce has stated that the cost/benefit ratio for the United States Travel and Tourism Administration's promotional programs was $18.50 for every Federal dollar spent;

Whereas foreign visitors to the United States spent over $12 billion in 1984; and

Whereas the administration proposes to rescind approximately $4 million of the $12,000,000 appropriated in fiscal year 1985 for the United States Travel and Tourism Administration, and to prohibit the agency from opening three regional offices in Italy, the Netherlands, and Australia, which were mandated by the Act entitled "An Act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes" (Public Law 98-411; 98 Stat. 1545): Now, therefore, be it

Resolved, That the Senate of the United States urges the President to reconsider—

(1) the rescission of funds for the United States Travel and Tourism Administration and to make the full amount available for obligation in fiscal year 1985; and

(2) the prohibition against opening such regional offices.

● Mr. INOUYE. Mr. President, last year Congress enacted and the President signed into law the Commerce, Justice, and State appropriations bill. Included in that $11.5 billion appropriation were $12 million for the programs of the U.S. Travel and Tourism Administration, and a specific direction to that agency to open by January 1, 1985, three additional regional offices in the Netherlands, Italy, and Australia to promote tourism to the United States.

We believed that this relatively insignificant Federal expenditure and modest program expansion were more than justified for the following reasons:

The cost/benefit ratio for the agency's promotional programs was $18.50 for every Federal dollar spent.

In 1983, worldwide travel volume was 3.6 billion arrivals.

Some 21.7 million foreign visitors came to the United States that year; and in our domestic travel market there were 540 million household trips and 1 billion person trips.

Foreign visitors to the United States spent about $11.4 billion in 1983, and our domestic travel expenditures by U.S. residents amount to $198.5 billion. Total travel spending therefore amounted to $210 billion.

The travel industry is the third largest retail or service industry in the United States—food stores is the largest, $259 billion, and automobile dealers is second, $222 billion.

Tourism is the second largest private employer nationwide which directly and indirectly employs over 6,800,000 men and women, and most importantly, it provides gainful employment for those who find it difficult to find employment—such as our unskilled men and women—young and old.

In 1983, tourism expenditures generated $13.8 billion in Federal tax revenues; $8.7 billion in State tax revenues; and $2.8 billion in local tax revenues.

In other words, Mr. President, by any measure that activities and programs of this agency contribute significantly to the National economy and add substantial revenues to the Federal Treasury.

Notwithstanding the obvious national interest in continuing and expanding these activities, we will shortly be asked by the administration to rescind $4 million of the $12 million we appropriated for fiscal year 1985, and to agree to its decision not to open the three regional offices we mandated in Public Law 98-411.

In anticipation of the forthcoming rescission message, the U.S. Travel Service has already failed to comply with the January 1, opening date for the three new regional offices, and has not developed plans to obligate $4 million of the total we appropriated. Its ability to promote tourism this fiscal year has thus already been weakened.

Mr. President, this is not the first time, nor is it the first administration that has attempted to curtail and even eliminate the U.S. Travel and Tourism Association. Democratic and Republican administrations alike have tried, and each time Congress in a bipartisan effort has thwarted the effort.

A budget rescission, of course, does not go into effect unless the Congress affirmatively passes a bill to withdraw the appropriation. In this case I really do not expect that to happen, given Congress' past support for the program. Under the terms of the Budget Act, however, the funds are impounded for 45 days of continuous session of the Congress. It will therefore be late April or May at the earliest before the $4 million would again have to be made available, and the agency would have to open the three regional offices. Meanwhile, the national interest will suffer.

Mr. President, we should not lose this valuable time. Along with the junior Senator from South Carolina, I am submitting a resolution by which the Senate can call upon the President to reconsider the proposed rescission.●

● Mr. HOLLINGS. Mr. President, once again an administration plans to dismantle the U.S. Travel and Tourism Administration. This time it is a Republican administration, but the last time it was the Democrats. That effort is truly bipartisan, but so have been the congressional efforts which have defeated each and every attempt.

The administration also proposes to phase out the Travel Service during fiscal year 1986. Meanwhile, it is also asking Congress to rescind $4 million of the $12 million we appropriated for fiscal year 1985, and to agree to its decision not to open the three regional offices we mandated in Public Law 98-411.

Mr. President, this Senator takes a back seat to no one in the effort to reduce the Federal deficit. I will not repeat my freeze proposal that will reduce the deficit to $29 billion by fiscal year 1989, but that is based on a "freeze" and not a "termination" of necessary Federal programs. And I maintain that continuation of the U.S. Travel and Tourism Administration at the levels Congress mandated makes sound economic sense because a healthy tourism industry will greatly benefit our economy. Let me recite a few statistics which I believe fully substantiate what I have said:

The cost/benefit ratio for the agency's promotional programs was $18.50 for every Federal dollar spent.

Foreign visitors to the United States spent about $11.4 billion in 1983, and our domestic travel expenditures by U.S. residents amounted to $198.5 billion. Total travel spending therefore amounted to $210 billion.

The travel industry is the third largest retail or service industry in the United States—food stores is the largest, $259 billion, and automobile dealers is second, $222 billion.

Tourism is the second largest private employer nationwide which directly and indirectly employs over 6,800,000 men and women, and most importantly, it provides gainful employment for those who find it difficult to find employment—such as our unskilled men and women—young and old.

In 1983, tourism expenditures generated $13.8 billion in Federal tax reve-

nues; $8.7 billion in State tax revenues; and $2.8 billion in local tax revenues.

Those, of course, are national statistics. I would also like to cite some statistics for my own State of South Carolina.

Travel and tourism was the second largest employer in my State in 1982.

In 1982, travel and tourism generated: 68,400 jobs; 5.9 percent of all jobs in South Carolina; $480 million in payroll; and nearly $2.5 billion expenditures in the State.

Tourists spent over $6.7 million per day in South Carolina in 1982: $2,467 million total domestic traveler expenditures.

The sum of $218 million total tax revenues: $94 million Federal tax revenues; and $113 million State tax revenues. Tourism contributed more than $309,000 per day in South Carolina in State taxes in 1982. South Carolina received $24.04 in tourism generated States taxes for each dollar the State budgeted for tourism in 1982.

Mr. President, I do not believe the U.S. Travel and Tourism Administration should tread water for 45 legislative days from the time Congress receives the administration's rescission message. I am therefore joining the senior Senator from Hawaii in submitting a resolution by which the Senate can call upon the President to reconsider the proposed rescission.●

SENATE RESOLUTION 64—ORIGINAL RESOLUTION REPORTED WAIVING CONGRESSIONAL BUDGET ACT

Mr. SYMMS, from the Committee on Environment and Public Works, reported the following original resolution; which was referred to the Committee on the Budget:

S. RES. 64

Resolved, That section 303(a) of the Congressional Budget Act of 1974 is hereby waived with respect to the consideration of S. 391, the Interstate Highway Funding Act of 1985.

SEC. 2. This waiver is necessary so that multiyear highway legislation may be considered by the Senate. Highway authorizations are contract authority which when enacted create new spending authority. To consider this multiyear highway bill such a waiver is required by section 303(a).

NOTICES OF HEARINGS

COMMITTEE ON THE BUDGET

Mr. DOMENICI. Mr. President, the previously announced hearing of the Senate Budget Committee to consider the President's fiscal year 1986 budget submission on Thursday, February 7, 1985, at 10 a.m. in room 608 of the Dirksen Senate Office Building has been changed to 9:30 a.m. The Honorable Caspar Weinberger, Secretary of Defense, is scheduled to testify.

For further information, contact Susan Yurko at the Senate Budget Committee at 224-0536.

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Committee's Subcommittee on Family Farms will hold a hearing on farm credit problems and their impact on agricultural banks on February 7, 1985. The hearing will begin at 2 p.m. in room 428A of the Russell Senate Office Building. Senator LARRY PRESSLER will chair the hearing. For further information, please contact Mike Haynes of the committee staff, at 224-8487.

Mr. President, I would like to announce that the Senate Small Committee will hold field hearings on tax simplification proposals and their impact on small business on February 13 and 14, 1985. On February 13, at 9 a.m., a hearing will be held in Sioux Falls, SD, at the Augustana College, and at 2 p.m. in Huron, SD, at the Huron College. On February 14, at 9 a.m., the hearing will be held in Rapid City, SD, at the Alex Johnson Hotel. Senator LARRY PRESSLER will chair the hearings. For further information, please contact Stewart Hudson of the committee staff, at 224-0840.

Mr. President, I would like to announce that the Senate Small Business Committee will hold a field hearing on February 15, 1985, in Seattle, WA, on U.S. Customs Service operations impact on exporters in the Puget Sound area. The hearing will begin at 1 p.m. in the Henry M. Jackson Federal Building. Senator SLADE GORTON will chair the hearing. For further information, please contact Bob Dotchin, of the committee staff at 224-5175.

Mr. President, I would like to announce that the Senate Small Business Committee will hold hearings on February 21 and 25, 1985, on a bill to authorize funding for the Small Business Administration for fiscal years 1986 through 1988. the hearing on February 21 will begin at 9:30 a.m. and on February 25, at 10 a.m. Both hearings will be held in room 428A of the Russell Senate Office Building. Senator WEICKER will chair the hearings. For further information, please contact Mike Haynes of the committee staff, at 224-8487.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. DOLE. Mr. President, I ask unanimous consent that the Foreign Relations Committee be authorized to meet during the session of the Senate on Tuesday, February 5, at 2 p.m. for a briefing on American foreign policy, to be conducted by Richard Allen, former National Security Advisor to President Reagan.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, February 5, at 2 p.m., to receive a worldwide intelligence briefing from the Central Intelligence Agency.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE FUTURE OF AMERICAN FOREIGN POLICY

● Mr. LUGAR. Mr. President, on January 31, I began a series of hearings in the Foreign Relations Committee on the direction of American foreign policy—its goals and strategy, its policy objectives, and the means employed over time to achieve those objectives and defend those interests. In many respects, this is the first such comprehensive review of American foreign policy since the late Senator Henry Jackson convened hearings in 1961 entitled "Organizing for National Security."

During the course of the next month, the committee will ask a number of foreign policy experts to testify. The committee's lead-off witnesses were Secretary of State George Shultz, Secretary of Defense Caspar Weinberger, and former Secretary of State Cyrus Vance. I ask that the entirety of their opening statements be included in the RECORD.

The statements follow:

THE FUTURE OF AMERICAN FOREIGN POLICY: NEW REALITIES AND NEW WAYS OF THINKING

(Testimony by Hon. George P. Shultz Before the Committee on Foreign Relations, January 31, 1985)

Mr. Chairman, members of the Committee, I am honored to lead off this important series of hearings on the future of American foreign policy. This is an auspicious moment: the beginning of a new Presidential term, of a new Congress, and of the term of a distinguished new Chairman. It is, for many reasons, a time of great promise and opportunity for the United States in world affairs.

Therefore, I commend the Chairman for focusing the attention of the Congress and the American people on the fundamental issues we will face—not just the day-to-day issues that make the news, but the underlying trends at work and the most important goals we pursue.

My presentation today is thus of a special kind. I would like to step back a bit and look at the present situation in perspective—the perspective of recent history, the perspective of the intellectual currents of our time, and the perspective of America's ideals and their relevance to the world's future.

THE CHANGING INTERNATIONAL SYSTEM

Soon after the dawn of the nuclear age, Albert Einstein observed that everything

had changed except our ways of thinking. Even so dramatic a development as the nuclear revolution took a long time to be fully understood; how much longer has it usually taken to understand the implications of more subtle, intangible historical changes taking place around us.

Nineteen-forty-five, everyone knows, marked a major turning point. An international system that had lasted for more than a century had broken down under the weight of two world wars and a great depression. An international order centered on Europe and dominated by Europe was replaced in the early postwar period by a new arrangement—a world dominated by two new superpowers, torn by ideological conflict, and overshadowed by nuclear weapons that made a new world war potentially suicidal. At the same time, an integrated international economic system established by America's initiative—based on the dollar and on a strong commitment to the freest possible flow of trade and investment—replaced the unbridled economic nationalism that had helped undermine international peace between the wars.

But history never stops. The postwar order, too, evolved and changed its shape. The breakup of colonial empires brought scores of new states onto the world stage. The so-called Third World became the scene of a growing number of local and regional conflicts. America, after Vietnam, retreated for a time from its active role of leadership. Europe, China, and Japan came into their own again as important economic and political actors; the energy crisis dramatized both the diffusion of economic power and the vulnerability of the postwar economic system. The United States and the Soviet Union attempted a political dialogue to stabilize relations and control nuclear arms; then the dialogue broke down under the weight of the Soviet military buildup and geopolitical offensive.

Today, the cycle is turning again. Change is constant. America has recovered its strength and self-confidence, Power continues to be dispersed and the structure of political relations more complex, even as the interdependence of states increases. And as we head toward the 21st century, is a stable new pattern of international relations emerging? Einstein's observation takes on new relevance: Our ways of thinking must adapt to new realities; we must grasp the new trends and understand their implications.

But we are not just observers; we are participants and we are engaged. America is again in a position to have a major influence over the trend of events—and America's traditional goals and values have not changed. Our duty must be to help shape the evolving trends in accordance with our ideals and interests; to help build a new structure of international stability that will ensure peace, prosperity, and freedom for coming generations. This is the real challenge of our foreign policy over the coming years.

What are the forces of change? And what are the possible elements of a new and more acute international system?

RELATIONS BETWEEN THE SUPERPOWERS

Relations between the superpowers remain crucial, even though their political predominance is less than it was a few decades ago. Over 50 years' experience of US-Soviet relations has given us by now a mature understanding of what is possible and what is not possible in this relationship. Yet conditions are evolving and the problem remains a conceptual challenge.

True friendship and cooperation will remain out of reach so long as the Soviet system is driven by ideology and national ambition to seek to aggrandize its power and undermine the interests of the democracies.

We must resist this Soviet power drive vigorously if there is to be any hope for lasting stability. At the same time, in the thermonuclear age the common interest in survival gives both sides an incentive to moderate the rivalry and to seek, in particular, ways to control nuclear weapons and reduce the risks of war.[1] We cannot know whether such a steady Western policy will, over time, lead to a mellowing of the Soviet system. Perhaps not. But the West has the same responsibility in either case: to resist Soviet encroachments firmly while holding the door open to more constructive possibilities.

After the failure of their political campaign to divide NATO, their propaganda to thwart deployment of intermediate-range nuclear missiles in Europe, and their boycott of talks, the Soviets have now returned to the arms control dialogue. We welcome this. My meeting in Geneva with Soviet Foreign Minister Gromyko was a constructive beginning of what the United States hopes will be a fruitful negotiation.

My able interlocutor Andrei Gromyko is, in a sense, the living embodiment of some of the Soviet Union's great advantages—continuity, patience, the ability to fashion a long-term strategy and stick to it. When the Soviets shift tactics, it is more often than not an adjustment to objective conditions without basic diversion from their long-term aims.

The democracies, in contrast, have long had difficulty maintaining the same consistency, coherence, discipline, and sense of strategy. Free societies are often impatient. Western attitudes have fluctuated between extremes of gloom and pessimism on the one hand, and susceptibility to a Soviet smile on the other. Our ways of thinking have tended too often to focus either on increasing our strength or on pursuing negotiations; we have found it hard to do both simultaneously—which is clearly the most sensible course and probably the only way we can sustain either our defense programs or our ability to negotiate.

It is vital, for example, to carry through with the modernization of our strategic forces—in particular the MX—to avoid undercutting our negotiators just as they begin the quest for real reductions in nuclear arms. The Soviets have little incentive to negotiate seriously for reductions to lower, equal levels if we hand them on a silver platter their long-cherished goal of unilateral American reductions. Likewise, as we pursue such agreements, we are obliged to bear in mind the Soviets' record of violating previous accords and to insist on effective verification provisions in any new agreements.

In the last four years, the underlying conditions that affect US-Soviet relations have changed dramatically. A decade or so ago, when the United States was beset by economic difficulties, neglecting its defenses, and hesitant about its role of leadership, the Soviets exploited these conditions. They continued their relentless military buildup; they and their clients moved more boldly in the geopolitical arena, intervening in such places as Angola, Cambodia, Ethiopia, and Afghanistan, believing that the West was incapable of resisting. They had reason for confidence that what they call the global "correlation of forces" was shifting in their favor.

Today, the West is more united than ever before. The United States is restoring its military strength and economic vigor and had regained its self-assurance; we have a President with a fresh mandate from the people for an active role of leadership. The Soviets, in contrast, face profound structural economic difficulties, a continuing succession problem, and restless allies; its diplomacy and its clients are on the defensive in many parts of the world. We have reason to be confident that the "correlation of forces" is shifting back in our favor.

Nevertheless, history won't do our work for us. The Soviets can be counted upon periodically to do something, somewhere, that is abhorrent or inimical to our interests.

The question is how the West can respond in a way that could help discipline Soviet international behavior but does not leave our own strategy vulnerable to periodic disruption by such external shocks. We must never let ourselves be so wedded to improving relations with the Soviets that we turn a blind eye to actions that undermine the very foundation of stable relations; symbolic responses to outrageous Soviet behavior have their place, and so do penalties and sanctions. At the same time, experience shows we cannot deter or undo Soviet geopolitical encroachments except by helping, in one way or another, those resisting directly on the ground. And many negotiations and endeavors we undertake with the Soviets serve mutual interests—indeed, they all should.

This leaves us with tough choices. Whether important negotiations ought to be interrupted after some Soviet outrage will always be a complex calculation. When the Soviets shot down the Korean Air Lines passenger plane in 1983, President Reagan made sure the world knew the full unvarnished truth about the atrocity; nevertheless, he also sent our arms control negotiators back to Geneva because he believed that a reduction in nuclear weapons was a critical priority.

In short, our "way of thinking" must seek a sustainable strategy geared to American goals and interests, in the light of Soviet behavior but not just a reaction to it.

Such a strategy requires a continuing willingness to solve problems through negotiation where this serves our interests (and presumably mutual interests). Our leverage will come from creating objective realities that will give the Soviets a growing stake in better relations with us across the board: by modernizing our defenses, assisting our friends, and confronting Soviet challenges. We must learn to pursue a strategy geared to long-term thinking and based on both negotiation and strength simultaneously, if we are to build a stable US-Soviet relationship for the next century.[2]

The intellectual challenge of a new era faces us in a related dimension, namely arms control. The continuous revolution in technology means that the strategic balance—and the requirements of deterrence—

[1] See in the Appendix: "Realism and Responsibility: The U.S. Approach to Arms Control," Detroit, May 14, 1984.

[2] See in the Appendix: "U.S.-Soviet Relations in the Context of U.S. Foreign Policy," testimony to the Senate Foreign Relations Committee, June 15, 1983; "Managing the U.S.-Soviet Relationship over the Long Term," Los Angeles, October 18, 1984.

are never static. Unfortunately, conventional ways of thinking about many of these questions continue to lag behind reality.

For decades, standard strategic doctrine in the West has ultimately relied on the balance of terror—the confrontation of offensive arsenals by which the two sides threaten each other with mass extermination.

Certainly deterrence has worked under these conditions; nevertheless, for political, strategic, and even moral reasons, we should seek to do better than the proposition that our defense strategy must rely on offensive threats and must leave our people unprotected against attack. The Soviets, for their part, have always attached enormous importance to strategic defense, including not only air defense and civil defense but a deployed and modernized anti-ballistic missile system around Moscow—and intensive research into new defensive technologies.

The pace of technological advance now opens possibilities for new ways of strategic thinking—never an easy process. The vehemence of some of the criticism of the President's Strategic Defense Initiative seems to come less from the argument over technical feasibility—which future research will answer one way or another in an objective manner—than from the passionate defense of orthodox doctrine in the face of changing strategic realities. We are proceeding with SDI research because we see a positive, and indeed revolutionary potential: Defensive measures may become available that could render obsolete the threat of an offensive first strike. A new strategic equilibrium based on defensive technologies and sharply reduced offensive deployments is likely to be the most stable and secure arrangement of all.

Our concept can be described as follows: During the next ten years, the U.S. objective is a radical reduction in the power of existing and planned offensive nuclear arms, as well as the stabilization of the relationship between offensive and defensive nuclear arms, whether on earth or in space. We are even now looking forward to a period of transition to a more stable world, with greatly reduced levels of nuclear arms and an enhanced ability to deter war based upon an increasing contribution of non-nuclear defenses against offensive nuclear arms. This period of transition could lead to the eventual elimination of all nuclear arms, both offensive and defensive. A world free of nuclear arms is an ultimate objective to which we, the Soviet Union, and all other nations can agree.

THE GROWING UNITY AND STRENGTH OF FRIENDS AND ALLIES

As the political dominance of the superpowers began to erode in the last few decades, some saw a five-power world emerging—with the United States, Soviet Union, Western Europe, China, and Japan as the major players. After the energy crisis of the early 1970s, others emphasized the increasing importance of the North-South relationship. The fact is, none of these concepts adequately describes the evolving pattern of world politics.

In my view, the most striking trend is something else: the growing dynamism, cohesion, and cooperation of like-minded nations that share an important set of positive goals.

Equilibrium is not enough. American foreign policy is driven by positive goals—peace, democracy, liberty, and human rights; racial justice; economic and social progress; the strengthening of cooperation and the rule of law. These are not Soviet goals. Yet they are at the core of any durable international system, because they are the goals that inspire peoples and nations around the world.[3]

The new spirit and unity of peoples that share these goals is a new trend we can see in many regions of the world and in many dimensions of foreign policy.

We see a new spirit of collaboration and friendship in our ties with our immediate neighbors Canada and Mexico—ties whose importance is self-evident and which are a priority interest of the President.

In the Atlantic community, our time is marked by a new degree of political harmony and intimate collaboration among the Western allies.

Just as striking, Japan too has emerged as a partner on key political and security issues. There is a new awareness, for example, of the importance of strengthening conventional defenses, as a way of bolstering Europe's security while reducing NATO's reliance on nuclear weapons. A strong Western deterrence posture is the most solid basis for engaging the East in constructive negotiations. Under Lord Carrington's wise leadership, NATO is taking steps for the short run to improve its readiness and infrastructure. For the longer run, the Alliance is addressing other critical deficiencies, including the fundamental challenge of improving the efficiency of allied defense procurement.

Amid all the changes in the world, the security and well-being of Western Europe continue to be a vital interest of the United States. We have always supported Western European unity, knowing that a strong Europe, while it would be a competitor in some ways, was in the overall interest of the free world. We wish the European Community well; we encourage our European friends to make further progress in developing a true European-wide market and in breaking down structural rigidities that impede both economic expansion and effective economic cooperation with us.

We see also, in Europe, new and creative thinking about the continuing pursuit of political unity, and about strengthening Western European cooperation in the defense field.

We support both these goals. The West can only benefit from a major European role in world affairs. And the peoples of Western Europe should see defense as an endeavor they undertake for their own future, not as a favor to the United States. With statesmanship and a spirit of collaboration on both sides of the Atlantic, this evolution will strengthen the common defense and heighten the sense of common political purpose among the democracies.

As we think about Europe's evolution, we cannot forget Eastern Europe. Since the days of the Marshall Plan, when the West invited the East to join, we have always wanted the success of Western Europe to be a beacon to all of Europe. The present political division of the continent is wholly artificial; it exists only because it has been imposed by brute Soviet power; the United States has never recognized it as legitimate or permanent. Behind this cruel barrier lie political repression and economic stagnation. In certain countries, there are efforts at liberalization. But all the peoples of Eastern Europe are capable of something better, deserve something better, and yearn for something better. We have witnessed in recent years the powerful aspiration for free trade unions, for economic reform, for political and religious freedom, for true peace and security, for human rights as promised by the Helsinki accords.[4]

We hope to see the day when the Soviet Union learns to think anew of its own security in terms compatible with the freedom, security, and independence of its neighbors.

In East Asia and the Pacific, another new reality is changing our thinking about the world. The economic dynamism of this region is taking on increasing importance, not only as a factor in America's foreign trade but as an economic model for the developing world and as a unique and attractive vision of the future. We see the countries of free Asia growing at seven percent a year over the past decade; for the past five years, our trade with East Asia and the Pacific has been greater than our trade with any other region and is expanding at an accelerating rate. ASEAN has become one of the world's most impressive examples of economic development and regional political cooperation. The Republic of Korea is a spectacular economic success story. Japan is playing a larger role—responsibly, positively, and cooperatively—commensurate with its growing strength. Experience is proving that economic openness is the formula for prosperity.

Pragmatism is now the watchword in the People's Republic of China, where the hopes for economic modernization have been invested—wisely—in a bold program of reform. China's long march to market is a truly historic event—a great nation throwing off outmoded economic doctrines and liberating the energies of a billion talented people. We wish China well in this exciting endeavor.

There are, of course, problems that pose dangers to this bright economic future: the Soviet military buildup in the region; aggression by the Soviet Union and its clients in Afghanistan and Cambodia; unresolved tensions on the Korean peninsula; internal problems in various countries. East Asia has a rich heritage of civilization—and also a turbulent history of bitter conflict. The tragedy that two of Asia's great ancient monuments—Angkor Wat and Borobudur—have suffered damage from modern violence is both a paradox and a warning.

The United States is conscious of its responsibility to contribute, in its way, to security and stability in East Asia and the Pacific. Our diplomacy seeks peaceful solutions to Asia's problems so that the fullest potential of its promise can be realized. We welcome in particular the role of ASEAN, including the front-line state of Thailand, which is working effectively to curb Vietnamese expansionism and aggression and to achieve a just settlement of the Cambodian conflict.

Overall, we are enormously encouraged by the new trend we see toward wider collaboration among many Asian nations with an extraordinary diversity of cultures, races, and political systems. A sense of Pacific community is emerging. There is an expanding practice of regional consultation, and a developing sense of common interest in regional security.

In this sense, a decade after Vietnam, the United States has more than restored its po-

[3] See in the Appendix: "Human Rights and the Moral Dimension of U.S. Foreign Policy," Peoria, February 22, 1984.

[4] See in the Appendix: "Remarks to the Followup Meeting of the Conference on Security and Cooperation in Europe," September 9, 1983.

sition in Asia. We can be proud of the vitality of our alliances, friendships, and productive ties in this promising region. If nations act with wisdom and statesmanship, we may well be at the threshold of a new era in international relations in the Pacific Basin.[5]

In Latin America, another kind of trend is apparent—the steady advance of democracy. Democracy is hardly a new idea, but this new development is revising some earlier assumptions in some quarters about the world's political future. A few years back, pessimists maintained that the industrial democracies were doomed to permanent minority status in the world community. Today, there is mounting evidence that the ideal of liberty is alive and well. In the Western hemisphere, almost 95 percent of the population of Latin America and the Caribbean today live under governments that are either democratic or clearly on the road to democracy—in contrast to only one-third in 1979. Over the last five years, popularly elected leaders have replaced military rulers or dictators in Argentina, Bolivia, Ecuador, El Salvador, Honduras, Panama, Peru, and Grenada.

Brazil and Uruguay will inaugurate new civilian presidents in March. Guatemala is in transition to democracy. After a long twilight of dictatorship, the trend toward free elections and popular sovereignty in this hemisphere is something to cheer about.[6]

The United States has always been a champion of democracy. Democratic institutions are the best guarantor of human rights, and also the best long-term guarantor of stability. The National Endowment for Democracy, with bipartisan support, is one reflection of this American commitment. On every continent, we see a trend toward democracy or else a yearning for democracy; both are vivid demonstrations that the idea of liberty is far from a culture-bond aspiration or monoply of the industralized West.

In fact, after years of guerrilla insurgencies led by Communists against pro-Western governments, we now see dramatic and heartening examples of popular insuregencies against Communist regimes.

Today—in a variety of different circumstances—in Nicaragua, in Afghanistan, in Cambodia, in Ethiopia and elsewhere in Africa—Marxist-Leninist rulers have found that the aspiration for representative government is not so easy to suppress. Americans have a long and honorable tradition of supporting the struggle of other peoples for freedom, democracy, independence, and liberation from tyranny. In the 19th century we supported Simon Bolivar, Polish patriots, and others seeking freedom—reciprocating, in a way, the aid given to us in our own revolution by other nations like France.

As the President put it a week ago, "[W]e, who are committed to free government and democratic institutions, must maintain a sense of fraternity between ourselves and other freedom-loving peoples." This is a proud heritage and a moral responsibility—and it poses some practical questions that we must face up to early in the 99th Congress.

The future of democracy is precisely what is at stake in Central America. United States policy is to promote democracy, reform, and human rights; to support economic development; to help provide a security shield against those who seek to spread tyranny by force; and to support dialogue and negotiation both within and among the countries of the region. Acting directly and through Cuba, the Soviet Union is abetting the establishment of a new Communist dictator ship in Nicaragua.

We are backing democratic governments and democratic political forces throughout Central America against extremists of both the left and the right. If we abandon those seeking democracy, the extremists will gain and the forces of moderation and decency will be the victims. This is why the Administration has worked so hard, and will continue to work hard, for effective negotiations, for economic and security assistance, and for the bipartisan plan that emerged from the Kissinger Commission. If the forces of dictatorship continue to feel free to aid and abet insurgencies in the name of "proletarian internationalism," it would be absurd if the democracies felt inhibited about promoting the cause of democracy, even by collective self-defense against such actions. Our nation's vital interests and moral responsibility require us to stand by our friends in their struggle for freedom.[7]

THE DYNAMIC OF CHANGE

The process of change is inexorable. In southern Africa we have a role to play in working for democratic change in South Africa.

We are also key to efforts to help create a climate of regional security that will enable and encourage countries to get on with the priority of building decent and prosperous societies. In short, United States policy must pursue the dual objectives of racial justice and regional security. These two goals are not in conflict; they reinforce each other. But achieving them requires responsible, prudent, and dedicated diplomacy.

These twin challenges call for serious analysis and sober thinking, not emotional responses. We have already accomplished much, but our influence is not infinite. Today there is less cross-border violence in southern Africa than at any time in more than a decade. Progress is being made toward a Namibia settlement. We have strengthened ties with Mozambique and other regional states. And South Africa itself has developed cooperative relations with many of its neighbors.

President Reagan has made clear that we regard South African apartheid as repugnant. He spoke loud and clear on December 10 when he said: "We call upon the Government of South Africa to reach out to its black majority by ending the forced removal of blacks from their communities, and the detention without trial and lengthy imprisonment of black leaders. . . .

We ask that the constructive changes of recent years be broadened to address the aspirations of all South Africans. . . . We urge both the government and the people of South Africa to move toward a more just society."

Within South Africa, a dynamic of change is already at work: More positive change is occurring now than in the 1970s or '60s or '50s. The positive influence of our relationship—our diplomacy, our companies, our assistance programs for black South Africans—is helping to build the basis for further change. Apartheid must go. But the only course consistent with American values is to engage ourselves as a force for constructive, peaceful change while there is still a chance. It cannot be our choice to cheer on, from the sidelines, the forces of polarization that could erupt in a race war; it is not our job to exacerbate hardship, which could lead to the same result.

Another region of change is the Middle East. Recent events have reminded us that the Arab-Israeli conflict is far from the only source of tension in that part of the world. There are other deep-seated national, ethnic, and religious conflicts like the Iran-Iraq war; there are diverse sources of radical extremism ranging from Marxist-Leninist ideology, to Islamic fundamentalism, to Qadhafi's bizarre personal brand of fanaticism; the Soviets seek to reinforce rejectionist elements and to exploit regional tensions for their own advantage.

The United States will continue its efforts to promote peaceful solutions in this vital area. This mediation is, of course, a traditional American role, but new conditions always call for new ways of thinking about how to pursue it. We are committed to the support of diplomatic efforts to end the conflicts in the Gulf, in Lebanon, and in the Sahara. We are committed to the President's September 1 initiative as the most promising route to a solution of the Palestinian problem. We will be intensively engaged this year in consultations with our Arab and Israeli friends to explore opportunities for progress.[8]

In the global economy, an important shift of another kind is taking place—an intellectual shift, reflecting some lessons from experience. Lord Keynes' point about practical men being in thrall to some defunct economist may be less true now than in the past. Or perhaps the views first expressed by Adam Smith over two centuries ago on the creation of the "wealth of nations" are once again gaining practical prominence. At any rate, reality is intruding on some long-held notions about economic policy.

In both industrialized and developing countries, the economic difficulties of recent years are reminding us of some old truths about the real sources of economic progress. Some of us never forgot those truths. But recent experience has fueled a broad and long-overdue skepticism about statist solutions, central planning, and government direction.

This intellectual shift is partly the product of the extraordinary vigor of the American recovery. The United States has revised its tax system to provide real incentives to work, to save, to invest, to take risks, to be efficient. We have reduced government regulation, intervention, and control. We have opened opportunities for freer competition in transportation, finance, communication, manufacturing, and distribution. Last year's real growth in GNP was the sharpest increase since 1951; inflation was the lowest since 1967. The overall result has been the extraordinary creation of over seven million new jobs in two years.

Success inspires emulation. Not only in East Asia, as I noted, but on every continent—Europe, Latin America, Africa, and elsewhere in Asia—we see movement to decentralize, to deregulate, to denationalize, to reduce rigidity, and to enlarge the scope for individual producers and consumers to cooperate freely through markets.

[5] See in the Appendix: "Asia-Pacific and the Future," Honolulu, July 18, 1984.

[6] See in the Appendix: "Democratic Solidarity in the Americas," Bridegetown, Barbados, February 8, 1984.

[7] See in the Appendix: "Struggle for Democracy in Central America," Dallas, April 1, 1983.

[8] See in the Appendix: "Promoting Peace in the Middle East," Atlanta, November 19, 1983.

In Africa, for example: If there is to be a long-term solution to the problem of hunger, it will have to come not just from relief efforts but from training, productive investment, and liberalizing reforms in agriculture; our aid policy is encouraging the efforts of African countries to move further in this direction.[9]

A worldwide revolution in economic thought and economic policy is underway. And it is coming just in time, because it coincides with yet another revolution—a revolution in the technological base of the global economy. This is what Walter Wriston has called "the onrushing age of information technology"—the combination of microchip computers, advanced telecommunications, and continuing innovation that is transforming almost every aspect of human endeavor.

The implications of this revolution are not only economic. First of all, the very existence of these new technologies is yet another testimony to the crucial importance of entrepreneurship—and government policies that give free rein to entrepreneurship—as the wellspring of technological creativity and economic growth.

The closed societies of the East are likely to fall far behind in these areas—and Western societies that maintain too many restrictions on economic activity run the same risk. Second, any government that resorts to heavy-handed measures to control or regulate or tax the flow of electronic information will find itself stifling the growth of the world economy as well as its own progress. This is one of the reasons why the United States is pressing for a new round of trade negotiations in these service fields of data processing and transfer of information.

Third, the advance of technology in this dimension is bound to challenge many cherished notions of sovereignty. But here too the West has the advantage, because the free flow of information is inherently compatible with our political system and values. The Communist states, in contrast, fear this information revolution perhaps even more than they fear Western military strength. If knowledge is power, then the communications revolution threatens to undermine their most important monopoly—their effort to stifle their people's information, thought, and independence of judgment. We all remember the power of the Ayatollah's message disseminated on tape cassettes in Iran; what could have a more profound impact in the Soviet bloc than similar cassettes, outside radio broadcasting, direct broadcast satellites, personal computers, or xerox machines?

Totalitarian societies face a dilemma: Either they try to stifle these technologies and thereby fall further behind in the new industrial revolution, or elese they permit these technologies and see their totalitarian control inevitably eroded. In fact, they do not have a choice, because they will never be able entirely to block the tide of technological advance however hard they try.

The march of technology also compels us to continue our efforts to prevent the spread of nuclear weapons. The United States has long been the leader of an international effort to establish a regime of institutional arrangements, legal commitments, and technological safeguards to control the proliferation of nuclear weapons capabilities. This program has, in fact, had considerable success, in that the number of states that have acquired the means to produce nuclear explosives is far lower than doomsayers predicted 20 years ago. At the same time, the potential dangers of nuclear weapons proliferation remain as serious and menacing to international stability as has long been predicted.

The Reagan Administration will pursue this essential endeavor with a realistic appreciation of its complexities. Our thinking on this issue takes account of the growing international reliance on peaceful nuclear energy, the security concerns that give rise to the incentive to seek nuclear weapons, and the need for broad multilateral collaboration among nuclear suppliers if a non-proliferation regime is to be effective. We have made progress in restoring a relationship of confidence and a reputation for reliability with our nuclear trading partners. We have had fruitful talks with the Soviet Union on this subject; we have worked to promote comprehensive safeguards and stricter export controls.[10]

NEW CHALLENGES TO OUR WAYS OF THINKING

Mr. Chairman, these broad trends I have described are mostly positive trends, but not all. We see social dislocation arising from economic change; we see urban alienation, political turbulence, and the many potential sources and forms of disorder I have mentioned. The changes in the international system will follow the positive trends only if we—the United States and the free world—meet our responsibility to defend our interests and seek to shape events in accordance with our own ideals and goals.

In at least one respect, the modern world—with its spreading technology and prosperity and democratic aspirations—is ironically becoming also more and more vulnerable. I am thinking, of course, about terrorism. Even as the world becomes more secure from the danger of major war, paradoxically the democratic world now faces an increasing threat from this new form of warfare.

Terrorism these days is becoming less an isolated phenomenon of local fanatics, and increasingly part of a new international strategy resorted to by the enemies of freedom. It is a vicious weapons used deliberately against democracies; against the interests, policies, and friends of the democracies; and against completely innocent people. There are disturbing links, as well, to international drug trafficking. Terrorism is a problem that, more than many others, is forcing us into new ways of thinking about how to safeguard our future. During the year ahead we must be prepared for serious terrorist threats in Western Europe, in the Middle East, and in Latin America, much of it supported by or encouraged by a handful of ruthless governments.

As you know, Mr. Chairman, I have been speaking out frequently on this subject, to stimulate public consideration and discussion of the complex issues involved.[11]

A counter-strategy for combatting terrorism, in my view, must encompass many things:

We and our allies must work still harder to improve security, share information, coordinate police efforts, and collaborate in other ways to defeat international terrorism. Much has been done in the past year, but much more remains to be done.

We in this country must think hard about the moral stakes involved. If we truly believe in our democratic values and our way of life, we must be willing to defend them. Passive measures are unlikely to suffice; means of more active defense and deterrence must be considered and given the necessary political support.

Finally, while working tirelessly to deny terrorists their opportunities and their means, we can—and must—be absolutely firm in denying them their goals. They seek to blackmail us into changing our foreign policies or to drive us out of countries and regions where we have important interests. This we cannot permit; we cannot yield position or abandon friends or responsibilities under this kind of pressure. If we allow terrorists even one such victory, we embolden them further; we demoralize all who rely on us, and we make the world an even more dangerous place.

There is, of course, a broader issue here, which I have also been discussing in several public statements. This is the basic question of the use of American power in the defense of our interests and the relevance of our power as the backstop to our diplomacy. It is relfected, for example, in what are often called "gray-area challenges"—namely, the kind of regional or local conflicts and crises that are likely to persist in a turbulent world, below the threshold of major war but nonetheless affecting important Western interests. Most of the major conflicts since 1945, indeed, have originated in such conflicts in the developing world. The end of the colonial order has not brought universal peace and justice; much of the developing world is torn by the continuing struggle between the forces of moderation and the forces of radicalism—a struggle actively exploited and exacerbated by the Soviet Union.

It is absurd to think that America can walk away from such challenges. This is a world of great potential instability and many potential dangers. We live, as is commonly said, on a shrinking planet and in a world of increasing interdependence. We have an important stake in the health of the world economy and in the overall conditions of global security; the freedom and safety of our fellow human beings will always impinge on our moral consciousness. Not all these challenges threaten vital interests, but at the same time an accumulation of successful challenges can add up to a major adverse change in the geopolitical balance.

We must be wise and prudent in deciding how and where to use our power. Economic and security assistance to allies and friends is clearly the preferred course—and is of crucial importance to our foreign policy; the direct American use of force must always be a last resort. The United States will always seek political solutions to problems—but such solutions will never succeed unless aggression is resisted and diplomacy is backed by strength. We are reasonably well prepared to deter all-out Soviet nuclear aggression—provided we continue with our strategic modernization—but we must be sure we are as well prepared, physically and psycho-

[9] See in the Appendix: "The U.S. and the Developing World: Our Joint Stake in the World Economy," New York, May 26, 1983.

[10] See in the Appendix: "Preventing the Proliferation of Nuclear Weapons," New York, November 1, 1984.

[11] See in the Appendix: "Terrorism: The Challenge to the Democracies," June 24, 1984; "Terrorism and the Modern World," New York, October 25, 1984; "The Ethics of Power," New York, December 9, 1984.

logically, for this intermediate range of challenges.[12]

PEACE, PROGRESS, AND FREEDOM

Mr. Chairman, I have touched on a wide variety of topics, but two very important, and very basic, conclusions can be drawn from them.

First, the agenda for the immediate future seems to me to be an agenda on which the American people are essentially united. These are goals that are widely shared and tasks that are likely to reinforce another important trend: namely, the reemergence of a national consensus on the main elements of our foreign policy.[13]

This indeed, may be the most important positive trend of all, because so many of our difficulties in recent decades have been very much the product of our own domestic divisions. I hope, Mr. Chairman, that our two parties and our two branches of government will find ways to cooperate in this spirit, which would enormously strengthen our country in the face of the new opportunities and challenges I have described.

Second, Mr. Chairman, all the diverse topics I have touched upon are, in the end, closely interrelated. President Reagan made this point in his speech to the United Nations last September.[14] The United States seeks peace and security; we seek economic progress; we seek to promote freedom, democracy, and human rights. The conventional way of thinking is to treat these as discrete categories of activity. In fact, as we have seen, it is now more and more widely recognized that there is a truly profound connection among them. And this has important implications for the future.

It is no accident, for example, that America's closest and most lasting international relationships are its alliances with its fellow democracies.

These ties with the Atlantic Community, Japan, and other democratic friends have an enduring quality precisely because they rest on a moral base, not only a base of strategic interest. When George Washington advised his countrymen to steer clear of permanent alliances, his attitude was colored by the fact that there were hardly any other fellow democracies in those days. We were among the first, and we had good reason to be wary of entanglements with countries that did not share our democratic principles. In any case, we now define our strategic interests in terms that embrace the safety and well-being of the democratic world.

Similarly, as I have already discussed, it is more and more understood that economic progress is related to a political environment of openness and freedom. It used to be thought in some quarters that socialism was the appropriate model for developing countries because central planning was better able to mobilize and allocate resources in conditions of scarcity. The historical experience of Western Europe and North America, which industrialized in an era of limited government, was not thought to be relevant. Yet the more recent experience of the Third World shows that a dominant government role in developing economies has done more to stifle the natural forces of production and productivity and to distort the efficient allocation of resources.

The real engine of growth, in developing as well as industrialized countries, turns out to be the natural dynamism of societies that minimize central planning, open themselves to trade with the world, and give free rein to the talents and efforts and risk-taking and investment decisions of individuals.

Finally, there is almost certainly also a relationship between economic progress, freedom, and world peace. Andrei Sakharoc has written: "I am convinced that international trust, mutual understanding, disarmament, and international security are inconceivable without an open society with freedom of information, freedom of conscience, the right to publish, and the right to travel and choose the country in which one wishes to live. I am also convinced that freedom of conscience, together with other civic rights, provides both the basis for scientific progress and a guarantee against its misuse to harm mankind."

The implication of all this is profound: It is that the Western values of liberty and democracy, which some have been quick to write off as culture-bound or irrelevant or passe, are not to be so easily dismissed. Their obituary is premature. These values are the source of our strength, economic as well as moral, and they turn out to be more central to the world's future than many may have realized.

After more than a century of fashionable Marxist mythology about economic determinism and the "crisis of capitalism," the key to human progress turns out to be those very Western concepts of political and economic freedom that Marxists claimed were obsolete. They were wrong. Today—the supreme irony—it is the Communist system that looks bankrupt, morally as well as economically. The West is resilient and resurgent.

And so, in the end, the most important new way of thinking that is called for in this decade is our way of thinking about ourselves. Civilizations thrive when they believe in themselves; they decline when they lose this faith. All civilizations confront massive problems—but a society is more likely to master its challenges, rather than be overwhelmed by them, if it retains this bedrock self-confidence that its values are worth defending. This is the essence of the Reagan revolution and of the leadership the President has sought to provide in America.

The West has been through a difficult period in the last decade or more. But now we see a new turn. The next phase of the industrial revolution—like all previous phases—comes from the democratic world, where innovation and creativity are allowed to spring from the unfettered human spirit. By working together, we can spread the benefit of the technological revolution to all.

And on every continent—from Nicaragua to Cambodia, from Poland to South Africa to Afghanistan—we see that the yearning for freedom is the most powerful political force all across the planet.

So, as we head toward the 21st century, it is time for the democracies to celebrate their system, their beliefs, and their success. We face challenges, but we are well poised to master them. Opinions are being revised about which system is the wave of the future. The free nations, if they maintain their unity and their faith in themselves, have the advantage—economically, technologically, morally.

History is on freedom's side.

STATEMENT OF SECRETARY CASPAR W. WEINBERGER, TO THE SENATE FOREIGN RELATIONS COMMITTEE, JANUARY 31, 1985

Mr. Chairman, members of the committee. I appreciate the opportunity to meet with you today to discuss U.S. national security principles and goals. Let me first commend this committee for convening these hearings to strengthen the consensus in American foreign policy. In any nation founded on the consent of the governed, the backing of an informed people is essential to the long-term success of our foreign affairs. It is also necessary to keep the public support necessary for the investments we must make to secure strong defenses. So, by working to forge a greater national consensus, your committee helps bolster the political commitment which, in combination with our military capabilities, forms the basis for our national strength.

The strongest foundation on which to build a consensus on foreign policy is the American character—our values, our traits, our spirit. As you review the Reagan administration's foreign policy, I believe you will find that it does indeed reflect the best of our American character, in particular our continuing quest for peace with freedom.

America's national security strategy and defense policies support our overall foreign policy by safeguarding our Nation and preserving our vital interest. Our basic national interests have remained constant during the post-war period. Broadly speaking, we seek to survive as a nation, to be free to pursue our way of life, to preserve and strengthen the democratic world.

CHALLENGES TO AMERICA'S INTERESTS

If our national interests have remained unchanged, so too has the fundamental challenge to these interests posed by the aims and ambitions of the Soviet Union, and the military power that gives them force.

People whose business is news naturally enjoy speculating about how dramatically our relationship with the Soviet Union may be changing at any given time. They like to take its temperature on a daily basis and pronounce chills or thaws, new eras of cold war or detente.

But this committee has deliberately and properly chosen to look away from today's headlines to the underlying principles—and enduring dilemmas—of American foreign policy. As you look, I think you will see that the most important elements of our relations with the Soviet Union have been constant, or changed very slowly, in the post-war years.

Soviet repression has become more sophisticated, but life has not, as Stalin once promised, become "better and gayer" for the people of the Soviet Union. The ambition of Soviet leaders to extend the sway of Marxism-Leninism, if lacking in true ideological fervor, is nevertheless today supported by tremendous military power. The 1977 Brezhnev constitution reiterates that it is Soviet Russia's aim, indeed duty, to spread the Communist system to all the countries of the world. And this long-held doctrine of Soviet domination is backed up by the full force of the Red Army. The people of Czechoslovakia, Angola, Cambodia, Afghanistan, and Poland can bear eloquent witness to the Soviets' willingness to use force directly or indirectly through proxies, and use it mercilessly.

President Reagan has not shrunk from stating the truth about these harsh realities of Soviet behavior. At the same time he has actively sought out new opportunities for

[12] See in the Appendix: "Power and Diplomacy in the 1980s," April 3, 1984.

[13] See in the Appendix: "A Forward Look at Foreign Policy," Los Angeles, October 19, 1984.

[14] See in the Appendix: "Reducing World Tensions," the President's address before the UN General Assembly, September 24, 1984.

negotiation and cooperation, and laid the groundwork for a realistic, long-term, peaceful relationship with the Soviet Union. He has demonstrated that we can be businesslike without being morally blind, vigilant without being belligerent—and that we can negotiate without surrendering our principles or our interests.

Above all, President Reagan has refused to shut his eyes to the fruits of an ambitious and sustained Soviet program of military investment. Coupled with U.S. restraint during the 1970's, this expanding military power enabled Moscow to shift critical components of the overall global military balance in its favor. While building on their superiority in numbers, the Soviets are also dramatically improving the quality of their military systems and closing the West's technological edge. We are in the twelfth year of debate over the MX missile, and while we debate, the Soviets deploy. They continue to test and field new and more accurate missiles and to improve all their strategic nuclear forces. And since the mid-70's, the Soviets have widened their conventional advantage in nearly every force category by producing major weapons at rates much greater than those of the United States and our NATO allies combined.

To exert its military power around the world, the Soviet Union is also expanding the geographic reach of its forces. We have seen growth in Soviet airlift, the emergence of a strong blue-water navy, the development of overseas bases, and the opportunistic expansion of Soviet presence and influence worldwide. Today the Soviets have bases and ports near the world's major trade routes and energy resources, threatening U.S. interests as well as those of our friends and allies.

Further complicating America's security challenge is the increased political turmoil and the rise in international terrorism in many regions of the world. The Soviets have demonstrated their ability and willingness to exploit that turmoil when it advances their goals.

A STRATEGY TO PROTECT AMERICA'S INTERESTS

While the Soviets have an offensive-oriented strategy, the United States has a defensive strategy that reflects our values as a nation. Let us pause here, and think about the tremendous burden this puts on American strategy. As Secretary of Defense I am often asked to explain U.S. strategy. Not infrequently, it turns out that I am really being asked for an explicit account of just where, when, and how we would use our military power under any and all conceivable circumstances. And if the questioner does not hear exactly what he wants to hear, he will report that our strategy is "incoherent."

But "coherent" plans for first uses of military forces are the luxury of aggressors. It is the fate of defenders that we cannot choose the time, place, and method of attack. It is the responsibility of defenders to be prepared to meet a wide range of contingencies from terrorism to global conflict. Our position as a defensive nation necessarily means that we must live with an element of uncertainty in our military strategy.

Since we do not seek territorial gains from the use of military power, we maintain our forces in a reactive posture. We will use our military forces only in response to clear threats to our security and interests. And when those threats can come from many quarters, as is the case with the Soviets' widely dispersed forces and strength, our defensive forces must be strong and capable of responding in more than one area, perhaps, simultaneously. Only if we have this strength will we be able to deter attack from a worldwide military powers as strong as the U.S.S.R. Moreover, we seek to reduce the causes of conflict—political, economic, social—before they lead to armed combat. Our goal is to deter, not fight. But if deterrence fails we must still be ready and able to defend ourselves and our allies.

The keystone of our military strategy since World War II has been deterrence. Deterrence provides security by convincing potential adversaries that the risks and costs of aggression will exceed any conceivable gains. The U.S. seeks credible deterrence through our military strength, political resolve, and diplomacy. Our military strength and strategy deter by making a potential aggressor's assessments of war outcomes so uncertain and dangerous that any incentive for attacking is removed. A potential aggressor would face, and know he faces, the possibility of three types of responses that are inextricably linked.

First, defense: If we have a robust military capability to defend against aggression, then a potential adversary would realize that his aggression would fail on its own terms. Facing such a credible defense, he should be deterred.

Second, adequate response: An adversary must know that even if his aggression should succeed in achieving its immediate target, an attack on our vital interests would not be accepted by us without response, which might include escalation. The aggressor will know that, even if he wins the battle, he must face the likelihood that he will lose the war.

Third, retaliation: If an adversary confronts a credible threat that his aggression will trigger a response that imposes losses exceeding any possible gains, then he should understand that he can gain nothing from an attack.

Of these three sources of deterrence the most preferable and reassuring is defense because it is likely to be more credible and because it provides protection should deterrence fail.

Credible and prudent deterrence requires strong military capability. Mere threats are not enough. For example, when President Carter declared continued access to Persian Gulf oil to be a vital U.S. interest, our ability to deter attacks in that area, clearly of vital interest to the West, was weak. The United States had the capability neither to defend the oil fields of the Middle East, at the point of attack, nor to threaten adequate responses in that theater. Therefore, a major objective of the Reagan administration has been to strengthen our ability to deter aggression against our interests in that volatile area. We have enhanced American power projection capabilities so that if the Soviet leadership contemplated threatening our interests they would be deterred by the prospect of American troops who could fight with conventional weapons at the point of attack.

Since I will be returning next week to discuss the fiscal year 1986 defense budget with Congress, let me just briefly emphasize today how the priorities of the Reagan defense program are directly related to our strategy. I emphasize that each of these priorities is deemed vital, to give us the strength to deter attacks—in short, to be sure we never have to use our strong forces.

Readiness: To maintain the capability of the forces we now have, to respond quickly and effectively to aggression at the point of attack and defeat it.

Sustainability: To have the ammunition and equipment to fight with conventional arms long enough to make it clear that a Soviet attack could neither achieve a bold fait accompli or force the President to face the choice between defeat or instant escalation.

Mobility: To enable U.S. forces to get to the point of attack in time and to be supported until the attack is defeated.

Conventional modernization: To provide effective weapons systems capable of defeating numerically superior Soviet forces.

Strategic modernization: To assure that we maintain a balanced triad of survivable nuclear forces—land, sea, and air—to convince the Soviets that we could retaliate to a first strike, and therefore deter such an attack.

While our entire defense program is designed to support our strategy of deterrence and defense, the United States cannot unilaterally protect our worldwide interests. Nor can we hide behind the isolationist illusions of "fortress America." We must have strong allies and friends, and work closely with nations who share our goals. Based on the strategic foundations of the past four decades, the Reagan administration has strengthened our ties with our friends and allies around the world in pursuing a strategy of global deterrence.

A strong system of alliances and regional cooperation is indispensible to help America and its allies and friends preserve peace and freedom. Cooperating nations share common security challenges and achieve a division of labor capitalizing on the relative strengths of each State. The Reagan administration is determined to keep our alliances strong and encourage all partners to shoulder a fair share of the security burden.

U.S. strategy also derives great benefit from our security assistance and arms sales programs. These efficient, comparatively low cost programs help friendly countries make better use of their own often limited resources, and cope with security threats within or on their borders. Security assistance also reduces the likelihood that U.S. forces will be called upon to intervene in defense of a nation that would otherwise not be able to take care of its own defense. Secretary Shultz and I are in complete accord on the importance of security assistance and arms sales. I hope this committee will continue to support these essential tools of foreign policy and that you will continue to hold an open mind on all questions of arms sales until the administration has made its proposal and presented a rationale.

U.S. strategy must also continue to depend on our forward-deployed forces. The proximity of Soviet forces to our allies and overseas interests imposes severe demands on the timeliness of response, since territory once lost would be difficult to regain. Strong forward-deployed forces enable us to deter more credibly, defend more effectively, and reassure our allies more convincingly. U.S. deployments worldwide are the visible evidence that we are prepared and committed to defend our interests and back the policies we espouse.

ARMS REDUCTIONS

The American character has always depended on the strength of our ideals, not the use of force, to spread our vision of a better world. In this spirit, the United States has since the dawn of the nuclear age worked for controls on these awesome weapons. Unfortunately, our noble quest has yet to succeed. More than a decade of SALT ne-

51-059 O-86-15 (Pt. 2)

gotiations neither achieved genuine reductions nor prevented an unprecedented Soviet build-up that continues to this day. Moreover, the Soviets have violated major arms control obligations and political commitments.

Because arms agreements can increase our security, President Reagan has committed this administration to the achievement of far-reaching, equitable, and verifiable nuclear arms reductions. America's quest for nuclear arms reductions provides us the opportunity to improve our deterrence and enhance international stability. To achieve these aims, we must proceed with toughness and patience, with full knowledge that Soviet leaders do not share the values of our American character. We have learned from the failures of the past and the record of Soviet violations that it is essential that future accords be precisely drafted and verifiable to ensure compliance by all parties.

We go to Geneva with improved prospects for genuine arms reductions. But to achieve success we must continue our strategic modernization program and demonstrate our resolve to stay strong. In fact, it was that resolve that brought the Soviets back to the negotiating table and now gives us a critical opportunity to achieve those arms reduction goals that have eluded mankind for far too long. In this regard, I must tell you frankly that cancellation of key programs, such as MX, will prolong negotiations, not facilitate them, and will reduce our ability to achieve arms reductions.

STRATEGIC DEFENSE

Earlier, I emphasized the key role of defense in deterring conflict. Strong defenses can strengthen nuclear as well as conventional deterrence. Through the strategic defense initiative we seek to explore a defensive alternative to the traditional strategic deterrence policy, which has been based on mutual vulnerability.

In a speech to the American people in March 1983, President Reagan introduced his vision of a world freed from the terror of nuclear ballistic missiles. Since then we have studied both the technological feasibility and the strategic implications of pursuing strategic defense; and we concluded that we should embark on a program to explore the potential of advanced, emerging defensive technologies to support a thoroughly reliable defense against nuclear ballistic missiles. Strategic defense can both strengthen deterrence and enhance our opportunities for arms reductions. By increasing significantly the uncertainty of success of a Soviet first strike, strategic defense will enhance deterrence. If the Soviet leaders ever contemplated initiating a nuclear attack, their purpose would be to destroy United States or allied military forces that would be able to oppose the aggression. Effective defenses that could deny the Soviet missiles the military objectives of their attack or deny the Soviets confidence in the achievement of those objectives, would discourage them from seriously considering such an attack. But unlike our current approach to deterrence based on retaliation, defenses will permit us to deter war by destroying weapons, not people.

Our strategic defense initiative also furthers our arms reduction efforts. It is a research program entirely consistent with the ABM treaty. What better way to encourage bold reductions in nuclear ballistic missiles than by devaluing their military usefulness. Thus, in addition to enhancing deterrence and stability, SDI could increase our chances to achieve a safer world through genuine arms reductions.

RESTORING THE PEACE

Few people have more clearly understood the need for a powerful military hand within the glove of diplomacy than President Reagan. But this administration is guided by the principle that military power should be used only as a last resort. We should be willing to use all sources of national power short of direct U.S. military intervention; yet, we should never rule out the use of force if deterrence fails. There is a deterrent value in never saying never.

The U.S. has erred in the past by being unwilling to use sufficient force to achieve our objectives, adhering to misguided notions about "gradual application of force." When a last resort decision is made to use force, because it is vital to our national interests to do so, it is necessary that we use sufficient force to win—that is to achieve a clearly defined objective as speedily as possible.

If we ever decide to commit our forces to combat, we must support those forces to the fullest extent of our national will for as long as it takes to win. That means we must maintain the necessary military force to achieve a clearly defined diplomatic objective—that is necessary to our vital interests and which cannot be achieved without use of military force.

As I stated earlier, the single most critical element of a successful democracy is a strong consensus of support and agreement for our basic purposes. Following from this, I developed and explained six tests for the uses of military power around which I hope public consensus can be forged. This does not imply the necessity of having full public support before we use force. It does mean that before the United States commits combat forces abroad there must be some reasonable assurance we will have the support of the American people and their elected representatives in Congress.

Just as we require public and congressional support for employing military force in war, we require that support to build the defenses necessary to preserve peace. That essential public support depends on a clear understanding of the strategic underpinnings of our defense program, a sober and realistic assessment of the challenges we face, and a vision of the opportunities for a more secure peace with freedom. It is for that reason that I fully support the efforts of this committee to review the goals and strategic premises of U.S. foreign policy, and to build a bipartisan commitment to pursue our strategy for realizing those opportunities for the United States, our friends and allies, and indeed all mankind.

TESTIMONY OF CYRUS VANCE BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE

Mr. Chairman, I welcome the opportunity to appear before this distinguished body again and to join with you in looking beyond immediate events to America's overall and future position in the world.

I hope and believe that these hearings can help to crystalize broader agreement on the general course that best suits our interests and needs in the coming years.

I do not believe that the development of a full consensus on a foreign policy is possible. In a world of growing complexity in which our interests are diverse, foreign policy is likely to remain the stuff of controversy.

Nonetheless, I do believe that despite differences on decisions that have been and will be made during the 1980s, our nation can shape a foreign policy consensus on our goals and the essential strands of a strategy to pursue them.

Mr. Chairman, our challenge in developing such a strategy is two-fold: first, to find ways to conduct debate of our foreign policy in a way that encourages rather than destroys a sense of national purpose and confidence; and second, to recognize the full range of enduring American interests which must be pursued in a world of rapid change. While these interests remain constant, the pace of change requires policies of flexibility and pragmatism.

Defining such an approach is no easy task in our nation; it is self-evident that a democracy faces a dilemma in fashioning its foreign policies. On one hand, successful diplomacy, especially the flexible diplomacy suited to a world of rapid change, often requires strong leadership that can decide on a course of action, pursue it consistently, and change course when necessary. There are many times, therefore, when a President must act swiftly to promote the best interests of the United States.

On the other hand, there can be no lasting support for a foreign policy unless, through free and open debate, it meets the concerns and values of the American people. Thus, the sometimes unsystematic and disorderly process of public debate and Congressional review seems to work against Presidential leadership. Not surprisingly then, Administration leaders sometimes wish that there was no Congress to consult, no barriers to overcome on Capitol Hill.

How do we deal with this dilemma? Some suggest that a return to a full consensus such as existed during the cold war should be our goal. To be sure, where we as a people do agree on a basic course—as we do, for example, in seeking to protect the security of this nation—we gain enormous strength. But as an encompassing principle, the search for full consensus is neither desirable nor possible.

There are several problems in trying to reach such a consensus. As foreign policy increasingly affects what happens here at home, the pulling and hauling of political debate is a natural, indeed necessary, part of the process of decision. Equally important, a consensus behind a single approach to foreign policy not only gives a blank check to an Administration; it also withdraws legitimacy from those dissenting voices that should be heard. They must be heard not only because this is a democracy, but also because they may well be pointing out serious, burgeoning errors. Moreover, given the state of public opinion and the complexity of foreign policy, it is doubtful that a blanket approval of an Administration's policy can be achieved.

What then can we do? I believe it is this: we can work first to achieve a broad national agreement on goals and basic national interests. We can also accept, and even encourage, debate about the best policies to achieve those goals. And we can pursue such debates with greater civility, less jockeying for partisan advantage, and more mutual trust—between the legislative and executive branches of government and among political viewpoints.

To do this will require us to start by taking a step backward. We need to stop caricaturing each other. For instance, to emphasize the need to spend more on defense does not mean that one craves war or is indifferent to its costs. To emphasize arms control does not mean that one is softheaded or soft on the Soviets. Both points

of view flow from a common concern for national security. To question the patriotism or principles of one another is to substitute name-calling for needed thought.

Quite clearly, the United States is a strong and powerful nation. Indeed, the combination of U.S. political, economic, and military power is unequalled by any other nation. And the stewardship of that power has been important to every post-World War II administration, Republican and Democratic alike.

But the fact is that the United States now faces an international landscape in which our challenges are more varied, and the power of others to affect our lives more evident, than at any time since the early days of our history. This development cannot be ascribed to any basic failure of the United States. Other factors are involved. For example, many other nations have increased their capacity to project military force. One—the Soviet Union—has developed military forces that, overall, are roughly equal to our own. That power can now be projected in many parts of the world that were once physically unreachable.

Many nations have significantly increased their economic strength. Many countries, especially in the Third World, are now asserting a presence and demanding a role unheard of a generation ago.

Forces of change in the world are also leading to greater strife and turmoil. Low-level conflict is increasing, especially terrorism that spreads across borders. Political, cultural, economic—even religious—currents are eroding old assumptions and posing new challenges.

So simply in terms of the relative power, position, and presence of other nations, the United States is now living in a vastly different world that it was only a few decades ago.

At the same time, many other factors are changing. The pace of technology places extraordinary demands on the conduct of foreign affairs. Television brings us face-to-face with distant events. The speed of development of nuclear weapons outstrips our ability to control them. And what is called "information management" in the exploding age of the computer—whether on the battlefield or in the integration of world financial markets—changes the basic ways in which we have to think about the world.

The United States, meanwhile, has become vulnerable to the workings of the global economy in ways virtually without precedent. Our balance of trade, budget deficits, interest rates, the value of our dollar, the world prices of oil and agricultural goods—are no longer topics confined to the business pages of our newspapers. They now appear on the front page because they vitally affect both what happens at home and abroad. The United States has become a debtor nation. And we are finding that the management of our economic and foreign policies are increasingly linked.

In addition, there has been a decline in the perception and effectiveness of international institutions. The promise Americans once saw in the United Nations is increasingly questioned. Support for the UN specialized agencies is declining. And various aid institutions, partly because of inadequate funding, play a less effective role than they once did.

Mr. Chairman, I have sketched this litany of change not to suggest that we should be passive in the face of developments that threaten our interests or broader global needs. Nor did I suggest that we cannot or should not nurture American strengths. The issue is not whether we are strong. We are. The challenge is to use these unquestioned strengths appropriately and effectively to advance our interests in a world undergoing rapid and profound change.

In short, our policy must be one of strength, flexibility, and a willingness to adapt to change. We must understand that we are called upon to be wise as well as strong.

And in such a world, the beginning of wisdom is to define and agree upon our basic, enduring national interests.

I believe they are to be found in seven major areas that most command our attention. They are: national defense, arms control, East-West relations, an active diplomacy for peace, human rights, the domestic economy, and the international economy.

A STRONG NATIONAL DEFENSE

First, we must have a strong national defense. On this point there is, today, broad understanding. In recent years, we have seen growth in Soviet military power and the ability to project that power. The demands of defense in areas of US commitment—especially Western Europe, Japan, and parts of Asia and the Pacific Basin—have, if anything, been increasing. In some other areas, like the Persian Gulf, we have learned that there may be circumstances in which the use of US or allied military power would be essential for the protection of Western interests. And the steady increase in low-intensity conflict is requiring us to adapt to a changing military environment with new skills and new techniques.

What we most need, however, is not a defense budget of a particular size or pre-ordained composition. More important is a method for deciding what we need, how much we need, and how it will be used. These criteria should be the essence of the debate.

In assessing both the size and composition of the defense budget, we need continually to ask ourselves several pertinent questions:

How does US military power relate directly to our interests and responsibilities abroad?

What strategies should we pursue to protect those interests and meet those responsibilities? What is the role of military power within these strategies, perhaps coupled with political, economic, and other instruments? What other countries will be with us, and what will they contribute?

In the area of nuclear weapons, will a new program increase the stability of the arms balance? Or will it risk destabilizing that balance and increasing the risks of war?

In the area of conventional weapons, will a new program be cost-effective? Is it the best of resources? Will it meet the needs of the next decade rather than just today's?

These are key questions. Posing them can take us beyond sterile and arbitrary debate when we seek to determine "how much is enough?" It can help us understand the relationship between military strength and the realistic requirements of our security.

Posing these questions leads to several important conclusions. I would like to single out four of them:

First is the greater need for increased attention to conventional arms. This is the area of greatest deficiency. It is also the area in which a future challenge to our security is most likely to come. At the same time, the most important deficiencies lie less in equipment than in the stocks, ammunition, infrastructure, and training needed to make our conventional military forces more effective. Our fighting men and women demand no less of us.

Second, I believe we need to increase our ability to cope with unconventional warfare, with low-intensity conflict. This includes further development of capabilities like the Delta Force; further improvements in the collection and use of intelligence; and the greater integration of political and military efforts. This was a key lesson of our recent involvement in Lebanon.

Third, I support continued research at its *present* level into the possibility of defense against strategic nuclear attack. I do so because research is not prohibited by the Anti-ballistic Missile Treaty, because the Russians have been engaged in such research for a long time, as have we, because such research is not verifiable, and because sheer prudence requires us to do so. But I am strongly opposed to committing ourselves to pursuing the Strategic Defense Initiative beyond research. Technically, a leak-proof defense is an unrealizable dream. The means for defeating *any* defense of cities are too numerous. And the relative advantage between offense and defense overwhelmingly favors the offense. The Soviet reaction to the development and deployment of such a system will almost certainly be a large increase in the number of their offensive missiles, which we then will be compelled to match, and the arms spiral will be ratcheted upwards. Further the SDI concept does not come to grips with either the problem of attack by sea-launched cruise missiles or the deep concern of our allies about the decoupling effect of such a system. I have seen no evidence to suggest that the situation will change in the future. Moreover, the cost of pursuing such a course would run in the hundreds of billions of dollars.

In any event, I believe that, before we begin to modify today's strategic doctrines, we must be absolutely certain that what we put in their place will not make nuclear war more likely. It would be folly, at this time, to abandon an approach that has helped keep the peace in favor of one that seems, at first glance, to be less morally repugnant, if the upshot would be to increase the chances of nuclear Armageddon. There is no moral advantage in that.

Fourth, we should adopt a very clear test to judge whether to deploy new weapons systems that bear on the strategic nuclear balance: namely, do these weapons systems increase stability or decrease it? In addition, I should state that I do not believe in "bargaining chips" in the sense of building weapons that would not be in our interest to deploy if they could not be traded away—weapons, that is, that could decrease stability. A true "bargaining chip" is one whose deployment would, in the absence of some agreed limit on Soviet weapons, increase our security but which, in an appropriate trade with the Soviets, would increase our security more through eschewal than deployment.

In my judgment, the test of stability argues for our pursuing the so-called Midgetman Missile, with its mobility and single-warhead, instead of the silo-bound MX with its ten warheads. It argues for continued deployment of Pershing II and cruise missiles in Western Europe while arms control negotiations continue. But this test of stability also argues against the deployment of nuclear-tipped sea-launched cruise missiles. These cannot be distinguished from conventionally-armed sea-launched cruise missiles, thus degrading the conventional option and making the control of nuclear-armed sea-

launched cruise missiles virtually impossible. I also believe that our best interest lies in imposing an immediate moratorium on the futher testing of anti-satellite weapons. Since we depend more than do the Soviets on these satellites, helping to foster a competition in satellite killers cannot be to our advantage. I further believe that we should seriously consider a bilateral moratorium on all nuclear testing, for a clearly defined period of time, coupled with the resumption of the tripartite Comprehensive Test Ban negotiations.

THE PURSUIT OF ARMS CONTROL

Mr. Chairman, a second fundamental national interest is arms control. At a time when the United States and the Soviet Union are poised to begin a new round of nuclear arms control negotiations, it is useful to remind ourselves why these talks are important. They grow out of a number of pertinent facts.

The fact is that today there are more than 50,000 nuclear warheads in the world. Most of them are far more powerful than the Hiroshima bomb that killed some 100,000 people. Together, they have manyhundred times the explosive force of all weapons used in all the wars in history. In strategic weapons alone, the United States and the Soviet Union will soon each have more than 10,000 nuclear warheads that could devastate one another's societies.

The fact is that there can be no victor in a nuclear war. No development even remotely on the horizon could make the pursuit of nuclear "victory" a rational act of policy for anyone.

The fact is that there is no plausible way to begin a nuclear war and then to bring it under control—to wage a so-called limited nuclear war—without inflicting destruction unprecedented in all of human history.

The basic lesson is that the two superpowers—and all other nations—are in this together. We are in the same boat, and we will survive or founder together. Neither the United States nor the Soviet Union can provide for its security against a nuclear holocaust unless it also helps to provide that security for the other. Neither can seek a decisive nuclear advantage over the other without the risk of provoking an attack in which both could be destroyed. Neither can use nuclear weapons without being devastated in turn. And both face new tasks and new imperatives, with the prospect that new complications—not least the Strategic Defense Initiative—will make stopping the arms race that much more difficult.

In short, the most basic security of all for the superpowers—security from nuclear war—cannot be found in competitive buildups. Their security must be mutual. It must be common.

I believe that these facts provide the basic principles for the negotiations that are soon to begin. I compliment President Reagan and Secretary Shultz for their concept of "umbrella talks," and for achieving a single negotiating forum with three sub-groups.

No one who has ever been involved in negotiating arms control agreements can be oblivious to their difficulties. The negotiations will be long and arduous. For the complexities of arms control are growing daily. The trade-offs required will demand great diligence and ingenuity on both sides. Issues like verification pose significant hurdles before agreements can be reached.

Some basic political principles should be followed:

We should not pursue agreement for agreement's sake; but we must recognize that agreement without fair compromise is unavailing, nay bootless.

We must negotiate seriously even if we cannot easily reach agreement. The American people rightly demand it, and the strength and cohesion of the Western Alliance depends upon it.

We recognize that arms control negotiations cannot and do not take place in a political vacuum. This fact argues for a broadening of US-Soviet dialogue, in order to help create the essential political underpinnings for arms control. At the same time, however, if US-Soviet political difficulties arise elsewhere in the world, we must be exceedingly cautious in attempting to link Soviet political behavior to the pursuit of arms control agreements. There is no merit in our trying to impose such "linkage." Any particular arms control agreement is either in our interest and should be pursued—or it is *not* and should *not*.

Finally, we must be patient and deliberate in our efforts to move the talks forward. Presidential leadership and control will be essential. Our arms control goals must be intimately related both to the arms we build and the doctrine we adopt. We must also beware—and urge the Soviets to beware—of taking unilateral steps that could make arms control agreements more difficult if not impossible to achieve.

Some of the debate we face today concerns whether we should be optimistic or pessimistic about these impending talks, about arms control itself. I am neither. I do, however, count myself among those who feel there is no more important task than pursuing these negotiations with the utmost seriousness and perseverance. But to validate that view, both the United States and the Soviet Union must be prepared to put first things first. They must place stability, reduced tensions, and human survival itself ahead of possible short-term gain. In domestic terms, no President for the last twelve years has been in a stronger position to make progress on this issue than is President Reagan.

EAST-WEST RELATIONS

The fact of a common strategic security emphasizes the importance of a third fundamental American interest: the successful management of East-West relations. As we fulfill the needs of defense and deterrence, we have an important interest in fashioning a relationship with the Soviet Union in which our fundamental competition is bounded by restraint. In so doing, we should avoid framing our discussions of East-West relations in ways that suggest a false choice between extremes: between a utopian state of detente on one hand and a condition of implacable hostility on the other. Both realism and safety require that we conduct relations in the continuum between those two poles. We have a basic interest in the containment of Soviet power and ideology; we also have a basic interest in world peace. Any policy must reconcile and promote both. At times there will be greater progress in finding areas of mutual restraint. At others, the adversarial elements in our relations will predominate. But there must always be elements of both. What then should be the elements of Western policy toward the Soviet Union?

The first element of our policy must be its durability—the capacity of successive US and allied governments to follow a more consistent expression of Western interests, extending beyond national elections or changes in the public mood. If we want Soviet leaders to understand what we expect of them in mutual relations, they must be able to predict our attitudes and behavior.

A second element must be the closeness of our partnership with like-minded states, beginning with those in Western Europe, on the course we seek for East-West relations. None of us will profit if we permit divisions to open between our respective views of the Soviet Union and of the best policy toward it, as happened with the Afghanistan and Poland crises. Within the West, we will disagree on some particulars because our interests are similar but not congruent. Yet we must demonstrate that we can work together on these issues so that our actions will have more political impact and will demonstrate that there is no advantage for Soviet leaders in trying to separate us from our allies.

Third, we and our allies must maintain the military force required to meet Soviet challenges, both in Europe and elsewhere, as need be. The Soviet Union must have no opportunity to test us militarily, or to exploit military advantages politically. It is never easy to define the line between sufficient military power and excessive reliance on military instruments, but, collectively, the Western allies must be able to make those judgments. And the Soviet leadership must know that we are prepared to pay the price necessary for our security. At the same time, we must seriously pursue fair and verifiable arms control agreements.

Fourth, we in the West collectively must distinguish those areas of East-West relations where there is no room for compromise from those areas where mutual agreement is possible. And we must lead a new generation of Soviet leaders to understand Western determination to defend our vital interests while seeking to expand those fields in which East and West can cooperate.

Fifth, during the last decade a major factor in the determination of East-West relations was the Soviets' lack of restraint in exploiting local conflicts in the hope of expanding their influence. When an opportunity does come for more sensible management of East-West relations, it will be important to find ways to increase that restraint. While it is not feasible to develop across-the-board "codes of conduct," we can seek practical limitations in specific regions of the world where both have an interest in keeping political competition from reaching explosive levels.

Sixth, we should adopt a policy of sustained engagement toward the Soviet bloc as suggested in the recent *Statement of the Aspen International Group* ("Managing East-West Conflict")—a consistent and long-term policy which would protect Western interests, reduce the competition, and over time influence Soviet policy for the better. Sustained engagement should rest on the twin pillars of Western strength and flexibility. To effect these objectives, there must be an increase of Western points of contact with the East in all fields—political, military, economic, scientific and cultural. This means that the West should keep its powder dry while emphasizing its seriousness in cooperating with the East where possible. Such an overall Western policy requires not only increased dialogue among the Western nations, but also greater European participation (collective and unified, where possible) in Western decision making.

We and our allies must continue talking with the Soviet Union in order to make our concerns clear. There can be no excuse for halting communications in times of tension

when clarity about each other's intentions is vital to stability and peace.

Finally, we must think of our relations with the Soviet Union in terms of decades, not simply from year to year. Our long-term position must make clear to present and future Soviet leaders that we are prepared to have a positive relationship with a Soviet Union that does not seek to dominate other countries, and that accepts a constructive and responsible role in the world.

ACTIVE DIPLOMACY FOR PEACE

A fourth American interest lies in the pursuit of an active diplomacy for peace. I have already talked about the need for strong US military defenses. But we cannot rely on military strength alone to deter, prevent, or cope with trouble. We must continue to place special emphasis on strengthening our alliances—not just militarily, but politically and economically as well. We need to continue developing constructive relations with the world's largest nation, the People's Republic of China. We need to continue working with other nations in reducing the risks of nuclear proliferation. And we also need to be more active in helping to resolve Third World conflicts in key parts of the world, if we are to avoid being drawn into them. Prudence points to peacemaking as a first step, and the use of military power, where necessary, as a last resort.

At the same time, timely and effective peacemaking by the United States can decrease the chances that the Soviet Union will benefit from turmoil, especially in the developing world. Peacemaking can dry up troubled waters in which Moscow is often inclined to fish.

We know the record of successful US peacemaking in recent years, in areas of vital interest to this nation. The Nixon, Ford, and Carter Administrations all had notable successes, especially in the Middle East. In addition, southern Africa is less threatened by instability because of our joint efforts with Great Britain in Zimbabwe. We hear little or nothing about the Panama Canal today because of the existence of the once controversial treaties that were hammered out by the joint efforts of Republican and Democratic administrations. And in a related field of flexible diplomacy, bipartisan successes in normalizing and strengthening relations with China have presented us with a far more hopeful future in East Asia than could otherwise have been possible.

The challenge to American peacemaking continues unabated. In the Middle East, we have learned over the years that US disengagement from the role of mediator leads more often to conflict than to peace. The United States now faces critical choices in Central America: do we have both the will and the ability to reach sensible arrangements for regional security; or will we slide into military conflict in Nicaragua or El Salvador? We continue to have an interest, if too little opportunity to act, in seeing an end to fighting in the Persian Gulf. We must continue to pursue diplomatic efforts to end Soviet aggression in Afghanistan. And we must continue our efforts to bring about a peaceful solution in Namibia and an end to the evils of apartheid in South Africa.

With its renewed popular mandate—and now that it has met its first priority of beginning talks with the Soviet Union on arms control—the Reagan Administration has the chance to pursue active US efforts to resolve some of the underlying conflicts that threaten our interests. Precisely when and how to go about this diplomacy is a matter of tactics that goes beyond the scope of my testimony, today. But it is important that the United States recommit itself to its role as peace-maker in areas of the world important to us. I for one would welcome and applaud that recommitment.

COMMITMENT TO HUMAN RIGHTS

Fifth, I believe the United States must rekindle its commitment to human rights.

I reject the idea that the pursuit of human rights and the pursuit of national self-interest are incompatible. Of course, we cannot escape those difficult decisions that sometimes are required. We must constantly weigh how best to advance human rights while conducting essential business with governments, even unpopular ones, in countries where we have important security interests. But the fact remains that, over the longer term, our pursuit of human rights is not only compatible with our national security, but contributes to it.

In country after country, we have learned that views divergent from those of repressive regimes cannot be long repressed without sowing the seeds of violence. Once ties are broken between a government and its people, outside intervention cannot secure its long-term survival. Thus it is profoundly in our national interests to support constructive change *before* such ties erode and the alternatives of radicalism or repression drive out moderate solutions.

Each society must decide for itself how to manage change. We cannot and should not write social contracts for others. But we can encourage and help others to promote peaceful and orderly reform. In the process we will be true to ourselves.

In short, we pursue our human rights objectives not only because they are right, but because we have a stake in the stability that comes when people can express their hopes and find their futures freely. Our ideals and our interests thus coincide.

A SOUND NATIONAL ECONOMY

Sixth, we clearly have a vital interest in a sound national economy. It is the cornerstone on which all else is based. I cannot emphasize too strongly that the economic foundations of our national security are every bit as important as the defense component. Creating viable military defenses requires that we have the requisite economic wherewithal, trained workforce, advanced technology, and high standards of economic performance. There is also no doubt that the quality of the US economy affects the way we project ourselves to others—the degree of confidence we have as we pursue our foreign policy goals.

During the past several years, we have achieved significant successes in our domestic economy. Under President Carter, we made substantial progress in coming to grips with the energy problem. Under President Reagan, inflation has decreased dramatically and economic investment and output have increased.

I believe all of us would agree that we cannot ignore the imperatives of sound economic policy for the next several years. Our unprecedented budget and trade deficits must be confronted *now*. Our hard-hit export industries, as well as our domestic industries competing with low price imports, need relief from the overvalued dollar. Our capacity to use economic instruments like foreign aid—often a substitute for later security actions—must be resuscitated.

As we look to the next few years, we know that we are facing a time of economic choice without precedent in recent decades. This will require us to take a fresh and harder look at defense spending. In this connection, we must eschew unnecessary duplication of weapons systems, cut waste, better rationalize our weapons procurement with the types of conflict and missions our forces may face, and recognize the substantial economic benefits of arms control.

A STRONG INTERNATIONAL ECONOMY

Finally, Mr. Chairman, I believe that American foreign policy will be tested in terms of our ability to help preserve and develop a strong international economy in the years ahead. The depth of our ties to the global economy is beyond dispute; and so is the impact of our domestic economic health on the prosperity of others—including allies on whose strength we depend.

In recent years we have come to understand better the demands placed upon us in keeping the global economy functioning in ways that can benefit us and others. We have seen the oil shocks, the debt crises, the stagflation exported from one country to another.

Today, we face a particular need to avoid protectionism, which will inevitably grow unless both we and other developed countries are quick to contain it. Here, American leadership is again required. I do not agree with those, in either political party, who argue that we should lead the way to raising the barriers. As in other times of global economic difficulty, the United States should lead in the direction of a more open international trading system. As in the past, that course offers the best promise for both ourselves and others.

Yet the United States must also insist that other countries join with us in playing by the rules. The multilateral trading system can only work if it is just that: respected by all economies for the benefit of all. I believe in fair as well as free trade. Indeed, if it does not become more fair, I fear that it will become less free than it is today.

In reviewing the agenda of international economic problems, I am particularly concerned by what is happening in the Third World. In recent years, as we have faced our own economic problems, we have paid less and less attention to burgeoning economic threats to the vast majority of mankind. This myopia will severely damage our interests even as it stifles hope in country after country in the Third World. It has merely put off the day of reckoning. It has increased the chances of strife and turmoil that we will then be tempted to meet through non-economic means.

What we have seen recently on television in Ethiopia was not the exception. It risks becoming the rule, certainly in some parts of sub-Saharan Africa and potentially in other forms elsewhere. Yet by postponing our effective involvement in the overarching economic problem of Third World development, we saddle ourselves with future trouble of staggering size. By too often letting short-term political criteria, rather than economic need, determine both whether and how we will provide assistance, we risk distorting our aid efforts to our own ultimate disadvantage.

It is not popular to emphasize development assistance at a time of national economic stringency in the face of budget deficits. But if we compare what we can spend today on foreign assistance with what we may have to spend tomorrow on military

weapons, then this emphasis is clearly placed correctly.

CONCLUSION

Mr. Chairman, these are seven areas of U.S. foreign policy that, in my judgment, must command our attention at this time. I have focused on them not because they exhaust all of our responsibilities, to ourselves and to others, but because each represents a basic national interest. Poll after poll shows that the American public well understands the importance of each to our future.

Thus, any American foreign policy, if it is to succeed abroad and gain support at home, must include the pursuit of all of these interests.

Of course, these goals often compete for our attention and for our resources—requiring decisions whose difficulties all this Committee understands only too well, as when judging the effects of military spending on our domestic economy.

But there can be no alternative to striking a balance among them, and to understanding how they combine as well as collide—for example, how arms control agreements, by constraining the Soviets' strategic posture, make our own defense planning easier.

And to have an effective foreign policy, our society must do more than define its interests and carefully debate the proper balance among them. While we discuss specific policies designed to protect and promote these interests, let us dedicate ourselves to two actions of comity.

First, on those most *important* of decisions, when we must send young Americans into the danger of combat abroad, let us act together. Because the road we then choose to take is likely to be hard, it is essential that our system work, that all voices be heard and a near consensus reached *before* we act. If not, as we have learned, divisions at home can lead to devastating inconstancies abroad. This is why I believe the Congress must not weaken the War Powers Act. Rather, for the sake of cohesion and constancy when we commit ourselves to military action, it should, if anything be strengthened.

Second, as we debate, let us remember the importance of pragmatic compromise. It is the necessary lubricant in the complicated, wonderful machinery of our political system. Compromise is less exciting than controversy. It works its way less easily into the headlines and may, in times of heated debate, find a narrow place in our hearts. But it is essential to democracy no less than to diplomacy. I thus applaud the spirit, Mr. Chairman, in which you and your Committee have called these hearings.●

PRESS CONFERENCE BY BROOKLYN RIVERA

● Mr. KENNEDY. Mr. President, while Congress and the administration debate armaments in Nicaragua, few have taken note of the important progress being made in efforts to bring about a peaceful settlement to a 3-year conflict in the country's Atlantic coast. Brooklyn Rivera, the leader of the Indian rebel group Misurasata, has been negotiating with the Nicaraguan Government for a peaceful settlement of the Miskito, Sumu, and Rama Indians' war to secure land rights and autonomy for Nicaragua's indigenous people.

Last fall, Mr. Rivera began these negotiations and secured the first exchange of prisoners between the Sandinistas and one of its armed enemies. The Nicaraguan Government's refusal to cease hostilities against the Indian people during the negotiations has forced the cancellation of subsequent meetings. Mr. Rivera recently held a press conference to ask support for the cause of the Indian people and to urge Members of Congress to encourage the resumption of the talks.

Thousand of Indians fled the country in an effort to escape attack and forced relocation by the Sandinistas. By its own admission, the Nicaraguan Government has disregarded the culture and traditions of its Indian people in its effort to incorporate the Indian people into the Sandinista, revolution. Miskito, Sumu, and Rama peoples have been tortured, murdered, intimidated, and coerced by both the Sandinista Government and by the Contra groups.

The issue is one of human rights, not ideology. In the words of Brooklyn Rivera, "It is neither left nor right, capitalist nor Communist—it is Indian." Misurasata's struggle represents the struggle of all indigenous people against racism and injustice. Brooklyn Rivera's peace initiative deserves the support of Congress and of this administration.

Mr. President, I ask that the full text of Brooklyn Rivera's press conference and the news statement by the National Congress of American Indians may be printed in the RECORD.

The material follows:

BROOKLYN RIVERA: GENERAL COORDINATOR OF MISURASATA

In my capacity as General Coordinator of Misurasata (Miskito, Sumu, Rama, Sandinista, Aslatakanka), the one legitimate organization of the Indian peoples of Nicaragua, I am presenting this declaration to the national and international public about the present situation of the Indian people of Nicaragua and about the fight of my brothers and sisters as well as the peace initiatives in the last months between the Indian leaders and the Government of Nicaragua. I am also presenting information about the shameful activities of the Sandinistas as well as the contras who are harming the interests and threatening the future of my people. I have held the position of General Coordinator since May of 1980 through the popular will of my brothers, and it is by tradition my obligation to carry out this historical responsibility.

One should note in particular in the present situation in Nicaragua both the plight of the Miskito, Sumu and Rama people and of the rest of my Indian brothers in the Central American region. The type of conflicts which the Indian peoples of Central America are experiencing varies from one country to another, but there is a common base to all: Resistance and fighting by the Indian peoples for survival against the neocolonial practices of the nation states. The fight of Indian peoples is to secure dignity and liberation and the reestablishment of their historic right to the land, to their autonomy and the peaceful coexistence with other peoples of the country. Therefore, the Indian fight is different in its origin, nature and objectives from the struggles of other groups and forces which are in conflict in those countries.

In the case of the existing conflict between the Indians and the Sandinista government in revolutionary Nicaragua, we see the conflict is considered simply between Sandinistas and Somocistas, or as the East-West problem. In reality, the Indian resistance is not a product of the clashing of political or ideological interests with the regime of Managua. Rather, it is the result of the government's intentions to control our territory and to make the Indian population submissive to the Sandinista state. The interests of the Indians of Nicaragua are based on the shared identity of the Miskito, Sumu and Rama people, their communal territory, their kinship and historic ties. Moreover, the revolution is not in conflict with the Indians simply because of the so-called errors committed by the Sandinista front, but, rather, because of the fundamental differences between the state and the Indian peoples over concepts of rights, interests, and sovereignty.

Therefore, the Indian fight is neither of the right wing nor of the left wing. It is of the Indian wing. But it is revolutionary because it is seeking the liberation and the defense of the interests of indigenous peoples. Likewise, it seeks to realize the aspirations and to develop the human resources of Indian peoples.

Thus, it is clear that the resistance of Indian peoples is based on legitimate principles, on a fight to reclaim that which is rightfully theirs: Ethnic identity and their aborigional rights to their land and autonomy. One should never confuse the Indians' fight with other wars or confrontations involving greed or foreign interests.

Faced with the obvious failure of their warlike solution to the Indian conflict and with the urgent necessity to improve the international image of their deteriorating revolution, the Government of Nicaragua during these last few months has changed the way they've handled the problem. In the midst of this new development, in December 1984, Misurasata began formal talks with the Government of Nicaragua to try to find a peaceful solution to the existing conflict. For our Indian organization this initiative represents an opportunity to explore the possibility of a just peace and the reestablishment of the historic rights of our people. We also hope that these negotiations will establish an international precedent for the peaceful resolution of conflicts involving the fundamental issues in the relations of Indian peoples and the nation states.

During the first meeting at Bogota, Colombia, on the 8th and 9th of this past December, the Indian delegation presented a written proposal. This proposal is a basic document for negotiations leading towards a treaty of peace and recognition of the territory and autonomy of our Miskito, Sumu and Rama people within the Nicaraguan state. There was every indication that the Government of Nicaragua's delegation had been instructed to negotiate within the framework of the State by making some adjustments or reaccommodations in the state apparatus but without making any fundamental or "revolutionary" changes in the political and economic relations between Nicaragua and the Miskito, Sumu and Rama peoples.

We see that while the Sandinistas were affirming that they are constructing a socialist revolution in Nicaragua, as far as their relation to the Indian peoples they were defending the same traditional, racist politics as any other ultraconservative government of the Americans. The Nicaraguan Government is trying to convert the indigenous peoples into a new type of "Indian" who would be without ethnic identity or rights, assimilated into the culture of the ladinos (the dominant non-Indians) and subjected to the interests of the State. We can see an example of this within the "asentamientos" (relocation camps) where our brothers and sisters have already been subjected to this ethnocidal experience.

Even though the government of Nicaragua has appeared to be favorably disposed towards the peace process, Misurasata has from the beginning been faced with a series of artificial obstacles which are a product of the intransigence and manipulations of the Sandinista regime. Some of the greatest obstacles in the steps toward peace are:

(a) Misatan, a pseudo organization consisting of supporters of the Sandinista Front and elements of members of State Security and the Party who are trying to manipulate the Indian conflict and the Indian resistance.

(b) Comision nacional de los estatutos de la autonomia (national commission for the development of a state autonomy statute), recently created for international propaganda and for pretending to give autonomy to the Indians.

(c) Manipulation of an "autonomy statute" built on an artificial and adulterated foundation—obviously intended for international public opinion, not for the recognition of historic Indian rights.

(d) Furthermore, the government, with its accustomed "authority", has threatened to impose this so-called "autonomy statute" with or without MISURASATA participation.

We deeply regret the need to cancel our negotiations scheduled for January 19th in Bogota. But the intransigent position of Managua, with its recent escalation of military conflict, attacking even our civilian population, leaves us no choice. It makes no sense to speak of peace if the Sandinistas are striking even more intensely against our civilian population.

Nevertheless, MISURASATA reaffirms its course, its conviction that the only viable route in the East Coast of Nicaragua is a peace based on justice for the Indian village people. We expect the Sandinista government will also move in a more positive manner at this time, sparing our civilian population unnecessary bloodshed. If they would but do that, we could move forward and fix a new date for negotiations in Bogota.

It is once again necessary for me to clarify, before international public opinion, that the MISURASATA movement and organization emerges from the very bosom of our Indian culture. It is neither left nor right, capitalist nor communist—it is Indian. No other Indian organization within this conflict, MISATAN nor MISURA, can make that claim. They are used both by left and by right to manipulate the true Indian issues.

It is clear that MISURA isn't Indian nor does it represent at any time the interests of Indians. But for the Fuerza Democratica Nicaraguense (FDN) and the three so-called Indian elements, MISURA would not exist at all. The group called MISATAN isn't Indian either. This group represents only the interests of the Party and the Sandinistas. As it is, outside of the FSLN and the ten supposed Indian elements, MISATAN doesn't exist. Both MISURA and MISATAN show unequivocally the interests of the forces of the right and the left in the manipulation of Indians.

But the counterrevolution has failed as well with their bare-faced intentions of manipulation. MISURA, with its psychopath Fagoth as its head, has not produced results in spite of massive support and abundant publicity on the part of its patrons. All of those groups called "contras," including UNIR (F.D.N., MISURA Y ARDE-Robelo) and ARDE-Pastora are dedicated to dirty manipulations against us, are trying to destroy us. Within the last few days they have mounted a diversionary show in San Jose, Costa Rica to confuse international opinion. The leaders of UNIR, elements of ARDE (Pastora) and right-wing Cuban residents in that country have used money to bribe three MISURASATA organizers for this deceitful act, the false claim that they have taken control of our organization. These men pretend that the Indians are their concern when they only want to use them for their own political ends. Racist against us and feeling that the efforts of peace of MISURASATA are a threat to their interests, they are determined to destroy the organization politically. They continue to think that we Indians ought to follow them and that they are the ones that ought to speak for the Indians. The true Indian leaders have already responded courageously to this with their communication of five days ago in San Jose. The Indian fight pertains only to the Indians. How can those men pretend that the Indians are their allies when they won't even speak with them about their aboriginal rights?

But I am convinced that the counterrevolution will not remain satisfied with their attempts at political destruction of the legitimate native leaders. It will attempt to eliminate us physically. We publicly denounce the schemes of these men against the integrity of our leaders and in particularly against my person. The enemies of the Indian people as much on the right as on the left have always acted without morals or scruples during the pursuit of their malevolent goals.

But the peace initiative will go forward despite the maneuverings of the enemies of our people. We call for the help of all honest people and organizations that support this dignified search for peace as a responsible alternative to the existing conflict. It is time to work to alleviate the present situation of anguish of the Miskito, Sumu and Rama peoples. We, the true Indian leaders, are working in that direction in contrast to the racist pretensions of the enemies of our people on the right and on the left. We need the solidarity of all people and organizations that truly are concerned with the Indian problem in Nicaragua.

There will be no national peace without justice for the Indians.

National Congress of American Indians

[News Statement]

WASHINGTON, DC (1/29/85).—"The East-West issues and the objectives of the left and the right ideologies have overshadowed the life-threatening situation of the Indian people and their struggle to survive in Nicaragua," said Suzan Shown Harjo, Executive Director of the National Congress of American Indians. "It is time that all people pay attention to the future of the Indian people, and to call upon all parties to assure their future and to stop using them as a political football."

The National Congress of American Indians, established in 1944 to promote Indian treaty, traditional, cultural and property rights, is the oldest and largest national membership organization of American Indian and Alaska Native governments and people.

In accordance with its attached resolution concerning the urgent situation of Central America Indian Peoples in the face of violence and genocide, with particular references to the situations in El Salvador, Guatemala and Nicaragua, the National Congress of American Indians supports the Misurasata in its efforts to negotiate a just and peaceful solution that will assure the future survival and well-being of the Sumo, Rama and Miskito Indian nations and their people.

NATIONAL CONGRESS OF AMERICAN INDIANS
RESOLUTION NO. 3-82

STATEMENT OF FINDINGS

The more than fifteen million Indigenous peoples (Indians) located within the asserted boundaries of Panama, Costa Rica, Nicaragua, Honduras, El Salvador, Belize, Guatemala and Mexico constitute majority populations within their respective territorial enclaves. The majority of Central American Indigenous peoples retain their own cultural practices, their own native languages and internal political systems and have maintained their distinct group identity despite Spanish and British colonization of their territories and subsequent formation of eight nation-states by Spanish and British descendants. None of the Central American states recognize the distinct political character, nor do the individual states recognize the right of indigenous peoples to participate in the state governments as distinct political groups. (Note: Indigenous group representation in the Nicaraguan government was accepted in the new Council of State formed by the Sandinista regime, but was terminated in 1981.) The indigenous populations of Mexico and Central America are treated as peasants at the bottom of the general economic system, though in reality indigenous peoples are forced, by virtue of their Indian lineage, to live as the poorest of the poor.

Over the generations, rival groups of Spanish and/or British descendents have met in violent confrontations to control the various state governments which have in turn, formulated laws or used violence to confiscate indigenous lands and natural resources for the direct benefit of a minority of wealthy, landed families. Thus forced off of their rich lands into less productive lands, indigenous populations in Central America and Mexico now occupy the last remaining parts of their original homelands. During the last twenty-five years, indigenous territories now occupied, have been found to contain vast amounts of petroleum, gold, nickle, timber and other raw materials of economic importance to the wealthy, landed families; and of significant strategic importance to the industrial states of North America and Europe.

The current violence in Central America reflects a resurgence of rivalries among non-indigenous groups seeking to hold or gain control over the instruments of state government to gain ultimate control over the newly found wealth in the remaining indigenous territories. In the course of resurgent

violence, acts of genocide and ethnocide are being committed against indigenous groups. Indigenous populations are caught between the rival forces as a third political force which holds ideals and aspirations, values and political views in opposition to non-indigenous rivals.

Non-indigenous rival forces in Guatemala are directly and indirectly responsible for the violent deaths of an estimated 25,000 indigenous Mayan people during the last ten years, and the dislocation of thousands more who have become refugees in other countries. The Guatemalan government, private death squads, and their non-indigenous rivals are carrying out a deliberate policy of genocide to deny the Mayan peoples their fundamental human rights, their territorial rights and their livelihood as a peaceful people by confiscating Mayan lands and natural resources for the benefit of wealthy, landed families, national and multi-national corporations and for the benefit of nations which receive import products from the exploitation of Mayan lands and natural resources.

The Mayan population constitutes the majority population in Guatemala living under the domination and control of a minority which holds control over the military and instruments of goverance. The ruling minority uses torture, intimidation and coercion against the Mayan majority to secure virtual slave labor; and the ruling minority practices torture, mass murder, intimidation and coercion to induct Mayan men and boys into the military to carry out insurgency and counter insurgency actions among the minority population and against Mayan communities. Weapons and armaments widely used against indigenous communities are imported to Guatemala from the United States, Brazil, Israel, Venezuela, Chile and Eastern Block states through government-to-government sales or through the private black market.

Non-indigenous rival forces in El Salvador are directly and indirectly responsible for the violent deaths of an undetermined number of Indigenous Pipiles (Nahuat-Pipiles) whose collective population is estimated at 360,000. EL Salvadoran government officials, private militias, death squads and their rival counterparts are carrying out a deliberate policy of genocide against the Pipiles to deny them their fundamental human rights, their territorial rights and their livehood as a peaceful people. The Pipiles constitute a majority population within their own region, living under the domination and control of a majority which holds control over the military and instruments of goverance. Rival forces within the majority use torture, intimidation and coercion against the Pipiles to secure virtual slave labor; and the ruling majority practices torture, mass murder, intimidation and coercion to induct Pipiles men and boys into the military to carry out insurgency and counter insurgency attacks within the majority population and against Pipile coummunities. Weapons and armaments widely used against indigenous communties are imported to El Salvador from the United States, Argentina, Venezuela and Israel through government-to-government sales and transfers, and through the private black market from Libya, Western Block states and Eastern Block states.

Non-indigenous rival forces in Nicaragua, in the border areas of Honduras and Costa Rica and in Guatemala are carrying out acts of genocide and ethnocide against the indigenous Miskito, Sumu and Rama peoples who have a combined population exceeding 180,000. The Miskito, Sumu and Rama constitute the majority population living on the Atlantic Coast, in Zelaya Department, within the asserted boundaries of Nicaragua. Acts of violence against the Miskito, Sumu and Rama have been precipitated by the 1979 overthrow of the Anastasio Samoza Regime by the "Frente Sandinista De Liberacion Nacional" (F.S.L.N.) which subsequently established the Sandinista Regime.

An undetermined number of Miskito, Sumu and Rama have been murdered by the military and insurgency forces of the former Samoza Regime operating from protected enclaves in Honduras and Costa Rica with the covert aid of the United States government, paramilitiary forces in Florida and California, and covert forces organized by Argentina, Chile and other South and Central American states. These enclave and covert forces are using torture, mass murder, intimidation and coercion to induct Miskito, Sumu and Rama men and boys into their ranks to carry out violent actions against Miskito, Sumu and Rama communities, and against communities and installations under the control of the Sandinista Regime.

The Sandinista Regime has enacted a policy entitled "Declaration of the Popular Sandinista Revolution in Regards to the Indigenous Communities of the Atlantic Coast" which contemplates forcible assimilation of Miskito, Sumu and Rama peoples and their territories into Nicaraguan society despite their relative independence prior to 1979. The Sandinista policy further contemplates annexation and confiscation of Miskito, Sumu and Rama territories and natural resources against the will of the coastal indigenous peoples. These policies are now being executed as demonstrated by the forced relocation of more than 8,500 Miskito from their native villages to permanent government controlled "model communities". The Miskito, Sumu and Rama peoples are being tortured, murdered, intimidated and coerced by representatives of the Sandinista Government and the United States supported forces seeking to overthrow the Sandinista Government. Weapons and armaments from France, Libya, the United States, Cuba, the Soviet Union, Argentina, Israel, Brazil and Chile provided through government-to-government sales and transfers, and through the black market are being used against the indigenous Miskito, Sumu and Rama peoples.

The acts of violence against indigenous peoples, as revealed by events in Guatamala, El Salvador and Nicaragua, demonstrate a systematic and calculated pattern of state supported and rival group supported practice of genocide and ethnocide against the indigenous peoples of Central America. The states of Argentina, Chile, Brazil, Honduras, Venezuela, Israel, United States, Libya, France, the Soviet Union and Cuba, are by virtue of their arms and weapons sales, knowingly or unknowingly, contributing to acts of genocide and ethnocide against indigenous peoples in Central America.

Whereas, in consideration of the Founding principles upon which the Constitution of the National Congress of American Indians is based, where member Tribal Governments are committed to the preservation of Indian cultural values, the equitable adjustment of Indian Affairs, the preservation of Indian rights, the promotion of the common welfare of the American Indian; and a better understanding of Indians, and

Whereas, recalling that the National Congress of American Indians is a Charter member of the World Council of Indigenous Peoples, founded in Port Alberni, Canada on October 27-30, 1975, and is, thereby, committed under that Charter to: "Promote unity of Indigenous peoples through knowledge and organization; to combat racism, to abolish genocide and ethnocide; to ensure political, economic and social justice; and to establish equality among indigenous peoples and other peoples of the world"; and

Whereas, recalling that the National Congress of American Indians has from time-to-time extended its support and assistance to indigenous populations throughout the Western Hemisphere through the adoption of relevant resolutions in convention; and

Whereas, recalling that the National Congress of American Indians has mandated international initiatives to organize and promote supportive action within the United Nations and other international organizations to stop national government policies of genocide and ethnocide against tribal peoples in South America, Central America, North America, the South Pacific and Northern Europe, as provided in the "Tribal/Global Relations: Policy & Action Plan for the 80's" adopted by the 37th Annual National Congress of American Indians Convention, October 28, 1980; and

Whereas, recognizing that the rights of indigenous peoples to self-determination and self-government are accepted international law, and have been increasingly given effect in the domestic law of States; and

Whereas, considering that the recognition of the inherent dignity and the equal and inalienable rights of individuals and of peoples are the foundation of freedom, justice and peace in the world, and considering that these principles are recognized and proclaimed in the Charter of the United Nations, the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, the European Convention on Human Rights and the Inter-American Convention on Human Rights; and

Whereas, the indigenous peoples of Central America and Mexico are suffering from systematic and calculated genocide and ethnocide due to the actions of State governments and their rivals; and the indigenous Indian peoples of Central America and Mexico are suffering from the systematic and calculated efforts of States to force assimilation, annex indigenous territories, and expropriate and confiscate indigenous lands and natural resources.

Now therefore be it resolved, that the National Congress of American Indians does hereby, proclaim its endorsement and support of the indigenous peoples of Central America and Mexico and offers its assistance and participation in World Council of Indigenous Peoples sponsored commissions or other actions which may be instituted to protect Indian rights in Central American and Mexico.

Be it further resolved, that the National Congress of American Indians does call upon the World Council of Indigenous Peoples to receive this resolution and transmit it to the good offices of the United Nations, Organization of American States, Organization of Non-Aligned Countries, the European Human Rights Commission, the U.N. Human Rights Commission, the Inter-American Human Rights Commission, the Foreign Ministries of all of the hostile States governments, representatives of hostile rival groups located in Central America and

Mexico, and the relevant international press.

Be it further resolved, that the National Congress of American Indians does direct its President and Executive Committee and staff to take all necessary steps to express our collective outrage and the contents of this resolution to the Executive and Legislative offices of the United States Government relevant to our concerns.

Be it finally resolved, that the National Congress of American Indians does direct its President and Executive Committee and relevant staff to take all necessary steps to convey the contents of this resolution to the U.S. electronic media and press, and to the Central American Regional Indigenous Council (CORPI) with all deliberate speed.●

TODD ZEPHIER

● Mr. PRESSLER. Mr. President, today I would like to take a moment to honor a courageous young man from South Dakota, Sgt. Todd Zephier. On January 11, 1985, Sergeant Zephier was killed in the Pershing II missile accident in West Germany. Todd was a 23-year-old American Indian.

Most of Todd's life was spent at Marty Indian School, a boarding school located southwest of Wagner, SD. There, Todd is remembered as a model student in every way—intelligent, talented, and of uncompromising discipline. In his high school yearbook, he is described as being of "profound mind and reserved nature." While at Marty Indian School, Todd was also the recipient of the "good character" award in both his junior and senior years.

Sister Pat Mylott, one of Todd's teachers, remembered him as one who had shown much promise and who stood out among her students. Of Todd, Sister Mylott says: "I guess the thing that stands out most is integrity." She recalls that once when she handed out too much lunch money, Todd offered to give up all of his money to make up the difference.

Todd's personal life exemplified him as an extremely honorable young man. The priests at Marty Indian School hoped Todd would attend a Catholic seminary. Instead, Todd chose to serve his country and joined the U.S. Army. During his 3 years of service, he sent most of his earnings home to his children and his mother.

A wise man once said that "greater love has no man than that he lay down his life for a friend." Todd, killed overseas while serving his country, gave his life for over 230 million friends—his countrymen. It is because of people like Todd who loved their country so much that they were willing to die for it, that we live in freedom today. I hope that all will know Sgt. Todd Zephier was an outstanding South Dakotan and American.

Mr. President, I offer my condolences to Sergeant Zephier's family. Todd remains an inspiration to many young people in South Dakota and I believe this a great tribute to a truly remarkable young man.●

CUT THE NUMBERS OF WEAPONS SYSTEMS

● Mr. SIMON. Mr. President, a few weeks ago, in U.S. News & World Report, our colleague, Senator SAM NUNN, had an interview that appealed to me for having a great deal of common sense to it.

I am inserting it in the RECORD in the hope that all of us who have not had a chance to read it will see it.

Every time I see SAM NUNN's comments about the defense area, I recognize that this Nation is fortunate to have his services in the Senate and that at some time he would make an incredibly fine Secretary of Defense if a President could persuade him to take that position.

The interview follows:

"CUT THE NUMBER OF WEAPONS SYSTEMS"

(By Senator Sam Nunn)

Q. Senator Nunn, how far should the President go to cut the defense budget in his bid to reduce the federal deficit?

A. There are two features of that to consider. One is how much the administration can save within the defense budget itself, and the second is how much the President can buy in additional domestic savings by demonstrating to Congress a willingness to cut defense. The second consideration is probably the more important in achieving actual savings.

Q. Can defense spending be frozen without disrupting the planned military buildup?

A. No. I think you pay some price for a freeze. If you freeze military pay, for example, you pay some price in terms of lower morale of the forces and lower recruitment and retention. There's no such thing as cutting the defense budget several billion dollars without having an impact.

But the real question that has to be asked is whether the impact of defense cuts is worth accepting in the effort to get the deficit under control. I think it is if you have nondefense programs included in an across-the-board freeze.

Q. Where should the cuts come in the Pentagon budget?

A. My advice is to cut the number of weapons systems. We have, for example, three major nuclear-bomber programs—the B-1, the "stealth" and improvements in the older B-52s. We have the MX missile, the new small intercontinental ballistic missile and three different varieties of cruise missiles, in addition to two types of submarine-launched nuclear missiles. All of these are important individually, but collectively that's too much emphasis on the strategic nuclear arena. I would trim that down as well as trimming some conventional programs. If we continue to stretch the program, the per-unit cost will increase, and each defense dollar will be buying much less.

To make the most efficient use of our defense dollar, we also need to revise our military strategy. Defense Secretary Weinberger's definition of our military strategy—to fight as long as necessary, virtually everywhere in the world—is so broad that there's never going to be enough money in any year or any 10 years to implement it.

Q. How can this mismatch between strategy and resources be remedied?

A. Essentially, you have to identify your own assets and Soviet weaknesses. The assets of the Western world include access to oceans, stronger economies and superior technology. The Soviet Union, on the other hand, is surrounded by enemies on every side. They have profound weaknesses that we don't adequately gear our strategy toward. One is that they don't have very good access to the oceans. We can turn that to our advantage with better mine-laying capabilities to bottle up the Soviet fleet in wartime.

One of the biggest Soviet liabilities is that they have exposed lines of communications, with their forces stretched virtually halfway across the world. Their country is so huge that they have only two rail lines connecting their main industrial centers with the Chinese border, where about 30 percent of their military force is tied up. We should focus our conventional weapons on being able to interdict those lines of communications in the event they start a war.

Q. In the defense-budget battle, would you advise the President to regard the MX missile as expendable, particularly in view of mounting opposition from Republicans as well as Democrats?

A. I wouldn't give him that advice now. I think, though, that he ought to determine whether he's got any options to make the MX more survivable against a Soviet first strike. He ought to say: "It's been a long time since the 1980 campaign, and I ought to reassess my political pledge to the Western states to change the whole basing mode devised by the previous Pentagon." If he's still unwilling to reconsider his opposition to deceptive basing and mobility as key features of a basing mode, then he might as well accept that the MX is going to be killed by Congress.

Q. Will you continue to support the MX if the President is unable to come up with a more survivable basing mode?

A. I'm going to reserve judgment on it, but my support is getting very, very thin. I've been giving the administration time, hoping they'll come up with a combination of mobility, deception and hardening to make the missile more survivable. But if it becomes apparent that they're not going to change the basing mode, I will at some point vote "No" on the MX. I don't know whether it will be this spring or at some other time.

It's important, though, that we not make the MX decision in a vacuum and simply kill the MX program. We ought to look at our arms-control progress and our other land-based-missile options. For example, a lot of people are running around on Capitol Hill thinking that Midgetman, the mobile, single-warhead missile now being developed by the Air Force, is the answer to all our problems. But the single-warhead-missile deployment options become politically explosive unless we have an arms-control regime that limits the number of Soviet warheads.

If you can't limit the number of Soviet warheads, then you would have to plan to drive the mobile missiles off government land and onto public highways or rail lines. If you think the MX basing mode is controversial, wait until we tell people that we're going to have a nuclear-armed missile with several hundred security people and a long convoy of trucks running through their communities, either rural or urban.

Q. What other major defense issues should be addressed?

A. A major challenge for the President in the next four years is to reform the manpower system. I'm one of those who believe in the draft. We now have a system in which the sons of upper-middle-income and wealthy Americans no longer are participating in the defense of the nation. That's very unhealthy for a democracy over the long run. Over the next 20 to 30 years, we'll pay a huge price for that in terms of our political leadership understanding the military, in terms of having instincts about the real horrors of war. The people in this country who are deciding the questions of war and peace are usually upper-middle-income and wealthy people. And if it's lower-income America that is doing the dying, that raises basic questions of fairness and balanced judgments by decision makers in both Congress and the executive branch.

Secondly, in an age of technology we're going to have to develop a system to retain our military personnel with technical training in the service for longer careers. We have to modify the up-or-out system. After you train personnel in computer skills or in avionics repair, it doesn't make any sense to push them out simply because there's no room for them to move up to the next rank. We need to keep those people because we have a huge investment in them.

Q. In arms-control negotiations, should the President be willing to drop or modify his Star Wars program or suspend tests of the U.S. antisatellite system as a trade-off for concessions?

A. He ought to be willing to examine that possibility. But I don't think it ought to be done unilaterally. Both of these programs and the Pershing 2s are very much on the Soviets' minds. The Soviets have great fears about our technological capabilities. These are very large "bargaining chips."

So we need to be careful not to do things that reduce the value of our bargaining chips. For example, if you go beyond the brink in testing our antisatellite weapon or defensive systems, they would no longer be bargaining chips, because the Soviets at some point in the advanced stages of development will have to assume that the system has become a reality—that it is too late to stop it. In that case, we would have forfeited our leverage to persuade the Soviets to make large concessions, such as reducing their heavy land-based missiles. We may be in a period where there is a chance of tearing up America's defensive blueprints in exchange for reduction of presently deployed Soviet offensive weapons.

Q. What kind of arms-control agreement should be sought?

A. As a going-in position, I don't counsel any changes from the administration's current position as it has evolved on both medium-range missiles in Europe and intercontinental ballistic missiles. I am not in favor of up-front, unilateral concessions just to get the Soviets back to the bargaining table. That doesn't mean that our going-in position ought to be locked in concrete, however.

I think we have a window of opportunity for arms control now. But it's going to take an awful lot of high-level involvement, including the President himself. Somebody's got to bang heads and make decisions between the sincere but differing opinions of the State Department and the Defense Department. In order to react to the opportunity that I think is there for the next six months to a year, the President must get involved or get different people involved with cohesive instead of differing views.

I also believe more strongly than ever that we should place more emphasis on trying to negotiate a reasonable balance of conventional forces in Europe. The fact that our allied conventional forces, primarily our fighting equipment, in Europe are greatly outnumbered by the Soviets and have severe sustainability problems leads to a heavy reliance on the early use of nuclear weapons. There is an almost nonexistent time period between a brief conventional conflict and nuclear escalation. An agreement balancing the conventional forces of the North Atlantic Treaty Organization and the Warsaw Pact, thus lengthening that period, would reduce that danger.●

DECLINING U.S. COMPETITIVENESS

● Mr. BENTSEN. Mr. President, the release January 29 of productivity data for all of 1984 brings little cheer. Despite its usual cyclical spurt with the recovery, our international competitiveness has not been enhanced in recent years. Indeed, we are treading water at best in our effort to catch productivity levels abroad. Moreover, some evidence exists that we are lagging even further behind in that race. And the outlook is little better.

INTERNATIONAL COMPETITIVENESS

A slew of factors affect America's competitiveness—the ability of U.S. firms to seize and hold markets here and abroad. Perhaps the three most significant factors are foreign trade barriers to U.S. goods, foreign exchange rates, and relative productivity performance. I have recently discussed in detail, Mr. President, the need to adopt an aggressive trade policy designed to reduce trade barriers hobbling U.S. exports. Today, I will review how foreign exchange rates and our productivity performance are influencing our competitiveness.

FOREIGN EXCHANGE RATES

The adoption over a decade ago of free floating exchange rates was designed to ensure that all nations could easily balance their foreign trade and current accounts. We tried to put governments out of the currency manipulation market. And to a large degree that has occurred with the notable exception of Japan. Yet, this new exchange market freedom brought problems as well as benefits as the volume of international capital flows unrelated to merchandise trade has burgeoned. Today, these international currency flows, rather than underlying economic factors such as productivity, dominate exchange rate values.

The result has been the emergence of an international trading system heavily influenced by currency flows, not fundamental economic factors. Hand-in-glove has emerged a pervasive system of protectionism abroad which distorts trade flows even more.

Two good examples will clarify my point.

The United States incurred a $38 billion trade deficit with Japan in 1984. Typically, that would have sent the dollar plunging and the yen soaring in value as our importers scrambled for scarce yen to pay for those extra Japanese products. Yet, the yen did not rise in value last year. Its average in January 1985 was nearly identical to its January 1984 figure. Even the average yen value for the entire year 1984 was unchanged from 1983. Japanese Government intervention and Japanese investment flows to the United States prevented escalation in the yen. The result: The price of American products in Japan did not fall or sales rise as it typically would when such a surplus exists, denying us the additional jobs and profits associated with growing exports.

The second example involves U.S. trade with everyone—not just Japan. Last year, our trade deficit topped a legendary record $123 billion. And the deficit on current account hit 3 percent of GNP, twice the previous peak during the halycon days of the 1870's when foreign capital financed the railroad boom. Yet, the dollar actually strengthened rather than declined as it typically would have done. Indeed, over the last 4 years, the dollar has leaped 60 percent on a trade-weighted basis despite year after year of record trade deficits. The explanation rests with the hundreds of billions of foreign investment which has surged to our shores at the same time.

The fundamental cause of our incongruously rising dollar—the runaway budget deficits—is well known. Its impact is equally clear. It has hobbled exports and lured billions in underpriced foreign goods to our shores, cutting like a scythe through our foreign trade sector. That devastation has cost us millions of jobs. But because of the unique rule played by that sector in our Nation's productivity, it has longer term implications which warrant a closer look as well.

PRODUCTIVITY

Rising living standards rest squarely on a nation's ability to increase productivity. Its ability to compete abroad effectively, to pursue and expand foreign markets depends on it, as well. Indeed, productivity growth exceeding that abroad is a central component of any American strategy to enhance our competitiveness, and expand job opportunities.

By that criterion, the recovery is glossing over deeper and disturbing economic realities. The recovery is in its ninth quarter. And most signs suggest it has a good period still to run. The recovery has lifted real incomes. It has occurred without a resurgence of inflation. And it has finally reduced unemployment to the level we experienced when the Reagan administration took office.

In short, it has created some of the beneficial effects we have experienced

in other postwar recoveries. Yet, it varies from those previous recoveries in a crucially important way: The present recovery was obtained in part by running a staggeringly large and unprecedented budget deficit.

These enormous deficits have given a distinct cast to the present recovery. It is the most unbalanced one in history, crippling our leading productivity sectors, like agriculture, and our vital foreign trade sector while other less productive but insulated sectors have prospered. As the first American recovery in history to rely largely on money borrowed from foreign creditors, the recovery has proceeded only at the expense of a sky-high dollar. And it has not produced the needed rebirth of productivity.

The recovery has created the usual cyclical increase in productivity. But that episodic increase has been low by historic standards. Productivity typically spurts in a passing fashion during a recovery as firms expand output without adding a commensurate number of employees. That occurred as expected in 1983 and 1984. Yet, the productivity growth we experienced was disappointing.

We have had seven postwar recoveries of substantial duration—beginning in 1949, 1954, 1958, 1961, 1970, 1975, and 1983. During the first four quarters of these recoveries, nonfarm business sector productivity growth averaged 5.3 percent. It grew only 3.9 percent during the comparable period this time, according to the Wall Street brokerage house of Goldman Sachs. That is the second weakest productivity recovery in the postwar period—an also-ran sixth of seven recoveries. I have a table, Mr. President, containing this data in detail, and I ask that it be printed in the RECORD at this point.

The table follows:

TABLE I.—*Productivity* [1]

Recovery trough:	*Percent* [2]
1949:VI	7.5
1954:II	5.0
1958:II	4.9
1961:I	3.8
1970:VI	5.1
1975:I	5.3
1982:VI	3.9

[1] Nonfarm business sector.
[2] 1st 4 quarters productivity growth.
Source: Goldman Sachs.

Mr. BENTSEN. Some argue that fundamental factors like altered labor force composition make comparison of productivity growth during recent recoveries with older recoveries inappropriate. But adjusting for that notion leaves the story unchanged. For example, during the first four quarters of the most recent 1975 recovery, productivity rose 5.1 percent—still well above the 3.9 percent during this recovery's comparable period.

Productivity growth during this recovery's second four quarters slumped to an average 2.3 percent, more in line with historical averages. Yet, even here a closer examination of 1984 is disheartening. Productivity growth plummeted to a scant 0.4 percent in the last half of the year from a respectable 4.2 percent the first 6 months.

In short, cyclical productivity growth during the recovery has lagged behind historical experience. It has slumped markedly already from its recovery peak. There is no evidence that it will regain the robust 3-plus-percent growth rate achieved in the 1950's and 1960's. There is no evidence that it will regain longer term historical U.S. average of some 2.5 percent. Nor is there evidence that its future trend will even exceed the grim record posted during much of the 1970's. If so, future real growth prospects will be capped at 3 percent or less, not the 4 or 5 percent bandied about so freely today.

The explanation for this lagging productivity recovery is straightforward. The imbalanced recovery has crippled the two sectors—manufacturing and agriculture—which traditionally lead U.S. productivity growth. They historically have been the engines of America's productivity growth. Over the last decade, for example, manufacturing productivity has risen 1.8 percent a year—twice as fast as U.S. productivity generally. And farm productivity has risen an even faster 2.1 percent a year. Yet, these key sectors have not even pulled out of the deep 1981 recession. Moreover, the service sector most favored by this recovery is a drag on productivity. Productivity in services has grown at a bare fourtenths of 1 percent over the last decade, less than half the national average.

INTERNATIONAL PRODUCTIVITY PERFORMANCE

The dollar's scouring of American agriculture and manufacturing has dashed hopes for the moment of meeting the challenge posed by increasingly productive foreign producers. From 1981 to 1983, for example, with our best players benched, U.S. productivity growth was near the bottom internationally. It was the same familiar story. Productivity in Japan, Belgium, and France grew at least twice as fast as U.S. productivity, and productivity in Germany, the United Kingdom, and the Netherlands, grew well over three times faster.

Foreign data for 1984 from the Bureau of Labor Statistics is still coming in. But this last year was very likely no better. U.S. productivity growth in 1984 ran 10 percent below 1983. At the same time, growth in the EC nations picked up, which inevitably means higher productivity abroad.

Much has been made of the "lean, mean" U.S. manufacturing sector alleged to be rising like a phoenix from the present crisis. Don't bet on it. In 1982, U.S. manufacturing productivity grew less than in Japan, Belgium, France, Italy, the Netherlands, Sweden or the United Kingdom. The performance was worse in 1983 when 9 of the 11 other large industrial economies enjoyed higher productivity growth in manufacturing. And U.S. manufacturing productivity in 1984 was little improved over the also-ran 1983 performance.

REGAINING U.S. COMPETITIVENESS

Taken together, the recession and recovery have markedly diminished U.S. competitiveness in world markets. We are being outpriced and outpaced in productivity growth by our competitors. U.S. exports of most goods are no higher today than in 1981, while exports from elsewhere have blossomed. The United States has been left in the dust of our trade competitors grabbing new markets abroad. Even here at home, market shares retained by domestic firms are ebbing under the assault of lower priced imports. Capital goods, machine tools, office equipment and others—the import inroads are stark and rising. Most severely endangered are our smokestack industries. Yet, major battles are being fought over domestic high tech markets long considered impervious to foreign challenge. U.S. computer exports, for example, rose 20 percent last year. Yet, imports soared 58 percent.

Hopes for improving U.S. competitiveness in world markets rest squarely on hiking up our longer term productivity trend and stabilizing the dollar. Both are fundamental factors influencing our market shares abroad. And both are important.

They may be equally intransigent, as well. The budget deficit has jacked up the longer term level of U.S. interest rates as much as 400 basis points—making it difficult to predict when the dollar will subside on foreign exchange markets. The only certain answer is to reduce the deficit.

Similarly, the sorry trend of productivity growth here compared to that abroad is not readily rectified. It could be resolved by a lower dollar. But other answers are not so simple. The process of sparking productivity growth is still not well understood. And a period of national introspection may be needed to explore why U.S. productivity remains an international laggard despite the recovery.●

CHILD CARE CENTER AT NYLONCRAFT, INC.

● Mr. LUGAR. Mr. President, I would like to share with all of my colleagues an article found in a recent issue of Nyl;oncraft Inc. magazine, that discusses the child care center developed by Nyloncraft, of Mishawaka, IN. This Indiana plastics company found that the introduction of Nyloncraft Learning Center, a 24-hour-a-day quality day-care center, not only helped solve the company's previously high rate of

absenteeism and employee turnover, but it has enhanced Nyloncraft's business image as well. The establishment of the day-care center has given Nyloncraft the reputation of a progressive, people-oriented company to employees and customers alike. Nyloncraft is representative of the innovative management and skilled work force of corporations found in the fastest growing State in the Midwest.

I ask that this article be printed in the RECORD.

The article follows:

THE KIDS ARE ALL RIGHT

(By Donna Fenn)

No company in Indiana had ever tried it, state regulations nearly prevented it from seeing the light of day, and it was a guaranteed money-loser. But Nyloncraft Inc., in Mishawaka, Ind., had surveyed its employees and found that child-care problems were at the root of the high absenteeism and turnover rates plaguing the company in the late 1970s. So in June 1981, the plastics-molding company opened Indiana's first 24-hour day-care facility.

That was not an easy accomplishment, but it is one of many steps that Nyloncraft has taken in recent years to put the company among the industry's top performers. A few years earlier, Nyloncraft's president, Jim Wyllie, had brought in two managers, Bob Tennyson and Ken Harkleroad, to help him turn around his family-owned business. The last thing the three wanted was to have absenteeism and turnover among plant workers undermine what they had worked so hard to build up. "I'm not for taking care of people from birth to the grave," says Tennyson, the tall, ruddy-faced, 37-year-old vice-president of finance. "I like people to take care of themselves. This, though, was important for our business. It was really an effort we made to take care of Nyloncraft."

"We were an employer of about 250 people, and at the end of 1978 we wrote 900-plus W2s, which means we turned every job in the plant over three times," Tennyson continues. "The real, significant cost is in the loss of productivity that takes place in the plant. You're probably talking $1,500 to $2,000 [in training costs per employee]. . . . The potential costs are astronomical." Last year, Nyloncraft wrote only 26 more W2s than there were jobs; and absenteeism had dropped to less than 3%.

Today, Tennyson is quick to sing the day-care center's praises, but that wasn't always the case. "Initially, I was not a proponent of the learning center. I thought it was too early in this corporation's life cycle to begin to look at things like that. Just trying to get myself converted from machine-hour rates to kid-hour rates was a chore in itself. Now I am probably the learning center's biggest fan, and I'm the person who is most critical of anything that costs money around here."

If Tennyson was the skeptic, 45-year-old Harkleroad, executive vice-president and self-described "in-house liberal," was the advocate. "I felt sorry for a lot of the women," Harkleroad says, adding that 85% of Nyloncraft's 450 employees are women, many of them single parents with young children. "I spent a lot of time out on the floor talking to them about their problems, and there was a constant worry about children." Between the employee survey and Harkleroad's lobbying, Tennyson and Wyllie were persuaded that some sort of day-care arrangement might make good business sense.

First, Nyloncraft considered subsidizing outside child care, either through a voucher system or by contract with a local day-care chain. But, says Suzanne Colley, the 37-year-old consultant for the project and current director of the center, the company decided against these possibilities because "it wasn't that employees didn't have the money to pay for day care—it was that they couldn't find reliable care." She adds that Wyllie "wanted the day care to be something [the company] could really monitor and control. They didn't want any excuses from employees about why they weren't using it."

Once the three top managers had made a commitment to an on-site center, Ken Harkleroad went on the road to look at other companies with successful day-care centers. "In our ignorance," he recalls wryly, "we thought there was nothing more to this than padding a room and putting kids in it." But after his trip, he knew that Nyloncraft had underestimated not only the work to be done, but the benefits that a day-care center could bring to the company. If they went about it in the right way, the center could do more than just alleviate child-care worries: It could make Nyloncraft workers much more committed to the company.

While the advantages of an on-site day-care center were becoming pretty clear by then, the headaches were not so immediately visible. Nyloncraft's management team soon learned, however, that there are good reasons why so few companies choose to open their own centers. As Jim Wyllie, 44, says in retrospect, "I don't understand how anybody can make money in [the child-care] industry, but I suspect it's because a lot of people don't go by the rules."

Nyloncraft was faced with a special problem. The company's three Indiana molding plants, two in Mishawaka and one in nearby South Bend, run 2 hours a day, and many of the younger women, who don't have seniority, work the night shifts. If the day-care was going to help eliminate high turnover and absenteeism among workers with young children, it, too, would have to run 24 hours a day. But state regulations applied only to centers open the usual 8 hours, and included such rules as the one that forbids cleaning while children are on the premises—not an easy requirement to meet for a center that is open night and day.

Leaning across his desk, his face reddening with exasperation, Wyllie describes his first contact with the Indiana State Department of Public Welfare—the licensing body for day-care centers in Indiana. "Their response was to send some little guy with an earring up here on a motorcycle who started telling me I can't do this because his regulations don't allow it." Finally, Wyllie says, "I told him, 'You are a bureaucrat. You don't make law, you enforce it. And since there are no 24-hour child-care facilities in this state, there is no law to cover it. We're going to put the center up, we're going to run it the best we see fit, and if you have a problem with what we're doing, sue us.' " Wyllie took his battle with the Welfare Department to then-Governor Otis Bowen. "All our problems went away," he says—with the Welfare Department, at least. Still to come were fire, health, and sanitation regulations, as well as certification requirements from the state's Department of Public Instruction for the preschool and kindergarten programs. Persistence paid off, though, and by June 1981, the Nyloncraft Learning Center (NLC), a wholly owned subsidiary of Nyloncraft, opened its doors.

In 1983, Nyloncraft built a new plant in Mishawaka—including a quarter-million-dollar, 6,600-square-foot learning center 10 feet down the hall from Wyllie's office. It enrolls preschoolers mostly, but is set up for after-school use as well, and is open to the community. The company pays about half of the $50-a-week tuition for its employees, gives free care to those who work overtime, and runs a van to shuttle the children back and forth between plants and to pick children up from school and bring them to the center. Enrollment is now at 160, with employees' children making up about a third of the 2-to-13-year-olds who attend. Wyllie estimates that 75% of the Nyloncraft parents who could use the facility do. When asked about the difference between his world of annual reports and humming machinery and the roomful of finger paintings and 2-year-olds singing "Itsy-Bitsy Spider" down the hall, Wyllie smiles and shakes his head. No, he says, it's not so different—"just another good business decision."

The center is run by a 27-member staff, including six certified teachers. And, as is often the case, teachers' wages are low—starting at $4.25 an hour—and turnover is high. That puts NLC director Colley in a bit of a bind: She is determined to maintain a high-quality learning environment but, at the same time, is committed to making the center break even within the next few years. As for any immediate jeopardy posed by the $20,000 annual operating loss, however, Wyllie says without hesitation, "I'd never consider shutting it down."

The same direct, sometimes paternalistic, approach is a Wyllie hallmark in his relationships with employees. "I negotiate our union contracts," he says with pride. "My attitude is that if I don't have the guts or show them the respect to sit down with them and talk to them, then I shouldn't be where I am." There are about 6,000 thermoplastic injection molding companies in the country, he says, 30 of which are in the South Bend/Mishawaka area. And he is the first to admit that "the only difference between us and every other injection-molding firm is the people."

Every Mother's Day, Wyllie dons a white tuxedo, top hat, and cane, and presents corsages to all the women in the plant. He throws a company picnic that could rival any county fair; a recent one was a three-day-long event that included a bluegrass music festival, elephant and helicopter rides, and seemingly endless kegs of beer. A couple of years ago, at a general meeting where Christmas bonuses were distributed, employees surprised him with a "strip-o-gram." "To me, that's a sign of respect—for them to know that I can take a joke that well," says Wyllie. The people, he says, were his father's priority when he started Nyloncraft 28 years ago.

Wyllie worked for his father during the summers, and says he never had any intention of succeeding him as president of Nyloncraft. But after a business failure of his own and a disappointing career at the accounting firm of Ernst & Ernst, he joined Nyloncraft in 1966, three years after his father's death. His uncle, Robert Wyllie, a retired Army lieutenant-colonel, was president of the company at the time.

"I spent the first year and a half out in the shop working in every department doing every job," he says. "There are a couple of press operator records out there that I still hold." Two years later, Wyllie became sales manager, and sales increased from $1.5 million in 1968 to $7 million in 1977. Even so,

the company was in bad shape financially. "It was just not making money, and it had a lot of problems," says Wyllie. "My uncle and I didn't philosophically see eye to eye." So Wyllie and his two sisters, each of whom owned 25% of the company, bought out Robert Wyllie, and Jim Wyllie became president of Nyloncraft.

Wyllie knew he would need help to implement his reorganization plan, a plan his uncle had told him was "garbage," so he brought in Harkleroad, a vendor for Eastman Chemical Products Inc., who frequently called on Nyloncraft, and Tennyson, Wyllie's former student at Indiana University at South Bend, where he once taught business at night school. "There were five years of 12- and 15-hour days," says Harkleroad, "but we brought a level of sophistication to the company that really positioned us for growth."

Those long hours were spent reducing the number of presses, changing the layout of the plant, and carefully placing employees in the jobs for which they were best suited. Today, 50% of Nyloncraft's salaried staff has come from the ranks of hourly employees. "We had some good people but they were in the wrong jobs doing the wrong things, so I changed them all around," Wyllie says.

The one exception is Bettie La Salle, a tall, slender woman with a midwestern drawl, who has been with the company for 25 years. Wyllie's father asked her to become Nyloncraft's first personnel manager after observing her rapport with fellow plant workers, and she has held that job ever since. It is a position that Nyloncraft holds in high esteem. Before Wyllie began building the new plant, he encouraged all employees to think about—and then pass on to him—any design ideas they had that would make Nyloncraft a better place to work. One suggestion came up time and time again: the wish to be able to meet with La Salle without other managers knowing about it. And Wyllie acted on that wish. He not only built La Salle's office with a separate entrance that opens directly onto the plant, he also gave her an adjoining conference room and more space than anyone else in the company.

As the link between plant workers and management, La Salle is Nyloncraft's "Dear Abby." "I have listened to everything from incest to child abuse to money problems." But, she says, the frequency with which employees come to her with child-care problems has been reduced drastically since Nyloncraft opened the learning center. La Salle adds that the center is also a great hiring tool. "People know this is a progressive company because the president feels so strongly about the center. They enjoy working for a company that really cares about its people. That, in effect, has made my job easier."

That was what NLC was supposed to do—reduce absenteeism and turnover, improve morale, and serve as a recruiting tool. But on occasion, NLC's benefits have surprised even its founders. "When the learning center opened, it changed our way of operating," says Tennyson, recalling NLC's part in making the new plant a reality. Wyllie had bought the property for a song at public auction. The hitch was that it was adjacent to a shopping center and was not zoned for manufacturing. Another prospective buyer, who had been outbid by Wyllie, urged the city council to keep the zoning commercial. Six months of hearings followed. The clincher was a visit made to the plant and learning center by some members of the council and zoning commission. In the end, says Wyllie, "we never had a dissenting vote, and the first thing that virtually every one of those bodies talked about was the child-care facility."

NLC also has influenced Nyloncraft's customers. "We use it as a sales tool," says Wyllie. "It wasn't intended, but you bring somebody to the learning center and their whole attitude toward us is, if this company is this progressive, then they must be somebody I want to do business with." Tom Murphy, vice-president of manufacturing at Fellowes Manufacturing Co., in Itasca, Ill., confirms that impression. He says he probably would have given Nyloncraft his business in any case, but that "the day-care center is an added kicker to the opinion you would form anyway. I think I was probably more impressed with the day-care center than I was with the plant—and it's a great plant." Milt Bukes, purchasing agent at Ford Motor Co.'s Transmission and Chassis Component Purchasing division, in Dearborn, Mich., agrees. "The bottom line is that any company that cares about their people like that has got to be one hell of a company," he says, adding that Nyloncraft's low employee turnover has to result in more consistent production quality—a factor important to Ford when it evaluates its suppliers. That was underscored last October, when Ford presented Nyloncraft with its Q-1 Preferred Quality Award for outstanding performance.

While the learning center is only one of many innovations at Nyloncraft responsible for the company's success—revenues in 1984 were about $25 million—its part in the process makes its operating in the red a bit easier to take. Still, Wyllie hasn't given up on making NLC profitable. He has been pitching the learning center to other local businesses, trying to convince them to subsidize day care for their employees at Nyloncraft. His efforts, he said in frustration at a recent monthly meeting of the steering committee that oversees NLC, have been unsuccessful—other employers are too bottom-line oriented to understand that day care can make good business sense. The committee, including Wyllie, Colley, La Salle, and manager of manufacturing services David Martinez, meets over lunch at The Blue Lantern, a local restaurant. Seated at a large round table in the back, they joke with one another good-naturedly. But when the meeting starts, the note pads come out, minutes are taken, and motions are made. The conversation rambles from who will fix the school van to how much money the center is losing. But the focus of this meeting is to come up with plans that will help Colley fulfill one of her original commitments to Nyloncraft—to have the center breaking even in three to five years. Although the $20,000 to $25,000 operating loss and the $25,000 to $30,000 typically spent on employee subsidies each year are tax deductible, the company's best-case scenario is to eliminate the loss altogether.

Colley asks Wyllie for an update on another project—a plan to cut costs internally by expanding the use of the center's kitchen, which serves three hot meals and six snacks a day to the children. "Generally, food service is a loser, but in this case, maybe we can make a buck," says Wyllie of the idea to begin preparing food to sell to employees. "We'll shoot for trying to get it started in the fall." One idea that has come up earlier is discussed again: What about doing another television commercial, this time honing in on the center's nighttime care? (Commercials already appear on two cable television stations, CNN and ESPN.) "We can have 92 kids every eight hours," says Wyllie. "We're full on days, but we've got to fill up the night shift. The problem is revenues, but if we get the volume up, that'll take care of itself."

Colley suggests that they make presentations on the center to realtors as one more way to let area newcomers know about NLC. The realtors, in fact, might want to suggest to potential clients that they drop their children off before they begin their house-hunting treks. "If we start small with that select group, then maybe we could see how a drop-in center would do and build up from there," she says. Martinez doubts that this will be a money-maker, but, he muses, the exposure to new families might make it a worthwhile effort. The meeting concludes with a look at NLC's balance sheet. "I love it," Colley says with a giggle. "My year-to-date favorable is $5. I'm ready to go out and spend it!" "Don't spend it all in one place," La Salle advises.

PARENTS WHO WORRY LESS WORK MORE

Not every company has the time, interest, or resources to get into the child-care business. Still, a recent study by the National Employer Supported Child Care Project, in Pasadena, Calif., revealed that the number of companies with child-care programs had increased by almost 400% from 1978 to 1982. The study refers to a poll of corporate human resources executives, 67% of whom reported that their companies expected to provide child-care benefits within five years.

Prohibitive up-front and operating costs, coupled with a fair amount of red tape, are what discourage most smaller companies like Nyloncraft from setting up their own centers. But current federal tax laws make some type of employer-support day care—such as information and referral services, voucher programs, or flexible benefits—a reasonable goal for many companies. Child-care expenditures, including referral contracts and subsidies to parents and providers, as well as the cost of operating a center, are all tax-deductible. Under a Dependent Care Assistance Program, employers may also offer child care as a tax-free benefit to their employees. Several smaller companies have found creative ways to put these new laws to work to help solve their employees' child-care problems.

Endless Vacation Inc. (#389 on the 1984 INC. 500 list of the faster-growing private companies in America) wasn't ready for an onsite center but needed to do something about child care for its 430 employees. "Several staff members came forward and said they would feel less stress and perform better if they had child care," says executive vice-president Christel DeHaan. So last May, the Indianaplis-based vacation time-sharing company signed a contract with Kinder-Care Learning Centers Inc., the Goliath of day-care chains. The arrangement gives Endless Vacation's employees a 20% discount. (10% from the company and 10% from Kinder-Care) on child care at a nearby Kinder-Care center. DeHaan says the subsidized day care has reduced absenteeism and turnover.

Squirt & Co., a Holland, Mich., soft-drink bottler and franchisor of bottling rights, chose a different solution to the same problems. "We were finding that our employees were very much concerned with child care, and these concerns reflected themselves in productivity and training costs," says

Dennis Eade, vice-president of human resources. Eade also noted that "the shrinking of federal money for day care" was crippling Community Coordinated Child Care (4C), Holland's primary source for information and referral on child care. Squirt and two other Holland-based companies met with the director of the local 4C and suggested forming a consortium of companies that would pay membership fees in exchange for child-care assistance. The consortium now has 12 companies, half of which are under $100 million in sales. Each company pays an annual fee (which is tax deductible as either a charitable contribution or a business expense) based on the number of people it employs. While Squirt doesn't offer its employees financial assistance for day care, the contract with 4C includes matching children with the type of care parents request, parent counseling, educational programs for day-care providers, and on-site inspection of all facilities. "It's an extremely cost-effective and beneficial arrangement," says Eade. "If they placed one child of one employee, then Squirt would have gotten the cost of the service back." Squirt has recouped the cost several times over through reduced turnover rates.

Several companies in the Prospect Hill Executive Office Park, in Waltham, Mass., also found child care more attractive when the expense—and the risk—was shared. They recently joined forces to support an onsite resource center that includes a library, a referral system for securing child care, lunchtime seminars for parents, and, in the near future, on-site day care and a special after-school call-in system for employees' children. According to Joan Bergstrom, a consultant from Wheelock College who designed the Prospect Hill Parents' and Children's Center, "Small companies came to the president of the park and said that since, individually, they were small companies, it made sense for them to come together." Bergstrom says some of the companies were losing key employees due to lack of child care. "We are a company that is highly dependent on attracting the best type of employee," says Townsend Hornor, director of corporate development at Henco Software Inc., one of four companies supporting the center. "We think that a day-care center located around this park will be a considerable asset in the future."

Institute for Scientific Information (ISI), a Philadelphia database publisher, is another company whose decision to assist employees with day care was future-oriented. While ISI has an on-site center, buit in 1982 as part of the company's new corporate headquarters, only 11% of the available slots are filled by ISI children—the rest are from the surrounding community. Although the center was not built in response to current needs within the company, says Peter Aborn, senior vice-president, "it will be a necessity in 5 or 10 years for competing for the services of working parents." ISI also gives its employees the option of cashing in all but one week of their vacation and sick leave and putting it toward child care on a pretax basis. This "flexible benefit" can be applied toward ISI's center, or one of the parent's choosing. Aborn estimates ISI loses about $200,000 a year, before taxes, on the center, but views this expense as "an investment in our future."●

DANIEL PATRICK MOYNIHAN ON "THE IRISH AMONG US"

● Mr. KENNEDY. Mr. President, in anticipation of the centennial of the Statue of Liberty in 1986, the Reader's Digest has initiated a series of essays on our Nation's immigrant history. The first article in the series, which appears in the current issue, is an eloquent and perceptive analysis of America's Irish heritage by our Irish-American colleague from New York, Senator DANIEL PATRICK MOYNIHAN.

As Senator MOYNIHAN states in "The Irish Among Us," no immigrant group in our history deserves more credit for making it respectable to be ethnic than the Irish Americans. From their earliest arrival in the United States, the Irish have added character, energy, and achievement to all facets of American life.

Through perseverance and faith, humor and hard work, courage and patriotism, often against the odds, they won acceptance for themselves and consequently for all ethnic groups in the United States. As Senator MOYNIHAN makes clear, "In the end, this may be judged the great and indispensable achievement of the Irish. They made it American to be ethnic."

Mr. President, I ask that Senator MOYNIHAN's entertaining and insightful article may be printed in the RECORD.

The article follows:

[From Reader's Digest, January 1985]

The Peoples of America

Who are the peoples of America? We are only one people, most would answer—different groups melted together. Yet not quite together. In "Beyond the Melting Pot," Sen. Daniel Patrick Moynihan suggested that the pot does not truly "melt"—that ethnic diversity remains strong within a framework of unity. This diversity has produced an exotic new people, with each group contributing something unique to the overall mix, yet each retaining something of its original heritage. And the process continues today.

With the centenary of the Statue of Liberty approaching in 1986, Reader's Digest has asked several outstanding Americans, each from a different ethnic tradition, to write about their heritage and its unique contributions to the American whole. Called "The Peoples of America," the series begins with Senator Moynihan's essay on the Irish—the people, who, in his words, "made it American to be ethnic."

THE IRISH AMONG US

(By Senator Daniel Patrick Moynihan)

Ronald Reagan hails, on his father's side, from Ballyporeen in County Tipperary and grew up with the nickname "Dutch." Which suggests that in Tampico, Ill., ethnic identities had gotten a bit blurred by then. Even so, he is a man very much aware of his Irish origins, and as President he has not let a St. Patrick's Day go by uncelebrated.

The fading of the old ties and their continuing tug—both phenomena are true, especially of the Irish. It may even be said to have started with them.

Some say it was the Irish who discovered North America, albeit the Indians have a good case to the contrary. But as Europeans they were present, you might say, at the creation. Of the signers of the Declaration of Independence, two were born in England, but three in Ireland, and of those born here, Irish ancestry was common. St. Patrick's Day was properly celebrated at Valley Forge in 1778, at which time St. Patrick's Day festivities were already a generation old in New York City.

From the first, the Irish presence in America has reflected the complex history of the British Isles. The English invaded Ireland in 1170 and settled around Dublin in an area that came to be known as the Pale (in reference to the extent of English rule). Beyond the Pale, the Celtic Irish continued to plunder one another. The "English"—Butlers and Burkes and suchlike—soon became more Irish than the Irish. Thus they generally opposed the now Protestant English, who invaded again under Elizabeth I and then under Cromwell—who in turn brought over a large number of Scots who settled in Ulster.

Members of all three groups migrated to America, but at different times. First came the Anglo-Irish, Anglican in the main. Next, the Scots-Irish, in the main Presbyterian. And finally, during the great famine migrations of the 1840s, the Catholic Irish.

At first America changed them all; then they changed America. No group was so transformed by the Revolution. One Irish historian wrote: "Before 1776, Irish Catholics in the colonies were a servant class of a widely proscribed religion. Presbyterians were a secondary caste, tolerated, but widely disliked." The central assertion of the Declaration of Independence—that all men are created equal—changed the status of Presbyterian and Catholic Irish alike as centuries of bloodshed on their island had never done.

First Foreigners

The first great political change in the new nation that we might think of as ethnic was the rise of the Scots-Irish, symbolized by the Presidency of Andrew Jackson (his mother had left Ulster two years before his birth). In Jackson's time, the Scots-Irish were seen as frontiersmen, and achieving the Presidency was the first democratic triumph of American politics. Washington, Adams, Jefferson, Madison, Monroe were aristocrats. The tale is still told that at Jackson's inaugural bash the only way the mob could be lured from the White House was by moving the tubs of punch out onto the lawn.

The Ulster folk may have worn coonskin caps, but at least they were Protestant, a branch of the family. With the arrival in the 1840s of large numbers of Catholic Irish, America suddenly became a nation of immigrations. Nothing before had so threatened the essential Englishness of our society. And the heart of it was religion, which Americans then considered the foundation of our political institutions. Great battles for North America had raged between the English and the Catholic powers of Spain and France; the English saw this as a contest between the forces of liberty and those of tyranny. As Thomas Jefferson wrote in 1813: "History furnishes no example of a priest-ridden people maintaining a free civil government."

And then, a generation later, came the Catholic Irish—not only papish but poor. Not only poor—Franklin had been poor—but with poor prospects. They had been living on potatoes for two generations, and had lost the most elemental of skills. (The

memory of how to make bread had all but disappeared from western Ireland.) Probably not more than half of the immigrants from this part of Ireland even spoke English, much less could they behave as Englishmen.

In a word, they were our first foreigners, the first perceived internal threat to the American way of life.

But the famine Irish proved that American institutions could accommodate a great diversity of peoples, with no loss of character. We thus became a community of belief that far transcended religion, race or nationality.

Yankee Doodle

What did the Irish do? First, they stayed in the cities, remaining highly visible. Next, they kept to their faith. Thus the Roman Catholic Church became a major American institution. Then they went into politics. Whereupon that most honorable of callings, as the Founders understood it, began to lose its reputation. It seems that owning slaves was quite acceptable, but owning a saloon . . . well!

The Irish took it cheerfully. Literally. Instead of letting others define them, they chose to define themselves. They asserted that far from being a threat to the republic, they were a welcome addition to its strength and a rather much-needed increment to its gaiety.

For on to a thousand years they had been about as luckless a people as were to be found in Europe. Yet soon Americans were talking about the luck of the Irish. Above all, they celebrated the luck of being in America. The story was told in the 1840's of the newcomer on a ferry crossing New York harbor early one evening when a cannon at the Battery let off a great boom. "What was that?" he asked a fellow passenger. "The sun going down," was the reply. "Wisha," said the Kerryman, "it never went down like that in the old country."

A dour people of the Celtic fringe, they took to the music halls, telling one and all what delightful folk they were. And to the prize ring and the baseball diamond. The ethnic story appeared: "Pat and Mike." Dumb but endearing.

Above all they took to the colors. It was while watching the slaughter at Fredericksburg, in which the Irish Brigade played a prominent part, that Gen. Robert E. Lee remarked, "It is well that war is so terrible, or we should grow too fond of it." By this time the Irish were rather conspicuous in military matters, a tradition culminating, perhaps, in William J. "Wild Bill" Donovan's command of the 69th Infantry (the "Fighting Irish") in France in World War I.

An Irish-American culture emerged. Henry James, one of our greatest novelists, was pure Celt. But the more assertively Irish were in their taste assertively popular. Edward Harrigan transformed the American stage with rollicking performances no longer burlesque, but not yet musical comedy, and none too gentle with the genteel. George M. Cohan brought patriotism to Broadway: "I'm a Yankee Doodle Dandy," he sang, "born on the Fourth of July." (He was!)

Luck of the Irish

Even though the newcomers were patriotic, the doubting went on. The American Party, called the "Know-Nothings" because at first its secret members disclaimed any knowledge of it, advocated government by native citizens and fostered a vicious anti-Catholicism in the 1850s. In 1887 an Iowa lawyer, Henry F. Bowers, founded the American Protective Association, a secret society whose members took oaths not to vote for or hire Catholics.

After the Civil War the Ku Klux Klan—anti-Catholic and anti-Semitic as well as anti-black—had spread across the nation. By the 1920s, Klan members controlled the Oregon state legislature, and voters in that state took aim at Catholics by passing a law that prohibited private and parochial schools. The U.S. Supreme Court declared the law unconstitutional. But anxieties lingered, and in 1947 the Court began limiting the kinds of aid that could be provided to parochial schools.

Some years ago Nathan Glazer and I, in our book *"Beyond the Melting Pot,"* suggested that there were two models of immigrant experience: groups whose members do well from the first, like the American Chinese (three generations, you might say, from Canton to Stanford), and those for whom it is an up and down experience. This was the experience of the Catholic Irish. For generations they produced, along with the most respectable of persons, the most disrespectable. In the 1938 Hollywood movie *"Angels With Dirty Faces,"* Pat O'Brien and Jimmy Cagney played two boys who come out of the slums together, one to go to the priesthood, the other to the electric chair, and all by chance. In their first escapade, O'Brien got over the fence ahead of the cops, Cagney didn't. In the final scene, returned to his parish in the old neighborhood, O'Brien asks a group of urchins to pray for a boy who couldn't run as fast as he could.

Looking back, it seems something was always chasing the Irish. But their luck held, not least, I have suspected, because they settled first in the industrial North and Middle West, which prospered. In a surprising study entitled *"Ethnicity, Denomination and Inequality,"* published in 1976, Andrew Greeley of the University of Chicago found that, among white American gentiles, Irish Catholics ranked first in years of education, second (after British Protestants) in occupational prestige and first again in family income. (The Protestant Scots-Irish, who settled in poorer places like Appalachia, ranked lower in all three.)

Indispensable Achievement

With the 20th century, there were just too many Irish in too many places to speak of special characteristics. And now the religious issue began to fade too. In 1928, a Catholic ran for President. He didn't win, but Al Smith took it with usual good nature. The story goes he sent the pope a one word cable: "Unpack."

Thirty-two years later another Catholic, John F. Kennedy, ran for President and won. The long struggle of the Catholic Irish was over. As for the Scots-Irish, more than a dozen of the 40 Presidents to date are recorded as Scots-Irish in whole or part. Altogether, it comes to a third of the Presidents, and rather more of them of late.

And why not? To be Irish is now an American thing, and all things considered rather a friendly statement. In the end this may be judged the great and indispensable achievement of the Irish. They made it American to be ethnic.

This was strikingly demonstrated in the census of 1980, which for the first time collected ethnic data on persons regardless of the number of generations removed from their country of origin. The results were astonishing. Not the rank order. That could have been predicted: English (50 million), German (49 million), Irish (40 million), Afro-American (21 million), French (13 million), Italian (12 million). The surprise was not the size if the groups, it was that almost everybody—83 percent of the American population—could and *would* identify their ancestry.

Why was it indispensable that we should come to accept one another in these terms? Because the "melting pot" wasn't going to happen, and immigration was. Unless it became perfectly acceptable to be American *and* Syrian—or Japanese or Jamaican—the task of government to "ensure domestic tranquility" would have become nigh impossible.

But "ethnicity" did become acceptable, and for that we can thank the Irish among us.●

THE PRESIDENT'S TASK FORCE ON INTERNATIONAL PRIVATE ENTERPRISE

● Mr. HEINZ. Mr. President, the President's Task Force on International Private Enterprise, chaired by Dwayne O. Andreas, chief executive officer of Archer Daniels Midland, was asked to identify ways to strengthen the economies of developing nations and how U.S. foreign assistance could be used to stimulate private enterprise development in these nations.

The task force report concisely and accurately describes the well-coordinated, aggressive funding efforts used by most of our industrial nation competitors to induce Third World buyers to purchase from their exporters. U.S. exporters are frequently the victims of these credit schemes, since they are unable to match the concessional financing terms available from these nations.

In November 1983, Congress emphasized its mandate to the Eximbank to provide export financing that is fully competitive with that offered by other countries and to be more aggressive in meeting unfair financing competition.

Briefly, the findings of the task force show that the United States and its exporters are losing markets to countries that provide concessional credit; that past U.S. Government actions have been limited and ineffective; that the U.S. posture on mixed credits is not likely to be successful in the foreseeable future; and that a new approach is needed to support U.S. exporters and permit them to compete on equal terms with other exporters.

Based on these findings, the President's task force recommends that the United States give highest priority to negotiations directed at stopping the practice of governments using subsidized financing for the purpose of commercial advantage. The United States should discourage the use of mixed credits and other forms of subsidized financing and convince U.S. competitors that it is better to rely on market forces to increase trade and achieve prosperity.

In order to neutralize the predatory financing used by competitors the United States should fund an aggressive problem of official export financing. Such a program should remain in effect until our competitors discontinue their mixed credit programs.

Mr. President, the report of the President's Task Force on International Private Enterprise will be very helpful in our consideration of the Eximbank. I therefore ask that it be printed in the RECORD in its entirety.

The report follows:

MIXED CREDITS ACTION BRIEF—THE PRESIDENT'S TASK FORCE ON INTERNATIONAL PRIVATE ENTERPRISE

In May 1983, at a time of severe international economic turbulence, the President established the President's Task Force on International Private Enterprise. The President requested that the Task Force identify ways to strengthen the economies of developing nations. In particular, the President asked the Task Force how U.S. foreign assistance could be used to stimulate private enterprise development and promote investment in and trade with developing countries.

In our report to the President, we proposed a number of specific program and organizational changes. We have tried to be diligent in finding the best means to translate policy into action. To this end, we have prepared the following "action brief" that elaborates on a major recommendation of the Task Force, countering mixed credits and other predatory trade practices.

The United States must strengthen its position in negotiations to end unfair trade finance competition. The Export-Import Bank should operate up to its $4 billion lending authority and $10 billion guarantee authority to counter predatory trade practices and provide equivalent support to U.S. exporters.

MIXED CREDITS: INTRODUCTION

Exports are increasingly important to the United States economy. One tenth of our national income stems from trade; 20 percent of our work force depends on trade for its livelihood. Forty percent of our agricultural production is sold abroad; one third of our corporate profits are generated by international operations.

Every major trading country except the United States has undertaken serious efforts to achieve international competitive dominance in one or more industrial export sectors. These efforts are also evident in the agricultural sector, an increasingly important segment of U.S. trade. U.S. markets at home and abroad have been major casualties. Costs to U.S. industry have been severe in terms of employment and profits. Industries in which the United States was totally dominant only a few years ago are increasingly threatened by carefully targeted, subsidized foreign competition. These industries include commercial aircraft and other transportation equipment, machine tools, computer chips, electric and nuclear power, and a growing list of high technology industries.

Various countries have targeted different industries in which to become competitive. Common to them all, however, is a governmental effort that is both well-funded and well-coordinated. Their efforts are based on three important realizations: (1) that new international markets are becoming increasingly scarce; (2) that some form of price break or other financial inducement may tip the balance toward a particular seller for Third World buyers; and (3) that the key to future sales is market penetration today—a toehold in a new market today may be parlayed into a captive market tomorrow.

Each of the governments that has joined this competition has developed and is actively implementing aggressive commerical strategies to insure its success: specific domestic industries such as steel, telecommunications, and energy have been targeted for the export push; direct subsidies have been applied to research and development activities; and preferential financing subsidies have been undertaken to spur the private sector to concentrate its effort on penetrating, pre-empting, and capturing new markets. In many cases, initial successes in winning bids provide suppliers with substantial advantages in future competition for expansion or new projects in the same sector because the exports targeted for support are large capital projects. Increasingly, the victims of these predatory, trade-distorting practices have been U.S. suppliers who have been unable to match the officially supported financial terms offered by foreign competitors.

We now stand at a crossroads in trade and finance policy. The concessional export financing practices of other governments for commerical advantage continue to increase, despite more than a decade of multilateral negotiations to bring the growing export credit struggle to a halt.

The international competitiveness of U.S. industries with true comparative advantage—industries in the energy and high technology areas, for example—is declining, in large measure because the United States has refrained from meeting and neutralizing the aggressive promotional practices of other countries. Without the ability to sell abroad, remain on the cutting edge of vital technologies, and maintain economic prosperity at home, U.S. industry will continue to falter, thereby imperiling not only our growth, employment levels, and profits, but our national security as well. In the final analysis, and sound and thriving economy will have as much to do with our world position as will the state of the arms balance.

The most damaging subsidy scheme in recent years, from the perspective of its harm to U.S. producers and exporters, has proven to be "mixed credits." Initially, mixed credits were defined as a blend of concessional government resources with public and/or private commerical credits that had the effect of reducing the real cost of an export to the buyer—often to a point where the price was below the cost of production. Recently, the term has been generally expanded to encompass official export financing subsidies for commerical purposes rather than development purposes, whether by a single source or combination of sources. These government subsidies for commerical gain are costly. They distort trade patterns and reduce competition.

The United States can and must adopt a program that enables U.S. exporters to finance the sale of U.S. goods and services on terms that are competitive with the subsidized terms offered by the governments of our aggressive trade competitors. This assistance should be carefully targeted against predatory official efforts to capture existing U.S. markets and to pre-empt and lock up new markets. The assistance should be focused on sectors of the U.S. economy in which American industry is clearly competitive with nonsubsidized foreign competition.

To meet the mixed credits challenge, the U.S. must: increase its efforts to negotiate an end to these widespread trade finance subsidies for commercial advantage; and, in support of this negotiating position, provide funding and formulate clear policy guidelines to counter and neutralize the predatory official activities of competitors.

The basis of a program to meet this unfair competition is laid out on the following pages. The program can be undertaken immediately without need for additional funding or increased authority and can be built on existing institutional arrangements. It should be continued as long as necessary to convince U.S. competitors that reliance on market forces, without the use of government subsidy, is a better way to increase trade and achieve worldwide growth and prosperity.

BACKGROUND: DEFINITION AND CONTEXT

Official export promotion efforts consist of a wide array of governmental programs in financing, insurance, guarantees, taxation, commercial reporting, and market development. All exporting countries, including the United States, provide various forms of export promotion to expand markets and increase sales. They also provide concessional export financing for developing countries that require imports to meet critical development needs. In recent years, however, the distinction between acceptable export promotion practices and development assistance efforts has been blurred, particularly in the use of mixed credits.

Current international conventions provide for commonly accepted and agreed upon financial practices and terms for official export financing. They also provide methods for defining concessionality as applied to interest rates and terms. Unfortunately, however, they only narrowly define the range of unacceptable financing techniques used by countries to subsidize exports for commercial purposes. A wide range of commercially oriented subsidized financing activities escapes official notice because of this narrow approach.

Various types of mixed credits have come under some international scrutiny, but, as with other extraordinary export support measures, not enough effort has been expended to carefully define, monitor, and regulate their use. Consequently, there is some confusion in official and business circles concerning both the nature and extent of the mixed credits practice.

Mixed credits, taken broadly, include all of the following types of credit practices.

(1) Cofinancing: a mix of public capital (sourced from different public entities) or public and private capital in a single export transaction.

(2) Joint financing: a cofinancing arrangement for which there is a common list of goods and services and where financing of all or certain items are shared between colenders in agreed proportions.

(3) Parallel financing: a cofinancing arrangement in which each colender finances different goods and services or distinct parts of a project.

(4) Associated financing (as defined by the Development Assistance Committee of the Organization for Economic Cooperation and Development): transactions that associate, in law or in fact, some combination of Official Development Assistance (ODA), other official finance with a grant element of at least 20 percent, and official private export credits or other official flows at or near market terms.

(5) Tied aid credits: a credit that is provided for development aid purposes and is financed either exclusively from public funds or partly from public and partly from private funds.

Most official international mixed credits attention is focused on combinations of financing rather than a single export credit. In any event, whatever term is used, the use of these or any other concessional export financing techniques, principally for commercial rather than for development purposes, distorts international trade and is detrimental to the development process and the world's trading system. Other countries are using a wide variety of these techniques.

Countries offer numerous reasons for using mixed credits: to help their trade balance; to support the growth and development of specific domestic industries; to relieve domestic unemployment; to improve efficiency in specific industries through increased economies of scale; to increase the availability of cheap credit for the developing world; to leverage greater financial flows to the developing countries without undue restrictions on their use; and to provide aid at concessional rates to advanced developing countries (ADCs), like Colombia and Brazil.

Whatever the reasons, available evidence shows that an increased use of mixed credits tends to shift scarce ODA funds from the poorest countries to higher income developing countries. Further, mixed credit financing can divert ODA from the recipient country's highest priority development projects because mixed credits frequently go to sophisticated, capital-intensive projects that may not be at the top of the recipient country's development agenda.

Where legitimate development needs are served, use of concessional mixed credits may be appropriate. However, the record indicates that the domestic economic considerations of donors are usually the controlling factors in these decisions. The direct costs to the donor countries—and to the world's trading system—are great. For these reasons, the United States must continue to press for the elimination of all forms of government export subsidies for commercial purposes.

THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT ARRANGEMENT ON MIXED CREDITS

In February 1978, the United States and 21 other OECD countries reached agreement on principles to govern the use of export credits, including tied aid credits. Under that agreement—the OECD Guidelines for Officially Supported Export Credits (Arrangement)—the 22 signators agreed to apply common credit terms to various classes of importing countries. The Arrangement is a "gentleman's agreement" that is applicable to officially supported export credits with repayment terms of two years or more.

The principal purpose of the Arrangement is the reduction and eventual elimination of trade-distorting export credit subsidies as well as the promotion of international trade on the basis of price competition and quality considerations.

Tied aid credits usage is permitted by the Arrangement in accordance with specific guidelines. Moreover, the participants have agreed to terms for reporting derogations and for matching the nonconforming credits of both derogating participants and nonparticipants.

The guidelines include:

Considering credits with a grant element above 25 percent as Official Development Assistance (ODA) rather than as commercially oriented trade credits;

Notifying other participants promptly after commitment when a tied aid credit with a grant element above 25 percent has been offered;

Refraining from offering tied aid credits with a grant element of less than 20 percent; and

Notifying other participants 10 days before commitment, when planning to offer a tied aid credit with a grant element of at least 20 percent, but less than 25 percent.

Once notification of such an offer is given, other participants have the right to match, identically or through other means, the terms of the credit. If matching results in new derogations, further time extension for discussion and action by participants also apply.

The Arrangement definition of mixed credits is far too narrow and the Arrangement reporting guidelines are far too incomplete to capture the true nature and extent of the mixed credits problem. Many types of mixed credit transactions escape proper reporting and scrutiny. Thus, parallel financing undertakings between a government entity and a private capital source, in which a package of exports are disaggregated and financed separately by each colender, would escape the Arrangement's reach and probably go unreported. This technique is commonly practiced by various countries. Moreover, many of the reports do not include enough information to be of use, either for matching by other participants or for gauging the extent of the problem. The United States has been trying to tighten up the agreement by increasing the grant element subject to prior notification, by increasing the size of the grant element necessary to be considered ODA, improving the amount and quality of reporting, and various other means. Some progress has been made, but many subsidy practices are not covered by the Arrangement and the incidence of mixed credit offers and financing continues to increase.

EXTENT OF THE PROBLEM

Hard data are not available covering the broad spectrum of activities we consider concessional mixed credits. Some countries, such as Sweden, use mixed credits as an integral part of their aid program. Some tied credits are offered in such a way that the subsidy is not directly linked to the commercial credit, others are not reported for various reasons. Countries are extremely clever in finding ways to meet the letter of international obligations while continuing to engage, for practical purposes, in what they have agreed not to do. In 1983, less than 20 percent of offers reported by Arrangement participants were in the agreed guideline range of a 20-25 percent grant element, 30 percent of the offers were in the 25-30 percent grant element range, 20 percent had a grant element "greater than 25 percent," and most of the remainder had a grant element in excess of 30 percent.

This high concentration just outside the agreed upon range is clear indication that some countries are using the definition of ODA as a disguise for commercially oriented trade practices. These unfair trade practices are hurting U.S. exporters.

Data assembled by the Export-Import Bank show that the number of mixed credits agreements offered by industrialized countries has continued to rise rapidly since 1980. The number of offering countries has also risen. Mexico, South Korea, and other Advanced Developing Countries, in addition to the traditional donor community, have begun to offer mixed credit financing. The dollar value of mixed credits offered rose significantly until 1980, remained constant at just over $2 billion annually through 1982, and increased to $3.5 billion in 1983. Mixed credit use continued at that pace into 1984.

Because of definitional limitations, these figures probably understate the incidence of mixed credits. Additionally, however, many experts believe that countries underreport either deliberately or through administrative carelessness. It is highly probable that the amount reported would increase significantly if our broader definition of mixed credits were used. Of importance, too, is the fact that mixed credits are often concentrated in certain heavily subsidized industrial sectors. Thus, the trade-distorting effects of the credits may be far greater than published data indicate. While OECD reports are not complete on this point, the data suggest this may be particularly true in the power and transportation sectors.

France has offered over 50 percent by value of all reported mixed credits. The adoption of "defensive" mixed credit programs by Canada, Japan, Germany, and others has not led France to reduce its activity. While France has cut the size (in dollars) of its mixed credits offers since 1980, the number of offers in 1983 was almost triple the 1980 level.

Most of the countries that are the principal recipients of mixed credit offers are actual or potential Eximbank customers. Six of these countries stand out in terms of dollar volume: Mexico, Brazil, Egypt, Morocco, Indonesia, and India. All except Morocco are significant U.S. export markets.

U.S. RESPONSE TO DATE: NEGOTIATING POSITION

The U.S. Treasury Department considers trade-motivated subsidized export financing wasteful, costly, and ultimately futile because it causes a budgetary drain on exporting countries, with no real trade or development advantage to show for it. U.S. Government policy is that exported goods and services should be sold on the basis of price, quality, and other intrinsic merit. To do otherwise is to neglect the marketplace and distort international trade patterns.

Consistent with this position, the United States has attempted to negotiate an end to the use of those mixed credits used primarily for export promotion. In December 1983, for the first time, mixed credits were the highest priority item on the agenda in negotiations on the OECD Arrangement on Export Credits. The United States made a number of proposals, as it has over the years, designed to expand the definition of mixed credits, to make their use more evident and to further restrict their use. The United States has taken positions consistent with this in other international negotiations as well. Progress has been limited and prospects for an early or even medium-term breakthrough do not appear to be good.

At the OECD Ministerial meeting in May 1984, the United States attempted to secure agreement to prohibit grant elements below 50 percent, a hefty increase above the current limit of 25 percent. This would have made mixed credits for commercial purposes much more expensive for the offering government. However, the United States received virtually no support for this position from the other members.

There are reports that the United States was preparing a new series of proposals to present to the export credit group of the

OECD at a September 1984 meeting that was postponed. Reportedly, the proposals could limit the provision of mixed credits only to countries with lower income levels, apply the proposed 50 percent grant element only to selected high technology industries and perhaps others. We support this U.S. position and believe the United States should continue to press for adoption of these and other proposals that will reduce or eliminate these unfair practices. However, we are not optimistic about the chances for successful negotiations on these points; furthermore, we are not convinced that, even if successful, a new Agreement will stop the practice. The high incidence of offers outside the limits of the agreement in recent years is discouraging to us. The United States needs to underscore its negotiating strategy with an aggressive mixed credits program that will demonstrate the futility of continuing these predatory trade tactics.

PAST ACTIVITIES OF THE EXPORT-IMPORT BANK AND AID

Before 1981, Eximbank selectively matched the interest rate subsidy on mixed credits offered by others, winning some deals for U.S. business. However, the U.S. Government did not find this approach to be effective in developing negotiating leverage and the practice ceased. In October 1982, the Eximbank introduced a medium-term credit program to provide fixed rate support for those medium-term export sales up to $5 million that are facing subsidized, officially supported export credit competition from abroad. With evidence of the competition, Eximbank can provide fixed rate financing to the U.S. bank financing the export sale. Eximbank has, in some cases, offered to extend grace periods and repayment terms as a way to counter interest rate subsidies offered by competitors. This is considered to be an effective negotiating tactic because of the superiority of U.S. capital markets as a source of long-term capital. However, Eximbank has not aggressively sought out opportunities to counter subsidized credits.

In 1982, AID adopted a policy on mixed credits that delineated their use for export financing. The policy recognizes that other donors actively use mixed credits. AID agreed to consider financing mixed credits using ESF funds, but only to counter specific offers and only in specific cases in which the project has a high priority in the recipient country's development. AID also adopted a program to meet mixed credit competition in Egypt, specifically allocating funds for the purpose. However, restrictions placed on the use of funds, including the requirement for evidence of concessional competing offers, are very tight.

Shortly before the OECD Ministerial meeting in May 1984 the Export-Import Bank made two mixed credit offers in response to competing mixed credit offers from France. One was to finance the sale of machine tools to Indonesia, the other to finance the sale of telephone switching equipment in Cyprus. Since that time, Eximbank has made a small number of additional offers of mixed credit financing in response to offers made by other countries.

The Indonesia sale demonstrates the high cost of this type of activity. It was a $15 million contract by a U.S. manufacturer. Over the life of the contract, Eximbank income will be reduced by $16 million compared to the income that would have been generated by its normal rates. The Eximbank subsidy amounted to 40 percent of the contract price; cost per job created was $47,500. This subsidy cost is in line with estimates of the Congressional Budget Office on the overall cost of mixed credits.

CURRENT LEGISLATIVE GUIDANCE

In November 1983, Congress passed legislation that extended the financing authority of the Export-Import Bank and provided guidance on mixed credits and Eximbank's operating policy. The legislation emphasized Eximbank's mandate to provide export financing that is fully competitive with that offered by other countries. It directed the executive branch to take two specific actions. First, the legislation directed the President to pursue vigorously international negotiations to limit and set rules for the use of tied aid for exports. Specified negotiating objectives were in line with already existing government positions. Second, the legislation directed AID and the Export-Import Bank to establish mixed credit programs competitive with those of other exporting nations. Mixed credit offers under these programs are to be coordinated by an interagency committee and require the unanimous consent of its members.

Congress made it clear that it wants the United States to be more aggressive in meeting unfair financing competition from other exporting countries.

Eximbank and AID have developed standards and guidelines for the programs called for by Congress. AID's program is proposed to extend to a limited number of countries because of other legislative requirements. The Eximbank plans to act on a case by case basis, using both interest rate concessions and improved terms as necessary to meet competition. By terms of the legislation, the National Advisory Council must pass on each transaction. Substantially increased activity from either Eximbank or AID in support of U.S. exports is unlikely, however, for the following reasons.

Concessional terms are very expensive to the Eximbank and it wants to maintain its commercial standing.

AID's primary interest is in carrying out its development mandate in those countries in which it operates and in assuring that any use of its Economic Support Funds be consistent with the economic, security, and political criteria used to establish ESF country allocations.

The principal recipients of mixed credit offers are countries in which AID has little or no activity.

AID believes that the unqualified use of mixed credits could divert its assistance from the neediest countries and from a recipient's highest priority projects.

The interagency coordination process is bureaucratic, time-consuming, and not suited to the pressing needs of timely action.

FINDINGS

The United States and its exporters are losing markets to countries that provide concessional credit to their exports for commercial purposes.

Past U.S. Government actions to meet commercially motivated subsidized financing competition have been limited and ineffective.

The U.S. negotiating posture in regard to mixed credits is essentially right, but it is not likely to be effective in the short to medium term.

U.S. Government agency responses to the initiatives directed by Congress have not resulted in a significantly more aggressive stance by the United States.

A new approach is needed in order to support U.S. negotiating efforts and permit U.S. exporters to compete on equal financing terms with exporters from other countries who benefit from officially subsidized financing.

If recent history is any measure, progress in negotiations in the near future is likely to continue to be slow and indecisive. Recent steps taken by the DAC to broaden the range of mixed credit activities proscribed by international agreement are welcome. Welcome, too, is France's recent decision to withdraw a line of credit to Algiers for subway construction. But we must maintain the effort to negotiate an end to this expensive and wasteful practice.

The United States should assign the highest priority to negotiations directed at stopping the practice of governments using various methods of subsidizing export finance to commercial advantage.

We strongly endorse the Administration's policy to put an end to these subsidies, which are costly, wasteful, and ultimately gain nothing for those nations that engage in the practice. Goods and services should move in international commerce according to their intrinsic value and the marketing effort behind their sale; subsidized financing does not contribute to their value, nor does it lead to the eventual reduction of production costs. To the contrary, it enables the movement of goods that might otherwise find no market. This does not promote the best interests of either buyer or seller; in the long run, continued use of mixed credits will have an adverse effect on the growth of trade, the world's economy, and prospects for improved living standards.

The United States should actively discourage the use of mixed credits and other forms of commercially motivated subsidized financing in the appropriate multilateral fora and in bilateral discussions with those nations that engage in the practice.

The United States should be prepared, up to the limit of Eximbank's lending and guarantee authority, to fund an aggressive program of subsidized export financing to meet the competition of other countries. The program should remain in effect until other countries discontinue their mixed credit programs.

The Export-Import Bank is the principal official financing arm of United States trade policy and is specifically charged with promoting U.S. exports "at rates and on terms and conditions that are fully competitive with other countries and consistent with international agreements." Eximbank finances exports to many countries that are recipients of mixed credit offers. A program to compete directly against a broad range of unfair mixed credits would be consistent with the bank's mandate to be competitive, but it would be inconsistent with its mandate to remain financially sound, as large amounts of concessional financing would lead to losses on the bank's portfolio. However, existing authority is adequate for Eximbank to undertake such a program immediately; new legislation would not be required.

Eximbank has substantial unused financing authority and total financing ceilings that should be sufficient to accommodate any activity that is likely to be generated by this program. In FY 1983 it used less than $1.5 billion of its nearly $4 billion lending authority and less than $7 billion of its $10 billion guarantee and insurance authority. Lending, guarantee and insurance authority for 1985 are expected to be in the same

order of magnitude. A similar shortfall is likely in 1984. Unused ceilings on Eximbank's lending authority totaled several billion dollars.

Other U.S. institutions such as AID would not be as effective in a mixed credits program. AID has strong developmental mandates in which trade and export promotion are not key factors. In addition, AID has limited resources that are primarily devoted to countries to which mixed credits are not directed. Legislation would be required to thrust AID into a strong trade promotion role. Not only would start-up time be longer with AID, but the institutional difficulties would be extensive.

EXPORT-IMPORT BANK: AMOUNT REQUIRED

Available data do not provide a solid basis for estimating the funds that might be required. Eximbank believes that 13 export transactions valued at $576 million may have been lost to foreign mixed credits (narrow definition) over the four-year period from August 1979 to August 1983, an average of almost $150 million per year. Documentation for lost sales is very difficult to produce because there is no effective way to collect the necessary data. In recent years, the amount of mixed credit offers by other countries has averaged about $2 billion per year. It increased to $3.5 billion in 1983 and will be at least that amount in 1984. Estimates of lost exports and mixed credit activity generally would probably be much higher if they were based on a broader definition of mixed credits—one that reflects the full range of commercially oriented subsidized financing techniques used by our foreign competitors. This, in addition to underreporting, might well double the reported $3.5 billion.

COST TO THE UNITED STATES

According to estimates of the Congressional Budget Office, the cost to the Eximbank in lost interest over the life of a credit, when used to match a competing mixed credit with a 25 percent grant element, would be about 40 percent of the face amount of the loan. As an example, the use of $1 billion a year for mixed credit financing would therefore reduce Eximbank income by approximately $400 million over the life of the loans or about $40 million per year. These losses would not be recovered.

This $40 million annual loss of income to Eximbank would be a small fraction of its annual interest income, which amounted to more than $1.4 billion in FY 1983. However, its net losses of $247 million in FY 1983 would increase further if this loss of interest from a mixed credit program had also been reflected in the bottom line.

CRITERIA FOR USE

The purpose of this more aggressive stance would be to counter the use of subsidized mixed credit financing (in its broad meaning) by export competitors. The difficulties with data collection already enumerated will be much worse when facing the need for quick action to meet a competitive offer. Guidelines for the program need to be established so that exporters and bankers have a clear understanding of when, and under what circumstances, Eximbank funds can be drawn upon.

Although they need further definition and refinement, the following criteria provide an initial framework.

Eximbank should offer financing to U.S. exporters that will enable the exporters to compete on equivalent terms with exporters from other countries who benefit from commercially oriented concessional credit (mixed credits). In some cases, Eximbank may provide identical financing packages; in other cases it might include some other combination of down payment, rate, term, and grace period concessions that would be equal, but not superior, to the competing financing.

Eximbank should aggressively counter competing offers. For instance, in qualified cases in which Eximbank believes there will be mixed credit competition, it should use the prior notification, procedures under the OECD Arrangement to query the country in question about its intent. If the country involved uses mixed credits extensively and does not provide a clear negative response to the query, Eximbank should be directed to operate on the assumption that a mixed credit package will be offered and it should provide appropriate financing to the U.S. exporter. In other cases, Eximbank may have to make judgments about the intent behind competing offers—whether the principal motivation is commercial or developmental.

All operations undertaken should be consistent with U.S. responsibilities under the OECD Arrangement, which permits matching of competing offers, and with other U.S. international commitments.

Eximbank should pay particular attention to those products of competing countries that have benefited most from mixed credits, such as telecommunications, power, and transport equipment firms. However, it should not exclude any products in which U.S. exporters can be price-competitive.

Eximbank should not exclude products that are in world oversupply, such as copper or steel processing equipment, because to do so would be tantamount to announcing that the United States is leaving the field to others. However, it is current U.S. policy not to finance such exports. We do not quarrel with the policy. Our clear preference would be to avoid these areas, but given the needs of the program, flexibility may be required.

SUMMARY

The Eximbank program can be implemented now. It is needed to make U.S. exports competitive with the subsidized commercial exports of our competitors. It will improve the U.S. negotiating position by trying to eliminate commercial export subsidies. It will serve U.S. exporters and the national interest. The President should direct the Export-Import Bank to undertake such a program immediately and continue it until our competitors stop using these predatory and expensive practices.●

CATHOLIC SCHOOLS WEEK

● Mr. LAUTENBERG. Mr. President, National Catholic Schools Week has been designated as February 4 through February 8, 1985. And it is with great pleasure that I would like to pay tribute to the accomplishments of our Nation's Catholic primary and secondary schools.

For many years, Catholic schools have provided our Nation's parents with an important alternative to public education for their children. Today, more than 2½ million children attend Catholic schools in this country. In New Jersey, more than 166,000 students are attending parochial elementary and secondary schools.

It is impossible to overemphasize the important educational role that Catholic schools have played in America. By providing solid academic training, Catholic schools have been responsible for producing students who are well prepared to meet the challenges of our ever-growing competitive society. But, by giving young Americans a firm spiritual foundation, Catholic schools have, in turn, provided both the Catholic Church and the Nation with wise and compassionate leaders.

The theme for this year's observance of Catholic Schools Week is "Sharing the vision-teaching values." This emphasis on values is a key component of Catholic education. We are a stronger and more spiritual nation because of these institutions. They are certainly deserving of our high commendation.●

TAX DEDUCTION FOR CHARITABLE CONTRIBUTIONS

● Mr. CHAFEE. Mr. President, last week I sent a letter to Secretary of the Treasury James A. Baker, expressing my deep concern over the Treasury Department's proposal to limit tax deductions for charitable contributions as part a new tax simplification plan.

My concern is what would happen to a host of organizations whose existence relies in whole or in part to the generosity of taxpaying Americans. Churches, schools, colleges and universities, museums, social service agencies, and other organizations would likely suffer a significant loss of support. At a time when budget constraints limit the ability of Congress to increase direct funding support for many worthwhile activities, now is not the time to remove this important incentive for support from the private sector.

Mr. President, I ask consent to insert into the CONGRESSIONAL RECORD the text of my letter to Secretary Baker, urging the administration to drop the proposal limiting the tax deductibility of charitable contributions.

The letter follows:

JANUARY 29, 1985.

Hon. JAMES A. BAKER,
Secretary of Treasury,
Washington, DC.

DEAR JIM: My purpose in writing today is to express my very deep concern about one element of the Treasury Department's tax simplification proposal, namely the effect it would have upon charitable contributions.

I fear that if this proposal is adopted, it will have severe repercussions upon a host of organizations in the United States—churches, schools and universities, museums and other charitable entities—which rely either in whole or in part upon the generosity of taxpaying Americans.

While limiting the deductibility of charitable contributions would not bring an end to philanthropy, such limits could very well jeopardize the programs of many private organizations and, in the case of some, put them out of business. If this were to happen, the irony would be that Congress could well be deluged with new calls for in-

creased government aid and support, thus defeating the goal of this Administration to cut spending.

A few figures about charitable contributions have begun to emerge since the Treasury proposal was unveiled. Private colleges and universities, for example, receive, on average, 11 percent of their operating funds from gifts, and the fear is growing that this percentage would fall if the deductions that could be claimed for such contributions were limited. Given the Administration's call for futher cutbacks in student aid, such fears are legitimate.

Other organizations rely far more heavily upon private gifts, notably churches and such community charities as the United Way, which estimates the donations it receives could fall as much as 20 percent if the Treasury proposed is adopted.

I realize that a debate is now going on within the Administration over the final scope of the tax simplification plan to be submitted to Congress later this year. I would urge you to use your influence to drop the provisions relating to charitable deductions. I believe such provisions will not find favor with Congress and will merely divert attention from the larger issue of tax reform. If, by chance, such provisions were to be adopted, they would not only cause a great deal of harm to countless private organizations which rely upon charity, but would also be counterproductive, setting off new demands for increased federal government aid which we cannot afford.

I look forward to hearing from you on this matter.

Sincerely,

JOHN H. CHAFEE,
U.S. Senator.●

REDUCING THE FEDERAL BUDGET BY CHANGING THE STRUCTURE OF REPAYMENT PLANS ON FEDERAL ELECTRIC HYDRO PROJECTS IS A BAD IDEA

● Mr. WALLOP. Mr. President, as we begin the 99th Congress with a renewed spirit and vigor to attack the problem of the Federal deficit, I urge my colleagues to move prudently and cautiously. Not all the ideas presently circulating in the Office of Management and Budget are good ones.

In particular I am referring to OMB's four-part scheme to reduce the Federal debt through increased revenues from Federal power marketing agencies being circulated by the Office of Management and Budget. This four-part scheme calls for significant changes in the structure of repayment plans associated with outstanding debt on Federal hydroelectric projects. These changes could have far-reaching, detrimental impacts on customers buying power from the Federal Government. Specifically, OMB proposes to:

First, convert the amortization schedule to a straight-line method of repayment;

Second, bring interest rates on outstanding debt to the Treasury's current rate of borrowing;

Third, accelerate repayment of the projects' irrigation features to make it concurrent with power facility repayments; and

Fourth, assess interest, at current market levels, to the irrigation portions of the project.

Federal dams planned and built by the Federal Government in the 1950's and 1960's were meant to fulfill a public policy of making the West habitable by providing water for irrigation, municipal and industrial uses. Only by devising means to store surplus in wet years for later use in dry spells could these arid lands become productive.

Knowing that the cost of these dams must somehow be repaid to the Federal Treasury and that irrigation water priced at full cost would be prohibitively expensive, the Bureau installed hydroelectric power facilities in the dams to provide revenues to repay the investment. Power users were asked to repay not only the investment in the power facilities, plus the market rate of interest prevailing at the time, but also the operating and maintenance costs of the dams and a portion of the water storage and irrigation features of the projects.

Since they were designed primarily as water projects—not as power projects—Congress required power users to offset irrigation costs. Irrigation features were to be repaid without interest.

Power from these projects, however, was expensive. Compared to coal-fired resources built at the same time, the cost of Federal hydroelectric power was 30-50 percent higher. The Bureau had difficulty finding enough users to fully subscribe to all the available power at that time. Because of the high cost, contracts were structured to fully repay both the power investment and the irrigation component at the lowest rates possible in keeping with sound business principles. Not until 1974 did the cost of this power become cheaper than coal-fired generation constructed at the same time.

Like a home mortgage, the repayment schedule is structured to recover interest costs first. This means very little is applied toward principal in the early years of the contract. By 1989, however, power users will have repaid about 56 percent, or $405 million, of power facilities in just the Colorado River storage project alone. This project serves power consumers in my home State of Wyoming. Once principal in the power-generating facilities is repaid, power revenues will be applied toward irrigation costs.

EFFECTS OF THE OMB PROPOSAL

With this historical background in mind, let us assess what the OMB proposals would mean. The first proposal I mentioned was to convert to a straight-line amortization method.

In my view this proposal would impose on power users an unfeasible and perhaps unattainable revenue obligation. In high water years, excess power sales generate additional revenues. Like a prudent home buyer, the Federal power-marketing agencies apply these revenues to outstanding principal on loans carrying the highest interest rate. Thus, higher cost loans can be retired more quickly, and rates can be kept at a lower level for a longer period of time.

In poor water years, the PMA's must purchase power to meet contract obligations. During these periods, they pay only interest and redistribute missed principal payments across the remaining repayment term. This practice of accelerating and deferring principal payments is essential in giving the PMA's necessary flexibility to operate in erratic water cycles and still fulfill their contractual obligations to the Treasury.

OMB's proposed straight-line method to require fixed levels of interest and principal payments would remove this flexibility. Therefore, it would greatly burden power users with higher rates in poor water years. Since the weather is something which cannot be controlled, any scheme which would mitigate the present system of cyclical revenue collections would be needlessly complex when a method that so adequately evens out these fluctuations already exists.

Furthermore, requiring users to begin paying a market rate of interest on the remaining outstanding debt will compound problems of a straight-line amortization schedule by greatly increasing interest costs at a time when they are scheduled to decline as a proportion of power rates.

More unsettling, however, is the notion that the Federal Government would manipulate power rates to reflect something other than their true cost. When many of these projects were authorized, interest rates were in the range of 3 to 4 percent. Power users entered into contracts with the Federal Government to repay the cost of these projects at a rate of interest comparable to what they could have obtained from the private money market.

To arbitrarily double and triple those rates 25 years later not only violates contract terms, but it also sets a potentially dangerous precedent. This is a precedent I do not believe the Congress should even consider making in view of the fact that article 1, section 10 of the Constitution precludes a State from passing any laws which impair the obligations of contracts. The responsibilities of the Federal Government, in this instance, should be no less than those of States.

One of Congress' stated benefits in selling Federal hydroelectric power to nonprofit, consumer-owned utilities was to provide a "yardstick" measure of competition with investor-owned

utilities. Rates set at some arbitrary level to fatten the Treasury rather than recover costs will destroy this measure of competition, thus hurting all ratepayers.

There will be no market for Federal hydroelectric power if rates are set at levels higher than that of recovering costs. Finding their rates have become a political football, utilities would prefer to finance their own projects, knowing that contract terms will not change midstream, and in the end, the projects belong to them, not the Federal Government. Moreover, once we try to price power at artificial levels rather than at cost-recovery, we lose the ability to effectively regulate electric utility rates.

As to the proposal to require power users to repay the cost of irrigation features with interest at the market rate, such a proposal is absolutely contrary to congressional intent in establishing these projects. Congress was extremely clear in stipulating that irrigation features should be charged no interest. Making these costs repayable at the same time as power costs will also create a significant burden upon power users in the form of higher rates.

No reasonable person can fault OMB for trying to reduce the Federal budget deficit. We must find a way to do this, and cuts must be made. However, I do not think the way to approach the problem of the deficit is to recommend the breaking of contracts, or to single out a specific group of taxpayers to bear a disproportionate burden in paring the deficit. Quite simply, because of their broad policy implications, these proposals should be summarily rejected.

At a time when power users in the West could have purchased power at cheaper rates or built their own projects with long-term security, power users in the West chose to enter a partnership with the Federal Government in developing water projects to transform their region into viable agricultural and industrial centers. They have always paid their own way. There is no Federal subsidy involved with power rates. Therefore, Western power users should not be penalized for their dependence on Federal hydropower.

Maximum revenues necessary to repay the cost of Federal water projects need not translate into maximum power rates. OMB's proposal is a serious break with the long-standing Federal policy of this Nation to keep energy costs as low as possible for its citizens. It would be wrong to abandon this policy by asking Federal power users to bear such an inequitable and unfair burden as OMB has proposed. The ultimate result would only be the possibility of excessive and uncontrollable electric utility rates at a time in our Nation's history when the present administration has been successful in knocking out inflation as the country's leading economic problem.

Although all the numbers are not yet in on what the impact of these proposals would be on the Western Area Power Administration, I do not think it is wistful thinking to say that the WAPA firm rate may double on the wholesale rates to public power users. And, I might point out that the wholesale rate is just part of the problem. Final customer rates could quadruple. In fact, just for the Colorado River storage project alone rough estimates show that CRSP rates would increase 300 to 400 percent!

I simply do not think it is proper for the administration to be proposing that we make a profit on power generated from dams built from taxpayer funds and sold at cheap rates to public utility preference customers and others. The whole point of building these facilities in the first place was to make cheap power available to everyone. I, therefore, would urge that my colleagues in the Senate join with me in opposing this idea. I also would like to remind the administration that if policy is to be changed on this issue, then such changes are properly within the purview of the Congress. This is not something which the administration should do administratively.●

WHICH WAY ON ABORTION?

● Mr. QUAYLE. Mr. President, I should like to commend to my colleagues an article entitled "Which Way on Abortion?" by Russ Pulliam. This article appeared in the Indianapolis News on January 23, 1985. The author states his case more eloquently than I can, but he is essentially saying that the Supreme Court's reason for finding in favor of Roe versus Wade is no longer valid. The Court held that abortion could be legal during the first two trimesters of pregnancy because during the earlier months of a pregnancy, the fetus was not "viable," or able to live and develop on its own. Advances in intensive care nurseries and the wonderful proliferation of intensive care neonatal units at our Nation's hospitals help give the very premature infant a much better chance of survival. As the author points out, the Supreme Court's decision to legalize abortion needs rethinking. I quite agree, and I hope my colleagues will take the time to read this excellent article.

I ask tht the article be printed in the RECORD.

The article follows:

[From the Indianapolis News, Jan. 23, 1985]

WHICH WAY ON ABORTION?

(By Russ Pulliam)

Its been 12 years since the U.S. Supreme Court ruled in favor of abortion as a matter of privacy.

The result has been millions of abortions not because of rape, incest or danger to the mother's life, but as a means of getting rid of an unwanted baby.

In one sense it seems inevitable that this kind of abortion as a convenience will be stopped in the next few years.

In another sense, though, the pressure to continue abortions of this kind will be immense. The abortion industry is making lots of money off these operations and won't want to see this revenue reduced by some law or court ruling.

The pressure to halt this kind of abortion is also building. Medical technology is undoing the Supreme Court's basis for its decision, which was the "viability" of the baby inside the mother's womb.

Based on medical studies and a lot of guesswork, Justice Harry Blackmun arrived at the idea that a baby is not a human being for the first six months of the mother's pregnancy. But after those six months the baby is "viable" and thus states can restrict abortions during the third trimester.

But more and more babies are medically "viable" during the second trimester, rendering the 1973 decision almost out of date in terms of science. In California doctors managed to deliver a baby alive in 1983, though the mother died before the end of the baby's second trimester.

We talked to the baby, we called him by name when we knew he was a boy. We treated him as if he was a baby outside, but he was inside," commended nurse Pat Will even after the delivery.

Dr. Thomas Elkins of the University of Tennessee Medical Center contends that these kinds of medical possibilities are growing. "With our intensive care nursery system now newborn babies that were repeatedly written off a few years ago are now surviving. A baby of one pound has an opportunity to live today—something unheard of five years ago," he said in an interview with Christianity Today magazine.

"And I think technology will soon take us to a point where a baby outside the uterus can be supported at almost any gestational age," he continues. "That's going to mean that society will have to deal with a technology challenging its values. It will mean that abortion without a medical reason is going to become more and more problematic for society."

So medical technology may force the Supreme Court to rethink the 1973 ruling.

From a legal standpoint the court also has good reasons to revise the ruling. Justice Blackmun's decision was a clear case of writing a new law, rather than interpreting the Constitution. The decision has not commanded much respect in legal circles, even among some who favor a pro-choice position on abortion.

Justice Byron White dissented from the court's divided ruling in a stinging rebuke to the majority, calling the decision "an exercise in raw judicial power" with no constitutional basis.

"I find nothing in the language or history of the Constitution to support the court's judgment," he wrote. "The court simply fashions and announces a new constitutional right for pregnant mothers and, with scarcely any reason or authority for its action, invests that right with sufficient substance to override most existing state abortion statutes."

More recently Justice Sandra Day O'Connor has attacked the 1973 decision as well, complaining about the inappropriate course

that the court took in writing regulations about trimesters for all the states to follow.

So the court may well reverse itself, from a combination of legitimate legal concerns as well as the evidence from advancing medical technology.

The issue boils down to when a human being becomes a human being. The 1973 court decision noted the disagreements among scientists, theologians and philosophers on this question. But why take such a big chance when the issue is the life and death of millions of babies?●

ORDERS FOR WEDNESDAY

ORDER FOR RECESS UNTIL 11 A.M.

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 11 a.m. on Wednesday, February 6, 1985.

The PRESIDING OFFICER. Without objection it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I further ask unanimous consent that, following the recognition of the two leaders under the standing order, there be special orders for the following Senators for not to exceed 15 minutes each: Senators SPECTER, PROXMIRE, BOREN, HEFLIN, BYRD, CRANSTON, INOUYE, and COHEN.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. DOLE. Following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 2 p.m. with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, tomorrow, following morning business, it will be the intention of the leadership to go into executive session to consider the nominations of William Bennett and Donald Hodel, hopefully under time agreements of 1 hour each; and, also following the conclusion of the debate on the two nominations, it will be the intention of the leadership to turn to the nomination of John Herrington, for Secretary of Energy. Therefore, at least two, possibly three, rollcall votes can be expected during Wednesday's session.

RECESS UNTIL 11 A.M. TOMORROW

Mr. DOLE. Mr. President, I move in accordance with the order just entered that the Senate stand in recess until 11 a.m. tomorrow.

Thereupon, at 4:57 p.m., the Senate recessed until tomorrow, Wednesday, February 6, 1985, at 11 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate February 4, 1985, under authority of the order of the Senate of January 3, 1985:

ACTION AGENCY

Donna M. Alvarado, of Virginia, to be Director of the ACTION Agency, vice Thomas W. Pauken.

MISSISSIPPI RIVER COMMISSION

Brig. Gen. Thomas Allen Sands, 410-64-1086, U.S. Army, to be a member and president of the Mississippi River Commission, and Brig. Gen. Robert Joseph Dacey, 124-26-8224, U.S. Army, to be a member of the Mississippi River Commission, under the provisions of section 2 of an Act of Congress, approved 28 June 1879 (21 Stat. 37) (33 U.S.C. 642).

NATIONAL COUNCIL ON THE HANDICAPPED

The following-named persons to be members of the National Council on the Handicapped for the terms indicated:

For a term expiring September 17, 1986:

Jeremiah Milbank, of Connecticut, vice Carmine R. Lavieri, deceased.

For a term expiring September 17, 1987:

Justin W. Dart, Jr., of Texas (reappointment).

Executive nominations received by the Senate February 5, 1985:

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be general

Gen. Bernard W. Rogers, [redacted] (age 63), U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to the grade of general in a position of importance and responsibility designated by the President under title 10, United States Code, section 601, to which grade he was appointed during the recess of the Senate from October 12, 1984, until January 3, 1985:

Gen. Robert C. Kingston, [redacted] U.S. Army.

The Army National Guard of the United States officers named herein for appointment as Reserve Commissioned Officers of the Army, under the provisions of title 10, United States Code, sections 593(a), 3385, and 3392:

To be major general

Brig. Gen. James A. Baber III, [redacted]

Brig. Gen. Bernard G. Ehrlich, [redacted]

Brig. Gen. Vernon E. James, [redacted]

To be brigadier general

Col. Glen D. Alexander, [redacted]
Col. Jay Brashear, [redacted]
Col. Robert E. Davis, Jr., [redacted]
Col. Frank M. Denton, [redacted]
Col. Robert L. Dezarn, [redacted]
Col. Chester E. Gorski, [redacted]
Col. Ralph E. Hickman, [redacted]
Col. Martin E. Lind, Jr., [redacted]
Col. David H. Lueck, [redacted]
Col. Pasquale J. Macrone, Jr., [redacted]
Col. Gerald R. Matteson, [redacted]
Col. Erneido A. Oliva, [redacted]
Col. Daniel J. Sullivan, [redacted]
Col. Oscar E. Trivits, [redacted]
Col. Normand A. Trudeau, [redacted]
Col. Aaron K. Warren, [redacted]

IN THE AIR FORCE

The following-named officers for permanent promotion in the U.S. Air Force, under the appropriate provisions of section 624, title 10, United States Code, as amended, with dates to rank to be determined by the Secretary of the Air Force.

LINE OF THE AIR FORCE

To be lieutenant colonel

Abbott, Byron A., [redacted]
Abold, Phillip L., [redacted]
Accola, Thomas D., [redacted]
Ackerman, Donald L., Jr., [redacted]
Acuff, Steven D., [redacted]
Aitken, Gordon J., [redacted]
AJA, Joseph G., [redacted]
Akers, Robert K., [redacted]
Akins, Jerry G., [redacted]
Alexander, Michael D., [redacted]
Alexander, William L., [redacted]
Alford, James E., [redacted]
Allen, Donald L., [redacted]
Allen, Fred III, [redacted]
Allen, Kenneth E., [redacted]
Allen, Kenneth J., [redacted]
Allen, Robert A., [redacted]
Allen, Robert W., Jr., [redacted]
Allen, Thomas L., [redacted]
Alsup, Larry W., [redacted]
Amatulli, Ladis W., [redacted]
Ambos, Dale S., [redacted]
Amisano, Richard P., [redacted]
Amtmann, Raymond A., [redacted]
Anarde, Russell J., [redacted]
Andersen, Ty J., [redacted]
Anderson, Charles R., Jr., [redacted]
Anderson, Dennis W., [redacted]
Anderson, Donald E., [redacted]
Anderson, James E., [redacted]
Anderson, Keith H., [redacted]
Anderson, Philip J., [redacted]
Anderson, Robert K., Jr., [redacted]
Annas, Richard G., [redacted]
Anselmi, Michael S., [redacted]
Arciero, Anthony P., [redacted]
Armour, H. Michael, Jr., [redacted]
Arn, Robert M., [redacted]
Arnott, Gail I., [redacted]
Asato, Morris T., [redacted]
Ash, Leonard J., [redacted]
Astle, David L., [redacted]
Atkinson, Robert M., [redacted]
Audley, David R., [redacted]
Austin, Ralph H., [redacted]
Austin, Robert A., [redacted]
Austin, Walter W., Jr., [redacted]
Autry, Larry D., [redacted]
Avon, Joseph G., [redacted]
Ayres, Harrison, G., Jr., [redacted]
Baars, Allan K., [redacted]
Bacchus, James L., [redacted]
Baden, Gerard T., [redacted]
Baehr, Kenneth M., [redacted]
Baer, Howard S., [redacted]
Bailey, Charles E., [redacted]
Bailey, George R., [redacted]
Bak, Casimir V., [redacted]
Baker, Don E., [redacted]
Baker, Jack T., [redacted]
Baker, John R., [redacted]
Baker, Michael A., [redacted]
Baker, Robert W., [redacted]
Baker, William H., [redacted]
Baldrige, Jeffrey W., [redacted]
Baldwin, John A., [redacted]
Baldwin, Richard S., Jr., [redacted]
Ball, David K., [redacted]
Ballard, Robert H., [redacted]
Balsterholt, Werner H., [redacted]
Baltazar, Bill R., [redacted]
Balven, Terry L., [redacted]
Baptiste, Thomas L., [redacted]
Barajas, John L., [redacted]

Barker, Raymond H., Jr., xxx-xx-xxxx
Barlow, John R., xxx-xx-xxxx
Barnard, Rocky E., xxx-xx-xxxx
Barnes, Albert A., xxx-xx-xxxx
Barnes, Carroll T., xxx-xx-xxxx
Barnett, Berle T., xxx-xx-xxxx
Barnett, Richard P., xxx-xx-xxxx
Barney, Frederick G., xxx-xx-xxxx
Barnidge, Leroy, Jr., xxx-xx-xxxx
Barraclough, John, xxx-xx-xxxx
Barrick, Ronald D., xxx-xx-xxxx
Barrows, Henry C., xxx-xx-xxxx
Barry, James E., xxx-xx-xxxx
Barstow, David N., xxx-xx-xxxx
Bartel, Harvey D., xxx-xx-xxxx
Barthel, Gerald R., xxx-xx-xxxx
Bartlett, John K., xxx-xx-xxxx
Bartley, Michael E., xxx-xx-xxxx
Bartness, Patrick M., xxx-xx-xxxx
Baskett, Robert H., xxx-xx-xxxx
Batchelor, William K., xxx-xx-xxxx
Batezel, Anthony L., xxx-xx-xxxx
Batty, Harry J., Jr., xxx-xx-xxxx
Baum, Peter J., xxx-xx-xxxx
Baumann, Norman J., xxx-xx-xxxx
Baumgardner, Haynes M., Jr., xxx-xx-xxxx
Baumgardner, Thomas R., xxx-xx-xxxx
Baumgart, John R., xxx-xx-xxxx
Bayers, James A., xxx-xx-xxxx
Beach, Lawrence M., xxx-xx-xxxx
Bean, Allan K., xxx-xx-xxxx
Bean, Richard M., xxx-xx-xxxx
Bearce, Douglas L., xxx-xx-xxxx
Beattie, John S., xxx-xx-xxxx
Beattie, Paul W., xxx-xx-xxxx
Beatty, Thomas R., xxx-xx-xxxx
Beaty, Andrew R., Jr., xxx-xx-xxxx
Beauvais, Eugene F., xxx-xx-xxxx
Beck, Peter H., xxx-xx-xxxx
Becker, Michael L., xxx-xx-xxxx
Behler, Robert F., xxx-xx-xxxx
Beierschmitt, Gerald A., Jr., xxx-xx-xxxx
Bell, Anthony W., Jr., xxx-xx-xxxx
Belwood, Lloyd E., xxx-xx-xxxx
Benedict, William N., II, xxx-xx-xxxx
Bennett, Frederick L., xxx-xx-xxxx
Bennett, James A., Jr., xxx-xx-xxxx
Bennett, James R., xxx-xx-xxxx
Bennett, James W., xxx-xx-xxxx
Benson, Gerald E., xxx-xx-xxxx
Benson, Joel D., xxx-xx-xxxx
Benson, Robert E., xxx-xx-xxxx
Bent, Ralph G., II, xxx-xx-xxxx
Benzing, John F., xxx-xx-xxxx
Beplay, Harry D., xxx-xx-xxxx
Berardino, Joseph J., xxx-xx-xxxx
Beres, James A., xxx-xx-xxxx
Berg, Dennis R., xxx-xx-xxxx
Berger, George W., xxx-xx-xxxx
Berkshire, Walker E., Jr., xxx-xx-xxxx
Bernhard, Craig A., xxx-xx-xxxx
Bernhardt, Wayne A., xxx-xx-xxxx
Bertelson, Gilbert M., xxx-xx-xxxx
Betz, William J., xxx-xx-xxxx
Bice, Earl, D., xxx-xx-xxxx
Bielicki, Dennis E., xxx-xx-xxxx
Bisher, Jon A., xxx-xx-xxxx
Bishop, Dennis R., xxx-xx-xxxx
Bishop, Geoffrey T., xxx-xx-xxxx
Bishop, Raymond C., xxx-xx-xxxx
Bittner, Robert J., xxx-xx-xxxx
Black, Kenneth L., xxx-xx-xxxx
Black, Larry W., xxx-xx-xxxx
Black, Robert E., xxx-xx-xxxx
Black, Thomas J., III, xxx-xx-xxxx
Blackmon, William R., xxx-xx-xxxx
Blair, John E., xxx-xx-xxxx
Blake, Charles R., xxx-xx-xxxx
Blanco, James P., xxx-xx-xxxx
Bland, David F., xxx-xx-xxxx
Blankenbeker, Joan W., xxx-xx-xxxx
Blazer, Douglas J., xxx-xx-xxxx
Blystad, Thomas J., xxx-xx-xxxx
Boesche, Gerald V., xxx-xx-xxxx
Boger, Fred C., xxx-xx-xxxx
Boggess, Russell L., xxx-xx-xxxx
Bohman, Richard T., xxx-xx-xxxx
Boles, Wayne R., xxx-xx-xxxx
Boller, Richard D., xxx-xx-xxxx
Bolyard, William T., III, xxx-xx-xxxx
Bon, Jaromir J., xxx-xx-xxxx
Bonesteele, Raymond G., xxx-xx-xxxx
Bongiovi, Robert P., xxx-xx-xxxx
Bonin, Martin E., xxx-xx-xxxx
Boothe, Shelby R., xxx-xx-xxxx
Bosco, Salvatore R., xxx-xx-xxxx
Bost, Larry E., xxx-xx-xxxx
Bott, Terrence W., xxx-xx-xxxx
Bouboulis, Charles L., xxx-xx-xxxx
Boudreau, Donald P., xxx-xx-xxxx
Boudreaux, Lionel P., III, xxx-xx-xxxx
Bounds, William S., xxx-xx-xxxx
Bovim, Robert A., xxx-xx-xxxx
Bowen, James T., xxx-xx-xxxx
Bowers, Donald S., Jr., xxx-xx-xxxx
Bowman, Charles W., xxx-xx-xxxx
Bowman, David W., xxx-xx-xxxx
Bowman, Thomas L., xxx-xx-xxxx
Bown, Philip D., xxx-xx-xxxx
Bowring, Duane L., xxx-xx-xxxx
Boyd, Frank L., Jr., xxx-xx-xxxx
Boyd, James E., xxx-xx-xxxx
Boyd, John T., xxx-xx-xxxx
Boykin, Willie L., Jr., xxx-xx-xxxx
Bradeen, Robert J., xxx-xx-xxxx
Bradford, Conley V., xxx-xx-xxxx
Bradley, Derwin W., Jr., xxx-xx-xxxx
Brady, David F., xxx-xx-xxxx
Braley, Howard J., xxx-xx-xxxx
Brandenburg, Paul L., xxx-xx-xxxx
Brandt, Thomas R., xxx-xx-xxxx
Brasher, Richard L., xxx-xx-xxxx
Braswell, Gary J., xxx-xx-xxxx
Braun, Louis D., III, xxx-xx-xxxx
Brennan, Peter E., xxx-xx-xxxx
Brentnall, Theta Y., xxx-xx-xxxx
Bretschneider, Roland W.P., xxx-xx-xxxx
Brezina, Gerald W., xxx-xx-xxxx
Brick, Jon C., xxx-xx-xxxx
Bridges, Paul F., Jr., xxx-xx-xxxx
Bridges, Stephen C., xxx-xx-xxxx
Brilliant, Howard M., xxx-xx-xxxx
Brining, Donald R., xxx-xx-xxxx
Brink, Ernest P., Jr., xxx-xx-xxxx
Britt, Clyde S., xxx-xx-xxxx
Brock, James R., xxx-xx-xxxx
Brothers, James T., Jr., xxx-xx-xxxx
Brothers, Kenneth G., xxx-xx-xxxx
Brown, Danley W., xxx-xx-xxxx
Brown, David I., xxx-xx-xxxx
Brown, Donald P., xxx-xx-xxxx
Brown, Francis T., Jr., xxx-xx-xxxx
Brown, Fred N., Jr., xxx-xx-xxxx
Brown, Martin J., Jr., xxx-xx-xxxx
Brown, Ronald K., xxx-xx-xxxx
Brown, Ronald T., xxx-xx-xxxx
Brown, Samuel D., Jr., xxx-xx-xxxx
Brown, Stephen S., xxx-xx-xxxx
Brown, Timothy A., xxx-xx-xxxx
Brownell, Richard S., xxx-xx-xxxx
Brownlow, Jeffrey F., xxx-xx-xxxx
Broyles, Stephen D., xxx-xx-xxxx
Bruce, Robert E., Jr., xxx-xx-xxxx
Bruck, Lawrence A., xxx-xx-xxxx
Brumbaugh, James L., xxx-xx-xxxx
Bryan, Richard T., xxx-xx-xxxx
Bryson, Allen L., xxx-xx-xxxx
Buchanan, Walter E.L., III, xxx-xx-xxxx
Buckland, George H., xxx-xx-xxxx
Bundlie, Harold W., III, xxx-xx-xxxx
Bunjer, Veri A., xxx-xx-xxxx
Bunts, Jeffrey M., xxx-xx-xxxx
Buquor, Anthony F., xxx-xx-xxxx
Burggraf, Larry W., xxx-xx-xxxx
Burgh, Steven H., xxx-xx-xxxx
Burink, Gerald A., xxx-xx-xxxx
Burke, Thomas J., xxx-xx-xxxx
Burnham, John M., II, xxx-xx-xxxx
Burns, George F., III, xxx-xx-xxxx
Burns, Hugh L., Jr., xxx-xx-xxxx
Burns, John J., Jr., xxx-xx-xxxx
Burroughs, David M., xxx-xx-xxxx
Burroughs, Richard O., xxx-xx-xxxx
Busboom, Stanley L., xxx-xx-xxxx
Bush, Andrew K., xxx-xx-xxxx
Butcher, Jack M., xxx-xx-xxxx
Butchko, Joseph J., xxx-xx-xxxx
Caddell, Ray L., xxx-xx-xxxx
Cady, Steven E., xxx-xx-xxxx
Caldwell, Patrick A., xxx-xx-xxxx
Caldwell, Walter F., xxx-xx-xxxx
Callaghan, Peter A., xxx-xx-xxxx
Callaway, Michael R., xxx-xx-xxxx
Callen, John M., xxx-xx-xxxx
Calligan, Michael P., xxx-xx-xxxx
Camm, John A., Jr., xxx-xx-xxxx
Camp, Roger L., xxx-xx-xxxx
Campbell, Claude W., Jr., xxx-xx-xxxx
Campbell, Donald G., xxx-xx-xxxx
Campbell, Jeffrey S., xxx-xx-xxxx
Campbell, Robert G., xxx-xx-xxxx
Campbell, William H., xxx-xx-xxxx
Canavan, William J., xxx-xx-xxxx
Cancellieri, Robert, xxx-xx-xxxx
Capellini, Aristide M., xxx-xx-xxxx
Capicik, Paul J., xxx-xx-xxxx
Cardaronella, Raymond L., xxx-xx-xxxx
Cardinale, Richard O., xxx-xx-xxxx
Carey, Timothy N., xxx-xx-xxxx
Carlquist, Philip F., xxx-xx-xxxx
Carlson, Arthur C., III, xxx-xx-xxxx
Carlson, Douglas M., xxx-xx-xxxx
Carlson, Ronald D., xxx-xx-xxxx
Carlton, Kirby M., xxx-xx-xxxx
Carmer, Kenneth L., xxx-xx-xxxx
Caro, Israel I., xxx-xx-xxxx
Caron, Gregory S., xxx-xx-xxxx
Carpenter, Douglas D., xxx-xx-xxxx
Carpenter, Gerald C., xxx-xx-xxxx
Carpenter, Margaret J., xxx-xx-xxxx
Carpenter, Michael F., xxx-xx-xxxx
Carr, Larry A., xxx-xx-xxxx
Carroll, Gerard M., Jr., xxx-xx-xxxx
Carson, William D., Jr., xxx-xx-xxxx
Carter, Larry G., xxx-xx-xxxx
Carter, Stephen P., xxx-xx-xx...
Cartron, Kelly W., xxx-xx-xxxx
Caruthers, James M., xxx-xx-xxxx
Casamayou, Louis J., xxx-xx-xxxx
Case, John M., Jr., xxx-xx-xxxx
Catalina, Ben H., Jr., xxx-xx-xxxx
Cato, William T., xxx-xx-xxxx
Cavender, Virgil C., Jr., xxx-xx-xxxx
Cecconi, Edward A., xxx-xx-xxxx
Celmer, Philip R., III, xxx-xx-xxxx
Chandonnet, Patrick W., xxx-xx-xxxx
Chaney, James H., xxx-xx-xxxx
Chapin, Robert R., xxx-xx-xxxx
Chapman, Brent E., xxx-xx-xxxx
Chapman, Frank W., xxx-xx-xxxx
Chapman, Jack W., Jr., xxx-xx-xxxx
Chapman, John F., xxx-xx-xxxx
Chapman, Raymond C., Jr., xxx-xx-xxxx
Chatagnier, Timothy, xxx-xx-xxxx
Chelkowski, Eddy, J., xxx-xx-xxxx
Cherry, Clyde S., Jr., xxx-xx-xxxx
Cheshire, Lehman F., II, xxx-xx-xxxx
Chidester, Dean J., xxx-xx-xxxx
Chisholm, Robert H., xxx-xx-xxxx
Chisolm, Stoney P., xxx-xx-xxxx
Chock, Stephen K. W., xxx-xx-xxxx
Christein, Wayne, xxx-xx-xxxx
Christensen, Michael A., xxx-xx-xxxx
Christensen, Dean L., xxx-xx-xxxx
Christman, Mark L., xxx-xx-xxxx
Churchill, William H., III, xxx-xx-xxxx
Chvatal, Joseph J., xxx-xx-xxxx
Cinnamon, Charles E., xxx-xx-xxxx
Clark, Albert L., xxx-xx-xxxx
Clark, Dwight E., xxx-xx-xxxx
Clark, Michael J., xxx-xx-xxxx
Clark, William E., xxx-xx-xxxx

Clay, Dennis R., xxx-x...
Cleland, William T., xxx-xx-xxxx
Cleyrat, Daniel A., xxx-xx-xxxx
Coates, James R., xxx-xx-xxxx
Cobb, James T., xxx-xx-xxxx
Coburn, Dick E., xxx-xx-xxxx
Coe, James P., xxx-xx-xxxx
Coffman, Robert D., xxx-xx-xxxx
Cohoon, Thomas D., xxx-xx-xxxx
Cohrs, Edwin W., xxx-xx-xxxx
Cole, Zollie D., xxx-xx-xxxx
Coleman, Alan J., xxx-xx-xxxx
Coleman, Douglas R., xxx-xx-xxxx
Collavo, Jon G., xxx-xx-xxxx
Collie, Allan L., xxx-xx-xxxx
Collier, Ewing L., xxx-xx-xxxx
Collins, Kevin A., xxx-xx-xxxx
Colson, Howard J., Jr., xxx-xx-xxxx
Colver, David L., xxx-xx-xxxx
Compton, Richard N., xxx-xx-xxxx
Conant, Joseph P., xxx-xx-xxxx
Conaway, Vernon W., III, xxx-xx-xxxx
Conlee, Robert A., xxx-xx-xxxx
Connors, Michael D., xxx-xx-xxxx
Conoley, Ellis K., xxx-xx-xxxx
Conway, Patrick M., xxx-xx-xxxx
Cook, Bradford L., xxx-xx-xxxx
Cook, James M., xxx-xx-xxxx
Cook, James M., Jr., xxx-xx-xxxx
Cook, Michael J., xxx-xx-xxxx
Cooke, Boyce D., xxx-xx-xxxx
Cookson, Edward D., xxx-xx-xxxx
Cooly, David A., xxx-xx-xxxx
Coon, John D., Jr., xxx-xx-xxxx
Coon, Mark H., xxx-xx-xxxx
Cooper, Michael T., xxx-xx-xxxx
Cooper, Monte V., xxx-xx-xxxx
Cooper, Thomas J., xxx-xx-xxxx
Cooper, Thomas R., xxx-xx-xxxx
Cope, Frank W., xxx-xx-xxxx
Copeland, Larry J., xxx-xx-xxxx
Corcoran, Joseph B., Jr., xxx-xx-xxxx
Cornett, Michael W., xxx-xx-xxxx
Cornish, Stephen R., xxx-xx-xxxx
Cornwell, Larry P., xxx-xx-xxxx
Corrie, Michael D., xxx-xx-xxxx
Corso, Andrew A., xxx-xx-xxxx
Corwin, Arthur J., xxx-xx-xxxx
Cothran, Thomas A., Jr., xxx-xx-xxxx
Couch, Neal T., xxx-xx-xxxx
Couch, Robert F., Jr., xxx-xx-xxxx
Courington, Timothy H., xxx-xx-xxxx
Covais, Ronald T., xxx-xx-xxxx
Covell, Philip A., xxx-xx-xxxx
Cox, James B., xxx-xx-xxxx
Cox, Randall J., xxx-xx-xxxx
Cox, Terry C., xxx-xx-xxxx
Coyne, James G., xxx-xx-xxxx
Craig, John W., xxx-xx-xxxx
Craig, William B., xxx-xx-xxxx
Crane, John B., Jr., xxx-xx-xxxx
Crawford, Charles J., xxx-xx-xxxx
Crenshaw, Kent R., xxx-xx-xxxx
Crite, Roy M., xxx-xx-xxxx
Cook, Harry W., xxx-xx-xxxx
Crowson, Crandler Jr., xxx-xx-xxxx
Crump, James D., xxx-xx-xxxx
Csintyan, David P., xxx-xx-xxxx
Cuddihee, Michael A., xxx-xx-xxxx
Cukjati, John J., Jr., xxx-xx-xxxx
Culbertson, Charles N., xxx-xx-xxxx
Cummings, James H., xxx-xx-xxxx
Cummings, Thomas S., xxx-xx-xxxx
Cunning, Roger A., xxx-xx-xxxx
Curatola, Carl, xxx-xx-xxxx
Curley, Timothy J., xxx-xx-xxxx
Currence, William D., xxx-xx-xxxx
Currie, Alexander B., xxx-xx-xxxx
Currie, Wayne D., xxx-xx-xxxx
Curry, William F., Jr., xxx-xx-xxxx
Curtis, Derrick A., xxx-xx-xxxx
Curtis, William C., xxx-xx-xxxx
Curto, Salvatore, xxx-xx-xxxx
Cykoski, Russell C., xxx-xx-xxxx
Czaplicki, David R., xxx-xx-xxxx
Dail, Leadell F., xxx-xx-xxxx
Daines, Alan R., xxx-xx-xxxx
Daley, Thomas W., xxx-xx-xxxx
Dambly, Thomas W., xxx-xx-xxxx
Dameron, Tommy D., Jr., xxx-xx-xxxx
Damron, Richard L., xxx-xx-xxxx
Dando, James C., xxx-xx-xxxx
Daries, Henry J., xxx-xx-xxxx
Darnell, James A., xxx-xx-xxxx
Datema, Charles P., xxx-xx-xxxx
Dauth, Michael A., xxx-xx-xxxx
David, Daniel H., xxx-xx-xxxx
Davis, James N., xxx-xx-xxxx
Davis, Larry M., xxx-xx-xxxx
Davis, Michael R., xxx-xx-xxxx
Davis, Robert P., xxx-xx-xxxx
Daws, William L., Jr., xxx-xx-xxxx
Day, Kenneth P., xxx-xx-xxxx
Day, Richard E., xxx-xx-xxxx
Deboe, David, xxx-xx-xxxx
Debusk, Robert F., III, xxx-xx-xxxx
Decker, Martin L., xxx-xx-xxxx
Decosta, Manuel G., Jr., xxx-xx-xxxx
Defelice, Joseph D., xxx-xx-xxxx
Defeo, Robert G., xxx-xx-xxxx
Defilippi, George, Jr., xxx-xx-xxxx
Degroot, Douglas A., xxx-xx-xxxx
Delauche, John S., xxx-xx-xxxx
Deligans, Jack D., Jr., xxx-xx-xxxx
Deloney, Richard E., Jr., xxx-xx-xxxx
Delong, Darrel J., xxx-xx-xxxx
Demont, Leon, xxx-xx-xxxx
Dennis, Ennis R., Jr., xxx-xx-xxxx
Denny, Richard W., xxx-xx-xxxx
Depierre, Robert E., xxx-xx-xxxx
Dereu, Wayne E., xxx-xx-xxxx
Deriso, Thomas D., xxx-xx-xxxx
Deroche, Leonard R., xxx-xx-xxxx
Derr, Robert A., xxx-xx-xxxx
Derrick, William L., xxx-xx-xxxx
Deschler, William H., xxx-xx-xxxx
Desutter, Robert J., Jr., xxx-xx-xxxx
Devinger, Garry M., xxx-xx-xxxx
Dezonia, John M., xxx-xx-xxxx
Dick, David R., xxx-xx-xxxx
Dickensheets, James G., xxx-xx-xxxx
Dickey, Dayton G., xxx-xx-xxxx
Dickey, Robert P., xxx-xx-xxxx
Dickinson, Gary E., xxx-xx-xxxx
Dickman, Joseph T., xxx-xx-xxxx
Dickson, Allan M., xxx-xx-xxxx
Dickson, Tillman E., Jr., xxx-xx-xxxx
Dierker, Robert R., xxx-xx-xxxx
Dietzel, Gary R., xxx-xx-xxxx
Dietzel, Ronald K., xxx-xx-xxxx
Dilbeck, Robert G., xxx-xx-xxxx
Dingfelder, William E., xxx-xx-xxxx
Dinwiddie, Porter R., xxx-xx-xxxx
Dirring, William A., xxx-xx-xxxx
Ditucci, John P., xxx-xx-xxxx
Dixon, Gregory P., xxx-xx-xxxx
Dobbins, Harold R., xxx-xx-xxxx
Doepke, Chris E., xxx-xx-xxxx
Doherty, David D., xxx-xx-xxxx
Dollar, Kenneth L., xxx-xx-xxxx
Donahue, James L., xxx-xx-xxxx
Donathan, Larry A., xxx-xx-xxxx
Donley, Derek B., xxx-xx-xxxx
Donnelly, James L., xxx-xx-xxxx
Donovan, Brian W., xxx-xx-xxxx
Dordal, Paul R., xxx-xx-xxxx
Dorough, John W., Jr., xxx-xx-xxxx
Dorsett, Robert L., xxx-xx-xxxx
Dowell, Robert W., xxx-xx-xxxx
Downes, Earl, R., xxx-xx-xxxx
Drake, Leslie R., xxx-xx-x...
Drane, Richard B., Jr., xxx-xx-xxxx
Draper, Thomas A., xxx-xx-xxxx
Draper, William A., xxx-xx-xxxx
Drobot, Nicholas J., xxx-xx-xxxx
Droke, John W., xxx-xx-xx...
Drossner, Barry, xxx-xx-xxxx
Drown, Richard G., xxx-xx-xxxx
Drury, Johnny B., xxx-xx-xxxx
Druzak, Stephen A., xxx-xx-xxxx
Duck, David A., Jr., xxx-xx-xxxx
Ducker, George T., xxx-xx-xxxx
Duckett, Gerald V., xxx-xx-xxxx
Duesler, David M., xxx-xx-xxxx
Dugas, Jack E., Jr., xxx-xx-xxxx
Dugle, Brian C., xxx-xx-xxxx
Duguid, Thomas E., xxx-xx-xxxx
Duke, William W., xxx-xx-xxxx
Dumoulin, Joseph D., xxx-xx-xxxx
Dungan, Michael A., xxx-xx-xxxx
Dunham, Alan D., xxx-xx-xxxx
Dunlap, Richard D., xxx-xx-x...
Dunlap, Shanon P., xxx-xx-xxxx
Dunn, James C., III, xxx-xx-xxxx
Dunn, Robert W., xxx-xx-xxxx
Dunne, Patrick M., xxx-xx-xxxx
Duquette, Joseph A., xxx-xx-xxxx
Durant, Howard R., xxx-xx-xxxx
Durham, Richard, xxx-xx-xxxx
Dustin, Jacob D., xxx-xx-xxxx
Dvorak, Jerry A., xxx-xx-xxxx
Dwyer, Francis J., xxx-xx-xxxx
Dybis, Ronald S., xxx-xx-xxxx
Dyer, Leslie R., III, xxx-xx-xxxx
Eason, Cecil L., Jr., xxx-xx-xxxx
Ebersole, David S., xxx-xx-xxxx
Eckert, David K., xxx-xx-xxxx
Edeburn, Jan D., xxx-xx-xxxx
Edwards, Harold M., Jr., xxx-xx-xxxx
Edwards, John O., Jr., xxx-xx-xxxx
Edwards, Lawrence M., xxx-xx-xxxx
Egelston, Thomas G., xxx-xx-xxxx
Eggers, James P., xxx-xx-xxxx
Ehlers, David C., xxx-xx-xxxx
Ehnert, George C., xxx-xx-xxxx
Eichhorst, Thomas E., xxx-xx-xxxx
Eifert, Gary J., xxx-xx-xxxx
Elks, Larry G., xxx-xx-xxxx
Ellers, Thomas W., xxx-xx-x...
Ellis, Richard R., xxx-xx-x...
Ellmyer, Gerald G., xxx-xx-xxxx
Elsass, Robert W., Jr., xxx-xx-xxxx
Elstun, Roger E., xxx-xx-xxxx
Emery, Donald G., xxx-xx-xxxx
Emery, James D., Jr., xxx-xx-xxxx
Engelmeyer, Michael H., xxx-xx-xxxx
Enger, James M., xxx-xx-xxxx
Engle, James W., xxx-xx-xxxx
Eplett, Richard J., xxx-xx-xxxx
Epprecht, Jacob R., Jr., xxx-xx-xxxx
Erickson, Ronald C., xxx-xx-xxxx
Erickson, Steven L., xxx-xx-xxxx
Ernst, Lawrence E., xxx-xx-xxxx
Ethridge, Ronald A., xxx-xx-xxxx
Evans, John W., xxx-xx-xxxx
Evans, Joseph W., Jr., xxx-xx-xxxx
Evans, Michael M., xxx-xx-xxxx
Evans, Richard G., xxx-xx-xxxx
Evans, Robert W., xxx-xx-xxxx
Evans, Thomas F., xxx-xx-xxxx
Evans, Walter J., xxx-xx-xxxx
Evans, William E., xxx-xx-xxxx
Ewig, Mark G., xxx-xx-xxxx
Fabbre, Richard B., xxx-xx-xxxx
Fagerson, Thomas D., xxx-xx-xxxx
Fahl, Robert G., xxx-xx-xxxx
Failor, Dean F., xxx-xx-xxxx
Fairclo, David P., xxx-xx-xxxx
Farcht, Joseph J., xxx-xx-xxxx
Farish, Stephen H., xxx-xx-xxxx
Faught, David E., xxx-xx-xxxx
Faulhaber, Kenneth B., xxx-xx-xxxx
Faulkner, Roger A., xxx-xx-xxxx
Faust, Michael L., xxx-xx-xxxx
Favela, Richard E., xxx-xx-xxxx
Fearing, Richard R., xxx-xx-xxxx
Federman, Rudolph E., xxx-xx-xxxx
Fennessy, Daniel D., xxx-xx-xxxx
Fenton, William N., Jr., xxx-xx-xxxx
Ferguson, Jerry A., xxx-xx-xxxx
Ferguson, James G., xxx-xx-xxxx
Ferguson, Susan H., xxx-xx-xxxx

Fergusson, Brenda R., xxx-xx-xxxx
Ferkes, George C., xxx-xx-xxxx
Fernald, Laurance N., xxx-xx-xxxx
Fernandez, John Diego, xxx-xx-xxxx
Ferrante, Joseph R., Jr., xxx-xx-xxxx
Ferrata, Charles D., xxx-xx-xxxx
Feutz, Roy L., Jr., xxx-xx-xxxx
Fey, Ronald J., xxx-xx-xxxx
Filipek, Walter L., xxx-xx-xxxx
Finkelstein, Leo, Jr., xxx-xx-xxxx
Finocchio, William F., xxx-xx-xxxx
Fischer, Bruce W., xxx-xx-xxxx
Fischer, Mark W., xxx-xx-xxxx
Fischer, Richard F., xxx-xx-xxxx
Fischer, Susan, xxx-xx-xxxx
Fisher, Walter O., Jr., xxx-xx-xxxx
Fisk, David A., xxx-xx-xxxx
Fitzgerald, Baldwin G., xxx-xx-xxxx
Fitzgerald, Michael A., xxx-xx-xxxx
Fitzpatrick, William E., xxx-xx-xxxx
Flanagan, Gerald F., Jr., xxx-xx-xxxx
Flood, Thomas E., xxx-xx-xxxx
Fontana, David A., xxx-xx-xxxx
Ford, Lawrence E., xxx-xx-xxxx
Ford, Robert G., xxx-xx-xxxx
Fore, David M., xxx-xx-xxxx
Forster, Richard E., xxx-xx-xxxx
Foss, Thomas P., xxx-xx-xxxx
Foster, Frederick J., xxx-xx-xxxx
Foster, Larry J., xxx-xx-xxxx
Fournier, Arthur E., Jr., xxx-xx-xxxx
Fox, Daniel B., xxx-xx-xxxx
Fox, Fleming M., IV, xxx-xx-xxxx
Fox, Gary K., xxx-xx-xxxx
Frank, Robert S., xxx-xx-xxxx
Franta, William E., xxx-xx-xxxx
Frazee, Donald W., xxx-xx-xxxx
Fredrickson, Frank N., xxx-xx-xxxx
Fredrickson, Keith G., xxx-xx-xxxx
Freeman, Arthur L., xxx-xx-xxxx
Freeman, Jerrell E., xxx-xx-xxxx
Freeman, Ralph H., Jr., xxx-xx-xxxx
French, Craig S., xxx-xx-xxxx
French, David W., xxx-xx-xxxx
Freshwater, Kenneth B., Jr., xxx-xx-xxxx
Frey, Michael E., xxx-xx-xxxx
Frey, William J., xxx-xx-xxxx
Friedenstein, Charles D., xxx-xx-xxxx
Friesen, David C., xxx-xx-xxxx
Frischmuth, Phillip A., xxx-xx-xxxx
Froehlich, Ralph A., xxx-xx-xxxx
Frost, Warren L., xxx-xx-xxxx
Fucci, Daniel T., xxx-xx-xxxx
Fuller, Ernest A., xxx-xx-xxxx
Gahagan, James B., xxx-xx-xxxx
Gajewski, Ralph, R., xxx-xx-xxxx
Galante, Albert R., xxx-xx-xxxx
Galer, Lawrence A., xxx-xx-xxxx
Gallagher, Michael R., xxx-xx-xxxx
Galloway, Richard G., xxx-xx-xxxx
Galloway, Richard N., xxx-xx-xxxx
Gambone, David P., xxx-xx-xxxx
Gammon, Richard, xxx-xx-xxxx
Gardner, Richard L., xxx-xx-xxxx
Garriss, James P., xxx-xx-xxxx
Garvey, Robert P., xxx-xx-xxxx
Gaskell, Jeffrey R., xxx-xx-xxxx
Gates, David N., xxx-xx-xxxx
Gavel, John, xxx-xx-xxxx
Gavette, Ronald L., xxx-xx-xxxx
Gay, David N., xxx-xx-xxxx
Gehringer, Mary J., xxx-xx-xxxx
Geisler, Francis K., Jr., xxx-xx-xxxx
Geith, James W., xxx-xx-xxxx
Gembarowski, Charles J., xxx-xx-xxxx
George, David, B., Jr., xxx-xx-xxxx
George, William M., xxx-xx-xx...
Gereg, Samuel W., xxx-xx-xxxx
Geurin, Chester N., xxx-xx-xxxx
Giammo, Salvatore J., xxx-xx-xxxx
Gibeau, John P., xxx-xx-xxxx
Gies, Gary J., xxx-xx-xxxx
Gilbert, John A., xxx-xx-xxxx
Gilbert, John M., Jr., xxx-xx-xxxx
Gill, Peter M., xxx-xx-xxxx
Gillespie, Thomas F., xxx-xx-xxxx
Gillette, Stephen C., xxx-xx-xxxx
Gilliam, Fred T., Jr., xxx-xx-xxxx
Ginnett, Robert C., xxx-xx-xxxx
Gipson, John M., xxx-xx-xxxx
Givens, Gerald R., xxx-xx-xxxx
Glantz, Steven F., xxx-xx-xxxx
Goddard, Daniel W., xxx-xx-xxxx
Goddard, Henry B., Jr., xxx-xx-xxxx
Godfrey, Paul W., xxx-xx-xxxx
Godfrey, Thomas J., xxx-xx-xxxx
Golart, Craig S., xxx-xx-xxxx
Gold, Franklin B., xxx-xx-xxxx
Golden, Gordon N., xxx-xx-xxxx
Goldston, Dennis W., xxx-xx-xxxx
Goodman, Thomas A., Jr., xxx-xx-xxxx
Goodwin, William E., xxx-xx-xxxx
Gordon, Arthur R., Jr., xxx-xx-xxxx
Gordon, Barbara J., xxx-xx-xxxx
Gorman, Charles D., xxx-xx-xxxx
Gossner, Jerry A., xxx-xx-xxxx
Grabeklis, Jerry L., xxx-xx-xxxx
Grant, James M., xxx-xx-xxxx
Grasz, Horst F.G., xxx-xx-xxxx
Gray, Kenneth L., xxx-xx-xxxx
Graybeal, Wayne T., xxx-xx-xxxx
Graziano, John M., xxx-xx-xxxx
Greaver, Glenn R., xxx-xx-xxxx
Green, Jack L., xxx-xx-xxxx
Green, John R., xxx-xx-xxxx
Green, William V., IV, xxx-xx-xxxx
Greenawalt, Peter L., xxx-xx-xxxx
Greene, John F., xxx-xx-xxxx
Greenlee, David W., xxx-xx-xxxx
Greenway, Milford K., Jr., xxx-xx-xxxx
Gregorash, Lawrence A., xxx-xx-xxxx
Grenard, Michael R., xxx-xx-xxxx
Greschke, David A., xxx-xx-xxxx
Grewing, Douglas D., xxx-xx-xxxx
Grieshop, Gary T., xxx-xx-xxxx
Griffith, Henry R., xxx-xx-xxxx
Griffith, Jack G., xxx-xx-xxxx
Griffith, Ronald R., xxx-xx-xxxx
Griffith, Thomas J., xxx-xx-xxxx
Grim, Frank A., xxx-xx-xxxx
Grimes, Norman G., xxx-xx-xxxx
Grinnell, Richard S., xxx-xx-xxxx
Gritzmaker, Duane W., xxx-xx-xxxx
Groesch, Richard C., xxx-xx-xxxx
Groff, John R., xxx-xx-xxxx
Gross, Richard R., xxx-xx-xxxx
Grote, Leroy W., Jr., xxx-xx-xxxx
Groves, Anthony W., xxx-xx-xxxx
Groves, Clifton E., xxx-xx-xxxx
Guckenberger, Donald C., xxx-xx-xxxx
Guess, Jerral F., xxx-xx-xxxx
Guidry, Michael L., xxx-xx-xxxx
Guiliano, John E., xxx-xx-xxxx
Guris, John J., III, xxx-xx-xxxx
Gustafson, Philip M., xxx-xx-xxxx
Guyote, Michael F., xxx-xx-xxxx
Gwaltney, Curtis H., xxx-xx-xxxx
Hass, John M., xxx-xx-xxxx
Hablenko, Nicholas C., xxx-xx-xxxx
Haden, Glen S., xxx-xx-xxxx
Hadley, Tee R., III, xxx-xx-xxxx
Haggard, Freddy M., xxx-xx-xxxx
Hail, Robert M., xxx-xx-xxxx
Haines, Gary D., xxx-xx-xxxx
Haines, Michael L., xxx-xx-xxxx
Haisley, Robert E., Jr., xxx-xx-xxxx
Hake, David S., xxx-xx-xxxx
Hala, Louis C., Jr., xxx-xx-xxxx
Hall, Billy J., Jr., xxx-xx-xxxx
Hall, Donald B., xxx-xx-xxxx
Hall, Eddie R., xxx-xx-xxxx
Halstead, Royce J., xxx-xx-xxxx
Halvorson, John P., xxx-xx-xxxx
Ham, Steven W., xxx-xx-xxxx
Hamant, James E., xxx-xx-xxxx
Hamel, Richard L., Jr., xxx-xx-xxxx
Hamilton, David, xxx-xx-xxxx
Hamilton, Gale W., xxx-xx-xxxx
Hamlin, Kenneth E., xxx-xx-xxxx
Hamling, Timothy R., xxx-xx-xxxx
Hammond, Charles H., Jr., xxx-xx-xxxx
Hammond, Stephen O., xxx-xx-xxxx
Hammond, Terry A., xxx-xx-xxxx
Hancock, Theodora S., xxx-xx-xxxx
Handley, Ronald R., xxx-xx-xxxx
Hanna, Kenneth L., xxx-xx-xxxx
Hannickel, Harold L., xxx-xx-xxxx
Hannigan, Joseph C., xxx-xx-xxxx
Hannigan, Philip G., xxx-xx-xxxx
Hansen, James G. R., xxx-xx-xxxx
Hansen, Wayne N., xxx-xx-xxxx
Hanson, Thomas M., xxx-xx-xxxx
Happe, Robert J., xxx-xx-xxxx
Harbison, John W., xxx-xx-xxxx
Hardin, Peter W., xxx-xx-xxxx
Hardwick, Harold L., Jr., xxx-xx-xxxx
Hardy, James E., xxx-xx-xxxx
Harp, John S., xxx-xx-xxxx
Harrelson, Rick, xxx-xx-xxxx
Harrington, Elkton E., III, xxx-xx-xxxx
Harrington, Jerrold B., xxx-xx-xxxx
Harrington, Richard G., xxx-xx-xxxx
Harrington, Steven E., xxx-xx-xxxx
Harris, Harold J., xxx-xx-xxxx
Harris, John H., Jr., xxx-xx-xxxx
Harris, Julie M., xxx-xx-xxxx
Harris, Lawrence H., II, xxx-xx-xxxx
Harris, Phillip L., xxx-xx-xxxx
Harris, William C., xxx-xx-xxxx
Harrison, Kent E., xxx-xx-xxxx
Hart, Deron H., xxx-xx-xxxx
Hart, Norwood A., xxx-xx-xxxx
Hartman, Ferdinand Q., xxx-xx-xxxx
Hartman, John W., xxx-xx-xxxx
Hatch, Lewis M., IV, xxx-xx-xxxx
Hatcher, Thomas D., xxx-xx-xxxx
Hatfield, Maurice C., xxx-xx-xxxx
Hathcoat, James G., xxx-xx-xxxx
Hauser, David W., xxx-xx-xxxx
Havard, James C., xxx-xx-xxxx
Havelka, William F., xxx-xx-xxxx
Hawkins, Keith D., xxx-xx-xxxx
Hawkins, Larry J., xxx-xx-xxxx
Hawkins, Ronald L., xxx-xx-xxxx
Hayes, David L., xxx-xx-xxxx
Hays, William M., Jr., xxx-xx-xxxx
Heaps, Robert S., xxx-xx-xxxx
Heath, Robert B., Jr., xxx-xx-xxxx
Heely, Oliver H., Jr., xxx-xx-xxxx
Heffernan, Robert M., xxx-xx-xxxx
Hefner, Richard S., xxx-xx-xxxx
Heiman, Virgil G., Jr., xxx-xx-xxxx
Heindel, Mallory J., xxx-xx-xxxx
Helfenstein, William L., xxx-xx-xxxx
Hemmig, Floyd G., xxx-xx-xxxx
Henderson, James B., Jr., xxx-xx-xxxx
Henderson, James C., xxx-xx-xxxx
Henderson, Samuel J., xxx-xx-xxxx
Henderson, Stephanie K., xxx-xx-xxxx
Henley, John F., xxx-xx-xxxx
Henrich, Stephen G., xxx-xx-xxxx
Herbert, Randy P., xxx-xx-xxxx
Herbst, Chester G., Jr., xxx-xx-xxxx
Hergenroeder, Robert E., xxx-xx-xxxx
Herklotz, Robert L., xxx-xx-xxxx
Hernandez, George, xxx-xx-xxxx
Herrington, Clarence O., Jr., xxx-xx-xxxx
Herron, Randall A., xxx-xx-xxxx
Hess, Charles C., xxx-xx-xxxx
Heywood, Seth, Jr., xxx-xx-xxxx
Hiatt, Marshall D., xxx-xx-xxxx
Higgins Aubin M., xxx-xx-xxxx
Hightower, Charles D., xxx-xx-xxxx
Hill, Dale C., xxx-xx-xxxx
Hill, Larry A., xxx-xx-xxxx
Hill, Robert E., xxx-xx-xxxx
Hill, Robert T., xxx-xx-xxxx
Hillebrand, Charles D., xxx-xx-xxxx
Hinchey, John A., xxx-xx-xxxx
Hinson, Robert C., xxx-xx-xxxx
Hish, Lloyd R., xxx-xx-xxxx
Hobert, Robert W., xxx-xx-xxxx

Hobson, John E., xxx-xx-xxxx
Hodgson, Gordon M., xxx-xx-xxxx
Hoe, Gary L., xxx-xx-xxxx
Hofer, George E., xxx-xx-xxxx
Hoffman, Robert L., xxx-xx-xxxx
Hofmann, John R., xxx-x...
Hogan, Jimmy D., xxx-xx-xxxx
Hogan, Patrick M., xxx-xx-xxxx
Hoge, Carl C., xxx-xx-xxxx
Hogge, Robert M., xxx-x...
Hokanson, Gary E., xxx-xx-xxxx
Holden, Philip C., xxx-x...
Holland, William J., III, xxx-xx-xxxx
Holliday, Stephen H., xxx-xx-xxxx
Hollinger, Gerald G., xxx-xx-xxxx
Hollingsworth, Joe B., xxx-xx-xxxx
Holljes, Lee T., xxx-xx-xxxx
Holmen, Gary E., xxx-xx-xxxx
Holtkamp, William E., III, xxx-xx-xxxx
Homrig, David W., xxx-xx-xxxx
Honea, William R., xxx-xx-xxxx
Honeywell, David R., xxx-xx-xxxx
Hood, Dennis, xxx-x
Hopp, Larry L., xxx-xx-xxxx
Hopsen, Hunter S., Jr., xxx-xx-xxxx
Horacek, Jack, W., xxx-xx-xxxx
Horkovich, James A., xxx-xx-xxxx
Horn, Stephen, M., xxx-xx-xxxx
Hornbaker, David, M., xxx-xx-xxxx
Horne, John, K., xxx-xx-xxxx
Hornor, John, R., xxx-xx-xxxx
Horrigan, Vincent, W., xxx-xx-xxxx
Horton, Robert, V., xxx-xx-xxxx
Horton, Terry, D., xxx-xx-xxxx
Hosack, Harold, W., Jr., xxx-xx-xxxx
Hoskins, Thomas, R., xxx-xx-xxxx
Houtman, George, M., xxx-xx-xxxx
Howe, Gary, S., xxx-xx-x...
Howe, Robert, M., Jr., xxx-xx-xxxx
Howell, Lawrence, D., Jr., xxx-xx-xxxx
Howland, Walter, T., xxx-xx-xxxx
Hoy, James, A., xxx-xx-xxxx
Hoyt, Wilfred, F., xxx-xx-xxxx
Hubbard, Ronald, P., xxx-xx-xxxx
Huber, Benedict, E., Jr., xxx-xx-xxxx
Huchingson, William, P., xxx-xx-xxxx
Huddleston, Taylor, J., xxx-xx-xxxx
Hudnall, Ralph, M., xxx-xx-xxxx
Hudson, Donald, W., xxx-xx-xxxx
Hudson, William, J., xxx-xx-xxxx
Huffman, Ronald, J., xxx-xx-xxxx
Hughes, David, E., xxx-xx-xxxx
Hughes, James, H., Jr., xxx-xx-xxxx
Hughson, Jerry, R., xxx-xx-xxxx
Huguley, John, T., Jr., xxx-xx-xxxx
Hungerford, John, B., Jr., xxx-xx-xxxx
Hunt, David, J., xxx-xx-xxxx
Hunter, Cedric, V., Jr., xxx-xx-xxxx
Hunter, James, L., xxx-xx-xxxx
Hunter, James, W., xxx-xx-xxxx
Huntington, Dean, xxx-xx-xxxx
Hutchison, Keith, D., xxx-xx-xxxx
Ideker, Lester, H., Jr., xxx-xx-xxxx
Ingram, Scott, D., xxx-xx-xxxx
Irwin, Arthur, S., Jr., xxx-xx-xxxx
Jackson, George, R., xxx-xx-xxxx
Jackson, James A., Jr., xxx-xx-xxxx
Jackson, Michael E., xxx-xx-xxxx
Jackson, Phillip L., xxx-xx-xxxx
Jacobs, David M., xxx-xx-xxxx
Jacobs, Paul L., xxx-xx-xxxx
Jacobsen, William P., xxx-xx-xxxx
Jacobson, James G., xxx-xx-xxxx
Jahns, Robert L., xxx-xx-xxxx
James, William C., xxx-xx-xxxx
Jardon, Reginald L., xxx-xx-xxxx
Jaroch, Victor D., xxx-xx-xxxx
Jaskolka, Chester W., xxx-xx-xxxx
Jaskolski, Ervin P., xxx-xx-xxxx
Jay, Gregory T., xxx-xx-xxxx
Jayne, Ronald W., xxx-xx-xxxx
Jeffreys, Richard T., xxx-xx-xxxx
Jennings, Bruce A., xxx-xx-xxxx
Jensen, Owen E., xxx-xx-xxxx
Jensen, Robert W., xxx-xx-xxxx
Jensen, Thomas C., xxx-xx-xxxx
Jess, James E., xxx-xx-xxxx
Jewett, John M., xxx-xx-xxxx
Joachim, David, xxx-xx-xxxx
Jobson, Earl R., xxx-xx-xxxx
Joerger, Joseph J., xxx-xx-xxxx
Johannes, John N., xxx-xx-xxxx
Johns, William E., xxx-xx-xxxx
Johnson, Allen M., xxx-xx-xxxx
Johnson, Byron G., xxx-xx-xxxx
Johnson, Dale L., xxx-xx-xxxx
Johnson, David L., xxx-xx-xxxx
Johnson, Eric N., xxx-xx-xxxx
Johnson, Freeman L., xxx-xx-xxxx
Johnson, Gary E., xxx-xx-xxxx
Johnson, Henry B., III, xxx-xx-xxxx
Johnson, Hubert O., III, xxx-xx-xxxx
Johnson, Jackie L., xxx-xx-xxxx
Johnson, James M., xxx-xx-xxxx
Johnson, John R., xxx-xx-xxxx
Johnson, Kathleen, xxx-xx-xxxx
Johnson, Kimble L., xxx-xx-xxxx
Johnson, Larry R., xxx-xx-xxxx
Johnson, Randall L., xxx-xx-xxxx
Johnson, Robert A., xxx-xx-xxxx
Johnson, Robert W., xxx-xx-xxxx
Johnson, William R., II, xxx-xx-xxxx
Johnston, Roland W., xxx-xx-xxxx
Jones, Allen L., xxx-xx-xxxx
Jones, Charlie E., xxx-xx-xxxx
Jones, David J., xxx-xx-xxxx
Jones, Finch M., Jr., xxx-xx-xxxx
Jones, Joseph A., Jr., xxx-xx-xxxx
Jones, Peter E., xxx-xx-xxxx
Jones, Robert G., xxx-xx-xxxx
Jones, Robert R., xxx-xx-xxxx
Jones, Robert T., xxx-xx-xxxx
Jones, Samuel M., xxx-xx-xxxx
Jones, Theron R., xxx-xx-xxxx
Jordan, Larry M., xxx-xx-xxxx
Josue, Daniel P., xxx-xx-xxxx
Joyal, Robert L., xxx-xx-xxxx
Judas, Robert A., xxx-xx-xxxx
Kacena, Thomas J., xxx-xx-xxxx
Kahler, James W., xxx-xx-xxxx
Kalinowski, Leonard E., Jr., xxx-xx-xxxx
Kaminski, Peter C., xxx-xx-xxxx
Kanarr, Arthur E., xxx-xx-xxxx
Kandler, Raymond A., xxx-xx-xxxx
Kane, Frank J., III, xxx-xx-xxxx
Kainikeberg, Gary D., xxx-xx-xxxx
Karner, Robert J., xxx-xx-xxxx
Karpicus, Michael D., III, xxx-xx-xx...
Kaspar, Gary L., xxx-xx-xxxx
Katnik, Dana R., xxx-xx-xxxx
Kaufmann, James W., xxx-xx-xxxx
Kawamura, Dennis K., xxx-xx-xxxx
Kee, James A., xxx-xx-xx...
Keethler, Charles G., xxx-xx-xx...
Keller, Steven M., xxx-xx-xx...
Keller, William C., xxx-xx-xx...
Kelley, Philip N., xxx-xx-xxxx
Kellner, Edward O., Jr., xxx-xx-xxxx
Kells, Richard E., xxx-xx-xxxx
Kelly, Dennis P., xxx-xx-xxxx
Kelly, Gary M., xxx-xx-x...
Kelly, Gordon E., Jr., xxx-xx-xxxx
Kelso, Thomas N., xxx-xx-xxxx
Kemp, Charles S., xxx-xx-xx...
Kenney, Matthew P., xxx-xx-xxxx
Kerchner, William C., xxx-xx-xxxx
Kihle, Lowell E., xxx-xx-xxxx
Kilcrease, Jerry E., xxx-xx-xxxx
Killian, Quentin N., xxx-xx-xxxx
Kinde, John E., xxx-xx-xxxx
King, David P., xxx-xx-xxxx
Kipp, Marvin L., xxx-xx-xxxx
Kirscher, James R., xxx-xx-xxxx
Kirschner, Frank D., xxx-xx-xxxx
Kittleson, John D., xxx-xx-xxxx
Klapmust, John A., Jr., xxx-xx-xxxx
Kleiner, Eric J., xxx-xx-xxxx
Kleiv, Thomas C., xxx-xx-xxxx
Klemas, Gary H., xxx-xx-xxxx
Klick, Harold E., xxx-xx-xxxx
Klingbell, Laurence R., xxx-xx-xxxx
Klippert, Donald A., xxx-xx-xxxx
Knieriem, Phillip H., xxx-xx-xxxx
Knight, Duane W., xxx-xx-xxxx
Kniola, Daniel G., xxx-xx-xxxx
Knouff, Warren L., xxx-xx-xxxx
Knowles, David R., xxx-xx-xxxx
Koenig, Emil H., III, xxx-xx-xxxx
Koenig, George G., xxx-xx-xxxx
Koenig, Michael J., xxx-xx-xxxx
Kohler, William J., Jr., xxx-xx-xxxx
Kohn, Daniel J., xxx-xx-xxxx
Kolarik, Francis L., Jr., xxx-xx-xxxx
Koller, Duncan, G., xxx-xx-xxxx
Kolodzinski, David C., xxx-xx-xxxx
Konno, Leslie T., xxx-xx-xxxx
Konrad, Gregory A., xxx-xx-xxxx
Koontz, Craig L., xxx-xx-xxxx
Kopecky, Gary M., xxx-xx-xxxx
Kopelke, Lee W., xxx-xx-xxxx
Kotti, George H., xxx-xx-xxxx
Kraft, Bryan, W., xxx-xx-xxxx
Kramer, Douglas A., xxx-xx-xxxx
Kratzert, Keith A., xxx-xx-xxxx
Kraus, Gerald L., xxx-xx-xxxx
Kravec, John M., xxx-xx-xxxx
Krebs, Alvin E., Jr., xxx-xx-xxxx
Kriley, Ronald L., xxx-xx-xxxx
Krippner, Dennis W., xxx-xx-xxxx
Kriz, Scott R., xxx-xx-xxxx
Kruppa, Joseph N., Jr., xxx-xx-xxxx
Kudrna, Don E., xxx-xx-xxxx
Kula, James D., xxx-xx-xxxx
Kullander, Dennis W., xxx-xx-x...
Kunkle, Robert J., xxx-xx-xxxx
Kunnen, Mark E., xxx-xx-xxxx
Kunzli, Frederic, xxx-xx-xxxx
Kuratko, Louis G., Jr., xxx-xx-xxxx
Labelle, Frank P., Jr., xxx-xx-xxxx
Lacey, Lawrence N., xxx-xx-xxxx
Lacey, Michael R., xxx-xx-xxxx
Lach, Richard F., xxx-xx-xxxx
Lacour, Ronald J., xxx-x...
Lake, Lewis V., xxx-xx-xxxx
Lake, Peter G., xxx-xx-xxxx
Lake, William J., xxx-xx-xxxx
Lamb, Terry M., xxx-xx-xxxx
Lamkin, Craig S., xxx-xx-xxxx
Lamontagne, Richard R., xxx-xx-xxxx
Lamoureux, Claude R., xxx-xx-xxxx
Lamping, Bruce R., xxx-xx-xxxx
Lampley, Thomas S., xxx-xx-xxxx
Landis, David J., xxx-xx-xxxx
Lane, Gerald M., xxx-xx-xxxx
Lane, Richard M., xxx-xx-x...
Lang, Charles M., Jr., xxx-xx-xxxx
Larkin, Michael B., xxx-xx-xxxx
Larkin, Thomas M., xxx-xx-xxxx
Larkins, Richard D., xxx-xx-xxxx
Larsen, Dennis R., xxx-xx-xxxx
Larson, Lanny J., xxx-xx-xxxx
Larson, William J., xxx-xx-xxxx
Lasauce, Kathy, xxx-xx-xxxx
Lasher, Richard F., xxx-xx-xxxx
Latimer, Ellis H., III, xxx-xx-xxxx
Law, Richard T., xxx-xx-xxxx
Lawrence, Frederick P., xxx-xx-xxxx
Laws, Warren P., II, xxx-xx-xxxx
Lay, Carl W., xxx-xx-xxxx
Lay, David L., xxx-xx-xxxx
Layton, Ronald A., xxx-xx-xxxx
Leach, Jonathan A., xxx-xx-xxxx
Leber, Randolph F., xxx-xx-xxxx
Leblanc, Nazaire G., xxx-xx-xxxx
Leboeuf, Wayne C., xxx-xx-xxxx
Lee, Craig M., xxx-xx-xxxx
Lee Gordon K. W., xxx-xx-xxxx
Lee, James M., xxx-xx-xxxx
Lee, Karen L., xxx-xx-xxxx
Lee, Melvin K. F., xxx-xx-xxxx
Lee, Terry S. H., xxx-xx-xxxx
Lee, Walter G., xxx-xx-xxxx

Leech, Robert A., xxx-xx-xxxx
Lehman, Allan E., xxx-xx-xxxx
Leighton, Robert C., xxx-xx-xxxx
Leland, Alanson H., xxx-xx-xxxx
Lemarr, Mike, xxx-xx-xxxx
Lemire, Charles D., xxx-xx-xxxx
Lenahan, Dennis J., xxx-xx-xxxx
Lendzion, Dennis G., xxx-xx-xxxx
Lennertz, Thomas P., xxx-xx-xxxx
Lentini, Joseph R., II, xxx-xx-xxxx
Lenz, Brian R., xxx-xx-xxxx
Lenz, Richard A., xxx-xx-xxxx
Leonard, Charles K., xxx-xx-xxxx
Leonard, Tice N., Jr., xxx-xx-xxxx
Lesher, Ronnie E., xxx-xx-xxxx
Leslie, Larry F., xxx-xx-xxxx
Levesque, Chrysande J., xxx-xx-xxxx
Levitz, Barry R., xxx-xx-xxxx
Lewellen, Larry S., xxx-xx-xxxx
Lewis, Fred P., xxx-xx-xxxx
Lewis, Gary A., xxx-xx-xxxx
Lewis, Joseph B., Jr., xxx-xx-xxxx
Lewis, Vincent J., xxx-xx-xxxx
Leydorf, Michael C., xxx-xx-xxxx
Liabraaten, Jack O., xxx-xx-xxxx
Liabraaten, James O., xxx-xx-xxxx
Lias, Dayre C., xxx-xx-xxxx
Lichte, Arthur J., xxx-xx-xxxx
Lien, Richard A., xxx-xx-xxxx
Linge, Delmer J., xxx-xx-xxxx
Linn, Charles R., xxx-xx-xxxx
Linn, David W., xxx-xx-xxxx
Lionikis, Emmanuel M., xxx-xx-xxxx
Lipsey, James R., xxx-xx-xxxx
Lock, Robert C., xxx-xx-xxxx
Logan, Henry R., III, xxx-xx-xxxx
Long, Charles B., xxx-xx-xxxx
Long, Robert L., xxx-xx-xxxx
Loofbourrow, Eugene M., Jr., xxx-xx-xxxx
Loomis, Charles H., III, xxx-xx-xxxx
Looney, William R., III, xxx-xx-xxxx
Loose, William E., xxx-xx-xxxx
Lorenz, Gary E., xxx-xx-xxxx
Louden, Larry C., xxx-xx-xxxx
Love, James E., xxx-xx-xxxx
Lowman, Levi D., Jr., xxx-xx-xxxx
Lucas, Ben A., xxx-xx-xxxx
Lucas, Luke L., xxx-xx-xxxx
Luckett, Perry D., xxx-xx-xxxx
Luebbert, Stephen P., xxx-xx-xxxx
Luettinger, Terry V., xxx-xx-xxxx
Luffred, Michael A., xxx-xx-xxxx
Luna, Bruce G., xxx-xx-xxxx
Lundell, Edward A., xxx-xx-xxxx
Lusk, Ronald L., xxx-xx-xxxx
Lutes, Victor R., xxx-xx-xxxx
Lutterbie, Thomas P., xxx-xx-xxxx
Lyga, Michael J., xxx-xx-xxxx
Mabry, Charles E., xxx-xx-xxxx
MacAluso, Kenneth B., xxx-xx-xxxx
MacFarlane, William D., xxx-xx-xxxx
Machi, Frank J., xxx-xx-xxxx
Machos, James A., xxx-xx-xxxx
Madding, Gene A., xxx-xx-xxxx
Maddox, Stephen B., xxx-xx-xxxx
Madrid, Marcos J., xxx-xx-xxxx
Madsen, James K., xxx-xx-xxxx
Maffett, Thomas O., Jr., xxx-xx-xxxx
Magill, John J., xxx-xx-xxxx
Mahoney, James P., xxx-xx-xxxx
Mahr, Thomas A., xxx-xx-xxxx
Malone, George E., xxx-xx-xxxx
Maloney, Edward J., Jr., xxx-xx-xxxx
Manclark, John T., xxx-xx-xxxx
Mangold, Sanford D., xxx-xx-xxxx
Manley, James A., xxx-xx-xxxx
Mann, Jack V., xxx-xx-xxxx
Manuel, Carolyn G., xxx-xx-xxxx
Marchesseault, Marc R., xxx-xx-xxxx
Marcotte, John C., Jr., xxx-xx-xxxx
Margerum, William H., Jr., xxx-xx-xxxx
Mark, Kenneth M., xxx-xx-xxxx
Marks, Mary A., xxx-xx-xxxx
Marlow, Robert T., xxx-xx-xxxx
Marmon, Richard I., xxx-xx-xxxx
Marsh, Cary R., xxx-xx-xxxx
Marsh, Gregory P., xxx-xx-xxxx
Marsh, Thomas C., xxx-xx-xxxx
Marshall, Robert A., xxx-xx-xxxx
Marston, Morrill E., xxx-xx-xxxx
Martens, Daniel P., xxx-xx-xxxx
Martin, Charles W., xxx-xx-xxxx
Martin, Richard P., xxx-xx-xxxx
Martin, Thomas C., xxx-xx-xxxx
Martinelli, Robert J., xxx-xx-xxxx
Marty, John P., xxx-xx-xxxx
Marzolino, Phillip S., xxx-xx-xxxx
Masonic, Charles O., Jr., xxx-xx-xxxx
Masson, Dennis R., xxx-xx-xxxx
Materna, Robert D., xxx-xx-xxxx
Matson, Arthur R., xxx-xx-xxxx
Matt, Sidney J., xxx-xx-xxxx
Mattingly, Jack D., xxx-xx-xxxx
Mays, Christopher D., xxx-xx-xxxx
McCall, Michael P., xxx-xx-xxxx
McCauley, Ira D., xxx-xx-xxxx
McClanathan, John A., Jr., xxx-xx-xxxx
McClay, Michael R., xxx-xx-xxxx
McClure, David C., xxx-xx-xxxx
McClurg, William L, Jr., xxx-xx-xxxx
McCormack, Stephen W., II, xxx-xx-xxxx
McCoy, Brian R., xxx-xx-xxxx
McCoy, Gary L., xxx-xx-xxxx
McCracken, Guy F., xxx-xx-xxxx
McCracken, Michael S., xxx-xx-xxxx
McCrary, William M., xxx-xx-xxxx
McCree, William A., III, xxx-xx-xxxx
McCullough, Patrick W., xxx-xx-xxxx
McDermott, Robert M., xxx-xx-xxxx
McDonald, John D., xxx-xx-xxxx
McDonald, Robert A., xxx-xx-xxxx
McDonald, Susan L., xxx-xx-xxxx
McDonough, John C., xxx-xx-xxxx
McEneany, Robert N., xxx-xx-xxxx
McGann, Edward, J.J., Jr., xxx-xx-xxxx
McGee, Robert A., xxx-xx-xxxx
McGeough, John W., Jr., xxx-xx-xxxx
McGhee, Stuart R., xxx-xx-xxxx
McGrady, Lloyd, W., xxx-xx-xxxx
McGrath, Thomas J., Jr., xxx-xx-xxxx
McGregor, Fred T., Jr., xxx-xx-xxxx
McGuire, James C., xxx-xx-xxxx
McHugh, Francis J., xxx-xx-xxxx
McInnis, Helene L., xxx-xx-xxxx
McIntire, Carl A., III, xxx-xx-xxxx
McKee, Leslie, L., III, xxx-xx-xxxx
McKeever, William E., xxx-xx-xxxx
McElvy, Dolan M., xxx-xx-xxxx
McKenzie, Burton E., Jr., xxx-xx-xxxx
McKinley, James L., xxx-xx-xxxx
McMahan, Michael C., xxx-xx-xxxx
McMahon, Gerald J., xxx-xx-xxxx
McNeese, Larry B., xxx-xx-xxxx
McNerney, Larry J., xxx-xx-xxxx
McPhee, Albert D., Jr., xxx-xx-xxxx
McPherson, Michael F., xxx-xx-xxxx
McTernan, Myles J., xxx-xx-xxxx
McVeigh, George M., Jr., xxx-xx-xxxx
McWhorter, Phillip E., xxx-xx-xxxx
Meadows, Roy D., xxx-xx-xxxx
Meazell, Billy G., xxx-xx-xxxx
Medford, Allen L., xxx-xx-xxxx
Medlang, Devon V., xxx-xx-xxxx
Medler, Andrew P., xxx-xx-xxxx
Meeboer, Richard M., xxx-xx-xxxx
Meeks, Thomas J., xxx-xx-xxxx
Meigs, Daniel K., Jr., xxx-xx-xxxx
Meinert, Robert L., xxx-xx-xxxx
Melvin, Michael P., xxx-xx-xxxx
Mercer, James A., Jr., xxx-xx-xxxx
Merz, Edward W., xxx-xx-xxxx
Meyers, Robert H., xxx-xx-xxxx
Michaud, Michael A., xxx-xx-xxxx
Michaud, Richard P., xxx-xx-xxxx
Mickle, David B., xxx-xx-xxxx
Middleton, Gordon R., xxx-xx-xxxx
Midtbo, Richard D., xxx-xx-xxxx
Milam, Jerry W., xxx-xx-xxxx
Miller, James G., xxx-xx-xxxx
Miller, Lucienne V., xxx-xx-xxxx
Miller, Ralph L., xxx-xx-xxxx
Miller, Robert E., xxx-xx-xxxx
Miller, William T., xxx-xx-xxxx
Million, Kenneth M., xxx-xx-xxxx
Mills, Allyn K., xxx-xx-xxxx
Mills, Brian S., xxx-xx-xxxx
Mills, Edward E., xxx-xx-xxxx
Mills, King L., III, xxx-xx-xxxx
Misciasci, Frank J., Jr., xxx-xx-xxxx
Mitchell, Barry L., xxx-xx-xxxx
Mitchell, David A., xxx-xx-xxxx
Mitchell, Douglas J., xxx-xx-xxxx
Mitchell, Henry R., xxx-xx-xxxx
Mitchell, James A., xxx-xx-xxxx
Mitchell, John K., xxx-xx-xxxx
Moat, James R., xxx-xx-xxxx
Mobley, Michael W., xxx-xx-xxxx
Mollison, John C., Jr., xxx-xx-xxxx
Monico, Paul D., xxx-xx-xxxx
Monroe, James D., xxx-xx-xxxx
Moody, Richard N., xxx-xx-xxxx
Moore, George F., xxx-xx-xxxx
Moore, Richard P., xxx-xx-xxxx
Moore, Robert P., xxx-xx-xxxx
Moorhead, Glen W., III, xxx-xx-xxxx
Morey, Richard J., xxx-xx-xxxx
Morgan, Edward G., xxx-xx-xxxx
Morgan, Randall W., xxx-xx-xxxx
Morrell, Mark W., xxx-xx-xxxx
Morris, Anthony A., xxx-xx-xxxx
Morris, Charles R., xxx-xx-xxxx
Morris, Richard P., xxx-xx-xxxx
Morrison, James E., xxx-xx-xxxx
Morrison, Jimmie G., xxx-xx-xxxx
Morrow, David J., xxx-xx-xxxx
Morrow, George E., xxx-xx-xxxx
Morse, Arthur L., Jr., xxx-xx-xxxx
Mortenson, Jeffrey S., xxx-xx-xxxx
Moseley, Teed M., xxx-xx-xxxx
Moss, Andrew J., xxx-xx-xxxx
Moss, Richard N., xxx-xx-xxxx
Motley, Alvin, xxx-xx-xxxx
Muehring, Paul E., xxx-xx-xxxx
Mueller, Mando C., xxx-xx-xxxx
Mueller, Michael J., xxx-xx-xxxx
Muir, Robert W., xxx-xx-xxxx
Muller, William P., III, xxx-xx-xxxx
Mullin, Jonathan B., xxx-xx-xxxx
Mundy, George R., xxx-xx-xxxx
Munger, Robert A., xxx-xx-xxxx
Murawinski, Daniel J., xxx-xx-xxxx
Murphy, Daniel L., xxx-xx-xxxx
Murphy, Dennis L., xxx-xx-xxxx
Murphy, John J., Jr., xxx-xx-xxxx
Murphy, Kenneth E., xxx-xx-xxxx
Murphy, Scott W., xxx-xx-xxxx
Murr, Paul E., xxx-xx-xxxx
Murrow, Terry R., xxx-xx-xxxx
Murtaugh, Terrance L., xxx-xx-xxxx
Musholt, Michael J., xxx-xx-xxxx
Muskus, Brian F., xxx-xx-xxxx
Myers, Clem B., Jr., xxx-xx-xxxx
Myers, James F., xxx-xx-xxxx
Myers, Thomas M., xxx-xx-xxxx
Naddeo, Anthony E., xxx-xx-xxxx
Nadolski, John M., xxx-xx-xxxx
Nagy, David A., xxx-xx-xxxx
Nakamura, Russell Y., xxx-xx-xxxx
Nakashima, James S., xxx-xx-xxxx
Napier, Billy B., xxx-xx-xxxx
Nault, Charles C., xxx-xx-xxxx
Neal, Thomas S., xxx-xx-xxxx
Nelson, David A., xxx-xx-x...
Nelson, Douglas A., xxx-xx-xxxx
Nelson, Jon L., xxx-xx-xxxx
Nelson, Kent D., xxx-xx-xxxx
Nelson, Lynn R., xxx-xx-xxxx
Nelson, Robert W., xxx-xx-xxxx
Nelson, Ronald E., xxx-xx-xxxx
Nestle, Arthur J., xxx-xx-x...
Nettleship, Robert S., Jr., xxx-xx-xxxx
Neubert, William W., xxx-xx-xxxx

Neuhauser, Walter E., Jr., xxx-xx-xxxx
Neumann, Robert W., xxx-xx-xxxx
Neunherz, Edward N., xxx-xx-xxxx
Newell, Robert T., III, xxx-xx-xxxx
Newkirk, Frank L., xxx-xx-xxxx
Newman, Leroy F., xxx-xx-xxxx
Nichols, Jerry L., xxx-xx-xxxx
Nicholson, Carla J., xxx-xx-xxxx
Nickel, James E., xxx-xx-xxxx
Nicolai, Grant G., Jr., xxx-xx-xxxx
Nicosia, Vincent F., xxx-xx-xx...
Nielsen, Paul D., xxx-xx-xxxx
Nielsen, Wade L., xxx-xx-xxxx
Nieminen, Norman A., xxx-xx-xxxx
Nilssen, Lawrence R., xxx-xx-xxxx
Nitz, Theodore A., xxx-xx-xxxx
Nix, John B., Jr., xxx-xx-xxxx
Nodine, Wright A., Jr., xxx-xx-xxxx
Nolting, David J., xxx-xx-xxxx
Northington, Larry W., xxx-xx-xxxx
Norton, James, Jr., xxx-xx-xxxx
Nourse, Robert W., xxx-xx-xxxx
Nowland, Thomas L., xxx-xx-xxxx
Nuessle, Walter G., III, xxx-xx-xxxx
Null, Richard C., xxx-xx-xxxx
Odell, Robert D., xxx-xx-xxxx
Odgers, Everett G., xxx-xx-xxxx
Oertel, Robert E., xxx-xx-xxxx
Oestreich, Jean M., xxx-xx-xxxx
Oguin, Gerald T., xxx-xx-xxxx
Olivo, John X., xxx-xx-x...
Olmstead, Thomas W., xxx-xx-xxxx
Olson, Marvin A., xxx-xx-xxxx
Olver, Eric T., xxx-xx-xxxx
O'Neil, Richard J., xxx-xx-xxxx
O'Neill, Michael E., xxx-xx-xxxx
Onizuka, Ellison S., xxx-xx-xxxx
Openshaw, Robert G., xxx-xx-xxxx
Opfer, James R., xxx-xx-xxxx
Orgeron, James J., xxx-xx-x...
Oriordan, Thomas A., xxx-xx-xxxx
Orler, John J., xxx-xx-xxxx
Orourke, James S., IV, xxx-xx-xxxx
Osborn, John A., xxx-xx-xxxx
Osborne, Ronald C., xxx-xx-xxxx
Ostrander, Robert L., Jr., xxx-xx-xxxx
Ostrom, George R., Jr., xxx-xx-xxxx
Otero, Humberto M., xxx-xx-xxxx
O'Toole, Gary A., xxx-xx-xxxx
Ovalle, Nestor K., II, xxx-xx-xxxx
Ovbey, Thomas W., Jr., xxx-xx-xxxx
Overgaag, Richard H., xxx-xx-xxxx
Owendoff, James M., xxx-xx-xxxx
Owens, Daniel E., Jr., xxx-xx-xxxx
Owens, Raymond W., III, xxx-xx-xxxx
Owens, Ronald E., xxx-xx-xxxx
Oxelgren, Dennis W., xxx-xx-xxxx
Pace, David J., xxx-xx-xxxx
Pace, Jeffrey S., xxx-xx-xxxx
Packard, Cynthia L., xxx-xx-xxxx
Padgett, William P., xxx-xx-xxxx
Padlo, Richard A., xxx-xx-xxxx
Page, William E., xxx-xx-xxxx
Paine, Robert L., xxx-xx-xxxx
Paine, Ronald W., xxx-xx-xxxx
Palladinetti, Enrico, xxx-xx-xxxx
Palmer, William A., xxx-xx-xxxx
Pape, Robert C., xxx-xx-xxxx
Papizan, James C., xxx-xx-xxxx
Paradis, Ryan D., xxx-xx-xxxx
Parker, Charles H., xxx-xx-xxxx
Parker, James S., xxx-xx-xxxx
Parker, Roy E., II, xxx-xx-xxxx
Parker, Steven C., xxx-xx-xxxx
Parr, John D., xxx-xx-xxxx
Parsons, Fredrick A., xxx-xx-xxxx
Pate, Calvin F., xxx-xx-xxxx
Patrick, James L., Jr., xxx-xx-xxxx
Patrick, John R., xxx-xx-xxxx
Patterson, James W., xxx-xx-xxxx
Patterson, Robert J., xxx-xx-xxxx
Patton, Richard C., xxx-xx-xxxx
Paul, Ira S., III, xxx-xx-xxxx
Payne, Michael W., xxx-xx-xxxx
Peach, Richard H., xxx-xx-xxxx
Pearce, Charles L., xxx-xx-xxxx
Pearson, Wilbert D., Jr., xxx-xx-xxxx
Peck, William A., Jr., xxx-xx-xxxx
Pecsok, William H., xxx-xx-xxxx
Pellerin, William E., xxx-xx-xxxx
Penka, Dennis J., xxx-xx-xxxx
Penny, Daniel G., Jr., xxx-xx-x...
Peraldo, Mario G., xxx-xx-xxxx
Perlman, Eugene H., xxx-xx-xxxx
Perroy, Vangel L., xxx-xx-xxxx
Perry, Keye E., xxx-xx...
Perry, Richard M., xxx-xx-xxxx
Peschke, Richard E., xxx-xx-xxxx
Pesenti, Peter T., xxx-xx-xxxx
Petek, James M., xxx-xx-xxxx
Peters, Bruce E., xxx-xx-xxxx
Peterson, Kenneth A., xxx-xx-xxxx
Peterson, Robert A., xxx-xx-xxxx
Peterson, Ronald J., xxx-xx-xxxx
Peterson, Walter G., Jr., xxx-xx-xxxx
Petitmermet, Thomas M., xxx-xx-xxxx
Petri, Fred L., Jr., xxx-xx-xxxx
Petty, John J., xxx-xx-xxxx
Petty, John Claude G., xxx-xx-xxxx
Phifer, Lonnie D., III, xxx-xx-xxxx
Phillips, Archie F., xxx-xx-xxxx
Phillips, Claude M., xxx-xx-xxxx
Phillips, Clyde B., III, xxx-xx-xxxx
Phillips, Dan A., xxx-xx-xxxx
Phillips, James G., xxx-xx-xxxx
Phillips, James M., xxx-xx-xxxx
Phillips, Jonathan R., xxx-xx-xxxx
Phillips, Robert D., xxx-xx-xxxx
Philpitt, Donald A., xxx-xx-xxxx
Picard, Donald H., xxx-xx-xxxx
Pierce, Ronald C., xxx-xx-xxxx
Pierce, Ronald L., xxx-xx-xxxx
Pirrie, Robert J., xxx-xx-xxxx
Pittman, Stephen R., xxx-xx-xxxx
Pitts, Charles W., xxx-xx-xxxx
Pitts, Clifford F., Jr., xxx-xx-xxxx
Plantikow, John S., xxx-xx-xxxx
Ploetz, Charles F., xxx-xx-xxxx
Plowman, Roger W., xxx-xx-xxxx
Pomeroy, Ronald K., xxx-xx-xxxx
Ponder, Joseph T., xxx-xx-xxxx
Posner, Jeffrey M., xxx-xx-xxxx
Post, Okley L., Jr., xxx-xx-xxxx
Poston, Gregory P., xxx-xx-xxxx
Potter, David J., xxx-xx...
Potter, Diana J., xxx-x...
Poulin, Roger G., xxx-x...
Powers, Theodore R., Jr., xxx-xx-x...
Powley, Herbert W., xxx-x...
Praser, Donald E., xxx-xx-xxxx
Pratt, Sylvia D., xxx-xx-xxxx
Price, Justus V., Jr., xxx-x...
Price, Lansing B., xxx-x...
Price, Lyndle W., xxx-x...
Prins, Barry E., xxx-x...
Purkey, Ronald L., xxx-xx-xxxx
Quan, John D., xxx-x...
Quandt, John C., xxx-xx-xx...
Quinn, Andrew M., Jr., xxx-x...
Quinn, Robert J., xxx-xx-xxxx
Rachels, Jack W., xxx-x...
Radic, George C., xxx-xx-xxxx
Rameib, Jeffrey A., xxx-xx-xxxx
Randall, Clarence C., xxx-xx-xxxx
Randerson, David M., xxx-xx-xxxx
Ransel, Alfred D., xxx-xx-xxxx
Rapids, Richard F., xxx-xx-xxxx
Ratcliffe, Arthur W., III, xxx-xx-x...
Rathgeber, William A., xxx-xx-xxxx
Ratliff, Phillip M., xxx-xx-xxxx
Rauschkolb, Richard S., xxx-xx-xxxx
Rawls, James M., xxx-xx-xxxx
Ray, John C., xxx-xx-xxxx
Rea, Thomas E., xxx-xx-x...
Reagan, James M., xxx-xx-xxxx
Reale, John R., xxx-xx-x...
Redden, Charles R., xxx-xx-xxxx
Reddy, John A., xxx-xx-xxxx
Redigan, John P., xxx-xx-xxxx
Reed, Raymond L. II, xxx-xx-xxxx
Reid, Clark G., xxx-xx-xx...
Reid, Donald R., xxx-xx-xxxx
Reid, Jay, xxx-xx-xxxx
Reid, Richard S., Jr., xxx-xx-xxxx
Reif, Gerald P., xxx-xx-xx...
Reinke, Gary S., xxx-xx-xxxx
Remagen, Lawrence D., xxx-xx-xxxx
Rendon, Henry M., xxx-xx-xxxx
Reno, Loren M., xxx-xx-xxxx
Renouard, Kenneth S., xxx-xx-xxxx
Rewalt, James C., xxx-xx-xxxx
Reyher, Franklin K., Jr., xxx-xx-xxxx
Reynolds Darby J., xxx-xx-xxxx
Reynolds, James T., xxx-xx-xxxx
Reynolds, Joseph P., xxx-xx-xxxx
Reynolds, Richard V., xxx-xx-xxxx
Reynolds, Thomas J., II, xxx-xx-xxxx
Rhoades, James R., xxx-xx-xxxx
Rice, John W., Jr., xxx-xx-xx...
Richards, John A., xxx-xx-xxxx
Richards, William A., xxx-xx-xxxx
Richardson, Charles L., xxx-xx-xxxx
Richardson, Harry C., Jr., xxx-x...
Richter, Edward A., xxx-xx-x...
Rickerson, Ovid D., xxx-x...
Rider, Regner C., xxx-xx-xxxx
Ridlehoover, Robert A., xxx-xx-xxxx
Rietsema, Kees W., xxx-xx-xxxx
Rigney, Raymond L., Jr., xxx-xx-xxxx
Rigsbee, David M., xxx-xx-xxxx
Rima, Richard H., xxx-xx-xxxx
Ripley, James D., xxx-xx-xxxx
Risser, Oakly L., xxx-xx-xxxx
Ritchey, Vernon S., xxx-xx-xx...
Rittenmeyer, Kenneth A., xxx-xx-xxxx
Ritter, Richard A., xxx-xx-xxxx
Robbins, Earnest O., II, xxx-xx-xxxx
Roberts, Leonard L., xxx-xx-xxxx
Roberts, Ronald J., xxx-xx-xxxx
Roberts, William H., xxx-xx-xxxx
Robertson, George A., Jr., xxx-xx-xxxx
Robinson, Charles G., xxx-xx-xxxx
Robinson, Denver D., xxx-xx-xxxx
Robinson, James N., xxx-xx-xxxx
Robinson, John R., II, xxx-xx-xxxx
Robinson, Richard, L., xxx-xx-xxxx
Robison, Douglas B., xxx-xx-xxxx
Rodenhauser Karl J., xxx-xx-xxxx
Rogers, Christian F., xxx-xx-xxxx
Rogers, Michael E., xxx-xx-xxxx
Roget, Anthony J., xxx-xx-xxxx
Rohman, Randall L., xxx-xx-xxxx
Ronn, David L., xxx-xx-xx...
Roper, Gary L., xxx-xx-xxxx
Roper, James E., xxx-xx-xx...
Rosburg, Kenneth P., xxx-xx-xxxx
Rose, Peter N., xxx-xx-xxxx
Rosen, Stanley G., xxx-xx-xxxx
Rosenhammer, Franz G. A., xxx-xx-xxxx
Roser, Steven A., xxx-xx-xxxx
Ross, Steven J., xxx-xx-xxxx
Rossetti, Richard E., xxx-xx-xxxx
Roth, John W., xxx-xx-xxxx
Roth, Thomas R., xxx-xx-xxxx
Rothschild, William J., xxx-xx-xxxx
Roush, David M., xxx-xx-xxxx
Rovegno, John F., xxx-xx-xxxx
Rowland, Donnie R., xxx-xx-xxxx
Rowles, Michael G., xxx-xx-xxxx
Rubio, Carlos E., xxx-xx-xxxx
Rue, Robert C., xxx-xx-xxxx
Rummell, Charles W., xxx-xx-xxxx
Ruotanen, Norman H., xxx-xx-xxxx
Rusby, William C., xxx-xx-xxxx
Russell, Allen W., xxx-xx-xxxx
Russell, Charles M., xxx-xx-xxxx
Russell, Donald L., xxx-xx-xxxx
Russell, Herbert G., xxx-xx-xxxx
Russell, Raymond B., Jr., xxx-xx-xxxx
Russell, Steven S., xxx-xx-xxxx
Ruth, Robert F., Jr., xxx-xx-xxxx
Ruth, Robert L., xxx-xx-xxxx

Rutland, Charles M., xxx-xx-xxxx
Rutley, William D., xxx-xx-xxxx
Rutter, William E., xxx-xx-xxxx
Ryan, Patrick M., xxx-xx-xxxx
Rydell, Carl M., xxx-xx-xxxx
Sack, Thomas L., xxx-xx-xxxx
Sadowski, Charles, Jr., xxx-xx-xxxx
Saenz, Jose L., xxx-xx-xxxx
Safley, Jon G., xxx-xx-xxxx
Saitta, Arthur J., xxx-xx-xxxx
Sakal, Gregory A., xxx-xx-xxxx
Salas, Jesus T., xxx-xx-xxxx
Samples, Thomas A., xxx-xx-xxxx
Sander, Richard J. O., xxx-xx-xxxx
Sanders, James M., xxx-xx-xxxx
Sanders, John K., xxx-xx-xxxx
Sanders Marshall C., xxx-xx-xxxx
Sanderson John R., xxx-xx-xxxx
Sandoval, Ramon, Jr., xxx-xx-xxxx
Sanger, Stephen T., xxx-xx-xxxx
Santerre, Kim R., xxx-xx-xxxx
Santillo, Vincent J., II, xxx-xx-xxxx
Sasine, Kenneth P., xxx-xx-xxxx
Satterthwaite, John S., Jr., xxx-xx-xxxx
Saunders, Ralph, S., Jr., xxx-xx-xxxx
Savage, Sallie A., xxx-xx-xxxx
Sayles, Greer C., xxx-xx-xxxx
Scaife, William M., xxx-xx-xxxx
Scarbrough, Gail L., xxx-xx-xxxx
Schade, John W., xxx-xx-xxxx
Schankel, Richard E., xxx-xx-xxxx
Scharenbrock, Thomas M., xxx-xx-xxxx
Scheidegg, Carl P., xxx-xx-xxxx
Scheideman, James A., xxx-xx-xxxx
Schena, Ronald A., xxx-xx-xxxx
Schepens, William E., xxx-xx-xxxx
Schlansker, Robert E., xxx-xx-xxxx
Schlick, James M., xxx-xx-xxxx
Schlueter, Sandra M., xxx-xx-xxxx
Schmidt, Leonard E., xxx-xx-xxxx
Schmiesing, Roy L., xxx-xx-xxxx
Schmitt, Francis T., xxx-xx-xxxx
Schmitt, Michael W., xxx-xx-xxxx
Schoch, Michael P. A., xxx-xx-xxxx
Schott, Douglas W., xxx-xx-xxxx
Schott, Marvin A., xxx-xx-xxxx
Schrader, Scott L., xxx-xx-xxxx
Schramm, Ted S., xxx-xx-xxxx
Schreck, Ronald L., xxx-xx-xxxx
Schriever, John G., xxx-xx-xxxx
Schubert, Charles W., Jr., xxx-xx-xxxx
Schubert, Jeffrey A., xxx-xx-xxxx
Schuetz, Richard W., xxx-xx-xxxx
Schwab, Joseph P., xxx-xx-xxxx
Schwall, Arthur W., Jr., xxx-xx-xxxx
Schwartz, John S., xxx-xx-xxxx
Schwartz, Robert M., xxx-xx-xxxx
Schwarz, Kenneth G., xxx-xx-xxxx
Schwein, Robert G., Jr., xxx-xx-xxxx
Sconyers, Allison G., xxx-xx-xxxx
Scott, David M., xxx-xx-xxxx
Scott, Donald C., xxx-xx-xxxx
Scott, Gavin D., xxx-xx-xxxx
Scott, James G., Jr., xxx-xx-xxxx
Scott, Michael L., xxx-xx-xxxx
Scott, Michael R., xxx-xx-xxxx
Scott, Nathan L., xxx-xx-xxxx
Scott, Val L., xxx-xx-xxxx
Searles, Donald G., xxx-xx-xxxx
Sebren, George H., xxx-xx-xxxx
Seeley, Edgar G., III, xxx-xx-xxxx
Segal, James F., Jr., xxx-xx-xxxx
Seibert, Richard A., xxx-xx-xxxx
Self, Wayne L., xxx-xx-xxxx
Seward, Walter D., xxx-xx-xxxx
Shambo, James F., xxx-xx-xxxx
Shamer, George P., II, xxx-xx-xxxx
Shaw, Charles W., xxx-xx-xxxx
Shean, Gregory M., xxx-xx-xxxx
Sheets, Robert H., xxx-xx-xxxx
Sheffield, Richard B., xxx-xx-xxxx
Sheldon, James E., III, xxx-xx-xxxx
Shell, Ronald T., xxx-xx-xxxx
Shelton, David W., xxx-xx-xxxx
Shelton, Michael A., xxx-xx-xxxx
Sherer, Jack H., xxx-xx-xxxx
Sherman, John S., xxx-xx-xxxx
Shields, Gary L., xxx-xx-xxxx
Shimek, Harold G., xxx-xx-xxxx
Shimp, John W., xxx-xx-xxxx
Shipps, Donald A., xxx-xx-xxxx
Shoemaker, David W., Jr., xxx-xx-xxxx
Shoemaker, Gary L., xxx-xx-xxxx
Shoffner, Larry L., xxx-xx-xxxx
Shoop, Rodney M., xxx-xx-xxxx
Shore, Thaddeus W., xxx-xx-xxxx
Shumaker, Thomas R., xxx-xx-xxxx
Sible, Steven J., xxx-xx-xxxx
Siepmann, Randy C., xxx-xx-xxxx
Siltanen, Dennis A., xxx-xx-xxxx
Simmer, Jerome F., xxx-xx-xxxx
Simmons, Larry C., xxx-xx-xxxx
Simmons, William J., Jr., xxx-xx-xxxx
Simon, John P., xxx-xx-xxxx
Simonds, Robert C., Jr., xxx-xx-xxxx
Simpson, Stephen W., xxx-xx-xxxx
Sims, Sherry D., xxx-xx-xxxx
Sims, Terry L., xxx-xx-xxxx
Sindle, Roger A., xxx-xx-xxxx
Singer, Michael D., xxx-xx-xxxx
Sipos, John L., xxx-xx-xxxx
Siracuse, George J., xxx-xx-xxxx
Sisson, Patrick L., xxx-xx-xxxx
Skaggs, Jesse S., III, xxx-xx-xxxx
Skakal, Carl D., Jr., xxx-xx-xxxx
Skidmore, John L., xxx-xx-xxxx
Skolasky, Robert A., xxx-xx-xxxx
Skoog, Richard L., xxx-xx-xxxx
Slagle, James H., xxx-xx-xxxx
Slankas, John T., xxx-xx-xxxx
Slater, Mitchell J., xxx-xx-xxxx
Slaughter, David F., xxx-xx-xxxx
Slayton, Tison E., Jr., xxx-xx-xxxx
Slivka, Martin G., xxx-xx-xxxx
Sloboda, Steven J., xxx-xx-xxxx
Slowinski, Joseph A., xxx-xx-xxxx
Sluzevich, Sam C., II, xxx-xx-xxxx
Small, Earl A., Jr., xxx-xx-xxxx
Small, John T., Jr., xxx-xx-xxxx
Smallheer, Kim A., xxx-xx-xxxx
Smith, Alan G., xxx-xx-xxxx
Smith, Bernard J., xxx-xx-xxxx
Smith, Charles G., xxx-xx-xxxx
Smith, David A., xxx-xx-xxxx
Smith, George B., xxx-xx-xxxx
Smith, Kenneth B., xxx-xx-xxxx
Smith, Larell K., xxx-xx-xxxx
Smith, Michael R., xxx-xx-xxxx
Smith, Niles E., xxx-xx-xxxx
Smith, Robert J., Jr., xxx-xx-xxxx
Smith, Robert L., xxx-xx-xxxx
Smith, William C., xxx-xx-xxxx
Snapp, Elbridge L., III, xxx-xx-xxxx
Snider, Larry A., xxx-xx-xxxx
Snyder, William A., xxx-xx-xxxx
Solomon, Michael E., xxx-xx-xxxx
Sonneborn, James D., xxx-xx-xxxx
Sonnenberg, Scott B., xxx-xx-xxxx
Sornberger, John T., Jr., xxx-xx-xxxx
Soteropoulos, Steve M., xxx-xx-xxxx
Southall, Hugh L., xxx-xx-xxxx
Sovich, John M., xxx-xx-xxxx
Spahr, Russell J., xxx-xx-xxxx
Sparks, James B., xxx-xx-xxxx
Spencer, David C., xxx-xx-xxxx
Spicer, David W., xxx-xx-xxxx
Spivey, Gary R., xxx-xx-xxxx
Spracher, David L., xxx-xx-xxxx
Springle, Carl, Jr., xxx-xx-xxxx
Sprinkle, Clark J., xxx-xx-xxxx
Stafford, Russell G., xxx-xx-xxxx
Stallings, Donald H., xxx-xx-xxxx
Stamm, Leon A., xxx-xx-xxxx
Stampf, Frank W., xxx-xx-xxxx
Standage, William N., xxx-xx-xxxx
Stanfill, Ronnie A., xxx-xx-xxxx
Stanicar, David, xxx-xx-xxxx
Stanton, Richard, xxx-xx-xxxx
Starbuck, F. Randall, xxx-xx-xxxx
Stark, Arthur E., xxx-xx-xxxx
Starnes, William N., Jr., xxx-xx-xxxx
Stassen, Thomas C., xxx-xx-xxxx
Steele, William R., xxx-xx-xxxx
Steere, Martin G., xxx-xx-xxxx
Stegmaier, Robert W., xxx-xx-xxxx
Steimer, Herbert N., xxx-xx-xxxx
Stein, Gary R., xxx-xx-xxxx
Steinnes, John A., xxx-xx-xxxx
Stephens, Wendell D., xxx-xx-xxxx
Stephenson, James F., xxx-xx-xxxx
Sterling, Dwight D., xxx-xx-xxxx
Stern, Scott W.M., xxx-xx-xxxx
Sterzinger, James J., xxx-xx-xxxx
Stetson, Peter W., xxx-xx-xxxx
Stevens, Dale A., xxx-xx-xxxx
Stevens, William E., xxx-xx-xxxx
Stevenson, Robert L., xxx-xx-xxxx
Stewart, Gary L., xxx-xx-xxxx
Stewart, Richard L., xxx-xx-xxxx
Stewart, William G., xxx-xx-xxxx
Stillwell, William K., xxx-xx-xxxx
Stimer, Richard R., Jr., xxx-xx-xxxx
Stinson, Philip D., xxx-xx-xxxx
St John, James C., xxx-xx-xxxx
St John, Robert C., Jr., xxx-xx-xxxx
Stocchetti, Richard L., xxx-xx-xxxx
Stone, Bobby M., xxx-xx-xxxx
Stone, Larry W., xxx-xx-xxxx
Storey, David E., xxx-xx-xxxx
Storey, James, xxx-xx-xxxx
Stovall, John E., xxx-xx-xxxx
Stover, William D., xxx-xx-xxxx
Stowe, Stephen D., xxx-xx-xxxx
Stremmel, Kenneth G., xxx-xx-xxxx
Stretch, Jay P., xxx-xx-xxxx
Strick, David C., xxx-xx-xxxx
Stroud, William R., xxx-xx-xxxx
Sturm, Steven R., xxx-xx-xxxx
Sullivan, Donna M., xxx-xx-xxxx
Sullivan, John L., Jr., xxx-xx-xxxx
Sullivan, John V., xxx-xx-xxxx
Sullivan, Michael J., Jr., xxx-xx-xxxx
Sullivan, Ronald J., xxx-xx-xxxx
Sullivan, Shaun M., xxx-xx-xxxx
Summers, Raymond D., xxx-xx-xxxx
Sunde, Robert J., Jr., xxx-xx-xxxx
Sutherland, Timothy P., xxx-xx-xxxx
Sutter, Robert J., xxx-xx-xxxx
Sutton, Gregory W., xxx-xx-xxxx
Swaim, Samuel J., Jr., xxx-xx-xxxx
Swain, John G., III, xxx-xx-xxxx
Swan, Peter A., xxx-xx-xxxx
Sweetnam, George H., Jr., xxx-xx-xxxx
Swens, Stanley O., xxx-xx-xxxx
Swett, Ozro S., Jr., xxx-xx-xxxx
Swindle, John E., xxx-xx-xxxx
Symsack, Elmer F., xxx-xx-xxxx
Synychak, Roman, xxx-xx-xxxx
Syster, Thomas E., xxx-xx-xxxx
Szabo, James, xxx-xx-xxxx
Tague, Frank R., xxx-xx-xxxx
Talbot, Terry R., xxx-xx-xxxx
Talley, David H., xxx-xx-xxxx
Talley, David N., III, xxx-xx-xxxx
Tambone, Victor J., xxx-xx-xxxx
Tate, Gary L., xxx-xx-xxxx
Tate, Michael D., xxx-xx-xxxx
Taylor, Edward G., xxx-xx-xxxx
Taylor, James E., xxx-xx-xxxx
Taylor, James F., III, xxx-xx-xxxx
Taylor, John G., III, xxx-xx-xxxx
Taylor, Larry D., xxx-xx-xxxx
Taylor, Louis S., xxx-xx-xxxx
Terry, Patrick R., xxx-xx-xxxx
Testerman, David K., xxx-xx-xxxx
Tetreault, Frank H., Jr., xxx-xx-xxxx
Thieke, Christopher D., xxx-xx-xxxx
Thomae, Steven A., xxx-xx-xxxx
Thomas, Alan B., xxx-xx-xxxx
Thomas, Kenneth L., xxx-xx-xxxx
Thomas, Randall F., xxx-xx-xxxx
Thomas, William S., Jr., xxx-xx-xxxx

Thompson, David S., xxx-xx-x...
Thompson, Garry B., xxx-x...
Thomson, David V., xxx-xx-xxxx
Thomson, George T., xxx-xx-xxxx
Thorius, Jerry J., xxx-xx-x...
Thourot, Frederick G., III, xxx-x...
Thrash, Charles M., xxx-x...
Thurston, Thomas E., xxx-xx-xxxx
Tibbetts, Daniel M., xxx-x...
Tilden, Thomas V., xxx-xx-xxxx
Timmons, Timothy T., xxx-x...
Todd, Richard A., II, xxx-x...
Todd, Robert S., xxx-xx-xxxx
Tomlinson, Ralph P., xxx-xx-xxxx
Toops, Thomas A., xxx-xx-xxxx
Topper, Dennis R., xxx-xx-xxxx
Toth, Robert S., xxx-xx-xxxx
Touslee, Randall D., xxx-xx-xxxx
Towns, Oliver D., xxx-xx-xxxx
Townsend, Ray E., xxx-xx-xxxx
Townsend, William G., xxx-xx-xxxx
Trafton, Cary R., xxx-xx-xxxx
Trapuzzano, Michael P., xxx-xx-xxxx
Travis, Tyson T., xxx-xx-xxxx
Tredick, Trafton, Jr., xxx-xx-xxxx
Trenary, Frank W., xxx-xx-xxxx
Trent, Stephen E., xxx-xx-xxxx
Trenton, Jefferson E., xxx-xx-xxxx
Trexler, Garry R., xxx-xx-xxxx
Triplett, Henry H., Jr., xxx-xx-xxxx
Tromp, William J., xxx-xx-xxxx
Trout, Charles G., xxx-xx-xxxx
Trovero, Leonard J., Jr., xxx-xx-xxxx
Troy, Terry L., xxx-xx-xxxx
Tucker, Alan E. M., xxx-xx-xxxx
Tucker, Charles H., Jr., xxx-xx-xxxx
Tucker, Gary L., xxx-xx-xxxx
Tucker, John C., xxx-xx-xxxx
Tull, David E., xxx-xx-xxxx
Tupper, Norman C., xxx-xx-xxxx
Turco, John A., xxx-xx-xxxx
Turk, Charles F., xxx-xx-xxxx
Turner, David C., xxx-xx-xxxx
Turner, Lonnie D., xxx-xx-xxxx
Turner, Marc C., xxx-xx-xxxx
Tuttle, George G., xxx-xx-xxxx
Tuttle, Ronald F., xxx-xx-xxxx
Ullman, Bruce L., xxx-xx-xxxx
Ulrich, Gregory P., xxx-xx-xxxx
Underwood, Dennis D., xxx-xx-xxxx
Unger, Robert F., xxx-xx-xxxx
Upp, Jeffrey L., xxx-xx-xxxx
Uramkin, Michael D., xxx-xx-xxxx
Utley, Tom W., Jr., xxx-xx-xxxx
Utsunomiya, Thomas M., xxx-xx-xxxx
Utter, Harry W., xxx-xx-xxxx
Valaika, John R., xxx-xx-xxxx
Vandehey, Dale M., xxx-xx-xxxx
Vandenbosch, Gerald L., xxx-xx-xxxx
Vankeuren, Gerald M., Jr., xxx-xx-xxxx
Vanpelt, Max L., xxx-xx-xxxx
Veith, Jon D., xxx-xx-xxxx
Venneman, John R., xxx-xx-xxxx
Vest, Ronald C., xxx-xx-xxxx
Viau, Richard P., xxx-xx-xxxx
Vickery, Robert D., Jr., xxx-xx-xxxx
Vizzone, Michael M., xxx-xx-xxxx
Vogt, Donald A., xxx-xx-xxxx
Vogt, John W., Jr., xxx-xx-xxxx
Vojtech, Larry J., xxx-xx-xxxx
Volpe, John M., xxx-xx-xxxx
Vonada, John A., xxx-xx-xxxx
Vosmeier, Michael G., xxx-xx-xxxx
Voss, Michael., xxx-xx-xxxx
Wade, Richard B., xxx-xx-xxxx
Wagenhals, Lee W., xxx-xx-xxxx
Wagstaff, David L., xxx-xx-xxxx
Wald, Charles F., xxx-xx-xxxx
Waldron, Matthew B., xxx-xx-xxxx
Walker, Herman, xxx-xx-xxxx
Walker, James D., xxx-xx-xxxx
Wall, John L., xxx-xx-xxxx
Wall, Robert E., Jr., xxx-xx-xxxx
Wall, Ronald R., xxx-xx-xxxx
Wallace, Calvin G., xxx-xx-xxxx
Wallman, Delyle J., xxx-xx-xxxx
Walsh, John J., Jr., xxx-xx-xxxx
Walsh, Kenneth V., xxx-xx-xxxx
Walsh, Thomas E., Jr., xxx-xx-xxxx
Walters, Richard E., xxx-xx-xxxx
Walters, William L., xxx-xx-xxxx
Walton, Joel D., xxx-xx-xxxx
Wangen, Scott L., xxx-xx-xxxx
Ward, James M., xxx-xx-xxxx
Ward, Malcolm R., xxx-xx-xxxx
Warmuth, Donald B., xxx-xx-xxxx
Warren, Joseph B., II, xxx-xx-xxxx
Warren, Wayne W., xxx-xx-xxxx
Wassom, Ronald H., xxx-xx-xxxx
Watkins, Ernest R., xxx-xx-xxxx
Watkins, Thomas E., xxx-xx-xxxx
Watley, James M., xxx-xx-xxxx
Watson, Douglas M., xxx-xx-xxxx
Watson, Robert F., xxx-xx-xxxx
Watts, George B., xxx-xx-xx...
Weaver, Richard L., xxx-xx-xxxx
Weaver, Russell L., Jr., xxx-xx-xxxx
Weaver, Warren I., xxx-xx-xxxx
Weber, James P., xxx-xx-xx...
Webster, Alan H., xxx-xx-xxxx
Weeks, Dale J., xxx-xx-xxxx
Weir, Ted R., xxx-xx-xxxx
Weis, Robert M., xxx-xx-xxxx
Weise, Edward W., xxx-xx-xxxx
Weitman, Michael, xxx-xx-xxxx
Weitzel, Michael P., xxx-xx-xxxx
Welch, Stanley H., Jr., xxx-xx-xxxx
Weller, Richard K., xxx-xx-xxxx
Welsh, Michael P., xxx-xx-xxxx
West, Arnold J., xxx-xx-xxxx
West, Charles T., xxx-xx-xxxx
West, Dayle A., xxx-xx-xxxx
Westfall, Charles G., Jr., xxx-xx-xxxx
Weyer, Lawrence A., Jr., xxx-xx-xxxx
Weyermuller, Arthur P., xxx-xx-xxxx
Whalen, Eugene R., xxx-xx-xxxx
Wheaton, Ronald C., xxx-xx-xxxx
Wheeler, Gregg A., xxx-xx-xxxx
Whisman, Edward K., xxx-xx-xxxx
White, Charles G., Jr., xxx-xx-xxxx
White, Cullen L., xxx-xx-xxxx
White, Richard A., xxx-xx-xxxx
White, Robert E., xxx-xx-xxxx
White, Roy M., xxx-xx-xxxx
White, Samuel S., Jr., xxx-xx-xxxx
Whitechurch, Charles J., xxx-xx-xxxx
Whiteside, John C., III, xxx-xx-xxxx
Whiting, James F., xxx-xx-xxxx
Whitney, Donald G., xxx-xx-xxxx
Whitney, Luther A., xxx-xx-xxxx
Whitney, Robert H., xxx-xx-xxxx
Whitney, Roger M., Jr., xxx-xx-xxxx
Whittaker, Carleton H., Jr., xxx-xx-xxxx
Whittle, Alan N., xxx-xx-xxxx
Wiedemer, Michael P., xxx-xx-xxxx
Wiggins, James S., xxx-xx-xxxx
Wildung, Kenneth L., xxx-xx-xxxx
Wilkinson, William W., II, xxx-xx-xxxx
Williams, Alan K., xxx-xx-xxxx
Williams, Chester J., Jr., xxx-xx-xxxx
Williams, Dan D., xxx-xx-xxxx
Williams, Daniel S., xxx-xx-xxxx
Williams, Frederick L., xxx-xx-xxxx
Williams, James E., xxx-xx-xxxx
Williams, Joseph B., Jr., xxx-xx-xxxx
Williams, Michael L., xxx-xx-xxxx
Williams, Robert G., xxx-xx-xxxx
Williams, Ronald C., xxx-xx-xxxx
Williamson, Gary L., xxx-xx-xxxx
Williamson, Steven L., xxx-xx-xxxx
Willis, Lloy T., xxx-xx-xxxx
Willoughby, Donald N., xxx-xx-xxxx
Wilson, Daniel E., xxx-xx-xxxx
Wilson, Eric C., xxx-xx-xxxx
Wilson, Mark J., xxx-xx-xxxx
Wilson, Robert S., xxx-xx-xxxx
Wilson, Warren T., xxx-xx-xxxx
Wilson, Wayne D., xxx-xx-xxxx
Wingfield, Stephen R., xxx-xx-xxxx
Wingfield, Timothy D., xxx-xx-xxxx
Winn, Joseph E., xxx-xx-xxxx
Winn, Robert C., xxx-xx-xxxx
Winter, Ronald A., xxx-xx-xxxx
Winterberger, Gary A., xxx-xx-xxxx
Wiseman, Randall H., xxx-xx-xxxx
Wistrom, Gary M., xxx-xx-xxxx
Witiw, Michael R., xxx-xx-xxxx
Witter, Terry P., xxx-xx-xxxx
Wittman, Thomas V., xxx-xx-xxxx
Wojdyla, Henry E., Jr., xxx-xx-xxxx
Wolf, John D., xxx-xx-xxxx
Wolfard, Neal E., Jr., xxx-xx-xxxx
Wolfe, David R., xxx-xx-x...
Wolfe, George M., Jr., xxx-xx-xx...
Wolfe, James C., xxx-xx-xx...
Wolff, Robert E., xxx-xx-xxxx
Wood, Frank R., xxx-xx-xxxx
Wood, Rodney W., xxx-xx-xxxx
Wood, Stuart B., xxx-xx-xxxx
Wood, Timothy C., xxx-xx-xxxx
Woods, Mickey E., xxx-xx-xxxx
Woods, Robert R., xxx-xx-xxxx
Woodworth, Richard C., xxx-xx-xxxx
Woody, Samuel E., xxx-xx-xxxx
Wooley, Michael W., xxx-xx-xxxx
Worden, Jerry D., xxx-xx-xxxx
Worden, Simon P., xxx-xx-xxxx
Worley, Chandler P., Jr., xxx-xx-xxxx
Worley, Walter L., III, xxx-xx-xxxx
Wren, James E., xxx-xx-xxxx
Wright, Benjamin R., xxx-xx-x...
Wright, Janet I., xxx-xx-xx...
Wright, Kermit M., xxx-xx-xxxx
Wucher, Stanley F., Jr., xxx-xx-xxxx
Wunschel, Alfred J., Jr., xxx-xx-xxxx
Wuttke, Erwin W., xxx-xx-xxxx
Yaeger, Dale C., xxx-xx-xxxx
Yantiss, William E., xxx-xx-xxxx
Yard, Charles K., xxx-xx-xxxx
Yarger, Gerald L., xxx-xx-xxxx
Yasuhara, Philip K., xxx-xx-xxxx
Yates, William T., II, xxx-xx-xxxx
Yorko, John C., xxx-xx-xxxx
Young, Henry B., II, xxx-xx-xxxx
Young, John R., xxx-xx-xxxx
Youngblood, Herman W., xxx-xx-xxxx
Younghanse, John M., xxx-xx-xxxx
Zahn, Martin D., xxx-xx-xxxx
Zall, Jonathan E., xxx-xx-xxxx
Zambelli, Anthony C., xxx-xx-xxxx
Zauber, Glenn R., xxx-xx-xxxx
Zauner, Frank G., xxx-xx-xxxx
Zeitler, Arthur R., xxx-xx-xxxx
Zeitler, James A., xxx-xx-xxxx
Zentz, Tom A., xxx-xx-xxxx
Ziener, Robert A., xxx-xx-xxxx
Zilin, Barry M., xxx-xx-xxxx
Zink, Vernon R., Jr., xxx-xx-xxxx
Zorn, James F., xxx-xx-xxxx
Zuckerman, Meyer D., xxx-xx-xxxx

CHAPLAIN CORPS

Carboy, Daniels J., xxx-xx-xxxx
Elliot, Jack W., xxx-xx-xxxx
Hale, Lowell, xxx-xx-xxxx
Hanrahan, William P., xxx-xx-xxxx
Hudson, Donald R., xxx-xx-xxxx
King, James W., xxx-xx-xxxx
Kinney, James W., xxx-xx-xxxx
Leeds, Robert S., xxx-xx-xxxx
McGarry, William C., xxx-xx-xxxx
Mead, Leland O., xxx-xx-xxxx
Nee, Eugene O., xxx-xx-xxxx
Olenny, Patrick J., xxx-xx-xxxx
Parkinson, Richard R., xxx-xx-xxxx
Sassman, William A., xxx-xx-xxxx
Thornton, Bobby C., xxx-xx-xxxx
Ward, Jerome A., xxx-xx-xxxx
Withee, Roger A., xxx-xx-xxxx
Zyskind, Howard B., xxx-xx-xxxx

JUDGE ADVOCATE

Abbey, Thomas G., xxx-xx-xxxx

Atlee, William K., Jr., xxx-xx-xxxx
Carparelli, Russell, xxx-xx-xxxx
Cato, George D., xxx-xx-xxxx
Currey, Richard F., xxx-xx-xxxx
Daniel, Clifton D., xxx-xx-xxxx
Donnelly, Michael, xxx-xx-xxxx
Engebretsen, David H., xxx-xx-xxxx
Gibson, Robert G., Jr., xxx-xx-xxxx
Harshman, Randy L., xxx-xx-xxxx
Kilroy, Michael A., xxx-xx-xxxx
Lee, Robert T., xxx-xx-xxxx
Linder, N. Steven, xxx-xx-xxxx
Lockwood, Willard K., xxx-xx-xxxx
Lotz, Richard E., xxx-xx-xxxx
Martinez, John J., Jr., xxx-xx-xxxx
Matthewson, Charles H., xxx-xx-xxxx
Meredith J. Conley, xxx-xx-xxxx
Pigg, James F., xxx-xx-xxxx
Powell, William M., xxx-xx-xxxx
Roser, Samuel J., xxx-xx-xxxx
Schwetje, Fred K., xxx-xx-xxxx
Smith, Billy, Jr., xxx-xx-xxxx
Sutemeier, Robert E., xxx-xx-xxxx
Swanson, James W., xxx-xx-xxxx
Tanner, Morris A., Jr., xxx-xx-xxxx
Vanorsdol, James R., xxx-xx-xxxx

NURSE CORPS

Aguirre, Lucia D., xxx-xx-xxxx
Baker, Donald J., xxx-xx-xxxx
Billings, Merrie J., xxx-xx-xxxx
Blouch, Sandra K., xxx-xx-xxxx
Bolton, Barbara A., xxx-xx-xxxx
Brubaker, Patricia A., xxx-xx-xxxx
Cappadocia, Frances J., xxx-xx-xxxx
Ciebien, Carol A., xxx-xx-xxxx
Close, Kathryn L., xxx-xx-xxxx
Figun, Monica A., xxx-xx-xxxx
Gordonsmith, Raymond K., xxx-xx-xxxx
Gould, Roberta L., xxx-xx-xxxx
Hahn, Gary E., xxx-xx-xxxx
Hargrafen, Mary A., xxx-xx-xxxx
Heidemann, Kathleen J., xxx-xx-xxxx
Hill, Marjorie A., xxx-xx-xxxx
Huebner, Linda L., xxx-xx-xxxx
Israel, Carroll G., xxx-xx-xxxx
Kirk, Harold E., xxx-xx-xxxx
Klein, Kathylou A., xxx-xx-xxxx
Kobliska, D.A., xxx-xx-xxxx
Mansmith, Fred T., xxx-xx-xxxx
Maron, Martha C., xxx-xx-xxxx
McDaniel, Sandra F., xxx-xx-xxxx
Mehargue, Susan L., xxx-xx-xxxx
Mills, Thomas B., xxx-xx-xxxx
Modicalucero, Sylvia J., xxx-xx-xxxx
Moynihan, Sharon C., xxx-xx-xxxx
Repp, Susan J., xxx-xx-xxxx
Riggs, James M., xxx-xx-xxxx
Santiago, Myriam, xxx-xx-xxxx
Scannell, Elizabeth A., xxx-xx-xxxx
Scudder, Bonnie J., xxx-xx-xxxx
Smith, Emily D., xxx-xx-xxxx
Stratton, Maureen, xxx-xx-xxxx
Strobel, Evelyn A., xxx-xx-xxxx
Toms, Carol A., xxx-xx-xxxx
Valdez, Andrea A., xxx-xx-xxxx
Walker, Jill K., xxx-xx-xxxx
Whitlock, Martha A., xxx-xx-xxxx
Wilson, Roslyn F., xxx-xx-xxxx
Wurster, Doris M., xxx-xx-xxxx

MEDICAL SERVICE CORPS

Brannon, Robert H., xxx-xx-xxxx
Downing, Dennis R., xxx-xx-xxxx
Dunkle, Jeffrey H., xxx-xx-xxxx
Eickhoff, Darrell E., xxx-xx-xxxx
Elder, Timothy J., xxx-xx-xxxx
Gupton, Jack A., xxx-xx-xxxx
Hardy, William R., xxx-xx-xxxx
Hernandez, Ivan P., xxx-xx-xxxx
Hettick, Larry K., xxx-xx-xxxx
Hezlep, Robert J., xxx-xx-xxxx
Hooper, James J., III, xxx-xx-xxxx
Jeffrey, James R., xxx-xx-xxxx
Jones, Stephen P., xxx-xx-xxxx
McDougall, Thomas J., xxx-xx-xxxx
Morey, John B., xxx-xx-xxxx
Pfannstiel, Ray J., xxx-xx-xxxx
Quintana, Jose B., xxx-xx-xxxx
Sheehan, John R., xxx-xx-xxxx
Smith, Ross C., Jr., xxx-xx-xxxx
Snyder, Morris K., xxx-xx-xxxx
Vandehey, James T., xxx-xx-xxxx
Vansweringen, Thomas C., xxx-xx-xxxx

BIOMEDICAL SCIENCES CORPS

Adams, Thomas R., xxx-xx-xxxx
Anderson, Michael P., xxx-xx-xxxx
Bekaert, Denis A., xxx-xx-xxxx
Brooks, Robert N., xxx-xx-xxxx
Browne, Michael H., xxx-xx-xxxx
Burdick, Robert W., xxx-xx-xxxx
Collins, Richard, xxx-xx-xxxx
Crane, Robert L., xxx-xx-xxxx
Crosby, Ray M., xxx-xx-xxxx
Dale, James E., xxx-xx-xxxx
Friedman, Richard S., xxx-xx-xxxx
Gaudet, Glenn L., xxx-xx-xxxx
Golden, John G., xxx-xx-xxxx
Goldstein, Frank L., xxx-xx-xxxx
Hall, Doreen N., xxx-xx-xxxx
Hayashi, Maurice M., xxx-xx-xxxx
Hewins, Stanley O., xxx-xx-xxxx
Hiatt, Victor E., xxx-xx-xxxx
Hibler, Neil S., xxx-xx-xxxx
Hibler, Russell J., xxx-xx-xxxx
Howard, Jay M., xxx-xx-xxxx
Howell, James F., xxx-xx-xxxx
Johnson, Judith C., xxx-xx-xxxx
Lamb, Neil J., xxx-xx-xxxx
Maloney, David W., xxx-xx-xxxx
Margotto, Roger N., xxx-xx-xxxx
Marshall, Franklin L. III, xxx-xx-xxxx
Martone, Joseph A., xxx-xx-xxxx
Merritt, Gerald J., xxx-xx-xxxx
Okonski, Susan R., xxx-xx-xxxx
Pagliuca, Louis V., xxx-xx-xxxx
Pinkovsky, Dennis D., xxx-xx-xxxx
Prather, Jefferson B., xxx-xx-xxxx
Shahan, David R., xxx-xx-xxxx
Smith, George H., Jr., xxx-xx-xxxx
Stokes, John H., xxx-xx-xxxx
Talley, Kenneth R., xxx-xx-xxxx
Tatum, Larry A., xxx-xx-xxxx
Towner, Donald A., xxx-xx-xxxx
Townsend, Linda J., xxx-xx-xxxx
Vermulen, Erik K., xxx-xx-xxxx
Wandmacher, Gary A., xxx-xx-xxxx
Westbrook, William G. III, xxx-xx-xxxx
Williams, E. Roger, xxx-xx-xxxx
Williamson, Adrian A., xxx-xx-xxxx

IN THE AIR FORCE

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, provided that in no case shall any of the following officers be appointed in a grade higher than lieutenant colonel:

LINE OF THE AIR FORCE

Baumann, Norman J., xxx-xx-xxxx
Drossner, Barry, xxx-xx-xxxx
Goodwin, William E., xxx-xx-xxxx
Graziano, John M., xxx-xx-xxxx
Hamant, James E., xxx-xx-xxxx
Hartman, John W., xxx-xx-xxxx
Hill, Robert T., xxx-xx-xxxx
Klingbeil, Laurence, xxx-xx-xxxx
Trovero, Leonard J., xxx-xx-xxxx
Tucker, John C., xxx-xx-xxxx
Wagenhals, Lee W., xxx-xx-xxxx

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to preform the duties indicated, provided that in no case shall any of the following officers be appointed in a grade higher than lieutenant colonel:

CHAPLAIN

Elliott, Jack W., xxx-xx-xxxx
Hale, Lowell, xxx-xx-xxxx
Hudson, Donald R., xxx-xx-xxxx
King, James W., xxx-xx-xxxx
McGarry, William C., xxx-xx-xxxx
Olenny, Patrick J., xxx-xx-xxxx
Thornton, Bobby C., xxx-xx-xxxx
Ward, Jerome A., xxx-xx-xxxx
Withee, Roger A., xxx-xx-xxxx

NURSE CORPS

Aguirre, Lucia D., xxx-xx-xxxx
Baker, Donald J., xxx-xx-xxxx
Gordonsmith, Raymon, xxx-xx-xxxx
Riggs, James M., xxx-xx-xxxx

JUDGE ADVOCATE

Roser, Samuel J., xxx-xx-xxxx

MEDICAL SERVICE CORPS

Snyder, Morris K., xxx-xx-xxxx

BIOMEDICAL SCIENCES CORPS

Friedman, Richard S., xxx-xx-xxxx
Pagliuca, Louis V., xxx-xx-xxxx

IN THE AIR FORCE

The following-named officers for promotion in the Air Force Reserve, under the provisions of sections 593, 8362, and 8371, title 10, United States Code.

LINE OF THE AIR FORCE

Lieutenant colonel to colonel

Aaronson, Lewis, xxx-xx-xxxx
Alligood, Gilbert R., xxx-xx-xxxx
Barnes, James H., Jr., xxx-xx-xxxx
Barnes, Ray G., xxx-xx-xxxx
Bean, Bruce W., xxx-xx-xxxx
Bell, Raymond L., Jr., xxx-xx-xxxx
Bess, Robert C., xxx-xx-xxxx
Blilie, Ronald K., xxx-xx-xxxx
Blinn, Glenn L., xxx-xx-xxxx
Borden, Edward B., xxx-xx-xxxx
Brown, Pasco P., xxx-xx-xxxx
Buhler, Ernest O., xxx-xx-xxxx
Byerley, William H., Jr., xxx-xx-xxxx
Carney, John S., Jr., xxx-xx-xxxx
Carver, Richard E., xxx-xx-xxxx
Casson, Charles B., xxx-xx-xxxx
Cieutat, Donal R., xxx-xx-xxxx
Criswell, Joe W., xxx-xx-xxxx
Dalton, Thomas J., xxx-xx-xxxx
Daroza, Lee R., xxx-xx-xxxx
Davis, Kenneth J., xxx-xx-xxxx
Day, Foster H., xxx-xx-xxxx
Diluzio, Rudolph G., xxx-xx-xxxx
Downing, Robert G., xxx-xx-xxxx
Eck, Alan, xxx-xx-xxxx
Ellison, John H., xxx-xx-xxxx
Erickson, Thad L., xxx-xx-xxxx
Everett, Woodrow W., Jr., xxx-xx-xxxx
Falk, Joel V., xxx-xx-xxxx
Fitzgerald, Raymond N., xxx-xx-xxxx
Fleck, Joseph W., xxx-xx-xxxx
Ford, Jack E., xxx-xx-xxxx
Foxwell, Vaughn M., Jr., xxx-xx-xxxx
Gildart, David C., xxx-xx-xxxx
Graham, Johnnie B., xxx-xx-xxxx
Grooms, William M., xxx-xx-xxxx
Hall, William H., xxx-xx-xxxx
Haskins, Burtrand S., xxx-xx-xxxx
Havas, Stephan, xxx-xx-xxxx
Hess, Joseph, xxx-xx-xxxx
Holliday, Walter C., xxx-xx-xxxx
Huckabee, Gerald P., xxx-xx-xxxx
Ingram, Edsam M., xxx-xx-xxxx
Janczyk, John E., xxx-xx-xxxx
Jernigan, Kenneth J., xxx-xx-xxxx
Kennedy, Robert, xxx-xx-xxxx
Kerbel, Waldemar K., xxx-xx-xxxx
Kerley, Robert D., xxx-xx-xxxx
Kimberlin, Ralph D., xxx-xx-xxxx
King, Bernard R., xxx-xx-xxxx
Kittelson, John E., xxx-xx-xxxx

Kleopfer, Duane L., xxx-xx-xxxx
Krass, John G., xxx-xx-xxxx
Leach, Larry L., xxx-xx-xxxx
Lybrook, William R., xxx-xx-x...
Mages, James G., xxx-xx-xxxx
Mayer, James I., xxx-xx-xxxx
McCoy, Richard A., xxx-xx-xxxx
McSparrin, John L., xxx-xx-xxxx
Moore, Gerald J., xxx-xx-xxxx
Morrissey, Thomas F., xxx-xx-xxxx
Murphy, Donald J., xxx-xx-xxxx
Murphy, Timothy J., Jr., xxx-xx-xxxx
Myers, Brenton, D., xxx-xx-xxxx
Myers, William A., xxx-xx-xxxx
Ormon, Gerald M., xxx-xx-xxxx
Pappas, Nicholas, xxx-xx-xxxx
Percival, Daniel S., Jr., xxx-xx-xxxx
Petersen, Leon, K., xxx-xx-xxxx
Polzin, Robert R., xxx-xx-xxxx
Rice, George M., xxx-xx-xxxx
Roecker, Dana K., xxx-xx-xxxx
Ruggiero, Robin R., xxx-xx-xxxx
Saroni, Maurice J., xxx-xx-xxxx
Scheibal, Carl G., Jr., xxx-xx-xxxx
Schuster, Fredrick L., Jr., xxx-xx-xxxx
Seemann, Arthur D., xxx-xx-xxxx
Seivert, Richard H., Jr., xxx-xx-xxxx
Sherrow, Herbert R., Jr., xxx-xx-xxxx
Shipeky, Rudolph L., xxx-xx-xxxx
Sibbald, David M. H., xxx-xx-xxxx
Slothower, Douglas W., xxx-xx-xxxx
Talley, Bernard L., Jr., xxx-xx-xxxx
Thomas, James E., xxx-xx-xxxx
Thomas, Jerry J., xxx-xx-xxxx
Warner, Robert L., xxx-xx-xxxx
Weddle, Thomas B., xxx-xx-xxxx
Wege, David J., xxx-xx-xxxx
Wehr, Rolf, A., Jr., xxx-xx-xxxx
Wendt, David K., xxx-xx-xxxx
Wilkins, Warren E., xxx-xx-xxxx
Willis, Charles, A., xxx-xx-xxxx
Winslow, John M., Jr., xxx-xx-xxxx
Wolff, William J., xxx-xx-xxxx

CHAPLAIN CORPS

Ludwid, Richard C., xxx-xx-xxxx
Lynn, Robert C., xxx-xx-xxxx
Rienstra, Andrew R., xxx-xx-xxxx

DENTAL CORPS

Anderson, Maynard C., xxx-xx-xxxx
Goltry, Rodman R., xxx-xx-xxxx
Hecht, Arnold, xxx-xx-xxxx
Petty, Omer K., xxx-xx-xxxx

JUDGE ADVOCATE

Cloe, Rafe H., xxx-xx-xxxx
Grayson, James P., xxx-xx-xxxx
Marquardt, Philip W., xxx-xx-xxxx
Mecham, Glenn J., xxx-xx-xxxx
Meredith, Jennings B., xxx-xx-xxxx
Mims, Roy L., 423-44-5922

MEDICAL CORPS

Ater, David H., xxx-xx-xxxx
Bidwell, Donald W., xxx-xx-xxxx
Biener, Robert S., xxx-xx-xxxx
Booker, James A. Jr., xxx-xx-xxxx
Cranton, John R., xxx-xx-xxxx
Cronin, Herbert F., xxx-xx-xxxx
Dicus, Donald R., xxx-xx-xxxx
Driggers, David A., xxx-xx-xxxx
Dugdale, William R., xxx-xx-xxxx
Evans, Richard M., xxx-xx-xxxx
Fitzpatrick, Frederick W., Jr., xxx-xx-xxxx
Floyd, John, xxx-xx-xxxx
Glickel, Joseph, xxx-xx-xxxx
Griffiths, Harold M., xxx-xx-xxxx
Justis, Elvis, J., xxx-xx-xxxx
Kapstrom, Albert B., xxx-xx-xxxx
Krege, John W., xxx-xx-xxxx
Luff, Ronald D., xxx-xx-xxxx
Mendlick, Richard M., xxx-xx-xxxx
Michael, Calvin A., xxx-xx-xxxx
Mojicamorales, Victor M., xxx-xx-xxxx
Nicol, William F., xxx-xx-xxxx
Northington, Floyd C., xxx-xx-xxxx
Perry, Robert L., xxx-xx-xxxx
Perschau, Richard A., xxx-xx-xxxx
Poole, Robert S., xxx-xx-xxxx
Ryan, Michael E., xxx-xx-xxxx
Sander, Richard A., xxx-xx-xxxx
Shave, David W., xxx-xx-xxxx
Walters, Charles L., xxx-xx-xxxx
Weaver, Donald S., xxx-xx-xxxx
Weiss, Carl B., xxx-xx-xxxx
Welsh, George F., xxx-xx-xxxx
Wilkinson, Earl V., III, xxx-xx-xxxx
Wolf, Mark J., xxx-xx-xxxx
Yamauchi, Hiroshi, xxx-xx-xxxx

NURSE CORPS

Baker, Erma J., xxx-xx-xxxx
Bryan, Elsiemae, xxx-xx-xxxx
Camenzend, Ramah J., xxx-xx-xxxx
Dillon, Barbara A., xxx-xx-xxxx
Guyton, Nancy C., xxx-xx-xxxx
Hargett, Margaret V., xxx-xx-xxxx
Holland, Carol A., xxx-xx-xxxx
Koenig, Evelyn L., xxx-xx-xxxx
Lee, Rose M., xxx-xx-xxxx
McAfee, Maryann, xxx-xx-xxxx
Shalloo, Marilyn B., xxx-xx-xxxx

MEDICAL SERVICE CORPS

Lacy, James A., xxx-xx-xxxx
Mosher, John E., xxx-xx-xxxx
O'Connell, James J., xxx-xx-xxxx

BIOMEDICAL SCIENCES CORPS

Boehrer, Jane M., xxx-xx-xxxx
Plymale, Harry H., xxx-xx-xxxx
Waxman, Irwin, xxx-xx-xxxx

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of section 593(a) title 10 of the United States Code, as amended:

LINE OF THE AIR FORCE

To be lieutenant colonel

Maj. Ralph P. Anderson, xxx-xx-xxxx
Maj. James R. Bartelma, xxx-xx-xxxx
Maj. George S. Bones III, xxx-xx-xxxx
Maj. William E. Chmelir, xxx-xx-xxxx
Maj. Michael K. Feener, xxx-xx-xxxx
Maj. Stephen D. Gray, xxx-xx-xxxx
Maj. Joseph E. Jepsen, xxx-xx-xxxx
Maj. Fridolf H. Kellerup Jr., xxx-xx-xxxx
Maj. Byron K. Lichtenberg, xxx-xx-xxxx
Maj. Thomas J. Lien, xxx-xx-xxxx
Maj. Mark T. Milbourn, xxx-xx-xxxx
Maj. John R. Moss, xxx-xx-xxxx
Maj. Thomas W. Rivera, xxx-xx-xxxx
Maj. Ramiro A. Rodriguez, xxx-xx-xxxx
Maj. Richard W. Rottgering, xxx-xx-xxxx
Maj. James E. Strange, xxx-xx-xxxx

LEGAL

Maj. William S. Herbert Jr., xxx-xx-xxxx

MEDICAL SERVICE CORPS

Maj. Philip R. Dever, xxx-xx-xxxx

MEDICAL CORPS

Maj. Robert P. Andrews, xxx-xx-xxxx
Maj. Harry J. Robinson Jr., xxx-xx-xxxx

NURSE CORPS

Maj. Ben D. Mittman, xxx-xx-xxxx

DENTAL CORPS

Maj. Ronald W. Weiand, xxx-xx-xxxx

IN THE NAVY

The following-named U.S. Naval Reserve officers, to be appointed permanent commander in the line of the U.S. Navy pursuant to title 10, United States Code, section 531:

Cook, Robert Allyn
Elliott, Walter Micha
Napior, Dennis Arthur
Pohl, John Sherman
Porterfield, Craig
Watson, Anthony John

The following-named U.S. Naval Reserve, officers, to be appointed permanent lieutenant commander in the line of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Blair, Kenneth Marion
Blaser, Stephen J.
Braynon, Oscar James
Brown, Robert Stewart
Chinberg, Charles A.
Chlebanowski, Joseph
Chukes, Frank, Jr.
Cooper, Arthur Thomas
Crawford, Thomas A.
Ford, Alfred Daniel
Garcia, Marcial E.
Hasson, Michael
Henderson, Steven J.
Hissem, Steven Dean
Holzworth, John G.
Jaroncyk, William, Jr.
Jernigan, Lawrence W.
Jones, Michael Albert
Kuehn, John Leighton
Mack, Michael Leroy
Maxwell, Michael D.
Ortiz, Richard Paul
Parker, Carlton D.
Poole, Russell John
Reid, Dennis W.
Schneider, Jeffrey A.
Sine, Don T.
Southworth, Richard E.
Spunar, Vincent P.
Stanton, Charles D.
Vaught, John Wesley
Vazquez, Maurice V.
Villemez, Raymond J.
Wakefield, Charles D.
Walters, Charles E.
Watson, John Anthony
Wooldridge, Edmund T.

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant in the line of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Althaus, James Herty
Anderson, Bruce Lee
Beall, Frederick McLenahan
Bechtol, Denise Lorraine
Braun, James Henry, Jr.
Carver, John Robert
Casey, John Wells, III
Castaneda, Raul Jesus
Cipollone, Lawrence Vincent
Corey, Thomas Lawrence, Jr.
Crepea, Andrew Thomas
Dean, Thomas Murray, Jr.
Doudera, Jon Joseph
Egan, Richard Thoma
Finch, Kenneth Michael
Gahr, Daniel Jo
Giesen, Stephen A.
Ham, Meredith, III
Harrison, Edward Randolph
Hedstrom, Wiliam George
Hendrikson, Peter Henrik
Hoban, Paul J.
Howard, Ivy Layne
Hynes, Thomas Vincent
Jones, Terrance Gregory
Kennedy, Paul Thomas
Kennerley, William Robert
Lomas, George Gosling, III
MacMillan, Peter Norman
Mascarin, David Glenn
McMurry, Thomas Alan
Mettlach, Theodore Robert
Mickle, Glenn Robert
Mullis, Dana David
Noulis, John Chalmers, Jr.
Nunez, Guillermo

Peters, Terry Eugene
Rathmanner, Steven Clifford
Redman, Terry Lee
Reinschreiber, Keith Douglas
Root, Donald L.
Rowan, Richard Michael
Schinbeckler, Bradford Alan
Steinman, Victor Anthony
Stevens, Michael Alan
Stubbs, Laura Denise
Swift, Scott Harbison
Thirkill, James E.
Thomas, Christopher Nathan
Vesterman, John Edward
Vinson, John Paul
Walker, Jeffrey Norman
Walker, Robert Amos
Watson, John Anthony
Welch, Mitchell Montgomery
Wells, Michael Edwin
White, Glen Thomas
Whitman, Clark Edward
Wilkinson, Jay Colvard
Wunder, Harold David
Youngaranita, Natalie Kwai S.
Zerbo, Joseph Robert
Zobel, Kurt William

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant (junior grade) in the line of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Akey, Kevin John
Allen, James W.
Anderson, Robert Eric
Ayers, Larry Dale
Barea, Michael John
Barratt, Steve Michael
Bauckman, Mark Warren
Bockelman, William Don
Bolger, Francis Thomas
Bolick, Willie Kelly
Bougard, Allen Robert
Boullianne, Edmond Lawrence
Boyd, James William Jr.
Boyer, Telford G., II
Bridges, Joycelyn Yvette
Brownell, Bruce Hamilton
Bruskotter, Dale Leonard
Buckey, David Loren
Cameron, Steven Richard
Carter, Gilbert Antwan
Casey, Judith Adams
Charest, Gerard Armand
Clague, John Robert
Clark, Bonnie Dawn
Clark, Randy W.
Collins, Dean A.
Coomes, Michael J.
Covington, Valerie Ann
Cunningham, Patricia Lynn
Cupples, Jerrie Lanelle
Dahl, David A.
Daley, John Alexander
Daniels, David Anthony
Danko, Dennis P.
Delaporte, Sylvester Dale
Doorey, Timothy J.
Dowidchuk, Paula Lee
Drake, Frank M., II
Duarte, Anthony
Dudney, William M.
Duffy, Lenard Earl
Eads, Catherine Theresa
Ellert, Daniel Otis
Emmert, Marjorie Ellen
Esslinger, George Brandon, II
Farrow, Thomas Edgar
Fatjo, Steve James
Field, Robert Marshall
Fitzgerald, Susan A.
Flax, George Edward
Fogle, David Lynn
Foran, Constance Ann
Forehand, Charles Raymond
Franklin, Mark H.
Frey, Kenneth A.
Gaffney, James Kevin
Gash, William Charles
Gavin, Henry L., III
Gibson, John Allen
Gillam, Benjamin H., Jr.
Goff, Deborah Ann
Goslin, Benjamin John Jr.
Graf, Robin L.
Graham, Stephen Northup
Griffin, Kent Martin
Grim, Stephen Alford
Hammill, William Curtis, Jr.
Hampel, Gary George
Hardy, Paul Dempsey
Harris, Frank Elwood, II
Hawley, John Steven
Herrington, Peggy Glasnapp
Herrington, Xerxes Z., Jr.
Hine, John Michael
Hogue, William V.
Honeck, Susan Margaret
Horre, Robert Warren
Hughes, Amy Leigh
Jackson, Sharon Aline
James, Beth Elaine
James, Lewis P., III
Jara, Timothy Alan
Jeffreys, Julia Ann
Jenkins, Betsy Rosalyn
Johnson, Michael Raymond
Johnson, Randall Lee
Jowers, Debra J.
Kalb, Christian William
Kasper, John Stanley
Keck, Steven Lee
Kenison, Bruce Llewellyn
King, Frederick Michael
Kippes, Adam Albert
Klessinger, George
Kozman, Shelley Lynn
Kreyenhagen, Katrina M.
Kunz, Billy A.
Labarbera, David A.
Lang, Heidi Ruth
Ledbetter, Roxane Emily
Leigh, Anthony Murray, Jr.
Leigher, William Everett
Leighton, Deborah Rice
Lewis, David Robert
Ligman, Mark E.
Lorry, Nanette M.
Lyle, Margaret Queen
Lynch, Eleanor A.
Majors, Dana Stephen
Marcy, David Alan
Markovich, Stanley Joseph
Martin, Jack Robert, Jr.
Mayse, Joseph Edward
McCarty, Kevin Douglas
McClain, Michael Thompson
McDermott, Kevin Gerald
McMillen, Mark Poe
McMinn, Arthur Allen
Meagher, Robert Peter
Merrill, Andre R.
Millegan, James Patrick
Miller, Neal Robert
Miller, Ruth Ann
Mills, Patrick Michael
Minyard, Howard Scott
Moore, Jonathan Douglas
Morison, Earl Rufus
Mortemore, Kim Duane
Murphy, Steven Joseph
Murray, Scott Joseph
Newhouse, Lauranne Louise
Nicholas, Kevin William
Nichols, Mark Reynolds
Olsen, Gary Walter
Perry, Timothy Shaw
Picou, David S.
Pohle, Charles Thomas
Purdum, James Hampton
Purvis, Henry Kevin
Quinn, Leslie Joan
Rahe, William Joseph
Richardson, Thomas Lewis
Risi, Matthew August
Russo, Frank Raymond, Jr.
Sas, William D.
Schmidt, Robert Dean
Schneider, David P.
Schroeder, Mary Julia
Schwartzenburg, David Errol
Shahayda, Vincent A.
Sickert, Mark Robert
Simpson, Dorice Fay
Simpson, Renee Joy
Sims, Kristine K.
Smith, Martin Paul
Spotteck, Gordon Everett
Steers, Mark Raymond
Stewart, James A.
Storrs, Eamon Matthew
Strait, Robert Paul
Summer, David Glenn
Swecker, Mitchell T.
Tate, Dorothy Lou
Terry, Stuart Douglas
Tsougas, Nicholas
Tunick, Wayne A.
Turner, George Macon, III
Valentine, William Howard
Vanderlip, William Jospeh, Jr.
Vellella, Robert Frank
Warakomski, Bernard Francis
Waters, Robert Ray
Whitfield, Gary Charles
Whitus, James J.
Williams, Dennis W.
Wilson, John Lee, III
Winters, Edward Griffing, III
Womble, Walter G.
Wood, Jeffrey Paul
Wood, Patricia Ann
Woolfrey, Scott David
Yarger, Albert Arthur
Zwartz, Henry Alan

The following-named U.S. Naval Reserve officers, to be appointed permanent ensign in the line of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Ahumada, Marco Daniel
Babin, Michael Louis
Barb, Kevin Joseph
Barsanti, Robert John, Jr.
Basson, Kent Eugene
Becker, Timothy Adil
Bender, Roy Myron
Rothwell, Thomas Aidan
Britton, James Henrion, Jr.
Burnham, Timothy Lee
Carlson, Robert Maris
Cearley, Charles Scott
Cord, Gregory Alan
Crockett, K. David
Cutsforth, Robert Henry
Debenham, Scott Robert
Delaespriella, Roberto Jose
Dobson, Randall
Doyle, Michael Edward
Duchscherer, Norman Carl, Jr.
Dukes, Robert Allen, III
Dvorak, David Albert
Fish, Wayne Lee
Fling, Paul Eric
Foos, Scott Edward
Francis, William David
Frazee, Robert Allen
Fritts, Craig Hamilton
Gourley, David Eric
Granger, Pall Raymond
Graveline, Mark Christopher
Gunthorpe, Matthew A.

51-059 O-86-16 (Pt. 2)

Gwynn, John Robert
Harasha, Jeffrey Scott
Hawkins, Robert L.
Hughes, Brian David
Humphries, David Scott, Jr.
Jesse, Everett A.
Josephson, Walter Scott, IV
Kaleel, David Wayne
Keffer, Mark Vincent
Kellerhals, William John
Kelley, Jeffrey Barnes
Kennedy, Mark Robert
Kim, Jeong Hun
Kimball, Michael John
Llas, David Lawrence
Kramer, Richard Alvin, Jr.
Kubiak, Vernon Robert
Lang, Paul
Lansford, William Warren
Lawson, Gregory Bevan
Lebaron, Lance Eugene
Lewis, Larry Russel
Lile, Ronald Dean
MacLaren, Jon Mark
McCullough, Michael Gene
McDermott, Michael Patric
McLean, Michael Brooks
Meyers, Dennis Joseph
Mitchell, James B.
Muir, Robert Campbell, III
Olson, James Michael
Orenstein, Robert Michael
Pacelli, Joseph Anthony
Park, Paul Yonghoon
Patterson, David Jearl
Peterson, John Michael
Rabith, Michael Christopher
Richard, Charles Anthony
Richardson, Thomas Lewis
Roach, Terrance Michael
Roebelen, George Joseph, III
Ruiz, Efrain
Russel, Steven Duane
Sallah, Stephen John
Schwarz, Christopher Ambrose
Shumway, David Franklin
Slettene, Brad Larsen
Smith, Jerry Alan
Stiffler, David Charles
Sykes, Carl Raymond
Wakeland, Douglas Lowell
Wasz, Edwin Joseph
Welnick, Robert Norman
Wright, Steven Harold
Zellers, Kevin Scott
Zipp, William Franklin

The following-named U.S. Naval Reserve officers, to be appointed permanent captain in the Medical Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Bailey, Harry
Binard, Joseph E.
Connors, Paul Joseph
Flowers, Neal Stewart
Jordan, John Sheffiel
Knudson, Robert D.
Mack, Gregory Robert
Markovits, Andrew S.
Smith, Joseph J.
Veach, Stephen Read
Webster, John Seabury

The following-named U.S. Naval Reserve officers, to be appointed permanent commander in the Medical Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Alona, Bienvenido R.
Anthony, Marion D.
Avalos, Jack Candido
Bean, Terrell W.
Blair, Timothy P.
Buck, Janet Harriet
Burdick, Richard L.
Burkey, Thomas M.
Bush, Richard G.
Carambas, Clarita R.
Chernow, Bart
Cole, Richard L.
Cook, Stephen S.
Datu, Jesus A.
Davis, Glenn M.
Dons, Robert F.
Dubbs, William F.
Durham, Ralsa F.
Edwards, Charles L.
Eisold, John F.
Elleson, Dale A.
Evans, Robert M.
Fine, Ronald.
Foley, Richard Walter
Governski, David A.
Henderson, Harry M., II
Herzog, Thomas H.
Johnson, James A.
Johnson, Richard B.
Jones, Martin W.
Kerrigan, Kevin R.
Kester, Ronald A.
Kiethanom, Mungkorn
Kuehl, Gary V.
Lanard, Bruce J.
Lanard, Margaret S.
Long, Ronald J.
Mahoney, Michael D.
Marsh, William L., Jr.
Massa, Emilio NMN
Maxwell, James H.
Metildi, Leonard A.
Miller, Jeffrey E.
Morgan, Candice Ann
Navarro, Felix A.
Norris, Michael S.
Norvell, Samuel S.
Panagakos, Jean
Petruzzo, Robert T.
Pick, Robert A.
Ranbarger, Kim Robert
Shakir, Mohamed K. M.
Shaw, Spencer W.
Sheffield, Roger W.
Singleton, Michael R.
Stevenson, Craig D.
Sustarsic, David L.
Vasquez, Nora De Leon
Wignall, Frank S.
Williams, Larry S.

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant commander in the Medical Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Ada, Jesse Ramirez
Adams, Shelley Lou
Alarid, Richard R.
Alway, Paul R.
Ambrose, Michael R.
Amundson, Dennis E.
Avalos, Jack Candido
Bacak, Velma Anne
Backer, Thomas S.
Balderston, Scott M.
Bazemore, Webster C.
Beckham, James R.
Bengs, Christopher J.
Bird, Kenneth D.
Bischoff, Craig E.
Bothwell, Linda Harriet
Boyer, William F.
Boyle, Denis Andrew J.
Brady, John G.
Braem, Boyd C.
Brantly, Patricia N.
Breene, Dennis P.
Brewer, Stephen L.
Brown, John G.
Brown, Mary J.
Buchanan, Larry D.
Bullock, Steven R.
Butler, Frank Kennedy J.
Bylund, David J.
Cain, Carley E.
Call, Timothy G.
Camosy, Pamela A.
Cannon Odest, Frank J.
Carlin, Hugh M.
Carlson, Clarence R.
Castle, Joseph E.
Chamberlin, Willardle
Champaign, Judy L.
Chandler, Charles G.
Chiaramonte, Robert M.
Chulski, Thomas G.
Cilbrith, David B.
Cole, Michael S.
Cole, Richard L.
Colon, Vilma
Conard, Dennis W.
Concepcion, Tomas J.
Congleton, Michael Will
Cross, Dewitte T.
Cunnion, Stephen Owen
Curran, James Joseph
Darrow, Charlene D.
Davis, David J.
Davis, Regina D.
Dawson, Michael J.
Demasi, James M.
Deming, Richard L.
Derrig, Pearse
Despres, Bernard T.
Devantier, Wayne R.
Dietrich, Marcia C.
Doyle, Edward J.
Ducatman, Barbara T.
Duggar, Robert G.
Duncan, Elbert A.
Duntemann, Thomas J.
Duval, Georges S.
Elliott, Kent C.
Ellis, Ronald L.
Ennis, Diane E.
Erdman, John
Evans, Deborah J.
Fairweather, Leslie
Faith, William T.
Farrell, Paul E.
Fennerty, Michael B.
Ferguson, John V.
Ferguson, Robert K.
Finnern, James F.
Fitzgerald, John F.
Fogarty, Michael G.
Forconi, Rion, J.
Foster, John I.
Frame, Scott B.
Freeman, Stephen B.
Frey, Stephen J.
Friend, Kathleen D.
Frisby, Shayla A.
Fulton, Dwight C.
Gadde, Sudhi R.
Galbo, Claudia E.
Gebrowsky, Kristine M.
Giebner, Stephen D.
Gilbert, Richard M.
Glaser, Joseph E.
Goble, Richard E.
Golubski, Joseph F.
Gore, Rufus W., IV
Grady, Michael J.
Gratton, Matthew C.
Green, Jimmy W.
Griglak, Martin J.
Grimm, Samuel O.
Grueter, Jean A.
Hanes, Ernest C.
Hansen, Kendell G.
Hanson, Roger W.
Haralson, Harold H.
Harker, Lee C.
Harkleroad, Alfred L.

Harper, Reginald H.
Healy, Kevin J.
Heffernan, Edwin J.
Herbick, William T.
Hieb, Donna L.
Hill, Erick J.
Hodge, John W.
Hon, Charles B.
Hui, Anthony N.K.
Hunter, Christine S.
Hyatt, Thomas A.
Jeffries, Rudolph, Jr.
Kang, Dongkyoo R.
Kapanka, Heidi
Kelleher, Arthur J.
Keykhah, Shahnaz S.
Kirkpatrick, Michael
Knafelc, Marie E.
Kniss, Gregory P.
Knowlan, Michael N.
Kozel, Margaret K.
Kozel, Randy B.
Lamas, Fernando E.
Lanza, Roque A.
Laskin, William Bradlyn
Laskowski, Chester G.
Laverson, Perri L.
Lees, Joel Ardell
Leonard, Kenneth E.
Lessard, Louis W.
Licina, Michael G.
Lohstreter, Thomas A.
Loup, Davonne S.
Louwsma, David Lee
Lowery, Clarence E.
Lozier, Jeffrey R.
Lubbers, Phillip R.
Luter, Larry Joseph
Madden, Michael A.
Manson, Alan Lee
Marchaj, Konrad T.
Marfing, Thomas E.
Marino, Gregory G.
Marsh, Michael Steven
Marthynoonan, Anne K.
Martin, Howard Clyde
Martinez, Humberto D.
Martland, William H.
Marx, Douglas William
Mathis, Eddie Gene
May, Sheila Dawn
McAdams, Stephen A.
McAuliffe, Michael J.
McBride, Dennis E.
McCaffrey, Francis M.
McDaniel, William W.
McHale, James Francis
McHugh, Gregory J.
McMillan, Marion R.
McPoland, Patric R.
McQuaide, Joseph M.
Mellis, Peter T.
Menendez, Robert M.
Merrillnanch, Suzanne
Meyers, Stephen A.
Miegel, Carol Ann
Millard, Frederick E.
Miller, Steven H.
Mischer, Carolyn F.
Moore, Michael Enrigh
Morelock, Michael D.
Morris, Dana James
Morton, Anthony Lewis
Mosley, Coleman A., Jr.
Muller, Donna Sue
Myers, James Olivier
Newman, Brian Francis
Niccolai, Thomas A.
Nicke, Robert John
Nile, Lynn Marie
Noonan, James Matthew
Nyquist, Brian O.
Odell, Bruce L.
Olearly, Michael J.
Pagel, Kirk D.
Palmer, George F.
Parsley, Lawrence J.
Posolyar, Dale Wilton
Peacock, Mark Douglas
Perry, Donna R.
Peterson, Brian Lee
Phillips, Eric H.
Phillips, Melissa Jan
Piorkowski, Joseph D.
Poston, Harold C.
Puligandla, Balaram
Quigg, Robert W.
Rae, Harry Gunter
Reynders, William M.
Ridgway, Kirby Gail
Ripple, Stephen R.
Roberts, Debra Kay
Robinson, Ted Jay
Rodriguez, Manuel I.
Rolfes, Donald B.
Rudock, Albert S.
Rumore, Gregory J.
Salazar, Guillermo J.
Schappacher, Susan L.
Schindler, William R.
Schlager, Norman
Schubert, Armin
Schvehla, Thomas Jose
Schweich, Daniel Paul
Scott, Brett Andrew
Selby, Stephen James
Sellers, Randall Van
Seremet, Martin Chest
Shannon, Frederick B.
Sharpe, Melanie Brock
Sharpe, Robert Wayne
Shearer, Douglas R.
Shen, Vincent S. W.
Sherman, Michael R.
Shipman, Charles E.
Short, James Edward
Sidaway, Larry Steven
Simmons, Richard J.
Slesinski, Michael J.
Slightam, John David
Slocum, Kathleen A.
Smith, Leslie S.
Sogn, Richard R.
Squires, John Michael
Stanley, Mark Danton
Stark, Erick W.
Stewart, William R.
Stull, John Davis
Talleywillis, Sandra
Taylor, Derrick D.
Terwilleger, John E.
Tiedt, Douglas L.
Tremblay, Laurier J.
Tueller, John Edward
Turner, N. Fletcher, II
Upton, Jeffrey Dwight
Urdaneta, Ramon A.
Vafier, James A.
Valdesdapena, Andres
VanBuecken, Kent
VanHoudt, Gerard
Vargas, Matthias J.
Villaflor, Antonio G.
Wadatz, Dale E.
Wear, Deborah Jane
Weisser, Rick Steven
Weldon, Dean Angela
Wetherley, Graham K.
Whistler, Stephen P.
Wickersham, James K.
Wight, Stephen E.
Wilkey, David L.
Willis, Howard C.
Wilson, James C.
Wilson, Marion E.
Wininghan, Donna E.
Wiprud, Robert M.
Wolff, Peter
Yco, Mario S.
Young, David S.
Zasada, Andrew P.
Zurbach, James M.

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant in the Medical Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Allen, Christopher L.
Cohen, Barry David
Glenn, William Brian
Lopreiato, Joseph O.
Pezor, Laurence John, Jr.
Tek, Deniz Server

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant commander in the Supply Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Agresti, Michael C., II
Vayda, Thomas George

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant in the Supply Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Dewald, Peter J.
Ferrancruz, Juan Guillermo
Preuss, John Erickson
Schlenk, Peter Paul, Jr.
Tiffany, Murray Lee, III

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant (junior grade) in the Supply Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Bartman, Steven Richard
Baucom, David Folk
Brinkley, Douglas Edward
Brown, Donald Lee
Brown, Mark Albert
Coleman, Lawrence Gordon
Cotters, Jon Francis
Curry, William Scott
Delaney, Daniel Edward
Eichner, John Matthew
Escano, Ronnie Apacible
Fair, Robert Jerome, Jr.
Fetherston, John Dewey
Ford, Jeffrey Lynn
Fraser, Heather Ann
Fuller, William Michael
Furforo, Marco Steven
Furlong, Thaddeus
Gottlick, Richard Charles
Grau, Charles Vincent
Griffin, Joseph Henry, III
Hall, Alan S.
Harriman, Jurgen Diethard
Higgason, Thomas Henry
Hockenberry, Dale Roy
Howard, James R.
Howard, Lawrence Dean
Iannicca, Richard Raymond
Jacunski, Walter Wesley
Joaquin, Thomas Edward
Kottman, Wayne David
Krell, Ronald J.
Lewis, Lawence Joyner, Jr.
Livingston, Gordon Ray
Maguire, Larry A.
Maher, Michael William, Sr.
Malgapo, Jesus Cristobal
Manna, Joseph Francis
Martinez, Tony Ronald
McCarthy, David Corey
McCurdy, Bridget E.
Micucci, Val Anthony
Miller, Jonathan David
Miller, Robert W.
Newkirk, Ronnie E.

O'Brien, James Martin
O'Connor, Michael Murray
Page, Asa Hix, III
Pound, James Gilbert
Rollo, Michael Bernt
Ross, Timothy Joseph
Skratulia, Michael William
Skrtich, George Thomas, Jr.
Small, William Canady
Smith, James Edward
Snyder, Robert Joseph
Sohn, Edith Marie
Szabo, Robert Joseph
Tennyson, John Henry
Volz, Gary M.
Walker, Ronald George
West, Garry Boyd
Willcox, Clark Dale
Workman, James Costen
Zimmon, Nicholas Waldon

The following-named regular officers to be reappointed permanent lieutenant in the Supply Corps of the U.S. Navy, pursuant to title 10, United States Code, section 5582B:

Bitter, Kenneth C.
Curtis, Gregory Stevens
Suckow, George Bruce

The following-named regular officers to be reappointed permanent lieutenant (junior grade) in the Supply Corps of the U.S. Navy pursuant to title 10, United States Code, section 5582B:

Guevara, Joy Marie
Nowak, John C.
Postenrieder, Linda Gail

The following-named U.S. Naval Reserve officers, to be appointed permanent captain in the Chaplain Corps of the U.S. Navy pursuant to title 10, United States Code, section 531:

Harris, Donald B.
McCloskey, George P.

The following U.S. Naval Reserve officer, to be appointed permanent commander in the Chaplain Corps of the U.S. Navy pursuant to title 10, United States Code, section 531:

Paul, George C.

The following U.S. Naval Reserve officers, to be appointed permanent lieutenant commander in the Chaplain Corps of the U.S. Navy pursuant to title 10, United States Code, section 531:

Adair, Robert H.
Addington, Forest E.
Atkins, Thomas Ross
Baird, Thomas D.
Barrera, Rodolfo
Betts, Thomas Edward
Blackburn, Gerald J.
Carpenter, Anthony H.
Coyle, Patrick P.
Crenshaw, Hazell M.
Darling, Rex G.
Doss, James Lee
Durham, James Berry I.
Durham, Ronald Wayne
Dwyer, James Daniel
Erb, Richard D.
Ignacio, Simon Peter
Katsarelis, John Paul
Labaro, Alfredo S.
Magness, James B.
McClain, Marvin G.
McIvor, Walter Robert
Metzger, David L.
Nacauili, John N.
Olauson, Douglas J.
Otey, Flem Brown, III
Ottaviano, Daniel H.
Pope, John
Precup, Johnna Lee
Robinson, Lee Charles
Schranz, Mitchell
Simonelli, Dominick
Tumbleson, William C.
Umbaugh, Ray Duane
Williams, Dale Edward

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant in the Chaplain Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Auerback, Norman Leslie
Burns, Robert James, Jr.
Byrum, George Philip
Epperson, Ralph Stephen
Keiran, Alan N.
Liguori, Henry August
Murphy, Thomas Edward

The following-named U.S. Naval Reserve officer, to be appointed permanent lieutenant commander in the Civil Engineer Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Band, Jean A.

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant in the Civil Engineer Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Bessette, Steven Arthur
Biggins, Timothy F.
Erickson, Caryl Lynn
Guerci, Thomas C.
Macias, Larry J.
Plockmeyer, Dennis Roger
Willis, Chris Mack

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant (junior grade) in the Civil Engineer Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Collins, Robin Arthur
Johnson, Charles Douglas, Jr.
Johnson, Robert Jean
Jones, Gordon Welch, Jr.
Roth, Richard Douglas, Jr.
Scott, Brian Merritt

The following-named regular officer to be reappointed permanent lieutenant in the Civil Engineer Corps of the U.S. Navy, pursuant to title 10, United States Code, section 5582B:

Plows, Donald Allan

The following-named regular officers to be reappointed permanent lieutenant (junior grade) in the Civil Engineer Corps of the U.S. Navy, pursuant to title 10, United States Code, section 5582B:

Barr, Ronald Scott
Clark, Joel Andrew
McMiller, Apryl D.
Sellers, James Keith

The following-named regular officers to be reappointed permanent ensign in the Civil Engineer Corps of the U.S. Navy, pursuant to title 10, United States Code, section 5582B:

Natsuhara, Roger Mitsuru

The following U.S. Naval Reserve officer, to be appointed permanent commander in the Judge Advocate General's Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Fiske, Ronald N.

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant commander in the Judge Advocate General's Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Compton, Charles C.,
Cotton, Steven S.,
Williams, Richard G.,

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant commander in the Dental Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Bowers, Jack Arnold
Collier, Christopher
Doyel, Roger Thomas
Etheridge, Robert E.,
Johanboeke, Milton F.,
Knuppel, Dorothy Ellan
Kohler, Gene Michael

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant in the Dental Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Barnes, David George
Clark, Martin Thomas
Erbland, Christopher R.,
French, Arthur Allen
Johnson, Janice Ruth
Kaminske, Kevin Scott
Keating, Kevin Arthur
Larson, Reed A.,
Marland, Lloyd William
Millarbrunhofer, Lorna
Schwartz, Joel Lawrence
Skwara, David Mark
Thompson, David Ian
Ware, James Joseph
Wiemann, Alfred Hanniba

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant commander in the Medical Service Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Barnhart, Francis J.,
Calabro, Michael A.,
Goodnough, Ronald D.,
Purk, Constance Anne

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant in the Medical Service Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Adkins, Harvey John
Anderson, Edward Willia
Barron, Eugene Devine J.
Burg, Robert Jules
Catabay, Rodrigo Santos
Gay, Robert Brian
Gulledge, Harvey Joe
Hirsh, Roger Nelson
Jenkins, Zachary
Kane, Edward Joseph, Jr.
Maloney, David L.
McCormack, Marcella Mau
Puksta, Charles Peter J.
Robinson, Charles Allen
Smith, Randall Jay
Stein, Kenneth Alan
Still, David Lee
Sullivan, Robert Walter
White, Stephen Craig

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant (junior grade) in the Medical Service Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Bond, Anthony Emanuel
Howell, Jeffrey Lynn
Ramsey, Mary Jo
Rennix, Christopher Par
Shammas, Joseph Ivaro
Supples, Richard Lawren

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant commander in the Nurse Corps of the U.S. Navy, pursuant to title 10, United States, Code, section 531:

Cato, Eugenia NMN
Glenn, Judy Carole
Herrlich, Sylvia D.
Judd, Betty J.
Kelley, Patricia Much
Kohl, Jean Emily

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant in the Nurse Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Abrams, Mark Michael
Barnestaylor, Wendy Lea
Beck, Randeen Loy
Brackett, Sheila Suppes
Cohn, Jean Spangler
Davis, Margaret Dendy
Davison, Cindy Joy
Espinosa, Julio Solis J.
Gabrielson, Dawne Chris
Glenn, Judy Carole
Gromley, Ralph Eugene
Jacoby, Laura Elizabeth
Kozub, Victoria Marie
Ladd, Janet Yvonne
McMillan, Beverly Louis
Mead, Jane E.
Morinleidig, Mary Marga
Orsini, Gail Annette
Silki, Nancy Jo
Town, Jennifer Lynne
Wilkens, Linda Ann

The following-named U.S. Naval Reserve officers, to be appointed permanent lieutenant (junior grade) in the Nurse Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Byrnes, Carol Marie
Martin, Susan Lou
McCormick, Rebecca Jewe
Pentony, Sharon Marie
Redfern, Walter Wendell

The following-named limited duty officer to be reappointed permanent lieutenant as a regular officer in the line of the U.S. Navy, pursuant to title 10, United States Code, section 5589A:

Cowart, Henry L.

The following-named temporary limited duty officer, to be appointed permanent lieutenant in the line of the U.S. Navy, pursuant to title 10, United States Code, section 5589A:

Kirkpatrick, John D.

The following-named temporary limited duty officers, to be appointed permanent lieutenant (junior grade) in the line of the U.S. Navy, pursuant to title 10, United States Code, section 5589A:

Currivan, Paul B.
Fathke, Donald D.
Mallicoat, Duane W.

The following-named temporary chief warrant officer, to be appointed permanent chief warrant officer (CWO3) in the U.S. Navy, pursuant to title 10, United States Code, section 555:

Worman, Richard Townsend

The following-named temporary chief warrant officer, to be appointed permanent chief warrant officer (CWO2) in the U.S. Navy, pursuant to title 10, United States Code, section 555:

Hanners, Elmer Dowdy

HOUSE OF REPRESENTATIVES—*Wednesday, February 6, 1985*

The House met at 2 p.m.

Rev. Byron R. Wilkinson, Sr., pastor, Arlington United Methodist Church, Arlington, VA, offered the following prayer:

Eternal God, whose creative and redemptive work is always for the good of the Earth's people, we affirm our dependency upon You in becoming Your servants as we begin today's busy agenda.

We sense our responsibility in legislating for billions of people. We would not have us to pray for Your wisdom and strength as a substitute for work. You know we are expected to do our part, for You have made us as persons with minds to think and energy to expend. You have given us the responsibility to do something for the good of the Earth's people and we are grateful.

Enable us to enjoy our tasks. Help us to receive Your wisdom and guidance and then to dispatch our responsibilities as if all that we do depended on us that together we may do that which is well pleasing in Your sight and meaningful in our lives; in the name of Jesus Christ our Lord, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

REV. BYRON R. WILKINSON, SR.

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, I am pleased to welcome for the invocation in the House Chamber today Rev. Byron R. Wilkinson, pastor of the Arlington United Methodist Church in Arlington, VA. I am also pleased to welcome Reverend Wilkinson's wife Alice who has joined us today in the House gallery.

Reverend Wilkinson has had a long and distinguished career both as a pastor and as a New Life Missioner, leading missions throughout the eastern United States, Australia, and England. In addition, Reverend Wilkinson has served as a leader and faculty member of Clergy Conferences and Ministers Convocations and as the president of the Board of Discipleship and a member of the Division of Evangelism in the Virginia Conference of the United Methodist Church.

Reverend Wilkinson has a B.A. degree from Roanoke College, Salem, VA, and a master of divinity degree from Wesley Theological Seminary in Washington, DC. He also holds a certificate in clinical pastoral work from Roanoke, VA, and a teaching certificate from the Evangelical Teacher Training Association.

Mr. Speaker, it is always an honor for one to have a minister or priest or rabbi from one's congressional district give the invocation in the House Chamber. And it is an especially high honor for me to welcome as my constituent someone of Rev. Byron Wilkinson's stature in the ministry.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
February 5, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House at 4:15 p.m. on Tuesday, February 5, 1985 and said to contain a message from the President whereby he transmits the Economic Report of the President, together with the Annual Report of the Council of Economic Advisers.

With kind regards, I am,
Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

HOUSE MUST SEAT CONGRESSMAN McINTYRE

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MICHEL. Mr. Speaker, I have received a copy of the letter from the Indiana secretary of state advising us that Richard McIntyre was and remains the duly elected Congressman from the Eighth District.

Mr. Speaker, I think it is time that you permitted Mr. McIntyre to take his seat in this Chamber.

There is nothing in the Constitution, nothing in the law, nothing in the precedents of this House, and nothing in the exercise of sound judgment or common sense, which would instruct us to deny representation to the people of the Eighth District of Indiana any longer.

I will offer a resolution to seat Congressman McIntyre tomorrow.

The resolution will ask that he be seated provisionally until such time as the whole controversy has been resolved in the House.

I hope that no effort will be made by the majority to deny us a direct vote on that resolution.

That would be a travesty heaped upon an injustice.

And I hope that all Members of this body will support that resolution.

Under my unanimous consent request, I submit a copy of the letter to the Clerk of the House from the secretary of the state of Indiana to be inserted in the RECORD at this point:

SECRETARY OF STATE,
STATE OF INDIANA,
Indianapolis, February 4, 1985.

Hon. BENJAMIN J. GUTHRIE,
Clerk, U.S. House of Representatives, The Capitol, Washington, DC.

DEAR MR. GUTHRIE: This is to inform you that the recount of votes cast in the General Election held November 6, 1984 for the office of Representative in Congress for the 8th Congressional District of Indiana has been completed. Pursuant to Indiana Statutes (Ind. Rev. Code 3-1-27-1 et seq.) both candidates petitioned the county courts of the 8th District of Indiana for a recount. In turn, those courts have forwarded those recount results to me.

Based on the 15 recount certificates received by this office, the election results are as follows:

Richard D. McIntyre, 114,278 votes.
Francis X. McCloskey, 113,860 votes.

These results give Mr. McIntyre a 418 vote plurality over Mr. McCloskey. Therefore, the Certificate of Election previously forwarded to you naming Richard D. McIntyre as duly elected to the office of Representative in Congress for the 8th District of Indiana was and remains correct.

Sincerely,

EDWIN J. SIMCOX,
Secretary of State.

WHO IS BLACKMAILING WHOM

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, my dictionary defines blackmail as a "payment extorted by intimidation." Apparently David Stockman and I do not share the same regard for Mr. Webster because, as I read in this morning's Washington Post, OMB thinks that keeping a strong, vital agriculture in this country, providing us with the

best and most affordable supply of food in the world, is blackmail.

Mr. Stockman, ask the Kansas wheatfarmer whose prices have fallen and who faces foreclosure because he cannot meet the high cost of interest because of your bloated budget deficits if it is blackmail to ask for help to stay on the land. Ask the Iowa corn producer if it is blackmail to ask for enough temporary assistance to finance this year's crop. Ask the livestock producer who has been whipsawed by this administration's annual changes in farm policy whether it is blackmail to want to join in the economic recovery so hailed by you, Mr. Stockman, but unseen in farm country.

Last week Mr. Stockman marched up here and demanded Congress sign a contract with him, a contract for short-term credit relief in exchange for support for a farm bill cutting the legs out from under American agriculture. Mr. Stockman, I submit it is not agriculture who has reneged or who has balked—it has kept its bargain and has provided us food security unknown and unequaled. It is this administration who has reneged on its contract with American agriculture and who now has the gall to accuse agriculture of blackmail.

In case our dictionaries are still out of sync, Mr. Stockman, "gall," is something bitter, impudent, and an affront.

THE FAIR TRADE IN FERROALLOYS ACT

(Mr. MILLER of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Ohio. Mr. Speaker, today, I and several of my colleagues are introducing the Fair Trade in Ferroalloys Act. The only way to prevent the loss of what remains of the domestic ferroalloy industry, which now has an import penetration of 60 percent, and to protect our national security interests is to provide the industry with some form of systematic import relief targeted at the unfairly low pricing of imports. The most effective and least market intrusive method is the "break-point" duty which the Fair Trade in Ferroalloys Act would provide. I, therefore, urge my colleagues to cosponsor the fair trade in ferroalloys bill. As a means of more fully familiarizing you with the pressing need for this legislation, I have submitted a detailed explanation of the problems confronting our country's ferroalloy industry which can be found in the Extensions of Remarks section of today's RECORD.

MR. STOCKMAN AND FARM POLICY

(Mr. BEDELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEDELL. Mr. Speaker, Mr. Stockman has now accused the farm people of blackmail. I think we better look at what the situation is.

It is my understanding that when we came to him for help in regard to our credit problems he said he would give help if we would agree to accept the farm program that they proposed.

Mr. Speaker, that is sort of like giving an injection to somebody to keep them alive and then telling them they cannot have the medicine they need in order to become healthy.

He also said that he had no sympathy for farmers if they owned 200 acres of land and, therefore, were worth a quarter of a million dollars. Let me tell you: those farmers are in debt. They do not have that net worth.

My farmers do not want welfare either. My farmers simply want a chance to be able to compete equally, on equal terms with the foreign competitors with whom they compete.

I think Mr. Stockman had better learn what foreign governments are doing for their farmers if he wants us to compete fairly. If he is going to talk about welfare, maybe he ought to look at the President's tax cut which said that GE and Westinghouse and Du Pont and all of the other big companies would not only have to pay taxes but the taxpayers would give them refunds of millions and millions of dollars.

Maybe he had better decide that farm income is just as important as the heartland of America is to remain healthy, just as important as Chrysler and Continental Illinois and those others. I think Mr. Stockman has something to learn about what our society is like. I hope he learns it before it is too late.

BILINGUAL BALLOTS

(Mr. BADHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BADHAM. Mr. Speaker, today I am introducing legislation to terminate the effect of provisions of the Voting Rights Act of 1965 that require bilingual ballots and election materials and to permit the States to determine whether such ballots and materials are necessary.

Few would deny the premise that command and proficiency of the English language is vital to immigrants if they anticipate becoming participating and contributing members of our communities. In order for an immigrant to become a U.S. citizen, our laws state that he or she must read, write, and speak English in ordinary usage. Our laws also mandate, however, that immigrants who vote must be provided with ballots in their native language if the community in which they reside has at least a 5-percent non-English-speaking population.

This multilingual policy at the ballot box, where the voter employs his most valuable right of citizenship, often presents an undue financial burden in localities where the cost of printing bilingual ballots clearly outweighs the demand for those ballots. As an example, Federal law requires that ballots be translated from English to Spanish in 10 California counties. In Orange County, a portion of which I represent, the registrar of voters has said that $92,000 was spent for the ballots for the June 1984 election. And in that election, only about 2,000 registered voters out of 618,000 requested materials in Spanish.

More importantly, the people of California have expressed their opinion quite clearly. In the November 1984 election, proposition 38, an initiative calling on Congress to end bilingual voting, receiving 71 percent of the vote. Of the 58 counties in California, all passed this initiative with several favoring it by over 79 percent. This is a clear indication that the people of one of our largest States do not agree with the Federal mandate.

Based on these example evidencing the minimal demand, high cost, and the opinion expressed by California voters regarding bilingual ballots, I hope that the majority of my colleagues will join me in supporting this legislation to repeal the Federal requirement for bilingual ballots.

□ 1410

ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES

Mr. GEPHARDT. Mr. Speaker, as chairman of the Democratic caucus and by direction of the Democratic caucus, I offer a privileged resolution (H. Res. 43) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 43

Resolved, That the following named Members and Delegate be, and they are hereby, elected to the following standing committees of the House of Representatives:

Committee on Agriculture: Terry Bruce, Illinois (effective only for the first session of the Ninety-Ninth Congress);

Committee on Education and Labor: Stephen J. Solarz, New York, Mervyn M. Dymally, California, Dennis E. Eckart, Ohio, Timothy J. Penny, Minnesota, and Chester G. Atkins, Massachusetts (all effective only for the first session of the Ninety-Ninth Congress);

Committee on Foreign Affairs: Robert Garcia, New York (effective only for the first session of the Ninety-Ninth Congress);

Committee on Interior and Insular Affairs: Mel Levine, California;

Committee on Post Office and Civil Service: Ron de Lugo, Virgin Islands (effective only for the first session of the Ninety-Ninth Congress);

Committee on Public Works and Transportation: Carl C. Perkins, Kentucky (effective only for the first session of the Ninety-Ninth Congress);

Committee on Small Business: Tommy F. Robinson, Arkansas (effective only for the first session of the Ninety-Ninth Congress).

Mr. GEPHARDT [during the reading]. Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DAVID STOCKMAN DOESN'T SEEM TO KNOW THE DIFFERENCE BETWEEN A MILK COW AND A MANURE SPREADER

(Mr. DORGAN of North Dakota asked permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, the administration's major spokesperson on farm issues, Mr. David Stockman, has treated us once again to his opinions. He is now saying that the farm group in Congress is trying to blackmail the administration to get some help for family farmers.

It seems to me that we ought to hear from someone in the administration who knows something about farming. This administration sends David Stockman out to talk to us about agriculture. With due respect, I have said before, I do not think he could tell the difference between a milk cow and a manure spreader.

Let me remind Mr. Stockman that when Chrysler was in trouble, we rushed to help; when Lockheed was in trouble, the Government rushed to help; when Mexico was in trouble, we sent people to New York to spend all weekend to help; when the IMF needed money, we said, "no problem."

Tom Paxton wrote a song awhile back—the title was, "I'm changing my name to Chrysler."

One million farmers are in desperate trouble and they ought not to have to change their name to make sure this Congress gives them the help they need, help that would be good for them, but most especially help that would be good for this country.

WE SHOULD SEAT (RICK) McINTYRE

(Mr. FRENZEL asked permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, today, I made a motion in the Committee on House Administration to seat Congressman-elect McIntyre conditionally pending the outcome of the investigation to be carried on under House Resolution 1.

The committee voted on party lines not to consider my motion.

Tomorrow, the minority leader will make a similar motion before the whole House. Now if, after Richard McIntyre has been elected, been certified, and had his election and his certification reaffirmed by a recount, and if after all that happens, the House does to BOB'S motion what it does to mine, Thursday is going to be another day of shame for this House of Representatives.

It is time we started to obey the law and the precedents and to follow the Constitution and the tenets of representative government.

It is time for the House to seat Rick McIntyre.

AMERICAN RATEPAYERS OUGHT NOT TO BE PREBILLED FOR POWERPLANTS

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, last year, this House passed a piece of legislation that would have stopped American utilities from picking the pockets of American ratepayers.

Since FERC has passed its regulation that allows utilities to pass on 50 percent of the financing cost of construction for work in progress, 28 utilities from New England to California have come in and requested that ratepayers pick up the tab for building plants before they are used and useful, before they are in the pipeline, before they are generating electricity.

For 100 years, American utilities have gone to the marketplace to get their approval for building new plants and facilities. With that constraint on overbuilding, we have had a situation where there has been a limit on the situations, as there was in Washington State with nuclear powerplants started and not finished for lack of demand and lack of financing.

If the American people are to be protected, we must pass this legislation again in this Congress and get our colleagues in the Senate to join with us.

The American ratepayers ought not to be prebilled for powerplants that are not yet generating utilities; senior citizens ought not pay for powerplants they may never benefit from and ratepayers in this country deserve a fair hearing that before companies get this kind of assistance, they need to prove some significant financial needs.

I thank the Speaker.

NATIONAL AIRPORT SLOT SALE

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Mr. Speaker, we all know that nothing succeeds like success and our achievements in deregulating the Nation's airline industry clearly illustrates this truth.

Under deregulation, we have breathed new life into the industry, stimulated new markets, and encouraged healthy price competition among a growing number of airlines.

However, a virtual monopoly still exists at federally owned National Airport. The Government permits an airline scheduling committee to allocate precious landing and takeoff rights.

Not surprisingly, this committee, composed of various airlines, has failed for almost 2 years to agree upon an acceptable allocation scheme, and caused a freezing of rights at National.

Today, I am introducing a bill to remedy the problem and require all airlines interested in using National to bid for the available takeoff and landing rights. The highest bidders would earn the right to use National. By returning the allocation process to the time-tested marketplace, we can ensure a fairer and more efficient use of the limited space at National.

I urge my colleagues to join me in support of this legislation.

A BILL TO COMBAT INTERNATIONAL AND DOMESTIC DRUG TRAFFICKING

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, today I am introducing a bill to combat international and domestic drug trafficking.

My bill would strengthen existing law in three major areas:

First, it will eliminate bond for those offenders who often flee our country before trial.

Second, a defendant, once convicted, shall not be eligible for parole until at least half of the sentence has been served.

Third, it will raise penalties for both first and second offenders. A second offender would be subject to either life imprisonment or the death penalty. The death penalty option shall apply where the defendant resists arrest or was armed with a dangerous weapon.

Passage of this legislation will send a strong message to the entire world that America has had enough. Passage will also increase the protection of our law enforcement officers in the field and would ensure that these drug

smugglers, once arrested, do not jump bond, but stand trial for their crimes.

I urge the support of my colleagues.

THE UNITED STATES DEBT REDUCTION FUND

(Mrs. JOHNSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JOHNSON. Mr. Speaker, much has been made of this country's renewed pride, patriotism, and confidence. Clearly, we are enjoying a vitality of spirit not felt in decades, and I believe that no finer example of this can be found than in my home State of Connecticut. There, a small company which specializes in jet engine parts has taken upon itself the noble and patriotic task of raising money to reduce the national debt.

In early January, the management of Aerospace Techniques proposed to its employees that a small portion of their paychecks be contributed to a fund to help eliminate the Nation's enormous debt. The company's president, Jack Lynn, stressed that the program was strictly voluntary and that Aerospace would return a worker's donations at any time. The company also vowed to match every donation made by its employees. To demonstrate his belief in the project. Mr. Lynn set aside $10,000 for the fund, an account appropriately titled "The United States Debt Reduction Fund."

The employees of Aerospace have greeted this project with great enthusiasm. The firm's foreman, Salvator Aresco, said:

I had my son give a dollar. I'd hate to think of him not having anything in the future.

Pat Klein, Aerospace Technique's purchasing agent, took a more general view:

The country has been pretty good to us. It's about time that maybe there was a little payback.

Mr. Speaker, in his inauguration address, President John F. Kennedy challenged every American:

Ask not what your country can do for you; ask what you can do for your country.

It gives me immense pride to see that spirit alive and well in Cromwell, CT.

In the old days, when a farmer needed a new barn, the whole community gathered for a barn raising. Faced now with a staggering deficit that threatens our future, perhaps Congress will be able to gather her will to retire that deficit. But, wouldn't it be spectacular if, needing to reduce our debt, people in companies like Aerospace Techniques all over America joined us with a voluntary deficit reduction action. The people at Aerospace Techniques have led the way. Let America follow.

□ 1420

FIREARMS OWNERS' PROTECTION ACT

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. VOLKMER. Mr. Speaker, today I am joined by 58 of my colleagues in introducing the Firearms Owners' Protection Act. This legislation truly protects the rights of law-abiding citizens, without diminishing the effectiveness of criminal law enforcement against the misuse of firearms.

It reaffirms the intent of the Congress that it is not the purpose of Federal firearms laws to place any unnecessary restrictions or burdens on law-abiding citizens who acquire, possess or use firearms in any lawful activity. Rather, it was the intent of Congress that such laws provide support to Federal, State, and local law enforcement officials in their fight against crime and violence.

This legislation simply reaffirms that intent by modifying a number of provisions of the Federal firearms laws which serve no legitimate purpose, have created mountains of bureaucratic redtape or which have been used by Federal officials to harass and infringe upon the rights of law-abiding firearms owners'.

This bill provides protection for the law-abiding citizen by first, defining in precise terms those individuals who must obtain a Federal license to manufacture, import or deal in firearms. Current law provides no such guidance to these citizens. The Firearms Owners' Protection Act clearly defines these instances.

Second, requiring that criminal intent be shown before a citizen is subject to the penalties of a Federal felony. Current law is unique in that it can subject a citizen to a potential felony record for a simple mistake or unintentional omission. The Firearms Owners' Protection Act requires that criminal intent be shown.

Third, guaranteeing basic constitutional rights of freedom from unreasonable search and seizure and due process of law by establishing procedures for search, for courtesy inspections and for the return of firearms after acquittal or dismissal of charges, as well as time limits which criminal and civil action must be taken by the Government. Current law provides no requirement that cause be shown before an inspection or search of a citizen's records or premises. The Firearms Owners' Protection Act guarantees these rights.

Fourth, allowing the transportation of a firearm through a State or local jurisdiction which restricts or limits firearms ownership and possession, if that firearm is unloaded and inaccessible. Today many honest citizens can violate the restrictions of a foreign state or municipality as they are passing through simply because they are unaware that such jurisdiction restrictions exist. The Firearms Owners' Protection Act will allow transportation of a firearm through such a jurisdiction if it is unloaded and inaccessible.

Fifth, allowing a citizen of another State to purchase a firearm so long as the seller is a licensed firearms dealer, the laws of both State of sale and the State of purchaser's residence are complied with and the buyer appears in person to negotiate or complete the transaction. Under current law such transactions can occur only in very limited situations. The Firearms Owners' Protection Act would allow such sales but in no way will allow the mail order sale of firearms.

The Firearms Owners' Protection Act has been attacked unjustly in the past. Critics have claimed this legislation would destroy the essential provisions of our current Federal firearms laws which deal with curtailing criminals. Contrary to these attacks, this legislation refocuses the firearms enforcement effort toward the criminal. This bill does this by first, prohibiting the sale of a firearm to a convicted felon by an individual. Current law makes it a crime for a licensed dealer to make such a sale but paradoxically does not prohibit any person from doing so. The Firearms Owners' Protection Act eliminates this paradox.

Second, combining and unifying provisions in existing law which define who is prohibited from possessing, shipping or receiving a firearm. Current law provides many inconsistent provisions in these regards. Under the Firearms Owners' Protection Act prohibited persons, including felons, will not be able to possess, ship or receive a firearm.

Third, creating specific legislative authority for the technique of tracing those firearms used in the commission of a crime. Current law does not specifically provide such authority. The Firearms Owners' Protection Act specifically states that a dealer's records can be inspected, for one or more identified firearms, during the course of a criminal investigation.

Fourth, eliminating useless record-keeping requirements dealing with sale of ammunition. Current law requires that records be kept on sales of ammunition except .22-caliber rimfire. The Bureau of Alcohol, Tobacco and Firearms has stated that these records have no utility in criminal investigations. The Firearms Owner's Protection Act eliminates this useless requirement freeing agents to pursue law enforcement oriented activities.

In previous Congresses nearly 40 percent of the House has supported and sponsored this legislation. The

Firearms Owner's Protection Act will shift the focus of the Federal law enforcement effort away from a regulatory mentality, toward an actual law enforcement strategy aimed at the criminal. Today, I invite you to join in our effort. Any Members who have questions or wish to cosponsor the Firearms Owner's Protection Act may contact me or my staff.

ADMINISTRATION'S BUDGET FOR CENTRAL AMERICA

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute.)

Mr. GONZALEZ. Mr. Speaker, I rise to call the attention of my colleagues to the administration's proposed military budget for Central America. The President is asking the American people to send $231 million to Honduras, $483.4 million to El Salvador, and $35.3 million to Guatemala—primarily in the form of military assistance. The administration persists in the belief that there is no need to address the crying need to alleviate human misery in these countries, to press the case for reform, nor to ease the burdens of injustice and repression. Where there is misery, the policy is merely to add weight to it, apparently in the belief that the miserable want repression, not progress nor decency nor justice.

The requests for Honduras and El Salvador are not remarkable in any way insofar as they simply reflect the continued commitment of this administration to an ever-growing military presence and involvement in Central America. The request for $35.3 million in military aid to Guatemala is significant, however, because that country has had such a poor human rights record that the United States has flatout refused to send them military aid since 1977. Last year, the United States sent Guatemala $300,000 for training but this year the President, in his apparently determined effort to escalate the wars in Central America, has asked for 100 times more—for military assistance, not just training—regardless of the Guatemalan Government's implacable and incalculable violations of human rights.

And this same President insists that we have no money to give shelter and housing to Americans in this country. Millions for dictators, but pennies or less for food or shelter here on our own steps.

Mr. Speaker, I want to ask this President, why is there enough money to blow up factories and roads and take lives in Central America when there is no money to create jobs and build roads and provide housing and support for people in America—or for that matter, in Central America itself, where the principal enemy is, and always has been, human misery and hopelessness.

I urge my colleagues to support H.R. 1, my bill providing much-needed housing assistance in this country; and I urge my colleagues to support House Joint Resolution 92, my resolution invoking the War Powers Act with regard to Central America. Let's stop fueling the war in Central America and start addressing the misery both in Central America and in our own country with humanitarian assistance, not weapons.

THE ADMINISTRATION'S FARM BILL

(Mr. HUCKABY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUCKABY. Mr. Speaker, the administration is scheduled this week to send the House and the other body a new farm bill. Supposedly to take the Government out of farming; to remove price supports, a market-oriented approach.

This bill, however, lacks in the fact that it does nothing to create new markets. In the last 2 years our agricultural exports have actually decreased. Agriculture is the biggest industry in this country; we export more agricultural commodities than any other.

The problem is, we do not have fair free trade in this world. The French wheat farmer receives 50 percent more for his wheat than our farmers do; yet the French sell their wheat for less than we do. Japan supports their rice for five times what American rice sells for, yet we are prohibited from selling rice in Japan.

The Brazilian farmer receives actually negative interest when he borrows money.

Mr. Speaker, until we have fair free trade, I think it is absolutely necessary that our Government continue to have involvement in American agriculture.

THE PRESIDENT'S USE OF SCRIPTURE TO JUSTIFY ARMS BUILDUP

(Mr. BONKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONKER. Mr. Speaker, the President tells us that scripture backs his demand for an arms buildup.

He was stretching it a bit when he referred to Luke 14:31, in which Jesus talks about a king who might be contemplating going to war with inferior forces and then implies he may have to send a delegation to discuss peace terms.

If the President chooses to quote the New Testament to justify his budget, I am all for him; but let's not do it out of context.

The fact is that the most commonly mentioned theme in the Bible (next to idolatry) is God's concern for the poor and the oppressed.

One out of ten passages of the synoptic gospels deals with the issues of wealth and poverty and the call to help the needy.

While Isaiah 2:4 looks forward to the day when they shall "beat their swords into plowshares," given this President's budget priorities it may be said of his administration that they are intent on beating this country's plowshares into swords.

THE GOLDMARK CASE: AN AMERICAN LIBEL TRIAL

(Mr. LOWRY of Washington asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOWRY of Washington. Mr. Speaker, over 20 years ago, the State of Washington was the site of an important and controversial libel trial. One of the attorneys who handled the case, William Dwyer, recently published his own account of the trial, "The Goldmark Case: An American Libel Trial." This fine book is not only very interesting in its own right, but it is a timely reminder of what can happen when our political life is poisoned by extremist attacks on the integrity of individuals.

John Goldmark was a prominent State legislator whose political career was destroyed by a smear campaign alleging that he and his wife Sally were agents of the Communist Party. He sued for libel and, in January 1964, won the case before a jury in rural Okanogan County. The Washington Post called it "a victory not for himself alone but for good sense, fairness and fundamental decency." I would urge my colleagues to read this important book.

The case has special meaning for those of us from Washington State. One witness on behalf of John Goldmark was Harry Cain, Henry M. Jackson's predecessor in the Senate. The dean of Washington's political reporters, Dick Larsen, got his start by covering the trial for the Wenatchee Daily World. He went on to work for Congressman Tom Foley and now writes for the State's largest newspaper, the Seattle Times.

But the Goldmark case was important for our entire country, not just the State of Washington. Twenty years ago, the radical right made free with allegations of Communist influence. Organizations such as the American Civil Liberties Union and the Democratic Party were smeared. Witnesses in the Goldmark trial linked Social Security, the Supreme Court, and the Eisenhower administration to this conspiracy, and portrayed Frank-

lin Roosevelt, Harry Truman, and John Kennedy as its dupes.

A widely shown film, "Communism on the Map," charged: "Venezuela is already a satellite of the Soviet Union * * * and with the other Communist strongholds spreading throughout Latin America this largely completed the southern leg of the encirclement of the United States * * * In the United States today we have an acknowledged fifth column operating for international communism. It is in a position through its power in labor unions to paralyze the Nation. It wields great power in the legislative halls of our Nation's capital, in the communications networks which influence the forming of opinion and attitudes, and in other vital areas of our national life."

We can now see that these extreme charges had no basis in fact. Indeed, they would be laughable if they had not ruined careers and lives. Unlike some victims of this extremism, the Goldmarks were able to go on with their lives. Over the years, they have inspired a great many people by their decency and integrity. I am just one of those who deeply admires the courage that led them to fight for justice against the great wrong that was done to them.

But we also see echoes of this extremism today as some question the patriotism of honest Americans who support a mutual nuclear weapons freeze or oppose U.S. involvement in Central America, when the President's choice for Attorney General is a man who called the ACLU a "criminals' lobby," and when a Secretary of Defense charges—in terms reminiscent of the McCarthy era—that anyone who opposes his budget request is seeking to weaken our Nation's security.

I am therefore pleased that this compelling account of the Goldmark trial is now available. I would like to share one passage from it which I think is deeply relevant today:

"For nearly 40 years we have let our national life be blighted by a morbid fear of communism. The doctrine finds almost no support in the United States, where civil liberties, private property, and the concept of limited government are cherished. It has prevailed elsewhere only amid desperate poverty and chaos, or where imposed by force along the borders of the Sovet Union. Even in those places its dogmas fail the test of endurance. Yet we have allowed one wave of anti-Communist hysteria after another to injure innocent Americans and to debase our political life. In foreign affairs we have drifted into the tragedy of Vietnam, foolishly assumed that radicals seeking power in Third World countries must be our enemies, and betrayed our own ideals by sponsoring tyrants who proclaim themselves anti-Communist while abusing their own people. The results are all too familiar.

"We have thrived for two centuries amid ideologies different from ours. We can continue to do so. It is time to get rid of unreasoning fear of communism and to remember that our democratic values can flourish in the world only if we ourselves act in keeping with them."

THE INTERNATIONAL TRADE DEFICIT

(Mr. KOLTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLTER. Mr. Speaker, the budget deficit has rightfully attracted considerable attention, but I would like to talk about our other deficit. The United States currently faces an enormous challenge in the area of international trade. This Nation's other deficit, the trade deficit, is mounting at an ever increasing rate and it is at the expense of American jobs.

The 1984 trade deficit was a record $123.3 billion. By far, the largest single national component of this incredible figure was the trade deficit with Japan. The U.S. trade deficit with Japan is larger than that of any other nation. Last year's deficit with Japan stood at $36.8 billion. Imports of Japanese steel alone were up 56.5 percent over last year.

The Department of Commerce estimates that up to $10 billion could be reduced from the United States-Japan trade deficit if American products did not face the barriers Tokyo has placed in front of our exporters. Year after year, regardless of the party in power, we have negotiated with Japan, yet we have not had sufficient results. It still remains virtually impossible for many of our exporters to enter the Japanese market.

In order to facilitate exports, reduce our massive trade deficit, and put more Americans to work, we must insist that Japan begin easing tariff and nontariff barriers that unfairly keep our products out of Japan. This should be an important plank of a more comprehensive trade strategy that this Nation desparately needs.

Mr. Speaker, if we do not act, and act soon, the trade deficit will begin challenging the budget deficit as one of this Nation's most compelling economic problems.

REMEMBERING LORRAINE COOPER

(Mr. ROGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGERS. Mr. Speaker, I regret to inform the House of the death this weekend of one of the true "great ladies" of our time.

Mrs. Lorraine Cooper, the wife of former Kentucky Senator John Sherman Cooper, died Sunday following a long illness. She was 79. For the last 30 years, she had been the steadfast supporter of her husband as he represented both Kentucky and our Nation.

She accompanied Senator Cooper to India, where he served as U.S. Ambassador. Later, she worked side-by-side with the Senator during his service in the U.S. Senate, and as our first Ambassador to East Germany.

One of the foremost landmarks in my hometown of Somerset, KY, is Fountain Square Park. It was through the efforts of Lorraine Cooper that this park was reconstructed, and it serves today as a reminder of Mrs. Cooper's love of Kentucky and its people.

Mr. Speaker, I ask my colleagues to join me in offering our condolences to Senator Cooper and his family. Lorraine Cooper's presence in this city and in the hearts and minds of the people of Kentucky will be sorely missed.

□ 1430

THE DEFICIT

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, President Reagan has discovered what some of us have been telling him for 2 years to be true: Deficits this big will not go away. You cannot reduce the deficit by ignoring defense, Social Security, and taxes.

I am a country and western music fan. Merle Haggard had a song out not long ago, part of which went, "When a President goes through the White House gate and does what he said he'd do, then we'll all be drinking that great bubble up and eating rainbow stew."

Do not start eating yet.

During the campaign the President said his next budget would not cut the poor. The budget yesterday cut them 5 percent.

During the campaign the President said he supported housing for the elderly and the handicapped. His budget yesterday had no funding for the next 2 years.

During the campaign the President said he would not cut the veterans. His budget yesterday did.

The deficit will crush America. To solve the problem we need a bipartisan approach that touches Social Security, taxes, and defense. I hope the President is beginning to understand the problem and I hope it is not too late.

MR. STOCKMAN OWES AN APOLOGY

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BENNETT. Mr. Speaker, the first thing I would like to say refers to the statement yesterday by Mr. Stockman in speaking about the retirees, military retirees, and the veterans of our country, indicating that he felt that these people, or at least some of them, were more interested in their own pensions than they were interested in the security of the United States. Those are approximately his words.

These are horrible words to use against people who have given their limbs, given their lives, and have been separated from their families; made great sacrifices over a long period of time. Mr. Speaker, I think Mr. Stockman should make an abject apology for the things he said, and if does not make that apology, then the President of the United States should demand such an apology or make an apology on behalf of Mr. Stockman.

It is a cruel thing to say to these people who have sacrificed so much for our country, that they should be deprecated by being castigated with the idea of saying that they would do more for their pensions than they would for the security of the United States.

APPOINTMENT AS MAJORITY MEMBERS OF SELECT COMMITTEE ON AGING

The SPEAKER. Pursuant to clauses 6 (f) and (i) of rule X, the Chair appoints as majority members of the Select Committee on Aging the following Members of the House:

Mr. ROYBAL of California, chairman;
Mr. PEPPER of Florida;
Mr. BIAGGI of New York;
Mr. BONKER of Washington;
Mr. DOWNEY of New York;
Mr. FLORIO of New Jersey;
Mr. FORD of Tennessee;
Mr. HUGHES of New Jersey;
Mrs. LLOYD of Tennessee;
Mr. LUNDINE of New York;
Ms. OAKAR of Ohio;
Mr. LUKEN of Ohio;
Mrs. BYRON of Maryland;
Mr. MICA of Florida;
Mr. WAXMAN of California;
Mr. SYNAR of Oklahoma;
Mr. DERRICK of South Carolina;
Mr. VENTO of Minnesota;
Mr. FRANK of Massachusetts;
Mr. LANTOS of California;
Mr. WYDEN of Oregon;
Mr. CROCKETT of Michigan;
Mr. BONER of Tennessee;
Mr. SKELTON of Missouri;
Mr. HERTEL of Michigan;
Mr. BORSKI of Pennsylvania;
Mr. BOUCHER of Virginia;
Mr. ERDREICH of Alabama;
Mr. MACKAY of Florida;
Mr. REID of Nevada;
Mr. SISISKY of Virginia;
Mr. WISE of West Virginia;
Mr. RICHARDSON of New Mexico;
Mr. VOLKMER of Missouri;
Mr. GORDON of Tennessee;
Mr. MANTON of New York;
Mr. ROBINSON of Arkansas; and
Mr. STALLINGS of Idaho.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

After consultation with the majority and minority leaders, and with their consent and approval, the Chair announces that tonight when the Houses meet in joint session to hear an address by the President of the United States, only the doors immediately opposite the Speaker and those on his left and right will be open.

No one will be allowed on the floor of the House who does not have the privilege of the floor of the House.

Due to the large attendance which is anticipated, the Chair feels that the rule regarding the privilege of the floor must be strictly adhered to.

Children of Members will not be permitted on the floor and the cooperation of all the Members is requested.

ECONOMIC REPORT OF THE PRESIDENT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-19)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Joint Economic Committee and ordered to be printed:

(For message, see proceedings of the Senate of today, Wednesday, February 6, 1985.)

□ 1440

INTERNAL REVENUE SERVICE REGULATIONS PERTAINING TO TAXATION OF FRINGE BENEFITS

The SPEAKER pro tempore (Mr. MURTHA). Under a previous order of the House, the gentleman from Pennsylvania [Mr. KOLTER] is recognized for 5 minutes.

Mr. KOLTER. Mr. Speaker, over the last several weeks, virtually every congressional office has been receiving phone calls, letters, and telegrams from constituents being subjected to the Internal Revenue Service regulations pertaining to the taxation of fringe benefits.

Few issues have mobilized such a diverse collection of individuals and organizations. In may offices alone, I have heard from small businesses, public utilities, airline employees, insurance companies, large corporations, and members of labor organizations. All are united in their concern over the taxation of fringe benefits.

A number of our colleagues have introduced legislation that deals with a part of the problem. They seek to abolish the burdensome, anticompetitive, automobile, recordkeeping regulations issued earlier this year by the IRS. I support these measures, but I firmly believe they do not go far enough.

Today, I will be introducing a measure that addresses the root cause of the problem. The bill uses a very simple and straightforward approach. It would terminate the authority of the Internal Revenue Service to issue regulations which require the inclusion in income of fringe benefits.

Mr. Speaker, this approach is quite necessary because I believe we are only just beginning to see the threat being posed to fringe benefits as they relate to an individual's total compensation package. How long will it be before the four remaining categories of tax-free fringe benefits will be included in an individual's total income?

The modified regulations proposed by the IRS, have only added additional confusion to this issue. Changing regulations only complicates matters further. The issue will simply not go away. When so many are being burdened by so few, the best course of action is to remove the necessary authority for issuing regulations and rules that relate to the taxation of fringe benefits.

Mr. Speaker, I urge my colleagues to join with me if they genuinely seek to address this very serious problem.

THE DIRECTION OF THE DEMOCRATIC PARTY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California [Mrs. BURTON] is recognized for 5 minutes.

● Mrs. BURTON of California. Mr. Speaker, I am pleased to present to my colleagues a speech by ALAN CRANSTON, a distinguished Member of the other body and a fellow Californian, before the California Democratic Party State Convention on January 26, 1985. ALAN, who will be elected to his fourth term in 1986, made an eloquent statement on the direction of our national party. I commend it to my colleagues on both sides of the aisle.

CRANSTON DEMOCRATIC STATE CONVENTION SPEECH

Once again California is leading the nation. Democrats across the country, the press, even the Republicans, are keeping their eyes on us this weekend. They know that the revitalization of the Democratic Party may well come from California. It's

no accident that one Californian may replace another as leader of our national party—California's Chuck Manatt succeeded by California's Nancy Pelosi.

We, the California Democratic Party, can be the authors of the new Democratic future. California Democrats have always demanded leaders who look to the future and who welcome change.

California has always been at least one step ahead of the rest of the country—in education, in housing, in health care, in trade, in the dynamism of our economy. We have the most beautiful environment in America and we've led the way in showing how to protect the environment.

The peace movement started in California—and it's still stronger here than anywhere else on the face of the earth. We leader the nation in practically every measure of human thought, human concern and human advancement.

When we talk of the future of the Democratic Party, people listen all across the country. They know that what we say can affect the future of our nation and our world.

We Democrats put the nuclear issue front and center in the 1984 Presidential campaign. There is no doubt that we are in good part responsible for the new approach President Reagan is taking toward arms control.

We Democrats know that to struggle to prevent a nuclear catastrophe is not automatically to overlook the necessity of containing aggression.

We Democrats are for a strong national defense—but we are also against massive military overspending—overspending that impoverishes every other program and leads to a national debt that could swallow up our hopes and the dreams of our children like a black hole in space. The fact is that we are the strongest nation the world has ever known—not just because of our fighting forces but because of our economy, our science and technology; our free political institutions; and the energy, the diversity, the spirit the idealism of our people. Those are the strengths we bring to the negotiating table in our search for peace. They are strengths the Soviet Union will never match.

I was first elected to the Senate in 1968 as a vigorous opponent of American military involvement in Vietnam. One of my proudest achievements is that I helped get us out of that tragic, sorry war. Since then, I've helped keep us out of war in Angola. And I've helped prevent a war in Panama. I'm working in the Senate now to keep us out of war in central America.

I oppose a foreign policy that leads to the invasion of American churches by undercover federal agents to arrest refugees who flee death squads in Guatemala and El Salvador.

What kind of country are we when our government electronically spies on our clergy, violates the sanctity of the church sanctuary, and prosecutes American citizens who follow the compassion of their conscience and the dictates of their religious beliefs? Unless those death squads are eliminated and the human rights violations are ended, I oppose pouring more military aid into El Salvador. I oppose backing the terrorists who are trying to overthrow the government of Nicaragua. I oppose embracing dictators anywhere.

We Democrats must chart a new direction for American policies abroad. Here at home we must chart a new direction for a healthier, more prosperous, more equitable economy.

We have reason to be proud of the entrepreneurial vigor of our state. Each year Californians create hundreds of thousands of new jobs in the private sector, mostly in small businesses.

Those who try to paint Democrats as antibusiness just don't know what they're talking about. Look at the economic vigor of Los Angeles under Tom Bradley and of San Francisco under Dianne Feinstein just to mention two of many California cities that are prospering under Democratic leadership.

New industries are springing up. Our service sector is expanding. Small businesses are flourishing. And Democrats are working for still more economic growth. We believe that the purpose of the economy is not simply profits—but also the creation of jobs.

But economic growth must not be at the expense of our environment. We must rid our state and our nation of every unsafe toxic waste site. And we must make sure no polluter is ever allowed to create another. And economic growth has got to be fair. Decent wages must be paid. Safe working conditions must be enforced. And the tax burden must be more equitable.

The nation needs a tax system that everybody can understand. Not just expensive tax consultants and tax attorneys. We need a fair tax system under which everyone will be playing and paying by the same rules.

And we need to get personal income tax rates down. The country will soon lose confidence in those who exult in a dog-eat-dog economy, those who preach private enterprise out of one side of their mouths but cry out for special interest protectionism on the other.

Let's get the deficit down. But let's get it down in a way that is fair.

Let's think creatively about a Democratic program of incentives that will use the energies and capacities of private enterprise.

And let us make sure we increase opportunities for those on the way up the economic ladder, and those still desperately trying to get their feet on the first rung.

Ours is a party of all conditions and all classes, of all ethnic backgrounds, of many orientations and a myriad of persuasions. We're not a party of special interests. We are a party in which all points of view have a chance to express themselves and to seek the approval of the wider American society.

Can we do all that needs doing, we Democrats? Can we work to build a society that respects both consensus and diversity, majority preferences and minority rights? Can we assist in the creation of an economy that generates both profits and decent jobs without violence to the environment? Can we forcefully and firmly with crime in our cities, and simultaneously address the social conditions that spawn lawlessness? Can we manage to be both fiscally prudent and humanly compassionate? Can we respect mainstream American culture—yet also understand those who march to a different drummer? Can we defend ourselves against aggression, while refusing to be aggressors ourselves? Can we lessen the fear of nuclear holocaust that tortures and paralyzes so many of our young?

I say we can. I know we must. Traditionally, ours has been the mainstream party of our state and our nation, a party that works for a better life for all Americans, not just for the privileged. We must hold true to that tradition.

Let us meet the needs and the aspirations of all Americans. Let us deserve their support. Ours is a great nation, with a great past, and an even greater future. Strong in the strength of the principles and purposes that bring us together, we Democrats should be as one in our mission: A better life and an unlimited future for every American in a world at peace.

If you read the papers this morning, you know that Ronald Reagan says he's been playing some great and beautiful music. But from here on, he says, it's shake, rattle, and roll. Well, whatever music Ronald Reagan plays, it hasn't got soul. And in 2 years, the Republicans will be rattled and shaking and the Democrats will roll.●

REPORT OF THE INAUGURAL MEETING OF THE PACIFIC CAUCUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. FASCELL] is recognized for 5 minutes.

● Mr. FASCELL. Mr. Speaker, on January 4, 1985, I led a delegation of six Members of the House of Representatives to the State of Hawaii to participate in a meeting of the Pacific Caucus, composed of Members of the U.S. Congress, parliamentarians from Australia, Canada, Japan, and New Zealand, and European members of the North Atlantic Assembly. The conference was organized by the Pacific Forum, chaired by Hon. Philip C. Habib, in cooperation with the Atlantic Council of the United States. The purpose of the meeting was to provide a focal point for exploring the interrelationship of Atlantic and Pacific political, economic, and security issues and its implications for the Atlantic Alliance and cooperation, between the like-minded industrial democracies of East and West. Presentations were given by Adm. William Crowe, Commander-in-Chief of U.S. forces in the Pacific, and by prominent academics, members of the business community, and current and former Government officials. The discussions were excellent and of great benefit to all the participants, and I hope for the continued success of this informal organization. For the information of my colleagues, I submit a copy of the meeting report for the RECORD:

REPORT OF THE INAUGURAL MEETING OF THE PACIFIC CAUCUS

INTRODUCTION

The discussions at the Pacific Caucus underscored the importance of identifying issues of vital concern in the Atlantic and Pacific. It was clear from these discussions that the time has come for a more intensive dialogue on the regional as well as the global issues and problems in seeking a closer interrelationship. The Pacific Caucus discussions covered this interrelationship in terms of political and economic trends in the Pacific and in Europe and the security challenges facing us in both areas and their interrelationship.

The search for peace and how best to resolve tensions and contribute to greater economic and political progress was identified as the major U.S. concern. The management of relations with the U.S.S.R. is given high

priority by the present Administration. A second major concern is the management of relations with our allies and how best to preserve peace with an effective deterrent. Our third major challenge is how to deal with regional disputes and the Soviet efforts to weaken alliances.

This report will attempt to distill the main points of the discussions, identify consensus and the areas of difference. In view of the closed nature of the discussions the report will not refer to specific names. Its main purpose is to provide the participants with a brief record of the proceedings.

POLITICAL AND ECONOMIC TRENDS IN THE PACIFIC

It was generally agreed that Asia, in comparison with the rest of the world, has now become an area of political stability coupled with economic dynamism. This dynamism offers real challenges with the trade imbalances which have created domestic problems both in the United States and Europe. If these imbalances and the increasing pressures for protectionism are not brought under control there will be increasing problems for all countries.

The Pacific now represents one fifth of the world economy and U.S. trade with Asia is now 25% greater than with Europe. Noncommunist East Asia has achieved 6% real GNP growth in 1984 and probably will achieve 5% in 1985 compared with 3-4% elsewhere in the world. Inflation was only 4-5% contrasted with 13% worldwide. Nevertheless, the Pacific will have to create one third of a billion new jobs required by the end of the century to maintain a satisfactory economy.

While there is a relatively strong democratic process in the region, many Pacific countries face major problems in the peaceful transfer of power and the Philippines stands out as a country with a serious succession problem compounded by economic difficulties. Indonesia with the growing needs of its 125 million people must also be watched carefully.

Indochina continues to be a source of great concern with the Soviet forward deployments in the area and their support of Vietnam's military efforts in Kampuchea. The Korean peninsula remains as a serious flashpoint of danger with North Korea continuing to give us mixed signals on its intentions. A conflict here would have serious global as well as regional implications.

The emerging Pacific Islands while generally pro-West in their political orientation are increasingly vulnerable economically and susceptible to the expected drying up of development funds over the next year and a half. New Caledonia could prove to be a destabilizing factor in the area with its insurgency.

In addressing China several important points emerged. China has obviously shifted from an adversarial role in its relations with the West but we cannot be assured of its permanency. Several Southeast Asian countries perceive China to be a greater long-range threat in Asia than the U.S.S.R. China is not yet a superpower but at the same time cannot be defeated by another power given its great size and strength. The direction of the Chinese transition remains uncertain and this will continue to be an unsettling factor.

The Hong Kong situation was discussed at some length and how it is handled will be indicative of China's ability to tolerate a "foreign body" with a non-communist tradition while ultimately resolving its relationship with Taiwan.

While Japan is viewed as a strong stabilizing influence in the region with its economy, there has been a hesitancy in the recent past to take new initiatives externally in the political area. There is now more active involvement in the international community and a growing recognition of the fact that policies must be developed compatible with Japan's international responsibilities.

The change in government in New Zealand with its anti-nuclear policy barring nuclear armed ships into its ports can be politically destabilizing and is a real threat to the Australia-New Zealand-U.S. Alliance (ANZUS) and ultimately to the security balance in the region since the New Zealand policy could easily be manipulated by the Soviets to their advantage. Reference was made in this connection to the increasing influence of the World Federation of Trade Unions (WFTU) in the region. Australia also has serious concerns about the potential destabilizing effects of recent New Zealand action on their own policies.

The recent election in Canada reflects major policy changes. There will be a more assertive trading policy in the Pacific region. The Government will also be more sympathetic to U.S. policy positions and the NATO commitment.

POLITICAL AND ECONOMIC TRENDS IN EUROPE

Considerable pessimism was expressed over the political and economic situation in Europe variously described as "stagnation" and "Euro-sclerosis" as contrasted to the more dynamic trends in Asia. A more optimistic view was presented by one parliamentarian who called attention to the swing to the right in most European countries along with a return to the free enterprise system. He also called attention to the Europeans' strong desire to continue talks with the Soviets, particularly on arms reduction. He expressed the view that rarely have the leaders of the free world been as united as they are today.

It was pointed out by an American economist that Europe has been able to create only one sixth of the new enterprises as compared to the U.S., although Europe has potentially larger internal markets. The job market in Europe is also down as compared to the U.S. and Japan, while non-tariff barriers are on the increase. On the more positive side, European economic infrastructures remain strong.

On the political side there is concern that the anti-nuclear movement will build up again. Much is going to depend on what happens in Geneva, and how the U.S.S.R. manipulates the talks for its own political and psychological objectives. This movement can also spill over in Japan when the public "nuclear allergy" is strong. Previously the nuclear opposition in Japan had a strong impact in Europe. The situation is now reversed. The interference of the U.S.S.R. in the anti-nuclear movement is a very sensitive matter in Japan.

There is also growing concern about the attitudes of the successor generation in respect to the widespread "nuclear allergy" in Europe. Sensitivity to their attitudes is important and more must be done to educate them on world realities.

The perceived shift by Europeans of U.S. interest from the Atlantic to the Pacific community has been of increasing concern to them. Will disillusionment with Europe contribute to this shift? Reference was made to the Eagleburger statement and other recent manifestations of this perceived shift.

There are pragmatic problems on burden sharing in the defense field with countries unable to achieve the 3% goal due to internal economic requirements. The U.S. should be more aware of these difficulties. The U.S. should also give more credit to European efforts to respond (i.e. the FRG has now agreed to extend the draft for a longer period). The Europeans are often doing more than they get credit for.

There is deep concern about the European economy in the American Congress as a result of slow growth and unemployment. Can Europe compete effectively with the U.S. and Japan? The current impression is that Europe is in real trouble with its Common Market, lack of mobility and innovation. There is also concern over the present condition of NATO and the lack of a viable common strategy to deal with the U.S.S.R. Most Europeans believe it is possible to work with the Soviets. Most Americans do not and this will create real problems. Americans also feel that NATO should go beyond the European region and become more global. Europeans do not.

Sixty percent of U.S. voters have little or no concern about what happens beyond their borders. Americans increasingly are looking inward because of the perception that no one cares what the U.S. does. Little money, therefore, is likely to flow from Congress for development assistance.

Great concern exists in Europe about the Nunn-Roth Amendment and its effect. An American legislator stated that while he is a strong supporter of NATO, many Congressmen feel that NATO must now evolve with the changing conditions. Europeans need to do more to fund their own defense with conventional weapons in the eighties and to encourage this he believes it was essential to cut U.S. support in the face of inadequate burden sharing. This is what the Nunn-Roth Amendment was all about even though it was defeated by only eight votes. Europeans must meet the 3% requirement for their own defense. There is a great need to look at the long-term implications of security both with NATO, Japan and other allies. The time has come to determine where alliances will take us.

It was pointed out in rebuttal that European countries often have their own constituency problems and undue pressure by the U.S. would not help. Political leaders have to listen to their peace movement leaders. It is also important to understand that Europeans pay a great deal for their own defense and much of this goes for U.S. weapons.

SECURITY CHALLENGES

There is greater unity in East Asia and the Pacific than with NATO. There is also now greater stability in Asia following a long period of strife. The major problem confronting the region is the Soviet military build-up and the implication of their forward deployments to future peace and stability. At the same time the Soviets have not been able to achieve very much politically in the region and the general stability and interdependence of the countries in the area have been positive factors. Cambodia has been a questionable venture for the Soviets. The Soviets have not been able to penetrate the Asian market because of the low quality of their products. Instead they have turned to military power and have increased their forward deployments in the area since 1969. There is now a permanent Soviet presence in Vietnam as well as in Yemen and Ethiopia.

It was generally agreed that the parliamentarians must face up to the security realities. The U.S. commitment was viewed as impressive and provides its allies in the Pacific with greater flexibility. At the same time there was a feeling that the U.S. had not been a "good salesman" on these realities. The view was expressed on the European side that they should get a better handle on the Pacific region and make a special effort themselves to reach their constituencies on the security problems and the importance of the region.

The following factors were cited in the ensuing dicussion as the most significant in respect to the security situation:

The Soviets have achieved nuclear parity with the United States, Britain and France.

The end of U.S.-China hostility has freed the United States from a two-front challenge, while the Soviets still face that problem.

The Soviet military and naval projection into the Pacific without having to draw down its forces in Europe, included: (1) a daily presence of 20 or more ships in Vietnamese waters including submarines, and up to 10 bombers operating out of CamRanh Bay; (2) 162 SS20's in the Far East out of a total of 387; (3) SSBN's operating throughout the Pacific; (4) the Soviet Far Eastern fleet which is now its largest representing one fourth of Soviet naval strength (88 surface combatants, and 126 submarines with one-half nuclear powered); (5) 80 Backfire bombers and more than 3,000 combat aircraft; (6) 52 divisions today on the PRC border compared to 20 in 1965.

The Soviets are not in a position to challenge the Japanese straits and other Pacific sea-lanes of commerce. If they were to achieve a base in the South Pacific the military balance in the region could be seriously destabilized.

Pacific security arrangements comparable to NATO are not forseeable or necessarily required. Expanded cooperation and coordination on defense requirements, however, is essential. There are a wide variety of security perceptions in the Pacific as compared with Europe, particularly as to whether China or the Soviet Union is the primary longer-term threat. It is increasingly clear that New Zealand's ship visit posture, if maintained, will have important political effects in Japan and elsewhere, and will seriously impair the U.S. capability to meet its security commitments throughout the Pacific.

To counter the "head-in-the-sand" and unrealistic attitudes regarding defense needs in the face of these new threats, it was urged that more be done to inform the successor generation and to reach "the hearts and minds" of larger, disinterested publics. It would be essential to face up to the realities.

There was a general feeling that electorates generally are not very knowledgeable on defense requirements and the need for a nuclear deterrent. Military strength is not enough without public support. Fears of conflict are being exploited by the U.S.S.R. and they are moving in by default. We must not overlook the psychological factor. One Congressman stated that he was frustrated about our inability to cope with the "hearts and minds" challenge. We need a special coordinated effort, perhaps beginning with leadership groups such as the parliamentarians. It would be necessary to publicize our positions more effectively in the future so that we do not continue to lose the successor generation.

ATLANTIC-PACIFIC INTERRELATIONSHIPS

The past decade has seen a major change in the relationships among the developed democracies of Western Europe, the United States, Canada, Japan, Australia and New Zealand. The global strategic picture now requires a serious review of the interrelationships between the Atlantic and Pacific and the impact of troubles in other parts of the world such as the Middle East and Central America. The preeminent bond between the advanced democracies is the preservation of world peace.

While NATO will remain the fundamental Western security alliance, it is now being supplemented by a 19-nation de facto combination—the 16 NATO countries plus Japan, Australia and New Zealand. How the relationship evolves will depend on how the parliaments see common problems and opportunities.

It was generally agreed that it would be useful and essential to examine Atlantic-Pacific interrelationships more closely for a number of reasons. The Soviet military buildup in both areas along with the global nuclear threat make such an examination imperative. The threat of escalations to the nuclear level makes security increasingly indivisible. There is also a common interest in maintaining access to the Persian Gulf given common oil requirements. There is also the burden-sharing problem of defense to be resolved in both areas. Failure to act in concert results in tensions and division. Close cooperation, such as the implementation of the missile deployments to Western Europe after the 1979 NATO division, add strength and solidarity.

Economically, the Atlantic faces the attraction of and competition with a dynamic Pacific. There is obviously a common interest in working out the recessive effects of high interest rates and budget deficits, and there is the crucial need to avoid a reversion to protectionism. There is also a crucial need for understanding and cooperation in technology transfer. It was generally agreed that the need for protection of military technology should not be used as a cloak for protectionism among allies. The great challenge for the U.S. will be to create a two-way street with our allies in terms of economic as well as security needs and interests.

While the majority of the conferees recognized the need to broaden the parliamentary consultation to cover Atlantic and Pacific problems and issues, there was some expression of concern on the North Atlantic Assembly side about going beyond the European area given the inter-regional complexities. Others present took the position that security as well as trade and economics are now a global affair. Also, the dynamism of the Pacific region requires attention in the Atlantic if the Atlantic community is to compete in the region. The economic takeoff in the Pacific involves all of us.

CONCLUSION

The final session of the conference was devoted to a summation of the conference proceedings. The conferees agreed that such exchanges on a continuing basis at the parliamentary level would be of great importance in arriving at a better understanding of each other's points of view. The Pacific Forum and the Atlantic Council of the United States were congratulated for their efforts to initiate the first Pacific Caucus. One European leader stated that the new challenges of the Pacific make it essential to learn more about the area, while another European parliamentarian commented that he now has a better understanding of the region. Another participant referred to an underlying theme of the conference—the need to start thinking in a more global sense, while a Japanese legislator called on his colleagues to accept global as well as regional responsibilities in the future. An American declared that the U.S. could not feel secure unless there was a clear understanding between the Atlantic and the Pacific. NATO is no longer just the Atlantic and it must go beyond to discuss other regions. An Australian delegate asserted that meetings such as the Pacific Caucus are necessary since we are individual democracies going our different ways. We also need such meetings to learn and to counter the lack of information, particularly with the successor generation. An American Congressman declared that the meeting had been very useful to his own thinking and should be continued. He stated that what has been accomplished by the Pacific Caucus is very important in stimulating a timely Atlantic-Pacific dialogue.

There was agreement that the next Caucus should take place in Hawaii in January 1986 with succeeding meetings at least on a biannual basis. It was further suggested that the meeting be kept small with basically the same parliamentary representation and format. One observer each may be invited, however, from the Republic of Korea, Taiwan, ASEAN, and the South Pacific Forum. The Pacific Forum, in cooperation with the Atlantic Council of the United States, would again be responsible for organizing the Caucus and would work with the parliamentarians in developing specific themes and the agenda for discussion. It was also agreed that a labor economist should be one of the speakers addressing the next Caucus.●

BUSINESS INSTITUTE OF CHICAGO CITY-WIDE COLLEGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, Assistant Secretary for Educational Research and Improvement in the U.S. Department of Education, Dr. Donald J. Senese, was in my city of Chicago recently to deliver an address at the opening of new facilities in downtown Chicago for the Business Institute of Chicago City-Wide College.

Dr. Senese's remarks, which focused on the importance of businesses and community colleges working together to bring about economic growth and development for urban areas like Chicago, are both timely and informative. His speech, entitled "Business and Community Colleges: A Healthy Partnership for Individual and Economic Development," which I would like to call to the attention of my colleagues, follows at this point in the RECORD:

BUSINESS AND COMMUNITY COLLEGES: A HEALTHY PARTNERSHIP FOR INDIVIDUAL AND ECONOMIC DEVELOPMENT

Good afternoon. I am very pleased to have the opportunity to be here in my hometown of Chicago and to participate in this open house celebrating the second year and the

opening of the new facilities for the Business Institute of City-Wide College.

The programs of City-Wide College are playing—and will continue to play—an imporant role in the economic development of Chicago.

I have been impressed with the current activities and the future plans of the Business Institute under the leadership of Chancellor Salvatore Rotella, President Mark Warden and Director Sandra Foster.

I am also aware of the fine work being accomplished on the southside of Chicago at Olive-Harvey College under the direction of the Dean of the Skills Center Jack Steward. As a native of the southside, I am aware of the economic problems of that area and have been impressed with the leadership shown to provide the short-term training necessary for entry level employment. Such activities develop one of our most important resources—the human resource. This type of program on the southside aids human and economic development. In providing tuition waivers, education and training, and placement assistance with businesses it demonstrates that progress can be made by providing facilities and resources. Hopefully, there will be a greater commitment by State and local government as well as businesses to advance these types of programs.

This Business Institute deserves our careful attention and support for it is doing an outstanding job in helping people and assisting the economic development of Chicago.

I would like to spend a few minutes talking about the importance of such efforts as the Business Institute.

There are many factors affecting workers today. As the impact of our entry into the what is being called the "Information Age" begins to be felt in the workplace, the role of post-high school educational institutions will become increasingly significant.

An "education" in the traditional sense is already becoming a thing of the past; education is rapidly becoming, if it is not already, a lifetime pursuit.

As the workplace shifts and adjusts to meet the demands of ever-changing requirements, it will be difficult to predict job needs of the future—some jobs which exist today will be eliminated, or at least dramatically revamped, while other jobs will be developed. It is likely that this shifting pattern of job and/or careers will continue to expand and become a way of life in the 21st century.

Up to the present decade the education and training which one took in preparation for a career would prepare that individual, with perhaps occasional updating, for a lifetime in that career. It was true with my father who spent over 40 years as a truck driver in Chicago. It is estimated that with our changing economy that training for many careers in the near future will last only 10 to 15 years.

Recognizing the need to learn more about the current nature and the extent of partnerships which already exist, while at the same time encouraging the building of such partnerships, the Office of Vocational and Adult Education of the U.S. Education Department funded a study which was conducted by the American Association of Community and Junior Colleges and the Association of Community College Trustees.

This study examined existing partnerships between community, technical, and junior colleges with business, industry, and high schools.

Many of you here today are probably already aware of the study since the City-Wide College was one of the respondents.

The final report has not yet been released; however, I have been able to review a draft. The title of the report, I think you will agree, is appropriate to the efforts being made in this area, "Keeping America Working."

Originally the title was going to be "Putting America Back to Work" but the real goal of the community junior college/business and industry partnerships which are being developed is to keep our workforce skilled, and on the job.

During a time of fluid job needs and requirements the idea is to have workers participating in ongoing education and training, building and adding to skills so that they are able to assume positions in new job areas without much, if any, loss of work time.

If as projected, a large segment of our population is going to need a career "retraining" every 10 to 15 years, we may need to prepare individuals for 3 or 4 career changes during their lifetime. This is a tremendous challenge but also an engaging opportunity for unique partnerships, new training programs, and innovative leadership at all levels.

The future role of community colleges such as Chicago City-Wide College in our society will be extremely significant.

Such colleges will not only serve as a source of training for those getting ready for the workplace or in preparation for more advanced education or training but as a place where "re-education" can take place. Community colleges can become vital centers providing the resources for a lifelong educative process. They will become the focal point of economic development for urban as well as suburban and rural areas.

Your college can serve as a catalyst between workers and business and industry and prevent disruptions in the workplace which would have serious, detrimental effects on our economy.

The community junior college is becoming a tremendously significant resource for business and industry, one which is important to their success.

New resources need to be sought to meet the demands. A two-way street between the community colleges and the business community and industries which they serve must be developed. Those in a position to create and implement programs need to cultivate this type of exchange. All of you here today can participate in this crucial task.

Upgrading skills, retraining before a person loses his or her job, is of extreme importance from the standpoint of the worker. An individual who thinks that what they are doing is becoming obsolete over and over again, and finds himself or herself with long stretches of unemployment, is bound to become demoralized not to mention the personal havoc such circumstances can bring to an individual's personal and family life. A steady job can aid in strengthening the family unit and will help prevent social unrest.

It is far more cost effective with the use of local community resources to take a preventive approach so that workers will be kept on the job.

This is not an easy assignment but I know that you are already committed to that goal. There is no doubt that those who have accepted this challenge do not face an easy task. I know that the Business Institute is dedicated to working in this area, and it already has a good track record. For example, your Small Business Development Center where you provide training and counseling to small businesses, and its Federal Contract Procurement Center which has already been effective in creating new jobs in the community is an important resource on the small business level. You are also involved in impressive vocational training programs.

Open communication between colleges and business/industry partners was stressed as a key factor in successful partnerships in the earlier report I mentioned. I see this as an important element of your Training Development Referral Center. While I know this program is still in the planning stages it will fill an important need in your community once it has become a reality, and I commend your foresight in embarking on such a venture. You will be combining business resources with your own to provide an important means of assistance for workers.

We had many reports on the condition of American education over the last two years. One such report, highly praised by President Ronald Reagan, focused on the issue we are discussing today. This report, entitled "America's Competitive Challenge" came from thoughtful consideration by the Business Higher Education Forum. "America's Competitive Challenge" urged that each segment of society—business, education, labor, and government—perform those parts of the overall effort for which it is best suited and to enter into new cooperative alliances when necessary.

This is exactly what you are doing here at the Business Institute of Chicago City-Wide College. I commend your efforts and wish all of you—Chancellor Rotella, President Warden and Director Foster and your fine staff—every success in your efforts. A lot of people—and the continued economic development of Chicago—are depending on you and your allies.●

MAJOR LEAGUE SPORTS COMMUNITY PROTECTION ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BROOKS] is recognized for 5 minutes.

● Mr. BROOKS. Mr. Speaker, I am introducing legislation to modify and clarify the application of the antitrust laws to professional sports leagues. In recent years, following a successful antitrust suit by the Los Angeles Raiders football team against the National Football League allowing the team's move from Oakland, chaos has reigned over franchises in many sports leagues. Teams have felt free to pull up roots in one community, often after years of enjoying that cities' loyalty and support, and relocate in another site. In addition to the Raiders' move last year, the Baltimore Colts have headed for Indianapolis and serious consideration has been given by the Philadelphia Eagles, the St. Louis Cardinals, and the New Orleans Saints to relocating.

Moves in basketball include the Buffalo Braves to San Diego, the New Orleans Jazz to Salt Lake City, the San Diego Clippers to Los Angeles last

year, and the Kansas City Kings now have their eye on Sacramento, CA. In hockey, the teams have also been playing musical chairs—the Atlanta Flames to Calgary, the Colorado Rockies from Kansas City to Denver and then to New Jersey, and now the league faces a $60 million antitrust suit for refusing to allow the St. Louis Blues to move. The stability of the leagues has been shattered and many communities and fans have suffered.

My legislation—the Major League Sports Community Protection Act of 1985—will allow the professional sports leagues to make and enforce internal rules in three areas without fear of antitrust suits by disgruntled league members or other parties.

Those three areas of permissible league control are: One, decisions that member clubs shall not relocate from their existing home territory; two, rules for the sharing of league revenues among the members in a manner that promotes comparable economic opportunities for each; and three, rules governing the selection or termination of the ownership of member clubs so long as these rules apply equally to all league members.

Freedom in these areas from antitrust suits by the teams and others, will allow the leagues to regain control over their members in location matters and restore stability without imposing Federal regulation over professional sports. This is in sharp contrast to many of the other pending bills on this matter. They would create Federal standards to govern professional sports team movement and in some even mandate expansion by the leagues to particular cities.

In keeping this legislation's scope narrow, the bill explicitly states that it does not apply to any labor-management or collective bargaining matter or to any broadcasting issue. The bill is carefully drafted not to immunize the leagues from any antitrust suits raised by competing sports leagues of the Federal Government. And the bill does not pertain to professional baseball. Baseball's current antitrust immunity is not affected.●

TRIBUTE TO HON. JAMES C. KIRKPATRICK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. SKELTON] is recognized for 60 minutes.

Mr. SKELTON. Mr. Speaker, I have asked for a few minutes today to pay special tribute to a great Missourian. Back in 1960 I had the opportunity to meet a friend of my father's. It was during a political campaign. That gentleman's name was James C. Kirkpatrick. James Kirkpatrick, or Jim, or "the Jolly Green Giant," because of his Irish heritage as he is so very warmly known, has just retired from 20 years of public service as my State's, the State of Missouri's, politician, with a record that has made people green with envy because of his popularity. He has retired after 20 years as our secretary of state.

Mr. Speaker, during his tenure in office, which was longer than any other secretary of state in Missouri's history, he made friends, he gained respect, and he had people of both political parties attesting to the fact that he was truly an outstanding public servant.

His popularity is attested by the fact that in his last reelection bid in 1980 he received over 1,300,000 votes, the most for any candidate or ballot issue in Missouri's history. As one of his friends—and also I might point out the fact that he is a constituent of mine now residing in Johnson County, MO—it gives me great pleasure to have asked for this special order for him, my friend, Jim Kirkpatrick.

One of Jim's major successes shows up in the number of registered voters in Missouri. Jim was responsible for an ongoing registration drive which in 1976 gave Missouri a 12-percent increase in the number of voters, the largest in the country.

Another one of Jim Kirkpatrick's successes was in saving money for the State of Missouri. Programs under his office were streamlined, such as records management and archive services and the computer output microfilm service which saved Missourians over $10 million.

Jim Kirkpatrick handled his terms of office with ease and with self-confidence. However, some of the changes he undertook, such as changing the color of the Missouri State Manual from the traditional color of blue to green because of his Irish heritage, undoubtedly got the "Irish up" of some people.

I would like to take this opportunity to publicly thank James C. Kirkpatrick, our friend, my constituent, a great Missourian, for his service through the years. I am also submitting some editorials that I wish to share with the Members of this body. I wish to insert an editorial written by Kim Sexton in the Blue Springs Examiner entitled "Farewell—and Heartfelt Thanks;" an editorial from the Independence Examiner, which is entitled "Missouri Will Miss Jim Kirkpatrick;" an editorial from the Jefferson City Tribune, entitled "Kirkpatrick Retires After Setting Records;" and an editorial entitled "Newspaperman Kirkpatrick Never Forgot From Whence He Came," from the Missouri Press Association News:

[From the Blue Springs Examiner]

FAREWELL—AND HEARTFELT THANKS

How many politicians are really loved by the electorate? I can think of one, and he's leaving office Monday.

There will never be another Jimmy Kirkpatrick, who is retiring as secretary of state. His five terms set a new record for longevity in office, and that fact alone is solid evidence of what Missourians thought of him.

We expect elected officials to operate cost-efficient offices, but Kirkpatrick has been one of the few to do it consistently.

The many steps he has taken to streamline the office and reform our election laws has saved Missourians far more than his office has cost us.

There surely never has been a friendlier public official than the Irishman by choice dressed in green. He has traveled through the Show-Me State far more than necessary to seek guidance from the voters.

The state's chief election official, who was so effective that legislators gave him additional management, archives and commercial code enforcement responsibilities, was successful in his many attempts to promote statewide voter registration. In 1976, Missouri led the nation with a 12 percent gain. The 1,366,466 votes cast for Kirkpatrick in 1980 were more than any for a candidate or issue in our history.

Outside of Harry Truman, I doubt there has been a Missourian more loyal to the Democratic party, but he was more than an outstanding human being who worked with Republican leaders who were dedicated to progress. There are a lot of Kirkpatrick fans among Republican officials. One is Roy Blunt, who will succeed Kirkpatrick.

As a third generation newspaperman, I was especially proud of the well-written documents and Official Manuals produced by the former 34-year veteran journalist and newspaper owner.

He loved the Missourians he served, too, and it is a wonderful thing that they will be able to visit him in a replica of the secretary of state's office that is being constructed in the library in the Ward Edwards Building on the campus of Central Missouri State University. That's in his new hometown of Warrensburg.

Thank you Honorable James C. Kirkpatrick for the unparalleled career that gave us a better Missouri and proved you were right when you said many times:

"Good business in government is also good politics."

[From the Independence Examiner]

MISSOURI WILL MISS JIM KIRKPATRICK

"Prompt, courteous, and accurate service." Could be the slogan of any business. In this case it's the secretary of state's office, and the slogan is no puffery.

Jim Kirkpatrick leaves that office after five terms Monday. He leaves it in superb shape.

A Scot who loves anything Irish or green, Kirkpatrick will be missed.

As the state's chief elections official since 1965, Kirkpatrick has led the way in boosting voter registration and simplifying and standardizing election laws.

At a time when government cries for more tax dollars, Kirkpatrick supervises 11 divisions of state government that together earned the state $2.52 for every $1 budgeted for those divisions in 1984.

He narrowly missed his goal of having 3 million people registered to vote in 1984; in 1976 Missouri led the nation with a 12 percent gain in registering voters.

A Democrat with a background in newspapers, Kirkpatrick purged the state manual and other documents of bureaucratic lingo.

It's likely that Kirkpatrick's successor will usher through a change Kirkpatrick has fought for: a campaign finance reporting law with the teeth to adequately punish violators.

[From the Jefferson City Tribune]

KIRKPATRICK RETIRES AFTER SETTING RECORDS

(By Don Norfleet)

Although he's enjoyed his long service to Missouri, Secretary of State James C. Kirkpatrick looks forward to leaving public office.

"I can't wait until it's over. But I have always enjoyed serving the public," Kirkpatrick says.

During his 20 years in office, Kirkpatrick set a record for serving the longest consecutive terms of any statewide elected official in Missouri. Kirkpatrick took his first oath of office as Missouri secretary of state on January 11, 1965.

Kirkpatrick not only has served the longest, he also holds the record for the most career votes of any Missouri politician. Over the years, Kirkpatrick has received an amazing total of 8,462,469 votes in Missouri primary and general election campaigns, more than any other Missourian.

In his last election in 1980, Kirkpatrick set a record when 1,366,466 Missourians voted for him. At the time the vote total was the largest ever recorded in Missouri for any candidate or ballot issue.

Kirkpatrick plans to go home to Warrensburg when his term ends on January 14. But even in retirement, Kirkpatrick will have plenty of memories of his office he has occupied for 20 years on the second floor of the Capitol.

Central Missouri State University at Warrensburg has constructed a virtually exact duplicate of Kirkpatrick's Capitol office.

The hundreds of Irish mememtos that dominate Kirkpatrick's office also will be sent to the new Warrensburg office along with the furniture. The cost of duplicating the office, university officials say, will come from private donations.

A 1929 graduate of CMSU, Kirkpatrick is now a member of the university's foundation board of directors. He'll speak to political science classes at the university and help the university any way he can.

More than 20 years ago, Kirkpatrick picked green as his campaign color. Since then he became known as a professional Irishman. It has reached a point where he now must wear green each day of his life or people will ask: "Where's the green?"

Kirkpatrick says the most fun he had as secretary of state came every two years when he made some color changes on the state manual, mainly from blue to green. In doing so, Kirkpatrick upset a long tradition in state government. The state manual had become known as the "Blue Book."

His first manual in 1966 was traditional blue, the same as previous manuals but perhaps a slightly darker blue. But in 1968 Kirkpatrick changed the manual to light blue and placed a full color seal on the front, including a touch of green. With the next manual in 1970 Kirkpatrick grew bolder, switching the color of the book to dark green with a touch of black and gold. That caused a serious political furor, fanned by traditionalists who wanted their collection of "Blue Books" to remain blue.

The next manual in 1972 was black and gold in honor of the colors of the University of Missouri. That still didn't satisfy critics. In 1972 Kirkpatrick decided to return to a green cover, but with a touch of blue. Then in 1976, Kirkpatrick made the manual red, white and blue in honor of the nation's Bicentennial. Since 1978 the state manual has been various shades of green with a touch of black and gold.

Although he was the state's most popular vote getter, Kirkpatrick says he never wanted to be governor. A good governor, Kirkpatrick knows, must be able to say no to many demands.

But as secretary of state, Kirkpatrick usually could say yes. That difference in roles is what makes Jimmy smile.

A governor can serve only eight years, but a secretary of state can serve as long as he can get re-elected. No doubt the jovial Irishman could have stayed in office as long as he wished.

Kirkpatrick often said he has the best job in state government. But after 20 years, Kirkpatrick is more than ready to retire. On June 15, he will be 80 years old. "It's time," he says with a broad smile, "to have some fun."

[From the Missouri Press News]

NEWSPAPERMAN KIRKPATRICK "NEVER FORGOT FROM WHENCE HE CAME . . ."

(By Tom Warden)

From my earliest recollections of this business of newspapering—and that goes back 30 years or more—I have been suspicious of politicians.

The suspicion, in reality, is perhaps somewhat unfounded. I have known politicians and public officials who were scoundrels of the first order. And I have known others who were first-rate individuals.

It is their lot to receive at times excessive publicity for their deeds and misdeeds, and we all tend to be wary of any apples that come from a barrel in which a few bad ones reside. This kind of generalizing tends to paint all politicians and public servants in a less-than-favorable light. And that really isn't fair to those who are decent people trying to give their best to a thankless job.

Throughout most of my association with newspapermen and politicians—the two seem inseparable—my faith and belief in the political system has been buoyed by one man whose credentials as a public servant have been impeccable.

In my humble opinion, he could have been elected to any state office to which he aspired. But he shunned the lure of higher office, and derived immense satisfaction from the office to which he was elected in November 1964—Secretary of State. He took office the following Jan. 11, and has since been re-elected four times. His return to office in 1980 produced the largest single vote total that any candidate or ballot issue has ever received in Missouri's history.

And James C. Kirkpatrick deserved that show of appreciation from Show-Me State voters. For in his 20 years as a public servant, he "showed 'em" that politics could be honorable if honorable men were elected to office . . . that honesty and decency indeed did exist in the halls of government.

My first encounter with this great and humble man, if my memory serves me, was in 1954 when I was a student in the University of Missouri-Columbia School of Journalism. Another student and I were sent to participate in some "hands-on" newspapering at the Windsor Review, a fine publication edited by Mr. Kirkpatrick.

Although I had had "hands-on" everything in a newspaper shop from the broom to the Linotype in my earlier years of apprenticeship in the craft, my time at the Review was rewarding and memorable. Most of all, it started what was to become a lifelong friendship with a man who was and is to this day a newspaperman first, a public servant second.

I suspect that during his 20 years of service as Secretary of State—an uninterrupted interval unrivaled by any of his 30 predecessors in the office—Jim Kirkpatrick treated his political constitutents as he had treated his newspaper subscribers: with the respect anyone deserves who provides you with your daily bread.

His tenure in the vineyard of newspapering no doubt prepared him for those two decades as Secretary of State. He never forgot from whence he came, and his ties to the profession and to newspaper people were never strained because of his ascendency to high state office.

These thoughts were prompted by a note from Jim this week, reminding me that he is retiring at the end of this term and will soon be Citizen Kirkpatrick instead of Secretary of State Kirkpatrick.

He will be sorely missed in the academy of politics, because he gave to that calling those qualities of honesty and fairness and concern that are frequently absent in the human species and particularly in many who are in the public eye.

Jim is probably the best-known, most-respected man in Missouri. In his two decades of public service, he has traveled throughout the state to give speeches wherever he was invited. No town was too small to host his presence; no person was too common to receive his handshake.

Oh, I could write volumes about Jim Kirkpatrick, and I hope someday some wise man will do just that. For his tenure in office should be a college primer in political science, his record a model for anyone seeking public office.

My Irish friend made the color green synonymous with his office; Missouri's Official Manual, the "Blue Book," acquired the color green under his tutorage. And he is fond of Irish wit and wisdom.

In his farewell note, Jim ended with this thought: "As the Irish are wont to say, 'May the hinges of our friendship never grow rusty'." Those of us who love him will see to it that they remain well oiled as a small token of respect for someone who gave a large measure of respectability to the profession of politics.

Someone has likened a person's life to the splash a pebble makes when it is dropped into a pool of water . . . making a few waves and then disappearing forever. Maybe so. But Jim Kirkpatrick's waves washed upon many shores; and they will leave ripples of confidence in government for decades to come. Fare thee well, my friend.

□ 1450

Mr. SKELTON. Mr. Speaker, at this moment I yield to my good friend from Missouri [Mr. EMERSON].

Mr. EMERSON. I thank the gentleman for yielding and I thank him for taking this opportunity to render some well-deserved remarks in honor of our great secretary of state of Missouri, Jim Kirkpatrick.

As an avid student of our Nation's history and of the people who have, over the years, played noteworthy roles in its Government, I often long for those days when our Federal and State governments were filled with

what I call true "characters." By true characters I mean those individuals who brought to public service not only competence and dedication, but also a sense of humor and a degree of personality.

We in the Congress have had our share of these individuals, including many Missourians such as the great Thomas Hart Benton, Carl Schurz, and Harry Truman. I am convinced that the Congress has been better off today as a result of the service of those individuals.

Likewise, in the great State of Missouri, we have a history filled with such individuals, and it, too, is a better place because of them. Today we are here to honor one of Missouri's most recent and best loved "characters."

For the past 20 years, Missourians have been served by a secretary of state whose name was indeed synonymous with the office itself. This man, Jim Kirkpatrick, is virtually unrivaled in the State of Missouri in his popularity, the personal regard in which he is held by political friends, and I would say he really has no foes, and in the respect that he has gained as an elected public official.

In the course of his political career, he has received more votes than any other Missourian in history. His most recent reelection in 1980 resulted in a new record for the number of votes cast for any individual candidate. I would venture to say that he has also given more speeches than any living Missourian.

In short, Jim Kirkpatrick's record speaks for itself. With that record, he has now retired from the secretary of state's office, leaving a legacy that not only he, but all Missourians can be proud of. Today, as Jim Kirkpatrick enjoys a well-deserved rest, I join my colleagues as well as millions of Missourians in wishing him the best and in thanking him for the untold contributions that he has made.

As he travels the roads of Missouri now, he can do so with a sense of pride and satisfaction that only a very few special individuals deserve and have earned as Jim Kirkpatrick has earned.

I thank the gentleman for yielding.

Mr. SKELTON. I thank the gentleman so much for his very kind words about our friend, Jim Kirkpatrick.

Mr. Speaker, at this point, I ask that the statements of our colleagues be included in the RECORD.

The SPEAKER pro tempore. Without objection.

Mr. SKELTON. Suffice it to say, Jim Kirkpatrick is a great Missourian and a great American. A number of years ago, a good friend of mine, the sheriff of Lafayette County in Lexington, once said that the best politics is doing a good job. Jim Kirkpatrick epitomizes the very essence of good politics because he has done an excellent job for the people of the State of Missouri for 20 years. We are proud of him; we are proud of the record he made. We are proud of the friends that he made.

Mr. Speaker, I am pleased to say that he is now a constituent within the Fourth Congressional District, and all of us join in wishing him and his charming wife many, many happy and wonderful years ahead.

● Mr. GEPHARDT. Mr. Speaker, I rise today to honor James C. Kirkpatrick. Mr. Kirkpatrick ably served the State of Missouri as secretary of state for 20 years.

His achievements during his tenure as secretary of state are many: Statewide voter registration; overhauling the election code of the State; computerization of the Corporation and Uniform Commercial Code records and numerous other accomplishments that have assisted the State.

Jim's service to the State did not begin with his election to the post of secretary of state. Jim served as a newspaperman and editor with several Missouri papers. Later, he was appointed to the board of regents at Central Missouri State University and served as board president for 10 of the 12 years of his membership.

His sponsorship of the development of Missouri's highway system won him the honor of having his name inscribed on the scroll of honor by the Missouri Good Roads & Streets Association. He was subsequently cited as one of six outstanding Missourians by the State highway department because of his devotion to modern highways.

Jim's other accomplishments are many. His service to the State's Democratic Party have earned him several awards. Perhaps more important than the awards is the support that the people of Missouri have given him. Although he has never been a candidate for another office, his career total of 8,462,469 primary and general election votes is the largest ever accorded a Missourian. He twice set a Democratic record by carrying the city of St. Louis and 108 counties in the general elections of 1976 and 1980.

Jim's absence from the office he so ably held will be felt by all. I know I share the feelings of many Missourians in the thanking him for his service and wishing him well in his future endeavors.●

● Mr. YOUNG of Missouri. Mr. Speaker, Jim is not only a public official who has rendered superior service to the State of Missouri; he is an institution. His legacy as one of Missouri's finest secretaries will be remembered in history books as a man who was an exemplary public official, a statesman who devoted his life to public service for the betterment of the State.

As an individual, I have never met a finer man than Jim Kirkpatrick. Throughout all of my years as a State official, I always knew Jim had an open-door policy that would enable me to enter freely, knowing he would at least listen to my opinions and concerns.

The people of Missouri elected Jim to office time and time again. That act in itself is a tribute to the caliber of man that he is.●

● Mr. CLAY. Mr. Speaker, I am delighted to join with my distinguished colleagues in tribute to a great Missourian, the Honorable James C. Kirkpatrick, on the occassion of his retirement from public office.

James C. Kirpatrick has served the citizens of Missouri as the secretary of state for the past two decades and in so doing, Secretary Kirpatrick set many State records. He holds the record for continuous tenure in the office of secretary of state and in his last reelection, James Kirkpatrick set the record for total number of votes ever given to a candidate or ballot issue in Missouri, and achieved the highest number of total votes ever accorded any elected offical.

Today, we are grateful to James Kirkpatrick for his untiring efforts to improve services to the people of Missouri and his success in bringing technology into the functions of the office of secretary of state. Secretary Kirkpatrick established Missouri's first Records Management and Archives Service and the Computer Output Microfilm Service, both of which are credited with saving Missourians many millions of dollars. In addition, Secretary Kirkpatrick achieved statewide voter registration and implemented a complete overhaul of the election code.

As the 31st secretary of the State of Missouri, James Kirkpatrick established himself has a leader of wisdom and integrity and his productive contributions will continue to benefit Missourians for many years to come. James Kirkpatrick has given untiringly to the State of Missouri and he richly deserves our appreciation today. I am honored to have served in government during his tenure and I will certainly miss him many times in the years ahead. I wish Secretary Kirkpatrick a future blessed with health and happiness.●

● Mr. WHEAT. Mr. Speaker, last month marked an end to an era in Missouri politics. James C. Kirkpatrick—perhaps the most popular politician in the history of my State—resigned after 20 years as secretary of state of Missouri. The atmosphere in the halls of our State capitol is much different now without the presence of this friendly man with a gracious wit and an easy Irish charm. All Missourians will be saddened by his return to private life.

Mr. Kirkpatrick's tenure as secretary of state started on January 11, 1965. He won reelection 4 consecutive

times and his 20 years of uninterrupted service is unrivaled by any of his 30 predecessors. In his last reelection in 1980, Mr. Kirkpatrick received 1,366,466 votes, the largest single vote total that any candidate or ballot issue has ever received in Missouri's history. And although Mr. Kirkpatrick was never a candidate for any other office, in his five elections he received 8,462,469 primary and general election votes, the largest ever received by a Missouri politician. A better testimony to a public servant's achievements in office has never been given.

Mr. Kirkpatrick brought to Missouri politics a wealth of honesty, fairness, and integrity. He demonstrated to Missourians time and again that honesty and integrity do exist in government. He shunned the limelight and the lure of higher office and concentrated on tasks that gave Missourians a better view of their government.

Fortunately, the most complete overhaul of the Missouri election code in this century occurred under his steady supervision. A better man could not have been chosen for the job. It was his efforts that brought about for the first time the publication of all administrative rules and regulations of State agencies. It was his initiative to institute a central office that would make campaign finance disclosure reports available to the public. It was his office that strengthened enforcement of the Uniform Securities Act to better protect Missouri investors.

Mr. Kirkpatrick is probably the best known and most respected man in Missouri. The list of laudatory citations, public service awards, and honorary appointments given to him is endless. Central Missouri State University awarded him the fourth honorary doctor of humane letters in the university's history in 1979. The Young Democratic Clubs of Missouri chose Mr. Kirkpatrick as the recipient of the first ever James A. Farley Award. While his star shined brightest in Missouri, he also achieved some national prominence. The National Association of Secretaries of State made him only the second Missourian to ever serve as president of the association. He was also a member of the first advisory panel to the Federal Election Commission.

Mr. Speaker, James C. Kirkpatrick won't easily be forgotten in Missouri politics. He literally left his personal imprint on the office of secretary of state. He made the color green synonymous with his office and it was during his tenure that Missouri's official manual turned from blue to green, and the manual is now fondly known as the Green Book.

But he leaves behind more than the color of this office. Etched in the memories of Missourians will be the memory of a man who seriously undertook the duties of his office and who never waived from his principles and his heritage.

In his two decades of public service, James Kirkpatrick exemplified the Irish love affair with words that dates back to the dawn of Ireland's history. During his tenure as secretary of state, he delivered 1,900 researched speeches throughout the State. No town was too small to host his presence; no person was too common to receive his handshake. Mr. Kirkpatrick always ended each of his speeches with an Irish blessing special to the occasion. In honor of Mr. Kirkpatrick,

I would like to offer a traditional Irish blessing to him:

May the road rise up to meet you,
May the wind be always at your back,
May the sun shine warm upon your face,
May the rain fall softly upon your fields,
And until we meet again,
May God hold you in the palm of his hands.●

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Saunders, one of his secretaries.

MARIE NEWTON SEPIA MEMORIAL SCHOLARSHIP FUND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. BENNETT] is recognized for 5 minutes.

Mr. BENNETT. Mr. Speaker, Marie Newton Sepia, who until her death in 1983 was a citizen of Jacksonville, FL, was a renowned leader in humanitarian movements, and among other important organizational offices, she was president of Pilot International, an outstanding international civic service organization. That organization has established the Marie Newton Sepia Memorial Scholarship Fund in her name as an honor to her for her activity in setting up scholarships for needy persons, both in the United States and abroad. The late Marie Newton Sepia's husband, M. Fred Sepia, is actively supporting the foundation in her memory. Innumerable organizations such as the Freedom Foundation at Valley Forge, the government of Guatemala, the Governors of several States, and President Ronald Reagan, have acclaimed Mrs. Sepia's work. The principal purpose of the Pilot International Foundation is in fact to ensure full citizenship for the handicapped in a scholarship program for teenage students preparing for careers and working with the handicapped. The guidelines and applications for such a study of assistance are handled by the Pilot International Foundation, Post Office Box 4844, Macon, GA 31213-0599.

The Foundation and its work are important, and I am honored that I have the privilege of representing the area where Mrs. Sepia became such an outstanding civic leader ultimately on an international level and where her husband carries on in this inspiring and very much needed work.

A BILL TO REPEAL THE RESIDENTIAL AND COMMERCIAL AND APARTMENT CONSERVATION SERVICES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. RALPH M. HALL] is recognized for 30 minutes.

● Mr. RALPH M. HALL. Mr. Speaker, I am pleased to join my distinguished colleague, the gentleman from California [Mr. MOORHEAD], in reintroducing legislation to repeal the residential and commercial and apartment conservation services. This bill is identical to legislation I introduced last Congress which served as the basis for a compromise that, while not perfect, would have been an important step toward recognizing that the best way to promote energy conservation is through the operation of the marketplace. Unfortunately, there was not sufficient time to resolve all of the outstanding issues with the Senate before Congress adjourned last fall, so we must now start afresh to repeal these two ineffective and burdensome programs.

I think we all can agree that the residential conservation service [RCS] and commercial and apartment conservation service [CACS] were created for laudatory purposes. These programs were enacted in reaction to unprecedented increases in energy prices. RCS and CACS were intended to help low- and moderate-income families to identify cost-effective conservation measures which would lower their energy bills.

But these well-intentioned programs have failed. The extensive hearings on RCS and CACS held last Congress by the Subcommittee on Energy Conservation and Power, of which I am a member, show that RCS and CACS are fundamentally unfair to the vast majority of America's utility ratepayers.

The audits that utilities are required to conduct are provided at a subsidized price. By law, utilities can only charge $15 for an RCS audit. The bulk of the costs, which may exceed $200 in certain regions of the country, are simply added to the utility bills of the 97 percent of utility ratepayers who do not participate in the RCS Program.

Who is in this exclusive group—3 percent—of ratepayers who benefit from the subsidized audits? Certainly it is not the low- or moderate-income groups. Studies have shown that the 3 percent of utility customers who request RCS audits are upper- and upper-middle income families. In this way, RCS transfers income from the

poor, elderly and minorities to subsidize audits of the affluent.

What have we achieved with this extremely unfair program? Very little. The RCS Program has not successfully encouraged conservation.

Those who do participate in the program rarely install conservation devices. DOE's evaluation of RCS concluded that the differences between the rate of adopting conservation measures between RCS participants and nonparticipants are small.

This is not surprising. High energy prices have already spurred households to alter their behavior. Most cost-effective conservation measures are obvious and have been implemented by homeowners before they participate in the audits.

As a result, conservation measures encouraged by subsidized energy audits have not resulted in significant energy savings. RCS has only reduced national energy use by one-hundredth of 1 percent. The Department of Energy calculated that RCS participants saved only approximately 4 million British thermal units [MBtu] more than nonparticipants per year. Each of the 4 MBtu saved by RCS participants costs on average almost $84. This means that the RCS participants only saved 2.8 percent more than nonaudited utility customers for an annual savings of about $35. This is hardly cost-effective in light of the cost of the conservation measures and the cost of the RCS audit.

The notification requirement for the RCS program has expired, thus sunsetting this ineffective and unfair program. Nevertheless, this bill would make the technical change of removing the RCS language once and for all from the books.

The Commercial and Apartment Conservation Service Program suffers from the same flaws as the RCS Program and is likely to result in even greater inequities. Like RCS, CACS audits will subsidize the affluent at the expense of the poor and the elderly. The subsidy, however, will be even larger than that provided under RCS. Comprehensive energy audits of large or multitenant buildings are far more complicated and costly than audits provided for single family dwellings under RCS.

It is also likely that CACS will be even less effective than RCS. A landlord has little incentive to install conservation measures when the cost of utilities are passed on to renters. On the other hand, renters are unlikely to invest in modifications which will improve the value of their landlords' property and which will pay off over a period of time longer than the renters' tenancy is certain. Also, renters are unlikely to invest in measures whose effectiveness is contingent upon other renters adopting similar conservation measures. This is particularly true in light of the dismally low rates of participation likely to be encountered.

Further, as with RCS, the likelihood that those few who do participate will install conservation measures is quite small. The marketplace has already insured the implementation of cost-effective conservation measures. Businesses, owners, and entrepreneurs have a financial incentive to install cost-effective energy conservation measures. Lower utility bills enhance the value of commercial property.

Mr. Speaker, the best way to achieve energy conservation is not through the imposition of burdensome regulations and the Federal mandate of subsidized energy audits. An unfettered energy marketplace will achieve energy savings without the harm and exposure to ratepayers associated with RCS and CACS. We recognized this fact last Congress when the House voted for the compromise measure that would have repealed CACS.

For this reason, I urge my colleagues to support quick action on the legislation I am introducing today. CACS is only now getting off the ground. Timely consideration of this legislation will reduce utility charges currently scheduled to be billed consumers for the implementation and start-up of CACS. Under this bill, if enacted quickly, these charges will never be assessed. I cannot overemphasize the need to act quickly on this matter. We can still act to stop CACS before it too joins the ranks of those Federal programs acknowledged as unnecessary and burdensome, but almost impossible to stop.●

THE PEOPLE OF AMERICA HAVE SPOKEN AND THE SOUTH AFRICAN GOVERNMENT IS LISTENING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 30 minutes.

Mr. HOYER. Mr. Speaker, the people of America have spoken out and the Government of South Africa is apparently listening. Just in the past few days, the Government of South Africa has offered Mandela his freedom in exchange for a pledge of nonviolent opposition to apartheid. A moratorium has been declared on the forcible relocation of certain black villagers to reserves. Although the moratorium is temporary, I cautiously view these signals to the American public as an acknowledgement of the sensitivity of the South African Government to world opinion, particularly U.S. opinion.

Much more needs to be done. The Government of South Africa has a treacherous road to travel. Today South Africa's 22 million blacks may exercise political rights only in 10 ethnically based homelands. This racial policy stems from the Native Lands Act of 1913 in which "homelands" or reserves for blacks were created out of land comprising about 13 percent of the Union of South Africa. Blacks were and still are forbidden to purchase land outside these reserves. In order to control the influx of blacks into the cities, many jobs such as mining, industry, and business were reserved for whites only. The system of racial segregation was institutionalized with the coming to power of the Nationalist Party in 1948. In addition to giving statutory blessing to racial discrimination, the Bantu Authorities Act of 1951 created "independent" states out of the tribal reserves to which the blacks of South Africa have been assigned according to tribal ethnicity. Upon being granted independence, the homeland becomes a state and all blacks who have tribal or ethnic associations with it are declared citizens. Millions have been forcibly removed from their homes to these reserves. The men who are fortunate enough to be allowed to travel from the homeland to the city for employment are in fact indentured servants. They work for low wages, are boarded in hostels and are prohibited from bringing their families with them. As my colleague, WALTER FAUNTROY observed, a most "antifamily policy."

One result is that the women, children, and elderly left behind in the homelands are often without means of supporting themselves in barren areas that yield little food or hope. In South Africa the infant mortality figures per 1,000 in 1982 were 12 for whites, 69 for urban blacks and 282 per thousand for rural blacks. The Government spends 10 times more on the education of white students than black students. In manufacturing, blacks' wages are less than 25 percent of the white average and in mining, whites earn almost 10 times more than blacks.

Through its policies of apartheid, the South African Government has institutionalized violence and bitterness. It is a political system in which a white minority of 4½ million governs a state that controls 87 percent of the land, receives 70 percent of the national income, and denies due process, freedom of speech and assembly, the right to a fair trial, the right to own land or travel to over 70 percent of its citizens.

South Africa stands within sight of a catyclysmic racial civil war. There is limited time for change. Black patience with achieving reform is understandable running out. We must not make the mistake of underestimating the depth of feeling and anger of blacks at continued humiliation, degradation, and denial. The African National Congress which was banned 23 years ago, has become more intense, more violent after almost 50 years of

futile nonviolent protest. The ANC had responded to South Africa's segregationist policies by organizing public meetings and gathering petitions. Then in the early fifties with the entry of young leaders like Mandela and Tambo, new programs were adopted. We began to see boycotts, strikes, and civil disobedience. The killing of Steve Biko, who symbolized defiance, struck a blow to those who hoped that change would come soon and peacefully.

The recent constitutional amendment Mr. Speaker, adopted by referendum last November granted, as you know, limited representation to 2.5 million coloreds and 800,000 Asians, representing approximately 12 percent of the total population. This concession to a limited nonwhite segment of the population is the first time nonwhites, since the arrival of whites over 332 years ago, have served in the National Government.

Mr Speaker, we should look beyond the veneer of democracy. The new Constitution does not in any way dilute white control or change the institutionalized segregation and racism that exists in South Africa. If anything, it is an exacerbation of racial bitterness.

There is a festering anger. Currently, there exists an uneasy balance between those who seek political reform and those who maintain that liberation will occur only with Socialist revolution. In the distant future, we may witness a perceptible shift in that precarious balance. In the absence of reform, both the Government and those outside the system will believe that there are no meaningful choices available. The painfully slow process of peaceful change in the political, economic, and social system will give way to a process of violent change. There will be a descent into the smoldering fires of a racial civil war.

South Africa has traditionally been at the periphery of U.S. focus on world issues. American policymakers have been reluctant to get involved in South Africa's racially determined minority rule. We have acted upon the premise that constructive change will come about through a progressive role of historical and economic development; that is, through the white-controlled government. That premise needs to be reexamined. The United States must consider the long-term implications of its present relations with South Africa. Most agree that one way or another the walls of apartheid will soon be torn down. The longer those walls remain standing, the more violent will be the means to bring them down. And we should not be supplying the mortar which sustains those walls.

There exists a basic and fundamental disagreement with South Africa over apartheid. No longer should we merely regret South Africa's legal framework. We must step beyond rhetoric. We need to give substance to our disagreement for otherwise any expressions of concern are meaningless and empty. Ultimately, the United States can not eradicate apartheid. However, we should examine those policy options which acknowledge that internal actions by South Africa will provide the main impetus leading to change and which offer a means by which the United States can disassociate itself from apartheid and prod South Africa to move in a positive direction toward full political rights for all the citizens of South Africa.

The levers we have at our disposal are few. However, they do exist. Swiftly and with purpose we attempted to invoke the weight of economic sanctions against martial law in Poland; so should we in South Africa. The United States and South Africa have developed a mutually beneficial economic relationship. The economic involvement of the United States is significant. Direct investment is estimated to be nearly $3 billion. The full extent however, of U.S. financial investment reaches beyond direct investment to over $14 billion. Since 1974 Krugerrands have been purchased by Americans and have reportedly earned the South African Government over $360 million. On November 3, 1982, the International Monetary Fund granted a controversial $1.1 billion loan to South Africa. Mr Speaker, 7 executive directors representing 68 countries refused to support the loan, 9 called for postponement, and 8, including the U.S. director, backed the loan and prevailed with 52 percent of the vote.

It is difficult to separate and keep separate political and economic issues concerning South Africa as the economic matters encompass social, cultural, and political factors. Segregated education, mandated by law, keeps blacks from becoming skilled workers and out of many higher paying jobs. The shortage of skilled workers curtails output growth, increases costs, and aggravates inflation. These economic consequences flow from politically imposed conditions. U.S. economic involvement, whether it be direct or indirect, such as voting in favor of a $1.1 billion IMF loan, to which I previously referred, assists South Africa in maintaining its current political framework. This assistance is perceived as approval of the current regime. That may prove to have unintended implications in the future on United States-South African relations when the white minority government yields full political participation to all of its citizens.

This is not solely a black issue. It is a concern of America. If we are to maintain the legacies of Jefferson, Lincoln, and Dr. King, if we are to be the America of which they spoke, then we must be concerned with apartheid. We are and view ourselves the conscience of the world. The oppressed look to us for assistance in achieving social and political justice, for moral leadership, and for an understanding of their aspirations. It is time for us to step beyond rhetoric.

Through the tireless leadership efforts of a number of my colleagues we have stepped beyond simply talking. The legislative proposals of my colleagues JULIAN DIXON, STEVE SOLARZ, BILL GRAY, and HOWARD WOLPE have significantly contributed to calling into question the efficacy and long-term implications of this administration's present policy known as constructive engagement. The effects of Congressman WALTER FAUNTROY, with the assistance of Randall Robinson of Transafrica, set in motion a nationwide protest against the indignities and human tragedies associated with apartheid. My colleague from Maryland, PARREN MITCHELL, just last week introduced two bills to eliminate economic support of the South African Government.

Mr. Speaker, the consciousness of the American public has been raised and the South African Government has apparently taken notice. I am encouraged by the recent signals emanating from the South African Government. I am proud of the many Americans, the many Marylanders, the many Members of this House, who took part in the protests and continue to protest apartheid. For as we have been told, and as I believe, no individual is truly free until we all are.

□ 1500

CHILE IS IN A STATE OF SIEGE

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, events in 1984 have shown that democracy is on the rise in Latin America. The restoration of democratically elected governments after years of military rule in Uruguay and Brazil are examples of this positive trend. However, 1984 also saw the return to a state of siege in Chile, one of the most repressive regimes in Latin America.

Since his takeover in 1973, Gen. Augustus Pinochet has restored stability to his country but at the expense of political dissidents and of the civil rights of Chileans. After a year of national protests beginning in May 1983, Pinochet upgraded the perpetual state of emergency into a state of siege. The ensuing crackdown on guerrilla violence and political dissent has resulted in the suspension of habeas corpus for terrorists, indefinitely delayed trials, and censure of the press. The crackdown has also resulted in an increase in human rights violations, a problem

which has plagued the Pinochet regime since its inception. The Chilean Government's recent actions have outraged its opponents all over the world and unnerved even its most ardent supporters.

On a recent trip to Latin America, the members of the Congressional Hispanic Caucus and I had the opportunity to meet with President Pinochet. We presented several suggestions that we felt would aid Chile in its struggle to restore democracy. One, we requested that elections be held before the 1989 deadline in the 1980 Constitution. Further, we requested an end to the state of siege, an end to human rights violations, and an end to press censure. These four suggestions were made in the hope that they would accelerate the return to democracy and end extremist factionalism. However, while the Chilean people are responsive to the idea of restoring democracy, the Chilean Government has shown no sign of either working toward or even desiring such a return.

This resolution expresses the sense of the caucus that the Government's position in Chile is no longer acceptable to the American people. It expresses our hope that the Chilean people will be able to overcome all obstacles to achieve a new democracy. Therefore, this resolution takes the following steps to reiterate American commitment to a restoration of democracy in Chile. First, it calls on Congress to suspend all military and economic assistance for the present Chilean Government. Second, since the $573 million received by Chile in international loans and aid have been of critical importance to survival of the present Chilean Government, the resolution stipulates that Congress should no longer support the granting of loans to the current regime. As chairman of the Congressional Hispanic Caucus, I urge all Members of Congress to support this critical resolution and I urge the Chilean Government to suspend the extension of the siege and commence conciliatory talks aimed at restoring democracy with leaders of all political parties, labor unions, and the general public.

□ 1510

THE STATE OF THE UNION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, the President will forward and present his State of the Union Address tonight, and my own impression and reactions have been for some time that the State of the Union Messages have become sort of a ritual that have long outworn the original intent and purposes of those ceremonies, very much like the rituals that emptily and almost mindlessly are followed in some outworn pagan creeds.

Nowhere will we hear a perception of the world that would give a realistic interpretation of any kind of a minimal State of the Union, at a time when the strongest forces ever in the history of our Nation, over which we have little or no control, impinge on every action that we might take domestically, whether it has to do with monetary or fiscal policy. It is not an accounting as a result of, say, some of the President's very actions during his first 4 years in which he traveled to China and entered into a yet-to-be-divulged secret agreement, followed recently by a trip to China by the Secretary of Defense, in which some yet-to-be-revealed deal was consummated, this one obviously of a military nature.

The State of the Union tonight will not reflect realistically some of the conditions that have arisen in the agriculturally productive areas of our country, the breadbasket of our country, so to speak, which led to an emergency conference by some of the members of his Cabinet and the White House just less than 72 hours ago.

Therefore, there will be no real accountability to the country, and since, as I said this past Monday, on February 4, there is no evidence of discussion or, much less, debate here in the Halls of the deliberative and legislative policymaking body of our country, I have determined to rise, as I have in the past, because of the seriousness and the ominous possibility and potential for fateful and almost—and I hope and pray to God not—catastrophic consequences.

We hear about the plight of the farmer. Yet the President received overwhelming support in those areas. Yet by the time the Presidential campaign was well under way last year, the germ seed for the present plight of these farmers had not only been planted but was beginning to grow and flourish. And that is as a result of the President's trip to China, and whatever it was, he agreed to discuss with those Chinese leaders our problems, mindful of the fact that China cannot be accused of having a democratic regime, because it is a Marxist, Leninist, Communist regime, which the President finds so abominable when it is reflected in the New World in the persons of two or three members of the ruling junta until recently in Nicaragua, revealing a sort of traditional American or North American outlook and double standard when it comes to the way we measure things on the part of our neighbors that share the world and this section of the world with us and with whom inexorably we must continue to share the world. And fateful destiny alone will dictate under which conditions we live if we persist in the course of action which seems to be now irreversible by this President.

When he travels to this kind of a regime and enters into secret arrangements, we learn that one of those had been based on the fact that the Chinese Government had promised and committed itself to purchasing wheat, in exchange for the astounding thing the Congress did of giving it favored-nation treatment, when we denied strenuously Russia or the COMECON or the Communist-economy countries, so that China could inundate our markets with textiles and textile products. In exchange, the Chinese committed themselves to purchasing annually about 6 million metric tons of wheat. The Chinese have reneged on that. They have not carried out their terms of the bargain.

This is one reason for the plight of our farmers today who were predicating their future on an illusory prosperity. It is like this illusory recovery; it is a delusion. The facts are that there is not an American I know of—certainly not in my district—whose basic cost of living has deflated.

So where is the control on inflation? Has the cost of light and gas which is necessary in today's urban living gone down? No, it continues to rise. Has the cost of groceries and bread gone down? No, they are not deflated. We are not paying less, we are paying more.

Has the cost of rents or shelter gone down? Of course not. We have a crisis in shelter and in housing for Americans, as some of us have been trying futilely and unsuccessfully to convince our colleagues here for the past 3 years.

So, of course, it pains one and grieves one who has been a sort of a privileged individual in the sense of being charged with knowledge and privileged to live now way above the allotted usual span of life and who can remember almost with total recall the Depression era, the World War I era and the Depression era, as well as the World War II era and, of course, the sequellas of Korea and Vietnam and the Bay of Pigs. And it pains me to see that we are like the ancient order of the old Bourbon Kings who learned nothing and forgot nothing.

□ 1520

Will the State of the Union or any discussion thereto refer to these developments that are here now present and clearly a danger?

His budget message has been sent and it does show that he is asking for the first time in several years a substantial increase in military direct aid to Guatemala. We like to look upon ourselves and we perceive ourselves as an open and informed society. We look down with disdain and somewhat condescension to what we mentally consider lesser countries, as being less democratic, less informed, if not outright authoritarian or totalitarian or

closed societies, yet I have seen nothing in the American media, whether it is the printed word or electronic, of the horrors that have happened right a hop and skip south of us, where the bishop of Chiapas visiting with me over 2 years ago reported the horrors that we like to associate with these terrible pictures we see of the starving Ethiopian children and as some of us recall in the sixties in the Congo and thereabouts where you had similar experiences of millions of human beings dying from hunger and for lack of food in Chiapas, and our governmental policies supported the bayoneting, the ripping open of bellies of 6-month-old infants, Marxist-Leninists, of the worst situated human beings on the face of the globe. You do not have to go to India. You do not have to go to the teeming areas of Asia. Just go to the jungles and those dense forests where the poorest of the poor, of the Indians where the Guatemalan troops with a 100-percent American-made bayonets, weapons and armaments; there is not one rifle that we can say the Communists brought in, all American-made, because in one single day, 30,000 suddenly crossed the Mexican border where for decades, for more than a century there has been friction between Guatemala and Mexico.

Where do we hear any discussion having to do with that very significant history? Our policy has been, and I think it was very, very clearly illustrated by the first Secretary of State under this administration, President Reagan, Gen. Alexander Haig, who believed in dividing and conquering, the Old American principle of capitalizing on these frictions between these countries, historical frictions; Chile, Argentina, Honduras, Nicaragua; yet even President Eisenhower did not think it was condescending, did not think it was demeaning to the United States in an identical historical conflict between those two bordering countries of Honduras and Nicaragua to become part of what today we call the Contadora countries. Essentially it was the same membership in 1952, 1953, and 1957, and we went in as peacemakers and we brought about the understanding and the harmony that has existed until we have occupied Honduras. We are occupying Honduras.

Now, that is not our perception, but it is the world's perception.

I think it is important that we be mindful and respectful in the words of the Declaration of Independence of mankind's world opinion, and when the bishop of Chiapas and then later in my personal interview revealed these horrible atrocities and the Mexican Government, which did not know whether it should complain about the violation of its sovereignty and borderline or what to do about relieving the horrible plight, and the bishop of Chiapas which is the bordering State to the Guatemalan border, guided by his religious commitment, attempting to do something, witnessed these atrocities in the attempt of the Guatemalan soldiery even crossing into Mexican territory and trying to kill off or capture some of these peasants.

Now I can guarantee my colleagues that in that whole area if there is one of those peasants that the Guatemalan Government says may be harboring subversives, you can find one that can tell you the difference between a Marxist-Leninist and a typewriter, I will stand corrected on this House floor.

We are the ones that are insisting on making this something that it is not, just in Guatemala, except that in Guatemala the very thing that in the smallest country, El Salvador, the bankruptcy of our policies are revealed to the world and should be to us.

We can talk about the fact that we have supported a man that is in power right now, but it is the same man that has held power on two previous occasions, the same man that held power when we had atrocious and sustained violations of human rights, murders of archbishops, nuns, priests, missionaries, newspaper reporters, correspondents, and the moment the forces that were responsible for those atrocities decided that he was too soft, they kicked him out. He had to leave El Salvador. He may be back now, but we read just 2 weeks ago that because of the pressure of the extreme right-wingers, the leader of whom was received in Washington just about 3 months ago as if he were a hero, the papers described the groups receiving him as the host, as the conservative bodies of this country and Members of the Congress; yet he gloried all during the time of the activity of the death squads, he called them in Spanish escuadrón de gloria, glory squads, an extreme ideologue fanatic zealot who no question has been directly associated with such things as the assassination of Archbishop Romero, the four American nuns, the two or three priests, a number of Salvadoran priests.

America because of such mistaken perceptions as those clearly revealed by General Haig, who blithely drew the line the first week he was in office and said, "I and we in this regime draw the line. Communism, Marxist-Leninism, Castroism, stops here, We draw the line."

So he blithely went in and got some Argentine soldiers to come into Honduras and try to help destabilize, is the word that is used today, the Sandinistas.

Then, lo and behold, suddenly he finds himself in the crisis of the Falklands, or Malvinas, and the Argentinians, of course, thought that we would be sympathetic to them. They were lending us their soldiers to do our work, our dirty work; so they pulled the soldiers out. They rose in great anger toward the United States.

In the meanwhile, we had to face our English associates and allies and, of course, the rest is history.

□ 1530

The reason we have American soldiers now in Honduras is precisely because that outworn, that mistaken notion, that what might have been true in 1929, even as late as 1940, 1950, 1960, is still true today. And the CIA proceeded and I still think does on the assumption that what worked in 1954 in Guatemala is going to work again in Nicaragua.

This sounds strange, but let me say to my colleagues that I have seen stranger things. They are acts of folly. In fact, most of my colleagues here in this Congress will recall, because I think most of you were here in 1983, 14 months, and with the Commander in Chief in full awareness that his Chiefs of Staff were all against whatever it was he said was the mission of the marines in Beirut, though when we asked, Mr. President, repeatedly, I took this forum night after night, "Mr. President, what is the mission of the marines?" Of course, this President does not reply to Congressmen's letters. I have worked with six Presidents in the 23 years and 5 months that I have been here, and even Richard Nixon answered a Congressman's letter. This President does not.

But then I noticed that finally, after the substantial contingent of marines that he sent in the autumn of 1982, the press asked him, and he said they are peacekeepers, they will be there to uphold the Government of Lebanon, Gemayal.

I asked a question and wrote a letter to the President in which I asked the question, "Mr. President, a peacekeeper certainly is not one that goes in on the side of one faction. You have four factions. This particular faction cannot even control the city of Beirut, much less what we call Lebanon. But the marines are not diplomats, they are not politicians, they are soldiers. And if their mission there in battle gear is to be a peacekeeper, but you put them in a hole, and then around that rim of that hole you have the susceptibility of hostile fire, do you have to be a military to know that they are in an untenable situation?"

Now, how, my colleagues, could a President for 14 months persist in a calculated course against all reason and advice from the experts that led to folly and the needless deaths of 242 Americans, marines at that. Why?

Why do we persist in the obvious bankrupt course of action in Central America, not just in Nicaragua? We have lost completely any kind of moral

power of leadership on a collective basis in the New World.

In the invasion of Grenada we violated the basic treaties with the Organization of American States. Who here in the Halls of this House or across the way, across the rotunda, has even asked for some kind of committee study of the implications?

World opinion solidly is still against us. We not only are still occupying Grenada but we have over 300 of our military there. We are building the airstrip that we said we were going to invade to prevent construction of by the Cubans, even though it was an English construction company that was constructing it.

Is the American public informed? Has the American public had a chance to weigh the arguments, the discussions, the debates?

What is the difference then between this and what we dispectively call a closed society?

Have we had a report on the situation which is agonizing on the Guatemalan-Mexican border? In fact, when the Mexican Government finally came in and welcomed a U.N. or human rights or relief commission, our Government listened to a protest on the part of the Guatemalan Government that Mexico was giving refuge to Marxist-Leninists, and we put pressure and have continued that pressure on the actual President of Mexico today.

As a matter of fact, the CIA is so stupid that it thinks it can destabilize this President and push him and coerce him into an agreement with our policies. But all we are doing is further exposing a real friend of the country. The President of Mexico was educated here. He is a real, sincere pro-American. But we will give him no escape hatch if we throw him to the left wingers in that country because of the rightwing pressure that we are exerting on him today.

Let there be no mistake. Just like the concerted efforts that the CIA tacitly and not so tacitly have been making to assassinate leaders of the Sandinista junta or whatever you want to call it, just as surely as they have been supplying the so-called Contras who really are about 80 percent ex-Samosistas, why do we persist in this obvious folly? Do we not know that the Latin America of 1960, of John Kennedy's era, is no longer the Latin America of the 1980's? Do we not know that even if we have to invade Nicaragua and impose ourselves we will not be able to put a government that will rule there without ceaseless guerrilla efforts against us and whoever we impose?

Do we not know that we can go as we did in 1929, after a 5-year occupation by the marines, and formed the National Guard, and impose on Anastasia Somoza and his kin? Surely, surely someone in those judgment making, decisionmaking areas, or planes, or level of the executive branch, certainly in this branch, ought to know that.

Do we persist in the misconception which has been so mischievous in the centuries?

Nowhere have we ever been taught. We are so selfcontained that even the most momentous issues, such as that refugee problem, continuing problem on the Guatemalan-Mexican border is completely ignored. I have yet to see a newspaper report. I have yet to see anybody truthfully report about our policy with respect to the Mexican Government's insistence on joining the other members of the Contra Gorda government and resisting our policies, if they are and if we continue to call them a policy. How much more hypocritical can we be?

We accuse the Communists of doing that, of having a recognized envoy, an Ambassador of the United States in Managua, received with full credentials, while we conduct war against them. What else is it? What is the difference between that and Russia and Afghanistan? In fact, it is worse.

□ 1540

If Mexico were Afghanistan and the United States were Russia and Russia sent half a billion dollars to a group in what would be Mexico, that would be anti-American, what would we say? What would we do?

Now, the world has shrunk. Even in Southeast Asia have we not learned? Have we not learned since we invaded Russia with England and France in 1918 to try to put down their revolution, have we not learned that you cannot, did we not learn from our own revolution that you cannot put down an indigenous native civil war, civil uprising, unless you have the means and the methods of coming in and imposing by might a rule and a government?

The very word "guerrilla" originated in Spain because of the attempt of Napoleon to do that in Spain. And the rest is history.

My grandfather was a leader of the forces that defeated the French imperialists, Napoleon III, in northern Mexico in the last century; a rabble, almost practically unarmed, with the elite of the French imperialist troops defeated ignominiously.

Why? Because when you have the situation such as you have in all Latin America where oppressed masses have finally had enough after 300 years, there is no way we are going to go in, much less with ideological purity, to impose our will in that entire extremity of the New World because anything we do by way of direct intervention militarily in Nicaragua will never be reduced to the country of Nicaragua. That whole area will go up in boiling, churning flames.

We do not have enough, even if we were to impress every able-bodied man from 21 years of age to 65 years of age, we would not have enough. And, besides that, is that what we want for our children? Must we confess our abject failure? You do not do these things until you have failed diplomatically.

The Russians did not put one Russian soldier in Korea; we did. We had American boys fighting Asians. I never thought I would be in the Congress, I never dreamed I would even be in politics. I did not intend to. But when that war broke out I noticed that and I remembered that famous dictum somebody said, "War is diplomacy by other means." But what it really reflects is a total breakdown of diplomatic ability. But in the New World where destiny says my children, my grandchildren, and my great-grandchildren are going to have to share this part of the world, where south of us, for the first time in the last 5 years the total number of people exceeds our population by 50 million, do we want to have a course of conduct that would inexorably lead my children, grandchildren, and great-grandchildren to an eternal emnity and hostility with them? Do we think we can, by bombs, eradicate an ideology, whether it is communism or anything else? Do we really believe it? Have we not learned?

Would it not have been better in Vietnam and just as productive if, instead of 50,000 or our men and the horrible sacrifice in blood and treasury, we had just gotten about $50 billion in dollar bills, put them in a fleet of C5A's, and just bombed Southeast Asia with dollar bills? Would we not have been better off? I think so.

I do not see any argument that would lead me to conclude to the contrary. In fact, we talked about restoration of esteem for our country. Whoever says that is not reading the foreign presses.

Europe, Latin America, and in Honduras. I have heard my colleagues speak of Honduras as if "Why, my goodness, that is the best training ground for our Reserve Forces ever. So we will go in there, we will train and build camps and everything else" as if Honduras was not a sovereign, independent nation.

Is there any of my colleagues who think we have the consent of the Honduran people for that? Let me advise them to read the editorials of even a conservative paper in Tegucigalpa where the editors say, "Hemos perdido todo incluyendo el honor."

We have lost all, including honor.

The story yesterday was that our people, meaning the CIA, "are trying to see how they can get a united Contra." Shouldn't that be revelatory conclusively of the total bankruptcy of a policy? If the thing we cannot for-

give is that the Sandinistas have two or three Marxist-Leninists in their government, overlook the fact that they also have about three or four priests. Now, we do not try to invade France. The French Government has two Communists in their Cabinet. I do not hear anybody advocating invading France. Can anybody show that Castro's soldiers are in possession of Nicaragua and dictate the policy? Can anybody show one Russian soldier in all of Central America? If so, even the CIA cannot prove it. Certainly no independent observer from all over the globe, from Japan to West Germany, has said that it is anything but an indigenous civil war; that it was not imposed by Castro/Marxist/Leninists forces. So why do we persist? Why?

A recent book by Barbara Tuchman, the famous historian, entitled "The March of Folly," I recommend to my colleagues. That is her thesis: Why, throughout history, have men of power persisted in a sustained course against all reason, logic, best advice, expert, whatnot, in a course of calculated folly and catastrophe, from the Trojan War to Vietnam?

She does not really have a dogmatic conclusion, but the inference is: Well, power, and men exercising power, and the arrogance or the hubris, as the Greeks used to call it. But that is why our democracy was founded. The greatest experiment, and it is still an experiment. We have not celebrated the bicentennial of our former Government yet. The Constitution will not have a 200th birthday until 1989. I say that the forces within and the forces without that are heavily impacting us today are not friends of the democratic process. And the test will be whether we in our time will live up to that which has been transmitted to us by our predecessors, faulty as it may be, injustice as it may endure, the inherent power to correct those injustices, the ultimate power in the people to change is still there but it is fast eroding for many reasons other than just a direct usurpation of power by a would be authoritarian dictator.

□ 1550

That is not the way a democracy in a country such as ours loses that democracy. The state of the Union will not discuss any such things, and that is understandable. What I find to be not so easy to understand is the lack of discussion, the lack of debate on these vital issues.

Recently, I had reason to reply to an editorial in my hometown paper, because I do not speak one way here and the other way in my district; in fact I speak in my district first and then I speak up here.

I ask unanimous consent to place in the RECORD at this point the reply on my part to the editor in an editorial that appeared in the San Antonio newspaper, the San Antonio Express-News.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The letter follows:

DECEMBER 14, 1984.

Mr. STERLIN HOLMESLY,
Editorial Director,
San Antonio Express-News,
San Antonio, TX.

DEAR SIR: Your editorial, "Ortega doesn't fool Hispanics," praises a Congressional delegation for its sagacity in recognizing that the government of Nicaragua doesn't much like U.S. efforts to destroy it.

Certainly the Nicaraguan government mouths Marxism, but that doesn't mean that their revolution was "made in Moscow." Indeed, I don't know anybody who says that the revolution wasn't indigenous. Nor has anybody claimed that there are Russian soldiers in Nicaragua. As for that country being a base for exporting revolution, there's no convincing evidence of that, either. Indeed, after decades of trying to export its revolution, Cuba can't claim a single success. If anything, our policies have pushed the Nicaraguans into the laps of the Russians and Cubans.

We ought to remember that Nicaragua during most of this century has lived with United States intervention, and endured our sponsorship for 40 years of one of the most brutal, corrupt regimes in history. It was the Nicaraguan government which caused Franklin Roosevelt to say, "(Somoza) is an SOB, but he's our SOB." Such a cynical approach had been the trademark of U.S. policy in the region. With our track record in Nicaragua, it's no wonder that the local revolutionaries don't have much use for Americans. With our current war against Nicaragua, it's no wonder that they are turning to Moscow for help. They don't have much choice.

It's incredible that our government finds the Red Chinese congenial pals, and wants to vastly expand commercial dealings with Russia, and doesn't want to overthrow Marxist regimes in Africa, Europe or Asia, but finds highly objectionable the presence of a couple of Marxist Leninist dialecticians far from being the ones in control of the reigning government. Assuming that you are amenable to facts and not fears, the recent Nicaraguan election revealed that less than 6 percent voted for the communist candidates. And, by the way, in El Salvador where you have a total of five different rebel groups, the least numerous and less influential is the Marxist Leninist wing.

You don't have to be a sucker to suggest that the Reagan policy toward Nicaragua is wrong. We followed precisely such a policy toward Cuba with the notable result of making Castro stronger then ever. In Nicaragua, all we are doing is undermining any credibility that local opposition to the Sandinistas may have. We make it easier to repress opposition; and with each added American assault on the Sandinistas, they've clamped down harder on what was once formidable dissent. Our policy has undercut our own interests. If the Sandinistas feel free to tell off Congressional tourist, it's no wonder. They have nothing to lose by pulling at the tailfeather of the American eagle, a spectacle that local folks find amusing, the Russians find hilarious, and the Sandinistas find useful. Sure they don't like us. Why should they?

Sincerely yours,

HENRY B. GONZALEZ,
Member of Congress.

Mr. GONZALEZ. I do so also because in it, reference was made in the editorial, and of course necessarily in my reply, to the comments regarding a tour on the part of some of my colleagues that were described as being members of the Hispanic Congressional Caucus and others that made a tour of Central America and other places in South America.

The fact is that if we are no farther advanced in the smallest country where we have drawn the line as of 4 years ago, what is going to happen as Guatemala really blows up? It is inevitable; there is not a person I know conversant with that situation—Guatemala is substantially larger and a lot closer to the United States, and it also has a direct impact on our next door neighbor, Mexico, which also is facing horrible dilemmas.

A 50-percent inflation rate; 50-percent unemployment. We cannot continue to hide ourselves behind ideological or historical blinders of ignorance or arrogance. The whole fate and the future involvement of our own country in the most intimate form is involved.

I think the task before us is one, as Lincoln said, to know first where we come from and then whether or whither we want to go.

I think that one, in this case, must depend irreparably on the very first, and that is, do we understand where we have come from? Do we understand the misperceptions that have continued to rule?

Now there are some who say, Well, the whole question is economic, or markets. If this is so, certainly the issue has not been clearly drawn. But it is so, because in Guatemala in 1954 when the CIA intervened against the regime of the then-President Colonel Arbenz, it was not until the CIA hired some mercenary American pilots, paid for by United Fruit, which today is called Standard Brands, that we toppled that regime.

Ironically, that is one reason why, when Fidel Castro and Che Guevara and others succeeded in overcoming the Batista forces and taking part in Cuba, Che Guevara himself not only spoke but wrote, saying: "We must learn from Arbenz' experience in Guatemala."

That is that if we attempt to do justice here in our country, we will not be able to do it as long as the American vested interest in sugar exists; all the other corporations that actually had control of the economy, persist in defending their interests so selfishly that they will recognize none but a despotic regime that will exact the profits they demand.

We do not read about those things here, but let me assure my colleagues they are there. We must no longer consider as inferiors these vast realms, these diverse entities that we lump as "Latin America."

Long before the Pilgrims landed on the harsh shores of Cape Cod, there was a printing press in a university in Mexico City and in Cuba. We are not speaking of a people that we filter through a prism that is preconceived and prefixed to filter only a certain light.

So the task is great; the responsibility, when we stop to ponder it, horrendous. I believe with the faith that I have in the net savings sap still residing in this great American tree of democracy that the right will prevail, and that it will inure to our benefit in every way.

Not only fraternally, not only in peaceful coexistence, but in commercial enhancement. If we have the wit and the will, what we consider a threat and a danger out of this danger we can pluck the flower of peace and profit.

SUNDRY NEW AND REVISED RESCISSION PROPOSALS AND DEFERRALS OF BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-23)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations, and ordered to be printed.

(For message, see proceedings of the Senate of today, Wednesday, February 6, 1985.)

SUNDRY RESCISSION PROPOSALS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-24)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations, and ordered to be printed.

(For message, see proceedings of the Senate of today, Wednesday, February 6, 1985.)

RESENTMENT GROWS TOWARD AMERICAN LEGAL SYSTEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MICA] is recognized for 20 minutes.

Mr. MICA. Mr. Speaker, I take this time out of personal concern, a concern that I think all of my colleagues would share if they had seen the story that I saw on TV this morning.

□ 1600

And put it in a perspective as to what is going to happen in this Chamber tonight and what Americans are thinking about and what maybe shaped some of the feelings of Americans when they go to the polls and vote when they choose their leaders.

The movie "Death Wish" will be shown on a number of TV stations tonight. The headlines discuss daily the situation in New York where Bernard Goetz shot some assailants in a subway. And this morning I saw on television a situation where a young lady was walking down the streets of Boston, I believe it was in the last few days, and a young assailant came up to her and tried to take her purse. She refused and got into a fight with this young man. He proceeded to say, "Give me the purse or else," and pulled out a pistol and shot her.

You may have seen the story on the news and it did not just end there. After he shot her he apparently was bragging on a subway or bus line as to what he had just done, sitting next to this young woman's mother.

Now, fortunately because of the weather and only because of the weather this young woman was not seriously injured and was released from the hospital. The mother did overhear in just a tremendous stroke of luck for authorities the bragging of the assailant and he was captured.

But what truly and sincerely bothers me and that is why I rarely have taken this podium to talk in these terms is the fact that that young man, who pulled a gun and shot this lady, who probably would have been dead today if she were not wearing several layers of clothing, this young man was taken before a Boston judge and released on $500 bail.

Every statistic we have indicates that crime after crime is committed when people are out on bail. Here is an instance where someone attacked, assaulted, shot at close range an individual and was turned loose on a $500 bail.

Now I do not come here with any conclusion as to how to handle this problem, but I think as we sit in the Chamber tonight with the President talking about world problems and the MX, and defense, and strategy, and deficits, that people all over this country are concerned about other items just as those, such as why is a young man turned loose on $500 bail after almost murdering someone except for a stroke of luck and bad weather.

We just saw statistics on a national survey that indicated that 45 to 50 percent of all of the people in the United States agree with what Bernard Goetz did. That is just the beginning unless we take heed, unless we follow this warning. I think the story of what happened in Boston will be told and retold and I can think of other stories that I have heard over the years that begin little by little to build a basis of resentment for our legal system, our judicial system, our legislative system in this Nation. While we are talking about so many items that have monumental and global importance, these little seeds continue to build and grow. I think it is probably appropriate to say that if we do not take heed with what has happened here today, that those will be the seeds of change and could be a radical change in this Nation.

I do not have, as I said, a solution. But I would say this: We in this body, in this House of Representatives, the people's House, had better take some warning of what has been going on in this Nation. Those out in the State legislatures who pass laws that allow individuals to be turned loose on a $500 bail after nearly murdering an individual ought to take heed. Our judicial system—local, municipal, State, and Federal—had better start reacting. I truly and sincerely believe that the more this happens, the more cynicism will grow in this Nation.

Right now again, as I said, opposite the President's State of the Union Message tonight will be shown on many local TV stations the movie "Death Wish." In the same papers today and tomorrow will carry the story of how this young man was turned loose, after nearly murdering someone, on $500 bail.

We should question where our priorities are and what we can do. I think it is going to have to start, as I say, right here in this body, in the House of Representatives, in Washington, in capitols throughout the Nation, in courts, judicial systems, legislatures. Because if we do not make the changes and we think in broader terms of history, we should realize that these are the seeds, these are the foundations of the kind of radical changes. A Hitler or a Mussolini or any dictator that we can think of in history did not take control just because of a quick change in society. It was a gradual lack of reaction to the elected leaders, the appropriate leaders, the public officials, that led to that type of change.

We think that it cannot happen here. I would tell you that a few years ago most people would have said that a poll would not be possible to show that 50 percent of the American people approve of an action of a Bernard Goetz, but that is true and it is fact and it happened here and it happened today.

So I would simply say that we must take heed. We must follow up. I am prepared to do whatever I can as a Member of Congress. I do not have the

answers, but I know there is a problem there. I know it is a serious problem and I know that if we do not begin to address it, if our counterparts in the States and the municipalities do not address it, it will get worse and it will be the beginnings, I believe, of the kind of changes in our society that we do not want to see.

RULES OF THE COMMITTEE ON HOUSE ADMINISTRATION FOR THE 99TH CONGRESS

(Mr. ANNUNZIO asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. ANNUNZIO. Mr. Speaker, pursuant to and in accordance with rule XI, clause 2(a) of the Rules of the House of Representatives, I submit for publication in the RECORD a copy of the rules of the Committee on House Administration as approved by the committee on February 6, 1985:

RULES FOR THE COMMITTEE ON HOUSE ADMINISTRATION [99TH CONGRESS]

RULE NO. 1—GENERAL PROVISIONS

(a) The Rules of the House are the rules of the committee and subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees and subcommittees. Each subcommittee of the committee is a part of the committee, and is subject to the authority and direction of the committee and to its rules so far as applicable.

(b) The committee is authorized at any time to conduct such investigations and studies as it may consider necessary or appropriate in the exercise of its responsibilities under Rule X of House Rules and (subject to the adoption of expense resolutions as required by Rule XI, clause 5 of House Rules) to incur expenses (including travel expenses) in connection therewith.

(c) The committee is authorized to have printed and bound testimony and other data presented at hearings held by the committee. All costs of stenographic services and transcripts in connection with any meeting or hearing of the committee shall be paid from the contingent fund of the House.

(d) The committee shall submit to the House, not later than January 2 of each odd-numbered year, a report on the activities of the committee under Rule X and XI of House Rules during the Congress ending at noon on January 3 of such year.

(e) The committee's rules shall be published in the Congressional Record not later than 30 days after the Congress convenes in each odd-numbered year.

RULE NO. 2—REGULAR AND SPECIAL MEETINGS

(a) The regular meeting date of the Committee on House Administration shall be the first Wednesday of every month when the House is in session in accordance with Clause 2(b) of Rule XI of the Rules of the House. Additional meetings may be called by the chairman as he may deem necessary or at the request of a majority of the members of the committee in accordance with Clause 2(c) of Rule XI of the House of Representatives. The determination of the business to be considered at each meeting shall be made by the chairman subject to Clause 2(c) of Rule XI of the House of Representatives. A regularity scheduled meeting need not be held if there is no business to be considered.

(b) If the chairman of the committee or subcommittee is not present at any meeting of the committee or subcommittee the ranking member of the majority party on the committee or subcommittee who is present shall preside at the meeting.

(c) The committee may not sit, without special leave, while the House is reading a measure for amendment under the 5-minute rule.

RULE NO. 3—OPEN MEETINGS

As required by Clause 2(g), Rule XI, each meeting for the transaction of business, including the markup of legislation, of the committee or its subcommittees, shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public. *Provided, However,* that no person other than members of the committee, and such congressional staff and such departmental representatives as they may authorize, shall be present in any business or markup session which has been closed to the public. This provision does not apply to any meeting that relates solely to internal budget or personnel matters.

RULE NO. 4—RECORDS AND ROLLCALLS

(a) The result of each rollcall vote in any meeting of the committee shall be made available for inspection by the public at reasonable time at the committee offices, including a description of the amendment, motion, order or other proposition; the name of each member voting for and against, and whether by proxy or in person, and the members present but not voting.

(b) All Committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the member serving as chairman of the committee; and such records shall be the property of the House and all members of the House shall have access thereto.

(c) In order to facilitate committee compliance with Paragraph (e)(1) of Clause 2, Rule XI, each subcommittee shall keep a complete record of all subcommittee actions which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each such rollcall vote shall be promptly made available to the full committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each member voting for and each member voting against such amendment, motion, order or proposition, and whether by proxy or in person, and the names of those members present but not voting.

(d) All subcommittee hearings, records, data, charts, and files, shall be kept distinct from the congressional office records of the member serving as chairman of the subcommittee. Such records shall be coordinated with the records of the full committee, shall be the property of the House, and all members of the House shall have access thereto.

RULE NO. 5—PROXIES

A vote by any member in the committee or in any subcommittee may be cast by proxy, but such proxy must be in writing and in the hands of the chief clerk of the committee or the clerk of the subcommittee, as the case may be, during each rollcall in which such member's proxy is to be voted. Each proxy shall designate the member who is to execute the proxy authorization and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum. The member does not have to appear in person to present the proxy.

RULE NO. 6—POWER TO SIT AND ACT; SUBPOENA POWER

(a) For the purpose of carrying out any of its functions and duties under House Rules X and XI the committee, or any subcommittee thereof, is authorized (subject to subparagraph (b)(1) of this paragraph)—

(1) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, and

(2) to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. The chairman of the committee, or any member designated by the chairman, may administer oaths to any witness.

(b)(1) A subpoena may be authorized and issued by a committee or subcommittee under subparagraph (a)(2) in the conduct of any investigation or series of investigations or activities, only when authorized by a majority of the members voting, a majority being present. The power to authorize and issue subpoenas under subparagraph (a)(2) may be delegated to the chairman of the committee pursuant to such rules and under such limitations as the committee may prescribe. Authorized subpoenas shall be signed by the chairman of the committee or by any member designated by the committee.

(2) Compliance with any subpoena issued by the committee or subcommittee under subparagraph (a)(2) may be enforced only as authorized or directed by the House.

RULE NO. 7—QUORUMS

No measure or recommendation shall be reported to the House unless a majority of the committee is actually present. For the purposes of taking any action other than reporting any measure, issuance of a subpoena, closing meetings, promulgating Committee orders, or changing the Rules of the Committee, the quorum shall be one-third of the members of the Committee. For purposes of taking testimony and receiving evidence, two Members shall constitute a quorum.

RULE NO. 8—AMENDMENTS

Any amendment offered to any pending legislation before the committee must be made available in written form when requested by any member of the committee. If such amendment is not available in written form when requested, the chair will allow an appropriate period of time for the provision thereof.

RULE NO. 9—HEARING PROCEDURES

(a) The chairman, in the case of hearings to be conducted by the committee, and the appropriate subcommittee chairman, in the case of hearings to be conducted by a subcommittee, shall make public announcement of the date, place, and subject matter of any hearing to be conducted on any measure or matter at least 1 week before

the commencement of that hearing unless the committee determines that there is good cause to begin such hearing at an earlier date. In the latter event the chairman or the subcommittee chairman whichever the case may be shall make such public announcement at the earliest possible date. The clerk of the committee shall promptly notify the Daily Digest Clerk of the Congressional Record as soon as possible after such public announcement is made.

(b) Unless excused by the chairman, each witness who is to appear before the committee or a subcommittee shall file with the clerk of the committee, at least 48 hours in advance of his appearance, a written statement of his proposed testimony and shall limit his oral presentation to a summary of his statement.

(c) When any hearing is conducted by the committee or any subcommittee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the chairman by a majority of those minority members before the completion of such hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearings thereon.

(d) All other members of the committee may have the privilege of sitting with any subcommittee during its hearing or deliberations and may participate in such hearings or deliberations, but no such member who is not a member of the subcommittee shall vote on any matter before such subcommittee.

(e) Committee members may question witnesses only when they have been recognized by the chairman for that purpose, and only for a 5-minute period until all members present have had an opportunity to question a witness. The 5-minute period for questioning a witness by any one member can be extended only with the unanimous consent of all members present. The questioning of a witness in both full and subcommittee hearings shall be initiated by the chairman, followed by the ranking minority party member and all other members alternating between the majority and minority. In recognizing members to question witnesses in this fashion, the chairman shall take into consideration the ratio of the majority to minority members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the members of the majority. The chairman may accomplish this by recognizing two majority members for each minority member recognized.

(f) The following additional rules shall apply to hearings:

(1) The chairman at a hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the committee rules and this clause shall be made available to each witness.

(3) Witnesses at hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the committee may cite the offender to the House for contempt.

(5) If the committee determines that evidence or testimony at a hearing may tend to defame, degrade, or incriminate any person, it shall—

(A) afford such person an opportunity voluntarily to appear as a witness;

(B) receive such evidence or testimony in executive session; and

(C) receive and dispose of requests from such person to subpoena additional witnesses.

(6) Except as provided in subparagraph (5), the chairman shall receive and the committee shall dispose of requests to subpoena additional witnesses.

(7) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the committee.

(8) In the discretion of the committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The committee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

(9) A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the committee.

RULE NO. 10—PROCEDURES FOR REPORTING BILLS AND RESOLUTIONS

(a)(1) It shall be the duty of the chairman of the committee to report or cause to be reported promptly to the House any measure approved by the committee and to take or cause to be taken necessary steps to bring the matter to a vote.

(2) In any event, the report of the committee on a measure which has been approved by the committee shall be filed within 7 calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the committee shall transmit immediately to the chairman of the committee notice of the filing of that request.

(b)(1) No measure or recommendation shall be reported from the committee unless a majority of the committee was actually present.

(2) With respect to each roll call vote on a motion to report any bill or resolution of a public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

(c) The report of the committee on a measure which has been approved by the committee shall include.

(1) the oversight findings and recommendations required pursuant to clause 2(b)(1) of Rule X of the House separately set out and clearly identified;

(2) the statement required by section 308(a) of the Congressional Budget Act of 1974, separately set out and clearly identified, if the measure provides new budget authority or new or increased tax expenditures;

(3) the estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of such Act, separately set out and clearly identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison to the committee; and

(4) a summary of the oversight findings and recommendations made by the Committee on Government Operations under clause 2(b)(2) or Rule X of the House separately set out and clearly identified whenever such findings and recommendations have been submitted to the legislative committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the committee's deliberations on the measure.

(d) Each report of the committee on each bill or joint resolution of a public character reported by the committee shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

(e) If, at the time of approval of any measure or matter by the committee, any member of the committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than 3 calendar days, commencing on the day on which the measure or matter(s) was approved, excluding Saturdays, Sundays, and legal holidays, in which to file such views, in writing and signed by that member, with the clerk of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter. The report of the committee upon that measure or matter shall be printed in a single volume which—

(1) shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and

(2) shall bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted under subdivisions (3) and (4) of subparagraph (c)) are included as part of the report. This subparagraph does not preclude—

(A) the immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph; or

(B) the filing by any such committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by that committee upon that measure or matter.

(f) If hearings have been held on any measure or matter so reported, the committee shall make every reasonable effort to have such hearings printed and available for distribution to the members of the House prior to the consideration of such measure or matter in the House.

RULE NO. 11—SUBCOMMITTEE OVERSIGHT

The standing subcommittees of the committee shall conduct oversight of matters within their jurisdiction in accordance with Rule X, clauses 2 and 3 of the Rules of the House of Representatives.

RULE NO. 12—REVIEW OF CONTINUING PROGRAMS; BUDGET ACT PROVISIONS

(a) The committee shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing programs and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. For the purposes of this paragraph a Government agency includes the organizational units of government listed in clause 7(c) of Rule XIII of House Rules.

(b) The committee shall review, from time to time, each continuing program within its jurisdictions for which appropriations are

not made annually in order to ascertain whether such program could be modified so that appropriations therefor would be made annually.

(c) The committee shall, on or before March 15 of each year, submit to the Committee on the Budget (1) its views and estimates with respect to all matters to be set forth in the concurrent resolution on the budget for the ensuing fiscal year which are within its jurisdiction or functions, and (2) an estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within its jurisdiction which it intends to be effective during that fiscal year.

(d) As soon as practicable after a concurrent resolution on the budget for any fiscal year is agreed to, the committee (after consulting with the appropriate committee or committees of the Senate) shall subdivide any allocations made to it in the joint explanatory statement accompanying the conference report on such resolution, and promptly report such subdivisions to the House, in the manner provided by section 302 of the Congressional Budget Act of 1974.

(e) Whenever the committee is directed in a concurrent resolution on the budget to determine and recommend changes in laws, bills, or resolutions under the reconciliation process it shall promptly make such determination and recommendations, and report a reconciliation bill or resolution (or both) to the House or submit such recommendations to the Committee on the Budget, in accordance with the Congressional Budget Act of 1974

RULE NO. 13—BROADCASTING OF COMMITTEE HEARINGS

The rule for the broadcasting of committee hearings shall be the same as Rule XI, clause 3 of the Rules of the House of Representatives.

RULE NO. 14—COMMITTEE AND SUBCOMMITTEE STAFF

Except as provided in Rule XI, clause 5(d) of the Rules of the House of Representatives, the staff of the Committee on House Administration shall be appointed as follows:

A. The subcommittee staff shall be appointed, and may be removed, and their remuneration determined by the subcommittee chairman within the budget approved for the subcommittee by the full committee;

B. The staff assigned to the minority shall be appointed and their remuneration determined in such manner as the minority party members of the committee shall determine within the budget approved for such purposes by the committee;

C. The employees of the committee not assigned to a standing subcommittee or to the minority under the above provisions shall be appointed, and may be removed, and their remuneration determined by the chairman within the budget approved for such purposes by the committee.

RULE NO. 15—TRAVEL OF MEMBERS AND STAFF

(a) Consistent with the primary expense resolution and such additional expense resolutions as may have been approved, the provisions of this rule shall govern travel of committee members and staff. Travel for any member or any staff member shall be paid only upon the prior authorization of the chairman. Travel may by authorized by the chairman for any member and any staff member in connection with the attendance of hearings conducted by the committee or any subcommittee thereof and meetings, conferences, and investigations which involve activities or subject matter under the general jurisdiction of the committee. Before such authorization is given there shall be submitted to the chairman in writing the following:

(1) The purpose of the travel;

(2) The dates during which the travel will occur;

(3) The locations to be visited and the length of time to be spent in each;

(4) The names of members and staff seeking authorization.

(b)(1) In the case of travel outside the United States of members and staff of the committee or of a subcommittee for the purpose of conducting hearings, investigations, studies, or attending meetings and conferences involving activities or subject matter under the legislative assignment of the committee or pertinent subcommittee, prior authorization must be obtained from the chairman. Before such authorization is given, there shall be submitted to the chairman, in writing, a request for such authorization. Each request, which shall be filed in a manner that allows for a reasonable period of time for review before such travel is scheduled to begin, shall include the following:

(A) the purpose of the travel;

(B) the dates during which the travel will occur;

(C) the names of the countries to be visited and the length of time to be spent in each;

(D) an agenda of anticipated activities for each country for which travel is authorized together with a description of the purpose to be served and the areas of committee jurisdiction involved; and

(E) the names of members and staff for whom authorization is sought.

(2) Requests for travel outside the United States shall be initiated by the chairman and shall be limited to members and permanent employees of the committee.

(3) At the conclusion of any hearing, investigation, study, meeting or conference for which travel outside the United States has been authorized pursuant to this rule, each subcommittee (or members and staff attending meetings or conferences) shall submit a written report to the chairman covering the activities and other pertinent observations or information gained as a result of such travel.

(c) Members and staff of the committee performing authorized travel on official business shall be governed by applicable laws, resolutions, and regulations of the House and of the Committee on House Administration pertaining to such travel.

RULE NO. 16—NUMBER AND JURISDICTION OF SUBCOMMITTEES

(a) There shall be six Standing Subcommittees. The ratio (majority/minority) and jurisdiction of the subcommittees shall be:

Subcommittee on Accounts. (7/4)—Internal budget matters; expenditures from the contingent fund; changes in amounts of allowances; consultant contracts for committees; and monitoring financial activities of legislative service organizations.

Subcommittee on Procurement and Printing. (3/2)—Matters pertaining to procurement contracts for goods. Matters pertaining to printing, Government Printing Office, depository libraries, material printed in Congressional Record, and executive papers.

Subcommittee on Services. (3/2)—Matters pertaining to parking facilities, restaurant facilities, barber and beauty shop facilities, and other House services.

Subcommittee on Office Systems. (3/2)—Matters pertaining to furniture, electrical and mechanical office equipment and other accoutrements for use in the office of members, officers or committees and matters pertaining to the development of management systems for such officer.

Subcommittee on Personnel and Police. (3/2)—Matters pertaining to House employees and Police.

Subcommittee on Elections. (7/4)—Matters pertaining to the election of President, Vice President, and Members of Congress; corrupt practices; credentials and qualifications and Federal elections generally, including the Federal Election Campaign Act of 1971 and the Federal Election Commission.

(b) The chairman of the committee may appoint such ad hoc subcommittees as he deems appropriate.

(c) The chairman of the committee and the ranking minority member shall serve as ex officio members without vote of all subcommittees of the committee unless either member is appointed as a voting member of any subcommittee.

RULE NO. 17—POWERS AND DUTIES OF SUBCOMMITTEES

Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it. Subcommittee chairmen shall set meeting dates after consultation with the chairman of the full committee and other subcommittee chairmen, with a view toward avoiding simultaneous scheduling of committee or subcommittee meetings or hearings wherever possible. It shall be the practice of the committee that meetings of subcommittees not be scheduled to occur simultaneously with meetings of the full committee. In order to ensure orderly and fair assignment of hearing and meeting rooms, hearings and meetings should be arranged in advance with the chairman through the staff director of the committee.

RULE NO. 18—REFERRAL OF LEGISLATION TO SUBCOMMITTEES

All legislation and other matters referred to the committee shall be referred by the chairman to the subcommittee of appropriate jurisdiction within 2 weeks, unless by majority vote of the members of the full committee, consideration is to be otherwise effected. The chairman may refer the matter simultaneously to two or more subcommittees, consistent with House Rule X, for concurrent consideration or for consideration in sequence (subject to appropriate time limitations), or divide the matter into two or more parts and refer each such part to a different subcommittee, or refer the matter pursuant to House Rule X to an ad hoc subcommittee appointed by the chairman for the specific purpose of considering that matter and reporting to the full committee thereon, or make such other provisions as may be considered appropriate. The chairman may designate a subcommittee chairman or other member to take responsibility as "floor manager" of a bill during its consideration in the House.

RULE NO. 19—OTHER PROCEDURES AND REGULATIONS

The chairman of the full committee may establish such other procedures and take such actions as may be necessary to carry out the foregoing rules or to facilitate the effective operation of the committee.

RULE NO 20—DESIGNATION OF CLERK OF THE COMMITTEE

For the purposes of these rules and the Rules of the House of Representatives, the staff director of the committee shall act as the clerk of the committee.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CHANDLER) to revise and extend their remarks and include extraneous material:)

Mr. FRENZEL, for 15 minutes, today.

Mr. BEREUTER, for 60 minutes, on February 7.

Mr. WALKER, for 60 minutes, on February 20.

Mr. FISH, for 60 minutes, on February 21.

(The following Members (at the request of Mr. ROEMER) to revise and extend their remarks and include extraneous material:)

Mrs. BURTON of California, for 5 minutes, today.

Mr. FASCELL, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. BOUCHER, for 5 minutes, today.

Mr. RALPH M. HALL, for 30 minutes, today.

Mr. HOYER, for 30 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. BROOKS, for 5 minutes, today.

Mr. DORGAN of North Dakota, for 60 minutes, on February 7.

Mr. FRANK, for 60 minutes, on February 7.

Mr. DE LUGO, for 5 minutes, on February 7.

Mr. ANNUNZIO, for 60 minutes, on February 19.

Mr. LANTOS, for 30 minutes, on February 19.

Mr. LANTOS, for 15 minutes, on February 21.

(The following Members (at their own request) to revise and extend their remarks and include extraneous matter:)

Mr. KOLTER, for 5 minutes, today.

Mr. BENNETT, for 5 minutes, today.

Mr. MICA (at the request of Mr. SKELTON), for 20 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. CHANDLER) and to include extraneous matter:)

Mr. CLINGER.

Mr. HUNTER.

Ms. FIEDLER.

Mr. DREIER of California in two instances.

Mr. RUDD in two instances.

Mr. COURTER.

Mr. RINALDO.

Mr. MILLER of Ohio.

Mr. LAGOMARSINO in three instances.

Mr. WHITEHURST.

Mr. GILMAN.

Mr. ROGERS.

Mr. SCHAEFER.

Mr. HORTON.

Mr. HYDE in two instances.

Ms. SNOWE.

Mr. DENNY SMITH.

Mr. WORTLEY in five instances.

(The following Members (at the request of Mr. ROEMER) and to include extraneous matter:)

Mr. ADDABBO in three instances.

Mr. DINGELL.

Mr. SKELTON.

Mrs. LLOYD.

Mr. HAMILTON.

Mr. FLORIO in two instances.

Mr. DIXON.

Mr. MURTHA.

Mr. LEHMAN of California.

Mrs. BURTON of California.

Mr. HALL of Ohio.

Mr. BEILENSON.

Mr. ERDREICH.

Mr. GARCIA.

Mrs. SCHROEDER.

Mr. TRAFICANT.

Mr. ROYBAL.

Mr. STARK.

Mr. LEHMAN of Florida in two instances.

Mr. RANGEL.

Mr. GUARINI.

Mr. FEIGHAN in three instances.

Mr. HEFTEL of Hawaii.

Mr. RAHALL in two instances.

Mr. GEPHARDT.

Ms. KAPTUR.

Mr. JACOBS.

Mr. ENGLISH in two instances.

Mr. FORD of Michigan.

Mr. WAXMAN.

Mr. KOLTER.

Mr. ACKERMAN.

Mr. DONNELLY.

Mr. HERTEL of Michigan.

Mr. WEISS.

Mr. DYMALLY.

Mr. SCHEUER.

Mr. BRYANT.

Mr. WYDEN.

Mr. WOLPE.

Mr. SMITH of Florida.

RECESS

The SPEAKER pro tempore (Mr. RICHARDSON). Pursuant to the order of the House of Thursday, January 3, 1985, the Chair declares the House in recess until approximately 8:40 p.m. this evening.

Accordingly (at 4 o'clock and 7 minutes p.m.) the House stood in recess until approximately 8:40 p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 8 o'clock and 45 minutes p.m.

JOINT SESSION OF THE HOUSE AND SENATE HELD PURSUANT TO THE PROVISIONS OF HOUSE CONCURRENT RESOLUTION 1 TO HEAR AN ADDRESS BY THE PRESIDENT OF THE UNITED STATES

The Speaker of the House presided.

The Doorkeeper, the Honorable James T. Malloy, announced the Vice President and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to escort the President of the United States into the Chamber:

The gentleman from Texas [Mr. WRIGHT]; the gentleman from Washington [Mr. FOLEY]; the gentleman from Missouri [Mr. GEPHARDT]; the gentleman from Arkansas [Mr. ALEXANDER]; the gentleman from California [Mr. EDWARDS]; the gentleman from Illinois [Mr. MICHEL]; the gentleman from Mississippi [Mr. LOTT]; the gentleman from New York [Mr. KEMP]; the gentleman from California [Mr. MOORHEAD]; and the gentleman from California [Mr. LAGOMARSINO].

Members will assemble in front of the rostrum.

The VICE PRESIDENT. The President of the Senate, at the direction of that body, appoints the following Senators as members of the committee on the part of the Senate to escort the President of the United States:

The Senator from Kansas [Mr. DOLE]; the Senator from Wyoming [Mr. SIMPSON]; the Senator from Colorado [Mr. ARMSTRONG]; the Senator from South Carolina [Mr. THURMOND]; the Senator from Pennsylvania [Mr. HEINZ]; the Senator from Georgia [Mr. MATTINGLY]; the Senator from Arizona [Mr. GOLDWATER]; the Senator from Florida [Mrs. HAWKINS]; the Senator from West Virginia [Mr. BYRD]; the Senator from California [Mr. CRANSTON]; the Senator from Hawaii [Mr. INOUYE]; the Senator from Illinois [Mr. DIXON]; the Senator from Connecticut [Mr. DODD]; and the Senator from Vermont [Mr. LEAHY].

The Doorkeeper announced the ambassadors, ministers, and chargés d'affaires of foreign governments.

The ambassadors, ministers, and chargés d'affaires for foreign governments entered the Hall of the House of Representatives and took the seats reserved for them.

The Doorkeeper announced the Associate Justices of the Supreme Court.

The Justices of the U.S. Supreme Court entered the Hall of the House of Representatives and took the seats

reserved for them in front of the Speaker's rostrum.

The Doorkeeper announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 9 o'clock and 3 minutes p.m., the Doorkeeper announced the President of the United States.

The President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives, and stood at the Clerk's desk.

[Applause, the Members rising.]

The SPEAKER. Members of the Congress, I have the high privilege and the distinct honor of presenting to you, and wishing to him a happy birthday, the President of the United States.

[Applause, the Members rising.]

THE STATE OF THE UNION—ADDRESS BY THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-25)

The PRESIDENT. Mr. Speaker, Mr. President, distinguished Members of the Congress, honored guests, and fellow citizens. I come before you to report on the state of our Union. And I am pleased to report that, after 4 years of united effort, the American people have brought forth a Nation renewed—stronger, freer and more secure than before.

Four years ago, we began to change—forever, I hope—our assumptions about Government and its place in our lives. Out of that change has come great and robust growth—in our confidence, our economy, and our role in the world.

Tonight, America is stronger because of the values that we hold dear. We believe that faith and freedom must be our guiding stars, for they show us truth, they make us brave, give us hope, and leave us wiser than we were. Our progress began not in Washington, DC, but in the hearts of our families, communities, workplaces, and voluntary groups which, together, are unleashing the invincible spirit of one great Nation under God.

Four years ago, we said we would invigorate our economy by giving people greater freedom and incentives to take risks, and letting them keep more of what they earned.

We did what we promised, and a great industrial giant is reborn. Tonight we can take pride in 25 straight months of economic growth, the strongest in 34 years; a three-year inflation average of 3.9 percent, the lowest in 17 years; and 7.3 million new jobs in two years, with more of our citizens working than ever before.

New freedom in our lives has planted the rich seeds for future success:

For an America of wisdom that honors the family, knowing that as the family goes, so goes our civilization;

For an America of vision that sees tomorrow's dreams in the learning and hard work we do today;

For an America of courage whose servicemen and women, even as we meet, proudly stand watch on the frontiers of freedom;

For an America of compassion that opens its heart to those who cry out for help.

We have begun well. But it's only a beginning. We are not here to congratulate ourselves on what we have done, but to challenge ourselves to finish what has not yet been done.

We are here to speak for millions in our inner cities who long for real jobs, safe neighborhoods, and schools that truly teach. We are here to speak for the American farmer, the entrepreneur, and every worker in industries fighting to modernize and compete. And, yes, we are here to stand, and proudly so, for all who struggle to break free from totalitarianism; for all who know in their hearts that freedom is the one true path to peace and human happiness.

Proverbs tells us, without a vision the people perish. When asked what great principle holds our Union together, Abraham Lincoln said, "Something in (the) Declaration giving liberty, not alone to the people of this country, but hope to the world for all future time."

We honor the giants of our history, not by going back, but forward to the dreams their vision foresaw. My fellow citizens, this Nation is poised for greatness. The time has come to proceed toward a great new challenge—a Second American Revolution of hope and opportunity; a revolution carrying us to new heights of progress by pushing back frontiers of knowledge and space; a revolution of spirit that taps the soul of America, enabling us to summon greater strength than we have ever known; and, a revolution that carries beyond our shores the golden promise of human freedom in a world at peace.

Let us begin by challenging our conventional wisdom: There are no constraints on the human mind, no walls around the human spirit, no barriers to our progress except those we ourselves erect. Already, pushing down tax rates has freed our economy to vault forward to record growth.

In Europe, they are calling it "the American Miracle." Day by day, we are shattering accepted notions of what is possible. When I was growing up, we failed to see how a new thing called radio would transform our marketplace. Well, today many have not yet seen how advances in technology are transforming our lives.

In the late 1950's, workers at the AT&T semiconductor plant in Pennsylvania produced five transistors a day for $7.50 apiece. They now produce over a million for less than a penny apiece.

New laser techniques could revolutionize heart bypass surgery, cut diagnosis time for viruses linked to cancer from weeks to minutes, reduce hospital costs dramatically, and hold out new promise for saving human lives.

Our automobile industry has overhauled assembly lines, increased worker productivity, and is competitive once again.

We stand on the threshold of a great ability to produce more, do more, be more. Our economy is not getting older and weaker, it is getting younger and stronger. It doesn't need rest and supervision, it needs new challenge and greater freedom. And that word, freedom, is the key to the Second American Revolution that we mean to bring about.

Let us move together with a historic reform of tax simplification for fairness and growth. Last year I asked then Treasury Secretary Regan to develop a plan to simplify the tax code, so all taxpayers would be treated more fairly, and personal tax rates could come further down.

We have cut tax rates by almost 25 percent, yet the tax system remains unfair and limits our potential for growth. Exclusions and exemptions cause similar incomes to be taxed at different levels. Low-income families face steep tax barriers that make hard lives even harder. The Treasury Department has produced an excellent reform plan whose principles will guide the final proposal that we will ask you to enact.

One thing that tax reform will not be is a tax increase in disguise. We will not jeopardize the mortgage interest deduction that families need. We will reduce personal tax rates as low as possible by removing many tax preferences. We will propose a top rate of not more than 35 percent, and possibly lower. And we will propose reducing corporate rates while maintaining incentives for capital formation.

To encourage opportunity and jobs rather than dependency and welfare, we will propose that individuals living at or near the poverty line be totally exempt from Federal income tax. To restore fairness to families, we will propose increasing significantly the personal exemption.

And tonight, I am instructing Treasury Secretary James Baker—I have to get used to saying that—to begin working with congressional authors and committees for bipartisan legislation conforming to these principles. We will call upon the American people for

support and upon every man and woman in this chamber. Together we can pass, this year, a tax bill for fairness, simplicity and growth, making this economy the engine of our dreams, and America the investment capital of the world. So let us begin.

Tax simplification will be a giant step toward unleashing the tremendous pent-up power of our economy. But a Second American Revolution must carry the promise of opportunity for all. It is time to liberate the spirit of enterprise in the most distressed areas of our country.

This Government will meet its responsibility to help those in need. But policies that increase dependency, break up families, and destroy self-respect are not progressive, they are reactionary. Despite our strides in civil rights, blacks, Hispanics, and all minorities will not have full and equal power until they have full economic power.

We have repeatedly sought passage of enterprise zones to help those in the abandoned corners of our land find jobs, learn skills, and build better lives. This legislation is supported by a majority of you. Mr. Speaker, I know we agree that there must be no forgotten Americans. Let us place new dreams in a million hearts and create a new generation of entrepreneurs by passing enterprise zones this year.

And "TIP," you could make that a birthday present.

Nor must we lose the chance to pass our Youth Employment Opportunity Wage proposal. We can help teenagers who have the highest unemployment rate find summer jobs, so they can know the pride of work, and have confidence in their futures.

We will continue to support the Job Training Partnership Act, which has a nearly two-thirds job placement rate. Credits and education and health care vouchers will help working families shop for services they need.

Our Administration is already encouraging certain low-income public housing residents to own and manage their own dwellings. It is time that all public housing residents have that opportunity of ownership.

The Federal Government can help create a new atmosphere of freedom. But States and localities, many of which enjoy surpluses from the recovery, must not permit their tax and regulatory policies to stand as barriers to growth.

Let us resolve that we will stop spreading dependency and start spreading opportunity; that we will stop spreading bondage and start spreading freedom.

There are some who say that growth initiatives must await final action on deficit reductions. Well, the best way to reduce deficits is through economic growth. More businesses will be started, more investments made, more jobs created, and more people will be on payrolls paying taxes. The best way to reduce Government spending is to reduce the need for spending by increasing prosperity. Each added percentage point per year of real G.N.P. growth will lead to a cumulative reduction in deficits of nearly $200 billion over five years.

To move steadily toward a balanced budget we must also lighten Government's claim on our total economy. We will not do this by raising taxes. We must make sure that our economy grows faster than the growth in spending by the Federal Government. In our Fiscal Year 1986 budget, overall Government program spending will be frozen at the current level; it must not be one dime higher than Fiscal Year 1985. And three points are key:

First, the social safety net for the elderly, the needy, the disabled, and unemployed will be left intact. Growth of our major health care programs, Medicare and Medicaid, will be slowed, but protections for the elderly and needy will be preserved.

Second, we must not relax our efforts to restore military strength just as we near our goal of a fully equipped, trained, and ready professional corps. National security is Government's first responsibility, so, in past years, defense spending took about half the Federal budget. Today it takes less than a third.

We have already reduced our planned defense expenditures by nearly $100 billion over the past 4 years, and reduced projected spending again this year. You know, we only have a military industrial complex until a time of danger. Then it becomes the arsenal of democracy. Spending for defense is investing in things that are priceless: peace and freedom.

Third, we must reduce or eliminate costly Government subsidies. For example, deregulation of the airline industry has led to cheaper airfares, but on Amtrak taxpayers pay about $35 per passenger every time an Amtrak train leaves the station. It's time we ended this huge Federal subsidy.

Our farm program costs have quadrupled in recent years. Yet I know from visiting farmers, many in great financial distress, that we need an orderly transition to a market-oriented farm economy. We can help farmers best, not by expanding Federal payments, but by making fundamental reforms, keeping interest rates heading down, and knocking down foreign trade barriers to American farm exports.

We are moving ahead with Grace Commission reforms to eliminate waste, and improve Government's management practices. In the long run, we must protect the taxpayers from Government. And I ask again that you pass, as 32 States have now called for, an amendment mandating the Federal Government spend no more than it takes in. And I ask for the authority used responsibly by 43 Governors to veto individual items in appropriations bills. Senator MATTINGLY has introduced a bill permitting a 2-year trial run of the line-item veto. I hope you will pass and send that legislation to my desk.

Nearly 50 years of Government living beyond its means has brought us to a time of reckoning. Ours is but a moment in history. But one moment of courage, idealism, and bipartisan unity can change American history forever.

Sound monetary policy is key to long-running economic strength and stability. We will continue to cooperate with the Federal Reserve Board, seeking a steady policy that ensures price stability, without keeping interest rates artificially high or needlessly holding down growth.

Reducing unneeded red tape and regulations, and deregulating the energy, transportation, and financial industries, have unleashed new competition, giving consumers more choices, better services, and lower prices. In just one set of grant programs we have reduced 905 pages of regulations to 31.

We seek to fully deregulate natural gas to bring on new supplies and bring us closer to energy independence. Consistent with safety standards, we will continue removing restraints on the bus and railroad industries; we will soon send up legislation to return Conrail to the private sector, where it belongs; and we will support further deregulation of the trucking industry.

Every dollar the Federal Government does not take from us, every decision it does not make for us, will make our economy stronger, or lives more abundant, our future more free.

Our Second American Revolution will push on to new possibilities not only on Earth, but in the next frontier of space. Despite budget restraints, we will seek record funding for research and development.

We have seen the success of the space shuttle. Now we are going to develop a permanently manned Space Station, and new opportunities for free enterprise because in the next decade Americans and our friends around the world will be living and working together in space.

In the zero gravity of space we could manufacture in 30 days lifesaving medicines it would take 30 years to make on Earth. We can make crystals of exceptional purity to produce super computers, creating jobs, technologies, and medical breakthroughs beyond anything we ever dreamed possible.

As we do all this, we will continue to protect our natural resources. We will seek reauthorization and expanded funding for the Superfund program,

51-059 O-86-17 (Pt. 2)

to continue cleaning up hazardous waste sites which threaten human health and the environment.

Now, there is another great heritage to speak of this evening. Of all the changes that have swept America the past four years, none brings greater promise than our rediscovery of the values of faith, freedom, family, work, and neighborhood.

We see signs of renewal in increased attendance in places of worship; renewed optimism and faith in our future; love of country rediscovered by our young who are leading the way. We have rediscovered that work is good in and of itself; that it ennobles us to create and contribute no matter how seemingly humble our jobs. We have seen a powerful new current from an old and honorable tradition—American generosity.

From thousands answering Peace Corps appeals to help boost food production in Africa, to millions volunteering time, corporations adopting schools, and communities pulling together to help the neediest among us at home, we have refound our values. Private sector initiatives are crucial to our future.

I thank the Congress for passing equal access legislation giving religious groups the same right to use classrooms after school that other groups enjoy. But no citizen should tremble, nor the world shudder, if a child stands in a classroom and breathes a prayer. We ask you again—give children back a right they had for a century and a half or more in this country.

The question of abortion grips our Nation. Abortion is either the taking of a human life or it isn't; and if it is—and medical technology is increasingly showing it is—it must be stopped.

It is a terrible irony that while some turn to abortion, so many others who cannot become parents cry out for children to adopt. We have room for these children; we can fill the cradles of those who want a child to love. Tonight I ask you in the Congress to move this year on legislation to protect the unborn.

In the area of education, we are returning to excellence and again the heroes are our people, not government. We are stressing basics of discipline, rigorous testing, and homework, while helping children become computer smart as well. For 20 years Scholastic Aptitude Test scores of our high school students went down. But now they have gone up two of the last three years.

We must go forward in our commitment to the new basics, giving parents greater authority and making sure good teachers are rewarded for hard work and achievement through merit pay.

Of all the changes in the past 20 years, none has more threatened our sense of national well-being than the explosion of violent crime. One does not have to be attacked to be a victim. The woman who must run to her car after shopping at night is a victim; the couple draping their door with locks and chains are victims; as is the tired, decent cleaning woman who can't ride a subway home without being afraid.

We do not seek to violate the rights of defendants. But shouldn't we feel more compassion for the victims of crime than for those who commit crime? For the first time in 20 years the crime index has fallen two years in a row; we have convicted over 7,400 drug offenders, and put them, as well as leaders of organized crime, behind bars in record numbers.

But we must do more. I urge the House to follow the Senate and enact proposals permitting use of all reliable evidence that police officers acquire in good faith. These proposals would also reform the habeus corpus laws and allow, in keeping with the will of the overwhelming majority of Americans, the use of the death penalty where necessary.

There can be no economic revival in ghettos when the most violent among us are allowed to roam free. It is time we restored domestic tranquility. And we mean to do just that.

Just as we are positioned as never before to secure justice in our economy, we are poised as never before to create a safer, freer, more peaceful world.

Our alliances are stronger than ever. Our economy is stronger than ever. We have resumed our historic role as a leader of the free world—and all of these together are a great force for peace.

Since 1981 we have been committed to seeking fair and verifiable arms agreements that would lower the risk of war and reduce the size of nuclear arsenals. Now our determination to maintain a strong defense has influenced the Soviet Union to return to the bargaining table. Our negotiators must be able to go to that table with the united support of the American people. All of us have no greater dream than to see the day when nuclear weapons are banned from this Earth forever.

Each Member of the Congress has a role to play in modernizing our defenses, thus supporting our chances for a meaningful arms agreement. Your vote this spring on the Peacekeeper missile will be a critical test of our resolve to maintain the strength we need and move toward mutual and verifiable arms reductions.

For the past 20 years we have believed that no war will be launched as long as each side knows it can retaliate with a deadly counterstrike. Well, I believe there is a better way of eliminating the threat of nuclear war.

It is a Strategic Defense Initiative aimed ultimately at finding a non-nuclear defense against ballistic missiles. It is the most hopeful possibility of the nuclear age. But it is not well understood.

Some say it will bring war to the heavens—but its purpose is to deter war, in the heavens and on Earth. Some say the research would be expensive. Perhaps, but it could save millions of lives, indeed humanity itself. Some say if we build such a system the Soviets will build a defense system of their own. Well, they already have strategic defenses that surpass ours; a civil defense system, where we have almost none; and a research program covering roughly the same areas of technology we are exploring. And finally, some say the research will take a long time. The answer to that is: "Let's get started."

Harry Truman once said that ultimately our security and the world's hopes for peace and human progress, "lie not in measures of defense or in the control of weapons, but in the growth and expansion of freedom and self-government."

Tonight we declare anew to our fellow citizens of the world: Freedom is not the sole prerogative of a chosen few; it is the universal right of all God's children. Look to where peace and prosperity flourish today. It is in homes that freedom built. Victories against poverty are greatest and peace most secure where people live by laws that ensure free press, free speech, and freedom to worship, vote, and create wealth.

Our mission is to nourish and defend freedom and democracy and to communicate these ideals everywhere we can.

America's economic success is freedom's success; it can be repeated a hundred times in a hundred different nations. Many countries in East Asia and the Pacific have few resources other than the enterprise of their own people. But through low tax rates and free markets they have soared ahead of centralized economies. And now China is opening up its economy to meet its needs.

We need a stronger and simpler approach to the process of making and implementing trade policy and will be studying potential changes in that process in the next few weeks.

We have seen the benefits of free trade and lived through the disasters of protectionism. Tonight I ask all our trading partners, developed and developing alike, to join us in a new round of trade negotiations to expand trade and competition, and strengthen the global economy—and to begin it in this next year.

There are more than 3 billion human beings living in Third World Countries with an average per capita income of $650 a year. Many are victims of dictatorships that impoverish

them with taxation and corruption. Let us ask our allies to join us in a practical program of trade and assistance that fosters economic development through personal incentives to help these people climb from poverty on their own. We cannot play innocents abroad in a world that is not innocent. Nor can we be passive when freedom is under siege. Without resources, diplomacy cannot succeed. Our security assistance programs help friendly governments defend themselves, and give them confidence to work for peace. And I hope that you in the Congress will understand that dollar for dollar security assistance contributes as much to global security as our own defense budget.

We must stand by all our democratic allies. And we must not break faith with those who are risking their lives on every continent, from Afghanistan to Nicaragua, to defy Soviet-supported aggression and secure rights which have been ours from birth.

The Sandinista dictatorship of Nicaragua, with full Cuban Soviet-bloc support not only persecutes its people, the church, and denies a free press, but arms and provides bases for communist terrorists attacking neighboring states. Support for freedom fighters is self-defense, and totally consistent with the OAS and U.N. Charters. It is essential that the Congress continue all facets of our assistance to Central America. I want to work with you to support the democratic forces whose struggle is tied to our own security.

Tonight I have spoken of great plans and great dreams. They are dreams we can make come true. Two hundred years of American history should have taught us that nothing is impossible.

Ten years ago a young girl left Vietnam with her family, part of the exodus that followed the fall of Saigon. They came to the United States with no possessions and not knowing a word of English, 10 years ago. The young girl studied hard, learned English, and finished high school in the top of her class. And this May, May 22 to be exact, is a big date on her calendar. Just 10 years from the time she left Vietnam she will graduate from the United States Military Academy at West Point.

I thought you might like to meet an American hero named Jean Nguyen.

Now, there is someone else here tonight—born 79 years ago. She lives in the inner city where she cares for infants born of mothers who are heroin addicts. The children born in withdrawal are sometimes even dropped at her doorstep. She helps them with love.

Go to her house some night and maybe you will see her silhouette against the window as she walks the floor, talking softly, soothing a child in her arms. Mother Hale of Harlem, and she, too, is an American hero.

Jean, Mother Hale, your lives tell us that the oldest American saying is new again—anything is possible in America if we have the faith, the will, and the heart.

History is asking us once again to be a force for good in the world. Let us begin—in unity, with justice and love.

Thank you and God bless you.

[Applause, the Members rising.]

JOINT SESSION DISSOLVED

The SPEAKER. The joint session will be dissolved.

Accordingly, at 9 o'clock and 43 minutes p.m., the joint session of the two Houses was dissolved.

RECESS

The SPEAKER. The Chair declares a brief recess.

Accordingly (at 9 o'clock and 44 minutes p.m.) the House stood in recess.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 9 o'clock and 50 minutes p.m.

MESSAGE OF THE PRESIDENT REFERRED TO THE COMMITTEE OF THE WHOLE HOUSE ON THE STATE OF THE UNION

Mr. MINETA. Mr. Speaker, I move that the message of the President be referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

The motion was agreed to.

ADJOURNMENT

Mr. MINETA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 52 minutes p.m.) the House adjourned until tomorrow, Thursday, February 7, 1985, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

474. A letter from the Director, Defense Security Assistance Agency, tranmitting the Navy's letter of offer to Canada for defense articles estimated to cost in excess of $50 million, purusant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

475. A letter from the Secretary of Defense, transmitting a report on the assessment and evaluation of NATO weapons systems standardization and results achieved, pursuant to 10 U.S.C. 2457 (96 Stat. 1295); to the Committee on Armed Services.

476. A letter from the Deputy Assistant Secretary of Defense, transmitting Department of Defense contracts negotiated under section 2304 (a)11 and (a)16 in the second half of 1984; to the Committee on Armed Services.

477. A communication from the President of the United States, transmitting a report on "Theater Nuclear Weapons and Force Structure," pusuant to Public Law 98-525, section 1103; to the Committee on Armed Services.

478. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a statement with respect to a transaction involving U.S. exports to Spain, pursuant to the act of July 31, 1945, chapter 341, section 2(b)(3)(iii) (88 Stat. 2335; 91 Stat. 1210; 92 Stat. 3724); to the Committee on Banking, Finance and Urban Affairs.

479. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled: "Follow-up Review of the District's Foster Care Program", pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

480. A letter from the Administrator, Energy Information Administration, transmitting the Annual Energy Outlook 1984, pursuant to FEAA, section 57(a)(2) (90 Stat. 1139; 91 Stat. 572); to the Committee on Energy and Commerce.

481. A letter from the Acting Assistant Secretary for Legislative and Intergovernmental Affairs, Department of State, transmitting a notice of intent to issue commercial export license for sale of certain major defense equipment, pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

482. A letter from the Director, Defense Security Assistance Agency, transmitting a notice of a proposed letter of offer of defense equipment to Canada in excess of $50 million, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

483. A letter from the Director, Defense Security Assistance Agency, transmitting a notice of intent of the Air Force to offer Korea defense articles and services in excess of $20 million, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

484. A letter from the Administrator, Agency for International Development, transmitting a draft of proposed legislation to authorize the President to furnish assistance to alleviate the human suffering in sub-Saharan Africa, and for other purposes; to the Committee on Foreign Affairs.

485. A letter from the Acting Administrator, General Services Administration, transmitting the annual report on the condition and activity of the agency, pursuant to the act of June 30, 1949, chapter 288, section 212 (64 Stat. 580); to the Committee on Government Operations.

486. A letter from the Chairman, Board of Directors, Tennessee Valley Authority, transmitting copies of the prescribed information for the TVA retirement system, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

487. A letter from the Under Secretary of Labor, transmitting a notice of proposal for an altered records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

488. A letter from the Acting Secretary of the Interior, transmitting a report on the Salinity Control Program and the quality of water of the Colorado River Basin, pursuant to Public Law 87-483, section 15; Public Law 87-590, section 6; Public Law 93-320, section 206; to the Committee on Interior and Insular Affairs.

489. A letter from the Department of the Treasury, transmitting a report of the actual amount of revenues deposited in the Panama Canal Commission fund during fiscal year 1984, pursuant to 22 U.S.C. 3712(c)(2); to the Committee on Merchant Marine and Fisheries.

490. A letter from the Associate Director for Workforce Effectiveness and Development, Office of Personnel Management, transmitting a report on the implementation of the Federal Equal Opportunity Recruitment Program for fiscal year 1984, pursuant to 5 U.S.C. 7201(e); to the Committee on Post Office and Civil Service.

491. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a report of the Chief of Engineers, Department of the Army, on Manatee Harbor, FL (H. Doc. No. 99-22); to the Committee on Public Works and Transportation and ordered to be printed.

492. A letter from the Administrator, Veterans' Administration, transmitting a report on proposed administrative reorganization of the agency, pursuant to 38 U.S.C. 210(b)(2) (95 Stat. 1033); to the Committee on Veterans' Affairs.

493. A letter from the Chairman, U.S. Synthetic Fuels Corporation, transmitting the annual report, pursuant to Public Law 96-294, section 177(d)(1); jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FOLEY (for himself and Mr. WAXMAN):

H.R. 944. A bill to amend the Safe Drinking Water Act to provide for the protection of aquifers which are the sole or principal source of drinking water for public water systems; to the Committee on Energy and Commerce.

By Mr. VOLKMER (for himself, Mr. FOLEY, Mr. SYNAR, Mr. STANGELAND, Mr. CARNEY, Mr. WEAVER, Mr. JONES of Tennessee, Mr. DENNY SMITH, Mr. YOUNG of Alaska, Mr. DERRICK, Mr. FRANKLIN, Mr. FIELDS, Mr. MURTHA, Mr. STUMP, Mr. ENGLISH, Mr. STENHOLM, Mr. DOWDY of Mississippi, Mr. WEBER, Mr. SENSENBRENNER, Mr. WILLIAMS, Mr. BONER of Tennessee, Mr. MCKERNAN, Mr. DANIEL, Mr. SUNDQUIST, Mr. MOORHEAD, Mr. BLILEY, Mr. QUILLEN, Mr. SOLOMON, Mr. RUDD, Mrs. HOLT, Mr. EMERSON, Mr. CRAIG, Mr. FUQUA, Mr. MARLENEE, Mr. MOLLOHAN, Mr. DAUB, Mr. HANSEN, Mr. RICHARDSON, Mr. DE LA GARZA, Mr. TRAXLER, Mr. ROBERTS, Mr. MILLER of Ohio, Mrs. SMITH of Nebraska, Mr. RAHALL, Mr. HAMMERSCHMIDT, Mr. YOUNG of Missouri, Mr. FLIPPO, Mr. LAGOMARSINO, Mrs. LLOYD, Mr. ROSE, Mr. FISH, Mr. NICHOLS, Mr. WILSON, Mr. DASCHLE, Mrs. VUCANOVICH, Mr. MYERS of Indiana, Mr. GAYDOS, Mr. KOLTER, and Mrs. BYRON):

H.R. 945. A bill to protect the rights of firearms owners; to the Committee on the Judiciary.

By Mr. WHITTEN:

H.R. 946. A bill to provide additional emergency credit to farm producers; to provide funds to forego foreclosure and defer payment of indebtedness; and to determine damages caused by embargoes on the sale and delivery of agricultural commodities, either through direct embargo or failure to sell competitively; and for other purposes; to the Committee on Appropriations.

By Mr. GARCIA:

H.R. 947. A bill to define Federal policy on adolescent pregnancy and to assist in making available comprehensive services to prevent unintended adolescent pregnancy and childbearing and to assist pregnant adolescents and adolescent parents and their families; jointly, to the Committees on Education and Labor, Ways and Means, and Energy and Commerce.

By Mr. ACKERMAN (for himself, Mr. HAWKINS, Mr. JEFFORDS, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LEVINE of California, Mr. MITCHELL, Mr. MOODY, Mr. MORRISON of Connecticut, Mr. RANGEL, Mr. WEISS, and Mr. WILLIAMS):

H.R. 948. A bill to amend title IX of the act commonly called the Civil Rights Act of 1968, to prevent violence and intimidation directed against persons participating in tenant organizations; to the Committee on the Judiciary.

By Mr. BADHAM:

H.R. 949. A bill to terminate the effect of provisions of the Voting Rights Act of 1965 that require bilingual ballots and election materials and to permit the States to determine whether such ballots and materials are necessary; to the Committee on the Judiciary.

By Mr. RANGEL:

H.R. 950. A bill to provide for the establishment of a Caribbean Trade Institute/International Trade Center in Harlem, New York City; to the Committee on Ways and Means.

By Mr. BEILENSON:

H.R. 951. A bill to amend the Internal Revenue Code of 1954 to increase the tax on cigarettes to 40 cents per pack; to the Committee on Ways and Means.

By Mr. BENNETT:

H.R. 952. A bill to amend section 504 of the Rehabilitation Act of 1973 to eliminate discrimination against handicapped or disabled individuals in programs provided by a recipient of Federal financial assistance; to the Committee on Education and Labor.

H.R. 953. A bill to allow U.S. military assistance to be furnished to the law enforcement agencies of countries, such as Costa Rica, which rely on their law enforcement agencies to provide for the national defense and security; to the Committee on Foreign Affairs.

By Mr. BEVILL:

H.R. 954. A bill to repeal the provisions of the Tax Reform Act of 1984 relating to the maintenance of contemporaneous records with respect to the business use of certain property; to the Committee on Ways and Means.

By Mr. BIAGGI:

H.R. 955. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for maintaining a household a member of which is a dependent of the taxpayer who has attained age 65; to the Committee on Ways and Means.

By Mr. BROOKS:

H.R. 956. A bill to modify the application of the antitrust laws to protect the public interest in stable relationships between communities and professional sports teams and leagues and in the successful operation of such teams in communities throughout the Nation, and for other purposes; to the Committee on the Judiciary.

By Mr. BRYANT:

H.R. 957. A bill to foster competition in interLATA telecommunications, to facilitate the deregulation of the dominant interLATA carrier in a manner consistent with preserving competition and the public interest, and for other purposes; to the Committee on Energy and Commerce.

By Mrs. COLLINS:

H.R. 958. A bill to provide for the establishment and operation of a national lottery to assist in financing the old-age, survivors, and disability insurance program; jointly, to the Committees on Ways and Means, Post Office and Civil Service, and the Judiciary.

By Mr. COYNE:

H.R. 959. A bill to direct the Administrator of the Environmental Protection Agency to make grants to the city of Pittsburgh, PA, to pay the costs of constructing the uncompleted portion of the Saw Mill Run relief sewer; to the Committee on Public Works and Transportation.

H.R. 960. A bill to require community impact statements by certain corporations involved in mergers which will result in reducing the number of persons employed in any community by at least 100 individuals, and for other purposes; jointly, to the Committees on the Judiciary and Ways and Means.

By Mr. DYMALLY (for himself, Mr. TOWNS, Mr. WILLIAMS, Mr. FAUNTROY, and Mr. DE LUGO):

H.R. 961. A bill to provide for increased Peace Corps technical training programs for the people of countries in the Caribbean region in order to assist in meeting the infrastructure needs of those countries; to the Committee on Foreign Affairs.

By Mr. ENGLISH:

H.R. 962. A bill to amend the Foreign Assistance Act of 1961 to make an exception to the ban on participation of officers and employees of the United States in certain foreign arrest actions and interrogations; to the Committee on Foreign Affairs.

By Mr. FLORIO (for himself, Mr. WAXMAN, Mr. MOLINARI, Mr. EDGAR, Mr. ECKART of Ohio, Mr. MARKEY, Mr. SIKORSKI, Mr. SWIFT, Mr. DOWNEY of New York, Mr. DWYER of New Jersey, Mr. MOODY, Mr. WOLPE, Mr. GUARINI, Mr. BONIOR of Michigan, Mr. FAZIO, Mr. TORRICELLI, Mr. LEVINE of California, Mr. RODINO, Mr. MILLER of California, Mr. LUNDINE, and Mr. VENTO):

H.R. 963. A bill to amend the Occupational Safety and Health Act of 1970 to provide adequate protection of employees by guaranteeing their right to know of the risks associated with hazardous substances in their places of employment by permitting States to adopt more protective provisions of law regarding the providing of information to employees concerning these risks; to the Committee on Education and Labor.

By Mr. FLORIO:

H.R. 964. A bill to authorize funds for fiscal year 1986 for carrying out the International Travel Act of 1961; to the Committee on Energy and Commerce.

By Mr. FLORIO (for himself, Mr. WAXMAN, Mr. MOLINARI, Mr. EDGAR, Mr. ECKART of Ohio, Mr. MARKEY, Mr. SIKORSKI, Mr. SWIFT, Mr. DOWNEY of New York, Mr. DWYER of New Jersey, Mr. MOODY, Mr. WOLPE, Mr. GUARINI, Mr. BONIOR of Michigan, Mr. FAZIO, Mr. TORRICELLI, Mr.

LEVINE of California, Mr. RODINO, Mr. MILLER of California, Mr. LUNDINE, and Mr. VENTO):

H.R. 965. A bill to amend the Solid Waste Disposal Act and the Toxic Substances Control Act to prevent releases of toxic and hazardous substances which are presently not adequately controlled, to establish a community right to know of the risks associated with hazardous substances to which they may be exposed, to protect the rights of individuals exposed to hazardous substances, and for other purposes; to the Committee on Energy and Commerce.

By Mr. FLORIO (for himself, Mr. WAXMAN, Mr. MOLINARI, Mr. EDGAR, Mr. ECKART of Ohio, Mr. MARKEY, Mr. SIKORSKI, Mr. DOWNEY of New York, Mr. DWYER of New Jersey, Mr. MOODY, Mr. WOLPE, Mr. GUARINI, Mr. BONIOR of Michigan, Mr. FAZIO, Mr. TORRICELLI, Mr. LEVINE of California, Mr. RODINO, Mr. MILLER of California, Mr. LUNDINE, and Mr. VENTO):

H.R. 966. A bill to amend the Hazardous Materials Transportation Act to provide for the establishment of regional training centers to assist in improving the emergency response and enforcement capabilities of State and local personnel; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

H.R. 967. A bill to amend the Clean Air Act to provide for the control of hazardous air pollutants from stationary and mobile sources; to the Committee on Energy and Commerce.

By Mr. GARCIA (for himself and Mr. BIAGGI):

H.R. 968. A bill to amend the Food Stamp Act of 1977 to authorize federally insured credit unions to redeem coupons issued under such act; to the Committee on Agriculture.

By Mr. RALPH M. HALL (for himself and Mr. MOORHEAD):

H.R. 969. A bill to amend the Energy Security Act and the National Energy Conservation Policy Act to repeal the statutory authorities administered by the Residential Energy Conservation Service and the Commercial and Apartment Conservation Service; to the Committee on Energy and Commerce.

By Mr. HORTON (for himself, Mr. MCGRATH, and Mr. WALKER):

H.R. 970. A bill to make certain changes in the membership and operations of the Advisory Commission on Intergovernmental Relations; to the Committee on Government Operations.

By Mr. HOYER (for himself, Mr. BARNES, and Mrs. HOLT):

H.R. 971. A bill to permit the Secretary of the Army to authorize the delivery of water from the District of Columbia water system to water systems in the Metropolitan Washington area in Maryland, and the purchase of water for the District of Columbia water system from such systems; to the Committee on Public Works and Transportation.

By Mr. KOLTER:

H.R. 972. A bill to terminate the authority of the Internal Revenue Service to issue regulations which require the inclusion in income of fringe benefits; to the Committee on Ways and Means.

By Mr. LAGOMARSINO:

H.R. 973. A bill to provide for the establishment of a National Voluntary Health Insurance Act; to the Committee on Energy and Commerce.

H.R. 974. A bill to provide that no increase in pay for Members of Congress shall take effect without a recorded vote in each House; jointly, to the Committees on Post Office and Civil Service and Rules.

By Mr. MCKERNAN (for himself and Ms. SNOWE):

H.R. 975. A bill to amend the Internal Revenue Code of 1954 to provide that certain fishermen who are treated as self-employed for social security tax purposes shall be treated as self-employed for pension plan purposes; to the Committee on Ways and Means.

By Mr. MILLER of Ohio (for himself, Mr. REGULA, Mr. STOKES, Mr. APPLEGATE, Mr. KASICH, Mr. WISE, Mr. MCEWEN, Mr. MOLLOHAN, Mr. STAGGERS, and Mrs. LLOYD):

H.R. 976: A bill to provide for the preservation of the ferroalloy industry in the United States; to the Committee on Ways and Means.

By Mr. MOODY:

H.R. 977. A bill to amend the Food Stamp Act of 1977 to allow State agencies to elect to use a system of retrospective accounting for the purpose of determining benefits under the Food Stamp Act of 1977, and for other purposes; to the Committee on Agriculture.

H.R. 978. A bill to amend the Public Health Service Act to provide for the establishment of a National Institute on Population and Human Reproduction to be coordinated with the National Institute of Child Health and Human Development by a National Science Policy Committee for Research on Human Development; to the Committee on Energy and Commerce.

H.R. 979. A bill to amend section 3718 of title 31, United States Code, to authorize contracts retaining private counsel to furnish legal services in the case of indebtedness owed the United States; to the Committee on the Judiciary.

By Mr. OWENS (for himself, Mr. WEISS, Mr. TORRICELLI, Mr. SUNDQUIST, Mr. DENNY SMITH, Mrs. ROUKEMA, Mr. DIOGUARDI, Mr. ROE, Mr. TOWNS, Mr. ACKERMAN, Mr. LOWRY of Washington, Mr. BLILEY, Mrs. COLLINS, Mr. SCHUMER, Mr. KEMP, Mr. MRAZEK, Mr. FRANK, Mr. CHENEY, Mrs. LLOYD, Mr. MANTON, Mr. CRANE, Mr. NEAL, Mr. DANIEL, Mr. RUDD, Mr. CLINGER, Mr. RINALDO, Mr. GALLO, Mr. BIAGGI, and Mr. LENT):

H.R. 980. A bill to amend the Internal Revenue Code of 1954 to disregard tax-exempt interest in computing the amount of Social Security benefits included in income; to the Committee on Ways and Means.

By Mr. PARRIS:

H.R. 981. A bill to repeal the contemporaneous recordkeeping requirement and certain other recently enacted provisions of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. RAHALL:

H.R. 982. A bill to extend the Federal supplemental unemployment compensation program for 2 years; to the Committee on Ways and Means.

By Mr. RANGEL (for himself, Mr. WHEAT, and Mr. CAMPBELL):

H.R. 983. A bill to amend the Internal Revenue Code of 1954 to revise and extend the targeted jobs credit; to the Committee on Ways and Means.

By Mr. SCHULZE:

H.R. 984. A bill to provide for the allocation among commerical air carriers of takeoff and landing rights at Washington National Airport by the sale of such rights to such carriers; to the Committee on Public Works and Transportation.

By Mr. SKELTON (for himself and Mr. CARNEY):

H.R. 985. A bill to change the name of the grade commodore in the U.S. Navy to rear admiral (lower half); to the Committee on Armed Services.

By Ms. SNOWE (for herself and Mr. MCKERNAN):

H.R. 986. A bill to deauthorize the Dickey-Lincoln School project, Saint John River, ME; to the Committee on Public Works and Transportation.

By Mr. STANGELAND:

H.R. 987. A bill amending subtitle C of the Consolidated Farm and Rural Development Act; to the Committee on Agriculture.

By Mr. TAUKE (for himself and Mr. SWIFT):

H.R. 988. A bill to repeal an exception in section 313 of the Federal Election Campaign Act of 1971 that permits certain Members of Congress to use excess campaign funds for personal purposes; to the Committee on House Administration.

By Mr. TAYLOR:

H.R. 989. A bill to amend title 5, United States Code, to revise the definition of air traffic controllers entitled to immediate retirement annuities under section 8336(e), and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. TORRICELLI:

H.R. 990. A bill to amend the National Housing Act to establish procedures for approval of rental increases in certain multifamily housing insured under such act; to the Committee on Banking, Finance and Urban Affairs.

H.R. 991. A bill to amend the Foreign Assistance Act of 1961 in order to condition U.S. economic and military assistance to Paraguay on an annual certification by the Attorney General that Paraguay is complying with all requests for the extradition of Nazi war criminals; to the Committee on Foreign Affairs.

H.R. 992. A bill to limit the Secret Service protection furnished to major Presidential candidates and certain other individuals to such candidates and individuals while they are in the United States; to the Committee on the Judiciary.

H.R. 993. A bill to amend title XVIII of the Social Security Act to provide Medicare coverage of wigs and hairpieces for individuals with alopecia that resulted from treatment of malignant disease; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. TRAFICANT:

H.R. 994. A bill to amend the Controlled Substances Act and the Controlled Substances Import and Export Act to modify criminal penalties for certain drug offenses; jointly, to the Committees on Energy and Commerce and the Judiciary.

By Mr. WYDEN (for himself, Mr. WAXMAN, Mr. SIKORSKI, Mr. LELAND, Mr. WIRTH, and Mr. SCHEUER):

H.R. 995. A bill to penalize unauthorized direct access to or alteration of individual medical records through a telecommunications device; jointly, to the Committees on the Judiciary and Energy and Commerce.

By Mr. DELLUMS:

H.R. 996. A bill to exonerate and to provide for a general and unconditional amnesty for certain persons who have violated or are alleged to have violated laws in the course of protest against the involvement of the United States in Indochina, and for

other purposes; to the Committee on the Judiciary.

By Mr. DELLUMS (for himself, Mrs. COLLINS, Mr. CONYERS, Mr. CROCKETT, Mr. DYMALLY, Mr. FAUNTROY, Mr. FRANK, Mr. HAYES, Mr. LELAND, Mr. MITCHELL, Mr. OWENS, Mr. STOKES, Mr. SAVAGE, Mr. WEISS, and Mr. KASTENMEIER):

H.R. 997. A bill to prohibit U.S. persons from making or holding any investment in South Africa, and for other purposes; jointly, to the Committees on Foreign Affairs, Ways and Means, and Public Works and Transportation.

By Mr. EDWARDS of Oklahoma:

H.R. 998. A bill to amend the Clayton Act to temporarily prohibit hostile corporate takeovers of domestic petroleum corporations; to the Committee on the Judiciary.

By Mr. ENGLISH:

H.R. 999. A bill to authorize the Secretary of Agriculture to use the funds of the Community Credit Corporation to subsidize the export sale of domestic agricultural commodities in reciprocation for subsidies paid by foreign governments to export foreign agricultural commodities, and for other purposes; jointly, the the Committees on Agriculture and Foreign Affairs.

By Mr. FRANKLIN:

H.R. 1000. A bill to amend the Consolidated Farm and Rural Development Act to authorize the Secretary of Agriculture to acquire easements for conservation, recreational, and wildlife purposes in wetlands, upland, and highly erodible land which secure certain delinquent loans owed to the United States under any law administered by the Farmers Home Administration, and for other purposes; to the Committee on Agriculture.

By Mr. HUGHES:

H.R. 1001. A bill to amend title 18 of the United States Code to provide additional penalties for fraud and related activities in connection with access devices and computers, and for other purposes; to the Committee on the Judiciary.

H.R. 1002. A bill relating to the tariff treatment of tourist literature regarding Canada; to the Committee on Ways and Means.

By Mr. JONES of Oklahoma (for himself, Mr. EDWARDS of Oklahoma, Mr. ENGLISH, and Mr. MCCURDY):

H.R. 1003. A bill to amend the Internal Revenue Code of 1954 to impose a 50 percent nondeductible excise tax on certain profits realized in connection with corporate takeover attempts, and for other purposes; to the Committee on Ways and Means.

By Mr. PEASE:

H.R. 1004. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to establish procedures under which any person may petition for an investigation (including testing and inspection) regarding any automobile manufacturing's certification of compliance with vehicle safety standards, and to permit suspension of importation of vehicles pending the outcome of such investigation; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. RAHALL (for himself, Mr. HAMILTON, Mr. BEVILL, Mr. YATRON, Mr. BIAGGI, and Mr. KOSTMAYER):

H.R. 1005. A bill to establish a Federal Coal Export Commission with the goal of expanding the U.S. share of the international coal market, and for other purposes; to the Committee on Foreign Affairs.

By Mr. RINALDO:

H.R. 1006. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 with respect to certain passenger motor vehicle safety requirements, and for other purposes; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. BENNETT:

H.J. Res. 126. Joint resolution to designate the week of November 3-9, 1985, as "National Drug Abuse Education Week"; to the Committee on Post Office and Civil Service.

By Mr. COURTER:

H.J. Res. 127. Joint resolution designating November 1985 as "American Liver Foundation National Liver Awareness Month"; to the Committee on Post Office and Civil Service.

By Mr. DYMALLY (for himself and Mr. LUJAN):

H.J. Res. 128. Joint resolution designating the month of October 1985 as "National High-Tech Month"; to the Committee on Post Office and Civil Service.

By Mr. FUQUA (for himself, Mr. LUJAN, Mr. SCHEUER, Mr. AKAKA, Mr. BROWN of California, Mr. MCGRATH, Mr. FOWLER, Mr. FAUNTROY, Mr. IRELAND, Mr. DWYER of New Jersey, Mr. SMITH of Florida, Mr. ANDREWS, Mr. CARNEY, Mr. STENHOLM, Mr. HEFTEL of Hawaii, Mr. BRYANT, Mr. NELSON of Florida, Mr. MATSUI, Mr. TOWNS, Mr. LAGOMARSINO, Mr. MINETA, Mr. BEVILL, Mr. LEWIS of California, Mr. ROE, Mr. EMERSON, Mr. UDALL, Mr. BROOKS, Mr. BATEMAN, Mr. LIGHTFOOT, Mr. LUNDINE, Mr. RANGEL, Mr. YOUNG of Florida, Mr. WOLF, Mr. HORTON, Mr. FAZIO, Mr. LEWIS of Florida, Mr. REID, Mr. CHAPPELL, Mr. FISH, Mr. FRENZEL, Mr. WATKINS, Mr. YOUNG of Alaska, Mr. VENTO, Mr. OWENS, and Mrs. BOXER):

H.J. Res. 129. Joint resolution commemorating the 25th Anniversary of United States Weather Satellites; to the Committee on Post Office and Civil Service.

By Mr. HEFTEL of Hawaii:

H.J. Res. 130. Joint resolution proposing an amendment to the Constitution of the United States allowing an item veto in appropriations acts; to the Committee on the Judiciary.

By Mr. HYDE:

H.J. Res. 131. Joint resolution to designate the week of June 16-22, 1985, as "National Safety in the Workplace Week"; to the Committee on Post Office and Civil Service.

By Mr. PORTER (for himself, Mr. LANTOS, Mr. ACKERMAN, Mr. AUCOIN, Mr. BADHAM, Mr. BARNES, Mr. BERMAN, Mr. BIAGGI, Mr. BILIRAKIS, Mr. BORSKI, Mrs. BOXER, Mr. CARNEY, Mrs. COLLINS, Mr. DIOGUARDI, Mr. DURBIN, Mr. DWYER of New Jersey, Mr. EDWARDS of Oklahoma, Mr. ERDREICH, Mr. EVANS of Illinois, Mr. FAUNTROY, Mr. FAZIO, Mr. FEIGHAN, Mr. FISH, Mr. FORD of Michigan, Mr. FRANK, Mr. FROST, Mr. FUSTER, Mr. GILMAN, Mr. GUARINI, Mr. HEFTEL of Hawaii, Mrs. HOLT, Mr. HORTON, Mr. HOWARD, Mr. HOYER, Mr. HUGHES, Ms. KAPTUR, Mr. KASICH, Mr. KEMP, Mr. KILDEE, Mr. KOSTMAYER, Mr. LAGOMARSINO, Mr. LELAND, Mr. LEVINE of California, Mr. LOWRY of Washington, Mr. LUNGREN, Mr. MAVROULES, Mr. MCCAIN, Mr. MCGRATH, Mr. MCKERNAN, Ms. MIKULSKI, Mr. MOAKLEY, Mr. MOODY, Mr. MURPHY, Mr. NOWAK, Mr. RICHARDSON, Mr. RITTER, Mr. RODINO, Mr. ROE, Mr. SABO, Mr. SCHEUER, Mr. SKELTON, Mr. SMITH of New Jersey, Mr. SMITH of Florida, Mr. SOLARZ, Mr. SPRATT, Mr. VENTO, Mr. WHEAT, Mr. WAXMAN, Mr. WEAVER, Mr. WEISS, Mr. YATES, and Mr. YOUNG of Missouri):

H.J. Res. 132. Joint resolution to designate May 7, 1985, "Helsinki Human Rights Day", to request the President to continue efforts to achieve full implementation of the Helsinki accords, and for other purposes; jointly, to the Committees on Post Office and Civil Service and Foreign Affairs.

By Mr. ROE:

H.J. Res. 133. Joint resolution to authorize the President to proclaim the last Friday of April each year as "National Arbor Day"; to the Committee on Post Office and Civil Service.

By Mr. ROYBAL (for himself, Mr. RINALDO, Mr. PEPPER, Mr. HAWKINS, Mr. ADDABBO, Mr. MANTON, Mr. TORRICELLI, Mr. SPRATT, Mr. FUSTER, Ms. KAPTUR, Mr. ROE, Mr. FORD of Michigan, Mr. WEISS, Mr. ANNUNZIO, Mrs. LLOYD, Mr. STOKES, Mr. DELLUMS, Mr. HOYER, Mr. JACOBS, Mr. BARNES, Mr. UDALL, Mr. DWYER of New Jersey, Mr. HOWARD, Mr. LELAND, Mr. NEAL, Mr. BIAGGI, Mr. SMITH of New Jersey, Mr. JEFFORDS, Mr. WOLF, Ms. SNOWE, Mr. BONER of Tennessee, Mr. SOLARZ, Mr. OWENS, Mr. MORRISON of Connecticut, Mr. MACKAY, Mr. ENGLISH, Mr. SCHEUER, Mr. FRANK, Mr. BEVILL, Mr. DICKS, Mrs. SMITH of Nebraska, Mr. RITTER, Mr. SKELTON, Mr. LEVINE of California, Mr. SISISKY, Mrs. BOXER, Mr. TALLON, Mr. ROTH, Mr. HORTON, Mr. DIXON, Mrs. HOLT, Mr. LEWIS of Florida, Mr. BORSKI, Mr. CONYERS, Mr. DYMALLY, Mr. FAUNTROY, Mr. FRENZEL, Mr. GUARINI, Mr. MAVROULES, Mr. VOLKMER, Mr. DARDEN, Mr. FUQUA, Mr. DAUB, Mr. BEREUTER, Mr. LAGOMARSINO, Mr. LUNGREN, Mr. YOUNG of Missouri, Mr. AKAKA, Mr. KANJORSKI, Mr. YATRON, Mr. RODINO, Mr. HEFNER, Mr. WIRTH, Mr. CLINGER, Mr. KILDEE, Mr. DUNCAN, Mr. DORNAN of California, Mr. MADIGAN, Mr. HENRY, Mr. BILIRAKIS, Mr. BERMAN, Mr. YOUNG of Alaska, Mr. MCCAIN, Mr. SABO, Mr. BEDELL, Mr. HAMMERSCHMIDT, Mr. CHAPPIE, Mr. DYSON, Mr. HUGHES, Mr. REID, Mr. HAYES, Mr. CONTE, Mr. SKEEN, Mr. MONTGOMERY, Mr. FISH, Mr. GREEN, Mr. WAXMAN, Mr. BONIOR of Michigan, Mr. FLORIO, Mr. RANGEL, Mr. CROCKETT, and Mr. MINETA):

H.J. Res. 134. Joint resolution authorizing and requesting the President to designate the week of March 10-16, 1985, as "National Employ-the-Older-Worker Week"; to the Committee on Post Office and Civil Service.

By Mr. SOLARZ:

H.J. Res. 135. Joint resolution to designate October 1985 as "National Down Syndrome Month"; to the Committee on Post Office and Civil Service.

By Mr. WAXMAN:

H.J. Res. 136. Joint resolution directing that the National Institutes of Health receive full funding in fiscal year 1985 for new and competing research grants; jointly, to the Committees on Appropriations and Energy and Commerce.

By Mr. SOLARZ (for himself, Mr. LEACH of Iowa, Mr. LANTOS, Mr. TORRICELLI, and Mr. MINETA):

H. Con. Res. 49. Concurrent resolution expressing the sense of the Congress that the Taiwan authorities should cooperate fully in the case of Henry Liu by delivering to the United States for trial those citizens of Taiwan charged by authorities in the United States in connection with the murder of Henry Liu; to the Committee on Foreign Affairs.

By Mr. COYNE:

H. Con. Res. 50. Concurrent resolution expressing the sense of the Congress with respect to honorary South African consulates in the United States; to the Committee on Foreign Affairs.

By Mr. STANGELAND (for himself, Mr. MARLENEE, and Mr. WEBER):

H. Con. Res. 51. Concurrent resolution urging the President to implement a modified debt recovery program; to the Committee on Agriculture.

By Mr. WEISS (for himself, Mr. KOSTMAYER, Mr. PORTER, Mr. LEACH of Iowa, Mr. JEFFORDS, Mr. BARNES, Mr. ALEXANDER, Mr. ACKERMAN, Mr. ANTHONY, Mr. BERMAN, Mr. BONIOR of Michigan, Mr. CONYERS, Mr. CROCKETT, Mr. DELLUMS, Mr. DORGAN of North Dakota, Mr. DYMALLY, Mr. EDGAR, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. FEIGHAN, Mr. FOGLIETTA, Mr. FORD of Michigan, Mr. FRANK, Mr. GARCIA, Mr. GEJDENSON, Mr. HALL of Ohio, Mr. HAWKINS, Ms. KAPTUR, Mr. KASTENMEIER, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LEVINE of California, Mr. MACKAY, Mr. MARKEY, Mr. MILLER of California, Mr. MITCHELL, Mr. MOAKLEY, Mr. MORRISON of Connecticut, Ms. OAKAR, Mr. OBERSTAR, Mr. OWENS, Mr. PENNY, Mr. RANGEL, Mrs. SCHNEIDER, Mr. SEIBERLING, Mr. SOLARZ, Mr. STOKES, Mr. TORRICELLI, Mr. WALGREN, Mr. WEAVER, Mr. WILLIAMS, Mr. WOLPE, and Mr. STUDDS):

H. Con. Res. 52. Concurrent resolution calling for the restoration of democracy in Chile; jointly, to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs.

By Mr. EDGAR:

H. Con. Res. 53. Concurrent resolution to express the sense of the Congress with respect to right-to-know laws governing the commercial use of hazardous substances, and for other purposes; jointly, to the Committees on Education and Labor and Energy and Commerce.

By Mr. GEPHARDT:

H. Res. 43. Resolution designating membership on certain standing committees of the House; considered and agreed to.

By Mr. ROSTENKOWSKI (for himself and Mr. DUNCAN):

H. Res. 44. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Ways and Means in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. ANNUNZIO:

H. Res. 45. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on House Administration in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. DIXON:

H. Res. 46. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Standards of Official Conduct in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. GONZALEZ:

H. Res. 47. Resolution expressing the sense of the House of Representatives that veterans' disability compensation should retain its tax exempt status; to the Committee on Ways and Means.

By Mr. RICHARDSON (for himself, Mr. GARCIA, Mr. TORRES, Mr. LUJAN, Mr. ROYBAL, Mr. FUSTER, Mr. ORTIZ, and Mr. FRANK):

H. Res. 48. Resolution to congratulate the people of Uruguay on their recent elections and to wish them well as they work to firmly reestablish democracy; to the Committee on Foreign Affairs.

H. Res. 49. Resolution to congratulate the people of Brazil on their recent elections and to wish them well as they work to firmly reestablish democracy; to the Committee on Foreign Affairs.

By Mr. RICHARDSON (for himself, Mr. GARCIA, Mr. TORRES, and Mr. FRANK):

H. Res. 50. Resolution in support of the struggles of the Chilean people to establish a true democracy in Chile; jointly, to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs.

By Mr. ST GERMAIN:

H. Res. 51. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Banking, Finance and Urban Affairs in the 1st session of the 99th Congress; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GOODLING:

H.R. 1007. A bill for the relief of Refugio Martha, also known as "Cuqui Martha"; to the Committee on the Judiciary.

H.R. 1008. A bill for the relief of Remigio Aquino and his wife Ines Aquino; to the Committee on the Judiciary.

By Mr. LOWERY of California:

H.R. 1009. A bill for the relief of Salwa Yousif; to the Committee on the Judiciary.

By Mr. MITCHELL:

H.R. 1010. A bill for the relief of Audrey O. Lewis and Emerson B. Vereen; to the Committee on the Judiciary.

By Mr. MONTGOMERY:

H.R. 1011. A bill for the relief of John Calvin Smith; to the Committee on the Judiciary.

By Mr. SOLARZ:

H.R. 1012. A bill to extend patent number 3,387,268, "Quotation Monitoring Unit," for a period of 10 years; to the Committee on the Judiciary.

By Mr. TORRICELLI:

H.R. 1013. A bill for the relief of Ann Devenny; to the Committee on the Judiciary.

By Mr. WHEAT:

H.R. 1014. A bill for the relief of Jose de la Luz Carmona and Silvia Rascon de Carmona; to the Committee on the Judiciary.

By Mr. YOUNG of Florida:

H.R. 1015. A bill for the relief of Gerhard Pippow and Barbara Pippow; to the Committee on the Judiciary.

H.R. 1016. A bill for the relief of Olga Rojas-Pujolar; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 4: Mr. GARCIA, Mr. TORRES, Mr. DELLUMS, Mr. LIPINSKI, Mr. EDWARDS of California, Mr. GRAY of Illinois, Mr. GRAY of Pennsylvania, Mr. WAXMAN, Mr. BOSCO, Mr. ANTHONY, Mr. GRADISON, Mr. GUARINI, and Mr. DURBIN.

H.R. 6: Mr. DELAY and Mr. GEKAS.

H.R. 11: Mr. BENNETT, Mrs. BENTLEY, Mr. BLILEY, Mr. BONIOR of Michigan, Mr. BROWN of Colorado, Mr. CLINGER, Mr. COATS, Mr. COMBEST, Mr. CONTE, Mr. CROCKETT, Mr. DANIEL, Mr. DARDEN, Mr. DAUB, Mr. DAVIS, Mr. DELAY, Mr. DEWINE, Mr. DINGELL, Mr. DOWDY of Mississippi, Mr. DREIER of California, Mr. DURBIN, Mr. ECKERT of New York, Mr. EMERSON, Mr. ENGLISH, Mr. EVANS of Illinois, Mr. FRANKLIN, Mr. GRADISON, Mr. GRAY of Illinois, Mr. GUNDERSON, Mr. SAM B. HALL, JR., Mr. HARTNETT, Mr. HATCHER, Mr. HENRY, Mr. HILER, Mr. HILLIS, Mrs. HOLT, Mr. HUBBARD, Mr. JEFFORDS, Mr. JENKINS, Ms. KAPTUR, Mr. KASICH,

Mr. KILDEE, Mr. KINDNESS, Mr. KOLTER, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LIGHTFOOT, Mrs. LLOYD, Mr. MCEWEN, Mr. MCGRATH, Mr. MADIGAN, Mrs. MARTIN of Illinois, Mr. MILLER of Ohio, Mr. MORRISON of Washington, Mr. MURPHY, Mr. MYERS of Indiana, Mr. NEAL, Ms. OAKAR, Mr. OLIN, Mr. OXLEY, Mr. PACKARD, Mr. PENNY, Mr. REGULA, Mr. RITTER, Mr. ROE, Mr. ROGERS, Mr. ROWLAND of Georgia, Mr. SENSENBRENNER, Mr. SHUMWAY, Mr. SLAUGHTER, Mrs. SMITH of Nebraska, Mr. STANGELAND, Mr. STENHOLM, Mr. STUMP, Mr. SUNDQUIST, Mr. TRAXLER, Mr. VANDER JAGT, Mr. VOLKMER, Mrs. VUCANOVICH, Mr. WALKER, Mr. WEBER, Mr. WHITEHURST, Mr. WILSON, Mr. WOLF, Mr. WORTLEY, Mr. WYLIE, Mr. APPLEGATE, Mr. BARNARD, Mr. BOEHLERT, and Mr. MARTIN of New York.

H.R. 12: Mr. HARTNETT, Mr. ENGLISH, Mrs. BOXER, Mr. SMITH of Florida, Mr. DORNAN of California, Mr. QUILLEN, Mr. MADIGAN, Mr. FRANKLIN, Mr. DEWINE, Mr. REGULA, Mr. ROE, Mr. JEFFORDS, Mr. MCCAIN, Mr. FUQUA, Mr. COUGHLIN, Mr. DELLUMS, Mr. LOWRY of Washington, Mr. STOKES, Mr. BOEHLERT, Mr. RANGEL, Mr. MINETA, Mr. KOLTER, Mr. BERMAN, Mr. BIAGGI, Mr. ECKART of Ohio, Mr. HORTON, Mr. MARKEY, Mr. HYDE, Mr. WEISS, Mr. MARTIN of New York, Mr. ROBINSON, Mr. ANNUNZIO, Mr. FAUNTROY, Mr. MOAKLEY, Mrs. JOHNSON, and Mrs. KENNELLY.

H.R. 18: Mr. ROBINSON.

H.R. 75: Mr. SMITH of New Hampshire and Mr. TORRICELLI.

H.R. 77: Mr. HYDE, Mr. MOAKLEY, Mr. STUMP, Mr. LAGOMARSINO, Mr. DAUB, Mr. KASICH, Ms. KAPTUR, Mrs. BENTLEY, Mr. DWYER of New Jersey, and Mr. SENSENBRENNER.

H.R. 97: Mr. DORNAN of California.

H.R. 100: Mr. ST GERMAIN, Mr. MOLLOHAN, Mr. EVANS of Illinois, Mr. DASCHLE, Mr. BUSTAMANTE, Mr. REID, Mr. HOWARD, and Mr. HERTEL of Michigan.

H.R. 111: Mr. ROTH and Mr. TAYLOR.

H.R. 193: Mr. NICHOLS.

H.R. 250: Mr. TOWNS, Mr. GALLO, Mr. BONIOR of Michigan, Mr. MADIGAN, Mr. VOLKMER, Ms. KAPTUR, Mr. MARTINEZ, Mr. ROE, and Mr. WHEAT.

H.R. 275: Mr. MACKAY, Mr. FUQUA, Mr. MCCOLLUM, and Mr. HUTTO.

H.R. 280: Mr. ROBINSON.

H.R. 351: Mr. SAM B. HALL, JR., Mr. LATTA, Mr. WEBER, Mr. KINDNESS, Mr. DAUB, Mr. LAGOMARSINO, Mr. HENRY, Mr. KASICH, Mr. DEWINE, Mr. FISH, Mr. EMERSON, Mr. HARTNETT, Mr. MOORHEAD, Mr. CRAIG, Mr. YOUNG of Alaska, Mr. HILER, Mr. JONES, of North Carolina, Mr. RUDD, Mr. SENSENBRENNER, Mr. HUGHES, Mr. STENHOLM, Mr. SMITH of New Hampshire, Mr. HAMILTON, Mr. HANSEN, Mr. COATS, Mr. BLILEY, Mr. STUMP, Mr. LUNGREN, Mr. ECKART of Ohio, Mr. BILIRAKIS, Mr. DREIER of California, Mr. SWINDALL, Mr. SHAW, and Mr. BADHAM.

H.R. 374: Mr. ROSE.

H.R. 383: Mr. MACKAY, Mr. HYDE, Mr. WHITEHURST, Mr. DAUB, and Mr. KOLTER.

H.R. 385: Mr. DUNCAN, Mr. BADHAM, Mr. DYSON, Mr. HUTTO, Mr. FIELDS, Ms. KAPTUR, Mr. LENT, Mr. STOKES, Mr. HORTON, Mr. SWINDALL, Mr. BLILEY, Mr. GILMAN, Mr. HARTNETT, Mr. ROE, Mr. DEWINE, Mr. LAGOMARSINO, Mrs. SCHROEDER, Mrs. HOLT, Mr. TORRICELLI, Mr. SENSENBRENNER, Mr. KANJORSKI, Mr. TALLON, Mr. TAYLOR, Mr. EMERSON, and Mr. WOLF.

H.R. 428: Mr. MACK, Mr. DORGAN of North Dakota Mr. ROBERT F. SMITH, Mr. SPRATT, Ms. KAPTUR, Mr. BEDELL, Mr. TALLON, Mr. HUTTO, Mr. MONTGOMERY, and Mr. FASCELL.

H.R. 429: Mr. MCCAIN, Mr. LOWERY of California, Mr. JEFFORDS, Mr. NIELSON of Utah, Mr. EVANS of Iowa, Mr. PARRIS, Mr. SKEEN, Mr. CHAPPIE, Mr. DANIEL, Mr. WHITEHURST, Mr. SCHAEFER, Mr. RIDGE, Mr. SUNDQUIST, Mr. KINDNESS, Mr. DARDEN, Mr. CHANDLER, Mr. RUDD, Mr. PURSELL, Mr. FRANKLIN, Mr. YOUNG of Alaska, Mr. COATS, Mr. GALLO, Mr. HORTON, Mr. BARNARD, and Mr. PORTER.

H.R. 431: Mr. ROGERS, Mr. SOLOMON, Mr. APPLEGATE, and Mr. MARTIN of New York.

H.R. 436: Mr. CRANE and Mr. WEAVER.

H.R. 437: Mr. UDALL.

H.R. 452: Mr. DREIER of California, Mr. TORRICELLI, Mr. MARTINEZ, Mr. MORRISON of Washington, Mr. YOUNG of Missouri, Mr. ECKART of Ohio, Mr. DANIEL, and Mr. MCCANDLESS.

H.R. 467: Mr. WOLF and Mr. KANJORSKI.

H.R. 468: Mr. MRAZEK, Mr. LENT, Mr. SWINDALL, and Mr. LAFALCE.

H.R. 479: Mr. BARNES, Mr. BARTON of Texas, Mr. COATS, Mr. DREIER of California, Mr. ECKERT of New York, Mr. GREEN, Mr. HUTTO, Mr. JONES of North Carolina, Mr. LOWRY of Washington, Mr. LUNGREN, Mr. MCCANDLESS, Mr. MARKEY, Mrs. MARTIN of Illinois, Mr. MILLER of Ohio, Mr. MILLER of Washington, Mr. OXLEY, Mr. RINALDO, Mr. ROBERTS, Mr. SEIBERLING, Mr. SKEEN, Mr. ROBERT F. SMITH, Mr. SWINDALL, Mr. THOMAS of California, and Mr. WHITLEY.

H.R. 480: Mr. BEDELL, Mrs. BENTLEY, Mr. CROCKETT, Mr. DYSON, Mr. FISH, Mr. FUQUA, Mr. JONES of North Carolina, Mr. KOLTER, Mr. MCCANDLESS, Mr. MRAZEK, and Mr. SKEEN.

H.R. 505: Mr. EVANS of Illinois.

H.R. 509: Mr. KANJORSKI, Mr. MCCURDY, Mr. JONES of Oklahoma, Mr. KOLTER, Mr. GALLO, Mr. SYNAR, and Mr. FUSTER.

H.R. 535: Mr. KOLTER.

H.R. 539: Mr. KASICH, Mr. TRAFICANT, Mr. WISE, Mr. SMITH of New Jersey, Mr. MCEWEN, Mr. STOKES, Mr. GONZALEZ, Mr. ASPIN, Mr. JONES of North Carolina, Mr. WRIGHT, Mr. COLEMAN of Missouri, Mr. DYSON, Mr. GRAY of Illinois, Mr. DARDEN, Mr. RALPH M. HALL, Mr. TAYLOR, Mr. PURSELL, Mr. HAWKINS, and Mr. GUARINI.

H.R. 600: Mr. SMITH of New Hampshire, Mr. PENNY, Mr. DURBIN, and Mr. FOGLIETTA.

H.R. 632: Mr. LELAND, Mr. GARCIA, Mr. FAUNTROY, Mr. MITCHELL, Mr. HAYES, Mr. BATES, Mr. WEAVER, Mr. PENNY, Mr. JACOBS, Mr. PEASE, Mr. FORD of Tennessee, Mr. STARK, Ms. KAPTUR, Mr. ALEXANDER, Mr. BEDELL, Mr. SABO, Mr. MOODY, Mr. WYDEN, Mr. CROCKETT, Mr. BERMAN, and Mr. LEVIN of Michigan.

H.R. 644: Mr. DARDEN, Mrs. HOLT, Mr. BEDELL, Mr. LOWERY of California, Mr. HORTON, and Mr. GARCIA.

H.R. 646: Mr. RIDGE, Mr. WALGREN, Mr. TRAFICANT, and Mr. FRANK.

H.R. 697: Mr. MINETA.

H.R. 704: Mr. LAGOMARSINO, Mr. DEWINE, Mr. KOLTER, and Mr. WILSON.

H.R. 708: Mr. MCCAIN, Mr. DREIER of California, Mr. CONTE, Mr. MCCANDLESS, and Mr. SMITH of New Jersey.

H.R. 709: Mr. DREIER of California.

H.R. 749: Mr. TORRES, Mr. CROCKETT, Mr. MCEWEN, Mr. WILLIAMS, Mr. ACKERMAN, and Mr. HERTEL of Michigan.

H.R. 757: Mr. PENNY.

H.R. 776: Mr. TALLON, Mr. FRANKLIN, Mr. SABO, Mr. CROCKETT, Mr. RAHALL, Mr. BONIOR of Michigan, Mr. MCCANDLESS, Mr. SAXTON, Mr. GONZALEZ, Mr. SOLOMON, Mr. RANGEL, Mr. HYDE, and Mr. BEDELL.

H.R. 780: Mr. LAFALCE and Mr. RANGEL.

H.R. 783: Mr. FOWLER.

H.R. 787: Mr. WISE.

H.R. 789: Mr. EVANS of Illinois.

H.R. 800: Mr. SIKORSKI, Mrs. BOXER, Mr. OLIN, Mr. DASCHLE, Mr. MCKERNAN, Mr. LEVINE of California, Mr. ROBINSON, and Mr. KOSTMAYER.

H.R. 813: Mr. DE LA GARZA, Mr. GONZALEZ, Mr. HILLIS, and Mr. ORTIZ.

H.R. 820: Mr. FAUNTROY, Mr. DIXON, Mr. OBERSTAR, Mr. DELLUMS, Mr. COYNE, Mr. HAYES, Mr. STOKES, Mr. EDWARDS of California, Mr. BERMAN, Ms. KAPTUR, Mr. DYMALLY, Mr. JONES of North Carolina, Mr. HOYER, and Mr. WHEAT.

H.R. 821: Mr. SABO, Mr. LELAND, Mr. TORRICELLI, Mr. MOAKLEY, Mr. SOLARZ, Mr. FAUNTROY, Mr. DIXON, Mr. GARCIA, Mr. LUNDINE, Mr. OBERSTAR, Mr. DELLUMS, Mr. COYNE, Mr. HAYES, Mr. STOKES, Mr. BERMAN, Ms. KAPTUR, Mr. DYMALLY, Mr. HOYER, and Mr. WHEAT.

H.R. 837: Mr. REGULA.

H.R. 845: Mr. EMERSON.

H.R. 880: Mr. KASTENMEIER, Ms. KAPTUR, Mr. IRELAND, Mr. STOKES, Mr. FUSTER, Mrs. MARTIN of Illinois, and Mr. GALLO.

H.J. Res. 10: Mr. DONNELLY and Mr. MOAKLEY.

H.J. Res. 18: Mrs. HOLT, Mr. LAGOMARSINO, and Mr. DIOGUARDI.

H.J. Res. 41: Mr. MARTINEZ, Mr. WYLIE, Mr. WEISS, Mr. SUNIA, Mr. FLORIO, Mr. GALLO, and Mr. BADHAM.

H.J. Res. 46: Mr. O'BRIEN, Mr. CHAPPIE, Mr. SUNIA, Mr. BROWN of California, Mr. SCHEUER, and Mr. EVANS of Illinois.

H.J. Res. 74: Mr. EVANS of Iowa, Mr. FRANK, Mr. SCHEUER, Mr. HORTON, Mr. LEHMAN of Florida, Mr. GUNDERSON, Mr. BRYANT, Ms. KAPTUR, Mr. ENGLISH, Mr. TAYLOR, Mr. GREGG, Mr. ORTIZ, Mr. JONES of Tennessee, Mr. GROTBERG, Mr. CHAPPELL, Mr. LOWRY of Washington, Mr. LIVINGSTON, Mr. STUMP, Mr. DEWINE, Mr. RAY, Mr. TOWNS, Mr. RICHARDSON, Mr. WEISS, Mr. MAVROULES, Mrs. HOLT, Mr. REID, Mr. DORNAN of California, Mr. HATCHER, Mr. DARDEN, Mr. RAHALL, Mr. WYDEN, Mr. KANJORSKI, Mr. DAUB, Mr. ROBERT F. SMITH, Mr. DERRICK, Mr. DENNY SMITH, Mr. ROGERS, Mr. HUBBARD, Mr. HOYER, Mr. DANNEMEYER, Mr. FUQUA, Mr. CALLAHAN, Mr. SMITH of New Hampshire, Mr. DANIEL, Mrs. BOXER, Mr. ARCHER, Mr. DE LA GARZA, Mr. BERMAN, Mr. FROST, Mr. CHENEY, Mr. LIGHTFOOT, Mr. CONTE, Mr. GALLO, Mr. PACKARD, and Mr. WEAVER.

H.J. Res. 86: Mr. WOLF, Mr. HORTON, Mr. BRYANT, Mr. HARTNETT, Mr. REID, Mr. SYNAR, Mr. LUNGREN, Mr. DE LA GARZA, Mr. HATCHER, Mr. NEAL, Mr. FUQUA, Mr. HUBBARD, and Mr. HAWKINS.

H. Con. Res. 6: Mr. EVANS of Illinois.

H. Con. Res. 7: Mr. EVANS of Illinois, Mr. RUSSO, and Mr. MARTINEZ.

H. Con. Res. 19: Mr. COELHO, Mr. TORRICELLI, Mr. GEKAS, and Mr. FRANK.

H. Con. Res. 37: Mr. ACKERMAN, Mr. AKAKA, Mr. BARNES, Mr. BEDELL, Mr. BERMAN, Mr. BIAGGI, Mr. BOEHLERT, Mr. BONER of Tennessee, Mr. CARNEY, Mr. COYNE, Mr. DASCHLE, Mr. DAUB, Mr. DIXON, Mr. DORGAN of North Dakota, Mr. DORNAN of California, Mr. DWYER of New Jersey, Mr. FAUNTROY, Mr. FISH, Mr. FORD of Tennessee, Mr. FRENZEL, Mr. GEJDENSON, Mr. RALPH M. HALL, Mr. HEFTEL of Hawaii, Mr. HOWARD, Mr. IRELAND, Mr. JEFFORDS, Mr. JENKINS, Mr. KANJORSKI, Ms. KAPTUR, Mr. KINDNESS, Mr. LEATH of Texas, Mr. LIGHTFOOT, Mr. LUNGREN, Mr. MANTON, Mr. MCCAIN, Mr. MCGRATH, Mr. MCKERNAN, Mr. O'BRIEN, Mr. OWENS, Mr. PENNY, Mr. PICKLE, Mr. PORTER, Mr. RAHALL, Mr. RICHARDSON, Mr. ROBERTS, Mr. ROE, Mr. ROSE, Mr. SABO, Mr. SCHEUER, Mrs. SCHROEDER, Mr. SHAW, Mr. SKEEN, Mr. SMITH of Florida, Mrs. SMITH of Nebraska, Mr. SPENCE, Mr. STARK, Mr. ST GERMAIN, Mr. STOKES, Mr. STUDDS, Mr. TOWNS, Mr. WALGREN, Mr. WHEAT, Mr. WHITEHURST, Mr. WOLF, Mr. WORTLEY, Mr. DURBIN, Mr. GEKAS, Mr. GREEN, Mr. GUARINI, Mr. HORTON, Mr. KOLTER, Mr. RANGEL, and Mr. ROBINSON.

H. Res. 25: Mr. ANDREWS, Mr. ASPIN, Mr. ATKINS, Mr. BARNARD, Mr. BATES, Mr. BEDELL Mrs. BENTLEY, Mr. BOLAND, Mr. BOUCHER, Mr. BREAUX, Mr. BROOKS, Mr. CAMPBELL, Mr. CHAPPIE, Mr. COLEMAN of Texas, Mr. COOPER, Mr. DE LA GARZA, Mr. DEWINE, Mr. DERRICK, Mr. DICKS, Mr. ERDREICH, Mr. FLIPPO, Mr. FLORIO, Mr. FUSTER, Mr. GALLO, Mr. GORDON, Mr. GRAY of Illinois, Mr. HATCHER, Mr. HENRY, Mr. HOPKINS, Mr. HORTON, Mr. JEFFORDS, Mr. KLECZKA, Mr. KOLBE, Mr. KOLTER, Mr. LIPINSKI, Mrs. LLOYD, Mr. MANTON, Mr. MCKINNEY, Mr. MILLER of Washington, Mr. MOLLOHAN, Mr. MURPHY, Mr. NEAL, Mr. OBERSTAR, Mr. O'BRIEN, Mr. REGULA, Mr. ROWLAND of Connecticut, Mr. SMITH of New Hampshire, Mr. STAGGERS, Mr. SUNIA, Mr. TALLON, Mr. UDALL, Mr. WORTLEY, Mr. YOUNG of Missouri, and Mr. ROBINSON.

H. Res. 37: Mr. MOAKLEY, Mr. MANTON, Mr. LELAND, Mr. SMITH of Florida, Mr. HOWARD, Mr. TRAXLER, Mr. DELLUMS, Mr. DIXON, Mr. FRANK, Mr. BERMAN, Mr. GRAY of Illinois, Mr. FASCELL, Mr. HAYES, Mr. EDWARDS of California, Mr. TORRICELLI, Mr. GUARINI, Mr. WEISS, Mr. TOWNS, Mr. GARCIA, Mr. WAXMAN, Mr. ADDABBO, Mr. STRATTON, Mr. OWENS, Mr. NOWAK, Mr. SCHEUER, Mr. MCGRATH, Mr. RANGEL, Mr. KANJORSKI, Mr. KILDEE, and Mr. LUNDINE.

SENATE—*Wednesday, February 6, 1985*

(Legislative day of Monday, January 21, 1985)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

The earth is the Lord's, and the fullness thereof; the world and they that dwell therein.—Psalm 24:1.

Lord of all the Earth, God of the nations, Sovereign of history, You know all the conflicting interests and forces that are building up as the Senate gets down to business. Help us all to be patient as the democratic process works its way through the myriad of ideas, concerns, problems, and needs of this diverse Republic. Save Senators from pride and selfishness and fear of political risk as they stand in the vortex of the collision of powerful special and public interests. Grant, God of love, Democrat and Republican, conservative, liberal, and moderate, House of Representatives, Senate, and White House, may find resolution to conflict which jeopardizes the common good. Help them through the maze of monumental issues to unity and peace. In the name of the Prince of Peace. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

SENATE SCHEDULE

Mr. D'AMATO. Mr. President, after the two leaders have been recognized under the standing order for 10 minutes each, there are special orders not to exceed 15 minutes each for Senators SPECTER, PROXMIRE, BOREN, HEFLIN, BYRD, CRANSTON, INOUYE, and COHEN.

Following the recognition of those Senators there will be a period for the transaction of routine morning business not to extend beyond the hour of 2 p.m., with statements limited therein to 5 minutes each.

Following the conclusion of morning business, it will be the intention of the leadership to go into executive session to consider the nominations of William Bennett and Donald Hodel.

Following debate on the two nominations, it will be the intention of the leadership to turn to the nomination of John Herrington. Therefore, rollcall votes can be expected during the session of the Senate today.

ORDER FOR RECESS UNTIL 8:30 P.M. TODAY

Mr. D'AMATO. Mr. President, I ask unanimous consent that when the Senate completes its business during the day, it stand in recess until 8:30 p.m. this evening. Senators are asked to assemble in the Senate Chamber no later than 8:45 p.m., to proceed as a body to the Hall of the House of Representatives to hear the President's State of the Union Address.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. D'AMATO. Mr. President, I ask unanimous consent that the special order in favor of the Senator from Maine [Mr. COHEN] for today be vitiated.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. D'AMATO. Mr. President, I further ask unanimous consent that Senators who have special orders for today be recognized in the order in which they appear in the Chamber.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. D'AMATO. Mr. President, I yield back any remaining leader time that I may have.

RECOGNITION OF THE ACTING MINORITY LEADER

The PRESIDENT pro tempore. The acting minority leader is recognized.

Mr. PROXMIRE. Mr. President, on behalf of the Democratic leader, I ask unanimous consent that his time be reserved until a later time today if he so desires to use it.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRAMM). Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

WHAT HAS KEPT THE NUCLEAR PEACE FOR MORE THAN 30 YEARS

Mr. PROXMIRE. Mr. President, for the answer, consider: Would a war between the United States and the Soviet Union in all likelihood destroy both countries? Yes, indeed. Here is why: Each country has 8,000 to 10,000 strategic nuclear warheads and thousands of additional thermonuclear warheads. Each country has the capacity to deliver most of those warheads directly onto targets in the other country. Each country has an invulnerable arsenal of thousands of nuclear weapons that would certainly survive a nuclear preemptive strike by the other side. That means that each superpower would keep the capacity to deliver total destruction even after the other country has initiated its strongest and most successful possible preemptive first strike. Within the foreseeable future neither country is likely to gain an advantage that would permit it to prevail in a nuclear war. That is, neither country could win in any sense. Both countries would suffer total destruction of their cities, and lose much, probably most, of their population. On top of all this in the view of our most competent scientific experts, there is a clear possibility—quoting the Academy of Science Report—that such a nuclear war would set off a nuclear winter that would constitute the most destructive environmental disaster in 65 million years. If it occurred, that nuclear winter could wipe out most of the world's food production for years and bring about the starvation of most of the world's survivors.

The question is, "Could a nuclear war, once started, be stopped short of the mutual suicide of the two superpowers and the nuclear winter that might ensue?" The answer is an emphatic "No." Of course a war between Russia and the United States might start with a conventional clash in Western Europe, or in Cuba and the Caribbean, or in the Middle East or even Asia, or out of clashes involving North and South Korea or Taiwan and China. The most likely way for either

power to push the other into backing down would be by threatening nuclear response if the other did not back down or by actually using tactical nuclear weapons in a limited way as an earnest of its intention to risk nuclear war and the double suicide that would follow unless the other side complied. In those circumstances, the other side might avert a nuclear war by backing down as the Russians did in the Cuban missile crisis in 1962, or it might not. Why would it not back down? To back down means it would lose to live to fight another day. Not to back down means both sides would lose and neither would live to fight another day. So it seems logical that the side willing to risk nuclear war would always prevail. Why then has not one side or the other pushed its differences with the other superpower to the brink of nuclear war or even beyond, knowing that the other side will not choose mutual suicide?

In the more than 30 years that mutual deterrence has kept the nuclear peace—only once—the Cuban missile crisis—has either side threatened nuclear war unless the other side gave in, and that was more than 20 years ago. Is it because both sides have been building cooperation and understanding with the other? Obviously not. The hostility between Russia and the United States has never been more intense. There has been no significant progress in arms control for years. The Soviets have stepped up their rhetorical attacks on the United States. Our President has called the Soviet Union an evil empire. If cooperation and friendliness have not worked, something has. What is it? It is massive, naked, brutal nuclear power on both sides. What irony. In a world in which we Americans deeply believe that salvation comes from forgiveness, from helping others, loving our enemy, we have found peace—at least between Russia and the United States—has come from the most dangerous kind of nuclear muscle. Sadly we have not conquered war with love. We have conquered it with fear. But conquer it we have and for many years. More important, it now seems likely that as long as both sides maintain their fearsome deterrents, they will both continue to observe this uneasy, costly, dangerous peace. It is good to dream of peace based on love and mutual helpfulness.

Maybe in a different world, a world devoid of sovereign political entities, devoid of countries that reserve to themselves as part of their sovereignty the absolute right to go to war any time it serves their national interest to do so—maybe in that different world, love would triumph. That is not the real world. It is not this world. In this world, fear triumphs. You do not like it. I do not like it. No one likes it. But it works. We live. We live in the midst of immense potential destruction, conceivably destruction that could end the existence of mankind on Earth. So what keeps the peace? The fear of that immense destruction. That is what keeps the peace.

HOW BAD A YEAR WAS 1984 FOR AMERICA'S BANKS

Mr. PROXMIRE. Mr. President, the year 1984 was not nearly as bad a year for the Nation's banks as some surface statistics might suggest. But it was a worse year than it should have been. We can learn something from the pattern of success, and there was such a pattern in 1984, as well as the pattern of failure. In a sense the record of 1984 in banking should be reasonably reassuring. Superficially the bad news is impressive. Consider: the actual number of bank failures were the highest in 46 years. Those failures were about eight times higher than the number of annual bank failures on the average in the 1960's and 1970's. On the other hand, the total deposits of banks failing were less than a third of the deposits of the banks that failed in 1982.

It is, of course, true that if the regulators had not stepped in with a bailout the Continental Illinois Bank might have failed with a crash that would have shot the total deposits of failed banks to a level four times higher than the previous record set in 1982 for deposits held by failing banks. But it is also true that unlike 1932, when 4,000 banks failed—that's right 4,000, not 78, as failed last year—the depositors in the 1984 failing banks lost little or nothing. Depositors with less than $100,000 in their accounts were fully insured.

Furthermore, in 1984, other banks took over liability of the failing banks for deposits both large and small. Undoubtedly, bank borrowers suffered more than depositors because of interruptions in their line of credit, but borrowers, too, in most cases, were able to secure alternative credit. Were there any losers? Of course, many employees and management of failed banks lost their jobs. Bank stockholders suffered losses, in some cases heartbreaking losses. But risking losses is a critical function of a stockholder. In fact, back in the thirties when yields on both stocks and bonds were typically below 3 percent, a renowned banking expert at Harvard, Professor Ebersole, used to ask each of his classes if a bank that paid its stockholders dividends of 10 percent every year for 50 years and then failed, was really a failure. The professor considered such a bank a roaring success. Of course, an uninsured depositor—and, prior to 1932, depositors were not insured—would have a very different view.

If we recognize that risk taking and business cycles are both hallmarks of a free economic society, some failures of the Nation's 15,000 commercial banks must be expected an accepted as a necessary price of a competitive and productive economic system. Seventy-nine failures out of 15,000 banks works out to about a one-half of 1 percent failure rate in the worst year in 46 years.

Think of that, Mr. President. One-half of 1 percent failure rate in the worst year in almost 50 years. There is probably no industry in America that can approach that record and these failures have had very limited consequences. This is particularly true in American banking because, in the 1984 bank failures, the customers of each of the failed banks, especially its depositors, suffered few if any losses. A big part of a bank's responsibility is to take risks. The year 1984 was a bad year for farmers. Farm foreclosures were very large. A bank that pursed a wholly prudent, take-no-risk course could not have accommodated the needs of farmers in Kansas or Nebraska, perhaps in Texas. If no banks had failed in the farm States, there would have been a legitimate reason for suspecting that the banks may not have been doing their job. On the other hand, strong bank regulation could require bank diversification in their loans so that the overwhelming majority of banks operating even in troubled economic areas would survive.

More troubling than the rapidly escalating number of failures was the explosion in the FDIC's list of problem banks. Before 1983, the record number of banks listed as problems was 380. This year, that number swelled to 817. And that list includes some very big banks, indeed. The Nation's second largest bank—Bank of America—and its 10th largest bank—the First National Bank of Chicago—reported multimillion dollar loan losses. In both cases, the regulators required the bank's directors to sign legally binding agreements that the banks would be run more prudently.

Almost two thirds of the 1984 bank failures were confined to nine States. There were no bank failures in 1984 in any of the New England States, none in New York, none in Pennsylvania, or in Wisconsin, North or South Carolina, or Georgia. Ohio, with very high unemployment and a generally shaky economy, also had no bank failures. Tennessee, on the other hand, suffered 11 failures. Since banks are regulated by State as well as Federal regulators, it appears that the regulators in the nine States suffering 51 of the Nation's 79 bank failures can learn something from the 25 States which had no failures whatsoever.

THE MURDER OF A NATION

Mr. PROXMIRE. Mr. President, the nightmarish story of the Armenian

genocide has not received the historical attention warranted by the slaughter of approximately 1,000,000 people. The dearth of publicity subsequent to this barbarity has compounded the tragedy of one of the darkest episodes in recorded history.

Fortunately, however, more than a few people have been unwilling to allow a jaded world to completely forget or ignore the ghastly spectres of the past. Armenian and non-Armenian, men and women, living and dead, they have striven to preserve the genocidal evidence for the historical jury. They have done so not only because of their anguish over the horrors of genocide but also because of their determination to prevent similar occurrences in the future.

Henry Morgenthau was one such person. As the U.S. Ambassador to Turkey during the first half of World War I, Morgenthau worked assiduously—and in vain—in an effort to persuade the Turkish leaders to reconsider their intention to annihilate their Armenian subjects. He published his memoirs upon his return to the United States, including a section entitled, "The Murder of a Nation," from whence the following hideous story is drawn.

As Morgenthau informs the reader, the Turkish persecution of the Armenians was an ongoing affair. Under the Sultan Abdul Hamid, large-scale massacres occurred frequently during the last 25 years of the 19th century. At the height of heinousness, in 1895 and 1896, nearly 200,000 Armenians perished. Those deaths, however, proved to be merely a prelude to the truly colossal campaign of destruction which followed 20 years later.

In April of 1915, the young Turk leaders of the wartime government decided that they had arrived at the most propitious time for Armenian genocide on a scale without precedence. They had repulsed allied forces in the west, and the Russians had been compelled to retreat in the east. Only Germany could have stood in their way, but Germany was fighting alongside the Turks. As a result, the old hatred kindled by religious differences and economic resentment soon found expression in a policy described by Morgenthau as more horrible than anything "in the whole history of the human race."

The thousands of Armenians who were rounded up and shot immediately were comparatively lucky. The rest were forced to undergo an exodus march toward the Syrian desert. Some, including pregnant women and the elderly, were killed and tortured along the way by Turks and Kurdish villagers, while many others collapsed from dehydration. Very few survived the ordeal. As Morgenthau states, about 1,200,000 people started on the journey in which "all roads led to death."

There can be no justice for the slain Armenians, no redress of grievances, and no promised land after their one-way trip through Hell in the guise of the Turkish desert. But at least we can prevent the infliction of the final indignity by keeping alive the memory of their wretched fate.

We can also advance the cause of human rights protection by consenting to ratification of the Genocide Convention. More than 90 countries have become parties to this treaty, which is emblematic of the universal desire to avoid replays of 1915. This community of nations awaits the decision of the world's most powerful moral force to join them and thereby strengthen a vitally important human rights accord.

GOLDEN FLEECE FOR FEBRUARY

Mr. PROXMIRE. Mr. President, on Sunday, I gave my Golden Fleece of the Month Award for February to the Defense Department for spending nearly $28,000 on a futile, possibly illegal, venture to fly nine Members of Congress to and from Washington in posh executive jets so they would not miss a close vote on the MX missile. The Department lost on a 199-197 vote, so the $28,000 was not only wasted but also proved to be all but illegal.

Picture the situation. The MX had survived an earlier, close vote in the House. Now, on May 31, 1984, it faces another test and the vote looks close. The Department counts noses and discovers that after the Memorial Day recess, some MX supporters are still away from Washington.

The Pentagon pulls out all the stops. It scrambles its fleet of posh executive jets. They wing their way around America to pick up the missile's stray supporters and rush them back to Washington. The taxpayers pay the tab of $11,744.

In every case, commercial flights were available. They would have made it to Washington within 30 minutes to 3 hours of the time the military's Washington express arrived. These flights would have cost $1,431. Opponents of the MX had to use commercial flights to come back to vote.

Now the irony. The Department lost the vote by 199-197. But to demonstrate its gratitude, the next day, it flew four Members back out into the country at a cost of $16,016. Commercial flights to the same destinations would have cost $1,367.

According to the General Accounting Office, the Department has no legal authority to provide such flights. The best justification the Pentagon could offer was to bleat that Congress had not prohibited such flights.

I thought this administration was committed to a strict constructionist approach to the law. But when it comes to the Defense Department, the only principle it follows is: Anything goes, unless Congress says No. Imagine the howls of outrage had the Carter administration followed this standard in deciding how to protect workers' safety or eliminate subsidies to water projects.

Finally, the Department's abuse of power raises an issue of simple fairness. Do not hold your breath until it cranks up those jets to find Members who want to vote to cut some fat from the defense budget. 'Billions for us but not one cent for the deficit' is now the motto at the Pentagon.

The Department's high-flown tactics are enough to make every taxpayer want to cause a flap. This Senator also thinks their wings should be clipped.

ORDER FOR AGGREGATION OF CERTAIN SPECIAL ORDERS

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the special orders entered on behalf of Senators BYRD, CRANSTON, and INOUYE be aggregated and be under the control of the Senator from Alabama [Mr. HEFLIN].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HEFLIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR HEFLIN

The PRESIDING OFFICER. Under the previous order, the Senator from Alabama [Mr. HEFLIN] is recognized for not to exceed 1 hour.

SENATOR LISTER HILL OF ALABAMA: A GREAT HUMANITARIAN

Mr. HEFLIN. Mr. President, on December 20, 1984, just 9 days short of his 90th birthday, death came to one of this Nation's finest public servants. I am speaking of former U.S. Senator Lister Hill of Alabama, who served in Congress for more than 45 years, 32 of them in this august Chamber.

Although I would be remiss in my responsibility to the people of Alabama if I did not speak in high praise of Senator Hill here on the floor of the Senate, I should like to say that Lister Hill needs no eulogy from me or

any other person. He has written his own history and written it indelibly with a brillant record of legislative accomplishments which have seldom been surpassed or equalled in the history of our Nation. Many of the great legislative landmarks of our time owe their enactment to the commitment and genius of Lister Hill.

Senator Hill was born in Montgomery, AL. His father and his family before him were pioneers in Alabama and his family is among Alabama's most distinguished families. Lister Hill's great grandfather, Rev. William W. Hill, and his grandfather, Rev. L.L. Hill, were methodist preachers. His father, Dr. Luther Leonidas Hill, was one the South's foremost surgeons and the first American surgeon to accomplish a successful suture of the heart. Senator Hill's mother was Miss Lilly Lyons, daughter of Mr. Lyons of Mobile, a Confederate veteran who fought under Gen. Albert Sidney Johnson.

Mr. President, Senator Hill was indeed a southern gentleman in the truest sense of the term. He was proud of the South and its many fine traditions. Yet, Senator Hill was never a purely parochial Senator. He was a Senator of the United States as his brilliant record of Congress clearly reveals.

Motivated by an inherent sense of noblesse oblige, Senator Hill recognized and embraced the responsibilities of public service from the first day he went to Congress in 1923 at age 27 until his retirement in 1969. For more than 4½ decades, Lister Hill's single goal was a better life for all people and throughout his entire career he worked that the blessings of America might be shared by all the people.

Here in the Senate, Lister Hill stood tall—a giant among giants. His record of accomplishments is awesome. They are massive in number and impressive in scope and substance.

Time does not permit me to chronicle the many outstanding achievements of this gifted legislator. The record will show, however, that Senator Hill was the master architect and builder of numerous legislative landmarks. Senator Hill fought wholeheartedly to advance educational opportunities, to benefit the causes of our veterans, to promote more and better agriculture, and to ensure the working man and woman decent hours and fair wages under decent working conditions. Moreover, Lister Hill was always a defender of the ideals and principles upon which our country was founded. His long services on the military committees of both Houses of Congress made him a recognized expert on the military and the security of our Nation.

Mr. President, one of Senator Hill's outstanding accomplishments was his leadership in the vital breakthroughs for the economic and industrial development of the South and Alabama. It was his amendment to the Transportation Act of 1940 which led to the removal of discriminatory freight rates found to be unfair to the South. I think that historians and economists will all agree that the greatest single factor in the tremendous industrial growth which we have witnessed in the South and in Alabama since World War II is the equalization of freight rates.

High on my list of Senator Hill's accomplishments is his outstanding work in water resource development. He authored the legislation for the comprehensive development of the Coosa-Alabama Waterway and coauthored the legislation which led to the construction of the Tennessee-Tombigbee Waterway. Just a few days ago the first barge tow traversed the Tennessee-Tombigbee Waterway, and I sorely regret that Senator Hill did not live to see the results of his efforts to make this mighty water-highway a reality.

Most important, Senator Hill was coauthor with Senator George Norris of Nebraska of the bill which created the Tennessee Valley Authority. Additionally, it was his skill and perseverance that protected this mighty engine for democracy from ceaseless political and propaganda attacks by enemies of TVA. The record will show that it was Lister Hill of Alabama who searched out and, in a speech on this very floor, exposed the secret Dixon-Yates scheme, a plan concocted by anti-TVA groups to dismember the agency. Parenthetically, I might add, in the decision striking down the Dixon-Yates scheme, the U.S. Supreme Court acknowledged Senator Hill's Senate speech exposing the illegal conflict-of-interest features of the arrangement.

Prior to America's entry into World War II, Senator Hill, foreseeing the vital importance of aluminum in wartime, urged the Reynolds Metals Co. to produce this strategic metal which was produced at that time by only one other company in the United States. Through the steadfast efforts of Senator Hill, the Reynolds organization obtained a loan from the Reconstruction Finance Corporation and began to produce aluminum at Muscle Shoals, AL, and out of gratitude to Senator Hill for his vision and efforts, the Reynolds Co. named its plant and community site Listerhill. This particular industry has produced aluminum for our national defense and domestic use, and since its inception has brought thousands of jobs, millions upon millions of dollars in payrolls, and huge business investments into Alabama and throughout the Nation.

Yet, for all his outstanding contributions in so many vital areas, Senator Hill's particular charge was his work in the fields of health and medical research. He devoted his entire service in the Congress to helping fashion the tools and lay the foundations for the medical research, hospitals, and training and educational facilities which have led to the great strides that science, medicine, and public health have taken.

Of the many outstanding health programs which bear Lister Hill's name, perhaps the one with the most importance is the Hospital and Health Center Construction Act, popularly known as the Hill-Burton Act. More than 10,000 general hospitals, tuberculosis sanatoriums, crippled children's clinics, diagnostic and training centers, and other medical facilities have been built throughout our Nation under the program.

The Hill-Burton Act is, of course, only one of many, many programs that Senator Hill initiated or gave powerful impetus to in the fields of health and medicine. It would be difficult, if not impossible, to find anyone in our history who has done so much for the health of his fellowman as Lister Hill. Millions of Americans live better and longer because of Lister Hill, because of his total commitment to their well-being.

Alabama has given her share of great men and women to our Nation in the fields of education, public health, the arts and sciences, industry, agriculture, and our national defense. Their contributions are milestones in the march of progress. Upon Alabama's horizon of greatness, however, there is no brighter luminary than Lister Hill, the pure personification of a public servant. The betterment of his fellowman was his platform, his creed, and his record.

I am glad that Alabama can claim Lister Hill for her own. When I think of the exemplary and brilliant record of this extraordinary man, I am especially proud to be an Alabamian.

Mr. President, Senator Hill is survived by his widow, the former Henrietta Fontaine McCormick, and by a son and a daughter, all of Montgomery. On behalf of the people of Alabama, I extend my deepest sympathy to the family of Senator Hill.

Mr. President, I ask unanimous consent that several articles concerning Senator Hill's life and work be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Birmingham News, Dec. 21, 1984]

LISTER HILL, "MR. HEALTH," DEAD AT 89

(By Peggy Sanford)

Lister Hill, who represented Alabama in the U.S. House and Senate for 46 years, championing the cause of health care nationwide, died Thursday at Jackson Hospital in Montgomery. He was 89.

He was admitted to the hospital Wednesday with pneumonia, said his daughter, Henrietta Hill Hubbard of Montgomery.

Hill would have celebrated his 90th birthday Dec. 29.

"Alabama has lost one of the greatest men who ever served in the U.S. Senate," Gov. George Wallace said Thursday night.

"He was a longtime personal and political friend," said Wallace, who supported Hill in his successful Senate re-election campaign in 1962.

Wallace praised Hill for the Hill-Burton Act, which he said "provided much needed hospitals throughout the country."

Hill, who became known as "the statesman of health" and was often called "Mr. Health" by his colleagues in Congress, retired to his Montgomery home in 1968 after 31 years in the U.S. Senate.

He began his congressional career in 1923 in the U.S. House of Representatives at the age of 28. He served for 15 years in the House, leaving in 1938 when he was appointed to fill the Senate seat vacated by the appointment of Hugo Black to the U.S. Supreme Court.

The Hill-Burton Act that provided federal funds for construction and renovation of medical facilities, particularly in lower-income areas, is the senator's most well-known achievement, although he also sponsored legislation such as the act creating the Tennessee Valley Authority.

With federal funds from the Hill-Burton Act, 9,200 medical facilities have been built in the United States since 1947, including all but two of Alabama's 67 county hospitals.

"Our strength as a country depends on the health of the people," Hill said in a 1978 interview. "I'll tell you, we ought to do all we can do to have a healthy people."

There's little question Hill did all he could do toward that end.

Along with the Hill-Burton Act that allowed for health facilities in many areas that could not have attained them without federal help, Hill also sponsored the original bill to establish the National Institutes of Health, which launched a massive federally sponsored health research program.

He supported training of health workers for the country through bills such as the omnibus Health Act of 1956, the Health Professions Education Assistance Act of 1963 and the Nurse Training Act of 1964.

Hill was the son of Dr. Luther Leonidas Hill, reputedly the first surgeon to perform sutures on the human heart.

Mrs. Hubbard said the operation was performed on a kitchen table, by the light of a kerosene lamp, as Dr. Hill successfully treated a stab wound to a teenage boy.

Hill was named for Lord Joseph Lister, under whom his father had studied medicine in London, Mrs. Hubbard said.

Mrs. Hubbard said her father "knew particularly that the South didn't have the money that other parts of the country had, so it didn't have the doctors and the facilities.

"He was always interested in humanity and in trying to help people, and he was interested in medicine because of his father," she said. "That's why he did what he did with Hill-Burton."

Dr. Joseph Volker, former president of the University of Alabama at Birmingham, said Hill "had a great understanding for the practice of medicine," and, therefore, was able to address all aspects, from health care to research to education in his legislation. Lister Hill, probably as much or more than anyone else, was a great stimulus for (medical) research."

Medical fellowships and scholarships came into being because Hill knew eight to 10 years of graining would be needed to produce researchers who would be able to study, understand and find cures for disease, Volker said.

Aside from his influence on improving health and medicine in the United States, Hill's sponsorship of the TVA Act also helped improve living standards throughout much of the Tennessee Valley.

The TVA Act originally was known as the Norris-Hill Act, said U.S. Sen. Howell Heflin of Tuscumbia.

One of Hill's last public appearances was in Colbert County during TVA's 50th anniversary celebration in 1983, Heflin said. After receiving a standing ovation, Hill delighted the audience by saying he looked forward to attending TVA's 100th anniversary celebration.

"His accomplishments for America and Alabama are just numerous," Heflin said. "I consider him to be one of the great stalwarts of the U.S. Senate in the 20th Century."

Heflin said Hill was responsible both for Reynolds Aluminum establishing a plant near Sheffield, and for the company becoming involved in aluminum production in the first place. The plant is located in Lister Hill, Ala.

Hill talked Richard Reynolds Sr. into going into aluminum production just before the U.S. entered World War II because President Franklin D. Roosevelt said aluminum was needed for aircraft production, Heflin said.

Bob Jones, a retired congressman from Scottsboro, said of Hill, "No public figure has contributed to the state of Alabama and the republic as he did."

Jones, who was chairman of the Public Works Committee in the U.S. House, said he worked with Hill in getting many budgets passed in Congress. "TVA always had to be nursed and kept," Jones said.

"He was a political artist, an intellectual genius and a perfect gentleman," Jones said.

Aubrey J. Wagner, chairman of the TVA board from 1962-78, said he worked closely with Hill on getting funding for the agency. Wagner said he remembered that in 1954, Hill got $1 million put back in the Senate's TVA budget for resource development. "That saved TVA," Warner said.

A graveside service with military honor guard will be Saturday at Greenwood Cemetery in Montgomery, Leak Memory Chapel directing.

Hill also was an Army captain in World War I.

Survivors other than Mrs. Hubbard include his wife, Henrietta; a son L. Lister Hill, Montgomery; a brother, Luther Lyons Hill, Des Moines, Iowa; and two sisters, Amelie Hill Laslie, his twin, and Lillion Hill Rucker, both of Montgomery.

The family requests memorials be made to the UAB Medical Center.

[From the Birmingham News, Dec. 23, 1984]

SENATOR LISTER HILL

A giant has passed from among us. U.S. Sen. Lister Hill of Alabama, who represented this state almost half a century in Washington, died last week.

The bare outline of Sen. Hill's career suggests the dimensions of his life: First president of the student body at the University of Alabama; Army captain in World War I; elected to the U.S. House of Representatives in 1923 at age 28; elected senator in 1938 to assume the mantle of Hugo Black and a member of the Senate for 31 years before retiring to private life in 1968.

What he achieved along that way, especially in terms of improving health care available to all Americans, is even more significant, however. Although recognized as a vigorous New Deal legislator who worked tirelessly for projects of such significance to Alabama as the Tennessee Valley Authority, Sen. Hill made his most significant and lasting contributions in the field of health care.

Himself the son of a surgeon (and named for English physician Joseph Lister, the founder of antiseptic surgery, with whom his father studied), Sen. Hill brought a personal compassion and sensitivity to health matters that, combined with his skillful politics and intellectual power, resulted in some of the most significant legislation—not merely health legislation, but legislation of any sort—in the nation's history.

Through the Hill-Burton Act, some 9,200 medical facilities have been built in the U.S. since 1947 (including all but two of Alabama's 67 county hospitals). This landmark law has brought modern health care to literally millions of Americans, not only lengthening lives but making those lives more healthy, happy and productive. In any culture history of the nation, the achievement of this piece of legislation must rank as one of the most significant advances in the life of the average citizen.

Yet Sen. Hill recognized fully that medicine is more than brick and mortar. Through his sponsorship of research and training in legislation that established the National Institutes of Health and provided training for doctors and nurses, he sought to nurture the soul as well the body of health care.

Even beyond all this, however, there was an added facet to Sen. Hill and his career that merits admiration.

He was a gentleman. In the best and highest meaning of that often abused term, Sen. Hill brought to his life a personal modesty, high ethical standard and courtly manner that, sad to say, are difficult to find today in Washington or Alabama for that matter.

In that sense, as much as for his specific achievements, great as they were, Sen. Hill was truly a giant among us. His passing is to be mourned, but the example he set, happily, will always remain with us.

[From the Washington Post, Dec. 22, 1984]

SENATOR LISTER HILL, ALABAMA ADVOCATE OF NIH, DIES

(By J. Y. Smith)

Former Senator Lister Hill, 89, a courtly and patrician Alabama Democrat who devoted himself to health and education for the common man during the 45 years he served on Capitol Hill, died of pneumonia Dec. 20 at Jackson Hospital in Montgomery, Ala.

Sen. Hill, a child of privilege, a lawyer by training, and a politician by profession, took his seat in the U.S. House of Representatives on Aug. 14, 1923, after a special election. He was appointed to the U.S. Senate on Jan. 19, 1938, to fill the unexpired term of Hugo Black, who had been appointed to the U.S. Supreme Court. When Sen. Hill retired on Jan. 3, 1969, having declined to seek reelection, he had served in Congress longer than any other Alabaman.

A supporter of the New Deal of president Franklin D. Roosevelt, Sen. Hill was a sponsor of some of the major programs of the 1930s and 1940s, including the Tennessee Valley Authority, the Rural Housing Act, the Rural Telephone Act and the GI Bill of

Rights for veterans of World War II and the Korean conflict.

But he was best known for his unflagging support for health and education. He was the "father" of the National Institutes of Health. He was a sponsor of the Hill-Burton Act of 1946, under which more than 9,200 medical facilties have been built with federal assistance, many of them in poor and rural areas. He supported the Medicare and Medicaid programs and Social Security.

In 1958, the first bill providing federal aid to education passed Congress. The chief credit was given to the Alabama senator, who had championed such legislation since his days in the House.

Such effectiveness was not a matter of accident. Principal sources of Sen. Hill's power were his committee assignments and the workings of the seniority system. In 1955, he became chairman of the Senate Labor and Public Welfare Committee, with responsibility for health and education bills. He also chaired the subcommittee of the Senate Appropriations Committee that handled the budget for the old Department of Health, Education and Welfare. He was thus in a position both to initiate and guide legislation and to see that it was funded.

Apart from the power that these positions gave him, Sen. Hill was a quintessential "man of the Senate." He was respected not only for his seriousness of purpose, but also for his warmth and charm. Like many of his contemporaries from the South, politics was the work of his life, not something to adorn the end of a career. He worked at his profession and garnered the power that came with his long service.

He was a progressive from a part of the country where politics were deeply divided between "the interests"—the banks and railroads and big business in general—and the populist movement that attracted many farmers and tradesmen who looked to government for assistance.

Progressive though he was, he was a man of his time and place on racial questions. He opposed the great civil rights acts of the 1950s and 1960s. "I had to do that to get elected," the senator said in an interview in 1977. "We all did."

In a tribute, Gov. C. Wallace, who managed Sen. Hill's election campaign in 1962, said, "Alabama has lost one of the greatest men who ever sat in the U.S. Senate."

Lister Hill was born into a numerous and prosperous family on Dec. 29, 1894, at Montgomery. His father was Dr. Luther Leonidas Hill, a physician and surgeon who had studied in England with Joseph Lister who introduced antiseptic surgery.

The future senator was named after his father's teacher. Dr. Hill also wanted his son to follow his footsteps into medicine. He turned instead to law. He proved a brilliant student, graduating from the University of Alabama at Tuscaloosa in 1914 with a Phi Beta Kappa key. He earned a law degree at Alabama in 1915 and also studied law at the University of Michigan and Columbia University.

In 1916, he opened a law practice in Montgomery. During World War I, he served in the Army. From 1917 to 1922, he was president of the Montgomery Board of Education. He always attributed his interest in education to this experience.

According to one story, Sen. Hill became interested in politics while at Alabama. A student government association was being formed and he decided to run for its presidency. Women's suffrage was being debated at the time. Young Hill assured his victory by taking advantage of this issue by appealing to the women students' vote.

But he credited his father with getting him to Washington. "I have always said my father elected me to Congress the first time," he said in an interview in 1958. "People voted for Dr. L.L. Hill's boy, not Lister Hill."

Sen. Hill's survivors include his wife, the former Henrietta Fontaine McCormick, and two children, Mrs. Charles Hubbard and Luther Lister Hill, all of Montgomery.

[From the New York Times, Dec. 22, 1984]

LISTER HILL, LONGTIME SENATOR FROM ALABAMA

(By Peter Kerr)

Lister Hill, a United States Senator from Alabama for three decades who sponsored some of most important health and education legislation in the years after World War II, died of pneumonia Thursday at the Jackson Hospital in Montgomery, Ala. He was 89 years old.

Among the bills he directed in his 45 years in Congress were the Tennessee Valley Authority Act and the Hill-Burton Hospital Act.

His slow, persistent efforts in behalf of social legislation made Mr. Hill, as much as any legislator of his generation, a key figure in bringing modern medical care and adequate educational facilities to every region of the United States.

Senator Hill was considered a father of the National Institutes of Health, and as a sponsor of the Hill-Burton Hospital Act he helped bring hospitals to poor and rural areas and contribute funds to build more than 9,000 medical facilities around the country.

"Alabama has lost one of the greatest men who ever sat in the U.S. Senate," said Gov. George C. Wallace, who managed Senator Hill's re-election campaign in 1962. "He was a longtime personal and political friend whom I remember from the first time I heard him speak in Elba, in 1934."

Like many of the "progressive" Southern Democrats who came to Washington in the New Deal era, Senator Hill became an opponent to change as the civil rights movement swept the South in the early 1960's, and he opposed the Civil Rights Act of 1965.

The son of Dr. Luther Leonidas Hill, one of the South's foremost surgeons, Lister Hill was born in Montgomery on Dec. 29, 1894. He was named for Sir Joseph Lister, the British medical scientist who originated antiseptic surgery.

Mr. Hill graduated from the University of Alabama with both liberal arts and law degrees and earned a law degree from Columbia University before he began practicing law in Montgomery in 1916. In World War I he served as a lieutenant in the Army infantry.

At the age of 22 he was elected president of the Montgomery Board of Education and at 28 began his first term in the House of Representatives. In 1938 he was elected to the Senate to finish the unexpired term of Hugo L. Black, who had been appointed to the United States Supreme Court by President Roosevelt.

FORCE BEHIND LEGISLATION

Tall and blond, Senator Hill, who spoke in a slow, distinctive drawl, came to be regarded as an ever-present and effective force behind Democratic social legislation.

In addition to his authorship of the Tennessee Valley Authority legislation in 1933, which was aimed at controlling flooding, improving navigation and producing hydroelectric power, he helped sponsor the Rural Telephone Act, the Rural Housing Act and the G.I. Bill of Rights for veterans of World War II and the Korean War.

He was also a major supporter of Medicare and Social Security legislation.

In 1955, Senator Hill became chairman of the Senate Labor and Public Welfare Committee and chairman of the Appropriations subcommittee in charge of financing what was then the Department of Health, Education and Welfare.

He retired from the Senate in 1968. "I was getting a little old," he later recalled. "After all, 50 years in politics is long enough, don't you think?"

In an interview in 1977, Mr. Hill said he considered himself a progressive and was apologetic about his segregationist role. "I had to do that to get elected," he said. "We all did."

Mr. Hill is survived by his wife, Henrietta, his son, Luther Lister Hill, and his daughter, Henrietta Hubbard, all of whom live in Montgomery.

Mr. HEFLIN. Mr. President, I also ask unanimous consent that statements from Congressman TOM BEVILL and Congressman BILL NICHOLS, Members of the House of Representatives who served in the Congress with Senator Hill, be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

TRIBUTE TO SENATOR LISTER HILL, BY HON. TOM BEVILL, OF ALABAMA, FEBRUARY 4, 1985

Mr. President, I am honored to join with the Members of both bodies of Congress as we remember, with love and respect, the life and accomplishments of one of the Nation's most able legislators, former Senator Lister Hill, of Alabama.

Senator Hill's remarkable 46-year career of public service has provided America with a legacy of health and education programs which have produced dramatic improvements for our citizens. The advances he made possible in health care and medical research have extended and improved the lives of millions of Americans. Through his many significant legislative achievements, Lister Hill proved he was a leader of unlimited foresight. While some legislators are satisfied with looking for immediate, and often temporary, solutions to the problems facing our country, Lister Hill was always looking to the future. He was a master of authoring legislation to solve the long-term problems of the United States.

If Lister Hill had lived during the initial days of our Republic, he surely would have become one of the founding fathers of the United States of America. Had he been alive during the early 1800's, he would have been pioneering to expand the young Nation, bringing new territories into the Union and using the resources of this land to make the country strong. If he were in the House or Senate today, he surely would be working busily and quietly on programs to insure that 21st Century Americans would have the finest quality of life imaginable.

Lister Hill's father, a pioneering surgeon, had a dream for his son. He hoped that Lister would become a physician who could bring healing to thousands. Instead, Lister became the author of legislation which has created medical research and treatment facilities across the Nation which, everyday, are bringing healing to millions. The Ala-

bama Senator's work extended into education, as well, through his authoring of the Public Library Services Act.

One of the outgrowths of his legislative energies stands today in Alabama on the campus of the University of Alabama in Birmingham. One of his proudest achievements, the Lister Hill Library of Health Services, is providing students and physicians at this modern medical center with a storehouse of knowledge, challenges and limitless possibilities. The medical advances to which this facility makes a significant contribution, are a direct result of the work of one of Alabama's legislative giants, Joseph Lister Hill.

Lister Hill's accomplishments did not die with their founder. Instead, the rich legacy he left for us continues to grow and to provide progress for America. We remember Lister Hill no only for what he did, but also for what his work continues to provide us.

HONORABLE BILL NICHOLS OF ALABAMA

Mr. Speaker, it was indeed a sad day for the State of Alabama and the United States of America, when one of its finest servants, Lister Hill, passed away. Few men have attained the greatness that was achieved in the United States Congress as Lister Hill, who will always be remembered as "Alabama's Senator."

Today, we pay tribute to this great man whom history is destined to record as one of the truly courageous Americans of all time. Senator Lister Hill served our Nation in a time when awesome decisions need to be made and implemented. He rose to that task with conviction and determination.

As we mourn the passing of this great leader, let us remember that ability to communicate and reach the people which was Senator Hill's special quality. While serving with distinction in the United States Senate with many of our Nation's greatest leaders, Senator Hill never forgot the needs of the common man. Alabama's Senator always had the time for his constituents, and tried to help them most through advanced education and the opportunity to work and succeed.

Today, let us be thankful for the memory of this great American, Senator Lister Hill. Mrs. Nichols joins me in expressing heartfelt sympathy to members of the Lister Hill family.

Mr. HEFLIN. It is my understanding that Congressman BILL DICKINSON will enter a statement in the RECORD in the House of Representatives.

Mr. President, I also ask unanimous consent that a statement from Hon. Armistead I. Selden, former Ambassador to New Zealand, who served in the House of Representatives while Senator Hill was in the Senate, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

REMARKS BY HON. ARMISTEAD I. SELDEN

I am grateful to my good friend, Senator Heflin, for including in his remarks a brief statement of mine about my friend and former colleague Lister Hill.

My father and Lister Hill were lifelong friends and our families had been close for several generations. Consequently, I have admired and respected Lister since I was a child. At my father's invitation, Lister spoke at the high school in my home town of Greensboro, Alabama shortly after his election to the United States Senate, and he visited in our home on this and many other occasions. Little did I dream at the time that I would have the privilege of serving for sixteen years in the Congress as a colleague of Senator Hill.

His legislative accomplishments are legion, and I'm reminded of them wherever I turn. In my old Congressional District, Lister and I dedicated a Hill-Burton hospital in almost every county seat, and I never pass through and see those hospitals without remembering the specific occasion. If Lister Hill had done nothing but co-author the legislation that made possible the construction of thousands of badly needed Hill-Burton hospitals, he would be long remembered as America's statesman of health. But this legislation is only one of some sixty major pieces of health legislation introduced and guided through the Senate by Lister Hill.

In recent years I have had treatment at the National Institutes of Health, and I never go there without thinking of Lister. It was legislation introduced by him that created this institution in 1948 and every piece of NIH legislation from that date until his retirement in 1969 was sponsored by Senator Hill. The work that has been done and will be done at the National Institutes of Health is a monument to Lister Hill's concern for the health of the American people and his foresight in doing something about it. Indeed, the research conducted there has produced improvements in health care which affect countless people who live far beyond our shores.

When I came to Congress in January 1953, no one outside my immediate family was more delighted than Lister Hill. During the sixteen years we served as colleagues, he in the Senate and I in the House, I had no closer friend and confidant. We worked together on many projects that benefited my district and our state, and he was always extremely cooperative and helpful. Occasionally we voted differently on an issue but never once did he ever question my reasons or my judgment. He was truly a gentleman with whom it was a great privilege to serve.

When he finally decided to retire from the Senate, he called me to his office, told me of his decision, and urged me to seek the seat he planned to give up. This I did, with his endorsement and support, but unsuccessfully.

Future generations will look back on Lister Hill's service in the Congress with both gratitude and admiration. He was truly a great Alabamian and a great American. His death was not only a loss to his family and friends but to literally tens of millions who have benefited from his long service in the United States Congress.

Mr. HEFLIN. Mr. President, I also ask unanimous consent that a letter from Dr. S. Richardson Hill, Jr., M.D., president of the University of Alabama in Birmingham, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNIVERSITY OF ALABAMA
BIRMINGHAM, AL,
February 5, 1985.

Hon. HOWELL HEFLIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR HEFLIN: It is with a sense of deep pride and pleasure that the University of Alabama at Birmingham joins in the recognition of the great accomplishments of Alabama's late beloved Senator Lister Hill.

Those of us who have been at UAB since its early days have good cause to remember those accomplishments; daily we may see how UAB's Medical Center took shape and prospered because of Senator Hill's pervasive interest in the health and well-being of mankind. We are a tangible expression of the fruits of his work and, indeed, are representative of what it was possible to accomplish as a result of one man's interest in the humanistic problems of society.

Senator Hill's legislation was responsible for the construction of hospital and other health-related buildings, for aid to medical and dental schools, for organization of an international health research program, erection of centers for treatment of mental illness and mental retardation, training programs for nurses and paramedical personnel, regional centers for treatment of heart disease, cancer and stroke as well as other important health measures.

The Hill-Burton Act, which initiated the concept of local-state-federal cost-sharing of hospital facilities, transformed the character of health care of the United States. It began a spectacular renaissance of health facilities in Alabama and throughout the United States.

The legislation had an immeasurable impact upon this university. Not only were a number of our buildings constructed through Hill-Burton funds, but many of our health and education programs were initiated or aided by subsequent Hill-inspired legislation. These programs, along with our internationally respected research activities, have enabled UAB to recruit superbly qualified faculty members.

The establishment of the National Institutes of Health began a long and successful sponsorship of legislation that supported investigations not only in the NIH laboratories but in medical centers throughout the land. It is impossible to estimate the number of lives that have been saved, prolonged and made more comfortable because of diagnostic and therapeutic technology developed with this support. As a result of Senator Hill's efforts on behalf of NIH and its programs, millions of Americans—young and old, wealthy and impoverished—have benefited.

The magnitude of his work was appropriately recognized by UAB in 1971 when its new Medical Center library building was named the Lister Hill Library of the Health Sciences. Among the extensive library holdings are housed much of his memorabilia and an original sculpture and painting of Senator Hill. In view of his consuming interest in the transfer of biomedical information as well as all matters relating to health, this tribute is particularly fitting—a dynamic monument situated in the midst of an important medical center, in the Senator's own home state.

The words of Josiah Gilbert Holland express very well the nature and special qualities of this nation's foremost patron of health and education:

God give us men—A time like this demands
Strong minds, great hearts, true faith and ready hands—
Men whom the lust of office does not kill,
Men whom the spoils of office cannot buy,
Men who possess opinions and a will,
Men who have honor, men who will not lie,
Men who can stand before the demagogue
And damn his treacherous flatteries without winking:

Tall men, sun crowned men, who live above the fog
In public duty and in private thinking.

Such a man was Lister Hill of Alabama.

Sincerely,

S. RICHARDSON HILL, JR., M.D.,
President.

TRIBUTE TO LISTER HILL

Mr. PELL. Mr. President, I am honored to participate in this tribute to my late colleague, Lister Hill of Alabama. I had the privilege—and it was a privilege indeed—to serve for 8 years with Lister Hill as a Member of this body. I had the additional privilege of serving as a member of the Labor and Public Welfare Committee, which Lister Hill chaired for the entire period we served together in the Senate, and which he chaired for another 8 years before I arrived.

When Lister Hill retired from the Senate, I called him one of the most respected, one of the most compassionate, and one of the most understanding Members of this body. Time has not diminished or tarnished those words. They ring just as true today as when I said them almost 16 years ago.

I said in 1968 that there would be a vacuum in the Senate when Lister Hill departed. But the void left by his retirement was even greater than I had anticipated. For I do not believe that there has ever been a U.S. Senator who did more for the Health and Education of our young people than Lister Hill did. It was his leadership as chairman of the Labor and Public Welfare Committee that enabled us to enact the landmark legislation in both of those areas.

Lister Hill was, as I said when he retired, my respected friend—my revered and valued friend. I mourn his passing, but I know for sure that our country is a better place to live because of his having been here, because of his work and contributions, and because of his gentle, progressive leadership.

TRIBUTE TO SENATOR LISTER HILL OF ALABAMA

Mr. STENNIS. Senator Lister Hill had already been in the Senate over 10 years when I was elected in 1947, and I observed right away after coming here what a tireless worker he was. We served together until his retirement in 1969. I am grateful for many good memories of Senator Hill as a highly effective colleague and trusted friend.

I especially remember Senator Hill's contribution as a coauthor of the Hill-Burton hospital program which has contributed so much to the health and welfare of thousands of people in communities throughout the Nation. He developed the program, shepherded it through Congress, and then followed through with a determined effort to see that the necessary Federal funds were available. The results of his work continue to make life better for many individuals.

Senator Hill was a strong supporter of medical research, and he advanced our Government's participation in medical research in a splendid fashion.

I remember Senator Hill fondly as a friendly, genial man who was popular with his colleagues and with the people of Alabama. He was dedicated to his family, and provided an excellent example for all of us who were privileged to know him and serve with him.

Senator Hill's work on behalf of his constituents and his foresight and determination to improve life for all Americans are a tribute to him as an individual and a challenge to all who will ever serve in this body.

I share in the pride his family and State feel in his accomplishment during his wonderful, productive life, and I also share in their sense of loss at his death. He will always be remembered as one who dared to make a difference.

LISTER HILL—1894-1984

Mr. HATFIELD. When future historians chronicle the development of medical research and health care in the 20th century, one public figure will stand above all the rest: Senator Lister Hill.

It has been said that Lister Hill, who represented his home State of Alabama in the House of Representatives for 15 years and in the Senate for 30 years, was responsible for more legislation in the broad field of health than had been enacted in the entire history of the Nation before his time. He was known on Capitol Hill as the Nation's "Statesman for Health."

His death on December 20, 1984, is mourned by his neighbors in Montgomery, his fellow citizens in Alabama, and by all Americans who recognize his contributions to the Nation's health. His colleagues in the U.S. Senate—especially those whose memories go back to 1968 when he retired—remain in awe of his accomplishments. There is scarcely a piece of health-related legislation for a period of almost 50 years that does not bear his imprint.

Born in Montgomery, AL, in 1894, much of Lister Hill's interest in health care stemmed from his admiration of his father, Dr. Luther Leonidas Hill, reputedly the first surgeon to perform sutures on the human heart. After graduating from the University of Alabama with a Phi Beta Kappa key, young Lister Hill pursued a degree in law and subsequently opened a law practice in Montgomery. At the age of 28 he entered the U.S. House of Representatives, later moving to the Senate in 1938, where he served until his retirement in 1968.

Among the major programs sponsored by Lister Hill were the Tennessee Valley Authority, the Rural Housing Act, the Rural Telephone Act, and the GI bill of rights. The fields of health and education, however, were his special province. He used his influence as chairman of the Senate Labor and Public Welfare Committee, and as chairman of the powerful Subcommittee on Appropriations to write into law and fund legislation which advanced the cause of health and education. He was a friend of Federal aid to education, as may be seen from his championing the building of public libraries under the Library Services and Construction Act, and his sponsorship of legislation that came to be known as the Hill-Elliott Act, which resulted in the construction of classrooms and language laboratories.

Of the many health programs Lister Hill had been associated with, one with profound effect on the Nation was the Hospital and Health Center Construction Act of 1946. He was the chief architect of this legislation and it came to be widely known as the Hill-Burton program. By the time of Senator Hill's retirement, that one law had resulted in the construction of almost 10,000 institutions: hospitals, tuberculosis sanatoriums, public health centers, nursing homes, schools for nurses, clinics for disabled children, rehabilitation facilities, diagnostic and treatment centers, and other medically related facilities. More than 404,000 inpatient beds had been added to hospitals and nursing homes under the program.

Also in the area of health, Senator Hill was a prime mover in creating the Comprehensive Health Planning and Public Health Services Act, the Regional Medical Programs Act, the Hill-Harris Act of 1963 that authorized financial assistance to construct a comprehensive network of facilities for the mentally retarded and mentally ill, and he was a strong supporter of the Medicare and Medicaid Programs and Social Security.

If any single Federal institution can be singled out as the primary beneficiary of Lister Hill's contributions, that institution is the National Institutes of Health in Bethesda, MD. During his period in the Senate, he was closely involved with, and frequently the sponsor of, almost all substantive legislation affecting the NIH. He acquired over the years a sophisticated understanding of the processes of biomedical research, recognizing that medical research should follow the opportunities presented by evolving basic science and not be subject to every transient enthusiasm on the part of the Congress or the public. However, he never lost sight of the ultimate purpose of society's investment in the NIH, he wrote:

> The development of a solid foundation of fundamental knowledge concerning the biological processes is an essential condition for the breakthroughs from which significant victories in major disease areas will flow.

Through Senator Hill's persuasiveness with colleagues and adroitness in

threading his way through the labyrinthine corridors of Capitol Hill, support and funds for biomedical research increased sixteenfold during his chairmanship of the Senate Subcommittee on Appropriations. Lister Hill, said an admiring colleague:

Is so persuasive, so charming, so quietly indispensable, and so personally self-effacing, that we want to give him everything that it is possible to give him.

Today, on the grounds of the National Institutes of Health, stands a 10-story building named in his honor: the Lister Hill National Center for Biomedical Communications. The building is a part of the National Library of Medicine, whose legislation he cosponsored with Senator John F. Kennedy in 1956. Lister Hill was deeply concerned about the Library and its potential for advancing medical research and health care. He said:

We must develop a communications system so that the miraculous triumphs of modern medicine can be taken from the laboratory and transmitted to all in need.

Those words, engraved in marble on the building that bears his name, epitomize Lister Hill's concern for the health of American citizens. It was the scientific knowledge created under programs he fostered at the National Institutes of Health, taught in medical schools improved by legislation he sponsored, communicated through the biomedical library network he mandated in a 1965 act, and applied in the thousands of hospitals supported by the Hill-Burton Act that is his continuing legacy to the American people. It is scarcely an exaggeration to say that we are all healthier today because of the compassion and tenacity of this man from Alabama—Lister Hill.

SENATOR LISTER HILL—PIONEER FOR BETTER HEALTH CARE IN AMERICA

Mr. KENNEDY. Mr. President, 100 years ago a young physician from Montgomery, AL, named Luther Hill went to London to study with the world famous surgeon, Sir Joseph Lister. After a year of training and exposure to European medical giants like Pasteur and Koch, Dr. Hill returned to the States, established his practice, married, and raised a son named for his London mentor.

The public service of that son, who became Senator Lister Hill, has contributed immensely to the quality of life for all Americans. Three Kennedy brothers—John and Robert, and myself—were all privileged to serve with Lister Hill on the Senate Labor and Human Resources Committee and to learn from him.

Above all, I will never forget Senator Hill's extraordinary sense of dedication to improving the quality of health care in America. As he once wrote in recalling the origin of that lifelong commitment:

I was 23 years old and in good health when I began my 2 years of duty in the U.S. Army in 1917. But I recall with sadness the many young men with a high sense of patriotic duty who had to remain behind in Alabama because they did not share with me in the benefits of a healthy body.

After the war, in 1923, Lister Hill was elected to Congress, where he served 45 years, first in the House of Representatives and then, from 1938 to 1968, in the Senate. Hill wrote that:

As a legislator from a predominantly rural state * * * I was keenly aware of how far behind we were in providing adequate medical care to those in need. In 1928 there were some 15 million Americans living in 1,200 predominantly rural counties without any hospitals of any kind.

His desire to assure that high quality health care would be the birthright of every American provided the passion and energy behind the rich legislative legacy he left us. In the Senate, he joined—and then led—a group of activist legislators, encouraged by the New Deal and inspired by a vision of a healthy America. Even in the company of giants like Wagner and Humphrey, Murray and Dingell, Hill stood out as a man of special genius.

He served on the Labor Committee from his first days in the Senate until his retirement in 1968, and he chaired the committee for the last 14 productive years of his service. He was the leading force on legislation advancing public health, health planning, health research, and access to health care. Laws crafted by Lister Hill brought the benefits of improved medical care to millions of Americans. The National Institutes of Health, which today is the center of the world's most advanced biomedical research, grew primarily through Senator Hill's efforts. The National Library of Medicine, a bill sponsored by Senator Hill and my brother Jack, was one of their first achievements in the Senate. And the Hill-Burton Act—perhaps the most famous of all his laws—built hospitals across rural America that to this day are monuments to the foresight of Lister Hill—and not just general hospitals, but mental hospitals, chronic disease hospitals, tuberculosis sanitoriums, public health centers, nursing homes, schools for nurses, crippled children's clinics, rehabilitation facilities, and diagnostic and treatment centers.

I served with him on the Labor Committee during his final term in the Senate. Those 6 years saw the passage of 19 major health measures which had originated in our committee. The scope of this final extraordinary burst of legislation included health education, promoted through student loan programs and construction grants for colleges and universities facilities; the disadvantaged were assisted through bills to train professionals to work with the mentally retarded and the deaf and blind; vocational rehabilitation centers and health centers for migrant workers were established; medical research and health planning were advanced through legislation to establish two new institutes at NIH, through funds for medical libraries, and through establishment of the Regional Medical Program Act and the Comprehensive Health Planning Act.

When Lister Hill retired from the Senate, the National Center for Biomedical Communications was named for him in a joint resolution passed by both Houses and signed by President Johnson. In the words of the resolution:

During his long and distinguished career in the Congress, Senator Lister Hill has achieved more forward-looking legislation relating to improved health and educational opportunities for the American people than any other individual in the history of this body.

Speaking in 1960 on the 10th anniversary of the first hospital built under the Hill-Burton Act, Senator Hill said:

Since we began work on this hospital we have added 6 precious years to the average American's life, and it is estimated that 1,800,000 lives have been saved due to medical research * * * Many of the diseases which robbed our cradles and sapped our manhood are now under control. Diphtheria, scarlet fever, yellow fever and typhoid fever, malaria, smallpox, pellagra and hookworm have been almost completely conquered. Pneumonia, whose advent brought terror to many an American family only two decades ago, has lost its fatal sting. Better housing, intensive public health checkups, and a series of new drugs have caused a miraculous drop in the death rate from tuberculosis. Our infant mortality is the lowest in our history and only one mother is lost for more than 1,000 babies brought into the world.

The pride he felt in those accomplishments 25 years ago inspires us today in our effort to continue the progress he began. Our goals are the same—to advance our knowledge about disease and to expand access to health care for all citizens—and because of Lister Hill, America is closer to them.

Mr. LONG. Mr. President, Lister Hill served this country and his native State of Alabama with honor and distinction for more than 45 years—first as a Member of the House of Representatives and then for 31 years as a Member of this body.

His passing last December at the age of 90 was a sad occasion for all of us who knew and respected him.

Senator Hill, who was the son of a leading American heart surgeon, made his mark on this country by pioneering legislation which insured Federal money for building hospitals in areas which had little or no health care.

Every time Congress tried to spend money to modernize older urban hospitals, Senator Hill successfully fought for the forgotten rural people of America and saw to it that those funds

were appropriated to build new hospitals in the country.

Lister Hill left a proud legacy. And that is that the rural people of this country now enjoy fine health care largely because on one man's undying efforts.

His devotion to their well-being will not be soon forgotten.

Mr. President, I for one, very much miss Lister's warm, cheerful greeting which was so typical of him.

He was a great Senator and a dear friend.

A TRIBUTE TO LISTER HILL

Mr. DENTON. Mr. President, I would like to take this time to remember one of Alabama's finest men and one of the South's greatest statesmen, the late Alabama Senator Lister Hill, who passed away on December 20, 1984, at the age of 89. Senator Hill's illustrious career was filled with many outstanding achievements, especially in the area of health care reform.

Senator Hill's persistent efforts in behalf of social legislation made him, as much as any legislator of his generation, a key figure in bringing modern medical care and adequate educational facilities to every region of the United States.

A progressive Democrat, Senator Hill sponsored the Hill-Burton Hospital and Health Center Construction Act of 1946, which resulted in the construction of 9,200 medical facilities throughout the country through cost sharing among local, State and Federal governments. Senator Hill was an advocate of increased medical research and training programs throughout his tenure in Congress. He was the key sponsor of legislation that established a Federal assistance program to train teachers of mentally retarded children, and was instrumental in creating support for the National Institutes of Health.

Senator Hill coauthored the Tennessee Valley Authority Act of 1933, which was vital to improving economic conditions in the Tennessee Valley. He also sponsored the Rural Telephone Act, the Rural Housing Act, and the GI bill of rights for veterans for World War II and the Korean war.

Lister Hill was born into a noble Alabama family in Montgomery, AL, on December 29, 1894. His father, Dr. Luther Leonidas Hill, was a country doctor and a talented surgeon. Many who knew Lister Hill say he developed his compassion for his fellow man when he was but a youngster, when he helped his father tend to the sick, and often the poor, who had traveled miles over the rough roads to reach a medical clinic.

In the fall of 1911 Lister Hill entered the University of Alabama. He completed his B.A. in 1914. In 1915 Hill obtained his masters degree in law; the following year he was graduated from Columbia University Law School. He began law practice in Montgomery, and in 1917 became president of the Montgomery Board of Education. When the United States entered World War I, Hill quickly enlisted and served as a commissioned officer in the 17th and 71st Infantry. Upon returning to Montgomery after the war, he continued his law practice. In 1923 he was elected to the U.S. Congress, and was reelected six times without opposition.

Congressman Hill strongly supported the Civilian Conservation Corps plan, the Homeowners Loan Corporation, and the Farm Credit Administration Program. Not only did he accomplish much for the Nation as a Congressman but he also secured many civilian projects for the second district, including Maxwell Field, a new post office, and the veterans' hospital in Montgomery.

On January 4, 1938, Lister Hill was nominated in the Democratic primary as a candidate for the unexpired Senate term of former Senator Hugo L. Black, who had been appointed to the Supreme Court.

In 1946, Senator Hill had the joy of seeing the Hill-Burton Act passed. That act authorized the Federal Government to put up half the money for hospitals, especially to serve rural areas if the communities would put up the balance. The 50-50 matching formula caught on in many other fields, helping to change the face of the Nation.

In 1949 Senator Hill gave up his high-ranking spot on the Armed Services Committee and took the last seat on the Appropriations Committee. Already in line for chairmanship of the Labor and Public Welfare Committee, which handled health and education matters, he was looking forward eventually to heading the Appropriations Committee Subcommittee on Health and Education. In 1955, he achieved his double chairmanship.

With Carl Elliot, a fellow Alabamian in the House, Senator Hill authored the National Defense Education Act, which since its passage has granted loans to more than a million students. Except for the earlier GI bill of rights, which Hill also sponsored NDEA was the first Federal education aid bill since the land-grant college bills of 1862, 1890, 1907.

The importance of Senator Hill's Labor and Public Welfare Committee was widely appreciated, and it was noted that under Hill's leadership "the committee had become one of the greatest instruments for human progress in the Senate's legislative history."

Senator Hill gracefully retired from the Senate in 1968 to return home to Montgomery, AL. He left behind a reputation of compassion for his fellow man, and a series of legislative initiatives that changed American education and health care.

While I did not know Lister Hill personally, it is with both sadness and respect that I pay tribute to Lister Hill, a good man, and one of America's finest Senators. I share the loss with his widow, Henrietta Hill, and their children, Henrietta Hubbard and Luther Lister Hill.

Mr. BURDICK. Mr. President, today I join my colleagues in honoring the distinguished Senator from Alabama, whose passing we all mourn.

It was my privilege to serve with Joseph Lister Hill for 9 years, until he retired from Senate service in 1969. Senator Hill was a vocal and courageous champion of many of the causes dear to my own heart during his long years in this Chamber.

He was called the Statesman of Health. As his middle name indicates, his surgeon father had hoped that Joseph Hill would become a doctor as well. But no father could be disappointed in Senator Hill, who left a medical legacy to his country that no single physician could equal.

The centerpiece of his work was of course the Hill-Burton Act, which laid the groundwork for more than 10,000 of the finest medical institutions in our country. He authored the legislation which gave us the National Institute of Health. He unfailingly supported health programs, even in the face of powerful political opposition.

His effective leadership in promoting medical research was a prime factor in making our Nation the world leader in medical knowledge and technique.

As extensive as they were, Senator Hill's contributions to medicine were only a part of his national legacy. I cannot do his achievements justice here, but suffice it to say that Senator Hill's record stands as an example to all who enter public service.

Mr. HOLLINGS. Mr. President, I wish to pay honor today to the late, great Senator from Alabama, Lister Hill.

Lister Hill came to Congress as a freshman Representative in 1923, and when he left as a Senator in 1969, he had amassed a record of accomplishment and service to his State and country few will ever match. For 46 years, Lister was one of the anchors of our National Assembly. When I first came to the Senate in 1966, he was among the most distinguished and respected of my colleagues. I turned to him often for his sage advice, and he gave it freely. We shall miss him dearly.

Though he beat Franklin Roosevelt to Washington by 9 years, Lister Hill was a product of the New Deal. He had served as president of the board of education in his hometown of Montgomery, and knew instinctively the im-

portance of cultivating and developing what we today call the "human infrastructure" of America. He was a key supporter of New Deal programs in the House, particularly the Tennessee Valley Authority, which played a key role in promoting economic development and growth in northern Alabama and the rest of southern Appalachia.

Lister ran successfully for the Senate in 1937, taking over the seat vacated by soon-to-be Supreme Court Justice Hugo Black. In the Senate, Lister quickly rose to the position of Democratic Whip, and was a strong ally of considerable influence with the Roosevelt administration. He was an enthusiastic supporter of FDR's foreign policy, backing lend-lease and other controversial measures that helped America meet the test of the dictators.

After the war, Lister was a prime mover behind national health care legislation. More than anyone else in the Senate, he was responsible for bringing quality hospital care to the rural areas of America. Passage of his major legislative achievement, the Hill-Burton Act of 1946, provided Federal funding for hospital construction all across the country.

Lister became chairman of the Senate Labor and Welfare Committee in 1955, and from there continued in his quest to assure all Americans fair access to adequate medical and mental health care facilities. He was truly one of the lions of our great Assembly, and we will miss him.

We all wish his dear wife, Henrietta, the best in this time of sorrow. Lister, your memory will live on with us always.

THE AGRICULTURE CRISIS

Mr. HEFLIN. I yield at this time to the distinguished Senator from Oklahoma.

Mr. BOREN. I thank my colleague from Alabama. I thank him also for raising his voice yesterday on the floor of the Senate as a part of those of our body who are concerned about the plight of the American farmer and the disastrous economic conditions that now face American agriculture.

Several of us have agreed that every day we will come to the Senate floor and again try to draw the attention of the American people to the crisis now confronting agriculture.

In addition, the Senator from Nebraska, Senator EXON, and myself have sent notice to the majority leader that following the upcoming congressional recess we intend to take whatever parliamentary steps that are necessary to delay action on other business confronted in the Senate until we are assured that effective farm credit legislation to deal with the current emergency will be considered and scheduled for timely action by the entire Senate.

Mr. President, this morning I picked up the morning paper and read the headline across the front page with great interest. I read two statements that are presented and two different issues by the Budget Director, Mr. David Stockman, who appeared before the Senate Budget Committee yesterday.

In one series of statements, the Budget Director was quoted by the newspaper as saying, and I quote the newspaper report, "* * * institutional forces in the military are more concerned about protecting their retirement benefits than they are about protecting the security of the American people." Further, he was quoted as saying, "When push comes to shove, they'll give up on security before they'll give up on retirement."

If that insensitive attack upon the patriotism of those who have served and continue to serve in uniform—many of them serving outside the boundaries of this country, many of them serving at financial sacrifice, many of them serving at the sacrifice of the time they can spend with their wives and children and a normal family life to provide services to this country—were not enough, Mr. Stockman at that meeting not only attacked the patriotism and the integrity of the men and women who serve in the Armed Forces, he then leveled a broadside of the most insensitive kind at the farm community, and then at least in my own opinion he personally insulted the integrity of every Member of the U.S. Congress and the U.S. Senate who represent agricultural constituencies, and who have had the temerity as elected officials of those constituents to speak up on their behalf and to try to see to it that this country takes some action to avert an economic disaster before it is too late.

He termed that representation under our democratic system of government as "blackmail."

Mr. President, I was shocked by both of those statements. I hope that the men and women in the armed services of this country know that those statements do not reflect the feelings of the American people or the American Congress, and I certainly hope they do not reflect the feelings of the American President about those who defend our country, and who serve our country at such a sacrifice.

Mr. HEFLIN. Will the Senator yield?

Mr. BOREN. I am happy to yield to my colleague from Alabama.

Mr. HEFLIN. I would like to inquire of the distinguished Senator from Oklahoma relative to this statement about the military and the priorities of Mr. Stockman. Does the distinguished Senator from Oklahoma happen to know whether or not Mr. David Stockman has ever served in the armed services of the United States?

Mr. BOREN. I do not know the answer to that question. I wonder if the Senator from Alabama might be able to enlighten me.

Mr. HEFLIN. I do not know. I am just curious as to whether such a statement would appear as though a man is not very well acquainted with the patriotism of the average American who serves in the armed services of the United States. It may be that somebody in some ivory tower of economics in his feelings on that sort of thing would come forth with such a statement.

Mr. BOREN. I agree with my colleague from Alabama. I do not know if Mr. Stockman, from my own personal knowledge, served in the Armed Forces. I only say that you are clearly correct. The Senator from Alabama is clearly correct in the statement that he obviously does not have any understanding for what the average person who wears this uniform goes through. He obviously does not have any understanding of their motivation. He does not have any understanding or appreciation for their love of their country. He also clearly does not understand what is going on in another important sector, in the agricultural sector.

Mr. HEFLIN. Will the Senator yield further on that?

Mr. BOREN. I am happy to yield.

Mr. HEFLIN. I would like to inquire whether the distinguished Senator from Oklahoma knows whether Mr. Stockman has ever been on a farm?

Mr. BOREN. I do not know. But I would say this: that he has an appalling lack of understanding of the effect that a collapse of the agricultural sector would have on the rest of this economy and he also does not seem to know much about what has happened in agricultural policy in this country over the past 50 years and the directives under which the farmers have been trying to operate. I would say to the Senator from Alabama, I read further in the morning press report the statement that Mr. Stockman made when he said that he was speaking for himself. They asked if his views reflected the President. He said "I don't think so. I am only stating a personal opinion."

I say to my colleague from Alabama I have served in the Governor's office of a State as have other Members of this body. I know the distinguished Senator from Alabama has served on the supreme court of his State. As a Governor I had responsibility for my own administration. I want to say to Mr. Stockman this morning that I do not consider representation of my constituents, I do not consider trying to call the attention of the American people to the danger of collapse of the agricultural sector, and I do not be-

lieve in saying that I will use the parliamentary prerogatives open to me to try to bring about action on this crucial issue before the U.S. Senate to be blackmail.

Nor do I apologize to anyone. I consider that to be an honest and sincere attempt not only to represent my constituents but to speak out for what I think is in the best interest of the United States of America, just as I think the patriotic people who work on the farms have tried to make a contribution to their country and just as I think the patriotic men and women who wear the uniform of our armed services are trying to make a contribution to their country.

Mr. Stockman was not elected to any office. He was appointed to his current office. He gave up elective office for an appointive office.

The President of the United States is the appointing authority.

I would only say this: If an employee or an appointee of mine as Governor of Oklahoma when I served in that capacity had made a statement of such insensitivity about millions of their fellow citizens, those in the Armed Forces and those who labor in the dire economic consequences which we now face in the agricultural community, if that had happened in my administration as Governor that particular appointee of mine would have remained in office long enough for me to have walked from wherever I was when I first heard that report to pick up a telephone and to have given him a directive that if there was not on the wire within 30 seconds an apology for that kind of insensitive statement, he would be out of a job.

It would not have taken me 24 hours to have waited, to have pondered whether or not anyone working under my authority had acted responsibly in making a statement like that.

It does not require any reflection to know that such an insensitive attack upon a whole segment of the American population has no place and no part of any representation of any person holding a position of responsibility in the Government of the United States, the government of any State, the government of any county, or the government of any city.

I would hope, Mr. President, that before the day is out—I cannot think of a better time for the President to talk about it than in his State of the Union Address tonight—the President will inform the Members of Congress who have been doing their own duty as they see it, conscientiously to speak out on the issues of the day and to bring about policy changes so badly needed in this country, that Mr. Stockman has apologized to them publicly, that he has, by that apology, finally indicated some understanding of how the democratic system of government is meant to work, that he has apologized to those in the agricultural sector, and that he has apologized to the brave and patriotic men and women who wear the uniform of the Armed Forces of this country.

I would hope that tonight when the President speaks to us, he will either announce that kind of apology on behalf of one of his appointees or he will announce the resignation and removal from his administration of the person who made those statements.

I think it would be a timely act on the part of the President. I do not think it should wait 24 more hours before it is made clear that these kinds of feelings do not represent the feelings of the administration and the feelings of the President personally.

I do not object to anyone in the administration or anyone in the Congress attempting to work on the budget deficits. I am for that. How many times have I come to the Senate floor and indicated a willingness myself, both in statements and by casting votes, to take the action necessary to bring down the horrendous deficits that are crippling our economy and endangering our future? I have made it clear by the votes that I have cast that, as far as I am concerned, I am not prepared to vote anything off limits. I have been prepared to vote on constraints on COLA's, entitlements, military buildup, and to ask that additional income be made available annually to the Federal Government to get these deficits under control. But in doing so, I have never questioned the personal integrity of Mr. Stockman or the President of the United States. I revere that office.

Nor would I allow anyone working in my office to question the personal integrity of the President of the United States or Members of Congress as they labor in their duties of making public policy as they see it right.

Nor have I ever made personal attacks on people in this country when I have urged that we consider a general sacrifice by all of us, as Americans, in order that we get the budget deficits under control.

I could not help but think what a lack of understanding the Senator from Alabama said Mr. Stockman had of the men and women in uniform and the service they render. I also could not help but think what a lack of understanding Mr. Stockman has of the agricultural situation and what the farmers of this country are now going through, as I read the morning paper.

He said, "Why should we not just let the farmers sink? It is all their own fault. They are adult people. They went out on their own free will and went into debt. Why should we have concern for them?" That is what Mr. Stockman said.

"Why not let them sink? Why not let the farms be thrown on the market? Why not let 13 percent of the farmers in Iowa go broke, for example, this year and put their farms on the market? Why not collapse land values all over this country? Why not stand by and say, 'Well, it is all their own doing when the banks begin to collapse all across this country and the effects begin to ripple all the way into the larger cities of this country and the largest financial institutions in this country, just as it did in the late twenties and early thirties. Why not let it happen again?' They are all adults. They should have known better."

I would like to ask him, was it the farmers of this country who entered into an embargo which cost them their long-term agreements, which cost them the right to have long-term arrangements to sell their products in a dozen or more countries of the world, agreements that were never entered into again after the embargo was over?

Obviously, that is not said in a partisan sense. That occurred in the administration of another President.

Was it the farmers' fault? No. The farmers were the helpless victims of a foreign policy decision made by the Government of the United States. The farmers were asked to sacrifice their own economic well-being so that a point could be made that our foreign policymakers felt was important to make at the time. But the farmers suffered and the farmers went deeper into debt, yes. The farmers, as adults, had to go to the bank and borrow money, and they lost more and more of their world markets.

But was it the farmers' fault that an embargo was imposed?

Was it the farmers' fault that American banks made large loans——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BOREN. I ask if the Senator from Alabama might yield me additional time?

Mr. HEFLIN. Mr. President, I yield 5 more minutes.

Mr. BOREN. Is it the farmers' fault that the large American banks made loans to other countries and then, because of the fear that the failure to repay those loans might endanger the monetary system, that our Government has been forced to turn the other way with those countries that have been financing with those loan subsidies for agriculture production so that they could invade the markets previously served by American farmers?

I fail to see how that was the fault of the American farmer. But that farmer had to go to the bank and borrow more money because of that unfair competition, sometimes financed indirectly even by some of our own financial institutions and indirectly by our own Government, as we con-

tinued to try to prevent the collapse of the monetary system.

Is it the fault of the farmers that administrations in both parties and Members of Congress for the past two or three decades have failed to deal with the budget crisis and have created a deficit so large that it has forced up interest rates for everyone else; that we have had to rely upon those other countries to pay the interest due on our national debt; that we have, therefore, kept the value of the American dollar, by these incorrect policy decisions, so high that the farmer can no longer sell his products in the world market?

Is it the fault of the American farmer that the Argentine currency, for example, went down 86 percent compared to the value of the dollar last year, so that you could bring Argentine wheat into the United States, even pay a duty on it and pay the freight, and still undersell our own producers? I fail to see how that is the fault of the American farmer; but, yes, that farmer had to go down to the bank as an adult, as Mr. Stockman says, and sign other notes.

Well, enough about Mr. Stockman. I want again to focus the attention of my colleagues on the plight that we are facing in agriculture. Among the proposals made only yesterday, as I listened to the Secretary of Agriculture brief us on the farm bill for this year, was a proposal to cut back the conservation program at a time when we are facing an unparalleled crisis in soil conservation, so that the program will be only one-third what it is today in a couple of years.

Last week, I introduced a bill that would provide for a more effective long-term conservation program. Today, I am pleased to join with my distinguished colleague, Senator BUMPERS of Arkansas, in expressing my commitment to soil conservation and my support of the Soil Conservation Service in particular.

Mr. President, today, I want to focus attention on the problems that we face in the conservation area, having last year lost the equivalent of 2 million acres of prime cropland to unacceptable levels of soil and water erosion.

Today, I want to continue to bring to the attention of the Senate the problems confronting the American farmer and the ultimate impact this will have on our Nation unless emergency action is taken, and action is taken immediately.

As a result of the depressed farm economy, many farmers simply lack the resources necessary to implement needed conservation treatments. On some highly erodible land, the only way to correct the problem is to remove the land from cultivation. Yet, converting the land to a less intensive use can reduce the farmer's income. Given the cash-flow problems our farmers are experiencing, they simply cannot afford to lose any income. It is a certain fact that the costs incurred or income foregone in soil and water conservation investments are rarely recovered in the short-term cash-flow of farm businesses.

Many may wonder why this state of affairs should be of any concern to them. Yet, when farmers cannot afford to maintain or implement soil conservation measures, the soil erodes at an unacceptable rate. In contrast, an acceptable rate is one that can be tolerated without reducing the soil's long-term productive capacity. For most cropland soils, this annual rate ranges from 3 to 5 tons of soil per acre. At this rate, 1 inch of topsoil is lost every 30 to 50 years. A reduction in the soil's productive capacity translates into an increase in the cost of producing crops. So, ultimately, the point will be reached where the soil will no longer be capable of producing crops at all. Inevitably, soil erosion threatens our future capacity to even produce food and fiber products for our Nation's citizens, let alone supply people of other countries.

It must be recognized that we have reached a crisis level in the erosion of our soil. According to the national agricultural lands study, we are losing the equivalent of 1.01 million acres of cropland annually to erosion. In the 10 Great Plains States, wind erosion results in the loss of an additional 240,000 acre-equivalents.

Soil erosion by water and wind is reducing the productivity on 141 million acres; that is, 1 out of every 4 acres. Nearly 3 billion tons of soil erode from the Nation's cropland each year. Over the next 50 years, productivity losses could equal the output of 25 to 62 million acres of cropland, or production of 50 to 75 million metric tons of grain annually. The Department of Agriculture estimates that more than a third of the Nation's cropland is eroding at an unacceptable rate. Combined water and wind erosion exceeds tolerable levels for maintaining soil resources on almost 300 million acres of non-Federal cropland, pastureland, forest land, and rangeland. For cropland alone, the combined wind and water erosion totals 2.8 billion tons each year for a per acre average of 6.8 tons annually. This erosion rate is of staggering dimensions.

For, each year, water alone causes 1.9 billions tons of soil to erode from our cropland. Sheet and rill erosion exceeds the average tolerance rate of 5 tons annually on 94 million acres of cropland; 54 percent of all sheet and rill erosion and 89 percent of the excessive sheet and rill erosion occurs on 10 percent of the Nation's cropland—41 million acres. So on this land alone, erosion annually exceeds 10 tons per acre.

Even if the lands eroding annually at over 10 tons per acre were adequately protected, erosion at 5 to 10 tons per acre would continue to threaten our long-term agricultural productivity on another 53 million acres—13 percent of all cropland.

In my home State of Oklahoma, sheet and rill and wind erosion is more than 5 tons per acre per year on 43 percent of the cultivated cropland. On an average, all Oklahoma cropland annually loses more than 7 tons per acre—an average of 4 tons erode due to water and an average of 3.43 tons erode due to wind erosion. Wind alone causes over 35 million tons per year to erode from Oklahoma cropland. Wind erosion in the western half of my State is a major problem, especially during drought conditions. In November and December of this past year, wind erosion reports showed that almost 114,000 acres were damaged by wind erosion. Over 53,000 acres of crops were destroyed during this period and there are presently 835,000 acres in condition to blow at the present time.

The conservation programs we have in place today have helped to reduce erosion over the past years, and we must acknowledge their contribution. Yet, they are simply not adequate. More and more soil is lost due to farmers lack of monetary resources. There is an obvious need for more to be done to protect our Nation's valuable resources. Over 35 percent of Oklahoma's cropland is eroding at rates greater than the allowable soil loss. It is estimated that 40 percent of the conservation job remains to be done in Oklahoma in all respects, including watershed protection and land treatment. Approximately 5.9 million acres of Oklahoma cropland need conservation treatment right now.

The current programs simply have not been able to meet the need for conservation treatments. Despite the fact that the Great Plains Program provided $1,240,192 in fiscal year 1984 for new contracts in Oklahoma, 228 applications were not approved because of insufficient funds. Right now, we have a 3-year backlog for this one program. For each year the land is not brought into approved conservation treatment, we continue to lose valuable soil at an alarming rate. Resources that go unprotected today will be unavailable to produce commodities tomorrow. Today, in the Great Plains, we are experiencing soil loss rates paramount to the amount of erosion during the Dust Bowl days. We cannot long retain a viable agricultural sector if we do not act now to control erosion.

Mr. President, we simply must protect and maintain the productivity of agricultural lands through actions that prevent gradual degradation caused by excessive soil erosion. If we

are to continue to produce an adequate supply of food for home and exports, we simply must maintain high quality soil resources. Now is the time to increase the effectiveness of our conservation efforts, while the damage can be controlled.

This past week, I introduced legislation to provide for a long-term conservation program. Last year, Congress almost adopted a Conservation Reserve Program very similar to the one I introduced last year and reintroduced this year. We cannot wait another year to enact this type of legislation. Congress must also adopt some form of the so-called "sodbuster" bill. We just cannot allow highly erodible land to be brought into cultivation when such cultivation will jeopardize the future ability of this Nation to produce its own food.

At the same time we are providing for better conservation programs, we must also implement commodity programs which will allow the American farmer to receve a decent price for his products. By nature, American farmers want to be good stewards of the land. Yet, when cash prices remain low for a sustained length of time, thereby reducing his available cash, there simply is not enough money left over to implement or maintain conservation measures. If farmers were merely allowed to make a fair profit, they would implement these measures on their own.

Mr. President, Congress must act now. We cannot wait any longer. If we fail to take action now to preserve our valuable natural resources, we will one day be unable to provide basic foodstuffs for the citizens of our country. I urge my colleagues to join in our effort to enact legislation immediately. To enact legislation designed to bring profitability back to agriculture and in doing so to protect our future capacity to produce food and fiber products. I urge every Member to recognize the magnitude of the problem with which we are dealing and to act now while there is still time to avoid a complete collapse in this Nation's agricultural economy.

Mr. President, I thank my colleague from Alabama for yielding me sufficient time to make these remarks. I yield the floor.

A TRIBUTE TO DR. ALEXANDER NUNN

Mr. HEFLIN. Mr. President, today I am saddened to rise and say a few words about an outstanding Alabamian who passed away in January of this year, Dr. Alexander Nunn.

Dr. Nunn, who, I understand, was the uncle of my distinguished colleague in the Senate, Senator SAM NUNN of Georgia, had a long and outstanding career with the Progressive Farmer magazine.

A resident of Loachapola, Dr. Nunn attended public schools in Notasulga and Auburn, before beginning to write for the magazine at the age of 15. After earning his degree in agricultural education from Alabama Polytechnic Institute, now Auburn University in 1924, he joined the firm as a proofreader. The very next year, he was named assistant managing editor. Dr. Nunn would stay with the Progressive Farmer until his retirement in 1967 as executive editor and executive vice president.

In his retirement years, Alexander Nunn still did not slow down in his activities. Until his death, Dr. Nunn had been serving as Lee County's first official historian. That position had been established by the county commission in 1977, with him in mind. He was editor of Lee County and Her Forebears, published in 1983, and for years had been writing a historical column for the Opelika-Auburn News.

In addition, Dr. Nunn was joint author of the Community Handbook, editor of Agricultural Classics, a contributing author for This Is the South, author of Yesterdays in Loachapola and Communities Nearby, and editor of numerous other publications.

In 1959, he received an honorary doctor of science degree from Auburn University, and later served on the Humanities Advisory Council for the School of Arts and Sciences. Dr. Nunn was named Honorary American Farmer by Future Farmers of America, received the National 4-H Alumni Award, and was honored by the Soil Conservation Society.

In recognition of the many lasting contributions made by Dr. Nunn, a scholarship in agriculture will be established in his name. To the many who knew him, this is a fitting tribute to Dr. Nunn, for, more than anything, his legacy is one of helping people to help themselves.

Mr. President, I wish to express my deepest personal sympathy to his wife, Sallye Roe Nunn, his son, James William Nunn, and three daughters, Peggy Nunn Webster, Ruth Ann Nunn Bond, and Patricia Nunn Barkuloo.

I ask unanimous consent that two articles from the Opelika-Auburn News be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Opelika-Auburn (Ala.) News, Jan. 7, 1985]

COUNTY HISTORIAN, ALEXANDER NUNN, DIES AT AGE 80

Alexander Nunn, Lee County's first official historian, died early Sunday afternoon, Jan. 6, 1985 at Wesley Terrace, Auburn. He had served in that capacity since the county commission unanimously established the post in 1977, and was editor of Lee County and Her Forebears, published in 1983. For years he wrote a historical column for the Opelika-Auburn News.

Nunn was a resident of Loachapoka. His family had come into East Alabama with its early settlers. He was born Sept. 17, 1904, attended public school in Notasulga, and finished high school at Auburn in 1920. As a 15-year-old student, he began to write for The Progressive Farmer magazine, and after earning a B.S. degree in agricultural education from Alabama Polytechnic Institute in 1924, he went to work for the firm as a proofreader. He was named assistant managing editor the following year, and retired in 1967 as executive editor and executive vice president.

He was joint author of The Community Handbook, editor of Agricultural Classics, a contributing author to This Is The South, author of Yesterdays in Loachapoka and Communities Nearby, and editor of numerous other publications.

A founding member of the Lee County Historical Society and its museum, he was instrumental in getting the Loachapoka Historical District placed on the National Register of Historic Places.

He was named Honorary American Farmer by Future Farmers of America, received the national 4-H Alumni Award, and was honored by the Soil Conservation Society. A Methodist, he served as delegate to jurisdictional and general conferences, as well as the World Ecumenical Conference of Methodism in England in 1951.

In 1959 he received an honorary doctor of science degree from Auburn University, and later served on the Humanities Advisory Council for the School of Arts and Sciences. He also served on Emory University's Committee of 100.

A longtime member of the Lions Club in Auburn and Birmingham, he was a past president of the Birmingham Downtown Lions. He served on the boards of Blue Cross-Blue Shield of Alabama and the National Agriculture Hall of Fame, was a trustee of the Farm Foundation, and was a member of the Citizens and Southern National Bank Agricultural Advisory Board.

In 1961-62 he was chairman of the National Cotton Advisory Committee, and was national chairman of the Agricultural Advisory Committee in Vocational Education. He served in various advisory capacities in programs related to low-income farm families, and farm ownership development.

A scholarship in agriculture will be established in his name, and the family suggests that in lieu of flowers, those who wish may contribute to the scholarship fund, the Lee County Historical Society, or a favorite church or charity. The fund address is the Agricultural Alumni Association Scholarship Fund—Alexander Nunn Memorial, Auburn University Foundation, 116 Foy Union, Auburn University, Ala., 36849.

A graveside service will be held at 10 a.m. Tuesday at Loachapoka Cemetery with the Rev. Gary Miller officiating. Survivors include his wife Sallye Roe Nunn; one son, James William Nunn, Auburn; three daughters, Peggy Nunn Webster, Auburn, Ruth Ann Bond, Enterprise, and Patricia N. Barkuloo, Tifton, Ga.; 10 grandchildren and five great-grandchildren.

Frederick's Funeral Home is in charge of arrangements.

[From the Opelika-Auburn (Ala.) News, Jan. 13, 1985]

ALEXANDER NUNN: A NOBLE MAN

(By Hardy L. Graves)

(Editor, Opelika-Auburn News: This is an open letter to the Nunn Family, the people

of Loachapoka and indeed, the people of the world.)

Dear Mrs. Nunn and Family:

The loss of your husband and father, Dr. Alexander Nunn, is shared and felt deeply by all of the people of Loachapoka, Lee County and people everywhere who knew him. Let me share with you exactly who I am, not for your benefit, but for the information of others who shall read this letter.

My name is Hardy L. Graves. I was born and reared in Loachapoka. I am black; Dr. Nunn was white. In spite of that Dr. Nunn was like a father to me. In short, he did more for me than any other person I know outside my immediate family. Please know that that is a tremendous compliment to your husband and father for I am everlastingly indebted to a lot of wonderful people in Loachapoka, both black and white. Whatever I have accomplished is due, in large measure, to Dr. Nunn and the people of Loachapoka.

My first contact with Dr. Nunn came in the early 40's; a time when a man of his stature and standing had no need to show kindness and concern in order to get me to work. Dr. Nunn was well aware of this fact, but he never missed the opportunity to teach me and others like me all that we were willing to learn. He had an insatiable appetite for learning and for helping others to learn and to improve themselves in every facet of life. I spent 29 years in the United States Army, retiring with the rank of Lieutenant Colonel, an accomplishment that made Dr. Nunn extremely proud. I visited him in September 1981 and informed him of my intentions to retire and enter full-time into the ministry. He looked at me, as only he could, and said, "Hardy, I am proud you are coming home and will be a minister. You have already made history but I had hoped you would have stayed in the Army long enough for you to become the first Black General Officer from East Alabama." He never stopped pushing himself nor the people around him!

Dr. Nunn wrote two books and numerous articles about his beloved Loachapoka and the communities nearby. He was eminently involved in establishing the East Alabama Historical Society, the Annual Loachapoka Syrup Sopping Festival, the Loachapoka Beautification Program and numerous other civic, agriculture and social projects for our community. He walked miles, dug under and round more rocks than anyone to locate and preserve Indian Artifacts and other abandoned and forgotten cemeteries. He left a legacy for us to study and cherish. But more importantly, he left an example for all of us to live by.

Dr. Nunn believed wholeheartedly in education for all people! The O. L. Randolph Memorial Scholarship Fund was established in November 1978, principally to help and encourage black youths graduating from Loachapoka High School to continue their education. Since that time more of the youths graduating from Loachapoka High School than any other county high school in the Lee County area have gone on to college or junior college. Dr. Nunn contributed more, financially, to make that possible than any other person.

I want you to know that to the extent it has been possible, I have, for a long time, attempted to pattern my life after that of your husband and father. He was "The last of a breed." His was the noble example! An example, I pray, that is rooted deep in the hearts and lives of our people. I cannot now speak for all Loachapokians or any of the other countless individuals whose lives Dr. Nunn touched, but I pledge to you this day that I shall spend my life, and be spent, to demonstrate to you and others all the things Dr. ALEXANDER NUNN is to me. For even in death he lives, because I live!

A TRIBUTE TO HENRY GOODRICH

Mr. HEFLIN. Mr. President, I rise today to share with my colleagues an article from Sky, a publication of Delta Air Lines. This article profiles an outstanding business leader in Alabama, Henry C. Goodrich.

Mr. Goodrich plans to retire as chief executive officer of Sonat, Inc., an energy and energy-services company based in Birmingham in 1985. He is presently serving as the company's chairman of the board. As the South's largest energy supplier, Sonat, Inc., had revenues of $2.7 billion in 1983 and, when final figures are in, expects 1984 to mark its 25th consecutive year of increased profits. Employing about 7,000 people internationally, Sonat is the largest company in Alabama and is said to rank among the 10 most profitable companies in the South. While Sonat is obviously an invaluable asset to the State of Alabama and to the South as a whole, Henry C. Goodrich is valuable in his own right, to both his company and community.

Born in Fayetteville, TN, during the depression, Goodrich learned the value of hard work at an early age. Since his discharge from the Navy in 1945, he has risen straight to the top of every company with which he has been involved. Of his 23 years with Rust Engineering Co., he says, "I helped design most of the major paper mills in the South. I started out on the drawing board and wound up running the place."

Goodrich moved on after becoming senior vice president and a member of the board. He next rose from executive vice president to board chairman and chief executive officer at Inland Container Corp., a manufacturing company. Goodrich transformed this dying family company into a viable competitor in the public marketplace. Under his leadership, Inland was bought by Time, Inc., a move that landed him on Time's board of directors.

With this sort of background, it is not surprising in the least that, under Goodrich's direction, Sonat has grown from a little-known company to become one of the best-known energy companies in the world. Goodrich himself was chiefly responsible for focusing the company's interest on energy. Rather than diversify the company, Goodrich and others have divested Sonat of some interests while pursuing others which they hope will lead to a better future in the energy business. Thus far, this plan has been quite a success.

Along with Goodrich's shrewd business sense, he is admired and widely respected for his supreme managerial skills. By keeping management somewhat decentralized, Goodrich seeks to encourage an entrepreneurial spirit within the company—one which has encouraged the employees to think in broader terms about the business and future possibilities. This approach to business and the present strength of the company are the elements which will ensure the continued prosperity of Sonat, Inc., after the retirement of Henry C. Goodrich in May of this year. The financial community has a very high respect not only for Goodrich but also for the long-term potential of the company. Even this respect is largely due to Goodrich who was instrumental in broadening communication between company executives and financial analysts.

Goodrich and Sonat also enjoy the respect of their home community. Under Goodrich's leadership, Sonat has been involved in Birmingham—with everything from local city government, to local art exhibitions. The influence of Henry Goodrich will continue to be felt through the involvement in civic affairs which he has encouraged among Sonat executives as well as through the impact that Sonat will have on the Southern States.

Henry Goodrich is a great asset to Alabama and the South. Under direction like his, businesses and communities in our country cannot help but prosper.

Mr. President, I ask unanimous consent that an article from Sky magazine concerning Henry C. Goodrich be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HENRY C. GOODRICH—CHAIRMAN OF THE BOARD, SONAT, INC.

(Profile by Frederick Burger)

It's possible you've never heard of Henry C. Goodrich, or the company he heads. But that's understandable. Goodrich's corporation, Sonat, Inc., may be viewed as the quiet giant among American's energy-related industries.

Goodrich has been the chief executive officer and board chairman of Sonat Inc., an energy and energy-services company, for the last five years. Sonat—which had revenues of $2.7 billion in 1983—is the South's biggest energy supplier. Its 8,500-mile pipeline distributes natural gas to much of the region via such customers as Alagasco in Alabama and Atlanta Gas Light in Georgia. The pipeline, which operates as Southern Natural Gas Co., is Sonat's most profitable subsidiary, earning $105 million in 1983, accounting for half of the company's net earnings.

If you drive a car east of the Mississippi, you're an indirect Sonat customer, too. Among the company's five primary subsidiaries is Sonat Marine Inc., a Philadelphia-based operation that is the largest independent transporter of petroleum products in the U.S. Sonat's 54 tank barges and 40 tugboats work between refineries and distri-

bution points along the Atlantic and Gulf coasts.

That's not all of it. The company has leases on about 350,000 offshore and some three million onshore acres, where it drills for oil and natural gas via another subsidiary, the Sonat Exploration Co., which is based in Houston.

Sonat's corporate address is downtown Birmingham, Alabama, home of a "medium-size" ocean-oriented energy company that, nevertheless, does business with virtually every oil and gas company in the world. Though Sonat's national profile and local influence have leaped under Goodrich's thoughtful, innovative tenure, the company's 30-story steel-and-glass tower, the tallest in Birmingham, bears no conspicuous identification to remind locals of the corporate giant residing in their midst.

Sonat, however, is far and away the largest company in Alabama. It employs about 7,000 internationally, and probably ranks among the ten most profitable companies in the South, placing it alongside the likes of R.J. Reynolds and Coca-Cola.

"Most size aspects are based on revenues," says Goodrich, chatting amicably in his tasteful top-floor office. "Our revenues are about $2.7 billion. The biggest company in the pipeline industry—leaving out Tenneco—probably has revenues of about $6 billion, the smallest about $500 million. So we're sort of in the middle.

"But if you look at some interesting statistics that Fortune put out, they group us in the service-industry category. Certainly on that basis, while we rank 50th in the utility category in the United States, we were first in profitability and first in growth over a ten-year period. On a pure profit basis, ranking all of Fortune's 1,000 companies, if they put us in there, which they don't because they claim we're a utility company, which we're not, we would rank about 150th in the United States as far as profitability is concerned."

Last year, Sonat posted net earnings of $210 million, an overall three-percent increase over 1982. That's an impressive record, considering the unpredictable fluctuations of the high-risk energy business. Sonat expects 1984 to mark its 25th consecutive year of increased profits.

All of which will be good news for Sonat and its stockholders. The profit figures attest to Goodrich's managerial skills, which have drawn approving nods from Wall Street analysts.

"Henry Goodrich obviously has achieved a good bit," says Ron Cassinari, first vice president and an energy-company analyst with E.F. Hutton in New York City. "He's been in office during a difficult time. There has been a cyclical downturn in offshore contract drilling, but when you look at the overall record, he's done a fine job. The financial community in general has a very high regard for Sonat, its management, and the long-term potential of its operations."

That analysis is directly attributable to Henry Goodrich's stewardship. Under his leadership, Sonat renewed its emphasis on, and commitment to the energy business. Investments in research and production increased dramatically, a tack that Cassinari says will enhance Sonat's chances for continued growth in the future. In addition, Goodrich has made it a point to broaden communications between company executives and financial analysts. Before Goodrich assumed the reins, Sonat maintained a low profile indeed, even in the financial community. Cassinari, in fact, recalls having little if any prior contact with Sonat executives. As a result, neither he nor other important Wall Street analysts knew much about the company, its strategies, or goals.

Goodrich changed all that. A recent survey conducted by Cassinari shows that energy-company analysts are more familiar with Sonat than other similar companies, some of which are larger.

"Under the aegis of Mr. Goodrich, security analysts have come to know the management of Sonat better than before," Cassinari says. "And he's been responsible for putting in a management-succession plan. Wall Street has a high regard for the people who will be leading this company in the future."

It is a measure of Goodrich's background, experience, and forsight that he has had a significant impact on Sonat. Some might have expected his tenure as CEO and chairman of the board to be that of a caretaker executive. However, Goodrich's shrewd business sense and the respect of his peers led him into a more active role than some probably anticipated.

"What he's really done is get people to think in broader terms," says William Koke, Sonat's director of financial relations. "He's thrown the window open and let fresh air in. He's been the right person at the right time."

Anyone who knows Henry Goodrich would have expected nothing less. He strikes first-time visitors as a gentle, courtly man. But his corporate success has marked him as a man of no small ambition. After all, he has led several corporate lives, all of which exposed him to competing ideas and sometimes divergent corporate strategies. His evolving curiosity and fascination with differing aspects of the business world prepared him for the broad range of tasks that ultimately enabled him to see clearly and deal with whatever was the job at hand.

All of those qualities began to take shape in his Depression-era childhood. He was born 64 years ago in Fayetteville, Tennessee, the son of a country doctor and a "fine Christian lady." His family was prominent for the times and place, though his father often had to barter his services with his rural patients. Goodrich recalls being exposed to the work ethic early: "I started carrying papers when I was in the fifth grade. I guess I've been working ever since."

Goodrich, too, considered becoming a doctor, but passed on the idea: "My interests were more technical. I guess I've always been interested in building things." When the opportunity arose to work his way through school, he enrolled at the University of Tennessee, where he received a degree in civil engineering in 1942.

From there, he went into the U.S. Navy's Civil Engineering Crops ("I got my first taste of management there"), spending the better part of three years building docks, bridges, and pipelines in Panama. Then, upon discharge in 1945, he started looking for a civilian job. He quickly landed one in Birmingham with the Rust Engineering Co., where he started out drawing plans for industrial plants that produced such things as steel, tires, paper products, and textile goods. Then he moved into sales, where he helped garner the company not only the planning work for plants, but the construction work as well.

"I helped design most of the major paper mills in the South," Goodrich recalls. "I started out on the drawing board and wound up running the place."

Goodrich spent 23 years with Rust, leaving after having become senior vice president and a member of the board of directors. In 1967, his career took another turn. Rust had been an engineering-construction business, but then came the opportunity to join the Inland Container Corp., a manufacturing concern that turns out corrugated boxes. It was something of a right turn career-wise, but one which he made easily. Goodrich stayed with Inland in Indianapolis for 12 years, starting out as executive vice president and leaving as board chairman and chief executive officer.

At Inland, he had presided over the complex sale of the company to Time Inc., a relationship that landed him on Time's board of directors, a position he still holds. The Inland post also found him being invited to join the board of Southern Natural Resources Inc. (now Sonat), which then had a forest-products division.

So his association with Inland played a major role in his career movement, but it also tested his mettle. Inland had been an ailing company, family owned and underfinanced for capital expansion. "It was a challenge," Goodrich says of his days at Inland. "We had to shift into the public marketplace. We went through all the interesting aspects of changing it from a family company to a public one whose stock was sold on the New York Stock Exchange. There's no question that [Inland] was not in the best of shape when I went up there. Looking back, it was in bad shape. We had to change the attitudes of a lot of people, who had given up. The founders weren't willing to put any more money into the company. Changing that attitude to a growth attitude was probably the most challenging part of it.

"We had a struggle at Inland, and I think we did an outstanding job. It wasn't just me; it was a whole lot of people. It [the sale to Time Inc.] was a good deal. Everybody was happy; nobody got fired. Everybody got promoted."

At the same time, Goodrich found himself the head of a subsidiary. It wasn't so much that he wished to remain top-dog as it was that the challenge at Inland had ended. And, too, he always had planned to return and settle in Birmingham. The hopes of that became reality when Southern Natural Resources started looking for a replacement for John Shaw, the company's retiring chief.

The line of succession was unclear, and some of the company's younger executives were untested. The board of directors started casting about and settled on one of its own: Henry Goodrich. Goodrich returned to Birmingham in 1979, and assumed the posts of president and chief administrative officer. Within three months, he was made CEO.

"You've got to remember, I had been an outside director for Southern Natural Resources for ten years," Goodrich says. "But this was another change in career. This is an energy company; Inland had been a manufacturing company. This job has a great deal to do with civil engineering, but as far as the processes are concerned, the manufacturing and energy processes are different. Of course, this company was in good condition. It was a little different compared to Inland."

Henry Goodrich was immediately charged by the board of directors to do several things: establish a line of succession, maintain the company's growth record, and increase company involvement in government affairs. He has done all of that. For instance, after several years of sorting

through the abilities of younger executives, Sonat chose Ronald L. Kuehn, Jr., formerly president and chief operating officer, to step up and become the company's chief executive officer. Goodrich, in fact, retired as CEO on June 1, but is expected to remain as board chairman through next May.

He also established a full government affairs office in Washington, D.C., where the important decisions in the energy business are made.

Perhaps Goodrich's single most important corporate act, however, has been to refocus the company's sights on what it knows best: energy. He changed the corporate name to Sonat, which reflects the company's international operations, thus erasing an appellation that implied only regional activities.

He was instrumental in seeing that Sonat divested itself of its forest-products division—an equally split investment with the Boise Cascade Corp. In selling those interests to Boise for $300 million (Boise also will assume Sonat's $112-million share of the debt), Sonat expects to increase earnings by $50 million this year. That deal—Sonat will retain mineral rights to 700,000 acres of West Louisiana timberland—was seen as helping Sonat refocus its sights on the energy business.

In addition, Sonat spent $141 million earlier this year to buy Teleco Oilfield Services of Meriden, Connecticut, a high-tech inventor. Teleco pioneered development of sophisticated devices that reduce exploration costs by providing technical data during on-site drills for oil and natural gas. That acquisition is seen as a major investment in Sonat's future development of energy.

"The strategy of the company, sticking with the energy business, is obviously one they can hang around my neck, because that's exactly where I came out," Goodrich says. "I'm convinced this bunch could do most anything, but we're betting on the long term as far as contract drilling is concerned, so we're going ahead with building $100-million rigs. Nobody else is, but we are. We believe in the business and staking out a niche in the high-tech aspect of it."

Goodrich has been a manager long enough to know that there are precious few companies that went through major diversification programs and succeeded: "You can count 'em on two toes. Rather than undertake that, which really has a high degree of risk-taking, we decided to stick with energy. Why get away from a business you like and know something about?"

A cornerstone of Goodrich's management philosophy is that you don't drill a hole when the odds are the field is dry. Another is that you hire capable people and let them do their jobs. There are those with Sonat, who have worked with other companies in other states, that marvel at the Birmingham company's executive talent.

"Most companies are very badly managed," says Sonat's Koke. "They usually have one or two people who are dynamite, and their momentum carries the company along. When I came to Sonat, I never saw so many competent people. I've never seen such depth in a company."

Goodrich's management style clearly lures and encourages that kind of talent. He talks of the way managers should "take chances." He refers to nurturing Sonat's "entrepreneurial spirit."

"The entrepreneurial spirit is still out there, and that's one thing we've tried to introduce in a big way," says Goodrich, who's said to be an unyielding competitor on the tennis court and golf course as well. "It's very difficult, because we get so hidebound by all the trappings and rules and regulations. So I've tried to treat people like entrepreneurs, get them to think like entrepreneurs, try to get them to be risk-takers. Of course, ours is a risk-taking business, so we don't have the problem some companies do. We compensate people well, and we let 'em earn by doing. We don't fire somebody for failure if an honest effort has been made in a risk-taking venture, because you're going to have some failures."

Goodrich has encouraged that risk-taking spirit by seeing that management remains somewhat decentralized. As an example, strategic planning of subsidiaries was once performed at the company's highest levels; now it's put together at the subsidiary level, then approved by upper-echelon management.

When Goodrich retires from Sonat next year—and there are those who can't imagine him retiring—he will have left his mark on the company and the community as well. More than his predecessors, Goodrich has taken an active part in civic affairs and insisted that other company executives do the same.

Sonat executives regularly play major roles in local United Way campaigns. A couple of years ago, Goodrich loaned virtually all the company's financial whizzes to the city to study Birmingham's future revenue needs. Last year, the company cofunded an exhibit of Deep South artists at the Birmingham Museum of Art; after company employees voted on their preferred pieces in the 75-work exhibit, Sonat bought the two favorites for display at the corporate headquarters. The company has also had a hand in arranging for the exhibit of the prestigious Armand Hammer collection at the museum next year.

"I hope I leave corporate involvement as a legacy," says Goodrich, who loves nothing more than a good bird hunt. "I beleive in companies and people working for them paying their civic rent. And I hope our people will continue to play a major role.

"We've taken the position that Birmingham is our home base, that we're going to stay here and expand here. We've chosen to work with the city in a number of areas, primarily trying to help them in their financial problems, towards developing a program for the future.

"Whether it will be successful or not, I don't know," Goodrich concludes. "But we think it's got a fighting chance."

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WEICKER). Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 2 p.m. with statements therein limited to 5 minutes each.

IN PRAISE OF DAVID STOCKMAN

Mr. HUMPHREY. Mr. President, the RECORD today will show some remarks critical of the Director of the Office of Management and Budget, Mr. Stockman. While I do not rise to contend with my colleagues who may be critical at the moment of Mr. Stockman and perhaps the choice of his words, at the same time I did not wish the RECORD to be closed today without some offsetting praise.

This Senator thinks that Mr. Stockman is doing a very difficult job very well indeed. If he is perhaps a little injudicious occasionally in his choice of words, that is understandable; certainly understandable to Members of this body who daily, with increasing intensity, are the focus of special-interest lobbying efforts. I think that Members of this body, therefore, can understand that Mr. Stockman is even more intensely the subject of the focus of even more intense lobbying.

It must be very frustrating indeed for him to find his proposals shot down time after time. So his frustration can be understood.

In fact, this Senator, at least, finds his candor refreshing. There are a great many fat, bloated sacred cows in this city and in this Nation which need to be skewered and punctured and Mr. Stockman is well justified in his criticism, and his choice of words can be understood.

I say more power to him. I say let him be frank and candid and renew his vigor in attacking the waste and unaffordable spending that goes on in this Government year after year.

Mr. President I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FREEDOM OF THE PRESS ON TAIWAN

Mr. PELL. Mr. President, I have risen on many occasions in the past to protest the denial of human rights and democratic freedoms on Taiwan. I do so again today.

I do this not to punish the Taiwan Government or to take sides in political disputes. On the contrary, I am convinced that many on Taiwan, unlike a number of other developing countries, genuinely want to make changes that can lead to greater democracy for all the island's people. Such a process is not easy. Progress can by no means be guaranteed. Positive steps forward are often followed by backsliding. Some on Taiwan fear

change and do their best to frustrate the reformers. So, I speak out not to chastise all, but to encourage those who genuinely seek to bring basic democratic freedoms to all the people on Taiwan.

One of the basic freedoms of a democracy is a free press. Unfortunately, the press on Taiwan is not now, and has never been, completely free. The Government directly or indirectly controls most publications. Some opposition newspapers and magazines exist, but they are constantly harassed and frequently closed down. Their staffs often find themselves in jail. This situation, however, has not remained static.

A slow process of allowing greater freedom of the press can be traced especially under the current President, Chiang Ching-kuo. The process has been marred by a lack of clear guidelines on what were permissible activities and by periods of retrenchment in which harsh punishments were meted out for what had previously been acceptable practices. Needless to say, these periods have a tremendous chilling effect on the members of the press.

We are witnessing such a period of retrenchment and arbitrary judgments right now on Taiwan. The Neo-Formosa Weekly is under attack. Three persons associated with this publication—Mr. Chen Shei-ben, Lee Yi-yang, and Huang Tien-fu—have been found guilty of libel. They have appealed their case, but hold out little hope that the verdict will be overturned. From what I know of the case, it appears that Neo-Formosa has been singled out for punishment to serve as a warning to others that they might be next. A free press cannot exist under such conditions.

The Henry Liu case is another matter that disturbs me. Although it has nothing to do with freedom of the press, it has everything to do with the arbitrary powers sometimes practiced by the authorities on Taiwan or those employed by them. Numerous accusations have been made in the past concerning Taiwan's intelligence activities here in the United States. I do not know if all these accusations are true. I also do not know all of the relevant details of the Henry Liu case. I do know that we cannot tolerate illegal activities of any sort on our shores. If such acts have occurred in the past, I am appalled. If there are intelligence units operating illegally in this country now, they must be stopped immediately. Finally, Taiwan must be put on notice that we will not tolerate any such activities in the future.

Thank you.

THE COMING CRISIS IN TEACHING

Mrs. HAWKINS. Mr. President, over the last several years much has been made of the crisis in American education. I would like to take a few minutes of the Senate's time to discuss what I believe to be one of the most important aspects in the successful resolution of this crisis. The National Commission on Excellence in Education's report, "A Nation at Risk," spelled out in clear terms the great challenge that lies ahead of this country if we are going to adequately educate future generations. The report outlined a need for higher academic standards, greater attention to the rudiments of education, and a need to improve the capabilities of American teachers. The response to this report has been outstanding. Education now stands at the top of the national agenda.

In every State in the Nation a flurry of activity is underway to improve our elementary and secondary schools. State legislatures have concentrated on raising the competency of graduating high school students and providing incentives for more effective teaching. At last report, according to the U.S. Department of Education, 40 States have raised their high school graduation requirements, 23 have increased the instructional time for students, 45 have undertaken the process of curriculum reform. According to the Department of Education report, "A Nation Responds," 14 States have approved salary increases for teachers, and 30 have some scheme for master teacher/career ladder systems under consideration.

The groundswell of concern and the activity to improve our system of education were born at the local level. The National Commission merely amplified the cries of frustrated parents and of educators into a shout so loud that government at all levels was forced to respond. And respond it has. In almost every case, the States and localities have led the way toward a better education of America's students. Total spending on education in the United States has steadily risen since 1980. During the 1979 school year, resources totaling over $165 billion were committed to education by local, State, and Federal Government. By 1983-84 that commitment had risen by over 30 percent to $227 billion. More important, is the fact that although Federal outlays have risen over this same period, the State and local share of total spending has increased. Education has traditionally been, and should remain, primarily State and local responsibility and function.

The Federal Government bears the responsibility for helping to chart this Nation's course into the future. The education of our children is perhaps the most important factor we consider as we chart that course. And so, the Federal Government has a vital role to play in fostering better education. The National Commission on Excellence in Education turned out a virtuoso performance in this regard. I would like to reflect, however, on where we go from here.

Mr. President, in the classic sense there are two characters in an educational setting. There is the student and there is the teacher. Traditionally, the focus of Federal effort has been on assisting students. The National Commission focused on improving student performance. By and large, Federal education programs are designed to directly benefit students in the greatest need of assistance. Compensatory education, education for the handicapped impact aid, and college student assistance programs all serve students. The goal of these efforts has been increased access to education and to provide for an equal quality of instruction in all American public schools. We have found Mr. President, that over the years spending money on students is not necessarily the answer to achieving these goals of greater access, equality, and quality of instruction. There are other, more powerful forces at work that affect education.

Shifting demographics the state of the economy, and increases in crime and violence in our communities have had a profound impact on our schools. One of the most devastating forces affecting education is the state of the teaching profession.

Teachers are not well compensated. It is tragic that in a system that rewards productivity and individual initiative, teachers with these qualities who choose to stay in the classroom face dismal prospects when it comes to career earning potential.

There is not a great deal of respect for teachers in the community. In fact, there is often a certain disregard for teachers as professionals. Teachers are expected to inform, discipline, and inspire our children. Students are expected to show results. Consequently, when the school system is not performing up to our expectations, teachers get the blame.

Mr. President, we are all aware of the decline in college board scores throughout the 1970's and early 1980's. Teachers clearly share responsibility for the poor showing of American students on a range of academic measures. We are also aware that in 1984 that downward trend was turned around. For the first time in years, the average SAT score went up. Teachers share the credit for this as well.

Mr. President, as parent and grandparent, I know how important teachers are in the lives of children. For 13 years, a child spends more of his waking hours with his teacher than he

does his parents. As a "guesstimate," our children spend about 1,400 hours each year for 13 years with their schoolteachers. Intelligent, skillful, articulate, enthusiastic, experienced teachers are crucial to the well-being of our Nation's most precious resource. It is clear that the quality of America's teachers have much to do with the future quality of American life.

Fortunately, there is a great deal of debate on how to improve the quality of today's teachers and what steps should be taken to insure an adequate supply of quality teachers in the years ahead. It is a lively debate in which the participants are numerous and the opinions are varied. In the coming weeks, I hope to help bring greater attention to this debate by including in the RECORD a number of articles, essays, and statements on the subject of teaching in America. In the end, as the Committee on Labor and Human Resources considers the reauthorization of the Higher Education Act, I hope to not only focus attention on the state of teaching in America, but to define a proper role for the Federal Government in assisting in the improvement of the profession as well.

Mr. President, I ask unanimous consent that the text of the Rand Corp. report, "The Coming Crisis in Teaching," be printed in the RECORD following my remarks. I believe this report is a good commentary with which to start.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

BEYOND THE COMMISSION REPORTS: THE COMING CRISIS IN TEACHING

(By Linda Darling-Hammond)

PREFACE

The text of this report was first compiled and presented as a briefing to the Rand Corporation Board of Trustees on April 13, 1984. The research on which it is based was accumulated over the course of several Rand studies of the teaching profession, supported in part by the National Institute of Education and The Ford Foundation. Because of widespread interest in the topic, the briefing is being published as a report so that it can be made available to education policymakers, practitioners, and researchers who are concerned about the status of, and the prospects for, the teaching profession.

SUMMARY

This report treats the current status of the teaching profession at a time when renewed efforts to improve the quality of American education are occurring at the federal, state, and local levels. The report demonstrates that dramatic changes in our nation's teaching force will soon lead to serious shortages of qualified teachers unless policies that restructure the teaching profession are pursued. Until teaching becomes a more attractive career alternative, the problems of attracting and retaining talented teachers will undermine the success of other reforms intended to upgrade educational programs and curricula.

The report analyzes recent data indicating changes in the recruitment and retention patterns of the American teaching force, in the quality of teachers, and in the attractiveness of teaching as a profession. The current highly educated and experienced teaching force is dwindling as older teachers retire in increasing numbers and many younger teachers leave for other occupations. Recent evidence suggests that new recruits to teaching are less academically qualified than those who are leaving, and the number of new entrants is insufficient to meet the coming demand for teachers. The most academically able recruits to teaching leave the profession within a very short time. Shortages of qualified teachers in subject areas such as mathematics and science are expected to grow over the next few years into a more generalized teacher shortage as enrollments increase and the supply of prospective teachers continues to shrink.

Several factors contribute to this problem. Demographic trends are provoking supply and demand imbalances for teachers. More significantly, though, academically talented women and minorities, who were once restricted to teaching as a professional option, are now choosing other occupations that promise greater financial rewards, more opportunities for advancement, and better working conditions. Teachers' salaries fall well below those of most other occupations that require a college degree, and average teachers' salaries have been declining for the past decade. The non-pecuniary rewards of teaching have also been dwindling, as teachers are increasingly viewed as bureaucratic functionaries rather than as practicing professionals. Lack of input into professional decisionmaking, overly restrictive bureaucratic controls, and inadequate administrative supports for teaching contribute to teacher dissatisfaction and attrition, particularly among the most highly qualified members of the teaching force.

Unless major changes are made in the structure of the teaching profession, so that teaching becomes an attractive career alternative for talented individuals, we will in a very few years face widespread shortages of qualified teachers. We will be forced to hire the least academically able students to fill these vacancies, and they will become the tenured teaching force for the next two generations of American school children.

Higher salaries for teachers are only part of the solution to this problem. As in other occupations, working conditions that affect teachers' abilities to perform their jobs effectively are a partial substitute for wages. In teaching, a particularly important aspect of those working conditions is the degree of professionalism allowed in the work structure. Professionalizing teaching will require a new career structure in which improved preparation and professionally enforced standards of practice are combined with increased responsibility for technical decisionmaking by those who successfully demonstrate their competence. Upgrading teacher compensation and creating more professional working conditions are part of a structural solution, one that addresses the interrelated causes of the teacher supply and quality problems, rather than merely their symptoms.

ACKNOWLEDGEMENTS

This report is the product of many people's insights. Several years of research and reflection on teaching issues by Arthur E. Wise provided much of the conceptual background for this study. Rand researchers Thomas K. Glennan, Paul T. Hill, Sue E. Berryman, and Richard Shavelson contributed important criticisms as the briefing was being prepared. David Lyon provided motivation for compiling the briefing and this report. Mary Vaiana assisted in the cogent formulation of the ideas presented herein. The author, of course, remains responsible for any errors of fact or interpretation that have survived their careful scrutiny.

Wanted

[Charts mentioned throughout text, not reproducible in the RECORD.]

"College graduate with academic major (master's degree preferred). Excellent communication and leadership skills required. Challenging opportunity to serve 150 clients daily, developing up to five different products each day to meet their needs. This diversified job also allows employee to exercise typing, clerical, law enforcement, and social work skills between assignments and after hours. Adaptability helpful, since supplier cannot always deliver goods and support services on time. Typical work week 47 hours. Special nature of work precludes fringe benefits such as lunch and coffee breaks, but work has many intrinsic rewards. Starting salary $12,769, with a guarantee of $24,000 after only 14 years."

The conditions described in this want ad accurately characterize the typical secondary school teaching assignment in the United States today. Who would take a job like this? The answer to that question is the topic of this report.

The Emerging Crisis in Teaching

Over the past eighteen months, a number of major reports have been issued on the quality of American education. Reports from the National Commission on Excellence in Education, the Education Commission of the states, the National Science Board, the Twentieth Century Fund, and other institutions have called for higher educational standards, increased course requirements, and other major reforms designed to improve the quality of instruction. The message of these reports is important. However, the crisis now emerging in the teaching profession could preclude the attainment of the other reforms being urged. If public schools are to attract enough highly qualified people to become teachers, working conditions and compensation must change in significant ways.

The nation's teaching force is changing dramatically. The current highly educated and experienced staff is dwindling as older teachers retire and many younger teachers leave for other occupations. Recent evidence suggests that new recruits to teaching are less academically qualified than those who are leaving; moreover, the number of new entrants is insufficient to meet the coming demand.

Chart 1 shows the decline in academic ability of students planning to become teachers, as measured by scores from Scholastic Aptitude Tests (SAT). The scores of students planning to major in education have traditionally been lower than those of other students. In addition, over the past decade, the scores of potential education majors have declined more steeply than those of other students.[1] Most teaching recruits are now drawn from the bottom group of SAT scorers; most of the few top scorers who are recruited to education leave the profession quickly.[2]

Chart 2 shows the pattern of attrition from teaching, using data for white female

Footnotes at end of article.

entrants to the teaching profession in 1973 in North Carolina. Here the measure of ability is the National Teachers Examination (NTE), which is given to prospective teachers in many states. The attrition rates of the North Carolina teachers tested in 1973 were directly related to NTE scores: Many more top scorers than bottom scorers left teaching within 7 years. By 1980, almost two-thirds of the top decile had left, whereas only about one-third of the bottom decile had left.[3]

Although these measures of academic ability do not fully predict teaching performance, it is clear that the teaching profession is attracting and retaining fewer academically able young people than it has in the past.

For most of the past decade, there has been a widely recognized surplus of teachers, so policymakers have not been aware of recent changes in recruitment patterns. In the past few years, though, shortages have been occurring in certain teaching areas, particularly in secondary school specialties. A recent survey of teacher placement officers[4] identified nationwide shortages in the following areas:

Mathematics; physics; computer programming; chemistry; data processing; bilingual education; special education; Earth science; biology; and English.

The shortages in mathematics and the sciences are particularly severe, but other teaching areas that formerly showed surpluses are also joining the list. The shortages have immediate effects on educational quality, because they mean that courses must often be taught by teachers who are not qualified in the subject areas.

Charts 3 and 4 show the dimensions of this qualifications problem. In 1981, the most recent year for which data are available, fewer than half of the newly hired teachers in mathematics and science were certified or eligible for certification in the subjects they were assigned to teach. Fewer than two-thirds of the newly hired teachers in English, social studies, and other secondary subjects were qualified by this criterion.[5]

The shortage of mathematics and science teachers exemplifies the magnitude of the long-range teacher supply problem. According to one set of estimates, of a total teaching force of about 200,000 mathematics and science teachers, 9 percent left in 1982-83, 30 percent are not fully qualified for the subjects they are teaching, and over 40 percent with retire within the next decade.[6] The National Science Teachers Association estimates that 300,000 new mathematic and science teachers will be needed by 1995—more than the total number of mathematics and science teachers currently teaching.[7]

Furthermore, there is not indication that the teaching profession is attracting new mathematics and science teachers at a rate that might potentially meet the increased demand. In fact, as Chart 5 shows, exactly the opposite is true. In 1981, the nation's colleges granted fewer than 1400 bachelor's degrees in the fields of mathematics and science education combined.[8] This number represents less than one mathematics or science teacher for every ten school districts in the United States. In the following school year, 1982-83, about 18,000 mathematics and science teachers left their teaching positions. (About 37 percent of these teachers left for non-teaching employment; 9 percent retired; and the remainder took other teaching-related jobs.)[9]

All indications are that the shortages of specialized teachers will expand to a more general shortage of qualified teachers within the next few years. Given current trends in school-age population, entrants to the teaching profession, and attrition, the supply of new teacher graduates may satisfy only about 80 percent of the demand for additional teachers by 1988[10] (see Chart 6).

Although teacher shortage have occured before, most recently in the 1960s' there are new reasons for the current shortages, and new response will be required. Demographic trends, expanded opportunities for minorities and women, and the low salaries and lack of prestige associated with teaching—each a powerful force in itself— combine to make solutions to the shortage problem more difficult to design and implement.

Demographic trends have provoked supply and demand embalances in teaching before, and they are doing so once again. As Chart 7 showns, the sources of supply and demand are moving opposite directions for the sources of supply and demand are moving in opposite directions for the short-term future. After a decade of declining enrollments in elementary and secondary schools, a baby boomlet that began in the early 1980s will begin to cause enrollment increases starting to 1985. At the same time, the college-age population from which most potential teachers will be drawn will continue to decline through the remainder of the decade and slighty beyond.

Meanwhile, the number and proportion of bachelor's degrees conferred in education have declined fairly steeply over the past decade. In times past, public education was a major employer of college graduates. In 1971, for example, more than 20 percent of the bachelor's degrees conferred were in education. By 1981, the proportion had dipped to less than 12 percent.[11] This decline may have been partly a response to the teacher surpluses that characterized the 1970s; however, the data suggest that other market forces are at work as well. Alternative occupations are available to a wider spectrum of college graduates, and many are choosing these more lucrative fields, even though the demand for teachers is growing. There is no sign that supply is responding to demand even in fields where there are widely publicized shortages. The number of education degrees conferred in mathematics and science, for example, continues to decline.[12]

One of the labor market factors having the greatest effect on the teaching profession is the growth in opportunities available to women and minorities. Women have traditionally comprised the large majority of the teaching force, and they still do so. However, academically talented women, in particular, are increasingly pursuing other occupations. Between 1970 and 1980, the proportion of women receiving bachelor's degrees in education decreased by half, from 36 percent to 18 percent. By 1981, the proportion had dropped to 17 percent.[13] During that decade, women's professional options expanded enormously, as Chart 8 shows. Women's occupational choices shifted from education, English, and the social sciences to business and commerce and the health professions. The proportion of degrees granted to women also increased tenfold in the biological sciences, computer sciences, engineering, and law.[14]

Why Has Teaching Lost its Appeal?

Can academically able students be reattracted to the teaching profession in a labor market that offers other, more attractive choices?

The current salary structure of the teaching profession will surely not provide strong motivation. Beginning salaries for teachers are lower than those in virtually any other field requiring a bachelor's degree (Chart 9). Even when teaching salaries are adjusted to reflect a twelve-month salary equivalent, they fall short of the next lowest category (liberal arts graduates).[15] Teachers' salaries also reach a ceiling much sooner and at a much lower level than do the salaries of other college-educated workers.

The situation is made worse by the fact that teachers' salaries have lost ground relative to other occupational salaries over the past ten years. Although there is a common perception that teachers' salaries have improved as a result of collective bargaining, average salaries for teachers actually declined by nearly 15 percent in real dollar terms between 1971 and 1981,[16] even though the average experience level of the teaching force increased over that period, as did the average education level. The majority of teachers now have at least a master's degree and about 13 years of experience.[17]

The data paint a rather gloomy picture of the recruitment potential of the teaching profession. But many studies suggest that people are attracted to teaching for altruistic reasons—because they love to work with children and want to make a contribution to society. Indeed, the primary rewards of teaching are the intrinsic, non-pecuniary satisfactions derived from imparting knowledge and seeing young people grow and learn.[18] But even these satisfactions have been declining as the nature of teaching work has changed. Teachers express increasing dissatisfaction with the conditions under which they work and the policies that define their classroom activities.

For several decades, the National Education Association has polled several thousand teachers annually about their teaching conditions and views. One question asked in each poll is, If you could go back and start all over again, would you still become a teacher? Chart 10 shows the dramatic change in the response to that question over twenty years. Between 1971 and 1981, the proportion of respondents saying they would not teach again more than tripled, rising from about 10 percent to nearly 40 percent. Less than half of the present teaching force say they plan to continue teaching until retirement.[19]

It is easy to summarize the factors that contribute to teacher dissatisfaction. Teachers feel that they lack support—physical support in terms of adequate facilities and materials; support services such as clerical help for typing, duplicating, and paperwork chores; and administrative support that would provide a school environment in which their work is valued and supported rather than obstructed by interruptions and a proliferation of non-teaching tasks. They see their ability to teach hampered by large class sizes non-teaching duties. And they feel that they are not treated as professionals. They have limited input to decisions that critically affect their work environment, and they see few opportunities for professional growth.[20]

Let us translate these categories into more concrete terms. Imagine that you are a high-school English teacher. You have at least a master's degree (as do most teachers today) and you would like to impart to your students the joys of great literature and the skills of effective communication. You have at your disposal a set of 100 textbooks for your 140 students. You cannot order addi-

tional books so you make copies of some plays and short stories, at your own expense, and you jockey with the 50 other teachers in your school for access to one of the two available typewriters so that you can produce other materials for your class. You stand in line after school to use the secretary's telephone to call parents of students who have been absent or are behind in their work.

You spend roughly 12 hours each week correcting papers, because you believe your students should write a theme each week. You feel guilty that this allows you to spend only 5 minutes per paper. You spend another 6 hours each week preparing for your five different sections, mostly writing up the behavioral objectives required by the system's curriculum guide, which you find meaningless and even counterproductive to your goals for your students. You do all of this after school hours, because your one preparation period is devoted to preparing attendance forms, doing other administrative paperwork, and meeting with students who need extra help. Between classes, you monitor hallways and restrooms, supervise the lunch room, and track down truants.

You are frustrated that the district's new competency-based curriculum is forcing you to spend more and more of your time teaching students to answer multiple-choice questions about the mechanics of grammar. Meanwhile, your efforts to teach writing and critical thinking are discouraged, as they do not seem to fit with the district's mandated curriculum and testing program. You have no input into decisions about curriculum, teaching methods, materials, or resource allocations. You will, of course, never get a promotion; nor will you have an opportunity to take on new responsibilities. You receive frequent feedback about public dissatisfaction with schools and teachers, but little reinforcement from administrators or parents that your work is appreciated. Sometimes you wonder whether your efforts are worth the $15,000 a year you earn for them.

This description is not an overdramatization. It reflects the model conditions of teaching work in this country today. The importance of professional working conditions to teacher satisfaction and retention has recently been recognized in a number of studies at Rand and elsewhere. Conditions that undermine teacher efficacy, i.e., the teacher's ability to do an effective job of teaching, are strongly related to teacher attrition. These conditions include lack of opportunity for professional discourse and decisionmaking input; inadequate preparation and teaching time; and conflict with or lack of support from administrators.[21]

A particularly troubling aspect of teachers' dissatisfaction with their working conditions is that the most highly qualified teachers are the most dissatisfied. Chart 11 summarizes some results from a recent Rand study of teachers' views of their work environment.[22] Those with academic majors (i.e., those who have a bachelor's or master's degree in their discipline in addition to a teaching certificate) are more dissatisfied with the lack of administrative support for their work, with bureaucratic interference in their work, with their lack of autonomy, and with salaries and other working conditions than are those with education degrees only. Academic majors have typically taken substantially more college coursework in their area of specialization than education majors, and they also tend to be the teachers who hold more advanced degrees. These highly qualified individuals are the kinds of teachers that many would like to attract to and retain in teaching, yet they are the ones most frustrated by the profession's current work environment. They are also much more likely than other teachers to say they plan to leave teaching.

Unfortunately, the approach to improving education reflected in most of the policy initiatives of the past decade has done little to increase the attractiveness of teaching; it may, in fact, have exacerbated the problem. Based on a factory model of schooling in which teachers are semi-skilled, low-paid workers, at least two-thirds of the states enacted policies in the 1970s that sought to standardize and regulate teacher behaviors. Elaborate accountability schemes such as management-by-objectives, competency-based education, minimum-competency testing, and other efforts to develop a teacher-proof curriculum were imposed in the belief that if teachers do exactly as they are told, students will learn exactly as they are supposed to.[23] Bureaucratic controls on teaching behaviors were used as an alternative to upgrading the quality of teachers or of professional decisionmaking. As Porter notes:

"The accountability movements of the 1970s view teachers not as autonomous decisionmakers but as agents of public school policymakers, agents subject to hierarchical controls."[24]

These policies have not had the desired effect, because they are based on an inappropriate model of teaching and learning. Indeed, they have had some dysfunctional consequences. Teachers resist bureaucratic attempts to constrain their classroom decisions,[25] not because they are opposed to accountability, but because standardized teaching prescriptions reduce their ability to teach effectively.[26] Highly prescriptive teaching policies often limit the curriculum to those subjects and types of thinking that are most easily tested; such policies also prevent the use of alternative teaching strategies that are more appropriate to students' learning needs and creates paperwork burdens that detract from teaching time.[27] The results are twofold: emphasis on procedural conformity to narrowly configured objectives at the expense of more creative forms of teaching and learning; and dissatisfaction on the part of teachers who find their ability to respond to students' needs reduced.

Research on effective teaching suggests a very different model for improving education. Studies conducted over the past two decades show that students have different learning styles, and that effective teaching techniques vary for students of different characteristics and at different stages in their development, for different subject areas, and for different learning goals.[28] Appropriate teaching techniques must be determined by diagnosing student needs and matching those diverse needs to appropriate methods of instruction. In this context, professional judgment is a prerequisite for good teaching, because unless students are treated according to their particular learning needs, they will be mistreated. Standardized practice is, in essence, malpractice. The need for diagnosis of individual situations and for judgments about appropriate strategies and tactics is what defines a profession.[29]

Our own research on teachers reinforces this view. Teachers find that uniform teaching prescriptions prevent them from attending to the variable needs of their students and to the conceptual demands of their academic disciplines. In one study, 45 percent of the teachers we interviewed said they would resign from teaching if prescriptiveness of teaching content and methods increased.[30] For them, a nonprofessional work structure diminished the satisfactions of their work to an unacceptable degree. Future policies ought to respond to the fact that these professional incentives are very important to teachers.

Professionalizing Teaching

The many factors that discourage qualified people from entering and remaining in the teaching profession are converging at a time when teacher retirements and student enrollment trends are leading to increased demand for teachers. As a consequence, it will be necessary to hire and retain large numbers of marginally qualified people into teaching unless major changes are made in the structure of the occupation.

Higher salaries for teachers are only part of the solution to the problem. The non-pecuniary aspects of teaching are at least as important as salaries in attracting and retaining good teachers. (In any case, the public is not likely to support higher salaries if serious efforts are not made to upgrade the perceived quality of the teaching force.) As in other occupations, improved working conditions for teachers are a partial substitute for higher wages. A particularly important aspect of those working conditions is the degree of professionalism allowed in the work structure. Upgrading the quality of teacher preparation and creating more professional working conditions are part of a structural solution, one that attends to the interrelated causes of the problem rather than merely to its symptoms. In fact, teaching is now much like the legal and medical professions were at the turn of the century. Until fundamental changes were made in the structure of these professions, they, too, were characterized by low wages, easy access, poor training, no real standards of practice, and a poor public image.

What would it mean to "professionalize" teaching? The following features that characterize most modern professions serve to ensure and allow competent performance:

Rigorous entry requirements; supervised induction; autonomous performance; peer-defined standards of practice; increased responsibility with increased competence.

Entry requirements are rigorous because the work requires mastery of a body of knowledge. Induction into the occupation is supervised by experienced practitioners because developing professional judgment means learning how to translate theory into practice. Performance after induction is autonomous because treatment must be tailored to the clientele and their specific needs. Peers define standards of practice because specialized expertise is the basis for informed judgment, and standardized procedures cannot meet the demands of the work. Tying increased responsibility to demonstrated competence is the means by which professional standards of practice are promulgated and conveyed. Experienced practitioners induct new entrants and are responsible for technical decisions.

On the basis of these characteristics, we make the following recommendations for reforming the teaching profession. First, establish professionally competitive salaries for teachers; in the current marketplace, this means starting salaries of $20,000 with career increases of up to $50,000 (the salary level of middle-management school employees). Second, offer recruitment incentives

such as scholarships and forgivable loans for academically talented colleges students to enter teaching, similar to the National Defense and Education Act loans of the 1960s. Third, improve teacher education by making it more intellectually rigorous and requiring internships supervised by senior teachers before tenure is granted. Fourth, improve working conditions by allowing paraprofessionals to assume the non-teaching duties now performed by teachers and by allowing teachers more time to teach, to prepare, and to share in instructional decisionmaking. Fifth, allow experienced teachers to assume responsibilities for supervising new teachers and for developing programs as they move up a more differentiated career ladder with specific evaluation and promotion points. Taken together, these reforms suggest a new career structure in which professionally enforced standards of practices are combined with increased responsibility for technical decisionmaking by those who successfullly demonstrate their competence.

Although these proposals start with higher salaries for teachers, they also imply changes in resource allocations within schools. As bureaucratization took hold in American schools, teacher salaries slipped from 49 percent of educational expenditures in 1972 to only 38 percent in 1982.[31] Changing the teaching career structure would also change administrative structures and roles, and hence the allocation of educational dollars. If teachers were to assume many of the instructional tasks currently performed by administrators (e.g., curriculum development and supervision), the layers of bureaucratic hierarchy could be reduced. Of course, further study will be needed to determine how administrative structures could be changed and to inform strategic planning efforts at the local level. However, we believe that efforts in these directions can lead to a more professional and more instructionally productive approach to schooling as well as to teaching. Reduced bureaucratic accountability demands would allow schools to become more client-oriented; and within a professional accountability structure, teachers could rely on peer support and assistance in working out problems of practice.[32]

Restructuring the teaching occupation is not a trivial undertaking. These proposals entail substantial costs; they are politically difficult, particularly in the light of public preceptions of low teacher quality; and they require some profound organizational changes, which are never easy to initiate. However, there are some opportunities for change that could offset these obvious barriers.

The attention to education generated by the recent commission reports has created a climate for reform that is in fact causing a great many states to entertain new proposals. Several states have already increased teachers' salaries and are trying to implement some kind of teacher incentive program. The coming large-scale retirements of teachers will provide new opportunities in two ways. First, the very experienced, expensive teachers will be replaced with less expensive teachers, so that the costs of upgrading salaries can be absorbed over a longer period of time. Second, it is more feasible and cost-effective to restructure induction into the profession when a major change in the membership of the work force is occurring. Finally, the costs of the reforms are not as enormous as they might at first appear. As noted above, some reallocation of resources is implicit in a new career structure. Furthermore, as fewer of the educational dollars have been spent on teachers over the last decade, fewer dollars have also been spent on education. Public elementary and secondary education expenditures dropped from 5.5 percent of personal income to 4.6 percent between 1972 and 1982.[33] We can, if we choose, return to a higher level of commitment to education.

In addition to asking about the barriers and opportunities for significant reforms, we should also ask what the alternatives are. If we choose to ignore the structural problems of the teaching profession, we will in a very few years face shortages of qualified teachers in virtually every subject area. We will be forced to hire the least academically able students to fill these vacancies, and they will become the tenured teaching force for the next two generations of American school children.

If we are serious about improving the quality of education, we will have to make more than marginal changes in the attractiveness of the teaching profession. The search for excellence as it is being conducted in most states will not solve the problem. Fundamental reform of the teaching profession will be required.

FOOTNOTES

[1] National Center for Education Statistics, *The Condition of Education, 1982 Edition*, U.S. Department of Education, 1982, p. 111.

[2] For example, 28 percent of the lowest quintile of SAT scorers from the high-school class of 1973 went into teaching, and more than half of them planned to stay in the profession. By contrast, only 8 percent of the highest quintile went into teaching, and only 25 percent of them planned to stay. Victor S. Vance and Phillip C. Schlechty, *The Structure of the Teaching Occupation and the Characteristics of Teachers: A Sociological Interpretation*, Paper presented at the National Institute of Education Conference at Airleigh House, Virginia, February 25-27, 1982.

[3] Phillip C. Schlechty and Victor S. Vance, "Do Academically Able Teachers Leave Education? The North Carolina Case," *Phi Delta Kappan*, Vol. 63, 1981, pp. 106-112.

[4] Association for School, College and University Staffing, *Teacher Supply/Demand*, 1984, Madison, Wisconsin, 1984.

[5] National Center for Education Statistics, *The Condition of Education, 1983 Edition*, U.S. Department of Education, 1983, p. 206

[6] National Science Teachers Association Survey, December 1982, reported in Hope Aldrich, "Teacher Shortage: Likely to Get Worse Before It Gets Better," *Education Week*, July 27, 1983.

[7] Ibid.

[8] NCES, *The Condition of Education, 1983*, p. 188.

[10] Estimates derived from Table 2.9, National Education Association, *Teacher Supply and Demand in Public Schools*, 1973, 1976, 1977, 1978, and National Center for Education Statistics, *Projections of Education Statistics to 1988-89*, U.S. Department of Education, 1980. More recent projections by NCES place low to intermediate supply estimates for 1990 at 55 to 110 percent of demand; NEA projections estimate that the supply of new graduates will fill 70 percent of the demand in 1990. NCES, *Projections of Education Statistics to 1990-91*, 1982, p. 86; NEA, *Teacher Supply and Demand in Public Schools, 1981-82*, 1983, p. 22.

[11] NCES, *The Condition of Education, 1983*, p. 184.

[12] Ibid, p. 188.

[13] Ibid, p. 184.

[14] Bureau of the Census, *Statistical Abstract of the United States: 1984*, 104th ed., U.S. Department of Commerce, 1983, p. 166; Bureau of the Census, *Statistical Abstract of the United States: 1973*, 94th ed., U.S. Department of Commerce, 1973, p. 133.

[15] Data are for the 1981-82 school year. National Education Association, *Prices, Budgets, Salaries, and Income: 1983*, 1983, p. 22.

[16] NCES, *The Condition of Education: 1983*, pp. 102-103.

[17] National Education Association, *Nationwide Teacher Opinion Poll, 1983*, 1983, p. 6.

[18] See, for example, Daniel C. Lortie, *Schoolteacher: A Sociological Study*, Chicago: University of Chicago Press, 1975; Phillip W. Jackson, *Life in Classrooms*, New York; Holt, Rinehart and Winston, 1968; Linda Darling-Hammond and Arthur E. Wise, *A Conceptual Framework for Examining Teachers' Views of Teaching and Educational Policies*, The Rand Corporation, N-1668-FF, February 1981.

[19] National Education Association, *Statute of the American Public School Teacher, 1980-81*, 1982, pp. 73-76.

[20] Ibid, pp. 76-78; National Education Association, *Nationwide Teacher Opinion Poll, 1983*, p. 9; American Federation of Teachers, *Schools on a Workplace: The Realities of Stress*, Vol. 1, 1983, pp. 15-17.

[21] See, for example, Linda Darling-Hammond and Arthur E. Wise, "Teaching Standards or Standardized Teaching?," *Educational Leadership*, October 1983, pp. 66-69; Susan J. Rosenholtz and Mark A. Smylie, *Teacher Compensation and Career Ladders: Policy Implications from Research*, Paper commissioned by the Tennessee General Assembly's Select Committee on Education, December 1983; D. W. Chapman and S. M. Hutcheson, "Attrition from Teaching Careers: A Discriminant Analysis," *American Educational Research Journal*, Vol. 19, 1982, pp. 93-105; M. D. Litt and D. C. Turk, *Stress, Dissatisfaction, and Intention to Leave Teaching in Experienced Public High School Teachers*, Paper presented at the annual meeting of the American Educational Research Association, Montreal, April 1983.

[22] Data are from an ongoing study of the conditions of teaching work being conducted by Arthur E. Wise and Linda Darling-Hammond.

[23] Arthur E. Wise, *Legislated Learning: The Bureaucratization of the American Classroom*, Berkeley: University of California Press, 1979.

[24] Andrew C. Porter, et al., *Teacher Autonomy and the Control of Content Taught*, Institute for Research on Teaching, Michigan State University, December 1979, p. 4.

[25] Darling-Hammond and Wise, *A Conceptual Framework for Examining Teachers' Views*, pp. 56-57; Lortie, *Schoolteacher*, p. 164; Jackson, *Life in Classrooms*, p. 129; R. G. Corwin, *Militant Professionalism: A Study of Organizational Conflict in High Schools*, Meredith Corporation, 1970; Harry F. Wolcott, *Teachers vs. Technocrats*, University of Oregon Center for Educational Policy and Management, 1979.

[26] Linda Darling-Hammond and Arthur E. Wise, "Beyond Standardization: State Standards and School Improvement," *Elementary School Journal* (forthcoming); Lee S. Shulman, "Autonomy and Obligation," in L. S. Shulman and Gary Sykes (eds.), *Handbook of Teaching and Policy*, New York: Longman, 1983; Michael Lipsky, *Street-Level Bureaucracy*, Russell Sage Foundation, 1980.

[27] Darling-Hammond and Wise, "Beyond Standardization"; Anne M. Bussis, "Burn It at the Casket: Research, Reading Instruction, and Children's Learning of the First R," *Phi Delta Kappan*, December 1982, pp. 237-241; Constance Kamii, "Encouraging Thinking in Mathematics," *Phi Delta Kappan*, December, 1982, pp. 247-251; Harriet Talmage and Sue Pinzur Rasher, "Unanticipated Outcomes: The Perils to Curriculum Goals," *Phi Delta Kappan*, September 1980, pp. 30-32, 71.

[28] See, for example, W. Doyle, "Paradigms for Research on Teacher Effectiveness," in Lee S. Shulman (ed.), *Review of Research in Education, Vol. 5*, Itasca, Illinois: F. E. Peacock, 1978; M. J. Dunkin and B. J. Biddle, *The Study of Teaching*, New York: Holt, Rinehart and Winston, 1974; F. J. McDonald and P. Elias, *Executive Summary Report: Beginning Teacher Evaluation Study, Phase II*, Educational Testing Service, 1976; L. J. Cronbach and R. E. Snow, *Aptitudes and Instructional Methods: a Handbook for Research on Interactions*, New York: Irvington, 1977; N. L. Gage, *The Scientific Basis of the Art of Teaching*, New York: Teachers College Press, 1978; J. E. Brophy and C. M. Evertson, *Learning from Teaching: A Development Perspective*, Boston: Allyn and Bacon, 1976.

[29] Linda Darling-Hammond, Arthur E. Wise, and Sara R. Pease, "Teacher Evaluation in the Organizational Context: A Review of the Literature," *Review of Educational Research*, Vol. 53, No. 3, Fall 1983, pp. 285-328; Gage, *The Scientific Basis of the Art of Teaching*, p. 15; Harry S. Broudy, "Teaching—Craft or Profession?," *The Educational Forum*, January 1956, pp. 175-184.

[30] Darling-Hammond and Wise, "Teaching Standards or Standardized Teaching?," p. 69.

[31] C. Emily Feistritzer, *The Condition of Teaching: A State by State Analysis*, The Carnegie Foundation for the Advancement of Teaching, 1983, p. 50.

[32] Research on effective schools suggests that collegial settings in which teachers assist each other and solve problems collectively enhance teacher satisfaction and efficacy, along with student learning outcomes. See, for example, Rosenholtz and Smylie, *Teacher Compensation and Career Ladders;* P. T. Ashton, R. B. Webb, and N. Doda, *A Study of Teachers' Sense of Efficacy: Final Report*, The University of Florida, 1983; H. J. Walberg and W. J. Genova, "Staff, School, and Workshop Influences on Knowledge Use in Educational Improvement Efforts," *Journal of Educational Research*, Vol. 76, 1982, pp. 67-80; Wilbur Brookover, *Schools Can Make a Difference*, Michigan State University, 1977; Paul Bermans and Milbrey W. McLaughlin, *Federal Programs Supporting Educational Change, Vol. 7: Factors Affecting Implementation and Continuation*, The Rand Corporation, R-1589/7-HEW, April 1977.

[33] Feistritzer, *The Condition of Teaching*, pp. 51-52.

BENEDICT "SPARKY" GARMISA

Mr. DIXON. Mr. President, it is with deep sadness that I call to the attention of the Senate, the passing of a great public servant from the city of Chicago, Benedict Garmisa.

He was a decorated veteran of World War II. He served with distinction in the Illinois State Senate from 1955 to 1956 and the State house of representatives from 1965 to 1982. He was dean of the Illinois House.

Perhaps the most important legacy of Sparky Garmisa is that he touched so many people in the State of Illinois through his many years of dedicated service and his ready smile and outstretched hand. He was a politician in the best sense of the word—he helped make the world a better place for many people.

Senator PAUL SIMON and I both served with Sparky in the Illinois General Assembly. He was an expert in transportation issues, having served as chairman of the Regional Transportation Authority, the Illinois Toll Highway Advisory Commission, and the Transportation Study Commission. Following his retirement from the legislature, he continued as a public member of the Transportation Study Commission. He was appointed a member of the Interstate High Speed Rail Compact, representing Illinois on that board.

Sparky was a devoted husband to his wife, Estelle and the proud father of three sons, Steve, Tom, and Gregg, and a daughter, Bonnie. Gregg has served on my staff for the past 4 years, following in his father's footsteps, serving the people of Illinois. He was also a very adoring grandfather of a beautiful granddaughter, Sarah Catherine, daughter of Gregg and his wife, Lauren Gash.

Illinois was served long and well by Benedict Garmisa. His contributions to the city of Chicago, the State of Illinois, and the entire country are not fleeting, but will serve as a living memorial to him for many years to come.

Sparky will be greatly missed for his kindness, his skill, and his friendship. We were all enriched for having known him.

A FEDERAL SLAP TO CHICAGO

Mr. DIXON. Mr. President, I cannot contain my frustration and disappointment at another example of the Federal Government's inability to be fair with the good people of Illinois. Mr. Samuel Pierce, Secretary of the Department of Housing and Urban Development, has just negated the many long hours and years invested in the planning of the North Loop redevelopment project in the city of Chicago.

Mr. Pierce's rejection of a $5 million urban-development grant for the proposed Chicago theater entertainment project hits at the heart of the city's plan to reinject life into the historic heartbeat of Chicago's urban community.

In the most recently recorded fiscal year of 1983, Illinois received 75 cents for every Federal tax dollar it sent to the Federal Treasury. As cochairman of the Northeast-Midwest Coalition, I ask Mr. Pierce to examine carefully the fairness of his decisions. The money has been appropriated. The project surpasses each and every guideline set by Congress. Private investors are contributing over three times the requested amount of the Federal Government, and the city of Chicago is supplying another $2 million.

Mr. President, the Chicago Tribune recently expressed in editorial form its serious concerns regarding the action by Mr. Pierce. I ask unanimous consent that it be printed in the RECORD for my colleagues' consideration.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A FEDERAL SLAP TO CHICAGO

Just when Chicago's effort to revive its North Loop was finally moving ahead, it got shoved backward by the Reagan adminstration.

Samuel Pierce, secretary of housing and urban development, rejected the city's bid for a $5 million urban-development grant to help transform the Chicago Theater buildings into an entertainment complex with live shows, movies and restaurants. He did this despite the fact that the project meets every qualification set by Congress when it created this program, including solid local financial support. Private investors are willing to put up more than three times the federal portion and Chicago's own hard-pressed government will give $2 million.

Mr. Pierce can't point to the huge federal deficit as an excuse. The money for these urban grants already has been appropriated and will be spent before the end of the fiscal year. The only question is which areas will benefit. Someone—preferably the entire Illinois delegation in Congress, speaking in unison—should remind the secretary and his bosses in the White House that this state for years has been at the bottom of the list in the return it gets from Washington on its federal tax dollars. A number of studies, including recent ones by the Federal Reserve Bank of Chicago and the Commercial Club, have blamed the chronic shortage of federal development dollars for this area's economic slide.

It might also be useful to remind President Reagan of his noble inauguration-day pledge to spur economic growth in "distressed areas."

Federal officials say they rejected the Chicago Theater bid and all nine smaller requests from the city because there wasn't enough money to fund every worthy project submitted for this round of grants. That may be true; they exceeded their quota last fall in a preelection spending binge.

Another round of urban development grants will be awarded in May, and Chicago will resubmit its theater project. But some Western congressional delegations are talking about revising the award formula to give more money to newer cities. This region, which supposedly has considerable clout in Congress, had better organize to block that move.

After a 10-year search, it looks as though Chicago finally has found a developer for a hotel at State Street and Wacker Drive, a pivotal part of the North Loop project. Plans are also progressing for a major development in the block across from the Marshall Field & Co. store. But investors in both projects say a new after-dark activity center is critical to their success. The Chicago Theater project would be the nucleus of that entertainment strip.

A $5 million federal investment in the Chicago Theater would be repaid many times over in new tax revenue. Chicago deserves it and should get it.

Mr. SIMON. Mr. President, the Chicago Tribune lead editorial that has been inserted in the RECORD properly criticizes the Secretary of Housing and Urban Development for his decision on a $5 million urban development action grant for the city of Chicago.

What irks me is not only the obvious merit of the case on which the wrong decision was made, a decision that at least temporarily is going to setback innovative development efforts in downtown Chicago.

For the first time in my 10-plus years in the U.S. Congress I found a Cabinet member who was unreachable to discuss a problem. I have served under two Republican administrations and one Democratic administration. I have found Cabinet members universally available for discussion of problems. They did not always do what I wanted, but they listened.

I hope my recent experience is not typical, that I caught Secretary Pierce at the wrong time—though his failure to return calls day after day is hard to understand.

It is not a kingdom he reigns over; he is there serving the people of Illinois and all other States. He should not be aloof from the representatives of those people.

RECOGNITION OF SENATOR SPECTER

The PRESIDING OFFICER. Under the previous order, the Senator from Pennsylvania [Mr. SPECTER] is recognized for not to exceed 15 minutes.

S. 395—DISLOCATED WORKERS ACT

Mr. SPECTER. Mr. President, today I am reintroducing the Dislocated Workers Act legislation to assist dislocated workers who are in job training programs under title III of the Job Training Partnership Act.

We are all becoming too familiar with the term "structurally unemployed," a phrase that refers to the thousands of jobless workers whose skills are obsolete because their industries are being phased out or are changing to more technical production processes. This term also represents the many who are unemployed because of this Nation's ongoing transition from traditional and smokestack manufacturing industries to high technology and service-oriented businesses.

Dislocated workers comprise the most challenging aspect of our current economic problems because their numbers continue to grow. Many members of this group are skilled and dedicated workers, victims of an economy experiencing profound structural changes.

I have heard many individuals heralding the evolving technological revolution as the answer to our economic prayers. They claim that we must reap the fruits of high technology to maintain our leading position in world economics. While I also believe in harnessing high technology, I am concerned that not enough is being done to prepare our work force to meet the challenges of advanced technology. The Department of Labor's Bureau of Labor Statistics estimates a shortage of 2.5 million skilled workers in all technical fields during the 1980's. This mismatch between jobs and available labor is alarming: A shortage of skilled personnel may well inhibit the future technological growth this Nation is counting on to remain the world's industrial leader.

Mr. President, it is my view that the tools to address the dual problems of dislocated workers and the acute shortage of technically skilled labor are available in the Unemployment Insurance Benefits Program and the Job Training Partnership Act. The Unemployment Benefits Program provides essential relief to those who are unemployed. But what happens when benefits run out and jobs are still unavailable? It is imperative that this situation, the scenario for too many families, be addressed with training for jobs that exist or are emerging.

The Jobs Training Partnership Act has the potential to be a valuable mechanism for providing training. Title III of the JTPA specifically authorizes assistance for persons forced out of work by the permanent closing or phasing out of a plant or facility. The emergency jobs appropriation of $125 million for the startup of title III has enabled States to lay the groundwork for implementing this program's development activities, retraining, and relocation assistance that are sorely needed.

The promise of the JTPA underscores the role which the Dislocated Workers Act can play in retraining our work force. If implemented, this measure will provide a useful incentive for dislocated workers to participate in State authorized training programs. For example, an unemployed electrician from Pennsylvania, recently laid off from an electrical contracting concern, will have an additional 10 weeks of unemployment benefits to obtain training for available computer technician jobs while receiving benefits. It is my view that most dislocated workers possess skills which can be applied to emerging technologies. The Dislocated Workers Act can help enhance these skills with training necessary for meeting the demand for skilled labor.

Mr. President, at a time when we have great economic problems in States like Pennsylvania, it is vital that innovative and imaginative programs be formulated to address these issues. While it is true that we face an enormous deficit at the present time, we must utilize available resources in a way that will provide job opportunities for unemployed workers in States like mine where the smokestack industries have experienced such tremendous problems and so much unemployment has resulted.

It is for all these reasons that I introduce the Unemployment Compensation for Dislocated Workers Act. It is my belief that the added 10-weeks assistance will provide encouragement and reward for those who are skilled but need enhanced abilities to obtain jobs in fields where employment is available. The fund of $85 million specifically for title III of JTPA for fiscal year 1983 sets the stage for the States to enact this program.

Mr. President, I understand that this legislation should be implemented carefully, allowing States and local governments sufficient time to prepare for its operation. Because this program will take time to develop, we should begin to set the wheels in motion as quickly as possible to promptly address the current critical unemployment problems.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 395

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Unemployment Compensation for Dislocated Workers Act".

FEDERAL-STATE AGREEMENTS

SEC. 2. (a) Any State which desires to do so may enter into and participate in an agreement with the Secretary of Labor (hereinafter in this Act referred to as the "Secretary") under this Act. Any State which is a party to an agreement under this Act may, upon providing thirty days' written notice to the Secretary, terminate such agreement.

(b) Any such agreement shall provide that the State agency will make payments of Federal unemployment compensation for dislocated workers—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law;

(B) have no rights to compensation (including regular compensation, extended compensation, and Federal supplemental compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and is not paid or entitled to be paid any additional compensation under any such State or Federal law);

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(D) are participating in a job training program for dislocated workers under title III of the Job Training Partnership Act;

(2) for up to ten weeks of unemployment which begin in the individual's period of eligibility,

except that no payment of Federal unemployment compensation for dislocated workers shall be made to any individual for any week of unemployment which begins more than two years after the end of the benefit year for which he exhausted his rights to regular compensation.

(c) For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted his rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to him based on employment or wages during his base period; or

(2) his rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) For purposes of any agreement under this Act—

(1) the amount of the Federal unemployment compensation for dislocated workers which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowances) payable to him during his benefit year under the State law for a week of total unemployment; and

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for Federal unemployment compensation for dislocated workers and the payment thereof; except that the compensation shall not be terminated or reduced because of the individual's participa-

tion in the job training program or because of the application of any provision of law relating to availability for work, active search for work, or refusal to accept work.

(e)(1) Any agreement under this Act with a State shall provide that the State will establish, for each eligible individual who files an application for Federal unemployment compensation for dislocated workers, a Federal unemployment compensation for dislocated workers account with respect to such individual's benefit year.

(2) The amount established in such account for any individual shall be equal to ten times his average weekly benefit amount (as determined for purposes of section 202(b)(1)(C) of the Federal-State Extended Unemployment Compensation Act of 1970) for his benefit year. The total amount of compensation payable to an individual under an agreement entered into under this Act shall not exceed the amount in such individual's account.

(f) No Federal unemployment compensation for dislocated workers shall be payable to any individual under an agreement entered into under this Act for any week beginning before the week following the week in which such agreement is entered into.

PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF FEDERAL UNEMPLOYMENT COMPENSATION FOR DISLOCATED WORKERS

SEC. 3. (a) There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 per centum of the Federal unemployment compensation for dislocated workers paid to individuals by the State pursuant to such agreement.

(b) No payment shall be made to any State under this section with respect to compensation to the extent the State is entitled to reimbursement with respect to such compensation under the provisions of any Federal law other than this Act of chapter 85 of title 5 of the United States Code. A State shall not be entitled to any reimbursement under such chapter 85 with respect to any compensation to the extent the State is entitled to reimbursement under this Act with respect to such compensation.

(c) Sums payable to any State by reason of such State's having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of statistical sampling or any other method as may be agreed upon by the Secretary and the State agency of the State involved.

FINANCING PROVISIONS

SEC. 4. (a)(1) Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this Act.

(2) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(b) There are hereby authorized to be appropriated, without fiscal year limitation, to the extended unemployment compensation account, such sums as may be necessary to carry out the purposes of this Act. Amounts appropriated pursuant to the preceding sentence shall not be required to be repaid.

(c) There are hereby authorized to be appropriated from the general fund of the Treasury, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this Act.

DEFINITIONS

SEC. 5. For purposes of this Act—

(1) the terms "compensation", "regular compensation", "extended compensation", "base period", "benefit year", "State", "State agency", "State law", and "week" shall have the meanings assigned to them under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970; and

(2) the term "period of eligibility" means with respect to any individual, any week which begins on or after the date of the enactment of this Act, except that an individual shall not have a period of eligibility unless—

(A) his benefit year ends on or after June 1, 1984, or

(B) such individual was entitled to extended compensation for a week which begins on or after June 1, 1984.

FRAUD AND OVERPAYMENTS

SEC. 6. (a)(1) If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of Federal unemployment compensation for dislocated workers under this Act to which he was not entitled, such individual—

(A) shall be ineligible for further Federal unemployment compensation for dislocated workers under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(B) shall be subject to prosecution under section 1001 of title 18, United States Code.

(2)(A) In the case of individuals who have received amounts of Federal unemployment compensation for dislocated workers under this Act to which they are not entitled, the State is authorized to require such individuals to repay the amounts of such compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(i) the payment of such compensation was without fault on the part of any such individual, and

(ii) such repayment would be contrary to equity and good conscience.

(B) The State agency may recover the amount to be repaid, or any part thereof, by deductions from any Federal unemployment compensation for dislocated workers payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the three-year period after the date such individuals received the payment of the compensation to which they were not entitled, except that no single deduction may exceed 50 per centum of the weekly benefit amount from which such deduction is made.

(C) No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(3) Any determination by a State agency under paragraph (1) or (2) shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

Mr. SPECTER. Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

(Mr. McCONNELL assumed the chair.)

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. EVANS). Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. HATCH. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of William Bennett to be Secretary of Education and that it be considered under the following time agreement: 1 hour on the nomination to be equally divided between the Senator from Utah [Mr. HATCH] and the Senator from Massachusetts [Mr. KENNEDY] or their designees; and that, following the conclusion or yielding back of their time, the Senate proceed to vote, without any intervening debate, motion, appeal, or point of order, on the nomination of William Bennett.

I ask unanimous consent that no motion to recommit the nomination of William Bennett be in order.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, reserving the right to object, I shall not object. I take the floor simply to say that we have cleared the nomination on this side of the aisle. We have also cleared the agreement and there is no objection.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The clerk will state the nomination.

51-059 O-86-18 (Pt. 2)

NOMINATION OF WILLIAM J. BENNETT TO BE SECRETARY OF EDUCATION

The assistant legislative clerk read the nomination of William J. Bennett, of North Carolina, to be Secretary of Education.

Mr. HATCH. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. Mr. President, I rise to support the confirmation of Dr. William Bennett to be Secretary of Education. A week ago Monday Dr. Bennett spent 3½ interesting and informative hours with the Committee on Labor and Human Resources. Our discussion covered the educational spectrum from specific Federal programs to Oedipus at Colonus. The hearings showed clearly that Dr. Bennett has a broad and profound grasp of educational issues and a keen desire to work for further educational reform. Since the hearing, Dr. Bennett has responded to over 100 written questions from various Senators. His nomination has been reported unanimously by the Committee on Labor and Human Resources. I believe that it will be well for us to have him as Secretary of Education.

Dr. Bennett is an eminent educator and administrator. He holds a baccalaureate degree from Williams College, a doctorate in political philosophy from the University of Texas and a law degree from Harvard. Dr. Bennett has taught at seven and holds honorary degrees from nine colleges and universities. He has been an administrator at Boston University and president and director of the National Humanities Center in North Carolina. Most recently, Dr. Bennett has been Chairman of the National Endowment for the Humanities.

Dr. Bennett's record at the Endowment has been exemplary. He has been responsible for 22 initiatives there, many of which have focused on serving the needs of working elementary and secondary school teachers. In addition he authored "To Reclaim A Legacy," which is a report on the status of humanities education in America. He has been a visible and outspoken champion of the recent educational excellence movement.

The need to improve American education is not the news it was a year and a half ago, but the need remains strong. The Department of Education is still a new agency that has not yet completed its shakedown cruise. The Department was pieced together from programs drawn from a number of agencies. Considering that the broad availability of quality education is of preeminent importance to the future of America and considering that the Department of Education is the lead agency in defining the Federal role in education, it is vital that the Department's capacity for the task be thoughtfully reviewed and improved by an exceptional administrator who is also an eminent educator. I believe President Reagan has found such a person in William Bennett. I am enthusiastic about this appointment, and I urge my colleagues to vote to confirm Dr. Bennett to be the Secretary of Education.

Finally on a personal note, I have to say that I had an excellent and wonderful relationship with his predecessor, Dr. Terrel Bell. I think Dr. Bell was as a good a Secretary of Education as we could have had. I think he fought for those things that were properly fought for and I believe he accomplished those things that he should have accomplished as Secretary of Education. In that vein, I have to admit that I have been extremely impressed with Dr. Bennett, with the work that he has done since he has been in Washington, and I have a personal fondness for him because of his leadership ability. I believe that he will add a great deal to the Department of Education and will continue on this heritage that I think was bequeathed to the Nation by the former Secretary of Education, my own fellow Utahan, Dr. Bell.

I wish Dr. Bennett godspeed and every good wish that he might be able to enjoy this experience, work closely with our committee, have the success that he desires and, of course, above all be a motivating influence in implementing those educational programs, procedures and other activities that are so important for the viability of American education.

Mr. THURMOND. Mr. President, I rise to offer my support for the nomination of Mr. William Bennett to be the next Secretary of Education.

As a member of the Committee on Labor and Human Resources that unanimously approved Mr. Bennett just last week, I am pleased to say that I have reviewed his credentials, and I believe him to be eminently qualified for the post for which he has been nominated.

Mr. Bennett served from January 1983 as the U.S. Government representative to the United Nations Educational, Scientific, Cultural Organization [UNESCO], until the recent United States withdrawal from that organization. Mr. Bennett has been a member of President Reagan's Committee on Arts and Humanities, a past Chairman of the National Endowment for the Humanities, and a director on the Board of the Institute for Educational Affairs in New York City.

Mr. Bennett, a native of Brooklyn, NY, is a graduate of Williams College in Massachusetts. He earned a Ph.D. in philosophy from the University of Texas, and a law degree from Harvard.

Mr. President, I do not know of anyone who would question the qualifications of this distinguished educator. While we all may be concerned about the direction of education in this country, no one is more concerned or better qualified to address these difficult issues than the man President Reagan has nominated to be Secretary of Education.

Mr. President, I would also like to point out to my colleagues that Mr. Bennett's lovely wife is from Orangeburg, SC, and will be an asset to him in his new post.

I urge my colleagues in the Senate to follow the recommendation of the Committee on Labor and Human Resources and unanimously support the nomination of William Bennett to be Secretary of Education.

Mr. DOLE. Mr. President, I rise in support of the nomination of William J. Bennett to be Secretary of Education.

By confirming Dr. Bennett, the Senate will be sending to the Department of Education a man with impeccable credentials—as both an administrator and educator—as well as a man with a commitment to quality and excellence in the field of learning which is second to none.

A QUALIFIED CANDIDATE

Having received widespread praise during his 4-year term of service as Chairman of the National Endowment for the Humanities, Dr. Bennett's managerial skills are well respected. He is amply qualified to continue the course set by former Secretary Bell toward more effective and efficient administration of Federal education programs and improved coordination with State and local school officials.

A graduate of Harvard Law School, and recipient of a Ph.D. from the University of Texas, Dr. Bennett has received a total of nine honorary degrees from some of the most distinguished institutions of higher learning in this country. He has over 15 years of teaching experience and has written extensively on the problems currently confronting the Nation's school systems.

He is known for his tireless efforts in behalf of a renewed emphasis on scholastic standards and achievement in higher education and for his strong advocacy of ensuring that every school child is taught the basic skills needed to succeed in this increasingly complex society. On the basis of his outstanding academic credentials, teaching experience, and enthusiasm for making America a leader in the education of her youth, the Senate can expect Dr. Bennett's tenure as the Federal Government's top education official to be a distinguished one.

A COMMITMENT TO EXCELLENT EQUALITY

In response to concerns raised during his confirmation hearings, Dr. Bennett has emphasized that as Secre-

tary of Education, his efforts will be devoted to improving the quality of education—not to abolishing the Department—and has taken the extra step of having the President write a letter backing him in that position. He has also made strong statements in favor of enforcing our civil rights laws and, I was gratified to learn, has also expressed strong support for legislation I have introduced to overturn last year's Grove City ruling. Based on these statements, I believe it is clear Dr. Bennett understands the fundamental importance of equal educational opportunity to minorities, women, and the disabled and the appropriate role for the Federal Government to play in protecting their civil rights.

In short, on all counts, Dr. Bennett is well-qualified for the post to which President Reagan has nominated him and I urge his prompt confirmation.

The PRESIDING OFFICER (Mrs. KASSEBAUM). The Senator from Massachusetts is recognized.

Mr. KENNEDY. Madam President, I understand that there have been 30 minutes allotted to the minority, is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. I yield myself 5 minutes.

Mr. President, there are few nominations that we will consider in the U.S. Senate this year which will be more important for the future of our country than who will assume responsibility as the Secretary of Education. I rise today to urge my colleagues to support Mr. Bennett for that position. I think he has demonstrated by his experience and qualifications that he has the ability to be a great Secretary of Education. The times demand, Mr. President, that we have the best.

Mr. Bennett graduated from Gonzaga High School in Washington, DC, and received his undergraduate degree from Williams College in Massachusetts. He has a Ph.D. in philosophy, received a law degree from Harvard. Mr. Bennett taught philosophy at Boston University from 1971 to 1976 and served as president and director of the National Humanities Center in North Carolina. For the last 4 years, he served as Chairman of the National Endowment of the Humanities. Mr. Bennett has written extensively on the humanities and on various education topics.

I think all of us in this body and parents across this Nation recognize we are facing a crisis in education. That issue has been fairly well explored by the National Commission on Excellence in Education. I hope, Mr. President, that this Secretary will have the opportunity to review this study and indicate to the Congress of the United States where the responsibility lies for strengthening the whole educational process.

Mr. Bennett comes to the Department of Education at a time when the challenges facing American education have never been greater. The challenge of excellence and quality remain a high priority for this Nation. Recent reports demonstrate that the education reform movement continues to gain momentum. Other reports, however, demonstrate that the excellence and quality we seek is not reaching our Nation's minority and disadvantaged youth. Although achievement scores on the SAT have improved in the last 4 years, blacks and Hispanics continue to score significantly below whites. While the national dropout rate exceeds 15 percent, the dropout rate for Hispanics is twice that level.

We presently face a shortage of teachers in subjects such as math, sciences, and foreign languages. Experts predict a general shortage of teachers by 1990. Many of our teachers currently are not adequately trained in their subject areas. For instance, of the 55,000 teachers currently teaching in a foreign language, only 12,000 have the necessary academic qualifications. These are problems of national significance requiring a national response.

These challenges come at a time of enormous Federal deficits and severe budget constraints. President Reagan's 1986 budget proposes to cut $3 billion from the Federal education budget. These cuts come on top of the significant pullback from the for education over the last 3 years.

The Secretary of Education must be a national leader in education. As Secretary of Education, Ted Bell promoted the goals of excellence and quality, urged us to improve access and opportunity, and provided courage and reason in challenging us to do better. It will be just as vital, particularly during the current budget debate, that the new Secretary of Education exercise similar leadership and courage in defending the education budget.

I note, incidentally, that the 1986 budget for the National Endowment for the Humanities proposes to reduce Federal spending for the humanities by $13 million, including a $2 million reduction for humanities instruction at the elementary and secondary level. I hope that the cuts Mr. Bennett proposed in the humanities are not a prognosis of Mr. Bennett's support for education.

I must say to my colleagues that I was troubled by Mr. Bennett's failure to make a strong commitment to the Department of Education during his confirmation hearing. While I am sure that Mr. Bennett will prove capable as an administrator, the Department of Education requires a leader, not just an administrator. I am convinced that the Secretary in the coming months will be required to be an activist and an advocate in promoting sound education policy.

I would like to express my concern at this point over the administration's proposals to cut student financial assistance programs, particularly the GSL Program. In the President's 1986 budget, more than $1 billion will be cut from the GSL Program alone. The effect of the President's proposals will be to deny low-interest loans to over 800,000 students.

In my State, Madam President, many mothers and fathers, with large families, are working and have combined incomes which may exceed $32,500. If we accept the President's recommendation, we will see the end of the children of those mothers and fathers being able to participate in a Guaranteed Student Loan Program, regardless of the needs of those families. Madam President, I am told that 40,000 students in my State will be denied loan assistance as a result of the President's proposals. Those are the sons and daughters of hardworking, middle-income families who take great pride in education, recognize its importance and believe in the educational system of our Nation as a path for future opportunity for their children.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. KENNEDY. I yield myself 3 additional minutes.

If we accept this proposal, Madam President, we are in effect putting the dollar sign back on the schools and colleges in this country.

For the last 22 years, I have supported the belief that if a young American has the talent and the skill and the desire to go to our fine schools and colleges across this Nation, the financial limitation of their parents should not be an absolute bar to that opportunity.

In that regard, Madam President, I am concerned that the President's proposed $4,000 "megacap" on total Federal assistance will severely restrict many students' ability to attend the college of their choice. A survey conducted by the National Association of Independent Colleges showed that such a cap would adversely affect at least 27 percent of all aid recipients attending independent colleges and universities. According to this survey, each student would lose an average of $1,585.

There are ways to achieve cost savings in student aid without eliminating students from the program. For instance, the defaults in student loans will cost the Federal Government over $800 million this year. Certainly, more vigorous enforcement in this area will achieve immediate savings without affecting current loan availability.

I urge Mr. Bennett, as his first task as Secretary, to carefully review the administration's proposed cuts in education. Mr. Bennett comes to the De-

partment with a fresh view, not having participated in the Department's budget process. In the hearings on his nomination, I think the message was clear from both sides of the aisle that Congress considers these proposals harsh and draconian. In light of these facts, I believe it is within the Secretary's authority—indeed it is his responsibility—to reassess these proposals and to make further recommendations.

Finally, I hope that Mr. Bennett will, as the new Secretary of Education, vigorously pursue the affirmative action policies and civil rights enforcement that will be entrusted to him. In response to my questions on this subject, Dr. Bennett affirmed that he is "a proponent of affirmative action" and that, as Secretary of Education, he would "obey the law and enforce the law." I am confident that Mr. Bennett will fulfill his duties in this regard.

I would urge Mr. Bennett not only to "enforce the law" but also to vigorously pursue these policies.

In spite of our efforts over the last quarter of a century to achieve a more racially balanced society, the statistics in our schools reflect a widening rift between the races. An ABC documentary, "To Save Our Schools, To Save Our Children," referred to the "racial schism" that is growing in our elementary and secondary schools. The statistics show declining enrollments in higher education among black and Hispanic youth. And in graduate education, there is a decline, both in terms of percentages and actual numbers, of minorities enrolling and graduating in most subject areas. Only by vigorously pursuing the civil rights laws and affirmative action goals will we reverse these trends. Ernest Boyer, president of the Carnegie Foundation for the Advancement of Teaching, addressed this subject in the ABC documentary. He stated:

> If you have one group of students who become empowered through education * * * that is they can use language effectively * * * and on the other hand you have students who have simply marked time for 4 years, who haven't gained any degree of confidence or skill * * * then we've built a two-class system in which people with power control the lives of the unempowered. That's not only not good democracy and not good government, it's disastrous social policy. In the end, those who don't have the authority will become increasingly angry that they can't participate and help shape their own destiny. The end would be a crisis and confrontation and I think a dramatic erosion in the dream we call America."

Madam President, I submitted for the RECORD a number of questions to Dr. Bennett on this subject which I believe would be of interest to my colleagues. I ask unanimous consent that these questions and Dr. Bennett's answers be printed in the RECORD.

I look forward to working with Dr. Bennett to strengthen our educational system.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

QUESTIONS AND ANSWERS SUBMITTED TO WILLIAM J. BENNETT, BY SENATOR EDWARD M. KENNEDY

8(a) In January of 1984, you wrote a letter to Clarence Thomas, Chairman of the Equal Employment Opportunity Commission in which you stated your views concerning the use of goals and timetables. Does that letter continue to represent your views on this subject?

A. Yes.

8(b) In particular, you wrote that "(T)o request that we set and state numerical 'goals' for hiring is to ask us to anticipate hiring on the basis of such goals . . . (and) . . . asks us to consider race or sex or color as reasonable ingredients in such decisions."

Does your view of the use of goals or timetables apply to other areas of civil rights law such as desegregation of higher education (Criteria for Dismantling DeJure Systems of Public Higher Education 43 Fed. Register 6658, Feb. 15, 1978)?

A. I adhere to the principles articulated in my referenced letter to the Equal Employment Opportunity Commission, and believe that they should apply wherever possible within existing civil rights law, as interpreted by the United States Supreme Court. As the letter observed, importantly, there has never been a finding of discrimination against the National Endowment for the Humanities, either under my Chairmanship or previously. The EEOC request, therefore, was clearly distinguishable from those situations where race-conscious remedies have been imposed in the context of a judicial finding of discrimination. I do, in general, believe that remedial action is appropriate to address the effects of past discrimination in various segments of American society, including educational institutions.

8(c) If the answer to 8(b) is "yes", do you as Secretary intend to follow your own views rather than the criteria cited above?

If the answer to 8(b) is "no", how would you square your obligation to enforce such regulations as an officer of the United States with what you have indicated are deeply held personal views?

A. If confirmed as Secretary, I intend, consistent with my sworn obligations, fully to comply with and enforce existing statutory and regulatory requirements. Where I believe such laws or regulations are unjust, or reflect misguided social policy, I will endeavor, within all legal requirements, to see that such statutes or regulations are appropriately amended.

9. As Secretary of Education, will you submit an affirmative action plan to EEOC as required by Reorganization Plan 4?

A. (I presume that the question refers to reorganization Plan #1 of 1978) Yes.

10(a) Are you aware that affirmative action plans are one of the principal remedial tools used by the Department of Education where there has been a finding of discrimination?

A. Yes.

10(b) Do you support affirmative action plans to remedy a finding of past discrimination?

A. Yes.

10(c) If the answer to 10(b) is "yes", how do you square that answer with your view that race should never be taken into account in any government decision making?

A. See my response to 8(b) above.

Q: (a) Are you familiar with the case of *Adams* v. *Richardson*, now *Adams* v. *Bell*, currently pending in Federal Court in the District of Columbia?

(b) That case involves state systems of higher education where the Office of Civil Rights made specific findings of discrimination as long ago as 1969. In 1973, the D.C. Circuit ordered the Department to begin enforcement proceedings against state systems of higher education which had not fully dismantled their dual systems. After numerous negotiations and further commitments by the states, six states are now under court order to achieve their commitments by the fall of 1985. Data will soon become available on how they are doing.

If the evaluation of this data indicates that these states will not meet their commitments by the fall of 1985 do you intend to initiate enforcement proceedings?

If the answer to (b) is "no" please indicate why not and detail the steps you intend to take under these circumstances. Be specific.

A: My understanding is that the court order required the Department to commence Title VI enforcement proceedings against any state determined to have failed to achieve substantial progress toward the goals of its plan. The Office of Civil Rights reviewed the plans and the progress of these six states as required by the order. As of this date, OCR has determined that all six states have made substantial progress in meeting their goals. OCR will continue to monitor implementation of the plans and appropriate action will be taken if any violations of Title VI are found.

ADDITIONAL QUESTIONS

1. a. Does existing civil rights laws, as interpreted by the Supreme Court, permit the federal government to require public and private entities to "consider race or sex or color as reasonable ingredients" in reaching employment, school assignments or other civil rights related decisions?

b. If the answer to (a) is "yes", will you use these legal tools in carrying out your responsibilities as Secretary?

Answer:

1(a) Yes.

1(b) I will do so, as the law requires. I intend to comply fully with the letter and spirit of the law.

2. You did not answer my question regarding *Adams* v. *Bell*. Judge Pratt's March 24, 1983 order requires the Department to secure full compliance from the states no later than the Fall of 1985. If the Department concludes that the states have not fully met each of their commitments and have not fully dismantled their dual systems by the Fall of 1985, will the Department begin enforcement proceedings against the states at that time?

Answer: If it is determined that states are not in compliance with title VI and it is determined that enforcement proceedings are the best way to bring them into compliance, I intend to see to it that statutory enforcement remedies will be pursued.

1. a. Does existing civil rights laws, as interpreted by the Supreme Court, permit the federal government to require public and private entities to "consider race or sex or color as reasonable ingredients" in reaching employment, school assignments or other civil rights related decisions?

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Mr. STAFFORD. Mr. President, today the Senate will consider the nomination of William Bennett to be Secretary of Education. As chairman of the Senate Education, Arts and Humanities Subcommittee, the area of education is one of my greatest interests. Over the last 4 years I have been continually impressed with the work of Secretary Bell and other officers of the Department of Education as they have administered our vitally important Federal education laws in a very difficult time. Strong positive leadership is needed at the Department to implement the elementary, secondary, and higher education laws which are vital to the future success of our Nation.

I rise in support of the nomination of William Bennett to be Secretary of Education, after having participated in Dr. Bennett's confirmation hearing before the Labor and Human Resources Committee. During that meeting, and in two private meetings, Dr. Bennett assured me that he will be a strong advocate within and outside the administration for the structure of the Department of Education and for the funding of Federal education programs. On the basis of these conversations, and the letter which the President sent our full committee chairman, ORRIN HATCH, I will vote for Dr. Bennett and urge my colleagues to do likewise. And, I look forward to working closely with him as we seek to improve Federal education programs over the next few years.

Mr. KENNEDY. Madam President, I yield to the ranking minority member of the Education Committee, Senator PELL.

Mr. PELL. I thank my friend and colleague, the Senator from Massachusetts.

Madam President, it is a pleasure for me to rise in support of the nomination of Dr. William Bennett to be Secretary of Education.

I have known, liked and worked with Bill Bennett during his tenure as Chairman of the National Endowment for the Humanities. I am impressed with his candid and forthright manner and his personal integrity and ability, and only hope that the nominee to be his successor at the Endowment will possess those same qualities, too.

During the confirmation hearing, I questioned Dr. Bennett closely about the administration's proposals for program changes and budgetary cutbacks in student aid. I expressed my strong opposition to those proposals, and pointed out that they would have an adverse impact on more than one million students who now use grants, loans and work study to help finance their postsecondary education. How can we have an opportunity society if our young citizens do not have full educational opportunities?

In his response, Dr. Bennett acknowledged that the proposals would have "difficult consequences for many people." He also pledged to work with the members of the Labor and Human Resources Committee on the possibility of coming up with alternatives. I liked the fact that he did not duck the issue, and I particularly liked his willingness to attempt to work with us in this area of such great importance.

I am sure that Dr. Bennett and I will find ourselves on opposite sides of issues from time to time. That is as it should be in our system of Government. Yet, from his work at the Endowment and from his approach to this position, Bill Bennett has given us more than ample reason to believe that we will be able to work together, even though we may hold opposing views.

Madam President, this nomination holds out the bright promise of a frank and open dialog on the critical issues confronting us in education. Ted Bell, who has just expressed his negative reaction to the administration's proposed cutbacks, did an admirable job of fulfilling that same kind of promise while he was Secretary and I am very hopeful that Bill Bennett will do likewise. The opportunity is his, and I fervently hope he will succeed.

I urge my colleagues to join me in voting to confirm the nomination of Dr. William Bennett as the next Secretary of Education.

Mr. KENNEDY. Madam President, I yield to the Senator from Illinois [Mr. SIMON], the former chairman of the House Education Committee.

Mr. SIMON. I thank the Senator from Massachusetts.

Madam President, I also am going to join in voting for Mr. Bennett. I have known him some years prior to his coming on the Washington scence, when he was with the Center For Humanities, in North Carolina.

I do express some reservations, however. We have just heard about the former Secretary, Ted Bell, who did a remarkable job, who fought within the administration to see that those education figures were as high as they possibly could be, and he performed a great service to the Nation.

At the National Foundation on the Arts and Humanities, Dr. Bennett in many ways added a creativity factor, but he took the figures handed to him by OMB. When he appeared before our committees, he was so supportive of OMB that one of the members asked him whether he was working for OMB or was he Executive Director of the National Foundation on the Arts and Humanities.

I think it is important that he fight for the education programs of this Nation, and I hope he will do so.

My second concern is that his written statements and his record in some regard are not strong in the area of civil rights. As Secretary of Education, one of his major functions will be to see that minorities within our country have a better opportunity, particularly in urban school situations. We do not need to go very far from this Capitol building to find schools that can be described, at best, as mediocre. That should not be, in this great, rich, talented country, and it has to change. I want a Secretary of Education who is going to be sensitive in this area.

Having said that, there is no question that he is a creative person. He is a person of great ability, and I hope he will do well. I intend to work with him to see that he does well, so that the people of this Nation win.

I think he has to make a basic decision: Whether he is going to serve primarily those at OMB and those in the administration who want to cut back and do less and less, or whether he is going to serve the educational interests of this country, whether he is going to take a look at how history is going to judge him.

We are in a situation in this country in which we need leadership, not drifting. I hope he will provide leadership. There is no question that Dr. Bennett has the intellectual capacity to contribute a great deal. I think there is some question whether he is going to have the backbone to contribute a great deal.

I hope he will weigh carefully this new responsibility he has and serve the people of the Nation well. I will vote for him. I hope he will keep in mind the comments of the Senator from Massachusetts on the report card that he will have to make not only to this body but to the Nation and to his country.

I thank my colleague for yielding the time.

Mrs. HAWKINS. Madam President, I rise in support of the nomination of William J. Bennett for the office of Secretary of Education. As a member of the Senate Committee on Labor and Human Resources, I fully support the President's choice of Mr. Bennett to serve in this very important post. I would like to commend my committee chairman for his effective work in bringing this nomination before the full Senate for consideration today.

Madam President, William J. Bennett is an excellent choice to become the third Secretary of the Department

of Education. His long history as an outstanding scholar, administrator, and spokesman for the study of the humanities amply qualifies him to hold this most important post. During the next 2 years we will need a man of his experience and commitment to education to help guide national education policy.

On Monday of this week, the President submitted his budget proposals for fiscal year 1986. Among those proposals are sweeping reforms in Federal Education Programs. Specifically, the President has proposed important changes in the structure of Federal student assistance. These programs are vital to college and other postsecondary students and their families as they struggle with the high cost of education. The President has proposed instituting a mega-cap on the total amount of assistance any one student can receive in a year. In addition, the President has proposed to link eligibility for grants and subsidized jobs as well as subsidized loans to measures of economic need. Finally, the President has proposed a number of changes in the financing mechanisms by which these programs are provided through lending institutions. But, Mr. President, as the wise man once said, "the President proposes and the Congress disposes."

The issues that the President has raised by submitting his package of educational reforms are important ones. In the face of continuing deficits in the neighborhood of $150 to $200 billion each year, we must take steps to curtail spending and economize Federal programs. But we must also continue to provide assistance to those most in need of help.

Traditionally, Federal education policy has been to provide access to education for deserving students who seek an opportunity to attend a college or university. Its purpose has been to guarantee that no student who seeks to improve himself or herself should be denied that opportunity. Over the years, however, these programs have grown substantially beyond what reasonable men and women would have conceived.

Fortunately, the Higher Education Act is due to be extended during the 99th Congress. It is the natural time to reexamine these Federal programs and to make adjustments if necessary. But only if they are truly necessary. Once that fact has been determined, any changes must be fair. They must be fair to the taxpayers, fair to the lending institutions, fair to the public and private institutions of higher education. First and foremost, they must be fair to the students whom these programs serve.

Madam President, I do not envy the new Secretary of Education. Before him lies an arduous task. He must rein in a growing bureaucracy at the Department, he must distinguish among the many good and bad proposals being pushed by this city's education associations and he must negotiate with Congress over proposals to cut back one of the Nation's most popular programs—student aid. Yes, Mr. President, the new Secretary of Education will face a difficult challenge. I can think of no higher compliment for William J. Bennett than the fact that President Reagan has chosen him for this assignment. I urge my colleagues to support his nomination.

● Mr. DODD. Madam President, I extend my support and congratulations to Dr. William J. Bennett, President Reagan's nominee to be Secretary of Education.

Dr. Bennett is a well-qualified, longstanding proponent of quality education for all students.

He has been an outspoken advocate of strengthening the quality of education in elementary and secondary schools, encouraging more local control of education issues, increased recognition of outstanding teachers, and reform in teacher education and training curricula.

My support for Dr. Bennett to be Secretary of Education does not come, however, without some apprehension.

For example, I am concerned about Dr. Bennett's statement of advocacy for Federal support of private schools.

I share his high regard for the essential contribution which private schools continue to make to the quality and diversity of educational opportunities in this country, and I sympathize with parents over the difficulties which these costs place on them in these financially troubled times. Nonetheless, I cannot agree that tuition tax credits or school vouchers represent sound public policy—either for education or the economy.

This issue is of special importance in light of the administration's proposals to freeze most major grant programs at their 1985 level at the same time many smaller grant programs are being reduced or eliminated—total fiscal year 1986 education funding under the proposed budget is a 3-percent decrease from the fiscal year 1985 level. It would be hard to justify undertaking a major new subsidy of private education—one that has been estimated to cost as much as $7 billion by 1986—under these circumstances.

A policy under which private education is subsidized or cost free would result in a dual school system dependent upon Federal financial support. Many Federal, State and local education leaders have expressed concern that an expanded dual school system would result in nonpublic schools serving the most capable and least troublesome young people while public schools would enroll the academically borderline and those with discipline problems. I do not believe that this is an outcome which should be tolerated.

I encourage Dr. Bennett, as the new Secretary of Education, to address these concerns prior to lending support to these important issues.

In summary, I urge Dr. Bennett to stay the course for education progress during his administration by continuing his strong leadership in reinforcing our national commitment to excellence in education. I extend to him my sincere congratulations on being named Secretary of Education and offer him my support.●

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

● Mr. EAST. Madam President, as soon as this body votes to confirm the nomination of William Bennett to head the Department of Education, the State of North Carolina will have two of its citizens in the Cabinet of the President of the United States—Mrs. Elizabeth Dole and, now, Bill Bennett. It is my pleasure to note that no other State in the Union is so strongly—or so well—represented. The citizens of North Carolina are honored by his nomination and proud of his achievements.

From the end of the 1960's until just recently, America went through one of the most depressing and shameful eras in its educational history. When I met Bill he was the director of the National Humanities Center in North Carolina, an institution that he helped found in order to help put back the pieces of American learning. While educators in this country were abdicating their responsibility to teach the heritage of civilization and learning, when teachers were coerced to follow every fad and whim that might come by, when students were given precious little guidance as to what might be better or worse, more or less important—that's when Bill Bennett started to call for a return to sanity. He put together a place in my home State where teachers and professors might come together to talk and study and write about things that matter.

When the President chose him to be the head of the National Endowment for the Humanities, he knew exactly what he was getting. Bennett was by that time—and he was still only in his thirties—a national leader in the fight against moral and intellectual laxity in schools. From everything I've seen and heard and read, Bill Bennett has one overriding mission—to offer the opportunity to restore seriousness in teaching and learning back to our classrooms. He wrote recently how the mission of education must now be "to reclaim the legacy of our civilization for our children and our students." He's a man who knows that civilization is always only one generation deep, and if we fail to offer our students, all our

students, the wealth of their heritage, that heritage is lost.

Bill Bennett is not shy. When a fight is called for, he will fight it. In the report I just alluded to Bennett points his finger exactly where it should be pointed—at the failure of people in his profession, teaching, to offer our students an exposure to the best that's been thought and known. At the NEH he won the respect of all sides by not catering to this group of favoring that interest. Rather, he did what I wish every politician and administrator should do—he set out the highest of standards, the best of standards, and then asked anyone who could meet them to work with him. The special interests might feel left out but everyone else I've talked to, liberals as well as conservatives, have nothing but praise for his leadership at NEH.

So, just as Bill has spoken up for standards and quality in education, I myself am happy to speak up for Bill Bennett. He has made those of us who come from North Carolina very proud.●

Mr. GRASSLEY. Madam President, I rise in full support of the nomination of Dr. William J. Bennett for Secretary of Education and urge my colleagues to speedily approve his appointment. Dr. Bennett, a distinguished educator, is eminently qualified to be our Nation's chief spokesman for education policy. His academic and management credentials speak highly of his abilities to use the Department as an effective tool to improve the education of our children.

Dr. Bennett holds a Ph.D. in philosophy from the University of Texas and a law degree from Harvard University. He has taught at Boston University, University of North Carolina, and University of Texas, and has served as the executive director of the National Humanities Center in Chapel Hill, NC. He has always been a strong promoter of the humanities in education and was nominated by President Reagan in 1981 to serve as Chairman of the National Endowment for the Humanities. During his tenure at the National Endowment for the Humanities, Dr. Bennett was a champion of excellence in education and initiated a number of programs to improve the quality of teaching.

I believe that in his role as Secretary of Education, Dr. Bennett will find that there has never been a greater challenge to our public education system. Our public education system is being called on to satisfy a widening insistence on equality in educational opportunities, to offer a greater diversity and choice for students, to maintain higher academic standards, to meet higher demands for accountability and to meet society's needs for educated and skilled workers in new fields. And in the wake of new challenges, the publication of "A Nation at Risk" and other major studies have indicated an educational system in trouble. As Dr. Bennett discussed in his confirmation hearing, a groundswell of major education reforms have been initiated appropriately at the State and local level to tighten standards for teachers, to stiffen graduation requirements and to toughen curriculum. However, there is also the recognition on the part of Dr. Bennett that the Federal Government has a legitimate, however, limited role in providing leadership in improving our educational system, in providing technical assistance, and in ensuring access for all students. In pursuit of these national goals, however, we must take care not to diminish those aspects of education which are best protected by the diversity and direction of locally elected school system leadership.

I believe that our Nation's greatest strength is the education, experience, and knowledge of its citizens. As a member of the Senate Labor and Human Resources Committee, I look forward to working closely with Dr. Bennett to advance the cause of education. With his special blend of expertise and his strong advocacy for the President's reform agenda, I feel he will help return basic values, basic traditions, and basic good sense to the Nation's classrooms.

Mr. HATCH. Madam President, I suggest the absence of a quorum with the time equally divided.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATCH. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Madam President, I yield back my time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HATCH. The majority yields back its time.

Mr. KENNEDY. Madam President, I yield back all my time.

The PRESIDING OFFICER. All time having been yielded back, the question is will the Senate advise and consent to the nomination of William Bennett, of North Carolina, to be Secretary of Education.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Mississippi [Mr. COCHRAN], the Senator from North Carolina [Mr. EAST], the Senator from Utah [Mr. GARN], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Maryland [Mr. MATHIAS] are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina [Mr. EAST], and the Senator from Utah [Mr. GARN], would each vote "yea."

Mr. CRANSTON. I announce that the Senator from Montana [Mr. MELCHER] is necessarily absent.

I further announce that the Senator from Mississippi [Mr. STENNIS] is absent on official business.

I further announce that, if present and voting, the Senator from Montana [Mr. MELCHER] and the Senator from Mississippi [Mr. STENNIS] would each vote "aye."

The result was announced—yeas 93, nays 0, as follows:

[Rollcall Vote No. 2 Ex.]

YEAS—93

Abdnor	Gore	Metzenbaum
Andrews	Gorton	Mitchell
Armstrong	Gramm	Moynihan
Baucus	Grassley	Murkowski
Bentsen	Harkin	Nickles
Biden	Hart	Nunn
Bingaman	Hatch	Packwood
Boren	Hatfield	Pell
Boschwitz	Hawkins	Pressler
Bradley	Hecht	Proxmire
Bumpers	Heflin	Pryor
Burdick	Heinz	Quayle
Byrd	Helms	Riegle
Chafee	Hollings	Rockefeller
Chiles	Humphrey	Roth
Cohen	Inouye	Rudman
Cranston	Johnston	Sarbanes
D'Amato	Kassebaum	Sasser
Danforth	Kasten	Simon
DeConcini	Kennedy	Simpson
Denton	Kerry	Specter
Dixon	Lautenberg	Stafford
Dodd	Laxalt	Stevens
Dole	Leahy	Symms
Domenici	Levin	Thurmond
Durenberger	Long	Trible
Eagleton	Lugar	Wallop
Evans	Matsunaga	Warner
Exon	Mattingly	Weicker
Ford	McClure	Wilson
Glenn	McConnell	Zorinsky

NAYS—0

NOT VOTING—7

Cochran	Goldwater	Stennis
East	Mathias	
Garn	Melcher	

So, the nomination was confirmed.

Mr. SIMPSON. Madam President, I move to reconsider the vote by which the nomination was confirmed.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SIMPSON. I ask unanimous consent that the President be notified that the Senate has given its consent to this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME LIMITATION AGREEMENT

Mr. SIMPSON. Madam President, I ask unanimous consent that when the Senate turns to the consideration of the nomination of John Herrington to be Secretary of Energy, the nomination be considered——

Mr. BYRD. Madam President, may we have order in the Chamber?

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD. This is a unanimous-consent request, and I assume Senators will want to hear it.

The PRESIDING OFFICER. The Senator is absolutely correct. The Senate will be in order.

Mr. SIMPSON. Madam President, I ask unanimous consent that when the Senate turns to the consideration of the nomination of John Herrington to be Secretary of Energy, the nomination be considered under the following time agreement: 1 hour and 15 minutes on the nomination, 1 hour to be equally divided between the Senator from Idaho [Mr. McCLURE] and the Senator from Louisiana [Mr. JOHNSTON] or their designees, with 15 minutes to be controlled by the Senator from Wisconsin [Mr. PROXMIRE].

Following the conclusion of, or the yielding back of, time, the Senate will proceed to vote immediately without intervening debate, motion, appeal, or point of order on the nomination of John Herrington to be Secretary of Energy.

Further, I ask unanimous consent that no motion to recommit the nomination of John Herrington be in order.

The PRESIDING OFFICER. There is no objection.

Mr. BYRD. Madam President, I have no objection on this side with respect to this request. There had been a thought that we might be able to get time agreements on both Mr. Hodel and Mr. Herrington, with a vote back-to-back on those two. But I have not been able to clear that. If I can see Mr. PROXMIRE, I might be able to.

Mr. McCLURE. Will the Senator yield?

Mr. BYRD. I yield.

Mr. McCLURE. I thank the Senator for yielding. On the part of the committee, such an arrangement would be entirely satisfactory to me.

Mr. JOHNSTON. Mr. President, if the Senator will yield, that would be not only satisfactory but preferable to the minority.

Mr. BYRD. I thank both Senators.

May I ask the distinguished majority whip if he will, for a moment, pull this request back and go with his request on Mr. Hodel, during which time I may be able to clear this matter with Mr. PROXMIRE and any others who may be interested?

Mr. SIMPSON. Madam President, I ask unanimous consent that when the Senate turns to the consideration of the nomination of Donald Hodel to be Secretary of the Interior, the nomination be considered under the following time agreement: 1 hour and 20 minutes on the nomination, 1 hour to be equally divided between the Senator from Idaho and the Senator from Louisiana or their designees, and 20 minutes to be controlled by the Senator from Wisconsin. Following the conclusion of, or the yielding back of, time, the Senate will proceed to vote immediately without intervening debate, motion, appeal, or point of order on the nomination of Donald Hodel to be Secretary of the Interior.

Further, I ask unanimous consent that no motion to recommit the nomination of Donald Hodel be in order.

Mr. BYRD. Madam President, reserving the right to object, will there be any objection on my side if we combine the two time agreements with respect to the nomination, the motion, appeal, et cetera, and then have two back-to-back votes, once the time on both had been yielded back or had expired?

Mr. PROXMIRE. May I say, I would prefer not to do it that way, but I want to accommodate my colleagues. I know it is convenient to them, and I will not object to that. I want to make sure I have 15 minutes to speak on Mr. Herrington and 20 minutes on Mr. Hodel. I may not use all that time, but I would like to reserve that much time, if possible.

Mr. BYRD. I thank my friend from Wisconsin.

Would the distinguished majority whip like to proceed and make a combination of time?

Mr. SIMPSON. Madam President, in accordance with the agreement just reached, I would ask that these be joined and the time agreement be reentered with regard to Mr. Herrington. That is, that that be considered under the following time agreement: 1 hour and 15 minutes on the nomination, 1 hour to be equally divided between the Senator from Idaho and the Senator from Louisiana or their designees, and 15 minutes to be controlled by the Senator from Wisconsin. Following the conclusion of, or the yielding back of, time, there will be votes immediately thereafter on the two nominations, proceeding to vote immediately without further debate, motion, appeal, or point of order on the nominations of both of those individuals.

Mr. BYRD. Is the majority leader then asking that there be 2 hours and 35 minutes on both nominations, with Mr. PROXMIRE to be given 20 minutes on the nomination of Mr. Hodel and 15 minutes on the nomination of Mr. Herrington?

Mr. SIMPSON. That is correct.

Mr. BYRD. After which the Senate would proceed to vote on both back-to-back?

Mr. SIMPSON. That is correct.

Mr. BYRD. The first vote to be under a 15-minute time limitation and the second to be under a 10-minute time limitation?

Mr. SIMPSON. I think we will have to clear any reduction of the time on the second vote.

Mr. BYRD. Reserving the right to object, Madam President, it is my understanding, then, that if this agreement is entered into, the Senate will proceed to the consideration of the nomination of Mr. Herrington first, and then to the nomination of Mr. Hodel, with the time to be as follows: 2 hours and 35 minutes to be utilized on both nominations, with the time to be equally divided as set forth in the request, with the additional proviso that Mr. PROXMIRE may have 15 minutes under his control on Mr. Herrington and 20 minutes under his control on Mr. Hodel, at the end of which time, if it is used or yielded back, the votes would begin to occur, first on Mr. Herrington and, second, on Mr. Hodel, with the other provisions of the joint request being agreed to?

Mr. SIMPSON. That is correct.

Mr. BYRD. I have no objection.

The PRESIDING OFFICER. Hearing no objection, without objection, it is so ordered.

Mr. McCLURE. Madam President, I ask unanimous consent that it be in order to ask for the yeas and nays on both rollcalls with one show of hands.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. I ask for the yeas and nays on both rollcalls with one show of hands.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will report the nominations.

NOMINATION OF JOHN S. HERRINGTON TO BE SECRETARY OF ENERGY

NOMINATION OF DONALD P. HODEL TO BE SECRETARY OF THE INTERIOR

The bill clerk read the nomination of John S. Herrington, of California, to be Secretary of Energy.

The bill clerk read the nomination of Donald P. Hodel, of Virginia, to be Secretary of the Interior.

NOMINATION OF JOHN S. HERRINGTON

Mr. McCLURE. Madam President, on February 5 the Committee on Energy and Natural Resources favorably reported the nomination of John S. Herrington to be Secretary of Energy. The vote was 20 to 0. Mr. Herrington has fully complied with the committee's rules requiring submittal of a detailed information statement and a financial disclosure report.

The hearing on Mr. Herrington's nomination was held on January 31. In his testimony before the committee, Mr. Herrington expressly acknowledged the statutory mandate established for the Department of Energy by the DOE Organization Act, and he assured the committee that he would

uphold that mandate. He also emphasized his intent to carry out his duties as Secretary in a spirit of cooperation with the committee and the Congress. I look forward to that cooperation. The Department of Engery, under the leadership of Mr. Herrington's predecessor, Donald Hodel, developed and maintained a close working relationship with the Committee on Energy and Natural Resources. I am confident that the relationship will continue.

Four years ago, in January 1981, the Committee on Energy and Natural Resources considered the nomination of Gov. James Edwards for the position of Secretary of Energy. During the hearing on that nomination, the members of the committee discussed the need for action in a number of areas, such as eliminating excessive Government management of fuels, and removing certain Federal regulations that were then imposed on the energy industry. I expressed the opinion that the Department of Energy was ill-prepared to deal with any serious disruption in our energy supplies. In the area of nuclear waste policy, I observed that we needed to take action without delay to improve the procedures for the siting of nuclear waste storage facilities.

Now that 4 years have passed, where do those issues stand today? In some areas, substantial progress has been made. For example, all remaining price and allocation controls have been removed from crude oil and petroleum products. As of the first of last month, wellhead price controls no longer apply to over half of our natural gas production. In addition, we have initiated a new Federal program for the siting and development of permanent storage facilities for nuclear waste.

The Energy Emergency Preparedness Act of 1982 improved our ability to respond effectively to oil supply disruptions and other energy emergencies. Moreover, this country is now much less dependent on crude oil imports from the Middle East and Africa, two of the more volatile oil-producing areas. Last year, imports from Middle Eastern and African countries amounted to less than half of what they were in 1981. Our vulnerability to import disruptions has also been reduced by the increasing size of the strategic petroleum reserve, which now contains about 454 million barrels of oil. The average fill rate over the past quarter has exceeded 211,000 barrels per day.

Four years, ago, at the beginning of 1981, the strategic petroleum reserve contained only 110 million barrels. Today, with a reserve four times larger, we have substantially improved our national security, and I am confident that we have also added stability to the world oil market, which no longer appears to react so strongly to unexpected events.

With all of this good news, some may be tempted to ask, why do we need a Secretary of Energy? In my judgment, there are sound reasons. First, although our energy picture has improved, it continues to have a dark side. This country continues to import large volumes of oil. Thus, we continue to be vulnerable to disruptions in the supplies of crude oil in the world markets. During 1984, our imports of crude oil and petroleum products averaged over 5 million barrels per day. This volume was about 32 percent of total demand last year, and it amounts to more than a 9-percent increase over 1983 import levels. Imports for 1985 are projected by the industry to increase further by 4 percent over last year's level.

Reliance on the strategic petroleum reserve, large as it is, may not adequately offset this increasing dependence on imports. If a serious import disruption should occur, it is not at all clear that SPR oil would be distributed in a timely and effective manner. New distribution facilities are needed if there is to be reasonable assurance that serious fuel shortages in certain areas of the country would be avoided. We need a Cabinet-level officer, a Secretary of Energy, with clear responsibility for assessing the circumstances of any energy emergency, serving as the Government's spokesman, monitoring events and activities within the oil industry, and making the necessary judgments regarding the availability of SPR oil.

There is also an ongoing need for a separate Federal agency that can serve as a clear focal point for formulating national energy policy, effectively implementing that policy, and managing the energy-related Federal programs, such as energy research and development, Federal power marketing, uranium enrichment, and the national laboratories. Other activities include managing the strategic petroleum reserve, developing nuclear waste storage facilities, planning for energy emergencies, and managing the Atomic Energy Defense Program.

During the coming months, the Reagan administration will be evaluating the merits of merging the Department of Energy with another department. I would note that the starting point for such an analysis is a convincing demonstration that greater efficiency would ultimately result from such a merger. Within the Congress, there is considerable doubt about whether the advocates of the merger can meet their burden of proof on that issue.

Mr. Herrington is a former practicing attorney and businessman who has served in the Reagan administration since March of 1981. He served first on the White House staff, then as an Assistant Secretary of the Navy, and most recently as assistant to the President for Presidential personnel.

Although Mr. Herrington has not been involved in the energy policy debates of recent years, he will bring to the Department his considerable management experience as a Federal Administrator. He will be in a position to apply a fresh and unbiased perspective to the decisionmaking within the Department.

Madam President, on behalf of the Committee on Energy and Natural Resources, I am pleased to recommend Senate approval of Mr. Herrington's nomination.

Madam President, let me conclude at this time by saying very simply that, first, there is a feeling on the part of this Senator, as concurred in by the committee, that we need a full-time Secretary of a full-time Department. Mr. Herrington has indicated that it is his intention to be both.

Second, I think it is important to note that the legislation under which the Department of Energy was created has set up some very strict limitations with respect to conflict of interest. Because of that, it is essential that we find somebody with managerial experience, but it is impossible to find someone with that experience who comes from the energy community, as such. I think Mr. Herrington admirably fits the criteria established.

I know a great many people have said, when the nomination was submitted, "What is his experience in the field of energy?" The act, itself, makes it almost impossible to find somebody with such past experience. I should not say almost impossible, but certainly very difficult.

I am convinced that Mr. Herrington's nomination is a good nomination. I have been very favorably impressed with his capacity to understand and to learn the issues. I have been informed, by people who have known him much longer than I, that indeed he is a quick study.

I look forward to a very affirmative, positive, and helpful administration of a very complex and difficult agency.

I reserve the remainder of my time, Madam President.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. McCLURE. Madam President, I yield to the distinguished Senator 6 minutes.

Mr. THURMOND. Madam President, I rise to voice my strong support for the nomination of Mr. John S. Herrington to be Secretary of Energy.

Mr. Herrington has demonstrated exception abilities and leadership qualities in each and every endeavor he has undertaken in both his private and public careers. He is a man of

commitment, dedication, integrity, and principle. Not only is he eminently qualified to carry out the important responsibilities of Secretary of Energy; but, I believe he is the right man for the right job at the right time.

Mr. Herrington was educated in California. Following his graduation from University High School in Los Angeles, he attended Stanford University, where he obtained a bachelor of arts degree in economics. In addition to his academic pursuits at Stanford, Mr. Herrington was also an active participant in the varsity sports of rugby, soccer, and boxing.

After completing his undergraduate studies, Mr. Herrington decided to further his education through the study of law. He enrolled in the University of California, Hastings School of Law at San Francisco, where he successfully completed the requirements for both a J.D. and LL.B. degrees.

Beginning his legal career in 1965, Mr. Herrington had a long, distinguished, and varied practice. He served as a criminal prosecutor with the Ventura County district attorney's office. Later, in private practice, he quickly established himself as a capable corporate and real estate practitioner. In addition to becoming an able, skillful lawyer, he also became known as a sound businessman, through his ventures in real estate development, ranching, and other financial undertakings.

Madam President, the accomplishments of this fine man are not limited to those of his private life. John S. Herrington also has a distinguished record of public service to his country. He served in the military as a first lieutenant in the U.S. Marine Corps. Continuing his involvement in, and complementing his understanding of the importance of defense to our country, Mr. Herrington has been associated with numerous organizations whose purpose and aim are to promote the defense of this Nation.

The President's nominee to be Secretary of Energy has also served in a number of other capacities in recent years. When he first came to Washington in January 1981, Mr. Herrington assumed the duties of Deputy Assistant to the President and also Director of Presidential Personnel at the White House. After performing ably in that post, Mr. Herrington was nominated to become an Assistant Secretary of the Navy. His outstanding work in this key defense position in charge of manpower and reserve affairs earned him the Department of Defense Distinguished Service Medal. President Reagan then summoned Mr. Herrington back to the White House team in February 1983, to head the Presidential personnel office, a position in which Mr. Herrington has further distinguished himself during the past year.

Madam President, it is essential that the Secretary of Energy not only have a background and understanding of our Nation's energy needs, but also of its defense requirements. Many persons are not aware of it, but a substantial portion of the Energy Department budget is devoted to atomic energy defense activities. With his experience in the Defense Department and his military background, Mr. Herrington is especially well qualified to direct the Federal agency charged with the vitally important mission of producing the nuclear weapons material necessary to our national security. In my capacity as the ranking Republican member of the Armed Services Committee, and as a Senator representing a State in which one of our most important atomic energy defense facilities is located—the Savannah River plant in Aiken County, SC—I intend to work closely with Mr. Herrington in his new capacity to see that our Nation's defense needs are met.

Through his service to President Reagan, Mr. Herrington has earned the respect and trust of the President; and rightly so. John Herrington is a bright, dedicated, hard working individual. I firmly believe he is qualified and capable of being one of the finest Secretaries of Energy we have ever had. I strongly support his nomination, and I urge my Senate colleagues to act favorably and swiftly in confirming the nomination of John S. Herrington to be Secretary of the U.S. Department of Energy.

Madam President, I yield the floor. I thank the able Senator from Idaho for his courtesy.

The PRESIDING OFFICER. The Senator from Louisiana.

JOHN S. HERRINGTON

Mr. JOHNSTON. Madam President, John S. Herrington does not have an extensive background in energy. As a matter of fact, as he himself says, he has had no training in this area. Nevertheless, I support his nomination to be Secretary of Energy. I do so because, his background in business, in the military, as a prosecutor, as a lawyer and as manager of the personnel division at the White House—evidences a wide range of admirable qualities. From all of those standpoints and in all of these positions I believe John Herrington has shown himself to be a man of judgment, of integrity, and of intelligence.

I think that qualifies him to be Secretary of Energy.

Madam President, in discussions with Mr. Herrington, both in the committee and in my office, I found he was quite attuned to some of the big issues that are coming up in the field of energy. He recognizes, I believe, that while there is a surplus and a correspondingly low price of crude oil, it is a temporary phenomenon. The same is true of natural gas, a temporary deliverability and an accordingly low price. He recognizes it is temporary in nature; that we need to push ahead in this country with alternative fuels, with synthetic fuels, with conservation, and with measures to reduce our dependency on foreign imports. He stressed that in his testimony, he stressed that in my office, and I believe he will do that.

Madam President, I also believe he has the intelligence to understand the need for a healthy domestic oil and gas industry. He understands that the Secretary of Energy will need to be one of the point men in the administration to speak for the survival, the health of that domestic oil and gas industry vis-a-vis an attack by a tax policy which could be very destructive to that industry. When I speak of tax policy, I mean the various tax proposals which have been proposed beginning with the Treasury tax bill—which has been endorsed, if not by title and line, by the President, at least in principle—and the other versions of so-called tax reform including the Bradley-Gephardt bill and the Kemp-Kasten bill. All of these bills would have the effect of taking from the oil and gas industry all of those incentives which now exist in the law.

My contacts in the oil and gas industry, which are extensive, have told me that the domestic oil and gas industry would be dealt a body blow, if not a fatal blow, by these tax proposals. The elimination of the expensing of intangibles together with the elimination of the percentage depletion allowance, not to mention other provisions such as the elimination of investment tax credits, accelerated cost recovery, and other provisions, would make it virtually impossible to survive in today's market of low oil and gas prices. I am advised that about 50 percent of the wells drilled today would not be drilled, certainly not by independents, if these incentives were eliminated. I believe, Madam President, that Mr. Herrington will have the intelligence and the integrity to investigate that issue and to speak out on it at least within the councils of the administration.

So for all of these reasons, Madam President, I believe that Mr. Herrington can be an excellent Secretary of Energy. Those who know him best, including the distinguished Senator from Virginia [Mr. WARNER], speak very highly of him and recommend him without qualification. I believe that speaks well for him in the whole Congress. I therefore endorse his nomination.

DONALD HODEL

Madam President, Donald Hodel is an individual well known to me pesonally and professionally. He first came to my knowledge as Secretary of Energy, where I believe he has done

an outstanding job. He comes to the Department of Interior with a better background in Interior matters and in the whole panoply of issues facing the Department of Interior than perhaps any Secretary nominee since I have been in the Congress and perhaps in the whole history of the Department of the Interior. This is very appropriate and very important at this particular time in our history. I say at this particular time in our history because as everyone in our Nation knows, certainly everyone in this body, the post of Secretary of the Interior can be one of the most controversial of all posts in the Government. It is certainly the most sensitive in matters concerning the environment. It may not be the only Cabinet post concerned with the environment, but it is clearly the most important. The Secretary of the Interior is the Ambassador to environmentalists, the supreme court to environmentalists, and the Administrator of environmental matters. When he fails to handle matters in the best way possible, it can mean the worst possible in terms of controversy for the administration. We have seen that well illustrated in the very recent past at the Department of the Interior. It is therefore most important that you have a man who knows these issues—issues like coal leasing, Outer Continental Shelf development, management of national parks, acquisition of lands for parks and wildlife refuges, grazing rights; the myriad of issues that affect the Department of the Interior are vitally important to millions and millions of Americans. I believe that Mr. Hodel has that experience, that knowledge, that background, and that subtlety and sensitivity to deal with the issues intelligently in such a way as to serve the dual interests of national policy and what you might call the concerned client groups whether they be environmentalists or those who would like to develop areas in national parks. It is a delicate balance to achieve.

One of the real travesties of the James Watt years at Interior was the politicization of conservation and natural resources policy in this Nation and the lack of meaningful communication and dialog that resulted from such a policy. I know that Secretary Hodel will not fall into this trap. I am confident that he will leave the lines of communication open between the Department and all interested parties, and that he will actively seek the advice and counsel of a wide range of interests, not just those who happen to agree with him. I know I can also count on him to work openly and on a bipartisan basis with the members of the Senate Committee on Energy and Natural Resources, as well as the other congressional committees with jurisdiction over the Department's program and budget.

The Secretary of the Interior has one of the most challenging and important jobs in Government. He is charged with protecting some of America's most precious natural assets—our national parks and wildlife refuges. The Secretary is also responsible for management and development of the vast energy resources on Federal lands. These include oil and gas on the Outer Continental Shelf and onshore, coal, oil shale, and tar sands. Management of these resources, which include 60 percent of U.S. oil and gas and almost 50 percent of our coal, is probably the Nation's single most important energy program.

As Secretary Hodel put it at his confirmation hearing before the Committee on Energy and Natural Resources, "I do not believe the Nation must choose between adequate energy and an improving environment. We can do both." Of course, this is easier said than done, but I agree with Secretary Hodel. With careful planning and wise decisions, the apparent conflict between these two objectives can be reconciled. I intend to do what I can to help achieve that end.

I believe Bill Clark as Secretary of the Interior has achieved a commendable record of success in communication with the environmental groups, in the care in which he had approached all of these issues. For example, in offshore drilling, while it has not proceeded nearly as fast as I think the facts would warrant and as fast as the Nation needs, I believe Mr. Clark did his very best in that very highly illustrative issues. He was most cooperative in dealing with the environmental groups and making them feel that they were being heard, that their concerns, if rational and reasonable, would be adhered to. I believe the same thing is true of Mr. Hodel. I think he is an excellent choice. I will be greatly surprised and greatly disappointed if he fails to be one of the finest Secretaries of the Interior that we have had appointed in recent decades. It is with real pleasure that I endorse his nomination.

DONALD HODEL

Mr. THURMOND. Madam President, I rise to express my strong support for the nomination of Mr. Donald Paul Hodel to be Secretary of the Department of the Interior. Few individuals could bring to the Department of the Interior the qualifications possessed by this nominee, who already holds a Cabinet-level position within the Reagan administration.

Mr. Hodel has done an outstanding job as Secretary of the Department of Energy, and I am confident that he will perform equally as well in his new role as Secretary of the Department of the Interior. It has been my privilege to work closely with Mr. Hodel in his capacity as Energy Secretary on a number of issues, including matters relating to the Savannah River plant, an atomic energy defense facility in Aiken County, SC, and other issues relating to the defense nuclear weapons programs.

Mr. Hodel has demonstrated that he is a man of great understanding and reasonableness. He has the ability to readily grasp complex issues, and the strength to act decisively in the best interests of the Nation. I commend President Reagan for his selection of this fine and outstanding individual to be Secretary of the Interior.

Of course, this will not be the first time Mr. Hodel has served in the Department of the Interior. In 1981, he was appointed Undersecretary of the Interior and served ably and responsibly in that capacity. Prior to that, Mr. Hodel was associated with the Bonneville Power Administration. First appointed as Deputy Administrator in 1969, Mr. Hodel later was named Administrator of that agency and quickly became a central figure in northwestern energy matters.

Madam President, I believe Mr. Donald Paul Hodel is eminently qualified for the position to which he has been nominated. I am confident he will merit the trust placed in him as guardian of our national and historic resources by performing the responsibilities of Secretary of the Interior in a competent, professional, and dedicated manner. I strongly support his nomination and urge that he be confirmed.

Mr. McCLURE. Mr. President, I yield 5 minutes to the distinguished Senator from Virginia.

The PRESIDING OFFICER [Mr. WILSON]. The Senator from Virginia is recognized.

JOHN HERRINGTON

Mr. WARNER. Mr. President, I first thank the distinguished chairman of the Energy Committee, Chairman McCLURE, and the distinguished ranking minority member, Mr. JOHNSTON, for their very fair, thorough, and courteous consideration of both the nominations of Mr. Herrington and Mr. Hodel. I rise at this moment to unequivocally endorse the nomination by the President of John Herrington to be the Secretary of Energy.

Mr. Herrington, who has an honorable record of service to this Nation, is a native of Los Angeles, and graduated in economics from Stanford University.

He received his law degree from the University of California, Hastings College of Law, and has practiced for 16 years both as a criminal prosecutor and a business attorney.

Throughout his career, John Herrington has been recognized as a man of impeccable integrity, a skillful businessman and attorney, a master of management, and an extraordinarily quick study.

In his current job, Assistant to the President for Presidential Personnel, he has gained the trust and respect of many competing interests and factions for his handling of difficult decisions.

Prior to that he served as Assistant Secretary of the Navy, a department with which I have some familiarity.

When he arrived on the job in October 1981, he read a report detailing drug use in the armed services.

Within 2 weeks he designed, drafted, and implemented a plan for the Department of the Navy's war on drugs, one of the greatest untold success stories in recent years in the Department of the Navy.

With the help of thousands of sailors and marines, drug use in the Navy and Marine Corps was cut fivefold, to the point where it was the lowest in the Armed Forces.

For this initiative, and others, he was awarded the Department of Defense's Distinguished Service Medal. With his keen intellect, fine character, high standards, and fastidious attention to detail, I am confident that he will serve with excellence the President, the Nation, and Congress as Secretary of Energy.

Together with his lovely wife, Lois, who independently has established her own distinguished career as a public servant, they presently have a home in the Commonwealth of Virginia.

Just this afternoon, the Secretary designee met with the distinguished minority leader, Mr. BYRD, and other Members of the Senate, together with Mr. Stockman, on a most difficult issue. At that initial meeting, working with Congress, although unofficially, since his nomination has not been confirmed, he displayed a very fair and objective approach to a tough situation. I think that all present at that meeting were highly impressed, and I believe it is indicative of the type of service he will render to this Nation.

I thank the chairman, and I thank the distinguished minority leader.

Mr. PROXMIRE. Mr. President, I understand that I have 15 minutes on the nomination of Mr. Herrington. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. PROXMIRE. Mr. President, I rise in opposition to the nomination of John S. Herrington to be Secretary of Energy.

Why do I oppose this nomination? The answer is simple. Mr. Herrington has no direct experience with any of the important subjects he will deal with as Secretary. None. Not 1 year. Not 1 month. Not 1 day. Not 5 minutes.

Does he have any experience dealing with nuclear weapons? No. Alternative fuels and conservation? No. Electric power marketing? No. What does he know about his new domain? Absolutely nothing.

If you or I recommended this kind of appointment to a position of authority in a corporation, we would be laughed right out the door. If anyone wonders why the Federal Government is such a slovenly, wasteful, incompetent stumblebum, this kind of appointment is a big part of the answer.

Why should the Secretary of Energy know anything about his job? For starters, because he will preside over an almost $10 billion a year budget, thousands of employees and contractors, weapons factories, nuclear waste sites, and high-tech laboratories. That would boggle the mind of even the most sophisticated energy buff.

The Department of Energy is no small-time agency. Its budget is about as big as those of Interior and EPA combined, and its responsibilities are enormous. Does it need a big-time administrator, one who knows the technical details of his complex responsibilities? Of course it does.

I have often called for the dismantling of the Department and transferring its functions elsewhere in the Government, as has the President. But there is little congressional support for such a change. So if Congress chooses to perpetuate this bloated bureaucracy, the least we can do is assure that it runs efficiently.

I have usually vigorously disagreed with Secretary Hodel's priorities at Energy. They were bad, very bad. But at least he knew his business. He was unlikely to become unwittingly bamboozled by departmental rivalries or harebrained energy development schemes. He knew enough so that all of even his worst decisions were his own. And he could be held fully accountable.

However, with Herrington we have no such guarantees. Mr. Herrington is said to be a quick study—I have heard that now from several Senators who have spoken on his behalf—and a good manager. Is he? And will he be for Energy? All of the Herrington Government experience, whether at the White House or the Pentagon, is in personnel and manpower management. He has never had to deal with complex, substantive policy issues.

Well, he cannot escape difficult, complex, highly technical questions at Energy. With no background, he will have to make billion-dollar decisions. Whether it is deciding the location of our first nuclear waste dump or preparing for our next oil shortages, the policy questions he will face are big and they are tough. They will have a profound effect on our country. They are too tough for someone with no background, someone who has to rely entirely on the advice of others.

Suppose we faced a significant cutback in our oil supply. Remember the last time that happened? The loss of only a few percent of oil imports threw the United States into mass confusion and panic. Since that time, we have established a strategic petroleum reserve to tide us over shortages. But how will the Secretary allocate the reserve during the next shortage? Will his plan work, and what will the oil cost? This is the kind of situation in which experience helps, and Herrington has none.

Does not the United States deserve better? Do we not need someone as Secretary who thoroughly knows the policy alternatives?

What about energy research to make us independent of foreign sources of supply? The choices are bewildering. Should the Department do research on advanced nuclear technologies or simple solar devices; should it look into better ways to burn coal or to enhance production from existing oil wells; all of these, none of these, or something else entirely?

Once again, without knowledge or experience in the energy field, a Secretary cannot make the wise decisions our country needs for our energy security.

My colleagues may well ask me, just how qualified should a nominee be to head this Department? After all, previous Secretaries include a dentist and a soft drink executive. In fact, aside from Secretary Hodel, Energy Secretaries have all been grossly, pitifully unqualified for the job. John Herrington fits right into that miserable tradition. Yet, Mr. Herrington will win the overwhelming approval of the Senate as Secretary of Energy.

Mr. President, Members of this body take an oath when they are sworn as Senators to support the Constitution of the United States. That Constitution gives us the responsibility to advise and consent to the top policy appointments of the President. Senate approval of John Herrington as Secretary of Energy will represent a sad abdication of that responsibility.

Mr. President, I reserve the remainder of my time, and I yield the floor.

Mr. McCLURE. Mr. President, let me respond to only one comment that has been made on the floor so far, with respect to Mr. Herrington, and that was a reference made to the Treasury tax bill and the provisions of that Treasury tax bill.

The statement was made, if I heard it correctly, that the bill has been endorsed at least in principle by the President. I have been watching that matter very carefully, and unless I have missed something, I think a correct statement of the President's position is that he is in favor of tax reform and tax simplification; but, I think some people have noted that he has almost studiously refrained from endorsement of the Treasury bill, and

some people have been interested in whether or not he does support it.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. McCLURE. I yield.

Mr. JOHNSTON. Mr. President, I hope the distinguished Senator is correct.

When I heard the inaugural address, it sounded very close to an endorsement, to me.

Yesterday, in the Budget Committee, some of the Members on my side of the aisle were getting on Mr. Stockman as to why he had not done anything about tax reform. He said, "Well, we have. It is our bill. Right here." He proceeded to say what had been done on various items of tax reform.

Others said to him, "Well, that has not been submitted yet."

He said, "Well, it will."

So I guess you can hear what you want to hear on that tax bill.

I hope, though, that Mr. Herrington will remind the President that he has not endorsed it and will look very carefully at some of these more destructive provisions.

I understand, of course, that the President clearly has not endorsed it line by line, item by item, concept by concept.

And it is in this very difficult time, when you are looking at it concept by concept, that I think he needs to consider whether or not it is important to have a domestic oil and gas industry, a healthy one, and what the effect of it is, what the effect of the tax bill is on the industry.

I think if he looks at it he will see that the two cannot simultaneously coexist, that is, the healthy oil and gas industry and that tax bill.

I must say, as the distinguished Senator knows, it is rather hard to get a lot of sympathy for what people would consider loopholes for rich oil men, but the fact of the matter is that it is a very highly risky business. Those who remain in the business are usually the winners and do fairly well. Those who go broke are out of business and are not there to hold up as examples.

Moreover, unless those who are successful continue to drill, you are not going to find the oil and gas, and I know the distinguished Senator knows all this and he and I do not disagree on the issue.

I do hope that he is right in what the President's attitude is on the tax bill.

Mr. McCLURE. Mr. President, let me say to my friend from Louisiana, I do not know that I can say the President has said he is not in favor of the Treasury's tax bill, because as carefully as I have been following that subject, I have not heard him make any statement about it which tells me something.

In this business, when you are watching what a President does with respect to what Cabinet officers may have said or done, if he does not say anything about it at all, you can be pretty sure he did not approve it.

To my knowledge, he has not said anything about it at all.

I was not aware of the statements that Mr. Stockman may have made to the Budget Committee yesterday about the tax legislation, but Mr. Stockman made some other statements yesterday, too, and I understand the President may put some distance between himself and Mr. Stockman with regard to those statements, and I think appropriately so.

I believe that the issue of what the tax bill is or is not needs to be separated, and I do so at this time very carefully, because I agree with my friend from Louisiana that many of the provisions of the proposed bill that came from Treasury simply are unworkable in the real world, in my judgment. In spite of the protestation of some experts to the contrary that there are offsetting provisions in the tax schedules that are contained in that bill, I think it would be a damaging bill, and I would not support those provisions, just as I know my friend from Louisiana would not, and we will be watching with a great deal of care as to whether or not the President does or does not embrace those provisions.

I agree with the statement that was made by my friend from Louisiana that Mr. Herrington has exhibited a knowledge of those issues, a sensitivity to them, and a willingness to get himself involved in those discussions within the administration in the future. I think that bodes well for the concerns that my friend has expressed, and which I share.

Mr. DURENBERGER. Mr. President, I rise today to support the nomination and confirmation of John S. Herrington as Secretary of Energy.

I believe President Reagan has made a good choice, that Mr. Herrington has the necessary qualifications to be Secretary of Energy. In assuming his new post, he will bring with him strong management and organizational skills which he demonstrated as Assistant to the President for Presidential Personnel.

At Mr. Herrington's confirmation hearing last week, I was greatly encouraged to hear his commitment to developing a balanced and mixed energy resource base, ranging from oil, natural gas, coal and nuclear; to hydroelectric power, solar, wind ocean thermal energy conversion, biofuels, and geothermal energy. In addition, he stated, "I consider conservation and efficiency gains are also energy resources."

This is a worthy goal. A balanced energy base is vital not only to this Nation's energy security and energy independence but to continued economic recovery. These issues are important to Minnesotans because we are at the end of the energy pipeline and energy shortages hit us hard.

One of Mr. Herrington's first responsibilities upon confirmation will be to begin work on the fifth national energy policy plan. This plan will shape our energy policy for the next 10 years. In light of this, there are two aspects of our Nation's energy future which I would like to take a moment to discuss. The first is our Energy Emergency Preparedness Program.

We have made substantial progress as a nation since the energy crises of the 1970's and with any luck gas lines will be history. We are less dependent on OPEC oil, world oil prices are dropping, we've learned to conserve and we have close to 450 million barrels of oil in the strategic petroleum reserve.

Our investment in our energy security is over $10 billion. That figure is roughly what it cost the Nation to fill the SPR to its current level. A substantial commitment by any yardstick. A good insurance policy, most would think. But an insurance policy, however high the premium is only good if you can collect on it in a time of need. And in that respect—how and when to use the SPR, if we need to—we still have no firm policy or consensus among policymakers. We need to make sure our policy works for us, to make sure our investment is not in vain.

Second, with world oil prices falling all around us, it is easy to grow complacent about energy conservation. But we must remember it was our ability to conserve that broke the camel's back. From 1973 to 1983 we reduced our petroleum consumption by over 2 million barrels a day. Oil imports, however, are on the rise. In 1984, imports were 9 percent above 1983 levels, and imports for 1985 are projected to increase further, by 4 percent over last year's levels.

We all recognize the enormous economic benefit of falling oil prices. By continuing successful conservation policies, we can increase downward pressure on world oil prices.

Energy conservation and emergency preparedness planning are just two of the issues that Mr. Herrington must face as we move into our energy future. Mr. Herrington has no easy task. But he will bring a fresh perspective to the process and I look forward to working with him when he becomes Secretary of Energy.

Mr. DOLE. Mr. President, I rise in support of the nomination of John S. Herrington to be Secretary of the Department of Energy.

THE NOMINEE'S QUALIFICATIONS

John S. Herrington will bring to the Department of Energy highly respected skills as a Federal administrator, a solid educational background, and a strong record of accomplishment

during his 4 years with the Reagan administration.

A graduate of Stanford, Mr. Herrington received his law degree from the University of California at Hastings. After practicing law for nearly 20 years, Mr. Herrington moved to Washington to work for the administration—first at the White House, then at the Department of Defense as Assistant Secretary of the Navy. While at DOD Mr. Herrington managed the personnel matters of over a million employees, and administered a budget of nearly $26 billion. His energy-related duties at DOD included oversight of the Navy Petroleum and Oil Shale Program, the Nuclear Power Officer Programs, and the Navy's energy-related scientific community.

In 1983, Mr. Herrington returned to the White House to serve first as Special Assistant to the Chief of Staff, and then Assistant to the President for Presidential Personnel.

GOALS OF THE NOMINEE

During his confirmation hearings, Mr. Herrington made clear that he intends to be a full-time Secretary of Energy, not a caretaker. It is apparent from his statements, that he fully understands the importance of energy to the Nation's economic well-being and national security. He can be expected to bring strong, vigorous leadership to the Department, and to work diligently in carrying out the national energy policies established by the President and Congress. His primary goals will be to minimize Federal control and intervention in energy markets, while maintaining public health, safety and environmental quality, and to develop a balanced energy resource base to avoid dangerous dependence on any one energy source.

CONCLUSION

Though Mr. Herrington does not have extensive experience in the energy field, he is a man of proven competence and ability who, I'm sure, will quickly learn the in's and out's of running the Department, while at the same time, bringing a fresh, objective viewpoint to his job. The President has made a sound choice in nominating him, and I urge his prompt confirmation by the full Senate.

Mr. BYRD. Mr. President, today the Senate is considering the nomination of John Herrington as the new Secretary of Energy.

Although Mr. Herrington's background does not include extensive experience with energy policy issues, he has a good reputation as a strong manager. In addition, he has an appreciation for the important role that coal must play in providing the Nation's energy needs. In this regard, I will be especially interested in the Department of Energy's handling of the Clean Coal Technology Program, which was established by the Congress last year as a part of the compromise agreement on the Synthetic Fuels Corporation.

I look forward to working with Mr. Herrington, as I did with his predecessor, Mr. Hodel.

Mr. MATSUNAGA. Mr. President, as a member of the Committee on Energy and Natural Resources, I rise in support of the nomination of John Herrington to be Energy Secretary.

While Mr. Herrington is not a specialist in the energy field, he does bring a record of management accomplishment to the post from other assignments with the current administration. Also, I have been favorably impressed by his responses to questions, both written and in open hearing, from members of our committee. I also have had the opportunity to meet with him in person and discuss our Nation's energy problems. I believe he brings to the Department a willingness to assess policy from a broad perspective, rather than a narrow and ideological framework. He has the confidence of the President and should be confirmed. I will vote to confirm his nomination.

Mr. SIMPSON. Mr. President, what a pleasure it is for me to join in the accolades for this fine individual, John Herrington, who has demonstrated so many fine qualities which will make him an ideal person to take the helm at the Department of Energy.

I have known John and have worked closely with him on numerous occassions in these recent years past. He is a proven "quick study" in any endeavor which he undertakes. John Herrington has consistently demonstrated the most adroit administrative skills in his recent service to our President. He took over the tough task of Director of White House Personnel and brought swift order to the monumental requirements of that position. Subsequently he served as Assistant Naval Secretary for Manpower Affairs, and then returned to the White House to shepherd and administer the massive personnel assignment duties of this administration's second term in office.

John has shown me time and again that he is a "hands on" kind of person—he is calm, collected, thoughtful, accessible, available—when John Herrington tells you he will take on a problem, you can wager he will come up with an equitable solution—even though the task at hand might be a rough one indeed.

At the Department of Energy, he will be dealing with some of the really tough ones—such as the health and well-being of this country's domestic uranium industry. We have witnessed a sad erosion in the health of this vital industry over the past 5 years, and now we are at the point of necessary fundamental decisions to be made concerning the future of the industry. The annual reports required under the Nuclear Regulatory Commission Authorization Act are part of an important initiative designed not only to provide the Congress with the basis for making those decisions in an informed manner, but also to focus the attention of the administration on the grave condition of this industry. More important, a healthy uranium industry will require a dedicated and committed effort at the highest level of the Department of Energy—a dedication and a commitment that I think this nominee will bring to his new job.

John Herrington is a man who will work with the Congress—make every effort in order that we may all understand the magnitude of the tasks of energy independence with which we are faced—and work together to come to a resolution of the various problems. Suffice it to say I have every confidence in placing the stewardship of our Nation's energy reserves in the hands of John Herrington. A facilitator, a man of great patience, a tremendous organization man, a person of dedication and commitment—this is the stuff that will make John Herrington the right man for a difficult job—the developing and directing of our Nation's energy resources at this most critical time in our history. I do wish him every success, and am fully and enthusiastically supportive of his nomination to be Secretary of Energy. And I express my kind regards to his fine wife, Lois—and wish them both well in this new endeavor.

DONALD HODEL

Mr. McCLURE. Mr. President, I am pleased to bring before the Senate the unanimous recommendation of the Committee on Energy and Natural Resources that the Senate consent to the nomination of Donald Paul Hodel to be Secretary of the Department of the Interior.

Secretary Hodel has completed and submitted all forms and other requirements of the Senate and committee rules. The committee conducted a hearing to consider the nomination on February 1, 1985, and the nominee has responded to all questions submitted to him by members of the committee and other Senators. The committee considered the nomination in an open business meeting on February 5, 1985, and unanimously ordered the nomination reported favorably to the Senate.

For the past 2 years, Mr. Hodel has served as Secretary of Energy, and prior to that, performed the duties of Under Secretary of the Department of the Interior. He has also served as Administrator of the Bonneville Power Administration. He brings a solid reputation as an effective administrator; a broad knowledge of our natural resources and the environment; and a keen sense of the responsibilities he faces. It is obvious that his sound record qualifies him to be Secretary of the Interior.

This will likely be an active Congress and I look forward to working with Secretary Hodel in resolving the various issues which will be before the committee. We share the commitment of the administration to bring the budget under control and I am pleased that we have received Secretary Hodel's assurance that we will have the full support of the Department and the administration in seeing that our responsibilities to the American people are performed in a manner which will not only be cost-effective but which will also contribute to the future growth and welfare of this Nation. The Department of the Interior's responsibilities include both protection and development of the public lands, research and conservation, the care and management of our national parks and historic resources, and the welfare and development of our citizens in the territories. The task is complex, involving many difficult judgments and often requiring a balancing of varied conflicting interests.

That task is made all the more difficult in the face of the budget deficit, and it will require considerable skill and sensitivity to determine where budget savings can be made without jeopardizing our responsibilities or our future. Certain activities, such as the Mineral Research Institutes, are investments in our future, and the protection of our national parks is an obligation we have to other generations. We will need to work together if we are to resolve the tasks before us affecting the public domain, including rangeland issues and section 3 of the Federal Coal Leasing Act and section 2(c) of the Mineral Lands Leasing Act. We need to bring an order to the development of the Outer Continental Shelf and we need to exert our efforts to assist the territorial governments to become economically self-sufficient. We will need to consider innovative solutions to some of our problems, such as land exchanges rather than acquisition, and we will need to be receptive to proposals which may promote more effective management of our resources. In that regard, I hope that the recent proposals by the Bureau of Land Management and the Forest Service on Land transfers will be carefully considered by everyone as the proposal is developed. The committee was assured by Secretary Hodel that both the Department of the Interior and the Department of Agriculture would consult closely with not only the Congress and the affected States, but also with the many organizations and individuals who will be interested and affected. There have been several reports of potential reorganizations affecting the responsibilities of the Department of the Interior. I am reassured and pleased to report Secretary Hodel specifically committed to consult with the Congress prior to effecting any such reorganization except for any internal changes within the Department for which the Secretary already has clear legislative authority.

The nominee assured the committee that the administration will again transmit the Compact of Free Association to the Congress for approval and I look forward to working with him and other members of the administration to ensure that our commitments to those emerging governments are fulfilled in a manner which fully recognizes their sovereignty and self-government.

As I stated at the outset, Secretary Hodel brings to this job the background and experience to deal with these issues as well as the commitment and sensitivity which are so vital.

I urge the Senate to consent to the nomination of Donald Paul Hodel as Secretary of the Interior.

Mr. McCLURE. Mr. President, I yield 3 minutes to the Senator from Virginia [Mr. WARNER].

Mr. WARNER. Mr. President, I rise today in very strong support of the confirmation of Donald Paul Hodel to be Secretary of the Interior.

Don Hodel comes to this job with a long and highly distinguished record of public service, most recently as Secretary of Energy. On many occasions, I had the opportunity to work with him as a member of the Energy Committee on issues relating to his Department.

His keen intellect, sound judgment, and willingness to listen to all points of view have been hallmarks of his service as Secretary of Energy.

He is a leader who has the vision and knowledge to be a truly outstanding Secretary of the Interior.

I am confident that with Don Hodel at the helm of the Department of the Interior, the appropriate balance will be struck between the need to develop our critical energy resources and equal need to protect our fragile natural environment.

He will make the tough decisions required of the occupants of that high office.

I congratulate Don Hodel on his new position and look forward to continuing my work on these subjects.

Together with his lovely wife, Barbara, they are currently making their home in the Commonwealth of Virginia, and I hope they will stay there happily for many years.

Mr. DURENBERGER. Mr. President, I wish to add my wholehearted support for the nomination and confirmation of Donald P. Hodel as Secretary of the Interior Department.

For the past 2 years, Mr. Hodel has served the President and this Nation well as Secretary of the Department of Energy. He has earned well-deserved praise for efficient management and his ability to carry out the administration's policies. It has been a pleasure to work with him on issues of emergency preparedness and alternative energy for I found him to be well-informed and attentive to the concerns expressed in the Congress.

At his confirmation hearing last week, I was very pleased to hear that he will not allow any oil or gas drilling or other minerals development within national parks or in designated wilderness areas. This, I believe, is sound policy and in keeping with Interior's preservation mandate. Mr. Hodel's commitment to the sometimes conflicting preservation goals of the Department is important to my Minnesota constituents because we place a high value on the preservation of natural resources which display unique natural and environmental qualities.

I have a strong faith in Mr. Hodel's ability to balance the management and development activities of the Interior Department. He will be asked to increase the taxpayer's return on the Federal resources under his jurisdiction. But we will also expect him to invest a significant portion of those funds into the development and management of areas set aside for protection and recreation.

Of particular importance to Minnesota are the Voyageurs National Park and Minnesota Valley National Wildlife Refuge which are under the management of the Interior Department.

Both of these areas are recent additions to the National Park System and the National Wildlife Refuge System. As such, their management plans have not yet been completed. I anticipate working closely with Mr. Hodel to assure that the management and development plans for both areas are completed on a timely basis.

I believe that President Reagan has made an excellent choice, for Mr. Hodel is certainly well qualified to be Interior Secretary. I am confident that he will continue to demonstrate his high degree of loyalty, integrity, and leadership. And I look forward to working with him on the whole spectrum of natural resource issues, from parks, rivers, and refuges to minerals management and development.

Mrs. HAWKINS. Mr. President, I am pleased to support the confirmation of Donald Hodel as Secretary of the Interior. Mr. Hodel has an extensive background in Government service, including serving as Administrator of the Bonneville Power Administration, Under Secretary of the Interior, and Secretary of Energy. He is a proven administrator with broad exposure to the issues he will be facing.

The Secretary of the Interior is important to Florida. We have what is probably a larger presence by the Department than any other State east of the Mississippi. Florida has eight national wildlife refuges, and I am hopeful that legislation to establish a ninth

will come before this body later this year, two national seashores, two national parks, including the Everglades National Park, and one national park preserve. These areas are important to Floridians, as environmentally protected lands, and they are important to our economy as significant tourist attractions.

The stewardship of the Secretary of the Interior is therefore a very important matter to Floridians.

In addition, as I am sure every Senator knows, the Department has been very actively engaged in seeking to lease the areas off our coasts for oil exploration, to the concern, if not dismay, of many Floridians.

Every formal and informal poll taken in Florida in the past few years shows protecting the environment, and the quality of life generally, to be far and away the most important issue to Floridians. We view our beaches, our wetlands, and our wildlife as major elements of the quality of life in Florida.

In addition, tourism is the No. 1 industry in Florida, and our beautiful beaches are the No. 1 tourist attraction. We have both selfish and aesthetic reasons for wanting our beaches and estuaries kept free of oil.

I hope Mr. Hodel will display the same sensitivity to our concerns that Secretary Clark did. Secretary Clark had voluntarily, at an early stage in the planning process, agreed to the retention of approximately 95 percent of the buffer zone established off our gulf coast, after so much turmoil in 1983, in connection with the lease sale upcoming this November. I have been in frequent touch with Interior officials over the disposition of the remainder, and I would strongly urge Secretary Hodel to continue former Secretary Clark's approach to this matter.

I am sure Donald Hodel will do this. I had several occasions to work with him on matters of concern to Florida while he was Secretary of Energy, and I always found him to be most reasonable and understanding of our problems. I am pleased we have moved so rapidly to confirm him, and I anticipate his being an outstanding Secretary of the Interior.

Mr. CHAFEE. Mr. President, I express my strong support of Donald P. Hodel as nominee for Secretary of the Interior. He has outstanding credentials and an excellent record of service in the public sector.

In his role as Secretary of Energy, Donald Hodel has proven himself to be an exceptionally talented individual and an extremely effective manager. His competence is attested to by Mr. Edward Burke, chairman of the New England Conference of Public Utilities Commissioners, who has worked with Mr. Hodel on the issue of Canadian electricity imports. Mr. Burke, in a recent letter, praises Mr. Hodel's "demonstrated willingness to appreciate regional differences, readiness to explore new ideas, and openness to direct meetings with concerned groups."

I have the highest regard for Donald Hodel and hope he continues the spirit of openness demonstrated by former Secretary Clark. I am confident of his solid commitment to building a national consensus on the challenging issues facing the Interior Department. I urge my colleagues to join in unanimous support of his nomination as Secretary of the Interior.

Mr. President, I ask unanimous consent that Mr. Burke's letter of January 28, 1985, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS, PUBLIC UTILITIES COMMISSION,
Providence, RI, January 28, 1985.

Hon. JAMES MCCLURE,
Chairman, Senate Energy Committee, Washington, DC.

DEAR SENATOR MCCLURE: I am writing to express support of the nomination of Donald Paul Hodel to the position of Secretary of the Interior, and my hope that your Committee will vote to approve the nomination. As I am unable to testify on February 1, I would appreciate your consideration of this written statement.

The New England Conference of Public Utilities Commissioners, which I chair, asked Mr. Hodel, in his role as Secretary of Energy, to meet with us for a discussion of Canadian electricity imports. Secretary Hodel has expressed considerable skepticism about such imports, which the New England governors, utilities, energy officials and regulators have strongly supported in our search for lower cost electricity supplies for the region. Mr. Hodel acquiesced at once, and met with us in Los Angeles in late November for a full and frank exchange of views which we found heartening. The Secretary's willingness to explain his perspective fully and, particularly to listen carefully to our point of view, was very much appreciated by the commissioners—representing every New England state—who were present. Secretary Hodel assured us that the Department of Energy would not block the planned imports, and indicated that, while maintaining some concern, he could understand why they appear to be an optimal choice for New England at this time.

It seems to me that this demonstrated willingness to appreciate regional differences, readiness to explore new ideas, and openness to direct meetings with concerned groups are exactly the qualities that a Secretary of the Interior, with the vast responsibilities that office entails, should have.

Thank you for your consideration.

Sincerely,

EDWARD F. BURKE,
Chairman.

Mr. BYRD. Mr. President, the Senate is considering the nomination of Donald Hodel to be the new Secretary of the Interior. I intend to vote in favor of his confirmation.

While Mr. Hodel was serving as the Secretary of Energy, I was always impressed by his willingness to meet to discuss issues of concern, and to try to reach an accommodation. We had several occasions to discuss such issues as acid rain and the need to expand the use of coal.

As the Secretary of the Interior, Mr. Hodel will serve as the Chairman of the Cabinet Council on Natural Resources and the Environment. I am confident that his abilities will serve the Nation well as he addresses the difficult issues which lie ahead. I look forward to working with Mr. Hodel in his new capacity.

Mr. WALLOP. Mr. President, it is with great pleasure, and with some pain and sadness, that I rise in support of both Mr. John Herrington to be Secretary of Energy, and Mr. Donald Hodel to be Secretary of Interior. I do not rise with any fear or misgivings on the part of these two men—I admire both of them and am confident they will do excellent work in their new posts. Yet, on the other hand, it is precisely that same sentiment—my deep admiration for Secretary Clark—that forces me to view this process with a heavy heart.

It has been quite a relief to be able to sit back and know that there is such a high level of competence and understanding within the Departments of Interior and Energy concerning the problems and needs of my State of Wyoming. I do, however, welcome both of these confirmations, but at the same time I am sorry to see Secretary Clark leave, and I am sorry to see Secretary Hodel leave. I am confident, however, that both Secretary Hodel and Mr. Herrington will ably and enthusiastically fulfill their new assignments within the administration, and I look forward to working with them.

At this time, I should like to mention a few areas of utmost concern to this Senator, my State of Wyoming and the West in general. Briefly, these issues involve land protection and rangeland improvement issues, along with several policy changes in the water and mineral resource areas which are floating about in the administration's recently released fiscal year 1986 budget proposal.

As chairman of the Public Lands and Reserved Water Subcommittee, I am very concerned about the backlog of authorized but unacquired land in our national parks and forests as well as our wildlife refuges. It is extremely critical, in my view, given our present budget constraints, that the Department pay extra attention to other techniques of land protection—such as exchanges—in lieu of outright acquisition.

Also, I am very pleased about the positive approach the Department has taken in establishing a new Recreation Commission. This approach more than anything else illustrates the role of

the public/private partnership concept in planning and providing for America's recreational needs, and the demands those needs will place on our lands into the next century.

As far as legislative priorities are concerned there are many that will draw the Senate's attention during this session. One of particular concern and importance, not only to me but also to Senator McCLURE and my other Western colleagues on this committee, is a package of various rangeland issues.

Already, a number of these issues have been identified at workshops conducted by the Congressional Research Service at the request of Members from both Houses. As we speak, over 20 groups are working on a legislative package which will include recommendations on setting equitable grazing fees, the wild horse and burro question as well as methods of funding range improvements and various approaches to insuring broad representation on advisory boards and councils, and looking at measures to protect sensitive rangeland areas.

Like many of my colleagues, I am extremely concerned about several far-reaching proposals contained in the OMB budget. These would include a steep increase in not only grazing fees but recreation user fees as well. The proposed shift from gross receipt to net profit sharing from Federal mineral and timber sales is very worrisome to me as I am sure it is to my other Western colleagues.

I am also concerned about the OMB proposal to place the $12 billion in existing hydropower and irrigation debt on a fixed amortization schedule and to raise the interest rates on all debts to the current Treasury cost of money. In my view, this would effectively preclude irrigation projects in the future, and so substantially raise the rates for consumers that needed projects may not get built. I will be extremely interested in seeing how the Department handles some of these proposals.

I will conclude by noting that while our country is apparently enjoying our energy surplus, we must remember where we were in the 1970's and vow never to retrace our steps. That is why the Department must continue to get its domestic coal and oil and gas leasing programs in order. The Department also must—even if it is with a strong guiding hand from Members of Congress—continue promptly with its review of the Federal Oil and Gas Royalty Management Act regulations that are ridiculously inflexible and punitive, and are about ready to place America's oil and gas industry into bankruptcy.

I look forward to working with both Secretary Hodel and Mr. Herrington on the many public lands and energy and water issues that will affect not only the West, but also the future energy security of America.

Mr. HART. Mr. President, I wish to state the considerations involved in my decision to support the confirmation of the nomination of Mr. Donald Hodel to be Secretary of the Interior.

As we all know, the position of Interior Secretary is important to all the people of this country. It is uniquely important, however, to my own State of Colorado, where nearly 36 percent of the lands are federally owned and controlled. This importance can be expected to grow in coming years as more and more people migrate to the West and so-called Sun Belt States, adding to existing population and pressures associated with rapid growth. The persons who will serve in this important capacity through the rest of this century will have profound influence on Colorado—its people, its land, and the quality of life Coloradans have come to know and appreciate.

I should like to express my deep and continuing concern about the manner in which this administration has chosen to manage the public resources of our Nation. While the storms presided over by Secretary Watt have calmed down since his departure in 1983, there has been little measurable change in the policies and approach he ushered in. This Senator continues to hear from those who are concerned that about the stewardship of our public resources, and who fundamentally disagree with administering those resources with a single objective—that being the transfer and exploitation at any cost public resources for private benefit. My support for Mr. Hodel should not be interpreted as support for continued insensitivity to the legitimate concern about wise and balanced stewardship of our priceless lands and natural resources.

Many important decisions will be required of the new Secretary during the next few months. Each will require the attention of an activist Secretary willing to tackle difficult resource and policy questions and restore long overdue balance to our public lands policies. Perhaps none of the decisions will be more indicative of the direction Mr. Hodel intends to pursue than who he chooses to fill important vacancies at the Department of Interior, including Assistant Secretary for Fish, Wildlife and Parks; Assistant Secretary for Land and Minerals; and Director of the National Park Service.

I urge Mr. Hodel to carefully analyze and select people for these critical positions who reflect the unwavering commitment of the American people to protection and proper management of the country's lands, waters, minerals and other resources.

As important as these positions are, there are a host of other programs, policies and agencies at the Department of Interior which must be evaluated and aggressively administered in order to restore public confidence in Government management of our lands and resources. These programs include the following:

Strengthening Indian tribal government and Federal Government relations and cooperation to ensure the U.S. Government continues to abide by its special trust relationship with Native Americans. This cannot be accomplished short of restoring critical funding to Indian education, social service, financial and technical assistance programs necessary for continued economic self determination on reservation lands throughout the country.

Redirecting those in the Department who have seen fit in recent years to undermine the National Wildlife Refuge System by allowing increased development activities and thereby reducing wildlife protections. Recently promulgated rules for management of some 76 million acres of refuge lands in Alaska represent a significant departure from congressional objectives. Efforts to preserve habitat and wildlife continue to enjoy broad bipartisan support and we cannot tolerate further efforts to erode these protections.

Further efforts to protect our national park and wilderness areas from threats of development, encroachment and pollution spillover from neighboring growth. These areas are the crown jewels of our spectacular land conservation system, a system which is the envy of the entire world. I am greatly disturbed by the message accompanying the President's fiscal year 1986 budget earlier this week which indicates that he intends to seek a greatly expanded leasing program in our wilderness and wilderness study areas.

According to those documents, the administration is interested in permitting additional slant drilling access to BLM wilderness candidate areas, RARE II recommended wilderness and RARE II further planning areas. Given the candidate status of many of these spectacular and undisturbed areas, I urge the Bureau of Land Management to continue to vigorously pursue identification and review of lands for inclusion in the National Wilderness Preservation System and to take every necessary step to protect these areas from unwarranted and unlawful intrusion.

Progress on adoption of a balanced water resources policy which reflects the continuing importance of water in the West. Four more years of inactivity and rhetoric about cost-sharing simply will not suffice. New sources of funding are needed and proposals—such as innovative use of Federal hydropower revenues, and a rededication to conservation, shared use and reuse—must be fully explored.

Reordering priorities in leasing of public reserves of coal, oil, gas, oil shale, and timber. Although Secretary Clark made progress in this area by virtually stopping much of the leasing, it is important that we reestablish a program of leasing resources at a fair price, avoiding leasing of excessive reserves, and abandonment of proposals to lease in environmentally sensitive areas—including continued prohibition of leasing in national wildlife refuges and wilderness areas.

Mr. President, the nominee before us today brings with him significant experience with energy and natural resource related policies. This nomination presents us a clear and unmistakeable opportunity to serve notice to Mr. Hodel that many of us in the Senate and our constituents throughout the country remain dedicated to the balanced stewardship of our vast natural wealth.

Mr. DOLE. Mr. President, I rise in support of the nomination of Donald Hodel to be Secretary of the Department of Interior.

AN OUTSTANDING CHOICE

Don Hodel's qualifications for the job of Interior Secretary are nothing short of excellent. A graduate of Harvard University and the University of Oregon School of Law, Don Hodel has been involved in issues related to energy and natural resources for over 15 years. He has been an administrator of the Bonneville Power Administration, president of his own energy consulting firm, Under Secretary of the Department of Interior, and, for the past 2 years, Secretary of the Department of Energy. He will bring a wide range of experience and knowledge to his new position in the Cabinet. Under his management, the Nation's natural resources will be in good hands.

Another important qualification possessed by Don Hodel is his willingness and ability to build consensus. Though there will always be controversy over specific issues that fall within the province of the Department of Interior, I believe Don Hodel will make every effort to work with the Congress and the public in building widespread support on matters of broad, national policy.

POLICY OBJECTIVES

As he indicated during his confirmation hearings, his chief policy goals include preserving the Nation's park, wilderness and wildlife resources. As a westerner from Oregon, Don Hodel has a special appreciation for these national treasures. He will also work toward developing multiple uses of our lands and waters—while protecting the environment—to enhance our Nation's economic self-sufficiency and national security.

He has further expressed great sensitivity to the Secretary of the Interior's responsibilities toward Native Americans and will continue to work toward the goal of self-determination for Indian tribes. Finally, he can be expected to continue the course set by his predecessor toward more efficient management of the Department and improved relations with State and local authorities.

CONCLUSION

Mr. President, efforts to cut the Federal deficit will place a great burden on the new Secretary of Interior. It will require great expertise and ability to find savings, while preserving the Department's ability to carry out its responsibilities: There is no doubt in my mind Don Hodel can do the job. I look forward to working with him on this and other issues.

Mr. BOSCHWITZ. Mr. President, I rise to support the nomination of Donald P. Hodel to be Secretary of the Interior.

My experience in working with Mr. Hodel dates back to his days at the Interior Department as Under Secretary. I found him to be very helpful and responsive then, and also as the Secretary of Energy. I am sure he will be equally so in his new position.

My principal involvement with the Department of the Interior has been on Indian matters. I've been told that Minnesota has the most complex Indian land claim problems in the country. I can certainly believe it. The Interior Department has always been very helpful on these issues and I look forward to more of the same under Mr. Hodel's leadership.

Mr. Hodel is a proven manager and very knowledgeable about the programs he will be administering. His choice as Secretary of the Interior is an excellent one.

I look forward to working with him in his new post.

Mr. MATSUNAGA. Mr. President, Mr. Hodel, nominee for Interior Secretary, has performed ably as Secretary of the Department of Energy and Natural Resources. I do believe he is one of the most qualified and competent persons ever to have held the Energy post. Some of my colleagues may not be aware of the fact that Mr. Hodel has had experience in the No. 2 position in the Interior and I have every reason to believe he will serve the Nation well at this juncture as head of that key Department of our Government. I believe he, too, should be confirmed by this body, and I urge my colleagues on both sides of the aisle to join me in voting for his confirmation.

Mr. SIMPSON. Mr. President, I would like to take this opportunity to express my strong support for the nomination of Donald P. Hodel to be the Secretary of the Department of the Interior. Don is a remarkable individual who is uniquely qualified to be in this challenging position.

I have worked closely with this able man while he served as an Under Secretary in the Department of the Interior and during his fine tenure as Energy Secretary. He always performed his duties with alacrity and took the time to do his homework in order to assure that he was always adequately prepared.

This man has achieved his current success because of hard work and dedication. He is well respected among his professional peers as well as the Members of Congress who he has so closely and cheerfully worked with. The respect that he has attained from my congressional colleagues was manifested in the unanimous vote he received from the Energy and Natural Resources Committee earlier this week.

Seldom has a Secretary-designate come before this deliberative body better qualified for a Cabinet-level position than does Secretary Hodel. As an Under Secretary in the Interior Department, Mr. Hodel learned and mastered an understanding of the important issues that are related to the management of public lands. He studied, evaluated, and led with assurance and fairness. These are qualities that will continue to serve him in his role as caretaker of our Nation's public lands.

Because of his remarkable administrative abilities, Don was tapped to head the Energy Department. While there, he saw the need to sensibly develop critical energy reserves—and yet doing it in a manner sensitive to the needs of our people as well as the fragile environment in which many of these reserves are located.

His tenure at Energy will be remembered because of his organizational skills and his ability to communicate—both in listening and eloquently presenting this administration's point of view.

Don will need and will use all of his fine abilities and talents in this new position. This is a very difficult job, as the recent rapid turnover in the chair indicates. As Secretary, he will be in charge of preserving as well as developing the Nation's natural resources—certainly a conflicting and awesome task.

Don is also a westerner and is thus very sensitive to the needs of those who share this public domain with the Federal Government. Nearly half of my home State of Wyoming is owned by the Federal Government and it is managed directly under the Interior Department. This situation is nearly identical to most of the Western States. This unusual situation calls for a landlord that is cognizant of the needs of his neighbors and knows that through open communication and cooperation, the quality of the public lands can be improved and preserved with assistance from the taxpayers that live within the area.

He is also coming in at a very difficult time. Tough decisions lie ahead

regarding the future of coal leasing, competitive oil and gas leasing, a revamping of the Federal Oil and Gas Royalty Management Act regulations that are unfairly penalizing many small producers and developers, and the proper and careful management of the grizzly bear.

Yes, these will require tough and gut-wrenching decisions that will directly affect the future of our Nation. We could not ask for a better person to be making those decisions. I wish him the very best. I do so look forward to working with him on these issues as well as others that arise in the next few years. He has the courage to do it well. I know he will. And, my kind regards go out to his lovely wife, Barbara—his helpmate at his side for many years. She is a remarkable lady. God bless them both.

Mr. McCLURE. Mr. President, I reserve the remainder of my time.

Mr. PROXMIRE. Mr. President, I understand I have time allotted to me on Mr. Herrington. I have already spoken on Mr. Herrington.

So I yield back the remainder of my time on that particular part of the unanimous-consent agreement.

Now, I will use my time on Mr. Hodel.

Mr. President, unlike many recent Reagan agency nominees, Donald Hodel is qualified for his appointed job. Unfortunately, however, the very experience which recommends him also disqualifies him, in my view.

You ask, Is the President not entitled to have the people he wants in his Cabinet, especially if they are honest and know their stuff?

No; not if in a Senator's judgment the appointment is not in the national interest.

In this case, it is not.

The policies we know Hodel will pursue as Secretary of the Interior are so dangerous and the consequences of these policies so long lasting that I am convinced the Hodel tenure at Interior will be a disaster for our country.

Donald Hodel spent several years as Secretary Watt's chief hatchet man, executing Watt's misguided policies, while keeping a low profile himself. Although he lacked his boss' ability to offend, his heart seemed to be in the same place, and it was not the right place. So if you liked Watt, you will love Hodel. I did not like Watt so I cannot go for this son of Watt.

Once Hodel became Secretary of Energy, he emerged as a new, conciliatory figure, a good administrator who did not alienate the public. But were his policies any better? Were they? No way.

He injected politics into the search for a national nuclear wastesite, making campaign promises to States with important Senate races to eliminate them from consideration.

He unsuccessfully promoted an 11th hour plan to save the Clinch River breeder reactor and stick the taxpayers with a several billion-dollar bill.

He presided over energy budgets dramatically skewed toward nuclear energy and away from conservation and renewable energy.

He ignored the clear mandate of the Nuclear Waste Policy Act to cooperate and consult with the States, choosing instead to conduct a form of guerrilla warfare where States were forced to sue to get DOE to honor its promises.

During his tenure, DOE tried repeatedly to weaken its own and other agencies' standards for radioactive and hazardous wastes which applied to Agency facilities. For example, DOE employees tried to prevent EPA from issuing airborne radiation standards, and fought regulation of hazardous and toxic wastes at departmental facilities in South Carolina and Tennessee.

Mr. Hodel downplayed the role of energy conservation within the Department by failing for over 1 year to replace the Assistant Secretary in charge of conservation and renewable energy and proposing to eliminate his office.

Mr. Hodel supported the Hoover Dam scam, a 30-year giveaway to hydroelectricity customers in the West which will cost taxpayers $6 billion in the next 10 years alone. Hodel pushed the legislation through even though current power contracts were not due to expire for another 2 years.

Mr. Hodel sat back and allowed the Bonneville Power Administration, his old haunt, to continue repayment policies which have landed it $8 billion in debt to the Federal Government.

In fact, Bonneville and its sister power marketing agencies owe the Treasury $14 billion, yet Hodel did nothing to force them to ante up despite the advice of the Grace Commission, GAO, and Federal Energy Regulatory Commission. While the President's 1986 budget does seek to correct these policies, relief should have come years earlier.

With this kind of record on hydropower development and miserable return on Federal investment, how can Hodel clamp down on Interior's Bureau of Reclamation? As Secretary, he will have to implement the Reclamation Reform Act of 1982 and require farmers to pay slightly more realistic amounts for Federal irrigation water.

Yet if Hodel cannot get Bonneville to pay up, will he do any better with the hundreds of water districts severely affected by the new law? Or will he seek like his predecessors, to enfeeble the law by eliminating the hammer clause, the single most important reform in the act? He was silent on this point during his confirmation hearings.

At the Department of the Interior he went along with the administration's disastrous policy of gutting Federal strip mining laws—a policy overturned in the courts—and initiated a so-called reorganization of this program, forcing out over 50 percent of its most experienced personnel. He participated with Watt in the scandal-plagued accelerated Federal coal lease sales that lost millions of dollars in revenue for the Federal Treasury.

Hodel was closely associated with Watt's massive offshore oil and gas leasing schemes which flooded the market, dramatically lowering both returns to the Government and the number of companies bidding on each tract. Even worse, less than half of the tracts to be leased received much environmental review causing many States and environmentalists to sue and block the program.

If we vote to confirm Mr. Hodel, we put him right back in charge of the same programs he made a mess of under Watt.

Has he changed his ways since he left Interior? Obviously the evidence points in the opposite direction.

I voted against Watt when President Reagan proposed him for this job—only 12 of us did—and I'm glad I did. Unfortunately, it is no fun being right when the price is seeing all my worst fears realized.

Do we really want to repeat this agony? Do we really need to worry if Mr. Hodel is giving away the store to every developer who wants to despoil our resources—and at bargain basement prices?

Can we spare the time to second-guess every personnel decision, every regulation, every policy to ensure that there is something to leave future generations?

The Interior Secretary's job is too important for all this guesswork. Secretary Watt was an intelligent, competent, experienced appointee when he became Secretary of the Interior. Secretary Don Hodel will be the same. But Watt was a walking catastrophe as Secretary of the Interior. Does anyone doubt that Secretary Hodel will carry on those same destructive Watt policies? Sure, that is what the President wants and the Senate is about to give him his wish. But not with this Senator's vote.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Is all time yielded back?

Mr. McCLURE. Mr. President, I know of no other Senators who wish to speak on this issue, but while attempting to ascertain that question, I suggest the absence of a quorum.

Mr. JOHNSTON. Mr. President, will the Senator withhold?

Mr. McCLURE. Yes.

Mr. JOHNSTON. I know of no request on this side of the aisle for time to speak on these nominations. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I know of no other speakers who wish to be heard at this time. I would ask the Senator from Louisiana if he knows of any others.

Mr. JOHNSTON. Mr. President, we need about 2 minutes to check on one Senator.

Mr. McCLURE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. I yield back the balance of my time.

Mr. JOHNSTON. Mr. President, I yield back the balance of my time.

VOTE ON NOMINATION OF JOHN S. HERRINGTON

The PRESIDING OFFICER. The question before the Senate is: Will the Senate advise and consent to the nomination of John S. Herrington of California to be Secretary of Energy. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Mississippi [Mr. COCHRAN], the Senator from North Carolina [Mr. EAST], the Senator from Utah [Mr. GARN], and the Senator from Maryland [Mr. MATHIAS] are necessarily absent.

I further announce that, if present and voting the Senator from North Carolina [Mr. EAST] and the Senator from Utah [Mr. GARN] would each vote "yea."

Mr. CRANSTON. I announce that the Senator from Montana [Mr. MELCHER] is necessarily absent.

I further announce that the Senator from Mississippi [Mr. STENNIS] is absent on official business.

I further announce that, if present and voting, the Senator from Montana [Mr. MELCHER] and the Senator from Mississippi [Mr. STENNIS] would each vote "aye."

The PRESIDING OFFICER [Mr. BOSCHWITZ]. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 93, nays 1, as follows:

[Rollcall Vote No. 3 Ex.]

YEAS—93

Abdnor	Goldwater	McConnell
Andrews	Gore	Metzenbaum
Armstrong	Gorton	Mitchell
Baucus	Gramm	Moynihan
Bentsen	Grassley	Murkowski
Biden	Harkin	Nickles
Bingaman	Hart	Nunn
Boren	Hatch	Packwood
Boschwitz	Hatfield	Pell
Bradley	Hawkins	Pressler
Bumpers	Hecht	Pryor
Burdick	Heflin	Quayle
Byrd	Heinz	Riegle
Chafee	Helms	Rockefeller
Chiles	Hollings	Roth
Cohen	Humphrey	Rudman
Cranston	Inouye	Sarbanes
D'Amato	Johnston	Sasser
Danforth	Kassebaum	Simon
DeConcini	Kasten	Simpson
Denton	Kennedy	Specter
Dixon	Kerry	Stafford
Dodd	Lautenberg	Stevens
Dole	Laxalt	Symms
Domenici	Leahy	Thurmond
Durenberger	Levin	Trible
Eagleton	Long	Wallop
Evans	Lugar	Warner
Exon	Matsunaga	Weicker
Ford	Mattingly	Wilson
Glenn	McClure	Zorinsky

NAYS—1

Proxmire

NOT VOTING—6

Cochran	Garn	Melcher
East	Mathias	Stennis

So the nomination was confirmed.

Mr. SIMPSON. Mr. President, if I may, for the benefit of our colleagues, this next vote will be the last rollcall vote today.

VOTE ON NOMINATION OF DONALD P. HODEL

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Donald P. Hodel to be Secretary of the Interior? The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Mississippi [Mr. COCHRAN], the Senator from North Carolina [Mr. EAST], the Senator from Utah [Mr. GARN] and the Senator from Maryland [Mr. MATHIAS], are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina [Mr. EAST] and the Senator from Utah [Mr. GARN], would each vote "yea."

Mr. CRANSTON. I announce that the Senator from Montona [Mr. MELCHER], is necessarily absent.

I further announce that the Senator from Mississippi [Mr. STENNIS], is absent on official business.

I further announce that if present and voting, the Senator from Montana [Mr. MELCHER] and the Senator from Mississippi [Mr. STENNIS], would each vote "aye."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 93, nays 1, as follows:

[Rollcall Vote No. 4 Ex.]

YEAS—93

Abdnor	Goldwater	McConnell
Andrews	Gore	Metzenbaum
Armstrong	Gorton	Mitchell
Baucus	Gramm	Moynihan
Bentsen	Grassley	Murkowski
Biden	Harkin	Nickles
Bingaman	Hart	Nunn
Boren	Hatch	Packwood
Boschwitz	Hatfield	Pell
Bradley	Hawkins	Pressler
Bumpers	Hecht	Pryor
Burdick	Heflin	Quayle
Byrd	Heinz	Riegle
Chafee	Helms	Rockefeller
Chiles	Hollings	Roth
Cohen	Humphrey	Rudman
Cranston	Inouye	Sarbanes
D'Amato	Johnston	Sasser
Danforth	Kassebaum	Simon
DeConcini	Kasten	Simpson
Denton	Kennedy	Specter
Dixon	Kerry	Stafford
Dodd	Lautenberg	Stevens
Dole	Laxalt	Symms
Domenici	Leahy	Thurmond
Durenberger	Levin	Trible
Eagleton	Long	Wallop
Evans	Lugar	Warner
Exon	Matsunaga	Weicker
Ford	Mattingly	Wilson
Glenn	McClure	Zorinsky

NAYS—1

Proxmire

NOT VOTING—6

Cochran	Garn	Melcher
East	Mathias	Stennis

So the nomination was confirmed.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the Senate has consented to the nomination of Mr. Herrington.

Mr. HATFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the Senate consented to the nomination of Mr. Hodel.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, I ask unanimous consent that all Members may have until the close of business today to file written statements with respect to each of the respective nominations to appear at an appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLURE. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, in connection with the votes on the nomination of Mr. William J. Bennett for the Office of Secretary of Education, on the nomination of Mr. Donald P. Hodel for the office of Secretary of Interior, and on the nomination of Mr. John S. Herrington for the office of Secretary of Energy, I was away from the floor on other official business.

Had I been here, I would have cast my votes in favor of these nominations.

LEGISLATIVE SESSION

Mr. McCLURE. Mr. President, I ask unanimous consent that the Senate resume consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. McCLURE. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, not to extend beyond 6 p.m., with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ABRAHAM KAHIKINA AKAKA: APOSTLE OF ALOHA TO THE WORLD

Mr. MATSUNAGA. Mr. President, from the wellspring of human regard, custom compels us to salute Members of this Chamber who leave our ranks by their own volition, the dictates of their electorate, or fate. We do so by paying verbal tribute to them on this floor. Similarly, editorialists appraise the careers, and honor the achievements, of these and other political leaders on their passing from the scene.

No less should be accorded those whose leadership is in the spiritual realm. Indeed, we recently observed a day honoring the memory of one such leader whose inspiring words and example propelled a historic movement in our country, that of the Reverend Martin Luther King of the civil rights crusade.

A beneficent Providence, in its bounty, has blessed my native State through the ministry of a similar great shepherd of the cloth. In the same mold, he too, has infused the people of his race with a vision of their dignity and heritage, while at the same time reaching out to everyone drawn to the Pacific paradise. Hawaii's foremost spiritual leader and America's leading Hawaiian preacher, he recently retired as pastor of the Aloha State's "mother church," Kawaiahao of Honolulu. I am referring, Mr. President, to the Reverend Abraham Kahikina Akaka, apostle of aloha to the world.

It is not an easy task to do justice to Reverend Akaka's achievements in a discussion in this forum. They are so compelling in their variety, so relevant to our times, so timeless in their example, and so bountiful in their generosity that they have instilled an unusual commitment in his flock and inspired countless people from far beyond our small island State. For an appreciation of his ministry, Mr. President, let me place his story in the setting in which it took shape.

Those who have read James Michener's historical novel, "Hawaii," or seen its film rendition, may recall how New England missionaries brought the gospel to what was at one time known as the Sandwich Isles, after the untimely death of one of their divinity students, a Hawaiian youth named Henry Opukahaia, whose ambition had been to convert the people of his Pacific homeland to Christianity. These missionaries first arrived in 1820 and began a settlement on the Honolulu plain at Kawaiahao; hence their mission became the mother church of the Christian faith in Hawaii. So many members of the Hawaiian monarchy worshipped there it came to be regarded as the Westminster Abbey of the kingdom.

From Michener's fictional work also, one may gain some appreciation of how shattering it was to Hawaiian civilization to be drawn into the orbit of an outer world—a tide of change with a profound undertow that nearly decimated both the native population and the institutions of its society. The alien concept of private, individual ownership was introduced to people who viewed land tenure as something fluid, a stewardship of political leadership for the good of all. Only the uses of land had been subject to rigid controls up till then, "kapus" or legal restrictions premised on sound ecology and enhanced by the religious reverence accorded the Earth and its works.

This was the heritage bequeathed to Abraham Akaka, born in 1917 in Honolulu, where he attended Pauoa and Kawananakoa neighborhood schools before experiencing the multiethnic society of McKinley High School in the early 1930's. In common with so many native Hawaiian youth, he was a proficient surfer and musician, especially accomplished as an ukulele player. He attended the University of Hawaii and then Illinois Wesleyan University in Bloomington, IL, where he graduated with a double major in sociology and music. From there he traveled to Amsterdam, Holland, as a delegate to the World Conference of Christian Youth in 1939, and having experienced the wider world beyond his native shores, he returned home to become a youth-worker apprentice at Kawaiahao Church.

Later he returned to the mainland to attend the Chicago Theological Seminary, where, in Opukahaia's footsteps, he became, in 1943, the first Hawaiian to complete such training and gain a divinity degree. He was ordained the following year at Waimea Church on my own native island of Kauai.

There he served in various parishes and later moved to the island of Maui and then to Hilo on the big island of Hawaii, where he served as pastor of Haili Church, whose choir he led to world renown. In 1957, he was selected to become the eighth pastor of Kawaiahao Church, then in its 137th year. By then he had gained great standing among Hawaii's clergy and his fame as a preacher had begun attracting countless tourists to his Sunday sermons.

As the last chaplain of Hawaii's Territorial Senate and the first chaplain of Hawaii's State Senate during 1959, Reverend Akaka was asked to give a statehood address at formal services of dedication of the State of Hawaii, held at his church, where Christian missionaries had preached their first sermon in Hawaii, where the royalty and governors had repaired after assuming the responsibilities of state, and where so many island people had prayed and sought encouragement in times of emergency and strife. His memorable address, "Aloha Ke Akua"—"God is Love"—struck such a responsive cord in expressing the emotions and thoughts passing though the hearts and minds of Hawaii's people that he was besieged by thousands for written copies of his remarks; more than 30,000 copies have been printed since then to fulfill continual requests from all over the world.

Reverend Akaka continued to gain increasing national recognition: He was selected as a Danfath Deminar scholar at Harvard University's Graduate School of Business in 1959, received a doctorate of humane letters from West Virginia's Salem College the same year, and in 1960 was chosen to give the Auburn Theological Seminary lectures at the synod of New York, United Presbyterian Church of the United States of America, at Hamilton College. Also in 1960, he was chosen to officiate at a special service of recognition by the American Board of Commissioners for Foreign Missions to honor Henry Opukahaia at his gravesite in Cornwall, CT, at the board's sesquecentennial celebration. In 1962, he received the David Malo Award, named in honor of one of Hawaii's most distinguished citizens of the last century, was named Citizen of the year by the Civitan Clubs of Hawaii, and became the subject of a Saturday Evening Post feature story. In his ministry Reverend Akaka had reached out to the community at large through dedications at commencement events for commercial and industrial enterprises, where he spoke eloquently on the spiritual aspects of vocational and business endeavors, displacing reliance on the "kahuna"—Native Hawaiian priest—practices of the past.

Reverend Akaka's special ministry, however, remained the Hawaiian people. In 1962, he was instrumental in forming the Council of Hawaiian Organizations, a coalition to combat

perceived threats to the native Hawaiians, and their resources, and to plan for their future. In this capacity, he gained a reputation for political action by leading a night march around Iolani Palace protesting land reform legislation considered detrimental to the estate of Bernice Pauahi Bishop, which supports the Kamehameha Schools for Hawaiian children. One of his initiatives was Operation Hawaiian Uplift, a goal setting project for the Hawaiian people, which triggered what has come to be called the Hawaiian renaissance, a Hawaiian cultural resurgence comparable to the national black pride movement.

Other achievements followed; among them: Service as a University of Hawaii regent, an honorary doctor of laws and letters from his Illinois Wesleyan alma mater, and invitations to give the 1964 Easter sunrise service at Hollywood Bowl and keynote the 1967 Kiwanis International Conference at Houston, TX. In 1968, he organized the Friends of Kamehameha Schools organization.

In 1970, he preached a sermon of thanksgiving for the safe return of the Apollo 13 astronauts at a service at his church attended by President and Mrs. Nixon, who invited him to preach at the White House the following year. On September 15, 1977, Reverend Akaka was accorded the historic distinction of being the first and only member of the clergy to offer the opening prayer on the same day in both Chambers of the U.S. Congress. It was my great privilege to introduce him to my colleagues in the Senate. In 1976, he presented the invocation at the convening of the Republican National Convention. He has served on the executive council of the United Church of Christ in America and has been named a living treasure of Hawaii by the Honpa Hongwanji Mission of Hawaii. He is the recipient of honorary doctorates in the humanities from the University of the Pacific at Stockton, CA, and the University of Hawaii at Manoa. He was even chosen Honolulu's father of the year in religion in 1958, for he and his charming wife, Mary Louise, a native of Denver, CO, have reared five wonderful children, and enjoy the company of three grandchildren.

Mr. President, Reverend Akaka's has been a distinguished ministry, a ministry especially for the people of Hawaii, healing the wounded spirit of native Hawaiians, and conveying Hawaii's message of aloha to visitors from the mainland United States and throughout the world.

So that my colleagues and readers of the CONGRESSIONAL RECORD may appreciate the qualities of this remarkable man of the cloth in articulating the feelings, hopes, and aspirations of all the people of Hawaii on the attainment of our full partnership in the Union of States 26 years ago, I will ask unanimous consent to enter into the RECORD Reverend Akaka's famous statehood address.

Personally, I feel most fortunate to be able to say that he has been a dear and guiding friend to me for the major part of my life, for Rev. Abraham Kahikina Akaka has truly established himself as the apostle of aloha to the world. I take this means to congratulate him on his retirement as pastor of Kawaihao, Hawaii's Mother Church, and wish him and Mrs. Akaka many deserved years of health and happiness together.

I ask unanimous consent that a statement made by Rev. Abraham Kahikina Akaka, entitled "Aloha Ke Akua," be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ALOHA KE AKUA

(Rev. Abraham Kahikina Akaka)

"One nation under God, indivisible, with liberty and justice for all"—these words have a fuller meaning for us this morning in Hawaii. And we have gathered here at Kawaiahao Church to give thanks to God, and to pray for his guidance and protection in the years ahead.

Our newspapers lately have been full of much valuable historical data concerning Hawaii's development, growth, and aspirations. I will keep these stories as long as I live, for my children and their children, for they call to mind the long train of those whose sacrifices were accepted, whose prayers and hopes through the years were fulfilled yesterday. There yet remains the formal expression of our people for statehood, and the entrance of our Islands into the Union as a full-fledged member.

I would like today to speak the message of self-affirmation: that we take courage to be what we truly are, the Aloha State.

On April 25, 1820, one hundred and thirty-nine years ago, the first Christian service conducted in Honolulu was held on this very ground. Like our Pilgrim Fathers who arrived at Plymouth, Massachusetts, in 1620, so did the fathers of a new era in Hawaii kneel in prayer after a long and trying voyage to give thanks to God who had seen them safely on their way.

Gathered around the Reverend Hiram Bingham on that day were a few of our "kupunas" who had come out of curiosity. The text of the sermon that day, though it was April and near Easter time, was from the Christmas Story. And there our people heard these words for the first time: "Mai maka'u 'oukou, no ka mea, eia ho'i, ke ha'i aku nei au ia 'oukou i ka mea maika'i, e 'oli'oli nui ai e lilo ana no na kanaka apau. No ka mea, i keia la i hanau ai, ma ke kulanakauhale o Davida, he ola no 'oukou, aia ka Mesia ka Haku"—"Fear not, for behold, I bring you good tidings of great joy which shall be to all people. For unto you is born this day in the city of David a Saviour which is Christ the Lord."

Although our grandfathers did not realize fully then, the hopes and fears of all their years through the next century and more were to be met in the meaning and power of those words, for, from that beginning, a new Hawaii was born. For through those words, our missionaries and people following them under God became the greatest single influence in Hawaii's whole development—politically, economically, educationally, socially, religiously. Hawaii's real preparation for statehood can be said to have truly begun on that day and on this spot one hundred and thirty-nine years ago.

Yesterday, when the first sound of firecrackers and sirens reached my ears, I was with the members of our Territorial Senate in the middle of the morning prayer for the day's session. How strange it was, and yet how fitting, that the news should burst forth while we were in prayer together. Things had moved so fast. Our mayor, a few minutes before, had asked if the church could be kept open, because he and others wanted to walk across the street for prayer when the news came. By the time I got back from the Senate, this sanctuary was well filled with people who happened to be around, people from our government buildings nearby. And as we sang the great hymns of Hawaii and our nation, it seemed that the very walls of this church spoke of God's dealing with Hawaii in the past, of great events both spontaneous and planned.

There are some of us to whom statehood brings great hopes, and there are some to whom statehood brings silent fears. One might say that the hopes and fears of Hawaii are met in statehood today. There are fears that Hawaii as a state will be motivated by economic greed; that statehood will turn Hawaii (as someone has said) into a great big spiritual junkyard filled with smashed dreams, worn-out illusions; that it will make the Hawaiian people lonely, confused, insecure, empty, anxious, restless, disillusioned—a wistful people.

There is an old "mele" that reminds me of such fears as these, and of the way God leads us out of our fears. "Haku'i i ka wahi o ka lua, pa i ka lani, ha'aha'a Hawai'i moku o Keawe i hanau'ia . . . po Puna, po Hilo, po i ka wahi o ku'u'aian . . . ola ia kina, ke 'a mai la ke ahi"—"There is a fire underground, but the firepit gives forth only smoke, smoke that burst upward, touching the skies, and Hawaii is humbled beneath its darkness . . . it is night over Hawaii, night from the smoke of my land . . . but there is salvation for the people, for now the land is being lit by a great flame."

We need to see statehood as the lifting of the clouds of smoke, as the opportunity to affirm positively the basic Gospel of the fatherhood of God and the brotherhood of man. We need to see that Hawaii has potential moral and spiritual contributions to make to our nation and to our world. The fears Hawaii may have are to be met by men and women who are living witnesses of what we really are in Hawaii, of the spirit of Aloha, men and women who can help unlock the doors to the future by the guidance and grace of God.

This kind of self-affirmation is the need of the hour. And we can affirm our being, as the Aloha State, by full participation in our nation and the world. For any collective anxiety, the answer is collective courage. And the ground of that courage is God.

We do not understand the meaning of Aloha until we realize its foundation in the power of God at work in the world. Since the coming of our missionaries in 1820, the name for God to our people has been Aloha. One of the first sentences I learned from my mother in my childhood was this from Holy Scripture: "Aloha ke Akua"—in other words, "God is Aloha." Aloha is the power God seeking to unite what is separated in the world—the power that unites heart with heart, soul with soul, life with life, culture

with culture, race with race, nation with nation. Aloha is the power that can reunite when a quarrel has brought separation; aloha is the power that reunites a man with himself when he has become separated from the image of God within.

Thus, when a person or a people live in the spirit of Aloha they live in the spirit of God. And among such people, whose lives so affirm their inner being, we see the working of the Scripture: "All things work together for good to them who love God . . . from the Aloha of God came his Son that we might have life and that we might have it more abundantly."

Aloha consists of this new attitude of heart, above negativism, above legalism. It is the unconditional desire to promote the true good of other people in a friendly spirit, out of a sense of kinship. Aloha seeks to do good, with no conditions attached. We do not do good only to those who do good to us. One of the sweetest things about the love of God, about Aloha, is that it welcomes the stranger and seeks his good. A person who has the spirit of Aloha loves even when the love is not returned. And such is the love of God.

This is the meaning of Aloha. I feel especially grateful that the discovery and development of our Islands long ago was not couched in the context of an imperialistic and exploitive national power, but in this context of Aloha. There is a correlation between the charter under which the missionaries came—namely, "to preach the Gospel of Jesus Christ, to cover these islands with productive green fields, and to lift the people to a high state of civilization"—a correlation between this and the fact that Hawaii is not one of the trouble spots in the world today but one of the spots of great hope. Aloha does not exploit a people or keep them in ignorance and subservience. Rather, it shares the sorrows and joys of people; it seeks to promote the true good of others.

Today, one of the deepest needs of mankind is the need to feel a sense of kinship one with another. Truly all mankind belongs together; from the beginning all mankind has been called into being, nourished, watched over by the love of God. So that the real Golden Rule is Aloha. This is the way of life we shall affirm.

Let us affirm ever what we really are—for Aloha is the spirit of God at work in you and in me and in the world, uniting what is separated, overcoming darkness and death, bringing new light and life to all who sit in the darkness of fear, guiding the feet of mankind into the way of peace.

Thus, may our becoming a State mean to our nation and the world, and may it reaffirm that which was planted in us one hundred and thirty-nine years ago: "Fear not, for behold I bring you good tidings of great joy, which shall be to all people."

RECOGNITION OF AN AMERICAN SERVICEMAN

Mr. BRADLEY. Mr. President, I stand today to pay tribute to one of the many men who served his country in Vietnam. On November 8, 1984, Clyde A. Soule passed away at the age of 37 in the Veterans' Hospital in South Orange, NJ. Clyde, a lance corporal in the Marine Corps, was a prisoner of war in Vietnam. Clyde's family knew little of his ordeal or of the role he played in the lives of the men who served with him until after his death. In Clyde's personal belongings, a letter from one of Clyde's comrades was found which expressed the heroic role he played in Vietnam and the positive influence he had on those he served with. I ask unanimous consent that the letter be printed in the RECORD so that we can honor and remember not just Clyde, but all those servicemen and women who served our country so well.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEAR SIR: I am writing to you in the hopes of getting in contact with one of your former students. His name is Clyde A. Soule, Class of 1966. I had the honor of serving with him in the Marine Corps over in Vietnam in 1967 and 1968. I have written to his family address in Cliffside Park, and to his old friend in South Jersey, but have doubts if he received the message. See, he gave me three names to write to if he ever got killed, and the third is a teacher in your school by the name of Ralph Maresca (if he's no longer in your school, please send this letter to him). Clyde used to talk alot about him, so they must have been close.

Sir, if I tell you a little about Clyde, then maybe you'll understand how much he means to me and all the rest of the men he served with. The way he took care of his men, and time after time, risked his life to save others. He was always there when you needed him. He could tell when someone was near the breaking point; he would just talk to the guy and bring him back around. He always had an ear to listen, a shoulder to cry on, and even a big foot to kick your ass if you didn't follow orders. He had the respect of everyone, and even of many officers (many were jealous).

When I met him, we were running a three-man recon team, which is the most dangerous job. Later on, they made him a squad leader, and then Plt. Sgt. In September 1967, our company was hit so bad in the D.M.Z. we didn't know which way was up. Clyde was running around giving orders and trying to save the pieces when he was hit, and was seen being carried off by the N.V.A. When the word spread, it was like he became our battle cry. We held because we were so mad thinking that they would kill him slow. One or two days later, he came back to our lines with four other Marines, three of them alive. He did the impossible! If you saw what they did to him, he was cut up like a steak, pulled out some of his fingernails, burned him, he was just a mess. The Colonel was going to put him in for the Congressional Medal of Honor. When Clyde was told this, he told the Colonel, no, and would never accept it. In fact, he told the Colonel that he would go off to jail first before taking the medal. He was like that, he never wanted any medals. Only Clyde knows why.

Just before the battle for Khe Sahn, he was made the personal bodyguard of the Battalion Commander and did many special assignments. Clyde was seen a lot with men in civilian clothes. He still never forgot his friends even with all his power. He always came around when he could to see if he could help us in any way.

Sir, there is so much that I could write about him. I'm not trying to make him look like a John Wayne, but just show how special he was and is, that maybe you would take a little time and find him. He never once asked for anything. He always set the example, always steady and sure of himself. He never could show his emotions because he knew we all looked to him for strength. We could go to him with our problems and hurts, but he had no one. God, when I think of how alone he must have felt besides his physical pains. He gave so much of himself. He even left his bag of personal belongings behind so he could help carry wounded out of the Khe Sahn when his time was up.

When we said goodbye in Nam, he was like the walking dead, that's how sick and hurt he was. Last November, I was staying at the Salvation Army in Washington, D.C. I saw a car park nearby with New Jersey license plates and saw Clyde get out. At first, I couldn't believe it. I followed him to the city hall which is about a block away. I wanted to stop him so bad, but was ashamed of what I had become and the way I looked. Since that day I have not touched one drug or one drop of alcohol. That's seven months and I owe it to Clyde. Just seeing him brought back everything he ever tried to get in my head. He still has that walk of a man that's in charge.

So you see, sir, this person is still helping his men and he doesn't even know it. How can you ever begin to say thank you?

My address is ————. No, on second thought, I don't want him to help me. If you can find him, please tell him that with God's grace, I'll meet him on the Marine Corps' birthday by the Vietnam Memorial. There is so much I want to say to him, and to thank him. By November, it will be one year that I will be clean and my legal problems will be over. Then I will be on the right road.

I know that I can never repay him for everything that he has done, but the least I can do is say thank you and most of all, God bless you. You will never be forgotten.

Thank you, sir, for all of your help. Please help find him. Of all things, don't let his school forget him.

Sincerely,

—— ——.

THE ALABAMA MUSIC HALL OF FAME

Mr. HEFLIN. Mr. President, on January 17, 1985, I had the privilege of attending an outstanding first for my home State, the First Annual Alabama Music Hall of Fame Induction Banquet and Awards Show.

It has long been a point of pride for Alabamians to be able to claim a seemingly disproportionate share of America's outstanding musical performers. Our State can claim famous stars of the Metropolitan Opera, as well as famous artists ranging from jazz and blues to gospel and bluegrass. In addition, Muscle Shoals, just a stone's throw from my own home town of Tuscumbia, is known as the "Hit Recording Capitol of the World" and ranks at the very top of America's recording centers.

In recognition of the important role Alabama has played in the development of America's musical tradition, my State has founded the Alabama Music Hall of Fame. The Hall of Fame itself will be accompanied by the Ala-

bama Music Library, a major educational resource center, an innovative 350-seat audiovisual auditorium for music events and lectures, a bookstore, record store, and a gift shop.

The programs of the Alabama Music Hall of Fame will not be restricted to recognition and reward of those who have come before, but will also be directed toward young people and the future of music throughout the State. Schoolchildren will tour the facility, and representatives of the museum will tour the State's schools presenting programs about Alabama's musical heritage. In addition, summer music camps for young people will feature musicians and industry professionals teaching about music and the commercial music business.

The recent banquet I attended was held to benefit the Alabama Music Hall of Fame Building Fund and the prestigious College Music Scholarship Program of the Junior Board/Birmingham Music Club. Of course, it also provided a showcase for the talents of such participants as Alabama, Hank Williams Jr., and the Commodores, I can personally testify that the evening, filled with these performances, along with awards to talented Alabamians of the past and present, was a tremendous success and totally enjoyable.

Mr. President, for a moment I would like to give my colleagues an idea of the broad base of talent coming from my home State by sharing the names of those who were presented with awards.

The "Lifework Award" in the performing division was presented to Hank Williams and Nat King Cole. In the performing division, this award went to the record producer and musician Buddy Killen.

The "Governor's Sustaining Achievement Awards for Popular Music" went to the Commodores and Tammy Wynette. The "John Herbert Orr Pioneer Award" went to Rick Hall of Muscle Shoals Fame Recording Studio.

The "Classical Performance Award" went to critically acclaimed classical flutist Ransom Wilson. The "America's Music Award," for achievement in jazz, blues, bluegrass, and gospel, was presented to Sun Ra. The "Musical Creator's Award" was presented to record producer and songwriter Billy Sherrill.

Mr. President, in my mind the outstanding calibre of these recipients is even more clearly illustrated when you look at the nominees who were not chosen to receive these awards. In this group, you find W.C. Handy, Tammy Wynette, Hank Williams, Jr., Dinah Washington, Jimmy Buffett, the Temptations, and countless others.

Like all Alabamians, I am very proud of the talented people produced by our home State. It was a great pleasure for me to attend the recent induction banquet and awards ceremony. I would like to congratulate all the winners, and, just as importantly, all the numerous people who have contributed to making the Alabama Music Hall of Fame a reality.

NARCO-TERRORISM

Mrs. HAWKINS. Mr. President, I rise today to address an issue of extreme national and international concern. A situation exists where nations, their leaders, and their enforcement agents are being threatened. I want to state clearly and loudly that we will not be bullied by drug traffickers and international criminals. Narco-terrorism has once again reared its ugly countenance. We can no longer deny that these so-called Siamese twins of death and destruction are interrelated. Once again we have documented evidence.

In the testimony at a hearing I conducted as chairman of the Subcommittee on Alcoholism and Drug Abuse, a former Nicaraguan diplomat told the subcommittee of a pact, code named "Morality of Death," This blood pact, was drawn up between Umberto Ortega, the Defense Minister of Nicaragua and Raul Castro, the Defense Minister of Cuba. This pact was designed to trade the dirty money gained from aiding drug traffickers to buy guns for terrorists.

Some denied the link we proved. Others responded by calling the evidence "right-wing paranoia."

Now we have further, irrefutable proof. This past Friday night, NBC television aired footage taken by a Colombian TV crew. The film showed Carlos Leder, the most notorious cocaine trafficker in Colombia.

He was once a respected citizen. He was once elected to a position in the Colombian Government. Today, he is a fugitive. That is all thanks to the courageous crackdown of President Belisario Betancur.

This brazen fugitive, Carlos Leder, stated on TV film, that he is working with the FARC and the M-19, leftists rebels bent on overthrowing the legitimate Government of Colombia. These criminals shot in cold blood Colombia's brave, tough Minister of Justice, Lara Bonilla last year and now threaten to destroy the nation itself. President Betancur will not be destroyed. He has instituted a strict crackdown on drug traffickers. And in a surprisingly short time Colombia's drug enforcement agents have seized more than 34,000 kilos of cocaine. They have destroyed 156 processing labs. They have wiped out 41 million acres of coca fields.

They have also seized 6 million kilos of marijuana and destroyed 29 million acres of marijuana in the fields of Colombia. We in the Senate must let President Betancur know that we recognize his valiant stand against these monstrous criminals and that we have the utmost admiration and support for his work. We must pledge our full support and ask for the President's continued vigilance against this menace fueled by Carlos Leder's snow-white blood money.

It comes as no surprise that terrorists and drug dealers would join in this type of vicious marriage of convenience. Both drugs and terror are tools of disorder—mass murder and mass confusion.

We are making strides against both. Secretary of State Shultz has told us of the administration's new policy to strike back against terrorism. And the outcome of the Western Hemisphere Conference on Narcotics Control, which I conducted last week in this Capitol shows a new determination on the part of justice officials throughout the Americas and the Caribbean to move swiftly and surely against this insidious drug traffic which threatens to strangle us all.

But every action has an equal and opposite reaction. Our strength and resolve on these two vital fronts has also strengthened the resolve of the narco-terrorists. We see more and more brutal evidence every day.

Now we have reports that the narco-terrorists are looking to come to the source, just as we have done. Latest news reports tell us that a South American hit-squad has entered the United States and is bent on capturing and torturing agents of the U.S. Drug Enforcement Administration and their supporters. The narco-terrorists have done this before. But always in Colombia. Never here in the United States.

A wounded animal will always strike back. Apparently, these horrors indicate that the narco-terrorists are on the run. Striking in last-minute desperation. These actions only tell us not to let up one iota in our resolve to crush these parasites.

I stand before the U.S. Senate today to proclaim that we will not be intimidated. We will not give up one inch of ground gained from the narco-terrorist. We will not take one step backward, nor will we break cadence in our efforts to stop these international drug murderers.

I once again commend the courageous work of the U.S. law enforcement family, our Ambassadors, and Colombia's President Belesario Betancur. As well as the Presidents of other countries who are working to eradicate this evil crop from the Earth. If we continue to be a partner in this work, refuse to knuckle under to these common criminals, if we refuse to bend, if we continue to fight, to eradicate, to educate and to enforce laws, this menace will begin to fade.

JACK ANDERSON'S ASTRONAUT-COSMONAUT PLAN DESERVES FULL SUPPORT

Mr. MATSUNAGA. Mr. President, I would like to call the attention of my colleagues to a truly inspirational and futuristic column by Jack Anderson appearing in today's Washington Post. The column is on a theme that has been of particular interest to many Members of the Congress—U.S.-U.S.S.R. space cooperation. Last session, both Houses of Congress passed unanimously, and the President signed into law, a resolution I introduced calling for renewal of the U.S.-U.S.S.R. space cooperation agreement that was allowed to lapse in 1982. This session, with hopes for a similar favorable outcome, I have introduced a resolution calling for greater international cooperation in exploration of the planet Mars, beginning with the coordination of scientific missions scheduled by the U.S.S.R. for 1988 and United States for 1990.

Mr. Anderson has added a new dimension to the East-West space cooperation theme—a generational dimension, as it were. Mr. Anderson has been a leading supporter for the excellently-conceived Young Astronauts Program, along with many other distinguished public figures, including President Reagan. Now, with President Reagan's approval, he has taken the concept, a most imaginative step, further by proposing that our young astronauts establish ties with young people in the Soviet Union who share their aspirations—young cosmonauts, as Mr. Anderson calls them. In an ingenious, and successful, initiative in personal diplomacy, Mr. Anderson's daughter Tanya personally carried such a proposal to Moscow last month, and obtained a positive response. It appears that Young Cosmonauts may soon be touring our space facilities, under a reciprocal arrangement. "From this small beginning," Mr. Anderson wrote Chairman Chernenko, "I look forward to the day that our astronauts and your cosmonauts will explore the vast cosmos together."

Mr. President, Jack Anderson's initiative deserves the applause and support of all those who recognize the extraordinary potential space holds for guiding human civilization into a new, transcendent age of exploration, discovery and harmony in peaceful pursuit of common goals. It won't happen overnight. But it will not ever happen unless we begin to try. Mr. Anderson's "small beginning" is a product of a very large vision. As a citizen, as well as a Senator, I commend him for his inspiring efforts.

Mr. President, for the benefit of my colleagues who may have missed reading Mr. Anderson's column, I ask unanimous consent to have the column printed in the RECORD following my remarks.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

U.S.-SOVIET SPACE COOPERATION PUSHED

In a move that could lead to better Soviet-American relations, President Reagan and Chairman Konstantin U. Chernenko have approved the idea of establishing ties between America's Young Astronauts and Russia's Young Cosmonauts.

This raises new hope that by exchanging visits and sharing dreams, Young Astronauts and Young Cosmonauts might lead the way to peaceful cooperation in space.

In behalf of the Young Astronaut Council, I wrote a letter to Chernenko proposing the affiliation. I pleaded that we are passengers together on a great spaceship called Earth, which cannot be broken into pieces, with the Soviet Union and the United States assigned separate orbits. The letter was hand-carried to Moscow last month by my daughter Tanya.

Two weeks later, the Soviet Embassy called to report that Chernenko had read the letter and that his response was "positive." Then the Soviet diplomat inquired cordially, "Did Tanya enjoy her visit to the Soviet Union?"

I said she had a glorious time and had come home favorably impressed. "Too bad she doesn't write the column," retorted the Russian, with a chuckle.

What are the next steps?

First, I have invited the Young Cosmonauts, with White House approval, to send a delegation to watch a space launching and tour our space facilities. "From this small beginning," I wrote, "I look forward to the day that our astronauts and your cosmonauts will explore the vast cosmos together. We are merely scratching the surface of knowledge so profound, so illimitable, so beyond our present understanding that we should waste no time nor energy on petty disputes."

Second, each Young Astronaut will be encouraged to write a letter to a Young Cosmonaut, explaining why they should become friends and what they might hope to accomplish together in space. Those who write the best letters will be selected for future exchanges, all expenses paid. Other exciting prizes will be offered.

Third, the International Aeronautical Federation has adopted the Young Astronaut program as the best way to achieve "peace through space." Under the federation's auspices, the Young Astronaut program will be offered to other nations and ties will be sought between Young Astronauts and Young Cosmonauts around the world.

Every generation, if it is to fulfill itself, needs a dream to inspire it, an adventure to ennoble it. Seldom have young people had the incentive that space now offers.

For half a millennium, the spirit of maximum adventure has awaited new Columbuses and Magellans. Now, for our children, it is at hand and on a scale far more vast.

Footnote: The Young Astronaut Council is recruiting 6-to-16-year-olds for future space exploration. All who sign up will be eligible to participate in the "Letter to a Young Cosmonaut" contest. For particulars, write to the Young Astronauts, 1015 16th Street NW., Suite 905, Washington, D.C. 20005.

CHILD ABUSE

Mr. DENTON. Mr. President, the issue of child abuse has exploded into public view during the past several years. One needs only to read the newspapers or to watch television news to realize that child abuse is a problem of immense proportions. The Senate Subcommittee on Family and Human Services, which I chaired, held a hearing last year on child abuse, when the prevention and treatment of child abuse was discussed in depth. Witnesses at the hearing commented on the need for increased attention to the problem, and the Congress responded. On October 9, President Reagan signed into law H.R. 1904, the Child Abuse Amendments of 1984. I am proud to have introduced the Senate version of that bill, and to have worked with other Senators and Congressmen to push the bill through to enactment. The bill provides for increased resources for the National Center on Child Abuse and Neglect to devote to the indentification, prevention and treatment of child abuse.

I am proud that my home State of Alabama has taken a leadership role in addressing the tragedy of child abuse. To summarize the approach being taken through the State legislature, judiciary, and executive branches, I ask unanimous consent that three articles which appeared in the January 1985 edition of the Alabama Lawyer be printed in the RECORD immediately following my remarks.

I commend the leadership of Alabama for moving the problem of child abuse to the forefront. I hope that the successes experienced by the State of Alabama can be reproduced in other areas of the country.

There being no objection, the articles was ordered to be printed in the RECORD, as follows:

PREVENTION: A NEW LEGISLATIVE APPROACH

(By Senator Gary Aldridge)

Child abuse legislation has been commonplace in Alabama over the past two decades. The focus primarily has been on mandatory reporting legislation and defining appropriate criminal laws. Recently, however, the Alabama Legislature embarked on an innovative approach to the maltreatment of children—PREVENTION. Adoption of The Children's Trust Fund and the Child Abuse and Neglect Prevention Act (together designated "The Martin-Aldridge Act") is a significant statement of public policy for the protection of Alabama's children. Alabama has distinguished itself as a leader in the search for solutions to the most alarming societal problem in America.

In the 1983 Regular Session, two companion pieces of legislation were enacted to provide a tandem vehicle for the development of preventive programs. Act No. 83-735 establishes the funding mechanism for the creation of preventive programs by establishing The Children's Trust Fund. This fund is administered by the Child Abuse and Neglect Prevention Board, which is given broad implementation powers for es-

tablishing preventive programs by Act No. 83-736. The combined purposes the two acts are to provide for the planned establishment of local councils and prevention programs and to insure the necessary funding for these programs. This article will first discuss The Children's Trust Fund legislation and then purview the Child Abuse and Neglect Prevention Act.

THE CHILDREN'S TRUST FUND

The Children's Trust Fund was created at a time when Alabama was in a grave financial posture. Revenue raising measures were being passed to allow the state to meet its most essential services. Clearly the revenues were not available to undertake a new program, irrespective of the need and merit of that program. Hence, the trust fund was established in a creative and innovative manner; it is funded from a voluntary check-off on the state income tax return. Beginning with the 1983 tax year, the Alabama taxpayer may designate $2 on an individual return and $4 on a joint return to be credited to The Children's Trust Fund. No state revenue will be used in the program.

The trust fund legislation targets ultimate accumulation of $10,000,000. Preventive programs will be funded from the earnings of the trust fund, with the principal remaining intact. However, until the $10,000,000 target is achieved, no more than 50 percent of the amount of the fund can be used for administrative expenses and funding of preventive programs.

The language of the trust fund act is sufficiently broad to allow the Child Abuse and Neglect Prevention Board considerable leeway in developing programs in conjunction with the local councils. Essentially, the funds are to be used to provide education and information; to create public awareness regarding child abuse and neglect; to encourage professional persons and groups to recognize and deal with abuse and neglect; and to encourage the development of community preventive programs.

CHILD ABUSE AND PREVENTION ACT

Act No. 83-736 establishes the state Child Abuse and Neglect Prevention Board as an autonomous agency of state government. The act provides that the commissioner of the state Department of Pensions and Security, the state mental health officer, the state health officer, the state superintendent of education and the director of public safety or their designees shall serve on the board. In addition, the governor is empowered to appoint one public member from each congressional district and two members from the state-at-large. From this group of public board members, the governor is entitled to appoint a chairperson.

The board is required to develop a state plan for the distribution of the funds in The Children's Trust Fund. The act provides that the plan shall assure equal opportunity for the establishment of preventive programs in all geographic areas of the state. The board is further required to coordinate the establishment of local councils and prevention programs.

The act contemplates that local councils shall have the primary purpose for the development and facilitation of a collaborative community prevention program. A local council seeking fund from the state board must demonstrate an ability "to provide prevention program models and consultation organizations and communities regarding prevention program development and maintenance." In addition, the local council must provide matching funds or in-kind services of 50 percent of the amount of the trust fund money received. The local councils are provided the incentive and guidance to develop and implement preventive programs suitable for their geographic areas.

Examples of the preventive programs envisoned by the legislation have been developed and implemented by Parents and Children Together, Inc. [PACT] of Decatur, Alabama. PACT was established in 1978 and now utilizes more than 200 volunteers in implementing a series of preventive and treatment programs. Its three-tier school program is recognized as a national model. Third grade students receive classes on the prevention of sexual abuse. Fifth grade students are instructed on problem solving and handling peer pressure. A seventh grade program focuses on adolescent pregnancy prevention along with classes designed to promote interfamily relationships.

In addition to the instructional programs at the elementary and middle school level, PACT provides parenting classes for parents who have been identified as high-risk parents. Prenatal classes instruct the mother-to-be on labor, delivery and child development. Every new mother in Morgan County receives a visit from a PACT volunteer and is given information on child development. Recently, PACT initiated a program for children who take care of themselves because of working parents, emphasizing safety and instruction on self care. Also, PACT serves as a clearinghouse on all types of information relating to abuse, neglect and sexual exploitation of children.

PACT serves as a model for the local councils to be established under the Martin-Aldridge Act. With the ever-increasing attention being given to child abuse and neglect, emphasis on preventive programs will increase. Alabama has made great strides by passage of legislation that encourages and funds preventive programs at the local level.

CONCLUSION

As a matter of policy, Alabama now recognizes the need for a preventive approach to child abuse and neglect. The Children's Trust Fund Act and the Child Abuse and Neglect Prevention Act provide the funding and the structure to establish a network of local preventive programs, but much remains to be done. Public awareness of the check-off contribution is indispensable. Alabama has the opportunity to become a leader in effectively addressing a problem proving to be more widespread than previously imagined.

CHILD ABUSE AND THE JUVENILE COURTS

(By Judge Sandra H. Ross)

The news that Alabamians are abusing and neglecting their children in record numbers has become hard to ignore. In Alabama, during fiscal year 1984, the Alabama Department of Pensions and Security [DPS] received 28,407 child abuse reports, a number approximately twenty percent higher than that reported in 1983.

Society currently is addressing the child abuse issue from the four perspectives of prevention, treatment of families, protection of children and prosecution of abusers. Of the four, the protection of children and the prosecution of their abusers most concern the attorneys and judges of this state.

While the inherent problems of the successful prosecution of child abusers are drawing considerable public attention, it is nevertheless a fact that a relatively small number of reported child abuse cases are suitable for prosecution in the adult criminal justice system. In the meantime, the juvenile courts of Alabama are addressing the problems of the children and family members in every abuse case deemed appropriate for any degree of court intervention. The caseloads of the juvenile courts have become heavier with the increase in reported abuse. Many attorneys, often court-appointed and without experience in dealing with the juvenile system and families in general, are entering the field. There is a need for Alabama attorneys to become more familiar with the unique procedure and law of the juvenile court system.

Pursuant to § 12-15-30(1) *Ala. Code* 1975, the juvenile courts of Alabama have exclusive original jurisdiction over proceedings involving dependent children, those who are abused, neglected or in other ways dependent upon the state for their care or supervision.

Once an abuse report is made to DPS, through mandatory reporting as required by § 26-14-1 *Ala. Code* 1975, or by any other means, the agency is required to investigate to determine if court intervention is necessary. If it is determined the welfare of the child requires the court to be involved, then a complaint is filed with the court's juvenile intake officer who, in turn, may file a petition alleging the child in question is dependent and in need of the care or supervision of the court. This petition may be signed by anyone having knowledge of the facts, but is often signed by a representative of DPS, thereby making that agency a party to the case. After the petition is filed, the intake officer must issue a summons to the child to appear, if he or she is 12 or more years of age, and to the parents, guardian or custodian of the child. The summons must be served on a party at least 24 hours before a hearing, but the inability to serve does not deprive the court of the right to proceed. Rule 13, *Alabama Rules of Juvenile Procedure.*

At the time the petition is filed, the juvenile judge may issue a protective pick-up order for the child without notice to the parties, if it is determined from the available information the child should be immediately removed from his environment. This pick-up order may be endorsed on the summons or may be entered by separate order before service of the summons. If a child is removed from his residence and placed in the custody of DPS prior to a hearing, then the court must conduct a shelter care hearing within 72 hours of the child's removal, weekends and holidays included, to determine if continued care is required. § 12-15-60(a). Parents, guardians or custodians must be notified of the date, time and place of the hearing, as well as of their right to counsel. If parents are found to be indigent, the court then must appoint counsel to represent them at this and all stages of the proceedings. The court also must appoint an attorney to serve as guardian ad litem for the child. § 12-15-63(b). All relevant evidence is admissible at a shelter care hearing whether or not competent at a hearing on the merits of the petition. § 12-15-60(d).

The law strongly favors the release of children to their parents and directs courts to return them unless one of the following situations is proved by clear and convincing evidence at the shelter care hearing:

(1) The child has no suitable parent, guardian or other suitable person able and willing to provide supervision and care for the child, or

(2) The release of the child would present a serious threat of substantial harm to such child. § 12-15-59.

From the time of the first report to DPS of abuse or neglect until such time as they are relieved of supervision in a case, the agency is charged with investigation of the allegations before the court and with supervision of the parties to determine if court-ordered treatment is being followed. Attorneys representing parents and children should recognize the findings and recommendations of the DPS caseworkers are critical in many cases as they provide for the court an impartial picture of the child's circumstances. DPS predisposition reports are admissible at shelter care hearings and, pursuant to § 12-15-69(a), the court may direct such a study and report be made for use at a hearing on the merits of the petition.

Juvenile dependency hearings are conducted in two phases, the first being a hearing on the allegations of the petition and the second being dispositional in nature once the court has found a child to be dependent and in need of the care of the court. At the trial of the merits, the allegations must be proved by clear and convincing evidence, competent and material and relevant in nature. § 12-15-65(e). This burden seems to preclude admission of predispositional studies at the hearing on the merits of hearsay gounds unless one of the following exceptions applies:

(1) The reports were prepared at the direction of the trial court;

(2) The author of the report is available at the hearing for purposes of cross-examination; or

(3) There is testimony presented in court corroborating the information in the reports. *Hamilton* v. *State*, 410 So.2d 64 (Ala. Civ.App. 1982).

If a child is found to be dependent, a second hearing is held to determine disposition of the case. At the disposition hearing, all relevant and material evidence helpful in determining the question presented, including oral and written reports, may be received into evidence even though not competent at a hearing on the petition. In *Kelly* v. *State Department of Pensions and Security*, 366 So.2d 736 (Ala. Civ. App. 1979), the court stated hearsay in DPS reports is admissible at a disposition hearing, noting in that case all reports were furnished to opposing counsel in advance of the hearing and the author of the report was present in court.

After hearing all pertinent evidence at disposition, the court may order one of the following alternatives for the child as set out in § 12-15-71:

(1) The child remain with parents, guardian or custodian subject to certain terms such as a requirement that the family enter counseling or attend parent effectiveness classes;

(2) The child remain with parents, guardian or custodian under protective supervision of court probation staff or of DPS; or

(3) Legal custody of the child be transferred to DPS or other local public child-placing agency or private organization licensed by DPS, or to a relative or other person recommended by DPS as being fit and proper.

All of the above listed alternatives require court review, which means a dependency case may involve attorneys and parties for months or even years. For instance, if the court transfers temporary custody of a child to DPS, then that child generally is placed in foster care until he can be reunited with his family or until parental rights are terminated and the child placed for adoption. In Alabama, the average length of stay for a child in foster care is now 2.3 years, and administrative rules of DPS and recommended court policy require court review of children in placement at least every 6 months.

Appeals from juvenile court orders, whether entered by district or circuit court judges, are made to the court of civil appeals and written notice of appeal must be filed within fourteen days of the entry of the order, judgment or decree. Rule 28, *Alabama Rules of Juvenile Procedure.* Attorneys should note Rule 20 requires the court to keep a complete record of all testimony by stenographic reporting or by mechanical device, such as recorders, which may be used for purpose of appeal.

In conclusion, each child abuse case reported and brought to the juvenile court for intervention may require as many as three or more attorneys before final disposition. As the number of dependency cases grows, so does the need for attorneys who are familiar with the law and procedure applicable to juvenile courts and who have adequate skills in dealing with children, parents and mental health professionals in order to solve complex family problems. The greatest contribution the legal system can make in the area of child abuse is to provide competent legal representatives for the parties involved. The quality of representation in a dependency case may often be determinative of the quality of life of the child whose best interests the courts are dedicated to serve.

THE DA AS A MOBILIZER

(By District Attorney Robert E. Cramer, Jr.)

Our nation currently is experiencing an "epidemic" number of reports of child sexual abuse, studies (which vary) indicate one in ten men and one in five women have been sexually abused as children. It is accepted widely the reported cases reflect only a fraction of the actual number of cases.

Few communities have child sexual abuse "intervention" programs. Cases of child sexual abuse are reported to child protective service agencies, law enforcement agencies, prosecutors, therapists, physicians, ministers, and counselors. Physicians, ministers and counselors. Physicians, nurses, teachers and other professionals coming into contact with children who may have been abused are confused about the process for reporting and the follow-up on reported cases of child sexual abuse. Consistent agency action and interagency referral have been hampered by the fact agencies and professionals often do not communicate, much less cooperate, in their efforts to provide service for victims of child sexual abuse. Many agencies see themselves in role conflicts with other agencies. For example, a Department of Pensions and Security protective service worker may be interested in reuniting a female incest victim with her family, while a prosecutor may want to file criminal charges against her father. As a result, without effective coordinated help, many children continue to be abused, having the quality of their entire lives affected, suffering lasting emotional injury and sometimes becoming abusers themselves.

The following scenario for child sexual abuse investigation is probably enacted on a daily basis in every state in the United States.

A child confides to some trusted person outside the family (perhaps a teacher) he or she is being sexually abused by a parent. The teacher reports the case of the County Department of Pensions and Security protective service worker or to law enforcement. The child is interviewed by each agency. An intake worker from the local child protective service agency visits the home and confronts the parent with the child's complaint of sexual abuse. A law enforcement representative and/or protective service worker will interview the offender and any other witnesses. The child protective service workers normally will refer the child to a physician for a medical exam and will likely recommend a therapist for the child and family. This, of course, requires the child and family to endure additional interviews.

Police and child protective service investigators find it difficult or virtually impossible to obtain comprehensive medical and psychological evaluations for victims, perpetrators and their families. Treatment resources are limited. Often, the protective service worker will seek a court petition to change custody of the child-victim. This involves the child as a potential witness in this custody petition and will require an attorney to be appointed to represent the child (guardian ad litem). Again, the child and family have to interact with additional "strangers" to be interviewed concerning the reported child sexual abuse.

Needless to say, not many children and families can "survive" the process in the outlined scenario. Add to that the fact that members of the disciplines involved lack basic understanding about the phenomenon of child sexual abuse and refuse to accept responsibility to increase their knowledge or skills. Without a coordinated community agency approach to reported cases of child sexual abuse, many offenders will escape proper scrutiny because the victims are not able to survive the system. Consequently, the community must unite and react together in these cases.

In Madison County, Alabama, reports of child sexual abuse began to increase rapidly in 1981. When elected district attorney in 1981, I had established a system to review reported cases of child abuse for possible criminal prosecution. Between the years 1973 and 1975, I was an assistant district attorney and was assigned to Juvenile Court. As a consequence, I was required to work with representatives from the Madison County Department of Pensions and Security protective service workers who were involved in removing children from parents because of child abuse and neglect. Because of this experience, when elected district attorney, I set up review meetings with DPS protective service workers. Every month, representatives from my office met with the protective service workers to review specific cases of child abuse. At these sessions, we were able to advise the protective service workers about courtroom testimony, the elements of criminal offenses, proper documentation and when to refer to law enforcement.

During 1981, we began reviewing child sexual abuse cases. Suddenly, we were faced with an overwhelming increase of such cases. After a year, we found 25-40 percent of the abuse cases reviewed involved child sexual abuse. Alarmingly, over the next few years, most of the abuse reviewed was child sexual abuse. Law enforcement was added to this team review in 1983. Also in 1983, the team review sessions were increased and now are conducted twice monthly. Presently, during our review sessions, the team decides whether a case is to be referred for

criminal prosecution, for therapy or for further development and follow-up review. Specialized forms are used for this review allowing each agency to detail all follow-up procedures.

As a parallel to the prosecution/DPS/law enforcement team review, our community formed a Child Sexual Abuse Task Force in 1983. Because of the alarming number of child sexual abuse cases reviewed at the team review meetings, we felt a need to alert and inform other professionals and agency representatives about what was occurring in their community. Representatives from DPS and my office appeared before our county child abuse prevention coalition called SCAN [Stop Child Abuse and Neglect] which had existed in the community for almost ten years. We informed the SCAN board of directors of the alarming number of child sexual abuse cases in the community. We cited the need for other professional involvement particularly from the treatment and medical communities. We also emphasized many others, such as teachers, nurses, daycare workers and private schools, will be exposed to more and more cases of child sexual abuse. This would require additional community education programs to teach them about the subject matter. Together, we formed the Child Sexual Abuse Task Force.

The task force included representatives from medical, treatment, nursing, education, prosecution, protective service and law enforcement facilities, and daycare and community agency representatives and volunteers. The task force met at least twice a month and initially was broken down into subcommittees that included: treatment, intervention, identification and prevention. Each subcommittee came up with different goals and recommendations. For instance, the Intervention Subcommittee developed as its goals a manual on child sexual abuse to be distributed to teachers, nurses and others, and a proposed symposium or workshop on child sexual abuse.

The primary importance of the task force was to bring agency representatives together to discuss a problem they had in common. Most agencies and representatives in the task force had "hands-on" involvement in reported cases of child sexual abuse. However, many did not know one another. The DPS protective service workers often were referring children and families to therapy without knowledge of the philosophy of the treatment therapist. Many agencies were unfamiliar with the process of criminal prosecution and were reluctant to report cases for criminal prosecution because of the effect such would have on the family. The task force meetings and projects allowed professionals to discuss their common problems with one another. It brought the professional community closer together and closed many loopholes previously existing. However, there were many awkward moments as the task force developed. At certain times, the task force ended up taking positions conflicting with agency policies. Some participants felt "threatened" by policy and goal development of the task force, but the agencies most affected by the processes involved in reported cases of child sexual abuse continued to work together in the task force.

In August 1984, the Intervention Committee of the task force proposed a program for the community called the Children's Advocacy Center. During the August meeting of the task force, I narrated a "reenactment" of an actual case of child sexual abuse. This case involved a 12-year-old girl who had disclosed to her grandmother she had been sexually abused by her stepfather and father for as long as she could remember. The grandmother sat up all night with the child and heard the "dreaded" story. The following day the grandmother went to the police department and thereafter was "bounced" from agency to agency. The child was interviewed by the police department, DPS protective service and emergency room hospital personnel. She was referred to therapy, and a guardian ad litem was appointed for her in the removal of custody from her mother. She was then referred to the district attorney's office for review for criminal prosecution.

This case illustrated the worst approach community agencies could take to child sexual abuse. The child told her story to the grandmother and to the DPS worker, but would not repeat her story to any other professionals. The stepfather confessed his guilt to others in the community, and the case was in a posture for criminal prosecution, but this could not be accomplished without the child's telling her story in court. This was a 15-month ordeal from start to finish, ending with successful prosecution of the stepfather. This case experience illustrated policies that could not continue if children are to be encouraged to come into the criminal justice system.

In early August 1984, two attorneys from my office and I went to Los Angeles, California, to interview two young boys who were sexual abuse victims. While in Los Angeles, we visited the Ventura County, California, district attorney's office to look at their Child Sexual Assault Unit. Also, we visited the Children's Institute in Los Angeles. The Children's Institute is a private foundation, 88 years old, which most recently has been involved with interviewing the children who were sexually abused at the Manhattan Beach Daycare Center. It was after this visit that we proposed to the community task force the formation of the Children's Advocacy Center.

The Children's Advocacy Center is a "program" with a focus on an advanced team approach to reported cases of child sexual abuse. The objective is to demonstrate a unique and successful community approach to interagency management of child sexual abuse reports. The overall goal of the project is to consolidate agency and professional involvement in addressing the problem of child sexual abuse. This will be accomplished by allowing relevant community agencies to work together through the program based in the Children's Advocacy Center.

A prosecution/protective service/law enforcement team will review all reports of child sexual abuse. The team will be based in a homelike "house" called the Children's Advocacy Center. From this base, the team will coordinate the handling of cases. The center's program will be the umbrella program under which community agencies will implement a model team approach.

The prosecution/law enforcement/protective service team will jointly investigate reports of child sexual abuse and will make referrals for therapy and medical exams. It is proposed that therapy sessions and medical exams will be initiated or take place at the center. Thereafter, all relevant agencies or other professionals involved with the child-victim and family can participate with them at the center to help make decisions in the best interest of the child, family and society. A victim-witness clerk from the district attorney's office will be available at the center to introduce the child and family to the criminal justice system.

The program staff will develop interview teams and will conduct the interviews of the child-victim. Child-victims will no longer be interviewed at police departments, DPS offices or prosecution offices. All participating agencies will refer child-victims to the center. Team interviewers will question the children in the home-like surroundings, and, where appropriate, the interview will be videotaped. The confidentiality of the video will be preserved by center policy. Review for criminal prosecution will be done at the center. This will be done by the prosecutor/law enforcement/protective service team. If the child needs to be reinterviewed, that will be performed by the initial interview team at the center. The center will keep statistics on the number of child sexual abuse victims served, agencies participating, services provided, victim and offender profile and the number of offenders prosecuted and case disposition.

When a case is not referred for criminal prosecution, the team will attempt to stabilize the child and family. They will make referrals appropriate to maintain the safety and well-being of the child-victim. The team may recommend criminal prosecution be suspended as long as the offender is kept out of the child-victim's home and presence. DPS protective service will monitor the child and family and preserve the child's safety and well-being. Periodic team reviews may be conducted, and additional agency personnel will be involved. Additional team review may involve the team with DPS protective service and possible removal of the child from the family and offender. Close coordination will occur between the team and the agency seeking a court petition and order to remove the child from the custody of the family. The team will monitor the court proceeding and will make recommendations in the best interest of the child and family.

Each team member will act as his agency liaison, and follow-up or additional personnel involvement through that agency will be coordinated through the team agency representative. In most cases, DPS will use existing personnel to supervise cases initially developed through its team member and other personnel at the center. This will allow additional personnel from each agency to participate in the program.

At the conclusion of 12 months, the staff involved in the program will recommend detailed interagency policy approaches in the handling of reported cases of child sexual abuse. The program will allow agencies to evaluate the benefit to the child-victim and family from a coordinated interagency approach.

Madison County professionals have recognized the interviewing process and techniques are critical in cases of child sexual abuse. Another primary benefit of the program will be the further development of such techniques, processes and follow-up. Proper interviewing of a child-victim can be therapeutic. The center's staff and other agency participants will become specialized in this process. The participants in the program will develop a videotape interview guide which will stress a community approach to child sexual abuse. This interview guide will be available at the conclusion of the program.

Local and national publicity about child sexual abuse has prompted more parents to bring suspected cases before our community

professionals. Most often, the dilemma facing a district attorney's office is that the child-victims, some as young as three or four, are often the only witnesses to the crime. Preparing a child to testify in court is one of the most difficult things for any prosecutor. The criminal justice system was designed for adults. It is a system that expects victims to undergo numerous interviews and court appearances, that expects testimony to be articulate and detailed and in which cross-examination often confuses the coolest adult.

The child in the courtroom poses new problems. Because the offenders often threaten harm to the child and family, sexually abused children may not report incidents for months or years later. Chances for corroborating evidence or effective prosecution are therefore affected. These are the toughest cases in the criminal justice system. Very rarely do they find successful solution; many cases reported to police and protective service never make it far through the criminal justice system.

The first cases we took into the criminal justice system taught us many adults would like to believe children make up these things. Adults do not want to confront the awful fact many parents will sexually abuse their children. Also, we as a society, do not like to believe we would be willing to send an adult to prison on the testimony of a very young child. At heart, we really do not trust children.

However, experts in our community now believe children are more credible witnesses than adults, especially when it comes to sexual abuse. Young children do not lie about sexual abuse because it is not within their realm of experience. Children can be effective witnesses if they are adequately prepared. If law enforcement and community professionals show a little sensitivity, children can move through the criminal justice system with a minimum of stress.

We are developing model legislation calling for the abolition of competency hearings and allowing videotaping of a child's testimony, rules of evidence allowing for hearsay and expert witnesses and background checks for people who work near or with children.

How to being a community approach to child sexual abuse? Law enforcement, prosecution, protective service and other professional people in the community who have direct contact with cases have to be willing to stick out their necks. They need to begin to review their cases together on a regular basis, and invite other disciplines to join them. Agencies need to permit a small number of interested staff to concentrate their case experience. As cases are reviewed by these "hands-on" people, interagency cooperation will improve. It will not happen overnight, but it will happen. Critical review is essential to improving case management. Professionals also have the resonsibility to design and participate in education programs aimed at increasing their knowledge about the problem of child sexual abuse and improving their intervention skills.

Our children are our hidden assets; it is time we stood up for them.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

BUDGET RESCISSIONS AND DEFERRALS—MESSAGE FROM THE PRESIDENT—PM-15

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Commerce, Science, and Transportation, the Committee on Labor and Human Resources, the Committee on Banking, Housing, and Urban Affairs, the Committee on Energy and Natural Resources, the Committee on the Judiciary, and the Committee on Environment and Public Works:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report sixteen new rescission proposals totaling $1,047,089,569, nine revised rescission proposals totaling $386,829,000, twenty-one new deferrals of budget authority totaling $1,249,016,539, and eight revised deferrals of budget authority totaling $443,179,221.

The rescissions affect programs in the Departments of Agriculture, Commerce, Education, Housing and Urban Development, Interior, Justice, and Labor, and the Appalachian Regional Commission.

The deferrals affect programs in the Departments of Commerce, Energy, Interior, Health and Human Services, Justice, and Transportation, the African Development Foundation, the National Science Foundation, and the Railroad Retirement Board.

The details of the rescission proposals and deferrals are contained in the attached report.

RONALD REAGAN.

THE WHITE HOUSE, *February 6, 1985.*

RESCISSION OF CERTAIN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT—PM—16

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, was referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Foreign Relations, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Commerce, Science, and Transportation, the Committee on Armed Services, the Committee on Labor and Human Resources, the Committee on Energy and Natural Resources, the Committee on Banking, Housing, and Urban Affairs, the Committee on the Judiciary, the Committee on Finance, the Committee on Environment and Public Works, the Committee on Governmental Affairs, the Committee on Small Business, and the Committee on Veterans' Affairs:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report 226 rescission proposals totaling $371,994,000.

These rescissions are proposed pursuant to the Deficit Reduction Act of 1984, and affect International Development Assistance programs, Peace Corps programs, Overseas Private Investment Corporation programs, programs in the Departments of Agriculture, Commerce, Defense-Civil, Education, Energy, Health and Human Services, Housing and Urban Development, Interior, Justice, Labor, State, Transportation, and Treasury, as well as programs in the Environmental Protection Agency, General Services Administration, National Aeronautics and Space Administration, Office of Personnel Management, Small Business Administration, Veterans Administration, ACTION, Federal Emergency Management Agency, National Archives and Records Administration, National Labor Relations Board, National Science Foundation, Nuclear Regulatory Commission, Tennessee Valley Authority and the United States Information Agency.

The details of the rescission proposals are contained in the attached reports.

RONALD REAGAN.

THE WHITE HOUSE, *February 6, 1985.*

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. STAFFORD, from the Committee on Environment and Public Works:

Lee M. Thomas, of Virginia, to be Administrator of the Environmental Protection Agency.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HEFLIN:

S. 392. A bill to make permanent the exclusion for certain service performed on fishing boats from coverage from unemployment compensation tax; to the Committee on Finance.

S. 393. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income subsistance payments to certain law enforcement officers; to the Committee on Finance.

By Mr. GORTON (for himself, Mr. MOYNIHAN, Mr. SARBANES, Mr. LEVIN, Mr. SIMON, and Mr. MATSUNAGA):

S. 394. A bill to amend the Housing and Community Development Act of 1974 to provide housing assistance to the homeless through renovation and conversion of facilities for use as temporary housing, provision of emergency housing and food, and provisions of residential housing assistance in the transition to independent living.

By Mr. SPECTER:

S. 395. A bill to provide an additional 10 weeks of unemployment compensation for individuals participating in a job training program for dislocated workers under title III of the Job Training Partnership Act; to the Committee on Finance.

By Mr. BUMPERS:

S. 396. A bill to amend various sections of the United States Code to provide greater safeguards for small businesses with respect to agency and court proceedings, and for other purposes; to the Committee on Finance.

By Mr. DECONCINI:

S. 397. A bill to amend the Sherman Act and the Clayton Act to modify the application of such acts to international commerce; to the Committee on the Judiciary.

By Mr. KASTEN:

S. 398. A bill for the relief of Rolando Mendiola and Thelma Mendiola; to the Committee on the Judiciary.

By Mr. DECONCINI (for himself and Mr. GOLDWATER):

S. 399. A bill to designate the Phoenix Veterans' Administration Medical Center, located in Phoenix, AZ, as the "Carl T. Hayden Veterans' Administration Medical Center"; to the Committee on Veterans Affairs.

By Mr. BINGAMAN:

S. 400. A bill to provide health promotion and disease prevention services to Indians; to the Select Committee on Indian Affairs.

By Mr. PELL (for himself and Mr. CHAFEE):

S. 401. A bill to require the Secretary of Defense to establish an accounting procedure within the Department of Defense to identify and control expenditures for advisory and assistance services, and for other purposes; to the Committee on Armed Services.

By Mr. PRESSLER:

S. 402. A bill to amend the Communications Act of 1934 to provide for specialized equipment for telephone service to certain disabled persons; to the Committee on Commerce, Science, and Transportation.

By Mr. JOHNSTON:

S. 403. A bill to amend the Federal Power Act to establish policy and procedures to guide the Federal Energy Regulatory Commission in the issuance of new licenses to operate existing hydroelectric facilities; to the Committee on Energy and Natural Resources.

By Mr. FORD:

S. 404. A bill to designate the Federal Building and U.S. Courthouse in Ashland, KY, as the "Carl D. Perkins Federal Building and United States Courthouse"; to the Committee on Environment and Public Works.

By Mr. McCLURE:

S. 405. A bill for the relief of Fransisco Javier Varela and Sandra Elena Alvarez Varela, husband and wife; to the Committee on the Judiciary.

S. 406. A bill for the relief of Cesareo Bace-Olivas and Candelaria E. Peres De Bace, husband and wife; to the Committee on the Judiciary.

By Mr. BINGAMAN:

S. 407. A bill to amend title 13, United States Code, to provide for grants to State and local governments to assist in eliminating census undercounts, and for other purposes; to the Committee on Governmental Affairs.

By Mr. WEICKER (for himself, Mr. BUMPERS, Mr. D'AMATO, Mr. NUNN, Mr. RUDMAN, Mr. SASSER, Mr. KASTEN, and Mr. DIXON):

S. 408. A bill to amend the Small Business Act to provide program levels, salary and expense levels, and authorizations for the Small Business Administration's programs for fiscal years 1986, 1987, and 1988, and for other purposes; to the Committee on Small Business.

By Mr. BRADLEY (for himself, Mr. KENNEDY, Mr. BUMPERS, Mr. BINGAMAN, Mr. HART, Mr. CRANSTON, Mr. PROXMIRE, Mr. GORE, Mr. BIDEN, Mr. INOUYE, Mr. LAUTENBERG, and Mr. KERRY):

S. 409. A bill to broaden the base of individual and corporate income taxes, to significantly reduce tax rates, to smooth out the rate schedules of the individual income tax, and to simplify the tax laws by eliminating most credits, deductions, and exclusions; to the Committee on Finance.

By Mr. JOHNSTON (for himself, Mr. WARNER, Mr. McCLURE, and Mr. MURKOWSKI):

S. 410. A bill to repeal the Commercial and Apartment Conservation Service, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. ROTH:

S. 411. A bill to reduce individual income tax rates, to increase savings of individuals, to broaden the income tax base, and for other purposes; to the Committee on Finance.

By Mr. GOLDWATER (for himself, Mr. DECONCINI, Mr. ABDNOR, Mr. BURDICK, Mr. EAGLETON, Mr. EAST, Mr. GRASSLEY, Mr. HOLLINGS, Mr. MATTINGLY, Mr. MELCHER, Mr. NUNN, Mr. PRYOR, and Mr. RIEGLE):

S. 412. A bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws; to the Committee on the Judiciary.

By Mr. STEVENS (for himself and Mr. INOUYE):

S. 413. A bill to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance; to the Committee on Commerce, Science, and Transportation.

By Mr. NICKLES:

S. 414. A bill to amend the Internal Revenue Code of 1954 to deny any deduction for interest paid or incurred on loans in connection with certain takeovers, or certain attempted takeovers, of corporations; to the Committee on Finance.

By Mr. WEICKER (for himself, Mr. STAFFORD, Mr. MATHIAS, Mr. KENNEDY, Mr. EAGLETON, Mr. ANDREWS, Mr. INOUYE, Mr. RIEGLE, Mr. BOSCHWITZ, Mr. BURDICK, and Mr. SIMON):

S. 415. A bill to amend the Education of the Handicapped Act to authorize the award of reasonable attorneys' fees to certain prevailing parties, and to clarify the effect of the Education of the Handicapped Act on rights, procedures, and remedies under other laws relating to the prohibition of discrimination; to the Committee on Labor and Human Resources.

By Mr. BOSCHWITZ (for himself and Mr. DURENBERGER):

S. 416. A bill to amend the act establishing Voyageurs National Park, Minnesota, to allow certain State leaseholders of lands within the park to continue to lease such lands for up to 20 years; to the Committee on Energy and Natural Resources.

By Mr. DOMENICI:

S. 417. A bill for the relief of Juan Macias-Arias, his wife Margarita Radich de Macias, and their children, Juan Eduardo Macias-Radich and Mary Macias; to the Committee on the Judiciary.

By Mr. GRASSLEY (for himself, Mr. ARMSTRONG, and Mr. DURENBERGER):

S. 418. A bill to amend the Internal Revenue Code of 1954 to exclude certain net capital gain of insolvent taxpayers from the alternative minimum tax; to the Committee on Finance.

By Mr. GRASSLEY (for himself, Mr. DIXON, Mr. EXON, Mr. HELMS, Mr. NICKLES, Mr. PRYOR, Mr. ROTH, Mr. SYMMS, and Mr. ZORINSKY):

S. 419. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for one-half of the expenses paid by a self-employed taxpayer for individual health insurance premiums; to the Committee on Finance.

By Mr. BOREN (for himself and Mr. NICKLES):

S. 420. A bill to amend the Internal Revenue Code of 1954 to impose a 50-percent nondeductible excise tax on certain profits realized in connection with corporate takeover attempts, and for other purposes; to the Committee on Finance.

By Mr. EXON:

S. 421. A bill for the relief of Taishine Wang, doctor of medicine, Kuei-Ching Wang, and Maria Wang; to the Committee on the Judiciary.

S. 422. A bill for the relief of James G. Reese; to the Committee on the Judiciary.

By Mrs. HAWKINS:

S.J. Res. 45. Joint resolution to designate "National Child Safety Week"; to the Committee on the Judiciary.

By Mr. MATSUNAGA (for himself, Mr. GORTON, Mr. PROXMIRE, Mrs. KASSEBAUM, Mr. PELL, Mr. STAFFORD, and Mr. SIMON):

S.J. Res. 46. Joint resolution relating to NASA and cooperative Mars exploration; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BUMPERS (for himself, Mr. BOREN, Mr. DURENBERGER, Mr. PRYOR, Mr. BENTSEN, Mr. MELCHER, Mr. SASSER, Mr. HEFLIN, Mr. STENNIS, Mr. GORE, Mr. SARBANES, and Mr. EAGLETON):

S. Res. 65. A resolution commending the Soil Conservation Service; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. COHEN (for himself, Mr. RUDMAN, Mr. BINGAMAN, Mr. BOSCHWITZ, Mr. GORTON, Mr. SYMMS, Mr. WILSON, Mr. DOLE, and Mr. SIMPSON):

S. Res. 66. A resolution expressing the sense of the Senate with respect to certain matters involving the Government of New Zealand and the United States; to the Committee on Foreign Relations.

By Mr. BOREN (for himself, Mr. EXON, Mr. MELCHER, Mr. BURDICK, Mr. BAUCUS, Mr. HARKIN, and Mr. FORD):

S. Res. 67. A resolution urging the President to provide emergency credit for the Nation's farmers; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. KENNEDY (for himself and Mr. CRANSTON):

S. Con. Res. 10. A concurrent resolution expressing the sense of the Congress that the Taiwan authorities should cooperate fully in case of Henry Liu by delivering to the United States for trial those citizens of Taiwan charged by authorities in the United States in connection with the murder of Henry Liu; to the Committee on Foreign Relations.

By Mr. KENNEDY (for himself, Mr. CRANSTON, Mr. HARKIN, and Mr. KERRY):

S. Con. Res. 11. A concurrent resolution calling for the restoration of Democracy in Chile; to the Committee on Foreign Relations.

By Mr. DOLE:

S. Con. Res. 12. A concurrent resolution providing for an adjournment of the Senate from February 6, 7, or 8, 1985 to February 18, 1985 and an adjournment of the House from February 7, 1985 to February 19, 1985; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HEFLIN:

S. 392. A bill to make permanent the exclusion for certain service performed on fishing boats from coverage from unemployment compensation tax; to the Committee on Finance.

SHRIMP BOAT OWNERS

Mr. HEFLIN. Mr. President, I am reintroducing legislation today which will make permanent a provision in the Internal Revenue Code that corrects an inequity with respect to the shrimping industry.

In the Tax Reform Act of 1976 criteria were established under which certain crewmen would not be considered employees of the operator or owner of a fishing boat. The Internal Revenue Service has in effect declared shrimping boatcrews to be self-employed if the crewmen does not receive any cash remuneration and if the crewman receives a share of the catch or a share of the proceeds from the sale of the catch and if the amount of the crew share depends on the amount of the boat's catch. A fourth standard provides that the operating crew of the boat is normally made up of fewer than 10 individuals. These criteria were made applicable for the purpose of withholding Federal tax and Federal Insurance Contributions Act tax and consequently exempt the employer—in this case the boatowner or operator.

The inconsistency of which I am concerned appears in the Internal Revenue Code as it pertains to the Federal Unemployment Tax Act. Although this tax is applicable to employers only still under this act fishermen employers are exempt from the payment of Federal contributions for unemployment purposes only if the services performed are related to catching halibut or salmon for commercial purposes or the services are performed on a vessel of more than 10 net tons.

Shrimp boat owners and operators find themselves paying unemployment taxes on those who under another law are classified as self-employed. Though these are different taxes, there is no reason for inconsistency in exemptions. If a person is considered self-employed under the criteria of one, there is no reason why an employer should be required to pay unemployment tax on that self-employed individual. Exclusion from coverage under FICA should be extended to mean an exclusion from coverage under FUTA in this instance. Either a man is self-employed or he is not. It is inconsistent to declare a man self-employed under one act and claim that the same man is an employee under another act.

The legislation I have introduced today would simply amend section 3306(c) of the Code by using the same criteria to determine self-employment of the crewman for unemployment tax purposes as is used to determine self-employment of the crewman under the Tax Reform Act of 1976. Specifically: First, the crewman does not receive any cash remuneration; second, the crewman receives a share of the boat's catch of fish or a share of the proceeds from the sale of the catch; third, the amount of the crewman's share depends on the amount of the boat's catch; and fourth, the operating crew of the boat is normally made up of fewer than 10 individuals.

For the past 4 years, Congress has recognized the need to correct this inequity by approving legislation identical to the bill I am introducing today. Unfortunately, the prior legislation only amended the code temporarily and expired on January 1, 1985. My bill would simply make this change permanent.

Mr. President, this legislation would relieve these boatowners and operators from excessive burden of paying unemployment tax on those crewmen defined as being self-employed under the Tax Reform Act of 1976 and bring some consistency to the enforcement of and compliance with these two laws. Employers need some relief from excessive Government intervention and regulations. Enactment of my proposal would be tax reform in its finest sense. Tax consistency and equity and fairness would be a welcome reform and a welcome relief.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 392

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 822 of the Economic Recovery Tax Act of 1981 (26 U.S.C. 3006 note) is amended by striking out ", and before January 1, 1985".

By Mr. HEFLIN:

S. 393. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income subsistence payments to certain law enforcement officers; to the Committee on Finance.

SUBSISTENCE PAYMENTS TO CERTAIN LAW ENFORCEMENT OFFICERS

Mr. HEFLIN. Mr. President, today I am reintroducing legislation to allow State troopers, and other State law enforcement officers, to exclude from their gross income subsistence allowances paid to them by the State.

For many years now, in Alabama, our State troopers and other State law enforcement officers have been given a subsistence allowance provided by statute of $5 per day. This cash allowance, which is generally used for meals, is not viewed by the State as compensation. It is considered a reimbursement for work-related expenses which are vital to the performance of the troopers' duties.

Section 119 of the Internal Revenue Code, which was enacted in 1954, excludes from an employee's gross income the value of employer-furnished meals if they are provided for the employer's convenience, on its business premises, and for substantially noncompensatory reasons. For several years, this provision was interpreted to include subsistence allowances paid to State troopers.

In 1972, the Internal Revenue Service ruled that subsistence allowances provided to State troopers do not fall within this statute and, therefore, may not be excluded from gross income for taxable purposes. The U.S. Tax Court reviewed the Service's decision and, with six members dissenting, also held against the troopers. While the Tax Court conceded that the meal allowances were furnished because it was more convenient to provide a meal allowance than to provide meals for the troopers, the court interpreted section 119 as excluding from tax meals received in kind, and not meal allowances. The case was then taken before the U.S. Court of Appeals for the Third Circuit. The appeals court agreed with the troopers' contention that such meal allowances are not taxable income. However, the Supreme Court, in Commissioner against Kowalski, reversed the appeals court ruling and declared that meal allowances paid to State troopers are taxable income and do not fall within section 119 of the code.

The Internal Revenue Service applied the Kowalski decision retroac-

tively and held State troopers liable for taxes on their meal allowances back through 1971. The retroactive enforcement of that decision would have resulted in severe financial hardships for State troopers had it not been for the efforts of the late Senator Jim Allen of Alabama. Senator Allen sought to alleviate this financial burden, which would have proved disastrous to most troopers, by introducing legislation to exclude from taxable income the statutory subsistence allowance paid to State law enforcement officers. Through his efforts, legislation was passed amending section 119 of the Internal Revenue Code stating that Kowalski could not be applied retroactively by the Internal Revenue Service. However, the provisions of Senator Allen's bill which dealt with the prospective application of Kowalski were not adopted.

Mr. President, I do not believe it was the intent of Congress to exclude subsistence allowances to State troopers when it passed section 119. The purpose of this section is to allow an employer to provide meals to employees for substantially noncompensatory employment related reasons. The regulations for this section state that a noncompensatory purpose exists where employees must be present to deal with emergencies during work hours. It is unfair and unjust to exclude a State trooper's subsistence allowance from the benefits of this important provision of the Tax Code simply because meals are not provided on official premises and are in the form of an allowance.

Alabama, and many other States, instituted the cash allowance system in order to permit troopers to remain on call in their assigned patrol areas during their break. Often, the troopers' law enforcement duties carry them far from home. Since these officers are assigned on a county wide basis, many cannot return to their offices or homes for meals because of their responsibilities. An officer cannot call for relief at mealtime if his duties demand his presence. In fact, it is not uncommon for a trooper to order a meal and then be called away for an emergency before the meal is even set before him. He must remain at accident scenes, at scenes of disorder, at traffic congestion, at crime scenes, often eating a sandwich as he runs to an emergency call.

There can be little question that our State troopers perform one of the most difficult and demanding jobs imaginable. Our citizens' safety and well-being depend on their swift action in enforcing the law. State troopers take their meals only when and where the time allows because of the nature of their jobs. In essence, these officers must serve their State's needs before they can serve their own. I see no reason why this allowance for meals should not be excluded from their taxable income.

The bill I am introducing today would simply amend section 119 to specifically provide that subsistence allowances to State troopers are not taxable. I feel strongly that there is every need for this legislation, which will aid the State law enforcement officers of our Nation. Let me stress that this bill will benefit not only the State troopers in Alabama, but also those law enforcement officers of every State who receive subsistence allowances.

In conclusion, Mr. President, I urge the support of my colleagues for this legislation, and ask for its timely consideration.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 393

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (b) of section 119 of the Internal Revenue Code of 1954 (relating to special rules with respect to meals and lodging furnished for the convenience of the employer) is amended by adding at the end thereof the following new paragraph:

"(4) Subsistence payments to certain law enforcement officers.—

"(A) IN GENERAL.—There shall be excluded from the gross income of a law enforcement officer an amount equal to the amount paid to such officer by his employer for meals if such payment is—

"(i) required or authorized by the laws governing the employment of such officer, or

"(ii) required by a contract negotiated in accordance with such laws.

"(B) $5 PER DAY LIMITATION.—The amount excludable from gross income under subparagraph (A) shall not exceed five dollars per day.

"(C) LAW ENFORCEMENT OFFICER.—The term 'law enforcement officer' means an individual who—

"(i) is an elected or appointed, full-time employee of a State, a political subdivision of a State, or a territory or possession of the United States.

"(ii) has the power of arrest, and

"(iii) is required by the terms of his employment to investigate, apprehend, or detain individuals suspected or convicted of criminal offenses.".

(b) The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1981.

By Mr. GORTON (for himself, Mr. MOYNIHAN, Mr. SARBANES, Mr. LEVIN, Mr. SIMON, and Mr. MATSUNAGA):

S. 394. A bill to amend the Housing and Community Development Act of 1974 to provide housing assistance to the homeless through renovation and conversion of facilities for use as temporary housing, provision of emergency housing and food, and provision of residential housing assistance on the transition to independent living; to the Committee on Banking, Housing, and Urban Affairs.

HOMELESS HOUSING ASSISTANCE ACT

Mr. GORTON. Mr. President, homelessness remains an emergency problem in our Nation, particularly in our urban areas. In my home State of Washington, the problem continues to rise, both in numbers and intensity. In Seattle, homeless individuals are seeking refuge from the cold in underground garages on the University of Washington campus, and underneath bridges and viaducts near the downtown area. Across the State in Spokane, missions serving the needy are laying down more mattresses on the floors than ever, yet still must turn people away, back into the cold wintry weather. These and similar scenes are repeated each night in large and small communities throughout the State of Washington and the Nation.

All of us should be aware of the continuing plight of these most unfortunate members of our society. Although projections of the exact number of the homeless vary widely, there is general agreement that the numbers remain intolerably high and that emergency services are still insufficient to meet the need.

In the past, Congress has appropriated emergency funds to assist the homeless on an ad hoc, year-to-year basis, outside the normal legislative process. This pattern has inhibited long-range planning by local service providers. The problem of homelessness is not going to disappear this year or next year. It is time to establish a Federal program properly authorized to assist the homeless over a 3-year period.

Accordingly, Senator MOYNIHAN and I are jointly sponsoring a bill entitled the "Homeless Housing Assistance Act of 1985." We are joined by Senators SARBANES, LEVIN, SIMON, and MATSUNAGA as original cosponsors.

This legislation would establish three separate programs, providing emergency food and shelter for the homeless, assisting in the renovation or conversion of buildings for use as emergency shelters, and supporting transitional housing to assist homeless individuals in the transition to independent living.

1. EMERGENCY FOOD AND SHELTER PROGRAM

In 1983, Congress first established an Emergency Food and Shelter Program, adminstered under the Federal Emergency Management Agency [FEMA], operated through a national network of private voluntary organizations. This program essentially supports the operating expenses of mass shelters, soup kitchens, and food banks. The program has been funded through most of fiscal year 1985 by an appropriation of $70 million.

This bill would retain the Emergency Food and Shelter Program in its present format, although shifting its agency administration to the Department of Housing and Urban Development. The impetus for originally placing this program under FEMA was the emergency nature of the high unemployment in 1982 and early 1983 and the need to provide assistance swiftly. Yet this program simply does not fit the primary mission of FEMA—that of managing flood control and providing disaster relief. In establishing the program on a permanent 3-year basis, it is appropriate to provide for transition of administrative responsibilities to HUD, which has proper jurisdiction for public housing activities.

The program would continue to operate through a national board of private voluntary organizations distributing grants to individual localities with the greatest need for emergency food and shelter assistance. Each locality would constitute a local board of nonprofit organizations, chaired by the representative of the local head of government, to determine the actual distribution of funds to serve providers.

This proposal thereby preserves the emphasis on private nonprofit organizations in managing the program and serving those in need. The focus continues to be on encouraging private initiatives through churches, neighborhood groups, and other organizations moved by compassion to devote time, energy, and resources to those who have fallen off even the bottom rung of the ladder.

In addition, local boards, in cooperations with the local government, would be required to develop a local plan describing programs, goals and objectives for providing assistance to the homeless in that community. Hopefully, this requirement would spur those communities that have not already done so to examine the problem of homelessness, to coordinate public and private resources for meeting the need, and to work to provide shelter and preserve low-income housing.

The bill would authorize appropriations for the Emergency Food and Shelter Program of $50 million in fiscal year 1986, $52 million in 1987, and $54 million in 1988.

2. SHELTER RENOVATION AND CONVERSION ADVANCES

The bill creates a program within HUD to make competitive noninterest bearing advances to States, local governments, and nonprofit organizations for the renovation or conversion of buildings to use as emergency shelters. There does not presently exist any Federal program providing support for the capital expenses associated with providing shelter for the homeless. In 1983, the housing authorization amendment to the supplemental appropriations bill authorized $60 million to support rehabilitation of structures for use as emergency shelters, but funds to implement this were never appropriated.

This bill would address that need. It builds on the proposal introduced by Senator MOYNIHAN as S. 698 and Representative RANGEL as H.R. 1950 in early 1983, particularly with respect to the language on application and distribution of funds and the provision insuring the widest possible geographic distribution of emergency shelters, so as to prevent undue burden on any particular neighborhood or group.

Rather than outright grants, the funds would be distributed as noninterest bearing advances, repayment of which would be waived if the facility is used as a shelter for 10 years or more. This "advance" concept was adopted from H.R. 5752 introduced by Representative OAKAR last year to provide second-stage housing for the homeless. The provision thus ensures long-term use of the buildings upon which funds are expended. The State, local government, or nonprofit organization applying for the advance would also be required to make a matching grant of 25 percent of renovation or conversion costs and to agree to use the building as a shelter for at least 3 years. This would reduce the level of Federal expenditures necessary while ensuring a substantial stake of the grant recipient itself in the shelter program. Finally, no more than $200,000 could be spent to renovate or convert any single facility to use as an emergency shelter.

The bill also directs HUD to work with Federal interagency task force on food and shelter, chaired by the Secretary of Health and Human Services, to identify vacant and surplus Federal facilities which could be converted to use as a shelter.

The bill would authorize appropriations for this program of $35 million in fiscal year 1986, $36 million in 1987, and $37 million in 1988.

3. TRANSITION TO INDEPENDENCE DEMONSTRATION PROJECT

The bill establishes a demonstration project under HUD providing competitive grants to States, local governments, and nonprofit organizations to develop and apply innovative approaches to assisting homeless individuals in the transition from living on the streets or in shelters to independent life.

The proposal is for "second-stage" housing in a small-group residential setting, similar in concept to that proposed by Representative OAKAR in H.R. 5752 last year, although her program was targeted toward the deinstitutionalized mentally ill. The program established by this bill would pay up to 75 percent of the operating costs of transitional housing providing a residential environment for up to 15 homeless individuals, with a full-time supervisor and supportive services.

The program would serve homeless persons who cannot presently live independently without supervision and supportive services but who are capable of eventual transition to independent living. The transitional housing would provide homeless individuals with a stable address, counseling, the opportunity to seek employment, and information on other available resources, including referral to job training programs.

In this transitional program, the residents would be expected to assume greater responsibility for their own care. Residents would be required to pay 30 percent of their income or public assistance as rent, as do public housing tenants and tenants receiving rental subsidies.

At the end of each fiscal year, HUD would provide a report to Congress evaluating the wisdom of this approach to assisting the homeless and the success of the transitional project, objectively measured in terms of placement of homeless individuals in permanent housing and employment.

The bill would authorize appropriations for this demonstration project of $15 million for each of the fiscal years 1986, 1987, and 1988.

CONCLUSION

I have no illusions that this legislation would be a panacea for all of the problems of homelessness in this country. I, myself, expect to introduce job training legislation that can help address the employment needs of the poor and homeless, and I will continue to investigate ways to address the special needs of the chronically mentally ill who make up such a large share of the homeless population.

Still, I believe this proposal represents a step forward in our awareness of the problem of homelessness and the resolve of Congress to address it. The programs established in this bill will strengthen the Federal Government's supportive role, in cooperation with local, State, and private efforts, in feeding the hungry and providing shelter to the homeless.

● Mr. MOYNIHAN. Mr. President, I rise today to join my distinguished colleague, Senator GORTON, in introducing the Homeless Housing Assistance Act of 1985.

The measure we introduce today would authorize three separate programs to provide emergency food and shelter to the growing number of homeless Americans. First, this measure would maintain the current Emergency Food and Shelter Program, shifting its administration from the Federal Emergency Management Agency, to the Department of Housing and Urban Development. Second, the legislation would provide advances to State and local governments and private nonprofit agencies, on a competitive basis, to support the renovation or

51-059 O-86-19 (Pt. 2)

conversion of buildings for use as emergency shelters. These advances would not have to be repaid if the building is used as a shelter for 10 years. Finally, our legislation would authorize a demonstration project of small-group housing to help homeless individuals make the transition to independent living.

The tragedy of homeless Americans is nowhere more vivid, or more painful, than in New York City. Last winter, New York City housed nearly 6,500 homeless men and women every night; a 130-percent increase over the numbers sheltered nightly just 2 years earlier. The numbers of homeless families in New York City have grown even more rapidly. Today, some 3,900 homeless families—10,500 men, women, and children—are being housed in hotels and family centers in New York. This represents a 150-percent increase since July 1982, and a 50-percent increase since January 1983.

The tragic situation of the homeless in New York City is repeated in many other cities throughout our Nation. In Philadelphia, 15,000 men, women, and children received emergency family housing in 1983—five times the numbers in 1981. In Connecticut, 54 emergency food operations were operating in 1981; today, there are more than 200. In California, the number of food banks has doubled. Emergency food operations in Colorado have grown by more than one-third, from 221, to 300; 900 such facilities are operating in Michigan, 2,000 in Texas, and 358 in Kansas.

State and local governments bear most, if not all, of the costs to provide the homeless food and shelter. Both New York City and Washington, DC have committed themselves to shelter any homeless person who asks for assistance. To meet the growing demand, New York City spent some $123 million last year. Since 1979, New York City's costs to house homeless men and women in public shelters alone have increased more than seven times from $8 million to $58 million in 1984, and the city expects to spend $75 million on such this year.

New York City, as every other city in this Nation, receives little Federal support to help meet its obligations and responsibilities to shelter and feed its homeless residents. In recent years, Congress has provided funds for emergency food and shelter services only on an ad-hoc basis. The time has come for the Congress to assume its responsibility for the homeless, by permanently authorizing funds for emergency food and shelter.

The sums in measure are not great ones; they represent the beginning of a Federal commitment to provide basic assistance to the estimated 2 to 3 million homeless Americans. Under this legislation, the Department of Housing and Urban Development would administer the Emergency Food and Shelter Program, the appropriate Federal agency to be so charged with the duty of providing shelter assistance. Administration of this program by HUD will help foster the redevelopment of a national housing policy for low-income families and individuals.

To be sure, this legislation would address but one aspect of a most complex social problem. Though it is important to provide Federal assistance for emergency food and shelter services, the Federal Government must assume its obligation to provide services, assistance, and permanent housing for the growing number of families and individuals in need.

Moreover, the Federal Government must begin to recognize its responsibilities to specific groups within the homeless population—the mentally ill who become homeless for lack of sheltered living arrangements, and homeless families, who ride the subways at night rather than enter a large public shelter.

During the recent cold spell, Grand Central Train Station in New York permitted those without shelter to spend the nights in the train station. Hundreds of individuals, including entire families, found shelter in this one train station alone.

The problems of the homeless are becoming even more complex and desperate. We must respond to this crisis.

I urge my colleagues to join me and Senator GORTON in offering the Homeless Housing Assistance Act. It represents an essential first step in providing urgently needed assistance to the growing number of homeless Americans.●

● Mr. SIMON. Mr. President, the homelessness rate in our Nation has reached unacceptable heights. No humane man or woman can walk past a streetperson without feeling a rush of compassion. Empathy, however, must serve as the catalyst to action. Today, my distinguished colleagues, Mr. GORTON and Mr. MOYNIHAN are introducing legislation which would alleviate the suffering of America's homeless. I am pleased to join them in the effort. The Homeless Housing Assistance Act deserves swift consideration and passage.

In Chicago, alone, an estimated 12,000 to 25,000 people sleep in makeshift shelters or on the streets and alleyways. Until recently only 1,000 shelter beds existed to meet the need. Nationwide, estimates range from 2 to 3 million homeless people. Due to the deinstitutionalization movement of recent years, many mentally ill patients have made their homes in the streets. Two-thirds of the suffer from some type of mental disorder.

The National League of Cities printed a chilling front page story in their January 28, 1985, newsletter entitled, "The Desperate Battle to Save the Homeless." The need for a Federal governmental response is all too clear. The bill provides for the continuation of the Federal Emergency Management Agency's Emergency Food and Shelter Program under HUD authority. Another aspect of the bill establishes a program of competitive advances to local and State governments and nonprofit organizations to renovate existing buildings to use as emergency shelters. The final thrust of the bill is crucial to the elimination of what is known in the prison system as the revolving door principle. Small group housing will be established to assist in the transition from homeless despair to independent living. This program includes mental health counseling and vocational counseling services.

The success of the bill depends on the compassion and activism of my colleagues. I feel confident that we not only recognize the problem, but that we are also responsible and caring enough to act.●

By Mr. SPECTER:

S. 395. A bill to provide an additional 10 weeks of unemployment compensation for individuals participating in a job training program for dislocated workers under title III of the Job Training Partnership Act; to the Committee on Finance.

(The remarks of Mr. SPECTER and the text of the legislation appear earlier in today's RECORD.)

By Mr. BUMPERS:

S. 396. A bill to amend various sections of the United States Code to provide greater safeguards for small businesses with respect to agency and court proceedings; to the Committee on Finance.

SMALL BUSINESS FAIRNESS ACT

Mr. BUMPERS. Mr. President, today I am introducing legislation which I hope history will note as one of the major legislative accomplishments of the 99th Congress, the Small Business Fairness Act of 1985. As the ranking Democrat on the Senate Small Business Committee at a time when I have felt the administration has been less than interested in the problems and in the accomplishments of small businesses, I have felt a special responsibility to speak on behalf of this most important sector of our economy. In my judgment, the President's proposal to eliminate the only agency dedicated to the needs of small business is one of the most serious threats to small business we have seen in many years. The SBA is certainly not a perfect agency, but we need to be making it more effective rather than abolishing it. In any event, the House and Senate Small Business Committees have been the primary advocates for small businesses in the

Government for the last 4 years, and I am glad to say that we have a bipartisan committee in the Senate which works together to address the problems which face us.

The bill I am introducing today has four major titles. Title I is an important amendment to the Administrative Procedure Act which I have sponsored for several years and which passed the Senate in both the 96th and 97th Congresses. It has come to be known as the Bumpers amendment regulatory reform proposal, and it would give courts more authority to overturn the unfair and burdensome regulations which affect small business. In the 98th Congress, it was part of S. 1080, the Regulatory Reform Act. Unfortunately, this bill was not enacted into law.

Title I of my bill is an amendment to section 706 of title 5, United States Code. It would restore vitality and balance to the judicial review provisions of the APA by putting individuals and businesses on an equal footing with Federal regulators when they enter the courthouse door. For too long the courts have accorded all too much deference to agencies' opinions on questions of law, including the scope of each agency's own jurisdiction. It is fundamentally unfair for an agency like OSHA or the Federal Trade Commission, which are often in an adversary relationship with business, to be the judge of the scope of its own power.

Under our system of justice, questions of law are to be decided by an impartial court, and all are supposed to be equal in the eyes of the law. But the courts have accorded an undue presumption of regularity to the agency's proceedings. Under my amendment, the agency should have to show, based on the record, that it was legally and factually justified in taking the actions which it took. My amendment will ensure that judicial review is not a rubber stamp process, as it too often is under the current vague standards of judicial review.

My amendment will admonish the Federal judiciary to decide all administrative matters independently. In informal rulemakings, it will require that there by substantial support in the rulemaking file for the factual predicate of a rule. If questions are raised about an agency's power to act as it did, the agency will be required to prove that its authorizing legislation specifically gave it the jurisdiction or authority to take the action it took. On all other questions of law, the court is to accord on presumption either in favor of or against the agency's action.

I am absolutely convinced that this is a legislative idea that is critically important to small business, and it is a proposal for which the time has come.

This amendment to the Administrative Procedure Act is supported by the American Bar Association, by the Chamber of Commerce, and the Business Roundtable. Rarely has such a consensus existed about the need for such legislation which has gone unmet for so long.

Second, as title II, I am including the reauthorization of the Equal Access to Justice Act, which was vetoed by the President last year. The reasoning for this bill, which merely extends a policy which Congress wisely established 4 years ago, is simple. We believe that if a small business successfully challenges the Federal bureaucracy in court, or if an agency unfairly accuses a small business of violating the law and the businessman vindicates himself, he should be able to recover his costs. Every Member of Congress knows on a personal level that there are genuine cases of bureaucratic abuse.

These cases of injustice are the very reason why many Members are motivated to seek public office in the first place. And there is not a Member of this body who has not found on his or her doorstep citizens who have been wronged by their own Government. At worst, a career or a life may be ruined; at best, the individual has been wrongly accused and has had to incur great expense to clear his name. I do not say this to take a cheap shot at the Federal bureaucracy, but there are certainly those in Government who, from time to time, exercise very poor judgment.

Until the Equal Access to Justice Act, there was little that Members of Congress could really do for people who had suffered such a wrong. As a general rule, the Government is not subject to suit save when Congress says so, and the remedy of a private relief bill is cumbersome and impractical. Equal Access to Justice made the promise of justice to these people who had gone to great expense to challenge agency wrongs, or who had successfully defended themselves against wrongful agency action.

As everyone here knows, Congress renewed this promise last year by extending the Equal Access to Justice Act. The President, much to my dismay, vetoed this important legislation after the 98th Congress adjourned. Of course, small businesses owe great thanks to Senators DECONCINI and DOMENICI, and several others, who have worked long and hard to make a reauthorization of equal access a reality. They are primarily responsible for this bill, and I want them to know that I will use my influence on the Small Business Committee and do all I can to make it a reality this Congress.

Next, as title III, I have included in the Small Business Fairness Act a paperwork reduction provision for small businesses. Every business, large and small, has too much Government paperwork. But, in my judgment, the Federal paper blizzard hits small businesses especially hard because they have fewer employees and less resources to deal with the demands of the Federal bureaucracy, by comparison, than do larger businesses. Small businesses are less likely to have sophisticated computers to keep track of correspondence and financial transactions, and less likely to have employees who can devote full time to answering the endless demands of Government. As one who once made a go of it in a hardware store in Charleston, AR, I know full well what small business people are talking about when they complain about Government paperwork, and I believe their complaints are fully justified.

A great obstacle to small business participation in the Federal procurement process is paperwork. Potential small business contractors must frequently respond to solicitations which exceed 100 pages. The average Department of Defense solicitation for 1984 was 84 pages, plus exhibits. OMB estimates the procurement paperwork burden of only four Federal agencies is 1.25 billion hours. The IRS is also a major culprit. The IRS accounted for more than half of the nonprocurement paperwork burden imposed by the Federal Government in 1983.

I have concluded that the only way to deal effectively with this problem is for Congress and the President, by law, simply to order the bureaucracy to cut the paper, as we did in the Paperwork Reduction Act which Senator CHILES originally authored. We certainly need better oversight of the Federal agencies, but we can't write their forms and tailor their paperwork for them. So I propose simply to order the Office of Management and Budget to reduce the Federal paperwork load for small businesses by 5 percent for each of the next 3 years. This is a fairly modest goal that I am confident can be met, but it would be of great help to small business men and women who are literally swamped with Federal paperwork requirements. I want to take this opportunity to commend Senator CHILES for his very diligent work in this area. Small businesses can thank him for the countless hours he spent hammering out the original Paperwork Reduction Act. I look forward to working with him to see that act reauthorized this Congress.

Finally, as title IV, I have included in the Small Business Fairness Act a number of tax proposals which will encourage capital formation for small businesses, and one measure which is simple commonsense and fairness and which could be brought up for third reading and passed right now, so strong is the sentiment in favor of it. I

will describe these tax proposals only briefly, for they are easily understood and widely supported in the small business community.

Before I describe my capital formation proposals, however, I want to say a few things about the effect they will have on our economy. There is a distinct connection between these proposals and stimulating the economy and creating jobs. They are true pump priming, not tax giveaways disguised as supply side economics. First, small businesses account for three quarters of all employment and about 80 percent of all new jobs, according to a study by MIT. Testimony presented to the Small Business Committee indicated that firms with 50 employees or less accounted for virtually all of the new jobs in the Northeast between 1972 and 1976. Similarly, between 1978 and 1980, small firms were responsible for 78 percent of all new jobs in the Middle Atlantic States. And, as a southerner, I can personally attest that small businesses are responsible for creating virtually all of the new jobs in the South. Small businesses grow faster, as a survey by Inc magazine showed. It listed the 500 fastest growing privately owned businesses, which grew 571 percent between 1977 and 1981, while the Fortune 500 grew 70 percent. The workforce of those privately owned companies grew by 315 percent, compared to 2 percent for the Fortune 500 companies.

In order to grow like that, however, the companies need access to capital. They frequently have obtained all that they can of bank loans as well as loans from friends and relatives, and when they do obtain bank loans, they generally pay an interest rate that is about 3 percentage points higher than their big business competitors. Consequently, they need access to venture capital. Testimony before the Finance Committee in January 1983 indicated that there is a $7 billion shortfall in venture capital available to small businesses, so it is necessary to lure it with some well-designed tax incentives.

A reduction in capital gains for small business investments held for 3 years is a proven incentive. For example, between 1973 and 1977, the average new private capital committed to venture capital firms was $43.6 million per year. In 1978 the maximum capital gains rate was reduced to 28 percent, and investment increased to $596.3 million per year. In 1981 the maximum rate was again reduced, and the money committed to venture capital firms increased to $1.5 billion per year. Similarly, new capital in public offerings increased as the maximum capital gains rate went down. Between 1975 and 1977, that figure averaged $217.3 million per year. Between 1978 and 1980, it increased to $717.3 million per year, and in 1981-82, it averaged $2.33 billion per year. These are astounding increases, and they cannot simply be explained as responses to general economic conditions.

These incentives should be channeled toward small businesses, because, as I have pointed out, that is where the greatest response in growth and new jobs is greatest. A study by GAO in August 1982 showed that $209 million in venture capital was invested in 72 specific companies in the 1970's, and in 1979 these 72 companies had combined sales of $6 billion. They had an average annual growth rate of 33 percent, and they created 130,000 jobs, while producing $100 million in new corporate tax revenues and $350 million in employee tax revenues. They also produced $900 million in export sales. Just think what would happen if we enticed the entire $7 billion of the venture capital that is needed by small businesses.

Having said all this, let me briefly explain the tax provisions of my bill. First, in the area of capital gains, I proposed to lengthen the capital gains holding period from 6 months to 1 year. I think it was a very serious mistake to shorten the holding period from 1 year to 6 months, and I strongly opposed this idea last year when this change was made last year. We might as well not have a capital gains tax at all as to have the present policy. Such a short holding period only encourages speculation in the stock market, in gold and silver and other commodities, and, in my judgment, it does immeasurable harm to small businesses in this country which depend on stability in the capital markets for their very survival. These businesses, Mr. President, generally can't go to the stock exchange and make a public offering to raise capital. They are, for the most part, single proprietorships, partnerships and closely held small corporations. When they need capital they go to the bank or other lending institutions. Let me say again, the 6-month holding period for capital gains discourages investment in small business, the backbone of our economy, and it discourages the availability of capital for these businesses by making more speculative investments more attractive.

Second, I propose a capital gains rollover provision which would parallel the rollover provision now available for homeowners, if the taxpayer reinvests his gain in a second qualified small business. The gain, up to $100,000, would simply not be recognized if the second investment is made within the required period. In tandem with this provision, I also am proposing in this bill a capital gains deduction of 80 percent for small business investments which are held for 3 years. The rationale for these changes in the tax law is the same as that with respect to the holding period for capital gains. We should recognize the invaluable role of small businesses as a source of stability and job creation in our economy, and we should do everything reasonably possible to encourage the growth of small business. The rollover provision and the 80 percent deduction for small business investments held for 3 years are sound and direct means to encourage the availability of capital for this sector of the economy.

Third, I propose to clarify what should be the law already, but what the Justice Department has decided is not the law, despite what I think was a very clear message from the Congress. A few years ago Congress enacted the Regulatory Flexibility Act, which essentially requires Federal agencies to consider whether rules which they are proposing will have a significant impact on small businesses. The Justice Department concluded that Congress did not intend to impose this terrible burden on that favorite of Federal agencies, the Internal Revenue Service. I simply want to make clear by this bill that the Regulatory Flexibility Act does indeed apply to the IRS, and the IRS should consider the impact of its rules on small businesses just like all other Federal agencies.

Finally, the part of the bill which I said could be brought up for third reading and passed today. It is an understatement to say that there has been some dissatisfaction among the public with some regulations which were recently put into effect by the IRS pursuant to the Deficit Reduction Act of last year; namely, the contemporaneous recording travel regulations. I am encouraged that the IRS has, in recent days, seen fit to simplify these regulations, but I'm not convinced that these changes go far enough. The mail and the calls I have received on these regulations certainly prove the old maxim that you can only give people as much government as they are willing to take. These regulations have been a ridiculous burden on individuals and businesses which use cars and trucks—and that's just about everybody—and they must be repealed. Just before Christmas, I wrote a strong letter to the IRS complaining vigorously about these regulations, and they politely informed me that they were only doing exactly what Congress has told them to. Well, I've read that law and I am convinced that the IRS was interpreting the law as broadly as possible, and I think they initially went beyond the intent of Congress. I am pleased that the IRS is now interpreting this law more fairly, but I have yet to be convinced that absolute repeal is not the best alternative. My bill does just that.

In summary, it seemed to me appropriate to try and identify as many of the significant and meritorious proposals for small business legislation as we could and to package those propos-

als into one omnibus bill, just as the Judiciary Committee did with the Criminal Code revision last year. A number of these ideas have been supported by the administration and by large majorities on both sides of the aisle in this body, such as the amendment to the Administrative Procedure Act which I have been vigorously pressing for several years. Other parts of this bill, such as the Equal Access to Justice Act, have been given lipservice by the President, but this measure was vetoed after Congress adjourned last year. It is my hope that by including several good proposals in one bill, the President will see the merits of those about which he has had misgivings.

Every one of these proposals, Mr. President, is in the interest of American small businesses, and to paraphrase the president of General Motors from a few years ago, "what's good for small business is good for America." I invite cosponsors for this bill. I also ask that a legal analysis of my amendment to the Administrative Procedure Act, which I prepared with the assistance of counsel last year, be included in the RECORD at the end of my statement. And I further ask unanimous consent that the Small Business Fairness Act of 1985 be printed in full in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 396

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Small Fairness Business Act of 1985".

TITLE I—ADMINISTRATIVE PROCEDURE ACT

JUDICIAL REVIEW STRENGTHENED

SEC. 101. Section 706 of title 5, United States Code, is amended to read as follows:

"§ 706. Scope of review

"(a) To the extent necessary to decision and when presented, the reviewing court shall independently decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of an agency action. The reviewing court shall—

"(1) compel agency action unlawfully withheld or unreasonably delayed; and

"(2) hold unlawful and set aside agency action, findings, and conclusions found to be—

"(A) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law;

"(B) contrary to constitutional right, power, privilege, or immunity;

"(C) in excess of statutory jurisdiction, authority or limitations, or short of statutory right;

"(D) without observance of procedure required by law;

"(E) unsupported by substantial evidence in a proceeding subject to sections 556 and 557 of this title or otherwise reviewed on the record of an agency hearing provided by statute;

"(F) without substantial support in the rulemaking file, viewed, as a whole, for the asserted or necessary factual basis, as distinguished from the policy or legal basis, of a rule adopted in a proceeding subject to section 553 of this title; or

"(G) unwarranted by the facts to the extent that the facts are subject to trial de novo by the reviewing court.

"(b) In making the foregoing determinations, the court shall review the whole record or those parts of it cited by a party, and due account shall be taken of the rule of prejudicial error.

"(c) In making determinations concerning statutory jurisdiction or authority under clause (2)(C) of subsection (a) of this section, the court shall require that the action by the agency is within the scope of the agency jurisdiction or authority on the basis of the language of the statute or, in the event of ambiguity, other evidence of ascertainable legislative intent. In making determinations on other questions of law, the court shall not accord any presumption in favor of or against agency action.".

TITLE II—EQUAL ACCESS TO JUSTICE ACT

AWARD OF FEES AND OTHER EXPENSES IN CERTAIN AGENCY ACTIONS

SEC. 201. Subchapter I of chapter 5 of title 5, United States Code, is amended by adding at the end thereof the following new section 504:

"§ 504. Costs and fees of parties

"(a)(1) An agency that conducts an adversary adjudication shall award, to a prevailing party other than the United States, fees and other expenses incurred by that party in connection with that proceeding, unless the adjudicative officer of the agency finds that the position of the agency was substantially justified or that special circumstances make an award unjust. The decision of the adjudicative officer on the application for fees and other expenses shall be the final administrative decision under this section.

"(2) A party seeking an award of fees and other expenses shall, within thirty days of a final disposition in the adversary adjudication, submit to the agency an application which shows that the party is a prevailing party and is eligible to receive an award under this section, and the amount sought, including an itemized statement from any attorney, agent, or expert witness representing or appearing in behalf of the party stating the actual time expended and the rate at which fees and other expenses were computed. The party shall also allege that the position of the agency was not substantially justified. When the United States appeals the underlying merits of an adversary adjudication, no decision on an application for fees and other expenses in connection with that adversary adjudication shall be made under this section until a final and unreviewable decision is rendered by the court on the appeal or until the underlying merits of the case have been finally determined pursuant to the appeal.

"(3) The adjudicative officer of the agency may reduce the amount to be awarded, or deny an award, to the extent that the party during the course of the proceedings engaged in conduct which unduly and unreasonably protracted the final resolution of the matter in controversy. The decision of the adjudicative officer of the agency under this section shall be made a part of the record containing the final decision of the agency and shall include written findings and conclusions and the reason or basis therefor.

"(b)(1) For the purposes of this section—

"(A) 'fees and other expenses' includes the reasonable expenses of expert witnesses, the reasonable cost of any study, analysis, engineering report, test, or project which is found by the agency to be necessary for the preparation of the party's case, and reasonable attorney or agency fees; the amount of fees awarded under this section shall be based upon prevailing market rates for the kind and quality of the services furnished, except that (i) no expert witness shall be compensated at a rate in excess of the highest rate of compensation for expert witnesses paid by the agency involved, and (ii) attorney or agent fees shall not be awarded in excess of $75 per hour unless the agency determines by regulation that an increase in the cost of living or a special factor, such as the limited availability of qualified attorneys or agents for the proceedings involved, justifies a higher fee;

"(B) 'party' means a party, as defined in section 551(3) of this title, who is (i) an individual whose net worth did not exceed $2,000,000 at the time the adversary adjudication was initiated, or (ii) any owner of an unincorporated business, or any partnership, corporation, association, unit of local government, or organization, the net worth of which did not exceed $7,000,000 at the time the adversary adjudication was initiated, and which had not more than 500 employees at the time the adversary adjudiction was initiated; except that an organization described in section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c)(3)) exempt from taxation under section 501(a) of such Code, or a cooperative association as defined in section 15(a) of the Agricultural Marketing Act (12 U.S.C. 1141j(a)), may be a party regardless of the net worth of such organization or cooperative association;

"(C) 'adversary adjudication' means (i) an adjudication under section 554 of this title in which the position of the United States is represented by counsel or otherwise, but excludes an adjudication for the purpose of establishing or fixing a rate or for the purpose of granting or renewing a license, and (ii) any appeal of a decision made pursuant to section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605) before an agency board of contract appeals as provided in section 8 of that Act (41 U.S.C. 607);

"(D) 'adjudicative officer' means the deciding official, without regard to whether the official is designated as an administrative law judge, a hearing officer of examiner, or otherwise, who presided at the adversary adjudication; and

"(E) 'position of the agency' includes the underlying action which led to the adversary adjudication; except that fees and expenses may not be awarded to a party for any portion of the adversary adjudication in which the party has unreasonably protracted the proceedings.

"(2) Except as otherwise provided in paragraph (1), the definitions provided in section 551 of this title apply to this section.

"(c)(1) After consultation with the Chairman of the Administrative Conference of the United States, each agency shall by rule establish uniform procedures for the submission and consideration of applications for an award of fees and other expenses. If a court reviews the underlying decision of the adversary adjudication, an award for fees and other expenses may be made only pursuant to section 2412(d)(3) of title 28, United States Code.

"(2) If a party or the United States is dissatisfied with a determination of fees and

other expenses made under subsection (a), that party or the United States (as the case may be) may, within 30 days after the determination is made, appeal the determination to the court of the United States having jurisdiction to review the merits of the underlying decision of the agency adversary adjudication. The court's determination on all appeals heard under this paragraph shall be based solely on the factual record made before the agency. The court may modify the determination of fees and other expenses only if the court finds that the failure to make an award of fees and other expenses, or the calculation of the amount of the award, was unsupported by substantial evidence.

"(d) Fees and other expenses awarded under this subsection shall be paid by any agency over which the party prevails from any funds made available to the agency by appropriation or otherwise.

"(e) The Chairman of the Administrative Conference of the United States, after consultation with the Chief Counsel for Advocacy of the Small Business Administration, shall report annually to the Congress on the amount of fees and other expenses awarded during the preceding fiscal year pursuant to this section. The report shall describe the number, nature, and amount of the awards, the claims involved in the controversy, and any other relevant information which may aid the Congress in evaluating the scope and impact of such awards. Each agency shall provide the Chairman with such information as is necessary for the Chairman to comply with the requirements of this subsection.

"(f) If complete payment of the fees and other expenses awarded under this section is not made within 60 days after the final agency action making an award of such fees and other expenses, interest shall be paid on the amount remaining due. Such interest shall be computed at the rate the Secretary of the Treasury establishes for interest payments under section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611), and shall run from the date which is 61 days after the date of such award up to and including the date such payment is posted by certified or registered mail.".

AWARD OF FEES AND OTHER EXPENSES IN CERTAIN JUDICIAL PROCEEDINGS

SEC. 202. (a) Subsections (a) and (b) of section 2412 of title 28, United States Code, are amended by striking out "or any agency and any official of the United States" each place it appears and inserting in lieu thereof "or any agency or any official of the United States".

(b) Section 2412 of title 28, United States Code, is amended by inserting after subsection (c) the following new subsection (d):

"(d)(1)(A) Except as otherwise specifically provided by statute, a court shall award to a prevailing party other than the United States fees and other expenses, in addition to any costs awarded pursuant to subsection (a), incurred by that party in any civil action (other than cases sounding in tort), including proceedings for judicial review of agency action, brought by or against the United States in any court having jurisdiction of that action, unless the court finds that the position of the United States was substantially justified or that special circumstances make an award unjust.

"(B) A party seeking an award of fees and other expenses shall, within thirty days of final judgment in the action, submit to the court an application for fees and other expenses which shows that the party is a prevailing party and is eligible to receive an award under this subsection, and the amount sought, including an itemized statement from any attorney or expert witness representing or appearing in behalf of the party stating the actual time expended and the rate at which fees and other expenses are computed. The party shall also allege that the position of the United States was not substantially justified.

"(C) The court, in its discretion, may reduce the amount to be awarded pursuant to this subsection, or deny an award, to the extent that the prevailing party during the course of the proceedings engaged in conduct which unduly and unreasonably protracted the final resolution of the matter in controversy.

"(2) For the purposes of this subsection—

"(A) 'fees and other expenses' includes the reasonable expenses of expert witnesses, the reasonable cost of any study, analysis, engineering report, test, or project which is found by the court to be necessary for the preparation of the party's case, and reasonable attorney fees; the amount of fees awarded under this subsection shall be based upon prevailing market rates for the kind and quality of the services furnished, except that (i) no expert witness shall be compensated at a rate in excess of the highest rate of compensation for expert witnesses paid by the United States, and (ii) attorney fees shall not be awarded in excess of $75 per hour unless the court determines that an increase in the cost of living or a special factor, such as the limited availability of qualified attorneys for the proceedings involved, justifies a higher fee;

"(B) 'party' means (i) an individual whose net worth did not exceed $2,000,000 at the time the civil action was filed, or (ii) any owner of an unincorporated business, or any partnership, corporation, association, unit of local government, or organization, the net worth of which did not exceed $7,000,000 at the time the civil action was filed, and which had not more than 500 employees at the time the civil action was filed; except that an organization described in section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c)(3)) exempt from taxation under section 501(a) of such Code, or a cooperative association as defined in section 15(a) of the Agricultural Marketing Act (12 U.S.C. 1141j(a)), may be a party regardless of the net worth of such organization or cooperative association;

"(C) 'United States' includes any agency and any official of the United States acting in his or her official capacity;

"(D) 'position of the United States' includes the underlying agency action which led to the litigation; except that fees and expenses may not be awarded to a party for any portion of the litigation in which the party has unreasonably protracted the proceedings;

"(E) 'civil action brought by or against the United States' includes an appeal by a party, other than the United States, from a decision of a contracting officer rendered pursuant to a disputes clause in a contract with the Government or pursuant to the Contract Disputes Act of 1978;

"(F) 'court' includes the United States Claims Court;

"(G) 'final judgment' means a judgment that is final and not appealable; and

"(H) 'prevailing party', in the case of eminent domain proceedings, means a party who obtains a final judgment (other than by settlement), exclusive of interest, the amount of which is at least as close to the highest valuation of the property involved that is attested to at trial on behalf of the property owner as it is to the highest valuation of the property involved that is attested to at trial on behalf of the Government.

"(3) In awarding fees and other expenses under this subsection to a prevailing party in any action for judicial review of an adversary adjudication, as defined in subsection (b)(1)(C) of section 504 of title 5, United States Code, or an adversary adjudication subject to the Contract Disputes Act of 1978, the court shall include in that award fees and other expenses to the same extent authorized in subsection (a) of such section, unless the court finds that during such adversary adjudication the position of the United States was substantially justified, or that special circumstances make an award unjust.

"(4) Fees and other expenses awarded under this subsection to a party shall be paid by any agency over which the party prevails from any funds made available to the agency, by appropriation or otherwise.

"(5) The Director of the Administrative Office of the United States Courts shall include in the annual report prepared pursuant to section 604 of this title, the amount of fees and other expenses awarded during the preceding fiscal year pursuant to this subsection. The report shall describe the number, nature, and amount of the awards, the claims involved in the controversy, and any other relevant information which may aid the Congress in evaluating the scope and impact of such awards.".

(c) Section 2412 of title 28, United States Code, is further amended by adding at the end thereof the following new subsection:

"(f) If complete payment of the costs or fees and other expenses awarded under this section is not made within 60 days after the award of such costs or fees and other expenses, interest shall be paid thereafter on the amount remaining due. Such interest shall be computed at the rate the Secretary of the Treasury establishes for interest payments under section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611), and shall run from the date which is 61 days after the date of such award up to and including the date such payment is posted by certified or registered mail.".

EFFECT ON OTHER LAWS

SEC. 203. (a) Except as provided in subsection (b), nothing in section 2412(d) of title 28, United States Code, as added by section 202(b) of this title, alters, modifies, repeals, invalidates, or supersedes any other provision of Federal law which authorizes an award of such fees and other expenses to any party other than the United States that prevails in any civil action brought by or against the United States.

(b) Section 206(b) of the Social Security Act (42 U.S.C. 406(b)(1)) shall not prevent an award of fees and other expenses under section 2412(d) of title 28, United states Code. Section 206(b)(2) of the Social Security Act shall not apply with respect to any such award but only if any fees collected by the claimant's attorney or withheld for such attorney pursuant to such section 206(b) are refunded to the claimant insofar as the fees relate to the same work for which the claimant's attorney is awarded fees under section 2412(d) of title 28, United States Code.

LIMITATION REPEALED

SEC. 204. Section 207 of the Equal Access to Justice Act is repealed.

APPLICATION OF ACT MODIFIED

SEC. 205. Section 208 of the Equal Access to Justice Act is amended by adding at the end thereof the following: "Awards may be made for fees incurred before October 1, 1981, in any such adversary adjudication or civil action.".

EFFECTIVE DATES

SEC. 206. (a) Except as otherwise provided in this section, the amendments made by this Act shall be effective as of October 1, 1984, and shall apply to cases pending on such date.

(b) Section 504(b)(1)(C)(ii) of title 5, United States Code, as added by section 201 of this Act, and section 2412(d)(2)(E) of title 28, United States Code, as added by section 202(b) of this Act shall apply to any adversary adjudication which was pending on or commenced on or after October 1, 1981, in which applications for fees and expenses were timely filed and were dismissed for lack of jurisdiction.

TITLE III—PAPERWORK REDUCTION

SHORT TITLE

SEC. 301. This title may be cited as the "Small Business Paperwork Reduction Act of 1985".

AMENDMENT TO THE PAPERWORK REDUCTION ACT OF 1980

SEC. 302. Section 3505 of title 44, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (2),

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and", and

(3) by adding at the end thereof the following new paragraph:

"(4) upon enactment of this paragraph—

"(A) set a goal to reduce the then existing burden of Federal collections of information on small businesses (as defined in section 3 of the Small Business Act (15 U.S.C. 632)) by not less than 5 per centum by October 1, 1986; and

"(B) for each of the next two years following, set a goal to reduce the burden which existed on October 1 of the previous year by not less than an additional 5 per centum.".

TITLE IV—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1954

SEC. 401. SHORT TITLE

This title may be cited as the "Small Business Tax Amendments of 1985".

SEC. 402. SUBSTANTIATION REQUIREMENTS FOR BUSINESS TRANSPORTATION EXPENSES.

(a) IN GENERAL.—Section 274(d) of the Internal Revenue Code of 1954 (relating to substantiation requirements) is amended by adding at the end thereof the following new sentence: "In the case of listed property described in clause (i) or (ii) of section 280F(d)(4)(A) which is designed primarily for use on the highways, the first sentence shall be applied by substituting 'adequate records or by sufficient evidence corroborating the taxpayer's own statements' for 'adequate contemporaneous records'.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1984.

SEC. 403. INCREASE IN HOLDING PERIOD REQUIRED FOR LONG-TERM CAPITAL GAIN TREATMENT.

Subsection (a) of section 1001 of the Deficit Reduction Act of 1984 is amended by striking out "January 1, 1988" and inserting in lieu thereof "January 1, 1985".

SEC. 404. 80 PERCENT CAPITAL GAINS DEDUCTION ATTRIBUTABLE TO SMALL BUSINESS EQUITY INVESTMENTS HELD AT LEAST 3 YEARS.

(a) IN GENERAL.—Section 1202 of the Internal Revenue Code of 1954 (relating to deduction for capital gains) is amended—

(1) by amending subsection (a) to read as follows:

"(a) DEDUCTION ALLOWED.—

"(1) IN GENERAL.—If for any taxable year a taxpayer other than a corporation has a net capital gain, there shall be allowed as a deduction from gross income an amount equal to the sum of—

"(A) 80 percent of the lesser of—

"(i) the net capital gain, or

"(ii) the qualified net capital gain, plus

"(B) 60 percent of the excess (if any) of—

"(i) the net capital gain, over

"(ii) the amount of the qualified net capital gain taken into account under subparagraph (A).", and

(2) by inserting after subsection (c) the following new subsection:

"(d) QUALIFIED NET CAPITAL GAIN.—

"(1) IN GENERAL.—For purposes of subsection (a), the term 'qualified net capital gain' means the amount of net capital gain which would be computed for any taxable year if, in determining net long-term capital gain for such taxable year, only small business equity investments held by the taxpayer for at least 3 years at the time of the sale or exchange were taken into account.

"(2) SMALL BUSINESS EQUITY INVESTMENTS.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'small business equity investment' means any common or preferred stock of a small business.

"(B) STOCK IN THE NATURE OF DEBT EXCLUDED.—Stock shall not be treated as a small business equity investment if—

"(i) the payment of money or other property is required with respect to such stock solely by reason of the passage of time, or

"(ii) the repurchase of such stock may be required of the issuer solely by reason of the passage of time.

"(C) SMALL BUSINESS.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'small business' means any small business corporation (within the meaning of section 1244(c)(3)).

"(ii) TIME FOR DETERMINING STATUS.—The determination of whether an equity investment is in a small business concern shall be made at the time when such investment is made.

"(3) REQUIREMENT OF 3-YEAR HOLDING PERIOD DETERMINED WITHOUT REGARD TO SECTION 1223.—The determination of whether a small business equity investment has been held for 3 years for purposes of this subsection shall be determined without regard to section 1223.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges after December 31, 1984.

SEC. 405. INCREASE IN DIRECT EXPENSING OF CERTAIN DEPRECIABLE BUSINESS ASSETS.

The first item in the table in paragraph (1) of section 179(b) of the Internal Revenue Code of 1954 (relating to dollar limitation with regard to election to expense certain depreciable business assets) is amended to read as follows:

"1983 or 1984	$5,000
1985, 1986, or 1987	6,000".

SEC. 406. NONRECOGNITION OF GAIN ON ANY PROPERTY SOLD WHERE QUALIFIED SMALL BUSINESS INVESTMENT ACQUIRED.

(a) IN GENERAL.—Part III of subchapter O of chapter I of the Internal Revenue Code of 1954 (relating to nontaxable exchanges) is amended by adding at the end thereof the following new section:

"SEC. 1043. SALES OF PROPERTY WHERE QUALIFIED SMALL BUSINESS INVESTMENT ACQUIRED.

"(a) NONRECOGNITION OF GAIN.—

"(1) IN GENERAL.—If any property is sold by the taxpayer and, within the 1-year period beginning on the date of such sale, any qualified small business investment is purchased by the taxpayer, gain (if any) from such sale shall, at the election of the taxpayer, be recognized only to the extent that the amount realized on such sale exceeds the cost to the taxpayer of such investment.

"(2) ELECTION.—The election under paragraph (1) shall be made by filing, not later than the last day prescribed by law (including extensions thereof) for filing the return of tax imposed by this chapter for the taxable year in which the sale occurs, with the Secretary a statement (in such manner as the Secretary may by regulations prescribe) of such election.

"(b) QUALIFIED SMALL BUSINESS INVESTMENT.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified small business investment' means any equity stock in a domestic corporation if, at the time such stock is issued, such corporation was a qualified small business corporation.

"(2) EQUITY STOCK.—The term 'equity stock' means any common or preferred stock—

"(A) with respect to which the payment of money or other property is not required solely by reason of the passage of time,

"(B) the repurchase of which may not be required of the issuer any sooner than 3 years after the date of its purchase by the taxpayer, and

"(C) which was issued by the corporation to the taxpayer for money or other property (other than stock or securities).

"(3) QUALIFIED SMALL BUSINESS CORPORATION.—The term 'qualified small business corporation' means—

"(A) any small business investment company operating under the Small Business Investment Act of 1958,

"(B) any business development company (as defined by section 2(a)(48) of the Investment Company Act of 1940), and

"(C) any small business corporation (as defined in section 1244(c)(3)).

"(c) SPECIAL RULES.—For purposes of this section—

"(1) EXCHANGE TREATED AS SALE.—An exchange by the taxpayer of property for other property shall be treated as a sale of the first property, and the acquisition of any qualified small business investment on the exchange of property shall be treated as a purchase of such investment.

"(2) LIMITATION ON STOCK SALES.—In the case of any qualified small business investment (other than stock in an S corporation as defined in section 1361(a)), subsection (a) shall apply to the sale of such stock only if such sale would, if such stock had been purchased by the issuing corporation in such sale, be treated as a redemption within the meaning of paragraph (1), (2), or (3) of section 302(b), including the application of section 302(c).

"(d) REDUCTION OF BASIS.—Where the purchase of any qualified small business investment results under subsection (a) in the nonrecognition of gain on the sale of any property, the basis of such investment shall be reduced by an amount equal to the amount of gain not so recognized on the sale of such property. Where the purchase of more than one qualified small business investment is taken into account in the nonrecognition under subsection (a) of gain on the sale of a property, the preceding sentence shall be applied to each such investment in the order in which each such investment is purchased.

"(e) STATUTE OF LIMITATIONS.—If the taxpayer during any taxable year sells any property at a gain, then—

"(1) the statutory period for the assessment of any deficiency attributable to any part of such gain shall not expire before the expiration of the 3-year period beginning on the date the Secretary is notified by the taxpayer (in such manner as the Secretary may by regulations prescribe) of—

"(A) the taxpayer's cost of purchasing any qualified small business investment which the taxpayer claims results in nonrecognition of any part of such gain,

"(B) the taxpayer's intention not to purchase any such investment within the 1-year period described in subsection (a), or

"(C) the failure by the taxpayer to purchase any such investment within such period; and

"(2) such deficiency may be assessed before the expiration of such 3-year period notwithstanding the provisions of any other law or rule of law which would otherwise prevent such assessment.".

(b) TECHNICAL AMENDMENT.—Subsection (a) of section 1016 of such Code (relating to adjustments to basis) is amended by striking out "and" at the end of paragraph (26), by striking out the period at the end of paragraph (27) and inserting in lieu thereof "; and", and by adding at the end thereof the following new paragraph:

"(28) in the case of any qualified small business investment the acquisition of which resulted under section 1043 in the nonrecognition of gain on the sale or exchange of property, to the extent provided by section 1043(d).".

(c) CONFORMING AMENDMENT.—The table of sections of part III of subchapter O of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"Sec. 1043. Sales of property where qualified small business investment acquired.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply only to sales and exchanges of property (the nonrecognition of gain on which is to be claimed under section 1043 of the Internal Revenue Code of 1954) in taxable years beginning after December 31, 1984.

SEC. 407. APPLICATION OF THE REGULATORY FLEXIBILITY ACT TO THE INTERNAL REVENUE SERVICE.

(a) IN GENERAL.—

(1) Section 601(2) of title 5, United States Code, is amended by striking out "pursuant to section 553(b) of this title, or any other law".

(2) Section 603(a) of such title is amended by striking out "is required by section 553 of this title, or any other law, to publish" and inserting in lieu thereof "publishes".

(3) Section 604(a) of such title is amended by striking out "under section 553 of this title, after being required by that section or any other law to publish" and inserting in lieu thereof a comma and "after publishing".

(b) EFFECTIVE DATE.—The amendments made by this section shall be effective on the date of the enactment of this Act.

By Mr. DECONCINI:

S. 397. A bill to amend the Sherman Act and the Clayton Act to modify the application of such acts to international commerce; to the committee on the Judiciary.

FOREIGN TRADE ANTITRUST IMPROVEMENTS ACT

Mr. DECONCINI. Mr. President, I am today introducing legislation dealing with the serious economic and political problems that arise in applying United States antitrust laws to international trade and commerce.

Since the Sherman Act was first passed into law in 1890, U.S. antitrust laws have applied not only to commerce contained within the boundaries of the United States, but also to commerce with foreign nations. In many cases this is as it should be, for often transactions involving foreign firms or goods have a critical impact on the interests of the United States. Indeed, the importance to the United States of such foreign commerce has increased dramatically in recent years. The United States can and must stand ready to exercise its legislative and judicial power to avoid the substantial harm to American interests that can result from attempts by U.S. companies or foreign companies to subvert the free marketplace of the United States.

As the developed world has become more economically interdependent and the United States has come increasingly to rely upon its trading partners, however, the full exercise of U.S. power in implementing its antitrust laws to their full letter in international cases has caused substantial frictions with our foreign friends and allies. Such frictions can be seen, for example, in the shipping cases of the 1960's and 1970's, the uranium cases of the 1970's, and the air transportation cases now pending in the Federal courts. Without commenting on the merits of any of these disputes, it is clear that, just as the United States had some legitimate interest it believed that it was protecting, so too did our foreign trading partners. Sometimes these interests of foreign nations may be in regulating international commerce of vital importance to them in ways that are inconsistent with our methods of regulation; sometimes the difference is not so much in the substance of the regulation as it is in the legitimate desire of foreign nations to have the primary right to specify the rules by which the conduct of their citizens, or the actions of others primarily affecting their citizens, are to be judged. In either case, the simple and undeniable truth is that legitimate governmental interests can and do collide in certain cases where U.S. authorities seek to enforce the full letter of the present U.S. antitrust laws.

It is in the best interests of the United States and of its citizens to minimize the extent of the conflicts that arise in international antitrust cases. Vital foreign policy, defense, and commercial interests of the U.S. Government depend on our maintaining good relations—on a fair basis—with our allies and major trading partners. The American corporation that must rely upon imports from abroad or on exports to foreign nations cannot afford the substantial disruption of commercial relations that can result from such conflicts. A good example is the result difficulties that arose concerning the antitrust proceedings involving the air transportation industry on the North Atlantic. At one point the conflict was so great that airlines—including U.S. airlines—were threatened with the prospect of the British Government's blocking new, low air fares from going into effect. Such actions can hardly be seen as benefiting American business or consumers.

The U.S. corporation doing business abroad must also have some reassurance that it will not become caught in between the sometimes inconsistent regulatory responsibilities of governments. Even if a foreign government does not affirmatively require a U.S. corporation to do business in a way that could pose antitrust problems, the foreign government may well condone and encourage cooperative practices among competitors that the U.S. corporation ignores at its own business peril in the foreign market.

The legislation I am introducing today takes a first step toward minimizing conflicts in international antitrust without giving up the United States' right and duty in appropriate cases to deter and punish anticompetitive conduct that substantially jeopardizes its interests. I have consulted with various representatives of government, industry, the academia, and the bar both here and abroad concerning my proposals. These individuals have included such eminent experts as Nicholas deB. Katzenbach, former U.S. Attorney General and present general counsel of IBM; Warren Christopher, former Deputy Secretary of State and present partner in the law firm of O'Melveny & Myers; Dr. Claus-Dieter Ehlermann head of legal service of the Commission of the European Communities; and Donald F. Turner, former Assistant Attorney General for Antitrust and present counsel to the law firm of Wilmer, Cutler & Pickering. All have concurred that some steps such as these are badly needed in order to take a

first step toward more stable, coherent international trading relations.

Proposals such as these have been discussed for some time, both within the executive branch and in the Congress. I note, for example, that in the excellent report in the treble damage remedy prepared by Mr. RODINO's committee in the House last year there were recommendations made for reform of antitrust treble damages in three areas: One, liability of municipalities; two, research and development joint ventures; and three, international antitrust cases. Since that time, Congress has taken effective action on the first two topics; the time has come for effective action on the third.

In April 1983, Deputy Secretary of State Kenneth Dam stated that the executive branch was considering proposals to address the problems arising in the international context from private damage actions. No such proposals have been forwarded to the Congress, however.

The legislation consists of four principal sections, all of them directed toward private antitrust lawsuits, not governmental enforcement actions. I believe that the Department of Justice has shown itself to be sensitive to the foreign policy implications of antitrust enforcement and has moderated its enforcement activity accordingly. Private antitrust plaintiffs, not surprisingly, have demonstrated no such restraint.

First, my legislation provides that the standard for a U.S. court's asserting subject matter jurisdiction over an international antitrust case would be applied at least as a preliminary matter at an early stage in the proceeding. In 1982 Congress revised the antitrust laws to provide that those laws would not apply to conduct in foreign commerce unless the challenged action had a "direct, substantial, and reasonably foreseeable effect" on U.S. commerce. This is a necessary minimal protection against application of U.S. antitrust laws to transactions of no real interest or concern to the United States. Under the current law, however, it is as a practical matter often quite difficult for the defendant to an antitrust action to bring an effective challenge to subject matter jurisdiction until after discovery in the action, has been substantially completed. Much of the damage to international relations, however, is often done by this late stage in the proceeding. The legislation I propose, therefore, would require U.S. courts to consider challenges to subject matter jurisdiction early in the proceeding.

Second, the legislation would provide that U.S. courts must upon request weigh the U.S. interests involved in the antitrust proceeding against those of the foreign nations involved and dismiss the action if the latter interests are stronger. This is to a large degree a codification of the approach certain U.S. courts have taken to the problem of "comity among nations" in international antitrust cases. Recent decisions of other U.S. courts, however, have cast doubt upon this approach and Congress should resolve the ambiguity promptly in order to minimize the conflicts I have described above.

Third, the legislation would provide that the common law doctrine of forum non conveniens would apply in antitrust cases. This doctrine, which generally provides that one court will dismiss a case that should be tried in another, more convenient and appropriate forum, is universally applied in cases under a variety of Federal laws. Recent decisions of certain courts, however, have suggested that the doctrine is inappropriate in antitrust cases because of a special solicitude for antitrust principles in the United States. Although the importance of competition in the United States cannot be overstated, we must recognize that some of our trading partners are similarly concerned with free markets and have laws that—while not identical in all respects with our antitrust laws—promote more substantially the same interests. Where this is the case and where a particular dispute plainly has more connections with a foreign forum than with the United States, courts should be free to apply the doctrine of forum non conveniens to send the case to its proper location for decision.

Finally, the legislation would provide that, in those cases where there is subject matter jursidiction, where U.S. interests predominate, and where the United States is the most appropriate forum, the U.S. court can rule that the action should go forward as one for single, rather than treble, damages, where doing so will substantially ameliorate any conflict with the interests of a foreign nation. One of the aspects of U.S. antitrust law that our foreign partners find most objectionable is our imposition of treble damages. To our minds such multiple damages may be appropriate to encourage the bringing of actions or to punish wrongdoers; to other governments, however, it is an abhorrent delegation of criminal prosecutory authority to private litigants without any effective check on how it is exercised. We should recognize that in some circumstances the best way to minimize destructive conflicts while preserving our interests in vigorous competition laws may be to take the middle road between dismissing the action altogether and letting it go forward for treble damages: Courts should be free to proceed, but for the lesser, single damages.

Mr. President, I ask that the text of the bill be printed at this point in the RECORD, together with a legal analysis of the bill's provisions.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 397

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Trade Antitrust Improvement Act of 1985".

SEC. 2. Section 7 of the Sherman Act (15 U.S.C. 6a) is amended by—

(1) inserting "(a)" before "This Act"; and

(2) adding at the end thereof the following new paragraph:

"(b) Whenever a motion to dismiss for lack of subject matter jurisdiction under this section shall be made in any action under the antitrust laws, it shall be the duty of the judge designated to hear and determine the case to hear and determine such motion, after such discovery or other proceedings directly related to the motion as the court deems appropriate, before conducting or permitting the parties to conduct any further proceedings in the action.".

SEC. 3. The Clayton Act (15 U.S.C. et seq.) is amended by adding after section 20 the following new section:

"INTERNATIONAL COMMERCE

"SEC. 21. (a) Notwithstanding any other provision of the antitrust laws or any provision of any State laws similar to the antitrust laws, in any action brought by any person or State under the antitrust laws or similar State laws and involving trade or commerce with a foreign nation, the court shall enter a judgment dismissing such action whenever it determines that the interests of the United States served by the action are outweighed by the interests of one or more foreign nations adversely affected by the action. Upon a request by the court, the Attorney General shall appear to set forth the views of the United States as to the effects of the action on the interests of the United States and on any affected foreign nation.

"(b) Whenever a motion to dismiss for interference with foreign national interests is made under this section in any action under the antitrust laws, it shall be the duty of the court, after discovery or other proceedings directly related to the motion as the court deems appropriate, to hear and determine such motion before conducting or permitting the parties to conduct any further proceedings in the action.".

SEC. 4. Section 12 of the Clayton Act is amended by—

(1) inserting "(a)" before "That suit"; and

(2) adding at the end thereof the following:

"(b) The doctrine of *forum non conveniens* shall be applicable in any suit, action, or proceeding under the antitrust laws that involves trade or commerce with a foreign nation, and nothing contained in this section or any other venue provision applicable to such suits, actions, or proceedings shall be construed to prevent dismissal of such suits, actions, or proceedings on the ground of *forum non conveniens.*".

SEC. 5. The Clayton Act is amended by adding after section 4H the following:

"FOREIGN TRADE

"SEC. 4I. (a) Notwithstanding sections 4 and 4C, and in lieu of the relief specified in such sections, and notwithstanding any provision of any State law providing damages for conduct similar to that forbidden by the antitrust laws, any person or State entitled to recovery on a claim under such section or

provision shall recover (1) the actual damages sustained by such person or, in the case of a claim under section 4C, the total damage as described in subsection (a)(1) of such section, (2) interest calculated at the rate specified in section 1961 of title 28, United States Code, on such actual damages or total damage as specified in subsection (d) of section 4 of the National Cooperative Research Act of 1984 (15 U.S.C. 4303(d)), and (3) the cost of suit attributable to such claim, including a reasonable attorney's fee, if—

"(A) such claim results from conduct occurring in the course of trade or commerce with a foreign nation,

"(B) such claim is determined by the court to affect adversely and substantially the interests of a foreign nation, and

"(C) the court determines that the adverse effect of the claim on the interests of a foreign nation would be substantially reduced if the claim were limited to actual damages or total damages as provided herein.

Upon a request by the court, the Attorney General shall appear to set forth the views of the United States as to the effects of the claim and of the possible limitation of damages authorized herein on the interests of foreign nations.

"(b) Whenever a motion to limit damages as provided in this section is made in any action under the antitrust laws, it shall be the duty of the court to hear and determine such motion, after such discovery or other proceedings directly related to the motion as the court deems appropriate, before conducting or permitting the parties to conduct any further proceedings in the action.".

SECTION-BY-SECTION ANALYSIS

SECTION 1

Section 1 sets out the short title of the legislation: The Foreign Trade Antitrust Improvement Act of 1985. The title reflects the purpose of the legislation to rationalize further the application of U.S. antitrust law to U.S. foreign trade by supplementing the provisions of the 1982 Foreign Trade Antitrust Improvements Act (Pub. L. No. 97-290, §§ 401-03, 96 Stat. 1246).

SECTION 2

Section 2 of the Foreign Trade Antitrust Improvement Act of 1985 clarifies the procedure by which subject matter jurisdiction is to be tested in antitrust actions involving commerce with foreign nations. As originally enacted, the Sherman Act applied to actions affecting "trade or commerce among the several States." (Similarly, both the Clayton Act and the FTC Act define "commerce" to include "commerce . . . with foreign nations.") Consistent with this broad language, United States courts have interpreted the antitrust laws to apply to all conduct, wherever it occurs, that has an effect on trade or commerce either within the United States or between the United States and foreign nations. In 1982, the Sherman and FTC Acts were amended to specify that their substantive restrictions would apply only to conduct that has a "direct, substantial, and reasonably foreseeable effect on domestic United States commerce, on United States import commerce, or on the export commerce of a United States person." *See* Pub. L. No. 97-920, §§ 401-03, 96 Stat. 1246.

Section 2 works no substantive change in the 1982 Act's provisions concerning antitrust subject matter jurisdiction. Instead, it is directed to the procedural difficulties that arise in attempting to give this language its intended effect. Defendants to antitrust actions often find that the courts are reluctant to consider whether they have subject matter jurisdiction over a dispute until after the parties have largely completed their discovery of facts from one another and from third parties.

Such delay in the consideration of whether subject matter jurisdiction exists is particularly objectionable in antitrust cases involving foreign commerce. Several of the United States' most important trading partners object to any assertion of jurisdiction based merely on the effects of the challenged conduct (rather than on the location of such conduct or the nationality of the actors). Although the 1982 revisions to the subject matter jurisdiction provisions of the antitrust laws could serve to ameliorate tensions with these trading parties by at least eliminating those cases where the effects on the U.S. are attenuated, such amelioration is stifled by the practical inability of the parties to bring the matter before the court for early resolution. Moreover, even those trading partners who do not object to assertion of "effects" jurisdiction as such may nevertheless object to the intrusions of prolonged United States antitrust litigation, particularly those intrusions arising from our unparalleled provisions for wide-ranging pre-trial discovery. There is little point in permitting such frictions to develop when they could be avoided or reduced by an early determination of subject matter jurisdiction.

SECTION 3

Section 3 of the Foreign Trade Antitrust Improvements Act is intended to codify, and improve the operation of, the "jurisdictional rule of reason" in private antitrust actions involving commerce with foreign nations. This rule provides, in essence, that U.S. courts will not exercise jurisdiction over antitrust actions where the governmental interests of foreign nations would be adversely affected and where the U.S. antitrust interest is not sufficient to justify the injury to the foreign national interest. The jurisdiction rule of reason was first adopted by the U.S. Court of Appeals for the Ninth Circuit in 1976 in the leading case of *Timberlane Lumber Co. v. Bank of America*, 549 F.2d 597.

Prior to the *Timberlane* decision, U.S. courts would exercise jurisdiction over antitrust claims involving foreign conduct whenever the conduct had substantial effects on U.S. commerce. In *Timberlane*, however, the court ruled that even though U.S. antitrust jurisdiction might be present based on effects, that jurisdiction should only be exercised "base[d] * * * on * * * a decision that the United States is the nation primarily interested in the activity causing the effect." 549 F.2d at 611. Under *Timberlane*, "[i]t is * * * the relative involvement and concern of each state with the suit at hand that is to be evaluated in determining whether extraterritorial jurisdiction should be exercised by American courts as a matter of comity and fairness." 549 F.2d at 615 n.35. The decision is based upon the realization that "at some point the interests of the United States are too weak and the foreign harmony incentive for restraint too strong to justify an extraterritorial assertion of jurisdiction." 549 F.2d at 609.

The *Timberlane* decision has been followed by several other U.S. courts and has been widely praised by scholars, jurists and government officials both in the United States and in the nations that are our principal trading partners. It has also met with some criticism, however, and most recently these criticisms were collected in a decision of the U.S. Court of Appeals for the District of Columbia Circuit attacking the jurisdictional rule of reason and threatening its further development by the courts. *Laker Airways v. Sabena, Belgian World Airlines*, 731 F.2d 909 (D.C. Cir. March 6, 1984).

The criticisms of the *Timberlane* jurisdictional rule of reason are basically of three kinds: (1) it is said that the factors enumerated by the *Timberlane* court and other authorities for balancing U.S. and foreign interests are not all useful for that purpose (for example, the "nationality of the parties," which is one of the factors to be considered, may be difficult to determine in the case of corporations and in any event may not be helpful in determining which nation is most affected by the parties' business conduct). (2) It is said that balancing national interests is a task for which courts are not well suited, and the political branches should have the primary responsibility for accommodating U.S. antitrust enforcement with the national interests of our trading partners. (3) Finally, it is stated that the jurisdictional rule of reason is not a rule of international law and that, absent statutory direction from Congress and the President, U.S. courts should not try to follow the rule.

It is the purpose of this section of the Foreign Trade Antitrust Improvements Act to respond to these criticisms and establish the jurisdictional rule of reason as the rule of decision in private U.S. antitrust cases involving trade or commerce with foreign nations. The criticisms are dealt with in the order stated above.

(1) The various factors that the courts should take into account in balancing U.S. and foreign governmental interests in an international antitrust case have been enumerated in differing ways by the courts and by other authorities such as the Restatement of the Foreign Relations Law of the United States. Obviously some of the factors in the different lists will be more helpful or less helpful than others in arriving at the reasonable jurisdictional result in a particular case. What factors are to be considered and what weight is to be given to them are for the courts to decide on a case-by-case basis. In codifying the jurisdictional rule of reason, the legislation does not therefore codify any particular list of factors or assign priorities to particular factors. Instead, it simply rests on the finding that the kinds of factors enumerated in the leading decisions and the authoritative commentaries can properly and usefully be considered by antitrust courts in balancing U.S. and foreign interests.

(2) The most serious criticism of the jurisdictional rule of reason is the claim that the balancing of national interests is too "political" for the courts. There are two responses: (a) in most cases, "political" considerations will play little if any role in the balancing judgment (as is demonstrated in the recent decision of the district court in *Timberlane* applying the jurisdictional rule of reason to dismiss an antitrust suit involving an alleged conspiracy to monopolize the Honduran lumber industry and interfere with the export of certain kinds of lumber to the United States. *Timberlane Lumber Co. v. Bank of Americas National Trust*, 1984-1 Trade Cas. (CCH) ¶ 65,775 (N.D. Cal. 1983), *aff'd* 1985-1 Trade Cas. ¶ 66,332 (9th Cir., Dec. 27, 1984); and (b) where political considerations are important (or where other information is needed from sources other

than the parties themselves), this Section provides that the court may ask the Executive Branch to express its views for the assistance of the court. The Executive Branch can be expected to have consulted with affected foreign nations before expressing its views on the relative importance of U.S. and foreign interests. Foreign nations would remain free, as at present, to submit their views directly to the court, although in practice U.S. courts would probably follow the guidance of the Executive Branch should there be any conflict between the U.S. and the foreign nation in their assessments of the relative importance of the U.S. and foreign governmental interests.

(3) The core concern of the jurisdictional rule of reason—that a nation should not interfere with the interests of its trading partners through application of its competition law unless its greater national interest justifies it in doing so—*is* a principle of international law that can be derived from a fair examination of state practice in recent years. A leading European scholar has recently published an analysis of international antitrust practice in the U.S. and Europe over the past four decades in which he concludes that an accepted principle of international law is that "a state is prohibited from taking measures of antitrust law if the regulatory interests it is pursuing are outweighed by the interests of one or more foreign states likely to be seriously injured by those measures." Messen, *Antitrust Jurisdiction Under Customary International Law*, 78 Am. J. Int'l L. 783, 804 (1984). This principle is simply a matter of comity and common sense among nations engaged in mutually beneficial trade, and the United States will benefit if we adhere to this principle by moderating the exercise of our antitrust jurisdiction pursuant to the jurisdictional rule of reason enacted in this Section.

As with the existence of antitrust subject matter jurisdiction based on effects on U.S. markets, discussed above, the possibility that an antitrust action will adversely affect other nations' important interests should normally be considered by the court at an early stage of the litigation, to avoid the damage to foreign interests and U.S. foreign relations that can be caused by the pendency of the suit itself. As Section 2 does with the issue of subject matter jurisdiction, subsection (b) of this section provides for prompt decision under the jurisdictional rule of reason.

This section does not provide for the application of the jurisdictional rule of reason to antitrust actions brought by the Department of Justice or the Federal Trade Commission. Most knowledgeable observers are satisfied that the usual practice of the enforcement authorities of both these agencies is to take foreign interests adequately into account in determining whether and whom to investigate or sue and what relief to request. Where prosecutorial zeal threatens foreign interests and damages U.S. foreign relations, the President can remedy the situation, as he recently did in the North Atlantic air transport investigation.

SECTION 4

Section 4 of the Foreign Trade Antitrust Improvements Act is intended to remove any uncertainty that the well-established doctrine of *forum non conveniens*, as expounded and applied by the Supreme Court in *Piper Aircraft Co. v. Reyno*, 454 U.S. 235 (1981), is applicable to antitrust suits involving trade or commerce with foreign nations. Under this doctrine, a court may decline jurisdiction over a lawsuit, and send the plaintiff to an alternative forum, including a foreign forum, where trial of the lawsuit in the other forum would better serve the overall convenience of the parties and the courts and would be in the interests of justice.

After the Supreme Court decided in 1948 that the doctrine of *forum non conveniens* was not applicable to antitrust suits brought in a judicial district in which venue was proper under Section 12 of the Clayton Act (*United States v. National City Lines I*, 334 U.S. 543 (1948)), Congress enacted 28 U.S.C. § 1404(a) providing that "[f]or the convenience of parties and witnesses, in the interest of justice, a district court may transfer any civil action to any other district or division where it might have been brought." In *National City Lines II*, 337 U.S. 78 (1949), the Supreme Court held that this enactment made *forum non conveniens* principles applicable to antitrust actions, notwithstanding Section 12 of the Clayton Act.

Section 1404(a), however, applies the doctrine of *forum non conveniens* only where the more convenient alternative forum is another U.S. district court. Thus it was possible for a Court of Appeals to decide in 1982, notwithstanding *Piper Aircraft Co. v. Reyno*, that *National City Lines I* is controlling, and *forum non conveniens* is not a ground for dismissing an antitrust suit, where the more convenient alternative forum is a *foreign* court. *Industrial Investment Development Corp. v. Mitsui Co.*, 671 F.2d 876 (5th Cir. 1982) *vacated on other grounds*, 103 St. Ct. 1244 (1983). This decision has since been followed by at least one other lower court. *Laker Airways Ltd. v. Pan American Airways*, 568 F. Supp. 811 (D.D.C. 1983).

For fifty years, the doctrine of *forum non conveniens* has been fully applicable to the whole range of federal statutory actions (except antitrust), such as actions under the Lanham Act, Jones Act and Securities Exchange Act, as well as to admiralty, diversity and even constitutional claims. It is thus anomalous that in the field of foreign commerce only antitrust actions must be retained in U.S. courts even when convenience and justice would dictate that the plaintiff be remitted to the court of another nation. U.S. courts should not be prevented from closing their doors to forum-shopping foreign antitrust plaintiffs or, more generally, from requiring all antitrust plaintiffs, foreign and domestic, to litigate their claims in the forum that is, according to settled legal principles, the most appropriate one in which to try the case.

Because courts normally consider the question of *forum non conveniens* of any early stage of any lawsuit in which the issue is raised, Section 4 contains no provision parallel to Sections 2, 3(b), or 5(b) of the Act.

SECTION 5

Section 5 of the Foreign Trade Antitrust Improvements Act limits the recovery of antitrust plaintiffs to actual damages, interest, and litigation costs in cases involving trade or commerce with a foreign nation where the claim asserted would, if upheld, have a substantial adverse effect on the interests of a foreign nation. In recent years various business transactions touching more than one nation's interests have given rise to challenges under the United States antitrust laws. These have included the notorious cases involving the shipping, airline and uranium industries, as well as a wide variety of other cases. Frequently these disputes have deeply troubled United States allies and trading partners because the strictly-applied U.S. antitrust laws are at odds with the form of business transactions encouraged by other nations. For example, while the United States was vigorously pursuing criminal and civil antitrust remedies against United States and European shipping companies in the late 1970s, several European countries were expressing their strong views that the shipping conferences being challenged had been determined by those nations to be in their best interests.

One of the aspects of United States antitrust enforcement that is most objectionable to our trading partners is what the British refer to as the "rogue elephant" of treble damages. Our allies view the treble damage provisions in the Clayton Act as making our laws promoting competition into criminal laws enforceable by private parties and their lawyers without prior review or approval by any court or government official. This is a practice largely unknown in other Western nations and makes the inevitable interference of United States competition laws with business transactions abroad particularly odious to other nations.

Until now, United States courts have had only two alternatives in dealing with conflicts between United States antitrust laws and the interests of foreign nations: Courts can either stop the action altogether (by imposing requirements such as the 1982 subject matter jurisdiction test or the jurisdictional rule of reason), or they can permit the action to go forward without limitation. Sections 2, 3, and 4 of the Foreign Trade Antitrust Improvements Act enhance the courts' ability to use the tools of subject matter jurisdiction, the jurisdictional rule of reason, and *forum non conveniens*, respectively, to pursue the former course. Section 5 provides an additional, new alternative available in cases where the court determines that, despite the substantial adverse effect on the interests of a foreign nation, on balance the action should nevertheless go forward. In such cases the degree of conflict with the adversely affected foreign nation often can be substantially ameliorated by the court's limiting recovery in the action to single, compensatory damages alone. Section 5 provides the necessary authority.

Subsection (b) once again provides for prompt resolution of an issue that may reduce the injury to U.S. trading relations that would otherwise result from a private antitrust action.

By Mr. DECONCINI (for himself and Mr. GOLDWATER):

S. 399. A bill to designate the Phoenix Veterans' Administration Medical Center, located in Phoenix, AZ, as the "Carl T. Hayden Veterans' Administration Medical Center"; to the Committee on Veterans' Affairs.

CARL T. HAYDEN VETERANS' ADMINISTRATION MEDICAL CENTER

Mr. DECONCINI. Mr. President, I am introducing legislation today which would designate the Phoenix Veterans' Administration Medical Center as the "Carl T. Hayden Veterans' Administration Medical Center." I am pleased that Senator GOLDWATER, a longtime friend and colleague of former Senator Hayden, is joining me in sponsoring this bill.

Carl T. Hayden was a native Arizonan, born at Hayden's Ferry (now

Tempe) on October 2, 1877. He graduated from the Normal School of Arizona in 1896 and continued his education at Stanford University. After completing his education, Carl Hayden went into the flour milling business in Arizona where he immediately became involved in local political and community activities. He held local office as a member of the Tempe Town Council, as treasurer of Maricopa County and, later, as sheriff of that county.

Upon the admission of Arizona as the last State in the Union in 1912, Carl Hayden was elected as Arizona's first Representative to the U.S. Congress. He served in that capacity from 1912-27. In 1926, he was elected to the U.S. Senate where he served with honor and distinction until his retirement in 1969. During the last 11 years of service in the Senate, he was President pro tempore.

Carl Hayden's illustrious congressional career spanned almost 60 years. He was not only a witness to, but an active participant in the great political debates and decisions of the 20th century—World War I, the Great Depression, the New Deal, World War II, the New Frontier, the Great Society, the Korean and Vietnam wars. I can think of no individual whose life epitomized the very best in public service. He was a caring, compassionate and principled public servant. He represented the State of Arizona virtually all his adult life and all Arizonans take great pride in the job he performed both for the State and for the Nation.

During the First World War, Carl Hayden was a major in the infantry. He never forgot that experience and became a champion of the system of programs and benefits established to assist our veterans. As chairman of the Senate Appropriations Committee for 14 years, Carl Hayden played a crucial role in funding these programs and in the establishment of the three Veterans' Administration hospitals in Arizona.

His lifelong career of service to these veterans merits recognition and it is a fitting tribute to rename the Phoenix Veterans' Administration Medical Center in his honor. In addition, it would provide that center with an identity in which all veterans, hospital personnel, and the community could take great pride.

I urge all my colleagues to join with Senator GOLDWATER and myself in support of this legislation.

By Mr. BINGAMAN:

S. 400. A bill to provide health promotion and disease prevention services to Indians; to the Select Committee on Indian Affairs.

INDIAN HEALTH PROMOTION AND DISEASE PREVENTION ACT

Mr. BINGAMAN. Mr. President, in the last Congress I introduced or supported several legislative items designed to help Americans lead healthier life styles. The bill I am introducing today is in line with those efforts and, I hope, will complement broader Federal health promotion and disease prevention strategies. My legislation is the Indian Health Promotion and Disease Prevention Act of 1985. It focuses on an obvious but neglected aspect of Indian health care delivery—preventive services.

Recently, my distinguished colleague, Senator MARK ANDREWS, reintroduced the Indian Health Care Amendments of 1985, which emphasizes health promotion and disease prevention. I am gratified that the sponsors of that bill agreed to add three major provisions which I suggested, and which are identical to those in this bill.

The three provisions are: First, development of a health promotion and disease prevention Indian health policy; second, inclusion of health promotion and disease prevention services within the Indian Health Service, and; third, continuation and improvement of the Community Health Representative Program as the vehicle to carry out such health promotion activities.

Although these new sections were incorporated into the main bill, they do not go far enough unless a demonstration project is also established to develop and implement them. My bill authorizes a demonstration project to develop the most effective and cost efficient means of providing health promotion and disease prevention services. I believe the demonstration project authority is vitally needed to improve Indian health care and, in the long run, to reduce health care costs. As the report accompanying the Senate version, S. 2166, found:

Although significant gains have been realized in improving the health status of Indian and Alaska Native people since the passage of the act in 1976, health status parity with the general U.S. population has yet to be achieved.

If we are still trying to reach health status parity for American Indians, then primary health care delivery is the best way to do that. As a result, the IHS budget focuses on primary health care. And it is important that IHS continue providing such care. However, the leading causes of IHS hospital admissions are those in which health promotion and disease prevention can be the most effective. These include: Pregnancy complications, injuries and poisonings, and digestive and respiratory system diseases. Health promotion and disease preventive activities can help reduce such admissions.

Therefore, in the long term IHS needs to aggressively pursue a comprehensive health promotion strategy, including programs for nutrition and physical fitness, control of high blood pressure, reduced use of alcohol and drugs, and other behavioral changes that individuals can make to reduce the risk of disease.

The Surgeon General, in the landmark publication Healthy People, challenged the Federal Government to take the lead in setting priorities and goals for health prevention activities, and to assure that preventive services are made available to high risk groups on a priority basis. In Indian health care, the Federal responsibility to American Indians is even greater. We need to meet that challenge, and this bill is a first step.

I am persuaded that part of the solution to our rising health care costs, and one way to improve health care delivery, is to better educate people how to take care of themselves. We need this approach at all levels of society and throughout the Federal health care delivery system. The IHS can only advance its goals and services, and save money with this new health promotion and disease prevention focus.

Mr. President, I urge my colleagues to support this bill which will improve the health and well-being of Indian people nationwide.

By Mr. PELL (for himself and Mr. CHAFEE):

S. 401. A bill to require the Secretary of Defense to establish an accounting procedure within the Department of Defense to identify and control expenditures for advisory and assistance services, and for other purposes; to the Committee on Armed Services.

CONTROL OF EXPENDITURES FOR ADVISORY AND ASSISTANCE SERVICES IN THE DEPARTMENT OF DEFENSE

● Mr. PELL. Mr. President, I am today introducing a bill for temporary relief of contractors providing support services for the Department of Defense who appear to be unduly and adversely affected by the so-called Mattingly cap on expenditures for contract services.

The cap was designed for an altogether worthy purpose, namely, to curb unwarranted, excessive, and sometimes uncontrolled expenditures for contract services by the Armed Forces. I support that objective wholeheartedly, particularly at this time of excessive military budgets. However, I must observe that this particular cap is being implemented in ways that may not have been foreseen or intended at the time the 1985 Defense authorization bill was enacted.

Specifically, and at least in the case of the Navy in my State, the cap has prompted an across-the-board slowdown in the funding of contracted services, irrespective of the merits or relative urgency of the programs involved. In Rhode Island and particularly on Aquidneck Island where the

Newport Navy base is located, this has had a very adverse impact on a community of contracting firms employing up to 5,000 persons, which provide technical services supporting training, undersea research, and weapons systems, and which therefore contribute directly to the readiness of naval units. As funding has been interrupted and deferred, work has stopped and layoffs have been scheduled; a sense of uncertainty prevails and some firms are in danger of losing their skilled work force.

There appears to be concensus that the situation has arisen because the cap lacked sufficient specificity and that without clear definitions to guide them, the armed services, and particularly the Navy, applied stringent restraints across the board.

The bill I am submitting today would repeal the cap but would direct the Secretary of Defense to provide within 180 days a standardized auditing procedure for identifying and controlling expenditures in subsequent fiscal years. In this way we can assure that restraints can be imposed in an orderly and reasonable way, taking into account specified standards without disrupting work already contracted for and in progress. Similar legislation has been introduced in the House by Representative DYSON of Maryland and I commend him for his initiative in this troublesome matter.●

By Mr. PRESSLER:

S. 402. A bill to amend the Communications Act of 1934 to provide for specialized equipment for telephone service to certain disabled persons; to the Committee on Commerce, Science, and Transportation.

TELEPHONE EQUIPMENT FOR SERVICE TO CERTAIN DISABLED PERSONS

Mr. PRESSLER. Mr. President, today I am introducing legislation to strengthen and simplify the Telecommunications for the Disabled Act of 1982. Action on this measure will improve telephone communication service for the hearing-impaired.

Equal opportunities for the handicapped continue to be one of our highest priorities. We have made great strides in educational opportunities, accessibility standards, and employment opportunities. With the passage of the 1982 Telecommunications Act, we began to provide the handicapped with the access to the telephone that they need to carry on their jobs, communicate with their loved ones, and obtain emergency assistance.

With the 1951 production of a telephone receiver that is hearing-aid compatible, access became feasible. Many manufacturers voluntarily made their phones compatible. However, telephones continue to be manufactured which are not accessible to the hearing-impaired.

While many of us living in a fast-paced society may wish that the telephone didn't exist, we are all aware of its importance in our lives. Imagine the feeling we would experience if, given a deadline to complete information-finding tasks, we suddenly did not have the telephone. Furthermore, consider the problems faced by a senior citizen who has a hearing impairment. Our shut-ins depend on the telephone to obtain emergency medical assistance.

Passage of S. 402 will provide the incentive needed to make all new telephones hearing-aid compatible. This legislation does not ask for any retrofitting. No replacement cost is involved. All we would do is make the future brighter. We would remove the need for Federal Communications Commission enforcement of Public Law 97-410.

Under the legislation passed in the 97th Congress, regulations were approved requiring all coin telephones, emergency use telephones, and telephones needed to signal life-threatening or emergency situations to be hearing-aid compatible. Hospital rooms, residential health care facilities, convalescent homes, and prisons also were required to provide a compatible telephone. While the legislation passed by the 97th Congress also required at least 10 percent of the rooms in hotels and motels to contain hearing aid-compatible phones, the enforcement of this requirement is difficult.

If the hearing-impaired are to have the same right to access that we enjoy, all new telephones manufactured in this country should make use of the present technology. This would remove yet another barrier faced by the hearing-impaired. With nearly 13 percent of our population made up of senior citizens, many of whom have difficulty hearing, this change is one which could result in budget savings. Many of our elderly could remain in their own homes longer if their telephones could provide them access to community health care facilities.

With approval of S. 402, Congress also would provide State commissions with the authority to regulate the distribution of specialized customer-premises equipment needed by the disabled. This equipment includes the artificial larynx, telephone handsets with built-in amplifiers, and speaker phones and miscellaneous equipment. Under current law, a patchwork pattern of distribution has grown up throughout the country. Some State commissions have totally deregulated this equipment. Others require specialized customer-premises equipment to be provided under commission regulation, subject to approved tariffs. Some commissions retain regulatory authority over new orders for specialized customer-premises equipment while deregulating equipment on monthly rental to customers. Several State commissions have ordered the return to local phone companies of specialized customer-premises equipment which was transferred to AT&T on January 1, 1984. In these States, the local companies provide specialized customer-premises equipment under commission-approved tariffs.

This confusing situation has created a great deal of frustration among disabled telephone customers—many do not know where to turn to obtain needed equipment; prices vary from State to State; availability is uncertain; slow deliveries create hardship; and repair service is difficult to find. What was a smooth supply of specialized customer-premises equipment through 1983, under State commission-approved tariff rates with assured availability and repair service, has become a costly source of irritation and deprivation. This bill attempts to substitute order for today's chaos by making mandatory State commission regulation of specialized customer-premises equipment. A subsidy of specialized customer-premises equipment from the carrier's general revenues also is allowed.

With the passage of S. 402, we may at last bring to an end the discrimination that continues to exist for the hearing-impaired. Once enacted, this bill could mean that those with hearing difficulties may begin to share the precious freedom of communication. With this bill, we will gradually remove the nonhearing aid-compatible telephones in the communications network. Through attrition and through voluntary modifications, we will bring a new, fuller life to the hearing-impaired.

By Mr. JOHNSTON:

S. 403. A bill to amend the Federal Power Act to establish policy and procedures to guide the Federal Energy Regulatory Commission in the issuance of new licenses to operate existing hydroelectric facilities; to the Committee on Energy and Natural Resources.

HYDROELECTRIC FACILITIES RELICENSING AMENDMENTS

● Mr. JOHNSTON. Mr. President, today I am introducing a bill that addresses the issue of hydroelectric project relicensing. My bill is identical to a bill I introduced in the 98th Congress, S. 2711.

Before I describe my bill, let me provide some background. Private utilities are currently operating 168 hydroelectric projects under Federal licenses that will expire within the next 10 years. Public utilities would like to take over some of these projects when they are relicensed. As a result, private utilities and public utilities are in court to determine if existing law pro-

vides a preference for public utilities when hydroelectric projects currently licensed to private utilities are relicensed. At the same time, the private utilities want Congress to amend the law to make it clear that a preference for public utilities does not exist in such instances.

The projects at stake within the next 10 years have a total installed capacity of about 3 million kilowatts, the equivalent of three average nuclear powerplants. Although this is a small amount of capacity from a national perspective, these projects generate extremely low-cost electricity that is very important to certain utility systems, particularly in California.

The relevant law is part I of the Federal Power Act, originally enacted in 1920 as the Federal Water Power Act. That act established the Federal Power Commission, now the Federal Energy Regulatory Commission, and empowered it to issue licenses for the construction and operation of hydroelectric projects on the Nation's navigable rivers. These licenses may be issued for a maximum of 50 years.

The act clearly requires the Commission to give preference to States and municipalities over private utilities in the issuance of original licenses where the applications filed are equally well adapted, 16 U.S.C. 800(a). In other words, the preference provision acts as a tie breaker.

When an original license expires, the United States has the option of taking over the project and thereafter operating it. If the United States chooses not to take over the project, the Commission may issue a new license to either the original licensee or to another license applicant. If the new license is issued to an applicant other than the original licensee, the new licensee is required to pay to the original licensee an amount equal to the original licensee's net investment.

Many original licenses have now expired or are about to expire; consequently, the Commission is in the process of relicensing these facilities. The crucial legal issue is whether the preference for public bodies that applies in the issuance of original licenses also applies when projects are relicensed.

Because the act is not entirely clear on this issue, the Commission has vascillated in its interpretation of the relevant provisions. In 1968, the Chairman of the Federal Power Commission testified before Congress that the preference provision does not apply in relicensing proceedings where the competition is between a State or municipality and the original licensee.

Then, in June 1980, the Commission issued an opinion that the public preference does apply in such instances. That case, known as the Bountiful decision, arose in response to a request by the city of Bountiful, UT, for a legal interpretation of the act. The Commission unanimously declared that the statutory preference for States and municipalities applies to all competitive relicensing proceedings. In other words, a public utility would receive the new license if it submits a plan that is equally well adapted to the plan submitted by the private utility that held the original license. This interpretation was affirmed by the 11th Circuit Court of Appeals, and the Supreme Court declined review.

But then, on October 6, 1983, the Commission overruled the Bountiful decision. That decision involved the relicensing of the Merwin Dam in Washington State. The original license for Merwin Dam was held by a private utility. When the original license expired, the private utility applied for a new license and was challenged by a public utility. The majority of the Commission held that the public preference does not apply where the existing licensee is an applicant in the relicensing proceedings. The Merwin decision has been appealed by the public utility to the U.S. Court of Appeals for the District of Columbia Circuit, where a decision is expected soon.

Meanwhile, during the 98th Congress, two bills were introduced in the Senate, S. 2710 and S. 2711. S. 2710 was introduced by Senator WALLOP and others; it provided that a public preference does not exist with respect to relicensing and would have required that any successful challenger to an existing licensee pay the existing licensee just compensation. My bill, S. 2711, would have created a presumption in favor of the existing licensee but did not include a just compensation provision. No hearings were held.

In formulating my own views on this matter, I start from the premise that we should seek to avoid unnecessary economic disruptions and dislocations to electric consumers. I believe that a hydroelectric project should change hands only if the interests of electric consumers are thereby better served in some tangible way. I also believe that the utility industry needs to have this uncertain area of law resolved, and that Congress should decide the issue, not the courts.

To this end, my bill makes it clear that a preference for public bodies does not apply on relicensing. Instead, my bill provides a presumption in favor of the existing licensee. It provides that the existing licensee, whether public or private, will receive the new license upon relicensing unless another applicant comes forward with plans that are better adapted to serve the public interest. If the existing licensee does not apply for a new license, the new license would be issued to the applicant who submits the plans that are best adapted to serve the public interest.

My bill also sets out four criteria to be used by the Commission in making the public interest determination. The first criterion basically restates a requirement in existing law that the Commission consider the plans of each applicant to develop, conserve, and utilize in the public interest the water resources of the region. The second criterion is a new requirement that the Commission consider the relative economic impact upon customers served by each license applicant if such applicant were to fail to receive the license. I believe that this criterion should be in the law in order to insure that the Commission fully considers the economic consequences of issuing a license to one applicant over another. The third criterion places emphasis on the ability of the applicant to operate and maintain the project in a manner most likely to provide efficient, reliable electric service.

Finally, the fourth criterion requires the Commission to consider the need of each applicant for the electricity generated by the project to serve its existing customers. This is intended to deter those utilities who do not need additional electricity but who would nevertheless seek a license for the purpose of reselling the power at a profit.

I am not wedded to these particular criteria. I am entirely open to suggested improvements. But I do believe that Congress should carefully articulate the criteria that should be considered by the Commission in relicensing hydroelectric facilities. I also believe that those criteria should reflect today's needs, not those that existed when Congress enacted the Federal Water Power Act over 60 years ago.

Before closing, I want to note something that my bill does not do. My bill does not change existing law with respect to the measure of compensation to be paid when an existing licensee does not receive the new license in a relicensing proceeding. Under existing law, the new licensee must only pay an amount equal to the existing licensee's net investment in the project. Under S. 2710, in the 98th Congress, the new licensee would have been required to pay "just compensation in an amount that the Commission shall determine in accordance with due process of law."

I have several reasons for not including this provision in my bill. First, I think that such a provision would snarl the relicensing process in endless litigation unless Congress is prepared to spend a substantial amount of time nailing down every detail of its meaning. For example, what does just compensation mean in this context? If it means fair market value, what does this include? Would it include the fair market value of the physical facility only? If so, what is the value of the physical facility in the absence of the

falling water? On the other hand, perhaps just compensation includes the fair market value of the electricity that will be generated at the site over the term of the new license. If so, how would such electricity be valued?

Besides the complex legal problems raised by a just compensation provision, I also have serious doubts about whether the provision is sound policy. The private utilities that currently hold licenses knew from the outset that they would be compensated only for their net investment if they did not receive the successor license. Presumably they have done their financial planning with this fact in mind. But now they would like to amend the law to provide a much higher level of compensation. Is that fair?

Finally, I don't think that a well-run electric utility needs a just compensation provision in the context of my bill. My bill creates a presumption in favor of the existing licensee. This means that the existing licensee will receive the new license unless another utility comes forward with a better plan. I'm confident that a well-run existing licensee will almost always prevail under this test. Only a inept existing licensee is likely to lose, and in such a case I don't think that the existing licensee deserves anything more than the compensation for "net investment" provided by existing law.

Mr. President, I look forward to early hearings on the issue of hydroelectric project relicensing.

I ask unanimous consent that the text of my bill be included in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 403

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be referred to as the "Hydroelectric Facility Relicensing Amendments of 1985".

SEC. 2. Section 7(a) of the Federal Power Act (16 U.S.C. 800 (a)) is amended—

(a) by inserting "original" after "hereunder or"; and

(b) by striking "and in issuing licenses to new licensees under section 15 hereof".

SEC. 3. Section 15 of the Federal Power Act (16 U.S.C. 808) is amended—

(a) by striking subsection (a) through "terms and conditions to a new licensee," and inserting in lieu thereof:

"SEC. 15. (a) If the United States does not, at the expiration of the existing license, exercise its right to take over any project or projects of the licensee, as provided in section 14, the Commission may issue a new license to the existing licensee or to a new licensee. If the existing licensee applies for a new license, the Commission shall issue a new license to such existing licensee unless the Commission determines that the plans of another applicant are better adapted to serve the public interest. If the existing licensee does not apply for a new license, the Commission shall issue a new license to the applicant the plans of which are best adapted to serve the public interest. The Commission shall not issue a license unless it is satisfied that the applicant is able to carry out such plans.

"(b) In making a determination of the public interest under subsection (a), the Commission shall consider:

"(1) the plans of each applicant to develop, conserve, and utilize in the public interest the water resources of the region;

"(2) the relative economic impact upon customers served by each applicant upon the failure of such applicant to receive the license;

"(3) the ability of each applicant to operate and maintain the project in a manner most likely to provide efficient, reliable electric service; and

"(4) the need of each applicant for the electricity generated by the project or projects to serve its existing customers.";

(b) by redesignating the remainder of subsection (a) as subsection (c);

(c) by striking "which license" and inserting in lieu thereof "A license issued under this section"; and

(d) by redesignating existing subsection (b) as subsection (d).●

By Mr. FORD:

S. 404. A bill to designate the Federal building and U.S. courthouse in Ashland, KY, as the "Carl D. Perkins Federal Building and U.S. Courthouse"; to the Committee on Environment and Public Works.

CARL D. PERKINS FEDERAL BUILDING AND U.S. COURTHOUSE

● Mr. FORD. Mr. President, today I am introducing legislation in honor of the late Carl D. Perkins, who represented Kentucky's Seventh Congressional District in the U.S. House of Representatives for nearly 36 years before his untimely death on August 3, 1984. This bill would designate the Federal building and U.S. courthouse in Ashland, KY, as the "Carl D. Perkins Federal Building and U.S. Courthouse."

Identical legislation passed the House by unanimous consent last year and was reported from the Senate Environment and Public Works Committee, only to die on the calendar in the last minutes of the session for reasons unrelated to its merits. My colleague from Kentucky, Congressman NATCHER, reintroduced the bill in the House at the beginning of the 99th Congress and I am following suit in my side of the Capitol.

I cannot stress how appropriate this gesture would be. Carl Perkins represented the mountain hollows, the towns and cities such as Ashland with a devotion and affection of near-legendary proportions. He loved his people, and never stopped fighting for them.

Those of us who had the privilege of serving with Congressman Perkins know of his unyielding dedication to improving the quality of life, both in Appalachia and around the Nation.

Children across America have been able to rise above the poverty and deprivation of their surroundings through some of the educational programs for which he fought long and hard, particularly vocational training.

As a member, and, later, chairman of the House Education and Labor Committee, Representative Perkins was a key force behind the Elementary and Secondary Education Act of 1965, which created remedial help for disadvantaged children and provided aid for school libraries.

He was also one of the fathers of the Appalachian Regional Commission, which has helped some of the poorest sections of eastern Kentucky and other States obtain badly needed roads and hospitals.

Carl Perkins never forgot from where he came. He went home often, traveling the backroads of his district, chatting with and listening to his constituents.

Such commitment is not easily forgotten. And recognition of Carl Perkins, through passage of this bill, would be a fitting tribute to his strength and character.

I urge my colleagues on the Environment and Public Works Committee to take an early look at this legislation and to expedite its passage through the Senate.●

By Mr. BINGAMAN:

S. 407. A bill to amend title 13, United States Code, to provide for grants to State and local governments to assist in eliminating census undercounts, and for other purposes; to the Committee on Governmental Affairs.

CENSUS AWARENESS AND ACCOUNTABILITY ACT

Mr. BINGAMAN. Mr. President, today I am introducing a bill which addresses the problems associated with the undercounting of minorities by the Census Bureau. The bill calls for the creation of a census awareness program to increase citizen awareness on the importance of the census in order to reduce undercounts.

Over 100 billion dollars' worth of governmental funds are distributed based upon census information. However, there is a serious question as to the reliability of the population data which is used. According to authorities, a serious undercount of the actual numbers of minorities now exists. The Census Bureau estimates that as much as 1 to 2 percent of the entire population was missed in 1980, with the highest concentration among minorities. Approximately 4.5 percent of those not counted in 1980 are black and 3.5 to 4 percent Hispanic. This undercount acts to shortchange cities and States where there are large concentrations of minority citizens.

This legislation is designed to assist in correcting this problem. During the 98th Congress, hearings were held by the Subcommittee on Census and Population of the House Post Office and Civil Service Committee. The hearings

focused primarily on the problems associated with the census undercount. According to the hearing record, nearly every State and many large cities spent hundreds of thousands of dollars in 1980 in an attempt to increase citizen awareness of the need to participate in the census. Efforts to reduce the undercount were also made by the Census Bureau. Yet despite these efforts, while the total number of persons uncounted in the 1980 decennial census decreased, the number of minorities uncounted in comparision to nonminorities remained approximately 4 to 1; no change since the 1970 census.

As more information is known about how our population is changing, even greater efforts must be made to improve the accuracy of population information. The proportion of minority groups, particularly foreign born, is growing at a rapid pace. Between 1970 and 1980 our foreign born population rose from slightly under 10 million to more than 14 million, 6 percent of the total population. Approximately 10 percent of our central city population were foreign born in 1980.

The Hispanic population is also growing at a rapid pace, representing about 6.4 percent of the total U.S. population in 1980. The Census Bureau reported 9 million Hispanics in 1970 and 14.6 million in 1980, a 61-percent increase since 1970. While this is considered the most accurate count ever, it is believed to be significantly lower than actual totals. Other minority groups are in a similar situation despite the efforts of the Census Bureau to reach these groups.

It is obvious, regardless of efforts by State and local governments and the Census Bureau, more needs to be done to get to the root of the problem of the undercount.

According to Arnoldo S. Torres, national executive director of the League of United Latin American Citizens, there are several reasons for the undercount, including fear, hostility, and apathy among minority citizens. However, it is believed that steps can be taken to improve accuracy through greater promotional campaigns directed at the existing negative perceptions. Assurances of confidentiality also must be maintained and local, State, regional, and national efforts must be made to address the problems of undercounting. Of course, if possible current methodologies must continue to be improved.

The Census Awareness and Accountability Act of 1985 addresses these needs and is a necessary step toward the reduction of the census undercount which now exists. It authorizes the creation of a 5-year Census Bureau grant program to State and local governments to plan, develop, and operate State and local minority advisory committees intended to increase citizen awareness and cooperation for compiling population data necessary to complete the 1990 decennial census. Funding levels for the program would be set at $20 million for fiscal years 1986–89 and $50 million for fiscal year 1990, subject to annual review and appropriations. The bill further instructs the Director of the Bureau of the Census to issue rules and regulations to govern distribution of all appropriated funds. The Secretary of Commerce is also required to report to Congress prior to the 1990 census on intended procedures for correcting undercounting or overcounting.

I hope this legislation will receive thorough and prompt consideration by the Senate. The 1990 census is only 5 years away. As the importance of the census and population data increases steps must be taken to improve its accuracy. The undercount, while it cannot be eliminated, can be minimized and compensated for. I hope my colleagues will join me in supporting this legislation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 407

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Census Awareness and Accountability Act of 1985".

SEC. 2. Section 141(f) of title 13, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (2); and

(2) by striking out paragraph (3) and inserting in lieu thereof the following new paragraphs:

"(3) not later than 18 months before the appropriate census date, a report containing the Secretary's determination concerning the procedures, if any, for estimating and adjusting for any overcount or undercount in any tabulation of total population by State or other geographic area which may occur in such census (including the estimated total cost and the projected timetable for carrying out any such procedures, and the characteristics of any population groups particularly affected by or involved in the overcount or undercount); and

"(4) after submission of a report under paragraph (1), (2), or (3) of this subsection and before the appropriate census date, if the Secretary finds new circumstances exist which necessitate that the subjects, types of information, questions, or procedures (or any cost estimate, timetable, or population description accompanying such procedures) contained in the report so submitted be modified, a report containing the Secretary's determination of the subjects, types of information, questions, or procedures (or accompanying matter) as proposed to be modified.".

SEC. 3. (a) Title 13, United States Code, is amended by inserting after section 141 the following new section:

"§ 141a. Grants

"(a) The Secretary shall establish a program to provide grants to States and local units of general purpose government in order to promote activities designed to minimize the extent of any undercounts which may occur in the decennial census of population conducted under section 141(a) of this title in 1990.

"(b) Grants under this section may be made only if appropriate written application is submitted at such time, in such manner, and complete with such information, as the Secretary may by regulation require.

"(c) The Secretary shall consult with the Director of the Census in making a determination with respect to any application under this section and in otherwise carrying out the requirements of this section.

"(d) A grant under this section—

"(1) shall be paid from sums available under subsection (e) of this section; and

"(2) shall be made in such amount as may be approved by the Secretary, except that—

"(A) in each of fiscal years 1986, 1987, 1988, and 1989, not more than $500,000 may be awarded with respect to any State (including any local units of general purpose government within such State) in such fiscal year; and

"(B) in fiscal year 1990, not more than $1,000,000 may be awarded with respect to any State (including any local units of general purpose government within such State) in such fiscal year.

"(e) There are authorized to be appropriated $20,000,000 for each of fiscal years 1986, 1987, 1988, and 1989, and $50,000,000 for fiscal year 1990, in order to carry out this section.

"(f) For purposes of this section—

"(1) the term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, and the Virgin Islands; and

"(2) the term 'local unit of general purpose government' has the meaning given such term under section 184 of this title.".

(b) The analysis for chapter 5 of title 13, United States Code, is amended by adding after the item relating to section 141 the following new item:

"141a. Grants.".

By Mr. WEICKER (for himself, Mr. BUMPERS, Mr. D'AMATO, Mr. NUNN, Mr. RUDMAN, Mr. SASSER, Mr. KASTEN, Mr. PRESSLER, and Mr. DIXON):

S. 408. A bill to amend the Small Business Act to provide program levels, salary and expense levels, and authorizations for the Small Business Administration's programs for fiscal years 1986, 1987, and 1988, and for other purposes; to the Committee on Small Business.

SMALL BUSINESS AUTHORIZATION LEGISLATION

Mr. WEICKER. Mr. President, today, I, along with the ranking member of the committee, Senator BUMPERS, Senator D'AMATO, Senator RUDMAN, Senator NUNN, Senator SASSER, and Senator KASTEN, are introducing legislation to provide program levels and authorizations for programs at the Small Business Administration [SBA] for fiscal years 1986, 1987, and 1988.

The provisions set forth in this bill maintain effective financial and management assistance programs that have been responsive to the needs of

the small business community. Yet, given the highest deficit this Nation has ever known, the bill reflects our strong desire to show fiscal responsibility with the funding of the SBA and its programs. Therefore, this legislation eliminates most of the direct lending programs at SBA including the General Business, Economic Opportunity, Energy, and 501 Company Loans. Thus, substantial savings are achieved by reducing SBA's direct lending program level from $257 million to $86 million in fiscal year 1986. This results in an approximate dollar for dollar savings in budget authority.

The funding for the guaranteed loan programs for fiscal year 1986 are frozen at the fiscal year 1985 level. In fiscal years 1987 and 1988 there is simply a modest increase in the SBA program levels consistent with the inflation factor used by CBO for all Government programs.

Mr. President, the following chart provides a detailed breakdown, by program, of SBA lending activities, their program level in this fiscal year, and the recommended levels in fiscal year 1986:

BUSINESS LOAN AND INVESTMENT FUND SMALL BUSINESS ADMINISTRATION PROGRAM LEVELS

[In millions of dollars]

	Fiscal year 1985 appropriated	Weicker/Bumpers recommended program levels		
		1986	1987	1988
General business loans	2,758	2,650	2,766	2,882
Direct and IP	108	0	0	0
Guaranteed	2,650	2,650	2,766	2,882
Handicapped loans	29	25	26	27
Direct and IP	24	20	21	22
Guaranteed	5	5	5	5
Economic opportunity loans	105	60	63	65
Direct and IP	45	0	0	0
Guaranteed	60	60	63	65
Energy loans	18	15	16	16
Direct and IP	3	0	0	0
Guaranteed	15	15	16	16
Development company loans	455	450	470	489
Direct and IP	5	0	0	0
Guaranteed	450	450	470	489
Investment company loans	312	291	304	317
Direct and IP	47	41	43	45
Guaranteed	265	250	261	272
Veterans loans	25	25	26	27
Direct and IP	25	25	26	27
Guaranteed	0	0	0	0
Total business loans	3,702	3,516	3,670	3,824
Direct and IP	257	86	90	94
Guaranteed	3,445	3,430	3,580	3,730

Mr. President, additional substantial savings are also achieved in our bill through eliminating SBA's Nonphysical Disaster Loan Program. This program, eliminated by Congress in 1981, was not only reauthorized by Congress last year, but two new Nonphysical Disaster Loan Programs were created, over my strenuous objection, at a cost of $100 million per year. In times of budget deficits soaring over $200 billion annually, programs such as this are simply not warranted.

Mr. President, the programs mentioned in our bill are those that the Senate Small Business Committee over the past few years has urged the SBA to emphasize. Specifically, the Bank Guaranteed Lending, Small Business Investment Company [SBIC], and 503 Development Company, are all fully funded at fiscal year 1985 levels. These are programs that effectively utilize private sector resources and expertise. This public-private partnership allows small firms to have access to capital, otherwise unavailable. By opening these capital pools to small business, we have witnessed economic growth, community revitalization and job creation.

SBIC'S AND MESBIC'S

The Committee has traditionally supported adequate funding for the SBA Small Business Investment Company [SBIC] and Minority Enterprise Small Business Investment Company [MESBIC] Programs. SBIC's and MESBIC's are SBA-licensed companies which, through a private and public sector partnership, provide equity capital, long-term loans and management assistance to small business concerns and to small business concerns owned by socially or economically disadvantaged persons.

In return for a commitment to invest in small businesses, SBIC's are licensed by SBA and authorized to issue a debenture which is guaranteed by the Federal Government at the full cost of money to the Treasury, plus a premium; MESBIC's, which go through the same licensing procedure, obtain leverage capital from the Government through the purchases of preferred securities in the MESBIC itself and through debentures. To be currently licensed as an SBIC or MESBIC, the company must first have a minimum of $500,000 in private sector, paid-in capital. Before an SBIC can leverage any funds, it must have first committed at least 60 percent of its own capital to investments in small business concerns.

SBA Administrator James C. Sanders has testified before the Small Business Committee "that this innovative program has succeeded in providing unique and much needed assistance to small businesses." He called the benefits of the program "impressive," and said that since its inception, nearly $4.5 billion of financial assistance has been provided to more than 66,000 small concerns. These firms in turn have produced jobs, economic gains, and tax revenues far exceeding the Government's cost of operating the program, according to Sanders.

As part of their internal evaluation of the program, SBA tracked the growth of 100 small business recipients of SBIC financing through their participation in the SBIC portfolio. The agency found substantial improvements in the employment, sales, profits, and assets of these client firms. After tracking these portfolio companies for 6 years, SBA found that they had increased employment by a net 1,866 jobs at the end of that period. These 100 firms received initial SBIC disbursements of $12.2 million and benefited from an estimated $40 million of SBIC financing

SECTION 503 CERTIFIED DEVELOPMENT COMPANY LOAN PROGRAM

The Small Business Administration's section 503 Certified Development Company Program is one of the Federal Government's primary economic development programs. The section 503 Program enacted in 1980, was designed to make the SBA an active partner with State and local governments and the private sector in making long-term capital available for small business expansion and job creation. The 503 Program is already playing an important role in revitalizing local communities across the Nation. Under section 503, banks are encouraged to make, and are making long-term loans to small businesses under more favorable terms. Prior to the program's enactment, there was little long-term, fixed-asset lending available for many of these companies.

Section 503 authorizes the SBA to guarantee debentures issued by Certified Development Companies [CDC's] to finance the acquisition of land, plant, and equipment for small business expansion. The commitment of a substantial number of new jobs resulting from the expansion is a requirement before any such loan can be made. SBA guarantees up to 40 percent of the project costs; 10 percent comes from the small business itself; and the remaining 50 percent comes from a private sector, third party lender, such as a bank. Maturities on these loans can be for up to 25 years.

SBA began certifyng CDC's in late 1980. As of December 30, 1984, 541 CDC's had been certified, and over 2,300 projects had been financed.

The 40 percent of the project costs put up by the CDC's for these 2,300 loans totalled $438.3 million. By December 31, 1984, 58,600 documented jobs had been created as a result of financings made under this program, with an average SBA investment per job of only $7,600. The current SBA estimate of the number of jobs created approaches 100,000 and the average investment per job has been steadily dropping since the inception of the 503 Program. The vast majority of the jobs created have been permanent jobs in the manufacturing and whole/retail industries. In every quarter since the creation of the 503 Program, more and

more jobs have been created and the Federal commitment per job has declined. Thus, the section 503 program is a classic example of a Federal jobs program that works, and works well.

BANK GUARANTEE LENDING PROGRAM

SBA's Loan Guarantee Programs have traditionally helped many small businesses sustain and expand operations. At times when banking regulations often constrain private lending institutions from meeting the long-term capital needs of any small businesses, the Loan Guarantee Program has helped entrepreneurs to compete and gain entry into the economic mainstream. In this way, it allows small businesses to create and sustain jobs.

An extensive study of the 7(a) Guaranteed Lending Program prepared by the General Accounting Office [GAO], and released in April 1983, supported the proposition that the 7(a) program helps small businesses overcome discrimination and imperfections in the capital market. GAO found that the absence of a 7(a) Loan Guarantee Program would result in many small businesses not getting long-term credit because of credit rationing in the capital market. Without the SBA guarantee, borrowers would simply not qualify for private market assistance or would likely only qualify with shorter maturities, higher interest rates, or smaller loan amounts, the study said.

Bankers surveyed by GAO said that 82 percent of the loans made under the General Business Guaranteed Lending Program would not have been on the same terms and conditions, if at all, without the guarantee.

The same GAO report documents the critical problems traditionally faced by most most small businesses in obtaining long-term credit. GAO's analysis demonstrates that the SBA guarantee goes a long way toward easing this financial strain; it determined that "approximately 30 to 40 percent of the dollar amount of banks' long-term financing—6 years or more—to small businesses may carry an SBA guarantee." This estimate applied to the 8,900 banks that participated in the SBA Program during fiscal years 1979-81. These loans to viable small businesses both provide financial resources not available elsewhere and returns to the communities in which they are located in the form of new jobs and economic revitalizaton.

Mr. President, the budget submitted by the administration has recommended the elimination of SBA based upon the proposal of OMB. As I have already advised the leadership, let me be very clear that I oppose this proposal. OMB's shortsighted effort to abolish SBA makes no sense because:

It would eliminate the only agency in the executive branch whose sole mission is to promote and assist the Nation's 14 million small businesses, which account for 97 percent of all businesses and annually create over 80 percent of all net, new jobs: In 1980, 1981 and 1982, 100 percent of all net, new jobs were created by small business according to the President's most recent report on the state of small business;

It does not take into account the significance of small businesses' impact on the economy as a whole, the stimulus that SBA programs provide to small business growth and stability and the essential advocacy role of SBA on behalf of the Nation's small businesses;

It fails to recognize all of the positive developments made at SBA during the past few years because of the committee's oversight and the administrative reforms instituted by SBA Administrator James C. Sanders;

It would abolish a solid core of programs carefully crafted and legislated by Congress specifically to assist small businesses in obtaining long-term financing and management and technical assistance; and

It would reverse a long established congressional policy of providing timely Federal assistance to communities trying to rebuild from a devastation caused by a natural disaster.

In 1981, the Small Business Committee, as part of a reconciliation bill, made substantial cuts in the SBA budget. The committee eliminated and revised various SBA programs, resulting in an overall budget reduction of 27 percent. Unfortunately, some of these savings were lost when OMB, over my strenuous objection, advocated the passage of a reconciliation bill, H.R. 4169—now Public Law 98-270—putting farmers back into the SBA Disaster Loan Program. The net result was a Disaster Lending Program duplicative of the efforts of the Farmers Home Administration, and a program costing the Government hundreds of millions of more dollars annually.

Although the bill we have introduced today does not reflect my desire to achieve additional savings by removing SBA from farm disaster assistance lending and making sure that farmers go to FmHA for farm disaster assistance, this is something I intend to actively pursue during committee hearings and markup of the bill.

In late February, I intend to hold hearings on an SBA multi-year authorization bill. At that time, the committee will carefully evaluate all SBA programs with an eye toward meaningful reforms and cost savings. No program will be sacred. However, I want to stress that the starting point for these deliberations will be that SBA will continue to provide small businesses with critically needed financial and management assistance. The bill we have introduced today contains a number of meaningful, cost-savings reforms. After hearing from the small business community during the committee's hearings, additional savings may be achieved based on their recommendations.

In summary, I believe that the Small Business Administration provides essential services to a vital sector of our economy and should be maintained. Since becoming chairman of the committee in 1981, I have made the oversight of the Small Business Administration a top legislative priority. As a result of our efforts the agency budget has been significantly reduced and the overall performance of the agency has improved remarkably.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 408

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SMALL BUSINESS ADMINISTRATION PROGRAM LEVELS

SECTION 1. Section 20 of the Small Business Act is amended—

(1) by adding the following new subsections:

"(u) The following program levels are authorized for fiscal year 1986:

"(1) For the programs authorized by section 7(a) of this Act, the Administration is authorized to make $45,000,000 in direct and immediate participation loans; and of such sums, the Administration is authorized to make $20,000,000 in loans as provided in paragraph (10), and $25,000,000 in loans to be made only to disabled veterans, and veterans of the Vietnam era, as defined in section 1841, title 38, United States Code, under the general terms and conditions of title III of Public Law 97-72.

"(2) For the programs authorized by section 7(a) of this Act and section 503 of the Small Business Investment Act of 1958, the Administration is authorized to make $3,180,000,000 in deferred participation loans and guarantees of debentures; and of such sum, the Administration is authorized to make $5,000,000 in loans as provided in paragraph (10), $60,000,000 in loans as provided in paragraph (11), $15,000,000 in loans as provided in paragraph (12), and $450,000,000 in loans as provided in paragraph (13) and guarantees of debentures as provided in section 503.

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make $41,000,000 in direct purchases of debentures and preferred securities and to make $250,000,000 in guarantees of debentures.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $1,115,000,000.

"(5) For the programs authorized in sections 404 and 405 of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $150,000,000.

"(6) There are hereby authorized to be appropriated such sums as may be necessary

and appropriate for the carrying out of the provisions and purposes, including administrative expenses, of sections 7(b)(1) and 7(b)(2) of this Act; and there are authorized to be transferred from the disaster loan revolving funds such sums as may be necessary and appropriate for such administrative expenses.

"(v) There are authorized to be appropriated to the Administration for fiscal year 1986, $555,000,000. Of such sum $333,000,000 shall be available for carrying out the programs referred to in subsection (u), paragraphs (1) through (3); $12,000,000 shall be available for the purpose of carrying out the provisions of section 412 of the Small Business Investment Act of 1958; and $210,000,000 shall be available for salaries and expenses of the Administration.".

"(w) The following program levels are authorized for fiscal year 1987:

"(1) For the programs authorized by section 7(a) of this Act, the Administration is authorized to make $47,000,000 in direct and immediate participation loans; and of such sum, the Administration is authorized to make $21,000,000 in loans as provided in paragraph (10), and $26,000,000 in loans to be made only to disabled veterans, and veterans of the Vietnam era, as defined in section 1841, title 38, United States Code, under the general terms and conditions of title III of Public Law 97-72.

"(2) For the programs authorized by section 7(a) of this Act and section 503 of the Small Business Investment Act of 1958, the Administration is authorized to make $3,320,000,000 in deferred participation loans and guarantees of debentures; and of such sum, the Administration is authorized to make $5,000,000 in loans as provided in paragraph (10), $63,000,000 in loans as provided in paragraph (11), $16,000,000 in loans as provided in paragraph (12), and $470,000,000 in loans as provided in paragraph (13) and guarantees of debentures as provided in section 503.

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make $43,000,000 in direct purchases of debentures and preferred securities and to make $261,000,000 in guarantees of debentures.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $1,164,000,000.

"(5) For the programs authorized in sections 404 and 405 of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $157,000,000.

"(6) There are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes, including administrative expenses, of sections 7(b)(1) and 7(b)(2) of this Act; and there are authorized to be transferred from the disaster loan revolving funds such sums as may be necessary and appropriate for such administrative expenses.

"(x) There are authorized to be appropriated to the Administration for fiscal year 1987, $597,300,000. Of such sum $368,000,000 shall be available for carrying out the programs referred to in subsection (w), paragraphs (1) through (3); $15,500,000 shall be available for the purpose of carrying out the provisions of section 412 of the Small Business Investment Act of 1958; and $213,800,000 shall be available for salaries and expenses of the Administration.".

"(y) The following program levels are authorized for fiscal year 1988:

"(1) For the programs authorized in section 7(a) of this Act, the Administration is authorized to make $49,000,000 in direct and immediate participation loans; and of such sum, the Administration is authorized to make $22,000,000 in loans as provided in paragraph (10), and $27,000,000 in loans to be made only to disabled veterans, and veterans of the Vietnam era, as defined in section 1841, title 38, United States Code, under the general terms and conditions of title III of Public Law 97-92.

"(2) For the programs authorized by section 7(a) of this Act and section 503 of the Small Business Investment Act of 1958, the Administration is authorized to make $3,458,000,000 in deferred participation loans and guarantees of debentures; and of such sum, the Administration is authorized to make $6,000,000 in loans as provided in paragraph (10), $65,000,000 in loans as provided in paragraph (11), $16,000,000 in loans as provided in paragraph (12), and $489,000,000 in loans as provided in paragraph (13) and guarantees of debentures as provided in section 503.

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make $45,000,000 in direct purchases of debentures and preferred securities and to make $272,000,000 in guarantees of debentures.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $1,213,000,000.

"(5) For the programs authorized in sections 404 and 405 of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $163,000,000.

"(6) There are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes, including administrative expenses, of section 7(b)(1) and 7(b)(2) of this Act; and there are authorized to be transferred from the disaster loan revolving funds such sums as may be necessary and appropriate for such administrative expenses.

"(z) There are authorized to be appropriated to the Administration for fiscal year 1988, $619,800,000. Of such sum $387,000,000 shall be available for carrying out the programs referred to in subsection (y), paragraphs (1) through (3); $14,500,000 shall be available for the purpose of carrying out the provisions of section 412 of the Small Business Investment Act of 1958; and $218,300,000 shall be available for salaries and expenses of the Administration."; and

(2) by striking from (t) "and for each of such years" and inserting "for fiscal year 1985".

DISASTER LENDING REFORMS

SEC. 2. Section 7 of the Small Business Act is amended by striking paragraphs (3) and (4).

Mr. BUMPERS. Mr. President, I am very pleased to join today with Senator WEICKER and Senators NUNN, SASSER, D'AMATO, and RUDMAN in introducing a new 3-year authorization bill for the Small Business Administration. I want to assure Members of the Senate that introduction of this bill is more than symbolic, although this bill is an important symbol of our commitment to small business.

The President has proposed abolition of the Small Business Administration, the only Federal agency created by Congress to serve the needs of the Nation's 15 million small businesses, and I think it is very important that we in the Senate send a clear message to the President and to the country that we support small business, we support SBA and its goals. Perhaps even more important, as Senator WEICKER has emphasized, any proposal from the administration to abolish an agency as important as SBA should be treated in a constitutionally prescribed manner. That is to say, the leadership in the Congress should not begin deliberations over the fate of major Federal agencies based on press leaks from the Office of Management and Budget.

It the President wants to get rid of this agency, he should have a bill drafted, send it up here, let the authorizing committee review it, and let Congress work its will. Until that happens, it is only proper that we should go forward with the normal authorization process.

Let me add here, Mr. President, that I hardly understand Mr. Stockman's estimates about savings which could come from abolition of SBA. While OMB has arrived at a figure of $1.5 billion, I've looked at the appropriation bill for SBA, since I also happen to sit on the Appropriations Subcommittee which funds the agency, and I saw that we appropriated about $700 million for the agency last year.

So we could eliminate that appropriation by abolishing SBA 100 times over, and the President's budget would still be out of balance by $100 billion. Even more troubling is the proposal to sell off the agency's loan portfolio, when the best estimates are that the portfolio would bring about 18 cents on the dollar, for a one-shot revenue gain of $1.7 billion.

On the other hand, if the agency merely sits back and services its present loans, the Government will recover at least $7.5 billion over 5 to 7 years, according to estimates by the National Federation of Independent Business. So the administration's proposal is nothing more than a quick fix which would, in fact, end up costing the taxpayers more than OMB says it would gain—to say nothing of the lost revenue from lost jobs in firms which SBA has helped create or has saved from certain failure.

As Members of this body know, last year the Senate passed an SBA authorization bill, but that bill was not enacted into law. Our new bill is based largely on last year's Senate bill.

I want to emphasize, however, that of equal importance with my belief that we should continue to have a

Small Business Administration, is my belief that Congress must take serious action on the Federal deficit. Therefore, Senator WEICKER and I have drafted this bill with fiscal responsibility foremost in our minds. This bill is what is being popularly called around here a freeze minus bill. That is to say, it does more toward reducing Federal spending than a simple budget freeze. The decisions which we have had to make are not easy ones and they have not been painless. We have gone to great lengths to produce an authorization bill which will allow SBA to provide the absolutely necessary services to businesses with the absolutely minimum necessary funding.

We have had to make a number of hard choices in drafting this bill. Although I have supported direct loans for general business purposes in the past, I have now concluded—at least tentatively—that we just cannot afford the direct loan program any more. Eliminating general business direct loans saves the Treasury $92 million in outlays for fiscal year 1986 and $171 million in budget authority. SBA's direct lending is reduced from $257 million to $86 million in fiscal year 1986.

I have supported the nonphysical disaster program in the past, but again I have concluded that controlling spending must take priority. This change also saves approximately $100 million. This bill also provides for a freeze on salaries and expenses at the agency for fiscal year 1986, with no cost-of-living adjustment whatsoever until 1987.

We do, of course, intend that this policy can be changed in the event that the Governmental Affairs Committee and the Senate should adopt a uniform, overall pay policy for Federal civilian employees. Doing without a cost-of-living increase, I know full well, means that the employees must inevitably suffer a loss in pay due to inflation. I do not favor such an outcome.

But I want those who are listening to know that we on the Small Business Committee are adamant about two things. First, we are determined to do our fair share toward reducing the deficit. Second, we are equally determined that the SBA not be offered up as a sacrificial lamb in a meaningless gesture at reducing the deficit.

The only reasonable and fair way to approach the problem is through shared sacrifice, not through the selective meat-axe approach advocated by Mr. Stockman, chopping away at programs which have served our country well, while the Defense Department pours money endlessly down $600 hammers. It does the country no good to eliminate programs, like SBA, which have both a purpose and a record of encouraging economic development and job creation.

We have just finished spending, Mr. President, almost $1,000 billion on defense in the last 4 years. I have yet to see that we have gotten $1,000 billion worth of defense. And now we are being told that the $292 billion which we spent in fiscal 1985 is not nearly enough. At the same time, Mr. President, we are told that we cannot possibly afford student loans, we cannot afford the Economic Development Administration, we cannot afford the Job Corps, and we cannot afford the Small Business Administration.

Even if one believes the myth that we will grow our way out of the President's budget deficits, it is clear that we will not grow our way out of a paper bag if we do not have programs or policies that will encourage economic growth. Small businesses account for the great preponderance of economic growth and job creation in our economy. Now is hardly the time to turn our backs on America's small businesses.

Mr. President, our committee plans to hold hearings on this bill shortly after the upcoming recess. I invite Members of the Senate to study our bill, to tell us what they think about it at our hearings, and to join me in supporting small business.

● Mr. D'AMATO. Mr. President, I rise today as an original cosponsor of legislation introduced by the chairman and ranking member of the Small Business Committee, Senators WEICKER and BUMPERS, to reauthorize the Small Business Administration [SBA] for fiscal year 1986.

The President has submitted his fiscal year 1986 budget to Congress which would eliminate the SBA and transfer all outstanding loans to the Treasury Department for management. It is no secret that the Federal budget is hemorrhaging and that the bleeding must be stopped. I feel strongly that all programs—except the Social Security COLA and allowing new participants into Medicare and Social Security—must be at least frozen as a first step to controlling the budget. In this respect the SBA should not be excluded.

SBA is not free from waste and, in fact, polls show that the majority of small firms do not use SBA programs or have had a negative experience with the agency. Nevertheless, I feel that the agency and its programs must not be eliminated. Certain of SBA's programs are not cost effective. However, some services are offered to small firms that work and infuse needed capital to make new ideas grow.

The legislation introduced today reflects the need for change at SBA, but allows useful programs to continue. The reauthorization would eliminate all SBA direct lending programs. The bill would also eliminate the nonphysical disaster programs at SBA.

SBA should not be eliminated. The reauthorization bill introduced today reflects the need to continue to help small firms raise money to make new ideas reach fruition.●

● Mr. SASSER. Mr. President, I am proud to join as an original cosponsor of this important legislation which will allow the Small Business Administration to continue to provide services to this Nation's small business community. While I know that many of my colleagues who have joined me in cosponsoring this measure will often disagree on the course the SBA should be following, our bipartisan backing of this bill underscores the importance we all attach to the basic role of the Small Business Administration.

Time and time again, many of us have taken to the floor of the Senate to extol the virtues of small business. We have impressive arrays of figures to bolster our arguments that small business is central to the American economy. This is certainly the case for my home State of Tennessee.

There are approximately 83,000 business establishments in Tennessee. About 79,000 of these employ fewer than 100 employees. These small businesses produced roughly half of Tennessee's $50 billion in goods and services last year. These small firms contributed about 45 percent of the State's payroll in 1982. Moreover, firms with less than 100 employees constitute 80 percent of Tennessee's manufacturing companies, 99 percent of our construction firms, 611 percent of our wholesale and retail operations, 98 percent of the State's service industries and 99 percent of the financial business in the State. As I have noted in the past, small business is big business in Tennessee.

Yet, what we often overlook in this litany of praise is the aid that many of these small firms have needed to get off the ground and to keep their heads above water. Often, this assistance has been provided by the Small Business Administration.

Through a variety of programs, the SBA offers valuable aid and assistance to a great many small firms which might otherwise go out of business or remain nothing more than the dream of a young entrepreneur. Yet, there are those who contend that the SBA serves no purpose and that it's programs are ineffective and wasteful.

I know that those of us who serve on the Small Business Committee can each point to programs operated by the SBA which we would like to reform or modify. However, there are several proven success stories which the agency can be proud of. A good case in point is the Certified Development Company Program. This relatively new program is producing nearly twice the number of jobs in Tennessee than was originally project-

ed by SBA. This program is generating one job in Tennessee for every $8,000 of SBA involvement, far below the cost of other Federal job generation programs.

The procurement assistance programs provided by SBA are another example of the Agency's importance. It was partially through the work of the Small Business Committee in conjunction with SBA that many of the procurement horror stories of the past few years have been curbed. As a result, more of our Government contracts are going to smaller, less costly companies and hopefully the day of the $400 hammer and $7,000 coffee pot are behind us.

Finally, the Office of Advocacy provides the Nation's small business community invaluable services. This advocate for small business helps to ease the burdens often imposed by actions of the Federal Government on small business and helps small firms to maximize their ability to benefit from Federal programs.

This is but a partial listing of the significant services provided by the Small Business Administration. In the weeks ahead, I am sure we will be hearing many suggestions on what can be done to streamline the Agency's efforts. Recommendations will be made on which programs should be kept and which curtailed. But throughout this debate, I remain convinced that we will continue to hear from small business organizations and small business owners that the SBA is worth keeping. And it is worth keeping because of the positive impact the SBA can have on small business.

Perhaps nothing better crystallizes the impact that the SBA can have on a small business than a specific case. The Nashville Tennessean recently ran an article reporting just such a case. I believe it provides an excellent example of what the Agency can do for one small business. I ask unanimous consent that Tom Mulgrew's article on the SBA be included in the RECORD at the end of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Nashville Tennessean, Tues., Jan. 29, 1985]

SBA HELPED COUPLE'S IDEA INTO REALITY

AGENCY LIFE IN JEOPARDY

(By Tom Mulgrew)

Don and Betty Nixon started making mops 20 years ago in a burnedout garage here, but in time parlayed hard work and three government loans into a successful manufacturing company.

The Small Business Administration guaranteed the loans for the Nixons, allowing the couple to turn Fluffo Mop of Goodlettsville into a business that today employs 30 people and produces 18,000 mops and brooms a week.

"The Small Business Administration enabled us to keep going and expand when we needed to," Betty Nixon said.

"The banks wouldn't lend us money unless the SBA guaranteed the loans, so I guess you could say they helped us get where we are today."

Fluffo Mop is just one example of the government having faith in American ingenuity, but that may change. The Reagan administration wants to do away with the Small Business Administration to reduce the federal deficit.

Reagan, claiming that SBA programs are expensive and a waste of taxpayers' money, has asked Congress to abolish the agency that has guaranteed $400 million in loans to 3,500 small businesses in Tennessee over the last 10 years.

The rap on small businesses, observers say, is that most of them fail or close down in their first five years of operation. Some borrowers are unable to repay the SBA loans, hence the President's posture, but most do, said SBA district director Bob Hartman.

"As far as our portfolio is concerned, the vast majority of small businesses in Tennessee have made it," Hartman said.

"Between 10% and 15% are in some kind of trouble, but in the last 10 years we've only lost slightly over 4% of the money that went out."

That means the SBA failed to collect about $17 million of the $400 million the agency guaranteed in loans since 1974. Tennessee's 4.3% rate compares to a 6.4% national average.

While many entrepreneurs successfully obtain conventional financing, Hartman said elimination of the SBA will have a significant impact on small businesses that need long-term loans to get rolling.

Simply put, Hartman said, it is going to be "much harder" for small businesses to start up or expand if the SBA falls to the wayside. Those who have benefited from the SBA agree with him.

"I really think it would be a huge mistake to abolish the SBA," said Cathy Sherman, co-owner of the Picky Palate in Green Hills.

"I know a lot of people, especially younger people, who have trouble getting conventional loans. The SBA had faith in us when no one else did."

Baltz Brothers Packing Co., Houston's Restaurant, Michael Corzine's, the Athlete's House and Porcelain Industries are some of the other Nashville businesses that have been helped by the SBA.

Since its inception 31 years ago, the agency has approved $35 billion in seed money for 460,000 small businesses. These enterprises pumped $468 billion into the economy and paid $67 billion in taxes.

"The SBA helped us through a critical transitional state," said Tim Markus, owner of Nautilus Total Fitness Centers here and in Brentwood.

"We weren't very well received by banks in the area, but with the help of the SBA we got our loan approved."

Tom Ruffin, co-owner of Sonny's Real Pit Bar-B-Q Restaurant, 1210 Murfreesboro Road, said he used an SBA-guaranteed loan to open a new restaurant.

"The SBA has been invaluable to us," Ruffin said.●

By Mr. BRADLEY (for himself, Mr. KENNEDY, Mr. BUMPERS, Mr. BINGAMAN, Mr. HART, Mr. CRANSTON, Mr. PROXMIRE, Mr. GORE, Mr. BIDEN, Mr. INOUYE, Mr. LAUTENBERG, and Mr. KERRY):

S. 409. A bill to broaden the base of the individual and corporate income taxes, to significantly reduce tax rates, to smooth out the rate schedules of the individual income tax, and to simplify the tax laws by eliminating most credits, deductions, and exclusions; to the Committee on Finance.

FAIR TAX ACT OF 1985

Mr. BRADLEY. Mr President, today, along with Senators BIDEN, HART, KENNEDY, BINGAMAN, CRANSTON, PROXMIRE, GORE, INOUYE, LAUTENBERG, BUMPERS, and KERRY I am reintroducing the Fair Tax Act of 1985.

First introduced in 1982, this bill offers Democrats and Republicans alike an unprecedented opportunity to achieve the most important step forward in tax policy in decades.

Tax simplification is not an issue that lends itself to the traditional labels. It is not Republican or Democrat. It is not liberal or conservative. It is rather an issue that poses the fundamental question of how we in Congress construe our job: Are we here to deal among the special interests? Or is our purpose to articulate policies that promote the general interests?

The fair tax comes down squarely for putting the general interest in fairness and growth above the narrow special interests that too frequently seem to control our political lives.

The fair tax is about fairness and growth. It demonstrates that tax reform is not a code word for big government, "soaking the rich," or foreclosing on the middle-income homeowner. It can also give our economy the competitive edge it needs to continue America's international leadership.

The fair tax is a realistic, concrete plan to achieve a tax system that is much fairer and simpler than the crazy-quilt structure we all labor under today.

The fair tax shows that tax reform can: Raise as much, or a little more, revenue than the present system, but with much lower rates and far fewer loopholes; keep the same distribution of tax liabilities among different income groups, but ensure that people with equal incomes pay about equal tax; accomplish both these goals while retaining the most widely used and nonabusive deductions; eliminate abusive tax shelters that stifle incentive, squander scarce capital, distort investment, and enrich a few special interests, thereby boosting productivity and promoting growth.

The fair tax's fundamental proposition is that all Americans, not just those with privileged access to the political process, deserve a tax break and a better chance to prosper.

We started working on this issue 4 years ago and we came out with our first version of the fair tax in 1982. Since that time, I have become more

and more convinced that our original analysis of the need for tax reform and the direction we have taken are correct. For the key to the American future is our willingness to embrace change. But the fact is we have a Tax Code that retards adjustment to change. We have a tax code that has given enormous subsidies to certain kinds of activities while putting major obstacles in the way of those with new ideas who want to move the country forward. I view this bill as a key to the renewal of our economy.

At the same time I believe that this bill will also help renew our confidence in Government. I believe we can restore faith and trust in Government when the people see that the rules—particularly the tax rules—are fair and reasonable. So I think you get a lot of benefits from tax reform.

A recent national poll found a startling 80 percent of the public felt that if you play by the rules you won't get ahead. I believe one set of rules they may have been referring to pertained to taxes. Indeed, another national poll recently found nearly one-quarter of the public saying they knew someone who cheated on their taxes.

But make no mistake—this is not going to be any easy job. As a Washington lobbyist said the other day, "The special interests are organized and the people don't care. Your bill isn't going to go anywhere." Well if he was right about the people, tax reform is going to be extremely difficult. But I think he was wrong about the people. I think the people do care and I think they are willing to express themselves.

The special interests are going to try to frighten the American people. You might already have seen it. They are going to be telling individuals what they are going to lose with tax simplification—without ever telling them that they are going to get lower rates of tax and a simpler, fairer system in exchange.

As the people's representatives, our job is to make sure that the electorate understands the choices and appreciates what they stand to gain. This also means making sure the taxpayers are not bamboosled into deferring tax reform on the ground that the deficit is our highest priority. Why should Americans go along with cuts in education, scientific research, and programs that give some hope of equal opportunity to the neediest Americans while the single biggest area of Government spending—tax subsidies—goes unchecked?

Tax subsidies have been proliferating at the same time direct spending has been shrinking. In the mid-sixties, tax expenditures were a mere $37 billion. In 1985, they will exceed $370 billion—a tenfold increase.

It is to protect these largely hidden subsidies that the foes of tax reform seek to focus public attention solely on the deficit. It is an outrageous commentary on Congress to think that we cannot accomplish two important goals in 1 year.

Of course we must reduce the deficit, lest we mortgage our future prosperity. But we must not ignore the need for fundamental fairness. We must also recognize that without tax reform, our attempts to lower interest rates by cutting spending will likely fail. The reason is that high interest rates have multiple causes, one of which is that the current tax system subsidizes borrowing. As long as we continue this perverse subsidy, interest rates are likely to remain high.

Finally, Mr. President, a word of caution. Those who would put tax reform on the back burner may have a hidden agenda: Tax increases without tax reform. I regard this as absolutely unacceptable. Raising taxes without reform guarantees only one thing: Those who are already paying through the nose will have to shoulder a still heavier burden. Those whom political favoritism has so far sheltered from paying taxes will continue to avoid paying their fair share.

As I see it, that outcome would be a travesty of the democratic ideal. And that is why I am confident that 1985 is the year for reform.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 409

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "Fair Tax Act of 1985".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—The Secretary of the Treasury or his delegate, not later than 90 days after the date of the enactment of this Act, shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a draft of any technical and conforming amendments to the Internal Revenue Code of 1954 which are necessary to reflect the substantive amendments made by this Act.

TITLE I—REDUCTION OF INDIVIDUAL AND CORPORATE TAX RATES

Subtitle A—Reduction of Rates

SEC. 101. INDIVIDUAL INCOME TAX RATES.

Section 1 (relating to tax imposed on individuals) is amended to read as follows:

"SECTION 1. TAX IMPOSED.

"(a) GENERAL RULE.—There is hereby imposed on the income of every individual for each taxable year a tax equal to the sum of—

"(1) a normal tax determined under subsection (b), and

"(2) a surtax determined under subsection (c).

"(b) NORMAL TAX.—For purposes of subsection (a), the normal tax for any taxable year is 14 percent of the taxable income for such taxable year.

"(c) SURTAX.—For purposes of subsection (a), the surtax for any taxable year is the sum of—

"(1) 12 percent of so much of the adjusted gross income as exceeds AGI level I but does not exceed AGI level II, and

"(2) 16 percent of so much of the adjusted gross income as exceeds AGI level II.

"(d) AGI LEVELS.—

"(1) IN GENERAL.—For purposes of subsection (c), the AGI levels are as follows:

"In the case of:	AGI level I is:	AGI level II is:
An individual who is not married	$25,000	$37,500
A joint return	40,000	65,000
A separate return by a married individual	20,000	32,500

"(2) SPECIAL RULE FOR SURVIVING SPOUSES.—In the case of any individual who is a surviving spouse for the taxable year, the AGI levels applicable to a joint return shall apply to such individual for the taxable year.

"(3) MARITAL STATUS.—For purposes of this subsection, marital status shall be determined under section 143.

"(e) SPECIAL RULE FOR ESTATES AND TRUSTS.—In the case of every estate and trust taxable under this subsection—

"(1) the normal tax shall be 30 percent of the taxable income, and

"(2) the surtax shall not apply.".

SEC. 102. CORPORATE TAX RATES.

Section 11 is amended—

(1) by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a) IN GENERAL.—A 30 percent tax is hereby imposed for each taxable year on the taxable income of every corporation.", and

(2) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

Subtitle B—Increase in Personal Exemption for Taxpayer and Standard Deduction

SEC. 111. INCREASE IN PERSONAL EXEMPTION FOR TAXPAYER.

Subsection (b) of section 151 (relating to allowance of deductions for personal exemptions) is amended to read as follows:

"(b) TAXPAYER AND SPOUSE.—

"(1) IN GENERAL.—An exemption of $1,600 for the taxpayer.

"(2) ADDITIONAL EXEMPTION FOR SPOUSE IN CERTAIN CASES.—An additional exemption of $1,600 for the spouse of the taxpayer if—

"(A) a joint return is not made by the taxpayer and his spouse, and

"(B) the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

"(3) EXEMPTION FOR HEAD OF HOUSEHOLD.—In the case of an individual who is a head of a household (as defined in section 2(b)) for the taxable year, the exemption under paragraph (1) shall be $1,800 in lieu of $1,600.".

SEC. 112. INCREASE IN STANDARD DEDUCTION.

Section 63 (defining taxable income) is amended to read as follows:

"SEC. 63. TAXABLE INCOME DEFINED.

"(a) IN GENERAL.—Except as provided in subsection (b), for purposes of this subtitle, the term 'taxable income' means gross income minus the deductions allowed by this chapter (other than the standard deduction).

"(b) INDIVIDUALS WHO DO NOT ITEMIZE THEIR DEDUCTIONS.—In the case of an individual who does not elect to itemize his deductions for the taxable year, for purposes of this subtitle, the term 'taxable income' means adjusted gross income, minus—

"(1) the standard deduction,

"(2) the deduction for personal exemptions provided in section 151,

"(3) the direct charitable deduction, and

"(4) the deduction allowed by section 220 (relating to deduction for expenses for household and dependent care services necessary for gainful employment).

"(c) STANDARD DEDUCTION.—For purposes of this subtitle—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, the term 'standard deduction' means—

"(A) $6,000 in the case of—

"(i) a joint return, or

"(ii) a surviving spouse (as defined in section 2(a)), or

"(B) $3,000 in the case of—

"(i) an individual who is not married and who is not a surviving spouse (as defined in section 2(a)), or

"(ii) a married individual filing a separate return.

"(2) LIMITATION ON STANDARD DEDUCTION IN THE CASE OF CERTAIN DEPENDENTS.—In the case of an individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which the individual's taxable year begins, the standard deduction applicable to such individual for such individual's taxable year shall not exceed such individual's earned income.

"(3) CERTAIN INDIVIDUALS NOT ELIGIBLE FOR STANDARD DEDUCTION.—In the case of—

"(A) a married individual filing a separate return where either spouse itemizes deductions,

"(B) a nonresident alien individual,

"(C) an individual making a return under section 443(a)(1) for a period of less than 12 months on account of a change in his annual accounting period, or

"(D) an estate or trust, common trust fund, or partnership,

the standard deduction shall be zero.

"(d) ITEMIZED DEDUCTIONS.—For purposes of this subtitle, the term 'itemized deductions' means the deductions allowable by this chapter other than—

"(1) the deductions allowable in arriving at adjusted gross income,

"(2) the deductions for personal exceptions provided by section 151,

"(3) the direct charitable deduction, and

"(4) the deduction allowed by section 220 (relating to deduction for expenses for household and dependent care services necessary for gainful employment).

"(e) ELECTION TO ITEMIZE.—

"(1) IN GENERAL.—Unless an individual makes an election under this subsection for the taxable year, no itemized deduction shall be allowed for the taxable year. For purposes of this subtitle, the determination of whether a deduction is allowable under this chapter shall be made without regard to the preceding sentence.

"(2) TIME AND MANNER OF ELECTION.—Any election under this subsection shall be made on the taxpayer's return, and the Secretary shall prescribe the manner of signifying such election on the return.

"(3) CHANGE OF TREATMENT.—Under regulations prescribed by the Secretary, a change of treatment with respect to the standard deduction and itemized deductions for any taxable year may be made after the filing of the return for such year. If the spouse of the taxpayer filed a separate return for any taxable year corresponding to the taxable year of the taxpayer, the change shall not be allowed unless, in accordance with such regulations—

"(A) the spouse makes a change of treatment with respect to the standard deduction and itemized deductions, for the taxable year covered in such separate return, consistent with the change of treatment sought by the taxpayer, and

"(B) the taxpayer and his spouse consent in writing to the assessment, within such period as may be agreed on with the Secretary, of any deficiency, to the extent attributable to such change of treatment, even though at the time of the filing of such consent the assessment of such deficiency would otherwise be prevented by the operation of any law or rule of law.

This paragraph shall not apply if the tax liability of the taxpayer's spouse, for the taxable year corresponding to the taxable year of the taxpayer, has been compromised under section 7122.

"(f) MARITAL STATUS.—For purposes of this section, marital status shall be determined under section 143.".

Subtitle C—Repeals Related to Reduction in Rates

SEC. 121. REPEALS.

(a) GENERAL RULE.—The following provisions are hereby repealed:

(1) Section 3 (relating to tax tables for individuals).

(2) Part VI of subchapter A of chapter 1 (section 55 and following, relating to minimum tax for tax preferences).

(3) Section 269A (relating to personal service corporations formed or availed of to avoid or evade income tax).

(4) Paragraphs (1), (2), and (3) of section 402(e) (relating to special averaging rules for lump-sum distributions).

(5) Part I of subchapter G of chapter 1 (section 531 and following, relating to corporations improperly accumulating surplus).

(6) Part II of subchapter G of chapter 1 (section 541 and following, relating to personal holding companies).

(7) Part I of subchapter Q of chapter 1 (section 1301 and following, relating to income averaging).

(8) Section 1551 (relating to disallowance of the benefits of the graduated corporate rates and accumulated earnings credit).

(b) REPEAL OF INDEXING.—Section 104 of the Economic Recovery Tax Act of 1981 is hereby repealed, and the Internal Revenue Code of 1954 shall be applied as if such section (and the amendments made by such section) had not been enacted.

(c) TRUST THROWBACK RULES APPLY ONLY TO FOREIGN TRUST.—Subpart D of part I of subchapter J of chapter 1 (relating to treatment of excess distributions by trust) is amended—

(1) by adding at the end thereof the following new section:

"SEC. 669. SUBPART TO APPLY ONLY TO FOREIGN TRUSTS.

"This subpart shall apply only with respect to amounts distributed from a foreign trust.", and

(2) by adding at the end of the table of sections for such subpart the following new item:

"Sec. 669. Subpart to apply only to foreign trusts.".

TITLE II—BASE BROADENING

Subtitle A—Credits

SEC. 201. REPEALS.

The following provisions are hereby repealed:

(1) Section 22 (relating to credit for the elderly and the permanently and totally disabled).

(2) Section 38 and subpart E of part IV of subchapter A of chapter 1 (relating to credit for investment in certain depreciable property).

(3) Section 24 (relating to contributions to candidates for public office).

(4) Section 42 (relating to general tax credit).

(5) Section 23 (relating to residential energy credit).

(6) Section 29 (relating to credit for producing fuel from a nonconventional source).

(7) Sections 40 and 87 (relating to alcohol used as fuel).

(8) Section 30 (relating to credit for increasing research activities).

(9) Section 41 (relating to employee stock ownership credit).

(10) Section 28 (relating to clinical testing expenses for certain drugs for rare diseases and conditions).

(11) Sections 936, 934(b), and 27(b) (relating to possessions tax credit).

SEC. 202. CREDIT FOR EXPENSES FOR HOUSEHOLD AND DEPENDENT CARE SERVICES NECESSARY FOR GAINFUL EMPLOYMENT CHANGED TO DEDUCTION.

(a) Section 21 (relating to credit for expenses for household and dependent care services necessary for gainful employment) is hereby—

(1) transferred to part VII of subchapter B of chapter 1 and inserted after section 219, and

(2) redesignated as section 220.

(b) Subsection (a) of section 220 (as redesignated by paragraph (1)) is amended to read as follows:

"(a) ALLOWANCE OF DEDUCTION.—In the case of an individual who maintains a household which includes as a member 1 or more qualifying individuals, there shall be allowed as a deduction an amount equal to the employment-related expenses paid by such individual during the taxable year."

(c) Section 220 (as so redesignated) is amended—

(1) by striking out "AMOUNT CREDITABLE" in the heading of subsection (c) and inserting in lieu thereof "AMOUNT DEDUCTIBLE",

(2) by striking out "the credit" in subsection (e)(2) and inserting in lieu thereof "a deduction", and

(3) by striking out "No credit" in subsection (e)(6) and inserting in lieu thereof "No deduction".

Subtitle B—Exclusions

PART I—REPEALS

SEC. 211. REPEALS.

The following sections are hereby repealed:

(1) Section 116 (relating to partial exclusion of dividends received by individuals).

(2) Section 124 (relating to qualified transportation provided by employer).

(3) Section 125 (relating to cafeteria plans).

(4) Section 129 (relating to dependent care assistance programs).

(5) Section 305(e) (relating to dividend reinvestment in stock of public utilities).

(6) Section 621 (relating to payments to encourage exploration, development, and mining for defense purposes).

(7) Section 911 (relating to earned income of citizens or residents of the United States living abroad).

(8) Section 912 (relating to exemption for certain allowances).

(9) Section 931 (relating to income from sources within possessions of the United States).

(10) Section 933 (relating to income from sources within Puerto Rico).

PART II—OTHER CHANGES

SEC. 212. GROUP-TERM LIFE INSURANCE PURCHASED FOR EMPLOYEES.

(a) IN GENERAL.—Subsection (a) of section 79 (relating to group-term life insurance purchased for employees) is amended to read as follows:

"(a) IN GENERAL.—There shall be included in the gross income of an employee for the taxable year an amount equal to the cost of group-term life insurance on his life provided for part or all of such year under a policy (or policies) carried directly or indirectly by his employer (or employers); but only to the extent that such cost exceeds the amount, if any, paid by the employee toward the purchase of such insurance.".

(b) EXCEPTIONS.—Subsection (b) of section 79 (relating to exceptions) is amended by striking out paragraph (1) and redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(c) CONFORMING AMENDMENT.—Subsection (d) of section 79 is hereby repealed.

SEC. 213. TAXATION OF UNEMPLOYMENT COMPENSATION.

(a) IN GENERAL.—Subsection (a) of section 85 (relating to unemployment compensation) is amended to read as follows:

"(a) IN GENERAL.—Gross income includes any unemployment compensation received by the taxpayer during the taxable year.".

(b) CONFORMING AMENDMENT.—Section 85 is amended by striking out subsection (b) and redesignating subsection (c) as subsection (b).

SEC. 214. TAXATION OF ANNUAL INCREASE IN CASH SURRENDER VALUE OF LIFE INSURANCE POLICIES.

Part II of subchapter B of chapter 1 (relating to amounts specifically included in gross income) is amended—

(1) by adding at the end thereof the following new section:

"SEC. 89. INCOME ATTRIBUTABLE TO LIFE INSURANCE, ANNUITY, OR ENDOWMENT CONTRACTS.

"(a) IN GENERAL.—There shall be included in the gross income for the taxable year of the owner of any annuity, life insurance, or endowment, contract an amount equal to the excess of—

"(1) the sum of—

"(A) any change in the cash surrender value of such contract during the policy year ending with or within such taxable year,

"(B) any withdrawals during such policy year under such contract,

"(C) the cost of insurance provided during such policy year under such contract, and

"(D) any policyholder dividends paid during such policy year under such contract, over

"(2) the amount of premiums paid during such policy year under such contract.

"(b) CARRYOVER.—If the amount described in paragraph (2) of subsection (a) exceeds the amount determined under paragraph (1) of subsection (a) for any policy year, the amount of such excess shall be treated as a premium paid during the following policy year under the contract.

"(c) INSURANCE COMPANIES TO REPORT TO POLICYHOLDER AND TO THE SECRETARY.—The insurance company (or other payor) under any annuity, life insurance, or endowment contract shall, after the close of each policy year, report to the owner of the contract, and to the Secretary, such information as may be necessary for purposes of this section.

"(d) COORDINATION WITH SECTION 72.—For purposes of section 72, any amount included in gross income under this section with respect to any annuity, life insurance, or endowment contract shall be treated as consideration paid for such contract.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary for purposes of this section.", and

(2) by adding at the end of the table of sections of such part the following new item:

"Sec. 89. Income attributable to life insurance, annuity, or endowment contracts.".

SEC. 215. LIMITATION ON PRIVATE-PURPOSE TAX-EXEMPT BONDS.

(a) REPEAL OF TAX EXEMPTION FOR INDUSTRIAL DEVELOPMENT BONDS.—Paragraphs (4), (5), (6), (8), (9), (10), (11), (12), (13), (14), (15), (16), (17), and (18) of section 103(b) (relating to industrial development bonds) are hereby repealed.

(b) REPEAL OF TAX EXEMPTION FOR MORTGAGE SUBSIDY BONDS.—Section 103A is amended to read as follows:

"SEC. 103A. MORTGAGE SUBSIDY BONDS.

"(a) GENERAL RULE.—Any mortgage subsidy bond shall be treated as an obligation not described in subsection (a) of section 103.

"(b) MORTGAGE SUBSIDY BOND DEFINED.—For purposes of this title, the term 'mortgage subsidy bond' means any obligation which is issued as part of an issue a significant part of the proceeds of which is to be used directly or indirectly for mortgages (or other owner financing) on owner-occupied residences.".

(c) REPEAL OF TAX EXEMPTION FOR CERTAIN PRIVATE PURPOSE BONDS.—

(1) IN GENERAL.—

(A) Subsection (a) of section 103 is amended to read as follows:

"(a) GENERAL RULE.—Gross income does not include interest on the obligations of a State, a Territory, or a possession of the United States, or any political subdivision of any of the foregoing, or of the District of Columbia.".

(B) Subsection (e) of section 103 is amended to read as follows:

"(e) CERTAIN PRIVATE PURPOSE BONDS.—Any obligation which is issued as part of an issue all or a major portion of the proceeds of which are to be used (directly or indirectly)—

"(1) to finance loans to individuals for educational expenses, or

"(2) by an organization described in section 501(c)(3) which is exempt from taxation under section 501(a),

shall be treated as an obligation not described in subsection (a).".

(2) CONFORMING AMENDMENTS.—

(A) Subsections (b)(1) and (c)(1) of section 103 are each amended—

(i) by striking out "subsection (a)(1) or (2)" each place it appears and inserting in lieu thereof "subsection (a)", and

(ii) by striking out "subsection (a)(1) or" each place it appears in the heading and inserting in lieu thereof "subsection (a)".

(B) Paragraph (3) of section 103(b) (defining exempt person) is amended to read as follows:

"(3) EXEMPT PERSON.—For purposes of paragraph (2)(A), the term 'exempt person' means a governmental unit.".

(C) Subsections (d), (g), (h), (k), (l), and (n) of section 103 are hereby repealed.

SEC. 216. TAXATION OF EMPLOYER CONTRIBUTIONS TO ACCIDENT AND HEALTH PLANS.

(a) GENERAL RULE.—Section 106 (relating to contribution by employer to accident and health plans) is amended by adding at the end thereof the following new sentence: "This section shall apply only to contributions attributable to the providing of wages, or payments in lieu of wages, for periods during which the employee is absent from work on account of sickness or disability.".

(b) SELF-INSURED PLANS.—Subsections (b) and (h) of section 105 are hereby repealed.

(c) CONFORMING AMENDMENTS TO EMPLOYMENT TAXES.—

(1) Paragraph (2) of section 3121(a) (defining wages) is amended by striking out "on account of" and all that follows down through the end of such paragraph and inserting in lieu thereof "on account of sickness or accident disability (but, in the case of payments made to an employee or any of his dependents, this paragraph shall exclude from the term 'wages' only payments which are received under a workmen's compensation law);".

(2) Paragraph (2) of section 3306(b) (defining wages) is amended by striking out "on account of" and all that follows down through the end of such paragraph and inserting in lieu thereof "on account of sickness or accident disability (but, in the case of payments made to an employee or any of his dependents, this paragraph shall exclude from the term 'wages' only payments which are received under a workmen's compensation law);".

SEC. 217. SCHOLARSHIP AND FELLOWSHIP EXCLUSION LIMITED TO TUITION AND RELATED EXPENSES.

(a) GENERAL RULE.—Subsections (a) and (b) of section 117 (relating to scholarships and fellowships) are amended to read as follows:

"(a) IN GENERAL.—In the case of an individual who is a candidate for a degree at an educational organization described in section 170(b)(1)(A)(ii), gross income does not include any amount received as—

"(1) a scholarship, or

"(2) a fellowship grant,

to the extent such amount is used for qualified tuition and related expenses (within the meaning of subsection (c)(2)).

"(b) PAYMENT FOR TEACHING, RESEARCH, ETC.—Subsection (a) shall not apply to that portion of any amount received which represents payment for teaching, research, or other services in the nature of part-time employment required as a condition to receiving the scholarship or the fellowship grant. If teaching, research, or other services are required of all candidates (whether or not recipients of scholarships or fellowship grants) for a particular degree as a condition to receiving such degree, such teaching, research, or other services shall not be regarded as part-time employment within the meaning of this subsection.".

(b) CLARIFICATION OF DEFINITION OF QUALIFIED TUITION AND RELATED EXPENSES.—

(1) Clause (i) of section 117(c)(2)(A) is amended by striking out "at an institution of higher education" and inserting in lieu

thereof "at an educational organization described in section 170(b)(1)(A)(ii)".

(2) Subparagraph (B) of section 117(c)(1) is amended by inserting "at an institution of higher education" after "qualified tuition and related expenses".

SEC. 218. EXCLUSION OF GAIN FROM SALE OF PRINCIPAL RESIDENCE APPLIES ONLY FOR PURPOSES OF COMPUTING NORMAL TAX.

Section 121 (relating to one-time exclusion of gain from sale of principal residence by individual who has attained age 55) is amended by adding at the end thereof the following new subsection:

"(e) SECTION NOT TO APPLY FOR PURPOSES OF COMPUTING SURTAX.—This section shall not apply for purposes of computing the amount of the surtax imposed by section 1.".

SEC. 219. TERMINATION OF TAX EXEMPTION FOR DEPOSITS INTO, AND WITHDRAWALS FROM, THE CAPITAL CONSTRUCTION FUND UNDER SECTION 607 OF THE MERCHANT MARINE ACT, 1936.

(a) TAXATION OF DEPOSITS.—Subsection (d) of section 607 of the Merchant Marine Act, 1936 (relating to nontaxability for deposits) is hereby repealed.

(b) ALL WITHDRAWALS TREATED AS NONQUALIFIED.—Subsection (f) of such section 607 is amended by adding at the end thereof the following new paragraph:

"(3) No withdrawal after December 31, 1986, shall be treated as a qualified withdrawal.".

Subtitle C—Deductions

PART I—REPEALS

SEC. 231. REPEALS.

The following provisions are hereby repealed:

(1) Section 221 (relating to deduction for two-earner married couples).

(2) Section 222 (relating to deduction for adoption expenses).

PART II—OTHER CHANGES

SEC. 232. LIMITATION ON INTEREST DEDUCTION.

Subsection (d) of section 163 (relating to limitation on interest on investment indebtedness) is amended to read as follows:

"(d) LIMITATION ON INTEREST DEDUCTIONS OF INDIVIDUALS.—

"(1) IN GENERAL.—In the case of a taxpayer other than a corporation, the amount allowed as a deduction under this chapter for nonbusiness interest shall not exceed the sum of—

"(A) any qualified housing interest, and

"(B) the amount otherwise allowable as a deduction for nonbusiness interest (other than qualified housing interest) to the extent such amount does not exceed the qualified net investment income of the taxpayer for the taxable year.

"(2) NONBUSINESS INTEREST NOT IN EXCESS OF QUALIFIED NET INVESTMENT INCOME ALLOWABLE IN COMPUTING ADJUSTED GROSS INCOME FOR SURTAX.—For purposes of determining the amount of the surtax imposed by section 1, any amount allowable as a deduction under this chapter for nonbusiness interest shall be treated as a deduction allowable in computing adjusted gross income to the extent that the amount of such interest does not exceed the qualified net investment income of the taxpayer for the taxable year.

"(3) NONBUSINESS INTEREST.—The term 'nonbusiness interest' means any interest allowable as a deduction under this chapter (determined without regard to paragraph (1)) other than interest allowable as a deduction in computing adjusted gross income (determined without regard to paragraph (2) but with regard to paragraph (5)).

"(4) OTHER DEFINITIONS.—For purposes of this subsection—

"(A) QUALIFIED HOUSING INTEREST.—The term 'qualified housing interest' means interest which is paid or accrued during the taxable year on indebtedness which is incurred in acquiring, constructing, or substantially rehabilitating any property which—

"(i) is the principal residence (within the meaning of section 1034) of the taxpayer at the time such interest accrues or is paid, or

"(ii) is a qualified dwelling used by the taxpayer (or any member of his family within the meaning of section 267(c)(4)) during the taxable year.

"(B) QUALIFIED DWELLING.—The term 'qualified dwelling' means any—

"(i) house,

"(ii) apartment,

"(iii) condominium, or

"(iv) mobile home not used on a transient basis,

including all structures or other property appurtenant thereto.

"(C) QUALIFIED NET INVESTMENT INCOME.—The term 'qualified net investment income' means the excess of—

"(i) qualified investment income, over

"(ii) qualified investment expenses.

"(D) QUALIFIED INVESTMENT INCOME.—The term 'qualified investment income' means the sum of—

"(i) the gross income from interest, dividends, rents, and royalties, but only to the extent such income is not derived from the active conduct of a trade or business, and

"(ii) the net gain attributable to the disposition of property held for investment.

"(E) QUALIFIED INVESTMENT EXPENSES.—The term 'qualified investment expenses' means the deductions directly connected with the production of qualified investment income to the extent that such deductions are allowable in computing adjusted gross income.

"(5) TREATMENT OF INTERESTS IN LIMITED PARTNERSHIPS AND SUBCHAPTER S CORPORATIONS; PROPERTY SUBJECT TO NET LEASE.—

"(A) CERTAIN INTEREST NOT ALLOWABLE IN COMPUTING ADJUSTED GROSS INCOME.—Any amount allowable as a deduction for interest on indebtedness incurred or continued to purchase or carry a limited business interest shall not (except as provided in paragraph (2)) be allowable in computing adjusted gross income.

"(B) INCOME TREATED AS QUALIFIED INVESTMENT INCOME.—For purposes of this subsection, any income derived from a limited business interest shall be treated as qualified investment income.

"(C) LIMITED BUSINESS INTEREST.—For purposes of this paragraph, the term 'limited business interest' means an interest—

"(i) as a limited partner in a partnership, or

"(ii) as a shareholder in an S corporation if the taxpayer does not actively participate in the management of such corporation.

"(D) PROPERTY SUBJECT TO NET LEASE TREATED AS LIMITED BUSINESS INTEREST.—For purposes of this paragraph, the interest of the lessor in property subject to a lease shall be treated as a limited business interest if—

"(i) for the taxable year the sum of the deductions of the lessor with respect to such property which are allowable solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is less than 15 percent of the rental income produced by such property, or

"(ii) the lessor is either guaranteed a specified return or is guaranteed in whole or in part against loss of income.".

SEC. 233. REPEAL OF DEDUCTION FOR STATE AND LOCAL PERSONAL PROPERTY AND SALES TAXES.

(a) GENERAL RULE.—Subsection (a) of section 164 (relating to deduction for taxes) is amended—

(1) by striking out paragraphs (2) and (4) and by redesignating paragraphs (3) and (5) as paragraphs (2) and (3), respectively, and

(2) by adding at the end thereof the following new sentence: "Notwithstanding the preceding sentence, any tax (not described in the first sentence of this subsection) which is paid or accrued by the taxpayer in connection with an acquisition or disposition of property shall be treated as part of the cost of the acquired property or, in the case of a disposition, as a reduction in the amount realized on the disposition.".

(b) CONFORMING AMENDMENT.—Subsection (b) of section 164 is amended by striking out paragraphs (1), (2), and (5) and by redesignating paragraphs (3) and (4) as paragraphs (1) and (2), respectively.

SEC. 234. LIMITATION ON CHARITABLE DEDUCTION IN THE CASE OF CORPORATIONS.

Paragraph (1) of section 170(a) (relating to charitable, etc., contributions and gifts) is amended to read as follows:

"(1) GENERAL RULE.—There shall be allowed as a deduction—

"(A) except as provided in subparagraph (B), an amount equal to the amount of the charitable contributions paid during the taxable year, or

"(B) in the case of a corporation (other than an S corporation), an amount equal to 50 percent of the charitable contributions paid during the taxable year.

A charitable contribution shall be taken into account under the preceding sentence only if verified under regulations prescribed by the Secretary.".

SEC. 235. INCREASE IN FLOOR ON MEDICAL DEDUCTION.

Subsection (a) of section 213 (relating to medical, dental, etc., expenses) is amended by striking out "5 percent" and inserting in lieu thereof "10 percent".

Subtitle D—Repeal of Special Capital Gains Treatment

SEC. 241. REPEAL OF SPECIAL CAPITAL GAINS TREATMENT.

(a) GENERAL RULE.—The following sections are hereby repealed:

(1) Section 1201 (relating to alternative tax for corporations).

(2) Section 1202 (relating to deduction for individuals for capital gains).

(b) LIMITATION ON CAPITAL LOSSES APPLIED WITHOUT REGARD TO DISTINCTIONS BETWEEN SHORT TERM AND LONG TERM.—

(1) Subsection (b) of section 1211 (relating to limitation on capital losses in the case of taxpayers other than corporations) is amended to read as follows:

"(b) OTHER TAXPAYERS.—

"(1) IN GENERAL.—In the case of a taxpayer other than a corporation, losses from sales or exchanges of capital assets shall be allowed only to the extent of gains from such sales or exchanges plus (if such losses exceed such gains) whichever is the smallest:

"(A) the taxable income for the taxable year,

"(B) $3,000 ($1,500 in the case of a separate return by a husband or wife), or

"(C) the net capital loss.

"(2) COMPUTATION OF TAXABLE INCOME.—For purposes of paragraph (1), taxable income shall be computed without regard to gains or losses from sales or exchanges of capital assets and without regard to the deductions provided in section 151 (relating to personal exemptions) or any deduction in lieu thereof.".

(2) Subsection (b) of section 1212 (relating to carryovers for taxpayers other than corporations) is amended to read as follows:

"(b) OTHER TAXPAYERS.—If a taxpayer other than a corporation has a net capital loss for any taxable year, the excess (if any) of—

"(1) the amount of such loss, over

"(2) the amount allowed for the taxable year under subparagraph (A), (B), or (C) of section 1211(b)(1),

shall be treated as a capital loss in the succeeding taxable year.".

(c) ELIMINATION OF DISTINCTIONS BETWEEN SHORT-TERM AND LONG-TERM GAINS AND LOSSES BASED ON HOLDING PERIOD.—Section 1222 is amended to read as follows:

"SEC. 1222. OTHER TERMS RELATING TO CAPITAL GAINS AND LOSSES.

"For purposes of this subtitle—

"(1) CAPITAL GAIN.—The term 'capital gain' means gain from the sale or exchange of a capital asset if, and to the extent that, such gain is taken into account in computing gross income.

"(2) CAPITAL LOSS.—The term 'capital loss' means loss from the sale or exchange of a capital asset if, and to the extent that, such loss is taken into account in computing taxable income.

"(3) NET CAPITAL LOSS.—The term 'net capital loss' means the excess of the losses from the sales or exchanges of capital assets over the gains from such sales or exchanges.

"(4) NET CAPITAL GAIN.—The term 'net capital gain' means the excess of the gains from the sales or exchanges of capital assets over the losses from the sales or exchanges of capital assets.".

(d) REPEAL OF RELATED PROVISIONS.—The following provisions are hereby repealed:

(1) Section 268 (relating to sale of land with unharvested crop).

(2) Section 272 (relating to disposal of coal or domestic iron ore).

(3) Section 341 (relating to collapsible corporations).

(4) Section 631 (relating to gain or loss in the case of timber, coal, or domestic iron ore).

(5) Section 735 (relating to character of gain or loss on distribution of distributed property).

(6) Section 751 (relating to unrealized receivables and inventory items).

(7) Section 1231 (relating to property used in the trade or business and involuntary conversions).

(8) Section 1235 (relating to sale or exchange of patents).

(9) Section 1238 (relating to amortization in excess of depreciation).

(10) Section 1239 (relating to gain from sale of depreciable property between certain related taxpayers).

(11) Section 1245 (relating to gain from dispositions of certain depreciable property).

(12) Section 1246 (relating to gain on foreign investment company stock).

(13) Section 1247 (relating to election by foreign investment companies to distribute income currently).

(14) Section 1248 (relating to gain from certain sales or exchanges of stock in certain foreign corporations).

(15) Section 1249 (relating to gain from certain sales or exchanges of patents, etc., to foreign corporations).

(16) Section 1250 (relating to gain from dispositions of certain depreciable realty).

(17) Section 1252 (relating to gain from disposition of farm land).

(18) Section 1254 (relating to gain from disposition of interest in oil, gas, or geothermal property).

(19) Section 1255 (relating to gain from disposition of section 126 property).

(20) Section 1374 (relating to capital gain of subchapter S corporations).

TITLE III—CAPITAL COST RECOVERY

Subtitle A—Simplified Cost Recovery Systems

SEC. 301. SIMPLIFIED COST RECOVERY FOR DEPRECIABLE PROPERTY; REPEAL OF ACCELERATED COST RECOVERY SYSTEM AND SPECIAL LEASING RULES.

Section 168 (relating to accelerated cost recovery system) is amended to read as follows:

"SEC. 168. SIMPLIFIED COST RECOVERY FOR DEPRECIABLE PROPERTY.

"(a) ALLOWANCE OF DEDUCTION.—In the case of recovery property, there shall be allowed the recovery deduction provided by this section.

"(b) AMOUNT OF DEDUCTION.—The amount of the deduction allowable by subsection (a) for any taxable year shall be the aggregate amount determined by applying—

"(1) the recovery percentage for each class of property, to

"(2) the balance in the recovery account for such class at the end of such year.

"(c) CLASS AND CLASS LIFE.—

"(1) TABLE.—All recovery property—

"(A) shall be placed in 1 of the classes set forth in the following table, and

"(B) shall have the class life set forth for such class in the following table:

"CLASS AND CLASS LIFE TABLE

"Class	Class life (in years)
1	4
2	6
3	10
4	18
5	28
6	40

"(2) ASSIGNMENT TO CLASSES.—For purposes of paragraph (1)—

"(A) IN GENERAL.—Except as provided in subparagraph (B) recovery property shall be assigned to classes in accordance with the following table:

"If the present class life of the property (in years):	The property shall be assigned to (class):
Is less than 5	1
Equals or exceeds 5.0 but is less than 8.5	2
Equals or exceeds 8.5 but is less than 14.5	3
Equals or exceeds 14.5 but is less than 24	4
Equals or exceeds 24 but is less than 35	5
Equals or exceeds 35	6

"(B) BUILDINGS AND STRUCTURES ASSIGNED TO CLASS 6.—All class 6 real property shall be assigned to class 6.

"(3) CLASS 6 REAL PROPERTY.—For purposes of paragraph (2), the term 'class 6 real property' means any recovery property which is real property except that such term shall not include—

"(A) property (not including a building or its structural components) for a period in which such property—

"(i) was used as an integral part of manufacturing, production, or extraction, or of furnishing transportation, communications, electrical energy, gas, water, or sewage disposal services,

"(ii) constituted a research facility used in connection with any of the activities referred to in clause (i), or

"(iii) constituted a facility used in connection with any of the activities referred to in clause (i) for the bulk storage of fungible commodities (including commodities in a liquid or gaseous state),

"(B) a storage facility (not including a building or its structural components) used in connection with the distribution of petroleum or any primary product of petroleum, or

"(C) any real property with a present class life of 12.5 years or less.

"(d) RECOVERY PERCENTAGE.—For purposes of this section, the term 'recovery percentage' means, with respect to any class of property for any taxable year—

"(1) 250 percent, divided by

"(2) the number of years in the class life.

"(e) RECOVERY PROPERTY DEFINED.—For purposes of this title, the term 'recovery property' means property of a character subject to the allowance for depreciation—

"(1) used in a trade or business, or

"(2) held for the production of income,

which is placed in service by the taxpayer after December 31, 1986.

"(f) RECOVERY ACCOUNT.—

"(1) IN GENERAL.—The taxpayer shall establish a recovery account for each class of recovery property.

"(2) ADDITIONS TO ACCOUNT.—The recovery account for any class of recovery property shall be increased by an amount equal to the sum of—

"(A) one-half of the basis of each recovery property in such class which is placed in service by the taxpayer during the taxable year, plus

"(B) one-half of the basis of each recovery property in such class which was placed in service by the taxpayer during the preceding taxable year.

"(3) REDUCTIONS IN ACCOUNT.—

"(A) PROPERTY DISPOSED OF DURING YEAR.—The recovery account for any class of recovery property shall be reduced by an amount equal to the amount realized on each recovery property of such class disposed of by the taxpayer during the taxable year.

"(B) AMOUNT ALLOWED UNDER THIS SECTION.—The recovery account for any class of recovery property shall be reduced by an amount equal to the amount of the deduction allowed under subsection (a) with respect to such class (but not less than the amount allowable).

"(4) TIME FOR MAKING ADJUSTMENTS.—

"(A) IN GENERAL.—Any adjustment under paragraph (2) or (3)(A) shall be made as of the close of the taxable year but before the determination of the amount allowable as a deduction under subsection (a) for such taxable year.

"(B) REDUCTION FOR DEDUCTION.—Any reduction under paragraph (3)(B) shall be made as of the beginning of the taxable year following the taxable year for which the amount was allowed (or allowable) as a deduction under subsection (a).

"(5) COORDINATION WITH OTHER PROVISIONS.—

"(A) DISPOSITIONS NOT TREATED AS DISPOSITIONS FOR CERTAIN PURPOSES.—For purposes of this title (other than this section), the disposition of any property in a recovery ac-

count shall be treated as if it were not a disposition.

"(B) NEGATIVE BALANCE.—If, as of the close of any taxable year (after the adjustments under paragraphs (2) and (3)(A)), there is a negative balance in any recovery account then, notwithstanding any other provision of this subtitle—

"(i) an amount equal to the amount by which—

"(I) such negative balance (expressed as a positive number), exceeds

"(II) one-half of the basis of all recovery property in the class of recovery property for which such account is established which was placed in service by the taxpayer during the taxable year

shall be included in gross income for such taxable year as ordinary income, and

"(ii) the balance in the account shall be adjusted (as of the beginning of the following taxable year) by adding to the account an amount equal to the amount included in gross income under clause (i).

"(6) RATABLE RULE FOR CLASS 6 REAL PROPERTY.—In the case of any class 6 real property placed in service in the taxable year—

"(A) paragraph (2)(A) shall be applied by substituting for 'one-half' a fraction—

"(i) the numerator of which is the number of months in the taxable year beginning before the property was placed in service, and

"(ii) the denominator of which is 12, and

"(B) paragraphs (2)(B) and (5)(B)(i)(I) shall be applied by substituting for 'one-half' a fraction equal to 1 minus the fraction determined under subparagraph (A).

"(g) SPECIAL RULES.—

"(1) PRESENT CLASS LIFE.—The term 'present class life' means the class life (if any) which would be applicable with respect to any property under subsection (m) of section 167 (determined without regard to paragraph (4) thereof and as if the taxpayer had made an election under such subsection).

"(2) NO ADJUSTMENT WHERE PROPERTY DISPOSED OF BEFORE CLOSE OF TAXABLE YEAR IN WHICH PLACED IN SERVICE.—No adjustment shall be made under paragraphs (2) and (3)(A) of subsection (f) in respect of any property which is disposed of by the taxpayer before the close of the taxable year in which placed in service by the taxpayer.

"(3) TRANSFERS AT DEATH.—No reduction shall be made under paragraph (3)(A) of subsection (f) by reason of any transfer at death.

"(4) PROPERTY CEASING TO BE RECOVERY PROPERTY.—If any property taken into account under subsection (f) ceases to be recovery property during any taxable year—

"(A) such property shall be treated as disposed of by the taxpayer during such taxable year, and

"(B) the basis of such property in the hands of the taxpayer after such cessation shall be treated as equal to its fair market value.

"(5) DISPOSITIONS OTHER THAN SALE OR EXCHANGE.—If any recovery property is disposed of in a disposition which is not a sale, exchange, or involuntary conversion and which is not described in paragraph (6) or (7), the reduction under paragraph (3)(A) of subsection (f) for such disposition shall be the fair market value of the property. In the case of a disposition of property by abandonment, the fair market value thereof shall be treated as if it were zero.

"(6) TRANSFERS WHERE BASIS GOES OVER.—

"(A) IN GENERAL.—If any recovery property is transferred and the transferee's basis of such property is determined in whole or in part by reference to the adjusted basis of the transferor, then, under regulations prescribed by the Secretary—

"(i) the transferor's recovery account for the class of property in which the recovery property falls shall be reduced by the transferred amount, and

"(ii) for purposes of determining the transferee's basis in such property, the adjusted basis of such property in the hands of the transferor shall be treated as equal to the transferred amount.

"(B) TRANSFERRED AMOUNT.—For purpose of subparagraph (A), the transferred amount shall be the amount which bears the same relation to—

"(i) the total amount in the transferor's recovery account immediately before the transfer, as

"(ii) the fair market value of the transferred property bears to the fair market value of all property in such account immediately before the transfer.

"(C) AUTHORITY TO PRESCRIBE ALTERNATE METHODS OF ALLOCATION.—The Secretary may by regulations prescribe alternate methods for allocating the balance in any recovery account for purposes of determining the transferred amount of any property.

"(7) LIKE KIND EXCHANGES; INVOLUNTARY CONVERSIONS.—Under regulations prescribed by the Secretary, in the case of any exchange described in section 1031 or 1033—

"(A) if the properties fall in the same class, changes shall be made in the taxpayer's recovery account for such class only to the extent necessary to reflect the money of other property (within the meaning of section 1031) or property not similar or related in service or use (within the meaning of section 1033) paid, exchanged, or received, as the case may be, and

"(B) if the properties fall in different classes, proper adjustments in the recovery accounts for both classes shall be made to carry out the nonrecognition provided for in such sections.

"(8) SHORT TAXABLE YEARS.—The application of this section to taxable years of less than 12 months shall be in accordance with regulations prescribed by the Secretary.

"(9) TRANSITIONAL RULE.—

"(A) IN GENERAL.—For any taxable year beginning after December 31, 1986, the taxpayer may elect to treat as recovery property any property which would be recovery property if it had been placed in service after December 31, 1986.

"(B) ELECTION MUST APPLY TO ALL CLASSES.—An election made under this paragraph for any taxable year shall apply with respect to all classes of property.

"(C) METHOD IN WHICH PROPERTY TAKEN INTO ACCOUNT.—Any property which is treated as recovery property by reason of an election under this paragraph for any taxable year—

"(i) shall be treated as placed in service during such taxable year, and

"(ii) shall be taken into account in an amount equal to the adjusted basis of such property as of the beginning of the taxable year.".

SEC. 302. SIMPLIFIED COST RECOVERY FOR DEPLETABLE PROPERTY.

(a) GENERAL RULE.—Part I of subchapter I of chapter 1 (relating to deduction for depletion) is amended by inserting after section 611 the following new section:

"SEC. 611A. SIMPLIFIED COST RECOVERY FOR DEPLETABLE PROPERTY.

"(a) ALLOWANCE OF DEDUCTION.—In the case of qualified depletable property, there shall be allowed the depletion deduction provided by this section.

"(b) AMOUNT OF DEDUCTION.—The deduction allowed by subsection (a) shall be the aggregate amount determined by applying—

"(1) the recovery percentage for each class of property, to

"(2) the balance in the recovery account for such class at the end of such year.

"(c) CLASS AND CLASS LIFE.—

"(1) TABLE.—All qualified depletable property—

"(A) shall be placed in one of the classes set forth in the following table, and

"(B) shall have the class life set forth for such class in the following table:

"Class and Class Life Table

"Class:	Class life (in years)
1	4
2	6
3	10
4	18
5	28
6	40

"(2) ASSIGNMENT TO CLASSES.—For purposes of this section—

"(A) IN GENERAL.—Except as provided in subparagraph (B), all qualified depletable property shall be assigned to a class in accordance with the table set forth in section 168(c)(2)(A); except that the anticipated productive life of the property shall be taken into account in lieu of present class life.

"(B) 10-YEAR CLASS LIFE FOR OIL, GAS, AND GEOTHERMAL WELLS.—All qualified depletable property which is an oil or gas well or a well drilled for any geothermal deposit shall be placed in class 3.

"(d) QUALIFIED DEPLETABLE PROPERTY.—For purposes of this section, the term 'qualified depletable property' means any property—

"(1) which is of a character subject to the allowance for depletion provided in section 611, and

"(2) production from which first began after December 31, 1986.

"(e) CERTAIN RULES MADE APPLICABLE.—For purposes of this section, rules similar to the rules of subsections (d), (f), and (g) of section 168 shall apply; except that property shall not be treated as placed in service until production from the property begins.

"(f) SPECIAL RULE FOR NONPRODUCTIVE WELLS OR MINES.—This section shall not apply with respect to any nonproductive well or mine. Nothing in this section shall be construed to deny any deduction allowable for a loss sustained by reason of the abandonment of a nonproductive well or mine.".

(b) TECHNICAL AMENDMENTS.—

(1) Section 611 is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) COORDINATION WITH SECTION 611A.—In the case of any qualified depletable property, the deduction provided by section 611A shall be deemed to be the reasonable allowance for depletion provided by this section.".

(2) Subsection (a) of section 611 is amended by striking out "other natural deposits, and timber," and inserting in lieu thereof "and other natural deposits,".

(3) The table of sections of such part is amended by inserting after the item relating to section 611 the following new item:

"Sec. 611A. Simplified cost recovery for depletable property.".

Subtitle B—Other Changes

PART I—REPEALS

SEC. 311. REPEALS.

The following provisions are hereby repealed:

(1) Section 263(c) (relating to intangible drilling and development costs in the case of oil and gas wells and geothermal wells).

(2) Section 167 (relating to depreciation).

(3) Section 169 (relating to amortization of pollution control facilities).

(4) Section 178 (relating to depreciation or amortization of improvements made by lessee on lessor's property).

(5) Section 179 (relating to election to expense certain depreciable business assets).

(6) Section 194 (relating to amortization of reforestation expenditures).

(7) Sections 613, 613A, and 614 (relating to percentage depletion).

(8) Section 616 (relating to development expenditures).

(9) Section 617 (relating to deduction and recapture of certain mining exploration expenditures).

PART II—OTHER CHANGES

SEC. 316. 10-YEAR AMORTIZATION OF CONSTRUCTION PERIOD INTEREST AND TAXES.

(a) GENERAL RULE.—Subsection (b) of section 189 (relating to amortization of amounts charged to capital account) is amended to read as follows:

"(b) AMORTIZATION OF AMOUNTS CHARGED TO CAPITAL ACCOUNT.—Any amount paid or accrued which would (but for subsection (a)) be allowable as a deduction for the taxable year in which paid or accrued shall be allowed as a deduction ratably over the 10-year period beginning with such taxable year.".

(b) ELIMINATION OF CERTAIN EXCEPTIONS.—Subsection (d) of section 189 (relating to certain property excluded) is amended to read as follows:

"(d) CERTAIN PROPERTY EXCLUDED.—This section shall not apply to any real property acquired, constructed, or carried if such property is not, and cannot reasonably be expected to be, held in a trade or business or in an activity conducted for profit.".

SEC. 317. CIRCULATION EXPENDITURES.

Section 173 (relating to circulation expenditures) is amended to read as follows:

"SEC. 173. CIRCULATION EXPENDITURES.

"(a) GENERAL RULE.—Expenditures (other than expenditures for the purchase of land or depreciable property or for the acquisition of circulation through the purchase of any part of the business of another publisher of a newspaper, magazine, or other periodical) to establish, maintain, or increase the circulation of a newspaper, magazine, or other periodical shall be allowed as a deduction ratably over the 10-year period beginning with the taxable year in which such expenditure was made.

"(b) EXCEPTION.—Subsection (a) shall not apply with respect to any portion of the expenditure as (under regulations prescribed by the Secretary) is chargeable to capital account if the taxpayer elects, in accordance with such regulations, to treat such portion as so chargeable. Such election, if made, must be for the total amount of such portion of the expenditure which is so chargeable to capital account, and shall be binding for all subsequent taxable years unless, upon application by the taxpayer, the Secretary permits a revocation of such election subject to such conditions as he deems necessary.".

SEC. 318. TERTIARY INJECTANTS.

Subsection (a) of section 193 (relating to tertiary injectants) is amended to read as follows:

"(a) ALLOWANCE OF DEDUCTION.—In the case of any qualified tertiary injectant expenses of the taxpayer for the tertiary injectants injected during the taxable year—

"(1) 50 percent of such expenses shall be allowed as a deduction for the taxable year, and

"(2) 50 percent of such expenses shall be allowed as a deduction for the succeeding taxable year.".

TITLE IV—MISCELLANEOUS PROVISIONS

Subtitle A—Foreign Income

SEC. 401. ELIMINATION OF DEFERRAL OF INCOME OF CONTROLLED FOREIGN CORPORATIONS.

(a) GENERAL RULE.—Part III of subchapter N of chapter 1 (relating to income from sources without the United States) is amended by adding at the end thereof the following new subpart:

"Subpart J—Undistributed Profits of Controlled Foreign Corporations

"Sec. 987. Amounts included in gross income of United States shareholders.

"SEC. 987. AMOUNTS INCLUDED IN GROSS INCOME OF UNITED STATES SHAREHOLDERS.

"(a) AMOUNTS INCLUDED.—

"(1) IN GENERAL.—If a foreign corporation is a controlled foreign corporation (as defined in section 957) for an uninterrupted period of 30 days or more during any taxable year, every person who is a United States shareholder (as defined in section 951(b)) of such corporation who owns (within the meaning of section 958) stock in such corporation on the last day in such year on which such corporation is a controlled foreign corporation shall include in his gross income, for his taxable year in which or with which such taxable year of the corporation ends, his pro rata share of the corporation's earnings and profits for such year.

"(2) PRO RATA SHARE OF EARNINGS AND PROFITS.—United States shareholder's pro rata share referred to in paragraph (1) is the amount—

"(A) which would have been distributed with respect to the stock which such shareholder owns (within the meaning of section 958) in such corporation if on the last day, in its taxable year, on which the corporation is a controlled foreign corporation it had distributed pro rata to its shareholders an amount (i) which bears the same ratio to its earnings and profits for the taxable year, as (ii) the part of such year during which the corporation is a controlled foreign corporation bears to the entire year, reduced by

"(B) an amount (i) which bears the same ratio to the earnings and profits of such corporation for the taxable year, as (ii) the part of such year described in subparagraph (A)(ii) during which such shareholder did not own (within the meaning of section 958) such stock bears to the entire year.

"(b) EARNINGS AND PROFITS.—For purposes of this subpart, under regulations prescribed by the Secretary, the earnings and profits of any foreign corporation, and the deficit in earnings and profits of any foreign corporation, for any taxable year—

"(1) except as provided in section 312(m)(3), shall be determined according to rules substantially similar to those applicable to domestic corporations,

"(2) shall be appropriately adjusted for deficits in earnings and profits of such corporations for any prior taxable year beginning after December 31, 1986, and

"(3) shall not include any item of income which is effectively connected with the conduct by such corporation of a trade or business within the United States unless such item is exempt from taxation (or is subject to a reduced rate of tax) pursuant to a treaty obligation of the United States.

"(c) COORDINATION WITH FOREIGN PERSONAL HOLDING COMPANY PROVISIONS.—In the case of a United States shareholder who, for his taxable year, is subject to tax under section 551(b) (relating to foreign personal holding company income included in gross income of United States shareholders) on income of a controlled foreign corporation, the amount required to be included in gross income by such shareholder under subsection (a) with respect to such company shall be reduced by the amount included in gross income by such shareholder under section 551(b).

"(d) ADJUSTMENTS AND FOREIGN TAX CREDITS.—Under regulations prescribed by the Secretary—

"(1) Adjustments to the basis of stock on account of earnings and profits taxed under subsection (a) shall be made in the manner provided in section 961 (relating to increases and reductions in basis on account of the income tax treatment of subpart F income);

"(2) Elimination of double taxation of previously taxed earnings and profits when distributed shall be made in the manner provided in section 959 (relating to exclusion from gross income of previously taxed subpart F income); and

"(3) Corporations shall be deemed to have paid income, war profits, and excess profits taxes paid (or deemed paid) by foreign corporations to a foreign country or possession of the United States in accordance with the special rules set forth in section 960.".

(b) CONFORMING AMENDMENT.—The table of subparts of such part is amended by adding at the end thereof the following new item:

"Subpart J. Undistributed profits of controlled foreign corporations.".

(c) TERMINATION OF SUBPART F.—Section 951 (relating to taxation of subpart F income) is amended by adding at the end thereof the following new subsection:

"(f) TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1986.—No amount shall be required to be included in the gross income of a United States shareholder under subsection (a) (other than paragraph (1)(A)(ii) of such subsection) with respect to a taxable year of a controlled foreign corporation beginning after December 31, 1986.".

SEC. 402. REPEAL OF FSC AND INTEREST CHARGE DISC.

(a) FSC.—

(1) IN GENERAL.—Section 921 (relating to exempt foreign trade income excluded from gross income) is amended by adding at the end thereof the following new subsection:

"(e) TERMINATION.—This section shall not apply to any taxable year beginning after December 31, 1986.".

(2) CONFORMING AMENDMENT.—Section 922 (defining FSC) is amended by adding at the end thereof the following new subsection:

"(c) TERMINATION.—No corporation shall be treated as a FSC for any taxable year beginning after December 31, 1986.".

(b) INTEREST CHARGE DISC.—

(1) IN GENERAL.—Section 991 (relating to tax exemption of a DISC) is amended by adding at the end thereof the following:

"This section shall not apply to any taxable year beginning after December 31, 1984.".

(2) CONFORMING AMENDMENTS.—

(A) Section 992(a) (defining DISC) is amended by adding at the end thereof the following new paragraph:

"(4) TERMINATION.—No corporation shall be treated as a DISC for any taxable year beginning after December 31, 1986.".

(B) Section 995(b)(2) (relating to deemed distributions upon DISC disqualification) is amended by adding at the end thereof the following new subparagraph:

"(C) A corporation which, by reason of the provisions of section 992(a)(4), is a former DISC, for its first taxable year beginning after December 31, 1986, shall be treated, for purposes of this paragraph, as having failed to satisfy the conditions of section 992(a)(1) for such taxable year.".

Subtitle B—Other Miscellaneous Provisions

SEC. 411. REPEAL OF TAX EXEMPTION FOR CREDIT UNIONS.

Paragraph (14) of section 501(c) (relating to list of exempt organizations) is hereby repealed.

SEC. 412. REDUCTION OF ANNUAL LIMITS FOR DEFINED BENEFIT AND DEFINED CONTRIBUTION PLANS.

(a) GENERAL RULE.—

(1) DEFINED BENEFIT PLANS.—

(A) IN GENERAL.—Paragraph (1) of section 415(b) (relating to limitation for defined benefit plans) is amended by striking out "$90,000" and inserting in lieu thereof "$60,000".

(B) CONFORMING AMENDMENTS.—

(i) Subparagraph (C) of section 415(b)(2) is amended—

(I) by striking out "$90,000" each place it appears and inserting in lieu thereof "$60,000", and

(II) by striking out "$75,000" each place it appears and inserting in lieu thereof "$50,000".

(ii) Subparagraph (D) of section 415(b)(2) is amended by striking out "$90,000" each place it appears and inserting in lieu thereof "$60,000".

(iii) Section 415(b)(7) is amended by striking out "$90,000" and inserting in lieu thereof "$60,000".

(2) DEFINED CONTRIBUTION PLANS.—Paragraph (1) of section 415(c) (relating to limitation for defined contribution plans) is amended by striking out "$30,000" and inserting in lieu thereof "$20,000".

(b) REPEAL OF COST-OF-LIVING ADJUSTMENTS.—

(1) GENERAL RULE.—Subsection (d) of section 415 (relating to cost-of-living adjustments) is hereby repealed.

(2) CONTINUATION OF ADJUSTMENT IN THE AMOUNT OF PARTICIPANT'S AVERAGE COMPENSATION FOR HIGH 3 YEARS.—Subsection (b) of section 415 (relating to limitation for defined benefit plans) is amended by adding at the end thereof the following new paragraph:

"(8) COST-OF-LIVING ADJUSTMENT.—

"(A) IN GENERAL.—In the case of a participant who is separated from service, the amount taken into account under paragraph (1)(B) shall be annually adjusted for increases in the cost-of-living in accordance with regulations prescribed by the Secretary. Such regulations shall provide for adjustment procedures which are similar to the procedures used to adjust primary insurance amounts under section 215(i)(2)(A) of the Social Security Act.

"(B) BASE PERIOD.—The base period taken into account for purposes of subparagraph (A) shall be the last calendar quarter of the calendar year before the calendar year in which the participant is separated from service.".

SEC. 413. METHOD OF ACCOUNTING FOR TAXPAYERS ENGAGED IN FARMING.

(a) GENERAL RULE.—The section heading and subsection (a) of section 447 (relating to method of accounting for corporations engaged in farming) are amended to read as follows:

"SEC. 447. METHOD OF ACCOUNTING FOR TAXPAYERS ENGAGED IN FARMING.

"(a) GENERAL RULE.—The taxable income from farming (including timber) shall be computed on an accrual method of accounting and with the capitalization of preproductive expenses described in subsection (b).".

(b) ACCRUAL METHOD NOT REQUIRED FOR TAXPAYERS HAVING GROSS RECEIPTS OF $1,000,000 OR LESS; REPEAL OF OTHER EXCEPTIONS.—Section 447 is amended by striking out subsections (c), (d), (e), (g), and (h) and by inserting after subsection (b) the following new subsection:

"(c) TAXPAYERS HAVING GROSS RECEIPTS OF $1,000,000 OR LESS.—

"(1) IN GENERAL.—This section shall not apply with respect to any taxpayer if for each prior taxable year of such taxpayer beginning after December 31, 1986 (December 31, 1975, in the case of a corporation), such taxpayer (and, in the case of a corporation, any predecessor) did not have gross receipts exceeding $1,000,000. For purposes of the preceding sentence, all taxpayers which are treated as a single employer under subsection (a) or (b) of section 52 (as in effect before its repeal) shall be treated as 1 taxpayer.

"(2) FARMING SYNDICATES SUBJECT TO ACCRUAL METHOD WITHOUT REGARD TO AMOUNT OF GROSS RECEIPTS.—Paragraph (1) shall not apply to any farming syndicate (as defined in section 464(c)).".

(c) CERTAIN EXPENSING DEDUCTIONS NOT ALLOWED TO TAXPAYERS TO WHOM SECTION 447 APPLIES.—Section 447 is amended by inserting after subsection (c) the following new subsection:

"(d) TAXPAYERS TO WHOM SECTION APPLIES NOT ALLOWED TO EXPENSE CERTAIN EXPENDITURES.—In the case of a taxpayer to whom this section applies, the following provisions shall not apply:

"(1) section 175 (relating to soil and water conservation expenditures),

"(2) section 180 (relating to expenditures by farmers for fertilizer, etc.), and

"(3) section 182 (relating to expenditures by farmers for clearing land.".

(d) CONFORMING AMENDMENT.—The item relating to section 447 in the table of sections of subpart A of part II of subchapter E of chapter 1 is amended by striking out "corporations" and inserting in lieu thereof "taxpayers".

SEC. 414. ADJUSTMENTS TO COMPLETED CONTRACT METHOD.

(a) GENERAL RULE.—Section 229 of the Tax Equity and Fiscal Responsibility Act of 1982 (relating to modification of regulations on the completed contract method of accounting) is amended by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and by inserting after subsection (a) the following new subsection:

"(b) DEFERRAL OF INCOME OR LOSS TO BE TAKEN INTO ACCOUNT IN DETERMINING TAX LIABILITY UNDER COMPLETED CONTRACT METHOD OF ACCOUNTING.—

"(1) IN GENERAL.—The tax treatment of any long-term contract with respect to which the completed contract method of accounting is used shall take into account the fact that under such method there has been a deferral of income or loss for purposes of the Internal Revenue Code of 1954.

"(2) SECRETARY OF TREASURY TO PRESCRIBE REGULATIONS ESTABLISHING METHODS.—

"(A) IN GENERAL.—The Secretary of the Treasury (or his delegate) shall prescribe regulations establishing 2 methods which carry out the purposes of paragraph (1), the exact method and the simplified method.

"(B) ALLOCATION OF INCOME AND LOSS TO PROPER YEAR.—Each method described in subparagraph (A) shall be based on allocating to each taxable year in which activities relating to the long-term contract occur such taxable year's proper share of the net income or loss from the contract.

"(C) EXACT METHOD.—For purposes of this paragraph, the term 'exact method' means a method under which interest is computed under chapter 67 of the Internal Revenue Code of 1954 on the underpayments or overpayments for prior taxable years which would result solely from the application of subparagraph (B).

"(D) SIMPLIFIED METHOD.—For purposes of this paragraph, the term 'simplified method' means a method under which the taxpayer's income or loss for the current year is adjusted by an amount which represents interest on each amount which is allocated under subparagraph (B) to a taxable year before the current year. For purposes of the preceding sentence, interest shall be computed under subchapter C of chapter 67 of such Code but at 70 percent of the rates established by section 6621 of such Code.

"(E) $10,000 SMALL BUSINESS EXEMPTION.—

"(i) IN GENERAL.—For each current year, the first $10,000 of interest equivalent which (but for this subparagraph) would be owed by the taxpayer under subparagraph (C) or (D) shall not be taken into account.

"(ii) RELATED PERSONS RULE.—For purposes of clause (i)—

"(I) all trades or businesses (whether or not incorporated) which are under common control shall be treated as 1 taxpayer, and

"(II) all interest equivalents of the taxpayer (and related persons) shall be taken into account.

"(F) ELECTION.—The taxpayer may elect the exact method or the simplified method at such time and in such manner as may be prescribed by regulations. Such an election shall apply to all long-term contracts to which the completed method of accounting applies, and (once made) may be revoked only with the consent of the Secretary of the Treasury or his delegate.

"(G) CURRENT YEAR DEFINED.—For purposes of this paragraph, the term 'current year' means the taxable year in which the income or loss from the long-term contract is taken into account under the completed method of accounting.".

(b) ELIMINATION OF EXCEPTION FOR CONTRACTS COMPLETED WITHIN 3 YEARS.—Subparagraph (A) of section 229(c)(2) of the Tax Equity and Fiscal Responsibility Act of 1982 (as redesignated by subsection (a)) is amended to read as follows:

"(A) IN GENERAL.—The term 'extended period long-term contract' does not include any construction contract entered into by a taxpayer whose average annual gross receipts over the 3 taxable years preceding the taxable year in which such contract is entered into does not exceed $25,000,000.".

SEC. 415. HIGH INCOME TAXPAYERS REQUIRED TO MAKE ESTIMATED PAYMENTS EQUAL TO 90 PERCENT OF CURRENT YEAR TAX.

Section 6654 (relating to penalty for failure by individual to pay estimated tax) is amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection:

"(i) HIGH INCOME TAXPAYERS REQUIRED TO PAY 90 PERCENT OF CURRENT YEAR TAX.—In the case of any individual whose adjusted gross income for the taxable year exceeds $100,000, paragraph (1)(B)(i) of subsection (d) shall be applied by substituting '90 percent' for '80 percent'.".

SEC. 416. RECOGNITION OF GAIN OR LOSS ON DISTRIBUTIONS OF PROPERTY BY CORPORATIONS.

(a) DISTRIBUTION.—Section 311 (relating to taxability of corporation on distribution) is amended to read as follows:

"SEC. 311. TAXABILITY OF CORPORATION ON DISTRIBUTION.

"(a) GENERAL RULE.—Except as provided in subsection (b), gain or loss shall be recognized to a corporation on the distribution of property with respect to its stock in the same manner as if the property distributed had been sold to the distributee at its fair market value.

"(b) EXCEPTION FOR DEBT OF CORPORATION.—Subsection (a) shall not apply with respect to any distribution of an obligation of the corporation.".

(b) DISTRIBUTIONS IN LIQUIDATION.—Section 336 (relating to distributions of property in liquidation) is amended to read as follows:

"SEC. 336. DISTRIBUTIONS OF PROPERTY IN LIQUIDATION.

"(a) GENERAL RULE.—Except as provided in subsection (b), gain or loss shall be recognized to a corporation on the distribution of property in complete liquidation in the same manner as if the property distributed had been sold to the distributee at its fair market value.

"(b) EXCEPTION WHERE BASIS DETERMINED UNDER SECTION 334(b).—Subsection (a) shall not apply to any liquidation under section 332 for which the basis of property received is determined under section 334(b).".

(c) REPEAL OF SECTION 337.—

(1) Section 337 (relating to gain or loss on sales or exchanges in connection with certain liquidations) is hereby repealed.

(2) ADJUSTMENTS TO SECTION 338.—

(A) Paragraph (1) of section 338(a) (relating to certain stock purchases treated as asset acquisitions) is amended by striking out "to which section 337 applies".

(B) Subsection (c) of section 338 is hereby repealed.

SEC. 417. ELIMINATION OF SPECIAL BAD DEBT RESERVES OF FINANCIAL INSTITUTIONS.

(a) BANKS.—

(1) Paragraph (1) of section 585(b) (relating to addition to reserves for bad debts of banks) is amended to read as follows:

"(1) GENERAL RULE.—For purposes of section 166(c), the reasonable addition to the reserve for bad debts of any financial institution to which this section applies shall be an amount determined by the taxpayer which shall not exceed the addition to the reserve for losses on loans determined under the experience method as provided in paragraph (2).".

(2) Subsection (b) of section 585 is amended by striking out paragraphs (2) and (4) and by redesignating paragraph (3) as paragraph (2).

(b) OTHER FINANCIAL INSTITUTIONS.—Subsection (b) of section 593 (relating to addition to reserves for bad debts) is amended to read as follows:

"(b) ADDITION TO RESERVES FOR BAD DEBTS.—For purposes of section 166(c), the reasonable addition for the taxable year to the reserve for bad debts of any taxpayer described in subsection (a) shall be the amount determined to be a reasonable addition to the reserve to the extent such amount does not exceed an amount determined in the same manner as provided with respect to additions to the reserves for losses on loans of banks under section 585(b)(2).".

TITLE V—EFFECTIVE DATES

SEC. 501. EFFECTIVE DATES

(a) GENERAL RULE.—Except as otherwise provided in this Act, the amendments made by this Act shall apply to taxable years beginning after December 31, 1986.

(b) TRUST THROWBACK RULES.—The amendment made by section 121(c) shall apply with respect to income accumulated during taxable years of trusts beginning after December 31, 1986.

(c) CREDITS.—

(1) INVESTMENT TAX CREDIT.—The repeals made by section 201(2) shall apply to—

(A) property (to which section 46(d) of the Internal Revenue Code of 1954 does not apply) placed in service after December 31, 1986, and

(B) property to which such section 46(d) applies to the extent of qualified progress expenditures made after December 31, 1986.

(2) PRESERVATION OF EXISTING CARRYOVERS.—The repeals made by section 201 shall not apply to any carryover of an excess credit from a taxable year beginning before January 1, 1987, to a taxable year beginning after December 31, 1986; except that any carryover to a taxable year beginning after December 31, 1986, shall be reduced to an amount equal to 30/46 of the amount which would have been such carryover but for this paragraph.

(d) INCREASE IN CASH SURRENDER VALUE OF LIFE INSURANCE CONTRACTS.—The amendment made by section 214 shall apply with respect to policy years beginning after December 31, 1986.

(e) TAX-EXEMPT BONDS.—The amendments made by section 215 shall apply to obligations issued after December 31, 1986.

(f) DEPRECIATION.—The amendment made by section 301 shall apply with respect to property placed in service after December 31, 1986, in taxable years ending after such date.

(g) ALTERNATIVE TO COST DEPLETION.—The amendments made by section 302 shall apply with respect to property from which production first begins after December 31, 1986.

(h) ELIMINATION OF DEFERRAL OF INCOME OF CONTROLLED FOREIGN CORPORATIONS.—The amendments made by section 401 shall apply to taxable years of foreign corporations beginning after December 31, 1986, and to taxable years of United States shareholders in which or with which such taxable years of the foreign corporation end.

(i) RECOGNITION OF GAIN OR LOSS ON DISTRIBUTIONS OF PROPERTIES.—

(1) The amendments made by subsections (a) and (b) of section 416 shall apply to distributions after December 31, 1986, in taxable years ending after such date.

(2) The amendments made by subsection (c) of section 416 shall apply to sales or exchanges after December 31, 1986, in taxable years ending after such date.

Mr. HART. Mr. President, it is a testament to the creative work of Senator BILL BRADLEY and Congressman DICK GEPHARDT that tax reform is closer to realization today than at any time in the last decade. The Fair Tax Act, which I am pleased to support as an original cosponsor, has literally redefined the debate over what we can do to restore a sense of sanity and economic efficiency to the system of revenue collection in this country.

As a result of their work, the President and his Treasury Department became late recruits to the battle over tax reform and simplification. There are now two constructive proposals on the table which propose major reforms in the system. They both attempt and in many ways succeed in achieving the goals of simplicity, fairness, and efficiency. That the major Republican and Democratic proposals are in accord in this regard is a major step forward. The year 1985 has become the time for sweeping and significant tax reform.

Since the inception of system in 1913, taxation has become, more and more, an instrument of policy. Besides funding Government activities, and adjusting modestly the disparity in the incomes of rich and poor, the system has been stressed by the adoption of broader goals.

Tax policy has been used to fight inflation and recession. It has been relied upon to promote economic growth through incentives for investment and savings. It has become a tool of social policy, and the locus for an improvisational industrial policy. It is burdened by the demands of powerful interests who seek rewards for activities they wish to pursue or simply to shelter their income.

In some cases, the road to complexity has been paved with the best of intentions. But the costs of these conflicting and competing demands are known to us all. We have a tax code that is rent with complexity. Now, over 40 percent of taxpayers require the advice of professional accountants and attorneys to determine what they owe. Taxpayers are united by a deep suspicion that the burdens imposed by the system on them are not distributed fairly or shared equally. There is a pandemic preoccupation with beating the system. The inevitable consequence is an understandable unwillingness among our citizens to support those programs which the tax system is designed to support.

Both the Fair Tax Act and the Treasury Department's reform proposal are designed to deal with these problems. They embrace the notion of economic neutrality. Investors will be encouraged to allocate economic resources on the basis of utility and reward instead of simply taking advantage of loopholes. Tax rates are lowered for individuals and corporations. Even though most tax preferences are

eliminated, most taxpayers would pay less, in some cases substantially less, than under the current system. On the corporate side, essential reforms are made so that businesses once again pay their fair share.

In large part, the credibility of the existing system has been undermined by the manner in which corporations are taxed. After passage of the President's 1981 tax bill, many of this country's largest and most profitable businesses are paying no taxes whatever. From 1981 to 1983, Dow Chemical paid an effective rate of minus 28.7 percent on $776 million in profits. General Dynamics paid an effective rate of minus 7.6 percent on $930 million in profits. General Electric paid an effective rate of minus 4.3 percent on $6.5 billion in profits. W.R. Grace, a company which has led the fight to eliminate wasteful Government spending, paid an effective tax rate of minus 1.8 percent on $684.1 million in profits.

There are those who argue that repeal of the investment tax credit and ACRS will be harmful to business and retard the recovery. The facts do not support this conclusion. According to a recent analysis, the average increase for business investment in plant and equipment was 1 percent from 1980 to 1984 compared with 6½ percent over the preceding 4 years. We had a worse business investment record after ITC and ACRS than before. In the real world, the market for goods and services determines how companies can make wise investment decisions. The current system is wasteful in that it provides rewards for what corporations would do ordinarily. By repealing ITC, and reforming the system of business depreciation, the Fair Tax Act will make a major improvement in the existing system.

Cosponsorship of the Bradley-Gephardt fair tax bill does not indicate total support for the entire breadth and width of the proposal. Even Senator BRADLEY would agree, surely, that the Treasury package has some attractive provisions. It is our hope, however, that the debate on tax reform will not be deflected because of intractable arguments over specific differences between the plans. Reform will depend—both politically and financially—on people being willing to give up the tax breaks they favor simultaneously.

There have been indications that the administration, for example, is backing away from some of the specifics of the December plan—particularly on the business side. To the extent that the President or the Treasury Department caves in to pressure on the revision of ACRS, energy companies, banks, labor, life insurance firms, and others will want special treatment as well. This would kill the possibility of reform.

I similarly urge my colleagues on the Democratic side to work closely with the sponsors of the Fair Tax Act. This is a Democratic proposal in the best sense of the term. It aids people of moderate and middle income who have traditionally looked to us for representation in the political process. This legislation packages a variety of reforms which Democrats have been urging for a decade or more. Enactment of legislation along these lines will close loopholes and thereby boost compliance by all taxpayers. Rates will be lowered substantially. Shelters will be eliminated and disparities between and among corporate taxpayers will be reduced.

This legislation represents, in my judgment, a major step forward for the principles of simplicity, fairness, and economic efficiency. A proposal such as this deserves bipartisan support and should be implemented this year.

Mr. LAUTENBERG. Mr. President, I am pleased to join my senior colleague from New Jersey [Senator BRADLEY] by cosponsoring the Fair Tax Act of 1985. I cosponsored this legislation by the last Congress. Unfortunately, comprehensive tax reform was not a high priority of the 98th Congress. In fact, it has not been a high priority for any Congress in recent history. Far from it. Tax bill after tax bill has been enacted. Almost without exception, they have added to the welter of special provisions that have come to characterize our tax system. Reform proposals, in contrast, have simply been buried, often without the benefit of last rites. The result is a tax structure that is unduly complex, inefficient, and unfair.

The current system, in short, is in need of an overhaul. Almost no one disagrees on that point. Certainly not the average taxpayer. But genuine tax reform has been rather like the weather. Everyone has talked about it but no one has been willing to do much about it.

This year, the situation is beginning to change. The Fair Tax Act, and the hard work Senator BRADLEY and Congressman GEPHARDT have devoted to it over the last several years, have made a big difference. The administration's recent interest in tax reform is also significant. Add to this the other proposals in the works and it is easy to see that the debate on tax reform has advanced significantly. But we still have a long way to go and many hurdles to surmount before we get there.

Mr. President, responsible tax policy has to aim at several goals:

First, a good tax system should be simple enough to understand and to administer efficiently. It should make compliance as easy and painless as possible and offer no inducements to evasion and dishonesty.

Second, a tax system should be fair and it should be perceived as fair. There should not be outrageous disparities among taxpayers in essentially the same circumstances. Everyone who can should bear a fair share of the burden of supporting the common defense and providing essential public services. And there should be no tax-free millionaires, nor tax-exempt profitable corporations.

Third, tax policy should promote economic efficiency and growth. It should not distort economic choices. Nor should it create disincentives for risktaking, capital formation, and investment.

Finally, our tax system should be consistent with certain broadly shared social objectives. Tax policy cannot be considered entirely apart from such quality of life concerns as housing, homeownership, and educational opportunity.

Mr. President, no particular tax plan could meet all these tests perfectly. In fact, these objectives—most of which a majority of Americans would support—are not altogether compatible. But a sound tax structure must be able to maintain a reasonable balance among them all. The existing code fails to do so.

The bill we are introducing today is not perfect either, Mr. President. But it is an important step in the right direction. It begins the task of working out a reform plan that will do justice to the basic goals of the tax policy. This will not be easy. A long, hard road lies ahead. Adjustments and compromises may have to be made. But I believe this bill is a good place to start.

The structure it would establish is sound and realistic. It lowers and simplifies tax rates, broadens the tax base by eliminating or curtailing many special provisions, and retains a number of benefits that serve significant economic and social objectives. The Fair Tax Act would tax individuals at three rates—14 percent, 26 percent, and 30 percent. Corporations would pay a single rate of 30 percent.

Both the personal exemption and standard deduction would be significantly increased. The effect would be to exempt the first $9,200 of an average family's income from tax. Moreover 80 percent of all taxpayers would pay at the lowest rate—14 percent—on their taxable income. At the same time, favorable tax treatment would be preserved for home mortgage interest, charitable contributions, Social Security, and veterans benefits, IRA's and Keoughs, State and local income and property taxes, and other important priorities.

In conclusion, Mr. President, let me say that I look forward to working together with my colleagues on both sides of the aisle and with the administration in getting a sensible reform plan adopted. This bill initiates that process. We have a long way yet to go. But the rewards—in increased efficien-

cy, equality, and growth—will be more than worth the effort.

Mr. CRANSTON. Mr. President, I am pleased to be an original cosponsor of the fair tax plan which will be introduced by my colleague Senator BILL BRADLEY of New Jersey.

I am doing so because tax reform that will lead to fairer taxes, simpler tax forms, and lower personal tax rates is necessary for the health of our economy, and is greatly desired by millions of frustrated taxpayers. I believe the Bradley-Gephardt fair tax measure is the best plan thus far offered, but, my sponsorship does not mean I support it in every detail.

Early last month I spent 2 weeks in California holding a series of eight community roundtable discussions on the twin topics of modified flat tax reforms and the proposed budget freeze plans. Each roundtable panel consisted of 24 invited participants who were selected from among citizens who were not political activists or advocates of any special interest group or organization. We sought to bring together men and women who were representative of all Californians.

I began each discussion with brief opening remarks which set out the broad issues of tax reform. I wanted to learn from Californians what they thought about the tradeoffs involved in obtaining reform of our complicated tax structure in order to make it simple and fair and to lower rates.

I learned that Californians understand that the Government uses the tax system for social and economic purposes, not just to raise revenues. And they understand that to get reform and to lower the tax rates they must be willing to give up a significant number of exclusions, exemptions and deductions—that is, to expose more of their income to taxation but at lower rates.

I asked the panelists at every meeting to discuss two major questions:

First. Is the tax system the best way to subsidize—in an effort to stimulate—the American economy?

We could, after all, provide the same help through direct subsidy payments, loan guarantees and other means which do not involve the tax system. But are these alternatives good ideas? Are they practical?

Second. Do the benefits our economy and our society derive from the current tax system outweigh the fact that it places an unfair tax burden on the majority of people?

Is it, in the long run and in terms of the total economy, worth it to 3 out of 4 American taxpayers to pay more in taxes than they would under a modified flat tax plan so that the economy can be stimulated by permitting wealthy investors to pay proportionately lower taxes?

These are not easy questions.

I was impressed by the effort made by each participant to grapple with the difficult reality of the choices involved.

I also was impressed that people wanted to think through the choices for themselves and were unwilling to follow someone else who would say "this or that is in your best interest."

This brings me to a very basic reason why I believe it is important for the Senate to begin serious consideration of tax simplification soon. The process will take time. People are interested and want to be involved.

The modified flat tax reform introduced by my colleague Senator BRADLEY was the first of the serious tax reform proposals and it was initiated, I am proud to say, by Democrats and was endorsed in principle by the Democratic Party Convention in San Francisco last summer.

Though I support the Bradley-Gephardt plan, I am by no means committed to its every detail. I believe, for example, that it should be modified to allow for a tax differential for capital gains, or some adjustment to keep venture capital and investment flowing into the kind of high tech research and development important to our economic growth and prosperity. I've already advised Senator BRADLEY that I will be working for such a modification.

I find much to commend—but also a good deal to differ with—in the other two major proposals on the table, the Kemp-Kasten plan and the reforms proposed by Secretary of the Treasury Donald Regan.

We may be at a unique point in our political history. For the first time in many years there could be a developing consensus among the Treasury, the White House, and Congress to replace our current complicated and cumbersome Tax Code with some sort of flat tax or modified flat tax plan.

There are those who want to restore a measure of real progressivity in the tax burden who understand that the current progressive rate structure doesn't do the job. Then there are those who think that high marginal tax rates discourage workers, lead investors into unwise tax-reduction schemes and generally hold down the efficiency of the economy.

In addition, there is the widespread perception among the great majority of ordinary taxpayers that the current system treats them unfairly.

Tens of millions of Americans who earn wages and salaries and are in the middle and lower income brackets believe—and the facts back them up—that they pay their full share of taxes because their taxes are withheld automatically through payroll deductions. They are convinced that the present tax system is unfair because they know that higher income people can get away with paying less because much of their income is not subject to withholding. And wealthy taxpayers can afford to hire tax accountants and lawyers to find loopholes in the law through which they can legally reduce their taxes substantially.

Peoples' disrespect for the system is a factor in the widespread cheating among many millions of individuals who have decided not to report income totaling an estimated $250 billion. Many Americans have been found to cheat on their returns on small items of less than $100—but the revenue loss on these petty items alone totals $2.3 billion.

Finally, congressional efforts to restore fiscal balance to the Social Security trust fund increased the payroll tax burden on the working poor. Clearly, the total tax burden on low and moderate income working families is unfair and must be redressed.

All three of the major tax reform plans on the table deal in sensible and fair ways with these issues.

Each plan increases the threshold under which a low income family would pay no income tax.

Each compresses the current 14 rate brackets to 3 or less and lowers the maximum tax rate from 50 percent to a range of 24 percent to 35 percent.

Each eliminates and modifies many of the current deductions and tax credits, retaining only those already well-established and normally claimed by most individuals who itemize deductions.

Each reduces the current incentive for wealthy investors to seek tax shelters.

Each lowers the marginal corporate income tax rate.

Each plan greatly reduces the differential in effective tax rates for different types of business and industry.

Each plan shares a strong commitment to making it possible for the economic changes essential to our Nation's future security to occur unimpeded by Federal tax policy.

I believe these commitments are based on a convergence of significant principles and carry the authors of the three major tax reforms plans and their cosponsors far beyond the ordinary bandwagon jumping that often takes place in the Senate.

Our current tax system has functioned as an industrial and social policy tool for many decades. Some economists are worried that abandoning the present array of special tax incentives would amount to a sudden termination of those policies with very severe consequences for the economy. Others, on the opposite side, agree with Lester Thurow of MIT that, "If you stay with the current tax system you will destroy America."

Eliminating or greatly modifying the many provisions of current tax law and policy will change how we look at

our personal finances and the economy in general. It would change how museums, symphony orchestras, and private educational institutions are financed. The nature of the real estate industry and construction could change. We really do not know all the consequences. Trying to find out some of them is another major reason to proceed quickly with consideration of tax reform.

But—as I learned from listening to the participants of the roundtable discussions I held in California—even in the face of these momentous choices and changes, people still want a better, fairer tax system with lower rates.

The Congress is not polarized along partisan lines on this matter. And there is no reason we should be. We have a Treasury that is onboard. And, we have a President who, if he chooses to do so, can help lead the way.

Mr. President, I ask unanimous consent that the text of my remarks to the California community forums on modified flat tax be printed at the conclusion of my statement.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

MODIFIED FLAT TAX—CALIFORNIA COMMUNITY FORUMS

By Senator Alan Cranston

There are two top priority economic issues that will confront Congress early in the session—and that will occupy much of our attention over the coming weeks and months.

One is whether we should reform our complicated and inequitable tax structure—to make it simple, to make it fair, and to lower the rates.

The other is whether we should impose some kind of a freeze on federal spending—as a first step toward reducing the huge budget deficit that is undermining our economy.

We will discuss both this morning.

The first topic is how to restore public confidence in our tax system.

So far, three tax reform proposals have been put forward. They are fairly simple in broad concept—but the details are complicated.

Our current tax laws allow a huge number of often complex deductions against income to reduce a person's income tax. Some taxpayers can and do take maximum advantage of these deductions; most taxpayers do not. The average American taxpayer who works for a salary and has only small savings benefits little if at all from these potential deductions. In fact, 38 percent of American taxpayers don't even itemize their deductions.

On the other hand, wealthier taxpayers with large incomes from investments have much greater opportunities under our tax code to reduce their income taxes.

Thus the amount of income tax as a percentage of income varies enormously from taxpayer to taxpayer.

Billions of dollars go each year into nonproductive tax shelters and other tax-avoidance schemes that contribute little or nothing to the strength and productivity of our national economy.

Billions more go into tax-evasion scams.

Last year the tax system collected $460 billion, but $370 billion was lost through exclusions, deductions, credits and accounting loopholes.

Another $250 billion of income is not being reported each year and so escapes all taxes whatsoever this causes a revenue loss of between $60 to $70 billion.

The high rates, complexity and the unfairness of the present system encourage such cheating. The complexity is also costly. Collectively, taxpayers will spend about $3 billion just to figure out what they owe the treasury come April 15.

Even worse, under the present tax system many individuals and businessmen devote an immense amount of time figuring out how to avoid paying taxes rather than how to be more productive. Many of their investment decisions are made on the basis of what will reduce their taxes rather than what will increase productivity, profits and jobs.

The advocate of tax reform are saying that if we eliminated most deductions and got them down to a minimum of five or six which everyone could agree on (like charitable deductions and interest on a home mortgage), we could reduce tax rates for everybody without reducing federal revenues—and 70-75 percent of American taxpayers would end up paying less income tax than they do now.

If these figures are correct, it means that under our present tax laws, 3 out of 4 Americans pay more income taxes—and 1 out of 4 Americans pay less—than they would under a reformed tax system

* * * * *

But we don't use our tax system just for revenues.

We use it for other social or economic purposes. We also use it to stimulate industries which need some sort of government help or indirect subsidy. We use it to encourage private investments and savings which might otherwise not be made. And we use it to help local and state governments by exempting their securities from federal taxation.

Why do we do this?

Well, some businessmen argue that without tax laws which permit items like accelerated depreciation, investment tax credits, depletion allowances, or intangible expenses, some needed segments of our economy could not survive. Investors argue that lower tax rates on their return is mandatory if they are to risk their capital, especially in high-risk ventures. State and local governments argue that they would be forced to cut services and infrastructure unless they could issue tax exempt securities.

The problem is that tax concessions can be used to create unproductive tax shelters, tax deferral plans, tax free income and so on which permit certain individual taxpayers to reduce—or even eliminate—their taxes.

Tax reform means we must decide which few tax exclusions, exemptions and deductions we want to retain—and which we are prepared to give up. And in making such choices, we must bear in mind that if we fail to give up enough of those exclusions, exemptions and deductions, we will not be able to achieve the lower tax rates most of us want.

For business, tax reform may mean lower tax rates—but it probably will mean higher taxes. Flat-tax advocates assert, however, that businessmen will benefit more by investing their money in ways that will increase the efficiency and productivity of their company rather than in ways that merely lower their taxes.

The immediate effects will differ from industry to industry.

High tech companies seeking capital probably would benefit under some of the reforms being discussed.

But construction and home-building industries would lose if the investment tax credit, rapid depreciation and liberal deductability of interest expenses were taken away.

Who will be the winners and who will be the losers? Will our economy be better or worse off over-all?

Essentially, the question I would like us to discuss this morning is two-fold:

1. Is the tax system the best way to subsidize—in an effort to stimulate—the American economy?

We could, after all, provide the same help through direct subsidy payments, loan guarantees and other means which do not involve the tax system. But are these alternatives good ideas? Are they practical?

2. Do the benefits our economy and our society derive from the current tax system outweigh the fact that it places an unfair tax burden on the majority of Americans?

Is it, in the long run and in terms of the total economy, worth it to 3 out of 4 American taxpayers to pay more taxes than they would under a modified flat tax plan so that the economy can be stimulated by permitting wealthy investors to pay proportionately lower taxes?

A secondary question is: If we decide to adopt a tax reform proposal, what are those few deductions we should retain?

These are not easy questions.

I think I know some of the answers, but I certainly don't know all of them.

By Mr. JOHNSTON (for himself, Mr. WARNER, Mr. MCCLURE, and Mr. MURKOWSKI):

S. 410. A bill to repeal the Commercial and Apartment Conservation Service, and for other purposes; to the Committee on Energy and Natural Resources.

REPEAL OF COMMERCIAL AND APARTMENT CONSERVATION SERVICE

● Mr. JOHNSTON. Mr. President, today on behalf of myself, Senator MCCLURE, Senator MURKOWSKI, and Senator WARNER, I am introducing a very simple bill. It would repeal the amendments to the National Energy Conservation Policy Act [NECPA] that were enacted in 1980 to require electric and gas utilities to offer comprehensive site-specific energy audit services to their customers who are owners of multifamily dwellings and commercial buildings. This program is called the Commercial and Apartment Conservation Service [CACS].

My bill does not affect the provisions of NECPA enacted in 1978 to require utilities to offer energy conservation services to residential customers in individual residences. This program, which my bill leaves intact, is called the Residential Conservation Service.

This legislation will provide the Committee on Energy and Natural Resources and, ultimately, the Senate, with a vehicle for a review of the extent to which we believe it necessary to compel electric utilities to offer

energy conservation services to their customers. This review may produce ideas for legislation different from my bill. We may decide to leave things just as they are. But we won't know about that until the review takes place. I hope that hearings on this issue will be scheduled soon so the process can begin.

The Residential Conservation Service and the Commercial and Apartment Conservation Service are two Federal programs that require electric and gas utilities to offer their customers site-specific information about energy conservation opportunities in the buildings where these customers live or work. The RCS Program has been in effect nationwide since 1979. The CACS Program is set to go into effect nationwide in 1985. CACS State plans for Michigan, Rhode Island, New Mexico, and Arkansas have been approved and more plans may be approved at any time. Action by DOE approving a CACS State plan triggers implementation of CACS in that State.

On July 30, 1984, the House passed and sent to the Senate H.R. 5946, the Conservation Service Reform Act of 1984. This bill made several changes in the RCS Program, including the extension until 1990 of a requirement that utilities notify their customers of the availability of the required services. This notification requirement was set to expire on January 1, 1985.

The House bill also repealed the CACS Program. Because this legislation arrived in the Senate late in the session, the Committee on Energy and Natural Resources decided to simply extend both programs for a year to obtain time to review the proposed reforms during the 99th Congress. The Senate adopted the committee's approach without a dissenting vote, but the Senate's position proved unacceptable to the House, and H.R. 5946 died at the end of the 98th Congress.

On January 1, 1985, the RCS notification requirement expired. On December 31, 1984, DOE published a notice of proposed rulemaking on its CACS Federal Standby Program Regulations (49 FR 50970). In the event that a State refuses to provide an adequate CACS State plan for its utilities, DOE must implement the Federal standby plan in that State. DOE is reviewing CACS State plans for several States and nonregulated utilities and is near approval for California, North Carolina, and Wisconsin. These will be the next States in which the CACS program will be implemented.

In Senate Report 98-625, the committee indicated its intent to review the RCS and CACS programs in the 99th Congress. On November 2, 1984, I joined the chairman and seven other members of the committee in writing to the Secretary of Energy to urge that no action be taken with respect to RCS or CACS if that action would require new, irreversible commitments of resources by utilities to these programs. In this letter we indicated our intent to review these programs early in the 99th Congress. On January 15, 1985, Senator WEICKER and I wrote to Under Secretary of Energy to request DOE's opinion as to what responsibilities remain under the RCS program now that the notification requirement has lapsed.

On February 1, 1985, Secretary Hodel responded to these letters and indicated that the Department intends to go forward with the CACS program, despite the administration's opposition to it. It is the Department's position, however, that "utilities are free to terminate their RCS programs within a reasonable time after the last offer of services is made on or about January 1, 1985." Clearly this position will be controversial.

My purpose in introducing this bill is to begin the debate on what, if anything, the committee and the Senate want to do about these programs. The important thing now is to get hearings on this bill scheduled soon so that a full airing of the issues can occur.

Mr. President, I ask unanimous consent that a copy of the bill and a copy of Secretary Hodel's February 1, 1985 letter to me—with an attachment—be inserted in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 410

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be referred to as the "Conservation Service Reform Act of 1985".

SEC. 2. (a) IN GENERAL.—Title VII of the National Energy Conservation Policy Act (relating to energy conservation for commercial buildings and multifamily dwellings) is hereby repealed.

(b) CLERICAL AMENDMENT.—The table of contents for such Act is amended by striking out the items relating to title VII.

THE SECRETARY OF ENERGY,
Washington, DC, February 1, 1985.

DEAR SENATOR JOHNSTON: Thank you for your letter of November 2, 1984, concerning implementation of the Commercial and Apartment Conservation Service (CACS) program and the Residential Conservation Service (RCS) program. Before addressing your specific concerns let me state that the Department continues to support repeal of these two programs which we feel are burdensome, overly restrictive, and often not cost-effective. Moreover, we are in full agreement with you that to the extent permissible by law program costs should be minimized pending program review by the Congress in this session.

Under the CACS legislation, State participation in the CACS program is entirely voluntary. Once a State plan is submitted and not subsequently withdrawn, however, section 721 of the National Energy Conservation Policy Act (NECPA) requires the Department to review and either approve or disapprove the plan according to a prescribed timetable. Although both the Senate and the House passed legislation that would have repealed or postponed this provision, final Congressional action unfortunately was not taken before the 98th Congress adjourned. Thus, notwithstanding our opposition to the CACS program, we are required by law to proceed in good faith with our review of the proposed CACS plans.

To date the Department has received a total of 63 CACS plans from States and utilities. Of these, four have been approved and 57 other States and utilities have been informed of necessary changes to their plans to meet the regulatory requirements for approval. Initial reviews of two plans have not yet been completed.

Regarding the CACS program startup costs, section 731 of NECPA allows utilities 12 months from the date of plan approval before they must have offered program services. Thus there is opportunity to avoid major startup costs if Congress acts early in this session to repeal or amend CACS.

Under section 741 of NECPA, DOE is required to implement a Federal Standby Plan (FSP) in States that do not choose to participate in CACS. A proposed rulemaking for the CACS FSP was published in the Federal Register on December 31, 1984. The public comment period closes March 1, 1985. Beyond that, the rule must be finalized, and its timing and other procedural provisions respected, before Standby could be implemented in those States that elect not to participate in the program.

In addition, your letter addresses the potential for unfair competition in the CACS and RCS programs. We share this concern. With regard to the CACS program, however, section 216(g) of NECPA is not applicable and our statutory authority to monitor and enforce against anticompetitive acts or practices in the CACS program is limited. Nevertheless, subject to this limited authority we have promulgated regulations which we feel will provide reasonable safeguards to ensure competition. Moreover, the Department will continue to monitor the RCS program, with the assistance of the Federal Trade Commission, to ensure that anticompetitive acts or practices are prevented or corrected. If necessary, the Department is prepared to use whatever available authority is appropriate, including section 216(g)(2) authority, to preserve competition. Furthermore, we have adopted several additional procedures, such as consultation with the Small Business Administration and notice and an opportunity for public comment, for our review of waiver requests for utility supply and installation activities. A more detailed discussion of this will be included in our annual report to Congress.

Finally, you have requested the Department to notify you regarding our authority and responsibility to implement and enforce compliance with the RCS program provisions after January 1, 1985. It is the position of the Department that utilities are free to terminate their RCS programs within a reasonable time after the last offer of services is made on or about January 1, 1985. On the related matter of enforcement, to date the Department has issued RCS Standby orders to utilities in six States without approved RCS plans and is currently reviewing the matter of RCS enforcement after January 1, 1985. You will be informed of the outcome of this review before any further related action is taken.

In closing let me say that I appreciate your interest in the development and implementation of these two programs by the De-

partment. Moreover, I would like to offer any assistance we may be able to provide in your upcoming review of these programs.

Sincerely,

DONALD PAUL HODEL.

DOE DETERMINATION ON THE TERMINATION OF THE RCS PROGRAM

DOE has determined that it will formally notify States, nonregulated utilities and utilities under the Federal Standby Plan that utilities covered by NECPA are allowed to terminate their RCS programs within a reasonable time after they have completed their current cycle of unconditional audit offers.

IMPLICATIONS FOR RCS STATES

Such a State:

Must notify its utilities of DOE's position,

Must make the determination of what constitutes a "reasonable time" and notify its utilities,

Must notify DOE of the expected expiration date of its utilities' programs or any plans for continuing an audit program,

Must continue to meet its program responsibilities (e.g., Master record, monitoring, etc.) as long as its utilities are still providing RCS program services, and

Must continue to meet the regulatory annual reporting requirements to DOE through July 1, 1986.

This determination does not affect RCS or other audit programs mandated by State laws or regulations.

IMPLICATIONS FOR RCS NONREGULATED UTILITIES

Such a utility:

Must make the determination of what constitutes a "reasonable time,"

Must notify DOE of the expected expiration date of its program or any plans to continue an audit program,

Must complete its distribution cycle of unconditional audit offers and provide the audit and arranging services requested in response to these offers,

Must continue to meet its other program responsibilities (e.g., Master record, monitoring, etc.) as long as it is providing RCS program services, and

Must continue to meet the regulatory annual reporting requirements to DOE through July 1, 1986.

This determination does not affect RCS programs mandated by State laws or regulations or audit programs carried out voluntarily by the utility.

IMPLICATIONS FOR RCS REGULATED UTILITIES

Such a utility:

Must complete its distribution cycle of unconditional audit offers and provide the audit and arranging services requested in response to these offers, following the "reasonable time" determined by the State lead agency,

Must continue to meet its other program responsibilities as long as it is providing RCS program services, and

Must continue to meet the regulatory annual reporting requirements to its state lead agency through July 1, 1986.

This determination does not affect RCS programs mandated by State laws or regulations or audit programs carried out voluntarily by the utility.

IMPLICATIONS FOR FEDERAL STANDBY UTILITIES

Such a utility:

Must complete its distribution cycle of unconditional audit offers,

Must allow customers 60 days in which to accept the audit offer,

Must allow customers 30 days in which to request arranging services following the audit,

Must notify DOE of the expected expiration date of its program or any plans to continue an audit program,

Must continue to meet its other program responsibilities as long as it is providing RCS program services, and

Must continue to meet the regulatory annual reporting requirements to DOE through July 1, 1986.

This determination does not affect RCS or other audit programs carried out voluntarily by the utility.●

By Mr. ROTH:

S. 411. A bill to reduce individual income tax rates, to increase savings of individuals, to broaden the income tax base, and for other purposes; to the Committee on Finance.

BROAD-BASED ENHANCED SAVINGS TAX ACT

● Mr. ROTH. Mr. President, a short while ago I introduced S. 243, the Broad-Based Enhanced Savings Tax Act of 1985. The same bill has been introduced by Congressman HENSON MOORE on the House side. The bill is identical to the bill that we introduced during the 98th Congress.

Mr. MOORE and I set several goals that we felt were essential to tax reform, and our bill has achieved these objectives. The important aspects are:

The bill provides substantial savings incentives which serve to minimize the tax bias against saving and investment that exists in our Tax Code.

The bill substantially lowers marginal tax rates and, therefore, diminishes the disincentives against work effort and saving.

Through substantial base broadening, the bill provides for a system that raises the same revenue as our current system. This was certified last year by the Joint Committee on Taxation.

The bill does not change the distribution of the tax burden by income class. Each income class will pay the same percentage of taxes as under current law.

The bill is fair to all taxpayers and greatly simplifies the Tax Code.

Mr. President, I am encouraged by the bipartisan nature of the tax reform movement in this Congress. I applaud the efforts of the distinguished Senator from New Jersey, [Mr. BRADLEY] and his House colleague [Mr. GEPHARDT].

I also applaud the efforts of the Senator from Wisconsin [Mr. KASTEN], and his House cosponsor [Mr. KEMP]. The two bills introduced by these gentleman are innovative, important plans, and our Nation would be better off under either of these plans. I also want to congratulate the Treasury Department on their innovative work.

The one flaw in these plans is that they don't go far enough to remove the bias against savings in our Tax Code. Now there is a reason why these plans didn't address the antisavings bias. Up until relatively recently, the conventional wisdom held that you couldn't put substantial savings inventives in a tax reform. It was argued that if you put in savings incentives, one or more of three things would happen: You'd lose enormous sums of revenue, or you'd need high marginal rates for the tax burden would be shifted from rich to poor.

Mr. President, when the Joint Committee on Taxation began work on the technical aspects of my proposal, they were given the following instructions:

Come up with a rate structure that allows substantial savings incentives, does not alter the income distribution, raises the same amount of revenue as current law, and results in lower marginal tax rates.

And, Mr. President, that is exactly what the joint committee came back with.

This bill, which I am introducing today, should be considered a serious proposal, but it should be recognized that even the best plan may have some flaws. We are placing this bill in the public eye so that people can debate it, criticize it, and make suggestions. This bill does prove that moving in this direction is worthwhile and that a system doesn't have to penalize saving in order to be equitable and raise revenue.

Mr. President, we must remove the bias against saving.

Our present Tax Code has got to be one of the most archaic, complex, and cumbersome documents ever produced. It is a maze of special rules, technical amendments, technical changes to technical amendments, special exemptions, and so on, and so forth.

The reason that you see a lot of these things in the code is because the tax system penalize a lot of economic activities that it shouldn't.

Congress, in turn, has tried to take the pressure off some of these activities by granting special exemptions. Other exemptions were, quite frankly, put into effect by the efforts of special interest groups.

The one activity that has beeen penalized the most in this economy has been savings and investment. And yet, it is this sector which is so crucial to our present and future international competitive posture.

I believe that many Senators would agree that our Nation's declining ability to keep up with the international competition in recent years, is, in large measure, the result of our dismal level of personal savings and investment.

America is a land of tremendous opportunity and growth; our country is welling over the new ideas and inventions; our entrepreneurial spirit is alive and as vigorous as ever; our Nation is still well ahead of the rest of

the world in discovering and developing new technologies.

But when it comes to finding the capital to put these new ideas and technologies to use, we come up short. Our rate of personal savings—the chief source of capital for industrial growth and modernization—is pitifully small compared to those of our major trading partners in the Pacific Basin and Western Europe.

But why don't we save more? Why does a nation that has always recognized the importance and value of putting something aside for a rainy day have a personal savings rate of around only 4.7 percent? From 1970 to the present, the U.S. savings rate has averaged less than 7 percent, while the Japanese, for example, has an average savings rate of almost 20 percent. Why this imbalance?

I believe the primary answer can be found in a tax system which encourages consumption now and discourages savings for the future. Our current tax system contains an inherent bias against savings; in fact, it penalizes savings by taxing them twice. Once when the money is earned, and again when it produces income in a savings account or other interest-earning investment.

Eliminating this double taxation of savings is a vital and necessary ingredient in reforming our tax system. We need a tax system that encourages, rather than penalizes, personal saving. Why? Because every dollar saved is a dollar that go to new investment to build new plants or to modernize old ones and to create jobs. Savings is the engine that drives long-term economic growth. At the same time, we need simplified Tax Code with lower rates for the average taxpayers.

Our tax plan, like the others that have been proposed, will broaden the tax base, reduce marginal rates, and simplify the tax system. But it will go one vital step further. It will remove the existing bias against saving and investment in order to provide our Nation with the needed savings for economic growth.

Let me briefly describe my tax plan which will replace the existing individual income tax.

Specifically, we would eliminate virtually all the existing exemptions, deductions, and credits. The only exceptions would be the home mortgage interest deduction, a deduction for charitable contributions, and a deduction to protect against catastrophic medical expenses. In addition, legitimate business expenses for a personal business will, of course, be deductible.

In order to insure that no one below the poverty line is taxed, the system would expand the substantial zero bracket amount—the old standard deduction—and retain personal exemptions. The earned income credit would also be expanded beyond that of current law.

In this system, there would be one other deduction—and it is this deduction that makes this plan uniquely suited to stimulate savings and investment.

Most income invested in a savings account or other savings instrument would not be taxed until it is withdrawn and spent.

The centerpiece of this plan would be the creation by Congress of supersavings accounts—Susa for short. The Susa would function much like current IRA's. Except that saving could be for any purpose, not just retirement. The funds could also be withdrawn at any time without penalty.

Net contributions to the Susa would be tax deductible and net withdrawals would be added to taxable income. Within the account, investment could be made in any financial asset. The limits on the Susa would be $10,000 for an individual and $20,000 for a couple filing jointly. Existing IRA's would be rolled into the Susa's, but my plan would retain existing Keogh's as a separate entity not covered by the Susa limits.

The second major feature of my plan is to replace the complicated system of capital recovery provisions and credits for equipment with immediate expensing. This is crucial to our goal of creating an environment for investment for economic growth. Lives for structures will also be shortened.

Of course, any proposal as dramatic as this necessarily poses a number of transition problems. To mitigate some of the transitional difficulties, our tax system would be phased in over a period of 5 years. In close consultation with the Joint Committee on Taxation, we have determined that a permanent rate structure of four rates between 12 and 34 percent would be sufficient to make the system revenue and income distribution neutral.

Who then should support such a tax system?

In my judgment, the broad spectrum of the American populace would benefit substantially from such a proposal and would be strong supporters of our initiative.

Groups that would benefit would include:

Young married couples—the future hope of our society—who look forward, for the first time, to owning their own homes. The supersavings accounts would provide low-interest mortgage money to help make home ownership a reality.

Middle-aged and middle-income families—the very backdone of our Nation—who want to save whether for their children's education, a summer home in the country, a long awaited and needed vacation, or whatever.

The elderly, who have toiled countless hours to make our country great and now find themselves—under our present tax system—unable to save tax free. With our proposals, the elderly could save funds tax free to help protect themselves against catastrophic illness or to provide a legacy for their children.

The jobless and underemployed—unwilling victims of technological change—would support this initiative because this new system would create new jobs by increasing the competitiveness of U.S. products and services in world markets.

The American business community—our plan would provide a steady and expanding source of capital so necessary for business growth.

In short, anyone who wants to see the United States preserve its economic strength, anyone who wants to maintain and strengthen the benefits of this recovery, anyone who wants to see America reassert its leadership in world trade and industrial productivity will support our initiative.

The time is ripe to jettison our present outmoded, cumbersome, and inherently biased tax system and replace it with one that is simple and fair. The system we proposed today does that and more. Our tax plan encourages savings and investment, lays the groundwork for sustained economic growth and job creation, and ensures a better life for all of our citizens.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD along with title-by-title analysis.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "Broad-Based Enhanced Savings Tax Act of 1985".

(b) AMENDMENT OF 1954 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—The Secretary of the Treasury or his delegate, not later than 90 days after the date of the enactment of this Act, shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a draft of any technical and conforming amendments to the Internal Revenue Code of 1954 which are necessary to reflect the substantive amendments made by this Act.

TITLE I—REDUCTION OF INDIVIDUAL INCOME TAX RATES

SEC. 101. REDUCTION OF INDIVIDUAL INCOME TAX RATES.

(a) IN GENERAL.—So much of section 1 (relating to tax imposed) as precedes subsection (f) is amended to read as follows:

"SECTION 1. TAX IMPOSED.

"(a) MARRIED INDIVIDUALS FILING JOINT RETURNS AND SURVIVING SPOUSES.—There is hereby imposed on the taxable income of every married individual (as defined in section 143) who makes a single return jointly with his spouse under section 6013, and every surviving spouse (as defined in section 2(a)), a tax determined in accordance with the following table:

"If taxable income is:	The tax is:
Not over $3,550	No tax.
Over $3,550 but not over $20,000.	18% of the excess over $3,550.
Over $20,000 but not over $30,000.	$2,961, plus 26% of the excess over $20,000.
Over $30,000 but not over $60,000.	$5,561, plus 36% of the excess over $30,000.
Over $60,000	$16,361, plus 45% of the excess over $60,000.

"(b) HEADS OF HOUSEHOLDS.—There is hereby imposed on the taxable income of every individual who is the head of a household (as defined in section 2(b)) a tax determined in accordance with the following table:

"If taxable income is:	The tax is:
Not over $2,400	No tax.
Over $2,400 but not over $20,000.	18% of the excess over $2,400.
Over $20,000 but not over $30,000.	$3,168, plus 26% of the excess over $20,000.
Over $30,000 but not over $55,000.	$5,768, plus 36% of the excess over $30,000.
Over $55,000	$14,768, plus 45% of the excess over $55,000.

"(c) UNMARRIED INDIVIDUALS (OTHER THAN SURVIVING SPOUSES AND HEADS OF HOUSEHOLDS).—There is hereby imposed on the taxable income of every individual (other than a surviving spouse as defined in section 2(a) or the head of a household as defined in section 2(b)) who is not a married individual (as defined in section 143) a tax determined in accordance with the following table:

"If taxable income is:	The tax is:
Not over $2,400	No tax.
Over $2,400 but not over $15,000.	18% of the excess over $2,400.
Over $15,000 but not over $25,000.	$2,268, plus 26% of the excess over $15,000.
Over $25,000 but not over $50,000.	$4,868, plus 36% of the excess over $25,000.
Over $50,000	$13,868, plus 45% of the excess over $50,000.

"(d) MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—There is hereby imposed on the taxable income of every married individual (as defined in section 143) who does not make a single return jointly with his spouse under section 6013 a tax determined in accordance with the following table:

"If taxable income is:	The tax is:
Not over $1,775	No tax.
Over $1,775 but not over $10,000.	18% of the excess over $1,775.
Over $10,000 but not over $15,000.	$1,481, plus 26% of the excess over $10,000.
Over $15,000 but not over $30,000.	$2,781, plus 36% of the excess over $15,000.
Over $30,000	$8,181, plus 45% of the excess over $30,000.

"(e) ESTATES AND TRUSTS.—There is hereby imposed on the taxable income of every estate and trust taxable under this subsection a tax determined in accordance with the following table:

"If taxable income is:	The tax is:
Not over $8,225	18% of the taxable income.
Over $8,225 but not over $13,225.	$1,481, plus 26% of the excess over $8,225.
Over $13,225 but not over $28,225.	$2,781, plus 36% of the excess over $13,225.
Over $28,225	$8,181, plus 45% of the excess over $28,225.".

(b) ADDITIONAL DECREASES IN TAX RATES.—

(1) IN GENERAL.—Section 1 is amended by adding at the end thereof the following new subsection:

"(g) ADDITIONAL REDUCTION IN RATES.—In prescribing the tables under subsection (f) for any taxable year beginning after December 31, 1987, the Secretary shall substitute the following percentage rates for the percentage rates in the tables contained in subsection (a), (b), (c), (d), and (e):

"In the case of a taxable year beginning in:	Substitute for each percentage the percentages listed under it:			
	18%	26%	36%	45%
1988	17	24	34	42
1989	14	21	31	37
1990 and thereafter	12	20	30	34.".

(2) CONFORMING AMENDMENTS.—Section 1(f)(2) is amended—

(A) by inserting "except as provided in subsection (g)," before "by" in subparagraph (B), and

(B) by inserting "and the adjustments under subsection (g)" after "brackets" in subparagraph (C).

(c) INDEXATION OF TAX TABLES.—

(1) INDEXING TO BEGIN IN 1986.—Paragraph (1) of section 1(f) (relating to adjustments in tax tables so that inflation will not result in tax increases) is amended by striking out "1984" and inserting in lieu thereof "1985".

(2) COST-OF-LIVING ADJUSTMENT.—Paragraph (3)(B) of section 1(f) is amended by striking out "1983" and inserting in lieu thereof "1984".

(3) CONFORMING AMENDMENTS.—Paragraphs (1) and (2) of section 1(f) are each amended by striking out "paragraph (3) of".

SEC. 102. INCREASE IN EARNED INCOME CREDIT.

(a) INCREASE IN PERCENTAGE FROM 11 PERCENT TO 13 PERCENT.—Section 32(a) (relating to earned income credit) is amended by striking out "11 percent" and inserting in lieu thereof "13 percent".

(b) INCREASE IN BASE FROM $5,000 TO $5,200.—Section 32(a) is amended by striking out "$5,000" and inserting in lieu thereof "$5,200".

(c) ADJUSTMENTS SO THAT INFLATION WILL NOT REDUCE THE VALUE OF CREDIT.—

(1) IN GENERAL.—Section 32 is amended by adding at the end thereof the following new subsection:

"(i) INFLATION ADJUSTMENTS.—

"(1) IN GENERAL.—Not later than December 15 of 1985 and each subsequent calendar year thereafter, the Secretary shall prescribe the amounts which shall apply in lieu of—

"(A) the $5,200 amount contained in subsection (a),

"(B) the $676 amount contained in subsection (b)(1),

"(C) the $6,900 amount contained in subsections (b)(2) and (f)(2)(B), and

"(D) the $12,308 amount contained in subsections (f)(2) (A) and (B),

with respect to taxable years beginning in the succeeding calendar year.

"(2) METHOD OF ADJUSTING AMOUNTS.—The amounts which shall apply in lieu of the amounts referred to in paragraph (1) with respect to taxable years beginning in any calendar year shall be prescribed by increasing each such amount by the cost-of-living adjustment (as defined in section 63(d)(2)(C)) for such calendar year. If such increase is not a multiple of $10, such increase shall be rounded to the nearest multiple of $10 (or if such increase is a multiple of $5 but not a multiple of $10, such increase shall be increased to the next multiple of $10).".

(2) CONFORMING AMENDMENTS.—Section 3507(c)(2) is amended by adding at the end thereof the following new flush sentence:

"Each time the Secretary makes an adjustment under section 32(i), the Secretary shall make the same adjustment to each amount contained in this paragraph.".

(d) CONFORMING AMENDMENTS—

(1) Paragraph (1) of section 32(b) is amended by striking out "$550" and inserting in lieu thereof "$676".

(2) Paragraph (2) of section 32(b) is amended—

(A) by striking out "12½ percent" and inserting in lieu thereof "12.5 percent", and

(B) by striking out "$6,500" and inserting in lieu thereof "$6,900".

(3) Section 32(f)(2) is amended—

(A) by striking out "$11,000" each place it appears and inserting in lieu thereof "$12,308", and

(B) by striking out "$6,500" and inserting in lieu thereof "$6,900".

(4) Section 3507(c)(2) (defining earned income advance amount) is amended by striking out "11 percent" each place it appears and inserting in lieu thereof "13 percent",

(5) by striking out "$5,000" and inserting in lieu thereof "$5,200",

(6) by striking out "$6,500" and inserting in lieu thereof "$6,900",

(7) by striking out "$11,000" and inserting in lieu thereof "$12,308",

(8) by striking out "$2,500" and inserting in lieu thereof "$2,600",

(9) by striking out "$3,250" and inserting in lieu thereof "$3,450",

(10) by striking out "$5,500" and inserting in lieu thereof "$6,154".

SEC. 103. INCREASE IN PERSONAL EXEMPTION FOR 1985.

Section 151(f) (defining exemption amount) is amended to read as follows:

"(f) EXEMPTION AMOUNT.—For purposes of this section—

"(1) IN GENERAL.—The term 'exemption amount' means with respect to any taxable year, $1,050 increased by an amount equal to $1,050 multiplied by the cost-of-living adjustment (as defined in section 1(f)(3)) for the calendar year in which the taxable year begins. If the amount determined under the preceding sentence is not a multiple of $10, such amount shall be rounded to the nearest multiple of $10 (or if such amount is a multiple of $5, such amount shall be increased to the next highest multiple of $10).

"(2) 1985.—For taxable years beginning in 1985, the exemption amount shall be equal to $1,050.".

SEC. 104. REPEALS RELATED TO REDUCTION IN RATES.

The following provisions are hereby repealed:

(1) Section 55 (relating to alternative minimum tax for taxpayers other than corporations).

(2) Paragraphs (1), (2), and (3) of section 402(e) (relating to special averaging rules for lump-sum distributions).

(3) Part I of subchapter Q of chapter 1 (section 1301 and following, relating to income averaging).

TITLE II—INCENTIVES FOR INVESTMENT AND SAVINGS

Subtitle A—Depreciation Reform

SEC. 201. EXPENSE-METHOD DEPRECIATION FOR PERSONAL PROPERTY PLACED IN SERVICE BY TAXPAYERS OTHER THAN C CORPORATIONS.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 (relating to itemized deductions

for individuals and corporations) is amended by inserting after section 168 the following new section:

"SEC. 168A. EXPENSE-METHOD DEPRECIATION FOR PERSONAL PROPERTY.

"(a) ALLOWANCE OF DEDUCTION.—There shall be allowed as a deduction an amount equal to the basis of each expense-method property placed in service by the taxpayer during the taxable year.

"(b) EXPENSE-METHOD PROPERTY DEFINED.—Except as otherwise provided in this section, for purposes of this title, the term 'expense-method property' means tangible property—

"(1) which is 3-year or 5-year property, and

"(2) which is placed in service—

"(A) after December 31, 1984, and

"(B) by a taxpayer other than a C corporation.

"(c) CERTAIN PROPERTY EXCLUDED FROM DEFINITION OF EXPENSE-METHOD PROPERTY.—For purposes of this section—

"(1) PROPERTY USED PREDOMINANTLY OUTSIDE THE UNITED STATES.—The term 'expense-method property' does not include property which, during the taxable year, is used predominantly outside the United States (within the meaning of paragraph (2) of section 48(a)).

"(2) LESSORS.—The term 'expense-method property' includes property with respect to which the taxpayer is the lessor only if the requirements of subparagraph (A) or (B) of section 46(e)(3) are met with respect to such property.

"(3) PROPERTY FOR WHICH INVESTMENT CREDIT NOT ALLOWABLE UNDER PRIOR LAW.—The term 'expense-method property' does not include any property which, if it had been placed in service before January 1, 1985, would have been excluded from the definition of section 38 property under—

"(A) paragraph (3) of section 48(a) (relating to property used for lodging),

"(B) paragraph (4) of section 48(a) (relating to property used by certain tax-exempt organizations), or

"(C) paragraph (5) of section 48(a) (relating to property used by governmental units).

"(4) TAX-EXEMPT USE PROPERTY.—The term 'expense-method property' does not include tax-exempt use property (within the meaning of section 168(j)(3)).

"(5) PROPERTY ACQUIRED AT DEATH.—The term 'expense-method property' does not include any property the basis of which in the hands of the taxpayer is determined under section 1014(a).

"(6) TAX-EXEMPT FINANCED PROPERTY.—The term 'expense-method property' does not include any property to which section 168(f)(12) applies (determined without regard to this section).

"(d) COORDINATION WITH SECTION 1245.—In the case of any disposition of expense-method property—

"(1) the excess referred to in paragraph (1) of section 1245(a) shall be determined as if such paragraph did not contain subparagraph (A) thereof,

"(2) paragraph (1) of section 1245(b) shall not apply, and

"(3) paragraph (3) of section 1245(b) (and paragraph (5) of section 1245(b) to the extent it relates to such paragraph (3)) shall not apply unless the transfer is in a transaction to which section 381(a) applies.

"(e) DEFINITIONS AND SPECIAL RULES.—

"(1) DISPOSITIONS WITHIN 1 YEAR AFTER PROPERTY PLACED IN SERVICE.—The term 'expense-method property' does not include any property disposed of by the taxpayer before the date 1 year after the date on which such property was placed in service.

"(2) PROPERTY WHICH CEASES TO BE EXPENSE-METHOD PROPERTY.—If any expense-method property for which a deduction was allowable to the taxpayer under this section ceases to be expense-method property with respect to the taxpayer (other than by disposition)—

"(A) the taxpayer shall be treated as having disposed of such property on the date of such cessation, and

"(B) the basis of such property in the hands of the taxpayer after the date of such cessation shall be treated as equal to its fair market value as of such date.

"(3) 3-YEAR AND 5-YEAR PROPERTY.—The terms '3-year property' and '5-year property' have the meanings given such terms by section 168.

"(4) BASIS.—For purposes of this section, the basis of any property shall be the adjusted basis provided in section 1011 for purposes of determining the gain on the sale or other disposition of such property.

"(5) LIFE TENANTS AND BENEFICIARIES OF TRUSTS AND ESTATES.—Rules similar to the rules of section 167(h) shall apply for purposes of this section.

"(6) TRANSFEREE BOUND BY TRANSFEROR'S TREATMENT OF PROPERTY IN CERTAIN CASES.—

"(A) IN GENERAL.—In the case of expense-method property transferred in a transaction described in subparagraph (B), the transferee shall be treated as the transferor for purposes of computing the deduction allowable under subsection (a) with respect to so much of the basis in the hands of the transferee as does not exceed the adjusted basis in the hands of the transferor.

"(B) TRANSACTIONS COVERED.—For purposes of subparagraph (A), the transactions described in this subparagraph are—

"(i) any transaction of property if the basis of such property in the hands of the transferee is determined by reference to its basis in the hands of the transferor by reason of section 351, 361, 721, or 731,

"(ii) any acquisition where the transferor and transferee are related persons, and

"(iii) any acquisition of property by any person if such person acquired the property from another person and leases it back to such other person (or a person related to such other person).

"(C) PROPERTY REACQUIRED BY THE TAXPAYER.—Under regulations prescribed by the Secretary, expense-method property which is disposed of and then reacquired by the taxpayer shall be treated, for purpose of computing the deduction allowable under subsection (a), as if such property had not been disposed of.

"(D) RELATED PERSON DEFINED.—For purposes of this paragraph, a person is related to another person if—

"(i) the person bears a relationship to such other person specified in section 267(b) or 707(b)(1), or

"(ii) such persons are engaged in trades or businesses under common control (within the meaning of subsections (a) and (b) of section 52).

For purposes of clause (i), sections 267(b) and 707(b)(1) shall be applied by substituting '10 percent' for '50 percent'.

"(7) PROPERTY TREATED AS RECOVERY PROPERTY.—Except as otherwise provided in this section, expense-method property shall, for purposes of this title, be treated in the same manner as recovery property.

"(g) TRANSITIONAL RULES.—

"(1) IMMEDIATE EXPENSING FOR CERTAIN PROPERTY.—

"(A) IN GENERAL.—The taxpayer may designate items of expense-method property which shall be deductible under subsection (a) without regard to the rules of paragraph (2) of this subsection.

"(B) LIMITATION.—The aggregate bases of expense-method property which are placed in service during any taxable year and which are designated under subparagraph (A) shall not exceed the amount determined in accordance with the following table:

"If the taxable year begins in:	The limit is:
1985, 1986, or 1987	$5,000
1988 or 1989	$7,500

"(2) ONLY CERTAIN PORTION OF PROPERTY TAKEN INTO ACCOUNT.—

"(A) IN GENERAL.—Except in the case of property designated by the taxpayer under paragraph (1), this section shall apply only to the applicable percentage of the basis of expense-method property of the taxpayer placed in service before 1990.

"(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A)—

"In the case of property placed in service during:	The applicable percentage is:
1985	50
1986	60
1987	70
1988	80
1989	90.

"(3) SPECIAL RULES FOR DESIGNATIONS UNDER PARAGRAPH (1).—

"(A) DESIGNATION.—

"(i) IN GENERAL.—A designation under subparagraph (A) of paragraph (1) shall be made on or before the due date prescribed by law (including extensions thereof) for filing the return under this chapter for the taxable year in which the property is placed in service. The designation shall be made in such manner as the Secretary may by regulations prescribe. Any such designation may not be revoked except with the consent of the Secretary.

"(ii) DESIGNATION APPLIES TO ENTIRE BASIS.—A designation under subparagraph (A) of paragraph (1) shall apply to the entire basis of the property being designated, except that the designation may apply to a portion of the basis of one item if (but for this exception) the designation of such item would result in the limitation of subparagraph (B) of paragraph (1) being exceeded.

"(B) PARAGRAPH (1) NOT TO APPLY TO ESTATES AND TRUSTS.—Paragraph (1) shall not apply to estates and trusts.

"(C) DOLLAR LIMITATION IN CASE OF PARTNERSHIPS OR S CORPORATIONS.—In the case of a partnership or S corporation, the dollar limitation of subparagraph (B) of paragraph (1) shall apply with respect to the partnership and with respect to each partner and with respect to the S corporation and with respect to each shareholder.

"(D) MARRIED INDIVIDUALS.—In the case of a separate return by a married individual (within the meaning of section 143), the dollar limitation of subparagraph (B) of paragraph (1) shall be one-half of the amount otherwise determined.

"(E) TRANSITIONAL RULE.—In the case of any taxable year which begins before January 1, 1985, and ends after December 31, 1984, the dollar limitation of subparagraph (B) of paragraph (1) shall be an amount which bears the same ratio to the amount which (but for this subparagraph) would be such limitation, as—

"(i) the number of months in such taxable year beginning after December 31, 1984, bears to

"(ii) 12.

A similar rule shall also apply in the case of a short taxable year beginning after December 31, 1984.

"(4) SPECIAL RULES FOR TRANSITION PERIOD.—

"(A) INVESTMENT TAX CREDIT ALLOWED FOR REMAINING BASIS.—

"(i) IN GENERAL.—Paragraph (11) of section 48(a) shall not apply to that portion of the basis of any expense-method property to which this section does not apply by reason of paragraph (2) (hereinafter in this paragraph referred to as the 'remaining basis').

"(ii) CLARIFICATION OF LIMIT ON USED PROPERTY.—For purposes of section 48(c)(2), the cost of any used section 38 property shall not include the portion of the cost of such property to which this section applies.

"(B) DEPRECIATION DEDUCTION ALLOWED.—The recovery deduction provided by section 168 shall apply to the remaining basis without regard to the last sentence of section 167(a).".

(b) TERMINATION OF REGULAR INVESTMENT CREDIT FOR PERSONAL PROPERTY.—Subsection (a) of section 48 (defining section 38 property) is amended by adding at the end thereof the following new paragraph:

"(11) EXPENSE-METHOD PROPERTY.—For purposes of applying the regular percentage, the term 'section 38 property' shall not include any expense-method property (as defined in section 168A).".

(c) EXPENSE-METHOD DEDUCTION TREATED AS DEPRECIATION.—Subsection (a) of section 167 (relating to depreciation) is amended by adding at the end thereof the following new sentence: "In the case of expense-method property (as defined in section 168A), the deduction allowable under section 168A shall be deemed to constitute the reasonable allowance provided by this section."

(d) TREATMENT OF EXPENSE-METHOD DEDUCTION WITH RESPECT TO ACTIVITIES NOT ENGAGED IN FOR PROFIT.—Subsection (d) of section 183 (relating to activities not engaged in for profit) is amended by adding at the end thereof the following: "For purposes of this subsection and subsection (e)(2), in the case of expense-method property (as defined in section 168A), there shall be substituted for the deductions under section 168A the deductions which would be allowed for each taxable year if section 168 had applied to such property.".

(e) SECTION 179 NOT TO APPLY TO EXPENSE-METHOD PROPERTY.—Section 179(d)(1) (defining section 179 property) is amended by adding at the end thereof the following: "The term 'section 179 property' does not include expense-method property.".

(f) CLERICAL AMENDMENT.—The table of sections for part VI of subchapter B of chapter 1 is amended by inserting after the item relating to section 168 the following new item:

"Sec. 168A. Expense-method depreciation for personal property.".

SEC. 202. EXTENSION OF RECOVERY PERIOD FOR REAL PROPERTY TO 18 YEARS NOT TO APPLY AFTER 1989.

Subsection (g)(1) of section 111 of the Tax Reform Act of 1984 is amended by inserting "and before January 1, 1990" after "1984".

SUBTITLE B—SAVINGS INCENTIVES

SEC. 211. SUPER SAVINGS ACCOUNTS.

(a) IN GENERAL.—Part VII of subchapter B of chapter 1 (relating to additional itemized deductions for individuals) is amended by redesignating section 223 as 224 and by inserting after section 222 the following new section:

"SEC. 223. SUPER SAVINGS ACCOUNTS.

"(a) ALLOWANCE OF DEDUCTION.—In the case of an individual, there shall be allowed as a deduction an amount equal to the amounts paid in cash by such individual during the calendar year which ends with or within the taxable year to a super savings account.

"(b) MAXIMUM AMOUNT OF DEDUCTION.—

"(1) IN GENERAL.—The amount allowable as a deduction under subsection (a) for any taxable year shall not exceed the excess of—

"(A) the applicable limit, over

"(B) the amount allowable as a deduction under section 219 for such taxable year.

"(2) APPLICABLE LIMIT.—For purposes of this section, the term 'applicable limit' means the limit determined in accordance with the following table:

"For taxable years beginning in:	The limit is: Joint return	Other
1985	$15,000	$7,500
1986	$16,000	$8,000
1987	$17,000	$8,500
1988	$18,000	$9,000
1989	$19,000	$9,500
1990 and thereafter	$20,000	$10,000

"(c) SUPER SAVINGS ACCOUNT DEFINED.—For purposes of this section, the term 'super savings account' means a trust created or organized in the United States for the exclusive benefit of the individual establishing such account or the beneficiaries of such individual, but only if the written governing instrument creating the trust meets the following requirements:

"(1) No contribution to the trust will be accepted unless it is in cash.

"(2) No contribution to the trust will be accepted for any taxable year which is in excess of the applicable limit for such taxable year.

"(3) All distributions from the trust will be in cash.

"(4) The trustee is a bank (as defined in section 401(d)(1)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which such person will administer the trust will be consistent with the requirements of this section.

"(5) The interest of an individual in the balance of the account is nonforfeitable.

"(6) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

"(7) The assets of the account may be invested in accordance with the direction of the individual establishing the account, except that the assets may not be used to acquire any collectable (within the meaning of section 408(m)(2)).

"(d) TAX TREATMENT OF DISTRIBUTIONS.—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, any amount paid or distributed out of a super savings account shall be included in gross income by the individual receiving such amount in the taxable year in which such payment or distribution is made.

"(2) EFFECT OF PLEDGING ACCOUNT AS SECURITY.—For purposes of paragraph (1), if, during any taxable year, the individual for whose benefit a super savings account is established uses the account or any portion thereof as security for a loan, the portion so used shall be treated as distributed to such individual.

"(3) EXCESS CONTRIBUTIONS RETURNED BEFORE DUE DATE OF RETURN.—Paragraph (1) does not apply to the distribution of any contribution paid during a taxable year to a super savings account to the extent that such contribution exceeds the amount allowable as a deduction under subsection (a) if—

"(A) such distribution is received on or before the day prescribed by law (including extensions of time) for filing such individual's return for such taxable year,

"(B) no deduction is allowed under subsection (a) with respect to such excess contribution, and

"(C) such distribution is accompanied by the amount of net income attributable to such excess contribution.

Any net income described in subparagraph (C) shall be included in the gross income of the individual for the taxable year in which it is received.

"(4) TRANSFER OF ACCOUNT INCIDENT TO DIVORCE.—Notwithstanding any other provision of this subtitle—

"(A) the transfer of an individual's interest in a super savings account to the former spouse of the individual under a divorce decree or under a written instrument incident to such divorce shall not be considered a taxable transfer, and

"(B) the interest in such account shall, at the time of the transfer, be treated as a super savings account of the former spouse and not of the individual.

"(e) TAX TREATMENT OF ACCOUNTS.—

"(1) EXEMPTION FROM TAX.—Except as provided in paragraph (2), a super savings account is exempt from taxation under this subtitle.

"(2) TAX ON UNRELATED BUSINESS INCOME.—Notwithstanding paragraph (1), a super savings account shall be subject to any tax imposed by section 511 (relating to imposition of tax on unrelated business income of charitable, etc. organizations).

"(f) SPECIAL RULES.—For purposes of this section—

"(1) NO DEDUCTION FOR CONTRIBUTION OF BORROWED AMOUNTS.—No deduction shall be allowed under subsection (a) for any contribution to a super savings account out of the proceeds of any indebtedness incurred or continued by the individual making the contribution.

"(2) COMMUNITY PROPERTY LAWS.—This section shall be applied without regard to any community property laws.

"(3) CUSTODIAL ACCOUNTS.—

"(A) IN GENERAL.—A custodial account shall be treated as a trust if—

"(i) the assets of such account are held by a person described in subsection (c)(4), and

"(ii) the account would, but for the fact it is not a trust, constitute a super savings account.

"(B) TRUSTEE.—For purposes of this title, the custodian of an account treated as a trust by reason of subparagraph (A) shall be treated as a trustee of such account.

"(4) CONTRIBUTIONS OTHER THAN CASH ALLOWED IN 1985.—Notwithstanding subsection (a) or (c)(1), stocks, bonds, or other securities readily tradeable on an established securities market may be transferred to a super savings account during calendar year 1985. In computing the amount of the deduction under subsection (a), and in applying the limit under subsection (b), the fair market value (as of the date of transfer) of any property so transferred shall be taken into account.

"(g) REPORTS.—The trustee of a super savings account shall make such reports regarding such account to the Secretary and to the individual for whose benefit the account is maintained with respect to contributions, distributions, and such other matters as the Secretary may require under regulations. The reports required by this subsection shall be filed at such time and in such manner and furnished to such individuals at such time and in such manner as may be required by those regulations.".

(b) DEDUCTION ALLOWED IN ARRIVING AT ADJUSTED GROSS INCOME.—Paragraph (10) of section 62 (defining adjusted gross income) is amended—

(1) by striking out "Retirement savings" and inserting in lieu thereof "Savings", and

(2) by inserting before the period at the end thereof the following: "and the deduction allowed by section 223 (relating to deduction of certain payments to super savings accounts)".

(c) TAX ON EXCESS CONTRIBUTIONS.—Section 4973 (relating to tax on excess contributions to individual retirement accounts, certain section 403(b) contracts, certain individual retirement annuities, and certain retirement bonds) is amended—

(1) by inserting "SUPER SAVINGS ACCOUNTS," after "ACCOUNTS," in the caption of such section,

(2) by redesignating paragraphs (2) and (3) of subsection (a) as (3) and (4), and by inserting after paragraph (1) the following:

"(2) a super savings account (within the meaning of section 223(c)),", and

(3) by adding at the end thereof the following new subsection:

"(d) EXCESS CONTRIBUTIONS TO SUPER SAVINGS ACCOUNTS.—For purposes of this section, in the case of a super savings account, the term 'excess contributions' means the amount by which the amount contributed for the taxable year to the account exceeds the amount allowable as a deduction under section 223(b) for such taxable year. For purposes of this subsection, any contribution which is distributed out of the super savings account and a distribution to which section 223(d)(3) applies shall be treated as an amount not contributed.".

(d) TAX ON PROHIBITED TRANSACTIONS.—Section 4975 (relating to prohibited transactions) is amended—

(1) by inserting "(20 percent in the case of a prohibited transaction involving a super savings account)", and

(2) by inserting "or a super savings account described in section 223(c)" in subsection (e)(1) after "described in section 408(a)".

(e) FAILURE TO PROVIDE REPORTS ON SUPER SAVINGS ACCOUNTS.—Section 6693 (relating to failure to provide reports on individual retirement account or annuities) is amended—

(1) by inserting "OR SUPER SAVINGS ACCOUNTS" after "ANNUITIES" in the caption of such section, and

(2) by adding at the end of subsection (a) the following: "The person required by section 223(g) to file a report regarding a super savings account at the time and in the manner required by such section shall pay a penalty of $10 for each failure unless it is shown that such failure is due to reasonable cause.".

(f) STUDY.—The Secretary of the Treasury or his delegate shall conduct a study on whether section 223 of the Internal Revenue Code of 1954 should be modified to take into account any differences between common law and community property States and report to the Congress the results of such study, together with any recommendations.

(g) CONFORMING AMENDMENTS.—

(1) The table of sections for part VII of subchapter B of chapter 1 is amended by striking out the item relating to section 223 and inserting in lieu thereof the following:

"Sec. 223. Super savings accounts.

"Sec. 224. Cross references.".

(2) The table of sections for chapter 43 is amended by striking out the item relating to section 4973 and inserting in lieu thereof the following:

"Sec. 4973. Tax on excess contributions to individual retirement accounts, super savings accounts, certain 403(b) contracts, certain individual retirement annuities, and certain retirement bonds.".

(3) The table of sections for subchapter B of chapter 68 is amended by striking out the item relating to section 6693 and inserting in lieu thereof the following:

"Sec. 6693. Failure to provide reports on individual retirement accounts or annuities or on super savings accounts.".

TITLE III—BASE BROADENING

Subtitle A—Credits

SEC. 301. REPEALS.

(a) CREDITS APPLICABLE ONLY TO INDIVIDUALS.—The following provisions are hereby repealed:

(1) Section 21 (relating to credit for household and dependent care services).

(2) Section 22 (relating to credit for the elderly and the permanently and totally disabled).

(3) Section 23 (relating to residential energy credit).

(4) Section 24 (relating to contributions to candidates for public office).

(b) CREDITS APPLICABLE TO INDIVIDUALS AND CORPORATIONS.—

(1) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 (relating to foreign tax credit, etc.) is amended by adding at the end thereof the following new section:

"SEC. 30A. CERTAIN CREDITS ALLOWABLE ONLY TO C CORPORATIONS.

"In the case of any taxable year beginning after December 31, 1984, no credit shall be allowed under section 28, 29, or 30 to a person other than a C corporation.".

(2) GENERAL BUSINESS CREDIT.—Section 38 (relating to general business credit) is amended by adding at the end thereof the following new subsection:

"(e) APPLICATION ONLY TO C CORPORATION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), in the case of any taxable year beginning after December 31, 1984, no credit shall be allowed under subsection (a) to a person other than a C corporation.

"(2) INVESTMENT CREDIT UNTIL 1990.—In the case of a person other than a C corporation, there shall be allowed as a credit under subsection (a) for property placed in service, and qualified progress expenditures made, after December 31, 1984, and before January 1, 1990, an amount equal to the amount of the investment credit determined under section 46(a) for 3-year and 5-year property placed in service during such period, except that in determining such amount the applicable percentage for purposes of section 46(c)(1) shall be—

"(A) 30 percent in the case of 3-year property, and

"(B) 50 percent in the case of 5-year property.".

(3) CONFORMING AMENDMENT.—The table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 30A. Certain credits allowable only to C corporations.".

Subtitle B—Exclusions

Part I—Repeals

SEC. 311. REPEALS.

(a) PROVISIONS APPLICABLE TO INDIVIDUALS.—The following sections are hereby repealed:

(1) Section 101(b) (relating to exclusion for employee death benefits).

(2) Section 107 (relating to rental value of parsonages).

(3) Section 112 (relating to certain combat pay of members of the Armed Forces).

(4) Section 113 (relating to mustering-out payments for members of the Armed Forces).

(5) Section 116 (relating to partial exclusion of dividends received by individuals).

(6) Section 119 (relating to meals or lodging furnished for convenience of employer).

(7) Section 120 (relating to amounts received under qualified group legal service plans).

(8) Section 121 (relating to one-time exclusion of gain from sale or exchange of principal residence).

(9) Section 122 (relating to certain reduced uniform services retirement pay).

(10) Section 124 (relating to qualified transportation furnished by employer).

(11) Section 125 (relating to cafeteria plans).

(12) Section 126 (relating to certain cost-sharing payments).

(13) Section 127 (relating to educational assistance programs).

(14) Section 129 (relating to dependent care assistance programs).

(15) Section 131 (relating to certain foster care payments).

(16) Section 911 (relating to earned income of citizens or residents living abroad).

(17) Section 912 (relating to exemption for certain allowances).

(18) Section 305(e) (relating to dividend reinvestment in public utilities).

(19) Section 932 (relating to citizens of possessions of the United States).

(20) Section 935 (relating to coordination of United States and Guam individual income taxes).

(b) PROVISIONS APPLYING TO INDIVIDUALS AND CORPORATIONS.—In the case of taxable years beginning after December 31, 1984, the following provisions shall apply only to C corporations (as defined in section 1361(a)(2) of the Internal Revenue Code of 1954):

(1) Section 621 (relating to payments to encourage exploration, development, and mining for defense purposes).

(2) Section 931 (relating to income from sources within possessions of the United States).

Part II—Other Changes

SEC. 312. GROUP-TERM LIFE INSURANCE PURCHASED FOR EMPLOYEES.

(a) IN GENERAL.—Subsection (a) of section 79 (relating to group-term life insurance purchased for employees) is amended to read as follows:

"(a) IN GENERAL.—There shall be included in the gross income of an employee for the

taxable year an amount equal to the cost of group-term life insurance on his life provided for part or all of such year under a policy (or policies) carried directly or indirectly by his employer (or employers); but only to the extent that such cost exceeds the amount, if any, paid by the employee toward the purchase of such insurance.".

(b) EXCEPTIONS.—Subsection (b) of section 79 (relating to exceptions) is amended by striking out paragraph (1) and redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(c) CONFORMING AMENDMENT.—Subsection (d) of section 79 is hereby repealed.

SEC. 313. TAXATION OF UNEMPLOYMENT COMPENSATION.

(a) IN GENERAL.—Subsection (a) of section 85 (relating to unemployment compensation) is amended to read as follows:

"(a) IN GENERAL.—Gross income includes any unemployment compensation received by the taxpayer during the taxable year.".

(b) CONFORMING AMENDMENT.—Section 85 is amended by striking out subsection (b) and redesignating subsection (c) as subsection (b).

SEC. 314. COMPENSATION FOR SICKNESS OR INJURY.

Section 104 (relating to compensation for sickness or injury) is amended—

(1) in subsection (a), by inserting "and" at the end of paragraph (3), by striking out paragraph (4), and by redesignating paragraph (5) as paragraph (4), and

(2) by striking out subsection (b) and redesignating subsection (c) as subsection (b).

SEC. 315. TAXATION OF EMPLOYER CONTRIBUTIONS TO ACCIDENT AND HEALTH PLANS.

(a) GENERAL RULE.—Section 106 (relating to contribution by employer to accident and health plans) is amended by adding at the end thereof the following new sentence: "This section shall apply only to contributions attributable to the providing of wages, or payments in lieu of wages, for periods during which the employee is absent from work on account of sickness or disability.".

(b) SELF-INSURED PLANS.—Subsections (b) and (h) of section 105 are hereby repealed.

(c) CONFORMING AMENDMENTS TO EMPLOYMENT TAXES.—

(1) Paragraph (2) of section 3121(a) (defining wages) is amended by striking out "on account of" and all that follows down through the end of such paragraph and inserting in lieu thereof "on account of sickness or accident disability (but, in the case of payments made to an employee or any of his dependents, this paragraph shall exclude from the term 'wages' only payments which are received under a workmen's compensation law);".

(2) Paragraph (2) of section 3306(b) (defining wages) is amended by striking out "on account of" and all that follows down through the end of such paragraph and inserting in lieu thereof "on account of sickness or accident disability (but, in the case of payments made to an employee or any of his dependents, this paragraph shall exclude from the term 'wages' only payments which are received under a workmen's compensation law);".

SEC. 316. SCHOLARSHIP AND FELLOWSHIP EXCLUSION LIMITED TO TUITION AND RELATED EXPENSES.

(a) GENERAL RULE.—Subsections (a) and (b) of section 117 (relating to scholarships and fellowships) are amended to read as follows:

"(a) IN GENERAL.—In the case of an individual who is a candidate for a degree at an educational organization described in section 170(b)(1)(A)(ii), gross income does not include any amount received as—

"(1) a scholarship, or

"(2) a fellowship grant,

to the extent such amount is used for qualified tuition and related expenses (within the meaning of subsection (c)(2)).

"(b) PAYMENT FOR TEACHING, RESEARCH, ETC.—Subsection (a) shall not apply to that portion of any amount received which represents payment for teaching, research, or other services in the nature of part-time employment required as a condition to receiving the scholarship or the fellowship grant. If teaching, research, or other services are required of all candidates (whether or not recipients of scholarships or fellowship grants) for a particular degree as a condition to receiving such degree, such teaching, research, or other services shall not be regarded as part-time employment within the meaning of this subsection.".

(b) CLARIFICATION OF DEFINITION OF QUALIFIED TUITION AND RELATED EXPENSES.—

(1) Clause (i) of section 117(c)(2)(A) is amended by striking out "at an institution of higher education" and inserting in lieu thereof "at an educational organization described in section 170(b)(1)(A)(ii)".

(2) Subparagraph (B) of section 117(c)(1) is amended by inserting "at an institution of higher education" after "qualified tuition and related expenses".

SEC. 317. EXCLUSION FOR INCOME FROM SOURCES WITHIN POSSESSIONS OF THE UNITED STATES.

(a) IN GENERAL.—Section 933 is amended by striking out "Puerto Rico" each place it appears in the text and headings thereof and inserting in lieu thereof "a possession of the United States".

(b) CONFORMING AMENDMENT.—The table of sections for subpart D of part III of subchapter N of chapter 1 is amended by striking out "Puerto Rico" in the item relating to section 933 and inserting in lieu thereof "a possession of the United States".

Subtitle C—Deductions

Part I—Repeals

SEC. 331. REPEALS.

The following provisions are hereby repealed:

(1) Section 164 (relating to taxes).

(2) Section 217 (relating to deduction for moving expenses).

(3) Section 221 (relating to deduction for two-earner married couples).

(4) Section 222 (relating to deduction for adoption expenses).

Part II—Other Changes

SEC. 332. REPEAL OF ADDITIONAL PERSONAL EXEMPTION DEDUCTIONS FOR TAXPAYERS 65 OR OVER.

Section 151 (relating to allowance of deductions for personal exemptions) is amended by striking out subsection (c).

SEC. 333. LIMITATION ON INTEREST DEDUCTION.

Subsection (d) of section 163 (relating to limitation on interest on investment indebtedness) is amended to read as follows:

"(d) LIMITATION ON INTEREST DEDUCTIONS OF INDIVIDUALS.—

"(1) IN GENERAL.—In the case of a taxpayer other than a corporation, the amount allowed as a deduction under this chapter for nonbusiness interest shall not exceed the qualified housing interest for the taxable year.

"(2) NONBUSINESS INTEREST.—The term 'nonbusiness interest' means any interest allowable as a deduction under this chapter (determined without regard to paragraph (1)) other than interest allowable as a deduction in computing adjusted gross income (determined with regard to paragraph (4)).

"(3) OTHER DEFINITIONS.—For purposes of this subsection—

"(A) QUALIFIED HOUSING INTEREST.—The term 'qualified housing interest' means interest which is paid or accrued during the taxable year on indebtedness which is incurred in acquiring, constructing, or substantially rehabilitating any property which—

"(i) is the principal residence (within the meaning of section 1034) of the taxpayer at the time such interest accrues or is paid, or

"(ii) is a qualified dwelling used by the taxpayer (or any member of his family within the meaning of section 267(c)(4)) during the taxable year.

"(B) QUALIFIED DWELLING.—The term 'qualified dwelling' means any—

"(i) house,

"(ii) apartment,

"(iii) condominium, or

"(iv) mobile home not used on a transient basis,

including all structures or other property appurtenant thereto.

SEC. 334. LIMITATIONS ON LOSSES OF INDIVIDUALS.

(a) REPEAL OF DEDUCTION FOR CASUALTY AND THEFT LOSSES.—Subsection (c) of section 165 (relating to limitation on losses of individuals) is amended—

(1) by striking out paragraph (3), and

(2) by striking out "; and" at the end of paragraph (2) and inserting in lieu thereof a period.

(b) CONFORMING AMENDMENT.—Section 165 is amended by striking out subsection (h).

SEC. 335. INCREASE IN FLOOR ON MEDICAL DEDUCTION.

Subsection (a) of section 213 (relating to medical, dental, etc., expenses) is amended by striking out "5 percent" and inserting in lieu thereof "10 percent".

Subtitle D—Repeal of Special Capital Gains Treatment

SEC. 336. REPEAL OF SPECIAL CAPITAL GAINS TREATMENT.

(a) GENERAL RULE.—Section 1202 (relating to deduction for individuals for capital gains) is hereby repealed.

(b) LIMITATION ON CAPITAL LOSSES APPLIED WITHOUT REGARD TO DISTINCTIONS BETWEEN SHORT TERM AND LONG TERM.—

(1) Subsection (b) of section 1211 (relating to limitation on capital losses in the case of taxpayers other than corporations) is amended to read as follows:

"(b) OTHER TAXPAYERS.—In the case of a taxpayer other than a corporation, losses from sales or exchanges of capital assets shall be allowed only to the extent of gains from such sales or exchanges plus (if such losses exceed such gains) the smaller of—

"(1) $3,000 ($1,500 in the case of a separate return by a husband or wife), or

"(2) the excess of losses from sales or exchanges of capital assets over gains from such sales or exchanges.".

(2) Subsection (b) of section 1212 (relating to carryovers for taxpayers other than corporations) is amended to read as follows:

"(b) OTHER TAXPAYERS.—If a taxpayer other than a corporation has a net capital loss for any taxable year, the excess (if any) of—

"(1) the amount of such loss, over

"(2) the amount allowed for the taxable year under paragraph (1) or (2) of section 1211(b),

shall be treated as a capital loss in the succeeding taxable year.".

TITLE IV—EFFECTIVE DATES

SEC. 401. EFFECTIVE DATES.

(a) GENERAL RULE.—Except as otherwise provided in this Act, the amendments made by this Act shall apply to taxable years beginning after December 31, 1984.

(b) DEPRECIATION REFORM.—The amendments made by subtitle A of title II shall apply to property placed in service after December 31, 1984, in taxable years ending after such date.

(c) PRESERVATION OF EXISTING CREDIT CARRYOVERS.—

(1) IN GENERAL.—The repeals made by section 301 shall not apply to any carryover of an excess credit from a taxable year beginning before January 1, 1985, to a taxable year beginning after December 31, 1984; except that any carryover to a taxable year beginning after December 31, 1984, shall be reduced to an amount equal to the applicable fraction (for the taxable year to which such credit is being carried) of the amount which would have been such carryover but for this paragraph.

(2) APPLICABLE FRACTION.—For purposes of paragraph (1), the applicable fraction shall be determined as follows:

In the case of a taxable year beginning in:	The applicable fraction is:
1985	45/50
1986	none
1987	none
1988	42/45
1989	37/42
1990	34/37

(C) REDUCTION IS PERMANENT.—In computing the amount of the carryover to any taxable year following a taxable year in which a reduction is made under paragraph (1), such carryover shall not be increased by the amount of such reduction.

THE BROAD-BASED ENHANCED SAVINGS TAX ACT OF 1985

GENERAL EXPLANATION—OVERVIEW

The bill would amend the individual income tax to reduce marginal tax rates and the number of tax brackets, expand incentives for investment and savings, and broaden the tax base. The reduction in marginal tax rates and the expansion of incentives for investment and savings would begin in 1985 and would be fully phased in by 1990. Provisions that broaden the tax base would generally take effect in 1985.

The bill is designed to be approximately revenue neutral. Also, the bill is designed so that each income class would pay approximately the same share of the tax burden under the phased-in proposal as under present law.

TITLE I—REDUCTION OF MARGINAL TAX RATES

The bill would reduce the number of tax brackets to four. In 1985, the brackets would begin at $2,400, $15,000, $25,000 and $50,000 of taxable income for unmarried individuals, for married persons filing jointly, the brackets would begin at $3,550, $20,000, $30,000 and $60,000 of taxable income. This structure incorporates a $100 increase in the zero bracket amount for unmarried individuals ($150 for married couples), which would be at least as great as the increase that indexing is expected to produce for 1985 under present law. The dollar amounts defining the rate brackets, including the zero bracket amount, would be indexed for inflation, beginning in 1986.

Marginal tax rates in the four brackets in 1985 would be 18, 26, 36 and 45 percent, respectively. These rates would be phased down in three steps in 1988, 1989 and 1990, so that after 1989 the marginal tax rates in the four brackets would be 12, 20, 30 and 34 percent, respectively.

The earned income credit for certain individuals and couples with children would be increased in 1985 to 13 percent of the first $5,200 of earned income, for a maximum credit of $676, and the credit would be phased out at a 12.5-percent rate as income increases from $6,900 to $12,308. The personal exemption would be increased in 1985 to $1,050, which would be at least as great as the increase that indexing is expected to produce under present law for 1985. Both the personal exemption and the earned income credit would be indexed for inflation, beginning in 1986.

Consonant with the flattened rate structure and reduced marginal tax rates provided by the bill, the alternative minimum tax for individuals (sec. 55), income averaging (sec. 1301), and special averaging rules for lump-sum distributions (sec. 402(e)) would be repealed.

TITLE II—INCENTIVES FOR INVESTMENT AND SAVINGS

Investment incentives

In lieu of current investment tax credits and capital cost recovery allowances stretching over 3 to 5 years, individuals would deduct the entire cost (expense) of machinery and equipment in the year it is placed in service. Expensing would be limited to expense-method property, which generally is property that is assigned to the 3-year or 5-year class and qualifies for the investment credit under present law. Thus, expensing would not be available with respect to property predominantly used outside the United States (sec. 48(a)(2)), certain property owned by noncorporate lessors (sec. 46(e)(3)), and property used by tax-exempt entities (sec. 168(j)(3)). In addition, expensing would not be available with respect to certain property financed with tax-exempt bonds (sec. 168(f)(12)) or acquired from a decedent (sec. 1014(a)).

Expensing would be phased in over 5 years. Fifty percent of the basis of expense-method property placed in service in 1985 would be expensed. This percentage would increase thereafter by 10 percentage points per year, so that expensing would be fully effective beginning in 1990. Notwithstanding the percentages prescribed by the phase-in schedule, the current option (sec. 179) to expense the first $5,000 of property ($7,500 in 1988 and 1989) would be retained through 1989.

The remaining basis—that is, the portion of cost of expense-method property that is not expensed because of the phase-in schedule—would be recovered as under present law. However, to prevent excessive benefits from the combination of the investment credit, ACRS deductions and declining marginal tax rates, the bill would reduce the regular investment credit for the remaining basis to 3 percent for 3-year property and 5 percent for 5-year property. Similarly, investment credits would not be available for individuals with respect to 10-year property and 15-year public utility property placed in service after 1984, and investment credit carryovers allowable in years after 1984 would be reduced as marginal tax rates are reduced.

Lastly, the recovery period for 18-year real property placed in service after 1989 would be reduced to 15 years.

Savings incentives

The bill provides that individuals may establish a super savings account (SUSA), which would operate to defer tax on income for so long as it is saved. Contributions to a SUSA would be deductible in determining adjusted gross income for the year they are made. There would be no penalty for distributions from a SUSA, but distributions would be included in adjusted gross income for the year they are made. Contributions and distributions would have to be in cash, except 1985 contributions could include stocks, bonds, or other securities readily tradeable on an established securities market. Income earned on assets of a SUSA would not be inlcuded in the tax base until distributed.

The bill provides rules designed to protect the proper operation of SUSAs as a stimulus to savings. No deduction would be allowed for contributions that are directly attributable to indebtedness which is incurred or continued to purchase or carry an interest in a SUSA. Assets of a SUSA that are used as security for a loan would be treated as distributed, and assets could not be used to acquire collectibles such as gems or antiques (sec. 408(m)(2)).

The maximum amount of the deduction allowed to an individual for net contributions to a SUSA during 1985 would be $7,500. This amount would then increase by $500 per year until it reaches $10,000 for 1990 and thereafter. For joint returns, the maximum amount would begin at $15,000 in 1985, then increase in annual increments of $1,000 until it reaches $20,000 for 1990 and thereafter. The bill would not affect the operation of IRAs, but the maximum amount allowed as a deduction for net contributions to a SUSA during a taxable year would be reduced by deductions taken for contributions to an IRA or otherwise allowed under section 219 for the year.

TITLE III—BASE BROADENING

The bill would broaden the individual income tax base by repealing or limiting many tax credits, exclusions, and deductions, beginning in 1985.

Tax Credits

The bill would repeal all nonrefundable personal tax credits other than the present credit for interest on certain home mortgages (sec. 25). Thus, the bill would repeal credits relating to expenses for household and dependent care services (sec. 21), the elderly and disabled (sec. 22), residential energy expenditures (sec. 23), and political contributions (sec. 29). In addition, credits relating to certain clinical testing expenses (sec. 28), producing fuel from a nonconventional source (sec. 29), and increasing research activities (sec. 30) would only be available to C corporations. Except for the reduced regular investment tax credit that is provided for the remaining basis of expense-method property during the phase-in of expensing, the general business credit (sec. 38) would only be available to C corporations.

Exclusions

The following exclusions would be repealed for individuals:

(1) employer-provided premiums on group-term life insurance (sec. 79);

(2) unemployment compensation benefits (sec. 85);

(3) employer-paid death benefits (sec. 101(b));

(4) certain military compensation for injuries or sickness (sec. 104(a)(4));

(5) employer-paid health plan premiums (sec. 106);
(6) rental value of parsonages (sec. 107);
(7) certain combat pay and mustering-out payments (sec. 112 and 113);
(8) partial exclusion of dividends (sec. 116);
(9) scholarship and fellowship income in excess of tuition (sec. 117);
(10) meals or lodging furnished for employer's convenience (sec. 119);
(11) amounts received under group legal service plans (sec. 120);
(12) one-time exclusion of gain on sale of principal residence (sec. 121);
(13) certain reduced military retirement pay (sec. 122);
(14) employer-provided transportation (sec. 124);
(15) cafeteria plans (sec. 125);
(16) cost-sharing conservation payments (sec. 126);
(17) educational assistance program benefits (sec. 127);
(18) employer-provided dependent care assistance (sec. 129);
(19) foster care payments received (sec. 131);
(20 earned income of citizens living abroad (sec. 911);
(21) foreign areas allowances and certain other allowances (sec. 912); and
(22) dividends reinvested in public utility stock (sec. 305(3)).

The current exclusion of payments received to encourage production of strategic minerals (sec. 621) would only be available to C corporations. The treatment of possession-source income for residents of a possession would generally follow the rules that now apply to residents of Puerto Rico (sec. 933).

Deductions

The bill would repeal deductions currently allowed to individuals for nonbusiness interest other than housing interest (sec. 163), taxes (sec. 164), moving expenses (sec. 217), two-earner married couples (sec. 221), and adoption expenses (sec. 222). Deduction for losses due to casualty or theft and not connected with a business or profit-seeking transaction (sec. 165(c) (3)) and for the long term capital gains of individuals (sec. 1202) would be repealed. Finally, medical expenses would be deductible only to the extent they exceed 10 percent of adjusted gross income (sec. 213), and the additional personal exemption for elderly taxpayers would be repealed (sec. 151(c)).●

By Mr. GOLDWATER (for himself, Mr. DECONCINI, Mr. ABDNOR, Mr. BURDICK, Mr. EAGLETON, Mr. EAST, Mr. GRASSLEY, Mr. HOLLINGS, Mr. MATTINGLY, Mr. MELCHER, Mr. NUNN, Mr. PRYOR, and Mr. RIEGLE):

S. 412. A bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws; to the Committee on the Judiciary.

MALT BEVERAGE INTERBRAND COMPETITION ACT

● Mr. GOLDWATER. Mr. President, I am pleased to introduce legislation jointly with my colleague from Arizona, Mr. DECONCINI, and several other Senators, to reaffirm the legality under Federal antitrust laws of exclusive territorial agreements between breweries of beer and their wholesale distributors.

Now, let me make clear that the bill will not exempt beer wholesalers from the national antitrust laws. It merely confirms the consensus of prevailing case law that territorial agreements between a manufacturer and wholesaler are not per se in violation of antitrust rules. I am referring to the Supreme Court decision in Continental TV against GTE Sylvania in 1977 in which the Court held that so-called vertical, nonprice agreements between manufacturers and wholesalers do not per se automatically violate the Sherman Antitrust Act.

Passage of this legislation would have two important effects. First it would reinforce States rights under the 21st amendment to the Constitution, thus providing the States with maximum freedom and security in deciding the type of distribution best suited to local needs and regulatory systems. Second, it would preserve the integrity of the distribution system that for more than 50 years has been the procedure of choice for the overwhelming majority of States.

Mr. President, each of the States draw broad power from section 2 of the 21st amendment to regulate the use, transportation, or importation of malt beverages wholly in their territory. In the words of the Supreme Court:

> The Twenty-first Amendment grants the States virtually complete control over whether to permit importation or sale of liquor and how to structure the liquor distribution system.

Acting under this power and their reserved powers, 49 of the 50 States presently mandate or permit exclusive territorial distribution agreements between the manufacturers of trademarked malt beverages and the wholesalers who deliver those brands within their borders. The legislation we are introducing today will clarify the Federal law on these agreements.

Without such a clarification, State laws that either permit or require exclusive territorial agreements in the brewing industry could be subject to challenge in the Federal courts.

The Malt Beverage Interbrand Competition Act would not alter or supersede any State laws. It would only say that the States have the right to continue in the practices they have chosen or may choose in the future for the regulation of malt beverage distribution. A specific provision of the bill, in section 7, clearly preserves the supremacy of State law in the field.

It should be noted that, during the last Congress, the National Conference of State Liquor Administrators endorsed the Malt Beverage Interbrand Competition Act. In a resolution passed June 23, 1983, the conference said the proposed bill "will greatly strengthen the ability of State liquor administrators to effectively discharge their responsibilities for controlling malt beverages * * * and promote more effective collection of * * * malt beverage excise taxes."

Exclusive territorial agreements have allowed State regulators to more easily monitor and control the distribution and sale of beer within State boundaries. These agreements put the responsibility for quality control on a single wholesaler and his employees. That responsibility goes so far as to include the maintenance and cleanliness of beer taps and coils in individual bars and retail outlets.

As for my second point—that retailers and consumers are best served by the territorial distribution of malt beverages—more than 50 years of experience argue that this is true.

Nationwide, the present distribution structure is made up of 4,500 beer wholesalers competing with each other at the local level in such a way as to provide customers of both large and small retail outlets maximum benefits in the form of service, variety, and quality of product.

The beer industry is marked by robust competition among brands. Brewers and their designated wholesalers fight for greater market share for their respective lines. Thus the real competition in the beer industry is among wholesalers marketing different brands, not among wholesalers selling the same brand. Consequently, the concern of this Chamber should be with the encouragement of interbrand competition. That is the focus of the bill. That is why the bill is called the Malt Beverage Interbrand Competition Act.

As I stated earlier, in 1977, the U.S. Supreme Court, speaking generally for all products, held that a territorial agreement between a manufacturer and a wholesaler is not per se an antitrust violation. The Court also said a determination should be made in each case using a rule of reason.

The same decision held that competition is best served by promoting vigorous competition among differing brands of the same product, interbrand competition. The Court also found that territorial agreements may be necessary for a wholesaler to risk substantial capital investment, to hire the number of employees required for optimal service, to advertise and promote the product and to meet the commitment to serve all potential retailers of the product—large, medium sized, and small. All of those conditions are particularly applicable to the beer industry.

However, the Court's decision created a serious problem of interpretation. It failed to provide sufficient guidance as to how the rule of reason should be applied. This confusion has

led to a welter of cases—some frivolous—and resulted in confusing legal standards as different courts applied the rule in different ways.

The legislation we are proposing would eliminate this confusion—by establishing a clearer statutory threshold test for determining the legality of territorial restrictions.

If substantial and effective competition exists, then the case would be dismissed. If, on the other hand no showing of substantial and effective competition can be made, a full antitrust trial would assess the reasons for the territorial restriction and its demonstrated consequences.

Thus, this bill would provide a two-step approach to antitrust analysis of territorial agreements for malt beverage distributors. It would not exempt beer wholesalers from any provisions of the antitrust laws. Section 3 expressly provides that it would not alter in any way the existing prohibitions against price fixing or any form of horizontal restraint of trade. Nor would the bill remove the right of private persons to recover treble damages for injuries caused by any agreement that does not meet the requirement of substantial and effective competition among different brands of beer in the same area. But the bill may eliminate or reduce frivolous or nuisance suits and relieve unjustly targeted defendants and our overburdened courts.

There is established legislative history to support the effectiveness of the substantial and effective competition standard. Congress embodied this same principle for the soft drink bottling and distribution industry when it enacted the Soft Drink Interbrand Competition Act in 1980.

Mr. President, when I first introduced this bill as S. 1680 last July, I warned that the alternative to territorial agreements for malt beverage distribution is transshipping. Transshipping encourages avoiding excise taxes and servicing only the largest, high-profit retail outlets. It undercuts hard-working local wholesalers who provide full service to all retailers and it may lead to a decline in product quality by unloading truckloads of stale beer on unknowing retailers.

Mr. President, by passing this legislation we will uphold a proven system of State-regulated wholesale distribution of beer which has made a wide variety of the freshest product readily available through all legal retail outlets at highly competitive prices, and I ask my colleagues to support it.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 412

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Malt Beverage Interbrand Competition Act".

SEC. 2. Nothing contained in any antitrust law shall render unlawful the inclusion and enforcement in any written contract in effect on or entered into after the effective date of this Act by any brewer, importer, trademark owner, or trademark licensee of a trademarked malt beverage with any wholesale distributor of provisions granting the wholesale distributor the sole and exclusive right to distribute and to sell such product in any defined geographic area within any State and limiting such exclusive distributor to the distribution and sale, directly or indirectly, of such product only for ultimate resale to consumers within that defined geographic area when such product is in substantial and effective competition with other malt beverage products within that defined geographic area.

SEC. 3. Nothing in this Act shall be construed to legalize the enforcement of provisions described in section 2 of this Act in any written contract described in that section by means of price-fixing agreements, horizontal restraints of trade, or group boycotts, if such agreement, restraints, or boycotts would otherwise be unlawful.

SEC. 4. As used in this Act, the term "antitrust law" means the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies" (Sherman Act), approved July 2, 1990, the Federal Trade Commission Act, approved September 26, 1914, and the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes" (Clayton Act), approved October 15, 1914, and all amendments to such Acts.

SEC. 5. As used in this Act, "malt beverage" shall mean and include beer of all types and varieties as defined in any Federal State statute, ale, porter, stout, and all other similarly designated fermented beverages containing one-half of 1 per centum or more alcohol by volume.

SEC. 6. As used in this Act, the term "State" includes the District of Columbia and any territory or possession of the United States.

SEC. 7. This Act shall not invalidate or affect any provision of the laws of any State.●

● Mr. DECONCINI. Mr. President, the Malt Beverage Interbrand Competition Act, which I am cosponsoring today, simplifies and clarifies the application of the antitrust laws to distributor arrangements in the malt beverage industry. The act will set a clear and concise standard for determining the legality of vertical nonprice restrictions on the distribution of malt beverages. The act enhances State control over the distribution of alcoholic beverages. It will ease the collection of excise taxes on those beverages, and it will preserve the highly competitive system of beer distribution that has served the consumer so well for more than 50 years. Finally, the act ensures that the widest possible selection of high quality malt beverages remains available to legal consumers everywhere.

The Malt Beverage Interbrand Competition Act cuts through the confusion resulting from lower courts interpretations of the rule of reason. It establishes a threshold test of substantial and effective competition for measuring antitrust claims based on territorial agreements and for eliminating those claims that pose no threat to consumers or competition. If there is substantial and effective competition among manufacturers and wholesalers in the area under question, the suit could be dismissed. If substantial and effective competition cannot be shown, a full treble-damage antitrust trial would assess the reasons for the territorial agreement and its demonstrated consequences. In short, the act helps the courts and the defendants get to the meat of these cases without unnecessarily incurring excessive litigation expense.●

By Mr. STEVENS (for himself and Mr. INOUYE):

S. 413. A bill to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance; to the Committee on Commerce, Science, and Transportation.

ISSUANCE OF WAR RISK INSURANCE

● Mr. STEVENS. Mr. President, I am introducing today a bill which would extend for 5 years the authority of the Secretary of Transportation to issue war risk insurance under title XII of the Merchant Marine Act, 1936.

During the last Congress, the House passed legislation similar to the bill I am now introducing. The House-passed bill was subsequently reported by the Senate Commerce Committee but was not acted upon by the full Senate. Consequently, the authority for the Title XII Program expired on September 30, 1984.

Title XII is standby legislation which authorizes the Secretary of Transportation, with the approval of the President, to provide war risk and certain marine and liability insurance for the protection of vessels, cargoes, and crew life and personal effects, when commercial insurance cannot be obtained on reasonable terms and conditions. Commercial war risk insurance policies now in effect contain automatic termination clauses which cause such insurance to terminate upon hostile detonation of a nuclear device of war or upon the outbreak of war—whether there is a declaration of war or not—between any of the following countries: United States of America, United Kingdom, or any other member of the British Commonwealth. France, the Union of Soviet Socialist Republics, and the People's Republic of China. Without Government war risk insurance, American vessels would be without protection against loss by risks of war after termination of the commercial policies. Ships and cargoes could not be moved without adequate insurance coverage.

War risk insurance was provided by the Government in both World Wars I

and II, and proved both necessary and effective in protecting the United States and its waterborne commerce, with total premium receipts in excess of loss paid. The recently expired title XII program was first enacted at the outbreak of the Korean war in 1950. It was temporary legislation that expired 5 years later. Since then, it has been extended several times, normally for 5-year periods.

Title XII operates as a revolving fund, with income provided from binder fees, insurance premiums, interest from investments and claim reimbursements from other Federal agencies. Fees and expenses of underwriting agents and appraisal contractors, as well as insurance claims are then paid from the fund. The program requires no appropriations. In fiscal year 1984, net receipts were approximately $885,000. The Congressional Budget Office projects that the program would continue operating at this level through 1989, assuming no major outbreaks that would trigger substantial claims.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 413

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1214 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1294) is amended by striking "September 30, 1984" and inserting in lieu thereof "June 30, 1990".●

By Mr. NICKLES:

S. 414. A bill to amend the Internal Revenue Code of 1954 to deny any deduction for interest paid or incurred on loans in connection with certain takeovers, or certain attempted takeovers of corporations; to the Committee on Finance.

FAIRNESS IN CORPORATE TAKEOVERS ACT

● Mr. NICKLES. Mr. President, as most of my colleagues will recall, the Senate last year wrestled with the question of petroleum company mergers. On the Senate floor and before both the Senate Judiciary and Energy Committees, I made it clear that I had some strong reservations about the mergers that were taking place and I indicated that I would much prefer that some of the merged companies remain independent.

Several of the mergers the past several years have directly affected the people and economy of Oklahoma—Dupont-Conoco, Occidental-Cities Service, Texaco-Getty, and SoCal-Gulf. We must now add to that list the possibility of Phillips Petroleum Co., a model corporate citizen of Bartlesville, OK, depending on the outcome of a shareholders meeting later this month.

Last year I made clear the fact that although I had strong reservations with a congressional moratorium—due to the depressing effect it would have on oil stock prices, its singling out of an industry, and the violence it would do to any individual stockholders freedom and property rights in his stock—I indicated that I was open to the need to legislate.

I am a strong advocate of the free enterprise system. I am not naive enough to believe that abuses do not sometimes occur within our system of free enterprise. When they do, we have a responsibility to examine ways Congress can correct or eliminate those abuses.

I am not interested in any quick-fix legislation, which we all know has the effect of backfiring and causing more problems than what it attempts to solve. But I do believe now, at the beginning of this new 99th Congress, we should get the ball rolling on this issue.

To that end I am introducing legislation today.

My bill is aimed to remove one of the incentives our tax policy gives to those attempting a hostile takeover on borrowed money—the deductibility of interest on those loans. Presently individuals or companies borrow money and, in effect, pledge the assets of the targeted company as surety. Government does not need to encourage this type of action by its tax policy.

I am open to other approaches and am open to this bill being amended to improve it. This piece of legislation should not be seen as a cure-all but as a starting point. I look forward to working with my colleagues in examining what role, if any, Congress should play to correct abuses of our free enterprise system.●

Mr. WEICKER (for himself, Mr. STAFFORD, Mr. MATHIAS, Mr. KENNEDY, Mr. EAGLETON, Mr. ANDREWS, Mr. INOUYE, Mr. RIEGLE, Mr. BOSCHWITZ, Mr. BURDICK, and Mr. SIMON):

S. 415. A bill to amend the Education of the Handicapped Act to authorize the award of reasonable attorney's fees to certain prevailing parties, and to clarify the effect of the Education of the Handicapped Act on rights, procedures, and remedies under other laws relating to the prohibition of discrimination; to the Committee on Labor and Human Resources.

HANDICAPPED CHILDREN'S PROTECTION ACT

Mr. WEICKER. Mr. President, I rise today to introduce The Handicapped Children's Protection Act of 1985. This is the same bill which I introduced at the end of the 98th Congress. It is an amendment to Public Law 94-142 and its purpose is simple: To reaffirm the intent of Congress to protect the educational rights of handicapped children.

In passing the Education for all Handicapped Children's Act of 1975 (Public Law 94-142) Congress indicated that "it is the national interest that the Federal Government assist State and local efforts to provide programs to meet the educational needs of handicapped children in order to assure equal protection under law." In those States which accept funds in connection with Public Law 94-142, the act established an enforceable right to a free appropriate public education for all handicapped children, and established due process procedures, including the right to judicial review, to protect those rights.

In 1984, approximately 4.5 million handicapped children received special education and related services in connection with Public Law 94-142. Parents, professional educators, and school administrators at local, State and Federal levels have agreed that the impact of Public Law 94-142 has been overwhelmingly positive. As a result of the act, children are being provided with better opportunities to learn, to become more independent, and to better develop their potential.

Although the law has worked very well in most cases, Congress knew that there would be instances where parents would be denied the free appropriate public education to which their handicapped child was legally entitled under Public Law 94-142. Consequently, Congress established due process procedures as the method whereby disagreements about the appropriate educational program for a given handicapped child could be resolved. These due process procedures include, as an option of last resort, the right to litigate the issue in a Federal court. The due process procedures have proven to be a very effective method for ensuring an appropriate education for handicapped children and youth and litigation is rare. In fact, the majority of school districts have never been in court in connection with Public Law 94-142 and the educational program of fewer than 1 child in 10,000 is contested in court.

It is clear to me that Congress' original intent was for the due process procedures, including the right to litigation if that became necessary, to be available to all parents—not just the unusually well informed or the wealthy. Unfortunately, on July 5, 1984, the Supreme Court, in its Smith versus Robinson decision, jeopardized the protection and enforcement of the educational rights of handicapped children. In a 6 to 3 decision, the Court determined that Public Law 94-142 does not allow the award of attorneys' fees to parents who, after exhausting administrative procedures, prevail in a civil court action to protect their child's right to a free appropriate public education.

By denying the award of attorneys' fees in Public Law 94-142 cases, the Court raised questions about the extent to which rights, remedies, and procedures available under section 504 of the Rehabilitation Act and other Federal civil rights statutes will be applicable to claims made under the Education of the Handicapped Act (EHA). Specifically, in Smith versus Robinson, the Court ruled that when a remedy "provided under section 504 is provided with more clarity and precision under EHA, a plaintiff may not circumvent or enlarge on the remedies available under EHA by resort to section 504." The Court reasoned that the comprehensiveness and detail with which EHA addresses the provision of schooling to handicapped children, implies that Congress intended to limit remedies to those explicitly provided for in Public Law 94-142.

It is important to note that Congress has authorized attorneys' fees in virtually all civil rights actions brought under Federal law. Thus, it is clear to this Senator that it was not the intent of Congress to leave unprotected the civil rights claims of handicapped children seeking a free appropriate public education. For example, when Congress approved section 505(b) of the Rehabilitation Act, which makes attorneys' fees available for claims made under section 504, there was no exception made for handicapped children seeking an education. The 1978 Senate and House reports accompanying section 505(b) explain that disabled individuals were one of the very few minority groups in this country who had not been specifically authorized by Congress to seek attorneys' fees. The purpose of section 505(b) was "to correct this omission and thereby assist handicapped individuals in securing the legal protection guaranteed them under title V of the Rehabilitation Act." It certainly was not the intent of Congress to exclude the claims of handicapped children seeking a free appropriate public education from the coverage of section 505(b).

Mr. President, the legislation I am introducing today is a specific response to the court's opinion in Smith versus Robinson. My amendment to Public Law 94-142 is for the limited purpose of clarifying what I believe has always been, and continues to be, the intent of Congress: that reasonable attorneys' fees be available to parents of handicapped children who prevail in a civil court action to enforce their child's right to education. This amendment will in no way change requirements for parents to first exhaust the available administrative procedures in attempting to resolve the disagreements. The administrative hearing procedures will continue to be the process by which the vast majority of disagreements about appropriate educational programs are resolved. In other words, civil court action will remain, as it has always been, an option of last resort.

The amendment also clarifies that Congress did not intend that passage of Public Law 94-142 should limit or reduce the rights, procedures, and remedies available to handicapped children under the U.S. Constitution, title V or the Rehabilitation Act, or any other Federal statute. As a result of this clarification there will be no question about the commitment of Congress to guarantee to handicapped children the civil rights which are available to the rest of our country's citizens.

The unfortunate situation in which we find ourselves as a result of Smith versus Robinson was summarized appropriately by Justices Brennan, Marshall, and Stevens in their dissenting opinion to the case: "Congress will now have to take the time to revisit the matter. And until it does, the handicapped children of our country whose difficulties are compounded by discrimination and by other deprivations of constitutional rights will have to pay the costs. It is at best ironic that the court has managed to impose this burden on handicapped children in the course of interpreting a statute wholly intended to promote the educational rights of those children."

I urge my colleagues to support this legislation which simply clarifies the intent of Congress to protect the educational rights of handicapped children, and I ask that the Handicapped Children's Protection Act of 1985 be printed in its entirety in today's RECORD at the conclusion of these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 415

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Handicapped Children's Protection Act of 1985".

SEC. 2. Section 615(e)(4) of the Education of the Handicapped Act is amended by inserting "(A)" after the paragraph designation and by adding at the end thereof the following new subparagraph:

"(B) In any action or proceeding brought under this subsection, the court, in its discretion, may award a reasonable attorney's fee as part of the costs to a parent or legal representative of a handicapped child or youth who is the prevailing party.".

SEC. 3. Section 615 of the Education of the Handicapped Act is amended by adding at the end thereof the following new subsection:

"(f) Nothing in this title shall be construed to restrict or limit the rights, procedures, and remedies available under the Constitution, title V of the Rehabilitation Act of 1973, or other Federal statutes prohibiting discrimination.".

SEC. 4. The amendment made by section 2 shall apply with respect to actions or proceedings brought under section 615(e) of the Education of the Handicapped Act after July 3, 1984, and actions or proceedings brought prior to July 4, 1984, under such section which were pending on July 4, 1984.

By Mr. BOSCHWITZ (for himself and Mr. DURENBERGER):

S. 416. A bill to amend the act establishing Voyageurs National Park, Minnesota, to allow certain State leaseholders of lands within the park to continue to lease such lands for up to 20 years; to the Committee on Energy and Natural Resources.

STATE LEASEHOLDERS IN VOYAGEURS NATIONAL PARK

Mr. BOSCHWITZ. Mr. President, today I am introducing legislation to rectify an inequity which occurred with the creation of Voyageurs National Park in northern Minnesota.

When the park was established, certain lands were donated to the Federal Government by the State of Minnesota. Many of these lands were under lease to individuals for summer recreational lodging. In contrast to other residents of the park, who were given 25 years to enjoy their property, these leaseholders were limited to 10 years and their leases expire this year.

The property under lease has been donated to the Federal Government by the State of Minnesota. On April 14, 1975, Voyageurs National Park issued uniform 10-year leases to lessees of former Minnesota State Park property.

This bill would extend these leases for 10 years. This would serve to benefit the local economy of northern Minnesota, park visitors and the residents. At present, 65 leaseholders will have to vacate their vacation homes, officially, at the expiration of the uniform 10-year limit.

These people serve a variety of community functions. As knowledgeable residents of the area, they are helpful in giving directions, fuel, emergency shelter, and first aid to people unfamiliar with the territory and waters. Likewise, they patronize and contribute to the neighboring towns surrounding the park, International Falls and Ranier, MN. This becomes important in consideration of recent employee layoffs made by the Boise-Cascade Co. in this area, and the detrimental economic effects which could result.

This bill will bring the retained rights of former State lessees closer to the rights retained by persons who sold land to the Federal Government—25 years. This provision applies only to improved properties.

I believe the Park Service is agreeable to this change. I hope Congress can quickly approve it as well to provide some stability to affected leaseholders.

By Mr. DOMENICI:

S. 417. A bill for the relief of Juan Macias-Arias, his wife Margarita Radich de Macias, and their children

Juan Eduardo Marcias-Radich, and Mary Macias; to the Committee on the Judiciary.

RELIEF OF JUAN MACIAS-ARIAS AND FAMILY

● Mr. DOMENICI. Mr. President, I rise today to introduce a bill to aid Juan Macias-Arias, his wife Margarita, and their two children. This bill would put an end to a lengthy and traumatic experience for a family whose members have shown beyond doubt, that they are dedicated to being contributing members of their community.

Mr. President, after careful deliberation, Juan Macias and his family made a decision to immigrate to the United States of America from their native Bolivia.

They met with staff at the U.S. Consulate in La Paz to discuss the best method for immigrating. Upon the advice of the staff there, they decided to apply for investor's visas and Mrs. Macias traveled to the United States where she invested the required $40,000 by purchasing Daisy's Beauty Salon in Alamogordo, NM. When Mrs. Macias returned to Bolivia with the appropriate documentation, the family was told that a mistake had been made and that they could not be issued investor's visas at that time. Consequently, they were issued visitor nonimmigrant visas and were told that they would be notified as soon as their investor's visas were approved. In August 1978 the family moved to New Mexico.

Since that time they have dutifully renewed their visas and continually sought to change their status.

Through a series of technical and circumstantial difficulties, that status has never been granted.

In the 6½ years that the Macias family has lived in Alamogordo, they have earned the respect and love of the members of that small community. In addition to the beauty salon, which Mrs. Macias owns and operates, Mr. Macias has purchased a restaurant which he operates. They have employed over 12 New Mexicans in the two businesses.

Their daughter Mary is a student at New Mexico State University and their son attends high school in Alamogordo.

The reaction of the people of Alamogordo to the news of the family's possible deportation is overwhelming. One petition I received bears the signatures of over 500 people requesting my assistance in enabling the Macias to remain in Alamogordo. Numerous people have written letters to the local newspapers, to elected officials, and to Federal agencies, seeking help to allow the Macias family to continue to live in their community. The people who write refer time and again to the contributions that this family has made to Alamogordo. I have statement after statement testifying to the Macias' value as a friend, neighbor, and productive member of the community.

Mr. President, America needs people like the Macias family. People who are willing to work hard to prove that they want to be contributing members of our society. People who have made a large financial and emotional commitment to their town. People who show pride in their work and in their home. It would be a shame for our country to lose a family as dedicated and deserving as the Macias.

I ask unanimous consent that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 417

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Juan Macias-Arias, his wife Margarita Radich de Macias, and their children Juan Eduardo Marcias-Radich and Mary Macias shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the proper number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas which are made available to natives of the country of the aliens' birth under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas which are made available to natives of the country of the aliens' birth under section 202(e) of such Act.●

By Mr. GRASSLEY (for himself, Mr. ARMSTRONG, and Mr. DURENBERGER):

S. 418. A bill to amend the Internal Revenue Code of 1954 to exclude certain net capital gain of insolvent taxpayers from the alternative minimum tax; to the Committee on Finance.

MINIMUM TAX LEGISLATION

Mr. GRASSLEY. Mr. President, I rise to offer legislation and ask that it be appropriately referred.

This proposal addresses an urgent problem facing many of my constituents, who are facing a foreclosure action by their local bank on their farm or small business.

Under current law, our minimum tax is imposed on a series of preference items to be certain all taxpayers pay a minimum sum of tax. The purpose of this tax is to prevent individuals from sheltering all of their income in tax preferred activities, and thus avoid their fair share of the Nation's tax burden. The minimum tax is designed to place a floor on an individual's tax liability, requiring a tax contribution from each taxpayer.

One of the preference items in the minimum tax is the net capital gains deduction. As my colleagues know, taxpayers with capital gains are eligible to deduct 60 percent from the gain on the sale of capital assets. While the individual minimum tax provides for an offset for losses, these losses often offset the income from the forced sale of equipment and the cancellation of indebtedness. Taxpayers with farms and small businesses who are forced to sell the land or deed it over to a bank frequently recognize a large capital gain on the sale of this asset. At this point, the taxpayer has used up all of his losses and is still faced with an alternative minimum tax on the net capital gain previously excluded.

Family farmers and small business people who have been in the business for years, frequently have a very low basis in these assets. Consequently, they are facing a very large minimum tax liability in the event of foreclosure or a forced sale.

As my colleagues know, taxpayers who are forced to sell off a portion of their small business or farm, use these proceeds to satisfy their creditors in the hope of retaining their farm or family business. In fact, this legislation only grants relief to taxpayers who are insolvent; that is, the fair market value of their assets is less than their liabilities. Imposing an alternative minimum tax on these taxpayers is a particularly harsh result.

In my home State of Iowa, many lifelong farmers are facing bankruptcy or foreclosure. To learn the scope of the problem, I contacted the Farmer's Home office in Iowa. Through September 30, 1984, 233 FmHA borrowers had filed petitions in bankruptcy, 6 borrowers had been forced into foreclosure and in 12 cases prior lienholders to FmHA had initiated foreclosure. While bankrupt taxpayers can dischange the tax lien, farmers not yet in bankruptcy are responsible for the tax.

Another inequity caused by the alternative minimum tax for farmers and small businessmen is that this tax discourages them from selling off a portion of their assets to become financially stable. Taxpayers must wait until they file for bankruptcy to sell capital assets with a low basis to avoid the minimum tax. Many times these individuals would be better served by liquidating those assets to try to become a smaller more viable entity; however, the minimum tax liability can be sufficiently high to make a partial sale uneconomical. My legislation simply adds an exception to the capital gains rules to stop the imposition of the tax on insolvent taxpayers in two instances. Minimum tax liability is forgiven if the taxpayer transfers land to a creditor or if the taxpayer sells the land under threat of foreclosure.

Insolvent taxpayers are currently exempt from income on forgiveness of indebtedness. I have incorporated the

same definition in my legislation. An insolvent is defined as an individual whose liabilities exceed the fair market value of his assets. If an individual's liabilities do not exceed the fair market value of his assets, he will be liable for the minimum tax.

In short, this amendment eliminates insolvent taxpayers from the requirement of paying the alternative minimum tax in a forced sale or foreclosure situation. Alternative minimum tax was enacted to prevent high bracket taxpayers from sheltering all of their income and avoiding Federal tax liability. This provision merely exempts taxpayers with extraordinary economic hardship from liability for the alternative minimum tax.

It deserves the support of all my colleagues, and I ask for its immediate enactment.

Mr. DURENBERGER. Mr. President, I am pleased to join with my distinguished colleague from Iowa, Mr. GRASSLEY, in offering this measure that is of great importance to a number of people who desparately need our help.

The American farmer is under siege, like no other time in our history since the Great Depression. In fact, some of the farmers I talked to that experienced the Great Depression say that this is worse. The dust bowls don't exist, but current economic and financial factors are slowly strangling them just the same.

Fully 30 to 40 percent of farmers nationwide have substantial debt and are in various stages of financial difficulty. In the judgment of agricultural economists, farmers who have a debt to asset ratio of over 70 percent will find it very difficult to stay in business—there is little hope for economic survival. This means that in Minnesota, approximately 13,000 farms are expected to be forced to liquidate in the next couple of years.

The legislation we introduce today does not attempt to address the totality of this problem. What it does address is a problem with our tax law that makes it difficult for farmers to sell off a portion of their assets in order to become a smaller and thus, potentially more viable entity. And, if it's too late, and a farmer must liquidate under threat of foreclosure, this bill will prevent the Tax Code from kicking him when he is down.

The Tax Code provision to which I refer is the alternative minimum tax. One of the preference items in the minimum tax is the net capital gain deduction. For several reasons, farmers who have been in business for some time, have a very low basis in their capital assets. This means that for farmers who held assets which have appreciated the capital gains deduction when the asset is sold can be substantial. Consequently, when the 20 percent alternative minimum tax is triggered on the 60-percent capital gain deduction taken previously, these people are hit with a very large tax bill when they are forced to sell the business assets.

In short, our Tax Code virtually forces taxpayers with substantially appreciated property who could otherwise avoid bankruptcy by voluntary transfer of property in satisfaction of indebtedness to take bankruptcy to avoid the Federal alternative minimum tax on capital gain preferences. This is not a result that was desired when we enacted the alternative minimum tax. The alternative minimum tax was enacted to prevent high bracket taxpayers from sheltering all of their income in tax advantaged activities, thereby avoiding sharing the burden of maintaining the Federal Government.

The effect of our bill is simple—it eliminates insolvent taxpayers from the requirement of paying alternative minimum tax. It deserves the support of this body, because it eliminates the unintentional result of sticking taxpayers with a stiff minimum tax bill, when they need the proceeds of the sale to pay off creditors.

The farmers need our help, my colleagues realize this, and while we continue working on solving some of the farm problems, we should pass this legislation as a small step in the right direction.

By Mr. BOREN (for himself and Mr. NICKLES):

S. 420. A bill to amend the Internal Revenue Code of 1954 to impose a 50-percent nonductible excise tax on certain profits realized in connection with corporate takeover attempts, and for other purposes; to the Committee on Finance.

EXCISE TAX ON CORPORATE TAKEOVER ATTEMPTS

● Mr. BOREN. Mr. President, I am joining with my colleague Senator NICKLES in introducing a bill relating to the use of incentives now in the tax code in situations in which there is an attempted two-tier hostile takeover of a corporation. A companion bill has been introduced by several members of the Oklahoma delegation in the House of Representatives. It is critical that we stop the use of the tax code to subsidize the utilization of larger sums of previous credit for corporate takeovers which not only will increase productivity but in many cases will reduce productivity, reduce investment in research in key industries and reduce employment. This is an issue which is of vital concern not only to Oklahoma but to the Nation as well.

With credit so badly needed by farmers, small businesses and those wanting to modernize their plants, it is simply wrong to allow speculations, motivated purely by personal gain, to get tax benefits to use up precious capital resources to destroy responsible corporate citizens and imperil thousands of jobs.

I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks.

In addition, I have written to Chairman PACKWOOD to ask that the committee hold hearings as soon as possible on the use of tax incentives in the issuance of so-called junk bonds to finance these two-tier hostile takeovers. I have sent a copy of my letter to the chairman and ranking member of the Banking Committee as well because unconfirmed reports that some financial institutions may be investing in bonds of this description. A full airing of the matter should be accomplished as soon as possible.

I also ask that a copy of my letter to Chairman PACKWOOD appear in the RECORD at the conclusion of my remarks.

Mr. President, I will soon be circulating a letter to my colleagues about this legislation. It is time that we act to end this misuse of our credit system which drains our Nation of badly needed resources. I hope that many Members of the Senate will decide to cosponsor this legislation.

U.S. SENATE,
Washington, DC, February 6, 1985.

Hon. ROBERT PACKWOOD,
Chairman, Senate Finance Committee, Dirksen Senate Office Building, Washington, DC.

DEAR CHAIRMAN PACKWOOD: Today several members of the Oklahoma delegation introduced legislation which would limit the tax advantages given to those who undertake what is known as hostile two-tier takeovers of corporations. The use of the stepped-up basis for assets and the deductibility for interest on borrowed funds for hostile takeovers in situations where there is no additional productivity and where in fact there is the potential for reduced research, production, and employment deserves immediate examination by the Congress.

In addition, the whole question of the use of so-called "junk bonds" to finance these takeovers and the deductibility of borrowing costs of these bonds deserves our attention and the attention of the Committee on Banking as well. It is widely reported that the issuance of these so-called "junk bonds" is rapidly growing. These bonds are initially unsecured and ultimately secured only by the assets of the company which is targeted for takeover. In many cases they may involve a high degree of risk. There are reports that thrift institutions and perhaps other financial institutions may be investing in these bonds at a rather high and alarming level.

I am writing to you to urge that the Finance Committee, at the earliest possible date, schedule hearings to fully investigate the use of "junk bond" financing to see how widespread it has become and who is using it and the tax incentives which may be encouraging its use in the case of two-tier hostile takeovers and the potential impact on credit markets and financial institutions.

Sincerely yours,

DAVID L. BOREN,
U.S. Senator.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 420

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXCISE TAX ON GREENMAIL PROFITS.

(a) GENERAL RULE.—Chapter 46 of the Internal Revenue Code of 1954 (relating to golden parachute payments) is amended by adding at the end thereof the following new section:

"SEC. 4999A. GREENMAIL PROFITS.

"(a) IMPOSITION OF TAX.—There is hereby imposed on any person who realizes any greenmail profits a tax equal to 50 percent of the amount of such profits.

"(b) GREENMAIL PROFITS.—For purposes of this section—

"(1) IN GENERAL.—The term 'greenmail profits' means any gain realized by a 4-percent shareholder on the sale or exchange of any stock in the corporation—

"(A) if such shareholder held such stock (as determined under section 1223) for a period of less than 2 years, and

"(B) if, at some time during the 2-year period ending on the date of such sale or exchange, there was a public tender offer for stock in such corporation.

"(2) 4-PERCENT SHAREHOLDER.—The term '4-percent shareholder' means any person who owns (directly or through the application of section 318) stock possessing 4 percent or more of the total combined voting power of all classes of stock entitled to vote.

"(3) PUBLIC TENDER OFFER.—The term 'public tender offer' means any offer to purchase (or otherwise acquire) stock in the corporation if such offer was required to be filed or registered with any Federal or State agency regulating securities.

"(c) EXCEPTION FOR CERTAIN SHAREHOLDERS AND EMPLOYEES.—The tax imposed by subsection (a) shall not apply to any gain realized by any person on the sale or exchange of stock in any corporation if, throughout the 1-year period ending on the date of such sale or exchange, such person was—

"(1) an officer, director, or employee of such corporation, or

"(2) a 4-percent shareholder.

"(d) ADMINISTRATIVE PROVISION.—For purposes of subtitle F, any tax imposed by this section shall be treated as a tax imposed by subtitle A."

(b) CLERICAL AMENDMENT.—

"(1) Chapter 46 of such Code is amended by striking out the chapter heading and the table of sections and inserting in lieu thereof the following:

CHAPTER 46—GOLDEN PARACHUTE PAYMENTS; GREENMAIL PROFITS

"Sec. 4999. Golden parachute payments.
"Sec. 4999A. Greenmail profits.

"(2) The table of chapters for subtitle D of such Code is amended by striking out the item relating to chapter 46 and inserting in lieu thereof the following:

"CHAPTER 46. GOLDEN PARACHUTE PAYMENTS; GREENMAIL PROFITS.

"(c) EFFECTIVE DATE.—

"(1) IN GENERAL.—The amendments made by this section shall apply to sales and exchanges after February 6, 1985, in taxable years ending after such date.

"(2) EXCEPTION FOR CERTAIN AGREEMENTS.—The amendments made by this section shall not apply to any sale or exchange pursuant to a written agreement in existence on February 5, 1985.

SEC. 2. MANDATORY SECTION 338 ELECTION IN THE CASE OF HOSTILE STOCK PURCHASES.

"(a) GENERAL RULE.—Section 338 of the Internal Revenue Code of 1954 (relating to certain stock purchases treated as asset acquisitions) is amended by redesignating subsection (i) as subsection (j) and by inserting subsection (h) the following new subsection:

"(i) SPECIAL RULE FOR HOSTILE QUALIFIED STOCK PURCHASES.—

"(1) IN GENERAL.—In the case of any hostile qualified stock purchase—

"(A) the purchasing corporation shall be treated as having made an election with respect to such purchase under this section, and

"(B) section 337 shall not apply for purposes of determining the amount of the gain recognized on the deemed sale under subsection (a)(1).

"(2) HOSTILE QUALIFIED STOCK PURCHASE.—For purposes of this section—

"(A) IN GENERAL.—The term 'hostile qualified stock purchase' means any qualified stock purchase if all (or any portion of) the stock included in such purchase was acquired pursuant to a hostile offer.

"(B) HOSTILE OFFER.—The term 'hostile offer' means any offer to purchase (or otherwise acquire) the stock of a corporation if such offer is disapproved by a majority (consisting of at least 2 members) of the continuing independent members of the board of directors of such corporation. For purposes of the preceding sentence, any member of the board of directors shall be treated as independent if such member is not an officer or employee of the corporation and (except for ownership of stock in the corporation) has no substantial financial or commercial ties to the corporation."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to hostile qualified stock purchases (as defined in section 338(i)(2) of the Internal Revenue Code of 1954) with respect to which the acquisition date (as defined in section 338(h)(2) of such Code) is after February 6, 1985.

SEC. 3. DISALLOWANCE OF INTEREST DEDUCTION ON CERTAIN HOSTILE ACQUISITIONS.

(a) GENERAL RULE.—Part IX of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items not deductible) is amended by adding at the end thereof the following new section:

"SEC. 280H. INTEREST ON INDEBTEDNESS INCURRED IN CERTAIN HOSTILE TAKEOVERS.

"(a) GENERAL RULE.—No deduction shall be allowed under this chapter for any interest paid or accrued on indebtedness incurred or continued to acquire (or carry) stock in a corporation acquired pursuant to a hostile offer.

"(b) EXCEPTION WHERE CONTROL ACQUIRED BY A CORPORATION.—Subsection (a) shall not apply in the case of any hostile qualified stock purchase by a corporation.

"(c) DEFINITIONS.—For purposes of this section, the terms 'hostile offer' and 'hostile qualified stock purchase' have the same meanings as when used in section 338(i)."

(b) CLERICAL AMENDMENT.—The table of sections for part IX of subchapter B of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"SEC. 280H. Interest on indebtedness incurred in certain hostile takeovers."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to indebtedness incurred or continued to acquire (or carry) stock which is acquired after February 6, 1985.●

By Mrs. HAWKINS:

S.J. Res. 45. Joint resolution to designate National Child Safety Week; to the Committee on the Judiciary.

NATIONAL CHILD SAFETY WEEK

● Mrs. HAWKINS. Mr. President, today I am introducing a joint resolution to proclaim September 8 through 14, 1985 as "National Child Safety Week." Similar legislation has been introduced in the House of Representatives by my distinguished Florida colleague, Representative TOM LEWIS.

Throughout my efforts to enact the Missing Children Act, the Missing Children's Assistance Act or reauthorize and fund the Child Abuse Prevention and Treatment Act, I have been amazed and gratified by the response of individuals and organizations throughout this Nation who are concerned about the safety of children. The response from individuals and organizations who were requesting more information regarding child fingerprinting and other safety activities was so overwhelming that I convened a task force comprised of representatives of the National Crime Prevention Council, the Ad Council, the American Bar Association, the International Association of Chiefs of Police, the Sheriffs Association, the Boys Club, the General Federation of Women's Clubs, the National Fraternal Order of Police, the American Association of Retired Persons, the Girl Scouts, the Adam Walsh Resource Center, Child Keyppers of Florida and various Federal agencies. This task force developed the Child Safety Program Handbook which was cosponsored by ACTION, the National Volunteer Agency and the Department of Justice. Thousands of these handbooks and flyers were requested by interested organizations throughout the Nation. Many of these safety day programs have occurred on May 25, the anniversary of the disappearance of 6-year-old Etan Patz from New York City. However, many of these child safety day programs have expanded from the original purpose of protecting children from abduction, into the equally important issue of protecting children from abuse and exploitation.

A variety of resource material on preventing both abuse and abduction of children is available. The National Committee for Prevention of Child Abuse has compiled an excellent bibliography listing child sexual abuse prevention resources. They range from musical and theatrical presentations such as Bubbylonian Encounter, Hugs and Kisses or Touch, to the Spiderman comic book, the Red Flag, Green Flag coloring book or the Touching Song. The National Crime Prevention Council has a YOUth can Prevent Crime kit which includes latchkey children, missing children and child sexual abuse prevention. But all of

these resources need to be utilized if they are to be effective. Child Safety Week can help in this prevention and education effort by increasing the public's awareness and focusing attention on the child safety programs and events occurring during the week of September 8 through 14, 1985. I know, from the phone calls and letters that I have received in my office that individuals and organizations throughout our Nation are interested in promoting child safety and preventing abduction and abuse. I urge my Senate colleagues to listen to their constituents and join me in cosponsoring this joint resolution.●

ADDITIONAL COSPONSORS

S. 15

At the request of Mr. MOYNIHAN, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 15, a bill to authorize the Secretary of Health and Human Services to make grants to States for the purpose of increasing the ability of States to provide drug abuse prevention, education, treatment, and rehabilitation, and for other purposes, to authorize the Attorney General to make grants to States for the purpose of increasing the level of State and local enforcement of State laws relating to production, illegal possession, and transfer of controlled substances.

S. 42

At the request of Mr. NICKLES, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 42, a bill to facilitate the efficient use of barter in managing agricultural commodities and the stocks of the National Defense Stockpile.

S. 46

At the request of Mr. HELMS, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 46, a bill to amend the Civil Rights Act to protect the lives of unborn human beings.

S. 58

At the request of Mr. DANFORTH, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 58, a bill to amend the Internal Revenue Code of 1954 to increase research activities, to foster university research and scientific training, and to encourage the contribution of scientific equipment to institutions of higher education.

S. 140

At the request of Mrs. HAWKINS, the names of the Senator from North Dakota [Mr. ANDREWS], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of S. 140, a bill to amend the Child Abuse Amendments of 1984 to encourage States to enact child protection reforms which are designed to improve legal and administrative proceedings regarding the investigation and prosecution of sexual child abuse cases.

S. 177

At the request of Mr. HART the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 177, a bill to authorize a national program of improving the quality of education.

S. 213

At the request of Mr. THURMOND, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 213, a bill to provide State and local governments greater flexibility and self-determination in addressing how specific highway needs can best be met.

S. 244

At the request of Mr. ABDNOR, the names of the Senator from North Dakota [Mr. ANDREWS] and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of S. 244, a bill to limit to the national median family income the amount of farm loss which may be deducted against nonfarm income by high income taxpayers in competition with full-time, family-sized farm operators.

S. 300

At the request of Mr. GRASSLEY, the name of the Senator from Colorado [Mr. ARMSTRONG] was added as a cosponsor of S. 300, a bill to amend section 1951 of title 18 of the United States Code, and for other purposes.

S. 337

At the request of Mr. BURDICK, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 337, a bill to terminate the effect of provisions of the Voting Rights Act of 1965 that require bilingual ballots and election materials.

S. 339

At the request of Mr. LAUTENBERG, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 339, a bill to implement the Rule of the Shorter Term in the case of computer programs.

SENATE JOINT RESOLUTION 4

At the request of Mr. HATCH, the names of the Senator from Maryland [Mr. SARBANES], the Senator from Nebraska [Mr. EXON], the Senator from New Mexico [Mr. DOMENICI], the Senator from Nevada [Mr. LAXALT], the Senator from Florida [Mr. CHILES], the Senator from Kentucky [Mr. FORD], the Senator from California [Mr. WILSON], the Senator from Oregon [Mr. PACKWOOD], the Senator from Nevada [Mr. HECHT], the Senator from Connecticut [Mr. DODD], the Senator from New Hampshire [Mr. RUDMAN], the Senator from Idaho [Mr. SYMMS], the Senator from Arkansas [Mr. BUMPERS], the Senator from Georgia [Mr. MATTINGLY], the Senator from Illinois [Mr. DIXON], the Senator from Indiana [Mr. LUGAR], the Senator from Missouri [Mr. EAGLETON], the Senator from South Dakota [Mr. PRESSLER], the Senator from New York [Mr. D'AMATO], the Senator from Alabama [Mr. DENTON], the Senator from West Virginia [Mr. BYRD], and the Senator from Maryland [Mr. MATHIAS], were added as cosponsors of Senate Joint Resolution 4, a joint resolution to designate the week of March 24, 1985, through March 30, 1985, as "National Skin Cancer prevention and Detection Week."

SENATE JOINT RESOLUTION 10

At the request of Mr. KENNEDY, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from Washington [Mr. GORTON], the Senator from Massachusetts [Mr. KERRY], and the Senator from Iowa [Mr. HARKIN] were added as cosponsors of Senate Joint Resolution 10, a joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men.

SENATE JOINT RESOLUTION 23

At the request of Mr. MOYNIHAN, the names of the Senator from Florida [Mrs. HAWKINS], the Senator from Massachusetts [Mr. KERRY], and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of Senate Joint Resolution 23, a joint resolution designating 1985 as the "Year of Social Security".

SENATE JOINT RESOLUTION 27

At the request of Mr. HATCH, the names of the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Michigan [Mr. RIEGLE], the Senator from South Carolina [Mr. HOLLINGS], the Senator from South Carolina [Mr. THURMOND], the Senator from Oregon [Mr. PACKWOOD], the Senator from Georgia [Mr. NUNN], the Senator from Alaska [Mr. STEVENS], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Iowa [Mr. GRASSLEY], the Senator from California [Mr. CRANSTON], the Senator from California [Mr. WILSON], the Senator from Virginia [Mr. TRIBLE], the Senator from Arkansas [Mr. PRYOR], the Senator from Illinois [Mr. DIXON], the Senator from Montana [Mr. BAUCUS], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of Senate Joint Resolution 27, a joint resolution to designate the week containing March 8, 1985, as "Women's History Week."

SENATE JOINT RESOLUTION 31

At the request of Mr. BURDICK, the names of the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from New York [Mr. MOYNIHAN], the Senator from Nebraska [Mr. EXON], the Senator from South Carolina [Mr. HOLLINGS],

the Senator from Maryland [Mr. SARBANES], the Senator from Indiana [Mr. QUAYLE], and the Senator from Virginia [Mr. TRIBLE] were added as cosponsors of Senate Joint Resolution 31, a joint resolution to designate the week of November 24 through November 30, 1985, as "National Family Week."

SENATE RESOLUTION 41

At the request of Mr. HOLLINGS, the names of the Senator from Louisiana [Mr. LONG], the Senator from Massachusetts [Mr. KERRY], the Senator from Texas [Mr. BENTSEN], and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of Senate Resolution 41, a resolution to express the sense of the Senate that the funds of the Economic Development Administration should not be impounded.

SENATE RESOLUTION 53

At the request of Mr. DODD, the names of the Senator from New York [Mr. D'AMATO], the Senator from Idaho [Mr. SYMMS], and the Senator from Wyoming [Mr. WALLOP] were added as cosponsors of Senate Resolution 53, a resolution concerning the Internal Revenue Code.

SENATE CONCURRENT RESOLUTION 10—RELATING TO THE MURDER OF HENRY LIU

Mr. KENNEDY (for himself and Mr. CRANSTON) submitted the following concurrent resolution; to the Committee on Foreign Relations:

S. CON. RES. 10

Whereas Henry Liu, a United States citizen of Chinese ancestry, was murdered in Daly City, California, on October 15, 1984;

Whereas certain citizens of Taiwan have been, and others may be, charged by authorities in the United States in connection with this crime; and

Whereas both the cause of justice and sound American relations with the people on Taiwan will best be served if the individuals charged with committing this crime in the United States are tried in courts in the United States: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Taiwan authorities should cooperate fully in the case of Henry Liu by delivering to the United States for trial those citizens of Taiwan charged by authorities in the United States in connection with the murder of Henry Liu.

Mr. KENNEDY. Mr. President, I am pleased to introduce with Senator CRANSTON, and with Representative SOLARZ and others in the House, a resolution expressing the sense of the Congress that the Taiwan authorities should cooperate fully in the case of Henry Liu by delivering to the United States for trial those citizens of Taiwan charged by authorities in the United States in connection with the murder of Henry Liu.

The murder of Henry Liu in Daly City, CA, last October was no ordinary crime. The Taiwan regime has acknowledged that members of its military intelligence service were involved in the killing. Moreover, Mr. Liu, an American citizen of Chinese descent, was a prominent critic of President Chiang Ching Kuo, and the Taiwan authorities have been notorious for reprisals against their critics. In 1981 Professor Chen Wen-Chen of Carnegie Mellon University was found dead in Taiwan, hours after being interrogated by the Taiwanese security police about political statements he had made in the United States. More recently, the Taiwan authorities have used libel suits to close down opposition magazines such as the Neo-Formosa Weekly and to sentence their publishers to prison terms of 1 year.

The murder of an American citizen, on American soil, with the complicity of foreign intelligence agents, for whatever reason, is a brazen act of international terrorism against the American people. In order to assure the American people that justice will be done for the murder of Henry Liu, and that such acts of terrorism will not be tolerated in the future, those persons charged by authorities in the United States in connection with this crime should be tried in American courts. Taiwan has no legal obligation to extradite those persons accused by American authorities who fled to Taiwan, but it has a moral obligation to assure us that justice in the case of Henry Liu will be impartial. And it has an interest in repairing the damage which the involvement of its intelligence service in this crime caused to its credibility and to its good relations with the American people. Our resolution therefore urges the Taiwan authorities to deliver to the United States for trial those Taiwan citizens charged by authorities in the United States in connection with the murder of Henry Liu.

Mr. CRANSTON. Mr. President, on the morning of October 15, 1984, at his home at Daly City, CA, Henry Liu—a distinguished American writer and journalist of Chinese ancestry—was brutally murdered. I have been deeply concerned and have followed developments in this case very closely since the shooting occurred.

Although Taiwanese authorities initially denied complicity in the case, there was from the outset widespread suspicion that Mr. Liu had been assassinated to silence his pen and intimidate others who might dare to write critically about the regime of Taiwan.

Subsequent investigation—both in the United States and in Taiwan—has led authorities in Taiwan to acknowledge that high officials in the Taiwanese intelligence apparatus either knew in advance of plans to kill Mr. Liu, but withheld the information, or actually ordered the killing of Mr. Liu.

The suspected perpetrators of this crime are believed by police authorities to be members of the notorious Bamboo Gang, operating out of Taiwan.

Mr. President, unless justice is done promptly in this case, this assassination will have succeeded in its apparently intended effect. Henry Liu has been forever silenced.

If our Government cannot protect or ensure justice for our citizens in the exercise of their precious constitutional rights, how long will we have those rights?

While the authorities in Taiwan have conducted their own investigation in this matter, and have apparently initiated actions of their own against at least some of those believed responsible, the cloud of fear and suspicion this case has created here will not disappear until those charged with the crime on American soil are brought to trial in American courts.

Mr. President, justice for Henry Liu has three elements:

First, that those charged with this crime be brought to trial in our courts;

Second, that the administration, which has remained strangely, publicly silent about this case, provide public assurance that this act of terrorism cannot be repeated; and

Third, that the family of Henry Liu receive adequate financial compensation for their loss from those ultimately responsible for his death.

It is vital that justice be done in the case of Henry Liu.

I urge that the resolution be promptly adopted.

SENATE CONCURRENT RESOLUTION 11—CALLING FOR THE RESTORATION OF DEMOCRACY IN CHILE

Mr. KENNEDY (for himself, Mr. CRANSTON, Mr. HARKIN, and Mr. KERRY) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 11

Whereas over the past five years, military juntas in Argentina, Bolivia, Ecuador, El Salvador, Honduras, Uruguay, and Brazil have been replaced by elected civilian governments, but in Chile, the government of General Augusto Pinochet has hindered the restoration of democracy in that country;

Whereas on November 6, 1984, the Pinochet government imposed a state of siege that has resulted in increased press censorship, greater restriction on the right of assembly, and the temporary detention of more than 8,000 people and the internal exile of more than 600;

Whereas the imposition of press censorship and the extensive arrests of opposition political figures during the state of siege impair the movement toward democracy in Chile;

Whereas the restoration of democracy requires, as a first step, a lifting of the states of siege and emergency in Chile, a dialogue between the Government of Chile and the democratic opposition, and an immediate

end to human rights violations by the Pinochet government;

Whereas Amnesty International has noted that in recent years there has been a marked deterioration in the human rights situation in Chile, demonstrated by a consistent pattern of arbitrary detention, political imprisonment and killings, and systematic torture;

Whereas Amnesty International, the International Commission of Jurists, the United Nations Human Rights Commission Ad Hoc Working Group on Chile, the United Nations General Assembly, and the Organization of American States Commission on Human Rights have stated that the regime of Augusto Pinochet has violated basic human rights and political freedoms in Chile since the 1973 military coup in that country; and

Whereas the Chilean people want democracy reestablished in their country, and the United States is in full sympathy with the deeply felt desires of the Chilean people for a return to democratic rule: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress supports the Chilean people in their efforts to end the military dictatorship and bring about the peaceful restoration of democratic institutions and human rights in Chile, and calls upon the Government of Chile to negotiate with the democratic opposition for a return to democratic rule;

SEC. 2. Until Chile returns to its long tradition of democratic procedures and institutions and of respect for internationally recognized human rights—

(1) the United States—

(A) should continue to deny and any all direct and indirect military assistance (including cash sales) for the Government of Chile, and

(B) should cease any and all joint military-related activities (including joint military exercies) with the Government of Chile;

(2) the United States should deny all forms of economic assistance to the Government of Chile, and in carrying out this policy, the Overseas Private Investment Corporation should comply with the human rights requirements of section 239(i) of the Foreign Assistance Act of 1961 by not issuing any additional investment insurance pursuant to its 1983 agreement with the Government of Chile; and

(3) as mandated under section 701(f) of the International Financial Institutions Act, the United States should oppose all loans and grants to Chile by international financial institutions such as the Inter-American Development Bank, the International Bank for Reconstruction and Development, and the International Development Association, unless such assistance is specifically directed to programs which serve the basic human needs of the people of Chile.

Mr. KENNEDY. Mr. President, today I am proud to offer with Senators CRANSTON, HARKIN, and KERRY, and Representative WEISS and others in the House, a resolution calling for the restoration of democracy in Chile.

After more than 11 years of rule by General Pinochet, the Chilean people desire a prompt return to their long tradition of democratic procedures and institutions. However, the Pinochet regime responded to a rising tide of protest by political parties, labor unions, and the church last fall by declaring a state of siege, which it just renewed. Under this state of siege thousands have been detained, hundreds have been sent into internal exile and new restrictions have been placed on the press and the people's right to assemble peacefully. Instead of negotiating with the democratic opposition for a return to democracy, the Pinochet regime has sought to destroy it. Moreover, violations of basic individual human rights have increased and the leader of the Catholic Church's human rights office, with whom I had the opportunity to meet last September, has been barred from returning to Chile because he dared to criticize the regime's human rights record.

The people of Chile desire democracy no less than those of Argentina, Bolivia, Brazil, Uruguay, and other Latin American countries where democracy has recently been restored. This can be accomplished in Chile only if the state of siege is lifted and a dialog begins between the Pinochet regime and the democratic opposition. We can show our support for this process by sending an unambiguous message that the United States opposes the state of siege and supports a prompt return to democracy. The administration's decision not to support a $130 million industrial recovery loan to Chile by the Inter-American Development Bank is a useful step in this direction, as was its decision to cancel a visit to Chile by the U.S. Army Chief of Staff last November. The Congress can strengthen this message by clearly signaling our disapproval of General Pinochet's refusal to permit a restoration of democracy as well as the prospect for closer cooperation with Chile if democracy returns.

Our resolution calls for negotiations between the Government of Chile and the democratic opposition for a return to democracy. It provides that, until democracy is restored in Chile, the United States should continue to deny all military and economic assistance to the Pinochet government and should vote against multilateral development bank loans and grants to the Government of Chile, except for humanitarian aid which serves the basic needs of the people of Chile. Our resolution also provides that the United States should not participate in joint military activities, including joint exercises, with the Pinochet regime.

SENATE CONCURRENT RESOLUTION 12—PROVIDING FOR AN ADJOURNMENT OF THE SENATE AND THE HOUSE

Mr. DOLE submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 12

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Thursday, February 7, 1985, or Friday, February 8, 1985, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand adjourned until 12:00 o'clock meridian on Monday, February 18, 1985, and that when the House of Representatives adjourns on Thurday, February 7, 1985, it stand adjourned until 12:00 o'clock meridian on Tuesday, February 19, 1985, or until 12 o'clock meridian on the second day after their respective Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and Senate, respectively, to reassemble whenever in their opinion the public interest shall warrant it.

SENATE RESOLUTION 65—COMMENDING THE SOIL CONSERVATION SERVICE

Mr. BUMPERS (for himself, Mr. BOREN, Mr. DURENBERGER, Mr. PRYOR, Mr. BENTSEN, Mr. MELCHER, Mr. SASSER, Mr. HEFLIN, Mr. STENNIS, Mr. GORE, Mr. SARBANES, and Mr. EAGLETON) submitted the following resolution; which was referred to the Committee on Agriculture, Nutrition, and Forestry:

S. RES. 65

Whereas the nation's well being is dependent on efficient and productive agriculture, which requires a fertile and well cared for soil resource base and a plentiful water supply; and

Whereas the Soil Conservation Service helps individuals, groups, organizations, cities and towns, and county and state governments reduce the costly waste of land and water resources and use these national assets; and

Whereas the the Soil Conservation Service since its establishment in 1935 within the U.S. Department of Agriculture has diligently carried out its missions of soil and water conservation, natural resource surveys and community resource protection and development; and

Whereas the Soil Conservation Service provides vitally needed technical and financial assistance to achieve its conservation objectives on nonfederal land, and is assisted in this work through its partnership with over 3,000 conservation districts covering more than two billion acres in all 50 states, Puerto Rico, and the Virgin Islands; and

Whereas it is estimated that 67% of all cropland acres in the U.S. is in need of conservation treatment, and the annual rate of erosion on the 413 million acres of cropland exceeds the maximum rate of loss with which indefinite and prosperous productivity can be maintained, requiring the continued efforts of the Soil Conservation Service in combating this serious national problem; and

Whereas our water resources throughout the U.S. have moved to the forefront of national concern requiring the continued creation of watershed projects, techniques for the improvement of water quality including the reduction of sediments, organic wastes, pesticides and salts from polluting our waterways, and the establishment of improved

irrigation systems and management as planned and designed by the Soil Conservation Service

Be it resolved, That the Senate hereby

1. expreses its commitment to the continuation and improvements of vigorous soil and water conservation efforts;

2. recognizes and commends the Soil Conservation Service on the 50th anniversary of its creation;

3. states its intent that the vital work of this agency be continued in the face of serious soil and water problems still confronting this nation; and

4. expresses its full support for and continued funding for SCS and the critical programs that it administers.

Mr. BUMPERS. Mr. President, I am pleased to be joined by Senators BOREN, DURENBERGER, PRYOR, BENTSEN, MELCHER, SASSER, HEFLIN, STENNIS, GORE, SARBANES, and EAGLETON in introducing a resolution commending the Soil Conservation Service on the 50th anniversary of its creation within the Department of Agriculture and calling on the Senate to express its support for the Soil Conservation Service and its mission of soil and water conservation, for our benefit and for the benefit of generations to come.

Since 1935 the Soil Conservation Service has diligently and professionally carried out its missions of soil and water conservation, natural resource surveys, and community resource protection and development. Born as the Soil Erosion Service within the Department of the Interior in 1933, and transferred to the USDA in 1935 following the great duststorms of May 11, 1934, and March 6, 1935, the Soil Conservation Service was eventually joined by over 3,000 conservation districts covering more than 2 billion acres in all 50 States, Puerto Rico, and the Virgin Islands in carrying out crucial conservation objectives.

Although the father of modern soil and water conservation and the first Chief of the Soil Conservation Service, H.H. Bennett, envisioned that the ravages of 50 years prior to 1935 could be corrected in 20 years, today the threats to the Nation's soil and water resources have never been greater. According to the 1977 natural resource inventory, 67 percent of all cropland acres in the United States are in need of conservation treatment and 25 percent suffer erosion at rates above the level that can be tolerated if the land is to maintain its productivity into perpetuity. Over 5 billion tons of topsoil erode from our crop production lands every year and it is estimated that one-third of all topsoil on our cropland in use today has been irretrievably lost. The national average of sheet and rill erosion per acre is 5.07 tons while the tolerance level is only 5 tons. On 10 percent of the acreage the rate of loss is 10 tons greater. Four States—Iowa, Tennessee, Missouri, and Mississippi—have average losses in excess of 10 tons per acre and 14 States, including Arkansas, have average losses in excess of 5 tons per acre. At this rate, the Nation's cropland will lose its entire plow depth in 100 years.

In Arkansas, soil erosion is a very serious problem. Of our 8 million acres of cropland, 4.7 million acres are in need of erosion control work. Our average sheet and rill erosion rate is 6.38 tons per acre—a loss of 50 million tons a year. This is enough to form a column of soil stacked on 1 acre, each year, 5.5 miles high.

The threats to the Nation's water resources are well documented, because, I suspect, they are more tangible and more glamorous. Depleting acquifers, saltwater intrusion, water pollution, and improper water management continue to be serious national concerns threatening domestic, agricultural, and industrial water use.

The continued presence of soil and water problems is not an indictment of the Soil Conservation Service. On the contrary, it dramatically points to the vital need we have for the work of the Soil Conservation Service. We can only imagine the condition of these resources today had it not been for the vision of men such as H.H. Bennett and the tireless work of the men and women of the Soil Conservation Service and their partners in the nearly 3,000 conservation districts.

I would like to take a moment to detail some of the conservation work undertaken by the Soil Conservation Service and the 76 conservation districts in Arkansas. Since the creation of the SCS in 1935 and the establishment of conservation district authority by the authority by the Arkansas State Legislature in early 1937, much conservation work has been completed in my home State. The most destructive period for soil and water resources in Arkansas was between 1800 and 1930. Cotton was king, one of the few crops which could put money in farmers' hands, and millions of Arkansas acres, including land better suited for pasture, were planted to that crop. Year after year, continuous production, followed by the practice of laying out barren land during the winter, led to tremendous erosion abuse and water quality problems due to soil runoff. Reduced productivity, crop failures, and eventually, farm abandonment led to widespread deterioration of the countryside.

In Arkansas, the first organized program of soil conservation began in 1935 with the creation of SCS demonstration projects in seven Arkansas communities and the cooperation of CCC workers in 12 camps throughout the State. The enlistment of local persons into conservation districts in 1937 was the catalyst that led to the highly successful efforts which we in Arkansas benefit from today.

Currently the number of district cooperators in Arkansas who are voluntarily applying conservation measures to their land using technical assistance provided by SCS is nearly 93,000, covering nearly 19 million acres. The SCS has 63 watershed projects in various stages of development including 29 which are completed, and has surveyed 30 million acres or 90 percent of all acreage in Arkansas. It has promoted conservation tillage on 68,000 acres with special emphasis, in concert with chemical and farm implement companies being placed on 750,000 targeted acres in eastern Arkansas, and has or is in the process of reclaiming 100 acres of rural abandoned mines—a project near and dear to my heart. It has begun an animal waste inventory project in 23 western Arkansas counties and a ground water inventory project in 26 eastern Arkansas counties, and has created a 16 county irrigation water conservation target area in which irrigation water management is provided. It has provided a mobile laser survey system to service increased demands for precision land leveling, and has established 5 resource conservation and development areas in Arkansas covering 55 counties for the development of flood protection and recreation water projects. SCS has completed 11 river basin surveys in Arkansas, has established 86 emergency watershed protection projects, plus numerous other projects which benefit farmers and other landowners, various units of government, businesses, recreationists, water users, and, of course, generations to come.

I'm sure the story is essentially the same in every other State. I believe the SCS deserves our continued support because there is still a great conservation mission before us. The opposition of this administration to soil and water conservation as promoted through Federal agencies is well documented as is its opposition to the SCS—conservation district partnerships, evidenced by a highly critical speech delivered by Assistant Secretary John B. Crowell, Jr., to the National Conference of the Soil Conservation Service on September 26, 1983. It has repeatedly attempted to slash conservation funding, yet its fiscal year 1986 budget is its most irresponsible and shortsighted position yet. This proposal threatens to dismantle 50 years of highly successful nationally organized conservation work. It needlessly shakes the morale of dedicated employees with the SCS and members within the partner conservation districts, and is a classic example of being penny-wise and pound-foolish.

Of course, we are facing a serious budget deficit and programs will have to be reduced or eliminated. To be fair, I must note that such actions may be necessary within the budget for SCS. But I feel it is imperative that we maintain a serious commitment

toward furthering 50 years of soil and water conservation efforts under the Soil Conservation Service. I urge my colleagues to join us in reiterating our continued support in this resolution commending the Soil Conservation Service for 50 years of work well done.

SENATE RESOLUTION 66—SENSE OF THE SENATE WITH RESPECT TO ANZUS

Mr. COHEN (for himself, Mr. RUDMAN, Mr. BINGAMAN, Mr. BOSCHWITZ, Mr. GORTON, Mr. SYMMS, Mr. DOLE, Mr. SIMPSON, and Mr. WILSON) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 66

Whereas the governments of United States, Australia, and New Zealand are parties to a trilateral security treaty signed on September 1, 1951, and commonly known as ANZUS;

Whereas the ANZUS alliance was formed "to coordinate their efforts for collective defense" and "to declare publicly and formally their sense of unity, so that no potential aggressor could be under the illusion that any of them stands alone in the Pacific Area";

Whereas all partners of the ANZUS alliance benefit from and are expected to bear equally the burdens of the Alliance;

Whereas the need for cooperation among the ANZUS partners has increased with the growth of Soviet military activity in the Pacific and Indian Oceans;

Whereas the free world, including New Zealand, enjoys the benefits of international trade on a scope unparalleled in history;

Whereas the security of this trade depends upon the free world's ability and will to defend the sea lines of communications;

Whereas the Government of New Zealand has officially adopted a policy which precludes many ships of the United States Navy from entering its ports;

Whereas such policy detracts from the security of all partners of the ANZUS Alliance, individually and collectively;

Whereas such policy grossly impairs the ability of the ANZUS partners to "coordinate their efforts for collective defense" and detracts from their "sense of unity";

Whereas the Government of New Zealand will not be in compliance with the Subsidies Code of the General Agreement on Trade and Tariffs as of April 1, 1985, because of its decision to maintain export subsidies on certain agricultural commodities beyond that date; and

Whereas, after March 31, 1985, as a result of such noncompliance by the Government of New Zealand, the United States will no longer be obligated under such Subsidies Code to extend to New Zealand the benefits of the injury test provided under section 701(a)(2) of the Tariff Act of 1930 (19 U.S.C. 1671(a)(2)): Now therefore, be it

Resolved, That it is the sense of the Senate that—

(1) it would be in the best interests of allied security and unity for each member country of the Security Treaty Between Australia, New Zealand, and the United States, commonly known as ANZUS, to reinstate the practice of permitting all naval ships of the other member countries access to the ports of such member country; and

(2) the President should—

(A) continue discussions with the Government of New Zealand aimed at resolving the present impasse regarding access of United States naval ships to the ports of New Zealand,

(B) explore with the Government of Australia the desirability and feasibility of a bilateral security treaty,

(C) until the present impasse between the United States and New Zealand is resolved, preclude New Zealand from participating in military and related activities with the United States, and

(D) exercise the right of the United States to withdraw from New Zealand the benefits of the injury test provided under section 701(a)(2) of the Tariff Act of 1930 (19 U.S.C. 1671(a)(2)).

Mr. COHEN. Mr. President, for over three decades, the interests of the United States and, I believe, the interests of Australia and New Zealand have been well served by the ANZUS Alliance. ANZUS has been but one manifestation of the close political, security, and economic ties amongst our three nations.

In recent weeks, however, the Government of New Zealand has taken actions which cast into doubt the future course of United States-New Zealand relations and the ANZUS Alliance.

The Government of New Zealand is adhering to a policy prohibiting port calls by nuclear-powered or nuclear-armed ships. For vital security reasons, the United States maintains a policy of neither confirming nor denying the presence or absence of nuclear weapons on board Navy ships.

The viability of the ANZUS Alliance in the face of New Zealand's policy faced its first challenge recently. In connection with the ANZUS Sea Eagle exercise scheduled for March, the United States requested that a U.S. ship be allowed to make a port call in New Zealand. The Government of New Zealand refused that request.

The ramifications of New Zealand's policy became clear yesterday, when the Sea Eagle exercise was canceled by its host, Australia. New Zealand Prime Minister David Lange was quoted in this morning's press reports as acknowledging that he expected his Government's action would have this result. It is my hope that Mr. Lange is also aware that the ramifications of his policy extend beyond the cancellation of the Sea Eagle exercise. New Zealand must be aware that it cannot be a part-time member of the alliance and of the free world, selecting the burdens it will bear while partaking of all the benefits.

Mr. Lange has stated that his policy is antinuclear, not anti-United States or anti-ANZUS. But as I stated 2 weeks ago from this floor, no person, no group, no nation has a moral corner or monopoly on the fear of nuclear war. Every sane and rational person views the potential for the termination of much, if not all, of life with a horror as absolute as the vision of apocalypse demands.

But to be aware and fearful of nuclear weapons is not enough. Nor is it sufficient to adopt policies which serve notice of one's fear and outrage if those policies do not reduce but, rather, increase the chance of nuclear war. This appears to be the course New Zealand is following.

It is not given to me or any other Member of Congress to lecture the people or leadership of a free and sovereign nation. But as a Member of the U.S. Senate and as chairman of the Sea Power Subcommittee, I have an obligation to point out the consequences that will naturally flow from such an ill-considered action.

If New Zealand chooses to take unilateral action to demonstrate its opposition to the existence of nuclear weapons, then it raises the question of whether it is prepared to defend itself unilaterally—not only its national security but its national economy as well.

It is by virtue of the defense of freedom that nations enjoy the benefits of international trade on a scope unparalleled in history. We in the free world depend upon open access to the global trade routes. Diminish the ability to defend that access and you place in jeopardy the ability to enjoy the benefits of that trade.

New Zealand has a long and special relationship with the United States, manifested in both our security and our economic ties. One of the benefits New Zealand has enjoyed because of this special relationship are the restraints we have placed upon our domestic producers of products that New Zealand places into international markets. Regrettably, New Zealand has chosen to call into question the need for this special relationship.

If New Zealand chooses to reject the burdens of defending freedom, it must understand that it may also be choosing to forfeit the benefit of our and Australia's efforts to defend it for and with them, as well as the economic benefits of our special relationship.

In my view, it would be in the interests of allied security and unity for the ANZUS countries to return the situation that existed a few months ago, when the ANZUS Alliance and United States-New Zealand relations were in good health. The choice, however, is New Zealand's.

Mr. President, I rise today to introduce a resolution that expresses the sense of the Senate that the ANZUS partners should return to the situation of a few months ago. However, I regret that I am not hopeful in this regard and thus am compelled to call on this body to urge President Reagan to initiate specific responses to New Zealand's actions.

Clearly, the President should continue discussions with the Government of

New Zealand aimed at resolving the present impasse.

ANZUS is the only security treaty the United States has in the South Pacific. The need for security cooperation with Australia has increased with the growth of Soviet military activities in the Pacific and Indian Oceans. Yet the ability to carry out this cooperation has been jeopardized by New Zealand's action. Accordingly, the President should explore with the Government of Australia the possible need for a bilateral security treaty.

The United States and New Zealand participate in a variety of military and related activities. So long as New Zealand chooses to exclude the United States from some of these, the President should preclude New Zealand from participating in the others.

As I have noted, New Zealand has called into question the need for our special economic relationship. The President should respond accordingly. He can first do so with a matter that is now before the Office of the U.S. Trade Representative. Let me briefly explain.

When it became a signatory of the GATT Subsidies Code in 1981, New Zealand agreed to completely phase out its export subsidies by March 31, 1985. As a signatory of the code, the United States agreed to require a showing of injury by domestic petitioners during any countervailing duty investigation on these subsidized New Zealand exports. Under the injury test requirement, domestic petitioners must show not only that New Zealand is subsidizing these exports, but that this has resulted in injury to domestic producers.

It is my understanding that New Zealand will not phase out its export subsidies by the March 31 deadline and has proposed a much longer time frame for eliminating these subsidies. I also understand that New Zealand has asked that we retain the injury test requirement, even though after March 31 we will not be obligated to do so.

Had New Zealand not adopted its policy regarding port calls, some would undoubtedly have argued that the United States, in keeping with its special relationship with New Zealand, should honor that nation's requests for additional time and retention of the injury test. New Zealand, however, seems to have decided that it no longer needs or wants that special relationship. Accordingly, in my view, the President should exercise the United States right to withdraw the benefit of an injury test, effective April 1, 1985.

The resolution I am introducing urges the President to take these four actions I have described:

Continue discussions with New Zealand to resolve the present impasse;

Explore with Australia the possible need for a bilateral security treaty;

Until the present impasse is resolved, preclude New Zealand from participating in military and related activities with the United States; and

Exercise our right to withdraw from New Zealand the benefit of the injury test I described.

It is clear from my contacts with the executive branch that these actions are generally consistent with the administration's policy. Several of my colleagues from both sides of the aisle are joining me in sponsoring this measure, and I believe that if it receives sufficient bipartisan support, the administration will act upon it. I therefore urge my colleagues to examine this issue and join in cosponsoring this resolution.

I would prefer to be more delicate and diplomatic in approaching the national and moral sensibilities of an allied nation. But such an ill-considered idea, left unhindered by logic or history, has many waiting votaries. Indeed, there are those in other nations who do not yet live under the shadow of the Soviet state who believe that the only remaining choices are between freedom and annihilation, atomization and abdication.

Mr. President, peace and freedom are in fact possible, but not if we unilaterally undermine the ability to defend that freedom.

Mr. BINGAMAN. Mr. President, I am pleased to join Senator COHEN and my other colleagues in sponsoring this resolution. New Zealand's current policy on visits by U.S. ships to its ports threatens the very fabric of the ANZUS Alliance.

We are taking this action today not because we want to rend our alliance with New Zealand, but because we want to see that alliance reinvigorated. An alliance in which one of the parties unilaterally takes an action which undermines the common defense is no alliance at all. We must use every lever available to us to reverse this unilateral action by the New Zealand Government. I hope that our other allies will join us in this effort.

I might note that last month I visited Japan to talk about security and trade issues. This was at the time of Prime Minister Nakasone's visit to New Zealand. I know from my visit that many Japanese are very concerned about New Zealand's policy and I hope that Prime Minister Nakasone raised the issue with Prime Minister Lange during his visit. Unfortunately, whatever demarches which we and our allies have made to the New Zealand Government have not reversed that Government's ill-conceived policy. It is time now to put some bite into our jawboning.

I commend Senator COHEN for having drafted a resolution that does just that. I hope that it will receive wide support among our colleagues in the Senate, and that our allies abroad who share our concern about this problem will undertake similar initiatives.

SENATE RESOLUTION 67—RELATING TO EMERGENCY CREDIT FOR THE NATION'S FARMERS

Mr. BOREN (for himself, Mr. EXON, Mr. MELCHER, Mr. BURDICK, Mr. BAUCUS, Mr. HARKIN, and Mr. FORD) submitted the following resolution; which was referred to the Committee on Agriculture, Nutrition, and Forestry:

S. RES. 67

Whereas agriculture is the Nation's most basic industry, and its associated production, processing, and marketing sectors, together, provide more jobs than any other single industry;

Whereas United States agriculture is the world's most productive and the world's largest exporter;

Whereas it is the Nation's interest to carry out an agricultural policy that will ensure an adequate and dependable supply of food and fiber at reasonable prices;

Whereas producers are the basic element in the food and fiber system and their ability to make a profit and meet their financial obligations is critical to their remaining in business;

Whereas technological developments have greatly increased the capital requirements of agricultural production;

Whereas agricultural-related debt has risen from $50,000,000,000 in 1970 to $215,000,000,000 in 1984;

Whereas a general decline in the financial condition of producers, as evidenced by increases in the average debt-to-asset ratio and debt-to-equity ratio, threatens the ability of producers to obtain the credit needed to continue their operations;

Whereas it is essential that producers be able to obtain adequate credit at interest rates conducive to debt servicing and profit-making; and

Whereas the foundation of the Nation's agricultural system will be adversely affected if producers are unable to obtain a return on their investment that enables them to service their debt and continue their operations: Now, therefore be it

Resolved, That it is the sense of the Senate that the President should—

(1) direct the Secretary of Agriculture to immediately support the enactment of necessary legislation so as to make available not less than $4,000,000,000 in loan guarantee authority for Farmers Home Administration farm operating and ownership loans;

(2) direct the Secretary of Agriculture to eliminate the administrative requirement that banks agree to write off a part of the loan in exchange for 90 percent loan guarantee under any of the Farmers Home Administration farm programs;

(3) direct the Secretary of Agriculture to permit lenders to write down interest rates on farm loans in exchange for Federal guarantees on the principal;

(4) request a supplemental appropriation of $600,000,000 for insured farm ownership loans;

(5) direct the Secretary of Agriculture to reduce the interest rates on insured Farmers Home Administration farmer program

loans to one half of the Treasury's cost of borrowing;

(6) direct the Secretary of Agriculture to modify the administrative requirement that a borrower must show that the borrower will have 110 percent of the cash flow needed to meet the borrower's obligations to qualify for the Farmers Home Administration debt set-aside program;

(7) direct the Secretary of Agriculture to approve or deny an application for any Farmers Home Administration farm program loan or loan guarantee within sixty days after the receipt of the completed application;

(8) direct the Director of the Office of Management and Budget to approve the Department of Agriculture's pending request for additional field personnel and equipment to reduce Farmers Home Administration caseload backlog;

(9) direct the Federal bank examiners to exercise caution and restraint in making adverse classifications with respect to agricultural loans;

(10) oppose any increase in banks' minimum capital requirement; and

(11) support the extension of the Federal Deposit Insurance Corporation net worth certificate program with an amendment expanding eligibility in this program to agriculture banks.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President.

● Mr. BOREN. Mr. President, on behalf of Senators EXON, MELCHER, BURDICK, BAUCUS, HARKIN, FORD, and myself, I am introducing a sense of the Senate resolution urging the President to provide emergency credit assistance for the Nation's farmers.

As I have said repeatedly over the past week, we must take action now to avoid a complete collapse in the agricultural economy. If we fail to prevent this from happening, the economic stability of our entire Nation will be jeopardized.

For the past week I have anxiously awaited the announcement of farm credit relief by the administration. I was deeply disappointed in Secretary Block's so-called farm credit relief measures announced earlier today.

I had hoped the administration would have finally awakened to reality and presented a program which could be truly effective in providing badly needed credit to our farmers. and ranchers.

The administration continues to ignore the intent of Congress by placing unrealistic requirements on banks before approving loan guarantee applications. When Congress provided the additional authority for the loan guarantee program last year, it was assumed that the program would be handled as before. Yet, when the program was announced last fall, before a farmer could receive a guarantee on his loan, he had to convince his banker to write off part of the principal of the loan. When one considers the financial condition of most of our agricultral banks, it is no wonder very few loans have been made under the guarantee program.

I repeat, again, the statement made by Senator EXON and myself that we stand ready to stop consideration of any legislation on the Senate floor until an effective farm credit program is in place.

I urge my colleagues to join me in support of this resolution which urges the President to take action now and outlines the bare necessities of any meaningful farm credit program.●

NOTICES OF HEARINGS

SUBCOMMITTEE ON LABOR

Mr. NICKLES. Mr. President, the Subcommittee on Labor will hold an oversight hearing on March 19, 1985, regarding the proposed asbestos claims facility. The hearing is scheduled for 9:30 a.m. in room 430 of the Dirksen Senate Office Building. Persons wishing to testify should submit a written request to Chairman DON NICKLES, Subcommittee on Labor, 428 Dirksen Senate Office Building, Washington, DC 20510 by February 15. If you have any questions concerning the hearing, please contact Rick Lawson, on the subcommittee staff, at 202-224-5546.

ADDITIONAL STATEMENTS

THE LEGAL BILLS OF MR. MEESE

● Mr. SIMON. Mr. President, Bill Rentschler publishes the News/Voice and some other publications in Lake County, IL.

He is a public-spirited citizen who has contributed a great deal to our State, who happens to be of the Republican persuasion.

He has written a column on the nomination of Ed Meese that should be of interest to all the Members of the Senate as we face this difficult decision.

I submit his statement for the RECORD:

TALK ABOUT GALL: NOW MEESE WANTS US TO PAY HIS HUGE LEGAL BILLS

(By Bill Rentschler)

Talk about gall.

Now Edwin Meese is demanding to be reimbursed by us taxpayers for more than $700,000 in legal fees he ran up in defending himself against charges he traded federal jobs for personal financial favors.

It was Meese who demanded the appointment of a special prosecutor to clear his name, which the prosecutor did, sort of, finding him "not guilty" of criminal wrongdoing, but showing him to be as insensitive to propriety as a warthog in a cathedral.

Now he wants you and me to take care of his overblown legal fees at rates up to $250 an hour. It is ironic that the Justice Department which he seeks to head has fought bitterly against reimbursement of legal fees for ordinary citizens wrongfully accused by the government.

This is the same Ed Meese, you understand, who was a hard-line, southern California-bred, string-'em-up, law-and-order type county prosecutor, longtime Reagan retainer/advisor, and more recently, the White House insider who wants to be Attorney General of the United States, keeper of our sacred traditions of equal justice under law, and who is asking the public to underwrite his quest for this prestigious post.

Can you imagine a worse choice?

Notwithstanding the frequently weasel-worded whitewash of Meese by a special prosecutor, who was arranged by Meese's friend and associate, incumbent Attorney General William French Smith, Meese comes across as an opportunist who skates at the very edge of illegality. Surely this is hardly the sort who should be rewarded with control of this nation's vast, shadowy, all-powerful investigative and law enforcement arsenal.

Ohio Democratic Senator Howard Metzenbaum is determined to defeat Meese's confirmation in Senate Judiciary hearings underway this week. Metzenbaum promises to dwell at some length on Meese's evasions, in which his memory failed at least 50 times during the five-month investigation. If Meese had been an ordinary target, a typically-hungry federal prosecutor would have leapt on such convenient "amnesia" like a ravenous wolfpack attacking a moose with severed hamstring and doubtless would have emerged from the grand jury room with an indictment.

Metzenbaum has stated the special prosecutor's report shows clearly that Meese has engaged in a "pattern of unethical and improper conduct" which should disqualify him for a position of such trust at Attorney General.

On Monday Wall Street Journal investigative reporter Edward T. Pound, a former Chicago newsman, disclosed a staff report by the Office of Government Ethics that concluded Meese had "violated the federal government's ethical standards." The report "leaked out" and has not been formally released, which gives substance to allegations of a cover-up, possibly by the White House. This may give Meese's foes further fuel of a highly incendiary nature.

Most, but not all, Republicans on the Senate Judiciary Committee, which is headed by Meese-backer Strom Thurmond of South Carolina, say they will vote for Meese if the nomination comes to the Senate floor. Many, however, are uneasy and embarrassed; GOP Senator Paul Trible of Virginia has urged the President to withdraw the nomination.

There is no position in the public life of this nation where the "appearance of impropriety" should hold greater sway as the decisive factor than in determining the fitness of an individual to be Attorney General. It is he (or she) who each day must make critical ethical and legal judgments which affect lives, property, reputations, causes, institutions, and fairness in the administration of justice.

These newspapers last March 29 urged President Reagan to withdraw the Meese nomination. Others from many sectors have done the same. My guess is the crescendo will rise swiftly as the hearings proceed. But the President resolutely hangs tough where his cronies are concerned, no matter their merit, and Meese appears mainly to be buoyed up by partisan loyalists and Reagan's defiance of the critics.

Sadly, the damning evidence that Edwin Meese does not measure up is not likely to dissuade enough U.S. Senators to deny him this lofty post.

Once again, clout and self-interest will prevail over principle and good sense. Pity.●

HOW CASTRO ATTEMPTS TO USE THE JOSE MARTI LEGACY

● Mr. CHILES. Mr. President, recently we marked the 132d anniversary of the birth of Jose Marti, Cuban patriot and man of letters. Jose Marti is the symbol of the struggle for Cuban independence and his ideas and writings underscore a lifelong commitment to democratic government. The Congress created Radio Marti in order that the Cuban people would have access to the truth. The truth is essential to the fight for freedom, thus it was highly appropriate that the U.S. broadcasting service to Cuba be named in recognition of Jose Marti.

The purpose of Radio Marti does honor to the memory of Jose Marti. The cynical use of this patriot by the Castro regime dishonors that memory. Jose Marti denounced communism in his writings and it is certain that he would be in the forefront of opposition to Fidel Castro if he were alive today. Recently the Wall Street Journal published a column by Manuel A. Tellechea that describes how Castro attempts to use the Marti legacy in a way that perverts all that Jose Marti represents.

I commend this article to the attention of the Senate and ask that it be printed in the RECORD.

The article follows:

[From the Wall Street Journal, Feb 1, 1985]

CUBAN HERO'S LEGACY SUFFERS FROM CASTRO'S PRAISE

(By Manuel A. Tellechea)

There is some question as to when the U.S. government's radio transmissions into Cuba, named Radio Marti, will become operational. For whatever reasons and however much longer Radio Marti's broadcasts are delayed, its mere existence will have served one useful purpose: publicizing the ideas of a man whose name and reputation have been wrongly co-opted by the totalitarians who rule Cuba today.

Jose Marti was born in 1853 and died fighting for Cuban independence 42 years later. He spent the greater part of his brief but fecund life in exile, the last 15 years in the U.S. There he launched two revolutions—one in the sphere of letters and the other in human affairs. The first culminated in the Modernist movement in Spanish poetry, and the latter in a free Cuba.

Marti is also credited with having acquainted the Latin two-thirds of the Western Hemisphere with the other third. He did this through a biweekly column that was carried in virtually every newspaper in Latin America 100 years ago—making Marti one of the world's first internationally syndicated journalists.

Marti does not supplant earlier commentators on the U.S. scene. He is, in fact, their ideal complement. Alexis de Tocqueville saw the U.S. in its infancy; Marti, in its gilded age.

Marti realized there were faults inherent in the U.S. system of government, and he railed against them. But he deplored the faults, not the system, which he regarded as the paramount achievement of man as a social animal.

In Marti's judgment, the U.S.'s strength lay not in its institutions, Constitution or people (which is not to say that any of these lacked strength). Its strength was rooted in its universal quest for material aggrandizement. So long as that remained its chief objective, its overpowering obsession, the U.S. would remain free. Marti was not the first to realize that there is a connection between economic freedom and individual liberty, but he was the first to see this not as a happy coincidence but as a fixed dictum: Democracy stimulates commerce, and commerce unobstructed guarantees democracy.

Because he saw firsthand the benefits the U.S. reaped from capitalism, Marti wished to introduce that system in Latin America. He edited and wrote for a magazine, America, the stated purpose of which was "to create Latin American markets for American machinery." Marti hoped the introduction of modern technology in Latin America would speedup its industrialization. Reapers and steam engines were the solution to Latin America's ills, not class warfare.

Marti's appreciation of capitalism was truly "revolutionary." In 19th-century Latin America, the Roman Catholic hierarchy opposed capitalism, as did the oligarchs. The church, because capitalism—along with universal suffrage, which the church also opposed—was associated with that most accursed anathema, classical liberalism. The oligarchs, because capitalism was a threat to feudalism.

Communism is the modern version of feudalism, and has its own lords, vassals and serfs. It may inveigh against exploitation, but would not see it end, only the practitioners changed. Marti was the first Latin American to realize this. "Communism," he wrote, "is the creed of spiteful and avaricious men who, in order to have shoulders upon which to raise themselves, pretend to be impassioned defenders of the disenfranchised.

"When not a delirium caused by the pain of want, hatred of wealth is the madness of rabid beasts. Only those who despair of ever reaching the heights of success wish to see those heights levelled. Heights are good. Whatever enables a man to reach them is devine."

Incredible though it may seem, Cuban Marxists claim Marti as the "intellectual architect" of the Cuban Revolution. Marti—along with Lenin and Marx—has been made into a deity by Fidel Castro. Several quotes, taken out of context, are used to justify his inclusion in Fidel Castro's pantheon of degenerates. The most famous is from Marti's obituary of Marx: "Karl Marx is dead. He put himself on the side of the weak and should be commended for doing so."

Fidel Castro's adherents never finish the Marti quote. Having paid this genteel compliment to the dead, Marti goes on to say: "It is not enough merely to point to a problem and burn in anxious hopes of remedying it; one must propose a benign solution, and that Marx did not do. His solution frightens us, for he would pit man against man; it disgusts us, because he would make brutes of some men in order that others might profit thereby."

Marti's very life refutes everything communism stands for. A man's writing may be interpreted in many different ways, but a man's life cannot. From the tender age of 15, when he was imprisoned for having opposed Spanish rule in Cuba—a rule far less oppressive than Fidel Castro's—Marti fought relentlessly for the sovereignty of his country, a sovereignty Fidel Castro has sold to the lowest bidder.

Marti is, if anything, the very antithesis of Fidel Castro: the one created a nation, and the other is bent on destroying it. But apples and oranges are the same in Cuba. And why not, since no one in Cuba has seen either in 26 years? If Radio Marti ever gets off the ground, perhaps it will help Cubans to know the difference.

(Mr. Tellechea is a New York-based freelance writer specializing in Latin American affairs.)●

SUPPORT OF THE ACTIONS OF THE NBA AND THE ALL-STAR PLAYERS IN THEIR EFFORTS TO AID ETHIOPIA

● Mr. D'AMATO. Mr. President, not in recent memory has a calamity such as the one that has afflicted thousands upon thousands of men, women, and children in Ethiopia touched the hearts of people throughout our Nation.

All of us have seen the devastation and the despair that have consumed drought-stricken Ethiopia. All of us have seen the faces of small children crying out for a morsel of food. All of us have seen the anguish on the faces of women cradling dead infants in their arms.

Americans have shown their compassion for the victims of famine in Ethiopia by making contributions that will help to alleviate the suffering in that country.

In recent weeks, however, the catastrophe in Ethiopia has not been given the news prominence that it deserves, yet the plight of the Ethiopians continues to be one that merits our wholehearted support.

Out of sight must not be out of mind when it comes to helping a people virtually destroyed by starvation and disease.

This is why I would like to call your attention to a special event on Sunday, February 10. On that day, the National Basketball Association will hold its annual all-star game in Indianapolis.

The players in that contest have shown that they are all stars in more ways than one. They have agreed to donate their prize money from that game for Ethiopian relief, and the NBA will match the players' contribution, resulting in a combined total of more than $100,000 to be donated to a truly worthy cause.

The NBA players are to be commended for this humane effort. Equally important, their action will serve to encourage the millions of Americans who will watch the game on television to follow their lead and make donations to appropriate relief agencies.

As public figures, the NBA players realize they have a significant social responsibility. Through this special fund drive, they are giving expression to their dedication to helping the af-

flicted, regardless of where the need may occur.

Basketball has been called America's game. The players in the NBA all-star game on Sunday personify America's great tradition of extending a helping hand to those trapped by tragedy. These fine athletes deserve our gratitude for their spirit and their leadership.●

TWENTY-FIVE YEARS OF LOYAL FEDERAL SERVICE

● Mr. JOHNSTON. Mr. President, all of us in Congress, and elsewhere in Government, take a certain pride in knowing that whatever our capacity, we are performing a service for our country. While this service normally goes unheralded, occasionally the service of some of us becomes so noteworthy that it deserves public mention.

I am pleased to announce that Friday, February 8, 1985, will mark the 25th anniversary of Federal Government service for D. Michael Harvey, chief counsel for the minority of the Committee on Energy and Natural Resources.

Mike began his Federal career in 1960 with the Bureau of Land Management in the Interior Department, where he spent 11 of the next 13 years, the last 4 of which he served as Chief, Division of Legislation and Regulatory Management. In the mid-1960's he served with the Public Land Law Review Commission and the Federal Water Pollution Control Administration.

In 1973, he accepted an invitation from Senator Henry M. Jackson to become special counsel to the Senate Committee on Interior and Insular Affairs. In February 1977 when the Senate reorganized its committee structure and created the Energy and Natural Resources Committee, he was appointed as its first chief counsel, a post in which he served until January 1981.

Mike then became chief counsel for the minority. When I became ranking minority member in January 1983, I was fortunate enough to inherit Mike in that capacity, where he remains today.

He received a B.A. from the University of Rochester in 1955. He then joined Eastman Kodak Co., for 4 years, before moving to Washington. He received a J.D. from Georgetown University in 1963, while working at BLM.

He is actively involved in American Bar Association activities, particularly the section of natural resources law. Last fall he became a member of the section's council, or governing body, the first time a Federal Government employee has been chosen to do so. He was chairman and member of the Fairfax County, VA, Park Authority, and chairman of the Natural Resources and Environment Committee of the Northern Virginia Planning District Commission.

Mike and his wife Pat live in Potomac, MD. He has four children, and six grandchildren, with one more on the way.

Mike is far from the one-dimensional Government lawyer. He loves poetry, and has been known to quote Shakespeare at length. He likes opera and is an avid Georgetown University basketball fan. He is a prolific and eloquent writer—perhaps best exemplified by two touching eulogies he authored after the deaths of his friends and mentors Lee Metcalf and Scoop Jackson.

We are fortunate to have people like Mike Harvey in Government service and we are particularly fortunate to have him on the committee staff. He is a professional in every sense of the word and he and his opinions are highly respected by a broad range of Senators both on and off the committee on both sides of the aisle. From his familiar position at the committee staff table, Mike and his invaluable institutional memory and scholarly demeanor have served the committee and the Senate well.

I salute him for his 25 years of loyal, dedicated service.●

CONTROL EMISSIONS THAT CAUSE ACID RAIN

● Mr. MOYNIHAN. Mr. President, I have just come from the Environment and Public Works Committee's hearing on the nomination of Lee M. Thomas to be Administrator of the Environmental Protection Agency [EPA]. I took the opportunity to share with Mr. Thomas my views on a most important regulatory decision that the Agency is preparing to make. I would like also to bring this matter to the attention of my colleagues.

On October 13, 1983, the court ordered the EPA to finalize a new rule implementing section 123 of the Clean Air Act, which provides for limits on the use of tall stacks to disperse air pollutants as a means of meeting clean air requirements. This rule could substantially reduce one of the major causes of acid rain—sulfur dioxide emissions.

If strictly crafted—in keeping with the intent of Congress—a new rule could reduce sulfur dioxide emissions by 6 million tons or more per year. I am concerned, however, that EPA's final rule—due to be issued by May 13—may not be sufficiently stringent. I have reviewed the Agency's proposed rule, published in the Federal Register on November 9, 1984, and I find it unsatisfactory. The proposed rule would accord greater pollution control credits for stack heights than Congress expected to be permitted under section 123.

A careful reading of section 123 and its legislative history points clearly to the conclusion that tall stacks are not to be used to substitute for substantive emissions reduction steps, such as burning low-sulfur fuels or installing flue gas desulfurization equipment. To the extent that the proposed rule allows taller stacks to replace emissions controls, it will fall short of the letter of the law. Instead of reducing annual sulfur dioxide emissions by 6 million tons or more, the proposed rule would produce only an estimated 800,000 to 2.9 million ton reduction.

The regulations implementing section 123 have a long history. In January 1979, the EPA first issued proposed rules limiting the use of tall stacks and other dispersion techniques to meet clean air requirements. In October 1981, the EPA withdrew its 1979 rulemaking and proposed a revised stack height rule. This latter proposal was adopted in final form on February 8, 1982, and the Sierra Club Legal Defense Fund, the Natural Resources Defense Council, and the Commonwealth of Pennsylvania challenged the 1982 regulations in the U.S. Court of Appeals for the D.C. Circuit. On October 13, 1983, the court issued its decision, overturning several portions of the stack height regulations and directing the EPA to promulgate new regulations. The Agency has until May 13, 1985, to issue a new section 123 rule in final form.

On November 9, 1984, the EPA issued a new proposed rule, solicited comments, and asked for additional comments on alternative approaches to implementing section 123. I find the proposed rule inadequate and, on review, I hope that my colleagues will agree and join me in urging the EPA to adopt an alternative approach.

Section 123(a) of the Clean Air Act states:

> (a) the degree of emission limitation required for control of any air pollutant . . . shall *not* be affected in any manner by—(1) so much of the stack height of any source as *exceeds good engineering practice* (as determined under regulations promulgated by the Administrator), or (2) any other dispersion technique. (Emphasis added.)

Section 123(c) of the Act defines "good engineering practice" [GEP] as:

> . . . the height necessary to insure that emissions from the stack do not result in excessive concentrations of any air pollutant in the immediate vicinity of the sources as a result of atmospheric downwash, eddies and wakes, which may be created by the source itself, nearby structures of nearby terrain obstacles (as determined by the Administrator).

The Congress added these provisions to the Clean Air Act in 1977 to make clear to all the intent of the act: Sources of air pollution are to meet the mandated air quality standards by reducing emissions not by merely using tall stacks to disperse emissions.

Increasing stack height above a de minimus level, that is 200 feet, is to be allowed only after all available emission controls have been employed, and then only to overcome downwash, eddy or wake problems that could violate air quality standards. The EPA's proposed rule of November 9 does not follow this approach. As such, it should be revised before being issued in final form.

We knew something about the long distance transport of air pollutants in 1977, when we adopted section 123. We knew that tall stacks contribute to the problem by releasing emissions higher into the atmosphere, allowing them to be carried by prevailing winds for hundreds or even thousands of miles. We knew enough to be concerned about the effect on the environment, and therefore required that stack heights be tightly regulated.

In 1970 there were only two stacks over 500 feet high in the United States, and today there are 180. In all, there are 650 sources with stack heights greater than 200 feet. The EPA's proposed rule has the potential to reduce emissions from 190 utility sources with stacks over 200 feet high—roughly half of these in Midwestern States. A more strictly crafted rule, however, would reduce the emissions from a greater number of sources with tall stacks.

Given what we know now about the role of long distance transport in the acid rain problem, we can accept nothing less than the most stringent interpretation of section 123. We have learned much since 1977. It was my concern about what we did not know that led me to introduce the Acid Precipitation Act on September 14, 1979. This bill became law in 1980, as title VII of the Energy Security Act (Public Law 96-294). It was then, and remains today, the only Federal acid rain statute.

The research results have been coming in fast and furious. The conclusion is clear: we must act now to control the emissions that cause acid rain. In the words of the President's Acid Rain Peer Review Panel:

. . . additional steps should be taken now which will result in meaningful reductions in the emissions of sulfur and nitrogen compounds into the atmosphere, . . .

What better way to accomplish such reductions than by implementing the existing mandate of section 123, and not permit sources to meet current air quality standards by using tall stacks in lieu of emission controls. Simply put, reducing dispersion of sulfur dioxide emissions will reduce acid rain.

Let us also not forget the commitment we have made to Canada on this matter. On August 5, 1980, the United States and Canada signed a memorandum of intent on transboundary air pollution. In this document we agreed to take certain actions. We committed ourselves, pending such an agreement, to "take interim actions available under current authority to combat transboundary air pollution." In section 123, we have the authority to act to reduce the emissions that cause acid rain.

On March 17, President Reagan will travel to Canada to meet with Prime Minister Brian Mulroney. The Prime Minister has already informed the President that Canada wants acid rain "on the top of the agenda" when they meet in Quebec City. Would it not serve us all well if the President would announce at that time that the EPA will issue a rule on tall stacks that will result in a 6-million ton or more reduction in annual sulfur dioxide emission. Mr. President, this is a matter of national as well as international concern that deserves the administration's most careful attention.●

GLOBESCOPE

● Mr. HATFIELD. Mr. President, I am joined by Senator PACKWOOD in calling the attention of our colleagues to an important event designed to examine ways to maintain the integrity of the world's environment. Globescope will be a national assembly scheduled for April 17 to 21 in Portland, OR. Organized jointly by west coast community leaders and the Washington, DC-based Global Tomorrow Coalition, the Globescope assembly will bring together over 1,000 participants from the United States and abroad.

Speakers and panelists of national and international prominence—citizen group leaders, public officials, business executives, scientists, and educators—will address such global environmental concerns as:

Global trends in resources, environment, population, and development, and their impacts on the lives of Americans;

Pressure on natural life-support systems by rapid world population growth and rising demand for goods and services;

A central theme of the assembly will be the importance of people of widely differing backgrounds—civic leaders, students, senior citizens, business leaders, artists, factory workers, clergy, conservationists, and others, working individually and collectively in their communities to find ways to respond to long-term environmental challenges, to help assure a sustainable future and strengthen U.S. international leadership on these issues.

Globescope is an ongoing national project that began in Portland in 1983 as a grassroots citizen initiative. Globescope is a project of the Global Tomorrow Coalition, a nonprofit, publicly supported alliance of 100 organizations with combined memberships of over 6 million Americans. The coalition includes such diverse organizations as the National Audubon Society, Rodale Press, Tufts University, U.S Women's Health Coalition, Center for Development Policy, American Farm Foundation, Turner Broadcasting Systems, New York Zoological Society, Planned Parenthood Federation of America and Natural Resources Defense Council.

A wide spectrum of related exhibits, events, and adjunct programs is planned by participating Portland institutions. Day trips and tours both before and after the assembly will provide opportunities to explore Portland's cultural resources and Oregon's scenic beauty.

Mr. President, I ask that an article on Globescope from Portland Magazine, and another by Mr. Don Lesh, executive director of the Global Tomorrow Coalition, be printed in the RECORD.

The articles follow:

[From Portland Magazine, September 1984]

GLOBESCOPE

Portland, the historic, regional hub of commerce and trade, has long cherished its traditional commitment to quality. Today, a sparkle of innovation lingers on the towers above the Willamette, a river restored and running fresh for recreation as well as transport. The people of this area are justly proud of the natural resources of our heritage. To breathe in our city is a joy because dedicated, aware individuals in business and conservation have long insisted upon livability as a virtue not for sully in Portland.

It seems obvious, then, that an assembly of individuals seeking answers to environmental problems should travel to our ecotopian model; in April 1985, Portland will open its doors to 1,500 participants in the Globescope Project.

Globescope will be an assembly of global-thinking conservationists focusing on the long-term democratic process of affecting environmental policies. By encouraging informed local "grass roots" groups to work locally in every community, and by providing these groups with an information-sharing and supportive communication network, Globescope will prove to be one of the major events in the global conservation movement.

By studying proven case histories of successful local initiatives in creative workshops, delegates from throughout the country will be able to return home and use this knowledge to work in their own areas towards an environmentally-secure future. Many of these case histories are from the Northwest and Oregon in particular, so the organizers of the Globescope Project are understandably excited about the prospect of hosting this first-ever assembly in Portland.

Globescope will encourage dialogue on ways in which we may ensure a sustainable future on a local level while sensitizing us to an awareness of global environmental responsibility. What has worked for Portland and Oregon may well provide a positively-charged model from which other community leaders may find hope for sticky problems. Oregon's recycling program, for instance, is respected throughout the nation. The mechanics of establishing similar programs elsewhere will bring many delegates

who are learning to respect their own backyards and the whole earth as well.

The organizers of Globescope believe that a round-table approach to mutual problem solving for economic, scientific, recreational and aesthetic interests expedites creative resolution of impediments to future progress. Louis Fernandez, vice chairman of the board of directors of the Monsanto Co., endorses this approach: "Industry and environmental groups should begin searching for common concerns on the issues of ground water protection, new waste disposal techniques and the application of research findings from fields such as biotechnology."

Tektronix has long recognized the draw of our pristine environmental image in recruitment programs aimed at the cream of the science engineering crop. Nike Inc., likewise, relies upon health and vigor in natural surroundings as part of its marketing image.

Our choice of political representatives as well indicates our finely-tuned sense of balance between industry and environment. During these years of transition from an agrarian-based economy to one more complex and diverse, our positive choices for the environment will increasingly reap financial rewards for the pioneers along the Willamette.

It is properly gratifying that Portland has been chosen as the sight for the Globescope assembly. Globescope is a project of the Global Tomorrow Coalition, a non-profit, non-governmental organization which grew out of the Global 2000 Report to the president. In this report, the need for foresight capability was stressed as insurance for a sustainable future for this nation and planet.

Responsibility for the spirit of this report was assumed in large part by the Global Tomorrow Coalition. Member organizations include the National Wildlife Association, Izaac Walton League, Turner Broadcasting System, National Audubon Society, National Parks and Conservation Association and the U.S. Association for the Club of Rome, to name only a few of the 84 diverse but committed organizations. The unifying concern of this consortium is global trends in population, resources and development.

Donald R. Lesh, executive director of the Global Tomorrow Coalition, stresses the complexity of the problems we face. "The way in which all these disparate threads will be woven together in the fabric of a more sustainable and equitable future is still unclear. Nobody has the ultimate answer because we're all in the middle of defining it by means of our individual choices and collective political decisions through time. It is through the untidy, slow and frustrating, but optimistic, exercise of representative democracy that we are coming to grips with the finite options for our future, choosing where we want to be a decade or generation hence, and working out the details of how to get there from here." The Globescope Project is a "major step in the effort to build an informed constituency in the United States to achieve solutions to global environmental problems."

Globescope Coordinator Diane Lowrie has announced that feature speakers of national and international prominence will be involved with leaders of citizens' groups and public officials. Creative sessions will cover a broad range of subjects: food and agriculture, energy, wildlife conservation and species diversification, population stabilization and pollution.

Globescope will benefit from the advice and honored counsel of Portland Chamber of Commerce past Presidents Randall Kester and Phil Bogue. Dan Goldy and Robert Shoemaker join Kay Corbett and Caroline Stoel in their support of this project, which will stress mediation and dialogue techniques. Insight into other areas of approach will come from John Frohnmayer and Ron Schmidt, among others.

It is certain that Portland will gain national and international recognition of its leadership role in education and policy concerning long-term global trends. As Portland looks out upon the world, so will the world be looking at Portland during the Globescope Project.

[From Interaction, Spring/Summer 1984]

GLOBESCOPE IS COMING

(By Don Lesh)

(Mr. Lesh is Executive Director of the Global Tomorrow Coalition)

One is a distinguished senior attorney and former President of the Chamber of Commerce. Another is a prize-winning young photographer whose vita cites among honors and distinctions his service as coach of a championship women's rugby team. His wife is a multilingual soprano who has sung at the Met, a gourmet cook, and a skilled publicist. Still another is directing the installation of one of the most extensive and complex computer control networks ever designed for a major regional utility. The coordinator of the group is a widely-traveled conservationist and expert on wildlife protection who leads tours to the Galapagos Islands and, in scarce spare time, does jewelry and metal sculpture. Who are all these people, and what in the world are they doing in Portland, Oregon?

Running Globescope, that's what. And those of you who are members of the Global Tomorrow Coalition are their allies, for the Coalition has become an active sponsor, participant, and co-organizer of the project, which is the single most ambitious and challenging effort currently under way to stimulate more widespread local action on global issues in the United States.

It all started in Portland, and that initiative is symbolic of the grassroots spirit of Globescope. Virtually all of the major national environmental groups have joined in sponsoring Globescope, but the commitment to the project is strikingly diverse. Local endorsers range from the World Affairs Council and Portland City Club to Portland State University and the Oregon School of Arts and Crafts. Adjunct exhibits and programs are planned in Portland institutions such as the Washington Park Zoo, Western Forestry Center, and Oregon Museum of Science and Industry.

Globescope is both a continuing process of education, information-sharing, and networking on global issues at the community level across the United States and a key event of international significance: the four-day Globescope National Assembly to be held on April 17-21, 1985, in Portland, Oregon. The process is already under way through the programs of the Global Tomorrow Coalition and its member groups. But it will be expanded and enriched by the lessons learned in the conduct of the Globescope National Assembly. Those lessons will then be applied in organizing similar conferences and meetings in other regions of the country over the coming years.

The primary purposes of Globescope are: (1) to increase public understanding of the challenges posed by long-term global trends in environment, resources, population, and development; (2) to encourage and facilitate positive involvement and action on these issues by non-governmental organizations and individuals at the local level; and (3) to highlight the U.S. role and responsibility in finding cooperative means to respond to these challenges. Major emphasis will be placed on local action as a critical element in the effort to build broad national consensus for sustainable development in a healthy world environment.

Who should take part in Globescope? Why, you, of course. Participants in the National Assembly will include local and national citizen leaders, issue experts, educators, public officials, conservationists, corporate planners, journalists, and concerned individuals—from the United States as well as other countries, including the Third World.

There will be plenary sessions with outstanding speakers and panelists on the issues, naturally, and opportunities through workshops to meet those who can tell stories of either success or failure in trying to project wider concern for global environmental problems and stimulate direct participation and action at the community level.

Corporate executives will be welcome. Intrinsic to Globescope is the recognition that there are no simple solutions or easy answers to long-term global challenges. In a democracy like ours, timely policy decisions must be based on public discussion open to many differing perspectives. Dialogue and consensus—however difficult to achieve—are far more desirable and effective ways to solve long-term problems than antagonism, confrontation, and conflict. That's why many voices will be heard in Globescope.

The Coalition has underlined its commitment to Globescope by establishing an office in Portland (our first operating base outside of Washington DC), and registering as a tax-exempt, non-profit corporation in the State of Oregon. Diane Lowrie, the individual most responsible for creation of the Globescope project, has been appointed a representative of the Coalition in her work as National Coordinator.

For the Coalition, Globescope is particularly exciting because it represents a major step toward one of our goals: to expand the dialogue on long-term global issues at the community level across the United States. It offers a unique opportunity to reach important new constituencies in a region of the country known for environmental awareness and sensitivity.●

HOME TO SEATTLE

● Mr. JOHNSTON. Mr. President, next week Craig Arthur Gannett will leave the minority staff of the Energy and Natural Resources Committee to join the law firm of Davis, Wright, Todd, Riese & Jones in Seattle, WA. Craig leaves the committee staff after 3½ years of dedicated and loyal service as counsel for the minority.

Craig was born and raised in Seattle. He went to both college and law school at the University of Washington, where he received his B.A. in psychology in 1976 and J.D. in 1979. He came to the committee in August 1981, after serving as a law clerk to U.S. district court Judge Barbara Rothstein in Seattle.

He has served as principal minority counsel to the Subcommittee on

Water and Power and has been involved in the formulation of numerous legislative proposals affecting Federal water projects, hydropower, irrigation, and oil and gas royalty management, to mention just a few. Craig is a marvelous writer and, unlike so many lawyers, is able to convey his thoughts in a precise yet appealing style. He has a quick and keen legal mind, a fine wit, and a professional attitude about his staff responsibilities that have made him a well liked and respected member of the committee staff.

Craig is one of those individuals who has reveled in his association with the Senate. His enthusiasm for the work of the Senate is contagious. Nearly everyone with whom he has worked somehow ended up enjoying the process more because of that enthusiasm. Craig has taken every opportunity to learn about the institution, its customs, and its Members, and has been proud to be a Senate staff member. His colleagues are a bit more proud themselves for his company.

As Craig moves on to the private sector, I wish him well and thank him for his contribution to the committee and the Senate.●

COMMENTS OF SENATOR STEVENS BEFORE THE CHRISTENING OF THE "ALASKA"

● Mr. RUDMAN. Mr. President, I submit for the RECORD the comments of Senator TED STEVENS before the christening of the *Alaska* at Groton, CT, on Saturday, January 12, 1985.

The comments are as follows:

COMMENTS OF SENATOR STEVENS BEFORE THE CHRISTENING OF THE "ALASKA"

I'm proud to be here today to witness the sponsoring of the latest *Alaska* to defend this Nation.

The first *Alaska* was a wooden screw gunboat commissioned in 1869. She served the United States in the Pacific and the Atlantic—and was stationed a brief time in Sitka, AK.

The second *Alaska* was a steam fishing vessel—a mine-sweeper during the First World War.

The last vessel to bear the name of our State was a heavy cruiser that saw action at Iwo Jima, Okinawa, and during the 3rd Fleet operations against Japan. She was retired in 1947 after supporting the occupation of the Asian theater and earning three battle stars for her service.

Now one of our finest submarines will carry Alaska's name through the world's oceans to help ensure a lasting peace.

The last time I was briefed on Soviet submarine strength, I was more shocked than at any other briefing in my 16 years as a U.S. Senator. The Soviets have an awesome commitment to the development of supremacy in submarines—in size, speed and firepower. They maintain a heavy presence in the North Pacific—we don't have a single sub stationed in Alaska.

Those facts, however, should not alarm you. We made a conscious decision not to compete with the Soviets on a submarine by submarine basis. Instead, our Government has devoted its efforts to the development of this highly survivable and potent class of missile launching submarines—the Trident submarine.

As the most effective leg of America's nuclear triad, the Trident provides our most stable deterrent—particularly in light of the heavy advantage the Soviets hold in land based ICBM's. The deterent effect of our ballistic missile submarine force is uncontestable. For more than 20 years, the Polaris and Poseidon ballistic missile submarines have quietly and effectively carried out their mission to deter nuclear conflict. Now Trident represents the next generation ready to patrol the oceans to maintain peace.

This *Alaska* and her sister ships illustrate our commitment to deter the possibility of a nuclear exchange. Virtually undetectable, they actually protect our land based missiles, our ships on the high seas, and even our aircraft which may be readily pinpointed and are not capable of surviving a first attack as the Trident is.

Although representing the ultimate in our ability to retaliate, it is more important—in terms of preserving the peace—that the Trident would survive a first strike, thereby ensuring America's ability to retaliate. God forbid that we ever have to use the Trident's awesome destructive power—but the fact that America has shown the resolve to provide this deterrent system is the best assurance we have of never having to utilize it.

Before Catherine formally christens the *Alaska*, I would like to comment on a couple of issues that affect the future not only of our strategic forces but of our total national defense efforts—the budget controversy and the reopened start talks in Geneva.

We christen the *Alaska* at a time when the United States and the Soviet Union are undertaking an historic new beginning to the urgent effort to control the ominous buildup of strategic weapons and the threat they pose to humanity. We will be at the bargaining table this time with a resolve to radically reduce nuclear weapons and—in the long run, hopefully—to eliminate them. Even as we salute the *Alaska*, then, we are determined to work for the date that this vessel and the amazing power it will carry will no longer be needed.

As chairman of the Senate observers group to the Geneva talks, I have an active interest in the direction the negotiation talks will take. I intend to do everything I can to insure that the Senate will be kept informed on a timely basis of the progress of these negotiations. The pole of the observers will not be to interfere in these negotiations.

To paraphrase Senator Arthur Vandenberg, if the Senate is expected to be on board when this vessel docks after a long submerged voyage, the Senate must be on board as she sails. The observer group I will co-chair with Senator SAM NUNN must assure full disclosure to the Senate as the negotiations proceed. And, we must demonstrate that we know how to deal with sensitive information—in the national interest.

The two superpowers, no matter how earnest their efforts, will not reverse the existing buildup of strategic weapons easily or quickly. Issues of immense complexity, reaching deeply into the vital interests of each participant and the whole world must be analyzed, debated, and resolved. Decades of deploying terrible weapons of destruction will not be reversed without a new dedication to eliminating the fears that spawned those weapons.

It is critically important that the United States during these negotiations maintain the strongest defensive position possible. Recognizing the vast superiority the Soviets enjoy in land-based ICBM's, this modern and effective sea-based deterrent is essential to the maintenance of our national security.

Modernization of our defensive capability and readiness must be maintained. Those needs are more urgent than ever as we renew the effort to reduce and eliminate the array of nuclear weapons.

Overdue increases in Defense appropriations enjoyed nearly universal support in Congress with the advent of the 1980's and the election of the Reagan administration. When I took chairmanship of the Defense Appropriations Subcommittee, Congress was eager to add to the hefty Defense funding proposed by President Reagan.

And there was a clear commitment to continuing that support, and recognition that the severe budget constraints in the 1970's and left our Nation with a weakened defense structure.

Now that support has eroded, we hear more and more serious proposals not only to moderate this funding support but to reverse the orderly growth in spending that has been an essential part of our commitment to rebuilding our defensive forces.

We must support reductions in the Defense budget that accompanying an across-the-board commitment to eliminate deficits of the past—after a careful examination of the impact on national security.

Last year the Congress, acting on recommendations of the House and Senate Appropriations Committees that grew out of the congressional budget and authorization processes, reduced the Defense budgets by $20 billion. But we did it on a selective and reasoned basis, without serious impairment of our goal to continue modernizing and rebuilding our military forces.

Costly modernization programs were authorized in the late 1970's and early 1980's—the bills are now due. For instance, the decision to build this submarine was made in 1978, but it's being paid for now. The Defense budget simply isn't as flexible as its critics would have you believe. Only 12 percent of last years budget was for new investment in defense.

This Nation's defense needs must not be undermined by a quick fix approach to the deficit reduction goal. It's cheaper to deter a war than to fight one.

Like the *Alaska*, recent events in Washington and Geneva renew my hope in our future.

As the father of six—three sons, three daughters—and a grandfather three times also, I thank you for allowing me to participate here today.

Alaska, I pray you will complete each mission successfully; that the men and women who enable you to defend our Nation will have the strength of our mountains, the patience of native people who have survived adversity for years; the ingenuity of those Alaskans who have used modern technology to produce energy and other resources under conditions unbearable to most humans; and, above all, the protection of Almighty God who will assure that we work to achieve his goals as we perform the duties assigned to us. We are forewarned and forearmed—your duty, *Alaska*, to maintain the peace.

Catherine.●

THE 67TH ANNIVERSARY OF REPUBLIC OF LITHUANIA

● Mr. SARBANES. Mr. President, on this, the 67th anniversary of the establishment of the Republic of Lithuania, I wish to take this opportunity to commemorate the founding of a progressive and independent Lithuania which, for its all-too-brief existence of 22 years, was a beacon of democracy. Symbolizing the determination and courage of the Lithuanian people, February 16 provides an opportunity for all Americans to reflect on the proud heritage of our fellow citizens of Lithuanian descent and to renew our dedication to the principles of freedom and liberty for which Lithuanian Independence Day stands. It is always a great honor for me to join with more than 1 million Lithuanian-Americans in celebrating this quest for human dignity and freedom. This tribute is, as well, a testament to the brave struggle of thousands of Lithuanians who remain in their homeland where, even under foreign repression, these cherished principles will not die.

On February 16, 1918, the people of Lithuania reestablished their indepence after having fallen to Russian rule in 1795. Their constitution, adopted in 1922, granted to their people the basic freedoms of speech, assembly, and religion, and thus ended decades of repression. The hope and pride engendered by this new constitution were tragically short lived. As was the case with all the Repbulics, Lithuania's independence was crushed in 1940 when it was occupied again by Soviet Armed Forces. It has been controlled by the Soviets ever since. Nonetheless, the Lithuanians' indomitable spirit sitll survives as an example of hope to oppressed peoples everywhere.

In the 19th century, Lithuanian immigration to the United States increased substantially due to the oppression under the czarist regime. Many of the social and cultural activities repressed in the homeland found strong expression in America; we in Maryland are fortunate to have a large and active Lithuanian community, prospering as doctors, lawyers, businessmen, teachers, scientists, artists, and technicians. Lithuanians can be proud of their longstanding tradition of self-help and voluntarism. There are well over 2,000 Lithuanian charities and self-help organizations in the United States, and I can state first hand that their pride and respect for the traditions of freedom and equality have greatly enriched the lives of those around them.

While today we commemorate the founding of the Lithuanian Republic, it is important to recall that the Lithuanians have a long and valorous history as a people, spanning over 700 years. The history of this valiant nation has been filled with accounts of battle and struggle against aggressors. The Lithuanian defenders have stood resolutely against their adversaries and their commitment to freedom remained steadfast. Above all, the gallant Lithuanian people have withstood centuries of relentless pressure to abandon their religion, culture and language. The success of Lithuanian immigrants in maintaining their cultural heritage has resulted in countless valuable contributions not only to Lithuania, but to our own country as well.

On this 67th anniversary of the Republic of Lithuania we should reflect on the vision of freedom which continues to burn in the hearts of the Lithuanian people and on the sacrifices that have been made and continue to be made by noble individuals. In Viktoras Petkus, a Prisoner of Conscience in the Soviet Union, we have this vision personified. A close associate of Andrei Sakharov, he was the founder of the Lithuanian Helsinki Monitoring Group in 1976 which promoted the implementation of Helsinki accords on human rights and reported on Soviet violations of those rights. Last arrested in 1977, he has spent 20 years in Soviet prisons. One year has passed since a letter has been received from Viktoras Petkus; he was last said to be in the Kuchino forced labor camp. We should be concerned over his fate and future.

Mr. President, in the face of great repression the people of Lithuania continue to hold fast to the principles of basic human rights. On February 16, as we commemorate the founding of the Republic of Lithuania in 1918, we pay tribute to them. Their courage has won the respect and admiration of all freedom-loving peoples. Let us hope, as they hope, that the day is not far off when their beloved homeland once again flies the banner of freedom and justice for all.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is immediately available to the full Senate, I ask to have printed in the RECORD at this point the notifications which have been received. The classified annex referred to in one of the covering letters is available to Senators in the office of the Committee on Foreign Relations, room SD-423.

The notifications follow:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, February 5, 1985.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-12 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Navy's proposed Letter of Offer to Canada for defense articles and services estimated to cost $55 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF, Director.

Attachments: Separate Cover: Classified Annex.

TRANSMITTAL NO. 85-12

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(B) OF THE ARMS EXPORT CONTROL ACT

(i) *Prospective Purchaser:* Canada.

(ii) *Total Estimated Value:* Major defense equipment,[1] $40 million; other, $15 million; total, $55 million.

(iii) *Description of Articles or Services Offered:* A quantity of 48 MK 48 MOD 4 torpedoes, training, and related support.

(iv) *Military Department:* Navy (AJL).

(v) *Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid:* None.

(vi) *Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold:* See Annex under separate cover.

(vii) *Section 28 Report:* Case not included in Section 28 report.

(viii) *Date Report Delivered to Congress:* February 5, 1985.

POLICY JUSTIFICATION

CANADA—MK 48 MOD 4 TORPEDOES

The Government of Canada has requested the purchase of a quantity of 48 MK 48 MOD 4 torpedoes, training, and related support at an estimated cost of $55 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Canada; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

The Government of Canada requires the MK 48 MOD 4 torpedo weapon system to upgrade its current anti-submarine defense capabilities in support of its NATO defense commitments. The Canadian military establishment is fully capable of absorbing this weapon system within its current submarine forces. This sale will provide the Canadian Armed Forces with a modern and effective anti-submarine weapon system.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be Gould Incorporated of Cleveland, Ohio.

Implementation of this sale will not require the assignment of any additional U.S.

[1] As defined in Section 47(6) of the Arms Export Control Act.

Government personnel or contractor representatives to Canada.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, February 5, 1985.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-08, concerning the Department of the Air Force's proposed Letter of Offer to Korea for defense articles and services estimated to cost $22 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF, Director.

Attachments.

TRANSMITTAL NO. 85-08

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) *Prospective Purchaser*: Korea.

(ii) *Total Estimated Value*: Major defense equipment,[1] $17 million; other, $5 million; total, $22 million.

(iii) *Description of Articles or Services Offered*: A quantity of four F-4E aircraft with modifications, and technical orders.

(iv) *Military Department*: Air Force (SGK).

(v) *Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid*: None.

(vi) *Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold*: None.

(vii) *Section 28 Report*: Case not included in Section 28 report.

(viii) *Date Report Delivered to Congress*: February 5, 1985.

POLICY JUSTIFICATION

KOREA—F-4E AIRCRAFT

The Government of Korea has requested the purchase of a quantity of four F-4E aircraft with modifications, and technical orders at an estimated cost of $22 million.

This sale will contribute to the foreign policy objectives of the United States by helping to improve the security of a friendly country which has been and continues to be an important force for political stability and economic progress in Eastern Asia. The sale of this equipment and support will enhance deterrence and contribute to the preservation of peace and stability on the Korean peninsula.

The Republic of Korea needs these aircraft to replace F-4E aircraft lost in peacetime accidents and thus maintain their F-4E inventory at the previously agreed upon force level. These aircraft can be easily absorbed by the Korean Air Force.

The sale of this equipment and support will not affect the basic military balance in this region.

These F-4E aircraft will be provided from inventory on "as is, where is" basis.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Korea.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

[1] As defined in Section 47(6) of the Arms Export Control Act.

POPULATION GROWTH AND U.S. FUNDS

● Mr. KERRY. Mr. President, recently, I joined 16 of my colleagues in the Senate in sending a letter to the White House expressing our grave concern about the recent decision not to provide the International Planned Parenthood Federation [IPPF] with 17 million dollars' worth of population assistance appropriated in the fiscal year 1985 budget.

This action is especially distressing because it comes at a time when several underdeveloped nations in Africa are experiencing famine. First, we are told that IPPF funds are withheld, and now we learn that the U.S. Agency for International Development is holding up money for family planning that might limit the number of babies born into desperate poverty, by not yet providing to the United Nations Fund for Population Activities [UNFPA] the funds appropriated for it.

I would like to include in the RECORD an editorial from the February 5, 1985, issue of the Boston Globe, entitled "Population Growth and U.S. Funds," which sheds important new light on this issue.

The editorial follows:

[From the Boston Globe, Feb. 5, 1985]

POPULATION GROWTH AND U.S. FUNDS

Even as the hollow-eyed faces of starving children stare out of photographs from Africa, an illogical and indecent move is afoot to deny family planning to those countries most in need of it.

With macabre hypocrisy, the Reagan Administration is holding up money for family planning that might limit the number of babies born into desperate poverty, while larding out money to feed those already born—and already starving.

A freeze has been put on a congressional appropriation of $46 million for programs to be carried out in 1985 by the United Nations Fund for Population Activities. UNFPA had targeted a large proportion of those funds for Africa, the continent with the fastest growing population in the world.

The freeze is a reaction to reports, largely out-of-date, about coercive contraceptive and abortion practices in China—practices that are illegal and for which some workers have been jailed. Although an investigatory team of the U.S. Agency for International Development went to China last June and concluded that "allegations that U.S. funds supported any coercive family-planning practices were unfounded," AID is refusing to release any money for UNFPA.

UNFPA funds have never directly aided family planning or abortion in China, nor have they been used for coercive practices anywhere. UNFPA money to China paid for IBM computers to process the census there in the early 1980s, and now primarily supports the training of demographers, maternal and infant-care workers and studies to reduce infant mortality.

Third World countries, whose population increases will account for 90 percent of the world's growth over the next 15 years, rely heavily on UNFPA family programs. UNFPA was to receive a total of $160 million in 1985 from 137 donor nations. Now, the U.S. is reneging on one-fourth of it.

In addition to this denial of family-planning funds, a new U.S. policy has eliminated $17 million for International Planned Parenthood Federation, the world's largest independent family-planning agency.

IPPF, too, had planned major programs for the 11 African countries most sorely afflicted by drought and famine. IPPF support was ended because one-half of one percent of its work—with non-U.S. money—relates to abortion, principally educational and referral services. The cutback in funds for family planning is certain to increase reliance on abortion, the reverse of the intent.

While the famine in Africa is met with compassion and emergency feeding programs, to attribute its cause solely to drought of poor farming practices is misleading. "The underlying reason for what has occurred in Ethiopia and its neighboring countries is overpopulation," says Werner Fornos, president of the Population Institute in Washington, D.C. Africa's population of 535 million will rise to 855 million within 15 years.

Not only is it false economy to feed the starving while denying help to stem their number. It is singularly cruel and wholly wrong.●

WATER DEVELOPMENT

● Mr. ABDNOR. Mr. President, I have argued many times before my colleagues about the significance of water development in South Dakota, with special emphasis on the authorization of the Lake Andes-Wagner and CENDAK irrigation projects. It is important, now, to hear from another point of view.

William J. Janklow, Governor of South Dakota, has contacted me, and he has stressed to the South Dakota delegation the same points I have often argued before you. I ask that this letter be printed in the RECORD.

The letter follows:

OFFICE OF THE GOVERNOR,
STATE OF SOUTH DAKOTA,
January 31, 1985.

Hon. JAMES ABDNOR,
U.S. Senate,
Hart Senate Office Building,
Washington, DC.

Hon. LARRY PRESSLER,
U.S. Senate,
Senate Office Building,
Washington, DC.

Hon. TOM DASCHLE,
House of Representatives,
Rayburn House Office Building,
Washington, DC.

DEAR CONGRESSMEN: We understand that you will soon be introducing authorization legislation for the Lake Andes-Wagner and CENDAK irrigation projects, and strongly urge you to do everything possible to secure the earliest possible Congressional approval of these measures.

At the state and local levels we have done all that we can to develop the CENDAK and Lake Andes-Wagner projects. We have established a unified state water plan and reformed our institutional structures to implement this plan. The local sponsors have raised substantial contributions to fund project study efforts. The CENDAK sponsors have utilized over $1.5 million to investigate and design their project, while the Lake Andes-Wagner sponsors have also pro-

vided $1.5 million for similar use on their project. Also, the state has provided strong financial support in the form of study loans and direct study participation to further both projects. Collectively, the state and local sponsors have contributed more to the initial study of the Lake Andes-Wagner and CENDAK projects than probably any other water project sponsors throughout the country. Project chronologies which further document state and local efforts in support of these projects are enclosed.

We cannot wait any longer for the federal government to implement the remainder of the Pick-Sloan plan. We cannot continue to watch other eastern and western states obtain their priority while the Upper Missouri Basin suffers from economic stagnation. We need aggressive and effective action on your part to continue the great progress made to date. Congressional delay could effectively negate such progress and essentially kill the CENDAK and Lake Andes-Wagner projects. State and local support will inevitably erode over time unless Congress performs in a responsible and expeditious manner. We look to you to ensure that Congress takes the action required this session which will lead to project construction.

We are ready to provide any support you might deem appropriate during Congressional consideration of the Lake Andes-Wagner and CENDAK authorization legislation. Please contact us regarding any progress or problems with this legislation.

Sincerely,

BILL.

CENDAK—CHRONOLOGY OF EVENTS

June, 1980—Governor Janklow meets with Interior Secretary Watt. Federal commitment obtained to fulfill Pick-Sloan obligation to South Dakota.

January, 1981—Bureau of Reclamation (Billings) proposes traditional five year general investigation to determine feasibility of project for federal authorization. Unacceptable to state; more responsive schedule needed.

June, 1981—Governor Janklow meets with Interior Assistant Secretary Carruthers. General agreement reached to aggressively pursue state water project priorities.

July, 1981—Bureau of Reclamation (Billings) proposes new two-stage planning process to expedite planning investigation in response to June, 1981 Janklow-Carruthers meeting. Stage one intended as general concept study, and stage two intended as detailed advanced planning analysis.

August, 1981—Governor Janklow delivers Huron water speech outlining state water development program and "Big Ten" water project priorities.

November, 1981—CENDAK forms nonprofit organization and raises over $300,000 in landowner contributions to pursue project development.

April, 1982—Bureau of Reclamation (Billings), State, and CENDAK local sponsors agree to 18 month plan of study as part of new two-stage planning process. CENDAK planning report and draft environmental statement scheduled for completion by October, 1983.

September, 1982—State and CENDAK representatives meet with Secretary Watt and Commissioner Broadbent to review general status of project. Administration indicates support for full development of 474,000 acres.

October, 1982—State Board of Water and Natural Resources approves $300,000 study loan to CENDAK for project feasibility investigation.

February, 1983—Dispute over project drainage requirements and drainage costs delays completion of plan formulation working document.

March, 1983—State Legislature approves bill to improve effectiveness of irrigation and other special water use districts.

June, 1983—State and CENDAK representatives meet with Broadbent and Regional Director Marcotte to discuss drainage conflict. Broadbent indicates general support for project and establishes special group to examine drainage costs.

July, 1983—Bureau of Reclamation (Billings) releases plan formulation working document and recommends full 474,000 acre plan. Drainage costs, however, still disputed and sinking fund concept established to cover Bureau's estimate

August, 1983—State Board of Water and Natural Resources approves $500,000 study loan to CENDAK for continued feasibility investigation.

October, 1983—Special drainage group has final meeting and reaches compromise on cost estimate. Parties proceed toward completion of planning report, but Bureau of Reclamation (Billings) indicates report will be delayed six months due primarily to previous drainage dispute. New completion date schedule for April, 1984.

December, 1983—Special election conducted and voter approval obtained for establishing a new Conservancy Subdistrict organized around CENDAK project area boundaries.

March, 1984—State and CENDAK representatives meet with Bureau of Reclamation (Billings) to review draft of planning report. All basic issues resolved.

April, 1984—Bureau of Reclamation (Washington, D.C.) sends telegram to Billings indicating that proposed project of 474,000 acres is unacceptable due to size and cost. D.C. recommends maxium 290,000 acre of project primarily including aquifer lands.

April, 1984—State and CENDAK representatives submit counter-proposal to Bureau of Reclamation (D.C.) for two-stage project consisting of 300,000 acres in stage I and 174,000 acres in stage II. Proposal calls for continued analysis of stage I while certain drainage questions associated with stage II lands are pursued. Bureau of Reclamation (D.C.) agrees to counter-proposal but directs Billings to submit supplemental plan formulation working document prior to completing planning report based on two-stage development.

May, 1984—Governor Janklow calls for special session of State Legislature to consider abolishing conservancy subdistricts and establishing more effective water development districts. Legislature overwhelmingly approves proposal to create CENDAK and five other water development districts.

July, 1984—Bureau of Reclamation (Billings) completes supplemental plan formulation working document and submits it to Washington, D.C. and E&R Center. Billings proceeds with planning report and indicates it will be completed by October, 1984 (one year after originally scheduled).

October, 1984—Bureau of Reclamation (D.C.) and E&R Center indicate supplemental plan formulation working document and draft planing report inadequate. Lack of detailed analysis cited in a number of areas (drainage, water quality, mitigation), although such analysis was intended under second phase of two-stage planning process. Also, D.C. objects to customized procedures for claiming certain livestock benefits, although such benefits were identified in original PFWD approved by D.C. in July, 1983.

November, 1984—Bureau of Reclamation (Billings) indicates April, 1985 earliest possible completion of planning report based on new comments from E&R Center and D.C.

November, 1984—State Board of Water and Natural Resources approves $500,000 study loan to CENDAK for continued feasibility investigation.

November, 1984—Voters elect new representatives to serve on recently established water development districts.

January, 1985—New water development districts hold first organizational meetings to set budgets and work programs.

January, 1985—CENDAK prepares and has state legislation introduced to establish irrigation district with authority to contract and finance project development.

LAKE ANDES-WAGNER CHRONOLOGY OF EVENTS

1959 to 1966—Bureau of Reclamation evaluates the Lower James-Ft. Randall area and identifies the Wagner Unit as acceptable for flood irrigation. Project is opposed locally due to lack of consideration for local concerns and extensive wildlife mitigation.

March, 1969—Frustrated by years of delay, project sponsors organize into an irrigation district in an attempt to organize a project locally.

March, 1974—The State Legislature grants the Lake Andes-Wagner irrigation district $35,000 to initiate a preliminary detailed feasibility analysis.

1975 to 1978—With a positive preliminary analysis the district bonds for $850,000 to develop a feasibility analysis. When requested to vote on financing construction, the project is defeated due to high repayment cost and a lack of Pick-Sloan power rates.

June, 1980—Governor Janklow meets with Secretary Watt. Federal commitment obtained to fulfill Pick-Sloan obligation to South Dakota.

June, 1981—Governor Janklow meets with Interior Assistant Secretary Carruthers. General agreement reached to aggressively pursue state water project priorities.

August, 1981—Bureau of Reclamation reevaluates the Wagner Unit at the request of the state. A 13,500 acre project is proposed. The state and project sponsors indicate this project is too small and request the Bureau to expand the project area.

August, 1981—Governor Janklow delivers Huron water speech outlining state water development program and "Big Ten" water project priorities.

June, 1982—Bureau of Reclamation proposes a project within a 35,000 acre area. A steering committee is formed and within a month 27,800 acres are signed up to be reevaluated.

December, 1982—Steering committee organizes into the Lake Andes-Wagner Water Systems Inc. and the state Board of Water and Natural Resources approves a loan of $300,000 to complete the engineering analysis west of Choteau Creek.

March, 1983—State Legislature approves bill to improve effectiveness of irrigation and other special water use districts.

December, 1983—Bureau of Reclamation and steering committee meet and decide to include lands east of Choteau Creek. An additional $150,000 loan is approved by the state Board of Water and Natural Resources to fund the project study.

April, 1984—Bureau of Reclamation releases the Draft Planning Report/Draft Environmental Impact Statement for lands west of Choteau Creek. A supplement for the lands east of Choteau Creek is released about 3 months later.

May, 1984—Governor Janklow calls for special session of State Legislature to consider abolishing conservancy subdistricts and establishing more effective water development districts. State Legislature overwhelmingly approves proposal to create Southern Missouri and five other water development districts.

September, 1984—A final loan of $50,000 is secured from the state Board of Water and Natural Resources to complete the project study.

November, 1984—The Planning Report/Draft Environmental Impact Statement in final form is released and forwarded for review as the Proposed Regional Directors Report.

November, 1984—Voters elect new representatives to serve on recently established water development districts.

January, 1985—New water development districts hold first organizational meeting to set budgets and work programs.

Mr. ABDNOR. Mr. President, the Governor's letter proves the strong local support these projects have, and it effectively argues that the Federal Government must act now. I cannot stress enough how vital these irrigation projects are to the stabilization of my State's economy and the development of its natural resources.

I urge each of my colleagues to review Governor Janklow's letter to determine for themselves the type of dedication South Dakota has to the development of its water. I sincerely hope that the Federal Government will match my State's dedication to the development of the Lake Andes-Wagner and CENDAK irrigation projects.●

CHASE WOODHOUSE

● Mr. DODD. Mr. President, as we begin to tackle the many important issues facing the 99th Congress, I ask my colleagues in the House and Senate to pause for a moment in remembrance of one of our most esteemed former Members.

Mr. President, recently my home State of Connecticut was saddened by the loss of one of our most prominent public servants, and all of America was saddened by the loss of one of the pioneers in the movement toward women's equality. Her name was Chase Going Woodhouse. Connecticut has always prided itself on being a leader in the movement toward equality for women, Mr. President, and we are especially proud of the women who have served us in Congress, including Claire Booth Luce, the Honorable Ella T. Grasso, and in the 99th Congress, my colleagues NANCY JOHNSON and BARBARA B. KENNELLY. Few have served as well, however, or done as much to better the lives of other women, as Chase Woodhouse. Some of my colleagues remember serving with Chase, who represented Connecticut's Second District with great distinction between 1944 and 1950. Her service to Connecticut, however, went far beyond her work on Capitol Hill. Chase was Connecticut's secretary of the State and served on a variety of State boards and commissions, including the Connecticut Comprehensive Health Planning Council, the New England Committee on Solar Energy, the Connecticut Humanities Council, the State Commission on Housing and New Communities, and the Commission on Connecticut's Future. She also was chairwoman of the Governor's Committee on the Status of Women, and in 1965 she was 1 of 12 women elected as delegates to the Connecticut Constitutional Convention.

In addition to this long record of service, Chase distinguished herself as an educator and a friend of the young. She issued four publications on laws relating to children in Connecticut. She also was a professor of economics at Connecticut College, a senior economist at the U.S. Department of Agriculture and personnel director of Women's College at the University of North Carolina. I feel a great sense of personal loss with the passing of Chase Going Woodhouse, Mr. President. She was a great friend of my family, a great Democrat, and both a teacher and inspiration to me as I began my career in politics. Her attempts to focus attention on the problems of young people and the laws affecting them helped lead me to suggest formation of the Senate children's caucus, which today boasts 27 Members of this body. I valued her friendship and advice, and I will miss both greatly.

We remember Chase, Mr. President, not just because of her many accomplishments, and not just because of the sense of loss her passing brings to so many of us from Connecticut. We remember her for her concern, for her energy, and for the great example she set for us.

A few years before her death, Mr. President, Chase was asked how she managed to combine her successful political and professional careers with the demands of being a wife and mother. Her reply is worth listening to: "I have tried to approach whatever obstacles I have encountered as part of my daily life," she said. "If a problem is set aside as something to be worried about, rather than something to be dealt with, then worry itself becomes an obstacle."

I hope we remember those words, Mr. President, and the woman who spoke them, as we wrestle with the many important issues before us in the 99th Congress.●

HOME OUTDOOR ANTENNAS AND LOCAL ZONING RULES

● Mr. GOLDWATER. Mr. President, on January 3, I introduced two resolutions, Senate Resolution 35 and Senate Resolution 36, setting out standards which I hope the Federal Communications Commission will adopt concerning local regulation of the installation of home outdoor communication antennas. What I have sought to do is to strike a balance between the interest of individual citizens who desire to install personal communication antennas and the legitimate interests of local governments in regulating local matters, consistent with Federal policy enunciated in the first amendment and national communications laws.

The standards set forth in the resolutions are rather simple. First, a local rule must not discriminate among different types of antennas. Second, a local rule shall not be anticompetitive. Third, if the local regulation meets the two previous standards, it is valid if necessary to accomplish a compelling governmental purpose, and by necessary I mean that there is no reasonable alternative.

Today I will discuss the background of the subject at greater length than I had time to do in my explanatory statement of January 3. FCC action is necessary because of an increasing trend in some communities to effectively prohibit their citizens from receiving news, public affairs, and entertainment programming through over the air services such as broadcast and satellite. Moreover, the same restrictions all too often prevent proper operation of amateur, citizen band, and other personal transmitting or receiving equipment. These results arise from zoning restrictions banning outdoor antennas.

Mr. President, I have long experience in the matter of erecting and using antennas. I can assure my colleagues from personal knowledge that outside antennas are absolutely necessary to tune into ham radio signals, more distant broadcast signals, and satellite signals.

One of the purposes to which I have put some of my antennas was to connect hundreds of thousands of our troops in Asia with their families back home by patching short-wave radio signals into the phone lines at my amateur stations. This would have been impossible without outside antennas. Stringent ordinances would have denied comfort to many military families.

Similarly, amateur radio operators around the country routinely use their equipment to carry out communications which benefit the public at large. They do this voluntarily at no charge. Recent experiments have even tested using amateur radio circuits to tempo-

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rarily replace telephone circuits during an emergency. But ham operators are not going to be around when needed during an emergency, if they cannot install the antennas essential to their training and mission.

Although I have the deepest concern for the powers of State and local governments and the vitality of the Federal system, I am troubled to see the apparent lack of understanding within many localities of the rights of individual citizens and national communications policy intended to foster competition among the electronic media services and adequately provide for personal and safety uses of radio.

LOCAL ZONING POWERS

Now, I will be the first to recognize that local communities and States have the right to carry out beneficial purposes through use of their zoning and other regulatory powers. For example, last year in a case concerning an ordinance restricting placement of political signs on public utilities poles, the U.S. Supreme Court held that local regulatory power can be exercised for esthetic purposes so long as the ordinance is not designed to suppress communication protected by the first amendment and that equally effective alternative means of communication exist. *City Council* v. *Taxpayers for Vincent*, 104 S. Ct. 2118 (1984).

Also, localities possess authority to issue traditional safety rules imposed under local police power, such as a requirement that a home antenna meet a roof's load factor specifications so it would not be torn off in the first windstorm. In other words, I am not proposing that the Federal Government totally preempt local powers. Each local community and neighborhood has legitimate interests in securing the welfare of its locality.

There is a middle ground, between prohibiting all outside antennas everywhere in the community and allowing any kind or size of antenna anywhere. Reasonable height, screening and safety or esthetic concerns, applied on a narrow and nondiscriminatory basis, are substantial interests which a community has a right to preserve. Of course, these concerns should be actual and not be asserted as a clock for anticompetitive reasons. Also, the ordinances concerned should allow for reasonable variances.

Even the esthetic purpose doctrine is not unlimited. Unlike the home antenna situation, no national communications law applied in the recent Supreme Court case. Here, there is a new section 705 of the Communications Act which specifically secures the right of home Earth station operators to view unscrambled signals for their personal viewing and there is a long line of FCC decisions related to communications services. These prevailing national interests cannot be thwarted by localities.

FIRST AMENDMENT INTERESTS

Mr. President, prohibition or impairment of participation by citizens in national communications services directly implicates both the constitutional right of access to information guaranteed by the first amendment and recent Federal policies to encourage competition in the electronic delivery of news and entertainment programs to the public.

The first amendment interests are clearly acknowledged in two seminal Supreme Court cases: *Associated Press* v. *United States*, 326 U.S. 1 (1945), and *Red Lion Broadcasting* v. *F.C.C.*, 395 U.S. 367 (1969). In the Associated Press case the Court's opinion emphasizes that the "first amendment rests on the assumption that the widest possible dissemination of information from diverse and antagonistic groups is essential to the welfare of the public." In Red Lion Broadcasting the Court expounded upon the first amendment right of individuals to receive information by radio, which it viewed as a necessary corollary to the right of speakers to disseminate information.

Congress has consistently sought to promote these constitutional rights by encouraging competition in the delivery of information and programs to the public. For example, last year we enacted a comprehensive cable bill, Public Law 98-549, which includes a provision (codified at 47 U.S.C. § 623) deregulating rates where "effective competition" exists between cable and other comparable services. As I mentioned earlier, another provision of the same law authorizes the sale and use of backyard satellite Earth stations to receive unscrambled signals (47 U.S.C. § 705[b]-[e]). In 1983 we enacted a new section 7 of the Communications Act (47 U.S.C. § 157) to clarify the Federal policy of encouraging the provision of new technologies and services to the public and to provide procedures to make sure this policy is carried out.

It is essential to establish that these constitutional rights and Federal policies cannot be ignored and effectively overruled when local communities enact zoning ordinances. I am particularly concerned about the effect of indirect local prohibition or limitation upon the following services.

BACKYARD SATELLITE RECEPTION

There are now over 1 million backyard satellite receivers in use with another 60,000 being sold each month. Last year, by section 5 of Public Law 98-549, we established a Federal right for the use of such receivers to tune into the unscrambled programming being relayed by satellite. This right is conditioned only by the requirement that appropriate fees be paid for use of the programming when negotiated marketing system may be established.

Backyard receivers permit individuals in rural and noncable areas to receive programming which is available to citizens living in cable areas. These receivers also provide individuals in cable areas an alternative to cable service, and thus constitute one of the competing sources to cable envisaged by the rate deregulation provisions of the Cable Communications Policy Act, noted above. If dishes are banned, rather than reasonably regulated, the Federal policy to promote alternative information sources is irreparably damaged.

SATELLITE MASTER ANTENNA SERVICES [SMATV]

SMATV most commonly provides programming to persons who live in apartments and condominiums. A satellite receiving station is established and the program signals fed to private residences without crossing public streets. Each SMATV system is, in effect, a small scale cable system located completely on private property. As in the case of the backyard satellite dishes, prohibiting reasonable location of satellite dishes also eliminates the possibility of SMATV service, and damages our national policy of promoting competitive services.

DIRECT BROADCAST SATELLITE SERVICE [DBS]

The DBS service envisages use of high power satellite transponders to transmit programs directly to homes. The higher transmission power makes use of 3 or 4 foot receiving dishes possible. Backyard dishes, built to receive the weaker common carriers satellite signals, are typically 8 to 15 feet in diameter.

One company, United Satellite Communications, Inc., is already providing an interim DBS service using medium powered satellite transponders. This company raised these issues in a petition to the FCC, File No. DS-293, to consider the effect of local zoning laws on this service and, among other things, alleged that at least one particular community banned all satellite dishes specifically to eliminate competition with the city-approved cable system.

MULTICHANNEL MICROWAVE DISTRIBUTION SERVICE [MMDS]

One of the new services recently authorized by the FCC, MMDS, also colloquially referred to as "wireless cable," envisages the transmission of multiple channels of programming to subscribers over microwave channels. Because of the frequencies involved, outside antennas are essential to reception of these signals. As in the case of the satellite services, use of this service will be impossible unless reasonable accommodations are made which permit outside antennas.

BROADCAST TELEVISION

Congress has long sought to establish comparability between VHF and UHF television. In 1962 we enacted

Public Law 87-529 (47 U.S.C. § 330) to statutorily implement this policy by requiring that all television sets be capable of receiving both the VHF and UHF channels.

This proved insufficient. In 1978 Congress directed the establishment of a UHF Comparability Task Force to come up with suggestions on how to reach the goal of UHF and VHF comparability. In 1980 this task force reported to us that its major suggestion is for consumers to install adequate UHF receiving antennas outside their homes. It was determined that this was the most cost efficient and effective method to improve UHF reception and thereby increase the public's access to competing sources of information and entertainment programming.

Local bans upon placement of all outside antennas prevent these recommendations from being followed in some communities and prevent the Federal policy from being effectuated. In some areas VHF antennas outside the home are also required for adequate reception. The problem is the VHF signals often can be received adequately for distances up to 40 miles with an inside antenna, but UHF signals often have a comparable range of only 15 or 20 miles. Antenna bans in suburban neighborhoods therefore result in disparity between VHF and UHF reception, since in many of these areas VHF reception with an inside antenna is adequate but UHF reception is not.

AMATEUR RADIO AND THE MILITARY AFFILIATED RADIO SYSTEM [MARS]

Radio amateurs are trained in electronics and radio procedures. They are licensed by the FCC to provide public service and emergency communications which benefit the citizens of the communities in which they are located and the Nation as a whole. Amateurs have proven their value on countless occasions because of their technical ability to assemble and operate radio stations of extremely high efficiency and reliability.

Local civil defense and municipal emergency offices routinely utilize cadres of amateurs to provide communications in local and wide-area emergencies. The cost would be prohibitive if governments had to provide the level of services provided free of charge by amateurs.

The military services have organized volunteer amateur radio operators into the Military Affiliated Radio System, or "MARS," in recognition of their unique abilities and the need that may arise for such expertise with little advance warning. The MARS operators voluntarily participate in training exercises and stand ready to assist our military forces when and where needed.

Our national communications policy consistently has been to encourage the self-training in radio techniques which is the basis of the amateur radio service. The local community and our Nation benefit by having these persons ready and willing to provide emergency and public service communications. These activities are carried on daily.

Unreasonable bans on outside antennas too often prevent effective amateur worldwide communications. The longstanding and consistent Federal policy of encouraging this service is undermined by local zoning laws which indirectly prohibit establishment of a reasonably effective amateur or amateur-military station.

CITIZENS' BAND RADIO

CB is an unlicensed low-cost authorized service which permits individuals to maintain contact with their business associates, family, and friends over ranges of up to 40 or so miles. CB radios can be used in automobiles and on tractors to permit communications which otherwise would not be possible.

Because of its widespread availability and use, CB also is extensively used to report highway accidents and perform other emergency communications services. The public benefits from the CB service, yet dependable use requires an outside home antenna.

CONCLUSION

The purpose of the two resolutions I have introduced is to advocate accommodation of both national communications policies and local zoning policies. Each particular over-the-air communications service requires use of outside antennas in order to establish the communication envisaged by the Federal policies involved.

When dealing with radiowaves, there is one general statement that is almost always true: When it comes to transmission and reception, the bigger and higher properly designed antennas are, the better the signals obtained.

Each community and each home has its own unique aspects. It might be out of character to place a tower or large satellite dish in plain view within a historical district, for example, or in a small city townhouse yard. On the other hand, a dish might be satisfactorily screened and not be seen, even in a historical district, in some instances. In rural areas, on the other hand, any type of antenna may be reasonable.

Because of the myriad of factors, I think that implementation of an inflexible national rule would be unwise. But a declaration of clear standards and a reaffirmation of the Federal interests involved in the authorized communications services, all of which generally require use of outdoor antennas, would go a long way to bringing the relevant facts to the attention of local authorities and resolving numerous local disputes.

One of the apparent problems at the moment is the lack of a clearly articulated or recognized statement of the necessity of outdoor antennas to accomplishment of the Federal purposes implemented through establishment of the various services which use the airwaves. The Federal interest must be considered and provided for, and I am confident that local and State officials will accommodate national concerns as well as local interests when faced with actual situations if a clear statement of the Federal interest is available for their consideration. If not, then more might have to be done.●

ELDRIDGE HUNT: HIS MEMORY WILL LIVE ON

● Mr. CHILES. Mr. President, I do not suppose I have known anyone with a greater love of life than Eldridge Hunt, and he exhibited that love throughout his life by sharing his time, energy, and resources willingly with his family and the people of his community, especially the young people.

Politics and campaigning? For many years Eldridge knew an enthusiasm for things politic that knew no bounds, and he involved himself deeply with candidates that he felt would uphold and protect the interest of the people. I was fortunate enough to be one of those who benefited from his friendship and his dedicated and effective efforts.

C. Eldridge Hunt passed away January 26 at the age of 71 and will be sorely missed by his family and all of us who came to know him for the selfless man that he was. But his love of people and his contributions to their lives will live on.

Eldridge was born November 5, 1913, in Sales City, GA and moved to Florida 65 years ago. He was a resident of Lakeland, my hometown, for the past 25 years.

His survivors include his wife, mother, 6 children, 10 grandchildren, and 2 great grandchildren. Plus, of course, all the community "family" that he shared himself with over the years.

In the fifties Eldridge was accepted into the Masonic Lodge in Bradenton and through this organization and the Sesame Grotto he gave 30 years of devotion and hard work to the youth of Lakeland, particularly in the northern portion of the city.

He tirelessly organized and promoted fundraising events and pressed for county support for a sports complex for the kids. He lived to see his goal accomplished with the completion of the playing fields and support facilities. He has also been responsible for raising funds for youth football equipment for the teams. In recognition, the Polk County Commission formally dedicated the sports complex as the Eldridge Hunt-Charlie Fountain Sports Complex.

Eldridge was a leader in the youth football, soccer, and baseball programs of North Lakeland.

He will be missed—but never forgotten.●

MR. ABSHIRE MAKES PROGRESS IN NATO

Mr. GOLDWATER. Mr. President, during our absence from the time the last Congress adjourned until now, there has been great progress made in NATO in the understanding between the NATO countries and the United States. Mr. David M. Abshire, our Ambassador to NATO, has accomplished more, I believe, in the short time that he has been there than has been accomplished almost during the entire lifetime of NATO.

As long as we have a strong, understanding, willing group of allies, such as we have in NATO, we have a strong assurance of the continuation of peace in that part of Europe. Ambassador Abshire has written two articles, one appearing in the Washington Post on December 31 of last year and the other in the Wall Street Journal. These are succinct, to the point, and I ask that they be printed at this point in my remarks in the RECORD so that the Members of Congress and other readers of the RECORD can have the benefit of knowing what we have accomplished in NATO.

The articles referred to follow:

[From the Washington Post, Dec. 31, 1984]

NATO: FACING THE FACTS

(By David M. Abshire)

BRUSSELS.—In 1983, "the year of the missile," the European members of NATO were preoccupied successfully with facing down the nuclear blackmail of Soviet SS20 missiles. Too little noticed, this past year, 1984, has turned out to be "the year of conventional forces."

The new attention to conventional capabilities is directly related to fear of nuclear war. Some of this fear finds expression—wrongly, I believe—in calls for nuclear freezes or unilateral nuclear disarmament. Some of it is rooted—rightly—in anxieties that our deterrent depends more on nuclear weapons than it should.

NATO was clearly shaken by the dramatic Senate debate last June over whether the United States should try to force greater defense contributions from its European allies by threatening to withdraw some troops from the continent if the allies did not shore up the conventional aspect of NATO's strategy of flexible response.

The debate was sparked by an amendment offered by Sen. Sam Nunn, and jolted existing NATO efforts that had already placed conventional improvements squarely on the front burner. Earlier this month in Brussels, NATO defense ministers took major steps to improve the reinforcement and sustainability of NATO forces. They approved a budget of $7.8 billion for an infrastructure program that builds airfields, depots, pipelines, communications satellites and so on. This figure means that spending on these facilities will more than double in the next six years.

In a particularly important part of the agreement, funds were pledged to receive and protect reinforcing aircraft sent from the United States in a crisis. This will provide 70 percent of the support requirements for NATO's tactical air reinforcements. The ministers also agreed to expand critical ammunition stocks—a perennial NATO shortcoming.

The West German defense minister was able to report his country had extended its term of national conscription by three months—hardly a popular decision, but a courageous one. For the first time, moreover, the alliance adopted a set of force goals meant to provide compensation by the other allies for possible U.S. deployments outside the NATO area.

Defense ministers heard that by NATO definition the United States, Canada and seven or eight European members this year would increase real defense expenditures by at least 3 percent.

For the longer run, the new NATO secretary general, Lord Carrington, is to organize an effort for improving the alliance conventional deterrent. As part of this effort, the Germans pushed for integrating the new military doctrines, equipment programs and technology initiatives into a framework allowing better planning and procurement policies. An urgent need was recognized to improve transatlantic collaboration in developing and acquiring new arms.

U.S. Defense Secretary Caspar Weinberger has established a Pentagon committee to foster executive branch coordination in this area, and European defense ministers are supporting the Independent European Program Group, formed to help the allies better coordinate their defense industrial efforts.

Alliance policy makers are aware that these are only the first steps in a long and difficult process. A wide gap remains between the American economic recovery and economic performance in Europe, and between their "high-tech" bases. Resource constraints, contending priorities and political pressures will conspire against NATO's conventional force improvements.

My confidence is strengthened, however, by the quality of the men at the top of NATO. Lord Carrington has provided splendid leadership in his first six months on the job. The defense ministers acclaimed the extension of Gen. Rogers' tour of duty for another two years.

NATO obviously wants to face the facts. It is moving. It has the leadership. It needs the support of the American people and Congress.

NATO: HONING THE GRAND STRATEGY

(By David M. Abshire)

BRUSSELS.—A popular refrain of critics of the North Atlantic Treaty Organization is it does not have a comprehensive strategy. After serving as U.S. Permanent Representative to the North Atlantic Council for more than a year, I would reject this criticism. The alliance does have a strategy—indeed, a grand strategy—and has been actively adjusting it to realities of the 1980s.

This question is especially timely in light of the first official visit to the U.S. by NATO's new secretary general, Lord Carrington. A former foreign and defense secretary of the United Kingdom, Lord Carrington brings impressive skills and experience to his new post. He has signaled a special commitment to strengthening the overall strategy of the alliance.

Grand strategy is not just a military concept. It also encompasses political, economic, and even public affairs elements—all the force that can be brought to bear to achieve the strategy's end. In the West's case, the end is clearly stated in the preamble of the 1949 North Atlantic Treaty, which affirms the allies' determination to unite in a collective defense of the "freedom, common heritage and civilization of their people's." These goals continue today, 35 years later, to be the binding force of the alliance. They motivate allied strategy, which centers on four key factors: political dynamics, military deterrence, resources and public diplomacy.

Political Strategy. Soviet strategy during the drama over deployment of intermediate-range missiles was not only to divide Europe from America but also to divide Europe within itself. Soviet intimidation was equaled only by that displayed during the Cuban missile and Berlin crises. Yet, to the Kremlin's surprise, NATO remained united in defense of peace in freedom.

After the high point of the missile drama, the NATO Council agreed to a proposal by Belgian Foreign Minister Leo Tindemans calling for a detailed assessment of the last 17 years of East-West relations—a study that led to the June NATO Foreign Ministers' "Washington Statement on East-West Relations." The allies agreed that in the early years of detente substantial progress was made in reducing tension, spurring trade and expanding the East-West dialogue. However, they concurred that Moscow's relentless arms buildup, aggression in Afghanistan and pressure on Poland have in more recent years caused a serious deterioration in East-West relations. Thus, they say a need to fine-tune political strategy by paying closer attention to requirements of restraint, reciprocity and accountability in a "more realistic and constructive dialogue."

The allies have been actively trying to stimulate the dialogue with the East by advancing a host of new proposals this year—at ongoing negotiations in Stockholm, Vienna and Geneva. In contrast, the Soviets continue to boycott negotiations on nuclear weapons. Nevertheless, when the Soviets do decide to return to the negotiating table, they will find interlocutors prepared to talk.

Deterrence Strategy. NATO is the first great alliance in history ever to have a clear-cut deterrence strategy.

In the wake of sustained debate in the early 1980s on both sides of the Atlantic, it is generally agreed that NATO's strategy of "flexible response" and forward defense remains the best available. That strategy is meant to deter an aggressor from thinking he might gain objectives militarily at an acceptable cost. It requires a credible capability and determination to use nuclear weapons, if necessary, to escalate risks and force the Soviets to reconsider the consequences of aggression. And it demands that the alliance be able to defend itself with conventional force too, so that, should deterrence fail, NATO is not left to choose between nuclear escalation or capitulation.

The principal problem today is that NATO's conventional forces are not strong enough to respond to a Soviet attack. Especially troublesome are serious deficiencies of ammunition stocks. The concern of Sen. Sam Nunn, Democrat from Georgia, in his recent amendment that called for U.S. troop cuts in Europe if the allies do not do more to improve NATO's conventional defenses, as well as the concern in Brussels, is urgently to boost the West's conventional defenses to give it that extra insurance policy for

peace. Had NATO maintained balanced conventional forces adequate to conduct a direct forward defense without early threatened use of nuclear weapons (as all the allies agreed to do in approving the current strategy), I don't believe the nuclear nervousness would have developed to the degree it has.

The West is improving sustainability and readiness. Newly-emerged and emerging technologies—through miniaturization, smart weapons and rear-surveillance—offer the opportunity to push back the moment when NATO would have to contemplate use of nuclear weapons.

Resources Strategy. The alliance confronts two challenging economic facts: that improvements in sustainability and new conventional technologies impose competing demands for limited resources; and that European economic recovery lags far behind the U.S. recovery. Europe also has greater structural problems. Nevertheless, NATO has substantial advantages: Its combined gross output is some 2½ times greater and its population some 1½ times larger than that of the Warsaw Pact, which nonetheless outstrips NATO in defense production; and the Western nations are free societies bound by shared values and institutions. What NATO must do more efficiently is bring the West's superior resources to bear on the problem of improving conventional forces at affordable cost.

These facts require a resources strategy that would begin with an agreed assessment of the real military balance and include a conceptual framework into which technological and tactical innovations could coherently fit. It demands improved industrial and armaments cooperation across the Atlantic, and within Europe. Finally, a resources strategy requires public understanding and support for paying the necessary costs of avoiding World War III.

Public Strategy. The Soviets have the short-term convenience but long-term weakness of not having to build domestic political support into their overall strategy. The West's grand strategy must be understood, and supported, by a young generation whose formative political experiences are different from those of NATO's founding fathers; by religious leaders, educators and journalists, who fail us when they oversimplify; and by parliamentarians and political leaders, who have a calling higher than that of seeking easy popularity. In Brussels, NATO is presently engaged in intensified assessments of public perceptions to see what can be done to improve our public strategy.

Simply put, the questions of whether our alliance has a grand strategy and whether we are doing all we can to make it credible are two separate issues. The gap between strategy and performance has permitted critics to charge through with the false accusation of an absence of strategy. My worry is that more malign foes might be tempted to make use of that same gap.●

THE DEFICIT

● Mr. DECONCINI. Mr. President, an article by David Hoffman which appeared in the February 3, 1985, edition of the Washington Post clearly and accurately outlines the causes of our deficit problems. Despite the President's rhetoric pointing the finger of blame at Congress for not achieving his campaign promise of a balanced budget by 1984, Mr. Hoffman draws a quite different conclusion. The current deficit is a result of the President's inability to reconcile conflicting priorities. When it proved impossible to simultaneously pursue a defense buildup, a reduction in taxes, and a balanced budget, the President abandoned his commitment to balance the budget. Not only has the balanced budget been taken off the back burner, it has been removed from the stove. The budget the President submitted to Congress this week, containing a deficit of $180 billion for 1986, underscores this fact.

Despite the President's promises to the contrary, the deficit has not melted away with economic growth—and it will not. And the budget cannot be balanced simply by shifting domestic spending cuts to the Department of Defense. It will require responsible action on the part of both the White House and Congress. Less rhetoric and more cooperation are essential if we hope to reduce our massive deficits and prevent the mortgaging of our children's future.

I ask that Mr. Hoffman's article appear in full in the RECORD.

The article follows:

DEFICIT NOT TOP ISSUE FOR REAGAN—PERFORMANCE BELIES PROMISES

(By David Hoffman)

In a 1980 campaign speech, Ronald Reagan attacked President Jimmy Carter for saying he "simply cannot balance the budget, provide for the national security and reduce the high tax load on the American people." Reagan said he could do them all: "I say, 'Stand aside—because we can! And we will!' "

In his radio speech yesterday, Reagan was still using the same themes, calling his next budget "the most exhaustive effort ever made to rein in government's chronic overspending" and saying that it will "stop the excessive growth of government-spending in its tracks" while putting deficits on a "permanent downward path."

But the budget Reagan is to submit Monday will include a $180 billion deficit for next year even if all the spending cuts he wants are approved, and the document does not foresee a balanced budget anytime in his second term.

In his first term, Reagan nearly doubled the national debt; in this one, it will almost certainly top $2 trillion.

Reagan blames Congress for this gap between his promises and his performance.

"All this talk, and during the campaign when I was accused of having never submitted a balanced budget since I'd been here, I wonder how they had the nerve to say that," Reagan said recently. "The president has no right to spend money. The Constitution doesn't give the president the right to spend a nickel. That's up there on the Hill."

But Reagan's decisions over the last four years suggest a different answer:

That the deficit has never been as important to him as his rhetoric would suggest.

Instead, his main objectives have been to lower tax rates and shift national spending priorities away from domestic programs and toward defense.

This order of preferences is well understood among those who have worked closely with Reagan on budget issues since he came to office, and they point to the fiscal 1986 budget he will propose Monday as a textbook example.

Almost every dollar in domestic spending that is shaved from the budget will be replaced by a dollar of new defense spending, and Reagan remains adamantly against tax increases to bring the deficit into a lower range.

Rearrangement of government rather than shrinkage of it has also been a Reagan objective in another way. His combination of tax cuts and spending shifts has created new groups of winners and losers in the population.

Reagan's first-term budget targets were chiefly programs for those at the lower end of the income scale. This year, however, he will shift focus slightly to squeeze the big spending programs that largely benefit the middle class.

His first-term tax cuts, meanwhile, are criticized as having helped mainly the rich, although Reagan denies this, and the tax simplification plan he has promised to propose this year would hurt some favored groups as well.

The record shows that Reagan, for all his warnings over the years about the dangers of deficits, has been one of the biggest-spending presidents in American history. Rather than reduce the government's share of the economy, as he once promised to do and still insists that he will, Reagan has increased it.

Total government spending has reached a peacetime high of nearly 25 percent of the gross national product. Four years ago, in the first budget document he submitted to Congress, Reagan predicted that he would have it under 20 percent by now.

Reagan squeezed domestic spending hard in his first term, and by his budget office's account, Congress approved about half of his requests. But that was not enough to realize his three-cornered promise to balance the budget, cut taxes and rebuild the military. The worst recession since World War II forced the deficit still higher.

When his goals collided, Reagan decided early that the defense buildup and lower taxes were more important than the balanced budget. He grudgingly made some compromises along the way, but the decisions of his first term, and the choice he made for next year's budget, show that they are still his most valued objectives.

Reagan has often insisted that the deficit could be reduced if only more cuts were made in domestic spending, particularly to seek out "waste, fraud and abuse."

Yet Reagan spent more time on this budget than any other he has submitted going over it line by line in search of savings from domestic programs. And he will still fall short of the goal set by his staff of slicing the deficit in half, to $100 billion by 1988. Instead, Reagan would be left with a $144 billion deficit that year if all his cuts were enacted.

Yesterday, the rhetoric and posturing on the budget continued as it has for the last four years.

House Speaker Thomas P. (Tip) O'Neill, Jr. (D-Mass.) said Reagan's budget will get "a respectful and complete consideration on Capitol Hill." But O'Neill insisted that Reagan must "go beyond the generalities and tell the American people exactly what he has in mind for them."

Senate Majority Leader Robert J. Dole (R-Kan.) promised, after a briefing from Office of Management and Budget Director David A. Stockman, to put the budget on a fast track, starting hearings next week with

the goal of having a bill on the Senate floor before March.

Stockman said the "initial reading" he had from Senate GPO leaders is that "a great majority of the freezes and cuts that we have in the budget will be acceptable." Senate Budget Committee Chairman Pete V. Domenici (R-N.M.) warned, "The time is now to decide whether there are domestic programs that are far too expensive for the public good and for the purpose intended. They will have to be reformed dramatically. If we're not willing to do that, we can stop talking about everything."

If Congress balks at his proposals, Reagan said in a Jan. 26 interview with radio correspondents, "then I've said we'd take our case to the people and explain to the people what it is we're trying to do and why we have to do it."

Yet some of Reagan's aides say privately that there is less to these new budget cuts than administration rhetoric implies. One of the president's senior advisers, speaking on condition that he not be identified, acknowledged that the nation's financial markets no longer expect a "massive deficit reduction" in Reagan's second term.

They realize, he said, that "there is a division in the political system," meaning that Congress will not give the president everything he asks for. But it is not just Congress, he suggested; he said there is a fear in the markets that "the deficits are now so large and the path the budget is on is so worrisome that it may get totally out of control. The system will just lose control, and there will be a quasi—"

He paused, not finishing the word. "A fairly irresponsible financial policy for the long run," he said.

"If we can implement a $50 billion package in '86 that is credible—because what's credible depends on how much screaming there is about it—the markets will conclude that government is taking things away, shutting off some switches and spigots.

"It would be large enough" he said, "to put the budget in a manageable zone" if the economy continues to expand. "It's not an ideal zone. It's going to cause problems of absorption, savings and capital for a long time to come. But at least it takes it out of what I call the danger zone."

This official at one point was publicly predicting, much as the president, that administration policy could produce a balanced budget. Asked why his goals have grown steadily more modest over the years, the official replied, "Well, each year reality gets a little more intractable."

This reality was not evident in Reagan's reelection campaign. He optimistically reassured American voters that the deficit would melt away with economic growth. But after the election, Stockman took to Capitol Hill a chart that told a somewhat different story.

The document showed that, as a percentage of GNP, the current deficit is not shrinking as fast as did previous deficits in recoveries after recessions. In other words, growth was not having the powerful tonic on deficits that Reagan had predicted in his campaign speeches.

For example, the Stockman chart showed that in the recession that hit bottom in 1971, the deficit went up to 2.2 percent of GNP. By the third year of recovery, it had diminished to .5 percent. Likewise, when the recession of 1976 hit bottom, the deficit was 4.5 percent of GNP, then it declined to 1.7 percent by the third year of recovery.

In Reagan's first term, the recession reached bottom with the deficit at 6.4 percent of GNP, but the deficit has declined only slightly during recovery—to 5.7 percent this year and 5.4 percent next year if no action is taken. If all Reagan's proposed budget cuts are adopted, the deficit would still be about 4 percent next year.

As the deficits have mounted, Reagan increasingly has turned his rhetoric to another solution, a balanced budget amendment to the Constitution. But that would not take effect in his term; it would leave the hard choices to his successor.

"The constitutional amendment, if adopted, would set a target date, that based on a declining path of deficits, then you could foresee and say: by such and such a date we must achieve a balanced budget, and, from then on, the government spend no more than it takes in," Reagan said in the interview with radio correspondents.

Reagan said he doesn't know what that date will be, but it apparently won't be soon: "You can't now pull the rug out from under people who have maybe directed their business practices or agriculture, things of that kind, and say to them, 'We're pulling the rug out right now. The whole game has changed.' "

THE IMAGE OF THE AMERICAN LEGION

● Mr. COHEN. Mr. President, during the recently concluded mid-winter conference of the Maine American Legion and Auxiliary—which was held last month at the Donald V. Henry Post No. 80, in Millinocket, ME—James Witek, assistant director of the National Public Relations Division of the American Legion's National Headquarters in Washington, DC addressed the conference on "The Image of the American Legion."

While Mr. Witek's remarks focus on the American Legion's national image, he accurately recognizes that the State of Maine has one of the American Legion's greatest image makers in Dan Lambert, Maine's American Legion State Adjutant.

Under Dan's leadership, the American Legion and Auxiliary in Maine has been of immense value to me during my service in the House of Representatives and in the Senate. Maine's 155,000 veterans have a tireless, articulate, and effective advocate in Dan Lambert and are fortunate to also be the beneficiaries of the fine public image and effective advocacy of the entire American Legion organization.

I ask that Mr. Witek's excellent address be printed in the RECORD for the benefit of my colleagues.

The address follows:

The Image of the Legion

Distinguished guests . . . ladies and gentlemen . . . fellow Legionnaires . . . I was extremely pleased to be invited to your mid-winter conference in this great state of Maine . . . and particularly honored to be asked to be your banquet speaker.

However, when I was asked to speak on the topic of "The Image of the Legion" to this particular audience, I had a very unusual reaction. As you now know from my introduction, I'm an old infantry, ranger, airborne soldier who served two combat tours in Vietnam . . . and I'm fearless. But it scares the hell out of me to get up and give this speech. Not because I don't enjoy talking about the image of The American Legion and normally feel well qualified to do so, but because you have one of the Legion's . . . perhaps the nation's . . . greatest image makers right here in Maine. Dan Lambert not only gets up and talks about image making, but he practices it to perfection day after day . . . year after year. And, as a result, the image of the Legion in Maine is outstanding. Therefore, that somewhat puts me in the position of talking to Moses and his people about a moral code right after Moses received the ten commandments from God.

I know first hand that the image of the Legion in Maine is outstanding because I not only know Dan Lambert quite well, but I read all of your publications and local newspaper clippings and have attended a recent Maine delegation breakfast with your Senators and Congressmen and past national commander Bill Rogers. Also, when I was asked by the legion magazine during the Washington Conference to get some pictures of a sharp, aggressive Vietnam veteran who would be representative of the leadership of the future for the legion, the first person I thought of was your NEC member, Tony Jordan. And Tony kindly obliged. He went out in cold, windy weather in front of our nation's capitol and posed for the pictures the magazine wanted.

Now that we have established that the image of the Legion in Maine is outstanding. I would like to talk about the image of the Legion as a whole . . . what it is . . . how it is developed . . . and what all of us can do about improving it.

Overall, the image of the Legion is very good. But it does vary from place to place and among various individuals and groups.

Before getting into some specifics of the image of the Legion, let's examine what we mean by the term "image" and how it is developed.

As you know from my introduction, I am the Deputy Director of Public Relations for the Legion . . . and I'm speaking about the image of the Legion; therefore, it naturally flows, that the two are closely related.

So that we're thinking along the same lines, I would like to give my definition of public relations. The reason for doing so is that if you ask five people for their definition of public relations, you will get five different answers. And, incidently, there even are different definitions among public relations practitioners.

Many people think public relations and publicity are synonymous. But publicity is just one of the facets of an overall public relations operation. Public relations includes much more.

Let us define public relations, as it pertains to The American Legion, as the planned effort to create understanding, favor and support for the Legion's programs and objectives among members, the media and the general public. In essence, the function of public relations is to build and maintain a positive image of The American Legion . . . it is "image making."

Public relations includes anticipating benefits for both the community and the Legion that might result from its various programs, getting support for these programs, planning them, publicizing them and evaluating them. The key element is that the programs serve the public interest.

If they do serve the public interest and are carried out properly, the Legion will

have a positive image. If not, the Legion will have a negative image.

Needless to say, the Legion wants a positive image. So, let's look at some of the things that are needed to attain a positive image.

As you are aware, every organization has a particular image. Whether it is the Legion, Congress or large business firms, that image is based on the character, the integrity and the total performance of the organization. It consists of every contact that the organization has with its various publics. It is a composite of:

The organization's history in dealing with people;

Internal attitude toward members;

External attitude toward community responsibility and involvement;

Press releases and other dealings with the media;

Publications for members;

Organizational logo;

Institutional advertising.

The familiarity ad reputation of its name is one of the greatest assets of any organization. The prominence of a name indicates success because a good reputation can rarely be won without true accomplishments. (Use some examples)

An organization's image determines the "climate" of receptivity toward all its messages—making them more or less effective than their intrinsic merit would warrant. In other words, people will respond favorably to what you have to say if you have a good image. They will respond negatively to the same message if you have a bad image. Therefore, it is essential that the Legion has a good image to accomplish its programs and objectives.

As I mentioned earlier, overall, the image of the Legion is very good. Keeping in mind that to have a good image, the organization must serve the public interest, let's look at a few points about the Legion.

The Legion is a service organization. Its members served their country during national emergencies. Now they serve their comrades who need help, and they serve their communities. They also continue to serve their country by advocating and supporting policies and programs that preserve America's independence and freedoms.

Thus the Legion meets the requirement of serving the public interest. It has been successful over the years in its service programs because the Legion has been able to maintain a large membership with many volunteers who raise money and accumulate resources for thousands of worthwhile projects.

However, the image of the Legion may vary somewhat from place to place and person to person. "The Amercian Legion" is a very large organization that means different things to different people, depending on the extent of contact they have had with the Legion—either personally or through the media. Some of that contact may be at the National or Department level, but most is at the Post or community level.

Depending on their personal experiences and what they read and hear about the Legion, people have different perceptions of The American Legion. To some the Legion is the nation's largest veterans organization dedicated to serving and protecting the rights of all veterans; to others it is noted for its numerous volunteer community efforts on various Americanism and Children and Youth programs. Unfortunately, to some it is primarily a social organization known for its "beer and bingo." The social aspects are not entirely negative, because they help to develop "camaraderie" and facilitate the planning and execution of the volunteer service programs and these should be emphasized.

Even though the overall image of the Legion is very good, there always is room for improvement. And maintaining a good image requires a continuous public relations effort.

And this brings us to the heart of the issue of improving the image of the Legion—who does it and how it is done.

Each one of the 2.6 million members of The American Legion is involved in public relations and thus in "image making." Everything an individual member, post, department or national headquarters does says something about the Legion to someone.

As each member talks to his friends and neighbors about the Legion and some of its activities, he or she is forming an image of the Legion in the mind of that person. As each member or person in a leadership position talks to a newspaper, radio or television reporter or editor, he or she is forming an image in the mind of that reporter or editor that will be relayed to hundreds, or perhaps thousands of people.

Therefore, it is important that each member know as much as possible about the Legion—what it stands for, what programs it is involved in and all of the good the Legion does for each community and for the entire nation. It is even more important for Legionnaires in leadership positions to be as informed as possible on Legion programs and policies because they must keep the membership up-to-date and, more likely than not, they will be the spokesmen for the Legion with the media.

There are a variety of publications available to help you keep informed about the Legion—its history, programs and current policies and activities.

Each member receives a copy of the American Legion magazine and each post receives a copy of the American Legion News Service, which in its current format using heavy gloss paper can be displayed at the post or included in the post or department newsletter or newspaper.

Also available are Advance, The Adjutant's Newsletter, Speakers Guide, and Fact Sheets containing information about the Legion programs and the Legion position on current issues. Each division also publishes a monthly or bimonthly newsletter that contains more detailed information about particular programs.

All of these help you keep informed so you can talk more intelligently about the Legion and help build that positive image that we all want.

I've mentioned how the individual members and leaders at local and department level can help build or maintain that positive image; now let's look at the image of the legion at the national level.

The image of the Legion at the national level really is a composite of what the national headquarters, the departments, the posts and the individual members do or say.

Both the national headquarters in Indianapolis and in Washington, D.C., have a very good image. Much of that is because the national staff contains many dedicated professionals who develop and execute sound programs at the national level and make the necessary information available to Legionnaires at all levels to enable them to develop and execute their programs at the local level.

The National Commander and the staff in Washington have helped develop a particularly favorable image with the White House, Congress, Department of State, Department of Defense, the Veterans Administration and other agencies. The National Commander meets on a regular basis with President Reagan and his security advisors, Secretary of State Schulz and his assistants, Secretary of Defense Weinberger and the service secretaries and chiefs of staff to keep abreast of late-developing world events. The dialogue with Harry Walters of the VA is a continuous one.

Representatives in the White House, Congress and various agencies have said on numerous occasions that they respect the opinions and seek the advice of The American Legion more than any other veterans organization because we research each issue thoroughly and present a sound, logical argument for our position on all issues. This, however, has at times been a disadvantage with the media because the loud, sharp attacks by some organizations provide more provocative quotations for the media and therefore they got more publicity at times than the legion. But, I'm not sure that type of publicity really provided the type of image those organizations would like to have.

Fortunately, the majority of the media provides responsible journalism and within the past year the Legion has been the organization sought out for its position on majority issues as budget cuts, care of the aging veteran and the plight of the Vietnam veterans.

Although the overall image of the Legion is very good, it could be much better. We do get our share of bad publicity when an individual or a post goofs up, but these are few and far between. Unfortunately, it seems that one bad incident wipes out 100 good accomplishments.

Therefore, we must strive to avoid the incidents . . . and more importantly keep informed about the Legion activities so we can tell our friends and neighbors and the media about all the good the Legion does.

Just remember that there are no overnight public relations miracles. Good public relations—"image building"—requires continuous effort.

Thank you.●

WAR IN AFGHANISTAN

● Mr. HUMPHREY. Mr. President, today I am placing in the RECORD the introduction from "A Report From Helsinki Watch, Tears, Blood and Cries." This report makes clear the abominable state of human rights today in Afghanistan. As part of an overall Soviet strategy, innocent civilians are being murdered on a mass scale, agricultural capacity and food stocks are being destroyed, and massive repression of thought, word, and deed is taking place.

Without the attention and support of the free world, starting with each one of us, the brave freedom fighters in Afghanistan will soon face the destruction of their heritage, their homes, and their lives.

I commend you to this introduction to "Tears, Blood and Cries," and to the full report, which I would be

happy to provide to any of my colleagues who would like to read it.

I ask consent to insert the following material in the RECORD.

The material follows:

A REPORT FROM HELSINKI WATCH, TEARS, BLOOD AND CRIES

I. INTRODUCTION

"A whole nation is dying. People should know." This terse, direct statement befitted the speaker—Engineer Mohammad Eshaq, a resistance leader from Afghanistan's Panjsher Valley, a man of strong convictions and determination. Yet his eyes clouded over with tears when he told us about the fate of two men from his ancestral village of Mata—brothers, aged 90 and 95. Old and blind, they stayed behind when the rest of the villagers fled during last spring's offensive: "The Russians came, tied dynamite to their backs and blew them up." He paused to collect himself, then added simply: "They were very respected people."

For five years now, in their remote, mountainous land in the center of Asia, the people of Afghanistan have been defending their independence, their culture and their very existence in a desperate battle with one of the world's great superpowers. Yet the inherent drama of such a confrontation does not appear to have captured the world's imagination. News from Afghanistan has been scarce.

There are many reasons for this. The Afghan government has officially closed its doors to most of the major world media and to international humanitarian organizations, and the information it releases is dictated by the needs of official propaganda. The Pakistan-based Afghan resistance Parties, on the other hand, are hardly objective sources of information and are often at odds with each other as well. Independent investigation requires entering the country illegally from Pakistan, trekking for weeks over forbidding terrain and braving the dangers of a war without fronts. The largest group of victims consists of uneducated people, immersed in their own traditions, with no idea of how to tell their story to a foreign world.

What little news we receive comes from a handful of intrepid scholars, doctors and journalists who have taken the risk of "going inside," usually under the aegis of one of the resistance groups. Their reports, covering a variety of aspects of the Afghan conflict, have included numerous accounts of atrocities and other human rights abuses since the Soviet invasion of December 1979.

In September 1984, we went to the Afghan border—to Peshawar in Pakistan's Northwest Frontier Province, and to Quetta in Baluchistan—to collect information about human rights violations in Afghanistan by interviewing some of the Afghan people who have sought refuge there. We had already interviewed Afghan refugees in the United States and Paris and had read extensively in preparation for our trip. Nothing, however, prepared us for what we were to see and experience in Peshawar.

The vast scale of the exodus—an estimated 4-5 million refugees in Pakistan and Iran, representing one quarter to one third of Afghanistan's prewar population—is immediately apparent in Peshawar, where the largest concentration of the more than 3 million Afghan refugees in Pakistan has settled. It is hard to imagine what Peshawar—always a colorful frontier town at the entrance to the Khyber Pass into Afghanistan—was like before this transfiguring, heartbreaking influx.

Everywhere there were Afghans, most of them Pashtuns who have the same language and appearance as the Pakistanis of the Northwest Frontier Province, but who are ill-suited to the passive life of the refugee. On the whole, they have not assimilated into Pakistani life. They are waiting—the women and children seeking food and shelter, the men seeking arms and support. Their goal is to return to Afghanistan, the only country they have known.

The refugees arrive in a steady procession. They come on foot over the mountains on journeys that often take a month or more. Their children and possessions are carried by horses, mules or camels; their caravans are helpless targets for Soviet bombers and helicopter gunships. They come from every province in Afghanistan, every walk of life. Some have settled in the refugee camps around Peshawar. Others, wounded by bombs, mines, shellfire or gunshots, are being treated in hospitals. Some have found homes and a purpose in Peshawar, working with one of the many Afghan political parties based there or with one of the relief organizations that are trying heroically to cope with the crisis. But most are just waiting, lost and unhappy, bewildered by the unexpected devastation of their lives and by what they have experienced.

We interviewed more than 100 Afghans representing a cross-section of Afghan society, old and young, men, women and children. We met with educated people from Kabul—professors, doctors, teachers, students, lawyers, former government officials—and with Afghanistan's leading poet in the Persian language, Ustad (master) Khalilullah Khalili. We spoke with villagers—farmers, shepherds, nomads—driven from their land. We visited hospitals where we met paraplegics and amputees, victims of anti-personnel mines left behind by retreating Soviet and Afghan forces or of the camouflaged plastic "butterfly" mines that are dropped from helicopters and intended to maim, not kill, the shepherd children and their flocks. We met with political leaders and resistance commanders, including the brother of the legendary Commander Ahmad Shah Massoud of the Panjsher Valley. We interviewed deserters—Soviet soldiers barely out of their teens, themselves victims of an unnecessary war. We even met a defector from the Afghan secret police, who described to us the inner workings of the KHAD (the Afghan secret police).

From our interviews, it soon became clear that just about every conceivable human rights violation is occurring in Afghanistan, and on an enormous scale. The crimes of indiscriminate warfare are combined with the worst excesses of unbridled state-sanctioned violence against civilians. The ruthless savagery in the countryside is matched by the subjection of a terrorized urban population to arbitrary arrest, torture, imprisonment and execution. Totalitarian controls are being imposed on institutions and the press. The universities and all other aspects of Afghan cultural life are being systematically "Sovietized."

It also became clear that Soviet personnel have been taking an increasingly active role in the Afghan government's oppression of its citizens. Soviet officers are not just serving as "advisors" to Afghan KHAD agents who administer torture—routinely and savagely—in detention centers and prisons; according to reports we received there are Soviets who participate directly in interrogation and torture. Moreover, the uncertain loyalties of the Afghans recruited into the army have apparently forced Soviet soldiers to take an aggressive military role. The Soviets have taken the lead in air and ground attacks on Afghan villages, looting, terrorizing and randomly killing Afghan civilians—including women and children—in a variety of unspeakable ways.

Just about every Afghan has a story to tell. Our interpreters, our guides, people we met accidentally, had personally experienced atrocities as great as those of the "victims" we interviewed. An Afghan doctor who had impressed us with his gentle kindness as he interpreted for us in a hospital for war victims had a sudden outburst as we were leaving. "What's the point of all this? People should know by now. There are no human rights in Afghanistan. They burn people easier than wood!" He went on to tell us that he had lost 42 members of his family under the present regime and had just learned that two had been burned alive a few weeks before.

Stopping one day on an impulse, we talked to a group of refugees camped by the side of the road, peasants who had arrived that morning from Ningrahar and Kunduz Provinces. The stories they told were stories that we were to hear over and over again: "The Russians bombed our village. Then the soldiers came. They killed women and children. They burned the wheat. They killed animals—cows, sheep, chickens. They took our food, put poison in the flour, stole our watches, jewelry and money." Two young women, encountered at random, had each lost five children in a recent attack. One of them, who had also lost her parents and sister, displayed the burns from bombings on the limbs of her remaining children, the three youngest, whom she had managed to take with her as she fled from her house when the troops arrived. "I don't know how the days become nights and the nights become days," she lamented, her eyes flashing in anger and desperation. "I've lost my five children. Russian soldiers do these things to me."

The strategy of the Soviets and the Afghan government has been to spread terror in the countryside so that villagers will either be afraid to assist the resistance fighters who depend on them for food and shelter or will be forced to leave. The hundreds of refugee families crossing the border daily are fleeing from this terror—from wanton slayings, reprisal killings and the indiscriminate destruction of their homes, crops and possessions. We were told of brutal acts of violence by Soviet and Afghan forces: civilians burned alive, dynamited, beheaded; bound men forced to lie down on the road to be crushed by Soviet tanks; grenades thrown into rooms where women and children have been told to wait.

While the terror has indeed desolated much of the countryside, it has failed to crush the resistance. None of the villagers with whom we spoke blamed the mujahedin for their troubles. How could they? The mujahedin are their husbands, sons, fathers, brothers. The resistance and the civilian population are inextricably entwined. "We need our people," a resistance commander told us. "But we are also responsible for them."

During our visit we received evidence indicating that the Soviet and Afghan governments are changing their strategy and now seem intent upon ending the exodus to Pakistan. Perhaps they are alarmed by the huge refugee population in Pakistan and the international attention it must inevita-

bly attract. Certainly they are concerned by the support that the resistance finds in Pakistan—a chance to rest, organize, rearm and reenter, sometimes with foreign press, for the Afghan resistance has grasped the importance of the press in enlisting public support. We received reports that refugees on their way to Pakistan have been arrested by the Afghan militia or the KHAD, who turn them back, herding them towards their devastated villages or to the cities, already swollen with more than a million internal refugees. Those who persist in the trek to Pakistan increasingly risk attacks by bombers or the dreaded helicopter gunships. Along the arduous mountain trails used by refugee caravans are many tattered flags flying over hastily dug mass graves. We also heard reports that Afghan citizens must now carry identity cards and obtain written permission to travel, and that the authorities are confiscating the homes of those believed to have gone to Pakistan. During our visit, the Afgan Air Force bombed the public market in a Pakistan border town, killing dozens of Afghan refugees and Pakistani civilians, one of an increasing number of such attacks, signaling that Pakistan is no longer a secure refuge.

This tightening of control over civilians remaining in the countryside mirrors the totality of the rule that has been established in the urban centers of Afghanistan. Professionals and academics have been killed, arrested, censored or dismissed. Most of the Afgan intelligentsia is either in prison or in exile. University curriculums require study of the Russian language, Russian history and Marxist-Leninist philosophy. Book publishing and the press are under strict censorship. Tens of thousands of Afghan youths are being sent, sometimes against their will, to study in the USSR. Children of nine and ten are being trained in Pioneer groups to inform on their parents and infiltrate the resistance. State-controlled agents and informers watch every office and classroom. It is estimated that tens of thousands of people are now in Afghan prisons where they have been brutally tortured and subjected to vile conditions.

We interviewed a 21-year-old student who had been released from Pol-e Charkhi Prison in Kabul just two weeks before. His eyes were bloodshot, his body tense, as he nervously fingered his "worry beads" telling us that if we mention his name in print his father and brothers in Kabul "will be finished." After his arrest for distributing "night letters" protesting the Soviet invasion, he was subjected to routine torture—hung by a belt until he almost strangled, beaten until his face was twice its normal size, his hands crushed under the leg of a chair. He described an overcrowded prison cell with no windows, crawling with lice and with only one pot for a toilet. Others told us about prison cells with one toilet serving 500 people. Still others described cells with no bathroom at all, in which prisoners were forced to defecate in the room. Former prisoners told us about electric shocks, nail pulling, lengthy periods of sleep deprivation, standing in cold water and other punishments. Many prisoners have been summarily executed.

Nor are women spared, a source of special torment to Afghan men as well, whose code of honor requires them to shelter and protect their women from the outside world. We heard of mothers who were forced to watch their infants being given electric shocks, and of Afghan men who were held in torture chambers where women were being sexually molested. A young woman who had been tortured in prison described how she and others had been forced to stand in water that had been treated with chemicals that made the skin come off their feet.

We could feel his pain as an Afghan refugee, a former civil engineer from Kabul, described three women who were in the same prison as he: "In the night, many times, we could hear them crying. We did not know why—probably they were tortured. We could hear them crying many times."

Many of the crimes already discussed are violations of the Geneva Conventions. There are others as well, such as the deliberate bombing of hospitals and the summary execution of prisoners of war. While we did not investigate persistent reports of chemical warfare and other illegal weapons, we encountered the belief that the Soviets, at least at the start of the Afghan conflict, may have used Afghanistan as a convenient testing site for banned or experimental weapons.

Given the outrageous policies and practices of the Afghan government and its Soviet allies, it is no wonder that they have refused to allow any form of international inspection. A request by Helsinki Watch to send an official fact-finding mission to Kabul has not been granted. The International Committee of the Red Cross, after two unsuccessful visits to Kabul, has been forced to operate medical facilities from outside Afghanistan, taking wounded refugees from the border to Red Cross hospitals in Pakistan. As of this writing, the Afghan and Soviet governments have not agreed to cooperate with the Special Rapporteur on Afghanistan appointed by the U.N. Human Rights Commission. Only a few carefully selected foreign journalists have been permitted to visit Kabul and their visits have been strictly limited and controlled by the Afghan government. In September Afghan and Soviet authorities served notice on Western journalists investigating the war when Soviet troops seized in ambush a French television reporter, Jacques Abouchar, who had entered Afganistan illegally from Quetta. Referring to those who have been entering Afghanistan from Pakistan, Vitaly S. Smirnov, the Soviet Ambassador to Pakistan, warned that "from now on, the bandits and the so-called journalists acompanying them will be killed. And our units in Afghanistan will help the Afghan forces to do it."

To close the mountains Pakistan-Afghanistan border, if not altogether impossible, will be a monumental undertaking. Yet the Soviets have embarked on this course, not only to prevent the flow of arms to the resistance, but to impose a blackout on news from Afghanistan.

Some of the crimes that they are so desperate to conceal are revealed in this report.

JERI LABER.
BARNETT RUBIN.
DECEMBER 1984.●

COSPONSORING S. 237, S. 238, AND S. 239

● Mr. D'AMATO. Mr. President, once again I am pleased to be an original cosponsor of three important bills strengthening our criminal justice system.

S. 237 provides for a reasonable, good faith exception to the exclusionary rule in line with recent Supreme Court decisions. S. 238 abolishes some of the worst abuses of the habeas corpus process for reviewing State court criminal convictions. S. 239 establishes constitutional procedures for the imposition of capital punishment.

EXCLUSIONARY RULE

The greatest benefit of S. 237 will be seen in the area of drug law enforcement and violent crime. A 1982 Justice Department study of the exclusionary rule in California shows that prosecutors rejected approximately 30 percent of all felony drug arrests because of exclusionary rule problems. In its 1983 Report to the Nation on Crime and Justice, the Justice Department states that 45,000 to 55,000 serious criminal cases were dropped because of problems with the exclusionary rule.

S. 237 provides a new rule to determine whether evidence obtained as a result of a search and seizure could be considered in a criminal case. Under this bill, if such evidence is otherwise admissible, it can no longer be excluded if the search and seizure was undertaken in a reasonable and good faith belief that it conformed to the requirements of the fourth amendment.

S. 237 provides, in general, that a showing that evidence was obtained pursuant to and within the scope of a warrant is prima facie evidence of the necessary reasonable good faith belief. The only exception is if the warrant is obtained through intentional and material misrepresentation. These provisions enact into statute law last year's Supreme Court decision in United States versus Leon, and extend the new rule to warrantless searches.

I commend the Senate Judiciary Committee for its review of 70 years of experience with the exclusionary rule. The committee is right to point out that this rule is not constitutionally required. It is a court-made rule that Congress is well within its authority to change. The committee has been careful to draft a bill that not only abolishes the worst abuses of the exclusionary rule, but also ensures that the rule will continue to exclude evidence seized illegally and without justification.

HABEAS CORPUS

The time has come to reform the law of habeas corpus. We must ensure that this important right fulfills its constitutional purpose of preventing the miscarriage of justice without frustrating justice.

Since the 1953 Supreme Court decision in Brown versus Allen, habeas corpus has been made routinely available in tens of thousands of cases never envisioned by the framers of the Constitution. At the time the Constitution was adopted, the writ of habeas corpus was used only to obtain an initial judicial determination on the lawfulness of detention. It could not be

used, as it usually is today, by convicted criminals seeking additional Federal court reviews of final State court criminal convictions.

This dramatic departure from the original intent of the drafters of the Constitution has produced a serious overloading of court dockets. In 1981, 7,790 applications for habeas corpus were filed in the Federal courts by State prisoners. By 1983, that number had grown to 8,532.

The only thing to commend the vast majority of these cases, to quote Judge Learned Hand, "is the hardihood in supposing they could possibly succeed." The Justice Department reports that only 3 percent of these cases do result in relief of any kind.

To ease some of the burden these cases impose on our criminal justice system, S. 238 imposes a 1-year statute of limitations that would run from the time of the exhaustion of State remedies.

This bill prevents the use of habeas corpus with respect to matters that have been fully and fairly adjudicated in State courts. The benefit of this new provision is that, by enhancing the finality of State criminal adjudications, it will avoid duplication of judicial effort concerning claims that have already been fully and adequately considered.

To discourage frivolous petitions, S. 238 provides that such petitions submitted prior to the exhaustion of State remedies could be denied on the merits by Federal courts. Consideration of claims not raised at the State court level could also be barred so long as the State has already provided an opportunity to review those claims consistent with Federal law. These proposed amendments make similar changes in the law governing applications by Federal prisoners.

The reasons for supporting this legislation were well-stated by the Conference of Chief Judges in 1983. It would be, the judges said:

> A much needed step in restoring public confidence in the fairness and effectiveness of criminal adjudications and, thus, in respect for the criminal law.

I join in the judge's statement that:

> After an effort that has extended over more than a quarter of a century we are hopeful that Congress is at last in a position to enact these important reforms.

CAPITAL PUNISHMENT

The third part of the Judiciary Committee's anticrime package is S. 239, a bill to establish a constitutional procedure for the imposition of capital punishment. This procedure is required by a series of Supreme Court cases starting with Furman versus Georgia in 1972. It is important to note that these cases never said that the death penalty itself is unconstitutional. They merely require legislative guidance before the death penalty can be imposed. S. 239 satisfies this requirement.

This bill authorizes the death penalty for four capital offenses: treason, espionage, offenses resulting in the death of another person, and the attempt to assassinate the President that either injures the President or comes dangerously close to killing the President.

This bill establishes a three-stage process. First, the Government, before the trial, must notify the defendant and the court that it intends to seek the death penalty and must set forth those aggravating factors that justify a sentence of death. Second, at the trial there must be one stage where the judge or jury can consider only the issue of guilt or innocence. Third, at a second stage in the trial, there must be a separate hearing on the question of whether the death penalty should be imposed. This hearing will normally be before the same jury that sat for the trial, or, if both parties agree, before the judge.

The key to this process is the statute's list of aggravating or mitigating factors. The mitigating factors include whether the defendant is less than 18 years old, is subject to serious mental problems or pressures, had a limited involvement in the crime, or was under duress. Aggravating factors will vary depending on the offense. For example, aggravating factors in cases involving murder include: repeated serious violent crimes by the defendant and commission of the offense in an especially heinous, cruel, or depraved manner, or for hire.

One of four threshold circumstances must be proven to exist in homicide cases. The bill provides that the jury must find that the defendant one, intentionally killed the victim; two, intentionally inflicted serious bodily injury that resulted in the death of the victim; three, intentionally participated in an act that he knew, or reasonably should have known, would create a grave risk of death to a person, other than one of the participants in the offense, and the victim died as a direct result of the act; or four, if the offense is an attempt to kill the President, the defendant engaged in conduct that resulted in bodily injury to the President or otherwise came dangerously close to causing the death of the President.

If the jury determines that at least one of these factors exists, it must determine by unanimous verdict, in light of all the evidence, whether the aggravating factors found to exist sufficiently outweigh any mitigating factors, or in the absence of any mitigating factors, whether the aggravating factors are sufficient to justify a sentence of death.

The defendant shall have a right to appeal the sentence of death and this review shall have priority over all other cases. In order to affirm the sentence, the appellate court must determine that the sentence of death was not imposed under the influence of passion, prejudice, or other arbitrary factors.

Mr. President, I have taken the time to set forth these details because we must never impose the death sentence lightly. The Constitution requires no less.

However, there are three arguments in favor of the death penalty that do justify its imposition. The first of these is retribution. People who commit capital offenses forfeit their right to life. As a matter of self-preservation, society has the right to impose the death penalty on those who commit the most heinous and intolerable crimes, those that actually threaten the foundations of society itself. As Senator McClellan said 10 years ago:

> What other punishment is "just" for a man, found to be sane, who would stab, strangle, and mutilate eight student nurses?
>
> What other punishment is "just" for a man who would invade the home of members of a rival religious sect and shoot to death men, women, and children, after forcing a mother to watch as her three young children were drowned before her eyes?
>
> What other punishment is "just" for a band of social misfits who would invade the homes of people they had never met and hack to death a woman 8½ months pregnant and her guests?

The second argument in favor of the death penalty is that it deters murder and other capital offenses. Although people will probably debate this point forever, the Supreme Court has said in Gregg versus Georgia, "there are carefully contemplated murders—such as murder for hire—where the penalty of death may well enter into a cold calculus" preceding the decision to act.

Finally, there are cases when the penalty of life imprisonment is simply inadequate because there is always the possibility that a particularly dangerous murderer will escape, or kill again in prison.

Murder today is up dramatically from the days before the death penalty laws were struck down. More than 19,000 murders are committed in this country every year.

I would like to use this opportunity to call on the legislature of my own State of New York to join the 37 States that have enacted legislation providing for capital punishment while satisfying the constitutional requirements set forth by the Supreme Court.

Each of these bills has been carefully drafted to ensure its constitutionality. Each is necessary to ensure that our criminal justice system operates more effectively to defend society against violent, career criminals.

Although each of these bills received the overwhelming bipartisan approval

of the Senate in the last Congress, the House of Representatives was not given the opportunity to vote on any of them.

I urge my colleagues in the Senate to approve these efforts as decisively this year, and to work to persuade the House leadership to submit them to the full House for a vote. If such votes are permitted, I am confident that these bills can become law in the present Congress.

Thank you, Mr. President.●

SENATOR MELCHER'S WELL DESERVED SOIL CONSERVATION AWARD

● Mr. BAUCUS. Mr. President, my senior colleague from Montana, Senator JOHN MELCHER, is receiving a well deserved reward today from the National Association of Conservation Districts. The NACD, at its 39th annual awards program, is presenting Senator MELCHER its distinguished service award for his outstanding contributions to soil conservation in this country.

From firsthand knowledge, I know JOHN MELCHER to be one of this Nation's staunchest supporters of American farmers and their right to a fair return for their efforts to provide consumers with a low cost, high nutritional food supply. His efforts are both legion and legendary.

The Nation's farmers and the soil they till are both dear to JOHN MELCHER; he realizes that we must protect both if we are to continue to enjoy an abundant food supply for generations to come. In order to do that, we must protect our soil now. To that end, Senator MELCHER has pledged and dedicated his energies.

It was his tenacious and sustained efforts that kept legislation before the U.S. Senate last year that would curtail sodbusting—the practice of plowing up fragile soil to plant crops. It's a practice that creates barrenness and dust bowl conditions, not one that returns healthy crops from good stewards of our soil.

Senator MELCHER's bill was designed to deny Government benefits to farmers who insist on taking fragile soil and planting it. The bill didn't prohibit them from doing so, but it prohibited them from gaining any Government support if they went ahead and plowed it up. "We're not telling any farmer he cannot cultivate a crop on his own fragile land," he explained at the time. "What we are saying is he can't do it and expect Federal farm program benefits."

And that's a fair approach and typical of how my colleague from Montana works.

Some years ago, one of our State's major newspapers had this to say about Senator MELCHER: "Montana's senior Senator is refreshingly frank. He's not only frank, [he] is also tenacious and sometimes even stubborn. The tenacious strain in MELCHER's nature may be one of the key factors in the American farmer eventually getting on a sound footing."

Yes, JOHN MELCHER does have a stubborn streak in him, and farmers and ranchers throughout our land can be thankful he does. Too often, those of us who represent rural America feel overwhelmed by our urban counterparts who don't seem to understand the importance of keeping farmers in business. It takes a stubborn man to keep up the pressure when something is as important as agriculture policy and practice.

I know that when debate begins again on new farm legislation, JOHN will be there, hanging tough on the issues that mean most to him and to America's heartland.

One of those issues is soil conservation. I can almost guarantee that he will be there with facts and figures to support his opinion that our soil—the Earth from which we get our food—is too precious to neglect.

The NACD has chosen well by naming Senator JOHN MELCHER as its 1985 recipient of their distinguished service award. He joins an equally distinguished roster or past recipients: Senator John Culver of Iowa, Jennings Randolph of West Virginia, and Herman Talmadge of Georgia; Congressmen W.R. Bob Poage of Texas and JAMIE WHITTEN of Mississippi.

Their names loom large on the horizon of this Nation's farming sector and will live long in the annals of U.S. agricultural history.●

WRONG SIDE UP

● Mr. ARMSTRONG. Mr. President, recently my friend George Engelter shared with me a book about his native State of North Dakota. One of the most interesting episodes in this history is a chapter entitled, "Wrong Side Up."

I urge my colleagues to take a moment to read why a Sioux Indian told John Christiansen that it was a mistake to plow the land * * * a mistake to turn the land "wrong side up."

It is the fascinating account of what happened when settlers entered New Salem, North Dakota, made the mistake of plowing the land better left for grazing and how they rectified the error a few years later.

It all happened 100 years ago, Mr. President. But even now some ill-informed farmers are plowing land that is unsuited to cultivation and the worst of it is that the Federal Government actually subsidizes this antisocial activity by offering crop subsidies. Hopefully, before this year is over, Congress will enact the long delayed sodbuster legislation which will withdraw Federal crop support for commodities grown on newly plowed fragile grasslands.

Mr. President, as my colleagues consider this crucial conservation issue, I hope they will take a few minutes to read how the residents of New Salem, ND, learned wise conservation practices a century ago. I ask that the chapter entitled "Wrong Side Up" be printed in the RECORD.

The material follows:

"WRONG SIDE UP"

A boulder on the south side of Highway 10 east of New Salem bears a bronze plate inscribed:

"Wrong Side Up. These words were spoken to John Christiansen on this spot in the spring of 1883 by a Sioux Indian: John was plowing under the prairie grass. Pondering this phrase made New Salem a successful dairy center."

When he was nineteen, John came from Schleswig-Holstein aboard a freight ship transporting hogs and cattle. "I can smell them stinkin' pigs and steers yet," he recalled when he was 88 and interviewed by the author of this book. He landed in Boston, took a train for St. Louis, Missouri. "But one month in that sweatin' country was plenty for me."

So John went north to Ripon, Wisconsin, and worked on a farm for $14 a month during the growing season. "In winter you was lucky you could get a place to work for your board."

He yearned for a farm of his own, but he realized he would never be able to purchase one with his meager earnings. Wisconsin farm land was then selling at $40 and $50 an acre.

Then he heard that the German Evangelical Church in Chicago was organizing a company of German immigrants to settle a colony in western Dakota Territory. John joined, paying the membership fee of $20 which entitled him to a lot in the proposed town of New Salem and the opportunity to homestead among kindred people.

The colonists, their families and all personal belongings crowded into half a dozen immigrant cars. No Pullman accommodations these, the travelers slept on double bunks of planks.

John, the youngest of the colonists, rode in a freight car with his team of horses, his wagon, hay and oats, food for himself, and property belongings to three friends. At Jamestown, when the train stopped, he bought a breaking plow from a farmer, and tied it to the top of his box car. He arrived in Mandan on April 4, 1883, and continued ahead of the immigrant cars scheduled to arrive a day later.

John's freight train came to a stop at "New Salem"— a town planned and platted by men in Chicago and existing only in the dreams and hopes of its future citizens, a town now of grass greening and pasque flowers lifting lavender cups to the spring sun.

On planks laid across to a cutbank, John led his horses from the car. The train then moved a short distance ahead and dumped the contents of John's car haphazardly on both sides of the track. In a matter of minutes the locomotive wheezed off toward the sun setting beyond the purpling hills.

John and his horses proceeded to the scattered belongings. It was cold. Snow still lay in large drifts in the coulees. Dark clouds came "over the hill where the schoolhouse now stands."

He tied his horses to loose wagon wheels. Darkness settled as he searched in vain for his tent. He sat down at last in a huddle of boxes to find shelter from the chill wind. As he considered that he was alone in the land of the Dakota Indian, he was startled by a staccato of dimsal howls sounding close by.

Recalling tales of the ferocious wolves of Europe, John shuddered and dared not fall asleep. At dawn the immigrant train arrived with the citizens of New Salem. It stopped beside John long enough for his three friends to get off, then steamed ahead to the next siding several miles distant where the immigrant cars were left for an entire day while the NP crew men constructed the New Salem siding.

This done, the immigrant cars were brought back to the new siding and here served as living quarters while the settlers built Immigrant House, 30 by 40 feet. Into this three-room dwelling, everybody moved and soon discovered other new colonists had also come to the prairie. Bedbugs from Minnesota lumber camps had stowed away on the pine boards and timbers.

The colonists next worked together to build a barn for their pastor, the Reverend Henry Gyr. The hayloft served as the clergyman's personal quarters, the first floor sheltered his five horses and one cow. "But the bedbugs, they lived on both floors."

And when, that same year, the first New Salem church was built, the colonists discovered that the imports from Minnesota woods were no heathen tribe, but faithful in observing the Sabbath. "We could see them crawling across the ceiling, coming down the walls."

During the first summer, the colonists scattered about on homesteads, erecting small frame shanties, and the industrious housewives vanquished the bedbugs.

Then a new problem faced the settlers. Water. They found no spring, nor running stream in the vicinity. So with spades the men dug a well 8 feet across and 40 feet deep which gave them a good supply of water.

Meanwhile, John got busy with his breaking plow, turning an acre of sod on each of about fifteen claims. He had the only plow, and earned $5 an acre for his work.

While thus engaged on his own homestead, he saw a strange small caravan coming down the old Keogh Trail. Two Indian families came, transporting their goods by travois.

John had never seen Indians before. When the two Indian fathers approached, John eyed them warily. Then to his surprise, one man said, "How, John!"

Why, this Indian knew his name! John became so excited by this that he answered, "How, John!" to the Indian. He did not know then that *John* was a customary form of address when an Indian spoke to a white man.

Slowly, with deliberation, the Indian man stooped and began to turn the sod back into its furrow, patting it carefuly into its original place and saying something over and over again in his own language. An Indian boy of about fifteen who had joined the group now translated for John, "He say, 'Wrong side up, wrong side up!' "

The New Salem settlers planted grain upon the acres of prairie turned wrong side up, and seven years of lean followed. Many settlers left in discouragement, and John often thought of what the Indian had said.

Perhaps he was wise, that Indian who knew nothing about white man's farming. Surely, though, he who had roamed the prairie all his life must know the land better than did the immigrant homesteaders.

There was a good crop the eighth year, but other lean years followed. Then the people of New Salem, hearkening to the words of the Indian, considered the grassy hills where the sod still lay right side up, and brought dairy cattle to graze there instead of turning more sod wrong side up. And a new prosperity followed which made New Salem one of the leading dairy centers of North Dakota.●

ORDER OF BUSINESS

Mr. MATSUNAGA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 8:30 P.M.

Mr. DOLE. Mr. President, in accordance with the previous order, I move that the Senate stand in recess until 8:30 p.m. today.

The motion was agreed to, and at 6:28 p.m., the Senate recessed until 8:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. DENTON].

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, following the State of the Union Address, it stand in recess until 12 noon on Thursday, February 7, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS PROXMIRE AND BOREN ON TOMORROW

Mr. DOLE. Mr. President, I ask unanimous consent that following the recognition of the two leaders tomorrow under the standing order, there be special orders in favor of the following Senators, for not to exceed 15 minutes each: the distinguished Senator from Wisconsin [Mr. PROXMIRE] and the distinguished Senator from Oklahoma [Mr. BOREN].

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS TOMORROW

Mr. DOLE. Mr. President, I ask unanimous consent that following the special orders on tomorrow, there be a period for morning business, not to extend beyond 1 p.m., with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOLE. Mr. President, following morning business tomorrow, it will be the intention of the leadership to turn to any executive or legislative items cleared for action—possibly the nomination of Lee M. Thomas to be Administrator of the Environmental Protection Agency. It is possible there might be a rollcall vote on that nomination.

ADJOURNMENT UNTIL FEBRUARY 18, 1985

Mr. DOLE. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

S. CON. RES. 12

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Thursday, February 7, 1985, or Friday, February 8, 1985, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand adjourned until 12 o'clock meridian on Monday, February 18, 1985, and that when the House of Representatives adjourns on Thursday, February 7, 1985, it stand adjourned until 12 o'clock meridian on Tuesday, February 19, 1985, or until 12 o'clock meridian on the second day after their respective Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and Senate, respectively, to reassemble whenever in their opinion the public interest shall warrant it.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

JOINT SESSION OF THE TWO HOUSES TO HEAR AN ADDRESS BY THE PRESIDENT OF THE UNITED STATES

Mr. DOLE. Mr. President, I ask unanimous consent that the President of the Senate be authorized to appoint a committee on the part of the Senate to join with a like committee on the part of the House of Representatives

to escort the President of the United States into the House Chamber at the joint session to receive an address on the State of the Union.

The PRESIDING OFFICER. Without objection, it is so ordered.

READING OF WASHINGTON'S FAREWELL ADDRESS

Mr. DOLE. Mr. President, I ask unanimous consent that notwithstanding the resolution of the Senate of January 24, 1901, on Monday, February 18, 1985, immediately following the prayer and the disposition of the Journal, the traditional reading of the Washington's Farewell Address take place and that the Chair be authorized to appoint a Senator to perform this task.

The PRESIDING OFFICER. Without objection, it is so ordered. Pursuant to the order just granted, the Chair appoints the Senator from Florida [Mrs. HAWKINS] to read the address.

JOINT SESSION OF THE TWO HOUSES—ADDRESS BY THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-25)

The PRESIDING OFFICER. Under the previous order, the hour of 8:40 p.m. having arrived, the Senators will proceed to the Hall of the House of Representatives for the joint session; and upon the conclusion of the joint session, the Senate will stand in recess until tomorrow.

Thereupon, at 8:40 p.m., the Senators, preceded by the Sergeant at Arms, Larry E. Smith; the Secretary of the Senate, Jo-Anne L. Coe; the Vice President; and the President pro tempore [Mr. THURMOND] proceeded to the Hall of the House of Representatives to hear the address by the President of the United States, Ronald Reagan.

(The address delivered by the President of the United States to the joint session of the two Houses of Congress is printed in the proceedings of the House of Representatives in today's RECORD.)

RECESS

At the conclusion of the joint session of the two Houses, and in accordance with the order previously entered, at 9:43 p.m. the Senate recessed until tomorrow, Thursday, February 7, 1985, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 6, 1985:

DEPARTMENT OF EDUCATION

William J. Bennett, of North Carolina, to be Secretary of Education.

DEPARTMENT OF ENERGY

John S. Herrington, of California, to be Secretary of Energy.

DEPARTMENT OF THE INTERIOR

Donald P. Hodel, of Virginia, to be Secretary of the Interior.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

EXTENSIONS OF REMARKS

A REALISTIC PERSPECTIVE ON THE STRATEGIC DEFENSE INITIATIVE FROM MESSRS. BRZEZINSKI, JASTROW, AND KAMPELMAN

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mrs. LLOYD. Mr. Speaker, Dr. Zbigniew Brzezinski, the former National Security Adviser to President Carter, Dr. Robert Jastrow, founder of the Goddard Institute for Space Studies, and Max M. Kampelman, the recently designated head of the U.S. delegation to the arms control talks with the U.S.S.R., wrote a joint article "Defense in Space Is Not 'Star Wars'" which appeared in the New York Times Magazine on January 27, 1985. This comprehensive article calls for a more rational debate on the strategic defense initiative [SDI], places SDI in the context of realistic technical expectations, and outlines its true value for not only arms control but genuine nuclear weapons reduction. As I noted in an earlier entry, there is a great need for a rational debate on this issue (CONGRESSIONAL RECORD, "Star Wars and ASAT: the Need for a Reasoned Debate," E3176-77). The following are excerpts from this most important article provided in the framework of a series of entries which I have made in the CONGRESSIONAL RECORD on the SDI from an arms control perspective.

Faith moves mountains. When it is in eternal religious values, faith is an indispensable strength of the human spirit. When it is directed toward political choices, it is often an excuse for an analytic paralysis.

Regrettably, our national debate over President Reagan's suggestion that the country develop a strategic defense against a Soviet nuclear attack is taking on a theological dimension that has no place in a realistic search for a path out of the world's dilemma. The idea of basing our security on the ability to defend ourselves deserves serious consideration. Certainly, the role of strategic defense was a major issue in the recent dialogue in Geneva between United States Secretary of State George P. Shultz and Soviet Foreign Minister Andrei A. Gromyko on new arms-control negotiations.

The authors first underline the uncertainty of continuing to operate under the premises of offensively oriented mutually assured destruction [MAD].

For many years, our search for security has been restricted to designing offensive weapons to deter aggression through fear of reprisals. We must not abandon unclear deterrence until we are convinced that a better means is at hand. But we cannot deny that, for both the Soviet Union and the United States, the costs, insecurities and tensions surrounding this search for newer, more effective and more accurate nuclear missiles produce a profound unease that in itself undermines stability.

The conventional view is that stability in the nuclear age is based on two contradictory pursuits: the acquisition of increasingly efficient nuclear weapons and the negotiation of limits and reductions in such weapons. The United States is diligently pursuing both objectives, but the complexity of arriving at effectual arms-control agreements is becoming apparent as more precise and mobile weapons, with multiple warheads, appear on both sides. Unlike ours, moreover, many Soviet missile silos are reloadable, and thus the number of silos does not indicate the number of missiles, further complicating verification.

They point out that the Soviet strategic forces are overwhelmingly first-strike in nature.

We must never ignore the reality that the overwhelming majority of the Soviet strategic forces is composed of primarily first-strike weaponry. And given the large numbers of first-strike Soviet SS-17, -18 and -19 land-based missiles, no responsible American leader can make decisions about security needs without acknowledging that a Soviet first strike can become a practical option.

The Russians could strike us first by firing the reloadable portion of their nuclear arsenal at our missiles, the Strategic Air Command and nuclear submarine bases, and if the surviving American forces (essentially nuclear submarines) were to respond, the Russians could immediately counter by attacking our cities with missiles from nonreloadable silos and, a few hours later, with whatever of their first-strike reloadable weapons had survived our counterattack. They are set up for launching three salvos to our one.

The authors underline the major issues in strategic defense raised by the SDI.

The result is that weapons technology is shaping an increasingly precarious American-Soviet strategic relationship. For this reason, we urge serious consideration be given to whether some form of Strategic Defense Initiative (S.D.I.) might not be stabilizing, enhancing to deterrence and even helpful to arms control. To that end, we address the major issues in strategic defense from three points of view:

(1) The technical: Is a defense against missiles technically and budgetarily feasible?

(2) The strategic: Is a defense against missiles strategically desirable, Does it enhance or diminish stability? Does it enhance or diminish the prospects for arms control and a nuclear-weapons build-down?

(3) The political: What are the political implications of strategic defense for our own country and for our relations with our allies? What are the implications for the larger dimensions of our relationship with the Soviet Union? How do we seek the needed domestic consensus on a viable strategy?

They outline the present status and dynamics of missile defense technologies.

A great deal has been written about the state of missile-defense technology. Some experts say the technology sought is unattainable, others that it is merely unattainable in this generation. Yet the promise of the Strategic Defense Initiative is real. Some of the technologies are mature and unexotic. Their deployment around the end of this decade would involve mainly engineering development. Technically, these vital defenses could be in place at this moment were it not for the constraints accepted by the United States in its adherence to the antiballistic missile treaty of 1972.

With development and some additional research, we can now construct and deploy a two-layer or double-screen defense, which can be in place by the early 1990's at a cost we estimate to be somewhere in the neighborhood of $60 billion. A conservative estimate of the effectiveness of each layer would be 70 percent. The combined effectiveness of the two layers would be over 90 percent: Less than one Soviet warhead in 10 would reach its target—more than sufficient to discourage Soviet leaders from any thought of achieving a successful first strike.

The following section emphasizes the principal features of a realistic, intermediate-term SDI with no mid-course defensive layer, including estimated costs of a two-layered systems deployment.

The first layer in the two-layer defense system—the "boost-phase" defense—would go into effect as a Soviet first-strike missile, or "booster," carrying multiple warheads rises above the atmosphere at the beginning of its trajectory. This boost-phase defense—based on interception and destruction by nonnuclear projectiles—would depend on satellites for the surveillance of the Soviet missile field and the tracking of missiles as they rise from their silos. These operations could only be carried out from space platforms orbiting over the Soviet Union. Because they are weightless in orbit, such platforms could be protected against attack by heavy armor, onboard weapons and maneuverability.

After the booster has burned out and fallen away, the warheads arc through space on their way to the United States. The second layer of the defense—the terminal defense—comes into play as the warheads descend. Interception would be at considerable altitude, above the atmosphere if possible. This second phase requires further engineering, already under way, because interception above the atmosphere makes it difficult to discriminate between real warheads and decoys. In the interim, interception can take place in the atmosphere, where differences in air drag separate warheads from decoys. In either event, destruction of the warheads would take place at sufficiently high altitudes, above 100,000 feet, so that there would be no ground damage from warheads designed to

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

explode when approached by an intercepting missile.

Of the two layers in the defense, the boost phase is by far the most important. It would prevent the Russians from concentrating their warheads on such high-priority targets as the national-command authority (the chain of command, beginning with the President, for ordering a nuclear strike), key intercontinental-ballistic missile silos or the Trident submarine pens, because they could not predict which booster and which warheads would escape destruction and get through. . . .

The boost-phase defense has still another advantage. It could effectively contend with the menace of the Soviet SS-18's, monster missiles twice the size of the 97.5-ton MX. Each SS-18 carries 10 warheads, but probably could be loaded with up to 30. The Russians could thus add thousands of ICBM warheads to their arsenal at relatively modest cost. With numbers like that, the costs favor the Russians. But a boost-phase defense can eliminate all a missile's warheads at one time—an effective response to the SS-18 problem. . . .

We estimate that the cost of establishing such a boost-phase defense by the early 1990's would be roughly $45 billion. That price tag includes 100 satellites, each holding 150 interceptors—sufficient to counter a mass Soviet attack from all their 1,400 silos; plus four geosynchronous satellites and 10 low-altitude satellites dedicated to surveillance and tracking; plus the cost of facilities for ground-control communications and battle management. . . .

Anyone who has read the recent debate on SDI and the upcoming arms control talks will appreciate the authors' discussion of the psychological barriers to consideration of alternative.

The authors incisively cite the increasing stakes for the United States in having to maintain a MAD posture and the uncertainly of achieving real arms control progress under this doctrine.

This is why there is currently such an emphasis on maintaining peace via the doctrine of deterrence based on mutual assured destruction, called MAD. But what does this mean in an age when weapons are becoming incredibly precise, mobile and difficult to count? In the absence of a miraculous breakthrough in arms control, the only possible protection within the framework of the deterrence approach is to stockpile more offensive systems. That is in part what we are doing. But how many of such systems will be needed in the likely condition of the next decade? If Soviet strategic forces continue to grow both quantitatively and qualitatively, our country will have to deploy, at enormous cost, probably no fewer than 1,500 to 2,000 mobile Midgetmen to preserve deterrance. How will they be deployed? Where? And at what cost? And will the Soviet Union and the United States be more or less secure with the deployment of such precise weaponry capable of effective preemption? The Soviet answer is clear: The Russians are busy enhancing the survivability of their leadership and of their key facilities by hardening, dispersal and deception.

The authors call for a new strategy of Mutual Security is virtually identical to the carefully assured defense [CAD] strategy, which I described in my RECORD entry "The Much Needed Strategic Transition: From Mutually Assured Destruction [MAD] to Carefully Assured Defense [CAD]" (E4337-39).

This second traditional alternative, mutual assured destruction, cannot be an acceptable, long-run option, although it is a necessary policy in the absence of an alternative, given the dynamics of weapons technology. Thus, a new third option, the Strategy of Mutual Security, must be explored as preferable. The combination of defense against space missiles with retaliatory offense in reserve enhances deterrence.

And it does not compromise stability, even if only the United States were initially to have such a strategic defense. The deployment of the systems described above would not give us absolute protection from Soviet retaliation against a possible first strike by us, a reasonable though misplaced Soviet concern. Furthermore, the Russians know we are not deploying first-strike counterforce systems in sufficient numbers to make a first strike by us feasible. In any case, one can be quite certain that the Russians will also be moving to acquire an enhanced strategic defense, even if they do not accept President Reagan's offer to share ours. Indeed, they are doing so now and have been for some time.

They suggest an avenue to ratcheting down offensive forces through incremental SDI deployment as Dr. Alvin Weinberg has also suggested (see CONGRESSIONAL RECORD entry "The SDI and Gradual Build Down: a Modest Proposal for Rational Arms Control." (E4425-27).

As our strategic space-defense initiative expands incrementally, it should be realistically possible to scale down our offensive forces. Such a transition, first of the United States and eventually of the Soviet Union, into a genuinely defensive posture, with neither side posing a first-strike threat to the other, would not only be stabilizing but it would also be most helpful to the pursuit of more far-reaching arms-control agreements. Strategic defense would compensate for the inevitable difficulties of verification and for the absence of genuine trust by permitting some risk-taking in such agreements. This is another reason why strategic defense should not be traded in the forthcoming negotiations in return for promises that can be broken at any time.

An excellent summary of the status of the present Soviet anti-ballistic missile [ABM] capability and a history of the oscillating U.S.S.R. positions on ABM is also included.

The three authors follow with the excellent point that too much of the SDI debate has focused on criticisms of the relative probability of achieving a leakproof defense to protect cities without recognizing the deterrent quality of slightly leaky but, nevertheless, effective multitiered system.

They emphasize the refreshing opportunity which SDI presents to replace MAD by mutually assured survival and remind us of the clear responsibilities of the Executive to seek alternatives.

Arms control has been said to be at a dead end, and the stalemate has reflected an impasse in thought and in conception. Our present policy requires both us and the Soviet Union to rely on a theory of mutual annihilation based on a strategic balance of offensive weapons. The American approach has been to depend on deterrence alone and not on defending ourselves from Soviet offensive weapons, while the Russians have made it clear by their actions that they intend to defend themselves against our missiles. In any event, what is clear is that mankind must find ways of lifting itself out of this balance of terror. Mutual assured destruction must be replaced by mutual assured survival. Our safety cannot depend on our having no defense against missiles. The proper role of government is to protect the country from aggression, not merely avenge it. It is astounding that a President should be faulted for seeking a formula and an approach that will protect us from the continual threats and terrors coming from the volatile vagaries of adventurism and miscalculation.

Even if a perfect defense of our population should be impossible to achieve—and none of us can be certain of that—the leaders of our Government have a responsibility to seek defense alternatives designed to complicate and frustrate aggression by our adversaries. The very injection of doubt into their calculations strengthens the prospect of hesitation and deterrence. It may not be possible to destroy the world's ballistic missiles, but if we can return them to the status of a retaliatory deterrent rather than a preemptive strike we will have reduced the need for the existing large arsenal and thereby the threat of war.

The authors also place the SDI in the context of NATO-related issues.

They conclude with their view of the prospects for and benefits of systems deployment.

The concerns [about NATO] may be understandable, but will diminish with time and discussion. First of all, President Reagan's call for strategic defense brought the Russians back to the Geneva negotiating table. More important, however, it will become increasingly evident to our friends, as some of the confusion about the technology dissipates, that the ability of the United States to protect its missiles immeasurably strengthens our power to deter and thereby serves to protect our allies. Indeed, such a system is expected to be at least as effective against the SS-20's aimed at western Europe as it is against ICBM's. Finally, a development pulling the world away from the precipice of nuclear terror goes far to help create an encouraging atmosphere for dialogue and agreement, a vital prerequisite for peace.

In light of the above, we reach two basic conclusions:

(1) Developing a stabilizing, limited two-tier strategic defense capability is desirable and called for by the likely strategic conditions immediately ahead. Such a deployment would be helpful both in the military and in the political dimensions. It is a proper response to the challenge posed by political uncertainties and the dynamics of weapons development. The two-layered defense described here can be deployed by the early 1990's. Americans will rest easier when that limited defense is in place, for it will mean that the prospect of a Soviet first strike is almost nil.

(2) A three- or four-layer defense, using such advanced technologies as the laser now

under investigation in the research phase of the Strategic Defense Initiative, may become a reality by the end of the century. If this research shows an advanced system to be practical, its deployment may well boost the efficiency of our defense to a level so close to perfection as to signal a final end to the era of nuclear ballistic missiles. A research program offering such enormous potential gains in our security must be pursued, in spite of the fact that a successful outcome cannot be assured at this juncture.

The current debate is necessary. There are many questions, technical and political, ahead of us. For the debate to be constructive, however, we must overcome the tendency to politicize it on a partisan basis. Our objectives should be to find a way out of the current maze of world terror. The President's initiative toward that end is a major contribution to arms control and stability. The aim of making nuclear weapons impotent and obsolete should be encouraged and not savaged.

I suggest to my colleagues that this article is must reading for any student of strategic defense policy inside or outside of the Congress.●

LAWLESS BEHAVIOR OF THE SECRETARY OF HEALTH AND HUMAN SERVICES

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. FEIGHAN. Mr. Speaker, I rise to express my outrage at the lawless behavior of the Secretary of the Department of Health and Human Services [HHS]. Mrs. Heckler has on at least three occasions refused to ban one or more nonnutritive food dyes. These dyes have been shown to cause cancer, yet they remain on the market when safe alternatives are available. Secretary Heckler has no statutory authority to reject valid FDA recommendations. No one has contested the validity of the FDA studies. I have written Mrs. Heckler to demand that she act as the law requires. I ask now that a copy of the letter be inserted in the RECORD at the end of my statement. Madame Secretary, why have you wantonly refused to enforce the law?

In 1960 Congress passed legislation requiring the FDA to investigate the safety of food dyes then on the market. Both the House and the Senate agreed that food dyes have no nutritive value. Therefore, if a dye were found to cause any harm, it was to be banned. In other words, food dyes were determined by Congress to provide no benefit which could outweigh any possible health risks. Thus, if a dye were found to cause cancer in man or animal, the FDA was to inform HHS which was to issue the appropriate order prohibiting its continued use. Congress gave the Government 2½ years to act.

Late in 1982, after more than 22 years of study the FDA determined that 6 different types of food dye were likely carcinogens. After this determination, the Secretary was duty-bound to ban each dye. Yet, for the last 2 years, she has baselessly refused to ban these purely cosmetic additives.

On February 1, 1985, once again, Mrs. Heckler claimed that her agency needed more time to prepare documents for the Federal Register. She has had over 2 years to act, and the agency has had 25 years to act.

Mrs. Heckler you are exposing every American to dyes which are known to penetrate the skin and whose effects are known to cause cancer when safe substitues are available. This unwarranted procrastination must end.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 5, 1985.

Mrs. MARGARET HECKLER,
Hubert Humphrey Building, Department of Health and Human Services, Washington, DC.

DEAR MRS. SECRETARY: I was chagrined to read in the February 1, 1985, Federal Register that you have once again put off making the decision to ban six different food dyes. The law is quite clear on this point, and your failure to act causes me great concern.

In 1960, the Congress passed the Color Additive Amendments to the Federal Food, Drug and Cosmetic Act. At that time, Congress stated that the dyes in question here provided no benefit to the public which outweighed any possible health risks. Thus, after appropriate study, all doubts about the safety of a particular dye are to be resolved by banning the dye. To my knowledge, no one has challenged the appropriateness of the FDA studies undertaken with respect to these 6 dyes.

It is bad enough that the FDA took over 22 years to complete studies on the dyes in question. Now you have delayed the banning of the dyes for over 2 years.

I urge you to act now, Madame Secretary. The American people have paid for 22 years of studies and two years of delays. Further procrastination on your part will only augment the already high societal costs. Millions of people are needlessly exposed to the risk of cancer when there are readily available alternatives to these purely cosmetic dyes.

Sincerely,

EDWARD F. FEIGHAN,
Member of Congress.●

AUTOMOBILE GRAY MARKET ACT OF 1985

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. RINALDO. Mr. Speaker, today, I am introducing legislation designed to put an end to the importation of cars which do not comform with U.S. safety and emissions standards. Known as the automotive gray market, the number of nonconforming vehicles has increased from less than 1,500 cars in 1980 to over 40,000 last year. It promises to escalate even more dramatically if nothing is done.

The automobile gray market is a gaping loophole in the effective enforcement of the Motor Vehicle Safety and Clean Air Acts. A National Automobile Dealers Association survey of approximately 400 of these vehicles shows that over 99 percent do not fully comply with U.S. safety and emission standards. In theory, DOT and EPA require that all of these vehicles be modified to meet Federal standards; this survey shows that the program is not working.

The gray market is also a trap waiting for the unwary consumer. The vehicles are imported into this country through a process outside of the established manufacturers' channels. The process seems simple: One merely imports a car and modifies it to meet Federal standards, completes the federally required paperwork, and the process is done. In actuality, this is an area where sharp practices thrive, from the mail order or storefront importer who takes a hefty deposit and then vanishes, to the importer who repaints a used car and sells it as new, to the modifier who charges several thousand dollars for a modification job which is done poorly or not at all. The modifications are often ineffective; at worst, they can be dangerous. The gray market has also made the United States a lucrative haven for stolen vehicles from abroad. These abuses, and many more, are outlined in an article which recently appeared in Autoweek magazine—December 31, 1984—which shows the result of a 6 month independent investigation.

Even when the vehicle is converted by a relatively reliable modifier, the consumer still meets with unpleasant surprises. Modification to meet Federal emission standards can adversely affect the performance of the vehicle. Authorized parts and service will be difficult to obtain, since gray market cars differ significantly from their authorized U.S. counterparts. Dealers often must refuse to service the car for fear of violating Federal tampering statutes and regulations, or because of the unavailability of English language manuals. The cars resale value can be significantly lower than the value of a comparable U.S. version, according to dealer reports. Also, the second buyer may not be advised of the true origin or condition of the vehicle.

In addition to the problems associated with safety, the cars also do not comply with our emission standards. A survey conducted on 31 cars by the California Air Resources Board indicated that their emissions can exceed the levels of other vehicles by over 300 percent for hydrocarbon emissions, over 400 percent for carbon monoxide and oxides of nitrogen emissions, and over 1,000 percent for evaporative emissions.

The taxpayers suffer as well from the importation of these automobiles. DOT, EPA, and Customs together spend millions of dollars in vain attempts to enforce the law. In DOT's case, the Gray Market Program diverts considerable funds from the agency's legitimate safety mission. Not only does it produce no safety benefit, but the NADA survey shows that the gray market is an actual step backward in safety protection. Effective enforcement would require extensive inspection and testing of each vehicle; it would be prohibitively expensive.

Tax revenues are lost by the Treasury as well. These cars often evade the gas guzzler tax, which could deprive the Treasury of approximately $50,000 in revenue in 1985 alone. They also evade the fuel economy laws and thus do not pay the civil penalties under the statute. At a time when our primary national goal is the identification of unnecessary programs and the diminution of the Federal deficit, the gray market loophole is ripe for elimination.

When this exception in the Safety Act was drafted over a decade ago, it was intended to provide members of the armed services with an alternative to a forced sale of their vehicle before returning to this country. Today, wherever they are stationed, these Americans can easily buy foreign models made for use in the United States. The problem which this exception was intended to address has disappeared. The Safety Act was intended to apply equally to all cars sold in the United States and it is time that this intention is fully carried out.

In closing, this bill provides a rare oppportunity to protect the consumer while trimming the Federal bureaucracy of an unnecessary program. We should not be spending our taxpayers' money on fruitless attempts to enforce an unnecessary exception to our safety laws. This bill has the support of the Nation's auto dealers, the imported auto industry, and State motor vehicle administrators nationwide. The proposal to close the automotive gray market loophole has previously received unanimous and bipartisan support in the Senate Committee on Commerce, Science, and Transportation, the Senate Committee on the Environment and Public Works, and the Committee on Energy and Commerce in the House.

ANALYSIS OF PROPOSED AUTOMOTIVE GRAY MARKET AMENDMENT

The automotive gray market proposal amends the National Traffic and Motor Vehicle Safety Act of 1966 to assure the continued legitimate importation of U.S. version motor vehicles produced by vehicle manufacturers, while at the same time making certain that the practice of conditional importation of motor vehicles under bond pending modification be ended inasmuch as this program is no longer necessary or justified.

AMENDMENT TO SEC. 102(5)

The present definition of the term "manufacturer" (Section 102(5)), which is the provision NHTSA relies on to permit the importation of noncomplying gray market vehicles for resale, would be amended so that only the original "manufacturer" or those who have express written authorization from the original "manufacturer" can be considered "manufacturers" for purposes of the Safety Act.[1]

AMENDMENT TO SEC. 108

Several changes in Section 108 are proposed.

First, new language would be added to Sec. 108(a)(1)(A) to prohibit the sale, offering for sale, or importation into the United States of a vehicle unless it both conforms to all applicable safety standards and is covered by the original manufacturers certificate of compliance. To import a noncertified vehicle into the United States would be deemed unlawful.

Second, the term "or importer" would be stricken from Sec. 108(b)(2) in order to close a potential loophole through which noncomplying vehicles would continue to be imported into the United States by "importers" acting as "manufacturers".

Third, major changes to Section 108(b)(3) would eliminate the importation of noncomplying vehicles under bond pending modification. Exceptions to this restriction would include—

a. Importation of noncertified vehicles for purposes of testing, research, investigations, training, competitive racing events, or national security.

b. The importation on noncomplying vehicles under bond in very limited situations necessary to meet unforeseen cases of extreme hardship would be permitted. In these few hardship cases, the vehicle would be modified after importation to comply with the safety standards applicable to the vehicle.

c. The importation of *incomplete* motor vehicles or motor vehicle equipment would also continue under the revised subsection (b)(3), *but only if such vehicles or equipment are accompanied by a statement issued by the original manufacturer indicating the extent to which the incomplete vehicle complies with the applicable safety standards,* as is now provided by manufacturers of incomplete vehicles under the multi-stage manufacturer regulations promulgated by NHTSA. There will be no significant increase in the paper work burden for importers of incomplete vehicles as a result of the proposed amendment. The amendment is necessary to avoid the importation of "knocked-down" vehicles—i.e., vehicles which are made to look incomplete by removing bumpers, windshields, lights, and other components. Under the amendment, only those vehicles which are accompanied by a statement issued by the *first* manufacturer of the incomplete vehicle would be allowed importation into the United States.

Fourth, subparagraph (b)(4) would be deleted and the existing subparagraph (b)(5) redesignated as (b)(4). This is necessary to eliminate a provision in existing law which could be interpreted by NHTSA to authorize gray market imports.[2]

[1] Existing legitimate multi-stage manufacturing operations would be permitted to continue with no additional burden placed on these businesses.

[2] The revised subsection (b)(3)(A) will continue to allow vehicles to be temporarily imported for purposes of testing, research, etc.

AMENDMENT TO SEC. 114

The certification label requirements of Section 114 would be amended so that it will not be possible for a gray marketer to issue his own certificate of compliance as an alleged distributor to a dealer. The amendment is necessary to prevent commercial importers for resale with no ties to the manufacturer of the vehicle from providing certificates of compliance to dealers or others so that they would be able to continue to sell noncomplying vehicles in the United States.●

INTRODUCTION OF THE FAIR TAX ACT

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. GEPHARDT. Mr. Speaker, last week I was joined by a number of our House colleagues in reintroducing the Fair Tax Act. The Fair Tax Act seeks to reform the Tax Code by broadening the tax base and concurrently lowering the tax rates. The bill broadens the tax base by including many items that are presently excluded or sheltered from the income tax. The bill, by decreasing tax rates increases economic incentives and reduces economic distortions.

The Fair Tax Act addresses the complexity of both the individual and corporate income taxes. On the individual side, the bill includes a flat 14 percent tax rate for more than 70 percent of taxpayers. This would include individuals earning less than $25,000 a year and couples earning $40,000 a year. For those earning higher incomes, the bill provides for a progressive tax with rates of 26 percent and 30 percent. The bill also eliminates most deductions. The ones we retain, including home mortgage interest, State and local income and property taxes, charitable contributions and medical expenses beyond a certain threshold, would be worth the same to most taxpayers—14 percent in tax reductions for each dollar spent—regardless of income level. Thus, as the marginal tax rate increases, you don't have people scampering around to find deductions to reduce their taxable income. Decisions will be made solely on an economic, not tax, basis.

On the corporate side, the bill provides for a flat corporate tax rate of 30 percent. In addition to several other changes, it provides for a new depreciation plan that simplifies the current system and applies it to a wider range of industries. Perhaps most important is the removal of the vast portion of the tax underbrush that has favored investments in many areas that are inefficient and unproductive.

There are several things the Fair Tax Act doesn't do. It wasn't designed to raise any more money than the cur-

rent system. It doesn't redistribute the tax burden among various income classes nor does it disturb the existing ratio between business and personal taxation. It will provide a tax cut for most taxpayers—approximately 70 percent—at the expense of those who currently are most sophisticated in taking advantage of our Tax Code.

Since the adoption of the Tax Code in 1916, it has burgeoned from 17 pages to more than 2,000. Along with the regulations and various other ancillary material, the Code and its supporting documents amount to more than 10,000 pages—more than 33 feet of shelf space. We have so riddled the Code with preferences, exceptions, and deductions, that the tax system doesn't make economic sense or tax sense anymore. Through the years the Code has become a system that makes citizens distrust one another and their Government. When that point is reached, you have to begin to question whether you've got the kind of system you want.

The Tax Code, while built on a sound foundation, is a sad structure that needs to be demolished—we need to reform the Tax Code upon its sound foundation. The system is beginning to crumble under its own weight. When people ask us to address their problems by simply grafting on yet another new tax preference, they fail to recognize that they're actually worsening our general situation. Consider our efforts to create a level playing field for business in recent years. First we tried to smooth out disparities among various profitable businesses. Then we went a step further by giving tax benefits to businesses that weren't profitable. It is an endless process. With the fair tax, we reverse course and simply begin with a flat field, instead of adding still more cumbersome mechanical devices to jack up sections of the field that are already hovering well off the ground.

Whenever I try to come up with a logical explanation of our current tax system, I find myself turning, not surprisingly, to a journalist, George Orwell, and his analysis of a system where all were equal, but some were a bit more equal than others. So it is with our tax system. All are equal in that we use the same forms and obey the same laws. But some are more equal because they have expert tax counsel, or capital gains or new storm windows.

Real tax reform and the simplification of the Tax Code will be difficult. But it's hard to envision a time or a circumstance more conducive to reform than now—with major proposals coming from both sides of the aisle and with a reelected President who has expressed strong interest in reform. This year, 1985 is the year to take the giant and necessary steps to revamp the antiquated Tax Code.

The American people have lost faith in the Tax Code and have come to view it as unfair. If we can restore faith in the way the Government collects taxes, the public's faith in their Government and its programs may be restored as well. As elected officials, we are keenly aware that the people's faith in us is at stake as well. Tax reform will be difficult for all of us; but it is something we must not shrink from if we are to seek to serve the greater interests of the country.

FACT SHEET ON THE FAIR TAX ACT OF 1985

This legislation will make the federal income tax system simpler and fairer and the economy more efficient. It will reduce tax rates and eliminate most existing deductions, credits and exclusions. It also will raise revenues approximately equal to those collected under existing law without changing the tax burden for any income group.

SUMMARY OF KEY PROVISIONS

For individuals

A simple, progressive tax with three rates: 14 percent, 26 percent and 30 percent.

About 80 percent of all taxpayers will pay only the 14 percent rate. The 26 percent rate will apply only to individuals with adjusted gross incomes exceeding $25,000 and to couples with adjusted gross incomes exceeding $40,000. The top rate of 30 percent will apply only to individuals with adjusted gross incomes over $37,500 and couples with adjusted gross incomes over $65,000.

An increase of the personal exemption from $1,000 to $1,600 for taxpayers and spouses ($1,800 for a single head of household) and an increase in the standard deduction from $2,300 to $3,000 for single returns and from $3,400 to $6,000 for joint returns. A family of four could earn up to $11,200 before receiving their first dollar of taxable income.

Repeal of most itemized deductions, credits and exclusions except those generally available to most taxpayers. Retained will be the $1,000 exemptions for dependents, the elderly and the blind; deductions for home mortgage interest, charitable contributions, state and local income and real property taxes, payments to IRAs and Keogh plans and employee business expenses; exclusion of veterans benefits, Social Security benefits for low and moderate income persons and interest on general obligation bonds. The personal exemptions and itemized deductions will apply in most cases only against the 14 percent rate.

For corporations

A tax rate of 30 percent.

Repeal of most existing tax deductions, credits and exemptions that distort investment decisions.

A new depreciation system that doesn't favor one type of asset over another.

TECHNICAL EXPLANATION

The legislation significantly reduces tax rates and broadens the base of the individual and corporate income taxes by eliminating most tax preferences. It also smooths out the rate schedule of the tax and sharply reduces "bracket creep" and the "marriage penalty". The changes are designed as if they were to take effect in 1985 and they are approximately revenue and distribution neutral with respect to tax liability in that year. Transition questions will require that some tax preferences be phased out gradually rather than changed abruptly. However, to establish lower rates and a broader tax base as the direction of federal tax policy, 1985 serves as the baseline for all the analysis.

Individual income tax structure

For about 80 percent of individuals, the income tax is a uniform 14 percent tax on taxable income (the tax base). Taxable income is net of personal exemptions and either the standard deduction or the allowable itemized deductions. The personal exemptions are $1,600 per taxpayer (i.e. $1,600 on a single return and $3,200 on a joint return) and $1,000 per dependent. Single heads of households receive an exemption of $1,800. The extra exemptions for the elderly and blind continue at $1,000. The zero bracket amount (standard deduction increases to $3,000 for single returns and $6,000 for joint returns ($3,000 for separate returns of married persons).

For upper income taxpayers, the regular 14 percent income tax is supplemented by an additional progressive tax (surtax) of 12 percent and 16 percent on adjusted gross income in excess of $25,000 for single returns and $40,000 for joint returns. Only about 20 percent of all taxpayers are subject to this surtax. The combined effect of the 14 percent base tax and the surtax is a top marginal tax rate of 30 percent.

The personal exemptions and itemized deductions retained in the Fair Tax apply only against the 14 percent base tax. The rate schedule is as follows:

AGI	Combined surtax (percent)	Tax rate (percent)
Single returns:		
Below $25,000	(1)	14
$25,000 to $37,500	12	26
Over $37,500	16	30
Joint returns:		
Below $40,000	(1)	14
$40,000 to $65,000	12	26
Over $65,000	16	30

[1] No surtax.

For married persons filing separately, the tax brackets are half of the joint return tax brackets.

Corporate tax structure

The corporate income tax rate is set at a uniform 30 percent of taxable income thus eliminating graduation in corporate rates.

Base broadening measures

A. Changes affecting individuals and unincorporated businesses:

1. The exclusions for income earned abroad by U.S. citizens, residents or government employees (secs. 911 and 912) are repealed.

2. Seven year amortization for reforestation expenditures (sec. 194) are repealed.

3. Five year amortization for pollution control facilities (sec. 169) is repealed.

4. Expensing of tertiary injectants (sec. 193) is repealed, instead, these costs will be written off over 2 years.

5. A new depreciation method is provided for equipment and structures. Under the proposal, equipment is divided into 6 classes based on its ADR midpoint. An open ended account will be established for each asset class and each class will be given a class life. Each year taxpayers write off a percentage of the balance in the account computed using the class life and 250 percent declining balance method. Additions to each account will be made each year for purchases of assets in that class and subtractions will be made for dispositions of assets and for

that year's depreciation deduction. Structures will be put into the sixth asset class. The asset classes and depreciation rates for equipment are as follows:

ADR midpoint:	Class life
Under 5	4
5.0 to 8.5	6
9.0 to 14.5	10
15 to 24	18
25 to 35	28
Over 35 and structures	40

For example, equipment with an ADR life of 10 years will be in the 10-year class. Thus, the first year's write-off will be 25 percent of the cost (2.5/10=.25), the second year's write-off will be 18.75 percent (25 percent of 75 percent and so forth.

This plan is designed so that the present value of depreciation deductions are approximately equal to the present value of economic depreciation at a 10 percent discount rate.

6. Percentage depletion (secs. 613 and 613A) and expensing of intangible drilling costs for oil, gas and geothermal wells (sec. 263(d)) are repealed. Instead, there is a new system of capital cost recovery. Under this system, intangible drilling costs and those costs currently recovered through the depletion deduction will be written off under the same method applicable to equipment in the 10-year class. All cost incurred with respect to dry holes will be deducted when the well or property is abandoned.

7. Limits on qualified pension plans. (sec. 415) are reduced from $30,000 on defined contribution plans and $90,000 on defined benefit plans to $20,000 and $60,000 respectively, and indexing of those limits is repealed.

8. The finance lease property rules (sec. 168(f) are repealed and the pre-1981 law is restored.

9. The regular investment tax credit (sec. 46(a)(2)(B) is repealed.

10. The research and development credit (sec. 44F) is repealed.

11. The credit for rehabilitation of buildings (sec. 46(a)(2)(F)) is repealed.

12. The business energy tax credits (secs. 46(a)(2)(c), 44D and 44E) are repealed.

13. All individual farms with gross receipts of more that $1 million and all farm syndicates will be required to use accrual accounting and to capitalize pre-production period expenses and cannot use the expensing provisions for soil and water conservation expenditures (sec. 175), fertilizer (sec. 180), or land clearing (sec. 182).

14. Individuals with AGI above $100,000 would have to cover 90 percent of their current year's tax liability with estimated or withheld tax payments.

15. Income averaging (sec. 1301) is repealed.

16. The child care credit (sec. 44A) is converted to a deduction for purposes of the base tax but not the surtax. The deduction is allowed to non-itemizers.

17. The political contribution tax credit (sec. 41) is repealed.

18. The exclusion of Tier II Railroad Retirement benefits is repealed.

19. The exclusion for interest on cash value life insurance (sec. 804(a)) is repealed. Life insurance policyholders will include in gross income an amount equal to the increase in the cash surrender value of their policy during the year plus policyholder dividends received plus the "term insurance" value of insurance protection during the year minus the premiums paid. Insurance companies will provide policyholders with this information.

20. The exclusion for scholarship and fellowship income in excess of tuition (sec. 117) is repealed.

21. The deduction for second earners (sec. 221) is repealed because the new rate schedule sharply reduces the "marriage penalty".

22. The elderly tax credit (sec. 37) is repealed.

23. The general exclusions for interest and dividends (secs. 116 and 128) and the exclusion for reinvested public utility dividends (Sec. 305(e)) are repealed.

24. Expensing of interest and taxes paid during the construction period of a building (sec. 189) is repealed and instead these costs are subject to a 10 year amortization.

25. The residential energy credit (sec. 44C) is repealed.

26. The deduction for 60 percent of net long-term capital gains (sec. 1202) is repealed and the distinction between short and long-term capital gains is eliminated.

27. The individual minimum tax (sec. 55) is repealed. Since the legislation eliminates most of the preferences currently subject to the minimum tax, this provision is no longer needed.

28. The exclusion for unemployment compensation benefits (sec. 85) is repealed.

29. The exclusions for employer provided child care (sec. 129), education assistance (sec. 127) and group legal services (sec. 120) are repealed.

30. For purposes of computing the surtax (but not the base tax), a deduction would be allowed for all interest to the extent of investment income. For the base tax, itemized deductions would be allowed for all housing interest, and the itemized deduction for other interest would be limited to investment income.

31. The tax exclusion for employer provided premiums on group term life insurance (sec. 79) is repealed.

32. The tax exemption for industrial development or housing bonds issued after December 31, 1984 (secs. 103(b) and 103A) is repealed.

33. Rapid amortization of low-income housing rehabilitation (sec. 167(k)) is repealed.

34. The itemized deduction for medical expenses (sec. 213) is limited to the excess over 10 percent of adjusted gross income.

35. The present exclusion for up to $125,000 of gain on the sale of a house by a person age 55 or over (sec. 121) is retained for the base tax but not the surtax.

36. The deduction for adoption expenses (sec. 222) is repealed.

37. The deduction for state and local income and real property taxes is retained but the deduction for all other state and local taxes (sec. 164) is repealed.

38. The exclusion for employer provided premiums on group health insurance (sec. 106) is repealed.

39. Indexing of the personal exemptions and the tax brackets (sec. 1(f)) is repealed because the new rate structure will greatly reduce the problem of "bracket creep".

40. Trusts and estates would be subject to a flat 30 percent tax on taxable income in excess of $100. As under present law, a deduction would be allowed for distributions.

Changes affecting corporations

1. A new depreciation method is provided for equipment and structures. Under the proposal, equipment is divided into 6 classes based on its ADR midpoint. An open ended account will be established for each asset class and each class will be given a class life. Each year taxpayers write off a percentage of the balance in the account computed using the class life and 250 percent declining method. Additions to each account will be made each year for purchases of assets in that class and subtractions will be made for dispositions of assets and for that year's depreciation deduction. Structures will be put into the sixth asset class. The asset classes and depreciation rates for equipment are as follows:

ADR midpoint:	Class life
Under 5	4
5.0 to 8.5	6
9.0 to 14.5	10
15 to 24	18
25 to 35	28
Over 35 and structures	40

For example, equipment with an ADR life of 10 years will be in the 10-year class. Thus, the first year's write-off will be 25 percent of the cost (2.5/10=.25), the second year's write-off will be 18.75 percent (25 percent of 75 percent) and so forth.

This plan is designed so that the present value of depreciation deductions is approximately equal to the present value of economic depreciation at a 10 percent discount rate.

2. Percentage depletion for minerals (sec. 613) and expensing of mineral exploration and development costs (secs. 616 and 617) are repealed. Instead, there is a new system of capital cost recovery whereby exploration and development costs are deducted under an open account system based on 6 asset classes. These 6 classes are the same as those for equipment. Mines will be assigned to one of the 6 asset classes based on the expected useful life of the mine (using the same system that assigns equipment to each class based on its asset depreciation range (ADR) midpoint).

3. Percentage depletion (secs. 613 and 613A) and expensing of intangible drilling costs for oil, gas and geothermal wells (sec. 263(d)) are repealed. Instead, there is a new system of capital cost recovery. Under this system, intangible drilling costs and those costs currently recovered through the depletion deduction will be written off under the same method applicable to equipment in the 10-year class. All costs incurred with respect to dry holes will be deducted when the well or property is abandoned.

4. The income of controlled foreign subsidiaries of U.S. corporations is subject to tax.

5. The preferential taxation of Domestic International Sales Corporations (DISC) (sec. 991) (now FSC) is repealed and previously deferred DISC income is recaptured over a 10-year period.

6. The deduction for bad debt reserves of financial institutions in excess of their actual experience (secs. 585 and 593) is repealed.

7. The exclusion for contributions to a maritime construction fund is repealed.

8. The finance lease property rules (sec. 168(f) are repealed and the pre-1981 law is restored.

9. The regular investment tax credit (sec. 46(a)(2)(B)) is repealed.

10. The credit for possessions corporations (sec. 936) is repealed.

11. The research and development credit (sec. 44F) is repealed.

12. The credit for rehabilitation of buildings (sec. 46(a)(2)(F)) is repealed.

13. The business energy tax credits (secs. 46(a)(2)(c), 44D and 44E) is repealed.

14. The employer stock ownership credit (sec. 44G) is repealed.

15. For corporations, the deduction for charitable contributions is limited to one-half of such contributions. Thus they will receive a 15 percent tax benefit for charitable giving.

16. All corporate farms with gross receipts of more than $1 million and all farm syndicates will be required to use accrual accounting and to capitalize pre-production period expenses and cannot use the expensing provisions for soil and water conservation expenditures (sec. 175), fertilizer (sec. 180), or land clearing (sec. 182).

17. For taxpayers using the completed contract method, the 3-year exception is deleted and a "look-back" method, imposing interest charges on deferred tax liability, is implemented.

18. The alternative capital gains rate for corporations (sec. 1201) is repealed.

19. The exemption for credit unions (sec. 501(c)(14)) is repealed.

20. Expensing of magazine circulation expenditures (sec. 173) is repealed. Instead, these costs will be amortized over 10 years.

21. Expensing of tertiary injectants (sec. 193) is repealed. Instead, these costs will be written off over 2 years.

22. The exclusion of income attributable to a stock-for-debt swap (sec. 108) is repealed.

23. Upon liquidation, a corporation will recognize gain on all appreciated assets (secs. 336 and 337).

24. 7-year amortization for reforestation expenditures (sec. 194) is repealed.

25. 5-year amortization for pollution control facilities (sec. 169) is repealed.

26. Expensing of interest and taxes paid during the construction period of a building (sec. 189) is repealed and instead these costs are subject to a 10-year amortization.

27. The corporate minimum tax (sec. 56) is repealed. Since the legislation eliminates most of the preferences currently subject to the minimum tax this provision is no longer needed.

28. The tax exemption for industrial development or housing bonds issued after December 31, 1984 (secs. 103(b) and 103A) is repealed.

29. Rapid amortization of low-income housing rehabilitation (sec. 167(k)) is repealed.●

THE CRISIS IN INTERNATIONAL TRADE

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. FEIGHAN. Mr. Speaker, last weeks announcement of a record international trade deficit of $123.3 billion should send us a clear message. America is losing the trade war. For the fourth straight year, we have fallen farther and farther behind. Unless Congress, the President, American business, agriculture and labor begin to act immediately to address this crisis, we may fall so far behind that all possibility of success will disappear.

Several factors account for our trade deficit. Unquestionably, the Federal debt has a large impact. It has driven the value of the dollar to unprecedented heights. While that may benefit the American tourist looking for bargains at Harrods, it is a disaster for American exporters and the hundreds of thousands of working people in this country whose jobs depend on international trade. Our overvalued dollar raises the price of American products in international markets, while foreign products become less expensive in the United States.

I believe our No. 1 priority must be to reduce the Federal deficit. No long-term economic expansion can be generated while it remains so high. That is why I am so thoroughly disappointed with the budget sent to us yesterday by President Reagan. Rather than instituting a freeze on Government spending, the President proposes to massively increase Government spending—particularly in defense spending. I continue to believe that the tough medicine of an across-the-board freeze is our best hope of bringing the deficit into line and reordering our spending priorities. A spending freeze that affects every part of the budget, including defense, entitlements and discretionary domestic spending can save over $250 billion over the next three years. That savings can go a long way toward reducing interest rates and bringing the value of the dollar back to a reasonable level.

Reducing the Federal deficit alone, however, will not enable America to regain its position in international trade. Too many of our trading partners are taking advantage of our national commitment to free and open trade. Too many of them are competing unfairly. Too many of them have erected barriers against our products while flooding our shores with theirs. Too many of them are granting massive subsidies to their own industries while placing import restrictions on the products and goods we seek to sell to them.

The United States needs to take a tougher stand. We need to negotiate stronger trade agreements, agreements that will not put our industries, our farmers, and our workers at such a terrible disadvantage. We need to insist that our trading partners open up their markets to our products to the same extent as we have opened ours to them. And we need to be willing to retaliate if they refuse to do so.

Congress can also take steps to increase the opportunity for American companies to enter the export field. In the coming months, as we debate the Export Administration Act, we should make an effort to eliminate ineffective redtape that hinders many companies from exporting. We need to examine restrictions that we have placed on some technical products. And we should attempt to streamline the safeguards that are needed to prevent the exportation of technology involved in national security.

Increasing international trade and our economic competitiveness in a rapidly changing world will not be a simple task. It will involve long-term planning and a clearer perception of the problems our exporters face in foreign markets. I believe we are ready to accept that task. The current trade deficit is simply unacceptable. For it to continue on its current course would be a disaster for the American economy and the American way of life. Americans know that, and it is time for us to recognize it as well. Now is the time to act.●

REPEAL METRIC CONVERSION ACT

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. RUDD. Mr. Speaker, ever since Canada began its move to the metric system more than a decade ago, ordinary Canadians have put up fierce resistance to the change. In fact, opposition has now intensified to the point that the Canadian Government has been forced to rethink its policy on metric altogether. On February 1, the Mulroney government announced the retreat from forced conversion.

The prospects of conversion to metric here in the United States set off furious debate in Congress back in the 1970's culminating in the passage of the Metric Conversion Act of 1975. Far from mandating conversion, however, the act set no timetable for conversion and stressed that any change was to be completely voluntary. Nevertheless, the Commerce Department and other agencies have seized it as a justification for initiating conversion activities, giving the erroneous impression that it is U.S. policy to convert.

We can put a stop to this heavy-handed push toward metric in the United States by repealing the confusing and unnecessary Metric Conversion Act.

I invite my colleagues to join me in cosponsoring legislation, H.R. 436, to achieve that objective.

A February 1 report by the Associated Press on Canada's decision to retreat from mandatory conversion follows:

CANADA BACKS AWAY FROM "HEAVY-HANDED, INSENSITIVE" METRIC PUSH

TORONTO.—Canadians who wouldn't touch metric measurement with a 3.048-meter pole have forced the government to retreat from a decade-long effort to require them to think in meters, liters and millimeters.

Michel Cote, consumer-affairs minister in the Progressive Conservative government of Prime Minister Brian Mulroney, announced the new policy in Parliament: gallons, pounds and inches are legal again.

From now on, the government will encourage the transition to metric, but will scrap laws punishing merchants who insist on keeping the old weights and measures.

"Canadians feel, and we agree, that compulsory metric-only is a heavy-handed and insensitive approach," Cote said.

"As a government we favor metric conversion. We believe that metric is here to stay," he said. "But we also believe that the changeover must be eased for those individuals and businesses which are having difficulty adjusting to it."

Retailers will still be required to show "a reasonable metric presence," Cote said. What is "reasonable" will be different for small butcher shops than for giant supermarkets, but the details haven't been worked out.

Visitors will still see highway signs in kilometers rather than miles, and will hear weather reports predicting temperatures in Celsius and measuring snowfall in centimeters. Only the metric system is taught in schools.

Yardsticks are a different matter. Canadian football fields are still marked off in yards.

The metric system was adopted in Canada in 1976 by agreement of all three political parties in Parliament, and was presented as a tool to expand Canadian exports by conforming to world standards.

But as enforcement of regulations began to get stricter, opposition grew to what many people thought was government meddling. Opponents pointed out that more than two-thirds of Canadian exports go to the United States, which is showing no haste in moving to metric measurements.

Jack Halpert, a Toronto gas-station owner, became a national figure when he was taken to court for selling gasoline by the gallon.

"I guess I'm responsible for wiping out forced metric," Halpert said.

Two years ago, 37 Conservative members of Parliament opened their own station selling gas in gallons, daring the Liberal government of Pierre Elliott Trudeau to prosecute, which it never did.●

REAGAN'S PROPOSED BUDGET CUTS TO THE ARTS

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Ms. OAKAR. Mr. Speaker, Hooray for Hollywood. The year 1985 marks the 20th anniversary of the National Endowment for the Arts. Nancy Reagan has been named the honorary chairman of an anniversary committee chaired by Ronald Reagan's Hollywood pal, Charlton Heston.

The main thrust of this committee is to increase private support for the arts, although this type of fundraising is usually channeled to established arts organizations and institutions. How ironic that this administration provides this superficial commitment while at the same time rejecting the all-out support for the arts. The administration is drastically cutting the very program whose anniversary it is celebrating.

The National Endowment for the Arts has traditionally provided the largest single source of support for the arts. While it does not have the capacity to provide complete funding to anyone, it does award 5,000 or more grants annually to artists and nonprofit arts groups around the country.

This amount would be reduced to approximately $3.5 million for the entire State if the Reagan budget is approved.

The National Endowment for the Arts fiscal year 1985 appropriation is $163,660,000. The President is requesting a cut of 11.7 percent to $144.5 million for fiscal year 1986. Again, this figure is down from the $163.7 million actually appropriated by the Congress last year.

The major impact of these proposed cuts will be felt in the areas of music programs, dance programs and musical theater—including opera.

This is a small program, proportionately minute to the total budget—0.19 percent of the total Federal budget fiscal year 1984. What we have to ask ourselves is what impact the requested cuts might have on the quality of arts in this country and whether the grant recipients' lost revenue can be replaced by private donations?

All segments of our society should take part in the experience of creating. Art should not be conceived by, controlled by, or experienced by only one class of people as too often it has been in the past. Livingston Biddle, former head of the National Endowment for the Arts, stated, "Among the many investments the Federal Government makes in America, the endowment gives one of the great returns to all levels of income and education." In my own city of Cleveland, OH, many talented children have been able to participate in these cultural programs. The endowment has given the opportunity to many to develop a creative outlet and an opportunity to enhance their talents. It has given many young people an avenue for fostering their dreams of success.

The fostering of the arts in our society is not just an esthetic issue but an extremely important social one.

If only the political world could be more creative and see what artists have to contribute to the society as a whole. Too often there is a misconception to think of the process of making art as something impractical and beyond it all. Contrary to this myth, Mr. Speaker, artists are extremely competent and caring people and have great creative resources to offer the world, especially in the nurturing of the spirit and soul of this country's self-image and values.

Mr. Speaker, after all is said and done what is left in terms of a society's history, of the history of the world? It is only arts that are left. Without art, would we have any idea of what the past was like—the civilizations of the ancient Greeks and Egyptians? Art is the record of mankind, what man feels about his world.

Today we are competing in such an industrialized and technological society that we have concentrated all our efforts on developing the science of the mind at the expense of the creation of the heart.

In enacting appropriations legislation for fiscal years 1982, 1983, and 1984, the Congress has consistently rejected the Reagan administration's proposals to make large reductions in the Arts and the Humanities programs.

I sincerely hope that my colleagues on both sides of the aisle will continue to exercise sound judgment and reject these types of cuts which could prove disastrous to the arts. Let us stop making cuts in a social program that is really a quality of life issue, providing enrichment of the spirit to countless Americans.

Mr. Speaker, the small amount of money needed for the arts is a minute investment for the lasting legacy of our people. We should reject any attempt to cut the budget in the area of the arts for now and for the future. A true sign of a civilization is how lofty its arts flourished. Let us not reject the noble side of our great people.●

OAKWOOD VILLAGE INDIAN BINGO

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. FEIGHAN. Mr. Speaker, I am very concerned about the procedures involved in the proposed designation of 77 acres of Oakwood Village, OH, as Indian trust land. The Bureau of Indian Affairs is currently considering the request of an Oklahoma-based tribe which intends to use the land for a high-stakes bingo hall. The bingo would be exempt from State bingo laws limiting payoffs on the land. Frankly, I am concerned that the Bureau of Indian Affairs may rubberstamp the proposal without considering the implications of their action.

The issues involved in creating Indian trust land are not limited to Oakwood Village. They are issues which the Federal Government must resolve before approving or disapproving actions that undercut State laws. Public hearings, providing an opportunity for community representatives, State and local officials to present their views, should be required. I have written to the Secretary of the Interior expressing my concern about the Oakwood Village proposal, and I intend to work with my colleague Congressman UDALL, chairman of the House Interior Committee, to develop guidelines to regulate the designation of Indian trust land.

Mr. Speaker, I would like to insert the text of my letter to Secretary Clark in the RECORD.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, January 18, 1985.

Mr. WILLIAM CLARK,
Secretary, Department of the Interior, Washington, DC.

DEAR SECRETARY CLARK: As you are aware, a proposal to designate seventy-seven acres of land in trust for the Miami Indians in Oakwood Village, Ohio, is being considered by the Bureau of Indian Affairs. For the last year, I have been vocal in expressing my concern about the process used to effect such a designation of private property as Indian Trust Land.

I am writing to urge you to halt any consideration of this proposal or similar proposals throughout the nation until you have formally proposed and adopted regulations under which the grant of Indian Trust Land will be considered. I have also contacted Congressman Morris Udall, Chairman of the Interior and Insular Affairs Committee, to request a thorough Committee review of the issues surrounding the designation of land held in trust for Indian tribes. I have asked that particular attention be given to such action where the express purpose of the land designation is to provide a loophole to allow bingo games which existing State law will not permit. It is my intention to support and assist Congressman Udall in this effort.

The issues involved in creating land in trust for Indian tribes are not limited to Oakwood Village, Ohio. They are issues which the federal government must resolve before determining a policy by which to consider such requests. This policy should include public hearings which allow private citizens as well as state and local elected officials to be heard. We must also consider the effect that the designation of such land, which is intended for a use contrary to state and local laws, will have on the enforcement of such laws. The result of any regulations or legislation must conform to a public policy which is consistent with the goals and statutes of federal, state and local governments.

I hope I will have your complete cooperation to halt the consideration of these proposals until clear guidelines are established.

Sincerely,

EDWARD F. FEIGHAN,
Member of Congress.●

THE FAIR TRADE IN FERROALLOYS ACT

HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. MILLER of Ohio. Mr. Speaker, today, I and my colleagues Mr. REGULA, Mr. STOKES, Mr. APPLEGATE, Mr. KASICH, Mr. WISE, Mr. MOLLOHAN, Mr. STAGGERS, Mrs. LLOYD, and Mr. MCEWEN, are introducing the Fair Trade in Ferroalloys Act. The only way to prevent the loss of what remains of the domestic ferroalloy industry, which now has an import penetration of 60 percent, and to protect our national security interests is to provide the industry with some form of systematic import relief targeted at the unfairly low pricing of imports. The most effective and least market intrusive method is the break-point duty which the Fair Trade in Feroalloys Act would provide.

Ferroalloys are essential to our military preparedness and industrial strength, because iron, steel, stainless steel, superalloy, and aluminum products cannot be made without the use of chromium, manganese, and silicon ferroalloys and metals. Steel could not be cast, forged, or rolled without ferromanganese. Chromium, as an alloying element, gives steel oxidation resistance to high temperatures and resistance to corrosive gases, liquids, and solids. All stainless steels and superalloys contain over 10 percent chromium. Ferrosilicon is an important iron inoculant, steel deoxidizer, and alloying element in high performance electrical steels. Silicon as a metal is an important additive to aluminum to promote fluidity and strength and is also the raw material for silicone chemical production. Without ferroalloys we could not make missiles, tanks, military aircraft, machine tools, or silicon chips, and could not build powerplants, chemical plants, or modern hospitals.

The American ferroalloy industry is recognized as one of the most modern, efficient, and technologically innovative in the world, but it cannot compete against unfair, often subsidized, imports. In 1968 ferroalloy imports made up about 16 percent of the domestic market; by 1977 it had risen to about 40 percent; and today import penetration stands at 60 percent. Ferroalloys are imported from 35 different countries with the top exporters being the Republic of South Africa, accounting for 30 percent of imports, France, Brazil, Norway, and Yugoslavia. Even the Soviet bloc countries such as the U.S.S.R., Poland, and Romania are exporting ferroalloys to this country. Some exporters, especially those outside of Western Europe and Japan, have taken advantage of lower costs which result from minimal pollution control and other regulatory requirements and from inexpensive labor. Other exporters have often benefited from subsidies, as successful countervailing duty cases against Brazil, Spain, and South Africa have demonstrated. Some exporters have sold material at prices that seem to have been uneconomically low if measured against the cost of production, and this has resulted from an apparent strategy of achieving market penetration on the basis of price. Moreover, because American duties on ferroalloys are lower than those of other major world markets; that is, European Economic Community and Japan and because the United States has no nontariff barriers, the American market has become the most attractive market in the world for exporters.

What has the ferroalloy industry done to stem the tide of these unfair imports? The ferroalloy industry has pursued vigorously a number of traditional routes to import relief such as actions under the escape clause and anitdumping laws. Despite some victories, these actions have not reversed the current loss of producing capacity, now at only one-half of 1978's capacity, because they have been piecemeal approaches to a highly integrated problem. While these remedies are particular and focused on short periods of time, the ferroalloy industry's crisis results from imports from several countries whose low prices are caused by varied factors. In addition to the obvious administrative and legal limitations of these laws, they are also expensive to pursue. The ferroalloy industry has limited resources with sales of under a billion dollars a year, major losses over the past few years, and a workforce of just 3,800 which is less than half of the 1979 figure. The industry's problems simply will not be solved by the application of these trade laws.

The industry has also used section 232 of the Trade Act of 1962 which provides relief based on national security criteria. This case was filed in 1981 and it took until 1984 for a final decision to be made by the administration. Despite an obvious clear connection between a viable domestic ferroalloy industry and the protection of our national security interests, this petition was surprisingly denied.

The only way to protect the Nation's powerful security interest in preserving this essential industry is to provide it with some form of systematic import relief targeted at the low pricing of imports. The most effective and least market-intrusive form of relief is the break-point duty which the Fair Trade in Ferroalloys Act would provide.

The operation of the break-point duty is simple. If imports enter the United States with a duty-declared value below the product's break point or fair price, they pay a duty equal to the difference. The fair price will be determined by the Secretary of Commerce by taking into account the production costs of U.S. producers with efficient facilities and operations. This calculation can readily be made from an objective model of production inputs—raw materials, power, labor, indirect costs, and so forth—to determine a fair amount that competitive producers should charge. One important feature of the bill is that it does not just add break-point duties, but substitutes them for ad valorem duties on ferroalloy imports. By eliminating these current duties, only those ferroalloy imports which are priced below

the break point will pay any duty at all.

By focusing on the low import prices that have caused the ferroalloy industry's life-threatening crisis, the break-point duty offers the minimum intrusion possible to achieve effective relief. It will neither require the market allocations and administrative difficulties of quotas nor force all imports to pay added duties regardless of how fairly they may be priced, as would a tariff increase. Instead, by applying only to imports below a fair price, the remedy permits all competitors—U.S. producers and imports—to compete vigorously within the parameters of the fair price. As a result, prices will closely approximate the level that would be obtained if foreign producers abided by the rules of the free trade and free market system. I emphasize that break points will not protect any inefficient domestic producers. If an American producer is less efficient than its competitors and thus its costs exceed the fair price, the producer will not be able to compete effectively at the break-point level. I might add that this legislation will have a very minimal impact on the U.S. economy, because the resulting increase in ferroalloy prices will amount to only a fraction of one percent of the sales of user industries.

The break-point duty is nothing new to the world ferroalloy market. The European Community imposes similar restrictions on major ferroalloy imports. Moreover, this form of relief was used in this country from 1978 to 1982 under the escape clause for high carbon ferrochrome. The ferrochrome relief worked until inflation eroded the meaning of the break point; but my bill provides protection against the effects of inflation by having the break point recalculated once per year.

This bill is essential to saving what is left of the ferroalloy industry and protecting our national security needs, because without major import relief, this country will lose the ability to produce ferroalloys and will be unable to respond in a time of national emergency. The industry has shrunk from 29 to 17 plants and is currently operating at just 60 percent of that reduced capacity. The trend of increasing ferroalloy imports has continued into 1985, and I foresee no change in this situation. Only a strong domestic ferroalloy industry can prevent our dependence on unreliable foreign imports, decrease the need for extremely expensive stockpiles, and reduce the present threat to our national security. I, therefore, urge my colleagues to cosponsor the fair trade in ferroalloys bill.

The text of the bill follows:

THE FAIR TRADE IN FERROALLOYS ACT

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This act may be cited as the "Fair Trade in Ferroalloys Act".

SEC. 2. FINDINGS.

The Congress hereby finds that—

(1) ferroalloys are products which impart distinctive qualities to steel, specialty alloys, iron, and aluminum and are essential to the production of those products;

(2) the economic health and national defense of any modern industrial nation rest on its having a secure supply of ferroalloys, and the United States can assure that supply only if it maintains the capacity to produce a significant portion of its needs domestically;

(3) the domestic ferroalloy industry has suffered from the unremitting pressure of low-priced imports for many years, and consequently the industry has suffered massive losses and its capacity has dwindled in recent years;

(4) imports have caused this result not because of any superiority—since the American industry is as technologically modern and efficient as any in the world—but rather because of artificial advantages afforded by non-free-market pricing policies, by subsidies, and by other policies of foreign governments;

(5) the application of existing trade laws has not prevented imports from causing the severe decline of the industry;

(6) unless effective import relief is promptly forthcoming, the industry will soon shrink to where it will be able to supply only a small portion of the needs of the Nation;

(7) such a result would gravely damage the national security and the economic and international interests of the United States;

(8) the fair price tariffs enacted by this Act would neutralize the artificial advantages which foreign ferroalloy producers obtain from non-free-market pricing policies, subsidies, and other policies of their home governments;

(9) the fair price tariffs enacted by this Act would thereby preserve the essential capacity of the Nation to produce these critical materials; and

(10) by simultaneously eliminating all tariffs other than the fair price tariffs provided herein, this Act would eliminate all barriers to the free competition in the United States markets by sellers of fairly priced imports of ferroalloys.

SEC. 3. AMENDMENTS TO TARIFF SCHEDULES OF THE UNITED STATES.

(a) Items 606.22 through 606.30, 606.35 through 606.44, 606.50, 632.18, 632.30, 632.42, and 632.86 of part 2 of schedule 6 of the Tariff Schedules of the United States (19 U.S.C. 1202) are amended by striking out all rates of duty specified therein (whether in Column 1, Column 2 or the LDDC column) and by inserting in lieu thereof "Fair price differential".

(b) The headnotes to part 2 of schedule 6 of the Tariff Schedules of the United States (19 U.S.C. 1202) are amended by adding at the end thereof the following new headnote:

"5. (a) For purposes of this part, the term 'fair price differential' means, with respect to any article, the amount equal to the excess, if any, of—

"(i) the fair price of such article, over

"(ii) the duty declared value of such article (including cost, insurance, and freight) at the United States port of entry.

"(b)(i) For purposes of this headnote, the term 'fair price' means, with respect to an article, the sum of—

"(A) the amount determined by the Secretary of Commerce to be the average cost incurred by producers in producing a like article in the United States at technologically efficient facilities, plus

"(B) an amount prescribed by the Secretary of Commerce with respect to that like article for general expenses and profit.

"(ii) The amount prescribed by the Secretary of Commerce under (b)(i)(B) of this headnote shall not be less than the amount determined with respect to a like article under section 773(e)(1)(B) of the Tariff Act of 1930 (19 U.S.C. 1677b(e)(1)(B)) at the time such amount is prescribed under (b)(i)(B) of this headnote.

"(iii) By no later than the earlier of December 31, 1985, or the date which is 90 days after the date of enactment of this headnote, and by December 31, of each year thereafter, the Secretary of Commerce shall determine, and publish in the Federal Register, the fair price for articles of the kind provided for in each of items 606.22 through 606.30, 606.35 through 606.44, 606.50, 632.18, 632.30, 632.42, and 632.86.

"(iv) The fair price determined under (b)(iii) of this headnote shall apply during the calendar year that succeeds the calendar year in which the determination is made.".

(c) The fair price differential, as defined in headnote 5 of part 2 of schedule 6 of the Tariff Schedules of the United States (19 U.S.C. 1202; as added by subsection (b); shall apply to all imports of any article provided for in any item specified in subsection (a), whether that article is a product of a country designated as a beneficiary developing country under the Generalized System of Preferences (pursuant to title V of the Trade Act of 1974) or of any other country.

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall apply to articles entered, or withdrawn from warehouse, for consumption after the earlier of December 31, 1985, or the date which is 90 days after the date of enactment of this Act.●

ENGLISH AS THE U.S. OFFICIAL LANGUAGE

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. RUDD. Mr. Speaker, I rise today to urge my colleagues' support of a constitutional amendment to establish English as the official language of the United States.

As an American citizen who spent a career on diplomatic assignment in the culturally rich nations of Latin America, I can appreciate the beauty of the Spanish language and the necessity of being fluent in the native tongue of a foreign land. The Spanish language plays a key role in virtually every aspect of a country such as Mexico—whether it be a business transaction, political debate, education, religious ceremony or everyday chatter. It represents the distinct culture of a country: Its history, its music, and its lifestyle.

Here in the United States, English plays no less a role in our national heritage. Our Founding Fathers spoke English, our Constitution was written in English and our entire national history has been recorded in English. Today, an American citizen without a thorough understanding of English could be left out of the mainstream of the American economy and political process. In short, that citizen would be condemned to a second-class citizenship.

That is why I believe a constitutional amendment establishing English as the official language of the United States is needed.

In my view, an immigrant's own language and national culture need not be abandoned or even suffer during the process of converting to the English language. Instead, the language and culture can and should be preserved through the family unit. But outside the family, where the Nation's business is conducted, the English language should prevail.

In America, opportunity speaks English. We should continue to encourage the teaching of different languages after our children have mastered English. But we cannot afford to isolate groups of Americans from the primary language that has played a vital role in the building of the strongest, freest, and best government in the entire world.

Immigrants seek a better life in the United States because of what we have so proudly built—a nation that truly offers more to its people than any nation on Earth.

But in order for a person to take advantage of the many opportunities that are available in the United States, a knowledge of the English language is a necessity.

It is little wonder that the prestigious 20th Century Fund concluded one of its major studies of education with this finding:

Anyone living in the United States who is unable to speak English cannot fully participate in our society, its culture, its politics.●

NATIONAL CONFERENCE ON SOVIET JEWRY YEAREND REPORT

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. SMITH of Florida. Mr. Speaker, the policies that the United States has pursued to encourage human rights have not been as effective as we would like them to be or as they should be. In the late 1970's, Soviet officials first crippled the Soviet Jewish emigration movement when the numbers of Jews allowed to emigrate began to decline. In 1984, Soviet authorities strived to paralyze the Jewish emigration movement further. Soviet Jewish emigration dropped to an all time low of 896.

A new stepped up Soviet campaign to erase Jewish culture has begun. Disruption of their lives and harassment by authorities are not new to the tens of thousands of refuseniks waiting to emigrate. The latest attempt to eradicate Jewish culture from Soviet society, however, is new. Hebrew teachers and the most active political activists were singled out, arrested, and imprisoned on trumped up charges.

The leadership of the Soviet Jewish emigration movement may disappear if these Hebrew teachers and activists are eliminated. Soviet television recently aired a crude documentary on Jews in the Soviet Union mentioning their anti-Soviet tendencies and association with Zionists. This film represents not only an upsurge in anti-Semitism, but also a continuation of the Stalinist mentality of equating any allegiance to Judaism or Israel as an act of treason possibly punishable by death. If refusenik leaders are to weather this new Soviet storm, they will need our support and commitment to their cause.

Knowing of my colleagues' concern and support for human rights, I would like to bring to their attention an informative yearend report on Soviet Jewry prepared by the National Conference on Soviet Jewry. The report follows:

NATIONAL CONFERENCE ON SOVIET JEWRY—SOVIET JEWRY: THE LEGACY OF ANDROPOV

HIGHLIGHTS OF 1984 DEVELOPMENTS

With the coming to power of Soviet President Konstantin Chernenko, there were high hopes in the West for a positive change in the policy of Yuri Andropov that would see increased Jewish emigration to Israel. Optimism in this area was based in part upon Chernenko's close association with former Soviet President Leonid Brezhnev, during the era when Jewish emigration peaked.

These expectations, however, were not met. On the contrary, 1984 was a bleak year dominated by harassment and a new wave of arrests and persecution. At the same time, the movement for a renewed Jewish religious and cultural life grew, indicating that Soviet Jews are continuing to draw strength and hope from their Jewish heritage, despite tremendous adversity.

WAVE OF NEW ANTI-JEWISH TRIALS

The most notable and serious development affecting Soviet Jewry in 1984 was a concentrated and systematic attack on Hebrew teachers. Since mid-July, continuing harassment against Hebrew teachers and cultural activists culminated in a wave of searches, threats and arrests, suggesting a blatant attempt to crush the determination of a younger generation of Jewish activists. Four of those arrested were sentenced to prison and labor camps on trumped-up charges. Their real "crime" was their active struggle to secure the right to emigrate to Israel or to live as Jews, without discrimination, in the USSR.

On November 19, Yakov Levin, a Hebrew teacher from Odessa, was sentenced to three years in a labor camp for allegedly "circulating false materials which defame the Soviet State and social system." As evidence, the court was informed that Levin possessed copies of Leon Uris' novel, "Exodus," and writings by the Zionist leader Vladimir Jabotinsky, which predated the 1917 Revolution and the creation of the Soviet State.

Levin's intended father-in-law, Mark Nepomniashchy, was himself subsequently arrested in connection with Levin's investigation and charged with the same crime. The net was further tightened when Yakov Mesh, a long-time friend of Levin's, was charged with "refusing to give testimony" and "resisting arrest." Mesh was hospitalized, pending his trial, as the result of abdominal and liver injuries sustained during a brutal beating received at the prison where he was originally held.

On December 10, Iosif Berenshtein of Kiev was sentenced to four years for allegedly "resisting arrest." He was arrested on November 12, while in nearby Novograd Vilinsky to answer allegations of economic crimes made against his aunt, in connection with the purchase of a gravestone. That complaint was weak and was dropped, but Berenshtein remained incarcerated. Upon his arrival at the prison, Berenshtein was placed in an isolation cell with two hardcore criminals. The move was seen by friends as a way of stigmatizing Jewish activists, and to cloak the arrest as one on criminal rather than political or religious grounds. The inmates attacked him and, using broken glass, inflicted serious injury to his eyes. As a result, he may be permanently blinded in one eye.

Leningrad activist Nadezhda Fradkova was sentenced to two years on the charge of "parasitism." Fradkova had been periodically confined to a psychiatric hospital since April 1983, because authorities insisted that "she must be suffering from hallucinations since she insists on receiving an exit visa for Israel."

Yuli Edelshtein of Moscow was sentenced on December 19 to three years in a labor camp, on a charge of "drug possession," stemming from a search of his apartment in which officials claim to have found opium. The arrest was the forerunner of a series of libelous allegations in the press linking Judaism with drug use. During several house searches, local authorities confiscated and defaced religious artifacts under the guise of a drug investigation.

Commenting on one such search another Jewish cultural activist, Dan Shapira, declared that "these provocations are extremely primitive and are probably an exercise to see how much pressure can be exerted on us. Even Hitler did not start to destroy the Jews immediately; only when he began to understand that no one in the free world would protect them."

As the year drew to a close, three other activists were expected to go to trial, including Aleksandr Kholmiansky, one of Moscow's leading Hebrew teachers. Kholmiansky was arrested while visiting Estonia in July, and detained on a charge of "hooliganism." Authorities later elevated the charge to alleged "weapons possession," based upon a search of the home Kholmiansky shared with his parents, in which they claim to have found a gun and ammunition.

The accelerated judicial action against the Hebrew teachers is seen as a concentrated effort to destroy the remnants of Jewish education and culture in the USSR. While these seven Jewish activists and their families are the most obvious victims of the

latest campaign, allegations surrounding their cases represent a threat for all Soviet Jews, with the real purpose being an indictment of Judaism. Soviet authorities are painting a picture to the public at large of a "Jewish underground," characterized by possession of weapons and drug abuse.

Prior to these new attacks, three other Jewish activists, Aleksandr Cherniak, Aleksandr Yakir and Zakhar Zunshain, had been jailed. Fourteen other Prisoners of Conscience (POCs) remained incarcerated, including Anatoly Shcharansky, who was transferred to Perm Labor Camp to serve the remainder of his 13-year term (to 1990) and was reported hospitalized in December. Iosif Begun's wife, Inna, was notified that her husband, a founder of the Hebrew language effort who had already served two terms of internal exile in Siberia and is now in a labor camp, will be refused visitors until the end of 1985.

While nine Jewish Prisoners of Conscience were released upon completion of their terms in 1984, none received their exit visas for Israel. The total number of Jewish Prisoners of Conscience now stands at 22.

EMIGRATION

The rate of Jewish emigration reached a nadir, for the 1984 total of 896 was the lowest recorded in a single year since 1970. The monthly rate declined to fewer than 100 Jews. This reflects the Soviet policy shift begun in 1980, when newly-imposed restrictions sharply limited the number of Jews able to apply for family reunification. The 1984 total, which is less than two percent of the 1979 peak year emigration figure of 51,320, suggests that the Soviets have now effectively closed the gates. These gates had previously been opened for over 260,000 Soviet Jews who were allowed to emigrate in the last 14 years.

The reduction in the number of Jews granted exist visas left an estimated 20,000 "refuseniks" stranded. This figure is a conservative estimate, since it accounts only for those Jews who submitted formal applications to leave for Israel and received official refusals. The figure does not include those who have been arbitrarily denied even the right to apply for exit permits, those who have applied but received no official answer from the authorities, or those who choose not to publicize their plight for fear of reprisals.

Jews categorized as refuseniks were increasingly treated as outcasts from Soviet society. Separated from their families and from Israel, they have been forced to wait indefinitely for permission to leave with no assurance that they will, in fact, ever receive it. Over 120 families are known to have waited more than 10 years. Following the submission of their applications to emigrate, most refuseniks are routinely dismissed from their jobs and forced to take menial jobs or risk criminal prosecution on charges of "parasitism." Other forms of harassment have included the expulsion of their children from colleges and universities, military conscription selectively applied as a punitive measure, defamatory and anti-Semitic attacks in the media, arbitrary arrests, and the confiscation of personal property, with little or no effective means of legal recourse.

To counter Western criticism of its emigration policies, Moscow claimed that "all the Jews who wanted to leave have already done so." With the formation of a public "Anti-Zionist Committee" in 1983, the Soviet Union created a convenient mouthpiece for promoting this fiction and defending official policies. The Committee and the Ministry of Foreign Affairs continued to use the media to promote the claim that the process of family reunification had ended.

According to the Committee, Jews are no longer interested in emigrating, although available statistics indicate that more than 350,000 have begun the emigration process.

ANTI-SEMITISM

The tight policies aimed at Jewish emigration were accompanied by an escalation of efforts to isolate and intimidate Jewish activists. At the same time that it was becoming impossible to leave, it was also becoming virtually impossible to live as a Jew within the Soviet Union.

Scores of private Hebrew teachers were warned by the police and the KGB to stop teaching Hebrew or be severely punished, although the private teaching of other languages is permitted. In many cases the homes of teachers were systematically raided and Hebrew materials confiscated. Private seminars on Jewish history and culture were also repressed and forcibly dispersed. In general, the authorities seemed bent on pursuing policies aimed at the total obliteration of any vestiges of Jewish religious and cultural identity, and the forced assimilation of Soviet Jews.

The public Anti-Zionist Committee continued to spearhead a virulent anti-Semitic campaign in the Soviet media. This campaign, thinly disguised as anti-Zionism, featured scurrilous attacks on individual Jews, Judaism, the Jewish people and the State of Israel. In October, Committee Chairman David Dragunsky held a press conference to reiterate propagandist claims that Zionists and Nazis collaborated during World War II. He alluded to a "deal between the Zionists and Hitler" and, in a bizarre turnabout, blamed them for "launching the war and the policy of genocide." Ignoring the annihilation of six million Jews, and the arrests of known Zionists by the Nazis and by the Stalinist regime, Dragunsky charged that the motivation for the alleged conspiracy was the "removal of capital belonging to the big Jewish bourgeosie from Germany to Palestine."

Within a month, an hour-long documentary on Leningrad television equated refuseniks with anti-Soviet behavior, alleging they are coerced by "outsiders" to continue their emigration activities.

Several well-known Leningrad Jews, including Lev Shapiro, Yakov Gorodetsky, Iosif Radomyslsky, and Aba Taratuta, were publicly identified as "Zionists who are nurtured by gifts they receive from the West." Ignoring the fact that they, as well as others, were fired from their jobs after applying for exit visas to Israel, it was alleged that they "refuse to do productive work, preferring to do manual labor and live on gifts." The broadcast, aimed at dissuading Jews from seeking repatriation to Israel, concluded that life in Israel is terrible. It interspersed footage of demonstations by Jews and Arabs, and warned the Soviet people to "beware of the dangers of Zionism."

Other themes touted by the Anti-Zionist Committee and given widespread media coverage included the equation of Hebrew teachers and Jewish cultural activists with spies, criminals and traitors, the alleged role of Jewish capital in Western military industry, and the "Zionist" influence in the Western media.●

WHERE DID JOHNNY GO?

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. HUNTER. Mr. Speaker, I would like to call the attention of my colleagues to a poem which I am including in the RECORD. This poem was sent to me by City Councilman Bill Mitchell of San Diego and it deals with the pain and memories of losing a loved one to war. I, as a Vietnam veteran, saw friends fall in combat and know what their families went through. As elected officials we should take every opportunity to honor those men and women who have made the ultimate sacrifice for our country.

WHERE DID JOHNNY GO?

We raised him all those years.
Experienced laughter and shed some tears.
Showed him all of what to do.
And most of what he knew.
Where did Johnny Go?
He traded in his blue jeans
for the U.S. Marines.
The boy became a man,
and war sent him to a foreign land.
We're so proud.
He shouted out loud.
And "wanted to protect his country," he said.
Now, in far off Beirut Johnny is dead.
But, *Where* did Johnny Go?
Nobody seems to know.
A knock at the door.
The officer gently reported and said that he didn't know any more.
The news reported instead.
"He had no bullets, and they were all dead."
One of the proud marines.
He lived only to his teens.
And knows what it means to give his life for a friend.
They taught him to give for his country.
His life isn't gone.
His memory lingers on with his dad and his mom.
And among those who loved him.
Does his Country know the price that was paid?
And in final rest his body was laid?
Because of the war,
Their son, Johnny, won't be home anymore.
Except as they send him;
A hero to us all, a buddy, and a friend.
The pain, the memory, the love of a soul
that lives in our hearts, the scars, the marks.
The loved ones just want to know.
"Oh, *why* did Johnny have to go?"●

DEATH OF FRANK MONGELLI

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. ADDABBO. Mr. Speaker, I am sad to say that one of the most respected union officials along the east coast has passed away. Frank Mongelli, vice president of the Seafarers Harry Lundeberg School of Seamanship in Piney Point, MD, died last month at the age of 72. Frank was instrumental in founding this unique school which has helped thousands of young men and women develop skills which lead them to productive employment as seafarers.

Frank was a good friend of mine and was unfailingly cheerful no matter how difficult a task might prove. A member of the Seafarers Union for over 40 years, this Brooklyn born and raised son became a true advocate of the life at sea. His school became one of the finest maritime training centers in this country.

Frank began his career as an ordinary seaman and rose through the ranks to become a bosun. During World War II he served on the ships that delivered critical supplies to England. After the war Frank played a major part in helping the Seafarers Union clean up the New York waterfront. He risked his life numerous times in those hectic days as the unions fought successfully to rid the waterfront of racketeers.

We used to tease Frank quite often that his physical resemblance to the actor James Cagney would have served him well in those early days of his career.

In the early 1960's Frank was asked to turn an abandoned naval base into a maritime training school. He took to this task like a true convert and within months the abandoned base was a functioning school and shortly thereafter these first graduates, many of whom could barely read or write when they entered the classroom, graduated with honors. Throughout his lifetime the graduates from this school were the greatest joy in Frank's life.

I know that many Members serving here have reason to know how productive this school has become. It is a fitting memorial for the man who brought it all about.

Mr. Speaker, I would like to include the article about Frank's death which was published in the Log, the official publication of the Seafarers Union.

The article follows:

FRANK MONGELLI IS DEAD AT 72

Frank Mongelli, one of this Union's most trusted and dedicated officials, died at his home in Valley Lee, Md. Jan. 11. He was 72 years old.

At the time of his death, he was vice president of the Seafarers Harry Lundeberg School of Seamanship in Piney Point, Md. One of the founders of the school, Mongelli was instrumental in helping thousands of young men and women develop a new direction and skills to lead richer and more rewarding lives.

A member of this Union for more than 40 years, Frank participated in nearly all of its major beefs and organizing drives. He was known for his physical courage, his loyalty and the leadership qualities that he displayed when asked to take charge of a situation.

Mongelli made major contributions to the development of the American-flag merchant marine. He was incredibly gracious. He made sure that everyone who came to the Lundeberg School felt good about themselves, the SIU and the maritime industry.

He was the embodiment of this Union's commitment to education and human dignity. In many ways, Mongelli's most valuable contribution to the school was the example that he set with his own life.

He overcame poverty and early obstacles to become the head of one of the finest maritime training centers in the country. He never forgot where he came from: "Hell's Kitchen" and the streets of New York. He often said that his first real break in life occurred when he joined the SIU in 1940.

He helped carry supplies to England during World War II. He began his career as an ordinary seaman and rose through the ranks to become a bosun.

Mongelli played a major part in helping this Union clean up the New York waterfront during the 1950s. He risked his life more than once so that our membership could work in a safe and rewarding atmosphere.

He started sailing at a time when seamen were treated as second class citizens. He lived to see the day when they were respected members of the community.

Like many of the people who built this Union—Harry Lundeberg, Paul Hall, Frank Drozak—Mongelli had a dream: that seamen could overcome the oppression and exploitation that they were subjected to on the waterfront. That could only be accomplished, he realized, through education and trade unionism.

When Paul Hall conceived the idea of building the Seafarers Harry Lundeberg School of Seamanship more than 20 years ago, he turned to Frank Mongelli to transform that dream into a reality.

When the Seafarers first bought the Harry Lundeberg School, it was nothing more than an abandoned naval base. For several months, Mongelli and his devoted wife, Liz, lived alone on the base. Frankie assembled a team of SIU stalwarts, and they began to renovate abandoned buildings and tore down rotting piers.

The school slowly took form. Within several months, the base was functional. A training program was established.

Mongelli set a tone for Piney Point. Because of his early experiences, he understood that young people need discipline and love. He gave the trainees who came through the school equal doses of both.

Many of the young men and women who came to the Harry Lundeberg School of Seamanship had little reason to hope for a bright future. Many came from poor or broken families. Others could barely read or write.

Thanks to Frank Mongelli, these people left the school with something priceless: a choice. They now had the tools to make a decent living. They could upgrade, or improve their educational skills. They had hope.

To Frank Mongelli, the Union's motto—the Brotherhood of the Sea—was more than just words. It was something that he lived—something that he honored even in death.

His funeral was held at the auditorium of the new hotel, which was fitting for someone who gave everyone connected with the SIU a place that they could call their second home.

His casket sat beneath pictures of Paul Hall, Andrew Furuseth and Harry Lundeberg. There was an SIU button on his lapel.

President Frank Drozak delivered the eulogy.

Drozak praised Mongelli for the life that he had lived and for the things that he had done for the Union. His voice was thick with emotion for the good friend that he had lost.

It was revealed at the funeral that the county commissioners of St. Mary's had issued a proclamation praising the contributions Frank Mongelli had made to Maryland, the maritime industry, and the education of the young.

Some 60 miles away, at the headquarters building, flags flew at half mast.

He was the first SIU member to be buried at the Seafarers Haven Cemetery. This resting place was something that he had long planned: a place for seamen to be buried so that they could be with their own.

He was carried to the gravesite by the young trainees he loved. He was buried under a brilliant blue January sky.

Hundreds of friends came to pay their last respects.

Nearby was the Farm that he had developed with his own hands, and the Alcohol Rehabilitation Center that he had helped establish.

In the distance, clearly in view, was the Seafarers Harry Lundeberg School of Seamanship, glistening on the banks of the St. George's River.●

CALLING FOR THE RESTORATION OF DEMOCRACY IN CHILE

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. WEISS. Mr. Speaker, over the past 5 years, military juntas in Argentina, Bolivia, Ecuador, El Salvador, Honduras, Uruguay, and Brazil have been replaced by elected civilian governments. Chile is the most prominent exception to this promising trend.

After more than 11 years of military dictatorship, thousands of Chileans, led by the Catholic Church, the labor movement, and the democratic political opposition, have joined to demand that Gen. Augusto Pinochet restore democracy to Chile.

President Pinochet, however, has resisted the democratic aspirations of the Chilean people. He has failed to follow the democratization process outlined in the Chilean Constitution adopted in 1980, and on November 6, 1984, he imposed a state of siege. Under the state of siege, press censor-

ship has increased, the right of assembly has been restricted, more than 8,000 people have been temporarily detained, and over 600 have been internally exiled without due process.

The state of siege, which was scheduled to expire on February 4, has been extended for another 90 days. To protest Pinochet's extension of the state of siege, the Reagan administration has informed the Chilean Government that it will abstain from an Inter-American Development Bank vote on a $130 million loan to Chile. The administration should be commended for this action, for the U.S. abstention on Chile's loan request sends an important message in support of democracy and human rights to the Pinochet government.

The restoration of democracy requires not just the lifting of the state of siege but the resumption of a dialog between the Chilean Government and the democratic opposition and an immediate end to human rights violations by the Pinochet government. In recent years, according to Amnesty International, the military Government of Chile has practiced a pattern of arbitrary detention, political imprisonment and systematic torture, all designed to intimidate possible political dissent into silence. The violence of the Pinochet regime has not been confined solely to Chile, as demonstrated by the military government's responsibility for the September 1976 killings of Orlando Letelier and Ronni Moffitt in the streets of Washington, DC.

The Chilean people want democracy reestablished in their country. To demonstrate U.S. support for the Chilean people in their desire for a return to democratic rule, a bipartisan group of 53 Members of the House have joined me in introducing a resolution calling upon the U.S. Government to continue to deny all military assistance and to deny nonhumanitarian assistance to Chile until its military government returns Chile to democracy.

I urge my colleagues to join me and the original cosponsors of this legislation, Mr. BARNES, Mr. PORTER, Mr. LEACH of Iowa, Mr. JEFFORDS, Mr. KOSTMAYER, Mr. ALEXANDER, Mr. ACKERMAN, Mr. ANTHONY, Mr. BERMAN, Mr. BONIOR of Michigan, Mr. CONYERS, Mr. CROCKETT, Mr. DELLUMS, Mr. DORGAN of North Dakota, Mr. DYMALLY, Mr. EDGAR, Mr. EDWARDS of California, Mr. FAUNTROY, Mr. FEIGHAN, Mr. FOGLIETTA, Mr. FORD of Michigan, Mr. FRANK, Mr. GARCIA, Mr. GEJDENSON, Mr. HALL of Ohio, Mr. HAWKINS, Ms. KAPTUR, Mr. KASTENMEIER, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LEVINE of California, Mr. MACKAY, Mr. MARKEY, Mr. MILLER of California, Mr. MITCHELL, Mr. MOAKLEY, Mr. MORRISON of Connecticut, Ms. OAKAR, Mr. OBERSTAR, Mr. OWENS, Mr. PENNY, Mr. RANGEL, Mrs. SCHNEIDER, Mr. SEIBERLING, Mr. SOLARZ, Mr. STOKES, Mr. STUDDS, Mr. TORRICELLI, Mr. WALGREN, Mr. WEAVER, Mr. WILLIAMS, and Mr. WOLPE, in supporting this effort to restore democracy to Chile.

H. CON. RES. —

Whereas over the past five years, military, juntas in Argentina, Bolivia, Ecuador, El Salvador, Honduras, Uruguay, and Brazil have been replaced by elected civilian governments, but in Chile, the government of General Augusto Pinochet has hindered the restoration of democracy in that country;

Whereas on Novermber 6, 1984, the Pinochet government imposed a state of siege that has resulted in increased press censorship, greater restriction on the right of assembly, and the temporary detention of more than 8,000 people and the internal exile of more than 500;

Whereas the imposition of press censorship and the extensive arrests of opposition political figures during the state of siege impair the movement toward democracy in Chile;

Whereas Amnesty International has noted that in recent years there has been a marked deterioration in the human rights situation in Chile, demonstrated by a consistent pattern of arbitrary detention, political imprisonment and killings, and systematic torture;

Whereas Amnesty International, the International Commission of Jurists, the United Nations Human Rights Commission Ad Hoc Working Group on Chile, the United Nations General Assembly, and the Organization of American States Commission on Human Rights have stated that the regime of Augusto Pinochet has violated basic human rights and political freedoms in Chile since the 1973 military coup in that country;

Whereas the restoration of democracy requires, as a first step, a lifting of the states of siege and emergency in Chile, a dialogue between the Government of Chile and the democratic opposition, and an immediate end to human rights violations by the Pinochet government; and

Whereas the Chilean people want democracy re-established in their country, and the United States is in full sympathy with the deeply-felt desires of the Chilean people for a return to democratic rule: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) supports the Chilean people in their efforts to end the military dictatorship and bring about the peaceful restoration of democratic institutions and human rights in Chile; and

(2) calls upon the Government of Chile to negotiate with the democratic opposition for a return to democratic rule.

SEC. 2. Until Chile returns to its long tradition of democratic procedures and institutions and of respect for internationally recognized human rights—

(1) the United States—

(A) should continue to deny any and all direct and indirect military assistance (including cash sales) for the Government of Chile, and

(B) should cease any and all joint military-related activities (including joint military exercises) with the Government of Chile;

(2) the United States should deny all forms of economic assistance to Government of Chile;

(3) the Overseas Private Investment Corporation should comply with the human rights requirements of section 239(i) of the Foreign Assistance Act of 1961 by not issuing any additional investment insurance pursuant to its 1983 agreement with the Government of Chile; and

(4) as mandated under section 701(f) of the International Financial Institutions Act, the United States should oppose all loans and grants to Chile by international financial institutions such as the Inter-American Development Bank, the International Bank for Reconstruction and Development, and the International Development Association, unless such assistance is specifically directed to programs which serve the basic human needs of the people of Chile.●

COURAGE NEVER QUITS: JOSEPH DAVID PISTANA, 1964–1985

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. HALL of Ohio. Mr. Speaker, the ancient Roman dramatist Plautus wrote:

Courage is the best gift of all; courage stands before everything. It is what preserves our liberty, safety, life, and our homes and parents, our country and children. Courage comprises all things: a man with courage has every blessing.

A man of such blessing was Joseph David Pistana, who was a resident of Centerville, OH, and an intern in my Washington office.

On January 10, 1985, Joe died at the Dana Farber Cancer Institute in Boston. Joe's death followed a 2-year-long bout with cancer that never shook his basic optimism, deep sense of purpose, or courage.

Joe was born on May 7, 1964, in Bloomington, IN. From his boyhood days, Joe spoke of his life ambition to attend the U.S. Military Academy at West Point. To achieve that goal, he became an honor student at Centerville High School, from which he graduated in 1982. He demonstrated his leadership by serving as president of the marching band and participating in numerous other student organizations. His creative side showed through his musical ability and his performance in school productions.

Joe's diligence paid off when I appointed him to the West Point class of 1986. The class motto could have been Joe's own creed: "Courage Never Quits."

A year ago, Joe took a leave from school for treatment at Walter Reed Army Medical Center. Because the treatments did not take all his time, in May, Joe volunteered as an intern in my office. At first he performed routine filing and clerical duties. However, later he performed more important duties, including arranging tours and other constituent services.

Joe filled the office with his cheer and good nature. He executed his duties with a soldier's precision; yet at the same time he showed understanding and sensitivity. He still considered service to be his highest calling, and this showed in every task he undertook.

One constituent, the wife of a naval officer stationed in Virginia, worked with Joe in arranging tours for guests staying at her house. So moved was she by Joe's courtesy, she wrote to me:

Not only is Joe's telephone personality most pleasant, he is also wonderfully thorough and efficient. His efforts helped ensure a memorable experience for my guests . . . and for me, too.

Joe was fully convinced that his fight with cancer would be like every other battle he had fought and won. His confidence in the future was never daunted. However, when his condition failed to respond to chemotherapy and grew more threatening, he was concerned that the Army would offer him a medical discharge.

Last year, shortly before he left for further treatment in Boston, he wrote a letter to Lt. Gen. Willard W. Scott, Jr., superintendent of West Point. In the letter, Joe reaffirmed his own faith, and sought to assure the general of his continued ability to serve his country as an Army officer:

SIR: I have wanted to attend West Point for as long as I can remember. Spawning from an intense interest and fascination in history, especially military history, I resolved that the Academy was the best route to pursue to reach that personal goal of obtaining a commission in the U.S. Army. Now, I wish to strongly reaffirm my desire to remain as a cadet at the United States Military Academy and serve as an officer in the United States Army.

Since my hospitalization, I have undergone an extensive amount and variety of treatments and operations in the effort to eradicate my cancer. I have suffered many difficult times on the road to recovery, but I have never lost faith in the eventual successful completion of my treatment. During moments of particular hardship, I frequently think of my Class of 1986 motto, "Courage Never Quits." When my class chose this simple phrase during my plebe summer, I had no idea the significance that these words would assume in my life as my rallying point to persevere in my battle to conquer cancer. I choose to fight, and with the continuing support from West Point, I shall return. Though I may occasionally suffer setbacks in my medical progress, I always maintain the will and the belief that this is a war that I can win. I will endure any hardship or suffering that will give me the chance to live a long and prosperous life. I will win because I still have many unfulfilled goals that I am resolved to accomplish.

I had the opportunity and the pleasure to travel from Washington to Philadelphia for the Army/Navy Game, and I experienced a rush of happiness as I marched onto the field with my company that was unsurpassed except for the stunning defeat handed to Navy. The Army Team and the 12th Man scored a magnificent victory that day, and I look forward to the day when I will have achieved that personal victory of my own that will allow me to return to the Corps of Cadets. I have already made plans to see another Army victory at the Cherry Bowl.

Once again Sir, I thank you for your support of my status, and I respectfully request that you maintain your faith in me as I maintain it in myself.

Beat Michigan State, Sir!

Joe is the son of Mr. James J. Pistana of Georgetown, KY, and Mrs. Judy M. Wenzler of Centerville. In addition to his parents, he is survived by two brothers, Jay and Jeffrey. I join my staff and Joe's family, friends, and fellow cadets in mourning the loss of a fine young American whose courage still lives in those who were inspired by his faith.●

PROMOTING HOME CARE AS AN ALTERNATIVE TO INSTITUTIONALIZATION OF ELDERLY FAMILY MEMBERS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. BIAGGI. Mr. Speaker, today I am introducing legislation that would provide an important impetus for the establishment of alternative living arrangements for our elderly citizens who either live alone or are forced into unnecessary institutionalization and for their families who wish to support the dependent relative in the home.

Presently, approximately 11 percent of the Nation's population is over 65. The number of elderly living alone has increased substantially. Additionally, the number of elderly living outside the extended family has changed drastically. Twenty-two years ago, 46 percent of those over 65 lived with their children. By 1975, this figure had dropped to 18 percent.

The number of institutionalized elderly has also risen, due to a variety of variables. By the year 2030, there will be 55 million persons over the age of 75 in our country, representing 22 percent of the total population. It is critical that we now consider alternatives to traditional delivery modes of health care and social services to this population. The continuum of care for this population—which should be the core of any long-term care system that we develop in this Nation—should assure both access and choice to all those in need of dependent care.

My bill provides for a $500 tax credit to those families who maintain an elderly dependent in their home for over one-half of the taxable year. The availability of a tax credit would ease the major obstacle—cost—that many families face in caring for elderly family members.

Studies have shown that it is generally the family, not Government, that provides the most care for the elderly. The Health Care Financing Administration has estimated that between 60 and 80 percent of the care received by the impaired elderly is provided by family members or friends who are not compensated. In addition, information from the field clearly points to the family as the preferred provider of services to the elderly. However, I must underscore the fact that we still fail to have a rational, long-term care policy in this country that eliminated the institutional bias in our current federally financed programs.

At present, Medicaid is the largest single provider of long-term care services. This program pays for over half of our national, long-term care bill as compared to 1.3 percent being paid for by private insurance and 2 percent by Medicare. With over 1 million residents of nursing homes today relying on Medicaid to finance their health care and housing needs, we must recognize that we are talking about a significant share of our dependent care population.

Increasing the attractiveness of home care would also reduce nursing home costs, especially after 1972 when intermediate care facility care was added to the benefit package. By 1975, this change alone resulted in ICF care exceeding skilled nursing care and a concurrent doubling of the Medicaid long term care bill to $4.3 billion. Today, Medicaid expenditures in this area have again doubled since 1975 as a result of added factors: Rising costs of care as compared to number of recipients; elimination of provisions for family supplementation of nursing home payments and SSI provisions which reduce benefits to beneficiaries living with each other.

Providing a $500 tax credit for home care expenses would be an important first step to implement a national policy of long term care. This bill cannot, however, be viewed as an isolated proposal. There must be efforts made to promote comprehensive policies that assure a continuum of care of elderly citizens.

We are beginning to receive substantial evidence of the need for both home care alternatives specifically, as this bill would provide, as well as the value of community based, long term care services now being provided on a piecemeal basis through both Medicaid as well as the Older Americans Act. A 1980 study by HCFA noted that between 3.6 to 7.8 million individuals may be receiving services from family and friends—or may be in need of such services, but are making due on their own.

Further evidence will be provided to us through assessments of the Medicaid home and community-based waivers authorized under section 2176 of the Budget Reconciliation Act of 1981.

Since October 1981, 44 States have received waivers for a period of 3 years, which allow States to provide important community based, long term care services. Congressional and HCFA review of these waivers is critical to any rational, comprehensive effort to expand home care alternatives and implement a national, long term care policy.

If no preferred living arrangements can be provided for our ever-growing elderly population, these individuals will be forced into living arrangements not of choice—with the possible resultant loss of health status and emotional well-being.

As an original member of the House Select Committee on Aging, I have joined with my colleagues to encourage alternatives to institutionalization and help alleviate the problems faced by many families today in seeking to care for their elderly family members. Passage of this bill would be an important first step and I urge my colleagues to join with me in this timely effort on behalf of not only our Nation's elderly, but all our families.●

LASPAU: 20 YEARS OF ACHIEVEMENT

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. SCHEUER. Mr. Speaker, it is indeed a pleasure for me to bring to the attention of the 99th Congress and our Nation the 20th anniversary of the Latin American Scholarship Program of American Universities [LASPAU]. Since its founding, LASPAU has provided inspiration and support for education throughout the Americas.

Mr. Speaker, I have spoken on the floor of the House of Representatives on many occasions about the interests and concerns of the citizens of the Eighth Congressional District. I am proud to commend to the attention of my distinguished colleagues a brilliant article by Lewis A. Tyler, executive director of LASPAU, in which he discusses this outstanding organization's remarkable record of achievement.

THE FOUNDATIONS OF LASPAU

(By Lewis A. Tyler)

Since its founding in 1964, the Latin American Scholarship Program of American Universities (LASPAU) has made its mark by supporting the development of universities in Latin America and the Caribbean, a mission that has molded the organization's services, relationships, and identity. Although LASPAU's services now address more than the hemisphere's faculty-development needs, having broadened in scope to include cooperation with public institutions as well, the organization's shape and purpose today are still a direct consequence of its original mission.

"Twenty years of service to education in the Americas," the phrase used here to mark LASPAU's anniversary, only begins to suggest the remarkable role this organization has played in advancing institutional development during the past two decades. Originally created by half-a-dozen individuals in Cambridge, New York City, and Bogotá as a vehicle for providing bright, deserving young Colombians with undergraduate schooling in the United States, LASPAU quickly embarked on fifteen years dedicated to facilitating the development of university teachers, researchers, and administrators.

Today the organization finds itself with services of unparalleled quality and a capacity to meet the variety of educational and training needs now emerging from the diversity of institutional development contexts included in the collective entity, Latin America and the Caribbean.

Recognition for the success of this twenty-year venture which many give to LASPAU alone, must also be assigned to those institutions from which LASPAU derives its very existence. In addition to the Latin American and Caribbean institutions that have sponsored and employed LASPAU Scholars over the years, LASPAU collaborates primarily with two government agencies, the United States Agency for International Development (AID) and the United States Information Agency (USIA), whose resources have aided LASPAU for most of its two decades, and with universities in the United States that have welcomed more than 3,000 LASPAU Scholars during the program's history.

UNITED STATES GOVERNMENT SUPPORT

LASPAU's principal sponsors, AID and the USIA, have complemented each other's work by sharing support for LASPAU's services. AID, however , is almost wholly responsible for converting LASPAU into a permanent organization with well-defined goals, objectives, procedures, policies, and systems. Early on, in 1966, AID established an exclusive relationship with LASPAU, which it maintained for ten years, until 1975.

During this period, when AID's and LASPAU's interests coincided in a common purpose, faculty development, their collaboration provided graduate-education opportunities to nearly 1,500 men and women from 164 universities throughout Latin America and the Caribbean. This partnership also allowed LASPAU to elaborate the skills and systems that support its services and to develop the collaborative institutional relationships that characterize its work in the hemisphere. In sum, ten years of collaboration created the recognition that LASPAU and AID were reliable resources for faculty development.

In the mid-seventies, shifting development priorities led AID to direct its resources away from universities to activities and projects aimed at improving the quality of life for the "poor majority," and 1975 saw the end of LASPAU's exclusive relationship with AID. Now, contractual relationships with USAID missions, which know LASPAU's history of providing cost-effective expert services, enable LASPAU to support educational activities in 13 Latin American and Caribbean countries. These contracts call for selection and administration of participants from ministries, research institutes, extension agencies, private voluntary organizations, and universities.

In 1975, the Fulbright Academic Exchange Program, realizing the efficacy of LASPAU's concept of faculty development, enlisted LASPAU's services—evaluation and selection of candidates, placement in academic programs, English-language training and orientation, academic monitoring, and financial administration. Now under the auspices of the USIA, Fulbright-LASPAU focuses a portion of Fulbright's resources specifically in university development, reinforces LASPAU's fundamental mission, and widens access to advanced study in fields like the arts and humanities, education, and the social sciences.

Fulbright-LASPAU affords opportunities for short-term, non-degree study too, in contrast with the master's-level emphasis of most LASPAU-administered programs. This joint program has allowed LASPAU to establish working relationships with Fulbright posts and commissions, and to deliver faculty-development services to 21 countries in the Latin American and Caribbean region.

UNIVERSITIES IN THE UNITED STATES

The concept that established LASPAU in 1964 still prevails today. This organizing principle, that the costs of a scholarship be distributed among the entities that share in the scholarship's benefits, is clearly visible in the role the United States academic community has played in LASPAU's success. Universities in the United States have contributed the equivalent of about $25 million in tuition waivers, scholarships, and other forms of financial assistance to the more that 3,000 LASPAU Scholars, concrete evidence of their outstanding commitment to international education. Balancing and reinforcing that commitment, however, have been the now well-established benefits of receiving well-selected, well-funded international students whom LASPAU carefully matches with the specific academic characteristics of particular U.S. institutions.

The commitment of these North American universities cannot be measured solely in financial terms however. Each school has always welcomed LASPAU Scholars as professionals whose presence reflects a very special objective: contributing to the development of sister organizations in the hemisphere. This commitment, an explicit part of the LASPAU Scholars' appeal to U.S. institutions, also contains a corollary benefit, establishing the cross-cultural ties among scholars that are the hallmark of international educational exchanges.

INSTITUTION IN LATIN AMERICA AND THE CARIBBEAN

Beginning in 1964 with ICETEX, Columbia's educational credit agency and a cofounder of LASPAU, institutions in Latin America and the Caribbean have played an integral role in building LASPAU. National science foundations, ministries, educational credit agencies, agricultural development institutes, training centers, universities, and others have expertly performed functions that complement those carried out by the United States government agencies and universities.

These functions include: identifying candidates capable of using advanced training to further their institutions' development; continuing Scholars' salaries to help pay their living costs during their studies; covering the costs of English-language training and orientation; and employing returning Scholars in positions that take advantage of their new skills. In return for these commitments, the Scholars' home institutions have also reaped the benefits of applying resources culled from so many differing sources and, often, of taking part in further exchanges with the international academic community.

The foundations built by these three sets of institutions, working in concert with

LASPAU, may find their fullest expression in the achievements and later careers of LASPAU's 3,000-plus Alumni, an issue LASPAU is now reexamining in its second Alumni Survey, an in-depth follow-up to the first, which was carried out under a grant from the State Department's Bureau of Educational and Cultural Affairs (now part of the USIA). A complementary view of this program's effects may also emerge from two other sources, both of which will appear in this and future issues of the *Informativo*. The first, a series of Occasional Papers, will explore changes in Latin American and Caribbean universities over the last two decades.

The initial paper in this series, an overview of changes in university governance and structure, follows this article. Others, primarily case studies describing and analyzing changes in the practice of specific disciplines and particularly in research, teaching, and extension, will appear in subsequent issues. Rounding out these views will be articles on the U.S. university-LASPAU partnership, which the *Informativo* will also publish. By these and other means, LASPAU plans to mark its "Twenty years of service to education in the Americas" that institutions throughout the hemisphere have sustained.●

ACIR MEMBERSHIP LEGISLATION

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. HORTON. Mr. Speaker, today I am introducing legislation to expand the membership of the Advisory Commission on Intergovernmental Relations. I am pleased to be joined in this effort by the gentleman from New York [Mr. MCGRATH], the prime sponsor of similar measures in prior years, and the gentleman from Pennsylvania [Mr. WALKER], the ranking minority member of the Subcommittee on Intergovernmental Relations and Human Resources.

The Advisory Commission on Intergovernmental Relations [ACIR] is a federally supported, bipartisan, independent body established in 1959 to monitor the operation of the American Federal system, to study and report on intergovernmental issues, and to recommend improvements for the functioning of the system. It is clear from the legislative history that ACIR was intended to be a genuine interlevel body, not an agency dominated or controlled by any one level of government. Over its 25-year history, the composition of the Commission has remained at a constant level of 26 members: 3 U.S. Senators, 3 U.S. Representatives, 3 Federal executive branch officials, 4 Governors, 3 State legislators, 4 mayors, 3 county officials, and 3 private citizens.

This membership arrangement has proven successful in the past. However, as the Federal system has continued to evolve, it has become increasingly clear that two key participants in the intergovernmental system are not adequately represented on ACIR: local school board officials and township officials. Consequently, the measure I am proposing today would add two seats to the Commission designated for representatives from these two groups. Both new members would be selected in a similar manner to existing ACIR members—appointed by the President from a list submitted by their respective associations, in this case the National School Boards Association and the National Association of Towns and Townships.

There are several sound reasons for including these two additional members on ACIR. Local school boards are policymaking bodies, have broad interests, and expend approximately $130 billion per year. They provide direct services to a very large portion of the population and perform many of the same functions as general units of government, such as transportation services, provision of nutrition services, and oversight of construction projects. School boards are affected by an array of Federal and State Government decisions in countless areas.

Similarly, townships provide a wide range of essential services to their citizens. They are general-purpose units of local government as defined by the U.S. Census Bureau. Townships are structurally different from cities and counties and tend to be rural and small. Townships like school boards, are affected by voluminous Federal and State decisions in numerous areas.

Inclusion of these two members on ACIR would acknowledge the changes that have taken place in our Federal system over the past 25 years and provide a more representative intergovernmental panel. School board officials and township officials would make significant contributions to the deliberations and recommendations of ACIR. I urge my colleagues to join us in endorsing this reasonable expansion of the Commission.●

CRITIQUE OF THE WAR POWERS ACT

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. DREIER of California. Mr. Speaker, the current edition of the New Republic magazine carries an important article by Mr. John Silber, president of Boston College and a member of the National Bipartisan Commission on Central America.

Mr. Silber offers a devastating critique of the War Powers Act and the shameful conduct of Congress over the years in attempting to redirect Presidential foreign policy. As Mr. Silber points out, Congress should provide leadership, not politically motivated second guessing, and critics on both the right and the left acknowledge that our foreign policy has suffered from congressional efforts to share policymaking with the President.

Foreign policy is sure to play an important part in our congressional agenda this year. I ask that Mr. Silber's article be submitted to the RECORD and ask each and every one of my colleagues to read it before we blunder through another year of intervention and confrontation with the President over the conduct of his foreign policy.

CAN WE AFFORD THE WAR POWERS ACT?

PRESIDENTIAL HANDCUFFS

Since the Vietnam War, U.S. forign policy become a matter of constant and embittered controversy, not merely between the party in office and its opponents, but within parties. No president, however farsighted and decisive, can now conduct an effective foreign policy. Increasing challenges to American interests in Central America and elsewhere, and the War Powers Act and other congressional restraints on the executive branch, have created a dangerous whipsaw which renders our foreign policy erratic and ineffective.

Nicaragua, dominated by Cuba, and apparently determined to emulate the Cuban example of totalitarian government, military aggressiveness, and subservience to the ambitions of the Soviet Union, has embarked upon a policy of militarism—a course that threatens the Nicaraguan people as well as the peace and security of the isthmus. Nicaragua provides a safe haven for Salvadoran terrorists and radio facilities to coordinate their attacks; and it participates in the Soviet-Cuban spy network blanketing Central America and the Caribbean. Nicaragua is training an army far larger than any other in Central America, and threatens peaceful countries such as Costa Rica and Panama. The leaders of both of these countries told the Kissinger Commission they believe that if the Nicaraguan buildup continues, they will be attacked within a few years.

Yet it was the United States—not Nicaragua, not Cuba not the Soviet Union—that was condemned by the World Court in 1984 over the mining of Nicaraguan harbors. The United States was charged with helping Nicaraguan insurgents mine Nicaragua's harbors, and was found to be violating international law. The regular and flagrant violations of international law by the Soviet Union and its surrogates are well known, yet the Soviet Union, which has never acknowledged the court's jurisdiction, goes unpunished. Indeed, the majority of the judges who decided against the United States are from countries that do not accept its jurisdiction.

In dealing with the problem of restraining power without destroying it, the framers of the Constitution made the president the commander in chief of the nation's armed forces. Congress shares in the determination of foreign policy, but the president is responsible for its conduct. Abraham Lincoln conducted the opening stages of the Civil War as an executive act. After the attack on Fort Sumter, he gave Congress 80 days to assemble, but in the interim he called up the militia, blockaded southern

ports, raised an army of 300,000 volunteers, and suspended habeas corpus. It is doubtful that he could have gotten most of these actions approved by Congress, although when Congress met, it tacitly approved his faits accomplis.

This separation of powers remained in place until the close of the Vietnam War. Ever since the War Powers Act of 1973, the separation of powers has been compromised. The provisions of this act deprive the president of the authority to back his diplomacy with military action short of declared war. Confronting challenges of the sort posed by the Nicaraguan government and the Salvadoran guerrillas, the president has three choices, all bad: (1.) to do nothing; (2.) to ask for a declaration of war; or (3.) to try to find his way through a thicket of legal restraints that inevitably give rise to accusations of illegal conduct. President Reagan rejected the first two options when faced with the situation in Nicaragua; and the whipsaw has caught him on the third. It would catch any president.

To understand why, under the prevailing circumstances, any president will be ineffective in the conduct of foreign policy, we must understand how the president's essential freedom of maneuver has been restricted by a series of laws, amendments, and continuing resolutions that transfer responsibility for the conduct of foreign policy, especially its military aspects, to a deliberative body. The constitutionality of many of these measures has yet to be thoroughly tested: it should be.

The War Powers Act, passed over the veto of President Nixon in 1973, was a drastic response to the continuation of the Vietnam War. Presidents Johnson and Nixon had tried to conduct a full-scale war as if it were a police action, an error in which Congress was complicit. The effects of the act, perhaps unforeseeable in 1973, have now become manifest. In a world filled with subversion, terrorism, and shifting geostrategic pressures, Congress must be consulted, "in every possible instance," on the deployment of our military forces. Troops may not be deployed outside the United States without immediate reports to Congress. The president may not, without approval from Congress, keep troops more than 90 days in any area where hostilities are ongoing or imminent. The difficulty in deciding whether hostilities are imminent or ongoing is obvious. Without a specific act of Congress, the president will always be open to the accusation that he is defying the law.

This means that by doing nothing Congress can force the president to withdraw troops within 90 days; short of declaring war, Congress must pass a bill announcing on what terms U.S. troops will be allowed to remain; in areas of foreign policy and military action where secrecy is often essential, publicity has become mandatory. Military considerations have thus become political issues. The president must now consider, not the efficacy of his actions, but the reaction of Congress to them. By limiting the president's ability to deploy U.S. forces, Congress essentially took upon itself the control of crucial military actions.

The War Powers Act has been joined by a host of other restrictions on the president's power to act. Various amendments to the Foreign Assistance Act of 1961 have sharply restricted the kinds of security assistance to countries whose human rights records do not meet our standards, even if such assistance is in our national interest, and even if the denial of such assistance leads to the abrogation of all human rights. Had these amendments been on the books in 1942, they would have ruled out all lend-lease assistance to the Soviet Union. For example, it is illegal under the act to provide antipersonnel bombs to the Salvadoran air force. The Salvadorans must buy these weapons elsewhere or use expensive and inappropriate U.S.-made anti-tank rockets against guerrilla fighters, who do not move about the Salvadoran countryside in compact units.

Our room for non-military action is also jeopardized. The Foreign Assistance Act prohibits us from assisting in the development of police activities in other countries. It thus keeps us from helping Costa Rica to strengthen its security forces, which are technically policemen rather than soldiers. Similarly, the act keeps us from assisting with legal reforms in El Salvador.

The Clark Amendment of 1976 was an early milestone in making the covert overt: it forbids the president to provide "assistance of any kind" that would promote, "directly or indirectly," the "capacity of any nation, group, organization, movement, or individual to conduct military of paramilitary operations in Angola" without submitting detailed plans to the Congress. The effect of the Clark Amendment was to give free play to Castro in Angola, who was not similarly restrained by a Cuban legislature. Cuba's ability to send its forces to Africa and anywhere else in the world with impunity is an extension of the Clark Amendment.

The Boland Amendment of 1982 further restricted the president: it specifically forbade him from assisting any group for the purpose of overthrowing the government of Nicaragua. The tangled web of legal and constitutional issues that this has created was revealed in its full confusion in 1983 when the House debated the covert-overt issue and made this topic a major item for newspaper and television reports.

But perhaps most damaging to an effective foreign policy has been Congress's unwillingness to recognize that secrecy can be essential in the conduct of international affairs. This results in an inescapable contradiction. When the details of our covert support for the Nicaraguan rebels are the subject of editorials in the newspapers and debated in Congress, we are forced to conduct our foreign policy by oxymoron: we must be either overtly covert or covertly overt. Either position leaves us open to tendentious criticism and to prosecution under international law. The Nicaraguans, while covertly supporting terrorists in neighboring countries, at least have the sense to deny it.

There is an inherent ambiguity in the current Central American situation that Congress and the American people must accept. Is pressure on the Sandinistas designed to move them toward the democratic government which they promised the Organization of American States and their own people in 1979, or to overthrow them? Is it designed to force them to stop supporting the insurrection in El Salvador and elsewhere in Central America, or to overthrow them? How do we pursue the one objective without taking steps that might achieve the other? If we put pressure on the Sandinistas, how do we know that it is enough to change their policy, but not enough to bring them down? The answers are inherently uncertain, but that is not reason not to act. The president cannot conduct foreign policy by oxymoron.

None of this is to argue that Congress should not help determine our foreign policy, or that it should not be consulted and informed on the actions taken by the executive branch. The objectives of our foreign policy must be an expression of our national will. But this requires that Congress provide leadership rather than politically motivated second-guessing, and that foreign policy be decisive, flexible, coherent, and resourceful. The current situation is deficient in each of these regards. There is always the temptation of doubting the president when he undertakes a course of action that is, in the short run, unpopular. But leadership requires looking beyond the next election and pursuing a course that is, in the longer run, in the national interest.

To require, in the absence of a declared war, that the president clear the detailed implementation of foreign policy with Congress denies him a wide range of tools needed for the effective conduct of diplomacy. The result of this policy may well be national suicide, since we in effect say to our enemies that we cannot draw a line and hold it unless they land on our beaches, and that there is consequently almost no limit to how far they can go.

The rise of Nazi Germany provides a clear parallel to the rise of the Soviet presence in the Americas. Hitler made himself master of Europe by small increments. At each step, the Western Allies refused to stop him. Hitler cannot be blamed for thinking that he could take Poland without opposition, for nothing in the behavior of Britain and France had suggested that they would draw a line and fight a war to defend it. Rather, whenever he stepped up to the line, Neville Chamberlain, the British prime minister, would erase it and draw a new one. When the Allies finally demanded that Hitler stop, it required World War II to enforce their demand.

The Soviets similarly probe to see where or whether we will draw the line. They have, for example, bit by bit discovered that we will tolerate a major Soviet offensive capability in Cuba, including squadrons of MiGs, a well-equipped Soviet combat brigade, an intelligence network, and a major submarine base. All of this violates the 1962 understanding between John Kennedy and Nikita Khrushchev that ended the missile crisis. The Soviet Union withdrew its offensive weapons and promised an end to Cuban aventurism if the United States would not invade Cuba. The conditions to which the Soviets and the Cubans agreed have been incrementally violated, without U.S. response. Even before the passage of the War Powers Act, our reluctance to proceed militarily against Soviet proxies in our hemisphere has led to their increasing presence. The act exacerbates the problem. If we do not repeal the act and remove the other restrictions on the effective management of foreign policy, we may find the Soviet Union willing and able to wage covert war in Central America or Mexico, at such a level of intensity that the refugees problem in the United States becomes catastrophic.

This is not inevitable. The Soviet Union and its proxies are led by realists in the use of power. Castro responded cautiously to our liberation of Grenada, and the extremist government of Suriname, immediately after the invasion of Grenada expelled its Cuban advisers. Had the administration submitted legislation for the invasion of Grenada, Congress would still be debating it, and while we dithered about what to do in Grenada, the Cubans would have so reinforced their military presence on the island that it

would have taken major military action and the loss of many more lives to remove them.

Not the least of the bad legacies of the Vietnam War is the extent to which Lyndon Johnson's compromised attempt to defend the imperfect democracy of South Vietnam against the totalitarianism of North Vietnam has come to be regarded as the model of what happens when the executive is free to implement foreign policy. This catastrophic event has purged the national memory of other examples. Harry S. Truman promptly supported South Korea in 1950. Johnson himself took resolute action, in concert with the Organization of American States, by sending Marines to the Dominican Republic in 1965 to protect democracy. In the two decades since, power has changed hands in the Dominican Republic without violence. Any president should be free to be as resolute as Truman and Johnson were. We have, through the War Powers Act and through the amendments that have followed it, institutionalized Neville Chamberlain as the model for American presidents. If we remember what Chamberlain's policies led to, we may yet decide that it is time to reverse this disastrous trend.●

PEAS ON A KNIFE WITHOUT THE AID OF HONEY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. FORD of Michigan. Mr. Speaker, the frigid winter temperatures gripping many parts of the country, including my own State of Michigan, bring into sharp focus the need for sound energy policy which promotes an adequate supply of energy resources at a price the average consumer can afford. My good friend and Michigan colleague, Congressman JOHN D. DINGELL, who chairs the House Energy and Commerce Committee, has been intimately involved in shaping energy policy and making sure that the complex labyrinth of energy-related regulations remains unobstructed.

At a recent speech before the Fifth Annual Natural Gas Conference on January 28 in Washington, DC, Congressman DINGELL minced no words in letting natural gas industry representatives know that:

The Natural Gas Policy Act is alive and well and, what's more, working better than anyone expected of so complex a statute.

My good friend admonished the industry that any attempt to amend the Natural Gas Policy Act could result in:

Additional amendments—decontrol, freeze, rollback, recontrol, enhanced recovery, et cetera—which will create the same old problems of trying to put peas on a knife without the aid of honey.

I commend my colleagues to read the entire text of Congressman DINGELL's address. Its just plain practical advice.

The address follows:

REMARKS OF HON. JOHN D. DINGELL, FIFTH ANNUAL NATURAL GAS CONFERENCE, JAN. 28, 1985

Good morning. As I have said many times over the past four years, the Natural Gas Policy Act is alive and well and, what's more, working better than anyone expected of so complex a statute.

During the 97th Congress it was my goal and, happily, my success to avoid opening the NGPA. As I said exactly four years ago tomorrow, "there are compelling reasons for not reopening the NGPA." That was in remarks before the Federal Energy Bar.

My major endeavor, together with such collegues as Phil Sharp, Dan Rostenkowski, Toby Moffett, and a majority of all Members of the House was to see to it that the newly-arrived Reagan Administration did not deregulate natural gas prices through back door approaches to the Federal Energy Regulatory Commission. That effort, too, was successful.

During the 98th Congress, which ended at the beginning of this month, our efforts were somewhat different. Many of you in the industry came together and found one area of agreement: that there should be legislation on natural gas, but that was the only area.

I must say, little attention was paid to some of the reasons why, on January 29, 1981, I suggested that reopening the NGPA would be a mistake. The overriding concern I had was that different suggested changes would have different impacts—not only between the major segments of the industry and its consumers, but also between individual participants within the various segments.

One comment I made four years ago was, "any significant degree of deregulation would jeopardize certain gas sales contracts." At the time, many thought that all producers would support total deregulation, including the Administration. However, it turned out that many independent producers realized that any decontrol at the wellhead would certainly be accompanied by "market-out" provisions which would abrogate their contracts. This one factor, probably more than any other, contributed to the downfall of the President's proposed bill.

As the speaker who preceded me—my good friend Senator Johnston—can surely remember, the Administration bill bounded out of the Senate Energy Committee on an 11 to 9 vote—with no recommendation. Following that, the full Senate gave an overwhelming 28 votes for passage of that legislation.

Another central concern I raised four years ago was that there was a need to provide some market-ordering when decontrol of substantial quantities of gas occurred on January 1, 1985. The challenge I foresaw was "to establish a link between the price sensitivity of retail gas customers and wellhead prices." I said that, unless such market-ordering could be achieved by industry alone, or by the FERC, then it might have to be achieved through legislation. The possible actions I cited at the time may be worth repeating:

Provide a market kickout provision for distributors in pipeline service agreements.

Make pipelines common carriers and let distributors negotiate directly with producers.

Establish the principle that pipeline customers are third party beneficiaries of pipeline-producer supply contracts.

Implement marginal cost pricing at the pipeline level.

Establish an incentive rate of return for pipelines which is tied to purchased gas costs.

Eliminate minimum bill requirements in pipeline-distributor contracts.

Eliminate take-or-pay requirements in producer-pipeline contracts.

Outlaw indefinite price escalator provisions such as those which peg wellhead prices to oil prices.

Accompany wellhead price deregulation with end-use deregulation whereby gas would be sold to those end users who were willing to pay the highest price for it.

It is surprising how many of these things have occurred, even without legislation. Most have resulted from industry renegotiation and other actions, and some have come from FERC. Many, of course, were embodied in the legislation promoted on the House side by Phil Sharp, who did a fantastic job of trying to piece together a fair and workable substitute, which almost made it.

I would return again to what I said in 1981, and again in 1982, 1983 and 1984, and that is that the Natural Gas Policy Act worked—and is now working—far better than any of us involved in that year-long marathon of a Conference in 1978 could ever have expected.

Decontrol has occurred which affects almost half the gas produced in this country. But the seven years we allowed in the NGPA for industry to adjust to decontrol seems to have been more than adequate in most instances.

At present, my primary concern is that the FERC fully and faithfully carry out its responsibilities to keep a close watch on the natural gas market and to assure that it functions smoothly without rude price shocks or supply problems in any area of the country.

To that end, as many of you know, I have commenced some oversight, by raising a series of questions with the FERC and many of the interstate pipelines. It is too early to share any of the results of that investigation, since much more remains to be done in the coming months. At appropriate times during the investigation we will, of course, make various materials public, and I will do this in close cooperation with both Mr. Broyhill and Phil Sharp.

There still is a need for a shake-out in the gas industry, but I believe ordering that market will be best achieved by industry itself, with the help of the FERC.

I know a number of you are contemplating promoting legislation to repeal of incremental pricing and the Fuel Use Act, and perhaps some restrictions on imports of Algerian gas. Some, also, may be thinking about mandatory contract carriage.

On this score, I would give you the same admonition I gave four years ago: there still is no consensus on the details of natural gas legislation—even on these limited issues. For instance, the very people most supportive of repealing incremental pricing and the Fuel Use Act are the self-same individuals most strongly OPPOSED to contract carriage. Similarly, those who WANT contract carriage will simply not stand for repealing incremental pricing and the Fuel Use Act in the absence of mandatory carriage.

The severest cautionary note I would add here is that, even if a number of you COULD agree on those four so-called simple issues, and I strongly doubt you could, do not expect to go through the legislative process unscathed. If legislation is promoted, there WILL be additional amendments—decontrol, freeze, rollback, recontrol, en-

hanced recovery, etc.—which will create the same old problems of trying to put peas on a knife without the aid of honey.

Thank you.●

ARM HERE TO STAY

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. DREIER of California. Mr. Speaker, although the number of adjustable rate mortgage underwritings has declined with the drop in interest rates, the ARM is definitely here to stay. Federal Home Loan Bank Board Chairman Ed Gray has rightly called the ARM's the key to the survival of the thrift industry, and during the last few years of high interest rates, ARM's were the only way that millions of Americans were able to afford their own home.

Granted, there have been abuses. Last year, the Housing Subcommittee of the Banking Committee explored unsound ARM underwriting practices, such as so-called teaser rates, and possible remedies to those abuses. As a subcommittee, we concluded that an informed public is the best way to guard against ARM abuse, and called upon Federal regulators and industry representatives to form a task force to develop a public information brochure on ARM's. I believe the brochure that task force produced, as well as similar documents put out by the Mortgage Bankers Association, Fannie Mae and others have helped safeguard the public from unsound ARM's. Second, as the industry has become more familiar with the ARM, uniform sound underwriting has prevailed.

Despite these developments, ARM's are sure to come under attack in this Congress, just as they were attacked in the 98th Congress. I feel it is important for my colleagues to understand the necessity of ARM's in today's financial climate, the benefits that consumers stand to gain through ARM's and why ARM's should not be subject to statutory restrictions. Recently, Mr. James Montgomery, chairman and chief executive officer of Great Western Savings, gave a talk on adjustable rate mortgages in which he tackles ARM criticism head on. He gives a cogent explanation of why the ARM is necessary and why negative amortization—a widely misunderstood component of some ARM's—should remain unfettered. Great Western was a leader in developing the adjustable rate mortgage, and I hope my colleagues will take the time to review Mr. Montgomery's speech, which I submit for the RECORD.

REMARKS BY JAMES F. MONTGOMERY, CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE, GREAT WESTERN SAVINGS—TENTH ANNUAL CONFERENCE, FEDERAL HOME LOAN BANK OF SAN FRANCISCO

I am very pleased to have the opportunity to address this distinguished group on a subject that has been extremely important to me for most of my years in the savings and loan business—the adjustable rate mortgage.

First, a little history. I remember being a relatively young person in the savings and loan business when we first went under savings rate control in 1966. My reaction at the time was that artificially created rate ceilings on our deposits might cause us, as an industry, to become a bit complacent and not quite as "lean and mean" competitively as we had been in the past.

Borrowing short and lending long under a federal regulatory umbrella made me nervous, frankly, and in 1968 at old United Saving and Loan Association, Woodie Teague and I began a program of variable rate mortgage lending. We were essentially all by ourselves in that program until 1970, when it became competitively difficult, if not impossible, for us to continue. But my feeling for the need for variable rate mortgage lending never diminished. When I went to Great Western in 1975, we, along with many others in California, entered into variable rate mortgage lending in a major and successful way.

I think there are many similarities to that time period and today. We are now in the process of offering a new, much more flexible product into the marketplace—the adjustable rate mortgage. However, in 1975, the variable rate mortgage, which was quite limited in its variability, was much more of a breakthrough for its time than the ARM is today. One important similarity, which I want to stress today, is the tremendous number of misconceptions and prejudgments about both the old VRM program and today's ARM. In 1975 I heard that the variable rate mortgage wouldn't be accepted in the marketplace, and we proceeded in the most competitive real estate market in the country to convert 60% of Great Western's loan portfolio from fixed rate to variable in about 3½ years. In the midst of that very successful conversion, we were told by the skeptics that, while the public was accepting the VRM, they didn't really understand it—and "wait until you try to increase rates—that's when they will tear your buildings down." We did raise rates. Unfortunately. We had to raise rates in the years between then and now a total of 10 times, which was the maximum number of increases that were allowed in the VRM. While our borrowers didn't like to have their rates increased, they understood, because we were raising rates one-quarter of 1% every 6 months at a time when market rates were increasing much more dramatically. They didn't like it, but they understood, and our buildings are still intact.

I was also told, and there is a particular similarity here, that the variable rate mortgage wouldn't sell in the secondary market. That has a familiar ring to it, doesn't it? That is another prejudgment that turned out to be totally false. We sold hundreds of millions of dollars of VRMs in the secondary market. As a matter of fact, we offered the buyers of loans the option of acquiring a variable interest in VRMs or a fixed-rate participation. We had takers of both types but, needless to say, our happiest buyers were those who bought the variable rate participation.

That old VRM, with its severe limits, was not variable enough, but I can tell you that Great Western was considerably better off during the difficult times of the late 1970's and early 1980's as a result of that program.

Now, in this era of almost total deregulation, we, for the first time, can offer a really flexible mortgage which has been labeled the "adjustable rate mortgage." For the first time, many of us have been able to design a loan, rather than have it created by the political process. That's a mixed blessing, of course, because it produces a variety of instruments in the market and considerable confusion. But there are some very intelligently constructed ARMs in the marketplace today, and I think ours is one of them. We have again done a successful job of marketing the new ARM and, by this year-end, Great Western will have 60% of its assets again in a restructured mode, this time in a period of less than 3 years. That is, 60% of our assets by this year-end will either be adjustable rate mortgages or short-term investments.

Nowithstanding that success, I am again hearing the chorus of prejudgments and misconceptions about the ARM. There are more comments about the flaws of the various programs in existence than there is discussion about a fundamental point. That is, the intelligently constructed ARM is the only logical way for a mortgage portfolio lender to operate in an era of true deregulation. We should focus more on that very fundamental fact. But, in view of all of the discordant notes that are regularly played about the ARM, let's focus for a moment on the current round of misconceptions in the hope that we can put them to rest.

Misconception No. 1: The feature of the adjustable rate mortgage which allows a borrower to voluntarily limit his change in monthly payment is anti-consumer. This is by far the most important misconception, and those of us who really understand ARM lending have an important responsibility to correct the record. So-called negative amortization is the most important consumer benefit in the ARM. What it really means is that, if the interest rate on a mortgage increases faster than one's ability to absorb changes in his or her monthly payment, he or she may voluntarily limit the change in monthly payment and have interest added on a regular basis to the mortgage until either interest rates subside or another anniversary of monthly payment change comes around. Why is that anti-consumer? Many of our borrowers, when given the choice, elect to have their monthly payments increased to a point that negative amortization does not occur because they don't like the idea of their mortgage getting larger, even temporarily. This is the point that is so important—the decision is totally within the borrower's control.

Maybe to fully understand the reason for this confusion, we should go to misconception No. 2.

Misconception No. 2: Is that a 2% annual cap on ARM is less than a 7½% cap. I am amazed at the sloppiness by even some of our learned members of the academic community, in discussing ARMs, who routinely mix the terms "percent" and "percentage points." We talk about a 2% annual interest cap, which is common in a lot of mortgages, when we really mean a 2 percentage point annual interest cap. A 2 percentage point interest increase in a year, which would bring a 10% mortgage to 12%, is really a 20% increase in interest and, if negative amortization is not allowed, it's a 20% increase in the

51-059 O-86-22 (Pt. 2)

monthly payment. A 7½% increase in monthly payments, which exists in our mortgage instrument, means that at a borrower's option at the end of the year, a monthly payment of $100 can only be increased to $107.50 a month. If that sounds basic and elementary, I apologize. But I have attended a number of meetings around the country where these terms are freely interchanged in a haphazard way, and the misunderstanding that exists is quite significant.

I attended a meeting of some members of our industry involving some of our federal alphabet friends and others to discuss something within the past year called an "exemplary mortgage." I was asked to comment on this "exemplary mortgage." My reaction was that I think someone has found a way to break both borrower and lender in the same year. While that did not endear me to the group, I felt it was not an outrageous statement. This particular "exemplary mortgage" would allow a 2 percentage point per year change in interest rate but prohibit negative amortization. My point was that a 2 percentage point interest change in a year's time might not be enough to protect the lender from wild swings in his cost of funds. But a 20% increase in a borrower's monthly payment might well cause foreclosure.

Let's contrast those numbers to the Great Western mortgage—and when I say Great Western mortgage, it is the basic instrument used by many other major lenders, particularly here in California. Our interest rate, which is tied to the cost-of-funds index (which we will discuss in Misconception No. 4 in a moment), can change once a month, and it can change 5 percentage points over the life of the mortgage. Monthly payments, however, change only once a year and, at the borrower's election, the payment change can be limited to 7½%. How did we pick 7½% for a payment change? At the time we created the Great Western ARM, we were in double digit inflation. We said, "If the inflation rate is 10%, let's back off 25% from the rate of inflation to a 7½% change in monthly payment, so that this has a high degree of likelihood of being within our borrower's annual change in income." Indeed, we are currently considering an ARM with a lower annual payment cap, because the rate of inflation is lower. This reflects our philosophy that, in the deregulated world, the lender must cover unexpected changes in his cost of funds—which may be dramatic—but the borrower cannot afford surprises in his or her monthly payment. So any payment changes must be clearly within one's ability to pay. It makes sense. Our borrowers understand and accept it, and I will be most distressed if members of the academic and regulatory communities (who perhaps have never made a mortgage loan) are successful in significantly altering the terms of what I consider to be the most sensible quid-pro-quo between borrower and lender yet developed.

Misconception No. 3: Adjustable mortgage loans, with their specter of future payment shock, represent serious actual and potential delinquency problems. We went through this dialogue with a number of consumer advocates in the 1970's about the variable rate mortgage, conjuring up hypothetical situations in which mass foreclosures would result from the rate increases in the VRM. The worst case scenarios, by the way, generally did not contemplate a 20%-plus bank prime rate. So what happened? We had the 20%-plus bank prime rate and we didn't have serious foreclosure problems with the variable rate mortgage.

Notwithstanding that experience, we hear the doomsayers predicting mass delinquency and foreclosures with the ARM. What are the facts? While our experience is limited to only three years and $8 billion in adjustable rate mortgages at Great Western, we have excellent collection and delinquency experience. Indeed, the ARM segment of our portfolio has a delinquency rate of ¼ of 1%—the lowest of any segment of our loan portfolio. What part of our portfolio has the highest delinquency ratio? That is the loan that was most commonly used after deregulation and just before the ARM was introduced. That is, the fixed-rate loan with a 30-year amortization schedule, all due and payable in 7, 5, or even 3 years.

I said that people are concerned about payment shock in the ARM. I also said that we have a 7½% limit on the monthly payment change in the Great Western mortgage. (Our loan, by the way, provides for no change greater than 7½% for the first 10 years of the loan.) There is no payment shock possible with the Great Western ARM. Let me tell you what payment shock is. That is a fixed-rate loan with a 30-year amortization schedule all due and payable at the end of 5 years, with no assurance of refinance in an uncertain interest rate environment. That, my friends, represents real payment shock! And, if you think about it, if the ARM is reduced or eliminated, that will be the only type of mortgage written by portfolio lenders. I think we have learned that making fixed-rate loans with a 30-year amortization schedule that really lasts 30 years is called "bet the company." We know, by the way, of some who have made that "bet the company" gamble in recent years and lost the bet.

Misconception No. 4: There are many acceptable indices for the ARM but, clearly, the least acceptable is a cost-of-funds index. I have been fighting this particular nonsense since the late 1960's and through the '70's. And we are still fighting it today—even though there are clearly more variable and adjustable mortgages written tied to a cost-of-funds index than all other indices combined.

Let me tell you why I think it is good. What a lender is trying to do with an adjustable mortgage is develop and maintain a reasonable spread between the price of his finished product and the cost of his raw materials. The difference with a mortgage loan is that, when we invest a group of dollars at a certain raw material cost in 1984, we must be prepared to leave those dollars invested in a mortgage until well past the year 2000—knowing that the cost of those dollars will be variable on almost a daily basis. We need to vary the yield on the mortgage loan in which we invest those funds. What more sensible index to choose than the cost-of-funds over the entire life of this contractual arrangement?

I worry about tying my adjustable mortgages to an index which may have an historical correlation to my cost of funds, but which may operate differently in the future. I would hate to tie my adjustable mortgages to an index that is declining when my cost of funds is rising. Of course, that could never happen. We could never have a time when T-bill rates, for instance, are going down significantly when my cost of funds is rising. Or, maybe we could. Maybe, in fact, that is just what is happening now.

We found another practical reason why the cost-of-funds index works at Great Western, based on several years of experience with borrowers. In the past, when we have raised rates on VRMs and ARMs, and people called our Loan Service Department to inquire about the increase, the dialogue went something like this: "Why did you raise my mortgage rate?" The answer is simple, "Because our cost of money went up." People may not like this, but they understand it, because it is logical. If our Loan Service people had to say something like, "because the Moody's composite bond index went up," I suspect the conversations would be considerably longer and more difficult, and we would need a much larger Loan Service staff. Yet, after all these years, I still see the cost-of-funds index maligned. We haven't been shaken from our commitment to this index before, and we certainly won't be this time around.

Misconception No. 5: The adjustable rate mortgage won't work in a secondary market, particularly one tied to a cost-of-funds index. Here an examination of the statistics might indicate that the doom-sayers are, indeed, correct. Very few California mortgages tied to a monthly change in a cost-of-funds index are being sold in the secondary market. However, one must ask, is that the buyer's fault or the seller's fault? As a potential seller of ARMs, I can tell you that we are reluctant to sell them. Once we put an ARM in our portfolio with an acceptable spread over the cost-of-funds index, we are reluctant to get rid of it. I can tell you this, however. Sam Lyons, who runs our mortgage banking activities, tells me that the loan in greatest demand today in the private secondary market is the ARM tied to a monthly cost-of-funds index. Lots of demand in the marketplace, but very little supply. I guess for the same reason I want to make them, people want to buy them.

I will leave the rest of the misconceptions about the ARM for other speakers at this conference, and I'm sure we'll hear some.

I do appreciate the opportunity to share my views with you. I think it is particularly appropriate that this conference features a full discussion of what I consider to be a most important subject—not only as it relates to the health of our industry, but the viability of housing in the United States.

Thank you very much.●

BALTIMORE GAS & ELECTRIC CO. COMMENDED

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mrs. HOLT. Mr. Speaker, for more than a decade, a nuclear powerplant has been in operation on the shores of the Chesapeake Bay in Maryland. The Baltimore Gas & Electric Co. deserves commendation for the virtually trouble-free performance of this facility and I was pleased to note that the Capital, the daily newspaper published in Annapolis, has taken the chance to extend congratulations to the management of this public utility which has quietly and efficiently become part of Maryland's mode of pleasant living. I am glad to insert the following editorial in the CONGRESSIONAL RECORD at this time.

BG&E DID WELL AT CALVERT CLIFFS

Other than being a professional punching bag, there are few tougher positions to handle than being a local utility. Baltimore Gas & Electric Co. certainly takes its share of knocks, generally with good will and a kind of patient tolerance.

Apropos of absolutely nothing, we would simply like to take a few words to note that BG&E has successfully completed and run for 10 years a nuclear power plant at Calvert Cliffs.

The plant has not damaged the Chesapeake Bay, it has not affected the environment, it supplies a large proportion of the state's power and it was completed at a rational cost on a rational schedule.

Considering what has happened to other utilities all over the country it seems to us that BG&E deserves a pat on the back for some foresight, for competent management and for doing something right that a lot of people couldn't do right.

George McGowan is the company's president and Bernie Trueschler is the current chairman. Thanks, fellows. A nuclear power plant on the Chesapeake Bay that causes no trouble, works well and didn't bankrupt anybody many not sound like much of an achievement to some. We think it deserves recognition.●

BLACK HISTORY MONTH

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. GILMAN. Mr. Speaker, most of us are aware that the President has proclaimed February 1985 as "Black History Month," to call to the attention of all Americans the crucial and vital role played by black Americans in the formation of our national character.

The concept of "Black History Month" is one which all of us in Congress can embrace, for too few Americans are aware of the manner in which every aspect of our lives have been affected by the contributions of outstanding black men and women.

The first blood shed in the long struggle for American independence was shed by the leader of the group that precipitated the "Boston Massacre," a black man named Crispus Attucks.

The first electric streetlights in a metropolitan area, New York City, were installed under the supervision of a black man, Lewis H. Latimer, assistant and associate of Thomas A. Edison.

The U.S. flag was first placed at the North Pole by a black explorer, Matthew A. Henson.

The nurse who founded the Underground Railroad and who did so much to raise money for the Union cause during the Civil War was a black woman, Harriet Tubman.

The second American woman poet to have her works published was a black woman who lived in colonial times, Phillis Wheatley.

The first Secretary of Housing and Urban Development was a black man, Dr. Robert C. Weaver.

In addition, blacks such as Jesse Owens and Jackie Robinson in the field of sport, Sidney Poitier and Harry Belafonte in the field of entertainment, and Dr. Ralph Bunche in the field of diplomacy, did much to break down long-outdated racial barriers and to provide role models for young people of all races and creeds to emulate.

Mr. Speaker, the President has asked that, during the 59th annual "Black History Month," we especially reflect on this year's theme, "The Afro-American Family: Historical Strengths for the New Century."

I am asking that the President's proclamation of "Black History Month" be read into the RECORD at this point, and urge all of our colleagues to join with me in calling to the attention of all Americans the significant contributions made by blacks to the American experience:

THE WHITE HOUSE,
Washington, DC.

NATIONAL AFRO-AMERICAN (BLACK) HISTORY MONTH FEBRUARY 1985

On February 1st we begin the Fifty-Ninth Annual Black History Month, a national celebration of the role of Black Americans in all segments of life in this nation and of Black culture around the globe.

This year's Black History Month theme, "The Afro-American Family: Historical Strengths for the New Century" reflects my belief that if families are strengthened, other social ills will be lessened. It is in the home that we learn respect for authority, the importance of protecting the weak, a sense of honor, and justice.

If families are the building blocks of society—then society has a great stake in sound families. That is why black families throughout this great nation can be a powerful, organizing theme for America's social policies.

It is a very special privilege for me to call on the people of the United States to join in this important time of exploring, learning, appreciating, and saluting all that Black Americans have done to help build our country.

RONALD REAGAN.●

REMEMBERING FRED WILSON

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. ADDABBO. Mr. Speaker, I would like to call attention to the passing of a very special man in my community of Queens: Mr. Wilfred Wilson. Known to all of us as Fred, he devoted over 30 years of his life to building a better life for his family and neighbors in Rochdale Village. In the eyes of the community, Fred represented all that was good about leadership. He was concerned for the people, he wanted better education, better housing and jobs for all. Fred worked hard to ensure that concrete foundations were in place so that future generations of our community would enjoy these advantages. He took pride in leaving a legacy, his beloved cousin and the present district leader, Juanita Watkins. For her presence meant that his hard work will continue for years to come.

I would like to include now for the RECORD, Fred Wilson's obituary as written by his family.

OBITUARY

Wilfred Wilson born in Harlem on November 30, 1929, to Siefert and Winifred Wilson.

Early in his life, his family moved to 231 West 116th Street, New York City, where he spent his childhood and early adulthood.

Fred attended P.S. 10, Cooper J.H.S., Commerce H.S. and the City University of New York. During the years, Fred was a faithful and active member of All Souls Church and served as an altar boy.

Fred enlisted in the U.S. Army serving for over three years, rising to the rank of Corporal and was honorably discharged in August of 1953. He worked for the N.Y. Herald Tribune, and rose in the ranks, eventually becoming Production Supervisor. He stayed with the Tribune for 22 years until the paper folded.

Fred was united in marriage to Currin Jones, September 11, 1955. To this union was born, two beautiful children: Cheryl Renee and Eric Jay. Shortly after the family relocated at Rochdale Village. He became involved in the leadership of the community. Fred was on the Board of Directors of Rochdale Village, Inc., President of Rochdale Village Black Society, member of the Council of Black Elected Democrats, member of the PTA, the Concerned Cooperators, etc. He belonged to the Pride of Jamaica Lodge 217.

Not only did he participate actively in the electoral process but he spent many a day and night helping his dear cousin Juanita Watkins get elected as District Leader.

Respect grew in the eyes of his friends, neighbors, fellow workers and politicians to the point that in 1972 Fred became District Leader in his own right. From there he moved onward and upward remaining District Leader for 12 years. He had an organization that truly could be said to represent the rainbow coalition.

Early friendships included: former Secretary of State, Basil Paterson; former Manhattan Borough President, Percy Sutton; Councilman Archie Spigner; Assemblywoman Geraldine Daniels; Queens Democratic County Chairwoman, cousin and confidante, Juanita Watkins; City Clerk, David Dinkins and the Honorable Donald Manes.

People from near and far, upstate and downstate in Washington and New York respected and sought out his wisdom and knowledge. He was able to span the gap between races, religious and sexes. He was a real human being.

As Fred prospered in his career, he became Deputy City Clerk in charge of the Queens Marriage Bureau and second in command to City Clerk David Dinkins.

During the late hours of his life in the hospital, Fred was ministered to by Rev. Floyd Flake, Father William Galer and the Rev. Roderick R. Caesar, Jr., Pastor of the Bethel Gospel Tabernacle. He was very receptive, Psalms 32:5 is the final end: "I ac-

knowledged my sin unto thee, and mine iniquity have I not hid. I said, I will confess my transgressions unto the Lord; and thou forgavest the iniquity of my sin." God is Good.

Fred was blessed with a beautiful grandson, Paul Montgomery—"he was the light in Fred's eyes and the hope that springs eternal."

Wilfred Wilson, dearly known as "Fred" is survived by his wife; his two children; son-in-law; his grandson and beloved father; a host of relatives and friends.

No one will ever forget this man nor can anyone ever fill his shoes. He left an indelible mark on all of us which is to be treasured and remembered with the fondest memories.

May he rest in peace forever. We will never forget his everlasting contributions to our community. To his wife, his children, son-in-law, his grandson, and father and friends and relatives. I would like to say that I am enriched by knowing him and shall never forget our work together.●

SOLAR ENERGY RESEARCH INSTITUTE

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. SCHAEFER. Mr. Speaker, as the Representative of Colorado's Sixth Congressional District, I am proud to include the Solar Energy Research Institute among my constituency.

SERI is the Federal Government's lead laboratory for solar energy research and the preeminent center of excellence for worldwide solar research.

The caliber of research at SERI has attracted some of the finest solar scientists in the world to the foothills of the Rocky Mountains.

At a time when we still depend too heavily on foreign imports to satisfy our energy needs, it is reassuring to know that there are individuals dedicated to the task of developing alternative sources of energy so that our country may be assured of a balanced and mixed energy supply.

I recommend to you an article detailing SERI's mission and some of its accomplishments.

SOLAR ENERGY RESEARCH INSTITUTE

The Solar Energy Research Institute (SERI) was established by Public Law 93-473, the Solar Energy Research, Development and Demonstration Act of 1974, as the national center for federally sponsored solar energy research and development. The Institute began operations in July 1977 and is a government-owned, contractor-operated federal laboratory for the Department of Energy (DOE). SERI is managed for DOE by the Midwest Research Institute (MRI), of Kansas City, Missouri, a not-for-profit laboratory that conducts research in physical, biological, engineering and related social sciences for a wide range of industrial and governmental clients.

SERI's mission as approved by the Department of Energy in April 1982 is: To be the Nation's primary federal laboratory for solar energy research and to perform functions assigned by the Department of Energy in research, development, and testing. SERI carries out its mission by conducting and coordinating solar research and technology development which private industry cannot reasonably be expected to undertake. This work advances scientific understanding and establishes a sound technological base, enabling the private sector to make well-informed choices among technology options.

The Institute has sharpened and focused the range and scope of its activities at several points in its lifespan to accurately reflect an appropriate federal solar research and development role. SERI works closely with DOE's Office of Conservation and Renewable Energy in targeting its efforts on development of those renewable-technology areas judged to have the highest potential for significant contribution toward meeting the Nation's energy requirement over the long term.

SERI's activities complement and support the solar energy research activities and roles of other federal laboratories, universities, and industry. The Institute is working to strengthen its interactions with these organizations to ensure that solar energy is competitive in the world energy marketplace and then made available through private industry for the benefit of consumers.

Research activities at SERI are carried out under the guidance of three major research divisions and a research support division: Solar Electric Conversion Research, Solar Fuels Research, Solar Heat Research, and Research Support. Activities within these divisions support ten solar DOE program areas: photovoltaic energy, wind energy, alcohol fuels, biomass research, solar energy storage, solar thermal energy, active heating and cooling, passive heating and cooling, building energy research and development, ocean energy and solar technical information.

An additional program thrust in Basic Energy Sciences, in support of the DOE Office of Energy Research, is integrated into the appropriate area of each of the Institute's three research divisions.

PHOTOVOLTAICS

Perhaps the most exciting advances in solar energy research have occurred in the field of photovoltaics. The most used and most technically developed solar cells are single-crystal silicon types. However, the high cost of present photovoltaic systems has generally limited terrestrial applications to small-scale, remote operations. Photovoltaic arrays can be purchased for about $8-10 a watt, about six times the cost of conventional systems. At SERI, the goal is to perform research with the potential of reducing the cost of solar cells to less than $1.00 per watt. This reduction would make photovoltaics competitive with more conventional sources of electricity. There are perhaps 10,000 installations around the world powered by photovoltaic cells, most of them in remote areas.

Various alternatives to the single-crystal silicon cell are being explored at SERI. Some researchers are concentrating on producing silicon in a more cost-effective way; some are working to improve the performance of innovative cell concepts; and others are seeking new materials or processes to bring cost down still further.

The greatest potential may be in the area of polycrystalline thin-film solar cells, which offer material conservation, simplified film-growth techniques, and use of inexpensive substrates. A thin-film cell of copper indium diselenide developed at the Boeing Aerospace Company under subcontract to SERI has achieved an efficiency of more than 11 percent and recently was recognized by Industrial Research Magazine as one of the 100 most significant technological advances of the past year. As proof of SERI's success in technology transfer, Boeing has formed a joint venture with another private company to fabricate thin-film solar cell modules for commercial markets.

Another area with great potential is the amorphous silicon research project managed by SERI. Amorphous silicon can absorb 90 percent of usable solar energy in only a micron thickness. It can also be produced at lower temperatures, and deposited on low-cost substrates. Economic studies indicate that amorphous silicon modules could be cost-effective for residential applications at efficiencies of eight percent. During the past year, Chronar Corporation, under subcontract to SERI, achieved 6 percent efficiency for an amorphous silicon, thin-film module with an active area of 107 square centimeters.

WIND ENERGY

Wind Energy is an abundant renewable source of clean mechanical and electrical power. In the early 1970's, the nation's increasing dependence on imported fossil fuels led to renewed investigations of the feasibility of converting wind into useful energy. Wind has the potential to be one of the first renewable energy options capable of producing significant amounts of electric power at reasonable cost. This potential is underscored by the increasing number of wind machine manufacturers, as well as the rapidly increasing utility interest in wind energy.

In late 1984, SERI's wind energy program merged with the Department of Energy's Small Wind Energy Conversion System program and facility at Rocky Flats south of Boulder, Colorado. The combined group, known as the DOE Wind Energy Research Center, is part of the SERI organization. Its mission includes research and testing of a wide variety of machine sizes with the objective of making them more efficient and affordable as a source of clean electric power.

SOLAR FUELS AND CHEMICALS

In the United States, about 24 percent of our energy is consumed in the form of transportation fuels. Alcohol fuels can be substituted for petroleum, and alcohol can be made from biomass. Cost-effective processes to produce such fuels and the high-efficiency systems to use them could make renewable fuels a supplemental option not only in the United States but throughout the world. Methanol and ethanol are octane-rich, can be easily mixed with gasoline, and can be used in existing internal-combustion engines.

SERI's work with methanol engines centers on running a vehicle to demonstrate the advantages possible by dissociating methanol prior to combustion. Researchers have modified a standard American car to convert liquid methanol from the fuel tank to hydrogen gas at the engine. Road and dynamometer tests have revealed enhanced fuel economy and significantly lower exhaust emissions.

Agricultural residues—the inedible, unharvested portions of food crops—along with

the wastes from the pulp and paper industry, and other forest products industries, are a potential biomass source. However, until recently, these resources have been largely ignored. A SERI-invented gasifier may help put them to use as ingredients in the manufacture of methanol. The oxygen high-pressure gasifier converts biomass such as agricultural wastes, wood, or municipal wastes into synthesis gas for the manufacture of methanol or ammonia. It is the first gasifier designed especially for methanol production from biomass. A private firm in the United States has announced plans to market scaled-up versions of this design capable of converting 100 tons of wood a day to methanol for less than conventional costs and at substantially improved efficiencies.

SERI also performs research in basic photoelectrochemistry, artificial photosynthesis, and photobiology. This research is expected to pay off in the form of the direct conversion of sunlight by chemical and biological systems into stable high energy chemicals suitable for use as transportable, storable fuels.

SOLAR THERMAL CONVERSION

Thermal energy is one of the most versatile forms of energy. It can be used to heat buildings and to process products in industry. Heat energy can also be converted into chemical or electrical energy.

The high initial cost of solar systems generally has limited widescale application of all solar thermal systems. Early system development has led to system costs of about $6000–$8000 per kilowatt which is about four times the cost of conventional systems. SERI's solar thermal research goal is to significantly reduce the cost of solar-derived thermal energy so that private industry will proceed with research, development and implementation of solar thermal technology.

Various approaches are being pursued. One of the most promising areas is heliostats and concentrators, since they represent about half of the system costs. Research in stretched membrane concepts and materials development such as silver polymer films for reflectors offers the potential for significant cost reduction.

The greatest potential may be in fully utilizing the unique and beneficial aspects of the solar spectrum. SERI researchers are exploring ways to effectively utilize the shorter wavelength portion of the solar spectrum for direct conversion to fuels and chemicals while using the rest of the energy as heat. Other research is seeking new processes and materials which are beneficially affected by high concentrated solar flux.

OCEAN ENERGY

The ocean has the potential to deliver significant amounts of electrical energy or energy-intensive products to reduce the nation's dependence of nonrenewable energy through the indirect conversion of the solar energy incident on its surface. Temperature differentials of approximately 20°C exist between the surface and 1000-meter depth. These thermal gradients can be used to produce energy. A working fluid such as amonia or sea water is cycled through a mechanical system that exposes it in sequence to warm and then cold water. The warm surface waters vaporize the fluid which is pressurized and expanded through a turbine to produce electricity.

SERI is the federal government's lead laboratory for R&D in advanced ocean energy conversion systems, heat and mass transfer research, and management of the open-cycle Ocean Thermal Energy Conversion (OTEC) research program. Open-cycle OTEC is an advanced ocean energy technology with potential for high payoff, since it eliminates or reduces the requirements for heat exchangers—the source of significant costs and reliability concerns in potential hardware. Fresh water can be produced as a byproduct of electricity generation in open cycle, which uses sea water as the working fluid, and thus can produce additional revenue for operating plants.

A major SERI accomplishment has been the testing and evaluation of a vertical spout evaporator concept that is more than 70 times more effective than a conventional tube and shell heat exchanger in producing steam for an open-cycle OTEC system. This development also was recognized in 1984 by Industrial Research Magazine as one of the 100 most significant technological advances of the year.

TECHNOLOGY TRANSFER

As its research progresses, the Institute, through a variety of activities, makes the resulting scientific and technical knowledge available to industry, state and local governments, and appropriate private sector audiences. These ongoing efforts are collectively referred to as "technology transfer" and are an important part of all research undertaken at the Institute.

SERI emphasizes personal interactions as the most effective strategy for fostering the diffusion of new technology; these include collaborative research with universities and industry, hosting of guest researchers, presentation of professional papers, and participation in scientific and technical colloquia. Other important technology transfer media are technical publications—reports, papers, books, newsletters—and R&D subcontracts. These activities are dispersed throughout the Institute and form a strong base from which technology transfer can occur.

SERI has assembled the largest group of professionals in the world to work on solar energy-related projects. Included in this diversified staff are scientists, engineers, architects, computer specialists, lawyers, and communicators. Selected from backgrounds in industry, academics, and other government agencies, this staff of approximately 500 people provides a coordinated team approach to the challenging, multifaceted problems of solar energy research and development.●

ARMS CONTROL AMNESIA

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. LAGOMARSINO. Mr. Speaker, with the recent return to the negotiating tables in Geneva by the United States and the Soviet Union, cries from all quarters are raised in support of this arms control proposal or that negotiating position. It must be kept in mind, however, that the purpose of these negotiations is to enhance U.S. and hence international security through an effective and verifiable agreement which leads to lower levels of arms on both sides.

Under Secretary of Defense for Policy, Dr. Fred Ikle, has commented in various committees here in the Congress on the impact of the return of strategic defense to the forefront of discussions on U.S. nuclear strategy. His experience and expertise in this field are well-known, and I highly recommend the following commentary on "arms control amnesia" to my colleagues:

[From the Journal of Social, Political and Economic Studies, Summer, 1984]

ARMS CONTROL AMNESIA

(By Fred Ikle)

EDITOR'S INTRODUCTION

In a nationwide television address that startled the nation on March 23, 1983, President Reagan said in part:

"Let me share with you a vision of the future which offers hope. It is that we embark on a program to counter the awesome Soviet missile threat with measures that are defensive . . . What if free people could live secure in the knowledge that their security did not rest upon the threat of instant U.S. retaliation to deter a Soviet attack; that we could intercept and destroy strategic ballistic missiles before they reached our own soil or that of our allies? . . .

"Would it not be better to save lives than to avenge them? . . .

"My fellow Americans, tonight we are launching an effort which holds the promise of changing the course of human history. There will be risks, and results take time. But with your support I believe we can do it."

Response to this address from the American public was powerful—and more positive, according to the White House, than to any previous Reagan speech. After 15 or more years of deepseated and intensifying apprehension about the Soviet Union's huge buildup of nuclear weapons, many Americans had come to the alarming realization only in very recent months that they and their families have literally no defense against Soviet missiles once they are launched. Increasingly desperate to escape from this nuclear dilemma, they welcomed and heartily encouraged President Reagan's announced determination to mount an effective defense. Following are the remarks of Dr. Fred Ikle, U.S. Undersecretary of Defense for Policy, delivered at a Washington banquet commemorating President Reagan's so-called "star wars" address.

A year ago today, President Reagan launched a renaissance in American thought on preserving peace in the nuclear age.

For far too long, some high priests of nuclear strategy have preached the policy of "mutual assured destruction." This "MAD" policy, which was crystallized in the Anti-Ballistic Missile Treaty of 1972, derives from the theory that, if both the United States and the USSR leave themselves and their civilian populations entirely undefended, neither will launch an attack on the other for fear of devastating retribution. Until recently, the advocates and authors of MAD have convinced themselves and other policymakers that MAD remains the most effective deterrence available, even though the Soviet arms buildup has been massive in recent years. This ideology, however, holds several false dogmas.

One of these dogmas has it that President Reagan's initiative on ballistic missile defense would overturn the principles of deterrence that have worked throughout the

nuclear era. Not true. The ideologues must have amnesia.

For the first five years of the nuclear era we had a nuclear monopoly; we did not have mutual deterrence through a threat of mutual destruction.

For the next ten years of the nuclear era, we maintained extensive defenses to protect North America from Soviet attack. Again, we had not adopted a policy of mutual assured destruction, yet we had safe deterrence.

Only since the mid-1960s have the ideologues tried to make a virtue out of misery, arguing since the United States was becoming vulnerable to a Soviet missile attack, this was a good thing: assured destruction of the United States in the event of Soviet attack was said to be "stabilizing."

Another dogma of the ideologues who are opposed to missile defenses is that such defenses would hurt our alliances. Yet the President has made it clear that our allies will not be left out by his initiative. Why would it help the American guarantee to the alliance if the United States remained totally vulnerable to Soviet missile attack?

The third dogma of these ideologues is that missile defense will delay arms control. This is another manifestation of amnesia; The basic promise of fifteen years ago, which led to the treaty banning missile defenses, has been disproved. The premise was that such defense would permit us to curb the growth of offensive arms. But after the ABM treaty was signed, the Soviet offensive build-up continued its exuberant pace.

In the nearly 15 years since the negotiations on the ABM treaty began, the Soviets have added some 7900 medium and long-range nuclear missile warheads to their arsenal—an increase of 515 percent. This is arms control? Since the SALT II agreement was signed in 1979, some 3850 Soviet warheads were added, a growth of almost 65 percent. What is so valuable about this so-called "arms control process" that must be preserved by making the ABM treaty forever untouchable?

The inconsistency of our ideologues is nowhere more apparent than in their position on other arms control issues. They applaud the Biological Weapons Convention, for example, because it prohibits *offensive* use of biological agents. Defenses are clearly permitted. (All of us are against offensive biological weapons, except, apparently, some of the Soviet military.) Second, these ideologues oppose *offensive* chemical weapons, while supporting *defensive* chemical warfare equipment. But third, they turn their own rules upside down for nuclear arms by arguing that, here, defenses are bad.

A curious aspect of the ideology against missile defenses is the notion that outer space must be reserved for offensive missiles, so that they can travel without obstruction to create holocaust on earth. The ideology demands a sanctuary in outer space that excludes any protection for the cities we live in, but offers a free ride for the missiles that could destroy our cities.

Fortunately, while the ideologies are confused, the American people are not. They are more pragmatic (*see Editor's Note below*). Yet, there are some members of Congress who want to preserve outer space as a freeway for Soviet missiles to fly through and hit American cities, without obstacle and opposition. I believe the voters will find a way to explain to these members of Congress that most of their constituents do live in these cities—only a few voters live in outer space. I believe five hundred thirty-five members of Congress represent constituents who want to have defense and protection on earth rather than to preserve outer space as a freeway for missile attacks.

The President's speech a year ago has removed doctrinal blinders that have hemmed in American strategic thinking. The President has toppled an ideology that has become increasingly contrary to fact and common sense.

The renaissance in our thought that President Reagan has ushered in provides new opportunities to overcome the deadly interlock of hostile missile forces; it opens new, more creative approaches to arms control; it opens the doors to escape from the constant threat of mutual genocide.

There is evidence to suggest that over time the Soviet Union will become receptive to such a new approach that will provide an escape from the deadly nuclear confrontation with its ever present doomsday threat. You can be sure that the people of the Soviet Union also wish to escape from the present nightmare of huge and unimpeded missile forces, constantly poised for mass destruction.

As the President explained, the task is formidable. And we in the Defense Department are well aware of the enormous technical challenge and the many complexities.

But I am confident that we can count on the good sense of the American people to reject the permanent nightmare, and to support President Reagan's vision for a better future.

EDITOR'S NOTE

A nationwide professional sampling of public opinion, done by the well-known firm of Penn & Schoen for the Committee on the Present Danger and released in April, 1984, found that most Americans view the nuclear freeze as "a way to reduce the expense of nuclear arms" rather than as a measure that would reduce the threat of nuclear war. Most Americans in large majority also favor development of space-based defensive weaponry, with or without a nuclear freeze.

Among the poll's findings are these:

While 64% favor the concept of a nuclear freeze, 63% oppose a unilateral freeze, believing it would threaten U.S. security.

63% believe the Soviets are using the nuclear freeze issue "to try to gain a permanent advantage over the United States."

By a greater than five-to-one margin, Americans believe that the Soviet Union is violating existing nuclear arms control agreements.

Three out of four Americans support the development of space-based "defensive weapons."●

TAX SIMPLIFICATION

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. JACOBS. Mr. Speaker, in the interest of tax simplification, I insert the following essay written by Heather Taylor of Indianapolis:

TAXES

Taxes are the little bills your Mom and Dad get in the mail. They also hate them. Dosen't everybody? The reason why you have to pay taxes is because teachers and other workers need money. Taxes are also for paying for the stuff that you use to build buildings. Taxes help the city buy new things for you and others. You could get thrown in jail if you didn't pay your taxes. Most of the time people say that they are fed up with taxes and they won't pay them, but most of the time they end up paying them. Just be glad you aren't a grown-up. Especially if you only got 60 cents for an allowance like me. In one way you should like taxes—like they help your city get new things for you and your friends and in another way you should hate them. Bye-Bye money.●

LET'S KEEP OUR ARKS AFLOAT

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. WHITEHURST. Mr. Speaker, during the 91st Congress I initiated legislation which ultimately became the Animal Welfare Act of 1970. Under its provisions, the Department of Agriculture was empowered to set certain minimum standards for the care and housing of animals, not only in laboratories but in other facilities as well, including zoos.

As a result of this, a number of marginal zoos were forced to close their doors, and others were required to update and improve many of their exhibits. This was a major step in the right direction.

The Animal Welfare Act could be described as the "stick." Legislation which I have introduced to establish a National Zoological Foundation is the carrot to encourage and assist zoos and aquariums across the Nation to further improve their programs and facilities. The 99th Congress number of my bill is H.R. 617.

The Foundation would be patterned after the National Science Foundation, and its Board would be composed of individuals known for distinguished service in the fields of zoo or aquarium management, wildlife conservation, education, humane work, zoological sciences, and public affairs. Its prime objective is to strengthen and improve the quality of zoos and aquariums throughout the United States and to encourage original and innovative programs to this end.

In the February 1985 Smithsonian magazine, the Secretary of the Smithsonian, Robert McC. Adams, outlined the fundamental purpose of zoos. I am pleased to share it with my colleagues at this point in the RECORD, and I would also commend to them the book "Lifeboats to Ararat," written by Sheldon Campbell of the San Diego Zoo, as well as "A Zoo In My Luggage" and other books along this line by Gerald Durrell. We need to keep our modern "Noah's Arks" afloat, and I would welcome the support of my colleagues in the passage of H.R. 617.

Thank you, Mr. Speaker.

SMITHSONIAN HORIZONS

Today, good zoos—our own included—exist to try to save for posterity the "wonderful and beautiful" species that are in danger.

I'll confess to having been initially a little uneasy about the National Zoo. Not about the enjoyment that it and all good zoos provide human spectators, but about the confinement of the animals. My own early memories of zoos are of great cats pacing endlessly in cell-like cages, or of the obsessive routines of the higher primates, whose resemblance to ourselves make observing them behind bars more painful. Granting the pleasure zoos afford to citizens of all ages, is there anything other than our own absolute dominance as a species to justify them?

There is, I am now learning. At the Smithsonian a century or so ago, taxidermists were preparing skins and skeletons for museum display on an increasing scale, but with evident lack of naturalistic accuracy. Clearly, it was necessary "to study the natural forms of living animals in order that they might impart to the prepared specimens the grace and characteristics of life." Animals were gradually brought for this purpose, numbering more than 200 by the late 1880s; the collection inevitably became a public attraction.

The spirit of conservation played a part from the outset. Public concern had been aroused over what then appeared to be the imminent extinction of the American bison, as well as other species. "It seemed to Secretary Langley," continued Frank Baker (on whose 1897 account of the first years of the zoos I have drawn), "that the Institution might do something to bring this matter clearly before the eyes of our legislators and of the public generally by exhibiting specimens of the most important animals likely to suffer extinction, placing them as nearly as possible in the conditions natural to them so that they might breed and thrive in captivity as in their native haunts."

That spirit is alive today. The new director of the National Zoo, Michael Robinson, vividly described it in a Washington Post interview as "a kind of modern Noah's Ark." Particularly as a result of the destruction of tropical habitats, of which I wrote in December, he observes that "we exist to try to save for posterity the wonderful and beautiful species that are in danger." Giant pandas provide a well-known example. Golden lion tamarins are another case in point. Not long ago these strikingly beautiful little monkeys were reduced to a handful. Now they are being successfully introduced into a new national park in Brazil as result of breeding efforts by the National Zoo and other zoos in this country.

Conditions in our particular Ark are also being made steadily more tolerable through the replacement of relatively small cages by much larger ones, as well as through clever innovations that stimulate the diversions of the natural environment. For most animals, Robinson goes on to point out, the natural environment is in any case an extremely limited and dangerous one. The myth of free-roaming animal movement just does not correspond with the real world of omnipresent predators and competitors.

Friends of the National Zoo (FONZ) has grown in a quarter-century from a group of 30 to more than 50,000 contributing members and some 600 volunteers. Even in an election year, the FONZ bumper stickers were the most numerous I saw last fall upon coming to Washington. Now I understand why.●

CONGRESS MUST CAREFULLY EXAMINE ALTERNATIVES IN CONRAIL SALE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. FLORIO. Mr. Speaker, Secretary of Transportation Dole is expected to announce shortly her recommendation for the sale of Conrail. Congress will have to carefully examine all alternatives for the sale. What follows is an editorial from the Bergen Record discussing some of these alternatives:

HOW NOT TO SELL CONRAIL

"The Great Train Robbery": that's what The New Republic has called the Reagan administration's rush to sell Conrail, the government-owned railroad. When Mr. Reagan took office in 1981, he said he wanted to sell the railroad because it was losing money. Now he wants to sell it because it's making money. And, worse, he's offering to hold a fire sale for the benefit of private buyers.

In the nine years since Conrail was formed from the remains of seven ruined railroad corrporations, Congress has poured in $8 billion to buy out creditors, pay staggering legal fees, and modernize lines. Northeastern states, whose economies depend on the service, have foregiven the railroad hundreds of millions of dollars in property taxes. Several states, including New Jersey, have taken the money-losing commuter operations off Conrail's hands. Railroad workers have made major pay and work-rule concessions to keep their jobs. In other words, a lot of people have contributed to Conrail's present success.

Under a management that's widely regarded as the best in the business, Conrail has gone from red ink to annual profits of $500 million. It has $800 million in the bank. Wonderful, you say. Let's keep on doing more of the same. But last year the Department of Transportation sought bids from purchasers. A list of 15 hopefuls has been whittled down to three. Along the way, Transportation Secretary Elizabeth Dole ruled out another kind of buyer—a consortium of Conrail employees and public shareholders. She said that it would be easier to make a single buyer continue Conrail service.

In a remarkably shrewd series of maneuvers, the surviving bidders have managed to fix the sale price at about $1.2 billion. Given Conrail's $800-million cash reserves, the lucky bidder would be paying a net of $400 millon—less than a single year's profits. What a plum!

Fortunately, Congress has a veto over any sale agreement, and plenty of lawmakers are doing the arithmetic. Conrail states have their own congressional caucus, which watches every move. In addition, Rep. James Florio and Sen. Frank Lautenberg of New Jersey have made a special cause of getting a fair price for Conrail or calling off the sale. On Jan. 7 Mr. Florio urged Mrs. Dole to reconsider her disapproval of the public-sale option.

If Conrail must be sold, that option makes more sense than selling to any of the private bidders now in contention. The apparent front-runner is Norfolk Southern Corporation, a large, Virginia-based railroad that is now a Conrail competitior. Conrail workers and customers fear that Norfolk would consolidate the lines and drop some service.

Another bidder is the Alleghany Corporation, a holding company whose owners were part of the debacle that led to the demise of the Penn Central Company. Five Alleghany figures were on the Penn Central board that borrowed heavily to pay dividends and conceal the railroad's faltering condition from shareholders. Just before the public had to be told the truth and the bottom fell out of the market, several board members quietly dumped their Penn Central shares. These do not sound like ideal qualifications for managing Conrail.

The third bidder is a joint venture involving hotel executive J.W. Marriott Jr. and the Bass family of Fort Worth, whose takeover threats have intimidated such giants as Texaco Incorporated. To high-flying entrpreneurs like the Basses or Alleghany's Kirby family, dollars are plainly more important than promises or the public interest. They are speculators.

Mrs. Dole says a private buyer can be made to sign contracts guaranteeing to continue service and conserve railroad assets. It was just such promises that kept the pre-Conrail railroads in litigation for 10 years; speculators expect to go to court when their promises become burdensome.

The present management of railroad (hoping to stay on the job, of course) recommends a public sale of stock, estimating a net to the government of $1.4 billion. This option respects the interests of those who helped bail out Conrail. It rewards the employees for their sacrifices. It virtually ensures continued operation of the system. The price is lower than it should be, but better, at least, than the others. Conrail has prospered under public ownership. Some way should be found to keep it in public hands.●

AMENDMENT TO THE FOREIGN ASSISTANCE ACT OF 1961

HON. GLENN ENGLISH

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. ENGLISH. Mr. Speaker, I have today introduced a bill to make an exception to that part of the Foreign Assistance Act which prohibits our DEA, Customs, and Coast Guard officers from engaging in certain law enforcement activities in the Bahamas.

For 3 years the Government Operations Subcommittee which I chair has searched for ways to make our drug interdiction efforts more productive. One of the major problems we have seen is that narcotics traffickers have freely made use of the Bahamas, which lie only a few miles off the coast of Florida, to state their smuggling runs into this country.

I have seen the wreckage of smuggler aircraft strewn about clandestine Bahamian landing strips. Smuggler aircraft are routinely detected orbiting the Bahamas as they drop bales of marijuana into the sea, where waiting boats recover them. Last month an official of the Drug Enforcement Admin-

istration estimated to me that 12 smuggler boats leave the island of Bimini for the United States every day.

In response, DEA and the Air Force have been authorized to conduct an ongoing operation in support of Bahamian air interdiction efforts, called Operation BAT. We have supplied helicopters, intelligence, and expertise to support them.

Operation BAT has been effective in reducing the numbers of aircraft which stage and refuel on the remote islands, and the recent increase in air drops, where the smugglers do not actually land, is proof of that success. However, U.S. officers engaged in providing transportation and operational assistance to the Bahamians are unduly limited by the Mansfield amendment in their ability to participate, and they are wary of inadvertently exceeding their authority to assist.

But more importantly, any extension of the BAT concept to marine operations, so necessary now if we are going to capitalize on current successes, will expose our drug law enforcement officers to routine exposure to such violations. While an American helicopter pilot can try to stay removed from the arrest activity, the personnel on a boat which is making an interdiction are unable to leave the scene to the Bahamian enforcement officers.

The prohibition, commonly called the Mansfield amendment, was passed in 1975 based on a rationale of wanting to avoid any unintentional involvement in Southeast Asian affairs. We were reacting to the Vietnam experience, attempting to avoid potential embarrassment in other Southeast Asian nations. But we must accept that measures which were passed in other times, and for other reasons, can have unintended consequences today, and need to be altered.

Here are the reasons that this amendment makes sense today:

One, since original enactment, the Bahamas has emerged as the prime transit center for huge amounts of illicit drugs entering the United States.

Two, Bahamian waters and air space closely abut the territory of the United States, making timely coordination of interdiction operations extremely difficult. Drug shipments leaving the jurisdiction of the Bahamas immediately enter the territorial waters and air space of the United States, and it can be extremely difficult to determine the exact point at which that happens.

Three, the Bahamian Government is unable to mount sophisticated air or marine drug interdiction operations. By working with Bahamian enforcement officials, our DEA, Customs, and Coast Guard personnel could assist in interdicting large drug shipments before they are broken down and scattered among hundreds of boats.

Four, the administration has authorized Operation BAT, which currently employs U.S Air Force equipment and DEA intelligence and operational support, against air smugglers in the Bahamas. The BAT effort should be expanded to include marine operations.

Five, Operation BAT has had a positive effect on air smugglers, and many more drug shipments are arriving in the Bahamian for delivery to south Florida by fast boats; or are being dropped from aircraft to boats loitering in Bahamian waters.

Six, DEA has estimated that on average 8 to 12 smuggler boats per day depart the Bahamas for Florida.

Seven, while DEA agents are usually able to keep out of the way after delivering a Bahamian enforcement team by aircraft, this would be almost impossible in the marine environment, so the current law would actually operate against the best interests of this country.

Mr. Speaker, it is the responsibility of each of us to respond forcefully to the needs of our troops in this war on drugs. I hope that this bill can enjoy prompt consideration, because the relief it will bring is needed today.

H.R. —

A bill to amend the Foreign Assistance Act of 1961 to make an exception to the ban on participation of officers and employees of the United States in certain foreign arrest actions and interrogations

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 481(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291(c)) is amended by inserting after "foreign country" each place it appears the following: "(except the Bahamas)".●

OVERALL PROBLEM OF TEENAGE PREGNANCY

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. GARCIA. Mr. Speaker, today, I am introducing comprehensive legislation, which if approved, would significantly reduce the incidence of teenage pregnancy. Over the past few years we have approved piecemeal legislative solutions to address the broad problem of teenage pregnancy. However, up to now, we have yet to devise a comprehensive Federal policy to address this national problem. I believe such a policy should place the highest priority on the prevention of unintended adolescent pregnancy—but must also help those young people who do become pregnant. That is why I am introducing this legislation which defines Federal policy on adolescent pregnancy.

My legislation contains many components which already address some aspects of the overall problem of teenage pregnancy, while going much further to tackle other aspects of this far reaching problem. My legislation would: Earmark 10 percent of the Secretary of Education's discretionary fund to help elementary and secondary schools develop Family Life Education Programs; reauthorize title X of the Public Health Services Act—earmarking one-third of family planning funds for services to teenagers as well as strengthening the program by adding a component of family life education for community based organizations as opposed to schools; repeal the AFDC change in the Deficit Reduction Act of 1984, that requires consideration of parental income in determining AFDC eligibility for adolescent parents who live at home; repeal the Hyde amendment which restricts Medicaid funding for abortion services and, last, provides comprehensive services to pregnant teens, teen parents, and infants to help them overcome the many problems attendant to premature parenthood, such as health problems during pregnancy and childbirth, school drop-out and welfare dependency.

As a Representative of the South Bronx, an area not unlike many other areas plagued by an extraordinary high rate of teenage pregnancy, I believe that this Congress must take bold and innovative steps to address this problem. As many of you may already know, my constituency in the Bronx is more than 90 percent minority. What's more, teenage parenthood is disproportionately, a minority (black and Hispanic) problem. Among 18 and 19 year olds, the black birthrate is almost twice the white rate; among those 15 and 17, the rate is almost three times higher. To translate rates into numbers: black girls of whom there are far fewer than whites, had almost half of the babies born to single teenagers in 1982—127,500 compared to 133,900 white births. Among Hispanic teens, the birth rate is 60 percent higher than non-Hispanic teens (82.2 births per 1,000 in 1980 compared to 51.5). Moreover, the figures for Hispanics do not reveal the enormous differences within the Hispanic population. (that is, Mexican, Cuban, and Puerto Rican).

My south Bronx congressional district is the poorest congressional distict in the country. As a result, like other similar areas, a large portion of my constituents do not have access to information and services which would be helpful in preventing pregnancies among teenagers. Moreover, once a teenager becomes pregnant, she is also hampered by limited opportunities to utilize resources which are or were available to her at one time as a result

of congressional cutbacks and restrictions. Specifically, tens from poor families are usually unaware of the availability of contraceptive educational services and are prohibited by congressional restrictions to receive federally funded abortion services. Not only are they disadvantaged before and during their unplanned pregnancies, but they are severely hampered after the child is born. Thus, the adolescent mother and infant become long-term ward of the State.

A 1979 study by the Stanford Research Institute found that the consequences of adolescent pregnancy and parenthood cost taxpayers $8.3 billion a year in health, welfare, and other benefits. My proposal will not be cheap, but it will certainly reduce public sector expenditures for the consequences of adolescent pregnancy and parenthood. I believe it is a highly cost effective measure and, even more important, it is a humane proposal which will afford the next generation a fighting chance for a quality life.

Again, I would encourage my colleagues to support this far reaching legislation. Moreover, I challenge each of you to commit yourselves to radically reducing the incidence of adolescent pregnancy. I look forward to your support.●

THE FEDERAL BUDGET DEFICIT

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Ms. KAPTUR. Mr. Speaker, as the Congress begins debate on the Federal budget for fiscal 1986, I would like to insert this article on the deficit by George F. Will from the Washington Post. It provides us with valuable insight as we make the critical decisions necessary to sustain the recovery and promote continued economic growth.

[From the Washington Post]

DEFICIT? DON'T BLAME CONGRESS

(By George F. Will)

Someone should silence naughty Norman Ornstein before he spoils the sport of Congress-bashing. He demonstrates that congressional irresponsibility has not been the primary cause of the many deficits that have produced our national debt.

In an essary for the American Enterprise Institute, he notes that the $80 million Revolutionary War debt was cut in half by 1811. The War of 1812 tripled the debt, but it was almost eliminated in the 1830s. It rose as a result of the Mexican War, but then declined until the Civil War produced a $2.6 billion national debt. That caused Congress to centralize spending, resulting in two powerful appropriations committees. In 31 years (1867-1897), there were 27 surpluses. In 13 years revenues exceeded expenditures by more than 25 percent.

The Spanish-American War, combined with the 1896 recession, initiated 20 years with 11 deficits, but in 1916 the national debt was approximately what it had been in 1896. After 127 years the republic's debt was $1.23 billion. But in 1919, modern war, the foremost shaper of the modern world, had increased the debt 20-fold, to $25.8 billion. Then Congress again tightened budget procedures, and the debt again shrank, to $16 billion by 1930.

Depression deficits were almost trivial compared to those of World War II—$211 billion. The national debt as a percentage of GNP was 33 percent on the eve of the Depression, 43 percent in 1940, 128 percent in 1946.

In 1946 Congress cut the number of committees and took other measures to restrain spending. Thanks to that and economic growth, the national debt as a percentage of GNP shrank to 98 percent by 1949, 56 percent by 1961.

But in the next quarter-century there was just one small surplus ($3.2 billion in 1969). From 1960 to 1980 the debt grew from $293 billion to $993 billion. In Reagan's first term it nearly doubled, as did the clamor against Congress and four proposed constitutional amendments (to restrain Congress).

Although Congress has been, in Ornstein's word, an "accomplice" it has been less important as a deficit-maker than presidents, from Lyndon Johnson with a guns-and-butter policy through Reagan's gamble that the stimulative effect of his tax cuts would make them virtually self-financing, eliminating the need for politically hazardous cuts in spending on middle-class programs.

Ornstein acknowledges that Congress has contributed to the deficits by the decline of its institutional tough-mindedness and the rise of "subcommittee government," which has weakened central control of spending through appropriations communities. And Congress has mastered the art of bestowing blessings by tax breaks rather than appropriations.

But Congress has reduced politically profitable discretionary domestic spending by reducing the amount (as a percentage of the budget) and the discretion (adopting formula programs). Congress indexed entitlement programs, thereby stopping the politically advantageous but fiscally irresponsible process of voting ad hoc increases every few years.

In 1982 Congress, dragging a reluctant president, attacked the deficit by raising taxes in an election year. In 1983 it attacked the deficit by initiating an energy-tax increase. In 1984 there again was something like congressional government, with another attempt to reduce the deficit by raising taxes in an election year, with an essentially passive president acquiescing.

Today there are reports that Reagan will go barnstorming to rally support for substantial cuts in middle-class programs. I, for one, will believe it when I see it from the man who, as Ornstein notes, has supported almost all the water projects President Carter tried to kill, has supported swollen farm subsidies and generous farm-loan guarantees, has supported subsidized electric power and grazing fees for his westen friends, has pledged to "not stand for" cuts in the biggest sector of big government (Social Security), and wants some new deficit-enlarging programs, such as tuition tax credits. "These," says Ornstein dryly, "are not the habits of a President who would wield the line-item veto pen mercilessly."

The proposed item veto would cover only appropriations bills, and only a small portion of spending is controlled by such bills. In the $925 billion fiscal 1985 budget, there is just $81 billion in non-defense discretionary spending. And Ornstein thinks an item veto might increase spending because presidents would use it as a club. For example, he says, in Reagan's hands the item veto could be used to threaten dams and federal buildings desired by legislators opposed to MX. We would wind up buying the dams and buildings—and the larger number of MXs.

Ornstein, you see, is doubly insufferable. He robs us of two comforts; the image of Congress as a convenient villain, and the hope that constitutional tinkering can be a panacea.●

MEDICAL COMPUTER CRIMES ACT OF 1985

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. WYDEN. Mr. Speaker, I am reintroducing, for myself, Mr. WAXMAN, Mr. SIKORSKI, Mr. LELAND, Mr. WIRTH, and Mr. SCHEUER, the Medical Computer Crimes Act of 1985, which will provide criminal and monetary penalties for unauthorized access to computerized medical records.

In 1978, there were an estimated 5,000 desk top computers in this country. Today, there are more than 5 million and by 1990, there will be more than 80 million.

With this phenomenal growth in personal computers comes the capacity to access everything from accounts in financial institutions to the classified ads. The potential damage from computer abuse, or "hacking," is enormous. And nowhere is this more true than in health care where people's lives are at stake.

I believe a real-life story of just how much of a danger computer tampering with medical records poses bears repeating.

In 1983, with just a few taps of a computer keyboard, a group of adolescents broke into the computer system at Memorial Sloan-Kettering Cancer Center in New York and jeopardized the lives of thousands of cancer patients nationwide.

These youngsters used a simple home computer to break into the radiation treatment computer at the center. As a result, they gained access to the radiation treatment records for 6,000 past and present patients and had at their fingertips the ability to control the radiation levels that every patient received.

Luckily, no one was hurt—this time.

But with the increasing number of computers and the consequent increase in the number of people who are "hackers," it's only a matter of time until someone does get hurt. Computer hacking has become a popular and organized pastime among thousands of people in this country.

Many of these people derive enormous pleasure in breaking the code and beating the odds.

But, particularly when the well-being of medical patients is involved, it's not a game. It's serious business. And it should be a crime.

There's an enormous gap in our laws in this area. Currently, there are no Federal laws, and few State laws, that specifically penalize unauthorized computer access to and tampering with medical records.

This bill would close this dangerous gap in our laws before serious harm is done.

This bill is largely unchanged from H.R. 5831, which I introduced last year and which passed the House with bipartisan support. It establishes a two-tier penalty system for people who gain unauthorized access to computerized patient files: one set of penalties for intent to obtain direct unauthorized access to medical records and one set for unauthorized access with intent to tamper.

I believe this bill will provide a very real deterrent to computer crime by fine tuning our laws and bringing them up-to-date with the level of technology in this country. It will also give patients who are harmed by computer abuse of medical records and hospitals who have their computerized records broken into some legal recourse.

And the bill would do this without requiring additional funding, and without imposing any new regulations, restrictions, or paperwork burdens on hospitals and record administrators. In developing this legislation, we consulted with the American Hospital Association, the American Medical Records Association, the Oregon Hospital Association, and the American College of Hospital Administrators.

Although this bill won't provide the full answer to unauthorized access to all computer files, it is an important first step toward establishing an effective deterrent to this destructive "game-playing."

Mr. Speaker, I urge my colleagues to support this measure and to take action before the first computer crime disaster becomes a reality. This bill sends the clear message that computer abuse of medical records will not be tolerated. And that's the bottom line.●

DON'T TAX VETERANS' DISABILITY BENEFITS

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. GONZALEZ. Mr. Speaker, I am introducing a resolution today to address what I consider to be a great injustice proposed by the Reagan administration, that being the proposal to tax veterans' disability compensation. This proposal by the Treasury Department is a slap in the face to those patriotic individuals who served our country in time of war. Veterans understand the need to cut Government spending and balance the Federal budget. They realize that these measures are necessary to ensure the economic well-being of their country. What puzzles them—and me—however, is why they, who have sacrificed so much already, should bear an inordinate share of the budget cuts.

Every day of their lives, disabled veterans must live with their injuries, incurred in the line of duty. Not only do they face additional hardships as a result of their disabilities, but they also earn less in their jobs than the average worker. The purpose of disability compensation is to help those Americans who were injured in wartime to lead normal lives. At present, disability compensation is exempt from income tax payments. On the surface, this exemption appears to be a tax break for veterans. What is rarely mentioned, however, is that the tax exemption is figured into the formula for calculating a person's benefits. In effect, the disabled veteran indirectly pays income tax on his disability compensation.

Because disability compensation is already indirectly taxed, the Reagan proposal to remove the income tax exemption would effectively tax disabled veterans, not once, but twice. If passed, the President's proposal would unfairly cut into the income of those brave Americans who defended this country. Everyone would agree that this is no way to reward veterans for their invaluable service to the United States.

Letters from veterans and their families speak for themselves. One woman from San Antonio wrote:

> Our way of life and the freedom we enjoy today are because these brave men gave their eyes, hands, arms, legs, and life so we can strive for the American dream. But what of these men now? Do we cast them aside after the conflict is over? We owe them a debt which no one can put a price on. And yet a proposal is being considered to reduce their already small benefits . . .

Another San Antonian said:

> We as disabled veterans, do not ask for handouts, but it should be understood that compensating us for service-connected disabilities is all figured in as a part of the cost of wars. We do not intend to lose our dignity and wind up selling pencils on street corners like some World War I veterans.

One gentleman wrote:

> A few months ago our President stood on the beaches of Normandy and in no uncertain terms described the obligation our Nation had to those who fought for our cherished freedom. The disabled veterans of this Nation will be dismayed if this proposal is passed.

In short, these great United States, which pride themselves on freedom, justice, and opportunity, should not dishonor those individuals who fought in foreign wars to defend these cherished values. Fiscal responsibility is essential to future economic growth and, clearly, many will have to make sacrifices to achieve this end. But the Government should not make disabled veterans a target of efforts to cut Federal spending. Therefore, I urge my colleagues to support my resolution expressing the sense of the House of Representatives that veterans' disability compensation should retain its tax exempt status.●

FAIR TRADE IN AGRICULTURE

HON. GLENN ENGLISH

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. ENGLISH. Mr. Speaker, today I am introducing the fair trade in agriculture bill to give American farmers a fighting chance to compete in today's world market.

Today's world market does not allow U.S. farmers to compete head to head with foreign producers of agricultural commodities. The United States is the only major exporting country in which the Government does not become the bargaining agent for farmers. While I am not advocating that the Government assume that responsibility—we must give U.S. farmers a fighting chance to compete.

We would not be reading stories about Cargill threatening to import Argentine wheat if the Argentine Government were not subsidizing the sale. At the same time our Government is agreeing to Argentina's request to delay interest payments on their debt to the International Monetary Fund.

During the last 4 years American farmers have lost 25 percent of their export markets. The Secretary of Agriculture would have us believe that farmers are at fault—that farm prices are too high to be competitive in world markets.

I disagree with that assessment. I do not believe that farm prices are too high. I believe that this administration needs to stop blaming farmers and start helping them compete in world markets—just as every other major exporting country does.

The legislation that I am introducing today will give the Secretary of Agriculture authority to use $1 billion of the funds of the Commodity Credit Corporation for the purpose of subsidizing the export sale of any domestic agricultural commodity. The Secretary can use this authority to reciprocate when foreign governments subsidize exports of agricultural commodities that compete in international markets with U.S.-produced commodities. The legislation will not authorize

new appropriations but earmarks existing revolving fund dollars.

Elimination of all trade barriers should be our goal. In the meantime, however, we need to provide American farmers an opportunity for fair trade in today's world markets.

A copy of the bill follows:

H.R. 999

FAIR TRADE IN AGRICULTURE

A bill to authorize the Secretary of Agriculture to use the funds of the Commodity Credit Corporation to subsidize the export sale of domestic agricultural commodities in reciprocation for subsidies paid by foreign governments to export foreign agricultural commodities, and for other purposes.

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. The Secretary of Agriculture is authorized to expend $1,000,000,000 of the funds of the Commodity Credit Corporation for the purpose of subsidizing the export sale of any domestic agricultural commodity whenever the Secretary determines that it is necessary to subsidize such sale to reciprocate with respect to a foreign government that subsidizes the exportation of an agricultural commodity that competes in international markets with such domestic agricultural commodity.●

HISPANIC ENTREPRENEURIAL FEVER

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. GARCIA. Mr. Speaker, words like tireless, resourceful, and dynamic, all describe the American entrepreneur. One entrepreneur who is symbolic of the outstanding entrepreneurial fever of America is "Angie" Echevarria, president and chief stockholder of the fast-growing mattress manufacturing company headquartered in Los Angeles. He is adamant about one thing. In his vocabulary, the word "Challenge" has a special place. He dropped out of school because he wasn't challenged. And on his first job, his major challenge was to become the best performer at the task he was given. His entire life has been a sequence of responding to new challenges. Along the way he polished another basic principle; learn from your mistakes, and look for a special niche in the marketplace. Today, Mr. Echevarria's company is well on its way to becoming a national and international force in its field. The Somma mattress, half conventional mattress and half waterbed, his own invention, has become a runaway success.

Mr. Echevarria is the proverbial "rags to riches" story, as described in the January issue of Hispanic Business, in which, he was designated as one of the entrepreneurs of the year. His accomplishments stem for a fierce determination and persistence. He is truly a living model for all Americans and especially for Hispanics who, like him, have many barriers and hardships to overcome. Hispanics can learn from Mr. Echevarria: Like he says, "hang in there and give 'em a good fight."

The article follows:

[From Hispanic Business, January 1985]

SOMMA'S ECHEVARRIA SAYS LOOK FOR A NICHE

(By Luis Torres)

"Call me 'Angie.' Everybody calls me Angie, because I'm sure no angel; maybe *diablo* would be closer to it," he jokes.

His name is Angel M. Echevarria and he's a tireless, tough, blunt-talking Puerto Rican entrepreneur from the mean streets of New York City's Spanish Harlem. He started out, 35 years ago, sweeping floors in Manhattan's Lower East Side sweat shops. He is now a millionaire and president of Angel Echevarria Co. Inc., a fast growing mattress manufacturing company headquartered in Los Angeles, California.

Mr. Echevarria's enterprise, made up of three individual companies in the bedding industry, was ranked 53rd in HISPANIC BUSINESS' Top 400 Hispanic-owned Firms in the country. He's a leader in an industry in which Hispanics are usually laborers. Mr. Echevarria, who prefers to be called "Angie" by everyone, acknowledges that, as in all professions and business enterprises, there are obstacles rooted in discrimination and prejudice to overcome. "But I never felt that being Hispanic was a hindrance, I always felt that being Angie was an asset," he says. "That's the way I looked at things when I started to work in this industry as a kid, when I decided to start my own business and that's how I look at it today."

He predicts that 1985 sales of his unique line of mattresses will top the $50 million mark. In 1981, his firm's total national sales inched toward $5.7 million. In 1982 they were near the $10 million mark. 1983 sales were just below $20 million, and in 1984 they will surpass $30 million.

The main product which has provided Mr. Echevarria with his wealth and high ranking as an innovative, resourceful and persistent entrepreneur is the Somma mattress. In the bedding industry, it's known as a hybrid—half conventional mattress and half waterbed. It consists of a half dozen individual tubes or cylinders of flexible vinyl, filled with water and placed inside the chamber which would be a box spring in a conventional mattress. Mr. Echevarria says it allows the sleeper to float on a comfortable surface that gives and conforms to the body, without providing the rolling sensation of orignial-style waterbeds, beds he says which are nothing more than giant plastic bags filled with water. "You won't get seasick on a Somma," he promises.

In the past, the pitch about the Somma mattress has been aimed principally at sales representatives and retailers in the industry, but a new advertising campaign is targeted directly at consumers. It uses billboards, magazine ads and television commercials. His plan is to begin with a regional advertising strategy, testing the response, and refining the pitch. Then the campaign will go nationwide.

Just as the Somma is a hybrid, in the parlance of mattress manufacturing, streetwise, iron-willed Mr. Echevarria is something of an enterpreneurial hybrid himself. There's the suggestion of the hard-hitting boxer in his direct, no-nonsense temperament. "I've always been a fighter," he says. And as he talks about his business successes he jabs the air as if to punch an imaginary foe and punctuate his sentences.

It was a long, sometimes uphill road which Mr. Echevarria travelled from the rough streets of Manhattan's East Harlem to his current comfortable life, his several Mercedes Benzes and his hilltop mansion overlooking Los Angeles' posh Bel Air estates, which is home to movie stars and such big time professional athletes as the Los Angeles Lakers' Kareem Abdul Jabbar.

Stocky and muscular, with a hint of an emerging waistline—the result of some lavish dinners at some of L.A.'s finer restaurants, Mr. Echevarria strikes a formidable pose.

KEEP COMING BACK

"Growing up as a young Puerto Rican kid on 164th and Broadway in Spanish Harlem teaches you a few things," he says. "One of them is how to fight to protect yourself and survive. If you can make it out of there, you learn to hold you own against any type of competitior, and you learn to keep coming back after you've been beaten down by something. I've learned that applies, in some ways, in business."

In his personal and his business dealings, Mr. Echevarria is not belligerent. But he is tough. And he is persistent.

He began to make his fortune in the mid 1970s as a result of the invention, manufacture and skillful marketing of his Somma mattress. He had determined long before then that he would rise above the limitations inherent in growing up in poverty. And become a success.

As a scrappy teenager, he got his first job back in the 1950s after dropping out of Samuel Gompers High School in Manhattan. "Back in those days, and maybe to some extent it persists today, Hispanics in high school were basically told 'you're either gonna be a mechanic or a radio repairman, things like that.' The high school I went to was a kind of vocational school for Puerto Ricans, and since I wasn't challenged in school and couldn't see any future in what I was being taught, I dropped out of school."

Eager to start earning a living and contribute to the financial support of his family, he got a job in New York's garment industry. "My first job was loading bobbins on a quilting machine," he recalls. "That's how I got my first look inside the garment industry and the bedding industry." The bobbins, fist-sized spools of thread, were on machines used to sew quilts, which are eventually used to cover mattresses and box springs.

"I decided I was going to be the best bobbin loader in the business. I was. And I wanted a new challenge. I decided to move up to quilting machine operator. Now, for some workers, that's a big step and a lot of people work up to that and stay doing that. But that wasn't enough of a challenge." He decided to learn all about the internal workings of the machines. On his own time, and with the encouragement of others who evidently recognized the spark of determination in him, he learned about repairing and improving the capability of quilting machines.

He then talked his way into the company which was the main manufacturer of bedding quilting machines.

"They asked me if I wanted to go around the country repairing and improving their machines. It looked like another good chal-

lenge, and I accepted." He moved his family to the company's headquarters in the tiny town of Albert Lee, Minnesota. In 1960, he decided to pull up stakes and head for California.

"I needed another challenge, something else to accomplish. And," he laughs, "Puerto Ricans were just not born to live in all that snow."

THE REAL CHALLENGE

In California, he got a job operating a quilting machine for a mattress manufacture. Then he decided to go into business for himself. "You know, I looked around and saw all these entrepreneurs, little people prospering by running their own small companies. I thought 'that's the real challenge, going out there and being my own man."

With a small loan from a friend in the bedding industry, he bought his own quilting machine and began making quilts and other products for mattress manufacturers. By dint of hard work, including frequent round-the-clock working days, he started turning a profit.

"My first desk was an orange crate. I had a chair and a phone. That was my whole office. I knew right away that was the kind of thing I was looking for, to have the freedom to sink or swim on my own."

Financially, he began to swim quite nicely. Then, in the late 1960s came the new phenomenon: waterbeds. They became the rage of the bedding industry, and manufacturers found they couldn't make them fast enough.

Looking for a niche in this burgeoning new market, Mr. Echevarria hit on the idea of making a foam cover for water beds. It was in immediate success. He sold to dozens of manufacturers.

But after riding high on that achievement and its considerable profitability, he suffered his first major set back as a businessman. He had developed a cushion-like cover for firm mattresses which he called the Mattress Mate. It didn't sell. He suffered considerable financial loss. But his already established, and still thriving, quilting machine division helped bail him out.

THE NEED FOR PLANNING

"I learned a lot about how to market a new product from that failure. I realized you have to have a well thought-out plan to market something like that. I knew I wouldn't make the same mistake again," he says now.

He was confident about the product which would represent the "next fight" for him: the Somma, the keystone to his current success. He invented the Somma—with its individual cylinders of water to create a flotation bed—as an alternative to both the conventional inner spring mattress and the standard waterbed made of one big plastic bag.

The key to selling the Somma he says, "is to get the customer to lie down on it. Otherwise, it's just an intangible idea. Once he lies down on it, it's something tangible, and we think we've got him convinced."

He also acknowledges the need to have a proper marketing plan in place. And that has been the essential ingredient in the tremendous sales of the Somma.

Still a David in an industry of Goliaths, he decided he had two basic options. The first was to try to convince one of the big manufacturers to buy out his idea, giving him a commission on the sale of each unit. The second was to manufacture and market it on his own.

He decided to go it alone. He assembled a team of advertising and marketing veterans to help him map sales strategy. Three basic guidelines emerged. First, (with a few exceptions) the bed would not be sold in big department stores. "Department stores don't know how to sell beds. They just put them on the floor and leave them there," he says. Smaller, independent furniture stores would carry the beds, assuring individualized attention. Second, he would establish a network of warehouses throughout the country to guarantee overnight delivery of new inventory to the independent furniture stores. That way, the store would need to carry only one bed at a time, freeing showroom space. When the bed is sold, a new one is on the floor the next day because of the readily accessible inventory from a fully stocked warehouse nearby.

Third, constant communication with the independents and the representatives who serve them. It's a plan which has paid off.

With 47 warehouses placed strategically throughout the country, Mr. Echevarria's company sells Sommas in all 50 states. Six-thousand independents, nationwide, carry it. And it does a healthy business in several West European countries, as well. 1985, he says, will be the firm's biggest, most productive year by far.

ACTIVE MANAGEMENT

Mr. Echevarria is a man on the move, never anchored behind a desk. He's to be found hurrying from his administrative offices to the assembly lines of his three nearby factories. He's seen bobbing and weaving between the sewing machines and giant quilting machines to check, first hand, on production. He jokes with his workers in his rapid-fire "East Harlem" Spanish as he quizzes them about production schedules and deadlines. He boasts that he could take off his tie, roll up his shirt sleeves and run one of the complicated quilting machines better than any one of his workers, should the need arise.

"I've achieved what I set out to do," he says. "Accomplishments. That's what matters. Setting out to do something and doing it, despite whatever or whoever tries to knock you out of the ring. Now that I've reached a certain level of business success, I have more time to devote to other things in the community, to give something back."

Mr. Echevarria recently was named by Los Angeles Mayor Tom Bradley to be a member of the Department of Water and Power Commission. He cites that as an example of the increasing number of civic and community duties he's devoting his time to. He also devotes a lot of time to a Puerto Rican community organization which raises money for college scholarships for barrio youth. And he's begun, more and more, to take the time to give informal advice to Hispanic entrepreneurs getting ready to go into business for themselves.

"In general, I tell them 'make sure you've got enough capital for what you want to do in the short run. Look for a special niche where you can provide something that others aren't, and once you commit yourself, don't let anybody tell you that you can't make it, just because you're Hispanic. Hang in there and give 'em a good fight.' "●

A TRIBUTE TO SANDRA FLEISHMAN

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. WOLPE. Mr. Speaker, on Friday, February 8, Sandra Fleishman will be leaving after 5 years of outstanding service as a writer and, for the last 3 years, as editor of the Environmental and Energy Study Conference Weekly Bulletin.

I have been privileged to cochair the conference in the 98th Congress, and I want to thank Sandy for the many hours she has put in over the past 5 years to help me and many other Members of Congress get accurate, unbiased information on energy and environmental legislation before Congress.

Sandy has had the often very difficult task of trying to simplify the complex details of energy and environmental legislation; to put that legislation into a perspective that will help Members understand how it will affect their State or district; to provide balanced descriptions of the arguments for and against amendments; to analyze the political pressures moving bills in one direction or another; and to do it all in a way that is fair and useful to all of us, Democrats and Republicans in both Chambers.

Her success can be measured by the fact that in recent years EESC has been the largest legislative organization in Congress. In the 98th Congress it was 283 Members of Congress and 86 Senators.

I and the other officers and members of EESC want to thank Sandy for the outstanding job she has done and wish her every success in her future endeavors.●

SOCIAL SECURITY AND THE DEFICIT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, February 6, 1985, into the CONGRESSIONAL RECORD:

SOCIAL SECURITY AND THE DEFICIT

The relationship between social security and the federal budget deficit is one issue that has come up constantly in my recent public meetings with Hoosiers. Why, they ask, should there be talk of cutting social security to help reduce the deficit when the social security trust funds are separately financed by their own payroll taxes and are expected to start accumulating surpluses in the near future?

The explanation lies in the relationship between the social security trust funds and the "unified" federal budget. The trust funds and other off-budget programs were brought under the budget in 1969 in order to give policy makers a better idea of the overall impact of the federal government on the economy. However, this did not mean that the trust funds actually would be merged into the general fund of the Treasury and used for other purposes. It merely involved a new method of portraying or presenting the budget. The trust funds continue to operate as they always did, with payroll taxes accounted for separately and spent only on social security.

There is, however, an indirect connection between the social security trust funds and the general fund of the Treasury. If there is a surplus in the trust funds, the law says that it must be invested in interest-bearing U.S. government securities. The Treasury can use the loan as it sees fit, but if the social security system should need the money to cover its costs, the Treasury must pay it back immediately. This is the way that the system has worked since payroll taxes first were levied in 1937. The loans always have been paid back, with interest.

The reason why budget cutters are looking at social security is not that the trust funds have been merged into the deficit-ridden general fund of the Treasury. The scrutiny results from the simple fact that social security accounts are now listed in the official budget. Because of their sheer size, $258 billion in an annual budget of $931 billion, the accounts cannot escape notice when a serious effort is made to cut the deficit. Policy makers view social security as an integral part of the federal government's financing because any savings from social security would show up as overall savings, even if the social security fund is financed completely by its own tax revenues.

In recent years, older people have begun to worry that social security may be cut sharply in order to reduce the deficit. They point to the 1981 cuts in social security minimum and student benefits as evidence that there is something to be concerned about. In response, Congress passed a law requiring that social security be removed from the budget by 1993. The anticipated effect of keeping social security in the budget between now and 1993 is that for the next two years, as in most years past, the deficit will be higher. But in 1987, social security surpluses should start to accumulate due to favorable demographics, an expanding economy, and recent changes in payroll taxes and social security benefits. The surpluses will show up in the form of a smaller deficit.

Those who favor keeping social security in the budget, as I do, argue that it makes sense if one wants to assess the overall impact of the federal government on the economy. The basic reason for a unified budget is that policy makers need a general view of the extent to which the federal government consumes private investment capital. If social security, which accounts for more than one quarter of all federal expenditures, is removed from the budget, the economic impact will still occur, but it will not show up in the budget figures. The budget would lose much of its usefulness as a planning device. Another argument for a unified budget is that social security should be reviewed for inefficiency in the same manner that other federal programs are reviewed.

Those who favor removal of social security from the budget believe that benefits should not be cut for reasons totally unrelated to the social security system itself. They claim that the system should not be examined in light of fluctuating budget projections because older people make irreversible decisions about retirement based on what they think that they will receive from social security. Also, it is argued, having social security in the budget may distort policy makers' decisions. The large social security surpluses expected after 1987, for example, will make the government's overall fiscal condition seem better than it is.

It is plausible to argue that social security should be removed from the budget. Indeed, Congress may consider legislation to bring about the separation before 1993. However, we ought not to expect too much from this bookkeeping change because it simply will not insulate social security from growing pressure to reduce the deficit. Even if social security were removed from the budget, it could be used to reduce the deficit. For example, social security benefits and payroll taxes could be trimmed, and income taxes raised proportionately. The taxpayer's overall burden would be the same, but the general fund of the Treasury would have more money to apply against the deficit.

Those who want to cut back social security benefits are shifting the focus of their attack. There is more emphasis on fairness. As things stand today, retirees are entitled to benefits far exceeding their past contributions, and few are in poverty. In fact, many have larger incomes than the young workers who are paying their benefits. Critics of social security maintain that such an expensive inequity should not be continued, especially when other federal programs for the poor are being cut back. The pressures to trim future increases in social security benefits for the well-to-do will continue to build whether or not social security is removed from the budget.

While I favor a unified budget principally because I think that it is critical to measure the federal government's impact on the economy, I also believe that social security should be treated as a self-sustaining system, and that it would be wrong either to subsidize it or to sacrifice it for the sake of a balanced budget.●

RITA MORENO AND SALLY STRUTHERS ENCOURAGE STRONG FEDERAL ARTS SUPPORT

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. DOWNEY of New York. Mr. Speaker, today at a meeting of the Congressional Arts Caucus, actress Rita Moreno and Sally Struthers presented arguments in support of our Federal cultural programs. Both actresses, currently appearing at the National Theatre in "The Odd Couple," expressed dismay at the administration's proposals to cut the budgets of the National Endowments for the Arts and Humanities and urged increased support for public broadcasting.

Ms. Struthers stressed the need to recognize the priority of arts funding within our national budget. In addition, she highlighted the special concerns of individual artists, the urgent financial problems of the Folger Theatre, and the great need to increase support for public broadcasting.

Ms. Moreno, who elaborated on her colleague's concerns, prepared an eloquent written statement, which follows:

STATEMENT OF RITA MORENO

For a number of years, I served as a member of the National Endowment for the Arts and, hopeful, someday soon I will be asked to serve again. I learned first hand and quite dramatically in what awful straits is the state of our arts. A relatively small amount of money goes a long way toward producing great dividends and enriching us all.

And now these very programs are faced with financial setbacks. So I want to use these moments to plead with you people of power and influence gathered here today to do what you can to restore the monies needed for the arts. A very small percentage taken from the defense budget could salvage an entire arts program.

Nations are feared and perhaps even respected for their armed might. But you know as well as I that nations are revered not for their Napoleons, but for their Renoirs; not for their Clausewitz', but for their Mendelssohns; not for their Lord Nelsons, but for their Shelleys.

So it is imperative that we not only beat our swords into plowshares, but it becomes equally important that we beat those selfsame swords into songs and sonnets.●

THE PLIGHT OF AMERICAN FARMERS

HON. WEBB FRANKLIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. FRANKLIN. Mr. Speaker, many farmers in debt to the Farmers Home Administration are caught in a credit crisis that threatens to bankrupt thousands in the next few months. Adding to this problem are desperate farmers who are putting into production segments of farmland, which is marginal, in a futile effort to make a profit. The times have simply been so bad that these farmers are unable to meet their debt obligations. Low commodity prices, continuing high interest rates, plummeting land and machinery values, a strong dollar, and depressed exports are contributing factors. Because of this situation the Farmers Home Administration is faced with many pending foreclosures which would add thousands of acres to the FmHA inventory.

If such foreclosures take place and this land comes on the market at fire-sale prices, economic ruin will threaten entire farm communities. A drastic fall in farmland values will produce financial chaos. Farmers will lose their land, the financial shock will be heard throughout the community, the Farm-

ers Home Administration will record enormous losses on its loans and the bottom line is that the American taxpayer who provided the funds will have lost again.

On February 6, 1985, I introduced the Farm Debt Restructure and Conservation Set-Aside Act of 1985 which will help solve this problem. It will authorize the Secretary of Agriculture to acquire long-term easements—at least 50 years—for public use on marginal farmland for conservation, hunting, recreational, and wildlife purposes. These easements will be obtained from the present FmHA inventory and from delinquent FmHA borrowers who are farming marginal cropland. In exchange for turning over their land to the Government for public use, farmers will be allowed to write down their debts with the Farmers Home Administration at the appraised value. The results of this legislation would be: (1) The individual farmer would be left with his most productive land and a lower debt. This would allow many farmers to service the lower debt and stay in business as profitable producers. (2) Many marginal acres would be permanently retired and no longer subsidized by the Government. Because this land will be taken out of production it will not be producing crops and competing with land owned by privately financed farmers. (3) The land set aside would be used as wildlife habitats, forests, and game preserves with management agreements between the Secretary of Agriculture, the Director of the Fish and Wildlife Service, and individual States. Conservation practices would be established to protect this resource for future generations. (4) The public would be allowed to use the land for recreation and hunting.

All these things can happen without the flow of actual dollars. Instead of accounting for a loss the Federal Government can now record an asset in land that would be used for the benefit of all Americans. Furthermore we would contribute to the security of agriculture and give all our taxpayers something other than a loss or a foreclosure for their hard-earned tax dollars.●

DEAUTHORIZE THE DICKEY-LINCOLN SCHOOL DAM PROJECT

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Ms. SNOWE. Mr. Speaker, today I am introducing legislation to deauthorize the Dickey-Lincoln School Dam project, located on the St. John River in the State of Maine.

The Dickey-Lincoln School project has had a long and controversial history. First authorized by the Flood Control Act of 1965, this project has been rejected after a thorough review of the merits of this hydroelectric dam project. In 1981, the Dickey portion of the project was deauthorized by the Congress with the passage of legislation containing deauthorizing language I had first introduced in 1979. In addition, Congress ordered the completion of a study by the Army Corps of Engineers on the economic and environmental impact of a hydroelectric facility located at the Lincoln School Dam site. This study was completed last year and has been submitted by the Assistant Secretary of the Army to Congress. To summarize the corps' conclusion, the Lincoln School Dam project is not financially feasible.

The saga to rid Maine of the Dickey-Lincoln project has been a long and exhaustive one. At one time, Dickey-Lincoln was the most divisive issue in the State, but further documentation of the financial and environmental realities of the project led to the correct conclusion that the project does not make sense. The careful assessment of Dickey-Lincoln has not been without cost or controversy. But I believe there is no substitute for careful evaluation. Certainly, it is far easier to move a project in a forward direction than backward. The attractiveness of a public works project and the benefits of construction tend to put these proposals on a one-way path to completion. It has not been easy to overcome this kind of momentum, but the citizens of Maine have always demanded a full and fair public assessment of major projects under consideration.

Two years ago, the debate finally came to an end. The 1983 corps' report documented the suspicions held by many Maine residents: hydroelectric power generated from a finished Lincoln Dam cannot be marketed at a rate which could meet production and distribution costs. Therefore, the project clearly cannot meet a Federal prerequisite requirement of financial feasibility.

Aside from the financial realities of the Dickey-Lincoln School Dam project, the environmental and socioeconomic impact of the project has been extensively evaluated. While a great deal of time and money were spent to complete this review, I believe final deauthorization of the Dickey-Lincoln School project will represent the right choice for Maine and save American tax dollars from being unwisely spent.

I am hopeful that the final deauthorization of the Dickey-Lincoln School project can be accomplished at the earliest possible date through passage of my legislation. The time is long overdue for the discontinuation of a proposal which may have made sense 20 years ago, but after careful evaluation doesn't meet the tougher standards we now require. I urge my colleagues to support this bill.●

CARIBBEAN INFRASTRUCTURE ASSISTANCE

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. DYMALLY. Mr. Speaker, I would like to acquaint my colleagues in the U.S. House of Representatives with an unfortunate matter of waste and neglect. Since the Spanish-American War, U.S. foreign relations with the Caribbean region countries has stressed strategic concerns and national self-interest. In recent years, the Caribbean Basin Initiative has broadened America's involvement to include some regionally coordinated economic development projects. Nevertheless, the basic standard of life or infrastructure in the Caribbean remains grossly underdeveloped as well as ignored by the donor-aid nations of North America and Europe.

One of the major causes of this underdevelopment remains the lack of trained labor in the Caribbean who can respond to the many technological challenges of the 1980's. I am proposing legislation that will not create new development agencies or establish expensive development assistance projects. Instead, I propose to use an existing agency with a record of success in infrastructure improvements in the Dominican Republic and the Turks and Caicos Islands; the Peace Corps. Furthermore, I also propose to employ Peace Corps recruits throughout the Caribbean in an effort to train local personnel in water management and distribution, electrification, road and harbor rehabilitation, and other long overdue infrastructure development projects.

Technical training promises to create a new corps of skilled labor and professionals who will, in turn, offer their expertise in modernizing the Caribbean that the tourist does not see. The Caribbean-wide Peace Corps effort will symbolize the type of U.S.-Caribbean relationship that is clearly needed in this post-Grenada incursion era; a relationship based on peace and cooperation. As the 21st century nears, it is apparent that special labor skills are needed to survive. The situation in the Caribbean dramatically accents that fact.

My legislation presents a harmonious path to brighter U.S.-Caribbean relations, suggesting that the development problems of the Caribbean region can best be resolved through cooperation and peace.●

NORTH MIAMI SHOWCASE

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. LEHMAN of Florida. Mr. Speaker, for the past 6 years, Dan and Estee Breiman have been responsible for running the North Miami Showcase, an entertainment program for the elderly.

Mr. and Mrs. Breiman exemplify the spirit of voluntarism. They are not paid for their efforts, but do all of their work on behalf of the North Miami Showcase just to make people happy.

I would like to share a recent Miami Herald article discussing their fine work with my colleagues.

COUPLE KEEPS SHOWCASE GOING FOR NORTH MIAMI SENIOR CITIZENS

(By Constance Prater)

The show must go on.

And thanks to Dan and Estee Breiman, it does.

The North Miami Showcase, a monthly entertainment gala for the city's elderly, has been running nonstop for the past six years because of the Breimans.

This month's showcase, featuring singer Eddie Klein and comedian-impersonator Dory Sinclair, begains at 2 p.m. today at the North Miami Community Center, 1590 NE 123rd St.

The Breimans, both 65, volunteer their time to hire acts, design advertising fliers for the show, promote it and put it on.

"Our pleasure is being with people, making them happy. We've always done that," Estee Breiman said.

"We do it because we enjoy doing it," Breiman said. "Instead of sitting around getting old, we'd rather keep ourselves active."

In 1980, the City Council approved a $2,000 a year grant for the Breimans to sign entertainers and plan the showcase.

"We wanted to have it in different sections of the city, but somehow it didn't work that way," she said. "We couldn't get that many people to come."

They fixed the time and place for Sunday afternoons at the community center.

"It worked out beautifully," Breiman said. "We have people coming from all over now, even Miami Beach. We've established a reputation."

"They really work hard. And they get nothing for it other than the satisfaction of doing something for the community," said Virginia DiFederico, parks and recreation department assistant.

Neither has ever been an entertainer. They say they know what they know about good music from attending countless performances and banquets at hotels on Miami Beach.

"I know the acts and whose good and who isn't," she said.

Dan Breiman is a retired postman. He has been president of the National Jewish Civil Service Employees for the past seven years. His wife was a secretary for the U.S. Army Corps of Engineer before she became a housewife. Both are members of the North Dade Chamber of Commerce and several other community groups.

Past showcase acts have included singers Vivian Lloyd, Alex Redhill, Jeb Stewart and Laynee Gould and comedians Danny Tadmore, Ned Walsh and Eddie Barton.

Next month the Hollywood Pop Orchestra will perform. In March the Breimans are bringing in a puppet show.

The showcase is sponsored by the Senior Citizen Advisory Board and the Parks and Recreation Department.●

NEW YORK STATE JUDGES ADOPT RESOLUTION ON DRUGS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. RANGEL. Mr. Speaker, on January 22, 1985, the Federation of New York State Judges adopted a formal resolution criticizing the Federal Government for failing to prevent the importation of heroin into the United States. The Federation of New York State Judges is an organization formed in 1983, which now represents more than 2,000 New York State judges. The president of the organization is Presiding Justice Francis T. Murphy of the appellate division of the Supreme Court of the State of New York, first department.

The resolution calls on the President and Congress:

First, to prohibit all U.S. assistance to, and trade with, any country that permits the production and exportation of opium or its derivatives for other than medical purposes;

Second, to appropriate moneys immediately for the construction and maintenance of New York prisons in order to protect the safety of the men, women, and children of New York; and

Third, to apply themselves in New York to a radically more intensive enforcement of Federal narcotics laws.

In explaining why the resolution was adopted, Justice Murphy cited the following statistics. There are 500,000 heroin addicts in the United States. Half of these addicts live in New York State. One in every seven-five residents of New York State is a heroin addict, and 1 in every 40 of New York City's residents is a heroin addict.

Justice Murphy remarked that these 500,000 heroin addicts commit 100,000 crimes every day, and suggested that:

If the Federal Government does not immediately appropriate monies for the construction and maintenance of New York prisons, then New York should consider directing its police officers to take all arrested narcotics offenders directly to Federal Courts for arraignment and prosecution.

This resolution is significant for two reasons. First, it is a further indication that the Federal Government has failed in its duty to prevent the flow of illicit drugs into our country from abroad. Second, it is a strong statement by New York State judges who are in the frontline of our efforts to deal with the crimes drugs cause, that our State criminal justice systems must have immediate additional assistance if the situation is to improve.

I ask that the resolution and press release of the Federation of New York State Judges be inserted in the CONGRESSIONAL RECORD at this point.

The resolution and press release follow:

RESOLUTION

The federal government having long failed to prevent the criminal importation of heroin into the United States, a duty within the federal government's exclusive jurisdiction;

New York having become the nation's heroin capital in which one-quarter million heroin addicts pay for heroin by killing, robbing, stealing from, and assaulting innocent men, women, and children; and

New York's prisons having become dangerously overcrowded by inmates imprisoned for crimes involving narcotics;

Now be it resolved by the Federation of New York State Judges that;

The President and the Congress have a critical moral obligation to prohibit, excluding food and medicine, all United States assistance to and trade with any country that permits the production and exportation of opium or its illicit derivatives for other than medical purposes.

The President and the Congress have a critical moral obligation to appropriate monies immediately for the construction and maintenance of New York prisons in order to protect the safety of the men, women, and children of New York.

The President and the Congress have a critical moral obligation to protect the safety of the men, women, and children of New York by applying themselves in New York to a radically more intensive enforcement of federal narcotic laws.

PRESS RELEASE OF THE FEDERATION OF NEW YORK STATE JUDGES

Presiding Justice Francis T. Murphy of the Appellate Division of the Supreme Court of the State of New York, First Department, speaking as president of the Federation of New York State Judges,[1] announced today that the Federation, by formal resolution [2] criticizing the federal government for having long failed to prevent the importation of heroin into the United States, has called upon the President and the Congress:

(1) to prohibit all United States assistance to, and trade with, any country that permits the production and exportation of opium or its derivatives for other than medical purposes;

(2) to appropriate monies immediately for the construction and maintenance of New York prisons in order to protect the safety of the men, women and children of New York; and

(3) to apply themselves in New York to a radically more intensive enforcement of federal narcotic laws.

Presiding Justice Murphy stated:

"The time is critical for the President and Congress to tell New Yorkers what the federal government intends to do about heroin

[1] The Federation of New York State Judges, formed in 1983 is the largest judicial organization in the history of New York. Its membership, listed in the margin of this release, represents more than 2,000 New York judges.

[2] A copy of the Federation's resolution is attached to this press release.

in New York. It is the federal government that is morally accountable for the presence of heroin in New York, for that government alone has the duty and the power to prevent its importation.

"There are 500,000 heroin addicts in the United States. They commit 100,000 crimes every day. They kill, rob, and steal. Half of these addicts, 250,000 strong, live in New York State. One in every 75 residents of New York State is a heroin addict.

"In New York City, America's heroin capital, there are 190,000 heroin addicts, a heroin population greater than the total population of most American cities. *One in every 40 of New York City's residents is a heroin addict.*

"In New York State there are 17,000 narcotic abusers between the ages of 12 and 17. There are in New York State 390,000 children between the ages of 12 and 17 who regularly use drugs such as cocaine and amphetamines. In 1988, New York State will have a heroin addict population of 270,000, to say nothing of 1,500,000 abusers of drugs such as cocaine and amphetamines, a figure that excludes marijuana.

"Is it not wrong for the federal government to withhold money from New York for the building of prisons when it is the federal government that has failed in its duty to stop the flow of heroin into New York?

"Will the federal government continue to withhold money from New York until 1 in every 20 of New York City's residents is a heroin addict? Or will the federal government grant that money when 1 in every 10 of New York City's residents is a heroin addict?

"For those who look upon a catastrophe and count the dollars, let them consider that in 1982 the total, direct average cost to government for one unmarried, unemployed male drug abuser on welfare was $7,000 annually, excluding the incredible cost of his crimes. The dollar value of one addict's thefts is about $30,000 per year. If arrested in 1982, the average cost of his arrest alone was $3,300. If imprisoned, the 1982 average cost of keeping him was $21,000.

"New York City is in a whirlwind of drugs and crime. In this city there is a hell, the land of heroin addicts. They have not died, yet nothing of life remains. Anguish is their day, torment their night, affliction their eternal season, and crime their constant industry. Their beds are the broken floors and littered rooftops of gutted buildings, their air the stink of excrement, urine and vomit, their time measured between needle points. Their hell has made life hell for millions of our innocent citizens.

"If the federal government does not immediately appropriate monies for the construction and maintenance of New York prisons, then New York should consider directing its police officers to take all arrested narcotic offenders directly to federal courts for arraignment and prosecution.

"If the federal government will not bring prisons to New York, then New York should bring prisoners to the federal government."●

MARCH DECLARED NATIONAL EYE DONOR MONTH

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. GUARINI. Mr. Speaker, perhaps the best gift a person can give is to be an organ donor to renew the lives of the suffering. Thanks to medical advances and increased national awareness of the benefits of organ donation, last year more than 22,000 Americans were restored to useful vision through a corneal transplant.

This procedure has a 90-percent success rate in improving sight and can only be done with donated eye tissue. No synthetic cornea presently is effective. People in all walks of life, from 2-month-old infants to those in their nineties, can see today because others gave this precious gift. However, thousands more people without vision could benefit from this operation but are not being helped because suitable corneal tissue is not always available.

A united national effort exists to eliminate this shortage. The 88 eye banks belonging to the Eye Bank Association of America are committed to the goal of having a cornea readily available for anyone suffering from corneal blindness. These eye banks work together to preserve medical standards of the highest quality, to promote organ and tissue donation, and to encourage research into the prevention and treatment of eye disease and injury.

The major barrier contributing to the waiting list is the lack of public knowledge about organ and tissue donation. In particular, many citizens do not realize that all eye tissue is acceptable for donation, regardless of the donor's age or quality of vision. Eye tissue not suitable for transplant is used for research projects so valuable information can be gained to help the thousands of others with diabetes, glaucoma, retinal disease, and other eye problems.

Therefore, as we in Congress have done the last 2 years, it is fitting that we once again inform the public of the need for eye donations and encourage more Americans to become organ donors. By doing so, we designate March 1985 as "National Eye Donor Month" and call on all our citizens to support this humanitarian cause with appropriate activity.●

CONGRESSMAN A. LINCOLN IN DORCHESTER, MA

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. DONNELLY. Mr. Speaker, in September 1848, a little-known freshman Member of the House of Representatives toured the Boston area, campaigning on behalf of the national Whig ticket, led by Gen. Zachary Taylor.

There were only sparse newspaper accounts of the speeches made by the 39-year-old Illinoisan, who was more often than not referred to as "Abram" Lincoln.

Thirteen years later, when he became somewhat better known and when newspapers started getting his name right, President Abraham Lincoln recalled that tour. "Yes, I had been chosen to Congress from the wild West, and with hayseed in my hair I went to Massachusetts, the most cultured State in the Union, to take a few lessons in deportment."

There is certainly more than a bit of Mr. Lincoln's typical self-deprecating humor in the recollection. He may have taught more than he learned.

Boston at the time was a leading manufacturer and exporter of orators of the grand style. His audience was not prepared for the tall, lanky westerner telling racy stories, ridiculing the opposition, and laughing at his own jokes as wildly and enthusiastically as anyone in the hall.

Listeners were surprised that Lincoln seemed to be speaking to them individually, instead of orating to a large audience.

Lincoln's 1848 tour of Massachusetts is regarded by some biographers as important for his political growth and development.

On September 18, 1848, Lincoln spoke at Richmond Hall in Dorchester, then a town of 7,000 and now a neighborhood of Boston. Not far from the site of that speech the John F. Kennedy Presidential Library now stands.

On February 19, the library and the Dorchester Historical Society are sponsoring "An Evening with Congressman A. Lincoln," a symposium examining the early career of the great statesman and his development before and after his Massachusetts campaign tour, and to assess the results of his "lessons in deportment."

This event demonstrates the continuing ties that many people in many parts of our country feel directly with that great President and the desire to learn from his life.●

CITY COLLEGE OF SAN FRANCISCO CELEBRATES ITS 50TH ANNIVERSARY

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mrs. BURTON of California. Mr. Speaker, City College of San Francisco is celebrating its 50th anniversary. This institution, which was established during the depression, has provided many young people with an opportunity for education that they might not otherwise have had. City College students have included a broad range of people, from O.J. Simpson to W. Michael Blumenthal, former Treasury Secretary, to others less well known. The lives of all of them were enhanced by their experience at City College.

I would like to include with my remarks an article in the San Francisco Examiner about the school's 50th anniversary celebration:

(By Michael A. Robinson)

I was a child of the Great Depression, born at a time when many wondered how they would struggle through the day, let alone prepare for the future.

But by offering its students free tuition and the chance for improvement, San Francisco Junior College not only prevailed, it prospered.

More than a million men and women have passed through the doors of what is now one of the state's largest two-year community colleges. Most were just preparing to get a good job. But some, like sports star O.J. Simpson and actress Lee Meriwether, stopped by what is now called City College of San Francisco on their way to the Big Time.

Now college officials want to boast of their success as they prepare to launch a long list of events to mark the school's 50th anniversary.

"First of all we want to celebrate the anniversary," says Hilary Hsu, chancellor of the San Francisco Community College District. "But we have another purpose, too."

"We want to generate the necessary and useful excitement, so that we will remain strong for the next 50 years. We are trying to raise money for an endowment for scholarships and for equipment to meet the students' need.

"This will give us a little more independence. Our single theme is to maintain the stature of City College."

As part of the celebration, Meriwether will star in the first of four evening performances of "The Lion in Winter," beginning Feb. 7 at the City College Theater. Meriwether, a former Miss San Francisco who became Miss America, also will serve as the mistress of ceremonies for the college's Founder's Day program.

That program is scheduled for Feb. 12 and will be marked by a reception at Davies Symphony Hall followed by a dinner and dance at the Gift Center Pavilion. Mayor Feinstein will chair the event with Burroughs Corp. Chairman W. Michael Blumenthal serving as the keynote speaker.

Blumenthal, who was President Jimmy Carter's Treasury Secretary from 1977 until he was fired in 1979, will recall his experiences in San Francisco and at City College. Blumenthal immigrated to the United States from Shanghai in 1947. He attended City College from the spring semester of 1948 through the spring semester of 1949 before transferring to the University of California at Berkeley.

Indeed, Blumenthal's experiences mirror two important roles City College plays, says Hsu.

The school serves as an essential reference point for many foreign students. Nearly 70 percent of the college's enrollment are from minority groups, many of whom are recent arrivals from overseas.

"We give those students a springboard into American life," says Hsu. "They need orientation and initiation into America."

At the same time, City College is successful at preparing students for transfer to four-year universities. Only Diablo Valley College, in affluent central Contra Costa County, sends more students to the University of California at Berkeley.

Not bad for a college that began in 1935 by using space at Galileo High School and at the University of California extension center on Powell Street. Back then enrollment was 1,700.

Today the two-year community college is a sprawling 49-acre campus with an enrollment of about 22,000. A $50 per semester fee is now charged, a result of state budget woes. Approximately another 40,000 attended non-credit courses through various centers throughout The City affiliated with the college.

Funds raised through the 50th anniversary events will be used to improve the school, says Hsu.●

COAL EXPORT ENHANCEMENT ACT OF 1985

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. RAHALL. Mr. Speaker, today, I am reintroducing a bill which I sponsored during the last Congress to create a Federal Coal Export Commission under the auspices of the Secretary of Commerce.

One-third of the 30 Commission members would represent agencies of the Federal Government which are involved with foreign trade and two-thirds of the Commission members would represent export coal producers and traders, coal labor, transporters of export coal and financial institutions with an interest in the international coal trade.

The goal of the Commission is to increase the cooperation and coordination of those parties involved with coal exports. Among the Commission's mandates as provided by the legislation are the identification of diplomatic channels to increase coal exports; impediments to coal exports; foreign markets for U.S. coal with an emphasis on those in developing nations; availability of and methods of financing coal exports; and, an examination of the potential for small- and medium-coal producers to enter the export trade through export trading companies.

The importance of creating such a Commission, which would be authorized for a 2-year period by this bill, is due to the nature of the international coal trade with many foreign buyers being governmental entities. The U.S. Federal Government must show these buyers that it is committed to maintaining and increasing the U.S. market share of international coal demand. Further, it can only be through a joint government-private sector effort that many of the impediments to the coal export trade will be resolved.

Mr. Speaker, the amount of U.S. coal exported is extremely important to our domestic economy. In 1983, the value of U.S. coal exports was over $3 billion. Besides making a great contribution to our efforts to narrow the balance-of-trade deficit, these coal exports create thousands of jobs in the coalfields, in the transportation sector and at our ocean ports.

From January to October 1984, over 7.7 million tons of U.S. coal was exported to 64 countries. About 71 percent of that figure was metallurgical coal sales and 28 percent was steam coal sales. Our leading markets are Canada which purchased 26.5 percent of the total for the first 10 months of 1984, followed by Japan whose share was 20.3 percent. These two countries are followed by, in order, Italy, The Netherlands, Brazil, France, Belgium, and Luxembourg, the United Kingdom, largely due to that nation's coal strike, and the Republic of Korea. These countries all purchased over 2 million tons of U.S. coal during the period described above.

It must be noted that the U.S. share of many of these nations' coal market is falling from levels achieved during past years. There are a number of reasons for the lackluster performance of coal in recent years, such as the worldwide lowering of demand for electricity and steel, new nuclear powerplants coming online and the decline in petroleum prices.

These factors, however, affect all coal-exporting countries and are not reasons for the disproportionate reduction of U.S. market share. In this regard, U.S. coal is hindered mainly due to its high delivered price. Coal from the Republic of South Africa, Canada, Poland, and recently, from Colombia, often sells far less than U.S. coal in the Asian, European, and South American markets. One of the reasons for this is the position of the dollar in international money markets. Another pressing reason is the high cost of U.S. railroad transportation. Many European and Japanese buyers cite transportation costs as the major reason for the high delivered price of U.S. coal.

These factors are the very ones which I hope to see addressed by the Federal Coal Export Commission, as well as the assistance such an entity would give U.S. coal exporters in the areas of financing, insurance, and the U.S. foreign aid program to developing nations who have growing coal requirements as they further their efforts to industrialize.●

RAISE THE CIGARETTE EXCISE TAX

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. BEILENSON. Mr. Speaker, I am introducing legislation today to raise the Federal cigarette excise tax permanently to 40 cents a package. This measure would adjust the cigarette tax for inflation, help compensate the Federal Government for the costs associated with smoking-related illnesses and, at the same time, provide $7 billion to $9.5 billion a year in new revenue to reduce the enormous Federal deficit.

From 1951 through 1982, the excise tax on cigarettes was 8 cents a package. A provision of the Tax Equity and Fiscal Responsibility Act of 1982 [TEFRA] raised this tax of 16 cents a pack, starting in January 1983; however, the increase is only temporary, and the tax will revert to 8 cents a pack on October 1 of this year.

Much has happened since 1951 to justify a substantial increase in the cigarette tax. Consumer prices have risen 400 percent, so simply to maintain the tax's original revenue-raising power, it ought to be increased to 32 cents a pack. And there is another good reason to increase the cigarette tax: The harmful effect of smoking on human health—which was not well understood 34 years ago, but which is now well known and well documented.

C. Everett Koop, the Surgeon General of the United States, calls cigarette smoking "the most important individual health risk in this country." He blames smoking for more premature deaths and disabilities than any other known agent. Says Dr. Koop: "There is no single more effective action a person can take to reduce the risk of cancer—and of dying from it—than to quit smoking, especially cigarette smoking."

The amount of damage done by cigarettes is truly staggering. The Surgeon General links smoking to 30 percent of all cancer deaths. Smoking is a major cause of cancers of the lung, larynx, oral cavity, and esophagus, and a major contributor to cancers of the bladder, kidney, and pancreas. Smoking accounts for 80 to 90 percent of all chronic lung disease in the United States, including chronic bronchitis and emphysema, and for one-third of all coronary heart disease, says the Surgeon General. And smoking by pregnant women has been linked to premature birth, fetal injury, and low birth weight.

In sum, cigarette smoking is responsible for more than 300,000 premature deaths in the United States each year, an enormous amount of disease and disability, and untold physical and emotional pain. These human consequences are terrible enough, yet smoking results in enormous economic costs as well.

The Departmnent of Health and Human Services calculates that smoking leads to $13 billion a year in added health costs and to $25 billion in lost productivity. Smokers bear much of this economic burden; however, we all share it to some extent through higher insurance premiums, higher costs for Government health programs, and higher costs for consumer goods.

Absenteeism caused by smoking translates into higher costs for consumer products. Nonsmokers and businesses that contribute to employee health plans pay higher insurance rates to help pay the cost of treating smoking-related illnesses. Smoking also leads to higher Government outlays: nearly $4 billion a year in increased spending for Medicare alone.

The legislation I am introducing would keep the cigarette tax from returning to 8 cents a pack later this year, as mandated in TEFRA, and it would thus prevent the loss of $2.5 billion in annual revenue that we can ill afford at this time. But the bill would go much further. It would compensate for 34 years of inflation and bring the cigarette tax more in line with current knowledge about the costs and dangers of smoking. A 40 cent tax on a package of cigarettes would raise about $12 billion each year—$7 billion more than the 16 cent tax now raises, and $9.5 billion more than the 8 cent tax would raise.

Frankly, I doubt that a higher tax will have a major effect on the smoking habits of those who already smoke. However, it is likely that some smokers will choose to smoke less, and that potential smokers—especially teenagers—might be deterred by the higher tax from taking up an expensive and dangerous habit.

Mr. Speaker, the cigarette tax is a significant, relatively untapped, potentially lucrative, and entirely justifiable source of revenue. The bill I am introducing, together with spending cuts and other revenue-raising measures, is needed to reduce the Federal deficit and pave the way for a strong and long-lasting period of economic growth.

I urge my colleagues to join me in cosponsoring this legislation and enacting it into law.●

DR. STECKEL RECEIVES JONSSON PRIZE

HON. BOBBI FIEDLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Ms. FIEDLER. Mr. Speaker, I would like to bring to the attention of the House an event that will be held this weekend in Los Angeles. Dr. Richard Steckel, the founding director of the Jonsson Comprehensive Cancer Center at UCLA will receive the Jonsson Prize for his work.

Dr. Steckel has a distinguished record of achievement. He graduated magna cum laude from Harvard College where he also received his M.D. degree. His internship at UCLA was followed by a residency at Massachusetts General Hospital and his appointment as a clinical associate at the National Cancer Institute in Bethesda, MD.

Dr. Steckel returned to UCLA as a professor of radiological sciences and was appointed the founding director of the Jonsson Comprehensive Cancer Center at UCLA in 1973.

Dr. Steckel has received many awards and honors and is well known for his wide-ranging areas of community service. He is a member of the Editorial Board of the Medical and Pediatric Oncology Journal and a contributing editor of the American Journal of Roentgenology. He serves on numerous consultant panels and as an institutional site visitor for the National Cancer Institute.

Dr. Steckel has been the principal investigator and director of many millions of dollars of research support grants and is continually called upon to make significant professional presentations.

He has published two books in the field of cancer diagnosis and nearly 100 research papers.

Dr. Steckel's award this Saturday will be the first of its kind. The Jonsson Prize has been created by the Kenneth Jonsson family to recognize significant achievement in the field of cancer research. The award money will be used in a research project of Dr. Steckel's choice.

I will be joined by many figures from the entertainment and sports worlds this Saturday, as well as with hundreds of Dr. Steckel's friends and colleagues. And, I know the Members of the House will want to join with me in adding our honor to a man who has devoted his life to his fellow man.●

BETA PSI LAMBDA

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. DIXON. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to the Beta Psi Lambda Chapter of Alpha Phi Alpha Fraternity, Inc. Chartered in Los Angeles during the 1940's, Beta Psi Lambda has an impressive history of community involvement. Fraternity members have worked relentlessly to improve the quality of life in the Los Angeles community, particularly in the areas of education and health care and, it is with great pride that I take this occasion to share just a few of their accomplishments with my colleagues.

For over 40 years, Beta Psi Lambda has been active in the pursuit of educational excellence. They established a perpetual endowment scholarship fund which benefits high school, college, and graduate students and are consistent contributors to the United Negro College Fund. In addition, the chapter maintains a tutorial service for students attending high school in the Los Angeles area. The chapter is similarly dedicated to the development of black leadership and has established several ongoing programs for high school students, including workshops on public speaking, goal setting, writing skills, and parliamentary procedure. Beta Psi Lambda also sponsors a leadership conference wherein high school students are encouraged to seek careers in management/leadership related fields.

Furthermore, this chapter has worked tirelessly to improve the quality of mental health service in the community through a series of lectures and workshops geared toward the prevention and rehabilitation of stress and depression related illnesses.

Recognizing the importance of involvement in cultural affairs and its preservation, Beta Psi Lambda has contributed moral and financial support toward such worthy efforts as the Brockman Gallery and the California Afro-American Museum at Exposition Park.

The Beta Psi Lambda Chapter has also been politically active in the community, sponsoring bipartisan public forums featuring local elected officials. The chapter has also worked with the League of Women Voters on ballot issues, voter registration drives and fund-raising techniques.

In 1983, Beta Psi Lambda was recognized as "the Outstanding Chapter" by the Western Region Conference of Alpha Phi Alpha Fraternity, Inc.

Mr. Speaker, I would also like to take this opportunity to commend Mr. Homer Mason, who as president of the chapter from 1981 through 1984 played an integral role in the fraternity's growth and increased recognition. Mr. Mason served with a diligence and enthusiasm that often proved to be the pivitol force necessary to complete many projects. He is currently a member of several organizations in our fair State, including California Attorneys for Criminal Justice, 100 Black Men and Sigma Pi Phi Fraternity. I alm honored to acknowledge the accomplishments of both Beta Psi Lambda and Mr. Homer Mason and wish to extend my very best to the membership of this outstanding organization.●

NATIONAL EMPLOY-THE-OLDER-WORKER WEEK

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. ROYBAL. Mr. Speaker, the persistence of age discrimination and declining employment opportunities for older Americans require us to keep up our fight to improve job opportunities for those older workers who wish to continue working.

The facts about older worker employment problems are startling. According to data from the Bureau of Labor Statistics, unemployment among older workers is growing faster than among all other age groups. Once unemployed, older workers remain out of the work force nearly twice as long as young workers. Older workers are also three times as likely as younger workers to simply give up on the job search and drop out of the labor force after a long period of unemployment.

The causes of these employment problems can be traced to persistent age stereotypes and widespread age discrimination in the work force. Recent national surveys indicate that 8 of 10 Americans believe that age discrimination is a problem for most older workers. Moreover, 6 of 10 employers also believe that age discrimination is widespread in the labor force. Overcoming these stereotypes will require a concerted national effort to promote the virtues of older workers and to change attitudes about them in the work force.

I am encouraged along these lines by what some companies are doing to hire and retain older workers. Programs such as job sharing, flexitime, retraining, and part-time jobs are being made available to older workers to encourage them to remain on the job. Studies indicate that older workers are productive and reliable and that employers can benefit from their expertise on the job.

To date the Federal Government has done very little to promote the interests of older workers. One exception is the senior community service employment program authorized by title V of the Older Americans Act. This program provides 65,000 low-income older workers with meaningful and productive jobs in their communities. It is essential that this program be continued and, if possible, expanded to help employ many more older workers.

Providing employment opportunities for the older worker is an important and necessary goal, not only for today but for the future. Moreover, those older Americans who are employed are four times as likely as all others to avoid the clutches of poverty.

For these reasons, I, Mr. PEPPER, and Mr. RINALDO, along with 103 of our colleagues in the House, today join with Senators HEINZ and GLENN in introducing a joint resolution to draw attention to the older worker and to encourage employers to generate employment opportunities for these workers. Specifically, we are requesting that the President authorize the week of March 10 through 16, 1985, as National Employ the Older Worker Week. During this week special programs would be scheduled around the country to inform employers and the public about older worker resources and to educate older persons about available employment opportunities. The outcome should be increased visibility of the need for employing older workers, a better understanding among employers of the benefits of employing older Americans, and wider employment opportunities for those older individuals who would like to make a contribution to society.●

CONTINUE VA AND SOCIAL SECURITY FIELD OFFICES

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mrs. SCHROEDER. Mr. Speaker, I told the House about Reagan administration plans to cut Veterans' Administration counseling centers and Social Security field and regional offices. This effort to reduce direct services to taxpayers is not limited to Social Security and the Veterans' Administration. Rather, the administration plans a major effort to reduce the number of regional offices and field offices of all agencies.

To stop this from happening, I am pleased to join with Representative NORM DICKS in introducing legislation to continue the 10 regional office structure of the Government. This regional structure was a creation of the Nixon administration. In an effort to bring the Government closer to the people it serves, the Nixon administration issued Office of Management and

Budget Circular A-105 setting out the standard Federal regions. It was a good idea then and it is a good idea now.

Let's face it: taxpayers are dissatisfied with the amount and quality of service they get from Government for their tax dollars. This is a problem with which we have to deal to restore confidence in Government. If we eliminate the most visible, accessible, and responsive Government offices—those spread throughout the country—we increase taxpayer hostility and further reduce confidence in Government.

I hope we can pass this legislation soon to preserve Government services to our constituents and to prevent further damage to public confidence in the Federal Government.●

INTER-LATA TELECOMMUNICATIONS COMPETITION ACT OF 1985

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. BRYANT. Mr. Speaker, I am today introducing the Inter-LATA Telecommunications Competition Act of 1985.

Mr. Speaker, we are all too well aware of the tumult in the telecommunications industry—an upheaval which is primarily attributable to the divestiture of the AT&T monopoly. In the year since AT&T divested itself of its local operating companies, the ratepayers of America have been not only confronted with unprecedented increases in local rates, but also threatened with the imposition of end-user access charges or—as the FCC now calls them—subscriber line charges. The concern for continued universal telephone service became so great in the 98th Congress that this body felt compelled to overwhelmingly approve the Universal Telephone Service Preservation Act of 1984, largely in an effort to prevent the imposition of end-user access charges. Indeed, my concern has remained so great that my first action in the 99th Congress was to introduce legislation to prohibit imposition of those unfair and unjustified charges.

However, we are told that we need not worry about local rate increases or the imposition of subscriber line charges which the FCC has ordered effective in June. We have heard promises that the telephone user will soon begin to realize the benefits of increased competition which will come as a result of the divestiture. But I am worried, Mr. Speaker; worried that the Federal Communications Commission has initiated the deregulation of AT&T without sufficient marketplace competition to protect the consumer; worried that terms of the divestiture agreement entered into by AT&T do not ensure the rapid growth of competition necessary to justify the burdens placed upon consumers by that agreement and its sometimes erroneous interpretation; worried that consumers will be adversely affected by divestiture without experiencing any positive benefits.

The deregulation of AT&T by the Commission has already begun. In alaring display of the Commission's deregulatory zeal, the Commission has permitted AT&T to sell its regulated services on an unregulated basis through a separate subsidiary—only a very short step away from complete deregulation of AT&T's services. The Commission also moved away from cost-based rate regulation when it authorized AT&T's "Reach Out America" scheme—long-distance service at a price below AT&T's admitted cost of providing the service, another effort to drive its fledgling competitors from the market. While these and other deregulatory actions may be worthy long-term goals, deregulation of the carrier which retains more than 90 percent of the long-distance voice market defies the realities of the marketplace and fails to serve the public interest which the Commission is charged with protecting.

Moreover, given today's regulatory scheme, I am unsure of the ability of alternative long-distance carriers to compete with an entrenched monopoly of AT&T's—albeit somewhat diminished—size. We are told that the arrival of equal access mandated by the consent agreement—which we must remember was willingly entered into as the settlement of the Department of Justice's antitrust suit against AT&T—will encourage competition by placing AT&T and its competitors on an equal basis. But this argument fails to recognize that AT&T's competitors already enjoy a significant cost advantage as compensation for their inferior access—a cost advantage which placed AT&T and its competitors on a theoretical equal basis even prior to the divestiture. Yet after 10 years of marketplace competition, AT&T retains an overwhelming share of the long-distance market. Clearly the availability of technical equal access alone will not lead to increased competition. With nothing more, AT&T will remain an overwhelming monopoly and the benefits of competition built into the consent agrement will not soon reach the consumer.

In addition, equal access as it is being implemented today hinders rather than facilitates the development of competition. When an end office is converted to equal access, the other common carriers, or OCC's, are charged the same rate as AT&T for a system which still places inequitable burdens on competition and which appears to perpetuate AT&T's market dominance.

As equal access in implemented in individual end offices, the OCC discount is terminated for lines servicing those offices. But, because only a small number of subscribers within a market are served by an individual office, additional costs are incurred by the OCC's which are not borne by AT&T. For instance, it is highly inefficient for OCC's to use mass media to advertise the benefits or even the availability of equal access when only a small minority of potential customers in the market are able to use the new and improved service. Instead, the OCC's must resort to targeted advertising techniques, such as direct mail, that are far more expensive. The current system also forces the OCC's to develop and utilize dual billing systems within the same market—one billing system which reflects the discounted inferior access rates and a separate billing system which reflects the new and higher equal access rate. AT&T does not incur these increased costs for advertizing and billing because it and its customers already enjoy premium access throughout the market.

Further, the current practice of providing equal access through individual end offices, rather than through access tandems—systems which link several end offices—requires costly and inefficient connections for the OCC's. Rather than use a small number of trunk lines from their switch to an access tandem—which in turn is tied to several end offices, thus pooling traffic—OCC's must purchase individual trunk lines to each equal access end office. Given their minute market share, the individual OCC does not generate sufficient traffic from each end office to utilize even a small portion of a trunk line's capacity. The competitors are forced to bear the cost of facilities which they have no hope of ever using. Again, this extraordinary cost of equal access is not paid by AT&T.

The most burdensome aspect of the current system is the practice of routing default traffic to AT&T—a practice which only serves to perpetuate AT&T's monopoly of the long-distance market. When an end office is converted to equal access, subscribers served by that facility are given the opportunity to choose a preferred long-distance carrier. This choice was one of the centerpieces of the consent agreement. But the Bell Operating Companies are permitted to automatically route calls to AT&T for any subscriber who neglects to select a carrier. The local operating companies have no incentive to encourage the subscriber to make a choice. Currently, AT&T has been the beneficiary of a large number of default subscribers—on the order of

70 percent—as indicated by what is actually happening in already converted markets. This practice serves to maintain AT&T's monopoly and to deny the benefits of competition to those bearing the presumed, but unproven, additional costs of divestiture—the consumers.

Mr. Speaker, I offer the InterLATA Telecommunications Competition Act of 1985 to ease the impact of the changes in the telecommunications industry on consumers by smoothing the transition from a Government-regulated monopoly to a fully competitive long-distance market. The purpose of the bill is twofold: First, to promote competition in long-distance telecommunications service; and second, to prevent the premature deregulation of the dominant common carrier—AT&T—but then to facilitate its deregulation once it is shown not to possess monopoly power, which, for too many years, has worked against free-enterprise competition.

The bill seeks to ensure for the telephone consumer the benefits sought in the divestiture agreement and to protect the consumer from potential abuses by AT&T with its monopoly power while at the same time allowing for AT&T's deregulation when that potential no longer exists.

The bill addresses the deregulation of AT&T by providing that the FCC may not deregulate AT&T unless—after a full agency hearing—the FCC finds that with respect to every local access transport area [LATA], AT&T does not possess monopoly power in providing inter-LATA telecommunications service. In defining the monopoly power standard to be applied, the bill adopts traditional antitrust principles which are well established in case law. Under this traditional view, monopoly power is the "ability to control prices or exclude competition." The test which has been developed by case law begins with an examination of market share. If a market participant's share of the market is significantly large, that participant has often been presumed to possess monopoly power. Consistent with this approach and in accord with case law, the bill deems monopoly power to exist if AT&T's share of the long-distance market exceeds 60 percent. ATT's share currently exceeds 90 percent.

Those who urge the rapid deregulation of AT&T have misinterpreted and taken statements out of context from cases which suggest that monopoly power is not determined by examining market share alone; but rather, requires examination of other factors to determine whether the power to control prices or exclude competition exists. Such judicial statements have been made, it is true, but only in cases where the market share involved was less than that which warranted a presumption that monopoly power existed. In such cases, the absence of a presumption concerning the existence of monopoly power based on market share alone required a fuller examination of the facts to determine whether the power to control prices or to exclude competition existed. The test for monopoly power, developed over time through case law, is twofold: First, if a market participant has a large enough market share, it is found to possess monopoly power on that basis alone; second, if, however, the market participant does not fall into that market share category, the court can look to other factors to find monopoly power. The bill utilizes this traditional approach. Monopoly power is conclusively deemed to exist if AT&T possesses a long-distance market share in excess of 60 percent. If AT&T's market share is 60 percent or less, monopoly power can nevertheless be found to exist if AT&T retains the ability to control prices or exclude competition.

Of course, under the antitrust laws, possession of monopoly power, without more, is not actionable. Some evidence of abuse of that power is necessary before the antitrust laws impose liability. But this bill does not impose antitrust liability upon AT&T. This bill merely uses the antitrust monopoly power standard—a standard developed by years of case law application—to establish a rational basis for transforming AT&T from a monopoly long regulated by the Government to a deregulated entity in a competitive marketplace. That the regulated entity has not abused its monopoly power is an insufficient standard to determine whether regulation remains necessary to protect the public interest. Rather, before the protection of regulation is removed, the safeguard of adequate competition should be demonstrated to exist so that the public interest will not be placed at risk.

By applying this monoploy power standard, the bill prevents the premature deregulation of AT&T. This includes, but is not limited to: The termination of cost-based rate regulation; the termination of rate regulation based on average costs; the termination of tariff filing requirements; the elimination of Computer II separation requirements; forbearance from regulation within the meaning of the Commission's orders issued in CC Docket No. 79-252; and any similar or related actions having the same or similar effect. Allowing the Commission to deregulate AT&T only when AT&T no longer possesses monopoly power will protect the telephone ratepayer from the potential anticompetitive, anticonsumer activities of an unregulated monopoly.

In addition to protecting the consumer from premature deregulation of AT&T, the bill also encourages competition, thus bringing to the consumer the benefits sought by the divestiture of AT&T. The bill provides that neither the FCC nor any State commission may permit any tariff for inter-LATA exchange access to remain or become effective unless the rate charged to other common carriers is 55 percent less than the rate charged to AT&T for such access until the Commission, with respect to a particular local access transport area [LATA] and upon full agency hearing, makes both of two required findings. First, the Commission must determine that AT&T does not possess monopoly power in providing any long-distance telecommunications service from that LATA. Second, the Commission must find that true equal access is available for OCC's to substantially all end offices within that LATA.

Tying the phaseout of the OCC discount to both the elimination of monopoly power by AT&T and to the availability of equal access must be the cornerstone of any effort to ensure greater competition in long-distance telecommunications services. Only when both these conditions are met can the long-distance market be considered competitive.

As noted earlier, technical equal access is not sufficient to develop a competitive market when one of the market participants already possesses a monopoly. During the 10 years in which OCC's have competed with AT&T, the OCC's have gained less than 10 percent of the market even though they were at least partly compensated for their inferior access. Therefore, loss of monopoly power by AT&T must be added to the equation before the OCC discount can be eliminated without anticompetitive consequences.

Conversely, phasing out the OCC discount based solely on the loss of monopoly power by AT&T would likewise fail to produce a lasting competitive market. If equal access were not a precondition to the phasing out of the OCC discount, AT&T would swiftly regain monopoly power when the OCC's began paying the same price for an inferior service.

The equal access required by this bill must be equivalent in type and quality to that provided AT&T. The equality requirement is broad, extending to ancillary services provided to AT&T. Such ancillary services are defined by the bill to include, but are not limited to: 700-service; 800-service; operator assistance; and customer billing. To avoid inefficient and costly trunking by both OCC's and local telephone companies, equal access must be provided through access tandems to meet the requirements of the act. Finally, so that OCC's do not bear inequivalent marketing and billing burdens, the Commission must find that the described equal access is available to sub-

stantially all the end offices within the local access transport area in question before terminating the OCC discount for end offices within that LATA.

In order to fully address the problem, the bill applies to tariffs filed with the State commissions, as well as to those filed with the FCC. The bill does not infringe, however, on the States' ability to establish rate levels for exchange access. Instead, the bill requires only that a specific minimum differential be maintained between the rate paid by AT&T and that paid by the OCC's until equal access has been made available and the market is demonstrated to be competitive.

The bill recognizes that without special provision, local telephone companies could experience a revenue shortfall due to the maintenance of the OCC discount. The bill prevents any such shortfall by allowing the local telephone company to adjust its access rates to both AT&T and OCC's while maintaining the required 55-percent differential. In short, the bill guarantees that the effect of the legislation on local telephone companies will be revenue neutral.

Mr. Speaker, the consumers of telephone service are today bearing the burden imposed by the frequently inaccurate interpretations of the divestiture agreement but are not receiving its benefits. Moving swiftly and rationally to a truly competitive long-distance telecommunications market in the manner set forth in this bill while guarding against premature deregulation of AT&T is the best way to deliver those benefits promptly and efficiently to consumers.●

TRIBUTE TO RAYMOND L. McLEAN

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. LAGOMARSINO. Mr. Speaker, it is my pleasure to pay special tribute to my constituent, chief of police of the city of Ventura, Rayond L. McLean on his retirement.

Ray McLean became chief of police in Ventura in 1978. Prior to that time he had been chief of police of the city of Montclair, CA, from 1959. In his current position, Chief McLean has 155 personnel under his jurisdiction for a city whose population is 85,000.

Some of his significant accomplishments include reorganization of the department and reprioritization of levels of service due to cutback requirements of "proposition 13." He was project director of a $5 million program to construct a police/fire headquarters building and developed an integrated computer-aided police/fire dispatch center, automated records system, crime analysis system and automated dictation system.

Chief McLean has 32 years experience in law enforcement, including the two stints as chief of the cities of Ventura and Montclair. He received his B.A. in sociology in 1958 at California State College, Los Angeles and attended the FBI National Academy in 1965. He holds a special subjects teaching credential and executive certificate-POST. Ray is affiliated with the International Association of Chiefs of Police, the California Police Chiefs Association and the California Peace Officers Association.

Chief McLean is retiring from the police department of the city of Ventura to affiliate himself with the office of the California State attorney general. He will be greatly missed by the citizens of Ventura.●

HONORING CHARLES W. KUNKLE, JR.

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. MURTHA. Mr. Speaker, one of Johnstown's leading citizens and most community-spirited leaders is stepping down as head of the Johnstown Area Regional Industries, the economic development arm of the area.

Holding this voluntary post for over a decade, Charlie Kunkle led the Johnstown community through some of its most difficult times. His work has been synonymous with the attraction of new industry to the area, the rebuilding of the downtown Johnstown area, and the growing diversification of the economic base.

Charlie Kunkle is one of those individuals who demonstrate what America is all about. What makes us the greatest country in the world? It is the unselfish, volunteer acts of thousands of American citizens who take their time to help their fellow citizens.

The last decade has been a difficult one for the Johnstown community. Economic problems have often seemed to topple over one another. Yet, Charlie never lost his dedication, his hopes, his imagination, and his commitment to the people of the area and their needs.

Having had the opportunity to work with him closely over those years, I can say without hesitation that we never would have achieved what we have without the work of Charlie Kunkle.

Even in an interview given recently noting his formal departure from JARI, he spoke with enthusiasm about the area's future, saying "We're ready to go."

In recognizing future ecomomic success, we will remember in the Johnstown area that the foundation for the future has been laid by the work and dedication of Charlie Kunkle.

In giving tribute to a fellow member of the House of Commons, Winston Churchill once said, "The only guide to a man is his conscience; the only shield to his memory is the rectitude and sincerity of his action." Against this measure, Charlie Kunkle deserves our congratulations and our highest possible praise.●

ROMANIA, PERSECUTION, AND MFN STATUS

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. DENNY SMITH. Mr. Speaker, last week I met with a friend who had recently returned from a trip to Eastern Europe. During our visit, he recounted to me several disturbing incidents of religious persecution in Romania, a nation which currently enjoys most-favored-nation [MFN] status.

There is, apparently, a well-defined cycle to such persecution in Romania—a cycle based on the fear of losing MFN status. Because such status is reviewed each summer, religious persecution is the harshest during the winter months. It then begins to slacken as the time for renewal approaches. By June—the month the President notifies Congress of his intent to renew or cancel MFN status—religious persecution is almost nonexistent. Once this status has been secured for another year, persecution picks up again.

Mr. Speaker, I want to make it clear to the Romanian officials that Congress is aware of the persecution that occurs in their country throughout the year, not just in June. As a signatory of the Helsinki international accords on human rights, Romania has pledged to uphold the freedom of religion for its citizens. The Romanian Government's actions, however, are far different from its rhetoric. I learned of church burnings and the denial of internal passports for pastors, among other incidents.

Given this cycle of persecution, I urge my colleagues to oppose any attempts to grant MFN status every 3 years rather than every year. Without guarantees of religious freedom for all Romanians, we would be condemning many to extended periods of persecution.●

THE DEFICIT REDUCTION ACT

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. DARDEN. Mr. Speaker, the 98th Congress approved the Deficit Reduction Act of 1984 in June of last year. While I am generally in favor of measures to eliminate the deficit and reform our present tax system, I felt many of the provisions in the Deficit Reduction Act were unsound and, therefore, voted against this legislation. Section 179 of the Deficit Reduction Act is one provision in particular which I believe creates unnecessary hardships for the taxpayer.

As you are aware, this section of the Deficit Reduction Act provides for changes in the Internal Revenue Service rules and regulations on the taxation of automobiles used for business purposes. The changes in the Tax Code as established in the Deficit Reduction Act, require taxpayers to substantiate any tax credit or deduction for business use of listed property with adequate contemporaneous records. In order to comply with this requirement, taxpayers must maintain cumbersome logs or journal with individual entries specifying names purposes, mileage, and times for property used for personal and business purposes.

On January 25, 1985, the Internal Revenue Service announced it will issue temporary and proposed regulations modifying the requirement to keep adequate contemporaneous records for automobiles and certain other vehicles. The Internal Revenue Service contends that these modifications will reduce substantially the recordkeeping burden imposed for certain vehicles used for business purposes. I still believe, however, that the provisions in the Deficit Reduction Act which established the recordkeeping requirement should be repealed.

The simplicity of our tax system is an important aspect to consider when making changes to the Tax Code. The simplicity can be measured by how well taxpayers understand the tax system and how easily they can comply with its provisions. A finance minister to Louis XIV once wrote, "The art of taxation consists in so plucking the goose as to obtain the largest amount of feathers with the least possible amount of hissing." Mr. Speaker, during the past few weeks I have received hundreds of letters from farmers, electricians, plumbers, salesmen, painters, doctors, and a list of others attempting to comply with these recordkeeping requirements. Regardless of the particular field of work, the complaints I am hearing from my constituents are all the same. These taxpayers are frustrated from daily attempting to maintain meticulous records for each business related trip they make in their automobile. The upkeep of these records requires a great deal of time as well as large amounts of paperwork.

I do not believe taxpayers should be subjected to the overall hassles of adhering to these recordkeeping requirements. Accordingly, I have introduced the Business Tax Records Reduction Act of 1985, H.R. 783, to repeal section 179 of the Deficit Reduction Act. I am concerned that our Tax Code be sound enough to force strong compliance with regulations for deductions relating to automobiles used for business purposes. I do not, however, believe we should continue to unduly burden the American taxpayer with this bothersome recordkeeping requirement.●

SAXONBURG WORKS SALUTED

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. KOLTER. Mr. Speaker, today I rise in tribute to the employees of United States Steel Corp.'s Saxonburg Works in Clinton Township, Butler County, PA. Next week the plant is scheduled to produce its 100 millionth ton of high quality sinter since becoming operational in 1958.

Although relatively obscure in the iron and steel making process, sinter is an important blast furnace feedstock. Sinter consists of recycled materials bearing iron ore as well as newly mined iron ore, limestone, and dolomite. These and other raw materials are fed through a processing line that fuses them into a honeycomb-like rock. The sinter is then cooled and crushed for shipment to the blast furnaces at United States Steel's Edgar Thompson Works in Braddock, PA.

While imports have caused markets for steel products produced in United States Steel's Mon Valley operation to evaporate, the Saxonburg Works has normally been able to provide jobs for 80 to 100 area residents.

Mr. Speaker, once again, I salute the people of the Saxonburg Works and congratulate them on producing their 100 millionth ton of quality product.●

EXTEND THE FEDERAL SUPPLEMENTAL COMPENSATION PROGRAM

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. RAHALL. Mr. Speaker, today, I am introducing legislation to extend the Federal Supplemental Compensation Program for an additional 2 years.

This program, first enacted in 1982, is designed to assist the long-term unemployed by providing 8 to 14 weeks of supplemental benefits to those who have exhausted 39 weeks of other State and Federal jobless payments. Last extended during October 1983, the current program is authorized only through the week of March 31, 1985.

While it is true that the national unemployment rate has been on the decline as the economic recovery continues, certain States, such as West Virginia, still suffer from extremely high levels of joblessness. Historically, West Virginia has been one of the last States coming out of a recession and this is occurring today.

For States such as West Virginia, Alabama, Mississippi, and Michigan, additional Federal unemployment benefits are essential to the livelihood of laid-off workers and their families as they continue to search for employment. However, if the FSC program expires, once these workers go through their regular State unemployment insurance programs and where eligible, the extended benefits program, they will have no option but welfare.

The employment situation is still grim for many, and in fact, 8 million Americans are jobless today. This statistic alone reflects the need for prompt action on this legislation.●

THE TENANTS' PROTECTION ACT

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. ACKERMAN. Mr. Speaker, along with Messrs. MOODY, JEFFORDS, HAWKINS, LELAND, MITCHELL, RANGEL, WEISS, LEHMAN of Florida, LEVINE, MORRISON, and WILLIAMS, I have today reintroduced a measure that will have a significant impact on the civil rights of tenants.

The Tenants' Protection Act is offered as a way for the Federal Government to help guarantee that an individual's right to participate in a tenants' group is not infringed.

Often the very nature of a tenant-advocacy organization inherently puts it in an adversarial relationship with the landlord or the landlord's agent. Although in many cases both parties are able to work together in order to promote a common goal, there are instances in which some landlords seek to intimidate or retaliate against those who rightfully and completely legally attempt to improve their living conditions. The Federal Government has a compelling interest to protect the 1st and 14th amendment rights of the tenants who form associations to speak

out about and correct discriminatory or substandard conditions in their apartments.

Mr. Speaker, the Tenants' Protection Act amends the Civil Rights Act of 1968 by widening the scope of the Fair Housing Act. Under the proposed legislation, individuals who endeavor to participate in tenants' groups would be protected under the provisions of 42 U.S.C. 631, which deals with intimidation, interference and injury to individuals on account of their class, or because of their advocacy on behalf of a class. The bill, by protecting tenants groups, would fill in the void that currently exists in the law. I invite my colleagues to cosponsor this important legislation.

Thank you.●

NATIONAL SAFETY IN THE WORKPLACE WEEK

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. HYDE. Mr. Speaker, today I am pleased to introduce a bill designating the week of June 16 through June 22, 1985 as "National Safety in the Workplace Week."

It is a little known fact that in 1983 alone, workplace accidents accounted for 11,300 fatalities, and 1,930,000 injuries—causing the loss of more than $33 billion to American industry. The pain and suffering endured by the victims and their families is incalculable.

The American Society of Safety Engineers, headquartered in my district, joins me in urging that my colleagues cosponsor this resolution as a way to promote occupational safety in all industries through the efforts of both workers and management.●

THE PUBLIC HEARING PROCESS

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. DENNY SMITH. Mr. Speaker, I would like to call to the attention of my distinguished colleagues a recent book entitled "Public Hearings Procedures and Strategies" by Dr. Jean Mater.

Nothing like this book has ever before appeared in print. Written by Dr. Jean Mater, a leading authority on public hearings, it marks the first methodical attempt to show how Americans can use the public hearing process to bring their ideas to bear on public decision—in their community, State, and even here in Washington.

I'm sure it is unnecessary to remind my colleagues that effective participation by all people in government is the foundation of this democracy.

I commend Dr. Jean Mater's book, "Public Hearings Procedures and Strategies," to all Americans who want to have their voices be heard in the decisionmaking process of our Government.●

A MEMORIAL TRIBUTE TO TED PENSZYNSKI

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. HERTEL of Michigan. Mr. Speaker, I rise today to pay tribute to a great American. On January 7, 1985, Mr. Thaddeus A. (Ted) Penszynski, former mayor and councilman of Harper Woods, MI, died after suffering a massive coronary, while attending a public hearing at city hall.

Ted Penszynski was a tremendously dedicated, loyal, and effective public servant. Without discretion, Mr. Penszynski gave of himself to all people within our community. Ted was an active member of the local branches of the Lions Club, Little League, Association of Retarded Citizens, board of education, Rotary Club and various other organizations. While serving his community, Ted Penszynski worked to make Harper Woods a better place for its citizens.

Ted Penszynski epitomized how a public servant should represent his community. It is a common practice for public officials to serve a given community with patience, diligence, conviction, and dedication. Ted Penszynski possessed an extraordinary level of these qualities. Moreover, it was his exceptional integrity that set him apart from other public officials.

The community of Harper Woods is forever grateful to Ted Penszynski for sharing his rare qualities with us. All public officials should strive toward achieving the level of professionalism he displayed.

I join the people of Harper Woods in paying our highest respect to Ted Penszynski. We sorrowfully extend our deepest sympathy to his wife, Joann, his two sons, Steven and Carl, and his daughter, Linda. We greatly appreciate the outstanding contributions of Ted Penszynski to the Harper Woods community. He will always be remembered in our prayers.●

A QUICK WAY TO CUT $1.5 BILLION OFF THE PRESIDENT'S DEFICITS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. STARK. Mr. Speaker, the President's budget is unacceptable. He is asking for $5,707 in new Federal debt per second!

That level of debt accumulation will lead to future economic disaster.

The President likes to talk about his opportunity society—but it is just an opportunistic society that spends more than it is willing to pay for and which reduces the opportunities of its children by burdening them with $2 trillion in debt.

Here is one quick area we can cut $1.5 billion off the President's deficits. Once again, he is asking for enterprise zone legislation—an elaborate cat's-cradle of tax subsidies and loopholes. Yet on page 2-15 of "The Budget of the United States Government," the President proposes eliminating the Economic Development Administration and urban development action grants, because—and I quote—"these programs merely assist local governments in their efforts to compete with other areas to attract private investment."

That, Mr. Speaker, is exactly what enterprise zones do. Therefore, if we are to abolish EDA and UDAG, we should not create enterprise zones. Q.E.D.●

TRIBUTE TO DOROTHY L. SCHECTER

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. LAGOMARSINO. Mr. Speaker, I take great pleasure in paying tribute to my friend and constituent, Ventura County Counsel, Dorothy L. Schecter, on the occasion of her retirement from that office.

Dorothy is the wife of my former colleague, Thomas L. Schecter, with whom I shared an office for many years, and it has been my pleasure to have known her for a long time.

Mrs. Schecter attended the University of Southern California where she received her LLB degree in 1964, having been a member of the Law Review and graduating in the top 20 percent of her class. Upon graduation, she started work as a law clerk for the Ventura County District Attorney's office and upon being admitted to practice in January 1965, became the first women deputy district attorney

in Ventura County. Upon formation of the county counsel's office in 1966 she became an assistant county counsel, again being the first woman in the county to hold that position. In 1971 she was made chief assistant county counsel, acting county counsel in September 1972 and was formally appointed county counsel by the board of supervisors on February 27, 1973. She was the first woman in the State of California to be named a county counsel.

Mrs. Schecter is admitted to practice before the courts in the State of California, the United States district court for the southern district, the United States court of appeals, and the United States Supreme Court. She has been a member of the District Attorney's County Counsel's Association of California; Tri-counties Government Attorneys' Association, Women Lawyers Association of Ventura County, School Business, Executives Association, and the Ventura County Law Library Board of Trustees, having also served as its president.

She has received many honors in the course of her public career, including being selected to serve on the Ventura County Management Posture Committee from 1973 to the present. She served in 1976-77 as the first woman president of the County Counsels' Association of California and as president of the Ventura County Bar Association in 1979-80. In 1973 she was named as Business Woman of the Year by the Ventura County Business and Professional Women's Association and in 1984 she received the first award of the Ventura County Management Association as the outstanding departmental manager.

Dorothy has been married to Tom for 30 years and plans to become associated with him in his law practice as well as enjoy cooking, gardening, swimming, and horseback riding. She and her husband raise horses and enjoy the rural life.●

SIX MORE WEEKS OF WINTER

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. CLINGER. Mr. Speaker, I would to like to include here my remarks given on Groundhog's Day, February 2, 1985, on Gobbler's Knob in Punxsutawney, PA.

First of all, I'd like to say . . . it's an honor to finally meet you Phil. I know that there are some spurious pretenders to your throne . . . other groundhogs from around the United States who claim to be the real groundhog. But you are the true seer of seers. Pennsylvania's earliest settlers found groundhogs in profusion in many parts of the State and they determined that the groundhog was the most intelligent and most sensible animal around, and, therefore, decided that if the Sun did not appear on February 2, so wise and noble an animal as you could properly and accurately interpolate a shadow. In all these years, you Phil have yet to make an inaccurate forecast. The weather has been inaccurate but never you. And for that reason, I'd like to take this opportunity to invite you to come to Washington to explain your legendary forecasting techniques to the experts at the National Weather Service. For that matter, I think you could help our economic forecasters as well. You certainly couldn't do any worse. And if you decide to come down to Washington and you can't find a comfortable burrow to stay in, you have a standing invitation to stay at the House of Representatives. It's such a zoo down there that you'll feel right at home. And now the proclamation:

Here Ye! Here Ye!
To all faithful followers here on Gobbler's Knob
And to all believers around the world,
Especially everyone involved in the Groundhog Run
In Kansas City, Missouri:
I, James H. Means, President of the Punxsutawney Groundhog Club
Proclaim that His Majesty, King Philip,
Has come out of his royal burrow at 7:28 a.m.
In the cold light of dawn, he stood tall and proud.
In seconds, he spied a thin, gray shadow over his right shoulder.
Punxsutawney Phil declares there will be six more weeks of winter.
But, the worst is over.
Changes are on the way.
Like President Reagan, Phil believes that golden days are ahead.
Having made his reliable prediction, the world's most famous weather-forecasting groundhog
Has gone back into his burrow.
That's the official word today, February 2nd,
From Punxsutawney, Pennsylvania,
The weather capital of the world.●

CONTROL FEDERAL SPENDING

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. HEFTEL of Hawaii. Mr. Speaker, I am today introducing legislation that I believe would make an important contribution to our effort to control Federal spending and balance the Federal budget. My legislation proposes an amendment to the Constitution allowing a line-item veto in appropriations acts.

If enacted, this amendment would enable the President to veto specific spending programs in appropriations bills, excluding entitlements. The President's action could be overridden by a three-fifths vote by both Houses of Congress. I believe that the enactment of the item veto would result in more cooperation between the President and the Congress in the development of Federal programs and that this in turn would result in more efficient, cost-effective Government. It would also give the President the opportunity to focus on specific programs in need of reform or elimination.

Mr. Speaker, I realize that many of our colleagues will be concerned over the apparent shift of power on appropriations matters from the Congress to the President because of the item veto. I share those concerns most sincerely, but believe strongly that our economy is heading into a most perilous period and we must study every available option for curbing the excessive Federal spending that threatens our economy.

The line-item veto, while not a panacea, would put the Congress on alert on specific programs that should be cut or more thoroughly scrutinized without necessarily jeopardizing the larger appropriations bills and programs that merit continuing support. Additionally, my proposal would also permit the Congress to override item vetoes with a three-fifths vote, less than the two-thirds vote now required to override Presidential vetoes on regular bills. Although there would be a theoretical shift in power to the President as a result of the item veto authority, it would not be precipitous, and would enable the Congress ample opportunity to check Presidential actions.

Mr. Speaker, I hope that our colleagues will give my proposal their careful consideration. The budget deficit promises to produce a dangerous credibility gap between the Congress and the American people on Federal spending, not to mention the irreparable damage that will be done to our economy if we fail to act on the deficit. The item veto gives us one more important tool with which to wage the deficit fight, and I hope that the Congress will debate this issue with renewed vigor in the days ahead.●

AMERICAN LIVER FOUNDATION NATIONAL LIVER AWARENESS MONTH

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. COURTER. Mr. Speaker, today I am introducing legislation which would designate November 1985 as "American Liver Foundation National Liver Awareness Month." I believe it is important that we set aside a month devoted to learning more about the liver and liver diseases. Many people are unaware that liver diseases claim 50,000 lives annually and are the fourth leading cause of death for Americans between the ages of 15 and 65. There are no known causes, effective treatments—other than liver

transplants—or cures for the vast majority of liver diseases.

Unfortunately, although there are many conditions which can lead to liver diseases, people suffering from these diseases must also deal with the unjust stigma resulting from the common, but mistaken, notion that liver disease is caused only by alcoholism.

The American Liver Foundation is the only national organization to focus on the full array of liver diseases. The foundation is a network of vounteers, families, researchers, and health care professionals located throughout the United States. All of these individuals are dedicated to funding and increasing research to find the causes, treatments, and cures for these devastating diseases.

The foundation is committed to promoting the health of Americans by increasing public awareness of all conditions which can lead to a liver disease, providing health and therapy information and education programs about liver disease for lay persons and professionals.

I believe passage of this legislation will help further the important work of the American Liver Foundation, and I urge my colleagues to lend their support to this worthy measure.●

THE CONTROLLED SUBSTANCES PENALTIES ACT OF 1985

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. TRAFICANT. Mr. Speaker, today I introduced legislation that seeks to amend the Controlled Substances Act and the Controlled Substances Import and Export Act by modifying criminal penalties for certain drug offenses. This bill would only change the penalties in cases involving bulk amounts of narcotic drugs. I feel that this legislation is necessary to take the amendments that were made in the last Congress one step further.

I feel that steps must be taken to isolate the big-time drug trafficker and to impose stricter penalties in cases where large amounts of narcotic drugs are involved. This bill is necessary because steps must be taken to prevent these drug traffickers from leaving the country after posting bond. My bill eliminates bond in those cases involving bulk amounts of narcotic drugs. This no bond provision is vital because it ensures that big-time drug traffickers will stand trial and are sent to prison. Mr. Speaker, the immense financial resources and international connections of the big-time drug trafficker are such that even if bond is set at an exorbitant level, the money will appear and the risk of flight is great. I think that given the nature of the crime and the nature of international drug trafficking, the risk of flight in cases involving bulk amounts of narcotic drugs is self-evident. Therefore, the no bond provision in my bill would be an effective measure in preventing those accused either of importing or dealing large amounts of narcotics from posting bond and leaving the country.

My bill would increase the penalties in cases involving a kilogram or more of cocaine; 2 or more kilograms of any other controlled substance in schedule I or II which is a narcotic drug; a kilogram or more of phencyclidine [PCP]; or 25 grams or more of lysergic acid diethylamide [LSD]. Those convicted of violating this act involving the previously mentioned amounts of narcotic drugs would be subject to the following penalties: For first offense the penalty will be increased from a maximum 20-year sentence and $250,000 fine, to a maximum of 30 years imprisonment and/or a $500,000 fine.

First offenders would not be eligible for bond and will not be eligible for parole until at least one-half the sentence imposed has been served. Second offenders will be subject to either a life sentence—previous penalty was up to 40 years—or the death penalty. The death penalty shall be imposed only in cases where the defendant resisted arrest or was armed with a dangerous weapon at the time of the arrest for such offense. My bill makes reference to the Federal Aviation Act of 1958 relative to the procedural provisions for the imposition of the death penalty. That act has provisions for a death penalty in cases involving the death of an individual as a result of an air hijacking. The procedures and provisions mentioned in that section of the Federal Aviation Act would also apply in my bill.

The problem of drug abuse and drug trafficking has become monumental in this country. Every day massive amounts of narcotic drugs are illegally brought into this country or bought and sold in this country. It is through these huge dealings that these deadly narcotic drugs find their way to the local street dealer and ultimately into the hands of our youths. It has become a national tragedy that each day young men and women, boys and girls, and even unborn babies die as a result of drug overdose. The big-time drug trafficker is the one who imports and deals these deadly drugs—most times with impunity from the law. In most cases it is the addict or the small time dealer who is arrested and sent to prison. But the big-time dealer—because of his financial resources and international connections either escapes the hand of the law or posts even the most exhorbitant bond and then leaves the country. My bill would make a serious effort to isolate the big-time operator and prevent him from posting bond and leaving the country. My bill would also provide the judge with the option of imposing a stiff sentence, up to 30 years, for a first offense. My bill would also provide the judge with the option of imposing either a life sentence or the death penalty for second offenders. The death penalty should be an option for the judge to consider if the defendant resisted arrest or had in his possession a deadly weapon—the potential to do serious harm to the arresting officer. This would send out a powerful signal that the United States is dead serious about combatting drug trafficking and is willing to take harsh steps to better protect our law enforcement officers involved in drug enforcement.

Mr. Speaker, the amount of narcotic drugs that are smuggled into this country has reached catastrophic proportions. Those who are masterminding and directing this illicit activity must be deterred and stopped. This legislation is just one step toward the fight against these drug traffickers and against drug abuse in this country. The stakes are high—so many young lives are needlessly lost and abused through drugs. This bill will be a bold statement that the Federal Government has indeed declared war on drug traffickers and is willing to take the necessary steps to protect our youth and to protect drug enforcement officers.

At this time Mr. Speaker, I would like to insert into the RECORD the full text of this bill:

H.R. 994

A bill to amend the Controlled Substances Act and the Controlled Substances Import and Export Act to modify criminal penalties for certain drug offenses

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Controlled Substances Penalties Act of 1985".

CONTROLLED SUBSTANCES ACT AMENDMENTS

SEC. 2. Subsection (b) of section 401 of the Controlled Substances Act (21 U.S.C. 841(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)(i), by inserting ", but less than a kilogram," after "100 grams or more";

(B) in subparagraph (A)(ii), by inserting ", but less than 2 kilograms" after "a kilogram or more";

(C) in subparagraph (A)(iii), by inserting ", but less than a kilogram" after "500 grams or more"; and

(D) in subparagraph (A)(iv), by inserting ", but less than 25 grams" after "5 grams or more";

(E) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D) respectively; and

(F) by inserting after subparagraph (A) the following new subparagraph:

"(B) In the case of a violation of subsection (a) of this section involving—

"(i) a kilogram or more of a controlled substance in schedule I or II which is a mixture or substance containing a detectable amount of a narcotic drug consisting of—

"(I) coca leaves;

"(II) a compound, manufacture, salt, derivative, or preparation of coca leaves; or

"(III) a substance chemically identical thereto;

"(ii) 2 or more kilograms of any other controlled substance in schedule I or II which is a narcotic drug;

"(iii) a kilogram or more of phencyclidine (PCP); or

"(iv) 25 grams or more of lysergic acid diethylamide (LSD);

such person shall be sentenced to a term of imprisonment of not more than 30 years, a fine of not more than $500,000, or both. No person shall not be eligible for release under chapter 207 of title 18 of the United States Code pending trial for, or appeal with respect to, an offense under this subparagraph. A person convicted under this subparagraph shall not be eligible for parole with respect to such conviction until at least one-half the sentence imposed with respect to such conviction has been served. If any person commits such a violation after one or more prior convictions of him for an offense punishable under this paragraph, or for a felony under any other provision of this title or title III or other law of a State, the United States, or a foreign country relating to narcotic drugs, marihuana, or depressant or stimulant substances, have become final, such person shall be sentenced to a time of imprisonment for life, or to the penalty of death. The procedural provisions of section 903(c) of the Federal Aviation Act of 1958 shall apply to the imposition of a death penalty under this section, except that for the purpose of paragraph (7) of such subsection, in lieu of the factors listed in subparagraphs (A) and (B), the only applicable factor is that the defendant resisted arrest for such offense or was armed with a dangerous weapon at the time of the arrest for such offense."; and

(2) in subparagraph (C) as so redesignated, by striking out "(A) and (C)" and inserting "(A), (B), and (D)" in lieu thereof.

CONTROLLED SUBSTANCES IMPORT AND EXPORT ACT AMENDMENTS

SEC. 3. Subsection (b) of section 1010 of the Controlled Substances Import and Export Act (21 U.S.C. 960(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by inserting ", but less than a kilogram," after "100 grams or more";

(B) in subparagraph (B), by inserting ", but less than 2 kilograms" after "a kilogram or more";

(C) in subparagraph (C), by inserting ", but less than a kilogram" after "500 grams or more"; and

(D) in subparagraph (D), by inserting ", but less than 25 grams" after "5 grams or more";

(2) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

(3) by inserting after paragraph (1) the following new paragraph:

"(2) In the case of a violation of subsection (a) of this section involving—

"(A) a kilogram or more of a controlled substance in schedule I or II which is a mixture or substance containing a detectable amount of a narcotic drug consisting of—

"(i) coca leaves;

"(ii) a compound, manufacture, salt, derivative, or preparation of coca leaves; or

"(iii) a substance chemically identical thereto;

"(B) 2 or more kilogams of any other controlled substance in schedule I or II which is a narcotic drug;

"(C) a kilogram or more of phencyclidine (PCP); or

"(D) 25 grams or more of lysergic acid diethylamide (LSD);

the person committing such violation shall be sentenced to a term of imprisonment of not more than 30 years, a fine of not more than $500,000, or both. No person shall not be eligible for release under chapter 207 of title 18 of the United States Code pending trial for, or appeal with respect to, an offense under this paragraph. A person convicted under this paragraph shall not be eligible for parole with respect to such conviction until at least one-half the sentence imposed with respect to such conviction has been served. If any person commits such a violation after one or more prior convictions of him for an offense punishable under this paragraph, or for a felony under any other provision of this title or title II or other law of a State, the United States, or a foreign country relating to narcotic drugs, marihuana, or depressant or stimulant substances, have become final, such person shall be sentenced to a time of imprisonment for life, or to the penalty of death. The procedural provisions of section 903(c) of the Federal Aviation Act of 1958 shall apply to the imposition of a death penalty under this section, except that for the purpose of paragraph (7) of such subsection, in lieu of the factors listed in subparagraphs (A) and (B), the only applicable factor is that the defendant resisted arrest for such offense or was armed with a dangerous weapon at the time of the arrest for such offense.";

(4) in paragraph (3) as so redesignated, by striking out "and (3)" and inserting in lieu thereof ", (2), and (4)"; and

(5) in paragraph (4) as so redesignated, by striking out ", except as provided in paragraph (4)".●

CORRECT IDENTIFICATION FOR RESISTANCE MOVEMENTS IS ESSENTIAL

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. HYDE. Mr. Speaker, most of us in this body realize that words can represent ideas and ideas have power. Today, I take a moment of our colleagues time to discuss the mistaken use of various terms when discussing those who are seeking to change the regime or government in a country.

The worst violation of definitional accuracy is the routine use of the word "rebel" or "rebel group" when describing a person or group resisting the domination of a country by a foreign power using military might.

According to Webster's New Collegiate Dictionary, a rebel is one who "oppose(s) or disobey(s) one in authority or control; renounce(s) by force the authority of one's government." There is no substantiation to call Afghans opposing Soviet military occupation or Angolans fighting Cuban occupation "rebels." Likewise, "rebels" is inaccurately described to those persons or groups attempting to terminate the Vietnamese occupation of Kampuchea. It is much more accurate to term these movements as resistance movements, similar to those in Western Europe under Nazi occupation.

Roget's Thesaurus (third edition), cites the following synonyms for "rebel"—"revolter; insurgent; insurrectionist; mutineer; brawler; rioter; malcontent; agitator." These are decidedly negative connotations, clearly referring to persons or groups opposing legally constituted authority.

I point these observations out, Mr. Speaker, because the misuse of the term "rebels" seriously undermines the truth in at least two ways. First, it verifies the legitimacy of a foreign oppressor and second, it trivializes the nature of the occupier's opposition.

It is much more useful to use accuate terms because referring to Cambodians, Tigrayans, and Eritreans, UNITA, and Afghans as "rebels" undermines the high moral ground of their resistance.

There is a group in the House who prefer to refer to these legitmate resistance movements as "freedom fighters." I have much sympathy for their position but there is a downside to this term. Seeking to clean up the image of the terror-using African National Congress, the U.S. press sometimes refers to its imprisoned leader as a "nationalist" rather than a rebel. In some people's eyes a nationalist can be equated with a freedom fighter. "Freedom fighter" is too imprecise, therefore.

A resistance, according to Mr. Webster, is "an underground organization of a conquered country engaging in sabotage and secret operations against occupation forces and collaborators." Here we have an accurate term for those opposing foreign occupiers. There is a positive connotation.

Mr. Speaker, when regimes come to power which are so fragile that they must be underpinned by a foreign army, they are prima facie illegitimate and their opposition cannot be "rebels." To misuse this term clouds sharp policy debate and undermines the chance of these and other occuppied peoples of taking courage from the United States.●

HOUSE HONORS SEVEN JEFFERSON COUNTY EAGLE SCOUTS

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. ERDREICH. Mr. Speaker, the attainment of the highest rank of

Scouting, Eagle Scout, is an achievement toward which all Boy Scouts aspire but few achieve. That is why I feel particularly honored to represent Boy Scout Troop No. 86 in Birmingham, AL, which held an Eagle Scout Award ceremony on Monday, February 4, 1985, to present, not one, but seven Eagle Scout badges to seven outstanding young men.

The seven young men who have attained this highest Scouting rank are Charles B. Collat, John O. Greaves, Bryan B. Patton, Lee A. Pilleteri, William E. Smith III, Thomas M. Spencer, and Benjamin S. Weil. All possess the strength of character, integrity, physical, and leadership abilities that our country needs as we advance into the future.

Only 2 percent of the Scouts across this country achieve the rank of Eagle Scout, and it is quite extraordinary for this number, seven, to become Eagle Scouts in one location. This is a testament not only to these fine young men, but also, the members of Troop No. 86 in Birmingham and Scoutmaster Harry Jeffcoat III, who has done such an outstanding job of providing these youth with the tools they will need to be tomorrow's leaders.

I believe Scoutmaster Jeffcoat, and these young men and their parents, deserve to be recognized by my colleagues in the House of Representatives. They have earned our admiration, praise, and respect.●

KEENE N. WILSON, COL. [RETIRED] USA—FRIEND AND SOLDIER OF COURAGE

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. LEHMAN of Florida. Mr. Speaker, earlier this month I made a long overdue visit to my hometown, Selma, AL. While I was there, I enjoyed seeing old friends and renewing close friendships that go back to my boyhood.

One of my longtime and closest friends is a very special person, Keene Wilson. We practically grew up together at the Selma YMCA. We spent several hours reminiscing about our days in Selma but especially about his amazing and courageous experiences in military service.

I remember in 1941 when, as a private, he left Selma with Company C of the Alabama National Guard. Most of his promotions from private to lieutenant colonel were made on the battlefield.

It is indeed a privilege to have Keene Wilson as a lifelong friend. I would like to share with my colleagues some of the military record of this remarkable soldier and great American:

SILVER STAR

In March 1943, Lieutenant Wilson assumed command of Company C, under extreme battle conditions and proceeded to carry out duties of commander in a highly efficient manner despite a schrapnel wound in the abdomen. In April 1943, the company ammunition dump was set on fire by an enemy mortar shell and without regard for his personal safety and at risk to his life, Lieutenant Wilson extinguished the fire by covering it with dirt. This action saved essential ammunition and prevented an explosion which would have threatened the personnel of his command.

BRONZE STAR

From July 4 to September 30, 1944, lieutenant colonel—then captain—distinguished himself in combat and when his battalion commander became a casualty, displayed expert judgment and leadership ability, demonstrated by his keen knowledge of military tactics in swiftly moving his battalion to complete the cutting of the Cherbourg Peninsula. Lieutenant Colonel Wilson received two battlefield promotions.

OAK LEAF CLUSTER TO SILVER STAR

Distinguished himself by gallantry in action against the enemy on June 16, 1944, at Barnesville-Sur-Mer, France. Given command of the 3d Battalion, Colonel Wilson had the mission of capturing the strongly fortified enemy position there. Under cover of darkness, he maneuvered his battalion into a position from which he launched an attack from commanding terrain, assaulted enemy positions at dawn, two enemy battalions reinforced with armored elements were routed from position. The factor of surprise and speed of the attack were the major contributing factors in the victory.

FOREIGN AWARDS

French Croix de Guerre with Palm, Defense of Leningrad Badge, Republic of Korea Presidential Unit, and Citation Badge.

One would think of Keene being a rough, tough battle-scarred combat veteran. On the contrary, I've never known a kinder, more thoughtful and gentler person. I've never even heard him use any profanity.●

TRIBUTE TO JOHN C. RYAN

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. SKELTON. Mr. Speaker, I take this time to honor Mr. John C. Ryan, a former State Senator from Missouri who was tragically killed in a car accident last November. I served in the State senate with John, and it was the great respect which he commanded from his colleagues which allowed him to be the effective lawmaker which he was. His dedication to his job, and his hard work on behalf of his constituents are a model for all legislators. John is greatly missed by all who knew him.●

CHEMICAL MANUFACTURING SAFETY ACT OF 1985

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. FLORIO. Mr. Speaker, I am pleased to join with several of my colleagues in introducing a comprehensive legislative package designed to prevent chemical accidents and to redress the injuries caused when such tragedies unavoidably occur.

Our concern about the dangerous consequences of the uncontrolled release of toxics into the environment has become painfully acute in recent weeks. From Bhopal, India to Institute, WV, to Linden, NJ, we have seen repeated incidents of chemical releases that threaten peoples' lives.

In the past 11 weeks, 13 separate spill and emission incidents at Linden chemical plants have sent hundreds of New Jersey and New York residents to the hospital and kept thousands of others shut in their homes. At the same time, we have learned that the accident which killed thousands in India could have happened in West Virginia.

In the face of these disturbing incidents, we must reexamine the adequacy of the laws dealing with such emergencies, and today I am proposing changes which will help deal with the dangers.

The legislative package I am introducing today is designed to do something we have never addressed before—prevent accidents in the chemical industry and prepare for the accidents which will inevitably occur. It includes the following basic components:

The first comprehensive national community right to know legislation which includes both notification requirements designed to fully inform communities about the potential chemical hazards in their midst and the mandatory development of emergency response and evacuation plans;

Reforms designed to plug loopholes in the major environmental programs which should prevent such disasters, including the regulation of leaking underground storage tanks and the specific manufacturing processes which led to some of the worst recent incidents;

Provisions designed to breathe life into the hazardous air pollutant requirements of the Clean Air Act by

mandating the listing of the most dangerous and toxic substances now know. These provisions have been rendered a legal nullity by the inaction of the Environmental Protection Agency and it is past time for the Congress to relieve the agency of its endless paralysis in this crucial area;

A provision designed to protect workers exposed to hazardous substances in the factory by ensuring that weak OSHA right to know requirements become the floor and not the ceiling for State efforts to safeguard worker health;

A regional training program for firefighters and police who deal with train and truck wrecks which cause dangerous chemical spills; and

A Federal right to sue for victims of chemical disasters containing strong liability provisions and fair procedural rules.

This legislation should create powerful incentives for industry to resolve some of the worst and most dangerous pollution problems. Citizens of the communities around industrial facilities should have the information and legal rights they need to insist on adequate protection for themselves and their families.

We must do all that we can to prevent chemical disasters such as we have witnessed in recent weeks. I believe this legislation will provide us with substantial, and badly needed, protection and I am hopeful we can move forward on it quickly.●

NORWICH SENIOR CENTER COMMENDED FOR JOBS PROGRAM

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. GEJDENSON. Mr. Speaker, I would like to take a moment of my colleagues' time to bring to their attention an outstanding example of the excellent programs which can be developed in our communities through a combination of corporate initiative, modest Federal funding and a good deal of creativity on the part of local citizens. The program is a jobs bank at the Norwich Senior Center in Norwich, CT, recently singled out for recognition of the unique service it provides to local seniors. Let me briefly describe this program and the events leading up to its creation.

In 1981, the Dow Chemical Corp. decided to give one of its employees a 6-month leave to volunteer in the community. At the same time, Janice Stewart, director of the Norwich Senior Center was trying to get a senior jobs referral program off the ground, and submitted a request for a volunteer to head the project. Thus, with the help of a Dow Chemical employee, the Norwich Senior Job Bank was begun.

Mrs. Stewart realized immediately that the job bank was filling a long unmet need in the area. Persons over the age of 60 were able to use their skills and earn money on a part- or full-time basis, while members of the community were able to find reasonably priced, dependable employees for any number of job descriptions.

Eager to keep this popular program going, Mrs. Stewart applied for and received a grant from the local area agency on aging under title IIIB of the Older Americans Act. As you know, the Older Americans Act, recently reauthorized by Congress, is the major vehicle for the organization and delivery of a wide array of social services to older Americans. Title III of the act is the part of this law which touches the lives of the greatest number of senior citizens, for it authorizes State agencies on aging to develop a comprehensive and coordinated delivery system for supportive services, nutrition services, and multipurpose senior centers. This system is intended to assist older persons attain maximum independence in their community through the removal of individual and social barriers which may inhibit them.

The Norwich Senior Center has certainly achieved the major goals of the Older Americans Act in creating its Job Bank Program. The number of people served by the program has increased from 126 in 1983 to 493 in 1984, and the placement record this past year was an astonishing 98 to 100 percent. It is no wonder that the University of Southern California chose the Norwich Job Bank as 1 of 12 programs to be profiled in the published results of its nationwide survey on jobs programs for seniors.

Now that it is there, I don't see how we ever got along without the job bank. Its fine example will, I am sure, encourage other communities both in Connecticut and across the country to start similar programs, and I know my colleagues join me at this time in congratulating the Norwich Senior Center on its fine work and in reaffirming the support of this Congress for all programs aimed at tapping the vast resources which is our Nation's elderly.●

CELEBRATING THE 40TH ANNIVERSARY OF DISTRICT COUNCIL 37

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. ADDABBO. Mr. Speaker, I am proud to call the attention of my distinguished colleagues to the 40th anniversary of the birth of District Council 37, a union in the city of New York that has not only changed the lives of its workers and their families but has influenced labor movements all over the world.

Mr. Victor Gotbaum is the executive director of District Council 37, and through his hard work and the hard work of his predecessors, and the membership, much has changed for the worker in America. These changes have resulted in better wages and working conditions for the union's rank and file. They were brought about because the membership united in its purpose.

Looking back over the last 40 years, this ability to unite has been the greatest strength of District Council 37. With a great deal of hard work you have earned the respect and praise of many.

We must use the strengths of our proud history, and reinforce our commitment to doing it together in the future. Without our continued commitment to advancing life for all our members, we will lose ground. So, on this occasion, I praise you for your achievements and urge you to ignite the fire of brotherhood that has been so effective in the past. You have changed the world for so many and so many continue to look to you for guidance.●

WAXMAN SEEKS RESTORATION OF NIH GRANTS

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. WAXMAN. Mr. Speaker, today I am introducing House Joint Resolution 136 which will reverse the Office of Management and Budget's arbitrary cut in research support for the National Institutes of Health. At issue is not only maintaining support for the world's preeminent biomedical research institution, but also the prerogative of the Congress to assure that the laws it writes are properly administered.

Recently the Office of Management and Budget [OMB] ordered the National Institutes of Health to inform its grantees that 1,500 fewer research grants will be available in 1985 than originally provided by the Congress. The OMB directive reduces from an estimated 6,500 to some 5,000 the number of new research grants NIH will be permitted to award this fiscal year.

Mr. Speaker, the OMB's action is arbitrary and a blatant violation of the intent of the Congress in this area. When the 98th Congress considered the fiscal 1985 appropriations bills for the National Institutes of Health both the House and Senate Appropriations Committees made clear that funds

were intended to support between 6,200 and 6,850 new and competing individual investigator-initiated research grants.

There is no ambiguity on this subject. The National Institutes of Health properly implemented the law and announced the availability of approximately 6,500 new and competing awards in the current fiscal year.

New and competing research grants are the foundation of scientific progress in the health field. They are in every sense the fuel that has enabled the NIH to distinguish itself and this Nation as the world's leader in health research.

In fiscal year 1985 the NIH received a long overdue and deserved increase in Federal support. The OMB order freezing the number of new and competing NIH research awards at 5,000 jeopardizes one of our most productive Federal programs. In fact, the proposal reduces grant support below the 1984 and 1983 levels.

Mr. Speaker, the administration's attempt to ignore the Congress' directives is cavalier and totally unacceptable.

The signal OMB has sent researchers trying to find a cure for diseases like cancer, diabetes, or heart diease is clear. The message communicated about this administration's priorities in research is unmistakable and should concern—if not frighten—every American.

We don't need to give up on or apologize for the level of support this Nation commits to health research. Health research, particularly basic biomedical research, is our best hope of finding cures, developing more effective and less expensive treatments and preventing the diseases Americans most fear. It will be a sorry legacy if this administration becomes the first to cut research on the causes of disease while committing unprecedented research moneys to perfecting the implements of war.

A strong national defense depends upon the physical health of its people no less than the technical superiority of its military's weaponry. The elimination of human illness and disease has as much to do with achieving world peace as does reducing the competition over missiles and warheads.

In the budget the President recently released, an additonal $8 billion is requested for research in the Department of Defense. Total defense research will rise to a record $39.28 billion in contrast to the $5 billion spent on health.

The President is requesting that next year's NIH budget be cut by almost $300 million. Combined with the OMB's attempt to reduce NIH support for basic research, the budget is an unprecedented reduction. It indicates the administration's willingness to surrender this Nation's world leadership in the health sciences.

House Joint Resolution 136 proposes to set the record straight. The resolution states in clear, unmistakable terms the Congress' commitment to assure that its legislative intent is followed and that the public's support of NIH and its vital research mission is recognized.

Passage of this resolution will assure the public that the Nation's commitment to NIH is unwaivering and that our investment in better understanding the mechanisms of disease will continue to yield impressive dividends. Mr. Speaker, I believe the opportunities before us are vast and the potential for major breakthroughs has never been better.

Mr. Speaker, I urge every Member to join in cosponsoring this important matter.

I request that a copy of House Joint Resolution 136 be printed in the RECORD at this point.

H.J. RES. 136

Joint resolution directing that the National Institutes of Health receive full funding in fiscal year 1985 for new and competing research grants

Whereas the National Institutes of Health are among the foremost biomedical research institutions in the world;

Whereas the National Institutes of Health are responsible for supporting basic biomedical and behavioral research critical to improving the health of the American people;

Whereas the National Institutes of Health promote expansion in scientific knowledge vital to understanding the causes and treatment of disease through the award of grants for individual investigator-initiated research;

Whereas the Congress appropriated funds to award approximately 6,500 such grants in fiscal year 1985 in Public Law 98-619, the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Act, 1985;

Whereas the National Institutes of Health, under the direction of the Office of Management and Budget, recently notified researchers that the number of new and competing research grants available for award in fiscal year 1985 will be 5,000, which is 1,500 below that intended by the Congress;

Whereas the Office of Management and Budget's order to reduce NIH grant support was in direct contravention of congressional intent as reflected in the House and Senate Committee Reports accompanying the bills leading to Public Law 98-619;

Whereas the Office of Management and Budget's arbitrary reduction in biomedical research support grants will have a seriously disruptive impact on the nation's research capacity and may result in the closing of numerous research laboratories previously notified by the National Institutes of Health that they were likely candidates for funding;

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That from appropriations under the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriation Act, 1985 funds shall be made available to enable the National Institutes of Health to award 6,500 new and competing research grants in fiscal year 1985.●

EMERGENCY FARM CREDIT RELIEF IS NEEDED NOW

HON. ARLAN STANGELAND

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. STANGELAND. Mr. Speaker, today I have introduced legislation urging the President to immediately implement a farm debt restructuring program proposed by Communicating for Agriculture—a farm organization in my district.

The Communicating for Agriculture plan, as authored by Mr. N. Rollie Lake, would lower interest rates, ease repayment terms, improve the turnaround time on loan paperwork, equitably share the risk between private lenders and the Federal Government, and offer some hope to our hard pressed farmers.

I urge my colleagues to cosponsor my resolution. A detailed explanation of how the Communicating for Agriculture Modified Debt Recovery Program would work follows:

FARM DEBT RESTRUCTURING, CA MODIFIED DEBT RECOVERY PROGRAM, JANUARY 28, 1985

(Prepared by Communicating for Agriculture)

CA is proposing a farm-debt restructuring plan designed to build on present programs, and target farm borrowers who are in financial difficulty yet who can be helped with the right program.[1]

Today, many farmers find themselves in a financial bind. While about 30% of farmers have little or no debt and are doing well economically, there are between 30% and 40% of all farmers who have substantial debt and are in various stages of financial difficulty.

WHO ARE THESE FARMERS IN DIFFICULTY?

Most agricultural production, about 60% in 1982, comes from 205,000 farms (out of 2.4 million total farms) with more than $150,000 in annual sales. Narrowing our focus somewhat, of these farms with sales of $40,000 to $200,000.

19% have a debt-to-asset ratio of greater than 70%. That means, for every $10 of assets, the farmer has more than $7 of debt;

44% have a debt-to-asset ratios greater than 40%;

Farms with debt-to-asset ratios greater than 40% account for 71% of debt on farms in this sales class but only 36% of assets.

For farms in all sales categories with a greater than 70% debt-to-asset ratio, there is little hope of economic survival. In a recent Iowa study, 10% of the farmers fall into this category, hold 9% of the assets and 25% of the total debt.

Farmers with debt-to-asset ratios of greater than 40% are also facing financial difficulties. In that same Iowa study, 28% of the

[1] See example 3 for an illustration of CA Modified Debt Recovery Program.

farmers with 30% of the assets and 65% of the debt fall into that category.

The Iowa survey further shows that farmers from all sales/size categories are in the over 40% group and that the majority of these are full-time family farmers.

WHAT IS THE NATURE OF THE FARM DEBT?

Nationally, the total farm debt has increased dramatically. In 1971, total farm debt totalled around $54 billion; in 1976, around $91 billion; and in 1984, total farm debt stands at $215 billion.

Farmers as a group have a much higher debt to income ratio now than in the past. In 1950, the overall debt-to-income ratio stood as less than 1; in 1960, it doubled to 2, changed to over 3 in the early 1970's, to 8 in 1980 and to 10 in 1984. Today the average farmer is trying to support $10 of debt for every $1 of income.

But even more important, the nature of the debt has changed dramatically. Debt today has a much shorter maturity.

Much of the debt is short term with interest rates tied to current loan rates. Even real estate debt is based on variable interest rates or is based on relatively short contract purchases. Maturities on a great deal of real estate debt has moved from 20-25 years in the 1960's and 1970's to 10-15 years or less today.

CAN FARMERS WITH HEAVY DEBT LOADS BE SAVED?

For a substantial segment of the 30% to 40% of farmers who have substantial debt and who are in various stages of financial difficulty, economic survival is a serious question. To help this group there must be a restructuring of farm debt. This group, mostly full-time family farmers, were caught with too much debt at the wrong time, debt that was manageable under the prevailing economic conditions when it was incurred but became a crushing burden when conditions changed.

In the group of farmers, there are many good farmers facing bankruptcy for lack of a way to make the transition from an economy of high inflation, raising land values and low interest rates to one of low inflation, sinking land values and high interest rates.

Many of the farmers in this group can be helped and saved with the right debt restructuring programs.

CA'S DEBT RESTRUCTURING PROPOSAL

In order for farm debtors to pay off debt obligations, a major restructuring of indebtedness will be necessary.

The number one feature of any debt restructuring program is to stretch out principal payments into a manageable debt repayment schedule. The second major feature must provide for a lower rate of interest, and third, for farm lending to continue, the risks must be shared.

The CA proposal utilizes existing FmHA programs and expertise of commercial lenders to accomplish this.

These are the Approved Lenders Program, Insured Operating Loan Program and Limited Resource Program. CA's Debt Restructuring Plan modifies slightly these existing FmHA programs to create a program of modified recovery debt credit.

The heart of the CA debt restructuring proposal is the utilization of FmHA's Approved Lender Program, with some minor modifications.

FMHA APPROVED LENDERS PROGRAM

Under FmHA's Approved Lenders Program, a qualified commercial lender is approved in advance to process FmHA Guaranteed Loans. The approved lender makes the loan, services the loan and collects the loan, thereby reducing the paperwork and time required for FmHA approval of loan guarantees. The lender is responsible for seeing that proper and adequate security is obtained and maintained. FmHA makes the final decision on farmers' eligibility, use of funds, and credit worthiness.

WHO DOES THE APPROVED LENDERS PROGRAM HELP?

In today's farm economy, there are many farmers whose debt-to-assets ratio between 40% and 70% who are caught in a "credit availability gap." These farmers are not in serious enough financial difficulty for consideration by the lender of last resort, FmHA. Yet, they do not quite meet the credit standards of private commercial lenders.

This group is a relatively stronger class of farm borrowers than normal FmHA borrowers. The problem for this class of farm borrowers is that their cash flow is inadequate under current high interest rates and low commodity prices, though their basic personal net worth and equity remains relatively strong. The security behind the loan is strong enough to satisfy the bank lender, yet the loan is classified by bank regulators as a classified loan. For the bank, every classified loan reduces the amount of available assets against which credit can be made available, resulting in less credit being available to farm borrowers.

THE FMHA LOAN GUARANTEE PROGRAM

FmHA Loan Guarantees are designed to provide the credit necessary for family farmers to conduct successful operations. The loans are to be used for the purchase of farm machinery and equipment, basic livestock, annual operating expenses and refinancing for authorized operating loan purposes. Interest rates may be fixed or variable and cannot exceed the rate common in the area. The terms of the loan may be up to seven years on basic security. Quality loans may be guaranteed up to 90% while high risk loans may receive less than a 50% guarantee.

HOW WILL THE APPROVED LENDERS PROGRAM HELP?

Utilizing FmHA's Loan Guarantee Program, the commercial lender will have the additional security to make a bankable loan to farmers who find themselves in a "credit gap". The program is not a bailout for lenders. Unless the loan meets requirements, with a reasonable chance for success FmHA will not approve it.

The program will help, first, by making credit available. Second, the banker will use the banks own (pre-FmHA approved) loan forms familiar to both the borrower and the banker, reducing FmHA's paper-handling load. Third, credit will be available on a much quicker basis, assuring that available guarantee loan funds reach eligible farmers as quickly as possible. Fourth, the banker and borrower are familiar with each other, helping to insure that better loans will be made. Fifth, the borrower is most likely to stretch out the loan payback. A commercial lender will normally have a maximum of five years on the loan while under the FmHA Loan Guarantee Program, a maximum of seven years is possible. This extra two years can assist the farm borrower in achieving an attainable cash flow-payback program.

CA'S MODIFIED DEBT RECOVERY PROGRAM

CA proposes to utilize FmHA's Approved Lenders Program and Operating Loan Programs to achieve a significant plan for farm debt restructuring. To achieve this will require some modification of each of these programs.

MODIFICATIONS TO THE APPROVED LENDERS AND DIRECT LOAN PROGRAMS

A basic modification to the Approved Lenders Program is to place a *maximum rate to be charged on interest.* Under the Approved Lenders Program, interest rates may not exceed the prevailing interest rate in the areas in which the loan is made. At present, this interest rate is approximately 13½%.

Under the modified Approved Lenders Program, a maximum interest rate would be set at 2½% above discount rate. This would yield an interest rate of 10½% at December 31, 1984 rates.

Clearly, there is a need to lower interest rates in order to create a more achievable positive cash flow-debt repayment plan for many farm borrowers. In addition to the obvious advantage of lower interest rates, by lowering the maximum interest rate which a commercial lender may charge under the Approved Lenders Loan Program, the result will be to create opportunities for additional farm borrowers to take advantage of the Loan Guarantee Program. A lower maximum interest rate will encourage the lender to graduate the borrower to a regular commercial status.

The second basic change in the Approved Lenders Program would be to limit the Approved Lenders guarantee to a maximum of 50%.

FMHA OPERATING LOAN PROGRAM

FmHA Operating Loans are made for both operating expenses and farm ownership. Ownership loans may carry an interest rate as low as 5½% and may be written up to 40 years. Operating loans may carry an interest rate as low as 7¼% and may be written up to 7 years. Under the Direct Loan Program, appraisals are done by the FmHA and security in the loan is named and itemized per lender.

MODIFICATIONS TO THE DIRECT LOAN PROGRAM

In order to restructure farm debt, lower interest rates and longer pay back terms will be required to attain a manageable, attainable cash flow for many farm borrowers.

The CA Modified Debt Recovery Program would incorporate into the Approved Lenders Program the use of FmHA Operating Loans in the same manner as the FmHA Guaranteed Loans. The pre-FmHA approved commercial lender would process the paperwork for FmHA Operating Loans, using the commercial lender's forms. FmHA would still have the final say-so on the loan under a shortened turn around approval or denial. Appraisals would be done by the pre-FmHA approved commercial lender or qualified appraiser. The main change in the present FmHA Direct Operating Loan Program would be to share security on a prorated dollar value basis. This last change is important to create an environment where the financial risk is shared and one which will create far fewer complications than the present system of named security.

MODIFIED CREDIT ILLUSTRATION

Under the CA Modified Debt Recovery Program, there can be a significant debt restructuring which will assist present financially troubled borrowers who have a stronger asset base yet who can neither qualify for FmHA loans or regular commercial lender loans.

As an illustration: Farm Borrower with $100,000 of indebtedness—cash flow shows $21,000 available for debt retirement.

EXAMPLE 1.—*Farm borrower with commercial lender*

[Loan term, 5 years; loan interest rate, 13½ percent]

Cash required for:	
Principal reduction	$20,000
Interest payment	13,500
Total	33,500
Payment deficit	12,500

EXAMPLE 2.—*Farm borrower under approved lenders program (no modifications)*

[Loan term, 7 years; loan interest rate, 13½ percent]

Cash required for:	
Principal reduction	$14,285
Interest payment	13,500
Total	27,785
Payment deficit	6,785

EXAMPLE 3.—FARM BORROWER UNDER CA MODIFIED DEBT RECOVERY PROGRAM

[Debt is divided between approved lender loan and limited resource loan (3A) and insured loan programs (3B)]

	Approved lender loan (3B)	Approved lender loan (3A)
FmHA guarantee loan	$40,000	$50,000
Loan term (years)	7	7
Loan interest rate (percent)	10½	10½
Repayment required for:		
Principal reduction	$5,714	$7,143
Interest payment	4,200	5,250
Total	$9,914	$12,393
	Plus insured loan	Plus limited resource
FmHA operating loans	$60,000	$50,000
Loan term (years)	15	15
Loan interest rate (percent)	10¼	7¼
Repayment required for:		
Principal reduction	$4,000	$3,333
Interest payment	6,150	3,625
Total	$10,150	$6,958
Total payment required for:		
Principal reduction	$9,714	$10,476
Interest payment	10,350	8,875
Total	$20,064	$19,351
Cash flow balance	$936	$1,649

From the above example, the Modified Debt Recovery Program has accomplished a significant reduction in interest rates and has extended payments over a longer period of time to achieve a reasonable and achievable cash flow.

The Modified Debt Recovery Program covers the three areas of need: restructuring of debt, adjustment of interest and sharing of risk. The Modified Debt Recovery Program shares the risk by bringing the Government in on a maximum of 50% guarantee of the Approved Lender Program. Debt is restructured by adding the Direct Lending Program, and interest is lowered with a combination of ability through the Direct Lending Program to lower to a minimum of 7¼% and a maximum of 2½% plus Discount Rate on the Approved Lender portion. The Modified Debt Recovery Program utilizes the assets of the FmHA, the types of funds which are already available and adds the expertise of Commercial Lenders. The Modified Debt Recovery Program would only be in place long enough to carry agriculture through this present period of adjustment.

SHARED BY LENDER

	Billions of dollars					Percent	
	1980	1981	1982	1983	1984	1980	1984
Farm real estate debt:							
FL Banks	29.89	36.29	43.26	47.09	48.12	35.00	43.00
FmHA	6.83	7.64	8.44	8.76	10.07	8.00	9.00
Life Ins	11.96	13.27	12.66	13.14	12.31	14.00	11.00
Comm'l	8.54	8.6	8.44	8.76	8.95	10.00	8.00
Ind. and Oth	28.18	30.56	31.65	31.76	32.45	33.00	29.00
Total	85.4	96.36	104.45	109.51	111.9	100.00	100.00
Farm nonreal estate debt:							
PCA	17.69	19.87	21.14	20.27	18.58	22.01	18.22
FmHA	8.84	12.1	14.42	14.94	15.48	11.00	15.18
FICB	.8	.86	.96	.85	.82	1.00	.80
Comm'l	31.36	31.97	32.67	36.28	38.18	39.01	37.45
Ind. and Oth	16.88	18.14	19.22	19.21	18.58	21.00	18.22
CCC	4.82	5.18	7.69	14.94	10.32	6.00	10.12
Total	80.39	88.12	96.1	106.96	101.96	100.00	100.00
Total	165.79	184.48	200.55	216	213.86		

Average D/A ratio; by sales Class (Jan. 1, 1984): 10–20, 15.7; 20–40, 15.9; 40–100, 19.4; 100–200, 21.5; 200–500, 27; >500, 36.6.
Analysis: Nonre total, 101.96; FmHA, 15.48; CCC, 10.32; Non-Com'l, 18.58; Bal, 57.58; Excl high risk, 23.03; Excl part time 5.00. Bal Full time, 29.548. Est full time, in trouble with 40–70 pct d/a ratio, 2.9548 bil dlrs.

CA PROGRAM RESTRUCTURE $2,954 BILLION IN CURRENT DEBT

[In millions of dollars]

Two programs	A	B	Total
Guarantee approved lender	739.70	590.96	[1] 1,329.66
Interest subsidy	0	0	0
Administrative cost	51.709	41.3672	93.0762
Total	51.709	41.3672	93.0762
FmHA OL	738.70	0	[2] 738.70
Limited resource	0	886.44	886.44
Insured			
Subsidy, CCC at 10, 5	180.06	16.62	196.68
Administrative cost	110.81	132.97	243.77
Total	290.86	149.59	440.45
Total credit	1,477.40	1,477.40	2,954.80
Total govt. cost	342.57	190.95	533.53
Annual govt. cost	26.78	15.88	42.66

[1] Much of the credit would be available government subsidized interest.
[2] Subsidies would be required for 55 percent of the credit under plan.●

RIGHT-TO-KNOW

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. EDGAR. Mr. Speaker, the entire world was shocked last December by the tragic disaster at the Union Carbide plant in Bhopal, India, when the leak of methyl isocynate gas killed more than 2,000 people. This disaster, along with reports of other leaks and mishaps, underscores the fact that chemical disasters and hazardous substances threaten both workers and communities alike. In the aftermath, our attention turns to preventing and preparing for future chemical disasters. But one of the biggest obstacles for workers and communities in the battle to prevent and prepare for industrial accidents is the fact that in many cases the hazards are unknown until the time of the disaster or exposure.

In the workplace, an estimated 25 percent of all workers in the United States, about 25 million employees, are exposed to hazardous substances at their job sites. Exposure occurs in all industries and services, including but not limited to manufacturing, construction, agriculture, transportation, health care, and public safety. For example, studies prepared by medical professionals at the National Institute of Occupational Health and Safety [NIOSH] indicate that 250,000 workers in the 86 worksites studied were exposed to chemical hazards. An estimated 110,000 of these workers could benefit from early notification, diagnosis and medical treatment.

Despite the evidence of exposure, many workers handle hazardous substances in the workplace yet are unaware that they pose an imminent threat to their health and safety and are not trained to reduce the risk of occupational disease and injury. Typically, substances are only identified by a code or trade name which conceals the chemical identity and provides little or no useful information about safe handling of the substance, the health effects of exposure, medical treatment in the event of exposure, and the control of the substance in an emergency. At the same time, new chemicals are being developed at the rate of hundreds per year and with increasing variety above and beyond the nearly 8,000 health hazards identified by NIOSH as posing serious and immediate health dangers to workers and communities.

On a related matter, knowledge of the chemical identity and health effects of hazardous substances is essential to workers and their representatives in pursuing legal remedies under State worker compensation programs, the Longshoremen's and Harbor Workers Compensation Act, and the Federal Employees Compensation Act. Without knowledge of the chemical identity and health effects of hazardous substances it is probable that many workers who have been disabled because of exposure to hazardous substances in the workplace are only receiving Social Security disability benefits rather than also receiving compensation under workers' compensation.

For communities, a growing number of residents in areas surrounding industrial plants are subject to exposure. Aging industrial plants, outdated safety procedures, and cutbacks in maintenance personnel further increase the risk of industrial accidents throughout the United States. But prevention and preparation by communities is possible only when communities are completely aware of the chemical identity and health effects of hazardous substances at area worksites. Knowing this information is vital to doctors and other emergency medical personnel in adequately treating and properly caring for exposed individuals and helps to ensure that communities develop emergency medical treatment, firefighting and evacuation procedures to combat possible industrial accidents. In addition, meaningful research on the short- and long-term effects of hazardous substances to the environment, to ground water supplies, and to plant, animal, and human life is impossible without knowing the chemical identity of hazardous susbstances.

In 1970, Congress attempted to address some of these problems by passing the Occupational Safety and Health Act. This legislation directed the Occupational Safety and Health Administration [OSHA] to formulate strong Federal right-to-know regulations. The first phase of which was completed in 1980 when OSHA issued a rule requiring employers to keep medical and environmental records on employees and permitting workers access to those records. In January 1981, in the waning days of the Carter administration, OSHA proposed the second phase of the process. This hazard identification or labeling standard required, among other things, extensive labeling of all containers and pipes holding or transporting toxic substances. Less than a month later, the hazards identification rule was revoked for further study by administrators for the incoming Reagan administration.

On November 23, 1983, OSHA under Reagan issued its final version of the "Hazard Communication Standard," a watered-down version of previous proposals. In my view, OSHA's final rule is too weak to protect the health and well-being of our Nation's workers and communities. It fails in addressing the crucial issue of chemical identification since labeling is not required; it fails to afford any protection to workers outside of manufacturing; and it fails to provide the information resources necessary for safe handling, assessing health risks, ensuring adequate medical treatment, and control in emergencies of hazardous substances. The OSHA standard also grants wide discretion for employers to withhold, except in emergency situations, information on substances which they regard as trade secrets.

But perhaps worst of all, the OSHA standard preempts existing State and local right-to-know laws, including those more stringent than the Federal standards. Indeed, just recently, the third U.S. district court ruled that New Jersey cannot enforce its strict right-to-know law in the case of firms covered by the Federal standard. Ironically, Congress gave OSHA preemption powers because it was assumed at the time that the Federal standard would be stronger than State and local laws. Moreover, the Federal standards were meant to define minimum requirements for State and local laws. In other words, the Federal rule was supposed to be a floor, not a ceiling.

The preemption issue is of special concern to Pennsylvania since last November the State legislature passed one of the strongest right-to-know laws in the country. In fact, as Pennsylvanians we should be proud of the hard work and negotiation that resulted in the passage of this law. These efforts are helping to better protect the health and well-being of workers and communities throughout the State. The task before us now is to call attention to the need to protect Pennsylvania's law, to ensure that it is not preempted by OSHA's watered-down standard.

In this regard, I am introducing the right-to-know resolution of 1985 today to express the support of Congress for the fundamental right of both workers and communities to know about hazardous susbstances which threaten health and well-being. It calls upon OSHA to revise its hazard communication standard to require the labeling of all substances to provide information on the chemical identity of all substances, the health effects of exposure and emergency medical treatment procedures and to extend right-to-know protection to workers in all industries and services. Most importantly, it seeks to clarify congressional intent that weaker Federal requirements should not preempt stronger State and local laws.

I am also pleased to be an original cosponsor and strong supporter of the Chemical Manufacturing Safety Act of 1985 which Congressman JIM FLORIO is introducing today. JIM FLORIO's legislation is needed to ensure the health and well-being of workers and communities and to make sure that strong

51-059 O-86-23 (Pt. 2)

State and local laws cannot be preempted by OSHA's watered-down standard. The tragic disaster at the Union Carbide plant in Bhopal, India, last December has underscored and dramatized the fact that chemical disaster and hazardous substances are not just hypothetical threats. They can become a nightmarish reality. Americans need strong right-to-know protection, but the fight for health and safety in this field is not yet over. A coalition of forces came together to pass State and local right-to-know laws. We need to build a coalition at the Federal level to extend this protection nationwide.●

SENATOR ROTH'S STATEMENT ON TRADE REORGANIZATION

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. BONKER. Mr. Speaker, now that the trade deficit figures for 1984 are out and the awful truth confirmed, it is time once again to look at what actions Congress can take to revitalize the U.S. economy.

American competitiveness in international trade is fast becoming the single most important component of our overall economic health. Yet, U.S. trade policy is made in a piecemeal fashion, with primary jurisdiction split between the Department of Commerce and the Office of the U.S. Trade Representative. Last year, I introduced legislation to reorganize the trade functions of the Federal Government and to create a new Department of Commerce and Trade. Senator WILLIAM ROTH of Delaware authored a similar proposal, which had the active support of the administration.

I commend my good friend Senator ROTH for his work on behalf of trade reorganization, and submit, for my colleagues' attention, a recent article from the Journal of Commerce expressing his views on the timeliness and importance of reorganization efforts.

It is my hope that Senator ROTH, myself, and members of the administration will be able to work closely during the coming months to draft a consensus bill that is amenable to Congress.

[From the Journal of Commerce, Jan. 31, 1985]

ROTH: DEPARTMENT OF TRADE A TOP PRIORITY

(By Senator William V. Roth, Jr.)

Last year economic forecasters reached an uncommon agreement on one prediction: the U.S. trade deficit would reach record proportions in 1984. Now, with the announcement of a $123.3 billion deficit for the year—roughly double the figure for 1983 and four times the size of the deficit in the late 1970s—the disturbing projections have been confirmed. The question is, what are we going to do about it?

Among the proposals to attack the trade deficit that will surface and provoke debate in the coming months will be:

Change U.S. macroeconomic policies to better serve the interests of our exporters.

Eliminate government rules and actions that discourage exports—for example, ease rules on export licensing, requirements of the Foreign Corrupt Practices Act and export embargoes.

Begin new multilateral trade negotiations aimed at opening foreign markets to U.S. products and bringing international trading rules up to date.

Develop a long-term trade strategy to promote America's trade interests.

While each of these strategies should be carefully considered, the prospects for accomplishing any of them will be enhanced substantially if we establish a single, effective government trade organization—a Cabinet-level department of trade.

Take the issue of macroeconomic policy. If we want trade to be considered in the development of macroeconomic policy, trade must be a top national priority, there must be a strong advocate for trade within the government and that advocate must be present in the key decision-making meetings.

None of these factors is present today, and trade and economic policy proceed as if they were unrelated. The establishment of the new trade department would remedy this situation.

In this country we define our top national priorities through our Cabinet structure. By creating a new department of trade we will grant trade the equal status it deserves with defense, foreign policy and other key issues.

The need for a single, strong advocate for trade within the government is clear. Responsibility for trade is now divided between two Cabinet officials. Trade is only one of a number of responsibilities assigned to the secretary of commerce, while the U.S. trade representative, although a member of the Cabinet, lacks the clout of a full Cabinet department head in advocating his positions.

Legislation creating a new trade department can be drafted to help ensure that the secretary of trade is at the right place at the right time when U.S. economic policy is debated and implemented.

A highly-placed advocate has not been present at crucial times in the past when many of the export-discouraging policies now in effect were taken. For instance, the decisions to impose agricultural embargoes during the Nixon and Carter administrations were made in the National Security Council without the participation of the U.S. trade representative.

This lack of participation could not happen with the trade organization that I envision. The new secretary of trade would participate in deliberations of the National Security Council whenever trade-related issues were discussed.

While the need for new trade negotiations seems clear to many observers, our performance in such negotiations could be hampered seriously if we do not reorganize first.

It is unrealistic to expect the handful of experts in the Trade Representative's Office—no matter how skillful or experienced—to carry out such far-reaching negotiations without help. The trade representative would have to go, hat in hand, to other agencies asking for support.

Far more preferable would be an organization connecting the trade representative's negotiators directly, through clear management ties, to competent support staff, data analysts and statistical experts.

Finally, it is difficult to imagine a long-term trade strategy emerging from our current situation in which one agency (Commerce) is responsible for trade data analysis and policy implementation, while an entirely separate and sometimes competing agency (the Trade Representative Office) handles trade policy development and negotiations.

Instead of encouraging forward thinking and innovation, the present organizational split promotes turf rivalries and a largely reactive approach to trade problems. And there is no question that our foreign competitors know how to exploit these jurisdictional battles to enhance their own trade performance at the expense of ours.

Moreover, our government does not possess the analytical capability to determine with any certainty the overall state of U.S. industrial competitiveness or the condition of many key sectors of the American economy. Under trade reorganizations, all the functions needed to formulate a long-term trade strategy will be brought under one roof and strengthened.

Now more than ever, our nation needs a Cabinet-level department of trade. I am hopeful that with the active support of the Reagan administration, Congress will act to create the department before the year is out.

To be sure, creation of the trade department is only the beginning of what must be a concerted, long-term effort by many agencies, groups and individuals to reduce the staggering U.S. trade deficit. But if we do not reorganize our trade bureaucracy, the policy changes we need will be more difficult to achieve. Trade reorganization should be a part of our strategy to tackle the trade deficit.●

SOUTH AFRICAN POLICY

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. DELLUMS. Mr. Speaker, today I am introducing a bill to change our policies toward South Africa. It expresses the concerns of Americans to a system of government that is inhuman and immoral.

Dr. Martin Luther King, Jr., in his book "Chaos or Community?" addressing the South Africa question said, "South Africa's national policy and practice are the incarnation of the doctrine of white supremacy in the midst of a population that is overwhelmingly black. But the tragedy of South Africa is not simply its own policy; it is the fact that the racist Government of South Africa is virtually made possible by the economic policies of the United States and Great Britain, two countries which profess to be the moral bastions of the world."

The bill will do the following:

First, prohibit making or holding any investment in South Africa;

Second, prohibit imports to and exports from South Africa;

Third, prohibit landing rights of South African aircraft;

Fourth, prohibit importation of krugerrands;

Fifth, prohibit tax credits and deductions.

It is time that we change our policies and reverse "constructive engagement" that has failed.●

OAKLAND, LEWISBURG, AND GORDONVILLE FIELD CHAMPIONS

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. GORDON. Mr. Speaker, I rise today to note an historic occasion which has come to pass in Tennessee's Sixth Congressional District. Tennessee has been witness to the courageous play of three football teams fielded by Murfreesboro Oakland High School, Lewisburg High School, and Gordonsville High School. The fact that these three teams all won the Tennessee State championship game in their respective divisions certainly merits the attention of the Congress.

It is my wish to commend and recognize the play of the Patriots of Murfreesboro Oakland High School for winning the State championship in the AAA Division. I further commend the fine coaching job of David Alsup who led the team to the championship.

I also call attention to the gridiron prowess of the Tigers of Lewisburg High School. This team won the State championship for 1984 in the AA Division and was coached by Bob Edens who did a superb job.

Honors should also be extended to the Tigers of Gordonsville High School who battled their way to the State championship in the A Division. This team was coached by Mark Medley who did a fine job.

It is rare indeed to have the banners of the State champions hanging from the rafters of three schools within a small geographic area covered by one congressional district. I do hereby make note in the RECORD of the 99th Congress the great pride Sixth District residents have in the football teams herein mentioned. These teams have shown great prowess upon the football field by setting for themselves a lofty goal and then attaining that goal through hard work, devotion, and skill. In the process, these teams have brought great pride upon themselves, their schools, their parents, and the great and sovereign State of Tennessee.●

ROBERT FORTINSKY RECEIVES COMMUNITY SERVICE AWARD

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. KANJORSKI. Mr. Speaker, it is with great pride that I bring your attention to a man who will soon join an esteemed group of citizens as the Lincoln Day honoree of the S.J. Strauss Lodge No. 139 of B'nai B'rith. Robert Fortinsky will be honored on February 10, 1985, by his grateful friends and associates for his diligent commitment to our community.

The Lincoln Day dinner is an opportunity for the lodge to bestow its most prestigious accolade to a member of the community. Previous winners have included my predecessor, the Honorable Daniel Flood, who represented Pennsylvania's 11th Congressional District for more than 30 years, the Honorable Max Rosenn, Dr. Abraham D. Barras, Mr. Roy Morgan, and Mr. Andrew Sordini III.

The common link between these individuals has been their dedication to strengthen the fabric of community life in our region. Robert Fortinsky has been a leader in our area for years, devoting his time and energies to innumerable community efforts. He has served as chairman of the United Jewish Appeal campaign twice—in 1972 and 1984—and for 3 years he worked as president of the Jewish community center. In 1983 he took a leadership role once again, cochairing the J.C.C. endowment. And in 1984 he became first vice president for Temple Israel.

Mr. Fortinsky has been involved in the Mount Nittany Society of Penn State University, the Century Club of King's College, and the John Wilkes Society of Wilkes College. He is a dedicated husband and father, and a truly outstanding choice for the community service award.

Mr. Speaker, I want to join with my many grateful constituents in extending my warmest congratulations to Robert Fortinsky on the recognition of his years of service to Luzerne County.●

NATIONAL ENGINEERS WEEK

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 1985

● Mr. EDGAR. Mr. Speaker, by Presidential message the week of February 17-23 is National Engineers Week and I rise to recognize the many contributions of the men and women of this profession.

I also want to recognize Mr. C.R. "Chuck" Pennoni, of Philadelphia, who has been elected 1985 Engineer of the Year by the technical, professional, and scientific societies in the greater Delaware Valley. Mr. Pennoni has been cited for his professional activities, his civic involvement and for contributions his firm has made to technical and economic progress in the region.

I might add that it gives me a great deal of personal satisfaction to recognize Mr. Pennoni. Mr. Pennoni is by education a civil engineer. As you know, Mr. Speaker, since my very first days in this body 10 years ago, I have taken a special interest in the problem of our Nation's crumbling infrastructure. But it is engineers such as "Chuck" Pennoni, and others like him from the American Society of Civil Engineers, who have labored in this "vineyard" longer than I.

It is indeed fitting that we celebrate National Engineers Week and reflect on the achievements of the profession. The role that engineering plays in translating scientific knowledge into useful goods and services for American Society cannot be overstated. As the theme of the 1985 Delaware Valley Engineers Week so aptly proclaims: "Engineers: Turning Ideas Into Reality."

Virtually every form of communication is a product of engineering. Every form of transportation except animals and our own legs is a product of engineering. The clothes we wear are products of engineering. All the food we eat is a product of engineering except that which we grow ourselves, and even that is produced by tools which were designed by engineers. All the medical tools which save and prolong human life are products of engineering. Every building the human race has ever produced draws on principles of engineering. There is no aspect of human existence on which the science of engineering has not had an impact—from the magnificent span of the Golden Gate Bridge to the mundane glow of the electric lightbulb.

Engineering achievements have always been on the leading edge of economic progress. Fifty years ago "high technology" for many people was electric lighting and heating, automobiles, and airplanes. The television had not even been introduced. In the 1980's, routine space travel is a reality; the artificial heart is being perfected; robotics is revolutionizing the manufacturing process; and the computer is ubiguitous in our society. We are on the verge of ascending to a new plateau of knowledge and technology.

But with that ascendancy will come the question: How can we best incorporate the potential benefits of this knowledge into our society and prepare to move on to the next plateau? Vision is necessary to keep the United States on the leading edge of interna-

tional competitiveness. And keeping us on that edge cannot be done without further contributions by engineers—engineers in industry, academe, and government.

The United States is at a critical juncture in its industrial leadership. Not since Sputnik in 1957 has there been so much cause for concern about the adequacy of our science and technology base and our ability to capitalize on our scientific strengths to sustain our industrial leadership. We face foreign competitors who have expanding skills, lower costs, and higher productivity growth. These factors affect the security of our Nation, the standard of living of our people, and the legacy we leave behind.

This legacy, the world of the future, will have a different technological base from the world which we inhabit. As the computer takes over and becomes the primary tool of engineering and the robot comes to play a major role in industrial production, we will be faced with a new strength in America.

But that "new strength" is not yet here. We have entered a transition phase in the evolution of modern society, and in order to deal successfully with the challenges posed by this transition, changes must be made now in the way we confront the technological process. And just as the engineering profession has been on the leading edge of technological innovation, so too must the profession now be on the leading edge of that process that enhances the interchange of innovative ideas between industry, labor, academe, and government.

Creating an environment for this process is no easy task. It is, as I see it, the most significant challenge to the engineering profession in the remaining years of this century. Let me be more clear about my concerns, Mr. Speaker.

Generally, U.S. industrial R&D focuses on short-run research which results in immediate profits. The structure of American business creates a bias against long-range R&D and improved management and marketing strategies which might enhance productivity and give us a competitive edge internationally. Based on current developments, it may be questioned whether the United States will be able to improve, or even maintain, its competitive position in international science and technology if existing trends continue.

During the past several years intense concern has also been expressed over the health of our engineering education system. Both the National Science Foundation and the National Academy of Engineering have in recent reports detailed many of these weaknesses.

For example, one major problem is that there is an inadequate understanding by students of engineering "practice"; that is, the understanding of how engineering knowledge is converted by industry into societal goods and services.

There is also an overemphasis in the academic sphere on analytical research, with less opportunity for "hands on" experimental research. This leads to a widening gap between academic engineering programs and industrial practice. Industrial applications have outstripped the fundamental knowledge generally developed by university researchers.

Another problem is that the rapid advances in technology are driving engineering toward cross-disciplinary interactions. Specialists are still needed, and continued development of high-quality engineering subdisciplines is essential. But, in addition, there is a growing need for engineering education that cuts across the engineering subdisciplines and applied sciences.

Also, technological advances are leading toward the integration of design, engineering, manufacturing, and marketing. There is a need for engineers with a broad understanding of the overall manufacturing system and of the interrelations among its components.

Finally, it is critical that while we actively seek developing knowledge in areas of emerging and critical engineering systems and technologies, we not abandon our research efforts that would reinvigorate industries that have served us so well in the past but now are languishing.

Mr. Speaker, these are important problems for our future industrial competitiveness. There are no easy solutions. But let me suggest just one partial response: a vigorous effort in Federal support of university-industry engineering research centers.

The goal of the centers would be to improve engineering research so that U.S. engineers will be better prepared to contribute to engineering practice and to assist U.S. industry in becoming more competitive in world markets. Thus, engineering research and education would be firmly linked in these centers. While the centers would differ from one another, reflecting their home institutions, people, and programs, their mission would have some common traits.

First, specific working ties with industry would provide a continual interaction of academic researchers, students, and faculty with their peers, namely, the engineers and scientists in industry. This would assure that these programs remain relevant to the needs of the engineering practitioner and that they faciliate and promote the flow of knowledge between the academic and industrial sectors.

Second, the programs of each center would emphasize the synthesis of engineering knowledge; that is, the programs should seek to integrate different disciplines in order to bring together the requisite knowledge, methodologies, and tools to solve problems important to engineering practitioners.

Third, the programs would contribute to the increased effectiveness of all levels of engineering education, including the emphasis on advanced education as part of the career pattern of engineers, the use of engineering professionals as adjunct professors, and university-industry programs for continuing education of engineers.

This response is not entirely new, of course. For several years, some States and local governments, on their own have been encouraging university—industry efforts across a broad spectrum. My own State, Pennsylvania, and the city of Philadelphia have had the very successful Ben Franklin Partnership, for example. But for the most part State and local efforts are relatively small and are not concentrated in engineering especially. The Congress, just last year, approved a Federal effort—$10 million—in support of engineering research centers. But such support is fickle, especially in an environment of budget cutbacks.

I bring this issue before this body now because National Engineers Week could not come at a more opportune moment. As the debate on this year's budget opens and proceeds over the coming months, I hope we look carefully at efforts such as engineering research centers, whose support is so fragile in this year's budget. If we are being asked to increase our commitment in fiscal year 1986 for the Defense Department's R&D by over $7 billion—or about 22 percent—we can certainly afford to expand our support for engineering cooperative research efforts between universities and industry that will benefit us for generations to come. If we are being asked to spend billions of dollars for star wars research—and thereby double the effort of the previous year—we can certainly afford to spend additional millions for a program that in a very fundamental way serves as the first line of our national defense.

For while we may face threats to our national security in a hostile international environment, we must not forget that the challenge to our long run industrial competitiveness is no less a threat to our Nation. A recent Library of Congress study calculated that only three-tenths of 1 percent of Federal R&D is directed toward the needs of civilian industry. By contrast, that figure in Japan and West Germany, for example, is 12.5 percent. We will never reach the next plateau of knowledge and technology with such a meager effort as this.

Mr. Speaker, I look forward to this next plateau and the new strength that will come with it. I believe we can reach it; I look forward to the challenge. As Thomas Wolfe said almost a half-century ago: "I think the true discovery of America is before us. I think the true fulfillment of our spirit, of our people, of our mighty and immortal land is yet to come."●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, February 7, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 8

9:00 a.m.
Budget
To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1986 budget.
SD-608

FEBRUARY 19

10:00 a.m.
Appropriations
To hold hearings to review the President's proposed budget requests for fiscal year 1986.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Pennsylvania Avenue Development Corporation, National Capital Planning Commission, and the Advisory Council on Historic Preservation.
SD-138

FEBRUARY 20

9:00 a.m.
Commerce, Science, and Transportation
To resume hearings on S. 259 and S. 287, bills to protect local community interests regarding the relocation of certain professional sports teams.
SR-253

Select on Intelligence
Closed meeting on intelligence matters.
SH-219

10:00 a.m.
Energy and Natural Resources
Business meeting, to consider the committee budget for 1985, and other pending calendar business.
SD-366

Environment and Public Works
To hold hearings on those programs which fall within the jurisdiction of the committee as contained in the President's budget requests for fiscal year 1986, focusing on requests for the Environmental Protection Agency
SD-406

1:00 p.m.
Veterans' Affairs
To hold hearings on proposed budget estimates for fiscal year 1986 for the Veterans Administration.
SR-418

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on Army civil works programs.
SD-192

FEBRUARY 21

9:00 a.m.
Veterans' Affairs
Business meeting, to consider committee budget for 1985, and committee rules for procedure for the 99th Congress.
SR-418

9:30 a.m.
Small Business
To hold hearings on proposed legislation authorizing funds for fiscal year 1986, 1987, and 1988 for the Small Business Administration.
SR-428

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Woodrow Wilson International Center for Scholars, Holocaust Memorial Council, and the Federal Inspector for the Alaska Gas Pipeline.
SD-138

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Transportation.
SD-124

FEBRUARY 25

10:00 a.m.
Small Business
To resume hearings on proposed legislation authorizing funds for fiscal years 1986, 1987, and 1988 for the Small Business Administration.
SR-428A

FEBRUARY 26

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Interior and related agencies.
SD-124

Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary of Labor, and the Employment and Training Administration, Department of Labor.
SD-116

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of the Disabled American Veterans.
345 Cannon Building

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Research and Special Programs Administration and the Office of the Inspector General, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Department of the Interior.
SD-192

Armed Services
To hold closed hearings on the maritime threat to U.S. national interests.
SR-222

FEBRUARY 27

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Labor-Management Services Administration, Employment Standards Administration, and Bureau of Labor Statistics, all of the Department of Labor, and the Pension Benefit Guaranty Corporation.
SD-116

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of the Paralyzed Veterans of America, Blinded Veterans of America, Purple Heart, and Vietnam Veterans of America.
334 Cannon Building

9:30 a.m.
Energy and Natural Resources
To hold oversight hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's proposed budget for fiscal year 1986, focusing on the Department of the Interior.
SD-366

10:00 a.m.
Environment and Public Works
To hold hearings on those programs which fall within the jurisdiction of the committee as contained in the

President's budget requests for fiscal year 1986, focusing on requests for the Nuclear Regulatory Commission.
SD-406

2:00 p.m.
Appropriations
To resume hearings to review the President's proposed budget requests for fiscal year 1986.
SD-192

FEBRUARY 28

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Occupational Safety and Health Administration, Mine Safety and Health Administration, and Departmental Management, all of the Department of Labor, and the President's Committee on Employment of the Handicapped.
SD-116

9:30 a.m.
Energy and Natural Resources
To continue oversight hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's proposed budget for fiscal year 1986, focusing on the Department of Energy.
SD-366

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Highway Traffic Safety Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Commission of Fine Arts, and the National Gallery of Art.
SD-138

MARCH 1

9:00 a.m.
Energy and Natural Resources
To continue oversight hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's proposed budget for fiscal year 1986, focusing on the Forest Service (Department of Agriculture), U.S. Synthetic Fuels Corporation, and the Federal Energy Regulatory Commission (Department of Energy).
SD-336

MARCH 5

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Secretary of Health and Human Services.
SD-116

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Highway Administration, Department of Transportation, and the Panama Canal Commission.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Tennessee Valley Authority.
SD-192

MARCH 6

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Health Resources and Services Administration, and the Office of the Assistant Secretary for Health.
SD-116

Veterans' Affairs
Business meeting, to mark up proposed legislation authorizing funds for fiscal year 1986 for the Veterans' Administration.
SR-418

MARCH 7

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Department of Energy.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Strategic Petroleum Reserve, and the Office of Emergency Preparedness.
SD-138

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Transportation Safety Board, and the St. Lawrence Seaway Development Corporation, Department of Transportation.
SD-192

MARCH 12

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of the Veterans of Foreign Wars.
345 Cannon Building

10:30 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Interstate Commerce Commission.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on solar and renewables and energy research.
SD-192

MARCH 14

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Aeronautics and Space Administration.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Smithsonian Institution.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on nuclear fission, commercial waste management, and uranium enrichment.
SD-192

MARCH 19

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Institutes of Health, Department of Health and Human Services.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the land and water conservation fund.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for the Nuclear Regulatory Commission, and

the Federal Energy Regulatory Commission.

SD-192

MARCH 20

9:00 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To continue hearings on proposed budget estimates for fiscal year 1986 for the National Institutes of Health, Department of Health and Human Services.

SD-116

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, World War I Veterans, Jewish War Veterans of the U.S.A., and Atomic Veterans.

334 Cannon Building

10:00 a.m.

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the American Battle Monuments Commission, Army cemeterial expenses, Office of Consumer Affairs (Department of Commerce), and the Consumer Information Center.

SD-124

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Railroad Administration, Department of Transportation, and the National Railroad Passenger Corporation (AMTRAK).

SD-138

MARCH 21

9:00 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To continue hearings on proposed budget estimates for fiscal year 1986 for the National Institutes of Health, Department of Health and Human Services.

SR-428A

10:00 a.m.

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Neighborhood Reinvestment Corporation, National Credit Union Administration, Office of Revenue Sharing and the New York City loan program (Department of the Treasury), Federal Home Loan Bank Board, and the National Institute of Building Sciences.

SD-192

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Washington Metropolitan Area Transit Authority, and the Architectural and Transportation Barriers Compliance Board.

SD-138

2:00 p.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for energy conservation programs.

SD-138

Appropriations

Energy and Water Development Subcommittee

To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on atomic energy defense activities.

SD-116

MARCH 26

9:00 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Centers for Disease Control, Alcohol, Drug Abuse and Mental Health Administration, Office of the Inspector General, and Office for Civil Rights.

SD-116

2:00 p.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Geological Survey, Department of the Interior.

SD-138

Appropriations

Energy and Water Development Subcommittee

To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Power Marketing Administration.

SD-192

MARCH 27

9:00 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Health Care Financing Administration, Social Security Administration, and refugee programs.

SD-116

10:00 a.m.

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Selective Service System, Consumer Product Safety Commission, Office of Science and Technology Policy, and the Council on Environmental Quality.

SD-124

MARCH 28

9:00 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including Human Development Services, Office of Community Services, Departmental Management (salaries and expenses), and Policy Research.

SD-116

10:00 a.m.

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Veterans Administration, and the Environmental Protection Agency.

S-126, Capitol

Appropriations

Energy and Water Development Subcommittee

To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.

SD-192

2:00 p.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Navajo and Hopi Indian Relocation Commission, and the Office of Surface Mining Reclamation and Enforcement, Department of the Interior.

SD-138

Appropriations

Energy and Water Development Subcommittee

To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.

SD-192

APRIL 1

10:00 a.m.

Appropriations

Energy and Water Development Subcommittee

To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.

SD-192

2:00 p.m.

Appropriations

Energy and Water Development Subcommittee

To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.

SD-192

APRIL 2

9:00 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office of Civil Rights,

Office of Inspector General, National Institute of Education, and Bilingual Education, all of the Department of Education.

SD-116

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.

SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Park Service, Department of the Interior.

SD-138

Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.

SD-192

APRIL 3

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including vocational and adult education, education for the handicapped, rehabilitation services and handicapped research, special institutions (including Howard University), and education statistics.

SD-116

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.

SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Aviation Administration, Department of Transportation.

SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.

SD-192

APRIL 4

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.

SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Conrail, U.S. Railway Association, and the Office of the Secretary of Transportation.

SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Indian Affairs, Department of the Interior.

SD-138

APRIL 16

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Urban Mass Transporation Administration, Department of Transportation.

SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Mines, Department of the Interior.

SD-138

APRIL 18

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Coast Guard, Department of Transportation.

SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Endowment for the Humanities, and the National Endowment for the Arts.

SD-138

APRIL 23

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including elementary and secondary education, education block grants, and impact aid.

SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Forest Service, Department of Agriculture.

SD-138

APRIL 24

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including student financial assistance, guaranteed student loans, higher and continuing education, higher education facilities loans and insurance, educational research and training, and libraries.

SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Emergency Management Agency, and the National Science Foundation.

SD-124

APRIL 25

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for ACTION (domestic programs), Corporation for Public Broadcasting, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Council on the Handicapped.

SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Indian Education, and the Institute of Museum Services.

SD-138

APRIL 30

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Mediation Board, OSHA Review Commission, and the Federal Mediation and Conciliation Service.

SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary and the Office of the Solicitor, Department of the Interior.

SD-138

MAY 1

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

MAY 2

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for territorial affairs, Department of the Interior.
SD-138

MAY 7

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Indian Health Service, Department of Health and Human Services.
SD-138

MAY 8

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

MAY 9

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Land Management, Department of the Interior.
SD-138

MAY 14

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Energy Information Administration, and the Economic Regulatory Administration, Department of Energy.
SD-138

MAY 21

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Minerals Management Service, Department of Interior.
SD-138

MAY 23

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Naval Petroleum Reserves, and fossil energy.
SD-138

SENATE—*Thursday, February 7, 1985*

(Legislative day of Monday, January 21, 1985)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Let not the wise man glory in his wisdom, neither let the mighty man glory in his might, let not the rich man glory in his riches: But let him that glorieth glory in this, that he understandeth and knoweth me, that I am the Lord.—Jeremiah 9:23-24.

Gracious God of wisdom, truth, and love, give us the grace to recognize our need of You, our inadequacy without You. Help us to see that in looking to You for wisdom, we are no less wise—for strength, we are no less strong—for insight, no less discerning. Help us to remember how often the powerful have fallen when weakened by the infection of pride. We thank You, Lord, that we increase in wisdom, strength, discernment, and power when our faith is in God. Forgive the pride—the arrogance—which forbids our dependence upon You. May we understand, Lord, that we are most independent when we live in dependence upon the mighty God, that we are most free when we submit to You, most powerful when we acknowledge our need of You and, Father, remind us of the most precious truth that we need each other. In His name in whom dwells all power in Heaven and on Earth. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HUMPHREY). Without objection, it is so ordered.

SENATE SCHEDULE

Mr. DOLE. Mr. President, under the previous order, there are two special orders of 15 minutes each. The first is for the Senator from Wisconsin, Senator PROXMIRE, who is present.

Mr. President, I will reserve the remainder of my time when I complete a couple of other statements.

Following the special orders, we will have a period for the transaction of routine morning business not to extend beyond the hour of 1 o'clock. That has been agreed to.

It is my intention after morning business to take up the nomination of Lee M. Thomas to be Administrator of the Environmental Protection Agency. There may be a rollcall vote on that nomination.

Mr. President, I think it is fair to state for the information of Senators who may want to make plans, it would be the intention of the leadership to adjourn for the February recess when the Senate completes its business today.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

CAN MASSIVE DEFICITS LEAD THE WAY TO PERMANENT PROSPERITY?

Mr. PROXMIRE. Mr. President, President Reagan may prove to be right after all. Huge deficits may be exactly what the country needs. After all, did not 1984—the fourth year of the Reagan term—and three successive supercolossal deficits in a row—$190 billion, $195 billion, and $175 billion—turn out to be about as close to economic heaven on earth as this country is likely to get? Did not we have the best real economic growth since 1951—33 long years ago? As a remarkably happy companion, did not the country enjoy at the same time stable and moderate inflation? Mr. President, that is a rare and very welcome combination; in fact, a knockout couple. At a time when economics seems to be mostly smoke and mirrors, and bad guesses, the first President who has conspicuously turned his back on the economists is the biggest economic winner. Sure, we are now in a colossal deficit, huge national debt buildup jam. And what do we do about it? Well, why not follow the President, why not do exactly what the Congress did before, take another shot of the same old big deficit joy juice, drink deep, relax, and live?

Ask yourself, why did we have the 1984 boom? Easy. The deficit did it. Yes, the deficit did it. The deficit stimulated the economy. Do you ask how about the low level of inflation? The deficit did that, too. It did it by so sharply increasing U.S. borrowing from foreign countries to finance the deficit that we shoved the value of foreign currency down and the dollar up. This has made the price of foreign goods cheap to American consumers and held down the price of American goods that compete with foreign imports.

We also, Mr. President, have 8.5 million people unemployed as of January. That holds down wages. We also have an enormous glut of oil, an enormous glut of food production that has held down the price of energy and the price of food. But the debt itself has made an interesting contribution to stable prices.

Now the President is asking for a slowdown in the rate of increase in overall spending for the 1986 fiscal year. He is asking for drastic reduction in domestic spending. It is true he is calling for big increases in military spending. But, still, if we comply with the President's requests, we will have the smallest increase in overall Federal spending in 1986 that we have had in many years. Is this a major economic policy reversal? No, it is not. Oh, sure, it may be a fat $42 billion lower than the deficit in 1985. But that is according to the administration's estimates. Whatever course the Congress chooses to follow—whether we hold down spending as the President requests, impose some kind of freeze that is roughly equal on all spending, make far deeper cuts in the deficit than the President has asked by including military spending and foreign aid in the reductions and substantially increase taxes—any of these courses will encounter vehement and bitter political opposition back home in our States and districts. And if we stay with the President's proposal or follow the across-the-board equal freeze advocated by others, which are certainly the two most likely courses, we will probably end up with a deficit of at least $296 billion in 1986 anyway.

Administrations have traditionally underestimated the deficit in the coming year. In recent years, their es-

timates have been off by a whopping average of 50 percent. And this year the economic assumptions seem especially optimistic. So Congress will go through the agony of denying thousands of our constituents their most heartfelt wishes for Federal spending and then probably end up with no real gain in deficit reduction after all.

And that is not all; it gets worse. Suppose the Congress cuts spending and the country moves into a recession—a very real possibility. Then, the action by Congress in slowing its fiscal stimulation will get a sure and strong share of the blame for killing the recovery and throwing millions of Americans out of work.

So what can Congress do? Just consider one temptation so lurid and exciting that no one to my knowledge has even dared discuss it—at least, it has not been discussed very much. I have not read it in columns, I have not heard it on the floor. Suppose the Congress or the President decides, "Enough with all this negative thinking, this slinking, shrinking fear of spending big public money to meet our national needs and of cutting taxes at the same time." What would happen to the economy if Congress should decide to go out and court a really massive deficit? Suppose we forget about this pennyante $200 billion stuff. After all, that will be only 5 or 6 percent of the GNP. Suppose we go for a trillion-dollar deficit. Give every interest group pressing for Federal largess everything they want, and then cut taxes by 20 percent or so. What would happen?

Well, Mr. President, we have an historical precedent for that. This is precisely what this country did in World War II at the end of the Great Depression. We ran deficits not of 5 or 6 percent of the GNP but of more than 25 percent of the GNP. Five times our present deficits. And what happened? What happened was that the country ended the Great Depression with a bang. Unemployment dropped from 17 percent down to 2 percent. Personal income soared through the roof. Sure, it took rigorous wage and price controls to keep inflation in check. But we used wage-price controls and, that time, they worked.

Could we do it again? Mr. President, we could, and this Senator has a hunch that we just might blunder into it. If we stumble into another recession, we could easily slip to a deficit to end all deficits. But, even without a recession, the Congress and the President might just find it so hard to agree on spending restraints that it staggers—through a lack of resolve—into a fiscal policy that for 3 or 4 or more years could give us more of that exuberant, intoxicating medicine of 1943 and 1944 and 1945. And, I might add, 1984. I add 1984 because that was last year. As I said earlier, these years of back-to-back peacetime record smashing deficits gave the country its best economic growth year since 1951—33 years ago.

Now, Mr. President, in the long run, this kind of policy of colossal irresponsible deficits could permanently undermine even the marvelous economy of this Nation. We could sink under the burden of a crashing national debt. Inflation and interest rates would eventually break through any restraints and soar out of sight. But the poisonous, lurid, tantalizing attraction of this deficit policy is that, in the short run, for 2 or 3 or maybe 4 years, it would work like magic. After all, 4 years would take us through the 1986 congressional election and the next Presidential election of 1988. So do not count on a Democratic Senate after the 1986 election, or a Democratic President in 1988. Four more years of these gigantic Reagan deficits might do wonders for the Republican Party. Unfortunately, politics is a short-run game.

THE ADMINISTRATION HAS NOT MADE THE CASE FOR MR. MEESE FOR ATTORNEY GENERAL

Mr. PROXMIRE. Mr. President, a Washington Post editorial on the Meese nomination declared: "We think the Senate has not made the case for rejecting him." I think that is incredible. The implication of that statement is that whoever the President appoints to his Cabinet should be approved unless a case is made to reject him. A Wall Street Journal Pepper and Salt item by Rose Sand appeared on Wednesday, February 6, that carries the same logic. It was labeled Mr. Clean. Here it is:

> The man, a resident of a small town, was charged with a petty offense. He was asked by the judge, "Is there anyone here who can vouch for your character?"
>
> "Yes, your honor, the sheriff over there."
>
> "Why, I don't even this know man," exclaimed the lawman.
>
> "Observe, your honor," beamed the defendant triumphantly, "that I have lived in this county for 12 years—and the sheriff doesn't even know me!"

Mr. President, Mr. Meese is under consideration for appointment to the most important law enforcement position in our country. He should not win confirmation just because the sheriff does not know him. He will, if appointed, be the country's No. 1 lawyer. He will command a department including tens of thousands of professional employees. This country has no more important obligation than to secure justice for our citizens. And Mr. Meese will be Mr. Justice.

Does this mean that the Senate must make a case against him, I repeat against him, and unless we do he should occupy this critical position? No way. Can you imagine a member of a corporate board charged with the responsibility of voting on the next chief executive officer of the company, being told by the chairman of the board that the man he selected should be confirmed unless a case is made against him. Has any university president ever been selected for office on the grounds that opponents had not made a case against him?

Or even a football coach. Could the Redskins have justified the selection of a football coach—not on the basis of his excellence, but simply because no case had been made against the coach?

Mr. President, the selection of the Attorney General of the United States is far more significant than the selection of a football coach, a corporate president, or a university president. In each of those other offices, a number of candidates are considered. Most candidates are rejected. And why are they rejected? Not because they are bad, not because they are incompetent, not because they lack experience and a winning track record, not because any case has been made against them. They are rejected because they are not the best.

Let me give you a case in point, because it happened very near here in the very, very near past. In January, the University of Virginia selected a new president. Now consider how they did it. They established a search committee. The search committee considered not one candidate, not a dozen candidates, but literally 312 persons. After 10 months of meticulous sifting and winnowing they reduced the list down to 10 or 12 of the very best candidates. And, finally, they selected a person who had been president of a great university for the preceding 5 years and who had a record as an administrator in other universities over a longer period of years. He had solid experience and a great record as a university president. He was a distinguished scholar. In the judgment of the University of Virginia Board of Visitors who made the selection, he was the best available man in the country for the job.

Now, Mr. President, contrast that selection of the University of Virginia president with the way the Federal Government has gone about the process of selecting the top policymakers in our Government, and especially the process of confirming Mr. Meese. How many persons did the President consider in determining that he would select Mr. Meese as his Attorney General? Did the President establish any kind of a search committee? Of course not. Did he ask a distinguished group of experts to recommend several of the best qualified persons in the country to serve as the Attorney General of the United States? Are you kidding? We know that was not done. Did he

look within the Department of Justice, past or present, to determine what experienced and highly competent professionals might be qualified to do that job? Do not make me laugh. The President did what Presidents have been doing for much too long. He picked a pal, a crony, a buddy, a man with two commanding qualifications: First, the President knew him and knew him well; and, second, Mr. Meese, as Attorney General, will certainly be 100 percent loyal to the President in every and all circumstances.

Mr. President, if the Federal Government were a family business, this method of selection of top officers would be a mistake, but it would be understanable. It would be the kind of mistake family businesses often make. It is why so many fail. But the Federal Government is not a family business. This Government operates under a constitution which recognizes that Presidents are likely to make appointments like the Meese appointment. That is why the Founding Fathers required that the Senate advise and consent to top policy nominations like Attorney General. And that is why it should not be enough to follow the Washington Post's feeble prescription and approve a person to be Attorney General because no case has been made against him or he must have sound character because after all, "the sheriff doesn't recognize him."

The Senate should disapprove every Presidential nomination to positions of great power in this Government unless the case has been made and made convincingly for the nominee. In the case of Mr. Meese, it is crystal clear that no such case has been made.

DOES PRESIDENT REAGAN WANT NUCLEAR ARMS CONTROL OR NUCLEAR ARMS RACE

Mr. PROXMIRE. Mr. President, one of the most widely heralded books of the year was Strobe Talbott's "Deadly Gambits." Talbott's book is a highly disturbing account of the struggle over a nuclear weapons policy in the Reagan administration. The struggle is really a fight for the heart and mind of the one man who can determine foreign military policy in our Nation—the President. Because the heart of Ronald Reagan seems transfixed in cold stone on the side of winning the nuclear arms race, the struggle is not over whether the country should negotiate an arms control agreement or win the nuclear arms race competition. The President has already decided that issue on the side of winning the arms race. But most of the American people do not want an arms race. They want to negotiate a mutual verifiable end to the arms race with the Soviet Union. So the real struggle is over how the President can best present himself as an arms control advocate to the American and European public without being pushed or maneuvered into an agreement that would in any significant way limit the U.S. competition in the nuclear arms race: the research, the development, the production, and the deployment of nuclear arms.

Because Ronald Reagan is President of the United States, because he has an amiable, disarming manner, because he speaks smoothly and clearly, because he repeats over and over again that he wants an agreement with the Soviet Union to limit nuclear arms even if he does not, and especially because he has entered into negotiations with the Soviet Union in two arms control areas, the general public view is that the President wants arms control agreements with the Soviets if he can get them. So many, perhaps most, Americans believe the President is truly sincere in pursuing arms control. Is he? The evidence is overwhelmingly to the contrary. Also, here we have a President who is on record in opposition to every single arms control agreement ever negotiated with the Soviet Union by both Republican and Democratic Presidents. As Gerard Smith, President Nixon's chief negotiator of arms control agreements with the Russians, has observed, the only two arms control proposals the President has made—START and INF—are on their face impossible for the Soviet Union to accept.

Who does the President send to negotiate the START Treaty? He sends as hard headed a pure hawk as one could find: General Rowney. So we have a proposition the Russians could not possibly accept, negotiated on our side by a general who bitterly opposes arms control agreements and especially arms control agreements with the Russians. To make sure that the arms control machinery in this country does not second guess Rowney, the President appoints as head of the Arms Control Agency, Kenneth Adelman, a man with no prior experience in arms control except as an unrelenting and consistent critic of arms control.

Some optimists argue that the President really does want an arms control agreement with the Soviet Union but he wants it on his terms. Is that possible? Well, maybe. But when a hard-bitten, down-the-line anti-Communist like Paul Nitze takes a walk in the woods with a Soviet negotiator and comes up with something that looks like the beginning of an agreement advantageous to us, the President engages in a race with the Russians to see who can scuttle the agreement first.

Meanwhile, to make sure that we build an atmosphere which makes it impossible for the Soviets to negotiate, the President pushes his star wars or antimissile program here at home. This program will conspicuously violate the Anti-Ballistic Missile Treaty signed by President Nixon and ratified by the Senate by an 88-to-2 vote in 1972. It will cost hundreds of billions of dollars, perhaps more than $1 trillion. It cannot succeed unless—and get this for the laugh of the year—the Russians agree to limit their offensive missiles to permit it to work. And for the laugh of the century, the President actually proposes that after we develop this trillion dollar turnout we give it—that is right, give it to the Russians.

Now, how can I say it will not work? Well, consider it cannot defend against submarine fired missiles or bomber fired missiles or cruise missiles. The President and his advisers must know all this. And because they know it, they must also know that the Congress will never approve it. Why then do they continue to press it? The answer was given by Soviet leader Gorbachev when he was in England last December. Gorbachev said that the Soviets would not negotiate as long as the President insisted on proceeding with the SDI or star wars defense. The statement by Gorbachev seemed to be precisely what the President wanted to hear. If the Russians were so concerned about star wars that they would not proceed unless we stopped it, it must be good and anyone opposed to star wars is supporting the Soviet Union position. And if the Soviets will not negotiate? Is that not precisely what the President, who did not want to negotiate in the first place, wants to hear? That means he can blame the failure to negotiate on the Soviet Union. Actually, the Soviet Union could care less about whether we proceed with SDI. It would certainly serve their interests if we did. The United States would be throwing $1 trillion away on a military program that would be useless and which the Russians could frustrate at will. It would be a military program that would divide our country and alienate our friends and allies in Europe who would see any U.S. anti-ICBM defense as save America first and let Europe go if necessary. Why would the Russians not want to see us go all out with star wars? And how could they more effectively promote it than to loudly and publicly oppose it. Any American Member of Congress or the press who oppose star wars will appear to be climbing into bed with the Communists.

So the Reagan policies serve the interest of a President who wants to appear to press for arms control but be sure to be able to avoid any pressure to go ahead with it. It keeps the President popular as a sincere advocate of arms control. It helps him secure most of his military programs

from the Congress and to continue an arms race that the President is convinced we will win and that many of the rest of us are convinced could end in nuclear war.

OUT OF THE ASHES

Mr. PROXMIRE. Mr. President, this last fall in Washington, Public Television presented a series entitled Heritage: Civilization and the Jews. The series outlined the history, culture, and the contributions of the Jewish people. One episode of the series, entitled "Out of the Ashes," focused on the plight of the Jews under the Nazis—a plight which culminated in the Holocaust.

This episode described how the Jews were step by step denied rights. They were denied economic opportunities and declared second-class citizens. The Jews became the ultimate outcasts of Nazi society. Many were confined to ghettos and concentration camps. In the end, they had their most fundamental right taken from them—the right to live. The Nazis set out to systematically destroy the Jews. As the show flesh was your mother."

Subsequent episodes of the series went on to show how the Jewish people, despite this almost incomprehensible loss and pain, rose "out of the ashes" of this tragedy to continue on and contribute to the many societies in which they live.

Also "out of the ashes" of the Holocaust came a treaty which sought formally to outlaw genocide and establish measures to try those guilty of it. This treaty is the Genocide Convention.

Our role in the creation of this treaty was vital. We were primary actors in its drafting. Over 90 nations have ratified it. We have not. Every other developed nation has.

I urge my colleagues not to forget from what this treaty arose. We cannot afford to. Unless we feel the horror of the evils done by the Nazis and others who have committed genocide, we will not feel the moral disgrace of our failure to ratify the Genocide Convention. If we forget the cries and mourning from which this treaty arose, the power behind it and all of our human rights statements will be diminished. The force of our voice to help our neighbors would be lessened. Our words would be hollow.

We must make good on our commitment to consider this treaty. We must also make good on our commitment to lead the struggle for basic rights by first remembering why we desire such a position and then by ratifying the Genocide Convention.

RECOGNITION OF SENATOR BOREN

The PRESIDING OFFICER. Under the previous order, the Senator from Oklahoma [Mr. BOREN] is recognized.

Mr. BOREN. I thank the Chair.

THE FAMILY FARM IN AMERICA

Mr. BOREN. Mr. President, there are a number of people who have indicated to me that they wonder whether or not people in the country understand the importance of preserving the family farm unit, which is certainly now faced with the potential for dissolution and extinction unless there are changes in policy in the very near future.

I urge the people of this country to think long and hard about this particular problem and about the proposition that the maintenance of the family farm unit is extremely important. In the very beginning, those who laid the intellectual foundation for the political philosophy of our country had a strong understanding of the importance of maintaining independent economic units headed by those who made ultimate decisions. The maintenance of a broadly held system in which there were many owners and operators was considered of vital importance to those who laid the conrerstones of our American democracy.

James Madison, for instance, understood that our entire system was dependent more than anything else upon an extended republic which had a number of independent spirited people who possessed a variety of interests. So it is a serious question that I hope we will ponder in the days ahead as we debate about the upcoming farm bill.

I think we also ought to think again about who is to blame for the dire situation in which American agriculture now finds itself. Some have said, I think in a most insensitive manner, that it is a result of greed by farmers and that farmers, in an effort to make millions in the 1970's, greatly expanded their operations—this seems to be the view of Mr. Stockman—and therefore they deserve any result which may follow. They are saying that farmers should be forced to tough it out in what they call the free market. Of course, they do not tell us that the free market does not exist; that our farmers are forced to compete internationally where production and sales are subsidized; that they are thrust into a market which in many cases, such as the market in Japan, is foreclosed to all but a small percentage of producers of certain agricultural commodities.

They do not tell us that this free market is dominated by an imbalance in the relationship of the value of the dollar with other currencies, making it impossible for our farmers to compete; that, for example, when one American grain exporting company talked about bringing in Argentine wheat recently and selling it in the United States below the cost of grain produced in this country, even considering the payment of freight and the consideration of a payment of duty at the border, the reason it was possible was that the Argentine currency had depreciated 86 percent in value against the American dollar in just 1 year.

They do not tell us, when they talk about bringing the American farmer back to the free market, that the farmer also is facing a situation in which our own Government, in order to preserve the soundness of the monetary system in the face of unwise loans made by some of our own financial institutions to those in other countries, our own farmer is confronted with producers in other nations who are being indirectly subsidized through loans from the IMF by their own tax dollars.

They also do not tell us that in the 1970's the Government itself called upon the American farmer to rise to the great challenge of feeding the world, to expand their production, to plant fencerow to fencerow to meet the increased export demand of a world crying for food. Government policy urged farmers to go to the Farmers Home Administration and borrow money to meet this great challenge. It was said that the solution to the agricultural problems had finally been discovered—the export market, and the free market. Those who are writing some of the editorials that we read recently do not tell us about the Government-imposed embargo which began in 1973 and culminated in the embargo of 1980 which devastated the hopes of American farmers.

They do not tell us that in 1980 everyone who had suffered in the drought was allowed to plant wheat on their land normally cultivated in other crops such as corn and rice. They do not tell you when this administration established the acreage base for future wheat programs that they counted every acre that was planted in 1980, thereby adding with the stroke of a pen an increased wheat acreage base in the Nation of 8 million acres. They do not tell us that this 8 million acres adds 280 million bushels a year on an average to our wheat surplus. They do not tell us that this administration refused to offer effective commodity programs which could have eliminated the necessity for a multibillion dollar payment in kind program which we just experienced last year.

Congress is scheduled to write a new farm bill this year and the debate over the farm program is important to every Oklahoman.

Agriculture is in the worst crisis since the thirties. In some ways, current conditions are worse. A couple of years ago, Oklahoma's 88,000 farm units averaged less than $20 per farm in net farm income for the entire year. At the same time our farmers, just in Oklahoma, owe an estimated $15 bil-

lion on their land, machinery, and operating debts.

I ask unanimous consent that a table be printed in the RECORD at the conclusion of my remarks telling the story in dramatic terms. Just 35 years ago net farm income for 1 year would have more than paid off total farm debt. This past year the debt was over 16 times as much as annual income. For the past 5 years the farmer has had very little cash income while trying to service a huge debt. At the same time his ability to borrow is declining because so many farms are being forced onto the market that values for purely agricultural land have fallen 22 percent in the last 3 years.

This has led to more than a 200-percent increase in farm bankruptcies and forced liquidations during the same period.

With economic problems on the farm come conservation problems. As farmers scramble for cash, highly erodible land is cultivated. In addition, farmers cannot afford conservation steps which they would like to take. Last year we lost the equivalent of 1 million acres of topsoil because of erosion. It is estimated that 25 percent of all cropland in America is eroding at an unacceptable rate.

This crisis has developed, at least in part, because many Americans do not understand the economics of agriculture or the importance of the farm sector to them personally. They don't know that to start an average family farm today would take over $425,000 in capital. The majority of the American people believe that they are subsidizing the farmer. In one sense, the taxpayers have subsidized farmers through programs which have cost far more than they should because of short-sighted policies.

However, in a larger sense, it is the farm sector which is subsidizing the rest of the country. The facts are clear. Agriculture is the most productive and most efficient sector of our Nation's economy. It is consistently one of the few sectors of our economy where we have a favorable trade balance. Last year we sold to other countries $19 billion more in agricultural products than we bought. The farmers have been giving Americans the greatest food bargain in the world. Americans spend only 16 percent of their income for food. The average Russian spends 45 percent for food. Even in Great Britain the average is about 28 percent. American food consumers get more for their money today than in 1950. In 1950 an hour's wage for the average worker bought 10 pounds of bread or 8 quarts of milk. Today, it will buy 16 pounds of bread or 15 quarts of milk.

The farmers, however, have been absorbing the cost of providing these benefits to the rest of the Nation, often selling below their actual cost of production, and by going broke in record numbers.

In the decade of the 1970's in my home State where agriculture suffers, we lost 21 percent of our farmers. The Nation also suffers. Agriculture, with over $1 trillion in assets, is our largest single industry. Approximately one in five jobs nationally in private enterprise is generated directly or indirectly by agriculture. Also, as we learned in the thirties, a collapse in land values can devastate the entire economy.

We must be concerned about the survival of the family-sized farm unit. Studies show that it is the most productive because no one else will work as hard or care for the farm as well as the resident owner.

What can be done? No one can pretend to have all the answers, but some steps clearly need to be taken.

First and foremost, we must bring down Federal budget deficits which lead to high interest rates for farmers and an overvalued dollar which prevents them from selling in world markets. A balanced Federal budget would be the best farm program of all.

Second, we should develop a long-range, multiyear policy aimed at bringing production in line with demand and announce it early enough so that farmers can make plans. Often programs are changed even after farmers have prepared their land for planting. Stop and start policies cause surpluses to increase. All of this wastes taxpayers' money and our precious national resources.

Third, in our foreign aid programs, we should send fewer dollars overseas, and make greater use of our surplus farm products.

Fourth, a long-range conservation component is an essential ingredient in any good farm program. We need a program to allow farmers to take erosion-prone land out of cultivation and place it in conservation treatment for several years, also providing financial incentives to make up for lost income from this land. Such a program would save our precious soil resources and would help the taxpayers by reducing surpluses and by cutting the cost of current commodity programs by hundreds of millions of dollars.

Obviously, every American should care about what is happening on the farm. Let us band together to work for a commonsense farm bill this year. So I urge my colleagues to look at the whole record when affixing blame for the current straits in which American farmers find themselves. And when the record is fairly examined, I think that impartial observers will find that it has not been the farmer that has been the cause of the present situation, but the farmer has been the victim of past policy mistakes by our own Government—I must say in all honesty and candor by administrations in both political parties—which is to blame as much as anything else.

Congress is scheduled to write a new farm bill this year and the debate over the farm program is important not only to every Oklahoman but to every American. Agriculture is in the worst crisis since the thirties. In some ways conditions are worse.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Net Farm Income versus Total Farm Debt

[In billions of dollars]

	Net farm income	Total farm debt
1950	19.0	12.5
1983	5.4	216.3

Mr. BOREN. Mr. President, I yield the remainder of my time at this point to the distinguished Senator from South Carolina.

(The remarks of Mr. HOLLINGS are printed under Statements on Introduced Bills later in today's RECORD.)

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 1 p.m. with statements limited to 5 minutes each.

THE ENGLISH LANGUAGE AMENDMENT

Mr. SYMMS. Mr. President, I wish to speak to the English language amendment [ELA] by first telling about an unusual football game I saw on television last fall.

On two consecutive downs, the quarterback called one play but the members of the backfield ran another. On the second attempt, the mixup resulted in a fumble which culminated in a touchdown for the opposing team.

When asked about the blunder, the members of the backfield admitted to a "communications misunderstanding."

Football is a game I have often compared to life. It is true that in a football season, you have wins and losses, but those become memories when the next season rolls around, and we start over. But there is a great deal of similarity and parallel in the real world with respect to misunderstandings in communication, and this can lead to serious consequences—a business failure, the dissolution of a family, or even a war between nations.

The Bible speaks of mankind being created with one universal language which gave them great power: "And nothing which they proposed to do will be impossible for them."

Later, we read where the language was confounded during the construction of the Tower of Babel. No longer able to communicate, the society disintegrated and the people went their separate ways. The world has been in an upheaval ever since.

I have on my staff a linguist who lived in Canada for 11 years during the bilingual-bicultural turmoil. He confirms the problems we read about there. Although the country is officially bilingual, English is the language of business in all but one province. There the minority became so defensive about French that they literally forced large corporations to relocate in other parts of Canada. Separatists in the East helped spawn similar sentiments in the West and there arose a movement to create an independent western Canada.

Now, the large Ukrainian-Canadian population in the prairie provinces of Canada has decided to set up Ukrainian schools to promote their language and culture. After all, "If bilingual is good, then trilingual must be better," according to their spokesman.

Sri Lanka and Belgium are two other nations whose linguistically different populations fight and bicker among themselves constantly. Just two decades ago in India, nearly 1 million people lost their lives in riots that were directly linked to language and culture differences.

So far, the United States has avoided the severe problems these countries have experienced. True, we have absorbed many people speaking hundreds of languages, but we did so because of the cement we call English.

A common language binds people together into societies. In this body, we argue, we debated, we disagree, and we compromise; but at least we understand each other. And because of a common language, somehow we make it happen; we have helped develop a mighty nation with the world's greatest system of government.

But times are changing. Immigrants from many countries are now streaming into America at a rapid rate. There are those who feed on this vast pool of non-English-speaking people for their own purposes. Greedy politicians and others find them easy targets because of the language barrier. And as long as the barrier remains, they are more easily manipulated.

At present, our Federal policies are fuzzy: Do we want our new citizens to speak English, or do we not? Bilingual ballots, current bilingual education policies, and the lack of an official language for our governmental processes make people wonder.

There is some concern over what the ELA will and will not do. Briefly, let me state our intentions.

It will not prohibit or discourage the use of foreign languages at home, in church services, in communities, private schools, commerce, or private organizations. Indeed, we want to protect our rich ethnic heritage which people of many different nationalities who came to our country enjoy.

Second, it will not prohibit the teaching of foreign languages in our public schools, nor will it limit their foreign language requirements. I feel strongly that we should encourage, not discourage, foreign language learning.

My objection to what goes on in many of the bilingual educational programs is this: It is one thing to teach the discipline of a foreign language such as Spanish in the classroom, which I think we should do but I do think it is a mistake to teach chemistry, mathematics, social sciences, and many other courses in Spanish. When we do that those students are never put in the situation where they have to learn English and become competent in it. What will happen to those students who do not learn English fluently in their school years? They will be at a severe disadvantage until they become competent in English. As a father, I encourage my children and make it a requirement that they take Spanish in the school system, because it is practical in the western part of the United States to be at least somewhat comfortable in Spanish.

Third, it will not prohibit the use of another language in matters of public convenience and safety in limited circumstances.

The English language amendment will reinforce the idea that our Nation's fundamental internal security and well-being requires a common language. Also, it will abolish bilingual ballots and establish English as the official language of Federal, State, and local elections and government processes. The ELA will reestablish the original intent of bilingual education; to teach students English as rapidly as possible so they may enter America's economic mainstream. And most important, it will reaffirm that we are truly "one nation * * * indivisable."

I am proud of my heritage as you are of yours. As a nation of immigrants, we have blended our diversity together into what Senator Hayakawa once called a "cultural symphony" known as the United States of America.

I want that symphony to continue as harmoniously as possible. For that reason, Mr. President, I have introduced the English language amendment.

Mr. President, I would urge those Senators who may be listening, to instruct their staffs to look into this question, to look at the growth trends in the United States of America, at what is happening with respect to population growth. Now is the time for us to make a move to head off what could become a problem by the turn of the century or later. Currently we allow large sections of this country to go ahead with business as usual as we teach students in other languages in the schools. Soon we will have large sections of our population that are not fluent or competent in English. Those people will always be at a disadvantage—politically, economically, and culturally—to enjoy the vast benefits that are accorded to them as citizens of the United States of America.

Mr. President, I cannot think of a better example of what I am talking about than the example President Reagan used last night. Cadet Jean Nguyen will be graduating from West Point this coming May 22. Had this young lady come to the United States and not had the motivation to really learn English; or had the opportunity to go into a Vietnamese-speaking school that taught her history, physics, chemistry, and the other courses in Vietnamese, there is no way that she could have been admitted and been successful at West Point.

She came to this country and immediately learned English, and is now well on the way to becoming a commissioned officer in the Army of the United States. I think that is a good example of what we are talking about.

Mr. President, I would urge all Senators to join in this crusade, to get on board the English language amendment, and let us start making the English language what Senator Hayakawa, our former colleague, called a "cultural symphony" we know as the United States of America.

Mr. President, I yield the floor.

EXECUTIVE SESSION

Mr. STAFFORD. Mr. President, I am about to make a unanimous-consent request, but before I make the request I will say to my colleagues that I have cleared the making of this request with both the majority and the minority leaders.

Having said that, Mr. President, I ask unanimous consent that the Senate now go into executive session to consider the nomination of Lee M. Thomas to be Administrator of the Environmental Protection Agency.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination will be stated.

NOMINATION OF LEE M. THOMAS TO BE ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY

The bill clerk read the nomination of Lee M. Thomas, of Virginia, to be Administrator of the Environmental Protection Agency.

Mr. STAFFORD. Mr. President, I am pleased that the Senate is acting so promptly to consider the nomina-

tion of Mr. Lee Thomas to be Administrator of the Environmental Protection Agency.

The Committee on Environment and Public Works has recommended that he be confirmed by a vote of 16–0, which is the best vote of confidence any nominee could expect. The reason Mr. Thomas' nomination was endorsed so overwhelmingly is the respect which he has earned for his stewardship during the past 18 months of two of the most difficult and controversial programs administered by the Agency, Superfund and the Resource Conservation and Recovery Act.

Mr. President, I hope and believe that Mr. Thomas will run the Environmental Protection Agency in a competent and independent manner, thus taking us one step closer toward restoration of the Nation's confidence in the Agency, its employees, and the integrity of the laws they administer. For this reason, I hope the Senate will confirm the nomination without further delay.

Mr. THURMOND. Mr. President, it is a pleasure for me to rise in support of the nomination of my good friend and fellow South Carolinian, Mr. Lee Thomas, to be Administrator of the Environmental Protection Agency. He is eminently qualified for the position, and I urge that the Senate expeditiously confirm this nomination.

Lee received his bachelor of arts degree from the University of the South in Sewanee, TN, and his master's degree from the University of South Carolina. He subsequently served as councilman of the Ridgeway, SC, Town Council and two consecutive terms as chairman of the National Criminal Justice Association. He continued his public service career in an exemplary manner, by holding important and responsible positions in South Carolina State government. Additionally, he served as chairman of the Governor's task force on emergency response capabilities in support of fixed nuclear facilities; director, public safety programs; and he directed the establishment of the Governor's comprehensive emergency management advisory committee.

On the Federal level, Lee has served as the Executive Deputy Director and the Associate Director for State and Local Programs and Support of the Federal Emergency Management Agency. Most recently, while under extraordinary circumstances, he did an outstanding job as the Assistant Administrator for Solid Waste and Emergency Response at the Environmental Protection Agency.

I have called upon Lee from time to time in his capacity as Assistant Administrator for Solid Waste and Emergency Response on a number of issues of concern to the public, including a number of hazardous waste sites in my State, as well as the removal of asbestos in South Carolina schools. He has always been extremely responsive and helpful. I look forward to a continuing, positive relationship with him as the next Administrator of the Environmental Protection Agency.

Lee is a fine gentleman with a long and impressive career as a public servant. He has served in government at the local, State, and Federal levels, and in my judgment, he will make an excellent Administrator of the Environmental Portection Agency. He has demonstrated that he is a person of high ethics, competence, independence, integrity, and intellect. He has the qualifications necessary to maintain the effectiveness of the Environmental Protection Agency, and to maintain public confidence in the Agency as the protector of our environment.

I am both extremely proud of, and have high regard for this fine South Carolinian. The Senate should promptly confirm the nomination of Lee Thomas to be Administrator of the Environmental Protection Agency in order that he can get on with the challenging task of protecting our precious environmental resources for the benefit of all Americans.

Mr. CHAFEE. Mr. President, the significance of the vote we are about to cast should not be underestimated. I expect that the Senate will unanimously approve the nomination of Lee Thomas to be Administrator of the Environmental Protection Agency. When we do, we will be sending a message to Lee, to the many dedicated employees at EPA, to the American public, and to those who are tempted to try and control or unduly influence the environmental policies of this country. The message is this: Lee Thomas is being entrusted with one of the most difficult and important jobs in this country, that of protecting human health and the environment, because he has earned the trust, respect, and support of the U.S. Senate. He has earned it and let there be no mistake that he has it. Those who question the breadth of Lee's political support should take note of the 16-to-0 vote of approval in the Committee on Environment and Public Works and of today's vote in the Senate as a whole. Take note and keep in mind that the days when EPA nominees were approved simply because they were the President's choice are behind us. These votes are significant, unequivocal statements of approval.

As Bill Ruckelshaus' successor, the shoes Lee is being asked to fill are quite a bit larger than when Lee took over the job of Assistant Administrator for Hazardous Waste and Emergency Response. As tough as that AA job is, being Administrator of the entire Agency is markedly more difficult and will require a number of adjustments.

Many of our environmental laws are structured in such a way as to make the Administrator the environmental shepherd of the executive branch. He must ride herd on the other agencies and departments to assure compliance with the law. This responsibility won't make him popular. The vast majority of our environmental laws make the Administrator the ultimate decisionmaker. He alone is responsible and accountable. Each decision is virtually guaranteed to disappoint or even infuriate one or the other interest group.

Being Administrator of EPA often appears to be a thankless job. However, it is a job that must be done and, notwithstanding the paucity of periodic thanks and praise, it is a job that must be done well. The health and quality of life of our neighbors, children, and children's children depend on it. It is my hope that as Lee enters his office each day he will look at the name of the Agency written on the wall and think about his mission. The name Environmental Protection Agency says it all.

I believe that Lee Thomas is up to the challenge and is an excellent choice for this job. He deserves our support not only today but each day he is in office. As one Member of Congress, I pledge that support and hope that he will feel free to call upon me for advice and counsel as often as he sees fit.

Mr. HUMPHREY. Mr. President, I rise today to voice my strong support for the nomination of Lee Thomas to be the next Administrator of the Environmental Protection Agency.

The job of Administrator of the Environmental Protection Agency entails enormous responsibility. For 15-years, the American people have looked to the EPA as our Nation's most important institution to preserve and enhance this Nation's precious environmental resources. It is a responsibility that I know Mr. Thomas will not take lightly.

As a member of the Committee on Environment and Public Works, I have been extremely impressed with Mr. Thomas' work over the past 2 years as the Agency's Assistant Administrator for Solid Waste and Emergency Response. In assuming that position, Mr. Thomas was charged with the enormous task of turning around the Superfund Program which only, 2 years ago, had been written off as hopelessly and forever off course. Mr. Thomas immediately and forcefully plunged into the task of turning this vital program around. In doing so, he displayed considerable management skills, as well as his fundamental commitment to the protection of the environment and public health.

There is no question that Mr. Thomas will fill some large shoes. His predecessor, William Ruckelshaus, re-

invigorated the Agency with a sense of purpose, substantially redirected the course of environmental policy in the Reagan administration, and perhaps most importantly, restored the confidence among the American people that the laws designed to protect human health and the environment were being vigorously enforced.

Because Bill Ruckelshaus discharged his duties with such effectiveness, the agenda facing Lee Thomas will be substantially different from that which faced Mr. Ruckelshaus nearly 2 years ago.

The Agency is now facing new and different kinds of challenges—many of which Mr. Thomas is uniquely qualified to take on. Last year, the Congress passed, the President approved a reauthorization and expansion of the Resource Conservation and Recovery Act. And, this year, we will complete action on a new and greatly expanded Superfund Program.

Lee Thomas will also face many of the same challenges which have faced his predecessors in that important office. I speak with great confidence in suggesting to my colleagues that Mr. Thomas will take on these duties with the same skill and ability that he has displayed throughout his distinguished career.

Mr. President, I strongly urge my colleagues to confirm Lee Thomas as the next Administrator of the U.S. Environmental Protection Agency.

Mr. GLENN. Mr. President, Lee Thomas has a long record of public service at the local, State, and Federal levels. Recently, he has proven to be an able and effective manager of complex programs during a difficult period. I am pleased that the Senate has moved quickly to confirm Mr. Thomas so that we can now begin the critical work ahead in the environment.

Virtually all the major environmental statutes including the Clean Water Act, the Clean Air Act, the Safe Drinking Water Act, and the Superfund are awaiting action because their funding authorizations have expired or will do so in 1985. Continued inaction on these vital laws not only threatens the progress we have made in the last decade, but weakens our ability to meet the challenges of the future.

I believe that Mr. Thomas can continue the job of restoring public confidence in the EPA. During his testimony to the Environment Committee, Mr. Thomas stated that one of his objectives was to ensure a strong scientific and technical base to support program decisions. Since 1981, the administration has slashed EPA's research office by 50 percent. This has forestalled valuable research, delayed implementation of some technologies, and substantially reduced the level of national scientific expertise available to address critical issues. Without sound scientific data, we not only risk failure to identify environmental threats, but we also risk having industry impose costly controls that better research would have shown to be unwarranted.

So far only six hazardous waste sites have been cleaned up under the Superfund Program enacted in 1980. Our people are understandably alarmed about the health hazards posed by toxic chemicals. Ohio has 28 sites now listed on the National Priority List, and the citizens of my State are demanding a full scale effort to protect their health and the environment from the perils of toxic pollutants. I trust that Mr. Thomas will continue to aggressively administer this program as he has since 1983.

I join with my colleagues in endorsing Lee Thomas as EPA Administrator and look forward to working with him on these vital issues.

Mr. SIMPSON. I am so very sincerely gratified that the Environment and Public Works Committee has unanimously approved the nomination of Lee Thomas to be EPA Administrator. In my duties on the Environment Committee, I have grown to personally admire Lee and to be most impressed by his intellect, skills, and his work product. He does the job.

Lee Thomas has gained a wealth of administrative experience beginning in the Office of the Governor of South Carolina and progressing through the Federal Emergency Management Agency and the Environmental Protection Agency. All of his experience and expertise is geared toward protection of public health and the environment.

President Reagan plans to make the reauthorization of Superfund one of his top priorities this year, and I just can't think of a better person than Lee Thomas to be the "point man" in that effort. Congress must act responsibly during the reauthorization process and Lee will be right there to cut through the fear and the guilt and the emotion that seems to accompany the consideration of environmental issues involving hazardous waste.

Last year, the Environment and Public Works Committee benefited in significantly great measure by having Lee at the Superfund markups, where he could respond with on-the-spot "no nonsense" advice to me and fellow lawmakers. His good counsel and uncommon degree of common sense was appreciated by all of us on the committee.

I am pleased that Lee Thomas will be confirmed today, as he represents the quintessential public servant. He is a man of integrity, wisdom, and forethought. He will lead that agency through his personal strength and—his ability to consider all facets of a situation—and he will continue to maintain the high morale now so evident at EPA.

Lee always deals with the facts and he has become a trusted counselor and adviser on some very contentious environmental issues. And speaking of trust—he has mine in full measure. I commend him. I would urge your support of Lee as he approaches his challenging new job.

Mr. BYRD. Mr. President, I am pleased to speak in favor of the nomination of Mr. Lee Thomas as the new Administrator of the Environmental Protection Agency. In his previous position as head of the Superfund Program to clean up abandoned toxic waste dumps, Mr. Thomas established a reputation as an excellent Administrator. Indeed, Mr. Thomas inherited an unfortunate situation when he first took over responsibility for the Superfund Program. EPA had been through a scandal involving the administration of the Superfund Program. It was largely as a result of Mr. Thomas' efforts that public confidence in the integrity of the Superfund Program has been restored. Based upon his record of achievement, I think Mr. Thomas will make an excellent EPA Administrator.

I have had an opportunity to meet with Mr. Thomas, and I have found him to be reasonable and willing to work with the Congress in addressing the many difficult environmental issues which will face the 99th Congress.

I congratulate Mr. Thomas on his appointment, and I look forward to working with him.

Mr. DOLE. Mr. President, I would just like to take a moment to urge my colleagues to support, with enthusiasm, the nomination of Lee M. Thomas to be Administrator of the Environmental Protection Agency. Mr. Thomas deserves the considerable confidence that President Reagan has demonstrated in him.

Bill Ruckelshaus did an outstanding job at EPA, both in improving administration, dealing with Congress and with interest groups, and in shoring up morale at the Agency. Lee Thomas has been an integral part of the Ruckelshaus team, and already has shown his ability and his commitment to the environment in his management of the RCRA and Superfund Programs. Superfund is due for reauthorization this year, and I look forward to working with Mr. Thomas in putting together a fiscally sound Hazardous Waste Cleanup Program to carry through most of this decade.

Mr. President, prior to his experience at EPA as Acting Deputy Administrator, Lee Thomas was Executive Deputy Director of FEMA, and he has had considerable experience in State government in South Carolina, dealing

with both public safety and criminal justice in the office of the Governor.

I know that our Senators from South Carolina, Senator THURMOND and Senator HOLLINGS, are proud that a South Carolinian like Lee Thomas has compiled such an outstanding record of public service. I am sure they join me in welcoming the opportunity to work with Lee in the years ahead. Finally, let me congratulate Senator STAFFORD and the Committee on Environment and Public Works for expediting action on this important nomination. There is much to be done at EPA in 1985, and we can help by getting Lee Thomas and his team in place right away.

Mr. ABDNOR. Mr. President, I am pleased to support the nomination of Lee M. Thomas as Administrator of the U.S. Environmental Protection Agency.

As a member of the Committee on Environment and Public Works, I have been most impressed with Mr. Thomas' performance as Assistant Administrator of Solid Waste and Emergency Response. Mr. Thomas has earned the respect of the committee and I am confident that we may count on him to work closely with this body as we consider the reauthorization of several significant environmental statutes.

Mr. President, Mr. Thomas knows of my strong interest in the Asbestos School Hazard Abatement Act of 1984. As the author of this program to assist financially needy school districts in financing necessary asbestos abatement projects, I will continue to follow closely EPA implementation of the act. Thus far, I have been very pleased with the way in which the Agency is moving ahead with this new program. I have found the region VIII staff, in addition to the program staff here in Washington, most helpful in responding to my questions and concerns.

Mr. President, the conscientious stewardship of our Nation's natural resources is of vital importance to each and every one of us. I believe that President Reagan has made a wise choice in the nomination of Lee M. Thomas. I wholeheartedly endorse Mr. Thomas as the new Administrator of the Environmental Protection Agency, and I urge my colleagues to give him their unanimous support.

Mr. STAFFORD. Mr. President, I will now suggest the absence of a quorum until the minority leader can come to the floor and make any statement he wishes.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, I am pleased that we have been able to move as expeditiously as we have in considering the nomination of Lee Thomas as Administrator of the Environmental Protection Agency.

It is no secret that the Federal Government has fallen woefully behind in our efforts relating to the environment, and there is no time to waste in getting down to the serious tasks ahead.

I have known Lee Thomas as a capable manager of the Superfund, and I know he did a very good job in handling this important project under less than perfect circumstances, I have no doubt that he has the ability to serve as Administrator.

However, as we pointed out to Mr. Thomas in hearings before the Environment and Public Works Committee, he has a massive rebuilding effort before him. Despite efforts to correct the questions and complaints over EPA's management and intent, the Agency has not yet regained the public trust that is necessary for progress.

As Members of the Senate are aware, most of the major environmental funding authorizations have expired over the past few years. While this has not prevented us from enforcing the law or developing and modifying regulations, it is a clear signal that Congress is facing real difficulties in attempting to improve environmental policy.

Much of this is due to the fact that questions regarding the effectiveness of EPA to carry out its mandates have limited the ability of Congress to enact revisions.

Mr. President, the people of this Nation have the right to demand a stable and professional EPA to provide an unbiased analysis to assess the issues. Our citizens deserve a safe and sane environmental policy, our industries deserve a consistent guideline for long term planning, and all interest groups deserve to be heard.

I believe the EPA is moving in the right direction, and judging from his past performance and his response to our questions in committee, I believe Lee Thomas is the right man to continue this improvement.

I will vote to conform this nomination and I urge my colleagues to join me.

Mr. STAFFORD. Mr. President, I know of no further speakers who wish to be heard on the matter of the nomination of Lee Thomas. That being the case, Mr. President, I move that the Senate vote to confirm the nomination of Lee Thomas, to be Administrator of the Environmental Protection Agency.

The PRESIDING OFFICER. The question before the Senate is, Will the Senate advise and consent to the nomination of Lee M. Thomas, to be Administrator of the Environmetnal Protection Agency?

The nomination was confirmed.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STAFFORD. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to the nomination of Lee Thomas.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. STAFFORD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DIXON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. KASSEBAUM). Without objection, it is so ordered.

S. 433—EMERGENCY FARM CREDIT ACT

Mr. DIXON. Mr. President, I rise to introduce the Emergency Farm Credit Act of 1985.

This bill, Madam President, addresses an issue that is facing hundreds of thousands of American farmers this very month. It deals with an emergency situation with emergency legislation that will, without costing the Federal Government a single cent in additional spending, enable these farmers to begin their spring planting next month.

We are all aware of the crisis facing American agriculture. Just yesterday, the Secretary of Agriculture announced a broadening of the farm relief program that the administration devised last fall.

We do not yet know if this administration program will stave off the wave of foreclosures threatening to engulf farmers, rural banks, and rural communities across the Nation. What we do know is that the administration's program will do nothing for those farmers who—because the rural banks are overextended, because their Production Credit Associations are liquidated, because they have exhausted

all of their credit resources—will not be able to plant this spring.

As any farmer can tell you, if you cannot plant, if you cannot get a crop in the ground, you cannot harvest. Today in farming communities across the country, thousands upon thousands of farmers will go out of business unless they can obtain operating credit.

What this bill does is very simple. The nonrecourse loans, which are made available to farmers of certain crops at harvest time, provide a means of relieving the farmer of the necessity of selling his harvest immediately, thus stabilizing the market. The Emergency Farm Credit Act of 1985 would permit an advance of one-third of this loan, based on his historic yield, to the farmer before the plants, rather than when he harvests.

If the farmer doesn't plant, the farmer doesn't harvest.

These loans would be on the same basis as the nonrecourse loans already are. If this were a normal year, the ASCS would start making them in September and October, as the crops were coming in. What this bill does is to mandate the Secretary of the Department of Agriculture to advance one-third of this loan now, so that the farmer can begin planting.

There are three things I must emphasize about this bill.

The first is that it does not cost the Federal Government an additional cent. If anything, it will save the Government millions of dollars in welfare and other safety-net payments, should these farmers be thrown on the welfare rolls because they could not get their crops in the ground.

The second is that this is a short-term solution to a short-term problem. When the Senate returns from recess later this month, I will introduce legislation to address the larger aspects of the farm credit crisis.

The third is that this is emergency legislation. For the larger aspects of the farm credit crisis we can buy some breathing space, if we can help the farmers get their crops in the ground right now. But spring planting begins next month. Most farmers would start getting their operating loans on March 1, if the credit were available.

We must act now. If the farmer doesn't plant, the farmer doesn't harvest.

Now, Madam President, I know, that under our normal procedure, this bill would be referred to the Agriculture Committee, of which I am a member, for consideration. But these are not normal times. We need quick action. I would therefore like to request that this bill be held at the desk.

I would hope that perhaps the majority leader or one of his representatives would be here in short order but let me make it perfectly clear that I am not trying to do something without discussing it with him.

The other day, during his usual press of very heavy business, I explained to Senator DOLE, that I had a piece of emergency legislation that I wanted to introduce before the break that was directed to the farm credit problem in America on a short-term basis only. And since the Presiding Officer comes from a farm State, the same as that of the majority leader, may I say to her that she may remember that a short time ago, I think a week ago, a group of State legislators from all over the Midwest met in Chicago, at which time they talked about the farm problem in the country and specifically at quite a great deal of length about the farm credit problem.

One of the people at that meeting was a distinguished State senator from my State, Jerome Joyce, who represents roughly the Kankakee-Iroquois County area of my State and parts of other counties, which is a very, very important farm section of our State. Senator Joyce himself farms, as I recall, over 500 acres of ground, the usual Illinois crops—corn, beans—and hogs.

The idea he came up with, which was well-received by everybody at that meeting, is the basis for the bill I am introducing today.

Now obviously this is not a very good solution, Madam President. And the Senator from Illinois does not come here to tell you he has finally found the answer to the farm credit problem. But a lot of people believe that for tens of thousands of farmers in Illinois, Iowa, Kansas, Minnesota, Nebraska, and many other places, at least this will let them put their crops in the ground, because you cannot get the money after harvest if you could not plant in the spring.

As I stated earlier, that is essentially all that this very simple bill does. The reason I say this by way of explanation is I told it to the majority leader yesterday. He was very, very busy and under a lot of pressure, which I can deeply appreciate. I know the pressure on all of us and we know how many hundredfold that is upon the majority leader, of whom I am greatly fond.

So I am going to introduce this bill now. May I say again to the Presiding Officer and others who are listening for the majority leader what I would like to do is keep this bill at the desk until a time certain after we return—I understand that will be on February 18—so that the majority leader and others can contemplate this and see whether this could receive some fast-track emergency special treatment. The problem is now. If the bill is referred to committee and all of the attendant things that would flow from that, this bill could be enacted in time.

A figure I read today, Madam President, in one of the major newspapers—I cannot recall which one had suggested that at least 5 percent of small farmers in America on the American farms in all our States faced a real problem that they would not get the money to put in their crops this spring.

That is all this is designed to do, is for a working farmer last year that he can get money for seed. I do not know how we solve the problem later on, Madam President. I have some ideas, you have some ideas, others in the Congress, and others in agriculture generally do.

At this time, I would like to do two things: introduce this bill, make the appropriate motion to keep it at the desk until I can discuss it further with the majority leader.

The PRESIDING OFFICER. Is there objection?

Mr. TRIBLE. I reserve the right to object. Reserving the right to object, I ask my esteemed colleague to withhold that request until we have had a chance to clear it on this side of the aisle.

Mr. DIXON. Madam President, I am delighted in every way to accommodate my warm friend from Virginia and he was not here for my entire remarks, but he should understand this is only done because it is an emergency. I heard we were going out in a matter of minutes. This directs a problem that begins the 1st of March. We are going to be out for a week. For all those reasons, I dashed over here. I do not want to do anything by subterfuge. I have talked on a prior occasion with the majority leader and am delighted to wait until someone can come to the floor. I want everything to be aboveboard. But I honestly and sincerely believe that the problem at hand is massive and serious enough that we ought to try to devise something right now to address it in a very small way—this is only a band-aid—but in a small way. I am delighted to accede to any request, and ask we do that, and wait. I suggest the absence of a quorum, if that would be the appropriate parliamentary remedy for the moment, until such time as others get here.

Has my bill been introduced, Madam President? I have asked to do that, if I may. I ask that we do nothing further until the majority leader gets here.

The PRESIDING OFFICER. Yes. The Senator from Illinois certainly has the right to introduce his bill. If he wishes to suggest the absence of a quorum——

Mr. DIXON. I do that.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DIXON. I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON. Madam President, I understand that I now have agreement between the majority leader and the distinguished chairman of the Agriculture Committee to make a request for unanimous consent to hold this bill at the desk until the close of business on Tuesday, February 19.

The PRESIDING OFFICER. Hearing no objection, the bill will be held at the desk until the close of business on Tuesday, February 19.

Mr. DIXON. I thank the Chair.

Madam President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 433

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Farm Credit Act of 1985".

SEC. 2. Effective only for the 1985 crops of wheat, feed grains, upland cotton, rice, and soybeans, the Agricultural Act of 1949 is amended by inserting after section 107C (7 U.S.C. 1445b-2) the following new section:

"SEC. 107D. (a) In order to provide vitally needed assistance to producers of wheat, feed grains, upland cotton, rice, and soybeans, the Secretary shall make available to producers loans authorized to be made under section 107B(a), 105B(a), 103(g)(1), 101(i)(1), and 201(g), respectively, in advance of harvest as provided in this section. Loans made in advance of harvest (advance loans) under this section may be made only with respect to the 1985 crop of such commodities.

"(b) In order to be eligible to receive an advance loan for a commodity under this section, a producer must—

"(1) submit an application for such loan to the Secretary; and

"(2) have produced during the 1984 crop year the commodity for which the advance loan is required.

"(c)(1) Except as provided in paragraph (2), the amount of an advance loan made to a producer of a commodity under this section shall equal one-third of the amount of the loan the Secretary determines the producer would otherwise be entitled to receive for such commodity under a section referred to in subsection (a).

"(2) The total amount of advanced loans a producer may receive under this section may not exceed $50,000.

"(d) The Secretary shall—

"(1) establish and carry out a program to make advance loans to producers in accordance with this section no later than thirty days after the date of the enactment of the Emergency Farm Credit Act of 1985; and

"(2) make or deny an advance loan to a producer no later than thirty days after receipt of an application for such loan.".

Mr. DIXON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEAHY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MARJORIE PALMER

Mr. LEAHY. Madam President, Vermonters know about Marjorie Palmer, who was recently named Vermont Farm Wife of the Year by the State Farm Bureau. I think the rest of the country should know about Marjorie too.

Marjorie has been operating a maple sugar operation for more than 40 years. She is a grandmother, and has been married for 50 years.

And I ask unanimous consent to enter into the CONGRESSIONAL RECORD this story about Mrs. Palmer and her family that appeared in the November 17, 1984 issue of the Burlington Free Press. It will not take long to discover that Marjorie Palmer is one sweet Vermonter.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MARJORIE PALMER—FARM WIFE OF THE YEAR SAYS SHE DIDN'T DESERVE IT, BUT THE RECORD SAYS OTHERWISE

(By Maggie Maurice)

HINESBURG—During World War II sugar was in short supply and each American was allotted so many coupons. For Marjorie Palmer then a resident of Burlington, they never seemed to stretch far enough for her family of four. Why not, she pondered, use that sugarhouse at the Palmer farm?

"How about sugaring?" she said to the neighboring farm wife.

"Do you know how?"

"No, but I can read."

That spring in the early 1940s, the two women tapped 1,400 trees.

Marjorie Palmer, wife of Loren, mother of three and grandmother of six, has operated the maple orchard every spring since.

On Nov. 1, she was named 1984 Vermont Farm Wife of the Year by the state Farm Bureau.

"Whether at home, at work, at church or in the community, she is an inspiration to everyone she meets," wrote Clark and Nancy Hinsdale of Charlotte, who nominated her.

"We are proud of our winner from Chittenden County," said Helen Lawrence, Farm Bureau member of Jericho. "She's a hard-working lady."

The winner was stunned.

"This whole thing I didn't deserve," she said after the announcement was made at the Vermont Farm Bureau convention at Lake Morey. "I'm not bashful, but I feel some of the young ones deserved it more."

Striving to explain her feelings, she continued, "I've gotten just as much out of every volunteer job I've ever had. It's rewarding to know I can do something and that some good is coming out of it."

The Palmers live on the road that connects Dorest Street and Vermont 116. The gray house up on a knoll has a maple syrup sign down by the drive, "the only maple syrup sign on the road," she says when giving directions. Although they've always owned the farm, they didn't move there until 20 years ago. Her husband is a retired funeral director.

"Thirty years we owned this place, hired a farmer and a second man," she said. "I always wanted to live in the country. Finally, I said, 'no one else is moving in here. I'm moving in.' "

The farmhouse has a long living room with windows looking out on Camel's Hump. The hall closet is stacked with Palmer's Maple Syrup. The 12 cats run and cavort outside (only Bigfoot is allowed in the house). Evidence of projects is everywhere. A gallon jar beside her chair holds nuts she is wiring for the church bazaar. The dining room is strung with dried herbs and flowers.

"I have some favorite napkins that say, 'The house is a mess but it's better than it usually is' " she has a big garden and has, at one time or another, raised pigs, sheep and calves, the maple syrup business is never completely forgotten. In the kitchen, there's Indian Sugar ("awfully good on hot cereal"), maple cream ("I use that to frost doughnuts,") and a tin of maple candies ("I need to make some more").

We urged her to tell us about the early years.

"We had a white horse, bought a sled just big enough for four milk cans. That's how we did it the first year. One would collect, the other boil," she said. "We went to Jim Marvin and Fred Taylor at UVM for advice.

"Then, I used mostly buckets. When I first sugared, I didn't tap that many trees. The people at the farm let me know when it was running. I had a snowmobile a number of years, went up to the sugarhouse in that. It's always been a fun thing for me. I enjoy it.

"How many days does the season run? Sometimes it's short and concentrated, others a little bit here, there. Mother Nature decides," she said.

Until 1972, she used wood for the stove and boiled all night by lantern.

"It's slower, wood is. We never boiled till more than midnight last year," she said. But then she built the sugarhouse down on the road, and added electricity and oil. The sign on the front says "Palmer's." Another sign on the door adds, "I live the fourth house toward Hinesburg."

No more buckets now. Before the sap starts running, she checks out the lines.

Last summer the Palmers had their 50th wedding anniversary. Their children, Lorelei Kjelleren of Wilmington, Del., Loren (Tinker) Palmer, who lives behind the sugarhouse up the hill, and David, who runs the main farm, wanted to give them a party.

"I said, 'we got more doodads and junk than we can ever get rid of, we don't need a party,' but they did anyway," she said. "They had a party at camp and ask people to bring pictures that would remind us of the way we were involved with the family. They were on display on the porch. Since then, we've looked at them over and over again."

Much has changed since the early days of the white horse and the sled. Syrup was $3 a gallon that first year; it's now $18. The old sugarhouse up the hill is in disrepair, even the smokestack is down. Somebody tore the door down, someone else shot out the windows. As far as Palmer is concerned, it's picturesque but that's all.

"Everybody has good times and sad ones," she said. "I walk up in the woods and think how lucky I am. When you're busy, you forget your aches and pains.

"The Lord has been good to us. My grandmother used to say, 'I can't leave you a lot of money but I can leave you good blood. Now keep it that way.' "

The last we saw, she was sweeping snow off the porch. Keeping it that way, just like her grandmother said.

LEE KAYHART

Mr. LEAHY. Madam President, I would like to share with my fellow Senators one of the greatest illustrations of individual courage and perseverance that I have ever witnessed in my native State of Vermont.

Let me tell you about Lee Kayhart, a 36-year-old farmer from West Addison and father of three children.

Lee lost both his arms in a farm accident about a year ago, and spent 3 months in a Boston hospital while doctors tried unsuccessfully to graft the limbs back on his body. Today, Lee and his wife Pat and the children are operating the 140-acre farm along the Lake Champlain shore.

Lee does some things with his teeth and feet that he used to accomplish with strong arms and hands. But he goes about his chores with an air of a man who feels happy just being alive.

On January 6, 1985, my home town newspaper, the Burlington Free Press, printed a story in its magazine section about this plucky Vermonter and his family.

If you would like to read more about a Vermonter that I am proud to know, I will send you the article.

It should serve as an inspiration to all of us. Residents of your States will be inspired by the accomplishments of this Vermonter, and his loving family.

GEORGE TAMES

Mr. LEAHY. Madam President, for years there has been a debate whether photography is an art form. Because of people like Ansel Adams and Henri Cartier-Bresson, people tend to realize photography can be an art form.

My good friend George Tames has proven photography is an art—in the hands of an artist. He is truly an artist recognized as such by people throughout the world.

So all can share the pride photographers feel about this unique person I ask unanimous consent that an article written about George Tames from the New York Times Sunday Magazine be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times Magazine, Oct. 14, 1984]

IMAGES

(By Francis X. Clines)

Long before George Tames aimed a camera, he first saw light idealized on the face of Franklin Delano Roosevelt. As a growing boy, he was ordered by his mother, Athena, a member of the Greek Orthodox faith, to light the night candle by the icon stand, where images of the Virgin Mother, St. George and St. Luke kept watch over the family. "One night, St. Luke was gone and Roosevelt was in his place," Tames recalls. "It was the Depression, and Roosevelt had become a saint."

Seven years later, at the age of 21, Tames, equipped with a 10th-grade education and a clear eye, finally saw Roosevelt's face in the flesh. For Time magazine, Tames took his first photographs of the President, trying to spare the tired leader some of the harshness of raw light and give him back that icon glow. "I had his declining years," Tames says, "from 1940 until his death, and in my mind he's still one of the saints. I always made sure he was in the right light."

Since that first exposure to the Oval Office more than four decades ago, George Tames has been adjusting the lighting on Presidents; his work spans 11 Presidential terms. "He's the champion," says Cornell Capa, a former Life photographer and director of the International Center of Photography. "He has had the crown for 40 years, and that's a long time to remain a champion." Tames joined The New York Times in 1945, and, over the years, the hallmark of his photography has been his ability to capture the intimate, unguarded moments that reveal the character of life in the capital. In this campaign season, so heavily influenced by media managers and contrived spontaneity, Tames's pictures of the powerful are refreshingly accessible. "He earned everybody's trust," says Capa, who covered Washington for a time himself. "He could just walk into somebody's office, say 'Hi,' and get the best picture. He beats everybody."

Tames admits he has been kindly toward all the Presidents he has photographed. "I owe that to the office, but I also owe that to the man," he says. The notion that the artist has an obligation to both the office and the subject summarizes Tames's method. He needs to see the humanity within the people of power before they can be convincingly photographed.

Undoubtedly, this perspective is related to his origin in Washington as the son of Greek-Albanian parents, one of seven children supported by a religious mother and an industrious father who hawked wares from a pushcart.

In a city of blimp-size egos, George Tames has remained unaffected, a natural. This is reflected in his most dramatic pictures of politicians. The power of his photographs, such as the one of John F. Kennedy leaning into the White House office shadows while working at "The Loneliest Job in the World," comes from patient watching, not melodramatic conjuring. In the case of the Kennedy picture, Tames, on duty in the White House, had observed that the President always left the doors to his office open and that, because of his injured back, Kennedy frequently worked standing up.

"I looked in and saw him standing and leaning forward over the table, with his weight on his arms while he read something," Tames recalls. "I went in and took two pictures that I deliberately underexposed. I wanted the blackness, the mood that I saw with my eye." As it turned out, what Kennedy was reading was the editorial page of Tames's own newspaper, and the President was frowning deeply. The impact of Tames's unposed picture is stunning and complex.

"I was trained in the Speed Graphic days, when you only had one frame," he says, appreciating the old knack of going after a single picture rather than rapidly spray-shooting exposures as is done today. "It was like the muzzleloading gun; if you missed it, your one shot was gone."

Working with little margin for error, Tames developed small tricks that have survived well into the modern era. He noticed, for example, that President Dwight D. Eisenhower had a slight hearing problem. If Tames mumbled to him, Eisenhower would react with a scowl of curiosity that skewed his cherubic smile into something especially revealing. "Ike would give that great surprised look and ask, 'What?' and, bang, I'd have the picture," Tames says, laughing.

During Watergate, when it was hard for many people in Washington to smile, Tames stumbled on a foolproof line. He would sidle up and whisper conspiratorially to a subject, "Would you mind if I took your picture with the very same camera I used to photograph Nixon?"

"They always smiled or laughed," the photographer recalls. "It was a ridiculous question, but it was just what they needed to hear."

Tames has made an art of disrupting the city's craving to stage-manage events. A 1961 "photo opportunity" with Vice President Nixon and a birthday cake was routine and lifeless to Tames's eye until he saw the smoke rise from the extinguished candles. "I popped it fast. That smoke had made something intimate of something ordinary."

One day every year photographers used to be invited to record the members of the Supreme Court robed and seated like mannequins. Tames decided to take a picture before they put on their masks, while the justices were chatting and smoking, waiting for the official picture. The result is disarmingly human.

"You've got to have your confidence," he explains of such singular moments. "You have to be on it. Otherwise you linger behind the action."

Over the years, Tames has discovered the difference between photographing politicians and taking pictures of his grandchildren. "Egos," he says. "You've got to bring out the egos of the powerful to make it believable, let them be what they are." Tames uses his liens chivalrously, taking particular care with lighting when he photographs women, for example, seeking a high light that will shadow the neck. He worries less about giving men a weathered look. But of all his subjects, he says: "They're human first, before anything else."

Tames's empathy might be traced in part to President Harry S. Truman, who, almost 40 years ago, freed the half-dozen news photographers who covered the White House then from the cramped room, dubbed "the doghouse," that served as their office. "There was no TV, no newsreel cameras around there then, and when Truman toured the White House one day and saw us there he became very upset," Tames recalls. "You know, he had a thing about the underdog, and he said, 'They're coming out of there and coming in my office like everyone else from now on.' Truman made firstclass citizens of us."

Perhaps it was gratitude on the part of the photographers that caused Truman's smiling face to appear so often before America. In turn, Truman expected object loyalty; he would call in "his" photographers to snap practically anything he demanded. According to Tames, he even chewed them out once when they balked at photographing an old World War I cronie who had no news value but whom Truman hoped to sneak into the daily prints.

Tames has the ability to reproduce the mannerisms of his favorite subjects, and one of his most poignant depictions is of the

moment he asked Truman what he did alone in the Oval Office when things got quiet or boring. "'I do this,'" he says Truman replied, taking a stack of photographs from a drawer and putting his signature on, one by one.

The pleasure of talking to Truman reinforced Tames's ideas about power being revealed through the commonplace. "Once I told him I had just come from the United Nations," Tames remembers, smiling at the image of the President suddenly treating him like the Secretary of State. "Old Truman leans back and says, 'Tell me, what the hell is going on up there?'" At the United Nations, Tames had first seen television used to cover a news event live, and he told Truman changes were in store for politicians. "Truman said, 'I can remember when a good politician had to be 75 percent ability and 25 percent actor, but I can well see the day when thece of stronger authority. "I learned that trick from Nixon," Kennedy told Tames, smiling.

Lyndon B. Johnson had a pharaoh's appetite for chiseling away at the edifice of the Presidency. "My God, his eye was on the sparrow. He knew everything that was going on, and detail did him in." Johnson would use the occasion of a handshake to get himself in position to be photographed from his best side, and he personally gleaned from each day's batch of photographs favorable ones to put in the Presidential archives. "He was working on his place in history every day, and a picture that didn't quite show him in the right way was as important to him as whether we bombed Vietnam."

As a photographer, Tames talks with ambivalence about controlling his emotions when covering some news events. His own tears don't help. "I had to stop what I was doing at Kennedy's funeral. I could not see." When an entire convention, after nominating Jimmy Carter for President, joined hands to sing "We Shall Overcome," Tames figured there was no harm in putting his camera aside to join briefly in the chain of humanity. Another hymn, "Jacob's Ladder," can make him dizzy with the memory of a night covering Martin Luther King Jr. down South.

"You see pictures every day, all the time," Tames says, as if his eye roves humanity constantly. "You watch light as it plays on people's faces. You know when the picture's there."

Some politicians seem to know a photographer's business as if it were their own. Nixon, he remembers, would take a quiet cue from the photo gallery and call over a nervous witness during anti-Communist hearings for a conference. Thus, he would compose that closeup picture that would make the front page. "He wanted to be one of the boys very badly," Tames says, "but I always had the feeling he tried too hard."

George Tames has a way of focusing events down to the level he needs to see, the human scale. "My father always told me that if you have just a single piece of silver, you can never feel poor in this world," he says, recalling the final photo he took of Vice President Spiro T. Agnew on Oct. 10, 1973, the day he resigned in disgrace. "I stopped on the way there and got a silver dollar, and when we shook hands I smiled and palmed it to him and he understood. I was not forgiving him, no no. But this was another human being," George Tames says.

Mr. LEAHY. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DIRECTION OF SENATE LEGAL COUNSEL IN CERTAIN MATTERS

Mr. DOLE. Madam President, I send to the desk a resolution on behalf of myself and the distinguished minority leader [Mr. BYRD] and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 69) to direct the Senate Legal Counsel to represent Senator Riegle and Senator Levin in *Lawrence Jasper & Family U.S.A. v. Federal National Mortgage Association, et al.*, Civil Action No. 83-2896DT.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Madam President, this resolution would direct the Senate legal counsel to provide representation for Senator RIEGLE and Senator LEVIN in response to subpoenas from the plaintiff in the case of Lawrence Jasper & Family U.S.A. versus Federal National Mortgage Association. This case is pending in the U.S. District Court for the Eastern District of Michigan and concerns the plaintiff's claim of housing discrimination against the Federal National Mortgage Association and a private mortgage company. Senators RIEGLE and LEVIN had received requests from the plaintiff for casework assistance prior to the commencement of this matter in the courts. The subpoenas seek both documents and testimony. If it is necessary to provide testimony, it is likely that this might be given by members of the Senators' staffs. Therefore, this resolution would authorize Senators RIEGLE and LEVIN and members of their staffs to produce documents and testify, if necessary, and would direct the Senate legal counsel to represent them and to assert any Senate privileges.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 69) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 69

Whereas, the case of *Lawrence Jasper & Family U.S.A. v. Federal National Mortgage Association, et al.*, Civil Action No. 83-2896DT, is pending in the United States District Court for the Eastern District of Michigan;

Whereas, plaintiff has served trial subpoenas for testimony and documents on Senators Donald W. Riegle, Jr., and Carl Levin;

Whereas, these subpoenas may be answerable by members of Senator Riegle's and Senator Levin's staffs;

Whereas, pursuant to section 703(a) and 704(a) of the Ethics in Government Act of 1978, 2 U.S.C. 288b(a) and 288c(a) (1982), the Senate may direct its counsel to represent members and employees of the Senate in civil actions relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that testimony of a member or an employee of the Senate is needful for use in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent Senator Riegle, Senator Levin and members of their respective staffs in the case of *Lawrence Jasper & Family U.S.A. v. Federal National Mortgage Association, et al.*

SEC. 2. That Senator Riegle and Senator Levin and members of their respective staffs whom they may designate are authorized to testify and to produce documents in the case of *Lawrence Jasper & Family U.S.A. v. Federal National Mortgage Association, et al.*, except when the Senators' attendance at the Senate is necessary for the performance of their legislative duties, and except concerning matters that they and the Senate Legal Counsel or his representative determine are privileged from disclosure.

ORDER FOR PRINTING OF STAFFORD AMENDMENT

Mr. DOLE. Madam President, I ask unanimous consent that amendment No. 7, offered by the Senator from Vermont [Mr. STAFFORD], be printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. DOLE. Madam President, does the distinguished Senator from Hawaii wish the floor?

Mr. MATSUNAGA. Yes, Madam President.

Mr. DOLE. Madam President, I yield the floor to the Senator from Hawaii [Mr. MATSUNAGA].

The PRESIDING OFFICER. The Senator from Hawaii.

OUR NEXT FRONTIER IS IN SPACE

Mr. MATSUNAGA. Madam President, last night, in his State of the Union Address, President Reagan recalled that "Proverbs tell us that without a vision the people perish." In this inspiring context, the President went on to declare his intention to "push on to new possibilities not only on Earth

but on the next frontier in space." I wholeheartedly applaud those words and the expansive sentiments they express.

It is in the same spirit that for the past 2½ years I have been advancing legislation meant to develop policies that recognize the new realities, the extraordinary new possibilities, opened to us by the space age. In my continuing effort, Madam President, yesterday, I reintroduced a joint resolution, Senate Joint Resolution 46, cosponsored by a bipartisan group of three Democrats and three Republicans, as an incremental step forward. The resolution introduced yesterday pertains to a distant planet that has fascinated the human species since our earliest ancestors first contemplated the heavens—Mars.

Some of my colleagues may wonder: Has the Senator from Hawaii lost his senses? Here the U.S. Senate convenes to address a veritable avalanche of pressing issues, and the Senator from Hawaii talks about Mars?

But Madam President, I believe we also have a duty to try to see beyond the cascading issues that engulf us daily, even while we are considering them. No one likes to be called a reactionary, but if we simply react to problems as they occur, what else are we? Too often, it seems harried policymakers only have time to consider the future when it has nothing to offer because the encroaching present has already violated its potential.

I do not accept that, Madam President. I do not believe the American people sent us legislators here only to respond to their immediate needs. I believe our constituents also hope that some day, perhaps, we will respond to their aspirations as well, and not merely by concluding our speeches with misty visions borrowed from greeting cards or uplifting quotes from folklore. The future is neither nostalgia nor a dream but an unfolding concrete reality, filled with promise, meant to be acted upon pragmatically now, with intelligence and imagination, by those of us who are entrusted with the responsibilities of government.

As the preambular clauses in Senate Joint Resolution 46 indicate, the prospect of another costly and wasteful space race with the Russians is anything but science fiction. At a Senate Foreign Relations Committee hearing last September 13, a panel of U.S. space scientists testified unanimously that the Russians were going to Mars, perhaps as early as the 1990's. The evidence is convincing. The Soviets' record-setting achievements in long duration flight—nearly 8 months, most recently—can only be justified as preparation for an interplanetary mission, since space stations, including the one we are planning, are most efficiently serviced by rotating crews; whereas missions to the Moon can be completed in a few days. Similarly, the heavy-lift launch vehicle the Soviets are developing, which vastly exceeds our capabilities, is a requisite building block for manned interplanetary exploration. Other indications, including an already-scheduled unmanned mission to the Mars moon Phobos, plans for high-powered nuclear rocket engines, and numerous other activities and pronouncements by officials of the Soviet Government, point in the same direction. Are we setting ourselves up for another sputnik? Many experts believe so.

We can, of course, wait characteristically until the last minute, then launch a crash program to beat the Soviets to Mars, at stupendous cost. And after that, Neptune? Pluto? The next galaxy? Even in the context of our self-perpetuating "real world" we cannot anticipate racing the Soviets into a cosmic infinity.

As the space age unfolds, it is generating new realities and new opportunities, unlike any heretofore imaginable. Cosmic is no metaphor out there. Only fantasists talk about riding through space, planting flags and defending trade routes with rocket ships. Realists recognize that the sheer immensity of space generates requirements for survival that, ultimately, will force the superpowers to cooperate. At a certain point, anything other than international exploration of the cosmos from our tiny planet will cease to make any sense at all. In our intense absorption with events of the moment, we have failed to recognize how close to that point we really are.

But before we can reach it, we must develop policies that respond to the unfolding realities of the space age, that move out to meet it on its own uniquely promising terms. Without such policies, earthbound civilization can only wind up recoiling upon itself. It is not often remarked, Mr. President, that the space weapons systems currently under development will reach scarcely above the atmosphere. Regardless of their merits, those systems are irrelevant to the challenge of space exploration. For that compelling reason alone, it is in our interest to develop a separate track for international space exploration, even as we negotiate with the Soviets at Geneva and strengthen our defenses at home. It would permit us to test a new context for political action without letting down our guard in the context which currently prevails. As it happens, the planet Mars offers an initial guiding step in that direction.

Toward the end of this decade, an unusual convergence in space exploration will occur. In 1988, the U.S.S.R. will launch an unmanned scientific mission to the Mars moon Phobos. In 1990, the United States will launch its Mars geochemical/climatology orbiter. It makes no sense not to coordinate the two scheduled missions, so as to insure maximum scientific return. But, due to long leadtimes for such activities, meaningful cooperation cannot be achieved unless action is taken within the next few months. Senate Joint Resolution 46 proposes that the President direct the Administrator of NASA to explore the opportunities for coordinating the two Mars missions while there is still time, in the context of the administration's committed effort to renew the U.S.-U.S.S.R. space cooperation agreement in accordance with legislation the President signed last October 30. Due to the time sensitiveness and the technical complexities involved, it is entirely fitting that NASA take on this responsibility, in consultation with the Department of State. Coordinating the 1988 and 1990 Mars missions—which would require no technology transfer on either side—represents an opportunity that deserves the highest priority. Among other things, it could open the way to a wider range of cooperative activities in other areas of space science, such as solar-terrestrial physics, astrophysics and plasma physics. And, of course, it would set the stage for further collaboration in the exploration of Mars.

With the preceding in mind, Senate Joint Resolution 46 also proposes that NASA prepare a report examining the opportunities for joint East-West Mars-related activities, including an unmanned sample return and all other activities that might contribute to an international manned mission to Mars, perhaps at the turn of the century. I should point out that Mars contingency planning is nothing new at NASA. Senate Joint Resolution 46 notes that the orginal target of American space planners was the planet Mars—not the Moon, which the White House decided upon for political reasons—and that Mars was subsequently advanced as a logical followup to the Apollo Moon Program, but this time it was rejected for budgetary reasons. Designs for Mars missions have been percolating on NASA's backburners for 25 years. I understand that even now NASA may be gearing up for yet another manned Mars mission study, in keeping with the President's admirable intention to establish goals beyond the space station that "will carry us well into the next century." In effect, Senate Joint Resolution 46 suggests that such a study also encompass the possibilities for international cooperation, so we can at least consider that option alongside the alternative of an absurdly wasteful U.S.-U.S.S.R. race to Mars, while we still have a choice.

In sum, Madam President, my resolution does two things. On the one hand, it urges policymakers to exploit an immediate opportunity for space

cooperation. On the other hand, it casts that opportunity in the context of requirements generated by an almost unimaginably expansive new age which promises to render many aspects of current thought and action obsolete, if we manage to keep human civilization intact long enough to enter it. I hope we will devote greater consideration to devising ways to take advantage of those uniquely promising opportunities on the horizon, even as we now stand on the brink. If successful, we will earn the gratitude of future generations—indeed, of whole new worlds.

Madam President, we can only conclude that the U.S. Congress has a duty to include in its deliberations the joint cooperative exploration of space, beginning with the planet Mars.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGREEMENT ON CLASS A COMMITTEES

Mr. DOLE. Madam President, I just wanted to announce—and I have the concurrence of the distinguished minority leader, Senator BYRD—that we think we have reached an agreement on class A committees. There would be a 214 base, 115 Republican slots and 99 Democrat slots. I am not now prepared to announce the ratios, but I thank my distinguished colleague, Senator BYRD, and others on the Democratic Steering Committee as well as Senator MATTINGLY, the chairman of the Committee on Committees, Senator QUAYLE, Senator CHAFEE, and others on our side. It is our hope that we can approve the resolution on committees on February 19. It is fair to say that this solution is not entirely satisfactory to either side, but it is one that has been arrived at after a number of meetings by Republicans and Democrats. Again I thank my distinguished colleague from Georgia [Mr. MATTINGLY], who has spent I do not know how many hours trying to work this out, and the distinguished minority leader, Senator BYRD.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

IRAN: A TERRORIST STATE

Mr. HELMS. Madam President, a few days ago President Reagan warned of a new danger facing the free world in Central America. According to President Reagan—and I fully agree with him—that danger is being fueled by the support for the Sandinista dictatorship in Nicaragua by the Khomeini dictatorship in Iran.

The American people should be greatful to President Reagan for his forthright warning about the dangers to all of us in the free world posed by the Khomeini regime. In 1983, the Department of State described Khomeini's so-called Islamic Republic as a terrorist state. Iran's subsequent actions have only served to confirm the accuracy of that description.

Recently, the Times of London broke a story detailing the establishment of a special military unit in Iran to recruit and to train suicide squads for terrorist missions outside of Iran. The French weekly magazine VSD published in Paris last fall published a major exposé of the inner workings of this type of terrorist structure that Khomeini is creating.

Madam President, I ask unanimous consent that the article from the Times of London of January 16, 1984 entitled "Khomeini Approves Suicide Hit Squad" be printed in the RECORD at the end of my remarks as exhibit 1.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 1.)

Mr. HELMS. Madam President, I ask unanimous consent that a translation of the top secret Iranian document quoted by the Times of London be printed in the RECORD at the end of my remarks as exhibit 2.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 2.)

Mr. HELMS. Madam President, I ask unanimous consent that the article from the French weekly VSD by Philippe Bernet entitled "Two Billion Francs in Arms For Khomeini" be printed in the RECORD at the end of my remarks as exhibit 3.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 3.)

EXHIBIT 1

KHOMEINI APPROVES SUICIDE HIT-SQUAD

(By Our Foreign Staff)

Iran has set up a special military unit to recruit and train suicide squads to carry out terrorist operations in countries opposed to Ayatollah Khomeini's Islamic republic, according to documents obtained by an Iranian opposition movement and supplied to *The Times*.

Saudi Arabia, Kuwait, the United Arab Emirates, Jordan and France are named as prime targets of the unit, which is called the "independent brigade of irregular warfare in enemy territories".

A leading figure behind the creation of the new unit is said to be Mr. Husain Musawi, leader of the Islamic Jihad organization, which has claimed responsibility for suicide attacks in the past three years on American and French establishments in Beirut and Kuwait.

According to the documents, the secondment is being requested of specialized military instructors who should be under 30 years old, preferably bachelors and who "must be completely committed to martyrdom".

One of the documents is an invitation, dated May 19, 1984, from the Minister of Islamic Guidance, Ayatollah Muhammad Khatami, to 12 ministers, military commanders, heads of department and Ayatollah Baqer Hakim, a pro-Iranian Iraqi Shiite clergyman who leads the self-styled Supreme Assembly of the Islamic Revolution of Iraq in Iran, to attend a meeting at Ayatollah Khatami's office a week later.

The second document purports to be minutes of the meeting, though it only records the introductory speeches of the ayatollah and a mysterious figure referred to by the code name of Mirhashem.

"All your eminences here are fully acquainted with his face," Ayatollah Khatami said in the minutes, "but for the sake of prudence, let us refer to him as brother Mirhashem."

A spokesman for the London office of Dr. Shahpur Bakhtiar, the former Iranian prime minister, whose National Movement of the Iranian Resistance has acquired the documents, said the mystery man was Mr. Musawi.

He is Iranian by upbringing and nationality, though he has for some time been based in northern Lebanon.

Ayatollah Khatami said he and Mirhashem first took their plans for the suicide squads to Ayatollah Khomeini on May 14 and gained his approval immediately. "Whatever is necessary to destroy them must be done," Ayotallah Khomeini is reported to have said.

Ayatollah Khatami added that the plans, to be examined later by the meeting, were more than 200 pages long. Perhaps this, together with Ayatollah Khomeini's alleged approval of it, explains why the minutes do not contain any suggested amendments from the others present, though they included the Minister of Foreign Affairs, or one of his senior aides, and all the top commanders of the armed forces.

According to the Ayatollah, the unit was to be built around the nucleus of "a few groups of 10 to 20 people each who are currently serving in Labanon". Though officially a secret branch of the Revolutionary Guards or one of the other armed forces, "to avoid any legal difficulties" it would act independently and report directly to the Supreme Commander, Ayatollah Khomeini.

The meeting was then briefed by Mirhashem, who referred to the Lebanese groups under his command as being "known to the outside world as suicide groups". He said his organization had been "assisted by five Muslim brothers of occupied Palestine who have for many years served in the army of the occupiers of Jerusalem and who will be making all their knowledge available to us".

Mirhashem complained, however, that the increased vigilance of the Arab countries in the region, and the inadequacy of the military training of his men had rendered Iran unable to topple the government's opposed to it "except by blows brought to bear from within".

He requested that specialized instructors from the armed forces be seconded to his organizations by July 1, and some 1,500 to

2,000 men under 30 and preferably bachelors, be introduced by July 23. "They must be completely committed to martyrdom."

He also requested cooperation from the Foreign Ministry to send abroad, in the guise of military attachés, his intelligence agents. Other requests included a secure, isolated base for training the men, and facilities for teaching them to pilot light aircraft and naval vessels.

Mirhashem enumerated his targets as a first tier of Saudi Arabia, Kuwait, the United Arab Emirates and Bahrain, a second tier of Jordan, and the third tier of France and "any other countries that might oppose the Islamic Republic."

He said it would take at least until the next summer before his men would be able to go into action, and he feared the possibility of a lull in their activities in the meantime.

EXHIBIT 2

TOP SECRET

Subject: Creation of an independent brigade for carrying out unconventional warfare in enemy territory.

In the process of obeying the orders of His Eminence . . . Ayatollah Imam Khomeini . . . , the great leader of our revolution, and the founder of the Islamic Republic, which were given in handwriting, I would be pleased if you attended a meeting at the building of the Ministry of Islamic Guidance on 5/3/1363 (26 May 1984) at 1600 hours. Should Your Excellencies presence for some reason not be possible, then one of your deputies or, otherwise, one of your senior responsible staff with full powers of authority on your behalf should attend the meeting, and his name, qualifications and title should be relayed 48 hours before the meeting.

Signed on behalf of the Minister of National Guidance.

Seyed Mohammed Khatami.

List of recipients of the memorandum

Chief of the Joint Staff of the Islamic Republic Armed Forces.

Representative of the Iman in the Supreme Defence Council.

Commander of the Revolutionary Guards of the Islamic Republic.

Commander of the Ground Forces of the Islamic Republic.

Commander of the Air Force of the Islamic Republic.

Commander of the Navy of the Islamic Republic.

Chief of the G2 Section of the Joint Chiefs of Staff.

Chiefs of the Political-Ideological Offices of the various forces.

Chiefs of the Islamic Committees (Head of the combattant clergy organisation).

The Representative of the Iman in Haj.

Minister for Foreign Affairs of the Islamic Republic.

Hojat-Ol-Islam, Mohammed Baquir Hakim (Islamic Revolution of our brother country, Iraq).

Official proceedings concerning the creation of an independent brigade for carrying out unconventional warfare in enemy territory

The meeting commenced with the speech of His Eminence, Ayatollah Khatami, the Minister of Islamic Guidance, who said the following:

"In the name of God, the Merciful, the Compassionate, dear Brothers, I wish to welcome you on behalf of the International Islamic Movements Organisation, and to explain in brief why this meeting has been called. On 24th of "Ordibehesht", I, accompanied by the Head of this movement (Islamic World Organisation) were received by our beloved leader to whom we presented our progress report. His Eminence, the Iman, expressed dissatisfaction with the behaviour of the leaders of the sheikdoms of the Persian Gulf and of the Saudi regime. Of course, he was not pleased either with others who pretend to be leaders of Islamic nations. After moments of silence which were evidence of his deepfelt anxiety and dissatisfaction, His Eminence in his usual style of firmness concerning all living matters made certain comments which are as follows:

"From the beginning of the revolution, we have had many enemies, but our expectations from Muslims was something else. Unfortunately, all the rulers of Islamic countries are servants of foreigners and instead of learnings from our advice and being in step with us in the direction of Islam and the Islamic "Ummah", they have chosen the path of hostility and have acted in the same fashion they acted with the prophet (Mohammed) at the dawn of the Islamic period, and have consequently stepped on all the laws and traditions of the Koran and have left the entire Islamic heritage in the hands of the foreigners—first of all Sadam (Hussein, President of the Iraqi Republic) began to fight against Islam. Although his situation is near termination, these poor people are also sinking in the well with him; by this I mean the reactionary rulers of Arabia who also consider themselves the guardians of the Holy Shrines, and others, Kuwait, etc. These people think that because their bosses are Russians or Americans that they can by strong guns and tanks face the Iranian Ummah which has given so many martyrs. The destiny of the Shah, Sadam and their bosses, America, has not been a lesson to them. Now, it is up to them. we have a heavy responsibility in the face of the Koran, His Holiness, the Great Mohammed (the Prophet) and Islam. We have to spread Islam everywhere, and in this path we have given a great deal of blood, and we will give more until, with the help of god, Islam becomes victorious. You should act according to your religious duties. Whatever is necessary to destroy them must be carried out. There is no longer any time for talk and advice. That's it." (end of Khomeini's comments).

The Minister for National Guidance continued:

"Our brothers are aware that for four full years we have been at war with Sadam (Hussein, President of the Iraqi Republic), and we have borne a lot of suffering, and until such time as we have destroyed him and liberated our brother Iraqi nation, we cannot stop. On the other hand, all the forces of world oppression have united against this righteousness and have begun to pull the strings of their puppets everywhere to damage our glorious revolution. Inside, groups which have sold themselves, and outside, countries like Iraq. Therefore, based on what has been said, we are encircled by such an enormous satanic force and we must accept this truth, that apart from fighting this imposed war we face thousands of other internal and external problems. Apart from this, as indicated by our beloved leader, we have a heavy duty toward Islam and as such we must prepare ourselves to face the challenges of any enemy until such time as we have carried out the wishes of our leader and our "martyr-raising" Ummah, and we have liberated all Islamic countries from the yoke of corrupt and reactionary rulers. Therefore, because of the present difficulties which have been mentioned, it is not possible for us to directly confront this enormous force that is supported by the super powers, based on a plan that has been prepared in almost 200 pages and on which you will be subsequently informed, it has been decided that the strike-force which at present is composed of a few groups of 10-20 people each, who are currently serving in the Lebanon, should be increased to the size of a brigade.

This force, for security reasons, and for the purposes of making sure that legal impediments do not delay its formation, will be formed under the aegis of either the Revolutionary Guards or the Armed Forces. Of course, the decision in this respect will rest with His Eminence, the Leader. At this time, we are concerned with its creation. This force will act independently and will present all its reports directly to the Commander in Chief. Because the carrying out of this plan required the assistance of all revolutionary organs, the matter was presented to His Eminence in that initial meeting, and he accepted the proposal. What has been said has been a brief introduction, and now we will enter the main substance and I shall pass the platform to Brother "Mirhashem", who is responsible for this organisation. Of course, all present here are fully familiar with his (Mirhashem's) features; however, please allow for prudence-sake that we refer to him as "Mirhashem". [Pseudonym for Hossein Mossavi]."

Brother Mirhashem thanked His Eminence, Ayatollah Khatami and all respected people present.

"From what was said at the beginning, there was some reference made to the creation of brigade. For the information of all present, I must say that we have at present a number of dedicated groups who are ready for action and who have, to the outside world become known as suicide groups. These groups have already performed certain actions. But since regional reactionary forces out of fear from the Islamic Revolution and the hard blows of the fighters of Islam, with each passing day under different pretexts are perparing themselves more and more, and this in itself is a big threat for the continuation of the revolution, these groups that we have are by themselves inadequate. Also, the personnel in these groups are commited only because of their beliefs for which they are ready to do anything, but they lack warfare experience. Therefore, the personnel of this brigade must from the point of view of military combat experience be of a very high echelon. If we wish to commence this task from the beginning, that is from the training stages, by the time that we can prepare such people for utilisation at least one year will have elapsed, and this is something that will create an interlude in our activities and will award our enemies more time. Therefore, it has been decided to select dedicated religious and fully commited candidates from all combat (Nahad) organisations so as to prevent any interlude in the continuation of our operational activities.

For the purposes of dealing with the main substance, I will list our requirements for you so that all brothers present will be informed of the boundaries of their duties and contributions towards the creation of this brigade. It is pertinent here that I should remind all that as indicated in the invitation memo the name of this brigade is

for carrying out unconventional warfare in-enemy territory. To commence operations and confrontations we must have excuses. Therefore, we must begin by propaganda—and here this is the responsibility of the combattant clergy organisation and the Friday Mosque prayer leaders (throughout the country) who must in the course of their political-religious sermons propose the plan that the administration of the Holy Shrines belongs to all Muslims in the world and must be controlled through a trusteeship consisting of all Islamic countries, and also the question of renovating other religious shrines and building for which I have no specific knowledge. I refer only to the heading which is in line with the wishes of His Eminence the Imam, and the Friday prayer leaders are more than capable of dealing with the substance of these headings.

Second, propaganda and operations during the month of the Holy Pilgrimage which Hojat-Ol-Islam Moussavi Khoiniha, who is himself both a contributor to the original plan and an operator as well. If necessary, he can say a few words concerning the operational plan for Haj.

Third, the combat structure of the brigade which must be ready for operation in the waters, airspace and territory of the enemy.

A. At this time, we request the commanders of the various forces (Revolutionary Guards and the three regular forces) to introduce dedicated and religiously committed qualified candidates to the temporary staff of this brigade. These people must have obtained a high school diploma and must have participated in the four year war (with Iraq). They must not be more than 30 years old, preferably bachelors. Their candidature must be approved by the political-ideological offices and these people must be introduced no later than the end of the month of "Tir" (20 July). I underline that these people must in the course of their total commitment to the path of Islam place no value on their life, and must be totally committed to martyrdom.

B. To train these personnel, it is necessary to have the services of officers and non-commissioned officers specialising in partisan warfare (ground forces). His Eminence, our leader, has agreed that should we at present be faced with a shortage of such people, we can invite former officers and NCOs with these qualifications to return to work. In this respect, if necessary, our military attaches in foreign countries can prepare such invitations for military people who are, for whatever reason, living abroad, and they can give them whatever assurances that are necessary. The only point concerning personnel living abroad is that care must be taken that no recommendation be made of people who have acted in a hostile way towards the Islamic regime. Unlike combat personnel, there is no age criterial for these specialised trainers.

C. Specialised officers and NCOs for training people for naval activities—according to the information given by the Navy in the past and at present. were in possession of a strikeforce which might still exist, personnel from this structure are also required by the brigade. If faced with a shortage of such personnel, the above instructions are also applicable in this case.

D. For training in the art of piloting light aircraft, it is essential that we introduce certain candidates to the Airforce. It would be better if the Airforce can create a training centre outside its present bases for it would be more secure. In this regard, more will be said later.

Another thing which is required is combat information, that is airforce intelligence, naval intelligence and ground force intelligence. For this, whatever information which at present is available concerning enemy territory within the various intelligence units of the forces must be made available to the temporary intelligence, and more intelligence officers should be sent to the countries under consideration, under the umbrella of the military attachés office. In this respect, I repeat once again the same proceedures as those applicable to specialized officers and NCOs are to be followed, and in this regard, utilization can be made of former Savak agents and the counter intelligence files of Savak. Here, I have a very important and secret matter to divulge, and that is that so far our organization has been assisted by five Muslim brothers of occupied Palestine who, for many years have served in "the Army of the occupiers of Qods" (Israeli Army), and in the future they will be making all their knowledge available to us.

The target countries are as follows. The first tier is Saudi Arabia, Kuwait, United Arab Emirates and Bahrain. The second tier is Hashamite Jordan. The third tier is as needs be, France and other countries who will try and confront the Islamic Republic.

Our brothers are informed and as stated, know that the reactionary forces of the region with each passing day, either out of fear or for reasons of dependence on the super powers, are arming themselves to the teeth, which is not to the advantage of the Islamic Republic of Iran, and there is no way that we can bring them to their knees unless we are able to inflict relentless blows on them from within. That is, to neutralize them at every step. Here it is necessary that I give a word of caution, that to obtain information from enemy territory you should select and introduce officers who once they have completed their observations and have submitted their reports, do not omit the slightest bit of information which might be of intelligence value.

With regard to Iraq, with the assistance of the 12th Imam, the Sadam (Hussein, President of Iraqi Republic) regime is gasping its final breath, for operations inside Iraq the political organisation which has been through the tireless efforts of the son of Ayatollah Hakim and other brothers is capable of exercising great strength, and in the not too distant future they will enter into operation.

The final request of this organisation is that the Ministry of Foreign Affairs ensure that the fullest cooperation is given to all personnel who are to sent by the organisation abroad (to ensure that they can proceed without delay etc.).

And finally, before I end, I wish to remind you that all specialised and intelligence personnel unlike ordinary personnel must be introduced no later than the 10th day of "Tir" (1 July) so that there is no interlude in our activities.

Concerning the number of personnel to be introduced, outside the meeting certain questions were asked to which I must respond in this fashion, that apart from the command and HQ staff, the ordinary personnel introduced must number between 1500 and 2000, so that proper selection (taking into consideration ideological, combat and other credentials) can be made. There is no objection if the number of candidates exceeds the allocated amount. The other matter is that for forthcoming meetings either for exchange of opinion or for analysing the plan between the various organisations present in this meeting, without resorting to writing, each organisation must introduce a responsible person no later than the 10th day of "Khordad" (31 May)

I have nothing else to say."

Closing remarks by Ayatollah Khatami.

"With repeated thanks to all those present, I request that should any proposals for the further strengthening of this brigade come to anyone's mind, they be submitted in writing by the chosen candidate who will deliver it by hand so that they can be utilised.

Also, since the above proceedings will appear on paper from a cassette disk, I would be grateful if it was accepted that all irrelevant discussions be omitted. If there are no more comments in this regard, we can end the meeting."

The meeting ended at 2400 hours, and this record of the proceedings, after the omission of unnecessary items from the tape was prepared and is certified by all of us.

The Secretary (signature)

The Head of the International Islamic Movement's organisation "Mirhashem"

EXHIBIT 3

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC.

Source: V.S.D. September 5, 1984 (Paris) pp. 7-9.

TWO BILLION FRANCS IN ARMS FOR KHOMEINI

(By Philippe Bernert)

This is the secret tale of six mullahs sent by Teheran with all the treasure from the Iranian war to buy ultrasophisticated materials which was supposed to assure the imam's victory over Iraq and all the other "satans of the world."

More than 20 billion dollars, nearly 200 billion of our francs, constitutes the fabulous budget which the authorities in Teheran have put at the disposal of their arms buyers in order to make ready, under the best possible conditions, the ultimate offensive against Iraq, which has been put off since June and scheduled for September or October. Placed in bank accounts at the Credit Suisse in Zurich, the Union de Banques Suisses in Geneva, and the Midland Bank of London, this gold mine has been put in the care of six mullahs working exclusively for the pasdarans (Guardians of the Revolution), the toughest forces in the regime.

That's what it is, this great development within the Islamic State. Having no more confidence in what remains of the army, navy, and air force inherited from the Shah's time, the ayatollahs are building new armed forces, composed exclusively of fanatic volunteers. Just as Nazi leaders towards the end of World War II, preferred more and more to have the totally committed SS behind Hitler and Himmler, rather than the Wehrmacht.

So in Teheran they have decided to obtain truly modern military equipment for the pasdarans. Although up to the present time the Guardians of the Revolution have only had carbines, now they will be given planes, tanks, and some sophisticated missiles. Since they don't know how to use these things, they are being recruited from among those elements in the traditional army who are closest to the revolution, the instructors and the interim officers. In order to speed up the technical training of these pasdar-

ans, training is being carried out as fast as possible.

"This is how I learned to my amazement," tells us a former commander of the Iranian air force, Houshang Mortezai, "that the pupils I had been training on a Cessna, were getting their fighter pilot's license after a hundred hours of flight time, when sometimes a thousand hours are required to become a good fighter pilot."

The objective which the clergy has set itself is to give to the pasdarans, and only to them, the means of winning the war against Iraq. Then, to eliminate the last vestiges of the traditional army and to make this new pasdaran military and religious striking force the spearhead of future battles and conquests. This is probably why the purchasing committees of the Iranian army, under the management of Colonel Azizi, are no longer looked upon with favor in Teheran. They have been short-circuited by some striking personalities who are being talked about in London, Paris, Geneva and Milan:

"They are obtuse, with one obsession: get the very best equipment, the stuff which is usually under embargo. They are incredibly tough businessmen, demanding to inspect the merchandise, refusing to pay until the equipment is delivered in Iran itself. It is true that they have been burned by unscrupulous businessmen who often kept their money for themselves . . ."

At the head of this small group of mullahs purchasing armaments in the West, is a certain Vahed, who is close to the Libyans (he was seen in Tripoli on or about last August 10). A kind of chief comptroller, Vahed is supported by a mullah in charge of the navy, Teymoury, and another, an aviation specialist, Sadeghi. Completing the commando group: one of Khomeini's nephews who is often seen in Paris, another mullah, Sadeh, who often travels in the Scandanavian countries, and a certain person by the name of Ghafemi. Traveling all over the world, carrying new diplomatic passports on each one of their visits, with correspondents throughout the world at their disposal, making blitz appearances, in Argentina, certain African countries, and even the United States, these six members of clergy are spending billions and creating the new pasdaran army.

"They don't buy just anything" one of their correspondents told us in London. "In small select meetings they will announce to you in scathing tones that they are not interested in buying yet another oil tanker for the Gulf. They are interested in political targets. They want to destroy their enemy's economic potential, get to him in his palaces, in the heart of his cities." A terrorist war, that's the pasdaran password. This is why they are increasing their kamikaze units, both in the navy and in the air force.

It is because of this new form of war that the six mullahs are trying to buy very specific kinds of materiel. Just a few months ago they were hoping to get some Exocets from the French government, putting forth the political context as an argument:

"We know that you have been selling equipment to our enemy, Iraq," they said in Paris. "But if you deliver some to us as well, you will reestablish the equilibrium a bit. You will erase some of the unpleasant effects of your decisions and we will be able to consider some detente in our relations."

Paris did not refuse and, for a moment, there was even a question of having a demonstration of the famous AM-39, the air-sea Exocet, for the mullahs. But the situation soured and the mullahs decided to buy Exocet's American rival, the Harpoon. They needed two different models: the sea-sea Harpoon to equip the very few Cherbourg patrol boats which are still in shape to function in the Gulf, and which are desperately short of munitions. And they want the air-sea Harpoon AGM 84-A, which is installed on combat planes or helicopters. But, as it happens, these missiles, which are manufactured by the American company McDonnell Douglas, are under embargo. And Washington expressly forbids selling them to Iranians.

How to get around this difficulty? By getting the Harpoon from another country that can get them from the United States with no difficulty and no limitations. This is why the mullahs have entered into intimate business relations with Argentina. Buenos Aires does the buying. And, using certain front companies set up in Switzerland by the vice-president of an important Western armaments business as a go-between, this highly sensitive equipment is sent off to Teheran.

In order to make efficient use of the new air-sea Harpoons, the Iranians, who now have only an antiquated air force, would need American F5s. Another commodity prohibited by Washington. No problem. Again with the help of billions, the mullahs, they say, have succeeded in obtaining some from Argentina. And perhaps also with Israel as go-between, since Israel can get this type of plane from the United States with a simple telephone call. But the Teheran regime will have no lack of airplanes for its final offensive, as they are supposed to be about to receive, via a Third World country, Soviet MIG 21s.

But even more than on a new air force, the mullahs are betting on equipment intended for suicide sailors and pilots. In Sweden they have ordered 60 small, swift patrol boats. Each one of these, stuffed with a tonne of explosives, could be aimed at either a civilian or a military objective, right in the middle of a port, for example, and cause an explosion with appalling damage. It's just that the mullahs consider the Volvo motors on these units too small, and they are trying to find, on Formosa, 10-11 meter long torpedo patrol boats, which are faster.

But they are really counting on flattening the enemy from the air with single-engine planes which have been turned into flying bombs piloted by kamikazes trained in North Korea. One of these suicide flyers, Houshang Mortezai, whom we met in London, told us the following story:

"Just six weeks ago I still belonged to one of the kamikaze units of the new Iranian terrorist army. I was a commander in the Imperial Air Force, arrested and deported after the revolution but brought back by the mullahs, who needed instructors, and who tested my religious convictions. I was selected along with 32 other pilots to undergo training in Won-San, North Korea during 1982 using single-engine Swiss Pilatus planes. We hedgehopped touching particular tree branches, and flew under bridges, and they had us do the most unbelievable somersaults. That was where, during training, we had our first two deaths. There were others after that . . ."

Successfully ingratiating himself with the mullahs, demoted from his rank as imperial officer, but reintegrated into the new army with the rank of sergeant, Hushang Mortezai had only one idea: to get out.

"I had to wait for just the right moment, which wasn't easy," he told us. "I had to keep an eye on two student pilots, and I was being watched by another guy. Finally we had this mission to the mouth of the Hormuz Straits. Our group had to take four machines to the two important Iranian bases in the region, to Bandar Abbas and Bandar Lengeh. No one had told us beforehand about the change. Taking advantage of a moment's inattention by the head of the patrol, I took a sharp, 90° turn to my right, straight west. It was all so fast, so intuitive on my part, that I didn't even think, I just took off. Twenty-five minutes later, the longest of my life, I landed on the other side of the Gulf, at Sharjah, with all my lights out. The alert had been sent out, but the pursuing Iranians were unable to catch me. Everything that happened was split-second timing . . ."

When the authorities of the small emirate of Sharjah undertook to inspect the plane, they were stunned. They found, well-hidden, 11 cases of dynamite and some highly explosive materials, enough to blow up a port or a city.

"Looking back, I break out into cold sweats," Hushang Mortezai told us. "I knew one day they would put me in command of some boobytrap to go rain death and destruction on Iraq, or somewhere else. That's just exactly what I wanted to avoid, but I didn't know that they had already filled the planes that we were ordered to take to the southwest of the country with dynamite. Why to Hormuz? Doubtless to dive on the American fleet some day."

When he was interrogated by Western authorities, Hushang Mortezai made no attempt to conceal what civilian targets he and his kamikaze comrades were being trained for:

"In order of importance," he explained, "the president's palace in Baghdad, which we could have reached with our eyes closed, since we'd made so many flight simulations for this high-priority target. Then came the Iraqi Parliament, then the armed forces' general headquarters, the Iraqi staff headquarters, the nuclear power plant at Tammuz, the oil-producing centers of the north, the complexes at Bassorah and Fao. My own orders carried the name Kirkouk, the most important oil-producing city in Northern Iraq. I know that there were other targets, outside Iraq, destined for disintegration by our kamikaze planes: all the Arab Gulf States, from Kuwait to Oman, for starters. Although I was able to hide my intention to flee someday, I must tell you that my comrades are one-hundred-percent fanatics. They are preparing to make their strikes and nothing will stop them. All I needed was to look at the reactions of uncontrollable joy after the attacks against the French and the Americans in Beirut last year. . ."

How many of them are there, these men who are willing to risk someday unleasing the deadly fire from the sky? According to Hushang Mortezai there are still 20 of his "first-grade" comrades left. They are to be reinforced shortly by two dozen other volunteer pilots who are now completing their training in North Korea. Will they have the aircraft to complete their mission?

"The unbelievable part about it," a Swiss armaments official told us, "is that we are giving them the means to do this. At first, the mullahs wanted to buy their little flying bombs in France. Single-engines, not in the least designed for terrorism, and built by a little company near Bernay, in the Eure. Since they didn't get what they wanted, the Iranians fell back on the Pilatus PC 7, a single engine meant for agricultural use, for

spraying the vineyards and treating the fields with pesticides. These aircraft are versatile, easily maneuverable, fast and economical. Just exactly what the mullahs need for installing explosive charges for terrorist purposes.

"And," continues our Helvetian, sincere and disillusioned, "you probably won't believe this, but we are furnishing them, quasi-officially, here in the land of Dunant and the Red Cross, with the potential to launch the most frightful terroristic operations. The small Pilatus company of Stans, near Lucerne, using as a go-between one of the first-rate front companies which pullulate on Confederation territory, has already supplied Iran with a dozen of these single-engines.

The mullahs have asked for sixty. Another convoy has just left . . ."

Taking a very strange route. A shipment of Pilatus PC 7 components left Stans, heading by truck and by rail toward Milan via the St. Gothard Tunnel. There, a company by the name of Contraves which specializes in anti-aircraft materiel, assembled the aircraft, transforming the peaceable agricultural machines into instruments of combat. The Swiss military pilots delivered the Pilatuses directly to Teheran, making a stop in Turkey. This is because one of the established rules of the very rich and stubborn clerical arms merchants expressly stipulates:

"We only pay for merchandise delivered to the spot."

This whole affair of the Pilatuses delivered up to the terrorist bulimia is creating quite a scandal in Switzerland at the present time. But this little storm is nothing in comparison to the one that would come up if the whole West were to discover just exactly how much the neutral countries are helping the Iranian pasdarans procure the most sophisticated weapons for the most fanatic and pitiless of armies.

As long as they had no real means of fighting against the Iraqis, the pasdarans sent tens of thousands of children to their deaths, children who went off to jump on mines so they could win paradise. These weapons are being sold to them right now, in spite of all embargoes and prohibitions. Confronted with the powerful Iraqi artillery, they needed cannon. They have just received 105a and 155a from South Africa. Why would the land of apartheid come to the aid of an ultra-terrorist country which would try to destroy it later?

"For the money," replies an American arms specialist coldly. "We are under no illusions on that score."

As for the Chinese, they have delivered to Iran, via an intermediary country, 10,000 RPG 7 missile launchers, a Soviet model modified by Peking. The suppliers did not include the sights which are standard equipment on the things. But the Iranians managed somehow to buy the requisite number of sights elsewhere.

"Does anybody realize the enormous size of that order?" comments an American specialist who told us of the fact. "An incredible instrument of death has been supplied to these pasdarans, who from that time on will be more powerful than their own army, externally as well as internally."

The Iranians are trying to find the right response to the enemy's tanks. Their first-rate mullah buyers pulled off a lovely deal getting themselves 1,300 BGM 71 A anti-tank missiles, better known under the designation "Tow," and made in the United States by Hughes Aircraft. Washington had decreed: "Not a single Tow for Iran." After two years of ruses and intrigues the mullahs finally discovered the key. A small shipping company run by a Frenchman who had worked in Algeria for many years in Boumedienne's time, had maintained excellent contacts in the Third World and continues to have dealings with a Panamanian company that has offices in Argentina.

Once again, Argentina is the pivot. By way of Buenos Aires the Panamanian company gathers in a formidable shipment consisting of 1,300 missiles, a 32-tonne load. The Frenchman, lurking in the middle of the web, has already sold the whole consignment to the agent of the pasdaran ministers, by contract No. 3038 at the end of May, 1984, for a total 9,555,000 dollars. For once, because the deal is enormous, unhoped-for, Teheran decided to take some risks and payment was made before delivery through the Melli Bank in London on instructions from the Markasi Bank (National Bank of Iran).

A weapon like this means victory for the taking, the total destruction of the Iraqi armored divisions and the omnipotence of the pasdarans secure. Only one thing is lacking: delivery of the missiles in Iran. And, oddly enough, that is the trickiest part of the whole deal. Transport was supposed to be arranged via Latin America, then via Frankfurt by Lufthansa about the middle of August. Lufthansa being with its sister company, German Cargo, the usual means of traffic between the West and Teheran. The C.P. Company Teheran (actually headquarters for some pasdarans who have been receiving military equipment for the new religious army for months) had even scheduled a definite flight, LH 686, arriving in the Iranian capital at 12:55, for this shipment of "assorted equipment," destined for a private company.

But just as oddly, at the last minute this historic shipment was postponed several weeks. Can the offensive be begun without the Tow missiles, which are the key to victory? From London to Paris to Zurich the mullah buyers have been a furious activity waving their checkbooks around. They are the buyers of US helicopters, which one of their Swiss friends has been trying to get for them, of biological disablers and bacteria, learned terms to start a chemical war, coders and decoders for their own telephones and telexes abroad. They are suspicious; they feel spied upon at every moment.

They have also taken off on a chase after armored vehicles. Still thanks to their supporters in Buenos Aires, they have acquired 200 Tam tanks. Missiles which were actually made in West Germany, then sent in parts and assembled in Argentina. The tanks, the pasdarans want tanks, so as to be independent of the regular army tanks, in order to organize their own army. They have already taken more than 2,000 armored vehicles, Soviet T 62s and T 72s, from the Iraqis, and they would like to turn them against the enemy. But the motors, Polish-made, aren't worth a dime and are constantly breaking down. And the Russian cannons are out of munitions. To change all this, to adapt a Western cannon, to install a new motor, the mullahs are ready to spend millions of dollars. They are talking about it with the Swedish company, Saab Bofors.

The six missi dominici of the pasdarans, rich with the greatest war treasure of all times, tarry indefatigably at all the Western companies willing to supply them with radar systems, amplifiers, coastal defense missiles, Phoenix missiles, etc. While all this is gong on, behind the Iranian tschador, a new kind of army is being formed, whose objectives are essentially political: assassinations, elimination of foreign heads of state, beginning with Saddam Hussein, and the suicide measures: planes stuffed with explosives to crash onto their targets.

"Our 'entehari' (suicide) brigade was somewhat like the embroyo of this force," ex-kamikaze commander Mortezai told us. "In order to accomplish this, we got together 30 Cessna turbojets, a dozen old DC 3s and DC 2s, and 20 Jet-Falcons intended for the naval air force. I left at the time when the Swiss Pilatus had just arrived: their technology was supposed to revolutionize our group.

Following the terrorist era, a terrorist war looms. Twenty billion dollars are being offered to the West to assure the training and armament of the pasdarans' army. Lenin did say that the West would supply the rope with which to hang itself.—Inquiry in London and Zurich, by Fred Saint-James.

12-YEAR-OLD VOLUNTEERS FOR DEATH

Twelve-year-old kids with the blood-red headband of the death volunteers, the Islamic kamikazes. Proudly and solemnly carrying the automatic pistol, almost unconsciously held against their temples, as in Russian roulette, for what voyage to the bottom of hell? Or rather, paradise, as their pasdaran instructors tell them.

These children form the relief troops for the army of a million pasdarans massed on the Iraqi front for the decisive assault planned for the end of September or beginning of next October, the date of the Iraqi invasion.

However, aware of the necessity of economizing on human lives, of using the most modern equipment against the forces of Saddam Hussein, the staff headquarters of the Guardians of the Revolution has recently sent arms buyers to the West. It was a matter of sweeping up planes, cannons, and tanks on all the markets of the world. Special flights, by Lufthansa air freight, are expediting tonnes of armaments to Teheran at this moment.

Forming the regime's new pretorian guard, making up militias charged with the responsibility of keeping watch on factories, ministerial buildings, and schools, the "pasdaran children" feel invested with enormous responsibility. Here they are, all of a sudden turned into adults, powerful, to be feared. They boast among themselves and often salvos go off. They sometimes kill their comrades, wound themselves, even kill themselves. . .—Translated by David Skelly, CRS—Language Services, February 4, 1985.

Mr. HELMS. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MCCONNELL). Without objection, it is so ordered.

(The remarks of Mr. BUMPERS are printed under Statements on Introduced Bills.)

COMMITTEE MEMBERSHIP REFORM

Mr. SIMPSON. Mr. President, let me just swiftly express my thanks very sincerely for the work of the participants and the work performed for the Senate by the majority leader, Mr. DOLE, and by the minority leader, Mr. BYRD, with their work, and the Committee on Committees in resolving a very vexatious thing for us, that is a tough, tough situation for a legislator. It deals with the areas of prerogatives, pride, and pressure, and Senator BYRD and Senator DOLE did a marvelous service to us in resolving that, and I particularly recognize the service of Senator MATTINGLY who has done extraordinary work and Senator QUAYLE, Senator RUDMAN, Senator GORTON, the Committee on Committees, and particularty thanks to the staff members who participated from the minority and majority, Rod DeArment, Richard Moore, and Howard Greene, secretary for the majority, John Tuck, and special thanks to Pat Griffin, who worked so diligently on that and now has gone on to other things here in Washington and to his successor David Pratt. I thank them for their efforts in resolving what is always one of the toughest bones of contention in any legislative body and that is the makeup and the number and membership of committees with which we function and work.

I thank Senator MATTINGLY.

Mr. MATTINGLY. Mr. President, I thank the acting majority leader for those kind words. I also thank Senator DOLE, Senator BYRD, and Mr. Greene, Mr. DeArment, and Mr. Richard Moore, of my staff, for all the outstanding work that they have done on this.

I also wish to say just a special thanks to Senator QUAYLE, from Indiana, because it was the Quayle Commission that set the stage for this reform that we have just undergone. When I look back, it was in the 97th Congress there were 217 slots. In the 98th Congress there were 231 slots. So, what we have now done is reduced, through the cooperation of both sides of the aisle, in reform down to 214 positions. To me this is really a major victory, and it is a major step I think in the reform of the committee system in the Senate.

We all know that it is easy to go up when you want to increase larger numbers, but when you want to come down, we saw that it was a difficult task, but I think, as we look through all the people who served on the Committee on Committees, on the Republican side and certainly on the other side of the aisle, everyone really sort of joined together and everyone wanted reform and we ended up having reform.

So hopefully, I say to my good friend, the Senator from Wyoming, that this same spirit of cooperation will work on the reform of the budget, and I think it will. I think through this cooperative effort we can see that we can make change that is beneficial to everyone.

So I end by saying on the last day before recess I am not only glad to see this come to a conclusion, but I am glad to see it come to a positive conclusion.

Mr. SIMPSON. It certainly has because of the efforts of Senator MATTINGLY. I thank the Senator very much, indeed.

IN SUPPORT OF S. 281, A BILL TO AMEND THE INTERNAL REVENUE CODE TO ADD A SECTION DEALING WITH PUBLIC SAFETY VEHICLES

Mr. HEFLIN. Mr. President, I am pleased to join with my distinguished colleague, Senator PRYOR, in sponsoring S. 281, legislation to correct a serious problem in the area of employee use of an automobile. This legislation is designed to ensure that State troopers, sheriffs, sheriffs' deputies, firemen, policemen, emergency medical workers, and other public safety officials are not taxed on any portion of the use of their vehicles.

Last year's Deficit Reduction Act made several changes in the area of fringe benefits. Specifically, the bill that came back from conference added a new section to the Tax Code—section 132—that provided four general fringe benefit categories. At this stage it was impossible to wage a successful battle to remove these provisions. If any employer provided benefit fits into one of these categories, then the employee does not have any income to the extent of the benefit provided. Not included within those categories, however, is the use of a public safety vehicle by a public safety employee, such as State trooper's use of his patrol car.

On December 31, 1984, the Internal Revenue Service issued temporary and proposed regulations dealing with this issue. Under these regulations if certain requirements are met and the vehicle is used only for commuting purposes, the employee had additional income of $4 per day. However, if the conditions for the special $4 per day rule are not met, then the employee will be taxed for the percentage of his or her personal use of the vehicle. This percentage is applied against the annual lease value of the vehicle, depending upon its fair market value. Under these regulations, no exemption has been provided for public safety employees such as sheriffs, State troopers, and firemen. Without an exemption, these officials will have taxable income from the personal use of their vehicles of $4 per day, or alternatively, will be taxed on a portion of the annual lease value of the vehicle and be forced to keep a travel log. In essence, we are imposing a tax on public safety officials for the vehicles they are required to operate in carrying out their responsibilities.

The legislation I am cosponsoring today would add a special exemption to section 132 of the Internal Revenue Code exempting from taxation the use of a public safety vehicle by a public safety employee. The need for this exemption is obvious. State troopers, sheriffs, firemen, and other public safety employees must use their vehicles for the protection of the public. These people are constantly on call and must respond to emergencies at all hours of the day or night whether they are on duty or off. Therefore, they must have the use of their vehicles 24 hours a day. S. 281 would make it clear that we recognize and appreciate the important and difficult role public safety officials play in our society by treating any use of a public safety vehicle as a working condition fringe benefit, and, therefore, not subject to taxation.

Mr. President, to place this burdensome tax on the people charged with protecting and caring for our citizens is an inequity and an outrage. I, therefore, urge my colleagues to cosponsor this important legislation which will correct this very serious flaw in the Tax Code.

Thank you, Mr. President.

RETIREMENT OF HENRY EARLE HOLLEY, JR., OF AIKEN, SC

Mr. THURMOND. Mr. President, the chairman of the board and chief executive officer of Palmetto Federal Savings & Loan in Aiken, SC, my good friend, Henry Earle Holley, Jr., recently retired from his post after an illustrious 34-year affiliation with this growing financial institution. This is an organization with which I am very familiar, as I had the privilege of cofounding Palmetto Federal in 1951, and serving as its first president until 1954, when I was elected to the U.S. Senate.

Since its early days, Palmetto Federal has greatly benefited from Earle Holley's leadership. He was a charter director in 1951, became president in 1964, and chairman of the board in 1982.

Earle Holley comes from a fine family with a rich heritage in the Palmetto State, and all who know Earle would agree that he is a true southern gentleman. Indeed, his exemplary character is a result of his commitment and service to God, country, and fellow man. Earle Holley served our Nation during World War II as a decorated Army infantryman in Europe. His contributions to our State earned him the prestigious Governor's Order of the Palmetto in 1971—South Carolina's highest award. A civic-minded in-

dividual, Earle Holley has devoted much of his time and resources to make the Aiken community a better place to live and work. He is an involved member of the First Presbyterian Church, and his life epitomizes those Christian virtues which all men should strive to attain.

Mr. President, I want to offer Earle and his lovely wife, Laura, my best wishes for many years of good health and happiness as he begins his much-deserved retirement. In order to share more about Earle Holley's life, I ask unanimous consent that articles from the Augusta Chronicle and the Aiken Standard be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Augusta (GA) Chronicle, Jan. 17, 1985]

AIKEN BANK OFFICIAL RECALLS LONG CAREER AS RETIREMENT STARTS

AIKEN—Henry Earle Holley Jr. is not the kind of man who likes to talk much about himself. In the tradition of the Southern gentleman, he prefers to let his acts speak for him.

The former chief executive officer and chairman of the board of Palmetto Federal Savings and Loan retired Wednesday after guiding the 34-year-old institution through its founding years into prosperity.

He is: A decorated World War II veteran who served in Europe with the U.S. Army; past owner of Holley Motor Co. in Aiken; a developer of Kalmia Plaza Shopping Center; charter director of Palmetto Federal in 1951 (then called Aiken Federal Savings and Loan); 1971 Governor's Order of the Palmetto recipient; and a leader of First Presbyterian Church in Aiken.

"Just like anything else, you should improve your environment," he said recently. "You have an obligation to try and leave a better place for your children and grandchildren."

Duty, honor and integrity are the qualities Holley credits for his successes—a moral code borrowed from glorious times past, and which Holley said still holds merit today.

"Your word is your bond," he said. "You don't have to sign your name to it. I've done a lot of business deals with the shake of a hand. Integrity—that's one thing people can't take away from you."

Holley, who turns 62 in March, will keep a hand in the company as a consultant and chairman of Palmetto Service Corporation, a real estate subsidiary of the savings and loan.

But he's looking forward to his retirement, to days of fishing and golfing and farming on a 740-acre tract of land outside the city of Aiken that has been in the Holley family for nearly a century.

Holley's family tree branches back to ancestors here before Aiken County was founded in 1872, including a great-grandfather who was the country's first sheriff.

But it was his grandfather, B.F. Holley, who ensured that his sons and grandsons would be among the leaders of Aiken County in the 20th century.

A large landowner and enterprising businessman, B.F. Holley acquired some 4,000 acres of land around Aiken in the early 1900s. By 1922, the year before Henry Earle Jr. was born, he owned the Ford dealership in town and was selling Model Ts, Holley recalled.

Holley grew up during Aiken's heyday as a winter resort for wealthy Northerners, working part time at Holley Motor Co., and entered Clemson University in 1940.

In 1943, he joined the Army Infantry Corps, served three years in Europe and returned to Aiken in 1946 to work with his father at the car dealership.

He married the former Laura Clowe in June 1947, and two months later, at the age of 24, found himself president of Holley Motors following his father's fatal heart attack.

It was not until 1951 that he was elected one of the founding directors of Aiken Federal, organized by the law firm of Thurmont Lybrand and Simons with former South Carolina Governor Strom Thurmond as its first president.

The company started small, Holley recalled, offering savings accounts and home loans principally in Aiken. Thurmond left the institution in 1954 following his successful write-in campaign for the U.S. Senate, turning the leadership over to E. E. Child.

"As we grew, it took more and more of my time," Holley said. "I was taking all day Tuesday away from my dealership to do appraisals."

He was approached a number of times to work full time for the savings and loan, but it was not until 1960 that he sold the car dealership and joined the management force at Aiken Federal.

Eight years later, the company took a growth posture and installed mobile banking services to five outlying communities, Williston, Barnwell, Edgefield Johnston and McCormick. All but Williston now have full-service offices.

The mobile unit was one of the first to use an on-line computer terminal and it fostered the growth of the company from $33 million in assets to $325 million today.

Along the way, the company's name changed twice, finally adopting its present name in 1969, Holley said.

He attributes the success of Palmetto Federal to aggressive branching policies, a responsible and dedicated board of directors, installation of television drive-in service and advertising.

"Also, the policy has always been that we made loans to all folks. We give good honest service. Aiken, too, has grown and SRP and all that certainly contributed to all that (growth)," Holley added.

[From the Augusta (GA) Chronicle, Jan. 17, 1985]

"CHAIRMAN, CHIEF EXECUTIVE OF PALMETTO FEDERAL RETIRES"

AIKEN—H. Earle Holley Jr., chairman of the board and chief executive officer of Palmetto Federal Savings and Loan of South Carolina, resigned his post Wednesday at the institution's annual meeting.

He will be replaced by John W. Cunningham, who has served as vice chairman of the borad since 1983.

Holley, 61, will remain a member of the board and will serve as chairman of Palmetto Service Corporation, a wholly-owned subsidiary of the savings and loan dealing with various real estate ventures.

Holley joined the association as one of its original directors in 1951 when Strom Thurmond, now a U.S. senator, directed the institution as president. Holley split his time between the association and his Ford dealership.

He later became vice president of the firm, then known as Aiken Federal, and was named president in 1964.

"We were successful because of a philosophy of delivering a superior quality of service," Holley said Wednesday.

Cunningham, who has been a member of the Palmetto board since 1980, took on the duties of chief financial officer in 1984.

He served as vice president for finance and treasurer of the Graniteville Co. from 1972 to 1984. Previously, Cunningham held several senior management positions with the Reliance Electric Co. and U.S. Gypsum.

In other business at Wednesday's annual meeting, the board appointed retired Lt. Gen. George Forsythe of Beaufort to a director's post. Forsythe has served as chairman of Palmetto Federal's regional Board of Directors in Beaufort.

Re-elected to three-year terms were J. Frank Cummings Jr. of Hampton, Charles E. Simons III of Aiken and Holley.

Palmetto Federal operates 15 banking centers across the southern part of South Carolina.

[From the Aiken (SC) Standard, Jan. 17, 1985]

HOLLEY ANNOUNCES RETIREMENT; CUNNINGHAM IS BOARD LEADER

H. Earle Holley, board chairman and chief executive officer of Palmetto Federal Savings and Loan in Aiken, announced his retirement yesterday.

John W. Cunningham will assume Holley's position. A former Graniteville Company executive, Cunningham has served as vice chairman of the board of directors since 1983.

Holley will remain a member of the board and will serve as chairman of Palmetto Service Corp., a wholly owned subsidiary of the savings and loan. He will continue to be closely involved with the firm's varied real estate ventures and developments, according to a press release from the institution.

Holley had indicated to Palmetto's board in 1983 that he intended to retire. The expected move was announced at Palmetto's recent annual meeting held in Aiken.

Also at the annual meeting, retired Lt. Gen. George Forsythe of Beaufort was named as a director of the association's corporate board. He will serve a three-year term. Forsythe has served as chairman of Palmetto Federal's regional board of directors in Beaufort.

Holley joined the association as one of its original directors in 1951 at the age of 28. He divided his time between the family Ford dealership and his responsibilities under the association's former president Sen. Strom Thurmond, R-S.C., the release said.

Holley later became vice president of the firm, then known as Aiken Federal. The association was later named Aiken First Federal. He was named president in 1985, succeeding E.E. Childs.

Looking back at the institution's 34 years of growth, Holley commented, "We were successful because of a philosophy of delivering a superior quality of service. My predecessor E.E. Childs insisted on it."

Cunningham served as vice president of finance and treasurer of the Graniteville Company from the time he and his family moved to Aiken in 1972 until 1984. Prior to that, he served in several senior level management positions with the Reliance Electric Company.

Cunningham holds a B.S. degree in commerce from the State University of Iowa. He completed graduate work at Harvard, Northwestern and Notre Dame.

JOBS TRAINING PARTNERSHIP PROGRAM AND "NETWORK" IN SOUTH CAROLINA

Mr. THURMOND. Mr. President, in 1982, Congress wisely passed the "Jobs Training Partnership Act" [JTPA] which I supported, as a viable alternative to the "Comprehensive Employment and Training Act" [CETA]. The purpose of JTPA is to encourage greater involvement of private business and industry through a cooperative Federal jobs training program.

Ideally, the role of Government in providing unemployment compensation to jobless persons who are able to work should be a very limited, temporary one. Unfortunately, those persons who are displaced from jobs, and those who experience difficulty in finding employment initially, often do not possess the skills necessary to perform available jobs in our rapidly changing, high technology society. The JTPA is designed to give people the educational opportunity to develop their skills so that they can qualify for available employment and thereby earn a respectable living. Because its mission matches up well with the need in our society, this program has quickly become popular and cost effective.

I am pleased to announce that the JTPA program has been a tremendous success in South Carolina during its first year of implementation. Over 6,000 South Carolina citizens have received jobs as a result of JTPA training, resulting in millions of dollars' worth of reinvestment in our State's economy.

The private sector in the "Palmetto State" has responded to this program with great interest and enthusiasm. Special recognition and commendation go to the South Carolina Private Industry Council for its efforts in promoting "Network," the program which encourages business and industry to participate in this valuable job training project.

Mr. President, I am encouraged by the progress which has already taken place in this exciting endeavor, and I am confident that there will be even greater progress made in the future.

In order to share more about the success of JTPA in South Carolina and the contributions of "Network," I ask unanimous consent that a report to the South Carolina congressional delegation, by Mr. Louis Jordan, and related material, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JTPA—FIRST YEAR IN SOUTH CAROLINA

(By Louis Jordan)

Members of the South Carolina Congressional Delegation. Ladies and gentlemen. Thank you for the opportunity today to appear before you.

My name is Louis Jordan. I come before you to share some good news about important Federal legislation which you have supported and which has helped thousands of South Carolinians to find meaningful employment over the past 12 months. I am speaking of the Job Training Partnership Act.

The Private Industry Council here in South Carolina manages JTPA programs throughout the State. The PIC, as we call the council, is comprised of private business men and women like myself. As a member of the South Carolina PIC appointed by Governor Riley, and as chairman of the Dislocated Worker Committee, I want to tell you about the results of our first year with JTPA and recommend that this program be continued.

When Congress passed the Job Training Partnership Act in 1982 to replace the Comprehensive Employment and Training Act, or CETA, it meant an increased role for business and industry in the design and management of federally sponsored, private sector job training activities. As a result of this partnership, between September 1983 and September 1984, we served a total of 13,570 individuals, 8,586 of whom received training and 6,262 of whom now have skilled jobs. Over 6,000 of these individuals were employed at an average wage of $4.26 per hour.

In 1984, this Federal job training program had impressive economic impact on our statewide economy. The data gathered by the Governor's Office, division of employment and training, indicates that the Federal dollars South Carolina received through JTPA went directly into training and placing many unskilled people who were on the welfare rolls and considered hard to employ. At an average of $4.26 an hour, 6,262 recently hired workers are each earning an average of $8,860 per year, before taxes. That means an addition of between $150 to $200 million for the State's economy. With ongoing plant closings across the State, JTPA programs have been essential to offset the more than 6,500 jobs lost through textile and other industrial layoffs last year alone.

How does South Carolina compare to the rest of the Nation in terms of efficiency? As the next graph shows, we had a 78-percent adult employment rate from September 1983 to June 1984. By comparison, the national average in the program's first year was 68 percent or 10 percent lower than South Carolina's adult training and placement rating. In addition, the cost per adult employed was $3,757, compared to a $4,372 national average. Almost 75 percent of adults hired in this State after receiving JTPA-funded training are no longer living on State or Federal subsidies. That's 17 percent higher than the national average of 58 percent.

The year 1984 was a good year for JTPA in South Carolina but we still have a significant task ahead in the area of employment and training. Thirty-one thousand jobs have been lost in the textile industry alone; however, 15,000 new jobs have been created with more than $2 billion in capital investments last year. We face a major challenge in employing and training the people in South Carolina so that the State can continue to move forward.

Governor Riley has asked Bob Royall, chairman of our Private Industry Council, to head up a special task force to address this challenge on several fronts including the maximum utilization of $400 million in State job training funds. While we attempt to intensify our own efforts here in South Carolina, let me say to our congressional representatives that we cannot meet this challenge without your commitment. We are relying on your continued support of job training and economic development programs like JTPA which are proof that the public and private sectors can work as partners for the good of the people who need these programs most of all.

Thank you for your time and your commitment.

"NETWORK"

A PROJECT OF THE SOUTH CAROLINA PRIVATE INDUSTRY COUNCIL

The Approach

The Job Training Partnership Network was designed in cooperation with business throughout the state. The primary goal of the program is to harness the skills, knowledge and expertise of the private sector in determining where the jobs are and in fitting the worker to the job.

One of the unique aspects of the Network is that it is designed to support and assist private business.

Potential employees are screened according to your requirements. You hire and retain only those persons you choose. Program involvement lasts only for the duration of training, but the benefits continue.

The program is flexible to your needs. You define the requirements, training and degree of involvement you want.

Your business and your records are your own. The Network Partnership only extends to locating, training and providing you with the workers you determine you need.

Network was designed by business for business. The benefits are for you.

On The Job Training

On-the-job training is available statewide. If you desire, a Network representative will come to your place of business.

Together you determine the specific job openings you have or anticipate, and the basic level of skills you feel are necessary for any potential employee to begin training in those positions.

The Network representative locates and screens possible candidates against the skills requirements you set forth. You are assured, then, of seeing only those persons with the skills you need. You select only those persons whom you want.

Once you have identified the persons capable of fulfilling your requirements, you hire and train the employees. During the training period, up to 50 percent of the employees' wages may be provided by Network. You need only supply an accounting of the time each employee works and at what rate. Your Network representative will complete the necessary forms and arrange for payments.

Classroom Training

Again, you and your Network representative determine your employment needs and the skills requirements of the available positions. If the job skills involved require more specialized training, one of two things may happen. You may select from trainees already enrolled in Network classroom training and fill the positions in a timely manner.

If, however, there are no trained applicants available at the time of your request, appropriate courses within the South Carolina technical training system will then be identified and your chosen candidate enrolled and trained at no cost to you.

Tax Credits

The benefits for participation in the Job Training Partnership Network are not limited to training. You can receive a tax credit of up to $4,500 per qualified employee hired.

Many potential workers supplied for you by Network will qualify you for these employer tax credits. Potential employees with the necessary requirements will be furnished with a preliminary voucher stating such.

Then, at tax time, you file only one two-sided form (IRS form #5884-Jobs Credit) for all your eligible Network employees. Not one form each—one form for all. As you already have a file of eligibility certificates and your payroll provides an employment record, no extra corporate paperwork is required.

Claiming the jobs tax credit is only a tax filing detail and does not expose you to any additional government regulation.

Customized Training

In the event that no training is currently available for the skills your jobs require, customized training can be arranged.

Your Network representative will identify applicants with the entry level skills you deem necessary to be trained in the specialized job. Once you have selected the acceptable applicants, customized training will be designed that best meets your needs.

Customized training can be provided in your workplace and be conducted by your own employees. Your employees will then be paid as training instructors by the Job Training Partnership Network.

If it is not practical to conduct the training in your location, Network will endeavor to locate an alternate training site where customized training can take place.

In this way, and many others, you and other members of the private sector form the partnership working together to locate, train and employ skilled workers while availing yourself of the most rewarding and cost effective means to do so.

Becoming a Partner

Add it up. You set the guidelines. Hire only the people you want. Save recruitment and screening cost. Save administration cost. You get up to a 50% salary reimbursement for on-the-job training. Classroom training at no cost. Customized training. And a tax credit for many employees hired.

Best of all, you get skilled workers.

So when it comes down to the bottom line, the ultimate net is work.

Joint the Partnership.

The savings are yours, the gains are yours, and the Net is Work.

CONFIRMATION OF NOMINATION OF DONALD PAUL HODEL TO BE SECRETARY OF THE INTERIOR

Mr. MURKOWSKI. Mr. President, I support the nomination of Donald Paul Hodel to be Secretary of Interior.

Prior to 1981, there was trouble in America's last frontier:

We had just emerged from a decade-long battle over the future of Alaska's lands.

The Federal Government had refused to convey the lands promised Alaskans at the time of statehood.

The Federal Government, in the minds of many Alaskans, was a greedy, hard-hearted absentee landlord in control of almost 80 percent of our State.

Washington simply didn't seem to understand Alaska's problems, and it didn't want to understand them.

I do not exaggerate when I tell you that a "Tundra Rebellion" was eminent.

All this changed when President Reagan came to the White House. Almost overnight, Alaskans were hearing about the Department of the Interior's good neighbor policy.

The Federal Government began to convey lands that had been promised 20 years before. Genuine concern over the future of my State suddenly became a factor to be considered at the Department of the Interior.

Alaskans really began to feel that their absentee landlord had moved closer to them.

Don Hodel was a part of that change of attitude at the Department of the Interior. After speaking to him in my office 2 weeks ago and participating in his confirmation hearings before the Senate Energy and Natural Resources Committee last week, I am confident that the improved relationship begun under Secretary Watt and continued under Judge Clark will also continue under his leadership.

Secretary Hodel will have one of the most difficult jobs in the Cabinet.

He must balance the interests of backpackers and strip miners.

He must manage wilderness as well as mineral leases.

With respect to OCS leasing in Alaska, he must consider the interests of commercial and subsistence fishermen in Alaska who derive their living from the sea; but he must also recognize the fact that 60 percent of the Nation's undiscovered oil and gas reserves may lie off Alaska's coast.

I don't envy Secretary Hodel because the diversity of thinking among the entire spectrum of interest groups out there is assurance that he will never be a stranger to controversy.

But I have great respect for him, his intellect, his fairness, and his willingness to take on this tremendous job.

Thank you Mr. President, I yield the floor.

CONFIRMATION OF NOMINATION OF JOHN HERRINGTON TO BE SECRETARY OF ENERGY

Mr. MURKOWSKI. Mr. President, I support the nomination of John Herrington as Secretary of Energy.

I had the opportunity to consult with Mr. Herrington in my office last week, and I participated in his confirmation hearings before the Energy and Natural Resources Committee. I am convinced that Mr. Herrington will make an excellent Secretary of Energy.

Energy remains a very misunderstood issue. The public has all but forgotten the days when we were held in the grasp of OPEC. Now that the gasoline lines have disappeared and energy prices have declined, the public's attention has turned away from the need for sound energy policy.

But energy policy is still important today. There are some disturbing trends which lead me to believe that we could still find ourselves in a serious energy supply disruption once again.

During the 1970's, our proven reserves of oil fell by a third. We are still importing roughly a third of our oil, and our trade imbalance continues to grow out of control, partially as a result of the costs of imported oil.

We are importing more and more refined product. We need to remember that a dependence on imported product is as bad, if not worse, than a dependence on imported crude.

This is the situation which faces Mr. Herrington, and we must not allow complacency to make us vulnerable to the actions of OPEC.

We must not lose sight of a basic goal that must lay at the foundation of our energy policy; namely, to achieve the highest degree of energy independence that we can.

I hear a great deal of talk about energy independence in this Chamber. But I am deeply concerned that we are pursuing a number of policies that are taking us further and further away from that goal.

We still have OCS leasing moritoria in effect today. That makes absolutely no sense when you consider that most of the Nation's new oil and gas reserves will come from the Nation's Outer Continental Shelf.

We still prohibit the export of Alaskan North Slope crude, in spite of the fact that the lifting of the export ban could encourage production from new fields in Alaska, enhance our energy security, lower our staggering trade imbalance, and result in millions of dollars worth of transportation savings and increased tax revenues.

Again, we make brilliant speeches about energy independence, but our policies don't always reflect our rhetoric.

I know that Mr. Herrington is aware of these factors, and I will support his nomination wholeheartedly.

G. RAY ARNETT ELECTED NATIONAL RIFLE ASSOCIATION EXECUTIVE VICE PRESIDENT

Mr. SYMMS. Mr. President, on January 26, 1985, the National Rifle Association of America lost to retirement one of its most dedicated and successful chief officers, Harlon B. Carter, the executive vice president of the 3 million member organization. His has been a lifetime of great dedication, good will, high standards, and unwavering defense of the U.S. Constitution,

especially the second amendment right to keep and bear arms. Mr. Carter will continue to serve the NRA in an advisory capacity and will serve on the association's executive counsel. I know this body will want to join me in extending our best wishes to Harlon Carter as he begins his retirement.

At the same time, it is with great pride that I announce to my colleagues that G. Ray Arnett, former Assistant U.S. Interior Secretary, was unanimously elected to the post of executive vice president of the National Rifle Association by the NRA Board of Directors on January 26.

A Marine Corps veteran, Arnett saw combat during World War II in the Pacific theater, during which he received a field commission. During the Korean conflict he served an additional 2 years.

Ray Arnett is an avid sportsman and outdoorsman who has devoted much of his life to the conservation, preservation, and enhancement of wildlife. Later he was appointed by Gov. Ronaldan, of the Wildlife Legislative Fund of America and its companion organization the Wildlife Conservation Fund of America. A former NRA board member, Arnett also has held posts with the Wilderness Leadership School, Game Conservation International, World Wilderness Congress, Californians for Recreation and Ducks Unlimited.

An internationally acclaimed hunting and conservation expert, Arnett recently resigned from his position as Assistant Secretary of the Interior for Fish, Wildlife and Parks. He was appointed to that position by President Reagan early in 1981.

This brief recitation of Ray Arnett's credentials are only the tip of the iceberg. Ray is a giant of a man, not only in stature, but also—and most importantly, in his deep commitment to protect and defend the U.S. Constitution, especially the second amendment. He has played an integral role in promoting hunter safety and wildlife management. He has served his community, local, State, and Federal Government well in the past. The National Rifle Association will most assuredly benefit with Ray Arnett at the helm.

Mr. President, I would like to call on my colleagues to join me in extending our congratulations to G. Ray Arnett as he begins his duties as executive vice president of the National Rifle Association.

THE CHARLOTTE-MECKLENBURG BUSING CASE: STILL FESTERING

Mr. HELMS. Mr. President, the Charlotte-Mecklenburg Schools case, decided by the Supreme Court in 1971, was the landmark decision on forced busing by race. It began a revolution in American public education, disrupting the schools and creating havoc for a generation of schoolchildren. I do not believe it is possible to account for the much publicized decline in achievment test scores nationwide without careful examination of the adverse effects of forced busing.

The busing controversy presents a classic case of professional elites—judicial, journalistic, and educational—promoting radical change, having little or no personal effect on them, while citizens most adversely affected by such change largely opposed it. In this case the change was the abolition of the neighborhood school for the sake of achieving racial quotas. The power here has been in the hands of the elites, and the American people and their children—especially blacks—have suffered accordingly.

Mr. President, relatively little has been written about the problems attendant to busing in Charlotte and elsewhere, largely because those in a position to write and publish—the elites—have themselves been the architects of this round of social engineering. Rather than taking a critical look at forced busing, these elites, while often sending their own children to private schools, have been leading the chorus in favor of busing in the public schools. As a result, busing has become a pedagogical sacred cow, and anyone with the temerity to question it can expect to incur the wrath of its ideological defenders.

Recently, Ralph McMillan, a Charlotte lawyer and former city councilman, wrote a thoughtful and informative column in the Wall Street Journal about the Charlotte-Mecklenburg busing experience. His candid conclusion is that, despite the good faith effort of the local community to make the best of a bad situation, busing has improved neither the general quality of education nor the education received by blacks. In fact, Mr. McMillan points to evidence that it has hurt both.

Mr. President, I ask unanimous consent that Mr. McMillan's article in the Wall Street Journal of January 21, 1985, entitled "That Success Story," be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THAT BUSING SUCCESS STORY

(By Ralph McMillan)

Charlotte, N.C., was one of the first cities in the country to undergo forced busing. Today, it is often held up as a shining example of how busing can succeed in accomplishing desegregation without lowering the quality of education.

But now, the school-busing issue that so divided my native city and others in the early 1970s is back in the news as the Fourth Circuit Court of Appeals prepares to rule soon on the case of Riddick vs. School Board of Norfolk, Va. In an attempt to establish a voluntary system of integration favored by both blacks and whites, Norfolk is working to avoid many of the pitfalls inherent in a mandatory system such as Charlotte's.

The issue involved is almost certain to reach the Supreme Court: Can a school system under a court-ordered busing plan decide on its own to cut back on busing now that it has satisfied the courts that it has desegregated? A group of Norfolk residents has filed suit to prevent the partial dismantling of the forced school-busing plan in effect there. Instead, the school board proposes that elementary schools only adopt a modified "neighborhood" school system to try to end the flight of white children from Norfolk's schools.

SOME SIGNIFICANT LESSONS

Charlotte's history in this issue offers some significant lessons.

When President Reagan visited Charlotte during his reelection campaign, he called court-ordered busing a "social experiment that nobody wants" and one which had "failed."

The response by the local establishment was swift. The Charlotte Observer, the area's largest paper, fired an editorial salvo, later reprinted in the Washington Post, entitled "You Were Wrong, Mr. President." It stated that Charlotte's "proudest achievement is its fully integrated public school system . . . born out of a bitter controversy" and declared that Charlotte's school system "has blossomed into one of the nation's finest." Supporters of forced busing to achieve racial balance have for years proudly cited Charlotte as an example of where busing worked. But how necessary was busing in Charlotte and what is the bottom line when its costs and benefits are balanced against each other?

I believe that the *relative* success of the busing experiment in Charlotte stems from the positive racial attitudes held by citizens of Charlotte rather than from the practice of forced busing itself. Many residents here have always been uncomfortable with segregation. In the early 1960s, most civic leaders pushed for voluntary, gradual integration when confronted with the problem of how to end the system of segregated schools. Before the decision requiring forced busing. Charlotte was slowly but surely integrating.

Around 1965 the community eradicated the practice of assigning black students to all-black schools, called "union schools." It was replaced by a system making pupil assignment dependent on geographical location supplemented by a freedom-of-choice option. Under this scheme all students could transfer to any school they wanted if they could furnish their own transportation and space in the school was available.

By 1969, there were only eight schools out of 106 in the system that were not integrated in some manner. Out of a total of more than 20,000 black students, the number attending integrated schools had increased from a few dozen in 1964 to nearly 10,000 in 1969. This system satisfied the then federal district court judge for Charlotte, Braxton Craven, when legal action was first filed against the school board. Because of the steps already taken, no federal remedies were prescribed.

However, this didn't satisfy Julius Chambers, a local civil-rights attorney, who had pressed for further judicial relief in 1968. The rest is history. James McMillan, the new federal court judge, required forced busing to achieve racial balance in Charlotte-Mecklenburg schools in the fall of

1970. The Supreme Court unanimously upheld his decision.

Opposition mounted to the order. Most community leaders did not support forced busing. Many whites fought it because they felt educational standards would decline with the chaos forced busing would cause. Many blacks also opposed it because they realized a greater percentage of blacks than whites had to be bused to meet the required racial quotas. Violence and riots erupted, causing academic test scores to sag. Even the Charlotte Observer reported, "The anti-busing furor create(d) a highly charged atmosphere. . . . Racial tension within the schools became a fact of life in Charlotte." This grim condition continued until at least 1975.

After the initial struggle to overthrow court-ordered busing, a sense of futility set in. Once people knew that busing was here to stay, they accepted the verdict reluctantly and resigned to adapting to a difficult situation. In 1973, a coalition of black parents and white parents formed the Citizens Advisory Group to insure that the desegregation plans mandated by the federal courts would be applied equitably. The school board initiated various educational programs to improve the quality of education for all students.

Jane Scott, a former member of the Charlotte-Mecklenburg School Board and an opponent of forced busing, says: "Once the Supreme Court ruled that we had to implement 'busing,' I and many others did all we could to assure that the school assignments would be as equitable as possible. . . . The children had come first." Because of leaders like these, Charlotte managed to cope with the situation.

Despite the efforts of residents to make their school system work, evidence exists that many whites abandoned the public schools and that white flight is continuing. Since substantial integration had occurred prior to court-ordered busing, it is fair to assume that this white flight cannot be attributed to latent racism, but to a decline in educational quality. From 1972 to 1982, 12% of the white students left the public-school system. Enrollments are still declining despite continued population growth. If present trends continue, by 1995 the white school population will have declined almost 25%.

Thirty-four private schools now serve Charlotte and surrounding Mecklenburg county. Almost every one was established after 1968. Neighboring county school systems and nearby South Carolina school districts have grown rapidly in the past 10 years because of their proximity to Charlotte. One public-school official believes that many of Charlotte's "best and brightest students" have been lost to the private-schools and that increases in private-school enrollment are directly related to forced busing.

Racial quotas are still required in some areas of school life, such as in the election of cheerleaders and school officers. Apparently, despite a decade of busing, protection by quota is still thought necessary to ensure that some blacks will be elected to leadership posts by the white majority.

An analysis of test-score statistics published in 1981 indicates that 10 years of busing have not succeeded in narrowing the educational gap between blacks and whites. Jane Scott, commenting on these scores in testimony before the Senate Subcommittee of Separation of Powers, contended that, "In virtually every category, the differential in the black and white scores is greater now" than when busing was ordered by the federal courts.

Since court-ordered busing was initiated in 1970, constant pupil reassignment has been necessary to maintain racial balance in the schools. The school board has had to adjust the assignment plan 11 times. This need to rework the plan has occurred because parents are reluctant to send their children to schools they consider inferior. Jay Robinson, the present school superintendent, believes that although racism may be a factor, concern for a child's education is the major reason. He says, "The one thing about pupil-assignment plans that has never worked is sending children from more affluent neighborhoods into lower income or deprived communities in the lower grades." This constant reshuffling has weakened many parents' commitment to the public-school system and caused them to opt for private schools.

TEST SCORES IMPROVE

Despite these problems, bright spots have appeared. Test scores rating student academic achievement have begun to rise after a significant plunge during the earlier years of busing. Although some critics have charged that a change in the type of test used caused the higher scores, school administrators believe better teaching methods and programs are the cause.

Scholastic Aptitude Tests (SAT) scores for Charlotte show encouraging results when measured against the same scores throughout the state. In 1983-84, Charlotte-Mecklenburg students averaged a combined score of 855—42 points below the national average but 28 points above North Carolina's average.

However, many Charlotteans still do not believe that a forced bus ride fosters learning, though the school board here has not chosen the voluntary approach being attempted in Norfolk. To be sure, Charlotte's experience has not been as traumatic as those of Boston and other cities. But even Julius Chambers and other supporters of forced busing concede that educational quality has suffered because of it.

Mr. HELMS. Predictably, the Charlotte Observer, the local morning newspaper owned by the Knight-Ridder chain, responded to the McMillan article with an editorial giving virtually unqualified support to busing. Among other things, the editorial declared that "even if academic achievement were at a lower level than it is, and even if white flight were more extensive," there is no acceptable alternative to busing.

Such statements by the Charlotte Observer and other busing promoters confirm what many have long suspected: that busing advocates have written off the neighborhood school for good. In their view, the neighborhood school is the enemy, and it alone is synonymous with segregation. A more dangerous notion for the future well-being of public education in this country—a system built on the neighborhood school—is hard to imagine.

Mr. President, I ask unanimous consent that the Charlotte Observer editorial of January 28, 1985, entitled "Busing's Success: Consider the Alternative," be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BUSING'S SUCCESS—CONSIDER THE ALTERNATIVE

On today's Viewpoint page you'll find a column that appeared a week ago on the editorial page of the Wall Street Journal by Charlotte lawyer Ralph McMillan, who also writes periodic opinion columns for The Observer, Mr. McMillan challenges the notion that the Charlotte-Mecklenburg school system is "a shining example of how busing can succeed in accomplishing desegregation without lowering the quality of education."

Although he acknowledges the "relative success" of busing here, he asks: "But how necessary was busing in Charlotte and what is the bottom line when its costs and benefits are balanced against each other?"

He doesn't really answer those questions. Instead, he suggests that busing causes a significant amount of "white flight" to private schools. He also writes that "an analysis of testscore statistics published in 1981 indicates that 10 years of busing have not succeeded in narrowing the educational gap between blacks and whites."

ACADEMIC GAINS

Mr. McMillan's column is by no means a one-sided attack on the local schools. He acknowledges the gains in academic achievement as measured by standardized test scores in recent years. But some of his assertions are misleading.

If Mr. McMillan had looked at more recent figures he would have found the academic gap between black and white students closing significantly, with scores for both improving.

Statistics on the number of students enrolled in public and nonpublic schools in Charlotte and Mecklenburg County, and on the percentage of black students in the public schools, belie the suggestion that busing has led to extensive "white flight" or that white families continue to abandon the public schools in large numbers.

Any gross comparison of public school enrollment and black percentage over a period of time can and does reflect a number of factors other than "white flight," including changes in the number of school-age children in the community and the changing racial ratio within that number. A more accurate measure of "white flight" is the change in the number of students in non-public schools over the period.

The figures suggest that "white flight" has been triggered more by initial fear and uncertainty than by busing. From the 1968-69 school year, just before the 1970 court order that eventually led to busing, until the 1975-76 school year, one year after the final busing plan had been approved by the court and implemented, private school enrollment in Charlotte-Mecklenburg increased from about 2,150 to about 8,050. But since the school system's commitment to a busing plan and systemwide integration has been clear, that initial flood of white students from the public schools has become a trickle. Private school enrollment from the '75-'76 school year until last year increased from about 8,050 to only about 8,695.

DECLINING ENROLLMENTS

From 1971 until 1983, enrollment in the Charlotte-Mecklenburg schools—the 31st largest system in the nation—fell 11.2%.

Among the nation's 50 largest school systems, only four showed an increase in enrollment in that period, and 34 experienced larger declines in enrollment than Charlotte-Mecklenburg's.

For an example of serious "white flight" in a formerly segregated school system comparable in size to Charlotte-Mecklenburg's, consider the Nashville-Davidson County schools in Tennessee. There officials failed to maintain a consistent desegregation plan, and public school enrollment declined 27% between 1971 and 1983.

We would offer these answers to Mr. McMillan's questions:

Clearly, busing was necessary to eliminate segregation at all schools and maintain fairness and stability throughout the system. (Perhaps it's worth noting at this point that more than half the Charlotte-Mecklenburg students who ride school buses do so for reasons of convenience, not for purposes of integration.)

As to costs and benefits, we believe the alternative to busing, for now, is simply unacceptable—even if academic achievement were at a lower level than it is, and even if white flight were more extensive. No one really likes the idea of busing on the basis of race, of course. But without it, many schools would be essentially segregated by race, with the destabilizing possibility of more lawsuits. Such a system would be unfair to those students who found themselves part of a tiny black or tiny white minority in "neighborhood" schools. And instead of a consistent level of quality throughout the system, schools again would reflect their neighborhoods, varying widely in quality, status and parental support and expectations.

KEEPING A COMMITMENT

Most important of all is a point critics of busing never mention: Without busing, this community would have to abandon its commitment—court-ordered, but now widely accepted on merit—to remove from the public schools, root and branch, the unfair results of generations of enforced racial segregation in housing, employment and education.

Mr. HELMS. Mr. President, further confirmation that the views of the Charlotte Observer and other busing advocates are best characterized as elitist came just a few days after the above editorial appeared. A local representative to the North Carolina General Assembly, Ray Warren, suggested that a referendum be held in Mecklenburg County on school busing. His suggestion drew immediate objections from the professional staff of the Charlotte-Mecklenburg school system. It also produced a column by the editor of the Charlotte Observer castigating Mr. Warren and arguing that his effectiveness as a legislator was jeopardized by even offering the idea.

Mr. President, I ask unanimous consent that a January 31, 1985, Charlotte Observer news article by Jim Morrill, entitled "Legislator Suggests Fall Referendum on School Busing," and a February 3, 1985, opinion column by Observer Editor Rich Oppel, entitled "When Silence Really Can Be Golden," be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Charlotte Observer, Jan. 31, 1985]

LEGISLATOR SUGGESTS FALL REFERENDUM ON SCHOOL BUSING

(By Jim Morrill)

A Mecklenburg County legislator is exploring the possibility of putting a school busing referendum on the fall ballot.

Rep. Ray Warren, R-Mecklenburg, has asked Elections Supervisor Bill Culp to estimate the cost of a countywide referendum to accompany the Charlotte city elections in November.

President Reagan resurrected the issue in October during a Charlotte campaign appearance by calling busing an experiment that had failed.

His remarks were met by statements and editorials in The Charlotte News and The Observer defending Charlotte-Mecklenburg's 15-year-old integration plan. Of the system's 72,000 pupils, 12,000 are bused for integration.

"The school administrators and the Charlotte newspaper editors seem to think the community is supportive of busing," Warren said Tuesday. "I think they ought to have an opportunity to be vindicated in that belief. . . .

"Should the time come in the future when the school board is granted more flexibility to deal with busing, they would have a clear statement of public opinion to guide them," he said.

State elections officials say a nonbinding busing referendum—essentially a straw vote—would require General Assembly approval to get on the ballot.

School officials reacted strongly Tuesday to a possible referendum.

"I think this type of thing will very much polarize the community," said Charlotte-Mecklenburg Schools Supt. Jay Robinson. "I certainly don't believe that most people in the community want children bused. But I seriously doubt that the majority of people want to return to segregated schools."

"I cannot imagine it serving a useful purpose," school board Chairperson Carrie Winter said. "I think most people are very proud of what's been achieved by the goodheartedness of this community."

Warren said a referendum "might give people hope that they can have input into the education of their children again."

Charlotte-Mecklenburg's pupil assignment plan is the result of a federal court order requiring integration. Warren, a public school graduate, said he believes future, more conservative courts could allow cities like Charlotte to stop busing programs.

Robinson said the current program exceeds court-mandated standards.

"I don't think our plan anymore is a question of what the courts say," he said. "Either you believe in integration or you don't and if you do, you do what it takes to see that all the schools have some integration, more than just tokenism."

Sen. Larry Cobb, R-Mecklenburg, declined comment on the possibility of a busing referendum but said he generally sees little value in straw votes.

"I'm not going to salute that flag, let's put it that way," Cobb said. "My feeling (about busing) is that the school system was set back initially and it has overcome those problems and is in pretty good shape."

Asked if a referendum would reopen wounds, Warren said, "If (people) feel that way they should blame the school board and the Charlotte Observer editorial writers and all the other people who are talking about how wonderful things are . . . and trying to make us a national pro-busing model."

[From the Charlotte Observer, Feb. 3, 1985]

WHEN SILENCE REALLY CAN BE GOLDEN

(By Richard Oppel)

Freshman state Rep. Ray Warren's anti-busing proposal brings to mind a piece of wisdom given new legislators since the time they rode to the nation's state capitals in buckboards. It's called Coughlin's Law: Don't talk unless you can improve the silence.

The N.C. General Assembly convenes Tuesday. The stakes are enormous for Mecklenburg County. We should be optimistic, but recognize the fragility of politics in Raleigh.

One, Mecklenburg has the good fortune to have in the governor's mansion a local man, Jim Martin, who is a capable, experienced legislator with broad knowledge of local, state and federal government. Yet, he is a Republican in a Democratic world and the holder of an office with comparatively little power.

OUR GROWTH PAINS

Two, our county faces mounting problems of growth and urbanization that require increasing coordination between state and local officials. Yet, this teamwork must be developed within an environment—the N.C. General Assembly—historically controlled by rural interests who do not share our problems.

Three, Mecklenburg voters chose in 1984 to abandon legislators of power and experience—Sens. Craig Lawing and Cecil Jenkins and Reps. Parks Helms, Louise Brennan and Jim Black—in favor of people who are mostly untested.

These add up to a need for caution by our legislative delegation. The lawmakers must forge a strong relationship with Gov. Martin's office. They must work to earn credibility with their General Assembly colleagues. They must gain the confidence and trust of local Mecklenburg officials.

That is why Rep. Warren's comments on busing are dismaying. He told Observer reporter Jim Morrill on Tuesday that he had asked Elections Supervisor Bill Culp to estimate the cost of a countywide school busing referendum to accompany the Charlotte city elections in November.

"The school administrators and the Charlotte newspaper editors seem to think the community is supportive of busing. I think they ought to have an opportunity to be vindicated in that belief," said Warren.

We have a fine public school system. Our 15-year-old Integration plan has worked. Of the system's 72,000 pupils almost 50,000 are bused but only about 12,000 for purposes of integration. Our system is a model for the nation. New industry is attracted by the harmony of the community. And desegregated schools are the law of the land.

What does Rep. Warren wish to accomplish? The reopening of old wounds? A return to a dual system, which would inevitably happen if school officials could not adjust enrollments to account for shifting residential patterns?

I choose not to debate the merits of desegregated schools here. But I question the

logic of Warren's apparent social agenda as a freshman legislator.

In a letter published Jan. 4 in The Observer, the 27-year-old Warren appealed for bipartisanship and teamwork between Piedmont Democrats and Republicans to provide the best representation for their constituents. Said the Mint Hill lawyer.

"It is far too early to herald the arrival of an era of diminished legislative effectiveness for Mecklenburg and other Piedmont counties. Together, Piedmont Republicans and Democrats have the numerical strength to promote the interests of our part of the state."

Maybe so, but Warren's first steps would surely threaten his effectiveness in our legislative delegation. Veteran lawmakers quickly dismiss noisy ideologues among a freshman class in favor of those who are willing to work hard, and do so quietly, until they know enough about the legislature to lead. It is especially easy to dismiss one when the ideologue is a Republican amid a Democratic majority.

Warren has been active in conservative causes since he was s student at UNC-Wilmington in the late 1970s. He has been a consistent opponent of racial quotas at universities and other policies he viewed as racial discrimination. He has written intelligent and passionate letters to this newspaper.

NOT CAMPUS POLITICS

But campus politics are a far cry from representing the largest county in North Carolina in the General Assembly.

Gov. Martin has a record of mainstream Republican pragmatism. In modern times, local Mecklenburg officials have approached policy issues with a nonpartisan, progressive spirit.

If Rep. Warren or his fellow Mecklenburg freshmen attempt to achieve their own political goals with an agenda that has little to do with the future of our county, they should know the huge, potential cost to Mecklenburg's 450,000 residents—in roads, university money, public works projects and tax reform.

Mr. HELMS. Why, I ask, Mr. President, are those who think schoolbusing is such a good thing for our society and our schoolchildren afraid to hear from the people on this matter—white and black alike? Why do they want to keep the lid on what is obviously serious dissatisfaction with forced busing by the American people?

Mr. President, I do not pretend to have the answers to these questions. But I am convinced that if we do not let the public be heard on busing and if those with the political power to do something about it fail to heed the counsel of the people, the American public school system will never achieve the levels of excellence which our children and our grandchildren deserve. They will be shortchanged, and they will rightly blame those who abandoned the neighborhood school.

That is why, Mr. President, this Senator will continue to sponsor legislation curbing forced busing and restoring the neighborhood school. The professional elites may hope that forced busing has now become a permanent party of public education, but as long as Congress has the power to act in this matter, this Senator will be pushing for appropriate solutions.

DEATH OF SENATOR LISTER HILL

Mr. BYRD. Mr. President, I join my colleagues today in paying my respects to a senatorial legend, Joseph Lister Hill. My condolences go to his wife, Henrietta M. Hill, and his children, Luther Lister Hill and Henrietta Hubbard.

But while we sorrow in the loss of the public servant, and join in sympathy for his relatives and close friends, it is fully appropriate that we celebrate the memory and the career of Senator Hill. He was a man who accomplished a great deal for the people of his beloved State of Alabama, his Nation, and for mankind.

For 45 years, from 1923 to 1968, Mr. Hill proudly represented Alabama in the Congress of the United States. He served 15 years in the House, and 30 years in this Chamber. From the administration of President Calvin Coolidge to the administration of President Lyndon Johnson, he was here building and creating.

On a great proportion of the monumental legislation enacted during that period, one will find Lister Hill's name as a sponsor. On the legislation establishing the Tennessee Valley Authority, it is there. On the Rural Housing Act, the National Security Act, the Rural Telephone Act, the Social Security Act, the legislation creating Medicare, and the GI bill of rights for veterans of World War II and the Korean conflict—his name is on all them.

In 1940, Senator Hill placed the name of President Franklin Roosevelt into nomination for President of the United States with the words: "His heart made him the friend of the lowly. His deeds show him to be a friend of all, both great and small." These words as easily and as accurately could have been said about himself.

Lister Hill's chief concern, throughout his congressional career, was improving the quality of life of all his fellow Americans, regardless of economic status.

A long-time advocate of education, in 1955, Senator Hill sponsored legislation to provide Federal aid to education so that no American child would grow up unable to read or write. He also pointed out that the country was failing to train and develop what he termed "our top talent." "If we continue to neglect our schools," he warned, "5 years from now the Russians will be ahead of us."

The Soviet Union became the first nation to launch a satellite into orbit 2 years later. In response, Senator Hill was instrumental in drafting and sponsoring the National Defense Education Act. In words that we would do well to recall today, Senator Hill told us:

Our schools are the backbone of defense of our country, the bulwark of the American enterprise system, and the foundation of a trained and loyal American citizenship.

Lister Hill's greatest accomplishments, and his greatest glory, however, came in his efforts to assure that all Americans would have access to quality health care. One Congress alone enacted more than 20 "Hill bills," as they were known, to improve the public's health. Upon his retirement from the Senate in 1968, Senator Hill received a special Lasker Award for guiding "more than 80 major pieces of health legislation" to passage during his congressional career.

In his efforts to reduce the pain and suffering of illness and injury, he sponsored legislation for increased research into the cause, cure, and prevention of cancer, mental illness, heart disease, arthritis, and other crippling and killing diseases. He sponsored legislation for medical professions' training and education.

And Senator Hill sponsored the legislation that bears his name, the Hill-Burton Act of 1946, which provided Federal funds for the construction of medical facilities, primarily in rural and poverty areas. Today, more than 9,200 medical facilities throughout the United States, many of them in poor and rural areas, owe their existence to this act.

The honorary names he was given, the Senate's "Statesman for Health," the "Leader for the Public's Health," "Mr. Health," and the "Father of the National Institutes of Health, speak for themselves.

"There are millions of our people who are better off today," said President Lyndon Johnson, "and millions who will be better off in the future," because of the work of Senator Hill. Senator Hill "has done more for the public's health than any American in history," read an article in Harper's magazine, in 1959.

The congressional career of Senator Lister Hill is one of those instances in history when the lives of millions of persons have been improved and made more comfortable by the efforts of one man.

The State of Alabama, the U.S. Senate, and the United States lost much with his retirement from public life, and now with his passing. But Senator Lister Hill left such a legacy from his days of public service, that he will never truely leave us.

He has set an example for all of us who seek to do the public's work.

BIRTH OF ASHLEY HANSEN RIEGLE

Mr. BYRD. Mr. President, it is with great pleasure that I announce to my colleagues that a new Democrat has been brought forth.

On February 1, Ashley Hansen Riegle was born. The proud parents are the senior Senator from Michigan, DONALD RIEGLE, and his wife, Lori Hansen Riegle.

As always, I am pleased to announce a birth. Being a parent myself, I know the joy that such a happy event brings, and the many years of pleasure that will come.

I wish the baby and the mother the best of health. I give the Senator my heartiest congratulations.

SENATOR CLAIBORNE PELL ON CONSENSUS IN AMERICAN FOREIGN POLICY

Mr. BYRD. Mr. President, last week the Senate Committee on Foreign Relations held its opening round of hearings on "The Future of American Foreign Policy."

These hearings could not have been held at a more opportune time. For as our distinguished colleague, Senator CLAIBORNE PELL, the ranking Democrat on the committee observed in his opening remarks:

With the advent of a new chairmanship—and of a Presidency with a renewed mandate—the hope naturally arises that we might be able to achieve in the future a greater degree of consensus in foreign policy then has characterized the recent past.

Senator PELL noted that the goal of consensus in American foreign policy was a worthy aspiration and one which he, and I believe all Members of the Senate share. However, he offered us some very wise words of caution when he pointed out:

Just as I believe no Senator should support or oppose the President purely for reasons of party, I believe also that no Member of Congress should feel compelled to support the President simply because he is President.

In making this observation Senator PELL DREW UPON THE INTENT OF OUR FOUNDING FATHERS WHO ALLOCATED THE FOREIGN POLICY POWER TO BOTH THE EXECUTIVE AND LEGISLATIVE BRANCHES OF OUR GOVERNMENT WHEN THEY DRAFTED OUR CONSTITUTION. CITING THE DISTINGUISHED HISTORIAN EDWARD CORWIN, THE SENATOR NOTED THAT:

Far from creating a clean separation of power, Corwin said, the Constitution extended "an invitation"—to the President and to Congress—"to struggle for the privilege of directing American foreign policy."

On May 16, 1983, in a speech on this floor, I reminded my colleagues that having thrown off the yoke of tyranny, our Founding Fathers were determined that our fledgling Nation would never again suffer the abuses of a monarch vested with absolute power. In so doing, they constructed a system of government in which the three branches were delicately balanced, each against the other two.

For the Founding Fathers, Congress had a unique role to play since they viewed it as an institution reflecting the voice of the people and as the bulwark of American democratic ideals. I note that the first article of the Constitution deals exclusively with the legislative branch and its powers. The Founding Fathers, in light of our colonial experience, were justifiably suspicious of executive power, and this was reflected in the noble instrument they drafted and which we know as the Constitution of the United States of America.

As Senator PELL pointed out, the Founding Fathers accorded the Congress a significant role in the conduct of this Nation's foreign policy. And as Senator PELL so eloquently stated:

* * * Ultimately we must accept a truth about consensus that proceeds from the very meaning of the word: that we will achieve consensus when we can reach agreement, and we will lack consensus when we can't. That is what the Founding Fathers envisaged for our constitutional system and that, I trust, is the way it shall continue to operate.

I urge my colleagues to weigh very carefully the views of our distinguished colleague on the issue of consensus in American foreign policy. They are a timely reminder that the Senate has a special responsibility to heed the warning of Senator PELL who has reminded us that: "* * * Ultimately Congress must judge the President's policy on its merits."

I ask unanimous consent that the full text of Mr. PELL's remarks be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR CLAIBORNE PELL

Mr. Chairman, I wish to congratulate you on the assumption of your new responsibilities, and to underscore my intent to work with you in a spirit of cooperation. In this regard, I was pleased to concur with your desire to commence your chairmanship—and the second Reagan Administration—with this series of hearings aimed at addressing the broad questions and principles underlying American foreign policy.

With the advent of a new chairmanship—and of a presidency with a renewed mandate—the hope naturally arises that we might be able to achieve in the future a greater degree of consensus in foreign policy than has characterized the recent past. This is a worthy aspiration, which I share. But on the subject of consensus, I do believe a few cautionary words are in order.

With tongue in cheek, the British statesman Disraeli once described his idea of an agreeable person as a person who agreed with him. The concept of consensus in foreign policy is subject to the same tendency. As the President seeks agreement from Congress, or as one political grouping finds itself opposed by another, there is often a temptation to label as disagreeable—or irresponsible—those from whom one cannot elicit concurrence. While such accusations inevitably arise in our political process, we ought to keep them in perspective.

It first bears emphasis that the absence of consensus generally has little to do with excessive partisanship. As a case in point, we need look only to the current dispute between the Senate Republican leadership and the Defense Secretary over the national military budget, a question central to foreign policy. A second topical example is the disagreement between the Republican-controlled Senate and the Administration over aid to the Nicaraguan contras. Historically, I recall vividly the controversy over Vietnam, when opposition to the Johnson Administration arose first among Senate Democrats.

My second point about consensus concerns the role of Congress. Just as I believe no Senator should support or oppose the President purely for reasons of party, I believe also that no member of Congress should feel compelled to support the President simply because he is President. There is, I believe, a normal predisposition in Congress to support the President by reason of his responsibilities as head of state, head of government, and commander-in-chief. But ultimately Congress must judge the President's policy on the merits.

Some fifty years ago, the distinguished historian Edward Corwin gave us a classic description of the way the Founding Fathers had allocated foreign policy power to the executive and legislative branches. Far from creating a clean separation of power, Corwin said, the Constitution extended "an invitation"—to the President and to Congress—"to struggle for the privilege of directing American foreign policy." Throughout our history, this struggle has been waged, sometimes yielding a period of executive or legislative supremacy, sometimes abating for a period of relative tranquility, but always eventually resuming, in a phenomenon reminiscent of a phrase from the Roman poet Horace, who spoke of "harmony in discord." This, I believe, is precisely what the Founding Fathers intended.

And so, Mr. Chairman, as these hearings begin, I join with you in searching for areas of common ground on which we can base the future of American foreign policy. But ultimately we must accept a truth about consensus that proceeds from the very meaning of the word: that we will achieve consensus when we can reach agreement, and we will lack consensus when we can't. That is what the Founding Fathers envisaged for our constitutional system and that, I trust, is the way it shall continue to operate.

Mr. Secretary, I join with Chairman Lugar in welcoming you here today.

THE 40TH ANNIVERSARY OF THE YALTA CONFERENCE

Mr. DURENBERGER. Mr. President, this week marks the 40th anniversary of the Yalta Conference among Franklin Roosevelt, Winston Churchill, and Joseph Stalin, the leaders of the wartime coalition against Nazi Germany.

Conferences are not often remembered, except by historians, for all too often they do little more than ratify reality. But the Yalta Conference is different, and its anniversary merits attention.

Yalta did not ratify reality; it helped shape it, and it did so in large measure because the Western powers did not fully comprehend the nature of Soviet foreign policy. Like any diplomatic conference, the Yalta meetings result-

ed in statements which were deliberately euphemistic and subject to some degree of misinterpretation. But a significant number of the pledges offered by the Soviet Union at the Yalta Conference were crystal clear: Guarantees of free elections, of fundamental human rights, and of an end to the sphere-of-interest politics which had twice plunged Europe into world war.

What happened? The answer is obvious to anybody. First, the United States simply failed to understand the nature of the Soviet Union, and it accepted the best possible interpretation of vague and euphemistic commitments. Thus, shortly after returning from Yalta, President Roosevelt told Congress that the Conference meant the end of spheres of influence, and that Europe would be free. The Soviet interpretation, of course, was exactly the opposite. So Yalta was an early reminder of something we should never forget when dealing with the Soviets: Where an agreement leaves any room for error, the Soviets will construe it to their own advantage.

More importantly, however, Yalta simply represented the Soviet penchant for the diplomacy of the lie, and for policies of naked power. The free elections never materialized. First Poland, then Czechoslovakia—both countries which had fought against Germany—were occupied and brought into the Soviet bloc through puppet governments. The wartime enemies of Germany were treated no differently than Germany's allies. Whether a country was "liberated" by the Russians or whether it was defeated by the Russians, the result was the same.

To this day, we live with the consequences of the Yalta Conference. The dividing line between the Warsaw Pact and NATO reflects the final battle lines of the various Allied Powers in World War II. Two generations of Americans and Europeans have come of age without knowing a free Europe, at peace with itself. As Zbigniew Brzezinski points out in a brilliant article in the most recent edition of Foreign Affairs, the division of Europe which resulted from Yalta is both artificial and dangerous. It serves as the justification for the state of armed truce which characterizes Europe today, and it is justified by it.

The situation in Europe is not natural, and it is not something we should celebrate. We have made the best of a bad situation, and we should continue to do so for as long as necessary. But the perpetual tensions along the inter-German frontier, the vast amount of treasure poured into the NATO alliance, and the periodic disputes among NATO members over such questions as burden sharing are the daily price we pay for the Yalta Conference. Moreover, military tensions are not the only price. As a Polish Americannd all other Eastern Europeans, including Jews who must live under Moscow's definition of liberty, is another legacy of Yalta.

So long as Europe is effectively divided into two armed camps reflecting spheres of influence—so long, in other words, as the legacy of Yalta remains with us—we cannot take much satisfaction. The costs of Yalta's legacy are too high, and the benefits accrue only to Stalin's heirs.

Simply put, Mr. President, we went to Yalta with high hopes, and we came back with broken promises and outright lies. We have lived too long with the consequences, and we are paying the price every day. As other Senators have suggested, it is time to make clear that we do not accept Yalta's legacy, for the legacy is not what we were told it would be. Contracts are not valid if one party fails to live up to their terms. The contract we thought we had signed at Yalta has never been effective, for the Russians set out immediately to break its terms. Under the circumstances, we are foolish to continue to treat the Yalta agreement as anything more than a broken artifact of other times.

Does this mean that we should seek the dismantling of current borders? Of course not. It would be foolhearty to try, and we are bound as well by the Helsinki agreement which finally put an end to World War II.

But Europe is more than boundaries and borders. It is a collective entity, and not just an accumulation of governments. The course of history has persistently led to the emergence of a cultural and regional whole. There was a Europe long before there were separate nation-states, and things are no different today. When Charles de-Gaulle spoke of "Europe from the Atlantic to the Urals," he was being factual, not visionary.

Governments and borders matter, and they must be bolstered. But they are not the only things which animate people. Common visions, common cultures, and common beliefs can and do transcend national borders. That is why, for instance, the NATO alliance is an Atlantic alliance, and not simply a European organization. It is why we in this country look with awe on the works of such masters as Brahms, Chopin, Goethe, and others. It is why Pope John Paul II speaks to the hearts of so many Europeans, Catholic, and non-Catholic alike.

In short, as Dr. Brzezinski argues, Europe can become European, even while we recognize the borders and boundaries which define the nation-states of Europe, eastern and western alike. As Dr. Brzezinski argues, we can repudiate Yalta's legacy, and should do so if we want to end the artificial division of Europe which carries with it such profound costs. But in doing so, we cannot repudiate the course of history which has pointed for centuries toward a Europe which is united by bonds of belief. The Helsinki agreement recognizes this by specifying that human rights are a transcendent concern of all nations, and not the domestic concern of sovereign nations free to tyrannize their citizens. Helsinki recognizes borders, but it recognizes a common Europe as well, a Europe defined by such fundamentals as human liberty and shared culture.

If we repudiate Yalta's legacy while bolstering our commitment to the vision of Helsinki, we can begin, however slowly, to move toward the time when President Roosevelt's belief that the world should be free of spheres of influence is fact, not fantasy. The process will take time, but if we do not begin to invest that time, we are doomed to live in a world divided and to pour our national treasure into the means by which to keep it so. There is really no choice. We owe it to ourselves, and to our brethren in the Eastern European countries, to come up with a better vision of the future.

Mr. President, I ask unanimous consent that the article by Zbigniew Brzezinski, which I have mentioned, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FUTURE OF YALTA

(By Zbigniew Brzezinski)

Yalta is unfinished business. It has a longer past and it may have a more ominous future than is generally recognized. Forty years after the fateful Crimean meeting of February 4-11, 1945, between the Allied Big Three of World War II, much of our current preoccupation with Yalta focuses on its myth rather than on its continuing historical significance.

The myth is that at Yalta the West accepted the division of Europe. The fact is that Eastern Europe had been conceded de facto to Josef Stalin by Franklin D. Roosevelt and Winston Churchill as early as the Teheran Conference (in November-December 1943), and at Yalta the British and American leaders had some halfhearted second thoughts about that concession. They then made a last-ditch but ineffective effort to fashion some arrangements to assure at least a modicum of freedom for East Europe, in keeping with Anglo-American hopes for democracy on the European continent as a whole. The Western statesmen failed, however, to face up to the ruthlessness of the emerging postwar Soviet might, and in the ensuring clash between Stalinist power and Western naivete, power prevailed.

Yalta's continuing significance lies in what it reveals about Russia's enduring ambitions toward Europe as a whole. Yalta was the last gasp of carefully calibrated Soviet diplomacy designed to obtain Anglo-American acquiescense to a preponderant Soviet role in all of Europe. At Yalta, in addition to timidly reopening the issue of Eastern Europe, the West also deflected, but again in a vague and timorous fashion, Soviet aspirations for a dominant position in the western extremity of the Eurasian land mass.

Yalta thus remains of great geopolitical significance because it symbolized the unfinished struggle for the future of Europe. Forty years after Yalta that struggle still involves America and Russia, but by now it should be clear that the issue is unlikely to be resolved in a historically constructive manner until a more active role is assumed by the very object of the contest, Europe itself.

II

The setting for Yalta was prostrated Europe. That once globally dominant civilization had committed historical suicide in the course of two devastating wars fought within the span of a mere quarter-century. When the two leaders of the British and American democracies met with the Georgian tyrant of the Great Russian Empire to resolve the future of Europe, continental Europe was absent from the deliberations. In the meantime, much of Europe's future was being decided on the ground, by the great extra-European armies pushing from the east and the west into Germany, the heart of Europe.

Until Yalta, the key issue perplexing the wartime alliance was Poland, the key to control of Eastern Europe. Thereafter, the issue has increasingly been Germany, the key to control over Western Europe. Poland represented to Moscow the gate to the West, and thus the Kremlin in its wartime diplomacy adopted an attitude of utter intransigence on the question of Poland's future. Though in his memoirs Churchill later described the Polish issue as "the first of the great causes which led to the breakdown of the Grand Alliance," neither he nor his Atlantic partner, President Roosevelt, seemed to grasp the central strategic importance of the Polish issue; nor was either of them inclined to exploit Russia's initial weakness to obtain a satisfactory resolution of the Polish-Soviet dispute, initiated by the Soviet seizure of almost half of Poland in 1939 as a result of the Stalin-Ribbentrop agreement.

Stalin correctly saw in the territorial dispute the opportunity to transform Polish independence into dependence on Moscow. So did the Poles. Prior to the Teheran meeting, the Polish prime minister desperately warned Churchill (as recorded by Sir William Strang on September 9, 1943) that "what was at stake between Poland and Russia was not merely a question of frontiers but a question of general relations and indeed the question of the survival of Poland as an independent state. . . ."[1] A month later, Foreign Minister Anthony Eden reported to the British War Cabinet that the Polish prime minister had told him on October 6, "The general attitude of Stalin towards Poland, towards Germany and the Free German movement and towards questions touching other occupied countries, as well as his record and his whole mentality, implied more extensive ambitions than ambitions only in the eastern provinces of Poland which were strategically important to Poland but in no sense vital to Russia." Finally, on the eve of the Teheran meeting, Eden briefed the War Cabinet on November 22 that the Poles feared "that Russia's long-term aim is to set up a puppet government in Warsaw and turn Poland into a Soviet republic. . . ."

The British took a more benign view of Stalin's goals. Eden assured the Poles "that British experience suggested that Stalin was much less intransigent . . .," and his internal memorandum on preparations for the forthcoming Teheran Conference makes it clear that the United Kingdom was prepared to satisfy Stalihurchill and Roosevelt agreed to changes in the Polish frontiers, without any further consultation with the Poles, and more generally conceded to Moscow a preponderant role in the Balkans.

To make matters worse, while pressing the Poles to make territorial concessions to Moscow in the hope of assuaging Russian desires, the British and Americans were unwilling to offer the Poles any assurances regarding compensation in the West. Adopting the position that changes in Germany's frontiers must await the end of the war, London and Washington made the Polish plight more desperate. As a result, most Poles simply refused any compromise on the grounds that a truncated Poland could not survive as an independent entity, while others, shocked and embittered, increasingly saw in Moscow the only sponsor of major Polish territorial acquisition of Germany territory as a compensation for what was to be absorbed by Russia. The price, however, was the inevitable emergence of Polish dependence on Russia, and through it Soviet domination over Eastern Europe.

By the time of Yalta, not only was Poland occupied by the Red Army, but a new government, sponsored by Stalin, had been installed in Warsaw. At Yalta, the West exacted Soviet promises that the Soviet-installed government would be enlarged and would hold free elections, following which the West would recognize it, but Western leaders agreed not to have any binding obligations regarding the elections inserted into the joint communiqué issued at the conclusion of the Yalta Conference. As a result, how free elections were to be organized remained an exclusive Soviet prerogative, with the outcome thereby predetermined. (Indeed, the Western powers recognized the Warsaw government in mid-1945, even though—contrary to the Yalta agreement—no elections had been held.)

III

By finally foreclosing the issue of Poland in Russia's favor, Yalta opened the battle for the future of Germany. Eastern Poland had been incorporated into the Soviet Union, but the West continued to oppose major Polish expansion at Germany's expense. The Russians at first hesitated in deciding how extensively they ought to support Polish claims. But at the Potsdam Conference in July 1945, following Germany's final collapse, Stalin apparently concluded that with his armies firmly implanted in the middle of Germany he could afford to satisfy Polish needs (thereby permanently cementing Polish dependence on Russia), while continuing to wage his struggle for a preeminent Soviet role in Western Europe.

For Stalin, that struggle was the vital substance of his wartime alliance with the West. Late in 1943, on the eve of the Teheror a Central European confederation which might have presented an obstacle to Soviet domination over the region.

The Teheran Conference further nurtured Stalin's grandiose hopes that the British would be unable and the Americans unwilling to oppose his larger designs, which he revealed cautiously, while continuously probing the intentions and the will of his British and American interlocutors. Throughout, Stalin and his associates skillfully played on the anti-imperialist sentiments of the Americans to weaken the British role in any postwar arrangements and on the British rivalry with France to make certain that no center of effective power would emerge in postwar Europe. In the Soviet interpretation, Roosevelt's penchant for speaking of the world's "four policemen" could have had only one geopolitical meaning: America's central concern would be the Western Hemisphere, a weak China would be preoccupied with its own problems, and a bankrupt Britain would be enmeshed in its imperial dilemmas, leaving most of Eurasia to the care of the fourth policeman.

In testing western reactions to his design, Stalin used as bait two somewhat varying schemes for Europe. Though one will never know to what extent these plans were alternative scenarios or competing concepts, both plans provided for a major Soviet role in all of Europe. The two options were succinctly summed up in a conversation on August 31, 1943, between British Foreign Minister Eden and the Soviet ambassador to London, Ivan Maisky, as reported by Eden:

. . . Maisky continued that there were two possible ways of trying to organize Europe after the war. Either we could agree each to have a sphere of interest, the Russians in the East and ourselves and the Americans in the West. He did not himself think this was a good plan, but if it were adopted we should be at liberty to exclude the Russians from French Affairs, the Mediterranean and so forth, and the Russians would claim similar freedom in the East. If, on the other hand, we would both, and the United States also, agree that all Europe was one, as his Government would greatly prefer, then we must each admit the right of the other to an interest in all parts of Europe. If we were concerned with Czechoslovakia and Poland, and the United States with the Baltic States, then we must understand Russian concern in respect of France and the Mediterranean. . . .[2]

The latter variant was apparently advocated at least until Yalta by Maxim Litvinov, the former Soviet Commissar for Foreign Affairs and former ambassador to Washington. Postulated on the unstated assumption that America would disengage militarily from Europe but that at least a semblance of congeniality between the Soviet Union and its principal wartime allies would continue even after the war, and bound to appeal to the idealistic American dislike of spheres of influence, the plan envisaged not only a Soviet role in all of occupied Germany but in effect a thinly camouflaged arrangement for a Europe dominated indirectly by the Soviet Union, the only effective power in the region. British influence was to be confined to several narrow maritime enclaves, France was to play a negligible role, while continued Soviet-American accommodation would be tacitly premised on American noninvolvement in European affairs. There can be little doubt that the Soviets took seriously Roosevelt's repeated hints both at Teheran and even later at Yalta that the United States would not maintain a postwar military presence in Europe. Given their ideological cast, they must also have been reassured by Roosevelt's tendency to speak privately to Stalin in most negative terms both of the British and of the French, seeing in that confirma-

[1] This, and the other documents cited, are contained in the very useful collection edited by A. Polonsky, *The Great Powers and the Polish Question*, London: L.S.E., 1976. See also V. Mastny, *Russia's Road to the Cold War*, New York: Columbia University Press, 1979.

[2] Polonsky, *op, cit.*

tion of their theory of "inherent capitalist contradictions."

The alternative to this strategy of domination through Western acquiescence was associated with Litvinov's principal rival and successor at the helm for foreign affairs, Vyacheslav Molotov. It took more for granted that an American-Soviet collision would eventually occur, presumably after the expected U.S. disengagement from Europe and probably in the context of sharpened intercapitalist conflicts. Molotov's alternative strategy of exclusive control by fait accompli put more emphasis, therefore, on directly subordinating eastern Europe and as much of central Europe as possible, while vigorously asserting Soviet claims to a major role in the West and to a coequal veto-wielding status in relations with the United States. In more specific discussions regarding postwar arrangements for Germany, Stalin was careful to keep his options open. At times he seemed to be favoring a central German government, at other times he would opt for the fragmentation of Germany into several constituent states. In either case, he was always insistent that the Soviet Union have a major say in all of Germany, while making certain that no major West European power was reconstituted.

As the Soviet armies marched westward, Stalin's claims became more explicit both territorially and politically. In addition to retaining everything seized during the collaboration with Hitler, by late 1944 and early 1945 the Soviet Union made territorial demands on Norway (Bear Island and the Spitzbergen) and regarding the Far East (southern Sakhalin, the Kurile Islands, and a preponderant role in Manchuria and Outer Mongolia). Stalin also sought a share in controlling Tangier and a slice of the Italian colonies on the Mediterranean, in addition to proposals for joint action against Franco's Spain and increased political pressure on neutral Switzerland and Sweden. This was followed later by demands for territorial concessions by Turkey. Moreover, the Soviets consistently spoke of France as totally demoralized and worthless, underlining the proposition that Europe was a political vacuum.

Anglo-American surprise and protracted failure to come to grips with the scope of these Soviet ambitions is all the more remarkable when one considers the extent to which Stalin's aspirations mirrored traditional Russian goals. Indeed, they so closely replicated Tsarist objectives in World War I that one may suspect that old Russian planning papers were disinterred for Stalin's and Molotov's use. Some 30 years later, in late 1914, the Russian Council of Ministers had also considered the related problems of Poland and of Russian postwar objectives. The majority report focused on the restoration of a Polish kingdom, but under Imperial Russian sway, as Russia's major postwar objective. However, the minority report prepared by the more reactionary members went beyond that priority and defined Russian war objectives much more ambitiously.

Russia's general aims were stated as involving the "strengthening of Russia herself, in an ethnic, economic and strategic way"; in addition to "the possible weakening of Germanism as the chief enemy of Slavdom and Russia at the present time"; and to "the possible liberation of other Slavic peoples from the authority of Germany and Austria-Hungary (insofar as such liberation does not conflict with the direct interests of Russia)." To accomplish the above, Russia was to attain the following specific goals in order of importance:

(1) Completion of the historic task of uniting all sections of the Russian people by reuniting eastern Galicia, northern Bukovina and Carpathian Rus' with Russia.

(2) Realization of the historic tasks of Russia in the Black Sea by the annexation of Tsar'grad (Constantinople) and the Turkish Straits.

(3) Rectification of the borders of the Russian state at the expense of East Prussia and also in Asiatic Turkey.

(4) The weakening of Germany internally in every possible way by means of her complete territorial reconstruction on a new basis, with a possible decrease in Prussian territory to the advantage of France, Belgium, Luxemburg, Denmark and the smaller German states as well, and, perhaps, the restoration of the Kingdom of Hanover, Hesse-Nassau, etc.

(5) Unification and liberation of Poland within the widest possible boundaries, but, in any case, within limits which are ethnographic rather than historic (which would be contrary to the basic interest and entire history of Russia).

(6) Liberation of the remaining Austrian Slavs.[3]

What is striking about these war aims, drafted by the more nationalistic and reactionary members of the Council, is their identity with Soviet post-World War II objectives defined by Stalin and Molotov. Every one of the objectives became Stalin's: the incorporation of parts of Polish Galicia never previously held by Russia and of Czechoslovak Sub-Carpathia were identical with the first 1914 goal; the second objective was denied to the Soviets, but they did press for it in their conversations with the Western allies (presumably recalling that in the spring of 1915 France and Britain had conceded as much to Tsarist Russia); the third objective was obtained in East Prussia (again a surprise to Westerners), and the Soviets in 1945 pressed for territorial concessions from Turkey but without success; the fourth was achieved in a different form in Germany; the fifth pushed Poland further west than was thought possible in 1914 but with functionally the same result—the creation of a Poland highly dependent on Russia for its territorial integrity.

One can thus classify Soviet wartime objectives as falling into three categories: first, recovery of the territorial status quo ante as of June 1941; second, securing politically acquiescent regimes in east-central Europe; third, gaining a preponderant voice regarding the political organization of the rest of Europe. The Soviets were totally unyielding and quite open about the first objective; they were prepared, however, to camouflage the second objective if it served to promote the attainment of the third goal. It is easy to forget how uncertain at the time was America's postwar role in Europe, while American unwillingness during wartime to focus concretely on postwar issues fortified the expectation that it would again turn inward. As Soviet forces moved westward, their pursuit of the second objective became more brazen, and it assumed brutal manifestations when it dawned upon the Soviets that there might not be an American acquiescence to the attainment of the third objective. That realization dawned on Stalin and his colleagues with increasing intensity after Yalta.

[3] Gifford D. Malone, quoting *Russko-pol'skie otnoshenitia v period mirovoi voiny* (Moscow, 1926), in *Russian Diplomacy and Eastern Europe, 1914-1917*, New York: King's Crown, 1963, pp. 20-21, 139-40.

IV

Yalta can therefore be said to have initiated the postwar struggle for Europe. Yet it was hailed in the West as an unmitigated diplomatic triumph, foreshadowing a period of prolonged East-West accommodation. Forty years later this very same Yalta continues to evoke equally simplistic—though opposite—emotions. It is now the synonym for betrayal. At the time its decisions were said (according to a *New York Times* editorial of February 13, 1945) to "justify and surpass most of the hopes placed on this fateful meeting. . . they show the way to an early victory in Europe, to a secure peace and to a brighter world."

Sumner Wells might be accused of some partiality when he announced (in *The Washington Post* on February 28, 1945) that ". . . the Declaration of Yalta, whatever the future may bring forth, will always stand out as a gigantic step forward toward the ultimate establishment of a peaceful and orderly world." But even such an experienced observer as Walter Lippmann was not to be outdone. Writing in *The New York Herald Tribune* on February 15, 1945, Lippmann informed his readers that Churchill, Stalin and Roosevelt "have checked and reversed the normal tendency of a victorious coalition to dissolve as the war, which called it into being, approaches its end. . . . The military alliance is proving itself to be no transitory thing, good only in the presence of a common enemy, but in truth the nucleus and core of a new international order."

Skeptical voices were few and far between. *The Wall Street Journal* warned on February 16, 1945, that the Yalta deal on central Europe "can only lead to increasingly unsatisfactory relations between the United States and Russia"; while a perceptive Frenchman, Andre Visson, (writing in *The Washington Post* on February 18, 1945, in an article entitled "Big Powers and Small Nations") noted that the United States was finally becoming committed to the future of Europe and was showing signs of a willingness even to contest the Soviet domination over Eastern Europe—unlike at Teheran, where it seemed uninterested in postwar arrangements and willing to settle for "the division of Europe into two zones of influence."

In fact, Yalta was the last effrot by the wartime partners to consturct the postwar world jointly. Unlike Teheran, where Churchill was still clearly Roosevelt's equal, at Yalta the lead was taken by the Americans, foreshadowing the bipolar world that was in fact emerging. The real collision at Yalta was between Roosevelt's well-meaning vaguenesss about arrangements for Europe's postwar future and Stalin's studied vagueness about the extent of Russia's desire to dominate that future. The former desperately wnated to believe in postwar cooperation while the latter deliberately exploited that faith to create facts on the ground while pressing for Western acceptance of Soviet claims in both the west and the far east of the Eurasian continent.

As a result, the Yalta declarations were manifestly escapist in character. The provisions regarding free elections in Poland were at best a transparent fig leaf for outright Soviet domination, while the rhetoric concerning future peace simply obscured the emerging and very basic differences between the major powers. However, that rhetoric did serve to further delude Western public opinion regarding Russia's true intentions, thereby making it more difficult for

the Western democracies to cope effectively with the emerging East-West confrontation.

By failing to construct an agreed-upon world, while in effect sanctioning the concessions made earlier at Teheran, Yalta became subsequently the symbol of Europe's partition. The follow-on meeting at Potsdam was merely a contentious session to carve the spoils. It was at Yalta that the Westerners belatedly had their first inklings that the concession of Eastern Europe to Soviet domination might be the beginning of the contest for central and Western Europe, while to Stalin Western reticence regarding satisfaction of the wider Soviet goals foreshadowed a more difficult political struggle than apparently anticipated earlier. Henceforth, the increasingly overt preoccupation of Soviet policy became one of driving the United States out of Eurasia.

V

That preoccupation has endured for the 40 subsequent years—and today it is still the central motif of Soviet foreign policy. Its concomitant is the determination to prevent the emergence of a genuine Europe motivated by shared political will. The last four decades, however, also reveal an important strategic lesson: what has done to be seen as the legacy of Yalta—namely the partitioned Europe—can only be undone either in Soviet favor through Litvinov's more subtle design of domination through acquienscence, or to Europe's historical advantage by the emergence of a truly European Europe capable both of attracting Eastern Europe and of diluting Soviet control over the region. America does not have the power or the will to change basically the situation in Eastern Europe, while crude and heavily-handed Soviet efforts to intimidate West Europe merely consolidate the Atlantic connection.

Of the two principal sides, it has been the Soviet that has sought much more persistently than the American to achieve a geopolitical breakthrough, settling the fate of Eurasia. Yalta had stimulated Soviet anxieties that America might not in fact disengage totally from Europe; Potsdam reinforced them, while the subsequent announcement of the Marshall Plan confirmed Moscow's worst fears: America, contrary to Stalin's hopes and expectations, was becoming implanted on the continent, de facto checking the expansion of Soviet power.

Subsequent history has been punctuated by more overt and direct Soviet efforts to challenge that reality head-on—above and beyond the relentless attempts to undermine it. The political campaign against the Marshall Plan, and Stalin's open decision to keep both Czechoslovakia and Poland out of it, were undertaken in the context of the strategic conclusion that not only would America remain engaged in European affairs but that a protracted political conflict was not inevitable. The subsequent Berlin crisis was thus an important test of will, designed to challenge America's suddenly improvised determination to play a major role in the truncated Germany.

It is important to be clear about it: neither Stalin's blockade of Berlin, nor Khrushchev's Berlin crisis of a decade later, was about Berlin itself. In both cases, the stake was the American security connection with Western Europe. This is why both Stalin and Khrushchev were willing to risk even a period of very high tension—dangerously high tension—with America, something which Berlin itself did not merit. Had the Soviets prevailed, Germany would have been panicked, and the vaunted American commitment to the defense of Europe would have been rendered impotent. The geopolitical effect of a Soviet success in Berlin would have been to establish Soviet paramountcy over Western Europe.

Though the two Berlin crises were the most overt indicators of the enduring Soviet determination to sever the Atlantic security connection, Soviet diplomacy throughout the postwar era has pursued also the cardinal objective of ensuring that a geopolitically vital Europe does not surface as a competitor or even as a neighbor. Soviet foreign policy—using all its diplomatic leverage as well as such overt and hidden tools as the West European Communist parties and the myriad of fellow travelers—has been active in opposing such schemes as the European Defense Community, and it has above all persistently tried to place obstacles in the way of the Common Market's evolution toward a political personality. Even if Western Europe cannot be severed from America, it must at least be kept divided and weak.

The commitment to the goal of expelling America from Europe is not just lingering in the Kremlin. It animates the current Soviet leadership, a leadership more Stalinist in substance than any since 1953. Attempting to exploit the West European "peace movements" and unease regarding the anti-Soviet rhetoric of the Reagan Administration, the current Soviet leadership decided to elevate the INF (intermediate-range nuclear forces) issue into a new test of will, again making the Atlantic security connection the ultimate stake. The Soviet decision to refuse to negotiate with the United States on arms control issues unless the United States dismantles and removes its Pershing IIs and ground-launched cruise missiles is tantamount to an attempt to impose on America a public humiliation with wide-ranging strategic consequences. It is the functional equivalent to the earlier Berlin crises.

But the Soviet leadership has again overreached itself. Its heavy-handed tactics contributed to the defeat of the neutralist Social Democratic Party in Germany, to the discrediting of the unilateral disarmers in the Labour Party in Britain, and to the strong show of solidarity with America displayed by Europe on this issue. (Parenthetically, one may add that almost simultaneously the present Soviet leadership has stimulated in Japan the highest degree of anti-Sovietism since World War II.) It did so because it overestimated the depth of the neutralist sentiments and the extent of the West European, even the German, stake in the East-West détente. It may also have overestimated the impact on West European public opinion of the greatly increased Soviet strategic power, especially in comparison to the Berlin crises of the late 1940s and the late 1950s. The Soviet leaders may have calculated that the combination of a specifically West European interest in détente with the growing fear of Soviet military power (especially with the massive deployment of the SS-20s targeted on Western Europe) might stampede the West Europeans—even if not the Americans—into a unilateral accommodation. They thus relied too much on simple political intimidation.

Nonetheless, in addition to noting Soviet persistence in seeking to achieve the subordination of Western Europe, it is important not to be overly reassured by the Soviet failure. For that failure is due more to the crudeness of the Soviet tactics than to the resilience of Western Europe. The fact is that Western Europe as such has not emerged politically. In that respect the Soviet Union can be said to have achieved at least a part of what it has been seeking since Yalta. In the meantime, the continued division of Europe breeds growing resentment not only of the direct Soviet domination over Eastern Europe but also of the American role in Europe, a situation which more skillfull Soviet diplomacy could at some point more intelligently exploit.

The political reality is that America cannot undo Europe's partition, but the existence of that partition intensifies the American-Soviet rivalry which in turn perpetuates the partition. Though America has at times sought to loosen the bonds that both tie and subordinate Eastern Europe to Moscow, at the truly critical junctures America has chosen not to contest Soviet domination directly. American policy has aimed at carefully encouraging the peaceful evolution of a somewhat more pluralistic Eastern Europe, a process that is bound to take time and which can periodically be reversed by force, as through martial law in Poland in 1981. However, when the East German regime collapsed in 1953, when Hungary arose in 1956, when Czechoslovakia peacefully emancipated itself in 1968 only to be invaded by Soviet armed forces, the United States adopted a passive posture masked by anti-Soviet rhetoric. Whether more could have been done is debatable, but that not much was done is undeniable.

VI

American prudence is one reason why the Europeans sense that America cannot undo the division of Europe. The other reason is even more basic. America cannot undo the partition of Europe without in effect defeating Russia. And that the Russians must and will resist firmly—just as the direct expulsion of America from Western Europe would be resisted by America as an intolerable defeat. At the same time, the partition of Germany in the context of the partition of Europe makes both partitions a live issue. It ensures a continuing political struggle for the future of Germany and thus for the future of Europe. It locks America and Russia into a strategically central conflict, but with the stakes so high that neither can countenance a direct defeat. With divided Germany thus serving as the permanent catalyst for change, the issue of the future of Europe remains a live issue, despite the stalemate of the last 40 years.

The situation might have been altogether different if the division of Europe had not entailed simultaneously the division of Germany. If instead of the Elbe the geopolitical American-Soviet frontier had been fixed on the Rhine or on the Oder-Neisse line, the division of Europe into two spheres of influence would have been neater and politically easier to maintain. With the Rhine as the dividing line, the West European rump would have felt so threatened by the Soviet presence, backed by a Sovietized Germany, that henceforth its enduring preoccupation would have been to insure the closest possible ties with America, forgetting altogether about the fate of the Soviet-dominated central and eastern Europe. If, on the other hand, Soviet sway had been extended only to the Oder-Neisse line, the Poles and the Czechs would have been so fearful that an American-backed Germany might resume its traditional *Drang nach Osten* that the partition of Europe would have been of very secondary concern.

As it happens, the existing stalemate is increasingly resented by all Europeans. The

Germans—no longer dominated by feelings of war guilt, less mesmerized by the American ideal, distressed by the failure of Europe to become an alternative to divisive nationalisms—are naturally drawn to a growing preoccupation with the fate of their brethren living under an alien system. The notion that the destiny of a united Germany depends on a close relationship with Russia is not a new one in German political tradition. Frustration with the nation's division is giving it a new lease on life.

Moreover, for Germany especially but also for Western Europe as a whole, the East holds a special economic attraction. It has been the traditional market for West European industrial goods. As Western Europe discovers that in its fragmented condition it is becoming less competitive with the high-tech economies of America and Japan, the notion of a special economic relationship with the East becomes particularly appealing. The fear that America may be turning from the Atlantic to the Pacific has in this connection a self-fulfilling and a self-validating function: it justifies a wider economic, and potentially even a political, accommodation between an industrially obsolescent Western Europe and the even more backward Soviet bloc, a logical consumer for what Western Europe can produce.

More than most Europeans, the East Europeans, no longer expecting American liberation, long for a genuine Europe, which would free them from the Soviet yoke. That longing explains the extraordinary standing to this day in Eastern Europe of de Gaulle—simply because he raised the standard of "Europe to the Urals." It explains also the special appeal of the Pope, whose vision of Europe's spiritual unity has obvious political implications. But the East Europeans will settle for half a loaf if they cannot have the whole. Faced with the choice of exclusive Soviet domination, only occasionally contested by American policy, or of at least growing ties with even a politically weak Western Europe, the East Europeans clearly prefer the latter.

To register all of this is not to say that Europe will simply drift into a separate accommodation with the Soviet Union, fu the continued absence of a united Europe, the mounting American frustration with the low level of the European defense effort, and the inevitable appeal of escapist notions regarding disarmament, nuclear freezes, and the like could have a significant impact on both American and European public opinion. Indeed, under certain circumstances, one can even envisage a spontaneous American inclination to disengage from Europe, with conservatives advocating it out of irritation with European unwillingness to do more for common defense, and with liberals propounding it because of their current tendency to deal with difficult security matters by evasion. The U.S. deficit will, in any case, drive Congress toward a more critical look at the cost of the U.S. NATO commitment.

In Europe itself, such a more subtle Litvinov-type Soviet policy would aim not at the dismantling of NATO as such but at depriving it of any political or military substance. Exploiting the duality of German feelings and the growing ties between Bonn and East Berlin, it would seek to transform Germany into a quasi-neutral member of NATO, thereby alarming and further fragmenting Western Europe. Instead of concentrating on trying to inflict on America a visible and direct political defeat in Europe, it would play on European unwillingness to associate itself with America in the wider global and ideological rivalry with Russia, in order to achieve European acquiescence to a subordinate relationship with Moscow.

It is not self-fulfilling pessimism to note that a Europe dependent militarily, fragmented politically, and anachronistic economically remains a Europe more vulnerable to such blandishments. In brief, a sustained Soviet peace offensive poses the greater danger that Moscow finally might succeed in splitting Europe from America and thus, taking advantage of Europe's continued historical fatigue, attain finally a Yaltanized Europe.

VII

As President Mitterrand put it some two years ago, *"tout ce qui permettera de sortir de Yalta sera bon. . . ."* But how to escape from Yalta? Forty years later, there must be a better option for both Europe and America than either a partitioned and prostrated Europe that perpetuates the American-Soviet collision, or a disunited Europe divorced from America acquiescing piecemeal to Soviet domination over Eurasia. And there is such a third option: the emergence of a politically more vital Europe less dependent militarily on the United States, encouraged in that direction by an America guided by a timely historic vision, and leading eventually to a fundamentally altered relationship with Eastern Europe and with Russia.

This third option requires a long-term strategy of the kind that the West simply has not devised in dealing with the enduring post-Yalta European dilemma. The point of departure for such a long-term strategy has to be joint recognition of the important conclusion which the experience of the last several decades teaches. *The historic balance in Europe will be changed gradually in the West's favor only if Russia comes to be faced west of the Elbe rather less by America and rather more by Europe.*

Thoughtful Europeans realize, moreover, that the future of Europe is intertwined with the future of Germany and of Poland. Without spanning, in some non-threatening fashion, the division of Germany, there will not be a genuine Europe; but continuing Russian domination of Poland makes Russian control over East Germany geopolitically possible. Thus the relationship between Russia on the one hand and Germany and Poland on the other must be peacefully transformed if a larger Europe is ever to emerge.

Both Americans and Europeans must also face up to the implications of the fact that the division of Europe is not only the unnatural consequence of the destruction of Europe in the course of two world wars; in the long run it is also an inherently unstable and potentially dangerous situation. It is likely to produce new explosions in Easter Europe and it could also generate a basic and destabilizing reorientation in Western Europe, especially since for many Europeans the existence of the two alliances across the dividing line in the middle of Europe is seen as an extension of superpower efforts to perpetuate the status quo.

Accordingly, concentration on the purely military dimension of the East-West problem, or trying to get the West Europeans to hew to the U.S. line in the Middle East or in Central America, is not going to preserve Western unity. America has to identify itself with a cause which has deeply felt emotional significance to most Europeans. Undoing the division of Europe, which is so essential to its spiritual and moral recovery, is a goal worthy of the Western democracies and one capable of galvanizing a shared sense of historic purpose.

But that objective, so essential to Europe's restoration, cannot be accomplished as an American victory over Russia. Nor will it be achieved by an explicit Russian acceptance, through a negotiated agreement, of Eastern Europe's emancipation from Russian vassalage. Moscow will not yield voluntarily. A wider Europe can only emerge as a consequence of a deliberately but subtly induced process of change, by historical stealth so to speak, which can neither be quickly detected nor easily resisted.

The West must shape that process and give it historical direction. As the point of departure for seeking the common goal, one can envisage a strategy combining five broad political, economic and military dimensions. Some involve relatively simple acts and can be summarized succinctly; some require more complicated processes of change, are bound to be more controversial, and thus require a fuller justification.

First, on the symbolic plane, it would be appropriate for the heads of the democratic West as a whole, perhaps on February 4, 1985, to clarify jointly, through a solemn declaration, the West's attitude toward the historic legacy of Yalta. In publicly repudiating that bequest—the partition of Europe—the West should underline its commitment to a restored Europe, free of extra-European control. It should stress in its belief that there now exists a genuine European political identity, the heir to Europe's civilization, which is entitled to unfettered expression. It should affirm the right of every European nation to choose its sociopolitical system in keeping with its history and tradition. It should explicitly reject and condemn Moscow's imposition on so many Europeans of a system that is culturally and politically so alien to them. Finally, by drawing attention to the positive experience of neutral Austria and Finland, it should pledge that a more authentic Europe would not entail the extension of the American sphere of influence to the European state frontiers of the Soviet Union.

Second, and in direct connection with the renunciation of Yalta's burden, the West should simultaneously reconfirm its commitment to the Helsinki Final Act. This is absolutely essential, for otherwise the repudiation of Yalta could give the Soviets the convenient argument that the territorial integrity of Poland and of Czechoslovakia is thereby again endangered. The Helsinki agreements confirmed the durability of the existing frontiers in central and eastern Europe, and the eastern nations must be reassured on this score. At the same time, the Helsinki agreements legalized and institutionalized the notion that the West has a right to comment on the internal practices of East European governments and that respect of human rights is a general international obligation. Accordingly, the repudiation of Yalta's historic legacy should be accompanied by the reaffirmation of the West's commitment to peaceful East-West relations, to the maintenance of the existing territorial status quo, and to the indivisibility of the concepts of freedom and human rights.

Moreover, reaffirmation of the continued Western commitment to the Helsinki Final Act could help to resolve the potentially fatal European ambivalence regarding Germany. The fact is that, while the Europeans resent their historic partition, they fear almost as much a reunited Germany. There-

fore, the renunciation of Yalta's legacy—the division of Europe—should be accompanied by an explicit pledge, through the reaffirmation of Helsinki's continued relevance, that the purpose of healing the East-West rift in Europe is not to dismantle any existing state but to give every European people the opportunity to participate fully in wider all-European cooperation. In that context, the division of Germany need not be undone through formal reunification but by the gradual emergence of a much less threatening loose confederation of the existing two states.

Third, much in keeping with the spirit of these symbolic acts, Western Europe should strive to create the maximum number of opportunities for East European participation in various all-European bodies. There is today a proliferation of such institutions, both private and public. East Europeans should be encouraged quietly but systemically to increase their participation—even if initially only as observers—in such bodies as the European Parliament, as well as the myriad of more specialized technical agencies. The fostering in Eastern Europe of the European spirit, and of greater East European recognition that there is more to Europe today than meets the eye, is clearly in the interest of all Europe. But a new burst of energy in this regard is much needed.

It would also be appropriate for the major West European nations, as well as for America, to sponsor during the Yalta year of 1985—on either a private or public basis—a series of seminars and conferences on the future of post-Yalta Europe. A special effort should be made to invite East Europeans to participate, on whatever basis is possible, in deliberations designed to forge during that year a wider consensus on how bet to undo peacefully Yalta's legacy.

In addition, Western Europe should reactivate efforts previously initiated but lately dormant designed to encourage closer contacts and eventually even some form of collaboration between the Common Market and Eastern Europe. In different ways, both East Germany and Yugoslavia today have practical relationships with that important West European entity. Precisely because the present Soviet leadership has stepped up its efforts to integrate Eastern Europe into COMECON and thus to bind it to the Soviet economy, additional initiative on the part of the Common Market is now badly needed. Even if the East Europeans, under Soviet pressure, were to rebuff such Western efforts at closer contacts, exchange of information and some cooperative projects, the Western initiative would still have a positive effect. The recent East German willingness to risk Soviet displeasure at growing inter-German ties reflects the widespread desire as well as economic need of Eastern Europe for closer links with the rest of Europe. The continued economic stagnation of the Soviet-type economies makes the timing for greater Western activism in this regard particularly propitious.

Fourth, and in no way in conflict with the preceding, Europe should intensify its aid to those East Europeans who are struggling actively for the political emancipation of Eastern Europe. That struggle is the necessary concomitant and at least partially also the cause of evolutionary change in Eastern Europe. Only too often do West European well-wishers of a more independent Eastern Europe look askance at those in the East who undertake more direct forms of struggle. While cultivation of Eastern European officials enjoys a certain fashionable prestige in Western circles, tangible assistance to those resisting totalitarianism is viewed only too frequently as somehow "in the spirit of the cold war."

Yet a division of labor between America and Europe in which the former is seen as alone in supporting dissident "subversion" while the latter engages exclusively in offical courtship would be self-defeating. West Europeans should undertake to provide support for some of the activities that America has quite generously, for Europe's sake as well as for its own, sustained for more than three decades. The French recently have done so for the Polish Solidarity movement, and so have some other Europeans. Radio Paris has been gaining more East European listeners. But much more needs to be done. Germany, for example, after Chancellor Helmut Schmidt in effect endorsed Wojciech Jaruzelski's martial law in Poland, confined itself to truly humanitarian private philanthropy; it has not been as active as it could be in sustaining various forms of East European political activity designed to induce the existing regimes to transform themselves.

In subtle but sustained fashion West Europe could aid the East Europeans in such efforts, because in the age of transistors and mass communications totalitarian control can be pierced, with positive political effect. Western Europe should, after all, be a direct partner in the struggle for Europe's future, and a well-funded Franco-British-German-Italian consortium (a Foundation for a Post-Yalta Europe) to aid East European efforts to emancipate peacefully the eastern portion of Europe would be an appropriate and long overdue contribution.

Fifth, the time has come for a more fundamental rethinking of the relationship between Western security and political change in Europe as a whole. The West can make the needed adjustment, and America—since it plays the central military role—should take the lead to that end. America is needed in Europe to deter Russia not only from military aggression but from political intimidation. That is obvious and it justifies NATO and the American military presence on the continent. But an American military presence that reduces the incentive for the Europeans to unite politically, yet simultaneously increases the incentive for the Soviets to stay put militarily in central and eastern Europe, is a military presence not guided by a subtle political-historical calculus. A more sensitive calibration of the political-military equation is needed in order to safeguard Western Europe while promoting change in the East-West relationship.

If Europe is to emerge politically, it must assume a more direct role in its own defense. A Europe that plays a larger defense role will require a lesser, or at least a redefined, American military presence. A Europe that can defend itself more on its own is a Europe that is also politically more vital, while less challenging to the Soviet Union from a purely military point of view, than a Europe with a large American military presence in its very center. Such a Europe would then be better able to satisfy the East European yearning for closer association without such association being tantamount to an American defeat of Russia.

But Europe must be prodded to move in that direction. Left as it is, Europe's cultural hedonism and political complacence will ensure that not much is done. Even the modest 1978 NATO commitment to a three percent per annum increase in defense expenditures was not honored by most European states. America should, therefore, initiate a longer-term process to alter the nature of its military presence in Europe gradually, while making it clear to the Europeans that the change is not an act of anger or a threat (à la the Mansfield resolution) but rather the product of a deliberate strategy designed to promote Europe's unity and its historic restoration.

Ultimately, the United States in NATO should be responsible primarily for offsetting Soviet strategic power, thus deterring both a Soviet attack or nuclear blackmail. But on the ground, the defense of Europe over the next decade should become an even more predominantly European responsibility. The needed process of replacing gradually but not totally (and certainly not in Berlin) the U.S. ground combat forces could perhaps be accelerated if, through the Mutual and Balanced Force Reductions talks or otherwise, the Soviet Union were willing to reciprocate by comparable withdrawals of its own ground forces. But, in any case, it should be accompanied by appropriate European efforts to assume greater responsibility for the defense of Europe not only on a purely national basis but through enhanced European defense coordination.

The United States should particularly encourage efforts at increased Franco-German military cooperation and eventual integration. France has a historic awareness of a European identity while Germany chafes under Europe's partition. A Franco-Germany army would have the manpower, the resources, and the fighting potential to pick up the slack created by a gradual decrease in the American combat presence on the ground. The eventual fusion of these two national forces into a joint combat force would represent a giant step toward a politically more vital Europe, yet a Europe which would be less conflictual with the Soviet Union than a Europe hosting a large U.S. army and less threatening to Eastern Europe than a Europe with a powerful separate German army. A gradually reduced U.S. ground presence would in turn create pressure from even the existing East European regimes for a commensurate Soviet redeployment, thereby gradually creating a more flexible political situation.

To move Europe in this direction, the United States will have to take the first steps, even perhaps unilaterally through a ten-year program of annual cuts in the level of the U.S. ground forces in Europe. But these steps should be taken in the context of an articulated strategy that has a constructive political as well as military rationale. Its political purpose should be openly proclaimed: to create the setting for Europe's restoration and, through it, also for a more stable East-West relationship. It would also have to be made clear that some American combat forces would remain in Europe, as they do in Korea, thereby ensuring immediate American engagement in the event of hostilities. Moreover, continued American strategic protection of Europe should not remain confined only to the possible employment of nuclear weaponry. It should over time, with technological advance, be enhanced to include also some strategic defense. As strategic defense for America becomes more viable, it should be a major American goal to extend some of its protection to Europe as well.

A division of labor in NATO along the foregoing lines would make it much easier to consider by Yalta's fiftieth anniversary also those East-West security and political

arrangements which at the moment seem premature, unrealistic, or excessively threatening to America or to Russia. These could include demilitarized or nuclear-free zones or extension of the Austrian-type neutrality to other areas, including later even to a loosely confederated Germany. It would encourage a process of change permitting the latent or frustrated West and East European impulses for the restoration of Europe gradually to surface. Eventually, it would permit Europe to emerge, and to play a major role on the Eurasian continent, along with the Soviet Union, India and China, while helping to ensure through its links with America that no single power dominates that geopolitically vital continent.

VIII

The fiftieth anniversary of Yalta is only ten years away. It should be our shared goal to fashion by then political-military arrangements which, instead of perpetuating the division of Europe—and perhaps even prompting West Europe's political decay, create the preconditions for peacefully undoing Yalta. A Western Europe essentially self-reliant in regional defense, while covered by the U.S. system of nuclear deterrence and also eventually by U.S. strategic defense, would be a Western Europe more capable of pursuing a positive policy toward the East without fear of domination by Moscow. In the final analysis, only Europeans can restore Europe; it cannot be done for them by others.

To be sure, Moscow will resist the aspirations of the Europeans. No empire dissolves itself voluntarily—at least not until it becomes evident that accommodation to gradual dissolution is preferable to the rising costs of preserving the imperial system. So it will be also with the Soviet empire. Moscow will violently protest any Western disavowal of Yalta's legacy and will accuse the West of worsening East-West relations; that is only to be expected. But such public disavowal is the necessary point of departure for more focused efforts by all the Europeans gradually to undo their continent's division. Once that historic commitment has been made, these efforts, as recommended here, need not be either aggressive or initially even very explicit. As time passes, with the organic growth of a larger Europe gathering momentum, it will become more and more difficult for the Kremlin to resist a process that over time may acquire the hallmarks of historical inevitability. At some point, then, even the Soviets may find it useful to codify some new neutrality arrangements in central Europe and to reduce and eventually to remove their occupation forces.

One should not underestimate in this connection Moscow's adaptability. Despite his ruthlessness, even Stalin accommodated himself to the reality of an indpendent Catholic Church in Poland; Khrushchev to a Polish peasantry free from collectivization and to a separate Romanian foreign policy; Brezhnev to "goulash communism" in Hungary and to army rule in Poland. Why then should not the next generation of Soviet leaders be pressed also to come to terms with the fact that even the interests of the Soviet people would be better served by a less frustrated and oppressed east-central Europe, partaking more directly of the benefits of all-European cooperation?

As divided Europe enters the fifth decade after Yalta, it is important to reiterate that undoing Yalta cannot involve a precise blueprint or a single dramatic initiative. The shape of the future cannot be reduced to a neat plan, with specific phases and detailed agreements. Rather, it requires an explicit commitment and a sense of strategic direction for a process of change that is bound to have also its own dynamic. In any case, for America the emergence of a more vital Europe would be a positive outcome, for ultimately a pluralistic world is in America's true interest. Moreover, such a development would avert the major danger that if Yalta's legacy is not deliberately—though peacefully—undone in the East, it will eventually become the reality in the West. In other words, Yalta must be consigned to Europe's past if it is not to become Europe's future.

UNITED STATES-JAPAN TRADE

Mr. DANFORTH. Mr. President, Senator BOREN and I announced on Friday our intention to offer a resolution that would link an opening of Japan's markets to extension of the limits on Japanese auto imports.

Obviously, we view the $123 billion trade deficit as a matter of the utmost gravity. The largest single contributor to this horrifying deficit is Japan, with which nation we posted a stunning deficit of $37 billion in 1984.

We believe that Japan must increase its purchases of American goods and services if it expects an end to the limits on its auto shipments to the United States. It is time that Japan's litany of empty promises give way to results. It is time for Japan to do what it says it intends to do: open its markets, and now.

I rise to advise the Senate that the following Senators will cosponsor our resolution when it is formally introduced:

Senators ABDNOR, ANDREWS, BAUCUS, BINGAMAN, BURDICK, DIXON, DODD, EAGLETON, FORD, GARN, HEFLIN, HEINZ, KENNEDY, LAUTENBERG, LEVIN, MITCHELL, PRESSLER, PROXMIRE, QUAYLE, RIEGLE, SIMON, SPECTER, and WARNER.

Several Senators have indicated a desire to prepare floor statements for the formal introduction of this resolution. Moreover, we expect that several additional cosponsors will join between now and the date of introduction.

I would take this opportunity to advise the Senate of the text of our resolution. I ask that the text be included at the end of my statement.

Let me say, Mr. President, that Senator BOREN and I are greatly encouraged by the initial response to our Dear Colleague letter, which was distributed on Tuesday.

The strong support which we are receiving suggests to me that we will be in a position to secure a rollcall vote in the Senate at an early date.

Clearly, Senator BOREN and I believe the time is right for Congress to send a clear, strong signal to Japan, and to the administration, that our bilateral trade deficit with Japan has to come down, and quickly.

I ask unanimous consent that the text of the resolution be printed in the RECORD.

There being no objection, the text of the resolution was ordered to be printed in the RECORD, as follows:

DANFORTH-BOREN RESOLUTION ON UNITED STATES-JAPAN TRADE

Whereas, the United States merchandise trade deficit with Japan reached the unprecedented level of $37 billion in 1984—accounting for almost one-third of the entire United States deficit with the world;

Whereas, this unprecedented bilateral deficit was accumulated in spite of significant growth in the Japanese economy;

Whereas, the principles of free trade provide for trade flows between nations on the basis of each nation's comparative advantage;

Whereas, Japan has extensive access to the United States market for products where Japan has comparative advantage;

Whereas, United States exporters lack access to the Japanese market for manufactured goods, forest products, key agricultural commodities and certain services where the United States has comparative advantage;

Whereas, the high value of the dollar relative to the yen effectively subsidizes Japanese exports to the United States and taxes United States exports to Japan;

Whereas, despite the voluntary restraint, Japanese autos continue to account for approximately 2 million cars imported into the United States market—contributing over $20 billion to the bilateral trade deficit;

Whereas, years of negotiating with Japan to secure meaningful improvements in market access for competitive United States exports have been largely unsuccessful;

Whereas, many other countries experience comparable difficulty in obtaining access to the Japanese market;

Whereas, an end to the voluntary restraint on autos without a comparable improvement in access for competitive United States exports to the Japanese market will severely exacerbate the bilateral trade deficit;

Whereas, this deficit has the potential of undermining the entire range of bilateral relations between the United States and Japan;

Therefore, be it resolved that the voluntary restraint on Japanese autos not be ended until United States exports to Japan are substantially increased and the United States trade deficit with Japan is substantially reduced.

STATE OF THE UNION ADDRESS—MESSAGE FROM THE PRESIDENT—PM 17

The VICE PRESIDENT laid before the Senate the following message from the President of the United States; which was ordered to lie on the table:

To the Congress of the United States:

Mr. Speaker, Mr. President, distinguished Members of the Congress, honored guests, and fellow citizens. I come before you to report on the state of our Union. And I am pleased to report that, after 4 years of united effort, the American people have brought forth a Nation renewed—

stronger, freer, and more secure than before.

Four years ago, we began to change—forever, I hope—our assumptions about Government and its place in our lives. Out of that change has come great and robust growth—in our confidence, our economy, and our role in the world.

Tonight, America is stronger because of the values we hold dear. We believe faith and freedom must be our guiding stars, for they show us truth, make us brave, give us hope, and leave us wiser than we were. Our progress began not in Washington, D.C., but in the hearts of our families, communities, workplaces, and voluntary groups which, together, are unleashing the invincible spirit of one great Nation under God.

Four years ago, we said we would invigorate our economy by giving people greater freedom and incentives to take risks, and letting them keep more of what they earned.

We did what we promised, and a great industrial giant is reborn. Tonight we can take pride in 25 straight months of economic growth, the strongest in 34 years; a 3-year inflation average of 3.9 percent, the lowest in 17 years; and 7.3 million new jobs in 2 years, with more of our citizens working than ever before.

New freedom in our lives has planted the rich seeds for future success:

For an America of wisdom that honors the family, knowing that as the family goes, so goes our civilization;

For an America of vision that sees tomorrow's dreams in the learning and hard work we do today;

For an America of courage whose servicemen and women, even as we meet, proudly stand watch on the frontiers of freedom;

For an America of compassion that opens its heart to those who cry out for help.

We have begun well. But it's only a beginning. We are not here to congratulate ourselves on what we have done, but to challenge ourselves to finish what has not yet been done.

We are here to speak for millions in our inner cities who long for real jobs, safe neighborhoods, and schools that truly teach. We are here to speak for the American farmer, the entrepreneur, and every worker in industries fighting to modernize and compete. And, yes, we are here to stand, and proudly so, for all who struggle to break free from totalitarianism; for all who know in their hearts that freedom is the one true path to peace and human happiness.

Proverbs tells us, without a vision the people perish. When asked what great principle holds our Union together, Abraham Lincoln said, "Something in [the] Declaration giving liberty, not alone to the people of this country, but hope to the world for all future time."

We honor the giants of our history not by going back, but forward to the dreams their vision foresaw. My fellow citizens, this Nation is poised for greatness. The time has come to proceed toward a great new challenge—a Second American Revolution of hope and opportunity; a revolution carrying us to new heights of progress by pushing back frontiers of knowledge and space; a revolution of spirit that taps the soul of America, enabling us to summon greater strength than we have ever known; and, a revolution that carries beyond our shores the golden promise of human freedom in a world at peace.

Let us begin by challenging conventional wisdom: There are no constraints on the human mind, no walls around the human spirit, no barriers to our progress except those we ourselves erect. Already, pushing down tax rates has freed our economy to vault forward to record growth.

In Europe, they call it "the American Miracle." Day by day, we are shattering accepted notions of what is possible. When I was growing up, we failed to see how a new thing called radio would transform our marketplace. Well, today many have not yet seen how advances in technology are transforming our lives.

In the late 1950's, workers at the AT&T semiconductor plant in Pennsylvania produced five transistors a day for $7.50 apiece. They now produce over a million for less than a penny apiece.

New laser techniques could revolutionize heart bypass surgery, cut diagnosis time for viruses linked to cancer from weeks to minutes, reduce hospital costs dramatically, and hold out new promise for saving human lives.

Our automobile industry has overhauled assembly lines, increased worker productivity, and is competitive once again.

We stand on the threshold of a great ability to produce more, do more, be more. Our economy is not getting older and weaker, it's getting younger and stronger; it doesn't need rest and supervision, it needs new challenge and greater freedom. And that word—freedom—is the key to the Second American Revolution we mean to bring about.

Let us move together with an historic reform of tax simplification for fairness and growth. Last year, I asked Treasury Secretary Regan to develop a plan to simplify the tax code, so all taxpayers would be treated more fairly, and personal tax rates could come further down.

We have cut tax rates by almost 25 percent, yet the tax system remains unfair and limits our potential for growth. Exclusions and exemptions cause similar incomes to be taxed at different levels. Low-income families face steep tax barriers that make hard lives even harder. The Treasury Department has produced an excellent reform plan whose principles will guide the final proposal we will ask you to enact.

One thing that tax reform will not be is a tax increase in disguise. We will not jeopardize the mortgage interest deduction families need. We will reduce personal tax rates as low as possible by removing many tax preferences. We will propose a top rate of no more than 35 percent, and possibly lower. And we will propose reducing corporate rates while maintaining incentives for capital formation.

To encourage opportunity and jobs rather than dependency and welfare, we will propose that individuals living at or near the poverty line be totally exempt from Federal income tax. To restore fairness to families, we will propose increasing significantly the personal exemption.

Tonight, I am instructing Treasury Secretary James Baker to begin working with congressional authors and committees for bipartisan legislation conforming to these principles. We will call upon the American people for support, and upon every man and woman in this chamber. Together, we can pass, this year, a tax bill for fairness, simplicity, and growth making this economy the engine of our dreams, and America the investment capital of the world—so let us begin.

Tax simplification will be a giant step toward unleashing the tremendous pent-up power of our economy. But a Second American Revolution must carry the promise of opportunity for all. It is time to liberate the spirit of enterprise in the most distressed areas of our country.

This Government will meet its responsibility to help those in need. But policies that increase dependency, break up families, and destroy self-respect are not progressive, they are reactionary. Despite our strides in civil rights, blacks, hispanics, and all minorities will not have full and equal power until they have full economic power.

We have repeatedly sought passage of enterprise zones to help those in the abandoned corners of our land find jobs, learn skills, and build better lives. This legislation is supported by a majority of you. Mr. Speaker, I know we agree: There must be no forgotten Americans. Let us place new dreams in a million hearts and create a new generation of entrepreneurs by passing enterprise zones this year.

Nor must we lose the chance to pass our Youth Employment Opportunity Wage proposal. We can help teenagers who have the highest unemployment rate find summer jobs, so they can

know the pride of work, and have confidence in their futures.

We will continue to support the Job Training Partnership Act, which has a nearly two-thirds job placement rate. Passage of tuition tax credits and education and health care vouchers will help working families shop for services they need.

Our Administration is already encouraging certain low-income public housing residents to own and manage their own dwellings. It is time all public housing residents have that opportunity of ownership.

The Federal Government can help create a new atmosphere of freedom. But States and localities, many of which enjoy surpluses from the recovery, must not permit their tax and regulatory policies to stand as barriers to growth.

Let us resolve that we will stop spreading dependency and start spreading opportunity; that we will stop spreading bondage and start spreading freedom.

There are some who say growth initiatives must await final action on deficit reductions. Well, the best way to reduce deficits is through economic growth. More businesses will be started, more investments made, more jobs created, and more people will be on payrolls paying taxes. The best way to reduce Government spending is to reduce the need for spending by increasing prosperity. Each added percentage point per year of real G.N.P. growth will lead to a cumulative reduction in deficits of nearly $200 billion over 5 years.

To move steadily toward a balanced budget we must also lighten Government's claim on our total economy. We will not do this by raising taxes. We must make sure that our economy grows faster than growth in spending by the Federal Government. In our Fiscal Year 1986 budget, overall Government program spending will be frozen at the current level; it must not be one dime higher than Fiscal Year 1985. Three points are key:

First, the social safety net for the elderly, needy, disabled, and unemployed will be left intact. Growth of our major health care programs, Medicare and Medicaid, will be slowed, but protections for the elderly and needy will be preserved.

Second, we must not relax our efforts to restore military strength just as we near our goal of a fully equipped, trained, and ready professional corps. National security is Government's first responsibility, so, in past years, defense spending took about half the Federal budget. Today it takes less than a third.

We have already reduced our planned defense expenditures by nearly $100 billion over the past 4 years, and reduced projected spending again this year. You know, we only have a military industrial complex until a time of danger. Then it becomes the arsenal of democracy. Spending for defense is investing in things that are priceless: peace and freedom.

Third, we must reduce or eliminate costly Government subsidies. For example, deregulation of the airline industry has led to cheaper airfares, but on Amtrak taxpayers pay about $35 per passenger every time an Amtrak train leaves the station. It's time we ended this huge Federal subsidy.

Our farm program costs have quadrupled in recent years. Yet I know from visiting farmers, many in great financial distress, that we need an orderly transition to a market-oriented farm economy. We can help farmers best, not by expanding Federal payments, but by making fundamental reforms, keeping interest rates heading down, and knocking down foreign trade barriers to American farm exports.

We are moving ahead with Grace Commission reforms to eliminate waste, and improve Government's management practices. In the long run, we must protect the taxpayers from Government. I ask again that you pass, as 32 States have now called for, an amendment mandating the Federal Government spend no more than it takes in. And I ask for the authority used responsibly by 43 Governors to veto individual items in appropriations bills. Senator MATTINGLY has introduced a bill permitting a 2-year trial run of the line-item veto. I hope you will pass and send that legislation to my desk.

Nearly 50 years of Government living beyond its means has brought us to a time of reckoning. Ours is but a moment in history. But one moment of courage, idealism, and bipartisan unity can change American history forever.

Sound monetary policy is key to long-running economic strength and stability. We will continue to cooperate with the Federal Reserve Board, seeking a steady policy that ensures price stability, without keeping interest rates artificially high or needlessly holding down growth.

Reducing unneeded red tape and regulations, and deregulating the energy, transportation, and financial industries, have unleashed new competition, giving consumers more choices, better services, and lower prices. In just one set of grant programs we have reduced 905 pages of regulations to 31.

We seek to fully deregulate natural gas to bring on new supplies and bring us closer to energy independence. Consistant with safety standards, we will continue removing restraints on the bus and railroad industries; we will soon send up legislation to return Conrail to the private sector, where it belongs; and we will support further deregulation of the trucking industry.

Every dollar the Federal Government does not take from us, every decision it does not make for us, will make our economy stronger, our lives more abundant, our future more free.

Our Second American Revolution will push on to new possibilities not only on Earth—but in the next frontier of space. Despite budget restraints, we will seek record funding for research and development.

We have seen the success of the space shuttle. Now we are going to develop a permanently-manned Space Station, and new opportunities for free enterprise. In the next decade, Americans and our friends around the world will be living and working together in space.

In the zero-gravity of space we could manufacture in 30 days lifesaving medicines it would take 30 years to make on Earth. We can make crystals of exceptional purity to produce super computers, creating jobs, technologies, and medical breakthroughs beyond anything we ever dreamed possible.

As we do all this, we will continue to protect our natural resources. We will seek reauthorization and expanded funding for the Superfund program, to continue cleaning up hazardous waste sites which threaten human health and the environment.

There is another great heritage to speak of this evening. Of all the changes that have swept America the past 4 years, none brings greater promise than our rediscovery of the values of faith, freedom, family, work, and neighborhood.

We see signs of renewal in increased attendance in places of worship; renewed optimism and faith in our future; love of country rediscovered by our young who are leading the way. We have rediscovered that work is good in and of itself; that it enables us to create and contribute no matter how seemingly humble our jobs. We have seen a powerful new current from an old and honorable tradition—American generosity.

From thousands answering Peace Corps appeals to help boost food production in Africa, to millions volunteering time, corporations adopting schools, and communities pulling together to help the neediest among us at home, we have refound our values—we have refound America. Private sector initiatives are crucial to our future.

I thank the Congress for passing equal access legislation giving religious groups the same right to use classrooms after school that other groups enjoy. But no citizen need tremble, nor the world shudder, if a child stands in a classroom and breathes a prayer. We ask you again—give chil-

dren back a right they had for a century-and-a-half or more.

The question of abortion grips our Nation. Abortion is either the taking of human life, or it isn't; and if it is—and medical technology is increasingly showing it is—it must be stopped.

It is a terrible irony that while some turn to abortion, so many others who cannot become parents cry out for children to adopt. We have room for these children; we can fill the cradles of those who want a child to love. Tonight I ask the Congress to move this year on legislation to protect the unborn.

In the area of education, we're returning to excellence, and again, the heroes are our people, not Government. We're stressing basics of discipline, rigorous testing, and homework, while helping children become computer-smart as well. For 20 years, Scholastic Aptitude Test scores of our high school students went down. But now they have gone up 2 of the last 3 years.

We must go forward in our commitment to the new basics, giving parents greater authority and making sure good teachers are rewarded for hard work and achievement through merit pay.

Of all the changes in the past 20 years, none has more threatened our sense of national well-being than the explosion of violent crime. One does not have to have been attacked to be a victim. The woman who must run to her car after shopping at night is a victim; the couple draping their door with locks and chains are victims; as is the tired, decent cleaning woman who can't ride a subway home without being afraid.

We do not seek to violate rights of defendants. But shouldn't we feel more compassion for victims of crime than for those who commit crime? For the first time in 20 years, the crime index has fallen 2 years in a row; we've convicted over 7,400 drug offenders, and put them, as well as leaders of organized crime, behind bars in record numbers.

But we must do more. I urge the House to follow the Senate and enact proposals permitting use of all reliable evidence that police officers acquire in good faith. These proposals would also reform the habeus corpus laws and allow, in keeping with the will of the overwhelming majority of Americans, the use of the death penalty where necessary.

There can be no economic revival in ghettos when the most violent among us are allowed to roam free. It is time we restored domestic tranquility. And we mean to do just that.

Just as we are positioned as never before to secure justice in our economy, we are poised as never before to create a safer, freer, more peaceful world.

Our alliances are stronger than ever. Our economy is stronger than ever. We have resumed our historic role as a leader of the free world—and all of these together are a great force for peace.

Since 1981, we have been committed to seeking fair and verifiable arms agreements that would lower the risk of war and reduce the size of nuclear arsenals. Now our determination to maintain a strong defense has influenced the Soviet Union to return to the bargaining table. Our negotiators must be able to go to that table with the united support of the American people. All of us have no greater dream than to see the day when nuclear weapons are banned from this Earth forever.

Each Member of the Congress has a role to play in modernizing our defenses, thus supporting our chances for a meaningful arms agreement. Your vote this spring on the Peacekeeper missile will be a critical test of our resolve to maintain the strength we need and move toward mutual and verifiable arms reductions.

For the past 20 years we have believed that no war will be launched as long as each side knows it can retaliate with a deadly counter-strike. Well, I believe there is a better way of eliminating the threat of nuclear war.

It is a Strategic Defense Initiative aimed at finding a non-nuclear defense against ballistic missiles. It is the most hopeful possibility of the nuclear age. But it is not well understood.

Some say it will bring war to the heavens—but its purpose is to deter war, in the heavens and on Earth. Some say the research would be expensive. Perhaps, but it could save millions of lives, indeed humanity itself. Some say if we build such a system, the Soviets will build a defense system of their own. Well, they already have strategic defenses that surpass ours; a civil defense system, where we have almost none; and a research program covering roughly the same areas of technology we're exploring. And finally, some say the research will take a long time. The answer to that is: "Let's get started."

Harry Truman once said that, ultimately, our security, and the world's hopes for peace and human progress, "lie not in measures of defense or in the control of weapons, but in the growth and expansion of freedom and self-government."

Tonight, we declare anew to our fellow citizens of the world: Freedom is not the sole prerogative of a chosen few; it is the universal right of all God's children. Look to where peace and prosperity flourish today. It is in homes that freedom built. Victories against poverty are greatest and peace most secure where people live by laws that ensure free press, free speech, and freedom to worship, vote, and create wealth.

Our mission is to nourish and defend freedom and democracy, and to communicate these ideals everywhere we can.

America's economic success is freedom's success; it can be repeated a hundred times in a hundred different nations. Many countries in East Asia and the Pacific have few resources other than the enterprise of their own people. But through low tax rates and free markets, they have soared ahead of centralized economies. And now China is opening up its economy to meet its needs.

We need a stronger and simpler approach to the process of making and implementing trade policy and will be studying potential changes in that process in the next few weeks.

We have seen the benefits of free trade and lived through the disasters of protectionism. Tonight, I ask all our trading partners, developed and developing alike, to join us in a new round of trade negotiations to expand trade and competition, and strengthen the global economy—and to begin it in the next year.

There are more than 3 billion human beings living in Third World countries, with an average per capita income of $650 a year. Many are victims of dictatorships that impoverish them with taxation and corruption. Let us ask our allies to join us in a practical program of trade and assistance that fosters economic development through personal incentives to help these people climb from poverty on their own.

We cannot play innocents abroad in a world that is not innocent. Nor can we be passive when freedom is under siege. Without resources, diplomacy cannot succeed; our security assistance programs help friendly governments defend themselves, and give them confidence to work for peace. Congress should understand that dollar for dollar security assistance contributes as much to global security as our own defense budget.

We must stand by all our democratic allies. And we must not break faith with those who are risking their lives—on every continent, from Afghanistan to Nicaragua—to defy Soviet-supported aggression and secure rights which have been ours from birth.

The Sandinista dictatorship of Nicaragua, with full Cuban Soviet-bloc support, not only persecutes its people, the church, and denies a free press, but arms and provides bases for communist terrorists attacking neighboring states. Support for freedom fighters is self-defense, and totally consistent with the O.A.S. and U.N. Charters. It is essential that the Congress continue all facets of our assistance to

Central America. I want to work with you to support the democratic forces whose struggle is tied to our own security.

Tonight I have spoken of great plans and great dreams. They are dreams we can make come true. Two hundred years of American history should have taught us that nothing is impossible.

Ten years ago a young girl left Vietnam with her family; part of the exodus that followed the fall of Saigon. They came to the United States with no possessions, and not knowing a word of English. The young girl studied hard, learned English and finished high school in the top of her class. This May is a big date on her calendar. Just 10 years from the time she left Vietnam, she'll graduate from the United States Military Academy at West Point. I thought you might like to meet an American hero named Jean Nguyen.

There's someone else here tonight. Born 79 years ago, she lives in the inner city, where she cares for infants born of mothers who are heroin addicts. The children, born in withdrawal, are sometimes even dropped at her doorstep. She heals them with love. Go to her house some night and maybe you'll see her silhouette against the window, as she walks the floor talking softly, soothing a child in her arms. Mother Hale of Harlem—she, too, is an American hero.

Your lives tell us that the oldest American saying is new again: Anything is possible in America if we have the faith, the will, and the heart. History is asking us, once again, to be a force for good in the world. Let us begin—in unity, with justice, and love.

RONALD REAGAN.

THE WHITE HOUSE, *February 6, 1985.*

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PACKWOOD, from the Committee on Finance, without amendment:

S. Res. 70. An original resolution authorizing expenditures by the Committee on Finance; referred to the Committee on Rules and Administration.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. KASTEN (for himself and Mr. KENNEDY):

S. 423. A bill to make available supplemental appropriations for the fiscal year ending September 30, 1985, to meet famine relief requirements of Sub-Saharan Africa, and for other purposes; to the Committee on Appropriations.

By Mr. HOLLINGS (for himself and Mr. SYMMS):

S. 424. A bill to amend the Military Selective Service Act to provide for the reinstitution of the registration and classification of persons under such Act and to reinstate the authority of the President to induct persons involuntarily into the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. GOLDWATER (for himself, Mr. HATCH, Mr. CRANSTON, Mr. SYMMS, Mr. DECONCINI, Mr. ABDNOR, Mr. ANDREWS, Mr. BENTSEN, Mr. BYRD, Mrs. HAWKINS, Mr. HEINZ, Mr. INOUYE, Mr. JOHNSTON, Mr. LUGAR, Mr. MATTINGLY, Mr. MELCHER, Mr. SARBANES, Mr. STEVENS, Mr. ZORINSKY, Mr. DURENBERGER, and Mr. LEAHY):

S. 425. A bill to amend the Public Health Service Act to establish a National Institute of Arthritis and Musculoskeletal and Skin Diseases; to the Committee on Labor and Human Resources.

By Mr. WALLOP (for himself, Mr. SIMPSON, Mr. GARN, Mr. HECHT, Mr. GOLDWATER, Mr. HEFLIN, Mr. WILSON, Mr. LAXALT, Mr. CRANSTON, Mr. DENTON, Mr. CHAFEE, Mr. MURKOWSKI, and Mr. DODD):

S. 426. A bill to amend the Federal Power Act to provide for more protection to electric consumers; to the Committee on Energy and Natural Resources.

By Mr. KASTEN:

S. 427. A bill for the relief of Tirouhi Marcarian; to the Committee on the Judiciary.

By Mr. SYMMS:

S. 428. A bill to amend the United States Housing Act of 1937 to provide additional home ownership and resident management opportunities for families residing in public housing projects; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. HEINZ:

S. 429. A bill to extend the statute of limitations for fraud under the customs laws and to clarify the extent of Government access to grand jury proceedings; to the Committee on Finance.

By Mr. HEINZ (for himself, Mr. CHAFEE, Mr. GARN, and Mr. D'AMATO):

S. 430. A bill to amend and clarify the Foreign Corrupt Practices Act of 1977; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. KENNEDY (for himself, Mr. WEICKER, Mr. CRANSTON, Mr. MATHIAS, Mr. LEAHY, Mr. PACKWOOD, Mr. METZENBAUM, Mr. STAFFORD, Mr. PELL, Mr. CHAFEE, Mr. SIMON, Mr. DURENBERGER, Mr. BIDEN, Mr. ANDREWS, Mr. MOYNIHAN, Mr. BAUCUS, Mr. BENTSEN, Mr. BINGAMAN, Mr. BRADLEY, Mr. BURDICK, Mr. CHILES, Mr. COHEN, Mr. DIXON, Mr. DODD, Mr. EAGLETON, Mr. EVANS, Mr. EXON, Mr. GLENN, Mr. GORE, Mr. HARKIN, Mr. HART, Mr. HOLLINGS, Mr. INOUYE, Mr. KERRY, Mr. LAUTENBERG, Mr. LEVIN, Mr. MATSUNAGA, Mr. MELCHER, Mr. PROXMIRE, Mr. RIEGLE, Mr. ROCKEFELLER, Mr. SARBANES, Mr. SPECTER, Mr. MITCHELL, Mr. DECONCINI, and Mr. JOHNSTON):

S. 431. A bill to restore the broad scope of coverage and to clarify the application of title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964; to the Committee on Labor and Human Resources.

By Mr. LEVIN (for himself and Mr. COHEN):

S. 432. A bill to amend the Internal Revenue Code of 1954 to provide taxpayers a cause of action for wrongful levy on property and a stay of a levy during the period of an installment pay plan: to the Committee on Finance.

By Mr. DIXON:

S. 433. A bill to amend the Agricultural Act of 1949 to require the Secretary of Agriculture to make available to producers advance loans on the 1985 crop of certain commodities; ordered held at the desk.

By Mr. D'AMATO (for himself, Mr. STENNIS, Mr. GORE, and Mr. SIMON):

S. 434. A bill to extend the authorization of the Robert A. Taft Institute Assistance Act; to the Committee on Labor and Human Resources.

By Mr. BUMPERS:

S. 435. A bill to amend the Consolidated Farm and Rural Development Act to improve and streamline the provision of farm credit assistance through the consolidation of the real estate, operating, economic emergency, soil and water, limited resource, recreation, and rural youth loan programs into one Agricultural Adjustment Loan, to reduce paperwork and make the Farmers Home Administration loan process more responsive to farmers' needs, and for other purposes: to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HATCH (for himself and Mr. THURMOND):

S. 436. A bill to amend the section 1979 of the Revised Statutes (42 U.S.C. 1983), relating to civil actions for the deprivation of rights, to limit the applicability of that statute to laws relating to equal rights, and to provide a special defense to the liability of political subdivisions of States; to the Committee on the Judiciary.

By Mr. QUAYLE:

S. 437. A bill to designate the Veterans' Administration Outpatient Clinic to be located in Crown Point, Indiana, as the "Adam Benjamin, Jr. Veterans' Administration Outpatient Clinic"; to the Committee on Veterans Affairs.

By Mr. MITCHELL (for himself, Mr. COHEN, Mr. CHAFEE, Mr. STEVENS, and Mr. MURKOWSKI):

S. 438. A bill to provide a lower rate of duty for certain fish netting and fishing nets; to the Committee on Finance.

By Mr. MITCHELL (for himself, Mr. COHEN, Mr. CHAFEE, Mr. BENTSEN, Mr. MATHIAS, Mr. STEVENS, Mr. MURKOWSKI, and Mr. PELL):

S. 439. A bill to make permanent the exemption from the Federal Unemployment Tax Act for services performed on certain fishing boats; to the Committee on Finance.

By Mr. TRIBLE:

S. 440. A bill to amend title 18, United States Code, to create an offense for the use, for fraudulent or other illegal purposes, of any computer owned or operated by certain financial institutions and entities affecting interstate commerce; to the Committee on the Judiciary.

By Mr. FORD (for himself and Mr. MCCONNELL):

S. 441. A bill to amend the Internal Revenue Code of 1954 to revise the withholding rules relating to certain pari-mutuel wagering payouts; to the Committee on Finance.

By Mr. SIMPSON (for himself, Mr. ARMSTRONG, Mr. BINGAMAN, Mr. DOMENICI, Mr. GARN, Mr. HART, Mr. HATCH, Mr. HECHT, Mr. LAXALT, and Mr. WALLOP):

S. 442. A bill to grant the consent of the Congress to the Rocky Mountain Low-Level Radioactive Waste Compact; to the Committee on the Judiciary.

By Mr. COHEN (for himself, Mr. MITCHELL, Mr. STEVENS, Mr. MURKOWSKI, and Mr. PELL):

S. 443. A bill to amend the Internal Revenue Code of 1954 to provide that certain fishermen who are treated as self-employed for social security tax purposes shall be treated as self-employed for pension plan purposes; to the Committee on Finance.

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 444. A bill to amend the Alaska Native Claims Settlement Act; to the Committee on Energy and Natural Resources.

By Mr. HART:

S. 445. A bill to amend the Price-Anderson Act to remove the liability limits for nuclear accidents, to provide better economic protection for people living near nuclear powerplants and nuclear transportation routes, and for other purposes; to the Committee on Environment and Public Works.

By Mr. DOMENICI:

S. 446. A bill for the transfer of certain interests in lands in Dona Ana County, New Mexico, to New Mexico State University, Las Cruces, New Mexico; to the Committee on Energy and Natural Resources.

By Mr. DECONCINI:

S. 447. A bill to amend the Sherman Act to prohibit a rail carrier from denying to shippers of certain commodities, with intent to monopolize, use of its track which affords the sole access by rail to such shippers to reach the track of a competing railroad or the destination of shipment and to apply Clayton Act penalties to monopolizing by rail carriers; to the Committee on the Judiciary.

By Mr. GRASSLEY:

S. 448. A bill to amend the Internal Revenue Code of 1954 to encourage contributions of equipment to postsecondary vocational education programs and to allow a credit to employers for vocational education courses taught by an employee without compensation and for temporary employment of full-time vocational education instructors; to the Committee on Finance.

By Mrs. HAWKINS:

S. 449. A bill to provide disaster relief through the Corps of Engineers for roads and beaches on the eastern coast of the State of Florida destroyed in fall 1984 storms; to the Committee on Environment and Public Works.

By Mr. BINGAMAN:

S. 450. A bill to establish a commission to study and make recommendations concerning the international trade and export policies and practices of the United States; to the Committee on Governmental Affairs.

By Mr. LEVIN:

S. 451. A bill to provide for an alternative to the present adversarial rule making procedure by establishing a process to facilitate the formation of regulatory negotiation commissions; to the Committee on Governmental Affairs.

By Mr. BRADLEY (for himself, Mr. DODD, and Mr. PELL):

S. 452. A bill to enact the Gifted and Talented Children's Education Act; to the Committee on Labor and Human Resources.

By Mr. GRASSLEY:

S. 453. A bill to amend the Internal Revenue Code of 1954 to safeguard taxpayer's rights; to the Committee on Finance.

By Mr. GRASSLEY (for himself, Mr. SYMMS, Mr. DURENBERGER, and Mr. BOREN):

S. 454. A bill to amend the Internal Revenue Code of 1954 to provide a 20-percent investment tax credit for certain soil or water conservation expenditures; to the Committee on Finance.

By Mr. GRASSLEY:

S. 455. A bill to permit a married individual filing a joint return to deduct certain payments made to an individual retirement plan established for the benefit of a working spouse; to the Committee on Finance.

By Mr. BOSCHWITZ (for himself and Mr. DURENBERGER):

S. 456. A bill providing for a 5-year extension of two patents relating to cardiac drugs; to the Committee on the Judiciary.

By Mr. CRANSTON (for himself, Mr. MURKOWSKI, Mr. DECONCINI, Mr. SIMPSON, Mr. SPECTER, and Mr. LEAHY):

S.J. Res. 47. Joint resolution designating the week beginning November 10, 1985, as "National Women Veterans Recognition Week"; to the Committee on the Judiciary.

By Mr. LEVIN (for himself, Mr. PACKWOOD, Mr. SYMMS, Mr. HOLLINGS, Mr. MOYNIHAN, Mr. DOLE, Mr. PRYOR, Mr. SASSER, Mr. NICKLES, Mr. MITCHELL, Mr. METZENBAUM, Mr. COCHRAN, Mr. PELL, Mr. MATSUNAGA, Mr. CHILES, Mr. MELCHER, Mr. BOREN, Mr. MCCLURE, Mr. DECONCINI, Mr. CRANSTON, Mr. DODD, Mr. STENNIS, Mr. HEFLIN, Mr. JOHNSTON, Mr. NUNN, Mr. SARBANES, Mr. GARN, Mr. STEVENS, Mr. PROXMIRE, Mr. MURKOWSKI, Mr. RIEGLE, and Mr. SIMON):

S.J. Res. 48. Joint resolution to designate the year of 1986 as the "Year of the Teacher"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. TRIBLE:

S. Res. 68. Resolution congratulating the people of Cyprus on the twenty-fifth anniversary of their independence, and supporting the establishment of a Cyprus Cooperative Development Fund to foster improved intercommunal relations on Cyprus; to the Committee on Foreign Relations.

By Mr. DOLE (for himself and Mr. BYRD):

S. Res. 69. Resolution to direct the Senate Legal Counsel to represent Senator Riegle and Senator Levin in "Lawrence Jasper and Family U.S.A. v. Federal National Mortgage Association, et al.," Civil Action No. 83-2896DT; considered and agreed to.

By Mr. PACKWOOD:

S. Res. 70. An original resolution authorizing expenditures by the Committee on Finance; from the Committee on Finance; to the Committee on Rules and Administration.

By Mr. DURENBERGER (for himself, Mr. BOSCHWITZ, and Mr. MELCHER):

S. Con. Res. 13. Concurrent resolution to require implementation of a modified debt recovery program; to the Committee on Agriculture, Nutrition, and Forestry.

STATEMENT ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KASTEN (for himself and Mr. KENNEDY):

S. 423. A bill to make available supplemental appropriations for the fiscal year ending September 30, 1985, to meet famine relief requirements of Sub-Saharan Africa, and for other purposes; to the Committee on Appropriations.

EMERGENCY AFRICAN FAMINE RELIEF ACT

Mr. KASTEN. Mr. President, on behalf of myself and Senator KENNEDY, I am introducing legislation which addresses the immediate needs of those countries in Africa suffering from drought.

The needs of these countries for life sustaining assistance and basic rehabilitation is overwhelming. The American people have watched this tragedy unfold in nearly daily media reports. They have responded through private contributions with typical American generosity. We continue to receive devastating reports about human suffering, especially in the northern areas of Ethiopia and in Southeastern Sudan where tens of thousands of refugees are streaming across from Ethiopia searching for food. One such report describes a mortality rate which "exceeds the worst days of the Kampuchean crisis or the World War II siege of Leningrad."

The legislation Senator KENNEDY and I are introducing today is significantly different from most of the approaches that have been suggested thus far to provide relief for the famine victims. Unfortunately, different quarters of Congress have gotten bogged down in arguing over what funding level is necessary, although all seem to agree with the basic premise that we should provide 50 percent of the emergency food needs, and, of course, contribute a fair share for other disaster assistance relief. This has, in some cases, resulted in partisan controversy which should have no place in this discussion. Therefore, Senator KENNEDY and I are recommending an indefinite appropriation for food, disaster assistance, and refugee assistance in order to focus on the need and the commitment, a commitment which is already being led by the American people through their private contributions. The legislation also runs through fiscal year 1986 so that we can avoid the start and stop of considering additional supplementals for this crisis. In order to ensure congressional oversight, we have written into the legislation a 15-day notification requirement so that Congress will have ample opportunity to review the use which is made of these funds and authority.

Mr. President, I do not believe I need emphasize that quick action on this or similar legislation is absolutely necessary, and, therefore, hopefully within a few days of returning after the Lincoln Day recess we will be able to act on famine relief legislation for Africa.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 423

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency African Famine Relief Act of 1985".

SEC. 2. The following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to provide supplemental appropriations for the fiscal year ending September 30, 1985, and for other purposes, namely:

DEPARTMENT OF AGRICULTURE

PUBLIC LAW 480

For an additional amount for "Public Law 480", for agricultural commodities supplied in connection with dispositions aboard pursuant to title II of the Agricultural Trade Development and Assistance Act of 1954, such sums as may be necessary to provide 50 percent of the unmet emergency food needs of Sub-Saharan African countries before October 1, 1986, which sums shall be available only for such purpose and which sums shall remain available until September 30, 1986: *Provided,* That the Committee on Appropriations of each House of Congess is notified fifteen days in advance of the obligation of any such sums.

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

INTERNATIONAL DISASTER ASSISTANCE

For an additional amount for "International disaster assistance", such sums as may be necessary for emergency disaster assistance needs of Sub-Saharan African countries before October 1, 1986, which sums shall be available only for such purpose and which sums shall remain available until September 30, 1986: *Provided,* That, notwithstanding any other provision of law, such assistance shall be available for the furnishing of seeds and fertilizer and for the carrying out of other basic agricultural rehabilitation: *Provided further,* That the Committee on Appropriations of each House of Congress is notified fifteen days in advance of the obligation of any such sums.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for "Refugee and Migration Assistance", notwithstanding any other provision of law, such sums as may be necessary for emergency migration and refugee assistance needs of Sub-Saharan African countries before October 1, 1986, which sums shall be available only for such purpose and which sums shall remain available until September 30, 1986: *Provided,* That such sums may be utilized to replenish the United States Emergency Refugee and Migration Assistance Fund for commitments made for Sub-Saharan Africa in the fiscal year 1985: *Provided further,* That the Committee on Appropriations of each House of Congress is notified fifteen days in advance of the obligation of any such sums.

GENERAL PROVISIONS

Notwithstanding section 10 of Public Law 91-672 (22 U.S.C. 2412) and section 15 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2680), funds appropriated by this Act shall be available for obligation and expenditure.

SEC. 3. The Administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 shall have the responsibility for determining the emergency food and disaster assistance needs for which funds are appropriated by this Act.

Mr. KENNEDY. Mr. President, it is a privilege for me to join Senator KASTEN in offering this bipartisan response to the urgent need for famine relief in Africa.

We believe there is broad support in Congress for an immediate increase in the amount of food, medicine, and other relief now being sent to refugees and famine victims in Africa. Having just returned from Ethiopia and Sudan, where the situation is especially critical, I know that the need is enormous—and that America can make an enormous difference in saving lives and reducing the dimensions of this monumental tragedy.

Since the precise dollar level is difficult to establish because of the changing circumstances in the field, we have fashioned an open-ended urgent supplemental appropriations bill to give the President sufficient flexibility to meet the need, while also maintaining congressional oversight.

The Reagan administration and the American people deserve great credit for the response that has been made so far. I welcome Senator KASTEN's leadership in ensuring that the U.S. relief effort reaches the maximum feasible level now, when relief is needed most.

The legislation we are introducing today will accomplish this goal.

By Mr. HOLLINGS (for himself and Mr. SYMMS):

S. 424. A bill to amend the Military Selective Service Act to provide for the reinstitution of the registration and classification of persons under such act and to reinstate the authority of the President to induct persons involuntarily into the Armed Forces, and for other purposes; to the Committee on Armed Services.

REINSTATING THE MILITARY DRAFT

Mr. HOLLINGS. Mr. President, I do not intend or think that we in the United States will draft anybody in 1985 or perhaps even in 1986, but the ominous signs arising on the horizon indicate that what was and has been desirable to the Senator from South Carolina relative to our personnel in the Armed Forces, namely, that there be a universal call, a shared sacrifice, a cross section of our society in our Armed Forces, is becoming more and more a necessity every day.

For instance, everyone is now quoting the Bible. It was Paul who said in his letter to the Corinthians, "If the sound of the trumpet be uncertain, then who shall prepare for the battle?"

We are not emitting an uncertain sound for our Volunteer Army and our preparedness. The fact is that at Budget Committee hearings today with Secretary Weinberger and the Chairman of our Joint Chiefs of Staff, General Vessey, the picture was portrayed that would give the belief that there was no worry whatever, concerning DOD manning problems. Neither one of these gentlemen expressed real concern since we are meeting our required volunteer callups at this particular time. The truth, however, is that the Delayed Entry Program [DEP] of the Armed Forces, which is the true indicator of the potential for meeting recruiting needs, indicates that in 1985 the recruiting of nonprior service accessions in 1985 will be difficult.

The fiscal year 1985 marketing plan for the Department of Defense indicates there is a 11-percent dropoff for the DEP for the year-long period ending May 1984. In other words, the DOD recruiters have signed 12,500 fewer people to the DEP than last year. The Army is off 19 percent, the Navy 16 percent, and the Marines 12 percent. More ominous, there was an 11-percent increase in reneging on contracts by those in the DEP in 1984 over a similar period in 1983.

I would emphasize that these facts are evidence of the stiff competition facing the DOD in meeting future recruiting needs.

I further emphasize, Mr. President, that our Reserve Force are seriously in jeopardy. To begin with, one must realize that our Reserves, both the Selected Ready Reserve and the Individual Ready Reserve, are way below their war-time mobilization strengths—the Selected Reserve by over 50,000, and the Individual Ready Reserve by as much as 200,000. This makes no sense to me. We have seen recent significant increases in defense spending from $145 billion in 1980 to an adjusted $300 billion in 1985, but relatively little concern by the Department of Defense about a mobilization capability.

As I described in my initial comment, it is desirable in this Senator's opinion to return to a universal draft, I clearly see down the road a demographic fact of life which will mandate and make a universal call necessary.

I ask unanimous consent at this time to print in the RECORD the table prepared by Dr. Charles Moskos, relative to the percent of males (age 19) required for 410,000 nonprior-service males forecast until 1993.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

PERCENT OF MALES (AGE 19)—NON PRIOR SERVICE (NPS)—REQUIRED TO MEET PROJECTED RECRUITING STANDARDS

Year	Males age 19 (thousands)	Percent of males required for 410,000 NPS male accessions annually[1]		
		All males	Eligible males[2]	Eligible males excluding college population[3]
1983	2,086	19.7	29.3	43.8
1984	1,994	20.6	30.7	45.9
1985	1,889	21.7	32.4	48.3
1986	1,836	22.3	33.3	49.8
1987	1,797	22.8	36.1	53.9
1988	1,819	22.5	33.7	50.2
1989	1,864	22.0	33.7	49.0
1990	1,910	21.5	32.1	47.8
1991	1,750	23.4	35.0	52.2
1992	1,656	24.8	37.0	55.2
1993	1,622	25.3	37.8	56.3

[1] Assumptions of Annual NPS Entrants: 1. enlisted active force, 325,000; 2. enlisted reserve force, 45,000; 3. enlisted Guard force, 60,000; 4. enlisted total force, 430,000; 5. commissioned officers, 30,000; 6. total entrants, 460,000; 7. minus female entrants, 50,000; and 8. total male entrants, 410,000.
[2] Two-thirds considered eligible on physical, mental, and moral grounds.
[3] One-third of cohort considered college population.

Note.—Table prepared by Charles Moskos.

PROJECTED NON PRIOR SERVICE ENLISTED ACCESSIONS BY SERVICE AND MALE AND FEMALE

[In thousands]

	Active	Reserves	Guard	Total
Army	120–150	30–40	50–60	200–250
Navy	80–85	2–3	.....	80–85
Air Force	65–70	2–4	6–8	75–80
Marine Corps	40–45	8–9	.....	45–50
Total Force	305–350	42–56	56–68	400–470
Average	325	45	60	430

Note.—Table prepared by Charles Moskos.

Mr. HOLLINGS. The facts are that of those males age 19—eligible for the draft in 1993—every other one will have to volunteer in order to meet the nonprior service accession requirements. We now need about two of five but will soon need one of two. As that ratio goes down and the constraints come—such as an economic recovery and near full employment—what you are going to find in reality is that the Volunteer Army is not going to work. It will be viewed by all outside of the service as not working.

More than anything else, Mr. President, the draft I propose is not the one we had in the Vietnam war. You mention the word "draft." Everyone jumps right back to the war in Vietnam. Nothing dismayed this Senator more than the fact in the Vietnam days that if you had cash you were either in college or in Canada. You were not in the Service doing your duty. But prior to the institution of the All-Volunteer Force in July 1973, the Congress, in response to the inequitable deferment and exemption standards of Vietnam days, tightened eligibility standards and greatly limited deferments and exemptions. Under my proposal, we would observe those tightened standards. For example, high school students could be deferred until they graduate, but in no case extending beyond the age of 20. Those in college could continue studying until the end of the semester or if in their senior year until the end of that school year. But since we all share the benefits of life here in America, under this plan we ensure that we all help shoulder the burden of defending it.

Mr. President, we need the draft for many reasons—most importantly, we need it in order to remain true to the ideals which built this country.

This is the third consecutive Congress that I have introduced draft legislation in—and I believe the need has been and continues to be the most compelling, but unrecognized, priority facing us. The ability and willingness of our Nation to meet its future security needs and those of our allies hang in the balance. Unfortunately, like in other urgencies, such as with the massive deficits, the Congress reaches a gridlock when action on the draft is warranted and has failed in its responsibility to solve the problem before time runs out.

The Department of Defense continues to cite the success of the All-Volunteer Force in reaching all of DOD's recruiting objectives. I do not for 1 minute think that the American public and our military leaders are fooled by such statistical gimmicks. We have had a recession, and our young people need jobs. It's that simple. Unemployment has been excessively high for our teenagers—particularly young blacks—where else can these people turn? The AVF is often the employer of last resort.

The AVF is a product of the Vietnam mindset. Early in the 1970's, with America's morale sapped by our involvement in Vietnam, everyone wanted the easy way for America to defend itself without personal sacrifice. So we instituted the Volunteer Army, and with that problem moved beyond arm's length, we put the whole defense problem beyond arm's length. That Volunteer Army which no longer touches every neighborhood is forgotten in appropriations and removed from everyday life in America as far as most citizens are concerned.

That attitude must change. I continually warned my colleagues when the AVF was begun in 1973 that the proposed AVF would only institutionalize the inequities of the draft—inequities which could have been remedied with much less dislocation. The Army speaks proudly of how well the AVF works, that it draws from all walks of life. Do not be fooled by these comments. The decision of 1973 insured that our Nation's defense burden would rest for the most part with the poor, the black, and the disadvantaged for years to come. And without a cross-section of representation, we have no cross-section of support. Rather than an equal call on all, we perpetuated the rich man's undemocratic lie: "We'll pay for it."

The fact is we can never pay for it. We can appropriate to cure the pay deficiencies, as we did with the large pay and benefits packages of recent years, but the fact is these were only half-way measures that did not address our long-term needs. On one end we have the equivalent of a military Job Corps. On the other end, we have middle grade officers who take home paychecks larger than those of the highest paid civilian employees or Members of Congress.

Large problems are just around the corner for the AVF as all the demographic indicators warn that the pool of 17- to 21-year-old males—the largest grouping of potential recruits—is going to fall off sharply. The "Baby Boom" is history, and the prognosis is for a rapidly shrinking recruiting pot. In 1980, there were approximately 11 million males in the 17- to 21-year-old category. By 1990, this group is projected to total less than 9 million while continuing to shrink in future years.

In 1980, the AVF was attempting to recruit one of five males 17 to 21 years old. As I stated previously, by 1993, some estimates show that the AVF—in order to meet projected recruiting goals—must get one of two males of age 19 due to the competition from an improved economy and when higher education is once again within the economic means of most young people.

The DOD is already seeing the results of heavy competition for our youth. Although recruiting quotas for fiscal year 1984 were met by the military services, the number of young men and women signed into the Delayed Entry Program [DEP], the pipeline that provides an early snapshot of the numbers of young recruits entering the Armed Forces, is encountering serious shortfalls from past years' experiences. These shortfalls are coming at a time when the Army's recruiting needs are rising—a fiscal year 1985 recruiting nonprior service goal of roughly 140,000 versus the 134,000 in fiscal year 1984.

A draft of the Army's future recruiting strategy, fiscal year 1985 marketing plan, notes that DOD-wide contract accomplishment—those in the DEP—in the top mental categories—categories I-IIIA is off 11 percent for the year-long period ending May 1984. As I have said, it is reported that DOD recruiters have signed 12,500 fewer people to the DEP than last year. The Army is off 19 percent, the Navy 16 percent, and the Marines 12 percent.

Further evidence of the stiff competition from improving employment rates is that 11 percent more in the fiscal year 1984 DEP reneged on their contracts than did those in the fiscal year 1983 DEP.

Mr. President, how will we meet the recruiting objectives in the light of

competition and the demand for one out of two males. You and I both know that answer. It's money. We will once again be on the treadmill of escalating pay and benefits while diminishing arms for our troops and lessening our capability to defend ourselves and honor our worldwide commitments.

The all-volunteer approach has been a failure. It has failed to provide the necessary number of combat troops. It has failed to provide a quality defense force. And we have failed as a people to fairly and equitably distribute the burden of our national defense. Our Volunteer Forces are sadly unrepresentative of the society they serve. Over one-quarter of all new recruits are black—double their proportion in the population. The number of other minorities is growing. Further, the minority soldiers are overrepresented in combat formations such as tank, artillery, and infantry outfits, raising the specter of disproportionate casualties among minorities in wartime.

The cross-section approach of an equitable draft solves this problem. The burden would be shared by all. Exemptions can and must be kept to a minimum. Just prior to the institution of the All-Volunteer Force, and in response to the inequitable deferment and exemption standards which had been in place, we tightened eligibility standards and greatly limited deferments and exemptions. Under the proposal I am introducing today, we would observe those necessary and tightened standards. Specifically, deferments and exemptions would be limited to: First, persons on active duty, in the Reserves, or in advanced ROTC study; Second, surviving sons or brothers of those killed in war or missing-in-action; third, conscientious objectors and ministers; fourth, professions necessary to national health, like doctors; fifth, judges of courts of record and elected officials; and sixth, for students, short-term postponements of their military obligation. Those in high school could be deferred until they graduate, but in no case extending beyond age 20. And those in college could continue studying until the end of the semester or, if in their senior year, until the end of that school year. We all share the benefits of life in America; under my plan, we ensure that we all help shoulder the burden of defending it.

Mr. President, I realize that if this draft legislation is passed, the administration will not rush toward implementation of a full-scale draft for our Active Forces. But one critical factor must be considered by the DOD before rejecting out-of-hand the draft approach. This factor concerns the size and strength of U.S. Reserve Forces.

To begin with, one must realize that our Reserves, both the Selected Ready Reserve [SRR] and the Individual Ready Reserve [IRR], are way below their wartime mobilization strengths—the Selected Reserve by over 50,000 and the Individual Ready Reserve by as much as 200,000.

We have a need now to shore up these forces. A draft can do that. It is the sponsors' wish that President Reagan use the draft to build up to and sustain a Reserve force and capability that meets our mobilization need. That is the minimum that is required, and it is required as soon as possible.

The cost, the concept, the civil wrong of a Volunteer Army are bad enough, but more than anything, it has required a civilization. That process can keep the Army content and happy in peacetime, but in war it fairly well guarantees that the soldier will not fight. Anyone who has ever served in war realizes that the motivation to kill, to defend, to advance, to hold an untenable spot all springs from a unit loyalty—a loyalty developed from working together, playing together, training together, staying together, and sacrificing together. It is an inner discipline; it is a developed pride for the organization that you are a part of. But to give the Volunteer Army appearances of success and harmony, civilization has taken over. Soldiers stay off camp or fort with their wives, weekends are off with their families, promotions are made with little regard to merit, and the commander that breaks down his barracks and finds drugs can only turn in the drugs and not the man because civilian law has taken over and a warrant is required. Turning the Army into a microcosm of the office down the street does not suffice. The kind of camaraderie needed to weld an effective fighting force cannot flourish in an atmosphere where the military is a part-time chore. Defending America is not a 9-to-5 job.

More than anything else, again, Mr. President, conscience tells us that we need a cross-section of America in our Armed Forces. Defense is everyone's business.

For the most advantaged of society to be dependent upon the least advantage in our society for our defense is a dangerous anachronism.

The great need, Mr. President, today is not so much a demonstration of military power; the great need is a demonstration of will power.

You can take the MX's, the B-1's, and the billions and billions of dollars appropriated for defense, that makes us act like we are strong. But that does not prove strength. There is one single action that would send the proper signal to the Soviets that action is for a universal call on the people in our land to defend our country. Russia would know then and there that the President, the Congress, and the people of America were united and that we were committed to the defense of freedom. While, yes the call to reinstitute the draft and the various selective service boards and the bureaucracy with it might cost a little under $1 billion, in the end it will mean not only the country having a stronger defense, but we will save billions of dollars. I want to address the subject raised Monday by OMB Director Stockman and discussed in this Chamber yesterday.

Mr. Stockman called the military pension system a scandal, outrageous.

What is disturbing to me from my experience in both military and civilian life, with 35 years service in public office, is the typical approach of laying blame at the wrong source.

We have a very generous policy with respect to the military in order to try to develop that volunteer Army. We have over $1 billion that we expend recruiting, and the recruitment officers go out and they do not talk patriotism. You have seen the TV ad, "Where the action is," and everything else. We tell them, "Come on in where the action is, in the Army, Navy, Air Force, and Marines; get in the action. Run into the place and volunteer right away." What are they promised if they do? They are promised that if they stay in 20 years a lifetime retirement is theirs. The average retirement age now is at 42 years, and the life expectancy is 74, so they have 32 years coming on where they will receive total retirement and pension benefits. They will be paid way more out of the Army than what they were paid in the Army.

But that is what, Mr. President, you and I promised them. That is our policy.

When Mr. Stockman jumps on the military—and while I complain about not getting the quality personnel I want in the Volunteer Army—at least they have sense enough to know what the contract is. Remember they have been told, "Come on in, you have post exchange rights, and you have commissary rights," and the Grace Commission calls that waste, fraud, and abuse. "Come on in and you get this retirement and pension benefits," and Dave Stockman calls it outrageous and a scandal, and they are a little wary and wonder what is going on.

If Mr. Stockman is so senseless as to feel that somehow he cannot get them to yield, there is no reason to yield. They have been given a contract. They were given that inducement, and they do not want to see the promises reneged upon and unkept.

They are keeping their part of the contract. They are staying and working hard in the All-Volunteer Force. They say "Do not come now Mr. Congressman, because you have a problem, whether they be with revenues or overspending, on the massive deficits. Do not come now and change my contract. That is how you got me in."

That is the promise made, and my support of a military draft is not going to go back on the contract made with those in the All-Volunteer Force at this point. But, on the contrary, we must begin to educate the American public as to where we are headed and what is going to be needed and what should be desired.

We have many things later on to point out with respect to our military budget, which I supported and continue to support over the years.

We have a gridlock due to a "staff" infection. We have overstaffed militarily and civilian wise in staff in that Pentagon, but I will elaborate on that at a later time.

But for the present moment, with respect to universal call, let it be stated on behalf of the military that we promised a better retirement system than for civilians.

That is not to be justified by the Pentagon. That is to be justified in this Chamber. We set that policy affirmatively. We wanted to give them more because we had to try to induce them to come into the All-Volunteer Force. Now that we have all other troubles relative to the budget, do not go around wrangling with our military who are trying to do the job as best they can at the present time.

I still do not think, of course, that the best they can do is fulfilling the defense needs here in the United States, and I respectfully submit this universal draft bill, in conjunction with my esteemed colleague, the Senator from Idaho [Mr. SYMMS].

In fairness to ourselves as a people, we need the draft—a universal draft, not the kind with all the exemptions that caused so much bitterness during Vietnam—a draft that would reflect the true character of America's greatness. We must provide for the reinstitution of registration and classification and for the reinstatement of the President's authority to induct individuals. We cannot respond to crises around the world unless our forces are significantly improved. The Joint Chiefs tell us so.

Conscience tells us that we need a cross-section of America in our Armed Forces. Defense is everybody's business. It is everybody's responsibility. Even if we had the money to make the All Volunteer Army work, a professional army is un-American. It is an anathema to a democratic republic—a glaring civil wrong. Not until it makes an equal call on rich and poor alike, educated and uneducated, white and black, will it be a true reflection of us as a people. America benefits when serving alongside the high school dropout is the Harvard graduate who goes on to win the Navy cross. A free society defended by the least free is a dangerous contradiction.

The great need of the hour is not so much a demonstration of military power. The great need for America is willpower. We lack credibility. If it is strength that must be shown the Soviets in order to obtain arms control, then better than all the MX's and B-1's and billions and billions of dollars—a universal military draft will get them to take notice. Ever since Vietnam, we have receded and withdrawn, refusing to commit. The lesson should have been learned by now that a President's commitment counts for little unless it reflects the commitment of the people.

The direction of our foreign policy, the power of our newest weaponry, and the number of dollars in the defense budget are meaningless unless we, as a people, are committed to the task of protecting a nation and aiding our allies—allies who by and large do maintain systems of military conscription.

From all of these standpoints then, Mr. President, the lack of military cohesiveness, extravagant cost, and primarily the unequal sharing of equal responsibilities—America needs the draft.

Mr. President, in a recent interview printed in the October 1, 1984, edition of U.S. News and World Report, General Bernard Rogers, commander of NATO Armed Forces, spoke of the need for a universal draft. I ask unanimous consent that General Rogers' remarks be printed in the RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

HOW NATO'S TOP OFFICER VIEWS THE ALLIANCE

Gen. Bernard Rogers, commander of NATO armed forces in Europe, has assessed for correspondents the challenges confronting the alliance. Excerpts:

The real Soviet threat.—The biggest challenge we face in NATO is getting the message across to our people that there is a threat to their freedom down the road.

I am not talking about an attack out of the blue. My major concern is that the Soviets will accomplish the objective they've set in Western Europe, that they'll be able, without ever having to fire a shot, to coerce us and intimidate us. That is the major menace we face.

Reliance on nuclear arms.—If we were attacked conventionally, under the guidance I have from my political authorities, I have no option but to fairly quickly request the release of nuclear weapons.

Under current conditions—not sufficient ammunition stocks, not sufficient trained manpower to replace battlefield losses and not sufficient pre-positioned material such as tanks and armored personnel carriers—I must make that request fairly quickly. I do not like that.

Launching nuclear weapons.—I would send an early notification of possible use of nuclear weapons to my political authorities and say to them, if I have to use [such weapons], this is what we're thinking about. It's these kinds of militarily significant targets.

How long would it take?—Not as long as you think. You see, we have exercises here twice a year [to test decision making]. Hopefully, by the time I would have to send forward a request to use nuclear weapons, the [political authorities] would have considered all of the aspects, and I could get an answer back quickly. . . .

And if I get attacked with nuclear weapons and there's no time for consultations, I can go directly to leaders of the nuclear powers and request the release of nuclear weapons. . . . All this would have to be decided at a political level. Don't ever forget that.

Role of emerging technology.—We infantrymen have a rule of thumb: If you can reduce the ratio against which you have to defend to no more than 3 of them to 1 of us—and you have properly organized your defensive position—you can succeed in your defense.

To me, it makes sense to build on what we already have. For example, if we were able to design a precision guided missile that has 30 submunitions within its warhead and each submunition was to search out an individual tank, you could get 20 hits out of 30. Say that weapon would cost $500,000. That would be pretty cost-effective.

Europe's contribution to NATO.—If we go to war tomorrow, 90 percent of the land forces and three quarters of the air and navy would be Western European. In addition, most people do not realize the massive amount of hidden costs that Western European nations pay. Conscription has a hidden cost, a social cost, a personal cost, a human cost. . . .

I also know that Western European nations provide many facilities for which they get no return, not in taxes, not in revenue or anything.

In the end, I don't think it does too much good to point the finger at each other.

Need for a U.S. draft.—We need the draft today. . . . I have maintained through the past seven years that for that purpose (providing skilled replacements) the U.S. should draft sufficient men to be trained in those combat skills [using] random selection so an individual would be eligible for only one year.

Mr. HOLLINGS. Mr. President, we should listen to the words once again of John F. Kennedy—"Ask not what your country can do for you: Ask what you can do for your country." Mr. President, there is no painless way that we can provide for the defense of freedom.

Mr. President, I ask unanimous consent to have the bill printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 424

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Military Selective Service Act (50 U.S.C. 453 App.) is amended by inserting "(a)" before "Except" at the beginning of such section and by adding at the end thereof the following new subsection:

"(b) The President shall, at the earliest practicable date, but not later than 180 days after the date of the enactment of this subsection, begin the registration and classification of citizens and other persons described in subsection (a) of this section.".

SEC. 2. Section 17(c) of the Military Selective Service Act (50 U.S.C. App. 467(c)) is

amended by striking out "July 1, 1973" and inserting in lieu thereof "September 30, 1998".

Mr. SYMMS. Mr. President, I rise to compliment the Senator from South Carolina on his remarks. I agree with much of what he has had to say here today and I praise him for introducing this legislation and, in so doing, join with him as a cosponsor of the bill to amend the Military Selective Service Act to provide for the reinstitution of the registration and classification of persons under such act, and to reinstate the authority of the President to induct persons involuntarily into the Armed Forces, and for other purposes.

Mr. President, the major purpose of the bill—and I think Senator HOLLINGS spoke to it quite ably—is to enhance the credibility of the U.S. military capability. There is an old saying in politics; "What is perceived oftentimes becomes the truth." When we speak of politics we must recognize that our Armed Forces are an extension of the United States ability to project its political wishes.

President Reagan is a firm supporter of the volunteer armed forces. He is committed to that. He has certainly enhanced the capability of the United States with respect to the perception in which we are viewed around the world. The address he delivered to this Nation last night was heard not only in all the nooks and crannies of the United States, but also all parts of the world.

The leadership and confidence which President Reagan, who is the leader of the free world, exudes to our country provides a sense of optimism and sends a message that is much more important than how many dollars we have, how many weapons systems we have, how many MX's we have, or how many pieces of equipment we have. It provides the perception that the United States is willing to demonstrate its will to defend people who are trying to defend their own liberties in this world, whether they be the freedom fighters in Afghanistan or the people in Nicaragua.

I support this bill for its policy purposes only. This bill is to point out the need to maintain our national will and determination for a selfdefense. It will allow the President of the United States to develop the appropriate policy to meet the manpower needed for a strong military force. This policy would be for the 1990's and beyond.

That is the reason why I join Senator HOLLINGS in this legislation today. I think the time will come, as the manpower pool shrinks and as the economy continues to grow, that we will have to take a careful look at how much money we can afford with respect to our personnel costs and with respect to defense.

More important than the cost is the dedication, the sense of purpose, the sense of service, and the sense of commitment to this country that we need on the part of our young people, so that there is the attitude in the United States that if the call comes, we, the American people, are going to insure our peace and our freedom by whatever means necessary.

By Mr. GOLDWATER (for himself, Mr. HATCH, Mr. CRANSTON, Mr. SYMMS, Mr. DECONCINI, Mr. ABDNOR, Mr. ANDREWS, Mr. BENTSEN, Mr. BYRD, Mrs. HAWKINS, Mr. HEINZ, Mr. INOUYE, Mr. JOHNSTON, Mr. LUGAR, Mr. MATTINGLY, Mr. MELCHER, Mr. SARBANES, Mr. STEVENS, Mr. ZORINSKY, Mr. DURENBERGER, and Mr. LEAHY):

S. 425. A bill to amend the Public Health Service Act to establish a National Institute of Arthritis and Musculoskeletal and Skin Diseases; to the Committee on Labor and Human Resources.

NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES ACT

Mr. GOLDWATER. Mr. President, it is my pleasure to once again introduce legislation to create a separate Arthritis Institute in the National Institutes of Health. As before, Senator CRANSTON, who authored the National Arthritis Act of 1974, and Senator HATCH, chairman of the Labor and Human Resources Committee, are joining me as coauthors of the bill. Also, Senator SYMMS, who has contributed much personal time to the advancement of this measure, and my colleague from Arizona, Mr. DECONCINI, are among the original coauthors. We are joined by several other Senators.

For 5 years, a number of us have attempted to get a bill enacted that would provide for concentrated research by a separate unit of the National Institutes of Health in the field of arthritis. The measure has passed the Senate twice before and last year, on October 9, just before adjournment, both Houses of Congress cleared the legislation, S. 540, and sent it to the White House where it was unfortunately vetoed on very weak grounds. In fact, I think much of the reasoning given in the veto message pertained to an earlier version of S. 540 and did not take account of substantial revisions which were made in conference.

As passed by Congress last October, S. 540 included other subjects relating to biomedical research and the NIH that were not in the bill as first introduced. We are today returning to the original, basic concept of establishing a new and separate institute devoted exclusively to arthritis related diseases. Those subjects that were later added to S. 540 and are unrelated to arthritis have been deleted from the bill we are introducing today. They can be addressed in a separate NIH bill.

Mr. President, over 40 million people in this country suffer from chronic arthritis and there is of now no known cure. There is not even any scientific knowledge of the origin of the problem, nor can we identify one single source. This bill will offer realistic hope to these people, who suffer from arthritis without having any real assurance that they are going to someday be rid of the problem.

In human terms, concentration of research efforts in a single institute can lead to developments that will ease or cure the miserable pain and immobility suffered by the millions afflicted with arthritis. Moreover, for a small investment in treating and preventing arthritis, it would ultimately save hundreds of millions of dollars to the Federal Government that are now spent in Medicare payments, Federal employee disability compensation and high health insurance premiums directly associated with arthritis.

The health community informs me that researchers are on the verge of breakthroughs in this area. All they need is a concentration of the research effort.

Mr. President, I hope that all of my colleagues will join with us in supporting the bill and transferring arthritis to a separate institute where something truly worthwhile can be accomplished, and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 425

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Institute of Arthritis and Musculoskeletal and Skin Diseases Act of 1985".

SEC. 2. (a) Title IV of the Public Health Service Act is amended by adding at the end thereof the following new part:

"PART J—NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

"ESTABLISHMENT OF INSTITUTE

"SEC. 481. There is established in the Public Health Service a National Institute of Arthritis and Musculoskeletal and Skin Diseases (hereafter in this part referred to as the 'Institute'). The Institute shall be headed by a Director.

"PURPOSE OF THE INSTITUTE

"SEC. 482. (a) The purpose of the Institute is the conduct and support of research and training, the dissemination of health information, and related programs with respect to arthritis and musculoskeletal and skin diseases, including sports-related disorders.

"(b)(1) Within one hundred and eighty days after the effective date of this part, the Director of the Institute, with the advice of the National Arthritis and Musculoskeletal and Skin Diseases Advisory Council established pursuant to section 483 (hereafter in this part referred to as the

'Advisory Council'), shall prepare and transmit to the Congress and the Director of the National Institutes of Health a plan for a national arthritis and musculoskeletal diseases program to expand, intensify, and coordinate the activities of the Institute respecting arthritis and musculoskeletal diseases. The program shall be coordinated with the other national research institutes of the National Institutes of Health to the extent that such institutes have responsibilities respecting arthritis and musculoskeletal diseases, and shall, at least, provide for—

"(A) investigation into the epidemiology, etiology, and prevention of all forms of arthritis and musculoskeletal diseases, including sports-related disorders, primarily through the support of basic research in such areas as immunology, genetics, biochemistry, microbiology, physiology, bioengineering, and any other scientific discipline which can contribute important knowledge to the treatment and understanding of arthritis and musculoskeletal diseases;

"(B) research into the development, trial, and evaluation of techniques, drugs, and devices used in the diagnosis, treatment (including medical rehabilitation), and prevention of arthritis and musculoskeletal diseases;

"(C) research on the refinement, development, and evaluation of technological devices that will replace or be a substitute for damaged bone, muscle, and joints and other supporting structures; and

"(D) the establishment of mechanisms to monitor the causes of athletic injuries and identify ways of preventing such injuries on scholastic athletic fields.

"(2) The plan transmitted pursuant to paragraph (1) shall include such comments and recommendations as the Director of the Institute determines appropriate.

"(3) The Director of the Institute shall carry out the national arthritis and musculoskeletal diseases program in accordance with the plan prepared under paragraph (1). The Director of the Institute shall periodically review and revise such plan, shall transmit any revisions of such plan to the Congress and the Director of the National Institutes of Health, and shall carry out the national arthritis and musculoskeletal diseases program in accordance with such revisions.

"(c) The Director of the Institute shall—

"(1) carry out programs of support for research and training (other than training for which National Research Service Awards may be made under section 472) in the diagnosis, prevention, and treatment of arthritis and musculoskeletal and skin diseases, including support for training in medical schools, graduate clinical training, graduate training in epidemiology, epidemiology studies, clinical trials, and interdisciplinary research programs; and

"(2) establish programs of evaluation, planning, and dissemination of knowledge relating to such research and training.

"NATIONAL ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES ADVISORY COUNCIL

"SEC. 483. (a) The Secretary shall establish a National Arthritis and Musculoskeletal and Skin Diseases Advisory Council to advise, consult with, and make recommendations to the Secretary and the Director with respect to the activities of the Institute relating to arthritis and musculoskeletal and skin diseases.

"(b) The Advisory Council shall consist of the Secretary, who shall be chairman, the Chief Medical Director of the Veterans' Administration (or the Director's designee) and the Assistant Secretary of Defense for Health Affairs (or the Assistant Secretary's designee), each of whom shall be ex officio members, and fourteen members appointed by the Secretary without regard to the civil service laws. The fourteen members appointed by the Secretary shall be leaders in the fields of basic sciences, medical sciences, education, and nursing, and individuals from the public who are knowledgeable with respect to arthritis and musculoskeletal and skin diseases. At least one member appointed by the Secretary from the public shall be an individual who suffers from arthritis or musculoskeletal or skin diseases and at least one member appointed by the Secretary from the public shall be an individual who is a parent of an individual who suffers from arthritis or musculoskeletal or skin diseases. Nine of the members appointed by the Secretary shall be selected from leading medical or scientific authorities who are outstanding in the study, diagnosis, or treatment of arthritis and musculoskeletal and skin diseases.

"(c)(1) Each member of the Advisory Council who is appointed by the Secretary shall be appointed for a term of four years, except that—

"(A) the term of office of the members first appointed shall expire, as determined by the Secretary at the time of appointment, three at the end of one year, three at the end of two years, four at the end of three years, and four at the end of four years; and

"(B) any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall be appointed for the remainder of such term.

"(2) None of the members appointed to the Advisory Council by the Secretary shall be eligible for reappointment unless a year has elapsed since the end of the prior term of such member on the Council.

"ADVISORY BOARD

"SEC. 484. (a) The Secretary shall establish in the Institute the National Arthritis Advisory Board (hereafter in this part referred to as the 'Advisory Board').

"(b) The Advisory Board shall be composed of eighteen appointed members and nonvoting, ex officio members as follows:

"(1) The Secretary shall appoint—

"(A) twelve members from individuals who are scientists, physicians, and other health professionals, who are not officers or employees of the United States, and who represent the specialties and disciplines relevant to arthritis, musculoskeletal diseases, and skin diseases; and

"(B) six members from the general public who are knowledgeable with respect to such diseases, including at least one member who is a person who suffers from such a disease and one member who is a parent of a person who suffers from such a disease.

Of the appointed members at least five, by virtue of training or experience, shall be knowledgeable in health education, nursing, data systems, public information, or community program development.

"(2) The following shall be ex officio members of the Advisory Board: the Assistant Secretary for Health, the Director of the National Institutes of Health, the Director of the Institute, the Director of the Centers for Disease Control, the Chief Medical Director of the Veterans' Administration, the Assistant Secretary of Defense for Health Affairs (or the designees of such ex officio members), and such other officers and employees of the United States as the Secretary considers necessary for the Advisory Board to carry out its functions.

"(c) Members of the Advisory Board who are officers or employees of the Federal Government shall serve as members of the Advisory Board without compensation in addition to that received in their regular public employment. Other members of the Advisory Board shall receive compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Advisory Board.

"(d) The term of office of an appointed member of the Advisory Board is three years. Any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term. A member may serve after the expiration of the member's term until a successor has taken office. If a vacancy occurs in the Advisory Board, the Secretary shall make an appointment to fill the vacancy not later than ninety days after the date on which the vacancy occurred.

"(e) The members of the Advisory Board shall select a chairman from among the appointed members.

"(f) The Secretary shall, after consultation with and consideration of the recommendations of the Advisory Board, provide the Advisory Board with an executive director and one other professional staff member. In addition, the Secretary shall, after consultation with and consideration of the recommendations of the Advisory Board, provide the Advisory Board with such additional professional staff members, such clerical staff members, and (through contracts or other arrangements) with such administrative support services and facilities, such information, and such services of consultants, as the Secretary determines are necessary for the Advisory Board to carry out its functions.

"(g) The Advisory Board shall meet at the call of the chairman or upon request of the Director of the Institute, but not less often than four times a year.

"(h) The Advisory Board shall—

"(1) review and evaluate the implementation of the plan prepared under section 482(b) and periodically make recommendations to the Director of the Institute for the updating of the plan to ensure its continuing relevance;

"(2) for the purpose of assuring the most effective use and organization of resources respecting arthritis and musculoskeletal and skin diseases, advise and make recommendations to the Congress, the Secretary, the Director of the National Institutes of Health, the Director of the Institute, and the heads of other appropriate Federal agencies for the implementation and revision of such plan; and

"(3) maintain liaison with other advisory bodies for Federal agencies involved in the implementation of such plan, the coordinating committee for such diseases, and with key non-Federal entities involved in activities affecting the control of such diseases.

"(i) In carrying out its functions, the Advisory Board may establish subcommittees, convene workshops and conferences, and collect data. Such subcommittees may be composed of Advisory Board members and nonmember consultants with expertise in the particular area addressed by such subcommittees. The subcommittees may hold such meetings as are necessary to enable them to carry out their activities.

"(j) The Advisory Board shall prepare an annual report for the Secretary which—

"(1) describes the Advisory Board's activities in the fiscal year for which the report is made;

"(2) describes and evaluates the progress made in such year in research, treatment, education, and training with respect to arthritis, musculoskeletal diseases, and skin diseases;

"(3) summarizes and analyzes expenditures made by the Federal Government for activities respecting such diseases in the fiscal year for which the report is made; and

"(4) contains the Advisory Board's recommendations (if any) for changes in the plan prepared under section 482(b).

"(k) To carry out this section, there are authorized to be appropriated $300,000 for the fiscal year ending September 30, 1986, and each of the two succeeding fiscal years.

"(l) The National Arthritis Advisory Board in existence on the effective date of the National Institute of Arthritis and Musculoskeletal and Skin Diseases Act of 1985 shall terminate not later than ninety days after such date. The Secretary shall make appointments to the Advisory Board established under subsection (a) before the expiration of such ninety-day period. The members of the Advisory Board in existence on such date may be appointed, in accordance with subsections (b) and (d), to the Board established under subsection (a).

"INTERAGENCY COORDINATING COMMITTEES

"SEC. 485. (a) For the purpose of—

"(1) better coordination of the research activities of all the national research institutes relating to arthritis, musculoskeletal diseases, and skin diseases, including sports-related disorders; and

"(2) coordinating those aspects of all Federal health programs and activities relating to arthritis, musculoskeletal diseases, and skin diseases in order to assure the adequacy and technical soundness of such programs and activities and in order to provide for the full communication and exchange of information necessary to maintain adequate coordination of such programs and activities,

the Secretary shall establish an Arthritis and Musculoskeletal Diseases Interagency Coordinating Committee and a Skin Diseases Interagency Coordinating Committee (hereafter in this section individually referred to as a 'Committee').

"(b) Each Committee shall be composed of the Directors (or their designees) of each of the national research institutes and divisions involved in research regarding the diseases with respect to which the Committee is established, the Chief Medical Director of the Veterans' Administration (or the Director's designee), the Assistant Secretary of Defense for Health Affairs (or the Assistant Secretary's designee), and representatives of all other Federal departments and agencies (as determined by the Secretary) whose programs involve health functions or responsibilities relevant to arthritis and musculoskeletal diseases or skin diseases, as the case may be. Each Committee shall be chaired by the Director of the National Institutes of Health (or the Director's designee). Each Committee shall meet at the call of the chairman, but not less often than four times a year.

"(c) Not later than one hundred and twenty days after the end of each fiscal year, each Committee shall prepare and transmit to the Secretary, the Director of the National Institutes of Health, the Director of the Institute, and the Advisory Council a report detailing the activities of the Committee in such fiscal year in carrying out paragraphs (1) and (2) of subsection (a).

"INFORMATION CLEARINGHOUSE AND DATA SYSTEM

"SEC. 486. (a) The Director of the Institute shall establish the National Arthritis and Musculoskeletal and Skin Diseases Data System for the collection, storage, analysis, retrieval, and dissemination of data derived from patient populations with arthritis and musculoskeletal and skin diseases, including where possible, data involving general populations for the purpose of detection of individuals with a risk of developing arthritis and musculoskeletal and skin diseases. There are authorized to be appropriated to carry out this subsection $1,000,000 for the fiscal year ending September 30, 1986, $1,500,000 for the fiscal year ending September 30, 1987, and $1,800,000 for the fiscal year ending September 30, 1988.

"(b) The Director of the Institute shall establish the National Arthritis and Musculoskeletal and Skin Diseases Information Clearinghouse to facilitate and enhance, through the effective dissemination of information, knowledge and understanding of arthritis and musculoskeletal and skin diseases by health professionals, patients, and the public. There are authorized to be appropriated to carry out this subsection $1,000,000 for the fiscal year ending September 30, 1986, $1,500,000 for the fiscal year ending September 30, 1987, and $1,800,000 for the fiscal year ending September 30, 1988.

"ARTHRITIS AND MUSCULOSKELETAL DISEASES DEMONSTRATION PROJECTS

"SEC. 487. (a) The Secretary may make grants to public and private nonprofit entities to establish and support projects for the development and demonstration of methods for screening, detection, and referral for treatment of arthritis and musculoskeletal diseases, and for the dissemination of information on such methods to the health and allied health professions. Activities under such projects shall be coordinated with Federal, State, local, and regional health agencies, centers assisted under section 488, and the data system established under subsection (c).

"(b) Projects supported under this section shall include—

"(1) programs which emphasize the development and demonstration of new and improved methods of screening and early detection, referral for treatment, and diagnosis of individuals with a risk of developing arthritis and musculoskeletal diseases;

"(2) programs which emphasize the development and demonstration of new and improved methods for patient referral from local hospitals and physicians to appropriate centers for early diagnosis and treatment;

"(3) programs which emphasize the development and demonstration of new and improved means of standardizing patient data and recordkeeping;

"(4) programs which emphasize the development and demonstration of new and improved methods of dissemination of knowledge about the programs, methods, and means referred to in paragraphs (1), (2), and (3) of this subsection to health and allied health professionals;

"(5) programs which emphasize the development and demonstration of new and improved methods for the dissemination to the general public of information—

"(A) on the importance of early detection of arthritis and musculoskeletal diseases, of seeking prompt treatment, and of following an appropriate regimen; and

"(B) to discourage the promotion and use of unapproved and ineffective diagnostic, preventive treatment, and control methods for arthritis and unapproved and ineffective drugs and devices for arthritis and musculoskeletal diseases; and

"(6) projects for investigation into the epidemiology of all forms and aspects of arthritis and musculoskeletal diseases, including investigations into the social, environmental, behavioral, nutritional, and genetic determinants and influences involved in the epidemiology of arthritis and musculoskeletal diseases.

"(c) The Director shall provide for the standardization of patient data and recordkeeping and for the collection, storage, analysis, retrieval, and dissemination of such data in cooperation with projects under this section, centers assisted under section 488, and other persons engaged in arthritis and musculoskeletal disease programs.

"(d) There are authorized to be appropriated to carry out this section $5,000,000 for the fiscal year ending September 30, 1986, and each of the two succeeding fiscal years.

"MULTIPURPOSE ARTHRITIS AND MUSCULOSKELETAL DISEASES CENTERS

"SEC. 488. (a) The Director of the Institute shall, after consultation with the Advisory Council, provide for the development, modernization, and operation (including staffing and other operating costs such as the costs of patient care required for research) of new and existing centers for arthritis and musculoskeletal diseases. For purposes of this section, the term 'modernization' means the alteration, remodeling, improvement, expansion, and repair of existing buildings and the provision of equipment for such buildings to the extent necessary to make them suitable for use as centers described in the preceding sentence.

"(b) Each center assisted under this section shall—

"(1)(A) use the facilities of a single institution or a consortium of cooperating institutions, and (B) meet such qualifications as may be prescribed by the Secretary; and

"(2) conduct—

"(A) basic and clinical research into the cause, diagnosis, early detection, prevention, control, and treatment of arthritis and musculoskeletal diseases and complications resulting from arthritis and musculoskeletal diseases, including research into implantable biomaterials and biomechanical and other orthopedic procedures;

"(B) training programs for physicians, scientists, and other health and allied health professionals;

"(C) information and continuing education programs for physicians and other health and allied health professionals who provide care for patients with arthritis and musculoskeletal diseases; and

"(D) programs for the dissemination to the general public of information—

"(i) on the importance of early detection of arthritis and musculoskeletal diseases, of seeking prompt treatment, and of following an appropriate regimen; and

"(ii) to discourage the promotion and use of unapproved and ineffective diagnostic, preventive, treatment, and control methods and unapproved and ineffective drugs and devices.

A center may use funds provided under subsection (a) to provide stipends for health professionals enrolled in training programs described in paragraph (2)(B).

"(c) Each center assisted under this section may conduct programs to—

"(1) establish the effectiveness of new and improved methods of detection, referral, and diagnosis of individuals with a risk of developing arthritis and musculoskeletal diseases;

"(2) disseminate the results of research, screening, and other activities, and develop means of standardizing patient data and recordkeeping; and

"(3) develop community consultative services to facilitate the referral of patients to centers for treatment.

"(d) The Director of the Institute shall, insofar as practicable, provide for an equitable geographical distribution of centers assisted under this section. The Director shall give appropriate consideration to the need for centers especially suited to meeting the needs of children affected by arthritis and musculoskeletal diseases.

"(e) Support of a center under this section may be for a period of not to exceed five years. Such period may be extended by the Director of the Institute for one or more additional periods of not more than five years if the operations of such center have been reviewed by an appropriate scientific review group established by the Director and such scientific review group has recommended to the Director that support of such center under this section should be extended.

"(f) There are authorized to be appropriated to carry out this section $12,000,000 for the fiscal year ending September 30, 1986, $15,000,000 for the fiscal year ending September 30, 1987, and $18,000,000 for the fiscal year ending September 30, 1988.

"BIENNIAL REPORT

"SEC. 489. (a) The Director of the Institute shall prepare and transmit to the Secretary, for transmission by the Secretary to the President and the Congress, a biennial report containing a description of the Institute's activities under the plan developed under section 482(b) and an evaluation of the activities of the centers supported under section 488.

"(b) The first report under subsection (a) shall be transmitted by the Director to the Secretary not later than the first November 30 which occurs at least eighteen months after the effective date of this part and shall relate to the two-fiscal-year period ending on the preceding September 30.".

(b)(1) Section 431(a) of such Act is amended by striking out "arthritis, rheumatism, and".

(2)(A) Subsection (a) of section 434 of such Act is amended—

(i) by striking out "Arthritis, Rheumatism, and"; and

(ii) by striking out "Arthritis, Diabetes," each place it appears and inserting in lieu thereof "Diabetes".

(B) Subsection (b) of such section is amended—

(i) by striking out "Arthritis, Diabetes," and inserting in lieu thereof "Diabetes"; and

(ii) by striking out "an Associate Director for Arthritis and Musculoskeletal and Skin Diseases,".

(C) Subsection (c) of such section is amended—

(i) by striking out "a subcommittee on arthritis and musculoskeletal and skin diseases," in the first sentence; and

(ii) by striking out "arthritis, musculoskeletal and skin diseases," in the last sentence.

(D) Subsection (d) of such section is amended—

(i) by striking out "the Associate Director for Arthritis and Musculoskeletal and Skin Diseases," in the matter preceding paragraph (1); and

(ii) by striking out "arthritis, musculoskeletal and skin diseases," in paragraph (1).

(E) Subsection (e) of such section is amended by striking out paragraph (1) and by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(F) The section heading of such section is amended by striking out "ARTHRITIS, DIABETES," and inserting in lieu thereof "DIABETES".

(3)(A) Subsection (a) of section 436 of such Act is amended—

(i) by striking out "arthritis, diabetes mellitus," in paragraph (1) and inserting in lieu thereof "diabetes mellitus";

(ii) by striking out "an Arthritis Interagency Coordinating Committee," in the matter following paragraph (2); and

(iii) by striking out the comma before "and a Digestive Diseases" in the matter following paragraph (2).

(B) Subsection (b) of such section is amended by striking out "Arthritis, Diabetes," and inserting in lieu thereof "Diabetes".

(4)(A) Subsection (a) of section 437 of such Act is amended by striking out "the National Arthritis Advisory Board," and by striking out the comma before "and the National Digestive Diseases".

(B) The first sentence of paragraph (2) of subsection (b) of such Act is amended by striking out "Arthritis, Diabetes," and inserting in lieu thereof "Diabetes".

(C) The last sentence of subsection (d) of such section is amended by striking out "and the National Arthritis Advisory Board".

(D) Subsection (g) of such section is amended by striking out "Arthritis, Diabetes," and inserting in lieu thereof "Diabetes".

(E) Paragraph (3) of subsection (h) of such section is amended by striking out "Arthritis , Diabetes," and inserting in lieu thereof "Diabetes".

(F) The section heading of such section is amended by striking out "DIABETES, ARTHRITIS," and inserting in lieu thereof "DIABETES".

(5) Sections 438 and 439 of such Act are repealed.

(6) Section 440 of such Act is amended by striking out "Arthritis, Diabetes," and inserting in lieu thereof "Diabetes".

(7) The second sentence of section 440A(a) of such Act is amended by striking out "Arthritis, Metabolism," and inserting in lieu thereof "Diabetes".

(8) The part heading for part D of title IV of such Act is amended by striking out "Arthritis, Diabetes," and inserting in lieu thereof "Diabetes".

(c)(1) There are transferred to the Director of the National Institute of Arthritis and Musculoskeletal and Skin Diseases established under section 481 of the Public Health Service Act (as added by subsection (a) of this section) all functions of the Director of the National Institute of Arthritis, Diabetes, and Digestive and Kidney Diseases (as in effect on the day before the date of enactment of this Act) relating to arthritis and musculoskeletal and skin diseases).

(2) In order that the National Institute of Arthritis and Musculoskeletal and Skin Diseases established by section 481 of the Public Health Service Act (as added by subsection (a) of this section) may carry out programs and activities relating to arthritis and musculoskeletal and skin diseases at levels which are equivalent to the levels of programs and activities carried out with respect to arthritis and musculoskeletal and skin diseases by the National Institute of Arthritis, Diabetes, and Digestive Kidney Diseases on the day before the date of enactment of this Act, the Secretary of Health and Human Services, after consultation with the Comptroller General of the United States, shall transfer to the National Institute of Arthritis and Musculoskeletal and Skin Diseases established by section 481 of the Public Health Service Act (as added by subsection (a) of this section) the personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to or be made available, in connection with the functions transferred by paragraph (1) of this subsection and the programs and activities relating to arthritis and musculoskeletal and skin diseases carried out by the National Institute of Arthritis, Diabetes, and Digestive Kidney Diseases on the day before the date of enactment of this subsection.

(d) For the fiscal year ending September 30, 1986, there are authorized to be appropriated such sums as may be necessary to establish the National Institute of Arthritis and Musculoskeletal and Skin Diseases under section 481 of the Public Health Service Act (as added by subsection (a) of this section) and to carry out the transfers made by subsection (c) of this section.

(e) The provisions of subsections (a), (b), (c), and (d) of this section and the amendments and repeals made by such subsections shall take effect on October 1, 1985.

Mr. HATCH. Mr. President, once again I join Senator GOLDWATER and my other colleagues in the Senate in sponsoring legislation to create a National Institute on Arthritis, Musculoskeletal and Skin Diseases at the National Institutes of Health. This marks the third Congress in which similar legislation has been introduced. Both Houses of Congress have separately and jointly passed legislation creating an arthritis institute, but we have yet to succeed in getting it signed into law.

Arthritis is our country's No. 1 cripple—36 million Americans of all ages are afflicted by this serious and sometimes fatal disease. An additional 1 million Americans are diagnosed as having arthritis each year. In my home State of Utah, more than 230,000 people are afflicted with arthritis. Most of the 100 or so forms of arthritis are caused by degenerative factors, and there is no known cure.

Without a cure, arthritis victims suffer throughout their life. The disease denies them the mobility and independence that otherwise healthy Americans enjoy. Arthritis victims are limited in the places they can go and the things they can do. Many victims find they must change jobs, abandon hobbies, or find new social interests that will fit in with their new life style. It is in the best interest of our citizens to focus a national research effort on the prevention, diagnosis, treatment, and eventual cure of arthri-

tis and other related debilitating diseases.

Billions of dollars are spent annually on arthritis—for research, prevention, treatment, and cures. For many victims, the pain is so great that they will try almost anything to relieve it. Americans spent almost $2 billion in 1984 on questionable and unproven remedies that promise fast, easy relief for arthritis. This represents a financial burden for the families of arthritis sufferers, and eventually robs our economy. A focused national research effort on arthritis can help curb the financial costs to families, employers, and the Government by reducing the costs of health care and disability.

Arthritis is not hopeless. Ours is the first generation that can ease the pain of most forms of arthritis. Arthritis victims are receiving more relief for their suffering now than they did a few years ago. This represents progress and provides hope for even more relief in the future. But "controlling" a problem is not a "cure." Much work remains to be done in arthritis research to more effectively treat, and to find the much needed cures for these diseases.

This is the hope my colleagues and I share along with the millions of arthritis sufferers. However, arthritis is not the only debilitating disease affecting our citizens. Many other musculoskeletal and skin diseases afflict Americans and limit their freedom and independence. There is neither sufficient scientific knowledge to understand their causes nor to provide adequate treatment to relieve pain and disability.

The establishment of a National Institute on Arthritis, Musculoskeletal and Skin Diseases represents a significant research investment. It is my hope that the scientific community will make major advances in the prevention, treatment, and cure of arthritis and skin diseases through a more concerted research effort. A greater Federal effort would also provide the incentive and encouragement to the private sector to support research programs which complement publicly funded research.

Strong public support for the creation of the arthritis institute helped push a similar bill through the 98th Congress. Thousands of people wrote to me in support of that bill. An article in one paper alone prompted more than 8,000 responses encouraging this effort. Most of these letters were written by individuals suffering from arthritis or members of their families—people with personal experience with the pain and suffering caused by arthritis. Now is the time for Congress to respond to their pleas by once again sending to the President legislation creating a National Institute on Arthritis.

I encourage all of my colleagues to join us in this legislative endeavor which offers hope to millions of suffering Americans.

Mr. CRANSTON. Mr. President, I am pleased to join once again with the distinguished Senator from Arizona [Mr. GOLDWATER] in reintroducing a bill to establish a National Institute of Arthritis and Musculoskeletal and Skin Diseases within the National Institutes of Health. If enacted, this legislation would help to promote our Nation's research efforts for some of the most prevalent and devastating diseases afflicting our society.

Mr. President, this marks the third time that Senator GOLDWATER and I have introduced a bill to establish a new National Arthritis Institute. We are joined in cosponsoring this legislation by many of our colleagues who were supporters of similar legislation that was proposed during the last two Congresses. In the 97th Congress, our bill, S. 1939, passed the Senate, and a similar measure was included in the House-passed H.R. 6457. However, no final action was taken on either of those measures. In the 98th Congress, the Senate passed S. 540—with 47 cosponsors—on May 24, 1984. The House-passed version of S. 540 included the Senate bill as one provision of a wide-ranging measure that would have reauthorized appropriations for the NIH. Both Houses agreed to the conference report on October 9, 1984. Unfortunately, despite strong bipartisan support in the House and the Senate, the President pocket-vetoed the bill.

Mr. President, the Senate has demonstrated overwhelmingly on two prior occasions its desire and intention to establish a National Institute of Arthritis and Musculoskeletal and Skin Diseases. I am hopeful that my colleagues will do so once again and that this time our effort to turn this legislation into law will be successful.

Mr. President, before describing the provisions of our bill, I would like to discuss briefly what we know about arthritis, its nature and incidence, and its costs to the Nation.

WHAT IS ARTHRITIS?

Arthritis is a form of musculoskeletal disease. It attacks the body's movable joints and connective tissues, sometimes resulting in systemic complications with critical damage to major organs. Actually, arthritis is a generic term covering more than 100 forms of diseases that afflict 37 million Americans—15 percent of the U.S. population. Approximately one out of every seven citizens has some form of arthritis. Each year, about 1 million more Americans fall victim to this painful and debilitating disorder. Over 20 million Americans suffer from arthritis severe enough that they seek a physician's help. In 1978, 549,000 hospitalizations were due to arthritis-related diseases.

Arthritis is usually thought of as a condition of old age. It affects more than 40 percent of people over age 65. But it afflicts old and young alike. A particularly devastating form of the disease is juvenile arthritis which affects over 250,000 children. The incidence of arthritis among children is now higher than that of polio during the most severe epidemics of the past. As in the case of cancer and heart conditions, when a chronic disease such as arthritis strikes a child, it can often be much more serious than an adult case. Juvenile arthritis can stunt growth, blind, cripple, and deform, and it can kill. Over half of the children afflicted with this disease carry crippling handicaps into their adult years.

An estimated 6.5 million Americans are victims of rheumatoid arthritis, the most devastating and crippling form of arthritis. It is a chronic disease that leads to permanent joint deformities and lifelong disability. Rheumatoid arthritis is especially insidious; it progresses rapidly and can be a systemic disease damaging other organs, such as the lungs, heart, or the eyes. This disease strikes individuals of all ages from the very young to the very old and affects women three times as often as men. Its cause is unknown.

Osteoarthritis is the most common form of arthritis. According to the National Health Examination Survey for 1960 to 1962, over 37.4 percent of the population aged 18 to 79 had some form of osteoarthritis. For those individuals age 75 and over, the incidence of the disease was as high as 86 percent. Due to aging trends in the population, the incidence of osteoarthritis is probably much higher than these figures would indicate.

Although osteoarthritis usually develops more slowly and is milder and less painful than rheumatoid arthritis, it is a progressive condition that can in its later stages produce extreme pain and disability. Over 10 million Americans have osteoarthritis severe enough to cause painful problems seriously affecting their ability to perform their daily activities and their jobs.

Osteoarthritis often develops after traumatic injury to a joint. According to a 1971 survey, there were 17 million significant injuries associated with sports and recreational activities plus 11 million disabling injuries resulting from non-sports-related accidents. Of these roughly 28 million accidents, about 80 percent, or 22 million, involved the musculoskeletal system—more than 2 million involved joint injuries. Despite the long-term consequences and the seriousness of posttraumatic osteoarthritis and the incidence of the disease, little research has been conducted in this special field.

Other arthritis-related diseases are particularly prevalent among women.

Osteoporosis, a disease resulting in brittle bones due to a loss of calcium from the bones, is a leading cause of nursing home placements. It occurs in varying degrees in many elderly persons. However, nearly 90 percent of women 75 years of age and older show x ray evidence of some degree of this disease.

Systemic lupus erthematosus, a potentially fatal connective tissue disease, is one of the most frequent, serious disorders in women of childbearing age. An estimated 50,000 new cases of this disease are diagnosed each year, indicating that the disease is far more common than it was formerly thought to be.

THE ECONOMIC COSTS OF ARTHRITIS

Mr. President, the financial costs of arthritis to patients, insurance companies, and taxpayers are staggering. The Arthritis Foundation estimated that in 1982, Americans paid $14.5 billion for costs related to arthritis—nearly 5 percent of our current national health-care bill. In 1980, approximately $1 billion of what was spent for arthritis was spent on quack remedies. The physical and emotional costs to the victims of the disease and their families are enormous.

In 1971, over 27 million workdays were lost to arthritis-related disabilities. This represented over $5 billion in wages lost to employees.

Individuals with arthritis account for about 19 percent of those receiving social security disability insurance—SSDI—benefits. Although many workers with arthritis remain on the job as long as possible, some 500,000 workers disabled by arthritis and forced by the intense pain and physical limitations that they suffer to leave their jobs are today collecting SSDI benefits. The cost to the Nation for these payments in fiscal year 1983 alone is estimated to have been $2.8 billion. If payments for their dependents are included, this figure is estimated to be as high as $3.3 billion.

THE NEED FOR A STRONGER APPROACH FOR ARTHRITIS RESEARCH

Mr. President, research is the best investment we can make to help arthritis sufferers. As the author of the National Arthritis Act of 1974—Public Law 93-640—and amendments to it in 1976 and 1980, I have long been acutely aware of the needs of and potential for research into arthritis and musculoskeletal and skin diseases. It is clear to me that we need a stronger approach to arthritis research. Although the National Arthritis Act of 1974 has been successsful in establishing sound strategies for the utilization of our national resources to wage a stronger attack against arthritis, and progress in biomedical research has substantially increased our knowledge of the disease, implementation of that law has fallen short of what should have been achieved and far short of what could be gained through an accelerated research effort into this important area of study.

The National Arthritis Act of 1974 provided for the design of a master arthritis research plan—the so-called national arthritis plan—to identify the areas of research to be pursued, the resources available for arthritis research, and the additional resources needed for research progress. The act also authorized the creation of research and demonstration centers to provide an opportunity for intensive interdisciplinary arthritis research as well as training in and demonstration of advanced diagnostic, prevention, treatment, and control methods related to arthritis. Unfortunately, the budget levels recommended under the plan for arthritis-related research within NIH have not been realized.

Part of the reason that arthritis and musculoskeletal and skin disease research has not received the focus and priority it warrants is that it is lumped within the current institute, NIADDK, with an incongruous mixture of disease categories. Congressional intent to focus research on arthritis-related diseases under the original National Institute of Arthritis and Metabolic Diseases has been diluted over time by the combination of so many disparate research programs under NIADDK. That Institute now includes in its mission—in addition to arthritis and musculoskeletal and skin diseases—diabetes, kidney diseases, digestive diseases, nutrition, endocrinology, urology, and hematology.

Within the current Institute, arthritis lacks the focus, direction, and visibility that are essential to a comprehensive and integrated research program addressing one of our country's major health problems. The existing structure has led to funding disparities within NIADDK. In the last 12 years, funding for arthritis research has grown from 7.8 percent of the total NIADDK budget in 1970 to 16.9 percent in 1982. By comparison, in 1970, diabetes funding amounted to 5.5 percent of that Institute's budget, and by 1982, funding for diabetes research had grown to 35.3 percent of the NIADDK's total budget.

The funding recommendations originally proposed under the national arthritis plan reflect the human and economic costs of arthritis and related diseases. To reduce those costs, we need to move far closer to the levels of support and national commitment called for in the plan.

Given the Reagan administration's shrinking budget for our overall Federal research effort, I believe we must develop policies for using limited financial resources more effectively and efficiently so that we can gain the maximum benefits for our efforts. By establishing a separate National Institute of Arthritis and Musculoskeletal and Skin Diseases, we would provide arthritis-related issues with the greater visibility they should have at the national level and hence enable researchers in these areas to compete more successfully for increasingly scarce resources. Most important, the creation of a separate institute for arthritis-related research would attract new, high quality scientists and lead to an accelerated, better coordinated research effort into the causes, prevention, and treatment of arthritis. These have been the results of the establishment of other institutes specializing in a one-family or other logical grouping of disorders such as the National Eye Institute and the National Institute on Aging. Thus, this legislation would facilitate the implementation of high-priority programs as authorized by the National Arthritis Act of 1974 and the national arthritis plan.

Mr. President, S. 540 in the 98th Congress included a provision requiring that a study be conducted of the effectiveness of the existing combinations of disease research programs within the individual institutes of NIH and of what standards should be applied in the future in establishing additional new institutes. Before any action was taken on the bill, the Assistant Secretary for Health, in the spring of 1983, contracted with the Institute of Medicine [IOM], of the National Academy of Sciences, to undertake such a study. The findings of the study were published in an October 1984 report entitled, "Responding to Health Needs and Scientific Opportunity: The Organizational Structure of the National Institutes of Health."

The report recommended five criteria for evaluating organizational changes within the NIH. I believe that the proposed new institute meets each of those criteria.

The first criterion states: "The activity of a new institute or other organizational entity must be compatible with the research and research training mission of NIH."

The new institute clearly meets this criterion; it would provide for the expansion of the current research effort on arthritis that currently is being carried out in the NIH and is, obviously, fully compatible with the mission of the NIH.

The second criterion states: "It must be demonstrable that the research area of a new institute is not already receiving adequate or appropriate attention."

Although arthritis and musculoskeletal and skin diseases afflict more than 15 percent of the total U.S. population, in 1983, just 2 percent of the entire NIH research budget is devoted to arthritis-related research. The Federal Government, through NIH, annually spends on arthritis research only $1.50 per person afflicted with arthri-

tis in this country. Several hundred times that amount each year is spent per patient on cancer research.

The level of support for arthritis research is simply not commensurate with the prevalence and severity of the disease. With 35 million people afflicted and an estimated annual cost of $18 billion in hospital costs, drugs, and lost productivity—in comparison, 10.5 million people have diabetes at an estimated annual cost of $10 billion—arthritis research receives less than one-half the funding of diabetes research.

The third criterion states: "There must be reasonable prospects for scientific growth in a research area to justify the investment of a new institute."

Research in arthritis, as with other disease research, relies on discoveries in the basic sciences—for instance, genetics, infectious agents, and immunology. Recent discoveries in those areas, such as genetic engineering and monoclonal antibodies, are enabling far-reaching advances to be made in understanding the causes of arthritis, and will be invaluable in the development of treatments for many forms of arthritis. The 1984 annual report of the National Arthritis Advisory Board concluded:

> The probabilities are high that in the next decade a cause of certain diseases will be elucidated, or that the specific immune response genes will be localized, or that the exact mechanisms of inflammatory responses will be defined. Perhaps an effective cure or prevention of one or more of these crippling, chronic diseases will be defined.

The Board also recommended that the Multipurpose Arthritis Centers Program be expanded to enable the swift and effective application of available knowledge for the treatment of patients with arthritis and related musculoskeletal diseases. There is no question that ample room for scientific growth and progress as well as good prospects for achieving them exist in arthritis research—and those are precisely the reasons for establishing an institute.

The fourth criterion states: "There must be reasonable prospects of sufficient funding for a new institute."

There has been repeated concern that the administrative costs associated with the establishment of a new institute would drain research dollars. However, because much of the administrative costs would be transferred from those presently allocated to the arthritis division, added costs were estimated in 1982 to total $1.8 million. Ongoing administrative costs could be further minimized through the sharing of support staffs and services, as recommended in the IOM report.

The current funding level for arthritis-related research is far short of that recommended in the national arthritis plan. The plan recommended that funds be doubled in 1977 for arthritis-related research and that thereafter funding be increased annually by about 20 percent through 1980. However, those levels of funding for arthritis within the NIADDK have never been realized. The result has been that, during the period 1977 through 1981, substantially less than half of the arthritis-related research grant applications that were approved for funding have been able to be funded by the NIADDK. At such time as additional resources are made available to NIH, arthritis-related research should clearly be one of the top priorities for new funding.

The fifth criterion states: "A proposed change in the NIH organizational structure should, on balance, improve communication, management, priority setting, and accountability."

Within the structure of the NIADDK, a separate division exists for the administration of research in arthritis and musculoskeletal and skin diseases. Likewise, diabetes, digestive diseases, and kidney research are each administered under individual division. Thus, separating the arthritis division from the remainder of the institute would not impose a new organizational system in the administration of those research areas.

The IOM report expressed concern that the benefits derived from a broad-based approach to research—in which many research areas are integrated—must be balanced against the need for increased visibility and focus. In the case of NIADDK, however, there is very little crossover of research interests among scientists investigating digestive diseases or diabetes, on the one hand, and arthritis, on the other. In fact, arthritis research shares more common ground with research ongoing at the Institute on Allergies and Infectious Diseases than it does with research in its present institute.

Arthritis research within the NIADDK is overshadowed by the research on diabetes and kidney diseases. A separate institute devoted to arthritis-related research—with enhanced visibility—would contribute to greater public accountability, and lead to more consistency in program missions.

Finally, the IOM report suggested seven alternative means to the establishment of a new institute for increasing visibility of a research area. They include publicizing the accomplishments of scientific research; forming a special advisory board; holding major conferences; upgrading organizational status; disseminating results of research to clinical centers; improving the grant application process; and forming an NIH-wide committee to develop research in the area.

As part of the national arthritis plan, begun 10 years ago, these recommendations have already been implemented to a substantial degree—the National Arthritis Advisory Board, for instance, has been active since 1977. Yet, the fact remains that the current effort falls far short of the activity level that could be considered commensurate with the magnitude or urgency of the disease.

ORGANIZATION OF THE NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

Mr. President, the statutory authority for the establishment of the new National Institute of Arthritis and Musculoskeletal and Skin Diseases would be patterned after that of other NIH research institutes. Thus, the new institute would be directed to undertake research and demonstrations related to the causes, prevention, and treatment of arthritis and musculoskeletal and skin diseases; to promote coordination of research programs in the public and private sector; to make grants for research; to establish an information clearinghouse and data system; and to conduct and support research training. This is the same mandate that the current NIADDK has with respect to arthritis and musculoskeletal and skin diseases. In addition, in very fitting recognition of the tremendous number of traumatic musculoskeletal injuries that Americans receive in sports and other recreational activities, the new institute would include in its focus research on sports-related disorders.

The National Institute of Arthritis and Musculoskeletal and Skin Diseases would receive its funding under the existing authority of section 301 of the Public Health Service Act, as is the case for most other NIH Institutes. Because the present organizational division pertaining to arthritis and musculoskeletal and skin diseases within NIADDK is already autonomous in many of its functions, the benefits to be gained from the greater visibility for such research would more than compensate for any increase in administrative costs—which is not likely to be substantial. In order to facilitate the administrative separation of the new institute from the present NIADDK, our bill would provide for the orderly and fair transfer to the new institute of all resources that are related to arthritis and musculoskeletal and skin disease research programs and activities currently being carried out by the NIADDK.

The legislation would also extend, for the next 3 fiscal years, the authorizations of appropriations, which would otherwise expire at the end of fiscal year 1985, for the National Arthritis and Musculoskeletal and Skin Diseases Data System, the National Arthritis and Musculoskeletal and Skin Diseases Information Clearinghouse, the Arthritis and Musculoskeletal Diseases Demonstration Projects, and the Mul-

tipurpose Arthritis and Musculoskeletal Diseases Centers.

CONCLUSION

Mr. President, we cannot afford to ignore the need to find ways to improve the quality of life for those unfortunate individuals who suffer from arthritis. An accelerated research effort in arthritis has great potential to bring us much closer to providing these millions of individuals with relief from their pain and the potential for full participation in everyday activities.

Thus, I urge my colleagues to support this important legislation, and I urge that the Committee on Labor and Human Resources, to which our bill will be referred, give it prompt and careful consideration. I pledge to my good friend the distinguished chairman [Mr. HATCH] who is a principal cosponsor of this measure, and the very able ranking Democratic Member [Mr. KENNEDY] my full cooperation and assistance in the further development and progress of this legislation.

Mr. SYMMS. Mr. President, I wish to add my strong support to those who have labored during the last 4 years to effect the establishment of a separate institute for arthritis and related diseases at the National Institutes of Health.

Arthritis is our Nation's No. 1 disabling disease, affecting nearly 37 million persons in America, or 1 of every 7 people. Those affected may suffer from any of the 100 distinct disease entities, ranging in scope and severity from scleroderma to gout, to ankylosing spondylitis, lupus, and rheumatoid arthritis.

Although arthritis and musculoskeletal diseases effect all ages, 40 percent of the population over 65 has a rheumatic disease. And, as our Nation's population ages, the prevalence of arthritis will increase as the elderly population expands from 10 percent to 20 percent by the year 2030.

The National Center for Health Statistics predicts that in the year 2000, less than 20 years from now, expenses attributable to arthritis will reach nearly $100 billion annually. Arthritis and other musculoskeletal diseases are responsible for major costs of workers' compensation, Social Security benefits, Medicare payments, and hospital and nursing home stays. And, regretfully, nearly $1 billion is spent annually by arthritis sufferers who purchase or seek out unproven drugs and treatments.

Of equal, if not greater importance, are the indirect personal losses in productivity resulting from lack of wages or inability to earn a livelihood, due to a limiting or disabling disease such as arthritis.

I believe that the magnitude of the human and economic impact of arthritis on the Nation demands the sharp national focus of this family of disease that only a separate institute can bring.

The National Arthritis Act of 1974 proposed the creation of a separate arthritis institute. The National Commission on Arthritis and Related Musculoskeletal Diseases, established by that act, set forth some 150 specific recommendations to be addressed in order to adequately promote a national attack on arthritis. The essence of the Commission's findings was that the vast impact of arthritis on the Nation has not been matched by a determination to accelerate research and training to improve the treatment of rheumatic diseases, to prevent them, and to find cures for them.

The health sciences are in an extraordinary period of advancement, and competition for research funds is keen. But the promising discoveries made in the arthritis field in recent years support our belief that with adequate funding and focused research priority, some forms of arthritis might be prevented, cures may be found, and therapies developed to improve the condition of arthritis victims.

As many of you know, I have actively supported the establishment of a separate institute for arthritis, along with Senators GOLDWATER, HATCH, CRANSTON, DOLE, and others. We believe that a separate institute would provide the environment for an accelerated research effort in arthritis, musculoskeletal and skin diseases. These diseases afflict more than 15 percent of the total U.S. population, but in 1983 just 2 percent of the entire NIH research budget was devoted to arthritis-related research.

I urge the support of my fellow Senators in approving this legislation to authorize in statute a National Institute of Arthritis and Musculoskeletal and Skin Diseases.

By Mr. WALLOP (for himself, Mr. SIMPSON, Mr. GARN, Mr. HECHT, Mr. GOLDWATER, Mr. HEFLIN, Mr. WILSON, Mr. LAXALT, Mr. CRANSTON, Mr. DENTON, Mr. CHAFEE, Mr. MURKOWSKI, and Mr. DODD):

S. 426. A bill to amend the Federal Power Act to provide for more protection to electric consumers; to the Committee on Energy and Natural Resources.

ELECTRIC CONSUMERS PROTECTION ACT

● Mr. WALLOP. Mr. President, I am pleased to join with Senators SIMPSON, GARN, HECHT, GOLDWATER, HEFLIN, WILSON, LAXALT, CRANSTON, DENTON, CHAFEE, MURKOWSKI, and DODD today to introduce legislation which would clarify the procedures under which the Federal Energy Regulatory Commission [FERC] will relicense hydroelectric projects throughout the Nation in the years ahead.

Across the West, and indeed across the Nation the gold rush of the 1980's is underway. Today's fortune seekers are pursuing two things, water and gradient, to run electrical turbines. When new sites are unavailable for hydrodevelopment, utilities are competing for expiring FERC licenses coming up for renewal. Caught in the collision is the ratepaying public. The hydropower boom is thereby causing a reappraisal of the relicensing procedures established in the Federal Power Act of 1920 by Congress.

Specifically, my bill amends section 7 of the Federal Power Act by deleting all reference to section 15, which covers relicensing. The effect of this amendment is to clarify that the municipal preference does not apply in a relicense proceeding, whether or not the existing licensee is the applicant.

Section 15 of the Federal Power Act of 1920 is also amended to require the Federal Energy Regulatory Commission to consider, within the context of section 10(a) of the act, the existing licensee's plans for the next license term. If these plans comply with the section 10(a) public interest standards, a new license would be issued to the existing licensee. Section 10(a) of the Federal Power Act mandates an extensive inquiry into all factors relevant to the public interest in the development of the power potential of the Nation's water resources. This helps ensure that the plan adopted by the Commission is the best adapted to serve goals intended to achieve the most beneficial use of the waters. Conservation, recreation and commercial power are public interest considerations under the act.

Only if the Commission determines the existing licensee's plan does not comport with the section 10(a) standards would the Commission be authorized to issue the new license to a competing applicant. In that event the existing licensee who fails to get a successor license would be compensated by the new licensee for the facilities being turned over under a just compensation standard. This is a change from the law's present standard of net investment and severance damages which was set out in 1920 under vastly different economic conditions than those facing regulated utility companies today.

The need for these changes is quite clear. It is prompted by conflicting decisions rendered by the Federal Energy Regulatory Commission, and the fact that over 200 FERC regulated utility licenses are coming up for renewal by 1993. For those of you who wish the details, I refer you to my statement of May 24, 1984 in the CONGRESSIONAL RECORD at page S. 6451. The statement I made at the time I originally introduced the bill is reprinted there. It contains a relevant history of the Federal Power Act and some of the technological and regula-

tory changes which have taken place since the act's enactment some 65 years ago.

I will only reiterate that the current state of uncertainty is harmful to the present public interest. This is the case because FERC has reversed itself on this issue. In a 1980 ruling in city of Bountiful, UT, FERC held a municipal preference did apply against existing license holders at the time of relicensing. That opinion was subsequently affirmed by the Eleventh Circuit Court of Appeals.

However, FERC reversed its 1980 decision in 1983 in the Merwin Dam case when it interpreted the law not to include a municipal relicensing preference applicable against the existing licensee. Public power interests have appealed that decision. A decision at the circuit court level is expected this year. The losing side will undoubtedly seek review by the U.S. Supreme Court. Therefore unless Congress decides this issue now on a public policy basis, it is more than likely that the Supreme Court will at some point in the future be interpreting what our predecessors had in mind 65 years ago.

We, as a nation, have long passed the infancy stage of hydroelectric development. Since the 1930's private, investor-owned utilities have been heavily regulated by the States and the Federal Government. Contrary to the fears of the 1920 Congress, these private utilities did not monopolize the Nation's waterways as had been originally feared. Instead, they turned out to be the entities that serve most of the consumers of the Nation with electric power. I therefore believe the issue of preference on relicensing is an important consumer issue which Congress should decide given today's and tomorrow's prevailing economic conditions and changed public needs.

The public policy question which the 99th Congress must resolve is easily stated. It is simply whether or not we want to divest an existing licensee seeking a successor license of the plant and facilities built and paid for by the ratepayers of that licensee by transfering the license to a competing municipal applicant simply because of the status of that applicant, and nothing more. I believe that equity, along with changed times and circumstances, demands a revision of the Federal Power Act along the lines proposed by my bill.

Existing license holders may be private, investor-owned utilities, public, State or municipal utilities, rural electric cooperatives, private companies, or small entrepreneurs such as paper and aluminum enterprises which Congress has encouraged through PURPA and tax incentives to build small hydro projects.

When the time comes for these existing licensees to apply for a new license, they will have constructed, developed and maintained these projects for up to 50 years. In other words, in addition to having their customers benefit from the low cost hydroresources under Federal license, they will have been stewards of these federally regulated water resources in accordance with public interest standards in the law and incorporated in licenses issued by FERC.

I therefore believe that in a relicensing situation if an existing license holder has had an effective track record during the original license term, and demonstrates in its application for a new license and in FERC proceedings that it would continue to have the best adapted project as measured against the law's requirements and all competing applications, that it should receive a new license. In other words if there is any weight to be given in a relicense situation it should be to the existing licensee who took the risk and built the project in the first place.

In my view the optimal result for the public and the resource is achieved when the regulatory agency is required to make a decision on the merits based on public interest standards in the law and an opportunity exists for a competitor to show its plans are better than those of the existing licensee.

We would do a disservice to the public to shift an expiring license to a competitor municipal utility simply because of the Government ownership status of the utility, and nothing more.

It simply doesn't make sense to me to support a concept of preference in relicensing situations that allows one class of consumers served by private investor utilities to be discriminated against to favor another class of electric power customers who happen to live within the borders of a municipality. There is no net benefit to the public at large by applying a policy of preference in relicensing proceedings as there might be with the preference given to States and municipalities in the purchase of federally marketed power, or in initial license situations. Nor can it be said that such licenses would be forever lost to acquisition by municipal utilities. If municipalities have a real need for the facilities represented by the license they can use other provisions of the Federal Power Act to condemn them. In such situations the municipality must pay just compensation to the existing licensee.

Mr. President, let me suggest to you why the arguments advanced by those supporting preferential treatment for public entities in relicense proceedings don't hold water, or establish a public policy worth supporting.

Public power advocates argue that when original licenses expire, the physical assets should be turned over to public utilities in order that the water resources may be used for the benefit of the public.

The only conclusion which can be drawn from this position is that the approximately 73 million ultimate consumers of investor-owned utilities are not members of the public. Nor are the 9.5 million customers of rural electric cooperatives which have no licensing preference, or beneficiaries of private nonutility licensees included among the public.

But in the hands of Government-owned utilities, their advocates argue, 12.8 million customers will receive the benefits of federally regulated hydroelectric power without it passing through the tollgate of investor-owned utilities. In 1920 it was true that large investor-owned utilities had characteristics of natural monopolies which were capable of controlling most of the hydroelectric development in the country. By 1935, both the States and Federal Government stepped in to change dramatically the future of hydroelectric development in this country. The small private holding companies that had once characterized investor-owned utilities in the 1920's were broken up by Congress in the 1930's. Subsequently, State public utility commissions were established to regulate the rates of private utilities.

Today, every private utility's retail electric rates are subjected to comprehensive State regulatory control. Rarely is a private utility's request to increase its electric rate approved without substantial reductions. And, even then commissions only authorize a specified rate of return. A rate of return is by no means guaranteed under this system, and more often than not, the authorized return is not actually achieved. On the other hand, with but few exceptions, municipal utilities' electric rates are not subject to regulatory review. Therefore not only do private investor owned utilities serve the public that comprises their service area, but they are obliged to provide these customers with firm power to meet their needs even if the private investor-owned utility is unsuccessful in getting its FERC license renewed.

But the claim that a municipal preference in relicense situations is merely the device to return to the public domain a public asset or resource that was temporarily assigned to an original licensee for private use is a spurious argument in 1984, at best. Moreover, this claim erroneously characterizes the nature of the Federal interest involved in these projects.

The language of section 4(e) of the Federal Power Act demonstrates that Congress recognized that the Federal interest in hydroprojects is based only on ownership of public lands or Congress' power to regulate navigable streams as part of interstate or foreign

commerce. The Federal Government has no proprietary stake whatever in the navigable waters in this Nation. The Federal Government's only cognizable interest is strictly regulatory.

Nor are the project works of the existing licensee and the lands and flowage easements acquired by its public resources. Rather, these are private assets or resources devoted to public service. If Federal lands are used in a project, annual charges or rentals are paid on these lands under section 10(e) of the act by private licensees. Except for the States rights in the streambed, many of the projects which could be taken from existing licensees by application of a preference at relicensing are composed entirely of property interests assembled by developers with investment capital. Congress' commerce clause power to regulate and improve navigation subjects all works that could impede navigation to a dominant servitude for such Federal purposes as may be related to the proper exercise of that power. However, the servitude does not divest title from the owner of subjected property or create sua sponte a proprietary interest in the Federal Government.

Let me make a few other points about the arguments used by proponents of a municipal preference which I believe are inapplicable in this instance.

Advocates of the municipal preference in relicense proceedings argue that the preference is needed to allow municipal utilities to remain viable and to serve as yardsticks by which to judge the effectiveness of private utilities. They assert that they better serve the needs of the public because they are municipalities.

I, quite frankly, find it hard to understand this statement. As we know, States and municipalities and their customers already enjoy significant special privileges where power from navigable waterways is concerned. Their preference for power marketed from Federal hydroelectric projects has given their customers, who represent fewer than 14 percent of the electric customers in the country, access to 68.4 percent of the hydroelectric capacity in the country. With this amount of inexpensive hydropower available to them, they should certainly be viable without having to take existing projects away from those who developed and paid for them.

A recent economic analysis published in Public Utilities Fortnightly by two MIT professors shows that the value of existing facilities will be maximized by spreading the benefits widely and not concentrating them where the price of electricity is already well below the social marginal cost. "Adversary Hydro Relicensing Applications: Using Economic Efficiency Criteria," Public Utilities Fortnightly, December 20, 1984. Since Municipal utility rates are generally far lower than their neighboring regulated investor-owned utilities, I wonder as a matter of policy of the prudence of following a policy of preference at relicensing which would further concentrate even more low-cost hydroelectric power in municipal utilities to the detriment of the far larger segment of the public served by regulated investor-owned utilities.

Clearly, the public interest is much broader today, and it will be even broader still in the future than it was in 1920. Sixty-five years down the road from the time the Federal Power Act was initially passed I think it is time that Congress considered the preference at relicensing issue in light of the many changes that have taken place since then. When you consider the regulation of investor-owned utilities by the States, the shift from the private to the public sector in water power development, the development of all the best hydrosites in the Nation, the requirements for costly environmental controls, and the rampant inflation which has taken place in the decades since 1920 until just recently, it becomes clear that an existing licensee's request for a new license should be judged against the best adapted public interest standards in the law. Preference for a municipality based on status alone in a relicense proceeding simply is not in the present public interest.

The public interest today includes conservation and supply; the need to keep inflation under control; the potential disruption of a firm energy supply to millions of citizens being served by power in use under a FERC license; and the economic impact of a shift of that license to a competitor in a relicense situation. As a bottom line, it includes equity for the ratepayers. They are the power consumers, and they are the public.

The issue here is one of equity and fundamental fairness. A clarification of the law is needed to make relicense proceedings reflect today's times and today's needs.

The issue of equitable compensation if a license isn't renewed must also be addressed. As I indicated earlier, my legislation changes the compensation standard in the law. It would replace the law's net investment standard with a provision calling for just compensation. I know that the merit of doing this as part of the preference on relicensing issue is being questioned by some of my colleagues in the Senate, like Senator JOHNSTON, who did not include compensation language in his bill last session.

However, I believe a change in the compensation standard is an integral and necessary element of a complete legislative proposal on this issue.

As FERC said in the Merwin case, "The preference controversy is bottomed on the bargain cost-based—rather than value-related—price embodied in the 'net investment' concept."

Net investment seemed appropriate in 1920 when inflation was cyclical and temporary, usually followed by deflation. However, as the Commission in Merwin pointed out, "The Members of Congress in 1920 could not have foreseen the near constant inflation spanning the half-century following 1933 that has placed such great dollar values on privately owned hydroelectric properties and made them such bargains at cost-based relicensing prices."

Given the enormous windfall involved in the net investment price, which is the price of original construction more than 50 years ago, less depreciation and severance damages, the incentive to compete for a license in a renewal situation is not based so much on need as it is on greed. Let me explain what I mean.

The Administrative Law Judge's initial decision in the Merwin dam case reveals that under the net investment standards as defined in the act, the existing licensee would only have received $9.4 million for its project. The existing licensee argued that the 1988 present value replacement or alternative power cost would be $832.4 million. The FERC staff, on the other hand, calculated a 1988 present value for future power costs from a replacement thermal plant of $731.7 million.

The point is that whether you take the FERC staff calculation or that of the existing licensee, the difference between the true present day value of the hydro facilities and their original cost is tremendous. Who gets hurt? The ratepayers of the regulated investor-owned utility. Why do they get hurt? They get hurt because the investor-owned utility losing the license is required by law to serve its customers. The customers don't go with the license, only the facilities which the ratepayers of the losing existing licensee built and paid for are transferred under the license. Therefore, an economic windfall goes to the winning competitor.

If that competitor is a municipal applicant asserting "preference" at relicensing, given the fact that the cost-based net investment standard in the current law is such a bargain, it allows municipal competitors to compete using existing licensee's customers' money. In other words, in a relicense situation where the artificial and antiquated net investment standard is left unamended by Congress, the very promise of the windfall of the actual value of the facility versus its original "net investment" costs allows municipal competitors to spend enormous sums for improvements that may or may not be of any use. These proposed

changes would all be paid for out of the actual present day value of the licensed facilities.

If there were a good public policy reason for keeping the takeover payment at the 1920 cost of building hydroelectric facilities, instead of repayment for these facilities at a fair price, I might be persuaded to drop the compensation provision from my bill. However, I have heard all the arguments and yet I remain convinced that doing nothing with the compensation provisions upon the recapture of a facility in a relicense proceeding only exacerbates the problems of fundamental fairness facing us with the whole preference on relicensing issue.

Part of the reason is that a private licensee takes over a municipal project in a relicense proceeding, it must pay the value related price of just compensation for these facilities. Therefore the current act already has a dual standard built into it. If a private investor utility loses its license in a renewal proceeding, it would get only its original cost, less depreciation and severance damages. That's simply not fair.

Nor is it fair to assert, as municipal utilities do, that the customers of investor-owned utilities don't "deserve" a just compensation price because they knew they might lose the license at the end of the term when the license was first given. If that is the case, I wonder why the Federal Power Act was amended in the 1950's to provide that municipal entities receive "just compensation" if they lose their FERC licenses at relicensing. Is not what is good for the goose good for the gander?

If you take this legal theory to its logical end that the present day actual value of a license reverts to the licensor, which is in this case the Federal Government, then I don't see how or why a third party beneficiary new licensee is entitled to reap the windfall of a power to regulate navigable waterways given to the Federal Government by the commerce clause of the Constitution. The fact is that the licensing relationship is between the United States and the licensee. Third parties like municipal utilities are both strangers to the relationship and, at best, gratuitous beneficiaries of the act's pricing arrangements.

My bill would not in any way affect the Government's ability to itself take over a project under section 14 of the act and to pay only net investment for such a takeover. The just compensation provision operates only where some third party seeks to seize the benefits created by the current licensee and their customers.

The standard of "just compensation" in my bill is derived from the Constitution of the United States. It is precisely the language now used in section 14(a) of the Federal Power Act concerning compensation to be paid in a condemnation proceeding. Nothing more or less will do in a relicense proceeding. This is the case because the public in general receives no net benefit from the transfer of the license, and no Federal right is being violated or impaired. Therefore, fundamental fairness requires a revision of the compensation standard by third party takers of a license of just compensation. Anything less will substantially raise utility rates across-a-broad spectrum of the consuming public served by the losing licensee. That, in turn, will adversely impact on our present national policies to conserve energy and to make maximum benefit of our energy resources to the broadest segment of the public possible.

The Federal Power Act was originally founded on the dual principles of economic development and the Nation's water resources and its conservation. As we move with increasing speed to close out the chapters of the 20th century, let us do so with prudence and optimism. Conservation, both in water resource and in energy terms must be the watchword. Economic impacts of the transfers of power in use from one licensee to another and the ratepayers served by these competitors must be assessed in relicense proceedings. We have now, as we did not in 1920, a broad public interest to serve if we are to move this Nation to meet the challenges of the future.

Challenge sometimes means there is a need for change. In this particular case, I believe it is necessary for Congress to state clearly that no preference exists in relicensing. However, in so doing, I want to make one thing crystal clear. This legislation is not an attack on a State's or municipality's entitlement to preference in federally marketed power or in relicense situations. This bill is narrowly framed to obtain a narrow result. It is simply a call for equity in relicensing proceedings given today's energy and consumer needs.

Mr. President, in closing I would like to submit as part of the RECORD for use by my colleagues in the Senate and others who are interested in this subject some statistics. I have asked the Edison Electric Institute to run the current numbers on the hydroelectric projects currently under FERC license by State. I believe my colleagues will find this information useful.

In addition, I am advised by the Edison Electric Institute that presently, 177 FERC licenses held by investor-owned utilities will expire by December 31, 1993. These 177 projects represent 48 percent of the total number of projects licensed to investor-owned utilities.

To put this in perspective, although investor-owned utilities operate only 32 percent of the Nation's total hydroelectric installed capacity, they serve 76 percent of the Nation's ultimate customers. By comparison, public utilities, municipal and State projects serve approximately 13 percent of the Nation's ultimate customers, and they operate or have priority access to 68 percent of the Nation's total hydroelectric capacity, including Federal projects.

Home is where the heart is, Mr. President. Last, but not least, in my own home State of Wyoming regulated investor-owned utilities serve 112,699 customers. The rural electric cooperatives, which serve another important segment of the State's citizens with firm electric power, support the legislative initiative which I am proposing today. I would liked to commend them for their firm stance on an issue of importance to all consumers in the Nation. If this legislation is enacted it would protect all existing licensees equally. Equity is what this bill is all about.

Mr. President, I ask unanimous consent that the bill and other supporting material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 426

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Electric Consumers Protection Act of 1985.".

SEC. 2. Section 7(a) of the Federal Power Act (16 U.S.C. 800(a)) is amended—

(1) by inserting "original" after "hereunder or"; and

(2) by striking out "and in issuing licenses to new licensees under section 15 hereof".

SEC. 3. Section 15(a) of the Federal Power Act (16 U.S.C. 808(a)) is amended—

(1) by striking out "is authorized to" and inserting in lieu thereof "shall";

(2) by striking out "original" each place it appears and inserting in lieu thereof "existing";

(3) by striking out "regulations, or" and inserting in lieu thereof "regulations unless the Commission determines, taking into account public benefits provided during the preceding license term, that such licensee's project or projects, as described in its application for a new license, will not meet the licensing standards set forth in section 10(a). If the Commission determines that the project or projects do not meet such standards, it is authorized"; and

(4) by striking out "such amount" and inserting in lieu thereof "just compensation in an amount that the Commission shall determine in accordance with due process of law,"; and by striking the comma after the words "to do".

APPENDIX C.—INVESTOR-OWNED UTILITY HYDROELECTRIC PROJECTS, JANUARY 1985

State [1] and company [2]	Project name [3]	License No. [4]	License expiration date [5]	Installed capacity (nameplate megawatts) [6]	Generation (megawatt-hours) [7]	States [8]	County [9]
Alabama (9): Alabama Power Company	John H. Bankhead	2165	8/31/2007	202.600	619,032.000	AL	Tuscaloosa, Cullman, Walker.
	Coosa River	2146	7/31/2007	691.000	2,792,519.000		Elmore, Chilton, Coosa, St. Clair, Talladega, Calhoun, Cherokee.
	Holt Lock and Dam	2203	8/31/2015	40.000	194,024.000		Tuscaloosa.
	Jordan	618	7/31/2007	100.000	245,490.000		Elmore.
	Martin Dam	349	6/08/2013	154.200	514,869.000		Elmore, Tallapoosa.
	Mitchell	82	7/31/2007	72.500	397,296.000		Chilton, Coosa.
	R.L. Harris	2628	11/30/2023	135.000	125,585.000		Randolph, Clay.
	Thurlow	2408	12/31/1993	58.000	327,167.000		Elmore, Tallapossa.
	Yates	2407	12/31/1993	32.000	184,631.000		Elmore, Tallapossa.
Total				1,485.300	5,400,613.000		
Alaska (2):							
Alaska Electric Light and Power	Salmon Creek and Annex Creek	2307	8/31/1988	9.100	41,601.600	AK	Juneau Div.
Alaska Power and Telephone, Inc	Skagway Dewey	1051	8/29/2007	[11] 0.765	[12] 2,440.000	AK	Skagway-Yakutat Div.
Total				9.865	44,041.600		
Arkansas (1): Arkansas Power & Light Company	Carpenter and Remmel	271	2/28/2003	65.300	201,375.000	AR/MO	Hot Spring, Garland.
California (51):							
Pacific Gas and Electric Company	Angles	2699	12/31/1995	1.400	8,247.000	CA	Calaveras.
	Balch No. 1 & 2	175	4/30/2026	128.200	1,106,885.740		Fresno.
	Bucks Creek	619	10/31/2004	66.000	416,811.300		Plumas.
	Chili Bar	2155	7/31/2007	7.020	59,195.000		El Dorado.
	Crane Valley	1354	4/30/1989	20.900	133,866.797		Madera, Fresno.
	De Sabla-Centerville	803	10/11/2009	24.850	159,989.827		Butte.
	Drum-Spaulding	2310	4/30/2013	163.853	953,659.191		Nevada, Placer, Sutter.
	El Dorado	184	2/23/2002	20.000	36,858.728		El Dorado.
	Haas-Kings River	1988	[13] 3/31/1985	179.100	1,394,240.650		Fresno.
	Hatcreek No. 1 & 2	2661	9/30/2000	20.000	121,338.445		Shasta.
	Helms Pumped Storage	2735	4/30/2026				Fresno.
	Kerckhoff	96	11/30/2022	173.580	786,554.270		Fresno.
	Kern Canyon	178	4/30/2005	8.480	82,164.000		Kern.
	Kilarc & Cow Creek	606	3/27/2007	4.440	41,450.000		Shasta.
	McCloud-Pit	2106	7/31/2011	338.400	2,264,876.215		Kings, Shasta.
	Merced Falls	2467	2/28/2014	3.440	25,296.000		Mariposa, Shasta.
	Millseat Creek, Battle Creek	1121	7/31/2026	36.056	105,039.917		Tehama.
	Mokelumne	137	[14] 11/23/1975	192.750	1,528,064.073		Amador.
	Narrows	1403	7/31/1991	9.350	83,617.000		Yuba.
	Phoenix	1061	[15] 12/25/1980	1.600	16,130.000		Tuolumne.
	Pit No. 3, 4, & 5	233	10/31/2003	310.750	2,466,435.240		Shasta.
	Pit No. 1	2687	12/31/1995	56.000	415,331.117		Shasta.
	Poe	2107	9/30/2003	142.830	940,142.400		Plumas.
	Potter Valley	77	9/20/2033	9.040	65,397.000		Mendocino.
	Rock Creek-Cresta	1962	[16] 9/30/1982	180.900	1,410,269.000		Plumas, Tuolumne.
	Stanislaus-Spring Gap	2130	12/31/2004	87.900	464,360.924		Calaveras.
	Tule River	1333	4/30/1989	4.800	46,923.000		Tulare.
	Upper No. Fork Feather River	2105	10/31/2004	338.700	2,338,805.586		Plumas.
	Utica (Murphys)	2019	11/05/1996	3.600	29,603.000		Calaveras.
Pacific Power & Light Company	Klamath	[17] 2082	2/28/2006	151.000	1,059,866.000	CA/ID/MT/OR/WA/WY	Siskiyou.
Southern California Edison Company	Big Creek No. 1 & 2	2175	2/28/2009	127.750	1,231,872.748	CA	Fresno.
	Big Creek No. 2A & 8	67	2/28/2009	138.500	1,253,008.880		Fresno, Madera.
	Big Creek No. 3 & 6	120	2/28/2009	142.950	1,366,533.200		Fresno.
	Big Creek No. 4	2017	2/28/1999	84.400	762,458.170		Fresno.
	Bishop Creek	1394	11/30/1986	24.700	205,193.450		Inyo.
	Borel	382	2/28/2005	9.200	86,921.986		Kern.
	Kern River No. 1	1930	4/30/1996	27.800	197,426.593		Kern.
	Kern River No. 3	2290	12/31/1993	32.000	283,425.220		Kern.
	Kaweah	298	[18] 8/06/1974	6.900	65,541.941		Tulare.
	Lake Tho. A. Edison	[19] 2086	8/31/2003				Tuolumne.
	Lower Tule	372	6/14/2000	2.000	22,692.600		Tulare.
	Lundy	1390	11/30/1986	3.000	14,861.040		Mono.
	Lytle Creek	1932	4/30/1996	0.400	4,152.185		San Bernardino.
	Mammoth Pool	2085	11/30/2007	130.300	1,225,983.800		Fresno.
	Mill Creek No. 2 & No. 3	1934	4/30/1996	2.000	18,747.120		San Bernardino.
	Poole	1388	[20] 11/30/1986	10.000	46,143.302		Mono.
	Portal	2174	3/31/2005	10.000	45,924.290		Fresno.
	Rush Creek	1389	[21] 11/30/1986	8.400	67,639.740		Mono.
	San Gorgonio	344	4/26/2003	2.300	6,867.817		Riverside.
	Santa Ana No. 1 & No. 2	1933	4/30/1996	4.000	33,013.237		San Bernardino.
	Santa Ana No. 3	2198	4/30/2009	1.200	11,549.800		San Bernardino.
Total				3,452.739	25,511,374.539		
Colorado (4):							
Public Service Co. of Colorado	Boulder Canyon	1005	8/31/2009	20.000	20,000.000	CO	Boulder.
	Cabin Creek	2351	2/28/2014	300.000	108,522.000		Clear Creek.
	Georgetown	2187	12/31/1993	1.000	6,683.600		Clear Creek.
	Salida Hydro No. 1 & No. 2	2275	12/31/1993	2.000	7,790.000		Chaffee.
Total				323.000	142,995.600		
Connecticut (3):							
The Connecticut Light and Power Company	Falls Village	2597	8/30/2001	9.000	42,581.420	CT	Litchfield.
	Housatonic	2576	7/31/2001	74.900	240,468.755		Litchfield.
	Scotland	2662	8/31/2012	2.000	8,860.000		New London.
Total				85.900	291,910.175		
Georgia (11):							
Georgia Power Company	Bartletts Ferry	485	12/14/2014	65.000	432,954.782	GA	Harris.
	Chattahoochee	2177	12/31/2004	116.000	633,468.480		Macon.
	Flint River Res.	1218	9/30/2001	5.000	28,922.000		Dougherty.
	Langdale	2341	12/31/1993	1.000	5,240.000		Troup.
	Lloyd Shoals	2336	12/31/1993	14.000	40,205.050		Butts.
	Morgan Falls	2237	2/28/2009	17.000	66,637.597		Fulton.
	Riverview	2350	12/31/1993	1.000	3,126.000		Harris.
	Sinclair	1951	8/31/1997	45.000	137,522.200		Baldwin.
	Tugaloo and Tallulah	2354	12/31/1993	167.000	511,068.270		Rabun, Habersham.
	Wallace	2413	5/31/2020	321.000	411,069.000		Putnam.

APPENDIX C.—INVESTOR-OWNED UTILITY HYDROELECTRIC PROJECTS, JANUARY 1985—Continued

State [1] and company [2]	Project name [3]	License No. [4]	License expiration date [5]	Installed capacity (nameplate megawatts) [6]	Generation (megawatt-hours) [7]	States [8]	County [9]
South Carolina Electric & Gas Company	Stevens Creek	2535	12/31/1993	19.000	96,253.000	SC	Columbia.
Total				771.000	2,366,466.379		
Idaho (16):							
Idaho Power Company	American Falls	2736	2/38/2025	92.340	686,560.000	ID/NV/OR	Power.
	Bliss	1975	2/28/1998	75.000	577,767.000		Gooding.
	C.J. Strike	2055	11/30/2000	82.800	698,761.000		Owyhee.
	Cascade	2848	1/31/2031	6.210	576.000		Valley.
	Hells Canyon	[22] 1971	7/31/2005	1,166.900	8,799,468.000		Washington.
	Lower Salmon	2061	12/23/1997	60.000	430,915.000		Twin Falls.
	Malad	2726	7/31/2004	20.700	189,766.000		Gooding.
	Shoshone Falls	2778	5/31/1999	12.500	97,325.000		Jerome.
	Swan Falls	503	6/30/2010	10.265	78,095.000		Ada.
	Twin Falls	18	6/10/1984	8.437	75,120.000		Twin Falls.
	Upper Salmon	2777	5/31/1999	34.500	277,324.000		Gooding.
Utah Power & Light Company	Ashton & St. Anthony	2381	12/31/1987	6.300	43,010.000	ID/UT/WY	Fremont.
	Grace & Cove	2401	10/01/2001	40.500	242,176.675		Caribou.
	Oneida	472	6/30/2000	30.000	176,149.000		Franklin.
	Soda	20	7/04/2003	14.000	82,268.000		Caribou.
The Washington Water Power Company	Cabinet Gorge	2058	1/09/2001	200.000	1,162,261.000	ID/MT/WA	Bonner.
Total				1,860.452	13,617,541.675		
Illinois (2):							
Commonwealth Edison Company	Dixon	2446	12/31/1993	3.000	11,929.000	IL	Lee.
South Beloit Water, Gas and Electric Company	Rockton	2373	12/31/1993	1.100	6,349.000	IL	Winnebago.
Total				4.100	18,278.000		
Indiana (3):							
Indiana & Michigan Electric Company	Elkhart	2651	5/31/2000	3.400	17,364.000	IN/MI	Elkhart.
	Twin Branch	2579	12/31/1993	7.300	3,678.000		St. Joseph.
Public Service Company of Indiana, Inc	Markland	2211	4/30/2011	81.000	331,857.000	IN	Ohio.
Total				91.700	352,899.000		
Kentucky (2):							
Kentucky Utilities Company	Lock No. 7	539	[23] 8/18/1976	2.000	5,809.000	KY/TN	Mercer.
Louisville Gas and Electric Company	Ohio Falls	289	11/10/2005	80.320	351,614.000	KY	Jefferson.
Total				82.320	357,423.000		
Maine (32):							
Bangor Hydro-Electric Company	Ellsworth & Graham	2727	12/31/1987	8.900	36,741.200	ME	Hancock.
	Howland	2721	9/30/2000	1.875	10,239.400		Penobscot.
	Medway	2666	3/31/1999	3.440	26,213.200		Penobscot.
	Milford	2534	12/31/1990	6.400	49,890.500		Penobscot.
	Orono	2710	12/31/1993	2.332	15,777.600		Penobscot.
	Stanford	2600	12/31/1987	3.800	19,346.000		Penobscot.
	Stillwater	2712	12/31/1993	1.950	11,786.200		Penobscot.
	Veazie	2403	12/31/1987	8.400	61,082.700		Penobscot.
Central Maine Power Company	Automatic	2555	12/31/1993	0.800	3,814.576	ME	Kennebec.
	Bar Mills	2194	6/30/2005	4.000	21,962.300		York.
	Bonny Eagle	2529	12/31/1993	7.200	51,614.317		York.
	Cataract	2528	12/31/1987	7.690	43,446.125		York.
	Deer Rips-Androscoggin-Gulf Island	2283	12/31/1993	29.340	201,365.687		Androscoggin.
	Flagstaff Res.	[24] 2612	12/31/1997				Somerset.
	Fort Halifax	2252	12/31/1993	1.500	7,730.400		Kennebec.
	Harris	2142	12/31/2001	75.000	222,307.650		Somerset.
	Hiram	2530	11/30/2022	2.400	20,134.990		Cumberland.
	North Gorham	2519	12/31/1993	2.250	10,902.631		Cumberland.
	Oakland	2559	12/31/1993	2.800	12,167.000		Kennebec.
	Rice Rips	2557	12/31/1993	1.600	7,227.200		Kennebec.
	Shawmut	2322	1/31/2021	8.650	55,186.920		Kennebec.
	Skelton	2527	12/31/1993	16.800	100,550.300		York.
	Topsham (Brunswick)	2284	2/28/2029	19.600	101,856.320		Androscoggin.
	Union Gas	2556	12/31/1993	1.500	7,013.200		Kennebec.
	West Buxton	2531	12/31/1987	7.925	35,186.510		York.
	Weston	2325	12/31/1993	12.000	75,445.245		Somerset.
	Williams	2335	12/31/1987	13.000	89,231.687		Somerset.
	Wyman	2329	12/31/1993	72.000	326,829.400		Somerset.
Maine Public Service Company	Caribou	2367	12/31/1993	0.800	5,308.000	ME	Aroostook.
	Millinocket Lake	2366	6/30/1992				Piscataquis.
	Squa Pan	2368	12/31/1990	1.500	1,493.000		Aroostook.
Rumford Falls Power Company	Rumford Falls	2333	12/31/1993	[25] 36.800	[26] 285,335.000	Industrial	Oxford.
Total				362.252	1,917,185.258		
Maryland (2):							
Pennsylvania Electric Company	Deep Creek	2370	12/31/1993	19.200	26,628.000	NY/PA	Garrett.
Susquehanna Electric Company	Conowingo	405	9/01/2014	474.480	1,738,785.000	Wholesale	Harford.
Total				493.680	1,765,413.000		
Massachusetts (6):							
Holyoke Water Power Company	Connecticut Canal	2004	8/31/1999	42.100	153,559.278	MA	Hampden.
New England Power Company	Deerfield River	[27] 2323	12/31/1993	11.000	33,234.000	MA/VT	Franklin.
	Fife Brook	2669	3/31/2020	78.000	308,689.000		Franklin.
Western Massachusetts Electict Company	Gardner Falls	2334	12/31/1993	3.600	16,084.500	MA	Franklin.
	Northfield Mt.	[28] 2485	4/31/2018	160.700	148,488.990		Franklin.
	Turners Falls	1889	4/30/2018	56.700	269,299.700		Franklin.
Total				352.100	929,355.468		
Michigan (33):							
Alpena Power Company	Hillman	2419	12/31/1993	0.250	669.954	MI	Alpena.
	Thunder Bay River	2404	12/31/1993	7.000	34,211.600		Alpena.
Consumers Power Company	Alcona	2447	12/31/1993	8.000	27,689.750	MI	Alcona.
	Calkins Bridge	785	4/10/2010	2.600	13,290.000		Allegan.
	Cooke	2450	12/31/1993	9.000	28,117.100		Alcona.
	Croton	2468	12/31/1993	9.000	43,932.000		Nawaygo.

APPENDIX C.—INVESTOR-OWNED UTILITY HYDROELECTRIC PROJECTS, JANUARY 1985—Continued

State [1] and company [2]	Project name [3]	License No. [4]	License expiration date [5]	Installed capacity (nameplate megawatts) [6]	Generation (megawatt-hours) [7]	States [8]	County [9]
	Five Channels	2453	12/31/1993	6.000	26,171.700		Alcona.
	Foote	2436	12/31/1993	9.000	32,382.800		Alcona.
	Hardy	2452	12/31/1993	30.000	103,643.500		Nawaygo.
	Hodenpyl	2599	12/31/1993	18.000	41,563.500		Manistee.
	Loud	2449	12/31/1993	4.000	20,505.647		Alcona.
	Ludington P.S.	[29] 2680	6/30/2019	1,978.800	2,788,155.000		Mason.
	Mio	2448	12/31/1993	5.000	16,155.700		Oscoda.
	Rogers	2451	12/31/1993	6.800	33,273.000		Mecosta.
	Tippy	2580	12/31/1993	20.000	57,840.000		Manistee.
	Webber	2566	4/01/2001	3.300	15,118.800		Ionia.
Indiana & Michigan Electric Company	Buchanan	2551	12/31/1993	4.100	13,181.000	IN/MI	Berrien.
Lake Superior District Power Company	Saxon Falls	2610	12/31/1989	1.250	13,127.000	MI/WI	Gogebic.
	Superior Falls	2587	12/31/1993	1.320	14,814.552		Gogebic.
Michigan Power Company	Mottville	401	9/18/2003	1.680	8,259.000	MI	St. Joseph.
Upper Peninsula Power Company	Prickett	2402	12/31/1993	2.200	8,746.000	MI	Baraga.
	Victoria	1864	12/31/1988	12.000	86,996.000		Gogebic.
Wisconsin Electric Power Company	Big Quinnesec Falls	1980	2/28/1998	19.500	128,813.000	MI/WI	Dickinson.
	Brule	2431	12/31/1993	5.335	20,084.000		Iron.
	Chalk Hill	2394	6/30/1993	7.800	46,274.000		Menominee.
	Hemlock Falls	2074	10/31/2001	2.800	15,378.000		Iron.
	Kingsford	2131	6/30/2004	7.200	36,052.000		Dickinson.
	Lower Paint	2072	12/31/2001	0.100	719.000		Iron.
	Michigamme	1759	12/31/2001	19.944	136,938.000		Iron, Dickinson.
	Michigamme Falls	2073	10/31/2001	9.600	55,547.000		Iron.
	Sturgeon River	2471	12/31/1993	0.800	5,479.000		Dickinson.
	White Rapids	2357	12/31/1993	8.000	45,661.000		Menominee.
Wisconsin Public Service Corporation	Grand Rapids	2433	12/31/1993	7.020	42,302.000	MI/WI	Menominee.
Total				2,227.399	3,961,090.603		
Minnesota (8):							
Minnesota Power	Blanchard	346	8/24/2003	12.000	92,966.000	MN	Todd.
	Little Falls	2532	12/31/1993	4.700	34,268.000		Todd.
	Pillager	2663	5/11/1997	1.500	10,436.000		Morrison.
	Praire River	2361	12/31/1993	1.100	2,577.000		Ithasca.
	St. Louis	2360	12/31/1993	85.300	557,260.000		Carlton, St. Louis.
	Sylvan	2454	12/31/1993	3.400	16,387.000		Morrison.
	Winton	469	10/31/2003	4.000	31,272.000		Lake.
Northern States Power Company	Hennepin Island	2056	12/31/2000	20.400	181,421.000	MN/ND/SD	Hennepin.
Total				132.400	926,587.000		
Missouri (3):							
The Empire District Electric Company	Ozark Beach	2221	8/31/1993	16.000	72,830.400	AR/KS/MO/OK	Tanney.
Union Electric Company	Osage	459	2/28/2006	172.000	691,668.500	IA/IL/MO	Miller.
	Taum Sauk	2277	6/30/2010	408.000	23,089.600		Iron.
Total				596.000	787,588.500		
Montana (9):							
Montana Light & Power Company	Lake Creek	2594	11/30/2011	[30] 4.500	[31] 28,855.000	MT	Lincoln.
The Montana Power Company	Flint Creek	1473	6/30/1988	1.100	6,348.000	MT/WY	Granite.
	Kerr	5	[32] 5/22/1980	197.000	1,100,750.810		Lake.
	Milltown	2543	12/31/1993	3.000	16,663.179		Missoula.
	Missouri-Madison	2188	11/30/1998	260.000	2,253,420.390		Cascade, Gallatin, Lewis & Clark, Madison.
	Mystic Lake	2301	12/31/2009	12.000	43,475.240		Stillwater.
	Thompson Falls	1869	12/31/2015	30.000	319,899.000		Sanders.
Pacific Power & Light Company	Big Fork	2652	4/30/1990	4.150	31,654.000	CA/ID/MT/OR/WA/WY	Flathead.
The Washington Water Power Company	Noxon Rapids	2075	4/30/2005	282.880	1,783,371.000	ID/MT/WA	Sanders.
Total				794.630	5,584,436.609		
New Hampshire (8):							
New England Power Company	Fifteen Miles Falls	2077	7/31/2001	291.000	698,457.000	MA/VT	Grafton.
	Vernon	[33] 1904	4/30/2018	24.000	122,284.200		Cheshire.
	Wilder	[34] 1892	4/30/2018	34.000	170,386.200		Grafton.
Public Service Company of New Hampshire	Amoskeag	1893	12/31/2005	16.000	85,079.300	NH/VT	Merrimack, Hillsborough.
	Ayers Island	2456	12/31/1993	8.000	46,018.000		Grafton, Belknap.
	Eastman Falls	2457	12/31/1987	6.000	13,204.000		Merrimack.
	Gorham	2288	12/31/1993	2.000	14,259.000		Coos.
	J. Brodie Smith	2287	12/31/1993	15.000	107,006.070		Coos.
Total				396.000	1,256,693.770		
New Jersey (1): Jersey Central Power & Light Company.	Yarks Creek	2309	2/28/2013	386.900	238,594.000	NJ	Warren.
New York (26):							
Niagara Mohawk Power Corporation	Beaver	2645	12/31/1993	46.000	204,934.000	NY	Herkimer, Lewis.
	Beebee Island	[35] 2538	12/31/1993	7.000	32,802.000		Jefferson.
	Black River	2569	12/31/1993	29.000	164,359.000		Jefferson.
	E.J. West	2318	12/31/1993	20.000	57,922.800		Saratoga.
	Granby	2837	3/31/2020	5.000	20,340.000		Oswego.
	Green Island	13	3/02/2011	6.000	28,821.600		Albany.
	Hoosic	2616	12/31/1993	18.000	67,915.100		Rensselaer.
	Hudson	2482	12/31/1993	84.000	423,017.000		Washington, Saratoga.
	Hydraulic Race	2424	6/30/1991	5.000	12,912.000		Monroe.
	Mechanicville	2500	12/31/1993	5.000	12,654.300		Saratoga.
	Oak Orchard	3452	7/01/2021	[36] 0.350	1,273.500		Orleans.
	Oswego River	2474	12/31/1993	18.000	63,056.000		Oswego.
	Raquette	2084	1/31/2002	102.000	432,782.000		St. Lawrence.
	Raquette	2320	12/31/1993	46.000	308,325.000		St. Lawrence.
	Raymondville-Norfolk-Norwood	2330	12/31/1993	12.000	83,698.000		St. Lawrence, Franklin.
	School-St. Cohoes	2539	12/31/1993	39.000	151,813.600		Schenectady.
	Stewarts Bridge	2047	8/31/2000	30.000	117,316.300		Saratoga.
	Stuyvesant Falls	2696	8/30/2005	3.000	5,643.400		Columbia.
New York State Electric & Gas Corporation	Keuka	2852	2/28/2003	2.000	2,737.000	NY	Steuben.
	Rainbow Falls & Taylor Pond	2835	10/31/2002	3.000	13,657.800		Clinton, Essex.
	Saranac	2738	4/12/2006	24.100	164,483.100		Clinton.
	Upper Mechanicville	2934	3/31/2021	16.530	18,202.000		Saratoga.
	Waterloo & Seneca Falls	2438	12/31/1993	10.000	13,964.000		Seneca.
Rochester Gas and Electric Corporation	Station No. 2	2582	12/31/1993	6.500	41,476.000	NY	Monroe.
	Station No. 26	2584	12/31/1993	3.000	10,739.000		Monroe.

APPENDIX C.—INVESTOR-OWNED UTILITY HYDROELECTRIC PROJECTS, JANUARY 1985—Continued

State [1] and company [2]	Project name [3]	License No.[4]	License expiration date [5]	Installed capacity (nameplate megawatts) [6]	Generation (megawatt-hours) [7]	States [8]	County [9]
	Station No. 5	2583	12/31/1993	38.250	141,656.00		Monroe.
Total				578.730	2,596,500,500		
North Carolina (14):							
Carolina Power & Light Company	Blewett Falls Lake & Tillery	2206	4/30/2008	109.000	380,988.000	NC/SC	Madison, Anson.
	Walters	432	[37] 11/22/1976	108.000	434,507.000		Haywood.
Duke Power Company	Catawba	[38] 2232	8/31/2008	804.940	2,007,424.000	NC/SC	Burke, Catawaba, Gaston, Iredell, Lincoln.
	Idols	2585	7/31/2000	1.411	3,856.00		Forsyth.
	Spencer Mountain	2607	12/31/1993	0.640	2,140.00		Gaston.
Nantahala Power & Light Company	Bryson	2601	7/31/2005	1.000	5,369.000	NC	Swain.
	Dillsboro	2602	7/31/2005	0.225	1,154.000		Jackson.
	East Fork	2698	2/01/2006	26.000	112,049.000		Jackson.
	Franklin	2603	7/31/2005	1.000	3,995.000		Macon.
	Mission	2619	8/31/2005	2.000	9,495.000		Cherokee.
	Nantahala	2692	2/28/2006	43.000	261,957.000		Macon.
	Queens Creek	2694	9/30/2001	1.000	4,934.000		Macon.
	Tuckasegee & Thorpe	2686	1/30/2006	25.000	119,581.000		Jackson.
Virginia Electric and Power Company	Gaston & Roanoke Rapids	2009	1/31/2001	278.000	785,643.000	NC/VA/WV	Halifax, Northampton.
Total				1,401.216	4,133,092.000		
Ohio (1): Ohio Power Company	Racine	2570	11/30/2023	48.000	126,386.000	OH	Meigs.
Oregon (13):							
Pacific Power & Light Company	Bend	2643	12/31/1993	1.110	7,642.000	CA/ID/MT	Deschutes.
	Klamath	[39] 2082	2/28/2006			OR/WA/WY	Klamath.
	North Umpqua	1927	1/29/1997	186.000	1,087,178.000		Douglas.
	Powerdale	2659	2/28/2000	6.000	22,415.000		Hood River.
	Prospect No. 3	2337	12/31/1988	7.200	51,801.000		Jackson.
	Prospect No. 1,2,4	2630	7/01/2005	36.760	309,732.000		Jackson.
	Wallowa Falls	308	2/28/1986	1.100	6,177.000		Wallowa.
Portland General Electric Company	Bull Run	477	11/16/2004	21.000	103,152.000	OR	Clackamas.
	North Fork	2195	8/31/2006	92.000	556,936.000		Clackamas.
	Oak Grove	135	8/31/2006	51.000	256,099.000		Clackamas.
	Round Butte & Pelton	2030	12/31/2001	344.300	1,827,694.000		Jefferson.
	Sullivan	[40] 2233	12/31/2004	15.400	96,467.000		Clackamas.
Idaho Power Company	Hells Canyon	[41] 1971	7/31/2005			ID/NV/OR	Baker, Wallowa.
Total				761.870	4,325,293.000		
Pennsylvania (8):							
Cleveland Electric Illuminating Company, The	Sennecca	[42] 2280	11/30/2015	422.400	512,327.000	OH	Warren.
Pennsylvania Electric Company	Piney	309	10/12/2002	28.800	66,083.000	NY/PA	Clarion.
	Warrior Ridge	2372	12/31/1993				Huntingdon.
Pennsylvania Power & Light Company	Holtwood	1881	[43] 9/01/2014	108.000	597,056.000	PA	Lancaster.
	Wallenpaupack	487	9/30/2004	40.000	103,009.000		Pike.
Philadelphia Electric Company	Muddy Run P.S.	2355	8/31/2014	800.000	979,405.000	PA	Lancaster.
Safe Harbor Water Power Corp [44]	Safe Harbor	1025	4/22/2030	230.000	956,077.000	Wholesale	Lancaster.
York Haven Power Company	York Haven	1888	9/01/2014	19.600	123,811.000	Wholesale	York.
Total				1,648.800	3,337,768.000		
South Carolina (12):							
Duke Power Company	Buzzard Roost	1267	2/10/1985	15.000	52,543.000	NC/SC	Greenville.
	Catawba	[45] 2232	8/31/2008				Fairfield, Kershaw, Lancaster, York.
	Gaston Shoals	2332	12/31/1993	9.140	32,329.000		Cherokee.
	Hollidays Bridge	2465	12/31/1993	3.500	14,378.000	Anderson.	
	Keowee & Jocassee	2503	8/31/2016	750.000	1,087,214.000		Pickens.
	Ninety Nine Islands	2331	12/31/1993	18.000	61,592.000		Cherokee.
	Saluda	2406	12/31/1993	2.400	7,921.000		Greenville.
South Carolina Electric & Gas Company	Columbia Hydro	1895	6/30/2000	11.000	36,816.000	SC	Richland.
	Neal Shoals	2315	12/31/1993	5.200	28,390.000		Chester
	Parr Shoals	1894	6/30/2020	526.000	441,182.000		Fairfield, Newberry.
	Saluda	516	[46] 8/04/1977	198.000	290,667.000		Newberry.
Lockhart Power Company	Lockhart	2620	3/31/2000	12.300	82,628.600	SC	Chester.
Total				1,550.540	2,135,660.600		
Utah (7):							
Utah Power & Light Company	American Fork	696	10/31/2000	1.000	3,709.000	ID/UT/WY	Utah.
	Beaver	814	[47] 8/31/1979	2.400	8,630.000		Beaver.
	Cutler	2420	12/31/1993	30.000	232,952.000		Box Elder.
	Olmsted	596	[48] 10/20/1975	12.700	57,708.000		Utah.
	Pioneer	2722	8/31/2000	5.000	11,772.000		Weber.
	Stairs	597	6/30/2000	1.000	6,515.000		Salt Lake.
	Weber	1744	[49] 6/30/1970	2.500	14,128.000		Weber.
Total				54.600	335,414.000		
Vermont (19):							
Central Vermont Public Service Corporation	Arnold Falls	2399	12/31/1993	0.400	1,786.000	VT/NY	Caledonia.
	Cavendish	2489	12/31/1993	1.400	6,199.000		Windsor.
	Gage	2397	12/31/1993	0.700	3,179.000		Caledonia.
	Fairfax	2205	12/31/1987	16.900	111,787.000		Franklin, Chittenden.
	Middlebury & Lower	2737	7/01/2000	2.300	7,697.000		Addison.
	Passumpsic	2400	12/31/1993	0.700	3,972.000		Caledonia.
	Pierce Mills	2396	12/31/1993	0.300	1,437.000		Caledonia.
	Taftsville	2490	12/31/1993	0.500	1,583.000		Windsor.
	Weybridge	2731	05/31/1980	3.000	14,531.000		Addison.
Citizens Utilities Company	Clyde	2306	12/31/1993	6.400	27,666.400	AR/ID/VT	Orleans.
Green Mountain Power Corporation	Essex No. 19	2513	12/31/1993	7.200	33,462.900	VT	Chittenden.
	Vergennes No. 9	2674	5/31/1999	2.400	10,772.700		Addison.
	Waterbury No. 22	2090	8/31/2001	5.520	17,542.300		Washington.
New England Power Company	Bellows Falls	1855	4/30/2018	41.000	344,813.000	MA/VT	Windham.
	Deerfield River	[50] 2323	12/31/1993				Windham.
	Vernon	[51] 1904	4/30/2018				Windham.
	Wilder	[52] 1892	4/30/2018				Windsor.
Vermont Marble Company	Center Rutland	2445	12/31/1993	[53] 0.275	[54] 1,632.000	Industrial	Rutland.
	Otter Creek	2558	3/31/2012	[55] 6.930	[56] 42,660.000		Rutland, Addison.
Total				95.925	630,720.300		

APPENDIX C.—INVESTOR-OWNED UTILITY HYDROELECTRIC PROJECTS, JANUARY 1985—Continued

State [1] and company [2]	Project name [3]	License No. [4]	License expiration date [5]	Installed capacity (nameplate megawatts) [6]	Generation (megawatt-hours) [7]	States [8]	County [9]
Virginia (9):							
Appalachian Power Company	Byllesby & Buck	2514	12/31/1993	30.100	126,966.000	VA/WV	Carroll.
	Claytor	739	6/30/2011	75.000	284,285.000		Pulaski.
	Leesville & Smith Mt. Lakes	2210	3/31/2010	587.594	593,512.000		Bedford, Pittsylvania, Campbell.
	Niagara	2466	12/31/1993	2.400	8,467.000		Roanoke.
	Reusens	2376	12/31/1993	12.500	40,866.000		Lynchburg.
The Potomac Edison Company	Luray & Newport	2425	12/31/1993	3.000	15,779.000	MD/VA/WV	Page.
	Shenandoah	2509	12/31/1993	0.862	1,724.000		Page.
	Warren	2391	12/31/1993	0.750	2,770.000		Warren.
Virginia Electric and Power Company	Cushaw Res.	906	6/16/2008	7.500	20,814.300	NC/VA/WV	Amherst.
Total				719.706	1,095,183.300		
Washington (8):							
Pacific Power & Light Company	Condit	2342	12/31/1993	9.600	54,523.000	CA/ID/MT, OR/WA/WY	Klickitat.
	Merwin	[57] 935	12/11/2009	136.000	647,359.000		Clark.
	Swift No. 1	2111	4/30/2006	204.000	833,587,000		Skamania.
	Yale	2071	4/30/2001	108.000	665,886.000		Clark.
Puget Sound Power & Light Company	Baker	2150	4/30/2006	158.400	675,662.000	WA	Skagit.
	Snoqualmie Falls	2493	12/31/1993	41.990	269,008.700		King.
The Washington Water Power Company	Meyers Falls	2544	12/31/1993	1.200	4,777.000	ID/MT/WA	Stevens.
	Spokane River	2545	8/01/2007	114.000	853,378.000		Spokane, Lincoln.
Total				773.190	4,004,180.700		
West Virginia (7):							
Kanawha Valley Power Company [58]	London-Marmet	1175	1/31/2014	[59] 28.800	[60] 162,488.000	Wholesale	Kanawha.
	Winfield	1290	1/31/2014	[61] 14.760	[62] 104,905.000		Putnam.
The Potomac Edison Company	Dam No. 5	2517	12/31/2003	1.120	6,851.000	MD/VA/WV	Berkeley.
	Dam No. 4	2516	12/31/2003	1.000	4,338.000		Berkeley.
	Harpers Ferry	2515	12/31/1993	0.600	1,588.000		Jefferson.
	Millville	2343	12/31/1987	2.840	14,139.000		Jefferson.
West Penn Power Company	Lake Lynn	2459	12/31/1993	51.000	121,647.000	PA	Preston.
Total				100.120	415,956.000		
Wisconsin (42):							
Consolidated Water Power Company	Biron No. 2	2192	6/30/2000	3.300	26,111.000	WI	Wood.
	Du Bay	1953	6/30/1991	7.200	54,850.000		Portage.
	Stevens Point	2110	6/30/2000	3.840	32,256.000		Portage.
	Wisconsin Rapids	2256	7/31/1993	4.680	33,091.000		Wood.
	Wisconsin River Division	2590	6/30/1993	1.800	8,303.000		Portage.
Lake Superior District Power Company	Big Falls	2390	12/31/1993	7.780	50,485.592	MI/WI	Rusk.
	Hayward	2417	12/31/1993	0.170	1,636.048		Sawyer.
	Orienta	2564	12/31/1993	0.800	3,113.090		Bayfield.
	Thornapple	2475	12/31/1993	1.400	10,384.810		Rusk.
	White River	2444	12/31/1993	1.000	5,971.500		Ashland.
North Central Power Company, Inc	Arpin	2684	4/30/2019	[63] 1.450	[64] 8,574.000	WI	Shawano.
	Winter	2064	11/30/2001	[65] 0.600	[66] 2,864.000		Sawyer.
Northern States Power Company (Wisconsin)	Cedar Falls	2697	1/30/2001	6.000	40,549.400	WI	Dunn.
	Chippewa Falls	2440	12/31/1993	21.600	93,186.400		Chippewa.
	Cornell	2639	11/30/2023	30.900	111,773.300		Chippewa.
	Eau Claire	2670	9/20/2000	9.500	58,688.000		Eau Claire.
	Holcombe	1982	6/30/1998	33.800	127,564.600		Chippewa.
	Jim Falls	2491	9/26/1983	14.400	89,975.600		Chippewa.
	Menomonie	2181	3/31/2005	5.400	27,839.400		Dunn.
	Trego	2711	3/31/1993	1.200	9,263.042		Washburn.
	Wissota	2567	6/30/2000	36.000	192,791.100		Chippewa.
Northwestern Wisconsin Electric Company	Black Brook	2894	12/31/2020	0.648	2,395.400	WI	Polk.
Wisconsin Electric Power Company	Oconto Falls	2523	12/31/1993	1.320	8,615.000	MI/WI	Oconto.
	Pine	2486	12/31/1993	3.600	24,359.000		Florence.
	Weyauwega	2550	12/31/1993	0.440	917.000		Waupaca.
Wisconsin Power and Light Company	Beloit	2348	12/31/1993	0.380	3,473.000	WI	Rock.
	Janesville-Central	2347	12/31/1993	0.250	[67] 3,156.213		Rock.
	Janesville-Monteray	2346	12/31/1993	0.250	([68])		Rock.
	Shawano	710	[69] 7/19/1977	0.700	4,927.000		Shawano.
Wisconsin Public Service Corporation	Alexander	1979	[70] 6/30/1974	4.200	25,177.000	MI/WI	Lincoln.
	Caldron Falls	2525	12/31/1993	6.400	23,303.000		Marinette.
	Grandfather Falls	1966	[71] 12/31/1987	17.240	125,655.900		Lincoln
	High Falls	2595	12/31/1993	7.000	21,219.000		Marinette.
	Jersey	2476	12/31/1993	0.512	3,319.000		Lincoln.
	Johnson Falls	2522	12/31/1993	3.520	14,806.000		Marinette.
	Otter Rapids	1957	6/30/1990	0.500	3,029.000		Vilas.
	Peshtigo	2581	12/31/1993	0.584	4,218.000		Marinette.
	Potato Rapids	2560	12.31/1993	1.380	7,270.000		Marinette.
	Sandstone Rapids	2546	12/31/1993	3.840	16,310.000		Marinette.
	Tomahawk	1940	12/31/1986	2.600	14,144.000		Lincoln.
	Wausau	1999	6/30/1995	5.400	35,452.000		Marathon.
Wisconsin River Power Company [72]	Petenwell-Castle Rock	1984	1/31/1998	35.000	259,428.000	Wholesale	Adams.
Total				288.584	1,590,444,395		

[1] State designations represent the state in which the project is located. This may not coincide with the state in which the company serves ultimate customers. 'electric utilities with hydroelectric projects licensed by the Federal Energy Regulatory Commission.
[3] Federal Energy Regulatory Commission.
[4] Federal Energy Regulatory Commission.
[5] Federal Energy Regulatory Commission as of March 31, 1984.
[6] Federal Energy Regulatory Commission, Form 1 (1983), except as noted.
[7] Federal Energy Regulatory Commission, Form 1 (1983), except as noted.
[8] Represents states in which ultimate customers are served by company as of December 31, 1983. "Catalogue of Investor-Owned Electric Utility Companies Operating in the United States," 24th edition (EEI) and other EEI sources.
[9] U.S. Department of Energy, Energy Information Administration.
[11] Energy Information Administration, Form 759 (1983).
[12] Energy Information Administration, Form 759 (1983).
[13] Competing application filed by Consortium of 17 Cities and Districts.
[14] Relicense application filed 12/26/1972. Competing application filed 4/9/1974 by City of Santa Clara as License No. 2745.
[15] Relicense application filed 12/21/1979. Competing application filed by Tuolumne Regional Water District as License No. 4309.
[16] Relicense application filed 9/28/1979. Competing application filed by Consortium of 15 Cities and Districts.
[17] Project also located in Oregon. Installed capacity and generation are for California and Oregon.
[18] Relicense application filed as of May 3, 1983.
[19] Reservoir only.
[20] Competing application filed by City of Vernon.
[21] Competing application filed by June Lake Public District.

[22] Project also located in Oregon. Installed capacity and generation are for Idaho and Oregon.
[23] Relicense application filed as of May 3, 1983.
[24] Reservoir only.
[25] Energy Information Administration, Form 759 (1983).
[26] Energy Information Administration, Form 759 (1983).
[27] Project also located in Vermont. Installed capacity and generation are for Massachusetts and Vermont.
[28] Jointly-owned with The Connecticut Light and Power Company. Installed capacity and generation are for both companies.
[29] Jointly-owned with The Detroit Edison Company (49%). Installed capacity and generation are for both companies.
[30] Energy Information Administration, Form 759 (1983).
[31] Energy Information Administration, Form 759 (1983).
[32] Relicense application filed as of May 3, 1983. Competing application filed by Salish and Kootenai tribes as License No. 2776.
[33] Project also located in Vermont. Installed capacity and generation are for New Hampshire and Vermont.
[34] Project also located in Vermont. Installed capacity and generation are for New Hampshire and Vermont.
[35] Jointly-owned with Beebee Island Corporation (17.2%). Installed capacity and generation are for Niagara Mohawk Power Corporation only.
[36] Energy Information Administration, Form 759 (1983).
[37] Relicense application filed as of May 3, 1983.
[38] Project also located in South Carolina. Installed capacity and generation are for North Carolina and South Carolina.
[39] Project also located in California. See California for installed capacity and generation for California and Oregon.
[40] Jointly-licensed with Crown Zellerbach and Publishers Paper Company. Installed capacity and generation are for Portland General Electric Company only.
[41] Project also located in Idaho. See Idaho for installed capacity and generation for Idaho and Oregon.
[42] Jointly-owned with Pennsylvania Electric Company (20%). Installed capacity and generation are for both companies.
[43] According to Pennsylvania Power & Light Company, the original license listed the expiration date as 9/1/2004 in error.
[44] Jointly-owned by Baltimore Gas and Electric and Pennsylvania Power & Light Company.
[45] Project also located in North Carolina. See North Carolina for installed capacity and generation for North Carolina and South Carolina.
[46] Relicense application filed as of May 3, 1983.
[47] Application to delete filed on 5/13/1976.
[48] Relicense application filed as of May 3, 1983. Competing application filed by Consortium of 8 Cities and Districts.
[49] Relicense application filed as of May 3, 1983. Competing application filed 7/19/1974 by City of Bountiful as License No. 2747.
[50] Project also located in Massachusetts. See Massachusetts for installed capacity and generation for Massachusetts and Vermont.
[51] Project also located in New Hampshire. See New Hampshire for installed capacity and generation for New Hampshire and Vermont.
[52] Project also located in New Hampshire. See New Hampshire for installed capacity and generation for New Hampshire and Vermont.
[53] Energy Information Administration, Form 759 (1983).
[54] Energy Information Administration, Form 759 (1983).
[55] Energy Information Administration, Form 759 (1983).
[56] Energy Information Administration, Form 759 (1983).
[57] Relicense application filed 4/26/1976. Competing application filed by Clark-Cowlitz Joint Operating Agency.
[58] Subsidiary of Appalachian Power Company.
[59] Energy Information Administration, Form 759 (1983).
[60] Energy Information Administration, Form 759 (1983).
[61] Energy Information Administration, Form 759 (1983).
[62] Energy Information Administration, Form 759 (1983).
[63] Energy Information Administration, Form 759 (1983).
[64] Energy Information Administration, Form 759 (1983).
[65] Energy Information Administration, Form 759 (1983).
[66] Energy Information Administration, Form 759 (1983).
[67] Includes generation for Wisconsin Power and Light Company License No. 2346 (Janesville-Monteray).
[68] Generation included with Wisconsin Power and Light Company License No. 2347 (Janesville-Central).
[69] Relicense application filed 11/8/1976. Competing application filed by Shawano Municipal Utilities.
[70] Relicense application filed as of May 3, 1983.
[71] Competing application filed by Wisconsin Public Power Incorporated System.
[72] Jointly-owned by Wisconsin Power and Light Company and Wisconsin Public Service Corporation.

Note.—Total installed capacity (nameplate, megawatts), 21,994.318; total generation (megawatt-hours), 90,398,460.971; total number of States (total represents the number of States in which projects are located), 32; total number of companies (total includes investor-owned electric utilities which wholly-own and jointly-own projects), 76; total number of projects (projects located in more than 1 State (6) are included only once, therefore, the sum of the States' project totals (within parentheses by each State name) will not equal total number of projects), 366; total number of projects subject to relicensing through 1993, 177.

JANUARY 1985.

TABLE 1.—NUMBER OF CUSTOMERS OF INVESTOR-OWNED UTILITIES HAVING PROJECTS CURRENTLY BEING SOUGHT BY MUNICIPALITIES AND NUMBER OF ELECTRIC CUSTOMERS OF COMPETING MUNICIPALITIES

State/Utility	Project sought by municipalities	Number of utility customers [1]	Competing municipality	Number of municipal customers [2]
California:				
Pacific Gas and Electric Co	Mokelumne, No. 137	3,594,107	City of Santa Clara	35,389
	Phoenix, No. 1061	3,594,107	Tuolumne Regional Water District	0
	Rock Creek/Cresta No. 1962	3,594,107	Consortium of 15 cities and districts	644,268
	Haas-Kings River No. 1988	3,594,107	Consortium of 17 cities and districts	667,379
Southern California Edison Co	Poole, No. 1388	3,325,279	City of Vernon	2,097
	Rush Creek, No.1389	3,325,279	June Lake Public Utility District	0
Utah: Utah Power & Light Co	Olmsted, No. 596	478,812	Consortium of eight cities and districts	38,410
	Weber River, No. 1744	478,812	City of Bountiful	10,389
Washington: Pacific Power & Light Co	Merwin, No. 935	650,418	Clark-Cowlitz Joint Operating Agency	121,530
Wisconsin:				
Wisconsin Power & Light Co	Shawano, No. 710	305,661	Shawano Municipal Utilities	4,120
Wisconsin Public Service Co	Grandfather Falls, No. 1966	293,005	Wisconsin Public Power Incorporated System.[3]	75,604
		8,647,282		954,918

[1] Total system customers taken from "Catalogue of Investor-Owned Electric Utility Companies," 24th Ed., Published 1984, (EEI).
[2] "Directory of Electric Utilities," 1984–85 (McGraw-Hill).
[3] 28 municipalities.

JANUARY 1985.

TABLE 2.—ANNUAL FUEL COSTS FOR EQUIVALENT GENERATION

State/Utility	Project	1983 capacity [1] (nameplate) (MW)	1983 generation [1] (kWh) (in millions)	Annual fuel cost for equivalent generation [2]	Competitor
California:					
Pacific Gas & Electric Co	Mokelumne, No. 137	192.8	1,528.1	$104,367,092	City of Santa Clara.
	Phoenix, No. 1061	1.6	16.1	1,099,592	Tuolumne Regional Water District.

TABLE 2.—ANNUAL FUEL COSTS FOR EQUIVALENT GENERATION—Continued

State/Utility	Project	1983 capacity [1] (nameplate) (MW)	1983 generation [1] (kWh) (in millions)	Annual fuel cost for equivalent generation [2]	Competitor
	Rock Creek/Cresta, No. 1962	180.9	1,410.3	96,321,551	Consortium of 15 cities and districts.
	Haas-Kings River, No. 1988	179.1	1,394.2	95,221,919	Consortium of 17 cities and districts.
Southern California Edison Co	Poole, No. 1388	10.0	46.1	508,807	City of Vernon.
	Rush Creek, No. 1389	8.4	67.6	746,108	June Lake Public District.
Utah: Utah Power & Light Co	Olmsted, No. 596	12.7	57.7	818,102	Consortium of eight cities and districts.
	Weber River, No. 1744	2.5	14.1	199,933	City of Bountiful.
Washington: Pacific Power & Light Co	Merwin, No. 935	136.0	647.4	5,963,142	Clark-Cowlitz Joint Operating Agency.
Wisconsin:					
Wisconsin Power & Light	Shawano, No. 710	0.7	4.9	76,097	Shawano Municipal Utilities.
Wisconsin Public Service Co	Grandfather Falls, No. 1966	17.2	125.7	2,560,781	Wisconsin Public Power Incorporated System. [3]
		741.9	5,312.2	307,883,124	

[1] Federal Energy Regulatory Commission, Form 1 (1983).
[2] Annual fuel costs for equivalent generation are expressed in 1983 dollars and are determined by using 1983 company prices for replacement fuel; the calculations do not take into account future fuel costs or normalized water conditions. Calculations were made using the formula shown in Appendix A. Company-specific fuel cost figures as shown in "The Cost and Quality of Fuels for Electric Utility Plants." (DOE/EIA-091, 1983) are used.
[3] 28 municipalities.

JANUARY 1985.

APPENDICES

APPENDIX A

Average annual hydro generation can be expressed in terms of the cost of "equivalent barrels of oil." The national average transformation number of 576 kWh per barrel of oil can be used with company-specific oil costs per barrel.

Step 1: 148,452 (avg. Btu per gal of oil) × 42 gal. per bbl = 6,234,984 Btu per bbl ÷ 10,831 (avg. Btu per kWh) = 576 kWh per bbl.

Step 2: The utility's 1983 hydro generation ÷ 576 kWh/bbl oil × the utility's cost per bbl = equivalent oil fuel savings.

A comparable calculation can be made using coal. The national average transformation number of 2,015 kWh per ton of coal can be used with company-specific coal costs per ton.

Step 1: 10,517 (avg. Btu per lb. coal) × 2,000 lb. per ton = 21,034,000 Btu per ton coal ÷ 10,438 (avg. Btu per kWh) = 2,015 kWh per ton.

Step 2: The utility's 1983 hydro generation ÷ 2,015 kWh/ton coal × the utility's cost per ton = equivalent coal fuel savings.

The source for the figures in each Step 1 of the above calculations is the EEI 1983 Statistics of Fuel Used to Generate Electricity by the Electric Utility Industry.

The source for the company-specific delivered price per barrel of oil and ton of coal is The Cost and Quality of Fuels for Electric Utility Plants (DOE/EIA-0191, 1983).

JANUARY 1985.

APPENDIX B.—*1983 electric customers served by investor-owned utilities and municipal utilities* [1]

	Customers
New England:	
Maine:	
Investor	522,067
Municipal	12,867
New Hampshire:	
Investor	384,772
Municipal	8,869
Vermont:	
Investor	193,592
Municipal	39,099
Massachusetts:	
Investor	2,006,639
Municipal	295,879
Rhode Island:	
Investor	383,272
Municipal	3,065
Connecticut:	
Investor	1,222,059
Municipal	56,143
Middle Atlantic:	
New York:	
Investor	6,438,047
Municipal	137,011
New Jersey:	
Investor	2,888,909
Municipal	44,967
Pennsylvania:	
Investor	4,572,198
Municipal	69,926
East North Central:	
Ohio:	
Investor	3,865,780
Municipal	275,436
Indiana:	
Investor	1,720,438
Municipal	210,131
Illinois:	
Investor	4,180,773
Municipal	176,868
Michigan:	
Investor	3,337,544
Municipal	235,014
Wisconsin:	
Investor	1,702,251
Municipal	187,768
West North Central:	
Minnesota:	
Investor	1,067,272
Municipal	260,716
Iowa:	
Investor	927,897
Municipal	175,717
Missouri:	
Investor	1,449,382
Municipal	295,296
North Dakota:	
Investor	193,082
Municipal	10,984
South Dakota:	
Investor	166,069
Municipal	41,648
Nebraska:	
Investor	.....
Municipal	734,777
Kansas:	
Investor	714,798
Municipal	231,846
South Atlantic:	
Delaware:	
Investor	187,092
Municipal	37,047
Maryland:	
Investor	1,479,709
Municipal	26,505
District of Columbia:	
Investor	203,276
Municipal	.....
Virginia:	
Investor	1,814,936
Municipal	109,037
West Virginia:	
Investor	810,469
Municipal	3,485
North Carolina:	
Investor	1,796,450
Municipal	369,247
South Carolina:	
Investor	847,467
Municipal	181,732
Georgia:	
Investor	1,405,499
Municipal	238,217
Florida:	
Investor	3,987,866
Municipal	762,502
East South Central:	
Kentucky:	
Investor	881,047
Municipal	168,981
Tennessee:	
Investor	34,858
Municipal	1,450,876
Alabama:	
Investor	1,015,074
Municipal	327,708
Mississippi:	
Investor	483,155
Municipal	112,402
West South Central:	
Arkansas:	
Investor	647,120
Municipal	109,023
Louisiana:	
Investor	1,350,982
Municipal	124,197
Oklahoma:	
Investor	1,027,795
Municipal	164,601
Texas:	
Investor	4,718,373
Municipal	919,325
Mountain:	
Montana:	
Investor	288,571
Municipal	.....
Idaho:	
Investor	366,117
Municipal	32,591
Wyoming:	
Investor	155,574
Municipal	20,074
Colorado:	
Investor	931,842
Municipal	239,792
New Mexico:	
Investor	400,116
Municipal	51,602
Arizona:	
Investor	715,327
Municipal	409,596
Utah:	
Investor	427,220
Municipal	107,777
Nevada:	
Investor	370,395
Municipal	12,851

Pacific:	
Washington:	
Investor	850,110
Municipal	1,031,600
Oregon:	
Investor	942,486
Municipal	171,526
California:	
Investor	7,839,316
Municipal	2,284,030
Alaska and Hawaii:	
Alaska:	
Investor	13,233
Municipal	43,158
Hawaii:	
Investor	319,449
Municipal	.....
Total: Investor customers	74,247,765
Total: Municipal customers	13,013,509

[1] Directory of Electric Utilities, 1984-1985 (McGraw-Hill) for municipals. The municipals also include public power districts and state projects. Rural electric cooperatives which are not considered "municipalities" under Part I of the Federal Power Act are not included in the municipal figures. The Statistical Yearbook of the Electric Utility Industry, 1983, for the investor-owned utilities.

NONPUBLIC HYDROELECTRIC PROJECTS LICENSED BY FEDERAL ENERGY REGULATORY COMMISSION, JANUARY 1985

[Excludes electric utilities]

State [1]	Company	Project name	License No.	License expiration date	Installed capacity (nameplate, kilowatts)
AK (4)	Alaska Packers, Assn., Inc	Chignik	620	10/04/2005	50
	C.W.C. Fisheries	Dry Spruce	1432	10/26/1988	75
	Danner, George & Fenster, James P	Danner-Fenster	4641	7/31/2031	12
	Mathews, Rich & Smith, Peter	Jetty Lake	3017	6/30/2030	50
Total					187
AZ (2)	Lincoln National Life Ins. Co	Irving & Childs	2069	12/31/1994	7,000
	Phelps Dodge Corp	Blue Ridge	2304	12/31/2012	2,800
Total					9,800
CA (1)	Townsend, Donald R	Fire Mountain Lodge	1992	4/30/2010	15
Total					15
CO (2)	New Jersey Zinc Co	Falls Creek	1553	6/27/2000	330
	Woods Lake Ranch	Woods Lake	3410	1/31/2003	30
Total					360
GA (2)	Fieldcrest Mills, Inc	Eagle & Phenix	2655	12/31/1993	4,260
	Graniteville Company	Graniteville	2935	9/30/2001	1,200
Total					5,460
ID (4)	Ellis, Wayne R	Clifford Rosenbalm	3073	12/31/2004	8
	Island Park Resorts, Inc	Ponds Lodge	1413	10/31/2004	200
	Mackay Bar Corp	Hettinger	3041	10/31/2010	12
	Pickell, Jack W	Slaughter Creek	2794	8/30/2006	20
Total					240
IL (1)	Hydro-Op One Associates	Dayton	287	4/10/2004	3,680
Total					3,680
KS (1)	Bowersock Mls. and Power Co	Kansas River	2644	12/31/1987	1,850
Total					1,850
ME (25)	Augusta Dev. Corp	Edwards	2389	12/31/1993	3,500
	Diamond Inter. Corp	Great Works	2312	3/31/2002	4,580
	Georgia Pacific Corp	Grand Lake Reservoir	2618	9/30/2000	0
	do	Forest City Reservoir	2660	8/31/2000	0
	do	Vanceboro Reservoir	2492	3/01/2016	0
	Great Northern Paper Co	Ripogenus	2572	12/31/1993	37,530
	Great Northern Nekoosa Corp	Great Northern Storage	2634	4/30/2000	0
	do	Mataceunk	2520	12/31/1987	19,200
	do	Penobscot	2458	12/31/1993	40,550
	International Paper Co	Androscoggin	2375	9/30/1999	9,600
	Kennebec Water Power Co	Moosehead Lake	2671	12/31/1993	0
	Madison Paper Industries	Abenaki	2364	4/30/2004	3,650
	do	Anson	2365	12/31/1993	6,000
	do	Brassua Reservoir	2615	12/31/1993	0
	do	Moxi Reservoir	2613	12/31/1993	0
	Maine Hydro Dev. Corp	Barkers Mill	2808	1/31/2019	1,500
	do	Goose	2804	2/29/2020	149
	Milstar Manufacturing Corp	Lockwood	2574	12/31/1993	4,800
	S.D. Warren Company	Dundee	2942	9/30/2001	2,400
	do	Gambo	2931	9/30/2000	1,900
	do	Little Falls	2941	5/31/2000	1,000
	do	Mallison Falls	2932	5/31/2000	800
	do	Saccarappa	2897	10/01/1999	1,350
	Scott Paper Company	Winslow	2611	12/31/1993	3,730
	Union Water Power Co., The	Lewiston Falls	2302	12/31/1993	30
Total					142,269
MA (16)	Aquamac Corporation	Aquamac	2927	10/01/1999	250
	Boott Mills ETAL	Lowell Hydro	2790	4/30/2023	6,140
	Hammermill Paper Co	Turners Falls	2622	2/28/1991	937
	do	Woronoco	2631	9/01/2001	2,690
	Lawrence Hydro Assoc	Lawrence	2800	11/30/2028	16,800
	Linweave, Inc	Albin Mill (A wheel)	2768	2/28/1991	250
	do	Albin Mill (D wheel)	2766	2/28/1991	400
	do	Crocker Mill	2758	2/28/1991	280
	do	Crocker Mill (C wheel)	2770	2/28/1991	240
	do	Linweave Warehouse (A wheel)	2772	2/28/1991	460
	do	Linweave Warehouse (D wheel)	2775	2/28/1991	360
	do	Mt. Tom Mill	2497	2/28/1991	400
	do	Nonotuck Mill	2771	2/28/1991	400
	Merrimack Paper Co	Merrimack	2928	10/30/1999	1,088
	North Canal Waterworks	North Canal	5906	7/31/2002	2,520
	Premoid Corp	West Springfield	2608	12/31/1993	0

NONPUBLIC HYDROELECTRIC PROJECTS LICENSED BY FEDERAL ENERGY REGULATORY COMMISSION, JANUARY 1985—Continued

[Excludes electric utilities]

State [1]	Company	Project name	License No.	License expiration date	Installed capacity (nameplate, kilowatts)
Total					33,215
MI(3)	Escanaba Paper Co	Escanaba	2506	12/31/1993	9,190
	Niagara of Wisc. Paper	Little Quinnesec Fls.[2]	2536	6/30/1993	8,388
	Watervliet Paper Co	Watervliet	2374	12/31/1990	300
Total					17,878
MN(4)	Blandin Paper Company	Grand Rapids	2362	12/31/1993	2,100
	Ford Motor Company	Twin city	362	6/06/2003	17,900
	Potlatch Corporation	Brainerd	2533	12/31/1993	3,342
	do	Cloquet	2363	12/31/1993	6,514
Total					29,856
NV(1)	Cord, Virginia Kirk	Leidy Creek	1746	9/30/1991	200
Total					200
NH(6)	James River-New Hampshire Elec. Inc	Cascade	2327	12/31/1993	7,200
	do	Cross	2326	12/31/1993	3,220
	do	Gorham	2311	12/31/1993	4,800
	do	Riverside	2423	12/31/1993	7,600
	do	Sawmill	2422	12/31/1993	3,174
	do	Shelburne	2300	12/31/1993	3,720
Total					29,714
NY(10)	Beaver Falls Power Co	Beaver River	2593	12/31/1987	1,500
	Cornell University	Cornell University	3251	6/30/2021	1,500
	Finch Pruyn and Co	Glen Falls	2385	12/31/1993	9,840
	Georgia Pacific Corp	Black	2548	12/31/1988	6,755
Hampshire Paper Co	Emeryville		2850	5/31/2012	1,740
	Hydro Power Inc	Hoosic Falls	2487	12/31/1993	0
	International Paper Co	Palmer Falls & Curtis [3]	2609	4/30/2000	12,500
	James River-Groveton Inc	Natural Dam	2851	4/30/2012	1,020
	Moreau Manufacturing Corp	Feeder Dam	2554	12/31/1993	6,000
	Stapenhorst F.W.E. Inc	Colliersville	2788	2/28/2019	1,450
Total					42,305
NC(3)	Saranac Energy Corp	Lake Tahoma	4021	6/30/2022	240
	Utilities Holding Company	Cascade	2541	12/31/1993	825
	Yadkin Inc	Yadkin Falls	2197	4/30/2008	201,000
Total					202,065
OR(2)	California Pacific Utilities Co	Rock Creek	1986	6/29/1996	800
	Crown Zellerbach Corp	Willamette [4]	2233	12/31/2004	41,360
Total					42,160
RI(2)	Roosevelt Hydro Electric Co	Elizabeth Webbing Mills	3037	6/30/2021	700
	Valley Industries, Inc	Centerville	3010	12/31/2022	0
Total					700
SC(3)	Aquenergy Systems, Inc	Piedmont	2428	12/31/1987	1,000
	Pacolet Manufacturing Co	Pacolet S.C	2621	1/31/2012	800
	Riegal Textile Corp	Ware Shoals	2416	9/30/2001	3,000
Total					4,800
TN(1)	Tapoco Inc	Little Tennessee	2169	2/28/2005	326,500
Total					326,500
VT(1)	Georgia Pacific Corp	Gilman	2392	12/31/1990	3,390
Total					3,390
VA(4)	Dan River Inc	Schoolfield	2411	12/31/1993	4,550
	Owens-Illinois Inc	Big Island	2902	1/01/2001	960
	do	Holcomb Rock	2901	1/31/2001	1,875
	Riegal Textile Co	Fries	2883	6/01/2020	7,017
Total					14,402
WA(2)	Cominco American Co	Waneta	2103	7/31/2002	0
	Two Rivers, Inc	Trinity	719	10/31/2002	240
Total					240
WV(1)	Elkem Metals Company	Hawks Nest & Glen Ferris	2512	12/31/1987	107,450
Total					107,450
WI(17)	Flambeau Paper Corp	Crowley Rapids	2473	12/31/1993	1,500
	do	Lower Hydro Electric	2421	12/31/1993	1,200
	do	Pixley	2395	12/31/1993	960
	do	Upper Hydro	2640	12/31/1993	900
	Kimberly-Clark Corp	Whiting & Plover	1967	6/30/1990	600
	Nekoosa Papers Inc	Centralia	2255	7/31/1993	3,200
	do	Nekoosa	2292	7/31/1993	3,800
	do	Port Edwards	2291	12/7/1993	3,593
	Mosinee Papermills Co	Mosinee	2207	12/31/2004	3,050
	Niagara of Wisc. Paper	Little Quinnesec Fls.[5]	2536	6/30/1993	
	Owens-Illinois Inc	Grandmother	2180	6/30/2003	3,000
	Rhinelander Paper Co	Rhinelander	2161	6/30/2000	2,000
	Scott Paper Company	Oconto Falls	2689	12/31/1993	1,860

NONPUBLIC HYDROELECTRIC PROJECTS LICENSED BY FEDERAL ENERGY REGULATORY COMMISSION, JANUARY 1985—Continued

[Excludes electric utilities]

State [1]	Company	Project name	License No.	License expiration date	Installed capacity (nameplate, kilowatts)
	Tomahawk Power & Pulp Co	Kings Dam	2239	7/31/1993	290
	Weyerhaeuser Co	Rothschild	2212	7/31/1993	3,640
	Whiting, George A. Paper Co	Manasha	2352	10/31/1988	250
	Wis. Valley Improvement Co	Wisconsin Valley	2113	7/31/1993	0
Total					29,843

[1] State designations represent the state in which the project is located. Numbers within the parentheses represent the total number of projects located within the state.
[2] Project is also located in Wisconsin. Installed capacity is for Michigan and Wisconsin.
[3] Existing capacity being taken out of service.
[4] Jointly-owned with Portland General Electric and Publishers Paper.
[5] Project is also located in Michigan. See Michigan for installed capacity.

Note.—Total Installed Capacity (Nameplate, Kilowatts): 1,048,579; Total Number of States; 25; Total Number of Projects (Projects located in more than one state are counted once): 117; Total Number of Projects Subject to Relicensing Through 1993 (Projects located in more than one state are counted once): 60.

Source: Federal Energy Regulatory Commission, as of March 31, 1984.

RURAL ELECTRIC COOPERATIVE HYDROELECTRIC PROJECTS

State [1]	Rural Electric Cooperative [2]	Project Name [3]	License No. [4]	License Expiration Date [5]	Installed Capacity (Nameplate Kilowatts) [6]	1983 Generation (Megawatt-hours) [7]
AL (1)	Alabama ECI	Gantt	2586	4/30/2005	7,640	34,574
Total					7,640	344,574
AK (2)	Chugach ECI	Cooper Lake	2170	4/30/2007	15,000	12,029
	Copper Valley Electric Assoc., Inc	Solomon Gulch	2742	5/31/2028	12,000	36,151
Total					27,000	48,180
CO (2)	Colorado-Ute Electric Assoc., Inc	Ames & Tacoma	400	6/30/2010	12,600	48,073
		Duray	733	4/12/2010	500	1,126
Total					13,100	49,199
ID (1)	Fall River Rural Electric Coop	Felt	5089	8/31/2023	1,405	8,318
Total					1,405	8,318
MO (1)	Sho-Me Power Corp	Niangua	2561	12/31/1993	3,000	9,661
Total					3,000	9,661
UT (3)	Garkane Power Association, Inc	Boulder Creek	2219	4/30/2007	4,200	30,735
	Moon Lake Electric Association, Inc	Unita	190	6/30/1980	1,200	1,690
		Yellowstone	1773	3/31/1993	900	6,521
Total					6,300	38,946
WI (2)	Dairyland Power Coop	Flambeau	1960	2/28/2001	15,000	81,351
	Oconto Electric Coop	Stiles	1981	2/28/2000	1,000	6,687
Total					16,000	88,038
WY (2)	Lower Valley Power & Light Co	Strawberry Creek	2032	9/30/1999	1,500	11,125
		Swift Creek	1651	11/30/1992	800	0
Total					2,300	11,125

[1] State designations represent the state in which the project is located. Numbers within the parentheses represent the number of projects located within the state.
[2] Rural electric cooperative with hydroelectric projects licensed by the Federal Energy Regulatory Commission as of March 31, 1984.
[3] Federal Energy Regulatory Commission as of March 31, 1984.
[4] Federal Energy Regulatory Commission as of March 31, 1984.
[5] Federal Energy Regulatory Commission as of March 31, 1984.
[6] Energy Information Administration, Form 759 (1983).
[7] Energy Information Administration, Form 759 (1983).
[8] Relicense application filed June 30, 1967.

Note.—Total Installed Capacity (Nameplate, Kilowatts), 76,745; Total Generation (Megawatt-hours), 288,041; Total Number of States, 8; Total Number of Cooperatives, 11; Total Number of Projects, 14; Total Number of Projects Subject to Relicensing through 1993, 4.●

● Mr. CHAFEE. Mr. President, I am pleased to join my distinguished colleague, Senator WALLOP, in sponsoring the Electric Consumers Protection Act of 1985. This legislation provides the much-needed reforms to the Federal Power Act of 1920.

Under the Federal Power Act of 1920, the Federal Power Commission, now the Federal Energy Regulatory Commission, is empowered to issue licenses for the construction and operation of hydroelectric projects on the Nation's navigable rivers. By 1993, 177 existing hydroelectric projects will require relicensing. The act does not clearly state whether public utilities have preferential rights to the power in relicensing.

The Electric Consumers Protection Act of 1985 eliminates this confusion by making it clear that the preference clause of section 7 of the Federal Power Act does not apply in the case of relicensing. This bill insures that the customers of hydroelectric projects would continue to receive benefits of low-cost electricity, providing the existing licensee can meet the standards embraced in section 10(a) of the act. Without this amendment, a hydroelectric project could be transferred from millions of customers served by a regulated, investor-owned utility to the relatively few customers of a municipality.

This bill also eliminates the potential injustice of the compensation clause. Under the current law, the existing licensee is entitled net investment plus severance damages from a successful relicensing contestant. Given the age of most facilities, the net investment value represents quite a bargain in comparison to a fair market value. This bill ensures the existing licensee receives "just compensation" if the project is licensed to a different licensee.

In the interest of equity, it is important to amend the Federal Power Act as proposed. These amendments will eliminate confusion surrounding the preference issue and serve to protect millions of consumers across the Nation who are being served by regulated investor-owned utilities.

I hope the Senate can act on this important measure in the very near future, and I urge my colleagues to join in this effort.●

● Mr. WILSON. Mr. President, I am pleased to join my colleague from Wyoming in sponsoring the Electric Consumers Protection Act of 1985. I applaud the initiative which Senator WALLOP has taken in drafting this legislation. I am convinced that the provisions of this bill will, as its title indicates, best protect the interest of the majority of electric consumers both in California and throughout the Nation.

In supporting this legislation, I am joined by literally hundreds of organizations from across the Nation which recognize the need to clarify ambiguities in the Federal Power Act of 1920. These ambiguities jeopardize the interests of the vast majority of consumers who receive their power from investor owned utilities.

The need for this legislation has been demonstrated by recent decisions of the Federal Energy Regulatory Commission, and by continuing litigation which surrounds this issue. Because some 177 existing hydroelectric projects will face relicensing hearings in the next 10 years, it is clear that Congress must act and must act now to clarify its intent on this matter.

Mr. President, the provisions of this bill are simple. First and foremost it provides that the Federal Energy Regulatory Commission shall issue a new license to the existing licensee upon application unless the Commission determines that the project will not meet the standards prescribed in the 1920 act, or the Federal Government wishes to take over the project pursuant to provisions in section 14 of the act.

I need not explain to members of the Energy Committee, and certainly not to my colleague, the chairman of the Subcommittee on Public Lands and Reserved Water, the importance of preserving capital investments made by electric utilities. The difficulty of forecasting future energy needs and facility requirements has been made even more difficult in the last decade by rapidly changing energy prices, new environmental requirements, and changing consumption and production habits.

This legislation attempts to insure that those utilities which have in the past assumed the risk of developing hydroelectric facilities should continue to benefit, on behalf of their customers and stockholders, from these projects. I can think of no principle more fundamental to our free market system than this.

Mr. Chairman, I do not speak alone in support of this legislation. I am joined by members of California Public Utilities Commission, the U.S. Chamber of Commerce, the Business Roundtable, the American Farm Bureau and the American Association of Retired Persons among others. The diversity of interests which have united behind this legislation is, I believe clear evidence of the need for its adoption.

There are, I fully understand, entities and individuals who oppose this legislation. I can understand their position and have read their proposals to change the 1920 act in ways which they sincerely believe would strengthen our relicensing process.

While I am familiar with their position, I cannot say that I am in support of their proposal. I note that they do attempt to address compensation issues, which I might add are woefully in need of attention. It leaves in place, however, the preference which I believe is really the fundamental question before us today.

In weighing the options which have been presented, it is imperative that the interests of all consumers be made primary in our considerations. As the Oakland Tribune concluded many months ago in an editorial on this subject, "if public interest is the best, it should be clear that keeping electricity rates low for all northern Californians better meets the public interest test."

Mr. Chairman, the issue at hand is how best to distribute a resource whose value has only recently become fully known to us: inexpensive power. Because rivers, a public resource are involved in producing this power, it is of particular importance that the greatest number of citizens possible enjoy the benefits of this resource. The Electric Consumers Protection Act achieves this objective, insuring that the 75 percent of Californians who are served by investor-owned utilities can continue to have access to the important hydro resources of our State.

Mr. Chairman, it is my hope that this legislation will receive the timely consideration of the Energy Committee. I sincerely hope that we can soon report to utility users across the Nation that this important matter has been resolved in favor of preserving service to the greatest number of utility consumers.●

By Mr. SYMMS:

S. 428. A bill to amend the United States Housing Act of 1937 to provide additional homeownership and resident management opportunities for families residing in public housing projects; to the Committee on Banking, Housing and Urban Affairs.

HOMESTEAD ACT OF 1985

● Mr. SYMMS. Mr. President, on September 27, 1984, we held the fourth in a series of hearings on privatization before the Joint Economic Committee's Subcommittee on Monetary and Fiscal Policy.

Privatization is the transfer of the ownership of assets and, consequently, the responsibility for supplying goods and services from the public to the private sector of the economy.

At that time we addressed the privatization of public housing. I was particularly pleased that Congressman KEMP was our first witness because privatization of public housing is not only a privatization issue, but it is also a supply-side issue, one that is of importance to the future health of our Nation's cities.

Government intervention has driven a wedge between the demand for and supply of housing in this country. As a result, these Government policies have actually worked on the supply side of the housing market to either destroy our Nation's housing stock or retard its growth. Prof. Peter Salins has documented how these negative supply-side effects have worked in New York City. For evidence, allow me to suggest that you refer to Salins' book, "The Ecology of Housing Destruction."

By privatizing public housing, I believe we can begin to remove some of the supply-side impediments to the provision of housing for the needy.

We began those hearings with Congressman KEMP's analysis of the privatization option for the United States, and then heard from Dr. Stuart Butler, who reviewed how Britain's privatization program for public housing has worked.

I encourage my colleagues and their staff to look at this testimony, and I ask unanimous consent that it be printed in the RECORD, along with the Heritage Foundation material entitled "Public Housing: From Tenants to Homeowners."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE URBAN HOMESTEAD ACT OF 1984: A PLAN FOR TURNING TENANTS INTO HOMEOWNERS

(Testimony before the Joint Economic Committee by Congressman Jack Kemp, September 27, 1984)

I welcome the opportunity to testify today on the Urban Homestead Act, a new bill which I have just introduced along with some of my colleagues, which extends homeownership opportunities to thousands of public housing tenants who yearn to own their own home. I would like to recognize the important contributions and efforts in this regard of Heritage Foundation's Stuart Butler, American Enterprise Institute's Cicero Wilson, Bob Woodson of the Center for Neighborhood Enterprise, Dr. June Q. Koch, Assistant Secretary for Policy Development and Research at HUD, and the many others who have provided important assistance and advice on my bill.

In all our efforts, we have striven to achieve one major goal: to make the dream of homeownership a reality for thousands of public housing tenants—often poor, black, and on welfare—who don't have a strong voice in Washington, who feel left out of our economic system, and who have often become alienated from our political system.

We want to let these people know that their aspirations, their hopes, and their dreams are our own. That the American dream of homeownership is not just for the well-to-do, or even the middle class, but also for poor people who live in the most blighted areas of our inner cities. They too yearn for homeownership—a home they can afford, a home in which to raise a family in security and independence, a home in which to take pride while building and improving for the future and for their children.

Yet today most of the urban poor find it nearly impossible to own their own home. Not just because their income is low, interest rates high, and their credit worthiness doubtful, but also because tenants in government housing projects are not permitted to purchase their dwellings. We don't want to eliminate public housing or cripple its effectiveness. While there certainly are some bad housing projects, our goal is to enhance and improve this tremendous national asset by allowing public housing tenants the opportunity to buy their own home.

All of this is not to say that the public housing is trouble free. Far from it. Public housing discourages work and saving, raises numerous barriers to the upward mobility of tenants, and sometimes has degenerated into dilapidated and depressing slums.

If a public housing tenant on welfare takes a job, for example, he faces effective marginal tax rates over 100%, due not just to federal, state, and local taxes on his earnings, but also the loss of government support payments as well. As the tenant's income increases, his rent would be raised accordingly. And he could be expelled from the project if his income rises too much. If a tenant marries, the additional income of a spouse may make them ineligible for public housing.

Tenants have little incentive to conserve utilities or properly maintain projects, and public housing authorities have just as little incentive to upgrade projects or fill vacant units, since they get paid whether the unit is vacant or filled. What a tragedy that over 60,000 public housing units lay vacant, while thousands of the poor are on waiting lists for an apartment.

I believe that homeownership can lift the aspirations, hopes, and self-respect of those in our inner city slums. When people become homeowners something dramatic occurs in their attitudes, character, and outlook. Families acquire new dignity, they begin to take pride in what they own, and they become more steadfast and concerned citizens in the community.

The mere act of homeownership transforms tenants, giving them a new sense of belonging and self-reliance. Homeownership encourages stable and intact families, creates a longer outlook on life and the future, and gives the poor new reasons to work and save. Homeownership can help give new life to the inner city poor by promoting human dignity, personal achievement, and social stability.

And in doing so, America itself gains in strength. Since the beginning of our country, tenantry has been viewed as unfavorable to freedom. The policy of free republics was always to multiply homeownership to increase the love of country, the spirit of independence, and self-reliance. Abraham Lincoln over a century ago endorsed a Homestead Act which opened up the Western frontier to the new immigrants and freed blacks seeking to own their own home. We name our bill in honor of Lincoln's Homestead Act since we share his objective of homeownership for all regardless of income, creed, or race.

Can it be done? Can poor people become the owners of their own homes? Many say no, that the economics of the poor preclude homeownership for all but the middle class.

I believe that many tenants would choose homeownership, if they were given a choice. Our inner city poor are our country's most important untapped resource. We can turn many of the poor into homeowners, if only we have the determination and imagination to make this goal a reality.

We already have tested and demonstrated examples of successful tenant-management of public housing like Ms. Kimi Gray of Kenilworth/Parkside Gardens who modernized a dilapidated project, improved maintenance, and reduced costs to a point where the project is now self-sustaining. But what she really did was to lift the spirits and sights of her tenants. And the results were dramatic reductions in many social problems like crime, drug abuse, and vandalism. She and her tenants deserve to be homeowners.

This story is repeated in the charismatic leadership of other tenant managers, like Ms. Bertha Gilkey of Cochran Gardens in St. Louis, or Ms. Bonnie Downs of Iroquois Homes in Louisville, Kentucky, or Ms. Viney Reynolds of B.W. Cooper Homes in Louisiana—all of whom have helped turn some of the worst housing projects into showcase success stories. These tenants and others have demonstrated that they can handle the full responsibilities and privileges of homeownership.

I am proposing a determined national effort to build on the efforts and aspirations of the Kimi Grays and Viney Reynoldes to make private ownership the next reasonable and viable step for tenant-managed projects. We don't make homeownership an entitlement program. Giving away housing without requiring any stake by the tenant himself would defeat our purpose of promoting independence and pride among tenants. It would also be an affront to low and middle income Americans who must work hard to afford their own homes.

Our bill puts homeownership in striking distance for deserving tenants who have demonstrated that they can handle the responsibilities and costs of homeownership.

The premises and details of our plan, which is only a beginning step, would proceed along the following line: First, tenants would form a tenant association; second, they would be trained and educated to efficiently manage their projects; third, they could buy the project at a discount from market value after demonstrating that they could bear the costs and responsibilities of ownership and project management.

Our first premise is that tenants themselves would show their interest and support for homeownership by forming a homeowners association with intention to buy. The homeowners association, not HUD or the local public housing authority, would initiate and plot the course for eventual conversion of the projects to homeownership. Our approach does not bypass the housing bureaucracy but neither does it allow public housing authorities to arbitrarily block homeownership.

Our responsibility, however, doesn't end with putting a "for sale" sign on government housing projects. We must go much farther. My bill envisions a partnership involving labor, business, local housing authorities, civic organizations, foundations, and especially poor people themselves, to make the dream of homeownership a reality. Aspiring homeowners must be trained, educated, and counseled not just on managing the responsibilities of home ownership, but also on job skills, financial management, and home care maintenance. Is this asking too much? The experience of tenant-managed projects gives a resounding no.

Public housing projects can also become the focal point for many self-help efforts like the Administration's Job Training Partnership Act and its Enterprise Zone legislation which promote job skills, enterprise, and new business to greenline distressed inner cities which too often have been blacklined against private enterprise and growth. Local civic groups like Rev. Leon Sullivan's Opportunities Industrialization Center, which has done outstanding work in training rehabilitation experts from the ranks of the unskilled, should also be tapped.

We have already received encouraging support from real estate associations, life insurance firms, foundations, and businesses ready to contribute training, management and technical expertise, and even seed capital. Local governments could provide tax abatement. In short, our homeownership initiative is more than just signing papers, it is an entire urban revitilization strategy around the inner city family's most cherished possession: its home.

Our second premise is that public housing must be sold at large discounts, since obviously most tenants are quite poor. To help facilitate what is beyond the means of most poor, a homeowners association could purchase their dwelling at no more than 25 percent of market value and no down payment. The public housing authority would "take back" a mortgage at reasonable rates (no more than 70 percent of market interest rates). To bring homeownership into the reach of even more poor people, tenants themselves could build equity in their homes by contributing their own talents and labor as part of their investment.

Third, to protect all public housing tenants, our bill provides a number of important safeguards both for tenants and the homeowners. Tenants who don't choose to buy either would continue to rent as now from the public housing authority or would receive a housing voucher from the government equal to or better than their current housing assistance. No tenants could ever lose their home as a consequence of our bill.

To prevent premature or hasty transfer of ownership, title would be transferred to tenants only after HUD certifies that they and the homeowners association can afford the cost and responsibilities of homeownership. Under our bill, the Department of Housing and Urban Development must bring the housing up to decent standards before being sold and would provide continuing assistance as needed even after conversion to private ownership.

Taxpayers also gain from the Urban Homestead Act. Aside from construction costs, taxpayers now pay over $3 billion yearly in operating and modernizing subsidies for public housing, about $2,100 per unit a year. Many public housing projects

can achieve economic self-sufficiency and can operate on a break even basis without government subsidies. The payoff is not only reduced government subsidies, but significantly higher property values for businesses and taxpayers in neighborhoods near public housing projects.

Now, this is a sketchy outline of our plan. Clearly, this involves a great many issues and raises a number of problems. But nothing in this plan has not been done before on a smaller scale and has not been already tested and tried with success. What is really new is our strong determination to make homeownership available to low-income families in America's cities. Considering the greater security and peace of mind, the tremendous boost in morale and dignity, and the opportunity to rebuild our inner cities, shouldn't we be looking at ways to turn tenants into homeowners? There is no more rewarding investment than helping some of America's urban poor realize an important and lasting stake in the American dream.

TESTIMONY BEFORE THE MONETARY AND FISCAL POLICY SUBCOMMITTEE OF THE JOINT ECONOMIC COMMITTEE, SEPTEMBER 27, 1984

(By Stuart M. Butler, Director of Domestic Policy Studies, The Heritage Foundation)

My name is Stuart Butler. I am Director of Domestic Policy Studies at The Heritage Foundation. The views I put forward are my own, and should not be taken as representing any official position of the Foundation.

I have taken a keen interest in the idea of privatization for some time, and a number of articles by myself and other authors on the issue have been published by Heritage during the last three years. These have dealt with a wide variety of issues from the privatization standpoint, including Social Security, municipal services, bank deposit insurance, and, most recently, public housing. My interest in the idea of privatizing public housing stemmed from the work of the National Center for Neighborhood Enterprise, and from the experience of a privatization model in Britain.

The National Center has examined the role of neighborhood-based organizations in service delivery and economic development within low income communities. The Center found that when groups are given control of functions, they can be remarkably successful in bringing down costs and developing innovative and highly effective methods of dealing with local problems.

Housing is a case in point. In conjunction with the Project on Neighborhood Revitalization of the American Enterprise Institute, the National Center has examined the performance of community-based management organizations as operators of public housing—Kimi Gray, the Resident Manager of such a corporation in Washington, will be testifying before the subcommittee tomorrow. The data concerning these corporations will be discussed during Ms. Gray's testimony, but the general conclusion is that dramatic cost reductions can be achieved once tenants obtain control of their own destiny. Ownership is the logical next step after tenant management. Ownership provides a clear stake in the community—one that is permanent. The evidence from both the United States and Britain is that once low income people acquire ownership rights over their homes, they take a very different view towards maintenance, economic improvement, and even social problems within their community.

It is this change in attitudes and commitment that lies at the heart of the privatization strategy. Privatization has nothing to do with "selling off" valuable federal assets to private interests: it has everything to do with using a change of ownership to alter behavior patterns, thereby stimulating efficiency, innovation, and a determination to preserve and improve the asset. The proposal to encourage homeownership among public housing tenants is an excellent example of this strategy. By providing residents with an ownership stake in their communities, the program would enable low income people to attain the American dream of home ownership, reduce the burden on the federal government of excessive operating costs, and stimulate community efforts to tackle the social problems that now lead to falling property values, vandalism and boarded-up dwellings.

Following is an analysis of the British "Right to Buy" program, which has turned 500,000 tenants into homeowners, together with the framework of a plan for a similar program in the United States. While there may be disagreement on the details of such a homeownership plan, there can be little doubt that the ownership idea works in low income neighborhoods. The demonstration program being developed by HUD is a major step forward in turning ownership into a reality in such neighborhoods. I hope that Congress will study that program carefully, while preparing the legislation necessary to turn the experiment into a full program.

[From the Heritage Foundation Backgrounder, June 12, 1984]

PUBLIC HOUSING: FROM TENANTS TO HOMEOWNERS

(By Stuart M. Butler, Director of Domestic Policy Studies)

INTRODUCTION

Public housing projects in the United States have come to epitomize urban blight. While this view is exaggerated, it is nevertheless true that public housing represents one of the great ironies of federal intervention. When the program began in the 1930s, the assumption was that the projects would help ameliorate social problems in the cities by stabilizing communities and the housing stock. The reverse has been true.

Yet there is evidence, in this country and abroad, that certain inner city housing experiments can have positive results. They all have one thing in common—ownership. Whether the program is homesteading, where abandoned properties can be brought for a dollar, or the discounted sale of public housing to tenants (in Britain), the effect is the same. When residents acquire an equity stake in the future of their building, and hence their neighborhood, they gain incentives to change their behavior from destructive to constructive and to urge their neighbors to do likewise. And instead of economic improvement bringing with it the threat of increased land values and displacement, equity allows a resident to rise with the tide—not drown in it.

But, some would argue, the low income of public housing tenants precludes their becoming homeowners. The solution to this apparent barrier is to recognize that support for homeownership is entrenched in the tax codes. Thanks to the mortgage interest deduction, middle- and upper-income Americans have powerful tax incentives to become homeowners. This is no accident. The explicit purpose of the deduction is to help Americans purchase homes. Yet the low-income tenant, who pays little or no income tax, has no such incentive—so he must pay a far higher after-tax price than higher-income citizens buying exactly the same property.

Congress and the Administration should recognize this inequity and establish a "Right to Buy" homeownership program in the inner cities, based on the sale of public housing buildings, at a substantial discount, to associations of occupying tenants. The Reagan Administration should establish an experimental program immediately using existing law. It should also seek legislation to permit tenant associations to apply directly to the Secretary of Housing and Urban Development (HUD) for permission to purchase buildings from their local Public Housing Authority (PHA). The legislation should also allow the Secretary to require the PHA to provide the tenant group with a mortgage.

Proponents of such a program would be blind if they overlooked its political advantages. A similar plan in Britain enabled Conservative Margaret Thatcher to make considerable inroads among traditionally Labor-voting public housing tenants in her landslide 1983 reelection. The New York Times noted after the election that:

As political experts and party strategists sift through the results of Labor's crushing defeat . . . more and more are identifying the "homeowner mentality" of voters . . . as a crucial development.[1]

An inner city homeownership plan would extend the idea of owning a home to low-income Americans. It would help stabilize the value of public rental stock near tenant-owned units, and would plant the seeds of improvement in the nations's most desolate neighborhoods. It would be a logical companion to the enterprise zone approach to inner city development. Like the zone proposal, which seeks to unlock the entrepreneurial spirit, the Right to Buy program would draw on the strengths of residents to tackle the problems of their own community.

THE BRITISH RIGHT TO BUY PROGRAM

During the last five years, over 500,000 dwellings (out of a total public housing stock of approximately 7 million units) have been sold to public housing tenants in Britain under the "Right to Buy" scheme. Widening homeownership in this way is seen by the Thatcher government as central to its objective of reviving neighborhoods and encouraging self-improvement.

Stated simply, Britain's Right to Buy program allows public housing tenants to purchase their units at a discount on the market value of up to 60 percent, based on the length of tenancy.

Eligibility

A tenant obtains the right to buy it if he or she has been a public housing tenant for at least two years[2] and the unit is the principal home. The tenant can purchase the unit jointly with up to three other family members, provided they have been living in the same unit for at least three months.

Discount

If the tenant has lived in public housing for three years, the unit can be bought at the market value less 33 percent. The discount increases by 1 percent for each additional year as a tenant, up to a maximum 60 percent discount after 30 years as a tenant.[3]

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[1] "In Housing Policy, It Seems the Tories Had a Winner," The New York Times, June 22, 1983.

[2] Decreased from three years in legislation passed in 1983.

[3] Prior to the 1983 legislation, the maximum discount was 50 percent after 20 years.

The period counting toward the discount need not have been spent in the same unit, or even within the jurisdiction of the same housing authority. The valuation, upon which the discounted price is based, is calculated by the housing authority. If the tenant disagrees with that valuation, he can appeal to the District Valuer, an independent official whose decision is legally binding on both parties.

Finance

The purchaser has three options in raising the money to pay for the house.

(a) The tenant can obtain a mortgage from a savings and loan association. Approximately half of all public housing sales are financed in this way.

(b) The tenant has the legal right to a mortgage from the local housing authority. Basically the loan amount is limited to 2½ times the annual income of the purchaser, plus 1 times the annual income of any other family members assisting in the purchase. For purchasers over 60 years of age, the multiple is lower.

(c) The tenant may buy the unit in stages. After buying at least 50 percent of the unit, with the usual discount according to length of tenancy, he can obtain full ownership by purchasing increments of 12½ percent. The tenant continues to pay rent on the portion still owned by the housing authority.

Like the purchaser of privately built housing, the public housing tenant-buyer can deduct mortgage interest payments from taxable income. The trouble has been that, if the low-income purchaser pays little or no income tax, the mortgage deduction is practically worthless. Since April 1983, however, a low-income buyer in Britain has been able to utilize the Mortgage Interest Relief at Source Program. Under this, he can obtain a cash subsidy equal to the tax relief to which he is entitled (at the 30 percent lowest bracket), less the amount he can actually deduct from his tax bill—in effect a refundable mortgage deduction.

Value recapture

A tenant-buyer cannot buy his unit one day with a 60 percent discount, sell it the next at the full market rate, and walk away with the difference. If the unit is sold within one year of the initial purchase, 100 percent of the discount must be repaid. This repayment requirement falls by 20 percent each year until, after five years, the unit can be resold without the repayment of any portion of the discount.

ANALYSIS OF THE BRITISH EXPERIENCE

The British program of public housing sales has been highly popular and had profound effects on many neighborhoods. As the program's proponents expected, signs of home improvement activity, close attention to maintenance, and resident involvement in neighborhood issues have become evident in communities where tenants are buying. The reason for this is simple, says Conservative Councilwoman Hazel Weiberg, "ownership gives them a greater stake in the community." [4]

Distribution of housing and sales

Approximately one-third of all housing in Britain is publicly owned rental accommodation. This is above the average for Western Europe, and far above the 1.5 percent in the U.S. In addition, the mean income of families in British public housing is not far below that of owner-occupying families, and it is a shade higher than families in private rental units. One reason for this is that local housing authorities cannot evict tenants whose incomes rise above the initial threshold for their unit. Moreover, the right of tenancy in a public housing unit in Britain can be passed on to an heir who has lived with the tenant. British public housing structures also differ from those found in American cities. While there are many examples of blighted high-rise properties, more typical is the well-built duplex or four-unit walk-up in a reasonably stable neighborhood.

The sales of British public housing reflect these characteristics. Data for 1982, for instance, indicate that the average income of tenant purchasers was only 16 percent lower than that of all first-time house buyers in Britain, and 96 percent of public units sold were town houses, duplexes, or detached houses (only 4 percent were apartments). Nevertheless, sales were more common among lower-income public housing tenants than is usual for first time buyers. Forty-seven percent of public housing purchasers earned less than $10,000 a year (34 percent for all first-time buyers), and 14 percent earned less than $7,000 (9 percent generally).[5] Not surprisingly, in view of the discount based on length of tenancy, the average age of the tenant-buyer (43 years) was significantly above the average for first-time buyers (31).

Multi-unit buildings

The data indicate that the bulk of public housing sales in Britain have constituted purchases of fairly desirable types of housing to tenants who would not be classified as very poor. So American policymakers should not assume that the typical Right to Buy sale involves a welfare mother buying her high-rise apartment.

Indeed, it is the high-rise apartment that has been the most difficult for local authorities to sell to tenants. British officials are quick to point out, however, that a high proportion of Britain's multifamily urban public housing was built after the Second World War with poor material and designs. Inadequate durability and structural problems make these units very unattractive for purchase, even at low prices. Would-be buyers in such buildings are inclined to remain on the waiting list for a more desirable property (using the waiting time toward a larger discount).

A second key factor is the unfamiliarity of the British with mechanism such as tenant management or cooperative ownership. Tenant management is almost unknown in Britain, and cooperative ownership is rare. Consequently, say British officials, tenants have a strong resistance to the only forms of purchase and organization that are practical for low-income people in multifamily buildings. Even when a tenant buys his home in a 4-unit walk-up, the local authority usually retains the responsibility for the common areas and general maintenance (with a service fee), rather than have the owners accept this responsibility.

Lessons of the British model

Despite such differences between the U.K. and U.S. situations, the British program contains important lessons for a workable approach on this side of the Atlantic.

The first is that a discount based on length of tenancy is a powerful stimulus and a means of favoring the most stable tenants. Initial fears that the discounts would provoke anger among working class buyers of private homes (who enjoy no such discount) proved groundless. The discount strategy has enabled many long established tenants to become even firmer anchors in the community.

A second lesson is that the resale value recapture mechanism is an important ingredient of the British program. It discourages rapid resale—which would undermine the otherwise stabilizing features of the program. On the other hand, the prospect of capital gain is important to a purchaser. In neighborhoods where market prices are not rising, or even falling, the sliding scale recapture provision in Britain allows for a potential capital gain within a reasonably short time.

The third lesson is that an American version of the British plan would have to overcome the problem of selling apartments to low-income tenants. Given the familiarity of Americans with cooperative ownership, this should present fewer problems than it has in Britain. Nevertheless, the high concentration of low-income people in American public housing would require more creative financing arrangements than are typical in Britain.

A PROGRAM FOR THE UNITED STATES

Since 1949, Congress has targeted the public housing program increasingly toward lower-income and welfare families, rather than those with modest incomes. Unlike Britain, therefore, the family income of a typical American public housing tenant is well below the national median—posing problems for any sales policy. Legislation does give a Public Housing Authority (PHA) in the United States the power to sell a "low income project to its lower income tenants." The sale price is usually based on the portion of the original development cost still outstanding—not the current market value. So discounted sales are permissible in the U.S.

This and other legislation have led to a number of home ownership programs for low-income tenants. The Turnkey III program, begun in 1968 and terminated in 1973, used the PHA framework to develop housing projects for sale, on a lease-purchase basis, to groups of public housing tenants with sufficient incomes to permit a sale without continued operating subsidies. The price was based on the total original development costs, and if the buyer were to resell the unit within five years of receiving full title, the PHA was entitled to recapture the capital gain according to a sliding scale. A requirement for success was the ability of the buyer to undertake basic maintenance and to accept the financial and other obligations of ownership.

Similar problems arose with the Section 235 Homeownership Program, another major federal initiative to encourage low-income homeownership through the sale of new or extensively rehabilitated units. The income problem was compounded in the case of Section 235 by the low (3 percent) down payment requirement—which could be in the form of "sweat equity" (that is, provided in the form of on-site work rather than cash). This meant that the loan-to-value ratio could easily come to exceed 100 percent in an unstable neighborhood—encouraging others to abandon their properties at the first need for substantial maintenance outlays.

The most extensive and perhaps most interesting low-income ownership program,

[4] "New Law Transforms Britain Into a Nation of Homeowners," Wall Street Journal, September 14, 1983.

[5] Assuming one pound = $1.40.

however, has been the Indian Mutual Help Ownership Opportunity Program, which constitutes 61 percent of HUD assistance in Indian areas. Families or tribes must make a down payment contribution of at least $1,500 toward each unit, in the form of cash, land, or work. The resident can acquire title to the unit, generally after 25 years, through a lease-purchase plan that allows equity to be built up gradually. The program has been very popular and effective, covering over 30,000 units.

Mutual housing associations (MHAs), as a homeownership vehicle for public housing tenants, have attracted considerable attention in recent years. Proposals are now being formulated in Paterson, New Jersey, for example, which would use the model to transfer 242 public housing units into tenant ownership. The title of the building first would be transferred to a mutual housing association made up of residents. This MHA would be affiliated to a citywide MHA with a board of directors drawn from city officials and local organizations. This citywide MHA could enlist support and provide technical assistance for would-be buyers, thereby improving the chances of successful ownership by individuals, who would be able to purchase title from the MHA.

THE PRINCIPLES OF A NEW OWNERSHIP INITIATIVE

Drawing on British and American experience in encouraging ownership among low-income tenants, principles for a successful homeownership program for public housing tenants emerge. Among them:

Discounts and equity

It is clear from the problems associated with section 235, and in contrast, the success of the British approach, that buyers must feel they have sufficient stake in their homes to justify expenditures on maintenance. Discounting the price (giving the prospect of a substantial capital gain) would provide that stake indirectly but effectively: a token down payment does not.

Current law permits HUD to sell to a resident tenant at a discount with the federal government paying off part or all of the existing capital debt. Similarly, units can be modernized without the tenant-buyer being required to pay the cost of modernization.

A subsidy to buyers

Some critics of discounted sales to low-income buyers charge that this constitutes an unfair valuable subsidy to the buyer. These critics overlook the mortgage deduction available to middle- and upper-income buyers—which is of little value to low income buyers. If the purpose of Treasury assistance is to help home-buyers, then a price discount on public housing would be a rational and equitable device to help low-income buyers. Depending on the discount chosen and the tax savings (if any) usable by purchase, a case could also be made—again on equity grounds—for some interest relief for low-income buyers. It would be reasonable for the interest payable on PHA-provided mortgages to be reduced by an amount at least equal to the lowest marginal federal tax rate.

Netting for other subsidies

Subsidy calculations should also be adjusted for the subsidies to other groups already included in the cost of public housing. American Enterprise Institute scholar John Weicher notes that studies suggest that new public housing units cost about 25 percent more than comparable private housing. The major reasons for this are the high tax revenue costs associated with tax-exempt financing often used in such projects (a subsidy to higher-income investors) and high construction costs due to the application of the Davis-Bacon Act (a subsidy to construction workers).[6] There seems little justice in forcing low-income homebuyers to cover the capital cost of a subsidy to Americans earning well above their income. The cash basis for any calculation of purchase price, therefore, should net out such subsidies.

Developing homeowner attitudes

A major problem associated with low-income buyers, even if financing can be arranged, is that they often lack the maintenance and accounting skills needed for homeownership. On the other hand, some remarkable successes have been achieved with tenant management associations as vehicles to encourage sound maintenance techniques—especially when cash incentives were utilized. As head of Newark's public housing in the 1970s, for instance, Tom Massaro sought to cut costs by inviting tenants to take over many responsibilities. For every dollar this saved the city, the tenants were allowed a portion to finance community activities. The result: vandalism and utility costs plummeted and tenants acquired useful maintenance skills.

Another tenant management association in Kenilworth Courts, Washington, D.C., has achieved dramatic cost reductions by training its own tenants in management and maintenance skills. A preliminary study by the American Enterprise Institute's Neighborhood Revitalization Project found that within one year of the 1982 turnover to tenant management, administrative costs were cut by 63 percent, and maintenance (the major outlay) by 26 percent. In addition, rental income was increased significantly, thanks to improved collection and reduced vacancy rates, such that the project began to run a healthy operating surplus.

Success as a tenant management association could be a sensible prerequisite to apply to a group of public housing tenants wishing to purchase as a cooperative. An alternative requirement would be the creation of a private Mutual Housing Association, as that suggested in Patterson, New Jersey, to provide management assistance and training to achieve operating cost reductions. The tenants would be members of this association, which could foster cooperative or any other suitable form of tenant ownership. Another equity-building approach would be for the tenants to enter into a lease-purchase agreement. The operating subsidy would then be capped, and savings achieved by the tenants would be accumulated as equity shares until the full purchase could be accomplished, whereupon title would be transferred.

The savings achievable through tenant management is critical both to the success of any ownership plan and to the number of tenants that could hope to utilize it. Most studies of the potential for ownership among public housing tenants suggest that it is very small. But these calculations ignore the substantial reductions in cost that can be achieved—if tenants have an incentive—and thus grossly underestimate the possibilities of ownership.

A PUBLIC HOUSING HOMEOWNERSHIP PROGRAM

The Administration, utilizing existing law and with the agreement and cooperation of communities and PHAs, should experiment with a homeowner program for public housing tenants. The President should make it clear that the objective is not to raise income but to promote ownership in poor communities. Special buildings for the elderly or the handicapped should be excluded from the program, so that the number of such units available for rent would not be reduced.

In addition, Congress should enact a "Public Tenants Right to Buy Program." The measure should give groups of tenants the right to be included in the homeownership program, even if the local PHA opposes ownership. Such a group of tenants would apply directly to the Secretary of HUD. If eligible, according to the criteria below, HUD would set in motion the ownership process, and the PHA would be required to provide the resident association with a mortgage according to HUD rules. Legislation should also be enacted to expand the housing voucher program so that tenants unable to buy a share of a co-op, or other ownership vehicle, such as lease-purchase, could continue as renters.

Eligibility

The program would center generally on purchases by successful tenant management associations. As the tenant management associations or mutual housing associations improved tenant skills and reduced operating costs, savings to the PHA would be placed into an escrow account toward the purchase price, or as the equity element of a lease-purchase agreement. The purchase process would begin when this transitional arrangement reduced running costs sufficiently for the tenants to have a reasonable chance of meeting the costs of ownership.

To be eligible for membership in the purchasing organizations, tenant-buyers should have been good tenants in the specific building for at least one year and good public housing tenants for at least three years. This would help assure stable buyers of good character. Tenants unable to meet this criterion would not be permitted to purchase.

Discount and resale

An eligible association, comprised of eligible tenants, would be allowed to purchase the building at 30 percent of the assessed market value. No down payment would be required. If a co-op member were to sell his share within the one year, his portion of the entire 70 percent discount would be repayable to the PHA. This repayable portion would fall by 10 percent annual segments (of the initial market price) until, after seven years, the member would be free to keep all resale proceeds. The prospect of gain should be sufficient to establish the notion of equity, and so offset the lack of a down payment.

Financing

Eligible tenant management associations accepted into the program would have the right to a mortgage from the PHA under the legislation proposed. Since the PHA would be the owner of the building in the first place, this would involve no transfer of cash, only the replacement of rent payments to the PHA with mortgage payments. The interest rate on the mortgage would be adjusted to reflect the marginal tax benefits available to typical first-time homebuyers.

Tenant associations could purchase outright or purchase according to a shared-equity plan. With either method of purchase, the housing authority would continue to operate the units occupied by tenants refusing or ineligible to join the ownership

[6] John C. Weicher, Housing (Washington, D.C.: American Enterprise Institute, 1980), p. 59.

associations. Existing tenants, in other words, would not be evicted. Eligible tenants could, however, buy into the purchase plan at any time. If some of the tenants continued to remain renters, supported by the government, that portion of the building would be considered a set of units owned by the PHA—thus the PHA would not be a shareholder in the cooperative. However, maintenance services to these units could be provided by the tenant ownership association under contract. An alternative might be for the federal government to guarantee to the association owning the building that vouchers would be provided to meet the costs of units still occupied by tenants.

Under a shared-equity arrangement, the tenant association could, in effect, buy a portion of the unit (minimum 50 percent) and continue to pay rent to the PHA on the remainder. The association could add to its ownership in increments, as finances permitted. Payment could be made in-kind (such as maintenance work) to obtain additional ownership shares. An alternative approach would be a lease-purchase arrangement, where tenants could build up equity credits, but would not take title until they could finance the entire sale price of the building.

Resale

The part-owner could sell his unit in the normal way, subject to the provisions regarding discount repayment, but he would have to return the original cost of the rented portion of his unit to the PHA. Alternatively, he could sell his share to an eligible buyer willing to take on his shared equity responsibilities. The tenant would have the right to a mortgage from the PHA, with a limit based on income and a below-market interest rate, offsetting the reduced tax relief available to low-income tenants.

CONCLUSION

The program suggested is not a proposal to sell off public housing to developers or suburban homesteaders. It is a device to provide ownership opportunities for existing tenants of public housing projects. If successful, it could transform some of the most troublesome communities in the nation's urban areas. It draws on the known successes of tenant management associations and that powerful ingredient of commitment to neighborhood—ownership. Turning public housing tenants into homeowners in this way would utilize the strengths and ownership dreams of residents themselves to help overcome the debilitating problem of America's inner cities.

Mr. SYMMS. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 428

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be referred to as the "Homestead Act of 1985".

SEC. 2. The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end thereof the following new section:

"PUBLIC HOUSING HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES

"SEC. 20. (a) HOMEOWNERSHIP OPPORTUNITIES.—The families residing in each public housing project shall be provided with the opportunity to purchase the dwelling units in such project as follows:

"(1) A homeownership association shall be formed in the public housing project that—

"(A) has as its members each family residing in a dwelling unit in such project that—

"(i) is interested in purchasing such dwelling unit;

"(ii) has resided in public housing projects for not less than 24 consecutive months;

"(iii) has resided in such dwelling unit for not less than 12 consecutive months; and

"(iv) is determined by the Secretary to be capable of assuming the responsibilities of homeownership;

"(B) follows domocratic procedures in making decisions; and

"(C) complies with such additional requirements as the Secretary may establish in regulations issued under subsection (e).

"(2)(A) The Secretary shall provide comprehensive improvement assistance under section 14 to public housing projects in which homeownership activities under this section are conducted in order to ensure that the physical condition, management, and operation of such projects are sufficient to permit and encourage homeownership by the families residing in such projects.

"(B) The Secretary, and the public housing agency owning and operating each public housing project, shall provide such training, technical assistance, and educational assistance as may be necessary to prepare the families residing in such project, and any homeownership association established under paragraph (1), for homeownership.

"(C) An amount equal to any reduction in the operating expenses of a public housing project realized as a result of the assistance provided under subparagraph (B) shall be paid by the Secretary to the public housing agency involved on behalf of the families residing in such project, and any homeownership association established under paragraph (1). Such public housing agency shall reduce the purchase price established in paragraph (5) for dwelling units in such project by an aggregate amount equal to such amount paid by the Secretary.

"(3)(A) A homeownership association may purchase all or part of a public housing project following a determination by the Secretary that—

"(i) such association is prepared to undertake the ownership, management, and maintenance of such project with continued assistance from the Secretary; and

"(ii) the operating costs of such project have been reduced sufficiently to provide the families purchasing dwelling units in such project with a reasonable prospect of affording the costs of homeownership.

"(B) Any family meeting the requirements of paragraph (1)(A) may purchase its dwelling unit directly from the public housing agency, if the Secretary determines that such purchase will not interfere with the rights of other families residing in the public housing project or harm the efficient operation of such project.

"(4) Notwithstanding the purchase of all or part of a public housing project under this section, the Secretary shall continue to pay annual contributions with respect to such project. Such contributions may not exceed the maximum contributions authorized in section 5(a).

"(5) The price for any purchase under paragraph (3) shall not be more than 25 percent of the fair market value of the property involved, as determined by the Secretary.

"(6)(A) Purchases under this section may be made under any of the following arrangements:

"(i) lease-purchase;

"(ii) shared appreciation;

"(iii) cooperative ownership;

"(iv) condominium ownership;

"(v) purchase with amounts borrowed on the security of the property involved; and

"(vi) any other arrangement determined by the Secretary to be appropriate.

"(B) For purposes of assisting any purchase by a family or homeownership association under this section, the public housing agency involved shall made a loan on the security of the property involved to such family or association at a rate of interest determined by the Secretary to be appropriate. Such rate of interest may not exceed 70 percent of the market interest rate on the date on which such loan is made.

"(7) If any purchaser of property under this section sells such property before the expiration of the 5-year period following the date of such purchase, such purchaser shall pay the following percentage of the sale price to the public housing agency involved:

"(A) 75 percent, if such sale occurs during the first 1-year period following such date;

"(B) 60 percent, if such sale occurs during the second 1-year period following such date;

"(C) 45 percent, if such sale occurs during the third 1-year period following such date;

"(D) 30 percent, if such sale occurs during the fourth 1-year period following such date; and

"(E) 15 percent, if such sale occurs during the fifth 1-year period following such date.

"(b) RESIDENT MANAGEMENT OPPORTUNITIES.—The families residing in each public housing project shall be provided with the opportunity to undertake the management maintenance, educational, and cultural functions of such projects as follows:

"(1) A resident management association shall be formed in the public housing project that—

"(A) has as its members each family residing in such project;

"(B) follows democratic procedures in making decisions; and

"(C) complies with such additional requirements as the Secretary may establish in regulations issued under subsection (e).

"(2) The Secretary, and the public housing agency owning and operating the public housing project, shall provide such training, technical assistance, and educational assistance as may be necessary to prepare the resident management association established under paragraph (1) to undertake the management, maintenance, educational, and cultural functions of such project.

"(3) A resident management association may undertake all or part of the management, maintenance, educational, and cultural functions of a public housing project following a determination by the Secretary that such association is capable of undertaking such functions.

"(c) PROTECTION OF NONPURCHASING FAMILIES.—(1) No family residing in a dwelling unit in a public housing project may be evicted by reason of the sale of such project to a homeownership association under this section.

"(2) If any family resides in a dwelling unit in a public housing project in which other dwelling units are purchased under this section, and such family decides not to purchase such dwelling unit, the Secretary may offer—

"(A) to assist such family in relocating to a dwelling unit in another public housing project; or

"(B) to provide to such family a housing voucher determined by the Secretary to be appropriate to permit such family to obtain comparable alternative housing.

"(d) FINANCIAL ASSISTANCE.—(1) The Secretary shall provide to public housing agencies such financial assistance as the Secretary determines is necessary to permit such agencies to carry out the provisions of this section.

"(2) The Secretary may provide financial assistance to any homeownership association or family that has purchased property under this section for purposes of reducing the operating and maintenance expenses of such association or family with respect to such property. Such financial assistance may be made in such form (including housing vouchers) and in such amounts as the Secretary determines to be appropriate.

"(e) REGULATIONS.—The Secretary shall issue such regulations as may be necessary to carry out the provisions of this section. Such regulations may establish any additional terms and conditions for homeownership or resident management under this section that are determined by the Secretary to be appropriate.

"(f) ADDITIONAL HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES.—No provision of this section may be construed to preclude the Secretary or any public housing agency from providing additional homeownership or resident management opportunities under section 5(h), section 6(c)(4)(D), and any other provision of this Act.".●

By Mr. HEINZ:

S. 429. A bill to extend the statute of limitations for fraud under the customs laws and to clarify the extent of Government access to grand jury proceedings; to the Committee on Finance.

STEEL IMPORT FRAUD

● Mr. HEINZ. Mr. President, for some time now I have been engaged in an effort to increase the enforcement capabilities of the U.S. Customs Service against steel import fraud. This activity has become pervasive as a means for importers to circumvent U.S. trade laws and international steel agreements. Increases in both the frequency of incidence and variations in the types of fraud committed have been registered by import specialists of the Customs Service. The widespread nature of the problem is evident in the fact that the Customs Service has had 30 class 1, high priority cases open involving the importation of steel by fraudulent methods.

Last year, in part as a result of my efforts, the Customs Service has undertaken a major initiative to combat violations in this problem area which will go a long way toward deterring steel import fraud.

However, problems still remain which inhibit Customs' ability to prosecute violators under civil statutes after they are caught, and it is under civil statutes that penalties large enough to deter violators or potential violators can be imposed.

First, because Customs attorneys wait until the U.S. attorneys finish with criminal proceedings before beginning a civil suit, they often run out of time before they can properly pursue a civil case. Presently, the statute of limitations governing Customs' activities which is contained in 19 U.S.C. 1621, requires that cases in which there is only enough evidence to show negligence or gross negligence be finished within 5 years from the date of violation. Cases where there is enough evidence to charge fraud on the other hand are allowed 5 years from date of discovery. Since it is often some time between when a violation is committed and when it is discovered—even several years—the statute of limitations for negligence and gross negligence places a severe constraint on Customs attorneys. In some cases even though the prosecution has developed enough evidence to demonstrate fraud in the criminal case using a grand jury, civil division attorneys run out of time under the statute before they can petition for access to that evidence. The bill I am introducing today makes the statute of limitations governing such cases a uniform 5 years from date of discovery, thereby giving Customs attorneys more time to gain access to grand jury materials in those cases where initial investigation only yields enough evidence to show negligence—or gross negligence.

The second problem facing Customs attorneys is the consequence of two recent Supreme Court decisions—United States versus Sells Engineering and United States versus Baggot—which have made it difficult for them to gain access to evidence developed by criminal prosecutors through a grand jury. Without such access, Customs attorneys often must begin a civil case from scratch. This is an unacceptable waste of Government resources which allows violators to escape the burden of full penalties.

The particular problem faced by Customs attorneys arises from a criterion imposed in the Baggot case. Specifically, in order to gain access, Customs attorneys must demonstrate that they are "preliminary to a judicial proceedings." But, the Court declined to describe what point in the Customs administrative procedure constituted "preliminary to." Mr. President, my legislation clears up the ambiguity left in the wake of the Court's decision by amending 19 U.S.C. 1592, the statute which governs Customs activities in this regard to designate a prepenalty notice issued in the course of Customs Service civil procedure as preliminary to a judicial procedure.

There are, of course, more general problems which have been caused by the Court's decision to limit the Government's access to grand jury evidence for use in civil procedures. I am, therefore, considering legislation which will address this question on a broader basis. For the purposes of increasing the enforcement capabilities of the Customs Service, however, the bill which I am introducing today will simply clarify what they must demonstrate in a petition for such access.

Mr. President, the changes which I have proposed in civil statutes will allow the Customs Service to impose the maximum penalty on companies found to be in violation of U.S. trade law. They will result in a higher level of deterrence against steel import fraud and enhance the effectiveness of the Customs initiative which is currently underway.

This bill is identical to legislation I introduced last year as S. 2531. Now that there has been some time for Customs and the business community to review the matter, I hope we will be able to move promptly on it this year.

Mr. President, I ask that the text of the bill along with a copy of my testimony on this problem before the Commerce and Energy Subcommittee on Oversight and Investigations on September 21, 1983 and a recent article from 33 Metal Producing be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 429

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 621 of the Tariff Act of 1930 (19 U.S.C. 1621) is amended by—

(1) striking out the first proviso; and

(2) striking out "*Provided further*" and inserting in lieu thereof "*Provided*".

SEC. 2. Section 592 of the Tariff Act of 1930 (19 U.S.C 1592) is amended by adding at the end thereof the following new subsection:

"(f) GRAND JURY MATTERS.—For purposes of Rule 6(e)(3)(C)(i) of Federal Rules of Criminal Procedure, disclosure otherwise prohibited by such rule of matters occurring before the grand jury may be made to the government upon a showing by the government that—

"(1) a prepayment penalty notice has been issued under subsection (b)(1) of this section; and

"(2) the evidence sought may be relevant to the enforcement of this section.".

TESTIMONY BEFORE SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATION ON STEEL IMPORT FRAUD—FRAUD WITHOUT FEAR

I would first like to commend Chairman Dingell for his extensive investigation of import fraud in a number of sectors, including steel. It is a matter of serious concern not only to our ailing steel and support industries in the U.S. but also to our entire nation. My purpose today is to express support for your investigation, knowing that it will be thorough, constructive and fair, and to offer my help in developing a legislative response to the problems you uncover.

In developing that response. I'd like to share with you some of what I have learned in my own research and investigation. The word "steel" has become synonymous with tragedy. The industry has been dangerously

weakened. Steel communities are deeply depressed. And steel workers are nearly without hope. A few years ago our steel industry was the strongest in the world. Today its sad statistics include 100,000 unemployed, $3.5 billion in losses last year, and a 56% operating rate despite the general economic recovery. It is a cruel injustice that many a job has been lost to fraudulently imported foreign steel.

A strong government effort at deterring fraud will certainly not alleviate all the problems of the industry but it will be of significant help. It is also worth noting that such an action is not a protectionist measure. It is simply matter of justice, of enforcing our present laws.

Or course it is also a matter of revenue, since the Customs Officials generally take in $19 for every dollar spent.

Both the Customs Service and the Justice Department bear a serious responsibility for deficiencies in deterring steel import fraud. And the increase in fraudulently imported steel can be traced to a combination of insufficient resources, a low priority given to this problem, and unwillingness of both Customs and the Justice Department to emphasize prompt civil actions against such imports. I understand that there are currently over 40 active cases under investigation involving steel import fraud. Some of these cases date back to 5 to 7 years.

With respect to resources, Customs has compounded the problem by proposing a program to drastically reduce the manpower levels of import specialists at the same time it has proclaimed import fraud as an area of renewed emphasis. Import specialists are essential to fraud detection and they need additional support, not lip service. And they certainly do not need cut backs.

In addition, the physical equipment resources at U.S. ports to aid in fraud detection are almost nonexistent. Currently, no ports except New Orleans possess on-site chemical analysis equipment or a Customs weighing system. This type of equipment—which is basic to effective enforcement—should be provided to all major steel ports.

Enforcement seems half-hearted. Looking at investigations and prosecutions already completed, I am disappointed in the size of the penalties levied. Substantial penalties are a key factor in deterrence. A mere slap on the wrist invites the greedy to try again and again * * * which they have successfully. Maximum penalties should be levied on offenders; especially those involving large foreign firms or trading companies. Instead of civil suits which are easier to win and allow bigger fines, the government has preferred criminal investigations and prosecutions in large cases of steel fraud. Unfortunately, Justice Department policy effectively limits the maximum criminal fine $200,000 which is but a fraction of the profit a large company or trading company will make on the transaction. Of course, jail sentences are an alternative, but the Justice Department has not generally sought them.

Civil cases, on the other hand, can result in penalties as high as the value of the goods involved. This could result, in some cases, in multimillion dollar fines. The threat of such penalties would certainly be a greater deterrent, especially on foreign nationals with U.S. subsidiaries importing the steel. Further, the burden of proof for civil fraud is considerably less than that necessary for a successful criminal prosecution.

Unfortunately the government has consistently opted for the more difficult, less punitive (criminal) route. In sum, investigations proceed at a snail pace, fines are inconsequential, convictions rare, resources shrinking and the deterrent nil. Our government has unwittingly issued an invitation to "Fraud without fear."

Finally, we should all recognize that the likelihood of steel import fraud is greater today than it has ever been. The worldwide recession coupled with persistent steel oversupply and overcapacity has led to fierce competition to push steel through the path of least resistance, i.e., the open U.S. market. Moreover, the October 1982, Steel Agreement and the recent specialty steel import restraints offer ingenious exporters many opportunities for fraudulent circumvention such as misdesignating the country of origin, grade misidentification, etc. I understand that Secretary of Commerce Baldrige has stated that aggressive enforcement of our trade laws could limit steel imports to 15 percent of the U.S. market. I look forward to that aggressive effort. Meanwhile we must continue our efforts to tighten up fraud detection in the face of these increased import pressures.

With respect to solutions, the Senate Finance Committee has already approved my amendment to increase the budget of Customs' steel fraud program. That proposal should also be included in the Treasury Customs Service Appropriation. I am also preparing a resolution to address both the resource problem and the need for stiffer penalties which I will shortly submit to the Senate.

These hearings today and tomorrow should awaken the Congress and the public to the problem of steel import fraud and will be a significant aid in obtaining legislative remedies. I am committed to work with you, Mr. Chairman, in developing and enacting such remedies.

STEEL IMPORT FRAUD: CLOAKS, DAGGERS AND A CACHE OF SMOKING GUNS

(By Joseph J. Innace)

All Points Bulletin: Fraudulent steel imports can turn up at any major U.S. port of entry.

Case 1: (resolved) Special agents for the U.S. Customs Service uncover that Thyssen Metal Service, Detroit, Mich., has been falsifying entry documents for cold-rolled steel. In a ploy to avoid the U.S. trade barriers for certain steel products, Thyssen passed the material along as a higher quality metal but then sold it in the States at a lower price.

Thyssen is charged with two criminal counts of import fraud and is indicted March 1984. Result: Thyssen agrees to a $3.25-million civil suit out-of-court settlement.

Case 2: (resolved) June 25, 1984. Louis Waterman, Philadelphia, pleads guilty to 19 counts of import fraud relating to the movement of foreign steel flanges. Waterman is fined $30,000 and sentenced to 500 hrs of community service and a two-year probation.

Case 3: (resolved) Contractors Steel, Livonia, Mich, pleads guilty to three counts of import fraud after being indicted for removing country-or-origin markings on steel products. Result: A $12,000 fine in federal district court.

Case 4: (still open) Daewoo International America Corp., New York, which deals in Korean steel, is charged with making false statements to the U.S. government in an alleged attempt to import foreign steel restricted by U.S. trade agreements. Nine employees are indicted in March 1984 on 32 counts of fraud.

Case 5: (shipment seized) October 31, 1984. Customs' Special Agent, Eugene J. Weinschenk, in charge of Connecticut, reports the seizure of almost 2,000 t of cold-rolled sheet steel valued at close to $800,000. Invoiced as black plate at a 5.6% tariff, the cold-rolled steel is correctly classified in the U.S. tariff schedule at 6.6%.

"More importantly," says Weinschenk, "by agreement between the United States and the European Economic Council, cold-rolled steel can only be imported if accompanied by an 'EEC Export Certificate.'" Since the cold-rolled steel was misdescribed, to avoid the certificate requirement, the shipment—from a steel company in Greece and imported by a Connecticut corporation—was confiscated as a restricted importation under federal law.

While cloak-and-dagger escapades of this ilk would bring a twinkle to the eye of a Sergeant Joe Friday or an Eliot Ness, not all cases of customs fraud are as dramatic. In many instances, in fact, what appears to be illegal maneuvering of material to skirt trade laws or tariff schedules is actually poor paperwork on the part of importers or their customs brokers, who mistakenly classify entering goods.

Premeditated or not, misclassification can severely disrupt the domestic marketplace. And the U.S. Customs Service makes no distinctions. The country's border enforcers are, in fact, busy stalking all steel-related infractions—and at a pace more intense, perhaps, than ever before.

FRAUDBUSTERS

Right now, the US Customs Service reports, some 40 major cases involving suspected steel import fraud are under investigation, many uncovered, thanks to "Operation Tripwire." Announced last April by Customs Service Commissioner William Von Raab and Sen. John Heinz (R-Pa), Operation Tripwire is a specially targeted Customs program aimed at stopping steel-importing violations directly at ports of entry.

"At the moment, there are 118 people in the steel program," says Jim Mahan of the US Customs Service, Washington, DC. "We have 94 import specialists, 24 special agents, and task forces situated in three major cities—all assigned to steel."

The question, of course, is whether a 118-person staff is sufficient to adequately track the huge volumes of steel imports to these shores. Opinions vary.

"The incidence of misclassification alone, and not necessarily outright fraud, is a very big and serious problem," says a spokesman for the American Iron and Steel Institute (AISI), Washington, DC. 'The Customs Service suspects that at least 30% of the documents pertaining to imported steel are wrong in some fashion. Maybe a countervailing duty was omitted," he cites an example. "Or the incorrect tariff schedule was referenced. Any number of things can go wrong when you're dealing with such a complex system of tariff schedules."

One reason for the errors, the AISI official suggests, is that much of the documentation is handled by customs brokers rushing to push through the paperwork.

Doris Beckmann, of Beckmann & Beckmann International, New York, a customs broker that does not deal in steel, disagrees. "Too much of a generalization," she counters, maintaining that those in her profession actually represent the U.S. Treasury Dept. and, as such, fully understand customs laws.

"That's our primary function," Beckmann emphasizes. "And every piece we handle is subject to subsequent analysis.

"The fact that we might be handling goods covered by quotas or trade restraints doesn't present any unusual difficulties," Beckmann claims. "We have one code of regulations to adhere to. You're sure of those regulations, regardless of the products being handled. There's really nothing to it," she says. "Speed is not a major consideration."

Special agents interviewed at one port agree. For the most part, they say, customs brokers are both conscientious and honest.

"The problems usually stem from the importers, or actual buyers of goods on these shores," says one. The customs brokers, he explains, typically work only with the information supplied them by the importer.

"Of course," he adds, "if the instructions a broker is issued look suspicious, and the shipment is put through regardless, that broker would be negligent."

On the other hand, it's not unusual for brokers to go out of their way to hold up a transaction carrying documentation that doesn't look quite right. "After forty years in this business," Beckmann comments, "you know what to watch out for. European export documents, for example, are always done well. But South American paperwork," Beckmann claims, "comes in carelessly prepared. A good broker is sensitive to such detail."

Any wrongful invoicing at the port of entry will, of course, have a ripple effect as the product winds its way through the marketplace. In extremes, improper invoicing—intentional or otherwise—can make actual U.S. selling prices next to meaningless.

A potentially greater danger is the impact such error can have on statistics collected by the Customs Service—the same statistics the steel industry relies on to conduct market analyses and facilities planning.

Consider this "worst case" scenario: An offshore tubular product shipment arrives in Houston, where a customs broker pays a 0.5% duty when the actual figure should be 6%. That difference affects the product's selling price in the U.S. market.

Since a lighter duty was paid, the product can be sold for less to compete with domestic material. If this occurs fairly frequently, of course, the statistics the Customs Service collects on tubular goods would not truly reflect home market demand patterns.

In any case, the AISI relies on Customs' import statistics and shares the figures with member companies. And it's not improbable that one of those companies would analyze the data, see offshore tubular shipments coming in at a relatively regular rate, and hinge an investment decision based on what it perceives as a market trend.

It might decide, say, to spend $50 million to upgrade a tubular finishing facility for a market that isn't nearly as strong as the supposedly reliable data indicates.

Far-fetched? There may be more of a connection than you think.

"The tubular section of the tariffs schedule is perhaps the most complex of all," says the AISI official. "It would be difficult to prove," he concedes, "but there's some connection between the possibly misleading statistics for this product category and the overbuilding of OCTG capacity by domestic producers."

A HIGH-TECH CRACKDOWN

In an atmosphere where steel imports—regardless of restraint mechanisms—are a constant source of controversy and very much a part of the domestic industrial scene, neither U.S. steelmakers nor Customs are satisfied that the offshore factors of the supply/demand equation are being monitored accurately and consistently.

"We're getting there and have made tremendous strides," says one Customs Service source, "but there's still a lot of work to be done. For instance," he notes, "until February 1983, when the Fraud Center was established, we never kept statistics on fraud cases."

Helping Customs crack down on would-be violators is the AISI, which has been involved in programs geared to train government personnel to identify steel. In its obvious best interest, the Institute has also given the department two portable metal analyzers to help check steel material claims at the docks. And the move has paid off.

The Customs Service already has one Applied Research Laboratories (ARL) 3600 Mobile Metal Analyzer, dubbed "Sparky," at its disposal. And another may be added this year.

Three years ago, the Customs Service field office in New Orleans was assigned the task of developing special expertise in the area of steel analysis. The upshot? A decision by the officials there that a mobile lab be created.

By mid-1983, the lab purchased the ARL 3600, which immediately analyzes 16 elements via emission spectrography by using a "pistol" applied against the steel sample. Through September of last year, the office had analyzed 692 samples, 496 by "Sparky" and 196 by conventional lab methods.

Fast as its work, the ARL unit performs a complete analysis in 10 minutes. The conventional method, of course, requires a sample to be cut and sent to the lab.

With "Sparky," sample cutting, a time-consuming procedure, is done on a very selective basis. If the analyzer uncovers a discrepancy between the material and its invoice description, the importer is told to have a sample cut for lab analysis. And "Sparky" has been right on target. To date, 90% of field results have been confirmed after followup lab analysis.

Case in point: A typical shipment of steel pipe conforming to API specs and entered under tariff schedule 610.39 might be valued at $500,000. Enter Customs and "Sparky," which spots chromium at 0.21% levels and reclassifies the material under 610.40.

The duty charged changes from 0.5% to 3.8%, amounting to an additional $16,500. And that's just the beginning.

The additional chromium will also result in a duty increase, and countervailing duties and penalties for violating antidumping trade laws are likely to be imposed.

"Sparky," the Fraud Center, indictments, task forces and special agents are all playing a vital role in what one Customs official characterizes as an evolution. "Customs has always been seen in an entirely domestic light," he says. "Recently, however, we're becoming more and more an instrument of foreign policy." And that instrument, he says, is getting sharper and more sophisticated every day.●

By Mr. HEINZ (for himself, Mr. CHAFEE, Mr. GARN, and Mr. D'AMATO):

S. 430. A bill to amend and clarify the Foreign Corrupt Practices Act of 1977; to the Committee on Banking, Housing, and Urban Affairs.

BUSINESS ACCOUNTING AND FOREIGN TRADE SIMPLIFICATION ACT

● Mr. HEINZ. Mr. President, along with Senator CHAFEE, Senator GARN, and Senator D'AMATO, I am today introducing the Foreign Corrupt Practices Act amendments in the same form in which they passed the Senate in the 97th Congress.

That effort, which culminated in Senate passage of S. 708 on November 23, 1981, was significant for its extensive hearings and bipartisan approach to the problem. That bipartisan spirit was attributable directly to the efforts of the Senator from Wisconsin (Mr. PROXMIRE) who, despite his misgivings about the bill cooperated with the committee in developing a fair and thoroughly researched compromise.

The committee held 5 days of hearings spanning 3 months and including 29 witnesses. Most significant, every witness requested by the minority was invited to appear. Some declined, but I do not think anyone can argue the hearings did not fully represent all sides of this issue or that the requests of opponents of the bill were not honored.

Additionally, at the request of the minority, we postponed markup on the bill for 6 weeks to permit all Members to better study the complex issues raised by the bill. During that time, the staff, in consultation with Senator D'AMATO and myself, developed a committee print which made a number of changes in S. 708 to accommodate concerns raised by the minority and correct drafting errors. Ultimately the committee print was adopted—by a bipartisan vote—and the bill reported with an additional clarifying amendment. On November 23, 1981, the Senate passed sequence of events was partially repeated in 1983 when the Banking Committee reported the same bill the Senate had previously passed. Unfortunately, other committee priorities, particularly the Export Administration Act, prevented full Senate consideration of the bill.

Our motivation in pursuing this bill is related to the serious deficiencies in present law. In the accounting section, present law potentially makes a corporation liable for the smallest accounting error—whether material or not, whether intentional or not, whether related to a corrupt payment or not. In fact, as the legislative history of this section makes clear, it is not an anticorruption section at all, but rather broad authority for the SEC to prosecute books and records errors.

In the words of former SEC Chairman Harold Williams in a policy statement discussing the accounting provisions:

> The anxieties created by the Foreign Corrupt Practices Act—among men and women of utmost good faith—have been, in my experience, without equal.

The other major difficulty of present law relates to its language concerning the relationship between a corporation and a third party, usually an agent, when it is the latter that actually makes the prohibited payment. This is a central issue because in many countries, foreign companies are either required by law or encouraged by custom and other means to deal with the Government through a national of that country.

In other countries where the bureaucracy is complex or corrupt, or where the language or social customs are difficult for westerners, it is clearly in a U.S. company's interest to employ an agent. Smaller businesses tend to be particularly dependent upon agents in their overseas activities, since they do not have the resources to establish their own offices.

Present law defines the company-agent relationship by making the company liable if it knows or has reason to know that the agent has made a corrupt payment. The reason-to-know language has been the source of the greatest uncertainty, complicated by the absence of useful guidance from the SEC or the Justice Department as to what the term might mean. This has led to assertions of breadth of coverage which themselves are breathtaking and which would totally cripple U.S. corporate activities in certain countries, were the law aggressively enforced in that way.

It is of small comfort to an executive when his lawyer tells him he may be liable under the law—personally and corporately—but not to worry because the Government may not prosecute, or if it does, he might not be convicted. The executive's obligation to himself and his company is to avoid uncertainty, avoid publicity, and avoid the time and expense of a lengthy investigation or court case.

Let me say, Mr. President, it would have been far easier to resolve some of these issues with calculated ambiguities but, frankly, if there is one criticism of Congress that probably is valid, it is that too often, Congress, in trying to compose differences, has left areas of ambiguity that have been counterproductive for all sides. This bill, Mr. President, instead confronts the issues directly and provides the greatest guidance possible to businesses which have to live with this statute on a day-to-day basis. I think the result will be a clearer law and, because of that, a better law. I believe that to be the case from the viewpoint of people on all sides of this issue. It is my hope that my colleagues will share my view of the bill's merits, but I have no expectation that this bill will be approved unanimously. I do, however, want to make clear our intent. Very simply, what we are trying to do is not weaken this law but clarify it. We are not reopening the door to corrupt payments. We are eliminating doubt as to what constitutes a corrupt payment and when a corporation is liable.

As Senators know, this bill, despite our hard work, was not passed by the House, nor even reported by the committees of jurisdiction. Throughout the latter part of 1982, however, a substantial effort was made to reach compromise with Congressman WIRTH, the chairman of one of the subcommittees to which the bill was referred. That effort, unfortunately was unsuccessful, despite considerable work in proposing various formulations by the Senator from Rhode Island [Mr. CHAFEE]. In the end we were unable to convince Congressman WIRTH of the urgency and importance of this matter and of the need to enact amendments free of ambiguous words and concepts. We did, however, have a constructive dialog and were able to narrow our differences. With the help of Senator CHAFEE and Senator D'AMATO I look forward to a continuation of that dialog. I expect a number of the changes we negotiated ultimately to find their way into this bill, and I anticipate further changes will be made as well as we attempt to develop the clearest and most precise legislation so as to best guide American businessmen operating abroad.

Our introduction of this bill at this time, Mr. President, signals our commitment to begin this process again. These amendments remain an administration priority, and they remain a business priority. Action on the bill is essential, and we will find a way to act as soon as possible. I expect the committee shortly to schedule a hearing on the bill and to proceed to markup soon afterward. I expect the bill soon to be on the Senate floor.

Mr. President, I ask that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 430

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Business Accounting and Foreign Trade Simplification Act".

FINDINGS AND CONCLUSIONS

SEC. 2. (a) The Congress finds that—

(1) the enactment of the Foreign Corrupt Practices Act of 1977 was a positive and significant step toward the important objective of prohibiting bribery of foreign government officials by United States companies in order to obtain, retain, or direct business;

(2) the Foreign Corrupt Practices Act of 1977 has caused unnecessary concern among existing and potential exporters as to the scope of legitimate overseas business activities;

(3) the accounting standards requirements of the Foreign Corrupt Practices Act of 1977, which apply to all issuers of securities irrespective of whether they have foreign operations, are unclear and excessive and have caused costly and unnecessary paperwork burdens;

(4) United States agencies responsible for enforcement of the Foreign Corrupt Practices Act of 1977 have not sufficiently coordinated interpretation and enforcement practices with other agencies responsible for international trade policy, export promotion, foreign policy, international monetary policy, and other related civil and criminal statutes; and

(5) it is in the best interests of all countries to maintain responsible standards of corporate conduct in foreign markets to preserve free and equitable trading practices.

(b) The Congress concludes that—

(1) the principle objectives of the Foreign Corrupt Practices Act of 1977 are desirable, beneficial, and important to our Nation as well as to our relationships with our trading partners, and these objectives should remain the central intent of the Act;

(2) exporters should not be subject to unclear, conflicting, and potentially damaging demands by diverse United States agencies responsible for enforcement of the Foreign Corrupt Practices Act of 1977;

(3) general compliance and enforcement practices associated with the Foreign Corrupt Practices Act of 1977 should be developed in accordance with considerations underlying foreign relations, international trade, export promotion, international monetary policy, and other related civil and criminal statutes; and

(4) a solution to the problem of corrupt payments by firms to obtain or retain business demands and international approach; accordingly, appropriate international agreements should be initiated and sought by the United States agencies responsible for trade agreements and by the President.

AMENDMENT OF SHORT TITLE

SEC. 3. Section 101 of the Foreign Corrupt Practices Act of 1977 is amended to read as follows:

"SHORT TITLE

"SEC. 101. This title may be cited as the 'Business Practices and Records Act'.".

ACCOUNTING STANDARDS

SEC. 4. (a) Section 13(b)(2) of the Securities Exchange Act of 1934 is amended to read as follows:

"(2) Every issuer which has a class of securities registered pursuant to section 12 of this title and every issuer which is required to file reports pursuant to section 15(d) of this title shall devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that—

"(A) transactions are executed in accordance with management's general or specific authorization;

"(B) transactions are recorded as necessary (i) to permit preparation of financial statements in conformity with generally accepted accounting prinicples or any other criteria applicable to such statements, and (ii) to maintain accountability for assets;

"(C) access to assets is permitted only in accordance with management's general or specific authorization;

"(D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and

"(E) for the purposes of subparagraphs (A) through (D) of this paragraph, the issuer makes and keeps books, accounting records, and accounts which, in reasonable detail, accurately and fairly reflect the

transactions and dispositions of the assets of the issuer.".

(b) Section 13(b) of the Securities Exchange Act of 1934 is amended by adding at the end thereof the following:

"(4) No criminal liability shall be imposed for failing to comply with the requirements of paragraph (2) of this subsection.

"(5) No civil injunctive relief shall be imposed with respect to—

"(A) any issuer for failing to comply with the requirements of paragraph (2) of this subsection if such issuer shall show that it acted in good faith in attempting to comply with such requirements; or

"(B) any person other than an issuer, in connection with an issuer's failure to comply with paragraph (2), unless such person knowingly caused the issuer to fail to devise or maintain a system of internal accounting controls that complies with paragraph (2).

"(6) No person shall knowingly circumvent a system of internal accounting controls established pursuant to paragraph (2) for a purpose inconsistent with paragraph (2).

"(7) Where an issuer which has a class of securities registered pursuant to section 12 of this title or an issuer which is required to file reports pursuant to section 15(d) of this title holds 50 per centum or less of the voting power with respect to a domestic or foreign firm, the provisions of paragraph (2) require only that the issuer proceed in good faith to use its influence, to the extent reasonable under the issuer's circumstances, including the relative degree of its ownership over the domestic or foreign firm and under the laws and practices governing the business operations of the country in which such firm is located, to cause such domestic or foreign firm to devise and maintain a system of internal accounting controls consistent with paragraph (2). Such an issuer shall be conclusively presumed to have complied with the provisions of paragraph (2) by demonstrating good faith efforts to use such influence.".

REPEALER; NEW BRIBERY PROVISION

SEC. 5. (a)(1) Section 30A of the Securities Exchange Act of 1934 is repealed.

(2) Section 32 of such Act is amended—

(A) by striking out "(other than section 30A)" in subsection (a); and

(B) by striking out subsection (c).

(b) Section 104 of the Business Practices and Records Act is amended to read as follows:

"FOREIGN PAYMENTS

"SEC. 104. (a) It shall be unlawful for any domestic concern, or any officer, director, employee, or shareholder thereof acting on behalf of such domestic concern, to make use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of a payment, gift, offer, or promise, directly or indirectly, of anything of value to any foreign official for the purpose of—

"(1) influencing any act or decision of such foreign official in his official capacity, or inducing such foreign official to do or omit to do any act in violation of his legal duty as a foreign official; or

"(2) inducing such foreign official to use his influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality;

in order to assist such domestic concern in obtaining or retaining business for or with, or directing business to, any person.

"(b) It shall be unlawful for any domestic concern, or any officer, director or employee, or shareholder thereof acting on behalf of such domestic concern to make use of the mails or any means or instrumentality of interstate commerce corruptly to direct or authorize, expressly or by a course of conduct, a third party in furtherance of a payment, gift, offer, or promise of anything of value to a foreign official for any of the purposes set forth in subsection (a).

"(c) Subsections (a) and (b) shall not apply to—

"(1) any facilitating or expediting payment to a foreign official the purpose of which is to expedite or to secure the performance of a routine governmental action by a foreign official;

"(2) any payment, gift, offer, or promise of anything of value to a foreign official which is lawful under the law and regulations of the foreign official's country;

"(3) any payment, gift, offer, or promise of anything of value which constitutes a courtesy, a token of regard or esteem, or in return for hospitality;

"(4) any expenditures, including travel and lodging expenses, associated with the selling or purchasing of goods or services or with the demonstration or explanation of products; or

"(5) any ordinary expenditures, including travel and lodging expenses, associated with the performance of a contract with a foreign government or agency thereof.

"(d)(1)(A) Except as provided in subparagraph (B), any domestic concern which violates subsection (a) or (b) shall, upon conviction, be fined not more than $1,000,000.

"(B) Any individual who is a domestic concern and who willfully violates subsection (a) or (b) shall, upon conviction, be fined not more than $10,000, or imprisoned not more than five years, or both.

"(2) Any officer or director of a domestic concern, or stockholder acting on behalf of such domestic concern, who willfully violates subsection (a) or (b) shall, upon conviction, be fined not more than $10,000, or imprisoned not more than five years or both.

"(3) Whenever a domestic concern is found to have violated subsection (a) or (b) of this section, any employee of such domestic concern who is a United States citizen, national, or resident or is otherwise subject to the jurisdiction of the United States (other than an officer, director, or stockholder acting on behalf of such domestic concern), and who willfully carried out the act or practice constituting such violation shall, upon conviction, be fined not more than $10,000, or imprisoned not more than five years, or both.

"(4) Whenever a fine is imposed under paragraph (2) or (3) of this subsection upon any officer, director, employee, or stockholder of a domestic concern, such fine shall not be paid, directly or indirectly, by such domestic concern.

"(e)(1) When it appears to the Attorney General that any domestic concern, or officer, director, employee, or stockholder thereof, is engaged, or is about to engage, in any act or practice constituting a violation of subsection (a) or (b) of this section, the Attorney General may, in his discretion, bring a civil action in an appropriate district court of the United States to enjoin such act or practice, and upon a proper showing, a permanent or temporary injunction or a temporary restraining order shall be granted without bond.

"(2) For the purpose of all civil investigations which, in the opinion of the Attorney General, are necessary and proper for the enforcement of this Act, the Attorney General or any attorney or attorneys of the Department of Justice designated by him are empowered to administer oaths and affirmations, subpena witnesses, take evidence, and require the production of any books, papers, or other documents which the Attorney General deems relevant or material to the inquiry. Such attendance of witnesses and the production of such documentary evidence may be required from any place in the United States, or any territory, possession, or commonwealth of the United States, at any designated place of hearing.

"(3) In case of contumacy by, or refusal to obey a subpena issued to, any person, the Attorney General may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, or other documents. Any such court may issue an order requiring such person to appear before the Attorney General or attorney designated by the Attorney General, there to produce records, if so ordered, or to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found. The Attorney General shall have the power to make such rules relating to civil investigations as may be necessary or appropriate to implement the provisions of this subsection.

"(f) As used in this section—

"(1) The term 'domestic concern' means (A) any individual who is a citizen, national, or resident of the United States; or (B) any corporation, partnership, association, joint-stock company, business trust, unincorporated organization, or sole proprietorship which has its principal place of business in the United States, which is organized under the laws of a State of the United States or a territory, possession, or commonwealth of the United States, which has a class of securities registered pursuant to section 12 of the Securities Exchange Act of 1934, or which is required to file reports under section 15(d) of the Securities Exchange Act of 1934.

"(2) The term 'foreign official' means (A) any officer or employee of a foreign government or any department, agency, or instrumentality thereof, or any person acting in an official capacity for or on behalf of any such government or department, agency, or instrumentality; or (B) any foreign political party or official thereof or any candidate for foreign political office.".

DEFINITIONS

SEC. 6. Section 13(b) of the Securities Exchange Act of 1934 is amended by adding at the end thereof the following:

"(6) For the purpose of this section, the terms 'reasonable assurances' and 'reasonable detail' mean such level of detail and degree of assurance as would satisfy prudent individuals in the conduct of their own affairs, having in mind a comparison between benefits to be obtained and costs to be incurred in obtaining such benefits.".

EXCLUSIVITY PROVISION FOR OVERSEAS BRIBERY

SEC. 7. No criminal action pursuant to section 1341 or 1343 of title 18, United States

Code, may be brought against a domestic concern, its officers, directors, employees, or any shareholders thereof acting on behalf of such domestic concern for a payment, gift, offer, or promise to a foreign official based upon the theory that the foreign official or the domestic concern violated a duty to or defrauded the foreign government or the citizens of a foreign country.

AUTHORITY TO ISSUE GUIDELINES

SEC. 8. Title I of the Business Practices and Records Act is amended by adding at the end thereof the following:

"GUIDELINES AND GENERAL PROCEDURES FOR COMPLIANCE

"SEC. 105. (a) Not later than six months after the date of enactment of this section, the Attorney General, after consultation with the United States Trade Representative, the Secretary of State, the Secretary of Commerce, and the Secretary of the Treasury, and after consultation with representatives of the business community and the interested public through public notice and comment and in public hearings, shall determine to what extent the business community would be assisted by further clarification of section 104 of this Act and shall, based on such determination and to the extent necessary and appropriate, have the authority to issue—

"(1) guidelines describing specific types of conduct associated with common types of export sales arrangements and business contracts which the Attorney General determines constitute compliance with the provisions of section 104 of this Act; and

"(2) general precautionary procedures which issuers or domestic concerns may use on a voluntary basis to ensure compliance with this Act, and to create a rebuttable presumption of compliance with this Act.

The guidelines and procedures referred to in the preceding sentence shall be issued in accordance with sections 551 through 557 of title 5, United States Code.

"(b) The Attorney General, after consultation with other Federal agencies and representatives from the business community, shall establish a Business Practices and Records Act Review Procedure for the purposes of providing responses to specific inquiries concerning enforcement intentions under this Act. The Attorney General shall issue opinions, within thirty days, in response to requests from domestic concerns, regarding compliance with the requirements of the provisions of section 104 of this Act. An opinion that certain prospective conduct does not involve a violation shall be final and binding on all parties, subject to the discovery of new evidence. When appropriate, and at reasonable intervals, the responses derived from the review procedure will be reviewed by the Attorney General to determine whether such compilation of responses should be included in a new guideline pursuant to subsection (a).

"(c) Any document or other material provided to, received by, or prepared in the Department of Justice, or any other department or agency of the United States Government, in connection with a request by a domestic concern for a statement of present enforcement intentions under the Business Practices and Records Act Review Procedure pursuant to subsection (b) of this section, or in connection with any investigations conducted to enforce this Act, shall be exempt from disclosure under section 552 of title 5, United States Code, regardless of whether the Department responds to such a request or the applicant withdraws such request prior to receiving a response. The Attorney General shall protect the privacy of each applicant, and shall adopt rules assuring that materials, documents, and information submitted in connection with a review procedure request will be kept confidential and will not be used for any purpose that would unnecessarily discourage use of the review procedure. The review procedure shall be developed and instituted in accordance with section 551 through 557 and 701 through 706 of title 5, United States Code.

"(d) The Attorney General shall make a special effort to provide timely compliance guidance to potential exporters, and smaller businesses, who as a practical matter are unable to obtain specialized counsel on issues pertaining to this Act. Such assistance shall be limited to requests for enforcement intention disclosures provided for under this Act, and general explanations of compliance responsibilities and of potential liabilities under the Act.

"(e)(1) On September 1 of each year the Attorney General shall transmit to the Congress and make public a detailed report on all actions which the Department of Justice has taken pursuant to this Act, along with its views on problems associated with implementation, its plan for the next fiscal year to further implement the Act, and recommendations for amendments.

"(2) On September 1 of each year the Chairman of the Securities and Exchange Commission shall file with the Congress a detailed report on all actions which the Commission has taken pursuant to section 13(b) of the Securities Exchange Act, its views on problems associated with implementation, its plans for the next fiscal year to further implement such section, and its recommendations for amendment.".

INTERNATIONAL AGREEMENTS

SEC. 9. (a) It is the sense of the Congress that the President should pursue the negotiation of an international agreement among the largest possible number of nations on illicit payments, including a process by which problems and conflicts associated with such practices could be resolved.

(b) Within one year after the date of enactment of this Act, the President shall report to Congress on—

(1) the progress of the negotiations referred to in subsection (a);

(2) those steps which the administration and Congress should consider taking in the event that these negotiations do not successfully eliminate the competitive disadvantage of United States business; and

(3) possible actions that could be taken to promote cooperation by other nations in international efforts to prevent bribery of foreign officials, candidates, or parties in third countries.

This report shall also include recommendations for any new legislation required to give the President authority to take appropriate action to achieve such objectives. The report shall contain an anlaysis of the potential effect on the interests of the United States including United States national security of the corruption of foreign officials and political leaders in connection with international business transactions involving persons and business enterprises of other nations. In addition, the report shall assess the current and future rule in curtailing such corruption of private initiatives such as the Recommendations to Government and Rules of Conduct to Combat Extortion and Bribery developed by the International Chamber of Commerce.●

● Mr. CHAFEE. Mr. President, I am pleased to join my colleagues, Senators HEINZ, GARN, and D'AMATO in introducing the Business Accounting and Foreign Trade Simplification Act.

This bill is identical to the Senate-passed version of S. 708, a bill which I authored and introduced in the 97th Congress.

Mr. President, I have been committed to achieving these vital changes in the Foreign Corrupt Practices Act for 4 years now. The changes this bill makes in the Foreign Corrupt Practices Act are critical to maintaining our position in the world export market. Ambassador Brock, U.S. Trade Representative, has referred to the need for these changes as being at least as great as the need for addressing foreign subsidies, local content laws, hidden taxes, or nontariff barriers.

Mr. President, this bill is intended to preserve the purposes of the Foreign Corrupt Practices Act—that is, putting an end to large-scale bribery of foreign officials by American corporations. What we propose is to reduce some of the confusion that the act has generated. The bill had had strong support from the business community, the agencies responsible for its enforcement, the administration, and other Members of Congress from both political parties.

Specifically, the bill would do as follows:

First, change the name of the act: The Foreign Corrupt Practices Act would become the Business Practices and Records Act. This reflects the fact that the accounting standards are not limited to international companies or transactions. It also would not make a presumption that corruption exists.

Second, enforcement: With regard to the bribery provisions, the Department of Justice, which has sole jurisdiction under the FCPA for criminal enforcement of both privately and publicly held companies and civil enforcement of privately held companies, would be given sole jurisdiction of civil enforcement for publicly held companies as well. Thus, any company with questions about the bribery provisions could get them answered in one place. The Securities and Exchange Commission would retain responsibility for civil enforcement of the accounting standards provisions.

Third, bribery provision: Congress made clear its intent to exclude so-called facilitating payments from the reach of the Foreign Corrupt Practices Act. However, the statute is not clear as to what constitutes such payments. They are defined as payments to secure or expedite the performance of a routine governmental action as distinguished from action involving the exercise of discretion. The reference to the exercise of judgment is also delet-

ed. Payments which are lawful in the country where they are made, and which are intended to secure prompt performance of a foreign official's duties, would not be actionable under this bill. There is also a clarifying exclusion for token courtesy gifts and incidental benefits received by foreign officials in the course of marketing activities or product presentations.

The bill also makes it clear that there is no violation in making payment if they are legal under the laws and regulations of the foreign country involved.

Under the Foreign Corrupt Practices Act, companies are liable if they have a reason to know that a bribe may be paid by a third party or intermediary. This provision was identified in the 1980 executive branch study of export disincentives as the area of greatest concern to business. The bill replaces this provision with language that makes U.S. companies liable if they corruptly pay a bribe directly or if they directed or authorized the bribe expressly or by a course of conduct.

Fourth, accounting standards: The books and records provision is deleted. The bill also defines the terms "reasonable assurances" and "reasonable detail," which exist in the current law. Thus, it is made explicit that the use of cost/benefit evaluation is to be applied to internal accounting controls. This makes it clear that companies are not expected to design control systems whose costs exceed the benefit to the companies and to their stockholders. Currently, the Securities and Exchange Commission says the cost/benefit evaluation is to be applied. But the law does not say so. The bill would put it into the law.

Fifth, international agreement: This bill contains extensive provisions on the desirability of international agreements to establish standards for international business practices. The President would be required to submit a report to Congress within 1 year of enactment of this legislation explaining steps that the United States could take to promote cooperation by other countries to prevent bribery.

Let us not waste another Congress, another year, or another month. We are losing overseas business and jobs each day we delay. U.S. Trade Representative Brock has testified before the Senate that this law alone has cost U.S. industry billions of dollars in sales and thousands of jobs. Our mounting trade deficit makes further delay unjustifiable.

In countries such as Indonesia, and the Philippines, U.S. companies are hamstrung by the fact that Japanese and South Korean firms frequently make large payments or provide special deals to local officials or businessmen in return for import licenses or approval of investments. Such payments are subject to stiff penalties under the U.S. law.

I am certainly not advocating bribery but as presently worded, the law is vague and cumbersome and has become a severe impediment to American trade.

I do hope that the House Subcommittee on Telecommunications, Consumer Protection, and Finance will produce a bill this spring so as to make full congressional approval a reality before the end of this year. Action of this matter is long overdue.

I remain committed to the enactment of this bill and will do all I can to achieve that goal this year.●

● Mr. D'AMATO. Mr. President, today, the Business Accounting and Foreign Trade Simplification Act, a bill which would amend and clarify the Foreign Corrupt Practices Act of 1977, is being reintroduced and I am pleased to be an original cosponsor.

The Foreign Corrupt Practices Act was enacted to prevent U.S. corporations from committing acts of bribery outside the boundaries of the United States. Certainly no one will disagree with the spirit of the Foreign Corrupt Practices Act; however, some of the provisions of the act tended to have a chilling effect on legitimate international business operations of some of our domestic companies. At times, the Foreign Corrupt Practices Act has caused confusion when corporations have attempted to comply with its overbroad prohibitions and unclear accounting standards. The Business Accounting and Foreign Trade Simplification Act will remedy this by narrowing some of the prohibitions and by providing a clearer standard regarding the state of mind of the person committing the violative act.

During the 97th Congress, Senator HEINZ held hearings on the Business Accounting and Foreign Trade Simplification Act in the International Finance and Monetary Policy Subcommittee of which he is the chairman, while I conducted hearings in the Securities Subcommittee regarding the enforcement standards for the accounting sections of the FCPA which are administered by the SEC. These hearings made a compelling case for passage of this legislation; and the Senate wisely passed S. 708 in the 97th Congress. Joint hearings were held between Senator HEINZ and myself; however, we were unable to enact S. 414 in the 98th Congress. I am hopeful that we can expedite consideration and send the bill to the House of Representatives so that the Foreign Corrupt Practices Act no longer puts a damper on American corporations doing business abroad.

In today's economy, we need to encourage international trade rather than hamper it with ambiguous laws.●

By Mr. KENNEDY (for himself, Mr. WEICKER, Mr. CRANSTON, Mr. MATHIAS, Mr. LEAHY, Mr. PACKWOOD, Mr. METZENBAUM, Mr. STAFFORD, Mr. PELL, Mr. CHAFEE, Mr. SIMON, Mr. DURENBERGER, Mr. BIDEN, Mr. ANDREWS, Mr. MOYNIHAN, Mr. BAUCUS, Mr. BENTSEN, Mr. BINGAMAN, Mr. BRADLEY, Mr. BURDICK, Mr. CHILES, Mr. COHEN, Mr. DIXON, Mr. DODD, Mr. EAGLETON, Mr. EVANS, Mr. EXON, Mr. GLENN, Mr. GORE, Mr. HARKIN, Mr. HART, Mr. HOLLINGS, Mr. INOUYE, Mr. KERRY, Mr. LAUTENBERG, Mr. LEVIN, Mr. MATSUNAGA, Mr. MELCHER, Mr. PROXMIRE, Mr. RIEGLE, Mr. ROCKEFELLER, Mr. SARBANES, Mr. SPECTER, Mr. MITCHELL, Mr. DECONCINI, and Mr. JOHNSTON):

S. 431. A bill to restore the broad scope of coverage and to clarify the application of title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964; to the Committee on Labor and Human Resources.

CIVIL RIGHTS RESTORATION ACT

Mr. KENNEDY. Mr. President, today Senator WEICKER and I, together with 42 of our Senate colleagues, are introducing legislation that will complete the most important unfinished business of the past Congress and restore the full force and effectiveness of our Nation's civil rights laws.

Last October, a small minority used a filibuster to prevent the Senate from enacting legislation designed to reaffirm that Federal financial assistance may not be used to support discrimination against any person on the basis of race, color, national origin, sex, disability, or age. That legislation was designed to undo the unfortunate consequences of the Supreme Court's decision last year in *Grove City College* v. *Bell*, 104 S. Ct. 1211 (1984), which left a serious loophole in the four basic laws that protect millions of women, the elderly, minorities, and the handicapped from discrimination.

This year we are introducing the Civil Rights Restoration Act of 1985, which will reverse that decision—and all of its effects—and restore title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975 to the broad scope of coverage which characterized their application under the four prior administrations.

WHY THIS LEGISLATION IS NECESSARY

In Grove City the Supreme Court dramatically narrowed title IX's prohibition against sex discrimination in

education. While the Court held unanimously that Grove City is a recipient of Federal financial assistance because of basic educational opportunity grants [BEOG] provided to its students, a 6-to-3 majority construed title IX's "program or activity" language to reach only the school's student financial aid office. As a result, many schools throughout the country are now free to discriminate in many, if not all, of their course offerings, extracurricular activities, or student programs and effective enforcement has become virtually impossible. During the last year, the Department of Education alone halted work on over 60 cases involving educational institutions and is in the process of reviewing many more.

But title IX is only one of four major civil rights laws that prohibit discrimination by those receiving Federal funds. Congress expressly modeled title IX after title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race or national origin. Similarly, section 504 of the 1973 Rehabilitation Act and the Age Discrimination Act of 1975 contain the same "program or activity" language. Each of these statutes is therefore susceptible to the same limitation applied to education in Grove City. In fact, the Supreme Court clearly indicated its intention to apply the Grove City reasoning to the other statutes in deciding a section 504 case on the same day Grove City was handed down, *Consolidated Rail Corp.* v. *Darrone,* 104 S. Ct. 1248 (1984). And the administration has proceeded to apply Grove City to these other laws. The Department of Education has not only dropped title IX cases, but also cases under title VI, section 504, and the Age Discrimination Act.

Similarly, while title IX is limited to discrimination in education and while the Grove City case dealt with a college, it is clear that the Court's restrictive interpretation of "program and activity" is applicable to noneducation institutions as well. Thus, restoration of a broad interpretation "program or activity" must reach beyond education to forestall Federal funding of discrimination in such areas as health, transportation, social service, and economic development. The Darrone case, for example, applied Grove City to a section 504 case dealing with employment by a railroad. And Assistant Attorney General for Civil Rights William Bradford Reynolds has stated that from the outset that he intends to apply to the Grove City holding to other civil rights laws in all of the areas they cover.

In short, unless we amend all four laws, we cannot eliminate all of the effects of the Grove City case and will not restore these laws to the broad scope of coverage and protection which Congress originally intended and which characterized their administration for over 20 years.

WHAT THE BILL DOES

Coverage. The Civil Rights Restoration Act of 1985 amends each of the affected statutes by adding a section defining the phrase "program or activity" to make clear that discrimination is prohibited throughout entire agencies or institutions if any part receives Federal financial assistance. Thus, the language of the statutes will conform to the enforcement practices of previous Republican and Democratic administrations.

The definition of "program or activity" contains four applications of the principle of institution-wide coverage:

First, the operations of a department or agency of a State or local government are covered when Federal funds are extended to any part of the department or agency. For example, if Federal health assistance is extended to a part of the State health department, the entire health department would be covered in all of its operations. In the case of assistance to a State or local government, as distinguished from aid to a designated department or agency, the particular entity that distributes the Federal assistance is covered as well as any departments or agencies to which the assistance goes. For example, if the office of a mayor receives Federal financial assistance and distributes it to local departments or agencies, all of the operations of the mayor's office are covered along with the departments or agencies which actually get the aid.

Second, both individual universities and systems of higher education are covered in their entirety if any part receives Federal financial assistance. Under the bill, if a part of a university receives Federal aid, the entire university is covered. When a campus which is part of a "system of higher education" is receiving Federal financial assistance, then the entire system of which the campus is a part is covered.

Under the bill, local education agencies and other school systems are covered entirely when any part receives Federal funds. "Local education agency" is defined in the manner set forth in section 198(a)(10) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2854(a)(10)) and includes any agency, such as a board of education, with administrative control and direction over a public elementary or secondary school or group of schools, and the schools themselves.

Third, corporations, partnerships, and other private organizations which receive Federal financial assistance also are fully covered by the nondiscrimination requirements. For example, if a private hospital corporation gets Federal assistance for its emergency room, all of the operations of the hospital, including, for example, the operating rooms, pediatrics department, admissions and discharge offices are covered.

Fourth, appropriate applications of the institution-wide principle must be made to determine coverage of entities not specifically listed. Thus, for example, a college which receives any Federal assistance would be covered in its entirety. A local water district which receives aid would be covered in its entirety just as a water department of a State or local government would be. And an individual who gets a Federal research grant would be required not to discriminate just as a group of individuals in a private organization would be.

Enforcement. The enforcement section of each statute is also amended to include the same proposal on fund termination that was in last year's bill.

The reason for this change lies in the sponsors' determination to maintain a distinction that was the essence of these four laws prior to Grove City—a distinction between broad institutionwide coverage on the one hand and effective, but narrowly targeted fund termination, on the other.

Though Grove City did not deal expressly with the fund termination issue we have changed the language because dictum in *North Haven Board of Education* v. *Bell,* 546 U.S. 512 (1982), might permit opponents of this legislation to argue that leaving the language unamended could well result in a broadening of fund termination.

The new fund termination language assures that the prior practice will be maintained. Fund termination will continue to be applied as a last resort after efforts to achieve voluntary compliance have failed. Other enforcement provisions remain unchanged. Funding agencies will continue to have the option of securing enforcement through referral to the Department of Justice for suit. The right of individuals to sue privately also is undisturbed.

WHAT THE NEW LEGISLATION DOES NOT DO

The Civil Rights Restoration Act of 1985 will not create any new obligations for those who receive Federal assistance.

The regulatory definition of who or what is a "recipient" of Federal financial assistance under these laws remains unchanged and the bill does not require any changes in it. For example, entities or persons, such as farmers, which were determined not to be recipients under prior law because they were the ultimate beneficiaries of Federal assistance would not have their status changed.

The constitutionally and statutorily protected rights of private individuals and organizations are not affected by the bill. All existing exemptions, including the title IX "religious tenet" exemption would be preserved.

HOW THE BILL DIFFERS FROM LAST YEAR'S BILL

The bill we are introducing today achieves the institutionwide coverage which was the purpose of the measure that passed the House of Representatives last year and was almost adopted by the Senate. Like its predecessor, this bill amends all four statutes in exactly the same way. However, in order to answer the criticism that last year's bill was too complex and, therefore, unclear, this year we have taken a different approach.

Last Year, S. 2568 would have deleted the term "program or activity" from the four civil rights statutes and replaced it with the term "recipient" defined along the lines of the definitions of that term in the implementing regulations. Opponents of retaining the laws' vitality used the lengthy recipient definition to raise many questions and charges of ambiguity. By retaining the term "program or activity" and explicitly defining its meaning in the major contexts where the law is applied, no valid charges of ambiguity can now be raised.

Mr. President, no Congress that adheres to the principle of equal justice under law can permit the Grove City College decision to stand. I welcome Senator DOLE's initiative in introducing his own legislation because it indicates that the Grove City issue will be a high priority in the 99th Congress. But, his bill is not an adequate response to the problems created by Grove City. Proposals that would restore the law only for certain beneficiaries of Federal aid, and leave millions of others subject to discrimination are simply unacceptable. We will also strongly resist attempts by the administration and opponents in Congress to misuse this important legislative initiative as an excuse to cut back on the protections of prior law.

Twenty years ago it was common practice for Federal aid to be used to support racially segregated schools and medical facilities. Women were systematically excluded from professional schools. And scant attention was paid to the special needs of the disabled and senior citizens. Today, because of these statutes and Federal efforts to enforce them, substantial progress has been made. Further progress will not be possible unless we act to restore the full force and effect of the laws prohibiting bias because of race, sex, age, or handicap. That is our goal and intention.

I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 431

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Civil Rights Restoration Act of 1985".

FINDINGS OF CONGRESS

SEC. 2. The Congress finds that—

(1) certain aspects of recent decisions and opinions of the Supreme Court have unduly narrowed or cast doubt upon the broad application of title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964; and

(2) legislative action is necessary to restore the prior consistent and longstanding executive branch interpretation and broad, institutionwide application of those laws as previously administered.

EDUCATION AMENDMENTS AMENDMENT

SEC. 3. (a) Title IX of the Education Amendments of 1972 is amended by adding at the end the following new section:

"INTERPRETATION OF 'PROGRAM OR ACTIVITY'

"SEC. 909. For the purposes of this title, the term 'program or activity' means all of the operations of—

"(1)(A) a department or agency of a State or of a local government; or

"(B) the entity of such State or local government that distributes such assistance and each such department or agency (and each other entity) to which the assistance is extended, in the case of assistance to a State or local government;

"(2)(A) a university or a system of higher education; or

"(B) a local educational agency (as defined in section 198(a)(10) of the Elementary and Secondary Education Act of 1965) or other school system;

"(3) a corporation, partnership, or other private organization; or

"(4) any other entity determined in a manner consistent with the coverage provided with respect to entities described in paragraph (1), (2), or (3);

any part of which is extended Federal financial assistance.".

(b) The third sentence of section 902 of the Education Amendments of 1972 is amended—

(1) by striking out "program, or part thereof, in which" and inserting in lieu thereof "assistance which supports"; and

(2) by striking out "has been so found" and inserting in lieu thereof "so found".

REHABILITATION ACT AMENDMENT

SEC. 4. Section 504 of the Rehabilitation Act of 1973 is amended—

(1) by inserting "(a)" after "Sec. 504."; and

(2) by adding at the end the following new subsection:

"(b) For the purposes of this section, the term 'program or activity' means all of the operations of—

"(1)(A) a department or agency of a State or of a local government; or

"(B) the entity of such State or local government that distributes such assistance and each such department or agency (and each other entity) to which the assistance is extended, in the case of assistance to a State or local government;

"(2)(A) a university or a system of higher education; or

"(B) a local educational agency (as defined in section 198(a)(10) of the Elementary and Secondary Education Act of 1965) or other school system;

"(3) a corporation, partnership, or other private organization; or

"(4) any other entity determined in a manner consistent with the coverage provided with respect to entities described in paragraph (1), (2), or (3);

any part of which is extended Federal financial assistance.".

AGE DISCRIMINATION ACT AMENDMENT

SEC. 5. (a) Section 309 of the Age Discrimination Act of 1975 is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting "; and" in lieu thereof; and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) the term 'program or activity' means all of the operations of—

"(A)(i) a department or agency of a State or of a local government; or

"(ii) the entity of such State or local government that distributes such assistance and each such department or agency (and each other entity) to which the assistance is extended, in the case of assistance to a State or local government;

"(B)(i) a university or a system of higher education; or

"(ii) a local educational agency (as defined in section 198(a)(10) of the Elementary and Secondary Education Act of 1965) or other school system;

"(C) a corporation, partnership, or other private organization; or

"(D) any other entity determined in a manner consistent with the coverage provided with respect to entities described in subparagraph (A), (B), or (C);

any part of which is extended Federal financial assistance.".

(b) The second sentence of section 305(b) of the Age Discrimination Act of 1975 is amended by striking out "particular program or activity, or part of such program or activity, with respect to which such finding has been made" and inserting in lieu thereof "assistance which supports the noncompliance so found".

CIVIL RIGHTS ACT AMENDMENT

SEC. 6. (a) Title VI of the Civil Rights Act of 1964 is amended by adding at the end the following new section:

"SEC. 606. For the purposes of this title, the term 'program or activity' means all of the operations of—

"(1)(A) a department or agency of a State or of a local government; or

"(B) the entity of such State or local government that distributes such assistance and each such department or agency (and each other entity) to which the assistance is extended, in the case of assistance to a State or local government;

"(2)(A) a university or a system of higher education; or

"(B) a local educational agency (as defined in section 198(a)(10) of the Elementary and Secondary Education Act of 1965) or other school system;

"(3) a corporation, partnership, or other private organization; or

"(4) any other entity determined in a manner consistent with the coverage provided with respect to entities described in paragraph (1), (2), or (3);

any part of which is extended Federal financial assistance.".

(b) The third sentence of section 602 of the Civil Rights Act of 1964 is amended—

(1) by striking out "program, or part thereof, in which" in paragraph (1) and inserting in lieu thereof "assistance which supports"; and

(2) by striking out "has been so found" in paragraph (1) and inserting in lieu thereof "so found".

Mr. WEICKER. Mr. President, today I rise proudly with the Senator from Massachusetts and a bipartisan coalition of my colleagues to introduce the Civil Rights Restoration Act of 1985.

I believe that passage of the legislation we introduce today will be an important event in the historic struggle of the American people to bring all of our citizens—black and white, old and young, women and men, the handicapped and the able bodied—into full enjoyment of their God-given, inalienable rights. Previous generations of Americans have fought wars for that ideal. And we have fought and are still fighting against racism, sexism, and the attitudes that stereotype elderly and handicapped and relegate them to second-class citizenship. The American agenda includes more than budgets and tax cuts and national defense: it includes defense of the ideals which have made us great.

In order to give substance to those ideals, the Congress passed the four historic civil rights statutes: The Civil Rights Act of 1964; title IX, dealing with sex discrimination in education; section 504 of the Rehabilitation Act; and the Age Discrimination Act of 1975. As the pillars of our civil rights policy, they pledge that "no person shall * * * be excluded from participation in, be denied the benefits of, or be subjected to discrimination" in federally assisted programs on the basis of race, sex, handicap, or age. Those prohibitions, and the enforcement language which follows in the statutes, represent the most powerful tools available to us for ending discrimination and establishing civil rights. We act today to reaffirm our ideals by restoring those tools.

The Supreme Court, in Grove City versus Bell and other decisions, has wrongly interpreted what Congress clearly intended to do in those statutes. By narrowing the meaning of the term program or activity which occurs in nearly identical form in the four statutes, the Court has contracted the scope of coverage of these laws. Legislative history and subsequent administrative practice make clear that the Congress intended that entire institutions receiving Federal assistance are subject to scrutiny under the four statutes. Congress wanted to send a message: that there will be no Federal subsidy for discrimination. If some want to go ahead and discriminate, they must do it with their own resources, not with the taxpayers money.

It is therefore necessary at this point for the Congress to reassert what our intent was and is with respect to these four statutes, all of which use nearly identical program or activity language. In an attempt to address concerns raised about last year's version of this legislation, S. 2568, a simpler, cleaner approach has been adopted. This legislation provides a definition for the language narrowed by the Court to restore its original breadth and effect.

The definition of the term recipient, which was the core of S. 2568 and was used in lieu of the term "program or activity" is not included in this year's bill. Instead the term program or activity is explicitly defined. The legislation we introduce today sets out three important standards for determining coverage under the four statutes:

First, when a State or local government agency or department receives Federal funds, the entire agency or department is covered.

Second, when a university, higher education system, local education agency, or other elementary and secondary school system receives Federal funds, the entire entity is covered.

Third, when a corporation, partnership, or other private organization receives Federal funds, the entire entity is covered.

The same institutionwide principles used to determine coverage for the State and local government, educational institution and corporate categories are also used to determine coverage for any entity which does not fit one of these three categories.

The bill also makes clear that when a State or local government receives Federal financial assistance for distribution to agencies, only that unit—for example, the Governor's office—to which the funds were extended, and those agencies that actually receive funds, would be covered.

These standards are the sponsors' conception of what Congress originally intended and what was prior practice before Grove City.

The bill also includes last year's amendment to the enforcement sections of the four statutes which is designed to ensure that the pinpointed fund termination remedy is retained.

I am encouraged, Mr. President, by the fact that our majority leader has indicated that a civil rights bill of this kind is one of his top priorities for this session, his first as leader. He is part of a great tradition in the Republican party, stretching from Lincoln to the present day. Indeed, the passage of these historical civil rights statutes was due in no small part to our former colleagues Jacob Javits and Edward Brooke; three of these four statutes were signed into law by Republican Presidents. I welcome the cosponsorship of nine fellow Republicans in this effort. It is my hope, Mr. President, that we can move forward in a bipartisan spirit to address this urgent domestic priority.

Mr. President, the historic American march toward a society of freedom for all and equal opportunity stopped, in effect, when the Grove City decision was handed down. Congress must act to remedy that situation. The America that could be and to which we all aspire, suffers by our inaction. With the passage of this bill, the march resumes where it left off.

Mr. CRANSTON. Mr. President, I am proud to join the Senators from Massachusetts [Mr. KENNEDY], Connecticut [Mr. WEICKER], and Maryland [Mr. MATHIAS] as one of the principal sponsors of the proposed "Civil Rights Restoration Act of 1985." We are joined as principal sponsors by the Senators from Ohio [Mr. METZENBAUM], Oregon [Mr. PACKWOOD], and Vermont [Mr. LEAHY and Mr. STAFFORD]. Thirty-seven other Members of the Senate, representing both sides of the aisle, are cosponsoring this bill, the companion to H.R. 700, which on January 24 was introduced in the House of Representatives by my good friends and colleagues from California, Representative GUS HAWKINS and Representative DON EDWARDS, along with Representatives JAMES JEFFORDS and HAMILTON FISH, who are joined by a bipartisan group of 58 cosponsors.

INTRODUCTION

Mr. President, this legislation represents a truly nonpartisan effort to reiterate and reinforce our shared commitment to securing broad opportunities for all persons to participate in our society without being subjected to unjust discrimination. It is intended to restore the strength and vitality of four basic civil rights statutes—title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975—which were designed to guarantee that Federal funds would not be provided to entities which discriminate on the basis of race, color, national origin, sex, disability, or age. I was privileged to be involved in the development of the latter three of these statutes as a member of the Labor Committee in the seventies.

The Civil Rights Restoration Act of 1985 is about one issue, and one issue only—discrimination.

The question is whether funds of the Government of the United States should be used to support discrimination against various classes of individuals in our society. My answer is no.

Many of us thought we had answered that question once and for all with enactment of these civil rights laws.

It is very unfortunate that Congress must revisit these issues. But the Supreme Court's erroneous decision on February 28, 1984, in the case of Grove City College versus Bell, which I will describe in detail in a few moments, allows the rebuilding of walls of discrimination where Congress had torn them down years ago. Congress

had made it the law of the land that Federal financial assistance carries with it the legal duty not to discriminate on grounds of race, color, national origin, sex, handicap, or age. But, the decision in the Grove City case permits a college to receive Federal subsidies, in the form of student grants, that can be used in any or all of the college's departments and offices while leaving the college free to discriminate in all of its operations except its student aid office.

That was a novel, surprisingly narrow interpretation and an ominous precedent that threatens to restrict severely the coverage of the four major civil rights laws. The Supreme Court's holding and rationale in the Grove City case regarding the scope of title IX have already been applied by the Court in a handicap discrimination case, Consolidated Rail Corp. versus Darrone, known as the Conrail case, decided under section 504 on the same day as Grove City.

Our bill is designed to lift from the civil rights laws of our land the dark shadow cast by the Court's decisions and opinions in these two cases and the 1982 North Haven case and by the actions of the present administration in reliance on them. Our aim is to restore the enforcement of these statutes to the scope and force that existed under the previous administrations of Presidents Johnson, Nixon, Ford, and Carter, two Republicans and two Democrats.

Mr. President, the decisions issued on February 28 do not spell out all the possible implications of the Grove City decision's exceedingly narrow construction of student aid as Federal financial assistance for purposes of civil rights law coverage purposes. What those decisions clearly have done, however, is create confusion, provide an excuse for this administration to continue its efforts to emasculate civil rights enforcement activities, and pave the way for a great deal more, protracted litigation.

Although the February 28 decisions touch directly only on title IX and section 504, they cast a dark and ominous shadow over the scope of the other two major civil rights statutes—title VI and the Age Discrimination Act. Both these statutes contain language almost identical to that utilized in title IX and section 504. In the past, they have been applied and enforced in a similar manner. The individual responsible for the current administration's policies with respect to enforcement of civil rights laws—William Bradford Reynolds, Assistant Attorney General for Civil Rights—has indicated his view that the same policies applicable to title IX should be applied to enforcement of other nondiscrimination laws.

Spurred on by its anti-civil-rights victory in Grove City, the administration moved swiftly to implement its interpretation of the Supreme Court's decisions. For example, the Department of Education, which initially took steps to dismiss numerous pending sex and other discrimination complaints against education institutions on the grounds that the Department no longer had authority to proceed in them, is now holding in limbo approximately 40 cases under title IX, 13 under section 504, 2 under the Age Discrimination Act, and 4 under title VI.

It takes little imagination to foresee what other actions this administration will be taking to bring its civil rights enforcement activities—already so wanting—to a grinding halt.

In this context, Mr. President, the Grove City decision constitutes a tremendous setback for our efforts to ensure that all persons receive equal opportunities, irrespective of race, color, national origin, sex, disability, or age.

EFFORTS IN THE 98TH CONGRESS

Mr. President, immediately following the February 28, 1984, decision of the U.S. Supreme Court in the Grove City case, legislation, S. 2363, which I cosponsored, was introduced by the distinguished Senator from Oregon [Mr. PACKWOOD]. That bill was designed to reverse, with respect to title IX only, the holding in that case narrowing the scope of title IX. As I have noted, on the same day that the Court handed down the decision in the Grove City case regarding title IX, it indicated in the Conrail case that the rationale in the Grove City case with respect to the scope of title IX is equally applicable to handicap discrimination outlawed by section 504, of which I had been a principal Senate author. Thus, on March 8, joined by Senators STAFFORD, RIEGLE, and DODD, I introduced a bill, S. 2399, to reverse the aspect of the Conrail case making the restrictive Grove City reasoning applicable to section 504.

Concurrently, a number of us in both the House and Senate began work on a single measure to cover all four major civil rights statutes, not just the two statutes explicitly involved in the February 28 decisions.

That more comprehensive measure, of which I was pleased to be a principal sponsor, was introduced in the House and Senate on April 12, 1984, as H.R. 5490 and S. 2568, respectively. It was sponsored by 63 Members of the Senate with strong support from both sides of the aisle. In the House, support for the bill culminated in its passage on June 26 with an overwhelming bipartisan vote of 375 to 32. In the Senate, consideration was blocked by a handful of ardent opponents. In the closing days of the 98th Congress, after it had proved impossible to move the bill through the committee process, an effort was made to attach a modified version of S. 2568—amendment No. 5508—as a floor amendment to the must-pass fiscal year 1985 continuing resolution, House Joint Resolution 648. Despite initial victories in procedural test votes, the opponents, with the assistance of the former majority leader, were able to block the Senate from considering the legislation on its merits. At various points, efforts were made to break apart the coalition of civil rights organizations supporting the legislation by so-called compromise measures which—to note only two of their many flaws—would have affected only title IX or would have been limited to educational institutions alone, thereby not ensuring that other entities receiving Federal funds would be precluded from discriminating in various aspects of their operations.

Mr. President, these so-called compromises were unacceptable to the supporters of the 1984 legislation, both those inside and outside the Senate. We saw them for what they were—half-measures that, given the stated views of the administration now charged with civil rights enforcement and the unfortunate predilection of the Supreme Court toward narrow, twisted reading of these laws, would likely have left millions of Americans subject to unjust discrimination where the Congress had originally intended them to be protected.

RENEWED EFFORTS IN THE 99TH CONGRESS

Over the past several months, intensive deliberations have taken place to draft a new legislative proposal that would successfully withstand the spurious attacks that were launched against the 1984 civil rights bill in a concentrated effort to undercut the broad base of support which exists in this body and in the House and throughout this great Nation for our basic civil rights laws.

Mr. President, that broad base of support does exist. It is more than 20 years since the passage of title VI of the Civil Rights Act and a decade since enactment of the most recent of the four statutes, the Age Discrimination Act. These laws have worked. All Americans have benefited from a society where segregation and discrimination are not acceptable, and where the moral and legal force of our institutions, from the Federal Government down, is aligned against those who would drag us backward to the dark pages of our history where bigotry and prejudice were tolerated, by law and by custom.

Last year, we saw the forces that have persistently opposed this progress attempt to stir up every conceivable, groundless charge, ignite every possible fear, and drag every preposterous spectre across the path of the 1984 civil rights bill. Tragically, those tactics succeeded in delaying

Senate consideration of this important legislation until it became possible for the opponents to block its consideration on the merits in the closing hours of the 98th Congress. But what they won was only a delay. It was not a victory. They stopped the Senate last year from voting on that measure, but they failed to undermine the principle or our commitment to it.

I do not believe that those tactics will prevail again. This Senate will have the opportunity to stand up and record its vote on this issue. And it will, I am convinced, reaffirm the scope and strength of our Nation's commitment to civil rights.

Mr. President, we have struggled too long and we have traveled too far to allow a handful of individuals and organizations to turn back the clock on civil rights. Our Nation was founded on a dream of opportunity. It is a dream that must live for all Americans, not just for some.

SUPREME COURT DECISIONS AND OPINIONS

Mr. President, as section 2(1) of the bill would express as a congressional finding, "[C]ertain aspects of recent decisions and opinions of the Supreme Court have unduly narrowed or cast doubt upon the broad application of" the four major civil rights laws affected by this legislation. The three cases involved are *North Haven Board of Education* v. *Bell*, 456 U.S. 512 (1982), *Grove City College* v. *Bell*, 104 S. Ct. 1211 (1984), and *Consolidated Rail Corp.* v. *Darrone*, 104 S. Ct. 1248 (1984). Strangely, there is much that is good about the holdings and some parts of the opinions in these cases; there is also, in my opinion, some inexplicable lines of reasoning, analysis, and dictum. I will at a later date explain in detail where I believe the decisions and opinions are well founded and where I take exception to them.

PROGRESS UNDER THE FEDERAL CIVIL RIGHTS LAWS: TITLE VI

Mr. President, since the passage of title VI of the Civil Rights Act of 1964, we have seen enormous strides in eliminating unjust discrimination from our society. Just 20 years ago, many federally assisted programs still allowed segregated services and facilities. Many Federal agencies had played little or no part in the struggle against race discrimination. Prior to that time, Federal dollars went into the construction and operation of totally segregated schools. Federal funds were distributed to a host of programs which openly practiced discrimination against black Americans. Title VI has served as a strong and effective toll in bringing an end to these invidious practices.

TITLE IX

Title VI provided the model for passage of title IX of the Education Act of 1972 which forbids discrimination in education on the basis of sex. Like title VI, title IX has led to a tremendous change in the way educational institutions have dealt with students.

It is fair to say that before title IX was enacted, discrimination against women was widespread at virtually every level in education. Women were excluded from admission to publicly supported institutions, barred from certain courses of study, and denied equal access to financial aid and the full range of educational opportunities. Negative stereotypes prevailed to limit the potential career choices of many female students. Educational counselors routinely steered female students away from male-dominated fields, regardless of the aptitudes, abilities, or desires of those students.

In the past decade, steady progress has been made in the struggle to overcome the barriers and prejudices that have served to deny women equal access to educational opportunities. Women have made gains in virtually every area, and our society has been greatly enriched by the contributions they have made as they have entered new fields in increasing numbers.

As a member of the Subcommittee on Education of the Labor and Public Welfare Committee in 1972 and a Senate conferee on the Education Amendments of 1972 in which title IX was enacted, I have had a longstanding and firm commitment to this law which has led to such significant changes in educational opportunities for women. I am proud to have helped bring about its enactment, and I am determined not to stand by and see its strength eroded away by an administration with no commitment to its goals.

SECTION 504

Similarly, section 504 of the Rehabilitation Act of 1973 has opened the doors previously used to shut out disabled Americans. Section 504 was enacted to ensure that recipients of Federal assistance deal fairly and reasonably with disabled individuals who are seeking to participate more fully in our society and in the activities of our commercial, professional, recreational, social, and governmental institutions.

In 1972, as a member of the Labor and Public Welfare Committee and its Subcommittee on the Handicapped, I was honored when Senator Jennings Randolph, the chairman of the subcommittee, asked me, then a very junior Senator, to serve as chairman of the subcommittee for purposes of reviewing and revising the Vocational Rehabilitation Act. In the course of that year, I chaired 5 days of hearings, filling 2,611 pages of hearing records, covering an enormous range of problems facing disabled persons and their opportunities for rehabilitation, work, and participation in society. The legislative product, the Rehabilitation Act of 1972, was pocket vetoed by President Nixon on October 27, 1972, It had contained the forerunner of section 504, crafted with me by my great friend from Vermont (Mr. STAFFORD), our indefatigable colleague from New York [Mr. Javits], and, of course, the Senator from West Virginia [Mr. Randolph].

In early 1973, after additional hearings in January and February of that year, we introduced, and passed rapidly through both Houses, very similar legislation, which President Nixon again vetoed—on March 27, 1973.

The legislation ultimately agreed upon—the Rehabilitation Act of 1973, Public Law 93-112—was enacted on September 26, 1973, with section 504 intact along with numerous other civil rights provisions in title V of that act—affecting employment of handicapped individuals by Federal contractors and subcontractors and by the Federal Government itself, as well as architectural and transportation barriers.

It soon became clear that section 504 needed more than the 46 words it originally contained, and Senator Randolph asked me to complete the work I had begun in 1972. I chaired the subcommittee through an additional hearing and markup, and we produced the Rehabilitation Act Amendments of 1974—Public Law 93-516—which, among other provisions, enacted in section 7 of the act the definition of "handicapped individual" which has provided the foundation for application and enforcement of section 504.

Also, as I noted earlier, in 1978 the Congress enacted in Public Law 95-602 further changes I proposed with the Senator from Vermont [Mr. STAFFORD] to enhance the ability of handicapped individuals to obtain compliance with section 504 and the other civil rights provisions in title V of the Rehabilitation Act. These amendments authorized the award of attorneys' fees to handicapped persons who prevail in suits to enforce the provisions of title V and made the Civil Rights Act title VI remedies, procedures, and rights available with respect to section 504 violations.

In enacting title V of the Rehabilitation Act, and the 1974 and 1978 strengthening amendments, Congress recognized that much of the discrimination facing disabled individuals is not the inevitable result of their handicapping conditions, but rather, arises out of the false perceptions and prejudices that others hold about individuals who have those conditions. Congress also saw that a wide-scale prohibition against discrimination was needed in moving toward the ultimate goal—the integration of handicapped persons into all aspects of America. Title V not only addresses the need to eliminate tangible barriers but also prohibits the continuation of discriminatory policies and practices that are based on stereotypical and prejudicial

perceptions about the abilities, potential, and needs of handicapped adults and children.

As a result of the enactment of section 504 and the 1974 and 1978 amendments, the attitudinal and physical barriers which have served so unfairly to deprive disabled persons of the rights and opportunities that should be each American's due have begun to come down. Again, over the past decade since passage of this fundamental civil rights law, substantial progress has been made, and in the process we have begun to see more clearly that disabled Americans have great energy, talents, aspirations, and sensitivities.

AGE DISCRIMINATION ACT

Finally, as a member of the Aging Subcommittee and the conference committee on the legislation, I was privileged to play a major role in the drafting of the most recent of these statutes, the Age Discrimination Act of 1975. This statute reflects the growing awareness in our Nation of another form of bias—age discrimination. The negative stereotypes and biases which have served to deny older Americans the opportunity to participate and contribute to the continuing growth of our society must, like other forms of discrimination, also be put behind us if we are ever to achieve the freedom and opportunity for every individual that our country symbolizes. The Age Discrimination Act represents our national commitment to put an end to unreasonable age discrimination as well.

DESCRIPTION OF THE BILL

Mr. President, the adverse aspects of the Court's holding in the *Grove City* case turned principally upon the Court's narrow application of the term "program or activity" in title IX. Section 901 of title IX prohibits sex-based discrimination "under any education program or activity receiving Federal financial assistance." The Court in *Grove City* construed those words in a very limited sense—and, in my view, a way totally at variance both with common sense and congressional intent.

Therefore, our bill seeks, as did S. 2568 last year, to reverse the effects of that aspect of that decision and to restore the prior broad scope of coverage and administrative application that the Court erroneously invalidated.

COVERAGE

However, this year's bill does so in a more easily understood, straightforward manner. Last year, S. 2568 would have deleted the term "program or activity" from the four civil rights statutes and replaced it with the term "recipient" defined along the lines of the definitions of that term in the implementing regulations. But that change in the wording of the statutes and the complicated wording of the definition raised unnecessary complexities that allowed the opponents of restoring the law's vitality to raise many questions based on the proposed new terminology.

This year's bill leaves the term "program or activity" in place in the four statutory prohibitions against discrimination and adds to each of the statutes a broad institution-wide definition of that term that would overturn the Court's narrow interpretation.

The proposed definition is simple and clear. It sets out three important standards for determining coverage under these laws that are consistent with the coverage of the statutes as applied by previous administrations.

First, when an agency or department of a State or local government receives Federal funds, the entire agency or department would be covered.

Second, when a university, higher education system, local education agency, or other elementary and secondary school system receives Federal funds, the entire entity would be covered, including any administrative body, such as a board of education.

Third, when a corporation, partnership, or other private organization receives Federal funds, the entire entity would be covered.

The same institution-wide principles used to determine coverage for the State and local government, educational institution, and corporate categories would also be used to determine coverage for any entity which does not fit one of these three categories.

The bill would also make clear that, in a case in which assistance is extended to a State government or to a local government, rather than directly to an agency or department thereof, the unit—for example, the Governor's office—to which the funds are extended as well as the agencies and other entities that actually receive funds would all be covered.

FUND TERMINATION

Finally, the bill contains the same amendments as were proposed in last year's bill to the "pinpointing" language in the fund-termination provisions of title IX, the Age Discrimination Act, and title VI—which, under section 505(a)(2) of the Rehabilitation Act, applies to section 504 violations. Thus, in the case of each statute, the reference to a "particular program, or part thereof"—which in the Age Discrimination Act alone also includes "or activity"—is deleted and, in its stead, language would be inserted to limit fund terminations to the Federal financial assistance that is determined to "support the noncompliance" that is found to be occurring. The statutory scheme would thus retain the basic concept of "pinpointing," that is, limiting the termination of funds to those funds which have a specific nexus to the discrimination that is found.

PROCEDURAL SAFEGUARDS RETAINED

Mr. President, I want to emphasize that, in the case of both of the categories of changes that our bill would make in the four laws, our intention has been to restore the law to the general shape it was originally intended to have and until recently did have under the practices of each of the four prior administrations charged with their implementation. I would also note that all of the existing procedural safeguards that the four laws provide before Federal funds may be terminated—the Government's initial duty to attempt resolution of the violation through conciliation, notice to the recipient of any adverse finding, opportunity for hearing, 30 days' advance notice to the congressional committees with responsibility for the laws under which the funds were provided, and the right to judicial review of any decision to terminate funding—are retained without change.

CONCLUSION

Mr. President, these four basic civil rights statutes are integral parts of our national commitment to the concept and achievement of equal justice and opportunity. We must act to ensure that this national antidiscrimination policy and our progress in implementing it is not undercut and diminished by the Supreme Court's erroneous opinions and decisions in the three cases and the Reagan administration's sweeping applications of them.

It is vital that Congress act to reaffirm longstanding policy that recipients of Federal funding refrain from engaging in invidious and unjust discrimination. We have come too far along the long, arduous path toward a fair and just society to allow progress in the area of civil rights to be undermined.

The work that was left undone in the Senate in the closing days of the 98th Congress must be swiftly completed. I urge all of my colleagues to give this bill their careful consideration and, ultimately, their support.

Mr. MATHIAS. Mr. President, today I join with the Senators from Connecticut [Mr. WEICKER] and Massachusetts [Mr. KENNEDY], and with many other Senators, to introduce one of the most important bills yet presented to the 99th Congress—the Civil Rights Restoration Act of 1985.

Recent decisions of the U.S. Supreme Court—most notably last year's ruling in the case of *Grove City College* versus *Bell*—have set back the enforcement of our national policy of eliminating unfair discrimination. The legislation we introduce today is designed to overcome the crippling effects of those decisions, and to renew and reinvigorate our pledge to members of racial minorities, to women, to the handicapped, and to the elderly,

that the Federal taxes that they pay will never be used to support invidious discrimination against them.

The Civil Rights Restoration Act of 1985 will correct the narrow interpretation that the recent court decisions have imposed on title IX of the 1972 Education Amendments. It also forestalls similarly restrictive readings of the statute on which title IX is based—title VI of the 1964 Civil Rights Act—and of the laws prohibiting Federal support for discrimination based on age or handicap, both of which are also derived from title VI. Enactment of this measure will restore the longstanding administrative practice under all these statutes, which provides that the entire institution that receives assistance from Federal tax dollars, and not simply the specific component that directly receives the funds, has a duty to refrain from illegal discrimination.

As a rule it is not particularly difficult to draft legislation intended to clarify the interpretation of a single phrase—program or activity—appearing in a handful of Federal laws. The history of this legislation demonstrates that this rule, like any other, has its exceptions. The Senate never had an opportunity to vote on the Civil Rights Act of 1984, which was introduced shortly after the *Grove City* decision. An amendment embodying its text was offered to the continuing resolution in the last days of the 98th Congress, but was caught in the legislative logjam that clogged our calendar last October.

This legislation is not fundamentally different from last year's civil rights bill. But to the extent it is different, this year's bill is a better bill. It is clearer. It is simpler. And it is more sharply focused on the task at hand. That task is to restore the original congressional intent to forbid the use of tax dollars to subsidize discrimination against women, against racial minorities, or against the handicapped, or the elderly. As part of that task, we must correct the course taken by the Supreme Court in some of its recent decisions—most notably in the *Grove City* case—and put the Federal Government back on the track of vigorous enforcement of the civil rights laws.

The new majority leader has targeted deficit reduction as his primary goal for the 99th Congress. I agree with his evaluation of the challenge before us. But I would add that a focus on deficit reduction is fully consistent with active support for the restoration of broad civil rights coverage. In fact, if we are going to tighten up on Federal spending, it is doubly important to insure that every American has an equal chance to participate in federally assisted programs, and that no American is excluded because of race, gender, age, or handicap. The Federal Government can no longer afford to tolerate discrimination in any program or activity that is assisted by tax dollars. We need the Civil Rights Restoration Act because we must make sure that the equality of sacrifice that deficit reduction will demand does not become a sacrifice of equality.

I believe that the Senate leadership shares this view, and that there is general agreement in the Senate that a legislative response to the *Grove City* decision is needed. The Civil Rights Restoration Act of 1985 offers the most comprehensive and effective response, and I call on my fellow Senators to join in support of it.

Mr. PACKWOOD. Mr. President, I rise today to join Senator KENNEDY and Senator WEICKER as a principal sponsor of the Civil Rights Restoration Act of 1985. I am pleased to report that this bill accomplishes the same objectives we sought in 1984: Elimination of the Federal subsidy of discrimination.

Passage of the Civil Rights Restoration Act of 1985 will ensure that discrimination is prohibited by the recipients of Federal financial assistance. That has always been the goal of the proponents of legislation to restore and revitalize the civil rights statutes that were weakened by recent Supreme Court decisions, most notably the *Grove City College* versus *Bell decision on February 28, 1984.*

Congress will pass the Civil Rights Restoration Act of 1985 this year. The Congress must recommit itself to its original intent in passing antidiscrimination laws during the past 20 years: That receipt of Federal financial assistance will trigger institutionwide coverage of civil rights statutes.

On one day in 1984, two decades of civil rights progress was severely restricted by the U.S. Supreme Court decision in *Grove City College* versus *Bell.* Our job in 1985 is to clarify and reaffirm the law so that no one can say, ever again, that one individual or one group has an unfair advantage over another.

Today, I am sponsoring legislation to restore four major civil rights statutes: Title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the 1973 Rehabilitation Act, as amended in 1978, and the Age Discrimination Act [ADA] of 1975. These statutes together ensure that discrimination is prohibited by the recipients of Federal financial assistance.

The Civil Rights Act of 1964 is the basic guarantor of civil rights in this country. Its purpose is to effectively prohibit discrimination in employment, public accommodations, education, and federally assisted programs. All subsequent civil rights statutes were built on these guarantees, correcting any omissions to this grand decision.

The cornerstone of the 1964 act is title VI, prohibiting discrimination on the grounds of race, color, or national origin in "any program or activity receiving Federal financial assistance." Calling for its enactment, President Kennedy was eloquent: "Simple justice requires that public funds, to which all taxpayers of all races contribute, not be spent in any fashion which encourages, entrenches, subsidizes or results in racial discrimination * * *" Enforcement efforts have resulted in ending discrimination in education, State and local governments, and a variety of institutions that receive Federal funding.

Title VI has become the model both in language and remedial approach for the civil rights statutes that followed. In 1972, rectifying a major omission in title VI, Congress enacted title IX of the 1972 Education Amendments. Because title VI's coverage excludes sex as a forbidden classification, title IX is essential to outlaw discrimination on the grounds of sex "under any education program or activity receiving Federal financial assistance." Title IX has been credited with securing educational rights for women that had not heretofore existed. It was certainly Congress' intent that title IX be accorded the same broad interpretation that had been given title VI—thus, the tracking of the very language used to secure those critical protections.

So, too, section 504 of the Rehabilitation Act of 1973 followed the same model. In that legislation, Congress included the disabled under the antidiscrimination rubric. Referring to title VI, our ultimate exemplar, we again used the program or activity language.

Finally, in 1975, we went to the well another time, patterning the Age Discrimination Act on the grounds of age by "any program or activity receiving Federal financial assistance." In every case, our intent has been expansion of the protections of the original Civil Rights Act.

Unfortunately, on February 28, 1984, the Supreme Court in Grove City College versus Bell opted for a severely limited interpretation of title IX of the 1972 Education Amendments. The Court held that only the "program or activity receiving Federal financial assistance," rather than an entire institution, is subject to title IX strictures. In this case, only the financial aid program of Grove City College—and no other part of the institution—is prohibited from discrimination on the basis of sex. In an instant, the broad scope we intended was abrogated.

The decision is particularly troubling on its terms since discrimination in education is subtle but pernicious, affecting its victims for the entirety of their lives. The absurdity of the result is apparent. It is of little use to bar discrimination in the financial aid pro-

gram of an institution if a woman cannot gain admittance to, or participate in, the institution because of its other discriminatory policies and practices. It is equally of little use to bar discrimination in employment if a woman cannot attain the necessary education to obtain that employment. Our purpose in enacting title IX was to ensure that Federal resources could not be used to support discriminatory practices against women and that those practices would cease to exit—a precise parallel to President Kennedy's purpose in urging the passage of title VI.

But even more horrifying than Grove City's title IX interpretation is the decision's staggering legacy. Not only has the Supreme Court substantially undercut the efficacy of title IX, but the decision's precedential value with respect to title VI, section 504, and the Age Discrimination Act cannot be overstated. If title IX is program-specific in effect, the other statutes, worded identically, are likely to suffer a similar analysis. Indeed, in the past year since the Court handed down its decision, the Department of Justice has moved forward on that basis in its so-called enforcement endeavors.

Now in 1985—21 years after the passage of the Civil Rights Act of 1964, it is time to recommit ourselves to its purposes. Fortunately, the Supreme Court's opinion is easily corrected. The Civil Rights Restoration Act of 1985 will clarify our original intentions regarding all four statutes: That receipt of Federal financial assistance will trigger institutionwide coverage. Lest any critic question our remedial approach, however, the bill will also clarify that only the particular assistance supporting noncompliance will be subject to termination.

Exciting testimony to the last 21 years of civil rights enforcement activities is the unified coalition that supports this legislation. Advocacy organizations representing minorities, women, the disabled, and the elderly have joined forces behind the Civil Rights Restoration Act of 1985. This must be evidence that the efforts of the past 21 years are reaping rewards. The broad-based support justifies the broad interpretation we intended for these laws. I thank this coalition for their effort and call on all Members of Congress, and the administration, too, to unite behind this bipartisan bill, enact it speedily, and make 1985 the year we restore antidiscrimination laws forever.

Mr. METZENBAUM. Mr. President, I join my colleagues, Senator KENNEDY and Senator WEICKER, in cosponsoring the Civil Rights Restoration Act of 1985. This legislation is one of the most important bills we will have the opportunity to consider during this Congress. If enacted, this bill will reverse the erroneous decisions of the Supreme Court in the Grove City decision, and certain other Court opinions, which undercut basic civil rights protections.

In the *Grove City* decision, the Supreme Court misinterpreted the intent of Congress in enacting title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964. Each of those statutes is based on a simple but powerful principle—Federal funds should not be used to support discriminatory activity.

By interpreting title IX of the Education Amendments of 1972 to mean that a college could continue to discriminate in all its programs other than the financial aids program, even though the college benefited from Federal grants to students, the Supreme Court took an exceedingly narrow view of the coverage of that statute. Congress did not intend to hamstring enforcement of the civil rights laws in such a drastic way.

This legislation reverses that decision and makes clear that financial assistance to a university or a system of higher education means that entire university or system is subject to the Federal ban on discrimination.

Because the Supreme Court also indicated that other statutues with a similar purpose and enforcement mechanism would also be interpreted in the same narrow way, the bill makes clear that the same principle should apply when funds are provided to other types of institutions and when the prohibitions in these other statutes are interpreted by the courts.

The bill makes clear that Federal financial assistance to a State or local department or agency means the entire agency or department is subject to the ban on discrimination in all four of the statutes I mentioned earlier. Similarly, when financial assistance is provided to a corporation, partnership or private organization, the entire corporation, partnership, or private organization is subject to the prohibition on discrimination. Similar principles will apply to local educational agencies and other types of entities.

These principles are not only sound policy, but they reflect the understanding of officials who had responsibility for interpreting and implementing these statutes. It is true that in some cases it is difficult to identify precisely how particular situations would have been interpreted prior to the *Grove City* decision. In an effort to make congressional intent clear to the courts, the bill states basic principles as clearly as possible. In all cases, however, the bill restates closely prior enforcement practice. In short, the bill provides clarity for the courts and enforcement agencies while faithfully restating the understanding and implementation of these statutes prior to the Grove City decision.

During the last Congress the opponents of the Civil Rights Act of 1984 used the strategy of conjuring up complex hypothetical situations and demanding that the proponents of the bill show conclusively prior enforcement practice with respect to each situation. I am frank to say that, in some situations, that cannot be done. On the other hand, I am frank to say that such a tactic diverts our attention from the fundamental issue—restoring the strength and effectiveness of the civil rights laws. That is the task before us. We will only find an excuse not to act if we insist on resolving every conceivable question that may arise under these statutes.

The public is entitled to demand that we act responsibly and quickly on this legislation, in particular, the groups in the public that look to Congress for protection from discrimination—the aged, minorities, the handicapped and women. They demand action, not excuses.

I am confident that when this bill is fully debated in this body, the overwhelming majority of the Senate will decide to support this legislation and restore the civil rights protections that have made our Nation a fairer and more just society.

Mr. PELL. Mr. President, I have cosponsored and strongly support the Civil Rights Restoration Act introduced today. Through the years a great deal of progress has been achieved for women and minorities as a result of the civil rights laws enacted by Congress. As a nation we must continue to discourage discrimination and continue to open opportunities for all our citizens. The Supreme Court's decision in Grove City threatens the progress we have achieved, especially for women, and we must put an end to that threat. The bill that has been introduced today, the Civil Rights Restoration Act will overturn the Supreme Court's decision and will prohibit discrimination against women and minorities by institutions receiving Federal funds.

Unless we act now, colleges and universities voluntarily accepting financial assistance provided by the Federal Government will be free to discriminate, as some have done in the past against women. Absent the passage of this bill, the expanding opportunities only recently made available to women in athletics, vocational and professional training and in other areas would be endangered.

During the last session of Congress, the opponents of the Civil Rights Act of 1985 in the Senate raised numerous objections and effectively eliminated any chance that the bill would pass the Senate. Many of that bill's proponents, including myself, have worked

hard to redraft this important piece of legislation to address the concerns of the bill's opponents and to ensure that the Supreme Court's incorrect decision be overturned.

For nearly 20 years, every administration has interpreted the civil rights laws prohibiting discrimination on the basis of race, sex, national origin, handicapping condition and age as having broad coverage and application. With the passage of the Civil Rights Restoration Act we can insure that the civil rights laws of this Nation will have their intended broad impact, and we can continue the essential progress toward assuring full opportunities for women and minorities.

Mr. CHAFEE. I am pleased to join Senators WEICKER, MATHIAS, and KENNEDY in introducing the Civil Rights Restoration Act of 1985. Legislation to strengthen our Nation's civil rights laws remains the major unfinished business of the 98th Congress.

It is fitting that the drive for civil rights should occupy a prominent place on Congress' agenda. Indeed, few other endeavors have consumed so much of our national energies during the past 100 years. The civil rights debate has accentuated both the strengths and weaknesses of our national character. Each civil rights victory has been hard fought, and the quest for equality has enriched our society.

Civil rights means equal opportunity—for blacks as well as whites, for the old as well as the young, for women as well as men. Those who fought so hard for the landmark civil rights bills of the past generation wrote these laws to be inclusive, not exclusive. They painted with a broad brush, for their purpose was to reach out to all.

Last year, we learned once again that vigilance is the watchword if we are to protect the gains which have been made. The Supreme Court, in its *Grove City* decision adopted a narrow interpretation of title IX of the Education Amendments of 1972. In enacting title IX, Congress clearly intended to guarantee equal access by both sexes to the programs and activities of federally supported institutions.

The Court's decision limited the Government's ability to enforce civil rights laws in federally supported institutions by applying sanctions only to the specific program affected—college athletics, for instance—rather than to the entire institution. This narrow interpretation compelled action to make clear that institutionwide coverage is triggered by the receipt of Federal financial assistance in any form—not only under title IX but under three other important civil rights laws. And so we set out to clarify this broad scope of coverage to provide institutionwide protection against discrimination based not only upon sex, but upon race, national origin, disability, or age.

Complete equality of opportunity is not yet a reality for all our citizens. No government should establish legalistic barriers that prevent men and women from achieving their full potential. Our business should be to enhance opportunity for all, not to narrow it for the privileged few.

It was extremely unfortunate that our efforts to pass legislation last year became bogged down in a parliamentary muddle. In addition to the procedural difficulties, however, there were some substantive objections to our earlier proposal. It was argued that our amendments to the civil rights statutes did more than clarify their scope of coverage—that our amendments reached beyond original congressional intent and amounted to an effort to change previous regulatory practices.

Last year, we attempted to clarify the scope of civil rights protection in these laws by replacing the term "program or activity" with "recipient." The use of the term "recipient" may have a far broader reach than the existing language. But our objective is to assure that civil rights protections remain as strong as Congress has always intended—not to authorize burdensome new regulations where they don't apply.

The legislation we now propose does not include the term "recipient." Instead it retains the term "program or activity"—the phrase narrowly interpreted by the Court in Grove City—and adds a definition of that term to each of the civil rights statutes. The definition is clear and leaves no doubt that institutionwide coverage is the intent of Congress. This definition is consistent with prior coverage.

First, when a State or local government agency or department receives Federal funds, the entire agency or department is covered.

Second, when a university, higher education system, local education agency, or other elementary and secondary school system receives Federal funds, the entity is covered.

Third, when a corporation, partnership, or other private organization receives Federal funds, the entire entity is covered.

An institution which receives even a single dollar of Federal financial assistance should not be permitted to practice any form of discrimination. In order for our Nation to make continued progress in assuring the equal rights for all citizens, we must act promptly to clarify the broad scope of coverage intended for these statutes.

The Civil Rights Act of 1964, the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title IX have opened doors to groups in our society whose aspirations and opportunities had previously been limited.

But these four statutes have helped our Nation make significant strides in eliminating discrimination in a variety of important areas. Now is not the time to turn back.

Mr. SIMON. Mr. President, as a Member of the House of Representatives, I was one of the principal sponsors of the Civil Rights Act of 1984. Although last year, the House overwhelming passed H.R. 5490, by a vote of 375-32, the Senate was unable to complete work on that bill or its own version before the end of the 98th Congress.

This year's bill seeks the same result we sought to achieve in 1984—the restoration of four major civil rights statutes—title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, and the Age Discriminaton Act of 1975—to the broad scope of coverage which the Supreme Court in Grove City College versus Bell erroneously invalidated.

To achieve this goal, each of the four laws is amended—and they are amended in exactly the same way. However, in order to answer the criticism that S. 2568 was too complex, and therefore unclear, we have taken a different approach this year.

This year's bill defines the term "program or activity." It leaves intact existing definitions of recipient. The definition of "program or activity," which sets forth the scope of coverage is simple and clear. One must only look to the face of the statute to determine its parameters. It incorporates the same broad scope of coverage of these laws which existed prior to the Supreme Court's decision. Thus, when any part of a college, university, system of higher education, or local school district is extended Federal financial assistance then all of the operations of that college, university, system of higher education or local school district are required to comply with the nondiscrimination provisions of these laws. This principle also applies to a corporation, partnership, or other organization receiving Federal assistance, that is, any part of a corporation, partnership, or other organization extended assistance results in coverage of the entire corporation, partnership, or organization.

For example, if this legislation were the law of the land and the Supreme Court had before it the exact same set of facts presented in Grove City College versus Bell, it would determine that Grove City College was the recipient and the "program or activity" receiving the basic educational opportunity grants [Pell grants] was the college.

If Grove City College received no Federal student assistance, but the college's department of physical sciences applied for and received a grant

from the National Science Foundation, then under this bill, all of the operations of the college would be covered because part of its operations was extended Federal financial assistance. Thus, discrimination anywhere in the college could be investigated and compliance could be effected throughout the college because the coverage is program-wide, as defined in this bill. Furthermore, Federal financial assistance could be terminated if it was determined that the funds supported the discrimination found.

If Grove City College's Peter Q. Prof, an adjunct professor of humanities, applied for and received a grant from the Department of Education's Fund for the Improvement of Postsecondary Education [FIPSE], and he simply used Grove City College's post office for receipt of his mailings (including grant checks from FIPSE), are all of the operations of Dr. Prof or Grove City College the program or activity which must comply with the antidiscrimination provisions? Under these facts, Dr. Prof would be the recipient of Federal financial assistance. Although he would be covered, the college would not because Dr. Prof's grant activities are unrelated to the college, and thus, not part of the operations of the college.

Would the program or activity be the college or the professor, if in performing the FIPSE grant, Dr. Prof used Grove City College facilities, research assistants, materials and supplies and the college had fiscal control of the grant funds and it received a portion of the grant funds for overhead? Under such facts, Dr. Prof would be considered part of the operations of the college which was extended Federal financial assistance and the College would be the covered program or activity.

What would be the extent of coverage under this bill if Grove City college were a public institution and part of a statewide system of 4-year colleges or universities administered by a single board of trustees and Grove City was the only campus with students receiving Federal student aid [Pell Grants or Guaranteed Student Loans], that is, would the college or system be the program or activity? Under this bill, since Grove City is part of a "system of higher education" and it has been extended Federal financial assistance then the entire system is covered. Thus, jurisdiction to bring a discrimination complaint at another campus would lie because of the Federal financial assistance extended to the Grove City campus. The Federal financial assistance extended to Grove City could not be terminated unless the assistance supported the discrimination found at the other campus.

As a practical matter, in higher education there are no postsecondary institutions which do not receive some form of Federal financial assistance. Almost all receive direct grants or conduct work under contract with Federal departments artured rationale of stopping title IV dollars at the student aid office door is reversed.

This bill clarifies the scope of coverage when Federal financial assistance is extended to a State or local government. Assistance extended to any part of an agency or department of government means the entire agency or department is required to operate in a nondiscriminatory manner; if the assistance is extended to some other governmental entity [other than a department or agency] which in turn distributes the assistance to some other government entity [including some part of a department or agency] then the distributing entity is covered in its entirety and the receiving entity is covered in its entirety if the receiving entity is part of a department or agency, then the department or agency is covered in its entirety].

The remedial concept of "pinpointing," which requires that the cutoff of Federal funds be pinpointed to the particular assistance supporting the discrimination, is retained. This conforming amendment made to the remedies section of these laws is done to assure continuation of this enforcement practice.

Enactment of this legislation will continue to ensure that Federal funds are never used to subsidize discrimination against any person based on race, national origin, sex, disability or age.

Mr. DURENBERGER. Mr. President, I rise in support of the Civil Rights Restoration Act of 1985. I believe it is the best approach to assure that the rights of all individuals are protected under the law. This legislation does not expand Government authority. Types of organization currently exempt from the statutes in question would remain exempt. The effect of the legislation would be, simply, to make explicit in major civil rights statutes the protections intended by the Congresses that established them.

Some have labeled supporters of this bill as proponents of unwarranted Government intrusion. I believe this opinion is misguided. In fact, the legislation before us was carefully crafted to address that concern. For example, an establishment that is not a direct beneficiary of Government assistance, but which acts as a conduit to the major benefactor, would continue to be exempt from the coverage of the statutes.

So, for instance, the "Ma & Pa" grocery store that accepts food stamps need not worry that providing this service will bring a whole new range of Federal regulation. The store is acting as a conduit of food stamp aid from the Government to the customers, and will not be subject to Government scrutiny as if an actual aid recipient. Our civil rights statutes are not intended to broaden the Federal Government's jurisdiction to such a degree, and neither is the legislation before us today.

Rather than increasing Federal authority, this bill restores—and let me stress the word "restores"—the authority that was curbed severely by the U.S. Supreme Court ruling in Grove City College against Bell. This is power rightfully given the Federal Government in four major civil rights statutes, namely the power to prohibit use of Federal funds to support discrimination on the basis of sex, race, age or physical handicap.

Accepting Federal dollars, taxpayer dollars, is a voluntary decision, and one that carries responsibility. That responsibility is a condition of the transaction. It is not unreasonable to expect that establishments accepting these funds will respect the basic civil rights of Americans. And it is not unreasonable to expect the Federal Government to make sure they do.

Mr. President, last year Congress used its power to protect the innocent from the threat of drunk drivers. In doing so, we moved with the knowledge that some would say Government had gone too far. Because we perceived an overriding need for action on the national level, we did not let that criticism stop us from reducing the fatal risks to millions of people.

Today we are dealing with another grave threat, and one just as damaging. Discrimination cripples. It confines Americans to restrictive stereotypes; it holds them back from economic, intellectual, and social opportunity. It keeps them out of reach of their potential. The harm to individual lives, and to our society as a whole, is immeasurable.

Discrimination is a Federal concern. The National Government has the duty to secure for all Americans the basic rights and liberties guaranteed them by the Constitution. It is a function that must be performed at the national level. Congresses past realized this when they wrote our major civil rights laws, and it is incumbent upon us to protect their initiatives from erosion.

The intent of the Civil Rights Restoration Act of 1985 is clear and concise. It holds a State or local government agency or department, educational system, or business who are the major benefactors of Federal financial assistance and in some cases receive millions of American Federal dollars accountable for adhering to existing civil rights laws which have been on the books for 20 years.

The four major civil rights statutes:

Title IX of the Civil Rights Act of 1972 which prohibits racial discrimination and states that the law is enforce-

51-059 O-86-26 (Pt. 2)

able by the termination or refusal to grant Federal dollars to any recipient who has been found guilty of racial discrimination.

Section 504 of the Rehabilitation Act of 1973 ensures handicapped individuals an opportunity to participate in our society without exclusion from that participation, by denial of benefits to, or discrimination against them on the basis of their handicap. Again, those found guilty of discrimination are subject to certain sanctions proscribed in the law.

Age Discrimination Act of 1975 bars discrimination because of age in federally assisted programs. The act was designed to cover any type of enterprise and any age group provided that enterprise or activity is a recipient of Federal funds.

Title IV of the Civil Rights Act of 1964 which prohibits discrimination on the basis of race, color, religion, sex, or national origin from exclusion from participation, or discriminatory denial of benefits, in any "program or activity" that receives Federal financial assistance.

Clearly, if we are to protect the gains we have made toward eradicating discrimination, Congress must act promptly to clarify any restrictive interpretation of not only title IX, but also title VI, section 504, and the Age Discrimination Act of 1975—all of which utilize protections similar or identical to those of title IX.

The Civil Rights Restoration Act of 1985 fulfills the historic commitment of the Federal Government in protecting Civil Rights and outlawing discrimination.

In the words of Hubert Humphrey:

> . . . It was once said that the moral test of government is how that government treats those who are in the dawn of life, the children; those who are in the twilight of life, the elderly; and those who are in the shadows of life, the sick, the needy and the handicapped.—Hubert Humphrey, November 1, 1977.

The Civil Rights Restoration Act of 1985 confers the terms that are necessary in order to achieve the original intent of Congress. It addresses the court decision limiting the impact or prohibition against discrimination in any institution or business, on any basis, where Federal moneys support the operation of that entity.

The application of this policy is self-evident. Suppose a black child—whose family has the ability to pay for services—is barred because of race from the privately-funded children's wing of a hospital. And suppose that hospital receives substantial Federal funding in all other departments and, in fact, is a hospital whose construction and major capital expenditures were only made possible through the use of Federal dollars. Most would agree that this action would be cruel and inhumane. Yet, under the court's limited interpretation of the law, the Federal Government would simply turn its head and keep writing the checks.

There is no justification for dismantling the safeguards of civil rights laws. We should be proud of the strides we have made in eliminating discrimination, but we must remember that they were due, in part, to the level of vigilance and accountability our courts applied to civil rights enforcement. It is imperative to maintain those high standards we set for application of these laws.

In this time of economic deliberation, we must consider the effect our decisions will have on our future. That future lies squarely on our ability to motivate collective efforts to solve our Nation's problems. Discrimination restricts collective participation and robs our society of integrity and human potential. This is a debt we cannot afford and should not accept.

This Congress must make it clear to the courts and to those who choose to accept Federal dollars, that we will not accept civil rights violations in any degree. In America, equal opportunity is not negotiable. It is the law. I urge my colleagues to tackle the temptation of complacency and work to restore effective civil rights legislation.

Mr. HART. Mr. President, I strongly support the Civil Rights Restoration Act of 1985. This legislation is important, necessary, and timely. As was the case with last session's Omnibus Civil Rights Act, I am proud to serve once again as a principal cosponsor of this measure.

Without a doubt Mr. President, the Civil Rights Restoration Act represents the single most important civil rights legislation we will consider during the 99th Congress. By passing this bill, this distinguished body can reaffirm our Government's longstanding commitment to the principle of expanding opportunities—not only for minority Americans—but for women, the disabled, and our senior citizens as well.

Two overriding concerns dictate that we act swiftly in passing this bill. First, Mr. President, there is the decision of the Supreme Court in the infamous Grove City case. This holding effectively reversed over 20 years of judicial and legislative interpretation with respect to the nature and extent of the enforcement mechanisms available to the Federal Government in connection with its prohibitions against unlawful discrimination.

Second, we must consider the implications of the reelection of President Reagan. We must ask ourselves what Mr. Reagan's administration is likely to do in the wake of Grove City. This administration has, after all, seized upon every opportunity to retreat from well-established Federal commitments to civil rights and equality of opportunity. Furthermore, the Justice Department has clearly indicated its intention to interpret and apply the Grove City holding in the broadest context possible. Mr. President, such an interpretation threatens more than the title IX prohibition against gender-based discrimination which was before the Court in Grove City; it would also leave us powerless to prevent discrimination based upon age, race, or physical disability.

Rarely do issues of public policy provide us such clear-cut choices. Quite simply, passage of the Civil Rights Restoration Act of 1985 gives us a means to support the aspirations of all Americans for a more just society; a society in which all of us enjoy the full protection of the law and are allowed to make meaningful contributions, limited only by our imagination, talents, and abilities.

Most important of all Mr. President, passage of this legislation will reaffirm Congress' commitment to the principle that no public funds shall be used in any manner that results in subsidizing unlawful discrimination against other Americans—period.

Again, I am honored to serve as a cosponsor of the Civil Rights Restoration Act of 1985. I urge all of my colleagues to join with us in this important work.

Finally Mr. President, I am confident that in this session of Congress, we will successfully rearticulate this Nation's highest and best commitment to the cherished ideal of equal opportunity and equality of treatment under the law, without regard for age, race, sex, or physical disability.

Mr. KERRY. Mr. President, our Government cannot fight discrimination unless it has the tools to do so. For 20 years, our civil rights laws have helped us to combat discrimination based on race, religion, sex, handicap, and age. Last year, the Supreme Court's decision in the Grove City case eroded our ability to fight discrimination. This year, passage of the Civil Rights Restoration Act of 1985 will allow us again to prohibit discrimination by any entity that receives Federal money.

We must not allow our Government to remain in the position of supporting schools and other institutions that discriminate. In recent years, we have made major inroads against racial segregation in our Nation's schools, hospitals, and other public institutions. We cannot let the barriers of the past rise again.

Instead, we must rededicate this Nation to the idea that discrimination based on sex, race, handicap, or age is absolutely unacceptable anywhere in the United States. We must use the resources of our Government to fight discrimination and we must have both the means and the resources to enforce our civil rights laws.

For these reasons, I am proud to give my support to the Civil Rights Restoration Act of 1985. The rights of millions of Americans cannot be protected unless we give force to the original intent of our civil rights laws by passing this legislation. We cannot allow Federal money to support discrimination. We must reverse Grove City early in this session.

Mr. RIEGLE. Mr. President, today I proudly join several of my colleagues as an original cosponsor of the Civil Rights Restoration Act of 1985. The aim of this legislation is clear—to restore in full force and effect four major civil rights laws that prohibit discrimination on the basis of race, gender, disability, or age in institutions that receive Federal funds. This legislation was of the utmost importance during the 98th Congress and the passage of time has only increased the need for the speedy enactment of this bill's provisions. I am hopeful that both bodies will act responsibly by passing this legislation quickly.

America is a great land that provides boundless opportunities for her many citizens. To assure that all Americans have an equal chance to share in these opportunities, Congress has passed laws to prohibit discrimination because of one's skin color, gender, disability, or age. Whether all Americans will continue to be protected from these forms of discrimination has been thrown into doubt because of the now infamous Supreme Court decision in Grove City College versus Bell last February. As my colleagues are aware, that decision restricted the application of title IX's antisex discrimination provisions to the specific program, as opposed to the entire institution, that received Federal funds. That interpretation runs counter to congressional intent and the enforcement of title IX's provisions by all administrations, Democratic and Republican, except for the present one. Since the program or activity language interpreted by the Supreme Court appears in the laws prohibiting discrimination on the basis of race, disability and age in institutions receiving Federal funds, the Grove City decision has restricted the application of those laws' antidiscrimination provisions as well.

The bill introduced today amends title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975—the four major laws prohibiting discrimination on the basis of race, gender, disability, and age in institutions receiving Federal assistance—in the same manner. A definition of program or activity is inserted in these four laws to insure that an entire entity is covered by the nondiscrimination provisions whenever a department or unit of that entity receives Federal assistance. The bill also provides that only that unit of a State or local government, or that unit to which funds are extended, is covered. Furthermore, enforcement provisions of these laws will insure that fund termination is pinpointed to the particular unit in noncompliance. In making these changes, the bill seeks to restore coverage and enforcement of these laws in a manner that existed prior to the Grove City decision.

The issue before us today is very simple. It is a matter of justice and fairness. Regardless of whether Federal assistance is extended to educational institutions, corporations, or local governments, justice dictates that taxpayers' funds should not be used to subsidize or encourage discrimination. As a civilized society that demands equal justice and opportunity for all, we cannot permit restrictions on our commitment to prohibit unlawful discrimination. Our civil rights laws have worked well in the past 20 years. The accomplishments of our minority and women athletes in last year's Olympics are but one measure of the success that these laws have had in removing the obstacles to equal opportunity that previously existed. By passing this legislation, Congress can make clear that we will not permit these invidious forms of discrimination to reappear with the assistance of taxpayer dollars.

Mr. GLENN. Mr. President, I am proud to join my colleagues in cosponsoring the Civil Rights Restoration Act of 1985, a bill to clarify and restore the civil rights protections afforded under four key civil rights statutes. This action is necessary to nullify the severe restrictions placed on the scope of title IX of the Education Act of 1972 by the Supreme Court in last year's Grove City case and to insure that such restrictions are not imposed on civil rights laws prohibiting discrimination on the grounds of race, handicap, and age.

In the Grove City case, the Supreme Court held that title IX's prohibition against sex discrimination in educational programs or activities receiving Federal funds applied only to the specific program directly affected by Federal funds. In so doing, the Court opened the door to the possibility that other schools and institutions could receive Federal aid for some programs while discriminating in others. This dangerous precedent flies in the face of our historic commitment to eliminate discrimination in all Federal assistance programs.

This commitment was expressed most clearly by President Kennedy in his call for enactment of the Civil Rights Act:

> Simple justice requires that public funds, to which taxpayers of all races, contribute, not be spent in any fashion which encourages, entrenches, subsidizes or results in racial discrimination.

That basic principle was embodied in title VI of the Civil Rights Act of 1964 and has served as the model for subsequent civil rights legislation.

Congress enacted title IX of the Education Act of 1972 to outlaw discrimination on the basis of sex under any education program or activity receiving Federal financial assistance. In 1973, Congress adopted section 504 of the Rehabilitation Act to include the handicapped under the antidiscrimination rubric, and in 1975, passed the Age Discrimination Act to prohibit discrimination on the grounds of age. The language prohibiting discrimination in each of these acts is the same. It has clearly been the intent of Congress that each of these acts be given the same broad interpretation that had been given title VI of the Civil Rights Act of 1964. In each and every case it has been our intent to expand the protections of the original Civil Rights Act. This can only be accomplished by continuing to give these laws the broadest of interpretations.

Mr. President, it should be evident to all that our civil rights laws cannot protect all persons equally if they are applied selectively. And it is not just women who stand to lose if the Supreme Court Grove City decision is allowed to stand. Unchallenged, it threatens the integrity of similar provisions in the Civil Rights Act of 1964, the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975.

The bill we are introducing today clarifies the original intent of those laws to deny all Federal funds to any institution that discriminates on the basis of sex, race, national origin, handicap, or age. It restores the broad scope of those laws by carefully defining program or activity and by setting standards to determine their application.

Mr. President, we must deal swiftly and surely with this threat to civil rights protection. Women and minorities are looking to us to defend their hard-won opportunities and freedoms, and to ensure that antidiscrimination laws are not selectively enforced. This is not the time to sound the trumpet of retreat. This the time to continue the long march toward equal opportunity. Let us pass this legislation, and let us move boldly toward the day when our Nation holds this truth to be selfevident: that not just men, but all people are created equal.

Mr. MOYNIHAN. Mr. President, I rise today to join my colleagues in introducing the Omnibus Civil Rights Restoration Act of 1985.

Twenty-one years ago, President Johnson signed the Civil Rights Act of 1964, protecting certain basic rights of minorities in America. Now, more than two decades later, we find once again that we must clarify the enforcement requirements of the 1964 statute, as

well as those for statutes based on it to protect women, the disabled and the elderly from discrimination. In the process, we can reaffirm our commitment to reduce the pernicious scourge of discrimination in our society, and renew our commitment to the ideals of the Civil Rights Act of 1964.

This is legislation with the same purposes President Johnson spoke of 21 years ago, when he signed the Civil Rights Act of 1964:

> Its purpose is not to punish. Its purpose is not to divide, but to end divisions—divisions which have all lasted too long. Its purpose is national, not regional.
>
> Its purpose is to promote a more abiding commitment to freedom, a more constant pursuit of justice, and a deeper respect for human dignity.

A year earlier, at the commencement address at Howard University, President Johnson described the alliance which would help produce the 1964 legislation:

> . . . it is a tribute to America that, once aroused, the courts and the Congress, the President and most of the people, have been the allies of progress.

Mr. President, it is with much regret that I must ask today if our allies have not diminished in number, or at least in agreement on the meaning of equal protection.

The Supreme Court's interpretation of title IX of the Education Amendments of 1972, on February, 28, 1984 in the case of Grove City College versus Bell, is the case in point. The Court adopted the position of President Reagan and his Attorney General Smith, that prohibitions against discrimination under title IX extend only to a specific program discriminating on the basis of sex, and not to the entire educational institution. Does this not demonstrate how fragile are our legal responses to social ills, though crafted with the best of intentions? The Court's ruling had immediate implications for women throughout all the Nation's educational institutions—those in athletic programs, those striving for tenure, those seeking protection from sexual harrassment.

The Court's ruling has more subtle, but no less important, implications for minority Americans protected by title VI of the Civil Rights Act of 1964, for disabled Americans protected by section 504 of the Rehabilitation Act of 1973, and for senior citizens protected by the Age Discrimination Act. Under these statutes, the Federal Government, may withhold Federal funds, or apply injunctive relief, when any institution or recipient discriminates on the basis or race, national origin, disability, or age.

These statutes, cornerstones of all civil rights protections in this country, are in danger of being weakened in a similar manner as title IX. Under such an interpretation, if one program administered by a grant recipient practices discrimination, Federal funds could be withheld, for that program alone, but not for other programs, administered by the same recipient.

Mr. President, I was not a Member of the U.S. Senate when the Education Amendments of 1972, the Rehabilitation Amendments of 1973, and the Age Discrimination Act of 1975 were enacted. I was, however, a member of the Cabinet of the President of the United States, and I submit to you that it was the intent of the framers of this legislation to compel the most complete compliance.

I would again ask my colleagues to recall President Johnson's message to the Howard University class of 1965:

> Freedom is the right to share, share fully and equally in American society, to vote, to hold a job, to enter a public place, to go to school. It is the right to be treated in every part of our national life as a person equal in dignity and promise to others. But freedom is not enough . . . it is not enough just to open the gates of opportunity. All our citizens must have the ability to walk through those gates and this is the next and more profound stage of the battle for civil rights.

This Congress can set the record straight. The Civil Rights Restoration Act of 1985 would affirm our commitment to vigorous protection of the civil rights of American women, minorities, elderly, and disabled citizens. It would make clear, in each case, that no institution or entity receiving Federal funds may practice discrimination.

Mr. President, but 4 months ago, during the final days of the 98th Congress, the predecessor to the legislation we introduce today was defeated. At that time, I noted that:

> We have learned to the extraordinary shock of the country, that we do not have a majority in the U.S. Senate to restate one simple provision of the Civil Rights Act of 1964, along with the Education Amendents of 1972, the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975. A simple measure which does not add to the laws of the Nation so much as it provides that the basic Constitutional laws will be enforced.

I do hope that the Civil Rights Restoration Act of 1985 will not provoke the shameful delays and procedural maneuvering we witnessed at the close of the 98th Congress. I call on my colleagues to give this matter thorough, complete and fair consideration. We can restore our Government's commitment, and in this way protect the ideals of the Civil Rights Act of 1964: "This Civil Rights Act is a challenge to all of us to go to work in our communities and our States, in our homes and in our hearts, to eliminate the last vestiges of injustice in our beloved country." It was not too late to do so in 1984. It is still not too late in 1985.

THE CIVIL RIGHTS RESTORATION ACT OF 1985

Mr. LEAHY. Madam President, once again I stand with many of my colleagues in both Houses as a sponsor of a vital piece of legislation—the Civil Rights Restoration Act of 1985. What I said here last April, when we introduced the Civil Rights Act of 1984, is true today, and I will repeat it just as often as necessary, until the Congress acts: Our task is simple justice.

In February 1984, the Supreme Court greatly narrowed the prohibition against sex discrimination in colleges receiving Federal financial assistance. The case was Grove City versus Bell, and its echo was heard in Vermont, and throughout the Nation.

While Grove City only dealt with title IX of the Education Amendments of 1972, similar statutory language promised similarly restrictive interpretations of Federal protections against discrimination based on race, age, and handicap status.

These are statutes that have set the moral tone for our growth and maturity as a people. These are statutes that have both guaranteed private rights and have made the public statement that tax dollars will never again support discrimination in the United States.

Last April I argued that every generation must be the zealous guardian of the gifts of the past. Among the most important gifts are the laws that give meaning to our rights, and remedies for their violation.

The Civil Rights Act of 1984 did not become the law, but our zeal to act can be no less today, our respect for the lessons of the past can be no smaller, and our pact with future generations of Americans can be no less powerful.

The four civil rights laws that are affected by Grove City each provided institution-wide coverage against discrimination. This meant that when a college received Federal financial assistance, it was barred from discriminating in any of its programs or activities—throughout the institution—even ones that did not receive any Federal support.

A college that was covered was simply a college that could not discriminate on the basis of sex.

But not every program or activity in a covered college faced the termination of Federal funds under the pre-Grover City law if the college was guilty of sex discrimination. The law was drafted carefully to cut off funds only to those programs or activities that actually discriminated.

The coverage section of the law, therefore, was broader in its scope than the provision of the law dealing with remedies available to the Federal Government where discrimination was found. The broader coverage language allowed investigations to begin whenever a college receiving Federal financial assistance was accused of discriminating. The investigators were not required to limit their initial investigation to programs or activities receiving

Federal aid. Also, an individual who was victimized by sex discrimination could seek to enjoin a college receiving Federal financial assistance from continuing that discrimination, even though it might be taking place in a program or activity that did not receive Federal money.

In 1972 some Members of Congress felt that the remedies section of the law—the section providing for fund termination—should be as broad as the coverage section.

Others argued that where the Government's clout is involved, the strong threat of fund termination should be limited to programs that discriminate, and should not apply to the entire educational institution.

The solution of providing broad coverage and narrow fund termination was a compromise that most Americans over the years have regarded as fair and effective.

I think that is an important point to mention, because laws that mandate fairness must themselves be fair.

But the Grove City case ended that compromise and thereby injured that sense of fairness. The Supreme Court found that grants of Federal assistance to students were in effect grants to the college. So far, so good. But because the underlying law barred discrimination under any education program or activity, the Court limited the coverage of the law to whichever program or activity it could say received the Federal money. In what I think was a break with both logic and past history, the Court found that Federal aid to the students represented aid only to the college's financial aid program, and not to the college itself.

Recall that we are talking about the basic coverage of title IX, not the section dealing with the more limited Federal remedies. So what the Court was saying in Grove City College is that only those programs within a college that actually receive Federal dollars are barred from sex discrimination, that is, are covered.

This decision deeply affects the architecture of the bill that Congress fashioned in 1972 and significantly diminishes the quality of the protection it offered.

When an educational institution receives money from the taxpayers of the United States, it is very easy to say why it may not discriminate anywhere within its operations: simple justice.

The very same principle applies to racial discrimination under title VI, which stopped Federal subsidies to segregated programs or activities.

The very same principle applies to discrimination against the disabled under section 504, which ended a long era in our history when a person's so-called disabilities were more important than the person's potential.

The same principle applies to discrimination against older Americans under the Age Discrimination Act of 1975 which announced that Federal dollars will not be used to support health, education, rehabilitation, and other services that judged a person's age and which declared that the only things too old to serve this country are its sterotypes.

The debate last year over S. 2568 was long and rancorous. Opponents of the legislation claimed that the bill went beyond its restorative purpose—which most of them claimed to embrace—and extended the reach of the four statutes in question.

I am confident that the witnesses in opposition to S. 2568 sincerely believed that its true result, if not its purpose, was to expand coverage beyond its parameters in the pre-Grove City days.

But the argument was never true. You could glean the errors from how farfetched the opponents' arguments were, as well as their supporting hypothetical examples.

The strategy of many opponents became clear: To argue that because the bill was very detailed, it raised many new questions. Toward the end of the Congress, when shorter, compromise versions of the legislation were offered, they became too vague.

The fact was that few bills dealing with difficult and complex social problems have ever been as carefully and thoughtfully drafted. Again this year, a tremendous effort has gone into our new bill, and I was glad I could be a part of that effort.

While the goal of the bill is the same as the goal of last year's bill, to end tax-subsidized discrimination, the approach is different. Instead of defining recipient in all four statutes, the bill defines the very words misconstrued in Grove City, program or activity. I am unable to come up with a single hypothetical case in which this year's bill would produce a different result from last year's or would expand coverage beyond what the long-accepted administrative interpretations in pre-Grove City days.

But if the year's bill is clearer—and it is—and if its restorative purpose is more easily demonstrated—and it is—I applaud the changes.

The need is great and the time is overdue.

Let us proceed with all the speed possible. Let us deliberate. Let us debate. Let us set down our legislative purpose so clearly that future generations will have no doubts about our goals.

But let us pass this bill and pass it soon.

Simple justice will be the result.

By Mr. LEVIN (for himself and Mr. COHEN):

S. 432. A bill to amend the Internal Revenue Code of 1954 to provide taxpayers a cause of action for wrongful levy on property and a stay of a levy during the period of an installment loan plan; to the Committee on Finance.

CIVL ACTION BY TAXPAYERS AMENDMENT

● Mr. LEVIN. Mr. President, I am pleased to offer today an amendment to the Internal Revenue Code which would help protect the taxpayer from certain irregular and arbitrary practices of the Internal Revenue Service.

The Civil Actions by Taxpayers for the Violation of Certain Procedures bill would allow a taxpayer to bring a civil action against the United States in a U.S. District Court when the IRS has imposed or maintained a lien or levy on the taxpayer's property for a tax delinquency in a manner which violates the levy and lien provisions of the Tax Code or IRS regulations, or is knowingly in violation of any written agreement entered into between the Service and the taxpayer.

On July 13, 1980, I chaired a hearing held by the Governmental Affairs Subcommittee on Oversight of Government Management, of which I am currently the ranking minority member to investigate the collection practices of the IRS and their effect on small businesses. The investigation was initiated in response to complaints from small business owners and IRS officers, regarding the IRS' arbitrary and capricious use of lien, levy, and seizure authority to collect delinquent taxes. During the hearing the subcommittee found, among other things, that the IRS was abusing their enforcement authority and the taxpayer had no meaningful recourse. At the time of the hearing, the evidence also indicated that the IRS had a penchant for seizure and enforcement statistics and sometimes pressured its revenue officers to seize taxpayer property, in contradiction of their own training and good sense, with little or no attention to considerations of the amount of money collected, the extenuating circumstances of the taxpayer, or stated IRS policy.

The forcible collection powers of lien, levy, and seizure conferred upon the IRS are extremely powerful. They play an important role in the IRS, collection ability and are necessary to ensure that taxpayers will not ignore the Federal tax system. However, these powers must not be abused or applied arbitrarily. The taxpayer should be able to rely on the IRS to follow its own policies and regulations, and not engage in collection practices that are inconsistent with these policies, regulations, or the Internal Revenue Code.

Currently, when the IRS violates its own collection policies and the regulations of the Internal Revenue Code, the aggrieved taxpayer cannot seek redress in the Federal courts, but must instead rely on the internal administrative procedures of the IRS. This is

not enough. The taxpayer should be able to bring his or her claim into an unbiased judicial forum empowered to enforce its findings on the parties. The tax collection activity of the IRS often affects the financial survival and livelihood of individuals, therefore taxpayers should be able to go into Federal court and be entitled to their full remedial power and protections.

The bill that I am offering today will in no way reduce the Service's ability to properly pursue its tax collection program, but will protect taxpayers from the unlawful administration of programs and procedures and irregular collection methods.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 432

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CIVIL ACTION BY TAXPAYER FOR VIOLATION OF CERTAIN PROCEDURES.

(a) IN GENERAL.—Paragraph (1) of section 7426(a) of the Internal Revenue Code of 1954 (relating to civil actions by persons other than taxpayers) is amended to read as follows:

"(1) WRONGFUL LIEN OR LEVY.—

"(A) ACTION BY TAXPAYER.—If a lien has been imposed or a levy made, on property, the person against whom the tax (with respect to which such lien or levy arose) is assessed may bring a civil action against the United States in a district court of the United States on a claim that such lien was imposed or maintained, or such levy made, knowingly in violation of the procedures provided in section 6325 or 6331 (or any regulations prescribed under such sections) or knowingly in violation of any written agreement entered into between the Secretary and such persons. Such action may be brought without regard to whether such property has been surrendered to, or sold by, the Secretary.

"(B) ACTION BY THIRD PARTY.—If a levy has been made on property or property has been sold pursuant to a levy, any person (other than the person against whom the tax with respect to which such levy arose is assessed) who claims an interest in or lien on such property and that such property was wrongfully levied upon may bring a civil action against the United States in a district court of the United States. Such action may be brought without regard to whether such property has been surrendered to or sold by the Secretary.

"(C) WRONGFUL LIEN OR LEVY ACTION BY TAXPAYER.—The district court shall have jurisdiction to grant whatever form of relief may be appropriate under the circumstances in a cause of action brought under subsection (a)(1)(A).".

(b) CONFORMING AMENDMENTS.—

(1) Section 7426 of such Code is amended—

(A) by striking out the heading thereof and inserting in lieu thereof the following:

"SEC. 7426. CIVIL ACTIONS RELATING TO COLLECTION OF TAX.".

(2) The table of contents of subchapter of chapter 76 of such Code is amended by striking out the item relating to section 7426 and inserting in lieu thereof the following:

"Sec. 7426. Civil actions relating to the collection of tax.".

(3) Subsection (c) of section 6532 of such Code (relating to periods of limitations on suits) is amended—

(A) by striking out "the levy" in paragraph (1) and inserting in lieu thereof "the lien, the levy,", and

(B) by striking out the caption thereof and inserting in lieu thereof the following:

"(c) SUITS RELATING TO COLLECTION OF TAX.—".

(4) Subsection (f) of section 6503 of such Code (relating to suspension of running of period of limitation) is amended—

(A) by striking out "of a third party", and

(B) by striking out "of a third party" in the caption thereof.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of enactment of this Act.●

By Mr. D'AMATO (for himself, Mr. STENNIS, Mr. GORE, and Mr. SIMON):

S. 434. A bill to extend the authorization of the Robert A. Taft Institute Assistance Act; to the Committee on Labor and Human Resources.

ROBERT A. TAFT INSTITUTE ASSISTANCE ACT AUTHORIZATION

● Mr. D'AMATO. Mr. President, I rise today to introduce legislation to reauthorize one of this Nation's most outstanding programs, the Robert A. Taft Institute for Two Party Government. This institute, founded in 1961 as a memorial to the late Senator Robert A. Taft, is dedicated to a notion we all share. It is dedicated to the principle that each citizen should have an opportunity to contribute to government and politics.

The Robert A. Taft Institute of Two Party Government is a nonpartisan, nonprofit, tax-exempt corporation operating under a charter granted by the board of regents of the State of New York. Its mission is to enable teachers, administrators, and others to explore the American system of government and politics. Furthermore, it works to enhance their knowledge and teaching skills and, in turn, to stimulate and encourage their students to take an interest in, and participate in, governmental, political, and related community-based activities.

Its tasks are expounded by focusing on the compelling need for responsible citizen participation in politics. The Taft Institute approaches its tasks believing that principles of American self-government are best served by a well-informed public. One of the best ways of accomplishing this goal is through teaching. Taft has excelled in its attempt to teach these principles to our citizenry. They continue to have seminars and workshops throughout the country for the benefit of us all. I would like to list just a few of their recent seminars: A Taft Seminar for Teachers was held at the University of Oregon, Eugene during June 17-29, 1984; a Taft Seminar for Teachers was held at the Curry Memorial School of Education, the University of West Virginia, July 16-27, 1984; and a Taft Seminar was held at Eastern Kentucky University during June 11-28, 1984. There were other seminars and workshops held throughout the country that are equally worthy of mention, but I will only highlight the forementioned.

The director of the Taft Seminar for Teachers 1984 at the University of Oregon gave an excellent report of their seminar. He noted that politics was in the air as participants met from June 17 to 30, only weeks before Democrats and Republicans held national conventions in San Francisco and Dallas. They made a conscious effort to design their curriculum with the election year in view, culminating in a windup banquet debate on party prospects between an incumbent Republican Oregon attorney general and a Democrat candidate for the U.S. Senate. As stated by the director, the goal of each seminar has been refreshing and (re)educating the participants' understanding of the political world, and more particularly, their appreciation of the two-party system. The director of the Taft Seminar for Teachers at the Curry Memorial School of Education, the University of Virginia noted that he is amazed how well each cohort of teachers melds together to make the seminar a success. The director further notes that each year the seminar reflects a different group personality, but invariably they quickly solidify into a group that stimulates speakers with analytical and challenging questions and provokes each other to rethink political values. The Taft Institute director of the June 11-28, 1984, Eastern Kentucky Seminar states that the Taft program is more than a good program. It is the dedication and enthusiatic participation of teachers who add to the sacrifices they make each day of the school year to give up part of their summers to increase their understanding and appreciation of the political process and the American two-party system. These seminars have been held throughout the country and I could easily list commendable statements from directors and participants of each seminar.

Taft seminars are sponsored by universities and colleges across the country; they provide rigorous courses in practical politics and political science. Seminars vary from 2 to 4 weeks in length, and usually take place during the summer. They also award graduate level credit. Each Taft Seminar is organized according to comprehensive guidelines and is directed by a professor of political science who is a faculty member of the sponsoring institution. The Taft Institute is involved in the planning and organization of each pro-

gram. The seminars include experienced politicians and political scientists who come together with high school and elementary school teachers to explore American freedom, the two-party political process, the role of political parties, and the role of each citizen in self-government.

The Taft Institute of Two Party Government has sponsored more than 500 seminars. These seminars have included more than 100 colleges and universities with 15,000 teachers from all 50 States. In any one year 2 million students benefit from this program. Mr. President, the success of the Taft Institute cannot be denied.

Our children, families, and all communities need continued exposure to the American political system. The Taft Institute provides this opportunity. This legislation promotes a strong America, and it enhances our mission. Mr. President, American democracy takes all citizens putting forth some effort to make it work. Therefore, I urge my colleagues to join me in recognizing the importance of the Robert A. Taft Institute Assistance Act. It benefits all Americans and enhances the growth and development of our political system. It shows our continuing commitment to a strong, involved, and well-informed citizenry.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 434

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1373 of the Education Amendments of 1980, relating to the Robert A. Taft Institute, is amended by inserting after "1985" a comma and the following: "$1,000,000 for the fiscal year 1986 and for each succeeding fiscal year ending prior to October 1, 1988".●

By Mr. BUMPERS:

S. 435. A bill to amend the consolidated Farm and Rural Development Act to improve and streamline the provision of farm credit assistance through the consolidation of the real estate, operating, economic emergency, soil and water, limited resource, recreation, and rural youth loan programs into one Agricultural Adjustment Loan, to reduce paperwork and make the Farmers Home Administration loan process more responsive to farmers' needs, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

CONSOLIDATED AGRICULTURAL ADJUSTMENT LOAN ACT

Mr. BUMPERS. Mr. President, I am introducing a bill today which is similar to S. 2057, which I introduced in the 98th Congress. It deals with the consolidation of loan programs in the Farmers Home Administration.

I might preface my remarks by saying that last year when I introduced this bill, I sent a copy of it to every State Farmers Home director in the United States; and before the national Farmers Home Administration office could send word to the State directors telling them not to endorse the bill, we received several responses from directors saying that they thought it was the greatest thing since night baseball, because what it does is to consolidate into one loan program the seven loan programs that the Farmers Home Administration has the authority to make. It consolidates all seven programs under one.

It would be a monumental cut in redtape and paperwork for both the farmer and the Farmers Home Administration. I hope the Farmers Home Administration this year will not take such an intransigent attitude as they did last Congress, because I am convinced that there are substantial savings and improvements in this bill. There is not a business in the country, particularly a banker or a financial lending officer, who would not jump at the chance to consolidate seven lending programs under one.

Mr. President, this would give a farmer the opportunity to put both his land and his equipment and his property, and his operating loan all into one loan, at one rate of interest and one payment.

The farmers would welcome this simplicity, this reform, and they certainly would welcome eliminating a lot of redtape that they are subjected to now.

This bill also would limit a farmer, either for insured or guaranteed loans, to $500,000. The whole rationale of this bill, of course, is simplicity and convenience.

Right now, one of the biggest cries from my State is that we do not have enough Farmers Home personnel to even begin to process all the applications for loans that they have. So, perhaps even with the amount of personnel Farmers Home has right now, they could do a much better job if we consolidated all the loan programs and they did not have to know so many different rules and regulations.

There are some changes in this bill which are different from S. 2057, which was introduced last year. The most significant one and the one I think farmers will welcome most, is that the bill requires the Farmers Home Administration, if it forecloses on a farmer's land, No. 1, to give him an opportunity to extract his home from the foreclosure. FmHA would be given the authority to make a separate loan to a farmer in default to cover his principal residence.

Farmers are strapped in this country. But I do not think farmers should forfeit their homes to Farmers Home if there is any way at all that the Farmers Home Administration can arrange to secure themselves with the collateral they are foreclosing on without taking the farmer's home too. If they could reschedule the loan covering the home only, at the equity the farmer owns in it, they should do so. This requires them in good faith to consider and implement such a plan if at all possible under the circumstances.

Second, the bill requires Farmers Home to take the land they have foreclosed on and keep it for 5 years in inventory. The farmer, under this bill, is granted 5 years to redeem the land.

Farmers Home could take the land on which they have foreclosed, put it in inventory, and maybe do nothing with it except give it a chance to rest, and use it for good soil conservation practices.

At the end of 5 years or any time during the 5-year period the farmer against whom the foreclosure was levied will have the right to redeem his farm. The second salutary purpose of this, incidentally, in addition to the soil conservation practices that they could put into effect on the farm, is that Farmers Home could choose to take that land out of production, and everyone knows one of the biggest problems we have with the farm programs in this country is overproduction. Incidentally, it is an interesting thing that 2 percent of the farms in this country have gone on the market because the farmers cannot make it, and just putting 2 percent of the farmland in this country on the market has depressed the price of farmland by 10 percent. And at least if the Farmers Home Administration is going to foreclose on the land, it will take the land off the market if this bill is passed and keep it in inventory for 5 years, and at least give that farmer some hope of redeeming his land.

Third, this bill provides that the Farmers Home Administration will not take any more collateral than is absolutely necessary to secure their loan. Right now the Farmers Home Administration takes as collateral everything they can—they take the home, the land, the equipment, they take the crop, they take the wife, they take the children, they take a mortgage on everything they can lay their hands on whether it is necessary or not. And this bill would require them to limit their collateral to just what they really need to secure their loan, and no more.

Mr. President, our farmers need help, the kind of help that this bill will provide. Certainly, it will be no panacea, but if the processes of the farmers' primary lending agency, Farmers Home Administration, are streamlined and redtape is cut dra-

matically, if farmers can keep their homes and redeem their lands, and provide only that collateral necessary to secure loans, then certainly a lot of pain, heartache, and financial burden will be lifted from them.

Mr. President, in the last few days several Senators—Senators BOREN, EXON, BENTSEN, MELCHER, and others—have in floor statements graphically outlined the crisis our farmers are facing. As Senator BENTSEN pointed out, the term "farm crisis" has been used so often that it has lost its shock value. Those of us from farm States are almost at a loss as to how to really get the attention of the general public and the attention of the administration on this very serious issue. Over the last few days, Senators have put statistics in the record that graphically illustrate the enormity of the problem. At the risk of repetition, here is the extent of the problem. Equity in American agricultural land has declined by more than $105 billion in the last 4 years. Bankruptcies and forced liquidations have increased 200 percent over the past 5 years. Over the past 3 years, land values have declined by 22 percent in real terms, and in some parts of the country, they have fallen by fully 50 percent in value.

Thirty-five years ago, in 1959, total farm debt was $12.5 billion and total net farm income was $19 billion. By last year, 1984, farm income in constant dollars had fallen to $5.4 billion and farm debt had increased to the staggering sum of $215 billion. Mr. President, the situation is very sad, and we will see thousands of farmers go out of business this year and never return.

As I said, our farmers need all the help we can provide. I do not offer this legislation as a complete solution to our agriculture credit problems. I do think, however, that streamlining our processess, protecting farmers' homes, providing them the right to redeem their lands, and limiting the collateral taken on FmHA loans only to that absolutely necessary to secure the debt, are very important steps that this Congress ought to take to help our farmers.

Mr. President, this is a long, comprehensive bill, and I hope Senators will have their staffs analyze it very carefully and critique it for them. I hope the Agriculture Committee will allow hearings to be held on this bill at the earliest possible time. And certainly I will offer it at the right time, if the Agriculture Committee does not report it out, as an amendment on some agricultural bill.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the text of the bill and the section-by-section analysis were ordered to be printed in the RECORD, as follows:

S. 435

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Consolidated Agricultural Adjustment Loan Act of 1985".

REFERENCES TO THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT

SEC. 2. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.).

CONSOLIDATED AGRICULTURAL ADJUSTMENT LOANS

SEC. 3. The Act (7 U.S.C. 1921 et seq.) is amended—

(1) by striking out subtitle A (except for sections 306 through 310C), subtitle B (except for section 314), and subtitle C and redesignating subtitle D as subtitle C;

(2) by redesignating sections 308, 309, 309B, and 310 (7 U.S.C. 1928, 1929, 1929b, and 1930) as sections 312, 313, 314, and 315, respectively;

(3) by inserting after section 315 (as redesignated by clause (2)) the following new heading:

"Subtitle B—Rural Development Assistance";

(4) by redesignating sections 306, 307, 309A, 310A, 310B, 310C, and 314 (7 U.S.C. 1926, 1927, 1929a, 1931, 1932, 1933, and 1944) as sections 321, 322, 323, 324, 325, 326, and 327, respectively; and

(5) by inserting after section 301 the following:

"Subtitle A—Consolidated Agricultural Adjustment Loans

"SEC. 302. As used in this subtitle:

"(1) The term 'agricultural conservation program' means the program authorized by sections 7 through 15, 16(a), 16(f), and 17 of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590g through 590o, 590p(a), 590p(f), and 590q) and sections 1001 through 1008 and 1010 of the Agricultural Act of 1970 (16 U.S.C. 1501 through 1508 and 1510).

"(2) The term 'applicant' means a person who is engaged in a farming operation and who has made an application for loan assistance under this subtitle.

"(3) The term 'aquaculture' means the husbandry of an aquatic organism (including any species of finfish, mollusk, crustacean, invertebrate, amphibian, reptile, or aquatic plant) under a controlled or selected environment by an applicant or borrower.

"(4) The term 'borrower' means a person who is liable for a loan made or insured under this subtitle.

"(5) The term 'consolidate' means to combine and reschedule a loan made or insured under this subtitle with—

"(A) one or more other loans made or insured under this subtitle;

"(B) one or more loans made or insured under this Act as in effect before the date of the enactment of the Consolidated Farm and Rural Development Act Amendments of 1985; or

"(C) any combination of loans referred to in subparagraphs (A) and (B).

"(6) The term 'cooperative' means an entity which—

"(A) is engaged in farming in a State as its principal business;

"(B) shares profits produced by the entity among members of the entity;

"(C) is recognized as a farm cooperative under the laws of such State; and

"(D) is authorized to engage in farming under such laws.

"(7) The term 'corporation' means a private domestic corporation which is created, organized, and authorized to engage in farming under the laws of a State.

"(8) The term 'defer' means to postpone the payment of interest or principal, or both, on a loan made or insured under this subtitle.

"(9) The term 'family farm' means a farm which—

"(A) produces agricultural commodities for sale in sufficient quantities such that it is recognized in the surrounding community as a farm rather than as a rural residence;

"(B) provides a sufficient amount of income from farming operations and nonfarm enterprises (including the rental of land) to enable an applicant for a loan made or insured under this subtitle to—

"(i) pay necessary family and operating expenses;

"(ii) maintain essential chattel and real property; and

"(iii) pay debts;

"(C) is managed, and has a substantial amount of the labor for the farm and related nonfarm enterprises provided, by—

"(i) the individual applicant for a loan made or insured under this subtitle; or

"(ii) the members, stockholders, or partners responsible for operating the farm of a cooperative, corporation, or partnership which has received a loan made or insured under this subtitle; and

"(D) may require a reasonable amount of full-time hired labor and seasonal labor during certain times of the year.

"(10) The term 'farm' means—

"(A) land, improvements, and other appurtenances which are considered farm property in the surrounding community and are used in the production of crops, livestock, or aquaculture; and

"(B) a dwelling house that is ordinarily considered as part of the farm in the surrounding community notwithstanding that the dwelling house may be physically separate from the farm acreage.

"(11) The term 'farmer' means an individual, cooperative, corporation, or partnership that operates a farm, ranch, or aquaculture operation.

"(12) The term 'fish' means—

"(A) any aquatic gilled animal commonly considered fish; and

"(B) any mollusk, crustacean, or other invertebrate produced under controlled conditions in a pond, lake, stream, or similar holding area.

"(13) The term 'Great Plains conservation program' means the program authorized by section 16(b) of the Soil Conservaton and Domestic Allotment Act (16 U.S.C. 590p(b)).

"(14) The term 'limited resource applicant' means an applicant for a loan made or insured under this subtitle who—

"(A) is a farmer who operates a family farm;

"(B) meets the eligibility requirements for such loan but, due to the low income of the applicant, cannot make interest payments on such loan at rates prescribed for borrowers of such loans who are not limited resource applicants; and

"(C) because of underdeveloped managerial ability, limited education, relatively low

farm productivity (due to lack of development or improved production practices), or related problems of the applicant, the applicant requires a low-interest loan or special loan assistance, or both, to assure a reasonable prospect for success and a reasonable standard of living in comparison to other residents of the surrounding community.

"(15) The term 'mortgage' means any form of security interest or lien upon any rights or interest in any real property or, in the case of property owned by a resident of Louisiana or Puerto Rico, any chattel property.

"(16) The term 'nonfarm enterprise' means any business enterprise which produces income to supplement farm income by providing goods or services for which there is a need and a reasonably reliable market.

"(17) The term 'partnership' means an entity which—

"(A) consists of individuals who are engaged in farming in a State;

"(B) is recognized as a partnership by the laws of such State; and

"(C) is authorized to engage in farming under such laws.

"(18) The term 'production loan' means a loan made or insured under section 306(b).

"(19) The term 'real estate loan' means a loan made or insured under section 306(a).

"(20) The term 'reamortize' means—

"(A) to modify the order of payments on a loan made or insured under this subtitle within the original term for the repayment of the loan; or

"(B) to extend such term to the maximum term permitted under this subtitle for the repayment of the loan.

"(21) The term 'reschedule' means to modify the rates or terms, or both, of a loan made or insured under this subtitle.

"(22) The term 'rural youth' means a person who—

"(A) has reached ten years of age but has not reached twenty-one years of age; and

"(B) resides in an area which is not part of a local subdivision that has a population greater than ten thousand inhabitants.

"(23) The term 'security' means any property subject to a real or personal property lien.

"SEC. 303. (a) To be eligible to obtain a loan under this subtitle, an applicant must file with the Secretary an application for such loan which contains—

"(1) certification by the applicant that the applicant is unable to obtain sufficient credit elsewhere to finance actual needs of the applicant at reasonable rates and terms (as prescribed by the Secretary), taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time;

"(2) a plan of operation for using such loan; and

"(3) such other information as may be required by the Secretary.

"(b) The Secretary shall encourage applicants for, and borrowers of, loans made or insured under this subtitle to supplement such loans with credit made available from other sources to the extent economically feasible and in accordance with sound management practices.

"SEC. 304. (a) If the Secretary determines that adequate funds are not available to approve fully all applications on file for loans under this subtitle, the Secretary shall give preference in approving such applications to applications filed by veterans (as defined by the Secretary) over applications filed by nonveterans.

"(b) At the time an application is made for assistance under this subtitle, or during the normal course of processing an application for such assistance, the Secretary shall inform the applicant in writing of the provisions of this subtitle relating to limited resource applicants and the procedures by which persons may apply for such assistance as limited resource applicants.

"SEC. 305. (a) Subject to the conditions prescribed in this section, the Secretary may make or insure loans under this subtitle—

"(1) to farmers in the United States who are individuals; or

"(2) to cooperatives, corporations, or partnerships that are controlled by individual farmers and are engaged primarily and directly in farm, ranch, or aquaculture operations in the United States.

"(b) To be eligible for such loans, applicants who are individuals, or in the case of cooperatives, corporations, and partnerships, members, stockholders, or partners, as applicable, holding a majority interest in such entity, must—

"(1) be citizens of the United States;

"(2) have either training or farming experience that the Secretary determines is sufficient to assure reasonable prospects of success in the proposed farming operations;

"(3) be or will become operators of not larger than family farms (or in the case of cooperatives, corporations, and partnerships in which a majority interest is held by members, stockholders, or partners, as applicable, who are related by blood or marriage, as defined by the Secretary, such individuals must be or will become either owners or operators of not larger than a family farm);

"(4) be unable to obtain sufficient credit elsewhere to finance their actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similiar purposes and periods of time; and

"(5) have the application and plan of operation filed by the applicant under section 303(a) approved by the Secretary.

"(c) In addition to the requirements prescribed in subsections (a) and (b)—

"(A) in the case of corporations and partnerships, the family farm requirement of subsection (b)(3) shall apply as well to the farm or farms in which the entity has an operator interest; and

"(B) in the case of cooperatives, corporations, and partnerships, the requirement of subsection (b)(4) shall apply as well to the entity.

"(d)(1) The Secretary may make loans under this subtitle, without regard to the requirements of clauses (2) or (3) of subsection (b), to rural youths to enable the youths to operate enterprises in connection with their participation in 4-H Clubs, Future Farmers of America, and similiar organizations and for the purposes specified in section 306.

"(2) A person receiving a loan under this subsection who executes a promissory note therefor shall thereby incur full personal liability for the indebtedness evidenced by such note in accordance with its terms free of any liability of minority.

"(3) For loans made under this subsection, the Secretary may accept the personal liability of a cosignor of the promissory note in addition to the personal liability of the borrower.

"SEC. 306. (a) Subject to subsection (c), the Secretary may make or insure a loan under this subtitle in order to assist an applicant in the payment of real estate costs incurred in operating a farm during a crop or lease year, including assistance for—

"(1) purchasing or enlarging the farm, including—

"(A) the purchase of land for recreational or other nonfarm enterprises, of subdivided land, and of easements and rights-of-way needed to operate the farm or nonfarm enterprise; and

"(B) the making of a downpayment on the purchase of land if the applicant—

"(i) signs a purchase contract for the land which—

"(I) obligates the applicant to pay the purchase price of the land;

"(II) gives the applicant the right to present possession, control, and beneficial use of the property; and

"(III) entitles the applicant to receive a deed upon paying all or part of the purchase price of the land;

"(ii) secures the unpaid balance of the loan by a note and mortgage, a land purchase contract, or a similar instrument;

"(iii) is able to purchase the land without any prior first lien on the land; and

"(iv) is able under normal farm conditions to carry out the terms and conditions of the loan;

"(2) constructing, purchasing, or improving buildings and facilities that are necessary to conduct farm operations and are on or near the farm, including—

"(A) the construction, purchase, or improvement of a farm dwelling or service buildings that are essential to conduct farming operations or nonfarm enterprises and have a modest design and cost, including buildings and facilities that are necessary—

"(i) to engage in nonfarm enterprises or fish farming (including the construction, purchase, or improvement of a dock, fish hatchery, or such other nonfarm enterprises as are approved by the Secretary and are consistent with this Act); or

"(ii) to expand facilities used for food preparation and storage, vehicle storage, or laundry or office space, except that the size and cost of such facilities may not exceed the size and cost of such facilities owned by typical family farmers in the surrounding community;

"(B) the improvement, alteration, repair, replacement, relocation, or purchase and transfer of dwellings, service buildings, facilities, structures and fixtures (including pollution control and energy saving devices) that are essential for farming operations and are part of the real estate, or are transferred to a purchaser, upon the sale of the farm; and

"(C) the construction of methane and gas facilities and equipment essential to such facilities;

"(3)(A) developing land and water resources which are owned by the applicant and which the applicant needs to conduct farming operations or nonfarm enterprises, including—

"(i) the institution of pollution control and energy saving measures;

"(ii) the acquisition of water supplies and rights;

"(iii) the implementation of essential conservation measures;

"(iv) the development of fencing, drainage, and irrigation facilities, basic applications of lime and fertilizer, and facilities for land clearing;

"(v) the establishment of forestry practices, fish ponds, trails, and lakes approved by the Secretary;

"(vi) the improvement of orchards;

"(vii) the establishment and improvement of permanent hay or pasture;

"(viii) the installation of water, power, gas, and other utility lines on land owned by the applicant or, if the applicant obtains rights or easements for such lines that ensure that such rights will be transferred if the farm is sold, on land not owned by the applicant;

"(ix) the purchase or rental of machinery or equipment necessary to develop such resources, except that the total cost of such purchase or rental may not exceed the cost of hiring a person to develop such resources; and

"(x) the payment of the costs of facilities, improvements, and practices for which the applicant will be reimbursed under a conservation program (including the agricultural conservation program or the Great Plains conservation program) if—

"(I) the applicant cannot pay such costs through purchase orders or assignments to material suppliers or contractors; and

"(II) in any case in which loan funds are advanced and the amount of such payment exceeds an amount determined by the Secretary, but in no case less than $1,000, the applicant assigns such payment to the Secretary;

"(B) developing land and water resources for which the applicant has defective title or owns an undivided interest and which the applicant needs to conduct farming operations or nonfarm enterprises, including the purposes referred to in subparagraph (A), if—

"(i) the amount of the loan used to develop such resources does not exceed an amount determined by the Secretary, but in no case less than $25,000;

"(ii) the loan is adequately secured; and

"(iii) such resources are not used by the Secretary to determine the eligibility of the applicant for the loan;

"(C) developing land and water resources which the applicant leases and which the applicant needs to conduct farming operations or nonfarm enterprises, including the purposes referred to in subparagraph (A), if—

"(i) the amount of the loan used to develop such resources does not not exceed an amount determined by the Secretary, but in no case less than $10,000;

"(ii) the loan is adequately secured;

"(iii) the terms of the lease are such that there is a reasonable assurance the applicant will enjoy the value of the improvement over its useful life; and

"(iv) the lease provides that the lessor will reimburse the lessee upon termination of the lease for any unexhausted value of the developed resources;

"(4) refinancing debts of the applicant if—

"(A) the current creditors of the applicant will not furnish to the applicant credit at rates and terms which the applicant can meet;

"(B) the Secretary verifies the need to refinance all secured, and major unsecured, debts of the applicant and verifies the unpaid balance of each debt to be refinanced; and

"(C) in the case of the refinancing of loans made or insured under this subtitle, such refinancing is necessary to enable the applicant to continue farming operations;

"(5) paying reasonable expenses incurred in obtaining, planning, closing, and making the loan, including the costs of legal, architectural, and other technical services and, during the year following the closing of the loan, real estate insurance; and

"(6) financing nonfarm enterprises if the income from such enterprises is necessary and the applicant earns the major portion of the gross income of the applicant from farming operations notwithstanding that the acreage purchased for nonfarm enterprises may be physically separate from the farm acreage.

"(b) Subject to subsection (c), the Secretary may make or insure a loan under this subtitle in order to assist an applicant in the payment of production costs incurred in operating a farm during a crop or lease year, including assistance for—

"(1) purchasing essential livestock, poultry, fur bearing and other farm animals, aquatic organisms, bees, and farm equipment;

"(2) paying costs incurred in converting a farm into a viable operation;

"(3) consolidating, restructuring, or refinancing (including making installment payments on principal and interest due on) secured or unsecured real estate indebtedness incurred by the applicant (including real estate loans) if assistance under this subsection is necessary to enable the applicant to repay such indebtedness or continue the farm operation of the applicant;

"(4) purchasing milk base (with or without cows) if such purchase is necessary to provide the applicant with a satisfactory market for the dairy products of the applicant;

"(5) purchasing a grazing license or permit right of a private party that can be validly sold and transferred;

"(6) augmenting or improving water supplies;

"(7) paying costs incurred for fuel, seed, fertilizer, insecticide, farm supplies, labor, and other production expenses if such costs are essential to the continuation of farm production;

"(8) paying customary cash rent or charges for the use during such year of essential buildings, pasture, crops, hay, land, or grazing permits if the applicant—

"(A) is obligated under a written lease or other agreement to pay such rent or charges before the income will be available from the operation of the farm to make such payments, except that an invoice or, in the case of a small amount of fees, a recorded explanation of an agreement may be used to demonstrate an obligation to pay grazing fees;

"(B) cannot arrange to have such rent or charges become due when income will be available from the operation of the farm to make such payments;

"(C) will have satisfactory tenure during such year under such lease or agreement; and

"(D) uses a loan made or insured under this paragraph in the current year to pay for such rent or charges incurred only in the current year, except that the Secretary may include funds in a loan made or insured under this paragraph near the end of the current year for such rent or charges which will be incurred in the succeeding year and the applicant may use such funds for such rent or charges;

"(9) paying real or personal property taxes due or about to become due on water or drainage charges or assessments;

"(10) paying income taxes imposed under Federal or State law, or Social Security taxes imposed under the Federal Insurance Contributions Act (26 U.S.C. 3101 et seq.), for the operation of the farm if the applicant is unable to pay such taxes from personal or other funds;

"(11) paying premiums for insurance on real and personal property, including premiums for insurance for liability from, and property damage to, farm and other essential equipment (including farm trucks);

"(12) paying costs required to meet family subsistence needs, including expenses for medical care and premiums for a reasonable amount of health and life insurance;

"(13) purchasing stock in a cooperative lending agency if such purchase is necessary to obtain the loan; and

"(14) paying costs incurred for improvements or repairs to real property owned or leased by the applicant, or refinancing unsecured debts clearly incurred for such costs, if—

"(A) the total amount of loans made to an applicant in a year under this paragraph does not exceed an amount determined by the Secretary, but in no case less than $25,000;

"(B) such property is not used to secure a loan made or insured under this subtitle;

"(C) the loan is not used to improve or repair the living quarters of the applicant;

"(D) the applicant will not require a loan made or insured under this paragraph repeatedly in subsequent years;

"(E) the applicant owns the land or leases the land under an agreement with the lessor under which the lessor will reimburse the lessee upon termination of the lease for any unexhausted value of such improvements or repairs; and

"(F) the loan is clearly necessary for the successful operation of the farm.

"(c) The Secretary may make or insure a loan under this subtitle only if such loan will be used for a purpose which is consistent with applicable environmental quality standards established under Federal, State, and local law.

"SEC. 307. (a) The outstanding principal balance on all loans made or insured to or for a borrower, other than a rural youth, under this subtitle (as of the time the loan is made) may not exceed $500,000.

"(b) The outstanding principal balance on all loans made or insured to or for a rural youth under this subtitle (as of the time the loan is made) may not exceed $10,000.

"SEC. 308. (a)(1) Except as provided in paragraph (2), the interest rate on a loan made or insured under this subtitle shall be determined by the Secretary.

"(2) The interest rate on a loan made or insured to or for a limited resource applicant under this subtitle shall be the greater of 5 per centum or a rate which is 5 per centum less than the rate established for loans made or insured in the case of applicants who are not limited resource applicants.

"(3) The Secretary may make payments to the borrower or lender of a loan insured under this subtitle in order to reduce the annual rate of interest paid by such borrower on such loan to a level equal to the annual rate of interest paid by a borrower on a loan made by the Secretary under this subtitle.

"(b)(1) Except as provided in paragraphs (2) through (4), the schedule of repayments on a loan made or insured under this subtitle shall be established by the Secretary in a manner consistent with the purpose of and need for the loan, the useful life of the security pledged for the loan, and the reasonable repayment ability of the borrower as determined in accordance with the plan of operation of the borrower approved under section 305.

"(2) Such loan repayment schedule shall require such borrower to make at least one annual installment payment on such loan during the period of the loan unless the Secretary defers repayment of the loan under section 309.

"(3) The period for the repayment of a real estate loan may not exceed forty years.

"(4)(A) Except as provided in subparagraph (B), the period for the repayment of a production loan may not exceed seven years.

"(B) The period for the repayment of a production loan used for the annual production of crops may not exceed one year.

"SEC. 309. (a) To be eligible for the consolidation, rescheduling, reamortization, or deferral of a loan made or insured under this subtitle, the borrower of the loan must file with the Secretary a revised plan of operation for using such loan or insured loan which justifies such action and demonstrates that such action will enable the borrower to carry out the terms and conditions of the loan.

"(b) The Secretary shall consolidate, reschedule, reamortize, or defer a loan made or insured under this subtitle if—

"(1) the Secretary—

"(A) approves the revised plan of operation referred to in subsection (a); and

"(B) determines that such action will assist in the orderly collection of the loan;

"(2) the borrower of the loan—

"(A) is unable to make payments on the loan in accordance with the original payment schedule established for the loan—

"(i) due to circumstances beyond the control of the borrower; or

"(ii) due to circumstances within the control of the borrower which the borrower agrees to correct in accordance with the revised plan of operation;

"(B) meets the eligibility criteria established for the loan under section 305, except that the Secretary may not require, as a condition of eligibility for such action, that the borrower be able to repay a loan other than a loan subject to such action; and

"(C) is cooperating with the Secretary in servicing the loan;

"(3) such action—

"(A) will enable the borrower to continue farming operations; and

"(B) is not taken solely to remove a delinquency in making payments on the loan or to delay liquidation of the loan; and

"(4) in the case of the consolidation of such loans, the Secretary consolidates—

"(A) real estate loans only if such loans have a period of repayment of less than forty years; and

"(B) production loans only if—

"(i) the loans to be consolidated were made to a borrower under section 306(b) for the same purpose; and

"(ii) the Secretary assures that only one note must be serviced for each such loan.

"(c)(1) The interest rate on a loan consolidated, rescheduled, or reamortized under this section shall be the lower of—

"(A) the rate required under section 308(a) to be paid on a loan made or insured under this subtitle on the date the loan was consolidated, rescheduled, or reamortized; or

"(B) the rate prescribed in the original note made for the loan.

"(2) If the borrower of a loan consolidated, rescheduled, or reamortized under this section qualified as a limited resource applicant at the time such action was taken and subsequently does not qualify as a limited resource applicant, the Secretary shall reschedule the loan in accordance with this section.

"(d)(1) Except as provided in paragraphs (2) through (4), the schedule of repayments on a loan consolidated, rescheduled, reamortized, or deferred under this section shall be established by the Secretary in a manner consistent with the purpose of and need for the loan, the useful life of the security pledged for the loan, and the reasonable repayment ability of the borrower as determined in accordance with the revised plan of operation referred to in subsection (a).

"(2) The period for the repayment of a real estate loan reamortized under this section may not exceed forty years from the date of such action.

"(3) The period for the repayment of a production loan consolidated or reamortized under this section may not exceed seven years from the date of such action.

"(4) If the Secretary elects to defer the payment of installments on principal or interest, or both, due on a loan made or insured under this subtitle, or consolidated, rescheduled, or reamortized under this section, the Secretary shall—

"(A) defer no more than three such installments;

"(B) require the borrower in each installment payment made on the loan to repay—

"(i) at least part of the interest payment due in such installment; and

"(ii) at the earliest possible date permitted under the revised plan of operation of the borrower, all of such payment due in such installment;

"(C) defer such payments for no longer than the period ending on the final due date on the loan;

"(D) encourage the borrower to make such payments as soon as the borrower is able to make such payments notwithstanding the fact the repayment period for the loan has not expired; and

"(E) give preference in deferring such loans to beginning farmers, limited resource applicants, and borrowers who have suffered production and economic losses due to natural or economic conditions.

"(e) If the Secretary modifies the terms of a loan under this section and determines that a new mortgage on property used to secure the loan is necessary to protect the loan priority of the Secretary, the Secretary may require that a new mortgage on such property be executed.

"(f)(1) If the Office of the General Counsel of the Department of Agriculture or a United States Attorney is taking servicing actions with respect to a loan made or insured under this subtitle or are planning to take such actions in the near future, the Administrator of the Farmers Home Administration may not take servicing actions under this subtitle with respect to such loan.

"(2) The Secretary may not take servicing actions with respect to a loan made or insured under this subtitle in order to circumvent any agreement to permit a graduated loan repayment schedule.

"SEC. 310. (a) If a loan made under this subtitle is secured by the principal residence of the borrower of the loan and the borrower defaults on the repayment of the loan and, as a result of such default, the borrower is required to forfeit the residence to the Secretary or to pay to the Secretary an amount equal to the equity of the borrower in the residence, the appropriate Director of the State office of the Farmers Home Administration may make a loan to the borrower in accordance with this section.

"(b) In order to be eligible to obtain a loan under this section, a borrower must have the ability (as determined by the Secretary) to repay the loan and otherwise meet the eligibility requirements established under section 305.

"(c) The amount of a loan made under this section may not exceed the lesser of—

"(1) an amount equal to the amount of equity the borrower has in such residence at the time such loan is made; or

"(2) the outstanding amount of principal and interest owed by the borrower to the Secretary on the loan referred to in subsection (a) on which the borrower has defaulted.

"(d) The interest rate on a loan made under this section shall be the rate required under section 308(a) to be paid on a loan made or insured under this subtitle on the date the loan is made.

"(e) The period for the repayment of a loan made under this section may not exceed twenty-five years.

"(f) If a borrower makes all payments due on a loan made under this section in accordance with the loan agreement entered into with respect to such loan, an action may not be brought against the borrower for the repayment of such loan or the loan referred to in subsection (a) on which the borrower has defaulted.

"SEC. 311. (a) Except as provided in subsection (b), to be eligible to obtain a loan under this subtitle, a borrower of the loan shall—

"(1) provide only such security for the loan as the Secretary determines is necessary to secure the loan, including real estate, buildings, machinery, equipment, crops, crop insurance, crop assignments, livestock product assignments, livestock, furniture, fixtures, inventory, accounts receivable, cash, stocks, bonds, personal and corporate guarantees, marketable securities, the cash surrender value of life insurance, or any combination thereof;

"(2) dispose of all real property which the Secretary determines is not essential to the operation of farm and nonfarm enterprises by the borrower;

"(3) in the case of a loan used for the annual production of crops or livestock, pledge such crops or livestock and any other property which the Secretary determines is necessary to secure the loan;

"(4) in the case of a real estate loan, pledge real estate to secure such loan; and

"(5) in the case of a loan secured by chattels whose loss would jeopardize the interests of the Federal Government, insure such chattels against hazards customarily covered by insurance in the surrounding community.

"(b) If a borrower provides security for a loan in accordance with subsection (a), the Secretary may not require as a condition of eligibility for the consolidation, rescheduling, reamortization, or deferral of the loan under section 309 that the borrower provide additional security for the loan.

"(c) If a borrower conveys real property to the Secretary in connection with a loan made under this subtitle, the Secretary shall permit the borrower to redeem the rights of the borrower in the property at any time during the five year period beginning on the date of such conveyance.".

CONFORMING AMENDMENTS

SEC. 4. (a)(1) Section 313 (as redesignated by section 3(2) of this Act) is amended—

(A) by inserting "or subtitle B" after "this subtitle" each place it appears in the second sentence of subsection (a), the third sen-

tence of subsection (c), the first sentence of subsection (d), and subsection (f)(1);

(B) by striking out "section 309A" in subsection (f)(6) and inserting in lieu thereof "section 323"; and

(C) by striking out "section 308, the last sentence of section 306(a)(1), and the last sentence of section 307" in the second sentence of subsection (g)(1) and inserting in lieu thereof "section 312, the last sentence of section 321(a)(1), and the last sentence of section 322".

(2) The second sentence of section 314 (as redesignated by section 3(2) of this Act) is amended by striking out "section 309A(a)" and inserting in lieu thereof "section 323(a)".

(3) Section 321(a)(7) (as redesignated by section 3(4) of this Act) is amended by striking out "sections 304(b), 310B, and 312(b), (c), and (d)" and inserting in lieu thereof "section 325".

(4) Section 322 (as redesignated by section 3(4) of this Act) is amended—

(A) in subsection (a)—

(i) by striking out "(A)" in paragraph (3)(A);

(ii) by striking out subparagraph (B) of paragraph (3);

(iii) by striking out "sections 304(b), 306(a)(1), and 310B" in paragraph (4) and inserting in lieu thereof "sections 321(a)(1) and 325"; and

(iv) by striking out subparagraph (B) of paragraph (6) and inserting in lieu thereof the following new subparagraph:

"(B) The authorities referred to in subparagraph (A) are—

"(i) the provisions of section 321(a)(1) relating to loans for recreational developments and essential community facilities;

"(ii) section 321(a)(15);

"(iii) clause (1) of section 325(a); and

"(iv) subsections (d) and (e) of section 325."; and

(B) by striking out "section 306" in the first sentence of subsection (c) and inserting in lieu thereof "section 321".

(5) Section 323 (as redesignated by section 3(4) of this Act) is amended—

(A) by striking out "sections 304(b), 306(a)(1), 306(a)(14), 310B, and 312(b)" in the second sentence of subsection (a) and inserting in lieu thereof "sections 321(a)(1), 321(a)(14), and 325";

(B) in subsection (b)—

(i) by striking out "section 309(a)" in the first sentence and inserting in lieu thereof "section 313(a)";

(ii) by striking out "section 306(a)(1)" in the first sentence and inserting in lieu thereof "section 321(a)(1)"; and

(iii) by striking out "section 308" in the second sentence and inserting in lieu thereof "section 312"; and

(C) by striking out "sections 306(a) and 310B" in subsection (g)(8) and inserting in lieu thereof "sections 321(a) and 325".

(6) Section 324 (as redesignated by section 3(4) of this Act) is amended by striking out "sections 308 and 309, the last sentence of section 306(a)(1), and the last sentence of section 307" and inserting in lieu thereof "sections 312 and 313, the last sentence of section 321(a)(1), and the last sentence of section 322".

(7) Section 325(d) (as redesignated by section 3(4) of this Act) is amended—

(A) by striking out "sections 304(b), 310B, and 312(b)" each place it appears in paragraphs (1), (2), and (3) and inserting in lieu thereof "this section"; and

(B) by striking out ", section 304, or section 312" in paragraph (5).

(8) Section 331B (7 U.S.C. 1981b) (as added by section 605 of the Emergency Agricultural Credit Act of 1984 (Public Law 98-258; 98 Stat. 139)) is repealed.

(9) Section 333 (7 U.S.C. 1983) is amended—

(A) by striking out "this title" in the matter preceding subsection (a) and inserting in lieu thereof "subtitle B";

(B) in subsection (b)—

(i) by striking out "sections 306, 310B, 314, and 321(a)(2)" and inserting in lieu thereof "sections 321, 325, and 327"; and

(ii) by striking out "; and for loans under section 321(a)(2), the Secretary shall require the recommendation of the county committee as to the making or insuring of the loan";

(C) by striking out "(or, in the case of a borrower under section 310D of this title, the borrower may be able to obtain a loan under section 302 of this title)" in subsection (c); and

(D) by striking out "subtitle A or B" in subsection (e) and inserting in lieu thereof "subtitle B".

(10) Section 338(e) (7 U.S.C. 1988) is amended by inserting "or B" after "subtitle A".

(11) The first sentence of section 344 (7 U.S.C. 1992) is amended by striking out "section 304(b), 306(a)(1), 310B, 312(b), or 312(c)" and inserting in lieu thereof "section 321(a)(1) or 325".

(12) Section 346 (7 U.S.C. 1994) (as amended by section 607 of the Emergency Agricultural Credit Act of 1984 (Public Law 98-258; 98 Stat. 140)) is amended by striking out subsections (b), (d), and (e) and redesignating subsection (c) as subsection (b).

(b)(1) The second sentence of section 607(c)(6) of the Rural Development Act of 1972 (7 U.S.C. 2204b(c)(6)) is amended by striking out "section 306(a)(12) of the Consolidated Farm and Rural Development Act" and inserting in lieu thereof "section 321(a)(12) of the Consolidated Farm and Rural Development Act".

(2) Section 9 of the Act entitled "An Act to amend the emergency loan program under the Consolidated Farm and Rural Development Act, and for other purposes", approved April 20, 1973 (15 U.S.C. 636 note), is amended to read as follows:

"SEC. 9. No portion of any loan made by the Small Business Administration in connection with any disaster occurring on or after April 20, 1973 under sections 7(b) (1), (2), or (4) of the Small Business Act (15 U.S.C. 636(b) (1), (2), or (4)) shall be subject to cancellation under the provisions of any law.".

(3) The first sentence of section 18(a) of the Small Business Act (15 U.S.C. 647(a)) is amended by striking out "prior" and all that follows through "Act, and".

(4) The last sentence of section 7(b)(3) of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2106(b)(3)) is amended by striking out "section 306(a)(7) of the Consolidated Farm and Rural Development Act" and inserting in lieu thereof "section 321(a)(7) of the Consolidated Farm and Rural Development Act".

(5)(A) The first sentence of the first section of the Act entitled "An Act to provide for loans to Indian tribes and tribal organizations, and for other purposes", approved April 11, 1970 (25 U.S.C. 488), is amended by striking out "sections 308 and 309, of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1988(c), 1928, 1929)," and inserting in lieu thereof "sections 312 and 313, of the Consolidated Farm and Rural Development Act".

(B) Section 5 of such Act (25 U.S.C. 492) is amended by striking out "section 307(a) of the Consolidated Farmers Home Administration Act of 1961, as amended," and inserting in lieu thereof "section 322(a) of the Consolidated Farm and Rural Development Act".

(6)(A) Section 515(b)(4) of the Housing Act of 1949 (42 U.S.C. 1485(b)(4)) is amended by striking out "section 309 and the second and third sentences of section 308 of the Consolidated Farmers Home Administration Act of 1961, including the authority in section 309(f)(1) of that Act" and inserting in lieu thereof "section 313 and the second and third sentences of section 312 of the Consolidated Farm and Rural Development Act, including the authority in section 313(f)(1) of such Act".

(B) The third sentence of section 517(b) of such Act (42 U.S.C. 1487(b)) is amended by striking out "(7 U.S.C. 1929)" and inserting in lieu thereof "(section 313 of the Consolidated Farm and Rural Development Act)".

(7) Section 901(b) of the Agricultural Act of 1970 (42 U.S.C. 3122(b)) is amended by striking out "section 306(a)(7) of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1926)" and inserting in lieu thereof "section 321(a)(7) of the Consolidated Farm and Rural Development Act".

(8) Section 415(c) of the New Communities Act of 1968 (42 U.S.C. 3914(c)) is amended by striking out "section 306(a)(2) of the Consolidated Farmers Home Administration Act" and inserting in lieu thereof "section 321(a)(2) of the Consolidated Farm and Rural Development Act".

(9) Section 718(c) of the Urban Growth and New Community Development Act of 1970 (42 U.S.C. 4519(c)) is amended by striking out "section 306(a)(2) of the Consolidated Farmers Home Administration Act" and inserting in lieu thereof "section 321(a)(12) of the Consolidated Farm and Rural Development Act".

(10) Paragraph (5) of section 313(a) of the Disaster Relief Act of 1974 (42 U.S.C. 5153(a)(5)) is amended to read as follows:

"(5) section 321 of the Consolidated Farm and Rural Development Act;".

(11) The first sentence of section 213(c)(1) of the Biomass Energy and Alcohol Fuels Act of 1980 (42 U.S.C. 8813(c)(1)) is amended—

(A) by striking out "section 309 of the Consolidated Farm and Rural Development Act" and inserting in lieu thereof "section 313 of the Consolidated Farm and Rural Development Act"; and

(B) by striking out "section 309A of such Act" and inserting in lieu thereof "section 323 of such Act".

BRIEF SECTION-BY-SECTION ANALYSIS—"CONSOLIDATED AGRICULTURAL ADJUSTMENT LOAN ACT OF 1985"

Section 302. Includes the definitions to be used in the act establishing the Agricultural Adjustment Loan program. The section maintains definitions found in current law.

Section 303. Establishes application requirements for applicants, maintaining the credit elsewhere test. To maintain continuity and avoid confusion, the changes that the bill makes in application requirements are only those necessary to carry out the overall purpose of the Act, which is to consolidate seven loan programs into one.

Section 304. Establishes a veterans preference in approving applications.

Section 305. Establishes eligibility requirements for applicants, maintaining most re-

quirements found in current law. Eligibility requirements for corporations are left to the discretion of the Secretary. The same eligibility process and the same set of regulations will apply, regardless of the purpose for which a producer seeks a loan (except rural youth loans), thus greatly streamlining the loan operation.

Section 306. This section sets out the purposes of the consolidated loan. The purposes for the new Agricultural Adjustment loan include the purposes found currently in the operating, farm ownership, soil and water, economic emergency, limited resource, recreation, and rural youth loan programs. (The emergency loan [EM] program is not included.) The accumulated loan purposes expand loan flexibility within a single loan program. Rigid divisions between loan programs will be eliminated, which in turn will accelerate the loan process, reduce paperwork, minimize borrower confusion, and improve FmHA efficiency.

Section 307. Establishes a total loan limit of $500,000 for Agricultural Adjustment loans, for both insured and guaranteed loans. No division is required among the several loan purposes. Under the bill, rural youth loans may not exceed $10,000. A single loan limit will emphasize a consolidation of these aforementioned farm loan programs. Currently, insured operating loans have a $100,000 limit, guaranteed at $200,000. Insured farm ownership loans have a limit of $200,000, guaranteed at $300,000.

Section 308. Allows Secretary discretion in setting loan interest rates. Limited resource interest rates would be the greater of 5 percent or a rate 5 percent below the regular established rate set by the Secretary. Authority for limited resource graduation is included. Loan repayment requirements are similar to those in current law.

Section 309. Establishes conditions for loan consolidation, rescheduling, reamortization and deferral. Once the plan is approved, the Secretary will be required to accept loan servicing if financial stress is due to circumstances beyond the borrower's control. The Secretary would be prohibited from requiring repayment ability as a condition for loan servicing for any loan other than the loan or loans being serviced. Loans which are rescheduled, reamortized, or consolidated will retain the interest rate in the original note or the current rate, whichever is lower.

Section 310. Establishes the security requirements for an Agricultural Adjustment loan. The Secretary would be prohibited from requiring additional security as a condition for loan consolidation, rescheduling, reamortization, or deferral. In making loans, the Secretary could take as collateral only that necessary to secure the loan. Any real property forfeited could be redeemed by the borrower within 5 years.

Upon default, the Secretary would be authorized to make a separate loan to the borrower to cover the borrower's principal residence, thereby allowing the borrower to retain possession of his home.

By Mr. HATCH (for himself and Mr. THURMOND):

S. 436. A bill to amend section 1979 of the Revised Statutes (42 U.S.C. 1983), relating to civil actions for deprivation of rights, to limit the applicability of that statute to laws relating to equal rights, and to provide a special defense to the liability of political subdivisions of States; to the Committee on the Judiciary.

MUNICIPAL LIABILITY

Mr. HATCH. Mr. President, during the post-Civil War Reconstruction era, the 42d Congress passed the Civil Rights Act of 1871 to protect persons from the Deprivation under the color of State law, "of any rights, privileges, or immunities secured by the Constitution of the United States." The Revised Statutes of the United States enacted in 1874, contained a remedial provision, now 42 U.S.C. 1983, for securing these rights. I am in strong agreement with the intent of these laws—to guarantee to every American the rights secured by the Constitution and laws providing for equal rights. Indeed, I feel one of our most sacred obligations is to insure the constitutional rights of all our citizens.

However, over the past 23 years, due to a pair of recent Supreme Court rulings that have caused literal havoc in the interpretation of section 1983, a virtual explosion has occurred in the number of suits brought under that section.

In 1961, according to the administrative office of the U.S. courts, 270 civil rights cases were brought in Federal courts; this figure and those following exclude cases in which the United States was a party. Unfortunately, statistics are not available on specifically the number of section 1983 cases brought in Federal courts, but, in practice, the vast majority of these cases are suits against State and local governments, virtually all of which allege a section 1983 claim. By 1976 the number of these suits had leaped to 10,585; in addition, 6,958 State prisoners suits were brought—all of which would be section 1983 suits; habeas corpus suits are not included in this figure. During 1984 the number of civil rights suits brought in Federal court had increased to 19,299, plus 18,034 State prisoners suits. Therefore, between 1976 and 1984 the number of civil rights suits brought in Federal court—still excluding suits in which the United States was party—per year increased from 17,543 to 37,333, a 113-percent increase.

Thus, a very conservative estimate would indicate that 30,000 suits were brought alleging section 1983 claims against State and local governments or officials in 1984 alone. Some would estimate the number to be closer to 33,000. An extremely large amount of taxpayer money must be spent to merely defend States and municipalities in these suits.

This explosion of civil rights lawsuits was almost entirely the result of two Supreme Court cases, which in reality had little or nothing to do with anyone's constitutional rights. The following is an explanation of the cases as well as their undesired effects.

In the case of *Maine* v. *Thibqutot*, 448 U.S. 1 (1980), the Court expressly ruled, for the first time ever, that the phrase "and laws" was intended by Congress to provide a section 1983 remedy for deprivations of rights secured by any law of the United States. Civil actions may now be brought against State and local officials under 42 U.S.C. 1983 based on violations of laws which have no relevance whatsoever to deprivations of constitutional or statutory equal rights.

In *Owen* v. *City of Independence*, 445 U.S. 622 (1980), the court held that local governmental entities may not assert the good faith of their agent as a defense to liability under section 1983 suits. In other words, a local government may be liable in damages for violating a constitutional right that was unknown when the event occurred.

The burdens imposed by these holdings will be onerous. At the very least, our crowded courts will become even more crowded; our tax dollars will increasingly be spent in damages suits instead of providing needed services. Further, our State and local governments will be paranoid to the point of paralysis lest their action or inaction be later interpreted as unconstitutional and thus subject to costly damage suits.

The court has been careful to point out in many of its section 1983 cases, including Owen and Thiboutot, that Congress could, if it chose to do so, modify the statute or limit its application to certain types of statutes. Although the Supreme Court has been far from unimaginative in its section 1983 decisions over the last 20 years, its most recent interpretation of congressional silence compels us to let our voice be heard on this matter.

Mr. President, because the Court's recent rulings, in the cases of Maine v. Thiboutot and Owen v. City of Independence, involve areas of the law which are better left to Congress than to judicial activism, I wish to introduce some relatively simple, yet important amendments to 42 U.S.C. 1983. I want to emphasize that my amendments will not compromise the intent of section 1983—to provide persons with a remedy for violations of rights secured by the Constitution and laws providing for equal rights.

MAINE VERSUS THIBOUTOT

The Thiboutots were recipients of AFDC benefits administered by the Maine Department of Human Services. The amount paid to the family was calculated on the number of dependents of Mr. Thiboutots—three children from a previous marriage—rather than on the number of dependents he and his present wife claimed. Their petition for a reassessment of the benefits was based on amounts due them as parents of eight children. The Superior Court of Maine, in an order affirmed by the Supreme Judicial Court of Maine, required the agency

to make the requested changes and adopt new policies for similar cases.

The Court observed that the debate over the "scanty legislative history" of section 1983 did not result in a definitive answer on the intended scope of section 1983. Justice Brennan, writing for the majority of the Court, interpreted the "plain language" of section 1983 as providing a broad base for claims arising not only out of violations of constitutional rights, but also out of statutory rights unrelated to equal rights. Such claims are not limited to constitutional rights or equal rights created by statute, reasons Justice Brennan, because the section merely states "and laws" and "Congress attached no modifiers" to explain what type of laws were intended to be covered by the section.

The result is that a cause of action under section 1983 may now rest on the violation or deprivation of any rights secured by any statute. In other words, a disgruntled citizen, feeling that an official deprived him or her of some benefit under a program provided for by Federal law, may sue that official for damages under section 1983. Prior to this decision, section 1983 cases only involved rights secured by the Constitution and statutes which provided for equal rights. Now, the Court has transformed this remedy into a catchall cause of action for the redress of any infringement of statutory rights.

In his dissenting opinion, Justice Powell, joined by the Chief Justice and Justice Rehnquist, stated that the "legislative history alone refutes the Court's interpretation of section 1983," and, further, that "until today this court never had held that section 1983 encompasses all purely statutory claims."

CONSEQUENCES OF THIBOUTOT

Even if we assume that the court's interpretation of legislative history and legal precedent are correct, an assumption that is questionable at best, the devastating effect of the decision in *Thiboutot* on our State and local governments would necessitate our action.

Commenting on the ruling in *Thiboutot,* the Wall Street Journal said that the decision:

> Couldn't do more harm if it were deliberately designed to subvert the federal system and bankrupt cities from coast to coast.

I do not think this statement is too far off the mark.

Justice Powell illustrates the new areas likely to be affected by the court's extension of liability. I include the appendix to his opinion at this point, because of the importance of understanding the extent to which this holding will intrude into the performance of State and local government activities.

Note the wide range of programs included in the list:

A small sample of statutes that arguably could give rise to § 1983 actions after today may illustrate the nature of the "civil rights" created by the Court's decision. The relevant enactments typically fall into one of three categories: (A) regulatory programs in which States are encouraged to participate, either by establishing their own plans of regulation that meet conditions set out in federal statutes, or by entering into cooperative agreements with federal officials; (B) resource management programs that may be administered by cooperative agreements between federal and state agencies; and (C) grant programs in which federal agencies either subsidize state or local welfare plans that meet federal standards.

A. JOINT REGULATORY ENDEAVORS

1. Federal Insecticide, Fungicide, and Rodenticide Act, 86 Stat. 973 (1972), as amended, 7 U.S.C. §§ 136 et seq.; see, e.g., 7 U.S.C. §§ 136u, 136v.

2. Federal Noxious Weed Act of 1974, 88 Stat. 2148 (1975), 7 U.S.C. §§ 2801-2813; see 7 U.S.C. § 2808.

3. Historic Sites, Buildings, and Antiquities Act, 49 Stat. 666 (1935), as amended, 16 U.S.C. §§ 461-467; see 16 U.S.C. § 462(e).

4. Fish and Wildlife Coordination Act, 48 Stat. 401 (1934), as amended, 16 U.S.C. § 661-666c; see 16 U.S.C. § 661.

5. Anadromous Fish Conservation Act, 79 Stat. 1125 (1965), as amended, 16 U.S.C. § 757a-757d; see 16 U.S.C. § 757a(e).

6. Wild Free-Roaming Horses and Burros Act, 85 Stat. 649 (1971), as amended, 16 U.S.C. §§ 1331-1340; see 16 U.S.C. § 1336.

7. Marine Mammal Protection Act of 1972, 86 Stat. 1027, as amended, U.S.C. §§ 1361-1407; see 16 U.S.C. § 1379.

8. Wagner-Peyser National Employment System Act, 48 Stat. 113 (1933), 29 U.S.C. §§ 49 et seq; see 29 U.S.C. § 49g (employment of farm laborers).

9. Surface Mining Control and Reclamation Act of 1977, 91 Stat. 447, 30 U.S.C. §§ 1201-1328; see 30 U.S.C. § 1253.

10. Interstate Commerce Act Amendments of 1935, 49 Stat. 548, as amended, 49 U.S.C. § 11502(a)(2) (enforcement of highway transportation law).

B. RESOURCE MANAGEMENT

1. Laws involving the administration and management of national parks and scenic areas: e.g., Act of May 15, 1965, § 6, 79 Stat. 111, 16 U.S.C. § 281e (Nez Perce National Historical Park); Act of Sept. 21, 1959, § 3, 73 Stat. 591, 16 U.S.C. § 410u (Minute Man National Historical Park); Act of Oct. 20, 1972, § 4, 86 Stat. 1302, 16 U.S.C. § 460bb-3(b) (Muir Woods National Monument).

2. Laws involving the administration of forest lands: e.g., Act of March 1, 1911, § 2, 36 Stat. 961, 16 U.S.C. §§ 563; Act of Aug. 29, 1935, ch. 808, 49 Stat. 963, 16 U.S.C. §§ 567a-567b.

3. Laws involving the construction and management of water projects: e.g., Water Supply Act of 1958, § 301, 72 Stat. 319, 43 U.S.C. § 390b; Boulder Canyon Project Act, §§ 4, 8, 45 Stat. 1058, 1062 (1928), as amended 43 U.S.C. §§ 617c 617g; Rivers and Harbors Act of 1899, § 9, 30 Stat. 1151, 33 U.S.C. § 401.

4. National Trails System Act. 82 Stat. 919 (1968), as amended, 16 U.S.C. §§ 1241-1249; see 16 U.S.C. § 1246(h).

5. Outer Continental Shelf Lands Act Amendment of 1978, § 208, 92 Stat. 652, 43 U.S.C. § 1345 (oil leasing).

C. GRANT PROGRAMS

In addition to the familiar welfare, unemployment, and medical assistance programs established by the Social Security Act, these may include:

1. Food Stamp Act of 1964, 78 Stat. 703, as amended, 7 U.S.C. §§ 2011-2025; see, e.g., 7 U.S.C. §§ 2020e-2020(g).

2. Small Business Investment Act of 1958, § 602(d)(1), 72 Stat. 698, as amended, 15 U.S.C. § 636(d).

3. Education Amendments of 1978, 92 Stat. 2153, as amended, 20 U.S.C. §§ 2701 et seq.; see, e.g., 20 U.S.C. §§ 2734, 2902.

4. Federal-Aid Highway legislation, e.g., 21 U.S.C. §§ 128, 131.

5. Comprehensive Employment and Training Act Amendments of 1978, 92 Stat. 1909, 29 U.S.C. §§ 801 et seq.; see, e.g., 29 U.S.C. §§ 823, 824.

6. United States Housing Act of 1937, as added, 88 Stat, 653 (1974), as amended, 42 U.S.C. § 1437 et seq.; see e.g., 42 U.S.C. §§ 1437d(c), 1437j.

7. National School Lunch Act, 60 Stat. 230 (1946), as amended, 42 U.S.C. §§ 1751 et seq.; see, e.g., 42 U.S.C. § 1758.

8. Public works and Economic development Act of 1965. 79 Stat. 552, as amended, 42 U.S.C. §§ 3121 et seq.; see, e.g., 42 U.S.C. §§ 3132, 315a, 3243.

9. Justice System Improvement Act of 1979, 93 Stat. 1167, 42 U.S.C. §§ 3701-3797; see e.g. 42 U.S.C. §§ 3742, 3744(c).

10. Juvenile Justice and Delinquency Prevention Act of 1974, 88 Stat. 1109, as amended, 42 U.S.C. §§ 5601 et seq.; see, e.g., 42 U.S.C. § 5633.

11. Energy Conservation and Production Act of 1976, 90 Stat. 1125, as amended, 42 U.S.C. §§ 6801 et seq.; see, e.g., 42 U.S.C. §§ 6805, 6836.

12. Developmentally Disabled Assistance and Bill of Rights Act, 89 Stat. 486 (1975), as amended, 42 U.S.C. §§ 6001 et seq.; see, e.g., §§ 6011, 6063.

13. Urban Mass Transportation Act of 1964, 78 Stat. 302, as amended, 49 U.S.C. §§ 1601 et seq.; see e.g., §§ 1602, 1604(g)(m).

Now, "virtually every * * * program, together with the State officials who administer [them] becomes subject to Federal judicial oversight at the behest of a single citizen, even if such a dramatic expansion of Federal court jurisdiction never would have been countenanced when these programs were adopted." See *Chapman* v. *Huston Welfare Rights Org.,* 441 U.S. 600, 645 (1978), (concurring opinion, Justice Powell).

Ironically, with the expenses of increased litigation and court-ordered spending that will accompany this decision, local governments will be less able to implement Federal programs than they were before the ruling in Thiboutot.

This is not to say that a person should be left without a remedy when a State official harms him in violation of a Federal statute. In 1980, Congress abolished the amount-in-controversy requirement for Federal question jurisdiction. This means that any person has access to Federal courts on the basis of a violation of a Federal statute. If the Federal statute does not specifically grant such access, it can be implied from congressional intent under the doctrines of Cort v. Ash, another Supreme Court safeguard to

guarantee violations of Federal rights have a remedy. Because injured persons can get into Federal court without resort to 42 U.S.C. 1983 for violations of Federal law, the primary significance of the Thiboutot decision becomes monetary. By alleging a civil rights violation under *Thiboutot*, lawyers may become eligible for court-awarded attorney fees, even though Congress has decided not to provide a fee-shifting provision for the violated Federal statute. *Thiboutot* has become a way for lawyers to get easy compensation, instead of a way to vindicate Federal rights. Those rights can be adjudicated in Federal court without *Thiboutot*. It only makes sense for Congress to limit this "back door" means of shifting legal fees to violations of traditional civil rights.

Justice Powell summed up the effect of the Thiboutot decision:

> No one can predict the extent to which litigation from today's decision will harass State and local officials; nor can one foresee the number of new filings in our already overburdened courts. But no one can doubt that these consequences will be substantial.

As we all know, our local governments face the problem of providing services to the public with limited budgets. Our State and local governments are already strapped. Why should we leave them in a tighter straitjacket?

PROPOSED AMENDMENT

My amendment to section 1983 would add the words "and by any law providing for equal rights" in the place of the ambiguous and broad "and laws" language. The text would then read:

> Every person who, under color of any statute, ordinance, regulation, custom, or usage, of any state or territory, subjects, or causes to be subjected, any citizen of the United States or other person within the jurisdiction thereof to the deprivation of any rights privileges, or immunities secured by the Constitution and by any law providing for equal rights of citizens or of all persons within the jurisdiction of the United States, shall be liable to the party injured in an action at law, suit in equity, or other proper proceeding for redress.

This wording would provide that section 1983 actions be based on deprivations of those rights secured by the Constitution and by those laws which provide for equal rights. Thus, State and local governments would not face the harassment that is sure to follow the decision in Thiboutot, while at the same time, the civil rights of individuals will be protected as Congress originally intended.

OWEN VERSUS CITY OF INDEPENDENCE

In this decision, a dismissed city police chief sued the city, city manager, and city council for violating his due process rights. The Supreme Court, reversing the court of appeals, held that the city was liable to the police chief because its ordinance allowing his summary dismissal was unconstitutional and contravened the Court's holdings in *Roth* v. *Board of Regents*, 408 U.S. 564 (1972) and *Perry* v. *Sindermann*, 408 U.S. 593 (1972). These decisions had been handed down after the actions taken by the city of Independence. Therefore, the district court had allowed a good faith defense because the city and its officials could not have anticipated the Supreme Court's future interpretations of constitutional law. The Supreme Court, however, disallowed the good faith defense and held the city liable even though it had no way of predicting the Court's actions. The Court reasoned that since Congress was silent on municipal immunity, no immunity was intended.

Justice Powell, joined by the Chief Justice, Justice Rehnquist, and Justice Stewart, stated in dissent:

> This strict liability approach inexplicably departs from this court's prior decisions under section 1983 and runs counter to the concerns of the 42d Congress when it enacted the statute. The court's ruling also ignores the vast weight of common-law precedent as well as the current state of municipal immunity.

The dissenters also noted that—

> Municipalities . . . have gone in two short years from absolute immunity under section 1983 to strict liability.

CONSEQUENCES OF OWEN

Again, even if we accept the questionable use of legislative history and legal precedent, the policy considerations of this ruling force us to act. The ruling is not only unfair in holding a city responsible for violating a right which first came into existence after the city acted, but it is also detrimental in shackling local governments with the need to predict future Federal court decisions. In this ruling, the Court has administered what could be, for many of our local governments, a fatal dose of municipal immobilization.

While the Court could find no reason for any immunity for local governments, it has given numerous reasons for immunity to government officials such as judges, police officers, school board members, prison officials, and prosecutors. In Owen, the Court stated that—

> We concluded that overriding considerations of public policy nevertheless demanded that the official be given a measure of protection from personal liability

The Court's justification for individual immunity was—

> That the threat of personal monetary liability will introduce an unwarranted and unconscionable consideration into the decision making process, thus paralyzing the governing official's decisiveness and destorting his judgment on matters of public policy.

Justice Harlan also listed reasons for granting immunity to government officials:

> Officials of government should be free to exercise their duties unembarrassed by the fear of damage suits in respect of acts done in the course of those duties—suits which would consume time and energies which would otherwise be devoted to government service . . . *Barr* v. *Matteo*, 360 U.S. 564.

The Court stated that these considerations did not apply when the damage award comes from the public treasury instead of the official's pocket.

With such reasoning, the Court must assume that our State and local governments are guided by irresponsible individuals who would be prudent with their own money but would not flinch at the risk of depleting the public treasury. This type of official is not characteristic of the men and women I have associated with, in Utah and throughout the country, who take seriously their trust over the taxpayer's money. State and local leaders like these will be forced to continually look over their shoulder and into the mind of the Federal judiciary to determine future decisions—lest ruinous judgments threaten municipal solvency. Each decision will be made with constant consideration of section 1983 liability, and officials will no doubt feel the pressure of accountability to citizens and colleagues for costly judgments. Also, small towns, where retained counsel is an unaffordable luxury, will now be forced to cut back on services to try to protect themselves by retaining counsel. Do all these concerns not introduce "an unwarranted and unconscionable consideration into the decisionmaking process?" Since a municipality's actions are essentially the actions of its chief officials and since most of our local officials are conscientious in their stewardship over public funds, I see little logic in distinguishing between the actions of the municipality and the acts of the individual officials: therefore, the dire effects that the Court sees in a lack of immunity for an individual official also apply to the lack of municipal immunity.

The Court also reasoned that the municipality's liability for constitutional violations is a proper concern of its officials. I certainly agree that the constitutional rights of individuals should be of the utmost concern in the decisions of municipalities and that they should be liable for violations of existing constitutional rights, but I do not agree that municipalities should be immobilized by rights that have not been invented yet. I do not think that the Supreme Court itself could predict future constitutional rights—in the Owen case, for example, four justices found no constitutional violation while five found that there was a violation. Local governments will need more

than counsel, they will need a crystal ball.

Furthermore, the doctrine of separation of powers provides that some Government decisions should be insulated from review by the courts. A costly damage judgment or court-ordered spending, where officials have acted in good faith, represents a needless intrusion into municipal decision-making. As Justice Powell noted in Owen:

> The allocation of public resources and the operational policies of the government itself are activities that lie peculiarly within the competence of the executive and legislative, bodies. When charting those policies, a local official should not have to gauge his employer's possible liability under section 1983 if he incorrectly—though reasonably and in good faith—forecasts the course of constitutional law. Excessive judicial intrusion into such decisions can only distort municipal decision-making and discredit the courts. Qualified immunity would provide presumptive protection for discretionary acts, while still leaving the municipality liable for bad faith or unreasonable constitutional deprivations.

Another problem, as Justice Powell pointed out, is that the Court's decision in this case is completely out of step with the prevailing situation of the law of municipal immunity in the States. Most States have some form of immunity, the most common being a qualified immunity. Only five States practice the form of blanket immunity introduced by the Court in Owen.

Finally, Judge Learned Hand once observed:

> To submit all officials, the innocent as well as the guilty to the burden of a trial and to the inevitable danger of its outcome, would dampen the ardor of all but the most resolute, or the most irresponsible, in the unflinching discharge of their duties. Again and again, the public interest calls for action which may turn out to be founded on a mistake, in the face of which an official may later find himself hard put to it to satisfy a jury of his good faith. There must indeed be a means of punishing public officers who have been truant at their duties; but that is quite another matter from exposing such as have been honestly mistaken to suit by anyone who has suffered from their errors. As is so often the case, the answer must be found in a balance between the evils inevitable in either alternative. In this instance it has been thought in the end better to leave unredressed the wrongs done by dishonest officers than to subject those who try to do their duty to the constant dread of retaliation. *Gegoire* v. *Biddle,* 177F. 2d 579, 581. Quoted in *Barr* v. *Matteo.*

PROPOSED AMENDMENT

In its Owen decision, the Court provides for municipal liability because Congress had not provided for municipal immunity. The second amendment which I propose today will provide that municipalities and other political subdivisions of States shall have a good faith defense in section 1983 actions. This new section on the liability of political subdivisions will read:

> No civil action may be brought against a political subdivision of a State under this section if the political subdivision acted in good faith with a reasonable belief that the actions of the political subdivision were not in violation of any rights, privileges, or immunities secured by the Constitution or by laws providing for equal rights of citizens or persons.

Section 1983 will continue to allow recovery when there had been an intentional or bad faith violation by the municipality, or, in other words, when officials "knew or should have known that their conduct violated the constitutional norm." (*Procunier* v. *Navarette,* 434 U.S., a 562.) Municipalities will be protected when they have acted in good faith. This amendment strikes an equitable balance between two very important considerations—the constitutional rights of individuals and the ability of local governments to serve all the people.

STATUTE OF LIMITATIONS

Over the past 20 to 25 years, a stark discrepancy has existed as to which statute of limitations should be utilized for civil rights violations. Federal judges have virtually vacilated from one end of the spectrum to the other. One court requires the application of the limitation of the State wherein the alleged violation occurred (*Briley* v. *California,* 564 F.2d 849; *Jennings* v. *Shuman,* 567 F.2d 1213), while another court demands the application of the statute of limitations of the forum State, or the State wherein the civil rights violation was adjudicated (*Jones* v. *Bales,* 480 F.2d 805). Such incongruency and unpredictability by the judicial system on this matter has led many on a search for a resolution; a resolution that would bring order and uniformity to the present lack thereof.

The "rule" generally adhered to by the Federal courts is to use the limitation of the State wherein the violation was perpetrated (*Jennings* v. *Shuman,* 567 F.2d 1213); this alone, however, poses a major problem. Present State limitations extend all the way from 180 days (*Warren* v. *Norman Realty Co.,* 375 F.Supp. 478), to 15 years (*Graffals Gonzalez* v. *Garcia Santiago,* 550 F.2d 687), depending on the location and the offense. For example, if one were to be tried for a civil rights infringement in Alabama, a 1-year statute of limitations would most likely be used (*Boshell* v. *Alabama Mental Health Board,* 473 F.2d 1369); if tried in Louisiana, the general 10-year "catch-all" limitation could be applied (*Heyn* v. *Board of Supervisors,* 417 F.Supp. 603); if in the commonwealth of Puerto Rico, the variability of a 1-year to a 15-year limitation would be entirely possible *Graffals Gonzalez* v. *Garcia Santiago,* 550 F.2d 687); and finally, in Colorado, in light of the fact that no statute of limitations has officially been declared for some offenses, the sky could essentially be the limit (*Salazar* v. *Dowd,* 256 F. Supp. 220).

In referring to a thoroughly prepared analysis by Mr. Daniel E. Feld, J.D., entitled, "What Statute of Limitations is Applicable to Civil Rights Action Brought Under 42 U.S.C.S. Section 1983," we find that fortunately, some States, seeking to establish a common ground whereon litigants of all section 1983 cases can meet, have adopted a single limitation, thus providing a most needed element of certainty and uniformity. Other States, however, have chosen varying statutes of limitations for 1983 cases, "Depending on the facts of the case" (American Law Reports, vol. 45, p. 553). Such indecision has overwhelmed our already encumbered court system requiring virtually a separate ruling for each individual suit.

I draw your attention now to three vividly representative cases that have recently been adjudicated. The lack of judicial limitation uniformity when rendering a final opinion will become blatantly obvious. The first two cases I present successively to show the lack of direct correlation between the decisions.

A 1978 Pennsylvania U.S. District Court ruling held that, for charges of alleged malicious apprehension and prosecution, the Pennsylvania 1-year statute of limitations was correctly applied (*Kedra* v. *Philadelphia,* 454 F.Supp. 652). As contradictory as it may seem, an identical case was filed in the Third Circuit Court of Appeals challenging the 6-year statute of limitations in New Jersey for similar civil rights violations. The New Jersey 6-year limitation was upheld (*Butler* v. *Sinn,* 423 F.2d 1116), justifiably casting doubt upon the Pennsylvania 1-year limitation.

Questions quickly arise in one's mind. First, who is right? Second, how can such disparity exist for similar offenses? And third, can such incongruency between State statutes lead to an orderly consideration of limitation suits on the Federal level?

Allow me to cite a final case that will further leave us groping for stability and a solid foundation to which we can refer for security.

An alleged constitutional rights infringement was adjudicated in the Second District Circuit Court of Appeals. The court stated, and I quote, "that a section 1983 complaint may contain more than one cause of action and thus may require the borrowing and the application of more than one State statute of limitations" (*Williams* v. *Walsh,* 558 F.2d 667).

Where is the necessary predictability, stability, and uniformity that will allow our court system to be freed of the onerous burden of hearing each individual case, and then subsequently try to determine the correct statute of limitations to apply from the existing diverse possibilities? As rhetorical as

this question may appear, the situation irrefutably exists.

In view of the difficulties of uncertainty and unpredictability, not to mention the vagaries of fruitless litigation, over an issue easily decided by a simple exercise of legislative line-drawing, I propose an 18-month statute of limitations for all section 1983 violations. Given the current inconsistencies, plaintiffs, defendants, and the courts alike would benefit from the creation of a uniform statute of limitations.

EXHAUSTION

Another section 1983 problem that demands a resolution is the apparent overzealousness of the Federal courts to rule on cases that were initially to be reserved for States and their adjudicatory processes.

During the proposal and subsequent enactment of the Ku Klux Act of 1871, presently represented in the 42 U.S.C. 1983 language, Gen. James A. Garfield, a major spokesman on the subject, supported the bill as "so guarded as to preserve intact the autonomy of the States, the machinery of the State governments, and the municipal organizations established under State laws."

The framers of the Constitution, after having been subjected to stringent controls of an authoritative English monarch, established a division of powers doctrine that was to be inherent in the success of a demoractic republic.

The venerable Justice Frankfurter grasped the careful balance struck by the 42d Congress when it drafted the 1871 act. The act conferred upon Federal courts the jurisdiction to prevent State officers and judges acting "under color of State law" from denying individuals their constitutional entitlements. When, on the other hand, a State has proven its willingness to enforce those rights, "it is to the State tribunals that individuals within a State must look for redress against other individuals within that State;" 365 U.S. 167, 238. This balance struck in 1871 "reflects to no small degree the recognition that to no small degree the effectiveness of the legal order depends upon the infrequency with which it solves its problems by resorting to ultimate determinations of power;" Id. at 241. This exhaustion provision merely restores the careful balance enacted by the 42d Congress and permits States to execute their role as "primary guardians of the fundamental security of person and property." Id. at 237.

This exhaustion provisions will state that "the Federal court shall not have jurisdiction—in section 1983 suits—unless the person filing such action has exhausted all administrative and judicial remedies available in the courts of the State." Chief Justice Burger and Justice Powell have described how this provision would work in a recent Supreme Court opinion:

It does not defeat federal court jurisdiction, it merely defers it. It permits states to correct violations through their own procedures and it encourages the establishment of such procedures.

In other words, a litigant would still have ultimate recourse to Federal courts to enforce section 1983 rights, but that recourse would come only after the State had first had an opportunity to correct the violation. If the states correction is not adequate, the Federal court would have jurisdiction to take the case and decide the unresolved issues. This does not extinguish any rights whatsoever, but merely redirects the adjudication to State courts in the first instance.

This would have many benefits. For instance, Federal courts would profit from the detailed factual record and earlier legal findings of State institutions. The issues would be narrowed and focused by the time they reached the Federal bench. Furthermore, the States familiarity with its own laws and regulations would facilitate both flexibility to adapt to local needs and uniformity in statewide administration. In the words of a Harvard Law Review article:

Even a limited exhaustion rule would not only serve the state's interest in controlling its own affairs and correcting its officials but could also increase state sensitivity to federal rights and encourage implementation of adequate procedural responses to constitutional objections.

CONCLUSION

Evidently tired of waiting for Congress to break its silence on the intended scope of 42 U.S.C. 1983, the U.S. Supreme Court has rendered decisions in Maine versus Thiboutot and Owen versus City of Independence which will severely impair the ability of our local governments to serve the people, while doing little for individual constitutional rights. It is most essential that Congress let its voice be heard. Justice Rehnquist foresaw such a need in his dissenting opinion in Monell versus City of New York Department of Social Services:

Only Congress, which has the benefit of the advice of every segment of this diverse Nation, is equipped to consider the results of such a drastic change in the law. It seems all but inevitable that it will find it necessary to do so after today's decision—Monell versus City of New York Department of Social Services, 436 U.S. 658,715—dissenting opinions.

In closing, I would like to remind my colleagues of a few observations of Justice Sandra O'Connor when she was still a State court judge. She noted:

In view of the great caseload increase in the federal courts and the expressed desire of the Reagan Administration to hold down the federal budget, one would think that congressional action might be taken to limit Section 1983. It could be done directly or indirectly by limiting or disallowing recovery of attorney fees. Such a move would be welcomed by state courts, as well as state legislatures and state executive officers. 22 W & M L.Rev. 801,810 (1981).

By Mr. QUAYLE:

S. 437. A bill to designate the Veterans' Administration Outpatient Clinic to be located in Crown Point, IN, as the "Adam Benjamin, Jr. Veterans' Administration Outpatient Clinic"; to the Committee on Veterans' Affairs.

ADAM BENJAMIN, JR. VETERANS' ADMINISTRATION OUTPATIENT CLINIC

● Mr. QUAYLE. Mr. President, I am introducing today legislation to designate the Veterans' Administration Outpatient Clinic, to be located in Crown Point, IN, as the Adam Benjamin, Jr. Veterans' Administration Outpatient Clinic.

This clinic is badly needed in northwestern Indiana. Presently, the Veterans' Administration Lakeside Medical Center, on the near north side of Chicago, is the closest VA facility to my constituents in northwestern Indiana. It is roughly 18 miles from the area, and it is inconvenient and sometimes very difficult for ill and handicapped veterans to travel through the Nation's second largest city to the center to get medical care. The two next nearest facilities, the Westside Medical Center on the near west side of Chicago, and the Edward Hines, Jr. Hospital in west Chicago, are over twice as far from northwestern Indiana.

This new outpatient clinic will mean the end of the time and expense of transportation for travel to these centers and to some of the delays caused by their workload. Further, the new clinic will provide badly needed jobs in an area that, as of December 1984, still suffered from 15 percent unemployment.

I believe it is only fitting and appropriate to name this new VA clinic after the late Adam Benjamin, Jr., who served the residents of northwestern Indiana in Congress for nearly 6 years until his untimely death in September 1982. Adam and I came to the U.S. House of Representatives together in 1977, and it was my great privilege and honor to work with him. Even though we belonged to different political parties, we had many areas of agreement. We were both especially proud to serve our Indiana constituents. I am pleased that our joint efforts on behalf of Indiana were harmonious and productive.

Adam Benjamin's tragically short life was dedicated to helping those in need of assistance. The veterans of northwestern Indiana came to him with a particular problem: the need to assure proper health care in a VA facility reasonably close to home. In November 1981 the House Veterans' Affairs Committee's Subcommittee on Hospitals and Health Care went to

northwestern Indiana to determine the need for an outpatient clinic. In May 1983, the Veterans' Administration made the long-awaited announcement that they intended to establish such a clinic in Crown Point. We are now looking forward to the smooth completion of the planning stages of this clinic and to a groundbreaking in early 1986.

Since the VA's announcement, I, along with Senator LUGAR and Congressman HILLIS, who represents Indiana's Fifth District and Crown Point, have been active in monitoring the plans for and progress of this clinic. As these plans move toward fruition, I believe it is only fitting and appropriate to honor Adam Benjamin, Jr., by naming this outpatient clinic after him. Indeed, this clinic will stand as a symbol for all Adam stood for and of his indefatigable work on behalf of those he represented. This outpatient clinic will serve to honor a dedicated public servant who is sorely missed.●

By Mr. FORD (for himself and Mr. MCCONNELL):

S. 441. A bill to amend the Internal Revenue Code of 1954 to revise the withholding rules relating to certain parimutuel wagering payouts; to the Committee on Finance.

PARIMUTUEL WITHHOLDING

● Mr. FORD. Mr. President, today I am introducing legislation to correct an inequity in the Internal Revenue Code which for the past 8 years has caused serious, unreasonable problems for a segment of the taxpaying public as well as for productive and worthwhile industry. This legislation would modify the current parimutuel withholding tax.

Horse racing is a sport and recreation activity in 37 States; a business which rightfully prides itself on the double accomplishment of entertaining some 80 million fans each year while contributing billions of dollars annually to State economies through employment, direct tax payments and the purchases of goods and services by its racetrack and breeding farm segments.

Parimutuel withholding is a unique aspect of this unique industry. This preliminary tax payment was instituted in 1977 at the suggestion of the Treasury Department, which claimed many bettors were winning substantial amounts of money at racetracks, but not reporting the proceeds on their income tax forms. As a result, an amendment to the Internal Revenue Code was made requiring the withholding of 20 percent of any racetrack payout which exceeded $1,000 at odds of at least 300 to 1.

The parimutuel withholding law was built on a foundation of shaky assumptions and inaccurate estimates. Because of that, it has failed to produce revenue for our Government remotely approaching the amounts originally estimated. Instead it has subjected taxpayers to a totally unwarranted withholding of their money, made it nearly impossible for them to get those dollars back, and at the same time, severely hurt the racing and breeding business so important to my State and others.

For the taxpayer, parimutuel patrons are not net winners in their wagering efforts at the races, regardless of receiving an occasional payout on which there is withholding. Thus, they do not owe any taxes. What's more, the taxpayers must itemize deductions in order to claim legitimate offsetting losses to this isolated gain and recoup the tax dollars lost through withholding, a choice which usually is not practical and is almost always impossible for lower income individuals.

Finally, if itemizing is possible, the IRS standards for substantiating these losses are complex and unreasonable, to the point where complying with them would require a fan to bring an accountant along to document the activities of each day at the races.

It is also a fact that a reporting system has always been in place at racetracks, and remains so today, which informs IRS of large payouts without the need for withholding.

The damages to these taxpayers, the business and the States in which it exists are far from inconsequential. According to estimates developed by the American Horse Council, racing patrons are forced to relinquish $67 million in parimutuel withholding payments each year. Because that money is taken out of circulation, wagering at racetracks drops by an estimated $235 million each year. And that decrease in wagering reduces State tax revenues and industry receipts by an estimated $47 million annually.

The fact that the gains to the Federal Government from this withholding are negligible, especially in relation to this $47 million loss to the States and their horse industry, makes it imperative that we attempt to rectify this inequity.

We are spinning our wheels with this law. We are trying to squeeze tax revenue from people who owe no taxes, at least not for the activity in question, and we then give them almost no recourse to get that tax payment back. At the same time we are hurting the horse racing industry and the 37 States where horse racing takes place.

Considering the inequity and damage associated with this seemingly insignificant measure, I hope my colleagues will agree that it is worth correcting.

The legislation I am introducing will raise the threshold at which parimutuel withholding is instituted from the current $1,000 level to $5,000 in annual increments of $1,000. Coupled with the fact that Treasury today receives very little in the way of legitimate tax revenue from withholding, this phasein will insure that the revenue effects, if any, of the legislation will be truly insignificant.

More importantly, it will reduce the regressive effects of the current law and the negative impact on State and industry revenue while maintaining a withholding assessment on larger payouts, those most likely to represent net income to the recipients.

This correction is worthwhile and necessary. I hope that even those of my colleagues not familiar with the intrinsic beauty and importance of the racing and breeding industry can recognize that this example of counterproductive tax law deserves our attention and action.●

● Mr. MCCONNELL. Mr. President, I'm pleased to join with my colleague, Senator FORD, to introduce legislation important to the horse racing industry in Kentucky.

The parimutuel withholding law in its current form is unfair to taxpayers, and the industry. The bill Senator FORD and I are introducing today seeks to alleviate some of the burden individual taxpayers have to bear.

My colleague has outlined the specifics of our proposal, so there's no need for repetition. I believe raising the withholding threshhold from the current $1,000 level to $5,000 is an equitable proposal, one which should be acceptable to the Treasury.

Our bill will go a long way toward reducing the negative impact on the average taxpayer. I urge my colleagues to give this bill their serious consideration.●

By Mr. MITCHELL (for himself, Mr. COHEN, Mr. CHAFEE, Mr. STEVENS, and Mr. MURKOWSKI):

S. 438. A bill to provide a lower rate of duty for certain fish netting and fishing nets; to the Committee on Finance.

LOWER RATE OF DUTY ON CERTAIN FISH NETTING AND FISHING NETS

● Mr. MITCHELL. Mr. President, today I am introducing legislation which would greatly benefit commercial fishermen who use synthetic nets in their operations. This bill would reduce immediately the substantial and costly import duty levied by our Government and borne by U.S. fishermen.

Netting is an important and expensive component of any fishing operation. A large Maine fishing vessel, for example, may purchase over $15,000 in netting during a 12-month period. At current tariff levels, $3,720 of that amount plus 12 cents per pound of netting is paid into the U.S. Treasury. The costs to a large U.S. tuna boat

with expensive seine nets can be significantly greater.

Needless to say, this is a significant cost that must be borne by a wide variety of Atlantic, Pacific, and Gulf coast fishermen.

In 1979, the United States agreed to gradually reduce the very high 20-year old tariff on synthetic fish nets as part of the Multilateral Trade Negotiations (MTN). These staged reductions were then delayed 2 years. Thus, the full reduction in the tariff—from 24.8 percent and 12 cents per pound this year to a simple but still substantial 17 percent ad valorem—will not go into effect until 1989. This means at least $2 million in additional costs to U.S. commercial fishermen at a time when they are experiencing stiff competition from subsidized Canadian harvesters and processors.

This bill will help American fishermen compete with foreign fishermen and reduce our $4.1 billion fisheries trade deficit.

It helps offset the mounting financial pressures on U.S. commercial fishermen.

It reduces the inequity created when U.S. fishermen pay higher tariffs than their foreign counterparts.

And it allows U.S. fishermen access to a quality and variety of nets not available in the United States. U.S. fishermen import roughly a third of their nets each year despite the high rate of duty.

We believe that the gradual reduction to 17 percent over such a lengthy period adversely affects 165,000 commercial fishermen from all parts of the country. The reduction to 17 percent ad valorem should take place as soon as possible.

I urge all Members of the Senate who are interested in the health of our domestic fishing industry to join with me and Senators COHEN, CHAFEE, STEVENS, and MURKOWSKI in seeking enactment of this important legislation.

Mr. President, I ask that the text of this legislation appear in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 438

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 119. FISH NETTING AND FISHING NETS.

Item 355.45 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended to read as follows:

"355.45	Other	17% ad val.	82% ad val.".

SEC. 2. The amendments made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of enactment of this Act.●

By Mr. MITCHELL (for himself, Mr. COHEN, Mr. CHAFEE, Mr. BENTSEN, Mr. MATHIAS, Mr. STEVENS, Mr. MURKOWSKI, and Mr. PELL):

S. 439. A bill to make permanent the exemption from the Federal Unemployment Tax Act for services performed on certain fishing boats; to the Committee on Finance.

UNEMPLOYMENT TAX EXEMPTION FOR CERTAIN DUTIES PERFORMED ON FISHING BOATS

● Mr. MITCHELL. Mr. President, for the last 4 years, owners of fishing vessels manned by a share-paid crew of 10 or less have been exempt from paying unemployment taxes on crew members. That exemption expired on December 31, 1984.

Today, I am introducing legislation that will permanently reinstate that exemption for owners of fishing vessels exceeding 10 net tons and manned by a shared-paid crew of 10 or less. This will correct an oversight in the Tax Reform Act of 1976 by making the treatment of crew members for purposes of the Federal Unemployment Tax Act [FUTA] consistent with the treatment of crew members for the purposes of withholding Social Security [FICA] and Federal income taxes.

A commercial fisherman in the State of Maine is, by definition, self-employed.

He considers himself to be self-employed, and the owner of the vessel on which he fishes considers him self-employed. They both know fishermen do not receive the fixed salary that employees traditionally receive. Instead, fishermen receive a share of the catch, or proceeds from a share of the catch.

If a fishing vessel returns to port with an empty hold, the crew members take home no pay because there is no catch to share. In some cases, these crew members actually lose money because, as shareholders, they must contribute to the vessel's overhead costs. Successful or not, these costs must be paid each time a vessel leaves port.

Thus, owners and crew members share alike in the risks of their profession. Each invest time, energy, and capital. And they succeed or fail together.

Despite this situation, 13 years ago the Internal Revenue Service determined that crewmen should be regarded as employees of the vessel owners rather than as self-employed persons.

This situation was partially corrected by Congress in the Tax Reform Act of 1976—which treated crewmen of fishing vessels as self-employed, rather than as employees, for the purposes of FICA and Federal income tax withholding. The size of most crews, the nature of their financial relationship, and the tendency for most vessels to experience high crew turnover, made this an eminently sensible approach.

When the 1976 Tax Reform Act was enacted, the Maine fishing industry was not concerned about the Federal Unemployment Tax Act [FUTA] because most of the vessels affected by the IRS policy were under 10 net tons in size. Under FUTA, vessels under 10 net tons were already exempted from paying unemployment taxes on their crew members.

Since the United States adopted the 200-mile limit, many fishermen in Maine and other States have found it more economical to move to larger vessels. Many vessels now exceed the 10 net ton limitation and are consequently facing greater financial and administrative burdens due to the FUTA tax liability, even though the program is not well suited for their situation.

The fishing industry is composed largely of small independent businessmen. The turnover of crews and the nature of their financial relationship make it very difficult to meet the kind of reporting requirements intended for larger businesses with stable employer/employee relationships. It is doubly burdensome because many States tax laws mirror those at the Federal level.

I first introduced my bill March 24, 1981, in the 97th Congress. Since that time, Congress has twice seen fit to exempt vessel owners from unemployment taxes—covering the years 1981 to 1984. Without congressional action for 1985 and beyond, vessel owners will be in the difficult position of treating their crew members as self-employed persons for Social Security and income tax purposes, and employees for purposes of FUTA.

This inconsistency should not be permitted. Passage of the bill I am reintroducing today will lay this issue to rest.

Mr. President, I ask that the text of this legislation appear in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 439

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 822(b) of the Economic Recovery Tax Act of 1981, as amended by section 203 of the Miscellaneous Revenue Act of 1982 and section 1074 of the Deficit Reduction Act of 1984, is amended to read as follows:

"(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be effective with respect to remuneration paid after December 31, 1980.".●

By Mr. TRIBLE:

S. 440. A bill to amend title 18, United States Code, to create an offense for the use, for fraudulent or other illegal purposes, of any computer owned or operated by certain financial institutions and entities affecting interstate commerce; to the Committee on the Judiciary.

COMPUTER SYSTEMS PROTECTION ACT

Mr. TRIBLE. Mr. President, the United States has experienced a technological explosion in recent years. The era of high technology is upon us, and the computer has become a centerpiece of our daily lives.

Unfortunately, the high-tech era has also bred a new type of criminal—one who uses computers to steal, to defraud, and to vandalize the property of others. I am introducing legislation today that would establish Federal penalties for those who misuse computers in this way.

American businesses use some 3.5 million computers. More than 100,000 computers have been installed in the Nation's schools, and personal computers are found in millions of American homes.

The benefits conferred by high technology are immeasurable. However, our criminal justice system has failed to keep abreast of these rapid changes, and the work of businesses and individuals in America is at risk.

To correct this problem, I am introducing the Computer Systems Protection Act of 1985. This bill would make it a violation of Federal law to use a computer to commit a theft, or to damage or destroy information stored in a computer. It would also impose a misdemeanor offense on those who intentionally access a computer without proper authorization.

A number of States have enacted computer crime laws in recent years, and I do not believe that Federal legislation should intrude on areas traditionally under the States' purview. Computer crime becomes a serious Federal concern only when it affects the Federal Government, the federally insured banking system, or interstate commerce.

Last year, the Congress took steps to protect the computers of the Federal Government, particularly with regard to national security and credit-related information. This was a valuable first step in the effort to combat computer crime, and I believe we must build on it by extending similar protections to federally insured banks and entities that operate in interstate commerce.

My bill would do so by making it a crime to tamper with the computers in federally insured financial institutions. The potential for large-scale theft and fraud against these institutions is tremendous, especially given the increased use of electronic fund transfers. Our national and international economic activities must be protected against computer crimes, and my bill would help to ensure the integrity of the banking system.

This bill would also cover computers that operate in another traditional area of Federal concern—interstate commerce.

Mr. President, the need for this legislation is clear. Fifty percent of businesses and government agencies surveyed by the American Bar Association last year reported being victimized by some form of computer crime over the previous 12 months. Total losses from these crimes were estimated at between $145 and $730 million.

It is also worth noting that these figures are almost certainly understated. Many companies might be reluctant to admit that their computers are vulnerable to tampering. According to the ABA survey, many organizations also don't know when a computer crime has been committed and often cannot monitor their own systems effectively enough to detect such a crime. As a result, many computer crimes go unreported and unpunished.

My legislation would also eliminate the many obstacles to prosecution of computer crimes now found in existing statutes. Because of the lack of a specific Federal statute covering banks and interstate commerce, prosecutors must often try computer crime cases under the Federal wire fraud law.

However, there is an inherent difficulty in attempting to prosecute an action under a statute that was written and intended to apply to a different crime. The Department of Justice has already testified that the lack of a specific computer crime statute "could lead to the dismissal of a prosecution, notwithstanding the egregious nature of the offense or the extensiveness of trial preparation, because decades old statutory elements designed to deal with other crimes have been stretched too far to accommodate modern criminality." My bill would eliminate this problem by providing penalties specifically for the use of a computer in committing one of the covered offenses.

The ABA computer crime task force concluded last year that the need for a Federal computer crime statute is clear and unmistakable. This is precisely what my bill provides.

Mr. President, crime has moved into the computer age, and it is time for Federal law to respond. I urge my colleagues to support this bill and ask unanimous consent that a copy be included in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 440

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Computer Systems Protection Act of 1985".

SEC. 2. The Congress finds that—

(1) computer-related crime poses a serious threat to the Nation's economy;

(2) computer crimes tend to cause far higher losses than other white-collar crimes, and therefore create a heavy financial burden on the public;

(3) the Nation's growing reliance on high technology creates an opportunity for widespread computer abuse;

(4) computer-related crime directed at computers which operate in or use a facility of interstate commerce has a direct effect on interstate commerce;

(5) prosecution of persons engaged in certain computer-related crime is difficult under current Federal law; and

(6) the lack of effective prosecution often leads affected businesses to conceal computer crimes, and that no effective deterrent to such crimes exists as a result.

SEC. 3. Section 1030 of title 18, United States Code, is amended by—

(1) redesignation subsection (e) as subsection (f); and

(2) adding after subsection (d) the following new subsection:

"(e)(1) Whoever knowingly—

"(A) accesses a computer described in paragraph (4) without authorization, or

"(B) having accessed such a computer with authorization, uses the opportunity such access provides for purposes to which such authorization does not extend,

and thereby knowingly—

"(i) executes or attempts to execute a scheme or artifice to defraud;

"(ii) obtains or attempts to obtain the property of another;

"(iii) causes or attempts to cause the withholding or denial of the use of such computer; or

"(iv) modifies, damages, or destroys property of another.

shall be fined not more than two times the amount of the gain directly or indirectly derived from the offense or $50,000, whichever is higher, or imprisoned for not more than five years, or both.

"(2) Whoever knowingly and without authorization accesses a computer described in paragraph (4) shall be fined not more than $5,000 or imprisoned for not more than, one year, or both.

"(3) This subsection does not prohibit any lawfully authorized investigative, protective, or intelligence activity of a law enforcement agency of the United States, a State, or a political subdivision of a State, or an intelligence agency of the United States.

"(4) For purposes of this subsection, there is Federal jurisdiction over an offense if the computer—

"(A) is owned by, under contract to, or operated for or on behalf of a financial institution, and the prohibited conduct directly involves or affects the computer operation for or on behalf of the financial institution; or

"(B) operates in, or uses a facility of, interstate or foreign commerce.

"(5) For the purposes of this subsection, the term—

"(A) 'financial institution' means—

"(i) a bank with deposits insured by the Federal Deposit Insurance Corporation;

"(ii) the Federal Reserve or a member of the Federal Reserve including any Federal Reserve bank;

"(iii) a credit union with accounts insured by the Federal Savings and Loan Corporation;

"(iv) a credit union with accounts insured by the National Credit Union Administration;

"(v) a member of the Federal home loan bank system and any home loan bank;

"(vi) a member or business insured by the Securities Investor Protection Corporation; or

"(vii) a broker-dealer registered with the Securities and Exchange Commission pursuant to section 15 of the Securities and Exchange Act of 1934;

"(B) 'property' means anything of value, and includes tangible and intangible person-

al property; information in the form of computer processed, produced, or stored data; information configured for use in a computer; information in a computer medium; information being processed, transmitted, or stored; computer operating or applications programs; or computer services;

"(C) 'Computer services' includes computer data processing and storage functions;

"(D) 'Computer medium' includes the means of effecting or conveying data for processing in a computer, of a substance or surrounding medium which is the means of transmission of a force or effect that represents data for processing in a computer, or a channel of communication of data for processing in a computer; and

"(E) 'Computer program' means an instruction or statement or a series of instructions or statements in a form acceptable to a computer, which permits the functioning of a computer system in a manner designed to provide appropriate products from such computer system.

"(6)(A) Notwithstanding subsection (d), in a case in which Federal jurisdiction over an offense as described in this subsection exists concurrently with State or local jurisdiction, the existence of Federal jurisdiction does not, in itself, require the exercise of Federal jurisdiction, nor does the initial exercise of Federal jurisdiction preclude its discontinuation.

"(B) In a case in which Federal jurisdiction over an offense as described in this subsection exists or may exist concurrently with State or local jurisdiction, Federal law enforcement officers, in determining whether to exercise jurisdiction, shall consider—

"(i) the relative gravity of the Federal offense and the State or local offense;

"(ii) the relative interest in Federal investigation or prosecution;

"(iii) the resources available to the Federal authorities and the State or local authorities;

"(iv) the traditional role of the Federal authorities and the State or local authorities with respect to the offense;

"(v) the interests of federalism; and

"(vi) any other relevant factor.

"(C) The Attorney General shall—

"(i) consult periodically with representatives of State and local governments concerning the exercise of jurisdiction in cases in which Federal jurisdiction as described in this subsection exists or may exist concurrently with State or local jurisdiction;

"(ii) provide general direction to Federal law enforcement officers concerning the appropriate exercise of such Federal jurisdiction which, for the purposes of investigation, is vested concurrently in the Department of Justice and the Department of the Treasury;

"(iii) report annually to Congress concerning the extent of the exercise of such Federal jurisdiction during the preceding fiscal year; and

"(iv) report to Congress, within one year of the date of enactment of this subsection, on the long-term impact of this subsection upon Federal jurisdiction and the increasingly pervasive and widespreasd use of computers in the United States (the Attorney General shall periodically review and update such report).

"(D) Except as otherwise prohibited by law, information or material obtained pursuant to the exercise of Federal jurisdiction under this subsection may be made available to State or local law enforcement officers having concurrent jurisdiction, and to State or local authorities otherwise assigned responsibility with regard to the conduct constituting the offense.

"(E) An issue relating to the propriety of the exercise of or of the failure to exercise Federal jurisdiction over an offense as described in this subsection, or otherwise relating to the compliance, or to the failure to comply, with this subsection, may not be litigated, and a court may not entertain or resolve such an issue except as may be necessary in the course of granting leave to file a dismissal of an indictment, an information, or a complaint.".

By Mr. SIMPSON (for himself, Mr. ARMSTRONG, Mr. BINGAMAN, Mr. DOMENICI, Mr. GARN, Mr. HART, Mr. HATCH, Mr. HECHT, Mr. LAXALT, and Mr. WALLOP):

S. 442. A bill to grant the consent of the Congress to the Rocky Mountain Low-Level radioactive waste compact; to the Committee on the Judiciary.

CONSENT OF THE CONGRESS TO THE ROCKY MOUNTAIN LOW-LEVEL RADIOACTIVE WASTE COMPACT

Mr. SIMPSON. Mr. President, I am pleased to reintroduce legislation today on behalf of myself, Senator BINGAMAN, Senator DOMENICI, Senator GARN, Senator HART, Senator HATCH, Senator HECHT, Senator LAXALT, and Senator WALLOP, granting the consent of the Congress to the Rocky Mountain low-level radioactive waste compact. This compact has been submitted to Congress, pursuant to section 4(A)(2) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d(A)(2)), for the required congressional approval.

Low-level waste is currently disposed of in three commercial shallow land burial sites—in South Carolina, Washington, and Nevada. Up until 1980, these three sites were accepting virtually all of the commercial low-level waste produced in the United States, with no plans on the drawing board for licensing any new sites. The residents of these three sites felt quite strongly that they alone should not be responsible for disposing of all the low-level waste produced in the United States. In fact, efforts were mounted in each of these States to try to close these three sites to out-of-State low-level wastes or, as an alternative, to significantly reduce the volume of waste that the sites would accept.

In response to these concerns, Congress passed the Low-Level Radioactive Waste Policy Act in December 1980. In this act, Congress declared that low-level disposal should be the responsibility of the States, not the Federal Government, and that this task could be handled most effectively and efficiently if States would organize regional interstate compacts. Accordingly, this act authorizes States to enter into regional compacts for the purpose of providing for adequate low-level waste disposal.

Compacts formed under this legislation will be responsible for selecting a location for a regional disposal site, submitting a license application to the Nuclear Regulatory Commission for that site and, once licensed, operating the site in accordance with the rules established by the NRC. In order to encourage the formation of regional compacts, Congress authorized those regions with approved compacts to restrict the use of their regional disposal facilities to the disposal of low-level waste generated within the region after January 1, 1986.

Shortly after passage of the Low-Level Radioactive Waste Policy Act, the process of discussion and negotiation among the States began. Shouldered with a new and important responsibility, States set about the task of formulating the agreements called for under the act. In large part, the compact regions that resulted from the discussions have been geographical in character—with groups of States from a given region joining together to address the problem of low-level waste disposal within that particular region.

The Rocky Mountain low-level radioactive waste compact is the result of the efforts of six States—Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming—to formulate a policy for disposal of low-level waste generated within this region. Four of those States—Colorado, Nevada, New Mexico, and Wyoming—have formally joined the Rocky Mountain compact, and Arizona and Utah, if they choose to do so, are eligible to join as well.

I do want to congratulate all of those within the Rocky Mountain region who worked so long and diligently to pull this compact together. The issues that had to be addressed were by no means simple to resolve. Beyond that, there were limits on the time available to reach agreement, with the remaining low-level waste disposal sites authorized to close in 1986. With all of these pressures, these States have taken on their responsibilities in a responsible and timely fashion, and for that I would wish to commend and congratulate them.

After I introduced this legislation in the 98th Congress, a hearing was held before the Committee on the Judiciary, of which I am a member, in Cheyenne, WY, on January 12, 1984. This hearing, which is available in printed form from the Committee on the Judiciary, provided an opportunity for a broad range of parties to express their views on this compact.

It is now our responsibility to address this and other compacts in a responsible and timely fashion, in order that the States may get on with the task of resolving this important issue. I trust that my very fine and close friend and distinguished colleague from South Carolina, the chairman of the Judiciary Committee, STROM THURMOND, will feel the same, and I shall look forward to working closely

with him and with his staff as this committee moves forward with its consideration of this compact. In fact, Mr. President, I had the good fortune of chairing the first hearing held by the Congress on the low-level waste compacts for the Judiciary Committee, on the chairman's behalf, in Seattle, WA, in November 1982, and I have every confidence that these compacts will be guided by the very able skills of the Senator from South Carolina—who, in large part, is most directly responsible for the progress that we have achieved in this field—for STROM THURMOND was the original sponsor of the Low-Level Radioactive Waste Policy Act.

Finally, Mr. President, I should like to emphasize that low-level nuclear waste disposal has been and will continue to be a subject of considerable controversy. Numerous States are now in various stages or organizing compacts, and parallel efforts are underway in these States to try to locate potentially acceptable sites for low-level waste disposal facilities. As these various efforts move forward, we must do everything we can to ensure that not only are these sites safe to operate, but that the legitimate and well-founded concerns of local citizens are addressed. The licensing process established by the Nuclear Regulatory Commission, which includes detailed substantive and procedural requirements for the licensing of low-level waste sites, is designed to ensure that a site will be licensed only after a determination is made that the public health and safety and the environment will be protected.

In my role as chairman of the Subcommittee on Nuclear Regulation of the Committee on Environment and Public Works, I shall continue to exercise close oversight of this process to ensure that all licensing decisions meet this objective. Equally important, Mr. President, is the need to ensure that local citizens have an opportunity to participate in the process and to have their views considered and addressed. This opportunity for the public to participate in the licensing proceeding is an essential part of the vitally important educational process that, in my judgment, is central to the success of this whole initiative. For that reason, Mr. President, early public involvement is essential. Accordingly, I will be continuing my efforts to ensure that adequate opportunities are available for citizens to express their concerns and that, as part of any licensing decision reached, those concerns are addressed and resolved.

Mr. President, I ask unanimous consent that a summary of this compact prepared by the Rocky Mountain region be placed in the CONGRESSIONAL RECORD following my remarks. In addition, I ask unanimous consent that the text of the bill be printed in the CONGRESSIONAL RECORD following my remarks. Thank you.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 442

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with section 4(a)(2) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d(a)(2)), the consent of the Congress hereby is given to the States of Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming to enter into the Rocky Mountain Interstate Low-Level Radioactive Waste Compact.

Such compact is substantially as follows:

ROCKY MOUNTAIN LOW-LEVEL RADIOACTIVE WASTE COMPACT

Article I. Findings and Purpose

(a) The Party states agree that each state is responsible for providing for the management of low-level radioactive waste generated within its borders, except for waste generated as a result of defense activities of the federal government or federal research and development activities. Moreover, the party states find that the United States Congress, by enacting the "Low-Level Radioactive Waste Policy Act" (P.L. 96-573), has encouraged the use of interstate compacts to provide for the establishment and operation of facilities for regional management of low-level radioactive waste.

(b) It is the purpose of the party states, by entering into an interstate compact, to establish the means for cooperative effort in managing low-level radioactive waste; to ensure the availability and economic viability of sufficient facilities for the proper and efficient management of low-level radioactive waste generated within the region while preventing unnecessary and uneconomic proliferation of such facilities; to encourage reduction of the volume of low-level radioactive waste requiring disposal within the region; to restrict management within the region of low-level radioactive waste generated outside the region; to distribute the costs, benefits and obligations of low-level radioactive waste management equitably among the party states; and by these means to promote the health, safety and welfare of the residents within the region.

Article II. Definitions

As used in this compact, unless the context clearly indicates otherwise:

(a) "Board" means the Rocky Mountain low-level radioactive waste board;

(b) "Carrier" means a person who transports low-level waste;

(c) "Disposal" means the isolation of waste from the biosphere, with no intention of retrieval, such as by land burial;

(d) "Facility" means any property, equipment or structure used or to be used for the management of low-level waste;

(e) "Generate" means to produce low-level waste;

(f) "Host state" means a party state in which a regional facility is located or being developed;

(g) "Low level waste" or "waste" means radioactive waste other than:

(i) Waste generated as a result of defense activities of the federal government or federal research and development activities;

(ii) High-level waste such as irradiated reactor fuel, liquid waste from reprocessing irradiated reactor fuel, or solids into which any such liquid waste has been converted;

(iii) Waste material containing transuranic elements with contamination levels greater than ten (10) nanocuries per gram of waste material;

(iv) By-product material as defined in Section 11e.(2) of the "Atomic Energy Act of 1954," as amended November 8, 1978; or

(v) Wastes from mining, milling, smelting or similar processing of ores and mineral-bearing material primarily for minerals other than radium.

(h) "Management" means collection, consolidation, storage, treatment, incineration or disposal;

(i) "Operator" means a person who operates a regional facility;

(j) "Person" means an individual, corporation, partnership or other legal entity, whether public or private;

(k) "Region" means the combined geographic area within the boundaries of the party states; and

(l) "Regional facility" means a facility within any party state which either:

(i) has been approved as a regional facility by the board; or

(ii) is the low-level waste facility in existence on January 1, 1982, at Beatty, Nevada.

Article III. Rights, Responsibilities, and Obligations

(a) There shall be regional facilities sufficient to manage the low-level waste generated within the region. At least one (1) regional facility shall be open and operating in a party state other than Nevada within six (6) years after this compact becomes law in Nevada and in one (1) state.

(b) Low-level waste generated within the region shall be managed at regional facilities without discrimination among the party states; *Provided, however,* that a host state may close a regional facility when necessary for public health or safety.

(c) Each party state which, according to reasonable projections made by the board, is expected to generated twenty percent (20%) or more in cubic feet except as otherwise determine by the board of the low-level waste generated within the region has an obligation to become a host state in compliance with subsection (d) of this article.

(d) A host state, or a party state seeking to fulfill its obligation to become a host state, shall:

(i) Cause a regional facility to be developed on a timely basis as determined by the board, and secure the approval of such regional facility by the board as provided in Article IV before allowing site preparation of physical construction to begin;

(ii) ensure by its own law, consistent with any applicable federal law, the protection and preservation of public health and safety in the siting, design, development, licensure or other regulation, operation, closure, decommissioning and long-term care of the regional facilities within the state;

(iii) Subject to the approval of the board, ensure that charges for management of low-level waste at the regional facilities within the state are reasonable;

(iv) Solicit comments from each other party state and the board regarding siting, design, development, licensure or other regulation, operation, closure, decommissioning and long-term care of the regional facilities within the state and respond in writing to such comments;

(v) Submit an annual report to the board which contains projections of the anticipated future capacity and availability of the regional facilities within the state, together

with other information required by the board; and

(vi) Notify the board immediately if any exigency arises requiring the possible temporary or permanent closure of a regional facility within the state at a time earlier than was projected in the state's most recent annual report to the board.

(e) Once a party state has served as a host state, it shall not be obligated to serve again until each other party state having an obligation under subsection (c) of this article has fulfilled that obligation. Nevada, already being a host state, shall not be obligated to serve again as a host state until every other party state has so served.

(f) Each party state:

(i) Agrees to adopt and enforce procedures requiring low-level waste shipments originating within its borders and destined for a regional facility to conform to packaging and transportation requirements and regulations. Such procedures shall include but are not limited to:

(A) Periodic inspections of packaging and shipping practices;

(B) Periodic inspections of waste containers while in the custody of carriers; and

(C) Appropriate enforcement actions with respect to violations.

(ii) Agrees that after receiving notification from a host state that a person in the party state has violated packaging, shipping or transportation requirements or regulations, it shall take appropriate action to ensure that violations do not recur. Appropriate action may include but is not limited to the requirement that a bond be posted by the violator to pay the cost of repackaging at the regional facility and the requirement that future shipments be inspected;

(iii) May impose fees to recover the cost of the practices provided for in paragraphs (i) and (ii) of this subsection;

(iv) Shall maintain an inventory of all generators within the state that may have low-level waste to be managed at a regional facility; and

(v) May impose requirements or regulations more stringent than those required by this subsection.

Article IV. Board Approval of Regional Facilities

(a) Within ninety (90) days after being requested to do so by a party state, the board shall approve or disapprove a regional facility to be located within that state.

(b) A regional facility shall be approved by the board if and only if the board determines that:

(i) There will be, for the foreseeable future, sufficient demand to render operation of the proposed facility economically feasible without endangering the economic feasibility of operation of any other regional facility; and

(ii) The facility will have sufficient capacity to serve the needs of the region for a reasonable period of years.

Article V. Surcharges

(a) The board shall impose a "compact surcharge" per unit of waste received at any regional facility. The surcharge shall be adequate to pay the costs and expenses of the board in the conduct of its authorized activities and may be increased or decreased as the board deems necessary.

(b) A host state may impose a "state surcharge" per unit of waste received at any regional facility within the state. The host state may fix and change the amount of the state surcharge subject to approval by the board. Money received from the state surcharge may be used by the host state for any purpose authorized by its own law, including but not limited to costs of licensure and regulatory activities related to the regional facility, reserves for decommissioning and long-term care of the regional facility and local impact assistance.

Article VI. The Board

(a) The "Rocky Mountain low-level radioactive waste board", which shall not be an agency or instrumentality of any party state, is created.

(b) The board shall consist of one (1) member from each party state. Each party state shall determine how and for what term its member shall be appointed, and how and for what term any alternate may be appointed to perform that member's duties on the board in the member's absence.

(c) Each party state is entitled to one (1) vote. A majority of the board constitutes a quorum. Unless otherwise provided in this compact, a majority of the total number of votes on the board is necessary for the board to take any action.

(d) The board shall meet at least once a year and otherwise as its business requires. Meetings of the board may be held in any place within the region deemed by the board to be reasonably convenient for the attendance of persons required or entitled to attend and where adequate accommodations may be found. Reasonable public notice and opportunity for comment shall be given with respect to any meeting; provided, however, that nothing in this subsection shall preclude the board from meeting in executive session when seeking legal advice from its attorneys or when discussing the employment, discipline or termination of any of its employees.

(e) The board shall pay necessary travel and reasonable per diem expenses of its members, alternates, and advisory committee members.

(f) The board shall organize itself for the efficient conduct of its business. It shall adopt and publish rules consistent with this compact regarding its organization and procedures. In special circumstances the board, with unanimous consent of its members, may take actions by telephone; provided, however, that any action taken by telephone shall be confirmed in writing by each member within thirty (30) days. Any action taken by telephone shall be noted in the minutes of the board.

(g) The board may use for its purposes the services of any personnel or other resources which may be offered by any party state.

(h) The board may establish its offices in space provided for that purpose by any of the party states, or, if space is not provided or is deemed inadequate, in any space within the region selected by the board.

(i) Consistent with available funds, the board may contract for necessary personnel services to carry out its duties. Staff shall be employed without regard for the personnel, civil service, or merit system laws of any of the party states and shall serve at the pleasure of the board. The board may provide appropriate employee benefit programs for its staff.

(j) The board shall establish a fiscal year which conforms to the extent practicable to the fiscal years of the party states.

(k) The board shall keep an accurate account of all receipts and disbursements. An annual audit of the books of the board shall be conducted by an independent certified public accountant, and the audit report shall be made a part of the annual report of the board.

(l) The board shall prepare and include in the annual report a budget showing anticipated receipts and disbursements for the ensuring year.

(m) Upon legislative enactment of this compact, each party state shall consider the need to appropriate seventy thousand dollars ($70,000.00) to the board to support its activities prior to the collection of sufficient funds through the compact surcharge imposed pursuant to subsection (a) of article V of this compact.

(n) The board may accept any donations, grants, equipment, supplies, materials or services, conditional or otherwise, from any source. The nature, amount and condition, if any, attendant upon any donation, grant or other resources accepted pursuant to this subsection, together with the identify of the donor or grantor, shall be detailed in the annual report of the board.

(o) In addition to the powers and duties conferred upon the board pursuant to other provisions of this compact, the board:

(i) Shall submit communications to the governors and to the presiding officers of the legislators of the party states regarding the activities of the board, including an annual report to be submitted by December 15;

(ii) May assemble and make available to the governments of the party states and to the public through its members information concerning low-level waste management needs, technologies and problems;

(iii) Shall keep a current inventory of all generators within the region, based upon information provided by the party states;

(iv) Shall keep a current inventory of all regional facilities, including information on the size, capacity, location, specific wastes capable of being managed and the projected useful life of each regional facility;

(v) May keep a current inventory of all low-level waste facilities in the region, based upon information provided by the party states;

(vi) Shall ascertain on a continuing basis the needs for regional facilities and capacity to manage each of the various classes of low-level waste;

(vii) May develop a regional low-level waste management plan;

(viii) May establish such advisory committees as it deems necessary for the purpose of advising the board on matters pertaining to the management of low-level waste;

(ix) May contract as it deems appropriate to accomplish its duties and effectuate its powers, subject to its projected available resources; but no contract made by the board shall bind any party state;

(x) Shall make suggestions to appropriate officials of the party states to ensure that adequate emergency response programs are available for dealing with any exigency that might arise with respect to low-level waste transportation or management;

(xi) Shall prepare contingency plans, with the cooperation and approval of the host state, for management of low-level waste in the event any regional facility should be closed;

(xii) May examine all records of operators of regional facilities pertaining to operating costs, profits or the assessment or collection of any charge, fee or surcharge;

(xiii) Shall have the power to sue; and

(xiv) When authorized by unanimous vote of its members, may intervene as of right in any administrative or judicial proceeding involving low-level waste.

Article VII. Prohibited Acts and Penalties

(a) It shall be unlawful for any person to dispose of low-level waste within the region, except at a regional facility; provided, however, that a generator who, prior to January 1, 1982, had been disposing of only his own waste on his own property may, subject to applicable federal and state law, continue to do so.

(b) After January 1, 1986, it shall be unlawful for any person to export low-level waste which was generated within the region outside the region unless authorized to do so by the board. In determining whether to grant such authorization, the factors to be considered by the board shall include, but not be limited to, the following:

(i) The economic impact of the export of the waste on the regional facilities;

(ii) The economic impact on the generator of refusing to permit the export of the waste; and

(iii) The availability of a regional facility appropriate for the disposal of the waste involved.

(c) After January 1, 1986, it shall be unlawful for any person to manage any low-level waste within the region unless the waste was generated within the region or unless authorized to do so both by the board and by the state in which said management takes place. In determining whether to grant such authorization, the factors to be considered by the board shall include, but not be limited to, the following:

(i) the impact of importing waste on the available capacity and projected life of the regional facilities;

(ii) the economic impact on the regional facilities; and

(iii) the availability of a regional facility appropriate for the disposal of the type of waste involved.

(d) It shall be unlawful for any person to manage at a regional facility any radioactive waste other than low-level waste as defined in this compact, unless authorized to do so both by the board and the host state. In determining whether to grant such authorization, the factors to be considered by the board shall include, but not be limited to, the following:

(i) the impact of allowing such management on the available capacity and projected life of the regional facilities;

(ii) the availability of a facility appropriate for the disposal of the type of waste involved;

(iii) the existence of transuranic elements in the waste; and

(iv) the economic impact on the regional facilities.

(e) Any person who violates subsection (a) or (b) of this article shall be liable to the board for a civil penalty not to exceed ten (10) times the charges which would have been charged for disposal of the waste at a regional facility.

(f) Any person who violates subsection (c) or (d) of this article shall be liable to the board for a civil penalty not to exceed ten (10) times the charges which were charged for management of the waste at a regional facility.

(g) The civil penalties provided for in subsections (e) and (f) of this article may be enforced and collected in any court of general jurisdiction within the region where necessary jurisdiction is obtained by an appropriate proceeding commenced on behalf of the board by the attorney general of the party state wherein the proceeding is brought or by other counsel authorized by the board. In any such proceeding, the board, if it prevails, is entitled to recover reasonable attorney's fees as part of its costs.

(h) Out of any civil penalty collected for a violation of subsection (a) or (b) of this article, the board shall pay to the appropriate operator a sum sufficient in the judgment of the board to compensate the operator for any loss of revenue attributable to the violation. Such compensation may be subject to state and compact surcharges as if received in the normal course of the operator's business. The remainder of the civil penalty collected shall be allocated by the board. In making such allocation, the board shall give first priority to the needs of the long-term care funds in the region.

(i) Any civil penalty collected for a violation of subsection (c) or (d) of this article shall be allocated by the board. In making such allocation, the board shall give first priority to the needs of the long-term care funds in the region.

(j) Violations of subsection (a), (b), (c), or (d) of this article may be enjoined by any court of general jurisdiction within the region where necessary jurisdiction is obtained in any appropriate proceeding commenced on behalf of the board by the attorney general of the party state wherein the proceeding is brought or by other counsel authorized by the board. In any such proceeding, the board, if it prevails, is entitled to recover reasonable attorney's fees as part of its costs.

(k) No state attorney general shall be required to bring any proceeding under any subsection of this article, except upon his consent.

Article VIII. Eligibility, Entry Into Effect, Congressional Consent, Withdrawal, Exclusion

(a) Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming are eligible to become parties to this compact. Any other state may be made eligible by unanimous consent of the board.

(b) An eligible state may become a party state by legislative enactment of this compact or by executive order of its governor adopting this compact; provided, however, a state becoming a party by executive order shall cease to be a party state upon adjournment of the first general session of its legislature convened thereafter, unless before such adjournment the legislature shall have enacted this compact.

(c) This compact shall take effect when it has been enacted by the legislatures of two (2) eligible states. However, subsections (b) and (c) of article VII shall not take effect until Congress has by law consented to this compact. Every five (5) years after such consent has been given, Congress may by law withdraw its consent.

(d) A state which has become a party state by legislative enactment may withdraw by legislation repealing its enactment of this compact; but no such repeal shall take effect until two (2) years after enactment of the repealing legislation. If the withdrawing state is a host state, any regional facility in that State shall remain available to receive low-level waste generated within the region until five (5) years after the effective date of the withdrawal; provided, however, this provision shall not apply to the existing facility in Beatty, Nevada.

(e) A party state may be excluded from this compact by a two-thirds (⅔) vote of the members representing the other party states, acting in a meeting, on the ground that the state to be excluded has failed to carry out its obligations under this compact. Such an exclusion may be terminated upon a two-thirds (⅔) vote of the members acting in a meeting.

Article IX. Construction and Severability

(a) The provisions of this compact shall be broadly construed to carry out the purposes of the compact.

(b) Nothing in this compact shall be construed to affect any judicial proceeding pending on the effective date of this compact.

(c) If any part or application of this compact is held invalid, the remainder, or its application to other situations or persons, shall not be affected.

SEC. 2. The Congress hereby finds that the compact consented to in this Act is in furtherance of the policy set forth in section 4(a)(1) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d(a)(1)). In order that such compact may be given full effect, the Nuclear Regulatory Commission shall consult and cooperate with the States that are parties to such compact in carrying out this subsection.

SEC. 3. Nothing contained in this Act or in the compact consented to in this Act may be construed as impairing or otherwise affecting in any manner any right or jurisdiction of the United States with respect to the region that is the subject of such compact.

SEC. 4. The right of the Congress to alter, amend, or repeal this Act is expressly reserved.

ROCKY MOUNTAIN LOW-LEVEL RADIOACTIVE WASTE COMPACT—SUMMARY OF KEY PROVISIONS

I. FINDINGS AND PURPOSE

States are responsible for providing for the management of non-federal low-level radioactive waste.

II. DEFINITIONS

1. Host state means a state in which a regional facility for the disposal or incineration of low-level radioactive waste is located.

2. Low-level waste excludes federal waste, high-level waste, material contaminated with transuranic elements emitting more than 10 nanocuries per gram, and mining and milling waste.

3. Facility means any property, equipment or structure used for the management (collection, consolidation, storage, treatment, incineration, disposal) of low-level waste.

III. RESPONSIBILITIES OF PARTY AND HOST STATES

1. At least one regional facility other than Beatty, Nevada must be open and operating in a party state other than Nevada within 6 years after Nevada and at least one other state have adopted the compact.

2. Low-level waste generated within the region shall be managed at regional facilities without discrimination among the party states.

3. Each party state that generates 20% or more of the region's waste has an obligation to host a regional facility.

4. A state seeking to fulfill its obligation to become a host state shall cause a regional facility to be developed on a timely basis as determined by the board.

5. Once a party state has served as a host state it shall not be obligated to serve again until each other party state having an obligation to host a regional facility has fulfilled that obligation.

6. The decisions on how and where to site a facility are left to the laws and policies of the host state(s).

7. All party states shall maintain an inventory of all generators within the state that may have low-level waste to be managed at a regional facility.

8. All party states must enforce transportation and packaging regulations.

IV. BOARD APPROVAL OF REGIONAL FACILITIES

The board must approve or disapprove all regional facilities, based only on consideration of economic feasibility and capacity requirements.

V. SURCHARGES

1. The board will impose a surcharge on waste disposed at regional facilities to provide funding for administration of the compact.

2. A host state may impose a surcharge on waste disposed at a regional facility in order to offset regulatory costs, local government impacts, to provide for closure and long-term care and to provide a positive financial incentive for state and local governments.

3. The board is authorized to ensure that all surcharges are reasonable.

VI. THE BOARD

1. The board, which shall meet at least once per year is composed of one representative from each party state.

2. Each party state must pay $70,000 to fund the initial two year operating costs of the compact.

3. The board shall keep an inventory of all waste generators and regional facilities.

4. The board shall prepare a contingency plan in the event a regional facility is closed and may develop a regional low-level waste management plan and provide information to the party states.

5. The board shall submit an annual report to the party states' governors and legislatures.

6. The board is authorized to assure that charges by regional facilities are reasonable.

VII. PROHIBITED ACTS

1. It is unlawful for low-level waste to be disposed of at other than a regional facility approved by the board.

2. After January 1, 1986, low-level radioactive waste may not be shipped out of the region without approval of the board and host state(s).

3. After January 1, 1986, no low-level radioactive waste may be shipped into the region unless approved by the board and host state(s).

4. No defense or federal low-level radioactive waste or any other type of waste not defined by the compact as low-level waste may be managed at a regional facility unless authorized by the board and host state.

5. The board may impose civil penalties and seek court orders to enforce the provisions of the compact.

VIII. ELIGIBILITY, ENTRY INTO EFFECT, CONGRESSIONAL CONSENT, WITHDRAWAL, EXCLUSION

1. The States of Arizona, Colorado, Nevada, New Mexico, Utah and Wyoming are eligible to join.

2. Other states may join with the unanimous consent of the board.

3. The compact must be ratified by Congress.

4. If a state fails to fulfill its obligations under the compact, it may be excluded by a two-thirds vote of the remaining states on the board.

5. A state may withdraw from the compact two years after legislative repeal of the compact.

6. If a host state chooses to withdraw from the compact, its facility will continue to be available to the remaining party states for five years so that another facility can be developed.

By Mr. COHEN (for himself, Mr. MITCHELL, Mr. STEVENS, Mr. MURKOWSKI, and Mr. PELL):

S. 443. A bill to amend the Internal Revenue Code of 1954 to provide that certain fishermen who are treated as self-employed for social security tax purposes shall be treated as self-employed for pension plan purposes; to the Committee on Finance.

PENSION PLAN TAX TREATMENT OF CERTAIN FISHERMEN

● Mr. COHEN. Mr. President, I rise today to joining my colleague Senator MITCHELL as an original sponsor of two bills S. 438 and S. 439 that we are reintroducing and this we are introducing for the first time in the Senate. Adoption of these three measures would greatly benefit fishermen in our home State of Maine and the fishing industry generally.

The first bill, S. 438, would amend the tariff schedules of the United States by lowering the duties imposed on imported, synthetic fish nets to levels already agreed to by the United States.

At present, the import duty on synthetic fish netting and nets is $0.12 per pound plus 24.8 percent ad valorem. Under the multilateral trade negotiations [MTN], which were concluded in 1979, this rate is scheduled to be reduced in increments until 1989 when the flat rate of 17 percent ad valorem will be reached. The bill that we are introducing today S. 443 would immediately reduce the duty to the 17-percent level.

While the U.S. fishing industry holds great promise as an industry that will make larger and larger contributions to the prosperity of this country, that promise has not yet been fully realized. The United States holds within its exclusive economic zone as much as 20 percent of the world's fisheries resources, but in 1983 the industry suffered a $3.6 billion trade imbalance in edible fisheries products.

This trade imbalance is due, in large part, to the fact that imported fish products enter our country virtually duty free. As a matter of national policy, I believe that it is unfair to subject our fishermen, at the same time, to large duties on fishing gear which they must import because domestic manufacturers are unable to provide them with the high quality netting that they need.

Many impediments that face the fishing industry are inherent in the capital-intensive nature of the industry. Large amounts of money must be spent for the construction of fishing vessels and the acquisition of fishing gear. In addition, American fishermen must compete with foreign fishermen who are beneficiaries of an array of Government subsidies ranging from vessel loan and grant programs to subsidized fuel and insurance.

Fishing nets constitute a significant expense to all fishermen. In New England, large groundfish boats may use up to 500 pounds of netting each month while smaller boats may use 500 to 1,000 pounds each year simply for repairs. Depending upon the size of these boats, nets may cost as much as $30,000 and most boats typically carry two or more nets onboard all of the time. At the current tariff level, more than a quarter of the cost of this gear is accounted for by the duty that the U.S. Government imposes on the importation of necessary fish netting.

Because the domestic net companies do not manufacture the quality or variety of netting or nets required by the U.S. fishing industry, our commercial fishermen depend greatly upon imports. Today, we are importing about one-third of the synthetic netting used by salmon gillnetters in the Pacific Northwest, tuna purse seiners in the Pacific, Great Lakes gillnetters, gulf shrimpers, and Atlantic groundfish trawlers. Economists have estimated that import duties on synthetic nets alone may consume as much as 9 percent of the profits made by these fishermen.

The MTN timetable for reducing this duty is simply too long. The principal thrust of the administration's trade policy is to open world markets by reducing the number of barriers to international trade. By lessening domestic trade restrictions, we will encourage efficiency and competitiveness in our fishing industry.

Today, over 200,000 fishermen, with a catch valued at $2.4 billion, are being forced to pay an excessively high duty on the nets they use. In 1982, the U.S. International Trade Commission estimated that only 1,000 persons were employed in our domestic net industry and that enactment of legislation, which was identical to that which we are introducing today, would have resulted in a total loss of less than $6 million to the U.S. Treasury. Since that time, the duty has been reduced according to the MTN schedule so that the loss to the Treasury this year, as well as any possible employment loss, would be significantly less. In view of the overall positive impact that this legislation would have on the U.S. fishing industry and our economy as a whole, I urge my colleagues to join us in supporting its passage.

The second bill that I am sponsoring with Senator MITCHELL, S. 439, today would provide a permanent exemption from the Federal Unemployment Tax Act [FUTA] to those fishing boat owners who are engaged in the halibut or salmon trade or whose vessels are over 10 net tons.

The issue which this legislation addresses is not new. Passage of this bill would end a long effort to correct a very unfair interpretation of tax law as it affects an independent and proud group of working people—commercial fishermen.

In 1975, while serving as a Member of the House of Representatives, I introduced the Sternman's Exemption Act which became a part of the Tax Reform Act of 1976. At that time, the IRS was enforcing an agency ruling which held that certain fishermen, known as sternmen in the lobster industry, could not be considered independent workers but were employees of the boatowners with whom they happen to work.

This view of the relationship of the sternmen and the boatowners could not have been further from reality. For decades, Maine sternmen and boatowners have worked with the understanding that the sternman is an independent contractor. Their relationship was born of both practicality and the independent nature of these individuals. The sternman's competency is respected by the boatowner to the point that he is expected to be able to take control in an emergency situation and, sometimes, fish the boat should the owner become temporarily disabled.

The advent of the IRS's novel rulings in this field have placed a great strain on the resources of the independent boatowners in the State of Maine and elsewhere. It has forced some boatowners to the brink of bankruptcy and others to pursue the very dangerous practice of going out in their boats alone.

The Sternman's Exemption Act corrected this intolerable state of affairs and allowed those fishermen who are paid a share of the catch, and who work on vessels with crews of less than 10 people, an exemption from the tax imposed by the Federal Insurance Contributions Act [FICA]. In addition, the wages received by those fishing boat crew members, whose services were exempted for purposes of FICA, were no longer considered wages for purposes of income tax withholding, and those crewmen were considered to be self-employed for purposes of the Self-Employment Contributions Act.

Under current law, if crew members meet these criteria, boat owners are exempt from social security or income tax withholding requirements.

The legislation that we are introducing today, in addition to giving further recognition to the practice of hiring fishermen as independent contractors, will bring the FUTA into conformity with the other tax acts which I have mentioned. The legislation does not penalize those individuals who wish to work as employees on fishing boats. Rather, it provides those who choose otherwise with an opportunity to prove that they are, in fact, self-employed.

Mr. President, as I have said, the issue which this legislation addresses is not new. In 1978, S. 3080, an identical bill, was the subject of hearings in the full Finance Committee and, in 1980, S. 1194, another identical bill was considered by the Committee's Subcommittee on Taxation and Debt Management. Final action was not taken on either of these bills.

The first bright spot in this effort appeared in 1981 when S. 791, passed the Senate. The language of that legislation applied the FUTA tax exemption to wages paid after December 31, 1980. Unfortunately, the conference agreement on that bill made the FUTA exemption effective only for the tax year 1981.

The Miscellaneous Revenue Act of 1982 provided another temporary extension of the FUTA exemption for tax year 1982 and, in the 98th Congress, as the result of Senate passage of S. 146, the Deficit Reduction Act of 1984 provided additional, temporary exemptions for tax years 1983 and 1984.

Since January 1 of this year, many commercial fishing vessel owners and operators are, once again, subject to inappropriate FUTA withholding requirement burdens for the wages of their crewmen who are considered to be self-employed, independent contractors for the purposes of all other employment taxes.

The legislation that we are introducing today would correct this inequity and respects the working relationship that has served independent boatowners and fishermen so well in my State for decades. This is important legislation and its passage should be expedited.

Finally, I am introducing a new bill today, S. 443, that would further Congress' recognition of commercial fishermen as self-employed independent contractors by amending the portion of the Tax Code that now precludes commercial fishermen from establishing their own Keogh pension plans.

As I indicated earlier, certain commercial fishermen have been considered self-employed for purposes of FICA since 1977. Last May, however, the IRS Revenue Ruling 79-101 held that the establishment of Keogh plans by those self-employed fishermen is impermissible. This interpretation is not the result of any stated congressional intent, but rather results from an oversight which should be quickly rectified.

In an understandable effort to plan for their future financial security, many commercial fishermen established Keogh plans for themselves when they were first recognized as being self-employed for purposes of FICA. Consequently, the bill that I am introducing today includes a retroactive provision so that any financial penalties which these fishermen may now be subject to as a result of the IRS recent ruling can be avoided.

Group retirement programs are impractical in the commercial fishing industry. Fishermen frequently work on more than one boat in any given year in order to take full advantage of better opportunities on other vessels. The bill that I am introducing today simply provides that fishermen who are treated as self-employed for Social Security tax purposes will be treated similarly for pension plan purposes.

Congress has extended this opportunity to other groups, such as ministers and salesmen who have found themselves facing the same inequitable situation. It is equally important that we provide the same opportunity to those fishermen who are seeking to provide for their own financial security.

This legislation is sound public policy and deserves prompt consideration by the Senate.

Mr. President, I ask unanimous consent that a copy of the bill, the revenue ruling which I referred to in my statement and a copy of an article concerning the Keogh situation, which appeared recently in National Fisherman, be printed in the RECORD immediately following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 443

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) clause (ii) of section 401(c)(2)(A) of the Internal Revenue Code of 1954 (defining earned income) is amended by striking out "paragraphs (4) and (5)" and inserting in lieu thereof "paragraphs (2)(F), (4), and (5)".

(b) The amendment made by subsection (a) shall take effect as if included in the amendments made by section 1207(e) of the Tax Reform Act of 1976.

(26 CFR 1.401-1: Qualified pension, profit-sharing, and stock bonus plans. (Also Sections 1402, 3121, 3401.))

REV. RUL. 79-101

A fishing boat operates with a crew of fewer than ten individuals who are common-law employees under the usual common-law rules for determining the employer-employee relationship. The crewmembers, however, perform their services under the conditions referred to in section 3121(b)(20) of the Internal Revenue Code of 1954. As a result, their services are excepted from employment for purposes of the Federal Insurance Contributions Act; their remuneration is excepted from wages by section 3401(a)(17) (relating to income tax withholding); and their services are a "trade or business" under section 1102(c)(2)(F) (relating to the self-employment tax).

Held, the crewmembers are employees for purposes of determining whether an employee's pension, annuity profit sharing, or stock bonus plan is qualified under section 401 of the Code.

[From The National Fisherman, December 1984]

DISPARITY IN TAX LAWS COULD HURT CREWMEN

Thanks to a recent Internal Revenue Service ruling, crew members on commercial fishing vessels now face a Catch-22 situation in regard to self-established Keogh retirement plans.

Under one section of the Internal Revenue Code, those who work aboard boats with fewer than 10 crewmen are considered to be self-employed—provided the vessels involved operate on a share system, as is customary. Such crewmen file their tax returns as self-employed persons and pay self-employment taxes.

According to the law, a self-employed individual is entitled to claim a deduction on all contributions that person makes to a self-established, "qualified" Keogh retirement plan. These plans can be set up directly through a local bank or arranged with the help of an accountant, pension planning specialist or lawyer.

The problem is that in another, different section of the IRS code—one that deals with pension plans—crewmen aboard fishing vessels are identified not as self-employed persons but as "common-law employees," thus making them ineligible to establish (and claim deductions on) their own Keogh retirement plans.

This disparity in law is spelled out in what is known as an IRS "private letter ruling" dated May 17, 1984. It was brought to the attention of "National Fisherman" by a Narragansett, R.I., certified public accountant, whose clients are commercial fishermen.

In the May 17 letter, Alan Pipkin, an IRS official, tells a crewman that although he may be self-employed for income tax purposes, he is a common-law employee when it comes to the pension code. Pipkin cites a 1979 formal IRS ruling to this effect.

The May 17 letter came as a surprise to the Narragansett accountant and may have a similar effect both on other professionals helping crewmen with tax returns and on crewmen themselves. However, according to Wilson Fadely, a public affairs officer for the IRS, the agency's position is not new.

As he sees it, the only tax deductible individual retirement option now open to crewmen is the widely known Individual Retirement Account of IRA. Fadely, however, concedes this alternative is far more limited than a Keogh plan because one can contribute only $2,000 a year to an IRA account.

Apart from that, the owner/operator of the boat on which the crewman worked could establish any one of a variety of pension plans on his employee's behalf. However, unless the vessel owner found a "master" plan already set up by a bank, insurance company or financial firm, he would probably have to bear the administrative costs of establishing one. That done, the boat owner might make matching contributions to the plan or, under retirement funds with different structures, the crewman might be the sole contributor and beneficiary.

Fishing vessel crew members should also note the demise of a provision which once made it mandatory for a vessel owner setting up his own retirement plan to likewise provide for full-time employees with three years or more of service. This requirement was repealed under the Tax Equity and Fiscal Responsibility Act of 1982.

Meanwhile, crewmen wanting the flexibility to set up their own Keogh retirement plans face two alternatives. Either they can join together and lobby Congress to amend the existing tax laws, or they can mount a challenge to the rule that now bars them from setting up their own Keogh plans. Reportedly, just a case is now being heard in a tax court on the West Coast.

While crewmen's options may be limited—at least for the moment—owner/operators of commercial fishing vessels have more flexibility. According to the IRS, these individuals are self-employed and may establish Keogh plans as long as they are not working for a corporation they, themselves, have created.

But, even if an owner/operator is an emplhey can contribute each year to their Keogh plans.

The Tax Equity and Fiscal Responsibility Act of 1982 did away with the former limit on annual contributions of $15,000 or 15% of one's earned income, whichever was less. This change, of course, means that the more an individual puts into a Keogh plan account, the larger the deduction he can claim on his income taxes.—Susan Pollack.●

● Mr. MITCHELL. Mr. President, I am pleased to join in introducing this legislation today to correct an inequity in current law that prevents self-employed fishermen from setting up pension type arrangements under section 401 of the Internal Revenue Code. This legislation provides that certain fishermen who are treated as self-employed for Social Security tax purposes shall be treated as self-employed for section 401 Keogh and other pension plan purposes. As explained in other legislation that is being introduced today, the issue is how to properly characterize the employment relationship of fishermen who serve on boats with fewer than 10 crewmembers.

In the typical commercial fishing venture in Maine and throughout the Nation individuals come together to operate fishing boats on a "share of the catch" arrangement. The owner of the boat does not pay a salary to the crewmembers of the boat and there is no guarantee of compensation. Instead, each crewmember receives a share of the catch or a share of the proceeds of the catch. Like other self-employed independent businessmen, fishing boat crewmembers bear the risk of their trade, contributing to the overhead cost of operating the vessel and incurring business losses if those costs exceed the income from catching fish.

By the nature of the compensation arrangement and the customs of the industry the individual crewmember is clearly self-employed. He operates independently, moving between different fishing boats, providing for his own needs and carrying the costs and burdens of any other business entity.

Federal law has generally reflected industry custom by treating crewmembers of fishing vessels as self-employed rather than as employees for purposes of Social Security taxation, Federal income tax withholding, and Federal unemployment tax contributions. Crewmembers of fishing vessels that are manned by a share paid crew of 10 or less individuals are considered to be self-employed individuals and thus must pay the higher Social Security payroll tax required of self-employed individuals. Those same crewmembers are exempted from income tax withholding requirements. In addition, under the Federal Unemployment Tax Act owners of vessels of less than 10 net tons have been exempted from paying unemployment taxes on their crewmembers recognizing that the crewmembers are self-employed individuals. The same treatment has applied to fishing vessels that exceed 10 net tons up until December 31, 1984. Legislation is being introduced today to preserve that treatment and I expect that exemption from future taxes will continue.

Unfortunately, Federal pension law under section 401 is unclear as to the self-employed status of these fishermen. And the Internal Revenue Service has ruled, in spite of clear precedent in other Federal law, that these fishermen are employees for purposes of setting up a qualified pension-type plan.

Under that interpretation, the owner of the boat can set up a qualified pension for his crewmembers but they may not establish their own retirement plan. This is clearly not satisfactory because by the nature of the industry, where there is frequent turnover of crewmembers, these fishermen do not work long enough on any one boat to qualify for pension benefits under the vesting standards of Federal pension law.

As a result these self-employed individuals are unable to satisfactorily provide for their retirement. They are able to set up individual retirement accounts but cannot provide for further retirement protection by setting up Keogh or other pension arrangements.

All other Federal law treats the crewmembers as self-employed individuals and it is only fair that they should be treated the same for purposes of providing for their retirement. Other self-employed individuals in similar circumstances such as salesmen, ministers, and independent contractors are able to set up pension-type plans to provide for their retirement; the same rules should apply to fishermen under these circumstances.

I urge my colleagues to support this legislation.●

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 444. A bill to amend the Alaska Native Claims Settlement Act; to the Committee on Energy and Natural Resources.

ALASKA NATIVE CLAIMS SETTLEMENT ACT AMENDMENTS

● Mr. MURKOWSKI. Mr. President, on behalf of myself and Senator STE-

VENS, I am today introducing legislation to affirm the terms and conditions of a land consolidation and exchange agreement between NANA Regional Corp., Inc., a corporation organized pursuant to the provisions of the Alaska Native Claims Settlement Act, and the United States, acting through the Department of the Interior. The agreement negotiated by NANA and the Secretary of the Interior is, by its own terms, specifically subject to congressional affirmation.

This land exchange will allow the construction of an access road to a mineral deposit that the NANA Regional Native Corp. hopes to develop. At the outset, I want to stress two points: The access road is proposed to be built along the environmentally preferred route. Other alternatives have been studied, a complete environmental impact statement has been prepared, and a consensus exists that a land exchange is necessary to allow the road to be built along the preferred route, across what is now the Cape Krusenstern National Mounment. I also want to stress, Mr. President, that this exchange enhances our own mineral security. Should any of my colleagues oppose this legislation and the exchange it affirms, they will be acting against our national self-interest and our desire to enhance our own mineral security.

This exchange will accomplish three major objectives: First, it will enhance the opportunities for NANA to fulfill the economic purposes of the Alaska Native Claims Settlement Act by the Development of NANA's Red Dog Mine, a major lead and zinc deposit, and thus provide for the social and economic needs of NANA's shareholders.

Second, the exchange will benefit the Krusenstern National Monument by reducing private inholdings and providing for the consolidation of land ownership patterns and more rational management within the monument. Therefore, the interest of the public in the ownership and management of our public lands is served by the exchange.

Finally, the exchange will benefit the United States by enhancing our mineral security and improving our balance of trade. The development of Red Dog will increase our recoverable reserves of zinc by more than 33 percent, from almost 25 million tons to almost 40 million tons of metal. When in full production, Red Dog will produce 300,000 tons of zinc per year, almost doubling the Nation's annual production. Domestic mines now produce less than one-third of our annual zinc requirements. After Red Dog comes on line we will increase annual production to two-thirds of our requirements.

While the enhanced ability to mine this resource is important to our national security, the ability to market the resource abroad can be helpful in the reduction of our trade imbalance, particularly with Japan. Exports from the Red Dog Mine are expected to total about $250 million a year in current dollars. About a third of the exports will go to Japan, hence the project will be particularly helpful in reducing our staggering trade deficit with that nation.

Mr. President, for the benefit of a complete record, I'll now go into some detail about the project's background.

NANA, pursuant to the Alaska Native Claims Settlement Act (ANCSA), selected and received lands containing a major lead/zinc deposit. NANA then negotiated an agreement with Cominco Alaska, a mining company, to develop those deposits known as the Red Dog Mine.

The timely development of the Red Dog Mine is extremely important to NANA if its native shareholders are to enjoy all of the potential benefits of ANCSA. When fully developed, the mine will employ approximately 400 individuals, most of whom will be residents of the NANA region and NANA shareholders. The estimated life of the project is 50 years, and the annual income from these jobs is estimated to be approximately $15 million.

At the present time there is no economic base within the NANA region that can offer even remotely sufficient job opportunities to the residents. As a result, many of NANA's residents are seeking employment outside the region, creating a great deal of dislocation. The development of the Red Dog Mine will change all that.

The Red Dog Mine is landlocked, and it is located northeast of Cape Krusenstern National Monument. In order to develop the mine, an access road and port site will have to be built. A September 1984 environmental impact statement for the project determined that the environmentally preferred as well as economically acceptable route was across the monument.

NANA owns land and conveyance rights in lands totaling approximately 195,043 acres within the monument. While not all of the lands subject to selection by NANA within the monument will ultimately be conveyed to NANA, it is anticipated that substantial acreage will eventually be conveyed.

In order to facilitate access to the Red Dog Mine, NANA proposed a land exchange to the Department of the Interior, whereby NANA would exchange lands conveyed to it and lands subject to conveyance to it within the monument for other lands within the monument. These lands could then be used for the environmentally preferred and economically acceptable access road. All required Federal and State permits would still be needed, however, before the road could be constructed.

While access could be sought across the monument pursuant to title XI of the Alaska National Interest Lands Conservation Act [ANILCA], by what in effect is a Federal right of way, title XI remains an untested procedure for obtaining congressional approval of a right of way. NANA believes that a legislated land exchange is the most expeditious manner by which it can receive the right of way. This approach will eliminate the uncertainty associated with a title XI application.

The proposed exchange consists of the following major provisions:

First, a consolidation of land ownership into contiguous patterns that would provide administrative and resource management benefits to the United States and provide NANA with a block of land meeting its access needs.

Second, NANA would receive: First, title to approximately 62,084 acres of Federal lands within the monument and 600 acres of limited subsurface estate, concentrating its holdings at the northwestern and southeastern corners of the monument; second, easements for two winter use trails between Kivalina and Noatak across the monument and other Federal lands; and third, title to approximately 1,915.25 acres outside the monument. NANA would also take conveyance to 31,884.67 acres of lands in the northwest corner of the monument to which it already has vested rights pursuant to ANCSA. This would consolidate NANA's inholdings within the monument.

Third, the United States would receive from NANA: First, conveyance of 1,345 acres of coastal land and relinquishment of selections and selection rights to approximately 103,338 acres within the monument. Coastal land is more important from an archeological standpoint and having this land in Federal ownership is important; second, a grant in perpetuity of an easement and public use and occupancy rights for a 5-acre administrative tract at the Onion Portage Archeological District at Kobuk Valley National Park; third, equitable servitudes and conservation easements for the protection and study of resource values on 10,942 acres of land near Sheshalik—an important cultural resource area along the coast; fourth, interests and easements for the protection and study of resource values within the 65,274-acre block which would be crossed by the Red Dog Mine road. These include protections which are essentially the same as would be attached to an approved title XI right-of-way; fifth, trail easements providing for public access across NANA lands to monument lands; and sixth, for purposes of administrative convenience

and to effect the land consolidation within the monument, NANA will take conveyance to 31,884.67 acres of Settlement Act selections within the northwest corner of the monument. This spent acreage entitlement may diminish NANA's potential conveyances within other units of conservation systems within the NANA region.

Mr. President, in my opinion, the exchange clearly benefits NANA by facilitating development of its Red Dog Mine and benefits and protects the interests of the United States. It provides the United States an opportunity to reduce private inholdings in the Cape Krusenstern National Monument, consolidate land ownership patters within the monument, and it resolves the long-term status of major portions of the Federal and non-Federal lands. It provides for manageable land units and gains additional protective and study provisions that might not otherwise exist for park resources on NANA's private land holdings. Easements also are established which provide for general public access to Federal lands and waters and an administrative site is provided at a key location in the Kobuk Valley National Park.

The agreement also protects vital subsistence values. NANA is most sensitive to the subsistence needs of its people and has provided for this protection both in the agreement NANA negotiated with Cominco and in the land exchange negotiated with the Department. Section 810 of the Alaska National Interests Land Conservation Act requires that if an exchange such as this were accomplished administratively, the Agency head or his designee must evaluate the effect of such action on subsistence uses and needs, the availability of other lands for the purposes sought to be achieved and other alternatives which would reduce or eliminate the disposition of public lands needed for subsistence purposes. A subsistence evaluation was prepared by the Department. That evaluation concludes that the exchange will not significantly restrict subsistence uses. NANA's potential development activities will be subject to strict environmental safeguards and restrictions, developed by NANA, in consultation with appropriate State and Federal agencies; significant displacement of fish and wildlife is, therefore, not expected to occur, and any relocation of resources utilized for subsistence purposes will not result in those resources becoming unavailable to the nearby residents. No significant restriction of subsistence uses is foreseen. NANA has provided stringent protections as part of the agreement.

In addition, formal consulation was undertaken with the Alaska Regional Office of the Fish and Wildlife Service and a biological opinion was provided concerning endangered species. The opinion concluded that the Arctic peregrine falcon is the only endangered species in the area of the proposed exchange, and that the exchange is not considered to jeopardize any falcons.

Also, in order to assure that the exchange and the activities resulting from the exchange will not adversely affect properties on or eligible for inclusion on the National Register of Historic Places, consultation was initiated with the Alaska State historic preservation officer and the advisory council on historic preservation. Since the United States acquires lands of significant acreage with cultural resource values, and as a result of the significant restrictions on NANA's development activities, including provisions designed to prevent damage to cultural sites, both the State officer and the advisory council concluded that the exchange would have no adverse effect.

On the Federal level, the intergovernmental review of Federal programs was combined with the review of the proposed exchange by the State of Alaska pursuant to the Coastal Zone Management Act. The State was advised of the exchange and although the State did not agree that the exchange was consistent to the greatest extent practicable, it indicated that, if certain additional provisions were included in the exchange, it would be consistent with the State program. All but one or two of the suggested changes were agreed to by NANA and the Department and included in the agreement.

The National Park Service, as a matter of sound administrative practice and in order to understand fully the environmental impacts associated with this exchange, prepared a resource evaluation which is the functional equivalent of an environmental impact statement. That evaluation demonstrates that any environmental impacts associated with the land exchange can be mitigated to an acceptable degree and that the essential integrity of the monument's resources and values will not be undermined by the exchange, and instead that resource protection and management will be enhanced in several respects.

NANA and the Department formally advised the Alaska Land Use Council of the proposed exchange and it was given an opportunity to comment. A resolution of the council's land use advisors committee supported the exchange, and the council unanimously approved a resolution supporting the exchange.

Notice of the proposal also was published in the Federal Register advising the public of the availability of draft materials regarding the exchange, of a public meeting to be held on the subject May 1, 1984, at Anchorage, AK, and the opportunity for public comment at the meeting or in writing. Public comment was heard, received and considered by the parties. In addition, NANA conducted village meetings throughout the region accompanied by National Park Service personnel to explain the land exchange.

Mr. President, this proposed exchange is in NANA's best interests, the best interests of the Krusenstern Monument and the best interests of the United States. I ask unanimous consent that a copy of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 444

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. The Alaska Native Claims Settlement Act (43 U.S.C. 1601, et seq.) is amended by adding at the end thereof the following new section.

"SEC. 42. The Secretary shall convey to NANA Regional Corporation, Inc., in accordance with the terms and conditions set forth in an agreement entitled 'Terms and Conditions Governing Legislative Land Consolidation and Exchange between NANA Regional Corporation, Inc., and the United States,' which was executed by the parties on January 31, 1985, lands and interests in lands in exchange for lands and interests in lands of NANA Regional Corporation, Inc., upon fulfillment by NANA Regional Corporation, Inc., of its obligations under said agreement."●

Mr. STEVENS. Mr. President, my distinguished colleague from Alaska had done an excellent job of setting forth the merits of the Cape Krusenstern land exchange, which I strongly support. I would like to make only two brief comments.

The Department of the Interior already has the authority to effect this exchange under the provisions of the Alaska National Interest Lands Conservation Act of 1980. Unfortunately, NANA Regional Corp. has been informed in no uncertain terms by certain environmental and wilderness groups that an administrative land exchange would be challenged in court. Delay arising from such litigation would seriously injure NANA, its shareholders, and the other residents of northwest Alaska. We have decided to proceed with this bill in order to circumvent unreasonable efforts to delay or derail the exchange through litigation.

As Senator MURKOWSKI's statement clearly demonstrates, the Red Dog-Cape Krusenstern exchange is a good deal not only for NANA and Alaska but also for the Federal Government and the Cape Krusenstern National Monument. One major conservation group, the National Audubon Society, has already come out in support of the exchange. It is my hope that other environmental and wilderness organizations will do the same. This bill is a test of the willingness of those groups

to support balanced, environmentally sound development of Alaska's resources and thus improve the human environment of northwest Alaska.

By Mr. HART:

S. 445. A bill to amend the Price-Anderson Act to remove the liability limits for nuclear accidents, to provide better economic protection for people living near nuclear powerplants and nuclear transportation routes, and for other purposes; to the Committee on Environment and Public Works.

CIVILIAN NUCLEAR POWER REGULATION IMPROVEMENT AND SAFETY INCENTIVES ACT

● Mr. HART. Mr. President, today I am introducing legislation to enhance the safety of nuclear power in this country—the Civilian Nuclear Power Regulation Improvement and Safety Incentives Act of 1985. Representative JOHN SEIBERLING has introduced an identical companion measure in the House. Our legislation makes three simple but fundamental modifications in the so-called Price-Anderson Act:

It removes the current $560 million limitation on total liability for damages to the public caused by an accident at a nuclear powerplant;

It makes the nuclear industry strictly liable for the damages caused by all accidents, regardless of severity. Injured persons would not have to prove negligence in the design, construction, or operation of a plant in order to receive compensation for any injuries they might sustain;

And it eliminates the current 20-year statute of limitations on recovering damages caused by a nuclear accident. Instead, it would permit injured persons to recover for damages if they sue within 3 years after they discover, or reasonably could have discovered, their injuries.

This bill does not in any way alter the other provisions in the Price-Anderson Act, particularly those requiring that a nuclear utility, as a condition of its operating license, maintain either the maximum available private insurance or some other form of financial protection and contribute to a retrospective premium pool should an accident cause damages exceeding that financial protection.

LIMITATION ON LIABILITY

Mr. President, in perhaps its most important—and most controversial—provision, the Price-Anderson Act insulates the nuclear industry—utilities, designers, vendors, and contractors—from liability for any damages caused by a nuclear accident exceeding $560 million. For 35 years, this provision has served as an umbilical cord for the nuclear industry.

By relieving the nuclear industry of the cost of insuring itself against the full range of damages caused by a nuclear accident, this statutory limitation on liability offers perhaps the largest single subsidy granted any industry.

Those favoring the limitation on liability base their argument on an irreconcilable—and fatal—contradiction. On the one hand, they maintain that removal of the limitation would foreclose the nuclear power option, presumably because the risk of a serious accident is too great for the nuclear industry to bear without this protection. Yet, they also argue there is only a slight risk that a nuclear accident ever would cause damages exceeding the statutory limitation. Therefore, they say, the public likely will recover for all the injuries it may suffer, the limitation notwithstanding.

The defenders of this limitation on liability should not have it both ways. They cannot describe the risks of a serious accident as so slight that the public need not worry, but then suggest the risks are so great that the nuclear industry cannot survive without it.

Mr. President, the time has come for us to sever this umbilical cord and wean the nuclear industry.

First, any justification for this limitation on liability that may have existed 25 years ago, when it was enacted, do not exist now.

Although originally intended as temporary measure to nurture the infant nuclear industry, the liability limitation in the Price-Anderson Act has a survival record rivaling that of Rasputin.

In 1957, Congress first enacted the Price-Anderson Act to remove what many say was the major roadblock to commercial development and use of nuclear power. Without the liability limitation, investors, vendors, engineers, and utilities refused to risk involvement in a dangerous, umproven technology. The act was to expire in 10 years when the fledging nuclear industry presumably could survive on its own.

But apparently 10 years was not long enough. In 1965, the nuclear industry sought another 10-year extension. Congress once again agreed. Few temporary laws have proven so permanent.

Mr. President, if the Congress accedes to the nuclear industry's latest request for an extension of the liability limitation, it will wind up nurturing a 40-year-old infant industry. One need only look at its size to realize we are not talking about a babe in arms. The nuclear industry represents billions of dollars of assets and thousands of jobs. It has 80 reactors built and operating, and has accumulated more than 700 reactor-years of operating experience. An additional 70 reactors are under construction.

In addition, the nuclear industry seems so confident in its current technology that it seeks to graduate into a new generation of reactors. It annually requests hundreds of millions of Federal dollars for developing breeder reactors, high-temperature gas-cooled reactors, and magnetic fusion. This hardly requires a crib of liability limitation.

Compare this industry to another risky industry. In 1957, few Americans traveled by air, and space exploration was the stuff of science fiction. Today, we fly on supersonic Concordes and Boeing 767's. Air transportation is a multibillion-dollar industry. Our space probes have explored the far reaches of the solar system, and use of the space shuttle soon may become a commercial enterprise.

If the air transportation industry—with its risk of accidents causing potentially great damages—survives without a limitation on its liability, why cannot the nuclear industry?

Mr. President, the nuclear industry undoubtedly will argue that it would buy additional private insurance if the private insurers would sell it. But currently the private insurers will only make available for each reactor $160 million of insurance against off-site damages. The reason for this minimal amount of insurance is simple: The liability limitation in the Price-Anderson Act removed all incentive for the nuclear industry to buy additional insurance, and for private insurers to sell it.

Consider the response of the private insurers to the accident at Three Mile Island. The nuclear industry always has had to absorb the on-site property damages caused by an accident—and particularly damage to the reactor itself. Prior to the Three Mile Island accident, private insurers for on-site property damages. The utility, contractor, or plant vendor had to pay for any damages in excess of $300 million.

Three Mile Island showed, however, that a nuclear accident causing little off-site damage could still cause substantial damage to the utility's powerplant and other on-site property—in this case over $1 billion.

Because the nuclear industry naturally wanted to minimize the exposure of its assets to such damages, it successfully encouraged the private insurers to increase from $300 million to $1 billion the amount of insurance they would make available for on-site property including the powerplant itself.

If the private insurers can respond with such remarkable speed to the needs of the nuclear industry, surely when the liability limitation has been removed they will respond with equally remarkable speed to the needs of the potential public victims of nuclear accidents.

This disincentive for private insurers to write coverage for injuries to public caused by a nuclear accident underscores a second season for removing the liability limitation: The limitation

transfers the risk of nuclear power from those who profit from the technology to those who could suffer from it. If the public were given the opportunity to recover fully for injuries from an accident, the companies who design nuclear powerplants, the contractors who build them, and the utilities who operate them would have far greater incentive to protect the health and safety of the public. This is precisely the type of economic incentive for safety that the Reagan administration would like to see replace direct Federal regulation.

Indeed, the Heritage Foundation, in supporting elimination of this liability limitation, has said:

> Safety would be improved because the insuring companies would have an incentive to work with the utility to improve design and operational safety. This has been the case in numerous industries; the nuclear industry would not likely be an exception.

There is a final reason for removing the liability limitation. This hidden subsidy distorts the market that allocates our energy resources. By enabling it to enjoy below-market insurance, the Price-Anderson Act relieves the nuclear industry of a significant cost of doing business.

The Reagan administration has a penchant for applying a free market test to other energy technologies—particularly when it cuts funding for conservation, solar and renewable energy technologies. Surely, consistency demands it apply the same test to nuclear power. The liability limitation for nuclear power has caused serious inefficiency and waste in the allocation of our energy resources. If nuclear power cannot survive in a market free of hidden subsidies, then we should allocate our energy resources to other technologies that can.

STRICT LIABILITY

Mr. President, although removing the limitation on aggregate public liability may seem the most significant change this bill makes in the Price-Anderson Act, the other two provisions are equally important.

The second provision eliminates the distinction between an extraordinary nuclear occurrence [ENO] and a nuclear incident —two of the most creative euphemisms imaginable. Currently, if the Nuclear Regulatory Commission [NRC] determines, based on the amount of radiation released and the damage to persons and property off-site, that an accident is serious enough to constitute an ENO, then the nuclear industry cannot defend against a damage suit by arguing either that it was not at fault or that it enjoyed some special immunity. The nuclear industry is strictly liable for the damages caused by an ENO.

By contrast, if the NRC determines, based on its criteria, that an accident was not serious enough to constitute an ENO, then regular State laws of tort liability and immunity would apply. The nuclear industry would be strictly liable for damages caused by a nuclear incident only if the State law so provides. Since State laws generally apply strict liability to ultrahazardous activities—and presumably for many States nuclear power would fall within this category—strict liability would often apply even to an accident not deemed an extraordinary nuclear occurrence.

Why, then, should not the Price-Anderson Act mandate strict liability for all nuclear accidents regardless of the State in which they occur?

The ENO distinction implies that victims of "less serious" nuclear accidents should have to meet tougher conditions in order to recover than should victims of more serious accidents. To a person suffering substantial property damage or serious radiation injury, however, it makes no difference whether the NRC finds that an accident was an ENO. The pain, suffering, and other damage remain the same, regardless of the injury caused to the surrounding community. By removing the ENO distinction and applying strict liability to accidents of any severity, the provision redresses this inequity.

STATUTE OF LIMITATIONS

Mr. President, the third, and final, provision of this bill replaces with a so-called discovery rule the existing 20-year statute of limitations on suits to recover damages.

Currently, the 20-year statute of limitations applies only to an ENO, while State statutes of limitations apply to less severe nuclear incidents. Since the second provision in this bill eliminates altogether the ENO distinction, this third provision would apply a discovery rule to all nuclear accidents—victims could recover damages caused by an accident if they file suit within 3 years after they discovered, or reasonably could have discovered, their injuries.

Many injuries caused by a nuclear accident are latent. They may not manifest themselves for decades, and often for periods longer than 20 years. Genetic damage caused by radiation may take one or even several generations to appear. Fairness dictates that we not preclude, with an arbitrary limitation, these victims of a nuclear accident from recovering damages simply because they were unlucky enough to suffer latent injuries. This new statute of limitations enables all victims of a nuclear accident to seek recovery for their injuries regardless of whether apparent or latent.

Mr. President, the modifications of the Price-Anderson Act contained in this bill are long overdue. This bill does not pass judgment on the nuclear industry or its prospects. Indeed, conservative groups such as the National Taxpayers Coalition and the Heritage Foundation have also argued for removal of the liability limitation in the Price-Anderson Act.

We must reject arguments used in the 1950's at the dawn of the nuclear age to justify preserving and extending the Price-Anderson Act today. Ultimately, enactment of the Civilian Nuclear Power Regulation Improvement and Safety Incentives Act should benefit the nuclear industry because it will enhance public confidence in nuclear power. If the nuclear industry can survive in the free market without the Price-Anderson subsidy and obtain sufficient private insurance to protect the public, it deserves to survive. If it cannot, then we should invest our energy dollars elsewhere.

There is concern about further reforming the process for licensing nuclear powerplants. I cannot imagine a reform more important than removing the liability limitation and creating a powerful economic incentive for safe design, construction and operation of nuclear powerplants. I believe it is important that we reform current rules of financial protection to insure safer operation of currently operating plants. This legislation will do just that.

Mr. President, I urge the Committee on Environment and Public Works to promptly consider, and the Senate to pass, this important legislation.

I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 445

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. That this Act may be cited as the "Civilian Nuclear Power Regulation Improvement and Safety Incentives Act of 1985".

LIMITATION ON LIABILITY

SEC. 2. Section 170 of the Atomic Energy Act of 1954, as amended, is amended by striking out subsection 170e, and relettering the subsequent subsections as necessary.

EXTRAORDINARY NUCLEAR OCCURRENCE

SEC. 3. (a) Section 11 of the Atomic Energy Act of 1954 is amended—

(1) by striking out subsection j; and

(2) in subsection q by striking out ", including an extraordinary nuclear occurrence,".

(b) Section 170n of the Atomic Energy Act of 1954 is amended by striking out "extraordinary nuclear occurrence" and substituting "nuclear incident" in each place it appears.

STATUTE OF LIMITATIONS

SEC. 4. Section 170n(1) of the Atomic Energy Act of 1954 is amended in the first sentence—

(a) by striking out the clause immediately following subparagraph (c) up to but not including "(i)", and inserting in lieu thereof the following:

"the Commission must incorporate provisions in indemnity agreements with licen-

sees and contractors under this section, and must require provisions to be incorporated in insurance policies or contracts furnished as proof of financial protection, which waive"; and

(b) by inserting in clause (iii) a period after "thereof" and striking out the remainder of the sentence.●

By Mr. DOMENICI:

S. 446. A bill for the transfer of certain interests in lands in Dona Ana County, NM, to New Mexico State University, Las Cruces, NM; to the Committee on Energy and Natural Resources.

TRANSFER OF CERTAIN LANDS

Mr. DOMENICI. Mr. President, today I introduce legislation that will transfer ownership of 4,242 acres near Las Cruces, NM, to New Mexico State University. The land in question has been under the control of New Mexico State University through a withdrawal order from the Bureau of Land Management dating back to the 1950's.

This land is currently being used by the university for a number of important facilities including an antenna range, an observatory, an insect laboratory, and a solar pond. There are many other activities going on elsewhere on this parcel.

I would like to point out that New Mexico State University, which has its main campus located just to the east of this land, is my State's land grant institution. This university has in its land grant capacity served varied interests in my State including a continuing commitment to the tricultural nature of my State's population with special programs aimed at our Hispanic population and our American Indian population.

New Mexico State has long been recognized across our country for its agricultural endeavors, as well as its engineering activities. In recent years its liberal arts program has gained nationwide prominence with its theater and drama department. As this great university has grown during the past three decades it has adapted to a changing society not only in the Southwest where it is located but has also adapted to changes in the United States and in the international arena with its many overseas projects.

With well over 12,000 students on the main campus, the university is large enough to fund major university programs. At the same time, it is still small enough to allow students that individual education that they need so much.

The land that this legislation would transfer is known as "A" Mountain.

Outright ownership by the university of the "A" Mountain lands is justified completely by the tremendous contribution made by the university to America's Space and National Defense Programs alone. Currently, one of the major installations on this land is the Physical Science Laboratory [PSL] antenna range. This is a NASA facility managed by the PSL, and is part of New Mexico State University.

The PSL/NMSU antenna test facility is one of the finest in the world and is used by many Government agencies.

Another user of the "A" Mountain lands which depends upon a clean unpolluted atmosphere is the NMSU Department of Astronomy. While astronomy at NMSU is basically concerned with teaching and research on alternative energy sources, the solar pond is a program relative to biomass and the research needs a greenhouse operation which requires about 30 acres for actual research and control over lands in a 500- to 1,000-foot perimeter surrounding the project.

I would like to quote from the researchers here as to the needs of the solar pond:

Special consideration relating to the use of BLM land for the biomass project are that no tall, solid structures capable of blocking sunlight be erected in the vicinity and that roads accessible to unregulated frequent traffic not be near the algae ponds. The dust of close-by, unpaved roads would be capable of introducing chemical contamination and unnaturally heavy inoculations of the open algae growing ponds with "wild" organisms which, if inoculated heavily, may overcome the biostatic equilibrium of the test and production of algae organisms. It will also be necessary to keep frequent motor vehicle traffic on paved roads removed from the ponds to prevent the introduction of exhaust pollutants, particularly of toxic heavy metals such as lead. A motor vehicle exclusion zone of 500 feet with respect to unregulated, frequent public traffic around the ponds is necessary. Dust-raising and air-polluting activities, in general, must be excluded.

This is important research for New Mexico and the Nation, and we cannot expect the university to continue to make the investment in time, facilities and personnel to conduct this research when this land might some day be pulled out from under them along with the tremendous investment they are placing on this land.

Also, located there is a New Mexico State University insect laboratory related to the livestock industry and wildlife. Because of the large Federal land acreage in New Mexico, research at this lab has great impact. There is no doubt in my mind that this operation will be expanded in future years. This legislation and the land it transfers will allow this project space for expansion.

Other facilities on the land include chemical storage areas, geothermal research holes, radiometers, and a geothermal greenhouse. The activities taking place on this land relate to eight different departments of the university.

It is time for control of this land to be transferred to New Mexico State University. Otherwise the city of Las Cruces, as it grows, could encroach on the land and the capital improvements made by New Mexico State University. That's the major reason the permanent management by New Mexico State University will be of great benefit to our Nation as the current research will continue undisturbed.

I would emphasize that it is time this land be transferred to the university. My legislation includes the conditions that it must always be used for education reasons. That by transferring this land, the best interests of the people of New Mexico and the United States will be well served. Further, I would point out that the university is willing to reimburse the Federal Government for administrative costs associated with the transfer. Further, I would point out that the legislation contains reverter clause language. This means that if the university uses the land for purposes other than research and education, then the land ownership reverts back to the Federal Government. I hope that Congress will act quickly on this legislation.

By Mr. DECONCINI:

S. 447. A bill to amend the Sherman Act to prohibit a rail carrier from denying to shippers of certain commodities, with intent to monopolize, use of its track which affords the sole access by rail to such shippers to reach the track of a competing railroad or the destination of a shipment and to apply Clayton Act penalties to monopolizing by rail carriers; to the Committee on the Judiciary.

RAILROAD ANTIMONOPOLY ACT

Mr. DECONCINI. Mr. President, I am reintroducing today a bill titled the Railroad Antimonopoly Act of 1985. It is similar in principle to the bill I introduced during the past Congress as S. 2416. The goal of the bill is to foster competition in the rail industry and bring fair treatment to captive shippers, and ultimately the public, through clearly bringing the rail industry within the scope of the antitrust laws.

The heart of the bill provides that it shall be unlawful for an owner rail carrier to monopolize or attempt to monopolize by denying or threatening to deny to any shipper or another rail carrier the use on reasonable terms of a railroad facility which is the sole facility over which such shipper can move bulk commodities by rail to connect with the track of competing rail carrier or to reach the destination of shipment.

As a result of the Staggers Rail Act of 1980, the industry has been largely deregulated. Railroads no longer operate under the tight regulatory controls that marked their historical development in this country. In the 4½ years since passage of the Staggers Rail Act of 1980, two significant changes have occurred which make it imperative that the antitrust laws be amended to

avoid serious injury to the distribution system of many shippers which are heavily dependent on rail transportation.

First, there has been a significant reduction in the number of railroads and hence a reduction in rail competition since passage of the act. Deregulation of the airlines and the trucking industry has resulted in new entries and new competition in these fields. Deregulation has thus met the objective of providing the public with increased competition. Deregulation of railroads, however, has led to an unprecedented series of mergers resulting in less competition than ever before.

Second, the Commission has used its power to exempt certain classes of commodities and certain transportation services from regulation to a point where the carefully constructed remedies for captive shippers under the Staggers Act will soon be irrelevant, even if the Interstate Commerce Commission could be persuaded to administer the act the way it was intended.

The result has been that some large volume shippers, heavily dependent on rail for distribution of their products, have less rail competition and an ineffective remedy under the Staggers Act. Another large segment of rail shippers has no remedy at all under the Interstate Commerce Commission because they have been exempted by order of the Commission.

The antitrust laws, as presently written and construed, do not appear to provide adequate protection against abuse of market power. Since 1948, the railroads have been operating under a partial exemption from the antitrust laws. The Reed-Bullwinkle Act (49 U.S.C. 5(b)) gave the railroads, subject to approval of the Interstate Commerce Commission, the right to act in concert to fix prices for transportation services. Although the scope of this exemption was altered in the Staggers Rail Act of 1980 (49 U.S.C. 10706), the partial exemption still remains.

It is true that the courts have held that Reed-Bullwinkle did not modify the Sherman Act prohibition against predatory or anticompetitive practices. See, *United States* v. *B&O R. Co.*, 538 F. Supp. 200 (1982). Consequently, rates designed to drive out competition from other carriers might well be within the scope of the present antitrust laws. But what of the situation where a single carrier serves a shipper who depends in large part on rail to distribute his products? May such a carrier charge whatever price it desires for rail transportation with impunity from the antitrust laws? May such owner-carrier prohibit another competitive carrier from using its tracks to reach the facilities of the shipper? Does such a railroad have the right to discontinue service if a shipper objects to any unilateral proposals which would be damaging to his business? Unreasonably high rates, discrimination, joint use of rail facilities have all been subject to regulation for nearly a century and have not been subject of antitrust investigations. The Interstate Commerce Commission is the exclusive agency empowered to enjoin railroad rates and practices. Section 16 of the Clayton Act expressly prohibits shippers from seeking an injunction against the railroads in courts.

Under today's climate of deregulation for the transportation industry, both the proponents of deregulation and the railroads have argued that the restraints of the antitrust laws should provide the necessary protection against abuse of market power—not an independent regulatory agency. This is what our amendment to the antitrust laws is designed to accomplish. There is no desire to reregulate the railroad industry but merely to provide the captive shipper with a remedy under the antitrust laws which will prevent abuses of market power.

These abuses are not hypothetical or theoretical. They have happened. Shippers have been faced with demands for unreasonable rates. Shippers have been threatened with discontinuance of service. In some cases, the railroads have taken the position that they are no longer common carriers and, therefore, they have no duty to serve the public. They have claimed that they have an unrestricted right to cut off service unless shippers comply with the unilateral demands of the railroads. Moreover, the railroads have refused to negotiate or arbitrate disputed issues. For example, on two separate occasions, one shipper's business was critically threatened when a railroad called one day to say that, effective the very next morning, it would provide no more service. The shipments involved perishable commodities. The shipper's entire distribution system would have come screeching to a halt without rail service. This happened during the term of an existing contract between the shipper and the railroad. The railroad wanted to extend unilaterally the existing contract. The railroad forced acquiescence by threatening to cut off service with no notice. The shipper had no choice but to agree to whatever terms the railroad demanded.

This type of behavior is unconscionable. The railroads hold the ultimate weapon against captive shippers by threatening to discontinue service. There is no fair negotiation between equal bargaining partners in such an unbalanced situation.

In a largely deregulated environment there are no fair arguments against antitrust coverage. Yet, with railroad transportation there is much confusion over the coverage of the antitrust laws. After years of operating in such a tightly regulated environment, railroads and shippers do not know the ground rules for deregulation. Abuses have been documented. The time has come to make clear that the railroads are subject to the antitrust laws and that certain practices are unlawful abuses of market power.

The bill I am introducing today is similar in principle to the bill, S. 2417, I introduced last Congress. That bill was the subject of hearings in September 1984. I learned a great deal about this issue at those hearings and my desire to continue to press for antitrust coverage of the rail industry was only reinforced. As a result of the hearings, I have refined several of the specifics of my bill, but the goal remains the same: to restore competition to the rail industry and thus provide captive shippers with at least the opportunity to ship their commodities at reasonable rates.

This legislation has received support from many sectors of the economy: the coal industry, public utilities, forest products, agriculture interests such as growers and fertilizer producers, and the perishable food producers. I intend to push for hearings on the bill in the spring, at which all interested parties will be welcome.

I also applaud the efforts by Senators LONG, ANDREWS, and FORD to get at the problem of captive shippers through other means. I support their efforts and believe we are shooting at the same goal but taking different routes to that end. I look forward to working with them toward our mutual goals.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 447

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Railroad Antimonoply Act of 1985".

SEC. 2. (a) The Congress finds that railroad rates and terms of service are best and most efficiently established in a competitive marketplace.

(b) The Congress finds that in many instances a competitive marketplace does not exist because of conditions such as those described below:

(1) The source of supply of a bulk commodity is served by a single rail carrier that has exclusive control of the railroad facilities from the source of supply to a point of interconnection with another rail carrier. Beyond such point of interconnection alternative rail routes exist to the destination to which the commodity is shipped, and such routes would be competitive were it not for the monopoly of the originating carrier over the movement from the source of supply to the point of interconnection. The originating rail carrier uses its monopoly to eliminate competition over the entire route and to assess charges or require other terms of service less favorable than those that would

be assessed or required in a competitive environment for the movement over its track or railroad facilities from the source of supply to the point of interconnection.

(2) A similar situation exists where a delivering or connecting rail carrier has exclusive control of tracks or railroad facilities which give it a monopoly from a point of interconnection with another carrier to the destination of the movement or to a second point of interconnection with another carrier.

(3) Situations also addressed by this Act exist where a rail carrier has exclusive control over track or railroad facilities and monopolizes movements within the area of its exclusive control, or where two or more rail carriers have joint or mutual exclusive control over track or railroad facilities and so monoploize its use.

(c) The purposes of this Act are to restore, establish, or enhance competition by eliminating the ability of the originating, connecting, or delivering carrier, as the case may be, to assess charges or to require other terms less favorable than those that would be assessed or required in a truly competitive environment.

SEC. 3. The Sherman Act (15 U.S.C. 1) is amended by adding after section 8 the following new section:

"Sec. 9. (a)(1) It shall be unlawful for an owner rail carrier to monopolize or attempt to monopolize by denying or threatening to deny to any shipper or another rail carrier the use on reasonable terms of a railroad facility which is the sole facility over which such shipper can move bulk commodities by rail to connect with the track of a competing rail carrier or to reach the destination of shipment.

"(2) A violation of paragraph (1) shall not occur where an owner rail carrier permits, on reasonable terms determined in accordance with generally accepted principles regarding just and reasonable rental of track, another rail carrier offering competing service to use such sole railroad facility. If the owner rail carrier permits such use of the sole railroad facility by a rail carrier and resulting bona fide competition exists for the transportation of the shipper's goods, the carrier transporting shippers commodities shall not be restricted in its rates by any provision of this Act.

"(3) If the owner rail carrier does not offer use of its tracks to a competing rail carrier, as provided in paragraph (2), or if no competition materializes from any competing rail carrier, the owner rail carrier shall offer rates to a shipper for transportation of its bulk commodities over the sole railroad facility at rates which are no higher than would yield a fair return on the proportion of the owner rail carrier's prudent investment in the sole railroad facility that the shipper's traffic bears to all traffic using such sole railroad facility.

"(b) It is unlawful for the owner rail carrier—

"(1) to condition the use of the sole railroad facility upon use of other facilities of the owner rail carrier, or

"(2) to suspend or threaten to suspend service over the sole railroad facility by reason of a shipper's asserting its rights under this section.

"(c) If connection with a water carrier exists at or within reasonable proximity of the first connection with a competing rail carrier, the shipper may elect to connect with the water carrier instead of or in addition to connecting with a competing rail carrier; provided that the cost of interconnection is no greater than would be occasioned by interconnection with the first competing rail carrier, or the owner rail carrier is reimbursed for the difference in cost.

"(d)(1) Any person injured in his business or property by reason of a violation of subsection (b) of this Act may bring an action therefor in accordance with the provision of section 4 of the Clayton Act.

"(2) Any person shall be entitled to sue for and have injunctive releif as provided in section 16 of the Clayton Act for threated loss or damage by reason of a violation of this section, notwithstanding any limitation contained in the proviso of such section 16 of the Clayton Act.

"(e) For purposes of this section the term—

"(1) 'rail carrier' means a person or persons providing for compensation railroad transportation in or affecting commerce;

"(2) 'owner rail carrier' means the rail carrier which owns or controls exclusively or jointly a sole railroad facility;

"(3) 'railroad facility' includes all facilities commonly included in the term 'railroad' which are necessary or practical for the movement of commodities over the sole railroad facility;

"(4) 'sole railroad facility' means a railroad facility which is the only facility by which a shipper can move bulk commodities by rail to connect with a competing railroad. Use of the sole facility 'to the destination of shipment' does not include use of railroad facilities beyond the point of connection or points of interconnection;

"(5) 'shipper' includes—

"(A) a person engaged in a business other than transportation who, in furtherance of such business, moves its own goods or arranges for transportation of commodities which it has sold; and

"(B) a person engaged in intermodal transportation who is a purchaser of rail service used in such intermodal transportation commonly called a 'shipper's agent';

"(6) 'bulk commodities' includes bulk goods moved in carload lots, such as coal, ore, grain, fertilizer, dry chemicals, primary forest or wood raw materials, and perishable commodities for human consumption when shipped in service which includes ToFC service;

"(7) 'primary forest or wood raw materials' includes logs, pulp wood, dressed or treated poles and saw mill or planing mill products;

"(8) 'service which includes ToFC service' means service to a shipper who customarily uses transportation by rail or trailers on flat cars (ToFC service) as a part of any given shipment, but does not exclude service to such shipper of some shipment by rail not employing ToFC service;

"(9) 'dry chemicals' means substances identifiable by chemical formulae and commonly described as chemicals, such as soda ash, silica gel, caustic soda, and sodium sulfate;

"(10) 'track of the competing rail carrier' means track subject to the competing carrier's use but does not include tracks jointly used by the rail carrier denying use of the sole facility; and

"(11) 'connect' includes connection from the point of origin, point of destination, and/or point of interconnection with another carrier.".

By Mr. GRASSLEY:

S. 448. A bill to amend the Internal Revenue Code of 1954 to encourage contributions of equipment to postsecondary vocational education programs and to allow a credit to employers for vocational education courses taught by an employee without compensation and for temporary employment of full-time vocational educational instructors; to the Committee on Finance.

JOBS TRAINING

● Mr. GRASSLEY. Mr. President, today I am reintroducing legislation which will strengthen the partnership between the business sector and our educational institutions in providing needed job training for our work force. This measure is essentially the same as legislation which I introduced in the 98th Congress, S. 108, which passed the Senate as an amendment to the Deficit Reduction Act of 1984. Unfortunately, my bill, along with other tax credit provisions, was dropped during the conference session with the House last June. I am hopeful that the measure I am introducing again today, which is in exactly the same form passed by the Senate last session, will again receive prompt consideration and approval by this body in the weeks ahead.

We are well aware that our Nation is going through a time of fundamental economic change characterized by the decline of older manufacturing industries and the rapid growth of high technology and service industries. To remain competitive in a more highly technical global economy, our Nation must seek to achieve productivity gains and to generate economic growth. The importance of capital investment and technological innovation cannot be overlooked, however, we must also acknowledge that investment in American workers is crucial to our continued economic renewal. The application of new technology by industry will require our work force to be highly skilled and continually retrained. In fact, manpower experts now estimate that a worker currently entering the work force will have to be retrained seven times during his or her lifetime.

Yet, public incentives to date have overwhelmingly favored capital and technology investments over worker training as a route to improved national productivity. In 1984, for example, the annual expenditure on training by American firms, according to the American Society for Training and Development, was $300 per worker, versus a capital investment expenditure of $3,300 per worker. I feel that greater emphasis must be placed on providing for a growing and changing work force and that greater support is needed for the Nation's public and private training programs.

An important key to training and retraining our Nation's work force is the community college and technical institute system which spans the country. Offering more than 1,400 different occupational specialty and technician

training programs which train over 11 million workers annually, community colleges provides local residents with low-cost access to high-quality training programs. Because these schools can boost a job placement rate of nearly 90 percent, and because they have the ability to change their course offerings and alter training programs to meet local labor needs, community colleges have been recognized by the National Alliance of Business as the "Nation's preeminent adult education system." Members of the business community have a direct hand in community college policymaking because the schools are intimately tied with local businesses through their administration structure. Local industry also participate through advisory committees for each occupational program offered by the community college. The legislation which I am reintroducing today would further strengthen this partnership and aid our country's community colleges and technical institutes in becoming even more effective. My bill would encourage the donation of equipment for vocational training and provide incentives for the exchange of knowledge between industry and faculty.

Technical training programs often rely on expensive equipment which quickly become obsolete in this age of exploding technology. However, the need to train workers on equipment they will operate in the private sector is self-evident. Much equipment in our community colleges has fallen far behind the state-of-the-art. Many States, mired in budgetary pressures of their own, have been unable to make the commitment to meet the equipment needs of their community colleges. I know that in the State of Iowa, for example, funds for upgrading equipment were zeroed out of the 1982, 1983, and 1984 budgets. Iowa's $500,000 appropriation for 1985 will not go far among the State's 20 colleges and technical institutes, particularly when many schools have tremendous needs merely for the repair and maintenance of their old equipment. Furthermore, many colleges across the Nation have found it impossible to expand into the emerging job fields of robotics, laser optics, and other technologies because of the shortage of funds to initiate such programs. My legislation would offer tax incentives to industry to help underwrite the expense of modernizing training programs by donating technical equipment. Current law provides a tax deduction of the basis and one-half the unrealized appreciation—not to exceed twice basis—of equipment donated to educational institutions if used for research purposes. My bill expands the same deduction to apply to the donation of equipment used for vocational training. Although it would be a relatively small investment by the Federal Government, benefits to these training institutions would be significant.

The second part of my bill encourages the lending of industry employees to educational institutions to teach vocational education courses. Community colleges are finding it increasingly more difficult to compete with private industry in attracting and maintaining qualified technical instructors. Some college rely on part-time instructors who are often local practioners, however, industry needs incentives to make greater use of this tool. My bill allows a $100 corporate tax credits for every vocational training course taught by a qualified employee of that corporation, up to five courses a year per employee. These incentives would encourage industry to contribute needed technical instruction that colleges are currently unable to provide, particularly in highly specialized technologies. In addition, this legislation contains a similar tax credit for industry to create work opportunities for community college faculty members in order to upgrade their skills. A $100 tax credit would be provided for the temporary employment of a qualified vocational education instructor by a corporation, thus stimulating the sharing of current private sector technology and expertise with the education sector.

Mr. President, the impact of my bill on Federal revenues would be minimal, yet, this bill would encourage extensive industry contributions of much needed equipment and technical training to one of the best delivery systems for job training and retraining programs in our Nation. I hope the Senate will again give prompt consideration and passage to this legislation.

Mr. President, I ask unanimous consent that the bill and section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

S. 448

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTAIN CONTRIBUTIONS OF PROPERTY USED IN QUALIFIED VOCATIONAL EDUCATION PROGRAMS.

(a) IN GENERAL.—Subsection (e) of section 170 of the Internal Revenue Code of 1954 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end thereof the following new paragraph:

"(6) SPECIAL RULE FOR CERTAIN CONTRIBUTIONS OF PROPERTY USED IN QUALIFIED VOCATIONAL EDUCATION PROGRAMS.—

"(A) LIMIT ON REDUCTION.—In the case of a qualified vocational education contribution, the reduction under paragraph (1)(A) shall be no greater than the amount determined under paragraph (3)(B).

"(B) QUALIFIED VOCATIONAL EDUCATION CONTRIBUTION.—For purposes of this paragraph, the term 'qualified vocational education contribution' means a charitable contribution by a corporation of tangible personal property described in paragraph (1) of section 1221, but only if—

"(i) such contribution is to—

"(I) a public community college or public technical institute (within the meaning of section 742(b) of the Higher Education Act of 1965 (20 U.S.C. 1132e-1)) and is made through the governing body of the donee, or

"(II) an area vocational education school (within the meaning of section 195(2) (C) and (D) of the Vocational Education Act of 1963 (20 U.S.C. section 2461(2) (C) and (D)), which is not a secondary school under State law, and such contribution is made through the governing body of the donee for use in programs enrolling principally nonsecondary students in courses in engineering, mathematics, or the physical or biological sciences, and the programs are designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge.

"(ii) the property is scientific or technical equipment or apparatus,

"(iii) substantially all of the use of such property by the donee is for training students enrolled in a postsecondary nonsecondary vocational education program offered by the donee,

"(iv) the property is not computer software, a microcomputer, or any other computer designed generally for use in the home or other personal use,

"(v) the fair market value of the property exceeds $250,

"(vi) the property is manufactured, produced, or assembled by the taxpayer, and the contribution is made not later than six months after the date on which the manufacture, production, or assembly of the property is substantially completed,

"(vii) the original use of the property is by the donee,

"(viii) the property is accompanied by the same warranty or warranties normally provided by the manufacturer in connection with a sale of the property contributed,

"(ix) such property is not transferred by the donee in exchange for money, other property, or services within 5 years of the date of original transfer to the donee,

"(x) such property is functional and usable in the condition in which it is transferred for the purposes described in clause (iii), without the necessity of any repair, reconditioning, or other similar investment by the donee, and

"(xi) the taxpayer receives from the governing body of the donee a written statement, executed under penalties of perjury, representing that the property and its use and disposition by the donee will be in accordance with the provisions of clauses (iii), (ix), and (x).".

"(C) CORPORATION.—For purposes of this paragraph, the term 'corporation' shall not include—

"(i) an S corporation,

"(ii) a personal holding company (within the meaning of section 542), or

"(iii) a service organization (within the meaning of section 414(m)(3)).

"(D) NONSECONDARY STUDENT.—For purposes of this provision, a nonsecondary student means an individual who is not enrolled in—

"(i) a high school or secondary school,

"(ii) a course of study leading to a high school diploma or its equivalent, or

"(iii) a course of study in lieu of a high school or secondary education.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to contributions made after December 31, 1985.

SEC. 2. POSTSECONDARY VOCATIONAL EDUCATION INSTRUCTION CREDIT.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable against tax) is amended by inserting after section 25 the following new section:

"SEC. 25A. VOCATIONAL EDUCATION INSTRUCTION CREDIT.

"(a) IN GENERAL.—In the case of a corporation, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

"(1) the product of—

"(A) $100, multiplied by

"(B) the number of postsecondary vocational education courses taught by qualified teaching employees of the taxpayer during the taxable year, plus

"(2) the product of—

"(A) $100, mulitplied by

"(B) the number of qualified vocational education instructors who were employed by the taxpayer during the taxable year.

"(b) LIMITATIONS.—

"(1) DOLLAR LIMITATION.—The aggregate amount allowable as a credit under subsection (a) to any taxpayer for any taxable year shall not exceed $20,000.

"(2) LIMITATION ON THE NUMBER OF COURSES TAUGHT PER EMPLOYEE.—No more than 5 postsecondary vocational education courses taught by the same qualified teaching employee may be taken into account under subsection (a)(1)(P).

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) POSTSECONDARY VOCATIONAL EDUCATION COURSES.—The term 'postsecondary vocational education course' means any course of instruction which—

"(A) is offered by an institution of higher education as part of an organized education program,

"(B) is in the physical, biological, computer, or engineering technologies, or electronic and automated industrial, medical, and agricultural equipment and instrumentation operation,

"(C) consists of a period of instruction which is at least equivalent to a course of instruction that provides 3 hours of instruction per week during an academic semester, and

"(D) has been completed before the close of the taxable year.

"(2) QUALIFIED VOCATIONAL EDUCATION INSTRUCTOR.—The term 'qualified vocational education instructor' means an individual who—

"(A) was employed by the taxpayer on a full-time basis for at least 3 months but not more than 12 months during the 2-year period ending at the close of the taxable year,

"(B) prior to such employment, taught postsecondary vocational education courses on a full-time basis at an institution of higher education,

"(C) is teaching such courses on a full-time basis at an institution of higher education at the close of such taxable year, and

"(D) is not employed by the taxpayer at the close of the taxable year.

"(3) QUALIFIED TEACHING EMPLOYEE.—The term 'qualified teaching employee' means an individual who—

"(A) taught at least one postsecondary vocational education course on a part-time basis at an institution of higher education during the taxable year,

"(B) is a full-time employee of the taxpayer for the entire taxable year,

"(C) does not receive any compensation from such institution of higher education, and

"(D) was not a qualified vocational education instructor at any time during the taxable year.

"(4) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given such term in section 1201(a) of the Higher Education Act of 1965.

"(5) ALLOCATION IN CASE OF CONTROLLED GROUP OF CORPORATIONS.—

"(A) IN GENERAL.—In determining the amount of the credit under this section—

"(i) all members of the same controlled group of corporations shall be treated as a single taxpayer, and

"(ii) the credit (if any) allowable by this section to each such member with respect to any qualified teaching employee or qualified vocational education instructor shall be in proportion to the member's share of the wages paid for the taxable year to such qualified teaching employee or qualified vocational education instructor.

"(B) CONTROLLED GROUP OF CORPORATIONS.—The term 'controlled group of corporations' has the same meaning given to such term by section 1563(a), except that—

"(i) 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears in section 1563(a)(1), and

"(ii) the determination shall be made without regard to subsections (a)(4) and (e)(3)(C) of section 1563.

"(6) CORPORATION.—The term 'corporation' shall not include—

"(A) an S corporation,

"(B) a personal holding company (within the meaning of section 542), or

"(C) a service organization (within the meaning of section 414(m)(3)).

"(7) DOUBLE BENEFIT.—Any credit allowable under this section for the taxable year with respect to any employee of the taxpayer shall be in addition to any deduction under this chapter which is allowable to the taxpayer for such taxable year with respect to compensation paid to such employee.".

(b) CONFORMING AMENDMENTS.—

(1) The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 is amended by inserting after the item relating to section 25 the following new item:

"Sec. 25A. Vocational education instruction credit.".

(2) The heading for subpart A of part IV of subchapter A of chapter 1 of such Code as amended by striking out "Personal".

(3) The table of contents for part IV of subchapter A of chapter 1 of such Code is amended by striking out "personal" in the item relating to subpart A.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years begining after December 31, 1985.

SECTION-BY-SECTION ANALYSIS

SECTION 1. Amends § 170(e) of the Internal Revenue Code of 1954 to provide an augmented charitable deduction for corporate donations of certain newly manufactured tangible personal property to a public community college or public technical institute (within the meaning of § 742(b) of the Higher Education Act of 1965) or an area vocational education school (within the meaning of § 195(2)(C) and (D) of the Vocational Education Act of 1963), which is not a secondary school under state law. The contribution must be made through the governing body of the donee. For purposes of this deduction and the credit allowed by section 2 the term corporation does not include corporations, personal holding companies or service organizations.

To qualify, a donation of equipment must satisfy all of the following requirements:

(1) The property is scientific or technical equipment or apparatus;

(2) The property was manufactured, produced, or assembled by the taxpayer, and is property described in Code section 1221(1), and the taxpayer is in the business of manufacturing, etc., and selling or leasing such property;

(3) The contribution of the equipment is made within six months after the date the construction or assembly of the property is substantially completed;

(4) The fair market value of the donated item exceeds $250;

(5) The original use of the donated property is by the donee;

(6) Substantially all of the use of the property by the donee is for training students enrolled in a postsecondary or nonsecondary vocational education program offered by the donee;

(7) The donor transfers with the property the same warranties normally provided by the manufacturer in connection with a sale of such property;

(8) The property as transferred is usable and functional without need of any repair, reconditioning, or similar investment by the donee;

(9) The donated property must not be transferred by the donee in exchange for money, other property, or services within five years after receipt; and

(10) The taxpayer receives from the governing body of the donee a written statement, signed under penalties of perjury, representing that the use, condition, and disposition of the donated property are in accordance with these requirements (6), (8), and (9).

The augmented deduction does not apply to contributions of computer software, a microcomputer, or any other computer designed generally for use in the home or other personal use.

If all these requirements are satisfied, the augmented charitable deduction allowed for the donation of equipment generally is the sum of (1) the taxpayer's basis in the donated property and (2) one-half of the unrealized appreciation (i.e., one-half of the difference between the property's fair market value determined at the time of the contribution and the donor's basis in the property). However, in no event is a deduction allowed for any amount which exceeds twice the basis of the property, or any amount in excess of fair market value.

This provision is effective for contributions made after December 31, 1985.

Section 2. Amends the Internal Revenue Code of 1954 by adding a new section, § 25A. It would provide a new tax credit to corporations with respect to (1) post secondary vocational education courses taught by qualified teaching employees of the taxpayer and (2) qualified vocational education instructors temporarily employed by the taxpayer.

The amount of the credit generally is $100 for each postsecondary vocational education course taught by qualified teaching employees of the taxpayer during the taxable year (not to exceed five courses per employee per taxable year), plus $100 for each qualified vocational education instructor temporarily

employed by the taxpayer during the taxable year. The total of such credits allowed to a taxpayer (or to a controlled group of corporations) for a taxable year is $20,000.

A postsecondary vocational education course is defined as any course of instruction which (1) is offered by an institution of higher education (within the meaning of sec. 1201(a) of the Higher Education Act of 1965) as part of an organized education program; (2) is in the physical, biological, computer, or engineering technologies, or electronic and automated industrial, medical, and agricultural equipment and instrumentation operation; (3) consists of a period of instruction which is at least equivalent to a course of instruction that provides three hours of instruction per week during an academic semester; and (4) has been completed before the close of the taxable year.

A qualified teaching employee is defined as any individual employed full-time by the taxpayer for the entire taxable year who taught at least one postsecondary vocational education course part-time at an institution of higher education, does not receive any compensation from the institution of higher education, and was not a qualified vocational education instructor at any time during the taxable year.

A vocational education instructor is defined as any individual who (1) was employed full-time by the taxpayer for at least three months but not more than 12 months during the two-year period ending at the close of the taxable year; (2) prior to this employment, taught postsecondary vocational education courses full-time at an institution of higher education; (3) is teaching such courses full-time at an institution of higher education at the close of the taxable year; and (4) is not employed by the taxpayer at the close of the taxable year.

Any credit allowed under the bill with respect to an employee is in addition to any allowable deduction for compensation paid to the employee by the taxpayer.

This provision is effective for taxable years beginning after December 31, 1985.

The foregoing analysis employs the language contained in Senate Committee on Finance Committee Print (S. Prt. 98-169, Vol. 1 at 925-929) explaining similar provisions in the Deficit Reduction Act of 1984, as approved by the Committee. Those provisions were subsequently deleted by the conference agreement (H. Rep't. No. 98-861 at 1261-1262). It has been modified, where necessary, to reflect changes in language or dates.●

By Mr. BINGAMAN:

S. 450. A bill to establish a commission to study and make recommendations concerning the international trade and export policies and practices of the United States; to the Committee on Governmental Affairs.

INTERNATIONAL TRADE AND EXPORT POLICY STUDY COMMISSION ACT

● Mr. BINGAMAN. Mr. President, today I am introducing a bill to establish a bipartisan national commission to study and make recommendations concerning the international trade and export policies and practices of the United States. Such a commission is badly needed in order to study the various pieces of our trade puzzle and to make recommendations for solutions to each of these problems. This commission would help to establish a coherent international trade and export policy.

In recent months, much has been written and spoken about the international trade problems which this country now faces and which it is expected to face in the years ahead. There is serious concern about our Nation's ability to successfully compete internationally, and the simple facts illustrate the problem well.

In 1973, trade in goods and services accounted for 8.3 percent of the U.S. gross national product. Today, according to some estimate, trade accounts for almost 12 percent of GNP. According to a Commerce Department study in 1980, 6.2 million American workers owed their jobs to U.S. exports. By 1982, the number had dropped to 4.9 million and in 1983 to 4.6 million, mainly because of the drop in export volume. We export 25 percent of our industrial production and 40 percent of our crops each year. However, despite the magnitude of our exports, they are dwarfed by our imports. Last year, we imported $123.3 billion more than we exported. This trade deficit is the largest in U.S. history.

From 1891 to 1970, the United States had an unbroken string of trade surpluses. Since 1971, however, we have had deficits in every year except two. The cumulative trade deficit since 1979 alone is a staggering $301.9 billion. If present trends continue, we will register a $150 billion trade deficit in 1985.

Our weakening trade posture is not confined to heavy industries. In traditionally strong sectors such as foods, feeds and beverages, our trade surplus dropped from $18.7 billion to $10.2 billion from 1981 to 1984, a 45-percent decline. In the service sector, a surplus of $41 billion in 1981 has declined to $22 billion in 1984, a $19 billion decrease in 3 years. Services decline combined with the large trade deficits have led to an estimated $100 billion current account deficit for 1984.

The future economic well-being of our Nation is clearly linked to the ability of American business to compete successfully in the world economy, and as the above figures show, we are not doing too well.

These sustained record trade deficits have resulted in a serious threat to our economy. These trade deficits have resulted in the loss of millions of U.S. jobs and, if left unchecked, will contribute to continuing troubles for many U.S. industries and cities. More than 1.5 million jobs are estimated to have been lost due to rising trade deficits. From 1980 to 1982, 40 percent of the increase in U.S. unemployment can be traced to the decline in U.S. exports. If these trends are permitted to continue, as many as 3 million Americans will be unemployed by late 1985. Much congressional attention has been focused on these issues, but little has been accomplished. I look forward to meaningful action in the very important area of reducing our record trade deficit.

There are many perceived reasons for our trade failures and even the degree of our failure is widely debated. Some cite looming budget deficits and imported oil prices. Still others have called for trade reorganization as a logical first step. Whatever is ultimately done, I would suggest that action is long overdue.

One further problem which exists, in my opinion, is the lack of a coherent and effective international economic policy. There now exists a serious failure on the part of the Federal Government to work in cooperation with American private enterprise to formulate a coherent and effective international economic policy that promotes trading opportunities for U.S. businesses. In the last Congress, the Senate Governmental Affairs Committee held several days of hearings on these issues and approved legislation to create a new Department of Trade to facilitate the formulation and implementation of cohesive and effective trade policies within the Federal Government. It was hoped by supporters of such proposals that the creation of a new Department of Trade would provide an organizational environment in which effective trade policy could be carried out. I supported this legislation as a good first step, but much more needs to be done to address our trade problems and coordinate our trade policy.

I believe there has also been a failure on the part of large segments of American business to seize trade opportunities. This issue is not directly addressed by Trade Reorganization. Only 12 percent of the Nation's 252,000 manufacturers market their products overseas. Available information, however, indicates that many more small U.S. manufacturers could begin to export if they had the right assistance to overcome impediments in doing so. It was recently estimated that 11,000 small export-capable firms could be induced to try to export if properly approached and assisted, and that the value of exports by such firms could amount to more than $4 billion a year.

I believe we also need to increase our familiarity with foreign needs and cultures in order to compete successfully. As a people, we are not nearly as familiar with other nations of the world as they are with us. Our people trying to do business overseas are hampered by a lack of language facility, a lack of understanding of the economic systems and business practices in other countries, a lack of familiarity with local cultures and customs, ignorance about appropriate marketing techniques and local financing arrange-

ments, lack of understanding about the local economic conditions and trading posture of other countries, and on and on. Because this expertise is not as well developed in our private sector, the Government may also be lacking a skilled cadre of individuals who can give advice or carry out trade policy. The need for such skills, experience, ties, and understanding in the Government and the private sector is paramount.

Mr. President, for these reasons, I am introducing legislation which calls for the creation of a bipartisan national commission to study and make recommendations concerning the international trade and export policies and practices of the United States. The 1-year study is to result in recommendations for changes in laws and regulations which are intended to facilitate the administration of the trade and export functions of the Federal Government, enhance export growth, provide for removal of trade barriers, provide for common understanding of international trade by businesses, develop expertise on foreign business practices and trade issues, and for other purposes. The commission is to be composed of six Members of the Senate, six Members of the House, and six members appointed by the President.

The issues to be studied and reported on include: existing impediments to exporting in American industries—legal, financial, and otherwise—the needs of American industry for information and opportunities to enhance exporting; methods for improving export incentives for U.S. businesses; the need for a closer integration of trade and international monetary policy; the need to coordinate American trade policies and practices with promotion of industrial revitalization; the need for high quality data to identify markets, new products, and industries; the need for directing Federal resources to provide sustained economic growth and employment; the need for cooperation among the principal sectors of the economy; the impact of State and local governments in exporting; the organizational structures of other industrial nations; the organizational structures of Federal agencies; and the need to promote institutional and noninstitutional educational activities that will contribute to the ability of U.S. businesses to succeed in marketing U.S. goods and services abroad. Each of these major issues represent a key area of our overall U.S. trade policy and deserve immediate consideration.

The purpose of the commission is to achieve a better national focus of the various trade problems that affect the United States at this time. A major national study would also provide the opportunity to develop an agenda of recommendations which would help the President and the Congress begin to solve our trade problems.

I urge my colleagues to join me in support of calling for adoption of this commission. Given the seriousness of our trade problems and current trends, which show lost jobs, rising deficits, and lost opportunities, we must focus our collective national attention on making trade a national priority. America, once the premier industrial power of the world, is losing its competitive edge. We must stop blindly traveling an unchartered course. Instead, we must begin to fill the gaps in our knowledge and determine the best path for expanding our exports and recouping our position in the world marketplace.

Let us begin this process by addressing the single most important problem in the trade area—the lack of any coherent and coordinated trade policy. This commission would help to formulate such a policy by bringing all the individual trade and export issues into focus and advancing recommendations for solutions.

Mr. President, I ask that the text of the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 450

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "International Trade and Export Policy Study Commission Act of 1985".

ESTABLISHMENT

SEC. 2. (a) There is established the International Trade and Export Policy Study Commission (hereinafter in this Act referred to as the "Commission").

(b)(1) The Commission shall be composed of eighteen members as follows:

(A) Six members appointed by the President in accordance with paragraph (2)(A).

(B) Six members appointed by the President pro tempore of the Senate from members of the Senate in accordance with paragraph (2)(B), upon the recommendation of the majority leader or the minority leader of the Senate, as the case may be, with respect to members appointed from the political party of that leader.

(C) Six Members of the House of Representatives appointed by the Speaker of the House of Representatives in accordance with paragraph (2)(B).

(2)(A) The President shall appoint as members of the Commission under paragraph (1)(A) individuals who are especially qualified to serve on the Commission due to the education, training, or experience of such individuals. Of the members appointed by the President under such paragraph, at least five members shall be individuals who are not officers or employees of the United States, and at least two members shall be representatives of businesses or labor organizations. Not more than three members of the Commission appointed under such paragraph shall be members of the same political party.

(B)(i) In appointing members to the Commission, the President pro tempore of the Senate and the Speaker of the House of Representatives shall give special consideration to the appointment of members of the Senate or the House of Representatives, as the case may be, who are members of the committees of their respective Houses which have legislative jurisdiction over, or special concerns with respect to, matters relating to international trade.

(ii) Not more than three members of the Commission appointed under paragraph (1)(B) shall be members of the same political party, and not more than three members of the Commission appointed under paragraph (1)(C) shall be members of the same political party.

(3) The first eighteen appointments to the Commission shall be made by the date which is thirty days after the date of the enactment of this Act or by October 1, 1985, whichever is later. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(4) Members of the Commission shall be appointed to serve for the life of the Commission.

(5)(A) Each member of the Commission appointed under paragraph (1)(A) who is not an officer or employee of the United States shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the actual performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without additional compensation.

(B) While away from their homes or regular places of business in the performance of services for the Commission, all members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under section 5702 of title 5, United States Code.

(c)(1) Nine members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(2) The Chairman and Vice Chairman of the Commission shall be elected by and from the members of the Commission for the life of the Commission.

(3) The Commission shall meet at the call of the Chairman or a majority of its members.

(d)(1) The Chairman of the Commission, in consultation with the Vice Chairman, and without regard to the civil service laws, rules, and regulations, is authorized to appoint and fix the compensation of a staff director and such other additional personnel as may be necessary to enable the Commission to carry out its functions.

(2) Any Federal employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(3) The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for GS-18 of the General Schedule under section 5332 of such title.

(e)(1) The Commission may, for the purpose of carrying out this Act, hold such hearings, sit and act at such times and places, take such testimony, and receive

such evidence, as the Commission considers appropriate.

(2) The Commission may secure directly from any department or agency of the United States information necessary to enable the Commission to carry out this Act. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(3) The Commission may accept, use, and dispose of gifts or donations of services or property.

(4) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(5) The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative and support services as the Commission may request.

DUTIES

SEC. 3. (a) The Commission shall study and make recommendations concerning international trade and export policies and practices of the United States, including recommendations for such changes in laws and regulations as may be required in order to—

(1) facilitate the administration of the trade and export functions of the Federal Government;

(2) enhance export growth;

(3) provide for removal of trade barriers;

(4) provide for common understanding of international trade by businesses;

(5) develop expertise on foreign business practices and trade issues; and

(6) accomplish such other purposes as the Commission considers appropriate.

(b) In conducting the study required by subsection (a), the Commission shall review and make recommendations concerning—

(1) existing impediments to exporting by American industries, including—

(A) regulations, paperwork requirements, and procedures imposed by the United States Government, especially export controls;

(B) the impact of the antitrust laws on exports;

(C) insufficient financing, Government credits, and incentives for export expansion, and the lack of Export-Import Bank and the Foreign Credit Insurance Association support and responsiveness;

(D) the lack of a unified, coherent, and clearly enunciated United States Government policy which supports the export community and which is carried out by all Federal agencies; and

(E) the lack of research and development capabilities to help improve the ability of American industries to compete with foreign industries;

(2) the needs of American industry for information and opportunities to enhance exporting, particularly the needs of small and medium sized firms, including needs for—

(A) specific sales or representation leads;

(B) specific information on market conditions, practices, and potentials;

(C) information about and lists of individual foreign buyers and foreign representatives;

(D) opportunities to meet directly in the United States with individual foreign buyers and foreign representatives;

(E) opportunities for publicity of companies, products, and interests abroad;

(F) opportunities to display or otherwise expose products abroad;

(G) assistance in making sucessful bids for major overseas contracts;

(H) general information on methods of exporting and on countries to which products can be exported; and

(I) information on the benefits of exporting;

(3) methods for improving export incentives for United States businesses, including—

(A) export financing;

(B) export insurance;

(C) tax benefits; and

(D) the facilitation of the creation of trading companies;

(4) the need for a closer integration of trade and international monetary policy, including the need to relieve trade policy of major burdens created by the recurrence of currency exchange rate misalignments;

(5) the need to coordinate American trade policies and practices with the promotion of industrial revitalization in the United States;

(6) the need for high quality data in order to identify markets, new products, and industries, and the failure to effectively communicate such data to American industry;

(7) the need for directing Federal resources to provide sustained economic growth and employment;

(8) the need for cooperation and support among the principal sectors of the economy, including business, labor, government, and the public;

(9) the impact of, and the proper role for, international trade activities by State and local governments, including export promotion activities, State export-import banks, and State export trade companies;

(10) the organizational structures under which other industrial nations, such as Japan, Great Britain, Canada, and West Germany, carry out the international trade activities of those nations;

(11) the organizational structure of Federal agencies which make and carry out trade policies, including the need for strengthened and integrated implementation of international trade functions and improvements in the Foreign Commerical Service; and

(12) the need to promote institutional and noninstitutional educational activities that will contribute to the ability of United States businesses to succeed in the marketing of United States goods and services abroad, such as—

(A) government-sponsored work-study programs which allow United States representatives of business, labor, and government to live overseas and analyze foreign market opportunities, study existing trade and cultural barriers, and develop expertise on foreign business practices and trade issues; and

(B) the promotion of foreign language capabilities to facilitate United States commerce by overcoming language and marketing barriers.

FINAL REPORT

SEC. 4. Not later than July 1, 1987, the Commission shall transmit to the President and to the Congress a report containing a detailed statement of the study conducted by the Commission under this Act and the recommendations of the Commission with respect to the matters specified in section 3, including any recommendations for legislation the Commission considers appropriate.

TERMINATION

SEC. 5. The Commission shall terminate on July 1, 1987.

AUTHORIZATION

SEC. 6. For fiscal years 1986 and 1987, there are authorized to be appropriated such sums as may be necessary to carry out this Act.●

By Mr. LEVIN:

S. 451. A bill to provide for an alternative to the present adversarial rulemaking procedure by establishing a process to facilitate the formation of regulatory negotiation commissions; to the Committee on Governmental Affairs.

REGULATORY NEGOTIATION ACT

● Mr. LEVIN. Mr. President, I am pleased to introduce today a bill that provides for an alternative to the present adversarial rulemaking procedure by facilitating the use of a process call regulatory negotiation.

The current approach to regulatory policymaking has evolved into a very adversarial and litigious process. Affected businesses, interest groups, and regulatory agencies all tend to adopt antagonistic postures during the promulgation and implementation of Federal regulations. Thus, it is not surprising that the policies and regulations that result are often considered inappropriate and ineffective by both business and interest groups and that litigation and conflict have become an integral and inevitable part of the process. The resulting regulatory policy crisis has become so severe that innovative alternatives are needed to encourage a more cooperative and productive process, where as many common positions as possible can be reached and incorporated into regulations.

One of the most exciting and promising new approaches to the regulatory policy procedure is a process called regulatory negotiation. Regulatory negotiation operates on the premise that industry, government, and interested groups can sit down together and with the aid of a mediator, attempt to fashion a consensus in areas of mutual concern. The basic notion is that if responsible people commit themselves to find points of agreement in a cooperative atmosphere, regulations can be designed which better meet true policy needs, and needless conflict and delay can be avoided.

The need for such an approach is apparent. Regulations often create anxiety among the parties who have an interest in their promulgation and implementation. Business often views regulation as limiting its freedom to function as it desires. Other interested groups believe that public welfare is sacrificed in the regulatory process and that interest groups are not represented and not heard in the current process. Legislators, who thought that the problem was solved when they adopted legislation are faced with a continuing battle throughout the rulemaking and enforcement process.

The need for the regulatory negotiation alternative has also been under-

scored by the Administrative Conference of the United States [ACUS], when in 1982, based on a detailed report prepared by a consultant, Phillip J. Harter, ACUS indicated that:

Experience indicates that if the parties in interest were to work together to negotiate the text of a proposed rule, they might be able in some circumstances to identify the major issues, gauge their importance to the respective parties, identify the information and data necessary to resolve the issues, and develop a rule that is acceptable to the respective interests, all within the contours of the substantive statute.

Attempts to use regulatory negotiation as an alternative have been successful in several areas, most recently in the areas of air transportation and the environment.

First, in the area of air transportation, the Federal Aviation Administration [FAA] is required by statute to promulgate rules and regulations governing the maximum pilot and air carrier employees flight and duty time.

Despite major changes in airline equipment and operation procedures, pilot and air carrier employee flight and duty time rules have remained the same for 30 years. This situation had been the source of many problems for the FAA, disputes between the airlines and their employees, and litigation involving the FAA. Each time the FAA attempted to issue a proposed rule, such controversy would arise that it was impossible for the FAA to issue a final rule. In light of this situation it was decided that it was time to try an alternative approach. It was time to try regulatory negotiation.

Thus, in June 1983, the FAA initiated its first regulatory negotiation project. After completing preliminary discussions with potential negotiation parties a committee was put together of various individuals representing affected and interested parties of the airlines industry. During the course of the summer the committee met regularly initially establishing guidelines for the process and objectives and then actually working toward developing a consensus on the appropriate solution to the problem of flight and duty time.

In February 1984, the committee members were able to agree to recommend the issuance of a notice of proposed rulemaking which had been drafted at the committee's request by the FAA staff. Although there was some disagreement on the contents of the proposed rules, it was published in March 1984, and public comment was received. The public comments that were received were far fewer and less contentious than those that had been received in the past. The comments were circulated to the committee members, and a meeting to develop a final recommendation was scheduled for September 1984. The committee subsequently submitted its recommendations to the FAA, and the FAA anticipates issuing a proposed rule in the near future, based at least in part on the recommendations of the committee.

In the area of the environment the Environmental Protection Agency [EPA] has recently successfully completed two regulatory negotiation projects.

First, in February 1983, through the Federal Register, the EPA solicited suggestions for rules to be negotiated by early 1984. After a detailed analysis the EPA selected nonconformance penalties as the first issue to be negotiated.

The purpose of nonconformance penalties is to provide temporary relief to manufacture of heavy-duty trucks or vehicles from engine pollutant standards. In April 1984, the EPA announced its intention to form a Federal advisory committee to negotiate nonconformance penalties, and in May 1984, the committee was formulated. The committee was made up of representatives of small and large, domestic, European and Japanese manufacturers; environmental organizations; State pollution control officials; and trade associations.

The first meetings got underway in June 1984. The committee met several times and formed working groups, which developed position papers on various issues.

On October 12, 1984, the full committee was able to arrive at a consensus on the resolution of key issues, and the EPA anticipates that a proposed rule will be issued shortly.

Second, on August 3, 1984, the EPA announced its intention to form an advisory committee to negotiate "Section 18 Emergency Pesticide Exemption".

Section 18 of the Federal Insecticide Fungicide and Rodenticide Act allows the Administrator of the EPA, at his discretion, to exempt Federal or State agencies from provisions of the act if he determines that emergency conditions exist which require such action. The regulations implementing section 18 were first promulgated in December 1973, and were designed to allow for specific quarantine and crisis exemptions.

In 1982 an EPA audit and congressional study indicated that the regulation could be improved. In August 1984, the EPA held an organizational meeting with potential negotiation parties. A committee consisting of representatives from environmental organizations, users, State agricultural and health departments, trade associations, and the U.S. Department of Agriculture was formulated. The committee met for the first time in September and continued to meet and negotiate for 4 months. The committee arrived at a consensus on the precise regulatory and preamble language on January 16, 1985, and the EPA will be publishing a proposed rule shortly.

In addition to the recent success of the FAA and the EPA, there was also another successful negotiation project involving the EPA, the steel industry and the Natural Resources Defense Council [NRDC].

In May 1982, the EPA proposed in final form a rather controversial regulation on the control of water pollution in the steel industry. The law set July 1984, as the deadline for companies to limit their water pollution to levels at or below those attainable with the best available technology, economically achievable. Of approximately 700 specifications outlined in the regulation, the industry challenged about 30 of them as being based on faulty information. In addition, the NRDC challenged the EPA's use of a bubble concept that would have allowed companies to make cost saving tradeoffs among effluent sources so long as the aggregate pollution result was no worse. Inevitably the matter landed in the courts.

However, in October 1982, the parties began a negotiation process in an effort to avoid the delays and conflicts of litigation. On the other hand, industry was concerned about ending the uncertainty attendant to the incomplete regulatory process, and on the other hand, the NRDC and the environmentalists were concerned with expediting the matter because the steel industry regulations were to be the forerunners to many industrywide regulations.

In a settlement reached in late February 1983, the steel industry won concessions on the technical numbers; the NRDC and the environmentalists won a modification of the bubble provisions; and costly and time-consuming litigation was avoided.

The most well-known regulatory negotiation success story is probably that of the National Coal Policy Project [NCPP]. The NCPP was an outgrowth of the recognition that it was important for the United States to shift from oil and natural gas to coal. In order to accomplish this, there had to be a reconciliation of environmental and industrial interests.

In July 1976, business representatives and environmentalists endorsed the regulatory negotiation concept and agreed to pursue important coal related environmental and energy policy issues using this approach.

The participants in the negotiations used the following principles known as the rule of reason to resolve differences and develop workable solution:

First. Data should not be withheld from the other side.

Second. Delaying tactics should not be used.

Third. Tactics should not be used to mislead.

Fourth. Motives should not be impugned lightly.

Fifth. Dogmatism should be avoided.

Sixth. Extremism should be countered forcefully but not in kind.

Seventh. Integrity should be given first priority.

The Georgetown University Center for Strategic and International Studies [CSIS] served as the neutral meeting place for the project participants. It also raised funds and provided administrative support for the project. The project itself was financed by grants and contributions from foundations, Government agencies, and industry.

Five task forces were established to cover the following coal policy issues: mining, transportation, air pollution, fuel utilization, and conservation and energy pricing. The governing body for the project was called the plenary group and was made up of task force cochairmen and vice cochairmen. The duties of the plenary group were to define the nature and scope of the project, provide guidance, review and finally approve task force recommendations, and resolve task force disputes. Of the 200 task force recommendations 90 percent were unanimously achieved.

The NCPP found that the project was very successful in dispelling sterotypes:

Quite apart from the substance of the recommendations, the project has been valuable in dispelling stereotypes. Those environmentalists who had previously regarded the position of industry of environmental and energy issues as being monolithic and intransigent were rather quickly disabused of that notion. This was largely because of the differing perspectives of the industry members. For example, producers of fuel, regulated utilities and industrial users of larger quantities of energy each tended to have different interests and views on questions of energy pricing.

In similar fashion, those industrialists who expected the environmentalist to be opposed to economic growth and to the introduction of new technology, and in favor of governmental rather than marketplace decisions on the allocation of resources, were pleasantly surprised to find that their suppositions were incorrect. The environmentalists opposed a pattern of growth that produced wasteful use of natural resources and an environmental impact which they felt was unacceptable; they did not oppose economic growth in itself. They welcomed new technology that would serve to increase efficiency and reduce adverse environmental impacts and demands on natural resources. They preferred marketplace decisions to economic regulation by government when markets were workably competitive; when this was not the case, or when important (external) environmental and social impacts were not properly valued in the market, the environmentalists were eager or explore methods of influencing the market (as with emission charges) so that the desired goals would be achieved while retaining the advantages of keeping detailed decisions in the private sector.

The report further stated that:

We are not proposing that the process of discussions and negotiation in which we have participated should replace the adversary process. Indeed many of the policy recommendations on which we have agreed would have to be implemented through the traditional adversary system; that is they require action by legislative and judicial bodies . . . there are others that simply do not lend themselves to negotiated agreements.

We believe, however, that exclusive reliance on adversial processes is likely to produce decisions that are less desirable (from the point of view of either of the parties) than those in which a common position serving both interest could have been agreed to in a non-adversarial context.

The NCPP recommendations have received agency support from the Office of Surface Mining [OSM] and the Federal Energy Regulatory Commission [FERC]. OSM adopted word-for-word project recommendations regarding bonding concerns and operations; [FERC] adopted the coal generation and small power recommendations.

Two bills were also introduced in May 1980: H.R. 7464 and HJ.R. 7465, which adopted the recommendations that called for the use of incentives to develop pollution control technology and development of plant siting procedures.

In addition to the projects that I have already mentioned, regulatory negotiation has also been tried in the environmental area of toxic substances. The Conservation Foundation was involved in this approach during the implementation of the Toxic Substances Control Act [TOSCA].

Specifically, approximately 13 business persons and environmentalists met to discuss the training of toxicologists, the testing of new chemicals, the prioritizing of what chemicals should be tested and the nature and scope of agency followup on the chemical after it reaches the market. Several valuable recommendations came out of this project.

In addition in the area of labor relations, regulatory negotiation has also emerged. For example, the joint labor management-committee for the retail food industry utilized the process to reach an agreement on an OSHA regulation for protective equipment for employees in the meat department of supermarkets. This consensus took several months of hard work, but once labor and management agreed, the two groups were able to reach an agreement with OSHA.

On July 29 and 30, 1980, the Subcommittee on the Oversight of Government Management, of which I was then chairman, and the Select Committee on Small Business, of which I was a member, held a hearing on the regulatory negotiation approach. We received testimony from representatives of both the private and public sectors who had specific experiences in regulatory negotiation including the NCPP, the Conservation Foundation, the EPA. These witnesses supported regulatory negotiation as a valuable aid to achieving more flexible and workable regulatory policy and suggested ways to strengthen the process.

Essentially the bill creates a process for establishing regulatory negotiation commissions. These commissions are composed of balanced interests in the areas being reviewed. These commissions are to develop proposed rules representing a consensus of the commissions' participants.

The bill gives ACUS and its Chairperson the responsibility for administering the program. A $1 million fund is authorized to fund the program for each of the 3 years beginning in 1986.

Specifically, an agency or interested party may request that the Chairman of ACUS conduct a preliminary investigation to determine the feasibility of using a regulatory negotiation commission to formulate a proposed rule. If the Chairman determines that the commission would be a viable means of developing a proposed rule, the Chairman will announce in the Federal Register, along with the agency involved the intention to establish a regulatory negotiation commission. The Chairman will then accept applications for participation on the commission from interested parties. The Chairman may also suggest that an interested party seek a grant from the Conference if it is determined that the party is eligible for participation but unable to afford the expense of such participation. Grants would be available to not only assist participants but also to cover the expenses of the operation of the commission. A commission could be established to develop a proposed rule in any area subject to Government regulation and conducive to resolution in the negotiation process; however, the decisions to select a particular area for negotiation would be at the discretion of the Chairman with the advice of the agency involved.

The bill outlines the status and function of the parties during the process and makes the agency an equal voting member. The commission would also have the responsiblity of reporting to the agency, OMB, and the Congress on the results of the negotiation.

Upon receipt of the commission's report, the agency must comment on the report and is permitted to amend and modify the proposed rule if it feels that amendments or modifications are necessary. However, it must give the commission and the public an opportunity to review and comment on the proposed rule and any amendments or modifications.

The NCPP and the environmental negotiations demonstrate the vital progress that can result from regulatory negotiation. Yet, despite the promise that this approach holds, its use has been limited. The failure to

use regulatory negotiation more frequently stems in part from our traditional reliance on the adversarial proceedings and in part from the possible costs involved in the process.

Expanding the use of regulatory negotiation will require some encouragement from regulators. Private parties need to know that there is a process and funds available to meet the cost of negotiation and facilitate the establishment of a workable negotiation mechanism. This will enable many parties in the private sector to participate in the process who would otherwise be left out; it demonstrates that the Government will take the results seriously; and it ensures that the negotiations will be fairly and impartially structured so that all points of view can be effectively represented. The program envisioned in this bill will give the concept of regulatory negotiation the impetus and the initial funding it needs and deserves.

I view this bill as a unique opportunity to foster more effective and appropriate regulations and to reduce conflict and delay in the regulatory process. I hope that you share this view and that you will join me in supporting it.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 451

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Regulatory Negotiation Act of 1985".

FINDINGS

SEC. 2. The Congress finds and declares that:

(1) Government regulation of the economy has increased rapidly since the enactment of the Administrative Procedure Act.

(2) Although this increase in regulation has had commendable purposes, it has been accompanied by a formalization of the rule making process which has frequently resulted in unjustifiably expensive, contradictory, and often counterproductive rules.

(3) The adversarial nature of the rule making process has often resulted in unnecessary regulations which have a significant adverse effect on the economy.

(4) In the current rule making process, the parties often assume antagonistic positions and the best solutions to the problems under consideration are often ignored by the parties since the parties act in a manner which maintains their bargaining positions.

(5) In the current rule making process, the parties rarely have the opportunity to meet as a group and communicate directly with each other, and the lack of this opportunity effectively limits the ability of the parties to reach agreement on a rule that fulfills the intent of Congress and is acceptable to all parties.

(6) The adversarial nature of the rule making process frequently limits the extent to which the expertise, technical ability, and great resources of persons working in a regulatory area are used to solve the problem under consideration.

PURPOSE

SEC. 3. The purpose of this Act is to establish an alternative rule making procedure which permits the establishment of regulatory negotiation commissions that can be used in appropriate circumstances to permit direct participation of interested parties in a rule making, the negotiation of regulatory policy by such parties, and the development of rules that represent a consensus of the members of the commission.

DEFINITIONS

SEC. 4. For purposes of this Act—

(1) the term "agency" has the same meaning as in section 551(1) of title 5, United States Code;

(2) the term "person" has the same meaning as in section 551(2) of such title;

(3) the term "party" has the same meaning as in section 551(3) of such title;

(4) the term "rule" has the same meaning as in section 551(4) of such title;

(5) the term "rule making" has the same meaning as in section 551(5) of such title;

(6) the term "Conference" means the Administrative Conference of the United States;

(7) the term "Chairman" means the Chairman of the Administrative Conference of the United States;

(8) the term "consensus" means a unanimous agreement among all interests represented in the negotiation of a proposed rule under this Act, and does not mean a unanimous agreement among all individual members involved in the negotiation;

(9) the term "interest" means a position with respect to an issue that may be considered by a regulatory negotiation commission and that may be represented by one or more persons;

(10) the term "mediator" means an individual selected to mediate discussions between the members of a regulatory negotiation commission and to facilitate communications between such members in the development of a proposed rule;

(11) the term "member" means a person who is a member of a regulatory negotiation commission; and

(12) the term "regulatory negotiation commission" means a voluntary group established by the Conference in a accordance with this Act to consider issues for the purpose of reaching a consensus in the development of a proposed rule.

REQUEST FOR REGULATORY NEGOTIATION COMMISSION

SEC. 5. (a) An agency or a person who is qualified to represent an interest with respect to an issue may request the Chairman to determine whether to recommend to the agency having jurisdiction over the development of a proposed rule with respect to such issue that a regulatory negotiation commission be established to develop such a proposed rule. The request shall explain the reasons why the agency or person believes that the use of a regulatory negotiation commission would be an appropriate method of developing a proposed rule.

(b) The Chairman shall consider each request made under subsection (a) for the establishment of a regulatory negotiation commission to develop a proposed rule with respect to a particular issue. If the Chairman determines that there is a substantial likelihood that the agency having jurisdiction over the development of such a rule will seriously consider issuing a proposed rule relating to such issue, the Chairman may conduct an informal investigation with respect to the advisability of establishing a regulatory negotiation commission to develop such a proposed rule. In conducting such an investigation, the Chairman may consider and make determinations concerning—

(1) whether there are a limited number of interests which would be substantially affected by a proposed rule relating to the issue;

(2) whether persons can be selected as members of a regulatory negotiation commission who would represent the interests identified pursuant to paragraph (1), including recommendations for persons to be selected;

(3) whether the persons recommended for selection as members of a regulatory negotiation commission would be willing to make a commitment to negotiate in good faith to reach a consensus on a proposed rule concerning such issue;

(4) whether the agency having jurisdiction over the development of such a proposed rule would use the regulatory negotiation commission to develop such rule;

(5) the scope of the issues to be considered by the regulatory negotiation commission in developing such rule; and

(6) a preliminary schedule for the completion of the work of the regulatory negotiation commission.

(c) Within sixty days after receiving a request under subsection (a) with respect to the development of a proposed rule concerning an issue, the Chairman shall report to the Conference and the agency having jurisdiction over the development of such a proposed rule the determinations of the Chairman under subsection (b) and the recommendations of the Chairman as to whether a regulatory negotiation commission should be established to develop such a proposed rule.

(d) The Chairman, with the advice of the agency having jurisdiction over the development of a proposed rule with respect to an issue for which a request is submitted under subsection (a), shall have complete discretion in determining the subjects to be considered by any regulatory negotiation commission established to develop such a proposed rule. Any determination by the Chairman with respect to the subjects to be considered by a regulatory negotiation commission shall not be subject to judicial review in any court.

USE OF REGULATORY NEGOTIATION COMMISSION

SEC. 6. (a) If, on the recommendation of the Chairman, an agency decides to use a regulatory negotiation commission, the agency shall publish in the Federal Register a notice concerning the proposed use of such commission in the development of a proposed rule. Such notice shall include—

(1) an announcement that the agency intends to use a regulatory negotiation commission in the development of the proposed rule;

(2) a general description of the subject matter to be considered by the regulatory negotiation commission; and

(3) a list of mediators compiled and approved by the Conference, from which persons applying for membership on the commission may select a proposed mediator.

(b)(1) For a period of at least thirty days after the date on which an agency publishes a notice with respect to a regulatory negotiation commission under subsection (a), the Chairman shall accept applications from persons who are qualified to represent an

interest on the commission. Each such application shall specify—

(A) the name of the person submitting the application and a description of the interest such person will represent;

(B) the persons recommended for membership on the commission and the reasons of the applicant for such recommendations;

(C) whether a mediator will be needed by the commission, and, if necessary, the name of a proposed mediator;

(D) recommendations for the issues to be considered by the commission;

(E) recommendations for rules for the operation of the commission;

(F) a proposed organizational plan and a proposed agenda for the commission;

(G) a proposed schedule for completing the work of the commission; and

(H) a written commitment that the applicant will—

(i) negotiate the issues under consideration by the commission in good faith; and

(ii) produce a report on the negotiation within a time period appropriate to the issues under consideration.

(2) In order to ensure that all interests, including interests represented by public interest groups, have an adequate opportunity to participate in a regulatory negotiation commission, the Chairman may suggest that a person submitting an application under paragraph (1) request a grant under section 9 to pay the expenses that will be incurred by such person as a result of participation on the regulatory negotiation commission.

(c) During the period in which the Chairman is accepting applications under subsection (b)(1), an agency which published a notice under subsection (a) with respect to a regulatory negotiation commission shall submit to the Chairman a written statement specifying—

(1) the name and position of a senior official of the agency who will represent the agency on the commission;

(2) whether a mediator will be necessary for the commission, and, if necessary, the name of a proposed mediator;

(3) the persons recommended for membership on the commission and the reasons of the agency for such recommendations;

(4) recommendations for the issues to be considered by the commission;

(5) recommendations for rules for the operation of the commission;

(6) a proposed organizational plan and a proposed agenda for the commission;

(7) a proposed schedule for completing the work of the commission; and

(8) a written commitment that the agency will—

(A) negotiate the issues under consideration by the commission in good faith; and

(B) produce a report on the negotiation within a time period appropriate to the issues under consideration.

(d) After the period for applications for membership on a regulatory negotiation commission under subsection (b)(1) has expired, the Chairman shall consider all of the applications submitted under such subsection and the statement submitted by the agency under subsection (c). If, after considering such applications and statement, the Chairman determines that all necessary interests will be represented on the regulatory negotiation commission for which the applications are made and that persons representing such interests will have an opportunity to contribute to the negotiation of a proposed rule, the Chairman shall announce the establishment of such a commission in accordance with subsection (e).

(e) The Chairman shall announce the establishment of a regulatory negotiation commission for the development of a proposed rule through publication of a notice in the Federal Register and through notices in appropriate journals, newsletters, and other media. Such notice shall include—

(1) a description of the issue to be considered by the commission;

(2) a tentative list of the subjects to be considered by the commission in negotiating with respect to the issue described pursuant to in paragraph (1);

(3) the name and position of the senior official of the agency having jurisdiction over the development of such a rule who is proposed to represent the agency on the commission;

(4) the name of each person proposed for selection as a member of the commission, and a specification of the interest to be represented by each such member;

(5) the name of a proposed mediator for the commission, if any;

(6) a proposed schedule for the completion of the work of the commission; and

(7) a request that members of the public comment on the proposed commission, including comments on—

(A) whether each appropriate interest will be represented on the commission;

(B) the persons selected to represent each such interest;

(C) the official proposed to represent the agency; and

(D) the issues to be considered by the commission.

(f) For a period of at least thirty days after the date on which the notice required under subsection (e) is published in the Federal Register, the Chairman shall accept comments from the public with respect to the matters specified in such notice. The Chairman, with the advice of the agency having jurisdiction over the proposed rule to be developed by the commission, shall consider all relevant matter and comments submitted, and may modify the proposal for the use of a regulatory negotiation commission specified in such notice with the agreement of the agency and the members proposed by the Chairman in such notice to represent the major interests on the commission.

(g) The agency shall publish in the Federal Register a final notice concerning the establishment of a regulatory negotiation commission to develop a proposed rule. The notice shall specify the matters described in paragraphs (1) through (6) of subsection (e) with respect to the regulatory negotiation commission that will be established.

PROCEDURES FOR REGULATORY NEGOTIATION COMMISSIONS

SEC. 7. (a) Each regulatory negotiation commission established pursuant to this Act shall consider the subjects specified by the Chairman for consideration by the commission and shall attempt to reach a consensus concerning a proposed rule with respect to such issues.

(b) The official representing the agency on a regulatory negotiation commission shall participate in the deliberations and activities of the commission as a voting member who is equal to all other members of the commission.

(c)(1) Any mediator selected by the Chairman for a regulatory negotiation commission shall—

(A) chair the meetings of the commission;

(B) assist the members of the commission in conducting discussions;

(C) keep the Congress informed of the activities of the commission; and

(D) assist in the deliberations of the commission.

A mediator shall not vote on any matter before the commission or participate in any agreement made by the commission.

(2) If the Chairman has not selected a mediator for a regulatory negotiation commission, the commission shall elect a chairperson from among its members to carry out the functions of a mediator described in paragraph (1). A chairperson elected under this paragraph shall be entitled to vote on any matter before the commission paticipate in any agreement made by the commission.

(d) Whenever possible, not more than fifteen members of a regulatory negotiation commission shall participate in the deliberations of the commission at any one time. The total number of members of a regulatory negotiation commission may exceed fifteen.

(e) A regulatory negotiation commission may change its membership, rules, or agenda if a majority of the interests represented on the commission agree to such change and if the commission submits such change to the Chairman for review. If the Chairman determines that any such change will substantially impair the ability of the commission to carry out the purposes of this Act, the Chairman may—

(1) suggest additional changes in the membership, rules, or agenda of the commission in order to assure consistency with the purposes of this Act; or

(2) require that the commission, and any members thereof, repay the Government the amount of any grant provided under this Act which has not been obligated or expended.

The chairman may not require a commission to make repayment under paragraph (2) of this subsection unless the Chairman detemines that efforts by the commission to assure consistency with the purposes of this Act have failed.

(f) At the conclusion of negotiations, each regulatory negotiation commission shall prepare and transmit to the Chairman, the head of the agency participating in the commission, each committee of the Senate and House of Represenatatives having legislative jurisdiction over the subjects considered by the commission, and the Director of the Office of Management and Budget a report with respect to the negotiations conducted by the commission. If the commission reached a consensus and developed a proposed rule, the report shall contain the proposed rule developed by the commission and a concise general statement of the basis and purpose of that rule. If the commission did not develop a consensus and a proposed rule, the report shall specify the areas in which the commission reached a consensus, the areas of disagreement among the commission, and such recommendations and background material the commission may consider appropriate.

(g) Any meeting of a regulatory negotiation commission shall be open to the public, unless a majority of the members of the commission determine by vote that a closed meeting is necessary to achieve the purposes of the commission. Each open meeting shall be announced in the Federal Register at least fifteen days prior to the date of the meeting if possible, and a record shall be prepared of each such meeting.

(h)(1) A regulatory negotiation commission which developed a proposed rule shall be terminated—

(A) on the date on which the agency that participated in the commission publishes a notice of proposed rule making under section 8(a) for such proposed rule; or

(B) in any case in which the agency chooses not to publish a notice of proposed rule making for such proposed rule, on a date determined by the Chairman which occurs—

(i) after the commission has had an opportunity to comment on the agency action with respect to such proposed rule; and

(ii) after the commission has transmitted the report required under subsection (f) to the committees of the Senate and the House of Representatives referred to in such subsection.

(2) A regulatory negotiation commission which did not develop a proposed rule shall terminate fifteen days after the date on which the commission transmits the report required by subsection (f) to the committees of the Senate and the House of Representatives referred to in such subsection.

AGENCY ACTION

SEC. 8. (a) An agency shall publish in the Federal Register a notice of proposed rule making in accordance with section 553 of title 5, United States Code, for any proposed rule developed by a regulatory negotiation commission unless the agency determines that there is good cause for not publishing such notice. The agency may propose amendments to or modifications in the proposed rule developed by the regulatory negotiation commission and shall publish such amendments or modifications in the Federal Register with the notice of proposed rule making. The agency may publish with such notice such additional explanatory material as the agency considers appropriate.

(b) The agency shall make available the report transmitted under section 7(f) by the regulatory negotiation commission concerning the proposed rule developed by such commission.

(c) The agency shall allow a period of at least thirty days for the public to review and comment on—

(1) the notice of proposed rule making published under subsection (a);

(2) any amendments or modifications proposed by the agency under such subsection to the proposed rule developed by a regulatory negotiation commission; and

(3) any other material published under such subsection.

(d) The agency shall provide a regulatory negotiation commission which developed a proposed rule an opportunity to review and comment upon any material received by the agency pursuant to the notice of proposed rule making for such rule published under subsection (a) and an opportunity to participate in any additional proceedings the agency conducts with respect to such proposed rule.

GRANTS FOR REGULATORY NEGOTIATION COMMISSIONS

SEC. 9. (a) In order to carry out the purposes of this Act, the Conference, through the Chairman, shall make grants to—

(1) regulatory negotiation commissions for the payment of administrative expenses of such commissions; and

(2) members of a regulatory negotiation commission who are unable to afford to pay the costs of participation in the commission.

(b) The Chairman shall announce through publication in the Federal Register and through notice in appropriate journals, newsletters, and other media, the availability of grants under this Act, and shall take such other actions as may be necessary to provide notice to the public concerning the availability of such grants.

EXEMPTIONS FROM CERTAIN PROVISIONS OF LAW

SEC. 10. (a) The Federal Advisory Committee Act shall not apply to any regulatory negotiation commission established pursuant to this Act.

(b) Notwithstanding any other provision of law, no written or oral communication—

(1) between the members or staff of a regulatory negotiation commission and the staff of an agency;

(2) between the members of a regulatory negotiation commission or their staff; or

(3) between any person and a regulatory negotiation commission and its staff;

shall be regarded as an improper ex parte communication subject to any sanction imposed by statute, regulation, or judicial precedent.

(c) Information or records submitted to a regulatory negotiation commission shall not be regarded as agency records for purposes of section 552(a)(3) of title 5, United States Code.

(d) The members of a regulatory negotiation commission and any mediator of such commission shall not be regarded as employees or agents of the United States solely because of their participation in the commission.

STAFF FACILITIES AND RESEARCH

SEC. 11. (a)(1) The Chairman of the Administrative Conference of the United States is authorized to—

(A) employ an individual to carry out the duties of the Chairman under section 5(b); and

(B) subject to paragraphs (2), (3), and (4), enter into contracts with individuals to serve as mediators for regulatory negotiation commissions.

(2) The Chairman may not enter into any contract under paragraph (1)(B) with an individual if such individual—

(A) may represent any interest with respect to the issue to be considered by a regulatory negotiation commission in developing a proposed rule; and

(B) is a member of, or is associated with, any organization which may represent such an interest.

(3) The Chairman may compensate any individual employed under paragraph (1)(B) at a daily rate equal to the maximum daily rate of pay for level 15 of the General Schedule under section 5332 of title 5, United States Code.

(4) The authority of the Chairman to enter into contracts under this subsection shall be to such extent or in such amounts as are provided in appropriation Acts.

(b) A regulatory negotiation commission is authorized to utilize the services and facilities of Federal agencies and public and private agencies and instrumentalities with the consent of such agencies and instrumentalities and with or without reimbursement to such agencies, and to accept voluntary and uncompensated services without regard to the provisions of section 1342 of title 31, United States Code.

(C) Members of a regulatory negotiation commission may agree to share the research and scientific and technical data available to such members.

AUTHORIZATION OF APPROPRIATIONS

SEC. 12. To carry out this Act, there are authorized to be appropriated to the Conference not in excess of $1,000,000 for each of the fiscal years 1986, 1987, and 1988.●

By Mr. BRADLEY (for himself, Mr. DODD, and Mr. PELL):

S. 452. A bill to enact the Gifted and Talented Children's Education Act; to the Committee on Labor and Human Resources.

GIFTED AND TALENTED CHILDREN

● Mr. BRADLEY. Mr. President, today I am pleased to introduce along with my colleagues, Senator DODD and Senator PELL, the Jacob J. Javits Gifted and Talented Children's Education Act of 1985. The Federal Government began its involvement with the education of gifted and talented students over 15 years ago. In 1969, Senator Jacob Javits of New York led the fight for the passage of the Gifted and Talented Children's Education Assistance Act. This legislation, in addition to focusing Federal attention on talented and gifted youth and giving them priority in several Federal education programs, directed the Commissioner of Education to report to Congress on the current status of educational programs for gifted and talented children and the unmet educational needs of these children.

In 1974, Senator Javits provided the leadership needed to appropriate $2.5 million, through Public Law 93-380, to help local educational agencies aid these children. Again in 1978, Senator Javits introduced legislation leading to the passage of title IV-D of Public Law 96-561, the Gifted and Talented Children's Education Act. Appropriations reached $6.3 million in 1980, allowing for the support of many excellent and innovative educational programs.

Since 1980, we have witnessed a major retreat in aid for the gifted and talented. In 1981, at the request of the Reagan administration, the Gifted and Talented Childrens' Education Act of 1978 was eliminated as a separate program and merged with 29 other education program under a block grant—chapter 2 of the Education Consolidation and Improvement Act. Funding for the block grant has been cut in real terms by 53½ percent. And in 1982, as a further retreat, the Reagan administration closed the Office of the Gifted and Talented in the U.S. Department of Education. The Federal Government now plays virtually no role in helping schools provide opportunities for the gifted and talented.

Recently, the National Commission on Excellence in Education, in its report, "A Nation at Risk: The Imperative for Education Reform," stated:

The Federal Government, in cooperation with States and localities, should meet the needs of key groups of students such as gifted and talented, the socioeconomically disadvantaged, minority and language minority students, and the handicapped. In combination these groups include both national resources and the Nation's youth who are most at risk.

All of the above groups, with the single exception of the gifted and talented, receive significant Federal assistance.

Mr. President, the needs of the gifted and talented are real. We have nearly 2.5 million gifted and talented elementary and secondary students in the country, but 40 to 60 percent of this population has never even been identified. Further, 50 percent of the identified students achieve below their ability level, and only 20 percent of the teachers in gifted education are properly trained to design curriculum for these students. Despite the popular notion that our gifted and talented children will succeed on their own, many need services not readily available through regular school programs.

In New Jersey there are presently 61,000 school age children who have been specifically identified as gifted and talented and are receiving supplemental services of some kind. Few of these children receive all that they deserve and thousands more receive no supplemental services at all. In large part this is because almost all schools are caught in a financial squeeze. Local revenues are insufficient, Federal funds are virtually nonexistent and only little State aid is available—for example only $100,000 is available from the State of New Jersey for gifted and talented programs, less than $2 per identified student.

Since local schools don't have the financial resources to provide fully adequate services for these children, I propose that we reverse directions: the talented and gifted need more attention, not less. And to this end, today I am introducing a bill to reestablish a Federal program to aid the gifted and talented. We must have a focused effort to see that our best and our brightest do succeed. We need to pull this program out of the education block grant and get it funded at least at minimally adequate levels. My bill includes an authorization for appropriations of $50 million for each of the next 4 fiscal years—almost 10 times the maximum funding level achieved in the late 1970's.

The bill includes two key provisions to help target funds to needy schools. First, the bulk of the funding will be in the form of grants to States for distribution of funds to local schools on a competitive basis. If schools have a new idea worth trying out, they can apply for Federal aid through the State departments of education. Second, half of the funds will be targeted to gifted children from disadvantaged and low-income backgrounds to ensure that the gifted children from inner city schools will not be left behind.

My bill would also require the Secretary of Education to reestablish the Office of Gifted and Talented in the U.S. Office of Elementary and Secondary Education to ensure that information and research on the talented and gifted is collected and share with local school districts.

Many school districts around the country have established excellent programs for the gifted. We need to support these programs nationally. In New Jersey, the efforts underway in Montclair, Bayonne, Elizabeth, Union City, and other places need to be encouraged—not only with our best wishes, but also with our financial support. And that is why I am proposing this new legislation.

Mr. President, Federal aid can help solve problems. For example, the convocation model project set up in New Jersey to provide advanced science for the gifted was funded in 1979 through the old Federal talented and gifted legislation. Over 3,000 New Jersey students and 500 New Jersey teachers benefited from the project. Unfortunately, that program died in 1981 when funding was cut off. We need to encourage efforts such as these, not discourage them.

Mr. President, in order to move from the rhetoric of educational reform to true reform, we must come to grips with the fact that children vary considerably in their abilities. It is our task to see that each and every student, including the gifted, receive a challenging education, an education designed to allow that child to reach his or her potential. We cannot rob the students who are struggling to learn basic skills, but neither can we continue to ignore our gifted children who quickly become bored and nonlearners because of a lack of challenge. We need to increase standards for all of our students. In sum, we need—at the Federal, State, and local level—to make a commitment to all of our students, whether they be disadvantaged, gifted or in-between. We need—through chapter 1 compensatory education programs—to help the disadvantaged student achieve his or her potential; but we also need—through Federal aid to talented and gifted programs—to help the gifted and talented student achieve his or her potential.

Gifted and talented children represent an invaluable national resource, one that remains sadly underdeveloped. I truly believe that our leadership position in the world depends on our commitment to our youth. Our goal must be to do everything in our power to help all students reach their potential level of intellectual development. Special attention to gifted and talented students is called for if our Nation is to maintain and improve its position as a world leader in technology, the sciences, the humanities, and the arts. This legislation is a small step in the right direction to achieve this end.●

By Mr. GRASSLEY:

S. 453. A bill to amend the Internal Revenue Code of 1954 to safeguard taxpayer's rights; to the Committee on Finance.

TAXPAYER'S PROCEDURAL SAFEGUARD ACT

● Mr. GRASSLEY. Mr. President, I rise to introduce a measure to set forth new requirements for levy and seizure of property and other taxpayer protections. This legislation was the centerpiece for the hearings of my Subcommittee on Oversight of the Internal Revenue Service in March 1984.

In my view, it is important to examine specific segments of IRS procedures to be certain they are both effective and fair to taxpayers. While very few taxpayers are subject to the levy and seizure provisions, they are among the most sweeping powers available to a Federal agency. We have the responsibility to be certain that they are exercised with restraint and that citizens are certain of their rights.

My bill lengthens the period during which a taxpayer must pay a deficiency after notice and demand by the service from 10 to 30 days. A more detailed explanation of a taxpayer's remedies on receipt of notice and demand is also required of my bill. This bill also increases the amount of a taxpayer's wages and salary that is exempt from levy, and it prohibits the IRS from levying if the cost of selling the asset exceeds the asset's fair market value or the liability the Service is attempting to satisfy. New procedures are outlined for the release of a levy and I have inserted the restrictions on unwarranted subsequent levies.

This legislation also provides for review of jeopardy levies and assessments. Taxpayers have frequently complained of the Service's abrogation of installment sales agreements. Barring any dramatic increase in a taxpayer's economic fortunes, this bill provides better protection for taxpayers who have installment agreements with the IRS.

If the IRS provides a taxpayer with inaccurate written advice, my bill abates the portion of the deficiency which is based on incorrect information. The bill also requires the IRS to advise taxpayers that oral advice from the Service is not binding on them in subsequent litigation.

This legislation also contains new rules for the conduct of taxpayer interviews, so a citizen knows what to expect when questioned by the IRS. Also, it stresses the importance of arranging an interview at a location convenient to the taxpayer.

Also, this legislation requires the ombudsman to be a Presidential appointee, outlines his or her specific duties, and gives the ombudsman certain taxpayer relief powers in specific situations.

Finally, my bill enables the taxpayer to appeal an administrative lien and it provides a taxpayer with a cause of action against the Service for wrongful lien or levy.

To assemble the provisions of this bill, I have worked with taxpayers and taxpayer advocate groups throughout the Nation. This legislation has been endorsed by the National Taxpayers Union, Citizens Choice, and the National Taxpayers Legal Defense Fund. Many of these provisions will need further refinement and some may be rejected as unnecessary or ineffective in achieving their purpose. It is my hope that this legislation will address valid taxpayer concerns and promote better understanding and relations between the IRS and taxpayers.●

By Mr. GRASSLEY (for himself, Mr. SYMMS, Mr. DURENBERGER, and Mr. BOREN):

S. 454. A bill to amend the Internal Revenue Code of 1954 to provide a 20 per centum investment tax credit for certain soil or water conservation expenditures; to the Committee on Finance.

INVESTMENT CREDIT FOR CERTAIN SOIL AND WATER CONSERVATION EXPENDITURES

● Mr. GRASSLEY. Mr. President, I rise to introduce a soil and water conservation tax credit measure with my colleagues, Senators SYMMS, BOREN, and DURENBERGER. The purpose of this legislation is to increase incentives for taxpayers to improve their soil and water conservation practices.

It is commonplace for Members of Congress who represent farm States or arid States to make speeches decrying the Federal Government's current conservation effort. The rate of soil erosion and the impact of soil erosion on the future productivity of our land are serious issues for our Nation. Some analysts have questioned whether the lack of Federal and State attention to this growing problem will jeopardize our efforts to produce an adequate supply of food to meet future domestic and world needs. The increasing depletion of soil is alarming because it shows a disregard for an important natural resource and indicates poor management of our Nation's farmland.

The Council for Agricultural Science and Technology (CAST), in a 1982 report, concluded that soil erosion was most serious in 12 north central States. In the Corn Belt, losses of 10 tons per acre or more were common on 19 percent of the row cropped land; on some parcels, the soil loss exceeded 40 tons per acre annually. Unfortunately, soil loss is not limited to these 12 States. In the southeastern States, erosion rates of more than 11 tons per acre occurred on 32 percent of the land used for row crops. The highest soil erosion rates in the Nation are on the 26,000 square miles of the upper Mississippi Valley which includes the States of Tennessee, Kentucky, Mississippi, Louisiana, and Arkansas. Mountain States are plagued by wind erosion of their soil. The average annual wind erosion rate on cropland is 9 tons per acre in Colorado, 11 tons per acre in New Mexico, and 15 tons per acre in Texas. On the Columbia plateau in the Pacific Northwest, average long-term erosion rates of 15 to 25 tons per acre are common with occasional erosion rates as high as 50 to 100 tons per acre.

Farmers' dramatic increase in crop yields have masked the damaging effects of soil and water erosion. In the CAST report, one scientist noted that studies with corn have shown a yield reduction of 1 to 9 bushels per acre for each inch of topsoil loss. These losses are offset by planting better crop varieties, increasing the use of fertilizer, and improving pest control. It is not prudent for us to gamble that improved technology in the future will enable us to offset the damage we are currently inflicting. In our present economic climate, many farmers feel it is necessary to deplete their soil to stay in business.

My bill permits farmers to claim a 20-percent credit for installing certain approved soil and water conservation practices. This list was recommended by the Soil Conservation Service, and is specific enough to eliminate the possibility of any taxpayer claiming a creditable expense for building swimming pools or planting trees in their front yards. To be certain the expenditure meets the standards imposed by the Soil Conservation Service, this bill requires certification by SCS. This certification requirement relieves the IRS of the responsibility of assessing whether or not a conservation technology is properly employed.

While this provision does not repeal current law, it limits the total amount of tax benefit from soil and water conservation measures a taxpayer may claim to 25 percent of a taxpayer's gross income from farming. This cap is designed to discourage investors from claiming the credit who do not derive any gross income from farming. The 20 percent credit will apply to eligible improvements to land. If the 20 percent credit is elected, a taxpayer would be limited to straight line depreciation. For the acquisition of eligible depreciable property, the taxpayer would be limited to the 10 percent investment tax credit and a 10 percent add-on credit for a total credit of 20 percent. The remaining depreciation is deducted by using the straight line method. The regular recapture and carryover rules will apply to this credit.

We selected the credit approach because it is easier to administer and more easily understood by taxpayers. In my discussions with farmers and agriculture experts, they overwhelmingly favored this approach as opposed to more complicated schemes.

This bill is narrowly drafted to stimulate soil and water conservation without stimulating tax shelter activity. It addresses a serious problem which we can no longer afford to ignore. I hope my colleagues will join me in this important effort.●

By Mr. GRASSLEY:

S. 455. A bill to permit a married individual filing a joint return to deduct certain payments made to an individual retirement plan established for the benefit of a working spouse; to the Committee on Finance.

SPECIAL RULES FOR CERTAIN MARRIED INDIVIDUALS

● Mr. GRASSLEY. Mr. President, I rise to introduce a measure designed to enable nonworking spouses to enjoy full individual retirement account benefits. Under current law, individuals receiving compensation are permitted to exclude 100 percent of compensation up to $2,000 from their income if such an amount is deposited in an IRA—Individual Retirement Account. A married nonworking individual may participate in a spousal IRA if the working spouse elects to contribute an amount for both spouses. The maximum amount which may be contributed to a spousal IRA is $2,250—up to 100 percent of compensation. A nonworking spouse halves the benefits from this IRA, but is not permitted to perpetuate the IRA if he or she is divorced or widowed and is not receiving compensation.

The retirement crisis is a pressing concern of the 99th Congress. As a larger percentage of the population joins the ranks of the aging, new retirement solutions will be needed. In my view, it is imperative that we enact tax incentives to encourage people to plan for their retirement. All Americans need to develop personal retirement alternatives to prevent exclusive reliance on Social Security benefits.

My legislation will permit a working spouse to set aside a full $2,000 contribution for a nonworking spouse in a spousal IRA. This will permit improved retirement planning for much of our population as well as acknowledge the contributions of homemakers and house-husbands in furthering the family as an economic unit. These uncompensated individuals make critical contributions to the family enterprise. In may home State of Iowa, farm wives are an integral part of the success of a family operation. The Internal Revenue Code should recognize this contribution and permit individuals to participate in these tax deferred retirement plans.

All savings incentives have the beneficial effect of increasing capital formation. A greater poll of national savings increases the supply of money for

capital investments. This legislation increases the class of individuals eligible for an IRA account. Greater IRA contributions boost total long-term savings and create additional capital for economic growth. To conclude, this legislation is important because it provides retirement security for nonworking spouses and acknowledge their important contribution to the family unit. It encourages more Americans to actively plan for their retirement years. Finally, it encourages capital formation.●

By Mr. BOSCHWITZ (for himself and Mr. DURENBERGER):

S. 456. A bill providing for a 5-year extension of two patents relating to cardiac drugs; to the Committee on the Judiciary.

EXTENSION OF TWO PATENTS RELATING TO CARDIAC DRUGS

● Mr. BOSCHWITZ. Mr. President, today I'm introducing a bill to extend the patents on two life-saving drugs. These drugs have been developed by the University of Minnesota and have the potential to save the lives of thousands and thousands of people who suffer from heart problems that often result in sudden death.

It is very important to the University of Minnesota and the general public that we extend the patents so that clinical studies can be conducted to compare these drugs with other drugs that are currently being used. If the studies are not conducted, it is certain that the drugs will not be widely used, if used at all, when the patents expire.

Because the first patent expires in April 1986, the timing of the process makes it appropriate for me to recount the circumstances demonstrating the need for the patent extensions. As my colleagues on the Judiciary Subcommittee on Patents, Copyrights and Trademarks are well aware, obtaining drug approval from the Food and Drug Administration is often a lengthy procedure. I'm not suggesting that the FDA acted inappropriately or in an untimely manner in approving the use of the drugs. Indeed, I do not know the circumstances leading to the FDA's approval. However, the fact still remains that the FDA did not approve the drugs for general use until 1981. And, physicians have not been using these life-saving drugs because the studies I referred to earlier have not yet been done.

Since FDA's approval in 1981, efforts have been made to have the studies conducted by private industry. But, because of the short remaining life of the patents, it has become economically impracticable for private industry to finance the studies and overcome this obstacle. The University of Minnesota has pledged to finance the studies if the patents are extended.

I believe it is clearly in the public interest to extend the patents, and to do so at the earliest possible time. Although the first patent does not expire until 1986, and the second in early 1987, it is necessary to extend the patents now, because the studies themselves may take up to 2 years.

I had originally intended to offer this legislation last year as an amendment to H.R. 6286. However, the fact that no hearings had been held to evaluate the merits of extending the patents prompted me to withdraw my amendment. Although I would have preferred to accomplish this goal last year, I have been assured by my colleague from Maryland, Senator MATHIAS, that his subcommittee will hold hearings early this year on the need for additional patent protection for these two drugs.

To accomplish our goal, I am looking forward to working closely with the Senator from Maryland on this matter and will appreciate his assistance in scheduling hearings and committee and floor action at the earliest possible time. I plan to coordinate my efforts with Congressman SABO who has been very helpful. In addition, I am confident that the other Members of the Minnesota delegation in the House will join our efforts in achieving enactment of this important patent extension legislation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 456

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce, acting through the Commissioner of Patents and Trademarks, shall—

(1) when patent numbered 3441649 (for the cardiac drug Bretylium Tosylate) expires; and

(2) when patent numbered 3495013 (for the cardiac drug Bethanidine Sulphate) expires;

extend such patent for five years, with all the rights pertaining thereto.●

By Mr. CRANSTON (for himself, Mr. MURKOWSKI, Mr. DECONCINI, Mr. SIMPSON, Mr. SPECTER, and Mr. LEAHY):

S.J. Res. 47. Joint resolution designating the week beginning November 10, 1985, as "National Women Veterans Recognition Week"; to the Committee on the Judiciary.

NATIONAL WOMEN VETERANS RECOGNITION WEEK

Mr. CRANSTON. Mr. President, as the ranking minority member of the Committee on Veterans' Affairs, I am delighted today to be introducing Senate Joint Resolution 47, a measure to designate the week beginning November 10, 1985, as "National Women Veterans Recognition Week." I am introducing this measure on behalf of myself and Senator MURKOWSKI, the acting chairman of the Veterans' Affairs Committee, the past chairman, Senator SIMPSON, as well as Senators DECONCINI and SPECTER, members of our committee and the Judiciary Committee, to which the resolution will be referred, and Senator LEAHY, also a member of the Judiciary Committee, as is Senator SIMPSON. This measure is very similar to a measure I authored in the last Congress, Senate Joint Resolution 227, which was enacted into law as Public Law 98-438. Pursuant to that law, the week of November 11 of last year was designated as "National Women Veterans Recognition Week."

Mr. President, last year's effort made a very good start in creating greater public awareness and recognition of the contributions of women veterans; many activities were carried out across the Nation honoring women veterans. We are proposing the designation of such a week again this year as a reflection of our view that much remains to be done to make the public more aware of the many contributions of women veterans over the years so as to gain for them the recognition they so richly deserve and to make the women veterans themselves aware of the many benefits available to them because of their service.

Mr. President, with reference to this second goal—of making women veterans themselves more aware of the benefits that relate to their status as veterans—it has become clear, beginning with a 1982 General Accounting Office report, then through the work of the VA Advisory Committee on Women Veterans, and, most recently, through a September 1984 VA report, that far too many women veterans are not aware of the implications of their status as veterans. For example, the recent VA report, entitled "Data on Female Veterans, Fiscal Year 1983," found that, although women veterans represent 4.1 percent of the overall veteran population, they accounted for only 2.1 percent of the population in VA medical centers on census day in June 1983 and for only 1.8 percent of the total VA hospital discharges in fiscal year 1983.

The VA Advisory Committee on Women Veterans was first established administratively on a temporary basis but later, in November 1983, given statutory permanance by virtue of the enactment of legislation I first proposed. In its first report, issued in July 1984, the Advisory Committee made the following points:

Two fundamental problems cut across the issues discussed by the Committee. First: Many women veterans are not aware of their entitlement to the benefits administered by the VA and other women who may be aware of their entitlements are reluctant to initiate claims for their benefits. Second: VA information materials, brochures, and outreach programs designed to inform vet-

erans of their rights and benefits have been aimed at a male constituency. In part, this is merely a reflection of a traditional societal mindset that a veteran is, almost by definition, male.

I concur fully with these concerns of the Advisory Committee and believe that the measure we are introducing today is one concrete response to those concerns. In this regard, I note that VA Administrator Harry Walters, in a November 6, 1984, letter to me in response to my request for the VA's views on the Advisory Committee's report, indicated that the VA was taking various steps to address these concerns of the Advisory Committee.

So that my colleagues and others with an interest in the work of the Advisory Committee may have a better appreciation of its work and the VA's response to it, I ask unanimous consent that the Advisory Committee's July 1984 report, which includes as appendix A a list of the members of the Committee, my September 14, 1984, letter to Administrator Walters requesting the agency's views on the recommendations in that report, and this November 6, 1984, reply be reprinted in the RECORD at the conclusion of my remarks.

Mr. President, as I did last year, I look forward to working with my good friends, the Chairman [Mr. THURMOND] and ranking minority member [Mr. BIDEN] of the Judiciary Committee, as well as my other colleagues on that committee, as they consider this measure. The sponsors of the resolution invite all our colleagues to join with us and help ensure its quick enactment so as to allow sufficient time for the advance publicity that can bring about maximum awareness among the public about National Women Veterans Recognition Week.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF THE VETERANS' ADMINISTRATION ADVISORY COMMITTEE ON WOMEN VETERANS

INTRODUCTION

This is the first report of the Veterans' Administration Advisory Committee on Women Veterans. The Committee was originally established by the Administrator of Veterans Affairs, Mr. Harry N. Walters, in April 1983, as an internal advisory group. His decision was in response to growing concerns within the Congress, the Agency, and veterans' groups that women were not receiving equal access to programs and benefits to which they were entitled as veterans.

The first meeting was held September 14-16, 1983. In November 1983, PL 98-160 mandated a committee. Since all the members of the Administrator's Committee satisfied the legal requirements of the Congressional mandate, the membership remained the same. Subsequent meetings were held February 14-16, 1984 and May 14-15, 1984. All meetings were open to the public.

Each member of the Committee is either a veteran, a current member of the armed forces, and/or actively involved in veterans activities. Each, therefore, brings first-hand knowlege of many of the issues discussed in this report. In addition to participating in the regular meetings, individual members have visted, on their own and at their expense, VA field activities in order to acquaint themselves with current operations and problem areas. It is worth noting that, during these visits, it was obvious that significant progress had been made over the past two years in raising the level of awareness of officials at all levels to the need for providing better care for women veterans. In many cases actions were already under way to correct deficiencies where it could be done within existing policies, facilities, and funds. The emphasis was coming directly from the top—the Administrator or his immediate staff.

The Committee wishes to acknowledge and express appreciation to Mr. Harry Walters for his unstinting support of women veterans and the work of this Committee.

We thank Nora Kinzer, Ph.D., Special Assistant to the Administrator, for her wise counsel and her considerable assistance throughout our deliberations. We would also like to thank Susan Mather, M.D., Chief, Pulmonary and Infectious Diseases, Department of Medicine and Surgery; Mrs. Mary Leyland, Deputy Director, Education Service, Department of Veterans Benefits; Ms. Nan Nave, Staff Assistant, Department of Memorial Affairs, and Mrs. Barbara Brandau, Program Assistant, Office of the Administrator, for their cooperation and assistance. We commend the excellent briefings provided by the Veterans Administration and particularly commend the special efforts of Mr. Robert Schultz, Director, Office of Information Management and Statistics, and his staff.

The Committee wants to acknowledge the presence and interest of the Disabled American Veterans, American Veterans of WWII, Korea and Vietnam, Veterans of Foreign Wars, American Legion, Paralyzed Veterans of America, Vietnam Veterans of America, American Nurses' Association, and Women's Equity Action League.

BACKGROUND

As of March 1984 there were an estimated 1,158,900 women veterans comprising 4.1 percent of the total veteran population. Their numbers and proportion to the total have increased significantly during the past decade as a direct reflection of the rapid expansion in the numbers of women entering the all-volunteer Forces. Women currently constitute nearly 10 percent of the armed forces today as compared to roughly one percent at the beginning of the 1970's and this trend is projected to continue, albeit at a slower pace, for the next several years. As these growing numbers of women leave the military ranks their presence will impact proportionally on the veteran population in a variety of ways.

By law men and women have equal rights as veterans to the benefits and services administered by the Veterans Administration (VA). However, evidence has mounted over the years that this has often not been the case in practice—that, for a variety of reasons, women veterans were being shortchanged. This was cited in September 1982 by the General Accounting Office. After an investigation of VA activities, the GAO reported that, although progress had been made in insuring that medical care and other benefits were available to women veterans, the VA had not adequately focused on their needs. The report specifically pointed out the need for action to insure that:

Men and women have equal access to VA treatment programs and medical facilities; women treated in VA facilities receive complete physical examinations; needed gynecological care is provided; sufficient plans are made for the anticipated increase in female veterans, and female veterans are adequately informed of their benefits.

It is the objective of this Committee, and, we believe, of the Administrator of Veterans Affairs, as well as the Congress, to insure that all veterans, regardless of gender, receive the benefits to which each is entitled under the laws and policies administered by the Veterans Administration. This has been, and remains, the guiding principle of the Committee, and it is within this context that we have addressed the issues.

ISSUES AND RECOMMENDATIONS

Outreach

Two fundamental problems cut across the issues discussed by the Committee. First: Many women veterans are not aware of their entitlement to the benefits administered by the VA and other women who may be aware of their entitlements are reluctant to initiate claims for their benefits. Second: VA information materials, brochures, and outreach programs designed to inform veterans of their rights and benefits have been aimed at a male constituency. In part, this is merely a reflection of a traditional societal mindset that a veteran is almost by definition male.

The VA has recently become aware of these problems of communication and recognizes that it has a responsibility to reach out to women veterans informing them of their rights and encouraging them to take advantage of benefits provided by the VA to all veterans. Notable progress has already been made. One noteworthy initiative is a display board depicting women veterans to be used at conventions and meetings.

The VA's Office of Public and Consumer Affairs has prepared an outreach action plan that includes a women-oriented publication, a poster, a public service announcements and other activities designed to inform women veterans of their entitlements and to encourage them to use their VA benefits. Women Veterans, VA employees, veterans service organizations, the news, and specialized media have been targeted.

Recommendations

The VA continue an aggressive outreach program for all women veterans with a coordinated and integrated public information campaign utilizing the various media.

The VA revise the cover of the current brochure on Federal Benefits for Veterans and Dependents to depict both service man and women and develop a separate pamphlet or flyer on women veterans with the contents prepared with the advice and assistance of the Advisory Committee.

The VA contact the National Advertising Council to pursue public service announcements on women veterans.

The VA continue issuing press releases on women veterans.

A film or video tape be developed that would highlight women veterans' issues, to be made available to veterans and all other community groups. The film should be made with consultation and advice of the members of the Advisory Committee.

The term "women veterans" be used instead of "female veterans" in VA communications except when "female" is clearly preferable.

The VA adopt the slogan "WOMEN ARE VETERANS TOO" for use in their outreach campaign.

The VA Advisory Committee members be used as a resource to the VA for outreach.

Health care facilities and staffing

One of the most important benefits of veterans is health care provided by VA medical centers. Historically, medical facilities and services have been designed primarily to meet the needs of the large male veteran population while the needs of the women veterans have received little or no attention.

Since 1981, a concerted effort has been made to accommodate women patients. Within the VA medical system there are 172 hospitals, 103 nursing home care units, and 227 outpatient clinics serving veterans. All of the hospitals, outpatient clinics and nursing homes now serve women; however, the level varies from minimal to the full range of services, depending on the physical plant and staffing at individual facilities.

The medical system also includes 16 domiciliaries. Only nine currently have the facilities and staffing to accept women.

Although much has been accomplished to meet the needs of women veterans, clearly much still remains to be done before women can be fully integrated into the VA health care system.

To provide comprehensive care for both male and female veterans, facilities such as adequate bathrooms, bedrooms and examination areas are necessary to meet acceptable privacy standards. Furthermore, appropriate diagnostic and treatment facilities are required to provide inpatient and outpatient care, including gynecology.

To date, 22 centers have submitted proposals for changes in their 5-year plans to meet these needs. Also, centers have asked for funds of less than $50,000 at the district level to begin immediate renovations.

Construction and renovation to meet those needs require high priority. However, changes of less than $50,000 allocated at the district or hospital level are not always assigned a priority that will guarantee funding. For example, a medical center requesting only $18,000 for installation of private shower stalls was denied those funds because the district did not give it a high enough priority.

In order to keep faith with women veterans, changes identified in 5-year plans must be accomplished within the next five years and not relegated to subsequent 5-year plans. We urge the Administrator to establish a requirement for annual progress reports on construction and renovation projects for privacy.

Inadequate staffing has been given as a reason for not integrating women into the health care system. Consequently, budgetary considerations must include adequate staffing of all health care facilities. For example, nurse practitioners trained/certified in gynecologic care could provide some gynecological services as well as health counselling where those services are not available.

Recommendations

Construction and renovation projects regarding privacy be given first priority and not relegated to subsequent 5-year plans.

Privacy renovations costing less than $50,000, where approval authority rests at district or medical center level, be assigned a priority that will guarantee funding.

The Administrator establish a requirement for annual progress reports on construction and renovation for privacy.

Budgetary considerations include adequate staffing of all medical facilities to fully integrate women into the health care system.

Nurse practitioners certified in gynecological care be used to provide some gynecological services as well as health counselling where those services are not currently available.

Women Veteran Coordinators

Some women veterans have not used the VA medical care system in the past because of inadequate information or a perception of being unwelcome in a male-oriented facility. Some women have also complained about an unsympathetic attitude toward women projected by the staff. In general, women veterans have not had an effective method through which to channel their concerns.

To address this problem, in July 1983, Medical District 12 (Florida), with ten health care facilities, launched a new program by appointing women coordinators. The VA, by a Chief Medical Director's Letter in December 1983, recommended that a coordinator program be considered by all VA health care facilities. Medical facilities in other states have successfully initiated programs but programs have not been established systemwide. Where these programs exist, they have been well received by women veterans and local VA staff. The programs would be more effective if the VA established uniform guidelines and a method to exchange information among coordinators.

District 12 could provide the model for uniform guidelines. The model should include a description of the duties and responsibilities of the position. Actions which might be included are:

Publicizing the coordinator's name and responsibilities to all VA staff, personnel and patients,

Establishing direct reporting procedures from the coordinator to the director,

Scheduling period meetings/conference calls within a district.

Ideally the coordinator should be a woman sensitive to needs of women veterans. Her position should allow coordination with the director and chiefs of services to correct problems or effect needed policy or procedural changes.

Another mechanism to improve the health care delivery to women veterans is the appointment of a local in-house Advisory Group on Women Veterans. Groups already formed have begun to address such subjects as gynecological care, privacy, security and sensitivity training of VA staff at the local facilities.

Establishing coordinators in all VA health care facilities and encouraging the use of women's advisory groups would demonstrate the Veterans Administration's commitment to women veterans.

Recommendations

The VA establish a policy that each medical facility appoint a women veteran coordinator.

The VA publish uniform guidelines for the women veteran coordinator position.

The VA encourage the use of local women's advisory groups.

Statistics

It is significant that the acutal size, composition, and trends of the women veterans' population have been determined only recently. Despite the fact that women have served in the U.S. armed forces continuously since the turn of the century, and that 350,000 served during World War II, the entrance of these women into the veterans' ranks went largely unnoticed. Without adequate information, the needs of women veterans could not be adequately addressed and existing programs and services could not be evaluated.

It was not until after the proportions of women in the All Volunteer Force had jumped from 1 percent to 8.5 percent that the first serious attempt was made to accurately assess the female segment of the veteran population.

The 1980 Census was the first time that data were systematically obtained on women veterans. It was then discovered that the number of women veterans was far larger than previously estimated. Also, it was learned that there are significant differences between male and female veteran populations that could impact on VA programs. For example: While the median ages for the two groups are roughly the same, the proportions of older veterans differ. Whereas just under 29 percent of the male veterans are 60 years of age or older, nearly 38 percent of the female veterans are in this age category.

Using the new data provided by the 1980 Census, the VA has been able to conduct the first comprehensive analysis of the national population of living women veterans. A summary of the findings have been published in the monograph: The Female Veteran Population, (RMS 70-84-1) November 1983, a copy of which is attached.

Other data collected in recent years by the VA show that compared to men, women veterans have applied for fewer benefits due them, such as medical care, hospitalization and educational benefits under the G.I. Bill.

To better understand the reasons why many women veterans do not use their benefits, the Veterans Administration has awarded a contract to Louis Harris and Associates, Inc., to conduct a survey of women veterans. The survey, to be completed by February 1985, will consist of a random sample of personal interviews of 3,000 women veterans nationwide. It will provide in-depth information on socioeconomic characteristics, health status, and use of VA programs and facilities. This will aid the VA in making policy decisions on services provided by the Veterans Administration and in designing future programs and facilities.

The VA has recently mandated that all future studies of veterans conducted or contracted for by the VA will include women veterans. However, in studies based on sampling techniques, there is still the danger that, due to their relatively small numbers (4.1 percent of total veterans) the female population would be inadequately represented. This could lead to skewed results.

Recommendations

All major statistical reports compiled and published by the VA on veterans include separate break outs on women veterans.

The VA review and revise their programs based on the newly available data on women veterans.

All future studies of veterans include a subsample of women veterans analyzed separately.

Agent orange

According to the Special Assistant for Environmental Sciences, all U.S. personnel who served in South Vietnam are presumed to have been exposed directly, or indirectly, to Agent Orange. At this time, there is a difference of opinion in the scientific community as to the effects of dioxin exposure. The subject has been under intensive study worldwide with no definitive conclusion to

date. This uncertainty serves to heighten all Vietnam veterans' fears.

The approximately 7,000 women Vietnam veterans are not included in Agent Orange Studies conducted by the Veterans Administration, Centers for Disease Control and other agencies. Admittedly, compared to the number of men who served there, the number of women is proportionately small. But their small number does not justify their total exclusion from ongoing studies designed to determine the effects of exposure. Each veteran deserves the same level of public concern.

A separate corollary study of women and Agent Orange is clearly indicated and needs to be done without further delay.

The concerns of the female Vietnam veterans are genuine, and, in most respects, mirror those of the men. Like the men, many of these women fear that various health problems affecting them and their families may be connected with dioxin, the toxic by-product of Agent Orange—problems such as birth defects in their children, skin cancer, leukemia, liver disease and loss of memory. Additionally, the women are concerned that serious female reproductive system problems, such as: ovarian cancer, uterine cancer, miscarriages and spontaneous abortion, may also be related to dioxin exposure.

An additional problem stems from the fact that many women who served in South Vietnam are not aware of the determination that *all* who served there are presumed to have been exposed to Agent Orange. A special effort needs to be made to reach out to these women and encourage them to report for Agent Orange physicals.

Recommendations

A separate study be conducted on the health of women who served in South Vietnam and were exposed to Agent Orange and other chemicals.

All women Vietnam veterans be contacted and urged to participate in the Agent Orange Registry, if they have not already done so.

Planning for diseases specifically or more commonly found in women

The prevention of illness is more cost effective than treatment of chronic disease. An example of preventive strategy is counselling on hormone replacement, diet and exercise to prevent osteoporosis. Another is education on the hazards of smoking associated with hypertension, heart disease and cancer. It is worth noting that the incidence of lung cancer now surpasses breast cancer as the leading cause of cancer death in women.

Another aspect of prevention is early diagnosis. For women, breast and pelvic examinations and papanicolaou (PAP) smears as part of the routine physical examination are acceptable medical practice. Since 1981, the VA Department of Medicine and Surgery (DM&S) directives have stipulated that these diagnostic procedures be instituted during routine physical examinations of women veterans. In September 1982, the GAO Report, "Actions Needed To Insure That Female Veterans Have Equal Access To VA Benefits," cited VA non-compliance with their own directives. Committee members continue to receive complaints from women veterans that these examinations are not routinely done. Continued emphasis is needed by DM&S on the importance of complete physical examinations of women veterans.

Current studies show that low radiation mammography is efficacious in discovering very small breast tumors, particularly in women over 50. This procedure may detect disease in a curable form and thus shorten subsequent hospitalization. DM&S should assess the best methods for providing this service to women veterans, as mammography becomes the standard of practice.

In the past, gynecological care has been minimal. Future planning should recognize that an increasing number of women veterans will be seeking treatment for medical problems in the aging population, such as postmenopausal symptoms, endometrial cancer, ovarian hormone replacement, osteoporosis, and bone fractures.

One of the problems in planning for future health care is the lack of female outpatient population data. Currently these data are not being collected. Medical facilities should be required to collect outpatient visit data by gender.

Once the female outpatient data are known, more innovative and effective use of health care personnel can be organized. For example, GYN nurse practitioners trained in gynecological procedures can provide a large share of counselling, diagnosis and treatment for gynecological problems.

The Deputy Assistant Chief Medical Director for Nursing Programs, in her presentation to the Committee, discussed strides made by VA District #10 Nursing Services in identifying the changes needed to care for women patients in their six facilities. These changes included a list of needed supplies and equipment. Such a list would be helpful to other health facilities.

In areas where the size of the female population is small it is impractical to stock pharmaceuticals for common gynecological diseases. Therefore, the facility should establish procedures for timely local purchases.

There is an additional problem concerning health care for women. Policies concerning disability compensation require review, especially in the area of diseases that primarily affect women. Systemic Lupus Erythematosis (SLE), for example, is primarily a disease of women. In June 1983, Alfred D. Steinburg, M.D. of the National Institute of Arthritis, Diabetes and Digestive and Kidney Disease, reported that between the ages of 12 and 45 years, approximately 90 percent of the patients diagnosed to have SLE were females.

H.R. 5688, which has passed the House of Representatives, would add Systemic Lupus Erythematosis to the list of chronic diseases in Section 301 of Title 38 United States Code. The committee supports passage of this or similar legislation.

Recommendations

The VA continue to emphasize that breast and pelvic examinations and pap smears will be routinely accomplished as part of a woman's physical examination.

The VA assess the best methods for providing low radiation mammography to the woman veteran.

The VA include treatment for gynecological care in the aging population (e.g., postmenopausal symptoms, endometrial cancer, ovarian hormone replacement) in future planning.

The VA provide counselling on the prevention of osteoporosis.

The VA provide counselling to the patients and staff on the hazards of smoking.

The VA record outpatient visits by gender.

The VA disseminate to medical facilities a list of supplies and equipment needed to care for women patients.

The facility director establish procedures for timely local purchases in areas where the size of the female population precludes stocking pharmaceuticals for common gynecological disease.

Enact legislation adding Systemic Lupus Erythematosis to section 301 of the 38 United States Code.

The Veterans Canteen Service (VCS)

The Veterans Canteen Service is a non-appropriated fund activity created to meet the needs of veterans in VA hospitals, nursing homes and domiciliaries. It operates retail stores, snack bars, cafeterias, barber shops, beauty shops, laundry, tailor, vending machines, newspaper and/or magazine service, ward cart service and other services. Not all of these services are available at each medical center; rather, services are tailored to the needs of each facility. All medical facilities have cafeterias, retail stores and some vending. The objective is to make available to patients, at reasonable prices, articles of merchandise and services essential to their comfort and well-being.

In recent years, a concerted effort has been made to meet the specific needs of the growing population of women patients. However, complaints of women patients and observations of individual committee members during visits to VA medical facilities revealed serious deficiencies in the availability of the merchandise and the services provided to women patients. Some of tuate range of sizes.

Lack or insufficient variety of toiletries and sundries such as sewing supplies, shower caps, manicure supplies, change purses, and slippers.

Lack of pockets in women's slacks and robes.

The VA has recognized the problems noted by the Committee in the Canteen Services and has recently taken aggressive action to resolve them. Advisory Committee members have observed considerable improvement in some of the VA hospitals in recent months.

Recommendations

Each Veterans Canteen Service Chief be required to survey women patients to determine their needs and to evaluate whether they are being met.

The VA review population standards for stocking items essential to women patients.

The VA design a catalogue system for patients to order articles not readily available with a delivery date of no more than two weeks.

Each facility be required to stock toiletries designed expressly for minority women.

The VA continue to aggressively monitor the Canteen Services provided women veterans.

WAAC and WASP service

During World War II, between 15,000 and 16,000 women serving in the WAAC (Women's Army Auxiliary Corps) did not subsequently enroll in the WAC (Women's Army Corps). Another 900 served as members of the WASP's (Woman Airforce Service Pilots). Since service in the WAAC and WASP was not recognized as military active duty, these women were not granted veteran status after the war. The WASP's were recognized as veterans in 1977, and the WAAC's in 1980. Many of these newly recognized veterans have indicated that in general they are unsure of their entitlements under the law. Some report that the Veterans Administration field offices seem to be

unaware of their VA entitlements and/or unresponsive to their inquiries.

The Committee finds that the Veterans Administration is aware of the problem of getting the word out to these newly recognized veterans. Upon the enactment of the 1977 law, the Department of Veterans Benefits initiated a special letter which was, and continues to be, automatically sent to each former WASP as soon as the Department of Defense notifies the VA that such an individual has been issued a discharge certificate. This letter advises the individual of potential eligibility for VA benefits and encloses a pamphlet providing additional information about those benefits. With the 1980 acknowledgement of WAAC services as "active duty", former members have been sent similar letters upon the issuance of their discharge certificates.

In accordance with directions issued by the Chief Benefits Director, the Veterans Assistance Service has directed its personnel in the 58 Regional Offices to make a special effort to inform female veterans of their VA benefits. Each month these Veterans Service Offices are required to include in their narrative reports to Central Office a statement of their outreach efforts.

It is unclear how effective the VA's outreach efforts to these groups have been. The VA says it has received no reports of problems to date that might be associated with a lack of knowledge in its regional offices concerning the benefit eligibility of WAAC's and WASP's. Misunderstandings, however, do arise between VA offices and individual claimants due to procedural problems or misconceptions concerning *potential* versus *actual* entitlement to payments. For example, many former WAAC's and WASP's have filed claims with the VA not knowing that they must have previously obtained their discharge certificates from the Department of Defense. Until their service is verified by the military, the VA has no authority to grant veterans' benefits.

Recommendations

The VA determine how many of the former WAAC and WASP veterans who qualify for entitlements have, in fact, applied for benefits.

The VA continue to publicize WAAC and WASP eligibility; specifically by seeking out and working with service organizations to notify their membership of these entitlements to benefits.

Flame retardant patient clothing

The VA requires the use of flame retardant material for patient clothing. Since the requirement is being implemented as new clothing is purchased, newly stocked smaller sized garments for women are supposed to be bought in flame retardant fabric. It is well-known that currently available flame retardant fabric is irritating to the skin and uncomfortable for prolonged wear.

Recommendation

The VA reexamine its current policy concerning flame retardant clothing and explore the availability of alternative materials that would provide patient comfort and an acceptable level of protection.

Memorial affairs

Many women veterans do not know of their potential entitlement to burial benefits. In the summer of 1983, the VA implemented a campaign to inform funeral directors and veterans service organizations that women veterans are entitled to the same burial benefits as male veterans.

A series of reminder news releases which mention women veterans has been mailed to funeral industry trade publications and other media. The news releases detail the availability of a new, free pamphlet describing the VA program for marking the graves of veterans. In addition to details on eligibility, the brochure includes information on types of monuments available, replacement rules, additional inscriptions, how application is made, monetary allowance in lieu of a government-furnished marker, and shipment and setting of markers. VA offices and veterans service groups have received the pamphlet for distribution to the public. A planned release on eligibility for all VA burial benefits will carry a reminder on women veterans.

Until 1981, all war veterans were eligible for a $300 burial allowance. Under the law enacted in 1981, only veterans who are receiving disability compensation or pension are entitled to the allowance. The Committee notes that the change in the law may have had a disproportionate impact on women veterans because proportionately fewer women veterans have applied for and been granted disability benefits.

Recommendation

The VA continue its special efforts to inform women veterans of their burial benefits, individually and through veterans organizations, and continue to emphasize to funeral directors that a deceased woman may be a veteran with the same entitlements as a male veteran.

FUTURE COMMITTEE ACTIONS

The issues discussed in this report are only some of those identified for action and further monitoring. Others will be explored during future meetings and in visits by individual members of the Committee to VA activities throughout the country.

Among the topics identified for future investigations are:

Jobs and Training: Training, with subsequent employment, is the bridge which completes the transition for the veteran into the mainstream of civilian life. Second only to the health of a veteran, full-time unsubsidized employment is the foundation of social adjustment and social status. Presently two statutes are in force that are designed to enhance employment and training of veterans. They are the Jobs Training Partnership Act (JTPA) which is administered by the Department of Labor, and the Emergency Veterans Job Training Act, which is a joint venture of the VA and the Department of Labor. It is not known how these two laws impact on women veterans. The Committee believes it would be important to find out how many women are using these benefits and whether there are problems unique to women in the application of these laws. To determine this we will have to review data relating to such topics as women veterans and jobs; the use of the Vocational Rehabilitation Program by women veterans; and statistics on unemployment among women veterans—a whole range of employment information.

Research on Women's Diseases: Research in disease areas which affect mainly women has not been funded equitably in the VA research program in the past. With the increase in the number of women in the Department of Defense and the VA system, the VA has the potential to accomplish significant longitudinal studies on women's health. Continued emphasis is needed to encourage these studies.

CONCLUSION

The Advisory Committee on Women Veterans believes that much has been accomplished in recent years to recognize women as veterans and to reach out to them over the broad range of VA programs and services. Issues have been identified and numerous corrective measures have been initiated on various problems, many on the VA's own initiatives, others at the suggestion of the Committee. The most important action taken by the Administrator has been to sensitize the organization and its personnel at all levels to the presence of women in the veteran population. Although more needs to be done to insure that all personnel are sensitive to the needs and concerns of the women veterans, the positive effects of these efforts are already discernable throughout the organization. Progress can be monitored by requiring VA field inspection team reports to include a statement on the facility's effectiveness in meeting the needs of women veterans. This kind of emphasis from the top will be required on a continuing basis if real, sustained progress is to be achieved over the long haul. To sustain these positive effects, the VA's training and management courses should include awareness and sensitivity training to the needs of women veterans.

We believe that actions taken at the recommendation of this Committee for improving the health care delivery and access to benefits for women veterans will lead to overall improvement in care for all veterans.

APPENDIX A.—VETERANS' ADMINISTRATION ADVISORY COMMITTEE ON WOMEN VETERANS

Lenora C. Alexander, Ph.D., Washington, D.C.; Director, Women's Bureau, U.S. Department of Labor.

Karen Burnette, Knoxville, Tennessee; Nurse, Visiting Nurse Team Leader, Home Health Agency, Vietnam Veteran, Army Nurse Corps.

Cherlynne S. Galligan, Staff Sergeant, U.S. Army, Washington, D.C.; Office of the Secretary of Defense.

Pauline Hester, Colonel, U.S. Army Reserve, Greensboro, North Carolina; Nurse/Anesthetist, Forsyth Memorial Hospital, Vietnam Veteran, Army Nurse Corps.

Jeanne Holm, Major General, U.S. Air Force, Retired, Edgewater, Maryland; Former Director, Women in the Air Force, former Special Assistant to the President and author.

Charles Jackson, Washington, D.C.; Service Director, Non Commissioned Officers Association, Vietnam Veteran.

Margaret Malone, Trenton, New Jersey; National Vice-Commander American Legion, World War II Veteran.

Joan E. Martin, Tacoma, Washington; Public relations and banking executive. Active in AMVETS, Korean Conflict Veteran.

Carlos Martinez, San Antonio, Texas; Executive Director, G.I. Forum, National Veterans Outreach Program, Vietnam Era Veteran.

Sarah McClendon, Washington, D.C. Journalist and author, World War II Veteran.

Estelle Ramey, Ph.D., Bethesda, Maryland; Professor of Physiology and Biophysics, Georgetown University.

Lorraine Rossi, Colonel, U.S. Army, Retired, Alexandria, Virginia; Vietnam Veteran, Women's Army Corps.

Omega L. Silva, M.D., Washington, D.C.; Research Associate and Clinical Investigator, Veterans Administration Medical Center, Washington, D.C.

Jessie Stearns, Washington, D.C.; Journalist and author, World War II Veteran.

Alberta I Suresch, Staff Sergeant, U.S. Air Force, Retired, Washington, D.C.; National Service Officer, Disabled American Veterans, Vietnam Era Veteran.

Jo Ann Webb, Arlington, Virginia; Nurse, health planner, Vietnam Veteran, Army Nurse Corps.

Sarah Wells, Brigadier General, U.S. Air Force, Retired, Washington, D.C.; former Chief U.S. Air Force Nurse Corps.

June A. Willenz, Bethesda, Maryland; Executive Director, American Veterans Committee, author and columnist.

Ex-officio members

Mary Leyland, Deputy Director, Education Service, Department of Veterans Benefits, Veterans Administration Central Office.

Susan Mather, M.D., Chief, Pulmonary and Infectious Diseases, Department of Medicine and Surgery, Veterans Administration Central Office.

Until his death in December 1983, Charles A. Collatos, Commissioner of Veterans Services, State of Massachusetts, was a member of the Committee.

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, Sept. 14, 1984.

Hon. HARRY N. WALTERS,
Administrator of Veterans' Affairs 810 Vermont Avenue, NW. Washington, DC.

DEAR HARRY: Thank you for sending the Report of the Veterans Administration Advisory Committee on Women Veterans. I agree with you that this Advisory Committee has accomplished much in its first year. I believe that this report provides useful information regarding the VA's ongoing efforts to meet the needs of our Nation's women veterans.

So that I and other members of the Committee might be better able to evaluate the appropriateness, feasibility, and likely impact of the Advisory Committee's recommendations, it would be very helpful if you would, pursuant to section 222(d)(1) of title 38, United States Code, provide any comments you may have regarding the specific recommendations contained in the report.

As always, Harry, I appreciate your cooperation and assistance, and I look forward to receiving your response.

With warm regards.

Cordially,

ALAN CRANSTON,
Ranking Minority Member.

OFFICE OF THE ADMINISTRATOR
OF VETERANS' AFFAIRS,
Washington, DC, Nov. 6, 1984.

Hon. ALAN CRANSTON,
U.S. Senate,
Washington, DC.

DEAR SENATOR ALAN CRANSTON: This letter is in reply to your September 14, 1984, letter requesting detailed responses to specific recommendations contained in the report from the Veterans Administration Advisory Committee on Women Veterans.

I am proud of the work of this committee and concur in their recommendations. My specific answers to each of the sections contained in the report are found below.

OUTREACH

Since November 11-17, 1984, is Women Veterans Recognition Week, the Veterans Administration is planning celebrations throughout the country. Mr. Donald Jones, Associate Deputy Administrator for Public and Consumer Affairs, and his staff have worked closely with Committee members in preparing a brochure informing women veterans of their benefits. (Copy enclosed).

Also enclosed is a poster prepared by the Veterans Administration's Office of Public and Consumer Affairs. This poster emphasizes contributions of women in the military and has been distributed to VA facilities, veterans service organizations and State governments. The Veterans Administration has planned Public Service Announcements for television distribution emphasizing the contribution of women in the military and urging women veterans to seek information regarding their benefits. Veterans Administration officials make a particular point of reaching out to women veterans in all public appearances and speaking engagements.

HEALTH CARE FACILITIES AND STAFFING

I strongly support the needs for privacy for both male and female patients in the renovation of the Veterans Administration facilities. The former Chief Medical Director and I have constantly emphasized the importance placed on health care for women veterans. Dr. Custis sent many memoranda and directives to the field emphasizing these points.

You understand the needs of balancing priorities between needs for construction, renovation, and budget constraints. I have directed my Associate Deputy Administrator for Logistics to emphasize to the field the necessity for upgrading hospitals, clinics, nursing homes, and domiciliaries regarding privacy for the woman patient.

I am proud of the important role that the nursing staff has taken to ensure continued improvement in the care of women veterans. We shall continue to provide support to the Department of Medicine and Surgery for innovative and creative ways nurses, and nurse practitioners, and all other health care professionals can meet the special needs of women veterans.

WOMEN VETERAN COORDINATORS

Former Chief Medical Director, Dr. Donald Custis, on December 6, 1983, issued a letter emphasizing his strong support for the idea of approving a high ranking woman counselor in hospitals, clinics, domiciliaries, and nursing homes. I have directed my staff to organize a conference of women counselors in order to discuss current successes and guidelines in implementing such a program.

STATISTICS

I concur with the commendations given by the Advisory Committee on Women Veterans to the Office of Information Management and Statistics for its groundbreaking research on women veterans. Given the dearth of knowledge on women veterans, I approved a grant of $789,449.00 for a contract to Louis Harris and Associates to conduct a survey of women veterans.

The Veterans Administration must continue to seek subsamples of women veterans in order to better plan for their special needs. Starting on October 1, 1984, we will gather data on outpatient visits of women veterans.

AGENT ORANGE

I have written to the Centers for Disease Control expressing my support for a study focusing on women who may have been exposed to Agent Orange while serving in the armed forces in Vietnam.

Because the responsibility for the design implementation, analysis and interpretation of the Agent Orange epidemiological study has been transferred to the Centers for Disease Control, they will make the final decision regarding the development of a protocol for such a study.

PLANNING FOR DISEASES SPECIFICALLY AND MORE COMMONLY FOUND IN WOMEN

The former Chief Medical Director, current Acting Chief Medical Director and I heartily support the need for research on gender specific illnesses and the need for insuring high level medical care for those women with gender specific illnesses and diseases. In a recent Department of Medicine and Surgery Conference call it was emphasized that service-connected female veterans could have a mammography performed on a fee basis contract. The Department of Medicine and Surgery is exploring ways to make this diagnostic tool more readily available in the Veterans Administration facilities.

Research and Development within the Department of Medicine and Surgery has sent out requests specifically asking for research proposals dealing with gender related diseases.

Starting on October 1, 1984, all data on outpatient visits will include gender of the patient. As you know, legislation was introduced in the 98th Congress to make Systemic Lupus Erythematosis a chronic disease for purposes of section 301 of title 38, United States Code, thereby entitling certain veterans who have the disease to a presumption of service-connection for purposes of laws administered by the VA. That legislation, however, was not enacted into law.

VETERANS CANTEEN SERVICE (VCS)

I concur with the suggestions given by the Veterans Administration Advisory Committee on Women Veterans regarding the need for improving service to women veterans regarding items sold in the Veterans Administration canteens.

Miss Marjorie Quandt, Assistant Chief Medical Director for Administration, and her staff are working very closely with Canteen Service representatives to ensure that the suggestions of the VA Advisory Committee on Women Veterans are implemented. Miss Quandt has informed me that a complete new line of women's clothing (chosen per the VA Advisory Committee on Women Veterans recommendations) will be introduced in 100 VA medical center canteens this fall.

WAAC AND WASP SERVICE

I recognize that former members of the Women's Army Auxiliary Corps (WAAC's) and Women's Airforce Service Pilots (WASP's) have been unsure of their entitlement to veterans' benefits and that the VA shares in this problem.

Miss Dorothy Starbuck, Chief Benefits Director, has made and continues to make special efforts to alleviate the difficulties experienced by WAAC's and WASP's. Miss Starbuck encourages her staff to work closely with both the WASP and WAC (Women's Army Corps) organizations. I have also requested, a search of our computer files to determine how many former WAAC's and WASP's are receiving veterans benefits. That information will be provided as soon as it is available. Dr. Nora Kinzer, my Special Assistant, and our committee member Major General Jeanne Holm, U.S. Air Force, Retired, have had close contact with the WASP organization. The Chairman of the Committee, Colonel Lorraine Rossi, U.S. Army, Retired, maintains a close liaison with the WAC organization.

FLAME RETARDANT CLOTHING

The Veterans Administration is currently reexamining its policy regarding flame retardant clothing. This issue was originally

brought to the attention of the Advisory Committee on Women Veterans but extends to both male and female patients. The Assistant Chief Medical Director for Administration in the Department of Medicine and Surgery is evaluating new flame retardant fabrics and has discontinued use of the previous irritating fabric product.

MEMORIAL AFFAIRS

Mr. Paul Bannai, Director of the Department of Memorial Affairs, instructed his staff to engage in a vigorous outreach program to inform funeral directors that a deceased woman may be a veteran and thereby be entitled to VA burial benefits. During the 1984 Veterans Day Observance at Arlington Cemetery the podium guests will include, for the first time, active duty military women and Colonel Lorraine Rossi, USA Retired, Chairman, Veterans Administration Advisory Committee on Women Veterans representing women veterans.

The Committee's work during the past year and its continued efforts will ensure that the special needs of our nation's female veterans are met and that efforts toward that end will continue to improve within the Veterans Administration.

Sincerely,

HARRY N. WALTERS,
Administrator.

By Mr. LEVIN (for himself, Mr. PACKWOOD, Mr. SYMMS, Mr. HOLLINGS, Mr. MOYNIHAN, Mr. DOLE, Mr. PRYOR, Mr. SASSER, Mr. NICKLES, Mr. MITCHELL, Mr. METZENBAUM, Mr. COCHRAN, Mr. PELL, Mr. MATSUNAGA, Mr. CHILES, Mr. MELCHER, Mr. BOREN, Mr. MCCLURE, Mr. DECONCINI, Mr. CRANSTON, Mr. DODD, Mr. STENNIS, Mr. HEFLIN, Mr. JOHNSTON, Mr. NUNN, Mr. SARBANES, Mr. GARN, Mr. STEVENS, Mr. PROXMIRE, Mr. MURKOWSKI, Mr. SIMON, and Mr. RIEGLE):

S.J. Res. 48. Joint resolution to designate the year of 1986 as the "Year of the Teacher"; to the Committee on the Judiciary.

YEAR OF THE TEACHER

● Mr. LEVIN. Mr. President, there are more than 3 million teachers in the United States working at every level of the educational system. These teachers are a critical link in the learning process. Our society relies on its teachers to bring to students, both young and old, the information, knowledge, and skills necessary to develop their talents and to enrich their lives.

The individuals engaged in the teaching profession, taken as a whole, are performing in a dedicated and exemplary manner. Unfortunately, teachers frequently do not receive the recognition, rewards, and respect that their vital role in our society merits.

I am proud to introduce a joint resolution, with the bipartisan support of 31 of my colleagues in the Senate, which would designate 1986 the "Year of the Teacher." This designation, which would be accompanied by the appropriate ceremonies and other activities, is one small way to express the Nation's gratitude to its teachers and to elevate them in the public's esteem.

A largely symbolic act, such as this resolution, certainly does not replace the need to devote adequate resources to education in general and to teachers in particular. Nevertheless, it can be a significant stimulus for improving educational excellence and for recognizing the contributions and needs of our Nation's teachers.●

ADDITIONAL COSPONSORS

S. 11

At the request of Mr. HEINZ, the names of the Senator from Texas [Mr. BENTSEN], the Senator from Connecticut [Mr. DODD], and the Senator from Florida [Mrs. HAWKINS] were added as cosponsors of S. 11, a bill to amend the Steel Import Stabilization Act.

S. 44

At the request of Mr. THURMOND, the name of the Senator from Florida [Mr. CHILES] was added as a cosponsor of S. 44, a bill to grant the consent of the Congress of the Southeast Interstate Low-Level Radioactive Waste Management Compact.

At the request of Mr. MOYNIHAN, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 194, a bill to identify, commemorate, and preserve the legacy of historic landscapes of Frederick Law Olmsted, and for other purposes.

S. 204

At the request of Mr. BUMPERS, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 204, a bill to provide a national program for improving the quality of instruction in the humanities in public and private elementary and secondary schools.

S. 205

At the request of Mr. BUMPERS, the name of the Senator from Wisconsin [Mr. PROXMIRE] was added as a cosponsor of S. 205, a bill to amend the Internal Revenue Code of 1954 to provide a mechanism for taxpayers to designate $1 of any overpayment of income tax, and to contribute other amounts, for payment to the National Organ Transplant Trust Fund.

S. 260

At the request of Mr. HEINZ, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 260, a bill to amend the Internal Revenue Code of 1954 to provide that the substantiation requirements of section 274(d) of such code may be met, in the case of passenger automobiles and other transportation property, if the taxpayer provides substantial evidence other than contemporaneous records.

S. 281

At the request of Mr. PRYOR, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Alabama [Mr. HEFLIN], and the Senator from Utah [Mr. GARN] were added as cosponsors of S. 281, a bill to amend the Internal Revenue Code of 1954 to add a section dealing with public safety vehicles.

S. 283

At the request of Mr. MITCHELL, the name of the Senator from Wisconsin [Mr. PROXMIRE] was added as a cosponsor of S. 283, a bill to amend the Clean Air Act to better protect against interstate transport of pollutants, to control existing and new sources of acid deposition, and for other purposes.

S. 356

At the request of Mr. GORTON, the names of the Senator from Idaho [Mr. SYMMS], the Senator from Washington [Mr. EVANS], and the Senator from Oregon [Mr. PACKWOOD] were added as cosponsors of S. 356, a bill granting the consent of Congress to the Northwest Interstate Compact on Low-Level Radioactive Waste Management.

S. 388

At the request of Mrs. KASSEBAUM, the names of the Senator from Iowa [Mr. GRASSLEY] and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of S. 388, a bill to amend the Consolidated Farm and Rural Development Act to establish a debt adjustment program for guaranteed loans, and for other purposes.

SENATE JOINT RESOLUTION 17

At the request of Mr. D'AMATO, the names of the Senator from Massachusetts [Mr. KERRY], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Florida [Mr. CHILES], the Senator from Indiana [Mr. LUGAR], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Arkansas [Mr. PRYOR], the Senator from Hawaii [Mr. INOUYE], the Senator from Nebraska [Mr. EXON], the Senator from Nevada [Mr. HECHT], the Senator from Texas [Mr. BENTSEN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Alaska [Mr. MURKOWSKI], the Senator from California [Mr. WILSON], the Senator from Vermont [Mr. LEAHY], the Senator from Tennessee [Mr. GORE], and the Senator from Maine [Mr. MITCHELL] were added as cosponsors of Senate Joint Resolution 17, a joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 28, 1985, as "Jewish Heritage Week."

SENATE JOINT RESOLUTION 23

At the request of Mr. MOYNIHAN, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of Senate Joint Resolution 23, a joint resolution designating 1985 as the "Year of Social Security."

SENATE JOINT RESOLUTION 28

At the request of Mr. BOSCHWITZ, the names of the Senator from Alabama [Mr. DENTON], the Senator from

West Virginia [Mr. BYRD], the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from Florida [Mrs. HAWKINS] were added as cosponsors of Senate Joint Resolution 28, a joint resolution to designate the week of September 8-14, 1985, as "National Independent Retail Grocer Week."

SENATE CONCURRENT RESOLUTION 4

At the request of Mr. MOYNIHAN, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Concurrent Resolution 4, a concurrent resolution calling on the President to appoint a special envoy for Northern Ireland.

SENATE CONCURRENT RESOLUTION 6

At the request of Mr. GLENN, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of Senate Concurrent Resolution 6, a concurrent resolution expressing the sense of the Congress that the policy of separate development and the forced relocation of South African blacks to designated "homelands" is inconsistent with fundamental American values and internationally recognized principles of human rights and should be discontinued.

SENATE RESOLUTION 50

At the request of Mr. CRANSTON, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of Senate Resolution 50, a resolution reaffirming the Senate's commitment to the Job Corps Program.

SENATE RESOLUTION 66

At the request of Mr. COHEN, the name of the Senator from Indiana [Mr. QUAYLE], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Resolution 66, a resolution expressing the sense of the Senate with respect to certain matters involving the Government of New Zealand and the United States.

SENATE CONCURRENT RESOLUTION 13—REQUIRING IMPLEMENTATION OF A MODIFIED DEBT RECOVERY SYSTEM

Mr. DURENBERGER (for himself, Mr. BOSCHWITZ, and Mr. MELCHER) submitted the following concurrent resolution; which was referred to the Committee on Agriculture, Nutrition, and Forestry:

S. CON. RES. 13

Whereas the economic base which sustains the way of life in rural America is under stress from low farm commodity prices, the strong showing of the dollar in international currency markets, declining land values and high interest rates;

Whereas a significant portion of family farmers across the United States are experiencing financial difficulties that threaten not only their economic survival but that of the agricultural related businesses and small towns they support;

Whereas many capable agricultural producers could be returned to financial solvency if they were provided with a debt restructuring program which reduced the effective interest rate on their principal and granted them a longer repayment schedule;

Whereas the price of not taking immediate action to implement such a debt restructuring proposal would be the failure of hundreds of thousands of family farms, agricultural implement suppliers, rural lending institutions and the rendering of the rural fabric of life;

Whereas many of the current problems besetting rural America are by-products of the federal government's inability to control federal spending and keep the federal deficit from inflating the cost of credit and the value of the dollar.

Whereas the President's farm debt restructure initiatives, which were announced in October 1984 and revised in February 1985, while representing a positive step in assisting debt-burdened farmers, require additional flexibility to alleviate the agricultural credit crisis: Now therefore be it

Resolved by the United States Senate (the House of Representatives concurring) That

(1) the President direct the Secretary of Agriculture to implement a Modified Debt Recovery Program which would require that the following administrative changes be made in the existing Farmers Home Administration Approved Lenders Program, insured loan program, limited resource loan program, and guaranteed loan program, all of which would be designed to benefit family farmers;

(a) all commercial lenders approved for participation in the Farmers Home Administration Approved Lenders Program, be authorized to process regular and limited resource insured farm operating and ownership loan applications, as well as farm loan guarantee applications, with the Farmers Home Administration reserving the right of final acceptance or rejection of such loans;

(b) all Farmers Home Administration insured or guaranteed farm loans processed by private lenders and approved by the Farmers Home Administration, shall permit the security for the entire credit package to be allocated between the private lender and the Farmers Home Administration on a prorata percentage basis directly related to the percentage of exposure of each;

(c) under such Modified Debt Recovery Program the maximum interest rate on approved lender-processed Farmers Home Administration loan guarantees shall be set at a rate not to exceed 2½ percent above the Federal funds rate; and

(d) under such a Modified Debt Recovery Program, the maximum Farmers Home Administration farm loan guarantee shall be set at 50 percent of the amount of the loan being financed by the private lender.

(2) the Secretary of Agriculture shall immediately advise the President of the total amount of additional Farmers Home Administration insured farm loan funds and farm loan guarantees that will be needed to fully implement such a Modified Debt Recovery Program; and

(3) the President shall immediately forward to Congress an emergency supplemental request for additional Farmers Home Administration direct insured farm loan funding and loan guarantee authority funding, to immediately implement such a Modified Debt Recovery Program and thus provide emergency agricultural credit to farmers who would otherwise be unable to plant their spring crops.

● Mr. DURENBERGER. Mr. President, in case you weren't aware, America's farmers and the communities they support are experiencing severe difficulties. In Minnesota, some estimates place the number of farmers facing foreclosure in 1985 at 13,000. Nationwide, I'm sure the number exceeds 100,000.

What are farmers saying? They need higher prices for their products and lower priced credit. They want a chance to earn a living. They want credit to put a crop in this spring and they want a decent price for it at harvest. They want one program to help them through the next 10 months and another to help them make some long term planning decisions. And that's not much to ask for.

Well, until Congress figures out what kind of a farm policy farmers will have to guide them over the long term, the resolution I offer the Senate today may help them make it in the short term. Based on the Modified Debt Recovery Program developed by Rollie Lake and his colleagues at Communicating for Agriculture, this resolution simply requests the President to make additional modifications in existing Farmers Home Administration programs. My distinguished colleague from Montana, JOHN MELCHER, is familiar with this proposal, as Rollie Lake presented it to him at an informal hearing on agricultural credit problems last week. I ask unanimous consent that a description of the proposal be printed in the RECORD so that those who read it may better understand how the program works. While its implementation may require the extension of an additional $3 billion is direct, insured and guaranteed low interest loans, the price of not making the suggested changes could be the loss of rural America.

There being no objection, the description was ordered to be printed in the RECORD, as follows:

FARM DEBT RESTRUCTURING—CA MODIFIED DEBT RECOVERY PROGRAM

CA is proposing a farm-debt restructuring plan designed to build on present programs, and target farm borrowers who are in financial difficulty yet who can be helped with the right program.

Today, many farmers find themselves in a financial bind. While about 30% of farmers have little or no debt and are doing well economically, there are between 30% and 40% of all farmers who have substantial debt and are in various stages of financial difficulty.

WHO ARE THESE FARMERS IN DIFFICULTY?

Most agricultural production, about 60% in 1982, comes from 205,000 farms (out of 2.4 million total farms) with more than $150,000 in annual sales. Narrowing our focus somewhat, of these farms with sales of $40,000 to $200,000.

19% have a debt-to-asset ratio of greater than 70%. That means, for every $10 of assets, the farmer has more than $7 of debt;

44% have a debt-to-asset ratios greater than 40%;

Farms with debt-to-asset ratios greater than 40% account for 71% of debt on farms in this sales class but only 36% of assets.

For farms in all sales categories with a greater than 70% debt-to-asset ratio, there is little hope of economic survival. In a recent Iowa study, 10% of the farmers fall into this category, hold 9% of the assets and 25% of the total debt.

Farmers with debt-to-asset ratios of greater than 40% are also facing financial difficulties. In that same Iowa study, 28% of the farmers with 30% of the assets and 65% of the debt fall into that category.

The Iowa survey further shows that farmers from all sales/size categories are in the over 40% group and that the majority of these are full-time family farmers.

WHAT IS THE NATURE OF THE FARM DEBT?

Nationally, the total farm debt has increased dramatically. In 1971, total farm debt totalled around $54 billion; in 1976, around $91 billion; and in 1984, total farm debt stands at $215 billion.

Farmers as a group have a much higher debt to income ratio now than in the past. In 1950, the overall debt-to-income ratio stood at less than 1; in 1960, it doubled to 2, changed to over 3 in the early 1970's, to 8 in 1980 and to 10 in 1984. Today the average farmer is trying to support $10 of debt for every $1 of income.

But even more important, the nature of the debt has changed dramatically. Debt today has a much shorter maturity.

Much of the debt is short term with interest rates tied to current loan rates. Even real estate debt is based on variable interest rates or is based on relatively short contract purchases. Maturities on a great deal of real estate debt has moved from 20–25 years in the 1960's and 1970's to 10–15 years or less today.

CAN FARMERS WITH HEAVY DEBT LOADS BE SAVED?

For a substantial segment of the 30% to 40% of farmers who have substantial debt and who are in various stages of financial difficulty, economic survival is a serious question. To help this group, representing between 720,000 and 960,000 farms out of 2.4 million total U.S. farms, there must be a restructuring of farm debt. This group, mostly full-time family farmers, were caught with too much debt at the wrong time, debt that was manageable under the prevailing economic conditions when it was incurred but became a crushing burden when conditions changed.

In the group of farmers, there are many good farmers facing bankruptcy for lack of a way to make the transition from an economy of high inflation, rising land values and low interest rates to one of low inflation, sinking land values and high interest rates.

Many of the farmers in this group can be helped and saved with the right debt restructuring programs.

CA'S DEBT RESTRUCTURING PROPOSAL

In order for farm debtors to pay off debt obligations, a major restructuring of indebtedness will be necessary.

The number one feature of any debt restructuring program is to stretch out principal payments into a manageable debt repayment schedule. The second major feature must provide for a lower rate of interest, and third, for farm lending to continue, the risks must be shared.

The CA proposal utilizes existing FmHA programs and expertise of commercial lenders to accomplish this.

These are the Approved Lenders Program, Insured Operating Loan Program and Limited Resource Program. CA's Debt Restructuring Plan modifies slightly these existing FmHA programs to create a program of modified recovery debt credit.

The heart of the CA debt restructuring proposal is the utilization of FmHA's Approved Lender Program, with some minor modifications.

FMHA APPROVED LENDER PROGRAM

Under FmHA's Approved Lenders Program, a qualified commercial lender is approved in advance to process FmHA Guaranteed Loans. The approved lender makes the loan, services the loan and collects the loan, thereby reducing the paperwork and time required for FmHA approval of loan guarantees. The lender is responsible for seeing that proper and adequate security is obtained and maintained. FmHA makes the final decision on farmers' eligibility, use of funds, and creditworthiness.

WHO DOES THE APPROVED LENDERS PROGRAM HELP?

In today's farm economy, there are many farmers whose debt-to-assets ratio between 40% and 70% who are caught in a 'credit availability gap.' These farmers are not in serious enough financial difficulty for consideration by the lender of last resort, FmHA. Yet, they do not quite meet the credit standards of private commercial lenders.

This group is a relatively stronger class of farm borrowers than normal FmHA borrowers. The problem for this class of farm borrowers is that their cash flow is inadequate under current high interest rates and low commodity prices, though their basic personal net worth and equity remains relatively strong. The security behind the loan is strong enough to satisfy the bank lender, yet the loan is classified by bank regulators as a classified loan. For the bank, every classified loan reduces the amount of available assets against which credit can be made available, resulting in less credit being available to farm borrowers.

THE FMHA LOAN GUARANTEE PROGRAM

FmHA Loan Guarantees are designed to provide the credit necessary for family farmers to conduct successful operations. The loans are to be used for the purchase of farm machinery and equipment, basic livestock, annual operating expenses and refinancing for authorized operating loan purposes. They may not be used to purchase or refinance land, finance lease costs or exceed $200,000. Interest rates may be fixed or variable and cannot exceed the rate common in the area. The terms of the loan may be up to seven years on basic security. Quality loans may be guaranteed up to 90% while high risk loans may receive less than a 50% guarantee.

HOW WILL THE APPROVED LENDERS PROGRAM HELP?

Utilizing FmHA's Loan Guarantee Program, the commercial lender will have the additional security to make a bankable loan to farmers who find themselves in a "credit gap". The program is not a bailout for lenders. Unless the loan meets requirements, with a reasonable chance for success FmHA will not approve it.

The program will help, first, by making credit available. Second, the banker will use the banks own (pre-FmHA approved) loan forms familiar to both the borrower and the banker, reducing FmHA's paper-handling load. Third, credit will be available on a much quicker basis, assuring that available guarantee loan funds reach eligible farmers as quickly as possible. Fourth, the banker and borrower are familiar with each other, helping to insure that better loans will be made. Fifth, the borrower is most likely to stretch out the loan payback. A commercial lender will normally have a maximum of five years on the loan while under the FmHA Loan Guarantee Program, a maximum of seven years is possible. This extra two years can assist the farm borrower in achieving an attainable cash flow-payback program.

CA'S MODIFIED DEBT RECOVERY PROGRAM

CA proposes to utilize FmHA's Approved Lenders Program and Operating Loan Program to achieve a significant plan for farm debt restructuring. To achieve this will require some modification of each of these programs.

MODIFICATIONS TO THE APPROVED LENDERS AND DIRECT LOAN PROGRAMS

A basic modification to the Approved Lenders Program is to place a maximum rate to be charged on interest. Under the Approved Lenders Program, interest rates may not exceed the prevailing interest rate in the areas in which the loan is made. At present, this interest rate is approximately 14½%.

Under the modified Approved Lenders Program, a maximum interest rate would be set at 2½% above Federal Funds. This would yield an interest rate of 12½% at October 22, 1984 rates.

Clearly, there is a need to lower interest rates in order to create a more achievable positive cash flow-debt repayment plan for many farm borrowers. In addition to the obvious advantage of lower interest rates, by lowering the maximum interest rate which a commercial lender may charge under the Approved Lenders Loan Program, the result will be to create opportunities for additional farm borrowers to take advantage of the Loan Guarantee Program. A lower maximum interest rate will encourage the lender to graduate the borrower to a regular commercial status.

The second basic change in the Approved Lenders Program would help to expand the program to include the commercial lenders' ability to those in the creditability gap.

FMHA OPERATING LOAN PROGRAM

FmHA Operating Loans are made for both operating expenses and farm ownership. Ownership loans may carry an interest rate as low as 5½% and may be written up to 40 years. Operating loans may carry an interest rate as low as 7¼% and may be written up to 15 years. Under the Direct Loan Program, appraisals are done by the FmHA and security in the loan is named and itemized per lender.

MODIFICATIONS TO THE DISTRICT LOAN PROGRAM

In order to restructure farm debt, lower interest rates and longer payback terms will be required to attain a manageable, attainable cash flow for many farm borrowers.

The CA Modified Debt Recovery Program would incorporate into the Approved Lenders Program the use of FmHA Operating Loans in the same manner as the FmHA Guaranteed Loans. The pre-FmHA approved commercial lender would process the paperwork for FmHA Operating Loans, using the commercial lender's forms. FmHA would still have the final say-so on the loan under a shortened turn around approval or denial. Appraisals would be done by the pre-FmHA approved commercial lender or qualified appraiser. The main change in the present FmHA Direct Operating Loan Program would be to share security on a pro-

rated dollar value basis. This last change is important to create an environment where the financial risk is shared and one which will create far fewer complications than the present system of named security.

BLENDED CREDIT ILLUSTRATION

Under the CA Modified Debt Recovery Program, there can be a significant debt restructuring which will assist present financially troubled borrowers who have a stronger asset base yet who can neither qualify for FmHA loans or regular commercial lender loans.

As an illustration: Farm Borrower with $100,000 of indebtedness—cash flow shows $21,000 available for debt retirement.

Example 1—Farm Borrower with Commercial Lender: Loan Term—5 years; Loan Interest Rate—14½%.

Cash Required for:	
Principal Reduction	$20,000
Interest Payment	14,500
Total	34,500
Payment Deficit	13,500

Example 2—Farm Borrower under Approved Lenders Program (no modifications): Loan Term—7 years; Loan Interest Rate—14½%.

Cash Required for:	
Principal Reduction	$14,285
Interest Payment	14,500
Total	28,785
Payment Deficit	7,785

Example 3—Farm Borrower under CA Modified Debt Recovery Program Debt is divided between Approved Lender Loan and Limited Resource Loan (3A) and Insured Loan Programs (3B).

	Approved lender loan (3A)	Approved lender loan (3B)
FmHA Guaranteed Loan	$50,000	$40,000
Loan Term (years)	7	7
Loan Interest Rate (percent)	12½	12½
Payment required for:		
Principal Reduction	$7,143	$5,714
Interest Payment	$6,250	$5,000
Total	$13,393	$10,714

	Limited resource	Insured loan
$50,000 FmHA Operating Loans	$50,000	$60,000
Loan Term (years)	15	15
Loan Interest Rate (percent)	7¼	10¼
Payment required for:		
Principal Reduction	$3,333	$4,000
Interest Payment	$3,625	$6,150
Total	$6,958	$10,150
Total Payment Required for:		
Principal Reduction	$10,476	$9,714
Interest Payment	$9,875	$11,150
Total	$20,351	$20,864
Cash Flow Balance	$649	$136

From the above example, the Modified Debt Recovery Program has accomplished a significant reduction in interest rates and has extended payments over a longer period of time to achieve a reasonable and achievable cash flow.

The Modified Debt Recovery Program covers the three areas of need: restructuring of debt, adjustment of interest and sharing of risk. The Modified Debt Recovery Program shares the risk by bringing the Government in on a percentage of the Approved Lender Program. Debt is restructured by adding the Direct Lending Program, and interest is lowered with a combination of ability through the Direct Lending Program to lower to a minimum of 7¼% and a maximum of 2½% plus Federal Funds on the Approved Lender portion. The Modified Debt Recovery Program utilizes the assets of the FmHA, the types of funds which are already available and adds the expertise of Commercial Lenders. The Modified Debt Recovery Program would only be in place long enough to carry agriculture through this present period of adjustment.

Prepared by: Communicating for Agriculture, November 13, 1984.●

SENATE RESOLUTION 68—CONGRATULATING THE PEOPLE OF CYPRUS ON THE 25TH ANNIVERSARY OF THEIR INDEPENDENCE

Mr. TRIBLE submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 68

Whereas on October 1, 1985, the Republic of Cyprus will mark the twenty-fifth anniversary of its independence;

Whereas despite the hardship of twenty-five years of strife, the people of Cyprus have remained strong and steadfast in their commitment to a free and unified nation;

Whereas on January 17, 1985, under the auspices of the United Nations Secretary General, direct talks were held between Greek-Cypriot and Turkish-Cypriot leaders to establish a framework for negotiations and to identify principles to be addressed in an eventual agreement on reunification of Cyprus;

Whereas continuation of these talks holds out strong hope for resolving the divisions on Cyprus and bringing peace to that long-troubled island;

Whereas the United States supports the efforts of the United Nations to help the two communities on Cyprus reach a framework for bringing a just and lasting peace to that nation;

Whereas a resolution of the Cyprus situation would ease divisions within the North Atlantic Treaty Organization (NATO) which currently weaken NATO's southern flank, and would help to stabilize relations among the United States, Greece, and Turkey;

Whereas the United States can contribute to continuation of these talks and help foster intercommunal understanding on Cyprus by supporting cooperative efforts aimed at rebuilding a unified nation: Now, therefore, be it

Resolved, That (a) the Senate hereby congratulates the people of Cyprus on the twenty-fifth anniversary of their independence.

(b)(1) It is the sense of the Senate that the United States Government should strive to establish a Cooperative Development Fund for Cyprus (hereafter in this section referred to as the "Fund") similar to the fund proposed for establishment by President Reagan in May 1984.

(2) Monies from the Fund should be available only for—

(A) projects that would benefit all the people of Cyprus and foster intercommunal cooperation in that nation when a fair and equitable agreement to the Cyprus dispute has been reached; or

(B) projects that would foster intercommunal cooperation in Cyprus by substantially strengthening the commitment of both parties to good-faith negotiations leading to a just and lasting settlement on Cyprus.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the Secretary of State.

Mr. TRIBLE. Mr. President, I am submitting a resolution today aimed at helping to resolve the ongoing dispute on the island of Cyprus. This measure would congratulate the people of Cyprus on the 25th anniversary of their independence. It would also reaffirm America's intention of helping to rebuild a free and unified nation.

This resolution is similar to one that will be introduced in the House by Representative JAMES FLORIO, and it has two purposes. First, it would commend the people of Cyprus for the courage and forbearance they have shown during the past 25 years. Second, it would signal our intention to help the peace process by creating a cooperative development fund for Cyprus similar to that proposed by President Reagan during the 98th Congress.

Mr. President, the people of Cyprus attained independence through a long and arduous process. In the 25 years since independence, the Cypriots have continually faced strife and hardship.

As Americans, we admire those who persevere in the face of such challenges. We respect those who remain steadfast in their commitment to democracy and freedom. Throughout their first quarter-century of independence, the people of Cyprus have displayed these qualities in abundance. They have not wavered in their search for freedom, and I believe the United States should commend their heroism.

Today, the effort to achieve a unified Cyprus will also require acts of bravery. It demands trust where there has been little in the past. I believe the United States should help to foster that trust by supporting the idea of a cooperative development fund for Cyprus. Moneys would be provided by the United States and other nations when an equitable peace agreement is reached on Cyprus or when substantial progress is made toward that end. Some funds might also be provided prior to that time if the moneys would provide a significant boost to the Cyprus negotiations.

Many of my colleagues will remember that President Reagan proposed such a cooperative fund during the 98th Congress. At that time, the President said quite correctly that peace cannot be bought. But the President added that peacemakers should know that the United States is prepared to

make every effort to transform their labors into an enduring achievement.

The cooperative fund proposed by President Reagan would have been made available for projects that benefited both the Greek-Cypriot and Turkish-Cypriot communities. It would have nurtured the forces of democracy and cooperation on the island.

Though the House of Representatives approved the cooperative fund overwhelmingly, it did not pass the full Congress. I believe this is an appropriate time for Congress to reaffirm its willingness to pursue this course.

Our willingness to fund cooperative efforts can provide each party on Cyprus with a stake in the well-being of the other. We can also help to ensure that the seminal years of joint efforts take place in an atmosphere of growth and opportunity for both communities.

No one doubts that the stakes are very high in this search for peace. The people of Cyprus deserve it. The NATO alliance needs it. And the security interests of the United States and other Western nations would be well served by it.

I believe that we have rarely been closer to a just and lasting settlement to the Cyprus dispute than we are today. We, in the Congress, should seize the opportunity to nurture the forces of peace and reconciliation on the island.

This resolution commends the courage that the people of Cyprus have shown in the past. It also signals our intention to foster the courage that will be necessary in the future if Cyprus is to be a free, peaceful, and unified nation. I would welcome my colleagues' cosponsorship of this measure.

SENATE RESOLUTION 69—PROVIDING FOR REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. DOLE (for himself and Mr. BYRD) submitted the following resolution; which was considered and agreed to:

S. RES. 69

Whereas, the case of *Lawrence Jasper & Family U.S.A.* v. *Federal National Mortgage Association, et. al.,* Civil Action No. 83-2896DT, is pending in the United States District Court for the Eastern District of Michigan;

Whereas, plaintiff has served trial subpoenas for testimony and documents on Senators Donald W. Riegle, Jr., and Carl Levin;

Whereas, these subpoenas may be answerable by members of Senator Riegle's and Senator Levin's staffs;

Whereas, pursuant to sections 703(a) and 704(a) of the Ethics in Government Act of 1978, 2 U.S.C. 288b(a) and 288c(a) (1982), the Senate may direct its counsel to represent members and employees of the Senate in civil actions relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that testimony of a member or an employee of the Senate is needful for use in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent Senator Riegle, Senator Levin and members of their respective staffs in the case of *Lawrence Jasper & Family U.S.A.* v. *Federal National Mortgage Association, et al.*

SEC. 2. That Senator Riegle and Senator Levin and members of their respective staffs whom they may designate are authorized to testify and to produce documents in the case of *Lawrence Jasper & Family U.S.A.* v. *Federal National Mortgage Association, et al.,* except when the Senators' attendance at the Senate is necessary for the performance of their legislative duties, and except concerning matters that they and the Senate Legal Counsel or his representative determine are privileged from disclosure.

SENATE RESOLUTION 70—ORIGINAL RESOLUTION REPORTED AUTHORIZING EXPENDITURES BY THE COMMITTEE ON RULES

Mr. PACKWOOD, from the Committee on Finance, reported the following original resolution; which was referred to the Committee on Finance:

S. RES. 70

Resolved, That, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Finance is authorized from March 1, 1985, through February 28, 1986, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The expenses of the committee under this section shall not exceed $2,539,000, of which amount (1) not to exceed $30,000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $10,000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of such act).

(c) The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 28, 1986.

(d) Expenses of the committee under this section shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required for the disbursement of salaries of employees paid at an annual rate.

ADDITIONAL STATEMENTS

DEFENSE AUTHORIZATION ACT

● Mr. CHAFEE. Mr. President, I am pleased to join my colleague from Rhode Island, Senator PELL, in cosponsoring S. 401, legislation to repeal section 308 of the 1985 Defense Authorization Act.

This provision, added as an amendment to the fiscal year 1985 defense authorization bill last year, places a cap on Pentagon expenditures for consultants, studies and analyses, management support contracts, and other services. As such, I do not object to its intent; indeed, I support the concept of clamping down on excessive costs for outside consultants.

This provision had apparently caused little problem for the Army and the Air Force, both of which have managed to continue the funding of essential consulting services. In the case of the Navy, however, it has been so strictly interpreted that it threatens to cause major problems for a number of firms which have contracted for essential consultive services.

The problem seems to be one of overly strict interpretation. The Navy has officially advised me that it interprets the provision to "constitute a legal limitation on subdivisions of appropriations" and that "it will be necessary to cancel or defer sufficient planned contract effort in defense programs which were authorized and appropriated to ensure that they (Navy) complies with the functional limitation contained in the authorization act."

Essentially what this means is that the Navy will proceed very cautionary with regard to consultive contracts, even if they are part of ongoing programs for which money is routinely appropriated. Such a strict interpretation is what has caused the problem.

In Rhode Island, most notably in the Newport area where the Navy maintains a strong presence, section 308 has caused a great deal of consternation. Funding for essential support services has been interrupted, layoffs have been scheduled, and there has arisen a great deal of uncertainty. In

all, some 5,000 persons in the Newport area work for firms which have contracts with the Navy and who are potentially affected by this provision of the law passed last year, and their concern is both understandable and justified.

Mr. President, the bill introduced by Senator PELL and myself is motivated by the fact that in the absence of clear definitions and guidelines, section 308 is creating more problems than it is solving.

The bill we have introduced, S. 401, would repeal section 308, but would direct the Secretary of Defense to provide within 6 months a standardized auditing procedure to identify and control expenditures in the future. I am not opposed to legislation that is designed to control the costs of outside consultative services, but section 308, at least as it has affected Navy contracts in my own State, sweeps with too broad a brush to do the job properly.●

D. MICHAEL HARVEY: 25 YEARS OF SERVICE

● Mr. McCLURE. Mr. President, tomorrow, February 8, 1985, marks the 25th anniversary of service to the Federal Government for D. Michael Harvey, the chief counsel for the minority of the Committee on Energy and Natural Resources. Yesterday, my colleague and ranking minority member on the committee, Senator JOHNSTON, detailed the long history of distinguished Federal service which Mike Harvey has had, and I will not repeat that history now.

I did want to join Senator JOHNSTON, and, I am sure, the other members of the committee and the Senate, in expressing my appreciation for his outstanding service and my deep admiration and respect for the knowledge and skill which he has brought to the Senate.

There is a tendency at times to make arbitrary characterizations of committee staff as either majority or minority. It is the true measure of the professional staff when they can overcome those characterizations and bring a professional approach to the committee business which commands respect from all members. Mike is and has been the epitome of such professionalism. He has been the definition of a civil servant and I know of no member who has relied on his advice who has ever been disappointed. The trust and respect which he earned while serving under Senator Metcalf and Senator Jackson on subcommittee and then as chief counsel to the committee until 1981 has not been diminished by his service on the minority staff of the committee.

I want to join Senator JOHNSTON in congratulating Mike on his past 25 years and to thank Mike for his service to the Senate. I am grateful that we in the majority continue to have his wise advise and counsel and I look forward to having that counsel for many years to come.●

ON BEHALF OF SOVIET JEWRY

● Mr. GRASSLEY. Mr. President, while it may be true that we are entering a new stage in United States-Soviet relations, I wonder what effects the negotiations in Geneva will have on an issue very important in this country—human rights and specifically Soviet Jewry. We are experiencing an all time low in emigration from the Soviet Union at the present time. In 1984 only 898 Soviet Jews were allowed to leave their country. This compares with a figure of 51,000 back in 1979.

As we have seen a geometric decrease in Jewish emigration we have also seen a proportional increase in persecution of Soviet Jews. This places the community in a desperate catch-22 situation. They can't leave and if they stay they face extinction as a people. The recent illustration of this situation is the series of arrests and sentencings of a number of Hebrew teachers and Jewish culturalists.

Victims of such treatment include Mark Nepomniashchy, sentenced this week to 3 years in labor camp, Alexander Kholmiansky sentenced last week to 1½ years in prison, and Yuli Edelshtein, sentenced in December to 3 years in prison.

These three individuals were all actively involved in trying to maintain Jewish life in the Soviet Union. They were refused permission to leave and live as Jews elsewhere. As a result of their simple wish to live as they choose they have suffered at the hands of the Soviet authorities.

As we sit and negotiate with the Russians in Geneva let us remember our experience with them in other negotiations and insist on compliance with those human rights agreements—for without honoring those, real peace is truly impossible.●

ERA-ABORTION CONNECTION FEARED BY CATHOLIC BISHOPS

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

● Mr. GARN. Mr. President, the equal rights amendment and various versions of human life amendments have again been introduced in both Houses of Congress. Several bills on the subjects of equal rights and abortion have also been introduced. We all know that ERA and abortion are two of the most vexing public issues of the day. I favor a human life amendment and have been the chief sponsor of one version for a number of years. I oppose the equal rights amendment, and one of the reasons for this opposition is my fear that ERA will become a tool for strengthening and broadening abortion rights.

I have made occasional insertions into the RECORD on the subject of ERA's potential effect on abortion. For example, on April 25, 1984, I inserted a statement entitled "Catholic Bishops See Abortion-Era Connection." Today, I wish to update that information.

Last November the Nation's Catholic bishops met here in Washington. Their draft pastoral letter on the morality of the American economic system attracted much attention; less attention was given to their consideration of the equal rights amendment. Archbishop John L. May, chairman of the Ad Hoc Interdisciplinary Committee on the Equal Rights Amendment made his report to the assembled bishops. Accompanying the archbishop's report was a legal assessment of ERA prepared by the United States Catholic Conference's office of general counsel.

The report and the legal assessment total more than 30 pages. Pros and cons are discussed and interested readers will want to review both documents in full since only the abortion problem is being treated here. In his own report, the archbishop quoted extensively from the legal document's subsection on abortion which is reprinted below in full.

The archbishop concluded his report with this statement:

[T]he Ad Hoc Committee . . . does not now recommend a change in the Conference's position. However, it does suggest that the present text and legislative context of ERA demand serious reflection and a reasoned objectivity by all who must judge its value as an amendment to our Constitution. It is our hope that the Report of our General Counsel will contribute significantly to the process, and to that end we have authorized its public distribution. Meanwhile we continue to reserve definitive judgment on the proposed ERA as we continue to hope for a more fully developed formulation of the amendment. Such a version would, we believe, attract wider acceptance from all Americans and the Congress.

I ask that the introduction and subsection on abortion from section VII of the general counsel's be printed in the RECORD.

The material follows:

VII. IMPLICATIONS OF CONCERN FOR CHURCHES AND THE PEOPLE THEY SERVE

The implications of ERA have also given rise to concerns in diverse areas of law and public policy. There follows a discussion of certain areas of major concern to churches

and the people they serve. Such an analysis is essential to an objective consideration of ERA, and to provide balance in the public debate by augmenting the available public commentary.

A. ABORTION

1. Substantive abortion rights

The potential effect of ERA on a woman's right to terminate her pregnancy is limited because *Roe* v. *Wade* and kindred cases are the law. Courts will not attribute to Congress an intent to do an unnecessary act. There is no explicit indication in the text or legislative history that Congress intends ERA to reinforce a right of abortion. Indeed, the legislative history reveals the absence of a congressional consensus on abortion.

Notwithstanding the foregoing, it is reasonable to consider ERA as possessing the potential to buttress the substantive right of abortion. The possible permutations of fact and legal principle under the *Roe* v. *Wade* doctrine have not been exhausted. There is some room for the regulation of the abortion right based upon the compelling interest of the state in the life and health of the mother (second and third trimester) and unborn child (third trimester). This approach in the theory of the cases has already been criticized by three members of the Supreme Court, and the future course of the law seems somewhat uncertain. Although it is unlikely the Court will overrule the *Roe* v. *Wade* line of cases in their fundamental precepts, it is not unreasonable to anticipate more favorable consideration of well-founded restrictions of abortion in the law. The present Court has manifested its willingness to reassess its decisions in other vital areas, and no reason appears why abortion must be an exception to that salutary process.

These observations counsel a sensitivity to the more subtle potentialities of ERA in the field of abortion. If there is any room for the meaningful restriction of abortion under present legal theory or future holdings, ERA could serve to diminish those prospects. In *Roe* v. *Wade*, the Court grounded the woman's right to terminate her pregnancy in considerations of her health. The right to protect one's health and reproductive interests is grounded in the constitutional right of privacy. Under ERA, the Court would likely view abortion as a type of medical treatment, although not identical, to other types. Accordingly, there is legitimate concern that ERA could lead to the invalidation of laws which deny to women a right not denied to men, namely, access to forms of medical "treatment" needed to protect health, including abortion. In this way, ERA could buttress the *Roe* v. *Wade* right of abortion. It could fortify the principal holding in *Roe* v. *Wade*, i.e. the right of privacy encompasses "a woman's decision whether or not to terminate her pregnancy."

2. Public funding of abortion

Although *Roe* v. *Wade* and other cases have established a woman's right to terminate her pregnancy, there is presently no federal constitutional right to public financing of abortion. The denial of such funding does not deprive women of any constitutional right, including rights under the Equal Protection Clause. However, under ERA it is likely that funding restrictions would be invalidated if certain established principles are applied.

Like pregnancy and childbirth, abortion is a procedure which only women can undergo. Because ERA would probably render sex-based classifications suspect in the sense that term is used under the Equal Protection Clause, a law excluding abortions from a governmentally-sponsored, comprehensive medical program would be subject to strict judicial scrutiny. The Supreme Court has already held that the government's interest in fetal life does not become compelling until after viability. Consequently, a law excluding pre-viability abortions from a comprehensive health benefit program might well not survive strict judicial scrutiny, whether the program is based on the state's interest in fetal life or in encouraging childbirth over abortion. Further, in view of the mother's somewhat qualified right to terminate her pregnancy after viability, the same result could follow for this period of gestation as well.

In a very recent decision, a majority of the Pennsylvania Commonwealth Court upheld the state's exclusion of funding for abortions (with certain exceptions) against claims that it violated the Equal Protection Clause and Pennsylvania's ERA. The court held (two judges dissenting) that the exclusion did not involve a gender-based classification cognizable under that state's ERA. The decision has been appealed to the Pennsylvania Supreme Court. The fact that the court was divided points up the genuineness of this question with respect to the federal ERA. The case also confirms the difficulties of predicting results under ERA. Further, one decision involving a state ERA by a state intermediate appellate court is of slight precedential value. Especially is this so since the court did not apply the standard of strict judicial scrutiny, as ERA seems likely to require.●

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I wil indicate at the outset that the unanimous consent requests I am about to make have been cleared with the distinguished minority leader, Senator BYRD.

ORDER FOR COMMITTEES TO FILE REPORTS DURING THE ADJOURNMENT

Mr. DOLE. Mr. President, I ask unanimous consent that during the adjournment of the Senate over until 12 noon, on Monday, February 18, 1985, committees may file reports on Monday, February 11, 1985, between the hours of 10 a.m. and 4 p.m.

THE PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CERTAIN ACTIONS ON MONDAY, FEBRUARY 18, 1985

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate reconvenes on Monday, February 18, 1985, the reading of the Journal be dispensed with, no resolutions come over under the rule, the call of the Calendar be dispensed with, and the second reading of any bill be waived; provided further, that the morning hour be deemed to have expired.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS FROM MONDAY, FEBRUARY 18, 1985, UNTIL TUESDAY, FEBRUARY 19, 1985, AT 2 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent that when the Senate completes its business on Monday, February 18, 1985, it stand in recess until 2 p.m. on Tuesday, February 19, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY, FEBRUARY 19, 1985

NOMINATION OF EDWIN MEESE III TO BE ATTORNEY GENERAL

Mr. DOLE. Mr. President, it is the intention of the leadership that following morning business on Tuesday, February 19, 1985, the Senate will go into executive session and begin the consideration of the nomination of Edwin Meese III to be Attorney General.

ORDER FOR THE RECOGNITION OF CERTAIN SENATORS ON TUESDAY, FEBRUARY 19, 1985

Mr. DOLE. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order on Tuesday, February 19, 1985, there be special orders for the following Senators not to exceed 15 minutes each: Senators SPECTER, PROXMIRE, and BOREN.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that following special orders, there be a period for the transaction of routine morning business not to extend beyond the hour of 3 p.m., with statements therein limited to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR APPOINTMENT OF ESCORT COMMITTEE FOR RIGHT HONORABLE MARGARET THATCHER FOR JOINT MEETING FEBRUARY 20, 1985

Mr. DOLE. Mr. President, I ask unanimous consent that the President of the Senate be authorized to appoint a committee on the part of the Senate to join with a like committee on the part of the House of Representatives to escort the Prime Minister of Great Britain, the Right Honorable Marga-

ret Thatcher, into the House Chamber for the joint meeting to be held at 11 a.m. on February 20, 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECORD TO REMAIN OPEN

Mr. DOLE. Mr. President, I ask unanimous consent that the RECORD remain open until 4 p.m. today, for the introduction of bills, resolutions, and the submission of statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL MONDAY, FEBRUARY 18, 1985

Mr. SIMPSON. Mr. President, I move, in accordance with the provisions of Senate Concurrent Resolution 12, that the Senate stand in adjournment until 12 noon on Monday, February 18, 1985, for the sole purpose of the reading of George Washington's Farewell Address.

The motion was agreed to; and, at 3:08 p.m., the Senate adjourned until Monday, February 18, 1985, at 12 noon.

CONFIRMATION

Executive nomination confirmed by the Senate February 7, 1985:

ENVIRONMENTAL PROTECTION AGENCY

Lee M. Thomas, of Virginia, to be Administrator of the Environmental Protection Agency.

HOUSE OF REPRESENTATIVES—*Thursday, February 7, 1985*

The House met at 11 a.m.

The SPEAKER. Today we have the distinct pleasure of having a visiting chaplain, but more than a visiting chaplain. He is the son of a former beloved Member and who at one time served as staff director of the Rules Committee. His dad was admired and respected by all of us.

I present the Reverend Laurie Battle, Warrenton Bible Fellowship Church, Warrenton, VA.

Rev. L.H. (Chip) Battle, Warrenton Bible Fellowship Church, Warrenton, VA, offered the following prayer:

Almighty God, we bow our hearts beore You, the giver and sustainer of life. We humbly acknowledge that every knee in Heaven and on Earth shall bow before You on that day that You are rightfully recognized as Lord over all creation.

I thank You that these dedicated men and women are seeking to fulfill the responsibility that You have given them of governing our land well. I ask that You would give them a special sense of wisdom, kindness, and justice as they seek to faithfully discharge these responsibilities.

I pray on their behalf, as well as for myself, that we would experience daily a growing relationship with You.

May all that we say and do be done to Your honor and glory. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. BOULTER. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BOULTER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 375, nays 17, answered "present" 7, not voting 33, as follows:

[Roll No. 8]

YEAS—375

Ackerman	Dorgan (ND)	Kasich
Addabbo	Dornan (CA)	Kastenmeier
Alexander	Dowdy	Kemp
Anderson	Downey	Kennelly
Andrews	Dreier	Kildee
Annunzio	Duncan	Kindness
Anthony	Dwyer	Kleczka
Archer	Dyson	Kolbe
Armey	Eckart (OH)	Kolter
Aspin	Eckert (NY)	Kostmayer
Atkins	Edgar	Kramer
Badham	Edwards (CA)	LaFalce
Barnes	Edwards (OK)	Lagomarsino
Bartlett	Emerson	Lantos
Barton	English	Latta
Bateman	Erdreich	Leach (IA)
Bates	Evans (IL)	Leath (TX)
Bedell	Fascell	Lehman (CA)
Beilenson	Fawell	Lehman (FL)
Bennett	Fazio	Leland
Bentley	Fiedler	Lent
Bereuter	Fields	Levin (MI)
Berman	Fish	Levine (CA)
Bevill	Florio	Lewis (CA)
Biaggi	Foley	Lewis (FL)
Bilirakis	Ford (TN)	Lightfoot
Bliley	Fowler	Livingston
Boehlert	Frank	Lloyd
Boggs	Franklin	Loeffler
Boner (TN)	Frenzel	Lott
Bonior (MI)	Frost	Lowery (CA)
Bonker	Fuqua	Lowry (WA)
Borski	Gallo	Lujan
Boucher	Garcia	Luken
Boulter	Gaydos	Lundine
Boxer	Gejdenson	Lungren
Breaux	Gekas	Mack
Brooks	Gephardt	MacKay
Broomfield	Gibbons	Madigan
Brown (CA)	Gilman	Manton
Brown (CO)	Glickman	Markey
Broyhill	Gonzalez	Marlenee
Bruce	Gordon	Martin (IL)
Burton (CA)	Gray (IL)	Martin (NY)
Burton (IN)	Gray (PA)	Martinez
Bustamante	Green	Matsui
Byron	Gregg	Mavroules
Callahan	Grotberg	McCain
Campbell	Guarini	McCandless
Carney	Gunderson	McCollum
Carper	Hall (OH)	McCurdy
Carr	Hall, Ralph	McDade
Chandler	Hall, Sam	McEwen
Chappell	Hamilton	McGrath
Coats	Hammerschmidt	McHugh
Cobey	Hansen	McKernan
Coble	Hartnett	McMillan
Coelho	Hatcher	Meyers
Coleman (MO)	Hefner	Mica
Coleman (TX)	Hendon	Michel
Collins	Henry	Mikulski
Combest	Hertel	Miller (CA)
Conte	Hiler	Miller (WA)
Conyers	Hillis	Mineta
Cooper	Hopkins	Molinari
Coyne	Howard	Mollohan
Craig	Hoyer	Monson
Crane	Hubbard	Montgomery
Crockett	Huckaby	Moody
Dannemeyer	Hughes	Moore
Darden	Hunter	Moorhead
Daub	Hutto	Morrison (CT)
Davis	Hyde	Mrazek
DeLay	Ireland	Murphy
Dellums	Jeffords	Murtha
Derrick	Jenkins	Myers
DeWine	Johnson	Natcher
Dicks	Jones (NC)	Neal
Dingell	Jones (OK)	Nelson
DioGuardi	Jones (TN)	Nielson
Dixon	Kanjorski	Nowak
Donnelly	Kaptur	O'Brien
Oakar	Schuette	Swindall
Obey	Schulze	Synar
Olin	Schumer	Tallon
Ortiz	Seiberling	Tauke
Owens	Sensenbrenner	Tauzin
Oxley	Sharp	Taylor
Packard	Shaw	Thomas (CA)
Panetta	Shelby	Thomas (GA)
Parris	Shumway	Torres
Pashayan	Shuster	Torricelli
Pease	Siljander	Towns
Pepper	Sisisky	Traficant
Petri	Skeen	Udall
Pickle	Skelton	Valentine
Porter	Slattery	Vander Jagt
Price	Slaughter	Vento
Pursell	Smith (FL)	Visclosky
Quillen	Smith (IA)	Volkmer
Rahall	Smith (NE)	Vucanovich
Rangel	Smith (NH)	Walgren
Ray	Smith (NJ)	Watkins
Regula	Smith, Denny	Weaver
Reid	Smith, Robert	Weber
Richardson	Snowe	Weiss
Ridge	Snyder	Wheat
Rinaldo	Solarz	Whitehurst
Ritter	Solomon	Whitley
Roberts	Spence	Whittaker
Rodino	Spratt	Whitten
Roe	St Germain	Williams
Rogers	Staggers	Wirth
Roth	Stallings	Wise
Rowland (CT)	Stangeland	Wolf
Rowland (GA)	Stark	Wolpe
Roybal	Stenholm	Wortley
Rudd	Stokes	Wright
Russo	Strang	Wyden
Sabo	Stratton	Wylie
Savage	Studds	Yates
Saxton	Stump	Yatron
Schaefer	Sundquist	Young (AK)
Scheuer	Sweeney	Young (FL)
Schneider	Swift	Zschau

NAYS—17

AuCoin	Hawkins	Perkins
Coughlin	Holt	Roemer
Dickinson	Jacobs	Schroeder
Durbin	Miller (OH)	Sikorski
Evans (IA)	Mitchell	Walker
Goodling	Penny	

ANSWERED "PRESENT"—7

Chappie	Flippo	Rose
Daschle	Oberstar	
Dymally	Robinson	

NOT VOTING—33

Akaka	de la Garza	Mazzoli
Applegate	Early	McKinney
Barnard	Feighan	Moakley
Boland	Foglietta	Morrison (WA)
Bosco	Ford (MI)	Nichols
Bryant	Gingrich	Rostenkowski
Cheney	Gradison	Roukema
Clay	Hayes	Traxler
Clinger	Heftel	Waxman
Courter	Horton	Wilson
Daniel	Lipinski	Young (MO)

□ 1120

Mrs. SCHROEDER changed her vote from "yea" to "nay."

Mr. LEVIN of Michigan changed his vote from "present" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed, without amendment, a concurrent resolution of the following title:

S. Con. Res. 12. Concurrent resolution providing for an adjournment of the Senate from February 7 or 8, 1985 to February 18, 1985, and an adjournment of the House from February 7, 1985 to February 19, 1985.

PRIVILEGES OF THE HOUSE—RESOLUTION TO SEAT RICHARD D. McINTYRE AS A MEMBER OF THE HOUSE

Mr. MICHEL. Mr. Speaker, I rise to a question of the privileges of the House, and I offer a privileged resolution (H. Res. 52) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 52

Whereas, Richard D. McIntyre won the November 6, 1984, election in the Eighth Congressional District of Indiana by 34 votes according to the certificates of election filed by the county clerks from the District's 15 counties; and

Whereas, the Indiana Secretary of State, Edwin J. Simcox, acting in accordance with his duties as set forth in the Indiana Code (Ann. Sec. 3-1-26-9), certified Richard D. McIntyre as the Representative from Indiana's Eighth Congressional District; and

Whereas the Clerk of the House stated on January 3, 1985 in opening the 99th Congress that he had "prepared the official roll of the Representatives-elect" which included McIntyre's name. The Clerk stated: "Certificates of election covering the 435 seats in the 99th Congress have been received by the Clerk of the House of Representatives, and the names of these persons whose credentials show that they were regularly elected as Representatives in accordance with the laws of their respective States and of the United States will be called." McIntyre's name was called and he cast his vote for Robert H. Michel as Speaker of the House of Representatives; and

Whereas the majority of the House of Representatives on January 3, 1985 voted in House Resolution 1 not to seat Richard D. McIntyre as Representative from Indiana's Eighth Congressional District despite has certificate of election issued pursuant to the laws of Indiana; and

Whereas House Resolution 1 is contrary to the precedents of the House of Representatives in that the holder of a certificate of election not tainted by fraud or irregularities has previously been granted a prima facie right to a seat with the final right being referred to the Committee on House Administration; and

Whereas Richard D. McIntyre received 418 votes more than Francis X. McCloskey in a recount of the ballots cast in Indiana's Eighth Congressional District pursuant to Indiana Code (Ann. Sec. 3-1-27 et seq.); Now, therefore be it

Resolved, That the Speaker is hereby authorized and directed to administer the oath of office to the gentleman from Indiana, Mr. Richard D. McIntyre.

Resolved, That the question of the final right of Mr. McIntyre to a seat in the 99th Congress is referred to the Committee on House Administration.

□ 1130

The SPEAKER. The Chair has examined the resolution offered by the gentleman from Illinois. In the opinion of the Chair, the resolution constitutes a question of the privileges of the House under article I, section 5 of the Constitution and under rule IX.

MOTION OFFERED BY MR. WRIGHT

Mr. WRIGHT. Mr. Speaker, I offer a motion to refer.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. WRIGHT moves to refer the resolution to the Committee on House Administration.

The SPEAKER. The gentleman from Texas [Mr. WRIGHT] is recognized for 1 hour.

Mr. WRIGHT. Mr. Speaker, for purposes of debate only I yield 30 minutes to the gentleman from Minnesota [Mr. FRENZEL] or his designees, and pending that I yield myself such time as I may consume.

Mr. Speaker, this motion involves a disputed election between Mr. McCloskey, the Democratic candidate, and Mr. McIntyre, the Republican candidate in the Eighth District of Indiana.

On January 3, exercising its constitutional responsibility to be the judge of elections, returns, and qualifications of its own Members, the House voted to seat neither of the contested candidates and to refer the matter to the Committee on House Administration, in order that an entire, thorough, complete inquiry might be made.

Attempt now is being made to overturn that action of the House. My motion would simply refer this motion of the gentleman from Illinois to that committee which already is moving to act in a responsible way on this contest.

To do otherwise would be to express a lack of confidence in the duly constituted committees of this House. There is no reason whatsoever, Mr. Speaker, for any Member of this House to question the integrity or the intentions of the Committee on House Administration.

That committee, exercising its jurisdiction, has on numerous occasions undertaken careful and exhaustive inquiries into elections that were contested. Never once so far as I know, certainly not in my memory, has that committee been accused of having acted in a partisan way or in any way contrary to the facts.

As a matter of fact, in the last Congress a subcommittee chaired by the gentlewoman from Ohio [Ms. OAKAR] heard the case involving the gentleman from California [Mr. PACKARD] and ruled in favor of the gentleman from California [Mr. PACKARD] a Republican Member of the House.

The committee ruled on the basis of fact, and that is how the committee will rule this year, if given that privilege. The House has referred this matter to its own House committee. To take it away from the committee now would be to express disfavor of the committee, to express our lack of confidence in the integrity of the committee and in the integrity of the House procedures.

For those reasons and for reasons which will be further elucidated, I believe this matter should be returned to that committee, this motion referred to the committee, and the committee given the opportunty to act.

The chairman of that committee has given public assurances that the committee will act expeditiously. There is no intention to delay; the intention is precisely the opposite. We intend to act soon but not sooner than the facts are in, the votes are counted, and qualified voters are given the privilege of having their votes taken into account.

Mr. ANNUNZIO. Mr. Speaker, will the majority leader yield?

Mr. WRIGHT. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. I appreciate the distinguished majority leader yielding to me.

Mr. Speaker, the Committee on House Administration is well aware of its heavy responsibility in this matter. As chairman, I have absolutely no preconceived judgments about the issues that have been raised in this contested election, or about its likely outcome.

I want to assure the Members I feel confident that I speak for the other members of the committee, as well as myself, in saying that our minds are open and will remain so until all the facts are in.

To gather these facts, I am informing the House that I have already appointed a task force, with Mr. PANETTA, of California, as chairman; BILL CLAY, of Missouri, a member; and BILL THOMAS representing the minority side on this task force.

They are prepared to move as quickly as possible toward a resolution of this unfortunate situation. For my part, I want to completely assure all of my colleagues, both sides of the aisle, the citizens of the Eighth Congressional District in Indiana, that the Committee on House Administration will conduct its investigation in a manner that is thorough, complete, fair and impartial like we have done all of these years when election matters have been referred to the House Administration Committee.

I again want to pledge to you our best efforts to uphold the trust that has been placed upon us.

Mr. WRIGHT. I defer at this time to the gentleman from Minnesota [Mr. FRENZEL] for purposes of debate only.

Mr. FRENZEL. Mr. Speaker, I yield such time as he many consume to the

distinguished minority leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker and my colleagues, I am offering this resolution to seat Rick McIntyre, the duly certified Congressman from the Eighth District of Indiana.

The resolution is conditional, pending a final outcome of the House Administration Committee's involvement in this matter.

Before I get to the specifics of the case, allow me to dwell for just a moment on some facts that put it in historic context. Our Library of Congress found that from 1920 to 1974, there were 11 occasions when a House race was won by fewer than 100 votes. Oddly enough, this is not the first time that the Eighth District of Indiana has been involved in a close race.

In a curious, historic irony, in 1930 incumbent Albert Vestall of the Indiana Eighth District, beat challenger Claude Bell by nine votes.

□ 1140

That is right. Nine votes out of 88,397 cast. Do you know what happened when Congressman Vestall won by such a tiny margin? Why his election was not even contested. But, my, how times have changed.

In the election of 1984, the people of the Eighth District of Indiana voted in another close House election. A certificate of election, based on final election night results, and the correction of two tabulating errors, was issued to Mr. McIntyre. He has since won a recount all in conformance with Indiana law, not by 9 votes, not by a count less than 100, but by 418 votes.

Mr. McIntyre is, in the eyes of the people of Indiana, a duly elected and certified representative to this House. But he is not representing the people of Indiana because this House has barred him from doing so in an unprecedented display of raw legislative power.

The people of the Eighth District of Indiana have been summarily disenfranchised.

I am therefore introducing this resolution for two reasons: First, because what is happening to the people of the Eighth District of Indiana is wrong. It is unprecedented. It is unconstitutional and it is unjust.

Second, if the majority persists in this course, the reputation of this institution will be severely damaged.

Representative Rick McIntyre, with the certificate of election given to him by the people of Indiana, has a prima facie right to take this seat.

The House Administration Committee can pursue any line of inquiries it so desires. And I do not question the integrity of that committee or any member thereof. But while this is going on Rick McIntyre is entitled to be seated by tradition, by precedent and by law. The facts dictate that Representative Rick McIntyre should be seated. Justice demands that Representative Rick McIntyre be seated.

Mr. Speaker, we cannot content ourselves, nor can the people out in the Eighth District of Indiana be content or satisfied with the caliber of their representation, simply because House Resolution No. 1 on opening day provided for a staffed office in Washington. So what. Roughly 500,000 people have no voice or vote in the 99th Congress. They have no one to speak for them like I am speaking today. Instead they have two men clamoring to speak for them. This is not representation. It is a tragedy.

I have no quarrel with that provision of House Resolution No. 1 which directed the House Administration Committee to examine this election and report its findings to the House. That is consistent with the precedents of this great body. In fact, my resolution would defer to the Committee on House Administration to make a final determination.

Specifically, the last paragraph reads:

Resolved, That the question of the final right of Mr. McIntyre to a seat in the 99th Congress is referred to the Committee on House Administration.

The language is totally consistent with section 5 of the Constitution and all of our precedents. It sets out clearly that this body can decide the final right to representation based on election results.

We also have a law—the contested elections law—which provides the mechanism by which a candidate can question the results of an election. If there is cause for questioning an election—I mean real cause, not closeness, we have had close elections, but real cause—then Mr. McCloskey could have filed a grievance under this law.

Mr. McCloskey did not file. One has to ask why?

One final point. The same law has another purpose: To insure that the citizens of Indiana or any other State are represented in this body while a contested election is being resolved by the House Administration Committee. Here again, the law is being ignored. You cannot get away from that fact. There is a void here, a vacuum, no representation.

We always have provided heretofore that there is representation here while the House Administration Committee follows its course.

We have had an official recount. Are we now going to be told this afternoon that that recount is invalid? When will this ever cease to happen? When will we go back to judging these issues by procedures rather than by politics?

Back in my hometown of Peoria, a former Member of this body, Abe Lincoln, once said:

No man is good enough to govern another man without the other's consent.

And it can be applied to the case before us.

The majority is, in effect, seeking to govern the people of the Eight District of Indiana and of the State of Indiana without their consent.

I would ask Members of the majority to reconsider while there is still time and while the reputation of this House can still recover.

Mr. Speaker, I would ask that Members cast a "no" vote on the motion offered by the gentleman from Texas [Mr. WRIGHT].

Mr. FRENZEL. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Texas [Mr. SAM B. HALL, JR.].

Mr. SAM B. HALL, JR. Mr. Speaker, let me say at the outset I do not like at all to be placed in the position that I am today with my party. I am doing this because I think what we are being asked to do today is not right. I have no feeling against either one of these gentlemen. I do not know them. I know that the House Administration Committee will do a fine job in what it is constitutionally appointed to do.

My only thought is this. I wish my colleagues to listen to me for just a moment on some dates.

This election was held on November 6. Between November 8 and November 21, Mr. McIntyre filed a petition to recount votes in eight counties. On November 27, Mr. McCloskey filed a suit to enjoin Mr. McIntyre from having a recount on the basis that the House of Representatives had the exclusive right to determine its membership and that the State of Indiana did not have the right to declare an election contest. Also, the second count in that petition was that the secretary of state be ordered to certify him, Mr. McCloskey, as a winner.

Now, this was a Federal court case. It was filed in November 1984. Judge Brooks wrote an opinion on December 7, 1984. Here is what he said. He refused to grant the relief sought by Mr. McCloskey against Mr. McIntyre. He said that he could not find any reading in the statute which gave the right of the Congress to take over the right of a contested election contest in a State. He said it in this opinion.

He also stated that he was not going to mandate that the secretary of state certify a winner. Although he did say rightfully so, that the secretary of state had a continuing obligation.

He says:

In my reading of the Statute, it says that he has a continuing duty to recertify at any time the totals that are given to him, I think, he has a duty to recertify those totals, whatever the outcome may be.

Now, no one is questioning—certainly I am not—we are not questioning the right of the House Administration Committee to do what it is constitutionally mandated to do.

□ 1150

The only position I am taking here today is that we, in my opinion, do not have the right to refuse to seat Mr. McIntyre. He has been certified. He has been certified twice by the secretary of state as the winner. I do not know whether he is the winner or whether he is not. That is not the point.

We had the same type of situation, Adam Clayton Powell. Many of you are familiar with that case. The Supreme Court of the United States reversed a lower court and a circuit court, which held that we had the right to eliminate or expunge him from the membership in this body. The Supreme Court held we did not have that right and mandated that we put him back, which we did.

Mr. JACOBS. Mr. Speaker, will the gentleman yield on that point?

Mr. SAM B. HALL, JR. Let me finish, please.

Mr. JACOBS. The gentleman is misstating the case. Will the gentleman yield on that point?

Mr. SAM B. HALL, JR. No, sir; I am not misstating. You read it.

Mr. JACOBS. I wrote a book about it. The gentleman is misstating the case.

Mr. SAM B. HALL, JR. Mr. Speaker, in the case that we have here today, we have language by this judge dealing with this specific point, and I read it. I am reading on page 3 of his opinion:

So, they updated that. They mention specifically—

Talking about the Federal Contested Election Act, which was passed in 1969—

That it completely overhauls and modernizes election contest procedures in the House. But nowhere does it refer to any change in the intent to preempt the States from holding their own recounts.

That has been decided.

I think the gentleman from Virginia, Mr. Abbitt, it was his testimony, and he is the one who introduced it, said that it is:

Pure and simple, they are prescribing a procedural framework for the prosecution, defense, and disposition of contested election cases patterned upon the Federal Rules of Civil Procedure.

Now, listen to this next sentence:

One of the other Congressmen says that a question occurs to me as to whether the Committee has dealt with the question of whether or not the certified winner of a general election would be seated pending the outcome of the contest.

That is the question we have got here today.

Here is what the judge said:

I think Mr. Abbitt says, "We did not intend to change any basic rule of law. This is purely and simply a procedural matter * * *.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. SAM B. HALL, JR. May I have an additional 1 minute?

Mr. FRENZEL. I yield the gentleman 30 seconds.

Mr. SAM B. HALL, JR. Now, when you go back to the basic rule of law, that is that this Congress has a mandate to seat a person if he has been certified as the winner.

It is up to the House Administration Committee to make a determination as to whether or not in the future that he is or is not the winner.

I would say that if this were reversed, if Mr. McCloskey were in the same shape that Mr. McIntyre is in, he would have the same right to be seated while the House Administration Committee works its will.

I certainly think that this gentleman should be seated.

Mr. WRIGHT. May I have a statement of the time, Mr. Speaker?

The SPEAKER. The gentleman from Texas [Mr. WRIGHT] has 24 minutes remaining; the gentleman from Minnesota [Mr. FRENZEL] has 17½ minutes remaining.

Mr. WRIGHT. Mr. Speaker, I yield 3 minutes to the gentlewoman from Ohio [Ms. OAKAR] the chairman of a subcommittee of the Committee on House Administration.

Ms. OAKAR. I thank the majority leader for yielding.

Mr. Speaker, I subscribe to the fact that this is an issue that transcends this election. This is an issue that, in my judgment, directly points to whether or not the House Administration Committee has the integrity to be fair. We voted to send the results of this election to the House Administration Committee, and our chairman is very distinguished.

Now, in the last session I had the dubious task, believe me—it is not the kind of task one seeks—to chair a task force on a contested election. It was already mentioned. The gentleman from California, a Republican Member, was being challenged in terms of whether or not the election was fair. On the committee we had the gentleman from Washington, who is a Democrat, and we had the gentleman from California [Mr. THOMAS] who was also from California and Republican. No one challenged the makeup of the committee, no one challenged whether or not we would be fair. And this election was called the most serious election violation—in southern California—in the history of that area of the State.

Mr. WALKER. Mr. Speaker, will the gentlewoman yield?

Ms. OAKAR. I only have 3 minutes. If the gentleman would like to give me some time, I would be happy to extend to him that courtesy.

We had very, very serious allegations. There was the allegation that there was a mass conspiracy to deface voting booklets because one of the candidates was a write-in candidate. Fraud, theft were also alleged.

Now, we worked on this election for many, many hours. We sent our legal staff to California directly to look at the evidence, in fact. They came back with massive amounts of reading material that I personally read, and, believe me, I had better things to do with my time. And I personally, after having an extensive hearing, made the recommendation—and I am as partisan as anybody in this House—that the Republican Member continued to be certified. And that was the recommendation I initiated to my committee members.

Now, there was not one Democrat on that House Administration Committee—and, by the way, the chairman at the time was a Democrat from California, who voted against our recommendation. The House Administration has been distinguished by its fairness.

Now, I want to say to my colleagues that we are not only dealing with a contested election here.

The SPEAKER. The gentlewoman's time has expired.

Ms. OAKAR. We are dealing with the view that——

May I have 30 seconds, Mr. Majority Leader?

Mr. WRIGHT. I yield 30 seconds additionally.

Ms. OAKAR. What we are dealing with is the integrity of a committee that is objective. And that also should be counted in your vote. Do you trust the House Administration Committee to be fair?

And I suggest to you that it has always been fair and will continue to remain so and can be objective in this election, in discussing and deciding the results of the McCloskey/McIntyre contested election.

Mr. PICKLE. Mr. Speaker, will the gentlewoman yield to me?

Ms. OAKAR. I do not know if I have further time.

Mr. PICKLE. Would the gentleman yield the gentlewoman 1 extra minute?

Mr. WRIGHT. I yield the gentlewoman an extra minute for the purpose of yielding to the gentleman from Texas.

Ms. OAKAR. I yield to the gentleman from Texas.

Mr. PICKLE. I see nothing wrong about referring this to the House Administration Committee. It is a serious question. And most of us are not familiar with all of the facts and have difficulty in passing judgment with some finality.

I am concerned, though, that if you refer this to the House Administration that it might be interpreted as a final act and a final delay, and the people, then, of Indiana, it would seem to me, from the district would be entitled to some representation.

Would the gentlewoman tell me, the chairman of the subcommittee, would

she promise the House that that subcommittee would have a report back to us within 30 days, within 40 days, within some specific time? If we could have that assurance, I would say that it is perfectly proper for us to look into it. But without that assurance, I have grave doubts that we are proceeding in the right channel.

Can the gentlewoman tell us she would report to the House?

Ms. OAKAR. I am not on the task force at this time. I think that is a question for the chairman of the Committee on House Administration. But I can tell you this, that the individuals on that task force will proceed as expeditiously as possible, knowing how important it is to the House.

Mr. PICKLE. From this Member's standpoint, I see nothing would keep us from giving a report of finality within 30 or 40 days, and I would expect that if some motion were made at that time, we ought to look at it again.

Ms. OAKAR. That might be possible.

Mr. FRENZEL. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Indiana [Mr. MYERS].

Mr. MYERS of Indiana. Mr. Speaker, the more I read the more I understand why the opponents of self-government don't like us to bring up the case of Adam Clayton Powell.

The U.S. Supreme Court ruled in Powell versus McCormack that "the House is without power to exclude any Member-elect who meets the Constitution's requirements for membership." How did the Court arrive at this landmark decision? By studying the history that made this rule an essential part of the Constitution.

First, the Court studied John Wilkes, the Englishman who kept getting elected by his constituents to the House of Commons, even though the House would not seat him.

As it turns out Wilkes had quite an impact on the American colonists, who sought his advice and took as one of their slogans, "Wilkes and Liberty." Their critics called them Wilkites; they called themselves Sons of Liberty.

In fact, Wilkes and his exclusion from Parliament symbolized to colonial America, King George III's attitude about the thing the colonists craved most: self-government.

What a coincidence, then, that on the same day, John Wilkes argued against the blockade of Boston Harbor, he argued to expunge the record of his exclusion. On the exclusion issue he said:

If . . . his constituents should differ in opinion from the majority of this House, if they should think him fit to be reelected, he ought to be admitted, because he claims his seat under the same authority by which every member holds the privilege of sitting and voting here, a delegation from the people, their free choice. . . . They are the fountain of this power. We exercise their right. By their representation only we are a House of Parliament. They have a right of choosing for themselves, not a majority here for them.

If you can reject those disagreeable to a majority, the House of Commons will be self-created and self-existing. . . . The consequences of such a principle are dangerous in the extreme. A more forcible engine of despotism cannot be put into the hands of a minister.

Convinced that the *Wilkes* case influenced the framing of our Constitution, the Court turned next to the drafting debates, where James Madison argued strongly against giving Congress any power to exclude Representatives chosen by the people. He warned that "artificial distinctions may be devised by the stronger in order to keep out partisans of the weaker faction."

What were those artificial distinctions on January 3 that were devised to keep out Rick McIntyre while the gentleman from Idaho, whose election was formally contested, was seated?

The time of day that McIntyre election certificate was issued;

A Member's opinion that Indiana's ballot validation laws are too complicated; and

The false statement—and we all know it to be false—that the McIntyre certificate was based upon a partially completed recount.

Why weren't you told on January 3, Mr. Speaker, that Mr. McIntyre's certificate was issued when—and not until—the secretary of state had received all 15 original and correct county election certificates, and that the McIntyre certificate had nothing to do with the recount?

Why weren't you told on January 3, Mr. Speaker, that a Federal court in Indiana—with a judge appointed by President Carter—had already ruled that there had never been a basis to declare Mr. McCloskey the winner, and that the secretary of state of Indiana had acted lawfully and properly in withholding a certificate until Gibson County corrected its own arithmetic?

Why weren't you reminded on January 3, Mr. Speaker, about the debate right here in this House on the Federal Contested Elections Act? Did you remember the assurance given us—and all Americans—by the manager of the bill? Here it is, Mr. Speaker:

Mr. BLACKBURN. This action would not be construed as changing the present precedents, which are to the effect that the certified winner will take his seat pending the outcome of the contest?

Mr. ABBITT. It does not affect the basic law one iota. It is merely intended to expedite the hearings so that the matter can be brought to a resolution as quickly as possible.

Is this why former Congressman McCloskey did not file a contest in compliance with the Federal Contested Elections Act? Or was it because he had no basis to file?

Speaking of floor debates, a lot of history was made right here in this body relating to Adam Powell on the question of who composes this body, the voters at home or Congress itself. In fact, one of our colleagues thought it was historic enough to write a book about it. It is called "The Powell Affair, Freedom Minus One.'

In the opening pages, the author takes us back to the debate on the original resolution to exclude Mr. Powell.

Where can we Americans who still crave self-Government and liberty find protection today, Mr. Speaker? Can we find it in this body?

Mr. Speaker, I ask you and the gentleman from Indiana who wrote this beautiful book to listen to what the author himself said so persuasively in that same debate:

Mr. Speaker, those who do not study history are ill-equipped to make it. One lesson of history is that those of authority who have made historic decisions on the basis of the emotions of the moment, quite often were the ones who hindered our heritage of freedom . . .

Mr. Speaker, we of this Select Committee . . . found jealous regard in the Constitution for the fundamental right of the people of a congressional district to choose their own representative without permission from the people of any other congressional district; and we found that in this case the better part of wisdom is to preserve a fundamental right of freedom by not setting aside the choice, wise or unwise, of the people of Mr. Powell's district . . .

Mr. Speaker, we concluded that Mr. Powell is not entitled to the things this House has to give . . .

But, Mr. Speaker, there is one thing that the House cannot give, and that is an appointment to represent the people of the 18th district of New York. This is the one office for which no Congress, no governor, only the governed can make a choice.

In my judgment, the better part of wisdom cries out against tinkering with the fundamental right of the people to choose their representative . . .

Finally, Mr. Speaker, we are not holding a popularity contest.

Mr. JACOBS own reflection on article 1, section 5 appears on page 10:

Any high school civics student knows that Article 1 of the United States Constitution provides, "Each House shall be the Judge of the Elections, Returns, and Qualifications of its own members." But surely in a constitutional democracy such a provision could not be interpreted . . . to confer upon a legislative body unlimited power to abrogate a decision by the electorate. Or could it?"

He quotes our beloved colleague, the gentleman from Arizona [Mr. UDALL]:

Mr. Powell appears before us today with a certificate of election which is just as good as yours or mine. . . . His people said that they wanted him to be their Congressman . . .

I say that this [issue] is about fair play to the people Adam Powell represents. There are 450,000 people—American citizens—in Manhatten who are represented by this man. They have said that they want him to be their Congressman. You might not have

made that choice, and I might not have made It. But they want him . . .

I am prepared to let him sit and vote for them until we have a fair hearing . . .

Our colleague author tells us in his book that he was confronted by a young black who asked him, "Do you believe the Congress of the United States is going to apply a double standard * * * with regard to Adam Clayton Powell?" "I hope not," our author answered. "And I must say, I disagree sharply with the action taken on January 10."

Does the gentleman from Indiana disagree then with the action taken on January 3, 1985? Did the Congress of the United States apply a double standard with regard to Rick McIntyre? Will people—American citizens—from the author's own State be denied a voice in Government because of it?

Toward the end of his book, our author quoted extensively from the debate on a later vote to continue excluding Powell. Hear what he wrote about the speech by a member of Madison's "weaker faction," Mr. Wiggins of California:

That every American could find protection in the precedent that we recommended [i.e., seating Powell], was underscored by what Chuck Wiggins said next:

"I might add, Mr. Speaker, that as a member of the minority party, I have good reason to reject the notion that my seat is subject to the whim of the majority of seated members."

□ 1200

Mr. WRIGHT. Mr. Speaker, I yield 5 minutes to the distinguished dean of the Indiana delegation, the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in opposition to the Michel resolution.

The question before us is of the highest significance: Who will represent the people of Indiana's Eighth District in Congress? The answer to that question ought not to be decided on partisan grounds.

On January 3, 1985, the House of Representatives voted to seat neither Mr. McIntyre nor Mr. McCloskey until the Committee on House Administration exercised the House's constitutional power and conducted its own review of the eighth district congressional race.

That was not a radical decision, nor was it unprecedented. We did the fair and reasonable thing to protect the voters of the eighth district, and to preserve the integrity of the House and its constitutional prerogatives.

Let me summarize briefly the reasons for our action on January 3:

First, it was impossible on that date to tell who was the winner of the election. The race was simply too close to call. We could have seated one man or the other, only to unseat him later if the final results showed a new winner. That action indeed would have been radical, and would have served neither the interests of the eighth district residents nor the ideals of regularity and continuity in the electoral process.

Second, it seemed likely on January 3, that the recounts then in progress would do little to help us determine who actually received more votes. The regrettable fact is that the recounts were being conducted under haphazard and inconsistent rules.

Third, article I, section 5 of the U.S. Constitution says that "Each House shall be the Judge of the Elections, Returns, and Qualifications of its own Members." This was not an election for a State or county position. We were not bound by rules adopted by State or local recount commissions. This was a Federal election, and the Constitution imposed on us the responsibility to conduct our own investigation and reach our own conclusion.

Fourth, our action on January 3 was based squarely on House precedent. I refer to the *Roush-Chambers* case, which is a clear and controlling precedent. There have been statements that *Roush-Chambers* is distinguishable and should not apply. Those statements are simply not correct. The record of the *Roush-Chambers* debate plainly reveals a strikingly similar set of facts. Mr. Chambers was the only claimant to the seat who had a certificate from the Indiana secretary of state. There are repeated references in the debate to the "duly certified Member from Indiana." Yet, because the outcome of the election was still in doubt, the House refused to seat Mr. Chambers notwithstanding his due certification. The precedent of that case is that the House may scrutinize the certificate of election and, under unusual and compelling circumstances, reject it.

Now we are asked to reverse our decision of January 3. But there is no good reason to do so. In fact, the reasons for waiting until the committee has inquired and reported are more compelling than they were a month ago. Consider them briefly:

We still cannot honestly say whether it was Mr. McIntyre of Mr. McCloskey who received more votes on November 6. Even though they have been completed, recounts conducted under 15 different sets of rules, under an Indiana statute that the Republican leadership of the Indiana Senate says is "obsolete" and which the Indiana Legislature is now reforming, should not satisfy us. We do not yet know the winner in this chaotic process which led eventually to the disqualification of nearly 5,000 ballots. And we should not guess.

Some ballots were invalidated in some counties because they did not carry the handwritten initials of poll clerks. In other counties such ballots were counted. Other ballots were thrown out in some counties because they did not have precinct numbers written on them. In other counties such ballots were counted. Still other ballots were canceled merely because of the masking tape on the envelopes in which they were stored. A disproportionate number of all disqualified ballots—about 20 percent—were cast in three predominantly black precincts in the Evansville area.

Ballots were disqualified in nearly every county on the basis of some technical deficiency. There was not even a semblance of uniformity in the application of the disqualifying rules. In case after case after case, ballots were not counted even though they would have been perfectly good had they been cast a few miles away in another county. Such an extraordinary, haphazard, and inconsistent procedure for judging close elections should not be the manner of election to this House, and should not be accepted by this House.

Most of us are not comfortable with any procedure that disenfranchises large numbers of citizens. We are especially uncomfortable when we think that the disenfranchisement may change the outcome of an election. We should not favor election procedures that ignore the clear intent of the voter or otherwise compromise the electoral process.

In my view, there are four guidelines for action that should be recommended to the Committee on House Administration:

First, fair and reasonable recount rules should parallel Indiana law and practice as closely as possible. We should not attempt to get around Indiana law or practice, though we must acknowledge that they are not always clear enough to be determinative.

Second, the rules must be designed to protect against electoral fraud. The authenticity of ballots is basic to the fairness of any election. We must be assured that each ballot was cast properly.

Third, we should do our best to safeguard the voting franchise and respect, whenever reasonably possible, the participation of voters. The recount rules should include every ballot from which the intent of the voter can reasonably be discerned. The House has traditionally applied principles which serve to give effect to the reasonably discernible intentions of the voters. That precedent should be followed here.

Fourth, the rules must be applied uniformly throughout the counties of the eighth district.

I really do not know how the application of such a set of recount rules would affect the outcome of the eighth district race. Partisanship should be no concern of ours in this case. We ought to be worried about

the will of the eighth district voters and the integrity of our own actions.

We should permit the Committee on House Administration to discharge its constitutionally mandated function using fair and reasonable rules of uniform application. Accordingly, I urge you to vote against the Michel resolution.

Mr. MICHEL makes three basic arguments to support his resolution to seat Mr. McIntyre. These arguments are:

First, Mr. McIntyre won the election on election night and was properly certified at that time by the secretary of state;

Second, Mr. McIntyre won the election based on the now-completed recounts, and as a result now holds a valid certificate from Indiana;

Third, there is no House precedent for our refusal to seat Mr. McIntyre.

Let me respond briefly to these arguments:

First, Mr. McIntyre did not win the election on election night. The 15 original certificates, submitted by the 15 county clerks to the Indiana secretary of state, gave Mr. McCloskey a 72-vote margin of victory. The Indiana secretary of state, in violation of Indiana statute, refused to certify Mr. McCloskey. His refusal was based on rumors of error in the returns from one county, Gibson. However, there is nothing improper on the face of that return, and there is nothing legally improper in the return. Indiana law (I.C. 3-1-26-9) gives the secretary of state no discretion to reject returns from the county clerks. He is not empowered to act on rumors, but is required to certify the election based on the face of the returns. Those fifteen original documents show McCloskey to be the winner.

Several days after the election, Mr. McIntyre requested that the ballots from Gibson be sealed until they could be examined to determine the source of the discrepancy in the vote totals. The ballots were opened and examined by the Gibson County recount commission. Based upon that recount, the Gibson County clerk issued an amended certification. The secretary of state immediately certified Mr. McIntyre the winner on the basis of the recount in Gibson County alone. The secretary of state subsequently refused to change that certification each time new vote totals produced by recounts in other counties showed Mr. McCloskey to be the winner.

Mr. Michel states that a Federal district court judge upheld the secretary of state's action. In fact, the judge stated that the secretary of state frustrated the processes for resolving the election by failing to certify anyone based on the original returns.

Second, The House should not accept the results produced by the county recounts. The regrettable fact is that 15 different county recount commissions adopted and applied their own sets of rules. There is not the slightest semblance of uniformity from county to county in the way these rules were applied. Ballots disqualified in one county would have been perfectly good had they been cast in another county. The effect of this haphazard application of rules is that nearly 5,000 ballots were disqualified districtwide. Such a procedure is improper for judging elections, and we should not accept it.

Mr. MICHEL and Mr. FRENZEL erroneously contend that Indiana law requires such a hodgepodge of rules. But rules relating to punchcard ballots were applied inconsistently in counties which used punchcards, just as the rules were applied inconsistently in the counties which used paper ballots. Indiana law regarding the distinction between punchcard and paper ballots is confusing in any case. As an example of this confusion, the Indiana General Assembly refused to recognize a distinction between the two types of ballots when it recently judged an election to the Indiana House of Representatives.

Mr. MICHEL himself lists instances in which inconsistent rules were applied. He attributes these inconsistencies to partisan actions designed to disqualify votes for Mr. McIntyre. Inconsistent rules were applied to disqualify votes for both Mr. McIntyre and Mr. McCloskey. The House should not be concerned for whom a disqualified ballot was cast. The House should be concerned with protecting voters. We should attempt to give equal worth to the legitimately cast ballots disqualified to Mr. McIntyre's detriment as we do to the legitimately cast ballots disqualified to Mr. McCloskey's detriment.

Third, our action on January 3 was based squarely on House precedent. There is no meaningful distinction between this case and the *Roush-Chambers* case. The record of debate in *Roush-Chambers* plainly reveals a strikingly similar set of facts. The important fact from that case is that Mr. Chambers was the only candidate for the seat who was ever certified by Indiana. There is no mention in the debate of any certificate for Mr. Roush, but there are repeated references to the "duly certified Member of Indiana" (Mr. Chambers). Both Mr. Chambers and Mr. McIntyre were the only claimants who held certificates. Yet the House refused to seat both men until the Committee on House Administration has exercised the House's constitutional power to judge the election, notwithstanding their certificates. In compelling situations, the House may refuse to accept a certification from the State. The haphazard disenfranchisement of 5,000 voters is compelling justification.

□ 1210

Mr. FRENZEL. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from Maryland [Mrs. BENTLEY].

Mrs. BENTLEY. Mr. Speaker, as the representative of the Republican freshman class of 1984, I am here to point out that appearances are deceiving in the election contest in Indiana's Eighth Congressional District. A member of our class has been certified twice by his State and yet he is being denied his right to join us as a voting Member on the floor of the House of Representatives.

What may appear to be just a case of a contested seat, with both sides putting forth arguments to support the seating of their candidate, goes much deeper than that. Whatever the momentary advantages to the majority, seating the loser on the cynical basis of sheer force will open a Pandora's box of evils on both the Nation and on the entire Congress.

In recent years, individual Members of the Congress have brought disrepute on this body by their private actions. By seating the candidate who got the few votes, the House will now bring itself into disrepute as an institution for a base political motive.

The other party sheds crocodile tears about fairness until they see an advantage in being unfair. For years they have claimed to be the party of electoral reform, except in this body. What the majority party in this House is attempting here is both to play in the game and to referee it.

Can this be the view of the judicial function to serious people? To judge a matter does not involve being a witness. It does not allow creating facts. It certainly does not imply the creation of rules after the game is over.

The majority cannot base its position on the contested election statute. It cannot base its position on the facts. It cannot base its position on the law in Indiana, and of prime importance, it cannot base its position on the vote results in the Eighth District of Indiana. Its sole recourse is to its presumed power in having the votes to force an also-ran into a seat he had not been given by the voters of his district.

Mr. WRIGHT. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland [Mr. MITCHELL].

Mr. MITCHELL. I thank the gentleman for yielding this time to me.

Mr. Speaker, I listened very carefully to the arguments advanced by the minority leader and they were persuasive. I also listened very carefully to SAM HALL. I have a great deal of respect for both of those gentlemen. However, both failed to mention another dimension in this problem which clearly makes it a compelling issue and, therefore, forces the House to do what it must do. It is because of that

compelling dimension, I must vote against your motion Mr. MICHEL, and I would urge my other colleagues to do so.

The compelling dimension for me is what appears to be a flagrant, venal violation of civil rights. Now, argue all you want, but that is an issue for me and it ought to be an issue for you if you care about this country.

The reason I raise this issue is that in Vanderburgh County we have seen some strange rules apply. Some of the ballots were rejected because the poll worker initialed them instead of a judge. Some of them were rejected because the poll worker initialed them at one point and later the judge initialed them before taking them to the election board. But the interesting thing is that of the counties involved, of the five precincts involved, two were concentrated in the black areas in the fourth ward. That is where the area of concentration was.

I would assume that there must be action taken by those local black citizens to protect their right to vote. It strains credulity to assume that these different standards were applied in those areas in Vanderburgh County as opposed to other counties where there are not concentrations of black voters.

That is the compelling reason why I think the House must act as it will act. That is the compelling reason why I cannot support Mr. MICHEL's or Mr. HALL's position. We are talking about the most fundamental right in this country, the thing that every President and every Congress and every elected official has urged us to do: Get people to get out and exercise their right to vote.

I suggest to you that anything that trammels or diminishes the right to vote for a given category of people is grossly violative of the principles for which we should stand. So I would urge my colleagues, if for no other issue, to vote for the majority leader's motion on the issue of the compelling problem of civil rights violations.

Mr. FRENZEL. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Michigan [Mr. VANDER JAGT].

Mr. VANDER JAGT. I thank the gentleman for yielding this time to me.

Mr. Speaker, the essential facts in this case are very simple, straightforward, and undisputed. Complexity and confusion serve the purpose only of those who would obscure the truth, because I honestly believe that when the truth is known and understood, you will vote to seat Rick McIntyre this afternoon, as we should have January 3.

Of course you are partisan Democrats, even as we are partisan Republicans. Of course you would like to protect one of your own and would reach as far as you reasonably can to do so, even as we would.

□ 1220

But I believe—no, I know that you are Americans first, and I believe when the crunch comes and the facts are known, you will subordinate partisanship to two centuries of precedents in this, the greatest deliberative body that the world has ever seen, noted even more for its fairness than its partisanship. I believe that when the crunch comes, you will vote not to sacrifice truth, justice, and fairness on the altar of partisanship, even though you have the votes to do it once the facts are known, because once the facts were known and understood by a county Democratic judge, by a Democratic Federal district judge, and by a bipartisan Indiana Supreme Court, the judges ruled unanimously in favor of Rick McIntyre, rejecting the arguments that have been raised so eloquently here today, and the ruling was upheld that Rick McIntyre was the duly certified winner in the Eighth Congressional District.

Once the facts were known to recount commissioners on the county level, three-fourths of whom were Democrats, Rick McIntyre was the winner of that recount by 415 votes. In fact, in Vanderburgh County there were 2,500 votes disallowed in predominantly blue-collar white precincts, to which McCloskey made no objection before on the same basis there were 1,000 votes disallowed in the black precincts. As a matter of fact, if you put back in every vote that was disallowed in the recount by counties, 11 out of 15 which were Democratic, McIntyre wins by 34 votes.

No matter how partisan you are, you cannot escape four undisputed simple facts. First, on election night results, Rick McIntyre was the winner.

Fact No. 2: On the basis of completed and corrected totals from the counties, all of them certified to the secretary of state as complete and correct, McIntyre was the winner and was so certified.

Fact No. 3: On the basis of the recount, McIntyre is the winner by 450 votes.

And fact No. 4: For two centuries, in 82 out of 82 cases, when there was a disputed election, the individual who had the due certificate of election from that State was seated pending the resolution of the controversy or of the recount.

Now, the case has been made that there is one exception, and in that exception from Indiana there were two people who showed up, each of them had a certificate of election, and the House wisely said, "You both stand aside until we can figure out which has the valid certificate of election from that State."

It is a little bit like an umpire in a baseball game calling "Strike three, you're out." No matter how much you might disagree with the call on that pitch, it stands because the umpire is duly authorized to make that call. Now, in elections, unlike in baseball game, there is an appeals process called recount or referral to the House Administration Committee, and that is fine. But the original call by the duly authorized umpire or official of that State stands until such time as there is an overwhelming case to reverse that original decision, a case beyond on testimony, not press releases, on evidence taken under oath, not on charges and claims.

It seems to me that we have a clear-cut case here of whether or not we are going to undo a mistake that was made on January 3 when, for the first time in two centuries, we refused to seat a duly authorized winner.

The majority made the case on January 3 that "We can't seat him because there is a recount that is in process, and it would be premature," and the argument was made very persuasively that we ought to wait until the recount is over. The recount is over, the final count is in, and McIntyre is an even bigger winner. That excuse is gone.

Mr. Speaker, let us seat him as we should do under the Constitution.

Mr. WRIGHT. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. JACOBS].

Mr. JACOBS. Mr. Speaker, first I would like to correct the first fact of my friend, the gentleman from Michigan, that on election night the Republican candidate was declared the winner. The fact——

Mr. VANDER JAGT. Mr. Speaker, will the gentleman yield?

Mr. JACOBS. Of course not. I only have 2 minutes.

Mr. VANDER JAGT. You just made a misstatement of fact as to what I said. Could I correct it?

The SPEAKER. The gentleman from Indiana [Mr. JACOBS] controls the time.

Mr. JACOBS. Mr. Speaker, is this the same gentleman who was calling for fairness? I only have 2 minutes.

The fact is that 15 counties certified their votes and Mr. McCloskey was the winner by 72 votes. The fact is that the Republican secretary of state——

Mr. VANDER JAGT. Mr. Speaker, will the gentleman yield?

Mr. JACOBS. Mr. Speaker, could I have regular order, please? I did not badger the gentleman from Michigan when he was stating his facts.

The fact is that the secretary of state waited until a correction was made in one county before certifying. The fact further is that he certified before the recount was done.

Another fact is that in the Indiana State Legislature right now there is a contested election, and in that contested election the House of Representatives has thrown out the very rules on which this recount relied and counted all the votes and seated the Republican by a majority of Republican votes in the State house of representatives.

The other fact is about Powell versus McCormack. I have great affection for the gentleman from Texas, and I am sure the error was unintentional, but Powell versus McCormack turned on whether the House of Representatives, by a simple majority vote, could refuse to seat a person whose votes were not in contest, whose citizenship of the State from which he was elected was not in contest, and whose citizenship of the United States for 7 years, as provided by the Constitution, was not in controversy. The controversy was whether he was a good guy or a bad guy, and the U.S. Supreme Court held that the House of Representatives by a simple majority vote could not make that judgment, they would have to do it by a two-thirds vote. The only judgment they could make by a simple majority vote would be who got the most votes and whether the person was qualified in the other two respects I mentioned.

Let me finally say this, Mr. Speaker: I have been disillusioned today. I have always had a profound respect for my Republican friends and their cold efficiency, if nothing else, and to think that they would have to disenfranchise 5,000 of my fellow Hoosiers in order for their man to win by only 400 votes is disillusioning.

Mr. FRENZEL. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from California [Mr. THOMAS].

Mr. THOMAS of California. Mr. Speaker, I feel compelled to take the well as a member of the task force charged under House Resolution 1 to get to the bottom of this election question in Indiana's Eighth District.

On January 3, a prudent person could well have taken a wait-and-see attitude and said, "Give Indiana the benefit of the doubt, let them recount, don't seat anyone for the time being." today that process is behind us. Indiana has recounted. Today the prudent choice is to seat Mr. McIntyre conditionally pending the outcome of the task force's investigation, which for me will be guided by a requirement that the political chips will fall where they may.

Mr. Speaker, for me, my personal integrity, this institution's integrity and my oath of office are at stake. If we seat Mr. McIntyre conditionally, this House loses nothing. Our power is absolute in this area. But when you exercise absolute power, you should be absolutely sure.

By voting not to seat today, you repudiate Indiana's recount statutes; you repudiate the citizens of Indiana, white and black, Republican and Democrat, who participated in that recount procedure; you condemn them without a hearing; you reject Indiana's efforts as unfair, corrupt, biased, or prejudiced without letting them present their case.

This is what the task force is supposed to do and will do. Let us examine the facts in an orderly forum under an orderly process. Would you want anything less for your State and your people?

If you know that the election and the recount in Indiana's Eighth Congressional District was so flawed by design or accident as to be repudiated now on this floor, then vote no to seat. But if you do not know with absolute certainty, if you think that an orderly investigation of the facts, at no risk to this institution and its powers, is the very minimum that you would want for your State and your people, then you must vote to seat Mr. McIntyre.

□ 1230

Seat Mr. McIntyre conditionally and let those of us narrowly charged with the awesome duty of protecting our free and fair vote do so in a forum where everyone's rights can be fully exercised. A vote to seat protects all of us. A vote not to seat puts us all at risk individually, institutionally and constitutionally. When you vote, ask yourself, are you absolutely sure.

Mr. WRIGHT. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS. Mr. Speaker, I am outraged by the disenfranchisement of 5,000 black voters in Indiana during the Indiana election under discussion today. These uncounted votes came from three to four election precincts which were predominantly black. It is obvious which candidate would have gained these votes. Thus, it is equally obvious which party was responsible for not counting them.

I believe that this act of disenfranchisement is more important than even the final disposition of the House seat in question. For it does not matter who serves in Congress if all the people are not permitted their constitutional right to vote.

I am particularly angered by the fact that black votes were singled out as the ones that did not count. This has happened so many times in our history—yet I refuse to accept this injustice.

At best, the inconsistent and contradictory standards applied by some of the 15 counties in the recount were the result of inadvertant mistakes on the part of election officials. At worst, they are a blatant attempt on the part of the Republicans to steal the election.

If House Democrats wanted to be partisan, they could have seated Frank McCloskey on January 3 on the basis of his winning margin on election night. We did not do that. Instead, we referred the matter to the House Administration Committee.

In doing so, the House has simply fulfilled its constitutional responsibility to judge the elections, returns, and qualifications of its own Members. The House is not imposing any additional qualifications on its Members, and is therefore in compliance with the Supreme Court's rulings on this matter.

Instead by referring this matter to committee, the House is attempting to make certain that the election procedures were fair and that the candidate receiving the most votes is seated. I have complete faith that the House Administration Committee will act with speed and integrity to decide which candidate in this contested election actually received the most votes.

Have we returned to the days of poll taxes, property requirements for voting, and other ruses to keep the black community's voice from being heard? Are we back again at the days of Jim Crow?

No, we are not returning to the methods of the past but, just the same, I fear we are going back to the discrimination that has so colored voting rights in this Nation.

Haven't we learned that we cannot take away any citizen's vote without threatening every citizen's vote? If Indiana throws out black votes today, who can predict what State will throw out the votes of another group in the next election.

This is truly a frightening precedent that the vote counters in Indiana set back on November 6, 1984. It will not go unnoticed or unchallenged. Black and all other voters will not be disenfranchised for anybody's political advantage.

Listening to this debate, I am greatly disturbed by this unjust attempt to deny Representative McCloskey his seat in Congress. It is the Republicans, not the Democrats, who are distorting the election results and recount process for partisan advantage.

Mr. WRIGHT. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. LAFALCE].

Mr. LAFALCE. Mr. Speaker, we must act as judges rather than as partisans in this case. That is why I called up BOB MICHEL's office and said, "Send me every piece of information you have on this case so I can sit as a judge rather than as a partisan."

There is one issue, and it is not whether we should seat Mr. McIntyre permanently, but whether we should seat him temporarily, and I understand that.

It is my judgment we ought not to. There are precedents going each way,

precedents where we have seated individuals temporarily and where we have not.

What are the deciding factors in this case which should lead us not to seat him? I think two.

First of all, the certification in question that we are dealing with, except that Mr. McIntyre won by about 400 votes or so, came after this House voted to give jurisdiction on the issue to the House Administration Committee, and I do not think we should be backtracking.

Second, it is the nature of Indiana's law and practices. The fact of the matter is that they do have approximately 15 different standards. Given the conjunction of those two circumstances that we already assumed jurisdiction prior to this certification and the fact that they used 15 different sets of standards in determining the merit of the various ballots chosen, we ought not to seat temporarily. We ought to wait until the House Administration Committee judiciously renders its final nonpartisan decision.

● Mr. FRENZEL. Mr. Speaker, the minority in this House is accustomed to being kicked around by majority Democrats. In the more than 14 years I've been here, that's been the rule in everything we do.

Republicans who make up 42 percent of the House get only about 20 percent of its committee staff. The majority Democrat caucus has demanded extraordinary majorities on all committees. At one time they required a 2-to-1-plus-1 ratio on conference committees. That meant Republicans who never had less than 35 percent of the House frequently had less than 25 percent representation on conference committees.

This session, the committee ratios have been improved, but the most important committees, Ways and Means, Appropriations, and Rules still have indefensible, distorted committee ratios designed to cheat Republicans out of whatever modest victories they have won in the last election. Yesterday the minority on Judiciary Committee had to walk out of committee to dramatize the spiteful 2-to-1-plus-1 ratio on subcommittees.

Our House procedures are slanted to keep the minority suppressed. Probably alone among parliamentary bodies, the House allows its committees to do business with less than a 50-percent quorum. The minority's right to demand a quorum on the floor has been substantially reduced.

When minority amendments to appropriations bills were occasionally being passed, majority Democrats made such amendments out of order. When other Republican amendments looked attractive, the majority used its 2-to-1-plus-1 majority on the Rules Committee to pass rules foreclosing debate and limiting amendments.

These abuses of majority control are just the way things are here. Most Democrats don't even think about it. They think the minority was created to be abused by the majority. They don't think of their conduct as abusive. They think it is the natural order.

Against this historical background of suppression comes the McIntyre case. I suspect most Members don't know much about it. Democrats who don't understand the facts and fundamentals did, and may again, simply blindly follow their leadership in the mistaken notion that this is just another opportunity to slap down the minority.

But this isn't just another case. It is the ultimate abuse of representative government in our Republic. A member-elect of this House, duly elected and certified under State laws of Indiana—then duly recertified and reaffirmed by a careful recount process under a recent State law—has been denied his seat.

His constituents have been abused and insulted. The State of Indiana has been abused and insulted. This House has been degraded. The Constitution has been defiled.

And to what purpose? Plain and simple, it is to steal an election. The purpose is to take unlawfully a seat in Congress from a Republican who won it, so that the seat can be given to a Democrat who lost the election.

On January 3, I called this a naked abuse of power by an arrogant, ruthless majority. After the completion of the recount, the majority leader's motion seems to make that description a timid one.

Make no mistake about it. That was no procedural vote on January 3. This is no simple procedural vote today, nor is it a little partisan kick at the minority to keep it from acting uppity. It's a supervote, a blockbuster.

It's a vote where each of you can sustain, or overturn, an atrocity, a rape of our fundamental theory of elective government. The vote on January 3 was unprecedented. The new precedent the House set then puts every seat in every State where the election was close in jeopardy.

That vote pitted the House majority Democrats against the people of Indiana, the State of Indiana, and against the very foundations of this Republic. The people, the State, and the Republic lost.

When historians write about this case, it will probably be subtitled, "The House versus the State of Indiana." But, after this precedent, it could be any State, mine or yours. In my judgment, this case should be titled, "House Democrats versus Elective Government."

On January 3 I gave some examples why this case differed markedly from the Roush case. I repeat them now for the record: First, there is a clear certificated winner here; second, there is no question about who won; third, there are no allegations of fraud; fourth, there has been no contest filed under our FCEA; fifth, there is a modern recount law and it has affirmed the McIntyre victory; sixth, the House now has a FCEA.

Derchler's precedents clearly identifies the Roush case (ch. 8-16.2) as one where a certificate of election was contradicted. If anyone believes the Roush case is a reasonable precedent, it can only mean they have not studied either case, or the events which occurred in between.

No amount of partisan sophistry can erode the fact that Congressman-elect McIntyre was elected on November 6—that he received an election certificated from the State of Indiana—and that he should be seated. No other Member of this House has been denied a seat when the certification process has been clear and unchallenged.

Then came the clincher. On February 5 this House was officially notified that a recount, under the laws of the State of Indiana, supervised by judges in each of the 15 counties, conducted by recount commissioners chosen by the courts, has been completed. The secretary of state writes that the recount reaffirms the earlier certification of Congressman-elect McIntyre.

During the debate on January 3, proponents of the resolution to deny McIntyre his seat, said the situation was confused because a recount was in process. I wasn't a bit confused. But, if any other Member was, there ought to be no need for confusion now after the recount.

Having lost the election, having lost the attempt to confuse the election result by claiming victory before corrected county returns were filed, and having lost the recount, election stealers are, of course, still trying to spread more confusion.

They say Republicans controlled and subverted the recount in nefarious ways. That doesn't wash because the county judges appoint recount commissioners. In Vanderburgh County, in which most changes were made in the recount, and in which McCloskey forces allege shennanigans, the Democrat county judge selected 2 Democrats and 1 Republican as recount commissioners.

The most aggressive Democrat commissioner there insisted on strict compliance with Indiana law. Hundreds of ballots, particularly absentee ballots for McIntyre, were declared invalid without a peep out of the McCloskey forces. Later, when several hundred ballots in black precincts were invalidated because the law requires punch card ballots to carry precinct numbers, the McCloskey forces wailed that Republicans had done something wrong.

The problem here is that everytime the McCloskey crowd cries foul, its allegations are promptly refuted, but it then promptly raises another specious complaint. That's ridiculous. The burden of proof is not on McIntyre. He was elected. He was certified.

The burden of proof is on the loser. The loser has only blown smoke. He has not put forward convincing proof that the McIntyre certificate and reaffirmation is flawed. He lost first in the election, then in court, and then in the recount. The only place he can win is in this House, and only then if the House majority Democrats are shameless enough to declare a loser the winner.

The district court's response to McCloskey is instructive here. The court said if it looked at all the county reports, McCloskey loses. If it looked at the Gibson recount, he loses. His remedy lies in the Federal Contested Elections Act.

Despite what the court told him, McCloskey did not file a contest under that act. He did not do it because he had no case. Instead, he is now trying to frustrate that act by appealing to his friends in the House majority. The only way he can succeed—through confusion.

It's hard to be unemotional, dispassionate, and calm while being mugged. If I sound emotional, it is because I am. This is not garden variety, minor league suppression of the minority. This is not run-of-the-mill partisan game playing. This is murder.

If you don't understand this vote, please find someone who can explain it to you. Some of you are going to be terribly embarrassed, and not just by the lawsuits that will inevitably follow a vote to deny again the seat legally won by Richard McIntyre.

Please think about what representative government means. Then vote to seat this lawfully elected Congressman.●

● Mr. LOTT. Mr. Speaker, in reviewing House precedents, I went back to volume one of Hinds' Precedents which was published in 1907. There you will find in chapter 18 case after case after case in which the precedent is upheld, and I quote, that "The House admits on his prima facie showing and without regard to final right, a Member-elect from a recognized constituency whose credentials are in due form and whose qualifications are unquestioned."

But in reading over those earlier cases, the more human and institutional aspect of this precedent was brought home in the debates of those who have preceded us in this Chamber. Perhaps the most compelling case was an 1871 challenge in which someone objected to the seating of a minority party Member, even though his credentials were in order. A Member of the majority party, Congressman Dawes of Massachusetts, who served on the elections committee, rose in the well to defend the temporary right of his challenged minority party Member to a seat. To quote from Congressman Dawes' remarks:

Sir, I, as the organ of the Committee on Elections for twelve years, have time and again so stated . . . that the certificate of a Member, where there was no allegation against his eligibility, of his lack of loyalty, or other ineligibility, entitled him to be sworn in.

Mr. Dawes went on, and again I quote:

It has been the struggle during all these disturbed times of that Committee on Elections to hold to the precedents and to the law against passion and against prejudice, so that if the party should ever fall into a minority, they should have no precedent of their own making to be brought up against them to their own great injury.

My colleagues, what are we doing here? What about the constitutional right of the people of the Eighth District of Indiana, to have a representative in the body? Where will it end? Will winners of close elections summarily not be seated if he or she is of the wrong party? Will it eventually extend to positions taken in campaigns, or primary results? Mr. Speaker, it is wrong not to seat Congressman-elect McIntyre.

And Mr. Dawes concluded his remarks by beseeching his majority party colleagues, and I qoute:

Now, with nothing to be gained, but with everything to be lost, by the precedent now sought to be established, I entreat the House to adhere to the ancient rule.

Mr. Dawes prevailed in that instance as the House voted 42-147 against the motion not to seat the challenged Member.●

Mr. FRENZEL. Mr. Speaker, how much time do I have?

The SPEAKER. The gentleman has 2½ minutes remaining.

Mr. FRENZEL. Mr. Speaker, I yield myself the remaining time.

GENERAL LEAVE

Mr. FRENZEL. Mr. Speaker, I ask unanimous consent that all Members may be allowed 5 legislative days in which to revise and extend their remarks on the item of business presently under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. FRENZEL. Now, Mr. Speaker, there is not time to do everything. First let us talk about the 5,000 invalidated votes that Republicans stole; 96 percent of the invalidated votes in the recount were done by a recount commission appointed with 2-to-1 Democrats, by a Democrat judge, hardly a Republican shenanigan.

With respect to the allegation of the gentleman from Indiana [Mr. HAMILTON] that there are different rules, of course there are different rules. If the gentleman knew his own State law he would know they have rules for paper ballots, punchcards, and machines. Six counties were on punchcards, six were on machines, and three on paper ballots. Of course they were different.

With respect to the disenfranchisement of black voters, the judge, the Democrat judge, instructed the 2-to-1 recount commissioners on Indiana law and on the Supreme Court decisions which related to it.

Punchcards, when they do not have anything on them other than a punch in Indiana have got to be thrown out. That law was followed scrupulously.

Finally let me say that all these items are smoke being blown over the problem by the McCloskey forces. McIntyre has no burden of proof. He won. McCloskey has the burden of proof. He lost the election. He lost in district court and he lost the recount. The only way McCloskey can win is if he confuses his cronies so that they violate the laws of the United States and the State of Indiana and vote him into the Congress.

This is not a procedural vote. It is not a vote on the integrity of any committee. It is not the usual political squabble. It is not just Democrats picking on Republicans so the suppressed minority will not get uppity.

This is a blockbuster vote. This is murder. This is a rape of a system. The issue is the ultimate abuse of representative government. We have an elected, certified Member.

Mr. WRIGHT. Mr. Speaker——

Mr. FRENZEL. Mr. Speaker, I did not yield to the gentleman. Was he making a point of order?

The SPEAKER. The Chair would probably understand, as does the gentleman, what the gentleman from Texas was doing. He was questioning whether the words should be taken down or not. But no point of order was made.

The gentleman from Minnesota will continue.

Mr. FRENZEL. Mr. Speaker, may I ask the Speaker if I might get an appropriate amount of time extra, as the gentleman from Texas did?

The SPEAKER. The gentleman will continue.

Mr. FRENZEL. I thank the Speaker. If I may continue.

The SPEAKER. The remarks of the gentleman from Texas are not taken out of the time of the gentleman from Minnesota.

Mr. FRENZEL. Mr. Speaker, an elected certified Member of Congress whose certification has been reaffirmed by a recount under the appropriate State law has been voted once in an atrocity perpetrated by this House not to take the seat which he himself won. If we reaffirm that outrage today we are bringing further shame upon the House.

I would ask, I would beg, I would implore every Member of the House to look at the facts. Forget about your partisan inclinations. Think about what representative government means to you. Think about what your constituents think when they cast a vote for you or for your opponent in an election.

Having completed that meditation, I would respectfully request and suggest that every Member of this House vote down the motion to refer and to vote to seat Rick McIntyre, the rightful winner in Indiana's Eighth District election.

The SPEAKER. The time of the gentleman from Minnesota [Mr. FRENZEL] has expired.

The Chair recognizes the gentleman from Texas [Mr. WRIGHT].

Mr. WRIGHT. Mr. Speaker, there has been a veritable rhetorical orgy attempting to portray what is being done here today and what was done on January 3 as the theft of an election or as some surreptitious attempt to seat a Democrat because he is a Democrat. Let us get it real clear.

We are not trying to seat anybody today. We are trying to allow the orderly procedures of the House to be followed. This House voted on January 3 that the matter should be referred to the House Committee on Administration. It was so referred.

Now, lest anybody think that committee, which has an unblemished record for nonpartisanship, plans any delays in its findings, I want to yield to the chairman of that committee or to the gentleman from Washington [Mr. FOLEY] who is a member of that committee to give us assurances that it intends to act and report back if possible within 45 days.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield for that purpose, I do.

Mr. ANNUNZIO. Mr. Speaker, as the gentleman knows, in an earlier statement I have instructed this task force to move as quickly as possible toward a resolution of this unfortunate situation. As chairman of the full committee, I have already consulted with the gentleman from California [Mr. PANETTA], our colleague, who is chairman of the task force, and I have asked him not only to move as quickly as possible toward a resolution of this problem, but to complete its work within 45 days on or before April 30.

Mr. WRIGHT. Mr. Speaker, I thank the gentleman for that assurance.

Mr. PANETTA. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I will yield to the gentleman who is the chairman of the subcommittee.

□ 1240

Mr. PANETTA. I thank the gentleman.

Mr. SPEAKER. For what purpose does the gentleman from Indiana rise?

Mr. MYERS of Indiana. Mr. Speaker, I ask for a parliamentary inquiry.

The SPEAKER. Will the gentleman yield for that purpose?

Mr. WRIGHT. I do not yield for that purpose, Mr. Speaker. I have already yielded to the gentleman from California who is chairman of the task force investigating this election contest.

The SPEAKER. The gentleman from California will kindly stand at the microphone and be on his feet.

Mr. PANETTA. I thank the gentleman for yielding. I had not intended to speak on this issue because I have the responsibility on the task force to look at this issue. I consider this one of the most serious responsibilities that I have assumed since becoming a Member of this institution.

It is my approach that this matter will be handled expeditiously and on a bipartisan basis because we do have to set common procedures and determine the vote.

I am in concurrence with the chairman and have indicated to the chairman that it is our intent that within 45 days to attempt to report back to the House, assuming that we have cooperation within the task force.

Mr. WRIGHT. I thank the gentleman for that statement.

Mr. Speaker, I want to address myself in the few remaining moments to the questions that have been raised.

First is a statement on the part of the minority that somehow we are breaking precedent. That, of course, is not true. It is not the first time we have refused to seat either claimant, notwithstanding the possession by one of a certificate.

In 1961, in the contest between Roush and Chambers, it was stated clearly on the House floor by the then minority leader, Mr. Halleck from Indiana, that Mr. Chambers has a certificate of election from the State of Indiana and should be seated. In that case the House wisely chose to seat neither Mr. Chambers and Mr. Roush, and pursuant to the inquiry and the counting of all of the votes, Mr. Roush was declared the due winner.

Citing Deschler's Precedents:

Thus the adoption of House Resolution 1 automatically nullified the certificate of election which had been issued by the Governor of Indiana.

Further citing Deschler's Precedents, and I think this is vital:

Although the House of Representatives generally follows State law and the rulings of State courts in resolving election contests, this is not necessarily so with respect to the validity of ballots where the intention of the voter is clear and there is no evidence of fraud.

What is at issue here today is the insistence of the House Administration Committee that all ballots of all qualified voters—Republican, Democrat, or what have you—shall be counted. That is a sacred right.

This is an unusual case. More than 5,000 voters were systematically disenfranchised upon often flimsy technicalities. Now, is it not important that those 5,000 voters shall have their ballots counted? I do not know who the winner will be. I do not think members of the committee know who the winner will be.

The gentleman from Michigan [Mr. VANDER JAGT] has asserted that if all of the ballots are counted then Mr. McIntyre will be the winner. If that is the case, so be it. But let us have the ballots counted. That is the most sacred thing available in this democracy of ours.

Let me cite some more precedents from law, the very State of Indiana itself. The Indiana Supreme Court has held that a precinct clerk's initials do not need to be inscribed on a ballot; yet many of these uncounted ballots were disallowed on that ground. The Indiana State Legislature, acting very recently, overruled an earlier local election commission ruling in another contest. The legislature held that strict adherence to this requirement was unfair to the voters.

These people have been disenfranchised through no fault of their own, Mr. Speaker. I should like to recite the precedent in Moss versus Rhea, which held in another case that the failure of the clerks to initial the ballots was a mistake of which the voter himself was not a participant, and that the ballots should be counted.

Further, from McCrary, a Treatise on the Law of Elections, 1897:

Acts of election officials are merely directory and the voter will not be disenfranchised for failure of these officials to perform their duty.

Further, in the case of Taylor versus England, 6 Cannon's Precedents, and this is a critical case:

The House of Representatives should not consider itself obligated to follow the drastic statute of the State of West Virginia,

another instance of another State,

under the provisions of which all ballots not personally signed by the clerks of election in strict compliance with the manner prescribed had been rejected, but should retain the discretionary right to follow the rules of endeavoring to discover the clear intention of the voter.

That is what is sacred. That is what is at issue. The intent of the voter, and his or her right to be counted.

If we declare a winner today before those votes have been counted, then we will be ratifying decisions which disenfranchised more the 5,000 Indiana voters.

No question has been raised so far as I am able to discern, but that those voters were qualified voters. No question has arisen alleging fraud. The

voters came to the polls. They voted. Thousands of their votes were disallowed. That is the question which requires a committee investigation and findings.

The SPEAKER. All time has expired.

Mr. WRIGHT. Mr. Speaker, I move the previous question on the motion to refer.

PARLIAMENTARY INQUIRY

Mr. FRENZEL. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. FRENZEL. Mr. Speaker, my inquiry is will the Speaker protect my request to strike the intrusion into my discussion by the distinguished majority leader, the gentleman from Texas [Mr. WRIGHT], under Deschler's Precedents, and this is volume 8, section 24.65, which says that—

A Member desiring to interrupt another in debate should address the Chair for permission. If the Member having the floor declines to yield, he may strike from the record.

The SPEAKER. As to the remarks of the gentleman from Texas [Mr. WRIGHT], which were not a point of order in view of the fact that the gentleman from Minnesota [Mr. FRENZEL] had the time and did not yield to the gentleman from Texas [Mr. WRIGHT], the remarks of the gentleman from Texas [Mr. WRIGHT] will not be printed in the RECORD.

Mr. FRENZEL. I thank the Speaker.

The SPEAKER. The question is on ordering the previous question.

The previous question was ordered.

The Clerk will report the motion to refer.

The Clerk read as follows:

Mr. WRIGHT moves to refer the resolution to the Committee on House Administration.

The SPEAKER. The question is on the motion to refer offered by the gentleman from Texas [Mr. WRIGHT].

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 221, nays 180, answered "present" 1, not voting 30, as follows:

[Roll No. 9]

YEAS—221

Ackerman	Bevill	Byron
Addabbo	Biaggi	Carper
Alexander	Boggs	Carr
Anderson	Boner (TN)	Chappell
Andrews	Bonior (MI)	Coelho
Annunzio	Bonker	Coleman (TX)
Anthony	Borski	Collins
Aspin	Boucher	Conyers
Atkins	Boxer	Cooper
AuCoin	Breaux	Coyne
Barnes	Brooks	Crockett
Bedell	Brown (CA)	Daniel
Beilenson	Bruce	Darden
Bennett	Burton (CA)	Daschle
Berman	Bustamante	Dellums
Derrick	Kastenmeier	Robinson
Dicks	Kennelly	Rodino
Dingell	Kildee	Roe
Dixon	Kleczka	Roemer
Donnelly	Kolter	Rose
Dorgan (ND)	Kostmayer	Rostenkowski
Dowdy	LaFalce	Rowland (GA)
Downey	Lantos	Roybal
Durbin	Leath (TX)	Russo
Dwyer	Lehman (CA)	Sabo
Dymally	Lehman (FL)	Savage
Dyson	Leland	Scheuer
Eckart (OH)	Levin (MI)	Schroeder
Edgar	Levine (CA)	Schumer
Edwards (CA)	Lloyd	Seiberling
English	Lowry (WA)	Sharp
Erdreich	Luken	Shelby
Evans (IL)	Lundine	Sikorski
Fascell	MacKay	Sisisky
Fazio	Manton	Slattery
Flippo	Markey	Smith (FL)
Florio	Martinez	Smith (IA)
Foley	Matsui	Solarz
Ford (MI)	Mavroules	Spratt
Ford (TN)	McCurdy	St Germain
Fowler	McHugh	Staggers
Frank	Mica	Stallings
Frost	Mikulski	Stark
Fuqua	Miller (CA)	Stratton
Garcia	Mineta	Studds
Gaydos	Mitchell	Swift
Gejdenson	Mollohan	Synar
Gephardt	Montgomery	Tallon
Gibbons	Moody	Tauzin
Glickman	Morrison (CT)	Thomas (GA)
Gonzalez	Mrazek	Torres
Gordon	Murphy	Torricelli
Gray (IL)	Murtha	Towns
Gray (PA)	Natcher	Traficant
Guarini	Neal	Udall
Hall (OH)	Nelson	Vento
Hamilton	Nowak	Visclosky
Hatcher	Oakar	Volkmer
Hawkins	Oberstar	Walgren
Hayes	Obey	Watkins
Hefner	Olin	Weaver
Hertel	Ortiz	Weiss
Howard	Owens	Wheat
Hoyer	Pease	Whitley
Hubbard	Penny	Whitten
Huckaby	Pepper	Williams
Hughes	Perkins	Wirth
Hutto	Pickle	Wise
Jacobs	Price	Wolpe
Jenkins	Rahall	Wright
Jones (NC)	Rangel	Wyden
Jones (TN)	Ray	Yates
Kanjorski	Reid	Yatron
Kaptur	Richardson	

NAYS—180

Applegate	Davis	Hiler
Archer	DeLay	Hillis
Armey	DeWine	Holt
Badham	Dickinson	Hopkins
Bartlett	DioGuardi	Hunter
Barton	Dornan (CA)	Hyde
Bateman	Dreier	Ireland
Bentley	Duncan	Jeffords
Bereuter	Eckert (NY)	Johnson
Bilirakis	Edwards (OK)	Kasich
Bliley	Emerson	Kemp
Boehlert	Evans (IA)	Kindness
Boulter	Fawell	Kolbe
Broomfield	Fiedler	Kramer
Brown (CO)	Fields	Lagomarsino
Broyhill	Fish	Latta
Burton (IN)	Franklin	Leach (IA)
Callahan	Frenzel	Lent
Campbell	Gallo	Lewis (CA)
Carney	Gekas	Lewis (FL)
Chandler	Gilman	Lightfoot
Chappie	Goodling	Livingston
Cheney	Gradison	Loeffler
Coats	Green	Lott
Cobey	Gregg	Lowery (CA)
Coble	Grotberg	Lujan
Coleman (MO)	Gunderson	Lungren
Combest	Hall, Ralph	Mack
Conte	Hall, Sam	Madigan
Coughlin	Hammerschmidt	Marlenee
Craig	Hansen	Martin (IL)
Crane	Hartnett	Martin (NY)
Dannemeyer	Hendon	Mazzoli
Daub	Henry	McCain
McCandless	Regula	Snowe
McCollum	Ridge	Snyder
McDade	Rinaldo	Solomon
McEwen	Ritter	Spence
McGrath	Roberts	Stangeland
McKernan	Rogers	Stenholm
McMillan	Roth	Strang
Meyers	Rowland (CT)	Stump
Michel	Rudd	Sundquist
Miller (OH)	Saxton	Sweeney
Miller (WA)	Schaefer	Swindall
Molinari	Schneider	Tauke
Monson	Schuette	Taylor
Moore	Schulze	Thomas (CA)
Moorhead	Sensenbrenner	Vander Jagt
Myers	Shaw	Vucanovich
Nielson	Shumway	Walker
O'Brien	Shuster	Weber
Oxley	Siljander	Whitehurst
Packard	Skeen	Whittaker
Parris	Slaughter	Wolf
Pashayan	Smith (NE)	Wortley
Petri	Smith (NH)	Wylie
Porter	Smith (NJ)	Young (AK)
Pursell	Smith, Denny	Young (FL)
Quillen	Smith, Robert	Zschau

ANSWERED "PRESENT"—1

Panetta

NOT VOTING—30

Akaka	Early	Morrison (WA)
Barnard	Feighan	Nichols
Bates	Foglietta	Roukema
Boland	Gingrich	Skelton
Bosco	Heftel	Stokes
Bryant	Horton	Traxler
Clay	Jones (OK)	Valentine
Clinger	Lipinski	Waxman
Courter	McKinney	Wilson
de la Garza	Moakley	Young (MO)

□ 1300

Mr. REGULA changed his vote from "yea" to "nay."

So the motion to refer was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT AS ADDITIONAL MEMBERS OF PERMANENT SELECT COMMITTEE ON INTELLIGENCE

The SPEAKER. Pursuant to clause 6(f), rule X, and clause 1, rule XLVIII, the Chair appoints as additional members of the Permanent Select Committee on Intelligence, the following Members of the House:

Mr. STUMP of Arizona;
Mr. IRELAND of Florida;
Mr. HYDE of Illinois;
Mr. CHENEY of Wyoming;
Mr. LIVINGSTON of Louisiana, and
Mr. MCEWEN of Ohio.

OMNIBUS INTELLIGENCE AND SECURITY IMPROVEMENTS ACT

(Mr. STUMP asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STUMP. Mr. Speaker, today, I have introduced the Omnibus Intelligence and Security Improvements Act, a bill to improve our ability to conduct intelligence activities and to protect national security secrets. The bill consists of 10 titles, each making specific

changes in the law to improve the security of the United States.

In the past 4 years, under the leadership of President Reagan, Congress has shouldered the responsibility of enacting legislation to improve the security of the Nation, including the Intelligence Agency Information Act. In addition, a considerable number of administrative authorities for intelligence agencies were enacted, contributing greatly to the security and efficiency of U.S. intelligence activities. The Congress has also approved substantial increases in funds requested by the President for intelligence and counterintelligence activities.

A great deal has been accomplished, but a great deal more remains to be done. Congress must act to improve even further the ability of this country to ensure its security, consistent, as always, with our fundamental beliefs and principles.

Mr. Speaker, I have introduced the Omnibus Intelligence and Security Improvements Act as the first step, by this Congress, toward building on the improvements made in our Nation's security over recent years. I urge my colleagues to examine the bill carefully, and to support its enactment.

A summary of the bill follows:

OMINBUS INTELLIGENCE AND SECURITY IMPROVEMENT ACT—SUMMARY

TITLE I—RECURRING INTELLIGENCE AUTHORIZATION PROVISIONS CODIFICATION ACT

Title I of the bill codifies as permanent law a provision which has been included in past fiscal years in the intelligence authorization acts. The provision ensures notification to appropriate committees of Congress of expenditures by U.S. intelligence agencies in excess of program authorizations. Placing the provision permanently in the National Security Act of 1947 avoids the potential problem of lapse of the provision between the end of a fiscal year and the enactment of an intelligence authorization act for the following fiscal year.

TITLE II—INTELLIGENCE OR LAW ENFORCEMENT DEFENSE PRETRIAL NOTIFICATION ACT

Title II of the bill amends the Federal Rules of Criminal Procedure to require a defendant to give notice prior to trial if he intends to claim in his defense that he was, or believed he was, acting on behalf of a federal law enforcement or intelligence agency at the time of the alleged offense. In recent years, the number of cases in which defendants have falsely claimed at trial to have been working secretly for a U.S. intelligence or law enforcement agency has increased dramatically. Title II of the bill would eliminate the element of surprise and allow for a full and fair trial of such claims.

TITLE III—FOREIGN COUNTERINTELLIGENCE INVESTIGATION IMPROVEMENTS ACT

Title III of the bill will improve the ability of the United States to defend itself against espionage by the agents of hostile foreign powers. Title III amends the Right to Financial Privacy Act to improve Federal Bureau of Investigation access to bank records for counterintelligence investigations. Title III also amends the Internal Revenue Code to give the FBI access to the tax return and return information of agents of foreign powers. Finally, Title III amends the State Department Basic Authorities Act to ensure that travel within the United States by foreign diplomatic personnel to high technology areas is clearly consistent with U.S. national security.

TITLE IV—FEDERAL EMPLOYEE UNAUTHORIZED DISCLOSURE OF CLASSIFIED INFORMATION ACT

Title VI of the bill amends title 18 of the United States Code to establish as a federal crime the intentional unauthorized disclosure of classified information by a federal employee. Currently, such disclosures are *per se* criminal offenses only if the classified information concerns communications intelligence and cryptographic information, the identities of covert U.S. intelligence agents, or atomic energy restricted data. Title VI will establish criminal penalties for unauthorized disclosure of the other types of information whose disclosure can reasonably be expected to cause damage to the national security. By virtue of Title VI, disclosure of U.S. national security secrets by U.S. personnel, who have voluntarily assumed positions of high national trust, would be subject to criminal penalties.

TITLE V—FEDERAL POLYGRAPH AND PREPUBLICATION REVIEW LIMITATION ACT

Title V of the bill would regulate the use of polygraph examinations and prepublication review requirements by the United States government with respect to federal employees. The legislation restricts substantially the use of these security techniques, while carefully preserving their use in sensitive intelligence, security and special access programs and, in certain circumstances, in law enforcement investigations.

TITLE VI—ESPIONAGE AND TREASON CAPITAL PUNISHMENT PROCEDURES ACT

Title VI of the bill amends title 18 of the United States Code to establish constitutional procedures to implement the existing death penalty provisions of statutes punishing espionage and treason. In 1972, the Supreme Court struck down the application of the death penalty because of the way in which it was applied. Title VI of the bill will provide constitutional procedures to permit imposition of the death sentence in appropriate cases for espionage and treason.

Title VI provides for a separate sentencing hearing, after conviction for espionage or treason, to determine whether to impose a sentence of death. The jury, or, if the defendant and the government so agree, the judge, will consider a number of mitigating and aggravating factors to determine whether, in the particular facts and circumstances of the case, the death sentence is warranted. Title VI also provides expedited procedures for appellate court review of a sentence of death.

TITLE VII—FOREIGN INTELLIGENCE SOURCE IMPROVEMENT ACT

Title VII of the bill amends the Central Intelligence Agency Act of 1949 to permit the President to naturalize a maximum of five persons per year admitted to the United States for permanent residence under the existing provisions of the CIA Act because of their critical contributions to the security of the United States. Title VII would enable the United States to use the potential for U.S. citizenship as a strong inducement to highly placed individuals in hostile foreign countries to become U.S. intelligence sources.

TITLE VIII—INTELLIGENCE IDENTITIES PROTECTION-RELATED AMENDMENTS

Title VIII of the bill amends the existing provision of title 5 of the United States Code which terminates the federal annuity benefits of a federal employee convicted of certain national security crimes. Title VIII would include offenses under section 601 of the National Security Act of 1947, which prohibits disclosure of the identities of covert U.S. intelligence agents, among those annuity-disqualifying crimes.

Title VIII also amends chapter 119 of title 18 of the United States Code, which, among other things, provides for court orders for interception of wire and oral communications in investigations of certain national security crimes. Title VII would include offenses under section 601 of the National Security Act of 1947, which prohibits disclosure of the identities of covert U.S. intelligence agents, among those crimes for which such interception orders could be obtained.

TITLE IX—FOREIGN INTELLIGENCE SURVEILLANCE AMENDMENTS

Title IX amends the Foreign Intelligence Surveillance Act of 1978 (FISA) to extend from twenty-four hours to forty-eight hours the period during which emergency foreign intelligence electronic surveillances may be conducted on the authority of the Attorney General. Title IX also amends the FISA to permit retention and dissemination of communications constituting threats of death or serious bodily harm incidentally overheard while conducting electronic testing, training or security countermeasures in accordance with the FISA. Finally, Title IX clarifies the relationship between the authority of the government to conduct law enforcement surveillances under chapter 119 of title 18 of the United States Code and its authority to conduct foreign intelligence electronic surveillances under the FISA, by making clear that the government may proceed under either authority when both apply.

TITLE X—CONGRESSIONAL SECURITY SURVEY ACT

Title X provides for a comprehensive survey of the personnel, physical, document and communications security programs relating to classified information possessed by the legislative branch. Title IX requires the Director of the FBI to conduct the survey under the guidance of congressional leadership and to report to the leadership by January 3, 1986 with recommendations for improvement of the security of classified information in the legislative branch.

MESSAGE FROM THE SENATE

The SPEAKER. The Chair lays before the House the following message from the Senate.

The Clerk read the Senate concurrent resolution as follows:

S. CON. RES. 12

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Thursday, February 7, 1985, or Friday, February 8, 1985, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand adjourned until 12:00 o'clock meridian on Monday, February 18, 1985, and that when the House of Representatives adjourns on Thursday, February 7, 1985, it stand adjourned until 12:00 o'clock meridian on Tuesday, February 19, 1985, or until 12 o'clock meridian on the second day after their respective Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and Senate, respectively, to reassemble whenever in their opinion the public interest shall warrant it.

The SPEAKER. Without objection, the Senate concurrent resolution is concurred in. There was no objection.

A motion to reconsider was laid on the table.

ELECTION OF REPRESENTATIVE GRADISON OF OHIO AND REPRESENTATIVE MOORE OF LOUISIANA TO THE COMMITTEE ON THE BUDGET

Mr. MICHEL. Mr. Speaker, by direction of the Republican conference, I offer a privileged resolution (H. Res. 53) and ask for its immediate consideration.

The SPEAKER pro tempore. [Mr. KILDEE]. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. RES. 53

Resolved, That the following-named Members be, and they are hereby, elected to the following standing committee of the House of Representatives:

Committee on the Budget: Willis D. Gradison, Jr., of Ohio (to rank below Ms. Fiedler of California) and W. Henson Moore of Louisiana (to rank below Mr. Goodling of Pennsylvania).

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE SPEAKER TO ACCEPT RESIGNATIONS, AND TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES AUTHORIZED BY LAW OR BY THE HOUSE, NOTWITHSTANDING ADJOURNMENT

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Tuesday, February 19, 1985, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING ON WEDNESDAY, FEBRUARY 20, 1985

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, February 19, 1985, it adjourn to meet at 10 a.m. on Wednesday, February 20, 1985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

□ 1310

OBSERVERS TO THE START TALKS

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, the Speaker has named the Democratic House Members who will be observers at the START talks in Geneva.

I'm prepared to name the House Republicans who will be members of that observation team.

But before I do, I want to take this opportunity to congratulate President Reagan on his masterful handling of the arms control situation.

President Reagan has gone about this delicate task in exactly the right way. If he had listened to some of his critics, he would have made concessions to the Soviets hoping to get the Soviets back to the table after they walked away.

But he knew concessions are seen by the Soviets as weakness. So he quite wisely refrained from panicking and making unilateral concessions.

The President did not back off emplacing Pershing missiles in Europe to counter the Soviet SS-20's. But he didn't close the door to further negotiations.

The President's approach to arms control has been one of the major diplomatic success stories in post-war history.

The Soviet Union walked from the table vowing never to return.

They have returned. They are finally ready to seriously talk.

Only President Reagan's combination of firmness and flexibility could have brought these talks to this stage.

It is high time his critics publicly admit that his overall performance in this area has been excellent.

Having said that, let me now name the Republican Members to the Geneva observation team:

The gentleman from Michigan [Mr. BROOMFIELD], the gentleman from Mississippi [Mr. LOTT], the gentlewoman from Maryland [Mrs. HOLT], the gentleman from California [Mr. LAGOMARSINO], the gentleman from Missouri [Mr. COLEMAN], the gentleman from Oklahoma [Mr. EDWARDS], the gentleman from New Jersey [Mr. COURTER], and the gentleman from California [Mr. DORNAN].

NATIONAL DECA WEEK

Mr. GARCIA. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 36) to designate the week of February 10, 1985, through February 16, 1985, as "National DECA Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. LOTT. Mr. Speaker, reserving the right to object, and I do not intend to object, I would like to thank the gentleman from New York, chairman of the Subcommittee on Postal Operations and Services, for his assistance in bringing this commemorative measure to the floor.

Mr. Speaker, it is with great pleasure that I support the passage of Senate Joint Resolution 36, to designate the week of February 10–16, 1985, as "National DECA Week".

DECA, the Distributive Education Clubs of America, are found in each of the 50 States, the District of Columbia, and Puerto Rico. The superb work done by DECA with thousands of young people throughout the country richly deserves this recognition. I was very pleased to offer this resolution in the House, and I hope that my colleagues will join me in supporting this measure.

Mr. Speaker, I believe that DECA is making an indispensable contribution to the improvement of our educational system through the example they provide in vocational understanding, civic consciousness, social intelligence, and leadership development. Through professional conferences, chapter activities, school improvement projects, and support of community activities, DECA strives to ensure that America will continue to have entrepreneurs and business persons in community leadership positions.

As a member of the DECA congressional advisory board, I would like to thank my colleagues for their support of this measure as cosponsors and to the majority leader for his assistance in expediting consideration of this measure.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was not objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES. 36

Whereas members of the Distributive Education Clubs of America are playing an outstanding role in assuring the future progress and prosperity of our Nation;

Whereas it is vital in our complex society that young people trained in the field of marketing and distribution to fill the increased demand for such people;

Whereas the members of the Distributive Education Clubs of America, are young secondary and postsecondary students who are preparing for careers in marketing and distribution, and the intense interest shown by such members is an assurance that the business world will grow and improve; and

Whereas marketing and distributive education has provided the valuable service of developing leadership, encouraging cooperation, promoting good citizenship, teaching

current information, and inspiring patriotism among its members: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of February 10, 1985, through February 16, 1985, is designated as "National DECA Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs, ceremonies, and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr GARCIA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

NOTICE OF HEARING ON OCCUPANT RESTRAINT INFORMATION PROGRAM

(Mr. LEHMAN of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. LEHMAN of Florida. Mr. Speaker, as many of my colleagues know, Transportation Secretary Dole issued a new automobile passive restraint regulation last July. That rule requires automakers to install airbags, automatic seatbelts, or crash proof interiors in newly manufactured cars according to a phased schedule beginning in 1986. However, Secretary Dole left a major loophole in this requirement. If States representing two-thirds of the U.S. population pass mandatory seatbelt use laws by April 1, 1989, this rule would be automatically rescinded. That loophole is very controversial in the highway safety community and will be the subject of congressional and judicial review.

Another important feature of Secretary Dole's decision, with which I am most directly concerned as chairman of the Transportation Appropriations Subcommittee, is a proposal to spend $80 million over 4 years for a national program "to encourage safety belt use and mandatory usage laws". This significant new program was announced along with the new rule in July, 5 months after the fiscal year 1985 budget was submitted, and 2 months after appropriation hearings on that budget were concluded.

However, in view of the potential benefits of such a program, $10 million was provided in the fiscal year 1985 continuing resolution. The continuing resolution conferees agreed that this appropriation was not to be construed as giving the congressional go-ahead for this program. Its purpose was simply to allow the Department to proceed in developing the necessary program plans and justifications and to allow the Department to begin this program expeditiously if congressional approval was ultimately granted. Specifically, the conferees required that no more than $2.5 million of the $10 million could be obligated prior to further approval from the House and Senate Appropriations Committees, and that those funds could be used only for planning purposes. That intent was to prohibit actual program implementation until the Department justified this program to Congress in upcoming budget hearings this spring.

Subsequently, in response to a December request from Secretary Dole to remove these restrictions prior to any congressional hearings, the House and Senate Appropriations Committees agreed to allow the Department to spend that $2.5 million for certain relatively noncontroversial educational purposes. However, both committees reiterated the view that justification hearings needed to be held before they would consider releasing the remaining $7.5 million.

In addition to the $10 million already provided, the President's budget requests an additional $10 million as a fiscal year 1985 supplemental appropriation, and $20 million for fiscal year 1986.

With this in mind, I am taking this opportunity to announce that the Subcommittee on Transportation Appropriations will hold a 1-day hearing devoted solely to this program on February 26, 1985, in room 2358 of the Rayburn House Office Building. In view of the keen interest in this program, the subcommittee will depart from its regular hearing procedure and invite interested Members of Congress and outside witnesses to testify. A Department of Transportation witness will also be invited to testify.

Those wishing to testify should write to me in care of the House Transportation Appropriations Subcommittee, 2358 Rayburn House Office Building, Washington, DC 20515. Subcommittee staff will contact those requesters in the week prior to the hearing to schedule specific appearance times. Written statements will also be accepted for the record if received by February 26. Testimony should be limited to 10 minutes.

Testimony from witnesses focusing on the following questions would be most useful:

Do you believe this program is an appropriate use of Federal funds?

In view of the considerable activity in the States on mandatory seatbelt legislation, is there a need for this program?

What information on this subject do State legislators need that is not now available to them?

What effect will this program have on the enactment of State mandatory belt use laws?

Is this program well structured? If not, what areas are inappropriate?

What have been the results of past federally funded media efforts to promote safety belt usage?

Is the present NHTSA "networking" program to promote safety belt usage effective?

Does this program have an adequate passive restraint education component? If not, what specific activities should the Department be doing in this regard?

Do you think a $20 million per year funding level is appropriate for a program of this nature?

To assist those who may wish to testify, I am submitting for the RECORD a copy of a November 29 letter from the Transportation Secretary outlining implementation plans for this program:

THE SECRETARY OF TRANSPORTATION,
Washington, DC, November 29, 1984.

Hon. Jamie L. Whitten,
Chairman, Appropriations Committee, House of Representatives, Washington, DC.

DEAR JAMIE: As you know, an important component of the motor vehicle occupant rulemaking I announced on July 11 is an educational program aimed at increasing occupant restraint usage and the enactment of state safety belt use laws. This program will be focused at the state level with funding and technical assistance going to state coalitions, units of government and other appropriate organizations. Information about passive restraints will be an integral part of this program.

The Continuing Resolution included $10 million in initial funding for this program, with $2.5 million being released immediately for planning purposes and $7.5 million to be released after the Senate and House Appropriations Committees have reviewed the Department's program plan. We have now completed a detailed plan for the first $10 million in funding for this program, a copy of which I am pleased to transmit to you.

Our funding needs for this program are $20 million for FY 1985. However, the plan I am enclosing today includes funding only for the $10 million included in the Continuing Resolution. We look forward to discussing the details of the portion of the program which would be funded with an additional $10 million during hearings in the spring.

I will be pleased to discuss this plan with you should you have any questions. I have asked my staff to work directly with your committee staff to thoroughly review the components of the plan. Your approval of this plan is crucial to our efforts to save thousands of American lives each year through increased use of all types of occupant restraints. I very much appreciate your support of this program during the Continuing Resolution process and look forward to

working with you as we progress in this important endeavor.

With best wishes.

Sincerely,

ELIZABETH HANFORD DOLE.

NATIONAL OCCUPANT PROTECTION PROGRAM IMPLEMENTING THE FMVSS 208 DECISION

I. PROGRAM SUMMARY

Introduction

In 1983, more than half of the fatalities that resulted from automobile accidents could have been prevented. Hundreds of thousands of injuries could have been avoided. Billions of dollars of accident-related costs could have been saved. Untold human pain and suffering would have been prevented if all Americans wore safety belts or were protected by passive restraints. On July 11, 1984, Secretary Dole announced a decision that will reduce this unnecessary and tragic toll. Her decision involves a phased introduction of passive restraints in automobiles starting in 1986. In addition, Secretary Dole recognized that the quickest and least costly means to save lives and reduce injuries is to encourage use of the safety belts already in place in passenger cars. However, it is clear that voluntary use campaigns can only go so far; thus the Secretary's decision also encourages states to enact safety belt use laws.

Secretary Dole's announcement included a joint public/private sector program to promote occupant protection. This will be a grassroots effort, involving auto makers, insurers, the medical community, safety officials and organizations, and civic groups. The goal of this program is to generate the same groundswell of citizen support that toughened state and local drunk driving laws—the same kind of citizen action that made child safety seats the law in 49 of our 50 states. The program will include education about manual safety belts and mandatory use laws, as well as passive restraints.

The American public should be informed about the types of occupant protection available to them. They should know the kinds of crashes in which air bags afford protection and those where they do not. They need to know that lap belt use is still necessary in airbag-equipped cars and why automatic safety belts should not be detached. Factual information about passive restraints will be a part of our program. It should be emphasized, however, that since almost 100 percent of the nation's existing vehicle fleet is equipped with manual lap/shoulder belt systems, the primary program benefit expected will be getting people to use the effective safety belts already in their vehicles. Our role is to inform the consumer about the types of occupant protection available and encourage the regular and proper use of occupant restraints.

Polls in many states across the country find a majority of citizens are voicing support for the need for travelers to wear safety belts, and are becoming supportive of safety belt use laws. Similar momentum and attitudinal shifts came about in England, Canada, and other countries that have successfully passed mandatory use laws. New York and New Jersey have passed legislation requiring safety belt use and a significant number of additional states are expected to consider laws in 1985. The news media have begun to focus more attention on occupant protection. In addition, many organizations, such as those within the medical community, are leading a concerted effort to increase the number of people wearing safety belts.

The case for safety belt laws is persuasive. In the 29 foreign countries where safety belt use is mandatory and where statistics are available, highway deaths have declined by an average 25 percent. Similar laws in our country could save 10,000 American lives every year, and could do so far more quickly than any other course of action.

Program strategy

The specific goals of the outreach campaign are:

Save lives and prevent injuries;

Increase public awareness about the benefits of belt use and

Increase belt use;

Increase awareness of benefits of belt use laws; and

Increase understanding and acceptance of passive restraints.

To accomplish these goals requires an outreach program that educates the public about the risks involved in driving and the benefits to be gained from using occupant protection systems. The federal government's role will be to provide financial and technical assistance, to develop and help disseminate education materials, to make appropriate use of the media to heighten awareness, and to evaluate ongoing activities to aid in planning and allocation of resources.

State program assistance will demand the largest share of the resources. The cornerstone of this campaign is reaching the public with education and community-supported activities. Strong state programs are the only way to accomplish these objectives. A successful state outreach campaign will require the support and leadership of elected officials; medical, business, and volunteer organizations; and individuals working together in an organized coalition.

The New York experience is an excellent example of what a state coalition can accomplish in informing the public and utilizing an existent infrastructure to effect change. DOT will assist state coalitions to develop strategic plans to accomplish the program goals. Funds will be supplied to these states for administrative and logistical support, for program support at the community level, and for needed materials and training. This is important because the most effective public education strategies have been accomplished at the local level. The success of Mothers Against Drunk Driving (MADD) is the most recent example of creating an atmosphere conducive to change.

A second key area will be continued support for national organizations. Many national organizations have taken strong positions in support of safety belt use and passive protection. Examples include: the PTA, American Public Health Association, American Red Cross, and the U.S. Conference of Mayors. These organizations will continue to be used as conduits for safety belt and passive protection promotion across the country.

Media will be used to reach broad segments of the population within the states and nationally. Such campaigns are valuable to create heightened awareness and reinforcing educational messages. Media will be used to provide the "glue" to make other areas function more effectively and efficiently.

Lessons drawn from Great Britain's experience in conducting an effective national education campaign to increase belt use will be applied. The British were successful in increasing usage rates to 29-33% before the mandatory use law took effect by providing targeted educational messages over a sustained period of time. The Department has had discussions with officials from Great Britain involved in that campaign and with Canadian officials involved in similar campaigns.

A significant amount of money will be dedicated to evaluation and research efforts. Evaluation of innovative programs will enable all states to benefit from the experience of others. Also, national and local surveys about usage, awareness, and attitudes will be needed to measure progress and guide future planning. Market research for a wide variety of audiences will identify new, effective messages and delivery mechanisms.

In initiating the new campaign, a funding level of ten million dollars will allow for concentrated assistance in approximately ten states. States will be selected which have significant grassroots efforts in place on which to build an effective coalition. If additional funding is made available, more states will receive assistance. The need for a $20 million funding level in FY 1985 continues.

II. FUNDING SUMMARY

These resources estimates reflect a level of effort needed to support intensive activity in approximately 10 States, as well as to continue with limited national awareness activities.

	Thousands
A. State and Local Program Assistance	$4,685
B. National Organization Support	1,550
C. Media Development	1,400
D. Campaign Coordination/Integration	900
E. Research and Evalution	1,465
Total	10,000

III. PROGRAM ACTIVITIES

A. State and local program assistance

To create the necessary environment for increased safety belt use, public acceptance of state safety belt use laws and market acceptance of passive restraints, effective information and educational programs must be undertaken at the local level.

The most effective management technique appears to be use of coalitions made up of elected officials, medical, business, and volunteer organizations, similar to Governors' Task Forces on Drunk Driving. Coalitions will provide leadership, energy, credibility, and organizational support to statewide activities. New York's experience in enacting a belt use law is an excellent example of what a State coalition can do in encouraging education and the enactment of legislation.

DOT will assist individual state coalitions to develop strategic plans reflecting the needs of that State and furthering the goals of the national program. The amounts allocated for individual programs will obviously be larger in some States and smaller in others depending on size, need, and other participating organizations and resources.

Described below are areas of support and the projected budget.

State Coalition Support (Cost: $1,100K)

Coalitions will be provided funding for management and direction of statewide activities. Examples of funding include funds for a full-time coordinator or executive director, and displays for malls, fairs, and meetings. The available funding level will support an initial ten states as described on page 3.

Community Activities (Cost: $1,780K)

Local community activities will play a key role in providing face-to-face education and

grass-roots support for statewide activities. Local activities will include integrated community activities featuring education and promotional events, corporate programs, and activities by local chapters of national service organizations.

1. Community Minigrants (Cost: $700K)

Limited grants (not exceeding $10K each) will be awarded to selected communities. These funds will be used to support part of start-up costs for comprehensive program activities in these communities.

An example is Duluth, Minnesota, where $8,000 of government funds initiated a community program that brought in an additional $70,000 from local business and has so far increased belt use three-fold—from 8 percent to over 25 percent.

2. Community Management Courses (Cost: $225K)

One of the most effective means for assisting a community to implement community-wide programs is to conduct workshops for community level coordinators. The principal purpose is to teach community coordinators how to manage community programs.

Management courses will be conducted within States with coalitions to train program coordinators, recruit volunteers, manage and motivate personnel, and solicit support from the private sector (e.g., for incentive programs). Fleet purchasing of passive restraint-equipped vehicles by local governments will also be included.

3. Corporate Support (Cost: $375K)

CEO Recruitment ($100K).—State and community safety belt programs are enhanced by the active support of private businesses, their employees, and the employees' unions. Private employers can educate, provide incentives for belt use, require safety belt use by employees, and provide resources for State and community programs. In addition, union groups can play an important role in adding to the success of these campaigns. There have been many successful corporate programs developed over the last several years. Berg Electronics has achieved and maintained over a 90% usage rate for their employees and has also directed their outreach program to employee families and the community at large. Funding will be directed to seminars for both corporate executive officers and union leadership. The goal of the seminars will be to create top level support for effective corporate programs.

Corporate support will also be sought for fleet purchases of vehicles equipped with passive restraints.

Safety Officers Workshops ($275K).—A counterpart to obtaining the commitment of chief executive officers is providing training for those who implement the programs, which helps to increase chances for success. The corporate safety officer is the necessary element to implement and manage the program. These officers must also be provided orientation and education regarding safety belt programs and passive restraints. Funds will also be directed toward union education and training programs. These workshops will be separate and more detailed than the orientation provided CEO's and union leadership.

4. Military Installation Workshops (Cost: $70K)

Military installations throughout the country are excellent bases to stimulate and support State and community safety belt programs. A joint series of DOT/DOD workshops has recently been completed. This workshop series initiated a significant amount of activity worldwide for all services. A need now exists to train safety center personnel from all the services to continue the education process and to involve themselves in State and community programs. In addition, "how-to" and educational materials will be needed for local installations.

5. Network Mini-grants (Cost: $410K)

The concept of providing small grants to local level chapters of various national organizations has been an effective means for generating local activity.

In each state, local chapters of national organizations (e.g., Red Cross, PTA) will be provided with funds to (a) conduct local training and program outreach; (b) conduct needs assessment, observational surveys and administration evaluation; (c) establish and participate in community coalitions of activist groups; and (d) coordinate community efforts.

An example of an American Public Health Association (APHA) nini-grant is the "Safety Belt Motivation Program" being conducted by the State of New Mexico Health and Environment Department's San Juan County Health Office. The purpose of the project is to increase seat belt use by low-income mothers of children enrolled in the Women, Infant, and Children (WIC) program.

Public Information Workshops (Cost: $200K)

Volunteers, particularly at the community level, frequently do not have a great understanding of the media, particularly how to gain access to the media with news stories and public service announcements.

As requested by numerous state and local groups, coalition personnel, representatives from safety organizations, concerned individuals, and media representatives will be brought together in working sessions to assure that they will work together effectively in bringing messages about occupant restraints to the public. They will be provided with the tools and necessary education to enable them to become more proficient communicators.

Materials for State, Community and Corporate Programs (Cost: $300K)

Supporting State, local, corporate and service organizations involves educational materials for their programs. Materials must cover (a) a variety of messages or themes; (b) separate age groups and (c) different ethnic and socioeconomic groups. This activity will reproduce existing materials and develop and reproduce new materials on safety belts and passive restraints, such as brochures, films, training guides, prepared speeches.

Monitoring State Programs (Cost: $315K)

Knowing how usage rates and attitudes change is essential for supporting voluntary and mandatory efforts to increase belt usage and promote understanding of passive restraints. These surveys should be conducted 2-4 times each year in each state and will provide invaluable feedback for planning and revising the program.

Law Enforcement Training Workshops (Cost: $200K)

As with child safety seat enforcement, police and magistrates must be provided information about the need for safety belts and must be aware of practical, proven enforcement techniques. Law enforcement officers (and local magistrates) must have accurate information about occupant protection and the need to wear belts themselves. These workshops will convey the rationale for use laws and how other jurisdictions have addressed enforcement issues.

Legislative Seminars (Cost: $400K)

The Transportation Research Board, under NHTSA sponsorship, is conducting a legislative educational seminar to discuss model legislation, enforcement, educational needs, and the New York experience in Albany, New York, in November 1984. State legislators, executive branch personnel and other state people will be present. States represented will be Minnesota, Illinois, Missouri, Delaware, Ohio, Massachusetts, and Colorado.

State Law Implementation (Cost: $390K)

The New York state law becomes effective on December 1, 1984. NHTSA has been asked to assist in implementation activities, particularly since the effectiveness of the New York law will be of interest to other states passing laws. Assistance will also be available as appropriate to other states passing legislation.

Assist in the creative work and production of educational materials designed to inform the public about the need for wearing safety belts and the law.

Assist in developing an education package and approach for New York police and magistrates.

Develop a Mini-grant system to stimulate community based programs throughout the state.

B. National organization support (Cost: $1,550K)

A number of national organizations have taken strong, supportive positions towards safety belt use and passive protection. Examples include: the PTA, the American Public Health Association, the American Red Cross, the Conference of Mayors. These organizations can be very successful in getting belt messages out, both to their members and the people they affect. The organizations should be used as conduits for safety belt and passive protection messages across the country.

1. National Network Program Resources (Cost: $550K)

In order to manage the increased level of activity at the state and community levels in states where required use legislation is likely and to support programs elsewhere in the country, national organizations will need more resources to coordinate and administer such activities. These funds are for full-time directors/coordinators rather than for materials.

2. Statewide Organization Coordinators (Cost: $300K)

State chapters of national organizations under contract to NHTSA to conduct education nationwide can be great assets to state programs and coalitions. As the state coalitions and programs grow, it becomes more and more necessary to include state coordination and promotion of activities by national organizations under contract to NHTSA. Funds will be used to stimulate state/local chapters of national organizations to join and actively participate in statewide programs.

3. Materials for Networks (Cost: $400K)

The national networks are excellent conduits for distributing educational materials. While some materials are already available, many more will be needed, such as curriculum guides for elementary and secondary school teachers. As with other materials, in-

formation will be provided on all forms of occupant protection—active and passive.

4. Program Information Sharing (Cost: $300K)

Information must be readily available concerning (a) state groups and private sector contacts; (b) coalition and legislative activity; (c) state and community promotional activities; and (d) attitude and usage rate shifts.

The National Occupant Restraint Information System (NORIS) is being developed to provide NHTSA, states and communities and other groups with immediately accessible information relative to (a) national organization contacts; (b) local activities; (c) legislative activity in the states; (d) research and evaluation results; and (e) innovative project information.

C. Media development (Cost: $1,400K)

One of the quickest and most direct ways of getting out messages of the new national campaign to Americans across the country is through the media—television, radio, and print. Messages can be created and their communication medium targeted for various age groups, different ethnic and racial backgrounds, and even different socioeconomic levels.

Messages and themes that are developed will become part of the educational messages used in other elements of the campaign. The "theme" of a television spot may become the theme of a handout or brochure that the Red Cross makes available to individuals. The "message" of a radio spot, and its format, may become an important message in speeches given by members of a state safety belt coalition. The media development, therefore, becomes the "glue" that makes the other activities of the campaign work, both in complimenting each other and in obtaining the highest degree of effectiveness possible from those activities. The media component has been an integral part of all successful belt use programs.

Intensive media campaigns went on for several years in Great Britain prior to passage of a mandatory use law.

D. Program integration (Cost: $900K)

To ensure coordination occurs among all groups throughout the campaign, a campaign coordinator will be utilized. The coordinator will help develop an overall theme and direction for the educational efforts. This theme will be carried throughout all messages. The coordinator will also be involved in the process of strategic planning for the overall direction of the campaign.

The coordinator will be responsible for ensuring that publicized private sector educational messages are complementary and reinforcing. It is our intention to avoid duplication of private sector funding efforts, thus communication/coordination is critical.

E. Research and evaluation (Cost: $1,465K)

1. Evaluation of Innovative Programs (Cost: $250K)

As State and community occupant protection efforts continue to expand, new and innovative approaches will be introduced and implemented. As programs are established which are unique in scope, method, or application, a mechanism must exist to assess the merits and the value of these approaches. Prompt evaluation will enable all state and local programs to benefit from the experience of others.

2. National Surveys (Cost: $820K)

National surveys on belt usage, awareness, and attitudes will be performed.

3. New Educational Materials (Cost: $395K)

Market research will continue on a wide spectrum of audiences defined by age, sex, race, and education. Messages and delivery mechanisms will be evaluated. Field tests of innovative programs will be performed.

THE LINE-ITEM VETO

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, in his State of the Union Message the President repeated this call for a line-item veto. I am pleased to offer legislation today that will do just that.

Recognizing that there have been several ideas advanced on what forms the line-item veto should take, I believe that my specific legislation addresses the main objection that has been voiced so many times by Members of the Congress. That objection goes to the impossibility they say of the legislature delegating authority to the President of this type. My legislation would allow an override of the veto by a simple majority, thus creating a situation in which the President would have the right to line-item veto and then the public will know what that veto is all about and then the legislature, the Congress, if it feels that it cannot abide by that particular veto can override it with a simple majority. Thus giving that double debate feature unlike several of the other ideas that have been advanced.

The President wants a line-item veto. It is an element of budget control. We ought to give it to him.

GOLD COIN BILL

(Mr. DIXON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DIXON. Mr. Speaker, about 9 years ago, the South African Government began selling their gold in this country in the form of 1-ounce coins. They created a brand new market for their gold—and the kruggerand has become the most widely recognized symbol of that country. The kruggerand outsells all other gold coins on the market—including coins from Canada and China. The South African Government earns over $400 million per year from coin investors in America alone.

These South African coins, bought and sold in the United States, are a continuing insult to people of conscience in our country. The money paid for these coins goes to the South African Government to support their apartheid system.

The Americans who buy kruggerands, however, are not advocates of racism—they simply want to own the most widely sold gold coin produced. Many of us tried last year to ban the kruggerand, but all the coin investors lobbied against it—not because they favor apartheid—but because there was no alternative available.

My colleague, Mr. LEWIS, and I will shortly introduce a bill that authorizes the U.S. Mint to produce a gold coin that can compete with the South African kruggerand on the world market. Let the symbol of liberty instead of oppression be available to coin dealers and gold investors. Let's provide Americans with the option to support America instead of South Africa.

Let me emphasize that our proposal is to provide an alternative to the kruggerand, and in no way eliminates the need for a total ban on the sale of kruggerands here in the United States. Our plan complements other legislation which will come before Congress to enact meaningful sanctions against apartheid.

I urge my colleagues to support this gold coin legislation.

I would like to insert a copy of the bill for the RECORD.

H.R. 1123

A bill to provide for the minting of gold coins

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Liberty Double-Eagle Bullion Coin Act".

MINTING OF GOLD COINS

SEC. 2. (a) Notwithstanding any other provision of law, the Secretary of the Treasury (hereinafter in this Act referred to as the "Secretary") shall mint and issue gold double-eagle coins pursuant to this Act.

(b)(1) Each such double-eagle coin—

(A) shall weigh 34.559 grams;

(C) shall have a diameter of 34 millimeters;

(C) shall be minted in accordance with the standard established in the Act of February 12, 1873 (17 Stat. 437); and

(D) shall have reeded edges.

(2)(A) On the obverse of each such double-eagle coin shall appear a design emblematic of the Statue of Liberty.

(B) On the reverse of each such double-eagle coin shall appear a design representing a family of eagles, with the male carrying an olive branch and flying above a nest containing a female eagle and hatchlings.

(C) On each double-eagle coin there shall be inscriptions of the year and of the words "Liberty", "In God We Trust", "United States of America", "E Pluribus Unum", and "One Ounce".

(3) Subject to section 5118 of title 31, United States Code, all such double-eagle coins shall be legal tender as provided in section 5103 of such title at their fair market value.

(c)(1)(A) All such double-eagle coins shall be sold to the public by the Secretary under such regulations as the Secretary may prescribe and at a price equal to the cost of minting and issuing such double-eagle coins (including labor, materials, dies, use of machinery, promotion, and overheard expenses) plus a surcharge.

(B) Such surcharge shall be equal to the amount by which the fair market value of

gold bullion held by the United States and used in the minting of such double-eagle coins exceeds the statutory maximum value of any gold certificates outstanding against such gold bullion.

(2) All surcharges which are received by the Secretary from the sale of such double-eagle coins shall be deposited in the general fund of the Treasury and shall be used for the sole purpose of reducing the national debt.

(3)(A) The Secretary shall determine the number of such double-eagle coins which will be minted each calendar year.

(B) In making such determination, the Secretary shall consider the demand for gold from all sources and shall establish the number of such coins which will be minted each calendar year at a level which does not depress the price of gold or otherwise reduce the potential revenue from surcharges.

(C) Not less than 60 days before the beginning of each calendar year, the Secretary shall announce to the public the number of such double-eagle coins which will be minted during such calendar year. Such number may be decreased, but shall not be increased, by the Secretary during such calendar year.

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

EFFECTIVE DATE

SEC. 4. This Act shall take effect on October 1, 1985.

ONLY BENEFITS, NO COSTS, TO A GOLD COINAGE

(Mr. LEWIS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of California. Mr. Speaker, in a few days my colleague Mr. DIXON and I will be introducing a bill to authorize the U.S. Mint to produce a gold coinage in the same form, and with all the important qualities of the South African krugerrand. About 3 million foreign gold coins are imported every year, and Americans buy them. That represents almost $1 billion annually in our balance-of-payments deficit; $400 million of that deficit goes to South Africa.

Why shouldn't we do something to keep that money in the United States? If the U.S. Mint produced those gold coins American buyers are demanding, the money that today is making our trade deficit larger could help instead to make our Federal budget deficit smaller.

It has been estimated by industry spokesmen that over 3,000 U.S. coin and stamp dealers—mostly small businesses in every community in this Nation—employ over 15,000 people, making a market for the gold coin of foreign governments. Over 5 million American participate in the gold coin market as investors.

The bill my colleague and I are proposing is a positive, free-market approach to the problem of the krugerrand coins, which are seen as a symbol of apartheid. If the Congress simply prohibited the South African coins, it would hurt all the coin dealers and damage the expectations of millions of innocent American citizens. Starting the production of an American alternative, however, creates jobs—it does not destroy them; it cuts the market out from under the South Africans in the true spirit of American business—it gives the consumers and investors a superior product.

We urge our colleagues from both sides of the aisle to join us in cosponsoring this positive effect to strike a blow for the American values of liberty and fair play.

MR. STOCKMAN HEAPS FURTHER ABUSE ON AMERICAN FARMERS

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, the President's Budget Director has returned to Capitol Hill to heap further abuse on American farmers. For months now, farm State Members of Congress, from both sides of the aisle, have warned of a looming financial crisis in agriculture, but all too often our statements have fallen on deaf ears at the White House.

Mr. Speaker, we have farmers going out of business now who have been farming all of their lives; farms that have been in the family for generations are being lost. These people, who provide America with the most bountiful, least expensive food in the world, have turned to the Government for help. But rather than provide assistance, the President's Budget Director chose to add insult to injury.

Mr. Stockman is reported to have said he cannot figure out, "why the taxpayers have the responsibility to go in and refinance bad debt willingly incurred by consenting adults who went out and bought farm land when prices were going up and thought they could get rich." His accusation is ludicrous, and shameful.

Mr. Stockman asserted that all of the farmers in trouble were out to make a killing in the land market. He apparently believes that this land, which has been farmed by the same families for years, was actually bought for the sole purpose of selling at a big profit.

Mr. Speaker, I know this is not the case. I am pleased to join with a bipartisan group of colleagues today in introducing legislation to provide immediate assistance to our farmers. For himself, Mr. Stockman has surely earned another trip to the woodshed.

□ 1320

BLACKMAIL HAS NO PLACE IN DEVELOPING A REMEDY FOR AGRICULTURE CRISIS

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, blackmail. David Stockman talking about blackmail. From experience he should know precisely the definition of the word. Webster's definition is extortion by threat. Stockman has demonstrated he knows how to put it in place:

You find someone who is in desperate financial straits then you threaten to cut off avenues of credit unless they capitulate to outrageous demands and shove a contract under their noses and say sign here or we will break your arm.

Blackmail has no place in developing a remedy for the agriculture crisis. We need new, innovative farm policy. Tinkering with existing programs won't work. Existing farm programs do not address the problems agriculture is facing.

Legislation I am introducing along with my colleagues PAT ROBERTS and ARLAN STANGELAND, called the Wheat Export Incentive Act, does address the problems. The bill establishes an export certificate program which would increase producer income and hike exports and get this—would not cost a penny above existing programs.

Never before, Mr. Speaker, has agriculture faced a crisis like we're seeing now. Never before have the farmers and ranchers of this country looked to Congress with such urgent need of a reliable farm bill. Never before has a farm bill been more crucial to the survival of the family farm.

Never before, Mr. Speaker, has farm legislation been more crucial to America. I urge my colleagues to support my legislation.

A DAY PEACE COULD BE FELT

(Mrs. BOXER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOXER. Mr. Speaker, Last Sunday in a town in war-ravaged El Salvador, guns were quiet. Left wing soldiers lounged around the town square. Peace could be felt.

The Government was there too but not with guns—with needles and vaccine to immunize the youngest children.

So in a country torn with bloodshed there was a moment of light—and they did it for the children.

We must not lose the larger message. If we were to take as active a role in the Contadora peace process as we

have in the arms buildup—getting to the causes of strife—poverty, disease, education—what an advocate for the children America could be.

Children are born with no ideological hatred, whether they are born in El Salvador, America, or Russia.

And, further, children everywhere are not helped by massive arms buildups by all sides and escalation of the arms race to space.

The President has asked us to have courage as we tackle the budget I say to my colleagues, let's gain that courage as we reflect on one peaceful day in a town in El Salvador.

WAKE UP, AMERICA

(Mr. LIGHTFOOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIGHTFOOT. Mr. Speaker, in my first official floor statement, I must devote my comments to the most serious hardship the State of Iowa has faced in 40 years, and, indeed, the most difficult times many of my constituents have even seen—what we in the farm belt have begun to refer to as "the farm crisis."

How can a nation which has reaped the benefits of a bountiful and inexpensive food supply stand idly by while as many as 40 percent of our farmers face the possibility of ceasing operation on March 1?

Did I say 40 percent? Some of you may doubt that figure, but based on the reduction of available operating credit in my district, this figure could become reality.

While I must credit Secretary of Agriculture John Block with trying to make his case, I must likewise, shake my head in disbelief at David Stockman's cold hearted indifference. Perhaps when I start bringing my unemployed farmers to camp out on his doorstep he'll be more willing to listen.

True, the structure of American farming has changed over 40 years of Government farm programs—so must Government farm programs change—but no one could pick a worse time to suggest totally eliminating them. Wake up, America, before it's too late, your lifestyle is at stake.

IRR MANPOWER INITIATIVE

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, members of the Individual Ready Reserve make up a pool of mostly pretrained individuals who, during a national emergency, may be assigned as fillers or replacements while newly inducted recruits complete required training. Maintaining sufficient numbers and maintaining up-to-date addresses are the two major IRR problem areas. I intend to take action which will help correct these problems and make the IRR a meaningful source of military manpower.

First, I have reintroduced H.R. 1500, a bill which will allow for the induction of not more than 200,000 persons for training and service in the IRR of the Army Reserve in each fiscal year. Second, I plan to introduce legislation which will: First, extend servicemen's group life insurance coverage to all members of the IRR; second, permit the Internal Revenue Service to disclose the addresses of IRR members; and third, I also plan to provide for bonus incentives for enlistment, reenlistment, and training.

Mr. Speaker, I believe this legislation is needed to obtain the numbers necessary to meet established requirements and to ensure access to members of the IRR during any national emergency. The 99th Congress can play a vital role in our Nation's security by working to help solve these critical IRR problems.

THE B-1 BOMBER

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, let justice be done, seat Rick McIntyre.

Mr. Speaker, I will begin all of my remarks as a Congressman this session, in this Chamber, on any issue, every day I speak with those seven words, "Let justice be done, seat Rick McIntyre" until that act of justice is behind us and my classmate Mr. McIntyre joins us to serve his constituents in the Eighth District of Indiana.

Mr. Speaker, it was on this very day 30 years ago at Bryan Air Force Base in east Texas that I earned my wings of silver as a U.S. Air Force pilot, and it was 15 years ago, also on this very day, that the POW-MIA memorial bracelet was born on a television program that I produced. In recalling those two important events in my life, I decided to rise this afternoon, to speak about an important defense issue affecting the U.S. Air Force and our combat B-52 aircrews, especially when we remember those courageous B-52 airmen who were killed in action over North Vietnam in December of 1972 or were taken prisoner that month after the hottest aerial combat environment since World War II.

When I last rose to address this, the greatest legislative body in world history, it was December 22, 1982, and I spoke about our aging B-52 bomber force and its superb replacement the B-1 bomber. On that day I felt that my undesired departure might never be reversed, and I wanted to make a final plea for a new strategic bomber. My efforts to restore the B-1 Program was a major part of my 6 years of service as a Congressman. By the way, I thank God every day—every day—that I have been fortunate enough to return to serving my country here in Congress with you my colleagues, and to have the honor to represent my new constituents in beautiful Orange County, CA.

In my final 1982 speech I implored those of you who were returning to serve in 1983 and 1984 not to derail, again, our new Strategic Air Command bomber, the B-1 "Excaliber". I pointed out that our SAC officers and airmen have as their challenging motto, "Peace is our profession." And that to serve us in keeping the peace they deserved the best technology this Congress could deliver to them, just as a Congress 30 years ago delivered to me the very best—the then new F-100 "super sabre" jet fighter.

In the last Congress you continued to acknowledge the wisdom of replacing out B-52's. I salute you. Because within 4 months at an Air Force Base in Texas, a great day in U.S. Air Force history is coming to pass.

On a fine Texas spring day sometime this June—ahead of schedule—the first sleek operational B-1B bomber will come roaring across the sky from the west to show its stuff and then land and taxi up to a very proud group of Americans assembled on the flightline ramp of Dyess Air Force Base.

I ask all of my colleagues who fought so hard over so many years for this national defense treasure, the B-1, to be there that fine Texas morning and feel the gratitude of our combat ready aircrews. You have made it much easier for them to honor their sacred pledge to keep the peace.

A SECOND AMERICAN REVOLUTION

(Mr. BONER of Tennessee asked and was given permission to address the house for 1 minute and to revise and extend his remarks.)

Mr. BONER of Tennessee. Mr. Speaker, last evening, the President challenged the Congress and the American people to join him in a second American Revolution—a revolution to debate and redefine the future role and activities of the Federal Government.

I accept the President's challenge. With Federal budget deficits exceeding $200 billion a year for the foreseeable future, I also believe that our Nation must begin to make the difficult choice of where to reduce Federal spending and where to shrink Federal activities. We must go beyond the elimination of waste and poor management. We must examine each and every Federal program—whether social or military—and ask if the pro-

gram is one which the Federal Government should undertake.

And, while I disagree with some of the recommendations the President outlined in his budget submission as well as in his speech last evening, I nonetheless welcome this debate. It will be a healthy and productive venture. Certainly it will require all Members of Congress to suggest and consider policy and program alternatives to those proposed by the President.

This will be an important debate in the history of our Nation. Yet, whether the Congress and the American people reaffirm all or some of our current course or choose to strike out on another, a second American Revolution to redefine the role and activities of the Federal Government will be founded not only on a growing and just economy but, more importantly, on a fair and just society.

HUMANITARIAN RESPONSE OF GOVERNMENT OF PAKISTAN

(Mr. McCOLLUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCOLLUM. Mr. Speaker, I rise today to applaud the humanitarian speedy response of the Government of Pakistan to the continued aggressive attacks by the Soviet Union on innocent people of Afghanistan.

The Pakistani Government has thus far accepted almost 3 million refugees and offered them sanctuary in Pakistan. Their humanitarian efforts have saved the lives of millions of displaced Afghans. The Government of Pakistan has acted in a remarkably efficient manner, in conjunction with the United Nations, in this important undertaking. In addition, the Government has allowed the United Nations to establish procedures within Pakistan to facilitate the settlement of these civilians upon entering the country.

By all accounts, the Pakistanis have done a remarkable job not only of protecting the civilians but by offering them a place of refuge away from the aggressive attacks of the Soviet Union.

□ 1330

THE DANGER OF EXPONENTIAL POPULATION GROWTH CANNOT BE UNDERSTATED

(Mr. MRAZEK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MRAZEK. Mr. Speaker, in 1798, the English economist, Thomas Malthus warned of the dangers of rampant population growth in a world with finite resources. In his essay on the "Principle of Population," Malthus wrote:

> Population, when unchecked, increases in a geometrical ratio. Subsistence increases only in an arithmetical ratio. A slight acquaintance with numbers will show the immensity of the first power in comparison of the second.

In an era when more than 4 billion people inhabit our planet, the danger of exponential population growth on the human condition cannot be understated. Mr. Speaker, last December the Reagan administration ceased funding to the International Planned Parenthood Federation. This organization provides vital educational, nutritional, and family planning services to those areas of the world where they are most desperately needed.

The administration's decision may actually serve to increase the number of abortions carried out overseas if these educational services are curtailed. This week, I am circulating to my colleagues a letter to President Reagan urging him to reconsider this precipitous and unfortunate decision, and I would welcome colleagues' endorsement of this action.

THE INCREASING INCIDENCE OF INFANTICIDE

(Mr. COBEY asked and was given permission to address the House for 1 minute.)

Mr. COBEY. Mr. Speaker, I am gravely concerned about the increasing incidence of infanticide occurring in our country. The death of "Baby Doe" in 1982 was not an isolated incident. It is becoming more common to hear cases where handicapped children are being withheld necessary medical treatment to keep them alive. I support the "Baby Doe" regulations issued by the Department of Health and Human Services which would withhold Federal funding from hospitals and institutions that deny food, water, and medical treatment from disabled infants in critical life-and-death situations.

We cannot use the quality-of-life criteria as a basis of administering medical treatment. Let us support and respect the sanctity of life for the preborn, the infant, and the handicapped. Let us join in and support this critical life-or-death issue.

DOUBLESPEAK

(Ms. OAKAR asked and was given permission to address the House for 1 minute.)

Ms. OAKAR. Mr. Speaker, yesterday the President, in his State of the Union Address, indicated that through American research we have made great strides in finding a cure for cancer and certain heart diseases. I agree with that, but today I learned that David Stockman is attempting to thwart the will of Congress.

He had arbitrarily stated that there will be a cap on research grants.

This administration has been able to get away with this type of doublespeak before. Are the manufacture of bombs, tanks, the cost overruns of $7,000 coffeepots more important than grants for research for a cancer cure? The American people should be outraged of Stockman's actions and ask the President if he agrees with this action. Which is it, Mr. President? Will we have this cancer research continue, or will you support Stockman's efforts to gut our cancer research and other health programs in this area? Or is this another example of the doublespeak of your administration for which you have become very famous?

TRUTH, FAIRNESS, AND JUSTICE

(Mr. BOULTER asked and was given permission to address the House for 1 minute.)

Mr. BOULTER. Mr. Speaker, there are 27 U.S. Representatives in this House representing the great State of Texas; 17 Democrats and 10 Republicans, and usually we cooperate in a very good fashion to represent the interests of our State and of Americans.

I would like to congratulate the 13 Members from Texas who voted for truth, fairness, and justice to seat Rick McIntyre. I would also like to apologize to the people of the Eighth Congressional District of Indiana for the 14 Members from Texas who did not vote to seat Rick McIntyre, and expecially to congratulate my Democrat colleagues, Mr. SAM B. HALL, JR., Mr. RALPH M. HALL, and Mr. STENHOLM, who put truth, fairness, and justice above partisanship.

PROPOSED BUDGET CUTS WILL HURT TERRITORIES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from the Virgin Islands [Mr. DE LUGO] is recognized for 5 minutes.

Mr. DE LUGO. Mr. Speaker, last night in this Chamber, the President gave his State of the Union Address, and we heard our President lay out his legislative agenda, an agenda that we know from his budget proposal will include deep cuts and even complete elimination of certain programs. Many in this House have already decried the severe cuts that will affect the poor and the middle classes, and which will eliminate whole programs that have had a proven track record of success in moving people from poverty to the mainstream of American life.

Nowhere, Mr. Speaker, will those cuts be felt more deeply than in the territories of the United States. It has only been in the last three decades that the insular areas have been able to move from the indescribable poverty in which they barely subsisted, to

the beginnings of participation in that mainstream.

For decades prior to the recent past, these territories were ignored and neglected to the point that one American President, earlier this century, referred to one of them, my own district of the U.S. Virgin Islands, as "an effective poorhouse."

That has been changing over the past three decades only because Congress came to recognize its plenary constitutional authority over the territories, and its inherent responsibilities to the territories under that authority.

In measured steps and with deliberation, Congress has gradually extended political, social and economic rights and participatory powers to our territories.

I ask, Mr. Speaker, that my colleagues understand just how recent these changes are.

Until 1970, the American citizens of the U.S. Virgin Islands could not elect their own Governor; Puerto Rico had no constitution until 1954; neither Guam nor the U.S. Virgin Islands had representation in the Congress until 1973; and American Samoa, not until 1981. To this day, American citizens in all of the insular areas cannot vote for President of the United States.

In encouraging political growth in the insular areas, Congress also recognized political advancement was a meaningless concept without economic improvement. By gradually increasing territorial participation in national programs, and by developing special trade and investment incentives for the offshore areas, Congress laid the groundwork for the emergence of a middle class, which is the bulwark of our American way of life.

The change has been dramatic. In these past three decades the offshore areas of our country have gone from being two-class colonies, whose very existence was a potential embarrassment to the United States, to laboratories of healthy, nonviolent revolutions—living proof of how effective national policy can be in bringing about positive political, social and economic change.

However, what the President last night referred to as "the second American Revolution" could end that healthy revolution now occurring in the territories of the United States, and will end it, unfortunately, just when the desired goals are in sight. Not only will the large numbers of poor in the territories be severely hurt by the proposed budget, but movement to the middle class will cease, and the tenuous gains of the new middle class, so crucial to continued stability in the territories, will be dangerously eroded.

The proposed cuts will hurt the territories in the most potentially damaging areas: education, which is the only salvation of our young people who make up an inordinate percentage of our populations; small business development, which is the only way to ensure that indigenous territorial residents have a piece of the pie; infrastructure assistance, without which we cannot compete for industry.

In addition to these proposed cuts and program eliminations, the territories are faced with, and have been faced with unilateral Federal actions affecting our trade and industrial incentive tax programs. These actions are pulling the pegs out from under these territories economically, pegs that Congress created as the basis of territorial economic policy. No State in the Union is faced with this triple assault.

Mr. Speaker, during the consideration of the President's budget, I will be asking my colleagues here in the House to look at the impact on the U.S. territories and to understand fully that the policies set by Congress over the past three decades is at stake, as well as Congress's power to set that policy.

FOSTER GRANDPARENTS MONTH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Vermont [Mr. JEFFORDS] is recognized for 5 minutes.

● Mr. JEFFORDS. Mr. Speaker, today I am introducing a resolution expressing the sense of Congress that the President proclaim the month of October 1985 as National Foster Grandparents month.

This year the Foster Grandparents Program celebrates its 20th anniversary. During this period the program has grown from 33 projects in 27 States involving 782 senior citizens to a program providing meaningful volunteer opportunities to 19,000 Foster Grandparents in 245 projects in all 50 States, the District of Columbia, Puerto Rico, and the Virgin Islands.

Foster Grandparents are low-income persons aged 60 years or over. As volunteers, they receive 40 hours of preservice training designed to maximize their effectiveness as Foster Grandparents. Once training is completed, they serve 20 hours each week as Foster Grandparents, providing loving care and attention to children. As Foster Grandparents, the volunteers enjoy improved health and independence. The children served also benefit in their physical, social, and psychological development.

The Foster Grandparent Program is one of the most innovative, meaningful volunteer programs supported by the Federal Government. It is a tangible and successful reflection of our Nation's commitment to assist senior citizens seeking to continue to be full, contributing participants in our society.

The resolution I am introducing will help focus public attention on this worthwhile program. I urge my colleagues to join with me as cosponsors of the resolution.●

JOINT HEARING SCHEDULED ON STATUE OF LIBERTY COIN PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

● Mr. ANNUNZIO. Mr. Speaker, for the first time in at least 20 years, the Banking Committees of the House and Senate will hold a joint hearing. Chairman JAKE GARN of the Senate Banking, Housing and Urban Affairs Committee has agreed to hold a Joint Session with the House Consumer Affairs and Coinage Subcommittee on legislation that will establish a commorative coin program for the 100th anniversary of the Statue of Liberty and the restoration of Ellis Island, the former U.S. Immigration Center in New York Harbor.

The hearing will be held on Wednesday, February 20, at 9 a.m. in room 2128, Rayburn House Office Building. Testimony will be heard on H.R. 47, which I introduced on January 3, and an identical bill, S. 233, introduced by Senator ALFONSE D'AMATO and Senator GARN.

I am extremely grateful that Chairman GARN has agreed to the joint hearing because it will greatly speed up the passage of this much-needed legislation. The quicker we can get the legislation enacted, the quicker funds will begin flowing to the restoration program.

While restoration work has begun on the Statue of Liberty, there is still a great deal more work to be done, and additional funds are desperately needed. Only minor renovation has been done at Ellis Island, and further work cannot be started until more funds are raised.

The coins, a $5 gold piece, a $1 silver coin and a clad-50-cent piece, will be struck by the U.S. Mint and sold by the Federal Government. Each coin will carry a surcharge ranging from $2 to $35. The maximum number of coins to be minted is 35.5 million. If all the coins are sold, up to $137.5 million will go to the Statue of Liberty-Ellis Island Foundation to complete the necessary renovation work. And, the program will cost taxpayers not a single worn penny.

Witnesses for the hearing include Lee Iacocca, chairman, Statue of Liberty-Ellis Island Foundation, Hon. FRANK J. GUARINI, U.S. Representative from New Jersey, plus representatives of the U.S. Mint and the Department of the Interior.

The proposed program will help restore one of America's greatest treasures, and the symbol of one of our most treasured values—liberty. Mr. Speaker, I urge my fellow Members of Congress to support the program introduced by Chairman GARN and myself. Those wishing to cosponsor H.R. 47 may contact Judi Shellenberger at the Consumer Affairs and Coinage Office, 226-3280.●

CANADIAN SOFTWOOD IMPORT CONTROL ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. WEAVER] is recognized for 5 minutes.

● Mr. WEAVER. Mr. Speaker, today I introduced, along with Congressmen LARRY CRAIG, BERYL ANTHONY and 19 other Members of Congress, the Canadian Softwood Import Control Act. Our bill will limit imports of Canadian softwood lumber, siding, shakes and shingles, and particle board for a period of 5 years from the date of enactment. There is strong bipartisan support for the measure from every timber producing region in the country.

Between 1978 and 1982 U.S. softwood lumber consumption fell by nearly one-third. Last year, softwood lumber consumption recovered to near record levels, with housing starts reaching 1.8 million. Far from celebrating this upturn, the Nation's timber industry is fighting for its survival. At the end of 1984 only 650 mills were operating in the West, compared with 818 in 1979. In 1 week this month, nine mills were permanently closed in Oregon, eliminating over 2,000 jobs.

While U.S. producers have been forced to cut back production, Canadian softwood lumber imports have risen dramatically. In 1975, imports from Canada accounted for only 19 percent of U.S. consumption. Last year they took over 30 percent of the U.S. market.

Our bill will limit imports of Canadian softwood lumber, siding, shakes and shingles, and particle board to each item's historic pecentage of U.S consumption, based on the 10-year period from 1970 to 1979. For 5 years after the bill is enacted, total allowable imports will be determined by the Secretary of Commerce, based on estimates of U.S. consumption each year. The Secretary will be authorized to make necessary adjustments that result from actual consumption, and also to limit allowable quantities during any quarter to prevent surges in imports of any particular item.

It is our obligation to take every necessary step to protect the Amercian workers and communities that depend on the wood products industry. We value very highly our good neighbor relationship with Canada. In the past, when demand exceeded our industry's capacity to supply wood products, Canadian mills helped meet the shortfall. We sincerely hope the industry will again reach that point. In the meantime, we cannot afford to export our workers' jobs, nor can our communities afford the cost in human suffering caused by curtailments, shutdowns and closures of our mills.

Finally, after announcing our intention to introduce this bill, we were heartened by U.S. Trade Representative Brock and Canadian Trade Minister Kelleher's agreement to call a trade delegation meeting to discuss the possibility of holding lumber trade negotiations. We would truly welcome serious negotiations to establish voluntary import limitations that would make unnecessary the legislation we are proposing.●

MILITARY FAMILY SERVICES ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, I rise today to introduce legislation (H.R. 1020) to strengthen the human dimension of our national defenses.

Nearly 6 months have passed since the tragic death of 13-year-old Danny Holley first rocked the community in which he lived and sent shock waves across our Nation. While the pain of his loss will undoubtedly ease with the passage of time, the legacy of his untimely death carries an enduring challenge to which we, as a Nation, must come to terms.

As my colleagues will recall, Danny and his family moved to California from Germany following the transfer of his father, Army Sgt. Johnnie Holley. Once there, the family fell deeply in debt as the cost of moving consumed their savings and promised onpost housing failed to materialize. Sergeant Holley's departure for duty in Korea added to the family's hardships and isolation.

Young Danny took his responsibilities as the eldest of four very seriously. One day in August, when the burden got to be too much for his young shoulders, Danny took his own life. His was the ultimate act of love for his family: he had convinced himself that their problems would ease if there were just one less mouth to feed.

We are all a part of the extended family of Danny Holley by virtue of the poignant circumstances of his story. Who among us did not feel a sense of helplessness in wondering how we had failed this desperate young boy and his struggling family? Surely the sorrow and grief that this shared loss invokes ought to be applied constructively in searching for means of easing the strain of military life.

Mr. Speaker, more is at stake than the outpouring of concern over the loss of one so young. Morale is an essential ingredient of an effective military, and morale cannot be what it should be if families are forced to live on food stamps and children give up hope.

One of the most basic requirements of any military is to ensure that its forces are adequately paid, fed, housed, and given the medical attention they require to maintain a state of constant readiness. With the advent of today's All-Volunteer Force, fulfilling these commitments has assumed an even greater importance.

The quality of life we offer service people and their families is central to our success in attracting and retaining the qualified people we need to operate today's increasingly sophisticated weapons systems. If we are to fulfill our manpower requirements, we need to extend benefits and services which are not only fair to the member, but which also recognize the unique circumstances of military service. To be effective, we need to recognize the special role of the family unit in contributing to the welfare and stability of the military community as a whole.

The military has undergone many important changes since the creation of the volunteer force. More of our uniformed personnel are married than ever before—52 percent compared to only 32 percent 30 years ago. among career personnel the figure approaches 80 percent.

Service personnel and their families are today deployed in more countries around the globe, scattered throughout some 90 foreign countries. As a result, today's military family moves on the average of every 2 years. And that in itself gives an idea of some of the special problems our military families face.

Despite record peacetime spending on defense, however, we have failed to respond to many of these needs. I know I am not alone in expressing my shock about reports that military families have been forced to rely on food stamps to put food on the table. Surely we as a nation, in asking the supreme sacrifice of life in our defense, ought to better provide for military personnel and their families.

Mr. Speaker, I would like to take a moment to share a plan I am proposing to improve our investment in the human dimension of our defenses. Briefly, the Military Family Services Act would improve benefits and services in four vital areas:

1. PERMANENT CHANGE OF STATION REIMBURSEMENTS

The Air Force estimates the median unreimbursed cost incurred during Government-order travel to be $1,510

for midlevel enlisted members and $1,969 for junior officers. Accordingly, the plan I propose would overhaul mileage and household goods weight allowances to reflect better the high costs of travel. In addition, I propose that a temporary lodging allowance be provided to enlisted personnel whose ability to absorb travel costs is limited by their low rate of pay.

2. DEPENDENT DENTAL CARE

A second area of concern throughout the services is the kind of care provided to military dependents. I propose to authorize a voluntary enrollment dental plan under which basic dental care would be available for the first time to dependents of active duty members. The costs of this program would be shared by the member and the Government, with the latter contributing not more than 60 percent nor less than 40 percent of the premium.

3. OFF-BASE HOUSING BENEFITS

As the Holley case demonstrated, many military families arrive at their new post deeply in debt as a result of the unreimbursed travel costs. This hardship is immediately compounded in areas where onbase housing is not available.

The last Congress made several important changes in the way housing allowances are calculated. I believe, however, that additional improvements are necessary to reduce the financial burden for enlisted personnel with limited discretionary spending. The plan I propose would reduce to 12 percent the maximum unreimbursed costs for enlisted personnel renting offbase.

Similarly, experience has shown that required security deposits can greatly contribute to the hardships of frequently moving military families. For this reason, I propose to authorize a pilot program to test the feasibility of an offbase rental housing lease indemnity program under which civilian lessors would forgo security deposits in return for a guarantee that any damages or losses resulting from breach of contract would be covered by the service member's command. Payroll deductions, in turn, would cover any unpaid balances.

4. OFFICE OF MILITARY FAMILY SERVICES

Finally, to meet the ever-changing needs of our military people and to ensure uniform availability of services, I propose the creation of an Office of Military Family Services responsible for developing and administering a servicewide family program. Services to be provided shall include: First, financial and family counseling; second, resource and information referral services; third, spouse employment referral services; fourth, consumer protection; and five, family advocacy services. In addition, the Office of Military Family Services would be required to operate an Outreach Program targeted at families separated by overseas assignments.

The director of military family services shall report to the Secretary of Defense on matters related to military families and on how current policies could be adapted to improve the quality of life of military families.

It is extremely regrettable that the increased investment of the past 4 years in high-priced military technology has not been matched by a similar commitment to the services' human component. We must not forget that the most expensive weapon system is of little value without competent, highly motivated service personnel.

Mr. Speaker, we must respond to the special needs of military families if we are going to attract our best young people to military service, if we are going to be sure that military people remain ready to perform their mission not distracted by doubts or family worries, and if we are going to be fair to members and their families for the sacrifices of military service.

Above all else, service members and their families should be able to enjoy the benefits of the society they are pledged to defend.

I urge all my colleagues to join me in this effort.

H.R. 1020

A bill to expand and improve benefits for active duty military personnel and their dependents

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Military Family Services Act of 1985".

PERMANENT CHANGE OF STATION REIMBURSEMENTS

SEC. 2. (a) Section 404(d) of title 37, United States Code, is amended by striking out "per mile prescribed by the Secretaries concerned and" each place it appears in paragraphs (1) and (3) and inserting in lieu thereof "of 18 cents per mile".

(b) Section 406(b) of title 37, United States Code, is amended—

(1) in the first sentence of paragraph (1) by striking out "prescribed by the Secretaries concerned" and inserting in lieu thereof "provided under paragraph (3) of this subsection"; and

(2) by adding at the end thereof the following new paragraph:

"(3) The weight allowances authorized under paragraph (1) of this subsection are as follows:

"Pay grade	*Weight allowance*
Commissioned officers:	
O-10	17,500
O-9	17,500
O-8	16,000
O-7	15,000
O-6	14,500
O-5	14,000
O-4	13,000
O-3	12,000
O-2	11,000
O-1	10,000
Warrant officers:	
W-4	13,000
W-3	12,000
W-2	11,000
W-1	10,000
Enlisted members:	
E-9	12,500
E-7	11,000
E-6	9,000
E-5	8,000
E-4 over 2 years	7,500
E-4 under 2 years outside the United States	6,000
E-4 under 2 years inside the United States	5,000
Academy cadets, midshipmen	1,500
Aviation cadets	1,500"

(c) Section 404a of title 37, United States Code, is amended—

(1) in subsection (a) by striking out "a member" and inserting in lieu thereof "an enlisted member"; and

(2) in subsection (c) by striking out "$110" and inserting in lieu thereof "$100".

(d) The amendments made by this section shall be effective with respect to travel and transportation begun after September 30, 1985.

DEPENDENT DENTAL COVERAGE

SEC. 3. (a)(1) Chapter 55 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1094. Dependents' dental program

"(a) The Secretary of Defense may establish voluntary enrollment premium-sharing dental benefit plans for spouses and children (as described in section 1072(2)(D)) of members of the uniformed services who are on active duty for a period of more than 30 days. Plans under this section shall be administered through regulations prescribed by the Secretary of Defense, in consultation with the administering Secretaries.

"(b)(1) Members enrolling in a dental benefit plan established under subsection (a) shall be required to pay a premium.

"(2) The Secretary of Defense shall establish the amounts of the premium to be paid by the member, except that such amount shall not be greater than 60 percent, or less than 40 percent, of the total premium, and shall establish such procedures as may be necessary to verify that a spouse or child receiving care is properly enrolled under such a dental plan and qualified to receive such care.

"(c) The member's share of the premium for any dental benefit plan established under subsection (a) shall be paid by payroll deductions.

"(d) A dental plan established under subsection (a) may only provide for—

"(1) diagnostic, oral examination, and preventive services and palliative emergency care; and

"(2) basic restorative services of amalgam and composite restorations and stainless steel crowns for primary teeth, and dental appliance repairs.

"(e) A spouse or child receiving dental care may not be required to pay for charges for the services described in subsection (d)(1) and shall pay 20 percent of the charges for the services described in subsection (d)(2).

"(f) If a member is transferred to a station where dental care is provided to the member's spouse or children under any program other than a plan established under this section, the member may discontinue such

member's participation under any plan established under this section. If such a member is subsequently transferred to a station where dental care is not provided to such member's spouse or children, except under a plan established under this section, such member may re-enroll in such a plan.

"(g) The authority of the Secretary to enter into contracts under this section shall be subject to the availability of appropriations for such purpose.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1094. Dependents' dental program.".

(b) Section 1077 of such title is amended by adding at the end thereof the following new subsection:

"(c) Persons enrolled under a dental plan under section 1094 of this title may not be provided dental care under section 1076(a) of this title except for emergency dental care or for care which is not part of the dental plan under section 1094 of this title.".

(c) The amendments made by this section shall take effect on January 1, 1986.

VARIABLE HOUSING ALLOWANCE

SEC. 4. Section 403a(c) of title 37, United States Code, is amended—

(1) in paragraph (1) by inserting after "member of a uniformed service" the first place it appears the following: ", other than an enlisted member,";

(2) by redesignating paragraphs (2) through (5) as paragraphs (3) through (6), respectively;

(3) by inserting after paragraph (1) the following new paragraph:

"(2) The monthly amount of a variable housing allowance under this section for an enlisted member of a uniformed service with respect to an area is the difference between (A) the median monthly cost of housing in that area for members of the uniformed services serving in the same pay grade as that member, and (B) 77 percent of the median monthly cost of housing in the United States for members of the uniformed services serving in the same pay grade as that member.";

(4) in paragraph (5), as redesignated by this section, by striking out "80 percent" and inserting in lieu thereof the following: "(A) 80 percent, in the case of members of the uniformed services other than enlisted members, or (B) 77 percent, in the case of enlisted members,"; and

(5) in paragraph (6), as redesignated by this section, by striking out "paragraph (2)" and inserting in lieu thereof "paragraph (3)".

OFF-POST RENTAL HOUSING LEASE INDEMNITY PILOT PROGRAM

SEC. 5. (a)(1) The Secretary of each military department may enter into agreements with lessors having rental housing units located near military installations for the purpose of carrying out a program to compensate such lessors for a breach of a lease by members of the Armed Forces.

(2) The Secretary of each military department shall designate one military installation located in the United States for the program described in paragraph (1).

(3) Members of the Armed Forces who are required to live on post are not eligible to participate in the program established under this section.

(b) An agreement under subsection (a) shall—

(1) not be for a term in excess of one year;

(2) provide that in lieu of the lessor requiring the member to provide to the lessor a security deposit as a precondition to entering into a lease for a housing unit, the United States agrees to compensate the lessor for expenses resulting from damages caused to the housing unit by the member or for a breach of the lease by the member;

(3) provide that, notwithstanding any amount of damages claimed by the lessor, the liability of the United States is limited to an amount which is not greater than the amount of the security deposit required of individuals who are not members of the Armed Forces; and

(4) provide that the lessor must first exhaust such other remedies available to him to collect from the member any amounts which the lessor claims as a result of damage to the rental unit or a breach of the lease before the lessor presents a claim to the United States for such amount.

(c)(1) A member shall be liable to the United States for an amount equal to the amount which the United States is required to pay to a lessor under an agreement entered into under this section if it is determined, under regulations prescribed by the Secretary concerned, that the damage to the housing unit, or breach of the lease, was caused by the member (or a dependent of the member).

(2) The Secretary of Defense may compromise or waive a claim of the United States under this subsection.

(3) The Secretary concerned may deduct from a member's pay the amount for which the member is liable under paragraph (1). Regulations implementing this section may also provide for the collection of amounts owed under this subsection by any other authorized means.

(4) The final determination of an amount to be deducted from the pay of an officer of an armed force in accordance with regulations prescribed under this subsection shall be deemed to be a special order authorizing such deduction for the purposes of section 1007 of title 37, United States Code.

(5) The Secretary of Defense shall prescribe regulations to carry out this subsection, including regulations providing for the compromise or waiver of claims, and the collection of amounts owed under this subsection.

(d) Not later than 18 months after the Secretaries of each department sign agreements under this section, the Secretary of Defense shall review such agreements and shall report his findings to the Congress, together with his recommendations concerning the feasibility of expanding the program throughout the Armed Forces.

(e) Authority of the Secretary of a military department to enter into a contract under this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in Appropriations Act.

OFFICE OF MILITARY FAMILY SERVICES

SEC. 6. (a) There is established in the Department of Defense an office to be known as the Office of Military Family Services. The Office shall have a director appointed by the Secretary of Defense.

(b) The Director shall, subject to the availability of appropriations for such purpose, develop, implement, and oversee a program to provide, at each military installation, family services to members of the armed services. Services provided under this section to members and the families of members shall include—

(1) financial and family counseling;

(2) informing members and their families of resources and services available in the community and making referrals on behalf of such members and their families;

(3) employment assistance and referral services for dependents of members of the uniformed services;

(4) consumer protection services;

(5) family advocacy services; and

(6) an outreach program targeted at military families separated by overseas assignments.

(c) In carrying out the program provided for under this section, the Director may use private volunteer service organizations.

(d) The Director shall report to the Secretary of Defense, not later than the end of every 12-month period beginning on the effective date of this act, concerning issues related to military families, together with his recommendations as to how the policies of the Department of Defense relating to military families may be improved in order to improve the quality of life of military families.

(e) For purposes of this section the term "armed services" means the Army, Navy, Air Force, and Marine Corps.

EFFECTIVE DATE

SEC. 7. Except as otherwise provided in this Act, this Act shall take effect on October 1, 1985.●

CENTENNIAL OF MRS. BESS TRUMAN

Mr. SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. WHEAT] is recognized for 30 minutes.

Mr. WHEAT. Mr. Speaker, next Wednesday, February 13, is the centennial of the birth of one of our truly inspiring First Ladies, Mrs. Bess Truman. She is probably the most unheralded First Lady of modern times. That was the way she wanted it, and to a surprising extent that was the way it stayed. She fought efforts by the press and the public to lure her into the spotlight. Once, she described her role of First Lady as requiring a wife to—and I quote—"sit beside her husband, be silent and be sure her hat is on straight."

The fifth generation of a prosperous family in Independence, MO, Elizabeth Wallace grew up a blue-eyed, blond-curled tomboy. From early childhood, she was known as "Bess." She was the best third baseman in the neighborhood, a first-rate tennis player, and the only girl in town who could whistle through her front teeth.

She was 5 when a 6-year-old boy named Harry Truman fell in love with her at Sunday school in 1890. Later, in grammar school, he managed to carry her books, a practice that continued through high school. Bess was the only girl Harry ever courted and their courtship was carried on with letters. For more than a decade before their marriage in 1919, Bess stayed at her home in Independence, while President Truman worked his family farm near Grandview or traveled out of State investigating land and mining deals.

Truman's courting style was direct. In one of his letters, he writes—and I quote—"Speaking of diamonds, would you wear a solitaire on your left hand should I get it?" The answer was yes in 1917 as they became engaged as he was leaving for Army service overseas during World War I. After he returned from the war 2 years later, they were married in a simple ceremony.

Someone once asked Mr. Truman's mother why her son had not married until he was 35 years old. "Maybe Bess wouldn't have him before then," was her reply.

The Trumans stayed married for 53 years, through a failed business, hardball local politics, and Truman's sudden rise to the White House and leadership of the postwar world.

Bess always insisted that her husband's eminence had nothing to do with her. She always stated matter-of-factly that she was "only the President's wife and the mother of his daughter."

Bess Truman was not a political power in her own right, like Eleanor Roosevelt, or glamorous, like Jacqueline Kennedy. She had no protégés, she held no press conferences.

Her unassuming public profile, however, did not diminish her stature in the hearts and minds of millions of Americans. The only daughter in a smalltown family, Bess Truman was respected and loved by Americans because she embodied the basic decency of this country. Americans found reassurance and inspiration in the virtues Mrs. Truman personified. She was from Independence, MO, our country's heartland, and she cherished all the best values of smalltown America. She was warm, friendly, and home-loving. Her family came first and that feeling was reciprocated by her husband and daughter Margaret.

Mrs. Truman had a sense of duty, dignity and quiet pride, and a sense of proportion. She was correct and gracious about everything she did in the White House, and she served the country and her husband well.

President Truman lovingly called Bess, "the boss" and "my chief adviser." Although reserved in public, she was good-natured and had a sharp, dry sense of humor. Unfortunately, too few people were offered examples of that side of Bess Truman. One which was recounted freely by the President involved their love letters. Shortly after he became President, Truman found Bess burning a stack of his old love letters. He protested, saying she should think of history. I have, was her reply.

She quietly served as President Truman's closest confidante and adviser. She even attempted—often unsuccessfully—to smooth some of the rough edges her husband had acquired during his rise through the rough-and-tumble world of Midwestern Democratic politics. A widely circulated story demonstrated her attempts to tone down President Truman's use of salty language. Mrs. Truman and a friend were in the audience for a speech the President was giving at a Grange convention. Truman told the Grangers, "I grew up on a farm and one thing I'm sure about—farming means manure, manure, manure, and more manure."

Down in the audience Mrs. Truman's friend whispered to her, "Bess, why on earth can't you get Harry to say fertilizer?" She replied, "Good Lord, Helen, it's taken me 30 years to get him to say manure."

When President Truman told an audience that Texans who voted for Richard Nixon could—quote—go to hell, she quickly scolded him. Telephoning him shortly after the speech, she told the President, "If you can't talk more politely than that in public, you come right home." She was always the lady, and she always kept her views private.

Once in 1955, she was asked on national TV if she had anything to say about politics, "specifically or in general." Her answer: Not in either category, thank you. In this era of celebrity politics, it is easy to misunderstand her statement and forget that genuine public service can be rendered by private people.

The Trumans—Harry, Bess, and Margaret—were a close family. They cared about each other's opinions. They enjoyed each other's company and they spent countless hours together in the White House. The household staff at the White House fondly called them the Three Musketeers.

Mrs. Truman was adamant that the President would not destroy her family and the life they all enjoyed. The family spent hours upon hours playing the piano together, ping-pong and bridge, and watching movies in the White House theater. It was a loving family full of teasing and joking held together by the steady hand of Bess.

Mrs. Truman demonstrated that the public good often is best served by private virtue. Bess Truman's priorities were always clear: Raising their child, tending their home, and staying in touch with old friends. Bess Truman reminded America of someone we love—a mother, a teacher, a favorite aunt. We admired her because she and President Truman reaffirmed something we like to believe about ourselves: That decent, hard-working plain-spoken people are the foundation of our fundamental courage and resourcefulness.

When Bess and Harry Truman left the White House and returned to a private life in Independence, MO, they were greeted by 15,000 admirers and well-wishers. More importantly, they returned to Independence as the same people who had left 17 years before: Honest, unpretentious Midwesterners. During their stay, he had done an extraordinary job. So had she.

After they retired to Independence, the couple rarely traveled away from home. The Trumans came to Washington occasionally and visited their daughter and her family in New York. In 1969, they celebrated their 50th wedding anniversary at home in Independence with an exchange of gifts, and visits from friends and relatives. Their 50th wedding anniversary was more than a day of good cheer. It was a testimonial to the simple and decent values that the Trumans cherished. Who amongst us isn't touched by a story of childhood sweethearts who marry, have a family, live in a white clapboard house and still hold hands and enjoy private jokes on their 50th wedding anniversary.

She died at the age of 97 in 1982. Fittingly, she was buried alongside her husband. The funeral service was a brief and simple ceremony and no eulogies and grand speeches were given. The respect and affection bestowed upon Bess Truman by Americans throughout her life served as her eulogy. She would have wanted it that way.

● Mr. SKELTON. Mr. Speaker, the gracious First Lady from Independence, MO, Bess Wallace Truman, if she were alive today, probably would have wanted her 100th birthday on February 13 celebrated with little fanfare. As the loving, family-oriented woman she was, just having her family by her side would have most likely been her celebration.

Those of us here today remember Mrs. Truman as a strong but gentle partner to her husband, President Harry S. Truman, and a guiding influence to her daughter Margaret. Her closest friends knew her as a wit, with a lively understanding of the people she came in contact with. But her quiet Missouri spirit, and her pride, dignity, and independence were well recognized and are what most of us remember her for. The return to Independence and the family home after the Truman Presidency was a reflection of that down home spirit she believed in and was admired for by all Americans.

May we honor and pay tribute to First Lady Bess Truman on her 100th birthday as the lovely lady which she was and remember her as one of our Nation's most admired and respected First Ladies.●

● Mr. HEFTEL of Hawaii. Mr. Speaker, I wish to take this opportunity to remember the 100th birthday of a great woman in American history, Bess Truman. This good and honest person influenced our national destiny, and helped guide this country through some of its greatest trials.

By providing President Truman with commonsense wisdom and solace on decisions that weighed heavily upon his conscience, she helped instill the basic values and principles of bedrock America at the highest levels of government. Far from being overshadowed by Harry Truman's presence, she had a delightful and unique identity of her own. Through her unpretentious and ever gracious manner, she came to win the respect and affection of all Americans.

Mr. Speaker, we as Americans all miss Mrs. Truman, for she personified everything good about our Nation. She will always live on in our hearts, a woman of simple origins, who helped to shape the course of world events—a woman who was truly able to walk with kings, but never lost sight of her humble roots.●

● Mr. EMERSON. Mr. Speaker, with the 100th anniversary of her birth soon approaching, this is indeed an appropriate time to honor Bess Wallace Truman, a remarkable woman whose exemplary qualities complemented and contributed greatly to the success of her husband and his Presidency.

The former Miss Bess Wallace and Harry S. Truman were schoolmates from grade school through high school in the Independence public school system. However, their courtship did not begin until many years after their high school graduation.

Although Bess Wallace actively participated in school and community activities during her years growing up in Independence, she would consistently play her role in a quiet, unassuming manner. Incredibly, marriage and a progressively more public life did not significantly change these traits, even when she was placed in the country's limelight as the wife of the President.

Although she possessed her own vivid and unique personality, Bess had made the decision early in her marriage to Harry S. Truman to remain in the background, where she felt she could best be of service to him and her country. As Mr. Truman's political career flourished, and public attention increased, Mrs. Truman continuously resisted the efforts of the press and public to pry her out of the place she had chosen for herself. From living a "normal" lifestyle in Missouri to eventually inhabiting the White House, Bess Truman felt keenly that her first duty was to be a good wife and mother—obligations she so abundantly fulfilled.

Possessing a quiet disposition and desiring a simple lifestyle for herself and her family made it difficult for Mrs. Truman to succeed the highly visible and vocal Eleanor Roosevelt as First Lady. However, the sincerity she displayed in her devotion to her husband, family, and country endeared this distinctive First Lady to the hearts of America. Her ability to meet both triumphs and with a graceful, quiet dignity won her the respect and admiration of the Nation during her years at the White House and on until her death in 1982.

Mrs. Truman's preference to avoid personal publicity minimized her visibility to the Nation. However, her courage, unselfish diligence, and hearty sense of humor became very apparent to the country as she helped her husband lead our Nation through a very critical time.

There is no question that Mrs. Truman played an invaluable part in her husband's Presidency. President Truman often commented that she was his chief adviser, assisting him in everything—politically and personally.

Bess Truman's faithful dedication to her strong family and patriotic values, combined with her unique sense of individualism, continue to set a great example for the people of this Nation.

We honor Bess Wallace Truman today not only because she was a gracious First Lady, but also because she was, to put it simply, a great lady.

Thank you.●

● Mr. ANDERSON. Mr. Speaker, it is indeed a pleasure for me to participate in this special order to celebrate the centennial of the birth of Mrs. Elizabeth "Bess" Truman.

Affectionately known as the Boss in the Truman household, President Truman once said, "She was my chief adviser always. She always helped me in everything. She was a full partner in all my transactions—political or otherwise."

Born in Independence, MO, in 1885, Bess and the future President first met in the second grade and later graduated from high school together. The Trumans' daughter, Mrs. Margaret Daniel, has written of those years, "From all I can gather, although not from her, as her modesty is so deep seated nothing can be done about it, she was an Independence belle. She was a crack tennis player and distinguished herself in boarding school by winning the shot-put in a track meet. Her own comment on this last is that it certainly has come in handy for shaking hands with a thousand people at a time. It's also reported that mother could whistle through her teeth, play baseball and best all comers at mumbletypeg."

It wasn't until 1919 that the former Bess Wallace and Harry Truman were married.

Their humble lives were changed forever when on April 12, 1945, President Roosevelt passed away. It must have been quite difficult for Bess to be thrown into the spotlight and be expected by the Nation to fill the shoes of Eleanor Roosevelt. I was glad to see Bess forge her own course on how she perceived her role as the First Lady. Even in this powerful position, she never lost her quiet and unassuming ways and continued to be the warm, caring person from America's heartland.

My wife, Lee, joins me in this salute to Bess Truman. She served her family and her country in the highest standards and we know she will continue to be looked upon as one of America's greatest First Ladies.●

GENERAL LEAVE

Mr. WHEAT. Mr. Speaker, I ask that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

□ 1350

THE NUCLEAR POWERPLANT STANDARDIZATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. BROYHILL] is recognized for 30 minutes.

● Mr. BROYHILL. Mr. Speaker, I am very pleased to join distinguished colleagues on both sides of the aisle today in reintroducing the Nuclear Powerplant Standardization Act. Identical legislation was introduced last Congress by a bipartisan group of colleagues who recognize the need for nuclear licensing reform. Although hearings on this issue were held in the Energy Conservation and Power Subcommittee last Congress, this legislation was not acted upon. America's nuclear regulatory and licensing process is ripe for reform—we must address this critically important issue in this Congress.

There is a growing bipartisan consensus in America, Mr. Speaker, that sweeping changes in the existing licensing and regulatory process are needed to preserve the nuclear option. We have been reading almost daily for over a year about the difficulties associated with nuclear powerplants. Utilities are being forced to abandon newly and nearly completed nuclear construction projects worth billions of dollars, but which the utilities cannot afford to finish because they have no assurance that the plants will ever be allowed to operate. Over 100 plants have been canceled since 1972. In 1984 alone, nine reactors worth over $10 billion on which substantial work had been completed were abandoned.

There can be no doubt that these difficulties are due in large measure to the manner in which the Federal Government regulates this industry. The laws governing the regulation and licensing of nuclear powerplants have

not been overhauled since they were enacted in 1954, and they are inhibiting the development of this critically important energy resource. The industry and its regulators are caught in a quagmire of regulations which prolong construction time, divert the industry and its regulators from important safety work, and impose new and modified requirements without regard to cost and overall plant and industry safety. Regulation has become far too complex—with technical issues being raised far faster than they are being resolved. There is almost universal dissatisfaction with the effectiveness of the Nuclear Regulatory Commission. Few utilities would consider ordering a new nuclear plant under the current regulatory regime.

The legislation we are introducing today focuses on the legislative reforms necessary to encourage regulatory stability and the development of standardized designs. Standardized designs will promote safety by concentrating the resources of designers, engineers, and vendors on a few improved designs, and by stimulating standardized programs of construction practice and quality assurance. It will also facilitate the sharing of construction and operating experience within the industry, which will in turn promote improved performance. To the extent certainty is introduced into the regulatory process, the utilities will benefit by being able to make reasoned decisions concerning the viability of nuclear power.

Mr. Speaker, our Nation's economic health is becoming ever more dependent on a reliable and reasonably priced supply of electricity. For more than a decade, industry has been shifting from directly burning fossil fuels to the use of electric power. This phenomenon has not been limited to industrial customers. Since 1978, more than half of the single-family houses that have been built are heated with electricity. And there are excellent reasons for this—it is clean, efficient, and cost effective. Even during our economy's dismal performance during the 1970's and early 1980's when the use of nonelectric energy declined by almost 16 percent, demand for electricity actually grew by 33 percent.

Our Nation cannot afford to foreclose the nuclear option. Realistically, there are only two fuels available to meet our future energy needs—coal and uranium. While oil prices appear favorable today, I don't believe anyone would advocate tying our electric supply again to this volatile resource. Alternative sources, such as solar, appear unable to deliver the amounts of electrical energy necessary to drive our economy. But if we are to benefit from a healthy competition between coal and nuclear—we in Congress must act now, this year, to revamp the nuclear regulatory process. Due to the financial and regulatory risks inherent in large construction projects, utilities are deferring planning the generation facilities which the Department of Energy and many others believe are necessary to meet our Nation's electricity needs in the 1990's. As an editorial in the Washington Post pointed out earlier this month:

> The United States is drifting slowly toward a shortage of electric power. For reasons that are chiefly financial, utilities have been scaling back their construction plans for new generating plants. If the country stays on its present track, the demand for power will begin pressing the limits of supply some time in the 1990s.

This is not a problem that can be postponed. Electricity consumption grew by almost 6 percent in 1984. The excess capacity that exists today in certain regions of the country may well vanish in the next few years now that our economy has returned to a healthy growth rate. In certain regions of the country, peak consumption is already hitting reserve margins. Last summer a 5-percent voltage reduction had to be imposed on 21 million customers on the eastern seaboard because demand was pushing too close to available supply. Apparently, blackouts were only avoided in certain regions of our country by customers' energy conservation efforts and expensive purchases of power from neighboring utilities.

Mr. Speaker, the public has a right to expect congressional action on the difficulties threatening America's nuclear option—the stakes are too great. The costs of too little capacity are clear. If faced with this situation, brownouts will allocate limited supply. Electricity costs will rise as uneconomic and inefficient generators are rushed into service. These costs will be borne by consumers. Most importantly, higher costs and unreliability of electricity will constrain economic growth. Businesses will expand their operations in other countries and may in fact relocate their existing operations. American jobs will be lost, our balance of trade will suffer, and consumers' purchasing power will decline.

This trend has already begun—last year American utilities spent about $1 billion importing electricity, almost all of which came from Canada. Nicholas Patterson, an Ottawa consultant, estimates that Canada's electricity exports could double by 1986 and redouble by 1990. Our Nation is paying Canada to build the capacity to supply our energy needs—capacity we are apparently unwilling to build for ourselves. This represents a loss of jobs for American workers, hurts our balance of trade, and ties our Nation's electrical system to a foreign source of uncertain reliability. We are often told of the availability of Canadian hydroelectric power—but we rarely hear about the fact that over the last 14 years hydro Quebec has suffered 13 partial system failures and 9 systemwide failures.

Mr. Speaker, hardly a day goes by that we do not read or hear about canceled or mothballed nuclear plants, cost overruns, and licensing delays. The impact on our economy is enormous—both in terms of short-term increases in electricity rates and the profound long-term consequences. We do not contend that all of these cancellations, delays, and excess costs are attributable to the current nuclear regulatory process, but we do believe that Congress has the obligation to restructure a 30-year-old regulatory process which almost everyone agrees is not working in the best interests of the industry or the public.

I joined Congressmen JOHN DINGELL, MO UDALL, DON FUQUA, and other colleagues from both sides of the aisle 3 years ago, in a bipartisan effort to address the issues associated with the permanent disposal of high level nuclear waste. This effort culminated in a comprehensive piece of essential legislation—the Nuclear Waste Policy Act. I now call upon my esteemed friends to join with me again in order to fashion a solution to the problems plaguing the regulation of nuclear power. Failure to act on these problems is nothing less than an abrogation of our leadership responsibilities. A complete section-by-section analysis of this legislation accompanies this statement, we urge our colleagues to study this issue and to join us as cosponsors of this vital legislation.

The summary follows:

SUMMARY OF THE MAJOR PROVISIONS OF THE NUCLEAR POWERPLANT STANDARDIZATION ACT OF 1985

SECTION 101. APPROVAL OF STANDARDIZED DESIGNS

Section 101 adds a new section which would direct the Nuclear Regulatory Commission to develop an approval process for standardized designs. The design approval would be utilized in subsequent NRC licensing proceedings. The standards and criteria necessary to approve a standardized design would be a matter appropriately left to Commission discretion and expertise. Under current NRC regulations, vendors are allowed to seek approval of preliminary or final designs, but such approvals are not binding on the Commission. Thus, there is little incentive for vendors to develop, and utilities to utilize, standardized designs because of the existing uncertainty of the approvals.

Under the new law, design approvals would remain valid for ten years, and could be renewed for additional ten year periods. To promote regulatory stability and encourage the development of standardized designs, determinations made in design approval proceedings would be adhered to unless there is a compelling reason to change the design. The need to change designs would be reviewed in design approval amendment proceedings. Design approval amendment proceedings could be initiated directly by the Commission or upon petition by any other party.

SECTION 102. EARLY SITE APPROVAL

Section 102 adds a new section which would direct the Nuclear Regulatory Commission to develop a process for approving a site before an application to build and operate a nuclear plant is filed. Site approval would be utilized in subsequent NRC licensing proceedings. Under existing regulations, the results of Staff's review of potential sites prior to the filing of construction applications are not binding.

Site approvals would remain valid for ten years, and could be renewed for additional ten year periods. The standards and criteria necessary to approve a site would be a matter left to Commission discretion and expertise.

SECTION 103. CONSTRUCTION AND OPERATING LICENSES

Section 103 amends section 185 to provide for a license to both construct and operate a nuclear power plant. A utility would be able to obtain such a license if its application demonstrates that the utility's management is competent and that the plant will be constructed and operate in conformity with the application, the provisions of the Atomic Energy Act, and the Commission's rules and regulations. The application must include an essentially complete design. Under current law, a utility litigates technical issues in a two-step licensing process. This provision would eliminate the duplication of detailed environmental and safety reviews. By eliminating this duplication, utilities will submit the information necessary for effective and meaningful public participation at the earliest phase of the licensing process before permission to construct is granted.

At least nine months before commencing operation, the utility must notify the Commission of the proposed date for commencement of operation. The public is then given an opportunity to file written objection to the commencement of operation and request a hearing. The Commission would determine whether there is good cause for hearing and who should be admitted as a party in the hearing, and designate the issues appropriate for adjudication. The standards for the issues to be designated for hearing are designed to ensure that the hearing will be used to resolve important and material disputes of fact which could not have been raised at an earlier stage in the licensing process, and not for purposes of delay.

SECTION 104. MODIFICATION OF REGULATORY REQUIREMENTS

Section 104 adds a new section which instructs the Nuclear Regulatory Commission to adopt regulations setting forth criteria to govern all additions, deletions and modifications to Commission regulatory requirements. These regulations are to require a systematic, centralized and documented review of the benefits and costs associated with proposed changes in regulatory requirements. New or modified regulatory requirements would become effective by Commission rule, regulation or order.

This provision would promote the stable and certain regulatory environment necessary to encourage the development and use of standardized designs. Predictability and consistency are prerequisites for uniformly high safety standards.

SECTION 105. FINALITY OF PREVIOUSLY RESOLVED ISSUES

Section 105 simply enables the Commission to resolve a factual dispute once, and not have to continually relitigate the same factual issue in a number of separate proceedings.●

● Mr. MOORHEAD. Mr. Speaker, I am pleased to join with my esteemed colleague and friend from North Carolina, Congressman JAMES T. BROYHILL, in introducing the Nuclear Powerplant Standardization Act of 1985. This legislation responds to what I believe is an increasingly serious national problem. Some claim that nuclear power is no longer a viable option for our Nation's energy future. As the gentleman from North Carolina [Mr. BROYHILL] has just pointed out, we can not afford to have this claim become fact. There are important benefits to be realized from the development and use of standardized nuclear powerplant designs.

The laws governing the licensing and regulation of nuclear power were enacted when nuclear technology was in its infancy, and we had little practical experience with nuclear reactors. Today, however, there are 86 nuclear powerplants licensed to operate in this country, and nuclear power supplies 13 percent of America's electricity needs. Nuclear power is expected to supply 17 percent of our Nation's electricity needs by the end of this decade.

Clearly nuclear power has become an extremely important energy source for America. It is equally clear that the licensing and regulatory process has not evolved and kept pace with the development of this important resource. The industry's and its regulator's resources are being diverted from important safety related work. The licensing process fails to maximize the effectiveness of public participation. Regulatory uncertainty is forcing utilities to rule out the possibility of nuclear power as a source of new generating capacity. The time necessary to build and license a nuclear powerplant doubled over the last decade and now exceeds 12 years. This exceeds the period in which demand and costs can be predicted with any degree of accuracy and, therefore, makes any rational planning impossible.

It doesn't have to be this way. Standardized designs, in addition to promoting safety, would improve the economics of nuclear powerplant construction. Standardized designs could significantly reduce the lead times necessary to plan, build, and license nuclear powerplants. The vendors and engineers who design nuclear reactors could concentrate their efforts on fewer designs. Preapproval of designs would enable safety reviews to be substantially complete before construction begins. Construction times could be halved. Reactors are built in Japan in 4 years using only 2,500 workers on a single shift schedule. Other countries, such as France, Canada, and West Germany, are forging ahead with their nuclear reactor programs utilizing standardized designs. They are able to build plants in less than 6 years and have thereby reaped substantial benefits.

Unfortunately, the uncertain and unstable regulatory environment has made the use of standardized designs in this country impossible. One significant factor contributing to regulatory uncertainty is the imposition of new or modified safety requirements without any systematic analysis of cost effectiveness or impact on overall safety. This practice hinders safety assessments, discourages the submission of design information early in the licensing process, and results in completed plants being significantly different and much more costly than originally envisioned. In the last few years, the Nuclear Regulatory Commission has required hundreds of modifications at a cost of millions of dollars. At many plants, the cost of the modifications necessitated by new regulatory requirements exceeds the original cost of plants—and have occasionally been so great that utilities decide to retire the plants rather than return them to service.

Recognizing the need for reform, both the Nuclear Regulatory Commission and the Department of Energy submitted comprehensive licensing reform proposals to the last Congress. Both the Senate and the House held extensive hearings on these proposals and on the need for licensing reform. Extensive testimony was received from the administration, the Nuclear Regulatory Commission, the utilities, and environmentalist organizations. The hearings established that the public will benefit from reforms which encourage standardization, a more effective application of industry and NRC resources, more meaningful public participation and the reduction of unnecessary costs.

To this end, we are reintroducing today the "Nuclear Powerplant Standardization Act." We believe this bill, which is identical to that which a bipartisan group of colleagues joined us in introducing last year, focuses on the legislative reforms necessary to encourage regulatory stability and the development and use of standardized designs.

This legislation would direct the Nuclear Regulatory Commission to develop a process for approving standardized designs. The design approval would be conclusive in subsequent NRC proceedings. To promote regulatory certainty, determinations made in design approval proceedings would only be modified in design amendment proceedings.

This bill would require the NRC to develop a process for approving a site before an application to build and operate a nuclear plant is filed. Site approvals would also be conclusive in subsequent proceedings.

This bill would also enable utilities to obtain combined construction and operating licenses. These combined licenses would eliminate redundant litigation and the duplication of detailed environmental and safety reviews.

Most importantly, this legislation addresses the manner in which the Commission modifies regulatory requirements. This law would require the NRC to adopt regulations setting forth criteria to govern all additions, deletions, and modifications to regulatory requirements. These regulations would require a systematic, centralized and documented review of the benefits and costs associated with all proposed changes in regulatory requirements. New or modified regulatory requirements would become effective only by Commission rule, regulation or order.

This provision would promote the stable and certain regulatory environment which is a prerequisite to the development and use of standardized designs. It will facilitate management of the nuclear reactors currently in operation, and protect the reactors now under construction from unnecessary backfits.

This legislation would also clarify the scope of hearings. The NRC would be able to resolve a factual question once and not have to consider the same question again in a different proceeding.

Mr. Speaker, Congress should respond quickly to the clear desire of the regulators, the regulated, and the people of this country and adopt legislation which encourages the development of American standardized plant designs. We believe the bill we are introducing today will do this. It is a compromise measure that draws from the strengths of the comprehensive proposals submitted by the Department of Energy and Nuclear Regulatory Commission, and responds to the concerns expressed by all parties at the hearings held on licensing reform last Congress.

Given this Nation's critical need and congressional support, we are optimistic about this bill's passage. There is almost total agreement that legislative reform is critically important. The Nuclear Regulatory Commission has acknowledged that it is incapable of making the fundamental reform necessary to stabilize the regulatory environment without legislation. President Reagan strongly supports comprehensive nuclear licensing reform. Secretary Hodel recognizes the seriousness of this problem and has singled out nuclear licensing and regulatory reform as one of his top legislative priorities. In the Senate, Senator SIMPSON, chairman of the Subcommittee on Nuclear Regulation, has long supported this type of reform. For our part, there is a growing consensus in the House that the Federal Government must act if nuclear power is to remain a viable option for our future energy needs. I join the gentleman from North Carolina in asking our colleagues to carefully review this problem and invite you to cosponsor this legislation. It is urgent that we expeditiously tackle this problem in a truly bipartisan fashion.●

A CLARIFICATION OF ISSUES CONCERNING CONTESTED ELECTION IN INDIANA'S EIGHTH DISTRICT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. MYERS] is recognized for 30 minutes.

(Mr. MYERS of Indiana asked and was given permission to revise and extend his remarks.)

Mr. MYERS of Indiana. Mr. Speaker, I apologize to the Speaker for taking the time this afternoon, and especially to the staff here. I shall be as brief as I can. But in the debate we just had whereby we excluded the Congressman-elect for the second time this year, there were a number of inaccuracies and inappropriate remarks made that were not accurate, and I think it cries out that these be corrected, and that it be shown today in today's RECORD that these were inaccurate statements that were made.

I cannot question why anyone would not vote to seat Mr. McIntyre. I do not have the power, nor would I if I had the power, to question the right of anyone to vote whatever way they feel in their heart and in their judgment is right here in this body. However, all the facts certainly substantiate that Mr. McIntyre was wronged today once again by this vote. The people of the eighth district of Indiana and in fact of every district in the country have been wronged by what happened today if it goes uncorrected, because the fact is that the precedent is most dangerous.

Some statements have been made today by our majority leader which I think need to be set right. I will try to be as accurate as I can, as I wrote down what the gentleman from Texas [Mr. WRIGHT] said. He stated that thousands of votes were arbitrarily invalidated by the Indiana recount.

Now, before any vote is invalidated on a recount or on any other basis in the State of Indiana, it is not unlike any other State. There has to be a matter of law as to why these votes were invalidated. I was not present when all these votes were invalidated. As the record shows, some were—not thousands, but several thousand were, and they followed exactly the instructions by the courts in those various counties.

Under Indiana law each court and each county conducts its own recount when one is ordered in that county. In each of the counties, the 15 counties that make up the Eighth Congressional District of Indiana, they had all or part of their counties recounted. There is a recount commission operated by the courts that follows the law and follows the instructions of the judge.

That is exactly what happened here, and to say that they were invalidated arbitrarily is really flying in the face of fact and certainly questioning the integrity of each of those courts and the State of Indiana, and in that way it affects every other State here that could be similarly affected in the future.

The gentleman from Texas [Mr. WRIGHT] went on to say that multiple House precedents permit the House to continue to deny McIntyre his seat. The fact is that it is just exactly the opposite. In 82 cases where there have been questions about the election, in every one of those cases except one the Member was seated pending the investigation of the facts surrounding the circumstances, and I am going to speak about that in a moment.

The one exception where that Member was not seated again happened ironically in Indiana, in 1960, when Mr. Chambers, the incumbent Congressman, and Mr. Roush, the challenger, were both asked to stand aside, and neither was seated. But there were circumstances which it seems no one wants to bring up today. After the election in 1960, Mr. Chambers was issued a certificate of election by the then secretary of state of the State of Indiana. I have talked to that secretary of state, and he explained to me what happened.

Subsequent to that certificate being issued to the Clerk of the House certifying Mr. Chambers as the winner, there were some further examinations by both candidates, and it was found that an error or errors had been committed in the court and the canvass of that vote. Subsequently it was decided by the then Governor of the State of Indiana that Mr. Roush had been declared the winner.

□ 1400

The Governor took it upon himself to send a letter to the Clerk of the House certifying that the first certificate was in error and that the letter should be considered and be the authority to seat Mr. Roush.

So the House on January 3, 1961, could not determine whether to take the certificate as proof of the proper election of Mr. Chambers or take the letter from the Governor stating that Mr. Roush was truly the winner; so the House was uncertain and could not in its best judgment at that time seat either; but that was the one exception.

Every other case, Packard, other cases cited by everyone today, the designee who was properly designated

and certified by election authority in the various States has been seated. This is the one exception, but just because the House acted unconstitutionally does not give us the right to continue to compound that by further unconstitutional acts.

Next, Mr. WRIGHT states:

The House Administration Committee is fair, not partisan, but will act swiftly to resolve the issue.

The question was not the integrity of the House Administration Committee. No one denies the right or privilege of this Chamber to investigate or judge as the Constitution provides. This was not the issue at all. The issue was clouded of what was really taking place here today. No one questioned that authority. No one questioned the integrity of the House Administration Committee.

What was not pointed out was that the power of the House Administration Committee is not vested in that House Administration Committee, but in the Congress, which can be transferred to the House Administration Committee, which it did under the resolution of Mr. WRIGHT, passed on January 3.

Now, I might add here that in question is section 4, the right to judge. The election is in section 5 of article I of the U.S. Constitution. Section 5 reads:

Each House shall be the judge of the elections, returns, and qualifications of its own Members.

Now, no one questions the Constitution on this, the right to judge, not to decide ahead of time, and this is what is implied by this today be the actions saying that what happened in Indiana, they did not count the votes properly. There was inconsistency from one county to the next on how they were counted.

Is that unlike any other State? Every one of us could be challenged on that basis; however, our Constitution also provides a protection against just such as this when it says also in article I, section 9: "No bill of attainder or ex post facto law shall be passed."

Today when this Chamber says, "We don't like the way Indiana conducted its elections. We are going to change it now, months after the election in November." Is that not that ex post facto? We did not tell Indiana 2 years ago, 4 years ago, 6 years ago, that we can no longer accept your laws in Indiana, the way you choose your Congressman, the way you run your elections. We did not tell them ahead of time. We allow every State to go ahead and have its elections.

Now, section 4 does provide, and I quote from section 4 of article I of the Constitution:

The times, places and manner of holding elections for Senators and Representatives shall be prescribed in each State by the Legislature.

That is what Indiana has done exactly. The manner of holding elections, the places and the times, but the Congress may at any time by law, not by rules ex post facto, but by law alter such regulations, except as the place of choosing a Senator.

Again, today we have said, "Indiana, we don't like the way you held the elections."

Mr. WRIGHT went on to say:

The Indiana Supreme Court ruled inconsistently with respect to a State Legislature election and the McIntyre-McCloskey race.

Mr. WRIGHT judges that the Indiana Supreme Court has ruled wrongly in this case. Well, the fact is that a Federal district court, a judge appointed by former President Jimmy Carter, a Democrat county court, and the Indiana Supreme Court, composed both of Democrat and Republican appointees, have all unanimously upheld the actions of the Indiana secretary of state, Ed Simcox, in what he has done. He has followed the letter of the law.

Three, district Federal courts, county courts, and the Indiana Supreme Court have all said that Ed Simcox, our secretary of state, has made no mistake. No court ruling has been made to impugn the certification of Mr. McIntyre, the victor, in the election last November 6.

Now, for some reason, the membership here seemed to want to skirt away from Powell versus McCormack and the analogy is so close here. Yes, Mr. Powell, who was denied his seat in 1966, went back and got reelected. He sued not only for his seat, but for back pay.

The interesting thing is in the decision that the Court held—and they went way beyond the petition of Mr. Powell when he sued—the Supreme Court held in their decision, and I quote:

The House has no power to exclude a Member-elect who meets the Constitution's membership requirement of age, residence.

He has to have been a resident of the State in which he resides, has to attain at least the age of 25 prescribed by the Constitution, must have been a resident of the United States for at least 7 years, and have been a resident of the State from which he or she was elected at the time of election.

The Court held in that case that the only valid ground, the only basis that the House of Representatives can exclude a Member, the Court went beyond the petition by Powell.

For some reason we want to go back and say, "Oh, we excluded him because of his qualifications," but the Court said that we cannot exclude for any reason except for qualifications, gave no other out that we might exclude because we do not like the way the election was held or who the winner might have been.

Well, again I was somewhat taken today at the arguments that it was wrong to seat Mr. McIntyre today because it would impugn the right of the House Administration Committee and this House.

Again, no one has said that, and I do not think they read the resolution that Mr. MICHEL presented, because the last resolve clause in that resolution provides:

Resolved, That the question of the final right of Mr. McIntyre to his seat in the 99th Congress is referred to the Committee on House Administration.

Just what the Wright substitute did today, his resolution referred it back to the House Administration Committee; however, the proviso here, Mr. MICHEL would have taken the constitutional route, the one the courts have told us we must take in many cases of seating Mr. McIntyre pending the outcome of the House decision and right to make its investigation.

Mr. JACOBS wrote a book, "The Powell Affair, Freedom One Minus One." He wrote this book right after Adam Clayton Powell. It is very interesting. It almost should be necessary reading before we have another vote on the McIntyre-McCloskey issue, because Mr. JACOBS very appropriately stated, he quoted a number of different people. Mr. UDALL, who voted just a moment ago and was on the floor, Mr. UDALL said of the question of Powell in that discussion:

Mr. Powell appears before us today with a certificate of election which is just as good as yours or mine.

He goes on:

His people said they wanted him to be their Congressman.

Mr. UDALL goes on:

I say that this is about fair play to the people that Adam Clayton Powell represents.

He goes on to say:

They have said they want him to be their Congressman. You might not have made that choice and I might not have made that choice, but they want him.

Mr. UDALL goes on to say:

I am prepared to let him sit and vote for them until we can have a full and fair hearing.

For some strange reason Mr. UDALL changed his views today after this period of years. He did not vote to seat Mr. McIntyre, but he spelled it out just exactly as Mr. McIntyre was victimized today here.

Chuck Wiggins, a Republican from California, again citing on the Powell case, and I might add when Mr. Powell was excluded from membership, it was a bipartisan vote that excluded him. It has not been that in this case today, except there were some votes on the Democrat side said, yes, we should seat pending the outcome and Indiana's Eighth District should be represented, but it was not a majority.

Mr. Wiggins said:

An affirmative vote to seat Mr. Powell is not only legally correct, it is in the long-range interest of good government as well. To appreciate the profound impact of a negative vote as a precedent, it is absolutely necessary to divorce the question from the personality of Adam Clayton Powell.

Today we did not divorce the politics of this, unfortunately.

Well, Mr. Speaker, I could go on. There are so many precedents here, case after case of where we did the wrong thing today in not giving Mr. McIntyre a seat, giving the people pending the outcome of further investigation and not giving the people of the Eighth District representation in this body; but one might raise again from the Adam Clayton Powell case, and I quote from the decision:

Thus stated in narrow terms, the issue is whether the judging provision which was used today should be read for each House to judge qualifications that are not prescribed by the other constitutional provisions.

□ 1410

It goes on in the footnote:

The due process clause might impose certain procedural requirements on the exclusionary process. The power to exclude should also be read in light of the Constitutional prohibitions against bill of attainder and ex post facto law.

To change the rules today, 3 months after the election, is ex post facto.

Mr. Speaker, I have told Mr. McCloskey this, a Democrat whom I know really better than I know Mr. McIntyre, but I told Mr. McCloskey, and I seriously believe, and I mean this sincerely, if Mr. McCloskey had a certificate from the secretary of state, I would be arguing that he should be seated just as we should have seated Mr. McIntyre.

A wrong has been done today. We seated a Member from Idaho whose race also is in question. There have been other things charged here which have never been charged in Indiana: fraud, wrongdoing has never been charged in Indiana, could not have been, has not been brought up. But it was in Idaho. But we seated that Member because the people of Idaho gave him a certificate and he is entitled to that seat.

The people of Indiana, through its secretary of state, have given Mr. McIntyre a certificate. We have gone through the recount required by law, asked for by this House. It raised the number by which Mr. McIntyre won that election. Yet again today we have ignored the Constitution. We have ignored the rules of this House or we have bent them to fit the occasion. We have been wrong.

I yield back the balance of my time.

DEFENSE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. McDADE] is recognized for 15 minutes.

Mr. McDADE. Mr. Speaker, I rise today to discuss the Defense portion of the President's 1986 budget.

Always a controversial, difficult and emotional issue in the Congress and across the Nation, the Defense budget in these times is all of these and more.

To some, Defense and Deficit have become synonymous, To others, the amount of defense we need is measured only in terms of real growth percentages rather than in terms of people and equipment. And, there is little agreement on details even among those who agree in principal.

Already, since the budget was released Monday, there are conflicting reports even as to how large the Defense budget is and how much it has grown over 1985.

I hope sincerely not to add to that confusion. Rather, it is my intention today to touch on a few of the pertinent details of the budget, and share some thoughts as to the larger issues we face as we set about the business of working our will, as a Congress, on the document now before us.

I have seen and heard reports that the 1986 Defense bill requests 13 percent growth. I have heard 10 percent, I have heard 8 percent, and the President says 5.9 percent.

To put it in perspective, the Congress approved $291 billion in budget authority for the Defense function in 1985. The President has requested $322 billion in 1986.

Of these amounts, the most common frame of reference is to set aside the energy and other agencies portions and concentrate on the Defense appropriation and military construction bills. In 1985, these two bills amounted to $283 billion. The 1986 request is for $313.7 billion in budget authority.

For the Defense bill only, the 1985 number was $274.4 billion and the 1986 request is for $303.3 billion.

I leave it to each of you to arrive at your own percentage of real growth factoring in a 3.1 percent inflation projection in general terms.

But I do suggest that none of these comparisons of budget authority between 1985 and 1986 will approach the 10- and 13-percent figure. I further suggest the figure you are most likely to arrive at will be between 6 and 7 percent real growth in budget authority, probably closer to 7. But neither is it the 5.9 percent advertised by the Defense Department which saw fit to add further to the confusion by electing to eliminate civilian pay and fuel costs from its calculations.

The figures I have cited thus far are the requested budget authority. As for outlays, the amount the Department estimates it will actually spend in fiscal year 1986, the proposed figure is $277.5 billion. This compares with projected outlays of $246.3 billion in 1985.

Outlays are the key to the "A dollar from defense is a dollar from the deficit" school. It is outlays—the money actually paid out by Defense—which lie against the deficit. In a few minutes I will lay out the composition of these outlays. But first I would like to talk about this Defense bill and what I hear from many Members in this Congress—that because of the deficit, this bill must be cut.

Mr. Speaker, the Defense budget for 1986 can be cut and it probably will be cut. There is nothing unusual about that. In the past 20 years, there were only two occasions, in 1967 and in 1981, that Congress actually increased the budget from the President's request. For the past 4 years, we have cut an average of 4.8 percent per year from the request. From 1965 through 1980, Congress reduced the request an average of 4.1 percent per year, and those were during the days of Vietnam and the postwar era when it is generally conceded Defense suffered real damage. But these are different times with different concerns and history can only serve as a reference, not necessarily as a guide.

The overriding issue this year is the deficit. Defense must contribute more toward deficit reduction, it is said. This, despite the fact that administration and congressional reductions over the past 5 years have served to reduce outlays, and thus reduce the deficit by a whopping $156.5 billion, $58.5 billion in 1986 alone.

In fact, the 1986 outlays are $15.8 billion below the 1986 projection in the last budget submitted by President Carter, $8.7 billion below the so-called Rose Garden agreement of last year, and $2.4 billion below the concurrent resolution guidance handed down by this Congress last October 1.

All this aside, the President's budget has now come to the Congress for action. I am not going to ignore reality; many Members will look for greater cuts than the President has suggested and I have no quarrel with Congress attempting to improve on the efforts already made to include Defense in deficit reduction. But I think it is essential that the Members of this House be aware of what options we have in trying to do this. And I want my colleagues to note that if we are cutting Defense in the name of the deficit, we have to consider actions which will not just reduce the deficit this year but beyond—for the unfortunate truth is that we cannot correct the deficit in 1 year. It will not be corrected in 3 years. It is a long-term problem which requires long-term solutions.

The immediate question before us is the 1986 budget, and how to deal with that. The 1986 Defense outlays of $277.5 billion are what will contribute to the deficit this year. The hard fact about this figure of $277 billion is that in fact most of it cannot be meaning-

fully looked at for cuts. Of the entire $277.5 billion in 1986 outlays, $106.2 billion or 38.3 percent are from prior year appropriations. Congress can only impact on these outlays by canceling existing contracts and paying termination costs.

The largest outlays, $118.8 billion or 42.8 percent, are for men and women in uniforms. Congress can impact on these outlays by reducing salaries or allowances, or by reducing personnel, civilian and military, Guard and Reserve.

Of total 1986 outlays—those dollars that drive the deficit—18.9 percent of all outlays are generated by operations, maintenance, and procurement items requested in the 1986 bill.

To put it another way, unless we pay cancellation costs, or unless we make drastic cuts somehow in pay and allowances, those who are suggesting we make Defense the panacea for this year's deficit appear to be driving us toward the inevitable—taking 100 percent of outlay cuts from 19 percent of the outlays.

My colleagues may find this hard to believe, but the fact is that if, in the 1986 Defense budget, we were to zero the entire procurement budget, and if we were to zero the entire construction budget, the total impact on the 1986 deficit would be about $30 billion. If we went ahead and also zeroed the entire maintenance and operations budget, we would pick up another $20 billion. And we would still have 1986 outlays from Defense of $225 billion.

The unvarnished truth is that we do not have that much flexibility this year in trying to cut Defense and see an immediate and large impact on the deficit. If this is our goal, we will have to severely cut pay and allowances, operations, and maintenance.

There is a more evenhanded approach, one that balances cuts, if they are to be made, among all categories of spending. We need to take a look at the categories which, although they may have little immediate payoff, will help us deal with the long-term issue of the deficit.

We have not really done this to date. When Congress has cut the Defense budget it has made large cuts in suggestd pay increases and operations and maintenance, as compared to the procurement and research and development accounts.

Reductions in R&D and procurement contribute little to the immediate deficit reduction concerns. But reductions this year ripple out ahead for several years. This is the "bow-wave" effect we see so clearly when we look at 38 percent of all 1986 outlays coming from actions taken by Congress 3 or 4 years ago. I have to ask how long can we keep cutting pay and O&M, to the relative exclusion of procurement and R&D, and hope to ease the deficit problems in the outyears?

Clearly, there has to be some attention given to the procurement accounts in order to come to grips with the contribution of Defense spending to the deficit.

What options do we have? What we have done in the past to get at the procurement part of the budget is to resort to stretchouts. We reduce the number of systems procured this year in order to save money, and stretch the buy out into the future until the requirement is met.

The problem with this approach is, as is well known, that if you resort to stretchouts to realize immediate savings, you diminish economies of scale, increase the unit cost of the article in question, and end up spending a great amount more over the life of a procurement. We force bad management practices on the Department, and going back to the proposition that fighting the deficit is a long-term problem, all you may achieve in resorting to stretchouts, provided economies of scale are involved, is make that deficit problem considerably greater in 1988 or 1989 than projected today.

Secretary Weinberger and the Pentagon staff are optimistic on achieving economies of scale and savings through proper management. They argue that techniques such as multiyear procurement and economic production rates will, over time, save money if properly implemented. I think there is much to be said for these approaches, if handled with care. For example, the Air Force was able to cut 9 percent from its overall contract costs by using multiyear procurement for the F-16 from 1982 through 1985. Such procurement approaches will contribute to reducing Defense costs over time.

The problem with this, though, is that by leaving these planned procurements untouched in order to realize long-term savings, as DOD would like, Congress will have less flexibility in dealing with the Defense bill. If Defense cuts are to be made, and you want to achieve long-term economies, then you, of necessity, have to look for more cuts in pay, O&M, investment and the like.

There is one other option with respect to the procurement problem. If one assumes that the Defense budget, and in particular the procurement account, must be reduced; and if one wants also to maintain efficient production rates for certain programs, then another choice is to cancel selected procurement programs, while maintaining economic production in those remaining.

But canceling procurements poses its own set of problems. Contracts will be broken and termination costs must be paid. More importantly, canceling procurements reverse decisions previously reached by the administration and Congress regarding what is needed for our security. We cannot forget that once a decision has been made to procure a system, its military need has been justified as a result of countless hours of hearings and debate. The requirement for a particular system cannot vanish overnight.

I would urge my colleagues as we set out to examine all of the 1986 budget requests, to address not only the short-term 1986 deficit, but the longer term as well. This is my plea for all bills, Defense included.

Congress has been a full partner in the Defense decisions of the past. If prudent Defense cuts can be made—and they can—then they should be made, and I, for one, will work to see that they are.

We must have a credible Defense, we must view our actions in context with world events including arms control, we must not react unwisely to either emotions or hasty actions. We should not stop buying airplanes, if they are needed, because someone put $7,000 coffee makers in them. We just stop buying coffee makers—and fire some of the managers.

We must remember that there has been a bipartisan concensus that a number of goals are essential for our Nation's security. We have committed ourselves to improving the quality of life for our men and women in uniform. We have contributed in a very positive way to our forces' readiness and training. We are in the midst of substantial improvements in our conventional forces. And perhaps most importantly, we have moved to modernize our strategic forces.

The Congress has been a full partner in this effort. And we knew this would be an effort that would take many years. The Congress signed up to an ambitious Defense program with important objectives, and we should not lost sight of this.

With this in mind, we must make our reductions in Defense, not to react to some arbitrary dollar goal, but rather in terms of what is needed now, what can be deferred, and what can be done without. I don't know what those items are. We haven't yet had a hearing. But I can tell you this, I won't stand up and defend a Defense bill or any other bill unless I am confident we have done all we can to make it as tight and efficient as possible. Any Defense bill I support from this side will provide quality of life for our people, readiness of our forces and the finest, best maintained equipment consistent with sound management practices.

We will need the counsel and guidance of the Department of Defense throughout the entire budget process, for there will be tough decisions to be made on where to cut the Defense request. We will need the Department's reading of its priorities, and I would ask that in establishing them, the De-

partment give some thought to not just this year's bill but to the future as well. We cannot restrict ourselves to actions which will only reduce this year's deficit, and have little lasting effect. And the worst possible outcome would be if by failing to include Defense in meaningful deficit reduction efforts today, we are pushed into decisions in the future which will seriously hurt our Defense efforts.

Mr. Speaker, I ask unanimous consent to insert in the RECORD following my remarks, an analysis of the 1986 Defense bill prepared by my staff from material furnished by the Department of Defense.

And I would conclude only with these thoughts:

I believe it unfair to those in uniform and those in leadership positions for anyone to suggest the Department of Defense is the root cause of our problem. Our military has kept us free for over 200 years and God willing, will continue to do so.

I believe it is unfair to place great stock in outside reports of exorbitant increases in Defense percentages of growth. The American people are confused enough about our budget without further complications. We should all work to clarify the matter of budget growth.

And finally, we should all work to see to it we have an adequate Defense budget, that savings derived from Defense go to deficit reduction as they already have, and that we set quickly about the business of letting our constitutents and the world know that we will argue, and debate, and differ, but in the end, we will enact in a timely manner a Defense bill that will not break the bank, but will instead, provide the means for our military and our Government to keep us free and at peace.

DEPARTMENT OF DEFENSE FISCAL 1986 REQUEST

OVERVIEW

As shown on the following chart, DoD requests 1986 budget authority of $313.7 billion which includes both the Defense and Military Construction bill but excludes $9.0 billion in the Energy bill for nuclear associated activities and for other activities. Totals by bill are:

For fiscal year 1986

	Billions
Defense (including transfers)	$303.3
Military construction	10.4

Comparative figures are:

FOR FISCAL YEAR 1985

[In billions of dollars]

	Enacted	Requested
Defense	274.4	292.2
Military construction	8.4	10.3

Setting aside the nuclear portion of Defense, the FY '86 request is $30.9 billion over FY '85.

A 3.0% pay raise is requested starting 1 July 1985 for uniformed personnel. No pay raise is proposed for civilian employees, and a 5% pay reduction for civilians would become effective January 1, 1986.

The 1986 Budget Authority requested for Defense and Military Construction is $3.9 billion *below* the 1986 projection in President Carter's 1982 budget $11.1 billion below the Rose Garden Agreement, and $1.6 billion below the October 1, 1984 Concurrent Resolution.

Note.—There will also be a fiscal 1985 pay supplemental of $2.6 billion, $454 million of which is to pay the July 1, 1985 raise through September 30.

FISCAL YEAR 1986 DEPARTMENT OF DEFENSE BUDGET—FINANCIAL SUMMARY—BUDGET AUTHORITY AND OUTLAYS

[Current dollar amount in billions]

	Fiscal year—		
	1984	1985	1986
Budget authority	$258.2	$284.7	$313.7
Percent real growth	4.4	6.9	5.9
Outlays	$220.8	$246.3	$277.5

OUTLAY OVERVIEW

The Department projects 1986 outlays of $277.5 billion broken out as follows:

	Billions	Percent of outlay
From prior year appropriations	$106.2	38.3
Pay and allowances from fiscal year 1986 bill	118.8	42.8
Operations from fiscal year 1986 bill	19.4	7.0
Investment from fiscal year 1986 bill	33.1	11.9

Assuming, therefore, that prior year appropriations will not be revisited and that pay, allowances and personnel will be approved substantially as requested in the '86 budget, outlay reductions can be impacted largely only by actions taken on the operations and investment accounts as requested in FY '86 and which outlay in '86. This totals $52.5 billion, or 18.9% of the total '86 request.

ECONOMIC ASSUMPTIONS

Adjusting for anticipated inflation, budget authority real growth is seen at 6.9% over 1985 in the bill total as requested. (DOD excludes civilian pay and fuel from its calculations and states real growth at 5.9%)

IMPACT ON DEFICIT

Because of various adjustments to Defense budgets, including Administration adjustments and Congressional action starting with President Reagan's March, 1981 budget revision and through Fiscal Year 1986, Defense and Military Construction outlays are $156.5 billion below original projections, $58.5 billion in 1986 alone. The 1986 projected outlays for Defense are $15.8 below the 1986 projection in President Carter's 1982 budget, $8.7 billion below the 1984 Rose Garden agreement, and $2.4 billion below the 1985 Concurrent Resolution guidance for all of Defense.

BUDGET RESOLUTION COMPARISON

The 1985 Budget Resolution, adopted October 1, 1984, provided Congressional guidance to Departments on 1986 budget request estimates as follows:

For 1986 defense (050) category

	Billions
Budget authority	$324.7
Outlay	288.7

The actual 1986 request, compared to the Budget Resolution of October, 1984 is as follows:

FOR 1986 DEFENSE BILL ONLY

[In billions of dollars]

	Budget authority	Outlay
Budget resolution	305.5	272.0
Request	303.3	270.0
1986 + or −	−2.2	−2.0

Thus, the Defense category request is lower than the budget resolution guidance in BA and is lower in outlay.

FISCAL YEAR 1986 BUDGET—BUDGET AUTHORITY BY TITLE

[Current dollar amounts in billions]

	Fiscal year—			Fiscal year 1985–86	
	1984	1985	1986	Dollar change	Percent real growth
Military personnel	$64.9	$68.9	$73.4	$4.5	1.3
O&M	71.0	78.2	82.5	4.2	[1]6.1
Procurement	86.2	96.8	106.8	10.0	5.1
RDT&E	26.9	31.5	39.3	7.8	20.1
Military construction	4.5	5.5	7.1	1.5	23.3
Family housing	2.7	2.9	3.3	.4	9.1
Other	2.1	.9	1.4	.5	
Total	258.2	284.7	313.7	29.0	5.9

[1] Purchase real growth (excludes civilian pay and fuel).

PROGRAM HIGHLIGTS

Strategic procurement

B–1 Bomber: The request is for 48 aircraft at a cost of $5.6 billion. In 1985 Congress approved 34 planes for $7.1 billion.

M–X: The request is for 48 missiles and $3.0 billion. In 1985 Congress approved 21 missiles and $2.5 billion, but fenced 1.5 billion until votes are taken after March 1, 1985.

Trident Subs: The request is for 1 submarine at $1.5 billion. In 1985 Congress approved 1 submarine $1.8 billion.

In addition, funds are requested for Trident II missile advance procurement and for Stealth R & D, as well as R & D for a ballistic missile defense system. The ALCM and GLCM programs continue. The above table does not reflect R & D, spares, or Milcon associated with the system.

General purpose

Army:

[In numbers to be procured]

	Fiscal year—	
	1986	1985
M–1 tank	840	840
IFV	716	655
AH–64	144	144
UH–60A	79	86
Patriot	585	440
DIVAD gun [1]	117	0

[1] Secretary Weinberger revised the 1985 budget to provide only for long lead in 1985 pending a study of the systems problems.

Navy: Shipbuilding plans call for $11.4 billion, and 23 ships including the following:

	Fiscal year—	
	1986	1985
DDG–51	0	1
AEGIS	3	3
LHD–1	1	0
LSD–41	2	2
SSN688	4	4
Mine sweepers	4	4

	Fiscal year—	
	1986	1985
Trident	1	1
Wisconsin reactivation	1	0

The Navy aircraft procurement request includes:

	Fiscal year—	
	1986	1985
F–14	18	24
F–18	84	84
AV8B	46	27
P3C	9	9
LAMPS III	18	24

Airlift:

	Fiscal year—	
	1986	1985
C–5B	16	8
KC–10	12	8
CRAF	5	4

Air Force TacAir:

	Fiscal year—	
	1986	1985
F–15	48	42
F–16	180	150

Guard and Reserve: The number of personnel is scheduled to increase by 47,096.

Active Force Levels: The number of personnel is scheduled to increase by 27,630.

Civilian End Strength: The number of personnel is scheduled to increase by about 19,000.

RESEARCH AND DEVELOPMENT

Major R&D programs include:

	Fiscal year—	
	1986	1985
Trident II	2,200.0	2,063.1
JVX	608.6	188.5
DDG–51	118.8	119.6
F–14A	348.1	279.0
Small ICBM	624.5	461.5
C–17	453.7	123.3
Space Initiatives (star wars)	3,722.2	1,400.0
Anti-satellite	200.0	37.4
MX	800.0	1,699.7

MILITARY CONSTRUCTION/FAMILY HOUSING

There is a 23.3% real growth in Milcon and 9.1% in Family Housing. MX (Peacekeeper) construction in Wyoming continues at a cost of $56 million. Construction to support the B–1 is requested at $211 million, Trident shore construction is $412 million and GLCM construction is requested for $74 million.

Construction to station two new Army divisions (Fort Drum, N.Y. and Alaska) is $1.5 million.

Guard and Reserve construction is requested at $429 million, and $98 million is requested for the NATO Infrastructure program.

$429.2 million is requested for 5,252 new family housing units.

Funds are requested for improvements to 65,000 existing family housing units and maintenance is requested for 385,000 military housing units.

FISCAL YEAR 1986 PRESIDENT'S BUDGET—MANPOWER

[In thousands]

	Fiscal year—		
	1984	1985	1986
Military Active Duty:			
Army	780	781	781
Navy	565	571	586
Marine Corps	196	198	199
Air Force	597	602	612
Total military[1]	2,138	2,152	2,178
Civilian end strength:			
Army	403	401	406
Navy	342	339	341
Air Force	253	257	267
Defense agencies	87	91	93
Total civilian[2]	1,085	1,088	1,107
Total Military and Civilian	3,223	3,240	3,285

[1] Includes Military assigned to Defense Agencies and Cadets.
[2] Civilian End Strength includes Classified, Wageboard, Foreign Indirect, Civilian Technicians, and Permanent Part-time.

FISCAL YEAR 1986 BUDGET REQUEST, LONG RANGE FORECAST

[Dollar amounts in billions]

	Fiscal year—					
	1985	1986	1987	1988	1989	1990
BA						
Total, current prices	$284.7	$313.7	$354.0	$401.6	$438.8	$477.7
Total, constant (1986) prices	$296.2	$313.7	$339.4	$369.4	$388.0	$406.6
Percent change	5.9	5.9	8.2	8.8	5.0	4.8
Outlays						
Total, current prices	$246.3	$277.5	$312.3	$348.6	$382.3	$418.3
Total, constant (1986) prices	$256.3	$277.5	$299.0	$319.4	$336.1	$354.0
Percent change	7.5	8.3	7.7	6.8	5.3	5.3
Composite pay-price assumptions for outlays (Fiscal Year 1986=100 percent)	96.1	100.0	104.5	109.2	113.7	118.2

PERSONNEL 1986

The Personnel account is $4.5 billion larger than 1985 1.3% real growth for the following basic reasons: 3.0% pay raise starting in July, 1985 (July–September to be funded in a 1985 supplemental); 27,630 additional active forces; 47,096 additional reserve forces; PCS initiatives; Reserve training and support; G.I. Bill.

O&M 1986

The O&M account is $4.2 billion larger than 1985 3.7% real growth for the following basic reasons:

No strategic force increase	
General purpose forces	+0.6
Intell and communications	+.6
Supply and Maintenance	+1.8
Training, medical and admin	+.8
Guard and Reserve	+.3
Airlift-Sealift	+.1

$1.3 billion of the O&M increase is inflation. The remainder, $2.9 billion, is program growth. Civilian pay and fuel costs are excluded by DOD in calculating real growth.

PROCUREMENT 1986

The Procurement account is $10.0 billion larger than 1985, 5.1% real growth. There appear to be no new, significant starts, but rather a program to slightly increase procurement levels of current programs. The largest single item in the budget is the $5.6 billion for the procurement of 48 B–1 bombers, the final year of procurement of 100 aircraft. The MX program is for 48 missiles at $3.0 billion.

But as can be seen from the following analysis, increases by account are caused by current, on-going programs. Of the $10.0 increase in procurement over 1985, $4.8 billion is inflation and $5.2 billion is program increase.

	Over 1985	Major factors
Army:		
Aircraft procurement.	Same as 1985	
Missile procurement.	228M	Patriot, Stinger, TOW II, Laser Hellfire, MLRS, Chapparral.
Weapons, tracked vehicles.	1,191M	FAAS–V, Bradley (IFV), Recovery Vehicle, Spares, Squad Weapon, DIVAD.
Ammunition	Same as 1985	
Other procurement	590M	Vehicles, Com Equip (MSE), Electronics, Support.
Navy:		
Aircraft	1,159M	AV8B, EA6B, F–18, P3C, CH–53, Modifications, ECM, Ground Equip.
Weapons	1,274M	Tomahawk, AIM–7, Harpoon, Hellfire, Spares, Trident II (AP), Laser Maverick, MK48 (ADCAP).
SCN (23 new ships).	Same as 1985	
Other procurement	1,260M	Ship support, Comm Equip, Aviation Suppt, Ordinance Suppt.
Marines:		
Procurement	100M under 1985	
Air Force:		
Aircraft	87M	B–1 higher, combat aircraft down, airlift aircraft higher, mods down, spares down, support equip higher.
Missiles	3,974M	MX, Advance Cruise Missile, HARM, Maverick, AMRAAM, Space Launch Support, Spares, GPS, Special Programs.
Other procurement	690M	Munitions, Electronics.
Defense agencies:		
Procurement	225M	Equipment.

RESEARCH AND DEVELOPMENT

The RDT&E account is $7.8 billion larger than 1985, 20% real growth with much of the increase spread across most of the line items. ICBM modernization, combining MX and "Midget Man" is at about two-thirds the 1985 level of $2.5 billion including 800 million for small mobile launchers and for small missiles R&D and $0.8 billion for MX R&D.

Space initiatives, the so-called "Star Wars" request is $3.7 billion.

Other programs contributing to the R&D increase include the Trident II missile, intelligence and communications, C–17, a new nuclear attack submarine, and Defense-wide mission support, broken out as follows:

	Billions
Technology base	+$0.4
SDI	+2.3
Strategic	+.2
Tactical	+2.9
Classified	+1.5
Other	+.5

MR. MEESE'S LEGAL FEES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. FRANK] is recognized for 60 minutes.

Mr. FRANK. Mr. Speaker, we have recently read that Edwin Meese has asked the Federal Government to pay his lawyers' bills in the amount of $720,924 for 6 months' work.

His lawyers very carefully explained that they almost appear to be a little pained to be forced to accept so much money, billing him $250 an hour, but they explained that if they were to have asked for less they might have

been accused of showing favoritism to Mr. Meese. And I think it is very honorable now that Mr. Meese has become more sensitive to charges of favoritism than he had previously been. He is willing to allow his lawyers to charge top dollar from the Federal taxpayer to avoid being accused of favoritism, and that degree of partriotism we do not often see.

I think many of us might want to show that or a similar type of patriotism where we might have people that we are prepared to have them bill the Federal Government on our account, but it may be $800,000 or $900,000, being a little bit more patriotic than Mr. Meese, just to avoid the question of favoritism.

But putting that aside, I thought we ought to put in perspective just what we are talking about, because this administration has had other positions on paying legal fees. For instance, they have been proposing under various legislative schemes, and I am not objecting to the Federal Government paying some legal fees for Mr. Meese, and I think some reasonable amount should be paid. I think $720,000 to two lawyers for 6 months' work is a wee bit excessive. But I am not opposed to the principle.

I am concerned by the hypocrisy of this administration. I am concerned by one more indication that they live by not even a double standard, because double understates the disproportion. It is almost an octupal standard or a dicennial standard that they ask four and five times and eight times as much for their favored few as for the average individual.

They have objected to the payment of legal fees to attorneys who bring civil rights cases, environmental cases, freedom of information cases, people who bring important lawyers to vindicate and are often found to be successful. And they do not get those fees unless they are found to be successful, people on behalf of important causes that bring fees, and this administration has said the most they should get is $75 an hour. But $250 an hour is to go, more than three times as much, to Mr. Meese's attorneys. Not for work that is inherently more difficult, although perhaps the administration wants to argue that defending Mr. Meese is a lot harder than vindicating the Freedom of Information Act. I do not think that is a part of their case. It is just an indication of plain, flat-out hypocrisy, and there is no other explanation when the administration explains or when they say when you are trying to defend against the EPA or laws against it, or when you are trying to get to the American people information they are entitled to have about their environment or their economy, when you are trying to vindicate the civil rights of women or minorities who have been affected, that we will give you a top of $75 an hour, but when one of our own gets in trouble the sky is the limit. If he needs $250 an hour or $720,000 in fees, he can get it.

There are other examples of disparities of this administration. This administration has been very upset about the Legal Services Program. They said that we should have it done for free, that the lawyers should be doing this pro bono.

Apparently the lawyers for Mr. Meese did not hear that. But I thought I ought to have a few comparisons of what the amount of money Mr. Meese is asking for would produce if it was made available to the Legal Services Corporation.

For instance, Mr. Meese's lawyers are asking for 6 months' work on behalf of Mr. Meese more than the Legal Services budget for fiscal year 1985 for South Dakota, for Nevada, for Montana. No, I take it back. They have got more in Montana. They are $9,000 ahead. But also for New Hampshire, for Vermont, and for Delaware. They get almost exactly the amount as North Dakota.

Our friend from North Dakota, who will be talking a little bit later about this, and I am sure the people that he represents will be happy to know that Mr. Meese gets for 6 months as much as is given to the entire State of North Dakota for a full year to vindicate the elderly, the poor people.

Mr. DORGAN of North Dakota. Will the gentleman yield?

Mr. FRANK. I yield to my friend from North Dakota.

Mr. DORGAN of North Dakota. I thank the gentleman for yielding.

The gentleman indicates that the legal bill that is going to be passed on to the taxpayers of the country by Mr. Meese and his lawyers is something over $700,000. If you paid a lawyer $100 an hour, which is a pretty good wage in some parts of the country, that amounts to 7 work years. I wonder if anyone could explain to the taxpayers of this country how it took 7 work years by lawyers paid $100 per hour to defend Mr. Meese. It seems to me that somebody is getting ripped off here. My guess is that it probably the American taxpayer.

□ 1420

Mr. FRANK. Well, my friend from North Dakota, he could be excused from making one slight error, they get $250 an hour. I mean we are not talking the North Dakota farmers, nor North Dakota teachers, or even North Dakota lawyers; we are talking about Ed Meese's friends. And for them, and let it be clear, they did not necessarily want to do this, they did not want to show favoritism to Ed Meese. If they had taken $75 or even $100 an hour no doubt some of the partisans would be up here saying "Shame, shame, you only charged Ed Meese $100 an hour for the Federal Government to pay. We insist that the Federal Government pay $250 an hour to vindicate Mr. Meese."

Mr. DORGAN of North Dakota. If you would yield once again, I understand we are being billed at the rate of $250 an hour. That is an outrageous amount. I used $100 an hour as a more reasonable figure to estimate the number of work-years required to defend Mr. Meese.

Mr. FRANK. I appreciate that. Seven work years, I do not know, I guess Mr. Meese's affairs may have been in worse shape than I had feared if it took that amount of time to try to make something out of it. But apparently Mr. Meese had more legal trouble, I will say this to my friend from North Dakota, Mr. Meese had apparently more legal trouble than all of the poor people of North Dakota—no, he tied that. In 6 months he got into as much trouble as all the poor people, the elderly people, the people, the people who had problems with their landlords, people who had problems with the utilities, people who were too poor to get a divorce, they got $300 more than Mr. Meese for the whole year. So I want to congratulate the gentleman from North Dakota because you have the most law-abiding, least litigious State out there. You can live on the poor people's legal bills for the entire year on what it takes one Attorney General of the United States 6 months of trying to stay out of the slammer. I want to congratulate the uprightness of your people.

I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. I thank the gentleman for yielding. I think he is making a very important point that we should all talk about. Obviously I come from Colorado and I was fascinated in comparing Colorado's Legal Services Corporation fees with the Meese fees. Colorado is a larger State than North Dakota, as you probably know, and our fees for the entire State came out to be about three times what his services' bill was for his one person. But instead of serving three people, since it was three times his bill, we served 25,000.

So I find that really interesting. I think another fascinating thing, you know, several of our cities were way, way, way below his entire bill and when I look at what our Legal Services Corporation people were doing in Colorado, they were writing briefs, they were appearing in court, they were doing all sorts of things, and as far as I am aware there were not a lot of briefs written for Mr. Meese or a lot of court appearances under which there was a lot of pressure.

I would like to know exactly what they did. Has anybody seen the time

51-059 O-86-29 (Pt. 2)

sheets? Have they been released? Do we know, were they billing for more than one person? If you divide that out, that is really incredible.

Mr. FRANK. My understanding is there were two lawyers involved, other than they had some legal research; they also billed for some time trying to explain the case, as I understand it. There was what might appear to be a public relations problem.

Mr. Speaker, I yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. I thank the gentleman for yielding.

I want to first of all commend the gentleman from Massachusetts for bringing this matter to the attention of the House and to join my colleague from Colorado in being concerned with the double standard that we seem to see here. As I understand it, Mr. Meese has been one of the people most active in this administration in suggesting that poor people do not really need to have the Federal Government spending money in order for them to get representation; that in fact the private bar would be more than willing to provide the services if only the Federal Government would stop meddling and send it back in.

I was wondering whether we had any indication from Mr. Meese as to whether he thought this was the kind of approach in terms of fees that we would get from the private bar in exchange for service to low-income people.

Mr. FRANK. Well, we have not had any indication. If this is what we were going to be billed, we would be in trouble. But they anticipated that because as my friend knows, this administration proposed legislation sponsored by the gentleman from New York, the ranking minority member of the Committee on the Judiciary, Mr. FISH, which would have limited what private attorneys could get reimbursed from the Federal Government to $75 an hour, less than one-third of the $250 an hour. So apparently we have here a simple assertion, a very simple assertion that nothing is too good for Mr. Meese but as far as the rest, these little trivia things like Environmental Protection Act, Civil Rights Act, Freedom of Information, those need not be defended with the same vigor or the same expertise.

Mr. MORRISON of Connecticut. If the gentleman will yield further, as I understand it, both the House and the Senate in the closing days of the end of the last Congress, the 98th Congress, renewed a piece of legislation called the Equal Access to Justice Act which had as its purpose providing the little guy with some protection when the Federal Government might inappropriately either sue him or have to be sued in order for the law to be obeyed, and that law had been in effect for several years.

In our committee hearings we had been told it worked rather well at insulating people from inappropriate Government action. The general fee provision then was $75 an hour.

Now, after we renewed that bill I understand that President Reagan chose to veto that bill when we were no longer in session; therefore killing that extension.

It seems like another example of "nothing is too good for Mr. Meese but the average American does not have much protection."

Mr. FRANK. I am glad the gentleman has pointed that out because we do not want to be unfair. This administration says we sometimes unfairly accuse them of picking on the poor. They are not just picking on the poor, they are picking on the small business and middle-class people too because, as the gentleman points out, up until recently there was a law that said that if you are a small business man, small business person, and you are inaccurately and unfairly accused of violating the National Labor Relations Act or the Occupational Safety and Health Act or some other act and you have to defend yourself and you are proven innocent after a proceeding, then you would get a reimbursement at $75 an hour as the gentleman has pointed out, your lawyers' fee would be reimbursed.

This administration vetoed that. So we now have a situation where the only person in the country who can get vindicated and then get legal fees along with the vindication is Mr. Meese. If you are a grocer accused of violating the law or a small business man, Ronald Reagan vetoed it. The extraordinary degree of hypocrisy here impresses me.

The gentleman is right. If you are at the Legal Services Corporation, then Mr. Meese's lawyers for 6 months get more money than the entire State of Vermont, almost as much money, exactly the same as the entire State of North Dakota, one-third as much as the entire State of Colorado. If you are a small business man you get nothing at all. If you are a citizen who is forced to bring a lawsuit to try to vindicate an important national policy, you might get a third of what these people get. I do not understand that.

I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. I had a question about that. Maybe we are being unfair. Do we know if Mr. Meese's attorneys are doing a lot of volunteer work for the Legal Services Corporation? Are they taking a lot of cases for the poor?

Mr. FRANK. I would say to the gentlewoman I do not know. I do know they are people of some probity because they volunteered that to us, that painful although it may be to accept $720,000 for 6 months' work for the two of them on behalf of Mr. Meese, which would come out I would think to $360,000 apiece for 6 months, and an annualized fee of $720,000 a year, but they have secretaries, they have secretaries who may make as much as $20,000, $25,000, $28,000 a year, they have a little rent, some electricity on the machine. So this is not pure profit, this $720,000; probably not more than 70 to 80 percent of it goes into their pockets.

The point, however, is that they did not necessarily want to take this. But they were afraid that if they did not accept, if they accepted $100 an hour as our friend from North Dakota thought might be a reasonably generous reimbursement for lawyers, reflecting no doubt the popular orientation that endears him to the people of North Dakota but makes them suspect in the law firms of Washington, but this $100 an hour, they could not accept $100 an hour because they do not want to show Mr. Meese favoritism. They are honorable and upright people. They insisted in fairness and in justice to Mr. Meese that he should not be shown favoritism, that they should get $250 an hour; a rare degree of fidelity to the public interest from what we see these days.

Mrs. SCHROEDER. Very touching, does the gentleman think?

Mr. FRANK. I thank the gentlewoman. I thank my friend from Connecticut.

Mr. Speaker, I ask that we include in the RECORD at this point an article published in the Winston-Salem, NC, Sentinel, again a newspaper too far removed perhaps from our great metropolises to understand why lawyers need $250 an hour in this instance. It is an article in the United Press International wherein a legal services lawyer said his group provided services for 1,600 people per year for a little more than the $720,000 Mr. Meese wants for his defense in the special investigation. It quotes Terry Roche, Executive Director of the Legal Services of Southern Piedmont in Charlotte, NC. I ask this be included in the RECORD.

The article follows:

AID LAWYER: MEESE'S FEES EQUAL 1,600 POOR CLIENTS

WASHINGTON.—A legal services lawyer says his local group provides lawyers for 1,600 people for little more than the $720,924 Edwin Meese wants taxpayers to pay for his defense in a special prosecutors investigation.

Terry Roche, executive director of the Legal Services of Southern Piedmont, based in Charlotte, N.C., said his group served 1,600 new clients last year on a budget of $740,000. Meese, a White House counselor whom President Reagan has nominated for attorney general, is seeking $720,924 from taxpayers to pay for the cost of his lawyers, court records show.

"If Ed Meese is worth 1,600 poor people, that's a value judgment that I think is fairly

typical of this administration," Roche said in a telephone interview yesterday.

"It strikes me as extraordinary overreaching . . . that this administration says it is interested in the problems of equal access to justice on behalf of poor people and they want to equate Ed Meese's problems to that of 1,600 poor people," he said.

Meese, 53, was nominated last year to succeed William French Smith as attorney general, but Senate action was put on hold while a special prosecutor, Jacob Stein, investigated and cleared him of any criminal wrongdoing in connection with his financial and personal dealings.

Meese, a former California prosecutor, has asked a court for the money to pay his lawyers for successfully defending him.

Meese's lawyers charge as much as $250 an hour, but in his petition to a three-judge court, the lawyers said the law permits the payment of the fee. Stein received only $75 an hour for his role.

Roche said his agency's $740,000 budget for 1985 will include $622,722 from the Legal Services Corp. His group provides lawyers for the poor in five counties.

He estimates that it costs $63,000 to $65,000 to pay the salary, benefits, secretary, overhead, paralegals and supervision for each of his lawyers. Each lawyer earns $21,000 a year plus benefits.

Reagan and Meese have both opposed having government pay legal services for the poor.

A National Law Journal study of legal fees found that the Legal Services Corp. is on occasion willing to pay more for lawyers. It hired a prominent Washington law firm to battle a unionization move among the agency's staff and, in the last year, the law firm billed the corporation $164,451.

Mr. FRANK. Mr. Speaker, I yield back the balance of my time.

□ 1430

FAMILY FARMERS IN DEEP TROUBLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Dakota [Mr. DORGAN] is recognized for 60 minutes.

Mr. DORGAN of North Dakota. Mr. Speaker, today I would like to talk a bit about agriculture. In the heartland of this country, the family farmers are in some deep trouble, and there has been a lot of discussion around this town about what ought to be done about it.

Just last evening, at the microphone behind me, the President came and addressed the House, and reiterated that we ought to phase out farm price supports. That is the direction we ought to head, according to President Reagan. That is the solution he feels would be appropriate for the family farmers.

We have others who feel that family farmers are not in trouble at all. There is quite a difference of opinion among various policy makers in this town, and today I want to describe what I see as the problem in rural America and talk about some of the potential solutions.

Probably as much as anybody in the House, I know something about rural America. I graduated in a high school class of 9, on the outskirts of a town of 350. My family raised cattle and horses. I grew up in rural America.

I will be happy to yield to the gentleman from Iowa.

Mr. BEDELL. You had a good chance to be at the top of your class, then, with a class of that size.

Mr. DORGAN of North Dakota. The gentleman makes a good point. I usually point out I was in the top five; somewhere in the top five of those nine.

The gentleman from Iowa has about the same orientation as I do, coming from a small rural area of this country and understanding what farming is all about. It gives us a different perspective about the importance of family farmers and how we ought to solve some of their problems.

I have discovered here in Washington, DC, that there is a lot of discussion about defense. Everybody talks about the security of America and the defense of the country. I do not know of one person who served in the U.S. House of Representatives who has ever said, "I'm against defense, or "I'm against security," or "I'm not for a strong America."

Nor do many in the House take the time to describe to the President and others the notion that security and defense is more than building a bullet or an MX missile or a Trident II missile or another battleship.

Security is also depending on our ability to feed ourselves, and feed part of the rest of the world. We are a major industrial giant and a major military power, and we also have the ability to produce food in great abundance for the rest of the world as well as feed ourselves. That is part of our security as Americans.

Farming is part of our security and our strength. Viewed from that perspective, we come to different conclusions about the value of family farmers. There is the old phrase around town that is often used to describe David Stockman—he "knows the cost of everything but the value of nothing."

I do not know whether that is accurate or not, but I do know that Mr. Stockman's description of the farm plight and his proposed remedies are out of step with the needs of this country and the needs of the family farmers.

I would like to describe the trouble. Unlike any other business person, family farmers produce a product, spending a lot of money to produce early in the year without knowing how much money they will get for it until well into the end of the year.

They buy feed; they buy seed; they buy fertilizer; they buy petroleum; and they use it to put some crops in or feed some livestock. Later in the year, at harvest time, if grasshoppers have not come and if it has not rained too hard or too little and if it has not hailed and if they have not had blight, they will harvest.

The price at harvest depends on the international grain markets. Sometimes when harvest comes the international grain price goes down and stays down. What they put in that spring is not worth much in the fall. They are going to lose a lot of money those years, if they are lucky enough to grow a crop.

Hardware store owners know the price of a pair of pliers when they buy from wholesalers. The price will not change much when a consumer buys them.

A bushel of wheat, on the other hand, might be priced at $5 and it might be priced at $1.80, and the farmer does not know when he plants. The farmer does not know when he plants wheat whether it will grow, and if it grows whether it will be destroyed along the way before harvest.

That is why a farmer faces such a completely different situation than almost any other business person. Now, for the first time in many decades, farm prices have gone down and stayed down over an extended period of time. At the same time interest rates have gone up and stayed up.

Farmers are heavy users of credit because there is nobody to hand them a paycheck in March or April when they want to put the crop in. They have to borrow some money in order to put the crop in.

Interest rates remaining as high as they have remained have been terribly detrimental to our family farmers. High interest rates and low prices whipsaw farmers so that many family farmers cannot possibly stay in business. They just cannot make it.

The question facing us is, do we want a network of family farmers in the country? Does anybody care? Should we care?

Abraham Lincoln decided in the mid-1800's that we ought to have a U.S. Department of Agriculture. USDA has been around for 120 years. Back in the thirties we decided to support prices and use farm programs to help family farmers. We knew then that every time there is a steep price decline, family farmers get washed away with the tide.

Many people felt, then that it is important to have a network of family farms producing on the prairie. Some of us still do.

My district is all of North Dakota. I was home last weekend, as I am many weekends, and I had the opportunity to fly over the State at night. When you look out the airplane windows, you see 40,000 yard lights in North Dakota, 40,000 yard lights that each represent a family farm, each an economic unit that becomes a network of

economic blood vessels that allows the small towns to survive.

It is estimated about 5,000 of those yards light will be turned out in the next 15 to 18 months. As each of those yard lights is turned out, then each of those small communities that rely on those farms for their economic well-being begins to decay and die.

If we do not maintain a network of family farms, if we decide not to care, we consign rural America to a much different life than most of us think rural America ought to have.

Japan cares about its farmers. Japan decided it needed a network of family farmers, and they are protecting them. West Germany does the same. America now has a President who doesn't see the need, and doesn't seem to care.

The 1 million farmers now in desperate trouble in this country have individual names. Their names in my part of the country are Scandanavian, the Larsons and the Olsens and the Christiansons, and German, the Schmidts and the Schmaltzes. They are individual names, individual families operating a family business called a family farm.

If they had been consolidated into a corporate entity under one name called Lockheed or Chrysler or Continental Illinois or even the Government of Mexico, or something called the IMF, if they were big enough to come to this Congress as one entity, the response would be different. I am convinced the President would say: "Can we help? Is there anything we can do?"

We would run to the public medicine chest to see how to help big enterprises. We have done it in the past and we will do it in the future.

And this is helping the wrong kind of institutions.

What ought we do? We need to do a couple of things right at the moment. We have many family farms owned by young people, in the most serious trouble. These are the people that started farming in the last 5 to 10 years; they have a little heavier debt load because they couldn't buy farmland without having an 80-percent debt load these days.

These farmers have a heavier debt load, with higher interest rates, and they are in trouble. If we want to save any of those folks, we need some short-term debt restructuring.

We can do that. Some of us have put a bill in the House today; we are going to have a press conference about that in the morning describing our legislation. We need to pass a short-term debt restructuring bill. We can do this without costing the Government a lot of money, and it will save many family farmers.

□ 1440

We also need to look at new markets. Let me give my colleagues an example of some markets I think we can serve that we do not now serve at all. One is very exciting. It is barter. The old-fashioned notion of trading something we have for something someone else has.

The Agriculture Minister of a Sub-Saharan African country came to this country not too long ago and he said, "You know, we have something called pyrethrum flower." Something I had never heard before. It is used in its crushed form as an insecticide for rice. They said, "We have got a surplus of pyrethrum flower and we would like to trade you some of that and get wheat in return."

We have a need in our strategic stockpile for pyrethrum flower, and we have grain bins bulging with wheat. We ought to say, "Sure, we will take the pyrethrum flower. We will ship you some wheat."

This administration thought different. USDA said, "No, we do not barter. We don't have a barter program."

They are right. We do not have a barter program. We had one under Dwight David Eisenhower which started in the 1950's and went to 1973. We bartered over $6 billion worth of goods. But this administration does not believe in it. Barter is worthwhile and useful. The free market will not do by itself. Many governments want to arrange barter transactions with us. We have caves near Kansas City, MO, filled with surplus dairy products.

One cave alone contains 3,000 train carloads of nonfat dry milk. We ought to barter that non-fat dry milk overseas to countries that want it, but that have no currency with which to pay for it. In return we'd take from them bauxite, titanimum, chromium, and dozens of items that they have and we need for our strategic stockpile. Barter is one approach that would work to our advantage. I would like this administration to begin supporting barter. It would be good for the farmers and it would be good for America.

The second approach to opening markets is to extract alcohol from excess grain products and develop a significant ethanol alcohol industry. It makes good sense to extract alcohol from corn and still have the protein feed stock left. This would be a good new market for corn. It is good for our energy independence. It is good for farmers because it is a new market.

Those are the kinds of things we should try. Unfortunately, nobody in the White House or at the Department of Agriculture cares to lead. I do not mean to be hard on the President. He is a good fellow. I am sure he feels that he is trying to do the right thing. But he is letting David Stockman be the principal spokesperson for agriculture, and is not doing anything favorable for the American farmer.

We need a strong Agriculture Secretary who knows where and how to move for the interests of the family farmer and for the interests of this country.

We can build a price support bridge for family farmers so that when prices decline in the international grain markets, they are protected from the valleys. We can do that without spending another nickel over today's expenditure if we layer in stronger price supports for family farm products only up to a certain level of production. That will immediately give some help and relief to family farmers, and it will give them an opportunity to make a decent profit if they are good farmers. We could do that without spending another nickel more than today.

Today's agricultural expenditures go all too often to the big shots that do not need them. They produce the most and need the support the least. Why should we give $2 million to Texaco's corporate farm? Why should we give $2 million to a big insurance company's corporate farm? Why should we support the price of every gallon of milk produced by someone who milks 3,000 cows?

Let us turn this thing back around and use our money to provide price supports to the family farm units who need it. We must maintain the strong network of family farms that I think contribute to the security of this country.

The other day I was thinking about a song I heard several years ago by Tom Paxton. The name of the song is, "I'm Changing My Name to Chrysler."

Mr. Paxton sings, "If you are a corporate titanic and your failure is gigantic, down in Congress there is a safety net for you."

I think that is instructive. There are many very large economic interests that have come to this Congress, from foreign governments to corporations. Congress always says, "Well, you are too big to be allowed to fail." We have 11 banks in this country that our Government will not allow to fail.

I don't think we ought to allow those 11 banks to fail. But if these institutions are now part of no-fault capitalism, we should think about what this means for the country bank that is allowed to fail.

Congress ignores economic parity in this country, and it shouldn't. We have a million family farmers with individual names in serious trouble. I am asking that we give the same consideration to the combined economic impact they provide to the economy that we would give were those farmers incorporated under one single corporate name. Those folks need a lot of help and we have got to give it to them soon if we are going to save many of those farmers.

Those of us who represent farm districts have been to farm auction sales and farm forums and have talked to

farm families. We know that we are not just talking here about statistics. We are talking about people who are farming a quarter section or half section or full section of land that their grandfather farmed, and their father and mother farmed. The farm has been passed to them. I recall at a farm forum a big strapping fellow who stood up and described how that farm had been passed down in his family. He said, "We work hard. We don't go out on weekends. We don't buy new pickup trucks. We work as hard as we can work. My grandfather and grandmother farmed this place. My mother and father did. Me and my wife have been doing it for 8 years and we held the auction sale a couple of months ago because we couldn't make it."

He had tears in his eyes in front of a couple of hundred other farmers. It was his life. It was not just a business. It was his entire life. There was not any way, given the economic conditions today of low prices and high interest rates, that a family farmer could continue in his situation. If this country does not care about that, then it is very shortsighted.

If it does care about that, then it has got to get off the dime and begin doing something meaningful to change it.

The Secretary of Agriculture has announced a new credit program. I heard someone the other day say, "Well, he is moving in the right direction." It is the right direction. What value is it, though, if you creep in the right direction so slowly as to not be able to measure any progress?

We need to see leadership in the right direction, at the right time, with the right help. That is what is important. And we are not seeing it from the administration.

Mr. BEDELL. Mr. Speaker, will the gentleman yield?

Mr. DORGAN of North Dakota. I yield to the gentleman from Iowa.

Mr. BEDELL. I thank the gentleman for yielding.

I certainly appreciate greatly the leadership he has shown in this issue.

I would hope that the people of the country would realize what he is trying to say. He is trying to say that this is not just a problem for that farmer who is going broke—whose story breaks your heart, as it does mine. He is trying to say, I think, this is a national problem and that somebody better wake up to realize that if the heartland of America fails, it is going to be equally devastating to our country if Chrysler were to fail or if New York City were to face similar problems.

I believe our urban Members should realize how this problem came to be. The fact is that what has happened over recent years is that the value that the farmers get from the products they produce has constantly gone down. That has occurred at the same time that their costs of inputs have constantly gone up. It has also occurred at the time when interest rates have gone from 7 percent to 14 percent.

□ 1450

It is not surprising that that would cause these types of troubles.

So now what do we have the Department of Agriculture proposing should be done?

They propose that, whereas there has been some support and some help for our farmers, we should change the support that they get.

Let me read you what their proposals are. At this time we have a support price, a target price, of $3.03 for corn and a loan rate of $2.55 for corn. I might tell you that the figures show that the cost of production is $2.56, which is higher than the loan rate even at this time.

Let me just tell you what they propose to do with the loan rate over that period: 1985, $2.55; 1986, $2.12; 1987, $1.90; 1988, $1.80; 1989, $1.72, and 1990, $1.75. The target price at that time will be $1.86 in 1990.

Is there somebody here who, first of all, thinks that the cost of production is going to go down between 1983 and 1990 for almost anything we produce? Is there anybody here who thinks that the cost of production of $3.56 today to raise a bushel of corn that our farmers are going to do fine with support prices of $1.86 or $1.75 for something that today costs $3.56 to produce? That is the proposal that is being offered to us from the Department of Agriculture.

And they say, "Well, we have to do this because our programs have not worked right in the past." I agree that we have had problems with our program in the past, and we cannot argue that.

I guess the question is, when you have something that is not working, do you try then to recognize the problem and address the problem, or do you say that since that does not work you are just going to jerk the rug right out from under all of the farmers and let them suffer whatever comes from it?

They say, "We are not able to compete in world markets."

I am here to tell you that the world production has been increasing significantly on agricultural products. It is quite clear that world production is increasing more rapidly than makets are increasing. Secretary Block told us just the other day, and I quote him exactly, he said, "World demand has collapsed in our face." That is correct. Is there somebody here who thinks that it is perfectly proper for us to say to our farmers now, when we face this problem, "We are going to pull the rug out from under you, and even though foreign countries subsidize their agriculture to a very great extent, we are going to say that we expect you to all of a sudden now to compete with them on unsubsidized agriculture, where you just have to compete"?

They talk about a free market. I am here to tell you that the market is not free. We are competing in areas where there is not a free market, by any means.

And I guess the issue we have to face goes further than that, and I guess the issue we have to face is not just for those farmers that Mr. DORGAN and I talked to and who literally tear you apart as you hear their story—the issue we have to face is: Do we have a Government that is concerned with what happens in our society? Do we have a Government that is supposed to try to do what it can to keep economic order within our country?

I supported the loan for New York City. I supported the loan for Chrysler. I think we should have done that. But to say that it is important for us to see the Chrysler lives and that New York City survives, and then say that it does not matter about the heartland of American seems to me to be awfully narrow thinking.

Mr. Stockman has said that he felt that a farmer who owned, say, 200 acres of land that was worth over $1,000 an acre should not be expecting welfare because he had a value of some quarter of a million dollars.

Let me tell you, that is true, that was true at one time; but that farmer, as Mr. DORGAN has already pointed out, is now broke. He does not have a quarter of a million dollars of worth just because he has a farm that has been in the family for years and years and years. First off, that farm has declined in value by about 50 percent in my area in the last 3 years. And second, he has got a big mortgage against it. Do you think that farmer would be declaring bankruptcy and getting out of farming if he did indeed have that net worth?

So we talk about welfare and whether we are going to give the farmers welfare or not. Let me read to you the list of giant corporations and what tax rate they are paying, if we want to talk about welfare:

General Electric, profits from 1981 to 1983, $6.5 billion. They received a refund from the taxpayers of America of $283 million.

Boeing, $1.5 billion. Refund, $267 million.

Dow Chemical, $776. Taxpayers paid them back $223 million.

I can go on: Tenneco, Weyerhaeuser, Du Pont, Martin Marietta, General Dynamics, Union Carbide, Dun and Bradstreet, RCA, Texaco, Celanese, Greyhound, Burlington Northern, Ashland Oil, Singer Co., W.R. Grace, American Cyanamid, on and on. If you take the 65 companies with profits of

$49,500,000,000, their effective tax rate averaged minus 6.5 percent. The taxpayers gave them $3,232,000,000 in that period.

So we feel that it is important to try to subsidize those companies, but we feel that farming, which is so important to the heartland of America, should not expect help from our Government. I think it is about time we get our perspectives straight here. I think if we are going to have a Government that operates the way it ought to, then we all ought to be concerned about not just the General Electrics and the Du Ponts and the Boeings, and so on. We ought to be concerned about our whole society.

It seems to me that it is pretty silly for us to have to be fighting with Dave Stockman and this administration to try to bargain with them to get them to do something about a major problem that exists in our society. I should think that they would be concerned about that problem. I thought that was what they were elected to try to do. And I would hope that at least some of the people who are hearing this conversation and some of the other things that we are trying to do would start to realize what the purpose of Government is and would start to recognize their responsibility and decide that they want to work together with the rest of us to address the problem that I think is vitally important to our total country.

Mr. DORGAN of North Dakota. No one that I know of has ever suggested that the American farmer is losing his or her edge. The American family farmer is the best; if you look at agriculture around the world. This is not bragging. Our farmers are the most productive farmers in the history of civilization.

Why is it, then, if we have the most productive farmers in civilized history, that they are going broke?

It is not because the men and women out there on the farms are doing the wrong things. It is because a lot of things are hurting them that they can't control.

There are a couple of things that have happened to family farmers. It was wrong for Carter to have an embargo. It was wrong, in my judgment. But he just did; Nixon and Ford did. Reagan dragged his feet in extending the long-term agreement with the Soviets. We have always had interruptions with the market, under Democratic and Republican administrations. It is time we stop meddling in those markets. We need to let the farmer serve those markets, and have no more embargoes. And budget deficits are terrible for farmers.

Farmers probably suffer more than any other industry in America because of Federal budget deficits. When the President said yesterday, "I would like for you to spend $180 billion more than you take in," that adds to the Federal debt, and it means we move even deeper into the credit markets to borrow funds for the Federal Government. That puts upward pressure on interest rates. It makes the American dollar more attractive to foreign investors, which drives up the value of the dollar. In effect, it puts a 35-percent surtax on everything the American farmer wants to sell overseas.

The American farmer is troubled greatly and endangered by these budget deficits. They cannot control the budget deficits. Congress can and the President can. But this President says, "I would like to change the U.S. Constitution to prevent any deficits." Of course, at the same time he sends us a budget which says, "I want Congress to spend $180 billion more than you take in."

Well, what kind of leadership is that?

This Congress is not able to resist that. There is not a lot of difference between conservatives and liberals between how much money they want to spend. They want to spend it for different things. You know, if you are a conservative, you still want to spend all that money, you just want to spend it on an aircraft carrier or a new jet fighter. And if you are a liberal, you want to spend it on milk for a feeding program.

There is not a lot of difference on how much money they want to spend. There is a difference on whether or not to spend it on defense or on domestic programs, but the impacts are the same on the family farmer. They are devastating. And the farmer cannot control that. Our grain bins bulge, our caves are full of nonfat dry milk and cheese, far more than we can consume, while there are millions around the world dying because they do not have enough to eat.

□ 1500

Nineteen million children today will be fed by CARE, a voluntary relief organization under Food for Peace. Each child will get a ration of 80 grams of grain and 10 grams of oil.

You could fit that ration in a half-full waterglass.

That ration is the only thing between those children and death. Nineteen million get that ration, but many do not. Many of these children will starve. Forty-five thousand children will starve today, tomorrow, and every day in the foreseeable future until we learn to deal with the problems of hunger and its related causes.

This is the paradox. There is an incredible need for what we produce around the world; but while people starve, Congress debates about whether or not to get rid of many farmers by phasing out the farm programs. There is a tremendous demand out there, and we ought to figure out innovative ways to serve it.

We can successfully complete with the Soviets bullet-for-bullet and gun-for-gun in every country in Central America. We just move weapons down there. I have been up in the mountains, in the Contra camps and so on, and we move weapons down there and we can send as many or more than the Soviets can. But what they need most desparately down there is something to eat. They do not need more guns or more bullets; they need something to eat.

People are literally starving in Central America. Seventy-five percent of the people of Honduras are at nutritional risk. They need something to eat. The Soviets cannot provide it because the Soviets cannot even feed themselves. Why do we not outcompete the Soviets in areas they cannot possibly win? The Soviets cannot possibly win if we begin helping people with what they need most. It is something we have in great abundance: Food. The Soviets cannot feed themselves and they surely cannot feed other hungry people around the world.

I yield to the gentleman from Iowa.

Mr. BEDELL. The gentleman from Iowa has done a great deal of work previous to when I came to Congress in regard to management and even taught management schools. One of the things they teach you in management is that you build on your strengths. If the United States is going to do that as we compete with the Soviet Union, it seems quite clear to me that our strength is our economic system and how it works and our ability to produce in that economic system. For us to simply say we are going to throw that away and we are going to compete not there but we are going to compete trying to build more bombs and missiles and this sort of thing, it seems to me the height of absurdity.

If those Central American countries or any other countries have any sense at all, they would want to be in our sphere of influence because of what our economy can do to help them with their economies. If we have any sense, we would make it clear to them that this is where we want the competition to be; we want to cooperate with them, and we want to help them to build their economies. If we do, my contention is that the Soviet Union will be clear out in left field, we have no worry at all, and we are absolutely asinine to say that we are going to compete on the terms where the Soviet Union has the greatest opportunity because their system will let them put everything that they want to into the military area of their society, and they simply cannot compete with us in terms of our total economic help that we could give.

Mr. DORGAN of North Dakota. That is well said. If you look back 100 years from today to this time we would see a group of people who decided to take their most productive and useful assets and tried to make them less productive. People in the future will scratch their heads. They won't be able to say why a group of people would do that. Our most productive assets are our food-producing assets: Our land, our people, our family farms. It makes no sense at all to make them less productive.

Public policy for American agriculture is knotted up. We have to untie it. We have to untie it in a way that gives family farmers a chance to make a decent profit, and a chance to live a life that contributes to the rural societies we have known and should know in the future of this country.

This is not a selfish statement from those of us from the Farm Belt. We say it because we firmly believe it is in the best interests of this country to maintain a strong network of family farms.

I yield to the gentleman from Iowa.

Mr. BEDELL. If we are going to do that, which this gentleman agrees with, then I think we also have to recognize that the most efficient type of production we have in our country comes from our small businesses. Most all of our creativity comes from small business. Practically all of our job creation comes from small business.

Small business is tremendously important to rural America. So what are we doing as a society? I just told you what we are doing for the taxes of the big corporations. I am telling you if you are a small business, you do not get that type of a tax refund, you have to pay taxes. So now what else are we recommending? We are recommending that we completely eliminate the Small Business Administration. Somebody said, well, we do not need it, because most small businesses, I think it is 70 percent of small businesses, have not ever used it. To me, that is sort of like saying since most people do not have cancer we should not worry about it, because most people do not have cancer.

It seems to me we should help those who can use the help and help our society. For us to say what we want to do is move away from small business to big business; away from family farming to corporate farming, seems to me to be the height of folly. I would hope we would realize what we are doing.

Mr. DORGAN of North Dakota. I recall a committee hearing a couple of years. We heard from someone who was in charge of antitrust policies. He said, "If America contained 100 corporations doing all of its business and each had 1 percent of the business, that would represent perfect competition and would not pose a real problem for him." This was the chief antitrust enforcer of the Federal Government.

I recall that we were incredulous when talking with him. We could not understand how he had grown up with such a lack of knowledge about America and what this country means. He didn't understand the importance, in America, of the ability to start your own business and grow and prosper and succeed and fail.

Many people are now expressing those same notions about agriculture. What they miss, I think, is part of the philosophy that Thomas Jefferson described many years ago. Thomas Jefferson warned against concentration and its dangers. Concentration in the economic sector and concentration in the public sector. Big is not always bad, but big can often be stifling and bureaucratic, and big can often restrict freedoms.

Thomas Jefferson used to talk about the need, if we are going to retain political freedom in this country, to have broad-based economic ownership. Economic freedom translates to political freedom. Economic freedom comes from family farms and independent businesses represented by broad-based economic ownership of America. That is another reason why family farms and independent businesses are so critical to this country of ours. It has to do with economic freedom and political freedom.

I yield to the gentleman from Iowa.

Mr. BEDELL. Just very shortly. The exact quote that was made to us in that regard was, and I quote:

> I see nothing written in the sky that this world would not be a perfectly satisfactory place if there were only 100 corporations.

I think the gentleman from North Dakota and I do not want to see a world in which there are only 100 corporations, and I would hope the people of America would not want to see that. Further than that, we had testimony before our committee by people from this administration who, where the issue was whether or not we should let big corporations borrow money at lower interest rates than small corporations.

My question to them was: If this could be shown that it was discriminatory against small business, would you consider changing your policies?" Their answer was no, that they would not. This is the problem that we face with our farmers. Until somebody starts to say that we want some fairness in our society and we are going to be concerned about what happens in our society, at the administration as well as in the Congress, I think we are going to have these difficulties. I certainly hope that it is sooner rather than later that they will come to their senses and realize the problem.

□ 1510

Mr. DORGAN of North Dakota. The gentleman from Iowa is correct, and I appreciate his coming down and sharing his thoughts with me.

Let me end with just two other points.

I sent other Members of Congress last week a loaf of bread. It described to people who do not come from a farm how much of the price of that loaf comes from the price of wheat. I showed on the wrapper of the loaf that the farmer gets the heel. The farmer gets 6 cents of the 81-cent price. You could increase the price of wheat without having very much impact at all on the price of a loaf of bread.

The farmer goes to town with a bushel of wheat and sells it at the elevator. On a good day today he will get $3.40. Estimates have the price heading down to about $2.80. He will pay $86 if he tries to buy that bushel of wheat back at the grocery store later on after it has been sent out to a factory and puffed up as a cereal.

Think of that; $3.40 for the wheat. It gets puffed up someplace, and it comes back to the grocery shelf for the equivalent of $86 for a bushel; $82 is for the puff, and $3 is for the wheat.

I think there are apt descriptions of why the farmers are in trouble. We need to do something for farmers, and we need to do something fairly quickly if we are going to maintain a strong network of family farms in this country.

The reason I have taken the floor today is to describe what the problem is and what some of the potential solutions ought to be. When we get back, I know the Congress will consider some bills on agricultural issues. I hope that all Members of Congress will take the time to try and learn as best they can how tough things are out in the farm country. There are decisions we can make here in Washington, DC, to provide some help so that family farmers can make a go of it.

LOW-LEVEL RADIOACTIVE WASTE POLICY AMENDMENTS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 10 minutes.

● Mr. UDALL. Mr. Speaker, today I am introducing the Low-Level Radioactive Waste Policy Amendments Act, amending the Low-Level Radioactive Waste Policy Act to provide for the ratification of interstate compacts for management of low-level waste. I am also submitting to the RECORD a companion to the bill; an amendment that would be recommended to be adopted to each interstate compact for low-level waste management ratified by

the Congress. This legislative package is intended to be considered in tandem with all interstate compacts introduced for ratification, which includes as of today H.R. 862, the compact for the Northwest region. Compacts for four other interstate regions were introduced during the 98th Congress, and are expected to be reintroduced this year.

In the Low-Level Radioactive Waste Policy Act [LLRWPA] of 1981, Congress invited the States to form regional commissions to develop new disposal capacity for low-level waste. We made providing for LLW disposal a State responsibility, promising that if States entered into compacts to fulfill this responsibility, we would grant them authority to manage those compacts for their own use to exclude from the sites waste from States not members to the compacts. The LLRWPA set January 1, 1986 as the earliest date on which ratified compact regions could begin excluding out-of-region waste from their disposal sites.

Since the LLRWPA was enacted, it has become apparent that States without disposal capacity already existing in their regions would not get new capacity on line by 1986. It also became apparent that the 1986 date for regional exclusivity had been accepted by States with operating sites as a deadline on access to those sites for out-of-region waste. A stalemate set in between States with disposal sites and those without: States with sites have threatened to shut them down completely if they are required to continue accepting waste from outside the region after January 1, 1986, while States without disposal capacity have imposed barriers to congressional approval of the compact authority that would assure the sited States they could legally curtail out-of-regional waste.

This is the logjam that a group of concerned Members of Congress, including Mr. DERRICK, Senator THURMOND, Senator BIDEN, and I have been seeking to break by negotiating with the States, and encouraging them to negotiate with each other. Governor Riley of South Carolina and the National Governors' Association have provided a framework for putting together a legislative proposal. Generators of low-level waste, from nuclear utilities to hospital associations, contributed to making the proposal comprehensive and realistic. The documents submitted by me today represent some ideas that seem to have received a warm reception—or at least to have been acknowledged as necessary—by these affected groups.

It has not been endorsed by any of them, and it does not, I believe, in all respects represent the best and final proposal for resolving these issues. It represents a beginning.

The most important features of the legislative package can be summarized as follows:

First, all interstate compacts submitted for congressional ratification would be subject to the same congressional agreements and legislative ratification language. Specific amendment or qualification of individual compacts are not contemplated in this approach, and would be discouraged.

Second, no substantive changes would be made to the content of compact statutes ratified by the States and submitted for congressional approval. The consent of Congress to the compacts would be based on our stated understanding, pursuant to our analysis of the compacts, that nothing in them confers new authority on the States or infringes on Federal authority.

Third, the LLRWPA made States responsible for disposal of low-level radioactive waste, and this legislative package defines specifically that material for which States are responsible. Other definitions of low-level waste for State or Federal purposes may coexist with this definition. Other radioactive wastes, with the exception of uranium mill tailings (responsibility for which is determined by the Uranium Mill Tailings Control Act), would be the responsibility of the Federal Government.

Fourth, before congressional ratification of compacts became effective, 1 year from enactment of this package, States with operating disposal capacity would have to offer to enter into agreements, under their own existing compact authority, to accept out-of-region waste for disposal, only in limited quantities and only until January 1, 1993. No requirement to accept out-of-region waste would be imposed by Congress upon a ratified compact group.

Ceilings would be placed on the amount of waste regions with operating sites would be required to accept. These ceilings are low. All waste projected to need disposal during the 1986 to 1993 period could not be accommodated. Agreement seems to exist that the amount of waste being disposed of at the three operating sites must be curtailed. Waste generators, States and compact regions would have to allocate the available disposal capacity. Suggestions have been made regarding how to practically and equitably allocate the available capacity. The appropriate means of distributing the burden of reducing the waste stream will be a major issue to be resolved in the legislative process.

The issues addressed in this legislative package should be resolved by the Congress in this first session if we are to avoid a political crisis and possibly disruption of low-level waste disposal next year. I look forward to the attention and cooperation of my colleagues, all of whom will be directly affected by this legislation.

The language I propose as part of the ratification package, to be adopted as an amendment to each interstate compact, and intended to be enacted concurrently with the Low-Level Radio-Active Waste Policy Amendment Act, is as follows:

AMENDMENT OFFERED BY MR. UDALL

Page 1, strike out lines 3 and 4 and insert in lieu thereof the following:

CONSENT TO COMPACT

SECTION 1. In accordance with section 4(a)(2) of the Low-Level Radioactive Waste Policy Act, the

Strike out section 2 of the bill and all that follows through the end of the bill and insert in lieu thereof the following new sections:

CONGRESSIONAL FINDING

SEC. 2. The Congress hereby finds that the compact set forth in section 1 is in furtherance of the policy set forth in section 4(a)(1) of the Low-Level Radioactive Waste Policy Act.

CONDITIONS OF CONSENT TO COMPACT

SEC. 3. The consent of the Congress to the compact set forth in section 1 is granted subject to the provisions of section 3(a), and 5 of the Low-Level Radioactive Waste Policy Act.

EFFECTIVE DATE OF EXCLUSION AUTHORITY

SEC. 4. Any authority under the compact set forth in section 1 to restrict the use of regional low-level radioactive waste disposal facilities operated under such compact to the disposal of low-level radioactive waste generated within the compact region involved shall not become effective before the date on which all compact regions subject to the requirements of section 5 of the Low-Level Radioactive Waste Policy Act have complied with such requirements.

CONGRESSIONAL REVIEW

SEC. 5. The Congress may alter, amend, or repeal this Act after the expiration of the 10-year period following the effective date established in section 4, and at such intervals thereafter as may be provided in the compact set forth in section 1.●

MADE IN AMERICA ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. DINGELL], is recognized for 15 minutes.

Mr. DINGELL. Mr. Speaker, I am introducing legislation today, the Made in America Act, to restrict the quantity of motor vehicles imported by foreign manufacturers into the United States to no more than 15 percent of the total number of new cars sold by foreign and domestic automobile manufacturers in the prior year.

The legislation is designed to prevent or to remedy the serious injury now occurring from foreign automobile imports into the United States economy and the damage that is being done to the American automobile industry, its suppliers, its workers, and auto-related supplier industries, in-

cluding steel, glass, rubber, plastics, textiles, and computers.

The bill makes a finding that imported motor vehicles, other than motorcycles, are being sold in the United States in such quantities as to cause or threaten to cause injury to the domestic auto industry and its workers and specifies that its purpose is to prevent or remedy the injury consistent with article XIX of GATT. The Secretary of Commerce would administer the provisions of the bill and would annually determine how many foreign and domestic vehicles were sold in the United States and establish a limit of imports of not more than 15 percent of that total. The Secretary would allocate this percentage among foreign manufacturers on the basis of their respective shares for imported vehicles during the prior year. The bill defines "foreign manufacturers" as those who imported at least 100,000 new motor vehicles in the prior year. So any motor vehicle produced or assembled in the United States would not be counted for purposes of determining whether or not a foreign manufacturer is subject to quota restrictions. Moreover, "motor vehicle" is defined in the legislation as any three-wheeled or four-wheeled vehicle, propelled by gasoline or diesel which is primarily for use on the public streets, roads, or highways (whether or not the vehicle has four-wheel drive or utility or multipurpose capability) and which is rated at 10,000 pounds gross weight or less.

The bill provides that civil penalties of up to $2,000 per vehicle could be imposed on manufacturers who violate the quota arrangement and that civil penalties of up to $10,000 per day could be imposed for "knowing" violations of other provisions of the legislation. It is intended that implementation of the legislation would not affect current trade agreements between the United States and Canada and that import restrictions could be terminated after 1990 if the Secretary finds, after a public hearing, that injury to the domestic auto industry and its workers has been remedied.

Certain reporting requirements also are required by the Made in America Act. Each foreign vehicle manufacturer who produces more than 25,000 new imported vehicles sold in the United States after 1982 must provide information to the Secretary regarding the production, importation, distribution, and retail sale in the United States. Moreover, the Secretary must make annual reports to Congress concerning the actions taken under the act and the impact of those actions on foreign vehicle manufacturers and on employees in, and suppliers of, motor vehicle manufacturing operations within the United States, as well as the impact on competition, consumers, sales, and prices of motor vehicles, and the impact on other domestic industries.

Mr. Speaker, many will wonder why it is necessary for me to introduce the Made in America Act, I think a hard look at the events of this day will give us some very real explanation.

The United States is the only nation in the world which does not take active steps to protect and to preserve its basic industries. The United States is the only major industrial nation in the world which practices free trade here and abroad, and the United States is the only country in the world which permits its basic industries to be destroyed one by one by those who flood this Nation with counterfeit goods, by those who disregard their trade agreements with the United States, by those who disregard our laws with regard to marking, labeling of textiles, cosmetics, steel, and other devices, so as to evade not only our laws relative to health and consumer protection, but also our laws relative to the qualities and the kinds of goods concerned.

Investigations by the Subcommittee on Oversight and Investigation of the Committee on Energy and Commerce have revealed the most outrageous practices imaginable by our foreign trading partners. I would like to call to the attention of this body, and also others, that certain facts speak louder than words.

The United States, its industries, its workers, and its Government, are straining under a record 1984 trade deficit of $123 billion which, if nothing is done, will grow over time. Since 1981, the U.S. auto trade deficit has more than doubled, from $11 billion to $27 billion. Automobile imports have expanded from $19 billion to $32 billion, while American automobile exports have declined from $8 billion a year to $5 billion a year. One of the reasons for that is that our goods are being discriminated against in every nation in the world. It is not only autos or textiles or pharmaceuticals, but agricultural products and agricultural commodities which are being denied fair treatment in the world marketplace.

The $19 billion auto trade deficit with Japan alone accounts for more than one-half of this Nation's overall $36 billion trade deficit with Japan. The deficit will be much greater if the voluntary restraint agreements are not extended beyond March 31 of this year, when they are due to expire, or if quotas are not put in place.

Japanese tax laws and Japanese currency policies give Japanese automakers a massive, competitive advantage here and around the world. The yen is overvalued by as much as 15 percent, which results in a $900-per-car advantage to Japanese automakers. Forgiveness by the Japanese Government of its commodity tax on exported vehicles saves Japanese automakers an additional $600 to $700 per vehicle. Thus, where our automakers compete here or elsewhere around the world with Japanese automakers, they suffer an economic disadvantage of over $1,500 per car.

It is important to recognize the effects of uneven implementation of so-called free-trade policies and trade with the Japanese auto industry. Free trade with the Japanese does not exist, has not existed since World War II, and probably will never exist in the lifetime of anyone in this Chamber. I would observe to you that when the President went to San Francisco to talk to his dear friend, Prime Minister Nakasone, he indicated that he did not intend to push very hard on trade matters. This was a clear signal to the Japanese that events in our trading relationship will persist in the same fashion that they have, with total disregard by the Japanese of the principles of free and fair trade and continued adherence by this Nation to those same principles.

It is clear that this Nation cannot continue to play by Marquis of Queensbury rules, while the rules of alley fighting are used against us by our trading partners. Japanese trade is subsidized. Its markets are closed to many of our products. Up until just recently, if an American cigarette manufacturer wished to trade in Japan and to sell American cigarettes, he was compelled to advertise in English and could only sell in approximately 1 percent of the outlets. American wheat, American corn, and American beef, leaving here at something like $3.50 a pound or $3.50 a bushel, will find that that same commodity is sold in Japan at $16.50 and can only be brought in after Japanese production has all been sold.

This is free trade? Of course not. And the rolls and rosters of Japanese behavior in this area go without end. If an American wants to market his cosmetics in Japan, he must pay $25,000 for each outlet that he chooses to sell in.

□ 1520

Discrimination against every American manufacturer and every American commodity is rampant in Japan and in most of our trading partners under our so-called reciprocal trade agreements. There is disregard of our laws with regard to dumping and disregard of our laws with regard to labeling. Counterfeiting of American goods by foreign nations is a $20 billion industry and is destroying not only American industries but American jobs, American innovation, investment, and technological progress.

It is high time that we all realize that there is no hope for this country, over the long pull, unless we begin to

do some of the things that our trading partners are doing until we can get those same trading partners to treat us with the same respect that we treat their goods.

I am introducing today the "Made in America Act." It is with a great deal of sorrow that I do this. This statute will restrict the quantity of motor vehicles imported by foreign manufacturers into the United States. It will permit more generous quotas on automobiles manufactured by foreigners than any nation in the world. It will also afford a measure of sensible protection until we can get an administration that is willing to negotiate and to talk tough to these foreigners who are destroying American industries, depriving Americans of jobs, and imperiling the future of this Nation.

Our trade deficit last year cost the United States 3 million unemployed—3 million jobs gone, most of them probably gone permanently. This Nation has to recognize that those 3 million jobs cost the Federal Government, in terms of its total budgetary deficit, better than $30 billion for each million unemployed, or for a total of $90 billion that showed up in our deficit. That is almost half the entire amount of the U.S. Federal budget deficit.

If this Congress had achieved fair treatment and a balance in trade which was fair and not bottomed on American workers and American industries competing with others who deny us access to their markets, this country would have had a budget deficit of a little over $100 billion. This country would now be looking forward to moving toward a balanced budget and would be understanding that the future of American industries, the balancing of its budget, and interest rates would all be moving in the direction that we, as patriotic Americans, desire.

I would have my colleagues know that my father was one of the authors of the Reciprocal Trade Act. It is time that this Congress understood what reciprocal trade is. Reciprocal trade says that both of the trading parties reduce discrimination against goods and against trade and currencies and manufacturers of its trading partner, not that one like the United States permits untrammeled and free entry of goods into its market with total disregard, not only of laws and agreements but of basic decency by its trading partners. And that will not happen until and unless something is done by this administration to restore balance in trade in all of our commodities and to move this country from the unfortunate position in which it is today. And that position is that this Nation is now occupying with the Japanese and a number of other countries around the world the same position that India did in the days of good Queen Victoria. We supply the raw materials, the food, and the fiber; they provide us with finished manufactures. We know why the Indians roused themselves in rage and threw the British out. It is time that the United States recognizes that our interests demand no less.

Toward this end, I am introducing, as I have mentioned, the "Made in America Act." In this, I am joined by 30 of my distinguished colleagues, and more will be joining. I would observe that this has the support of three of our major automobile manufacturers, Ford, Chrysler, and AMC. It also has the support of the steelworkers and the autoworkers, and others will be joining in this and similar legislation until we can begin to get fair treatment for American industry, for American workers, for the American economy, and for Americans yet to come.

Mr. Speaker, under my unanimous consent request, I include herewith a list of the names of my colleagues who have joined in the sponsorship of this legislation, together with the language of the bill, as follows:

H.R. 1050

A bill to restrict temporarily the quantity of imported motor vehicles that may be introduced into interstate commerce for sale at retail in order to prevent or remedy the existing and threatened serious injury to the domestic motor vehicle industry of the United States and its employees and suppliers

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Made in America Act".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that imported motor vehicles are being sold in interstate commerce in such increased quantities and under such conditions as to cause, or threaten to cause, serious injury to the domestic industry that manufactures like or directly competitive motor vehicles and to the domestic suppliers of such industry and the people working in that industry and for such suppliers.

(b) PURPOSES.—The purposes of this Act are—

(1) to prevent or remedy the actual and threatened injury referred to in subsection (a) by providing on a temporary basis (in addition to any other remedy required or authorized under any other provisions of law, including any domestic content requirement) restrictions on the number of new imported motor vehicles that may be sold in interstate commerce; and

(2) to help bolster the economy, including employment and the trade balance, in the United States by ensuring that the domestic motor vehicle manufacturing industry continues to produce in facilities located in the United States the greatest share of the new motor vehicles, including components thereof, sold in domestic markets.

SEC. 3. CONGRESSIONAL INTENT AND DISCLAIMER.

(a) INTENT.—It is the intent of Congress (1) to provide in this Act for fair competition in the sale of foreign and domestic motor vehicles in interstate commerce; and (2) that this Act shall be construed as an emergency action by the United States on imports of new motor vehicles within the meaning of article XIX of the executive agreement known as the General Agreement on Tariffs and Trade which provides for the suspension, withdrawal, or modification of any obligation or concession under that agreement in whole or in part in order to prevent or remedy a serious injury that is caused or threatened.

(b) DISCLAIMER.—Nothing in this Act shall be construed—

(1) to modify or amend the terms or conditions of any international treaty, convention, or agreement that may be applicable to motor vehicles entered for sale and distribution in interstate commerce and to which the United States (on the date of the enactment of this Act) is a party, including, but not limited to, the terms or conditions of any treaty, convention, or agreement (including the agreement referred to in subsection (a)) which provide for the resolution of conflicts between the parties thereto;

(2) to—

(A) confer jurisdiction upon any court of the United States to consider and resolve such conflicts, or

(B) alter or amend any law (existing on the date of enactment of this Act) which may confer such jurisdiction in such courts; or

(3) to affect in any way or manner any products, goods, or services other than motor vehicles;

SEC. 4. DEFINITIONS.

As used in this Act—

(1) The term "base year" means the second calendar year preceding a calendar year for which quantitative restrictions are established under section 5(a).

(2) The term "foreign vehicle manufacturer" means a manufacturer of new imported motor vehicles at least 100,000 of which are introduced into interstate commerce for sale at retail during a calendar year (or at least 100,000 of which were introduced into interstate commerce for sale at retail during any calendar year before the date of the enactment of this Act). The term includes as one entity all persons who control, are controlled by, or are in common control with such a manufacturer, and also includes any predecessor of or successor to such a manufacturer.

(3) The term "imported motor vehicle" means a motor vehicle that is not manufactured or assembled within the United States.

(4) The term "motor vehicle" means any three-wheeled or four-wheeled vehicle, propelled by gasoline or diesel fuel, which is—

(A) primarily for use on the public streets, roads, and highways (whether or not the vehicle has 4-wheel drive or utility or multipurpose capability); and

(B) rated at 10,000 pounds gross vehicle weight or less.

Such term does not mean any motorcycle or any vehicle operated exclusively on a rail or rails.

(5) The term "Secretary" means the Secretary of Commerce.

(6) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, and Guam.

(7) The term "United States", when used in a geographical context, means all states.

SEC. 5. QUANTITATIVE RESTRICTIONS ON FOREIGN MOTOR VEHICLES.

(a) IN GENERAL.—The aggregate number of new imported motor vehicles introduced into interstate commerce for sale at retail during any calendar year after 1985 may not

exceed a number equal to 15 percent of the aggregate number of—

(1) new motor vehicles manufactured or assembled within the United States; and

(2) new imported motor vehicles;

that were introduced into interstate commerce for sale at retail during the base year. A new imported motor vehicle may not be treated under this Act as having been introduced into interstate commerce for sale at retail before customs entry into the United States of that vehicle is made.

(b) ALLOCATIONS.—(1) The Secretary shall allocate the number of new imported motor vehicles equaling the 15 percent or less limitation determined under subsection (a) for each calendar year among foreign vehicle manufacturers on the basis of the respective shares of those manufacturers of the United States market for imported new motor vehicles during the base year.

(2) In making allocations for any calendar year under paragraph (1), the Secretary shall, consistent with the findings and purposes of this Act, undertake to ensure, to the greatest extent possible, equity and avoid creating competitive advantages or disadvantages between foreign vehicle manufacturers and the motor vehicle manufacturing industry located within the United States.

(c) DETERMINATIONS AND PUBLICATION.—(1) The Secretary shall determine the quantitative restrictions under subsection (a) for each calendar year not later than four months before January 1 of that year. The Secretary shall immediately publish notice of the determination in the Federal Register.

(2) The Secretary shall identify foreign vehicle manufacturers and determine the allocations under subsection (b) for each of those manufacturers for each calendar year not later than two months after the date of publication of notice in the Federal Register under paragraph (1) of the quantitative restrictions for that year. The Secretary shall allow not less than 20 days for written comment by interested parties regarding proposed allocations.

SEC. 6. ENFORCEMENT.

(a) VIOLATIONS OF SECTION 5.—If the Secretary finds, after notice and an opportunity for hearing in accordance with section 554 of title 5, United States Code, that the number of new imported motor vehicles manufactured by a foreign vehicle manufacturer that is introduced into interstate commerce for sale at retail during a calendar year exceeds the allocation established under section 5(b) for that manufacturer for that year, the Secretary shall issue an order of violation against that manufacturer assessing it a civil penalty of $2,000 for each new imported motor vehicle manufactured by that manufacturer that is introduced into interstate commerce for sale at retail during that calendar year in excess of that allocation.

(b) OTHER VIOLATIONS.—Any person who knowingly violates any provision of this Act (other than subsection (a)), or any rule or regulation issued under this Act, shall be liable, after notice and opportunity for a hearing in accordance with section 554 of title 5, United States Code, to the United States for a civil penalty of not more than $10,000. Each day of a continuing violation under this subsection shall constitute a separate offense. The Secretary shall promptly assess such penalty by order.

(c) FAILURE TO PAY ASSESSMENTS.—(1) If the penalty has not been paid within ninety calendar days after the assessment order has been made under subsection (a) or (b), the Secretary shall institute an action in the appropriate district court of the United States for an order affirming the assessment of the civil penalty.

(2) If any person fails to pay an assessment of a civil penalty after the appropriate district court has entered final judgment in favor of the Secretary under paragraph (1), the Secretary shall institute an action to recover the amount of such penalty in the appropriate district court of the United States.

(d) COMPROMISE.—The Secretary may compromise, modify, or remit, with or without conditions, any penalty that is subject to imposition or that has been imposed under this section.

SEC. 7. INFORMATION AND REPORTS.

(a) VEHICLE MANUFACTURERS RECORDS AND INFORMATION.—Each foreign vehicle manufacturer that produces more than 25,000 new imported motor vehicles that were introduced into interstate commerce for sale at retail during any calendar year after 1982 must establish and maintain such records, and provide such information, regarding the production, importation, distribution, and sale at retail in interstate commerce of motor vehicles produced by it as the Secretary by rule shall require for purposes of carrying out provisions of this Act.

(b) AUTHORITY TO OBTAIN INFORMATION.—(1) The authority granted to the Secretary of Transportation under subsection (b)(1) of section 505 of the Motor Vehicle Information and Cost Saving Act (as in effect on the date of the enactment of this Act) to obtain information and data, and access thereto, that is deemed advisable by him for purposes of carrying out part V of that Act may be used by the Secretary for purposes of obtaining the information and data, and access thereto, that is necessary or appropriate to carry out this Act.

(2) The authority granted to the district courts of the United States under subsection (b)(2) of such section 505 to enforce compliance with action taken by the Secretary of Transportation under subsection (b)(1) of such section may be used by such courts to enforce actions taken by the Secretary under paragraph (1) for purposes of carrying out this Act.

(3) The Secretary shall disclose any information and data obtained under this section to the public only in accordance with section 552 of title 5, United States Code; and any matter described in subsection (b)(4) of such section 552 shall not be disclosed to the public, except that where such matter may be relevant to any administrative or judicial proceeding to enforce this Act, such matter may be disclosed in such proceeding only in a manner which would not result in competitive damage, or disadvantage, as determined by the Secretary or a court, because of such disclosure.

SEC. 8. TERMINATION OF QUANTITATIVE RESTRICTIONS.

If at any time after December 31, 1990, the Secretary finds, after holding a public hearing (for which notice is published) commencing not earlier than 60 days after such date, that the injury referred to in section 2(a) has been prevented or remedied, section 5 shall cease to have force and effect at the close of the calendar year in which that finding is made, except that nothing in this section shall be construed as affecting or waiving any action under section 6 initiated by the Secretary for a violation that occurred before such close. The Secretary shall immediately notify the Congress in writing of a finding made under this section and publish notice thereof in the Federal Register.

SEC. 9. ANNUAL REPORTS.

The Secretary shall annually report to the Congress concerning the actions taken by the Secretary and to be taken under this Act and the impact of this Act and those actions on foreign vehicle manufacturers and on employees in and suppliers of, motor vehicle manufacturing operations within the United States, as well as the impact on competition, consumers, sales, and prices of motor vehicles, and the impact on other domestic industries and the employees thereof. Such reports shall be balanced and shall identify and consider all relevant factors. The first report shall be on March 1 of the calendar year first occurring after the date of the enactment of this Act.

ADDITIONAL COSPONSORS TO THE MADE IN AMERICA ACT

Robert E. Wise, William D. Ford, Dennis M. Hertel, Kenneth J. Gray, Carl C. Perkins, Douglas Applegate, Edolphus Towns, David E. Bonior, Joe Kolter, Dale E. Kildee, Bob Carr, Joseph M. Gaydos, Sander M. Levin, Henry J. Nowak, and George W. Crockett, Jr.

Edward F. Feighan, Marcy Kaptur, Frank Annunzio, Nick Joe Rahall, James L. Oberstar, Gerry E. Studds, Thomas A. Luken, Robert G. Torricelli, Tony Hall, Bob Traxler, John Conyers, Joseph Addabbo, Melvin Price, Howard Wolpe, Austin J. Murphy, and Doug Walgren.

THE TRADE IMBALANCE AND OTHER PROBLEMS IN THE ECONOMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, yesterday I mentioned in passing, among several other basic items, the very point that has been under discussion here this afternoon by several of my colleagues, those speaking with respect to the dilemma confronting the farmer and including the most recent speaker who preceded me, the very preeminent chairman of the Committee on Energy and Commerce, our distinguished, highly respected, and very much appreciated and loved colleague, the gentleman from Michigan [Mr. DINGELL], who spoke with respect to the need to introduce legislation that, of course, will be strongly denounced by some as a protectionist measure that is antithetic and contradictory to the free trade policy. This follows legislation that, as he said so well and so historically correct, was introduced as a matter of legislative policy by his father, who was a Member of this House in the 1930's.

But the reason I referred to this and the context in which I made reference relates to the thing that I think has to be addressed and should have been addressed long ago. Coming events cast their shadows before them. Wise peoples, wise governments, and wise leaders heed those signs—handwriting on

the wall, so to speak. Foolish peoples do not. Great democracies such as ours have periods in which, as a collective body, they are very much akin to individual psychologies in which unexplainable actions and acts of heedless disregard of facts and evidence and prudent conduct seem to rule. It is necessary in order for us to address now that which is about to overcome us, which is the heavy involvement to the point of control of foreign forces external to our territory that we cannot control and over which we have very little influence now.

In 1980, for example, we had the international trade account, which includes the broadest perspective of international trade and interest payments. Everybody talks about trade imbalance, which yesterday I said is the real issue and which neither the President in his message last night nor the congressional leaders nor the past Presidents since 1960 had taken much heed of. And that is not the domestic deficit, which it is possible to temporize for another 2 years, as it has been temporized with for about 3 years, but only to temporize with. But this is the trade imbalance in which I include the account, the interest, the international interest accounts, in order to have a real complete picture of the imbalance, which is the real thing that will not be forgiven us.

Some philosopher said once that "our sins may be forgiven by God, but not by Nature." Well, it seems to me that our sins, our political sins, may be forgiven by the electorate, as they have been here obviously, but they will not be forgiven by the hard laws of human economic facts of life in an interrelationship of human beings on this globe.

The sad fact is that we should have learned, we should have been mindful, because almost the same pattern occurred after World War I. I have spoken out on that before, so it is not my intention to enlarge on that on this occasion. During the last Congress I placed in the RECORD what I considered to be a historical parallel and gave answers, dipping into historical sources that I think, had it not been for the fact that I had been given the great privilege of living this long, and having a good memory and having retained publications and books that were given to me since I was 15 years of age, I could not have brought in that parallel situation.

□ 1530

I have tried futilely to call the attention of past Presidents, beginning in 1965, pointing out to them President Johnson what seemed to me an ominous and foreboding development as reflected in that year's annual Federal Reserve report for, one, the level of Federal procurement exceeded $45 billion for the first time.

Second, there was nothing taking cognizance of the impact of the soft underbelly of our economy. Back home I was witnessing it. For example, school boards were discovering that bond issues they had just floated the year before were inadequate to construct new classroom space because of the exponential increase in the cost of prime material, copper, steel, and also labor; but in the same newspapers reflecting the need to float another bond issue to make it possible to construct, in the want ads were huge ads asking for labor and the address of the labor advertiser was in San Francisco, and that was for trained and skilled workers, carpenters and the like, in order to go to Southeast Asia and help in the construction of what was then going to turn out to be Cam Ranh Base. So with that pressure on the soft underbelly, I felt that past history had revealed that wise Presidents had asked the Congress for some kind of recognition of the incipient beginning of inflationary pressures, plus budgetary pressures, and therefore the need for either, one, a source of revenue that would make up for this expenditure that had reached, as I say, these high proportions, or some kind of controls, minimal credit controls and the like.

Well, nobody was much interested then. Interest rates were at 6 percent or perhaps even a little less. Nobody thought that the day would ever come that interest rates, prime interest rates, would even reach 8 percent, much less 10 percent, much less 15 percent, and astoundingly 21 percent in 1980 and 1981; so that when I wrote the letter to the President, it was merely sort of a suggested message in which I was pointing out that unless we took cognizance of these forces and in anticipation did something. As I have said on repeated occasions, I have never taken the floor here or the Senate of Texas or the city council chambers of the city of San Antonio and taken a position of criticism without offering, if the case called for it, some kind of an alternative or suggested course of action.

I remember vividly since I had not intended or planned to get into political endeavor, every inch of the way has been a learning process.

I remember that my first stint in the city council, it seemed to me that the philosophy among the political office holders was that you wet your fingers, place it up, see which way the wind was going and then go in that direction.

One of the crises at San Antonio, my home city, had been agitated with was the annual perennial negotiation with threatened strike and actual strike of the busdrivers. The transportation company, the bus company, was privately owned at the time. So in the month of October the labor contract was due for renegotiation, so that by the time the second week of September came around, the people were told that a strike was imminent, that labor was holding out, management was holding out, that management said, "Well, unless we get a fare increase, we cannot give even the minimal demands of the labor unions." So what ended after a lot of commotion and maybe a strike of 3 or 4 days was the city council meeting in great precipitation and crisis and passing an ordinance increasing the rate of fares on the buses.

I thought that was kind of silly, that if we knew this was happening as regularly as the swallows coming to Capistrano in California that we should have some anticipatory action; so I suggested in April the following year, my first year, that the mayor name a committee to study and sit down with management and sit down with labor and anticipate and have a chance to analyze from the standpoint of honest public utility regulation procedures a fair return on fair value.

Well, I am very happy to report that the mayor heeded and for the first year San Antonio did not have a strike. It did not have a commotion and it even got along without a minimal increase in fare, but we had what I call anticipatory action. That has been the whole basis of my philosophy as I have gone into this endeavor that I call legislative advocacy. Once I discovered that this indeed was what through attribute, training and education I would be happy doing, I labeled it legislative advocacy and this is what I have been trying to do, to provide affirmative, constructive, and anticipatory legislation and suggestions.

I also learned that in this great system of ours if you are right and if you persist and if you are blessed with endurance and life in politics, that eventually you will be heard, eventually the positive and the affirmative that is rooted in truthful and accurate presentation is going to be adopted.

I think that is the saving sap of our system, of our democratic participatory representative form of government.

I know that some of the greatest things that in my book I consider accomplishments have taken as long as 11 years. For example, a bill I introduced in 1965 also while I was speaking out on the coming crisis that it seemed to me would develop into a phenomenon that we had not experienced before. I was not smart enough to coin the phrase, but later on somebody called it "stagflation." It is the coexistence of the inflationary with depressionary forces on one sector with high unemployment and also high wages and relative wealth on the other, but with high inflationary forces.

This was a phenomenon that did not come in strong and perceptive fashion until after phase 3 of the peacetime imposed so-called Economic Stabilization Act; that is the Price and Wage Controls Act of 1971.

So that there is always a cause and effect. These problems that we now find ourselves in the throes of which our leaders in the executive branch of the Government have refused to accept, much less confront, are cause and effect. These are not God mandated problems. These problems of high interest rates, extortionate interest rates, our country being converted to the dumping ground instead of the producing country that it has been up until 4 years ago, these are not acts of God. They are manmade solutions.

The problem is that now for a numerous body such as the Congress to bring about quick and effective remedies, even as late as time is, is most difficult. In fact, it is insuperable.

This is the reason why throughout our history in time of crisis this body has had to delegate tremendous grants of constitutional authority to that unitary force that can act with quick dispatch in quick reaction to a quick emergency and especially in the structured world that we have been living in especially in the last three decades.

□ 1540

Now, these are things that need attention one at a time so that this is the reason why on Monday I came here on the floor of the House, used this forum to outline broad perspectives.

Yesterday I emphasized two main elements and the one was the unaddressed, until today, serious, critical question of the trade imbalance.

At this point, Mr. Speaker, I will include in the RECORD an article in today's Washington Post on page A-23 by Hobart Rowan. It is a byline by Hobart Rowan and the title of it is "Doubts About the Dollar."

The article referred to follows:

DOUBTS ABOUT THE DOLLAR

(By Hobart Rowan)

Any federal budget—and President Reagan's latest is no exception—is based on a number of economic assumptions. Expressing pride over an economic recovery that is "faster than any other upturn since 1951," Reagan forecast a continuation of good times.

"The thriving venture-capital market is financing a new American revolution of entrepreneurship and technological change," the president said in his separate Economic Report to Congress. "The American economy is once again the envy of the world."

The president's satisfaction with the current economic surge is understandable. Yet, at the highest levels of his government, there is a nagging doubt about the future, perhaps best expressed by budget director David Stockman.

Stockman—who may soon leave Washington after a stormy career—warned that in dealing with the budget deficit, "the hour is almost too late already."

That, to be sure, represents part of Stockman's pitch to Congress to do the budget-deficit job the president's way: by attacking middle-income civilian expenditures, doing little to restrain military programs or Social Security entitlements, and—of course—ignoring the need to raise taxes.

But the real weakness with the administration's look into the future is its failure to deal effectively with what may be the single most important variable in its economic assumptions: the extraordinarily high value of the dollar, which, according to the budget document, has risen 70 percent in foreign-exchange markets since the end of 1980.

The document makes some candid observations on the dollar problem, but then walks away from it:

Because the high value of the dollar has made American exports more expensive for foreigners, and imported goods tantalizingly cheap, "the current account, the broadest services, and interest payments between the United States and other countries," which had been about in balance in 1980, last year was in deficit to the tune of $104 billion.

Because the prospect is that this deficit will continue "for the foreseeable future," the United States this year will become a debtor nation. This means that assets owned by foreigners here will exceed those that we own abroad.

This dramatic shift in our international accounts is in part the direct result of the budget deficit's impact on interest rates: The high-priced dollar has attracted capital investment from overseas.

That's good news and bad news. The good news is that foreign money has helped finance the federal budget deficit, averting a credit crunch here. The bad news is that the resultant current-account deficit has soared out of sight. Now foreign investors have a larger role in determining the economic future of the United States.

What happens if foreigners get edgy about their investments here and slow them down? What happens if there is a sudden, sharp drop in the value of the dollar?

The budget document offered this cautious appraisal: "The long-run problem [of the dollar] concerns the consequences for the economy should foreigners attempt to reduce their purchases of dollar assets while we are still running a large current-account deficit. Under such circumstances, the inflation rate might temporarily rise as the dollar's exchange rate falls. In addition, there could be a rise in interest rates and slower overall economic growth."

The implication is clear, but not made explicit by the budget document: a dollar decline of any significance would make mincemeat of the administration's scenario calling for steady economic growth, low inflation rates and further interest-rate declines. The huge deficits projected by the administration would be—incredibly—even bigger.

Former Treasury assistant secretary C. Fred Bergsten points out that even under the administration's current assumptions, there will be a huge buildup in interest payments to foreigners. By 1990, this figure will top $100 billion annually. The current-account deficit, according to Bergsten, will be $150 billion this year, $200 billion by 1988

How long can such an inflow of foreign capital be sustained? If it slows down markedly, then the dollar could fall sharply, boosting interest rates skyward, sowing the seeds of a new recession.

Asked for his opinion, Reagan economic adviser William Niskanen said that the United States should not expect "any significant decline in the dollar" because interest-rate differences between the United States and other countries have been narrowing.

By itself, that's not very reassuring: it assumes a willingness on the part of foreigners to invest here despite growing debt, and continuing acceptance by American manufacturers and farmers of lost markets for their exports, while imports soar to new heights.

Mr. GONZALEZ. For the first time in a popularly disseminated column this phrase is used.

"Because the high value of the dollar has made American exports more expensive for foreigners, and imported goods tantalizingly cheap, the 'current account, the broadest measure of trade, services, and interests payments,' "—this is the first time I have seen that phrase, "interest payments" included "between the United States and other countries," which had been about in balance in 1980, last year was in deficit to the tune of $104 billion.

It is really closer to $133 billion if you take the entire spectrum of your interaction on the international level.

Then it ends up by saying that this has converted our country from a producer country to a consumer.

This I think is the most ominous thing of all, because up to 4 years ago this was not true. But in the meanwhile the vital element which we call interest rates, at the heart of the whole matter, remains unaddressed.

In 1965, going back to the letter I wrote to President Johnson, I pointed out that there was nothing to prevent any kind of incremental or exponential increase in the prime interest rate. There were no laws. The last laws were scrapped in 1865 with the adoption of the National Currency Act of 1865, one that President Abraham Lincoln had a great foreboding on his mind at the time he was killed, and upon his death, or in the middle of the commotion of his death this National Currency Act of 1865, which laid the groundwork for what they called then the National Banking System, came into being. But the essential issue has always been the same simply because interest rates is a mechanism whereby the wealth of the country is distributed.

Now, nowhere do you see this defined that way in the economic books. In fact, the vogue has been for the last decade or decade and one-half to say interest rates are just the market representation of any other economic activity, any other goods. Of course that is a horrible misinterpretation, malinterpretation, and one that is having fatal consequences to us and our way of living because at the heart of the matter, as I stated in my letter to President Johnson in 1965, ultimately is what we pride ourselves as the American standard of living. This is what is at stake. This is the issue.

Just like after World War I it would have been impossible to have said that was the issue in 1928. Even as late as May of 1929, that was more or less about 5 months before the great Black Friday and the stock market crash in October that a Presidential Commission was talking very much, almost in the same words as the President used last night in his State of the Union.

Everything is glowing. We see nothing in the foreseeable future to dim this rosy prosperity that we are all sharing today.

That was in May of 1929. And it was a preeminent commission that the President had appointed that was reporting that way. So we know that there is such a thing as miscalculation, even by some well-intentioned minds.

But when the motor force or energy behind the decision really turns out to be greed, and a battle of appetite, so to speak, then any nation that yields that vital, vital decisionmaking power to any such entity is a lost nation.

There is good reason why even 7,000 years before Christ, the Code of Hammurabi shows strict prohibition of usury or interest rate control, if you please. As our Lord and Savior Jesus Christ was speaking there was strong laws and punishment by death for usury or high interest rates or extortionate interest rates.

Why? Today my predecessor colleague speaking about the Japanese imports, and with justification, except I feel that today the barn door, so to speak, is open, and the horse is gone, if we want to go back to the day of horses. I do not know that we can say that about automobiles and garages today because somebody has to operate that machinery today. But it is no different.

The Japanese at home, for instance, have a very different structured society. I do not know that we anymore would like the structured, planned, highly controlled society of an out and out Socialist economy.

I always say that regardless of what you call them, the basic element is one of authoritarianism or dictatorship. If you have a Fascist corporate regime such as Hitler's, or Mussolini's, it is just one side of the same coin. If you have the Socialist or the dictatorship of the proletariat, well, the words themselves say that it is a dictatorship.

It is anything but the self-government, the self-determination of the people which is what I think the American experiment is all about.

Now, when this essential power, which some people call the allocation of credit, the Nation's resources is turned over to the forces that thrive on the profitmaking and the control, insatiable forces—Thomas Jefferson had speech after speech, even Alexander Hamilton, who to a certain extent today in our rough labeling would be considered a conservative, inveighed and was very careful about what kind of power was going to be given.

For instance, i9n the first 10 years of our national existence, nobody even wanted to bother with such an office as the presidency or chief magistrate, as they called it then, so you did not have any. You had the First and the Second Continental Congresses. But every government has to have a banker, so that that became the issue, who was the priceless prerogative, control of the credit allocation, going to be given to.

So they chartered what they called the Bank of North America in Philadelphia, but with strict control. Naturally the bankers at first said no, we are not if you are going to limit us. And of course Jefferson and them were not about to allow them to charge 6 percent or more, so they were limited.

But that was another day, another time. But all through our development this has been the essential issue. For the first time in our national existence as a government under this form, as provided in the Constitution, the fears of Jefferson, and Andrew Jackson, Abraham Lincoln, and lastly Woodrow Wilson, and even Franklin Roosevelt, because at the beginning of the war the bankers rebelled, you know, and everybody says draft the young, but nobody wants to draft the wealth. And they did the same thing, the bankers did, out of Philadelphia, and stood up and said we are just not going to do it, we just will not be your banker; we will just not do it.

□ 1550

Franklin Roosevelt had a dilemma but he turned to that, and at that time we had leaders that were not amenable to sacrificing that precious national freedom so they stood up and Henry Morgenthau then said, "Look, you don't do it, fine; we will work the mechanism provided for in the Federal Reserve Board Act of 1913" which incidentally was amended out of existence in 1952 and is one of the reasons why, if you look at your dollar bill you will see "Federal Reserve" not "Treasury Note."

Even that is very revelatory. But the essence is that what has resulted is that for the first time in the history of our Nation's Government those forces are in total control of the policymaking judgmental decisions and all that enters into those decisions that affect the allocations of credit whether or not you are going to have a high dollar, a dear dollar and therefore what, loss of jobs? Yes, because for every one of those $10, $15 billion of the $133 billion you can kiss away about a million American jobs permanently, permanently, gone forever.

Now, reverse direction? If we approve the legislation suggested here? It won't be that simple because these other forces remain unaddressed. The same thing happened after World War I; no different. The drama was the same, the characters, the names of the countries might have been different, in some cases; ironically not in the case of Japan. In the case of Japan we had the mania on Wall Street right after the twenties, before 1929, between 1922 and 1929 this horrible speculation in which the bankers were sucking up our American depositors' hard-earned money, sending it to the bond dealers in Wall Street who in turn, because of that literally high interest payment, were sending them over and investing, in what? German Government bonds, while the German Government together with the Allies, France, and England, were trying to find a way in which they could treat Uncle Sam like they were popularly calling him then, "Uncle Sap." And they did. They succeeded. They succeeded because the United States was the only creditor nation in either World War I or World War II. If it had not been for our credit, neither World War I or World War II would have lasted more than 4 or 5 days. Yet nowhere do you see those things addressed. When the war did break up, and I remember, I have total recall, I can remember the sounds, the smells, the noise, the utterances. I remember Franklin Roosevelt saying to the people in his addresses "We will build and produce 50,000 warplanes." Well, 50,000 warplanes at that time sounded very much like star wars sounds today.

Mr. Roosevelt talked very strongly, but not one plane over maybe a dozen could have been possible if, first, the cartel which by then was headquartered in Switzerland, had not been willing even through the German interests still pretty much in control of those cartels, to release the magnesium and the prime products that were essential for the construction of those warplanes.

The same thing has been happening. For instance, in 1979 after futilely trying to appeal to the chairman of the Committee on Banking and Currency of which I have been a member since I came, and also for 10 years I was chairman of the Subcommittee on International Finance; I had appealed to the chairman to call in the Chairman of the Federal Reserve Board, the Secretary of the Treasury and find out precisely what is the amount of money that now is being invested by foreign ownership or foreign investors in our banks and our banking system; in some of our prime land; in some of our prime manufacturing processes. To what extent? I did not succeed.

But then came the crisis of 1973-74, the oil embargo, so-called. I could not believe my eyes that the real issue was not being addressed. That was that for

the first time, sucked from our economy were huge sums; the so-called Eurodollar, for instance, increased exponentially. Our international corporations, and remember no more than the cartels in the thirties had any allegiance to any country to these multinational corporations; they transcend any national sovereignty. So that we might have structured after World War II the mechanisms that we thought were really governmental and international but which really were structured, for instance at Bretton Woods, where we created the International Monetary Fund. This was supposed to stabilize forever this thing of your international markets, your imbalances, your sudden flurries in prices, the devaluations so destructive to countries. But all the time the real power struggle was between what would be created and granted by way of authority by the nations to the IMF and what the International Bank for Settlement in Basel, Switzerland, would be willing to give. And of course they give nothing.

So the real decisions are there. They are not accounting to any particular nation. The whole question is loyalty to that which will bring the most and which is insatiable.

The more they have, the more they will want. So that if Americans are flagellated with extortionate rates of interest which still persist, the real rates of interest today, that is what you and I, average citizens, must pay, is still exorbitant, it is still extortionate. In our system of economy it is fatal because before World War II we prided ourselves on mass production, mass consumption. I remember the real poverty of that era, prewar, and I remember the tremendous amount, the diversity, the quantity, the abundance of goods available after. Then we structured the third leg in this fundamental three-legged stool, mass production, mass consumption, and mass credit availability, the installment plan to enable the masses of citizens to acquire those goods.

That is what has been eroded with high interest rates because that third leg was predicated upon controlled interest rates, nominal interest rates, not runaway, extortionate interest rates such as has been flagellating our economy and our citizens and our businessmen. Yet to reverse the trend is not that simple as it would have been easier in 1965 to have addressed the problem. So the question now is, What do you do? Well, specifically since 1979 I have been addressing that question and have been submitting suggestions by way of legislative proposals to my colleagues and have reintroduced thus far in the 99th Congress just about one-third and hope to develop as we go along into the session the balance of that program.

□ 1600

Now for the first time today, I heard colleagues speaking in a way that I didn't hear since 1979. So perhaps there will be some hope to at least confront the issue.

The Congress cannot do it alone, but it does have the prime responsibility. I have submitted legislation for instance, as long ago as 1965 with respect to the Federal Reserve Board. The misconceptions are fatal. There is not a Member of this House, I think, that will say to the constituents that the Federal Reserve Board is not a Federal agency or a Federal Government entity.

Yet the truth is that it is not. That sounds astounding to some; I found that to be true in the case of some of the colleagues, and some of my constituents. But that is the truth.

The truth is that since 1923, the creation of the Open Market Committee which was directly contradictory to all of the basis of the hearings and the actions that took place that finally led to the adoption of the Federal Reserve Board Act of 1913.

We have had a constant and further removal of that all-important body away from control by the people. We are living in a day and time in which we are told, very much like all who have assumed great powers that necessity requires what they call "independence." We do not trust the people, we do not trust the representatives of the people; we cannot handle that. Yet we created that body.

The Federal Reserve Board was not of divine origin; it was created by the Congress, and not as a so-called independent body; but it is today so independent that it is not accountable to anybody, neither the President nor Congress.

I hear no outcry and have not heard any. The proposals I have sought have been very basic. The last powerful gentleman to take an interest was the late Wright Patman in the last couple of years that he was chairman of the Banking Committee, but we could never get anyplace in bringing about even a whole scale set of hearings on the matter.

In 1965 we got the last amount of money for way overdue studies of interlocking directorates; the taking over of one bank by another bank through the hypothecation of bank stocks. These were clearly thrusts that were antithetical to the processes of chartering a bank, of accountability.

If you have that lack of accountability then I do not think that we should be surprised or shocked at the things that are happening today are happening, because what it means is that the American people have been sold down the river. Just as much as they were in that period between the First and Second World Wars.

It is incredible to think that such would happen. It was incredible to me in 1979 that I would have to take the floor after 3 years of futily trying to get the then-chairman, to call the Chairman of the Federal Reserve Board and just ask questions.

The thing that led to me taking the floor was that I soon assembled the statistics to clearly show—and I must remind my colleagues that at that time I was chairman of the International Finance Subcommittee. Since I pride myself in keeping abreast of foreign publications, including financial publications in French and Spanish and the British publications, it has been amazing what a source of information that has been; as a sole source almost.

If we have our leaders unaware or acting in a vacuum, or unwittingly acting on behalf of those forces that submerges the national interest for the international profitmaking thrust, then I think that we really should not be surprised.

I think at this point that we ought to accept the fact that we do have a crisis. That at this point it may be late to manage, which publicly the awareness is not unmanageable but which in reality may be.

In 1979 when I addressed the House and said that in less than 1 year and 3 months the amount of overhang on private banks' lending, the Third World or developing countries that did not have the ability to pay back, had grown from $3 billion to over $45 billion—nobody seems to care, and yet it became a near-crisis not too long ago.

You had the crisis in Mexico and suddenly the taxpayers had to ante up $4.5 billion in crisis, just in Mexico alone, and that was in order to shore up Mexico's ability to roll over the interest payments of those same unwise loans that the principal banks of the United States had made.

I knew by dead reckoning in 1979 that if it had reached that range, that the principal banks making those loans had loaned out in excess of their capital structure.

Now if that were to happen back home to any of the local banks, why, the regulatory bodies would have declared them insolvent. So this is the threat at this point.

Wise men do not wait; wise people do not have to put their finger in the fire to learn that it is going to get burned; yet that is what it seems we keep doing, keep tantalizingly challenging the forces that are there inexorably to burn our fingers.

In this case, though, it is absolutely imperative that the Congress address by one, two, three sequence the specific actions that Congress can take; that is within its constitutional grant of authority. Given the lack of Executive

leadership in this area—which is vital, but it has been absent.

I am happy to say that I have presented in specific suggested legislative presentations what I consider to be at least what ought to be the focus of debate. There is no such thing as a perfect bill ever being written by anybody; this is why we have discussion and debate.

I say that our failure to have even considered the matter is one that we cannot temporize with much longer. The international trade deficit which is as I said a range including all of the trade activities plus interest. If the foreign infusion of temporary, short-term money has reached the portion of danger where the crisis at the Continental-Illinois last year was precipitated not by the crisis of the Penn Square Bank which had sucked out a billion dollars of the Continental Bank, but the sudden loss of confidence or whatever it was that those foreign investors had, and suddenly yanked out that money that caused, for the first time, our Government to nationalize a bank.

Because that is what we have done. If that happened in Mexico, they would say they had nationalized the bank. What it cost the taxpayers was in excess of $4.5 billion.

There is a limit to how many of those banks we can nationalize. There is a limit to how much the resources can stretch, even though our money managers seem to think otherwise, or seem to act as if they think otherwise.

There is no question in my mind that the facts are there; they are immutable, they are irrebuttable, and we must face them. They are situations created by us, human beings; they are susceptible of solution by us human beings.

The farmers speaking about their situation—have the American people been advised that the big deal that President Reagan entered into with China has been reneged upon by China? And that is the purchase of 6 million metric tons of wheat every year. Why is that not admitted to?

In the meanwhile, what kind of a secret pledge did we make on a military basis with the Government of China? We do not know. There has been no report to the Congress; there has been no report to the people. It is the same thing with the money matters. What deals have been made?

□ 1610

Why does the Federal Reserve Board—of course, I know why—because the Federal Reserve Board is not acting in obedience to the dictates of the people as expressed through the Congress, their elected representatives, or the President, their elected head, but to the dictates or seven of the largest private banks in our country. And they certainly cannot be accused of thinking of the national interests first and their ledger sheets second.

H.R. 1017, THE AIRLINE FRINGE BENEFIT EQUITY ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. ANDERSON] is recognized for 10 minutes.

● Mr. ANDERSON. Mr. Speaker, today, I have introduced legislation, H.R. 1017, to provide that transportation provided by an airline to parents of its employees shall be tax free.

As you will recall, the Treasury Department, in 1975, released a draft of proposed regulations to tax certain fringe benefits. Due to the controversial nature of this issue, this document was retracted the following year.

In 1978, legislation was signed into law prohibiting Treasury from issuing regulations relating to the tax treatment of fringe benefits through December 31, 1979. (Public Law 95-427.) On two subsequent occasions, legislation was again signed into law which extended this moratorium until May 31, 1981 (Public Law 96-167) and December 31, 1983 (Public Law 97-34), respectively.

In January 1983, I introduced H.R. 943 to amend the Internal Revenue Code to exclude from gross income reduced airline fare benefits received by airline employees and their families (including parents). This measure would have permanently prohibited Treasury from issuing regulations to tax airline fringe benefits; that is, free and reduced rate transportation. It would not have affected any other fringe benefit.

In July 1983, the chairman of the Ways and Means Subcommittee on Select Revenue Measures, then Honorable Pete Stark, introduced H.R. 3525, the Permanent Tax Treatment of Fringe Benefits Act. As introduced, there were two major differences between this bill and mine (as they related to the tax treatment of fringe benefits received by airline employees and their families).

The first difference was that H.R. 3525 would have prohibited the "interlining" of flight passes vis-a-vis tax exemptions. Thus, if an employee of airline "A" used a flight pass on airline "B", it would have been treated as gross income on which taxes would be due at the end of the year. I must note, however, that "on-line" passes, where an employee of airline "A" uses a flight pass on airline "A", would not have been affected by H.R. 3525. My bill, H.R. 943, would have continued to allow airline employees and their families to use both inter-line and on-line flight passes, without the threat of taxation. The other difference between my bill and H.R. 3525, was that H.R. 943 allowed parents of airline employees to continue receiving these reduced fare travel privileges—again, without the threat of taxation.

In July 1984, the Deficit Reduction Act was signed into law (Public Law 98-369). Title V of this comprehensive measure, Employee Benefit Provisions, was H.R. 3525, with some modifications.

I was pleased to see that, as compared to the "original" H.R. 3525, title V of Public Law 98-369 reinstated the interlining of flight passes for airline employees and their immediate families. Unfortunately, however, parents of airline employees were not readmitted to the program. Thus, effective January 1 of this year, if a parent of an airline employee is given a flight pass to use, their son or daughter will be taxed at a rate equal to 50 percent of the full coach fare for that particular flight on which the pass is used.

For example, if my son was an employee of Pan Am and he supplied my wife and me with a Pan Am flight pass, and the two of us took a round-trip flight today between Washington and Los Angeles, he would have to pay taxes on $1,876 in additional income at the end of the year. This is because the highest coach fare on both legs of our journey would be $938 x 4 [2 flights x 2 people] = $3,752 ÷ 50% = $1,876. I might add that two revenue passengers sitting next to us on the same flights could have paid as little as $476 for their seats.

Although some might object to these airline travel privileges, it must be highlighted that they can only be used for seats which could not be sold to the traveling public prior to departure. Should a plane be full, airline employees and their families remain grounded.

My bill, H.R. 1017, seeks only to again give parents of airline employees the opportunity to take advantage of these travel benefits on an on-line basis only, without the threat of taxation. They could not be issued interline flight passes.

I urge my colleagues to cosponsor H.R. 1017. The language of the bill follows:

H.R. 1017

A bill to provide that transportation provided by an airline to parents of its employees shall be tax-free

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TAX-FREE TREATMENT RESTORED FOR TRANSPORTATION PROVIDED BY AN AIRLINE TO PARENTS OF ITS EMPLOYEES.

(a) IN GENERAL.—Subsection (f) of section 132 of the Internal Revenue Code of 1954 (relating to exclusion of certain fringe benefits) is amended by adding at the end thereof the following new paragraph:

"(3) PARENTS OF AIRLINE EMPLOYEES.—

"(A) IN GENERAL.—In the case of an employee providing service to an employer in connection with the employer's business of

providing air passenger transportation service, any use by a parent of the employee shall be treated as use by the employee.

"(B) SUBPARAGRAPH (a) DOES NOT APPLY TO RECIPROCAL AGREEMENTS.—For purposes of subparagraph (A), subsection (g)(2) (relating to reciprocal agreements) shall not apply.

"(C) PARENT DEFINED.—For purposes of this paragraph, the term 'parent' means the father, mother, stepfather, and stepmother of the employee, and any individual who is the parent of the employee by virtue of the legal adoption of the employee by such individual."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the amendment made by section 531(a) of the Tax Reform Act of 1984.●

HEARING SCHEDULE, COMMITTEE ON APPROPRIATIONS, SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES

(Mr. YATES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. YATES. Mr. Speaker, I take this time to insert the hearing schedule for the Appropriations Subcommittee on Interior and Related Agencies into the RECORD. Hearings on the 1986 budget are scheduled to begin on February 20, 1985, and will conclude on May 9, 1985.

FISCAL YEAR 1986 HEARING SCHEDULE, COMMITTEE ON APPROPRIATIONS, SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES

FEBRUARY 1985

Wednesday, February 20: 10:00 Pennsylvania Ave. Development Corp.; 11:00 FDR Memorial Commisssion; 11:30 Federal Inspector for the Alaska Gas Pipeline; and 1:30 Synthetic Fuels Corp.

Thursday, February 21: 10:00 Outside Witnesses—Energy / MMS(OCS) / GS / OSM / BOM; and 1:30 Same as above.

Monday, February 25: 10:00 Bureau of Land Management; and 1:30 Same as above.

Tuesday, February 26: 10:00 Same as above; and 1:30 Same as above.

Wednesday, February 27: 10:00 Minerals Management Service; and 1:30 Same as above.

Thursday, February 28: 10:00 Secretary of Interior; and 1:30 Same as above.

MARCH 1985

Monday, March 4: 1:00 Energy Information Agency.

Tuesday, March 5: 10:00 Outside Witnesses—Resource Management (BLM/FWS/NPS (Historic Pres., LWCF)/FS/Smithsonian); and 1:30 Same as above.

Wednesday, March 6: 10:00 Same as above; and 1:30 Same as above

Thursday, March 7: 10:00 Woodrow Wilson; 10:30 Commission of Fine Arts; and 11:00 National Gallery.

Monday, March 11: 1:00 Smithsonian Institution.

Tuesday, March 12: 10:00 Smithsonian Institution; and 1:30 Same as above.

Wednesday, March 13: 10:00 Secretary of Energy; and 1:30 Same as above.

Thursday, March 14: 10:00 Bureau of Mines; and 1:30 Same as above.

Monday, March 18: 1:00 ERA/Emergency Preparedness; and 2:00 Office of Hearings & Appeals.

Tuesday, March 19: 10:00 Outside Witnesses—NEA; and 1:30 Same as above.

Wednesday, March 20: 10:00 Outside Witnesses—NEH/IMS; and 1:30 Same as above.

Thursday, March 21: 10:00 Geological Survey; and 1:30 Same as above.

Monday, March 25: 1:00 Indian Education; and 2:00 Navajo Hopi Relocation Commission.

Tuesday, March 26: 10:00 Indian Health Service; and 1:30 Same as above.

Wednesday, March 27: 10:00 National Park Service (including Urban Parks/Historic Preservation); and 1:30 Same as above.

Thursday, March 28: 10:00 Same as above; and 1:30 Same as above.

APRIL 1985

Monday, April 1: 1:00 Naval Petroleum Reserve/SPRO.

Tuesday, April 2: 10:00 DOE-Conservation; and 1:30 Same as above.

Wednesday, April 3: 10:00 Outside Witnesses—Indians; and 1:30 Same as above.

Thursday, April 4: 10:00 Same as above; and 1:30 Same as above.

Monday, April 15: 1:00 Office of the Secretary-Interior/Inspector General.

Tuesday, April 16: 10:00 Bureau of Indian Affairs; and 1:30 Same as above.

Wednesday, April 17: 10:00 Bureau of Indian Affairs; and 1:30 Same as above.

Thursday, April 18: 10:00 Members of Congress; and 1:30 Same as above.

Monday, April 22: 1:00 Institute of Museum Services.

Tuesday, April 23: 10:00 National Endowment for the Humanities; and 1:30 Same as above.

Wednesday, April 24: 10:00 National Endowment for the Arts; and 1:30 Same as above.

Thursday, April 25: 10:00 DOE—Fossil Energy; and 1:30 Same as above.

Monday, April 29: 1:00 Office of the Solicitor.

Tuesday, April 30: 10:00 Office of Territorial Affairs (agency and territorial witnesses); and 1:30 Same as above.

MAY 1985

Wednesday, May 1: 10:00 Office of Territorial Affairs (agency and territorial witnesses); and 1:30 Same as above.

Thursday, May 2: 10:00 Office of Surface Mining; and 1:30 Same as above.

Monday, May 6: 1:00 Holocaust Memorial; 2:45 Advisory Council on Historic Preservation; and 3:15 National Capital Planning Commission.

Tuesday, May 7: 10:00 Fish and Wildlife Service; and 1:30 Same as above.

Wednesday, May 8: 10:00 Forest Service; and 1:30 Same as above.

Thursday, May 9: 10:00 Same as above; and 1:30 Same as above.

REPORT ON CURRENT LEVEL OF SPENDING AND REVENUES FOR FISCAL YEAR 1985 BY COMMITTEE ON THE BUDGET

(Mr. GRAY of Pennsylvania asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. GRAY of Pennsylvania. Mr. Speaker, pursuant to the procedures of the Committee on the Budget and section 311(b) of the Congressional Budget Act of 1974, I am submitting to the RECORD a letter to the Speaker advising him of the current level of spending and revenues for fiscal year 1985:

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, DC, January 31, 1985.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: On January 30, 1976, the Committee on the Budget outlined the procedure which it had adopted in connection with its responsibilities under Section 311 of the Congressional Budget Act of 1974 to provide estimates of the current level of revenues and spending.

Pursuant to Committee Rule 10, I am herewith transmitting the status report under H. Con. Res. 280, the First Concurrent Resolution on the Budget for Fiscal Year 1985. This report reflects the adopted budget resolution of October 1, 1984, and the current CBO estimates of budget authority, outlays, and revenues.

As with last year, the procedural situation with regard to the spending ceiling is affected this year by Section 4(b) of H. Con. Res. 280. Enforcement against possible breaches of the spending ceiling under Section 311(a) of the Budget Act will not apply where a measure would not cause a committee to exceed its "appropriate allocation" made pursuant to Section 302(a) of the Budget Act. In the House, the appropriate 302(a) allocation includes "new discretionary budget authority" and "new entitlement authority" only. It should be noted that under this procedure neither the total level of outlays nor a committee's outlay allocation is considered. This exception is only provided because an automatic budget resolution is in effect and will cease to apply if Congress revises the budget resolution for fiscal year 1985.

The intent of the Section 302(a) "discretionary budget authority" and "new entitlement authority" subceiling provided by Section 4(b) of the resolution is to protect a committee that has stayed within its spending allocation—discretionary budget authority and new entitlement authority—from points of order if the total spending ceiling has been breached for reasons outside of its control. The 302(a) allocations to House committees made pursuant to the conference report on H. Con. Res. 280 were printed in the Congressional Record, September 25, 1984, H. 10190 (H. Rept. 98-1079, page 32).

The attached tables compare actual legislation to each committee's 302(a) allocation of discretionary budget authority and of new entitlement authority.

With best wishes,
Sincerely,

WILLIAM H. GRAY III,
Chairman.

REPORT TO THE SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1985 CONGRESSIONAL BUDGET ADOPTED IN HOUSE CURRENT RESOLUTION 280—REFLECTING COMPLETED ACTION AS OF JANUARY 31, 1985

[In millions of dollars]

	Budget authority	Outlays	Revenues
Appropriate level	1,021,350	932,050	750,900
Current level	1,015,021	932,831	750,739
Amount under ceilings	6,329		
Amount over ceilings		781	
Amount under floor			161

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and that exceeds $6,329 million for fiscal year 1985, if adopted and enacted, would cause the appropriate level of budget authority for the year as set forth in H. Con. Res. 280 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate in outlays for fiscal year 1985, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 280 to be exceeded.

REVENUES

Any measure that would result in a revenue loss for fiscal year 1985, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 280.

JANUARY 31, 1985.

Fiscal year 1985 budget authority comparison of current level and budget resolution allocation by committee [1]

[In millions of dollars]

	Current level budget authority
House committee:	
Total current level	−6,329
Appropriations committee—discretionary	(−5,281)
Authorizing committee—discretionary action:	
Agriculture	(−90)
Armed Services	(+276)
Banking, Finance, and Urban Affairs	(...)
District of Columbia	(*)
Education and Labor	(...)
Energy and Commerce	(−4)
Foreign Affairs	(...)
Government Operations	(...)
House Administration	(...)
Interior and Insular Affairs	(+2)
Judiciary	(+50)
Merchant Marine and Fisheries	(+15)
Post Office and Civil Service	(+1)
Public Works and Transportation	(−713)
Science and Technology	(...)
Veterans Affairs	(...)
Ways and Means	(−110)

[1] Committees are over(+) or under(−) their 302(a) allocation.
* Less than $1 million.

JANUARY 31, 1985.

FISCAL YEAR 1985 NEW ENTITLEMENT AUTHORITY COMPARISON OF CURRENT LEVEL AND BUDGET RESOLUTION ALLOCATION BY COMMITTEE

[In millions of dollars]

	Allocation	Reported	Enacted
Committee:			
Agriculture			
Appropriations			
Armed Services	1,900	1,500	1,663
Banking, Finance and Urban Affairs			
District of Columbia		1	1
Education and Labor	202	−306	
Energy and Commerce		3	4
Foreign Affairs			
Government Operations			
Interior and Insular Affairs		1	1
Judiciary			
Merchant Marine and Fisheries			
Post Office and Civil Service			
Public Works and Transportation			
Science and Technology			
Small Business			
Veterans' Affairs	402	503	432
Ways and Means	40	94	41

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, January 8, 1985.

Hon. WILLIAM H. GRAY III,
Chairman, Committee on the Budget, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to section 308(b) and in aid of section 311(b) of the Congressional Budget Act, this letter and supporting detail provide an up-to-date tabulation of the current levels of new budget authority, estimated outlays and estimated revenues in comparison with the appropriate levels for those items contained in the most recently agreed to concurrent resolution on the 1985 budget (H. Con. Res. 280). This report for fiscal year 1985 is tabulated as of the convening of the 99th Congress, and is based on our estimates of budget authority, outlays, and revenues using the assumptions and estimates consistent with H. Con. Res. 280.

This report summarizes the 1985 current levels of budget authority, outlays, and revenues as the 99th Congress begins its first session.

[In millions of dollars]

	Budget authority	Outlays	Revenues
1. Enacted	1,010,735	929,240	750,739
2. Entitlement authority and other mandatory items requiring further appropriation action	4,286	3,591	
3. Continuing resolution authority			
4. Conference agreements ratified by both Houses			
Current level	1,015,021	932,831	750,739
1985 budget resolution, House Concurrent Resolution 280	1,021,350	932,050	750,900
Current level is:			
Over resolution by		781	
Under resolution by	6,329		161

Sincerely,

RUDOLPH G. PENNER,
Director.

PARLIAMENTARIAN STATUS REPORT, HOUSE SUPPORTING DETAIL, FISCAL YEAR 1985 AS OF CLOSE OF BUSINESS JANUARY 7, 1985 [1]

[In millions of dollars]

	Budget authority	Outlays
I. Enacted:		
Permanent appropriations and trust funds	651,994	579,636
Enacted previous session	543,411	534,273
Offsetting receipts	184,669	−184,669
Enacted this session		
Total enacted	1,010,735	929,240
II. Entitlement authority and other mandatory items requiring further appropriation action:		
Assistance Payments	23	23
Black Lung Trust Fund	25	25
Child Support Enforcement	82	82
Civilian Agency Pay Raise Allowance	777	803
Coast Guard Pay Raise Allowance	25	23
Defense Pay Raise Allowance	2,242	2,201
Defense Claims	20	3
Family Social Services	20	20
Medicaid	7	7
Public Health Service Officers Retirement Pay	3	
Range Improvements	2	2
Readjustment Benefits	163	156
Salaries of Judges	5	5
Student Loans	498	
Supplemental Security Income	5	
Veterans Compensation	389	241
Total	4,286	3,591
III. Continuing resolution authority		
IV. Conference agreements ratified by both Houses		
Total, current level as of January 7, 1985	1,015,021	932,831
1985 budget resolution, House Conference Resolution 280	1,021,350	932,050
Amount remaining:		
Over ceiling		781
Under ceiling	6,329	

[1] Less than $500 thousand.
Note: Detail may not add due to rounding.

RULES OF COMMITTEE ON ARMED SERVICES FOR THE 99TH CONGRESS

(Mr. ASPIN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. ASPIN. Mr. Speaker, in accordance with clause 2(a) of rule XI of the Rules of the House of Representatives, I submit herewith for publication in the RECORD the rules of the Committee on Armed Services that were adopted by the committee on Thursday, January 31, 1985.

RULES OF THE COMMITTEE ON ARMED SERVICES

RULE 1. GENERAL

The rules of the House are the rules of its committees and subcommittees so far as applicable, except that a motion to recess from day to day, and a motion to dispense with the first reading (in full) of a bill or resolution, if printed copies are available, are nondebatable motions [is a motion] of high privilege in committees and subcommittees.

RULE 2. FULL COMMITTEE MEETING DATE

(a) The Committee on Armed Services will meet every Tuesday at 10 a.m., and at such other times as may be fixed by the chairman, or by written request of members of the committee pursuant to House rule XI, clause 2(b).

(b) A Tuesday meeting of the committee may be dispensed with by the chairman, but such action may be reversed by a written request of a majority of the members.

RULE 3. SUBCOMMITTEE MEETING DATES

Each subcommittee is authorized to meet, hold hearings, receive evidence and report to the committee on all matters referred to it. Insofar as possible, meetings of the committee and its subcommittees shall not conflict. Subcommittee chairmen shall set meeting dates after consultation with the chairman and subcommittee chairmen with a view toward avoiding simultaneous scheduling of committee and subcommittee meetings or hearings wherever possible.

RULE 4. SUBCOMMITTEES

The Committee on Armed Services of the House of Representatives shall be organized

to consist of the following standing subcommittees.

The Military Personnel and Compensation Subcommittee which shall have legislative jurisdiction over authorized strengths; active-duty and reserve training; recruiting; Reserve Officers' Training Corps; Selective Service; military justice; enlistments and separations; awards; academies; human relations; medical care; pay and allowances; promotion; retirement; and related legislative oversight.

The Research and Development Subcommittee which shall have legislative jurisdiction over annual authorization for research and development; airlift; and related oversight.

The Seapower and Strategic Critical Materials Subcommittee which shall have legislative jurisdiction over procurement and construction of naval vessels; torpedoes and weapons portion of Navy weapons; ship-related items in Navy other procurement; sealift; antisubmarine warfare; disposal of naval vessels; strategic and critical materials necessary for the national defense; and related legislative oversight.

The Procurement and Military Nuclear Systems Subcommittee which shall have legislative jurisdiction over the annual authorization for procurement of aircraft, missiles, weapons and tracked combat vehicles, ammunition and those portions of the procurement category, other procurement, not assigned to the Seapower and Strategic and Critical Materials Subcommittee; military application of nuclear energy, including research and development related thereto; intelligence matters related to national security; and related legislative oversight. The subcommittee shall also have oversight responsibilities with regard to international arms control and disarmament.

The Investigations Subcommittee which shall have legislative jurisdiction over Defense Acquisition Regulations and related procurement matters; organization of the Department of Defense, including proposed reorganizations; naval petroleum reserves; and related legislative oversight; and investigative authority in relation to the committee's general oversight responsibilities.

The Readiness Subcommittee which shall have legislative jurisdiction over the annual authorization for operation and maintenance; the current readiness and preparedness requirements of the defense establishment, including the supporting defense industrial base; commissaries and exchanges, clubs and related nonappropriated funds activities of the Armed Forces; and related legislative oversight.

The Military Installations and Facilities Subcommittee which shall have legislative jurisdiction over military construction; real estate acquisitions and disposals; housing and support facilities; base closures; real estate generally; civil defense; and related legislative oversight.

RULE 5. PRECEDENCE

Chairmen of standing subcommittees who sit on a second subcommittee shall rank behind other members serving on that subcommittee as their primary subcommittee assignment.

RULE 6. PANELS OF THE FULL COMMITTEE AND SUBCOMMITTEES

(a) The chairman may designate a panel of the committee drawn from members of more than one subcommittee to inquire into and take testimony on a matter or matters that fall within the jurisdiction of more than one subcommittee and to report to the full committee. Any such panel shall not continue in existence for more than six months.

(b) The chairman of a standing subcommittee may designate a panel of such subcommittee to inquire into and take testimony on a specific matter within the jurisdiction of that subcommittee and to report to the subcommittee for futher reference to the full committee as may be appropriate.

(c) No panels so appointed shall have legislative jurisdiction.

RULE 7. REFERENCE OF LEGISLATION AND SUBCOMMITTEE REPORTS

(a) The chairman shall refer legislation and other matters to all subcommittees of appropriate jurisdiction within two weeks unless, by a majority vote of the members of the full committee, consideration to be by the full committee.

(b) Bills shall be taken up for hearing only when called by the chairman of the full committee or subcommittee, or by a majority vote of a quorum of the full committee or a subcommittee.

(c) The chairman of the full committee, with approval of a majority of the members voting, a majority of the committee being present, shall have authority to discharge a subcommittee from consideration of any bill, resolution, or other matter referred thereto and have such measure or matter considered by the full committee.

(d) Reports and recommendations of a subcommittee shall not be considered by the full committee until after the intervention of three calendar days from the time the report is approved by the subcommittee and printed hearings thereon are available to the members, except that this rule may be waived by a majority vote of a quorum of the committee.

RULE 8. PUBLIC ANNOUNCEMENT OF HEARINGS AND MEETINGS

The full committee and each subcommittee shall make public announcement of the date, place and subject matter of the full committee or subcommittee hearing at least one week before the commencement of the hearing. However, if the full committee or subcommittee determines that there is good cause to begin the hearing sooner, it shall make the announcement at the earliest possible date. Any announcement made under this rule shall be promptly published in the Daily Digest and promptely entered into the committee scheduling service of the House Information Systems.

RULE 9. MEETINGS AND HEARINGS OPEN TO THE PUBLIC

(a) Each committee or subcommittee meeting for the transaction of business, including the markup of legislation, shall be open to the public except when the committee or subcommittee, in open session and with a majority being present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however,* That no person other than members of the committee and/or subcommittee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by paragraph (b) of this rule, or any meeting that relates solely to internal budget or personnel matters.

(b) Each hearing conducted by the full committee or subcommittee shall be open to the public except when the full committee or subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives. Notwithstanding the requirements of the preceding sentence, a majority of those present, there being in attendance no less than two members of the committee or subcommittee, may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security, or would tend to defame, degrade, or incriminate any person. If the decision is to close for national security reasons, the vote must be by rollcall vote and in open session, there being a majority of the committee or subcommittee present. Otherwise, if the decision is to close because the testimony may tend to defame, degrade, or incriminate any person, the vote may be by a majority of those present, there being in attendance no less than two members of the committee or subcommittee. However, if the committee or subcommittee elects to receive such testimony in open session, it may do so only if a majority of the members of the committee or subcommittee, a majority being present, determine that such evidence or testimony will not tend to defame, degrade, or incriminate any person. No Member may be excluded from nonparticipatory attendance at any hearing of the full committee or subcommittee, unless the House of Representatives shall by majority vote authorize the full committee or subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to Members by the same procedures designated in this rule for closing hearings to the public: *Provided, however,* That the full committee or the subcommittee may by the same procedure vote to close up to five additional consecutive days of hearings.

(c) Notwithstanding the foregoing, and with the approval of the committee chairman, each member of the committee may designate by letter to the Chairman a member of his or her personal staff with Top Secret security clearance to attend hearings of the committee, or that member's subcommittee(s), which have been closed under the provisions of Rule 9(b) above for national security purposes for the taking of testimony: *Provided,* That such staff member's attendance at such hearings is subject to the approval of the committee or subcommittee as dictated by national security requirements at the time: *Provided further,* That this paragraph addresses hearings only and not briefings or meetings held under the provisions of paragraph (a) of this rule; and *Provided further,* That the attainment of any security clearances involved are the responsibility of individual members.

RULE 10. BROADCASTING OF COMMITTEE HEARINGS AND MEETINGS

(a) In accordance with the provision of rule XI, clause 3, Rules of the House of Representatives, it is the purpose of this rule to provide a means, in conformity with acceptable standards of dignity, propriety, and decorum, by which committee or subcommittee hearings or meetings, which are open to the public may be covered by television broadcast, radio broadcast, and still

photography, or by any of such methods of coverage. In that regard, the provisions of rule XI, clause 3(a)-(d) are specifically incorporated herein by reference.

(b) The chairman of the full committee or the chairmen of the subcommittees are authorized to determine on behalf of the full committee or its subcommittees respectively whether hearings or meetings which are open may be broadcast, unless the committee or its subcommittees respectively by majority vote determine otherwise: *Provided, however,* Each committee or subcommittee chairman shall determine, in his discretion, the number of television and still cameras permitted in a hearing or meeting room.

(c) In accordance with rule XI, clause 3(f), the following provisions shall apply to the broadcasting of committee or subcommittee hearings or meetings which are open to the public:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This subparagraph is supplementary to clause 2(k)(5) of rule XI of the Rules of the House of Representatives, relating to the protection of the rights of witnesses.

(3) The allocation among the television media of the positions of the number of television cameras permitted by a committee or subcommittee chairman in a hearing room shall be in accordance with fair and equitable procedures devised by the executive committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the committee or its subcommittees or the visibility of that witness and that member to each other.

(5) Television cameras shall operate from fixed positions but shall not be placed in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the committee or subcommittee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) In the allocation of the number of still photographers permitted by a committee or subcommittee chairman in a hearing or meeting room, preference shall be given to photographers from Associated Press Photos and United Press International News-pictures. If request are made by more of the media than will be permitted by a committee or subcommittee chairman for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee on Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the committee or its subcommittees.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobstructive manner.

(14) With the exception of devices properly used by official reporters and by accredited media and broadcast personnel as covered in these rules, no recording or camera type devices may be operated or otherwise used during committee or subcommittee hearings.

RULE 11. QUORUM

A majority of the full committee or subcommittee shall constitute a quorum for reporting or tabling a measure or recommendation. A quorum for the purpose of taking testimony and receiving evidence by either the full committee or any subcommittee shall be not less than two. A quorum for taking any other action shall be not less than one-third of the members of the full committee or subcommittee, unless otherwise indicated in the committee rules.

RULE 12. THE FIVE-MINUTE RULE

(a) The time any one member may address the committee or subcommittee on any bill, motion or other matter under consideration shall not exceed five minutes and then only when the member has been recognized by the chairman, except that this time limit may be exceeded by unanimous consent. Any member, upon request, shall be recognized for not to exceed five minutes to address the committee or subcommittee on behalf of an amendment which the member has offered to any pending bill or resolution.

(b) When a meeting is originally convened members present at a meeting of the committee or subcommittee will be recognized by the chairman in order of seniority. Those members arriving subsequently will be recognized in order of their arrival. Notwithstanding the foregoing, the chairman and the ranking minority member will take precedence upon their arrival. In recognizing members to question witnesses in this fashion, the chairman shall take into consideration the ratio of the majority to minority members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the members of the majority.

RULE 13. SUBPOENA AUTHORITY

The full committee, and all subcommittees, may require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. Any such subpoena may be authorized and issued by the committee, or subcommittee, in the conduct of any investigation or a series of investigations or activities, only when authorized by a majority of the members voting, a majority being present. The power to authorize and issue subpoenas under this rule may be delegated to the chairman of the committee pursuant to such rules and under such limitations as the committee may prescribe. Authorized subpoenas shall be signed by the chairman of the committee or any member designated by the committee.

RULE 14. WITNESS STATEMENTS

(a) Any prepared statement to be presented by a witness to the committee or a subcommittee shall be submitted to the committee at least 48 hours in advance of presentation and shall be distributed to all members of the committee or subcommittee at least 24 hours in advance of delivery. If a prepared statement contains security information bearing a classification of secret or higher, the statement shall be made available in the committee rooms to all members of the committee at least 24 hours in advance of delivery; however, no such statement shall be removed from the committee offices. The requirement of this rule may be waived upon a majority of the full committee or any subcommittee, a quorum being present.

(b) The full committee and each subcommittee shall, insofar as is practicable, require each witness who is to appear before it to file with the committee (in advance of his or her appearance) a written statement of the proposed testimony and to limit the oral presentation at such appearance to a brief summary of his or her argument.

RULE 15. ADMINISTERING OATHS TO WITNESSES

The chairman of the committee, or any member designated by the chairman, may administer oaths to any witness.

RULE 16. QUESTIONING OF WITNESSES

(a) When a witness is before the committee or subcommittee, members of the committee or subcommittee may put questions to the witness only when they have been recognized by the chairman for that purpose.

(b) Members of the committee or subcommittee who so desire shall have not to exceed five minutes to interrogate each witness until such time as each member has had an opportunity to interrogate such witness; thereafter, additional time for questioning witnesses by members is discretionary with the chairman.

(c) Questions put to witnesses before the committee or subcommittee shall be pertinent to the bill or other subject matter that may be before the committee or subcommittee for consideration.

RULE 17. VOTING AND ROLLCALLS

(a) Except as otherwise provided in these rules, voting on a measure or matter may be by rollcall vote, division vote, voice vote, or unanimous consent.

(b) Voting on reporting annual authorization bills shall be by rollcall vote.

(c) A rollcall of the members may be had upon the request of five or more members present, or in the case of subcommittees, on the request of one-fifth of a majority.

RULE 18. PROXY VOTE

A member may vote by special proxy, which must be in writing, shall assert that the member is absent on official business or is otherwise unable to be present at the

meeting of the committee, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto. A member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum. A proxy may be used in full committee or subcommittees. All proxies must be filed with the staff director and be available for inspection at any time.

RULE 19. PRIVATE BILLS

No private bill will be reported by the committee if there are two are more dissenting votes. Private bills so rejected by the committee will not be reconsidered during the same Congress unless new evidence sufficient to justify a new hearing has been presented to the Congress.

RULE 20. SUPPLEMENTAL, MINORITY, ADDITIONAL OR DISSENTING VIEWS

If, at the time of approval of any measure or matter by the committee, any member of the committee gives timely notice of intention to file supplemental, minority, additional or dissenting views, that member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the staff director of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter.

RULE 21. POINTS OF ORDER

No point of order shall lie with respect to any measure reported by the full committee or any subcommittee on the ground that hearings on such measure were not conducted in accordance with the provisions of the committee rules; except that a point of order on that ground may be made by any member of the full committee or subcommittee which reported the measure if, in the full committee or subcommittee, such point or order was (a) timely made and (b) improperly overruled or not properly considered.

RULE 22. PUBLIC INSPECTION OF COMMITTEE ROLLCALLS

(a) The result of each rollcall in any meeting of the committee shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each member voting for and each member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those record vote by the committee on each motion to report any bill or resolution of public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

(b) In the event of such a rollcall vote or votes, when a member is in attendance at any other committee, subcommittee, or conference committee meeting during that time, that circumstance shall be so recorded in the rollcall record, upon timely notification to the chairman from that member.

RULE 23. PROTECTION OF NATIONAL SECURITY INFORMATION

(a) All national security information bearing a classification of secret or higher which has been received by the committee or a subcommittee shall be deemed to have been received in executive session and shall be given appropriate safekeeping.

(b) The chairman of the full committee shall, with the approval of the full committee, establish such procedures as in his judgment may be necessary to prevent the unauthorized disclosure of any national security information received classified as secret or higher. Such procedures shall, however, ensure access to this information by any member of the committee or any other Member of the House of Representatives who has requested the opportunity to review such material.

RULE 24. COMMITTEE STAFFING

The staffing of the full committee and the standing subcommittees shall be subject to the appropriate rules of the House of Representatives, including, among other things, the provisions of rule XI, clause 5(d).●

RULES OF COMMITTEE ON RULES FOR THE 99TH CONGRESS

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. PEPPER. Mr. Speaker, rule XI, clause 2(a) of the Rules of the House of Representatives in part directs each standing committee of the House to adopt written rules governing its procedure and requires publication of the rules in the CONGRESSIONAL RECORD not later than 30 days after a new Congress convenes.

Pursuant to clause 2(a) of rule XI and the unanimous-consent request of January 30, 1985, which extends the date of the printing requirement to February 28, 1985. I submit for printing the rules of the Committee on Rules for the present Congress, adopted at the committee's organizational meeting on Feburary 5, 1985:

RULES OF THE COMMITTEE ON RULES

RULE 1—APPLICABILITY OF HOUSE RULES

The Rules of the House of Representatives are the rules of the Committee on Rules (hereafter in these rules referred to as the "Committee") so far as applicable, together with the rules contained herein.

RULE 2—SCHEDULING AND NOTICE OF MEETINGS AND HEARINGS

Regular meetings

(a)(1) The Committee shall regularly meet at 10:30 a.m. on Tuesday of each week when the House is in session.

(2) A Tuesday meeting of the Committee may be dispensed with if, in the judgment of the Chairman of the Committee (hereafter in these rules referred to as the "Chair"), there is no need for the meeting.

(3) Additional regular meetings and hearings of the Committee may be called by the Chair or by the filing of a written request, signed by a majority of the members of the Committee, with the Staff Director of the Committeee.

Notice for regular meetings

(b) The Chair shall notify each member of the Committee of the agenda of each regular meeting or hearing of the Committee at least 48 hours before the time of the meeting or hearing and shall provide to each such member, at least 24 hours before the time of each regular meeting or hearing—

(1) for each bill or resolution scheduled on the agenda for consideration of a rule, a copy of (A) the bill or resolution, (B) any committee reports thereon, and (C) any letter requesting a rule for the bill or resolution; and

(2) for each other bill, resolution, report, or other matter on the agenda, a copy of (A) the bill, resolution, report, or materials relating to the other matter in question, and (B) any report on the bill, resolution, report, or other matter made by any subcommittee of the Committee.

Emergency meetings and hearings

(c)(1) The Chair may call an emergency meeting or hearing of the Committee at any time on any measure or matter which the Chair determines to be of an emergency nature; provided, however, that the Chair has made an effort to consult the Ranking Minority Member.

(2) As soon as possible after calling an emergency meeting or hearing of the Committee, the Chair shall notify each member of the Committee of the time and location of the meeting or hearing and shall particularly make an effort to consult the Ranking Minority Member of the Committee or, in such Member's absence, the next ranking minority party members of the Committee.

(3) To the extent feasible, the notice provided under paragraph (2) shall include the agenda for the emergency meeting or hearing and copies of available materials which would otherwise have been provided under subsection (b) if the emergency meeting or hearing was a regular meeting or hearing.

RULE 3—MEETING PROCEDURES

In general

(a)(1) Meetings and hearings of the Committee shall be called to order and presided over by the Chair or, in the Chair's absence, by the Ranking Majority Member of the Committee present as Acting Chair.

(2) Meetings and hearings of the Committee shall be open to the public unless closed in accordance with clause 2(g) of rule XI of the Rules of the House of Representatives.

(3) The five-minute rule shall be observed in the interrogation of each witness before the Committee until each member of the Committee has had an opportunity to question the witness.

(4) When a recommendation is made as to the kind of rule which should be granted for consideration of a bill or resolution, a copy of the language recommended shall be furnished to each member of the Committee at the beginning of the Committee meeting at which the rule is to be considered or as soon thereafter as the proposed language becomes available.

Voting

(b)(1) No measure or recommendation shall be reported, deferred, or tabled by the Committee unless a majority of the members of the Committee is actually present.

(2) A rollcall vote of the Committee shall be provided on any question before the Committee upon the request of any member of the Committee.

(3) A record of the vote of each member of the Committee on each rollcall vote on any matter before the Committee shall be avail-

able for public inspection at the offices of the Committee.

(4) Notwithstanding subsection (f)(3), the members of the Committee, or one of its subcommittees, present at a meeting or hearing of the Committee or the subcommittee, respectively, may by majority vote, limit the duration of debate, testimony, or Committee or subcommittee consideration with respect to any measure or matter before the Committee or subcommittee, respectively, or provide for such debate, testimony, or consideration to end at a time certain.

Media coverage of committee and subcommittee proceedings

(c)(1) The Committee and each of its subcommittees may permit, by majority vote for each day of an open meeting or hearing of the Committee or of that subcommittee, respectively, the coverage of that meeting or hearing, in whole or in part, by television broadcast, radio broadcast, or still photography.

(2) Any media coverage under this subsection shall be subject to all the requirements and limitations set forth in clause 3 of rule XI of the Rules of the House of Representatives, and the provisions of subparagraphs (1) through (13) of paragraph (f) of such clause are hereby incorporated as part of the rules of the Committee applicable to such coverage.

Quorum

(d)(1) For the purpose of hearing testimony on requests for rules, five members of the Committee shall constitute a quorum.

(2) For the purpose of hearing and taking testimony on measures or matters of original jurisdiction before the Committee, three members of the Committee shall constitute a quorum.

(3) For the purpose of the Committee's ordering a measure or recommendation reported, closing any of its meetings or hearings to the public, sitting in executive session, or issuing a subpoena, a majority of the members of the Committee shall constitute a quorum.

Subpoenas and oaths

(e)(1) Pursuant to clause 2(m) of rule XI of the Rules of the House of Representatives, a subpoena may be authorized and issued by the Committee, on its own initiative or on behalf of a subcommittee thereof, in the conduct of any investigation or series of investigations or activities, only when authorized by a majority of the members voting, a majority being present.

(2) The Chair may authorize and issue subpoenas under such clause during any period in which the House has adjourned for a period of longer than three days.

(3) Authorized subpoenas shall be signed by the Chair or by any member designated by the Committee, and may be served by any person designated by the Chair or such member.

(4) The Chair, or any member of the Committee, may administer oaths to witnesses before the Committee.

Hearings on rules

(f) The following procedures shall apply, as determined by the Chair, acting on behalf of the Committee, in cooperation with the Ranking Minority Member of the Committee, to Committee meetings and hearings on rules:

(1) A measure or matter before the Committee which is determined to be non-controversial as to both type of rule and substantive content may be scheduled for consideration by the Committee without any hearing.

(2) A measure or matter before the Committee which is determined non-controversial as to substantive content but controversial as to type of rule may be the subject of a Committee hearing at which the principal proponents and opponents of the rule will be provided an opportunity to testify only as to the type of rule to be granted.

(3) A measure or matter before the Committee which is determined to be controversial as to substantive content by at least six members of the Committee will be the subject of a Committee hearing at which all interested Members of Congress who are proponents or opponents of the measure or matter will be provided a reasonable opportunity to testify.

General oversight responsibility

(g)(1) The Committee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within its jurisdiction.

(2) Upon direction of the Chair, the Committee shall meet to discuss and formulate oversight plans for each new Congress, as described in clause 2(c) of rule X of the Rules of the House of Representatives.

RULE 4—SUBCOMMITTEES

Application of House and committee rules

(a)(1) As provided by clause 1(a)(2) of rule XI of the Rules of the House of Representatives, subcommittees of the committee are a part of the Committee and are subject to its authority and direction.

(2) Subcommittees of the Committee shall be subject (insofar as applicable) to the Rules of the House of Representatives and, except as provided in this rule, to the rules of the Committee.

Establishment and responsibilities of subcommittees

(b)(1) There shall be two subcommittees of the Committee as follows:

(A) *Subcommittee on the Legislative Process,* which shall have general responsibility for measures or matters related to relations between the Congress and the Executive branch.

(B) *Subcommittee on Rules of the House,* which shall have general responsibility for measures or matters related to relations between the two Houses of Congress, relations between the Congress and the Judiciary, and internal operations of the House.

In addition, each such subcommittee shall have specific responsibility for such other measures or matters as the Chair refers to it.

(2) Each subcommittee of the Committee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within its general responsibility.

Reference of measures and matters to subcommittees

(c)(1) In view of the unique procedural responsibilities of the Committee—

(A) no special order providing for the consideration of any bill or resolution shall be referred to a subcommittee of the Committee, and

(B) all other measures or matters shall be subject to consideration by the full Committe except for those measures or matters referred by the Chair to one or both subcommittees of the Committee.

(2) The Chair may refer a measure or matter, which is within the general responsibility of one of the subcommittees of the Committee, jointly or exclusively to the other subcommittee of the Committee where the Chair deems it appropriate.

(3) In referring any measure or matter to a subcommittee, the Chair may specify a date by which the subcommittee shall report thereon to the Committee.

(4) The Chair or a majority of the members of the Committee may re-call for full Committee consideration any measure or matter referred to a subcommittee of the Committee.

Subcommittee membership

(d) The size and ratio of each subcommittee shall be determined by the Committee at its organizational meeting at the beginning of each Congress. Members of the Committee shall be appointed to subcommittee by the Chair in accordance with the rules applicable to each party.

Subcommittee leadership

(e)(1) The majority party members of the Committee shall have the right, in order of full Committee seniority, to bid to be the chairman of one of the subcommittees of the Committee. Any such bid shall be subject to approval by secret ballot of a majority of the members of the majority party caucus of the Committee. If such members reject a member's bid to chair a subcommittee, the next most senior majority member of the Committee may bid for the chair as in the first instance.

(2) The Ranking Minority Member of the Committee shall designate one of the minority party members appointed to each subcommittee of the Committee to serve as ranking minority member for that subcommittee.

Subcommittee meeting and hearings

(f)(1) Each subcommittee of the Committee is authorized to meet, hold hearings, receive testimony, mark up legislation, and report to the full Committee on any measure or matter referred to it.

(2) No subcommittee of the Committee may, without the Chair's approval, meet or hold a hearing at the same time as a meeting or hearing of the full Committee is being held.

(3) The Chair of each subcommittee shall schedule meetings and hearings of the subcommittee only after consultation with the Chair.

(4) A member of the Committee who is not a member of a particular subcommittee of the Committee may sit with the subcommittee during any of its meetings and hearings, but shall not have authority to vote, cannot be counted for a quorum, and cannot raise a point of order at the meeting or hearing.

Quorum

(g) A quorum of each subcommittee on the Committee shall consist of a majority of the members of the subcommittee for purposes of closing a meeting or hearing of the subcommittee to the public or for ordering a measure or recommendation reported to the full Committee. For all other purposes, one-third of the members of a subcommittee shall constitute a quorum. Any vacancy in the membership of a subcommittee shall not affect the power of the remaining members to execute the functions of the subcommittee.

Records

(h) Each subcommittee of the Committee shall provide the full Committee with copies of such records of votes taken in the sub-

committee and such other records with respect to the subcommittee as the Chair deems necessary for the Committee to comply with all rules and regulations of the House.

RULE 5—BUDGET AND TRAVEL

Budget

(a) The Chair, in consultation with other members of the Committee, shall prepare for each session of Congress a budget providing amounts for staff, necessary travel, investigation, and other expenses of the Committee and its subcommittees.

Travel

(b)(1) The Chair may authorize travel for any member and any staff member of the Committee in connection with activities or subject matters under the general jurisdiction of the Committee. Before such authorization is granted, there shall be submitted to the Chair in writing the following:

(A) The purpose of the travel.

(B) The dates during which the travel is to occur.

(C) The names of the States or countries to be visited and the length of time to be spent in each.

(D) The names of members and staff of the Committee for whom the authorization is sought.

(2) Members and staff of the Committee shall make a written report to the Chair on any travel they have conducted under this subsection, including a description of their itinerary, expenses, and activities, and of pertinent information gained as a result of such travel.

(3) Members and staff of the Committee performing authorized travel on official business shall be governed by applicable laws, resolutions, and regulations of the House and of the Committee on House Administration.

RULE 6—STAFF

In general

(a)(1) Except as otherwise provided in this rule, a Staff Director of the Committee, professional and clerical staff of the Committee, and investigating staff of the Committee compensated from funds provided by any expense resolution, shall be appointed, and may be removed, by the Chair and shall work under the general supervision and direction of the Chair.

(2) Except for any staff appointed by the ranking minority party member of a subcommittee (pursuant to subsection (c)) or by any other minority party member of the Committee (pursuant to subsection (b)), all professional and clerical staff provided to the minority party members of the Committee under paragraphs (a)(2) and (b)(2), respectively, of clause 6 of rule XI of the Rules of the House of Representatives, shall be appointed, and may be removed, by the Ranking Minority Member of the Committee and shall work under the general supervision and direction of such Member.

Associate staff

(b) Each member of the Committee is authorized to designate one person, whom the Chair shall appoint to the professional or clerical staff of the Committee and who shall work under the general supervision and direction of the member. The type of staff to which such a person is appointed shall be determined by the Chair, in the case of a person recommended by a majority party member, and shall be determined by the Ranking Minority Member of the Committee, in the case of a person recommended by a minority party member.

Subcommittee staff

(c)(1) The Chair and ranking minority member of each subcommittee of the Committee are each authorized to designate one person, whom the Chair shall appoint to the professional staff of the Committee and who shall work under the general supervision and direction of the Chair or the ranking minority, member, respectively, of the subcommittee.

(2) The Chair may assign investigating staff of the Committee compensated from funds provided by any express resolution to assist in work of a subcommittee of the Committee to the extent the Chair determines it to be appropriate, and any such staff to the extent so assigned shall work under the general supervision and direction of the Chair of the subcommittee.

Compensation of staff

(d)(1) Subject to paragraph (2), the Chair shall fix the compensation of all professional, clerical, and investigating staff of the Committee, as provided by clause 6(c) of rule XI of the Rules of the House of Representatives.

(2) Compensation paid to associate staff appointed under subsection (b) shall not exceed 63 per centum of the maximum established in Clause 6(c) of rule XI of the Rules of the House of Representatives.

Certification of staff

(e)(1) To the extent any staff member of the Committee or any of its subcommittees does not work under the supervision and direction of the Chair, the member of the Committee who supervises and directs the staff member's work shall file with the Staff Director of the Committee (not later than the tenth day of each month) a certification regarding the staff member's work for that member for the preceding calendar month.

(2) The certification required by paragraph (1) shall be in such form as the Chair may prescribe, shall identify each staff member by name, and shall state that the work engaged in by the staff member and the duties assigned to the staff member for the member of the Committee with respect to the month in question met the requirements of clause 6 of rule XI of the Rules of the House of Representatives.

(3) Any certification of staff of the Committee, or any of its subcommittees, made by the Chair in compliance with any provision of law or regulation shall be made (A) on the basis of the certifications filed under paragraph (1) to the extent the staff is not under the Chair's supervision and direction, and (B) on his own responsibility to the extent the staff is under the Chair's supervision and direction.

RULE 7—COMMITTEE ADMINISTRATION

Reporting

(a) Whenever the Committee authorizes the favorable reporting of a bill or resolution from the Committee—

(1) the Chair or Acting Chair shall report it to the House or designate a member of the Committee to do so, and

(2) in the case of a bill or resolution in which the Committee has original jurisdiction, the Chair shall allow, to the extent that the anticipated floor schedule permits, any member of the Committee a reasonable amount of time to submit views for inclusion in the Committee report on the bill or resolution.

Any such report shall contain all matters required by the Rules of the House of Representatives (or by any provision of law enacted as an exercise of the rulemaking power of the House) and such other information as the Chair deems appropriate.

Records

(b)(1) There shall be a transcript made of each regular meeting and hearing of the Committee, and the transcript may be printed if the Chair decides it is appropriate or if a majority of the members of the Committee requests such printing.

(2) The minutes of each executive meeting of the Committee shall be available to all Members of the House of Representatives in compliance with clause 2(e)(2) of rule XI of the Rules of the House of Representatives.

(3) The Committee shall keep a record of all actions of the Committee and of its subcommittees. The record shall contain all information required by clause 2(e)(1) of rule XI of the Rules of the House of Representatives and shall be available for public inspection at reasonable times in the offices of the Committee.

Calendars

(c)(1) The Committee shall maintain a Committee Calendar, which shall include all bills, resolutions, and other matters referred to or reported by the Committee and all bills, resolutions, and other matters reported by any other Committee on which a rule has been granted or formally requested. The Calendar shall contain (A) the number, a brief description, and the name of the prinicpal sponsoring Member of each such bill or resolution, (B) the name of the committee or committees which reported such bill or resolution (in the case of measures on which a rule has been granted or formally requested), and (C) such further information as the Chair may direct. The Calendar shall be published periodically, but in no case less often than once in each session of Congress.

(2) The staff of the Committee shall furnish each member of the Committee with a list of all bills or resolutions on which a rule has been formally requested but not yet granted. The list shall be updated each week when the House is in session and shall contain (A) the number, a brief description, and the name of the principal sponsoring Member, of each such bill or resolution, (B) the name of the committee or committees which reported such bill or resolution and the dates of such reports, (C) the date on which a rule was formally requested, and (D) a description (if any) of the rule requested by each such committee.

(3) For purposes of paragraphs (1) and (2), a rule is considered as formally requested when the chairman of a committee which has reported a bill or resolution (or a member of such committee authorized to act on the chairman's behalf) (A) has requested, in writing to the Chair, that a hearing be scheduled on a rule for the consideration of the bill or resolution, and (B) has supplied the Committee with an adequate number of copies of the bill or resolution, as reported, together with the final printed committee report thereon.

Other procedures

(d) The Chair may establish such other Committee procedures and take such actions as may be necessary to carry out these rules or to facilitate the effective operation of the Committee and its subcommittees.

RULE 8—AMENDMENTS TO COMMITTEE RULES

The rules of the Committee may be modified, amended, or repealed by a vote of a majority vote of its members, but only if written notice of the proposed change has

been provided to each such member at least 48 hours before the time of the meeting at which the vote on the change occurs.●

RULES OF COMMITTEE ON THE DISTRICT OF COLUMBIA FOR THE 99TH CONGRESS

(Mr. DELLUMS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. DELLUMS. Mr. Speaker, pursuant to rule XI, clause 2(a) of the Rules of the House of Representatives, I submit for printing in the CONGRESSIONAL RECORD the rules of the Committee on the District of Columbia for the 99th Congress, adopted by the committee on February 7, 1985:

RULES GOVERNING PROCEDURES, COMMITTEE ON THE DISTRICT OF COLUMBIA, NINETY-NINTH CONGRESS [1]

A. IN GENERAL

(1) The Rules of the House are the rules of this Committee and each subcommittee so far as applicable, except that a motion to recess from day to day and a motion to dispense with the first reading (in full) of a bill or resolution, if printed copies are available, are nondebatable motions of high privilege in the Committee and subcommittees.

(2) Each subcommittee is a part of this Committee, and is subject to the authority and direction of the Committee and to its rules insofar as applicable. The rules of the Committee shall be the rules of its subcommittees.

(3) No major investigation by a subcommittee shall be initiated without approval of the Chair of the Committee or the majority of the full Committee.

(4) Any Committee Member, when recognized by the Chair, may address the Committee on any bill, motion, or other matter under consideration before the Committee. The Chair may limit to 5 minutes the time of any such member, after giving due consideration to the importance of the subject matter and to the length of time available. Any House Member not a member of the Committee may testify as a witness at any hearing of the Committee or a subcommittee, or may submit a statement for the official record.

B. REGULAR MEETING DAYS

(1) The full Committee shall have its regular meetings on the first Tuesday in each calendar month at 10:00 A.M. When the House is in recess, the regular monthly meeting of the Committee may be dispensed with at the discretion of the Chair upon notice of such action to all Members of the Committee.

(2) The Committee shall meet, for the consideration of any bill or resolution pending before the Committee or for the transaction of other Committee business, on all regular meeting days fixed by the Committee.

(3) Subcommittee Chair shall set meeting and hearing dates after consultation with the Chair and other subcommittee Chair with a view toward avoiding simultaneous scheduling of Committee and subcommittee meetings or hearings wherever possible.

[1] Adopted by Committee. Printed in the CONGRESSIONAL RECORD.

C. ADDITIONAL AND SPECIAL MEETINGS

(1) The Chair may call and convene, as he or she considers necessary, additional meetings of the Committee for the consideration of any bill or resolution pending before the Committee or for the conduct of other committee business. The Committee shall meet for such purposes pursuant to that call of the Chair.

(2) If at least three members of the Committee desire that a special meeting of the Committee be called by the Chair, those members may file in the offices of the Committee their written request to the Chair for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the Committee shall notify the Chair of the filing of the request. If, within three calendar days after the filing of the request, the Chair does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the Members of the Committee may file in the offices of the Committee their written notice that a special meeting of the Committee will be held, specifying the date and hour of, and the measure or matter to be considered at, the special meeting. The Committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the Committee shall notify all members of the Committee that such special meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

D. RANKING MAJORITY MEMBER TO PRESIDE IN ABSENCE OF CHAIR

If the Chair of the Committee or subcommittee is not present at any meeting of the Committee or subcommittee, the ranking Member of the majority party on the Committee or subcommittee who is present shall preside at the meeting.

E. COMMITTEE RECORDS AND ROLLCALLS

(1) The Committee shall keep a complete record of all Committee action which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each rollcall vote shall be made available by the Committee for inspection by the public at reasonable times in the offices of the Committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those Members present but not voting.

A record vote in subcommittee may be had upon the request of any subcommittee member, and in full Committee upon the request of any Committee member.

(2) Records of hearings before the Committee shall not be available to the public for quotation of any Member until after such Member has had an opportunity to examine and approve such hearing records.

(3) All Committee and subcommittee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the Chair of the Committee or a subcommittee; and such records shall be the property of the House and all Members of the House shall have access thereto.

F. PROXIES

A vote by any member in the Committee or in any subcommittee may be cast by proxy, but shall be in writing, shall assert that the member is absent an official business or is otherwise unable to be present at the meeting of the Committee, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a Member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the Member assigning his or her vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

G. OPEN MEETINGS AND HEARINGS

(1) Each meeting for the transaction of business, including the markup of legislation, of the Committee or subcommittee shall be open to the public except when the Committee or subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public; *provided, however,* that no person other than members of the Committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by (2) of this rule, or to any meeting that relates solely to internal budget or personnel matters.

(2) Each hearing conducted by the Committee or subcommittee shall be open to the public except when the Committee or subcommittee, in open session and with a majority present determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives; notwithstanding the requirements of the preceding sentence, or rule H. (2), a majority of those present (but not less than two Members voting in the affirmative).

(A) may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security or defame, degrade, or incriminate any person; or

(B) may vote to close the hearing if testimony or evidence to be received would defame, degrade, or incriminate any person; *provided, however,* that the Committee or subcommittee may by the same procedure vote to close one subsequent day of hearing.

H. QUORUM

(1) The number of Members to constitute a quorum for the purpose of taking testimony and receiving evidence in full Committee or subcommittee is two.

(2) One-third of the Committee or a subcommittee shall constitute a quorum for other meetings, except that a majority of the Committee or subcommittee shall constitute a quorum for the purposes of reporting a measure and closing a meeting to the public.

I. CALLING AND INTERROGATING WITNESSES

(1) Whenever any hearing is conducted by the Committee or a subcommittee upon any measure or matter, the minority party

Members on the Committee shall be entitled, upon request to the Chair of the Committee or subcommittee by a majority of the minority party Members before the completion of the hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

(2) The Committee and subcommittee shalls apply the five-minute rule in the interrogation of witnesses in any hearing until such time as each Member of the Committee or subcommittee who so desires has had an opportunity to question each witness.

(3) Committee Members may question witnesses only when they have been recognized by the Chair for that purpose.

(4) All questions put to the witnesses before the Committee shall be pertinent to the bill or other subject matter before the Committee for consideration.

(5) Insofar as is practicable, each witness who is to appear must file with the Committee (in advance of his or her appearance) a written statement of the proposed testimony and limit the oral presentation at such appearance to a brief summary of his or her argument.

J. INVESTIGATE HEARING PROCEDURES

(1) The Chair of the Committee or subcommittee at an investigate hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the Committee rules and this clause shall be made available to each witness.

(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The Chair of the Committee or subcommittee may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the full Committee may cite the offender to the House for contempt.

(5) Whenever it is asserted that the evidence or testimony at an investigatory hearing may tend to defame, degrade, or incriminate any person,

(A) such testimony or evidence shall be presented in executive session, if by a majority of those present, there being in attendance the requisite number required under the rules of the Committee to be present for the purpose of taking testimony, the Committee or subcommittee determines that such evidence or testimony may tend to defame, degrade, or incriminate any person;

(B) the Committee or subcommittee shall proceed to receive such testimony in open session only if a majority of the members of the Committee or subcommittee, a majority being present, determine that such evidence or testimony will not tend to defame, or incriminate any person.

In either case the Committee or subcommittee shall—

(a) afford such person an opportunity voluntarily to appear as a witness; and

(b) receive and dispose of requests from such person to subpoena additional witnesses.

(6) Except as provided in subparagraph (5), the Chair shall receive and the Committee shall dispose of requests to subpoena additional witnesses.

(7) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the Committee.

(8) In the discretion of the Committee or subcommittee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the Record. The Committee or subcommittee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

(9) A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the Committee.

K. REPORTING BILLS AND RESOLUTIONS

(1) No measure or recommendation shall be reported from the Committee unless a majority of the Committee was actually present.

(2) Any Committee Member at a meeting of the full Committee or any Member of the subcommittee involved may make a point of order that a quorum is not present.

(3)(A) Each Committee report shall include in its text a statement of the reported legislation's intent or purpose, need, the results of motions to report, including number of yeas and nays, a five-year cost estimate, oversight statement, inflationary impact statement, any statement required by sections 308(a) and 403 of the Congressional Budget and Impoundment Control Act of 1974, Administration or Departmental position (if any), and changes in existing law, in addition to such other provisions as the Chair deems necessary.

(B) If, at the time of approval of any measure or matter by the Committee, any Member of the Committee gives notice of intention to file supplemental, minority or additional views, that Member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the clerk of the committee. All such views so filed by one or more Members of the Committee shall be included within, and shall be a part of, the report filed by the Committee with respect to that measure or matter. The report of the Committee upon that measure shall be printed in a single volume which—

1. shall include all supplemental, minority, and additional views which have been submitted by the time of the filing of the report, and

2. shall bear upon its cover a recital that any such supplemental, minority, or additional views (and any material submitted pursuant to the requirements of sections 308(a) and 403 of the Budget and Impoundment Control Act of 1974) are included as part of the report. This subparagraph does not preclude—

(a) the immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph; or

(b) the filing by the Committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by the Committee upon that measure or matter.

(4)(A) It shall be the duty of the Chair of the Committee to report or cause to be reported promptly to the House any measure approved by the Committee and to take or cause to be taken necessary steps to bring a matter to a vote.

(B) In any event, the report of the Committee on any measure which has been approved by the Committee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the Committee a written request, signed by a majority of the Members of the Committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the Committee shall transmit immediately to the Chair of the Committee notice of the filing of that request.

L. POWER TO SIT AND ACT; SUBPOENA POWER

(1) For the purpose of carrying out any of its functions and duties under these rules, the Committee, or any subcommittee thereof, is authorized—

(A) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, and

(B) subject to (2)(A) of this rule, to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. The Chair of the Committee, or any member designated by the Chair, may administer oaths to any witness.

(2)(A) A subpoena may be issued by the Committee or subcommittee under (1)(B) of this rule in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the Members voting, a majority being present, and authorized subpoenas shall be signed by the Chair of the full Committee or by any Member designated by the Committee. When authorizing subpoenas, the Committee may delegate to the Committee Chair the responsibility of deciding what materials are to be listed in the subpoena and the names of the individuals or officials to be subpoenaed.

(B) Compliance with any subpoena issued by a Committee or subcommittee under (1)(B) of this rule may be enforced only as authorized or directed by the House.

M. BROADCASTING OF COMMITTEE HEARINGS AND MEETINGS

Whenever any hearing or meeting conducted by the Committee or any subcommittee is open to the public, the Committee or subcommittee may permit, by majority vote of the Committee or subcommittee, that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, but only under the following rules:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the Committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) The allocation among the television media of the positions of the number of television cameras permitted by the Committee or subcommittee Chair in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testi-

mony and any Member of the Committee or the visibility of that witness and that member to each other.

(5) Television cameras shall operate from fixed positions but shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the Committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If requests are made by more of the media than will be permitted by the Committee or subcommittee Chair for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the Members of the Committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

N. COMMITTEE STAFFS

(1) Subcommittee staffs: From the funds provided for the appointment of Committee staff pursuant to primary and additional expense resolutions of the House:

(A) The Chair of each standing subcommittee is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee Chair.

(B) The ranking minority party Member of each standing subcommittee is authorized to appoint one such person who shall serve at the pleasure of the ranking minority party Member.

(C) The staff members appointed pursuant to the provisions of subparagraphs (A) and (B) shall be compensated at a rate determined by the subcommittee Chair not to exceed (a) 75 per centum of the maximum established in 2(C) of this rule or (b) the rate paid the staff member appointed pursuant to 1(A) of this rule.

(D) No Member shall appoint more than one person pursuant to 1(A) and 1(B) of this rule.

(E) The staff positions made available to the subcommittee Chair and ranking minority party Members pursuant to 1(A) and 1(B) of this rule shall be made available from the staff positions provided under clause 6 of Rule XI of the House unless such staff positions are made available pursuant to a primary or additional expense resolution.

(2) Committee staffs:

(A)(1) Subject to subparagraph 1(A)(2) of this rule and paragraph 2(D) of this rule, the Committee may appoint, by majority vote of the Committee, not more than eighteen professional staff members. Each professional staff member appointed under this subparagraph shall be assigned to the Chair and the ranking minority party Member of such Committee, as the Committee considers advisable.

(2) Subject to 2(D) of this rule, whenever a majority of the minority party Members of the Committee so request, not more than six persons may be selected, by majority vote of the minority party Members, for appointment by the Committee as professional staff members from among the number authorized by 2(A)(1) of this rule. The Committee shall appoint any persons so selected whose character and qualifications are acceptable to a majority of the Committee. If the Committee determines that the character and qualifications of any person so selected are unacceptable to the Committee, a majority of the minority party Members may select other persons for appointment by the Committee to the professional staff until such appointment is made. Each professional staff member appointed under this subparagraph shall be assigned to such committee business as the minority party Members of the Committee consider advisable.

(3) The professional staff members of the Committee—

(a) shall be appointed on a permanent basis, without regard to race, creed, sex, or age, and solely on the basis of fitness to perform the duties of their respective positions;

(b) shall not engage in any work other than committee business; and

(c) shall not be assigned any duties other than those pertaining to committee business.

(4) Services of the professional staff members of the Committee may be terminated by majority vote of the Committee.

(B)(1) The clerical staff of the full Committee shall consist of not more than twelve clerks, to be attached to the office of the Chair, to the ranking minority party Member, and to the professional staff, as the Committee considers advisable. Subject to 2(B)(2) and 2(D) of this rule, the clerical staff shall be appointed by majority vote of the Committee, without regard to race, creed, sex, or age. Except as provided by 2(B)(2) of this rule, the clerical staff shall handle Committee correspondence and stenographic work both for the Committee staff and for the Chair and the ranking minority party Member on matters related to Committee work.

(2) Subject to 2(D) of this rule, whenever a majority of the minority party Members of the Committee so request, four persons may be selected, by majority vote of the minority party Members, for appointment by the Committee to positions on the clerical staff from among the number of clerks authorized by 2(B)(1) of this rule. The Committee shall appoint to those positions any person so selected whose character and qualifications are acceptable to a majority of the Committee. If the Committee determines that the character and qualifications of any person so selected are unacceptable to the Committee, a majority of the minority party members may select other persons for appointment by the Committee to the position involved on the clerical staff until such appointment is made. Each clerk appointed under this subparagraph shall handle Committee correspondence and stenographic work for the minority party Members of the Committee and for any members of the professional staff appointed under 2(A)(2) of this rule on matters related to Committee work.

(3) Services of the clerical staff members of the full Committee may be terminated by majority vote of the Committee.

(C) Each employee on the professional staff, and each employee on the clerical staff, of the Committee, is entitled to pay at a single per annum gross rate, to be fixed by the Chair, which does not exceed the highest rate of basic pay, as in effect from time to time, of level V of the Executive Schedule in section 5316 of title 5, United States Code, except that 2 professional staff members of the Committee shall be entitled to pay at a single per annum gross rate to be fixed by the Chair, which does not exceed the highest rate of basic pay, as in effect from time to time, of level IV of the Executive Schedule, section 5315 of Title 5, United States Code.

(D) If a request for the appointment of a minority professional staff member under paragraph (A), or a minority clerical staff member under paragraph (B), is made when no vacancy exists to which that appointment may be made, the Committee nevertheless shall appoint, under paragraph (A) or paragraph (B), as applicable, the person selected by the minority and acceptable to the Committee. The person so appointed shall serve as an additional member of the professional staff or the clerical staff, as the case may be, of the Committee, and shall be paid from the contingent fund, until such a vacancy (other than a vacancy in the position of head of the professional staff, by whatever title designated) occurs, at which time that person shall be deemed to have been appointed to that vacancy. If such vacancy occurs on the professional staff when seven or more persons have been so appointed who are eligible to fill that vacancy, a majority of the minority party Members shall designate which of those persons shall fill that vacancy.

(E) Each staff member appointed pursuant to a request by minority party Members under paragraph (A) or (B), and each staff member appointed to assist minority party Members of a Committee pursuant to an expense resolution, shall be accorded equitable treatment with respect to the fixing of his or her rate of pay, the assignment to him or her of work facilities, and the accessibility to him or her of committee records.

(F) Paragraphs (A) and (B) shall not be construed to authorize the appointment of additional professional or clerical staff members of the Committee pursuant to a request under either of such paragraphs by the minority party Members of that committee if six or more professional staff members or four or more clerical staff members provided for in paragraph (A)(1) or paragraph (B)(1) as the case may be, who are satisfactory to a majority of the minority party Members, are otherwise assigned to assist the minority party Members.

(G) Notwithstanding paragraphs (A)(2) and (B)(2), the Committee may employ nonpartisan staff, in lieu of or in addition to

Committee staff designated exclusively for the majority or minority party, upon an affirmative vote of a majority of the Members of the minority party.

O. REFERRAL OF BILLS, RESOLUTIONS, AND OTHER MATTERS TO SUBCOMMITTEES

(1) All the legislation and other matters referred to the Committee shall be referred to the subcommittee of appropriate jurisdiction within 2 weeks unless, by majority vote of the majority Members of the full Committee, consideration is to be by the full Committee. If a concurrent resolution of disapproval of a Council Act is introduced in the House during the first 15 legislative days of layover, the resolution shall be referred to the subcommittee of appropriate jurisdiction. If the concurrent resolution is introduced during the last 15 days of congressional layover, that matter shall be kept at the full Committee level with such comments from the subcommittee as they may wish to give.

(2) The Chair may refer a matter simultaneously to two or more subcommittees for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any subcommittee after the first) or divide the matter into two or more parts (reflecting different subjects and jurisdictions) and refer each such part to a different subcommittee.

(3) Should a subcommittee fail to report back to the full Committee on any measure within a reasonable time, the Chair may withdraw the measure from such subcommittee and report that fact to the full Committee for further disposition. In order to permit the full Committee to take timely action on special resolutions, a subcommittee should complete action on a concurrent resolution of approval of a charter amendment under Section 303(b) of the Home Rule Act not later then 15 calendar days before the expiration of the 35-day period named in the Home Rule Act. The subcommittee should complete action within 12 calendar days of the introduction of a simple resolution of disapproval of a Council Act relating to titles 22, 23 or 24 of the District of Columbia Code under subsection (c)(2) of section 602 of the Home Rule Act.

P. SUBCOMMITTEES

(1) The full Committee shall determine an appropriate ratio of Majority to Minority Members for each subcommittee and shall establish the number of subcommittees, shall fix the jurisdiction of each subcommittee, and shall determine the size of each subcommittee.

(2) Additional legislative subcommittees may be established by a majority of those voting, a quorum being present, of the full Committee.

(3) Each Member shall be given an equal number of subcommittee assignments insofar as practicable.

(4) Bills shall be assigned to subcommittees in accordance with the subject matter of the subcommittees.

(5) Any Member of the full Committee may have the privilege of sitting with any subcommittee during its hearings or deliberations and to participate but shall not have authority to vote on any matters before the subcommittee unless he or she is a Member of such subcommittee.

(6) Party representation on each subcommittee, including ex-officio members, shall be no less favorable to the Majority Party than the ratio for the full Committee.

Q. GENERAL OVERSIGHT RESPONSIBILITIES

The Committee and each subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of the Committee or the subcommittee, respectively, and the organization and operation of the Federal and District agencies and entities have responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, the Committee and each subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of the Committee or subcommittee, respectively (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of the Committee or subcommittee, respectively. Each subcommittee is required to conduct oversight in the area of their respective jurisdiction, to assist in carrying out the full Committee's responsibilities under Rule X, cl. 2, of the House of Representatives. The establishment of an oversight subcommittee shall in no way limit the responsibility of the subcommittees with legislative jurisdiction from carrying out their oversight responsibilities.

R. ADDITIONAL FUNCTIONS

(1) The Committee and each subcommittee shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing programs and activities of the Federal Government and the District of Columbia Government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. For the purposes of this paragraph, a Government agency includes the organizational units of government listed in clause 7(c) of Rule XIII of the House of Representatives.

(2) The Committee and each subcommittee shall review, from time to time, each continuing program within its jurisdiction for which appropriations are not made annually in order to ascertain whether such program could be modified so that appropriations therefore would be made annually.

S. POINTS OF ORDER

No point of order, other than a point of order that a quorum is not present, against the hearings or business procedures of the Committee shall be sustained unless it is made in a timely fashion (1) at the commencement of the hearing or meeting, or (2) at the time such point of order first occurs. Any point of order not raised in a timely manner in subcommittee shall not be sustained in full Committee.

T. NOTICE OF MEETINGS AND AGENDA

(1) The Committee and each subcommittee shall make public announcement of the date, place and subject matter of any Committees hearing at least one week before the commencement of the hearing. If the Committee determines that there is good cause to begin the hearing sooner, it shall make the announcement at the earliest possible day. Any announcement made under the subparagraph shall be promptly published in the Daily Digest and given to the House Information Systems.

(2) The agenda for all Committee meetings, setting out all items of business to be considered, including a copy of any measure or a summary of any measure and of any subcommittee amendments, shall be furnished each Committee Member by delivery to his or her office at least two full calendar days (excluding Saturday, Sunday and Legal Holidays) before the meeting. This requirement may be waived by a two-thirds vote, a quorum being present, of the Committee.

(3) No bill or other matter shall be brought up for hearing or other consideration except with the approval of the Chair or by a majority of those voting, a quorum being present; *provided, that* any Member (other than the Chair) making the motion for consideration under this rule has given 2 days' notice in writing to all Members of the Committee.

U. AMENDING COMMITTEE RULES

The Committee rules may not be amended unless the member proposing the amendment gives two days' notice (excluding Saturday, Sunday and Legal Holidays) in writing of the text of the proposed change to all Members.

V. OTHER PROCEDURES AND REGULATIONS

The Chair of the full Committee may establish such other procedures and take such actions as may be necessary to carry out the foregoing rules or to facilitate the effective operation of the Committee.●

RULES OF COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS FOR THE 99TH CONGRESS

(Mr. ST GERMAIN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. ST GERMAIN. Mr. Speaker, pursuant to rule XI, clause 2(a), of the Rules of the House of Representatives, I submit for printing in the CONGRESSIONAL RECORD the rules of the Committee on Banking, Finance and Urban Affairs for the 99th Congress, adopted by the committee on February 7, 1985:

RULES OF THE COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS OF THE U.S. HOUSE OF REPRESENTATIVES, 99TH CONGRESS—1985-86

RULE NO. 1—GENERAL PROVISIONS

(a) The Rules of the House are the rules of the committees and subcommittees so far as applicable, except that a motion to recess from day to day, and a motion to dispense with the first reading (in full) of a bill or resolution, if printed copies are available, are nondebatable motions of high privilege in committee and subcommittees. Each subcommittee of the committee is a part of the committee, and is subject to the authority and direction of the committee and to its rules so far as applicable.

(b) The committee is authorized at any time to conduct such investigations and studies as it may consider necessary or appropriate in the exercise of its responsibilities under rule X of House Rules and (subject to the adoption of expense resolutions as required by rule XI, clause 5 of House Rules) to incur expenses (including travel expenses) in connection herewith. The ranking minority member of the full committee or the relevant subcommittee shall be notified in advance at such times as any committee funds are expended for investiga-

tions and studies involving international travel.

(c) The committee is authorized to have printed and bound testimony and other data presented at hearings held by the committee. All costs of stenographic services and transcripts in connection with any meeting or hearing of the committee shall be paid from the contingent fund of the House.

(d) The committee shall submit to the House, not later than January 2 of each odd-numbered year, a report on the activities of the committee under rules X and XI of House Rules during the Congress ending at noon on January 3 of such year.

(e) The committee's rules shall be published in the Congressional Record not later than 30 days after the Congress convenes in each odd-numbered year.

RULE NO. 2—REGULAR AND SPECIAL MEETINGS: OPEN COMMITTEE MEETINGS

(a) Regular meetings of the committee shall be held on the first Tuesday of each month while the Congress is in session. When the chairman believes that the committee will not be considering any bill or resolution before the full committee and that there is no other business to be transacted at a regular meeting, he will give each member of the committee, as far in advance of the day of the regular meeting as the circumstances makes practicable, a written notice to that effect and no committee meeting shall be held on that day.

(b) The chairman may call and convene, as he considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to that call of the chairman.

(c) If at least three members of the committee desire that a special meeting of the committee be called by the chairman, those members may file in the offices of the committee their written request to the chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee shall notify the chairman of the filing of the request. If, within 3 calendar days after the filing of the request, the chairman does not call the requested special meeting to be held within 7 calendar days after the filing of the request, a majority of the members of the Committee may file in the offices of the committee their written notice that a special meeting of the committee will be held specifying the date and hour thereof, and the measure or matter to be considered at that special meeting. The committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee that such meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

(d) If the chairman of the committee or subcommittee is not present at any meeting of the committee or subcommittee the ranking member of the majority party on the committee or subcommittee who is present shall preside at that meeting.

(e) The committee may not sit, without special leave, while the House is reading a measure for amendment under the 5-minute rule.

(f)(1) Each meeting for the transaction of business, including the markup of legislation, of the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a majority present, determines by roll call vote that all or part of the remainder of the meeting on that day be closed to the public: Provided, however, that no person other than members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by subparagraph (2) of this paragraph, or to any meeting that relates solely to internal budget or personnel matters.

(2) Each hearing conducted by the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a majority present, determines by roll call vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives. Notwithstanding the requirements of the preceding sentence, a majority of those present, there being in attendance the requisite number required under the Rules of the Committee to be present for the purpose of taking testimony, (A) may vote to close the hearing for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security or violate subparagraph (g)(5) of Rule 7; or (B) may vote to close the hearing, as provided in subparagraph (g)(5) of Rule 7. The Committee or subcommittee may, by the same procedures specified in this paragraph, vote to close one subsequent day of hearing.

(g) No person other than a Member of Congress, committee staff, or a person from a Member's staff when that Member has an amendment under consideration, may walk in or be seated at the rostrum area of the committee unless the chairman, the chairman of the subcommittee, or a majority of the committee determines otherwise.

RULE NO. 3—RECORDS AND ROLLCALLS

(a) There shall be kept in writing a record of the proceedings of the committee and of each subcommittee, including a record of the votes on any question on which a roll call is demanded. The result of each such roll call vote shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each member voting for and each member voting against such amendment, motion, order, or proposition, and whether by proxy or in person, and the names of those members present, but not voting. A record vote may be demanded by any three of the members present or, in the apparent absence of a quorum, by any one member.

(b) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the member serving as chairman of the committee; and such records shall be the property of the House and all Members of the House shall have access thereto.

RULE NO. 4—PROXIES

(a) No vote by any member of the committee or any of its subcommittees with respect to any measure may be cast by proxy unless a proxy authorization is given in writing by the member desiring to cast a proxy, which authorization shall assert that the member is absent on official business or is absent due to personal illness and is thus unable to be present at the meeting of the committee or subcommittee and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto. Each proxy to be effective shall be signed by the member assigning his/her vote and shall contain the date and time of the day that the proxy is signed. No proxy shall be voted on a motion to adjourn or shall be counted to make a quorum or be voted unless a quorum is present.

(b) Proxies shall be in the following form:

Hon.————,

House of Representatives,

Washington, DC.

DEAR ————: I will be absent on official business/due to personal illness and thus unable to be present at the meeting of the committee or subcommittee. I hereby authorize you to vote in my place and stead in the consideration of ———— and any amendments or motions pertaining thereto. The official business that necessitates my absence is ————.

—— ——,

Member of Congress.

Executed this the —— day of ——, 19— at the time of —— p.m./a.m.

RULE NO. 5—POWER TO SIT AND ACT, SUBPENA POWER

(a) For the purpose of carrying out any of its functions and duties under House Rules X and XI, the committee, or any subcommittee thereof, is authorized—

(1) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold hearings; and

(2) to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. Any subpena issued to carry out the authority of this paragraph shall be issued in accordance with the procedures specified in subparagraph (b)(1). The chairman of the committee or any member designated by the chairman may administer oaths to any witness.

(b)(1) Any subpena issued to carry out any investigation or activity, or any series of investigations or activities, described in (a) shall be issued by the committee, upon the recommendation of a subcommittee or upon the committee's initiative, and any such subpena may only be authorized by a majority of the members of the committee voting, a majority being present. The power to authorize and issue subpenas under this subparagraph may be delegated to the chairman of the committee pursuant to such limitations as the committee may prescribe. Authorized subpenas shall be signed by the chairman of the committee or by any member designated by the committee.

(2) Compliance with any subpena issued by the committee under this subparagraph may be enforced only as authorized or directed by the House.

(c) Each witness who has been subpenaed upon the completion of his testimony before the committee or any subcommittee, may report to the office of counsel of the committee, and there sign appropriate vouchers for travel allowances and attendance fees. if hearings are held in cities other than Wash-

ington, D.C., the witness may contact the counsel of the committee, or his representative, prior to leaving the hearing room.

RULE NO. 6—QUORUMS

A majority of the members of the full committee or subcommittee shall constitute a quorum of the full committee or subcommittee for the reporting of a measure or recommendation; Provided, that the number of members constituting a quorum for the taking of any action other than the reporting of a measure or recommendation shall be one-third of the members of the committee or subcommittee, and any two members shall constitute a quorum for the purpose of taking testimony and receiving evidence.

RULE NO. 7—HEARING PROCEDURES

(a) The chairman, in the case of hearings to be conducted by the committee, and the appropriate subcommittee chairman, in the case of hearings to be conducted by a subcommittee, shall make public announcement of the date, place, and subject matter at least one week before the commencement of that hearing unless that committee determines that there is good cause to begin such hearing at an earlier date. In the latter event the chairman or the subcommittee chairman whichever the case may be shall make such public announcement at the earliest possible date. The clerk of the committee shall promptly notify all members of the committee, the Daily Digest Clerk of the Congressional Record and the committee scheduling service of the House Information System as soon as possible after such public announcement is made.

(b) Each witness who is to appear before the committee or a subcommittee shall file with the clerk of the committee, at least 24 hours in advance of his appearance, 100 copies of his proposed testimony if the appearance is before a subcommittee, and 175 copies of his proposed testimony if the appearance is before the committee, and the witness may be required to limit his oral presentation to a summary of his statement. This requirement may be waived by the Chairman of the Committee or appropriate subcommittee, after consultation with the appropriate ranking minority member, when it is deemed by said Chairman to be in the best interest of the committee or subcommittee. This requirement shall not be mandatory if a witness is given less than seven days' notice prior to a hearing.

(c) When any hearing is conducted by the committee or any subcommittee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the chairman by a majority of those minority members before the completion of such hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

(d) Upon announcement of a hearing, the Clerk and Staff Director shall cause to be prepared a concise summary of the subject matter (including legislative reports and other materials) under consideration which shall be made available immediately to all members of the committee. In addition, upon announcement of a hearing and subsequently as they are received, the chairman shall make available to the members of the committee any official reports from departments and agencies on such matter.

(e) All other members of the committee may have the privilege of sitting with any subcommittee during its hearings or deliberations and may participate in such hearings or deliberations after members of the subcommittee have been given an opportunity to participate, but no such member who is not a member of the subcommittee shall vote on any matter before such subcommittee.

(f) Committee members may question witnesses only when they have been recognized by the chairman for that purpose, and only for a 5-minute period until all members present have had an opportunity to question a witness. The 5-minute period for questioning a witness by any one member can be extended only with the unanimous consent of all members present. The questioning of witnesses in both the full and subcommittee hearings shall be initiated by the chairman, followed by the ranking minority party member and all other members alternating between the majority and minority. In recognizing members to question witnesses in this fashion, the chairman shall take into consideration the ratio of the majority to minority members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the members of the majority.

(g) The following additional rules shall apply to investigative hearings:

(1) The chairman at any investigative hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the committee rules and clause 2 of Rule XI of the House rules shall be made available to each witness.

(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the committee may cite the offender to the House for contempt.

(5) If the committee determines that evidence or testimony at an investigative hearing may tend to defame, degrade, or incriminate any person it shall—

(A) receive such evidence or testimony in executive session;

(B) afford such person an opportunity voluntarily to appear as a witness; and

(C) receive and dispose of requests from such person to subpena additional witnesses.

(6) Except as provided in subparagraph (5), the chairman shall receive and the committee shall dispose of requests to subpena additional witnesses.

(7) No evidence or testimony taken in executive session may be released or used in public session without the consent of the committee.

(8) In the discretion of the committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The committee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

(9) A witness may review and photostat a copy of his or her testimony given at a public session, or if given at an executive session, when authorized by the committee.

RULE NO. 8—PROCEDURES FOR REPORTING BILLS AND RESOLUTIONS

(a)(1) It shall be the duty of the chairman of the committee to report or cause to be reported promptly to the House any measure approved by the committee and to take or cause to be taken necessary steps to bring the matter to a vote.

(2) In any event, the report of the committee on a measure which has been approved by the committee shall be filed within 7 calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the committee shall transmit immediately to the chairman of the committee notice of the filing of that request.

(b)(1) No measure or recommendation shall be reported from the committee unless a majority of the committee was actually present.

(2) With respect to each record vote by the committee to report any bill or resolution, the name of each member voting for and voting against the motion to report, and whether by proxy or in person and the names of those members present but not voting, and the names of those members absent, shall be included in the committee report.

(c) The report of the committee on a measure which has been approved by the committee shall include—

(1) the oversight findings and recommendations required pursuant to clause 2(b)(1) of rule x of the House separately set out and clearly identified;

(2) the statement required by section 308(a) of the Congressional Budget Act of 1974 separately set out and clearly identified, if the measure provides new budget authority or new or increased tax expenditures;

(3) the estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of such act, separately set out an clearly identified, whenever the Director (if timely submitted prior to the filing of the report) has submitted such estimate and comparison to the committee; and

(4) a summary of the oversight findings and recommendations made by the Committee on Govenment Operations under clause 4(c)(2) of rule x of the House separately set out and clearly identified whenever such findings and recommendations have been submitted to the committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the committee's deliberations on the measure.

(d) Each report of the committee on each bill or joint resolution of a public character reported by the committee shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy.

(e) If, at the time of approval of any measure, matter or any report or submission to be made to the House or to the Committee on the Budget under subclauses (g), (h), and (i) of clause 4 of Rule X of the Rules of the House of Representatives by the committee, any member of the committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than 3 calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the clerk of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be part of, the report filed by the commitee with respect to that measure or matter. No report shall be filed until the chairman has consulted with the ranking minority member of the committee and the chairman of the sub-

committee from which the legislation emanated or would have emanated. The report of the committee upon that measure or matter shall be printed in a single volume which—

(1) shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and

(2) shall bear upon its cover a recital that any such supplemental, minority, or additional views and any material submitted under subdivisions (3) and (4) of subparagraph (c) are included as part of the report. This subparagraph does not preclude—

(A) the immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph; or

(B) the filing by any such committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by that committee upon that measure or matter.

(f) If hearings have been held on any such measure or matter so reported, the committee shall make every reasonable effort to have such hearings printed and available for distribution to the Members of the House prior to the consideration of such measure or matter in the House. This subparagraph shall not apply to—

(1) any measure for the declaration of war, or the declaration of a national emergency, by the Congress; or

(2) any decision, determination, or action by a Government agency which would become, or continue to be, effective unless disapproved or otherwise invalidated by one or both Houses of Congress. For the purposes of the preceding sentence, a Government agency includes any department, agency, establishment, wholly owned Government corporation, or instrumentality of the Federal Government or the government of the District of Columbia.

RULE NO. 9—OVERSIGHT SUBCOMMITTEE

(a) In order to assist the House in:

(1) its analysis, appraisal, and evaluation of (A) the application, administration, execution, and effectiveness of the laws enacted by the Congress, or (B) conditions and circumstances which may indicate the necessity or desirability of enacting new or additional legislation, and

(2) its formulation, consideration, and enactment of such modification or changes in those laws, and of such additional legislation, as may be necessary or appropriate, there shall be established in conformity with rule 15 an Oversight Subcommittee.

(b) The Oversight Subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of the committee, and the organization and operation of the Federal agencies and entities which have responsibility in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, the Oversight Subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of the committee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of the committee. The Oversight Subcommittee shall in no way limit the responsibility of the subcommittees from carrying out their oversight responsibilities.

(c) The Oversight Subcommittee shall review and study on a continuing basis the impact or probable impact of tax policies affecting subjects within the jurisdiction of the committee.

RULE NO. 10—REVIEW OF CONTINUING PROGRAMS; BUDGET ACT PROVISIONS

(a) The committee shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing programs and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. For the purposes of this paragraph a Government agency includes the organizational units of government listed in clause 7(c) of Rule XIII of the House Rules.

(b) The committee shall review, from time to time, each continuing program within its jurisdiction for which appropriations are not made annually in order to ascertain whether such program could be modified so that appropriations therefore would be made annually.

(c) The committee shall, on or about March 15 of each year, submit to the Committee on the Budget (1) its views and estimates with respect to all matters to be set forth in the concurrent resolution on the budget for the ensuing fiscal year which are within its jurisdiction or functions, and (2) an estimate of the total amounts of new budget authority, and budget outlays resulting therefrom, to be provided or authorized in all bills and resolutions within its jurisdiction which it intends to be effective during that fiscal year.

(d) As soon as practicable after a concurrent resolution on the budget for any fiscal year is agreed to, the committee (after consulting with the appropriate committee or committees of the Senate) shall subdivide any allocations made to it in the joint explanatory statement accompanying the conference report on such resolution, and promptly report such subdivisions to the House, in the manner provided by section 302 of the Congressional Budget Act of 1974.

(e) Whenever the committee is directed in a concurrent resolution on the budget to determine and recommend changes in laws, bills, or resolutions under the reconciliation process it shall promptly make such determination and recommendations, and report a reconciliation bill or resolution (or both) to the House or submit such recommendations to the Committee on the Budget in accordance with the Congressional Budget Act of 1974.

RULE NO. 11—BROADCASTING OF COMMITTEE HEARINGS

Any meeting or hearing that is open to the public may be covered in whole or in part by radio or television or still photography, subject to the requirements of Rule XI, clause 3 of the Rules of the House of Representatives. At all such meetings or proceedings, coverage by radio, television or still photography will be allowed unless specifically forbidden by a record vote of the committee or subcommittee. The chairman of the committee or of a subcommittee shall determine, in the chairman's discretion, the number of television and still cameras permitted in a hearing or meeting room. The coverage of any hearing or other proceeding of the committee or any subcommittee thereof by television, radio, or still photography shall be under the direct supervision of the chairman of the committee, the subcommittee chairman, or other member of the committee presiding at such hearing or other proceeding and, for good cause, may be terminated by him/her.

RULE NO. 12—COMMITTEE AND SUBCOMMITTEE BUDGETS

(a) The chairman, in consultation with the majority members of the committee shall, for each session of the Congress, prepare a preliminary budget. Such budget shall include necessary amounts for staff personnel for necessary travel, investigation, and other expenses of the full committee, and after consultation with the minority membership, the chairman shall include amounts budgeted to the minority members for staff personnel to be under the direction and supervision of the minority, travel expenses of minority members and staff, and minority office expenses. All travel expenses of minority members and staff shall be paid for out of the amounts so set aside and budgeted.

(b)(1) The chairman of each subcommittee, in consultation with the majority members thereof, shall prepare a budget to include funds for staff, travel, investigations, and miscellaneous expenses as may be required for the work of the subcommittee.

(2) The chairman of each subcommittee shall control the funds provided for in the subcommittee budget.

(c) The chairman shall combine the proposals of each subcommittee with the preliminary budget of the full committee into a consolidated committee budget, and shall present the same to the committee for its approval. The chairman shall then take all action necessary to bring about its approval by the Committee on House Administration and by the House.

(d) Authorization for the payment of additional or unforeseen committee and subcommittee expenses may be procured by one or more additional expense resolutions processed in the same manner as set out herein.

(e) The chairman, the ranking minority member of the full committee, or any chairman of a subcommittee may initiate necessary travel requests as provided in Rule 14 within the limits of their portion of the consolidated budget as approved by the House, and the chairman may execute necessary vouchers thereof.

RULE NO. 13—COMMITTEE AND SUBCOMMITTEE STAFF

(a) The professional and clerical staff assigned to the minority shall be appointed and their remuneration determined in such manner as the minority members of the committee shall determine within the budget approved for such purposes by the committee; provided, however, that no minority staff person shall be compensated at a rate which exceeds that paid his or her majority party staff counterpart.

(b) The professional and clerical employees of the committee not assigned to a subcommittee or to the minority under the above provision shall be appointed, and may be removed, and their remuneration determined by the chairman in consultation with and with the approval of the majority mem-

bers of the committee within the budget approved for such purposes by the committee.

(c) The professional and clerical staff assigned to the minority shall be under the general supervision and direction of the minority members of the committee who may delegate such authority as they determine appropriate.

(d) The professional and clerical staff of the committee not assigned to a subcommittee or to the minority shall be under the general supervision and direction of the chairman, who shall establish and assign the duties and responsibilities of such staff members and delegate such authority as he determines appropriate.

(e) It is intended that the skills and experience of all members of the committee staff be available to all members of the committee.

(f)(1) The chairman of each standing subcommittee of this committee is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee chairman.

(2) The ranking minority member of each standing subcommittee on this committee is authorized to appoint one staff person who shall serve at the pleasure of the ranking minority party member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the subcommittee chairman not to exceed 75 per centum of the maximum established in paragraph (c) of clause 6 of the House Rule XI, provided, however, a staff person appointed by a ranking minority member shall be compensated at a rate not to exceed that paid his or her majority party staff counterpart.

(4) Subparagraphs (1), (2) and (3) shall apply to six subcommittees only, and no member shall appoint more than one person pursuant to the above provisions.

(5) The staff positions made available to the subcommittee chairmen and ranking minority party members pursuant to subparagraphs (1) and (2) shall be made available from the staff positions provided under clause 6 of House Rule XI unless such staff positions are made available pursuant to a primary or additional expense resolution.

(6) Except as provided by the above provisions, the professional and clerical members of the subcommittee staffs shall be appointed, and may be removed, and their remuneration determined by the subcommittee chairman in consultation with and with the approval of a majority of the majority members of the subcommittee, and with the approval of a majority of the majority members of the full committee, within the budget approved for the subcommittee.

(7) The professional and clerical staff of a subcommittee shall be under the supervision and direction of the chairman of that subcommittee.

RULE NO. 14—TRAVEL OF MEMBERS AND STAFF

(a) Consistent with the primary expense resolution and such additional expense resolution as may have been approved, the provisions of this rule shall govern travel of committee members and staff. Travel to be reimbursed from funds set aside for the full committee for any member or any staff member shall be paid only upon the prior authorization of the chairman. Travel may be authorized by the chairman for any member and any staff member in connection with the attendance at hearings conducted by the committee or any subcommittee thereof and meetings, conferences, and investigations which involve activities or subject matter under the general jurisdiction of the committee. Before such authorization is given there shall be submitted to the chairman in writing the following:

(1) The purpose of the travel;

(2) The dates during which the travel is to be made and the date or dates of the event for which the travel is being made;

(3) The location of the event for which the travel is being made;

(4) The names of members and staff seeking authorization.

(b) In the case of travel of members and staff of a subcommittee to hearings, meetings, conferences, and investigations involving activities or subject matters under the legislative assignment of such subcommittee to be paid for out of funds allocated to such subcommittee, prior authorization must be obtained from the subcommittee chairman, the ranking minority member of the full committee whenever minority staff is involved, and the chairman of the full committee. Such prior authorization shall be given by the Chairman only upon the representation by the applicable chairman of the subcommittee in writing setting forth those items enumerated in (1), (2), (3), and (4), of paragraph (a) and in addition thereto setting forth that subcommittee funds are available to cover the expenses of the person or persons being authorized by the subcommittee chairman to undertake the travel and that there has been compliance where applicable with Rule 12 of the committee.

(c)(1) In the case of travel outside the United States of members and staff of the committee or of a subcommittee for the purpose of conducting hearings, investigations, studies, or attending meetings and conferences involving activities or subject matter under the legislative assignment of the committee or pertinent subcommittee, prior authorization must be obtained from the chairman, or, in the case of a subcommittee, from the subcommittee chairman and the chairman. Before such authorization is given, there shall be submitted to the chairman in writing, a request for such authorization. Each request, which shall be filed in a manner that allows for a reasonable period of time for review before such travel is scheduled to begin, shall include the following:

(A) the purpose of the travel;

(B) the dates during which the travel will occur;

(C) the names of the countries to be visited and the length of time to be spent in each;

(D) an agenda of anticipated activities for each country for which travel is authorized together with a description of the purpose to be served and the areas of committee jurisdiction involved; and

(E) the names of members and staff for whom authorization is sought.

(2) Requests for travel outside the United States may be initiated by the chairman of the full committee, the ranking minority member of the full committee, or the chairman of a subcommittee (except that individuals may submit a request to the chairman for the purpose of attending a conference or meeting).

(3) At the conclusion of any hearing, investigation, study, meeting or conference for which travel outside the United States has been authorized pursuant to this rule, each subcommittee (members and staff attending meetings or conferences) shall submit a written report to the chairman covering the activities and other pertinent observations or information gained as a result of such travel.

(d) Members and staff of the committee performing authorized travel on official business shall be governed by applicable laws, resolutions, or regulations of the House and the Committee on House Administration pertaining to such travel.

RULE NO. 15—NUMBER AND JURISDICTION OF SUBCOMMITTEES

(a) There shall be eight standing subcommittees as follows: Subcommittee on Financial Institutions Supervision, Regulation and Insurance; Subcommittee on Housing and Community Development; Subcommittee on Consumer Affairs and Coinage; Subcommittee on Domestic Monetary Policy; Subcommittee on International Finance, Trade and Monetary Policy; Subcommittee on General Oversight and Investigations; Subcommittee on Economic Stabilizations; and Subcommittee on International Development Institutions and Finance. All proposed legislation and other matters related to the subcommittees listed under standing subcommittees named below shall be referred to such subcommittees respectively. In carrying out any of the jurisdiction specified in the following paragraphs, each subcommittee, to the extent it deems appropriate, may examine the impact of any aspect of such jurisdiction on employment.

Subcommittee on Financial Institutions Supervision, Regulation and Insurance

The jurisdiction of the Subcommittee on Financial Institutions Supervision, Regulation and Insurance extends to all agencies which directly or indirectly exercise supervisory or regulatory authority in connection with, or provide deposit or other insurance for, financial or other institutions, the establishment of interest rate ceilings on deposits, and all auxiliary matters affecting or arising in connection with the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Share Insurance Fund, the Federal Home Loan Bank Board, the Federal Reserve Board and System, the National Credit Union Administration, and the Comptroller of the Currency, together with those activities and operations of any other agency or department which relate to both domestic or foreign financial institutions.

Further, jurisdiction extends to and includes with respect to financial institutions and the department and agencies which regulate or supervise them, all activities relating to and arising in connection with the matters of chartering, branching, mergers and acquisitions, consolidations, and conversions.

Subcommittee on Housing and Community Development

The jurisdiction of the Subcommittee on Housing and Community Development extends to all matters relating to housing and mortgage credit (except programs administered by the Veterans' Administration), including mortgage and loan insurance pursuant to the National Housing Act; FHA mortgage interest rates; rural housing; housing assistance programs; secondary mortgage market programs and all other activities of FNMA, GNMA, and FHLMC; private mortgage insurance; housing construction and design standards; housing-related energy conservation; housing research and demonstration programs; financial and technical assistance for nonprofit housing sponsors; counseling and technical assistance; regula-

tion of the housing industry (including landlord-tenant relations); real estate lending powers of financial institutions (including regulation of settlement costs); and interest charges for members of the Federal Home Loan Bank System.

The jurisdiction of the subcommittee further extends to matters relating to community development and community planning, training and research, including community development block grants; urban renewal; model cities; rehabilitation loans and grants; neighborhood facilities grants; open space land and urban beautification grants; water and sewer facilities grants; public facilities loans; national, urban or community development banks; advance acquisition of land programs; new communities assistance programs; national urban growth policies; comprehensive planning (including land use and areawide programs); community development training and fellowships; and urban research and technologies.

Further, jurisdiction of the subcommittee extends to flood insurance and related land use controls, urban property protection and reinsurance, crime insurance, and regulation of interstate land sales.

Also, the jurisdiction of the subcommittee includes FHA property improvement loans under title I of the National Housing Act which can be used to finance the preservation of historic structures; community development block grant funds authorized under title I of the 1974 Housing Act which can be used to finance the acquisition and preservation of historic properties; and section 701 comprehensive planning grants to public bodies which can be used to finance surveys of historic sites and structures.

Subcommittee on Consumer Affairs and Coinage

The jurisdiction of the Subcommittee on Consumer Affairs and Coinage shall include all matters relating to consumer credit, including those matters in the Consumer Credit Protection Act dealing with truth in lending, extortionate credit transactions, restrictions on garnishments, fair credit reporting, equal credit opportunity, debt collection practices, and electronic funds transfers. The jurisdiction shall further include creditor remedies and debtor defense, Federal aspects of the Uniform Consumer Credit Code, credit and debit cards and the preemption of State usury laws.

The Jurisdiction of the subcommittee shall further extend to matters relating to the price of consumer goods, services and commodities, the rationing of consumer products, and hoarding.

Further, the jurisdiction of the subcommitte extends to all matters relating to coins, coinage, currency and medals, including commemorative coins and medals, proof and mint sets and other special coins, the Coinage Act of 1965, gold and silver, including coinage thereof (but not the par value of gold), gold medals, counterfeiting, currency denominations and design, the distribution of coins, and the operations and activities of the Bureau of the Mint and the Bureau of Engraving and Printing.

Subcommittee on Domestic Monetary Policy

The jurisdiction of the Subcommittee on Domestic Monetary Policy extends to all matters relating to monetary policy and agencies which directly or indirectly affect monetary policy, including the effect of such policy and other financial actions on interest rates, allocation of credit, and the structure and functioning of domestic and foreign financial institutions.

Further, the jurisdiction of the Subcommittee on Domestic Monetary Policy extends to all private foundations and charitable trusts.

Subcommittee on International Finance, Trade and Monetary Policy

The Subcommittee on International Finance, Trade and Monetary Policy shall have jurisdiction over all matters within the jurisdiction of the committee relating to international trade, including but not limited to the activities of the Export-Import Bank.

Further, the jurisdiction of the subcommittee shall extend to international investment policies both as they relate to U.S. investments for trade purposes by citizens of the United States and investments made by all foreign entities in the United States.

Further, the subcommittee shall have jurisdiction over the International Monetary Fund, its permanent and temporary agencies, and all matters related thereto.

Subcommittee on General Oversight and Investigations

The Subcommittee on General Oversight and Investigations shall assist the House Committee on Banking, Finance and Urban Affairs in appraising the administration of the laws and regulations under the jurisdiction of the committee and present such recommendations as deemed necessary to the appropriate subcommittee(s) of the committee.

Further, the subcommittee shall exercise continuing oversight of the execution by the administrative agencies concerning any of the laws the subject matter of which reside within the jurisdiction of the committee and shall study all pertinent reports, documents and data pertinent to the jurisdiction of the committee and make the necessary recommendations or reports thereon to the appropriate subcommittee(s) of the committee.

Further, the subcommittee shall have full jurisdiction over the Renegotiation Act of 1951, as amended.

Subcommittee on Economic Stabilization

The jurisdiction of the Subcommittee on Economic Stabilization shall extend to all matters relating to financial aid to all sectors and elements within the economy, all matters relating to economic stabilization, and all defense production matters as contained in the Defense Production Act of 1950, as amended, and all related matters thereto.

Subcommittee on International Development Institutions and Finance

The jurisidiction of the Subcommittee on International Development Institutions and Finance extends to all matters relating to all multilateral development lending institutions, including activities of the National Advisory Council on International Monetary and Financial Policies as related thereto; and monetary and financial developments as they relate to the activities and objectives of such institutions.

(b) The commmittee may provide for such additional subcommittees as determined to be appropriate; Provided, however, that such additional subcommittees are approved by a majority of the majority members on the Committee.

(c) A member serving as chairman of any subcommittee on this committee shall not also serve as the chairman of a subcommittee on any othe full committee or select committee with legislative jurisdiction; Provided, however, that this provision shall not apply to a member serving as subcommittee chairman on the Budget Committee; House Administration Committee; Joint Committees; Standards of Official Conduct Committee; or House Recording Committee.

RULE NO. 16—POWERS AND DUTIES OF SUBCOMMITTEES

(a) Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it or under its jurisdiction. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittees after consultation with the chairman and other subcommittee chairmen and with a view toward avoiding simultaneous scheduling of full committee and subcommittee meetings or hearings whenever possible.

(b) Whenever a subcommittee has ordered a bill, resolution, or other matter to be reported to the committee, the chairman of the subcommittee reporting the bill, resolution, or matter to the full committee, or any member authorized by the subcommittee to do so, may report such bill, resolution, or matter to the committee. It shall be the duty of the Chairman of the subcommittee to report or cause to be reported promptly such bill, resolution, or matter, and to take steps or cause to be taken the necessary steps to bring such bill, resolution, or matter to a vote.

(c) No bill or joint resolution approved by a subcommittee shall be considered by the committee unless such measure, as approved, has been made available to all members at least two calendar days prior to the meeting, accompanied by a section-by-section analysis of such measure. The provisions of this paragraph may be suspended by the committee by a two-thirds vote or by the chairman, with the concurrence of the ranking minority member of the full committee.

(d) All committee or subcommittee reports printed pursuant to legislative study or investigation and not approved by a majority vote of the committee or subcommittee, as appropriate shall contain the following disclaimer on the cover of such report:

"This report has not been officially adopted by the Committee on Banking, Finance and Urban Affairs (or pertinent subcommittee thereof) and may not therefore necessarily reflect the views of its members."

(e) Bills, resolutions, or other matters favorably reported by a subcommittee shall automatically be placed on the agenda of the committee as of the time they are reported and shall be considered by the full committee in the order in which they were reported unless the chairman after consultation with the ranking minority member and appropriate subcommittee chairman, otherwise directs; *Provided*, that no bill reported by a subcommittee shall be considered by the full committee unless each member has been provided with reasonable time prior to the meeting to analyze such bill, together with a comparison with present law and a section-by-section analysis of the proposed change, and a section-by-section justification.

(f) No bill or joint resolution may be considered by a subcommittee unless such measure has been made available to all members at least two calendar days prior to the meeting, accompanied by a section-by-section analysis of such measure. The provisions of this paragraph may be waived following consultation with the appropriate ranking minority member.

RULE NO. 17—REFERRAL OF LEGISLATION TO SUBCOMMITTEES

(a) Each bill, resolution, investigation, or other matter which relates to a subject listed under the jurisdiction of any subcommittee named in Rule 15 referred to or initiated by the full committee shall be referred to all subcommittees of appropriate jurisdiction within 2 weeks unless, by majority vote of the majority members of the full committee, consideration is to be by the full committee.

(b) Referral to a subcommittee shall not be made until 3 days shall have elapsed after written notification of such proposed referral to all subcommittee chairmen, at which time such proposed referral shall be made unless one or more subcommittee chairmen shall have given written notice to the chairman of the full committee and to the chairman of each subcommittee that he intends to question such proposed referral at the next regularly scheduled meeting of the committee, or at a special meeting of the committee called for that purpose at which time referral shall be made by the majority members of the committee. All bills shall be referred under this rule to the subcommittees of proper jurisdiction without regard to whether the author is or is not a member of the subcommittees. A bill, resolution, or other matter referred to a subcommittee in accordance with this rule may be recalled therefrom at any time by a vote of the majority members of the committee for the committee's direct consideration or for reference to another subcommittee.

(c) Committee reports shall be filed at such time as the committee shall determine with reasonable time allowed for members to file supplemental, individual, dissenting or other views.

(d) In carrying out this Rule with respect to any matter, the chairman may refer the matter simultaneously to two or more subcommittees, consistent with Rule 15, for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any subcommittee after the first), or divide the matter into two or more parts (reflecting different subjects and jurisdictions) and refer each such part to a different subcommittee, or refer the matter to a special ad hoc committee appointed by the chairman (from the members of the subcommittees having legislative jurisdiction) for the specific purpose of considering that matter and reporting to the full committee thereon, or make such other provisions as may be considered appropriate.

RULE NO. 18—SIZES AND PARTY RATIOS ON SUBCOMMITTEES AND CONFERENCE COMMITTEES

(a) To the extent that the number of subcommittees and their party ratios permit, the size of all subcommittees shall be established so that the majority party members of the committee have an equal number of subcommittee assignments; Provided, however, that a member may waive his or her right to an equal number of subcommittee assignments on the committee; and provided further, that the majority party members may limit the number of subcommittee assignments of the chairman and the subcommittee chairmen and the minority party members may limit the number of subcommittee assignments of ranking minority party members in order to equalize committee workloads.

(b) Following shall be the sizes and majority/minority ratios for subcommittees:

Subcommittee on Financial Institutions Supervision, Regulation and Insurance: Total—30. Majority—18. Minority—12.

Subcommittee on Housing and Community Development: Total—39. Majority—23. Minority—16.

Subcommittee on Consumer Affairs and Coinage: Total—12. Majority—7. Minority—5.

Subcommittee on Domestic Monetary Policy: Total—14. Majority—8. Minority—6.

Subcommittee on International Finance, Trade and Monetary Policy: Total—19. Majority—11. Minority—8.

Subcommittee on General Oversight and Investigations: Total—16. Majority—10. Minority—8.

Subcommittee on Economic Stabilization: Total—23. Majority—14. Minority—9.

Subcommittee on International Development Institutions and Finance: Total—12. Majority—7. Minority—5.

(c) The full committee chairman, or a member designated by a majority of the majority members of the committee, shall recommend to the Speaker as conferees the names of those members (1) selected by the majority party members of the committee in a manner determined by them, and (2) selected by the minority party members of the committee in a manner determined by them.●

51-059 O-86-30 (Pt. 2)

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MCKINNEY (at the request of Mr. MICHEL), for today, on account of cataract surgery.

Mrs. ROUKEMA (at the request of Mr. MICHEL), for today, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. STUMP, immediately following announcement of the Republican members of the House Intelligence Committee.

(The following Members (at the request of Mr. BOULTER) to revise and extend their remarks and include extraneous material:)

Mr. MCDADE, for 15 minutes, today.
Mr. BROYHILL, for 30 minutes, today.
Mr. FRENZEL, for 15 minutes, today.
Mr. JEFFORDS, for 5 minutes, today.
Mr. MCCOLLUM, for 5 minutes, today.
Mr. MCEWEN, for 5 minutes, today.
Mr. MYERS of Indiana, for 30 minutes, today.
Mr. COLEMAN of Missouri, for 60 minutes, February 19.

(The following Members (at the request of Mr. DE LUGO) to revise and extend their remarks and include extraneous material:)

Mr. TORRICELLI, for 10 minutes, today.
Mr. LUNDINE, for 5 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. UDALL, for 10 minutes, today.
Mr. DINGELL, for 15 minutes, today.
Mr. GONZALEZ, for 60 minutes, today.
Mr. WEAVER, for 5 minutes, today.
Mr. ANDERSON, for 10 minutes, today.
Mr. PANETTA, for 5 minutes, today.
Mr. DASCHLE, for 60 minutes, February 19.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BOULTER) and to include extraneous matter:)

Mr. MCCANDLESS.
Mr. MARLENEE.
Mr. GEKAS.
Mr. HYDE.
Mr. RUDD.
Mr. MCCAIN.
Mr. MADIGAN.
Mr. SAXTON.
Mr. BEREUTER.
Mr. GILMAN.
Mr. WORTLEY.
Mr. COLEMAN of Missouri.
Ms. SNOWE.
Mr. PORTER.
Mr. PURSELL.
Mrs. MEYERS of Kansas.
Mr. SMITH of New Jersey in two instances.
Mr. BOEHLERT.
Mr. CAMPBELL.
Mr. BROOMFIELD.

(The following Members (at the request of Mr. DE LUGO) and to include extraneous matter:)

Ms. MIKULSKI.
Mr. RODINO in two instances.
Mr. DELLUMS.
Mr. SMITH of Florida.
Mr. YATRON.
Mr. HAWKINS.
Mr. PEASE.
Mr. RAY.
Mr. LEHMAN of Florida.
Mr. HUBBARD.
Mr. DE LA GARZA.
Mr. STARK in three instances.
Mr. FLORIO.
Mr. ROYBAL.
Mr. NATCHER.
Mr. WILLIAMS.
Mr. SHELBY in three instances.
Mr. KILDEE in two instances.
Mr. WEISS in two instances.
Mr. BOUCHER.
Mr. MOODY.
Mr. COYNE.
Mr. BONKER.
Mr. GARCIA in two instances.
Mr. MOAKLEY.
Mr. WALGREN.
Mr. HAMILTON.
Mr. TOWNS.
Mr. FRANK.
Mr. COELHO.
Mr. MARKEY.
Mr. PANETTA in two instances.
Mr. DOWNEY of New York.
Mr. FORD of Michigan.
Mr. BOLAND.

Mrs. BYRON.
Mr. BERMAN.
Mr. ANNUNZIO.
Mr. BIAGGI in two instances.
Mr. OBERSTAR.
Mr. DERRICK.
Mr. WYDEN.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. Pursuant to the provisions of Senate Concurrent Resolution 12 of the 99th Congress, the House stands adjourned until 12 o'clock meridian, Tuesday, February 19, 1985.

Thereupon (at 4 o'clock and 11 minutes p.m.), pursuant to Senate Concurrent Resolution 12, the House adjourned until Tuesday, February 19, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

494. A letter from the Comptroller General of the United States, transmitting a review of the deferrals and rebvised deferrals submitted by the President on February 7, 1985 (H. Doc. 99-14), pursuant to 2 U.S.C. 685 (H. Doc. 99-26); to the Committee on Appropriations and ordered to be printed.

495. A letter from the Deputy Secretary, Department of Defense, transmitting a report on salaries paid from Federal funds to officers and employees of Federal contract research centers which exceeded that for level II of the Executive Schedule, pursuant to 10 U.S.C. 2359 (93 Stat. 818); to the Committee on Armed Services.

496. A letter from the Director, Defense Security Assistance Agency, transmitting the American Institute in Taiwan's proposed letter of offer to the Coordination Council for North American Affairs for defense articles estimated to cost in excess of $50 million, pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

497. A letter from the Director, Defense Security Assistance Agency, transmitting notification of a proposed sale or transfer of defense articles in excess of $50 million from inventories or regular components of the Armed Forces to Egypt (Transmittal No. 85-15), pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

498. A letter from the Secretary of Defense, transmitting the fiscal year 1986 Annual Report to the Congress, pursuant to 10 U.S.C. 133(c) to the Committee on Armed Services.

499. A letter from the Assistant Attorney General, Civil Rights Division, Department of Justice, transmitting a report on the activities under the Equal Credit Opportunity Act, pursuant to Public Law 90-321, section 707 (90 Stat. 255; 94 Stat. 174); to the Committee on Banking, Finance and Urban Affairs.

500. A letter from the vice president, Chesapeake & Potomac Telephone Co., District of Columbia, transmitting the C&P Telephone Co.'s statements of receipts and expenditures, pursuant to 33 Stat. 375; to the Committee on the District of Columbia.

501. A letter from the Acting Secretary of Education, transmitting final regulations in connection with administration of education programs, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

502. A letter from the Acting Secretary of Education, transmitting the annual report of the International Research and Studies Program; to the Committee on Education and Labor.

503. A letter from the Director, Defense Security Assistance Agency, transmitting the American Institute in Taiwan's proposed letter of offer to the Coordination Council for North American Affairs for defense articles estimated at $86 million, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

504. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed letter of offer to Egypt for defense articles and services estimated to cost $50 million, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

505. A letter from the Acting Administrator, General Services Administration, transmitting a proposed revision to a system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

506. A letter from the Director, Federal Mediation and Conciliation Service, transmitting a report on the Federal Managers' Financial Integrity Act of 1982 covering title II for the year ending December 31, 1984, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

507. A letter from the Secretary of Transportation, transmitting a report on enforcement of vehicle weight limitations for fiscal years 1982 and 1983, pursuant to Public Law 95-599, section 123; to the Committee on Public Works and Transportation.

508. A letter from the Chairman, U.S. Consumer Product Safety Commission, transmitting budget estimates and requests for fiscal year 1986, pursuant to Public Law 92-573, section 27(k)(1); jointly, to the Committees on Appropriations and Energy and Commerce.

509. A letter from the Deputy Administrator, National Oceanic and Atmospheric Administration, transmitting a biennial report on research and monitoring of the stratosphere, pursuant to CAA, section 154(a) (91 Stat. 728); jointly, to the Committees on Energy and Commerce and Science and Technology.

510. A communication from the President of the United States, transmitting a report on Soviet noncompliance with arms control agreements pursuant to Public Law 95-525; jointly, to the Committees on Foreign Affairs and Armed Services.

511. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to implement certain recommendations made pursuant to Public Law 98-360; jointly, to the Committees on Interior and Insular Affairs and Foreign Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON:

H.R. 1017. A bill to provide that transportation provided by an airline to parents of its employees shall be tax free; to the Committee on Ways and Means.

By Mr. ARCHER:

H.R. 1018. A bill to establish a commission to review Federal retirement systems; to the Committee on Post Office and Civil Service.

By Mr. BIAGGI (for himself and Mrs. KENNELLY):

H.R. 1019. A bill to authorize reduced postal rates during fiscal years 1986 and 1987 for parcels of food, medicine, or clothing sent to Poland or the Union of Soviet Socialist Republics; to the Committee on Post Office and Civil Service.

By Mr. PANETTA:

H.R. 1020. A bill to expand and improve benefits for active duty military personnel and their dependents; to the Committee on Armed Services.

By Mr. BONER of Tennessee (for himself, Mr. BADHAM, and Mr. NELSON of Florida):

H.R. 1021. A bill to amend the Immigration and Nationality Act to provide for a program for the waiver of the visa requirement in the case of nonimmigrant tourists from certain countries; to the Committee on the Judiciary.

By Mr. BOUCHER:

H.R. 1022. A bill to amend the Agricultural Adjustment Act of 1938 to prohibit the importation of tobacco which has been grown or processed using pesticides and other chemicals whose use has been prohibited in this country for health reasons; to the Committee on Ways and Means.

By Mr. BOUCHER (for himself and Mr. FRANK):

H.R. 1023. A bill to amend section 2401 of title 28, United States Code, to extend the time for presenting tort claims to persons under legal disability; to the Committee on the Judiciary.

By Mrs. BOXER (for herself, Mrs. SCHNEIDER, Mr. BROWN of California, and Mr. STUDDS):

H.R. 1024. A bill to amend the Energy Policy and Conservation Act to improve consumer information and fuel efficiency with respect to passenger automobiles, light trucks, and tires, to amend the Internal Revenue Code of 1954 to impose a tax on noncomplying manufacturers (in lieu of the penalty), and for other purposes; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. BREAUX:

H.R. 1025. A bill to authorize appropriations to carry out the Anadromous Fish Conservation Act during fiscal years 1986, 1987, and 1988; to the Committee on Merchant Marine and Fisheries.

H.R. 1026. A bill to establish a laboratory for research on the effects of the loss of wintering habitat of migratory waterfowl; to the Committee on Merchant Marine and Fisheries.

By Mr. BREAUX (for himself and Mr. YOUNG of Alaska):

H.R. 1027. A bill to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1986, 1987, and 1988; to the Committee on Merchant Marine and Fisheries.

H.R. 1028. A bill to promote and encourage management of priority interjurisdictional fishery resources; to the Committee on Merchant Marine and Fisheries.

By Mr. BROYHILL (for himself, Mr. MOORHEAD, Mr. RALPH M. HALL, Mr. SHELBY, Mr. RITTER, Mr. LUJAN, Mrs. LLOYD, Mr. YOUNG of Alaska, Mr. MURPHY, Mr. BLILEY, Mr. Whittaker, Mr. DANNEMEYER, Mr. MORRISON of Washington, Mr. SKEEN, and Mr. MYERS of Indiana):

H.R. 1029. A bill to amend the Atomic Energy Act of 1954 to encourage the development and use of standardized plant designs and improve the nuclear licensing and regulatory process; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

By Mr. CONTE (for himself, Mr. BOLAND, Mr. MARKEY, Mr. HORTON, Mr. ST GERMAIN, Mr. MCKINNEY, Mr. MOAKLEY, Mr. EARLY, Mr. FRANK, Mr. BOEHLERT, Mr. JEFFORDS, Mr. MAVROULES, Mr. GEJDENSON, Mr. MORRISON of Connecticut, Mrs. SCHNEIDER, Mr. OBERSTAR, and Mr. STUDDS):

H.R. 1030. A bill to amend the Clean Air Act to control certain sources of sulfur dioxides and nitrogen oxides to reduce acid deposition, and for other purposes; to the Committee on Energy and Commerce.

By Mrs. BURTON of California:

H.R. 1031. A bill to amend title XIX of the Social Security Act to provide for Medicaid coverage of acupuncturists' services; to the Committee on Energy and Commerce.

H.R. 1032. A bill to provide benefits under part B of the Medicare Program with respect to acupuncture treatment in States which license or certify individuals who furnish such treatment; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. CHENEY (for himself and Mr. LOEFFLER):

H.R. 1033. A bill to prohibit the importation of certain products of Australia and New Zealand; to the Committee on Ways and Means.

By Mr. COLEMAN of Missouri (for himself, Mr. ROBERTS, Mr. LIGHTFOOT, Mr. GUNDERSON, and Mr. BEREUTER):

H.R. 1034. A bill to require the Secretary of Agriculture to make production loans through 1987, and to guarantee production loans made in 1985, to certain eligible producers; to the Committee on Agriculture.

By Mr. DASCHLE (for himself, Mr. PENNY, Mr. BEDELL, Mr. DORGAN of North Dakota, Mr. GLICKMAN, Mr. VOLKMER, Mr. STANGELAND, Mr. THOMAS of Georgia, Mr. TALLON, Mr. SYNAR, Mr. DURBIN, Mr. WILLIAMS, Mr. SABO, Mr. STENHOLM, Mr. SLATTERY, and Mr. STALLINGS):

H.R. 1035. A bill to provide emergency credit and debt adjustment relief to financially stressed farmers and ranchers; to the Committee on Agriculture.

By Mr. DELLUMS (for himself, Mr. BERMAN, Mrs. BURTON of California, Mr. BOEHLERT, Mr. CONYERS, Mr. FAUNTROY, Mr. FRANK, Mr. LELAND, Mr. LEVINE of California, Mr. MARKEY, Mr. MATSUI, Mr. MILLER of California, Mr. MINETA, Mr. MITCHELL, Mr. OWENS, Mr. RANGEL, Mr. STOKES, and Mr. WAXMAN):

H.R. 1036. A bill to change the name of the "Ernest Orlando Lawrence Livermore National Laboratory" facilities at Livermore, CA, to the "Livermore National Laboratory"; to the Committee on Armed Services.

By Mr. DOWNEY of New York:

H.R. 1037. A bill to amend section 612 of the Federal Aviation Act of 1958 to provide authority to any person operating an airport certificated under this section to take certain actions to limit excessive aircraft noise impact on persons living or working beyond the boundaries of such airport; to the Committee on Public Works and Transportation.

By Mr. DOWNEY of New York (for himself, Mr. FOLEY, Mr. WAXMAN, Mr. MRAZEK, Mr. SMITH of Florida, Mr. SWIFT, Mr. PICKLE, and Mr. FLORIO):

H.R. 1038. A bill to amend the Safe Drinking Water Act to provide for the protection of aquifers which are the sole or principal source of drinking water for public water systems; to the Committee on Energy and Commerce.

By Mr. DUNCAN:

H.R. 1039. A bill to direct the Administrator of Veterans' Affairs to establish a national cemetery in Knoxville, TN; to the Committee on Veterans' Affairs.

By Mr. RANGEL:

H.R. 1040. A bill to amend the Internal Revenue Code of 1954 to provide for fundamental tax reform which will increase the fairness and simplicity of the Federal tax laws and promote economic growth; to the Committee on Ways and Means.

By Mr. SCHULZE:

H.R. 1041. A bill to reduce the Federal deficit by imposing temporary surtaxes; to the Committee on Ways and Means.

By Mr. DWYER of New Jersey:

H.R. 1042. A bill to grant a Federal charter to the Pearl Harbor Survivors Association; to the Committee on the Judiciary.

By Mr. FISH:

H.R. 1043. A bill to amend section 504 of title 5, United States Code, and section 2412 of title 28, United States Code, in order to make certain units of local government eligible parties for awards of expenses of certain agency and court proceedings; to the Committee on the Judiciary.

By Mr. FRANK:

H.R. 1044. A bill to repeal the delimiting date for the Vietnam-era GI bill; to the Committee on Veterans' Affairs.

By Mr. FRENZEL:

H.R. 1045. A bill to amend the definition of an affiliated group in the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. GLICKMAN (for himself, Mr. ENGLISH, Mr. ROBERTS, Mr. ROBINSON, Mr. ROEMER, Mr. SLATTERY, Mrs. SMITH of Nebraska, Mr. SYNAR, and Mr. WHITTAKER):

H.R. 1046. A bill to grant the consent of the Congress to the Central Interstate Low-Level Radioactive Waste Compact; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

By Mr. GREEN:

H.R. 1047. A bill to extend the authorization of the Robert A. Taft Institute Assistance Act; to the Committee on Education and Labor.

H.R. 1048. A bill to provide for improved mail service; to the Committee on Post Office and Civil Service.

By Mr. HENDON:

H.R. 1049. A bill to amend title II of the Social Security Act to provide for the issuance of a certificate of guaranteed benefits to each individual who is entitled to an old-age insurance benefit under such title or who is 62 years of age and entitled to any other benefit under such title, and for other purposes; to the Committee on Ways and Means.

By Mr. DINGELL (for himself, Mr. WISE, Mr. FORD of Michigan, Mr. HERTEL of Michigan, Mr. GRAY of Illinois, Mr. PERKINS, Mr. APPLEGATE, Mr. TOWNS, Mr. BONIOR of Michigan, Mr. KOLTER, Mr. KILDEE, Mr. CARR, Mr. GAYDOS, Mr. LEVIN of Michigan, Mr. NOWAK, Mr. CROCKETT, Mr. FEIGHAN, Ms. KAPTUR, Mr. ANNUNZIO, Mr. RAHALL, Mr. OBERSTAR, Mr. STUDDS, Mr. LUKEN, Mr. TORRICELLI, Mr. HALL of Ohio, Mr. TRAXLER, Mr. CONYERS, Mr. ADDABBO, Mr. PRICE, Mr. WOLPE, Mr. MURPHY, and Mr. WALGREN):

H.R. 1050. A bill to restrict temporarily the quantity of imported motor vehicles that may be introduced into interstate commerce for sale at retail in order to prevent or remedy the existing and threatened serious injury to the domestic motor vehicle industry of the United States and its employees and suppliers; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. JACOBS:

H.R. 1051. A bill to amend section 7119 of title 5, United States Code, to provide for binding arbitration in disputes between the Federal Government and labor organizations representing employees of the Federal Government under certain circumstances; to the Committee on Post Office and Civil Service.

H.R. 1052. A bill to make "America, the Beautiful" the national anthem of the United States of America; to the Committee on Post Office and Civil Service.

H.R. 1053. A bill to amend the Internal Revenue Code of 1954 to increase to 24 cents per pack the Federal excise tax on cigarettes and to provide that the revenues from the additional tax shall be deposited in the Federal hospital insurance trust fund under the Social Security Act; to the Committee on Ways and Means.

H.R. 1054. A bill to amend the Internal Revenue Code of 1954 to increase the Federal excise tax on distilled spirits and to provide that the revenues from the additional tax shall be deposited in the Federal hospital insurance trust fund under the Social Security Act; to the Committee on Ways and Means.

By Mr. LEACH of Iowa:

H.R. 1055. A bill entitled: The "American Arts Gold Medallion Amendments of 1985;" to the Committee on Banking, Finance and Urban Affairs.

By Mrs. LLOYD:

H.R. 1056. A bill to amend the Internal Revenue Code of 1954 to allow the deduction for retirement savings to be computed for married individuals on the basis of their combined compensation; to the Committee on Ways and Means.

H.R. 1057. A bill to amend the Internal Revenue Code of 1954 to provide that the zero bracket amount for heads of households shall be the same as the zero bracket amount for joint returns and surviving spouses; to the Committee on Ways and Means.

H.R. 1058. A bill to repeal the provisions of law providing for salary adjustments for Members of Congress, and to provide that legislation increasing Member's compensation, Federal income tax benefits, or limitations on outside earnings is considered separately from other legislation, is adopted only by a recorded vote, and does not take effect until the start of the Congress follow-

ing the Congress in which approved; jointly, to the Committees on Appropriations, Post Office and Civil Service, and Rules.

By Mr. LOWERY of California (for himself, Mr. ROTH, Mr. LAGOMARSINO, Mr. LEATH of Texas, and Mr. SMITH of Florida):

H.R. 1059. A bill to amend title 23, United States Code, to provide for administrative release of highway funds if Congress does not approve the interstate cost estimate and the interstate substitute cost estimate; to the Committee on Public Works and Transportation.

By Mr. LUNDINE:

H.R. 1060. A bill to extend quantitative restrictions on imports of motor vehicles from Japan; to the Committee on Ways and Means.

By Mr. LUNGREN

H.R. 1061. A bill to amend the Immigration and Nationality Act to revise and reform the immigration laws; to the Committee on the Judiciary.

By Mr. McCANDLESS:

H.R. 1062. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. McCANDLESS (for himself, Mr. BROWN of California, Mr. LEWIS of California, and Mr. ROYBAL):

H.R. 1063. A bill to amend the Domestic Volunteer Service Act of 1973 to permit foster grandparent services to be provided to mentally retarded individuals without regard to the age of such individuals; to the Committee on Education and Labor.

By Mr. MARLENEE:

H.R. 1064. A bill to authorize the establishment of the Lewis and Clark National Historic Site in the State of Montana; to the Committee on Interior and Insular Affairs.

By Mr. MARLENEE (for himself, Mr. STANGELAND, and Mr. ROBERTS):

H.R. 1065. A bill to establish a program applicable to the production of the 1986 through 1991 crops of wheat; to require the Secretary of Agriculture to carry out an export incentive program for such crops; and for other purposes; to the Committee on Agriculture.

By Mr. MAVROULES (for himself, Mrs. SCHROEDER, Mr. TORRICELLI, Mr. ADDABBO, Mr. LELAND, Mr. WEISS, Mr. OBERSTAR, Mr. STOKES, Mr. MCKINNEY, Mr. BOLAND, Mrs. SCHNEIDER, Mr. MOAKLEY, Mr. FRANK, Mr. HAYES, and Mr. VENTO):

H.R. 1066. A bill to amend title 10, United States Code, to provide Federal assistance for economic stabilization and local community development in areas affected by defense base closures and the termination of major defense contracts, and for other purposes; jointly, to the Committees on Armed Services and Education and Labor.

By Mr. MOLLOHAN:

H.R. 1067. A bill to provide that interest free or below market rate loans made before February 23, 1984 did not give rise to any taxable gift prior to such date under chapter 12 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. MOODY (for himself, Mr. KOSTMAYER, Mr. WEAVER, Mr. KILDEE, Mrs. BURTON of California, Mrs. KENNELLY, Mr. DYMALLY, and Mr. DELLUMS):

H.R. 1068. A bill to designate certain public lands in the State of Idaho as wilderness, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Agriculture.

By Mr. MOORHEAD:

H.R. 1069. A bill to protect patent owners from importation into the United States of goods made overseas by use of a U.S. patented process; to the Committee on the Judiciary.

By Mr. NEAL (for himself, Mr. ST GERMAIN, Mr. GONZALEZ, Mr. MCKINNEY, Mr. MITCHELL, Mr. FAUNTROY, Mr. LUNDINE, Mr. MORRISON of Connecticut, Ms. KAPTUR, Mr. MAVROULES, Mr. DWYER of New Jersey, Mr. FROST, Mr. LEHMAN of Florida, Mr. FAZIO, Mr. STOKES, Mr. JEFFORDS, Mr. VOLKMER, Mr. FASCELL, Mr. HUGHES, Mr. CONYERS, Mr. SABO, Mr. DELLUMS, Mr. ACKERMAN, and Mrs. BOXER):

H.R. 1070. A bill to amend the Solar Energy and Energy Conservation Bank Act to authorize appropriations for the provision of financial assistance through fiscal year 1991 and to provide financial assistance to builders of highly energy efficient buildings, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

By Ms. OAKAR:

H.R. 1071. A bill to authorize the Director of the Smithsonian Institution to make a grant to the Director of the Folger Theatre; to the Committee on House Administration.

By Mr. PEASE (for himself, Mr. CLINGER, Mr. STARK, Ms. KAPTUR, and Mr. BOEHLERT):

H.R. 1072. A bill to provide a consolidated program of extended unemployment compensation which shall replace the current extended compensation and Federal supplemental compensation programs: to the Committee on Ways and Means.

By Mr. REID (for himself and Mrs. VUCANOVICH):

H.R. 1073. A bill to authorize construction of a comprehensive project for flood control in the Las Vegas Valley, NV; to the Committee on Public Works and Transportation.

By Mr. RODINO (for himself, Mr. BROOKS, Mr. EDWARDS of California, Mr. SEIBERLING, Mr. HUGHES, and Mr. FEIGHAN):

H.R. 1074. A bill to amend the Clayton Act to modify the notification requirements applicable to mergers and tender offers; to the Committee on the Judiciary.

H.R. 1075. A bill to amend the Clayton Act to provide for a presumption with respect to the effect of certain acquisitions on competition; to the Committee on the Judiciary.

By Mr. SEIBERLING:

H.R. 1076. A bill to amend the Military Selective Service Act to exempt from registration under that act persons who are conscientiously opposed to participation in war in any form; to the Committee on Armed Services.

H.R. 1077. A bill to amend title XVIII of the Social Security Act to provide that payment may be made for emergency inpatient hospital services furnished outside the United States to an individual whose principal place of residence is within the United States; to the Committee on Ways and Means.

H.R. 1078. A bill to amend title II of the Social Security Act to provide that the benefit reductions required where an individual receiving disability insurance benefits is also receiving workmen's compensation shall be applied to such individual's own benefit before being applied to the benefits of his or her dependents; to the Committee on Ways and Means.

By Mr. SOLARZ (for himself, Mr. ACKERMAN, Mr. BARNES, Mr. BEILENSON, Mr. BERMAN, Mr. BIAGGI, Mr. ECKART of Ohio, Mr. FAUNTROY, Mr. FAZIO, Mr. FRANK, Mr. GEJDENSON, Mr. GREEN, Mrs. KENNELLY, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. LELAND, Mr. MATSUI, Mr. MORRISON of Connecticut, Mr. MURPHY, Mr. REID, Mr. SCHUMER, Mr. SMITH of Florida, Mr. TOWNS, Mr. WAXMAN, Mr. WEISS, and Mr. WOLPE):

H.R. 1079. A bill to establish a commission to identify, designate, preserve, and protect cemeteries, monuments, and historic buildings which are located abroad and which are associated with the foreign heritage of U.S. citizens; to the Committee on Foreign Affairs.

By Mr. STANGELAND:

H.R. 1080. A bill to authorize the President to negotiate an agreement with Canada creating a joint commission to oversee water policy on lakes bordering Canada and Minnesota; to the Committee on Foreign Affairs.

By Mr. STARK (for himself, Mrs. KENNELLY, and Mr. MATSUI):

H.R. 1081. A bill to amend part A of title IV of the Social Security Act to provide for special grants to States to assist in the establishment and conduct of programs designed to help pregnant individuals and mothers of young children achieve self-sufficiency; to the Committee on Ways and Means.

By Mr. STUMP:

H.R. 1082. A bill to improve the effectiveness of U.S. intelligence activities, and for other purposes; jointly, to the Committees on Intelligence (Permanent); the Judiciary; Banking, Finance and Urban Affairs; Ways and Means; Foreign Affairs; Post Office and Civil Service; and Armed Services.

By Mr. UDALL:

H.R. 1083. A bill to amend the Low-Level Radioactive Waste Policy Act to improve procedures for the implementation of compacts providing for the establishment and operation of regional disposal facilities for low-level radioactive waste, and for other purposes; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

By Mr. VOLKMER:

H.R. 1084. A bill to amend the act of August 30, 1890, to provide for a quarantine of swine and swine products imported from Canada so long as Canada quarantines swine imported from the United States; to the Committee on Agriculture.

H.R. 1085. A bill to authorize the imposition of additional duties on swine and pork products of Canadian origin in order to offset competitive advantages resulting from any Government subsidy that may be provided to Canadian swine producers; to the Committee on Ways and Means.

By Mrs. VUCANOVICH:

H.R. 1086. A bill to repeal section 154 of title 23, United States Code, relating to the national maximum speed limit, and to provide that the States should establish maximum speed limits; to the Committee on Public Works and Transportation.

By Mr. WALKER:
H.R. 1087. A bill to amend the Food Stamp Act of 1977 to establish an optional block grant program for States; to the Committee on Agriculture.

By Mr. WEAVER (for himself, Mr. CRAIG, Mr. ANTHONY, Mr. ALEXANDER, Mrs. BENTLEY, Mr. BEVILL, Mr. BONIOR of Michigan, Mr. CAMPBELL, Mr. CHANDLER, Mr. COBLE, Mr. DAVIS, Mr. DICKINSON, Mr. JENKINS, Mr. JONES of North Carolina, Mr. KILDEE, Mr. MURTHA, Mr. OBERSTAR, Mr. RAHALL, Mr. ROBINSON, Mr. SWIFT, Mr. WILLIAMS, and Mr. WILSON):
H.R. 1088. A bill to impose quantitative limitations on the importation of Canadian softwood for a 5-year period, to require an investigation, report and recommendations on the management of the National Forest System, and for other purposes; jointly, to the Committees on Ways and Means, Agriculture, and Interior and Insular Affairs.

By Mr. WEISS:
H.R. 1089. A bill to amend title II of the Social Security Act to reduce from 3 percent to 1 percent the amount of cost-of-living increase necessary to trigger cost-of-living adjustments under such title; to the Committee on Ways and Means.

By Mr. WILLIAMS (for himself, Mr. LELAND, Mr. FAUNTROY, Mr. TRAXLER, Mr. BIAGGI, Mr. BEREUTER, Mr. HUGHES, Mr. ACKERMAN, Mr. WAXMAN, Mr. TOWNS, Mr. BERMAN, Mr. STOKES, Mr. HORTON, Mr. OWENS, Mr. CLAY, Mr. KOLTER, Mr. LAFALCE, and Mr. LOWRY of Washington):
H.R. 1090. A bill to amend part B of title II of the Job Training Partnership Act to require the establishment of an education component in the summer youth employment programs under that part; to the Committee on Education and Labor.

By Mr. WYDEN (for himself and Mr. PEPPER):
H.R. 1091. A bill to amend titles XI, XVIII, and XIX of the Social Security Act to provide for civil monetary and criminal penalties for an individual who has made a material misrepresentation in order to be licensed as a physician and for whose services payments are made under the Medicare or Medicaid programs; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. YOUNG of Alaska:
H.R. 1092. A bill to amend the Alaska Native Claims Settlement Act; to the Committee on Interior and Insular Affairs.

By Mr. BREAUX (for himself, Mr. YOUNG of Alaska, Mr. BONKER, Mr. LOWRY of Washington, and Mr. MILLER of Washington):
H.R. 1093. A bill to give effect to the treaty between the Government of the United States of America and the Government of Canada concerning Pacific salmon, signed at Ottawa, January 28, 1985; to the Committee on Merchant Marine and Fisheries.

By Mr. DE LA GARZA (for himself, Mr. MADIGAN, Mr. FOLEY, Mr. ALEXANDER, Mr. ANTHONY, Mr. APPLEGATE, Mr. BEDELL, Mr. BOEHLERT, Mr. BROOKS, Mr. BROWN of Colorado, Mr. BRYANT, Mr. CARPER, Mr. CHANDLER, Mr. COATS, Mr. COBEY, Mr. COELHO, Mrs. COLLINS, Mr. COMBEST, Mr. COOPER, Mr. DARDEN, Mr. DAUB, Mr. DELAY, Mr. DICKINSON, Mr. DIXON, Mr. DORGAN of North Dakota, Mr. DORNAN of California, Mr. DURBIN, Mr. DYSON, Mr. ECKART of Ohio, Mr. EDWARDS of Oklahoma, Mr. EMERSON, Mr. ENGLISH, Mr. EVANS of Iowa, Mr. EVANS of Illinois, Mr. FAUNTROY, Mr. FISH, Mr. FRANKLIN, Mr. FRENZEL, Mr. FUQUA, Mr. FUSTER, Mr. GILMAN, Mr. GINGRICH, Mr. GROTBERG, Mr. GUNDERSON, Mr. HARTNETT, Mr. HATCHER, Mr. HAYES, Mr. HEFNER, Mr. HENRY, Mrs. HOLT, Mr. HORTON, Mr. HUBBARD, Mr. HUGHES, Mr. IRELAND, Mr. JEFFORDS, Mr. JENKINS, Mr. JONES of North Carolina, Ms. KAPTUR, Mr. KOLTER, Mr. LAFALCE, Mr. LEWIS of Florida, Mr. LIGHTFOOT, Mr. LOEFFLER, Mr. LUNDINE, Mr. MCCAIN, Mr. MARTIN of New York, Mr. MARTINEZ, Mr. MATSUI, Mr. MONTGOMERY, Mr. MURPHY, Mr. OWENS, Mr. PACKARD, Mr. PANETTA, Mr. PURSELL, Mr. RAHALL, Mr. REGULA, Mr. RICHARDSON, Mr. ROBERTS, Mr. ROE, Mr. ROEMER, Mr. ROGERS, Mr. ROSE, Mr. ROWLAND of Georgia, Mr. SCHEUER, Mr. SKEEN, Mr. SKELTON, Mr. SPRATT, Mr. STALLINGS, Mr. STANGELAND, Mr. STUMP, Mr. SUNIA, Mr. TALLON, Mr. THOMAS of California, Mr. TOWNS, Mr. VALENTINE, Mr. VENTO, Mr. VOLKMER, Mr. WAXMAN, Mr. WEAVER, Mr. WHITLEY, Mr. WHITTAKER, Mr. WOLF, Mr. WYDEN, Mr. YATRON, AND Mr. YOUNG of Missouri):
H.J. Res. 137. Joint resolution to proclaim March 20, 1985, as "National Agriculture Day"; to the Committee on Post Office and Civil Service.

By Mr. GAYDOS:
H.J. Res. 138. Joint resolution proposing an amendment to the Constitution of the United States guaranteeing the right to life; to the Committee on the Judiciary.

By Mr. GEKAS:
H.J. Res. 139. Joint resolution proposing an amendment to the Constitution allowing the President to veto or reduce individual items in appropriations bills; to the Committee on the Judiciary.

By Mr. JACOBS:
H.J. Res. 140. Joint resolution proposing an amendment to the Constitution prohibiting abortion, except in cases of rape, incest, or life endangerment; to the Committee on the Judiciary.

By Mr. JEFFORDS:
H.J. Res. 141. Joint resolution designating October 1985 as "National Foster Grandparents Month"; to the Committee on Post Office and Civil Service.

By Mrs. JOHNSON (for herself, Mr. RANGEL, Mr. DEWINE, Mr. FROST, Mr. SIKORSKI, Mr. RODINO, Ms. OAKAR, Mr. THOMAS of California, Mr. HOWARD, Mr. WORTLEY, Mr. ROSE, Mr. TORRICELLI, Mr. HAYES, Mr. HAWKINS, Mr. LELAND, Mr. MANTON, Mr. FAUNTROY, Mr. ANDREWS, Mr. LUNGREN, Mr. DYMALLY, Mr. TOWNS, Mr. ACKERMAN, Mr. SMITH of Florida, Mr. BERMAN, Mr. DWYER of New Jersey, Mr. GRADISON, Mr. LAGOMARSINO, Mr. HORTON, Mr. STARK, Mr. BARNES, Mr. ROE, Mr. WEISS, Mr. OWENS, Mr. BEVILL, Ms. KAPTUR, Mr. GARCIA, Mr. FASCELL, Mr. GUARINI, and Mr. MCGRATH):
H.J. Res. 142. Joint resolution to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens; to the Committee on House Administration.

By Mr. MCCANDLESS (for himself, Mr. DIXON, and Mrs. HOLT):
H.J. Res. 143. Joint resolution to designate the week of June 22 through June 28 in each year as "National Friendship Week"; to the Committee on Post Office and Civil Service.

By Mr. PANETTA:
H.J. Res. 144. Joint resolution to provide for the designation of June 10 through 16, 1985, as "National Scleroderma Week"; to the Committee on Post Office and Civil Service.

By Mr. RAHALL:
H.J. Res. 145. Joint resolution to authorize "National Shut-In Day"; to the Committee on Post Office and Civil Service.

By Mr. ROWLAND of Georgia (for himself, Mr. BLILEY, Mr. MOAKLEY, Mr. BARNARD, Mr. TOWNS, Mr. RAY, Mr. BIAGGI, Mr. EVANS of Iowa, Mr. DARDEN, Mr. DYMALLY, Mr. CONTE, Mr. HATCHER, Mr. TALLON, Mr. JENKINS, Ms. OAKAR, Mr. SWINDALL, Mr. MATSUI, Mr. THOMAS of Georgia, Mr. ROYBAL, Mr. YOUNG of Alaska, Ms. KAPTUR, Mr. FOWLER, Mrs. LLOYD, and Mr. PASHAYAN):
H.J. Res. 146. Joint resolution to designate the week of May 12, 1985, through May 18, 1985, as "Senior Center Week"; to the Committee on Post Office and Civil Service.

By Mr. VOLKMER:
H.J. Res. 147. Joint resolution proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary.
H.J. Res. 148. Joint resolution proposing an amendment to the Constitution relating to Federal budget procedures; to the Committee on the Judiciary.

By Mr. WEISS:
H.J. Res. 149. Joint resolution to designate the week of April 21, 1985, through April 27, 1985, as "National DES Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. BONKER (for himself, Mr. YATRON, and Mr. GEJDENSON):
H. Con. Res. 54. Concurrent resolution expressing the sense of the Congress with respect to implementation of the International Whaling Commission moratorium on commercial whaling; jointly, to the Committees on Foreign Affairs and Merchant Marine and Fisheries.

By Mr. BROWN of Colorado (for himself, Mr. ROBERT F. SMITH, Mr. EVANS of Iowa, Mr. DENNY SMITH, Mr. ROBERTS, Mr. WATKINS, Mr. SCHAEFER, Mr. STRANG, Mr. LOEFFLER, Mr. EDWARDS of Oklahoma, and Mr. CHENEY):
H. Con. Res. 55. Concurrent resolution relating to U.S. exports of beef and veal to Canada; to the Committee on Ways and Means.

By Mr. FLORIO (for himself, Mr. YATRON, Mr. TORRICELLI, Mr. GEKAS, Mr. MAVROULES, Mr. BARNES, Mr. GEJDENSON, Ms. SNOWE, and Mr. BILIRAKIS):

H. Con. Res. 56. Concurrent resolution to encourage the establishment by the United States of a Cyprus cooperative development fund in an effort to foster improved intercommunal relations on Cyprus that would support U.N. peace initiatives; to the Committee on Foreign Affairs.

By Mr. GILMAN (for himself, Mr. FASCELL, and Mr. BROOMFIELD):

H. Con. Res. 57. Concurrent resolution encouraging private sector involvement in the worldwide effort to alleviate hunger; to the Committee on Foreign Affairs.

By Ms. OAKAR:

H. Con. Res. 58. Concurrent resolution expressing the sense of the Congress that the board of trustees of Amherst College should reconsider their decision of January 14, 1985, to cease operations of the Folger Theatre on June 30, 1985; to the Committee on Education and Labor.

By Mr. MICHEL:

H. Res. 52. Resolution to conditionally seat Richard D. McIntyre as the Representative from Indiana's Eighth Congressional District; considered and referred to the Committee on House Administration.

H. Res. 53. Resolution electing Representative Gradison of Ohio and Representative Moore of Louisiana to the Committee on the Budget; considered and agreed to.

By Mr. ANNUNZIO:

H. Res. 54. Resolution providing for expenses of activities of House Information Systems in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. BIAGGI (for himself and Ms. SNOWE):

H. Res. 55. Resolution expressing the opposition of the House of Representatives to efforts to reduce the availability of legal services provided by the Legal Services Corporation to older individuals; to the Committee on the Judiciary.

By Mr. DORNAN of California (for himself, Mr. SILJANDER, Mr. DWYER of New Jersey, Mr. MCGRATH, Mr. ANNUNZIO, Mr. YOUNG of Missouri, Mr. FEIGHAN, Mr. MCCAIN, Mr. ADDABBO, and Mr. BURTON of Indiana):

H. Res. 56. Resolution concerning observance by the Government of Romania of the human rights of Hungarians in Transylvania, especially the right of self-determination; to the Committee on Foreign Affairs.

By Mr. MITCHELL:

H. Res. 57. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Small Business in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. MONTGOMERY (for himself and Mr. HAMMERSCHMIDT):

H. Res. 58. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Veterans' Affairs in the 1st session of the 99th Congress; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

7. The SPEAKER presented a memorial of the Senate of the State of California, relative to urban mass transportation; to the Committee on Public Works and Transportation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. MCCANDLESS:

H.R. 1094. A bill for the relief of Elga Bouilliant-Linet; to the Committee on the Judiciary.

By Mr. PANETTA:

H.R. 1095. A bill for the relief of Meals on Wheels of the Monterey Peninsula, Inc.; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 3: Mr. BRYANT, Mr. TORRICELLI, Mr. COLEMAN of Texas, Mr. AKAKA, Mr. WATKINS, Mr. KOLTER, Mr. WILLIAMS, Mr. SMITH of Florida, Mr. MURPHY, Mr. WILSON, Mr. FOLEY, Mr. ANDREWS, Mr. KINDNESS, Mr. MINETA, Mr. BIAGGI, Mr. HEFTEL of Hawaii, Mr. MILLER of Washington, Mr. PENNY, Mr. MOODY, Mr. KOSTMAYER, Mr. BATES, Mr. WYDEN, Mr. JONES of North Carolina, Mr. GLICKMAN, Mr. MATSUI, Mr. LUKEN, Mr. NICHOLS, Mr. HOYER, Mr. BEVILL, Mr. BONIOR of Michigan, Mr. KILDEE, Mr. MANTON, Mr. COELHO, Mr. BOSCO, Mr. KLECZKA, Mr. DWYER of New Jersey, Mr. RAHALL, Ms. KAPTUR, Mr. OLIN, Mr. BERMAN, Mrs. BOXER, Mr. FROST, Mr. DARDEN, Mr. GRAY of Pennsylvania, Mr. LOWRY of Washington, Mr. ROYBAL, Mr. SPRATT, Mr. FASCELL, Mr. HUBBARD, Mrs. LLOYD, Mr. WHITLEY, Mr. YOUNG of Missouri, Mr. WEAVER, Mr. HUTTO, Mr. TALLON, Mr. HEFNER, Mr. BEDELL, Mr. GREGG, Mr. GIBBONS, Mr. ROWLAND of Georgia, Mr. HUGHES, Mr. MORRISON of Connecticut, Mr. RICHARDSON, Mr. DANIEL, Mr. CARPER, Mr. NEAL, Mr. FUQUA, Mr. MOLLOHAN, Mr. MRAZEK, and Mr. ACKERMAN.

H.R. 4: Mrs. KENNELLY.

H.R. 13: Mr. BADHAM, Mr. BILIRAKIS, Mr. BOEHLERT, Mr. CARPER, Mr. COATS, Mr. DASCHLE, Mr. DE LA GARZA, Mr. DOWDY of Mississippi, Mr. DREIER of California, Mr. DUNCAN, Mr. EVANS of Illinois, Mr. FROST, Mr. GROTBERG, Mr. HERTEL of Michigan, Mr. HYDE, Mr. IRELAND, Mr. MCGRATH, Mr. MACK, Mr. MARKEY, Mr. MARTIN of New York, Mrs. MARTIN of Illinois, Ms. MIKULSKI, Mr. MONTGOMERY, Mr. MYERS of Indiana, Mr. NEAL, Mr. NICHOLS, Mr. RAHALL, Mr. RINALDO, Mrs. ROUKEMA, Mr. RUSSO, Mr. SCHAEFER, Mr. SHELBY, Mr. SLATTERY, Mr. ROBERT F. SMITH, Mr. SOLOMON, Mr. SWIFT, Mr. TOWNS, Mr. WEAVER, Mr. WEBER, Mr. WISE, and Mr. WYLIE.

H.R. 21: Mrs. BURTON of California, Mr. HYDE, Mr. MARTINEZ, Mr. ACKERMAN, Mr. LEVIN of Michigan, Mr. WEISS, Mr. ROBINSON, Mr. UDALL, and Mr. DURBIN.

H.R. 28: Mr. BEREUTER, Mr. FRENZEL, Mr. HUGHES, Mr. LAGOMARSINO, and Mr. RICHARDSON.

H.R. 33: Mr. BENNETT.

H.R. 38: Mr. EMERSON, Mr. SENSENBRENNER, Ms. KAPTUR, Mr. DARDEN, Mr. GINGRICH, Mr. WATKINS, Mrs. HOLT, Mr. HUGHES, Mr. IRELAND, Mr. MCKINNEY, Mr. RAHALL, Mr. VOLKMER, Mr. BOEHLERT, Mr. GROTBERG, Mr. KANJORSKI, Mr. WHITEHURST, Mr. MILLER of Ohio, Mr. TRAFICANT, Mr. CONTE, Ms. FIEDLER, and Mr. MARTIN of New York.

H.R. 43: Mr. BARNES, Mr. KILDEE, Mr. FAUNTROY, Mr. WHEAT, Mr. OWENS, and Mr. SIKORSKI.

H.R. 44: Mr. BONIOR of Michigan, Mr. ASPIN, Mr. PURSELL, Mr. LEWIS of California, Mr. VANDER JAGT, Mr. FUQUA, Mr. TAYLOR, Mrs. VUCANOVICH, Mr. DOWDY of Mississippi, Mr. STUMP, Mr. CALLAHAN, and Mr. SWINDALL.

H.R. 47: Mr. ACKERMAN, Mr. BARNARD, Mr. BEVILL, Mr. BOLAND, Mr. CHAPPIE, Mr. GRAY of Illinois, Mr. HUBBARD, Mr. KOLTER, Mr. KOSTMAYER, Mr. LAFALCE, Mr. LANTOS, Mr. LEATH of Texas. Mr. LIVINGSTON, Mr. MCDADE, Mrs. MARTIN of Illinois, Mr. MAVROULES, Mr. MOODY, Mr. PEPPER, Mr. RICHARDSON, Mr. WAXMAN, and Mr. WEISS.

H.R. 77: Mr. GILMAN, Mr. KLECZKA, Mr. WHITEHURST, Mr. WEAVER, Mr. ROE, Mr. RUDD, Mr. KINDNESS, Mr. GEKAS, Mr. HORTON, Mr. CARNEY, Mr. RAHALL, Mr. SCHAEFER, Mr. BILIRAKIS, Mr. LEWIS of California, Mr. STANGELAND, Mr. BATEMAN, Mr. WORTLEY, Mr. ADDABBO, Mr. PEPPER, Mr. SILJANDER, Mr. GARCIA, and Mr. MONTGOMERY.

H.R. 99: Mr. BENNETT, Mr. BOEHLERT, Mr. BONKER, Mr. DOWDY of Mississippi, Mr. EVANS of Illinois, Mr. FAUNTROY, Mr. FUSTER, Mr. GONZALEZ, Mr. GUARINI, Mr. HAYES, Mr. HERTEL of Michigan, Mr. HOWARD, Mr. HUGHES, Mr. HUTTO, Mr. LOWRY of Washington, Mr. MANTON, Mr. MOLLOHAN, Mr. ROSE, Mr. RUSSO, Mr. STUDDS, Mr. WAXMAN, and Mr. WYLIE.

H.R. 113: Mr. BENNETT, Mr. FASCELL, Mr. GIBBONS, Mr. FUQUA, Mr. CHAPPELL, Mr. NELSON of Florida, Mr. MCCOLLUM, Mr. MACKAY, Mr. SMITH of Florida, and Mr. BILIRAKIS.

H.R. 114: Mr. SLATTERY.

H.R. 118: Mr. BATES.

H.R. 151: Mr. BIAGGI, Mr. DELLUMS, Mr. DURBIN, Mr. GONZALEZ, Mr. GRAY of Illinois, Mr. KANJORSKI, Mr. LANTOS, Mr. NOWAK, and Mr. TRAFICANT.

H.R. 229: Mr. LELAND, Mr. FRANK, Mr. FAUNTROY, Mr. MAVROULES, Mr. HAYES, Mr. SOLARZ, Mr. ACKERMAN, Mr. EDWARDS of California, Mr. OWENS, Mr. ADDABO, Mr. DELLUMS, Mr. TOWNS, Mr. CONYERS, Mr. MORRISON of Connecticut, Mr. TORRICELLI, Mrs. BOXER, Mr. WEAVER, Mr. KILDEE, Mr. MOODY, Mr. OBERSTAR, Mr. STOKES, Ms. KAPTUR, Mr. SEIBERLING, Mr. MOAKLEY, Mrs. BURTON of California, Mr. CROCKETT, Mr. MARKEY, Mr. BERMAN, Mr. RANGEL, Mr. FOGLIETTA, Mr. ROE, Mrs. KENNELLY, and Mr. KOLTER.

H.R. 236: Mr. HOWARD.

H.R. 240: Mr. BADHAM.

H.R. 242: Mr. SWINDALL, Mr. ECKART of Ohio, Mr. ROTH, Mr. BOSCO, Mr. ROBINSON, Mr. LOWERY of California, Ms. FIEDLER, Mr. MOODY, Mr. JONES of North Carolina, and Mr. BOUCHER.

H.R. 280: Mr. FROST.

H.R. 436: Mr. STANGELAND.

H.R. 445: Mrs. BOXER, Mr. MORRISON of Connecticut, Mr. BERMAN, Mr. COUGHLIN, Mr. KASTENMEIER, Mr. EVANS of Illinois, Mr. FISH, Mr. ACKERMAN, and Mr. LAFALCE.

H.R. 479: Mr. NIELSON of Utah, Mr. OLIN, Mr. PARRIS, Mr. ROBINSON, and Mr. SCHAEFER.

H.R. 480: Mr. DARDEN, Mr. WAXMAN, and Mr. WEISS.

H.R. 507: Mr. DE LUGO and Mr. LAGOMARSINO.

H.R. 526: Mr. PEPPER, Mr. KOLTER, Mr. HOYER, Mr. HAYES, Mr. SAM B. HALL, JR., Mr. TRAFICANT, Mr. BENNETT, Ms. KAPTUR,

Mr. MANTON, Mr. DIXON, Mr. BOEHLERT, Mr. WAXMAN, Mr. ENGLISH, Mr. CHAPPIE, Mr. FUSTER, Mr. RICHARDSON, Mr. GRAY of Illinois, Mr. HERTEL of Michigan, Mr. OWENS, Mr. LENT, Mr. KOSTMAYER, Mr. DARDEN, Mr. HEFTEL of Hawaii, and Mr. JONES of North Carolina.

H.R. 531: Ms. MIKULSKI, Mr. HENRY, Mr. WYDEN, Mr. BOSCO, Mr. MCCOLLUM, Mr. SILJANDER, Mr. DIOGUARDI, Mr. FOWLER, Mr. DARDEN, Mr. MOODY, Mr. HUGHES, Mr. DYSON, Mr. KOLBE, Mr. HILLIS, Mr. RINALDO, and Mr. LENT.

H.R. 585: Mr. KASTENMEIER, Mr. MACKAY, Mr. KANJORSKI, Mr. BOLAND, Mrs. SMITH of Nebraska, Mr. BERMAN, Mr. FUSTER, Mr. MURTHA, Mr. ANTHONY, Mr. CARR, Mr. MARKEY, Mr. BARNARD, Mr. GILMAN, Mr. KOLTER, Mr. NOWAK, Mr. GUARINI, Mr. DUNCAN, Mr. HOWARD, Mr. TOWNS, Mr. TALLON, Mr. CROCKETT, and Mr. JONES of North Carolina.

H.R. 588: Mr. KOSTMAYER, Mr. LANTOS, Mr. SMITH of Florida, Mr. SMITH of New Jersey, Mrs. COLLINS, Mr. MORRISON of Connecticut, Mr. LAFALCE, Ms. KAPTUR, Mr. DEWINE, and Mr. HOWARD.

H.R. 589: Mr. FISH.

H.R. 605: Mr. LENT, Mr. WEBER, Mr. LAGOMARSINO, Mr. WHITEHURST, Mr. PACKARD, Mr. SUNDQUIST, Mr. KINDNESS, Mr. MIKULSKI, Mr. DORNAN of California, Mr. HARTNETT, Mr. BEVILL, Mr. RUDD, Mr. FASCELL, Mr. ROE, Mr. IRELAND, Mr. TORRICELLI, Mr. YOUNG of Missouri, Mr. ENGLISH, Mr. NIELSON of Utah, Mr. MILLER of Ohio, Mr. MARTINEZ, Mr. EMERSON, Mr. SCHAEFER, Mr. TRAFICANT, and Mr. ROBINSON.

H.R. 606: Mr. GUNDERSON, Mr. AUCOIN, Mr. BEDELL, Mr. CARPER, Mr. CHANDLER, Mr. COUGHLIN, Mr. DEWINE, Mr. EVANS of Iowa, Mr. FISH, Mr. FRENZEL, Mr. GREEN, Mr. HENRY, Mr. MCKINNEY, Mr. MOLLOHAN, Mr. MORRISON of Washington, Mr. SKEEN, Mr. TAUKE, and Mr. VANDER JAGT.

H.R. 633: Mr. RICHARDSON, Mr. WAXMAN, Mr. CROCKETT, Mr. LAFALCE, and Mr. HUGHES.

H.R. 665: Mrs. COLLINS, Mr. RANGEL, Mr. WILSON, Mr. WYDEN, Mr. FAUNTROY, Mr. DELLUMS, Mr. DORNAN of California, Mr. SCHUMER, Mr. HAWKINS, Mr. MCGRATH, Mr. SCHEUER, Mr. WALGREN, Mrs. MARTIN of Illinois, Mr. DURBIN, Mr. SEIBERLING, Mrs. BOXER, Ms. MIKULSKI, Mr. NELSON of Florida, Mr. WAXMAN, Mr. LAGOMARSINO, Mr. MARKEY, and Mr. GREEN.

H.R. 691: Mr. MCCAIN, and Mr. PARRIS.

H.R. 700: Mr. AUCOIN, Mr. ASPIN, Mr. BARNES, Mr. BATES, Mr. BEDELL, Mr. BERMAN, Mr. BIAGGI, Mr. BOLAND, Mr. BONIOR of Michigan, Mr. BOSCO, Mr. BROWN of California, Mr. COUGHLIN, Mr. COYNE, Mr. DORGAN of North Dakota, Mr. DURBIN, Mr. DWYER of New Jersey, Mr. EDGAR, Mr. FASCELL, Mr. FORD of Tennessee, Mr. FOWLER, Mr. GEJDENSON, Mr. GEPHARDT, Mr. GILMAN, Mr. GLICKMAN, Mr. GREEN, Mr. GRADISON, Mr. GUARINI, Mr. HORTON, Mr. HOWARD, Mr. HOYER, Mr. HUGHES, Mr. JACOBS, Mr. KOLTER, Mr. LANTOS, Mr. LEACH of Iowa, Mr. LEHMAN of Florida, Mr. LEVIN of Michigan, Mr. LOWRY of Washington, Mr. MCKINNEY, Mr. MARKEY, Mrs. MARTIN of Illinois, Mr. MOAKLEY, Mr. MRAZEK, Mr. NOWAK, Mr. OLIN, Mr. PANETTA, Mr. PEASE, Mr. PEPPER, Mr. PICKLE, Mr. RAHALL, Mr. ROE, Mr. ROSE, Mr. ROWLAND of Connecticut, Mr. SABO, Mr. ST GERMAIN, Mr. SEIBERLING, Mr. SIKORSKI, Mr. SMITH of Florida, Mrs. SMITH of Nebraska, Mr. STARK, Mr. STUDDS, Mr. SWIFT, Mr. SYNAR, Mr. TORRICELLI, Mr. TRAXLER, Mr. UDALL, Mr. VISCLOSKY, Mr. VOLKMER, Mr. WALGREN, Mr. WAXMAN, Mr. WEAVER, Mr. WEISS, and Mr. WOLPE.

H.R. 704: Mr. ROBINSON and Mr. SCHAEFER.

H.R 773: Mr. DORNAN of California, Mr. KANJORSKI, Mr. WEAVER, Mr. KASICH, Mr. LOEFFLER, Mr. DICKS, Mr. FRANK, Mr. FISH, Mr. ROBINSON, Mr. NIELSON of Utah, Mr. DENNY SMITH, Mr. HYDE, Mr. HORTON, Mr. VOLKMER, and Mr. JACOBS.

H.R. 774: Mr. GARCIA.

H.R. 825: Mr. ANDREWS, Mrs. LLOYD, Ms. OAKAR, Mr. BOEHLERT, Mr. UDALL, Mr. LUJAN, Mr. LAGOMARSINO, Mr. BEVILL, and Mr. MCGRATH.

H.R. 849: Mr. BONIOR of Michigan, Mr. EDWARDS of California, Mr. WATKINS, Mr. HORTON, Mr. BERMAN, Mr. GALLO, Mr. MURTHA, Mr. OXLEY, and Mr. EMERSON.

H.R. 882: Mr. MINETA, Mr. ANDERSON, Mr. WILLIAMS, and Mr. WHEAT.

H.R. 890: Mr. ROSE, Mr. RODINO, Mr. TRAXLER, Mr. WISE, Mr. LELAND, Mr. BOLAND, Mr. KOLTER, Mr. APPLEGATE, Mr. STOKES, Mr. HAWKINS, Mr. BERMAN, Mr. PERKINS, Mr. MARKEY, Mr. HERTEL of Michigan, Mr. OWENS, Mr. FORD of Michigan, Mr. WEISS, Mr. KOSTMAYER, Mr. RICHARDSON, Mr. WHEAT, Mr. SOLARZ, Mr. FROST, Mr. CROCKETT, and Mr. FEIGHAN.

H.J. Res. 33: Mr. CARNEY, Mr. YATRON, Mr. BENNETT, Mr. SIKORSKI, Mr. TALLON, Mr. MOLLOHAN, Mr. HAYES, Mr. MANTON, Mr. PACKARD, Mr. WYLIE, Mr. BURTON of Indiana, Mr. NEAL, Mr. HOWARD, Mr. DASCHLE, Mr. DYMALLY, Mr. NIELSON of Utah, Mr. MILLER of Ohio, Mr. BIAGGI, Mr. WAXMAN, Mr. WEAVER, Mr. BADHAM, Mr. OWENS, Mr. LEVIN of Michigan, Mr. MAZZOLI, Mr. MINETA, Mr. KOLTER, Mr. DURBIN, Mr. WORTLEY, and Mr. RICHARDSON.

H.J. Res. 41: Mr. AKAKA, Mr. BONER of Tennessee, Mr. CONYERS, Mr. ORTIZ, Mr. SOLOMON, and Mr. STANGELAND.

H.J. Res. 49: Mr. COBEY and Mr. MORRISON of Washington.

H.J. Res. 76: Mr. WYLIE, Mr. MATSUI, Mr. BLILEY, Mr. PANETTA, Mr. BONIOR of Michigan, Mr. GREGG, Mr. DANNEMEYER, Mr. LANTOS, Mr. GREEN, Mr. WAXMAN, Mr. DOWDY of Mississippi, Ms. KAPTUR, Mr. ENGLISH, Mr. DERRICK, Mr. KOLTER, Mr. VALENTINE, Mr. SWINDALL, Mrs. MARTIN of Illinois, Mr. MINETA, Mr. HEFTEL of Hawaii, Mr. HORTON, Mr. MOLLOHAN, Mr. HUGHES, Mr. BIAGGI, Mr. PASHAYAN, Mr. DIOGUARDI, Mr. HUBBARD, Mr. JONES of North Carolina, Mr. DYMALLY, Mr. FROST, and Mr. NEAL.

H.J. Res. 78: Mr. UDALL, Mr. HORTON, Mr. KASTENMEIER, Mr. ERDREICH, Ms. KAPTUR, and Mrs. BOXER.

H.J. Res. 79: Mr. BONIOR of Michigan, Mr. BOSCO, Mr. WYLIE, Mr. CHAPPIE, Mr. BURTON of Indiana, Mr. WAXMAN, Mr. VANDER JAGT, Mr. BARNARD, Mr. MAZZOLI, Mr. GALLO, Mr. HUGHES, Mr. SWINDALL, and Mr. THOMAS of Georgia.

H.J. Res. 85: Mr. EARLY, Mr. STOKES, Mr. STUMP, Mr. YOUNG of Missouri, Mr. GALLO, Mrs. HOLT, Mr. KILDEE, Mrs. KENNELLY, Mr. DOWDY of Mississippi, Mr. WIRTH, Mr. SKEEN, Mr. LELAND, Mr. ROE, Mr. SMITH of New Jersey, Mr. YOUNG of Alaska, Mr. HAYES, Mr. FORD of Michigan, Mr. GRADISON, Mr. WEISS, Mr. FASCELL, Mr. MONTGOMERY, Mr. DWYER of New Jersey, Mr. COUGHLIN, Mr. DELLUMS, Mr. BARNES, Mr. AUCOIN, Mr. FRANK, Mr. DIXON, Mr. BONER of Tennessee, Mr. FLIPPO, Mr. LEVINE of California, Mr. STRANG, Mr. SOLARZ, Mr. HAMMERSCHMIDT, Mr. NATCHER, Mr. HAWKINS, Mr. FOLEY, Mr. PURSELL, Mr. ROBERTS, Mr. LEWIS of California, Mr. HENDON, Mr. SILJANDER, Mr. MILLER of California, Mr. ROBERT F. SMITH, Mr. CAMPBELL, Mr. HOWARD, Mr. MAVROULES, Mr. COYNE, Mr. LEHMAN of Florida, Mr. NEAL, Mr. JEFFORDS, Mr. DEWINE, Mr. FUQUA, Mr. ACKERMAN, Ms. MIKULSKI, Mr. DANIEL, Mr. SMITH of Florida, Mr. RICHARDSON, Mr. YATRON, Mr. AKAKA, Mr. BOEHLERT, Mr. MADIGAN, Mr. BEVILL, Mr. RODINO, Mr. CALLAHAN, Mr. TOWNS, Mr. SCHUMER, Mr. WHEAT, Mrs. LLOYD, Mr. MCCAIN, Mr. BERMAN, Mr. HOYER, Mr. OLIN, Mr. FAZIO, Mr. CONYERS, Mr. DAUB, Mr. SLAUGHTER, Mr. HANSEN, Mr. BARTON of Texas, Mr. HUTTO, Mr. GONZALEZ, Mr. ASPIN, Mr. KANJORSKI, Mr. DONNELLY, Mr. NELSON of Florida, Mr. LOEFFLER, Mr. FISH, Mr. ROSE, Mr. HORTON, Mr. KOLTER, Mr. LIGHTFOOT, Mr. MCGRATH, Mr. NICHOLS, Mr. CARPER, Mr. MARTINEZ, Mr. HILER, Mr. RANGEL, Mr. BADHAM, Mr. WEAVER, Mr. BURTON of California, Mr. HUGHES, Mr. MACKAY, Mr. BIAGGI, Mr. TALLON, Mr. BORSKI, Mr. HEFNER, Mr. BARTLETT, Mr. SHAW, and Mr. LIVINGSTON.

H.J. Res. 105: Mr. BARNARD, Mr. BENNETT, Mr. BERMAN, Mr. BLAZ, Mr. BOEHLERT, Mr. COUGHLIN, Mr. DASCHLE, Mr. DREIER of California, Mr. EARLY, Mr. EDGAR, Mr. FISH, Mr. FLORIO, Mr. FORD of Tennessee, Mr. GALLO, Mr. JONES of Oklahoma, Mr. KOLTER, Mr. MARKEY, Mr. MARTINEZ, Mr. MRAZEK, Mr. ROBINSON, Mr. TRAFICANT, and Mr. YOUNG of Missouri.

H.J. Res. 112: Mr. COATS, Mr. OWENS, Mr. CARNEY, Mr. IRELAND, Mr. PACKARD, Mr. BENNETT, Mr. YOUNG of Alaska, Mr. HENDON, Mr. BORSKI, Mr. WIRTH, Mr. TOWNS, Mr. QUILLEN, Mr. COYNE, Mr. MARTIN of New York, Mr. HATCHER, Mr. STARK, Mr. LANTOS, Mr. VALENTINE, Mr. SMITH of Florida, Mr. KASICH, Mr. GREEN, Mr. HOYER, Mr. SIKORSKI, Mr. MOLINARI, Mr. BONIOR of Michigan, Mr. RICHARDSON, Mr. DWYER of New Jersey, Mr. MOAKLEY, Mr. ORTIZ, Mr. DENNY SMITH, Mr. BARNES, Mr. LEWIS of California, Mr. LAFALCE, Mr. PEPPER, Mr. SKELTON, Mr. UDALL, Mr. MAVROULES, Mrs. BYRON, Mr. HEFTEL of Hawaii, Mr. HORTON, Mr. SYNAR, and Mr. LOWERY of California.

H.J. Res. 121: Mr. EARLY, Mr. FISH, Mr. SABO, Mr. BURTON of Indiana, Mr. TRAFICANT, Mr. MAZZOLI, Mr. HUGHES, Mr. LEVIN of Michigan, Mr. CONTE, Mr. MILLER of Ohio, Mr. WAXMAN, Mr. MOODY, Mr. FEIGHAN, Mr. KOLTER, Mr. LIGHTFOOT, Mr. HERTEL of Michigan, Mr. HORTON, Mr. MARTINEZ, Mr. BADHAM, Mr. DAUB, Mr. WEAVER, Mr. ROSE, Mr. GALLO, Mr. STRANG, Mr. SMITH of New Jersey, Mr. BORSKI, Mr. YOUNG of Florida, and Mr. ROBINSON.

H. Con. Res. 34: Mr. ARMEY, Mr. DWYER of New Jersey, Mr. FASCELL, Mr. FUQUA, Mr. HYDE, Mr. LOTT, Mr. PORTER, Mr. STUMP, Mr. UDALL, and Mr. WRIGHT.

H. Con. Res. 35: Mr. GRAY of Illinois, Mr. DAVIS, Mr. DARDEN, Mr. HILLIS, and Mr. GALLO.

H. Con. Res. 40: Mr. DUNCAN, Mr. MRAZEK, Mr. KILDEE, Mrs. BENTLEY, Mr. JEFFORDS, Mr. RIDGE, Mr. MCGRATH, Mr. LIGHTFOOT, Mr. DAUB, Mr. EMERSON, Mr. FISH, Mr. DASCHLE, Mr. WAXMAN, Mrs. SMITH of Nebraska, Mr. KOLTER, Mr. ROBERTS, Mr. GALLO, Mr. HYDE, Mr. WILSON, Mr. PASHAYAN, Mr. FEIGHAN, Mr. COATS, Mr. GEKAS, Mr. BORSKI, and Mr. SIKORSKI.

H. Res. 20: Mr. BENTLEY, Mr. FEIGHAN, Mr. MINETA, Mr. VOLKMER, Mr. FORD of Michigan, Mr. ATKINS, Mr. BARNES, Mr. IRELAND, Mr. VANDER JAGT, Mr. YOUNG of Missouri, Mr. NEAL, Mrs. BOGGS, Mr. HENRY, Mr. WATKINS, Mrs. BOXER, Mr. WHEAT, Mr. LEVINE of California, Mr. FOGLIETTA, Mr. LANTOS, Mr. BEDELL, Mr. PURSELL, Mr. FISH, Mr. EVANS of Illinois, Mr. STUDDS, Mr.

DICKS, Mr. MURTHA, Mr. ORTIZ, Mr. FOLEY, Mr. BERMAN, Mr. WOLPE, Mr. SLATTERY, Mr. CROCKETT, Mr. JENKINS, Mr. CARPER, Mr. SUNIA, Mr. DURBIN, Mr. MAZZOLI, Mrs. KENNELLY, Mr. ROSE, Mr. DOWNEY of New York, Mr. KILDEE, Mr. LEACH of Iowa, Mr. GUARINI, Mr. MARTINEZ, Mr. DOWDY of Mississippi, Mr. HATCHER, Mr. MOAKLEY, Mr. COURTER, Mr. BORSKI, Mr. SYNAR, Mr. SCHUMER, Mr. MILLER of Ohio, Mr. SWIFT, Mr. JONES of North Carolina, Mr. STARK, Mr. DERRICK, Mr. RITTER, Mr. HOYER, Mr. SMITH of New Jersey, Mr. HOWARD, Mr. HENDON, Mr. KASICH, Mr. BIAGGI, and Mr. RUSSO.

H. Res. 22: Mr. BENNETT, Mr. DELLUMS, Mr. TORRICELLI, Mr. CHAPPIE, Mr. LAGOMARSINO, Mr. BARTON of Texas, Mr. HORTON, Mr. ENGLISH, Mr. BERMAN, Mr. OWENS, Mr. LEHMAN of Florida, Mr. ROE, Mr. THOMAS of Georgia, Mr. LELAND, Mr. DWYER of New Jersey, Mr. MYERS of Indiana, Mr. CROCKETT, and Mr. BIAGGI.

H. Res. 24: Mr. O'BRIEN, Mr. HORTON, Mr. TAYLOR, Mr. FRENZEL, Mr. FISH, Mr. BILIRAKIS, Mr. DORNAN of California, and Mr. SHUMWAY.

H. Res. 31: Mr. BONIOR of Michigan, Mr. WAXMAN, Mr. YATRON, Mr. BOEHLERT, Mr. MAVROULES, Mr. ADDABBO, Mr. CLINGER, Mr. SKELTON, Mr. HAYES, and Mr. DELLUMS.

H. Res. 37: Mr. JONES of North Carolina, Mr. KOLTER, Mr. WORTLEY, Mr. HEFTEL of Hawaii, Mr. CROCKETT, Mr. FROST, Mr. DWYER of New Jersey, Mr. COELHO, and Mr. SOLARZ.

EXTENSIONS OF REMARKS

THE UNIVERSITY OF GEORGIA AT 200

HON. GEORGE (BUDDY) DARDEN
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. DARDEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

Mr. Speaker, shortly after the close of the American Revolution, the Georgia General Assembly meeting in the southern port city of Savannah, took the first step in establishing public-sponsored higher education in America. On that day in 1785, Georgia became the first of the growing United States to grant a charter for a university supported by the State. This decision by Georgia legislators set a precedent whereby States would provide for the higher education of their citizens.

On January 27 of this year, the University of Georgia celebrated its 200th birthday. Since the day in 1801 when 10 of the university's first students earned bachelor of arts degrees, the University of Georgia has grown to be a major teaching, research and service institution. Covering some 42,000 acres, this fine institution serves over 25,000 students with its 13 colleges and 1,800 faculty members. In addition, off-campus centers and experiment stations carry the university's influence through the entire structure of education in Georgia by leading the pace of achievement and creating a climate of intellectual and cultural development for all units of the State's university system.

Mr. Speaker, I can attest to the quality of this institution from the many years I spent there as a student. I earned my bachelor of arts degree from the College of Arts and Sciences at the University of Georgia in 1965. I continued my education there and received my juris doctorate from the university's school of law in 1967. In 1966, I had the honor of serving as president of the student body. Over the years, I have realized the importance in my life of the quality education this fine university afforded me.

The following is an article written by a distinguished University of Georgia graduate, Jasper Dorsey. "The University of Georgia at 200" appeared in the January 1985 edition of Delta Airlines' Sky magazine, of which he is a contributing editor. Mr. Dorsey spent some 15 years working in Washington, DC, with American Telephone & Telegraph. Now retired as vice president of Georgia operations from Southern Bell, Mr. Dorsey lives in Atlanta, GA. He is generally recognized as one of the University of Georgia's most loyal and dedicated alumni. Mr. Dorsey has also served as president of the University of Georgia Alumni Association and is a member of the Sphinx Honor Society, the highest honor any student or alumnus can obtain. His numerous civic and charitable activities are legend. His article on the University of Georgia's bicentennial celebration emphasizes the importance of this anniversity not only to the State of Georgia, but to the concept of public-sponsored education in America as we know it today.

THE UNIVERSITY OF GEORGIA AT 200

(By Jasper Dorsey)

January 27, 1985, marks the 200th birthday of the University of Georgia. On that day in 1785, Georgia's General Assembly in Savannah approved a charter for the first state institution of higher learning in the fledgling United States.

But this bicentennial celebrates more than just a 200th birthday. It is a celebration of the establishment of public-sponsored higher education in America, one of the nation's greatest innovations and most significant ideas. It commemorates a revolution in higher education; before this, the few colleges that existed were church schools.

The success of state institutions of higher learning has been a major factor in making the American educational system the envy of the world. There are currently about 1,500 state universities and colleges in the U.S., and all have followed Georgia's example.

For Georgia's leaders to start a state university was an incredible event, considering the state had a population of less than 80,000 and was the weakest, youngest, and least populous of the 13 states at the time. The Colony had been founded only in 1733. Moreover, nine-tenths of the state was controlled by Indians.

The real founding might logically go back a year earlier to February 25, 1784, when the Georgia legislature appointed eight trustees and granted 40,000 acres of land in Washington and Franklin counties to endow a "college or seminary of learning."

Even more remarkable was that it happened only five months after the treaty of peace had granted the U.S. independence. When peace came, the economy was in shambles. Remember, too, that the Continental Congress still governed the infant nation, there was yet to be a Constitutional Convention, and George Washington was elected President several years later.

The answer to why it happended is fascinating. Before and after the revolution, there had been a sizeable migration from Virginia, Maryland, North and South Carolina, and Connecticut into the state. Among the new residents were individuals of exceptional ability, education, and leadership who saw north and middle Georgia as areas of great opportunity. The 1790 census showed nearly half of Georgia's 82,000 population lived in the northeast section of the state.

One of these exceptional men was Abraham Baldwin, who came to help start a college by invitation of Governor Lyman Hall, a Yale graduate. Baldwin, born in 1754, graduated from Yale in 1772, studied for the ministry, and was licensed to preach in 1775. He taught at Yale, and subsequently took a chaplaincy in the Revolutionary Army. Admitted to the Bar at war's end, he came to Georgia at age 31. Baldwin was chosen from Wilkes County as one of the eight trustees of the lands set apart for the University in 1784. He was elected to the legislature in 1785, then to the Continental Congress. He also helped draft the U.S. Constitution, then served in the U.S. House and Senate.

The University of Georgia's Charter, drafted by Baldwin, was adopted on January 27, 1785. Two governing bodies were established: a Board of Visitors and a Board of Trustees. Together, they were called the "Senatus Academicus of the University of Georgia." The Visitors were the Governor, Superior Court Judges, and the State Senators; the Trustees were composed of the old Board of Landlords, with six new members.

The concept included all elementary schools, with the University at the top. All schools receiving state aid were part of the university. No person was to be excluded because of religious denomination. It produced an overall plan of education free of sectarian or religious control. This was unique.

The preamble of Baldwin's Charter gives eloquent reasons why the state needed a college:

"As it is the distinguishing happiness of free governments that civil Order should be the Result of choice and not necessity, and the common wishes of the People become the Laws of the Land, their public prosperity and even existence very much depends upon suitably forming the minds and morals of their Citizens. When the Minds of people in general are viciously disposed and unprincipled and their Conduct disorderly, a free government will be attended with greater Confusions and with Evils more horrid than the wild, uncultivated State of Nature. It can only be happy where the public principles and Opinions are properly directed and the Manners regulated. This is an influence beyond the Stretch of Laws and punishments and can be claimed only by Religion and Education. I should therefore be among the first objects of those who wish well to the national prosperity to encourage and support the principles of Religion and Morality, and early to place the youth under the forming hand of Society that by instruction they may be moulded to the love of Virtue and good Order."

To put it simply, they believed a stable, effective government of the people, by the people, and for the people, could only be maintained if those people were educated. It was a revolutionary idea, indeed. It was also leadership at its best.

The war's devastation had so impoverished Georgia that the land could not be sold to raise funds. There was wrangling, too, over the proper site for the school.

A high hill near a spot known as Cedar Sholas on the Oconee River was selected as

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

the place from which "knowledge should go out to the people." John Milledge, friend to Thomas Jefferson and member of the Senatus Academicus, bought 633 acres he was particularly pleased with, because of the hill and its fine spring of water which flowed down the side. This he gave to the University. Since the idea of an educated citizenry came from ancient Greece, what better name for the town than Athens?

Josiah Meigs, formerly a student of Baldwin's at Yale and a professor there, was employed at a salary of $1,500 per annum and given $400 to move his family to Athens. On June 16, 1801, Baldwin resigned the presidency in favor of Meigs, who assumed the awesome task of building a college in this forest on the edge of civilization. Meigs, a classmate of Noah Webster at Yale, was equal to the challenge. He got permission from the Cherokee Indians to bring materials through their boundaries. Classes were opened in 1801. Ten earned A.B. degrees in 1804.

A permanent building, named Franklin College (after Benjamin Franklin) was half-completed in 1805 and finished the next year. It was a large, three-story brick structure patterned after the main building at Yale. "Better accommodations for students can't be found in any college in the United States," announced the proud president. They even had an insurance policy.

North Carolina chartered a college almost five years after Georgia, but was able to admit students in 1795 because the older state had greater resources. South Carolina opened a college in 1805. All were small; even the oldest, Puritan Harvard, had only three professors and a president. Congregationalist Yale had only 100 students in 1795.

The administrations of the Reverend Moses Waddel (1819-1829) and Alonzo Church (1829-1859) were greatly significant. Since the measure of any university is the performance of its graduates, consider the achievements of the college graduates from 1821-1844: one U.S. Supreme Court Justice; two U.S. Senators; 11 Congressmen; one U.S. Cabinet member; one Speaker of the U.S. House; 11 Justices of State Supreme Courts; seven Governors; six University and College Presidents; four Ministers to foreign nations; four General Officers in the Confederate Army; three world-famed authors; and one renowned doctor. All from a mere 494 graduates. One of the authors was Thomas R.R. Cobb, '41, who codified the English Common Law into Cobb's Digest. He was 35. The great doctor was Crawford W. Long, '35, who discovered anesthesia, and ranks with Pasteur, Lister, and Jenner in the annals of medical history. One of the University presidents, John Le Conte, was the founder of the University of California.

The William E. Boggs Administration (1888-1899) recruited an exceptional faculty, which in turn produced a great number of extraordinary alumni for a period of 50 years. One of these teachers was a famous scientist named Charles Herty, class of '86. He invented a new technique for extracting resin from pines without destroying the trees, and demonstrated that slash pine made excellent paper. He then greatly enhanced the naval stores business and created a vast new paper industry. Boggs also brought intercollegiate athletics to Georgia; Herty became football coach in 1892.

How is UGA performing today, with its 25,000 students, 1,888 faculty, and 131,725 alumni? It's world-class in research and other areas.

Its public service programs are perhaps the largest and most comprehensive conducted by any U.S. institution. In 1984, the W. K. Kellogg Foundation, impressed with the stewardship of its 1953 grant for establishing the Georgia Center for Continuing Education, provided UGA with an additional $8.4 million to establish a National Center for Leadership Development in Adult and Continuing Education. With added state funding, $15 million will go to the Center.

UGA athletic programs have prospered, too. In 1984 alone they produced NCAA championships in men's and women's tennis, women's golf, and men's 400 meter relay track. At the Olympics, UGA athletes won gold metals on both the men's and women's basketball teams. The University became a national football power long ago. Athletic director and head football coach Vince Dooley let the Bulldogs to a 21-year record of 170-61-7 through half the '84 season. He has the nation's best score card for the four years since 1980 (43-4-1), including the 1980 national championship.

Under President Fred C. Davison, UGA is launching a bold initiative as it enters its third century of academic leadership, research, and service. One venture is the establishment of a center for research excellence in advanced computer technology to consolidate UGA's recent ascendance in large, high-performance computer systems.

Only three other U.S. universities have one supercomputer. UGA has two: a Central Data Corp. CYBER 205, and a CYBER PLUS, giving it a leading role in supercomputer development, with the software to match. ETA Systems Inc., is locating its software development division at UGA as a result.

In addition to eminence in genetics, another research example involves biomass, organic material produced by living organisms. Scientists at UGA have achieved a breakthrough in all aspects of production and conversion into food, fiber, and energy. Because Georgia has the geography, climate, and water resources which few states can match, its economy and people can accrue huge financial benefits. The goal is unlimited in creating a new economic base that's nonextractive.

Upon the 200th anniversary of this revolution in higher education, UGA is still on a roll. New ideas—"Those immortal children of the mind"—are being created, old and new mysteries explored; so the pure excitement which attends all such great adventures continues to rise, undiminished.●

NATIONWIDE CENTER TO MEET TELECOMMUNICATIONS NEEDS OF SPEECH AND HEARING-IMPAIRED CITIZENS ESTABLISHED IN RESTON, VA

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. WOLF. Mr. Speaker, I recently attended the dedication ceremonies for a new nationwide TDD Center established by AT&T in Reston, VA, in my congressional district. I want to bring this new center's services to the attention of my colleagues and commend AT&T for providing this valuable service for the Nation's speech and hearing-impaired citizens.

AT&T has established two nationwide centers to meet the special equipment and long distance telecommunications needs of speech and hearing-impaired persons, the one recently established in Reston and a second center located in New Jersey.

Account representatives at the company's Nationwide TDD Center in Reston are trained to respond to inquiries from TDD users on a variety of long distance services and promotions, including billing problems.

TDD's [telecommunications devices for the deaf] are used by the speech and hearing-impaired to communicate over telephone lines. Basically, a TDD user sends a written, rather than verbal message, from one machine to another.

TDD users can reach the Nationwide TDD Center by dialing toll free 1-800-222-4474—TDD only. Citizens without a speech or hearing impairment can continue to find out about AT&T long distance services by dialing 1-800-222-0300.

In addition to long distance, the company also has a National Special Needs Center in Parsippany, NJ, to deal with questions about equipment for the speech and hearing-impaired. Customers can reach the National Special Needs Center by dialing toll free 1-800-833-3232 (TDD only) or 1-800-233-1222—voice only.●

OUR TAX LAWS

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. BOEHLERT. Mr. Speaker, the IRS has demonstrated again its never-ending ability to bungle simple tax laws. I am referring to the burdensome, time-consuming requirement that businesses and individuals who take tax deductions for autos and other property used in their daily work keep detailed records of their use.

Congress slipped a provision requiring "adequate contemporaneous records" into law without ever discussing the idea in either of the tax-writing committees, and then left it up to the IRS to write in the details. What a mistake. The original IRS regulations required a journal with separate entries made every time business property, such as an auto, truck or personal computer, is used for any purpose. The entries have to include the date of each use, the name of the user, the number of miles driven or the amount of time used, and the specific purpose of the use. Any personal use of the vehicle, such as a run to the McDonald's for lunch, would have to be equally well-documented.

Now, in response to the flood of justifiably angry mail that you and I and the Treasury have received, the IRS has simplified those recordkeeping requirements. Now we have four different categories of usage, each with its own definitions, rules, requirements, and limits. Some simplicity.

Mr. Speaker, the hassles of complying with these regulations fall not just on a major corporation like AT&T, with more than 22,000 service vehicles on the road—and I ask you to consider the enormous cost that the consumer would pay to keep track of all those vehicles—they also fall on every farmer with a pickup truck, every salesperson, electrician, plumber, and repair person with a car or truck, and on every young entrepreneur with a new personal computer. The burden will fall heaviest on those small businesses that are the backbone of our economy, and the spearhead of our economic recovery.

These people do not have the time to keep detailed diaries for the Federal Government. The average American pays his fair share of taxes, complies with the law, and doesn't need this form of Big Brother harassment.

Mr. Speaker, I urge my colleagues to support all efforts to return to the previous standard of "adequate records or * * * sufficient evidence corroborating his own statement," and repeal that provision of the Tax Reform Act of 1984 which calls for "adequate contemporaneous records."●

LEGAL SERVICES FUNDING AND EDWIN MEESE'S ATTORNEY FEES

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. FRANK. Mr. Speaker, I want to include the list of States that receive less or equivalent funding to Mr. Meese's attorney fees of $720,924 to provide legal services to all the poor people in the State. Mr. Meese and the Reagan administration have opposed funding for the Legal Services Corporation in five budget requests, but ask the taxpayers to pay his legal fees. Is Mr. Meese more worthy of legal representation than all the poor in six States?

North Dakota—$721,257 in fiscal year 1985 LSC funding.

South Dakota—$670,104 in fiscal year 1985 LSC funding.

Nevada—$555,456 in fiscal year 1985 LSC funding.

New Hampshire—$676,815 in fiscal year 1985 LSC funding.

Vermont—$643,635 in fiscal year 1985 LSC funding.

Delaware—$533,510 in fiscal year 1985 LSC funding.●

KIM DAE JUNG

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. MARKEY. Mr. Speaker, Kim Dae Jung, one of the foremost leaders of the political opposition in South Korea, is today returning to his homeland.

His return is a turning point for democracy in South Korea.

It is also an occasion for Americans to reaffirm our commitment to human rights and democracy.

Too often it is tacitly assumed that standing up for the principles of democracy and human rights is something that must be balanced against American security interests. I say that American principles and American security are in harmony, not in tension.

We learned in the Philippines, we learned in Nicaragua, and we learned in Iran that when we compromise on our principles for illusory short-term security interests, we invite catastrophe for our principles and for our strategic interests as well.

There is only one standard for human rights. And that standard applies to every person in the world.

It applies to people in the United States, and it applies to people in Korea. It applies to people in the Soviet Union, in Chile, in El Salvador, in South Africa, in Afghanistan, and in Poland.

We cannot measure human rights with a flexible standard.

And we cannot give the people of the world the impression that we believe in human rights for our adversaries, but not our friends.

Our position must be clear, strong and unmistakeable: Friends of America are friends of human rights.

I welcome the Chun Doo Hwan government's announcement that Kim will not be imprisoned on his return. That is a good start. But it is a start on a journey of a thousand miles toward full democracy in Korea.

To Mr. Kim, I wish Godspeed and good luck on his return, and more importantly, in the months and years to come. It is my hope that his return to the public life of South Korea will form part of the transition to full democracy in that country.●

IRAN RENOUNCES PROVISIONS OF THE UNIVERSAL DECLARATION OF HUMAN RIGHTS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. PORTER. Mr. Speaker, congressional human rights caucus calls attention to recent actions by the Khomeini regime which greatly increases the jeopardy facing the Baha'i community in Iran.

The Iranian Government has announced the adoption of a so-called law requiring prisoners to sign a pledge denying possession of any object referring to the Baha'i faith. Any prisoner found with religious objects will be considered among those "who war against God." This phrase is often used by the revolutionary regime to signify a crime deserving the death penalty. Even without this law, over 170 Baha'is have been murdered, and hundreds have been imprisoned as a result of their faith. The horrible implications of this new law on the Baha'is, including increased executions and imprisonment, can only be imagined.

Another incredible and unconscionable development occurred at the United Nations on December 7, 1984, when Iran's ambassador announced that his country would not hesitate to violate provisions of the Universal Declaration on Human Rights. Iran is the first nation ever to deny the validity of the declaration in the 36 years since it was adopted.

I urge my colleagues to join the caucus in renouncing these recent actions by the Iranian Government and urge them to raise their voices in protest against the abuses suffered by Iran's Baha'i community.●

THE STATE OF THE UNION

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. BROOMFIELD. Mr. Speaker, I am certain that my colleagues join me in commending the President for a State of the Union Address that was full of substance and hope for all Americans. The President is to be praised for his accomplishments during the past 4 years. He rightly challenged Congress and the American people to stand by him and work with him to build an even better America in the future.

By all standards, America is stronger, freer and more secure than before. The President is justly proud of American's accomplishments during the past few years. There has been robust growth in the economy, with the lowest inflation rate in many years. New jobs have been created and unemployment is down. This industrial giant is again awakening and we are witnessing the miracles of a free society. The President's efforts to lower income tax have borne fruit. More, however, must be done.

The Congress must help the President in his continuing efforts to start

more businesses in order to create more jobs. Our country's depressed urban areas can be reborn with the proposed enterprise zones concept. The President's tax simplification proposals will further stimulate our Nation's economic progress.

In the past few years, we as a nation have regained our confidence and have reestablished credibility with our allies around the world. We have extended a helping hand to underdeveloped Third World nations with trade and assistance and have helped them foster economic development through personal incentives. We have also assisted the struggling democracies in Central America and have curtailed some of the Sandinistas' efforts to export its failed revolution to the region. How can any democratic nation idly stand by and watch its democratic neighbors to the south be slowly absorbed into the Cuban-Nicaraguan sphere of influence? More must be done. We must help the determined freedom fighters in this hemisphere as well as assist those working to regain their homeland, Afghanistan, from the grasp of the Russian bear.

In a difficult and threatening world, we must be realistic. We must maintain a sound defensive posture. I am confident that our recent military rebuilding efforts have convinced the Soviets to come to the arms control bargaining table. I wish the President well in the upcoming negotiations in Geneva. Let us hope that the Soviets can be convinced that an arms race is sheer lunacy. We must challenge the Soviets to show their commitment to arms control by actions, not just by words, during this important negotiating period.

I support the President in asking that we in the Congress join together to make the second American revolution a reality. By working with him as patriotic Americans, we can make America a better, more prosperous and more secure nation. Much remains to be done. The choice is ours. Our efforts can make a difference in the direction that this great Nation takes. I believe that all of us will accept this challenge.

The President is to be commended for the tone and thrust of his address. He needs our support in the difficult years ahead. I am confident that all of my colleagues on both sides of the aisle will join me in saluting President Reagan's accomplishments and committing ourselves to a joint attack on the problems which trouble our Nation.●

CONDITIONS OF LAND CONSOLIDATION BETWEEN NANA REGIONAL CORP. AND THE UNITED STATES

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. YOUNG of Alaska. Mr. Speaker, I am introducing legislation to authorize and ratify the terms and conditions of a land consolidation and exchange between NANA Regional Corp., Inc., a corporation organized pursuant to the provisions of the Alaska Native Claims Settlement Act, and the United States, acting through the Department of the Interior. The agreement negotiated by NANA and the Secretary is, by its own terms, specifically subject to authorization and ratification by Congress before it becomes effective.

The exchange will accomplish three major objectives of concern to the United States. First, it will enhance the opportunities for NANA to fulfill the economic purposes of the Alaska Native Claims Settlement Act by the development of NANA's Red Dog Mine, a major lead-zinc deposit, and thus provide for the social and economic needs of NANA's shareholders.

Second, the exchange will benefit the Krusenstern National Monument and therefore the interest of the public in the ownership and management of public lands.

Finally, the exchange will benefit the United States, because of the development of Red Dog will increase U.S. recoverable reserves of zinc by more than 33 percent, from 25 million tons to almost 40 million tons of metal. When in full production, Red Dog will produce 300,000 tons of zinc per year, almost doubling U.S. annual production. U.S. mines now produce less than one-third of the annual zinc requirements of the United States of 1 million tons and Red Dog will increase annual production to two-thirds of that amount. In addition, our balance of payments will be helped, for exports will total about $250 million a year in current dollars, about one-third of which will be with Japan.

The background is this: NANA, pursuant to the Settlement Act, selected and received lands that contain a major lead-zinc deposit. NANA negotiated an agreement with Cominco Alaska to develop its deposits, known as the Red Dog Mine. Timely development of the deposits is extremely important to NANA if its Native shareholders are to enjoy all of the potential benefits of the Settlement Act. It is estimated that when fully developed, the mine will employ approximately 400 individuals, most of whom will be residents of the NANA region and NANA shareholders. The estimated life of the mine is 50 years, and the annual income from these jobs is estimated to be approximately $15 million.

At the present time, there is no economic base within the NANA region that can offer even remotely sufficient job opportunities to the residents, with the result that many seek employment outside the region, with all of the attendant dislocation. Development of the Red Dog Mine will change that.

The mine is landlocked, and it is located north of the Cape Krusenstern National Monument. To develop the mine, an access road and port site must be constructed.

A September 1984 environmental impact statement for the Red Dog Mine project determined that the environmentally preferred as well as economically acceptable route was across the monument.

NANA owns lands and conveyance rights in lands totaling approximately 195,043 acres within the monument. While not all of the lands subject to selection by NANA within the monument ultimately will be conveyed to NANA, it is anticipated that substantial acreage will be.

In order to facilitate access to the Red Dog Mine, NANA proposed a land exchange to the Department, whereby NANA would exchange lands conveyed to it and lands subject to conveyance to it within the monument for other lands within the monument. These lands then could be used for the environmentally perferred and economically accepted access road. All required Federal and State permits would still be needed, however, before the road could be constructed. While access could be sought across the monument pursuant to title XI of the Alaska National Interest Lands Conservation Act, by what in effect is a Federal right-of-way, title XI is an untested procedure for obtaining congressional approval of a right-of-way, and NANA believes at this time that it is in NANA's best interest to seek a legislative land exchange. That will eliminate any uncertainty attendant on a title XI application. However, it is in NANA's best interest only if the legislation ratifying and authorizing the exchange is enacted promptly.

Ths proposed exchange consists of the following major provisions:

First, a consolidation of land ownership into contiguous patterns that would provide administrative and resource management benefits to the United States and provide NANA with a block of land meeting its access needs.

Second, NANA would receive: (a) title to approximately 62,084 acres of Federal lands within the monument and 600 acres of limited subsurface estate, concentrating its holdings at

the northwestern and southeastern corners of the monument; (b) easements for two winter use trails between Kivalina and Noatak across the monument and other Federal lands; and (c) title to approximately 1,915.25 acres outside the monument. NANA would also take conveyance to 31,884.67 acres of lands in the northwest corner of the monument to which it already has vested rights pursuant to ANCSA. This would consolidate NANA's in-holdings within the monument.

Third, the United States would receive from NANA:

(a) Conveyance of 1,345 acres of coastal land and relinquishment of selections and selection rights to approximately 103,338 acres within the monument. Coastal land is more important from an archeological standpoint and having this land in Federal ownership is important;

(b) A grant in perpetuity of an easement and public use and occupancy rights for a 5-acre administrative tract at the Onion Portage Archeological District at Kobuk Valley National Park;

(c) Equitable servitudes and conservation easements for the protection and study of resource values on 10,942 acres of land near Sheshalik—an important cultural resource area along the coast;

(d) Interests and easements for the protection and study of resource values within the 65,274-acre block which would be crossed by the Red Dog Mine road. These include protections which are essentially the same as would be attached to an approved title XI right-of-way;

(e) Trail easements providing for public access across NANA lands to monument lands; and

(f) For purposes of administrative convenience and to effect the land consolidation within the monument, NANA will take conveyance to 31,884.67 acres of Settlement Act selections within the northwest corner of the monument. This "spent" acreage entitlement may diminish NANA's potential conveyances within other units of conservation systems within the NANA region.

Mr. Speaker, in my opinion, the exchange clearly benefits NANA by facilitating development of its Red Dog Mine and benefits and protects the interests of the United States. It provides the United States an opportunity to reduce private inholdings in the Cape Krusenstern National Monument, consolidate land ownership patterns within the monument, and it resolves the long-term status of major portions of the Federal and non-Federal lands. It provides for manageable land units and gains additional protective and study provisions that might not otherwise exist for park resources on NANA's private land holdings. Easements also are established which provide for general public access to Federal lands and waters and an administrative site is provided at a key location in the Kobuk Valley National Park.

The agreement also protects vital subsistence values. NANA is most sensitive to the subsistence needs of its people and has provided for this protection both in the agreement NANA negotiated with Cominco and in the land exchange negotiated with the Department. Section 810 of the Alaska National Interests Land Conservation Act requires that if an exchange such as this were accomplished administratively, the agency head or his designee must evaluate the effect of such action on subsistence uses and needs, the availability of other lands for the purposes sought to be achieved and other alternatives which would reduce or eliminate the disposition of public lands needed for subsistence purposes. A subsistence evaluation was prepared by the Department. That evaluation concludes that the exchange will not significantly restrict subsistence uses. NANA's potential development activities will be subject to strict environmental safeguards and restrictions, developed by NANA, in consultation with appropriate State and Federal agencies; significant displacement of fish and wildlife is, therefore, not expected to occur, and any relocation of resources utilized for subsistence purposes will not result in those resources becoming unavailable to the nearby residents. No significant restriction of subsistence uses is foreseen. NANA has provided stringent protections as part of the agreement.

In addition, formal consultation was undertaken with the Alaska Regional Office of the Fish and Wildlife Service and a biological opinion was provided concerning endangered species. The opinion concluded that the Arctic peregrine falcon is the only endangered species in the area of the proposed exchange, and that the exchange is not considered to jeopardize any falcons.

Also, in order to assure that the exchange and the activities resulting from the exchange will not adversely affect properties on or eligible for inclusion on the National Register of Historic Places, consultation was initiated with the Alaska State Historic Preservation Officer and the Advisory Council on Historic Preservation. Since the United States acquires lands of significant acreage with cultural resource values, and as a result of the significant restrictions on NANA's development activities, including provisions designed to prevent damage to cultural sites, both the State officer and the advisory council concluded that the exchange would have no adverse effect.

On the Federal level, the intergovernmental review of Federal programs was combined with the review of the proposed exchange by the State of Alaska pursuant to the Coastal Zone Management Act. The State was advised of the exchange and although the State did not agree that the exchange was consistent to the greatest extent practicable, it indicated that, if certain additional provisions were included in the exchange, it would be consistent with the State program. All but one or two of the suggested changes were agreed to by NANA and the Department and included in the agreement.

The National Park Service, as a matter of sound administrative practice and in order to understand fully the environmental impacts associated with this exchange, prepared a resource evaluation which is the functional equivalent of an environmental impact statement. That evaluation demonstrates that any environmental impacts associated with the land exchange can be mitigated to an acceptable degree and that the essential integrity of the monument's resources and values will not be undermined by the exchange, and instead that resource protection and management will be enhanced in several respects.

NANA and the Department formally advised the Alaska Land Use Council of the proposed exchange and it was given an opportunity to comment. A resolution of the council's land use advisers committee supported the exchange, and the council unanimously approved a resolution supporting the exchange.

Notice of the proposal also was published in the Federal Register advising the public of the availability of draft materials regarding the exchange, of a public meeting to be held on the subject May 1, 1984, at Anchorage, AK, and the opportunity for public comment at the meeting or in writing. Public comment was heard, received, and considered by the parties. In addition, NANA conducted village meetings throughout the region accompanied by National Park Service personnel to explain the land exchange.

Mr. Speaker, this proposed exchange is in NANA's best interests, the best interests of the Krusenstern Monument, and the best interests of the United States.●

REDUCED POSTAGE ON PACKAGES TO SOVIET UNION AND POLAND

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. BIAGGI. Mr. Speaker, today I am joined by my distinguished colleague, Mrs. KENNELLY, in reintroducing a bill to cut the price of postage in

half on parcels of food, clothing, and medicine sent from the United States to the Soviet Union and Poland.

This legislation seeks to encourage much needed personal assistance from Americans to persons in Poland and the Soviet Union. We have a responsibility to do whatever is possible to make life a little easier for those repressed people who are forced to live under Soviet tyranny. We cannot ignore the fact that Poles and Soviet Jews are not only routinely deprived of basic human rights, but also of basic human needs, such as food, clothing, and medicine.

Under this bill the reduced postage rates would be in effect for fiscal years 1986 and 1987 and would apply to any parcel of food, medicine, or clothing, which is addressed to a destination in Poland or the Soviet Union.

It should be noted, Mr. Speaker, that many Soviet Jews who apply to emigrate are often dismissed from their jobs and must rely on others for basic consumer goods. Reports from Poland indicate widespread malnutrition in Poland, with some 11 million Poles living at or below the subsistence level. Subsistence packages from the United States, then, serve as a vital lifeline to many in the Soviet Union and Poland.

According to the U.S. Postal Service, 167,480 parcels were sent from the United States to the Soviet Union in fiscal year 1984, with another 127,371 parcels going to Poland during that same period of time. The average weight of those parcels was 2.2 pounds. It costs approximately $22.50 to sent a 2.2-pound package by air mail from the United States to the Soviet Union, and $15.90 to send the same package to Poland. Under my proposal, those costs would be cut in half.

Mr. Speaker, reports from the Soviet Union and Poland indicate that the mail and packages the repressed people of those nations receive from abroad serve as their only source of hope. That hope must be allowed to continue and the bill I am introducing today would help to make that possible. I strongly urge that it be given prompt and favorable consideration.

At this time, Mr. Speaker, I wish to insert the text of the bill:

H.R. 1019

A bill to authorize reduced postal rates during fiscal years 1986 and 1987 for parcels of food, medicine, or clothing sent to Poland or the Union of Soviet Socialist Republics

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) effective during fiscal years 1986 and 1987, a parcel of food, medicine, or clothing, which is addressed to a destination in Poland or the Union of Soviet Socialist Republics, and which otherwise satisfies applicable postal requirements (whether established by statute, treaty, or regulation), may be mailed at a rate of postage equal to one-half of the rate which would otherwise apply if the provisions of this Act had not been enacted.

(b) The Postal Service shall prescribe such regulations as may be necessary to carry out subsection (a).

SEC. 2. Effective with respect to fiscal years 1986 and 1987, a reference in section 2401(c) or 3627 of title 39, United States Code, to section 3626 of such title (relating to reduced rates of postage) shall be deemed also to be a reference to the provisions of subsection (a) of the first section of this Act.●

IN SUPPORT OF THE MADE IN AMERICA ACT

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. KILDEE. Mr. Speaker, today I join a number of my colleagues in introducing the Made in America Act, legislation which is designed to restore a measure of competitive equity in the U.S. marketplace, thereby preventing or remedying the serious injury to the U.S. economy now occurring from foreign automobile imports.

Our domestic automobile industry is the backbone of this Nation's transportation system, one of our first lines of defense, and one of the largest employers in our Nation. More than 20 percent of the steel made in the United States, 12 percent of the primary aluminum, half of the malleable iron, and 60 percent of the synthetic rubber are used in automobile production. More than 50,000 businesses spread throughout every congressional district in the United States are directly based upon automobile production.

But as I stand before the House today, Mr. Speaker, the domestic automobile industry—so vital to the economic health of our Nation—is under assault from foreign nations who shield their own industries from the rigors of open competition while taking refuge in our Government's inaction. And they have seized upon this inaction as a means of capturing a lion's share of our Nation's domestic automobile market.

The increasing foreign share of our domestic automobile market has produced severe effects on our Nation's overall economy. This year's Federal budget deficit is projected to exceed $225 billion, and we are straining under a trade deficit that may well exceed $130 billion.

Two large contributors to our massive trade deficits have been our deficits with Japan, in general, and our automobile trade deficits, in particular. Since 1981, the U.S. auto trade deficit has more than doubled—from $11 billion to $27 billion. The chief beneficiary of this has been Japanese automakers. The $19 billion automobile trade deficit with Japan alone accounts for more than half of our overall $34 billion trade deficit with Japan.

Japan employs a complex set of nontariff barriers to exclude American-built automobiles from sale in its country while it enjoys the fruits of an open U.S. automobile market. The combined effect of Japan's barriers and our open markets resulted in Japan exporting more than 1.9 million cars into the United States last year while we exported less than 4,000 of our autos to Japan. The United States cannot continue to unilaterally open our markets to unlimited Japanese auto imports while Japan keeps its door shut to our exports.

While the health of the American auto industry has improved over the past year, there are far fewer production workers employed today than in 1978. Today, more than 62,000 autoworkers remain on indefinite layoff and many once thriving production facilities are closed forever.

There is no reason why the United States should permit the Japanese to have billions of dollars in additional market access while the American people should be made to pay for a $225 billion Federal deficit, a $130 billion trade deficit, and swelling unemployment rolls. Without reasonable import limitations, the current recovery of the domestic automobile industry and its suppliers will be seriously jeopardized.

The Made in America Act is a reasonable measure which addresses this most serious economic problem. It makes a finding that imported motor vehicles, other than motorcycles, are being sold in the United States in such quantities as to cause or threaten to cause injury to the domestic auto industry and its workers and specifies that its purpose is to prevent or remedy the injury consistent with article XIX of the General Agreement on Trade and Tariffs [GATT]. The Secretary of Commerce will administer the provisions of the bill and will annually determine how many foreign and domestic vehicles were sold in the United States and establish a limit on imports of not more than 15 percent. The Secretary will then allocate this percentage among foreign vehicle manufacturers on the basis of their respective shares for imported vehicles during the prior year.

The legislation defines "foreign manufacturers" as those who imported at least 100,000 new motor vehicles in the prior year. The bill includes civil penalties of up to $2,000 per vehicle for violations. It is intended that implementation of the bill would not affect current trade agreements with Canada concerning autos. Import restrictions would terminate after 1990 if the injury to the United States has been remedied.

In essence, the problem is one of equity. Japan, through a series of barriers and restrictions, closes its doors to a wide variety of U.S. products, including automobiles, while the United States keeps its doors open to billions of dollars of imports. There is no reason why the United States should allow our international trading partners to have billions of dollars in market access while the American people are made to pay. I urge my colleagues to support this legislation. It is time for a degree of equity to be added to our Nation's trade policies.●

INTRODUCTION OF THE MEDICAL IMPOSTORS ACT OF 1985

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. WYDEN. Mr. Speaker, I am introducing, for myself and Mr. PEPPER, the Medical Impostors Act of 1985. The purpose of this bill is twofold:

One, to provide penalties for bogus doctors who file for Medicare or Medicaid reimbursement for physicians' services.

Two, to provide penalties for doctors who claim falsely to be certified in a medical specialty and then seek Medicare or Medicaid reimbursement.

It's amazing that while the Medicare Program provides strict penalties for people who file for Medicare benefits under false pretenses, the program does not penalize phony doctors who get Medicare payment for physicians' services.

During a recent hearing before the Subcommittee on Health and Long Term Care of the Aging Committee, chaired by my distinguished colleague and cosponsor of this legislation, CLAUDE PEPPER, we found that in some instances the credentials framed on a doctor's wall may not be worth the paper they're printed on.

Impostors without a shred of medical training are performing medical operations on our citizens. My guess is, some of these phonies can't even spell "anesthetic," let alone administer one correctly.

Many of these people purchased phony degrees; some of them never even attended medical school; some of them attended foreign medical schools that have no pretense of quality.

What's particularly grotesque about all this is that at a time when critically needed Government health care programs are being reduced, the Federal Government is spending precious tax dollars to support consumer fraud. Through Medicare reimbursement, student loans, and in other ways, charlatans are systematically fleecing the Federal Government.

Our taxpayers are spending more than $70 billion every year on Medicare, and some of these dollars are going to phonies. A phony doctor can perform physician's services on a senior citizen, file for Medicare reimbursement, and suffer no consequences under the Medicare statutes. This important change evens the score—it will make fraudulent doctors liable in the same way that fraudulent beneficiaries are.

The need for this legislation was made clear during the important hearing convened under Chairman PEPPER's leadership. The Federal Government needs every tool available to root out fraud and waste in the Medicare system. That's why we need this legislation.

Beyond the issue of budgets and tax dollars is the issue of quality. The health care system in general, and the Medicare program in specific, are going through very substantial changes. To ensure quality in our health care services, we must take steps to protect senior citizens from frauds and charlatans.

Mr. Speaker, I urge my colleagues to move forward with this legislation and take a concrete step toward putting medical impostors out of business.●

CAPITAL GAINS

HON. CARROLL A. CAMPBELL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. CAMPBELL. Mr. Speaker, I want to call to the attention of my colleagues an op-ed piece by Mr. Mark Bloomfield, executive director of the American Council for Capital Formation. The article concerns the benefits derived from the preferential treatment of capital gains for taxation purposes, and was printed in the Los Angeles Times on Sunday, June 17, 1984.

Although not recent, the article deserves consideration now as this Congress embarks upon the arduous tasks of deficit reduction and tax reform. Investment, and particularly venture capital, is critical to our continued competitiveness, economic growth and prosperity. Therefore, it has been my firm and long held belief that Congress should assist, not hinder capital investment in this country.

As pointed out in the article, the preferential treatment afforded to capital gains in our Tax Code has been instrumental in capital formation. Any plan that would eliminate or gut this preferential treatment runs the great risk of harming capital investment and the long term prosperity of the United States as well.

I hope my colleagues will seriously consider the merits, raised in the article, of preferentially treating capital gains.

CAPITAL GAINS

(By Mark Bloomfield)

As Congress and the Reagan Administration grapple this year with large and tenacious federal deficits, ideas for tax increases will certainly be considered, including, perhaps, suggestions to increase taxes on capital gains.

Before taking this step, critics of lower capital-gains taxes would do well to look at the 1978 capital-gains tax-cut experiment. That year, the maximum tax on capital gains was cut from 49% for individuals and about 31% for corporations to 28% for both.

Skeptics said reducing capital-gains taxes would do little for capital formation but would significantly erode government revenues. On both counts they have been proved dead wrong. First, look at the economics. There are two periods to compare—1969 to 1977, with high capital-gains taxes and, hence, a poor investment climate, and 1978 to the present, with lower capital-gains taxes and an improved investment climate.

What happened? In the most recent period, venture capital, new stock offerings and the value of corporate equities all took off. For example, the new capital committed to organized venture capital investment entities expanded from $58 million per year in the 1970–77 period to an average of almost $1.5 billion per year in 1978–83, with $4.1 billion in 1983 alone. The total pool of capital committed to organized venture-capital investors, which had remained static at $2.5 billion to $3 billion from 1969 to 1977, exploded to $11.5 billion at the end of 1983. Why? We had restored the reward for risk-taking and investment.

Second, look at Uncle Sam's treasury. The government in 1978 predicted that there would be an annual $2 billion raid on the U.S. Treasury if the proposed capital-gains tax cut became law. But, after 1978, capital-gains tax rates went down and revenues went up. Actual taxes paid on capital gains increased by more than $2 billion in 1979, the first year of the lower capital-gains tax rate. They rose again in 1980. In 1981, the actual revenues paid on capital gains were substantially higher than those in 1978, the last year under the old law.

Economists, however, also compare actual capital-gains tax receipts with what would have happened if tax laws had not been changed. In a January, 1983, paper commissioned by the American Council for Capital Formation's Center for Policy Research, Gerald Auten, a Treasury Department tax policy consultant, compared taxes actually paid under the new law with taxes that would have been paid under the old law.

What did he find? In 1979, Treasury revenues were about $1 billion greater; in 1980, $1.6 billion higher, and in 1981, $1.4 billion more than they would have been under the older, higher rates.

Incidentally, the evidence so far also indicates that so-called fat cats are paying more capital-gains taxes than ever before. Those with incomes greater than $100,000 included $11.7 billion of net capital gains in adjusted gross income in 1979, an increase of 72% over the $6.8 billion reported in 1978. The net gain included in income rose to $12.7 billion in 1980 for this group.

The 1978 capital-gains tax cut was a success for capital formation and the U.S. Treasury. But have we gone as far as we can to ensure the maximum benefit to the American economy from lower capital-gains taxes? In my judgement, no.

Even after the latest U.S. capital-gains tax cut in 1981, we still tax capital gains more harshly than do most other major industrialized countries. Australia, Belgium, Germany, Italy, Japan and the Netherlands do not tax long-term capital gains on portfolio stock investments at all, and France taxes those investments at a maximum rate of 15% and Canada at 17%. The U.S. maximum rate of 20% on individuals is exceeded only by Sweden and the United Kingdom.

Yes, U.S. effective capital-gains tax rates should be reduced. First, the capital-gains tax limits the availability of new investment funds, results in the "lock-in" of existing capital and, thereby, interferes with the free flow of economic resources.

Second, taxation of capital gains inhibits the willingness of entrepreneurs and investors to develop and participate in high-risk ventures.

Third, the pernicious effect of inflation on capital gains creates a serious barrier to saving and investment. For example, Auten's analysis shows that the $25 billion in capital gains from stock sold in the period 1971-75 actually represented a loss of $420 million after adjusting for inflation.

Moreover, current high U.S. capital-gains taxes levied on individuals and corporations have important consequences for economic growth by holding down the level of stock equity prices and, ultimately, job creation. Sound tax policy dictates the eventual elimination of the capital-gains tax for individuals and corporations.

To move in that direction in a practical fashion, a balanced package of capital-gains tax reductions should be at the top of any tax-reform agenda. It should include further cuts in the capital-gains tax rates for individuals and businesses, reduction in the corporate capital-gains tax rate of 28% to the 20% maximum for individuals, adjustment of capital gains for inflation and elimination or reduction of the holding period for long-term treatment of capital gains.●

U.S.-U.S.S.R. UNDERSTANDINGS ON CUBA

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues an exchange of correspondence with the Department of State concerning the nature of understandings between the United States and the Soviet Union which ended the 1962 Cuban missile crisis, and the administration's views of those understandings.

The correspondence, including my letter to the State Department, dated October 1, 1984, and the State Department's reply, dated February 4, 1985, follows:

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, October 1, 1984.

Hon. GEORGE P. SHULTZ,
Secretary, Department of State,
Washington, DC.

DEAR MR. SECRETARY: I write concerning the October, 1962 understandings between the United States and the Soviet Union which ended the Cuban missile crisis and the Administration's view of, and policies toward, those understandings.

Specifically, I would like to know: (1) Do you believe that there were understandings dating from that time regarding Soviet military presence in Cuba and U.S. policies toward Cuba; (2) If you do, what is the substance of those understandings; (3) Are those understandings, in your view, still in place or have they been abrogated by Cuban or Soviet policies; (4) What evidence is there that a violation of those understandings has occurred and, if you feel there is evidence, what happened and when and where did it happen; and (5) What Soviet submarine activity, in and around Cuba, do you feel is not a violation of the 1962 understanding and what such deployments are a violation?

I appreciate your early response to this letter.

With best regards,
Sincerely yours,
LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

U.S. DEPARTMENT OF STATE,
Washington, DC, February 4, 1985.

Hon. LEE H. HAMILTON,
House of Representatives.

DEAR MR. CHAIRMAN: I am writing in response to your letter of October 1 concerning the US-USSR Understanding on Cuba. I apologize for the unusually lengthy delay in responding, and hope that the following information proves helpful.

I should first note that the Understanding is not a formal agreement, but rather a political understanding between the United States and the Soviet Union concerning Cuba. The Government of Cuba is not a party to the Understanding. The Understanding grew out of the 1962 Cuban missile crisis, and since that time, there have been additional diplomatic exchanges with the USSR. It is the sum of these exchanges and discussions which constitute the Understanding.

The essence of the Understanding is that the Soviet Union has undertaken not to reintroduce offensive weapons into Cuba. This was clarified in later exchanges to encompass a ban on the use of Cuba for the stationing or support of offensive weapons systems, such as nuclear submarines and submarines carrying offensive weapons.

In 1970, the United States was concerned about evident Soviet plans to service nuclear submarines in Cuba, and this concern led to the discussions and clarification noted above. We continue to minitor closely Soviet activities in Cuba. Should we detect anything which raises questions of compliance with the Understanding, we are prepared to take steps to deal with it.

We consider the Understanding to be a useful basis for holding the USSR accountable for its activities in Cuba. The United States has expressed its concern about Soviet and Cuban policies in the region, but it does not believe that they have abrogated the Understanding. We see no indication that the USSR considers it to be invalid.

I hope that this information answers the concerns which you raised in your letter.

Sincerely,
ROBERT TURNER,
Acting Assistant Secretary, Legislative and Intergovernmental Affairs.●

INTRODUCTION OF AUTOMOBILE STRATEGY AND STABILITY ACT OF 1985

HON. STAN LUNDINE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. LUNDINE. Mr. Speaker, as we all know, on March 31 the voluntary restraint agreement with the Japanese on auto imports will expire. We are as a result faced with a decision regarding whether or not to pressure the Japanese to extend these voluntary restraints for another year, or failing that, to unilaterally impose limits on auto imports from Japan.

Today I am introducing legislation which would extend restraints on Japanese auto imports into the United States at the current rate of 1.85 million units per year for the remainder of 1985. During this 9-month period, under the provisions of this bill, management and labor in the auto industry would sit down with Government and consumer representatives to formulate a long term strategy for the U.S. auto industry. This task force would make recommenditions about actions which must be taken by management and labor in the auto industry on the one hand, and the Government on the other hand, to have a competitive U.S. auto industry in the future.

The days of effortless superiority for the U.S. auto industry are over. Today, despite the impressions which might be left from the $10 billion in 1983 profits earned by U.S. auto firms, they are engaged in intense international competition. They are fighting for their very survival against high quality, productive, export oriented foreign auto industries and governments.

In the past decade, the share of the domestic U.S. auto market held by foreign firms has nearly doubled. The U.S. world market share in autos has fallen from 27 percent in 1975 to 19 percent in 1982.

By 1984, the United States experienced a trade deficit with the Japanese of over $35 billion. Of that deficit $20 billion was owing to automobile trade.

The United States has the largest automobile market in the world. Yet, increasingly, to compete in our domestic market, U.S. auto firms are being forced to move to foreign outsourcing of component parts for auto production. This is costing the United States high quality jobs and undermining the long term stability of our domestic auto industry. It is time we asked ourselves how we can reverse this disturbing trend.

The fact that today we have no competitive strategy for our auto sector is one of the main reasons we are losing

market shares. If the United States is to have a competitive auto sector, automobiles management, labor, and government are going to have to work together to develop a private-public sector strategy for insuring future competitiveness. Auto management, labor and government must have a common vision of the future and mutual understanding about what each is willing to do to shore up U.S. competitiveness.

I believe there is still a lot of long term strength left in the U.S. auto industry. There is intense domestic competition in the auto industry and it is in the interest of the consumer to preserve this competition.

Each of the major U.S. auto producers is engaged in some exciting efforts which are important to international competitiveness. The $5 billion investment in the Saturn project recently announced by General Motors, if it succeeds, could mean the production over the long term of a competitive American small car. The decision to undertake this production on U.S. soil in a unionized environment is encouraging and a welcome sign of revitalization. The extraordinary turnaround of Chrysler since 1979 from a nearly bankrupt firm to a profitable one opens up many opportunities for continued productivity improvement and growth there. Ford had made tremendous strides forward in improving productivity and quality. Labor management cooperation has provided benefits ranging from investment in new manufacturing technology to more appropriate product design.

We would not want to undermine any of these efforts through abrupt removal of the voluntary restraint agreement with the Japanese. I think we certainly would be kidding ourselves if we believed that we could remove these restraints and not experience a significant influx of additional Japanese cars that might undermine the efforts ongoing at General Motors, Ford, and Chrysler and elsewhere to build for the future. Some experts estimate that if auto restraints are removed this year, the Japanese in short order would capture 40 percent of the U.S. domestic market.

The recent auto profits must not lead us into a false sense of security about the future. International auto competitiveness will require continued and extensive capital investment, human resource development, cooperation between labor and management, and coordination of Government economic and trade policies.

Today, U.S. auto firms are not on a level playing field with their Japanese counterparts. It is estimated that the Japanese have between a $1,500 and $2,000 advantage over American car producers. Primary reasons for this include the inflated value of the dollar against the yen on international exchange markets, and that the Japanese rebate too their domestic firms their commodity taxes on products they export. The competitive advantage enjoyed by the Japanese in autos will not be easiy eliminated.

It is entirely possible that the joint government, labor, management and consumer council called for in this legislation will end up recommending other trade and economic actions in an effort to create a more even trading environment. In that event, however, there will be an understanding of what the strategy is to facilitate removal of these restraints and to compete with the Japanese and others in the future.

I believe there are options to continued quotas on Japanese automobiles which can be explored over the next 9 months. In upcoming weeks, I will be making other proposals in the trade area which I believe should enable us to make constructive progress toward a more progressive trading climate for automobiles and other products as well.

It is not economically desirable nor attractive to continue to provide trade relief to the U.S. auto industry without a strategic view of the future—that is, unless we understand how trade and other actions are going to strengthen the competitiveness of the U.S. auto industry and economy. Business, labor, and Government must discard old adversarial relationships and realize that their actions must begin to compliment each other if we are going to compete successfully in the future.

It is important for the Government to understand what actions the private sector—both management and labor are taking during the period of these restraints which will make them more competitive when they are finally removed. Consumers also have a stake in the removal of the voluntary restraints and should be a partner in this cooperative working relationship.

The program called for in this bill can be the start of a new approach to economic problem solving and to the competitive dilemmas U.S. industries are encountering as they try to compete in international markets. The United States has maintained the most open market in the world during the last century and certainly will continue to strive to preserve open trade. The best way to do that is to meet the competitive challenge facing us, and the best way to do that is to foster more cooperative working relationships between management, labor, and Government.

The Japanese should understand the need for this proposal. In many important industrial sectors, including autos, they have protected their domestic market through various means to nurture the development of their industries. They should understand the economic imperative which creates serious concern in the United States over the future of our auto industry and our need to develop a strategic concept of industrial development. From their perspective, the alternative to this proposal at the present time could very well be the application of more restrictive measures on auto imports.

I commend this legislation to my colleagues in the Congress and to the Reagan administration as a blueprint for future action on auto trade and domestic auto policy.●

NEBRASKA SCORES ON WEST COAST VISIT

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. BEREUTER. Mr. Speaker, I wish to call to the attention of my colleagues an interesting article that appeared not long ago in the Omaha World Herald's Magazine of the Midlands. It was written by Col. Barney Oldfield, a former Nebraska newsman who now works as a consultant with Litton Industries. He frequently writes for the magazine.

Colonel Oldfield is an impressive gentleman. His life and work have carried him far from Nebraska, but his heart remains close to the people of our great State.

In this particular article, he writes about a venture to promote Nebraska through its prized football team. I commend the article to the attention of my colleagues:

NEBRASKA SCORES ON WEST COAST VISIT

(By Barney Oldfield)

LOS ANGELES.—Here, adjacent to Hollywood, home of that intrepid "$6 Million Man," Nebraska recently surfaced with a $100 million version.

The Hollywood model on TV several seasons ago was, of course, bionic, make-believe.

The Nebraska offering is all business, very real, and goes by the name of David Murdock.

His is short in stature, gray of hair, intense, driven to bring off whatever he is commited to do. He is long on money—Forbes magazine sets his net worth at more than $500 million, which places him about 46th among America's richest.

Murdock does not leap over tall buildings, but, instead, builds them and other things as well.

Of the 26 states in which he operates, he is most ecstatic about Nebraska. His actions prove it: More than $100 million of his resources and the matching investments that such funds attract are bet on Nebraska's present and future.

Murdock was encouraged by the Nebraska Diplomats, the Nebraska Industrial Development Association, and the Department of Economic Development, with Gov. Kerrey cheering him on, to come to California where the Murdock Development Corp. is

based to express his sentiments before an audience of local movers and shakers.

It was one of Nebraska's most sophisticated outings. Forays had previously been made to Chicago and Minneapolis, homes of corporate headquarters, places where decisions are made about plant expansions. But California was different, and it was no coincidence.

This pilgrimage was built on the Nebraska football team's encounter in the Rose Bowl with the University of California at Los Angeles. It has long been known that the 10,000 to 16,000 supporters who follow the team are a short of floating economic infusion whenever they go out of town.

This time, the decision was made to capitalize on the news media's buildup before, during and after such a game.

And where better for this than California? Everything in California is supposed to be sunnier, prettier, bigger, grander, more exciting, and if any of that is proven untrue, there's somebody in the state rich enough to go after it and stake a claim to some of it.

The Nebraska delegation counted on that. Don Dowrak's Department of Economic Development sent Nebraska emissaries with sound business credentials to call on companies looking for places to go.

During the pre-game week, they knocked on more than 100 such doors, and they closed out the week by giving a luncheon for others who had not been previously tapped.

At the luncheon, Murdock said he likes to be engaged in projects that are "good for people." He said his work in Nebraska goes back 16 years, and he said he has come to know the state's citizens as "real people." In Nebraska, he said, "good business could be done with good friends."

Kerrey said people of Nebraska "never have to be taught how to work," that they understand "the joy of being successful."

Evidence other than Murdock's certification also was cited.

R.M. Martin, general manager for the Kellogg Co. plant in Omaha, said Kellogg originally located in Nebraska because of its central location.

"We stayed because there is such a cooperative work force," Martin said.

Laurin Morin, a manufacturing vice president for Minnesota Mining & Manufacturing (3M), said his firm was attracted by the levels of technical location, available power and accessible transportation.

"We stayed and expanded," he said, "because of Nebraska's work ethic and attitude."

The luncheon guests also heard of a study by the Alexander Grant & Co., a survey which listed Nebraska as the fourth most attractive business climate in the nation. Nebraska's ranking was arrived at by high scoring in productivity, reasonable electric utility costs, unemployment insurance rates, workmen's compensation, labor-management relations and educational systems—the shadow of the Nebraska football team was cast even there, considering how well it comes off in academic All-America candidates.

Other football analogies arose. The delegation offered interested businesses followups with "special teams" available to deal with expertise. The "linemen" in this instance were more verbal than physical, being able to address specific questions in detail.

Although it never appears in such statistics—but does in conversation—there seems something a bit uncanny about plant locations in Indiana (not too far from Notre Dame), in Ohio (in proximity to Ohio State), in Alabama, Florida, Texas.

It is so handy to have a Friday meeting which runs late, carries over to Saturday morning, and if the right teams are playing just up the road, well, why not? Some of the best intersectional clashes are witnessed by busy, profit-oriented executives winding down.

And what better specimen of the game is there than what happens in Lincoln? If the backhome team is not doing too well, a kind of dual citizenship can put one in the neighborhood of a winner.

At least a third of the attendees who were met and talked to by the Nebraska delegation were also in the Rose Bowl that September day.

Those who didn't go probably heard Gary Bender and Pat Haden telling CBS's viewers that Nebraska was different, that its program developed athletes, while most schools only recruited them.

The day after the game, the Los Angeles Times' headline on Page 1 of its sports section said: "Nebraska Deals UCLA a Dose of Cold Reality in 42-3 Debacle." On Page 3 was another story: "There's One Word for What Happened to UCLA: Execution."

The Los Angeles Herald-Examiner ran an eight-column headline, saying bluntly: "Cornhuskers Hit Bruins Where They Live." None could fault that as a final parenthesis on a week of Nebraska consciousness level-raising.

Sure, many Californians are almost mulish about believing that anything east of California is only something to be flown over on one's way to New York or Washington.

But most Nebraskans recall the story about how to break a mule: First, slam him between the eyes with a two-by-four to get his attention.

Gov. Kerrey, David Murdock, the Nebraska Diplomats, the Nebraska Industrial Development Association, the State Department of Economic Development—plus the news media saturation campaign about the menace of a top-notch Nebraska football team on the sports pages and TV programs—left Southern California with no doubts about whether they had gained the attention.●

JOBS PROJECT SUCCEEDS

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Ms. SNOWE. Mr. Speaker, the President has stressed that we must begin to break the cycle of dependency on the Federal Government and create opportunities for disadvantaged persons to set up on their own.

I am pleased to inform the House that such a program is working in Aroostook County, ME. This project is Aroostook Cooperative TOPS—Training Opportunities for the Private Sector—and it has enabled 24 individuals to find jobs and get themselves off the welfare rolls. In the program, Federal funds that would normally go toward welfare payments are used by the State to fund on-the-job training programs.

It is of particular importance to note that this program largely served single mothers with dependent children. These mothers face overwhelming difficulties in establishing their economic independency, and the Federal Government has been grappling with their plight with only limited success. I am encouraged by the TOPS program, and would like to extend my congratulations to those who have made it a success.

I ask that the text of a Bangor Daily Sun article describing this program appear after my remarks.

[From the Bangor (Maine) Daily Sun, Jan. 23, 1985]

TOPS EMPLOYMENT PROJECT CALLED A SUCCESS

(By Debra Sund)

PRESQUE ISLE.— The first year of an employment and training project to get welfare recipients working and off government aid has been a "huge success in Aroostook County," according to a project coordinator.

Robert Glidden, regional manager for the Division of Welfare Employment in Presque Isle, said Monday that 24 individuals were able to find jobs and get off welfare as a result of the project.

Of the 24 people now working, Glidden said that 20 could have been unable to find jobs without participating in the program.

The project was titled "Aroostook Cooperative TOPS." TOPS stands for Training Opportunities in the Private Sector, individuals participating in the project were mostly single mothers with dependent children.

Although it is similar to other work-incentive programs, the TOPS project incorporated the grand-division concept. Under that idea, federal funds that would be going to the welfare recipient would be used by the state in funding on-the-job training programs for those involved in the project.

The TOPS program was the third phase of the state Welfare and Employment Training Program, which began in 1981 and is administered by the Maine Department of Human Services.

A total of $400,000 from the Ford Foundation was granted to the Maine Department of Human Services to study whether the TOPS mehtod was an effective method to help welfare recipients become financially independent of the welfare program. Part of New Jersey and the city of San Diego also received grants to study the system's effectiveness, Gidden said.

Maine was the only state to conduct the study on a statewide basis, according to Glidden.

The first two phases of TOPS, prevocational training and field placement, were administered by the Welfare Employment and Training Program. The third phase, which is on-the-job training, was operated by the Aroostook County Action Program's employment and training division.

Both agencies credit the success of the program partly to the cooperative attitude between the participating organizations. Other cooperating agencies were adult education programs and other public groups.

"One thing that was shown was the cooperation among the agencies," said Glidden. "If all of these agencies cooperate and work together, some real major effect can result."

The ACAP director of operations for employment and training, Michael St. John, said that more programs should encourage

cooperation between agencies that offer similar assistance.

"I thought it was a positive program," said St. John.

St. John also said that if continued, clients should be screened more closely. Individuals with no work experience should not participate in the TOPS program, St. John suggested.

Glidden said that the Aroostook County project's success also was a result of the small network of social service agencies in Northern Maine.

"We're out here at the end of a rope," St. John said. "Aroostook County is at the end of the line," which can result in a lot of cooperation.

During the year-long experiment, five classes were held in Aroostook County. A total of 111 people participated, with 72 in the TOPS program and 39 in a control group. The control participants received no additional vocation assistance that was usually rendered.

From those in the TOPS program, 11 people found employment without on-the-job training. A total of 13 found work under the on-the-job training phase.

The average entry-level wage of those entering on-the-job training was $3.75 an hour, and those entering employment directly without the training received $3.90, Glidden said.

Clients entering pre-vocational training were reimbursed for expenses during the program, such as child care or transportation. The average social service costs for each client entering pre-vocational training was $630.63, Glidden said.

A class for pre-vocational training has started in Caribou, and the TOPS concept will continue to be utilized during this year, Glidden said.●

A REAL PROGRAM FOR HOUSING AND URBAN DEVELOPMENT

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. COYNE. Mr. Speaker, in view of the administration's budget proposals, which suggest a wholesale retreat from the longstanding Federal commitment to improving our Nation's housing supply and revitalizing our urban areas, I think it would be useful for us to listen to what the people who work in those areas at the local level have to say.

According, I am submitting for the RECORD a synopsis of the National Association of Housing and Redevelopment official's task force report on the future of the public role in housing and urban development.

BETTER PLACES TO LIVE

(By Jane Lang McGrew, Task Force Chairperson)

The Report of the NAHRO Task Force on the Future of the Public Role in Housing and Urban Development is a statement of confidence in the capacity of government to achieve our national objectives of a decent home and suitable living environment for all Americans.

Contrary to the myth of public failure, government can take credit for many good and lasting accomplishments in housing and urban development. Profiting from the lessons learned from both its mistakes and successes, government can play an exciting and productive role in housing our people and revitalizing our cities. The question is not how to shrink the public role, but how to maximize its potential for success.

The commitment of govenment is needed at all levels to do the job. At the federal level, the task force has called for a national urban agenda that sets policy objectives and establishes a framework for allocating public resources. The agenda must include, first, a comprehensive housing policy, with a view to assuring an adequate supply of decent housing for low- and moderate-income people. It also must include a fair housing strategy, with the goal of eradicating housing discrimination and promoting integration. And it must embrace an urban development policy that is premised on a continuing federal investment role in the cities.

The task force believes that the federal government must stay involved in housing and community development. This involvement, however, doesn't diminish the responsibilities of the states and the cities. The states must be active partners with the federal and local governments, and the cities must be their own advocates. They must take the initiative to direct development to achieve locally determined objectives.

The task force has stressed the importance of local planning and public-private partnerships. Such partnerships should include not only business, but also neighborhoods, the basic building blocks of urban society. It also urged closer working relationships between units of general local government and redevelopment agencies and housing authorities. Working with these agencies and drawing on their experience and expertise, local government can realize the capacity of the public sector to be a creative investor, strategist, and entrepreneur in housing and development.

The task force report is focused on the physical development of our cities. But it states emphatically that the success of development efforts depends on sucessfully solving the human problems that abound in our cities. Millions live in this country in urban poverty. National acquiescence in this fact is intolerable. The public sector can and must play the major role in awakening this country to its urban responsibilities and opportunities. For this, our cities need the best and the brightest public leaders America has to offer.

RECOMMENDATIONS

(1) The task force recommends that Congress adopt a national urban agenda incorporating a comprehensive housing policy, a fair housing strategy, and a comprehensive urban development policy.

The national urban agenda requires an explicit statement of presidential commitment to carry out its objectives through regulatory, legislative, fiscal, and procurement policies. The country should hear the President say, over and over: attention must be paid to our cities and the housing needs of all our people.

The national urban agenda should call for a biannual independent report to the nation on progress in housing and urban development, followed by response from the federal government. The independence of the report, prepared by a group such as the National Research Council of the National Academy of Sciences, is critical if it is to provide an objective measure of achievements, rather than a political scorecard for an incumbent administration.

(2) The task force recommends the development of a comprehensive housing policy that allocates federal resources and tailors federal programs to assure that decent housing is available to all Americans.

Congress should comprehensively catalogue and monitor the costs of current housing policy, including both outlays and tax expenditures, and trace their direct and indirect benefits to taxpayers by income levels.

Congress should reallocate federal expenditures for housing to adequately fund existing low-income housing production and rehabilitation programs.

Specifically, Congress should fund approximately 350,000 new or substantially rehabilitated low-income units each year. It also should appropriate on a continuing basis sufficient money to modernize public housing and to repair low-income units needing moderate rehabilitation.

Congress should establish and fund a shelter allowance program for all families receiving public assistance.

Congress should set home owner tax deductions at a level and in a manner that encourages home ownership for lower-, moderate-, and middle-income persons without subsidizing luxury or overconsumption of housing.

Congress should design more efficient tax incentives that maintain the relative advantage of investing in the construction and rehabilitation of low-income rental housing.

Congress should retain mortgage revenue bonds as a mainstay of an affordable housing policy, targeting their benefits to first time home buyers and lower-income earners.

(3) The task force recommends a federal strategy of vigorous fair housing enforcement.

The President should direct HUD and the Department of Justice to enforce the law against housing discrimination aggressively.

The President should support and Congress should enact amendments to the Fair Housing Act that provide an administrative enforcement mechanism and stiff penlties for violations.

The President should direct HUD to promote opportunities for racial integration by consciously administering federal housing and community development programs with this goal in mind.

(4) The task force recommends that the federal government make a long-term commitment to invest in urban development and infrastructure in the context of a comprehensive development policy to complement local efforts to build and maintain viable communities.

As a condition of receiving CDBG funds, localities should be required to demonstrate the relationship between program expenditures and the achievement of their long-term development goals.

The expenditure of CDBG funds should be substantially restricted to eradicating blight in developed areas and preventing blight in growth areas.

As a condition for receiving CDBG funds, localities should be required to concentrate federal resources, in conjunction with local and private resources, on the revitalization of target areas within a reasonable time period.

Cities and states should be given incentives to encourage the maximum return on and reinvestment of CDBG funds in eligible development activities.

Congress should marshal existing and additional program authorities to establish and fund a targeted, long-term program to restore slum areas to vital components of our urban communities.

The federal government should participate in developing bond banks to enable states and cities to meet infrastructure needs more cheaply, efficiently, and safely.

Congress should mandate a national infrastructure inventory that details capital, maintenance, and rehabilitation needs, including a statement of purpose, justification, and priority with respect to each expenditure.

The standards and constraints set on federal infrastructure aid programs should be reexamined to provide maximum local flexibility, promote efficiency, and take advantage of technological advances.

A strong HUD should be encouraged by the President to take a leadership role to assure that the federal commitment to urban development is met.

(5) The task force recommends that local government initiate or recommit itself to an ongoing and comprehensive planning process.

The local planning process should seek to coordinate and reconcile the broad range of programs, policies, and goals within the public sector that affect the economic and physical health of the city, as well as the quality of life.

Public, business, neighborhood, and nonprofit sector representatives should be engaged on a continuing basis in jointly setting goals for community building and devising strategies for achieving them.

The opportunity for change should be built into the planning process through mechanisms for periodic review and assessment.

(6) The task force recommends that local government collaborate with private business, neighborhoods, and nonprofit citizens' groups to achieve community development goals.

Local government should define and promote public development objectives to the maximum extent feasible.

Local government should draw on the powers, know-how, and experience of redevelopment agencies to maximize the effectiveness of the public role in development.

Local government should identify and understand the value of the range of traditional public resources and powers that it has to offer a private partner.

Local government should experiment with novel entrepreneurial techniques and vehicles to retain ongoing participation in development projects.

Local government should assure that neighborhood interests are factored into public entrepreneurial undertakings.

Local government should stimulate and recognize long-term civic involvement and cooperation among private business leaders.

Local government should reach out to existing neighborhood groups, voluntary associations, cooperatives, block clubs, and religious institutions to discover ways to support their neighborhood projects.

Local housing and redevelopment programs should be designed to build on and enhance the capabilities of neighborhood groups.

Neighborhood groups should be engaged with the public and business sectors in long-term planning for housing and development.

(7) The task force recommends that local government recognize its responsibility for assuring the availability of decent housing for all in the community and commit itself to meeting this responsibility to the fullest extent of its powers and resources.

Local plans for development and community revitalization should incorporate the community's housing needs and the objective of satisfying them.

Local government should reexamine the role of the local housing authority to maximize its potential to meet the shelter needs of low- and moderate-income persons through non-traditional means in cooperaton with other public agencies and the private sector.

Public, business, neighborhood, and civic leaders should be involved in defining and carrying out the future role of the housing authority and other public agencies in ways that most effectively serve local housing needs.

Local government and its housing authority should promote a positive image of assisted housing by publicizing public housing success stories and dramatizing the need for this resource. Cities should make this a long-term, coordinated effort to deliver the message nationwide that government has learned how to build and manage low-income housing to enhance a community and serve a common public interest.●

THE SOLE SOURCE AQUIFER PROGRAM

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. DOWNEY of New York. Mr. Speaker, I am introducing legislation today that will go far to protect the drinking water of millions of Americans who rely on sole source aquifers for their water supplies. I am joined by my friends and colleagues TOM FOLEY, HENRY WAXMAN, BOB MRAZEK, LARRY SMITH, JAKE PICKLE, JIM FLORIO, and AL SWIFT, who recognize the urgent need to preserve these unique underground water systems.

Congress created the Sole Source Aquifer Program in the late 1970's to address Federal Government activities in areas in which drinking water is drawn from only one aquifer or underground reservoir. I believe that a broader Federal approach to sole source aquifer protection must be taken today. There are now 17 sole source aquifers across the country in States ranging from New York to Washington to California to Texas to Florida. Incidents of contamination in these water systems are growing and the threat of impure drinking water is becoming increasingly imminent for millions of people.

Maintaining an abundance of high quality water in an aquifer depends on the nature and use of the land above the acquifer's recharge zone and the quality of the inflowing water. A recharge zone is an area through which precipitation and other surface runoff filters down into the water table. Once contaminated, there is no practical means to cleanse an aquifer. Recent facts point to the problems around the country.

In many sole source areas, ground water contamination has resulted from a long period of dense development on the land directly above the aquifer. On the east end of Long Island, 1,500 private wells have been contaminated by pesticides that have entered the aquifer system. In Washington State, nearly 13 percent of Spokane's public wells have been closed in the last 6 years because of serious contamination of the Spokane-Rathdrum Valley aquifer. The benefits of commerical, residential and agricultural development are obvious; the drawbacks are not often noticed until it is too late. The list of possible sources of ground water contamination is long and varied. Landfills and leaking underground storage tanks are recognized as some of the most pervasive sources of contamination. Fertilizers, pesticides, and liquid waste from septic tanks can leach into an aquifer. Runoff from roads brings animal wastes, road salts, and petroleum products into an aquifer system. Less obvious but just as dangerous are household products such as drain cleaners, solvents, disinfectants, and paint removers.

Congress has long recognized the need to protect surface waters. The river systems of the West have been extensively dammed to prevent flooding, provide hydroelectric power and store water for drinking and irrigation. Billions of dollars have been spent on wastewater treatment plants to reduce the flow of untreated sewage into our waters. Time is running out, however, for preservation of ground water systems such as sole source aquifers. Severe contamination of a sole source system would mean either the local ground water would have to be treated or potable water would have to be transported into the area from distant sources. The cost of applying these Band-Aid type solutions is prohibitive. Preventing the problems before they develop is sound public policy that will mean cost savings and clean drinking water for millions of people.

Our legislation will go far to achieve these goals by addressing the vital link between the use of the land above a sole source aquifer and the quality of the water in the system. The legislation sets up no new or complicated regulatory structure. It preserves local autonomy while providing a framework for Federal, State, and local governments to work together cooperatively to plan and implement comprehensive plans to safeguard sole source aquifers. Additionally, Federal authority is provided to States and the Administrator of the Environmental Protection Agency to take remedial action when a sole source system becomes

contaminated. The legislation will enable a State or the Environmental Protection Agency Administrator to order any person responsible for the contamination of a sole source aquifer to provide adequate supplies of potable water to the persons served by that aquifer system.

Last year, Congressman FOLEY, Congressman WAXMAN and I worked hard to see that our legislation passed through this body. Regrettably, our legislative vehicle, the Safe Drinking Water Act reauthorization, did not become law. This year, I am hopeful that our new found support will propel our initiative into law. When this added protection becomes a reality, millions of Americans will have Congress to thank for their safe supply of drinking water.

H.R. 1038

A bill to amend the Safe Drinking Water Act to provide for the protection of aquifers which are the sole or principal source of drinking water for public water systems

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Safe Drinking Water Act Sole Source Aquifer Amendments of 1985".

SEC. 2. PROTECTION OF CRITICAL RECHARGE AREAS.

(a) NEW SECTION 1426.—Part C of title XIV of the Public Health Service Act (the "Safe Drinking Water Act") is amended by adding the following new section at the end thereof:

"SEC. 1426. PROTECTION OF CRITICAL GROUND WATER RECHARGE AREAS.

"(a) LOCAL PETITION FOR DESIGNATION OF SPECIAL PROTECTION AREA.—(1) Upon designation of a sole or principal source area pursuant to section 1424(e), any one or several municipalities within such area may initiate proceedings for the designation of one or more special protection areas within such sole or principal source area. Such proceedings shall be initiated by petitioning the Governor of the State in which the area is located to apply to the Administrator for such designation.

"(2) A petition under this subsection shall contain suggested boundaries for the special protection area and further shall evaluate whether—

"(A) the proposed special protection area is a recharge zone for significant volumes of ground water with drinking water supply potential;

"(B) the ground water which is recharged through the proposed special protection area is of high quality;

"(C) portions within the sole or principal source area are already contaminated with toxic organics, nutrients, salts, or other pollutants;

"(D) maintenance of high quality in the ground water recharged through the proposed special protection area would have significant economic, social, and ecological benefits for the sole or principal source area; and

"(E) degradation of ground water recharged through the proposed special protection area would have significant economic, social, and ecological costs for the area.

"(b) ACTION BY GOVERNOR.—Within 180 days following receipt of a petition under this section, the Governor, taking into consideration the criteria set forth in of subsection (a)(2), shall approve or disapprove the petition. If the Governor approves such petition, he shall—

"(1) propose the boundries of the special protection area;

"(2) designate or, if necessary, establish a planning entity (which shall be a public agency including local and State governmental representation) to develop a comprehensive management plan (hereinafter in this section referred to as the 'plan') for the special protection area;

"(3) establish procedures for public participation in the development of the plan, for review, approval, and adoption of the plan, and for assistance to municipalities and other public agencies with authority under State law to implement the plan.

Where a local government planning agency exists with adequate expertise to carry out this section with respect to any proposed special protection area, the Governor shall designate such agency as the planning entity under paragraph (2).

"(c) ACTION BY EPA.—(1) Following approval of the petition the Governor shall submit such petition to the Administrator together with the summary of the action taken by the Governor under subsection (b).

"(2) Within 120 days after the Administrator's receipt of the petition of the Administrator shall approve or disapprove the petition. The Administrator shall approve the petition if he finds that—

"(A) the boundaries of the area concerned are based on the criteria set forth in subsection (a)(2); and

"(B) the planning entity has the authority, pursuant to State law, and the technical expertise to prepare the plan.

"(3) If the Administrator approves the petition, he may provide to the State, on a matching basis, a grant of 50 per centum of the costs incurred in preparing the petition and developing the plan. In the case of an aquifer which serves a population of 50,000 or less, the Administrator may provide to the State, on a matching basis, a grant of 70 percent of such costs.

"(4) The designated planning entity, through the Governor, shall be eligible for such planning funds for a period not to exceed two years.

"(d) COMPREHENSIVE MANAGEMENT PLAN.—(1) A planning entity designated under this section shall be authorized and directed to prepare a comprehensive management plan for the special protection area. Such plan shall be designed to maintain the quality of the ground water recharged in the special protection area through maintenance, to the maximum extent possible, of the natural vegetative and hydrogeological conditions. Such plan shall include but not be limited to—

"(A) a determination of the quality of the existing ground water recharged in said special protection area and the natural recharge capabilities of the special protection area watershed;

"(B) an identification of existing and potential point and nonpoint sources of ground water degradation, ground water flow patterns, and the relationship between surface water management and ground water quality and recharge;

"(C) recommendations for ground water quality standards designed to maintain existing ground water quality or improve existing ground water quality if prevailing conditions fail to meet drinking water standards, pursuant to this Act and State law;

"(D) a map showing the detailed boundary of the special protection area;

"(E) a resource assessment of the amount, location, and type of human development and activity which the ecosystem can sustain while still maintaining existing ground and surface water quality and protecting unique ecological features related to maintenance of water quality;

"(F) proposal of limits on Federal, State, and local government, financially assisted activities and projects which may contribute to any degradation of such ground water or any loss of natural surface and subsurface infiltration or purification capability of the special protection area watershed;

"(G) development of a comprehensive statement of land use management, including emergency contingency planning, as it pertains to the maintenance of the quality of underground sources of drinking water or to the improvement of such sources if necessary to meet drinking water standards pursuant to this Act and State law;

"(H) proposal of limits on land uses in the special protection area which might have an adverse impact on water quality, recharge capabilities, or both;

"(I) consideration and proposal of specific techniques, including, but not limited to clustering, transfer of development rights, and other innovative measures sufficient to achieve the objectives of this section;

"(J) consideration of the establishment of a State institution to facilitate and assist in funding a development transfer credit system;

"(K) proposal to designate specific areas within the special protection area suitable and appropriate for public acquisition or fee or less than fee interests;

"(L) a program for State and local implementation of the plan described in this subsection in a manner that will insure the continued, uniform, consistent protection of the special protection area in accord with the purposes of this section; and

"(M) pollution abatement measures, if appropriate.

"(2) During the development of the comprehensive management plan, the planning entity shall consult with, and consider the comments of, appropriate officials of any municipality and State or Federal agency which has jurisdiction over lands and waters within the area, other concerned organizations and technical and citizen advisory committees which shall be established by the Governor. The planning entity shall conduct public hearings at places within the special protection area for the purpose of providing an opportunity to comment on any aspect of the plan.

"(e) FINAL PLAN.—(1) The planning entity shall submit a final plan to the Governor for review.

"(2) The Governor shall approve or disapprove the plan. The Governor shall approve the plan if he determines that it protects underground sources of drinking water covered therein from contamination that may adversely affect the health of persons. In approving the plan, the Governor shall specifically designate the boundaries of the special protection area. The Governor shall submit a plan approved by the Governor to the Administrator for review.

"(3) Within 120 days, the Administrator shall approve the plan or submit in writing to the Governor his reasons for not approving it. The Governor may resubmit any plan which is not approved. The Administrator

shall approve any plan which satisfies the requirements of this section.

"(f) RECHARGE ZONE.—For purposes of this section, the term 'recharge zone' means, with respect to any designated sole or principal source area, the recharge zone for such area as described in the designation by the Administrator under section 1424(e).

"(g) IMPLEMENTATION GRANTS.—If the Administrator approves the plan, he may provide to the State, on a matching basis, a grant of 50 per centum of the costs of implementing the plan (including land acquisition within the special protection area, a land credit exchange institution, and the monitoring of sources of contamination in the special protection area). In the case of an aquifer which serves a population of 50,000 or less, the Administrator may provide to the State, on a matching basis, a grant of 70 percent of such implementation costs.

"(h) ORDER TO PROVIDE DRINKING WATER.—(1) If the Administrator (or any State which has primary enforcement responsibility, within the meaning of section 1413, for public water systems under part B of this title) determines that—

"(A) any person has caused or contributed to the presence of any contaminant in any sole or principal source aquifer designated under section 1424(e) which supplies, or can reasonably be expected to supply, any public water system, and

"(B) the presence of such contaminant in such water system may adversely affect the health of persons unless such water is treated or alternative water supplies are provided,

he may issue an order requiring such person to provide adequate supplies of potable drinking water to the persons served by such public water system.

"(2) Any interested person may obtain review of an order issued by the Administrator (or the State) under this section in the appropriate United States district court within thirty days after the issuance of the order.

"(3) Any person who violates, or fails or refuses to comply with an order under this subsection shall be liable to the United States (or to the State in the case of an action brought by the State) for a civil penalty of not more than $5,000 per day of violation. If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Administrator (or the State), the Attorney General shall recover the amount for which such person is liable in any appropriate district court of the United States. In any such action, the validity and appropriateness of the final order under this section or the assessment of a civil penalty shall not be subject to review.

"(4) Nothing in this subsection or in any other provision of this Act shall be construed to restrict or preempt any right which any public water system or any other person (or class of persons) may have under any statute or common low to seek enforcement in any Federal, State, or local court, or in any administrative proceeding, of any provision of this Act or any other relief regarding the contamination of any drinking water supply.

"(i) NEW CRITERIA FOR AREAS DESIGNATED UNDER SECTION 1424(e).—(1) Within 12 months after the date of the enactment of this section, the Administrator shall, by rule, establish criteria for the areas to be designated under section 1424(e) after such date of enactment. The criteria shall include aquifer use, vulnerability, water quality and quantity, and unavailability of alternative drinking water supplies.

"(2) No designation made under section 1424(e) before the date of the enactment of this section shall be reevaluated pursuant to new criteria under this subsection.

"(j) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated for development of plans under this section, $10,000,000 for each of the fiscal years 1986, 1987, 1988, and 1989. Not more than $2,500,000 may be used for planning in any such fiscal year for a single special protection area.

"(2) There are authorized to be appropriated for grants to implement plans approved under this section $75,000,000 for the fiscal year 1987, 1988, 1989 and 1990. Not more than $20,000,000 may be used in any such fiscal year for implementation of the plan for a single special protection area. Matching grant assistance under this paragraph may also be used for the implementation of any water quality management plan expressly for a sole or principal source aquifer which plan is approved (before the date of the enactment of this section) by the Administrator under section 208 of the Water Pollution Control Act.".

(b) CROSS REFERENCE.—Section 1424(e) of such Act is amended by adding the following at the end thereof: "For provisions requiring the Administrator to establish new criteria for the areas to be designated under this section, see section 1426(h).".●

A TRIBUTE TO J.E. "NED" BEARDEN

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. SHELBY. Mr. Speaker, I would like to take this opportunity and pay tribute to an outstanding businessman and citizen of the great State of Alabama, Mr. J.E. "Ned" Bearden.

Ned's wonderful success is the story of the American dream of hard work and dedication. And even though he has reached a pinnacle of achievement in the business world, he has not forgotten the people who assisted him along the way to the top.

It is with the greatest honor that I share some insight about J.E. "Ned" Bearden with my colleagues in the House of Representatives. Following is an article written by David F. Moore of the Shelby County Reporter about Ned Bearden:

J.E. "NED" BEARDEN: FORWARD HO!

(By David F. Moore)

In his youth he herded cows by horseback in Mountain Brook, on land that is now the golf course at Birmingham Country Club. Later, he drove a milk truck every day from Helena to Birmingham, returning in time to sleep an hour before going to the barn to milk more cows.

Today, his two Shelby County dairies boast more than 1,600 acres of land and some 800 head of cattle.

He never made it to college, but his recognition of the importance of education led him to serve as a trustee at Helena School. He was later elected to two terms on the Shelby County Board of Education.

He got his first taste of business at 16 while working in an uncle's grocery store for $2 a day plus board. Last year, as president of one of the Shelby County's leading banks, he was instrumental in organizing it's merger with a $3 billion statewide holding company.

For 12 years he served on the Shelby County Commission, and for 12 years he was president of the Shelby County Farm Bureau. He has been elected as "Citizen of the Year" by the Alabaster Civitans, and presently serves as an elder in the Riverchase Church of Christ.

But in a life that has thus far spanned several careers in three-quarters of a century, the man's pride and joy would appear to be his wife, Irene, and the 50 or more members of their "immediate" family.

"In fact," said Joel Elwyn Bearden—Ned, to most people—"the first $20 bill my wife and I saved, we put it under the mattress to pay for the delivery of our first baby."

J. E. Bearden was born Oct. 4, 1909, on a small farm in Jefferson County. Schoolmates at Shades Cahaba nicknamed him "Ned."

"They had to call you something," he said during an interview, sitting in a recliner in the den of his home on Bearden Lane, surrounded by seemingly hundreds of family pictures and civic plaques.

The son of dairyman Joel B. Bearden, Ned learned early about cows and farming,' milking them before and after school.

In those days, there were no stock laws, and cows roamed at will. This led to occasions of rounding up strays by horse from the golf greens then under construction at Birmingham County Club. At other times, he herded cows up 20th Street and through Five Points South—the bells around their necks ringing along city streets as they headed toward home.

Into his teens, Bearden worked his father's farm and at a neighboring dairy, as well as working in an uncle's store. At 19, his life took a major turn when he married Irene Lanning, a native of Akron, Ohio who was five years his senior and working at the time at Drennan Motor Company in Birmingham.

"I was too young to know what I was doing," Bearden grinned. "She was too smart to let a good thing go . . ."

"Do you call that conceited?" asked Irene good naturedly from her seat under a framed needlepoint piece that states: "God must have loved the Beardens. He made so many of them."

"Well, I got the right gal, even if I didn't know what I was doing," Bearden said.

Eight days after the wedding, on Jan. 1, 1929, the couple, along with Ned's father, started a joint venture dairy on 230 acres in Shelby County, along what is now State 261, the Helena Road. One of the first dairies in the county, Bearden herded their 60 cows from Jefferson County, down the Old Montgomery Highway, and across the Cahaba.

This was the start of Bearden Farms. Bearden the farmer went on to purchase surrounding land in Helena and Pelham, 900 acres in Vincent, and developed the operations into the largest dairy in Shelby County, and one of the largest in the state.

But the business almost failed during the depression. Because the dairy was losing money, Bearden's father wanted to close the operation.

His son, however, had already decided that he and Irene wanted to stay in Shelby County, so he bought the farm.

Irene used her business knowledge to keep the company books—or what there was of them. After paying all the notes, dairy expenses and hired labor, there was, for a time, but $1 of profit made each day.

"We liked to have starved to death then—and the cows, too," Bearden said.

During this time, he woke up at 2 a.m., drove his own milk truck to Birmingham every day, and returned in time to nap an hour or so before the cows had to be milked again. But the work paid off and the farm eventually prospered, leading Bearden to certain conclusions about life:

"I was lucky. The harder I worked, the luckier I was," said Bearden the family man. "But this was a family deal. It wasn't just me. That's where I've been fortunate."

The "family deal" developed into three boys and three girls—Kathlene, Joel, Leonard (killed in a 1968 plane crash along with Dr. Stanley Lacey and then Helena Mayor J.R. Davidson), Frances, Ralph and Shirley. Bearden said they quit having children when doctor fees went up to $35.

He credited Irene with keeping the family unit strong in those days, and recalled her milking a dozen cows while rocking a baby from a sling hung from the barn rafters. Indeed, in 1963, Progressive Farmer magazine named the Beardens as its "Master Farm Family."

Shortly after the children started attending Helena School—he had from one to six of them there for 19 years—citizens asked Bearden to serve as a school trustee.

"We put water in the school and toilets," he said.

Later, in 1957, he was elected to the board of education where he served until his 1969 election to the county commission.

Reflecting on his board of education terms, Bearden said that his toughest decisions dealt with integration, which was accomplished in Shelby County quietly and without major incident.

He said he views his largest contributions to education as helping the consolidation of a number of scattered community schools into larger schools, leading to the construction of Columbiana Middle, Chelsea, Vincent Elementary, Valley, Calera Elementary, Montevallo Elementary and Thompson Elementary Schools. Also during his two terms, additions were made at all the county schools.

As for being a county commissioner, Bearden said he prides himself most on the vast improvements and expansions made to the county highway system, which, during his terms, grew to national recognition. His toughest decision as commissioner was voting for the bond issue that financed the county jail and gave the county its first ever major indebtedness.

Bearden the politician said that public office taught him to learn to disagree with people, and still get along with them.

"Don't expect everybody to agree with you," he said. "And you'll also find out that you're not always right."

During this time, Bearden the businessman helped establish Consolidated Dairies, then served 20 years on its board of directors as the group grew from a dozen to 100 trucks. Too, he served as president of the Shelby County Farm Bureau and as a board member for the Federal Land Bank.

In 1977 he was named "Man of the Year" in agribusiness by the Birmingham Area Chamber of Commerce.

But as a Shelby County businessman, Ned Bearden remains best known for his involvement with the former First Bank of Alabaster.

He was an original stockholder in the bank when it opened in January of 1952 with George L. Scott as president. He later joined the board, and in 1967 followed Scott as the bank's second and last president, serving 17 years in that capacity.

"We work the farm here as a family," Bearden said. "And we really worked as a family in the management of the bank."

With vice presidents Don Lathem and Virginia Johnson, and the help of his secretary, Emma Higginbotham, Bearden led the bank through steady growth, opening branches on State 119 in Pelham, and, last year, across from Pelham City Hall.

Although he was looking to retire, he agreed to remain at the bank through its merger with SouthTrust of Alabama in 1984, a business move he considers to be beneficial not only to the county in general, but to the bank's employees as well.

He will remain with the bank as a consultant until next summer.

"I wouldn't take any credit for the success of the bank," Bearden said. "It was the good management I associate with."

Bearden the banker/civic leader/politician said he considers himself first and foremost, a farmer. True to that spirit, during his days as a bank president, he would go every morning to the barn at 6:30 "to see if I agreed with what was going on . . ."

Reluctant to take direct credit for the bank's success, he apparently feels the same way about the success of Bearden Farms. But the direction taken by the bank and farm—as well as Bearden's other endeavors—reflects a basic philosophy which the man has developed and followed over the years:

"Everything I was ever in, I always felt it was necessary to keep on progressing if you wanted to stay in business. At the end of every year, if you've stayed the same, if you haven't gone forward you've gone backwards."

Coupled with this forward push is Bearden's belief in sound management; good banking is good money management; good farming is good management of cows; a good education board member is a good school system manager; a good family is a good manager of, well, a family.

Twenty-three members of the Bearden family live on Bearden lane, across a 100 acre expanse of winter grass from the Helena Road. But that's hardly the entire crew. His six children have produced 20 grandchildren and 20 great-grand children—10 boys and 10 girls each way.

Sixty-two "immediate family" members showed up at Bearden's house for Christmas. Some 100 showed up last summer for Irene's 80th birthday, and again in the fall for Bearden's 75th. From all indications, everyone got a big kick out of seeing "Dad" ride his three-wheeler around the farm.

At this rate, what is Bearden the family man/farmer/businessman/politican planning for his 100th birthday?

"I'll probably find another acre or two to buy or clear. Run in a few cows on the three-wheeler. You've always got to have something going on, moving forward. If you don't, then you're not progressing."

Mr. Speaker, I am truly honored to know a man such as Ned Bearden. He is a shining example of the backbone of this country's business community which has made America such a great land of opportunity. Alabama and Shelby County are extremely fortunate to have a man of this caliber on their team.

All of us here in Congress should take a moment and reflect on his philosophy and business attitude. We need more men like Ned Bearden who have given so much of themselves in helping others. He knows the meaning of hard work and exemplifies the true idea of the American dream of success.

It is with the greatest pleasure that I share these words with my colleagues in the House of Representatives. J.E. "Ned" Bearden can never receive enough praises for all his work and time to so many worthy causes. There is no doubt in my mind that this tribute is well deserved by this outstanding individual.●

EDUCATION AND TRAINING FOR AFDC PREGNANT ADOLESCENTS AND YOUNG MOTHERS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. STARK. Mr. Speaker, today Representatives KENNELLY, MATSUI and I are introducing legislation which seeks to improve the opportunities for self-sufficiency among pregnant adolescents and young mothers who are eligible for Aid to Families with Dependent Children [AFDC].

We are very happy to report that the bill is being endorsed by the American Public Welfare Association, which is made up of State and local agencies and professionals who administer the social welfare programs including AFDC. The legislation also has the endorsement of the Children's Defense Fund, a leading child advocacy group and the Child Welfare League, the largest national organization of child welfare agencies.

This education and training legislation takes AFDC in a new direction. When the AFDC Program was conceived in the depths of the Great Depression the goal was to keep mothers and their children together by providing an income maintenance program until they could get back on their feet. This was and still is a very worthy and necessary goal. The AFDC program has served as a lifeline and safety net for millions of women and their children over the years.

Now, however, it is time to reassess the AFDC program in light of the changes that have taken place in the AFDC population. We need to concentrate on the sources of welfare dependency among the different groups that make up the AFDC caseload in order to encourage self-sufficiency.

This legislation seeks to reduce welfare dependency among two AFDC

groups. One is composed of pregnant teenagers and adolescent mothers who drop out of school and make up over one-half of the AFDC population. Among women 14 to 30 years of age receiving AFDC 61 percent bore their first child as a teenager. Today 91 percent of young mothers, ages 15 to 17, have neither full- or part-time employment and 72 percent of these women are on welfare; 41 percent of 18- and 19-year-old mothers are welfare dependent.

Clearly, all too frequently welfare dependency has been the direct result of teenage pregnancy and inadequate education and training. Pregnancy, in fact, is the No. 1 cause of teenage girls dropping out of high school. Eight out of ten teenage girls who first become mothers at age 17 or younger never complete high school. Worse yet, 9 out of 10 teenage girls who are 15 or younger and who become teenage mothers never complete high school. Without a high school education too many of these young mothers will become long-term welfare clients.

The second group targeted by this legislation is made up of AFDC mothers with children under 6, who are not now required to sign up for work programs and who never completed high school. These women experience marginal employability and too often chronic dependency on public social services.

Mr. Speaker, the medical, economic, and social costs of teenage pregnancy to teen mothers and their children and our society is enormous. Numerous studies have documented the adverse effects of early childbearing for teenage mothers and their children. Partly because they are less likely to seek prenatal care than older women they experience higher rates of toxemia, anemia, and other complications of pregnancy. Moreover, their children are more likely to be premature, have low birthweight, and suffer from physical and mental handicaps. In California alone, the annual MediCal—Medicaid—costs for delivering teen pregnancies, neonatal intensive care, and rehospitalization, cost the State in excess of $105 million each year.

Completion of high school is a key to the economic well-being of teenage mothers. It is estimated that a 10-percent increase of teen mothers completing high school would avoid $53 million in welfare costs in California. And a teenage woman graduating high from school is likely to earn $1,706 more per year, 1983 dollars, than a teen with 1 to 3 years of high school. In short, the greater the educational attainment of young mothers the lower the cost to the public.

In terms of the AFDC program, teen mothers without a high school diploma are twice as likely to become AFDC recipients. And nearly 60 percent of the total welfare budget is provided to women who first gave birth as a teen.

Perhaps most disturbing of all is the fact that children or teen parents are often locked within an almost invincible cycle of further teen pregnancy and poverty. Roughly 80 percent of girls who were mothers at 15 were themselves the daughters of women who had babies as teenagers.

Yet for all the research clearly demonstrating the adverse affects of adolescent mothers dropping out of school, little has been done to keep teenage mothers in school or to induce AFDC mothers with young children to seek a high school diploma or training. "Instead services are weak and have a limited impact," according to Elizabeth McGee, Director, of the Economic Self-Sufficiency for Teenage Parents Project, National Child Labor Committee. In testimony before the Select Committee on Children, Youth and Families she further pointed out that the programs that do exist serve only a small percentage of the eligible population and disproportionately focus on pregnancy and crisis intervention. The existing programs are also often too narrowly focused and fail to coordinate their efforts with other services in the community. The most important criticism is that present programs fail to help these young mothers develop long-range plans toward economic self-sufficiency.

On the other hand there have been a limited number of successful demonstration projects by such organizations as Manpower Demonstration Research Corp. and the Teen Age Pregnancy and Parenting Project [TAPP] which have had some success in keeping young mothers in school and reducing welfare dependency.

Mr. Speaker, it is time to move beyond demonstration projects and establish a grant program to the States building on the knowledge learned from these successful programs.

This legislation seeks to create a comprehensive program which if enacted would improve the health and increase the likelihood of self-sufficiency among potential long-term welfare dependents. It integrates and coordinates existing services under title XX and parts B, foster care, and C, WIN, of title IV, the State program under title V and the Job Training Partnership Act. Employing a case management approach, each grant program would establish a comprehensive individualized program to meet the health, academic, and vocational needs of the participants. Child day care and transportation are provided in order to enable participation in the program.

The following is a detailed description of the grant program:

Law amending: Title IV A of the Social Security Act, new section to provide for special grants to States to assist pregnant individuals and mothers with dependent children under age 6 achieve self-sufficiency.

Type of program: Requires the Secretary to fund Grants to State agencies administering Title IV A with a requirement for coordination with other public and/or private nonprofit entities who meet the following qualifications.

Funding: Grant funds in 1985 would be provided to the State up to a maximum of 2 percent of the Federal share of the state's annual estimate of the title IV A benefit costs and to be increased by 1 percent in 1986 and an additional 1 percent in 1987. Establishes a permanent program funded at the 4 percent level. These funds would be in addition to the regular funds available for AFDC benefits.

Population included: First, must be under age 25, second, AFDC eligible, third, have not graduated high school, fourth, are pregnant or have a child under the age of 6, and fifth, providing care for the dependent child.

Participation: Participation shall be provided only on a voluntary basis. However, as a condition of participation the participants must be participating in an educational program leading to a high school diploma or the equivalent or training program.

Qualifications for grant: To qualify for a grant a State would have to provide assurance to the Secretary that a local grantee:

One, assigns an agency staff person, modeled on the case management approach, to each participant who in coordination with the participant establishes an individualized program based on an individualized assessment of need and set forth in an individualized written plan to meet the health needs of the participant and dependent child, and insures provision for and coordination of academic and vocational educational services, parenting skills, job counseling, employment readiness, job placement, and child day care.

Two, integrates and coordinates services at the local level otherwise available to pregnant teenagers and mothers with children under age 6 under title XX, parts B and C of this title, the State program under title V, and the Job Training Partnership Act, and under other Federal and State programs which would assist in achieving the objective of the program.

Three, extends categorical eligibility to these AFDC eligible recipients to assure that they receive medical services including but not limited to comprehensive prenatal and postpartum care and well-child care for the infant and children involved.

Four, coordinates academic and vocational educational programs with the local school system leading to a high school diploma or the equivalent.

Establish as a condition of participation that the participants must be participating in an educational program leading to a high school diploma or the equivalent or training program.

Five, provides job counseling, training, employment readiness and job placement and relevant supportive services independently or in conjunction with a program of employment and training under part C of this title, under the auspices of the Job Training Partnership Act, or under another Federal or State law.

Six, provides child care at the program site or utilizes any other child day care services which may be available, on a reimbursable basis, in the community. Such care must meet State or local standards. Child day care is to be provided while the caretaker parent is participating in any phase of the program. States are to use services that would be compatible with the goal of leading to self-sufficiency.

Seven, all child care and transportation which is necessary for a caretaker parent or pregnant teenager to participate effectively in a program under the grant is to be included without charge to such parent or pregnant teenager. In order to establish a smooth transition into the work force, day care while the parent is working will be provided on a sliding scale basis based on ability to pay for the first 6 months of work.

Eight, develop different programs based on the needs of the participants in recognition of the differences in age, family composition, cultural background and geographic location.

Nine, wherever possible establish the special vocational, educational, and training programs at a single site, with programs and activities being conducted in the local schools to the maximum extent feasible.

Ten, establish peer groups of participants, led by experienced group counselors, to meet and discuss program-related problems and issues.

Eleven, establish an outreach program to attract eligible women to the program.

Twelve, programs must provide the above services but would not be limited to these services and could provide such other health, family planning, education, training, or social services as needed for which the title IV A funds could be used if there is no other funding source.

Thirteen, any funds provided to participants to enable them to participate are not to be counted as income in determining AFDC eligibility or benefit level.

Repeal third trimester requirement: For those participating in the program repeal section 406(b) language and leave only "a pregnant woman but only if it has been medically verified that a child is expected to be born." Strike language in section 406(g).

Allow participation in post-secondary education: Section 402(a)(19)(A)(v) participation in postsecondary education programs will be permitted where appropriate.

Reporting requirement: The Secretary shall establish a systematic reporting system capable of yielding comprehensive data on which service figures and program evaluations shall be based. On or before each March 1 the Secretary shall submit to Congress a report describing the activities supported under this grant program during the fiscal year ending on the preceding September 30, including at minimum the data requirements listed below with the Secretary's plans and recommendations for the future.

Each program shall collect quantitative data through a management information system established at the site which will be conveyed to the State title IV A agency. The State agency receiving a grant under this section for a fiscal year shall provide a report to the Secretary at the close of such fiscal year which shall include the data gathered at the local level and shall include for each pregnant individual and mother served where applicable, their age, number of children, the length of time in the program, the type of education and training programs provided, and their current program status; a description of the outreach program used to attract program participants; a description of the education, training and other services, including child care and transportation, provided under such program or programs, including the cost of each such service, the number of participants utilizing the service; the coordination with other programs used in providing the service; and the administrative costs incurred in provided the service; the results achieved by such program or programs including, but not limited to, the number of participants who have obtained high school diplomas, or GED's; the number of participants who have completed the job training programs; and a description of how child care and other supportive services, including transportation have been provided to program participants.

Mr. Speaker, in order to reduce welfare dependency we must develop programs which encourage pregnant teens and young mothers to stay in school. We urge our colleagues to join us in this worthy goal of encouraging self-sufficiency among this disadvantaged population.●

MEDICARE SHOULD PAY FOR FOREIGN MEDICAL EMERGENCIES

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. SEIBERLING. Mr. Speaker, today I am introducing legislation which would allow the Medicare Program to reimburse Medicare patients for emergency medical expenses incurred outside the United States.

Under current law, an American citizen who suffers a medical emergency while outside this country cannot receive any reimbursement from Medicare for those expenses. The only exceptions to this rule are if the emergency occurs in the United States, but the closest hospital is outside the United States, or if the patient was traveling between Alaska and the lower 48. I don't think the Medicare Program should pay for routine medical care given outside the United States, nor do I think that we should pay for the medical expenses of persons who are living overseas. But I do think that Medicare should reimburse Medicare patients for any necessary emergency medical services which may be required no matter where the emergency happens to occur.

This problem was brought to my attention because several of my constituents suffered medical emergencies while vacationing in Canada. One person suffered a broken leg, while another had a serious heart attack. Both were treated in Canadian hospitals. When these people returned home, they discovered that Medicare would not reimburse them for any part of their medical expenses. Because Medicare would not pay for these expenses, my constituents faced serious economic difficulties. In order to correct this situation, my legislation would allow Medicare to reimburse patients for inpatient emergency medical expenses incurred outside the United States if the patient maintained his or her principal residence in the United States and if the patient had not been out of the United States for more than 180 days during the last year.

I urge my colleagues to carefully consider this change in the law governing the Medicare Program.●

ANCIENT ORDER OF HIBERNIANS NATIONAL PRESIDENT PRESENT AGENDA TO BRITISH AMBASSADOR

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. BIAGGI. Mr. Speaker, today I had the pleasure of meeting with the national president of the Ancient Order of Hibernians, Joseph Roche together with James Delaney, chairman of the Irish American Unity Conference in advance of their meeting today with British Ambassador Sir Oliver Wright.

This important meeting takes place less than 2 weeks before Prime Minister Margaret Thatcher is scheduled to come to the United States to among other things address a joint session of the Congress on the afternoon of February 20. At the present time, I am circulating a letter in the House and Senate urging Mrs. Thatcher to include Northern Ireland in her address to the Congress.

As chairman of the 107-member bipartisan Ad Hoc Congressional Committee for Irish Affairs I wish to share with my colleagues a copy of the letter which Mr. Roche and Mr. Delaney presented today. It represents a summary of the major issues involving Northern Ireland which concern those of us on the ad hoc committee. It is my hope that they will obtain a response from the British Government and that it may provide the basis to open a new dialog on the issue of peace and justice for the people of Northern Ireland.

The letter follows:

ANCIENT ORDER OF HIBERNIANS IN AMERICA INC.,
February 6, 1985.

Sir Oliver Wright,
British Ambassador to the United States, British Embassy, Washington, DC.

DEAR MR. AMBASSADOR: As leader of the Ancient Order of Hibernians in America, Inc., the oldest and largest Irish American Catholic lay organization, I appreciate the opportunity to meet with you or your representative and to present the following questions which are of prime concern to our membership who feel they must be addressed and satisfactory action taken before a just peace can come to the six counties in Northeast Ireland.

(1) The European Parliament has adopted a statutory ban on the use of plastic bullets. These bullets have been regularly used in the North of Ireland and have been responsible for the deaths of 13 youths. Mr. Whitelaw has stated these bullets are too dangerous and would never be used in England. What is your justification for ignoring this ban and continuing the use of these bullets in the North of Ireland?

(2) The Harland Wolfe and Short Bros. companies are so heavily subsidized and suported thru British Grants and Loans as to be in effect government corporations. The employment profiles of each of these companies reveal that better than 90% of the workforce is Unionist/Protestant. What specific steps are the English government taking to reduce government sponsored anti-catholic discrimination?

(3) The efficiency of the Diplock Courts is well known as is their failure as a mechanism to achieve justice. The English government has reserved for Northern Ireland exclusively every aberration of common law and jurisprudence. The injustices are many but the case of Michael Culbert, currently being monitored by Amnesty International, is typical. When and how will the English government redress the reprehensible abuse of the Diplock Courts and provide a measure of justice to Michael Culbert and others?

(4) In appealing to politicians in 1979, Pope John Paul II said "Do not condone or tolerate conditions which give excuse or pretext to men of violence . . . they claim that only violence brings about change . . . and that . . . political action cannot achieve justice. You politicians must prove them to be wrong". Spontaneous killings by government troops, paid perjurers, summary rejection of the New Ireland Forum report and government sponsored anti-catholic discrimination all point to politicians ignoring their responsibility. What hope can you offer democracy in Ireland if you continue to reject political initiatives?

(5) Gerry Adams, the elected leader of the legal Sinn Fein political party, is also an elected-Member of Parliament. He has traveled to England and spoken on behalf of his constituency. The U.S. Government has denied Mr. Adams a visa to speak in America and it is commonly accepted that it is in large measure due to England; implied if not formal request to deny such a visa. This offends even the most elemental aspects of democracy. Would you submit a letter to the State Department in support of the visa request of Mr. Adams and thus assist in the reversal of this extraordinary denial of freedom and civil rights?

(6) The English government is continually seeking to use our criminal justice system to extradite those seeking asylum in America. Despite the fact that every one of the rights granted in our Bill of Rights is denied to people in Northern Ireland you continually expect America to act as a colony and release them to you. In the most recent instance, Judge Sprizzo emphatically and bluntly stated that these refugees are entitled to political asylum. Why do you persist in debasing the very laws you claim to uphold by further persecuting people seeking freedom?

(7) The sovereignty, independence and unity of Ireland has been proclaimed and democratically adopted in the Proclamation of 1916, the Declaration of Independence of 21 January 1919, the Constitution of Ireland of 1 July 1937, the Republic of Ireland Act of 1948 and the Unanimous Declaration of Dail Eireann of 10 May 1949. Sovereignty and unity was called for in the 1921 Treaty which England has never denied obtaining under threat of arms. How can you justify a "guarantee" of union for a minority which has never been achieved by ballot or even contemplated in the original division of Ireland?

(8) The Ulster Defense Association is a paramilitary organization every bit as willing to use force as the I.R.A. This is a secret to no one save the English government which bans the I.R.A. but permits the U.D.A. to openly recruit, display weapons and join the R.U.C. or the British Army. How can you expect any respect for justice when such hypocrisy is openly tolerated?

(9) There seems to be some confusion over the official name of the municipal jurisdiction once known as Londonderry but now, thru democratic adoption of local statute, officially called Derry. Mr. Hurd and others in Northern Ireland, the AP and UI services and indeed the British Information Services in NYC still refer to Londonderry! Could you please advise me what the official name of this jurisdiction is and so advise others so that this subtle but nonetheless irritating matter could be put to rest?

(10) The Prime Minister's unequivocal rejection of the New Ireland Forum suggests that the elected officials in Ireland have exhausted the constitutional approach. The implications are as obvious as they are frightening. What justification does the English government offer for its continued denial of a role for the United States, the United Nations, the World Court or the European Parliament all of whom could reasonably expect to make a positive contribution to the otherwise deteriorating Anglo-Irish relations?

Awaiting your written reply on these matters I remain.

Sincerely,

JOSEPH A. ROCHE,
National President.●

TRIBUTE TO CORDELL WYNN

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. SHELBY. Mr. Speaker, I would like to pay tribute and recognize an outstanding educator in the State of Alabama. Following is an article about Dr. Cordell Wynn, president of Stillman College that recently appeared in the Tuscaloosa News:

STILLMAN PRESIDENT ROSE ABOVE POVERTY WITH EDUCATION

TUSCALOOSA.—Stillman College President Cordell Wynn said he heeded his grandmother's advice and found that the way out of poverty is through education.

When growing up in Eatonton, Ga., Wynn said his grandmother told him, "Boy, you will go to college. You will finish high school and go to college. You will be somebody."

Today Wynn is somebody. He's president of one of the few historically black colleges that is financially sound and growing. He has also held a variety of federal education appointments and recently was named to the State Ethics Commission by Gov. George C. Wallace.

Wynn still has vivid memories of life in rural Georgia during the 1940's and 1950's.

"The only way out was high school and college," he said. "In the community where I grew up, there were very few blacks completing high school."

As a high school senior, Wynn said he was influenced by his teachers and the principal of his school, a "bright black young man who taught me how to take tests. He taught me how to think big and positively and not to focus on the negative but to focus on the positive."

Wynn did well on the national Pepsi Cola Merit Scholarship exam and received a two-

year Pepsi scholarship to Boston University. He later received a degree from Fort Valley State College in Georgia.

Wynn said he early on devoted his life to what was, and still is, the only sure way out of poverty with no options—education.

During his climb up the educational ladder, Wynn has been offered several jobs at prestigious institutions, but he has chosen to remain at traditionally black schools. The world has changed much in 30 years, Wynn said, but he remembers where he came from and that hundreds of thousands of young blacks are still back there.

A way out must be maintained for them, he said.

With most traditionally black colleges in jeopardy, he said he feels an obligation to fulfill the charge his grandmother gave: "Bring something back to help us move on and move forward."

His teachers, almost all women, helped him complete the foundation he needed to compete.

"They wanted to be there. They wantd to help the students. It was not the best salary," but they all knew education was the only hope of the black children of Eatonton "to get out and cope with the conditions of society."

After a stint in the Air Force, and college, Wynn returned to Georgia.

He taught in a rural south Georgia elementary school, where he met the somewhat shy young teacher he married the next summer.

The moved to Macon, Ga., where they lived the next 19 years, with Mrs Wynn teaching and Wynn working as a teacher, principal, counselor and assistant superintendent of education.

He helped draft one of the nation's most celebrated and successful integration plans, after which he went to the White House to be director fo the National Youth Corps and received a number of other national committee appointments.

He served as president of the Georgia Education Association and on the state accrediting agency and, on deciding he had made as many contributions as he could in Georgia, moved on to Alabama to become dean of the education school of Alabama State University in Montgomery.

He later became dean of the education school at Alabama A&M University in Huntsville, and in 1982, he became president of the Presbyterian-affiliated Stillman College in Tuscaloosa.

Under his leadership the school has paid off its debts, increased its federal funding and enlarged its enrollment from 300 to 800.

When complimented on his success Wynn gives credit to the people who helped him out of poverty in rural Georgia.

"That's what my mama taught me," he said, "always be appreciative."

The field of education is fortunate to have a man of Dr. Wynn's caliber on its team. Not many people achieve the measure of admiration and respect that Dr. Wynn enjoys. He has earned that admiration and respect because he genuinely cares about people and about the welfare of education in Alabama.

I am honored to be able to share this story with my colleagues in the House of Representatives, and certainly wish him well in his future endeavors.●

PAUL KIRK TAKES CHARGE AT THE DNC

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. BOLAND. Mr. Speaker, on February 1, Paul G. Kirk, Jr., was elected chairman of the Democratic National Committee.

Mr. Kirk is an excellent choice for this demanding position. I have known him for years and consider him to be a man of rare ability and unquestionable integrity. He is in my judgment precisely the type of person we need to renew and restore the Democratic Party.

The challenges facing Mr. Kirk are numerous and difficult. As a recent column by David S. Broder makes clear, however, his election last Friday gives Democrats the assurance that those challenges will be met in a straightforward and effective manner. I would like to insert Mr. Broder's column at this point in the RECORD.

THE TRUTH ABOUT PAUL KIRK

(By David S. Broder)

In Paul G. Kirk Jr., the Democrats have found themselves a national chairman better than they know—and maybe better than they deserve. If character and ability count for anything in the world of politics, and I am naive enough to think they do, then the Democratic Party is in good hands.

I say this confidently, having watched and dealt with Kirk for about 15 years. And I say it emphatically, because Kirk's case illustrates the bind we often find ourselves in as reporters in trying to bridge the gap from the facts to the truth.

The facts about Paul Kirk, as reported in the stories about his election last week as the new chairman of the Democratic National Committee, are simple: He is a 47-year-old native of Massachusetts, a graduate of Harvard College and Harvard Law School, who worked for Sen. Edward M. Kennedy (D-Mass.) as chief of staff for eight years and later took a leave from his Washington law practice to direct Kennedy's bid for the 1980 Democratic presidential nomination.

In the contest for the party chairmanship, Kirk was the choice of the leaders of the AFL-CIO, who delivered about one-fifth of his total votes and most of his margin of victory in the fight with former North Carolina governor Terry Sanford.

To decribe Kirk, therefore, as a Kennedy-labor Democrat, as all the stories did, is accurate. But it misses the main point, which is that he is a man whose integrity and ability make him exceptional—even in the eyes of those who have most often opposed him.

Former Democratic National chairman, Robert S. Strauss is one of those people. "In 1980," he recalled the other day, "he [Kirk] spoke for the Kennedy campaign, and I was the chairman of the [Jimmy] Carter campaign. The tensions between the two groups were rather severe, but I could always talk with Paul. Our relationship, instead of just surviving, thrived. He always kept his word. . . ."

Strauss said that he could sympathize with Kirk this week, because "when I came in as national chairman [in 1972], my reputation was that I was a very conservative Texas Democrat, a John Connally-Lyndon Johnson man, who somehow had financial ties with some big labor leaders.

"The truth of the matter was that I wasn't owned by Connally, Johnson or labor, but it took me a while to prove it. Now, I'm aware that some people say that Kirk's election is bad for the Democratic Party, because it sends a signal that labor and Kennedy have taken over. It's not true.

"To begin with," Strauss said, "Kirk is a centrist in his thinking. He can represent and do political business in the South and West just as well as in the Midwest and the East. He's a man of integrity and honor, and when you know him at all, that is what comes through.

"I have never been on the same side as Paul in the disputes within the party, but I tell you that at the end of a year, he will be seen as his own person, a man who does his homework, keeps his word, and is on the way to rebuilding the party."

As a reporter, I would just add that my experience confirms every point of that judgment. In the Kennedy entourage, which was often arrogant, sometimes secretive and always protective, Kirk stood out as a man who was consistent, stable, reliable and reasonable—and who balanced his sense of personal and political loyalty to the senator with a view of the world larger than the advancement of one individual's ambitions.

He will need all those qualities—and some luck—in his new job, for he faces daunting challenges. Despite his denials, he is viewed as an agent of Lane Kirkland or Ted Kennedy by many in the party. His election left bruised feelings among key fund-raisers, governors and some black leaders. Every move he makes, every appointment he announces, will be scrutinized for hidden motives.

And that is why it will come down to something we journalists have trouble defining or articulating—a question of character.

In his first speech as chairman, Kirk told the national committee members, "You have honored me today with your confidence. * * * I ask you also for your trust. * * * Without mutual trust, each of us will be tempted to make unreasonable demands on one another—to protect our particular cause or to advance our own special agenda. If we let that happen, we will be viewed as nothing more than a collection of narrow groups looking inward in conflict and dividing ourselves in a struggle for scraps of a declining political party. Thankfully, we have another choice."

In choosing Kirk, the Democrats have given themselves another chance, just as the selection of Ray C. Bliss in 1965 and Bill Brock in 1977 gave Republicans a chance to recover from their election defeats in the previous years. When they took over, those two men were viewed with skepticism by many in the GOP. But they set an example of independence, hard work and, yes, character that lifted the spirits of their party and restored its political credibility.

Paul Kirk has the opportunity—and ability—to do that same thing for the Democrats.●

CREDIT UNION FOOD STAMP REDEMPTION AUTHORITY

HON. ROBERT GARCIA

OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. GARCIA. Mr. Speaker, I have introduced H.R. 968 to permit federally insured credit unions to redeem food stamps. This legislation is prompted by several problems in inner-city areas. First, bank branch closings have removed many outlets for the redemption of food coupons, thereby hampering grocers with a higher percentage of customers dependent on food coupons. Second, ever increasing fees for the processing of food coupons by the remaining banks are discouraging the acceptance of the coupons by other grocers.

Permitting credit unions to redeem the coupons presents a way to address this problem. In my district for example, there are many credit unions but an ever decreasing number of banks. Permitting credit unions to process the stamps increases the outlets for redemption while also offering the possibility to lower the fees to process the stamps.

From a credit union perspective, such a simple change in the Food Stamp Act will offer an opportunity for credit unions to better serve the needs of their members and communities. Now, some grocers are forced to travel to a bank to cash in their food coupons. Eventually, they may decide to transfer all of their business to an institution that can handle all of their financial needs.

Since larger credit unions have direct access to the Federal Reserve System—which is used for processing food coupon redemptions—and have a Federal insurance program comparable to the FDIC and the FSLIC, I believe that this simple change will provide a safe and effective remedy to the food stamp redemption problem.

Both the National Association of Federal Credit Unions and the National Credit Union Administration support the redemption of food coupons by credit unions. I have included their letters of support for such legislation.

NATIONAL ASSOCIATION OF
FEDERAL CREDIT UNIONS,
Washington, DC, February 7, 1985.

Hon. ROBERT GARCIA,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE GARCIA: The National Association of Federal Credit Unions (NAFCU), the only national organization exclusively representing the interests of credit unions chartered by the federal government, strongly supports your efforts to restore credit union authority to redeem food stamps. Your legislation (H.R. 968) would restore an authority once construed to be granted to credit unions which would enable them to better meet the needs of their members—particularly those credit unions situated in urban areas, serving members with low to moderate incomes.

Prior to passage of the Food Stamps and Commodity Distribution Amendments of 1981 ("The 1981 Act"), Section 10 of the Food Stamp Act stated that "regulations issued pursuant to this Act shall provide for redemption of coupons . . . through banks" (7 U.S.C. 2109). Subsequently, the Food Stamp and Commodity Distribution Amendments of 1981 (Public Law 97-98) amended the Food Stamp Act by striking the word "bank" every time it appeared in Section 10 of the Food Stamp Act, and inserting in its place "financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation (FSLIC)." As a result of this amendment, federally insured banks and savings and loan associations may now redeem food stamps for their customers, while federally insured credit unions are precluded from performing a similar function. NAFCU wholeheartedly agrees with the view that credit unions are quite different than banks and savings and loans. However, we do not believe that the difference necessarily requires that federally insured credit unions be prohibited from redeeming food coupons. This anomaly would be rectified by amending the Food Stamp Act, as you propose, by including in the category of institutions permitted to redeem food stamps those insured by "the National Credit Union Share Insurance Fund."

NAFCU also believes that the legislation you have proposed is necessary and consistent with the traditions of the credit union movement. Founded as cooperatives to provide members with an opportunity to borrow at reasonable rates, credit unions have consistently striven to provide fundamental financial services to their members. In areas such as your Congressional District, credit unions remain one of the last providers of lifeline financial services. By authorizing credit unions to once again redeem food stamps, you authorize them to offer a service that is directly related to the fundamental needs of their members.

Seeking the opinion of E.F. Callahan, Chairman of the National Credit Union Administration, on authorizing federally insured credit unions to redeem food stamps NAFCU has received correspondence indicating his willingness to lend support to such an initiative. For your review a copy of that letter is enclosed.

Mr. Garcia, NAFCU appreciates your efforts to enable credit unions to redeem food stamps and would be willing to do whatever we can to assist you.

Sincerely,

JOHN J. HUTCHINSON,
President.

NATIONAL CREDIT UNION
ADMINISTRATION,
Washington, DC, February 4, 1985.

Mr. KENNETH L. ROBINSON,
Executive Vice President, National Association of Federal Credit Unions, Arlington, VA.

DEAR KEN: This is in response to your request for my views on legislation to permit food stamp redemption at credit unions.

Presently, only institutions insured by the FDIC and the FSLIC may redeem food stamps. I can think of no reason why credit unions should not be able to contribute to the efficiency of the Federal food stamp program. Therefore, I will be pleased to lend my support to legislation authorizing credit unions insured by the National Credit Union Share Insurance Fund to redeem food stamps.

Please keep me informed of your efforts on this issue.

Sincerely,

E.F. CALLAHAN,
Chairman.●

THE RAILROAD ANTIMONOPOLY ACT OF 1985

HON. JOHN F. SEIBERLING

OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. SEIBERLING. Mr. Speaker, today I have introduced legislation known as the Railroad Antimonopoly Act to correct anticompetitive practices in the railroad industry. By filling a gap in the antitrust laws, this bill would ensure that competition, not monopoly power, operates as the force which determines certain freight rates in the railroad industry.

The introduction of this bill builds on the momentum begun during the last Congress when Senator DENNIS DECONCINI and I proposed a similar measure which was the subject of hearings in both the House and Senate Judiciary Committees. I am pleased to note that Senator DECONCINI is again introducing the Railroad Antimonopoly Act in the Senate, and also that I am joined by Congressmen SYNAR, GLICKMAN, UDALL, ENGLISH, WATKINS, MCCURDY, and DORGAN as original cosponsors of this measure.

Railroad regulation began in 1887 and for almost a century, strict controls were justified on the theory that the industry had the characteristics of a public utility. However, because of changes in the marketplace and new demands on the transportation system, it became clear over the years that the regulatory approach was no longer working. Thus, in 1980, Congress passed the Staggers Act which sought to reduce the regulatory burden on the railroads which was hampering their ability to earn a profit. As a result, we are now witnessing the revival of that industry's economic health.

However, deregulation is not working in every circumstance. In fact, railroad shippers and customers which have no transportation alternatives are subject to the monopoly power of individual rail carriers without effective regulatory protection. Known as captive shippers, these companies are dependent upon rail for movement of their goods and are so situated that only a single carrier can provide that service. Although it was Congress' intent in the Staggers Act not only to free the railroads from restrictive regulation but also to protect captive shippers, the Interstate Commerce Commission [ICC] has failed to effec-

tively provide any safeguard against monopoly power abuse.

Without strong marketplace discipline or meaningful regulation, captive shippers have no ability to bargain with the sole service railroad or successful challenge the rate imposed. As a result, captive shippers are forced to pay excessive and arbitrary rates for rail transportation. And ultimately, of course, so do the consumers of these captive services and products.

This problem is especially acute with regard to shippers of bulk products. Because of their location, volume, and the distance needed to be moved, such materials as coal, grain, fertilizer, and the like are almost totally dependent upon rail service. Other nonbulk transportation modes are simply not feasible. In the situation of coal, for example, the rail transportation costs can more than triple the mine price of coal. This is bad news to the Nation's consumers of coal-generated electricity.

My bill seeks to remedy this problem by restoring competiton in bulk commodity rail service in areas now served by only one railroad. The bill achieves this by making it a violation of the antitrust laws for a rail carrier to monopolize by failing to offer a captive shipper of bulk commodities competitive rates or by denying such captive shippers and other railroads access to limited stretches of its trackage in areas where that rail carrier has a monopoly. My bill would provide that if a sole rail carrier chooses not to offer a competitive rate, the shipper or another rail carrier could exercise trackage rights, at a reasonable rate of compensation, to assure competition. The penalties for the continued monopolization of such tracks would be those in the antitrust laws.

This bill is not designed to open trackage of a rail carrier to any other carrier who wishes to use the owner railroad's lines. The purpose of this bill is to prevent the owner rail carrier from both maintaining exclusivity of control and monopoly pricing.

I certainly believe that railroads should be able to make a fair profit on the services they provide. And this bill envisages a healthy common carrier railway system. However, a monopoly railroad's denial of competitive rail service is neither fair nor competitive, and thus diminishes the health of our entire economy. The Railroad Antimonopoly Act will restore an equitable competitive balance to the railroad industry and to our economy as a whole.●

TAX REFORM: YES—WITH THREE CONDITIONS

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. DONNELLY. Mr. Speaker, I commend to the attention of my colleagues the following article by the chairman of the Ways and Means Committee, the Honorable DAN ROSTENKOWSKI, on the potential pitfalls of tax reform. Chairman ROSTENKOWSKI makes several important points which will be of interest to all Members.

TAX REFORM: YES—WITH THREE CONDITIONS

(By Dan Rostenkowski)

Nixon goes to China. Reagan embraces tax reform.

The "turnabout" is one of the most durable and effective political gambits. With a quick U-turn, the president has at once taken on his most loyal corporate supporters and caught his liberal opponents flatfooted. His State of the Union address should be a masterwork of populist Democratic rhetoric: "We must tax those large corporations and wealthy moguls who have not paid their fair share—and reward working families who have been caught in the squeeze for so long." It's a very compelling campaign.

Count me in.

But only if the president will back his speech with the same political force he put behind his tax and budget cuts four years ago. That's the great unknown as we begin the 99th Congress.

Tax reform is a noble, if not novel, crusade. For the last 20 years, "reform" has played leap-frog with other tax slogans, such as "capital formation," industrial policy," "job creation" and "energy independence." Each year brings a new cause which quickly eclipses the last. No sooner have we begun the task of encouraging the poor to work than we are asked to boost charitable giving, or hasten the rehabilitation of our inner cities, or promote single-family home ownership—or reduce the deficit. Then, as the cycle comes around, we are asked to undo much of these hard-fought issues in the name of "reform."

The Treasury reform proposal is both broad and aggressive, containing initiatives that for years have gathered dust in the bottom drawers of liberal tax experts: do away with the capital gains preference, scrap the investment tax credit, increase taxes on fringe benefits, restrict the use of the foreign tax credit, eliminate mortgage deductions on vacation homes. All that from an administration that four years ago spread more butter and jam on the tax code for business and the wealthy than we have seen in decades.

The Treasury should be applauded for its proposal. In some cases the plan is too complicated to administer—never mind explain—to common folk. In others, it begs fights that can't be won. (Scholars are far bolder than politicians.) But on the whole, the proposal adopts the right approach, broadening the tax base and reducing rates, and it deserves intensive review.

Some conditions must be met, however, before the campaign for tax reform moves very far. The first, and most critical, is forceful, visible and personal support from the president. It isn't enough to recite tax reform's litany in the State of the Union address. Thumping reform around the country, jawboning special interest groups and maintaining constant contact with Congress must immediately follow.

One measure of the president's commitment will be his willingness to back off his own revenue-losing proposals, including enterprise zones and tuition tax credits, that both compound our deficit dilemma and violate the very spirit of tax reform. Another test will be his ability to withstand the pressure exerted by hefty Reagan supporters to exempt them or their enterprises from the sweep of reform. Any backsliding will greatly compromise his campaign on the Hill—and stir the old question of "fairness."

The second condition demands that the president follow the traditional legislative path. The changes contained in the Treasury proposal are as profound as they are dramatic. Unraveling 30 years of tax law, if it's done well, can't be done overnight. (The 1954 overhaul took three years.) Recalculating the goals of the Internal Revenue Code, sorting out what incentives still work from those that don't (or are patently excessive) and trying to balance the economic consequences make for a delicate and lengthy ordeal.

That means passing through each gate on the legislative slalom—from the first day of hearings all the way to the Rose Garden. It cannot be done through shortcuts, like Blair House commissions or the old "Gang of 17." It cannot be the work of one party or one house. A reform package of this magnitude—with such high political and economic stakes—has got to be built with great care, and by many hands, if it is to endure.

The third condition is that tax reform must not divert us from the overwhelming obligation of deficit reduction. Even with presidential leadership, mounting yet another tax crusade will not be easy in these days of general economic good news. For the moment, there is little pressure for deficit reduction beyond the odd editorial writer or Wall Street pessimist. Crisis, which increasingly propels government to make nasty choices, remains all but invisible. The horror stories of the last economic cycle have long since faded.

The reality, however, is that $200 billion deficits, like so many helium balloons, must one day collapse. What better way—what better time—for the second Reagan administration to define its economic vision than to willingly negotiate a balanced deficit reduction package with Congress? As the president asked in his recent Inaugural Address: "If not us, who? If not now, when?"

The alternative, of course, is to wait for crisis to rush us to belated judgment.

Congress, and particularly the Democratic Party, has good reason to be apprehensive about the second Reagan term. We are at once gun-shy and weary after four years of combat; we know how facile he is at dodging blame; we appreciate his ability to lift the country above its economic concerns, like the deficit. Nor do we ignore the magnitude of his popularity.

Most Democrats are ready to press ahead on some very difficult issues, including deficit reduction and tax reform. As an opening gesture of my commitment to both in this Congress, I will offer James Baker the earliest opportunity to bring the administration proposal to the Hill. In the meantime, it would bolster the nation's economic stability, if not lobby fees, to temper tax speculation and wait for Secretary Baker's report.

If, in the months ahead, the president's commitment to tax reform proves more than a populist fling, he will not only have pulled off a political "turnabout" of some proportion, but may also have accomplished much more on the economic front in his second term than cynics now predict.●

TRIBUTE TO MAYOR WILLIAM A. COLEMAN

HON. RICHARD C. SHELBY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. SHELBY. Mr. Speaker, I would like to recognize Mr. William A. Coleman, who has just recently retired after serving as mayor of Riverside, AL, for 24 years. I believe that congratulations are certainly in order for this loyal public servant and his outstanding record.

Following is an article about Mayor Coleman that appeared in the St. Clair News-Aegis that I would like to share with my colleagues in the House of Representatives.

WILLIAM COLEMAN RETIRES AS MAYOR OF RIVERSIDE AFTER 24 YEARS

(By Kelly Bryan)

William A. Coleman.

You might call him a folk hero. But, since he is an actual, living person; the analogy doesn't quite fit.

You might call him a humorist. But, even Will Rogers broke into an occasional grin over one of his mocking tales.

You might call him a politician. But, that part of his life does not detail the variety of accomplishments he has made.

Perhaps the best single word to pin on the man who retired from politics in 1984, after serving some 24 years as mayor of Riverside is "character."

There is not a person in St. Clair County who has not heard of the big man in Riverside answering to Bill Coleman. Many of the tales that encircle the Riverside native are based on fact, but like the remembrance of Davy Crockett killing that "bar" at the age of three, exaggerations have taken place.

The facts.

Coleman was born in 1919 in the corner of the Riverside house he has reared his own family in. He has two older brothers, both dead now, and one sister, who lives in Birmingham.

Hard work has always been a part of his life. By the time he was 13 years old, Coleman says he had already "made a crop" by himself, which meant the clearing of land with a mule.

He completed the 12th grade at Pell City High School. And, then managed to get a scholarship to Birmingham Southern College for his abilities as a football player. Coleman spent one year as a guard on the team, before the program was cut out.

He traveled to Mississippi Gulf Coast Junior College in Perkingston. Before he was finished with college, Coleman had spent time in classrooms at Auburn University and the University of Tennessee and Howard College (now Samford). His main course of study was forestry.

Much of Coleman's work experience, however, lies in transportation. He began working on a ferry in Riverside. The boat travel was necessary for the automobiles since a bridge was not constructed. And, even after a bridge was completed, Coleman and his family were still in demand since drivers were forced to pay 50 cents per car, and five cents per passenger to cross the toll bridge. "We put them across for a quarter. And, I know we handled up to 300 cars a day," said Coleman.

His next job meant the shoveling of some 34 tons of coal between Birmingham and Atlanta for the railroad. When the World War II started, train engineers were desperately needed, but not available. Coleman found himself the engineer of a steam locomotive. And, while there was talk of cut backs when the diesel train came into operation in 1944, Coleman traveled the rails for another 37 years.

When his father died, Coleman sold his Birmingham home and returned to the family homestead determined to manage the family's farm. This involvement did not interfere with his railroad job. On the contrary, Coleman rolled out of bed to work on the farm, drove into Birmingham to work on the train and then started all over again. "Sometimes I got as much as two hours sleep," he remembers.

Coleman met a University of Alabama graduate who was teaching school in Pell City. "I carried Frances to Birmingham on our first date. Sixty days later, we were married. We are talking love at first sight," stressed Coleman, who looks over at his wife and says, "Isn't she the prettiest thing." As if that comment did not convince you, he digs through a stack of family photos and comes up with the engagement picture of his wife. "Now, do you see what I mean."

Many people would not take on the duties of a railroad job and still work a large farm. And, hearing that Coleman also has spent 28 years as a director of the Coosa Valley Production Credit Association convinces many a person that the bounds between reality and fantasy have been crossed.

But, it is true. Coleman even served as the chairman of the board for the institution with 500 stockholders for 18 years.

Wait, there's more. Coleman also worked as a chicken farmer. "I hauled eggs to 17 different grocery stores and had 26 chicken houses to meet the demand."

And, when he had to purchase more feed to meet the needs of his chicken farm, Coleman decided to get into the feed mill business.

Wait, there's still more. Coleman had a dairy farm with some 544 head of cattle that were milked daily. Since his feed mill was operating so efficiently, Colemen ventured into the hog business. Before long he counted some 7,000 hogs dining on the feed he was producing himself.

At this point, Coleman stops, looks you right in the eye and admits, "I done worked myself to death."

Work is not the only thing that Coleman knows. Humor is as much a part of his life as clocking in. Coleman is not only the main character in many a tall tale; he can spin the stories as easily as Will Rogers used to.

The recollections and tales are as colorful as the man is himself. The stories are seasoned heavily with four-letter words and combinations thereof. But, his language is as much a part of the story as the plot is.

His favorite narratives tell of his physical abilities when provoked. He told some teenage boys who kept racing their cars up a street where children were playing that he was going to beat the hell out of them if he heard another tire squealing. He also drove up to the house of a culprit who ran over a "nice sign" in Riverside and disciplined the youth, though he didn't have the police with me. "I didn't have nothing," he adds. If at this point, you look warily at him, he leans in closer and asks, "You don't think I can still do some damage when I want to."

All the while, Coleman is spicing up the stories, he looks for a disbelieving eye or a person who can't quickly catch on to his dry, biting humor. If so, watch out. He will intensify his spiel.

He enjoys seeing that he made a person laugh, whether it is at his outrageousness or his vocabulary, but Coleman does not allow himself to laugh out loud often. Instead, he permits himself only an intermittent chuckle. His enjoyment is reflected in his eyes, as they narrow in delight when he has honed in on a victim not prepared for his acerbic wit.

Coleman's entry into politics, from which he gathers most of his fame, came initially when he ran for county commissioner. "I beat out a veteran commissioner for the title of the third district." With that system of election, Coleman looked out strictly for his own district.

When, he subsequently ran for election, Coleman was forced to vie for the title in a county-wide arena. And, since he "didn't believe in shaking hands," Coleman lost the bid, though he proudly tells of carrying his entire district with the exception of only eight votes. "That was the best day of my life," says Coleman about the defeat.

It was in 1960 that Coleman was elected mayor of Riverdale. "People may have called me a tough mayor, but they could not call me unfair," he stressed.

"I helped to build Riverdale into a pretty nice place. And it has been a lot of fun messing with the stuff and playing with it," answers Coleman when asked about his political motivations.

Highlights of his political career, according to him, include the collection of some $607,000 to raise the bridge. If he had not spearheaded the movement, Coleman said the town would have been cut off. "It took seven years to get the money to raise that bridge, but it was done," said Coleman.

He matter-of-factly tells of building the city hall structure without any federal funds. Something that many majors cannot even think of telling their constituents.

And Coleman's biggest delight is the water system that he finagled due to his banking expertise and determination. The town is now at the point, according to Coleman, to use the revenue coming in from the water system to pay off the two outstanding debts on the million dollar facility.

"I have never wanted any praise for the work I have done for Riverdale. But, at the same time, I would have to be crazy to keep on going like I have. I believe in Riverdale and I want to be part of it. But there are a lot of places I want to go and I feel I can do Riverdale more good outside the confines of the mayor's office," said Coleman.

Bill Coleman.

Perhaps, "character" is not enough. Some people prefer the adjective, "legendary."

Mayor Coleman is truly an outstanding individual. His devotion and service to the people of Riverdale, St. Clair County, and the State of Alabama, are outstanding in the public service arena.

I am honored to be able to share this story with my colleagues and certainly

wish him well in his future endeavors.●

MATTHEW LANDRY

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. LEHMAN of Florida. Mr. Speaker, much work needs to be done in the depressed areas of our cities. Too many people have been left behind as the engine of economic recovery has brought greater wealth to many of our Nation's businesses.

In Miami, efforts have been made to help minority entrepreneurs get started, and these efforts are beginning to show some success.

Matthew Landry recently became the first businessman to pay off a startup loan from the Business Assistance Center, an agency designed to provide help to minority businesses. The money for such loans was provided by contributions from local private business leaders. Some of the most important companies in South Florida contributed to this fund, and it is an excellent example of what private industry can do to try to improve the lot of those in the inner city.

Mr. Speaker, I am pleased to include in the RECORD an article from the Miami Herald which describes how Mr. Landry, through hard work and determination, has made his company successful.

The article follows:

MINORITY FLOOR FIRM IS FIRST TO PAY OFF A START-UP LOAN

(By Cornelius Foote Jr.)

Matthew Landry, 41, owner of Landry Floors Inc., is a big man with a small company who is quickly paying off his debts.

He is the first businessman to pay off his $7,500 start-up loan from the 2-year-old Business Assistance Center, an agency that provides technical and financial assistance to minority businessmen.

"This is an indication of what can be done," said Charles Babcock, president of a Miami-based home builder and chairman of the board for the center. "I'm very pleased that we have a loan paid off. He's coming along and becoming very successful."

The center returned the canceled original loan note to Landry, a six-foot, three-inch, 254-pound man, last week.

"I'm extremely happy," said Landry, a bearded and mustachioed man dressed in green polyester slacks, a black T-shirt and white sneakers spotted with hardened floor wax.

THE INCUBATOR

Landry opened the wood and ceramic floor-installation and refinishing company two years ago when his former employer of more than 15 years, Floors and Interiors, went out of business.

The business employs four people and is housed in the Business Assistance Center's "incubator" at 6600 NW 27th Ave.

Landry Floors is one of eight businesses that has its offices in the center, which provides start-up businesses with low-cost office rent. The center provides a secretary pool and helps him with his bookkeeping.

"I wasn't afraid [to open my own business] because I had had such a rough childhood," said Landry, one of 15 children.

He grew up in a Houston, Texas, orphanage and came to Miami at age 18 to search for his parents, whom he eventually found, he said.

"But because I'm black, at first people wouldn't give me jobs," Landry said. "They felt I wasn't qualified. Even now, when I make a bid, people are a little cautious because they don't think I can do the work.

"My objective is just to go do the job and not get into any personality conflicts. I try to conduct myself as a professional. Once they see how good the job is, they thank me."

The big boost to Landry's business was getting a $17,500 contract with the Dade County School Board to replace and refinish the floors of several area schools. The contract has since been increased to nearly $50,000. The contract is part of the board's "set-aside" program, designed to allot a portion of contracts to minority entrepreneurs.

Since winning the contract, Landry's firm has installed a floor in Miami-Jackson High's auditorium and repaired other damaged floors in the 57-year-old building.

He has also done work at Kinloch Elementary, South Hialeah Elementary and North Miami Elementary schools. Landry's other clients are private homeowners throughout Dade County.

"I've learned to work real hard, be real disciplined and do good work," said Landry, father of 10.

SEED CAPITAL FUND

Ron Frazier, vice chairman of the Business Assistance Center remembers when Landry first came to him for help.

"I met Landry while I was president of the Miami-Dade Chamber of Commerce," said Frazier, owner of an architectural firm, Ronald E. Frazier & Associates. "I directed him to the BAC to get the financial assistance he needed. He's now a symbol that you can achieve some things if you have the ability and the opportunity."

Landry's timing to start a business coincided with the formation of the private, nonprofit Business Assistance Center. The center established a "seed-capital fund" in which there is nearly $2 million for loans to black entrepreneurs starting a business. Local private business leaders joined forces and raised the money for the center in the aftermath of Miami's 1980 riots.

Storer Communications, Southeast Bank, Barnett Bank, County National Bank and City National Bank are among the contributors to the fund.

As one of the first applicants to the program, Landry received an initial loan of $7,500, which he has paid. Landry has also finished paying off an additional $10,000 loan. He still has a $5,000 loan he used to purchase equipment.

"[Landry] has never been a dull moment," said Newall Daughtrey, executive director of the center. "He entered a field in which there aren't too many black businessmen."

Landry's immediate business plans are to increase his staff by two, preferably two women, he said.

"There aren't many women in this business, and I want to train them how to do this kind of work," he said. "I also want to train and employ people in Liberty City who might be poor and hungry."

Added Daughtrey, "We see him as a person in the business community who can employ others and bring something to the community."●

NATIONAL ENDOWMENT FOR DEMOCRACY

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. FASCELL. Mr. Speaker, last week the President transmitted to the Congress the first annual report of the National Endowment for Democracy.

The report presents a detailed picture of the Endowment's first year of operations—both the organizational foundation which has been laid and the projects which were initiated with the first year's funds. The remarks which follow were delivered by the Endowment's President Carl Gershman at a ceremony commemorating "Human Rights Day." They review the highlights of the Endowment's activities and operations in the past year.

For those of you who wish copies of the full report, copies are available from the National Endowment for Democracy, 1156 15th Street, Suite 304, Washington, DC, 20005.

NATIONAL ENDOWMENT FOR DEMOCRACY

Before the end of this month, the National Endowment for Democracy will submit to the President its first Annual Report. We're proud of this report, for it demonstrates that in a short time, under circumstances that were often unusually trying, a sound foundation has been laid for the bipartisan effort to promote democracy which the President announced in his address to the British Parliament on June 8, 1982.

The objective of encouraging freedom and democracy in the world accords both with cherished American ideals and with the fundamental rights and principles embodied in the Universal Declaration of Human Rights. The National Endowment for Democracy represents a further idea: namely, that the existence of autonomous economic, political, social and cultural institutions is the foundation of the democratic process which in turn is the best guarantor of individual rights and freedoms.

The Endowment is founded upon the belief that private institutions in free societies can contribute to the development of democracy through assistance to counterparts abroad.

The Endowment has now moved from the drawing board to the arena of practical programs and activities, and initial programs are underway. Overseeing this entire effort is a bipartisan Board of Directors which reflects the broad consensus that exists in America regarding the value of democracy and the need to strengthen it in the world.

This is not the place to summarize in detail the Endowment's first programs—we have done so in the Annual Report. But I think it would be worthwhile to touch briefly on a few of the high points which convey a sense of the Endowment's direction.

Efforts are underway through the AFL-CIO's Free Trade Union Institute to strengthen free and independent unions in

all regions of the world, often in competition with efforts by anti-democratic groups to control and manipulate Third World workers' organizations. These efforts include assistance to Solidarity in Poland and to the emerging black unions in South Africa, to urban and rural workers in the Philippines, and to democratic workers' federations in Chile and Nicaragua.

At the same time, the National Chamber Foundation's Center for International Private Enterprise has initiated a broad program to strengthen the role of business associations abroad as advocates of democracy who have a special understanding of the relationship between an open political system and an open market economy. One of the Center's many projects is assistance to a pioneering effortin Peru to end the exclusion from the legal system of the sixty percent of the population that works in the informal economic sector. The program has far-reaching political significance in a country where the rallying cry of the terrorist organization, the Sendero Luminoso, is that the people can expect nothing from the law.

The institutes established by our two political parties, the National Democratic Institute for International Affairs and the National Republican Institute for International affairs, have also completed their first programs. An unprecedented gathering of party leaders from all regions of the world was sponsored last month by the Democratic Institute; and the Republican Institute encouraged broad participation in the recent elections in Grenada through nonpartisan programs to strengthen commitment to the democratic process.

The Endowment funds many programs in addition to those run by the labor, business and party institutes. At its last meeting, for example, the Board of the Endowment made an emergency grant that will keep alive the courageous Nicaraguan newspaper, La Prensa. Other programs include:

Assistance to independent educational and cultural activities in Poland and to the families of political prisoners, who urgently need medicine, food, and clothing;

Support for an independent, nonpartisan Center for Political Studies in Guatemala which is promoting dialogue, electoral and constitutional reform, and a new democratic consensus in that key Central American country;

Support for a Chinese journal promoting the values of intellectual pluralism among a key future leadership group, the 15,000 Chinese students and scholars now studying in the West;

Support for Conciencia, an Argentine women's organization which provides basic civics education to the public to help consolidate the new democracy in that country;

Funds to reopen and maintain schools in Afghanistan, which were closed following the Soviet invasion in 1979;

Support to Freedom House to strengthen contact and communication among democratic intellectuals in the Third World and Europe;

Support for the Fifty Sakharov Hearings on Human Rights and for a study exploring how the Endowment can encourage pluralism in the Soviet Union;

Support to Columbia University for an international exchange program in human rights law that will send American students abroad to work for law firms in such countries as South Africa, Zimbabwe, the Philippines and Argentina;

And support for the establishment of a European Coalition for Human Rights in Cuba, an effort led by Armando Valladares, the distinguished Cuban poet who spent 22 years in Castro's prisons.

For too long the United States has abandoned the field of political competition to our adversaries. Our democratic friends could expect little from us, and we in turn would express dismay over the weakness of democratic forces and the absence of a democratic alternative to communism.

We can change this. It will take time, effort, and resources, but it can be done. The fact that we have launched this effort is a signal to our democratic friends that we have a stake in their struggles and in their well-being, and that we share with them a profound common interest in the success of democracy in the world.

Over the long run democratic governments are both the most trustworthy defenders of human rights and the most reliable friends of the United States.

This is the work we have now begun. May we have the patience, the fortitude, and the wisdom to see it through.●

A BILL FOR THE RELIEF OF MEALS ON WHEELS OF THE MONTEREY PENINSULA

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. PANETTA. Mr. Speaker, I am introducing legislation today which was adopted by the House in the 98th Congress. This is a private bill that would relieve Meals on Wheels of the Monterey Peninsula of the FICA tax, plus interest and penalties, it owes for the years 1976 to 1982. This bill is vital to the continued effectiveness of this much-needed program.

This legislation is very important to the senior citizens of the Monterey, CA, area. Its enactment could ensure the ability of Meals on Wheels of the Monterey Peninsula to continue to provide home-delivered meals to shut-ins and elderly residents of the Monterey Peninsula. Failure to adopt it could effectively mean the end, or severe restriction, of that service.

Meals on Wheels of the Monterey Peninsula provides more than 100,000 meals annually to its recipients. It has been delivering three meals a day to shut-ins and elderly residents at home for 12 years. It has also developed a group meal program to permit the elderly to leave their homes and enjoy social contact. Meals on Wheels of the Monterey Peninsula, unlike many Meals on Wheels organizations, has a comprehensive health, nutritional, and social service approach which provides broad assistance to hundreds of elderly citizens. In my view, the loss of Meals on Wheels would be a real tragedy, particularly since the problem this bill addresses was caused by incorrect advice provided by an accountant.

To describe the problem briefly, an accountant working on a voluntary basis with the organization in 1975 incorrectly advised its leadership that, as a nonprofit organization, it was not required to pay the FICA tax on behalf of its employees and that the employees also were not required to pay the tax. In 1972, Meals on Wheels had begun to pay the FICA tax on behalf of some employees, although only one employee had actually wanted coverage. Under the law at that time, this obligated the organization to continue paying the tax. But the accountant, misinterpreting a confusing statute, mistakenly advised that there was no obligation and suggested that Meals on Wheels simply stop paying the tax. Regrettably, the organization took that advice, beginning in 1976.

The Internal Revenue Service has assessed Meals on Wheels on unpaid FICA tax from 1976 through 1980. In addition, there could be a liability for 1981 and 1982. The total owed right now, including interest and penalties, amounts to more than $50,000.

Since 1983, Meals on Wheels has been paying the FICA tax on behalf of its employees, as the law requires. This was, of course, a pragmatic decision to make under the circumstances. However, I believe it also shows good faith by Meals on Wheels. In addition, it brings the organization into line with the requirement established by the Social Security Amendments of 1983 that all nonprofit organizations participate in the Social Security system.

The bill I am introducing today is identical to H.R. 1561 from the 98th Congress. It provides that, with respect to services performed by its employees during the years 1976–82, Meals on Wheels and those employees are relieved of liability for the payment of unpaid FICA taxes and interest or penalties assessed or accrued on those taxes. Also, in order to ensure that individual employees are not harmed by this legislation, the bill provides that any work performed for Meals on Wheels during this period is credited to the Social Security accounts of the individual workers. The bill prevents the creation of a bureaucratic problem in the future by requiring that records of that employment be provided to the Secretary of Health and Human Services within a year of enactment of the bill. I have been assured by a representative of the Meals on Wheels organization that it can and will provide those records.

I do not subscribe to the argument that any taxpayer who receives incorrect tax advice should not be obligated to pay for mistakes based on that advice. However, this is a unique case. Meals on Wheels is known and respected nationwide. It is an important part of our Nation's efforts to provide the elderly with a means of remaining in their homes instead of being institu-

tionalized. It not only adds incalculably to the quality of their daily lives but also reduces costs for the recipients and Government at all levels. For many recipients, the daily visit of a Meals on Wheels volunteer is the only contact they will have with the outside world. Without Meals on Wheels, it is certain that many of these elderly citizens would end up in costly nursing homes or other institutions.

Mr. Speaker, enactment of this legislation could mean the difference between a strong, thriving Meals on Wheels in the Monterey area and a weak organization that does not truly meet the needs of our citizens. I believe this outweighs any reservations that might be held about a measure of this kind. I certainly hope my colleagues will join me in support of this legislation.

Following is the text of this bill:

H.R. —

A bill for the relief of Meals on Wheels of the Monterey Peninsula, Incorporated

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Meals on Wheels of the Monterey Peninsula, Incorporated, and any individual who performed service in its employ after 1975 and before 1983 are relieved of all liability to the United States for the payment of unpaid taxes imposed by chapter 21 of the Internal Revenue Code of 1954 (and any interest or penalty assessed or accrued on such taxes) with respect to service performed in the employ of Meals on Wheels of the Monterey Peninsula, Inc., during such period.

SEC. 2. For purposes of title II of the Social Security Act, service performed in the employ of Meals on Wheels of Monterey Peninsula, Incorporated, after 1975 and before 1983 shall be treated (for purposes of benefits for months beginning after the month in which this Act is enacted) as employment, if and to the extent that a detailed record of such service is transmitted to the Secretary of Health and Human Services within 12 months after the date of enactment of this Act.●

REFORM OF SOCIAL SECURITY-WORKERS' COMPENSATION OFFSET

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. SEIBERLING. Mr. Speaker, today I am introducing legislation which would change the order in which dependents' Social Security disability benefits are offset when the disabled wage-earner is receiving both Social Security disability benefits and workers' compensation benefits.

Under current law, if the Social Security disability benefits are subject to an offset because the disability recipient is also receiving State workers' compensation benefits, then the dependents' benefits are offset before the disabled wage-earner's benefits. This practice has little effect on the family's income when the entire family unit is living in the same household, but it can have devastating effects when the family is separated.

For example, one of my constituents was separated from her husband, but had custody of their child. The husband was entitled to both workers' compensation benefits and Social Security disability benefits. Because of the current offset procedures, she received only $5 per month in Social Security dependents' benefits for her child, while her husband received both workers' compensation benefits and disability benefits. In this example, as in many cases of this kind, the husband was not under court order to pay child support because his disabling condition precluded him from working.

My bill would simply reverse the order of the offset. In other words, the disabled wage-earner's disability benefits would be reduced before any of the dependents' benefits were reduced. This change would have no effect on households where the family is together, but it would significantly improve situations where the family is not all living under the same roof. The change that I have proposed is essential to insure that all beneficiaries receive the payments that they are due under the Social Security system, but the change would not increase Federal spending for the Social Security program.

I urge my colleagues to carefully consider this important piece of legislation.●

TAX EQUITY AND SIMPLIFICATION ACT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. RANGEL. Mr. Speaker, today I am introducing the Tax Equity and Simplification Act of 1985, H.R. 1040, which I believe represents nothing less than a major step toward a tax system based upon the principles of fairness, efficiency, and simplicity.

The Tax Equity and Simplification Act contains nearly all of the Treasury Department's tax reform proposals as announced on November 27, 1983. The Reagan administration's Treasury Department is to be commended for proposing a tax reform package which provides real tax relief for 56 percent of all taxpayers and results in no increase in the tax burden for 22 percent more. At the same time, it removes 4 million working poor families from the tax rolls, and begins to redistribute the corporate and individual tax burden in a more equitable fashion. Furthermore, by eliminating the multiplicity of preferences, shelters, and loopholes, it eliminates current incentives to invest based upon tax rather than economic considerations.

For all too long, Government has pursued tax policies which have resulted in an overly complex system that allows the wealthy and special interests to avoid taxation at the average taxpayer's expense. These perceptions have translated into a growing lack of confidence in the equity of what was once a progressive tax system. The Treasury's proposal would change all this and thus warrants the support of the American people and their elected officials.

The proposal is not perfect and does contain some major inequities such as the elimination of the deduction for State and local taxes, the full taxation of unemployment benefits and workman's compensation benefits, the establishment of a cap on employer provided health care benefits, and the restriction on charitable deductions to contributions in excess of 2 percent of adjusted gross income. But on balance it does result in a system which taxes everyone on a more equal basis while at the same time reducing complexity. These are goals which are basic to a fair and equitable tax system.

INDIVIDUAL TAXES

The Treasury is to be commended for raising the income tax threshold to $11,800 for a family of four which means that families with incomes below poverty will not pay Federal income taxes. However, unlike the late 1970's, the earned income tax credit no longer offsets the impact of payroll taxes for families near poverty. This proposal takes an important step to reducing the tax burdens for poor families, but it does not go far enough. The earned income tax credit should be expanded to at least cover the cost of payroll taxes for those near the poverty line.

In return for the loss of tax loopholes, which predominately benefit the wealthy, the adoption of 15 percent, 25 percent, and 35 percent tax brackets will result in an average tax reduction of 8½ percent for 87 percent of all taxpayers and an increase for the remaining 22 percent who are now avoiding their fair share of the tax burden.

Notwithstanding my general support for this reform proposal, there are six provisions directly affecting individual taxpayers which I cannot support.

The elimination of the State and local tax deduction will have a severe impact on those State and local governments which, despite the Reagan budget cuts, have continued to provide needed services. As long as State and local governments are expected to assume responsibilities that were once Federal, it is unfair to penalize the taxpayers in those jurisdictions. The

51-059 O-86-31 (Pt. 2)

elimination of the deduction would result in a double taxation, that is, a tax on a tax.

The imposition of full Federal tax liability on unemployment insurance, which is currently exempt for the first $12,000 of income for individuals and for the first $18,000 for families, would place an undue burden on those who have already suffered the loss of their job. It is unjust to tax unemployment compensation, which is essentially an insurance policy, already paid for with after-tax dollars.

Similarly, and probably even more egregious, is the Treasury's proposal to tax workman's compensation, for unlike unemployment insurance, workman's compensation is provided not because you no longer are employed, but rather because job-related injuries make it impossible for you to work. These benefits are already purchased through after-tax payroll contributions and thus should remain tax exempt.

The establishment of a cap on employer provided health care benefits will have its severest impact on those individuals who live and work in communities where the cost of health care is significantly higher than the national average. While the alarming increase in the cost of health care must be checked, a more constructive approach would be the establishment of a comprehensive system of cost containment for all providers of health care services.

I would also eliminate the Treasury's proposal limiting deductions for charitable contributions in excess of 2 percent of adjusted gross income. If the responsibility for providing services is to be with the private sector, then the imposition of such a threshold can only serve to reduce charitable giving.

While I would allow the individual retirement account [IRA] to raise from the present $2,000 limit to $2,500, I would not expand the current spousal IRA from $250 to $2,500. This would simply allow the nonworking spouses of highly compensated individuals an unjustified tax shelter. Many economists believe that an expansion of the spousal IRA would not increase savings, but rather would merely result in a shifting of savings patterns.

CORPORATE TAXATION

For the past 33 years the percentage of Federal receipts from corporations has dropped from a high of 26.5 percent in 1950 to an all-time low of 6.2 percent in 1983. This drop in Federal corporate receipts has accelerated during the Reagan years, predominately due to the $750 billion, 1981 Reagan Economic Recovery Tax Act giveaways. Thus, I am more than pleased to support most of the Treasury's corporate tax proposals.

As with the reform proposal for individuals, the Treasury's reform proposals for corporations would exchange lower tax rates in return for the elimination of many of the least economically productive tax deductions. Thus, the top corporate tax rate would be reduced from 46 percent to 33 percent and at the same time stretch out overly generous accelerated cost recovery depreciation deductions for equipment, and eliminate a host of deductions and shelters including: The 10 percent investment tax credit, special treatment for capital gains, the sale of leases, the excess bad debt reserves of financial institutions, intangible drilling costs, the depletion allowance, special treatment for corporations in world trade, and deductions for entertainment expenses.

However, there are several changes in the Treasury corporate tax proposals which I would alter. Many small businesses currently pay less than the proposed 33-percent corporate tax rate. Therefore, I would substitute a progressive tax rate of 15 percent on the first $50,000 of taxable income, 25 percent on taxable income between $50,000 and $100,000, and 33 percent thereafter. The value of these reduced rates, designed to provide relief for small businesses, would be phased out between $100,000 and $200,000 of taxable corporate income.

In addition I would allow the research and development credit to expire.

My bill also differs from the Treasury package in another important respect. The Treasury package would allow a corporation to deduct from its taxable income 50 percent of any dividends in pays. My bill would not.

This part of the Treasury package would be a step toward integrating corporate and shareholder taxes. It is in part premised on the view that a corporation should not be treated as an entity separate from its shareholders but as an extension of its shareholders. I disagree with this view. Today's business world is heavily populated with corporations which are related to their shareholders only in the most formal of senses. It is, regrettably, a fact of life that in many of these cases, the corporation's managers are not the corporation's shareholders and are as a practical matter generally insulated from responsibility to shareholders in most corporate-level decisions they make. To treat these corporations and their shareholders largely as a single entity for tax purposes would be to ignore business reality.

My bill would direct the Treasury to submit to the Congress, within 90 days of enactment, recommendations to make my proposal revenue neutral and an implementing bill. However, nothing in the Tax Equity and Simplification Act of 1985 would take effect prior to the later of date of enactment or January 1, 1986.

By introducing the Treasury's tax reform proposals, I am seeking to provide a congressional forum on what constitutes an equitable, efficient, and simplified tax system. Only a thorough discussion of the tax system will allow us to determine what does and what doesn't belong in the tax code. Therefore, I would encourage people to come forward to make their case as to why a given tax expenditure should be maintained or eliminated.●

A TRIBUTE TO DR. HOWARD INGHRAM

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. BROWN of California. Mr. Speaker, Dr. Howard Inghram, a native of San Bernardino and a medical doctor for 50 years, was recently saluted in a special recognition dinner celebrating the 13th anniversary of the Black Voice News, an Inland Empire newspaper.

Dr. Inghram came from a family of seven; his father was a farmer. He grew up in San Bernardino and has seen it grow tremendously. He is a 1918 graduate of San Bernardino High School, where he was active on the track team and a star athlete. While in high school, Dr. Inghram had a serious talk with his oldest brother Henry about his future. It was then that they decided he would become a physician. Dr. Inghram attended the University of California at Berkeley for premed, and went on to Northwestern University in Chicago.

After his internship, Dr. Inghram returned to California. Facing racial discrimination, he opened a practice in relatively deserted Imperial Valley (near the Mexican border). Dr. Inghram taught himself to speak Spanish so he could better treat his patients.

In 1934, he began practicing medicine in San Bernardino; he was the only black doctor in San Bernardino County until after World War II. He delivered the first set of triplets at Community Hospital. He has practiced in all the hospitals in San Bernardino, treated all races of people, and, as a general practitioner with a specialty in obstetrics, he has delivered well over 1,000 babies. Dr. Inghram has brought several generations into the world. In his own words, "I've delivered mothers, and then delivered their daughters' babies." He has found the medical field a challenge where he has met new and different problems daily. Successfully diagnosing and treating patients brought him professional satisfaction.

In 1943, Dr. Inghram married Henrietta Banks, and she worked beside him as receptionist and bookkeeper for 29

years. They have one daughter, Shirley, four granddaughters, five great-grandsons, and one great-great-grandson.

He served 40 years in private practice and 10 years with Whitney Young Clinic and various other clinics as far away as Victorville, on the other side of the San Bernardino Mountains. Dr. Inghram has also served his country through ROTC and the Army Reserves, and his parents founded St. Paul African Methodist Church, where he remains a very active member. He has served as church trustee for over 45 years.

He has a lifetime membership in the American Medical Association and is a member of the Academy of General Practitioners, the NAACP and the Alpha Phi Fraternity.

He retired 7 years ago, and now enjoys his bowling, golf, and grandparenting.

I am pleased and happy to salute this pioneering doctor, Dr. Howard Inghram, along with the other black doctors who are providing quality health care in Riverside and San Bernardino. I believe my colleagues in the House will agree that he represents those qualities of service and distinction which merit his recognition here today.●

THE COLUMBUS TIMES

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. RAY. Mr. Speaker, there is a resolution pending, which I have cosponsored, that will commemorate this month, February 1985, as Black History Month.

We have observed Black History Month in this Nation for the last few years, and I heartily endorse this form of commemoration.

This year, as we honor those black men and women who have played a significant role in our history, I want to bring to your attention a family who has, through their newspaper, had a tremendous positive impact in my district.

Twenty-six years ago, Vernon Mitchell opened the Columbus Times in Columbus, GA. He was a school teacher in Columbus and started the paper, he said, because he wanted to portray an accurate image of the activities and concerns of the black community.

He used his paper as a forum to promote black issues and to criticize community policies and programs that were unfair to blacks. Mitchell has been referred to as a "firebrand" by those who knew him, and his stirring journalism brought black issues and problems to the attention of the Columbus community.

But, in 1970, Vernon Mitchell died quite suddenly, and the future of the Columbus Times was left in the hands of his wife, Ophelia Devore Mitchell. With the encouragement of the people who worked at the paper, Ms. Mitchell decided to keep the paper open.

When the presses began to roll at Ophelia Mitchell's paper, however, they carried a new message to the people of Columbus. Mrs. Mitchell wanted to show through her paper the positive and productive aspects of the black community. Her paper would be used, she said, to report the achievements and successes of black people. The Columbus Times became a paper that took up only issues important to the black community at large—a paper which would not be the voice for personal grievances.

At a time when blacks appeared primarily in the media in reports of crime or injury, Mrs. Mitchell's paper highlighted the examples of excellence and achievement among blacks in Columbus and the South.

Her paper became a reflection of her own personal philosophy—a philosophy which refused to use the power of the press to hurt a particular person and a philosophy which said that all people, black or white, rich or poor, are equal and should be treated with respect.

In 1973, at Mrs. Mitchell's request, her daughter and son-in-law joined her at the paper. Carol and Helmut Gerdes took up Mrs. Mitchell's philosophy and they still serve in prominent positions at the paper today. Carol Gerdes holds the position of news editor and advertising manager, and Helmut is the managing editor of the Columbus Times.

They have added some special features to the paper over the years, which reflect their own desire to highlight the achievements of blacks. Twice a year, they print a special black study series that spotlights a black person or program that has made the city or region a better place to live. They also print black history pages on a regular basis, to spotlight outstanding people and events that have influenced American history.

Throughout all these years, the Columbus Times has added to the Columbus community. The paper has been instrumental in establishing the harmony and respect which typifies relations among all segments of Columbus society. Thanks to the people behind the Columbus Times, the paper has influenced the city and its people, and made "good news" something people want to talk and read about.

Every issue of the Columbus Times carries this headline: "Recording Black History Every Day". In this Black History Month, I want to pay tribute to this paper and the people who create it for recording positive and uplifting events in Columbus, and for helping to spread the philosophy of Ophelia Devore Mitchell throughout our area.●

THE 1984 STEINERT VARSITY BOYS SOCCER TEAM—STATE CHAMPIONS

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. SMITH of New Jersey. Mr. Speaker, I rise today to ask my colleagues to join with me in recognizing and congratulating the accomplishments of the Steinert (Hamilton High School—East) boys' varsity soccer team. Culminating an excellent season, they became the group III New Jersey State champions by winning the final match 3 to 0 in Rutgers' Stadium on November 23, 1984.

Only allowing 15 goals all season, the Steinert boys' varsity soccer team held their opponents scoreless in 16 out of the 25 games they played—that is a 22-2-1 season record with their only 2 losses coming from a team that went on to win the State title for parochial schools. The team's consistently outstanding performance regularly attracted thousands of enthusiastic supporters, too.

Hamilton Township is rightfully proud, Mr. Speaker, since this type of achievement has become a tradition for their soccer team. For the last 10 years, the team has been ranked among the top 10 in our State. This year, Peter Kasabach made the All East Coast team, while Dan Donigan was awarded with All America honors. But over the course of the season, Mr. Speaker, the entire team consistently demonstrated that by working together, great things can be accomplished.

The coaching staff also deserves high honors for the development of a program that provides youths with the opportunity to be a part of this unique winning experience. Winning the New Jersey State title requires a special contribution from talented athletes, experienced coaches, supportive administrators, and enthusiastic fans alike. The State title is a just reward for the years of practice, patience, and hard work involved in building a sports program of this depth, capable of these achievements.

This team also provides us with a stellar example of the benefits of participation in high school sports. The teamwork and comaraderie instilled in the players will remain with them for the rest of their lives.

Of course, Mr. Speaker, not every team can hope to be as successful as the Steinert boys' varsity soccer team. These values that participation in

high school sports teaches, however, are common to all team sports.

Once again, Mr. Speaker, I congratulate the players and their coaches—whose names are listed below—on an outstanding season. Finally, I wish them luck in the competition next year.

1984 STEINERT VARSITY BOYS SOCCER TEAM—STATE CHAMPIONS

Kenneth Blando, Kirk Bullock, Jerry Chmielewski, Nicholas Christiano, Scott Cook, Joe DiMeglio, Dan Donigan, Kenneth Durfee, Raymond Fowler, Andrew Grzenda, Gordon (Chip) Hector, William Hornung, Peter Kasabach, Francis (Craig) Klein, Kevin Klopper, James Kucay, Brian Matson, Brian McVicker, Mark Nouvel, Robert Stefanowicz, and Mark Zoldi.

Michele Novick, manager; Paul Tessein, head coach; Richard Giallella, assistant coach; Anthony Armenti, assistant coach; and Thomas Buzinski, assistant coach.●

NATIONAL SCLERODERMA WEEK

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. PANETTA. Mr. Speaker, I am introducing a joint resolution today designating the week of June 10-16, 1985, as "National Scleroderma Week." Similar resolutions were adopted in 1982 and 1983, and it is my hope that my colleagues will join me in supporting the resolution this year as well.

Scleroderma, for those of my colleagues who are not familiar with this disease, is a painful and debilitating ailment that attacks the skin and multiple organs of the body. In its most serious form, scleroderma can strike the esophagus, intestines, lungs, heart, or kidneys, causing fibrosis, inflammation, and atrophy of normal functioning tissues. Two major problems caused by scleroderma are decreased circulation and increased production of collagen. Localized scleroderma causes hardening and thickening of the skin, particularly of the hands and fingers, along with painful ulcerations.

This disease, one of the many forms of arthritis, affects an estimated 300,000 people in the United States. However, the actual number of victims may be higher because of misdiagnosed cases. Four times as many women as men develop scleroderma in early and middle age.

Unfortunately, the cause of scleroderma is unknown, and there is no permanent cure for the disease. While there is no specific treatment for scleroderma, various medications and therapies can alleviate symptoms. But research is being conducted at medical centers throughout the United States in search of a cure.

Lack of focus on this disease has resulted in a shortage of funding for this vital research. At a time when public funding for many worthy causes is scarce, we obviously need to encourage private contributions. National Scleroderma Week will help to bring the additional attention that will boost public consciousness of scleroderma, as well as lend comfort to its hundreds of thousands of victims.

Mr. Speaker, I urge my colleagues to join me in sponsoring this important resolution.●

ANTITRUST LEGISLATION ON CORPORATE ACQUISITIONS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. RODINO. Mr. Speaker, I am pleased to join with Congressmen BROOKS, EDWARDS of California, SEIBERLING, HUGHES, and FEIGHAN in introducing two bills that will adjust the application of our antitrust laws to corporate acquisitions. The bills are in response to a significantly changed enforcement climate during the past 4 years in which large horizontal mergers have rarely been blocked and vertical and conglomerate combinations have been subject to no appreciable antitrust restraint whatsoever.

Not only does the current passivity of the antitrust agencies toward merger enforcement come at the consumer's expense, but it also ignores or overrides those policy goals specifically endorsed by Congress in passing the antitrust laws: assuring competition at all levels of the distribution chain; assuring that any efficiency savings will be passed on to the consumer; and assuring a place for the innovative small business competitor. The two bills I have introduced are aimed at reendorsing these goals and, by so doing, revitalizing merger enforcement policy.

On Tuesday of this week, the President released his annual Economic Report. The report concedes that many takeovers appear to have been misguided; we are told, however, that these acquisitions are, on balance, good for the country. But that which is good for the country depends upon both the workings of the free market and the public confidence underpinning that system. Because that antitrust laws were developed as a unique guarantor of the American free market system, any policy which has the effect of reducing the reach and force of those laws will inevitably threaten the workings of the system and shake the confidence of the American public.

And public confidence is now being sorely tested. The spectacle of large Fortune 500 companies attacking each other, counterattacking and maneuvering as if involved in war games demonstrates, in most dramatic fashion, that these corporate battles clearly affect large segments of society and have substantial potential for harm. Congress, consistent with its constitutional responsibilities, cannot ignore the issue on the easy assurance of some that the short-term devastation will somehow be cleaned up.

The bills that we introduce today build upon the legislative proposals that were advanced by me, by Congressman SEIBERLING, and by other members of the subcommittee during the 98th Congress. There is widespread congressional interest in corporate acquisition activity because of the problems created by an altered enforcement climate.

The amendment to section 7 of the Clayton Act will adjust merger enforcement standards to ensure that the courts will properly weigh the effects of potential as well as actual competition. In passing the amended section 7 of the Clayton Act, Congress was concerned that a competitive analysis of a merger take into account not only direct market rivals, but also potential competitors in closely proximate or adjacent product or geographic markets who might, under the guise of a conglomerate merger, achieve undue dominance in a particular market. In recent years, however, the enforcement agencies and the courts have largely ignored this important factor.

In addition, the section 7 amendment would establish a presumption of an anticompetitive effect for certain acquisitions that may substantially foreclose a competitor's access to supplies or to customers. These are significant considerations in vertical combinations, and have long been a part of antitrust jurisprudence. But here again, the enforcement agencies have largely discounted or ignored their critical role in a balanced merger-enforcement policy.

The second bill is an amendment to the premerger notification program established by the Hart-Scott-Rodino Act. The bill would end the unwarranted favored status of cash tender offers under section 7A of the Clayton Act by establishing a uniform 30-day waiting period for all types of acquisitions. A major concern with some cash tender offers has been the inadequate time available to respond to offers that will affect the lives and fortunes of thousands of employees and, in some cases, entire communities. A uniform 30-day period will permit more measured and rational public responses to takeover attempts.

This bill would also permit the Department of Justice or the Federal Trade Commission to extend the waiting period for up to 60 additional days if the combined corporate assets of the acquisition parties will exceed $1 bil-

lion. This additional review period is needed in order to provide the enforcement agencies adequate time to scrutinize all potential anticompetitive effects of acquisitions involving very large acquisitions.

Of course, these legislative proposals will not by themselves establish an orderly marketplace for the buying and selling of corporate control of publicly traded corporations. Even with the active enforcement of the antitrust laws, other reforms are clearly indicated. No system of corporate control serves this Nation well if the managers of our largest industrial enterprises are so consumed with the gamesmanship of takeover tactics that they are unable to manage a corporation's productive capacities. Consumers, employees, and stockholders are all best served if the management is able to focus on its primary task: Maximizing a firm's economic potential through innovation and investment in areas in which the firm has expertise. And there are, increasingly, clear and present signals that managements are not able to function properly. Among them is the increasing number of managements of publicly traded companies that are choosing to go private. Plagued by increasing concerns with hostile takeover activity, many managements are buying out all publicly held shares. W.T. Grimm data suggest that in the first 9 months of 1984, 53 corporations chose to go private, a startling figure when compared to 1980, when only 13 corporations took such action.

Still another sign of malaise is the increasing number of companies that are amending their bylaws in an attempt to ward off hostile takeovers offers. Both General Motors and Mobil, the No. 2 and 3 ranked companies on the Fortune 500 list of industrial firms, have sought such bylaw revisions in the last few months. And the New York Stock Exchange is under pressure from listed companies to consider rule changes that might limit stockholder control over management's decisions.

These actions suggest that corporate management, increasingly concerned with the impact of hostile takeover activity, has sought to act on its own to deal with the chaotic market conditions now confronting them. Whether or not successful, such responses have their own costs—and they are likely to be substantial. If the responsive actions of corporate management are unsuccessful in blocking takeovers, the pressures on managers to look only to the short term will continue. And, whether or not successful, many of these defensive tactics will undermine other public policy objectives, including the goal of maintaining ultimate stockholder control of publicly traded corporations.

Everyone of us has a fundamental interest in seeing our industrial economy function well. It if does not, consumers ultimately must pay the bill through higher prices, fewer varied and quality products, and a lower standard of living.

Joined by my colleagues on the Judiciary Committee, I intend to move forward in the 99th Congress on that part of the takeover problem that may be controlled or eliminated through vigilant antitrust enforcement.●

MASSACHUSETTS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS, INC., CELEBRATE 85TH BIRTHDAY

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. MOAKLEY. Mr. Speaker, the Massachusetts Society of Certified Public Accountants, Inc., recently observed its 85 years of service to public accountants and to the public.

In recognition of this milestone, the house of representatives of my home State adopted a resolution of congratulations and good wishes for the future.

I am pleased to share the contents of this resolution with my colleagues.

RESOLUTIONS CONGRATULATING THE MASSACHUSETTS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS, INC., ON THE OCCASION OF ITS 85TH BIRTHDAY

Whereas, the famed Massachusetts Society of Certified Public Accountants, Inc. will celebrate the eighty-fifth anniversary of the founding of this influential professional organization on February 4th of the current year; and

Whereas, numbering some 7,000 members at present, the Massachusetts Society of Certified Public Accountants has served its membership faithfully during an impressive lifespan that has paralleled a period of ever increasing economic sophistication in our country's history; and

Whereas, renowned in professional circles throughout the world, the prestigious Massachusetts Society of Certified Public Accountants has enhanced the reputation of its members and accorded the industry of the Commonwealth recognition from which all citizens benefit; and

Whereas, it is fitting and proper on this memorable occasion that the elected representatives of the people duly express their appreciation and admiration for the noteworthy achievements and significant contributions of the Massachusetts Society of Certified Public Accountants, Inc. to the continued welfare of the Commonwealth; therefore be it

Resolved, That the Massachusetts House of Representatives hereby congratulates the Massachusetts Society of Certified Public Accountants, Inc. on the occasion of its eighty-fifth birthday, and extends to the diligent members thereof sincere best wishes for continued success in all their future endeavors; and be it further

Resolved, That a copy of these resolutions be forwarded by the Clerk of the House of Representatives to the Massachusetts Society of Certified Public Accountants, Inc.●

NATIONAL AGRICULTURE DAY

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. PURSELL. Mr. Speaker, I am proud to join my colleagues today as an original cosponsor of a bill to proclaim March 20, 1985, as "National Agriculture Day." National Agriculture Day has been observed for more than a decade and each year since 1981 has been recognized by an act of Congress. I urge that this tradition be continued so that every American becomes aware of the importance of agriculture.

My family comes from a Michigan farm. Memories of that place mean a lot to me. For that reason, farming holds a very special place in my heart.

America's character is embodied in her farmers. This group of Americans possess and illustrate so well the fundamental qualities that make our Nation so strong. Those qualities are: independence, diligence, and patriotism.

American farmer's unquenchable thirst for independence shows us that in America we are, above all else, free. These indomitable people show us year after year that, despite being used time after time as unwilling pawns in the chess game of foreign policy and despite suffering debilitating losses as a result of mistakes in that foreign policy, our farmers continue to be the most productive and advanced group of agriculturalists in the world.

Our farmers' diligence is reflected in their countless hours of work devoted to raising this country's food supply. During planting and harvesting seasons they work literally from before dawn to long after nightfall—missing meals, sleep, and time with their families to get the crop cared for, out of the ground and in—so that people who don't farm can enjoy the benefits of the miracles they have come to take for granted at their local supermarket.

Beyond the farmers' independence and diligence is their deep-rooted patriotism, which is expressed through careful husbandry of America's precious resources. Our farmers show with actions that which words cannot adequately express: a boundless love and respect for this land. Farmers know the infinite and subtle personalities of the land in which they are firmly rooted. That land has bred this group of fine Americans. We could not ask for a more patriotic group of people than America's farmers.

These contributions underscore the importance of recognizing their magnificent achievements through Nation-

al Agriculture Day on March 20, 1985. I urge my colleagues to join me in cosponsoring and passing the resolution proclaiming National Agriculture Day recognizing America's farmers.●

THE SOVIETS AND THE ASSASSINATION ATTEMPT ON THE POPE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. BROOMFIELD. Mr. Speaker, I am troubled by recent findings suggesting that the Soviets may have been responsible for the attempted assassination of the Pope in Rome. While the Soviet intelligence service has always been suspect in this attempt, this new information sheds more light on their possible involvement in this heinous deed. The following article presents interesting details about what the Soviet military intelligence service, the GRU, and the former Soviet Defense Minister were planning for His Holiness.

In general, there is strong evidence regarding Soviet involvement in supporting international terrorism. The Soviets provide assistance to countries like Libya, Syria, North Korea, some Eastern European states, and others which use terrorism as an instrument of state. Although it is difficult for many of us in the democratic West to believe that some national governments directly use acts of terrorism to pursue their national policy, there is abundant intelligence to prove this point.

While I fervently hope that arms-control talks with the Soviet Union bear fruit, I remain concerned that a country which backs, at a distance, international terrorism might be willing to violate solemn international arms-control accords. While our Government representatives sit across the negotiating table from Soviet negotiators, we must always remember that behind our back the Kremlin indirectly supports terrorism attacks against U.S. interests around the world.

I strongly support the administration's current efforts to enhance the security of our diplomatic facilities overseas and strengthen our intelligence collecting abilities. The fight against terrorism by the West is a long and hard struggle which we must win if we are to remain free societies.

With these thoughts in mind, I recommend this article to my colleagues in the Congress.

The article follows:

[From the Washington Times, Jan. 31, 1985]

ITALIAN AGENTS TIE SOVIETS TO PAPAL SHOOTING

ROME.—Italy's military secret services reported six days after Pope John Paul II was wounded in 1981 that Soviet military intelligence was behind the shooting in St. Peter's Square, the magazine L'Europeo said yesterday.

The weekly said a May 19, 1981, classified report by the secret services concluded that Dmitri Ustinov, the late Soviet defense minister, was the head of the conspiracy against the Polish-born pontiff.

L'Europeo did not say how it obtained access to the secret document, but the Italian news agency ANSA quoted "competent sources" as confirming the existence of the document.

L'Europeo said the document cited John Paul's support of Solidarity, the outlawed Polish trade union, as the main reason for the conspiracy.

The document quoted "generally well-informed sources" as saying the plot was discussed at a meeting of the defense ministers of the Warsaw Pact, held in Bucharest in November 1980, L'Europeo said.

"The decisions were greeted with enthusiasm only by representatives of East Germany," L'Europeo quoted the report as saying.

"In view of the perplexity expressed by the other [Warsaw Pact] allies, Ustinov reportedly said that the pope would only be wounded so he would not be a bother for a good while," it said.

"According to intelligence data, the attempt against John Paul was planned by the GRU, the Soviet Union's military secret service, on Ustinov's directives," L'Europeo said.

It added that the Soviet agency helped Mehmet Ali Agca—who was arrested moments after shooting the pope and is serving a life prison sentence—to escape from a Turkish prison and then trained him.●

LET'S ADD AN EDUCATION COMPONENT TO THE SUMMER YOUTH EMPLOYMENT PROGRAM

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. WILLIAMS. Mr. Speaker, today I am introducing a bill to add an education component to the Summer Youth Employment Program of the Job Training Partnership Act. In expanding the existing summer youth employment program, this bill will:

First, provide youth with basic academic and functional competencies;

Second, provide counseling on the connection between skills and job prospects;

Third, involve those who are behind in school in combined work experience and remedial education activities;

Fourth, develop individual remedial strategies for each young person to pursue during the school year; and

Fifth, add a 90-percent hold-harmless provision to insure against drastic shifts in allocations.

This legislation requires no additional Federal dollars and is revenue neutral, since it requires (after a 2-year phase-in period) that each private industry council [PIC] raise a limited amount of non-Federal funds (1.5 percent of the SYEP allocation) to pay for this effort. These locally raised funds would then be matched by the State from non-Federal sources or from existing Federal funds available to the State under section 202(b) (1) and (3) of JTPA and under chapter 2 of the Education Consolidation and Improvement Act of 1981.

This legislation was developed in response to research findings that:

First, economically disadvantaged youth are likely to experience decay in their achievement scores during the summer;

Second, a significant portion of the difference in learning from year to year between disadvantaged and advantaged youth may occur during the summer;

Third, disadvantaged youth who are behind one grade level or more in school are at-risk of dropping out of school;

Fourth, individualized, self-paced remedial instruction is effective and the preferred approach in reversing these trends with economically disadvantaged youth, and can produce modest and lasting gains in basic academic and functional competency skills; and

Fifth, when achievement scores can be raised during the summer, especially for youth aged 14-15, high school dropout rates may be reduced.

Further refinements to this legislation were made after receiving comments from the National Governors' Association, the American Vocational Association, the Ford Foundation, the National Association of Counties, the National Association of Private Industry Councils, 70,001 Ltd., the National Alliance of Business, the Rockefeller Foundation, and the Roosevelt Centennial Youth Project, as well as a number of JTPA directors.

H.R. 1090

A bill to amend part B of title II of the Job Training Partnership Act to require the establishment of an education component in the summer youth employment programs under that part

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Summer Youth Employment, Training, and Education Act of 1985".

FINDINGS

SEC. 2. The Congress finds that—

(1) economically disadvantaged youth are likely to experience decay in their achievement scores during the summer;

(2) a significant portion of the difference in learning from year-to-year between disadvantaged and advantaged youth may occur during the summer;

(3) disadvantaged youth who are behind one grade level or more in school are at-risk of dropping out of school;

(4) individualized, self-paced remedial instruction is effective and the preferred approach in reversing these trends with economically disadvantaged youth and can

produce modest and lasting gains in basic academic and functional competency skills; and

(5) when achievement scores can be raised during the summer, especially for youth aged 14-15, high school dropout rates may be reduced.

PURPOSES

SEC. 3. It is the purpose of this Act to convert the existing summer youth employment program to a program that—

(1) provides youth with basic academic and functional competencies,

(2) provides counseling on the connection between skills and job prospects,

(3) involves those who are behind in school in combined work experience and remedial education activities, and

(4) develops individual remedial strategies for each young person to pursue during the school year.

AMENDMENT TO JOB TRAINING PARTNERSHIP ACT

SEC. 4. (a) Part B of title II of the Job Training Partnership Act is amended to read as follows:

"PART B—SUMMER YOUTH EMPLOYMENT, TRAINING AND EDUCATION PROGRAMS

"AUTHORIZATION OF APPROPRIATIONS ALLOTMENT AND ALLOCATION

"SEC. 251. (a) From the funds appropriated under section 3(b), the Secretary shall first allocate to Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, the Northern Mariana Islands, and entities eligible under section 401 the same percentage of funds as were available to such areas and entities for the summer youth program in the fiscal year preceding the fiscal year for which the determination is made.

"(b) The remainder of sums appropriated pursuant to section 3(b) shall be allotted among States in accordance with section 201(b) and allocated among service delivery areas within States in accordance with section 202(a) (2) and (3), except that each service delivery area shall be allotted an amount equal to at least 90 per centum of the amount available to such area for the summer youth program in the fiscal year preceding the fiscal year for which the determination is made. If the amount appropriated pursuant to section 3(b) is not sufficient to provide 90 per centum of such amount to each such area, the amount allocated to each area shall be ratably reduced.

"(c) Allotments and allocations under this section shall be made in accordance with section 162 and shall be available for planning purposes before the beginning of the summer months for which allotted and allocated.

"USE OF FUNDS

"SEC. 252. (a) Funds available under this part may be used for—

"(1) individualized, self-paced basic and remedial academic and functional competency development, institutional and on-the-job training, work experience programs, employment counseling, occupational training, preparation for work, outreach and enrollment activities, employability assessment, job referral and placement, job search and job club activities, and any other employment or job training activity designed to improve academic achievement and to give employment to eligible individuals or prepare them for, and place them in, employment; and

"(2) supportive services necessary or enable such individuals to participate in the program.

"(b)(1) Funds available under this part shall be used so that participants spend a portion of their time on individualized, self-paced, remedial and basic academic and functional competency development and achieve standards established and developed in each service delivery area under section 106(b)(2).

"(2) The portion of a participant's time spent on competency development under paragraph (1) shall be in addition to, and not in place of, regular employment under this part.

"(c)(1) Funds made available under this part may not be used to provide employment to any individual who fails to comply with attendance standards established by the service delivery area with respect to the education components of the programs under this part.

"(2) Funds made available under this part may not be used to compensate or reward participants for attendance at education components of programs under this part, except as provided in section 255(c)(10)(B).

"LIMITATIONS

"SEC. 253. (a) Programs under this part (other than planning therefor) shall be conducted during the summer months.

"(b) Except as provided in subsection (c), individuals eligible under this part shall be economically disadvantaged youth.

"(c) Eligible individuals aged 14 or 15 shall, if appropriate and set forth in the job training plan, be eligible for summer youth programs under this part.

"APPLICABLE PROVISIONS

"SEC. 254. Private industry councils established under title I, chief elected officials, State job training coordinating councils, and Governors shall have the same authority, duties and responsibilities with respect to planning and administration of funds available under this part as private industry councils, chief elected officials, State job training coordinating councils, and Governors have for funds available under part A of title II.

"MATCHING REQUIREMENTS

"SEC. 255. (a)(1) Each private industry council established under title I shall, for any program year beginning after June 30, 1987, make available from non-Federal sources for use in the programs conducted under this part in its service delivery area an amount equal to not less than 1.5 per centum of the amount made available to that area under this part for the applicable program year.

"(2) Each such private industry council may, for program years beginning July 1, 1985, and July 1, 1986, make available from non-Federal sources for use in the programs conducted under this part in its service delivery area an amount equal to not less than 1.5 per centum of the amount made available to that area under this part for the applicable program year.

"(3) Notwithstanding paragraph (1), no service delivery area shall (for any program year beginning after June 30, 1987)—

"(A) make available under this subsection less than $20,000; or

"(B) be required to make available under this subsection an amount in excess of $100,000.

(4) Each private industry council shall notify the State of the amount it will make available under this subsection for any program year by the April 1 preceding that program year.

"(b)(1) For program years beginning after June 30, 1987, each State shall provide to each private industry council an amount equal to the amount made available by such council under subsection (a)(1). States may provide such amount from non-Federal sources or may use funds available to them under section 202(b) (1) and (3) of this Act and under chapter 2 of the Education Consolidation and Improvement Act of 1981.

"(2) For program years beginning July 1, 1985, and July 1, 1986, each State shall reserve 1.5 percent of the amount allotted to such State under section 201(b) (1) and (3). Such reserved amounts shall be allocated among private industry councils in proportion to the amounts made available by such councils under subsection (a)(2).

"(c)(1) Amounts required to be made available or provided under this section shall be used—

"(A) to support the education and training components of the programs under this part;

"(B) to provide bonuses to participants for achievement of academic and functional competence; and

"(C) after complying with subparagraphs (A) and (B), to create additional employment opportunities under this part.

"(2) Amounts required to be made available or provided under this section may be in cash or in-kind. Amounts made available or provided in-kind shall be in the form of state-of-the-art basic and remedial education materials and equipment suitable for use for programs under this part for the applicable program year.

"ASSESSMENT OF PARTICIPANT COMPETENCY IMPROVEMENT

"SEC. 256. (a) Each service delivery area receiving funds under this part shall maintain complete records on the improvements in academic and functional competency attained by participants in programs under this part. Such records shall be compiled by reference to State and locally determined general education diploma and basic education competency requirements.

"(b) Summaries of the records maintained under subsection (a) shall be submitted by the service delivery area to the State. A report on the summaries received by the State shall be transmitted to the Secretary annually, and the Secretary shall include an analysis of such reports in the Secretary's annual report under section 169(d).".

(b) Section 202(b)(1) of such Act is amended by inserting before the period at the end thereof the following: ", and to carry out section 255, relating to matching requirements for summer youth programs".●

SALUTE TO IVY BOND

HON. JAN MEYERS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mrs. MEYERS of Kansas. Mr. Speaker, I wish to recognize a truly fine American and a great Kansan, Ivy Bond. Ivy will celebrate his 79th birthday on February 22, and is being honored at the First National Bank of Shawnee Mission on that day.

Ivy was born in Eldon, MO, on February 22, 1906. He came to Kansas City in 1925 and was employed at Swift & Co. for 42 years until his retirement in 1968. During his service at

Swift & Co., he held positions as State director of the Kansas Credit Union League; national director of the Credit Union National Association; chairman of the legislative committee of both the State and National Credit Union; national treasurer of the National Brotherhood of Packinghouse Workers.

Upon his retirement from Swift, he was named president of the Overland Park Credit Union and served for 4 years. In 1972, the First National Bank of Shawnee Mission was chartered in Fairway, KS, and Ivy Bond was the first employee and named vice president.

He is past president of the Milhaven Homes Association and has served as trustee, finance committee and usher at Prairie Baptist Church. He has served on numerous Republican campaign committees in Johnson County and has been active in the mission and Overland Park Chambers of Commerce and is a former member of Rotary International.

Ivy Bond is a fine example of what hard work and dedication can produce. I wish to extend to him a hearty "happy birthday" and all the best for years to come.●

DRAFT REGISTRATION AND CONSCIENTIOUS OBJECTORS

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. SEIBERLING. Mr. Speaker, the current draft registration program has been in effect since 1980. Since its revival, the registration program has raised a number of troubling issues, including the denial of student aid for nonregistrants.

Of those problems, none is more troubling than the impact of the draft registration requirement on individuals who are conscientiously opposed to participating in war in any form, and whose beliefs therefore preclude them from registering for the draft.

Currently a person convicted of nonregistration could receive a 5-year jail sentence and a $10,000 fine. During initial debate on the registration program in 1980, those of us who opposed the program warned that its revival could put the United States in the unfortunate position of prosecuting tens of thousands of nonregistrants, some of whom would refuse to register on conscientious grounds. It is singularly unfortunate that the registration requirement has the potential of making criminals out of young men simply because their religious beliefs prevent them from complying with the law. The current law draws absolutely no distinction between those who deliberately refuse to register because of political or personal reasons, and those who do not register because it would run counter to their religious beliefs.

Part of the problem might be solved if there was some way to register as a conscientious objector. Conscientious objection is, however, a term of classification used in the past military draft system. Draft registration, however, is not a classification and induction system. As a consequence, conscientious objectors have two choices: Either participate in a system which does not even allow them to register their basic beliefs, or face a jail term and fine. Under the current law, religious or ethical belief is simply not a defense for nonregistration.

I find it curious and troubling that while the Congress has acted with great speed to deny Federal student loans to nonregistrants, we cannot bring ourselves to address the basic issue of religious freedom and its apparently unavoidable conflict with the registration requirement. The simplest solution is to amend the Military and Selective Service Act to specifically exempt individuals who are conscientiously opposed to participation in preparation for war in any form.

Accordingly, I am today reintroducing legislation I first introduced in the 98th Congress to provide such an exemption. The exemption would be suspended during a period of national mobilization, since mobilization would result in a resumption of the classification and induction system, allowing conscientious objectors to seek such status. The bill I am introducing would also permit the courts to vacate a judgment of conviction where justice requires such action.

Mr. Speaker, my bill offers a direct, simple, and timely remedy to a complicated problem. It deserves the support of all Members, regardless of their views about the need for registration itself. I urge its prompt consideration.●

THE 67TH ANNIVERSARY OF UKRAINE INDEPENDENCE

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. SMITH of New Jersey. Mr. Speaker, January 22, 1985, marked the 67th anniversary of Ukraine's independence, Mr. Speaker, and I think that it is fitting that the House take a moment to reflect upon the courage and determination the Ukrainian people have demonstrated.

Ukraine, with a population of over 50 million, was the first victim of Soviet aggression. It is the largest non-Russian nation within the Soviet Union and ranks in Europe next to Russia, Germany, and France not only in terms of population, but also in terms of strategic geographic position and rich resources.

In 1917, when the far-flung Russian Empire met its inevitable doom, the Ukrainian people were the first to take on a national character. They established a Central Council in Kiev, which became the center of the Ukrainian liberation movement. The Central Council organized the Ukrainian National Army, established Ukrainian schools, introduced Ukrainian administrative and judicial systems, and prepared a Ukrainian Constituent Assembly. By these actions Ukraine established a full-fledged independent state: the Ukrainian National Republic.

At the same time, the Russian Communist Party issued its declaration in favor of the right to self-determination. It soon became apparent, however, that the new Soviet Government intended to reclaim the former Russian Empire. Simultaneously with the ostentatious proclamation of the right to self-rule, the Soviet Russian Government dispatched to the Ukrainian National Government a 48-hour ultimatum. Dated December 17, 1917, and signed by Lenin and Stalin, this document demanded unconditional surrender and the acceptance of Soviet Russian domination over Ukraine.

The reply by the Ukrainian Government of December 19, 1917, is regarded today as a historical and classical document which demonstrates a remarkable perception of the potential Communist threat not only to the young Ukrainian Republic, but to free people throughout the world. From the beginning the Ukrainians realized that there was little or no difference between czarist and Bolshevik imperialism.

Ukraine rejected the Soviet ultimatum by proclaiming her independence on January 22, 1918. One year later, on January 22, 1919, Ukraine issued a second proclamation which called for the reunification of all Ukrainian territories into one democratic state. With these signifcant acts, the Ukrainian nation demonstrated to the world that Moscow and Kiev represented two different nations, and two different mentalities. Kiev personified the democratic concept of govenment based on respect for human rights and the dignity of man, while Moscow represented totalitarianism.

Heroically, the Ukrainian nation endured 3 years before succumbing to the numberically superior military force of Communist Russia. In 1921, the Communist regime destroyed the Ukrainian national state and replaced it with a puppet government with the name of the Ukrainian Soviet Socialist Republic.

Since then, the Ukrainain people have persevered through political and

cultural repression, economic exploitation, and all-encompassing Russification. Both the Ukrainian Orthodox and Catholic churches have been systematically destroyed. In an enforced collectivization of Ukraine's agriculture in 1932-33, some 7 to 10 million Ukrainians were starved to death by the government sponsored famine. During and after World War II, hundreds of thousands of Ukrainians were deported, exiled, and murdered for their support of the Ukrainian Insurgent Army [UPA] and the Organization of Ukrainian Nationalists [OUN], both of which fought against the Nazis and then the Soviet occupation of Ukraine.

Yet despite the endless suffering and persecution endured by the Ukrainian people, the true ideal of Ukrainian independence continues to live on in the hearts and minds of the Ukrainian people in their homeland and indeed, throughout the world.

Mr. Speaker, the Ukrainian nation and its people have fought for freedom not only literally, against the armed military might of the Kremlin, but also spiritually and morally in ways that have touched the lives of freedom-loving people everywhere. Indeed, they continue to nurture freedom for all of us by cherishing their own heritage, language, customs, religion, and other cultural riches as expressed in art, music, and dance.

By their heroism, Mr. Speaker, the Ukrainian people have taught us a valuable lesson: For just as we rejoice in Thomas Jefferson's proud sentiment, "where freedom is, there is my country," so also do we have a sacred responsibility to act upon Thomas Paine's magnificent reply: "where freedom is not, there is my country."●

REPEAL CONTEMPORANEOUS ACCOUNTING

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. SCHUETTE. Mr. Speaker, the farmers and businessmen of Michigan's 10th District are angry, and I can't blame them. The Deficit Reduction Act of 1984 now requires users of business vehicles to document every mile they drive. This "contemporaneous accounting rule" is oppressive, bureaucratic, and counterproductive. One of my constitutents, who runs a plumbing operation, tells me that his crews can no longer respond to emergencies as quickly as they once did, because they can't take their trucks home at night. An accountant called me and said, "I just wanted you to know that since they put in this new law, I've decided to send all my kids to accounting school. There should be tons of paper blowing around for years to come." Finally, a farmer friend of mine, who has a commendable sense of humor under the circumstances, said to me, "Can't the Government figure out a better way to make us cheat?"

In short, Mr. Speaker, the contemporaneous accounting rule is a bad law. It exacts an intolerable burden on the citizenry: A burden which interferes with their daily and commercial lives, represents a futile effort to punish a dishonest few by penalizing the honest majority, and further erodes the credibility of our tax system and the authority of the Federal Government.

I realize that the IRS has just released modifications in this rule that are supposed to reduce the paperwork, but they are not acceptable to the people of the 10th District, and they are not acceptable to me. We must repeal this pointless and intolerable intrusion into our daily lives.●

LEGISLATION TO REDUCE THE TRIGGER FOR SOCIAL SECURITY COLA'S

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. WEISS. Mr. Speaker, our Nation's poor, elderly, and disabled citizens are coming to expect that each new budget cycle will bring with it a new assault on the Social Security Program. This year, the 36 million Americans who rely on this program are faced with increasing speculation that the Social Security COLA will be delayed, an action that would thrust more than 500,000 additional seniors into the clutches of poverty. This would come on top of drastic benefit reductions in 1981 and 1983 that grievously harmed many beneficiaries and shattered the confidence of young and old alike in the future of the Social Security System.

It is now far past the time when this kind of speculation should have been brought to an end by the Congress and the President. If we are to preserve the Social Security System for the future, we must make a firm and lasting commitment to adequate benefit levels for all Social Security beneficiaries. It is essential, both for the sake of current Social Security beneficiaries who rely on the program for their survival, and for the sake of the long-term future of Social Security as a whole, that we firmly and unequivocally disavow any proposals for further damaging cuts in this essential program. We cannot in good conscience thrust more and more of our elderly citizens into poverty while seriously endangering the national treasure that is Social Security.

A meaningful commitment to the future of the Social Security System means placing this program firmly off limits to those who are seeking to balance the Federal budget on the backs of the elderly. It also means that benefit levels must be kept firmly in line with rising prices.

Unfortunately, there remains a provision of the Social Security law that could result in a temporary benefit reduction for Social Security recipients in the coming years. Under current law, Social Security beneficiaries are entitled to a COLA only when inflation exceeds a 3 percent "trigger" threshold. This means that, if inflation drops below 3 percent, recipients will be subject to a small, but nevertheless important, reduction in buying power over the period in which the COLA is foregone.

It is true that the benefits foregone in such an instance will be compensated for in later years, when the CPI once again rises above the 3-percent level. However, postponing the COLA for 1 or more years will place an additional strain on Social Security recipients, who have already been burdened by repeated cutbacks in recent years.

For this reason, I have introduced legislation to reduce the 3-percent trigger for Social Security COLA's to 1 percent. Under my bill, COLA's for Social Security will be more strictly indexed to the inflation rate. Whenever inflation is occurring at a rate of 1 percent or more and the buying power of the dollar is dropping, Social Security benefits will be raised by a commensurate amount. This is a simple matter of fairness for Social Security beneficiaries, many of whom are already struggling to make ends meet.

Of the major Federal programs that are indexed to the Consumer Price Index [CPI], many—including military and civil service retirement benefits—contain no trigger provision at all. By retaining a trigger level of 1 percent, my bill recognizes that the administrative costs associated with enacting a very small COLA may outweigh the benefits to recipients. My bill responds to the concerns of the American people, who have repeatedly expressed their belief that Social Security benefits should be maintained at all costs. But it does so in a responsible fashion, by remaining sensitive to the problem of Government waste.

Not only will this bill protect Social Security beneficiaries against a needless reduction in buying power, but it will also help eliminate much of the political game-playing that has surrounded the COLA issue in recent months.

In July 1984, President Reagan announced that inflation might drop below the 3-percent level and that special legislation might be required to ensure a cost of living adjustment for

1985. However, this announcement came a full 3 months before reliable price data were to become available. It was not difficult to discern that the announcement had been motivated by the upcoming Presidential election and not by a newfound interest in preserving the Social Security System.

Because the President's announcement served to create significant fears among older Americans that another benefit cut was on the way, the Congress responded by passing legislation to guarantee a COLA for 1985 regardless of the inflation rate. However, it soon became clear that the legislation had been entirely unnecessary. When the final price statistics were released, they showed that inflation was well above the 3-percent trigger level.

The 3-percent trigger provision provided the President with the opportunity to prop up his political status with older Americans just prior to an important national election. It was a cynical and highly hypocritical action for a President who has attacked Social Security throughout his career in public life and has done more to endanger the future of this program than any other public figure.

My bill would prevent this kind of base political posturing from being repeated. Under my legislation, COLA's would be made available to Social Security beneficiaries whenever inflation exceeds 1 percent. There would be no need to enact special legislation to ensure a COLA, and there would be no opportunity to make political gains by calling for such legislation when it is completely unnecessary.

Because of the damage that has already been done to the Social Security Program, those of us in the Congress must be especially vigilant in our defense of Social Security in the coming years. I believe that reducing the 3-percent trigger for Social Security COLA's is an important element in that defense. I strongly urge my colleagues to join me in this effort to ensure simple fairness for beneficiaries and to eliminate the potential for senseless posturing on the COLA issue.

A copy of this legislation follows:

H.R. 1089

A bill to amend title II of the Social Security Act to reduce from 3 percent to 1 percent the amount of cost-of-living increase necessary to trigger cost-of-living adjustments under such title

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Social Security COLA Trigger Reduction Act of 1985".

SEC. 2. REDUCTION OF 3-PERCENT TRIGGER FOR COST-OF-LIVING INCREASES TO A 1-PERCENT TRIGGER.

(a) GENERAL RULE.—Section 215(i)(1)(B) of the Social Security Act is amended by striking out "is 3 percent or more" and inserting in lieu thereof 'is 1 percent or more".

(b) AMENDMENT OF APPLICABLE FORMER LAW.—Section 215(i)(1)(B) of such Act as in effect in December 1978 is amended by striking out "3 per centum" and inserting in lieu thereof "1 percent".

(c) REPORTING REQUIREMENT RELATING TO INCREASES IN CPI.—

(1) IN GENERAL.—Section 215(i)(2)(C)(i) of such Act is amended by striking out "2.5 percent" and inserting in lieu thereof "0.5 percent".

(2) AMENDMENT OF APPLICABLE FORMER LAW.—Section 215(i)(2)(C)(i) of such Act as in effect in December 1978 is amended by striking out "2.5 percent" and inserting in lieu thereof "0.5 percent".

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall apply with respect to cost-of-living increases determined under section 215(i) of the Social Security Act in years after 1984.●

LEGISLATION TO ASSURE THE CONTINUATION OF THE FEDERAL SUPPLEMENTAL COMPENSATION

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. PEASE. Mr. Speaker, 1 week ago today, as I introduced much-needed legislation to assure the continuation of the Federal Supplemental Compensation Program beyond its scheduled expiration next month, I said that a complete reform of the Federal-State extended compensation system should be a primary goal of this Congress. Today, I am pleased to introduce a bill which would make long-overdue reforms by combining the current Extended Benefits Program with the FSC Program to form a streamlined program of extended compensation for the long-term unemployed.

I believe there is an urgent need for a single permanent program of extended unemployment compensation. One set of criteria would make the unemployment system easier and simpler to implement and understand for both its administrators and its recipients. The current system, with its confusing triggers and varying durations of benefit periods, has caused unnecessary anxiety and frustration for the unemployed. It is no better for State officials who have had to adapt their own UI systems to continual changes. They have rightly called the current system an administrative nightmare.

Now is a particularly good time to make the kind of major changes that are so necessary in this area of the law. With unemployment not at a crisis level, we should take advantage of the opportunity to make the kind of thorough and thoughtful revision of the extended compensation system which will leave us with a flexible and responsive program in place for whatever the future might hold.

This bill would provide a single extended compensation program which would provide the most weeks of benefits to the States with the highest levels of unemployment. It would require a sliding scale of Federal financial participation in the program, in recognition of the fact that unusually high unemployment can result from national—or even international—events. It would also provide a way to use a State's total unemployment rate [TUR] as a triggering device, instead of the situation we have under current law, where only the insured unemployment rate [IUR] can trigger benefits beyond the basic programs operated by the States. Because the IUR does not count either those workers who are receiving extended compensation or those who have exhausted their UI benefits, it cannot help being an inefficient indicator of which States suffer the most from long-term unemployment.

I am convinced that these kinds of reforms in our unemployment compensation system are both necessary and possible in this Congress. I urge you to join with me and my cosponsors—Mr. CLINGER, Mr. STARK, Ms. KAPTUR, and Mr. BOEHLERT—in this effort to simplify and improve the unemployment compensation system at the Federal level, for the benefit of the States and for its beneficiaries—the American people at large.●

THE PRIVATE SECTOR ROLE IN ALLEVIATING HUNGER

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. GILMAN. Mr. Speaker, today I am introducing, along with my colleague, the distinguished chairman of the House Foreign Affairs Committee, the gentleman from Florida, [Mr. FASCELL] and the distinguished ranking member of the Foreign Affairs Committee, the gentleman from Michigan [Mr. BROOMFIELD] a House concurrent resolution encouraging private sector involvement in the worldwide effort to alleviate hunger.

Until recently, neither corporations nor developing countries recognized the very significant role for foreign private investment in direct efforts to alleviate hunger and malnutrition.

Most U.S. corporations have not had the opportunity nor have they been called upon to apply their research and development efforts to resolve the needs of malnourished populations. For example, food processors, traditionally, have targeted groups other than the poor. The techniques in which they excell—product differentiation, mass marketing to middle- and upper-income groups—historically

have not met the needs of malnourished people in very poor countries.

It is possible, however, to meet the challenge of investing in developing countries and in that process to target, directly or indirectly, some of this investment to the hungry. Many agribusiness firms have been highly successful in combining social considerations with the need to achieve an adequate return on investmest.

For example, the Presidential Commission on World Hunger cites the case of one firm that not only raised the incomes of small farmers in a heavily populated region in Kenya but also reduced that country's dependence on sugar imports in the process. Instead of organizing sugar production on the traditional plantation basis, the firm works with farmer-supplier—4-acre farm size—and had set aside land for food production. In addition to the 5,000 farmers, the refinery employs 2,500 local workers who are gradually replacing the foreigners hired to supervise them. The success of this venture has led to additional management contracts for similar projects.

Thus there exists a possibility for a good working relationship between imported technology and local need. This kind of an initiative prevented the development of a ghetto colony of landless laborers and other social problems which have often attended this type of enterprise in the past. Unless such challenges are accepted, corporate investment is likely to occur slowly in countries where hunger is a major problem. However, past experience indicates that conditions in some countries can change rapidly and in the interim there are ways other than equity investment whereby American management skills can be made available on a mutually agreeable basis. Through continued innovative approaches on the part of the private sector enhanced by public sector support the benefits of foreign investment will be further realized at the village level.

Many international corporations are diligently working and in such instances they are to be commended and encouraged, to understand the problems of rural development and to tailor their expertise to the specific problems of each developing country. The technology of corporations—efficient productions systems, food processing and preservation techniques, advanced research, management and organizational skills—must continue to be adapted in ways that are socially and culturally acceptable, economically viable, and increasingly beneficial for the poor majority.

The Congress can help this process along by further developing practical modes of business-Government cooperation. A long-term focus in U.S. assistance programs, increased use of resources to achieve policy changes required for increased trade and investment and efficient operation of market forces will be on our agenda for the 99th Congress. It has become increasingly obvious to many of our colleagues on the Hill that while the success of our Nation is based upon private enterprise, we do far too little to build up the capacity of developing countries to attract trade and investment. To a great degree our foreign aid programs are predicated on transferring money and goods rather than the know-how—the critical transfer and dissemination of technology to enchance production, distribution, and marketing—which will, in turn, attract investment and trade.

This resolution puts the Congress on record that it recognizes the critical role that the private sector can play in the link between hunger and development, and the role food plays in giving a nation the freedom and security it needs to be stable and an important contributing member of the international community.

Mr. Speaker, I submit at this point in the RECORD the full text of our resolution for review by our colleagues:

H. CON. RES. —

Whereas the United States faces the challenge of leading the world to a new era of prosperity, created in significant part by enabling the dynamism of the private sector to use its creative talents in the third world;

Whereas nations have identified food self-reliance as a priority national goal;

Whereas the challenge to help the world's hungry is a global concern, ultimately a matter of United States national security, the direct result of a world grown more interdependent, and dictated by traditional humanitarian concerns;

Whereas the challenge must not be confronted solely within the context of an existing crisis, but with an eye toward the future food requirements of developing countries;

Whereas both the private and public sectors, by reason of their knowledge, experience, and other resources, have a valuable role to play in alleviating world hunger;

Whereas American involvement with helping the hungry abroad has encompassed a wide spectrum of activities in both the public and private sectors;

Whereas out of past successes and failures have come a better understanding of the benefits and limitations of the activities of each sector;

Whereas the issue is not generally public sector activities versus private sector activities, but the appropriate combination of each under the right conditions;

Whereas the conditions that are "right" vary enormously from country to country, depending on the respective stage of development of and the development priorities established by the country, and the services offered by prospective foreign investors;

Whereas corporate investment, as is evidenced by the work of the organizations represented by the Fowler-McCracken Commission, has far-reaching implications for efforts to alleviate world hunger, both through direct involvement in national food systems and, more generally, through its impact upon employment levels, purchasing power, income distribution, balance of payments questions, and productivity in developing nations;

Whereas the most attractive countries for foreign investors remain the middle- and upper-income developing countries where rapid advances are being made in industrialization and the expansion of economic and social infrastructure; and

Whereas the less affluent developing countries have the greatest food problems—the critical lack of trained manpower and expertise and the need for farm-to-market roads, irrigation systems, communication networks, and newer port facilities—but offer little incentive for investment by foreign corporations: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), that it is the sense of the Congress that in order to meet the challenge of encouraging private sector investment in developing countries and to target some of that investment so that it helps alleviate hunger, it is necessary to encourage the private sector to become involved with other nations wherever it can in the worldwide effort to alleviate hunger.

SEC. 2. It is further the sense of the Congress that, in light of the market for many developing country products, such investment by the private sector must be encouraged in order to promote income generation, improved natural resource management, and efforts to alleviate world hunger.

SEC. 3. It is further the sense of the Congress that—

(1) America's leading institutions in the public and private sectors should join forces, during this year and through the balance of this decade, in developing the commitments and the action plan essential to ending world hunger;

(2) the Fowler-McCracken Commission and other interested organizations should work together at the national, regional, and State level to build a national commitment so crucial to the success of this mission;

(3) such an undertaking should be designed to secure from private firms a commitment to a corporate agenda that reflects a resolve to end world hunger; and

(4) particular consideration should be devoted to mobilizing the public and private resources needed to assist the less-affluent developing countries in enabling their people to meet basic human needs.●

REDUCING AID TO ISRAEL IS NOT THE ANSWER TO DEFICIT DILEMMA

HON. JOHN McCAIN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. McCAIN. Mr. Speaker, during the upcoming months of congressional debate on the fiscal 1986 budget, and on the necessity of reducing the deficit, I urge my colleagues to read the following article by Darrow (Duke) Tully, the publisher of the Arizona Republic.

The solution to our deficit does not lie in reducing aid to Israel. The one underlying truth which cannot and must not be forgotten while we attempt to solve our budget dilemma is that Israel has been and remains our

one stable and solid ally in the Middle East.

The article follows:

REDUCING AID TO ISRAEL IS NOT THE ANSWER TO DEFICIT DILEMMA

The rising public outcry to reduce the federal deficit has given ammunition to those who would reduce the amount of aid to Israel.

It is axiomatic that protests rise in direct proportion to the number of people whose ox is being gored.

The president needs broad-based grassroots support to achieve cuts mandated by his re-election.

Syndicated columnist Donald Lambro pointed out in *Arizona Republic* that ". . . lawmakers are hearing three dominant messages from constituents: Americans don't want deep cuts in social safety-net programs, but they do want to cut wasteful spending in entitlement and other domestic expenditures.

"They don't want to weaken the nation's military capabilities, but they do want a dollar's worth of defense for every dollar spent.

"They don't want their taxes raised."

The largest entitlement programs are Social Security, Medicare and federal pensions. The administration will ask Congress for a one-year freeze in Medicare-payment rates for hospitals and doctors.

This has triggered charges that the administration is insensitive.

However, the administration is doing nothing more than trying to curb runaway medical costs.

The president has repeatedly attempted to change federal pension benefits to no avail. Opponents charge the administration with trying to punish federal workers.

That charge does not stand up to scrutiny when an examination of federal retirees shows more than 300,000 earning larger pensions than they were paid while working. Automatic annual increases tied to inflation is the culprit.

The defense budget has plenty of fat and can be trimmed considerably without harming our defense capability. Increased efforts to secure competitive bidding, elimination of cost overruns and changes in military retirement would produce substantial savings.

The next highest cost entitlement programs, ranking only slightly behind pensions, are food stamps and Aid to Families with Dependent Children. Both these programs have come in for criticism because of waste and abuse.

The U.S. Immigration and Naturalization Service announced the implementation in Arizona of a program designed to weed out ineligible aliens from state and federal welfare programs. A similar program in California saved $59.3 million in 1984.

It seems myopic for opinion leaders to be harping so loudly about U.S. aid to Israel when we can see a dollar's worth of results for every dollar spent.

Harry J. Shaw, senior associate for the Carnegie Endowment for International Peace, recently wrote in the Christian Science Monitor:

"The fiscal crisis ahead for the United States in the form of $200 billion deficits may have its own silver linings if we are wise enough to see them: a much-needed reexamination of the Reagan administration profligate defense program, and of America's role in the world. It will also offer an opportunity to cap the growth of military and economic aid to Israel and to reassess the premises of our relationship with Israel."

Hogwash!

The United States has one and only one stable ally in the Middle East, and that ally is Israel.

Shaw further stated, "If we increased aid for Israel, we would almost certainly have to increase our $2 billion aid to Egypt to maintain a certain balance in our relationships with both countries."

Poppycock!

What we really need to accomplish is a strengthening of economic ties between the two countries. Perhaps a "favored nations" condition on part of the aid for both, stipulating that a portion of the aid must be spent in trade between the two would be constructive. Economic ties would do a lot to encourage the peace process.

The United States must reassess priorities, but a decrease in aid to Israel is unthinkable at this time.●

STATEMENT ON LEGAL SERVICES FOR OLDER AMERICANS

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Ms. SNOWE. Mr. Speaker, the administration again has proposed in its budget for fiscal year 1986, as it did for fiscal years 1982, 1983, 1984, and 1985, to eliminate funding for the Legal Services Corporation. The resolution which Mr. BIAGGI is introducing today, and which I am supporting as an original cosponsor, is therefore particularly timely. What our resolution will do, if passed, is express the opposition of the House of Representatives to any reductions or alterations in the funding of the Legal Services Corporation which would reduce the availability of legal services provided to low-income older Americans through the Corporation's program.

Since its inception in 1975, the Corporation has provided invaluable legal services for low-income older people. In recent years, the Corporation's funds have assisted about 200,000 older persons annually. The problems on which the Corporation provides assistance reflect the complete range of legal difficulties which any citizen can encounter. For the people served by the Corporation, however, these difficulties are compounded by the special circumstances which our elderly and low-income citizens face. These run the gamut from will preparation and estate planning to difficulties encountered with such public benefits as those provided by the Food Stamp Program and the Social Security Administration. The Corporation's program provides assistance with consumer fraud problems, with difficulties encountered by frail older persons in nursing homes, with age discrimination problems encountered in the workplace.

It is very important that such direct legal services continue to be available to low-income older persons, and it is our hope that this resolution will contribute to that end.●

THE MALT BEVERAGE INTERBRAND COMPETITION ACT

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. BROOKS. Mr. Speaker, today I am introducing the Malt Beverage Interbrand Competition Act.

My bill merely clarifies existing Federal law by stating that nothing in the Federal antitrust statutes shall be construed to make unlawful the traditional practice of brewers and wholesalers entering into agreements giving wholesalers the exclusive right to sell a particular brand of malt beverage within a particular territory. This is consistent with Supreme Court rulings on the subject but needs statutory codification to prevent the ambiguities attendant with judicial rulemaking.

I emphasize that this legislation does not legalize the enforcement of price-fixing agreements, horizontal restraints of trade, or group boycotts. It does not mandate anything. It merely allows, as a matter of Federal law, territorial arrangements which have customarily been used in the industry. The States, however, as a matter of their own law, may provide otherwise. If any State finds these arrangements offensive or countercompetitive, they are free to outlaw them.

Contrary to past assertions, this bill is consistent with antitrust policy. It is likely to enhance competition in the malt beverage industry. Without the protection of these traditional territorial agreements which have characterized the industry, many feel that large distributors could easily skim off the most profitable and easily served retail outlets, leaving nothing of value to be handled by small local distributors. The result would be increasing concentration of market power in the few large distributorships at the expense of their smaller competitors.

Given the extensive review already given this legislation by Congress, I hope that the bill will receive expeditious consideration and I look forward to the support of my colleagues.

H.R. 1108

A bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Malt Beverage Interbrand Competition Act".

SEC. 2. Nothing contained in any antitrust law shall render unlawful the inclusion and enforcement in any written contract in effect on or entered into after the effective

date of this Act by any brewer, importer, trademark owner, or trademark licensee of a trademarked malt beverage with any wholesale distributor of provisions granting the wholesale distributor the sole and exclusive right to distribute and to sell such product in any defined geographic area within any State and limiting such exclusive distributor to the distribution and sale, directly or indirectly, of such product only for ultimate resale to consumers within that defined geographic area when such product is in substantial and effective competition with other malt beverage products within that defined geographic area.

SEC. 3. Nothing in this Act shall be construed to legalize the enforcement of provisions described in section 2 of this Act in any written contract described in that section by means of price-fixing agreements, horizontal restraints of trade, or group boycotts, if such agreement, restraints, or boycotts would otherwise be unlawful.

SEC. 4. As used in this Act, the term "antitrust law" means the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies" (Sherman Act), approved July 2, 1890, the Federal Trade Commission Act, approved September 26, 1914, and the Act entitled "An Act to supplement existing laws against restraints and monopolies, and for other purposes" (Clayton Act), approved October 15, 1914, and all amendments to such Acts.

SEC. 5. As used in this Act, "malt beverage" shall mean and include beer of all types and varieties as defined in any Federal or State statute, ale, porter, stout and all other similarly designated fermented beverages containing one-half of 1 per centum or more alcohol by volume.

SEC. 6. As used in this Act, the term "State" includes the District of Columbia and any territory or possession of the United States.

SEC. 7. This Act shall not invalidate or affect any provision of the laws of any State.●

HAPPY ANNIVERSARY, ELKS

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. WALGREN. Mr. Speaker, on Saturday, February 16, 1985, the Benevolent and Protective Order of Elks will celebrate the 117th anniversary of the founding of this order.

Patriotism has been a hallmark of the Elks. In 1907, the Elks became the first fraternal organization in the Nation to mandate observance of June 14 as Flag Day. More than 40 years later, fellow Elk, President Harry S. Truman, signed into law a declaration naming Flag Day as an official national observance.

This year the Pittsburgh South Hills Lodge No. 2213 of the Benevolent and Protective Order of Elks has taken the lead in asking all to join in displaying the colors on February 16. I want, Mr. Speaker, to add my words of thanks to all Elks for the tremendous contribution they make to our communities. As contributers to so many important programs—cerebral palsy research, veterans hospitals, child care for the handicapped, Boy Scouts, Camp Fire Girls, and Little League—the 1.6 million American Elks have surely left their impact on our Nation.

Happy anniversary, Elks.

Mr. Speaker, for those not familiar with this great fraternal organization, I am delighted to present the following background piece on the Benevolent and Protective Order of Elks:

THE ELKS

The Benevolent and Protective Order of Elks is one of the oldest and largest fraternal organizations in the United States.

The first formal meeting was held on February 16, 1868, in New York City. Fifteen persons turned out, most of them young, undiscovered but budding artists who had gathered for companionship and to help their other out-of-work peers.

The idea caught on and spread to other groups and other cities. As it grew, the new organization broadended is membership base to include businessmen, professionals, farmers and representatives from other occupations.

Today there are more than 1.6 million members of the Elks in 2,280 local "Lodges" found throughout all fifty states and the District of Columbia. Over the years, these Lodges have evolved into the primary building blocks of the highly decentralized Elks organization. They provide recreational facilities for the entire family, but the Lodges are also the focal point for the many community service and charitable programs that have become an Elk tradition.

Early in its history, the Elks supported groups such as the Salvation Army and the Red Cross. In 1871, they staged a benefit for the victims of the great Chicago fire. Money was raised for victims of the Seattle fire and the Johnstown flood in 1889. And the Elks were the first on the scene to supply money and rescue assistance during the San Francisco earthquake of 1906. Today, disaster relief continues to play an important part in Elk activities.

Patriotism has also been a hallmark of the Elks. In 1907, the Elks became the first fraternal organization in the nation to mandate observance of June 14 as Flag Day. More than 40 years later, fellow Elk, President Harry S. Truman signed into order a declaration naming Flag Day as an official national holiday.

The Elks National Foundation, the philanthropic arm of the organization, was created in July, 1928, as an income-producing fund to help support national Elk projects and to supplement programs at the state and local Lodge levels. Each year, scholarships are awarded to 500 outstanding high school students across the nation. Emergency educational grants are also provided to children of members who have died or been disabled.

Foundation support of state association projects is based on a "revenue sharing" concept. Funds are provided to each state in proportion to the level of contributions made by individuals in the state. The Elks contributed $26 million in 1983 to support cerebral palsy research, veteran's hospital, retarded child care and to provide wheelchairs,, recreational facilities and other aids to the handicapped.

The Elks devote a great deal of attention to youth programs. Lodges and individual members today sponsor more than 1,000 Boy Scout troops and 3,000 Little Leagues teams, as well as Boy's Clubs and Camp Fire Girls Clubs.

But one of the most important youth programs in recent years has been the annual "Elks' Hoop Shoot." * a national free throw shooting contest, for boys and girls from ages 8 to 13. Over three million youngsters from all fifty states participate yearly in the "Hoop Shoot" * from local contest to the national finals where six champions were named.

The program, begun in 1972 on a national basis, provides spirited competition and the chance for youngsters to develop new friendships. Winners and their families also travel to state, regional and national competition, courtesy of the Elks.●

CYPRUS COOPERATIVE DEVELOPMENT FUND

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. FLORIO. Mr. Speaker, I would like to call the attention of my colleagues to a resolution I have introduced today calling for the establishment of a Cooperative Development Fund on Cyprus to foster a climate of cooperation and peace between both communities of this troubled island. I am pleased to be joined in this effort by my colleagues, Mr. YATRON, Mr. TORRICELLI, Mr. GEKAS, Mr. MAVROULES, Mr. BARNES, Mr. GEJDENSON, Ms. SNOWE, and Mr. BILIRAKIS.

We are all well aware of the tragic situation that has plagued both Greek-Cypriots and Turkish-Cypriots for the past 10 years. Over a year ago, a Unilateral Declaration of Independence was declared which further solidified the partition of this important island. The conflict on Cyprus is not only detrimental to the Cypriots but is also damaging to our Nation's interests in the Eastern Mediterranean. A peaceful and fair solution to the Cyprus dispute will benefit all Cypriots and will also ease the divisions within the North Atlantic Treaty Organization [NATO], which currently weaken the southern flank of NATO, and help stabilize relations between the United States, Greece, and Turkey.

Through the initiative of U.N. Secretary General Perez de Cuellar, the leaders of the Greek-Cypriot and Turkish-Cypriot communities met, for the first time since 1979, in a January 17, 1985, summit to begin direct negotiations toward a settlement of the Cyprus dispute. The continuation of these negotiations encourages hope for resolving the divisions on Cyprus and for bringing peace to that long-troubled island. It is vital that our Nation do all that it can to encourage the continuation of dialog between the two sides.

Our Government can constructively support a solution of the Cyprus dispute by encouraging intercommunal understanding between the two parties and by assuring the Cypriots of U.S. support for cooperative efforts to rebuild a unified nation. For this reason, I have introduced this resolution calling for the establishment of a Cyprus Cooperative Development Fund similar to that passed by this body as an amendment to the 1985 foreign aid authorization bill in May 1984. This fund would provide financing for intercommunal projects, such as transportation projects, schools, and claim settlements, that would benefit both communities and that would foster a climate of cooperation and reconciliation. The projects would be outlined and approved by a joint commission of Greek-Cypriot and Turkish-Cypriot local authorities who would apply for funds after a project has been agreed upon. I am hopeful that this fund will stimulate the political will to pursue a settlement.

I am thankful for the support of the American Hellenic Educational Progressive Association [AHEPA] and for their valuable involvement in this issue, as exemplified by the 2-day conference they are hosting today and tomorrow relating to this issue. I urge the support of my colleagues in this worthwhile effort.●

CENTENNIAL CELEBRATION FOR SECOND BAPTIST CHURCH

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. HAWKINS. Mr. Speaker, this spring, Second Baptist Church in Los Angeles, will commemorate the first century of their service to the community. The development of the church has its roots in the westward pioneer experience during the Reconstruction period.

On May 13, 1885, southern California's first black Baptist Church was organized. Of the three persons who started the church, only the name of the preacher is remembered, the Reverend S.C. Pierce. Along with his wife and one other person, Reverend Pierce organized Second Baptist Church. Reverend Pierce, a Texan, pastored the church for about 2 years, and was succeeded in 1887 by the Reverend C.H. Anderson.

The membership was 16 when Reverend Anderson came, but it soon grew to 22, and by 1887 the first church building was erected on Maple Street, between Seventh and Eighth. By 1892 the membership had grown to more than 130 and a two-story brick church building was erected on the Maple Street lot. A cornerstone was laid the same year.

The church grew to a membership of 500, and in 1907 the Reverend J.L. McCoy became pastor and led the congregation until 1915. Debts were paid on the new building, and finally the mortgage was paid. The congreagtion continued to grow, and plans were laid to build a new church office on 14th and Paloma.

The Reverend H.D. Prowd was the fourth pastor, serving from 1915-20. There was an influenza epidemic in 1918, and for 2 months no regular worship services were held. Reverend Prowd left Second Baptist to do missionary work in South America.

In September 1921, Dr. Thomas L. Griffith became the fifth pastor of the church. He was a native of Virginia and an alumnus of Virginia Union University.

Dr. J. Raymond Henderson was elected as sixth pastor of Second Baptist Church in March 1941, and his pastoral ministry continued through July 1963. Under the leadership of Dr. Henderson, the buildings now known as Henderson Community Center were purchased, the mission work of the church greatly expanded and the Velva Henderson Christian Education Building was erected.

October 20, 1963, marked the beginning of the pastorate of Dr. Thomas Kilgore, Jr., who is a personal friend of mine. Since that time, Dr. Kilgore has built solidly upon the foundation laid and perfected by the congregation and his predecessors. His commitment and devotion to our community is an inspiration to all of us. Some of the efforts which have come to fruition under the leadership of Dr. Kilgore include building Griffith Gardens; establishing the Second Baptist Children's Center; creating Kilgor Hill Retreat Center; and greatly expanding the support for missions and Christian education.

Mr. Speaker I want to pay special tribute to the legacy of Second Baptist Church and its strong spirit of sharing and dedication to the members of the Los Angeles community. Dr. Kilgore and his pastoral staff should all be commended for their special contributions during this centennial celebration.●

STRENGTHENING THE SINEWS OF SOUTH AFRICA'S BLACKS

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. HYDE. Mr. Speaker, legitimate leaders of the black population of South Africa have been bringing a constructive message to the American people in recent days. Chief Buthelezi of the Zulu nation has suggested that the only peaceful road to political power for blacks in South Africa must come through "strengthening the sinew" of the economy to provide economic clout. He suggests that this can best be accomplished through additional foreign investment and foreign economic assistance—not disinvestment and sanctions.

Proponents of sanctions surely realize that South Africa does not have the resources on its own to build that kind of strength among all peoples. If, as our colleague JACK KEMP suggests, growth produces equity here at home, the same is certainly true in South Africa as Chief Buthelezi argues.

Another legitimate leader is Lucy Mvubelo, general secretary of the National Union of Clothing Workers in South Africa. The Washington Times has done us a service by reprinting her introductory statements to Richard Sincere's book, "The Politics of Sentiment: Churches and Foreign Investment in South Africa." I recommend the positive humanitarian approach of both Chief Buthelezi and Mrs. Mvubelo to my colleagues in the present climate of discussion regarding the future of "constructive engagement."

I submit Mrs. Mvubelo's comments for the edification of my colleagues:

A VOICE FROM SOUTH AFRICA

(By Lucy Mvubelo)

SOWETO, South Africa.—The issue of external investment in South Africa is one that deeply affects all of us who live in this beautiful, paradoxical, and complex land. By the same token disinvestment will be felt by all of us—black, white, Asian, or colored.

The question also is important to Americans because it affects relations between the United States and South Africa, relations that in turn have an impact upon peace, prosperity, and stability throughout Africa.

I am a worker and trade unionist who knows how the ordinary African worker suffers under the discriminatory effects of apartheid in South Africa. I want fuller participation by my black co-workers and all groups in the economy and political system of my beloved country.

I have heard all the arguments and proposals for changing our internal situation through external pressures to isolate South Africa from the Western democracies, but I am not convinced.

To proponents of isolation, disinvestment, and embargoes, I must say: Don't break off contact, and don't advocate disengagement and withdrawal of foreign investments. Only indigenous movements—the trade unions, the political groupings, the schools, the business associations—within South Africa can bring about significant, positive change.

Outsiders can influence it, but only through participation, not by isolation.

Foreign investment has created jobs for thousands of African workers who would otherwise be unemployed. Thanks to the poiicies of foreign firms operating here, black workers have gained significant wage increases, often larger than the increases gained by black workers in South African companies. These workers enjoy the benefits of equal-opportunity codes adopted by American and European firms, whose exam-

ple is now being followed by many South African companies.

The vitality of South Africa's economy offers more hope to South African blacks than destructive forms of pressure from abroad.

Unlike so many Africans throughout the continent and in South Africa itself who still live in dire poverty, middle-class blacks own a home, a television set, perhaps a car or a washing machine. These people, and others who aspire to a similar standard of living, now have a stake in peaceful reform, which does not mean they will not continue to agitate forcefully for their rightful voice in political, social, and economic affairs.

By insisting on the withdrawal of foreign companies—even of only American firms—disinvestment advocates are asking a substantial number of black workers to sacrifice their jobs, to sacrifice their only realistic means of attaining wider opportunities and higher living standards.

Christian churches in America and elsewhere outside South Africa have taken the lead in the international struggle against apartheid. Unfortunately, church leaders are often misguided and often ill-informed, and their statements and activities remain unexamined in light of the actual conditions in South Africa.

Those who insist that Christian vision requires them to support revolutionary change in South Africa fail to acknowledge any reform in South Africa and fail to see—or they turn a blind eye to—the effects violent revolution will have.

I hope that careful reflection will dissuade well-meaning, compassionate, and thoughtful Americans from pressing for shortsighted laws calling for divestment and disinvestment.

Such laws will set back the cause of human rights and peaceful change. They will hurt the South African economy and the very persons their advocates seek to help.●

IN SUPPORT OF LEGAL SERVICES PROGRAM FOR SENIORS UNDER THE LEGAL SERVICES CORPORATION

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. BIAGGI. Mr. Speaker, today, I am introducing legislation, along with my colleague, Ms. SNOWE, that would express the sense of Congress that funding for the Legal Services Corporation should be continued.

In the President's proposed budget for fiscal year 1986, once again, we see that the Corporation is slated for elimination. As chairman of the Select Committee on Aging's Subcommittee on Human Services, I have actively fought to secure continuation of LSC-funded programs for they form the base of support for legal services for seniors.

In addition to opposing budget cuts, our subcommittee has waged a bipartisan effort to reverse regulations promulgated by the LSC in November 1983 which restrict client eligibility by imposing asset tests in addition to means tests as a prerequisite for services. This two-pronged attack on legal services—by reducing dollars and restricting eligibility—has had a serious effect on the volume of service provided to the elderly.

We have continued to monitor the effects of these November 1983 regulations on programs around the country. To date, the information we have received from legal services providers points to reduced availability of staff for assisting clients—and more time being spent complying with the new regulations. Clearly, to reduce or eliminate funding for the Corporation at a time when resources are being stretched to the limit is at the very least, unacceptable.

Since fiscal year 1981, the administration has proposed to eliminate funding for the Corporation, despite the important role the Corporation plays in the provision of services to the elderly and handicapped.

In 1981, funding for the Corporation was reduced by 25 percent to $241 million from a high of $321 million the previous year. This resulted in the closing of 300 local offices and the loss of 1,773 attorneys, at a time when the number of eligible elderly had increased over 14 percent. In an effort to reverse this decline in funding, and in recognition of the continued importance of the LSC, last year, Congress provided a $35 million increase over the previous year.

We have introduced this resolution in order to send a clear signal to those who fail to see the value of the Corporation in providing important services to the elderly. Failure to continue these programs would not only deny access to justice to a large number of needy seniors—and handicapped individuals—it would also place an added burden upon other programs, such as the Older Americans Act, to provide services. Today, 20 percent of all Older Americans Act legal services programs are supported by the LSC. Elimination of this important supplemental funding source would place added pressure on area agencies on aging to direct other service dollars into legal services, in order to assure the availability of services, as required by law.

I hope that our colleagues will join with us in this bipartisan effort to fight efforts to eliminate funding for the Legal Services Corporation and join us in cosponsoring this initiative.●

NATIONAL DES AWARENESS WEEK

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. WEISS. Mr. Speaker, I am introducing a resolution today to designate the week of April 21, 1985, "National DES Awareness Week."

Diethylstilbestrol [DES], a powerful synthetic hormone, was given to an estimated 3 million women in the United States from 1941 to 1971 for the purpose of reducing complications in childbirth. Some women were also encouraged to take the drug under the pretense that it helped make healthy babies healthier. Prescription was continued despite reports in the early 1950's that the drug was ineffective.

It was not until early 1971 that use was banned by the Food and Drug Administration when medical research revealed a strong connection between DES and cancer of the reproductive organs. More recent studies have linked DES to cancers and abnormalities in mothers, daughters, and sons.

According to recent studies, women who took DES 20 or more years ago are 40 percent more likely than other women their age to develop breast cancer. Figures show that DES has been linked to about 25,000 cases of breast cancer. "DES thus becomes the major environmentally identified cause of breast cancer," according to Dr. Sidney M. Wolfe, director of the health research group, a branch of Ralph Nader's Public Citizen.

DES daughters have been shown to be at the greatest risk from the drug. Studies reported in 1971 established a definite connection between DES before birth and an increased risk of a rare form of cancer in young women. A surprising number of cases of clear-cell adenocarcinoma were reported by 1980. Adenosis, abnormal growths or structural changes in the reproductive tracts, which may be the basis for clear-cell adenccarcinoma, may be experienced by up to 90 percent of DES daughters. Additionally, DES daughters experience more difficulties than average women during their own pregnancies, according to findings outlined in a January 25, 1980, Washington Post article.

Recent studies have shown an increased rate of reproductive and urinary tract abnormalities in the sons of women who took DES during pregnancy. Further studies are being conducted to investigate a link between DES and increased rates of genital herpes or infertility in young men.

In the late 1970's, the National Cancer Institute coordinated a public education program to publicize the health risks associated with DES. This program, though well implemented, was unsuccessful in reaching the many women and their children requiring special medical attention. Doctors have had difficulty reaching women who were patients up to 40 years ago. Many of the women affected are unfamiliar with the drugs prescribed to them. Some are not aware that this

drug may now be affecting their sons and daughters.

It is imperative that the women who took DES during pregnancy and their daughters and sons be made aware of the effects of the drug to which they have been exposed. Early detection and treatment are necessary to contain these cancers, and preserve the reproductive capabilities of its victims.

I propose that the week of April 21, 1985, be dedicated as a time to further the effort to locate and educate the many women and men who have no knowledge of their exposure to this potentially dangerous drug. Senator RIEGLE of Michigan is introducing a companion resolution in the Senate. I invite all Members to join in cosponsoring this most important effort.●

BLACK HISTORY MONTH

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. RODINO. Mr. Speaker, it is a great privilege for me to join once again in the annual observance of Black History Month which begins this week. I am especially proud of the celebrations that are taking place in the State of New Jersey and in the 10th Congressional District this month to pay tribute to the many contributions that blacks have made to the culture and history of America.

This is a time of celebration, of education, and of rededicating ourselves to the goals of racial equality and equal justice for all. I think it is also a time to look back on our achievements, and look ahead to the struggles we still must face. Ms. Irene Hill Smith, president of the New Jersey chapter of the NAACP, recently was quoted as saying, "I hope that when my grandchildren are in school, black history will be so much a part of American history that it will no longer be necessary to have a monthly observance."

Black History Month reminds us of how far we have come, but also of how far we must go before we truly reach the "sunlit path of racial justice." This year the struggle for civil rights has continued, not just in our own country but around the world. When we consider the fight for civil rights we must not ignore the situation that exists in South Africa, where the repugnant doctrine of apartheid continues to deprive basic human rights to a majority of people. The daily protests outside the South African Embassy are testimony to our commitment to bringing freedom and equality to the people of that country.

We are only 1 year away from when we will officially commemorate the birthday of Dr. Martin Luther King as a national holiday. After working so long and hard to pass the legislation designating Dr. King's birthday as a holiday, let us not lose sight of the goals he stood for. Let us look to the day when his dream is finally realized. During this time of reflection, we should remember that they shot down the man, but they could not shoot down his dream, a dream that was stronger than life and more powerful than death.

This year, as we look back to the achievements we have made in the past few decades, let us also look to the struggles that lie ahead. We recall with pride landmark legislation such as the Civil Rights Act, the Voting Rights Act, the Fair Housing Act, nutrition and education programs, and legal services for the poor, to name but a few. But we still must work to preserve and defend these programs from continued attack. We must protect our hard-won victories and continue the steady march toward equal opportunity in our society for all.

This year, we look forward to enactment of the Civil Rights Restoration Act, which will close any loopholes in the civil rights laws and guarantee that their antidiscrimination provisions are applied broadly, as they were originally intended.

The State of New Jersey, having officially designated February as Black History Month, has planned numerous events such as lectures, exhibits, and musical events. On Monday, February 11, Newark's Mayor Kenneth Gibson will officially open the Third Annual Black History Exhibit in the city hall rotunda with his proclamation of Black History Month. The exhibit has as its theme "Black Labor in Struggle—The Backbone of America." An exhibit opened this week at the Newark Museum entitled "Ritual in African Life," which focuses on a variety of masks, sculptures, and other adornments that were part of ritual and ceremony in Africa.

In addition, there will be a variety of events held at the Newark Museum, including a lecture by prominent author Maya Angelou on Sunday, who will discuss highlights of her life and career. Various lectures, seminars, art exhibits, and musical events are scheduled at Rutgers University at Newark, Essex County College, and the New Jersey Institute of Technology as well. A number of well-known musicians will be performing in the Newark area during Black History Month, highlighted by yesterday's special appearance by pianist and singer Nina Simone at Newark's Symphony Hall.

East Orange High School will be holding a lecture by television newsman Gil Noble on Saturday, and a variety of other events are planned in the city by Mayor Thomas Cooke.

Mr. Speaker, the month of February holds special meaning for all of us as we commemorate Black History Month. I salute all of the participants of this memorable celebration. And all of us as citizens of this great country should feel a sense of pride in doing so.●

THE EMERGENCY AGRICULTURAL CREDIT ACT OF 1985

HON. E. THOMAS COLEMAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. COLEMAN of Missouri. Mr. Speaker, when the cornerstone of a foundation becomes unstable, it will cause the entire structure to come toppling down. Agriculture, the cornerstone of our economy, is in such bad shape right now that our entire Nation is at risk.

The agricultural economy is not enjoying the economic recovery like other sectors of the economy. In fact, farmers are faced with such high interest rates, declining land values, and low returns for their products that they are reliving the Great Depression of the 1930's.

Before I risk losing the interest of my urban colleagues, let me further state that his farm depression could very well ripple throughout our economy. Fully 22 percent of our Nation's work force—22.7 million people—work in agriculture-related industry. Their future, as well as that of 3 million American farmers, is at stake.

I am very supportive of the President's debt restructuring program and the most recently announced changes that provide for a write down of principle and for interest on outstanding loans. This change will allow banks to participate in the guarantee program who were precluded before due to the capital reserve requirements caused by the 10-percent write down of principle. I feel the President's program is a positive step to help farmers manage their existing debt load. But, I feel there are several issues not addressed by the President's debt restructuring program. Today, I am introducing legislation to bring immediate relief to credit-strapped farmers who are in need of new loans for this spring's planting. My bill has a three-fold purpose. First, it will encourage lending institutions to make spring operating loans available to farmers by providing a federally guaranteed loan for the 1985 crop year. Second, my bill will provide special assistance, in the form of low interest Farmers Home Administration operating loans, to farmers who have experienced weather-related disasters in at least 3 out of the past 5 years. And, third, my bill directs the Secretary of Agriculture to provide more field personnel to help relieve the backlog of FmHA applications.

These measures are needed in Missouri and throughout our rural heartland so that farmers can work their way out of this financial crisis.

The depressed agricultural economy has caused tremendous stress on agricultural banks and other agricultural lenders. As a result, many banks are not in a position to make new agriculture loans or to extend previously made loans. Last year, 79 commercial banks were liquidated nationwide. Of the 43 liquidated in the first half of 1984, only 7 were considered agricultural banks. But, in the second half of the year, 23 out of the 36 liquidated banks were agricultural-oriented institutions. In this climate, banks are very reluctant to make more loans to farmers. An informal survey of some farm-State banks by the Federal Reserve Bank of Kansas City shows that up to 15 percent of farmers in that region won't get the loans they need to plant their crops this spring.

My bill will help farmers get their operating loans in time for spring planting by offering a 75 percent Federal loan guarantee to the lender. Rather than going through the time-consuming and backlogged FmHA procedures, private lenders will make their own lending decisions. Lenders will determine if the borrower has adequate repayment ability and can make a positive cash flow. I believe that wise and prudent decisions will be made by lenders when approving loans because 25 percent of a loan's value will not be Government guaranteed.

Yes; lenders will have a tremendous responsibility on their shoulders to approve loans without the blessing of the Farmers Home Administration. But, FmHA has loan applications backlogged to the point where the lending programs have ground to a halt. In Missouri alone, 5,594 out of the 6,241 applications received by FmHA for the President's Debt Setaside Program were still pending as of December 31, 1984. In addition to that, there were 836 of the 901 disaster loan applications pending throughout the State. This doesn't even take into account the number of farm ownership loans, operating loans, and rural housing loans pending in county offices. It is critical that farmers have operating loans approved within the next 60 days and with a backlog like this, there is no way FmHA officials can get them approved in time for spring-planting decisions. That is why my bill places the decisionmaking responsibility on lenders.

The second part of my bill provides FmHA operating loans at a reduced interest rate for farmers in designated natural disaster areas for at least 3 out of the past 5 years. The current emergency disaster loan programs only allow farmers to receive a low-interest loan for losses experienced as a result of a natural disaster. According to USDA officials, it takes farmers 3 years to recover from one natural disaster. For two consecutive disasters, it takes a farmer 7 years to financially recover, and for 3 years, it obviously takes even longer.

Therefore, farmers in areas plagued with consecutive natural disasters should receive special assistance for operating loans in order for them to get back on their feet quicker. The current interest rate for an FmHA operating loan is 10.25 percent. My bill would allow farmers who have been plagued by disaster to receive an FmHA operating loan for 3 percent below the interest rate of a regular FmHA operating loan, or 7.25 percent based on today's interest rates. Of course, the rate of FmHA operating loans fluctuates according to the cost of acquiring funds. Even though the borrower will receive a reduced interest rate for his operating loan, he must still meet other FmHA requirements for such a loan.

The third section of my bill would direct the Secretary of Agriculture to provide adequate manpower to FmHA offices to help with backlogged loan applications. Every year, farmers borrow money to plant their spring crops. I don't understand why FmHA can't gear up to provide adequate manpower in order to get loans processed by spring planting time. National tax preparation firms know that taxes have to be paid by April 15, and they plan ahead to accommodate the increased workload. FmHA should, likewise, be able to anticipate and prepare for the annual spring operating loan season.

The farm credit crisis has been receiving widespread attention in the past few weeks. While the Midwest has felt the immediate impact of this crisis, the ripple effect will soon filter to our urban areas. I cannot emphasize enough that this is not just a rural problem. Nor is it a Democrat or Republican problem. We must work together in a bipartisan effort to help relieve this farm credit crisis.

I urge my colleagues on both sides of the aisle, and from both urban and rural areas, to join with me in support of this legislation. Only through a united effort can we reinforce American agriculture—the cornerstone of our economy.●

PROPOSED TAX REFORM LEGISLATION

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. HUBBARD. Mr. Speaker, I have received an excellent letter of January 22 from my friend and fellow Kentuckian, Gene M. Pope, of Harpring & Pope, Chartered Financial Consultants, located in Louisville, KY. Gene Pope and I graduated together in 1955 (almost 30 years ago) from Eastern High School in Louisville's suburbs.

I believe my colleagues will be interested in Mr. Pope's thoughts concerning the tax reform legislative proposals that might be considered during the 99th Congress. I hope my colleagues will note his concern that legislative review must be made "with the objective of tax simplification and with the understanding that major changes do not in themselves promote fairness or equity among taxpayers."

Gene Pope's letter is as follows:

HARPRING & POPE,
CHARTERED FINANCIAL CONSULTANTS,
Louisville, KY, January 22, 1985.

Congressman CARROLL HUBBARD,
204 Cannon House Office Building,
Washington, DC

DEAR CONGRESSMAN HUBBARD: It is obvious that in the next session of Congress one of the major pieces of legislation up for consideration will be tax reform I understand there are as many as 38 tax reform proposals being promoted by various members of Congress. There is no doubt that tax reform is desirable. Too often in the last 10 or so years Congress has either thrown the baby out with the bath water or used a hammer to kill a gnat. They have simply added to the complexity of the law without significant benefit either to the public interest or to the Federal Treasury. They have created an administrative and record keeping nightmare that makes it impossible for the most diligent taxpayer to properly complete his tax return or adequately keep required records. The most recent IRS regulations on automobile business use is an example.

I realize it is difficult with the number of pieces of legislation proposed to explore in great depth the impact of any of these proposals. I simply urge you to review these proposals with the objective of tax simplification and with the understanding that major changes do not in themselves promote fairness or equity among taxpayers but simply distort or destroy financial plans that were adopted in good faith by taxpayers based upon the tax law at the time of their adoption. Many of the proposals would have the effect to destroy private initiative toward personal financial security by removing tax benefits designed to promote personal thrift and family security through the purchase of personal life insurance. Others would destroy tax incentives or provide medical and retirement benefits for their employees. Without that incentive many employees would be left to depend on government programs as they could not adequately provide these benefits for themselves. I recognize and desire equitable tax treatment of all taxpayers, but I also support the concept that tax incentives that encourage the general welfare are more efficient then governmental programs that provide for the bureaucracy instead of the public. I strongly urge you to seek a balanced budget, control government spending and reduce the deficit by raising revenue, if necessary, but not at the expense of long established programs designed to promote

personal thrift and personal responsibility for one's financial security.

Sincerely,

GENE M. POPE, CLU, CPCU, ChFC.●

MAY 7, 1985—HELSINKI HUMAN RIGHTS DAY

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. PORTER. Mr. Speaker, yesterday, my colleague TOM LANTOS and I introduced a resolution designating May 7, 1985, as Helsinki Human Rights Day. As cochairmen of the congressional human rights caucus, we are pleased that over 70 of our colleagues have joined us in cosponsoring this resolution which recognizes the importance of respect for human rights.

On August 1, 1975, representatives from 35 countries joined together in Helsinki, Finland, to sign the Final Act of the Conference on Security and Cooperation in Europe. This agreement, referred to as the Helsinki Accords, covers every aspect of East-West relations, including military security, scientific and cultural exchanges, trade and economic cooperation, and human rights.

The year 1985 marks the 10th anniversary of the signing of the accords. The signing of this agreement triggered the hopes of many people living in countries who believed that it signaled a new era of respect for human rights and improved East-West relations. In many countries Helsinki monitoring groups were established with the purpose of publicizing the standards of the accords and monitoring the application of these standards by their governments. Unfortunately, the formation of these groups were not encouraged by many countries. In fact, most of the groups in Eastern Europe met great opposition from their governments. The leaders of these groups, who persisted in their cause despite the efforts by their governments to jail them and to disrupt the meetings, are truly world leaders in the fight for human rights.

Recently I became involved in the plight facing one member of the Helsinki monitoring group in Czechoslovakia, Charter 77. Rudolf Battek has long served as a spokesman in the human rights movement in his country, and as a result of his efforts has spent several years in prison. He is currently serving a prison sentence for publishing an essay on political pluralism. I met with Czech embassy officials and spoke of my concern that Mr. Battek has been imprisoned solely for expressing his political beliefs. The officials disagreed with me, and said that Mr. Battek is guilty of receiving money from unspecified foreign governments for his writings, apparently making free expression a crime under their law. Mr. Battek's experiences in Czechoslovakia are not unique. From the Soviet Union frequently come similar stories. Andrei Sakharov is probably the most well-known member of the Helsinki monitoring group in the Soviet Union—and we in the West are very familiar with his fate of internal exile and constant persecution in Gorky.

By sponsoring a resolution to call attention to the Helsinki Accords we hope to remind the members of the Helsinki monitoring groups, and foreign governments, that the United States continues to support full implementation of the accords. It is my hope that we can encourage people like Rudolf Battek and Andrei Sakharov to continue their efforts to work for the fundamental freedoms agreed to by their governments.

May 7, 1985, was selected as Helsinki Human Rights Day to coincide with the commencement of a meeting of experts in Ottowa to discuss the human rights provisions of the accords. We believe that it is important for the President to use this meeting as an opportunity to reassert the U.S. commitment to the Helsinki Accords. Our resolution calls upon the President to issue a proclamation stating our country's support for the human rights provisions of the accords and encouraging all signatory nations to abide by their obligations under this agreement.

Mr. Speaker, I urge my colleagues to join me in supporting Helsinki Human Rights Day. I hope that through our efforts to support the Helsinki Accords we can work for a new beginning of international peace and respect for human rights.●

CHANGE U.S. PATENT LAW

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. MOORHEAD. Mr. Speaker, I would like to bring to the attention of my colleagues a bill I am introducing today that, if enacted, will be of considerable benefit to our country because it will close a damaging loophole in U.S. patent law. A similar bill passed the House on suspension last year and was favorably reported by the Senate Judiciary Committee. Under existing conditions, a patent is infringed only if the patented product or process is used, made, or sold in the United States. This is sufficient in the case of a product patent because any item produced overseas and sold in the United States effectively infringes on the patent holder's rights.

However, in the case of a process patent there is no effective way by which a patentee can prevent a firm from duplicating and using the protected process overseas and then selling the product of that process in the United States.

Process technology is important in the biotechnology industry, the electronics industry, and the pharmaceutical industry, among others. Recent examples of infringing imports involving process technologies including fiber optics and amorphous metals. During the last Congress we received many letters of support, one from the American Flint Glass Workers Union stating that they believed inadequate process patents protection has cost their industry alone upward of 50,000 jobs.

If a firm's investment is undercut in such a manner, it has two unreliable options available to protect its patented process from abuse overseas:

First, it can seek to obtain a patent in as many foreign countries as possible and then sue for infringement of its foreign patents in foreign courts when the process is used to make products which are then sold in the United States. This option is very inadequate because it is expensive and it is impossible to obtain effective protection in all of the countries in which the process might be used.

The other option open to the patentee is to seek relief from the International Trade Commission. While damages are not available to a patentee under the appropriate section of the United States Code, a patentee can seek a cease and desist order against a particular firm. Such an order may be issued by the Commission if it finds that the firm is violating or believed to be violating the pertinent section of the code. The patentee can also seek an exclusion order that would bar the importation of products made by this patented process if the Commission finds violation, again of the appropriate code section.

However, these options are not very helpful in providing the patent holder with adequate and fair protection because to obtain a cease and desist order or an exclusion order, a patentee must show not only the importation of a product made by his patented process, but also that the effect or tendency of such importation is to destroy or substantially injure a U.S. industry. Moreover, cease and desist orders against particular firms may not be effective where importation of offending products can easily find alternative channels.

And enforcement of exclusion orders by customs officials is complicated by the difficulty of identifying which products were made by patented processes and which were not. Thus, it is very difficult for a process patentee to obtain effective protection under current law where his patented invention

is practiced overseas and the resulting product sold in the United States. This legislation will stop foreign competitors from taking a free ride on U.S. research at the expense of the U.S. patent owner.

Sections 2 and 3 of the bill make it a patent infringement to import into the United States, or to use or sell in the United States, products produced by a patented process. Section 4 exempts from liability for monetary damages infringers other than manufacturers who lack knowledge or notice of the infringement. Section 5 places the burden of establishing that the product was not produced by the patented process on the alleged infringer in certain circumstances. Section 6 makes the bill applicable to products produced or imported after the date of enactment.

This legislation will provide an injured U.S. company with a fair and reasonable opportunity to protect their local markets from this sort of international piracy.●

RESPONSE TO THE PRESIDENT'S BUDGET—EFFECTS ON HEALTH AND HUMAN SERVICES

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. ROYBAL. Mr. Speaker, the President's proposed budget is an assault on the Nation's health and social service delivery capability. Proposed cuts would sabotage the gains we have made in medical research and social service and undermine our future ability to reduce suffering and improve the health and welfare of every American.

The proposal undercuts the basis of our health care system; the excellent basic and applied research that have been the products of The National Institutes of Health and Mental Health. It calls for a 5.5-percent cut in the NIH overall budget and reduces the number of grants appropriated in the fiscal year 1985 budget by 1,500 and the number of research centers by 48. This action compromises our ability to keep talented investigators in the health research field, resulting in the loss of core personnel on major research projects. Further assaults on the Nation's ability to produce clinical and research personnel comes from the administration's proposal to eliminate $25 million of direct Federal support of health care professions. Additional cuts include $22 million for NIMH clinical training programs. The administration rationalizes these cuts by stating that the supply of health care professionals is adequate, ignoring the needs for minority health providers and professionals to work in underserved urban and rural communities.

the budget proposal decreases service to vulnerable populations, increasing their health risk. The administration would cut $5 million from the TB control grants and $5 million from the highly effective diabetes control programs. In addition, the attempt to consolidate migrant health, black lung clinics, community health centers, and family planning programs under a primary care grant would further undermine our commitment to provide direct services to underserved groups in community based settings, as would a $37 million cut in the Indian Health Program.

The administration proposes to add to the already overburdened Social Service block grant commitments by cutting out the $368 million for community services block grants and $13 million for the Community Service Program. In addition, development of child welfare service models could be severely curtailed if the cut of $3.6 million in child welfare research and $7 million in child abuse discretionary funds are allowed to stand.

As a member of the Health and Human Services Appropriations Subcommittee, I promise to review the President's budget proposal closely and insure that our health and social service research and service delivery are not compromised. It is clear that we must deal with the problem of the deficit but must draw up a plan with priorities that reflect our commitment to health and human decency.●

ENDANGERED SPECIES ACT REAUTHORIZATION

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. BREAUX. Mr. Speaker, I am today introducing legislation to extend the authorization for funds to be appropriated under the provisions of the Endangered Species Act for an additional 4 fiscal years. The bill will serve as a vehicle for hearings on the act that we have scheduled for March.

The current Endangered Species Act was enacted in 1973 to address the concern of scientists and naturalists that the rate of species extinctions was increasing rapidly and a number of very visible species, such as the bald eagle and the brown pelican, were threatened with extinction. Although the publicity surrounding endangered species has focused on the more glamorous species such as the bald eagle, scientists are perhaps more concerned about the loss of biological diversity caused by the increased rate of extinction of both plants and animals. They point to the loss of genetic traits that could provide advances in medicine or agriculture. They argue that, while it is inevitable that we will continue to manipulate and develop natural resourses, the first rule of intelligent tinkering is to save all the pieces.

The act, which has been amended several times, most recently in 1982, requires the Departments of Commerce and Interior to study wildlife and plant species that fall within their jurisdiction to determine if they are in danger of extinction. Species determined to be in such danger are placed on the endangered species list. Species likely to become endangered unless protective actions are implemented are listed as threatened. In 1982 the act was amended to require the agencies to respond to private citizen petitions to list species in a timely manner.

Once listed, a species is protected from taking and eligible for other protective measures provided under the provisions of the act. Perhaps the most important provision, and certainly the most controversial, is section 7 of the act, which requires Federal agencies, prior to undertaking any Federal activity, to consult with the Commerce or Interior to ensure that their actions are not likely to jeopardize the continued existance of any endangered or threatened species. This is the section that was involved in the famous controversy between the snail darter and the Tellico Dam. Although section 7 has been amended several times to improve coordination among agencies and provide for Cabinet level review of irreconcilable conflicts between endangered species and Federal projects, it is still one of the strongest provisions in the body of wildlife conservation law.

Since its enactment, there have been both successes and failures. The bald eagle has come back, the whooping crane has made progress and the brown pelican has recently been removed from the endangered list on the east coast. There have also been failures. There are only five dusky seaside sparrows left, all in capivity and all, unfortunately, male. The California condor has continued its decline. The red wolf is probably extinct in the wild, although they are breeding in zoos.

We will take a close look at the act when we hold hearings in March. When we last considered the act in 1982, I was impressed by the willingness of both environmental and development interests to compromise and work toward making the act more effective and more workable. I think we all agree the end product was a reasonable set of amendments to the act that, we hope, made it work better for all concerned.

I hope we can approach this reauthorization with the same commitment to a rational process where we

concentrate on the facts and resolve conflicts with patience and compromise. If we do this, I am certain we can achieve the consensus on this issue that we have in the past.●

NICARAGUA

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. RUDD. Mr. Speaker, the propaganda mills are at work in the U.S. and abroad. The Nicaraguan Embassy and even some in the U.S. media would have us believe peace and freedom can be secured in Central America by allowing Marxist forces to seize and keep power through violence, not the ballot box.

The consequences of a Marxist guerrilla victory in El Salvador and throughout the region are too great. Indeed, the security of the Western Hemisphere is at stake. Despite this frightening reality, it seems we have not been able to get this message across to the people.

Let's look at the facts:

While critics fret at 55 U.S. advisers in El Salvador, they somehow forget 9,000 Cubans in neighboring Nicaragua.

They forget that Nicaragua maintains a military force greater than the forces of all of its neighbors combined—more than would ever be needed solely for defense;

That one-fourth of the Nicaraguan coast's 165,000 Indians are in relocation and refugee camps; that one-half of the Miskito and Sumo Indian villages have been destroyed;

That the only remaining nongovernment Nicaraguan newspaper, La Prensa, is censured daily; and

That opposition parties are denied free participation in elections.

Is this really what we should support in Central America?

With the facts on the table, there is no doubt that the American people will support the cause of freedom in Central America.●

JOSEPH MEYERHOFF

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Ms. MIKULSKI. Mr. Speaker, it is with deep regret that I inform the House of Representatives of the death of Joseph Meyerhoff. This man truly left an indelible mark on Baltimore and on the world community. I join with my friends in Maryland and around the world to mourn his passing.

A lawyer and a real estate businessman, Mr. Meyerhoff built more than houses. He helped build a better Baltimore. Among his other projects, he built Baltimore's Showpiece Symphony Hall and an orchestra worthy of the place. Mr. Meyerhoff was president of the board of the Baltimore Symphony Orchestra for 17 years. During his tenure he helped mold the orchestra to one of international repute. He often joked that it was his wife who convinced him to come to the rescue of the fledgling orchestra. But once involved, Joseph Meyerhoff threw himself into the task of educating himself about music, orchestras, and concert halls, and transformed the cultural world of Baltimore by giving it a world class orchestra and the symphony hall which bears his name. This exemplifies the celebrated Meyerhoff style: The mastery of a situation followed by the infusion of his time, energy, creativity, and the money necessary to implement improvements.

Mr. Meyerhoff came to America as a Russian Jewish immigrant. His father ran a meat market. The story of Joseph Meyerhoff is more than that of a Horatio Alger. This man never foregot his past, his roots. He shared his fortune for the betterment of the city he loved and the people he cared about.

Joseph Meyerhoff served on the boards of Baltimore's Provident Hospital, which serves the black community, and Sinai Hospital. He built houses, apartment buildings, and shopping centers, creating jobs and economic opportunities. He was a life member of the Board of the National Home Builders Association. He generously contributed scholarship support to Johns Hopkins University. The Meyerhoff legacy extends all over Maryland.

Joseph Meyerhoff loved Israel and helped the country move from a dream into a political reality. He helped establish the United States-Israel bond movement which raised billions of dollars for industrial development in Israel. He was a member of the executive committee of the United Jewish Appeal helping settle Jewish refugees in Israel. His support of Israel also reached to schools, museums, libraries, and cultural centers.

The list of his involvements and his accomplishments is endless. As the Representative of the Third Congressional District of Maryland, I personally knew Mr. Meyerhoff and his family. Joseph Meyerhoff always gave more than his name and his money; he responded to needs with energy, leadership, and generosity. He truly believed in the future of Baltimore and the hope of Israel, and worked to realize those visions.

Joseph Meyerhoff was a husband, a father, a grandfather, a friend, a philanthropist, an active and caring citizen. Mr. Meyerhoff once said, "once you've taken care of your children and your grandchildren, what are you going to do with your money? Why not do what you can to help make life a little richer for others?" We have all benefited from the life and spirit of Joseph Meyerhoff. He will be sorely missed.●

FUSION ENERGY RESEARCH

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. STARK. Mr. Speaker, following is a joint resolution urging formation of a national policy and renewal of national attention on the future of fusion energy research, technology and development and the possibilities of increased international cooperation in such efforts.

H.J. RES. —

Whereas, the United States should continue to sustain the momentum of physics and scientific research efforts which could lead to the necessary technological base for a commercial fusion energy cption; and

Whereas, budget projections for the next round of fusion test experiments and facilities are substantially larger than in the past, and budget restrictions in the United States and several other nations during the 1980s may impede individual domestic fusion efforts, thereby threatening fusion technology's progress; and

Whereas, the United States has successfully joined with other nations in the past to coordinate research and development techniques; and

Whereas, international communication, information exchanges and collaboration have been effective in refining and improving various fusion options, such as tandem mirrors and tokomaks, and in reducing the amount of duplication and total costs of such projects; and

Whereas, the state of fusion research in the United States, Japan, the European Community and the Soviet Union is such that the Committee on International Cooperation in Magnetic Fusion believe that a "window of time" now exists for the initiation of large scale collaboration;

Resolved by the House of Representatives and the Senate in Congress assembled, That the United States government should continue its historical commitment to the pursuit of fusion energy research and technology by establishing a clear set of policies, objectives and budgets for future U.S. fusion activities and should take the lead in consulting with prospective partners to initiate an international joint planning effort aimed at large scale collaboration.●

THE ADMINISTRATION'S FISCAL YEAR 1986 BUDGET

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. FORD of Michigan. Mr. Speaker, I was disappointed, but I must say not surprised, with the President's

fiscal year 1986 budget that was unveiled earlier this week. As expected, President Reagan failed to moderate his stance on military spending and to consider slowing the rate of Pentagon spending. The administration's fiscal year 1986 budget repeats the pattern of the budgets of the first Reagan term of misplaced spending priorities that dump funds on the Pentagon while failing to provide adequate funding for important domestic programs.

In addition, the President continues to reiterate his support for a balanced budget amendment to the Constitution, as he did last night in his State of the Union Address; yet on Monday he submitted a budget that contains a deficit of $180 billion for fiscal year 1986. Although this is a reduction in the projected deficit, such a budget plan can hardly be considered a solution to the most pressing problem facing our Nation—reducing the Federal deficit. Realistic deficit reduction cannot occur until all programs—military and domestic—are put on the table.

Simply stated, the President's budget proposes to cut $32 billion from domestic programs and transfer an almost identical amount to military spending. A full $4 out of every $5 of the projected spending cuts would come from domestic programs. Over 30 percent of the administration's budget is allocated to military spending and foreign military assistance, 15 percent to interest on the national debt and 25 percent to Social Security and other retirement programs. The remaining 30 percent of the Reagan budget is allocated to all other domestic programs—from Medicare and unemployment benefits to agriculture and community development. While the military budget skyrockets at a proposed increase of 13 percent during fiscal year 1986, domestic programs are targeted for cutbacks and elimination.

For example, the administration has proposed reductions of 21 percent in major employment training programs. Even though the President proclaimed his support for the Job Training Partnership Act [JTPA] during his State of the Union Address, he proposed reductions of 55 percent in the title III of JTPA, which provides crucial assistance for dislocated workers. The administration is also seeking cuts in another program that benefits this groups of workers—Trade Adjustment Assistance.

Another area that the President has proposed to cut severely is aid to State and local governments. After communities and citizens of my district have tightened their belts to help get the State of Michigan back on its feet, the administration has proposed pulling the rug out from under them. I am also concerned that programs which help spur economic development in areas that need assistance, such as the Economic Development Administration, urban development action grants and community development block grants, are targetted either for elimination or deep cuts.

The President is also seeking drastic reductions in the pay and benefits of Federal employees. The President's budget assumes a 5-percent pay reduction, effective January 1986, for Federal civilian employees. Under existing law—the constitutionality of which is under litigation—the President may effect this reduction by Executive order. In that case, the reduction would also apply to Members. The Constitution prohibits reducing the salary of a sitting President or sitting judges. The budget assumes that future pay increases will be held to 3 percent each in January of 1987 and 1988.

The President proposes a 3-percent increase, effective July 1985, for the uniformed services—Federal civilian employees in the Defense Establishment would also suffer the 5-percent reduction.

The savings from the civilian pay reduction and subsequent caps—including benefits linked to pay such as life insurance—are estimated to be $1.3 billion, $2.5 billion, and $3.7 billion in fiscal years 1986–88 respectively.

CIVIL SERVICE RETIREMENT COLA

The President proposes a 1-year COLA freeze for Federal civilian and military retirees. Under this proposal the January 1986 COLA—estimated to be approximately 4.3 percent—would be eliminated. No change is proposed in the COLA for Social Security, supplemental security income, and veterans' compensation.

After the 1-year freeze, civil service retirement adjustments would be limited to the lower of the change in the CPI or the Federal General Schedule—white-collar—pay increase, and adjustments for benefits in excess of $10,000 would be limited to 55 percent of the annual change. The $10,000 would be adjusted annually by the amount of the COLA adjustment. These changes are estimated to save $700 million, $1,250 million, and $1,660 million in fiscal years 1986–88 respectively.

CIVIL SERVICE RETIREMENT BENEFITS REDUCTIONS

In addition to the COLA changes discussed above, the budget proposes the following reductions in civil service retirement benefits:

Reduction in annuity of 5 percent per year for each year an individual is under 65 at the time of retirement—to be phased in over 10 years.

Change the base on which benefits are computed from the highest 3 years of salary to the highest 5—employees eligible for retirement or within 3 years of retirement would not be affected.

Phase out retirement credit for unused sick leave.

Conform civil service survivor, adult student, and minimum benefits to those provided by Social Security.

Discontinue retirement, life insurance, and health insurance coverages for employees first hired by the District of Columbia.

These changes are estimated to save $31 million, $140 million, and $320 million in fiscal years 1986–88.

CIVIL SERVICE RETIREMENT FINANCING CHANGES

The President proposes to increase employer contributions to the civil service retirement fund for certain off-budget agencies; namely, the Postal Service and the D.C. government. These agencies now contribute 7 percent of salary to the fund. The President proposes to increase these contributions by 2 percent each year until a 29-percent contribution level is reached—the level the President claims is necessary to cover the full cost of the retirement program for these agencies. Requiring the Postal Service to contribute an additional 2 percent is estimated to cost the Service $213 million in fiscal year 1986. The cost to the D.C. government is estimated to be less than $50 million in fiscal year 1986.

SUPPLEMENTAL RETIREMENT PLAN

The budget indicates "the administration plans to submit legislation for a new system containing a defined contribution plan and costing—including the employer share of Social Security—approximately 20 percent of payroll on an actuarial normal cost basis." This plan is intended for those Federal employees covered by Social Security.

FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM [FEHBP]

The budget again proposes enactment of a so-called voucher system for the FEHBP. Under this plan, the Government's premium contribution—now roughly 60 percent of the full premium—would be increased each year by the percentage increase in the GNP deflator—one measure of inflation. Under existing law, the Government's contribution is fixed each year not to exceed 60 percent of the full average premium of the six most popular plans.

POSTAL SERVICE

In addition to the increased retirement contributions discussed above, the President proposes to eliminate the "revenue forgone" subsidy of preferred postal rates—for example, nonprofit rates. The Postal Service estimates that full funding for fiscal year 1986 rate subsidies would amount to $981 million. The budget indicates, however, that "legislation will be proposed to enable the Postal Service, itself, to continue the subsidy for most existing subsidized mailers." This "leg-

islation" probably will include provisions eliminating some subsidized rates—for example, the in-county newspaper and magazine rate—and requiring the Postal Service—that is, the general ratepayers—to absorb the costs of subsidizing the remainder of the preferred rates—predominantly, the nonprofit rates.

BUDGET IMPACT ON ELEMENTARY, SECONDARY, VOCATIONAL EDUCATION AND OTHER HUMAN SERVICES PROGRAMS

Despite the uproar Nationwide in the past two years over the report called "A Nation at Risk" depicting our education system as one that lacks excellence and produces mediocrity, the President continues to ask for increasingly drastic cuts in education and other children's services in every budget he sends to the Congress.

The President, this year, proposes a "freeze" on elementary, secondary and vocational education programs, and drastic reductions and elimination of other, smaller programs within the education function of the budget. He would freeze the major elementary and secondary education programs at the FY 1985 levels, and does not even include an inflation factor for delivering these services in the out-years when the costs are expected to rise by 5 percent—the amount expected to be lost in real dollars when school districts begin to feel the effects of this budget "freeze" policy. Most education programs are forward funded, and the real impact will not be felt by states and local educational agencies until school year 1986-87, when FY 86 funds will begin to be spent.

The President recommends a 22 percent cut in Impact Aid programs, which he would achieve by eliminating payments for "B" children (those whose parents either live or work on Federal property), and by eliminating school construction funds except in cases of schools destroyed by major disasters.

Besides proposing a freeze on Chapters I and II of ECIA, the President again proposes to give parents the option of using State Chapter I funds in the form of vouchers issued to them, allowing parents to "shop around" for a school for their children, public or private, using the vouchers to pay for the chosen education mode. The Congress is not likely to pass the legislation necessary for the President's voucher-option program in lieu of the proven successful delivery of educational equity under Chapter I to poor students who need remedial and other compensatory education services in elementary schools. I would certainly oppose all efforts to turn Chapter I into a voucher system, as vigorously as I will continue to oppose tuition tax credits.

Although the President declares that he is not reducing education funding by freezing major programs at the FY 85 level, a close look at smaller programs which he reduces or seeks to eliminate, reveals that he has managed to propose a .3 billion dollar reduction in elementary, secondary, vocational and related programs. Some of the program cuts and reductions he proposes are:

To eliminate $30 million to fund emergency immigration education programs. The President has already sent a request to Congress to rescind $30 million for this program appropriated for use in FY 85.

Other Bilingual Education programs are "frozen" at the FY 85 level, but the President would also permit state and local educational agencies to use bilingual funds for "English as a Second Language" (ESL) program, rather than the transitional bilingual programs that permit students to be taught in their native languages while learning English. This proposal is contrary to the just-reauthorized Bilingual Education Act which continues the transitional approach to teaching limited-English proficient students in our schools.

Reduce by $42 million state grants for migrant education programs. The President proposes that children who have been in migrant education programs for up to three years can no longer be termed "migratory" and therefore should be dropped from migrant education activities. He recommends that such students then be picked up by the States using other sources, such as Chapter I funds, for their continued compensatory education needs. Again, this change in migrant education programs would require the Congress to pass legislation to that effect, and I am not convinced that we will do so.

The President has also proposed to eliminate $75 million for Excellence in Education under Chapter II; $6 million would be eliminated for WEEA (Womens' Educational Equity), a one-third reduction in funds in FY 86 for desegregation activities, with a total phase out by FY 1988; the elimination of $33 million for consumer/homemaking under Vocational Education, folding that amount into the State Basic Grant for Voc Ed; and a recommendation that a portion of the $32 million Secretary's discretionary fund under Chapter II be used to pay for the Congressionally-mandated assessment of Chapter I program effectiveness.

Child Nutrition and National School Lunch Programs would be placed at risk by the President's request to eliminate the Federal subsidy for lunches served to "paying" students. Yet these subsidies are used by the schools for labor and equipment needs that permit them to offer the more important free and reduced-price lunches to severely needy children. Loss of the subsidy for paid lunches would not result merely in a loss of students participating, but entire schools may be forced out of participating in the School Lunch and Breakfast Programs, placing our children at risk due to malnutrition.

In the area of social and human services for children, the elderly and other special groups, the President would eliminate the Work Incentive Program (WIN), the Job Corps Program, and would slightly reduce and then freeze older Americans programs such as Title V, the Community Services Employment for Older Persons, the Domestic Volunteers Services Programs which include RSVP, Foster Grand Parents, and Senior Companions, and a 10 percent reduction in Community Development Block Grants.

BUDGET IMPACT ON FEDERAL STUDENT FINANCIAL ASSISTANCE

February 3 on "Face the Nation," House Budget Chairman, William Gray, was asked what in the Reagan budget was most offensive. His answer was the reductions requested for Federal higher education assistance, especially, student aid. The President's budget proposes a 33% or $2.51 billion reduction in the area of Postsecondary Education. The following is a brief description of the proposed cuts in student financial assistance.

STUDENT FINANCIAL ASSISTANCE

In the Pell grant program, the President is proposing a $445 million reduction. Additionally, students from families with adjusted gross incomes above $25,000 would be ineligible for *all* Federal grants and loans, except Guaranteed Student Loans, regardless of family situation. Currently, 5% of all Pell Grant recipients come from families with income above $25,000. All students would be required to provide at least $800 toward their education and any student under the age of 22 who is not a ward of the court, or orphan, or able to prove economic self-sufficiency would be automatically considered to be dependent. The impact of these proposals, if enacted, would be to eliminate over 625,000 students from participation in the program.

The Administration is also proposing language amending the FY 1985 (education) appropriations bill to reduce the maximum grant from $2100 to $2000 and limiting the amount of the grant to no more than 50 percent of the cost of attendance because of a projected $450 million shortfall in the Pell Grant program this year for which it does not intend to request a supplemental appropriation. The impact of the language is particularly adverse to the lowest income students. Under current law if there is a shortfall in funding those students receiving maximum awards (those who show the most need) do not have their grants affected. Only those receiving smaller awards have them reduced. The Congress created this linear reduction formula in order to protect the most needy students. The proposed language would reduce by $100 the awards of approximately 150,000 students and reduce by 17% the awards of another 650,000 students. Again, these are the students who show the most need. Students with less than maximum need would not be affected by the proposal.

The Guaranteed Student Loan program proposals contain the following elements:

A reduction in Federal expenditures of $426 million;

Students from families with adjusted gross incomes over $32,500 would be eligible for awards;

Borrowers would pay interest rates of 91-day Treasury bills instead of the current fixed 8% rate;

A special allowance of 1.5% for students in school and 3.0% when students begin repayment;

No further advances or administrative allowances would be provided for guarantee agencies;

Default reinsurance to guarantee agencies would be reduced to a maximum of 90% and a minimum of 50% (Current law allows 100% reinsurance);

Loans would have to be disbursed on a multiple disbursement basis;

These proposals would eliminate approximately 30% (800,000 to 900,000) currently eligible students because of the maximum income cap; greatly increase loan indebtedness of students because of the increased interest rate responsibility; and, in all probability, force most if not all banks and guarantee agencies out of the program. In essence, these proposals would mark the demise of the Guaranteed Student Loan program.

The Administration further proposes to eliminate the State Student Incentive Grant (SSIG) program and any further Federal contribution for the National Direct Student Loan (NDSL) program. As a result 448,000 fewer awards will be available. There is a further proposal to eliminate the Supplemental Educational Opportunity Grants (SEOGs) but to increase College Work Study (CWS) funds to $850 million with 50% available at the institutional level

for grants. A net result would be 378,000 fewer awards and $250 million less for the programs.

Finally, the Administration proposes to limit total Federal student aid to $4,000 per student. As a result approximately 450,000 students would have their awards decreased and the concept of "choice of institutions" would be effectively destroyed.

BUDGET IMPACT ON MICHIGAN STUDENTS

The reductions in Federal student financial assistance would have a substantial impact on students attending Michigan postsecondary education institutions.

For FY 1985, it is estimated that Michigan students will receive $140.4 million in Pell grant awards. Under the proposed budget that amount is reduced to $120.74 million. Similarly, for the current academic year students attending Michigan schools will receive $14.949 million in SEOG awards; $19.057 million in CWS jobs; $6.416 million in NDSL loans; and $3.139 million in SSIG funds. Under the Reagan budget proposals those students would receive only $27.292 million under the programs, for a reduction of 50%. Additionally, the President's budget proposals would result in the elimination of the GSL program which provided over $200 million in funds for Michigan students in the past year.

The following chart summarizes the budget proposal.

Program	Fiscal year— 1985 funding (estimated)	1986 budget proposal	Amount of change
Pell	$140,400,000	$120,740,000	−$19,620,000
SEOG	14,948,728	0	−14,948,728
CWS	19,056,604	0	−19,056,604
NDSL	6,416,473	0	−6,416,473
SSIG	3,139,463	0	−3,139,463
College work/study grants		27,292,808	+27,292,808
Total	181,135,768	148,032,808	−33,112,968

BUDGET IMPACT ON THE NATIONAL ENDOWMENTS FOR THE ARTS AND HUMANITIES

The President has recommended that funding for the National Endowment for the Arts and the National Endowment for the Humanities be reduced by approximately 11 percent each and that funding for the Institute for Museum Services be virtually eliminated.

The endowments were established in 1965, and between 1965 and 1980 our Nation began to experience a virtual explosion of the arts and humanities. Within the short span of 15 years, professional symphony orchestras increased six-fold; professional theater groups grew tenfold; and the number of dance companies expanded from 30 to 400. For the first time, we as a nation came closer to insuring that access to our Nation's vast cultural resources would not be determined by economic or geographic circumstances.

Since he first assumed office in 1981, the President has recommended drastic reductions for funding these Federal programs in each of his annual budgets. Although each year the Congress has been unwilling to go along with cuts to the extent proposed over this four year period, the Endowments have lost ground, threatening the existence of the cultural institutions they support which mirror our lives and preserve our heritage.

We cannot afford to reduce Federal support for these programs. We have been enriched through the creative energies of our most talented individuals, and through their works we are provided a clearer vision of ourselves and of our Nation. No less important, the arts and humanities stimulate and strengthen economic growth in our communities. I oppose a budget which overlooks the importance of such a significant contribution to our society.●

SAVE THE FOLGER THEATRE

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Ms. OAKAR. Mr. Speaker, today I am introducing a concurrent resolution that will bring to my colleagues attention the desperate financial plight of the Folger Theatre and our need to save this important cultural facility. In addition, I am introducing a bill that will authorize the Director of the Smithsonian Institution to make a grant of $500,000 to the director of the Folger Theatre, to insure its continued operation until a long-term financial solution to the problem can be worked out.

On January 14, 1985, the director of the Folger Library, Werner Gundersheimer, announced that the board of trustees of Amherst College had made a decision to cease operations at the Folger Theatre as of June 30, 1985.

For the past 15 years this theatre has brought to life a treasury of Renaissance and Elizabethan manuscripts that are housed at the Folger Library.

The Folger Theatre is a "Lort-D Equity House." It has, for the past 3 years, employed a resident company of 75 employees, including actors, artists, directors, costume and set designers and builders—skilled and technical people living in the District of Columbia who are dedicated to the idea of living theater in the form of Shakespeare and the classics.

Under the direction of O.B. Hardison, Jr., a dormant replica of the Old Globe Theatre was activated as part of theater. The theater has 253 seats and presents works of Shakespeare, and the classics year round. The theater faces dwindling subsidies and because of its size and noncommercial repertoire, it fails to generate enough funds to be self-sufficient.

The closing of the Folger Theatre would also affect the operations of the Folger Conservatory, where members of the Folger Theatre Co. teach weekly acting clases for adults and young people.

Mr. Speaker, although the Folger Theatre functions primarily as a facility for staging the classics, it has also staged the American premiers of such important contemporary American dramas as "The Farm" and "Whose Life Is It Anyway."

We must keep the Folger Theatre open because it is an important cultural and educational institution and it provides a valuable service—to inspire and uplift the human spirit for people of all economic strata.

We must help this noncommercial theater survive because it serves all people. It seems to be the present administration's policy that the arts are only for a limited few who can comprehend and enjoy them; and that the marketplace is the best adjudicator of values in our society. What in essence meets the popular fancy will prevail, what falls short of such a criterion deserves obscurity and certainly no support.

Mr. Speaker, as politicians we are perceived by many in the arts community as caring very little about the arts and this view has been exemplified by the cuts proposed by the Reagan administration with regard to the National Endowment for the Arts and the National Endowment or the Humanities. If history has shown us anything, it is that a civilization flourishes when the arts flourish in that civilization. Esthetic values and culture are not luxuries they are necessities. We as politicians share a moral obligation to create conditions under which institutions such as the Folger Theatre can flourish under a maximum of dignity and freedom.●

THE REALISTIC MIDDLE GROUND ON THE STRATEGIC DEFENSE INITIATIVE

HON. BEVERLY B. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mrs. BYRON. Mr. Speaker, there has been much debate about the Strategic Defense Initiative [SDI] and its arms control aspects and, although the debate has generally been quite polarized, there recently has been some very constructive discussion on this topic. The January 17 issue of The Wall Street Journal contained a spectrum of reactions to comprehensive editorial-page coverage on arms control and the SDI which had appeared in the January 2 issue of the Journal. One of the most valuable contributions among these reactions was a letter written by my colleague, the Honorable MARILYN LLOYD. Mrs. LLOYD views arms control matters and the SDI Program from the broad technology perspective of membership on both the Science and Technology and Armed Services Committees of the House. She chairs the Energy Research and Production Subcommittee of the Science and Technology Committee, which authorizes funding for the Department of Energy's Space Nuclear Power Program, while the full Committee on Science and Technology

authorizes funding for all of the National Aeronautics and Space Administration's [NASA's] space power activities. Thus, Mrs. LLOYD has a keen interest in SDI because of the strong program linkage driven by the space power requirements of the various defensive technologies.

I strongly recommend Mrs. LLOYD's letter to my colleagues. It includes discussions of attractive arms control aspects of SDI, a critique of certain scientific criticisms of the program and a rationale for emphasizing the deterrent features of a partially deployed missile defense system.

MIDDLE GROUND

You are to be commended for your editorial-page coverage Jan. 2 regarding arms-control talks and certain aspects of the Strategic Defense Initiative (SDI). The historical evidence is that the implementation of SALT in the framework of Mutual Assured Destruction (MAD) resulted in a massive Soviet buildup in strategic weaponry. Also, holding to SALT-II agreements (although unsigned) requires a U.S. missile exchange which actually lessens the deterrent quality of our strategic forces.

The letter reply to your thoughtful editorial "'Star Wars' Seen as Unworkable and Dangerous," although touted by the authors as a correction to Journal errors, appears to me both inadequate and off-target. Also, as charming a gentleman as he is, I am nevertheless uncomfortable when Dr. Bethe joins with Richard Garwin, the perennial gadfly of the arms control arena, in presuming to know what is the Soviet perception of the Administration's SDI program. Unfortunately, these two scientists have a rather poor track record when they purport "to wear the Red Hat."

It is a sad commentary on the quality of the SDI debate that the outrageous assumption that limited defense cannot contribute to deterrence can be glibly stated as if it were a timeless truth. I, for one, choose the middle ground with Dr. Brzezinski and Prof. Carter, who notes, "[Recognizing T]he dim prospect for leakproof nuclear defense . . . does not end, but just begins, a serious discussion of other missions for missile defense."

On the other hand, Dr. Jastrow cannot be accused of anything more than an excusable bias for positive SDI prospects as a balance to the Union of Concerned Scientists' spokesmen. And he should be credited with helping "smoke them out" on certain technical aspects of SDI.

MARILYN LLOYD,
House of Representatives.●

A BILL TO EXTEND EDUCATIONAL BENEFITS TO VIETNAM VETERANS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr.FRANK . Mr. Speaker, last year, the Congress enacted a new GI bill program of educational benefits for men and women who serve in our armed services. By passing this legislation we demonstrated, not only our gratitude for those who choose to serve in our military, but also our recognition of the value that educational opportunity brings to individuals and to the society at large.

Unfortunately, as we look back at the previous GI bill for Vietnam veterans, we find that many are losing this educational opportunity when they need it most. While the program is not scheduled to expire until 1989, the 10-year limit within which benefits must be used by each veteran is creating serious problems among those who, for whatever reason, did not use their assistance promptly upon their discharge. Therefore, I am introducing legislation that will remove the delimiting date on the Vietnam-era GI bill. This measure will allow Vietnam veterans to use any portions of their entitlement that was lost due to the 10-year cutoff. It would not add benefits, only the time period within which a veteran's benefits could be used. The 1989 deadline would remain. Thus, the effect of the legislation would be to provide a "window of opportunity" for Vietnam veterans whose entitlement ended before they used all of their assistance money.

Mr. Speaker, we have only recently begun to give the Vietnam veterans their due. I see this measure as an investment. By giving Vietnam veterans this one last shot at using their GI bill benefits, we will be encouraging advancement to people who are, not only very deserving, but motivated, as well. It is, I believe, an appropriate way to help veterans who may have missed an opportunity, but who can use this second chance to rise to their full potential.●

A MORATORIUM ON COMMERCIAL WHALING

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. BONKER. Mr. Speaker, another showdown is brewing for this year's International Whaling Commission [IWC] meeting in July. At issue is Japan's continued commercial slaughter of thousands of whales. This time, however, the United States could find itself allied with the whale killers rather than with the whale conservation countries. In November 1984, the United States negotiated an agreement with Japan that would allow that country to continue commercial whaling until 1988 despite the IWC's overwhelming decision, which the United States supported, to suspend all commercial whaling in 1986.

The agreement with Japan circumvents U.S. law, which requires certification of countries whose actions diminish the effectiveness of IWC decisions, gives official sanction to whaling in violation of established IWC regulations, and makes a mockery of consistent administration commitments to the Congress that countries which violate IWC decisions would be certified.

In order to demonstrate continuing congressional concern for the conservation of the world's endangered whale species, I am introducing today a resolution on this matter with my distinguished colleagues Representatives YATRON and GEJDENSON. This measure calls on the President to ensure full U.S. support for the whale conservation initiatives of the IWC, urges all nations to abide by the IWC's decisions, and calls for certification of countries whose whaling actions diminish the effectiveness of IWC regulations.

Since 1972, the United States has been in the forefront of international efforts to strengthen protection for the world's endangered whales. In view of the importance of this year's IWC meeting, it is timely for the Congress to reaffirm our support for the moratorium on commercial whaling as well as our opposition to any weakening of long-standing U.S. leadership in this endeavor.

I would encourage my distinguished colleagues to join us in co-sponsoring this resolution.●

VACCINATION AND DANGEROUS SIDE EFFECTS

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. COELHO. Mr. Speaker, immunizations have virtually eradicated many diseases in this country and have saved millions of children from disability and death. However, as we know, sometimes immunizations can have potentially dangerous reactions. We are here today to discuss the pertussis portion of the DPT vaccination which has been associated with potentially dangerous side effects, including seizure disorders, brain damage and in rare cases, death.

I first became aware of the problems associated with the DPT vaccine through Jeff Schwartz of Dissatisfied Parents Together. Jeff knew of my interest in seizure disorders because I have epilepsy. I had the pleasure of addressing this newly formed group at their first public meeting in May of 1982. From that first meeting, there have been hundreds of parents in groups around the country who have joined in the effort to collect information about the DPT vaccine.

Because of the hard work of concerned parents, doctors, and members of the media, we now know more about the adverse reactions of the

DPT vaccine to our children, but so much more needs to be done. Our first priority must be to develop a safer, more effective vaccine. Furthermore, a compensation program is necessary. Last year, I cosponsored H.R. 5810, the National Childhood Vaccine Injury Compensation Act, which created a national vaccine injury program that would compensate children who are injured by adverse reactions to vaccines. When this bill is reintroduced later this month I will cosponsor it again and work hard for passage of this legislation in Congress.

I am not advocating the elimination of the DPT vaccine. We all agree that our children need to be immunized against pertussis—whooping cough. However, we as parents need to be made aware of the possible risks involved in the event that our children experience an adverse reaction to the vaccine. Our physicians need to report all cases where a child experiences a serious reaction to the National Centers for Disease Control. Furthermore, those of us in Congress must continue to investigate the problems surrounding the DPT vaccine so that we can develop an adequate compensation program, and ultimately a safer, more effective vaccine.●

IDAHO WILDERNESS ACT

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. MOODY. Mr. Speaker, I am joined by my colleague, Representative KOSTMAYER, in reintroducing the Idaho Wilderness Act which would protect some of this Nation's most outstanding wilderness areas remaining in Idaho.

Last year, both of our offices were contacted by many of our constituents who believe that it is of the highest national importance to protect the remaining wild lands in the northern Rockies. Because of this interest and our own concerns, we had the privilege of accompanying Public Lands Subcommittee Chairman JOHN SEIBERLING and our colleague Representative LARRY CRAIG on portions of the subcommittee's inspection trip to Idaho.

These public lands are truly magnificent. The people of Idaho and all Americans are indeed fortunate that we still have an opportunity to ensure that these areas will be available for the enjoyment of our children in the future as they are presently enjoyed today.

Most importantly, we must keep in mind that these are America's public lands. Just as the money to manage the national forests and develop our national natural resources comes from all our citizens, so too, should all Americans share in decisions over preservation of the best of America's wilderness. This can be accomplished without damaging the important economic interests that depend on forest lands and with the highest consideration for those individuals who live closest to the land.

The Committee on Interior and Insular Affairs will have to determine the best balance between wilderness and development for Idaho's remaining 9 million acres of wild land. There is substantial disagreement as to where that balance lies. Proposals have ranged from 0.5 million acres to 4.5 million acres of wilderness. While we appreciate and respect the reasoning which have led to each of the proposals, we believe that our proposal for 3.5 million acres of wilderness is a fair, balanced, and defensible position. We will work to see that the committee considers this proposal as a vehicle to foster movement in the Idaho wilderness debate.

We wish to continue to study these areas and discuss important issues or conflicts and we look forward to working with the committee to resolve this problem fairly.

In summary, the Idaho wilderness debate is not a numbers game. It is a decision on specific wilderness tracts and should be deliberately and fully debated. Certainly a compromise is attainable—evidence the passage of the Wisconsin wilderness bill that received the unanimous support of its bipartisan delegation. We hope that our Idaho proposal, which we believe is in the interests of a great many Americans, will prove useful to the committee and the House in the days ahead.●

IN HONOR OF THE LEWIS AND CLARK EXPEDITION

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. MARLENEE. Mr. Speaker, last year during the waining days of the 98th Congress I introduced H.R. 6064 to authorize the establishment of a Lewis and Clark National Historic Site at the Great Falls of the Missouri River in Montana. With Congress' early adjournment for the election, the House Interior Committee was unable to review or hold hearings on the merits of this legislation.

Today I reintroduce that House bill as H.R. 1064. As I stated last July, it gives me great pleasure and honor to introduce this legislation which will authorize a land donation by the State of Montana to the Secretary of the Interior for the purpose of constructing a visitor center to commemorate the historic portage of the Lewis and Clark expedition around the magnificent Great Falls of the Missouri. This site also offers much more than just the portage efforts of Lewis and Clark but is also approximately the midway point of the entire expedition. In addition, the Lewis and Clark expedition traversed and explored the entire area near the Great Falls on their way to and from the west coast. I think all of these facts and more can be highlighted during the hearing process.

However, there is one issue that has to be addressed and that is section 4 of the bill, authorizing appropriations. I am a realist and know the tight budget situation Congress, the President, and the American people face. I think when this bill reaches the hearing process we may have to look at other funding sources besides Uncle Sam. I know the community leaders in Great Falls and surrounding area understand this and if we all work together the goal of a National Historical Site can still be accomplished. A good relationship has been formed between the private sector, the city of Great Falls, the county of Cascade, the State of Montana, and the Federal Government on this project.

Mr. Speaker, I request this bill be again referred to the House Interior Committee as soon as possible so we can hold hearings in the near future.●

THE FAIRNESS IN GIFT TAX ACT

HON. ALAN B. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. MOLLOHAN. Mr. Speaker, for more than 50 years, it was assumed by taxpayers that interest-free or below market rate loans did not give rise to any taxable gift on the amount of uncollected interest. Such loans are typically made by parents to their children to help them finance their education, start a business, get married, or buy their first home. Not until February 22, 1984, when the Supreme Court decided the Dickman case, was there any conclusive authority for the imposition of a gift tax on these kinds of loans to the extent of uncharged market rate interest.

The Supreme Court in Dickman held that the gift tax should apply, and, given the statutory basis for that decision, the effect is that the gift tax applies retroactively to 1932. The retroactivity is unfair. In hearings held before the Senate last year, when the Deficit Reduction Act of 1984 was being considered, the retroactivity problem was discussed in detail by many concerned taxpayers.

The chief complaint was, and is, that taxpayers who comply with the law as it is then understood should not thereafter be surprised with a heavy tax

burden for old transactions. Taxpayers also resented the Government's sudden intrusion into intrafamily affairs. There are also overwhelming administrative problems. The amount of prior taxable gifts must be known with certainty to report later gifts and to calculate estate tax. The Supreme Court's retroactive decision impugns the integrity of decades of such returns and makes accurate future reporting nearly impossible, given the valuation problems with such old transactions. The situation is further exacerbated where the deemed gift arises from the loan of property other than money.

To blunt some of this criticism and recognizing that the retroactive application of the gift tax to past years was unfair, created administrative difficulties, and was bad tax policy, the IRS announced that it would not apply the gift tax to loans in any given year which did not exceed $100,000 in principal. The IRS also published new interest rates to figure the amount of interest considered to be a gift, in contrast to the inflated interest rates, as high as twice the prime rate, which were then being asserted in pending cases. The IRS, however, provided no relief to other taxpayers, even though the unfairness in the retroactive assertion of the gift tax, as well as all the other problems, applied equally to those individuals. The IRS reserved the right to go back to 1932.

Prior to the Dickman decision, Congress was studying the tax consequences of interest-free and below-market rate loans and decided that changes in the law were necessary. The proposed legislation, which ultimately became section 172 of the Deficit Reduction Act of 1984, was to apply only to loans made, or in existence, after the effective date of that law. Indeed, Congress recognized the significant change in the law which was being made and provided relief for loans existing on the effective date by relieving such loans of the gift—and other—taxes imposed by that law if such loans were repaid within 60 days. Section 172 of DEFRA became effective on June 6, 1984.

The provisions of section 172, which have only prospective application, afford no relief for transactions entered into prior to its effective date, so that such transactions are still subject to gift tax under the Dickman decision, from 1932 to 1984.

The Fairness in Gift Tax Act will rectify this anomaly. This new act will complete the relief which even the IRS has conceded is due, settle ambiguities, and place the taxation of these loan transactions on a prospective basis, as Congress did when it provided detailed rules in section 172 of the Deficit Reduction Act of 1984.●

ENACTMENT OF LINE-ITEM VETO IS ESSENTIAL

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. GEKAS. Mr. Speaker, from the beginning to the end of each year's budget battle, the same cry is heard: Someday, sometime, the budget must be balanced.

Again, Mr. Speaker, this House confronts yet another fiscal year's budget without having in place a most necessary tool: The Presidential power of the line-item veto. I have introduced legislation today which will amend the Constitution to include the line-item veto. This legislation is the same as House Joint Resolution 399 from the 98th Congress which I introduced during the first session.

State governments know that one of the most vital tools in their efforts to keep their budgets balanced is the line-item veto. Today, 43 Governors have that power, and the system of checks and balances provides the State legislatures with the ability to override any gubernatorial veto.

The question that must be raised is, why has the Congress not seen the virtue of the line-item veto and granted that power to the President of the United States?

Enactment of the line-item veto would permit the President to delete unnecessary items from appropriations bills, without vetoing an otherwise worthy bill in its entirety. This veto authority would enable the President to dramatically reduce the "pork barrel" spending syndrome that has plagued this and other Congresses. The President now has only one choice when Congress passes a bill and sends it to his desk: Sign it in its entirety or reject it. There is no chance for compromise, no chance for him to keep the good and veto the bad, saving taxpayers billions of dollars.

Public support for the line-item veto is evident. A recent Gallup poll indicated that 64 percent of Americans favor giving the President this deficit-fighting power. Every President since Ulysses S. Grant, including Franklin D. Roosevelt, has sought this authority. Surely all those Presidents can't be wrong. And, since 1936, at least 80 constitutional amendments providing for an item veto have been introduced. Surely all those legislators can't be wrong.

Last year, in his State of the Union Address, the President asked Congress to pass an amendment to the Constitution granting this—and every—President the line-item veto. Last night, in his fifth State of the Union Address, President Ronald Reagan made that same request of the Congress.

Possibly, this year, the Congress will heed the call of the President and the American people and enact such legislation.●

MARCH 20TH PROCLAIMED NATIONAL AGRICULTURE DAY

HON. EDWARD R. MADIGAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. MADIGAN. Mr. Speaker, today Mr. DE LA GARZA of Texas, chairman of the House Committee on Agriculture, and I have introduced a resolution requesting the President of the United States to proclaim March 20, 1985, as National Agriculture Day. We are joined in cosponsorship by many other Members of the House and we hope that many more of our colleagues will join in support of this commemorative endeavor.

At a time when fewer than 4 percent of our Nation's population are farmers and ranchers, it is appropriate to call attention to that vital segment of America which produces the food, fiber, and forest products on which we all depend.

Farming today is more than a way of life. It is a basic business in the Nation's economy.

Let me put that in a more meaningful way: Agriculture is basic to our economy. All other endeavors, including life itself, depend upon agriculture's food-producing capability.

Today, one farmworker produces enough food and fiber for 76 people. Families across the face of the Earth—including those in famine-plagued Africa—share in the abundance of America's farms and ranches. The progress achieved in agriculture through the years has made it possible and profitable for more and more people to leave the farm and take up other pursuits to help provide the goods and services for a growing population.

A strong America depends upon a strong agriculture. We must never allow those without agriculture interests to lose sight of that fact. That is the purpose of the National Agriculture Day resolution that we have introduced today.●

PAUL LEE GRAY

HON. GUY V. MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. MOLINARI. Mr. Speaker, it is with deep personal sadness that I note here today the death of a most valued member of my Washington staff, Paul Gray. Paul passed away last Thursday

evening at the young age of 30. Funeral services were held last Saturday in his hometown of Durham, NC. He was buried in neighboring Bahama, NC.

Paul worked in my office for over 2½ years and I came to rely on him heavily as my correspondence manager. His diligence and dedication to his work were exemplary. He truly was a public servant and took his responsibilities most seriously. In constant service to my constituents, he, through his work, was a real example of representative government and democracy at its best. The people of the 14th Congressional District of New York were served most well by Paul.

I know that I personally will dearly miss his presence in the office, as will all the members of my staff. He was more than just a coworker to us all—he was someone that you quickly grew to like. I saw this happen over and over again with many different people. Most of the time, he was either wearing a smile or causing one.

He has left us many good memories, ones that we will value always. In this respect we are so grateful to have known Paul and to have worked with him.

To his parents, his brother Danny and his sister Tammy, I extend my heartfelt sympathy at Paul's passing. I hope you will be proud of the work Paul did in the U.S. House of Representatives. I most certainly am, and to him I am ever grateful.●

A BILL TO ESTABLISH AND FUND AN EARTHQUAKE ENGINEERING RESEARCH CENTER

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. STARK. Mr. Speaker, I am today introducing legislation to establish a research and experimental test facility that will provide engineering professionals with the tools needed to allow them to build more effective earthquake-resistant structures.

The United States will, without question, experience a devastating earthquake; the only question is when and where. As a Representative from California, I have a strong regional awareness of the hidden dangers and potential damages that can result from even moderate tremblers. Nevertheless, few people realize that as many as 70 million people in 39 States face this threat; the possible loss of life from a major event has been estimated at 23,000, with economic damage reaching nearly $50 billion. And surprisingly, the potential for damage in the Eastern United States is far more severe than in the Western half of the Nation. More densely populated cities, built on easily crumbled river banks, with old energy and transportation lifelines would, in the course of a quake, leave the eastern seaboard and Northeastern States in far worse economic condition, and with a greater loss of life, than a similar event in the Western United States, a region better prepared.

This has all been expertly explained in the National Research Council's Ad Hoc Committee on Earthquake Engineering Facilities and Instrumentation. This is a nonpartisan board, made up of engineering experts, both in the public and private sector, under the aegis of the National Academy of Sciences. These same concerns were voiced in hearings in the House Committee on Science and Technology, in September of last year. Representative GEORGE BROWN has been a particular leader in trying to do more to understand, predict, and mitigate the damage of earthquakes.

Yet current funds devoted to improvements in seismic engineering amount to less than $10 million, or only .02 percent of the potential cost of a major earthquake.

The bill I am proposing would closely follow the recommendations of the National Research Council's report. The report calls for a "coordinated, mission-oriented national program * * * to provide information and understanding that will make the most rapid and cost-effective contribution to seismic resistant structures."

The bill establishes a National Earthquake Emergency Research Center at an existing university. It identifies and devotes resources to the three needs associated with earthquake engineering: An upgrading of the current research-based earthquake test program; the development and growth of a large national earthquake engineering test facility with the ability to test full or nearly full-scale multi-story structures, in an earthquake-simulated environment; enhanced support for computer modeling facilities, in conjuction with other university facilities on seismic engineering.

Right now, the experimental earthquake facilities in our universities are old and with limited capabilities. There is a pressing need to modernize them, with state-of-the-art technologies, so that university faculty may be able to educate young, up-and-coming engineers in the field. This should be, in the NRC's words, the Government's highest priority.

Finally, there is agreement in the scientific community, echoed in the NRC report, on the need for a research facility to provide the basic data on how different buildings will stand up to and can be hardened against earthquakes. The NRC found that the major lack of information was on the behavior of "earthquake excited structures from initiation of structural damage to collapse." Getting this type of data would be "the fastest way to change our ability to design and construct more seismic resistant structures." In order to obtain this type of information, our Nation needs to have a more advanced research base, a part of an attempt to build safer, longer lasting buildings and homes and to save lives.

Obviously, Mr. Speaker, this bill will cost money—money which we don't have in these years of unprecedented deficits. Yet the need to do more to protect Americans from the certainty of coming earthquakes demands that we find a way to fund this program. I am a supporter of the pay-as-you-go budget proposals, and believe that this bill should be accomplished by a financing mechanism. Therefore, I have included a second part of the bill which establishes a temporary excise tax on items common to all large buildings: escalators and elevators. This tax would be set at a level necessary to fund the establishment of the National Center and the construction of its major research devices, such as a large "shaking table." Once these capital costs were met, the excise tax would expire. While I have set the tax rate at 5 percent for 5 years, the exact cost of the Center and the amount of revenue required for it can best be determined through the congressional hearing process.

I urge my colleagues to support this bill in an effort to protect our existing and future communities, and most importantly, to prevent the loss of human lives from the inevitable earthquakes of the future.

H.R. 1144

A bill to amend the Internal Revenue Code of 1954 to impose a temporary manufacturers excise tax on passenger elevators and escalators and to use the revenues from such tax to finance an earthquake engineering research center

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MANUFACTURERS EXCISE TAX ON PASSENGER ELEVATORS AND ESCALATORS.

(a) IN GENERAL.—Chapter 32 of the Internal Revenue Code of 1954 (relating to manufacturers excise taxes) is amended by inserting after subchapter D the following new subchapter:

"Subchapter E—Passenger Elevators and Escalators

"SEC. 4191. Imposition of tax.

"SEC. 4191. IMPOSITION OF TAX.

"(a) IN GENERAL.—There is hereby imposed on the sale of any passenger elevator or escalator by the manufacturer, producer, or importer a tax equl to 5 percent of the price for which so sold.

"(b) PASSENGER ELEVATOR OR ESCALATOR DEFINED.—For purposes of this section, the term 'passenger elevator or escalator' means any elevator or escalator designed primarily for transporting individuals.

"(c) PERIOD TAX IN EFFECT.—The tax imposed by this section shall apply to sales

after December 31, 1985, and before January 1, 1991."

"(d) TRUST FUND FOR TAX REVENUES.—Subchapter 98 of such Code (relating to trust fund code) is amended by adding at the end thereof the following new section:

"SEC. 9505. EARTHQUAKE RESEARCH CENTER TRUST FUND.

"(a) CREATION OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the "Earthquake Research Center Trust Fund", consisting of such amounts as may be appropriated or credited to the Earthquake Research Center Trust Fund is provided in this section or section 9602(b).

"(b) TRANSFER OF CERTAIN TAXES TO FUND.—There is hereby appropriated to the Earthquake Research Center Trust Fund amounts equivalent to the taxes received in the Treasury before October 1, 1991, under section 4191 (relating to tax on passenger elevators and escalators).

"(c) EXPENDITURES FROM TRUST FUND.—Amounts in the Earthquake Research Center Trust Fund shall be available, as provided in appropriation Acts, for making expenditures before October 1, 1991, to carry out subsection (i) of section 5 of the Earthquake Hazards Reduction Act of 1977."

(c) Clerical Amendments.—

(1) The table of subchapters for chapter 32 of such Code is amended by inserting after the item relating to subchapter D the following new item:

"Subchapter E. Passenger Elevators and Escalators."

(2) The table of sections for subchapter A of chapter 98 of such Code is amended by adding at the end thereof the following new item:

"Sec. 9505. EARTHQUAKE RESEARCH CENTER TRUST FUND."

SEC. 2. ESTABLISHMENT OF EARTHQUAKE ENGINEERING RESEARCH

(a) IN GENERAL.—Section 5 of the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701) is amended by adding at the end thereof the following new subsection:

"(i)(1) RESEARCH CENTER.—In carrying out the provisions of this section, the President shall establish a center for earthquake engineering research.

"(2) The center shall be established at a university which conducts work on earthquake detection and mitigation.

"(3) The functions of the center shall be—

"(A) to construct and operate a large shaking table device capable of both dynamically and statically testing full scale or nearly full scale buildings to destruction in a simulated earthquake environment;

"(B) to experiment in different construction techniques and building designs to determine the most effective approaches to earthquake-proofing;

"(C) to develop methods of computer modeling of earthquakes and structures so as to encourage better earthquake-proof designs for large structures;

"(D) to offer courses and educational services in earthquake studies; and

"(E) to cooperate on a cost-sharing basis with other earthquake research centers and private contractors."

(b) AUTHORIZATION.—There is authorized to be appropriated from the Earthquake Research Center Trust Fund and from the general fund such sums as may be necessary to carry out the amendment made by this section for fiscal years 1986 through 1991.●

REMEMBERING THE CIVILIAN CONSEP"ATION CORPS

HON. FREDERICK C. BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. BOUCHER. Mr. Speaker, at the commencement of the 99th Congress, it is appropriate for us to pay tribute to a Federal program which left a positive legacy for future generations.

Enacted by the Congress in March 1933, the Civilian Conservation Corps was an invaluable tool of the Roosevelt administration to combat unemployment among young men. During the lifetime of the program, almost 3 million men performed a variety of outdoor tasks at the CCC's 2,500 camps located throughout the Nation. Although they were paid only $30 per month for their service, these men worked hard planting trees, stocking lakes and streams with fish, building bridges, roads and dams, and assisting Depression-stricken farmers with erosion-control efforts.

In my district of southwestern Virginia, unemployed youth participated in the CCC as members of camp 2380, located in Jonesville, VA. During its best days, 180 men lived and worked in camp 2380, and their fine work can be seen today in the beautiful forests of Lee County and in the trails and roads which still exist in many of the county's more remote areas. Although it is impossible to calculate the value to the CCC's work to the people of Lee County through the provision of road repairs, soil conservation and fire prevention, I can assure the members of camp 2380 that their contributions live on and are remembered with appreciation.

Each year, the members of camp 2380 hold a reunion during the last weekend of May. The reunion, which is organized annually by Mr. John Ashby, Sr., of Grundy, VA, is indicative of how fondly the CCC days are remembered by its participants. When the men of camp 2380 hold their Jonesville reunion later this spring, they can remember with pride the contributions which they made to their Nation.●

A TRIBUTE TO MR. BENJAMIN AARON

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. BERMAN. Mr. Speaker, I rise to pay tribute to a great teacher, a great man and a great friend, Mr. Benjamin Aaron. I was a student at the Law School of the University of California at Los Angeles when I met Mr. Aaron, a professor there. His inspiring course in labor law sparked my interest in the field of law that I would make my career—hundreds of others who have studied under Professor Aaron can say the same. From the beginning of his career as a member of the National War Labor Board in 1942 through his service as chairman of the California Farm Labor Panel and also as a member of the National Committee on Technology, Automation and Economic Progress in 1965–66, his work as president of the Industrial Relations Research Association in 1972, and his learned advice as special consultant to the Joint Committee on Public Employer-Employee Relations, Benjamin Aaron has built a record of commitment and excellence that is an inspiration to all. I am privileged to join his friends and colleagues in expressing my admiration and gratitude, for myself and for the entire community, and to wish Mr. Aaron all the very best.●

THE TIME HAS COME FOR A WINTERING WATERFOWL RESEARCH FACILITY

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. BREAUX. Mr. Speaker, I am today introducing legislation to establish a laboratory to study the effects of the loss of wintering habitat on migratory waterfowl.

Migratory waterfowl have been the responsibility of the Federal Government for more than 65 years since the signing of the Migratory Bird Treaty with Great Britain for Canada in 1916 and the passage of the Migratory Bird Treaty Act in 1918. Migratory birds are truly an international resource, heeding no boundary in their annual flights from breeding grounds to wintering areas and back again.

Since 1918, we have developed an international management program to conserve this resource. We have established hunting seasons, purchased refuges, regulated wetland areas, and conducted research in our efforts to develop an effective management system. We have learned that the biggest threat to these birds is the loss of habitat. At first, the management program was concerned primarily with breeding habitat. For waterfowl, this meant the prairie potholes and other wetlands of Canada, Alaska, and the States of the upper Midwest. For years, both research and habitat protection activities concentrated on breeding habitat. We developed a research facility in North Dakota to study the effects of loss of breeding habitat on migratory waterfowl. We established wetland management

areas and purchased easements on prairie potholes.

While the concentration of resources on breeding habitat made sense in the past, at the present time the threats to migratory waterfowl from the loss of wintering habitat are probably more severe because of the staggering loss of wetlands in the southern coastal areas and bottomland hardwoods along the rivers of the South. Each year, we are losing more than 40 square miles of coastal marshes and hundreds of thousands of acres of already scarce bottomland hardwoods.

Preliminary studies indicate this wetland loss could be having severe impacts on waterfowl. For example, recent studies in Louisiana indicate that pair bonding, which is essential to nesting success, may be adversely affected by changes in diet as birds are crowded out of the marsh and onto rice fields or other agricultural lands.

We need to know the effects this loss of wintering habitat is causing. We cannot run a concentrated research program on this problem from the upper Midwest. That is why I am introducing legislation to establish a wintering habitat research facility. I recognize that the establishment of such a facility will be expensive. We will be looking carefully at the proposed budget of the U.S. Fish and Wildlife Service in the next several weeks. We will attempt to incorporate the funding for this facility within current spending limits.

We should remember, however, that we are spending millions on waterfowl management each year, much of it coming from fees and taxes paid by waterfowl hunters. To ignore research into a critical area of habitat loss would be truly penny wise and pound foolish.●

ABANDONING HOUSING WHILE HOMELESSNESS GROWS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. GARCIA. Mr. Speaker, I'd like to address the House on perhaps one of the most alarming issues of our times. The number of homeless people in America has grown significantly in the last several years under the Reagan administration from a controllable social issue to one of unknown costs and consequences. Ironically as the U.S. economy has flourished so too has the number of homeless, the poor, and the unemployed. In New York City alone the number of homeless families has nearly doubled in the past 2 years; many of these Americans are newly unemployed and caught in a vertex of downward mobility. When the Reagan administration claims that the homeless are a problem "even in the best of times" and suggests that many are that way "by choice," it becomes obvious that we must react quickly to this insensitivity.

The administration's record of response to the problem in the past has been ineffective and in the future will prove to be even less so. The solution was the creation of a task force on the homeless, which endowed the Federal Emergency Management Agency with $210 million for it to disperse, but which has only touched the surface of the problem. Meanwhile the administration is proposing deep cutbacks for operating and repairing the Nation's 1.2 million public housing units, and plans to eliminate eight other housing and urban aid programs. Excluded from the 1986 fiscal budget is the program which finances construction of housing for the elderly and handicapped, and slated for elimination are urban and housing development action grants. These proposed cuts are a blatant abandonment of a 50-year Federal commitment to housing lower income Americans. It is obviously illogical to abandon this committment when homelessness is on the upsurge nationwide.

Among other proposed cuts are Federal subsidies, which finance local public housing for approximately half of their operating expenses, by $240 million to $1 billion. Urban development action grants, which are used by cities to obtain private investments for downtown projects, would be completely dropped. The basic question which needs to be urgently confronted is whether human beings in the United States have a right to adequate shelter. It is obvious that this administration does not believe that they do. I differ. I urge my colleagues to resist any more budget cuts in housing assistance.●

A TRIBUTE TO THE SPIRIT OF THE UKRAINIAN NATION

HON. H. JAMES SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. SAXTON. Mr. Speaker, I would like to take this opportunity to recognize the fortitude of the people of Ukraine as Ukrainians throughout the world celebrate the 67th Anniversary of the proclamation of the independence of Ukraine.

On January 22, 1918, the Ukrainian Parliament declared that the Ukrainian National Republic is an independent, free, and sovereign state. Unfortunately, this freedom was all too short, as the Bolsheviks forced their way into power, despite the valient efforts of the out-numbered Ukrainian Army.

However, the spirit of hope remained alive. Despite the tyranny of Stalin and his horrible, manmade famine, this spirit could not be suppressed. Despite brutal oppression by the Nazis and the continued occupation by the Soviets, this spirit of hope persists. Despite the lack of basic human rights, such as the right to practice one's religion, and despite continuous intimidation by the KGB, hope endures.

The Ukrainians' determination to regain their right to self-determination reminds us not only how precious freedom is, but also how important it is to pledge our support for those living under the yoke of Soviet domination.

In this small way, I would like to let the people of Ukraine know that their struggle for freedom and their harsh oppression by the Soviet Union is not forgotten. Indeed, the resolve of freedom-loving peoples everywhere is strengthened by the courage of the oppressed and the cruelty of the oppressor.●

JUDY BECHTLER, WASTE FIGHTER IN THE DOD

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. EVANS of Illinois. Mr. Speaker, at a time when the Defense Department is regularly being derided for mismanagement and inefficiency in its acquisition process, seldom are the good works of loyal, hard working employees of the Army or other services brought to the attention of Congress and the American public. Therefore, I was pleased to see that Ms. Judy Bechtler, a resident of my congressional district and a contract specialist in the Army's procurement directorate in Rock Island, IL, recently received the Blanch Witte Memorial Award.

This prestigious award is presented annually by the National Contract Management Association [NCMA] to a nonsupervisory employee of the Government or industry who makes a significant accomplishment in the acquisition field. Nominated for the award by Mr. George T. Nickolas, a member of my 17th Congressional District Veterans Advisory Council and a supervisor at the U.S. Army Armament, Munitions, and Chemical Command in Rock Island, Ms. Bechtler becomes the first woman and the first Army employee to receive this formal recognition.

The events leading to this nomination are unique, particularly when one considers the many barriers to cost-effective and competitive acquisition of military spare parts and weapons. Ms. Bechtler was assigned the responsibility of procuring power supply units which had been costing the Govern-

ment $15,000 each. Twelve potential suppliers of these power units were issued solicitations, and revisions in DOD inspection and acceptance clauses were cleared as Ms. Bechtler sought to ensure competition in this procurement.

Thinking they were involved in a sole source solicitation, the original supplier of power units made an initial offer of $17,170 per unit. Later, this offer was revised to $11,886 per unit, a 44-percent decrease. Eventually, the contract award was made to another private supplier for $9,697.78 per unit. This amounted to a total savings to the Government and to taxpayers of $739,749.78 from the original offer. In addition, and probably more importantly, a competitive atmosphere had been established.

Because of Judy Bechtler's persistence and commitment to efficient management techniques, a single source procurement environment was eliminated and potentially millions of dollars will be saved. I am hopeful that the example set by Ms. Bechtler will offer other employees of the armed services incentive to emphasize efficient and cost-effective acquisition practices.●

A SALUTE TO COL. CHARLES H. MERRILL

HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. WORTLEY. Mr. Speaker, it is with singular pleasure that I bring to the attention of our colleagues in the Congress an outstanding constituent of mine who on Friday, February 22, will be honored at the Pentagon upon his retirement at the conclusion of 40 years of military service.

He is Col. Charles H. Merrill, U.S. Air Force Reserve, a resident of Skaneateles, NY.

Colonel Merrill has continuously served our Nation since the age of 17 when he enlisted as a private in the Army Air Corps. His distinguished military career has encompassed service in the U.S. Air Force, the Air Force Reserve, and the New York Air National Guard, in addition to his service with the Army Air Corps.

He is concluding his uniformed career with a reserve duty assignment in the Office of the Secretary of the Air Force, Headquarters USAF, here in Washington where he has served with distinction since June 1981. His awards include the Meritorious Service Medal, and his exceptional service in the Office of the Secretary has resulted in a recommendation for the award of the Legion of Merit.

Skilled in the use of several languages, Colonel Merrill has, through the years, performed as a goodwill ambassador to foreign visitors to America, and he has been a member of the White House Speakers' Bureau. His record of civic service to our Central New York community is outstanding. His leadership posts have included that of president of the Syracuse World Affairs Council, chairman of the Committees of International Relations and Congressional Action with the Greater Syracuse Chamber of Commerce, chairman of the Marcy State Hospital Board of Visitors, Onandaga County's international relations representative, and vice president of the Onandaga County Chapter, Reserve Officers Association of the United States. His memberships in community service organizations and his contributions to the programs of those organizations are many.

Colonel Merrill was vice president of the Chemical Bank of Syracuse, an assistant vice president of the Marine Midland Bank, and a member of the Board of Governors, the American Institute of Banking.

Since 1975, he has been administrator of Onandaga County, serving the people and County Executive John H. Mulroy with dedication and effectiveness.

Mr. speaker, I am honored to bring to the attention of this body Colonel Merrill's four decades of service to our country and to the people I am privileged to represent.●

DESIGNATING MARCH 20 AS NATIONAL AGRICULTURE DAY

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. DE LA GARZA. Mr. Speaker, I am today introducing, in partnership with Congressman EDWARD R. MADIGAN of Illinois, the ranking minority member of the House Agriculture Committee, a resolution to designate March 20 as National Agriculture Day for 1985. As chairman of the Agriculture Committee, I am happy to note that more than 100 of our colleagues in both parties have already joined as cosponsors, and I hope that we will soon have the total of at least 218 sponsors needed to assure passage of this measure.

The legislation will authorize and request the President to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

The purpose behind this resolution, which is identical to legislation which we have been passing annually in recent years, is simple but very significant. By writing this resolution into law, we underline the formal recognition Congress gives to the importance of our Nation's most basic industry to the men and women involved in agriculture and to all of our citizens.

National observance of Agriculture Day, which is coordinated by the nonpartisan Agriculture Council of America, provides a chance for giving all Americans a better understanding of the industry which—when all its segments are considered—provides about one-fifth of the Nation's jobs as well as supplying our food and fiber.

Many American farmers are in economic trouble today, and we are all deeply concerned with the effort to help solve those problems. But at the same time, we want the people of this country to remember what an amazing service they get from agriculture—the world's best diet at the lowest cost in our history in terms of the amount of wages required to buy the average citizen's groceries. I hope that by speedy passage of this resolution, and by continued cooperation among all the groups which help celebrate Agriculture Day, we can make the 1985 observance a further step toward better understanding of what agriculture means to America.●

SOLE SOURCE AQUIFER PROTECTION

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. SMITH of Florida. Mr. Speaker, the contamination of our underground water supplies is one of the most serious and insidious health and environmental threats in south Florida. The threat of underground water contamination looms large as all sorts of foul-smelling, suspected pollutants trickle into the underground Biscayne aquifer, the sole source of drinking water for all of Dade, most of Broward, and part of Palm Beach Counties.

The nature of groundwater pollution is not unique to south Florida. Contaminants are being found in the groundwater of every State and are being detected with increasing frequency. In sampling of aquifers nationwide, EPA has found many substances which have been linked to human health hazards, including cancers.

Despite concern with regard to groundwater pollution, the Federal approach has been hesitant, uncertain, and indirect. For example, there is no explicit national legislative mandate to protect groundwater quality. In addition, laws and programs vary in the ways they address groundwater, and programs to protect groundwater are not integrated.

To help fashion a comprehensive approach that marshals the combined resources of the Federal, State and local

governments, I have joined with other Members in cosponsoring the Sole Source Aquifer Amendments of 1985. This bill puts forward many unique and creative management plans necessary to effectively protect aquifers nationwide. Under this approach, localities would design plans for protecting the sole source aquifer. These plans would be approved by the EPA Administrator, and Federal funding would be made available for the implementation of such plans. No new or complicated regulatory structure would be required.

Our drinking water is vital to our health. We must continue to work to strengthen the laws protecting our limited water resource.●

FUTURE HOMEMAKERS OF AMERICA

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. NATCHER. Mr. Speaker, I join with the members of the Future Homemakers of America in celebrating their 40th anniversary. Next week is National FHA Week and the theme of this observance is "Future Homemakers of America: 40 Years of Real Learning."

Future Homemakers of America is a national organization cosponsored by the U.S. Department of Education and the American Home Economics Association. The goal of this organization is to help youth assume active roles in society through home economics education in the areas of personal growth, family life, vocational preparation and community development.

Since its founding in 1945, over 6 million youths have participated in FHA programs. The national membership now totals 400,000 in 12,500 chapters. Males have always been involved throughout the organization's 40 years. However, male participation has increased noticeably in the last 11 years and 9 percent of the national membership this year is male. Four of this year's 14 national officers are young men and 11 have served in this capacity since the first male national officer was elected in 1973.

Future Homemakers of America is attempting to broaden its appeal and operates on the premise that everyone is a homemaker and everyone contributes to the well-being of a home, in whatever form it takes. Today's young men and women need to be prepared for roles as both homemakers and wage earners. The emphasis in Future Homemakers of America is on helping teens learn how to balance family life and a career.

An issue of major importance to teenagers is peer pressure. Member of FHA use positive peer pressure—called peer education—to encourage teenagers to seek out and share information which will help them make informed and responsible decisions. The two national peer education projects—"The Student Body" and "Families and Futures"—are highly successful programs. "The Student Body" was piloted in 1979 in response to the need to develop good nutrition and fitness habits among people, along with the knowledge of the effectiveness of the peer education approach to learning. This program has reached over 250,000 teens since its inception. "Families and Futures", cosponsored by FHA and the March of Dimes Birth Defects Foundation, promotes peer education and provides information to future adults and potential parents that will help them make responsible decisions regarding family and individual health. This program is an outgrowth of the program called "Healthy Babies: Chance or Choice?" that was established in 1975 in response to the national teenage pregnancy crisis.

In the Second Congressional District of Kentucky, which I have the privilege of representing, there are 43 chapters and 2,181 FHA members. I am pleased to announce that the Kentucky State FHA President for 1984-85 is Lisa Nally of Marion County—located in the second district. Last year chapters in my home district worked on projects in a variety of areas: "The Student Body", work with children and the elderly, rape prevention, drug and alcohol abuse, and community projects (UNICEF, Crusade for Children, CARE, Arthrities Foundation, and March of Dimes and cerebral palsy collections).

I am proud to have received National Honorary Membership in the Future Homemakers of America and I consider it an honor and a privilege to be associated with this fine organization. At this time I would like to commend the members of the Future Homemakers of America for their achievements of the past 40 years and wish them continued success in the years ahead.●

MS. JODY ANN LIUFAKKA, CONGRESSIONAL AWARD GOLD MEDAL WINNER

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. OBERSTAR. Mr. Speaker, the Congressional Award Program recognizes the initiative, achievement, service to others, and attainment of excellence in young persons ages 14 through 23. It is an extraordinary means of both inspiring young people in personal improvement and service to others, as well as a means of recognizing young people for their extraordinary efforts in voluntary leadership and personal excellence.

On February 6, 49 young Americans received the Congressional Gold Award at a magnificent ceremony in the Cannon caucus room—49 young people whose own efforts have earned them a special mark of attainment and a place in history.

Among these young people, I am very proud to say, was Jody Ann Liupakka of Esko, MN, in my Eighth Congressional District. I was proud to present Jody to the Joint Leadership Commission and to the assembled delegation in what I know is one of the proudest moments in Jody's life and a very proud moment for her parents, Frank and Jane. I would like to include in the RECORD at this point the details of the Gold Award commendations, a record of her efforts in the three areas of voluntary public service, personal development, physical fitness, and expeditions. It is a record to be envied, one which was truly deserving of the extraordinary Gold Award which she justifiably earned. I want to, once again, offer Jody my heartfelt congratulations, as well as my sincere admiration for her achievements.

MS. JODY ANN LIUPAKKA, CONCORDIA COLLEGE—MINNESOTA 8TH CONGRESSIONAL DISTRICT, MINNESOTA—AGE 21

GOLD AWARD COMMENDATION

Jody Ann Liupakka has given 840 hours during the past three years to voluntary community service, personal development and physical fitness programs.

Her advisor, Burton O. Laine, University of Minnesota Associate Professor and County Extension Agent, describes Jody as a person who can share her talents and improve them by helping others: "she is a very responsible and hard-working individual . . . her public service record shows real commitment."

The Congress of the United States recognizes Jody's voluntary leadership and personal excellence with the presentation of a gold Congressional Award by the Joint Congressional Leadership and Representative James L. Oberstar.

VOLUNTARY PUBLIC SERVICE

400 hours counseling and providing support to anorexia nervosa patient, researching information on the disease, attending workshops and sharing information with others. Tutored college peers, advised on study habits, communication, and problem solving; planned programs to present to nursing home as member of Christian Outreach Team: worked Church Youth Days at Concordia College, helping visiting high school students become familiar with the college programs and campus activities.

PERSONAL DEVELOPMENT

210 hours as nursery school aid, demonstrating activities, preparing visual aids and gaining an understanding of child behavior. As vice-president-elect of the National Honor Society of Home Economics. Phi Upsilon Omicron, helped develop organization and communication skills through fund-raising endeavors, planning the chapter's activi-

ties such as food requirements for college dance marathon, and practicing home economist skills.

PHYSICAL FITNESS AND EXPEDITIONS

230 hours planning daily diets in accordance with American Diabetes Association as part of weight control plan; maintaining regular exercise schedule; training for five-mile race; participating in college intramural singles and doubles tennis program.

On October 20, 1984, at the Proctor, MN, High School Auditorium, it was my pleasure to present congressional awards to Seventh and Eighth Congressional District young people who also participated in the program. I am proud of their accomplishments. I want to congratulate each of them for the superb personal effort they made to attain these awards and urge others to continue their participation in this excellent program: Eve Marie Wiitanen, Esko, MN—Silver Award; Michael Robert Carl, Proctor, MN—Bronze Award; Leah Marie Nesgoda, Duluth, MN—Bronze Award; Amy Jean Stangeland, Duluth—Bronze Award; June Beth Stangeland, Duluth—Bronze Award; Patti Ann Oja, Cromwell, MN—Bronze Award.●

A BILL TO REPEAL THE EARNING ON SOCIAL SECURITY

HON. ALFRED A. (AL) McCANDLESS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. McCANDLESS. Mr. Speaker, today I am introducing a bill to repeal the earnings limit on Social Security. I feel that this earnings limitation discourages senior citizens' efforts to better their own condition, to remain independent, and to maintain their sense of pride in doing valuable work.

This limit is an oppressive tax on earnings above the exempt amounts. The Social Security beneficiary loses $1 of benefits for each $2 of earnings above the exempt amount, and must also pay Social Security taxes on the earned income. This results in an unusually high marginal tax rate of at least 57 percent on earned income in excess of the exempt amounts.

At present there is an annual limitation for two age groups on what they can earn before any reduction is made in Social Security benefits. For those age 62-64 the limit is $5,400, and for those age 65-69, it is $7,320. There is now no limit on earnings for those age 70 and over. This is illogical. Why should we discourage people with know-how and experience from working for a period of 5 to 8 years, and then give them the go-ahead at age 70 to reenter the labor force?

The earnings test dampens work incentives, causing some older workers to deliberately hold down their work earnings to avoid being penalized.

The earnings limit discriminates against working people and work income. Other sources of income, such as dividends and interest, do not count toward the earnings cap.

Repealing the earnings test would also result in a great reduction in the administrative costs of Social Security. Identifying overpayments and collecting from those older people who have earned too much, and adjudicating claims for forgiveness of the amount overpaid when there is a financial hardship, require a lot of man-hours at the Social Security Administration. Eliminating the need for this complex system would save tax dollars and help pay for the cost of any additional benefits paid.

Because most of the additional income received by older workers would be spent, sales taxes to State and local governments would increase.

Additionally, because the beneficiaries would have more disposable income, food stamps for the aged would tend to decline, the need for subsidized low-income housing for the aged would be reduced, and dependence on social services and welfare services would be lessened.

Mr. Speaker, most people of retirement age really want to be independent and to at least have the option of gainful employment. Our laws should not discourage older people from working. Let's repeal the Social Security earnings limitation.●

IN HONOR OF MR. HAROLD RICHTERMAN

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. TOWNS. Mr. Speaker, I would like to take this opportunity today to recognize the accomplishments of one of our outstanding leading professionals and my good friend, Mr. Harold Richterman. Mr. Richterman was the distinguished recipient of the American Foundation for the Blind's Migel Medal. He was chosen to receive this annual award from the foundation because of his outstanding and immeasurable contributions and long-term commitment to the blind and visually impaired citizens of this Nation. Through his strong commitment and dedication to the foundation, he has significantly improved the lives of the blind and visually impaired people.

National Industries for the Blind, which Richterman joined in 1969, is a national nonprofit organization which allocates Government orders for goods and services to 100 affiliated workshops employing more than 5,500 blind and multihandicapped people. The division of rehabilitation services assists the workshops in establishing evaluation and training programs for multihandicapped blind people.

Before joining NIB, Richterman was a mobility instructor at the Industrial Home for the Blind and later was named director of rehabilitation services. He has also completed assignments in the United States and abroad for the Office of Services for the Blind, U.S. Department of Health and Human Services.

Richterman has served as a member of the executive board of the American Association of Workers for the Blind and as a past president of its New York chapter.

Mr. Speaker, it is indeed appropriate that we reflect on the deeds and achievements of people who have contributed to the quality of life.●

A TRIBUTE TO MR. FREDDIE FUNG

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. DELLUMS. Mr. Speaker, it is my pleasure to bring to the attention of my colleagues the following statement which describes the fine work of Mr. Freddie Fung and announces his selection as Humanitarian of the Year by the Easter Seal Society of Alameda County.

The statement follows:

The Easter Seal Society of Alameda County has named Mr. Freddie Fung as the ninth "Humanitarian of the Year."

Each year the Society considers citizens who have either made significant contribution to helping people in making a difference in the lives of others less fortunate than themselves, or who throughout the years have been involved in supporting Easter Seal.

Mr. Fung's personal honors are numerous. He was awarded the U.S. Navy Meritorious Public Service Citation in February 1970 (which is the second highest honor awarded to a civilian) for his volunteer involvement at Oak Knoll Naval Hospital-Oakland; "Man of the Year" award from the City of Hope in April 1980; and the Citizen of the Year" award from the East Bay Diabetic Association in June 1978.

Mr. Fung, who is presently General Manager of Trader Vics Restaurant in Emeryville, California, has been a major contributor of both his time and resources to the East Bay Diabetic Association; the Alameda Cancer League; Oakland Symphony; Paramount Theater Association; Oakland Ballet; Children's Hospital-Oakland; Clausen House; Oakland Museum; Oakland Zoological Society; Boys Club of Oakland; Chinese Hospital-San Francisco; City of Hope; U.C. California Athletic Association; Stanford Women's Club-East Bay; and the Easter Seal Society of Alameda County.

Mr. Freddie Fung is an outstanding citizen who has given unstintingly of his time, talent, and concern for the advancement of opportunities for the people of our community.●

GEN. THADDEUS KOSCIUSZKO—A GREAT SOLDIER AND PATRIOT

HON. FRANK ANNUNZIO
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1985

● Mr. ANNUNZIO. Mr. Speaker, February 12 is the 239th anniversary of the birth of Gen. Thaddeus Kosciuszko, the great Revolutionary War hero, who fought courageously for the cause of American independence, and symbolizes so well the contributions made by millions of Polish-Americans to our country through their skill, ingenuity, and patriotism.

No rollcall of the great heroes of the American Revolution who joined together in the fight against tyrannical rule would be complete without the name of General Kosciuszko, who voluntarily entered the Continental Army, and distinguished himself in several battles where victories were crucial in achieving independence. Although he was not a native American, General Kosciuszko's selfless actions were held in such high esteem that Congress bestowed on him the rights and privileges of American citizenship and the rank of brigadier general.

Even before our Declaration of Independence was signed, this young Polish officer sailed across the Atlantic and appeared before Gen. George Washington, to volunteer his military skill and training and his scientific knowledge of engineering to help create an effective fighting force from the largely untrained and inexperienced Continental Army.

General Kosciuszko was commissioned as a colonel of engineers, and constructed many military fortifications, displaying his abilities as a military strategist particularly at the Battle of Saratoga and in the Hudson Valley. Throughout the long and bleak years of the American Revolution, Kosciuszko devoted himself with great zeal in helping General Washington win the war, and Thomas Jefferson hailed him by saying: "He was as pure a son of liberty as I have ever known and of that liberty which is to go to all and not the few or to the rich alone."

Kosciuszko spent 6 years in the Continental Army, and returned to Poland in 1784 to participate in his own country's struggle for Polish independence. He was certainly among the bravest and the ablest of his kind, and earned the respect and admiration of Americans as well as his own countrymen.

Mr. Speaker, it is an honor for me to join with Polish-Americans in the 11th Congressional District of Illinois which I am honored to represent, and Americans of Polish descent throughout this Nation, in paying tribute to General Kosciuszko and his dedication to the cause of liberty.●

51-059 O-86-32 (Pt. 2)

SENATE—*Monday, February 18, 1985*

The Senate met at 12 noon and was called to order by the Presiding Officer [Mr. GRAMM].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

CELEBRATING GEORGE WASHINGTON'S BIRTHDAY

Let us pray.

Almighty God, on this day when we celebrate the memory of the father of our country, may we remember the faith which motivated and sustained him. May we heed his conviction that "It is impossible to rightly govern the world without God and the Bible." May the spontaneous way in which he concluded his oath of office with the words "So help me God" remind us of our dependence upon You. Renew in us the faith of our fathers that we may live and labor in its light and truth. In His name who is the Light of the World. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 18, 1985.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable PHIL GRAMM, a Senator from the State of Texas, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. GRAMM thereupon assumed the chair as Acting President pro tempore.

READING OF WASHINGTON'S FAREWELL ADDRESS

The ACTING PRESIDENT pro tempore. Under the order of the Senate of January 24, 1901, as modified on February 7, 1985, the Senator from Florida [Mrs. HAWKINS], having been appointed by the Vice President, will now read Washington's Farewell Address.

[Mrs. HAWKINS, at the rostrum, read the Farewell Address, as follows:]

To the people of the United States.

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to

that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home; your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite movement, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south*, in the same intercourse, benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyment of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter.—Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as a main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind, and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations,—*northern* and *southern*—*Atlantic* and *western;* whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations; they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head; they have seen, in the negotiations by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preserva-

tion of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute; they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political system is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power, and the right of the people to establish government, presupposes the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of factions, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reigns of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state, it is requisite, not only that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government, with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of fraction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism.—But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one party against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchial cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the

others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by unsurpation; for through this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil, any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, but ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinion should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice toward all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation within its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachment for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another, disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest, in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessarily parting with what ought to have been retained, and by exciting jealousy, ill will, and disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumberable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow citizens,) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause

and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defense posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of may administration, I am unconscious of intentional error, I am nevertheless too sensible to my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES,
17th September, 1796.

COMMENDATION OF SENATOR HAWKINS

Mr. GOLDWATER. Mr. President, I wish to commend my colleague from Florida for the excellent reading of Washington's Farewell Address.

I can assure the listeners that reading this is probably the most difficult

thing of this kind that anyone ever undertook.

There has been a lot of argument, as we all know, about whether or not George Washington wrote this address himself; but it is assumed now that he did, because the final version as was read today is in his penmanship.

However, the wonderful thing about this address is not the way it was written or the expressions or the words used but the fact that he devoted this speech to reminding his fellow citizens of his great love of liberty, his great devotion to and love of his country.

He warned his fellow citizens against the things that could happen at that time; and, unfortunately, many of these things have happened, to the detriment of our country. He particularly called the attention of his fellow citizens to the responsibility of this country in living in the world that existed then, and I think his words are still applicable today, to enjoy business with other countries but to stay out of their politics. I think we would do well today to pay attention to what George Washington told us.

I want to remind my colleagues that this is the first time in the history of the Senate that a Senator from the State of Florida has read Washington's Farewell Address; and, if I am not mistaken, it is the first time that a lady has read it. It would be a great compliment to him, and I feel a great kinship to her, because to her State and to my State came the first people from outside what is now the United States.

I commend my friend from Florida, who undoubtedly has had some of the sunshine that dominates my State, because of the warmth of her remarks and the beautiful way in which she read this address.

[Applause in the galleries.]

Mrs. HAWKINS. I thank the Senator, my good friend from Arizona.

RECESS UNTIL 2 P.M. TOMORROW

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now stand in recess until 2 p.m. tomorrow.

Thereupon, at 12:43 p.m., the Senate recessed until tomorrow, Tuesday, February 19, 1985, at 2 p.m.

HOUSE OF REPRESENTATIVES—*Tuesday, February 19, 1985*

The House met at 12 o'clock noon.

Rev. Albert J. Contons, pastor, St. Peter's Church, South Boston, MA, offered the following prayer:

Heavenly Father, Lord of all peoples, we pray Your divine guidance for the Members of this august body. From their midst may the spirit of peace and justice flow like a mighty river pouring out its blessings upon all Americans and upon all the nations of the Earth.

We pray in a special way for the people of Lithuania, who commemorate the anniversary of the declaration of their independence in 1918.

With fellow Americans of Lithuanian descent we pray that the aspirations of this valiant people for the blessings of life, liberty, and the pursuit of happiness may once again be fulfilled.

Heavenly Father, may Your truth, justice, and love bring forth an abundant harvest of peace and respect for human rights among all nations. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

REV. ALBERT J. CONTONS

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANNUNZIO. Mr. Speaker, it is a genuine pleasure for me to welcome to our Nation's Capital, Rev. Albert J. Contons, pastor of St. Peter's Church in South Boston, MA, who offered the opening prayer.

Father Contons is the Episcopal vicar for the Boston region, and the president of the Lithuanian Catholic Priests' League of America, and it is fitting that he joins us here today, for February 16 marked the 67th anniversary of Lithuanian Independence Day.

Father Contons was born in South Boston, and attended the Boston Latin School. He studied philosophy and theology at St. John's Seminary in Brighton, MA, and was ordained on May 6, 1948.

He has continued his advanced studies in Canada and France, and has been an instructor at St. Sebastian's School in Newton, MA, teaching French, Latin, and theology. Father Contons has been very active in the Lithuanian affairs in the United States, and has served as the national spiritual adviser to the Knights of Lithuania. He has authored several articles and books, including the English text for the "History of St. Peter's Parish in South Boston," and the Knights of Lithuania Leadership Manual.

I want to thank Father Contons for being with us today, and to wish him continuing success in his dedicated work in the church.

IMPORT SURCHARGE

(Mr. SCHULZE asked and was given permission to address the House for 1 minute.)

Mr. SCHULZE. Mr. Speaker, the move toward freer world trade has ground to a halt. Little progress has been made on the mounting list of trade problems which confront the world marketplace. Our trading partners do little more than pay lipservice to the idea of free trade, and our continued support for the current trading system brings us little more than a small degree of respect and ever increasing quantities of red ink.

The time has come to draw the line and ask our trading partners to practice what they preach. We can no longer accept years of fruitless negotiations while our markets are flooded with cheaper imports and our exports are excluded by a host of foreign trade barriers.

Today I am introducing a bill which will provide an incentive for reluctant trading partners to enter into serious trade negotiations with us. My bill will assess a 20-percent surcharge on U.S. imports from all nations. However, the surcharge is removed for those nations willing to enter into a bilateral free trade agreement with us. Those nations which agree will continue to enjoy the benefits of free trade with the United States, while those nations who do not negotiate will have the surcharge remain in place.

Free trade only exists when all countries offer equal benefits and undertake equal responsibilities. My bill will provide the needed impetus for a new trade movement and I urge my colleagues to support this legislation.

AUTHORIZING THE SPEAKER TO APPOINT TWO MEMBERS TO REPRESENT THE HOUSE AT GEORGE WASHINGTON BIRTHDAY CEREMONIES, FEBRUARY 22, 1985

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent that it shall be in order for the Speaker to appoint two Members of the House, one upon the recommendation of the minority leader, to represent the House of Representatives at appropriate ceremonies on February 22, 1985, the birthday of George Washington.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

PRESIDENT'S MESSAGE TO AMERICAN FARMERS: DROP DEAD

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Mr. Speaker, when the President came to this Chamber and addressed the Nation on the state of the Union recently, calling for a second American revolution, it was unclear what this meant for the farmers of our Nation. Thereafter, his Budget Director, Mr. Stockman, delivered the message to American farmers: The President's message to the American family farmer is "drop dead."

What a departure from the true spirit of our Founding Fathers. As Daniel Webster observed:

> Let us never forget that the cultivation of the earth is the most important labor of man. Unstable is the future of that country which has lost its taste for agriculture. If there is one lesson in history which is unmistakable, it is that national strength lies very near the soil.

Mr. Speaker, the American farmer is in a state of economic depression. In a short while, Members of Congress will address the Nation on the state of American agriculture. I solicit your attention to the urgency of the crisis.

□ 1210

BLACKMAIL HAS NO PLACE HERE

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, blackmail has no place in a reasoned

legislative process. Yet we have the Director, the Director of OMB, David Stockman, holding the knife at the jugular vein of our agricultural producers and their representatives. OMB, in collusion with the Department of Agriculture, is drawing blood, drawing blood by not allowing the necessary personnel, even in the Farmers Home Administration, to even complete those responsibilities with which it is charged. Conspiracy, road blocks of bureaucracy, holding or withholding of necessary funds and credit in this crisis for the purpose of beating some of us who represent the farmers into a submission has no place in this democracy, in this Republic or in the legislative process.

THE NEXT ATTACK SUBMARINE

(Mr. AuCOIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. AuCOIN. Mr. Speaker, one of the more controversial new defense programs is the new attack submarine, called the SSN-21.

There are two schools of thought on this ship.

On the one hand, there are those who say the *Los Angeles* class we now have is the best in the world. They say we can't afford to start an expensive new program.

On the other hand, there are those who say we can do a lot better if we start with an all-new design, and the threat requires that we do it.

There's truth on both sides. My colleagues know that I have never been hesitant to oppose major weapons I believe are unnecessary or destabilizing or both. But in this case, it seems to me the weight of the evidence falls on the side of the advocates. It seems to me this ship is both necessary and stabilizing.

We have to maintain control of the sea if we're to reduce the danger of nuclear escalation. From all experience, submarines are the most effective way to do it. If we are to deter naval aggression quickly and decisively, in the face of Soviet antisubmarine technology which eventually could become substantial, and in the face of the very long leadtime a submarine program needs, it seems to me the SSN-21 is something we have to do.

If the cost gets out of hand, then it goes without saying that the matter would have to be reevaluated. But if the program stays on its present course, for my part I recommend we go ahead with it.

SHOULD WE DISPOSE OF CONRAIL

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, the Secretary of Transportation has made a decision for the ultimate disposition of Conrail. Before we conclude that the long-awaited arrival of the Conrail trail and train to the station has happened, let us examine some of the issues that are going to be newly debated on the floor of this House.

We cannot tell by this decision whether or not the substantial best interests of the employees of Conrail have been taken into account or whether the profitability that has been shown by Conrail has been taken into account or whether the future of the rail system in this country has been taken into account.

We must, as a matter not only of the economics involved, conclude that the Dole decision is the best for Conrail, but also for questions involving national security. I ask every Member of Congress to go slow in his or her deliberations as to the decision on Conrail. There is much debate left on this issue.

I thank the Speaker.

TIME TO MELT THE "ICE" JAM

(Mr. ERDREICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ERDREICH. Mr. Speaker, the State of Alabama faces a shutdown of all new interstate highway construction at the end of this month because Congress has failed to approve the interstate cost estimate-interstate substitute cost estimate [ICE-ISCE]. Alabama and some 40 other States were scheduled to get a year's allotment of interstate funds in October 1, 1983, and again on October 1, 1984. But some 239 projects, amounting to over $1,262 billion nationwide and over $144 million in Alabama, are being held up because the legislation required to release the money has not been passed by Congress.

The money, which comes from the highway trust fund, is supposed to be passed on to States every 2 years. Before this can be done, however, Congress must pass the interstate cost estimate [ICE] of the funding needed for interstate work and an interstate substitute cost estimate [ISCE] of funding for highway projects the States have chosen to replace proposed interstate construction.

Approval of the ICE was once a routine legislative procedure. But attempts to include pork barrel demonstration projects have caused a dramatic and needless rise in the amount included in the highway trust fund and has made passage of the ICE all but impossible.

Under the interstate program, States pay for Federal projects out of their own pockets and are reimbursed later by the Federal Highway Administration. Congress' failure to pass the ICE, however, means the States' allotments cannot be released and has caused serious cash-flow problems in many States, including Alabama.

I have cosponsored legislation to reform the congressional approval process and prevent future logjams of congressional action on the ICE because of attempts to attach pork barrel proposals. Under the legislation, Congress has from January to October 1 of each year to review and revise the ICE-ISCE submitted by the Department of Transportation. If the Congress fails to release the funds by October 1, however, the bill authorizes the Secretary of Transportation to release the moneys administratively.

It is unfair to hold up essential and needed interstate construction and repair in Alabama and across the country because attempts to attach other bills have turned congressional action in ICE into a political football.

I urge that swift action be taken by my colleagues in the House to pass this legislation and allow necessary highway work in Alabama and across the Nation to continue.

It's time to melt the "ICE" jam.

GRACE COMMISSION RESOLUTION

(Mr. STRANG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRANG. Mr. Speaker, the President's private sector survey on cost control, the Grace Commission, developed 2,478 specific recommendations for cost reductions and/or revenue enhancements. It took 1½ years of detailed study into the workings of the Federal bureaucracy. If fully implemented, the Grace Commission report projects a potential cost reduction of $424 billion.

Each of us may not agree with every suggestion set forth in the Grace report. But that should not prevent us from requiring the committees of the House of Representatives to at least look at the recommendations for potential cost savings. By modifying the House rules, we can ask our standing committees to review these recommendations. Passage of the resolution I am introducing today will do just that.

If we are honest with ourselves, the comments by J. Peter Grace as reported in the New York Times are right on target:

> Congress has confused the axiom "waste not, want not." President Reagan's Private Sector Survey on Cost Control has shown Congress how to "waste not," but Congress to its discredit, has shown that it "wants not" such advice.
>
> The historical alternative by Congress to cutting spending has been to increase taxes. As a result, the annual income taxes paid by the average family have increased 32 times

faster than their income. Instead of covering current deficits, increased revenues invariably are used to fuel more spending.

We never said cutting spending was going to be easy—hard problems seldom are solved by easy solutions. But the time has come for Congress to stop clowning around and get serious.

Surely our committees can take some time in the course of their routine hearings on legislation at least to consider the recommendations within their jurisdiction, and either accept them, modify them, or reject them, and let us know their reasoning as a part of the regular legislative reports. That is not asking too much, given the time and effort over 2,000 volunteers devoted to this project.

If only one-fourth of the projected $424 billion savings over 3 years is within the realm of possibility, the Federal Government could realize a savings of $106 billion. Isn't that worth scrutiny by our committees?

PROVIDING A TAX CREDIT FOR CONTRIBUTIONS TO REDUCE THE PUBLIC DEBT

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, there's a commercial on the television these days with McGruff the Crime Dog telling us how we can help prevent robberies. After advising us of certain safety precautions, he says: "Help take a bite out of crime."

Very few people know, Mr. Speaker, that I am a great fan of McGruff the Crime Dog. Some people even tell me that I sound like him—and there are a lot of similarities between McGruff and what we in the Congress have to do this year. McGruff wants to reduce crime. Congress wants to reduce the deficit.

I'm pleased to announce that our task will be made simpler with a bill I am introducing today. I call it the Conte contribution credit, and the bill allows all taxpayers to take a 25-percent credit against tax for contributions to reduce the deficit.

Although present law allows a deduction for contributions to charity (and donations to reduce the deficit are deductible), present law only benefits taxpayers who itemize deductions or those who take the "above the line" deduction—which is limited to only $300 in donations this year and expires in 1987. More incentives are needed, and my bill provides them.

I am enclosing for the RECORD a more detailed summary of my bill, Mr. Speaker. I urge my colleagues to support this bill—support the Conte contribution credit—and help take a bite out of the deficit.

HOUSE SHOULD SEAT MR. McINTYRE

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, I have here a resolution of privilege that I have every reason to believe, if introduced at this moment, would in fact be sustained as a resolution of privilege and therefore a vote would be taken on the House floor today.

It deals with the case of Mr. McIntyre and the unwillingness of this body to seat him in the seat which is rightfully his as certified by the State of Indiana.

I will not introduce the resolution today because a lot of Members are not here in town, have not been informed about the fact that we could have business, but I will say this, Mr. Speaker: The patience is wearing rather thin and the fact that we can bring this to the floor in this manner on any day, whether it be pro forma session or not, ought to be a signal to the Members that a lot of us around here are very disturbed the way this body is acting with regard to its constitutional behavior and it is high time that Rick McIntyre be given his seat, be allowed to sit among us and vote among us as a Member duly elected, which he is.

THIS HOUSE HAS AN OBLIGATION TO SEAT "RICK" McINTYRE

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, the House undertook a very dangerous precedent in its last session in refusing to seat a Member from Indiana who had now won the election and won the recount and is certified by the State of Indiana. The case of Rich McIntyre should worry every American because if the votes of the people of Indiana do not count, then conceivably the votes of Colorado or Massachusetts or Georgia or Pennsylvania would not count. In many ways, Mr. Speaker, one can conclude that this is now an unconstitutional body which has decided to preempt the votes of the people of Indiana and to deny them representation.

Later during the session today I will read into the RECORD a series of editorials from the Washington Post, from Indiana newspapers, from Texas newspapers, from across the country that say again and again this House has an obligation to seat Rick McIntyre; this House has an obligation to let the people of Indiana be represented and this House is acting in a very dangerous manner in not seating him during the process of looking at that election.

It is unprecedented and I hope in the next week or so the House will reconsider its decision.

□ 1220

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled joint resolution on Friday, February 8, 1985:

S.J. Res. 36. Joint resolution to designate the week of February 10, 1985, through February 16, 1985, as "National DECA Week."

SELECTION AS MEMBERS FROM COMMITTEE ON WAYS AND MEANS TO BE ACCREDITED BY THE PRESIDENT AS OFFICIAL ADVISERS TO THE U.S. DELEGATIONS TO INTERNATIONAL CONFERENCES, MEETINGS, AND NEGOTIATION SESSIONS RELATING TO TRADE AGREEMENTS

The SPEAKER. Pursuant to the provisions of title 19, United States Code, section 2211, and upon recommendation of the chairman of the Committee on Ways and Means, the Chair has selected the following members of that committee to be accredited by the President as official advisers to the U.S. delegations to international conferences, meetings, and negotiation sessions relating to trade agreements during the 1st session of the 99th Congress:

Mr. ROSTENKOWSKI of Illinois;
Mr. GIBBONS of Florida;
Mr. JENKINS of Georgia;
Mr. CRANE of Illinois; and
Mr. FRENZEL of Minnesota.

APPOINTMENT AS MEMBERS TO REPRESENT THE HOUSE OF REPRESENTATIVES AT CEREMONIES ON FEBRUARY 22, 1985, THE BIRTHDAY OF GEORGE WASHINGTON

The SPEAKER. Pursuant to the order of the House of today, the Chair appoints the following Members to represent the House of Representatives at appropriate ceremonies on February 22, 1985, the birthday of George Washington:

Mr. ROBINSON of Arkansas; and
Mr. SLAUGHTER of Virginia.

RESIGNATION AS MEMBER OF COMMITTEE ON GOVERNMENT OPERATIONS

The SPEAKER laid before the House the following resignation from the Committee on Government Operations:

HOUSE OF REPRESENTATIVES,
Washington, DC, February 6, 1985.
Hon. THOMAS P. O'NEILL, Jr.,
H204 Capitol,
Washington, DC.

DEAR MR. SPEAKER: I hereby resign my assignment on the Committee on Government Operations.

Sincerely,

MEL LEVINE,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

COMMUNICATION FROM CHAIRMAN OF THE COMMITTEE ON WAYS AND MEANS

The SPEAKER laid before the House the following communication from the Chairman of the Committee on Ways and Means:

COMMITTEE ON WAYS AND MEANS,
Washington, DC, February 6, 1985.
Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, H-205, U.S. Capitol, Washington, DC.

DEAR MR. SPEAKER: This is to advise you that, pursuant to sec. 8002 of the Internal Revenue Code, the following members of the Committee on Ways and Means have been designated to serve on the Joint Committee on Taxation during the 99th Congress:

Dan Rostenkowski (D., Ill.).
Sam M. Gibbons (D., Fla.).
J.J. Pickle (D., Tex.).
John J. Duncan (R., Tenn.).
Bill Archer (R., Tex.).

Sincerely yours,

DAN ROSTENKOWSKI,
Chairman.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

FEBRUARY 19, 1985.
Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit sealed envelopes received from the White House as follows:

(1) At 3:15 p.m. on Friday, February 8, 1985 and said to contain a message from the President whereby he transmits a report on the National Defense Stockpile;

(2) At 4:05 p.m. on Monday, February 11, 1985 and said to contain a message from the President whereby he transmits the 24th annual report of the U.S. Arms Control and Disarmament Agency; and

(3) At 12:40 p.m. on Tuesday, February 12, 1985 and said to contain a message from the President whereby he transmits the 1984 annual report on Nuclear Non-Proliferation.

With kind regards, I am

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk,
House of Representatives.

REPORT ON THE NATIONAL DEFENSE STOCKPILE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Armed Services:

(For message, see proceedings of the Senate of today, Tuesday, February 19, 1985.)

ANNUAL REPORT OF THE UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs:

(For message, see proceedings of the Senate of today, Tuesday, February 19, 1985.)

ANNUAL REPORT ON ACTIVITIES RELATED TO PREVENTING NUCLEAR PROLIFERATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs:

(For message, see proceedings of the Senate of today, Tuesday, February 19, 1985.)

1983 ANNUAL REPORT OF THE NATIONAL ADVISORY COUNCIL ON ADULT EDUCATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. BUSTAMANTE) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Education and Labor:

(For message, see proceedings of the Senate of today, Tuesday, February 19, 1985.)

ABUSE OF THE CORPORATE TAKEOVER PROCESS THREATENS FABRIC OF OUR ECONOMIC SYSTEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. JONES] is recognized for 5 minutes.

Mr. JONES of Oklahoma. Mr. Speaker, abuse of the corporate takeover process has become a serious problem. It threatens the very fabric of the economic system in the United States. It is time for Congress to evaluate the explosion of hostile takeovers which are inhibiting the competitive ability of American business in today's world markets.

Any proposed solution, however, must focus on the whole, rather than concentrating on particular symptoms. Mr. Speaker, the legislation I am introducing today seeks to accomplish this goal by focusing on the tax advantages available to those undertaking hostile corporate takeovers. This legislation seeks to take away the kindle fueling the fires of merger mania.

This legislation expands upon an earlier bill most members of the Oklahoma delegation joined with me in introducing on February 6, 1985. My new bill, in addition to taxing profits made through greenmail at 50 percent, would also disallow the interest deduction on indebtedness that arises from the use of junior obligations, commonly called junk bonds.

Undoubtedly, Mr. Speaker, you have read about and heard of the proliferation of hostile takeover activity in the corporate sector, and particularly within the energy industry. While there are a number of national policy issues which arise from this activity, I am most specifically concerned about the takeover entrepreneur—a speculator who purchases a sigificant block of shares in a publicly held corporation, in order to threaten the corporation into buying back the shares at a premium, and who finances such bootstrap, bust up transactions with high-yield, low-grade junior obligations. Mr. Speaker, these tactics serve to profit the takeover entrepreneur at the expense of the basic constituencies served by American corporations: the long-term investor shareholders, customers, employees, pensioners, suppliers, and communities in which they operate.

Furthermore, abusive takeover schemes have created an epidemic of takeover fear among our Nation's corporations that have resulted in an obsession with the short term and the slighting of long range planning. Not only have such abusive takeover attempts impacted the fate of the target corporations, but it entails questionable use of Tax Code incentives. Certainly, at a time when legitimate business activities are hard pressed to find available, reasonably priced credit, it seems ill advised to allow the use of these highly speculative obligations for the financing of abusive corporate acquisitions.

Junk bonds are high risk, unsecured instruments that pay large yields and are ultimately secured only by the assets of the target company. These financing instruments are being used as

a means to take over healthy, profitable companies to accomplish nothing more than to bust them up for their dismemberment value. It is time Congress considers whether it is appropriate for our Internal Revenue Code to allow an interest deduction for interest paid or carried when the underlying instrument is simply an equity contribution.

The legislation disallows an interest deduction for indebtedness issued in the form of junior obligations. The legislation defines junior obligations (junk bonds) as indebtedness that is rated by a national rating agency at least 2 points below the ratings given to the target company's other substantial class of indebtedness, or that meet certain other criteria related to either the right of payment or value of assets. Commonly, these junior obligations are rated below investment grade. The legislation would target the use of these obligations, when used in a hostile acquisition. A hostile acquisition would occur when a person or group acquires more than 20 percent of the total combined voting power of all classes of stock or at least 20 percent of the total value of all the classes of stock during a 12-month period, provided that such acquisition is not approved by the target company's board of directors. Obligation issued after February 18, 1985, would be affected by this provision.

Mr. Speaker, the legislation I am introducing today also contains a provision from my earlier bill, H.R. 1003, dealing with taxation of greenmail profits. The provision seeks to end the universally condemned practice of greenmail by imposing a nondeductible excise tax on greenmail profits earned by stock speculators and profiteers. The term "greenmail profits" means any gain realized by a 4-percent or more shareholder on the sale of exchange of any stock in a corporation if such shareholder held the stock for a period of less than 2 years, and if, at some time during the 2-year period there was a public tender offer for stock in the target corporation. A 50 percent nondeductible excise tax will be imposed on these greenmail profits unless, throughout the 1 year ending of the date of the sale or exchange, such person was an officer, director, or employee of the target corporation.

The 50-percent excise tax would not apply if the shareholder had been a 4-percent or more shareholder for the entire 1-year period ending on the date of the sale or exchange. A summary of my legislation follows below.

Mr. Speaker, I am vitally concerned about the serious escalation of corporate takeovers that has become a get-rich-quick scheme among Wall Street speculators. It is time that Congress consider how the Federal Government is underwriting these abusive financing plans. The legislation I have introduced today is a first step in addressing this most serious problem. It is my hope that appropriate committee consideration will begin at the earliest possible date.

EXPLANATION OF H.R. 1100—A BILL INTRODUCED BY MR. JONES OF OKLAHOMA

SEC. 1. EXCISE TAX ON GREENMAIL PROFIT

Under the bill, any 4-percent shareholder that realizes any gain that is a greenmail profit is subject to an excise tax equal to 50 percent of that profit.

The Greenmail profit is the gain realized by a 4-percent shareholder if the shareholder held the stock for a period of less than two years unless if during a 1-year period ending on the date of the sale the shareholder was an officer, director or employee or a 4-percent shareholder. Also, during that period that the shareholder held the stock there must be a public tender offer for the stock or that shareholder or some other shareholder owning at least 4 percent of the stock submitted a written proposal to a corporation which either suggests or sets forth a plan involving a public tender offer. For purposes of the bill, a public tender offer is any offer to purchase or acquire stock in the corporation if such offer is required to be filed or registered with a federal or state agency regulating securities.

A 4-percent shareholder is a shareholder that owns at least 4 percent of the total combined voting power of all stock entitled to vote in the corporation.

The excise tax is to apply to sales and exchanges made after February 6, 1985, with respect the the taxable year ending after that date. However, the excise tax is not to apply to any sale or exchange that is made pursuant to a written agreement in existence on February 5, 1985.

SEC. 2. INTEREST ON HOSTILE ACQUISITION INDEBTEDNESS

Under the bill, no deduction is to be allowed for any interest paid or incurred during the taxable year with respect to hostile acquisition indebtedness. Hostile acquisition indebtedness is any junior obligation issued after February 18, 1985, in connection with a hostile acquisition.

A hostile acquisition is any merger, consolidation or acquisition of property or stock, a separation, reorganization, distribution of property (whether or not in liquidation) of any similar transaction involving a corporation. A hostile acquisition must also involve any other person or group of persons acting in concert who acquire during the twelve month period preceeding the transaction, stock ownership representing at least 20 percent of the total combined voting power of all classes of stock entitled to vote or at least 20 percent of the total fair market value of the shares of all stock (other than nonvoting stock which is limited an preferred as the dividends). The provision only applies if the transaction before a consummation was not formally approved by a majority (consisting of at least two members) of the independent members of the board of directors of the corporation. No member of the board is to be treated as independent if that member is an officer or employee of the corporation or was nominated by a person or group of persons who acquired the requisite 20 percent interest.

A junior obligation is any obligation evidenced by a bond, debenture, note or other evidence of indebtedness which upon issuance satisfies any one of three conditions. The first condition is that it is expressly subordinated in the right of payment to the payment of any substantial amount of unsecured indebtedness, whether outstanding or subsequently issued, or the issuer or the corporation. The second condition is that it is indebtedness of a person over half the value of the gross assets of which is (or following the hostile acquisition would be) represented by the stock of the corporation, cash and cash equivalents. The third condition is that the indebtedness has a rating from a nationally recognized rating agency which is at least two ratings inferior to the rating from such agency in respect of any other substantial class of debt of the issuer or the corporation.

An extension renewal or refinancing of a preexisting obligation is not to be treated as the issuance of a new obligation for purposes of this bill. Also, an obligation which is a hostile acquisition indebtedness of the issuer is hostile acquisition indebtedness of any other person which become liable on such obligation as a guarantor, endorsor or indemnator or which assumes liability for such obligation in any transaction.

The amendments made by this section are to apply to interest paid or incurred after February 18, 1985, in taxable years ending after that date.

□ 1230

AFRICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. LELAND] is recognized for 5 minutes.

● Mr. LELAND. Mr. Speaker, terrible human suffering is occurring in 20 nations of Africa as the result of drought and famine. As many as 150 million people are affected by the devastating conditions. Death from starvation is widespread in parts of Ethiopia, Sudan, Chad, Mali, and Mozambique. Severe hunger has also been reported in Mauritania, Burkina Faso, Niger, and Angola. The current crisis requires immediate and substantial action to avert further massive loss of lives. There is a universal outcry for the delivery of emergency food aid to these countries. However, food alone is not enough. Many nonfood items are equally critical.

Those Africans strong enough to reach the feeding centers are in urgent need of medical supplies, vaccines, blankets, shelter, water, cooking utensils, and cooking fuel. The relief agencies operating the camps need water well-drilling equipment, water purification and storage equipment; power generators; nutrition assessments; emergency air transport; food monitors; and, four wheel trucks and animals to transport and distribute the critical supplies.

But the feeding centers are only one part of the immediate crisis. Farms have been destroyed and deserted, seeds have been eaten, draft animals have died, wells have dried up, deserts are expanding and agricultural land is deteriorating as a result of the drought. If the response to the African famine is limited solely to a relief

operation, the victims will be even less self-sufficient, more vulnerable to future droughts and the affected countries will be in continued and even greater need of emergency aid from the international community. The difficult work of rehabilitating the drought devastated areas must begin now. Africans urgently need to begin the process of growing food again. There is an immediate need for seeds, tools, and draft animals; wells need to be drilled, new water sources developed and protected; encroaching deserts must be stopped, sand dunes stabilized and new trees and shrubs planted to protect the soil; herds of cattle and oxen need to be restocked; and Africans, weakened and sickly from years of starvation and related disease, need to be brought back to strength and good health to be productive.

To meet these needs, the American private voluntary organizations, the major channels of U.S. Government emergency relief and recovery efforts in Africa, have requested more than $100 million to operate emergency programs. In addition, the United Nations Special Office for Emergency Operations in Africa, headed by former Congressman Bradford Morse, has identified needs requiring over $150 million in unmet nonfood emergency needs for the most seriously affected countries. A slow and inadequate response to these requests will literally mean death for tens, perhaps hundreds of thousands. Yet, the administration has asked Congress for only $25 million for additional nonfood disaster assistance.

I have joined with colleagues who are principal sponsors of legislation for emergency supplemental aid to Africa before the House of Representatives. We met throughout the February recess in an effort to reach agreement amongst ourselves on this pressing issue. Late last Friday, we reached consensus on fiscal year 1985 supplemental package totaling $701.5 million that, we believe, is responsive to the hunger pressures faced by some 150 million starving people in Africa. H.R. 1096 requests $175 million in emergency, nonfood assistance including $137.5 million in disaster assistance. It provides $2.5 million to ensure that the resources we provide actually reaches the starving of Africa. This legislation channels funds through private voluntary agencies and international organizations with the on-the-ground capability of initiating and carrying out life-saving and life-sustaining projects. It takes into consideration both the short- and medium-term problems and provides resources to meet them.

As you know, urgent attention to a supplemental is required if U.S. assistance to sub-Saharan Africa is not to be interrupted. Today's markup by the Foreign Affairs Committee and hearings before the Agriculture and Foreign Operations Appropriations Subcommittees indicate a clear sensitivity to the need for fast-track consideration. I urge my colleagues to support H.R. 1096 as it would restore America's traditional image as a leader in humanitarian and governmental responsibility.

THE SOUTH AFRICAN HUMAN RIGHTS AND CONDITIONALITY ACT OF 1985

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from the District of Columbia [Mr. FAUNTROY] is recognized for 5 minutes.

● Mr. FAUNTROY. Mr. Speaker, in these early days of the 99th Congress, Members of the House and Senate, Republicans and Democrats, have been working to develop a consensus around the question of legislation to deal with the system of apartheid in South Africa. Several legislative ideas have been put forward and the discussions are ongoing. It is hoped that within a very short time, a consensus will be reached, and the omnibus bill that we have all been awaiting and working for can be introduced with bipartisan support in the House and Senate.

At noon today, I shall introduce H.R. 1098, the South African Human Rights and Conditionality Act of 1985. I should point out that this bill may or may not be be embraced, in whole or in part, by the Free South Africa movement, of which I am a cochair. It is merely intended to be my contribution to the ongoing dialog. The bill contains two unique features:

First, while imposing certain immediate sanctions, it provides for stronger sanctions after 18 months if the Government of South Africa fails to meet specified conditions set out in the legislation. It further mandates complete divestiture by U.S. citizens or firms and expulsion of the South African Mission in the United States if the specified conditions are not met by South Africa within 3 years.

This graduated tightening of sanctions may be referred to as "conditionality" or the "Tutu principles." It grows out of respect for Bishop Desmond Tutu and his recommendation that the South African Government be given a time certain to make fundamental change or face stiff sanctions. The conditionality provisions are found at sections 201 and 202 of the bill.

Second, the second unique feature of the bill set out at section 206, is the provision of sanctions against foreign firms who do business in the United States, if after a U.S. firm has left South Africa, the foreign firm moves into the U.S. firm's former market.

This provision is vital to the legislation because, it seems to me that if a U.S. firm leaves voluntarily, as in the case of the Chrysler Corp., or even if a U.S. firm is forced to leave by operation of law, a foreign firm should not be able to step into that open market without fear of the loss of business here. U.S. divestiture could be frustrated if foreign firms merely substituted for them.

Apart from the two unique features in this legislation, there are other features which have been discussed or included in legislation over the years. Chapter 1, sections 101 through 106, lists immediate sanctions that are imposed against the Government of South Africa and against U.S. citizens or firms doing business with South Africa. Immediate sanctions are essential in order to send a clear message to the Government of South Africa that the American people are no longer willing to cooperate with this evil system of social segregation, political domination, and economic exploitation known as "apartheid." The message must go forward that we oppose apartheid not only because the system is morally, repugnant, but also because it has begun to undercut the job security of millions of Americans with its offer of a guaranteed source of cheap labor to the investors of the world. Steps must be taken now to root out that oppressive system. Consequently, six areas are targeted for immediate action:

First, new bank loans to the South African Government are prohibited.

Second, a prohibition is imposed on the importation of South African coins, including the krugerrand or any other gold or silver coin.

Third, the importation of coal and uranium from South Africa is prohibited.

Fourth, new investments by U.S. citizens in South Africa are prohibited.

Fifth, a prohibition is imposed on the export of nuclear items from the United States to South Africa.

Sixth, and a prohibition is imposed on the export of all goods and technology, including computer goods, from the United States to South Africa.

Also, at section 107 of chapter 1, is a provision designed to reduce the dependence by the United States on South African strategic materials, by mandating that the President undertake an aggressive research and development program to develop synthetic substitutes.

The sanctions imposed by this legislation may be terminated if the President certifies to Congress and if Congress adopts the certification by joint resolution that "substantial progress" toward the elimination of apartheid has occurred. "Substantial progress" under the legislation means:

First, implementing measures to assure that all persons in South Africa

may participate in the political, economic, and social life of that country.

Second, establishing majority rule with protection for minority rights, based upon the principle of one person-one vote.

Third, providing a transition government or making major constitutional changes.

Fourth, freeing from incarceration and persecution all political prisoners and defined in the bill in accordance with the 1980 Refugee Act.

Fifth, implementing certain fair labor practices as defined in section 203 of the bill.

I am relatively confident that a bipartisan consensus will soon emerge in the 99th Congress and that legislation will pass directed at pressing for change in South Africa. I will continue to work with my colleagues in the Congress toward that goal. I do believe that the unique features of the bill I am introducing today, conditionality and no foreign substitution, are important measures that ought to be well considered.

Irrespective of the content of the final legislative draft, I am encouraged by the fact that more and more of my colleagues as a result of the demonstrations at the South African Embassy and the demonstrations in some 20 cities across the United States, are arriving at the view that America must do its part to halt the South African apartheid regimes' blind march to tragedy, bloodshed, and violence and to begin a serious attempt at national reconciliation and dialog with all of the people.

For just as it was inevitable that black codes would be repealed in this country, that slavery would be abolished, that Dred Scott would be vindicated, and that Jim Crow, with his fire hoses and dogs would be removed from our noble landscape, it is inevitable that that blot on the conscience of the world will be removed from South Africa. The only quesiton is, will the United States help remove it?

It is my hope that the introduction of the South African Human Rights and Conditionality Act of 1985, will contribute to the ongoing discussions and hasten the day when the American people, through its Congress and its President will exert its moral and economic influence on this question.

LITHUANIAN INDEPENDENCE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 60 minutes.

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ANNUNZIO. Mr. Speaker, it is an honor to reserve this special order to commemorate the 67th anniversary of Lithuanian Independence Day, and I thank all of my colleagues who are joining me today in tribute to the courageous Lithuanian people who continue to pray and to work for the day when their beloved country of Lithuania can once again join the community of free nations.

February 16, 1918, is a special day in man's historic struggle for freedom and self-determination for it was on this date 67 years ago that the Lithuanian people proclaimed their independence, and began to rebuild their country and reestablish democratic institutions, after the devastation of World War I.

The Lithuanian people are an industrious and proud people, and for almost one-quarter of a century, they began to enjoy the rewards of their own efforts and to appreciate the sense of security that comes from having the previous rights of self-determination and a democratic form of government.

Unfortunately, these benefits were shortlived. With the outbreak of World War II, Lithuania was savagely invaded by Stalin and his brutal Red Army. As soon as Lithuania had been occupied by military force, the Communists began arresting and executing Lithuanian patriots. Thousands of Lithuanians lost their lives or were forcibly moved in cattle cars to distant parts of the Communist empire, as the Soviets attempted to crush the culture, religion, and heritage of the Lithuanian people.

Nevertheless, Lithuanians have remained strong in their resolve to resist this Communist aggression, and our own country has never recognized the forced incorporation of Lithuania into the Soviet Union. The Supreme Committee for the Liberation of Lithuania at its convention on December 2, 1984, in Chicago, IL, adopted an appeal to express their strong commitment to the rights of Lithuanians to live in freedom, and to bear witness to the world of the numerous crimes and atrocities committed by the Communists against the Lithuanian people. A copy of this appeal follows:

The following appeal was adopted by the Supreme Committee for the Liberation of Lithuania at its convention on December 2, 1984, in Chicago, Illinois:

DEAR LITHUANIANS IN THE FATHERLAND, the Lithuanian nation resolved to be a sovereign democratic republic by issuing a Declaration of Independence on February 16, 1918. The will of the Lithuanian people was confirmed by the declarations of the Founding Diet on May 15, 1920. This will of the nation was further demonstrated by the armed struggle of 1918–1923, the nationwide uprising of June 22, 1941, the establishment of the Supreme Committee for the Liberation of Lithuania on November 25, 1943, the guerilla resistance against the sovietization of Lithuania during 1945–1952, and the unceasing activity of the patriotic underground.

Pope John Paul II has recognized the will of the Lithuanian nation in his address in Rome this year, commemorating the 500-year anniversary of the death of St. Casimir, patron saint of Lithuania, by urging Lithuanians to preserve their national traits and traditions.

Lithuania is the cradle of our existence. We yearn for it and we have the eternal right to live in it, despite the denial of this right by the Russian occupying power.

We, exiles, live in order to bear witness to the world, in the name of our shackled and silenced nation, of:

The resolve of the Lithuanian nation to restore and maintain its independent state;

The perfidy and the aggression of Russian bolshevism directed against peace in Europe and in the world;

The systematic cultural and physical genocide to which the Lithuanian people have been subjected;

The goals, the heroism and the harrowing experiences of the Lithuanian patriots.

We proclaim to the world the brutal crimes of the Soviet occupying power against the Lithuanian nation and state in violation of international law and specific treaties:

The occupation of Lithuania;

The denial of the right to self-determination; The colonial economic exploitation;

The colonization of Lithuania with settlers from other parts of the Soviet empire;

The systematic russification, from kindergarten to the university doctoral programs;

The ban on Lithuanian schools in Lithuanian communities outside of Lithuania's borders;

The illegal drafting of young Lithuanians into the Soviet military service;

The sending away of young Lithuanians to work in the distant reaches of the Soviet empire, as a condition for the completion of their education and the acquisition of professional experience;

The discrimination against native Lithuanians by the favored treatment of Russians in employment, housing, education and services;

The denial or restriction of the right to move about freely and to take up residence anywhere in one's native country;

The denial of the right to freely leave one's country and to return to it;

The denial of the freedoms of thought, conscience, convictions, exchange of views, assembly and the press;

The arbitrary interference into private lives, homes, correspondence and family relations;

The extreme restrictions imposed on links and communications with abroad, the sending and receiving of international mail as well as telephone and telegraph messages;

The discriminatory restrictions on the confession and practice of faith, as well as the teaching of religion;

The persecution and discrimination directed against religious believers who have been thus transformed into second-grade citizens;

The arbitrary arrests, deportations, and confiscation of property;

The inhuman and humiliating treatment of Lithuanian citizens by incarceration in

concentration camps and special psychiatric hospitals;

The arbitrary transportation outside of Lithuania's borders of political prisoners or individuals who were forced into special psychiatric hospitals as a punishment for their views.

Our struggle in exile against the power that holds Lithuania occupied has been finding an increasingly wider response during recent years. This is attested by the statements of Western governments and parliamentarians, the resolutions adopted by Western parliaments emphasizing the illegality of Lithuania's enslavement, and the comments of the press. The conviction that the freedom of nations and individuals is an indispensable condition for the maintenance of permanant peace is now gaining currency all over the world.

As we strive to assist you, dear fellow Lithuanians, we also share your grave concern about the various ills that are part and parcel of the Soviet system:

Alcoholism and it ravages;

The spread of narcotics and their devastating mental and physical impact on future generations;

The deepening amorality, the decline of births, and the government-prompted murder of unborn infants for reasons other than health;

The mounting crime rate and the increase of violence.

We know that you are better aware of these ills and that you are doing everything possible to get rid of them.

It is not for us, who live abroad, to advise how Lithuanian patriots should behave under the Soviet Russian occupation. It is also not for us to judge who in the homeland works for the nation's well-being, and who, prompted by consideration of material gain, assists the occupying power in oppressing their compatriots. The last word about the latter will be said by our underground press and by surviving witnesses. Such quislings and members of the present-day "Black Hundreds" will be ultimately judged by the nation in the name of humanity.

We do share your concern about the young, hoping that they will withstand the spiritual and physical pressure of Russian chauvinism and totalitarian Marxism-Leninism. We trust that the ceaseless propaganda noise will not make them forget the noble humanitarian and patriotic ideals.

Lithuanians believe that their nation will survive and will preserve its unique culture until the end of time. Their most important task is to protect the physical and spiritual life of each member of their nation, in particular its greater treasure the children, and to raise them as healthy and enlightened patriots as well as members of the community of nations.

It is now almost forty-two years that we have been following this road in our effort to lighten your burden in the homeland and in your places of banishment.

THE SUPREME COMMITTEE FOR THE LIBERATION OF LITHUANIA.

Mr. Speaker, the Lithuanian American Council, Inc. selected Rev. Albert J. Contons to be the guest chaplain this year in the House of Representatives as part of our commemoration of Lithuanian Independence Day, and several representatives of the council are present today, joining us in this commemoration. The names of the officers and members of the council follow:

Honorary President: Kazys C. Bobelis, MD.

National President: Kazys Sidlauskas, JD.

Vice Presidents: Stanley Balzekas, Jr., Teodoras Blinstrubas, Povilas Dargis, Leonas Kriauceliunas, DVM, Viktoras Naudzius, Vladas Simaitis, JD, Jonas Talandis, Jonas Valaitis, MD.

Secretary: Grozvydas Lazauskas.

Recording Secretary: Alexander Domanskis.

Treasurer: Mykolas Pranevicius.

Financial Secretary: Petras Buchas.

Members: Daina Danilevicius-Dumbrys, Julius Pakalka, Eugenijus Smilgys, Ramune Tricis.

Council's Representative in Washington, D.C.: Jonas B. Genys, Ph.D.

Director of Information: Rev. Joseph Prunskis, JCD.

Office Manager: Irene D. Blinstrubas.

Trustees: Vytautas Abraitis, Alexander Chaplikas, Antanas Sukauskas, Vytautas Yucius.

Honorary Members of the Board: Stephen Bredes, Jr., Anthony J. Rudis, Rev. Adolfas Stasys.

On this solemn occasion, we salute the dauntless spirit of the Lithuanian people, and we assure the brave Lithuanians that our country continues to support their aspirations for freedom and independence. Once again, we express the fervent hope that one day Lithuanian people will achieve self-determination and determine the course of their own destiny in a freed homeland. I am glad to join with Lithuanian Americans residing in my own 11th Congressional District of Illinois which I am honored to represent, and Americans of Lithuanian descent in Chicago and all over this Nation, who are commemorating this anniversary.

Mr. GAYDOS. Mr. Speaker, will the gentleman yield?

Mr. ANNUNZIO. I am delighted to yield to my distinguished colleague, the gentleman from Pennsylvania [Mr. GAYDOS].

Mr. GAYDOS. I thank the gentleman for yielding.

Mr. Speaker, I want to thank my colleague for taking the time for this special order on such an important subject matter.

In the Pittsburgh area there are substantial numbers of Lithuanians and Lithuanians of Lithuanian descent and those in the corresponding areas of Latvia and the area in that part of Russia, adjacent to Russia, which in unison, all those individuals, have continuously, year after year, brought to the attention of their neighbors and colleagues in the Pittsburgh area, nationally throughout all 50 States, and yes, even the world, that they do have a cause, that they want their homeland to be free. They have contributed so much to this country through their customs, through their hard work and dedication. They number among some of the more dedicated Americans, those who have been nationalized.

I know my good friend from Chicago and that area knows whereof I speak when we talk about the Lithuanians and their influence on our customs, our activities, and the hard work that go to make up our industrial work areas in this country.

I want to conclude by again commending my very good personal friend with whom I work so closely in so many areas for taking the time on this most important subject matter to bring it to the attention of our colleagues and to have a vehicle with which our colleagues can join in this special order in letting their feelings be known formally as a matter of record.

Mr. ANNUNZIO. I thank my distinguished colleague from Pennsylvania for his outstanding contribution.

● Mr. DONNELLY. Mr. Speaker, today the House commemorates Lithuanian Independence Day. I commend my colleague and friend FRANK ANNUNZIO for convening today's special order. Religious and political freedoms are under attack in Lithuania, as they have been continuously since the Soviets illegally occupied that brave nation almost half a century ago. We know also, however, that the will of the Lithuanian people to throw off the bonds that imprison them has not weakened, but instead has grown stronger.

The appeal and the dream of freedom is very much alive in Lithuania and her neighboring Baltic States of Latvia and Estonia. We in Congress have a sacred responsibility to support the noble cause of freedom in the oppressed Baltic States. Today's special order is a clear signal that the longstanding U.S. policy of not recognizing the Soviet claim to the Baltic States is very much an active interest in Congress, and deserves to be frequently reaffirmed.

Someday the people of Lithuania will realize their dream, and their freedom will be restored. They can be assured that we will not rest in our efforts on their behalf until they can take their rightful place in the community of free nations. Their cause is our cause, and we in Congress shall never be silent about the right of the Baltic peoples to live free from Soviet domination.●

● Mr. CARNEY. Mr. Speaker, I am delighted to join in this commemoration of Lithuanian Independence Day. February 16 marked the 67th anniversary of the commemoration of Lithuanian independence, and I believe that it is important that we continue to observe this occasion.

Mr. Speaker, as we know, Lithuania's time of independence ended in 1940 when the Soviet Union illegally invaded and occupied the nation. Yet while the people of Lithuania are subject to Soviet rule, their spirit of independence is still strong. The people of Lithuania would like nothing better than to live in freedom, and we here

express every confidence that they, and the people of Latvia and Estonia, who are their Baltic neighbors, will one day achieve their dream.

This is a difficult time for free-thinking people in Lithuania. We understand that the Soviets are cracking down on the dissidents—the people who dare speak for freedom and human rights. Even the clergy has been subject to attacks by the Communist regime.

Mr. Speaker, we here in the West must continue to support the aspirations of the people of Lithuania, and we must continue to repudiate the attacks on human rights taking place daily in Lithuania, and throughout the Soviet Union. On this 67th anniversary, let us stand in solidarity with our Lithuanian friends, both in the free world and behind the Iron Curtain.●

● Mr. MOAKLEY. Mr. Speaker, I am honored to join with my good friend FRANK ANNUNZIO for today's special order commemorating Lithuanian Independence Day.

As we all know, the Soviet Union continues to forcibly occupy the proud nation of Lithuania. What this means is that the people of Lithuania are not allowed to practice their religion or culture as they see fit. Instead, they are denied the most basic civil and human rights that we, as Americans, cherish so deeply.

Most admirable and encouraging is the fact that despite Soviet attempts to destroy the Lithuanian people—their spirit of freedom, lust for liberty, and sense of national pride remains strong. Such fervent desires and feelings express for us today the emotions and hopes of our Founding Fathers over 200 years ago.

Mr. Speaker, as a nation concerned with human rights, it should be our obligation to monitor the events and occurrences within Lithuania so as to exert pressure on the Soviet Union while revitalizing and supporting those who have the courage to dissent. And it should also be our goal to push for and promote the principles of freedom in those other countries like Lithuania where the desire for them is there—but government repression stands in their way.

The determination and perseverence and the suffering and sacrifice of the Lithuanian people have been great; let it not be in vain.●

● Mr. BROOMFIELD. Mr. Speaker, today, we celebrate the 67th anniversary of the Declaration of Lithuanian Independence. It is vitally important that we pause and think about the significance of commemorating this day. The loss of any country to totalitarianism is a tragic experience and one which all free men should know and never forget. Only by remembering can we profit from the mistakes of the past and promise never to repeat them.

As all of you know, Lithuania, Estonia, and Latvia were once free and independent nations. In 1922, the United States recognized those republics and welcomed them into the international arena. The Baltic Republics were viable nations made up of industrious and independent farmers who cherished their freedom.

In 1940, the Soviet Army marched into the Baltic States, and effectively sealed those small nations off from the prying eyes of western media. They immediately formed puppet regimes. The legislatures, completely dominated by members of the Communist party, petitioned the Supreme Soviet of the U.S.S.R. to incorporate each Baltic Republic into the Soviet Union.

As soon as the Russian troops arrived, and the incorporation was declared, the Soviets began a systematic campaign of violence against the population of these nations. The Soviets needed to wipe out the population of these nations. They also needed to totally eliminate any opposition to the new order. Over 665,000 Lithuanians, Estonians, and Latvians were deported to Siberia. The Kremlin settled large numbers of people of Russian stock in Lithuania and in other Baltic States to strengthen their control of the area. Widespread bloodshed ensued when the Baltic guerrillas took to the forest to establish a network of armed opposition to the illegal occupiers. More people were killed when the front changed and Nazi Germany invaded her old ally, the Soviet Union.

When the Soviets returned the second time in 1944, they were determined to stay and began a brutal plan of collectivizing the countryside. Farmers were forcibly evicted and deported. More troops than ever were brought in to destroy the guerrilla movement. Even so, the partisans continued their struggle until the early 1950's when, isolated by numerous divisions, many in the resistance movement gave up their arms.

In spite of overwhelming oppression, the peoples of the Baltic States are still struggling to maintain their linguistic, ethnic, and religious identities. We cannot abandon these freedom-loving peoples. The Lithuanians, and other ethnic groups along the eastern coast of the Baltic Sea, have already demonstrated their determination for liberty and their willingness to do what is necessary to keep their national characters intact.

We must continue to remind the world that there once were free and independent Baltic States, and should work together to bring about an end to the illegal occupation of Lithuania and other states in the region.

On this anniversary, I am certain that my colleagues in the Congress will join me in saying that those who forget history are doomed to repeat it.●

● Mr. FLORIO. Mr. Speaker, I am pleased to join my colleague, FRANK ANNUNZIO, in his special order commemorating the 67th anniversary of Lithuanian Independence Day. I would also like to call attention to the 67th anniversary of the proclamation of independence by the Republic of Estonia on February 24. On both these days, we will remember the undying spirit of freedom exhibited by the Lithuanian and Estonian people as they declared themselves free and independent in 1918.

Together with the joyous remembrance of these glorious moments in Baltic history must also come the bitter memory of the subjugation of the Baltic people with the advent of the Russian Army in June 1940. Just as this short-lived freedom focused world attention on the spirit of the Baltic people, so their consequent subjugation must also focus our attention to the harsh reality of the repression and persecution of the Baltic people that continues to occur.

We must never forget the violations of human rights that the people of the Baltic States have experienced at the hands of the Soviets. The brutal Russification process in these areas has taken its toll on the population and on the traditions and heritage of the Baltic people. The Soviet conquerors have done all that is in their power to break the resistance of this proud ethnic group by attempting to replace the rich culture and languages of the Baltic States with the foreign Russian language and customs. To this day, Russian is taught as a second language to students in the Baltic elementary schools in an effort to replace the language of their native land and of their forefathers. The repression of human rights has also extended to limitations on religious freedom.

Today, as we remember the declarations of independence of Lithuania and Estonia, we must never forget the illegal incorporation of free and sovereign states by Soviet aggressors that followed. I ask my colleagues to continue to commemorate the spirit that gave birth to the declarations of independence of 1918 and to continue to support the Baltic people in their efforts to realize the dreams of their forefathers and once again breathe the air of freedom.●

● Mr. YATRON. Mr. Speaker, I am honored to join in this effort commemorating Lithuanian Independence Day. I also want to take this opportunity to commend the gentleman from Illinois, Congressman FRANK ANNUNZIO, for his initiative in arranging this special order.

February 16 is indeed an important date in world history. On that day 66

years ago the aspirations of the Lithuanian people were realized in the establishment of a democratic republic. For the next 22 years, this nation enjoyed the bounties of freedom and independence, a representative form of government and some security. Finally unshackled from authoritarian foreign rulers,the Lithuanian society and culture reached new heights.

Unfortunately, in 1940 this flowering democracy came to an abrupt and brutal end. After reaching a pact with Nazi Germany, Soviet troops invaded the Lithuanian capital and established a puppet Communist government. In August 1940, Lithuania was formally incorporated into the U.S.S.R.

However, the vitality and character of the Lithuanian people were not to be denied. The Nazi invasion of Russia provided an opportunity for the Lithuanian nation to rid itself of the Communist government and fight valiantly against the Nazi invaders. For 6 short weeks freedom and independence in Lithuania were restored. As history records this heroic people could not withstand the Nazi onslaught and subsequent Soviet hegemony. To this day, the hopes and dreams of the Lithuanian people remain brutally crushed by the heavy heal of Soviet tyranny.

Since a Communist government was installed in Lithuania in 1944, a strict and intensive policy of Sovietization has been pursued by the Kremlin rulers. The strong cultural heritage of the Lithuanian people remains suppressed. Religious and political expression is severely restricted and any unauthorized activity is dealt with harshly. Mental hospitals, labor camps, beatings, harassment, and other dastardly acts of inhumanity await those who dare to exercise their basic human rights.

Yet, courage, vision, and determination have enabled the Lithuanian people to preserve their cultural identity. Their intense desire for freedom remains as strong as ever and will, undoubtedly, be realized again.

As Chairman of the Subcommittee on Human Rights and International Organizations, I have a deep interest in the plight of the Lithuanian people. The subcommittee will continue to actively investigate Soviet abuses of these people. I am proud that our country has never recognized Soviet incorporation of Lithuania. We must continue to promote respect for human rights throughout the world and to help those who suffer under totalitarianism.●

● Ms. OAKAR. Mr. Speaker, today is a joyous day for the friends of freedom as we celebrate the anniversary of Lithuanian independence. In February 1918, the Lithuanian people, who for centuries had suffered under Russian domination, fulfilled their age-old aspirations for national independence and freedom.

Sadly, Lithuanian independence was viciously suppressed in 1940, when Lithuania and her Baltic neighbors Estonia and Latvia fell victim to the Hitler-Stalin pact. Soviet troops marched into the three countries and imposed a cruel dictatorship that prevails to this very day. This generation of Lithuanians faces the biggest challenge in their country's history. The very survival of the nation is at stake as the Soviet Union implements a policy of Russification whose aim is to deny the Lithuanian people a language of their own, strip them of their cultural and national identity and, in effect, wipe them from the map of Europe.

In spite of the continuing repressions of the Kremlin and the KGB, the Lithuanian people are winning the battle of Russification. The chronicles of the Lithuanian Catholic Church continue to appear, relating the resistance efforts of the brave sons and daughters of Lithuania. Indominable individuals like Victoras Petkus, who has spent the better part of his life behind bars and barbed wire, offer inspiration to free people everywhere. He and others are defending their right to be what they are: Lithuanian. Millions of his countrymen share that spirit.

Those of us living in a free society can contribute to Lithuania's efforts to resist Russification and pave the way for a second declaration of independence. We must continue to speak out, as we are today, for the human rights of individual Lithuanians and the national rights of the whole country. Above all, we must stand firm with our policy of nonrecognition of the Soviet claim to Lithuania and the two other Baltic States. The people of Lithuania declared their national will 67 years ago when they declared their independence. Although their freedom was trampled under Soviet tanks and boots, their will to national independence remains firm. We must never give our direct or tacit approval to the false Soviet claims to Lithuania and the other captive nations. Instead, we must continue to affirm our support for the Lithuanian people in their struggle to win back their independence.

This tribute to Lithuania on the occasion of her Independence Day is our affirmation that the spirit of freedom is eternal. We have not forgotten the day in 1918 when the Lithuanian people spoke with one voice. We salute the heroes of Lithuania, both living and departed, and await with confidence that day when Lithuanian Independence Day will be celebrated in her beautiful capital city, Vilnius.●

● Mr. ROE. Mr. Speaker, I take great pleasure in rising today to join my colleagues in this well deserved salute to the brave Lithuanian people on the occasion of the 67th anniversary of their Independence Day.

Today, as we read of the continuing Russian stronghold on Afghanistan and Poland, we are reminded of the history of the Lithuanian nation.

February 16, 1918, is a day that will always be warmly embraced by Lithuanians and all freedom loving people around the world. For it was on that date that the Lithuanian nation became free of Soviet rule with a formal declaration of independence. That independence was widely recognized by many nations of the free world, including the United States. And, to the surprise of many, the Soviet Union signed a peace treaty with Lithuania, formally acknowledging its right to be a free and independent nation.

The proud people of the new nation soon established a strong economic base through the initiation of a series of wide-ranging, agricultural and industrial programs.

But the dream was short lived. The advent of World War II found Lithuania in the middle of the Russians and the German Army.

Despite strong protests on the part of the Lithuanians, the Russians forced their way onto Lithuanian soil and utilized the new nation as a base for its troops who were preparing attacks against the Germans.

In 1940, the birth of freedom in the fledgling nation of Lithuania was crushed by the savage Russian boot when the Soviets invaded the land. Soon after they set up a rigged election that culminated in Lithuania being illegally incorporated as a part of the Soviet Union.

During that sad period literally thousands of Lithuanians died at the hands of the brutual Russian occupation forces while others were illegally imprisoned or deported.

Despite the fact that the Russians occupied Lithuanian soil, they never conquered the minds of the Lithuanian people. The citizens of Lithuania, strong in their devotion to their religion, language, and traditions resisted attempts by the Russians to force them to accept their language and way of life. That resistance and devotion to their homeland still holds true for the Lithuanian people today.

As a member of the House Ad Hoc Committee on the Baltic States and the Ukraine, I ask all Members of this most august body to join with me in reaffirming the resolution sanctioned by the Lithuanian World Congress in 1958 that Lithuanians "have not accepted and will never accept slavery."●

● Mr. HENRY. Mr. Speaker, on February 16, 1918, the independent Lithuanian nation declared its independence. This was a goal toward which it had been striving while under more than a century of Russian domination.

Once attained, it was a goal which paved the way for remarkable achievement.

For 22 years, Lithuania enjoyed a period of freedom and saw her economy, industry, culture, and national spirit flourish. However, in 1940, Soviet soldiers marched in, forced a coalition government to resign and installed a regime of their own choosing. Today, Lithuania is a colony in a vast Russian empire. Unfortunately, this ruthless takeover is consistent with the Soviet Union's longstanding policy of imperialism and intervention.

Although the leaders of the Soviet Union apparently believe that the world is not aware of their atrocities—Americans are all too aware that the Lithuanian people are being denied their basic, individual rights, that their cultural identity is being suppressed, and that the Communist state has systematically taken over the churches. We also know that those who have been brave enough to speak out over the years, such as Balys Gayauskas, Viktoras Petkus, Antanas Terleckas, Vytautas Skodzius and many, many others, faced harassment, imprisonment, or both.

The Lithuanian people continue to resist the Soviet domination, religious persecution, and cultural genocide being practiced against them. However, it is crucial that we remain vigilant in reaffirming our commitment to press the Soviet Union to implement the United Nations Declaration on Human Rights and the Helsinki accord.

Just as the Soviet leadership has never accepted the right of other nations to chart their own destiny or reject the Soviet totalitarian model—the Lithuanians have never accepted the Soviet oppression and continue their efforts to reclaim control over their own lives. Further, the United States, as the undeniable leader of the free world, has never recognized the Soviet Union's annexation of Lithuania or any of the Baltic States.

Soviet repression in Afghanistan and Poland brings fresh evidence of the moral bankruptcy of the Soviet system. Hopefully, our words today, and the firm American resolve to support the liberty and sovereignty of other nations, will offer encouragement to the Lithuanian people. The strong, unfailing spirit of the Lithuanian people survived Soviet domination and it is important that they know that they are being seen and heard by a nation which remembers and cares.

The United States must continue to support the aspirations of freedom, independence, and national self-determination of the people of Lithuania and others held captive. Until that day, we salute the brave Lithuanian people for reminding us, through their struggle, of how precious and valuable freedom is and how costly its loss.●

● Mr. MORRISON of Connecticut. Mr. Speaker, I am proud to join my colleagues in commemorating February 19, 1985, as Lithuanian Independence Day. Sixty-seven years ago, the courageous Lithuanian people asserted their right to self-determination and declared Lithuania a united and independent republic.

Sadly, in June of 1940, under the Nazi-Soviet alliance of Hitler and Stalin, the Soviet Union demanded a Soviet-installed government in Lithuania and held a single-party election. One month later, the Soviet Union annexed this heroic but vulnerable nation, occupied by German troops until the end of World War II, and then reoccupied by Soviet forces. The United States has never recognized the unlawful occupation of Lithuania and her neighbors, and continues to maintain diplomatic relations with the representatives of the independent Republic of Lithuania.

Uncounted thousands of brave Lithuanians have been killed or imprisoned by the Soviet Union for their struggles to save the rich culture and heritage, the religious freedom, and the political independence of their homeland from foreign oppression. Hundreds of thousands more have been forced to flee their native land because of their unshakable belief in a free Lithuania and the rights of her people.

Lithuanians throughout the world continue to struggle for a new Lithuanian independence and for the reestablishment of the basic human rights of the Lithuanian people. I am honored to join with Lithuanians everywhere in their quest for freedom and in the celebration of Lithuanian Independence Day.●

● Mr. MANTON. Mr. Speaker, I am honored to join with my colleagues today in commemorating the 67th anniversary of the declaration of Lithuanian independence which took place on February 16, 1918. We in the United States are privileged to have a government of our own choosing and design. However, we must never forget that there are people in the world today who are denied such a basic human right.

Mr. Speaker, the people of Lithuania have a history of sovereignty that can be traced back to the 11th century. Yet, for the past 67 years, the sovereignty of the Lithuanian people has been denied. On June 15, 1940, the Soviet Union occupied Lithuania, and after Soviet-controlled elections were held, Lithuania was forcibly incorporated into the Soviet Union.

Since that time, the Lithuanian people have been subjected to a campaign of repression by the Kremlin. Their religious and cultural leaders have been arrested, exiled to Siberia, and even murdered. Most of the Lithuanians are Roman Catholics who have been denied their religious freedom. The Catholic Church of Lithuania has been the target of harassment. The Soviet leaders have closed churches and seminaries and continue to persecute those who attempt to remain active in the church and pass along its teachings to their children. Each of these actions is in violation of the Helsinki accords, which the Soviet Union signed. The members of the Lithuanian Helsinki group, established in 1976 to monitor Soviet compliance with the Helsinki accords, were effectively eliminated by the Soviet authorities.

The United States has never recognized the Soviet state operating in Lithuania. Today, we specially mark the plight of the Lithuanian people, but we must remember them every day, and never relax our efforts until their freedom is restored. The Lithuanian people and their families here, in America, have my support and my prayers that one day Lithuania will again be a free and sovereign nation.●

● Mr. FEIGHAN. Mr Speaker, I rise this afternoon to join my colleagues in commemorating the 67th anniversary of Lithuanian independence. On February 16, 1918, the Lithuanian people established a democratic government, committed to the ideals of freedom, individual rights and social justice. While the people of Lithuania and the other Baltic States have lived under the yoke of Soviet domination for the last 45 years, it is altogether proper for the House to take time to remember the promise of Lithuanian independence.

As a member of the House Foreign Affairs Subcommittee on Human Rights, I am cognizant of the extent of worldwide violations of human rights. In the Soviet Union, South Africa, the Far East, and Latin America, too often we see individuals denied the right to live, work, and worship in a manner consistent with their desires. In Lithuania, the denial is all the more painful because of the freedom which once flourished there. The courageous people of Lithuania, who enjoyed the benefits of liberty for over two decades, continue to keep the flame of freedom burning, and their plea for independence continues to be heard by all those who care deeply about human rights around the world.

February 16, 1918, brought an end to over 100 years of foreign domination for the people of Lithuania. For the next quarter century, they founded free institutions and proudly kindled their rich cultural religious, and literary heritage. Their brief, shining moment was brought to an end with the World War II invasion by the Soviet Army. Even with massive deportations, arrests, and attempts to destroy Lithuania's language, culture,

and religious values, the Soviets have failed to destroy their captor's desire for freedom. Today we honor the people of Lithuania who continue to struggle and refuse to submit. Their determination to endure will surely succeed. No people can be subjugated for eternity, even by such masters of oppression, the Soviets.

Here in America this week we celebrate our legacy of freedom by remembering two of our greatest leaders, Presidents Washington and Lincoln. Their love of liberty and their willingness to devote their greatest efforts for its endurance have brought to us the fullest freedom enjoyed by any people since the beginning of time. Now, in our time, America has a responsibility to continue to serve the cause of human rights and freedom, not only in our own country, but everywhere where the rights of men and women are ignored or abused. Today, we stand not only with the people of Lithuania and the Baltic States, but with all our brothers and sisters across the globe who are persecuted for the beliefs and their thirst for freedom.

On Washington's birthday in 1861, President Lincoln spoke to an assemblage at Independence Hall in Philadelphia. He paid brief and eloquent tribute to the brave Americans who wrote, and fought for and died for, the Declaration of Independence. As we commemorate the brief independence of Lithuania, Lincoln's words still command attention. Our Declaration, he asserted, was a promise not only of liberty and freedom "to the people of this country, but of hope to the world * * * hope that in due time the weights should be lifted from the shoulders of all men, and that all should have an equal chance." Let us continue to extend the promise of hope, to the people of Lithuania and to the people of the world.●

● Mr. ECKART of Ohio. Mr. Speaker, today we are here to honor the proud and resolute people of Lithuania who have never given up their struggle for freedom. In past years, I have spoken to commemorate Lithuanian Independence Day. The Lithuanians are one people who truly deserve to be honored. They refuse to abandon their dream of one day reestablishing Lithuania as an independent country.

The nation of Lithuania obtained its independence 67 years ago. Yet, just over 22 years later, the courageous people of this great country were overrun by the forces of the Soviet Union. Today, it is still the Russians who administer the nation's economy. They are the ones who wrongfully enjoy the fruits of the labor of this determined, hard-working people. The sovietization of Lithuania's economy and the nationalization of its industry have robbed Lithuanians of their rightful heritage and place in history.

February 16 is the anniversary of the Lithuanian Declaration of Independence. This date is significant in that it comes so very close to the birthdays of two of our greatest Presidents, Lincoln and Washington. It serves as a constant reminder to us of the struggles going on today for democracy, freedom of speech and human rights. We, in this country, must remember that freedom is a birthright that cannot be taken for granted.

Lithuanians in this country have demonstrated their willingness to work hard as is evidenced by their positive contributions to our society. These contributions are truly inspirational. They encourage us to continue to support the Lithuanians in keeping their hopes alive.

The Lithuanian's dream of freedom must be sustained. I am confident that someday in the future this dream will be realized.●

● Mr. ADDABBO. Mr. Speaker, I am honored to join my distinguished colleague, FRANK ANNUNZIO, in this special tribute commemorating the 67th anniversary of the reestablishment of the independent State of Lithuania.

It was on the 16th of February, in the year 1918, that the Lithuanian people declared their full independence from over 100 years of Russian and German domination. For two decades Lithuanians were able to exercise their basic human rights. During this brief period of independence, the Lithuanian people proved themselves truly capable of achieving tremendous social and economic strides. Unfortunately, this taste of freedom did not last long. In 1940, the Soviet Union, in total disregard for the rights of a free nation, began its occupation of the once sovereign nation of Lithuania. Since the Soviet Union's illegal annexation of the State of Lithuanian, this fiercely independent country has fought against domination.

This commemoration of Lithuanian Independence Day remains an important symbol for Americans and the world. We must never forget the plight of Lithuania. I am happy to join my colleagues in reaffirming our moral commitment to Lithuania's struggle for liberty.●

● Mr. FRANK. Mr. Speaker, I am pleased to join my colleagues in commemorating Lithuanian Independence Day, and I am grateful to my colleague, Mr. ANNUNZIO, for taking out this special order. We mark this anniversary with a sense of irony, for the brutal truth is that Lithuania is far from independent; she is the victim of Soviet imperialism. The tragic reality is that the Baltic nations which in the aftermath of the First World War realized their dream of self-determination, saw this dream crushed in the aftermath of the Second World War. The Soviet Union, through the naked use of its overwhelming military power, has annexed these tiny nations and sought to destroy the independent identity of these proud peoples. The Soviet oppression of Lithuania, which is an everyday reality for those who live under it, as well as for their brethren in the free world who hold out the hand of solidarity to them, is one of the many blemishes which stain the Soviet Union's record. We commemorate Lithuanian Independence Day to remind the people of Lithuania, as well as ourselves, that we have not forgotten them.●

● Mr. SENSENBRENNER. Mr. Speaker, today we are commemorating the anniversary of the Declaration of Lithuanian Independence. Sixty-seven years ago the Lithuanian people exercised their right of self-determination by declaring their independence from Russia and Germany and setting up a democracy. During this period, Lithuanian culture flourished and the country began to rebuild the damage of World War I. This era ended abruptly when the Soviet Union occupied Lithuania in 1940 and set up a puppet government.

Since then, the Soviet Union has engaged in a systematic campaign aimed at eliminating the Lithuanian language and culture as well as stamping out all political dissent. Thousands of Lithuanians have been killed because of their political beliefs, and many more have had their basic human rights violated. The government and schools require the use of the Russian language, a foreign tongue to Lithuanians. The religious traditions which have historically been an important part of the Lithuanians' lives are denigrated and those who practice religion are persecuted.

In spite of this oppression, the Lithuanian people at home and abroad continue the fight to preserve their culture and regain their independence. They are modern day patriots, continuing the fight for Lithuanian independence begun in the 19th century.●

● Mr. ST GERMAIN. Mr. Speaker, on February 16 we will commemorate the 67th anniversary of the restoration of an independent Lithuanian State and the 734th anniversary of the founding of that State. I would like to take this opportunity to voice my concern for the people of Lithuania who have been oppressed for almost half a century.

We Members of Congress have the distinct honor of speaking for over a million American citizens of Lithuanian heritage. My greatest hope is that our voices will be heard by the Lithuanian people who are the subject of this Soviet repression. The aspirations of these people are synonymous with our own. They strive for the equal rights and the self-determination which were set forth in principle VIII

of the Helsinki Final Act. Let them be assured that we will continue to strengthen efforts to award them the very principles which we have embraced as realities in our own lifetimes.

The Republic of Lithuania has enjoyed only a brief 22 years of independence. Despite its peace treaty and nonaggression pact with the Soviet Union, Lithuania was forcibly incorporated into the Soviet bloc in 1940. We as the U.S. Government, have refused to recognize that incorporation and continue to maintain diplomatic relations with the former free governments of the Baltic States.

The Lithuanian people's struggle for independence continues to be a prime concern of our Government. On February 16, when we honor these people who are fighting to express their religious and cultural freedoms, we will rededicate ourselves to the promotion of these fundamental freedoms, in Lithuania, in the Baltic States, and in the oppressed nations all over the world.●

● Mr. RUDD. Mr. Speaker, I am pleased to participate in today's special order marking the 67th anniversary of Lithuanian independence.

It was on February 16, 1918, that the people of Lithuania formally established a free and independent democratic republic of Lithuania. During the next 20 years, Lithuanian agriculture, industry and the arts all flourished. A constitution was adopted protecting the cherished freedoms of speech, assembly, and religion.

But the bright future for this fledgling Baltic State was painfully cut short when, in 1940, it was illegally and forcibly annexed into the Soviet Union.

Despite the subsequent 45 years of brutal Soviet domination, the proud and brave people of Lithuania have never given up hope that one day they will again be free.

Neither has the United States ever given up hope. We have never, nor will we ever recognize Soviet claim to this land.

We therefore mark this date to remember the proclamation of Lithuanian independence in 1918, as well as to keep the attention of all the world focused on the political injustice, religious persecution, economic and cultural deprivation the people of Lithuania have suffered at the hands of Soviet oppressors.●

● Mr. DINGELL. Mr. Speaker, I am proud to join with my colleagues in this observance of Lithuanian independence Day.

The fate of the Lithuanian nation is a painful reminder that we must be ever vigilant in the defense of freedom. The sufferings and courage of the Lithuanian people is indeed a tribute to mankind's tenacity in the continuing battle for justice and human rights. Despite years of the most brutal Soviet oppression and subjugation, the Lithuanian people have remained steadfast in their commitment to national self determination and individual rights.

On this solemn occasion, let us join with raised voices across the land calling for the liberty of all mankind, and let us give strength to the undying aspirations of the Lithuanian people for freedom and liberty.●

THE FARM CREDIT CRISIS SITUATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. COLEMAN] is recognized for 30 minutes.

Mr. COLEMAN of Missouri. Mr. Speaker, I am taking 60 minutes today of the House in a special order. I am going to be joined by several of my colleagues to highlight and to identify some of the farm credit crisis issues that are facing this Nation.

I do not think it is a statement beyond the facts that there is a farm credit crisis and if that it is not addressed in the next 30 to perhaps 45 days, we could see up to 20 percent of Missouri farmers go out of business or up to 8 to 15 percent of all farmers, nationwide, go out of business this spring.

Certainly the agricultural economy in general is not enjoying the recovery that much of the Nation is coming under. In fact, farmers are faced with high interest rates, declining land values, and low returns on their products to the extent that they are reliving the Great Depression of the 1930's.

Before I risk losing the attention of some of my urban colleagues, let me point out that agriculture and agribusiness represent millions of jobs in this country and industries that are related, in service industries and transportation to agriculture.

□ 1240

Fully 22 percent of our Nation's work force, or 22.7 million individuals, work in agricultural-related industries.

Their future, as well as that of 3 million American farmers, is indeed at stake.

The depressed agricultural economy has obviously caused a great deal of stress on a number of institutions, not the least of which have been agricultural banks and other agricultural lenders. As a result, Mr. Speaker, many banks are not in a position to make new spring agricultural loans for seed and feed this spring.

Last year 79 commercial banks were liquidated nationwide. Of the 43 liquidated in the first half of 1984, only seven were considered agricultural-related banks. However, in the second half of the last year, 23 out of the 36 liquidated banks were agricultural oriented institutions.

Information from the farm credit system itself indicates the degree to which this problem exists. The farm credit system, Mr. Speaker, is the system which we have within the quasi-governmental area. Many of these are made up of farmers themselves who have pooled their resources and have come together under production credit agencies, and they loan money to themselves through various boards and various institutions. In talking with these people in St. Louis last week, in the State of Missouri alone there are almost $380 million worth of PCA loan moneys out there, and a full 3.5 percent are delinquent. This is three and four times more than the usual. And the number of loans lost this last year, as well as the number of loans in the process of liquidation, amount to over $28 million just in the State of Missouri.

We also have the Federal Land Bank which makes most of the loans for farmers who want to purchase their land. In the State of Missouri we have almost $1.3 billion loaned out by the Federal Land Banks. Up to $21 million of this is in the form of foreclosure or losses in 1984.

The Farmers Home Administration is a branch of the USDA, and it is the lender of last resort. That means that farmers who cannot get credit elsewhere are going to the Farmers Home Administration to secure available loans through that resource. Unfortunately, a number of these people have been unable to pay back their loans in the past, and the Farmers Home Administration has taken over the family farm either in the past through foreclosure, but more recently just by the farmer deeding it back simply because he cannot make the cash flow payments and he cannot produce enough off of that land to pay back the Government.

In the State of Missouri alone, we have some 75,000 acres now owned by Uncle Sam, representing over 300 farms, of people who simply were unable to pay back their loans on time and, as a result, tendered back the deed to the Federal Government.

This shows you the degree to which the farm credit crisis is actually being hit and felt by the lenders, the Government lenders as well as the commercial lenders in this country.

Obviously, in this climate the banks are very reluctant to lend more money to farmers. An informal survey made in the Federal Reserve district coming out of Kansas City, which represents some six States, including Missouri and Kansas, shows that up to 15 percent of the farmers in that region will not be able to borrow money to get the loans needed to plant their crops in the next 30 days. The impact of this depressed economy extends throughout the rural areas. While the Midwest

is the first to feel the impact, the domino effect will be felt throughout the Nation.

Farmers cannot pay their bills to the seed and fertilizer dealers, and the seed and fertilizer dealers cannot pay their loans at the bank. This chain continues until we find jobs being eliminated in our urban areas and throughout this Nation.

Mr. Speaker, I have a few charts here that I would like to point out. The first one is the importance to the State of Missouri of agribusiness and agriculture from the growth State product. It is the accumulation of all goods and services produced in my State in 1984. We can see by this chart that agribusiness is second only to the total manufacturing, representing some $17 billion of product last year in our State, more than almost twice as much of all of the financial insurance and real estate transactions that added up in the State of Missouri last year. That shows a significant impact on a statewide basis. Missouri is a fairly heavily industrialized State in Kansas City and St. Louis.

The next chart shows the Kansas City metropolitan region, the industrial output again, agribusiness being No. 1 of all classifications in 1984, with over $5 billion contributing to Kansas City's well-being through agribusiness. We can see that manufacturing and other services are lower, as well as government, retail, and wholesale coming down the chart in 1982.

In the city of St. Louis and the county of St. Louis we have more than the national average of people who seek their employment through the agribusiness community. A full 23.4 percent, or over 238,000 workers in the St. Louis area, for example, receive their livelihood through agribusiness or agriculture, and, nationally, as I said earlier, a full 22 percent of the Nation.

Farmers are not asking for a bailout. Many were advised by the Government back in the 1970's to expand, when credit was easily obtained and the export picture looked very promising. Our farmers were told that they could produce enough to feed the entire world, and they went out and did that. We see the total land use for crops expanded by 54 million acres from 1969 through 1981. Now many farmers are left holding the bag.

Mr. Speaker, I was touched by a recent letter that I received from a constituent. I would like to share it with you this afternoon. She writes:

> I write you asking, pleading in panic and despair. There must be a way to keep our friends, our neighbors, and family from disappearing into the unknown places. How will we feed the future starving Ethiopians, or whoever, if thousands of farmers themselves are on food stamps or free commodities. I don't mind biting the bullet in periods of hard times, but I sure hate to think that we might be forced to eat those bullets because there is nothing else to eat. While millions and billions of our tax money is sent out of the country to assist those in need, we are left to starve, lose everything we have worked so hard and long for. And, to me, that's a betrayal of your own and a going over to what often becomes an enemy.

She writes:

> Sincerely, a farm wife sitting in the midst of what is fast becoming the desolate area of abandoned farms.

Mr. Speaker, unfortunately I think this is an accurate reflection of what is happening in rural America. A survey was recently conducted by the University of Missouri to find out just how serious the farm credit crisis really is. Of farm operators surveyed who are under 40 years of age, almost 13 percent anticipated that they would not be in farming next year. It was also estimated that at least 20 percent of today's farmers will lose their land over the next 3 years.

Now, Missouri has 112,000 farms, and what will happen if almost 22,400 of these farms fall during the next 3 years?

We know that the farm family is traditionally a very close-knit unit. As farmers face foreclosure or bankruptcy, his entire family suffers. Reports of domestic violence associated with stress are certainly on the rise. We have received reports that some Farmers Home Administration county officials have been threatened and feel it is necessary to arm themselves. A sociologist at the University of Missouri found suicide rates among those in agriculture 30 to 40 percent above the nonfarm rate.

Our farmers need assistance immediately to help make this transition period for agriculture less painful. They need to know whether or not they are going to have the ability to borrow money this spring in order to get their money to buy their seed and their fertilizer and their herbicides and their pesticides, to have confidence that they will be able to make enough income in fact to be able to put food on their own tables.

So, Mr. Speaker, let me outline briefly some of the solutions to this problem. First of all, I welcome the President's initiatives, back in September, when he recognized that the farm credit crunch was in fact coming on very strongly. At that point in time he stated his policy to be and has been the policy that the Federal Government would guarantee certain loans made through the private lending institutions if those private lending institutions would reduce down the principal by 10 percent in exchange for 90-percent Government guarantee. The President also addressed those people who I said earlier received Farmers Home Administration loans, and those people who can show a positive cashflow can put up to one-fourth of those loans on the shelf up to 5 years with no interest running to be able to get them over this very difficult time.

The President just a week and a half ago amended his proposal in order to allow banks and commercial lenders to reduce down not just principal but also interest rates to farmers in order for more lenders to participate and therefore to help more farmers. I welcome the President's response. But unfortunately we are talking about past debt. The immediate crisis is on us now. Farmers need to know, the 20 percent in the State of Missouri, if and where they can receive their loans this spring, and that is what I am addressing in legislation which I offered last year and introduced here in the House.

□ 1250

Basically, it does three things: First of all, it provides a 75-percent Federal loan guarantee through commercial lenders for operating loans this spring. The positive feature about this is that we do not have to set up any rules and regulations; we do not have to go through the Farmers Home Administration offices that are overburdened in the first place. Also, the moneys could be sent out immediately under the loan guarantee authority as soon as the President signs the legislation.

If we do not do something within the next 30 days it is going to be a moot point, so we have to expedite whatever we do on a very fast track. The second thing my bill does is to provide some relief to those farmers who have experienced natural disasters in 3 out of the last 5 years. Believe it or not, there are people in our area who have sustained more than 3 out of 5 years. Those people who qualify in showing that they have sustained those significant losses, would be allowed to receive a 3-percent subsidized loan writedown by the Federal Government through the Farmers Home Administration. In other words, today the usual rate is 10.25 percent for operating loans; we would bring it down to 7.25 percent.

Finally, we are asking and we are addressing through legislation that the Farmers Home Administration have the personnel in place to assist farmers and to see whether or not they qualify under the President's initiative, and to see if they qualify under the Disaster Program and the loans that we see are piling up in all the county offices throughout this Nation.

The latest figures from the State of Missouri show that over 90 percent of the applications for disaster loans are still pending. Farmers do not know if they are going to be approved or disapproved. We have over 5,000 applications for people who want to be considered under the President's initiative that have simply piled up on the desks of hard-working local officials who

simply cannot turn out enough of the approvals or even disapprovals in time for farmers to know where they stand this spring.

I indeed welcome the assistance that the administration came forward with last week in sending out 1,000 or more part-time employees to the various county offices of Farmers Home to expedite these loan application procedures.

Mr. Speaker, I am joined in this special order today by a number of distinguished Members who represent rural areas in this region, and I look forward to their contribution. I hope that I have set the tone and set the scene for those people who are not that familiar with the crisis facing rural America.

I yield to the gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. I thank the gentleman for yielding to me.

Mr. Speaker, I first want to thank the gentleman very much for holding this special order and to associate myself with his very cogent remarks. "Evidence is mounting that fear and despair are spreading among hundreds of thousands of farmers who are looking at losses of millions of acres—farms either already lost or likely to fall into the hands of creditors soon." These words from the New York Times on February 10, point to the growing awareness of a problem that has been developing for a decade and which has now reached the crisis level in rural areas throughout the country.

Farm debt in the United States now exceeds $200 billion. New figures from a joint study by the Food and Agricultural Policy Research Institute and the Farm Journal indicate that one-third of all farmers in the United States have debt to asset ratios greater than 40 percent. In Nebraska the percentage is even higher.

Most startling of all is that in the Central United States the average farmer under 35 years old is leveraged at 63 percent. The figure is nearly the same—61 percent—for the 35-44 age group. What this means in human terms is that the average farmer less than 45 years old in the heart of America is headed for insolvency, economic ruin and probable foreclosure.

Many of my farm State colleagues and I have been warning of an impending disaster in the agricultural sector for nearly a year, but never have we seen such ominous statistics as these. The situation has deteriorated rapidly and if left unchecked will continue to escalate.

The hardest hit States have been primarily in the Midwest, such as my home State of Nebraska. According to the Economic Research Service, Nebraska farmers and ranchers are more heavily leveraged than those in any other State. The credit crisis that first became apparent in Nebraska, Iowa, your home State of Missouri, Congressman COLEMAN, has now spread across the country. The average farmer under 35 in the Eastern United States has a debt to asset ratio of 54 percent—a level considered by many agricultual economists as nonsurvivable.

Export embargoes, unstable fiscal and monetary policies, and an overvalued dollar have dealt repeated and brutal blows to agriculture. The strong dollar has been particularly burdensome, especially considering, for example, that nearly two of each three bushels of wheat produced by American farmers must find an overseas market.

At risk is not only the traditional family—even in its modern and more efficient form—but the economic health of entire States, regions and ultimately the country. Although farmers are relatively few in number, 22 million workers in the United States are employed directly or indirectly by the food sector. Farm assets are equal to about 70 percent of the capital assets of all manufacturing corporations in the United States.

The huge nationwide Farm Credit System will lose an estimated $364 million this year—the most losses ever. Farm Credit Administrator Governor Wilkensen describes the situation as critical in the $80 billion farm credit system and reports that the private-sector Farm Credit System has over $2 billion of nonperforming assets. In some areas, such as the four-State Omaha Farm Credit District, the delinquency rate on Production Credit Association loans is as high as 20 to 25 percent.

The American Bankers Association, the Independent Bankers Assocation, and the Farm Credit Administration have joined with farm and ranch groups of all philosophies in calling for immediate Federal action to deal with the situation.

As Agriculture Secretary Block stated on February 12 to the U.S. News and World Report, "There's no way a farmer can make money paying 15 percent interest." Unfortunately, the administration's budget proposals will not lower the deficit or interest rates fast enough to prevent an economic disaster in the farm sector. The average interest rate on production loans in the Midwest is around 14 percent, with many paying even higher rates to compensate for bank losses on their neighbor's loans.

"The time for effective action is slipping away," according to Independent Bankers Association President Jack King. Farm banks make up 30 percent of all U.S. banks and many are facing the fate of their customers. Once again this points to the fact that the farm problem is a national problem and one that cannot be ignored.

The American Bankers Association, in their midyear survey, found that 61 percent of commercial bank's farm borrowers have debt to asset ratios greater than 40 percent. Mind you, 61 percent have debt to asset ratios rated at 40 percent. Of these borrowers, half have debt to asset ratios greater than 60 percent. Credit conditions have deteriorated significantly since this survey was taken. The American Bankers Association Agricultural Credit Survey finds that most banks expect a further deterioration of their farm borrowers net earnings and their farm-loan portfolio in 1985.

Of the 10 production credit associations in Nebraska, two have failed and are undergoing liquidation. No PCA in the State had ever failed prior to this year.

Recent production credit association losses exceeded all the losses in their 50-year history. The Farm Credit System is experiencing severe losses again this year, and the entire mutibillion dollar system will be endangered should land values continue their current slide.

The statistics tell a sad story. Loan foreclosures on Federal Land Bank of Omaha loans went from 195 in all of 1983, to 618 in 1984 through October. PCA foreclosures went from 76 to 141 in the same period.

Loan delinquencies on Federal Land Bank of Omaha loans climbed from 1,638 in 1983 to 2,137 in the first 10 months of 1984. Federal Intermediate Credit Bank of Omaha [PCA] deliquencies jumped from 1,457 in 1983 to 3,176 through October 1984.

Reports come in to my office daily concerning the shortage of staff at FmHA county offices and the lengthy delays in loan applications. Right now efforts are being made both administratively and legislatively to improve this situation. Thousands of farmers and ranchers are finding commercial lenders unwilling to continue their line of credit. The Farmers Home Administration, designated as the "lender of last resort," is intended to aid these people, but has been unable to do so because of a shortage of staff, loan funds, and guarantee authority.

Numerous proposals to deal with the farm crisis are now before both the House and Senate, and with time running out rapidly before spring planting we must move forward to stabilize the situation as quickly as possible. These next few days and weeks are a critical time as many loan payments come due on March 1. The spector of more farm auctions haunts the countryside and the prospect of unplanted fields is very real. I will be working in the Appropriations Committee for meaningful action on this issue and urge my colleagues to push forward with all due speed to address this urgent problem.

□ 1300

Mr. COLEMAN of Missouri. I thank the gentlewoman for her contribution. Of course, she knows that we look to her for her leadership on the Committee on Appropriations, because we can authorize all sorts of things around here, but unless she gets the money, then some of these well placed programs are not going to be any good. So we always look to her for that sort of guidance.

Mrs. SMITH of Nebraska. I will be there, TOM. You can count on it.

Mr. COLEMAN of Missouri. I thank the gentlewoman for her contribution.

Mr. Speaker, let me just say two things about some of the things that she mentioned.

One was the fact that the strong dollar has made us almost noncompetitive overseas. That is absolutely true. Last year soybeans were selling on the cash market in Chicago for $6.22. Because of the value of the dollar being what it was overseas, if you were in England and tried to buy that $6.22 bushel of beans, it would have cost you over $8; if you were in France buying that same bushel of beans it was $6.80-some, and if you were in Mexico City interested in buying Missouri soybeans, you had to pay $49, the equivalent in Mexican pesos, for that bushel of beans. I have not checked the figures, but I do not think we sold too many bushels of beans at $49 to the Mexican Government this last year at that rate.

That is how the value of the dollar has impacted negatively on the farm community.

The other thing that I think is so important that the gentlewoman mentioned is the unfortunate lack of planning by the personnel out in our Farmers Home offices throughout this Nation. I make a comparable comparison to the tax season. Everybody knows that H&R Block, if they are going to have people come into their offices between January and April when taxes are filed, every year they have people trained, prepared, ready and they are there, and then they go to their normal business, or as housewives, or whatever. They are not there all year around.

I do not know why the Farmers Home Administration could not have done that too: Have their people trained, ready to go, and in place. It should be no secret that farmers borrow in the spring and they should have anticipated, with the number of counties declared disaster areas in your State and mine, that our farmers would be walking through those front doors asking for an application for disaster assistance and wanting to know whether or not they are going to be approved, and certainly after the President came forward in September, offering his proposal and policy, that they would have anticipated the over 6,000 people who applied in the State of Missouri, and I am sure comparable numbers throughout the Midwest, that this program is going to be utilized and looked at by farmers. Yet the people have not been there, as you say, and we need to get these people out there as soon as possible and with all due speed.

So I am critical not of the people who are working back in our county offices. I think they are doing a tremendous job, they are working overtime and they are really getting burned out. I really felt the people here in Washington should have planned the personnel along the line in a much better fashion.

I thank the gentlewoman for her contribution.

Mr. Speaker, I would now like to yield to the gentleman from Kansas [Mr. ROBERTS] who represents the big First District in Kansas, a No. 1 producing district in the entire State of Kansas, but also probably in the entire United States.

Mr. ROBERTS. I thank the gentleman for yielding.

Mr. Speaker, I want to commend the gentleman from Missouri for calling this special order on the farm credit crisis. I want to thank him for his leadership in this regard, and I also want to thank the gentlewoman from Nebraska, who is a good friend and colleague.

Mr. Speaker, in recent weeks we have seen numerous editorials, more especially in the big city press, and policy statements by our Budget Director, David Stockman, saying that the budget deficit is so severe and that farmers, because of greed or stupidity, made their own credit bed, and they go on to say that it is not the role of the Federal Government to bail out bad management and reward those folks who did not practice sound debt management.

To those folks, I reply that many of the current problems in agriculture have been prompted by that same Federal Government. It was stated Government policy just 10 years ago that told the farmer that he should gear up and produce food for a very troubled and very hungry world. It was Government policy that 5 years later then hit the farmer over the head with the grain embargo that destroyed the credibility of the United States as a reliable supplier of grain, and continued trade sanctions by this administration that kept the embargo on.

Add to these problems all the talk about this market-oriented farm program which most farmers agree with in principle, the uncertainty that is created by the writing of the 1985 farm bill, and the proposed budget cuts for fiscal year 1986, and we have a credit crisis created in part by a crisis in faith. The farmer is an eternal optimist. He would never put the seed in the ground if he were not optimistic. But the low commodity prices and the falling land values have destroyed that optimism, and the USDA, by its own projection, says that if their market-oriented program is adopted, there will be an improvement in price. But what improvement? We are talking about $2.50 wheat and $2 corn, and that improvement will take place not in 2 years, maybe 3, maybe 4.

As we colleagues know, I do not think the farmer in Missouri or the farmer in Nebraska or Iowa or in Kansas who has suffered through the last 5 years, with their prices that have been below the cost of production, to wait for that kind of an improvement in price is a purgatory without end. To the lender who is financing the farmer, he knows that probably 30 to 40 percent of his borrowers cannot wait this same time period for the so-called improvement in commodity prices.

This crisis in faith in farm country needs to be addressed, and it needs to be addressed right now. If we wait for legislation to pass both Houses and be signed into law, it will be too late.

So I am urging the administration to address the problem immediately by offering our producers and lenders advance CCC price support loan guarantees to the producers of the 1985 crops. These guarantees, equal in value to the estimated production of the farmer, would shore up the credit system and enable the farmer to get back in the fields and to do their spring planting. This could be done, I add again, without legislation.

I submit that without some cool thinking and some quick action on our part, the dominoes in the farm credit system will be falling, and we have already seen some fall. Make no mistake about it: The shock waves will not be limited only to farm country; they will be felt on both coasts and beyond, all the way through our business and financial communities.

Even a quick glance at the statistics, as the gentleman has pointed out from the State of Missouri, and my colleague has pointed out, clearly show that. In my own State of Kansas, we have 628 banks that hold 34 percent of the Kansas farm debt. Those banks have assets of $1.8 billion. By anyone's measure, a producer leveraged at 70 percent debt to assets is in deep trouble.

Yet, and I would urge my colleagues to listen very carefully to this, the producers in that crisis category hold 25 percent of the Kansas banks' farm debt. That debt amounts to $670 million, a third of the banks' assets. That is the domino I am talking about.

Mr. Speaker, that is big trouble. It is spread up and down the line throughout the farm credit system to the

point that many are saying the entire system's stability is in danger. I think we have a clear precedent for action in the cast of the Continental Bank in Illinois where intervention was needed to prevent serious damage to the Nation's financial system. I think such action is necessary in our farm situation only if we fail to take quick action to prevent the rapidly rolling snowball from becoming a real avalanche.

I would like to ask my colleague to speak to this particular issue as well. We hear an awful lot about the cost of the farm program and how we have rolled up billions and billions of dollars in terms of expenses. May I point out, and I know the gentleman, as I do, goes out to his district and has numerous meetings with farmers, and I do not know of any farmer in my district who has asked for this kind of a hodge-podge farm program. I do not know of any farmer in my district who wants these kinds of outlays straight from the Treasury. All he wanted was a price, and the price that we are paying today, and I would urge attention to this by my urban colleagues, is the price of using agriculture, if you will, for foreign policy purposes and defense purposes, for cheap food, inexpensive food, in this town.

Those are the costs that should be tied directly to the cost of the farm program. They are defense costs, foreign policy costs, and others. The farmer does not want this cost, does not want this kind of thing. He would buy the free-market philosophy if we could get there from here, but how to get there from here is the question. It has to be an orderly transition.

Mr. SLATTERY. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN of Missouri. I would be happy to yield to the gentleman from the Second District of Kansas.

Mr. SLATTERY. I thank the gentleman for yielding.

Mr. Speaker, I am oftentimes asked, even when I am visiting urban constituents in my district, and certainly when I am visiting with our colleagues who represent urban areas in this body, what it is that we should do for agriculture.

□ 1310

I guess my initial response is that the first and most important thing that we can do at the Federal level for agriculture is to quit doing it to agriculture. I think that message has to be clearly communicated to people all over this country, that in fact over the last few years we have really done it to agriculture with huge deficits causing high interest rates and the overvalued dollar which has destroyed their export markets in many cases. That is what has to be done; we have to correct this policy that is in effect hammering rural America.

If we had not pursued these policies over the last few years, we would not be in the situation where agriculture has to come to the Federal Government for some kind of immediate assistance. But the long-term solution certainly has to be dealt with in the macroeconomic realm of getting the deficit down as a first step toward the reduction of interest rates and the valuation of the dollar.

So, Mr. Speaker, I thank my colleague for yielding, and I appreciate the efforts of both gentlemen in this regard.

Mr. COLEMAN of Missouri. Mr. Speaker, the gentleman mentioned the fact that American agriculture has paid the price for many other things in the country. Let me remind the gentleman that American agriculture has paid the price for monetary policy from the Federal Reserve which certainly has helped the economy in the sense of keeping down inflation, but we have paid for it more than any other sector of this economy because of the high capital costs of American agriculture. That tight-money policy is maybe too tight, some of us have felt in the past, and it has really now been brought home to roost, if you will, this spring when farmers are having to face these dire prospects, and I would hope that, through some availability of credit out here, we can try to solve the problem—not to dig the credit hole deeper, as the gentleman is fond of saying, because that is not going to solve anybody's problem. It is going to be an act of survivorship in the next 30 days. That is what the gentleman is pointing out.

But we need to have a program that is going to work. As I said, the farmers do not want a bailout, but it is not going to help to have us go and talk about a free-market-oriented system when there is no free market. Once you leave the shores of this Nation, there is no free market with the Europeans, with their subsidies, and there is no free market with the strong dollar overseas.

David Stockman, our former colleague here, says farmers have brought this on themselves. But no farmers in my district asked for droughts, they did not ask for floods and droughts last year and in the same year, they did not ask for the high dollar, and they did not ask for the big deficits that we have all passed.

I think we have got to call it like it is. The farmers have been buffeted by forces beyond their control. That is why they are frustrated, that is why they are committing suicide, that is why they are having all these terrible events out in rural America. The gentleman is right. It is not going to stop in Dodge City; it is going to go across that prairie from coast to coast.

Mr. ROBERTS. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN of Missouri. Surely, I yield to the gentleman from Kansas.

Mr. ROBERTS. Mr. Speaker, the essential point is exactly what the gentleman says, and more to the point of what my colleague, the gentleman from Kansas, has pointed out, at these farm meetings over and over again farmers are in agreement with David Stockman; we want a spending freeze; we want to get there from here.

Where is it written in stone that the Federal Government cannot exist on the same level of expenditures for 2 years in a row? They ask time and time again, "Why can't we have a spending freeze?"

Maybe he is doing us a favor by holding our collective feet to the fire so we can have that spending freeze and get there from here. We have taken some cuts. We froze the target price last year. No other entitlement program—and I do not even like to give it that kind of a label—no other program has had that kind of a freeze.

So the farmer wants to get that budget deficit down, and he will go with a spending freeze if we can get there from here in this body.

Mr. Speaker, I thank the gentleman for his leadership.

Mr. COLEMAN of Missouri. Mr. Speaker, I thank the gentleman for his comments and for his wisdom through the years of being on the Agriculture Committee and being so involved with the farm issues. We certainly look for guidance from the gentleman from Kansas.

Mr. DORGAN of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. Mr. Speaker, I thank the gentleman for yielding.

In line with what you were talking about, grain embargoes of the type imposed by Jimmy Carter, Gerald Ford, and others, certainly they interrupt the free market. At farm forums that I held, people pointed out that it is not just grain embargoes but, for example, when our Government decides it is in our best interests as a country to limit textile imports from China, and that certainly is interfering with the normal marketplace and would invite retaliation by China with respect to the purchase of U.S. wheat. The people out there know that all these things by Republican and Democratic administrations have a tendency to interfere with the free marketplace.

So when we talk about the free marketplace and then do things continually to interfere, for good reasons or at least for reasons they think are good, it leaves the farmer with the chant of "free market" but no free market to operate in.

Mr. COLEMAN of Missouri. Mr. Speaker, the gentleman is correct when he points that out, and, as I said before, there is no free market when he gets out there and competes with the French. The French farmer is not any more efficient than the North Dakota farmer, but he is able to outsell him in many cases because of the hidden subsidies and the direct subsidies available to the EC. It is that unfair competition we are fighting.

Mr. Speaker, I would like to yield to the gentleman from Nebraska [Mr. BEREUTER]. The gentleman from Nebraska, while not on the Agriculture Committee, is on the Foreign Affairs Committee, and he knows a lot of what we have talked about in the context of global strategy and international relations that impact upon the American farmer. He represents a number of farmers, and he certainly has been quite involved with those of us who have been trying to generate constructive proposals dealing with the farm crisis. I yield to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I thank the gentleman from Missouri for yielding and for taking the time for this special order on the problems of agriculture, particularly the immediate agriculture credit restructuring problems that plague many of our constituents in rural States.

My colleagues from Nebraska, Kansas, and North Dakota have all spoken in some degree about the level of difficulties that we now face in the Great Plains and Western Corn Belt States, but also in other States that have important agricultural sectors. Those comments about the serious difficulties that are faced cannot be overstated.

In the States of Iowa and Nebraska, for example, in the last year we have seen the failures of 15 banks—all agricultural banks. Those are in addition to State-chartered industrial banks that failed in my own State. We have had a failure of 11 PCA's, 7 across the country, 7 in the last 3 months, and indeed our $80 billion farm credit system faces great difficulties—difficulties that we must be careful not to accentuate.

We need to look very carefully at the current problems in agriculture as a two-track system. First, of course, will relate to the passage of a new 4-year farm bill.

I think it is important to the consideration of that farm bill to determine how the transition will occur. What is the number of years to move from our current condition to a market-oriented agriculture, and what are the very specific steps that must be taken commodity by commodity?

Second, there is the recognition that we do not operate in a free-market-oriented world. Therefore, the export plank and the type of agricultural export assistance available to American agriculture are really critical in making a transition. We are often accused of having agricultural export subsidies. We do, and we do it forthrightly, but the European Economic Community points to the level of subsidy they think we have. An important point to bear in mind, however, is that generally our subsidies are aimed at reducing production while the Europeans use their subsidies to promote exports. So the first beneficiary of our agricultural subsidies to reduce production and to manage supply is not the American taxpayer, not the American farmer, but the French wheat farmer who benefits from an improved market condition, and then along comes his government and subsidizes the export of French grain against American producers.

For the first time in the history of the United States, Western Europe last year raised more wheat than we did. The level of hatches each year in the poultry industry in Europe for each month is highest ever. The level of sugar produced by sugar beets in Europe is at an all-time high. With the value of the dollar being as high as it is, obviously they do not have to use the level of export subsidy to compete against us that they once did.

So the value of the dollar, the increased competition from Western European countries, the worldwide recession that has hurt our export potential in so many Third World countries, and five embargo actions by Presidents of both parties against the American farmer and agribusiness in the last 11 to 12 years certainly have taken their toll.

Yet, despite all this, in 1984 we still had our fourth best export year ever in terms of agricultural exports. We have the potential and productive capacity in this country if we will simply unhinge it.

That is the farm bill. But I think our immediate attention really ought to be directed to the next 4 to 8 weeks when the debt restructuring for American agriculture must be conducted. If it is not conducted, we are talking about a level of devastation in the Great Plains and the Midwest that would make Michigan in 1982 and 1983 look like a picnic. Every kind of institution that we have ever worked to build over 100 to 150 years in our part of the country is in deep jeopardy unless some action is taken to provide debt restructuring for creditworthy farmers and ranchers.

Frankly, I tell my colleagues that despite the fact that the administration's proposal for debt restructuring has taken a step forward from its earlier September initiative by interest buy-down as opposed to principal buydown, it will not work as presently conceived.

□ 1320

It will not work despite the fact that we are gathering in resources to work in our agricultural agencies across the country, especially the Farmers Home Administration, because these agencies are inundated with work. There is no way that they can cope with the kind of debt restructuring decisions that must be taken in the next 4 to 8 weeks.

Bear in mind, my colleagues who perhaps are not directly familiar with agricultural credit, that the Farmers Home Administration credit programs, as important as they are, and the farm credit agencies, the land banks, the PCA's, the cooperative credit associations, still are a minority of the types of financial assistance available and used by American farmers and ranchers. We still must deal with the commercial banking sector.

Last week the Agricultural Banking Division of the American Banking Association put forth its proposal that adapts the current administration program. I have adapted it slightly and will introduce it today or tomorrow as legislation, but very frankly, legislation is not needed. Most of the changes that are being advocated by the agricultural banking division and by this Member of Congress could be initiated administratively.

The most important point is that we must bypass the overloaded Farmers Home Administration system and go directly to agricultural banks with an approved lender arrangement. Approved lender status would be granted automatically to agricultural banks with 25 percent or more of their loan portfolios in agriculturally related loans and other banks upon a 15-day maximum application period. The Federal loan guarantee would be for 90 percent of the agricultural loan. Acceptable cash flow requirements would be dropped from 110 percent to 100 percent of the amount necessary to pay current year operating expenses and reschedule a portion of previous years debts. Banking institutions with approved lender status could go ahead with the approval of loan guarantees not only to restructure existing debt, but also for spring planting and for livestock purchases this year in the next 4 to 6 weeks.

Then over a 5-year period, subject to annual review by both the Farmers Home Administration and by the lending institution, assistance and debt relief can be given to help move this farm and ranch family back to a position where they can demonstrate more than 100-percent cash-flow that is profitable agriculture. That would help us make the transition.

I think also it is important in looking at the debt restructuring problem that we do nothing to complicate the difficult situation our PCA's and land

banks now find themselves in. One only has to look at what happened in the Spokane area to know that we must be quite careful about encouraging sound operators to leave those systems and to go to commercial entities.

Now, with an interest buydown program and a 90-percent guarantee, limited to existing bank customers and to customers from failed banks, I think we avoid that particular problem.

I would like to have included in the RECORD at this point a summary of key provisions of my bill:

AGRICULTURAL LOAN GUARANTEE AND DEBT RESTRUCTURING ACT

I. Title one would modify the USDA's Debt Adjustment Program to include the following provisions:

A. The Lender agrees to reduce the interest rate on agricultural loans (existing indebtedness and current operating expenses) from the market level to a rate no greater than the corresponding rate for similar categories of Farmers Home Administration direct loans.

B. Federal loan guarantees of 90% of the principal be provided for qualifying loans.

C. If the borrower can achieve an acceptable cash flow situation with this interest rate write-down, lender agrees to enter into an agreement with the borrower to provide credit for five years provided customer remains financially viable.

D. Existing obligations and operating credit for the next year would be combined under one rate with the terms of amortization tailored by the borrower and lender in each individual situation.

E. Acceptable cash flow means 100% of the amount necessary to pay current year's operating expenses, schedule debt repayment, and reasonable family living expenses. During the guarantee period, borrower must adhere to a closely monitored, austere, operating program that foregoes all but the most necessary capital expenditures.

F. Participating loans would be reviewed annually by the lender and the Farmers Home Administration. If borrower can regain a position of unassisted profitability during this five year period, lender would have the option of discontinuing guarantee and the interest rate write-down. If borrower is determined not to be financially viable under the terms of the loan agreement, FmHA and lender may discontinue providing credit and take appropriate action.

G. FmHA would utilize the "approved lender" process for determining eligibility and loan approval.

H. Application by lending institutions in which 25% of their loan portfolio consists of agricultural loans or loans to agriculturally related businesses would automatically be eligible for approved lender status with the FmHA. Applications by other lending institutions for approved lender status would have to be decided by the FmHA within 15 days.

I. The Secretary of Agriculture would direct the FmHA to make available additional field personnel, equipment and other necessary resources to assist in the timely processing of existing and additional loan activities.

J. Liquidation procedures for the guaranteed loans would be modified to parallel those offered under SBA guarantee loan programs, so as to address the common concern by the lending institutions that guarantees are uncollectable.

K. Priority consideration shall be given by the Farmers Home Administration to operators who have lost their line of credit from either a commercial or Farm Credit System lender due to the failure, closing or liquidation of that institution, and who have been unable to arrange new lines of credit from other private lenders.

Where such borrower is unable to arrange a loan guarantee through another lending institution that is a FmHA approved lender, then the FmHA shall give priority to reviewing the financial condition of such borrower. If such borrower is determined to be economically viable by the FmHA, then the FmHA shall offer credit assistance, including the direct guarantee of a combined loan as set forth in the terms of this legislation. The source of capital for such loan shall come from a pool of capital created and funded by state, local and/or private sources for the purpose of assisting the borrowers of failed, closed or liquidated lending institutions.

L. Loan guarantee authority for such program will be increased from the current $630 Million to $3 Billion.

M. Authority for such loan guarantee authority shall expire at the end of fiscal year 1993.

N. All other provisions of the USDA Debt Adjustment Program as announced in September, 1984 and modified in February, 1985 where not in conflict or contrary to these provisions will be incorporated into this legislation.

O. The provisions of this legislation will be available within 15 days of the enactment of this legislation.

II. Title Two would permit all businesses adversely impacted by the 1983 Payment-in-Kind (PIK) program to apply for SBA nonphysical disaster assistance by eliminating the county eligibility prerequisites of the loan program.

Mr. Speaker, there are many more things that can be said. I think that we will be sytematically trying to communicate with our colleagues in this body and the other body about the difficulties we face because we have a critical 4 to 6 weeks ahead of us.

I thank the gentleman for giving me an opportunity to express my views and ideas on this subject of such critical importance to my constituents.

Mr. COLEMAN of Missouri. Could I inquire of the gentleman on his proposal, he said a 90-percent Government guarantee and interest reduction. Who pays the interest reduction? Is that absorbed by the local lender?

Mr. BEREUTER. Yes. The proposal of the Banking Agricultural Banking Division, of the American Banking Association, and the one I accept, is to take their interest rate down to a comparable FHA rate. We are talking about a two and a half or a two and a quarter reduction.

Now, this is their position, so it is an acceptable position to the agricultural banks across the country. That is our best indicator. Obviously, some of us and some of them would like to do better, but I think we need to find something that is politically acceptable, and they tell us this one is.

In contrast to their formal position last September when they warned through their official body, not through the people that were solicited on a quick basis, they told us officially that the principal buydown program simply would not work.

We have added, of course, the further complication of IRS stepping in and hurting farmers in the process by their tax policies related to principle reduction.

Mr. COLEMAN of Missouri. I thank the gentleman and as he says, regardless of all the speeches we might make here on the floor of the House and all the hand wringing that might go on, it is going to be a moot point if something is not done in the next 4 weeks, either through administration discretion and the authority they presently have, as the gentleman has pointed out in the past, but by us expediting the bill through our committee system here and sent to the President within less than 2 weeks.

Mr. BEREUTER. Will the gentleman yield for just one more quick point?

Mr. COLEMAN of Missouri. Certainly.

Mr. BEREUTER. The gentleman reminded me of a point I wanted to make, and that is that the farm bill as presented by the administration will certainly be a very dead issue unless action is taken on debt restructuring in the next 6 to 8 weeks.

I go further to say that the administration's program of deficit reduction will be a dead issue, too, if we have devastation in eight or nine States in the Midwest and in the Great Plains.

So Mr. Stockman, you better look at the deficit reduction program, because unless we do something about debt restructuring to help viable farm operations in the meantime, you are going to be dealing with catastrophe in the Midwest and Great Plains that is going to jeopardize and sink the whole debt reduction program.

Mr. COLEMAN of Missouri. What the gentleman also is saying is that there will be economic downslides where we will be sending money out through various entitlement programs in these areas. We must do something positive to shore up the rural areas in this point, but we will be adding on costs later on in the budget which could even supersede what they might think they are going to save on this farm bill, which the gentleman says is not too much alive these days around here.

Mr. BEREUTER. I am absolutely convinced that the costs will be far in excess, and I am talking about direct costs, not human and institutional costs, far in excess of what we know.

Mr. COLEMAN of Missouri. I think the message here today and certainly to the administration ought to be, one, to recognize that emergency farm

credit is something that must be dealt with before any farm bill is.

Mr. BEREUTER. The gentleman is absolutely right.

Mr. COLEMAN of Missouri. And we will have to do it expeditiously and we want their cooperation and support.

Mr. BEREUTER. Absolutely, and I think we want to make the point to our colleagues that we realize that what we are proposing is not going to assist everyone. It is not going to assist people for whom there has been no light at the end of the tunnel for several years, but it leaves intact those farm operations, I would estimate another fifth or two-fifths, that are likely to tumble into the situation brought about by rapidly declining land values and economic chaos as more and more financial institutions collapse.

Mr. COLEMAN of Missouri. I thank the gentleman for his contribution.

I yield to my colleague, the gentleman from Missouri, who has experienced I am sure in his district many of the frustrations that we have experienced in the Sixth Congressional District. We have joined districts with the fourth and, while I think that the weather pattern developed more acutely out of his district, the gentleman certainly has been impacted negatively by many of the forces—weather as well as economic.

I yield now to my friend, the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Speaker, I thank the gentleman.

I think also I might point out that it is very proper and fitting that this special order be taken out today and I commend the gentleman on doing so.

As we are meeting here today and discussing this problem, it is very apparent that American agriculture is experiencing its greatest period of financial stress that we know of since the Great Depression. There is a gathering storm in middle America as the result of the tremendous agricultural problems that we have. This storm does not begin and end with the American farmer. It does not begin and end with the Missouri farmer, the Nebraska farmer, or the Kansas farmer. This storm goes from the farmer to the small town to the agribusinesses and goes all the way into the industry of our great cities here in our country. Its tentacles go all the way and I say that it is something that we must look at, urge solutions to before it is too late, because I see the storm with the claps of thunder and the terrible clouds that could come and devastate middle America.

I am going to have to agree with the gentleman from Nebraska when he stated that we do not have to pass any additional laws in this body. I think there are on the statutes laws that we have passed as a Congress in days and years past enough for the administration should the spirit and the desire and the interest be there to assist middle America and the American farmers to issue rules and regulations, whether it be for the financial institutions that the gentleman from Nebraska referred to or the farmers themselves.

As we know, the administration back in September issued certain rules and regulations as a program. That did not help much. In recent days another set of rules and regulations was announced.

□ 1330

I am fearful that also will not be of much help. But I think if they are not going to do it we as Congress will have to force the issue. I am prepared to assist to do this.

In the past few years agricultural banks have experienced substantially more losses than nonagricultural banks. Out of 78 bank failures nationwide in 1984, 25 of them were agricultural banks.

In addition, the Production Credit Associations, which we call PCA's, experienced losses in 1984 were expected to total $250 million compared with only $109 million for the entire decade of the 1970's. Five PCA's, five of them, have failed in 1984, and it is predicted that a larger number of them will fail this year.

Thus, as Congress prepares to tackle the 1985 farm bill we must not only look at the farm bill as being something to look down the road for positive, long-range help, but we must look for short-range help because that is what we need to shore up the American farmer today.

I would like to share with you just for a moment an experience I had on Sunday, rather heart rending, but an informative experience. The young farmers in my home county of Lafayette County held a farmers' forum and they invited farmers and members of the agribusiness community into Higginsville Sunday afternoon. Between 800 and 850 people came to this farm forum that the young farmers put on for us.

I was pleased to be the recipient of their comments, farmers, implement dealers, fertilizer dealers, their families were all there, and I not only heard the statistics and the pain and the problems that they are going through, I saw the very human side of this problem. Many of them are threatened with losing their farms, farms that have been in their family for generations. Good farmers, good managers, people who know how to farm and do well, but as you know, through the years, recent years, they have everything stacked against them: the weather, as you have so aptly pointed out, I would say to my colleague from Missouri [Mr. COLEMAN] and the high interest rates, the high cost of production, low prices. All of those things have combined together with a high dollar overseas which have wreaked havoc with our agricultural exports. All of these together at the same time have caused this situation.

There were a number of people who spoke, some very eloquently, some not so eloquently but with great understanding of the farm problems. But there was a young man, a young FFA student, who spoke. I will never forget his words and the sincerity in the ring of what he said. He said he wants to be able to farm like his father has farmed on their tract of land, and he also wanted to make a living on it.

That is the American dream that this FFA boy has and so many down the road have.

Surveys at our meeting were distributed as to suggested proposals that have been put forward by the administration and also by Members of Congress. I wish to tell you today that I will be pleased to have these tabulated. The young farmers in Lafayette County are tabulating them for us now and when that is finished I will share those results with you, because there was a true cross section not just of Lafayette County but from the various counties. And may I say a number from the gentleman's district came across the river and attended our forum. I will be pleased to share that with you and with the Members of this body.

Congress must look forward to solving the short-term problem and we must also look forward to restoring on the long term the agricultural economy.

I will work as an individual and also as the chairman of the congressional rural caucus to this end.

We must also point out that it is a matter of understanding. The best bargain in America, the best bargain which one gets in America is the food that we eat. This we must explain not just to our colleagues who live in the large cities, but to those in the administration who do not understand the problem.

I thank the gentleman for this special order and the opportunity to participate in it.

Mr. COLEMAN of Missouri. I thank the gentleman for his fine contribution.

Mr. GUNDERSON. Will the gentleman yield?

Mr. COLEMAN of Missouri. At this time I yield to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. I appreciate the gentleman yielding and will try to be brief. I recognize he wants to sum up his remarks at the end.

For those who are interested, I have submitted a statement into the RECORD today that deals with a comprehensive credit package.

I think what I want to say, however, is directed toward those people from the cities who might be listening. I think it is important to understand how did this happen. Who are we dealing with?

We have talked about significant factors above and beyond the control of the farmers, and when we are talking about credit needs this spring we are not talking about the guy who has a delinquent Farmers Home loan or the guy who has a delinquent commercial loan. There are programs in effect to deal with those.

What we are talking about is the person who is a good farmer and a good manager and can cash-flow their operation, but because of the depressed land values does not have the collateral and therefore is being turned away from the commercial banks and the PCA's and the farm credit system. They are going to the Farmers Home as first time, new applicants for an operating loan.

In the State of Wisconsin we have been told 80 percent of those applicants are not going to be served because the Farmers Home simply does not have the money and that is why it is so urgent that we come up with some kind of credit guarantee and initiative in the very short term.

I yield back to the gentleman.

Mr. COLEMAN of Missouri. I thank the gentleman for his contribution.

Of course, as a member of the Agriculture Committee he is in a position to certainly speak up and do something about this particular issue.

Mr. Speaker, in summary let me say I guess that the message is out there and it is not that we wanted to talk to each other today, but we wanted to communicate with the people on all sides, on both sides of the aisle. It is not just a rural issue; it is an urban issue, it is a national issue.

Where else can you find a national issue recognized as such when you are on the front cover of Newsweek and Time magazine and you have front page stories in the New York Times, who is not known for covering farm issues, as well as the Wall Street Journal and the Washington Post? They recognize that this is more than just a rural, Midwest problem; it is a national problem that has to be addressed.

It is not a Democrat problem and it is not a Republican problem. We have seen participation here today by both sides of the aisle and in a further special order following this one I hope we see that, too.

We must work together. We must work together starting this Thursday when we have a markup on the emergency farm credit bill in the Subcommittee on Conservation and Credit of the Agriculture Committee. And as the ranking Republican on this subcommittee, let me tell my colleagues that I stretch and reach my hand across the aisle so that we can together help solve this problem and work to help the people that we represent in the best way that we can. Put partisanship aside and we will try to do what is right.

I ask all of us to consider that as we see 20 percent of our Nation's farmers faced with very bleak and dire prospects of going out of business and of losing the family farm and of having to seek jobs elsewhere. And in these rural areas there are not jobs to go to. We are going to have massive job retraining and we are going to see a tremendous influx into the cities. It is going to affect all of us here and I hope we can prepare for it and do what we we can in the time that we have.

THE 67TH ANNIVERSARY OF PROCLAMATION OF INDEPENDENCE OF ESTONIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mr. MCKINNEY] is recognized for 10 minutes.

● Mr. McKINNEY. Mr. Speaker, I feel it is of great importance to recognize the upcoming 67th anniversary of the proclamation of independence of Estonia.

This tiny Baltic state, with only 1.5 million inhabitants, was brutally coerced into signing away their independence. Ever since the fateful Soviet takeover, Estonians have lost the right to govern themselves. Their human rights also have been severely violated.

Estonia achieved its independence along with Latvia and Lithuania following the end of World War I. On February 4, 1918, Estonia declared its independence; a democratic parliamentary system of government was adopted. This new system was tested under fire when an attempted Bolshevik takeover in 1924, was successfully thwarted. As a result, the Communist party of Estonia was banned. Estonia, with a sophisticated and well-educated people, became a thriving independent state. A diversified economy that ranged from fishing and agriculture to advanced industrial techniques was primarily responsible for the high standard of living. Oil shale deposits along the northern coast were a great source of energy. Estonia, as a whole was a young, healthy democracy in Eastern Europe.

Unfortunately, the flourishing Nation soon became the target of Soviet expansionism. On August 23, 1939, representatives of Hitler and Stalin signed the Nazi-Soviet nonaggression pact, relegating Estonia to the Soviet sphere of influence. This was a precursor of what was to follow. First, Estonia was forced to sign a mutual assistance treaty with the U.S.S.R. The terms of the treaty provided that the Soviet Union would respect the sovereignty, the State structure and the social systems of Estonia, while the U.S.S.R. would be allowed to build military bases on Estonian soil. It was only a matter of time until the treaty was broken. In 1940, Soviet troops entered the Baltic States. Pro-Soviet governments were imposed and rigged elections were held. Those elections later led to petitions requesting that the three Baltic States, Latvia, Lithuania, and Estonia, be incorporated into the U.S.S.R. Sadly, the Baltic States were annexed in 1940. The Soviet annexation shattered Estonia's political evolution. A flowering democracy was poisoned.

The condition of Estonia today is vastly different from those glory days of independence. Recently, industrial growth fell to zero. Also, a reduction in food supplies has hurt everyone living in Estonia. These two factors have been prime contributors to the rapidly falling standards of living. Furthermore, the Soviets have exploited the oil shale deposits used for thermal energy production and the chemical industry. This natural resource is disappearing at an ever-increasing rate. And, as a result of the increased mining efforts, there has been a great deal of environmental degradation.

Far beyond economic and environmental troubles, there is the problem of infringements on Estonian human, civil, and political rights. The Soviets have persecuted those people attempting to defend Estonian rights, charging them with anything from hooliganism to anti-Soviet activities. The penalty for such crimes in internment in prison camps, labor camps, or even exile. In March 1983, there was a wave of Estonia-wide house searches and interrogations of people involved in human rights advocacy. This is an example of total disregard for human rights.

Moreover, the Soviet attitude on emigration is extremely rigid. Four families have been seeking emigration to the United States for more than 6 years, while at least nine families have been denied permission to emigrate to Israel. Emigration is discouraged through intimidation and harassment.

For those Estonians who wish to remain, their deeply anchored ethnic roots are being ruthlessly abused. There is a Russification project underway in Estonia. The Russian language is being forced on schoolchildren and businessmen alike. Moreover, by 1983, Estonia was made up of only 63 percent ethnic Estonians, compared to 92 percent in 1939.

Today, the Soviets continue to make vague charges such as "anti-Soviet agitation and propaganda" against Estonians trying to exercise their political rights, including the defense of Estonian national autonomy. There have been many uprisings over this political

right. In 1980, students demanded better school conditions as well as freedom for Estonia. They protested the Russian occupation and demanded an end to it. The result was a swift, violent crackdown by Soviet authorities.

The Soviets denounce any religious influence that could potentially restrict their power. In Estonia there have been countless attacks on the influence of the Lutheran Church. Persecution of religious leaders is widespread. Many pastors have been called in for questioning while others have lost their licenses. These actions by the Soviets have compounded the severe shortage of pastors in the region.

Almost all ethnic Estonians are protesting the Soviet annexation of their land. The widening gap in their society between native and foreigner is creating an ever-growing conflict between the leaders and the led. The only way to correct the problem is to return to the democratic society so many Estonians desire.

In closing, I would like to stress that the annexation of a healthy, free-thinking democracy has resulted in the creation of a totalitarian police state. Estonian history is proof of what could happen if this nation attains freedom again. Let us remember this 67th anniversary so that we can work to realize the day when the free world can celebrate the second independence of Estonia.

Thank you, Mr. Speaker.●

THE STATE OF AGRICULTURE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House the gentleman from South Dakota [Mr. DASCHLE] is recognized for 60 minutes.

GENERAL LEAVE

Mr. DASCHLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. DASCHLE. Mr. Speaker, the purpose of this special hour is to report on the state of agriculture as we have seen it in our week at home. Members on both sides of the aisle, and we have already seen, have been home to view the circumstances.

What I have seen in South Dakota is certainly the most incredible economic devastation that my generation has ever witnessed. At least 25 percent of our small businessmen and our farmers will be gone in 12 months if absolutely nothing is done. Farmers who have survived life-threatening situations in the days of the early pioneers, who have survived the Great Depression, who have survived nearly every onslaught that nature could devise for more than a century, cannot survive the disastrous situation we have in South Dakota and across the country today.

□ 1340

In the shadow of one of the most remarkable monuments to democracy ever created, around Mount Rushmore, are monuments now equally as breathtaking; monuments of failed farm economic policies in numbers never before experienced in my State; thousands upon thousands of family farms. As the harsh winter winds whistled through the grain-bordered windows I have seen an eerie death in those buildings where only life was recently seen.

Farm families are literally disappearing into the night to avoid confrontation with the sheriff coming to take possession the next day.

My admiration goes to the farm wives, the partners in life who shoulder the agony, who have given it all when all seemed lost.

One farm wife told me last week that in her 20 years she and her husband have survived droughts and floods, embargoes and grasshoppers, even a fire; but surviving all of this is not as difficult as what they have had to survive this year. But some have not survived at all.

A rural banker was recently shot and killed.

A farmer and his wife have been reported as having committed suicide. Proud people stubbornly accustomed to keeping problems to themselves are meeting by the thousands.

Last week I spoke to one group of more than 7,000 family farmers and in a dozen farm gatherings around the State I could not find rooms big enough to hold them all. In a matter of days people from all over South Dakota have sent dollars to the State legislature to send them to Washington so they could come to the Congress and appeal to the President for help right now.

Next Monday they will be here.

A quiet desperation has turned into angry public outcry. And as this outcry becomes louder, David Stockman's comments about farmers only underscores our need to act responsibly. Compassion, responsible action are not four-letter words. In fact there was a joke going around South Dakota last week that a modern miracle was attempted just last week; they attempted to put a human heart in our Budget Director and he rejected it.

His comments would only be humorous if they were not so tragic. If he could only witness the agony. If he could only stand in the middle of a family now abandoned and feel the death where once there was life.

What are all the answers? I do not have them all. No one does. But it goes way beyond one piece of farm legislation and what that can deliver.

I have some ideas on what we should and should not do. First, as my colleague from Missouri just mentioned, let us not fingerpoint. Sure it is a congressional responsibility and of course it is partly our fault; but so is it the fault of the White House and the statehouses across this land. Blaming someone, however, is not going to solve anything at all.

Second, while I am not going to say it is entirely the fault of David Stockman's, it certainly is not the fault of the family farmer, either.

Then what we must argue for is something responsible, something positive, something that will show a cohesive action immediately; and for David Stockman to argue that we take away the tools of economic recovery is like arguing for the Pentagon to remove the tanks and artillery in an American war.

You do not do it in a military crisis and you do not do it in an economic or agricultural one either.

Having argued for that action, we must do it now. In both the short and the long term I believe.

In the long term I believe the action can only be described with two words: better price. Only with a better price can we bring genuine prosperity, and a better price does not depend upon dollars from the Federal Government, it does not depend on a bigger budget.

Anyone who mistakes what we call for as a better price as calling in the same breath for more Federal dollars is wrong.

We need a better price but not at the expense of the Federal Government. We need a better price and only in an era of lower interest rates. To get that better price we must build a bridge, a bridge from here to there; a short-term emergency credit bridge for economic credit, for operating loans, for refinancing outstanding indebtedness. In the last couple of weeks we have organized a bipartisan coalition to build that bridge.

H.R. 1035 will do just that. First it provides emergency operating credit to the advancement of 50 percent of commodity credit loans, available now for operating purposes. Second it would offer a 90-percent guarantee to PCA's and lending institutions to reorganize outstanding indebtedness at a lower rate of interest to give farmers the breathing room they need to build to a better price.

We have a commitment from the leadership to support and move this legislation through the House. We will be marking up that bill or something very similar on Thursday. I strongly urge administration and House support for that legislation.

Someone recently said, in fact quoted, someone who has said for a

long time that it is "better to light one candle than to curse the darkness," Well, I believe H.R. 1035 is that candle. Legislation such as this will generate the heat we need to persuade the administration that action must be taken now so that farmers can go back to doing what they do best, so they can go back and farm.

That is the purpose of our special order, that is the purpose of this legislation.

I yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. Mr. Speaker, I thank the gentleman from South Dakota for yielding and for his statement.

Mr. Speaker, the Congressman from South Dakota has taken the lead in this body in trying to develop some solutions to what all of us know is a very serious problem.

Like the gentleman from South Dakota I spent the recess around my district, in my case holding nine farm forums throughout North Dakota. We had in those nine farm forums about 4,000 to 5,000 farmers come to talk about what the situation is out there on the farm—and it is tough.

I thought maybe I would share with the House several of the things I heard along the way, some of it with a touch of irony.

One elderly fellow stood up in one of the farm forums and said, "You know, I am so old I am starting in on my second depression now," and he meant it because he went on to describe what he is facing. He has been around a long time but he may not make it.

Another fellow about his age stood up at one of the farm forums in Williston, ND, and he said, "Don't tell me about abandoning price supports, don't tell me Government is a problem. Sure we have had some trouble with Government programs but I was around farming in the old days, in the final days of the Herbert Hoover administration.

I farmed under Herbert Hoover with no Government price supports and I sold wheat here in Williston, ND, for 27 cents a bushel. So don't tell me about the good old days. We won't have any farmers left if we don't have some kind of a basic price support system," he said.

Another fellow told me about the days when he sold sheep. He sold a load of sheep at the Twin Cities livestock markets and he sent them on the railroad to the Twin Cities to be marketed and the sheep did not bring enough to cover the freight bill. The railroad company said, "You know, you sheep did not bring enough money to cover the freight." He told the railroad, "Look, I do not have any more money but I could send you some more sheep."

He said, "Those are the good old days, those are the days without price supports; those are the days in which farmers were rolling the dice in the marketplace completely, with an opportunity to go broke quickly if those international grain price and commodity prices swung down and stayed down."

A woman told me at the start of my farm forums, "You know, you folks in public office, all you do now is talk about the crisis of the moment. I am a little tired of hearing about farm prices. All we hear about is the family farmer and the trouble the farms are involved in. Nobody talks about other troubles.

"I have a son who is an engineer, living in Illinois and who is out of work. Nobody talks about those kind of problems."

I said. "Well, who did your son work for?" She said "John Deere."

And I said, "If the price of grain were $5 a bushel for wheat, your son would still be an engineer for John Deere."

There is an immediate impact in all of this country's economy when the health of agriculture's economy improves.

What I would like to do for just a moment is to talk about some of the things that we have discussed here in Congress to describe what some solutions might be for this problem.

David Stockman, his partner, John Block, and President Reagan have all said what we need to do now is to abandon farm price supports.

Well, the gentleman from South Dakota said it well; you would not abandon defense spending in the middle of a conflict; you would not abandon spending for health care in the middle of an epidemic; and it seems to me it would be fundamentally foolish to talk about abandoning the farm price support system in the middle of a farm crisis.

These folks who talk about abandoning a farm price support system are really talking about abandoning the family farmer, phasing out the family farmers across this land.

□ 1350

Now who is in trouble? Well, the people that I saw at the farm forums in North Dakota that are in the most desperate trouble are the people who are in their late twenties to late thirties who have been farming for 5 to 15 years. They have a little higher debt load, and the fact is when prices went down and stayed down, and interest rates went up and stayed up, they created conditions that these young farmers cannot overcome.

These people will go broke unless we do something to intervene. It is within our power to do that. We have to ask ourselves and we have to ask the Secretary of Agriculture, the President, and even the Budget Director, do we care whether there is a network of family farms across this country or don't we?

If we do not care, then let us go on down that road and abandon farm price supports and end up with a system of giant corporate agrifactories producing the food at a much higher price to the consumer. But if we do care, as I think we should, about maintaining a network of family farms similar to the care expressed by other governments and other industrial nations who understand that a rural network of family farms is important to their country, then we have to do something now to straighten out this farm program.

We need three things: One is credit. The gentleman from South Dakota [Mr. DASCHLE] and I and some others have worked on a short-term credit approach. Republicans and Democrats have come together here to see if we can develop some short-term credit approaches that give some of these folks a chance. They need a chance to see the long run.

In other to do that, you have to give them some short-term credit. I was looking yesterday at the credit we have been so generous to provide the rest of the world, and we have been very generous. If you are Chile, you get credit for 2 percent; if you are Pakistan, you can get a loan from the U.S. Government for 2 percent; Poland, 4.5 percent; Yugoslavia, 3.5 percent—you can go on and on down the list.

Then when those foreign governments get in trouble with their loans, our Government says to them: Well, we are willing to renegotiate; we will extend; we will write down the terms; we will postpone payment.

Now through our Farmers Home Administration, when the family farmer is in trouble and cannot make payment, do we extend the same largesse we extend to some of these foreign governments? Oh, no. Now we say to those farmers, "Well, we don't want to extend. We don't want to renegotiate. We don't want to write down terms. What we want you to do is go out of business."

Farmer after farmer stood up at those meetings and said, "I have been counseled by my Farmers Home Administration that I am not making any progress and I really ought to quit farming."

What kind of a government is it that counsels agriculture's future to get out of agriculture? That says to young farmers, "You ought to quit." That is not a government that has its priorities right.

So we need a short-term credit program, and the gentleman from South Dakota [Mr. DASCHLE] and others have been working in a group; I have been part of that group; to see if we cannot come up with a solution.

I think we have arrived at some approaches that are good, which the gentleman has just described.

Second, we need a price support system that really does what it is supposed to do; provide a bridge over those price depressions; a bridge over which family farms can move during periods of sustained low commodity prices.

It does not have to be a price support under every gallon of milk produced by the 5,000 milk cows in the morning on the largest dairy operations in the country; it does not mean we have to have a loan rate under every bushel of wheat or barley or corn produced by the largest producers in America; it just means a basic price support over which family farmers can travel when they cannot make it with viscious international downturns in the grain market.

We can do that this year in a new 4-year farm bill, if we all work together for the same purpose.

Finally and most important, I think we have to find new markets. If there is anything that I discovered out there in North Dakota last week and I am sure you all have in this body, it is that most farmers understand that we can pile some more debt on their shoulders, but that is not going to solve the problem in the long term.

In the long term, somebody has to have a better price to pay for all of that. If you do not get a better price, you are not ever going to make it.

So what we have to do is search for additional markets. I am convinced that international barter is one; I am convinced that we have to be much more aggressive in attempting to compete with the European Economic Community through a number of devices. I am convinced that we have to tighten our grain standards, through the FGIS, in order to make our wheat as clean and as marketable as our competitors.

There are a number of things we can do to move that grain into markets overseas that we are now reaching. If we do all of those things, then I think we can create conditions in which family farmers can make a go of it.

You hear a lot about the word "subsidy." We hear a lot of people say, "If you provide a price support for agriculture, you are providing a subsidy for farmers."

Again, I think a farmer in North Dakota at one of my farm forums put it best. He said this:

> When I produce wheat and sell it at the local elevator and get $3.40 a bushel for it, after it cost me $4.10 a bushel to produce, I have a hard time believing anybody is subsidizing me. I happen to believe I am subsidizing the person, someplace else in this country, who is eating what I produced and what I sold for much less than the cost of production.

I want to commend the gentleman from South Dakota [Mr. DASCHLE] and others for their work on this issue. This issue is not going to go away; the pressure is going to build, and we have the opportunity to do the right thing or the wrong thing.

If all of us who believe as you and I do that this country desperately needs a network of family farms for its own security, for its own economic health, work together, I think we can do the right thing and have a long-term, consistent, stable farm policy that gives those farmers who are good managers an opportunity to make a living.

When you talk about defense, it is not just building a tank or a gun or a jet fighter that is the defense in this country. It is also the ability of a strong country to produce its own food supply and also food supplies for much of the rest of the world.

That is an important part of American security, and we ought to keep talking about that when we analyze what we want American policy for agriculture to be in the coming decade.

Mr. DASCHLE. I yield to the gentleman from Nebraska, a very active Member in all of this and an important member of the Banking Committee.

Mr. BEREUTER. I thank my colleague and neighbor for yielding to me, very briefly because I know you have many speakers waiting.

Mr. Speaker, the gentleman made reference a few minutes ago to your legislators visiting next week, and it was appropriate that you did that, and it reminded me that all of the Members of the House from Midwestern and Great Plains States have in their office a letter from me soliciting your signature on a request to the President that our legislators may directly visit with the President when they come here next week as a part of a National Conference of State Legislative Leaders meeting here.

I would appreciate the Members taking a look at that. I think it is important, despite the difficulties involved, that the President hear directly from so many State legislators that are taking the time to come back here.

They do have an important agenda already set up including visits with the Vice President, but I very much would like to see you add your weight in a bipartisan effort to insure that the President directly gets the message and it does not get stopped at OMB or other points.

I thank the gentleman for permitting me to make this announcement, and I commend him for taking this special order on this crucial subject.

Mr. DASCHLE. I thank the gentleman. I would give the gentleman my commitment right now. I would love to sign it, and will do so this afternoon.

There are two branches of Government that are both responsible for action on this issue, and unless we get both into action in a bipartisan manner, nothing will be done, so I commend the gentleman for his letter and urge all of our colleagues to sign it, at the earliest possible time.

At this time, I yield to my friend and colleague, the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. Mr. Speaker, I would like to thank my colleague from South Dakota for his leadership in this effort and for his continuing hard work on the Agriculture Committee.

Last week, I participated in two Budget Committee hearings; one in Lansing, MI, and one in Atchison, KS, which focused on the Federal budget as it affects agriculture.

In both places, the committee heard from farmers, agribusiness leaders, local community leaders, and others, and the message was very clear. That message is that we have a crisis in farm country.

Some have called it a debt crisis, but frankly, I prefer to call it a profit crisis.

Another clear message is that market-oriented agriculture, as specifically expressed in the President's budget which calls for, among other things, sharp reductions in loan levels and target prices, the elimination of soil conservation funds, elimination of Federal funding for ASCS offices, phasing out REA, and sharp cutbacks in the farm credit program is unacceptable at this time.

□ 1400

The bottom line, according to the economists that we heard at these hearings, is very simple and that is that farm commodity prices would decline during the next few years if the President's program was enacted. This means lower farm income at a time when more than 40 percent of our farmers in rural America are struggling to meet debt service on their current debt load and make ends meet.

The unanimous view of those testifying is that the deficit is causing high interest rates and the overvalued dollar, which is of course devastating their export markets. Those testifying made it clear that the $180 billion deficit in the President's budget is absolutely totally unacceptable. And, frankly, I share their frustration in that they just cannot understand why we cannot dramatically reduce this deficit.

There are a number of things we can and must do, however, on a bipartisan basis in the short term to alleviate the problems we are facing in rural America. I commend the gentleman from South Dakota for his leadership with H.R. 1035 that sets up a different program for debt restructuring, that would allow for an advance of one-half of the Commodity Credit Corporation's loans. These things will help and we should move on these quickly.

We should not cut the soil conservation program as this administration has suggested. In my judgment, we should retain our commitment to soil conservation and, indeed, expand it so that we can basically hit two birds with one stone. We will achieve soil conservation, but we will also move some highly erodible marginal land from grain production into a soil conservation usage. We should not dramatically reduce the loan levels as the President is requesting either.

We should have tax reform and this is something that a lot of people I do not think have focused on yet. One of the things we can do that would not cost the Federal Government a dime and would, in fact, generate additional revenue for the Federal Government is to limit the amount of farm losses that can be written off against nonfarm income. This is something the people out in farm country clearly understand and something we should be moving on.

I think we should also target the amount of Government grain payments or any other kind of payments to farmers. The $1 million grain payments that we have heard about are totally unacceptable.

We should have a long-term program in place at planting time also. I think Governor Carlin at our hearing in Atchison, KS, made a very good point when he pointed out that over the last few years the wheat farmers in Kansas did not even know the rules of the game at the time they put their seed in the ground. This kind of mismanagement is totally unacceptable. We can improve that management and it will not cost the Government any money to do it.

The other point he made, which I think is very, very good was the need to set the rules. He pointed out how difficult it would be, for example, in the oil industry if you were changing the rules of the game every 3 or 4 years. In the auto industry if you had to renegotiate the whole economic environment within which you were going to operate every 3 or 4 years. How difficult would it be to survive in such an environment?

Mr. Speaker, I am confident that we can put together a farm program that will cost a lot less than PIC and be a lot better for farmers, a lot better for all Americans. That is certainly our challenge. The farmers do not want charity. They want a fair price for their product and the opportunity to make a decent living for their families. Farmers and others in farm country believe that the deficit is particularly harmful to them. They are absolutely right. There have been some big winners during our recent economic recovery. I think we all accept that and we are appreciative for that. But the fact of the matter is that there have been some losers in our recent economic recovery. Businesses that are capital intensive like farming and depend on exports like farming, have been victims of a double whammy. I think it is important for us to move quickly to rectify this problem.

The short-term emergency measures that we have talked abut are very important. But the long-term solution will not be achieved unless we restore some common sense and indeed some sanity to our Nation's tax and spend policies and dramatically reduce the deficit.

The President's proposed deficit of $180 billion is totally unacceptable. We have to do better than this. If we would quit hammering rural America with huge deficits that cause high interest rates, that in turn cause the dollar to be overvalued by 30 or 40 percent, the farmers and others in rural America would not need anything from the Federal Government.

I believe that we can, and indeed we must, move as quickly as we can to deal with the short-term solutions and I recognize that those short-term solutions are not going to cure the problem, but it will certainly take the pressure off.

As we do that we have to be moving on another track and the other track has got to deal with the deficit problem. If we fail on the deficit, we have failed rural America and we have failed the future of this country.

The policies that we are currently pursuing with regard to our tax and spend policies are nothing more than mortgaging the future of America. It is the farmers who are being hit first and they are the first of many if we fail to address this issue.

I thank the gentleman again for his leadership in this area. I think it is important for all of us who represent those areas in rural America to keep the pressure on. Unfortunately, as someone once observed, our Government does not always respond, as we would like, to logic and reason. It responds to pressure. I believe it is important for all of us out in our part of the country to keep the heat on.

I thank the gentleman for his leadership.

Mr. DASCHLE. I thank the gentleman from Kansas, a cosponsor of H.R. 1035, for his eloquent remarks.

Mr. Speaker, I yield at this time to the gentleman from Georgia [Mr. THOMAS], a member of the House Agriculture Committee, a very active participant in this effort.

Mr. THOMAS of Georgia. Mr. Speaker, as a farmer myself prior to my election to Congress in 1982, I come here today before this body with mixed emotions. In the past few weeks we have seen the headlines, in fact, even this week in Newsweek and Time highlighting the farm crisis across this country to date.

In the past few days and weeks we have heard testimony by the American Bankers Association, the Independent Bankers Association, and the Farm Credit Council, and the consensus seems to be that if the current credit crisis in agriculture goes unabated and unattended that perhaps we will lose as many as 15 percent of the 600,000 commercial farmers, those doing $40,000 a year in sales annually and above in this year. The scenario has been pretty well depicted. We have a record farm debt of some $220 billion. We have record low farm income. We now have plummeting land prices and record foreclosures. In the last half of 1984 of some 40 banks, 22 of them that failed, and this was a record of course since the depression, were agricultural banks and even today, this morning, we are told that 39 percent of all of the troubled banks in this country to date are agricultural banks.

I am happy to see these comments, not because it is good news, but because it is the news. Finally, it is in the headlines.

But, on the other hand, there are other comments that concern me as well. I hear the comments about our farmers being consenting adults who simply mismanaged and were greedy. I have heard a leading editorial that referred to the entire issue really as just a passing away and the sweeping away from the scene of some misty-eyed visage of 19th-century pastoral way of life. And most confusing of all and frightening are the comments that this is just a normal adjustment that we are passing through and the country will be none the worse after we have experienced it.

Well, I want to make a few points and much of this has been spoken already, but I would like to reiterate these comments.

The truth is that we are truly in a credit crisis of both short- and long-term proportions and that the debt issue in this country in agriculture has truly become a driving force within itself.

Second, that we are not talking about some pastoral way of life but this Nation's largest industry, creating one-fifth of the total gross national product of this country and that we are now down to really cutting the meat and the bone from the farm structure; no longer are we just paring the fat.

Third, that this is not just some normal and orderly adjustment. But the stage is set for what will be a literal holocaust in rural America that will unquestionably have devastating effects on the entire economy.

Let me briefly go back for just a moment so that we can establish why there is a Federal responsibility. It was in the decade of the seventies when we encouraged our farmers in this coun-

try to plant fence row to fence row. We opened up the markets of the world. We made the credit easy. We needed the money to buy the foreign oil which was going through the roof.

During that period of time inflation went through the roof as well and land values rose through the roof and then it was during that same period that the first of three embargoes in 1974, 1975, and then in 1980 devastated and shook our credibility as reliable suppliers on those markets.

But the truth is that in that decade when we encouraged fence row to fence row production and we structured our farm policy to bring about cheap prices for the consumer at home and abroad, that it was the American farmer who financed the entire deal out of his own assets and out of his own pocket.

Now today the stage is set with no strong worldwide demand. The dollar has strengthened to proportions that we are not familiar with. We do not know how to cope with basically putting a 30-percent tax on everything we try to export. We have licked inflation and that has sent land values plummeting. The debt load has become really an anchor. The question is finally before the only body, in my opinion, with the capacity to sustain and strengthen this Nation's agricultural structure.

□ 1410

What is of immediate concern is the need for short-term operating capital, and then certainly one must find a way to identify in this country those viable, capable producers who are in trouble not because of their own mismanagement but because of problems beyond their control. We must find a way to help them ride out this astronomical cycle that we are involved in. As a result, I am a cosponsor of H.R. 1035. There are other good bills around. And I hope that we will consider these strongly.

I would say, in closing, and thanking the gentleman for this time, that it is great to be here today and to see Members from both sides of the aisle here in a bipartisan effort to address the critical nature of the problems that are before us in agriculture today. I think what is at stake is unquestionably whether or not this country will have a hand in the future determination of who owns and controls and stewards this Nation's most valuable assets, its productive lands.

Mr. Speaker, I rise today to speak in behalf of the American farmer and the system of family farms that have provided this Nation with a reliable, economical, high quality food supply that is the envy of all the world. But I rise at possibly the most critical time in the history of American agriculture.

The headlines of the past few weeks have given me an eerie feeling of deja vu; 10,000 Minnesota farmers rallied in the freezing cold outside their State capital to protest the farm crisis. They made speeches, and they listened to speeches from the elected officials.

In Chicago, farmers were arrested when they surrounded the board of trade and the Mercantile Exchange to protest commodity trading practices and prices.

It took me back some 7 years ago when Lindsay Thomas, farmer, stood in the freezing winter weather that enveloped the Georgia State Capitol. I and thousands like me had come to make our voices heard in the urban center of our State.

And it took me back to the days a short time later when Lindsay Thomas hiked the Halls of Congress, doing and saying everything he could to work out a program to halt the destruction of the family farm.

That was a time when the trauma of agriculture was on the center stage of the public consciousness. Whether the image of the tractorcaid was good or bad, it brought the farm crisis thundering across the front page and the network news.

Well today, there are no headlines for the farmer in Washington.

No mention of the farmer in the President's inauguration speech.

No farmers walking the Halls of Congress.

There is only the silence of neglect.

But the irony is that the crisis of the family farm is far, far more serious today that when it made the national headlines 7 years ago.

By a curious combination of circumstances, this year is likely to be the most critical year of testing for the farmer and farm policy we have seen in decades.

First, the farm bill is expiring, and we will write and enact a new 4-year law that will govern our commodity programs, our export programs, our research and education programs through the Extension Service, our conservation programs, our farm credit programs, and other activities.

Second, in this crucial year of dealing with the budget deficit, agricultural programs are facing massive cuts and realignments. This competition in the budget priority list will come at a time when the political constituency for agriculture is at its weakest point in American history.

With the shift of population from the farm to the cities and suburbs, less than 3 percent of Americans now live on farms compared to 25 percent just 50 years ago.

Third, the family farmer and the agribusiness system that the farmer supports are in the darkest farm financing crisis to grip our country since the days of the Great Depression. If current trends are not reversed, many experts believe that one out of every three commercial farms in America today will be bankrupt or too far gone to save within 2 to 3 years.

And finally, the artificially strong U.S. dollar has shredded our ability to compete effectively in the world commodity markets. To make matters worse, we are in a temporary period in which the world markets and our own storage facilities are awash in a glut of commodities. And so the scenario is global. It is multifaceted and it has spread beyond the traditional parameters of agriculture as we have known it.

All these factors are coming together, right now, ready or not. There will be a collision of circumstances that will change our farming system for the good, for the bad, or for the disastrous. By the time the farm bill comes up for renewal in 1989, it is quite possible that the family farming system as we know it will be irreversibly on the road to extinction.

There are many policymakers in the executive branch today who would shed no tears for the family farm. Many actually believe the family farmer must inevitably fall victim to changing economic conditions.

Oh, I still believe that the majority of the Members of the Congress have some vague feeling that it would be nice to have family farms.

But in the hard, hot glare of political reality, those Congressmen and Congresswomen from urban and suburban America are now less inclined than ever before to vote for farm programs. They are hungry for budget-cutting votes that will not enrage their own constituents.

The shadow of the massive Federal debt and projection of continued mounting annual deficits will fall over the 1985 farm bill just as it will and must compel all legislation in this Congress. But the idea that we can find a disproportionate share of the saving in the agricultural sector while leaving many others to mount in cost is an approach that I will not support. The fact that economists like David Stockman must realize is that agriculture is our largest and most basic industry, and when it is totally devastated we will have literally knocked a cornerstone out from under our national economy. One whose loss will literally pull down our entire economic structure.

There are many like David Stockman who advocate basically gutting all Federal investment in agricultural and rural America. Their hit list looks like a who's who of programs that have aided development througout rural America.

Their cry is get the Government out of farming—let the market place rule—free trade. Market-oriented farm policy.

Well let me tell you they do it with total disregard to the fact that we are

already faced with go broke prices/a world glut of commodities/an overvalued dollar that taxes all manufactured goods and agricultural export of 25 percent of the world markets. And they do it in total disregard to the fact that Federal policy directed and requested the overproduction that has resulted. They do it in total disregard to the fact that we made the credit easy while the surpluses mounted and while we lulled the consumer into thinking that this abundance of food products that the American finds in such quality and quantity and buys with less of the hourly earned wage than almost every other nation on the planet pays—that this is just some unlimited natural resource.

Truth is the farmer met the call of his nation to produce and he finances it and has literally subsidized it from his own assets.

And the cry for the free market comes in total disregard to the fact that America's agriculture assets are virtually depleted.

Let's look briefly at the last two decades and a half. In the 1960's the Federal Government phased out long-term programs of land diversion. In their place, the Federal strategy was to increase production to such a high level that even a modest profit margin could be multiplied into a livable wage.

So we invested in more land, pivot irrigation, the big tractors, the latest in mechanical technology, and the wonders of the new agri-chemicals. We told the American farmer to feed the world.

USDA, the White House, and the Congress preached the gospel of planting fence row to fence row. We turned to the Extension Service to teach us how to gear up for maximum production instead of optimum profits. We learned our production lessons well, and our agricultural exports jumped from $7 billion in 1970 to $43 billion in 1981.

By all appearances, America had become the agricultural giant of all time.

But behind the bold facade, the family farmer has being used up. His financial strength had been bled away to finance the investment needed to generate the massive production increases. Like a hospital patient weakened by disease, he had no financial strength left to pull him through hard times.

But the hard times came with a vengeance. Inflation soared. The Arab oil embargo threw our petro-dependent farms into a tailspin. Commodity prices flattened out and production costs went up off the charts.

Our Government and private lending institutions threw gasoline on the fire by coming to the rescue with more loans. Farm debt rose in Georgia from $1 billion in 1970 to $4.8 billion in 1983. The same thing happened in other States. The Government financed the debt partly because it wanted the grain exports to pay our Arab oil bills.

It was during the seventies under Presidents Nixon and Ford that we saw the first effects of probably the most shortsighted and unjust policy perpetrated on American agriculture—embargoes that shattered our credibility as a consistent and reliable supplier on the very world markets our Government had used our productive capacity to capture. Embargoes that drove other nations into competition against us to fill the void.

The last—hopefully the last—was imposed in 1980 by our own President from Georgia. Our exports in agriculture peaked the next year and have declined ever since. And 5 years later the Russians are still in Afghanistan.

And the only discernible effects have been the devastating blow dealt to our Nation's agriculture and agribusiness. Well, the patient is in intensive care now and the question arises should we care if the independent family farmer survives? Should we care who owns and stewards our lands?

Let me tell you what hangs in the balance.

The survival of our current structures of agriculture determines whether or not we have the stabilizing factor of diversified land ownership or whether the rapid consolidation of our most valuable asset continues.

Its survival determines whether our land ethic is that of the independent farmer who lives on, and loves his land, and nurtures it for future generations or whether the corporate motiff of the short-term profit replaces this land ethic. Our lands and seasons are more stable and productive than many of the oil-rich nations, the failure of our farm structure will afford further opportunity for the foreign owner, already a frightening phenomenon.

When we begin to look at world trends in population growth, the startling rate of desertification and loss of productive soils coupled with finite and steadily depleting supplies of fossil fuel bases, we begin to see an inevitable day when no one will question the value of our productive lands.

And what of our own State here in the Southeast, with prime land in reserve, and long growing seasons, and adequate water, while to the west the Ogalala, supplier of underground water for western agriculture rapidly reaches a point when agriculture usage will be halted.

Where will our lands be when the day arrives, as it certainly will, when we will need all we can produce.

Will it perhaps be planted all in timber and owned mostly by large conglomerates and even foreign corporations or worse still, paved over with asphalt and concrete.

That very crucial question will most likely be answered by what we do in Georgia and what we do in the Congress over the next 2 years.

I don't have to convince you—the best friends of agriculture we have in this State—that immediate action is needed. So my message is not one of conversion, but one in which I seek your counsel.

Let me share with you my idea. As I see it, we must save our best farmers from failure. When they go out of business, their skills are lost, and their land is threatened. When you lose the farmer, you lose the resource of a lifetime. And when you lose his farmland to nonfarm conversion, you have lost it all.

We are not going to save our best farmers with the old tools of Government policy. We are not going to be able to go to the Congress and the White House and secure the billions of dollars it would take to revive agriculture through direct support payments or paid diversions. We have our hands more than full simply fighting to preserve the programs we have now, much less enacting new ones.

Apart from those political realities, the truth is that our farm programs of support prices and loan rates are policy tools that are obsolete. They are almost half a century old.

Our commodity programs were conceived before the era of modern agriculture, modern transportation, modern trade barriers, modern foreign crop subsidies, modern population patterns and the blinding speed of modern commodity trading. They are the tools of a stone age called on to function in the era of star wars.

So what we do with those stone age tools when we revise the farm bill this year will be interesting and have some short-term significance. But the farm bill is not really relevant to the crisis that is killing American agriculture.

That crisis boils down to one thing—farm debt.

Our best farmers are going out of business because they cannot pay their bills with their current income. They must be given a fighting chance to hold on until help comes with the inevitable shift in commodity prices and the renewed world demand for American exports.

My plans is to develop formal criteria by which we will single out those farmers with a proven track record of first-class farming skills who also can demonstrate that given a chance, they can make a go of it. A top producer who is hopelessly overextended would not qualify for help.

Once we select those good farmers with a proven track record and a debt load that is realistically manageable, then we must consolidate his debt and give him a repayment plan that he can meet.

The key factor here is that I am talking about all debt—private commercial farm loans as well as loans from Farmers Home, SBA, and the Federal Land Bank. If we confine ourselves to Government institutions and not private lenders, we will be cutting out many of our best farmers. That is because many of our best farmers were not eligible for Farmers Home loans because they could still receive funds in the private credit markets.

Such a program will cost money because a refinancing package must involve some loan subsidy. We can seek to win the political fight to enact such a program in the Congress by combining our refinancing package with concessions in our basic support programs.

But in return, we ought to demand something more of our refinanced farmer than just his survival. We will require him to take his marginal land out of production and perhaps plant it in timber along the lines of the so-called pine tree bill that I and others supported last year.

Finally, we must combine this refinancing plan and soil stewardship plan with a whole new framework of Federal farm policy.

Let's throw away the stone age concept of seeing farm policy only in the context of commodity programs and agricultural research. Let's have a unified farm policy that encompasses our foreign trade policy.

The world markets are the battlegrounds where our farmers will survive or perish. How well they do in those world markets does not depend on their farming skills, it depends on the skills of our American trade negotiators. Let me remind you there is no more efficient producer than the American farmer.

It depends on whether we allow our agricultural exports to be trading chips in political foreign policy. When our European neighbors put on their military uniforms and transform themselves into our NATO allies, we give them billions of dollars and millions of our own soldiers to fortify their defense. When they climb into their pinstriped suits and become the leaders of the Common Market, we fall to our knees and beg for some small concession.

I am not saying that we threaten our European military allies with our defense dollars, but I am saying that we no longer negotiate our trade agreements in politically sealed compartments. We must look at our agricultural policy as part and parcel of our economic and foreign policy.

In closing, I would like to reiterate to you a few important points:

First, that the hope for survival of our farm structure as we know it lies within the capabilities of the Federal Government and its ability to coordinate agriculture policy on a national and global scale as an integral part of overall trade and economic policy. And that there is no hope without this help and assistance.

Second, that the credit problem is our most pressing area of concern, that failure to address it will do irreversible damage to our agricultural sector, our rural communities and in the end our national economy.

Third, that the main causes of our current crisis on the farm stems from issues really uncontrolled by the farmer or even our agricultural committees in Congress and yet the survival of our farmers depends directly upon how we respond in the scope of Federal policy.

How we gain fair access to work markets through trade policy and deal with tariff and nontariff barriers,

How we deal with the Federal deficit,

How we bring our currency into a more balanced relation with the currencies of foreign customers.

And finally whether or not we decide that the issue of who runs and controls our nations productive lands is as important as any other issue that affects the survival of this Republic.

Mr. LUNDINE. Mr. Speaker, will the gentleman yield?

Mr. DASCHLE. I yield to the gentleman from New York.

Mr. LUNDINE. Mr. Speaker, I commend the gentleman for his statement and commend him for his yielding briefly.

Mr. Speaker, I come before you today as a representative of the Southern Tier of New York State where the farm debt crisis is alive and kicking. What I want to highlight most of all today is that this debt crisis is not unique to the Midwest. Farmers in upstate New York are suffering from similar problems to those in other areas of the country.

Last week, I had the opportunity to meet with 50 farmers in Allegany County to hear about the troubles they have experienced contending with the current downturn in the dairy industry as well as some difficulties in their dealings with the Farmers Home Administration. It was one of the most emotional gatherings I've ever experienced in 10 years in Congress. The farmers that I met were terribly concerned for the future of their farms and most of all, their ability to feed their own families. Some had already lost their farms and now had to accept food stamps and welfare payments to get by. These were not farmers who have been playing the tax shelter or corporate tax loophole game. These were small farmers who understand the real and true cost of production.

After my meeting with the farmers, I put together a list of their major concerns which I then presented to the local FmHA officers. While there was some difference between the farmers and the FmHA officials as to the details of specific problems, there was agreement on the fact that the total resources made available to solve these problems are not adequate. My farmers tell me that the eight farm bankruptcies which we have seen in Allegany County in the last year will be small compared to what will occur if drastic action is not taken.

We in New York State are not contributing to the nationwide dairy surplus problem. We consume more than we produce, and at this time are experiencing milk shortages. If we lose more dairy farms we may lose our cheese plants and other agribusinesses that are very important to the economy of our region and the country.

I believe it is particularly noteworthy that almost every one of the farmers with whom I met was under 40. These farmers are college graduates, they are efficient managers, and they keep very complete financial records. They are not in farming to get rich. They simply want to keep their farms and provide for their families. These young farmers did what the Government told them to do several years ago when they were first starting out. As a result, virtually all the younger farmers are now in difficulty and the Government wants to pull the rug out from under them.

In response to this crisis, I will be a problem solver first and foremost on the local level. My role will involve working out problems between the farmers and the local FmHA officials which hopefully will prevent future bankruptcies. My district staff is currently working with the farmers, to try to solve their individual problems with FmHA, and I plan to raise these problems in Allegany County to higher levels at FmHA as I believe that they deserve attention and solutions. Nonetheless, broader measures need to be developed here in Washington; all of the solutions cannot be found in Allegany County, NY.

If David Stockman thinks he can solve the problems of America's agricultural sector by abruptly cutting farm programs and suddenly initiating a "market oriented" farm policy approach, I wish he could have heard the woman from Fillmore, NY crying because she has not been able to buy food in 2 weeks, whose husband works from dawn until dusk, 7 days a week trying to save their farm. They both went to college and they did not buy their farm as a speculative real estate venture, thinking they were going to get rich. They now make $1,500 a month payments to FmHA. They don't have money for food, they are not on food stamps, and they have four children. In order to prevent future situations of this kind, I believe that our farm policies and the way in

which we carry them out need to be changed radically and quickly.

Mr. Speaker, failure to take action immediately to constructively deal with the farm crisis will result in long term economic devastation in Allegany County and across rural America.

Mr. DASCHLE. I thank both the gentleman from Georgia [Mr. THOMAS] and the gentleman from New York [Mr. LUNDINE] for their contribution to this dialog.

Mr. Speaker, I yield to the gentleman from Virginia [Mr. OLIN].

Mr. OLIN. I thank the gentleman from South Dakota for yielding and I congratulate him for his leadership on this very important subject.

Mr. Speaker, I represent farmers in the western part of Virginia. Most of these are family farmers. Most of them are in diversified farming, in some combination of dairy, livestock; that is, sheep, hogs or beef, and poultry. All of these farmers are in a very tight situation, Mr. Speaker. Some have gone under, some are on the verge of going under. But most have been reasonably conservative and prudent in their planning of their investment on their farms. I do not think that the crisis that we hear of in other parts of the country is quite as severe in this area. But my farmers are very, very conscious of the fact that it is important for this Nation to keep the family farm structure, and they are willing to go a country mile, anything reasonable, to keep the kind of strength that this country has had in most of its past and still has of a predictable, stable, productive farm economy based principally on the family farm.

At the same time, these farmers are equally adamant that they are basically opposed to a general credit bailout and they feel, as I do, that credit assistance should be targeted principally at those struggling farmers who have a reasonable chance, with reasonable help, to get through this current credit crisis, and it must not be heaped upon those who may, for one reason or another, become so mired in debt that their survival is really unachievable.

Some farm economists are saying that we can handle this problem by categorizing farmers as to whether they are at an unacceptable debt-to-equity ratio. Some have suggested certain numbers. I do not know what the numbers are, but I think it is important that we find a reasonable, fair and practical way to determine how we are going to draw the line between those who get credit relief and those who do not.

Perhaps involvement in some reasonable way of the local credit organizations in the localities is the way to handle that. But I think it is important that we discriminate between those who are going to be able to make it and those who are not. We must remember that probably more than 40 percent of farmers in this Nation have little or no debt, and it is just not good economics to transfer that debt from those who have been prudent to those who, for one reason or another, whether their fault or not, are overextended and are really insolvent.

There comes a time—we all know this—when you just cannot borrow yourself out of debt.

Mr. Speaker, the problems of our agriculture are far more severe than a dose of emergency credit can cure. I would hope that, while we are looking at this farm credit crisis, we take prompt action on it and in a selective way we provide the bridge that we are going to need to have a healthy farm economy, but that we do that as a temporary immediate measure and then get on with the real task beyond that, which is to get a reasonable farm bill that gets at some of the basic problems, and get at the Federal deficit which probably more than any other single factor would help the farmers of this Nation.

I thank the gentleman for yielding.

Mr. DASCHLE. I thank the gentleman from Virginia.

Mr. Speaker, at this time I yield to the gentleman from Louisiana [Mr. HUCKABY].

Mr. HUCKABY. I thank the gentleman for yielding and I commend him for taking this special order. It is certainly appropriate to do this.

Mr. Speaker, in the late seventies and early eighties, we looked around us and we saw our domestic shoe industry, our steel industry, our electronic industry, so many different, varied industries in the United States, getting in trouble, and we always thought we would always have agriculture to fall back on. With our system of family farms, our rich fertile land, no one could compete with American agriculture. And here, today, in 1985, we see ourselves faced with the same situation in agriculture. Why? How did it happen?

I think two reasons contributed to this. One is the very strong American dollar. What does that mean? Let me give you an example. In 1981, a $6 bushel of soybeans cost 10.1 marks in Germany, if you were wanting to import soybeans in Germany from the United States. Today that same $6 bushel of soybeans cost 18.1 marks, an 80 percent increase.

The American farmer is still getting $6 for that bushel of soybeans, even less, actually, today, yet the German is having to pay 80 percent more for that same bushel of soybeans. That is the hidden tax of what these massive deficits have done for all of America's exports, including agriculture.

Dave Stockman says he needs to reduce the deficits—and we all agree with that. And his proposed farm bill will reduce price supports, commodity supports, from an expenditure of $15 to $5 billion, he will phase down over the next 3 years some $10 billion in savings. That is less than one-third of the increase that this administration is proposing for defense in this year alone.

I think we have our priorities wrong.

The other area that has hurt American agriculture is unfair competition from abroad. The European Common Market subsidizes to the tune of $20 billion a year their farmers. The French sugar farmer receives more money for his sugar than the American sugar farmer, and yet the French turn around and dump their surpluses abroad at prices that our farmers cannot compete with.

This administration is calling for a market-oriented farm bill, a free-market farm bill. The only problem is that a free market does not exist in agriculture.

Japan, which exports so much to us, they support rice at six times the price of ours, six times the price of the American rice farmer, and we cannot sell rice to Japan.

It is time we stood up and got tough in the export markets, and that is one of the things this Congress needs to do in the new farm bill.

I thank the gentleman.

Mr. DASCHLE. I thank the gentleman from Louisiana.

Mr. Speaker, I yield to the gentleman from Ohio [Mr. ECKART].

Mr. ECKART of Ohio. I appreciate the gentleman's efforts here today.

Mr. Speaker, fortunately, there has been some good news from the economic front in the last several months. Inflation is at a tolerable level, increases in unemployment have abated, manufacturers are again reporting healthy profits. However, the good news has yet to reach our Nation's struggling farmers.

Although Federal farm aid reached an alltime high last year of $22.5 billion, a record number of farmers entered into bankruptcy last year. There are over 2 million farmers in the United States and economists estimate that nearly a third of them are sliding toward insolvency and that some 12 percent of them will hang up "out of business" signs this year. Like the Central and South American debt crisis of a few years ago, this financial crisis also threatens our fragile finance system. Last year 25 banks who deal primarily in agricultural lending failed and that number is expected to increase this year.

Our Nation's agriculture is one of the greatest success stories of Government assistance. Since the Great Depression, our Nation's farmers, with the help of the Federal Government, have become the most efficient and innovative food producers in the world.

But, our trophy as the world's breadbasket now is in jeopardy.

The problems of our farmers are many. They have been victimized by the overvalued dollar. With the record Federal budget deficit propping up interest rates and the dollar's value, our farmers have not been able to compete in export markets which are essential to a successful agriculture program. It is imperative that we do whatever is necessary to reduce the current $200 billion deficits.

As we have all come to see, reducing the deficit is no easy task. We are especially aware that the deficit and, consequently, interest rates, are not going to decrease overnight, but our farmers' financial situations are worsening every night. We have to take steps to save our farmers immediately.

I strongly support the Farm Emergency Credit Act of 1985. As my colleagues before me have pointed out, this bill offers immediate help to those who need it most. Unlike the administration's offers, this bill is a more complete answer to the immediate need of our farmers.

A farmer in my district, like many of his neighbors, is experiencing financial distress. Last June he was approved for an FmHA emergency loan. However, no money was found for the approved loans. FmHA then said October, but no money ever came. Then they said January, no money. February, no money. Now they claim that the money will come in mid-March. Who knows. In the meantime, the creditors' patience is wearing as thin as my farmer friend's finances.

Action is needed and it's needed now. We need a strong and stable supply of food. We don't need to keep sending food growers to the food lines.

Dwight Eisenhower said almost 30 years ago some very prophetic words. "Farming looks mighty easy when your plow is a pencil and you're a thousand miles from the cornfield."

This administration is a thousand miles from the cornfield and its up to Congress to rein them in and restore reality to the economics and way of life of farming.

Our farmers don't want a handout or a dole. All they want is a fair shake and an opportunity. We owe them at least that much.

Mr. DASCHLE. I yield to our deputy whip and a member of the Appropriations Committee, who has been very involved in this issue, my friend, the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. I thank the gentleman for yielding and I thank him for his leadership. I especially compliment his efforts in drafting and forging the emergency legislation to meet the urgent credit crisis that is to be marked up this week in Congress in a fast-track method in an attempt to meet the credit needs of the American farmer. It is a vital bill. It is needed at this time. I compliment the gentleman's leadership and the effort he has put forth in bringing our immediate attention to this national problem.

A minute ago someone mentioned that there should not be finger pointing on this issue that we address today on the national credit crisis in agriculture, and I certainly agree. Just the other day, in Jonesboro, AR. I attended a meeting of over 1,000 farmers. Farmers are interested in results and not much debate, but we in the Congress must debate these issues before we can produce results.

□ 1420

But this one lady from Lee County, AR, came to me and said, "Congressman, why don't you stop arguing with one another in Washington; put politics aside, and try to resolve the issue that faces the American farmer." As I have listened to the debate today from both sides of the aisle, both Republican and Democrat, I think we can say there is a bipartisan consensus here today. Every speaker I have heard thus far is apparently convinced the administration's farm policy is one that prevents farmers from making a profit. That policy has accumulated over the last several years to a point of crisis.

Mr. Speaker, we are a nation born of the land. During the early years it was the rural life and frontier spirit that nourished the ideas of democracy in America. Thomas Jefferson praised the farmer when he said, "Cultivators of the earth are the most valuable citizens. They are the most vigorous, the most independent, the most virtuous, and they are tied to their country and wedded to its liberty and interests by the most lasting bonds."

We are a nation sustained by the land. Agriculture is clearly our Nation's largest industry. As of January 1, 1984, farm assets were equal to about 70 percent of the capital assets of all manufacturing corporations in the United States according to the 1985 Fact Book of U.S. Agriculture.

Where only 3 million people work on the farm today, that's as many as the combined work force of transportation, the steel industry, and the automobile industry. A total of 22.5 million people work in some phase of agriculture making this industry the Nation's largest employer. Our agriculture system also accounted for nearly 20 percent of the gross national product for 1982. More Americans are involved in agriculture than we realize because farm purchases play an important part in America's economy.

In 1983 farmers spent $9.8 billion for tractors and other motor vehicles, machinery, and equipment. It took 150,000 employees to produce all this farm equipment.

Farmers spent nearly $16 billion for fuel, lubricants, and maintenance for their machinery and vehicles. Farming uses more petroleum than any other single industry in the Nation.

Farmers also purchased 360 million pounds of rubber—enough to put tires on nearly 7 million automobiles.

Farmers used more than 33 billion kilowatt-hours of electricity—more than the annual residential use in all New England States plus Maryland, Kentucky, and Washington, DC.

The use of steel in farming accounts for 40,000 jobs within the steel industry.

American agricultural production is based on the presumption of exports. During the 1970's U.S. agricultural exports grew at the extraordinary rate of 20 percent a year. Two of every 5 acres of production must find sales in the export market to provide one-quarter of the gross farm income. Thus, nearly half of all that we produce is for export markets. However, U.S. grain exports began to drop off sharply in 1981. By the end of 1983 total U.S. grain exports were 27.8 million metric tons less than they would have been had the trend of the 1970's continued.

There is a crisis on the American farm today—the worst since the Great Depression some analysts believe. "Not since the 1930's has financial stress gripped the agricultural community so tenaciously, says the February 1, 1985, Agricultural Situation Report of the Farmers Credit Association. Indeed, many knowledgable people feel the American farmer is already in the midst of another great depression.

The American farmer has dedicated his life to feeding and clothing the world. Today, he's asking for help in order that he might be able to properly feed and clothe himself and his family.

Between 1979 and 1983 net farm income in the United States decreased 50 percent.

Farm residents in 1983 received, after taxes, an average per capita income of $6,917—considerably less than the $10,057 of capita income for nonfarm residents.

Dire warnings about the precarious financial state of agriculture abound:

If positive steps are not taken soon to resolve the current financial crisis in agriculture, the Farm Credit Administration reports, the costs to society in terms of wealth reduction, business failures, and social unrest will be huge.

And yet, despite these warnings, I'm not sure the Reagan administration really understands what we are facing today. It seems that the more the administration gets its way, the worse it gets.

In last Thursday's Washington Post, David Stockman, Director of the Office of Management and Budget, was asked whether the administration

thinks there is a "national interest" in small farmers.

"What's the small farmer," he responded, "that's a sociological concept."

Mr. Stockman presents quite a contrast to Mr. Jefferson and Mr. Webster. For a former history major from the Michigan State University, he seems to have skipped too many history classes, not to mention sociology classes. The thing Mr. Stockman doesn't realize is that there are nearly 1.5 million of these "sociological concepts" in our country who produce less than $20,000 worth of farm commodities. That's not a concept. That's a reality.

The U.S. Department of Agriculture reports that approximately 18 percent of all farm operators have a debt/asset ratio of 40 percent or more. When the debt/asset ratio reaches 40 percent, economists will say interest costs of the farmer begin to threaten his survival. What these percentages translate into is 419,000 financially stressed farmers with $109 billion in debt as of last January.

But even more important is the fact that there are 156,000 farms with debt/asset ratios of 70 percent or more, representing $46 billion in debt and $28 billion in assets. This sort of situation is highly insolvent and indicates a near-term potential loss exposure facing lenders.

It is worth repeating the Farm Credit Administration's predictions concerning this point:

> Unless the financial situation in agriculture is stabilized there is a danger that asset values will be forced unduly low because of forced sales. Highly stressed operators, for example, hold about 3 percent of the total assets in agriculture, considerably more than what normally comes on the market in a given year. If the bulk of these farmers go out of business in the coming year, asset markets will be under strong downward pressure.

Alan R. Tubbs, on behalf of the American Bankers Association, gave this testimony before the Subcommittee on Conservation, Credit and Rural Development on February 7, 1985:

> Based on the agricultural credit and farm debt situation, I see an impending and unavoidable crisis for this year, next year, and possibly beyond as these highly leveraged farmers hit a point of no return.
>
> My concern is that as these operators are pushed into bankruptcy, foreclosure, or partial liquidation, it will force the reallocation of assets, further eroding asset values and creating a downward spiral.

You can see this beginning to happen all over the country. As land values decrease, farmers are unable to borrow money for their production needs. Without production, they are unable to pay back their current loans. As many are forced to sell land in order to meet loan payments or raise money to plant, they push the prices of neighboring farmland down. Mr. Tubbs pointed out that in the last 2 to 3 years the average land reduction in the Midwest has been approximately 30-40 percent. We are becoming ensnarled in a vicious vortex.

But, our gravest problem in agriculture is our reliance on export markets which we are losing because of the overvalued dollar. It seems the Reagan administration favors an economic policy which encourages imports but which discourages exports.

Our trade deficit has quadrupled under the Reagan administration. From $25.5 billion under Carter it has grown to $107 billion under Reagan. Estimates for the 1985 fiscal year are that the trade deficit will be $123.0 billion and possibly more than $150.0 billion in fiscal year 1986.

Of course, agriculture is not our only export, but it is a most important one. The overvalued dollar makes it very difficult for the American farmer to compete with other countries in foreign agriculture markets. Other countries, using government subsidies, are able to market their goods at prices well below ours.

The artificially inflated dollar and the growth in the trade deficit has contributed directly to the historically high interest rates we are now experiencing. Real interest rates have shot up astronomically under President Reagan. From a low of 2.9 percent in 1980, real interest rates stood at 8.04 percent at the end of 1984.

These high real interest rates have helped carry total farm debt to all-time records. Real estate debt has grown from $49.6 billion in 1976 to $110 billion in 1983. The total farm debt for real estate and non-real estate, excluding Commodity Credit Corporation loans, has grown from $91.1 billion in 1976 to well over $200 billion in 1983. It should be pointed out that $109 billion of this current debt is held by 18 percent—or 419,000—of our farmers, something I alluded to earlier.

Despite all of his talk about freezing the budget, Mr. Reagan is proposing to do no such thing. He proposes to increase defense spending by 12.5 percent while cutting major domestic programs by 13 percent. Included in that 13 percent figure for domestic cuts is $7.5 billion which will be taken out of agriculture programs.

I'm not sure that we can afford to cut our agriculture expenditures at this time. At best, we may be able to freeze the expenditures, but I don't think the farm economy can handle the shock of having the floor cut out from under it. Moreover, these proposals come at the worst possible time for farmers. Declining exports, rising debt, falling land prices, and depressed crop prices have already placed many farmers on the brink of bankruptcy.

So, what is the solution?

As a near-term solution for the current crisis, I would urge support for the passage of the Emergency Farm Credit Act of 1985 which I have cosponsored with the gentleman from South Dakota [Mr. DASCHLE]. This would allow farmers the necessary funds to plant their 1985 crops.

But most important, we need to find long-term solutions to bring down real interest rates and to restore a true value to the American dollar.

As a novel idea, John F. Twist, a constituent of mine, has advanced the proposal of creating a national food bank. This idea and others must be explored by Congress.

Meanwhile, we must enact the Emergency Credit Act to permit farmers to stay in business until Congress can provide an alternative to the current policies.

Mr. DASCHLE. I thank the gentleman for his excellent remarks.

Mr. Speaker, at this time I yield to the gentleman from Oklahoma [Mr. MCCURDY].

Mr. MCCURDY. I thank the gentleman for yielding to me.

Mr. Speaker, I think by the comments from the Members that were present here today and also the recent reports in the media across this Nation and in the meetings that many of us had in our districts over the last break, that there is indeed a crisis in agriculture in America. I have yet to hear anyone dispute the fact that there is a problem. But where the line has been drawn is "What is the solution; where are the answers?"

This is a crisis that affects all of us, not just the people in the Fourth Congressional District of Oklahoma that I represent. If affects the retailers nationwide. It affects the banks. It affects the suppliers. It affects the manufacturers. It affects everyone who is involved in eating, because if you eat, you are involved in agriculture.

Even though I strongly disagree with her son's remarks the other day, our Budget Director, I have to agree with David Stockman's mother when she said "I can't understand what he is saying, because without some immediate relief, there are not going to be any young farmers to take the old one's places. There is not going to be anyone to inherit the farm."

It is true, in my district I met with young people who were facing bankruptcy, and I met with old people. I met with new farmers and established farmers. The answer is the same: They are in deep, deep trouble. They have been faced with falling land values; market prices that have not increased in years; the overvalued dollar overseas; rising interest rates; diminishing overseas markets; stronger, better-subsidized foreign competition. Yet the answers that we receive from the administration, the Secretary of Agriculture, is: "We will have free trade; the

free market system will take care of it."

Mr. Speaker, there is no such thing as free trade in agriculture. There is no free market when you are dealing with the subsidies from overseas. What is the answer? The farm bill will address many of the long-term concerns of agriculture. But, that is a long way from being enacted. We need a short-term solution, and I think the gentleman from South Dakota is on the right track. We need a short-term, immediate credit program to help the American farmer.

Now the farmers in my district, we had a meeting the other evening in a small town called Frederick, OK. We had over 500 farmers at that meeting. They filled the auditorium; they were out in the hall. They were waiting to get in. They could not find enough seats. The farmers got together through a committee and they came forward with some proposals. Not just talking about the problem, but they came up with some suggestions, some alternative solutions. One of the programs that they recommended is the need for short-term credit available to those that can demonstrate they can "cash flow." In other words, they can demonstrate that they can make it with some additional time and some additional help.

It is true, we are going to lose a lot of farmers in the short term. We cannot afford to continue to lose them at the rate that we are. We have to react and to assist them immediately. A retailer spoke the other evening, a young woman, and she said, "You know, it appears today that in America small is out. Small is out." You know, she is really right; small is out. If you are Chrysler Corp. and you are failing, and my friends from Michigan are behind me here, the American Government responds; we help. If you are New York City and you are failing, the American Government responds and we help. If you are the Continental Illinois Bank in Chicago and you are failing, the Federal Government responds.

We have had banks fail in my district by the handfuls this year and we are not reacting; the Federal Government is not helping. We have farmers that are going under every day and we have not helped. Small is out. I think it is incumbent upon the Congress of the United States to stand up for the small American farmer and do what is right. I think we have to act quickly, and I commend the gentleman from South Dakota for his efforts, and my colleagues from across the country from coast to coast who have responded and are speaking out and intend to act for the most vital sector of our entire economy, and that is American agriculture.

□ 1430

Mr. DASCHLE. I thank the gentleman for his excellent statement.

Mr. Speaker, I yield at this time to one of the more active Members in the House and a distinguished Member, the gentleman from Georgia [Mr. ROWLAND].

Mr. ROWLAND of Georgia. I thank the distinguished gentleman from South Dakota for yielding.

Mr. Speaker, I wish to commend the gentleman for the initiative that he has taken in focusing attention on this crisis that we face in our country today.

Mr. Speaker, after a series of town hall meetings for farmers during the recess, I am here today to plead the case for my farmers. I know that many of my colleagues also met with farmers in their respective districts, and I am pleased that we can join together in helping make others aware of the seriousness of the crisis that faces rural America, and eventually the entire country.

To my colleagues, I wish to pass along a statement of one of my farmers, "We feel that we have to fight a government that's blind to the problems that we face in agriculture. We feel that Washington only gives lip services to our problems." Now I dare say, that none of us here today want to say that we are blind to the situation.

I know that if each of you had the opportunity to listen to farmers, then you, too, realize that their testimony is from experience and experience is the truth. Farming is not just a business, it is a way of life. It goes beyond the tangible aspects of yields and profits, it involves dignity and pride. Farmers are a dedicated group of individuals, committing their lives to long hours and hard work.

At one time, the situation was that farmers were able to hang on, but today it is just not the case. Farmers are losing, and when agriculture loses, the whole economy of the Nation loses. Our farmers are not asking for handouts, they are only asking for help to continue producing food for America. What concerns me is that we have the capacity to produce for the world, but we cannot keep the food producers in business. Does it seem to be an impossible task to help our farmers? If we take away the incentive and pride of being a farmer, then we are taking away the American pioneer spirit. People outside the agricultural community must realize that this problem is not going away, it is only going to get worse, if we do not do something about it. We cannot take a leave of absence from helping our farmers. I think that we must give our farmers a chance to remain in farming.

My district is three-fourths agriculture; therefore, I feel the testimony from my farm forums are highly representative of the problems in our country and especially the Southeastern area. Many of the problems raised during these forums pointed to our regional location which has different planting seasons, and with some areas producing better yields than others. Right now, my farmers are preparing to plant, and you cannot say the same for all areas of the country. The dairy issue is also a point to raise here because our market is primarily class I fluid milk which is not causing the present dairy surplus. Since this is a recurring issue within my area, I feel some attention needs to be focused on a regionalized farm plan.

Farmers need a fair price for their product. As one farmer stated, "No matter what Federal plan we have, we have got to have a fair price." A lack of profit is a problem in agriculture. Farmers continue to see an increase in the cost of production, but that's about it. The current system is not working for agriculture, and we must make some changes now.

I heard from other members of the rural community besides the producer of food. Rural community leaders pointed out that if farmers go, they also go. Agribusinessmen know if the farmer cannot buy a tractor then they cannot sell a tractor. A packager of commodities in my district pointed out if they cannot sell the products for exports, then they cannot package the products; thus, their plant hurts. The ripple effects of the current farm crisis reach out to the entire community, even to the point, as one farmer mentioned that insurance companies are denying insurance coverage for farmers' homes due to the high risks.

Now, I could go on and on with information that was brought to my attention during the recess. However, I will have this specific material to share with you in the very near future. Today, I challenge the Congress to start taking some action to restore agriculture, not only for the livelihood for our farmers, but for all of America as well.

Mr. DASCHLE. I thank the gentleman very much.

Mr. Speaker, the gentleman from Texas has graciously conceded to allow us to bring up the special order of the gentleman from Arkansas [Mr. ALEXANDER] ahead of his. We have made the agreement that we will only use 15 minutes of that special order so that he can proceed with his, so we have some additional time.

In light of that, I ask everyone for a certain amount of brevity, and also yield to a very dear friend, the gentleman from Michigan [Mr. LEVIN], who took time out of his busy schedule last week to come to South Dakota to listen to farmers directly, and he was very warmly received out there. I want

to publicly thank him at this time for that commitment and for his interest in this issue.

Mr. LEVIN of Michigan. I thank the gentleman for yielding, and I would like very much to thank the gentleman from South Dakota for his hospitality.

Mr. Speaker, let me, in a couple of minutes, at least begin to etch out why it seems to me that this is a farm crisis, but it is more than a crisis among farmers, and there is a good reason for people throughout the country to take an interest. As far as I can determine, there is one full-scale farm in the 17th District where I come from. Perhaps there is more to an area somewhat suburban where there used to be many farms.

Why am I interested? First of all, I come from a State that has a great deal of agriculture, and that is true of most industrial States. There is a strong agricultural sector as well as a strong industrial sector, side by side.

Second, the country is growing smaller. There is an inter-dependence, so when farmers go broke, they do not buy equipment that is made by workers in cities and towns.

There is another reason, and that is the causes of stress in rural America are common, indeed have also helped to bring about hardship, in nonrural America, for example the overvalued dollar. As has been mentioned, it is hurting the farmer and the auto worker, the farmer and the steel worker, the farmer and the tool and die worker and, yes, even the farmer and the high-tech worker.

There is a second cause: High interest rates. Historic real interest rates are harming the farmer and the construction worker.

So, Mr. Speaker, these chickens that I have mentioned, high real interest rates and also the over-valued dollar, are coming home to roost in rural and nonrural America.

I want to mention another reason, if I might, and that is, a common theme is being sung by some about distress, which is real distress in rural America and nonrural America. Dave Stockman said a few weeks ago that he saw no reason to distinguish among the laid-off industrial worker, the troubled small business person or the aging veteran of World War II or the student whose loan would be ended and the distressed farmer.

In a word, we are in a common boat, that is true, but his conclusion is that the boat should drift, if not sink, in the waters of icy indifference. It seems to me that is not the answer. I do not want to excuse mistakes made by farmers, but they were not all land speculators, and I do not want to forget for a moment the deficit, that farmers were not the only cause of the deficit in this country. I do not want to put the family farmer on a pedestal, but there is a lot of talk, and correctly so, about values in American society, and it seems to me we ought to look at the values involved in the family farm.

I do not want to cave in for a moment to selfish interests in this country, but all self-interest should not be dismissed simply as selfish interests.

Lastly, I do not want to be for a moment a rubber stamp for all the subsidies in this country for farmers or anybody else.

I am not sure of the answer to the farm problem in the long run, but I am sure that the answer is not to let tens of thousands of middle-sized farmers sink in the short run. So I congratulate the gentleman from South Dakota [Mr. DASCHLE] for his initiative. It is of importance to all of us, whether there are farms in our districts or whether there are not. I not only thank the gentleman for his hospitality but urge that he carry on. I intend to support his efforts to see that in the short run farms do not sink because of the lack of credit by the tens of thousands.

Mr. DASCHLE. I thank the gentleman for his excellent remarks, and I hope that people in rural areas can be as responsive to the urban needs as the gentleman has to us.

Mr. Speaker, today, the Congress resumes its business for the 99th Congress. There will be many critical and timely items on the agenda of this body. The budget, tax simplification, education, defense spending, and health care issues to mention but a few.

My colleagues and I take this floor today to tell you that one problem stands far above all others needing the immediate attention of this body. That problem, Mr. Speaker, is the agricultural credit crisis that is sweeping through the Farm Belt of this country, and which has engulfed my State of South Dakota. A credit crisis that will force hundreds of thousands of small, family farmers from their farms, and will cause others uncertainty as to whether they can obtain the necessary financing for their spring planting.

As this congressional session resumes, many of us are returning to this Chamber having spent a number of days in our district, listening to the concerns our constituents. Many of us held meetings to hear specifically from our farm and ranch constituents. We have heard first-hand comments from generation family farmers and ranchers who are watching the demise of their farming operation. We have watched grown men and women weep openly trying to express the frustration they feel about losing a part of their family to an adverse situation largely beyond their control.

Mr. Speaker, my colleagues and I take the floor of the House of Representatives today for one purpose, to continue the bipartisan efforts of Members from throughout the Farm Belt to draw the Nation's attention to the magnitude of this problem, and propose immediate solutions.

In part, solutions must come from all involved in this crisis, from the administration, from the Congress, the financial community, and the farmers themselves. If there is a positive observation that can be made of the pronouncements from this administration, specifically John Block and David Stockman, regarding solutions to this crisis is that they are consistent. Consistent in their plans to allow for the further demise of the family farm operation, clearing the way for corporate farming operations and large land barons. Consistent in their attempts to lay the current farm crisis solely in the laps of those deserving the least blame, the family farmers and ranchers who responded to Government policies advocating fence-row-to-fence-row production. Consistent in ignoring the role played by this administration in the decline of our export markets and the exorbitant level of interest rates our farmers and ranchers must accept.

At a time when thousands of family farmers are being driven from the land, where is the administration? Where is the farmers' advocate in Washington, the Department of Agriculture? One need only to look at the administration's fiscal year 1986 budget to see continuation of this consistent farm policy. David Stockman and John Block's fingerprints cover this proposed agricultural budget, a set of priorities that rewards the Pentagon's $500 hammer and $200 toilet seat performance with a 13-percent spending level increase, and leaves the farmers and ranchers reeling from a budget that:

Reduces income support target prices from 100 percent to 75 percent by 1991.

Reduces price support loans to a level of 75 percent of the average market price during the previous 3 years.

Eliminates acreage reduction, paid diversion, and payment-in-kind programs.

Eliminates all direct farm lending for ownership and operating purposes, including the Limited Resource—young farmer—Program.

Eliminates direct Federal export loans, and establish a 5-percent fee for guaranteed agricultural credit programs.

Phases out the Rural Electrification Administration.

Proposes $300 million in cuts by terminating or curtailing the Soil Conservation Service, the ASCS, the Extension Service, and the Animal and Plant Inspection Service.

With this budget, Mr. Speaker, David Stockman and John Block's action are clear. They are asking the minority of the population—that are farmers and ranchers—to absorb disproportionate amounts of their budget cuts. The bottom line result? The Pentagon spending spree continues and the budget deficit, with excessive interest rates, remains at record levels.

In his litany of attacks against the family farmers and ranchers of the Nation, David Stockman was quoted as describing farmers "as one group that has the last claim on the budget. The one group that had the greatest budget access in the last 5 years—$60 billion in farm subsidies in the last 5 years * * *." Consistency is the name of his game. He conveniently forgets to tell the American public that majority of that 5-year subsidy was his administration's own PIK Program, a hasty and scattered failure whose most notable success was the beneficiaries who reaped the million dollar PIK payments because John Block chose to lift the benefit limits which had applied to all previous programs.

And then we have the President's own pronouncement regarding the reason he no longer has cattle on his California ranch. His response: Because it is a hobby ranch, he would no longer get a Federal tax break for doing so. Mr. Speaker, there are many ranchers and farmers in my State of South Dakota who would welcome the opportunity to pay Federal income tax, because it would mean they realized an income.

With David Stockman at the budget helm, it is clear that recognition of this crisis will have to come from this body. I want to commend the leadership of the Agriculture Committee, Chairman DE LA GARZA as well as the chairman of the Conservation and Credit Subcommittee, ED JONES, for taking the lead in advancing emergency credit legislation. The leadership of the House has given its assurances that emergency agricultural credit legislation will be brought to the floor of this body as soon as possible to allow for financing in advance of spring planting. I want to assure you the farmers know who is helping during this crisis and who is not.

A number of my colleagues have joined me in introducing H.R. 1035, the Farm Emergency Credit Act of 1985, a summary of which includes:

SUMMARY OF H.R. 1035, THE FARM EMERGENCY CREDIT ACT OF 1985

SECTION 1: ADVANCE COMMODITY CREDIT CORPORATION LOANS

Advance price support loans will be made available to producers of 1985 crops. These loans will be made available to producers who participate in the 1985 farm program, with a maximum of 50 percent of the producer's 1985 crop eligible for advance CCC price support loans.

Eligible crops shall include those crops for which price suport loans are available as specified in the 1949 food and agriculture act.

These loans shall be recourse loans as long as the crop remains unharvested. Upon harvest, and certification that the crop is available as collateral for the loan, the status shall change to non-recourse.

The interest rate on the advance support loans would be set at normal CCC interest rate levels.

The advance loan program would be administered by the ASCS and ASC county committees.

SECTION 2: DEBT RESTRUCTURING

The current administration loan guarantee (debt adjustment) program would be revised as follows:

A 90 percent guarantee will be available on loans provided through the farm credit system and commercial lenders.

The FmHA's cash flow requirement would be reduced from 110 percent to 100 percent. (This would apply to the FmHA debt setaside program, as well as new loans.)

Lender would be required to establish interest rates on the loan at a level of not more than 2½ points above the Federal Reserve's discount rate.

Program would be available for debt restructuring as well as current operating expenses.

SECTION 3: ADMINISTRATIVE PROVISIONS

USDA will be instructed to use all possible avenues available to the Department to facilitate the administration of this program.

Loan guarantee authority will be increased to $3 billion.

Legislation requires the USDA to have both the advance price support program, and the debt restructuring program available within 15 days of enactment of the legislation.

Within 30 days of application, FmHA must approve or reject the lending institutions' application for participation in the "approved lender" program, in order for the institution to provide immediate credit assistance.

Mr. Speaker, this concept of emergency credit is just that: a temporary and emergency response to a critical problem. Without this proposal, hundreds of thousands of family farmers and ranchers from throughout the Midwest will be denied the necessary credit to plant their spring crop, and thus, will be forced to sell their property on a value declining market.

The long range problem must be addressed through this body's consideration of the 1985 farm bill. We must address the problem of low farm prices, the problem of unrestricted payments to giant conglomerate farm operators, the problem of a declining export market. Some might ask, why not wait until the farm bill? Mr. Speaker, for many that will be weeks too late.

David Stockman has asked "What is a small farmer?" A letter I received from a small dairy farmer in McCook County, SD would answer that question for the budget director:

My dad told me 12 years ago that you'll make money farming if you are honest, work hard, and use your money wisely. I believed him then, and I believe him yet, but I'm having trouble making my wife and three boys believe it. As yet they have seen no real prosperity.

We milk between 80 and 90 holstein cows, 7 days a week, 365 days a year, care for all of the young stock and farm approximately 800 acres of land. We get up at 4:30 and go to bed at 10:00, we go to church on Sunday. We liked what we're doing, we feel that we are competitive and efficient, and would like to think because of our ambition and determination, we might have a future here. We have never taken a vacation . . . We lived on $32 in February of 1984.

Mr. Stockman, this "small farmer" is currently trying to work with the Farmers Home Administration so that he can keep at least 320 acres of his land, and refinance his 15 percent bank loan to a more manageable level.

Mr. Stockman, he is not much different than the Platte, SD farmer who attended one of my farm meetings this past week. This man is in his fifties and has his land totally paid for. He isn't the land speculator you have been pointing to in your public statements. Yet, low farm prices, high interest rates and declining export markets teamed up to allow him a $2,000 income during this past year. He asked me "Why does Mr. Stockman make such broad comments about farmers? I think I am an established farmer, and yet I am losing money?

Mr. Speaker, I hope these two men have a chance to meet soon. Before it's too late.

The SPEAKER pro tempore. The time of the gentleman from South Dakota [Mr. DASCHLE] has expired.

ORDER OF BUSINESS

Mr. DASCHLE. Mr. Speaker, I ask unanimous consent that the Alexander special order be taken up out of order and that it be reduced to 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

DIFFICULTIES FACING AMERICAN AGRICULTURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 15 minutes.

Mr. ALEXANDER. I thank the Speaker. Mr. Speaker, during the past week, the House Budget Committee conducted field hearings around the country on the impact of the deficit crisis facing this country. Our colleague, HOWARD WOLPE of Michigan, recently chaired one of these hearings in Lansing, MI, on the issue of "Budget, Deficits, and American Agriculture."

The gentleman from Michigan is highly regarded by the Members of this body for his legislative skill and knowledge of Federal spending issues. With this in mind, I commend to my

colleagues the comments offered by the gentleman at the opening of the Lansing hearing.

OPENING STATEMENT OF REP. HOWARD WOLPE, HOUSE BUDGET COMMITTEE FIELD HEARING ON THE BUDGET, DEFICITS, AND AMERICAN AGRICULTURE—LANSING, MI, FEB. 11, 1985

I would like to begin by welcoming the distinguished witnesses who will appear before the House Budget Committee today, and all of those in attendance in the audience. Today's hearing is the second in a series that the committee is conducting to obtain the views of the American people on the deficit crisis that is facing our Nation, and on the best means of tackling this serious problem.

Today's hearing will focus, in particular, upon the Federal Government's agriculture budget. We will receive testimony from a diverse group of witnesses including agricultural economists, farmers, bankers, and representatives of agricultural organizations.

It is difficult to overstate the tremendous danger posed by massive Federal budget deficits. I say this, knowing full well that when this all-too-familiar warning is pronounced, the typical reaction is for the eyes of half the audience to glaze over, while the other half falls asleep.

I certainly don't blame the audience for this reaction. I think any blame probably lies with many of us in Congress who have been running around like Chicken Little declaring that the sky was going to fall if we didn't get these huge deficits under control.

We all know that the sky hasn't fallen. In fact, the Nation has been experiencing a rather strong recovery that is—ironically—in a large part due to the tremendous economic stimulus provided by such massive deficit spending.

No, the sky hasn't fallen. But that doesn't mean that all is well. Although must less dramatic, I submit that these huge deficits are like an insidious poison in our economic bloodstream that is quietly taking its toll.

This point was made last Friday by Federal Reserve Chairman Paul Volcker in an appearance before the Senate Budget Committee. Mr. Volcker observed that many people may have been lulled into believing that these large deficits are not harmful because the economy has remained strong since the recession ended 2 years ago.

But Mr. Volcker emphasized that these huge deficits have already hurt farmers, steelworkers, and all other industries that export or compete with imports.

It is not difficult to document the relationship between these troubled industries and massive Federal budget deficits. I would begin by drawing your attention to the chart entitled "Historical Deficits."

As the chart graphically illustrates, we have experienced Federal deficits of an unprecedented magnitude in the past few years. Moreover, in President Reagan's proposed 1986 budget, we would still have Federal deficits that will total $489 billion over the next 3 years.

In fact, the overall national debt is growing at a faster rate than the economy itself. The administration's budget document reports that the gross Federal debt at the end of 1980 was $914 billion, and by the end of this year it will have doubled to $1.8 trillion. And the Congressional Budget Office estimates that if we continue with current policies, by the end of the decade it would triple to $2.5 trillion.

The Federal Government's demand for credit to finance these recent deficits has accelerated much faster than the growth of the Nation's net savings. As our next chart shows, the massive Government borrowing has put pressure on the credit markets, thereby pushing real interest rates to record levels.

These high U.S. real interest rates have, in turn, attracted large inflows of foreign capital. The resulting increase in demand for the dollar has sharply pushed up its value. It is as if we are imposing a 37 percent tax on all of the farm and manufactured goods we want to sell overseas, while providing a 37 percent subsidy on all imported goods.

The super-strong dollar is great if you can afford to fly to Europe on a shopping spree. But it is nothing but bad news if you are an auto worker in Lansing threatened by the importation of artificially cheap foreign cars.

The super-strong dollar is nothing but bad news for the Eaton County farmer who wants to export his farm commodities overseas. In fact, in 1984, U.S. agricultural exports fell by $5½ billion from their 1981 level. Very simply, farmers can't sell their goods because of the strong dollar. The consequence is growing domestic surpluses and declining farm income. And now, a major farm credit crisis.

This super-strong dollar has, in fact, contributed to the quadrupling of the Nation's trade deficit since 1980. As our next chart shows, the U.S. spent over $100 billion more on imports that it received for its exports in 1984. It has been estimated that this staggering trade deficit has already cost our economy 2 to 3 million American jobs.

Even if the sky never falls, it is obvious that these huge Federal deficits are exacting a heavy toll on the Nation's economy today. And in addition to the heavy price we pay today, we cannot lose sight of the massive debts that we are leaving for our children to pay tomorrow.

It is obvious that these soaring deficits make "business as usual" simply out of the question.

As this committee sits down to write its fiscal year 1986 budget, we must keep two goals in mind: Our budget must substantially reduce deficits, and it must be fair.

On February 4, the President submitted his 1986 budget proposal to Congress. In broad outline, the President proposes to reduce spending for domestic programs—except for Social Security—by 13 percent (some $40 billion), while increasing Pentagon spending by 12½ percent (some $34 billion). On the domestic side, the President calls for many program terminations and deep cuts. Under the administration's budget, for example, spending on agriculture programs would be cut by 37 percent in 1986.

Very frankly, in my view, the administration's budget fails the fairness test. Unless the belt-tightening required by spending reduction is applied across-the-board, it will not be perceived as fair and will not receive the broad-based public support needed for effective deficit reduction. It is my hope that this set of field hearings will help the Congress to better understand the priorities of the American people so that a meaningful national consensus on deficit reduction measures can be achieved.

I am convinced that in the interests of both fiscal responsibility and fairness, we must put all Federal programs on the table for discussion during consideration of the budget. I personally do not believe that there should be any sacred cows. After we have looked at every piece of the spending puzzle, we must then put together a deficit reduction package in the most responsible and equitable manner possible.

I believe that such an effort will only be successful if we are able to move beyond the partisan finger-pointing and blame-throwing that too often accompany the annual debate on the congressional budget resolution.

It is my hope that all Members of Congress—both Democrats and Republicans—will acknowledge the overriding threat to our economy posed by these deficits and agree to work together in a bipartisan fashion to craft a budget that is based upon the twin goals of fiscal discipline and fairness.●

Mr. ENGLISH. I thank the gentleman from Arkansas for yielding.

Mr. Speaker, I think we have heard a very eloquent discussion today of many of the difficulties that are facing American agriculture.

□ 1440

There is no question that we have a crisis on hand. I think the real issue we are going to be faced with in the Agriculture Committee and ultimately throughout the Congress is the question of what we do about it and how we deal with the problem. The thing that struck me is that I do not think that the solution is any great mystery. People have talked a good deal about what we ought to do, but the discussion seems to be more aimed at a particular philosophy or a particular approach, and it seems that year after year, farm bill after farm bill, these same discussions are taking place. They are not geared toward the difficulties that we are facing and what the problems are that we are facing.

I think really, looking at this particular year—and I do believe that this will be the most important farm bill we have experienced in the last 50 years—we have two objectives that we must keep in mind. One is to bring supply and demand back in balance, and second, take back those markets that we have lost over the past 3 to 4 years. In fact, we have lost over 26 percent of our foreign markets since the embargo was implanted in 1980.

In the first place, I think the way that we take back those markets is, for example, that we have to recognize that many of our foreign competitors are using subsidies to compete with us, competing with the American farmer unfairly, because the American farmer is the only farmer who sells directly into the world market, as opposed to foreign governments which sell into other governments. The way we do that is through reciprocity, through balancing out. We tell foreign governments and let them know that if they are going to use subsidies, this Nation will respond in kind. I think then we can tell the American farmer that at last he will have a chance to play on a fair field with a straight deck.

Second, in bringing supply and demand into balance, obviously we

have got to provide incentives for our farmers to participate in the program. I have heard many farmers tell me that over the past few years they have felt they have been discouraged from participating in the program, whether it is the $150,000 payment limitations or other aspects of the bill itself which encourage farmers to go out and plant fencerow to fencerow, to utilize every bit of acreage they have and put it into production. Like any other businessman, they are trying to squeeze each and every dollar out of those resources during difficult times.

I think we can bring supply and demand into balance, but we are not going to be able to do it with a weak bill. I think the error we made in 1981 was the simple fact that we tried to implement a piece of legislation that was designed for different times, the times when we had expanding markets, the times when we had virtually no surplus. I think we have got to gear this bill toward bringing supply management more into line. We have got to bring supply down, we have got to bring demand up. I think once we act in that direction, once we understand that we have got to have a stronger bill, one that moves more toward a strong program, one that will encourage each and every farmer in this Nation to participate, then I think indeed we can look forward to solving this problem with the only solution, and that is with a profit in the marketplace.

Mr. Speaker, I thank the gentleman very much.

Mr. ALEXANDER. Mr. Speaker, I thank the gentleman from Oklahoma [Mr. ENGLISH].

I now yield, Mr. Speaker, to the gentleman from Illinois [Mr. BRUCE], a new member of the Agriculture Committee.

Mr. BRUCE. Mr. Speaker, I thank the gentleman from Arkansas for yielding.

Mr. Speaker, I believe that no institution in America embodies the tradition, security, and good sense of our Nation more than the family farm.

Today, however, this institution is threatened. And we in Congress must be clear on the cause of the current crisis—that farm policy has not kept pace with shifting world economic conditions. But our monetary policy and fiscal policy are also to blame.

Over the last 10 years, farm programs have cost us about 2 percent of the Federal budget while producing up to 26 percent of our gross national product. At the same time, the Federal budget deficit has risen from $26 billion in 1976 to $226 billion in 1986. Along with this rise, real interest rates have spiraled. Consequently 20,000 farm families are in danger of being run out of their business and off their land.

This is not the result of small farmers making bad business decisions; it's the result of large Government making bad economic decisions. And cruelest of all, we now see our Budget Director pointing the finger at the family in the field and telling them it is time to get off their combines and into the bread lines.

I am here today to say that such a policy is shortsighted and simplistic.

Farmers need short-term, immediate help. They need help out of a ditch that we dug. I think we should give them help, not just because they deserve it, which most of them clearly do, but because it's in the best interest of the country as a whole.

It can and should be the policy of this country to protect the family farm. We should help farmers because they are the basis of the structure and stability of rural America. Should they be wiped off our map they will be replaced by large conglomerate farms which will operate on a very small ratio of investment to profit. And as U.S. Steel, Lockheed, and Chrysler have taught us, big firms can get into big trouble.

It will require just a slight adjustment to our budget to assure the maintenance of our most productive industry. I think we would be foolish not to help solve this credit crisis on the family farm.

Mr. ALEXANDER. Mr. Speaker, I thank the gentleman from Illinois [Mr. BRUCE].

I now yield, Mr. Speaker, to the gentleman from Idaho [Mr. STALLINGS], a new member of the Committee on Agriculture.

Mr. STALLINGS. Mr. Speaker, I appreciate having this opportunity to speak.

These last 2 weeks have been weeks of great concern to me. Two weeks ago we listened to a parade of witnesses come through the Credit Subcommittee of the Committee on Agriculture, and we listened to a rather sad tale of what is happening in Midwestern America, particularly in rural States. And then this week I spent some time in the eastern Idaho and southern Idaho cities of Pocatello, Twin Falls, Blackfoot, and Idaho Falls listening to similar tales of problems.

We are in fact suffering a crisis in agriculture, and I think to find an equal we would have to go back to the 1920's and the 1930's. We face a crisis in credit, a crisis in low commodity prices, a crisis that will change dramatically the way of life for a significant number of people if in fact nothing is done.

I am hearing spokesmen for the administration tell us that this is the natural way this market economy operates, that we will in fact shake out the inefficient farmers, and that the entire system will be better off.

We have seen over the history of this country a significant change in the number of farmers, from nearly 90 percent of our people in farming down to about 3 percent, and I have to ask, how many inefficient farmers are left? I hear from some of these same spokesmen that we may lose as many as one-third of our farmers this year, but that is not a crisis because we are in fact losing only the inefficient ones.

I do not believe, Mr. Speaker, that there are only two-thirds of our farmers in this country who are efficient, and that the one-third that are going are all inefficient. I think that is a very poor way of saying that the policies of the last few years have not worked.

Now, the next excuse I hear is that we have too many farmers in this country, that the 3 percent of our population engaged in agriculture make up too many farmers. Well, in other areas that has been a logical argument, that we in fact had too many automobile producers, that we perhaps had too many railroads, and that the market does operate best with fewer. But in agriculture the production levels stay the same because, as farmers go out, their land is not taken out of cultivation; their land is taken over by other farmers who perhaps in a more efficient way get even greater production than we had in the past. So if we reduce our farmers by one-third, our production levels will stay the same, and if next year we reduce them by another third, our production levels will still stay the same. The surplus remains, the low prices will remain, and the crisis will continue.

Finally, I hear the cry, "Well, it is because of irresponsible farmers. They got themselves into this mess. Let them get themselves out." Many of my farmers, Mr. Speaker, were forced to borrow because of the incredibly high interest rates. Those interest rates were not driven up by farmers; they were driven up by foolish members of Government who spent beyond their means, foolish members who ran up deficits in the $200 billion category, driving interest rates to high levels.

It was not my farmers in Idaho who lost the overseas markets; it was that same Government whose deficits drove the value of the dollar to all-time highs.

When South American grain can be brought into this country cheaper than it can be bought from our own grain companies, we are in fact in a crisis. There are several things that have to be done. H.R. 1035 is one of them. It is a short-term solution that will provide some credit for our people this year. But we need to restructure the role of agriculture and Government, and, Mr. Speaker, I would like to have a part in that restructuring. I

am very pleased to have this opportunity.

Mr. Speaker, I would like to compliment those who have been involved in the process at this point, particularly the gentleman from South Dakota for his emergency credit legislation. This is an emergency. We need to take emergency actions. If we do not, it will be too late.

□ 1450

Mr. ALEXANDER. Mr. Speaker, I thank the gentleman from Idaho.

I now yield to the gentleman from Illinois [Mr. GRAY].

Mr. GRAY of Illinois. Mr. Speaker, I thank my distinguished friend, the gentleman from Arkansas, for yielding.

Mr. Speaker, I represent a congressional district in southern Illinois comprised of 21 counties. Mr. Stockman, I call your attention to the fact that there are small farmers in this country. The Agriculture Department currently estimates there are 640,000 full-time, family farmers in this Nation with gross sales ranging from $40,000 to $500,000. There are also 1.7 million farmers with sales under $40,000. But maybe Mr. Stockman will be right soon. Considering the plight of farmers as spelled out in the following statistics I have made available, then maybe we should say there used to be small farmers.

Presently, farm foreclosures are in the thousands nationally. Illinois may have fared better; however, they are up 100 percent since 1982.

As many as 10 to 15 percent of farmers are expected to lose their farms in 1985.

Farm values have decreased in Illinois 21 percent since 1981.

Banks are losing approximately 10 percent of farm loans, compared to 2 percent in the 1970's.

One of every five Illinois bank failures was a farm bank.

Net farm income is down by one-third.

While farm productivity in Illinois is up 15 percent.

As these financial statistics indicate, the farmers and bankers are suffering from a loss of faith. There is a crisis of confidence. For the first time since the depression, we have normally conservative, peaceful farmers demonstrating in the streets. Yet, over 50 were arrested recently for demonstrations in Chicago. And farm organizations in Illinois are threatening a "March on Washington" in March.

Mr. Speaker, considering these facts, and considering the administration's weak response to the plight of farmers, Mr. Stockman may soon be right. There will be no small farmers unless we act. I want to thank my friend from Arkansas and my friend from South Dakota for taking this time to spotlight the need for quick action. I am today introducing H.R. 1035 as a cosponsor and hope that the Committee on Agriculture can report out legislation to give our farmers some badly needed financial assistance.

Mr. ALEXANDER. Mr. Speaker, I thank my distinguished friend for his contribution.

I now yield to the gentleman from Oklahoma [Mr. WATKINS].

Mr. WATKINS. Mr. Speaker, it is with great pride that I take this opportunity to speak on agriculture, a subject that has been a big part of my life. But it isn't with pride I say that thousands of our farmers are going out of business. And, I'm here today to say that I don't agree with everything the administration says about agriculture. We don't have too many farmers and we don't have an overinvestment in agriculture. When 300,000 people have died in Ethiopia alone from starvation, we don't have too many farmers. First and foremost we must remain committed to our family farmers in that marginal, small, and medium size category.

What do we stand to lose in this country along with the loss of family farming operations? Agriculture and the people who comprise rural America have long set the standard for values for this Nation. When America has needed to find itself, it has always returned to that segment of society for a purging of the soul. The challenge we face not only affects rural areas but, all of this great country.

The basis and strength of this Nation since its colonization and founding has been agriculture, contrary to what some think that defense has been and continues to be that strength.

We have come a long ways but we have even a greater distance to go in the future, especially in the coming year when we will be faced with tax changes, deficit decisions, and setting agriculture policy for the next few years in the 1985 farm bill.

In finding answers to our farm problems, we need a bipartisan effort in our pursuit. The bottom line is that we must have a fair price for our agriculture products. And, I think most farmers would agree in my district that $2.50 a bushel wheat in 1988 is not the answer to our problems. When only 3 cents of wheat goes into the average $1 dollar loaf of bread, someone needs to start asking some questions why the farmer is only receiving such a small amount. If we don't come up with a plan that will give our farmers a fair price for their product, we as consumers will pay the price. When someone is down, do we go ahead and step on him and push him on down or do we reach down and help him up? Hopefully this Nation's policy hasn't degraded to the point where it would encourage the further deterioration of our family farm system.

Granted, oftentimes commodity and credit programs for farmers are costly. But, I think we all would have to agree that even though farmers have received subsidies in the past, the real beneficiary has been the consumer. The American farmer has subsidized the cheap food policy of this country for many years out of his own pocket. The consumer has benefited and the farmer is being foreclosed. As consumers, I don't think anyone of us would want to change a cheap food policy where only 16 percent of our disposable income is spent on food. Subsidies are almost a direct benefit to the consumer.

As far as a free market is concerned, there is no such entity. I think we would all like to believe that such a thing existed and everybody plays by the same rules. But as long as other countries subsidize their producers we must counter that if we do not want to see the demise of the American farmer.

The American farmer has for the past several years been totally at the mercy of elements and events beyond his personal control. The policies of the Reagan-Stockman administration have led to the highest real interest rates in history and the deflation or decline in farmland equity values which is the greatest since the Great Depression. The policies of this administration have led to the highest rate of cheap foreign imports into this country in history, leading to the highest trade deficits in history going in 4 years from $25 billion to $128 billion. Agriculture is the only sustaining factor in our exports and that is diminishing. The strength of the U.S. dollar has weakened farmers' ability to export commodities and as a result we have seen the lowest metric tonnage of agriculture exports in modern times.

Past administrations have contributed to the problems we now face. Our farmers were told by then Agriculture Secretary Earl Butz to expand and plant fence row to fence row and that the markets for the products would be found. That deal was squelched and the farmer was left holding the bag. Under President Nixon a soybean embargo was put into place and then under President Carter a wheat embargo was enacted. And now, President Reagan's Caribbean agreements allow more and more beef and other agriculture products to be imported into the United States to the further detriment of the American farmer.

In none of the embargoes or the trade restraints was the Secretary of Agriculture even consulted, with the Secretary of State making decisions which affect hundreds of thousands of American agricultural producers. Embargoes and trade restrictions have proven to adversely affect only the farmers. The Commodity Credit Cor-

poration reported last year that U.S. exports were down 11 percent and that foreign competitors' production was up 11 percent. They just took up the slack.

We need to get the Secretary of State out of trade policy because they are more inclined to bowing and scraping before foreign dignitaries in a social atmosphere than in conducting hardnosed trade negotiations to recapture a healthy position in international trade for agriculture and other domestic products.

For years, Government has loaded the farmer down with gunny sacks full of problem brickbats and now, that the tide's come in, is telling the American farm family to sink or swim.

Our farmers are being told that they are totally to blame for their current situation. American farmers are not like savings and loans, automakers, nor do they grow computer chips. You can't compare apples to oranges.

Marginal small- and medium-sized farmers are being forced off the land in record numbers in Oklahoma. A record number of 389 bankruptcies for 1 month was filed in the State's western district in January. About 5 percent or 4,000 farmers were forced off the land last year in Oklahoma because of financial stress. Almost 12 percent of our farmers experienced some kind of partial liquidation last year in order to keep farming.

About 25 to 30 percent of our farmers have debt-to-asset ratios of greater than 35 percent. This would be comparable to other States in the 40-percent ratio bracket because 56 percent of our farmers' debt is in nonreal estate debt. This means more short and intermediate loans that will come due faster than land notes. In nonreal estate debt, Oklahoma's farmers rank third in the Nation. With this in mind, our farmers are struggling and are as highly leveraged as any farmers in the Nation.

When I was State president of the Oklahoma Future Farmers of America, there was 26 percent of the population engaged in production agriculture. Now that percentage is 2.4 percent. If any bird, fish, plant, weed, or tree had suffered that degree of depredation, they would have joined the list of endangered species.

I submit to you Mr. Speaker, and to my colleagues, that the American family farmer is an endangered species.

Urban sprawl has taken his farmland. High interest rates, a high valued American dollar, an unsurmountable deficit, and inflated land prices head the list of predators that is contributing to his demise. Life or death is determined by factors beyond his control. Without the stability of a future based only on personal management decisions, his pride in himself has diminished. His sons and daughters have left the farm in droves because they don't want to encounter the insecurity their parents have withstood. Now, many don't have the option. Flame, flood, and drought have decreased his chances for survival.

During the past 200 years, his predators have been many. Now he faces the greatest predators that he has ever fought. Repeatedly he has tried to battle his predators by producing twice as much, working twice as long each day and taking aim at unjustified expense. Yet, it appears he is running out of ammunition. How much longer can he defend his way of life with a gun loaded with low commodity prices that repeatedly have bounced off the enemy?

Animals on the endangered species list stand a better chance for survival than the American farmer. When the bald eagle is gone, it will mean the end of a symbol of freedom and democracy. When the American family farmer is gone, not only will it mean high food costs but the disruption of a society.

This is the year that must make the difference, through farm policy and other legislation that will affect our general worldwide economy. Our answer is not a total repeal of all previous legislation. When our economic policies are geared to be detrimental to agriculture, we are heading for disaster.

One of our most revered statesman, Daniel Webster, spoke of the importance of the closeness of the land.

> Let us never forget that the cultivation of the earth is the most important labor of man. Unstable is the future of that country which has lost its taste for agriculture. If there is one lesson in history which is unmistakable, it is that national strength lies very near the soil.

I'm also reminded of several passages in the Holy Bible. They talk about beating swords and other weaponry into plowshares. As far as our investment is concerned, do we continue to invest in the true strength of this Nation, agriculture, or do we invest massive amounts of money in a false hope and strength that in the end would prove disastrous? The amount our great Nation invests in agriculture is only 5 percent of the amount spent on the military. How, I ask, do we have peace and justice if millions of humans are starving to death?

Mr. ALEXANDER. Mr. Speaker, I thank the gentleman from Oklahoma, my good friend, for his contribution.

I yield to the gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. Mr. Speaker, there are at least two major alternative solutions to our Nation's farm crisis:

First, the easy route: Announce that the problem is too difficult and any solution too expensive, write off 10 to 20 percent of the Nation's medium-sized family-managed farms, and give up trying to solve the problem.

And, then, there is the harder way:

Recognize, that although the solution will be difficult, and some hard choices will have to be made, the farm crisis is worth solving, and preserving rural America is a sound national policy. That is the course I believe Congress should take.

While some farmers are just not going to make it no matter what the Federal Government does, I am not prepared to write off every family farmer who right now needs financial help from the Government. The argument that "It's about time farmers stood on their own feet" represents an incantation of "know-nothingism" that overlooks the painful consequences for hundreds of thousands of Americans living on farms and the long-term consequences for America's food supply.

Most of the farms facing insolvency in 1985 can make it if we make a commitment of providing those farmers with critically needed and well-deserved assistance.

Hundreds of thousands of American farmers are in desperate financial straits: rising costs, inadequate prices, and oppressive interest on debt repayment overwhelm their income—and the farm policies of the present administration have left these farmers at the edge of financial ruin.

OMB Director David Stockman offers as farm policy a blanket indictment of all farmers who are in trouble, calling them "poor managers." That allegation has become the basis for a policy of allowing tens of thousands, possibly hundreds of thousands, of American farmers to go bankrupt, to lose their land, and to permit the increased concentration of food production.

The Stockman approach is the easy way out—the simplistic approach to a complex problem, the refusal to attempt to develop constructive solutions to the worst crisis facing American farmers since the Great Depression. The Stockman approach is one which totally discounts the value to American life and to the American economy of a rural America with farm ownership shared by large corporations and by individual family farmers. Mr. Stockman's calculus is indifferent to the contributions to the American economy and to the American way of life of farm families who with sound national policies can continue to own their farms, repay their debts, and continue to produce the Nation's food at affordable prices for consumers.

The challenge before Congress now is to develop farm legislation which will ensure the short-term economic survival of those farmers who have the capability to be profitable in the long term. These are the farmers who

face financial ruin now, not because of their own errors in management, but because of failed national policies which ignore the effect of years of high interest rates, combined with rising costs, and low prices.

It will not be possible for Congress to fund the kind of program which would be necessary to avoid all farm bankruptcies. The crisis has gone on for so long, the debt burden on some farmers so great, land deflation so severe, and the profitability of certain farms now so marginal, that, given the present political composition of the administration and the Congress, it is impractical to expect a farm program to save these farms.

An unrealistic attempt to push a costly farm bill would only delay the inevitable for that minority of farmers in financial difficulty who are not going to be able to make it in the long term. Such an attempt is the exact opposite of the equally untenable position of David Stockman, which is to write off every single farmer in distress.

If the majority of farmers now in financial trouble had the right kind of financial support, they could make it through the present crisis. That is the category of farmers who need reasonable, pragmatic legislative and administrative programs.

During the just-concluded congressional recess, I conducted farm hearings throughout my district and met with Minnesota Governor Rudy Perpich and his economic crisis committees in an attempt to develop the factual basis upon which to build sound farm credit and farm assistance programs for the next 4 years.

In the next week, I shall, in a separate special order, report to the House on the individual testimonies which I heard at the hearings in North Branch, Milaca, and Aitkin, MN.

The challenge we face is that between 20 percent and 30 percent of our Nation's farmers are insolvent or in danger of becoming so within the next year. The Reagan administration proposal would insure bankruptcy for a majority of those farmers. It would depress land prices further and endanger a whole new group of farmers who are now only moderately in debt. The high-risk category is the approximately 700,000 farms with $50,000 to $500,000 in annual sales—the farmers constituting the medium-sized family farm.

Those farmers, the farm credit system, farm suppliers, the entire fabric of rural America cannot stand the shock of the drastic reduction in Federal assistance proposed in the Reagan administration recently proposed budget. It is an abrupt, insensitive proposal lacking the careful thought necessary to cope with the enormity of the present farm crisis and the implications of wholesale farm bankruptcies.

Clearly, American farmers are facing a transition period. The Federal Government should facilitate an orderly transfer which enables good farmers, sound managers, to remain in farming. We should not take an unthinking, drastic approach which results—unnecessarily—in farm bankruptcies

We must consider the advisability of adopting a production management system which would stabilize farm income; changes in those provisions of the Tax Code which favor partnership and corporate farming as tax shelters; and we must recognize the impact high budget deficits have had on both interest rates and the value of the dollar which have made borrowing costly and have cut demand for American agricultural exports.

I want to thank my colleagues for taking time to arrange this special order this afternoon. This special order, committee hearings, and our public meetings both in Washington and throughout the Nation will increase Members' awareness of the critical issues facing American agriculture and the Nation. If we are willing to make some hard choices, to spend some time developing sensible approaches that respond to the realities of the farm crisis, and, if we are willing to avoid the Stockman-style hatchet approach to the farm crisis, Congress can develop farm legislation which will enable those farmers who can and should survive economically to do so.

Mr. ALEXANDER. Mr. Speaker, I thank the gentleman from Minnesota for his contribution to this issue as well as to many other issues that are debated in this Chamber.

Mr. Speaker, I yield to the gentleman from Kansas, my good friend [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Speaker, I want to thank the gentleman from South Dakota [Mr. DASCHLE] and the gentleman from Arkansas [Mr. ALEXANDER] for their leadership in having these special orders.

It appears to me that if our national security directly were threatened, whether it be from the Soviet Union or from another foe of this country, America would be ready. Readiness is the key. Readiness is the issue that we always talk about in the defense budget.

Well, I believe that our national security is being threatened by a farm economy which is falling apart. You see, we in America have never had to go to war because of a shortage of food supply. We have never had to go to war because we were not ready, we were not prepared in terms of our ability to keep our stomachs fed. That has been the case in Japan, in Western Europe and certainly is the case in Central and South America, Africa, and all over the world.

The national security of the United States is just as significant with respect to an adequate food supply as it is with respect to any weapons systems.

What we are coming down to the House floor today and talking about the plight of our farmers, whether it is on credit or whether it is on the long-term issue of making sure that they stay in business, is an America that remains strong, and a strong resource base in this country particularly with respect to a strong food-producing capability is just as important to a strong America as is a strong defense budget.

So whether it is credit legislation which we desperately need in the short term, or whether it is substantial improvement to the process that farmers get in the long term, both these items relate to the strength and national security of the United States, which is just as important to a person who lives in the inner city of New York or in San Francisco as it is to my farmers in Kansas or your farmers in Arkansas.

● Mr. RANGEL. Mr. Speaker, I rise to express my deep concern for the plight of the American farmer, and especially to voice my opposition to the administration's proposed cuts in farm assistance.

The family farm is in trouble, Mr. Speaker. Rising costs and shrinking markets have slowly whittled away at this great American tradition. Most private farmers are deeply in debt, and find themselves falling deeper annually into a financial crisis. Foreclosures are an ever-increasing sight in many communities, and many older farmers are dissuading young people from becoming farmers.

The administration would like to cut 56 percent in aid to Federal crop programs, as well as most loan and credit programs. They argue that farm programs artificially prop up crop prices. I would submit that declining exports, rising debt, and depressed land prices more than offset any argument the administration might have in favor of assistance cuts.

Mr. Speaker, this is the worst possible time to cut Federal farm assistance. We owe our farmers much more than merely shaking our heads. We owe it to them to keep them in business, and to protect their livelihood.●

INDIANA EIGHTH DISTRICT ELECTION CONTEST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BOULTER] is recognized for 60 minutes.

Mr. BOULTER. Mr. Speaker, I also want to add my compliments to the

gentleman from South Dakota and the gentleman from Arkansas, my Democratic colleagues, for this special order on this most important problem facing our country today.

I begin my special order 15 minutes late at the request of the gentleman from Arkansas [Mr. ALEXANDER] so that he could condense his special order and proceed without any interruption, because it all dealt with the subject of agriculture.

I was hoping that some of my Democratic colleagues would remain on the floor of the House so that we could continue to conduct business and talk about another crisis that is facing our country.

I want to say, Mr. Speaker, as most of my colleagues have, I spent all of last week in my district. I come from a very rural district, an agricultural district. I also had several farm meetings, farmers' forums. In fact, I had about seven of them and we discussed this crisis at length.

The immediate problem does seem to be how to find and legislate the compassion to solve the short-term credit crunch so that our farmers can plant in the first place, and then when they come to the end of the row they can know that they are at least going to make it through one more season. I am struggling for that and I am struggling for the wisdom to come up with a long-term policy which will restore economic vitality to this basic industry.

We have got to have a bipartisan approach to that problem. That is why it is disappointing to me that I do not see any Democrats on the floor of the House right now.

My people deserve bipartisan approaches to the critical problems facing our country today. They deserve it and they need it, but I cannot help but observe the difference between how this House operates and how the one on the other side of the Capitol Building, the U.S. Senate, operates. The difference between the way the majority party in the Senate approaches the challenges and the way the majority party in this body approaches our challenges is dramatic.

The SPEAKER pro tempore (Mr. BUSTAMANTE). The gentleman from Texas cannot refer to proceedings in the other body.

Mr. BOULTER. I am observing a difference, Mr. Speaker.

The SPEAKER pro tempore. The gentleman still cannot refer to proceedings in the other body.

Mr. BOULTER. I am observing the fact, Mr. Speaker, that on our side of the building, in the House of Representatives, the majority party has chosen as its No. 1 task so far keeping Rick McIntyre from being seated, and unlike the Republicans on the other side, the Republicans over here have had to spend valuable time trying to seat Rick McIntyre, who has won an election two times now from the Eighth District of Indiana, who is the only duly certified winner in that race, who is due that congressional seat.

□ 1500

We talk about an agricultural crisis and we are facing one and it needs a bipartisan approach. But I believe that we are facing a constitutional crisis. What has happened in the House of Representatives has been described as a rape of the Constitution because we are trampling on the principle of one man-one vote and majority rule.

Mr. DIOGUARDI. Will the gentleman yield?

Mr. BOULTER. I yield to the gentleman from New York.

Mr. DIOGUARDI. I thank the distinguished gentleman from Texas for yielding.

Recently I came before this body to announce my outrage and displeasure at the way the matter of seating the Representative from Indiana's Eighth Congressional District was handled. At that time I said it boiled down to an issue of fairness, fairness to Mr. McIntyre, fairness to the people of Indiana and to the State of Indiana, but probably most of all fairness to the democratic tradition of this great body.

I am still outraged at the way this matter has been delayed and now put into committee.

I would like to read an editorial that appeared Monday, February 11, in the Washington Post entitled "A Seat for Mr. McIntyre."

On the day the 99th Congress convened, a cloud remained over the election results in Indiana's 8th District. Incumbent Democrat Frank McCloskey appeared to be the victor on election night. He was ahead by 72 votes. But after a correction had been made in the count in one county, Republican challenger Richard McIntyre pulled ahead by 34 votes.

Indiana's secretary of state certified Mr. McIntyre as the winner, but the Democrats demanded a full recount in each of the district's 15 counties. That recount had not been completed by the first week in January, and both men showed up to be sworn in when the House met. Because the earlier count had been so close and the recount was still in progress, the House, on a party-line vote, refused to seat either man that day, though both have been on the payroll temporarily. The postponement was reasonable at that time.

Last week a recount of all counties in the 8th District was completed, and the final figures show Mr. McIntyre to be the winner by a comfortable 418 votes. There are no allegations of fraud, and even though thousands of ballots were disqualified during the recount, the action was taken, in 90 percent of the cases, by election commissions dominated by Democrats. Nevertheless, the House on Thursday refused once again to seat Mr. McIntyre—even conditionally—because the Committee on House Administration is reviewing the returns. This process is expected to take another 45 days.

Mr. McCloskey has every right to challenge the result of the election in court, as former Rep. George Hansen has done in his tight Idaho contest. But there is no need for the House to wait for a judicial determination to seat the winner. Nor is it necessary to leave the people of Indiana's 8th District without a voting representative in Congress until April. The votes are in. They have been counted twice. The margin of victory is comfortable, and Indiana election officials have twice certified the winner. The House is the final judge of the qualifications of its members, but until and unless the Committee on Administration finds otherwise, Mr. McIntyre ought to be seated.

I thought it would be appropriate at this time to read this statement. I think it is still outrageous that this matter has not yet been settled and the citizens of the State of Indiana, specifically the Eighth Congressional District, are yet without representation.

I thank the gentleman for yielding.

Mr. BARTON of Texas. Will the gentleman yield?

Mr. BOULTER. I now yield to my distinguished colleague from Texas [Mr. BARTON].

Mr. BARTON of Texas. I thank my distinguished colleague from Texas [Mr. BOULTER] for yielding to me.

As you know, I say to the gentleman, I come from a small town in Texas, in Ellis County. And in spite of the attempts by our Democratic colleagues to keep the lid on the Rick McIntyre/Frank McCloskey race, the word is beginning to get out.

We just heard an editorial read by the gentleman from New York [Mr. DIOGUARDI] from the Washington Post of last week. I would like to read another editorial from the Winkler County News, a small town, and it is a county newspaper in Kermit, TX. The publisher is Bill Beckham. The managing editor is Bert Brewer.

The editorial is entitled "Poor Losers."

Residents of Indiana's 8th Congressional District are being denied representation in Washington in a blatant abuse of power by Democrats controlling the House of representatives. Richard D. McIntyre was elected to the House from the 8th District last November, but he still is on the outside looking in.

The election was a close one. Mr. McIntyre was certified the winner over Democrat Frank McCloskey by a scant 34 votes in December. Mr. McCloskey demanded a recount, which was not unexpected.

Now the recount has been completed—by county election commissions that were dominated by Democrats in 11 of the 15 counties comprising the 8th District. Mr. McIntyre again emerged the winner—but by the more substantial margin of 415 votes.

The Democrats are turning out to be poor losers. Rep. Tony Coelho of California, chairman of the party's congressional campaign committee, insists the returns still are not conclusive. He points out that 1,000 ballots were ruled invalid in a precinct with a heavy pro-McCloskey vote but conveniently ignores the fact that thousands more were ruled invalid in precincts that favored Mr. McIntyre.

Election officials in Indiana are satisfied that the election of Mr. McIntyre was on

the up-and-up, but the Democratic leadership in the House is insisting that the seat remain open until the House Administration Committee, which it controls, has had a chance to "investigate" the case. The investigation, of course, is a last-ditch effort to find some reason to give the seat to Mr. McCloskey.

This is believed to be the first time the House of Representatives has ever refused to seat a person whose election was duly certified by state-election authorities. If the Democratic majority is allowed to impose its will in this manner, the implications are frightening. Why bother to have elections if the party controlling Congress can overrule the results?

If Mr. McIntyre is not seated promptly, voters in Indiana should seek an order from a federal court granting them the representation in Congress that is being denied to them by the losing side in the November election.

I would like to point out to my colleague from Texas [Mr. BOULTER] that Mr. McIntyre has sought just such an injunction by Federal court here in Washington, DC.

I would like to end by quoting the motto of the Winker County News because I think it is very appropriate. It says, "This newspaper is dedicated to the spirit of civic progress; to the unification of the townspeople in a common purpose for the betterment of our community; to our churches, schools, and homes that Kermit shall ever be a good place in which to live and rear our children. And, above all, honesty, decency, justice, tolerance, faith in Almighty God—these shall be our citidel."

The motto of the Winker County News of Kermit, TX should be the motto of this House and I think we should as soon as possible move again to seat Rick McIntyre so that the people of the Eighth Congressional District of Indiana shall have their Representative in this Congress.

I yield back to the gentleman.

Mr. BOULTER. I thank the gentleman I am very, very pleased to see that the word has gotten down to Winker County, TX. I was really pleased to hear of that editorial.

Mr. STRANG. Will the gentleman yield?

Mr. BOULTER. I now yield to the gentleman from Colorado.

Mr. STRANG. I thank the gentleman from Texas for yielding.

It is a sad day when this body to which I just got elected as a freshman can witness two actions on the first day we meet, the day we took an oath to uphold the Constitution. The first action was to sent a disputed election of a Member from Idaho, and that motion was sponsored and supported on both sides of the aisle. And then to witness the shame of the election in Indiana and the failure of this body to recognize the constitutional right of the State of Indiana, the sovereign State of Indiana, to seat its own Congress people, to send them to Congress.

Rick McIntyre has a certificate from his secretary of state and the election has been recertified.

I would like to read, I would say to the gentleman from Texas [Mr. BOULTER] an editorial from the Detroit Free Press. This is up in the State of Michigan. It is dated February 14, 1985. It is entitled "Democracy in America." It states:

On today's op-ed page, Rep. Guy Vander Jagt gives a fairly detailed chronology of an outrage taking place in the U.S. House of Representatives. The Democratic leadership of the House had decided not to seat Richard McIntyre who, in the judgment of Indiana's secretary of state, won the right to represent Indiana's 8th District in Congress. House Speaker Tip O'Neill, Majority Leader Jim Wright, and Democratic Congressional Campaign Committee Chairman Tony Coelho defend their action by saying the election was improperly conducted, that Republicans threw out lots of votes—particularly in black precincts favorable to Mr. McIntyre's opponent, Frank McCloskey—and that the voters deserve a fresh, new election.

None of these pious justifications make much sense. No one has questioned the honesty of the election and nearly 90 percent of the ballots thrown out were discarded by Democratic election officials. What Democrats really want is to increase their sizable majority—they control more than 58 percent of the House seats, even though they won only 50.03 percent of the votes for those seats—by stealing a close election.

A couple of interesting things have happened since Rep. Vander Jagt wrote his piece, however. First, five Democrats refused to endorse their leadership's decision to ignore democratic tradition. In a vote to kill a Republican-sponsored "privileged motion" that would have seated Mr. McIntyre, Romano Mazzoli and four colleagues thumbed their noses at their party leaders.

Second, Mr. McIntyre and Everett Robertson Jr.—an 8th District voter—have filed suit in the U.S. District Court for the District of Columbia, charging that House officials violated their First Amendment rights to free speech and Fifth Amendment rights to due process under the law by refusing to seat Richard McIntyre, give him an office, perform support services, and repay his travel expenses to and from his district. The suit asks the court to seat the Republican, force House Speaker O'Neill to administer the oath of office to the Republican, and demand that House officers give him an office, perform typical duties for the congressman, and grant him admission to House chambers. Democrats have asked to have the suit dismissed.

In a perfect world, the court would agree. The House's imperious action has no precedent in American history. Of the 82 challenged seatings of members-elect since 1933, 81 favored the winner. The only exception was the Rousch vs. Chambers case in 1961, in which Indiana's Republican secretary of state certified two winners but de-certified the Republican incumbent, George Chambers, for alleged vote fraud.

The fraud in the McIntyre case illustrates the danger Alexis de Tocqueville described in *Democracy in America*—that "the unbounded power of the majority . . . is favorable to the legal despotism of the legislature." Such tyranny, he warned, can weaken people's respect for their leaders and for the rule of law.

Certainly, it's made lots of people question the integrity of the House leadership, which abandoned a tradition that Congress has honored for nearly two centuries when it refused to seat a certified winner of an election. Boss O'Neill and his henchmen have have made a mockery of the democratic process and have sullied the Democratic Party in the process. They deserve whatever grief angry voters and politicians give them for denying Richard McIntyre his rightful place in the 99th Congress.

□ 1510

I thank the gentleman for yielding this time to me.

Mr. BOULTER. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Utah.

Mr. MONSON. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I have stated on other occasions that I have become frightened by the precedent that has been set here; frightened because it removes from the States the opportunity to determine who their elected Representatives will be and to certify and have seated those Representatives who are certified by them.

We have seen a precedent that is very dangerous here and some things have already been said about that today that I think need to be enlarged upon. I would like to, in part, do that by reading yet another editorial from the Indianapolis Star dated February 13, 1985, entitled "Suing for a Seat."

The article reads:

There is yet another twist in the tangled tale of Indiana's 8th Congressional District election. Republican Richard McIntyre, twice declared the winner and twice rebuffed by a Democrat-controlled House of Representatives, has now taken his case to a Washington, D.C., federal court.

McIntyre this week filed suit against Speaker Thomas P. O'Neill and the 221 Democrats who voted to keep the Eighth District seat vacant pending a House investigation of the election. He is asking that he be permitted to take office until the House rules on its own findings.

Indiana Secretary of State Edwin J. Simcox had certified that McIntyre had defeated Democrat incumbent Frank McCloskey by 34 votes and a later districtwide recount gave McIntyre a 418-vote edge.

On the opening day of Congress, Rep. Lee Hamilton, D-Ind., arguing that the certification was invalid and the election still unsettled, urged that McIntyre not be seated. It would be a disservice to the 500,000 residents of the 8th District "to seat the wrong man today only to have him unseated tomorrow," Hamilton said.

McIntyre's suit contends it is a much greater disservice to deny representation to the 500,000 residents of the 8th District residents, thereby violating their constitutional guarantees of free speech and association.

The House has the prerogative of judging the qualifications of its own members. That authority derives from the Constitution and ought not be questioned. In several respects, therefore, McIntyre's recourse to the judiciary is regrettable.

Yet McIntyre is miffed, and justifiably so, at the House's partisanship. Minutes after the House voted on Jan. 3 to deny Republican McIntyre his seat, it voted to seat another certified winner, Democrat Richard Stallings of Idaho, whose election is being contested by Republican George Hansen. In 82 other elections contested through the years, the House has allowed the certified winner to serve while disputes were settled. So McIntyre's case is unprecedented.

The best outcome would be for the House to recognize that it has made an unfortunate exception in McIntyre's case and permit him to be seated conditionally. If that were done quickly, the suit would be moot and the court would not have to determine if it has jurisdiction.

An in-House settlement would be eminently preferable to a possible testy confrontation between two branches of government.

I think there are a couple of important points pointed out in this article. The first is that we have a certified winner who has been denied a seat; second, we did not use that same precedent in another case on the same day; and third, this is the first time that the House has failed to seat a Member who has been certified the winner without question while a dispute is being resolved.

As I said earlier, I think it is very unfortunate and makes me very nervous that we would take this authority away from those States. It makes me wonder what kind of a signal we are sending to the chief election officers around the country who send, in good faith, certificates of election to us and now find that this House would usurp the power that is rightfully theirs to judge which of their Members should be elected after they have duly certified that election.

This is yet another example of a tremendous abuse of power that we cannot continue to tolerate.

I hope that we will resolve this question immediately, that Mr. McIntyre will be allowed the seat even if it is, as the editorial I have read suggests, conditionally and that we allow those 500,000 residents from Indiana to be represented in Congress.

Mr. Speaker, I thank the gentleman from Texas for yielding.

□ 1530

Mr. BOULTER. I thank the gentleman for his remarks.

What editorial was the gentleman reading from? What newspaper?

Mr. MONSON. The Indianapolis Star, dated February 13, 1985, just 6 days ago.

Mr. BOULTER. I thank the gentleman.

I yield to the distinguished gentleman and my colleague from Texas [Mr. DELAY]. This is the first time I have heard the gentleman speak on this subject, and I welcome him and thank the gentleman for his good service to all of the freshman Republicans as a member of the executive committee on committees.

Mr. DELAY. I thank the gentleman for yielding to me.

Mr. Speaker, because I am here the first time to speak on this subject does not diminish my concern for what is going on in this House and my concerns for the Constitution as it was written and intended by our Founding Fathers.

I think it is important to note, Mr. Speaker, that our Constitution and the ability for the House to seat its Members was intended to protect this body from unscrupulous individuals that should not be serving in this body but in no way does Mr. McIntyre fit into that category.

It was never intended to be a political football as it has been used in this, the 99th Congress, and I know that spending a week in my district just recently, it was on the minds of the people of the 22d District of Texas.

Over and over again, questions were asked about the Indiana seat; at least those of my constituents are concerned about the abuse of power that has been exhibited by this House.

I think it is more succinctly put in the Evansville Press. It was written by Dale McConnaughay in the Evansville Press, Evansville, IN, which is a newspaper in the Eighth Congressional District of Indiana.

It says:

DEAR MR. MCCLOSKEY: You have waged a long, valiant and what for you as well as your opponent has to be a frustrating campaign.

That frustration is shared by 8th District constituents who, more than three months after the election, remain without a congressman. Many of those constituents have called this office, or written letters, expressing that frustration. You have no doubt heard from many others.

Some of them say they will never vote again. Fortunately, they appear to be in the minority. Most others have simply become cynical. But that cynicism, left unchecked, represents a cancer to the body politic, to our very democratic tradition.

That tradition, that system, is one that we cherish and respect because it has never failed in exalting individual valor, statesmanship and sacrifice for the common good, especially in the most trying of times where systems themselves seem to fail us.

The time has arrived to again summon those qualities.

What has become evident is that the proper course of action in the current dispute, one representing the best interests of 8th District constituents, cannot be inspired by the system unless it is instigated by the individual.

If you persist in asking your Democratic colleagues who control the U.S. House of Representatives to essentially ignore the 8th District vote, to ignore the certificate of victory awarded your opponent, and to vote among themselves whom to seat, then you may have held onto a seat, but paid a terrible price to do so.

Your own colleagues' apparent reluctance to engage in so brazen, public and raw an act of power politics last Thursday, when five House Democrats defected from the party line and voted their conscience to seat your opponent.

Added evidence of reluctance by your colleagues can be found in the delays. House officials say it could be May—an added three months—before a congressman is seated from this district. As one who has served in that seat and understands the constitutional significance of taxpayer representation, you must find that unacceptable.

No one suggests you abandon your convictions or your proud fight; rather, that you step aside for now until the House completes its investigation, permitting conditional representation from this district by an opponent who at the moment holds the more valid claim to the seat.

What is gained by denying 500,000 residents of the 8th District a voice in Congress over the next three months?

Do you strengthen your claim to be a man who has the best interests of the people of your district at heart?

Do you show yourself to be a fair man who plays by the rules, even where those rules may appear less than favorable to your cause?

Do you enhance your reputation as a public servant?

Or, do you invite the incisive remarks from people like Rep. Bill Frenzel, the ranking Republican on the House Administration Committee, who charged last Thursday that: "The only way McCloskey can win is if he confuses his cronies so that they violate the law of the United States and the State of Indiana and vote him into Congress."

Much has been said in the long period since the November 6 election about "good faith."

Voters cast ballots in good faith on November 6. However technically flawed ballots may have been, it seems a terrible miscarriage of justice to have tossed out thousands of them district-wide lacking conclusive evidence of any fraud.

The various local bipartisan commissions conducting recounts of ballots did so in good faith, though again flawed by inconsistent procedures from one county to the next which neither you nor your opponent protested sufficiently at that time.

The results soon after the election saw your opponent certified the winner by fewer than 50 votes. A Republican secretary of state who delayed certifying a winner can be criticized only for not having delayed that certification long enough, until the full recount was complete. But when that recount was complete, the margin of victory for your opponent grew to more than 400 votes.

"Good faith" on your own part should require respecting House tradition and permitting an opponent holding a victory certificate to be seated conditionally until you have satisfied the burden of proof that he doesn't have the right to his seat.

Since this is the kind of individual valor, statesmanship and sacrifice for the common good which is so desperately needed just now to regain some measure of voter trust and confidence.

I think this speaks quite well, Mr. Speaker, to the point that what is going on in the Eighth District, it seems that the voters are confused because it seems that a campaign is being waged even at this time.

I think it is very important to note that the facts are right on our side; we know that McIntyre has won this race; we know that there has been an abuse of power, and the people of the Eighth District of Indiana will ultimately

know that McIntyre should be seated even if it is conditionally, because they want respresentation for the Eighth District of Indiana.

Mr. BOULTER. I thank my good friend from Texas for reading the editorial from the Evansville Press, located in the Eighth Congressional District of Indiana, the district which Congressman-elect McIntyre has now twice won.

I yield to the gentleman from North Carolina.

Mr. COBEY. I thank the gentleman for yielding to me.

Mr. Speaker, I would like my colleagues to know that I have just gotten off the phone with Mr. Rick McIntyre from Indiana, and I am amazed at how courageous he is and how upbeat he is, and I am delighted to know that he is going to make such an outstanding Member of this body.

I just wish we would get on with the process and do what is right and have him seated.

I guess as we are reading these editorials, it is nice to reflect on the fact that we can live in a country that has a free press, and I hope that everybody in this body will recognize that the press has seen this situation for what it is, and all across our country we are seeing editorial writers come out on the side of Rick McIntyre, which is, or course, to come out on the side of what is right.

□ 1530

Mr. Speaker, I would like to read today an editorial that appeared in the Detroit News on January 28, 1985, under "Our Opinions." It is titled "The Undemocratic Party."

[From the Detroit News, Jan. 28, 1985]

THE UNDEMOCRATIC PARTY

The Democratic Party, ostensibly the party of compassion and fairness, has decided that Republican votes don't count in Indiana's 8th Congressional District. Indiana's secretary of state has certified Richard McIntyre as the victor in his race against previous incumbent Democrat Frank McCloskey, and a recount this week widened his ostensible margin of victory from 34 votes to 415 votes.

But House Speaker Tip O'Neill and Tony Coelho, chairman of the Democratic Congressional Campaign Committee, have declared the voters and the Indiana officials wrong. Nothing has changed the fact that Frank McCloskey won on Election Day, and an honest, complete, and nonpartisan vote count will confirm that, Rep. Coelho said recently. So the Washington pols have voted themselves the power to overturn the judgment of the people of Indiana.

Here's what happened. Republicans learned on election eve that the returns from two precincts had been counted twice, giving Mr. McCloskey an apparent victory. They asked the local county clerk to notify the secretary of state that the results from that county were in error, but the clerk, a Democrat, refused. Republicans took the matter to court, where a Democratic judge eventually ordered the clerk to amend the results. When that was done, Mr. McIntyre was certified the winner by the secretary of state (a Republican), and the results were forwarded to the clerk of the U.S. House of Representatives.

Under normal procedures, that would have been the end of the matter. No one had alleged fraud in the election, and no one implied that Mr. McIntyre had done anything shady or undignified. Democrats didn't even bother to challenge the results under the Contested Elections Act, which sets forth a procedure for reviewing very tight elections. The law in effect lets the House review an election much as a court would—taking depositions, reviewing evidence, even demanding a new election. At first, they tried to have the recount thrown out, asking a federal court to find fault with Indiana's recount procedure. The judge dismissed the case.

Meanwhile, a series of recounts was taking place in Indiana. County clerks appointed three-member, bipartisan election review boards, which examined ballots and double-checked procedures. Those recounts enlarged Mr. McIntyre's margin by 381 votes.

Still, Reps. O'Neill and Coelho wouldn't rest. They strong-armed colleagues into accepting House Resolution 1—the first legislation of the session—that essentially gave the House Administration Committee, and not the people of Indiana, final say about the election. The Democratic leaders argued that a 1961 case, in which Democrat Ed Rousch was seated after earlier results had given Republican George Chambers the victory, offers a precedent. But in that case, the Indiana secretary of state invalidated his own certification of victory for Mr. Chambers, after verifying charges of election fraud. As we noted above, there were no such charges or changes in certification this time around.

House leaders have merely confirmed that they believe in the one-man, one-vote concept only if it favors Democrats. Consider a few interesting statistics: Democrats won 50.03 percent of the popular vote for House seats this year, but district lines drawn by state legislatures gave them 58.16 of the seats in the House. By the same token, the membership on key committees hardly reflects Americans' preferences on policy. Democrats hold 58.7 percent of the votes on the Budget and Armed Services committees and 61.4 percent of the seats on the Appropriations Committee.

The McIntyre case demonstrates with frightening clarity how politicans can abandon their principles for partisan reasons. In a fairer world, the House would seat Richard McIntyre provisionally, and let the courts or the sovereign people of Indiana do what they must to resolve matters further. He has, by any reasonable standard, won that seat fairly. His only sin seems to be that he didn't win by enough votes to make Tip O'Neill happy.

I thank the gentleman from Texas for yielding so that I could read this very clear and very precise analysis of the situation.

Mr. BOULTER. I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Speaker, first I want to say that I appreciate the leadership that my distinguished colleague from Texas [Mr. BOULTER] has taken on this issue in trying to see that a half million citizens in Indiana get the representation that they are entitled to.

I would like to share with my colleagues, if I could, an editorial from the Evansville Press, a newspaper in Indiana, in that district, that very Eighth District in which the struggle rages.

It is entitled "Time To Take a Seat."

TIME TO TAKE A SEAT

The time has come for the United States House of Representatives to lay politics aside and consider the people of the 8th Congressional District of Indiana.

In its most recent action, the House once again refused to seat either Richard McIntyre or Frank McCloskey as the winner of last November's election. Instead, the House is conducting its own investigation of the close race and will report its findings by late April. As a result, it is likely the 8th District will be without representation until May, or beyond.

This is reprehensible and unacceptable.

That the House has the right to—and should—investigate the close election is not the question here. What is questionable is why the House does not seat the apparent winner until information to the contrary comes to light.

Mr. McIntyre, the Republican, was certified the original winner by a very slender margin, fewer than 50 votes; now, after a recount, he has again been declared a winner, by a more substantial 418 votes.

Mr. McCloskey, the Democrat, argues that the recounts were conducted under haphazard and inconsistent rules, and with that this newspaper agrees. But no where is anyone alleging fraud, and most of the commissions that participated in the recounts were dominated by Democrats. The fact that the recounts were inconsistent should not hinder the seating of Mr. McIntyre until the Democrat controlled House proves that recount certified the wrong man, or until a more consistent recount is ordered by the House Administration Committee, which now is handling the matter.

The argument that neither candidate should be seated until that committee reaches a decision ignores the fact that there are two other disputed elections now before the committee, and in both cases, the certified winner has been seated pending a resolution.

No one argues with Mr. McCloskey's right to challenge the result of the election. But Mr. McIntyre should be seated—conditionally—while that challenge is being resolved so the people of the 8th District of Indiana at least have someone in Congress to handle their affairs.

The votes are in. They have been counted twice. Mr. McIntyre has won both times. A serious responsibility now rests with the House. It must determine either that the recount was in error and another recount is justified, or it must seat Mr. McIntyre. In either event, it must follow its own tradition and seat the certified winner. Mr. McIntyre, in the interim.

By refusing to do so would only prove many people's worse suspicions: that the U.S. House of Representatives is more interested in playing politics than serving the people it has been entrusted to represent.

All voters in all districts, should remember that the next time the polls open.

□ 1540

That concludes the editorial from the Evansville (IN) Press

I would just like to add a few words of my own.

Mr. Speaker, when I was back in my district and I was asked what great subjects the Congress took up in our first month, did we take major votes on the deficit or the budget or other issues like that, I said, "No."

They said, "Well, what major issues did you discuss?"

And I said, "The major issue we voted on not once, but twice, was whether to seat Rick McIntyre."

After I explained this issue to my constituents there seemed to be agreement that the lesson so far in this sad case is this: That if you are a member of the minority and you win a close election, watch out, because the House of Representatives, the majority, may choose not to seat you.

I hope that the House will rectify this wrong and seat Rick McIntyre and give the half million voters in Indiana's Eighth District the representation they deserve.

I thank my distinguished colleague from Texas for yielding to me.

Mr. BOULTER. I thank the gentleman from Washington.

Mr. Speaker, I yield to my distinguished colleague, the gentleman from New Hampshire [Mr. SMITH].

Mr. SMITH of New Hampshire. I thank the gentleman from Texas for yielding.

Mr. Speaker, I just returned from a trip back into my district in New Hampshire, the First Congressional District. It is an area of the country where we hold town meetings, and often times we elect people by one or two votes, and frequently we make decisions that affect the entire town by just a handful of votes. As I held a series of what I call citizens' forums or town meetings in my district this past week, ironically, and, frankly, a surprise to me was the fact that the question regarding the Rick McIntyre race in the Eighth District in Indiana came up. I would point out to my colleagues on the opposite side of the aisle that frequently the question regarding this issue was asked by Democrats as often as it was by Republicans. And in trying to explain at least what I thought was the correct position on the issue, people would respond to me, "How are you going to resolve the issue of the deficit, the issue of a strong defense, the issue of poverty, helping our Nation's farmers, getting our budget balanced and literally getting America back on the track that it belongs, how are you going to do that if you cannot seat an individual who wins an election in your body?"

Do you know what? I do not have an answer to that question. But I suggested to the individuals who asked me that they direct that question in writing to the leadership of this body, specifically the Speaker of the House of Representatives, because I think that is a fair question, a question which has not been answered.

It is time to look toward future generations in this country rather than future elections. This individual, Mr. McIntyre, has won an election and he ought to be seated.

I was told when I got here to listen carefully when you speak on the floor of the House of Representatives because frequently no one else is listening other than you. That is an interesting conclusion, and I have come to believe as I have been here that it is true, for the most part. But I would like to point out the amount of hours and time that a large number of individuals have spent on this issue because they feel so deeply. I think most of us realize that as freshman Members many of us, most of us, have made our first remarks to this body on this issue, on the Rick McIntyre issue, ahead of issues like the deficit and ahead of issues like poverty and the farmers. Why? Because the Eighth District of Indiana does not have the opportunity to have one stand before this body and talk about our Nation's farmers and talk about the deficit and talk about poverty or any other issue that might be of consequence.

I ask the Members on the opposite side of the aisle to look into their hearts, to look into their consciences instead of looking to their leadership, because I submit to you that in this particular case your leadership is wrong and all you need to do to change that is to look into your own hearts. Many of you I know personally. We have talked and I find you to be fair men and women. It is time to seat Rick McIntyre. He won the election. It is time he be seated, and you have the power to do it.

Frequently, as this issue gets unfolded, we tend to believe what we want to believe, listen to whom we want to listen, and nobody seems to have any credibility anymore. However, the remarks that I have heard, on our side of the aisle anyway, I think essentially represent the facts, and I would like to read a letter to the editor that was written by GUY VANDER JAGT on Thursday, February 14, that appeared in the Detroit News, because I think it sums up the facts— and that is all we are looking at here, the facts. I would like to read it, as follows:

HOUSE DEMS CONSPIRE IN THEFT OF AN ELECTION

(By Guy Vander Jagt)

A crime is being committed in the U.S. House of Representatives affecting half-a-million people today and perhaps many more in the future. The Democrats in the House continue to refuse to recognize Rick McIntyre as the winner in Indiana's 8th Congressional District. They vow to leave the seat vacant until they construct a formula to thwart the voters of Indiana and throw the election to their man, Frank McCloskey.

When this matter came before the House on Jan. 3, I warned of dire consequences if the Democrats persisted in their refusal to seat Rick McIntyre. The precedents set in this situation could allow the Democrats in the House to discard the election laws in any of our 50 states and on their whim refuse to seat members of Congress who have been duly elected and certified by the officers of their states.

To hear House Majority Leader Jim Wright of Texas tell it, the governor of Indiana, the Indiana secretary of state, and the duly elected congressman from Indiana's 8th Congressional District, Richard McIntyre, all conspired to break the laws of Indiana to the extent that "the election procedures employed by the 8th Congressional District have been neither timely nor regular and serious questions have been raised with respect to their fairness."

But Democrats like Mr. Wright base their case on myths, not facts, and have voted *en bloc* (with five exceptions) to declare the 8th District Congressional seat vacant—until they can figure out how to win an election they had lost. Consider the facts:

Fact one: Rick McIntyre won the election by 34 votes based on all of the ballots as they were counted on election night. The election result was duly certified by the constitutional officers of the state of Indiana.

Fact Two: Rick McIntyre won the election a second time based on a recounting of the votes in all 1,225 precincts. The recount controlled by the Democrats in 11 of the 15 counties, increased Rick McIntyre's lead to 415 votes. The Democrats in the House could not tip this election in their favor on the basis of election night tabulations or a recount that they largely controlled. Instead, they are attempting to steal the election from the people of Indiana by moving the entire process to the back rooms of Congress.

Now consider the myths upon which the Democrats' case rests:

Myth 1: Frank McCloskey won based on election night tabulations.

Not true: Frank McCloskey was never the leader in this race based on correct election night returns. The morning after the election, Rick McIntyre was the leader. Tabulation errors, however, were discovered in some original county totals, and the county clerk in Vanderburgh County, a Republican, corrected her error, giving McCloskey a 72-vote lead. The clerk in Gibson County, a Democrat, refused to correct his tabulation error—he added the totals of two precincts twice—because he realized it would wipe out McCloskey's lead and prove McIntyre the winner.

In both counties the errors and corrections involved tabulating the results of precincts and never at any time involved the recounting of any ballots. Eventually, the Indiana Supreme Court ordered the clerk in Gibson County in effect to correct his error apart from any recount.

The clerk did so and transmitted the correct election night results to the secretary of state, who in turn was able to certify Rick McIntyre the winner by 34 votes. The distinction between a correction and a recount is important because otherwise county clerks could make intentional tabulation errors to force the certification of the wrong winner. The safeguards of Indiana law ensure that a winner will be certified based only on correct election night tabulations and not on recounts.

Myth 2: Rick McIntyre was certified the winner in this race based on a recount in only one county.

Again, not true: Despite controlling 11 of the 15 recount commissions, each with two Democrats to one Republican, Democrats could not turn the tide to McCloskey. Rick McIntyre's lead actually grew to 415 votes when all of the recounting was completed

Myth 3: The recount, which the Democrats insisted be completed, is no longer a valid measure of the winner in this race.

This is a last-resort argument. If Frank McCloskey and the Democrats had any real evidence to support their claims, they would have invoked the Federal Contested Elections Act (FCEA), which was established in 1969, and set the rules governing when the House of Representatives would become involved in a House race. The Democrats missed the deadline to invoke this act, which requires them to establish a threshold of proof for their allegations. Since they do not have the proof to invoke the FCEA, they are trying to use the strength of their numbers in the House to overturn the election results.

Never before in the history of America has the House blatantly interferred in the state election process. Never before has the House refused to seat a congressman whom state officials agree is the winner in a congressional contest. Democrats have tried to argue that the McIntyre case is similar to Rousch vs. Chambers in 1961, but that's not true.

In the earlier dispute, both Mr. Rousch and Mr. Chambers had been certified as winners by state officials. In the current situation, the duly elected state officials in Indiana have certified only one winner. The laws, recount procedures, and valid election certificates that have applied for every other Indiana candidate—including Mr. McCloskey when he was elected in 1982—are now deemed to be inappropriate by the Democrats in the House of Representatives.

This action by the Democratic Majority has caused Rick McIntyre to pose the question, "How many votes does a Republican have to win by in order to be seated in the Democrat-controlled House?" It also has forced many Republican members to question whether in future years the Democrats could arbitrarily decide not to recognize the election certificates of any Republican member.

There is no question that Rick McIntyre won this election by 34 votes based on the correct election night tabulation of all of the votes in the district or that he won a second time when the recounting of ballots in all 15 counties increased his lead to 415 votes.

The longer the Democrats persist in their refusal to seat Rick McIntyre, the greater the stench becomes. The American people should demand that the Democrats quit toying with the election laws of a sovereign state and reverse their decision to reject a valid certificate of election. Rick McIntyre deserves a seat in Congress.

□ 1550

Mr. Speaker, I would just reiterate that on the same day, January 3, one of the Democrat Members was challenged and all 182 Members of the Republican Party voted for that gentleman's seat because it was the right thing to do. I admit there was a little talk about perhaps not voting for him, but the Republicans responded saying two wrongs do not make a right. We seated that gentleman, and it is interesting to note that that gentleman voted against the seating of Mr. McIntyre.

Ladies and gentlemen, the American people are watching and there will be a price to pay. It will not be a political price; it is the Constitution of the United States that is suffering today. As a former teacher who taught that document and taught young people to respect it, I think it is a sad blemish on this body. I encourage my colleagues on the other side of the aisle to change their votes and let us make this situation right so that we can get on with the business of the earlier problems that I spoke of.

I thank the gentleman from Texas for yielding.

Mr. BOULTER. I thank my colleague, Mr. SMITH from New Hampshire.

Mr. Speaker, we have heard editorials today written from the Winkler County News, the Detroit Free Press, the Detroit News, the Indiana Star, the Evansville Press, and yes, the Washington Post, and it is rare that we see such unanimity among so many editorial writers. I know of no editorial writer who has taken a side differing from what you have heard today, Mr. Speaker.

Editorial writers across this country are beginning to understand that this issue is not an issue between Republicans and Democrats but between the Democrat side of the aisle in this House versus democracy. Mr. Speaker, we have had two votes now, one on January 3 following Rick McIntyre's victory of 34 votes, and one on February 7 following Rick McIntyre's victory in the recount process of 418 votes. He has won twice.

On the last vote, taken February 7, five Democrats who understood the facts of this case decided to vote in the interest of fairness and justness over partisanship. Three of those were from Texas.

I look forward to many other of my colleagues on that side of the aisle, once they understand the issues involved here and get the true facts, doing the same. Mr. Speaker, we have talked about the need today for a bipartisan approach especially to the dire need of our farmers and the agricultural problems in our country. We also need a bipartisan approach to this constitutional crisis. A crisis created not by my many well meaning friends and uninformed friends on the Democratic side of the aisle, but by the leadership of the Democratic Party.

AMBASSADOR MARK EVANS AUSTAD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. RUDD] is recognized for 10 minutes.

● Mr. RUDD. Mr. Speaker, since 1981, the United States and President Ronald Reagan have been represented in the great nation of Norway by Ambassador Mark Evans Austad.

Ambassador Austad, although previously having served as our country's Ambassador to Finland, is not considered a professional diplomat.

Recently, President Reagan has been bombarded with suggestions that only career employees of the State Department are qualified to represent him and our country in ambassadorial posts abroad. The great tribute paid to Ambassador Austad by the Norwegian people, which was carried recently in Norway's largest newspaper, Aftenposten, indicates that private citizen, noncareer diplomat and great American, Mark Austad, has served our country and President Reagan exceedingly well in his ambassadorial post in Oslo.

The opening paragraph of the Norwegian people's farewell to Ambassador Austad tells it all in relating that the most indispensable commodity in life is not security, peace, or prosperity, but freedom. For without freedom, we in the United States know very well that nothing else has any real value, but we, my colleagues know that only a strong defense will guarantee freedom.

We can be proud of Ambassador Austad for his outstanding and dedicated service in defense of liberty and freedom. He worked for a strong, cohesive NATO, traveled and spoke extensively throughout Norway for an effective defense against Soviet aggression. We can be proud because he was held in such high regard by the people of Norway themselves.

I would like to share the words carried in Aftenposten with my colleagues, and ask that they be printed in the RECORD at this point.

[From the Aftenposten, Sept. 11, 1984]

FAREWELL TO A GOOD NORWEGIAN

It happens that we meet people who dare to maintain that freedom is an indispensible commodity in our life. Not security, not peace, not prosperity. Freedom. It happens, but not often.

It happens that we meet people who by the power of their position can work for freedom and peace, cooperation and friendship across national borders—and who do so with flying colors.

Who in spite of their position dare to walk new ways, dare to laugh and cry, dare to maintain the truth and stick to their guns, dare to rise above mediocrity, dare to be in the line of fire.

It happens, but not often.

Mark Evans Austad, you are such a man.

You have been the Ambassador of the United States in Norway since 1981. You have been an Ambassador for Norway all your life. Now you are resigning for personal reasons. Do you think most Norwegians actually know what you have accomplished?

Do they know that you are an honorary member of the Linge Club?

That you want to raise a peace monument in Oslo in commemoration of American sol-

diers who fell in the battle for Norway during World War II?

That you have seen more of this country than most Norwegians and that you have actually made a film about Norway intended for Americans?

Do they know that you have been just as much Norway's man in the United States? That you again and again have been an advocate for Norway and Norwegian industry in Norway? That you stood in the front on the barricades when the storms hit Norwegian whaling and sealing and a boycott was threatening?

That you, most unusual for diplomats, have given talks on freedom and peace, East and West—in schools, associations and clubs all over Norway? That you have taken time to become acquainted with the average Norwegian?

Do they know that you are the driving force behind the Heart Fund and that the National Association for Health has given you their highest award?

We don't think so.

Perhaps your view on NATO is more known: "The best club in the world." You assert this indefatigably and explain convincingly why it is so important to be prepared. It is reassuring for us who neither believe in Russian ideals not their peace promises. And we know that your view is shared by your President.

You may not know this yourself, but you have been an ambassador for the people in the finest sense of the word. For Norway and Norwegians. For the United States and Americans.

We shall have to search long for a better ambassador. We shall have to search long for a better Norwegian.

You have done more to improve and develop the relations between our two countries than the Norwegian press will ever discover. You have spoken for freedom and the West so well and so enthusiastically that this more than ever compensates for the sour U.S. attitude that characterizes our press.

Mark, you have been a blessed, energetic and outspoken ambassador. Straight to the point, interested, courageous—always under the motto: "Facts holy, opinions free." It shows on you that you like your job. You have managed to combine a sober and moderate way of life with cheerfulness and courage. No rigid diplomacy creating distance, but genuine feelings and engagement creating closeness. You care.

Let this be a greeting from all your friends and the friends of the United States in Norway. Let this be a greeting from us who know that you will be our best ambassador, even after you have gone home to your own people in Arizona.

We are many, and we have much to thank you for. And at this time our dear King has awarded you the Grand Cross of St. Olav. It happens that we meet people who leave deep, good tracks behind. It happens, but not often. Ambassador Mark Evans Austad, we'll miss you. Vi kommer til a savne deg. Often.●

STEEL IMPORT AGREEMENTS WILL NOT EASE THE PRESSURE ON AMERICA'S STEEL INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 30 minutes.

Mr. GAYDOS. Mr. Speaker, for most industries, 1984 was a banner year, but for the steel industry, the picture presented in 1984 was dim, at best, and the outlook for 1985 doesn't appear to be improving.

The year 1984 saw an unprecedented surge in steel imports, with shipments breaking the 30 percent share of supply at least twice during the year, most recently in December when imports of steel accounted for more than 31 percent of total steel supply in the United States.

For the full year of 1984, steel imports represented 26.7 percent of the total domestic supply, a far cry from the 13 to 15 percent registered just a few years ago.

And, quite frankly, despite the voluntary agreements reached between the United States and seven steel exporting nations, I don't believe the picture will brighten significantly.

Even the best estimates are that steel imports under the voluntary agreements will come in above the 18.5 percent the administration said it was setting as its target. In fact, most steel analysts estimate the level of imported steel of total supply, under the new agreements, will fall between 21 and 22 percent.

This, if it holds up, will not provide the impact and help the steel industry needs. In 1983, imported steel captured 20.5 percent of the market in the United States. In 1984, the import steel share was 26.7 percent. And, if the prospects for 1985 are such that imports will be a 21-percent share, then the steel industry in this country has little to look forward to.

Let's face it, the American steel industry's worst earning years prior to 1984 were 1982 and 1983. In 1982, steel firms in this country lost $3.2 billion and in the 1983, the loss was $3.6 billion. And, while the figures are not yet in for 1984, most experts believe there has been little, if any, improvement in the cash flow picture for America's steel industry.

The one exception may be United Steel Steel, but only because its non-steel operations and the sale of other assets have provided enough funds to overcome the continuing steel downturn.

It is interesting that within weeks of this administration's sought after agreements with seven of the steel exporting nations, representatives of this administration asked the Congress to amend last year's trade bill by increasing the number of categories of steel to be covered by the voluntary agreements.

Why did the administration seek this change? It's quite simple really—the administration wants to be able to turn to those steel exporting nations to urge them to comply with the agreements or face further restrictions.

Well, Mr. Speaker, we had the opportunity to provide this administration with a better club last year with the Fair Trade in Steel Act. That bill, which would have set a fixed quota of 15 percent market share of the American steel supply, would have been the most productive move we could have undertaken.

But we didn't act on that bill. A majority of this House decided to go along with administration with the result that the American steel industry still rests—and will continue to rest—on a very precarious foundation.

With automobile and appliance production at or slightly past their peaks, demand for flat-rolled steel could actually slip for 1985. And, while there will be a continuing rise in capital spending, according to analysts, which will boost demand for heavier grades of steel, this will be blunted by rising machinery imports.

The upshot: Domestic steel producers may ship as little as 75 million tons in 1985, just a shade above 1984's 73 million tons, but a far cry from 1979's 100 million tons.

This probably will mean continued restructuring of the industry, and, say some analysts, this restructuring could even affect the minimills, those regionally located operations that provide a narrower product line than the giant integrated mills.

Ken Iverson of Nucor Corp., one of the most successful minimill operations in this country, expects some of the less efficient operators to be eased out of the business because of their inability to compete. As Iverson indicates, the stronger minimill firms will continue to move into higher-priced products and specialty items will put more pressure on major steel producers.

As far as the major steel firms are concerned, some, like Wheeling-Pittsburgh, are fighting for survival. The expectations are that prices are not going to increase, as earlier some predicted they would once the voluntary agreements with steel exporting nations were signed.

As of last month, in fact, cold-rolled sheet steel, one of the most important products, was available for less than $400 per ton—more than $100 below book prices.

So here we are. The administration is touting its voluntary agreements with seven exporting nations as the definitive step in giving America's steel industry the opportunity to get out of its doldrums.

But the fact of the matter is that the administration's prenegotiation goal—an 18.5-percent share of the American steel market—was just a figure pulled out of the air to allay the fears of the steel industry and to destroy the idea of firm quotas for steel imports.

The end result is an import share figure that will not really improve the picture for the domestic steel industry because, while it does drop levels from 1984's unprecedented height, it still suggests that we are accepting an import level higher than that in 1983, the first of the surge years.

Does this mean that the American steel industry will close more plants? Probably.

Does it mean that more American steelworkers will lose their jobs permanently? More than likely.

And it also means that we have put our Nation in jeopardy, perhaps even to the point from which we will be unable to recover.

Mr. Speaker, I urge every Member of this body who believes that we must strengthen the basic industries of this Nation to follow closely the developments in steel and steel imports.

I am sure if they do, they will understand the need for sure solutions, not just rhetoric.

□ 1600

Mr. Speaker, I am going to take at this time the rest of my time and go into another subject matter, but I think both matters are closely related.

If we persist, as far as losing our international status and our ability to provide this country with basically and fundamentally its need for defense purposes—and I am not talking about other needs and purposes, but defense purposes—and we are going to get into the other subject matter because, No. 1, why educate a population if there is no need to educate the population, because you have no country, no fundamental country, no area or sphere of influence internationally, no standing, no respect, and all because we have a contradictory trade policy, all because we do not understand, or those who are in the sensitive areas do not understand, what this Nation must do as far as trade is concerned, and steel in particular.

Many people have particularly stated that they are free traders, and if you take a position where you are going to limit some trade, or steel coming into this country, then you are contrary to the dictates of history and you are destined to live with the consequences. I would like to point out to those individuals that had we passed the 15 percent quota bill, which had been signed onto by 230 Members of this House, had we passed that quota bill, that this country would still have had the largest free market in the world, and that is compared percentage-wise with the Japanese market, with the European Community market, and any other market in the world. It would still be the largest market, steel market and otherwise.

So we are not practicing protectionism when we advocate what I advocate as far as a reasonable quota, or as I advocated in the past, that we do something meaningful. We have had several test cases in specialty steel. We have had them in the regular steel, the ferro steel industry, the specialty steel, and we have had them in carbon steel. We have had test cases where by we have put on restrictions and did not disturb free trade and, yes, we had the practical results, and the results were that our steel industry flourished and was kept strong and the foreign countries still had their markets and we still have been supporting the world, so to speak.

I can take any major producer of steel, take the statistics and show you that when you twist them around, that exporter, and Japan in particular, Korea is another one, Taiwan is another place, Brazil, and go all the way down the line, take Italy and the Common Market, all of them, and you will find that they are unfair in how they treat steel going into their country as counter-distinguished as to how they want to be treated when they send their steel to this country. I am not talking about all of the different factors involved, which include dumping, and under- and over-pricing, and what have you. I am talking just fundamentally about fundamental fairness, fair trade, between the trading partners. Every time we have some limitations, every other country, as witnessed by facts and by cases that are a matter of record in this country, every other country is cheating, or trying to cheat, and they do cheat, and we have caught them cheating, and they have bought their way out of it.

I mentioned that in the television case, and I mentioned that in prior special orders when we talked about steel, specialty steel, and what have you.

□ 1610

So, Mr. Speaker, I am going to let that subject rest and very hurriedly go into the subject involving education which is so important to this country.

AN UPSIDE-DOWN VIEW OF THE WORLD OF EDUCATION

Mr. Speaker, over the past few years, we have seen an increasing interest in the quality of education our young people are getting in the public schools.

The issues under debate have focused on the curriculum, the length of the school day and year, and a host of other concerns linked to overall quality.

But the most intense debate has focused on the single most important element in the education program—the classroom teacher.

All of us can point to a teacher or two who made a difference in our lives—a teacher who unlocked a door we didn't even know existed.

Great teachers can do that. They can encourage their charges to explore new worlds; they can motivate their students to great achievement, even if those gains aren't realized for years after the students have left school.

Conversely, we know that poorer teachers cannot do those things, can't fire the imaginations of their students.

During the debate on the quality of teaching, we have learned that many of those who enter teaching are not among the top level students in our high schools. Whether this means that only they will be better teachers, no one, including me, knows. Personally, I believe most of the teachers in our classrooms today are good teachers, devoted to their students and intent on helping them achieve success.

A more serious problem, however, is the departure from the classroom of many good and great teachers. They are leaving the classroom for jobs in administration, because the pay is higher. They are leaving education entirely for jobs in the private sector because they will be paid better and achieve a higher degree of respect.

And still we search for ways to attract better students into teaching as a profession and to keep those good and great teachers in our classrooms.

Every one of us knows that teachers' salaries are low in comparison to the responsibilities they have. The average salary in teaching today is just over $22,000 a year. It is true that the average salary has jumped substantially in the past 10 years, but not when compared to salaries for other professionals with similar education requirements.

At the same time we bemoan the salary levels for American teachers, we see sport figures signing contracts with enormous price tags—$10 million over 5 years; $40 million over a lifetime; $500,000 for 1 year of play.

I am sure it must be disheartening to those who have been teaching for several years or to those who are giving some consideration to teaching as a career.

But just imagine a different world. A world in which school systems offered big-dollar, long-term, no-cut contracts to teachers.

Well, that is the world created by James J. Coogan, an American history teacher at Dennis-Yarmouth Regional High School in Yarmouth, MA.

I came across Mr. Coogan's brilliant tongue-in-cheek approach while reading the February 15 issue of Education Week. I am sure that at the same time Mr. Coogan was writing his parody, he must have felt some wishful thinking.

I commend this commentary to you because it puts into perspective some of the problems we will be faced with in trying to bring potentially good and great teachers into our classrooms and in trying to keep the good and great ones there.

Mr. Speaker, I am going to take just 5 minutes—I think I can do it in 5 minutes—to read the commentary which appeared in the article I have quoted. This is Mr. Coogan speaking from here on out, and I am reading verbatim from his article. If you listen, I think you will find it most interesting. The entire article is as follows:

TEACHER INKS 3-YEAR, $850-K PACT WITH REGIONAL

(By James J. Coogan)

I was dreaming the other day that I read in the paper about John Smith, a local high-school history teacher, who had signed a three-year, $850,000 contract to stay on at Regional High School.

"He can really do it all," said his principal yesterday at a news conference held in the cafeteria. "He's great two ways—in the classroom and during lunchroom duty. We feel he's worth every penny that we're giving him."

Smith, who told reporters earlier in the week that he was going to let his old contract run out and test his worth in the private-school market, seemed pleased with the new deal that reportedly contains a deferred-salary arrangement, an interest-free loan on a New Hampshire ski chalet, and reduced rates on school lunches.

"I wanted to keep an open mind on the private-school offers," said Smith, who looked tan and refreshed after spending his Christmas break in Barbados. "But I'm glad that the school committee saw fit to meet my contract demands—I've always hoped that I could finish my career here in New England."

When asked if he thought teachers' salaries had reached a ridiculous and unjustified new high, Smith explained that for most teachers, the days of earning the really big money were relatively short when compared to the average worker.

"We suffer a lot more stress on a daily basis and the burnout rate in the profession usually means a short career pattern. I have several colleagues who have had to take positions as designated substitutes and they're lucky if they can get a hundred grand a year."

One reporter reminded Smith that it was only a few years ago that teachers were among the lowest paid professionals in the United States, and layoffs were so common that few people were interested in planning a career in education.

Smith tucked his copy of *Town and Country* under his arm and scratched his ear thoughtfully. "I know what you're saying," he said. "But that was before the days of all the government studies on education. Now we have no-cut contracts and 10-to-1 student-teacher ratios.

"Since they instituted the 'Ten and Five' Rule—10 years in the profession and five in the same school system—we can exercise a veto over any assignment that we don't like, we've got some security now. It's made a lot more people decide to look into teaching as a career."

The superintendent of Regional High was asked if there were any other teachers close to signing new contracts.

"Well, it's early yet," he said. "But I can tell you that we've had meetings with Stanley Terkle, our newest math teacher, and we've made what we feel is a fair offer. Without getting into details, the package has some excellent cash incentives spread over a five-year period. Also we're guaranteed an option clause that says he can take a sabbatical at any time during the length of the contract without loss of pay.

"If we can sign him, we plan to build our curriculum around him," the superintendent continued. "His agent is supposed to get back to us later in the week. You know that last year we lost two excellent physical-education teachers who opted to teach in Japan, and we want to be sure that our offer is competitive. The parents' association and the town finance committee pressed us to offer anything to get Terkle to stay, but we have to be cautious.

"We've still got two English teachers and a media specialist that could be free agents by next September, and we certainly don't want to lose them," he concluded.

All of this information came at the same time that sources in the Metropolitan Public School System were announcing that they had lured highly regarded biology teacher Alan Fernwinkle from Standing Waters High school. Angered by this move, Standing Waters officials have scheduled a news conference for later this week, when they will announce their intention to initiate a suit over what they call "tampering" with members of their veteran staff.

"He's still got two years to go on his contract with us," they explained. "And even though we refused to renegotiate after his classes turned out seven National Merit Scholarship winners last year, Metropolitan had no right to offer what they did."

Even with the loss of Fernwinkle, students at Standing Waters High can still count on one of the best faculties in the area. Also, their school has the territorial draft rights to at least three highly sought area college seniors—two of whom are majoring in the sciences. As one school-committee member put it: "This doesn't mean it will be a building year for us."

"Where will it all end?" one reporter was heard to ask as he walked to his car with a friend. "The public just seems to be so education-crazy that these teachers can practically name their own salary figures."

"I know," said his friend. "But it's just the perverted sense of values in our society today. I guess you have to look at it this way—teachers have been so pampered all of their lives that they've got no sense of reality. Besides, we all know that the could never handle a real job."

With that, Mr. Speaker, I conclude my remarks, but I do want to say that I would hope that it would be the first order of business of my colleagues in this Congress to put forth a double effort to make sure that those programs we have in place, basic educational opportunity grants, work-study programs, and programs of that nature not be interfered with, and that we take a second look at the needs of teachers.

Yes, this idea of parity in the teaching profession has much to recommend it. It has been important in the past, and all of us do know that only the special and the chosen ended up in the education field, and they were revered and they were respected. But today—and I do not know what the reason for it is—just the opposite has occurred. We do not get the bright students, the exceptional students. Teaching is used as a steppingstone. We do not hear anymore of teachers teaching for 20 or 30 years or for a lifetime.

□ 1620

It is just a step, maybe a passing fancy, and the real dedication as such per se seems to be vanishing.

I would say that the strength of the Nation and I would say the future of every individual, whether he reaches his end, his God-given right to that end, to reach his full capacity and to be what he can be, all has its beginning and depends primarily, if not exclusively, on the fact of who teaches him, how they teach him, how they stimulate his thinking.

So I would think this is a subject matter that all of us should be familiar with in this House. I am sure there are some dedicated Members who are going to make an attempt to gather together all those that have the same feeling and the sensitivity to that subject matter and hopefully we can come up and devise some type of a test that would maybe respond to all those critics as far as the capabilities of teachers are concerned and set together some policy or program which would enable us to guarantee to hold the best and attract the best, because only the best should serve the youth of this Nation in their time of need and that is in their formative years when they start school, kindergarten, and all the way through high school and post secondary.

KING CRIME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, about 2 years ago I spoke last with respect to the issue that had prompted me to address the House under similar circumstances in special orders with what I called then "The Crime of the Century," notwithstanding the fact that the assassination of President Kennedy certainly would have been rated that way, but the reason and the basis for my describing it as such was that it was resulting in the intimidation of what we called the third branch, but actually the coequal and independent and separate branch known as the Judiciary, and that was the murder of Federal District Judge John W. Wood, followed by the attempted assassination of one of the then assistant Federal district attorneys for the western judicial district, James W. Kerr. The attempted assassination of James Kerr preceded the assassination of Federal Judge John Wood by 6 months, but in that same month and in that same year, 1979, there was another death of a former drug enforcement agency chief in Mexico City, Sante Bario, who

died after being in a coma for about 6 months.

Since autumn of 1978 I had been addressing the House, my colleagues, with respect to the attempted assassination of James W. Kerr and predicting that it was not necessary to be a prophet to know that more serious crimes would follow. At that time I was clearly of the opinion that it more likely would be the district attorney himself for the western district at that time, Jamie Boyd. I never dreamed that would be a Federal district judge because it is such a heinous crime. That is the only record we have in the entire history of the Federal judiciary of an out and out assassination of a Federal judge, but I had said as much, as a matter of fact, on the Thursday preceding the assassination of Judge Wood at the beginning of the following week. I had taken the floor and had reported that I had lunch with James Kerr where I met him for the first time here in the House restaurant after he had been brought to Washington in order to be cited for some heroic action, I guess surviving the attempted assassination, by the FBI or the Justice Department.

He asked to meet me and expressed his thanks for having addressed the House consistently for weeks in order to keep some kind of attention on that dastardly crime.

What was not evident here on the national level was that since 1970 I had been going to the local district grand juries and had been reporting what had turned out to be the incremental growth in San Antonio as a way station for the heavy growth of the two-way system, one way going down as stolen automobile vehicles and the return in the way of hard drugs, and marijuana, which became by the time Judge Wood was assassinated a highly sophisticated industry that was bringing in more than a billion dollars a year to the underworld; three very sophisticated mainstreams of this traffic by then had been produced, actually four; one on the east coast in this area, heavy loss of vehicles stolen, transported down to New Orleans, then by way of Houston and to the lower tip of the Texas border into Mexico.

The second and one of the most active was what I called the New York-Chicago-Dallas-Texas-San Antonio and Laredo and Nuevo Laredo line.

Then the third was the Las Vegas-El Paso-Ciavaras, and the fourth was the west coast, LA and the border points, Tijuana and the like.

This traffic continues unabated today. If anything, it has been perfected in its sophistication.

I have called this series of addresses in this Chamber for the record as "King Crime." These I will call the sequela or the second series of "King Crime" because crime is still king in our society. It is so insidious that it goes to the heart of our freedom and our basic societal democracy or participatory democratic processes.

I first spoke out, as I said, in the early 1970's; in fact, in 1970 was my first appearance before the local grand jury, because at that time I felt that it was more of a local problem than anything that I could say involving the national aspect; but when one thing led to another and locally I had stated to the press the existence of this activity and the boldness of the nefarious malefactors who have become so bold that they had with impugnity dispatched half a dozen individuals in San Antonio, without the local police having any ability to control the situation inasmuch as the hit men would cross the border, 4 hours later make the hit in San Antonio, return and across the border and beyond the reach of the local enforcement agents who were puzzled as to the nature of the individuals and the circumstances of their deaths until I was tipped off.

I might point out for the record that, given the background in which I had served as chief juvenile probation officer in their county, I became acquainted not only with the law enforcement agencies, but with that particular element that happened to be in trouble in our society and through the years either relatives or those that later grew up continued and became not only reformatory graduates, but penitentiary graduates, the relationship is still maintained to this day. I probably have more communication and more correspondence from inmates of the penitentiaries than perhaps any other Member in this House. I have never, never dismissed them. I treat them as I do any other constituent; so that by this relationship I learned of some of the reasons and some of the causes and some of the nature of the deaths that were a puzzle to the local police. For that reason I went to the then district attorney. I went to the then grand jury and communicated my knowledge to them.

□ 1630

But when it became obvious that San Antonio was a way station in a newly created flow known as the brown heroin type of traffic emanating from Mexico, which had grown incrementally since the so-called French Connection had been temporarily stopped because of some of their exposures that Sante Bario, who at that time was a New York official, but an expoliceman in Rome, Italy, who ended up in the United States and marrying an American citizen, he eventually, after the exposure in his part of the French Connection, left New York, perhaps for safekeeping, and came to Washington where for a while he worked here on the Hill. And then later he ended up working for the newly formed DEA—the Drug Enforcement Agency.

Ultimately he was dispatched to Mexico City. At the same time that this was happening, these other events were taking place, including the nefarious pattern of activity of the famous Corrasco, which nationally perhaps is forgotten but locally not, because this man, surnamed Corrasco, was really one of those that had built up quite a bit of an operation in which San Antonio, which I say and repeat, was really a way station. San Antonio was not a producing headquarters, an operational headquarters, but it was a way station. And with the development of this two-way 1-day in dollar and now almost $2 billion traffic, it was impossible, as I told the grand jury, to have this kind of activity, the kind of crime we have in our country, unfettered, untrammeled, where the criminal walks with his head high, walks in the streets, and the victims are terrorized, such as our judges and Federal judicial officials were there for a period of about 3 years in which it cost more than a million dollars to the Government in special outlays just for protective custody through the U.S. marshals.

Now, what point have we reached? The sorry thing is that even after the exposure of these cases the mystery of the Sante Bario case is still unraveled, and at this time, and this is preceding the death of Judge Wood, I said there was a relationship between the then known Sante Bario case and its development at that point and what led to the attempted assassination of James Kerr as well as the ultimate assassination of Judge Wood.

It seems so far fetched that some ridiculed what I was saying. Some even tried to make it look as if the only motive I could have was publicity of some kind. Yet there was not. I was not issuing press releases. I never have. And my staff limitations are such that I must of necessity address myself extemporaneously.

Therefore, persisting, as I did, and then unfortunately having the verification of my fears as I communicated to James Kerr on that fateful Thursday preceding on that following Tuesday the death, assassination of John Wood, and learning for the first time that Judge Wood had dismissed as of 3 months before his custodial protectors, the U.S. marshals, I begged Mr. Kerr to return immediately and urged Judge Wood to recall the marshals. I said even though I think perhaps the district attorney is in greater danger, the judge is acting very foolishly. I said I hoped the other judges have not. And he said no. As a matter of fact, the other judges still have U.S. marshal surveillance. I said. "Please, I beg of you, Mr. Kerr, go back, and the

first thing you do is get ahold of Judge Wood and tell him I urge him."

He said, "Well, I am here to thank you both for myself and for Judge Wood. As a matter of fact, he has requested a picture of you. He wants to hang it in his office."

Now there certainly could not have been any partisanship, even though that was injected later when I introduced a resolution that the sense of the House would be that the President divert $3 million solely and exclusively for the purpose of the Justice Department being able to offer a reward for the definite information that would ultimately lead to the unraveling of the case. I felt that it was very involved. But I felt that it was such a tremendous national issue that I must bring it to the attention of my colleagues at that time.

Today I do so because while Sante Bario's death was enshrouded in this mystery, here is a permanent DEA agent, so highly thought of that he was made quickly the head of the Mexico City operations, suddenly arrested in San Antonio, charged with having received a bribe. And from whom? From the most notorious and one of the most insidious human elements I have ever read of, a man by the name of Pico, who is not only a double agent, he is a triple and quadruple agent, but had associations with Sante Bario in New York at the time of the French Connection exposure. And lo and behold, he showed up in Mexico City and lo and behold, suddenly it is announced, with a great deal of headline news, that this DEA agent in charge of the Mexico operations, is under arrest and incarcerated in San Antonio.

The first 3 weeks he was sent 80 miles above San Antonio to Gillespie County for safekeeping, but then his attorney intervened with the court and said it was not fair to his client to be removed from the quick and ready counsel of his attorney. So they brought him back to the Bexar County Jail in San Antonio where Corrasco had been held, and where I had been tipped off that when Corrasco was in prison in the county jail he had been given special consideration by being allowed conjugal visits and the use of a telephone. And I was tipped off that he was using the telephone in the county jail to transact further drug business.

So then I contacted the then district attorney at the time, and the district attorney attempted to do something, when lo and behold, Corrasco's lawyer goes before a district judge with a writ of habeas corpus and demands that as a matter of judicial decree Corrasco be safeguarded in those privileges.

This was the same Corrasco that after he was convicted and went to the Federal penitentiary, and was transported from the Bexar County Jail, held himself, himself up, held three hostages who were killed, made the national news at the time, because when they were attempted to be recaptured by the authorities they died in the process. Corrasco was part and parcel of an organizational attempt that in effect was less than the middle ground in its operation. But it was an integral part of this far vaster operation. He had residual inheritors who are still around to this day.

But the fact that shocked me was that even in the county jail there would be such a corrupt situation that these kinds of privileges would be permitted, that this kind of activity would be permitted, and that it would take a U.S. Congressman to go back to the district in order to inform the local officials of what was going on.

All of this I had spread on the record at the time. I was also denounced at the time. And if the records are searched, and when Corrasco was holding himself off with the hostages, his lawyer was sent up there to try to mediate, and Corrasco went out of his way to use my name and curse me. For what reason? Obviously because maybe in the course of my speaking out something had happened.

So then Sante Bario is returned to the county jail from Gillespie County.

□ 1640

He has not been there 24 hours when he is given a peanut butter and jelly sandwich and immediately thereafter goes into convulsions and then into a coma which he never came out of and died 6 months later.

Now they claim he was sick or something and he got those convulsions. Well, if anybody is ready to believe in the tooth fairy and in Cinderella and all the other fairy tales, then you can believe that one.

The fact is that Berry was never tried, he never faced his accusers. The DEA which has indulged, like many other law enforcement agencies, in what I consider to be unacceptable standards of behavior, that is they have to go cheek by jowl to deal with the criminal element of the most sophisticated kind in order to do business to try to eradicate crime. Well, that never has happened and it never will.

But this has been happening from the highest levels, the CIA, where unaccountable runaway, no human individual or collection of individuals is good enough, strong enough, sound enough that it can have unrestricted, unaccountable power for long without corruption. That is true of our agencies themselves.

We have seen cases where the Senate committee has brought out in testimony where the highly thought of CIA goes in and deals with the most sophisticated criminal elements in our society; with this tremendous power inherent in these criminal elements and malefactors in our society who today have possession of shopping malls, banks, otherwise honest business endeavors; and the point has been reached where our society is deeply poisoned.

So that if crime continues to be the real issue that is agitating our citizens, and anybody in minimal contact with his citizenry will tell you that is the No. 1 issue, the fear of crime, the fear of assault, the fear of personal life. Why shouldn't the criminals feel that they could kill a Federal judge and get away with it? As a matter of fact, the reason I resumed that discussion is because I left off at the time the indictments were finally brought, not until 2½ years after speaking out, and not without criticism.

I did everything under the sun. I even tried to reach the President of the United States then, James Carter. The best I could do was to end up with his special assistant, Eizenstat, in my office who brought their special assistant liaison with DEA. But I could not get them to give that crime priority.

Then when Judge Wood was assassinated there was a flurry, yes; but then the case started to fade away into the dust of history like Jimmy Hoffa faded away into the dust. Who today remembers Jimmy Hoffa?

Yet I believe, of course, that there is an old saying that says, "Murder will out;" yes, it will, but in the meanwhile our society must, if it seeks its salvation and preservation as a viable society, what good is a government if it cannot even ensure personal safety to its citizens, if it cannot ensure safety of life and protection of life, limb, and property?

If the criminal element has become so bold, so strong that it can infiltrate every layer of our Government and with impunity direct massive billion dollar businesses of a corrupt nature, of a criminal, criminal nature, with impunity. It is necessary then that I resume because at the time I settled for the indictments; and I had the great honor of being called 5 hours before the indictments were publicized, by the Director of the FBI, Judge Webster, down there in my district, in my home, San Antonio, to merely thank me, giving me credit for having been responsible, having kept that case under the attention of, on the front burner, so to speak, and he wanted me to be the first to know that they would be bringing in indictments that would be released in 5 hours' time.

I then said that I would not speak out because the legal processes would be working but that if the investigation or the results of the prosecution were truncated, I would be heard from again.

I rise today and I ask that in the RECORD at this point there be printed in the RECORD an article appearing in the Washington Post of last week, Thursday, entitled "The Narc Who Loved Her", a report, an extensive special feature article on the widow of Sante Bario, a book which she has just published.

Also as exhibit 2 a copy of the Associated Press report of the 16th of this month with the dateline in New Orleans in which it is announced that the conviction of Elizabeth Chagra was one of several who had been indicted in connection with the murder of Judge Wood, that this particular conviction had been overturned by one of the appellate courts. There remains another conviction of a lesser gravity that still was upheld but the main one, a 30-year conviction, was overturned by the court.

It is interesting to note that the defense lawyer says that it is his hope the Government will drop it because he hopes the Government will not go out and spend another $1 million in prosecution.

What a sorry, sorry justification for nonprosecution.

As exhibit 3 I would like to present for the RECORD at this time the article carrying today, Tuesday, February 19, by Jack Anderson, entitled "New Light Shed on DEA Agent's Death."

The documents follow:

EXHIBIT 1

THE NARC WHO LOVED HER—JOANNE BARIO'S TALE OF SECRETS, PASSION AND DEATH

(By Phil McCombs)

This is about love and death and a girl from Falls Church who married a bold, passionate, dashing man in an effort to find herself.

"Talk about being on a high," says Joanne Bario, 38. "I mean, we would walk into a room and people would turn and stare at us. We *had* it: that energy, that intensity, what romance is all about. I *wanted* that . . . I didn't want to live in quiet desperation."

But her "fantasy of a romantic dream" became, she says, "the hardest kind of reality." Her 1975 marriage to a highly decorated U.S. narcotics agent, Sante A. Bario, plunged her directly into what is romantic and violent in 20th-century America.

"Women want adventure," she says, "and the way they traditionally get it is through men . . . Because who was I, really? A sort of Jane Doe. I was this sort of pretty, intense, passionate girl who wanted to have something happen in my life."

"Fatal Dreams," the book in which she tells her story, billed by Dial Press as a true story of undercover narcotics work in Mexico. Its publication comes as U.S.-backed Mexican officials are waging bloody warfare against drug traffickers; a U.S. agent abducted in Guadalajara last Thursday is presumed dead.

The book recounts the odyssey of another U.S. agent, Sante Bario, a man from Italy who married two American women, won success in the drug wars and died in a Texas prison.

In fact, "Fatal Dreams" is a love story.

Joanne Bario says, "It's about fame and women and the failure to love . . . What it's like to be a woman unfolding. I think I sort of grew up buying this whole story—I wanted to meet a man who would change my life, and I did! I met a man who permanently and irrevocably changed my life. And I went off with him, and it was a big risk, and I took it.

"And it wasn't like it was supposed to be."

Their life together ended in horror and death. Pregnant and living in Mexico City, Joanne watched her man disintegrate under the pressure of cracking big international drug cases. In 1978 Sante Bario was arrested for allegedly taking a bribe. One night, he went into convulsions; some suspect he'd been poisoned, though the autopsy said otherwise. Before he died, he spent four months plugged into machines, braindead, nurses flipping him like a flapjack every half hour to prevent bed sores.

The last time she saw him in a San Antonio hospital, Joanne Bario writes, "He was old and white and frail. He had, my mother said, rushed through our lives like a powerful wind in a summer storm. He'd carried me away completely. On his arm on our wedding day, I was sure I had been rescued and lifted out of dailiness, that I was where I wanted to be, part of Sandy's living theater."

She has dark hair, deep brown eyes, a low-key manner. Grew up middle-class, wanted to be a writer. Needed material, a life, an identity.

Sante Bario, a policeman, had come to America in the early '60s. His first wife, Patricia Bario, speaks with restraint and dignity of a difficult time: "He was trying very hard to establish his identity in an adopted country. When he and I met in 1960 [in Rome], he didn't speak English and I didn't speak Italian. We used to write notes to each other and then translate them with our little dictionaries . . ."

When Pat and Sante Bario married, she was a Detroit newspaper reporter (she was later to join Burson-Marsteller, the public relations firm, and to serve briefly as Geraldine Ferraro's press secretary during the presidential campaign). Sante Bario became an undercover IRS man. His climb began: 23 racketeers arrested in Boston, 28 mobsters jailed in New Orleans. By the early '70s, Bario was an agent with the Drug Enforcement Administration, making a name for himself. He sometimes had so many undercover identities, his widow says, that he would wake up in a cold sweat wondering where, and who, he was.

Bario was charming, loving, funny, and—in his work—eager, ambitious. Joanne Bario says, "He saw himself as a kind of White Knight slaying dragons." He met her at a New York dinner party in 1972, at a time when his marriage to Patricia was going bad. Joanne Tumolo was 10 years younger and of Italian background. And she was hungry for romance.

From the beginning, she found herself wondering what was real, what imagined, "He was so captivating," she says, "you'd get caught in all that and you couldn't dig through it." As he declared his love, she watched him in a bar mirror. "It was easier watching his mirror image than watching Sandy himself lean close, stroke my hand . . . I saw in that mirror a 36-year-old adventurer who knew the world, four languages, whom women always fell for. But I couldn't figure out what he saw in me."

He saw, perhaps, a "fresh . . . woman" with whom he could make a dreamed-of new life.

In writing, Joanne Bario had to wrestle with the identity question. In assuming undercover and other life roles, she wondered, "How do you pretend you're someone you're not? How could I bring the two parts of him [the undercover and the DEA bureaucrat] together? . . . How does he remain connected to his core self? It seems to me a big issue is, *is there* a core self? Is there something that endures in us, in all our relations to people, in all our 'identities'?

"I was very interested in this when I met Sandy. I was young. I was trying to decide who I was."

She also says this:

"I wonder if Sandy is real to me any more. If he's become fictional. If he's, you know, like a *character* now.

She thinks.

"There was a part of me that said, 'In order to be a writer, things had to happen to you.' I wanted experiences. I didn't think of the consequences. I didn't *believe* the consequences.

"So that part of me saw it as experience. I don't know if I say it as *material*, but, 'This is the *world.*'

"Then there was the part of me that really responded emotionally to Sandy . . . I was in therapy then. My therapist said, 'This is a fantasy. You'll have to examine this fantasy.' I said to her, 'I don't care of it's a fantasy, because it's a fantasy I *want* and I'm *gonna have it!*' "

She is hard on herself in the book. Paints herself as whining, unhappy, demanding.

"I knew he loved me . . . But why did I marry him? . . . Did I want to write this book?

"*I loved him*, but I was also much more doubtful about . . . this marriage, I was tough on him. I think he *wanted* me to write about him. I don't think it was an accident that he married two women who were writers."

By the end, she wrote, "I didn't want to believe he had kept so many secrets from me . . . Sandy was a man who had known too much, and I was a woman who hadn't known him at all."

She wrote the book to get it out of her system. Felt, as she wrote, love, hatred, fury.

In Mexico City in 1975, Bario's DEA unit was under pressure from Washington to produce big cases. Joanne, newly wed and pregnant, hadn't much liked the scene. She hadn't liked the agents, the "narcs." Many were alcoholics. "They wore cowboy boots, they were terrible to their wives."

In 1978, she writes, her husband, under the pressure to produce, looked the other way when an informant, "Claude Picault," sold drugs as a sideline. To have blown the whistle would have ruined the case. It was a fatal mistake. Picault told DEA that Bario had taken a bribe from him. For whatever reasons, the informant was believed and his boss arrested.

For Joanne Bario, everything was different.

"I was angry at him," she says. "He was in jail and he expected me to help him. He was leaning on me completely, [saying] 'You have to decide what to do.' And I felt, 'Wait a minute, that wasn't the bargain. You were supposed to be the knight on the white horse. I was supposed to be carried away.' Suddenly everything was reversed. I wanted to save him . . . but it was his world, and I couldn't. It was all about drugs and lawyers and judges . . .

"I felt I was going to come to terms with him if it killed me. And I did. I feel closure now. Regardless of what happens with this book, I'd like somebody to look at DEA.

Also, I feel I'm ending this part of my life. I own it. I've owned up to it. It was humiliating. I was ashamed, I guess. My husband died in jail. It was not something to be proud of. I had to learn to accept it."

She thinks that her husband broke the law in overlooking Picault's alleged drug-dealing, but that Picault's—and DEA's—charges against him were in all probability false.

This view is shared by a lawyer friend she retained to sue DEA after her husband's death, former Watergate prosecutor Richard Ben-Veniste. He obtained a *post mortem* job reinstatement for Bario which entitled the agent's widow and children to insurance and other benefits. Through the discovery process, he learned facts that convinced him Bario was innocent and raised questions about the behavior of agency officials:

DEA paid Picault $50,000 to make the case against Bario.

After Bario's arrest, the agency learned that Picault had run a smuggling operation involving the same cocaine that Picault had claimed earlier he had sold together with Bario.

The agency also learned that Picault had asked an individual to falsely testify against Bario in the impending trial.

Knowing these things declined to prosecute Picault.

Bario was dead before the case could come to trial. Some say he was poisoned by any one of dozens of drug traffickers or others who had it in for him; an autopsy found that he had choked on a peanut butter sandwich.

"DEA is a real dangerous organization as far as I'm concerned," says Joanne Bario.

"Conduct far below what we would expect of a government agency," says Ben-Veniste.

Asked to comment on Ben-Veniste's list, a DEA spokesman said this week, "We are going to decline getting into that kind of rebuttal, at least until we've read the book."

Now Joanne Bario, the writer, the pretty woman dressed in black, sits in her red-brick rambler in suburban Kensington.

With her two children—an 8-year-old son by Sandy, a 2-year-old daughter by a second husband she married on the rebound, then divorced.

With her new novel, about love, in progress.

In downtown Washington, Patricia Bario is reached by phone at Burson-Marsteller. Says, "Obviously, no one as close as I was to him could have read that book without crying through every page of it."

The book paints a bleak picture of the first marriage. Bario—not yet successful and famous—"couldn't compete with his wife. She was four years older and rooted in her Senate PR job. She outearned him, outclouted him, and outspoke him in her mother tongue." On trips home, "He would visit, argue with his wife, and leave again . . . He admitted he had chosen his work to escape his marriage."

The writer, Joanne Bario, says, "I tried to be really discreet in the book."

Patricia Bario says, "When I fell in love with him he wasn't a distinguished international undercover agent. He was just a very special person. Of course, there were hundreds of people who fell in love with him once he was here and established."

The two women agree on one thing: that Sante Bario *told* his second wife that his first marriage was unhappy.

"Judging from what I know of Patricia now, I think that's what he needed to believe," says Joanne.

"I'm sure he told it that way," says Patricia. "It's easiest to tell it that way when the marriage is over. But if he was leaving in '64 to escape our marriage, then where did this child come from that was born in '69?"

Patricia had two children with Sandy Bario. The first, Franco, 23, is an aspiring independent television producer here.

"To me," says Franco, "I see Joanne as a woman who discovered a man who was larger than life, and she saw the relationship as a way to be married and swept away from the real world and be brought into this other world, this more exciting, more intense world. But it wasn't real."

Franco remembers his father well.

"One time in the car, driving back to my mother's house, he was distraught about the pressures. Sometimes he would be just a little kid ready to play kickball on the lawn. You can imagine what was going on in his mind: he's got three or four other lives going that don't involve his children or wife. He told me how much he loved me and he hoped I wouldn't get into his line of work because there are a lot of other ways to make a living.

"But he was scared and didn't know any other way. He actually did say, 'It will kill you.' "

Her novel-in-progress:

"The thing about romantic fantasy," says Joanne Bario, "it's like catching that gold ring, It's the part of you that allows yourself to not be reasonable, to . . . believe that there's more out there, now, 'If I just dare, I can have it all.' And that's what Americans want. I think it's part of our culture."

The Romantic Fantasy.

"The boy-girl thing is the only part of our lives where we allow our emotions any free play. The rest of our lives are so tight. We don't take risks . . . This is sort of what my second book is about: failures of love, what would happen if we let go."

Her mother used to tell her, "When you can accept that your life isn't going to be normal, accept it and you'll be a lot happier. Stop feeling that a part of you has got to fit in."

She remarried in 1980. It lasted two years.

"After Sandy died I felt real desperate about men . . . I was 32 years old and I was just enveloped by death. I married a city planner. He was the first man I went out with after Sandy died, and I felt alive. And I misconstrued that for love . . .

"He left. I made him feel inadequate . . . He wanted a routine, a sense of stability. I was always flying off and saying, 'Well, what can we do now that will be exciting and fun?' . . . It was hard for him to imagine this book coming out and him being married to me. And now I have this book, and a beautiful 2-year-old daughter and a checkered past which I never imagined I would have."

She laughs.

Says she has no boyfriend.

"I'm not going looking for him."

Pauses.

"That is an enormous feeling of freedom for me, by the way. I don't feel desperate to find somebody tomorrow."

Would she do it again?

"Yes, I would . . . I've gone through this whole thing and learned nothing! [Sandy] was a one-and-only . . . who wanted to make *more* of life, to be connected with life."

Thinks.

"Is there supposed to be an answer? There's no answer in my book. Did he take a bribe? Was he murdered? So what? What it's about is a unique person. I never expect to meet someone like Sandy again. And I didn't want him to die with this false image of 'Narc Murdered in Cell.' He's what we all are, only more theatrically. He had what we all have, a hundred different parts of him! He was compelling, very human, he was moral . . .

"I wanted to lift his death up and make it count. That's all."

EXHIBIT 2

APPEALS COURT OVERTURNS ELIZABETH CHAGRA'S CONSPIRACY CONVICTION

(By Bill Crider)

NEW ORLEANS.—After Elizabeth Chagra's conviction on charges she plotted a Federal judge's assassination was overturned, her lawyer predicted she may win her freedom soon because the government might want to avoid another costly trial.

The 5th U.S. Circuit Court of Appeals ruled Friday that her conviction cannot stand because a jury was instructed improperly by the presiding judge concerning what it would have to conclude to find her guilty.

The three-judge panel let stand the murder conviction of Charles Harrelson, who pulled the trigger to kill Judge Jon H. Wood, Jr. outside his San Antonio, Texas, condominium in 1979.

The appeals court also left intact Mrs. Chagra's conviction of tax fraud and conspiring to obstruct justice in the investigation into Wood's death, which resulted in a five-year prison term as part of her 30-year sentence. The court also upheld the conviction of Harrelson's wife, Jo Ann, for conspiring to obstruct justice.

"I am hopeful, I really, really am, that this time around, everything will be straightened out," Mrs. Chagra, 31, said in a telephone interview with the Associated Press from the federal women's prison in Alderson, W. Va.

Galveston lawyer Warren Burnett said he has "no idea when (a new trial might be conducted for Mrs. Chagra) or whether the government would want to go to the millions of dollars of expense to do that."

In the meantime, he told the El Paso Times, he will try to win her release on bail "now that she's been locked away from her children for almost three years."

Burnett said his client probably has served enought time already to win parole for the convictions on lesser charges. U.S. Attorney Helen Eversberg, whose jurisdiction includes San Antonio and El Paso, said she was "very pleased with the affirmed conviction of the hit man, Mr. Harrelson" but unsure whether the government will seek another trial for Chagra.

Mrs. Chagra's husband Jimmy was acquitted in a separate trial of charges he paid Harrelson $250,000 to kill Wood, known as "Maximum John" for the stiff sentences he dealt drug dealers. Chagra was convicted, however, of conspiring to obstruct the investigation.

Wood was killed by a single shot to the back from a high-powered rifle on May 29, 1979, shortly before he was scheduled to preside over the Chagras' drug smuggling trial. The indictment said Chagra feared Wood would sentence him to life in prison on a criminal enterprise charge.

The murder, the only killing of a federal judge this century, spawned the largest federal investigation since the 1963 assassination of President John F. Kennedy.

EXHIBIT 3

NEW LIGHT SHED ON DEA AGENT'S DEATH

(By Jack Anderson)

Long-suppressed evidence sheds new light on the mysterious death of a decorated Drug Enforcement Administration agent six years ago, and on the dubious techniques the drug agency used to go after him.

The agent, Sante Bario, suffered a seizure in a San Antonio jail cell in 1979, lapsed into a coma and died several months later without regaining consciousness.

He had been arrested and was awaiting trial after a DEA informant charged that he had paid Bario $9,000 to be allowed to keep five kilos of cocaine involved in an undercover operation.

Accordingly to the official account of his death, Bario choked on a peanut butter sandwich. But initial tests reportedly showed traces of poison in his system.

Bario's widow, Joanne, told my associate Donald Goldberg that her husband was merely holding the money as a favor for the informant, who was afraid his girlfriend would get it. The widow will tell her story in a book, "Fatal Dreams," that is to be published this month.

The case against Bario depended entirely on the informant's word. A tape recording he claimed to have made of the bribe transaction turned out to be blank. The marked bills remained intact in Bario's safe, according to the widow.

A federal judge ordered Bario's posthumous reinstatement, thus securing the widow her survivor benefits, but she wants to clear her husband's name once and for all. New documents, uncovered by her attorney, former Watergate prosecutor Richard Ben-Veniste, point to self-serving motivation on the informant's part to set Bario up for a fall: He was not only paid generously by DEA, but was promised help in gaining American citizenship.

What did the DEA know about the informant? He had talked a buddy of his, Alain Chaillou, into running a smuggling errand for him, claiming it was a DEA operation.

The informant had left a 1.9-kilo stash of cocaine in Mexico, and could not retrieve it for fear of his underworld enemies there. So he got Chaillou to pick it up and take it to Bogota, Colombia, promising that he would have DEA protection.

Instead, Chaillou was arrested at the Bogota airport. The informant called DEA with a cock-and-bull story, then left Chaillou twisting in the wind. The U.S. and Colombian authorties would not swallow his story that he was smuggling drugs for the DEA.

Eventually, one DEA investigator became convinced that Chaillou was telling the truth and concluded in a written report that the arrest "was the direct result of Chaillou's entrapment."

Despite the evidence of the informant's illicit behavior, the U.S. attorney in Puerto Rico, where the informant lived, told the DEA he "did not feel there was sufficient evidence to indict." The prosecutor said he could have gotten an indictment against the informant, but that "the evidence simply wasn't enough to convict."

As to why the DEA was out to get one of its top agents, the speculation is that Bario knew too much about certain questionable DEA practices that were under investigation at the time.

Now I rise because both the Anderson article happened to do with Sante Bario's mysterious death and the book written by his widow, leave much to be desired even though enough is said there that appears to be new.

Most of that we have brought out and it was the reason I was motivated to speak out of the Sante Bario case.

I finally stopped because I did everything I could to try to see if after the DEA considered the case closed that we could get the Justice Department to investigate the circumstances involving the DEA's own role in that case.

I had good reason to know then, as I do now, that had Sante Bario ever reached the point where he could have defended himself or testify, his testimony would have involved, very embarrassingly, the agency itself and that among other things he would have talked for the first time about the existence of this heavily growing traffic that at that time was growing exponentially in the Las Vegas-El Paso-Mexico connection.

Also, coincidental with all of this speaking out, first locally, on my prediction that some agents of law enforcement were going to be hurt because nothing was being done to restrain those who got bolder. If they could knock off seven individuals with impunity, why shouldn't they knock off a lesser law enforcement agent who might get in their way? Eventually, why not teach a lesson by killing a judge who had been, in their estimation, unduly severe in assessing punishment to narcotics and dope peddlers.

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These were the motivations, and today I rise to bring out what right now appears to be something new and novel, but which we had brought out even in the record, and also to report that until and unless, even the Wood murder is fully followed through, yes, the trigger man was flushed out; the middle man was flushed out.

What about the heads of the syndicates? What about the heads that really—well, they even reached the point where one of the lawyers for Chagra was a personal attorney for Meyer Lansky, the big syndicate founder and head who died last year or year before that.

That does not mean that with his demise the syndicate has demised; it does not mean that this level of sophisticated crime has not infiltrated every crevice and nook and cranny of our society; it does not mean that they have stopped infiltrating every single layer of our enforcement agencies and our government, from the highest to the lowest; it just means America has a continuing challenge.

Back in the days of Al Capone, our leading criminologists and law enforcement people invited a distinguished British criminologist to come and study our situation and see what he could recommend.

He did not stay here 3 weeks; and he said "Gentlemen, what you are asking me is actually impossible until you do one thing first." And they said, "What is that?"—"Until you can separate the connection between your authorities, your Government, and the criminal, it is futile for me to be here. When you have done that, then call me and I might be able to advise on the question of crime."

Today I want to announce that this will be the beginning of what will follow in an attempt to clarify not only the Sante Bario death, which is in desperate need of clarification, but also to point out that with the reversal of the conviction of Elizabeth Chagras, that the job must be done, to continue to explore ways to find these connections, disgorge them, prosecute them, and not let our society continue to be victimized by the criminal element.

King Crime still remains supreme. He is undisturbed, with his scepter of command. And I think it is to the shame and to the harm of our society.

RULES OF THE COMMITTEE ON WAYS AND MEANS FOR THE 99TH CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 5 minutes.

● Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to the requirement of clause 2(a) of rule XI of the Rules of the House of Representatives, I submit herewith the rules of the Committee on Ways and Means for the 99th Congress and ask that they be printed in the RECORD at this point. These rules were adopted by the committee in an open session on February 6, 1985.

RULES OF THE COMMITTEE ON WAYS AND MEANS FOR THE 99TH CONGRESS

Rule XI of the Rules of the House of Representatives, provides in part:

• • • The Rules of the House are the rules of its committees and subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees and subcommittees.

• • • Each subcommittee of a committee is a part of that committee, and is subject to the authority and direction of that committee and to its rules as far as applicable.

• • • Each standing committee of the House shall adopt written rules governing its procedure. Such rules • • •

(1) shall be adopted in a meeting which is open to the public • • •

(2) shall be not inconsistent with the Rules of the House or with those provisions of law having the force and effect of Rules of the House • • •

In accordance with the foregoing, the Committee on Ways and Means, on February 6, 1985, adopted the following as the Rules of the Committee for the 99th Congress.

RULE 1. IN GENERAL

Except where the terms "full Committee" and "subcommittee" are specifically referred to, the following rules shall apply to the Committee on Ways and Means and its subcommittees as well as to the respective chairmen.

RULE 2. MEETING DATE, QUORUM, AND QUORUM FOR TAKING TESTIMONY AND EVIDENCE

The regular meeting day of the Committee on Ways and Means shall be on the second Wednesday of each month while the House is in session. A majority of the Committee constitutes a quorum for business. *Provided, however,* that two members shall constitute a quorum at any regularly scheduled hearing called for the purpose of taking testimony and receiving evidence.

RULE 3. SUBCOMMITTEE MEETINGS

Insofar as possible, meetings of the Committee and its subcommittees shall not conflict. Subcommittee chairmen shall set meeting dates after consultation with the Chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of Committee and subcommittee meetings or hearings wherever possible.

RULE 4. SUBCOMMITTEES

All matters referred to the Committee on Ways and Means involving the Internal Revenue Code, except those revenue measures referred to Subcommittees under paragraphs 1, 2, 3 or 5, shall be considered by the whole Committee and not in subcommittee.

There shall be six standing subcommittees as follows: Subcommittee on Social Security; Subcommittee on Health; Subcommittee on Public Assistance and Unemployment Compensation; Subcommittee on Trade; Subcommittee on Select Revenue Measures; and Subcommittee on Oversight.

The jurisdiction of such subcommittees includes:

1. Subcommittee on Social Security shall consist of 11 Members 7 of whom shall be Democrats and 4 of whom shall be Republicans.

In general, the jurisdiction of the Subcommittee on Social Security includes bills and matters referred to the Committee on Ways and Means which relate to the Federal Old-Age, Survivors' and Disability Insurance System, the Railroad Retirement System, and employment taxes and trust fund operations relating to those systems. The jurisdiction of this subcommittee, more specifically, includes bills and matters involving title II of the Social Security Act and Chapter 22 of the Internal Revenue Code (the Railroad Retirement Tax Act), as well as provisions in title VII and title XI of the Act relating to procedure and administration involving the Old-Age, Survivors' and Disability Insurance System.

2. Subcommittee on Health shall consist of 11 Members, 7 of whom shall be Democrats and 4 of whom shall be Republicans.

In general, the jurisdiction of the Subcommittee on Health includes bills and matters which are referred to the Committee on Ways and Means which relate to programs which provide payments (from any source) for health care, health delivery systems, or health research. More specifically, the jurisdiction of the Subcommittee on Health includes bills and matters which relate to the health care programs of the Social Security Act (including titles V, XI (Part B), XVIII, and XIX thereof) and, concurrent with the full Committee, tax credit and deduction provisions of the Internal Revenue Code dealing with health insurance premiums and health care costs.

3. Subcommittee on Select Revenue Measures shall consist of 11 Members, 7 of whom shall be Democrats and 4 of whom shall be Republicans.

The jurisdiction of this subcommittee shall consist of those revenue measures which, from time to time, shall be referred to it specifically by the Chairman of the full Committee.

4. Subcommittee on Trade shall consist of 14 Members, 9 of whom shall be Democrats and 5 of whom shall be Republicans.

In general, the jurisdiction of the Subcommittee on Trade includes bills and matters referred to the Committee on Ways and Means which relate to: customs and customs administration including tariff and import fee structure, classification, valuation of and special rules applying to imports, and special tariff provisions and procedures which relate to customs operation affecting exports and imports; import trade matters including import impact, industry relief from injurious imports, adjustment assistance and programs to encourage competitive responses to imports, unfair import practices including antidumping and countervailing duty provisions, and import policy which relates to dependence on foreign sources of supply; commodity agreements and reciprocal trade agreements including multilateral and bilateral trade negotiations and implementation of agreement involving tariff and nontariff trade barriers to and distortions of international trade; international rules, organizations and institutional aspects of international trade agreements; budget authorizations for the U.S. Customs Service, the U.S. International Trade Commission, and U.S. Trade Representative; and special trade-related problems involving market access, competitive conditions of specific industries, export policy and promotion, access to materials in short supply, bilateral trade relations including trade with developing countries, operations of multinational corporations, and trade with non-market economies.

5. Subcommittee on Public Assistance and Unemployment Compensation shall consist of 8 Members, 5 of whom shall be Democrats and 3 whom shall be Republicans.

In general, the jurisdiction of this subcommittee includes bills and matters referred to the Committee on Ways and Means which relate to the public assistance provisions of the Social Security Act including welfare reform, supplemental security income, aid to families with dependent children, social services, child support, eligibility of welfare recipients for food stamps, and low-income energy assistance.

More specifically, the jurisdiction of this subcommittee includes bills and matters relating to titles I, IV, VI, X, XIV, XVI, XVII, XX and related provisions of titles VII and XI of the Social Security Act.

The jurisdiction of this subcommittee also includes bills and matters referred to the Committee on Way and Means which relate to the Federal-State system of unemployment compensation, and the financing thereof, including the programs for extended and emergency benefits.

More specifically, the jurisdiction of this subcommittee includes all bills and matters pertaining to the programs of unemployment compensation under titles III, IX and XII of the Social Security Act, Chapters 23 and 23A of the Internal Revenue Code, the Federal-State Extended Unemployment Compensation Act of 1970, the Emergency Unemployment Compensation Act of 1974, and provisions relating thereto.

6. Subcommittee on Oversight shall consist of 11 Members, 7 of whom shall be Democrats and 4 of whom shall be Republicans.

The jurisdiction of this subcommittee includes all matter within the scope of the Committee but shall be limited to existing law and said oversight jurisdiction shall not be exclusive but shall be concurrent with that of the other subcommittees, and with respect to matters involving the Internal Revenue Code said concurrent jurisdiction shall be shared with the full Committee. Before undertaking any investigation or hearing, the chairman of the Subcommittee on Oversight shall confer with the Chairman of the full Committee and the chairman of any other subcommittee having jurisdiction.

RULE 5. SUBCOMMITTEE CHAIRMEN

Democratic members of the Committee shall have the right in order of full Committee seniority to bid for vacant subcommittee chairmanships. Such bids shall be subject to approval by a majority of those present and voting in the Democratic caucus of the Committee. If the caucus rejects a subcommittee chairmanship bid, the next senior Democratic Member may bid for the position as in the first instance. No member of the Committee who serves on the Budget Committee shall serve as a chairman of a subcommittee. A subcommittee chairmanship shall not be considered vacant while the subcommittee chairman has taken a leave of absence to serve on the Budget Committee.

RULE 6. EX-OFFICIO MEMBERS OF SUBCOMMITTEES

The Chairman and the ranking minority member may sit as ex-officio members of all subcommittees. They may be counted for purposes of assisting in the establishment of a quorum for a subcommittee. However, their absence shall not count against the establishment of a quorum by the regular members of the subcommittee. Ex-officio members shall neither vote in the subcommittee nor be taken into consideration for purposes of determining the ratio of the subcommittee.

RULE 7. REFERENCE OF LEGISLATION AND SUBCOMMITTEE REPORT

Every bill, or other matter (except bills concerning the Internal Revenue Code) referred to the Committee or initiated by the Committee shall be referred by the Chairman of the full Committee to the appropriate subcommittee within 2 weeks from the date of its receipt by the Committee unless by a majority vote in the full Committee, consideration is to be by the full Committee. A subcommittee shall, within 3 legislative days of receipt of a bill referral, acknowledge same to the full Committee.

After a bill has been pending in a subcommittee for a reasonable period of time, the Chairman of the full Committee may make a request in writing to the subcommittee that the subcommittee forthwith report the bill to the full Committee with its recommendations. If within 7 legislative days after the Chairman's written request, the subcommittee has not so reported the bill, then there shall be in order in the full Committee a motion to discharge the subcommittee from further consideration of the bill. If such motion is approved by a majority vote in the full Committee, the bill may

thereafter be considered only by the full Committee.

No bill reported by a subcommittee shall be considered by the full Committee unless it has been presented to all members at least 2 legislative days prior to the meeting, together with a comparison with present law, a section-by-section analysis of the proposed change, a section-by-section justification, and a draft statement of the costs of carrying out the bill that is consistent with the requirements for reported bills under clause 7 of Rule XIII of the Rules of the House of Representatives.

RULE 8. SUPERVISION, DUTIES OF COMMITTEE STAFF

The staff of the Committee, both professional and clerical, shall be under the general supervision and direction of the Chairman of the full Committee except as provided in clause 5(d) and clause 6 of Rule XI of the Rules of the House of Representatives concerning committee expenses and staff. Provided, however, that the chairman of each subcommittee shall be entitled to select and designate at least one professional staff member for said subcommittee and at least one clerical staff member for said subject to the approval of a majority of the Democratic members of said full Committee. The ranking minority member shall have the right to designate one staff member. Said staff members shall be compensated at a salary commensurate with the responsibilities prescribed by said subcommittee chairman. Compensation shall be provided out of appropriated amounts—rather than statutory amounts allowed each committee.

RULE 9. COMMITTEE BUDGET AND EXPENSES

The Chairman, in consultation with the majority members of the Committee, shall, for each session of the Congress, prepare a preliminary budget. Such budget shall include necessary amounts for staff personnel, travel, investigation, and other expenses of the Committee. After consultation with the minority members, the Chairman shall include an amount budgeted to minority members for staff under their direction and supervision. Thereafter, the Chairman shall combine such proposals into a consolidated Committee budget, and shall present the same to the Committee for its approval or other action. The Chairman shall take whatever action is necessary to have the budget as finally approved by the Committee duly authorized by the House. After said budget shall have been adopted, no substantial change shall be made in such budget unless approved by the Committee.

RULE 10. WITNESSES

In order to assure the most productive use of the limited amount of time available to question hearing witnesses, a witness who is scheduled to appear before the Committee shall file with the clerk of the Committee at least 24 hours in advance of his appearance a written statement of his proposed testimony. Failure to comply with this rule may result in the witness being denied the opportunity to testify in person. A witness shall limit his oral presentation to a summary of his position and shall provide sufficient copies of his written statement to the clerk for distribution to members, staff and news media.

RULE 11. QUESTIONING OF WITNESSES

Committee members may question witnesses only when recognized by the Chairman for that purpose. All members shall be limited to five minutes on the initial round of questioning. In questioning witnesses under the five-minute rule, the Chairman and the ranking minority member may be recognized first after which members may be recognized in the order of their arrival at the hearing. Among the members present at the time the hearing is called to order, seniority shall be recognized. In recognizing members to question witnesses, the Chairman may take into consideration the ratio of majority members to minority members and the number of majority and minority members present and shall apportion of recognition for questioning in such a manner as not to disadvantage the members of the majority.

RULE 12. PUBLICATION OF DECISIONS

A press release describing any tentative or final decision made by the Committee on legislation under consideration shall be made available to each member of the Committee as soon as possible, but no later than the next day. However, the legislative draft of any tentative or final decision of the Committee shall not be released until such draft is made available to each member of the Committee.

RULE 13. AMENDMENT TO PROVISION PREVIOUSLY READ

In the process of reading a bill for amendments, it shall be in order to return to a previously read portion of the bill for the purpose of considering and acting upon amendments thereto. However, if such previously read portion has been adopted by a record vote, it shall be in order for any member of the majority, on the same or the next day on which a quorum of the Committee is present, to move for the reconsideration thereof, and such motion shall take precedence of all other questions except the consideration of a motion to adjourn, and shall not be withdrawn without the consent of the Committee, and thereafter any member may call it up for consideration.

RULE 14. RECORD VOTES

A record vote on an issue shall be required on the request of a member which is supported by at least one-fifth of a quorum.

RULE 15. PREVIOUS QUESTION

The Chairman shall not recognize a member for the purpose of moving the previous question unless the member has first advised the Chair and those members present that this is the purpose for which recognition is being sought.

RULE 16. RECOMMENDATION FOR APPOINTMENT OF CONFEREES

Whenever in the legislative process it becomes necessary to appoint conferees, the Chairman shall recommend to the Speaker as conferees the names of those members of the subcommittee (or subcommittees) which handled the substantive legislation in the order of their subcommittee seniority and such other Committee members as the Chaiman may designate. In making recommendations of minority members as conferees the Chairman shall consult with the ranking minority member of the Committee.

RULE 17. RECORDS OF HEARINGS

An accurate stenographic record shall be kept of all testimony taken at a public hearing. The staff shall transmit to a witness the transcript of this testimony for correction and immediate return to the Committee Office. Only changes in the interest of clarity, accuracy and corrections in transcribing errors will be permitted. Changes which substantially alter the actual testimony will not be permitted. Members shall correct their own testimony and return transcripts as soon as possible after receipt thereof. The Chairman may order the printing of the hearing without the corrections of a witness or member if he determines that a reasonable time has been afforded to make corrections and that further delay would impede the consideration of the legislative action which is the subject of the hearing. A witness appearing in a public hearing, or submitting a statement for the record of a public hearing, or submitting a written comment in response to a published request for comments by the Committee must provide the Committee with a list of any clients or persons, or any organization for whom the witness appears which shall be made available for public inspection unless otherwise directed by the Committee. Verbal testimony and statements for the record, or written comment in response to a request for comments by the Committee, will accept only from citizens of the United States or corporations or associations organized under the laws of one of the 50 States of the United States or the District of Columbia, unless otherwise directed by the Chairman of the Committee or subcommittee involved. Written statement from noncitizens may be considered for acceptance if transmitted to the Committee in writing by Members of Congress.

RULE 18. TRANSCRIPTS OF OTHER COMMITTEE MEETINGS

An accurate stenographic record shall also be kept of all markup and other meetings of the Committee, whether they be open or closed to the public. This record, marked as "uncorrected," shall be available for inspection by Members of the House, or members of the Committee together with their staffs at reasonable times and places. The record shall not be published or made public in any way except by a majority vote of the Committee. Before any public release of the uncorrected record, Members must be given a reasonable opportunity to correct their remarks. In instances in which a stenographic record is kept of a conference committee proceeding, all of the requirements of this rule will likewise be observed with respect to such record.

RULE 19. BROADCASTING OF COMMITTEE OR SUBCOMMITTEE

The provisions of clause 3(f) of Rule XI of the Rules of the House of Representatives are by reference specifically made a part of these rules. In addition, the Committee has adopted the following policy with respect to medical coverage of meetings:

An appropriate area of the Committee's hearing room is designated for members of the press and any equipment they use.

No interviews are allowed in the Committee room while the Committee is in session. Individual interviews must take place before the gavel falls for the convening of a meeting or after the gavel falls for adjournment.

Day-to-day notification of the next day's electronic coverage will be provided by the media to the Chairman through the chief counsel or some other person who might be designated in his absence.

Still photography will be permitted during a Committee meeting as long as it does not disrupt the proceedings or block the vision of Committee members or witnesses.

Klieg lights will be permitted to illuminate the hearing room only during the first fifteen minutes following the Chairman's initial calling of the Committee to order.

Further conditions may be specified by the Chairman.

RULE 20. PARTY RATIO

The ratio of Democrats to Republicans on any subcommittee of the Committee shall be consistent with the ratio of Democrats to Republicans on the Committee.

RULE 21. PROXY VOTING

Voting by proxy shall be permitted in accordance with the manner prescribed in clause 2(f) of Rule XI of the Rules of the House of Representatives.

RULE 22. TRAVEL OF MEMBERS AND STAFF

Consistent with the primary expense resolution and such additional expense resolution as may have been approved, the provisions of this rule shall govern travel of Committee members and Committee staff. Travel to be reimbursed from funds set aside for the full Committee for any member or any Committee staff member shall be paid only upon the prior authorization of the Chairman. Travel may be authorized by the Chairman for any member and any Committee staff member in connection with the attendance of formal or informal hearings conducted by the Committee, its subcommittees or any other committee or subcommittee of the Congress on matters relevant to the general jurisdiction of the Committee, and meetings, conferences and investigations which involve activities or subject matter relevant to the general jurisdiction of the Committee. Before such authorization is given there shall be submitted to the Chairman in writing the following:

(1) The purpose of the travel;

(2) The dates during which the travel is to be made and the date or dates of the event for which the travel is being made;

(3) The location of the event for which the travel is to be made;

(4) The names of members and Committee staff seeking authorization.

Where travel is in connection with the conduct by members of the Committee of an informal hearing, the prior approval not only of the Chairman but also of subcommittee chairmen shall be required where the hearing involves any matter within the jurisdiction of one or more of the subcommittees of the Committee.

In the case of travel of members and staff of a subcommittee to hearings, meetings, conferences, and investigations involving activities or subject matter under the legislative assignments of such subcommittee to be paid out of funds allocated to such subcommittee, prior authorization must be obtained from the subcommittee chairman and the Chairman. Such prior authorization shall be given by the Chairman only upon the representation by the applicable chairman of the subcommittee in writing setting forth those items enumerated above.

Within 60 days of the conclusion of any travel authorized under this rule, there shall be submitted to the Chairman a written report covering the information gained as a result of the study or investigation, or meeting, conference or hearing attended pursuant to such travel.●

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FRANKLIN) to revise and extend their remarks and include extraneous material:)

Mrs. ROUKEMA, for 60 minutes, February 20.

Mr. MCKINNEY, for 10 minutes, today.

Mr. WOLF, for 60 minutes, February 28.

Mr. GINGRICH, for 60 minutes, today.

Mr. GINGRICH, for 60 minutes, February 20.

Mr. GINGRICH, for 60 minutes, February 21.

Mr. BOULTER, for 60 minutes, today.

(The following Members (at the request of Mr. ANNUNZIO) to revise and extend their remarks and include extraneous material:)

Mr. JONES of Oklahoma, for 5 minutes, today.

Mr. LELAND, for 5 minutes, today.

Mr. FAUNTROY, for 5 minutes, today.

Mr. COYNE, for 10 minutes, today.

Mr. ALEXANDER, for 60 minutes, today.

Mr. GAYDOS, for 30 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. RUDD, for 10 minutes, today.

Mr. GAYDOS, for 30 minutes, February 20.

Mr. WEAVER, for 60 minutes, February 21.

Mr. WILLIAMS for 60 minutes, February 26.

Mr. ALEXANDER, for 60 minutes, February 26.

Mr. HOYER, for 60 minutes, February 28.

Mr. DASCHLE, for 60 minutes, March 5.

Mr. ALEXANDER, for 60 minutes, March 5.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. DORGAN of North Dakota, for 30 minutes, February 20.

Mr. WILLIAMS, for 60 minutes, March 5.

Mr. ALEXANDER, for 60 minutes, February 28.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. FRANKLIN) and to include extraneous matter:)

Mr. HENDON.

Mr. GUNDERSON.

Mr. RINALDO.

Mr. CONTE.

Mr. KEMP.

Mr. DENNY SMITH.

Mr. ARCHER.

Mr. CLINGER.

Mr. COURTER.

Mr. MICHEL.

Mr. BROOMFIELD in three instances.

Mr. DAUB in two instances.

Ms. SNOWE.

Mr. FISH.

Mr. PURSELL.

(The following Members (at the request of Mr. ANNUNZIO) and to include extraneous matter:)

Mr. BARNES.

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. HAMILTON.

Mr. FRANK.

Mrs. BOXER.

Mr. KILDEE in two instances.

Mr. TORRICELLI.

Mr. NATCHER.

Mr. MINETA.

Mr. VENTO.

Mr. RAHALL.

Mr. STOKES.

Mr. ROE.

Mr. LEVINE of California.

Mr. PEPPER.

Mr. YATRON.

Mr. STARK in two instances.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 36. Joint resolution to designate the week of February 10, 1985, through February 16, 1985, as "National DECA Week."

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 55 minutes p.m.) under its previous order, the House adjourned until Wednesday, February 20, 1985, at 10 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports and amendments of various House committees and delegations traveling under authorizations from the Speaker concerning the foreign currencies and U.S. dollars utilized by them during the fourth quarter of calendar year 1983 and the second, third, and fourth quarters of calendar year 1984 in connection with foreign travel pursuant to Public Law 95-384 are as follows:

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Delegation to Normandy, June 2–6, 1984—Amended report:											
Stratton, Cong. Samuel S	6/2	6/6	France			1,231.08	144.83	745.12	45.32	1,976.20	190.15
Nichols, Cong. Bill	6/2	6/6	France			1,231.08	144.83	745.12	45.32	1,976.20	190.15
Holt, Cong Marjorie S	6/2	6/6	France			1,231.08	144.83	745.12	45.32	1,976.20	190.15
Badham, Cong. Robert E	6/2	6/6	France			1,231.08	144.83	745.12	45.32	1,976.20	190.15
Byron, Cong. Beverly B	6/2	6/6	France			1,231.08	144.83	745.12	45.32	1,976.20	190.15

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman, Jan. 23, 1985.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Delegation to Central America, July 6–10, 1984—Amended report:											
Delegation expenses			El Salvador			1,662.50	420.89			1,622.50	420.80
Delegation to the Northern NATO and Nordic Region, Aug. 20–31, 1984—Amended report:											
Delegation expenses			Belgium			20,000	326.00	147,864	2,630.37	167,864	2,956.37
Committee totals							746.89		2,630.37		3,377.26

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES APIN, Chairman, Jan. 23, 1985.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
The following are additional expenses:											
Hon. Barber B. Conable							592.07		235.94		828.01
Hon. Thomas J. Downey							592.07		235.94		828.01
Hon. Bill Frenzel							592.07		235.94		828.01
Hon. Sam M. Gibbons							592.07		235.94		828.01
Hon. Frank J. Guarini							592.07		235.94		828.01
Hon. Richard T. Schulze							592.07		235.94		828.01
Hon. William M. Thomas							592.07		235.94		828.01
Thelma J. Askey							592.07		235.94		828.01
Franklin C. Phifer							592.07		235.94		828.01
Graciela P. Sullivan							592.07		235.94		828.01
Committee total							5,920.70		2,359.40		8,280.10

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DAN ROSTENKOWSKI, Chairman, Jan. 14, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Cooper Evans	11/16	11/21	Nigeria	140	175.99						175.99
	11/21	11/23	Ghana								
	11/24	11/28	Cameroon	40,000	85.29	506,340	1,079.62				1,164.91
			Cameroon			53,000	112.05				112.05
	11/28	12/2	Ethiopia	485	769.60						769.60
	12/2	12/3	England								
Commercial transportation							4,238.00				4,238.00
A. Mario Castillo	10/16	11/17	Canada	161.97	123.00						123.00
Charles Rawls	11/10	11/18	Germany	1,314	450.00						450.00
Commercial transportation							1,916.00				1,916.00
William O'Conner	12/9	12/13	Venezuela		530.00						530.00

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Commercial transportation							771.00				771.00
Committee total					2,133.88		8,116.67				10,255.50

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

E. de la GARZA, Chairman, Jan. 30, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Visit to Germany, Italy, and United Kingdom, Oct. 11–20, 1984:											
Ray, Cong. Richard	10/12	10/15	West Germany		[3] 316.89						[3] 316.89
	10/15	10/16	Italy		(3)						
	10/16	10/17	West Germany		(3)						
	10/17	10/19	United Kingdom		(3)						
	10/19	10/20	West Germany		(3)						
Transportation—Department of the Air Force.							12,007.66				12,007.66
Necessary, Mr. Douglas	10/12	10.15	West Germany		[3] 322.96						[3] 322.96
	10/15	10/16	Italy		(3)						
	10/16	10/17	West Germany		(3)						
	10/17	10/19	United Kingdom		(3)						
	10/19	10/20	West Germany		(3)						
Transportation—Department of the Air Force.							12,007.066				12,007.66
Staff visit to Belgium, West Germany, and the United Kingdom, Oct.8 10–20, 1984:											
Emmerichs, Mr. Robert	10/10	10/12	Belgium	9,064	146.00					9,064	146.00
	10/12	10/17	West Germany	1,395	[4] 450.00					1,395	[4] 450.00
	10/17	10/20	United Kingdom	238.56	288.00					238.56	288.00
Transportation—Department of State							1,263.80				1,263.80
Staff visit to the United Kingdom, Belgium, and Italy, Nov. 8–20, 1984:											
Scrivner, Mr. Peter	11/8	11/11	United Kingdom	286.78	366.00		68.62		55.12	286.78	489.74
	11/11	11/16	Belgium	32,146	540.00		113.76		497.64	32,146	1,151.40
	11/16	11/20	Italy	848,700	460.00		170.18		93.59	848,700	723.77
Transportation—Department of the Air Force.							10,479.54				10,479.54
Delegation to the Far East, Nov. 8–21:											
Price, Cong. Melvin	11/11	11/13	Singapore	495.44	232.00					495.44	232.00
	11/13	11/16	Korea	244,500	300.00					244,500	300.00
	11/16	11/19	Hong Kong	2,782.80	357.00					2,782.80	357.00
	11/19	11/21	Japan	55,890	230.00					55,890	230.00
Transportation—Department of the Air Force.							16,864.28				16,864.28
Dickinson, Cong. Wm. L.	11/11	11/13	Singapore	495.44	232.00					495.44	232.00
	11/13	11/16	Korea	244,500	300.00					244,500	300.00
	11/16	11/19	Hong Kong	2,782.80	357.00					2,782.80	357.00
	11/19	11/21	Japan	55,890	230.00					55,890	230.00
Transportation—Department of the Air Force.							16,864.28				16,864.28
Stratton, Cong. Samuel S.	11/11	11/13	Singapore	495.44	232.00					495.44	232.00
	11/13	11/16	Korea	244,500	300.00					244,500	300.00
	11/16	11/19	Hong Kong	2,782.80	357.00					2,782.80	357.00
	11/19	11/21	Japan	55,890	230.00					55,890	230.00
Transportation—Department of the Air Force.							16,864.28				16,864.28
Holt, Cong. Marjorie S.	11/11	11/13	Singapore	495.44	232.00					495.44	232.00
	11/13	11/16	Korea	244,500	300.00					244,500	300.00
	11/16	11/19	Hong Kong	2,782.80	357.00					2,782.80	357.00
	11/19	11/21	Japan	55,890	230.00					55,890	230.00
Transportation—Department of the Air Force.							16,864.28				16,864.28
Schroeder, Cong. Patricia	11/11	11/13	Singapore	495.44	232.00					495.44	232.00
	11/13	11/16	Korea	244,500	300.00					244,500	300.00
	11/16	11/19	Hong Kong	2,782.80	357.00					2,782.80	357.00
	11/19	11/21	Japan	55,890	230.00					55,890	230.00
Transportation—Department of the Air Force.							16,864.28				16,864.28
Martin, Cong. David O'B.	11/11	11/13	Singapore	495.44	232.00					495.44	232.00
	11/13	11/16	Korea	244,500	300.00					244,500	300.00
	11/16	11/19	Hong Kong	2,782.80	357.00					2,782.80	357.00
	11/19	11/21	Japan	55,890	230.00					55,890	230.00
Transportation—Department of the Air Force.							16,864.28				16,864.28
Dyson, Cong. Roy	11/11	11/13	Singapore	495.44	232.00					495.44	232.00
	11/13	11/16	Korea	244,500	300.00					244,500	300.00
	11/16	11/19	Hong Kong	2,782.80	357.00					2,782.80	357.00
	11/19	11/21	Japan	55,890	320.00					55,890	230.00
Transportation—Department of the Air Force.							16,864.28				16,864.28
Lloyd, Cong. Marilyn	11/11	11/13	Singapore	495.44	232.00					495.44	232.00
	11/13	11/16	Korea	244,500	300.00					244,500	300.00
	11/16	11/19	Hong Kong	2,782.80	357.00					2,782.80	357.00
	11/19	11/21	Japan	55,890	230.00					55,890	230.00

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Transportation—Department of the Air Force.							16,864.28				16,864.28
Ray, Cong. Richard	11/11	11/13	Singapore	495.44	232.00					495.44	232.00
	11/13	11/16	Korea	244,500	300.00					244,500	300.00
	11/16	11/19	Hong Kong	2,782.80	357.00					2,782.80	357.00
	11/19	11/21	Japan	55,890	230.00					55,890	230.00
Transportation—Department of the Air Force.							16,864.28				16,864.28
Ortiz, Cong. Solomon P.	11/11	11/13	Singapore	495.44	232.00					495.44	232.00
	11/13	11/16	Korea	244,500	300.00					244,500	300.00
	11/16	11/19	Hong Kong	2,782.80	357.00					2,782.80	357.00
	11/19	11/21	Japan	55,890	230.00					55,890	230.00
Transportation—Department of the Air Force.							16,864.28				16,864.28
Wincup, Mr. Kim	11/11	11/13	Singapore	495.44	232.00					495.44	232.00
	11/13	11/16	Korea	244,500		300.00				244,500	300.00
	11/16	11/19	Hong Kong	2,782.80	357.00					2,782.80	357.00
	11/19	11/21	Japan	55,890	230.00					55,890	230.00
Transportation—Department of the Air Force.							16,864.28				16,864.28
Battista, Mr. Anthony											
	11/11	11/13	Singapore	495.44	232.00					495.44	232.00
	11/13	11/16	Korea	244,500	300.00					244,500	300.00
	11/16	11/19	Hong Kong	2,782.80	357.00					2,782.80	357.00
	11/19	11/21	Japan	55,890	230.00					55,890	230.00
Transportation—Department of the Air Force.							16,864.28				16,864.28
Bauser, Mr. Edward	11/11	11/13	Singapore	495.44	232.00					495.44	232.00
	11/13	11/16	Korea	244,500	300.00					244,500	300.00
	11/16	11/19	Hong Kong	2,782.80	357.00					2,782.80	357.00
	11/19	11/21	Japan	55,890	230.00					55,890	230.00
Transportation—Department of the Air Force.							16,864.28				16,864.28
Schafer, Mr. Robert	11/11	11/13	Singapore	495.44	232.00					495.44	232.00
	11/13	11/16	Korea	244,500	300.00					244,500	300.00
	11/16	11/19	Hong Kong	2,782.80	357.00					2,782.80	357.00
	11/19	11/21	Japan	55,890	230.00					55,890	230.00
Transportation—Department of the Air Force.							16,864.28				16,864.28
Delegation to the Far East, Nov. 8–21:											
Steffes, Mr. Peter	11/11	11/13	Singapore	495.44	232.00					495.44	232.00
	11/13	11/16	Korea	244,500.00	300.00					244,500	300.00
	11/16	11/19	Hong Kong	2,782.80	357.00					2,782.80	357.00
	11/19	11/21	Japan	55,890	230.00					55,890	230.00
Transportation—Department of the Air Force.							16,864.28				16,864.28
Delegation expenses			Singapore			2,112	982.32	1,891.76	879.89	4,003.76	1,862.21
Delegation expenses			Hong Kong			17,237	2,208.46	11,153.10	1,429.88	28,390.10	3,638.34
Delegation expenses			Japan			227,600	920.97	256,613	1,059.75	484,213	1,980.72
Visit to Greece and Italy, Nov. 13–21, 1984:											
Sisisky, Cong. Norman	11/14	11/16	Greece	18,026	150.00					18,026	150.00
	11/16	11/21	Italy	743,535	403.00					743,535	403.00
Transportation—Department of State							4,340.00				4,340.00
Transportation—Department of the Air Force.							4,085.00				4,085.00
Tsompanas, Mr. Paul	11/14	11/16	Greece	18,026	150.00					18,026	150.00
	11/16	11/21	Italy	743,535	403.00					743,535	403.00
Transportation—Department of State							4,340.00				4,340.00
Transportation—Department of the Air Force.							4,085.00				4,085.00
Delegation to Southeast Asia, Dec. 6–17, 1984:											
Stump, Cong. Bob	12/7	12/8	Philippines	1,494.75	75.00			1,018.76	107.65	2,513.51	182.65
	12/9	12/12	Vietnam		300.00		1,200.00				1,500.00
	12/13	12/14	Laos		75.00		10.50				85.50
	12/14	12/15	Burma	800	93.75	42.31	5.29	1,676.72	209.59	2,519.03	308.63
	12/15	12/16	Philippines	1,494.75	75.00					1,494.75	75.00
Transportation—Department of the Air Force.							11,288.86				11,288.86
Hopkins, Cong. Larry J	12/7	12/8	Philippines	1,494.75	75.00			1,018.76	107.65	2,513.51	182.65
	12/9	12/12	Vietnam		300.00		1,200.00				1,500.00
	12/13	12/14	Laos		75.00		10.50				85.50
	12/14	12/15	Burma	800	93.75	42.31	5.29	1,676.72	209.59	2,519.03	308.63
	12/15	12/16	Philippines	1,494.75	75.00					1,494.75	75.00
Transportation—Department of the Air Force.							11,288.86				11,288.86
Delegation to Central America, Dec. 7–11, 1984:											
Byron, Cong. Beverly B	12/7	12/8	Guatemala	124.10	85.00					124.10	85.00
	12/8	12/9	Honduras	192	96.00					192	96.00
	12/9	12/9	Belize		22.00						22.00
	12/9	12/10	Nicaragua		98.00						98.00
	12/10	12/10	El Salvador	300	75.00					300	75.00
	12/10	12/11	Costa Rica	3,562.50	75.00					3,562.50	75.00
Transportation—Department of the Air Force.							6,199.00				6,199.00
$219 per diem refunded to the Department of State.					219.00						219.00
Courter, Cong. Jim	12/7	12/8	Guatemala	124.10	85.00					124.10	85.00
	12/8	12/9	Honduras	192	96.00					192	96.00
	12/9	12/9	Belize		22.00						22.00
	12/9	12/10	Nicaragua		98.00						98.00
	12/10	12/10	El Salvador	300	75.00					300	75.00
	12/10	12/11	Costa Rica	3,562.50	75.00					3,562.50	75.00
Transportation—Department of the Air Force.							6,199.00				6,199.00
Darden, Cong. George (Buddy)	12/7	12/8	Guatemala	124.10	85.00					124.10	85.00
	12/8	12/9	Honduras	192	96.00					192	96.00
	12/9	12/9	Belize		22.00						22.00
	12/9	12/10	Nicaragua		98.00						98.00
	12/10	12/10	El Salvador	300	75.00					300	75.00
	12/10	12/11	Costa Rica	3,562.50	75.00					3,562.50	75.00
Transportation—Department of the Air Force.							6,199.00				6,199.00

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Price, William D.	12/7	12/8	Guatemala	124.10	85.00					124.10	85.00
	12/8	12/9	Honduras	192	96.00					192	96.00
	12/9	12/9	Belize		22.00						22.00
	12/9	12/10	Nicaragua		98.00						98.00
	12/10	12/10	El Salvador	300	75.00					300	75.00
	12/10	12/11	Costa Rica	3,562.50	75.00					3,562.50	75.00
Transportation—Department of the Air Force.							6,199.00				6,199.00
Committee total					23,528.35		359,842.47		4,650.35		388,021.17

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Represents total per diem paid by the Department of the Air Force.
[4] $75 excess per diem refunded to the Department of State.

LES ASPIN, Chairman, Jan. 30, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Jeanne Roslanowick	10/6	10/14	Japan		575.00		[3] 2,183.00				2,758.00
Donald Terry	11/23	11/27	France		344.00		[3] 770.0		40.32		1,154.32
	11/27	11/30	Switzerland		225.00				44.81		269.81
	11/30	12/3	Italy		242.00				15.74		257.74
Hon. John LaFalce	12/6	12/8	Mexico		225.00		[4] 7,119.33				7,344.33
	12/8	12/9	San Salvador		150.00		[3] 387.00				537
Committee total					1,761.00		10,459.33		100.87		12,321.20

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Commercial.
[4] Military.

FERNAND J. ST GERMAIN, Chairman, Jan. 28, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON THE BUDGET, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Patrick Bogenberger	12/10	12/14	Great Britain		403.00		2,338.00				2,741.00
	12/14	12/17	Italy		202.00						202.00
	12/17	12/19	Belgium		150.00						150.00
Committee total					755.00		2,338.00				3,093.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

WILLIAM H. GRAY III, Jan. 15, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON EDUCATION AND LABOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Rep. Austin Murphy	12/28	1/2	Grenada		790.00		[3] 746.26				1,536.26
Federick P. McLuckie	12/28	1/2	Grenada		790.00		[3] 746.26				1,536.26
Patricia Morrissey	12/7	12/16	Panama		720.00		573.00				1,293.00
Committee totals				2,300.00		2,065.52				4,365.52	

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Total cost of transportation on issued ticket was $886.26 for both Rep. Murphy and Mr. McLuckie; Embassy aircraft provided air transportation roundtrip Barbados-Grenada; this resulted in reduction of $140 in each ticket.

AUGUSTUS F. HAWKINS, Chairman, Jan. 14, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ENERGY AND COMMERCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Finnegan, David	10/13	10/16	France		210.00						210.00
	10/16	10/17	Belgium		146.00						146.00
	10/17	10/23	England		480.00						480.00
	10/23	10/24	Sweden		91.00						91.00
	10/24	10/28	Germany		300.00						300.00
Rail fare, France							9.27				9.27
Rail fare, Germany							9.27				9.27
Commercial air fare							3,285.00				3,285.00
Additional air fare							343.00				343.00
Sims, Stephen F	10/09	10/15	France		420.00						420.00
	10/16	10/18	Belgium		146.00						146.00
	10/18	10/20	England		288.00						288.00
Rail fare, France							21.11				21.11
Commercial air fare							1,227.00				1,227.00
Smith, Russell	10/10	10/16	France		420.00						420.00
	10/17	10/18	Belgium		146.00						146.00
	10/18	10/23	England		480.00						480.00
Rail fare, France							21.11				21.11
Commercial air fare							1,167.15				1,167.15
Robbins, Anthony	10/13	10/16	England		288.00						288.00
	10/16	10/21	France		440.00						440.00
	10/21	10/23	Belgium		146.00						146.00
	10/23	10/24	France		79.00						79.00
	10/24	10/26	Switzerland		150.00						150.00
	10/26	10/27	France		88.00						88.00
Rail fare, France							13.20				13.20
Commercial air fare							4,763.00				4,763.00
Additional air fare							770.00				770.00
Mathews, Nancy	10/13	10/16	England		288.00						288.00
	10/16	10/20	France		440.00						440.00
	10/21	10/22	Belgium		146.00						146.00
	10/23	10/24	France		79.00						79.00
	10/24	10/25	Switzerland		150.00						150.00
Rail fare, France							13.20				13.20
Commercial air fare							4,418.00				4,418.00
Clough, John	10/13	10/16	England		288.00						288.00
	10/16	10/20	France		440.00						440.00
	10/21	10/22	Belgium		146.00						146.00
	10/23	10/24	France		79.00						79.00
	10/24	10/25	Switzerland		150.00						150.00
Rail fare, France							13.20				13.20
Commercial air fare							3,595.00				3,595.00
Freeman, Phyllis	10/13	10/16	England		288.00						288.00
	10/16	10/20	France		440.00						440.00
	10/21	10/22	Belgium		146.00						146.00
	10/23	10/24	France		79.00						79.00
	10/24	10/25	Switzerland		150.00						150.00
Rail fare, France							13.20				13.20
Commercial air fare							3,746.00				3,746.00
Klaus, David	10/07	10/11	Japan		575.00						575.00
Commercial air fare							3,729.00				3,729.00
Nulty, Timothy	10/04	10/22	Australia		1,350.00						1,350.00
Commercial air fare							4,801.43				4,801.43
Nelson, David	11/14	11/17	England		356.00						356.00
	11/18	11/19	Sweden		252.00						252.00
	11/20	11/21	Sweden		88.00						88.00
	11/21	11/23	Sweden		378.00						378.00
	11/24	11/27	Finland		424.00						424.00
	11/28	12/01	Denmark		312.00						312.00
	12/02	12/04	France		90.00						90.00
Rail fare, Sweden							87.56				87.56
Boat fare, Sweden							130.91				130.91
Commercial air fare							2,195.00				2,195.00
Kitzmiller, Wm. M	11/08	11/11	British Virgin Islands		682.50						682.50
Moorhead, Carlos J	11/19	11/21	Ireland		204.00						204.00
	11/21	11/23	Greece		150.00						150.00
	11/23	11/25	Turkey		225.00						225.00
	11/25	11/28	Kenya		150.00						150.00
	11/28	11/30	Niger		150.00						150.00
	11/30	12/01	Portugal		150.00						150.00
Military						4,912.62				4,912.62	
Committee totals					13,163.50		39,284.23				52,447.73

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JOHN D. DINGELL, Chairman, February 5, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Abbruzzese, P.A	10/22	10/26	Italy		420.00						420.00
Commercial transportation							4,379.00				4,379.00
	11/8	11/11	United Kingdom		366.00		68.62		55.12		489.74
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
	11/11	11/16	Belgium		540.00		113.76		497.64		1,151.40
Military transportation							10,479.54				10,479.54
Ackerman, G.L	11/19	11/28	Ethiopia		972.00						972.00
Commercial transportation oneway							1,871.00				1,871.00
Military transportation oneway							3,772.60				3,772.60
Andross, S	9/30	10/7	France		868.00						868.00
Commercial transportation							1,857.00				1,857.00
Atwater, A	11/8	11/11	United Kingdom		366.00		68.62		55.12		489.74

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
	11/11	11/16	Belgium		540.00		113.76		497.64		1,151.40
Military transportation							10,479.54				10,479.54
Total					4,992.00		33,543.80		1,292.70		39,828.50
Barnds, W.J	12/17	12/20	India		226.60						226.60
Commercial Transportation							5,371				5,371.00
Berdes, G	10/12	10/16	Jordan		492.00						492.00
	10/16	10/18	Cyprus		216.00				42.24		258.24
	10/18	10/22	Israel		532.00						532.00
	10/22	10/27	Egypt		585.00						585.00
	10/27	10/31	North Yemen		256.00						256.00
	10/31	11/3	United Kingdom		373.00				21.60		394.60
Commercial transportation							4,498.00				4,498.00
Bolognese, K	11/29	12/3	Italy		460.00						460.00
	12/3	12/7	Switzerland		375.00						375.00
Commercial transporation							4,379.00				4,379.00
Bonker, D	11/30	12/1	Canada		312.50						312.50
Commercial transportation							283.78				283.78
Total					3,828.10		14,531.78		63.84		18,423.72
Boyer, R.K	11/3	11/7	Brazil		342.00						342.00
	11/7	11/9	Chile		256.00						256.00
	11/9	11/12	Peru		324.00						324.00
	11/12	11/15	Bolivia		300.00						300.00
	11/15	11/16	Colombia		128.00						128.00
	11/16	11/19	Panama		565.00		905.00				1,470.00
	11/21	11/23	Panama								
	11/19	11/21	Ecuador		216.00						216.00
	11/23	11/24	Costa Rica		108.00						108.00
	11/24	11/27	El Salvador		300.00						300.00
	11/27	11/28	Honduras		96.00						96.00
	11/28	12/1	Guatemala		354.00						354.00
Commercial transportation							4,719.60				4,719.60
Total					2,989.00		5,624.60				8,613.60
Brady, J.J	11/8	11/11	United Kingdom		366.00		68.62		55.12		489.74
	11/11	11/16	Belgium		540.00		113.76		497.64		1,151.40
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
Military transportation							10,479.54				10,479.54
Bruce, T.W	10/16	10/23	France		843.00						843.00
Commercial transportation							3,057.00				3.057.00
	11/8	11/11	Morocco	[3] 231.52							231.52
	11/11	11/14	Tunisia		78.00						78.00
	11/14	11/17	Greece		324.00						324.00
	11/17	11/20	France		357.00						357.00
Commercial transportation							4,890.00				4,890
Chambers, F.M	10/19	10/21	Brazil		200.00						200.00
	10/21	10/24	Brazil		336.00						336.00
	10/24	10/29	Bolivia		550.00						550.00
Committee total					4,285.52		18,779.10		646.35		23,710.97
	10/29	11/6	Peru		756.00						756.00
	11/6	11/10	Colombia		640.00						640.00
Commercial Transportation							3,523.00				3,523.00
Dunman, T.E	11/8	11/12	Nicaragua		343.00						343.00
	11/12	11/16	Honduras		432.00						432.00
Commercial Transportation							1,361.30				1,361.30
Dymally, M.M	11/18	11/21	Brazil		283.50		285.00				568.50
Commercial Transportation							3,945.00				3,945.00
Fascell, D.B	11/8	11/11	United Kingdom		366.00		68.62		55.12		489.74
	11/11	11/16	Belgium		540.00		113.76		497.64		1,151.40
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
Military Transportation							10,479.54				10,479.54
Galey, M.E	9/30	10/10	France		1,116.00						1,116.00
Commercial Transportation							2,287.00				2,287.00
					4,936.50		22,233.40		646.35		27,816.25
Garcia, R	11/8	11/11	United Kingdom		366.00		171.62		55.12		592.74
	11/11	11/16	Belgium		540.00		113.76		497.64		1,151.40
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
Military transportation							10,479.54				10,479.54
Goodman, M	10/7	10/13	Thailand	[3] 519.65							519.65
	10/13	10/25	Indonesia		465.42		242.16				707.58
	10/25	11/1	Sri Lanka		651.10						651.10
	11/2	11/3	France		119.00						119.00
Commercial transportation							5,555.63				5,555.63
Gulick, L	10/16	10/18	Cyprus		216.00						216.00
	10/22	10/28	Egypt	[3] 620.65							620.65
	10/12	10/16	Jordan		592.00						592.00
	10/18	10/22	Israel		532.00		445.75		69.00		1,046.75
	10/29	10/31	Italy		252.00						252.00
Commercial transportation							4.723.00				4,723.00
Total					5,333.82		21,901.64		715.35		27,950.81
Hamilton, L.H	11/8	11/9	United Kingdom		122.00		68.62		55.12		245.74
	11/9	11/12	France		357.00				110.38		467.38
	11/12	11/14	West Germany		226.00						226.00
	11/14	11/15	Switzerland		108.00						108.00
	11/15	11/16	Belgium		108.00		113.76		497.64		719.40
	11/16	11/20	Itlay		460.00		170.18		93.59		723.77
Military transportation							10,952.02				10,952.02
Ingram, G	10/12	10/13	Thailand		116.00						116.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	10/13	10/27	Indonesia		[3] 686.00		242.16				928.16
	10/27	11/1	Sri Lanka		472.00						472.00
	11/2	11/3	France		119.00						119.00
Commercial transporation							5,759.00				5,759.00
Total					2,774.00		17,305.74		756.73		20,836.47
Jenkins, R.M	11/3	11/7	Brazil		342.00						342.00
	11/7	11/9	Chile		256.00						256.00
	11/9	11/12	Peru		324.00						324.00
	11/12	11/15	Bolivia		300.00						300.00
	11/15	11/16	Colombia		128.00						128.00
	11/16	11/19	Panama		565.00		905.00				1,470.00
	11/21	11/23	Panama								
	11/19	11/21	Ecuador		216.00						216.00
	11/23	11/24	Costa Rica		108.00						108.00
	11/24	11/27	El Salvador		300.00						300.00
	11/27	11/28	Honduras		96.00						96.00
	11/28	12/1	Guatemala		354.00						354.00
Commercial transportation							4,589.60				4,589.60
Total					2,989.00		5,494.60				8,483.60
Johnson, V.C	11/7	11/12	Nicaragua		410.50						410.50
	11/12	11/17	Honduras		480.00						480.00
Commercial transportation							1,392.60				1,392.60
Kojm, C.A	10/12	10/16	Jordan		492.00						492.00
	10/16	10/18	Cyprus		216.00				42.24		258.24
	10/18	10/22	Israel		532.00		445.75		69.00		1,046.75
	10/22	10/27	Egypt		585.00						585.00
	10/27	10/31	Yemen		280.00						280.00
	10/31	11/2	United Kingdom		251.00						251.00
Commercial transportation							4,498.00				4,498.00
Lantos, T	12/6	12/8	Mexico		225.00						225.00
	12/8	12/9	El Salvador		75.00						75.00
	12/9	12/12	Peru		225.00						225.00
	12/12	12/13	Chile		95.00		178.77		33.33		307.10
	12/13	12/15	Argentina		170.00						170.00
Total					4,036.50		6,515.12		144.57		10,696.19
	12/15	12/19	Brazil		285.00				101.24		386.24
Military transportation							11,616.00				11,616.00
Moss, K.B	11/11	11/12	France		119.00				110.38		229.38
	11/12	11/14	West Germany		226.00						226.00
	11/14	11/15	Switzerland		108.00						108.00
	11/15	11/16	Belgium		216.00		113.76		497.64		827.40
Commercial transportation oneway							2,747.00				2,747.00
Military transportation oneway							361.90				361.90
Paolo, B	11/29	12/3	Italy		460.00						460.00
	12/3	12/7	Switzerland		375.00						375.00
Commercial transportation							4,379.00				4,379.00
Peckham, G.G	11/8	11/11	Morocco		[3] 124.21						124.21
	11/11	11/14	Tunisia		78.00						78.00
Total					1,991.21		19,217.66		709.26		21,918.13
Peckham, G.G	11/14	11/17	Greece		324.00						324.00
	11/17	11/20	France		357.00						357.00
Commercial transportation							4,890.00				4,890.00
Pena, R	10/17	10/20	Brazil		400.00						400.00
	10/21	10/23	Brazil		336.00						336.00
	10/24	10/30	Bolivia		500.00						500.00
	10/30	11/5	Peru		756.00						756.00
	11/6	11/10	Colombia		640.00						640.00
Commercial transportation							4,423.00				4,423.00
	12/6	12/10	Mexico		550.00						550.00
Commercial transportation							763.18				763.18
Perugino, R	11/11	11/12	France		119.00				110.38		229.38
	11/12	11/14	West Germany		226.00						226.00
	11/14	11/15	Switzerland		108.00						108.00
	11/15	11/16	Belgium		108.00		113.76		497.64		719.40
Total					4,424.00		10,189.94		608.02		15,221.96
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
Military transportation one way							3,663.22				3,663.22
Commercial transportation one way							2,048.00				2,048.00
Pubillones, L.N	11/7	11/12	Nicaragua		441.00						441.00
	11/12	11/17	Honduras		480.00						480.00
Commercial transportation							1,385.60				1,385.60
Ramsey, C	12/18	12/21	Hong Kong		456.00						456.00
	12/21	12/22	Thailand		116.00						116.00
	12/22	12/25	Vietnam		324.00		588.86				912.86
	12/25	12/26	Laos		108.00						108.00
	12/26	12/27	Thailand		116.00						116.00
Commercial transportation							2,980.00				2,980.00
Roberts, A.W	10/21	10/27	Italy		504.00						504.00
Commercial transportation							4,379.00				4,379.00
Total					3,005.00		15,214.86		93.59		18,313.45
Roberts, A.W	11/8	11/11	United Kingdom		366.00		68.62		55.12		489.74
	11/11	11/16	Belgium		540.00		113.76		497.64		1,151.40
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
Military transportation							10,479.54				10,479.54
Roth, S	11/9	11/11	Italy		230.00						230.00
	11/11	11/13	United Kingdom		244.00		419.26				663.26

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	11/13	11/17	Federal Republic of Germany		510.00						510.00
	11/17	11/20	Belgium		216.00						216.00
	11/20	11/21	Netherlands		[3] 10.72						10.72
	11/21	11/22	Denmark		78.00						78.00
	11/22	11/24	Norway		262.00						262.00
	11/24	11/28	France		[3] 378.70						378.70
	11/28	11/30	Finland		278.00						278.00
Commercial transportation							3,814.00				3,814.00
Total					3,573.42		15,065.36		646.35		19,285.13
Solarz, S.J.	12/17	12/19	India		[3] 59.52						59.52
	12/19	12/21	Hong Kong		304.00						304.00
	12/21	12/22	Thailand		116.00						116.00
	12/22	12/25	Vietnam		324.00		588.86				912.86
	12/26	12/27	Thailand		116.00						116.00
	12/25	12/26	Laos		108.00						108.00
Commercial transportation							4,589.00				4,589.00
Solomon, G.B	11/8	11/9	United Kingdom		122.00		68.62		55.12		245.74
	11/9	11/12	France		357.00				110.38		467.38
	11/12	11/14	West Germany		226.00						226.00
	11/14	11/15	Switzerland		108.00						108.00
	11/15	11/16	Belgium		108.00		113.76		497.64		719.40
	11/16	11/20	Italy		460.00		170.18		93.59		723.77
Military transportation							10,952.02				10,952.02
Total					2,408.52		16,482.44		756.73		19,647.69
Sprunger, C	10/15	10/23	France		[3] 660.00						660.00
Commercial transportation							2,287.00				2,287.00
Tavlarides, M.J	10/4	10/12	France		968.00						968.00
Commercial transportation							3,054.00				3,054.00
Torricelli, R.J	12/18	12/21	Hong Kong		456.00						456.00
	12/21	12/22	Thailand		116.00						116.00
	12/22	12/25	Vietnam		324.00		588.86				912.86
	12/25	12/26	Laos		108.00						108.00
	12/26	12/27	Thailand		116.00						116.00
Commercial transportation							4,244.00				4,244.00
Van Dusen, M.H	10/12	10/16	Jordan		492.00						492.00
	10/16	10/18	Cyprus		216.00				42.24		258.24
	10/18	10/22	Israel		532.00		445.75		69.00		1,046.75
	10/22	10/27	Egypt		585.00						585.00
Total					4,573.00		10,619.61		111.24		15,303.85
	10/27	10/31	Yeman		282.00						282.00
	10/31	11/2	United Kingdom		251.00		21.60				272.60
Commercial Transportation							4,498.00				4,498.00
	11/11	11/12	France		119.00				110.38		229.38
	11/12	11/14	West Germany		226.00						226.00
	11/14	11/15	Switzerland		108.00						108.00
	11/15	11/16	Belgium		108.00		113.76		497.64		719.40
Military Transportation one leg							361.90				361.90
Commercial Transportation Roundtrip							3,587.00				3,587.00
Verstandig, T.G	11/7	11/11	Morocco		[3] 222.76						222.76
	11/11	11/14	Tunisia		78.00						78.00
	11/14	11/17	Greece		324.00						324.00
	11/17	11/20	France		357.00						357.00
Commercial Transportation							4,890.00				4,890.00
Total					2,075.76		13,472.26		608.02		16,156.04
White, J.J	11/29	11/30	Brazil		112.00						112.00
	11/30	12/5	Uruguay		516.00						516.00
	12/5	12/5	Argentina								
Commercial transportation							3,789.00				3,789.00
Total					628.00		3,789.00				4,417.00
Grand total for 4th quarter											316,623.36

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Represents refunds of unused per diem.

DANTE B. FASCELL, Chairman, Jan. 30, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON GOVERNMENT OPERATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Honorable Frank Horton	11/24	11/27	The Philippines	3,353.28	168.00		356.00		[3] 27.05		551.05

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Committee total					168.00		356.00		27.05		551.05

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Telephone calls.

JACK BROOKS, Chairman, Jan. 31, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Jeffrey Farrow, staff	10/13	10/15	Japan		$345.00						345.00
	10/16	10/18	New Caledonia		225.00						225.00
	10/19	10/22	New Zealand		300.00		5,822.54				6,122.54
Thomas Dunmire, staff	10/13	10/15	Japan		345.00						345.00
	10/16	10/18	New Caledonia		225.00						225.00
	10/19	10/22	New Zealand		300.00		5,822.54				6,122.54
John Seiberling, MC	11/24	11/25	England		53.35						53.35
	11/26	12/2	Africa (Kenya)		84.00		81.00				165.00
			Africa (Nairobi)		450.00		4,317.00				4,767.00
Harry Crandell, staff	11/24/	11/25	England		53.35						53.35
	11/26	12/2	Africa (Kenya)		84.00		81.00				165.00
			Africa (Nairobi)		450.00		4,317.00		[3] 204.85		4,971.85
Committee total					2,914		20,441.08		204.85		23,560.63

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Rental car.

MO UDALL, Chairman, Jan. 30, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON POST OFFICE AND CIVIL SERVICE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
William Danvers	11/10	11/16	Belgium	38,575	648.00						648.00
Commercial transportation							472.00				472.00
Patricia F. Rissler	11/26	12/2	Great Britain	596.55	732.00		24.54				756.54
Commercial transportation							2,081.00				2,081.00
Hon. William D. Ford	11/20	11/24	Egypt								
	11/24	11/27	Italy								
	11/27	12/2	Great Britain	497.10	610.00		771.065				1,381.065
Commercial transportation							4,713.00				4,713.00
Hon. William (Bill) Clay	11/24	11/27	Italy				28.00				28.00
	11/27	12/2	Great Britain	497.10	610.00		771.065				1,381.065
Commercial transportation							4,379.00				4,379.00
Committee total					2,600.00		13,239.67				15,839.67

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

WILLIAM D. FORD, Chairman, Jan 30, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Congressman Frank R. Wolf	12/6	12/8	Rome, Italy	162,712	258.00						258.00
Ms. Nancy Vitali	12/7	12/11	Panama City, Panama		320.00						320.00
Mr. Paul Schoellhamer	12/7	12/11	Panama City, Panama		320.00						320.00
Mr. John F. Smolko, Jr.	12/7	12/11	Panama City, Panama		320.00						320.00
Committee total					1,218.00						1,218.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JAMES J. HOWARD, Chairman, Jan. 30, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE AND TECHNOLOGY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Branscome		10/2	USA				1,740.00				1,740.00
	10/2	10/5	Germany	1,200	390.88	215	70.03			1,415	460.91
	10/5	10/14	Switzerland	1,121.20	450.00	889	356.81	1,320	521.02	3,330.20	1,327.83
	10/15		USA								
Byerly		10/2	USA				1,740.00				1,740.00
	10/2	10/5	Germany	1,200	390.88	215	70.03			1,415	460.91
	10/5	10/14	Switzerland	1,121.20	450.00			1,320	521.02	2,441.20	971.02
	10/15		USA								
Freiwald		10/5	USA				1,510.00				1,510.00
	10/6	10/14	Switzerland	1,681.75	675.00			435.50	170.98	2,117.25	845.98
								1,320	521.02	1,320	521.02
	10/15		USA								
Greenfeld		10/9	USA				749.00				749.00
	10/10	10/16	France	3,910.20	245.76	514.20	54.01			4,424.40	299.77
	10/16	10/17	Belgium	9,167	73.00		108.24			9,167	181.24
	10/17	10/23	England	399	480.00		285.00			399	765.00
	10/23		USA								
Clement		10/9	USA				749.00				749.00
	10/10	10/16	France	3,910.20	245.76	514.20	54.01			4,424.40	299.77
	10/16	10/17	Belgium	9,167	73.00		108.24			9,167	181.24
	10/17	10/23	England	399	480.00		285.00			399	765.00
	10/23		USA								
Watson		10/12	USA								
	10/12	10/20	England	124.68	150.00					124.68	150.00
	10/20		USA								
Holmfeld		11/11	USA				662.00				662.00
	11/12	11/18	Belgium	26,789	450.00					26,789	450.00
	11/18		USA								
Fuqua		11/24	USA				1,506.75				1,506.75
	11/25	12/2	Germany	1,434.96	480.00		[3]			1,434.96	480.00
	12/2		USA								
Mendonsa		12/8	USA				1,864.00				1,864.00
	12/9	12/15	USSR		550.00						550.00
	12/15		USA								
Committee total					5,584.28		11,912.12		1,734.04		19,230.44

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Transportation charges will be reported when the information is received from the Department of State.

DON FUQUA, Chairman, Jan. 30. 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SMALL BUSINESS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Thomas G. Powers	10/22	10/26	Holland	1,333.55	393.17	11,778.09	3,347.00	725	206.03	13,886.64	3,946.20
Major L. Clark III	10/22	10/25	Holland	1,303.55	370.43	11,778.09	3,347.00	725	206.03	13,886.64	3,923.46
E. LaVon French	11/23	12/1	Great Britian	657.30	820.00	690.98	862.00	240.80	300.40	1,589.08	1,982.40
Committee total					1,583.60		7,556.00		712.46		9,852.06

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

PARREN J. MITCHELL, Chairman, Jan. 29, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON VETERANS' AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. G. V. Montgomery	12/7	12/8	Philippines	1,494.75	75.00					1,494.75	75.00
								1,018.76	107.65	1,018.76	107.65
	12/9	12/12	Vietnam		300.00						300.00
							[3] 1,200.00				1,200.00
	12/13	12/14	Laos	800	[4] 93.75					800	93.75
Local transportation						42.31	5.29			42.31	5.29
								1,676.72	209.59	1,676.72	209.59
	12/15	12/16	Philippines	1,494.75	75.00					1,494.75	75.00
Air transportation							11,288.86				11,288.86
Hon. John Paul Hammerschmidt	12/7	12/8	Philippines	1,494.75	75.00					1,494.75	75.00
								1,018.76	107.65	1,018.76	107.65
	12/9	12/12	Vietnam		300.00						300.00
							[3] 1,200.00				1,200.00
	12/13	12/14	Laos	800	[4] 93.75					800	93.75
Local transportation						42.31	5.29			42.41	5.29
								1,676.72	209.59	1,676.72	209.59
	12/15	12/16	Philippines	1,494.75	75.00					1,494.75	75.00
Air Force transportation							11,288.86				11,288.86
Hon. Don Sundquist	12/7	12/8	Philippines	1,494.75	75.00					1,494.75	75.00
								1,018.76	107.65	1,018.76	107.65
	12/9	12/12	Vietnam		300.00						300.00
							[3] 1,200.00				1,200.00
	12/13	12/14	Laos	800	[4] 93.75					800	93.75
Local transportation						42.31	5.29			42.31	5.29
								1,676.72	209.59	1,676.72	209.59
	12/15	12/16	Philippines	1,494.75	75.00					1,494.75	75.00
Air Force transportation							11,288.86				11,288.86
Mr. Francis Stover	12/7	12/8	Philippines	1,494.75	75.00					1,494.75	75.00
								1,018.76	107.65	1,018.76	107.65
	12/9	12/12	Vietnam		300.00						300.00
							[3] 1,200.00				1,200.00
	12/13	12/14	Laos	800	[4] 93.75					800	93.75
Local transportation						42.31	5.29			42.31	5.29
								1,676.72	209.59	1,676.72	209.59
	12/15	12/16	Philippines	1,494.75	75.00					1,494.75	75.00
Air Force transportation							11,288.86				11,288.86
Mr. James Holley	12/7	12/8	Philippines	1,494.75	75.00					1,494.75	75.00
								1,018.76	107.65	1,018.76	107.65
	12/9	12/12	Vietnam		300.00						300.00
							[3] 1,200.00				1,200.00
	12/13	12/14	Laos	800	[4] 93.75					800	93.75
Local transportation						42.31	5.29			42.31	5.29
								1,676.72	209.59	1,676.72	209.59
	12/15	12/16	Philippines	1,494.75	75.00					1,494.75	75.00
Air Force transportation							11,288.86				11,288.86
Committee totals					2,718.75		62,470.75		1,586.20		66,775.70

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Charter.
[4] 1¼ days per diem paid.

G.V. MONTGOMERY, Chairman, Jan. 31, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Beryl Anthony, Jr	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	636,525	345.00						345.00
Transportation by Department of Defense							3,240.18				3,240.18
Hon. John J. Duncan	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	636,525	345.00						345.00
Transportation by Department of Defense							3,240.18				3,240.18
Hon. Bill Frenzel	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	636,525	345.00						345.00
Transportation by Department of Defense							3,240.18				3,240.18
Hon. Willis D. Gradison, Jr	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	636,525	345.00						345.00
Transportation by Department of Defense							3,240.18				3,240.18
Hon. Barbara B. Kennelly	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	636,525	345.00						345.00
Transportation by Department of Defense							3,240.18				3,240.18
Hon. W. Henson Moore	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	636,525	345.00						345.00
Transportation by Department of Defense							3,240.18				3,240.18
Hon. Donald J. Pease	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	636,525	345.00						345.00
Transportation by Department of Defense							3,240.18				3,240.18
Hon. Charles B. Rangel	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	636.525	345.00						345.00
Transportation by Department of Defense							3,240.18				3,240.18
Hon. Dan Rostenkowski	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	636.525	345.00						345.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Transportation by Department of Defense							4,250.18				4,250.18
Hon. Richard T. Schulze	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	636,525	345.00						345.00
Transportation by Department of Defense							3,240.18				3,240.18
Hon. Guy Vander Jagt	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	636,525	345.00						345.00
Transportation by Department of Defense							3,240.18				3,240.18
Thelma J. Askey	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	636,525	345.00						345.18
Transportation by Department of Defense							3,240.18				3,240.18
Joseph K. Dowley	10/8	10/10	France	1,638.56	176.00						176.00
	10/10	10/11	Italy	159,516	84.00						84.00
	10/11	10/14	Switzerland	569.05	225.00		32.07				257.07
Transportation by Department of Defense							2,419.00				2,419.00
	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	636.525	345.00						345.00
Transportation by Department of Defense							3,240.18				3,240.18
James C. Healey	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	636,525	345.00						345.00
Transportation by Department of Defense							3,240.18				3,240.18
Robert J. Leonard	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	636,525	345.00						345.00
Transportation by Department of Defense							3,240.18				3,240.18
John J. Salmon	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	636,525	345.00						345.00
Transportation by Department of Defense							3,240.18				3,240.18
Arthur L. Singleton	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	636,625	345.00						345.00
Transportation by Department of Defense							3,240.18				3,240.18
George J. Weise	12/2	12/7	Switzerland	948.75	375.00						375.00
	12/7	12/12	Belgium	23,121	375.00						375.00
							1,142.00				
Mary Jane Wignot	12/2	12/4	Switzerland	569.25	225.20						225.00
Rufus Yerxa	10/8	10/10	France	1,638.56	176.00						176.00
	10/10	10/11	Italy	159,516	84.00						85.00
	10/11	10/15	Switzerland	758.70	300.00		118.75				418.75
							2,419.00				2,419.00
	11/12	11/15	France	3,213	357.00		58.99		36.23		452.22
	11/15	11/18	Switzerland	1,041.10	432.00		52.05		9.36		493.41
	11/18	11/21	Italy	1,845	115.00		231.00				346.00
Transportation by Department of Defense							1,697.91				1,697.91
Committee total					22,202.00		66,151.51		820.62		89,174.13

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DAN ROSTENKOWSKI, Chairman, Jan. 30, 1985.

REPORTS OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMISSION ON SECURITY AND COOPERATION IN EUROPE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Sletzinger, Martin	09/08	10/12	Sweden		4,550.00		1,7170.00				6,267.00
Davidson, Lynne	10/03	10/07	United Kingdom		384.00		1,972.70				2,356.70
	10/07	10/09	Belgium		146.00		[3] 23.78				169.78
	10/09	10/12	France		352.00						352.00
Wise, Samuel	10/05	10/09	Belgium		292.00		2,544.00				2,836.00
	10/09	10/11	France		176.00		[3] 23.78				199.78
	10/11	10/27	Italy		1,467.00		[4] 22.11				1,489.11
Oliver, R. Spencer	10/08	10/12	Canada		328.00		279.50				607.50
	10/15	10/21	Italy		522.00		2,519.00				3,041.00
	10/21	10/24	Austria		294.00						294.00
	10/24	10/27	United Kingdom		384.00						384.00
Burns, Deborah	10/15	10/27	Italy		1,131.00		2,419.00				3,550.00
Sletzinger, Martin	11/03	11/25	Sweden		3,780.00		2,017.00				5,797.00
Wise, Samuel	10/04	11/06	Belgium		150.00		1,937.00				2,087.00
	11/06	11/07	Yugoslavia		75.00						75.00
	11/07	11/.08	Austria		80.00						80.00
	11/08	11/10	Hungary		152.00						152.00
Edwards, Barbara	11/20	12/06	Hungary		1,292.00		1,937.00				3,229.00
Wise, Samuel	11/20	12/06	Hungary		1,292.00		1,840.00				3,132.00
	12/06	12/11	Yugoslavia		505.00						505.50
	12/11	12/12	Italy		86.00						86.00
Finerty, John	11/26	12/14	Sweden		2,394.00		2,064.00				4,458.00
Hand, Robert	12/02	12/09	Switzerland		525.00		1,513.00				2,038.00
Miscellaneous local transportation costs							338.87				338.87
Committee total					20,357.00		23,167.74				43,524.74

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Train ticket between Brussels and Paris.
[4] Train ticket between Venice and Rome.

DANTE B. FASCELL, Chairman, Jan. 7. 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, PERMANENT SELECT COMMITTEE ON INTELLIGENCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
G. Elizabeth Keyes, staff	9/30	10/22	Asia		2,001.00						2,001.00
	10/22	10/30	Europe		670.00		3,523.00				4,193.00
Honorable Wyche Fowler, Jr	10/15	11/2	Europe		921.00		2,053.00				2,974.00
Richard H. Giza, staff	10/19	10/31	South America		1,134.39		2,254.00				3,388.39
Steven K. Berry, staff	10/19	10/30	South America		1,053.00		2,254.00				3,307.00
Michael J. O'Neal, staff	10/22	10/24	Africa		150.00						150.00
	10/21	10/31	Europe		680.00		3,385.70				4,065.70
Bernard Raimo, staff	10/25	11/3	Europe		822.00		2,192.06				3,014.06
David S. Addington, staff	10/25	11/3	Europe		822.00		2,192.06				3,014.06
Honorable Dave McCurdy	10/24	10/30	Europe		284.05		10,066.47				10,350.52
Honorable Bob Stump	10/24	10/30	Europe		284.05		10,066.47				10,350.52
Martin C. Faga, staff	10/24	10/30	Europe		284.05		10,066.47				10,350.52
Duane P. Andrews, staff	10/24	10/30	Europe		284.05		10,066.47				10,350.52
Honorable Albert Gore, Jr	12/5	12/11	Asia		300.00		1,757.00		534.27		2,591.27
Leon Fuerth, staff	12/5	12/11	Asia		300.00		1,757.00		534.27		2,591.27
Committee total					9,989.59		61,633.70		1,068.54		72,691.83

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

EDWARD P. BOLAND, Chairman, Jan. 29, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Stark, Fortney H., M.C.	12/14	12/20	Japan								
	12/20	12/16	Hong Kong		456.00		23.06				479.06
	12/26		Hawaii				[3] 3,693.79				3,693.79
Committee total					456.00		3,716.85				4,195.91

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Total air fare.

CHARLES B. RANGEL, Chairman, Jan. 31, 1985.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Beryl Anthony, Jr							46.15		124.73		170.88
Hon. John J. Duncan							46.15		124.73		170.88
Hon. Bill Frenzel							46.15		124.73		170.88
Hon. Willis D. Gradison, Jr							46.15		124.73		170.88
Hon. Barbara B. Kennelly							46.15		124.73		170.88
Hon. W. Henson Moore							46.15		124.73		170.88
Hon. Donald J. Pease							46.15		124.73		170.88
Hon. Charles B. Rangel							46.15		124.73		170.88
Hon. Dan Rostenkowski							46.15		124.73		170.88
Hon. Richard T. Schulze							46.15		124.73		170.88
Hon. Guy Vander Jagt							46.15		124.73		170.88
Thelma J. Askey							46.15		124.73		170.88
Joseph K. Dowley							46.15		124.73		170.88
James C. Healey							46.15		124.73		170.88
Robert J. Leonard							46.15		124.73		170.88
John J. Salmon							46.15		124.73		170.88
Arthur L. Singleton							46.15		124.73		170.88

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Rufus Yerxa					46.15				124.73		170.88
Committee total					830.70				2,245.14		3,075.84

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DAN ROSTENKOWSKI, Chairman, Feb. 1, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO GRENADA, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN NOV. 4 AND NOV. 7, 1983

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Rep. Thomas S. Foley	11/4	11/6	Grenada		118.46		1,364.15		14.00		1,496.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Rep. Robert H. Michel	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Rep. Edward P. Boland	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Rep. Bill Alexander	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Rep. Dick Cheney	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Rep. William S. Broomfield	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Rep. Samuel S. Stratton	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		60.24		308.48		61.92		430.64
Rep. Louis Stokes	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Rep. Ronald Dellums	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Rep. Elwood Hillis	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Rep. J. Kenneth Robinson	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		24.23		308.48		61.92		394.63
Rep. Don Bonker	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
Rep. Ron de Lugo	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Rep. Michael D. Barnes	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Mr. L. Kirk O'Donnell	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Mr. Werner W. Brandt	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Mr. Christopher J. Mathews	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Mr. William F. Gavin	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Mr. Michael S. Johnson	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Mr. Michael J. O'Neil	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Mr. Steven K. Berry	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Mr. Kim G. Wincup	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Mr. Victor C. Johnson	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Mr. George M. Ingram	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Mr. Robert M. Jenkins	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Mr. Henry Wheatly	11/4	11/6	Grenada		118.46		1,364.15				1,482.61
	11/6	11/7	Barbados		106.00		308.48		61.92		476.40
Committee total					5,857.54		43,179.17		1,523.95		50,560.66

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

THOMAS S. FOLEY, Chairman, Jan. 18, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, HON. JIM MOODY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 18 AND OCT. 23, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Jim Moody	10/19	10/23	Poland	37,800	300		2,111.37				2,411.37

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JIM MOODY, Oct. 31, 1984.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MS. ELEANOR KELLEY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN NOV. 8 AND NOV. 21, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Eleanor Kelley	11/11	11/13	Singapore	495.16	232.00						
	11/13	11/16	Korea	244,500	300.00						
	11/16	11/19	Hong Kong	2,782.80	357.00						
	11/19	11/21	Japan	55,890	230.00						
Committee total											1,119.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

ELEANOR KELLEY, Dec. 20, 1984.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DR. FREEMAN H. CARY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN NOV. 12 AND NOV. 21, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Freeman H. Cary	11/12	11/15	France	3,213	357.00	50	5.56	3,570	396.67	3,620	402.22
	11/15	11/18	Switzerland	1,041	432.00			493	204.56	493	204.56
	11/18	11/21	Italy	453,.870	246.00			695,325	377.88	695,325	377.88
Committee total					1,035.00		5.56		979.10		984.66

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

FREEMAN H. CARY, Dec. 14, 1984.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, HON. THOMAS S. FOLEY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN NOV. 23 AND NOV. 25, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Thomas S. Foley	11/23	11/25	Japan		115.00						345.00
Committee total					225.00						345.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

THOMAS S. FOLEY, Dec. 11, 1984.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO ITALY AND ETHIOPIA, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN NOV. 23 AND NOV. 29, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Mickey Leland	11/23	11/24	Rome, Italy	153,504	82.00		[3] 6,978.18				
	11/24	11/28	Ethiopia	1,109.41	540.00						
Hon. Marge Roukema	11/23	11/24	Rome, Italy	153,504	82.00		[3] 6,978.18				
	11/24	11/28	Ethiopia	1,109.41	540.00						
Hon. William Emerson	11/23	11/24	Rome, Italy	153,504	82.00		[3] 6,978.18				
	11/24	11/28	Ethiopia	1,109.41	540.00						
Hon. Edolphus Towns	11/23	11/24	Rome, Italy	153,504	82.00		[3] 6,978.18				
	11/24	11/28	Ethiopia	1,109.41	540.00						
Hon. Peter Kostmayer	11/23	11/24	Rome, Italy	153,504	82.00		[3] 6,978.18				
	11/24	11/28	Ethiopia	1,109.41	540.00						
Hon. Thomas Foglietta	11/23	11/24	Rome, Italy	153,504	82.00		[3] 6,978.18				
	11/24	11/28	Ethiopia	1,109.41	540.00						
Miranda Katsoyannis	11/23	11/24	Rome, Italy	153,504	82.00		[3] 6,978.18				
	11/24	11/28	Ethiopia	1,109.41	540.00						

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO ITALY AND ETHIOPIA, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN NOV. 23 AND NOV. 29, 1984—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Cheryl Tates	11/23	11/24	Rome, Italy	153,504	82.00		[3] 6,978.18				
	11/24	11/28	Ethiopia	1,109.41	540.00						
Jeffrey Clark	11/23	11/24	Rome, Italy	153,504	82.00		[3] 6,978.18				
	11/24	11/28	Ethiopia	1,109.41	540.00						
Alice Tetelman	11/23	11/24	Rome, Italy	153,504	82.00		[3] 6,978.18				
	11/24	11/28	Ethiopia	1,109.41	540.00						
Chris Matthews	11/23	11/24	Rome, Italy	153,504	82.00		[3] 6,978.18				
	11/24	11/28	Ethiopia	1,109.41	540.00						
Committee total					6,842.00		76,759.98				

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Air fare.

MICKEY LELAND, Chairman, Jan. 14, 1985.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO LATIN AMERICA, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN DEC. 6 AND DEC. 19, 1984

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Elaine Ziemba	12/6	12/8	Mexico	47,250	225.00						
	12/8	12/9	San Salvador	300	75.00						
	12/9	12/12	Peru	1,161,000	225.00						
	12/12	12/13	Chile		95.00		33.00		178.77		
	12/13	12/15	Argentina	30,260	170.00						
	12/15	12/19	Brazil		285.00				101.24		
Military transportation							11,616.00				
Rep. Bill Richardson	12/6	12/8	Mexico	47,250	225.00						
	12/8	12/9	San Salvador	300	75.00						
	12/9	12/12	Peru	1,161,000	225.00						
	12/12	12/13	Chile		95.00		33.00		178.77		
	12/13	12/15	Argentina	30,260	170.00						
	12/15	12/19	Brazil		285.00				101.24		
Military transportation							11,616.00				
Rep. Robert Garcia	12/6	12/8	Mexico	47,250	225.00						
	12/8	12/9	San Salvador	300	75.00						
	12/9	12/12	Peru	1,161,000	225.00						
Military transportation							11,616.00				
Susan K. Herrera	12/6	12/8	Mexico	47,250	225.00						
	12/8	12/9	San Salvador	300	75.00						
	12/9	12/12	Peru	1,161,000	225.00						
	12/12	12/13	Chile		95.00		33.00		178.77		
	12/13	12/15	Argentina	30,260	170.00						
	12/15	12/19	Brazil		285.00				101.24		
Military transportation							11,616.00				

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

WILLIAM B. RICHARDSON, Jan. 21, 1985.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

512. A letter from the Director, Office of Management and Budget, transmitting a cumulative report on rescissions and deferrals of budget authority, pursuant to Public Law 93-344, section 1014(e) (H. Doc. No. 99-28); to the Committee on Appropriations and ordered to be printed.

513. A letter from the Acting Assistant Secretary of the Army, transmitting a notice of effectiveness of the Redstone Arsenal support activity, Redstone Arsenal, AL, under contract, pursuant to 10 U.S.C. 2304 nt (Public Law 96-342, section 502(b) (96 Stat. 747)); to the Committee on Armed Services.

514. A letter from the Acting Assistant Secretary of Defense, transmitting a notice of contract award dates, pursuant to 10 U.S.C. 139(b); to the Committee on Armed Services.

515. A letter from the Acting Under Secretary of Defense, transmitting a report on amounts spent on, and use of humans for testing biological and chemical warfare agents, pursuant to 50 U.S.C. 1511 (Public Law 91-121, section 409(a) (96 Stat. 1822)); to the Committee on Armed Services.

516. A letter from the Assistant Secretary of the Army (Installations and Logistics), transmitting notification of munitions disposal, pursuant to Public Law 91-121, section 409(b)(4); to the Committee on Armed Services.

517. A letter from the Director, Defense Security Assistance Agency, transmitting the Air Force's proposed letter of offer to Saudi Arabia for defense articles estimated to cost in excess of $50,000,000 (Transmittal No. 85-02), pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

518. A letter from the Director, Legislative Liaison, Department of the Air Force, transmitting the annual report of the Peacekeeper system, ICBM, silo technology; with copies of the 1983 Scowcroft report and the March 1984 final report, pursuant to Public Law 98-94, section 1231(c)(1); to the Committee on Armed Services.

519. A letter from the Secretary of the Air Force, transmitting a notification that the current LLLGB has climbed to a point where it is no longer affordable, pursuant to 10 U.S.C. 139b(d)(3)(A); to the Committee on Armed Services.

520. A letter from the General Counsel, Federal Emergency Management Agency, transmitting a draft of proposed legislation to authorize appropriations for civil defense programs for fiscal years 1986 and 1987, and for other purposes; to the Committee on Armed Services.

521. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to amend title 10, United States Code, to exclude a commissioned officer serving as deputy assistant to the President for National Security Affairs from the total number of officers serving in the grade of lieutenant general or vice admiral when making calculations under 10 U.S.C. section 525; to the Committee on Armed Services.

522. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a determination to waive the prohibition against assistance to Communist countries, pursuant to 22 U.S.C. 2370(f); to the Committee on Banking, Finance and Urban Affairs.

523. A letter from the Treasurer of the United States, transmitting the fourth quarterly report on the activities relating to the minting of 1984 Los Angeles Olympic

Games' coins, pursuant to Public Law 97-220, section 11; to the Committee on Banking, Finance and Urban Affairs.

524. A letter from the Federal Council on the Arts and Humanities, transmitting the ninth annual report on the Arts and Artifacts Indemnity Program for fiscal year 1984, pursuant to public Law 94-158, section 8; to the Committee on Education and Labor.

525. A letter from the Secretary, Interstate Commerce Commission, transmitting a report on an extraordinary extension of deadlines in rail carrier proceedings, pursuant to 49 U.S.C. 10327(k)(2); to the Committee on Energy and Commerce.

526. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of proposed antiterrorism assistance to 60 foreign countries, pursuant to FAA, section 574(a)(1) (97 Stat. 972); to the Committee on Foreign Affairs.

527. A letter from the Director, Defense Security Assistance Agency, transmitting notification of replacement of Transmittal No. 83-23 and the Department of the Air Force's proposed letter of offer to Saudi Arabia for defense articles and services estimated to cost $250 million, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

528. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Army's proposed letter of offer to the United Arab Emirates for defense articles and services estimated to cost $21 million (Transmittal No. 85-17), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

529. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a) (92 Stat. 993); to the Committee on Foreign Affairs.

530. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a) (92 Stat. 993); to the Committee on Foreign Affairs.

531. A letter from the Secretary of State, transmitting the eighth annual report on Americans incarcerated abroad, pursuant to Public Law 95-105, section 108; to the Committee on Foreign Affairs.

532. A letter from the Chairman, U.S. Advisory Commission on Public Diplomacy, transmitting a 1985 report on activities of the U.S. Information Agency, pursuant to Reorganization Plan No. 2 of 1977, section 8(b); to the Committee on Foreign Affairs.

533. A letter from the Director, Arms Control Disarmament Agency, transmitting arms controls impact statements, pursuant to Public Law 87-297, section 36(b)(2) (92 Stat. 458); to the Committee on Foreign Affairs.

534. A letter from the Director, Bureau of Educational and Cultural Affairs, U.S. Information Agency, transmitting a list of all individuals who in the preceding 5 years made two or more trips involving foreign travel financed in whole or part by grants from the Private Sector Program, pursuant to Public Law 98-164, section 207(b); to the Committee on Foreign Affairs.

535. A letter from the Executive Director, Board for International Broadcasting, transmitting a draft of proposed legislation to amend the Board for International Broadcasting Act of 1973 to authorize appropriations for fiscal years 1986 and 1987; to the Committee on Foreign Affairs.

536. A letter from the Acting Commissioner of Social Security, transmitting notice of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

537. A letter from the Acting Legal Counsel, U.S. Equal Employment Opportunity Commission, transmitting notice of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

538. A letter from the Administrator, Health Care Financing Administration, Department of Health and Human Services, transmitting a report of a new records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

539. A letter from the Director, Federal Emergency Management Agency, transmitting copies of the report on the 1974 amendments to the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

540. A letter from the Governor, Farm Credit Administration, transmitting an evaluation of compliance with the laws relating to open meetings for calendar year 1984, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

541. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting an evaluation of compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

542. A letter from the Assistant Secretary for Water and Science, Department of the Interior, transmitting a copy of an approved application under the Small Reclamation Projects Act regarding Riverside County, CA, pursuant to the act of August 6, 1956, chapter 972, section 4(c) (71 Stat. 48); to the Committee on Interior and Insular Affairs.

543. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting proposed refunds of excess royalty payments in OCS areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

544. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting proposed refunds of excess royalty payments in OCS areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

545. A letter from the Chairman, Advisory Council on Historic Preservation, transmitting the annual report, pursuant to Public Law 89-665, section 202(b) (94 Stat. 2999); to the Committee on Interior and Insular Affairs.

546. A letter from the Clerk, U.S. Claims Court, transmitting a copy of Docket Nos. 371 and 372, concerning the Wichita Indian Tribe and its affiliated bands and groups, pursuant to 28 U.S.C. 2509; to the Committee on Interior and Insular Affairs.

547. A letter from the Chairman, Copyright Royalty Tribunal, transmitting the annual report of the Copyright Royalty Tribunal, pursuant to 17 U.S.C. 808; to the Committee on the Judiciary.

548. A letter from the Administrator, Panama Canal Commission, transmitting a claim exceeding $120,000 for damages resulting from vessels in the canal, pursuant to Public Law 96-70, section 1415(b); to the Committee on Merchant Marine and Fisheries.

549. A letter from the Chairman, Marine Mammal Commission, transmitting the 12th annual report, pursuant to Public Law 92-522, section 204; to the Committee on Merchant Marine and Fisheries.

550. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting a report on noted violations within APHIS, Fort Worth, TX, pursuant to 5 U.S.C. 1206(b)(5)(A) (92 Stat. 1125); to the Committee on Post Office and Civil Service.

551. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting a report setting forth the findings of the investigation into allegations of violations of law and regulation by certain officials of the fire department, Naval Submarine Base, Groton, CT, pursuant to 5 U.S.C. 1206(b)(5)(A) (92 Stat. 1125); to the Committee on Post Office and Civil Service.

552. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting findings and conclusions regarding travel fraud in the Army Corps of Engineers, pursuant to 5 U.S.C. 1206(b)(5)(A) (92 Stat. 1125); to the Committee on Post Office and Civil Service.

553. A letter from the Secretary of Transportation, transmitting the first three quarterly reports in 1984 of the Urban Mass Transportation Administration, pursuant to Public Law 88-365, section 4(h)(1) (92 Stat. 2738); to the Committee on Public Works and Transportation.

554. A letter from the Acting Administrator, Environmental Protection Agency, transmitting a report entitled: "Assessment of Needed Publicly Owned Wastewater Treatment Facilities in the United States," pursuant to FWPCA, section 516(b) (86 Stat. 895); Public Law 97-47, section 25; to the Committee on Public Works and Transportation.

555. A letter from the Assistant Secretary of the Army (Civil Works), transmitting letters from the chief of engineers, Department of the Army, dated January 7, 1980, and July 1, 1983, submitting a report, together with accompanying papers and illustrations, on Oakland Outer Harbor, CA. The report is in response to a resolution adopted June 14, 1972, by the Committee on Public Works, House of Representatives (H. Doc. No. 99-27); to the Committee on Public Works and Transportation and ordered to be printed.

556. A letter from the Secretary of Energy, transmitting the annual report of the activities under the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976, pursuant to Public Law 94-413, sections 14 and 13(c)(3) (93 Stat. 1336); to the Committee on Science and Technology.

557. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a draft of proposed legislation to authorize appropriations to the National Aeronautics and Space Administration for research and development; space flight, control and data communications, construction of facilities; and research and program management; and for other purposes; to the Committee on Science and Technology.

558. A letter from the Administrator, Veterans' Administration, transmitting a report which states that the Veterans' Administration's technology transfer functions are being fully met, pursuant to Public Law 96-480, section 11(b); to the Committee on Science and Technology.

559. A letter from the Director, National Science Foundation, transmitting a draft authorization bill; to the Committee on Science and Technology.

560. A letter from the General Counsel, Federal Emergency Management Agency, transmitting a draft of proposed legislation to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974; to the Committee on Science and Technology.

561. A letter from the Director, Office of Private Sector Liaison, Office of the U.S. Trade Representative, transmitting reports on the semiconductor tariff negotiations, pursuant to Public Law 93-618, section 135(e)(1); to the Committee on Ways and Means.

562. A letter from the Secretary of Agriculture, transmitting the annual evaluation, progress, guidelines, and estimates for the renewable forest resource program, pursuant to Public Law 93-378, section 6(c) (90 Stat. 2952) and section 8(c) and (d) (90 Stat. 2950, 2951; 92 Stat. 374); jointly, to the Committees on Agriculture and Interior and Insular Affairs.

563. A letter from the Secretary of Defense and Administrator of the Veterans' Administration, transmitting a report on recommendations and guidelines to promote the sharing of health care resources, pursuant to 38 U.S.C. 5011(f); jointly, to the Committees on Armed Services and Veterans' Affairs.

564. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a draft of proposed legislation entitled: "Nuclear Power Plant Licensing and Standardization Act of 1985"; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

565. A letter from the Director, Office of Management and Budget, transmitting projections of Federal investment spending and a review of recent public civilian investment needs assessments, pursuant to 31 U.S.C. 1105(a); jointly, to the Committees on Government Operations and Public Works and Transportation.

566. A letter from the Comptroller General of the United States, transmitting a report entitled: "Improved Efforts Needed to Relieve Medicaid From Paying For Services Covered By Private Insurers, jointly, to the Committees"; on Government Operations and Energy and Commerce.

567. A letter from the Comptroller General of the United States, transmitting an examination of the Federal financing bank's financial statements for the years ended September 30, 1983 and 1982 (GAO/AFMD-85-26), pursuant to 12 U.S.C. 2293; jointly, to the Committees on Government Operations; Banking, Finance and Urban Affairs; and Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WEISS (for himself, Mr. WOLPE, Mr. CONTE, Mr. LELAND, Mrs. ROUKEMA, Mr. FASCELL, Mr. BROOMFIELD, Mr. HAMILTON, Mr. YATRON, Mr. SOLARZ, Mr. BONKER, Mr. STUDDS, Mr. MICA, Mr. BARNES, Mr. CROCKETT, Mr. GEJDENSON, Mr. DYMALLY, Mr. LANTOS, Mr. KOSTMAYER, Mr. TORRICELLI, Mr. SMITH of Florida, Mr. BERMAN, Mr. REID, Mr. LEVINE of California, Mr. FEIGHAN, Mr. ACKERMAN, Mr. MACKAY, Mr. UDALL, Mr. GARCIA, Mr. GILMAN, Mr. LAGOMARSINO, Mr. LEACH of Iowa, Ms. SNOWE, Mr. HYDE, Mr. BEREUTER, Mr. DEWINE, and Mr. ZSCHAU):

H.R. 1096. A bill to authorize appropriations for famine relief and recovery in Africa; to the Committee on Foreign Affairs.

By Mr. WEISS (for himself, Mr. WOLPE, Mr. CONTE, Mr. LELAND, and Mrs. ROUKEMA):

H.R. 1097. A bill to make supplemental appropriations for fiscal year 1985 for famine relief and recovery in Africa; to the Committee on Appropriations.

By Mr. FAUNTROY:

H.R. 1098. A bill to prohibit new loans by U.S. persons to the Government of South Africa, to prohibit new investments in business enterprises in South Africa, to prohibit the importation of South African krugerrands or other gold or silver coins, to prohibit the importation of coal and uranium from South Africa, to prohibit exports to South Africa of nuclear items, to prohibit exports of goods or technology to or for use by the South African Government, and for other purposes; jointly, to the Committees on Foreign Affairs; Banking, Finance and Urban Affairs; Ways and Means; Science and Technology; Public Works and Transportation; and Rules.

By Mr. ACKERMAN (for himself, Mr. HAWKINS, Mr. MILLER of California, and Mr. BIAGGI):

H.R. 1099. A bill to make grants available for teenage suicide prevention programs; to the Committee on Education and Labor.

By Mr. JONES of Oklahoma (for himself, Mr. EDWARDS of Oklahoma, Mr. ENGLISH, and Mr. MCCURDY):

H.R. 1100. A bill to amend the Internal Revenue Code of 1954 to impose a 50-percent nondeductible excise tax on certain profits realized in connection with corporate takeover attempts, and for other purposes; to the Committee on Ways and Means.

By Ms. SNOWE:

H.R. 1101. A bill to amend title 38, United States Code, to provide for the improved treatment by the Veterans' Administration of veterans suffering from Alzheimer's disease and related organic brain disorders; to the Committee on Veterans' Affairs.

H.R. 1102. A bill to amend title 38, United States Code, to direct the Administrator of Veterans' Affairs to set aside 10 percent of the intermediate-care hospital beds of the Veterans' Administration for the care of veterans suffering from Alzheimer's disease and related organic brain disorders; to the Committee on Veterans' Affairs.

H.R. 1103. A bill to direct the Administrator of Veterans' Affairs to report to Congress on treatment by the Veterans' Administration of veterans suffering from Alzheimer's disease and related organic brain disorders; to the Committee on Veterans' Affairs.

H.R. 1104. A bill to amend title 38, United States Code, to direct for the use by the Veterans' Administration health-care system of an enrollment system and for the use of a tracking system for the coordination of community-based care provided veterans requiring long-term care; to the Committee on Veterans' Affairs.

By Mr. BIAGGI (for himself, Mr. SCHEUER, Mr. MANTON, and Mr. WEISS):

H.R. 1105. A bill to amend the Hazardous Materials Transportation Act to restrict the transportation of radioactive materials through large cities; to the Committee on Public Works and Transportation.

By Mr. BOUCHER:

H.R. 1106. A bill to amend the Federal-State Extended Unemployment Compensation Act of 1970 to provide that extended benefits will be payable in any State in which the rate of regular unemployment equals or exceeds 9 percent, and for other purposes; to the Committee on Ways and Means.

By Mrs. BOXER:

H.R. 1107. A bill entitled: "The Uniform Poll Closing Act"; to the Committee on House Administration.

By Mr. BROOKS:

H.R. 1108. A bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws; to the Committee on the Judiciary.

By Mr. CONTE:

H.R. 1109. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax for contributions to reduce the public debt; to the Committee on Ways and Means.

By Mr. COURTER:

H.R. 1110. A bill to amend the Federal Election Campaign Act of 1971 to establish a trust fund for administration of amounts contributed to congressional candidates by nonparty political action committees; to the Committee on House Administration.

H.R. 1111. A bill to incorporate the Pearl Harbor Survivors Association; to the Committee on the Judiciary.

H.R. 1112. A bill to amend title 5, United States Code, to limit the number of public holidays which may be established by Federal statute or Executive order; to the Committee on Post Office and Civil Service.

By Mr. COYNE:

H.R. 1113. A bill to make certain changes in the trigger provisions of the Federal-State Extended Unemployment Compensation Act of 1970, and for other purposes; to the Committee on Ways and Means.

H.R. 1114. A bill to extend the Federal Supplemental Compensation Act of 1982 for 18 months and to increase the number of weeks for which compensation is payable under such act; to the Committee on Ways and Means.

H.R. 1115. A bill to amend title II of the Social Security Act to provide for the equitable distribution of the lump-sum death benefit and to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies and that such benefit shall be payable for such month only to the extent proportionate to the number of days in such month preceding the date of the recipient's death; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. DORGAN of North Dakota (by request):

H.R. 1116. A bill to implement certain recommendations made pursuant to Public Law 98-360; jointly, to the Committees on Interior and Insular Affairs and Foreign Affairs.

By Mr. FORD of Tennessee:

H.R. 1117. A bill to amend the Internal Revenue Code of 1954 to repeal the contemporaneous recordkeeping requirements enacted by the Tax Reform Act of 1984; to the Committee on Ways and Means.

By Mr. FUQUA:

H.R. 1118. A bill to amend title II of the Social Security Act to eliminate benefit dis-

parities by increasing primary insurance amounts, in cases where the benefits involved are computed under the present formula (enacted in 1977), to the extent necessary to assure that such benefits are no less than they would have been if computed under the pre-1977 formula; to the Committee on Ways and Means.

By Mr. GRAY of Illinois:

H.R. 1119. A bill to provide emergency credit and debt adjustment relief to financially stressed farmers and ranchers; to the Committee on Agriculture.

By Mr. HAMILTON:

H.R. 1120. A bill to limit to the national median family income the amount of farm loss which may be deducted against nonfarm income by high income taxpayers in competition with full-time, family-size farm operators; to the Committee on Ways and Means.

By Mr. LEACH of Iowa:

H.R. 1121. A bill to amend the Peace Corps Act with respect to the number of Peace Corps volunteers; to the Committee on Foreign Affairs.

By Mr. LEATH of Texas (for himself and Mr. SOLOMON):

H.R. 1122. A bill to amend the Emergency Veterans' Job Training Act of 1983 and title 38, United States Code, with respect to certain veterans' employment programs; to the Committee on Veterans' Affairs.

By Mr. LEWIS of California (for himself, Mr. DIXON, Mr. ANDERSON, Mr. ARMEY, Mr. BATES, Mr. BEDELL, Mr. BEREUTER, Mr. BERMAN, Mr. BLAZ, Mr. BOEHLERT, Mr. BOULTER, Mr. BRYANT, Mr. CARNEY, Mr. CLAY, Mr. COBEY, Mr. COELHO, Mrs. COLLINS, Mr. COMBEST, Mr. CONTE, Mr. CONYERS, Mr. COUGHLIN, Mr. COYNE, Mr. CRANE, Mr. CROCKETT, Mr. DELAY, Mr. DELLUMS, Mr. DE LUGO, Mr. DORNAN of California, Mr. DREIER of California, Mr. DUNCAN, Mr. DYMALLY, Mr. EDWARDS of Oklahoma, Mr. EMERSON, Mr. FAUNTROY, Mr. FORD of Tennessee, Mr. FRANKLIN, Mr. FROST, Mr. GARCIA, Mr. GREGG, Mr. HAWKINS, Mr. HAYES, Mr. HORTON, Mr. HOYER, Mr. HUNTER, Mr. LAGOMARSINO, Mr. LELAND, Mr. LENT, Mr. LEVIN of Michigan, Mr. LIVINGSTON, Mr. LOEFFLER, Mr. LOWERY of California, Mr. MCCANDLESS, Mr. MCDADE, Mr. MCEWEN, Mr. MCGRATH, Mr. MCHUGH, Mr. MCKINNEY, Mr. MCMILLAN, Mr. MARKEY, Mr. MARTINEZ, Mr. MATSUI, Mr. MILLER of Ohio, Mr. MILLER of California, Mr. MILLER of Washington, Mr. MITCHELL, Mr. MOORHEAD, Mr. MYERS of Indiana, Mr. NEAL, Mr. NIELSON of Utah, Mr. O'BRIEN, Mr. PASHAYAN, Mr. PORTER, Mr. REGULA, Mr. RITTER, Mr. ROBERTS, Mr. ROGERS, Mr. RUDD, Mr. SCHUMER, Mr. SHAW, Mr. SKEEN, Mr. DENNY SMITH, Ms. SNOWE, Mr. STOKES, Mr. STUMP, Mr. TOWNS, Mr. VALENTINE, Mr. WAXMAN, Mr. WEBER, Mr. WEISS, Mr. WHEAT, Mr. WRIGHT, Mr. YOUNG of Florida, and Mr. ZSCHAU):

H.R. 1123. A bill to provide for the minting of gold coins; to Committee o Banking, Finance and Urban Affairs.

By Mr. LUKEN:

H.R. 1124. A bill to protect the public interest in stable relationships among communities, professional sports teams, and leagues and in the successful operation of such teams in communities throughout the Nation, and for other purposes; to the Committee on Energy and Commerce.

By Mr. LUNGREN (for himself, Mr. MILLER of Ohio, Mr. LAGOMARSINO, Mr. WEBER, Mr. BLILEY, Mr. SMITH of New Hampshire, Mrs. JOHNSON, Mr. BARTON of Texas, Mr. DEWINE, Mr. FISH, Mr. LEWIS of Florida, Mr. DORNAN of California, Mr. DAUB, Mr. MCGRATH, Mr. MOORHEAD, Mr. GEKAS, and Mr. LOWERY of California):

H.R. 1125. A bill to amend section 1963 of title 18, United States Code, and section 413 of the Controlled Substances Act to provide for forfeiture of substitute property if property otherwise subject to forfeiture under such sections is not available because of an act or omission of the defendant; to the Committee on the Judiciary.

By Mr. LUNGREN (for himself, Mr. DREIER of California, Mr. LIVINGSTON, Mr. KINDNESS, Mr. SENSENBRENNER, Mr. HANSEN, Mr. LAGOMARSINO, Mr. HYDE, Mr. OXLEY, Mr. DEWINE, Mr. SHAW, Mr. WEBER, Mr. BLAZ, and Mr. LOTT):

H.R. 1126. A bill to amend title 18 of the United States Code to reform the fourth-amendment exclusionary rule; to the Committee on the Judiciary.

By Mr. LUNGREN (for himself, Mr. HYDE, Mr. LIVINGSTON, Mr. KINDNESS, Mr. SENSENBRENNER, Mr. LAGOMARSINO, Mr. DREIER of California, Mr. DEWINE, Mr. SHAW, Mr. WEBER, Mr. BATEMAN, and Mr. BLAZ):

H.R. 1127. A bill to amend title 28 of the United States Code to reform habeas corpus procedures, and for other purposes; to the Committee on the Judiciary.

By Mr. LUNGREN (for himself, Mr. LAGOMARSINO, Mr. KINDNESS, Mr. TAYLOR, Mr. MCGRATH, Mr. ROBINSON, Mr. DEWINE, Mr. DORNAN of California, Mr. DAUB, Mr. WHITEHURST, and Mr. LOWERY of California):

H.R. 1128. A bill to amend title 18 of the United States Code to provide the penalty of death for certain crimes committed by persons serving Federal life sentences; to the Committee on the Judiciary.

By Mr. LUNGREN (for himself, Mr. KINDNESS, Mr. SAM B. HALL, JR., Mr. SENSENBRENNER, Mr. EMERSON, Mr. DENNY SMITH, Mr. MCCOLLUM, Mr. HANSEN, Mr. BADHAM, Mr. CARNEY, Mr. SHAW, Mr. HARTNETT, Mr. DORNAN of California, Mr. SHUMWAY, Mr. DEWINE, Mr. LAGOMARSINO, Mr. LOTT, and Mr. FIELDS):

H.R. 1129. A bill to amend title 18 of the United States Code to establish procedures for imposition of the death penalty for Presidential assassination, and for other purposes; to the Committee on the Judiciary.

By Mr. MICHEL:

H.R. 1130. A bill to provide a new extended unemployment compensation program for certain areas of high unemployment; to the Committee on Ways and Means.

By Mr. OBERSTAR:

H.R. 1131. A bill to amend title 5, United States Code, to modify the method for determining the amount payable by a Federal employee or Member of Congress in order to receive credit under the civil service retirement system based on certain military service; to the Committee on Post Office and Civil Service.

By Mr. RAHALL (for himself, Mr. DYMALLY, Mr. CLAY, Mr. LELAND, Mr. MURPHY, Mr. SHELBY, Mr. HOYER, Mr. DENNY SMITH, Ms. KAPTUR, Mr. ROWLAND of Georgia, Mr. BILIRAKIS, Mr. BONIOR of Michigan, Mr. MONTGOMERY, Mr. SUNDQUIST, Mr. STAGGERS, Mr. KOLTER, Mr. MARTINEZ, and Mr. DURBIN):

H.R. 1132. A bill to amend title 5, United States Code, to establish certain requirements for the procurement by contract of certain services which are reserved for performance by preference eligibles in the competitive service; to the Committee on Post Office and Civil Service.

By Mr. RANGEL:

H.R. 1133. A bill to prohibit the export or other transfer to the Republic of South Africa of nuclear material, equipment, and technology; to the Committee on Foreign Affairs.

H.R. 1134. A bill to amend the Internal Revenue Code of 1954 to deny the foreign tax credit for any tax paid or accrued to the Republic of South Africa; to the Committee on Ways and Means.

H.R. 1135. A bill to amend the Tariff Schedules of the United States to prohibit the importation of coal and of certain articles of uranium, if the product of the Republic of South Africa or Namibia; to the Committee on Ways and Means.

By Mr. REGULA (for himself and Mr. PEPPER):

H.R. 1136. A bill to consolidate the medical health care systems of the armed services to be administered in policy and operation solely by the Defense Health Agency; to the Committee on Armed Services.

By Mr. ROGERS:

H.R. 1137. A bill to impose restrictions on the quantity of foreign unmanufactured tobacco that may be imported into the United States; to the Committee on Ways and Means.

By Mr. SCHULZE:

H.R. 1138. A bill to amend the Internal Revenue Code of 1954 and title II of the Social Security Act to provide an exemption from coverage under the Social Security Program on a current basis (pursuant to applications filed in advance) for employers and their employees in cases where both are members of faiths opposed to participation in such program; to the Committee on Ways and Means.

H.R. 1139. A bill to expedite the development and passage of laws providing for open, nondiscriminatory, and fair international trade; jointly, to the Committee on Ways and Means and Rules.

By Mr. SEIBERLING (for himself, Mr. SYNAR, Mr. GLICKMAN, Mr. UDALL, Mr. DORGAN of North Dakota, Mr. ENGLISH, Mr. WATKINS, and Mr. MCCURDY):

H.R. 1140. A bill to amend the Sherman Act to prohibit a rail carrier from denying to shippers of certain commodities, with intent to monopolize, use of its track which affords the sole access by rail to such shippers to reach the track of a competing railroad or the destination of shipment and to apply Clayton Act penalties to monopolizing by rail carriers; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey:

H.R. 1141. A bill to amend title 38 of the United States Code in order to provide mortgage protection life insurance to certain veterans unable to acquire commercial life insurance because of service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. DENNY SMITH (for himself, Mr. FRENZEL, Mr. RANGEL, Mr.

DREIER of California, and Mr. NIELSON of Utah):

H.R. 1142. A bill to amend section 2687 of title 10, United States Code, to provide greater flexibility and efficiency in existing procedures for the closure and realignment of military installations and in the disposal of excess Federal real property under the jurisdiction of the Department of Defense; to the Committee on Armed Services.

By Mr. STARK:

H.R. 1143. A bill to provide for a more productive administration of unemployment compensation programs, and for other purposes; jointly, to the Committees on Ways and Means and Education and Labor.

H.R. 1144. A bill to amend the Internal Revenue Code of 1954 to impose a temporary manufacturers excise tax on passenger elevators and escalators and to use the revenues from such tax to finance an earthquake engineering research center; jointly, to the Committees on Ways and Means and Science and Technology.

By Mr. TORRICELLI (for himself, Mrs. SCHROEDER, Mr. PRICE, Mr. REGULA, Mr. MRAZEK, Mr. RODINO, Mr. ST GERMAIN, Mr. LANTOS, Mr. CLAY, Mr. DYSON, Mr. CHANDLER, Mr. LEVINE of California, Mr. BIAGGI, Mr. SCHUMER, Mr. TOWNS, Mr. FAUNTROY, Mr. HEFTEL of Hawaii, Mr. WISE, Mr. STOKES, and Mr. MCKERNAN):

H.R. 1145. A bill to promote the dissemination of biomedical information through modern methods of science and technology and to prevent the duplication of experiments on live animals, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WEISS (for himself, Mr. SCHEUER, Mr. BIAGGI, and Mr. MANTON):

H.R. 1146. A bill to amend the Hazardous Materials Transportation Act; jointly, to the Committees on Public Works and Transportation and Energy and Commerce.

By Mr. WHITTEN:

H.R. 1147. A bill to establish the Reconstruction Finance Corporation to make loans and loan guarantees to individuals or concerns engaged in industry, agriculture, and commerce, who would otherwise be unable to obtain needed financing or refinancing essential for continued operation thereby preventing unemployment and resulting disruption of the economy, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. YATES:

H.R. 1148. A bill to prohibit the importation, manufacture, sale, purchase, transfer, receipt, or transportation of handguns, in any manner affecting interstate or foreign commerce, except for or by members of the Armed Forces, law enforcement officials, and, as authorized by the Secretary of the Treasury, licensed importers, manufacturers, dealers, and pistol clubs; to the Committee on the Judiciary.

By Mr. COYNE:

H.J. Res. 150. Joint resolution to designate the week beginning March 17, 1985, as "National Celebration of the Northside Week"; to the Committee on Post Office and Civil Service.

By Mr. FORD of Michigan (for himself, Mr. KASTENMEIER, Mrs. BOGGS, Mr. DIOGUARDI, Mr. STOKES, Mr. ROSE, Mr. MOLLOHAN, and Mr. HAMMERSCHMIDT):

H.J. Res. 151. Joint resolution designating 1985 as the "Year of the Teacher"; to the Committee on Post Office and Civil Service.

By Mr. LEACH of Iowa (for himself and Mr. BEDELL):

H.J. Res. 152. Joint resolution calling for a mutual and verifiable freeze and reduction in nuclear weapons; to the Committee on Foreign Affairs.

By Mr. REGULA (for himself, Mr. FAZIO, Mr. UDALL, Mr. HORTON, Mr. HOYER, Mr. ROE, Mr. BEILENSON, Mr. DE LUGO, Mr. BARNES, Mr. CHANDLER, Mrs. HOLT, Mr. BEREUTER, Mr. SIKORSKI, Mr. BATES, Mr. BERMAN, Mr. MOODY, Mr. MCCURDY, Mr. FAUNTROY, Ms. KAPTUR, Mr. REID, Mr. HUGHES, Mr. WAXMAN, Mr. LOWRY of Washington, Mr. LEVINE of California, Mr. PANETTA, Mr. OWENS, Mr. FRENZEL, Mr. SWIFT, Mr. CONTE, Mr. SCHEUER, Mr. WEISS, Mr. WEAVER, Mr. JEFFORDS, Mr. BEDELL, Mr. VENTO, Mr. MARKEY, Mr. LEVIN of Michigan, and Mr. FORD of Michigan):

H.J. Res. 153. Joint resolution requesting the President to negotiate the creation of a United States-People's Republic of China Student Exchange for Understanding Program; to the Committee on Foreign Affairs.

By Ms. SNOWE:

H.J. Res. 154. Joint resolution to designate April 1985 as "National School Library Month"; to the Committee on Post Office and Civil Service.

By Mr. STARK:

H.J. Res. 155. Joint resolution urging formation of a national policy and renewal of national attention on the future of fusion energy research, technology, and development and the possibilities of increased international cooperation in such efforts; to the Committee on Science and Technology.

By Mr. GRAY of Illinois:

H. Con. Res. 59. Concurrent resolution commemorating the 100th anniversary of the death of Ulysses S. Grant, the 18th President of the United States; to the Committee on House Administration.

By Mr. HAMILTON:

H. Res. 59. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Permanent Select Committee on Intelligence in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. STRANG (for himself, Mr. BEILENSON, Mrs. JOHNSON, Mr. BROWN of Colorado, Mr. KINDNESS, Mr. BARTON of Texas, Mr. HANSEN, Mr. HENRY, Mr. HENDON, Mr. PORTER, Mr. DREIER of California, Mr. IRELAND, Mr. KASICH, Mr. LOWERY of California, Mr. DORNAN of California, Mr. WILLIAMS, Mr. COBLE, Mr. SCHAEFER, Mr. BLAZ, Mr. SAXTON, Mr. STENHOLM, Mr. KRAMER, and Mr. FISH):

H. Res. 60. Resolution to amend the Rules of the House of Representatives to require each standing committee of the House to review and study pertinent recommendations of the President's Private Sector Survey on Cost Control, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

8. By the SPEAKER: Memorial of the Senate of the State of Iowa, relative to the farm debt crisis; to the Committee on Agriculture.

9. Also, memorial of the Legislature of the State of Minnesota, relative to persons missing in Southeast Asia; to the Committee on Foreign Affairs.

10. Also, memorial of the Legislature of the Commonwealth of Virginia, relative to Orthodox Christians in Turkey; to the Committee on Foreign Affairs.

11. Also, memorial of the Congress of the Federated States of Micronesia, relative to Congressional Resolution No. 3-189; to the Committee on Foreign Affairs.

12. Also, memorial of the 18th Guam Legislature, relative to the enforcement of country-of-origin rules; to the Committee on Ways and Means.

13. Also, memorial of the Senate of the Commonwealth of the Mariana Islands, relative to Donald T. Regan; to the Committee on Ways and Means.

14. Also, memorial of the Senate of the Commonwealth of the Mariana Islands, relative to tax policy; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. BURTON of California:

H.R. 1149. A bill for the relief of Emily Gayanes Gaufo, Joselyn G. Gaufo, and Favio G. Gaufo, Jr.; to the Committee on the Judiciary.

By Mr. HENDON:

H.R. 1150. A bill for the relief of Muradali P. Gillani, Yasmeen Muredali Gillani, and Aneela Gillani; to the Committee on the Judiciary.

By Mr. LOWRY of Washington:

H.R. 1151. A bill for the relief of Frederick Paul of Seattle, WA; to the Committee on the Judiciary.

H.R. 1152. A bill for the relief of Frederick Paul and Aileen Paul; to the Committee on the Judiciary.

PRIVATE RESOLUTION

By Mr. LOWRY of Washington:

H. Res. 61. Resolution referring the bill (H.R. 1151) for the relief of Frederick Paul to the chief judge of the U.S. Claims Court; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 21: Mr. ATKINS, Mr. LEHMAN of Florida, Mr. HOWARD, Mr. FAZIO, and Mr. KILDEE.

H.R. 43: Mr. TORRES, Mr. ACKERMAN, Mr. BOEHLERT, Mr. WAXMAN, Mr. VENTO, Mr. LEVIN of Michigan, and Mr. FAZIO.

H.R. 47: Mr. BEDELL, Mrs. BOXER, Mr. CONTE, Mr. COOPER, Mr. COYNE, Mr. DARDEN, Mr. DICKS, Mr. DOWDY of Mississippi, Mr. DOWNEY of New York, Mr. DYMALLY, Mr. ERDREICH, Mr. FAUNTROY, Mr. FRANK, Mr. GEKAS, Mr. HILER, Mr. KEMP, Mr. MARKEY, Mr. MORRISON of Connecticut, Mr. VANDER JAGT, Mr. YATES, Mr. YOUNG of Alaska, and Mr. WYLIE.

H.R. 53: Mr. WATKINS.

H.R. 61: Mr. EVANS of Illinois, Mr. SLATTERY, Mr. CARR, Mr. STANGELAND, and Mr. BEREUTER.

H.R. 107: Mr. WORTLEY.

H.R. 217: Mr. MONSON.

H.R. 236: Mr. LAFALCE, Mr. CHANDLER, and Mr. BROWN of California.

H.R. 241: Mr. SMITH of New Hampshire.

H.R. 242: Mr. ROGERS, Mr. COELHO, Mr. DENNY SMITH, Mr. BURTON of Indiana, Mr. ROEMER, Mr. HOWARD, Mr. YOUNG of Florida, Mr. FAZIO, and Mr. KOLBE.

H.R. 479: Mr. BOEHLERT, Mr. CONTE, Mr. DAVIS, Mr. DEWINE, Mr. DOWNEY of New York, Mr. SIKORSKI, and Mr. VOLKMER.

H.R. 480: Mr. ACKERMAN, Mrs. BOXER, Mr. DREIER of California, Mrs. LLOYD, Mr. MITCHELL, and Mr. WILLIAMS.

H.R. 481: Mr. FAZIO.

H.R. 512: Mr. BATES.

H.R. 531: Mr. SIKORSKI, Mr. BIAGGI, Mr. WHITLEY, Mr. BEDELL, Mr. HERTEL of Michigan, Mr. MILLER of Ohio, Mrs. BOXER, Mr. NOWAK, Mr. DELAY, Mr. AUCOIN, Mr. HENDON, Mr. SMITH OF NEW JERSEY, Mr. SYNAR, Mr. PRICE, Mr. BARNES, Mr. DE LUGO, Mr. KRAMER, Mr. LEWIS of Florida, Mr. TOWNS and Mr. WRIGHT.

H.R. 535: Mr. LEWIS of Florida, and Mr. ROGERS.

H.R. 537: Mr. DONNELLY.

H.R. 540: Mr. YATRON, Mr. BEDELL, Mr. PERKINS, and Mr. STENHOLM.

H.R. 585: Mr. DREIER of California, Mr. BEDELL, Mr. TORRES, Mr. CLAY, Mr. NEAL, Mr. ECKART of Ohio, Mr. SAVAGE, Mr. SENSENBRENNER, Mr. FISH, Mr. LUNDINE, Mr. COELHO, and Mr. STAGGERS.

H.R. 615: Mr. BROWN of Colorado, Mr. BRYANT, Mrs. BURTON of California, Mr. DANIEL, Mr. EDGAR, Mr. FUQUA, Mr. GROTBERG, Mr. HALL of Ohio, Mr. HAYES, Mr. HEFNER, Mr. KASICH, Mrs. KENNELLY, Mr. LUKEN, Ms. MIKULSKI, Mr. MORRISON of Connecticut, Mr. NEAL, Mr. SCHEUER, Mr. PACKARD, Mr. SMITH of Florida, and Mr. TAYLOR.

H.R. 691: Mr. BROWN of Colorado, Mr. SOLARZ, and Mr. DYMALLY.

H.R. 693: Mr. RICHARDSON, Mr. SWINDALL, Mr. COBEY, Mr. SENSENBRENNER, Mr. ROBINSON, Mr. TALLON, Mr. ENGLISH, Mr. PORTER, Mr. DORGAN of North Dakota, and Mr. STALLINGS.

H.R. 704: Mr. YOUNG of Florida.

H.R. 708: Mr. LOWERY of California.

H.R. 773: Mr. BEDELL, Mr. GORDON, Mr. SLAUGHTER, Mr. STENHOLM, Mr. WIRTH, Mr. SEIBERLING, Mr. ARMEY, Mr. VENTO, and Mr. WILSON.

H.R. 814: Mr. FUSTER, Mr. NELSON of Florida, and Mr. ADDABBO.

H.R. 885: Mr. MANTON, Mr. MARVOULES, Mr. SIKORSKI, Mr. RANGEL, and Mr. FAUNTROY.

H.R. 887: Mr. HOWARD, Mr. TOWNS, Mr. HAWKINS, Mr. OWENS, Mr. GARCIA, Mr. DWYER of New Jersey, Mrs. COLLINS, Mr. LANTOS, Mr. FAUNTROY, Mr. SMITH of Florida, Mr. FUSTER, Mr. LELAND, Mr. TORRES, Mr. BOEHLERT, Mr. FRANK, Mrs. LLOYD, Mr. WAXMAN, Mr. RANGEL, Mr. STOKES, Mr. VENTO, Mr. EDGAR, Mrs. SCHNEIDER, Mr. BEDELL, Mr. FAZIO, Mr. FISH, and Mr. LEVIN of Michigan.

H.R. 932: Mr. SMITH of Florida.

H.R. 968: Mr. FRANK, Mr. ADDABBO, Mr. STOKES, Mr. FAUNTROY, Mr. DOWNEY of New York, Mr. TOWNS, Mrs. COLLINS, Mr. OWENS, Mr. FAZIO, and Ms. KAPTUR.

H.R. 1035: Mr. FOLEY, Mr. WOLPE, Mr. ALEXANDER, and Mr. EVANS of Illinois.

H.R. 1059: Mr. DARDEN, Mr. GALLO, Mr. ERDREICH, and Mrs. COLLINS.

H.J. Res. 41: Mr. SMITH of New Jersey, Mr. ADDABBO, and Mr. GEKAS.

H.J. Res. 49: Mr. SMITH of New Hampshire, Mr. YOUNG of Florida, and Mr. PACKARD.

H.J. Res. 50: Mr. GREEN, Mr. LANTOS, Mr. STENHOLM, Mr. BENNETT, Mr. UDALL, Mr. SABO, Mr. ORTIZ, Mr. ROYBAL, Mr. HAYES, Mr. CLINGER, Mr. GEJDENSON, Mr. COLEMAN of Texas, Mr. BATEMAN, Mr. WIRTH, Mr. HANSEN, Mr. BONIOR of Michigan, Mr. GONZALEZ, Mr. EVANS of Illinois, Mr. PEPPER, Mr. FISH, Mr. WOLPE, Mr. STANGELAND, Mr. BONKER, Mr. FLORIO, Mr. AKAKA, Mr. HERTEL of Michigan, Mr. NICHOLS, Mr. MARKEY, Mr. MARTINEZ, Mr. RANGEL, Mr. LUNGREN, Mr. BOLAND, Mr. LOWRY of Washington, Mr. HUGHES, Mr. SMITH of New Jersey, Mr. SISISKY, Mr. MILLER of California, Mr. SMITH of Iowa, Mr. RICHARDSON, Mr. BROOKS, Mr. HEFTEL of Hawaii, Mr. O'BRIEN, Mr. CHAPPIE, Mr. JEFFORDS, Mr. MCCAIN, Mr. HYDE, Mr. PANETTA, Mr. ANDREWS, Mr. DANNEMEYER, Mr. CONTE, Mr. DOWDY of Mississippi, Mr. FUSTER, Mr. MANTON, Mr. DAUB, Mr. ROEMER, Mr. HORTON, Mr. WILSON, Mr. LAFALCE, Mr. LELAND, Mr. OWENS, Mr. LUNDINE, Mr. MILLER of Washington, Mr. JONES of North Carolina, Mr. FRANKLIN, Mr. LEVIN of Michigan, Mr. MADIGAN, Mr. BOUCHER, Mr. BROWN of California, Mr. THOMAS of California, Mr. HOWARD, Mr. KILDEE, Mr. SPRATT, Mr. Mrazek, Mr. MORRISON of Washington, Mr. SLAUGHTER, Mr. REID, Mr. LEWIS of California, Mr. MOAKLEY, Mr. FEIGHAN, Mr. HAWKINS, Mr. CONYERS, Mr. AUCOIN, Mr. CLAY, Mr. EVANS of Iowa, Mr. SCHEUER, Mr. DYSON, Mr. WYDEN, Mr. HUCKABY, Mr. FASCELL, Mr. CHANDLER, Mr. RITTER, Mr. SUNIA, Mr. BONER of Tennessee, Mr. MAVROULES, Mr. VOLKMER, Mr. GUARINI, Mr. BORSKI, Mr. LEHMAN of California, Mr. BEDELL, Mr. CARR, Mr. DANIEL, Mr. DASCHLE, Mr. DONNELLY, Mr. COELHO, Mr. DYMALLY, Mr. ERDREICH, Mr. LEHMAN of Florida, Mr. MCDADE, Mr. MURPHY, Mr. MURTHA, Mr. NEAL, Mr. BARNARD, Mr. TALLON, Mr. TRAXLER, Mr. STOKES, Mr. FAZIO, Mr. FORD of Tennessee, Mr. BEILENSON, Mr. YOUNG of Florida, Mr. DURBIN, Mr. WYLIE, Mr. KEMP, Mr. SWINDALL, Mr. BUSTAMANTE, Mr. DEWINE, Mr. LOWERY of California, Mr. BOSCO, Mr. JACOBS, Mr. GRAY of Pennsylvania, Mr. KASTENMEIER, Mr. SKELTON, Mr. PASHAYAN, Mr. SNYDER, Mr. SOLARZ, Mr. GALLO, Mr. DENNY SMITH, Mr. HARTNETT, Mr. DE LA GARZA, Mr. ASPIN, and Mr. MCKINNEY.

H.J. Res. 59: Mr. ROE, Mrs. HOLT, Mr. BONER of Tennessee, Mr. WEISS, Mr. FAUNTROY, Mr. STOKES, Mr. SUNIA, Mrs. BOXER, Mr. RODINO, Mr. DYSON, Mr. HUGHES, Mr. MARTINEZ, Mr. BERMAN, Mr. HORTON, Mr. REID, Mr. VENTO, Mr. FAZIO, and Mr. KASICH.

H.J. Res. 67: Mrs. BURTON of California.

H.J. Res. 87: Mr. COYNE, Mr. DAUB, Mr. HUTTO, Mr. LUNGREN, Mr. MAZZOLI, Mr. MOLLOHAN, Mr. SENSENBRENNER, Mrs. SMITH of Nebraska, Mr. YOUNG of Missouri, Mr. LAGOMARSINO, and Mr. HYDE.

H.J. Res. 94: Mr. DELAY, Mr. IRELAND, Mr. BARTON of Texas, Mr. SMITH of New Hampshire, Mr. HYDE, and Mr. BLILEY.

H.J. Res. 112: Mr. O'BRIEN, Mr. LUJAN, Mr. RODINO, Mr. HOWARD, Mr. BEDELL, Mr. MCGRATH, Mr. ROBERTS, Ms. KAPTUR, Mr. MILLER of California, Mr. FEIGHAN, Mr. SKEEN, Mr. HYDE, Mr. HERTEL of Michigan, Mr. BLILEY, Mr. GUARINI, Mr. FLIPPO, Mr. SMITH of New Jersey, Mr. OBERSTAR, Mr. PURSELL, Mr. STANGELAND, Mr. KILDEE, Mr. CHAPPIE, Mr. BONER of Tennessee, Mr. BIAGGI, Mr. FRANK, Mr. SAVAGE, Mr. MATSUI, Mr. BROOMFIELD, Mr. DARDEN, Mr. BADHAM, Mr. TORRICELLI, Mr. FAZIO, Mr. EMERSON, Mr. ARCHER, Mr. FAUNTROY, Mr. SUNIA, Mr. WALGREN, Mr. SCHEUER, Mr. RANGEL, Mr. SNYDER, Mr. FOLEY, Mr. BERMAN, Mr. SOLARZ, Mr. BATEMAN, Mr. MONTGOMERY, Mrs. COLLINS, Mr. VANDER JAGT, Mr. WOLF, Mr. STRANG, Mrs. BOXER, Mr. CONTE, Mr. BUSTAMANTE, Mr. BLAZ, Mr. LELAND, and Mr. STUMP.

H.J. Res. 124: Mr. YOUNG of Alaska.

H. Con. Res. 32: Mr. EVANS of Iowa.

H. Con. Res. 34: Mr. BENNETT, Mr. BROWN of California, Mr. CARNEY, Mr. DELLUMS, Mr. DORNAN of California, Mr. FAZIO, Mr. GARCIA, Mr. HAWKINS, Mr. LEHMAN of Florida, Mr. LUNDINE, Mr. MINETA, Mr. MRAZEK, Mr. OXLEY, Mr. THOMAS of California, Mr. TORRES, and Mr. YOUNG of Florida.

H. Con. Res. 46: Mr. PENNY, Mr. STENHOLM, Mr. LEVIN of Michigan, Mr. MATSUI, and Ms. KAPTUR.

H. Res. 37: Mr. VENTO, Mr. ROSE, and Mr. FAZIO.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

32. By the SPEAKER: Petition of the mayor of the city of Crystal Springs, MS, relative to the Job Corps Program; to the Committee on Education and Labor.

33. Also, petition of the New Testament Christians in Malaysia, West Malaysia, relative to human rights; to the Committee on Foreign Affairs.

34. Also, petition of the County of Westmoreland, PA, relative to the Genocide Treaty; to the Committee on Foreign Affairs.

35. Also, petition of Statewide Committees Opposing Regional Plan Areas [SCORPA], relative to the right to petition the Government for redress of grievances; to the Committee on Government Operations.

36. Also, petition of the National Association of Retired Federal Employees, chapter No. 29, Portland, OR, relative to COLA's reinstatement; to the Committee on Post Office and Civil Service.

37. Also, petition of the Wesleyan Tabernacle Association, Indiana, relative to church and state; to the Committee on Ways and Means.

38. Also, petition of the Shasta County Board of Supervisors, California, relative to the Shasta Dam Area Public Utility District; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

SENATE—*Tuesday, February 19, 1985*

(Legislative day of Monday, February 18, 1985)

The Senate met at 2 p.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Loving heavenly Father, we thank You for the safe return of Jeremy Levin. We pray for those who are still held captive, that they may soon be released. Bless every effort that is involved in achieving their freedom.

We pray, Lord God, for the members of the press and media, remembering that routine assignments often change suddenly into high risk situations. Thank You for the willingness of journalists to lay their lives on the line, however dangerous the circumstances.

We accept with reluctance, gracious God, that press and politics are often adversaries but we pray that they may never become enemies and that the relationship will not deteriorate into cynicism and despair. Bless those who devote their lives to keeping the people informed. Keep them in remembrance of the awesome power of words to motivate or discourage, to build up or to tear down, to enliven or to kill. In His name who is the Word of Life. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

Mr. DOLE. Mr. President, I yield 5 minutes of my time to the distinguished Senator from Arizona.

Mr. GOLDWATER. Mr. President, I thank my leader.

DEBATE OVER THE FISCAL YEAR 1986 DEFENSE BUDGET

Mr. GOLDWATER. Mr. President, the debate over the fiscal year 1986 defense budget continues, both here in Congress and throughout the country. It is a very important debate not just because defense spending accounts for 29 percent of all Federal expenditures, but also because of what this budget is intended to accomplish. That is, to ensure the security of the United States and to protect our vital interests around the world. As the chairman of the Senate Armed Services Committee, I intend to participate in this debate to ensure that when our final decisions on the budget are made, they will be based not on mere hunches or newspaper articles, but rather on a clear understanding of what is contained in the defense budget and the implications of major reductions to that budget.

This year, a series of witnesses appearing before the Armed Services Committee were each asked whether or not they thought the world was safer today than it was 20 years ago. In each case, the answer was the same; the world is indeed a more dangerous place today. We have little control over the conditions which create those dangers, yet they are the primary considerations which determine the size of our defense expenditures. It is worth noting that despite this increase in danger to our national interests, we actually spent more on defense in 1966—as a share of gross national product [GNP]—than we will in 1985: 7.6 percent in 1966, 6.4 percent in 1985.

There are some who have suggested that each year the Pentagon attempts to cram into the defense budget a series of new programs just for the sake of pursuing new technology, or expanding its budget, or promoting what some describe cynically as an incestuous relationship between the military and the defense industry. All of this makes for entertaining newspaper articles, but in truth, they are rather misinformed. In the 1986 defense budget, according to the Office of the Secretary of Defense, there is only one—let me repeat only one—new program start. The rest of the budget is devoted to programs begun in prior years which are essential to the modernization of our defense forces. In fact, the great majority of these programs—such as the M-1 tank, F/A-18 fighter, MX missile, Trident submarine, et cetera—were begun prior to the first Reagan administration. Most of these programs have reached or are approaching maturity and are being produced at efficient, economical levels.

Those who advocate major reductions in the defense budget, should be aware that reducing these production rates will only lead to inefficiencies and the loss of economies of scale. We have already had plenty of experience in stretching out programs during the late 1970's, and none of us can pretend not to know the consequences. When we stretch out programs the unit cost goes up, and in the end, we pay more to get less.

Those who advocate major defense reductions have a responsibility to understand the make-up of the defense budget. It is not enough to just say "cut this weapon system, or cut that one" in order to achieve major savings. It really is not that simple. In fact, looking at the outlay distribution for the 1986 defense budget one finds the following: 42.9 percent will be devoted to pay and related expenditures; 7 percent will go for operating expenses; 38.3 percent will be spent to fund prior year commitments; and only 11.9 percent will represent discretionary investment in 1986. This means that unless we are willing to sharply curtail operations, or significantly reduced pay, or cancel existing contracts, the brunt of any significant defense cut must be absorbed in the discretionary investment area. And that could be done—but it would mean virtually abolishing most of the major modernization programs for both our strategic and conventional forces. Given the current state of the world, I would consider that course ill-advised.

But fortunately, there is one indication that the state of world affairs may be headed for some improvement. I refer of course, to the fact that the Soviets have returned to the negotiationg table. Their efforts, alternately, to cajole, intimidate and fragment the West have failed. This is a triumph for the West that was achieved not by unilateral restraint or confused signals regarding our commitment to defense, but rather by 4 consecutive years of unwaivering determination to restore our defense posture. Now is therefore not the time to be considering major defense reductions or the wholesale cancellation of critical strategic programs.

Mr. President, I am grateful to my colleagues for this opportunity to help clarify some of the issues regarding the defense budget. I intend to make similar statements during the next several months which I hope will contribute to a better understanding of the defense debate. In the meantime, I will be pleased to consider any recommendation which my colleagues may wish to make to achieve worthwhile savings or greater efficiencies in this budget.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an outline of the fiscal year 1986 defense budget facts.

There being no objection, the outline was ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1986 DEFENSE BUDGET FACTS

	Budget authority		Outlays	
	Billion	Percent	Billion	Percent
Investment	$153	49	$33	12
Operations	37	12	19	7
Pay and related	124	37	119	43
Prior year commitments			106	38
Total	314		277	

Procurement and R&D funding for new investment constitutes the "discretionary" portion of the budget. In other words, military personnel will have to be paid and current operations must be supported; cancelling prior year commitments would result in increased costs for termination penalties on signed contracts. The portion, then, of the budget where Congress can most easily make cuts is the investment area—only 12 percent of the outlay budget totaling only $33 billion.

Where Congress chooses to make cuts determines whether reduction targets can be met.

	Budget authority (billion)	Outlay (million)
Procurement	$1	$135
R&D	1	499
O&M	1	772
Military construction	1	143
Personnel	1	976

Historically, Congress has not made reductions in fast-spending accounts, such as personnel and operations and maintenance. Reductions are instead directed toward procurement and R&D programs, meaning that larger BA reductions must be made to accommodate the outlay reduction targets set as a deficit reduction goal.

Mr. GOLDWATER. Mr. President, I yield the floor.

The PRESIDING OFFICER [Mr. MCCONNELL]. The majority leader has the time.

The PRESIDING OFFICER. The majority leader is recognized.

SENATE SCHEDULE

Mr. DOLE. Mr. President, it is my understanding that, following the leaders' standing order of 10 minutes each, we have three special orders not to exceed 15 minutes each—the distinguished Senator from Pennsylvania [Mr. SPECTER], the distinguished Senator from Wisconsin [Mr. PROXMIRE], and the distinguished Senator from Oklahoma [Mr. BOREN].

It is my hope that, at the hour of 3 o'clock, we might take up the Meese nomination. It is also my hope that we might have a vote on the Meese nomination sometime early tomorrow afternoon. We do have the joint session with the Prime Minister of Great Britain, the Right Honorable Margaret Thatcher, at 11 o'clock. We had hoped to start reconsideration of the Meese nomination at about 1:30 tomorrow afternoon. We hope to reach a vote on that confirmation of Mr. Meese sometime early tomorrow afternoon.

It is also the hope of the leadership that if we dispose of the Meese nomination, we might then turn to Calendar No. 4, S. 391, the so-called highway bill. There is a bipartisan interest in completing action on this measure this week. Hopefully, we can conclude action on that measure on Thursday and, if not then, on Friday of this week. If we complete action on Thursday, it will not be the intention of the leadership to be in session on Friday.

Mr. President, I yield back the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, the Democratic leader is recognized.

ELIZABETH MOYNIHAN DIGS FOR LOST LOTUS GARDEN OF BABUR

Mr. BYRD. Mr. President, the study of archeology is one of those disciplines which puts the things of ordinary life into perspective. Like the contemplation of poetry, examining the ruins of civilizations and the artifacts of people long gone cultivates, one's ability to step back from the "everydayness" of our existence. It encourages viewing our own mores and societal peculiarities in a detached way. It is a wholly healthy and edifying preoccupation.

Recently while browsing through the Style Section of the Washington Post, I came across a thoroughly fascinating article about the wife of one of our esteemed colleagues who has made the study of archeology her avocation. Elizabeth Moynihan began a study of Mogul gardens 10 years ago when she was living in New Delhi as the wife of the American Ambassador. Her interest in a 1921 translation of the Journal of Babur—the emperor who founded the Mogul Dynasty in India—convinced her that the lotus garden described in such detail in the journal still existed.

Elizabeth followed the clues in the "Babur-Nama" and they led her to the discovery of the pleasure garden of Babur, built 450 years ago. Her find is considered a major archeological discovery. That discovery became part of a book authored by Elizabeth Moynihan entitled "Paradise as a Garden in Persia and Mogul, India." In addition, Elizabeth Moynihan has found time to serve as chairwoman of the Board of American Schools of Oriental Research.

"Liz Moynihan's Passage to India" appeared in the February 12 edition of the Washington Post. More than a story of an archeological find, it is the saga of a woman possessing tremendous intellectual curiousity and tenacious investigating skills. I ask that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIZ MOYNIHAN'S PASSAGE TO INDIA—THE SENATOR'S WIFE AND HER DIG FOR THE LOST LOTUS GARDEN OF BABUR

(By Elisabeth Bumiller)

JHOR, INDIA.—The people in this small village of mud houses and lush fields aren't quite sure what to make of Elizabeth Moynihan, although they certainly find her interesting to watch. She spends her days on her hands and knees, digging up long-dried wells and prowling across the dirt floors of their living rooms with a trowel. A gang of 20 children follows every move she makes, giggling and eyes wide. "They think I'm crazy," she says. In the afternoons their parents offer her tea, which she takes alongside the water buffaloes and goats.

At the same time that her husband, Sen. Daniel Patrick Moynihan (D-N.Y.), was busy in Congress, his wife was literally on the other side of the world, unearthing an important archeological discovery here that she found herself. It is a pleasure garden built 450 years ago by Babur, the emperor who founded the Mogul Dynasty in India. "If you know what you're looking for here," she says, "you'll find it."

The Indians were stunned.

It began a decade ago when Elizabeth Moynihan was living in New Delhi as the American ambassador's wife. She was studying Mogul gardens in general and Babur in particular, poring over a 1921 translation of his journal, the "Babur-Nama." She became convinced that the lotus garden he described in such detail still existed, even though scholars thought it had long disappeared. Following his phrases like clues in a treasure hunt, she finally came upon the village of Jhor. She walked straight to a stone terrace the villagers used to dry cow dung patties, pushed aside some lentil branches and found, just as she had suspected, the remains of Babur's lotus pool.

"I was jumping up and down," she says. "It was terrific."

Babur was also her salvation from New Delhi embassy live, which can wrap visitors in a sterile gauze that carefully protects them from any real experience of living in India. Americans newly arrived to Delhi are inundated with information from fellow expatriates on where to get the best green olives, pastries and other reminders of home.

Entire conversations center on the number of times Americans have been sick from the water and dirt. Dinner parties can be as formal and stylized as those on the official circuit in Washington, with the exception of an occasional Indian face and the bearers, the phalanxes of servants who bring the food to the table. Some hostesses like to summon them with little silver bells.

"I was overwhelmed at everything," Moynihan says. "Pat's not a career diplomat, and I'm not attached to that whole world. I cried a lot, although I'm not sure what it was all about. But I feel I was lucky to be grabbed by something. If that happens, then the whole thing falls into place. People I know who didn't have that experience never got over the crying. Oh, the tears dried up, but the emotions were still there. I

think it's worse in Delhi, where people have tried to re-create their own environment. It's not until you can shuck your own cultural baggage that you can perceive—and accept—the culture into which you've been thrust."

Moynihan now speaks of Babur as she would an old friend. "First of all, he's a genius," she says. "He was tactically very good at military exploits. He was a natural botanist. He spoke and wrote several languages. He was a poet. He was a musician."

It was at Babur's 500th birthday-anniversary party, celebrated two years ago with friends in India, that Pat Moynihan raised his glass and said proudly, "I'd like to make a toast to the other man in my wife's life."

AT THE ANCIENT GARDEN

To get to Jhor, you take the Taj Express, a three-hour train trip from New Delhi to Agra, the site of the Taj Mahal. On the train the attendant brings hot tea in an old china cup as fields of young green wheat and yellow mustard flowers flash by the window. Wild doves flutter through the cool, hazy sunshine. From Agra, it is a one-hour drive to Dholpur along a dusty road crowded with skeletal cows, camels pulling old wooden carts, holloweyed beggar children, noisy bazaars, vegetable stands and roastpeanut stalls. It smells smoky, spicy and musky, unlike anything in America.

At one bend in the road, a group of vultures is feasting on a dead dog.

In Dholpur, it is a five-minute drive down a dirt path to Jhor, where the car can go no farther. At the end of the road is Liz Moynihan, in Eddie Bauer jeans and a black sweater, 54 white-haired, opinionated and independent. She has an easy manner, the loose laugh of a salty politician's wife who has probably put up with a lot. She says she never gives interviews in the United States because she hates being asked questions like "What's it like being married to Pat?"

"The thing is," she says, "who'd put up with either one of us?"

She and her 27-year old daughter Maura are staying for the week at the nearby guest house—an enormous old bungalow built by the British on the scale of the Raj. There are peacocks and bougainvillea in the gardens, but the interior has seen considerable better days. The water comes from two little faucets in a dark, cavernous wash house: It has been a week since the Moynihans took a bath. The bedroom, which is the size of a small auditorium, has 50-foot ceilings, grimy walls and a lone-bed in the center. "It beats a tent," says Liz Moynihan.

The bill for the entire week comes to 49 rupees, or, at current exchange rates, $3.39.

Moynihan begins her tour of the garden, the usual gang of children at her heels. "Everybody thinks gardens are a very ladylike pursuit," she says, leading the way to Babur's bathhouse, still nearly intact and now used by a village family as a stable, "but nobody knows that you spend your life up to your ankles in you-know-what. Watch your step.

The village sits on top of most of the garden, which probably covered several acres. In its prime, it included a mosque, a pavilion, two pools and an aqueduct. Babur loved it and spent time recuperating there from his military exploits, using it not so much as a water garden as a country house away from the battles. Babur was the first of the Mogul invaders who came from the north—Moynihan calls them the world's most elegant nomads. His garden at Jhor is the only link between the water gardens of India and Persia.

He made regular entries in his journal, describing the garden in detail. On Jan. 13, 1529, he wrote: "A place was fixed in the S.E. of the garden for a hot bath, I ordered a plinth erected on the leveled ground, and a bath to be arranged, in one room of which was to be a reservoir 10 by 10."

Now Liz Moynihan points to an old pool. "We measured it this morning," she says, "and it turned out to be 10 by 10. Which is what he said. What do you know?"

She discovered the garden in 1978, returning to India after she had left three years before as the ambassador's wife. The country got under her skin in a deeper way than it did her husband's. "I had more fun," she says, "I seldom went anyplace with Pat because I was uncomfortable with the entourage. It's much better to take a train. I didn't go to the receptions, but he had to." Then, too, she says she was never sick in India, although her husband was sick all the time. "It got to be sort of a problem for us," she says, The senator maintains he was only sick once—it just lasted, he says, for 2½ years.

She didn't return to the garden again until 1983, when she showed it to Pat. Ever the politician, he held out sweets for the village children. Now she has returned a third time, this trip for a formal survey that she hopes will become a monograph, a record of use to architectural historians. The Indian government has declared it a protected site, and there is talk that the villagers will be relocated nearby and the garden made into a park.

"I haven't really thought about what I want done with it," Liz Moynihan says. "A foreigner can't come into a place and say, 'This is what should happen.' What I did say was, 'This is what did happen.' "

A commotion over by the lotus pool has started among the villagers. A pretty 16-year-old girl is sobbing on Maura Moynihan's shoulder, telling her in Hindi that she's unhappy because she is the only girl in the village not yet married. Maura, who is wearing a *kurta* and speaks fluent Hindi, listens as the girl tells her she is the youngest of six daughters and that her father has no more money for her dowry.

Maura decides to go to the village bazaar and buy her some things: a red sari, several silver bracelets and, for her kitchen, a brass urn and four stainless-steel platters. The bill isn't much more than $25, a fortune in this village. The girl is so grateful that she sobs and sobs, while her father, a painfully thin man with gray hair and deep lines in his face, shows the Americans a snapshot of the prospective groom. It is impossible to tell exactly what is going through his mind, but he appears both terribly embarrassed and terribly relieved.

He says the wedding will be in the summer. Maura Moynihan tells the girl that when she comes to the village again, she knows she'll see her with a new baby. The girl sobs some more, then brings a garland of marigolds that she puts over Maura's head.

"When I go into villages here," Liz Moynihan says a little later, "I really don't feel absolutely culturally different from these people. They offer you tea, they have manners. They want to carry your bag for you, they want to make you more comfortable. They love their children. It's not all that different. We all want the same thing."

She herself began work on a book about Mogul gardens soon after she left India. Babur's garden became an important part of that book, now called "Paradise as a Garden," but she gave herself exactly a two-sentence mention as the discoverer. There's no picture of her on the book flap, either, and no mention of who her husband happens to be.

"Pat says I was quite British about it all," she says.

THE PATH TO DIPLOMACY

Elizabeth Moynihan has always been a little different. In Washington she generally avoids the Senate wives, doing things like serving on a White House luncheon committee, then not turning up for the meal. She was born in Massachusetts, the daughter of a divorced Catholic woman who edited a local newspaper. She went to Boston University but never finished because she ran out of money and was terrible at math.

She met Pat Moynihan while both were working on Averell Harriman's campaign for governor of New York, but decided to leave Albany soon after the election. Then she broke her leg skiing and wound up staying and getting married. The courtship officially started when Pat came up to her in her wheelchair at a party and announced: "You're going to marry me." Liz Moynihan thought she'd heard him wrong and was embarrassed that this imaginary offer had leaped from her subconscious. But the next day he repeated it.

"So then we started going out," she says. "But if he bought dinner, I bought drinks. I was totally impossible. People didn't do that then."

She went with him to Washington when he joined the Labor Department during the Kennedy administration, then on with him to his professorship at Harvard. She came back to Washington when he served on Richard Nixon's White House staff ("We had a big fight about that," she says), then left with him for India in 1973. They had their three children with them—Maura, John and Tim.

"I had terrible culture shock," she says. "I had never been to India before."

The American ambassador's residence didn't help. "You've seen the Kennedy Center, so you've seen the embassy," she says. "You open the front door and it's like the hall of flags. The first thing I did was put up a badminton net and a Ping-Pong table and let John's friends play there." The architect of the building had in fact designed the Kennedy Center—Edward Durrell Stone, whom some critics call the master of mediocrity.

The house also came with the usual barrage of servants, common to the homes of foreigners in India. "I hated it," she says. How many were there? "Let's see," she says. "One, two, three, four, five, six, seven, eight in the house, then the watchman, the *malis* [gardeners], oh, God, there were about six of them. And the electrician. That huge space had to be air-conditioned. He was there all the time."

She describes life among the diplomatic corps as "incestuous." "They entertain each other. For the most part they were senior career people, they'd met all the people they'd wanted to meet, and what they really cared about was their retirement home, had they bought all the things for it, and had they shipped them yet."

So Liz Moynihan avoided the parties and began studying her gardens, traveling all over the subcontinent. Diplomatic eyebrows were raised. "We'd been there almost a year," she says, "when Mrs. Gandhi had a reception, a garden party. It was for ambassadors' wives and their children. It was very

pleasant, and she had a little gift for each child. And she said something very odd to me. She said, "You're doing the right thing not going to those parties—don't you worry about their complaints.' Well, that was the first I'd heard of those complaints. She knew all the gossip."

The final straw of diplomatic Life came after Liz Moynihan was well into the 100 calls on ambassadors wives that she was expected to make. "I made 60," she says. "You don't know what I've done for my country." One day she paid a visit to the wife of a South American country's ambassador, who proudly brought out her collection of wigs that she kept on fake heads. At one point, she plopped one of the heads right in Liz Moynihan's lap.

"That was the last call," she says.

SUNSET

Now it's evening, and Liz Moynihan, never one to miss a moment of drama, decides that at the end of her last day in the garden she will read aloud from the Babur-Nama at sunset. She walks up to a ridge that overlooks the garden, opens the well-worn book and begins. The sun is a deep orange on the horizon, and the air is silent and cool.

A village man, barefoot and wrapped in a plaid blanket, sidles up to her, sits down, then looks at her with a mixture of puzzlement and intensity, as if trying to understand a difficult lecture. He understands Hindi, not English, but he listens to every word.

At the end, she's sad. "Well, that's it," she says, sighing as she closes Babur's journal. "Hell of a guy."

Mr. BYRD. Mr. President, I yield 1 minute to my distinguished friend [Mr. CRANSTON].

Mr. CRANSTON. I thank my friend.

SENATE EXPRESSES SERIOUS RESERVATIONS ABOUT ANY NEW ARMS SALES TO SAUDI ARABIA

Mr. CRANSTON. Mr. President, recently, a strong majority of my Senate colleagues joined me in an effort to convey our deep concern about proposals to send Saudi Arabia a new package of sophisticated weaponry. Indeed, within a matter of hours, I was able to enlist the bipartisan support of a total of 63 Senators on a letter to President Reagan making clear our serious reservations against any such sale.

Subsequently, the administration deferred consideration of Saudi Arabias request, and no arms sale offer was made to King Fahd during his recent visit to Washington.

But I remain concerned that the administration may once again move toward granting the Saudi request, which is reported to include another 40 F-15 aircraft—in addition to the 62 F-15's they already have—3,000 Sidewinder AIM 9-L and AIM 9-P air-to-air missiles, Maverick antitank missiles, multiple ejection bomb racks, range-extending fuel tanks, and perhaps even more AWACS aircraft. Such a package would equal in magnitude the 1982 AWACS package, the largest single U.S. arms transfer in history.

In 1982, President Reagan assured Congress that future arms deliveries to Saudi Arabia would take place only if "initiatives toward the peaceful resolution of disputes in the region have either been successfully completed or that significant progress toward that goal has been accomplished with the substantial assistance of Saudi Arabia." Clearly, neither of these conditions has been met. And clearly, Saudi Arabia is continuing to play a role in thwarting American peace efforts, through its ongoing bankrolling of the PLO and Syria, through its continued refusal to recognize Israel's right to exist, through its continued efforts to punish Egypt for signing the Camp David treaties, and through its continued efforts to strangle Israel economically through the Arab boycott.

Furthermore, there are serious questions regarding the Saudis need for such a new arms package, given the diminishing threat facing the Saudis from Irans crippled forces—which the Saudis already have the ability to overwhelm.

Such a sale would be certain to initiate a new cycle of costly and destabilizing arms purchases throughout the volatile Middle East, fueling a regional arms race which further erodes the technological edge and both the economic and military security of Israel.

It is for these reasons and more than a strong majority of the Senate has gone on record with serious reservations against such a sale. I trust that the Reagan administration will take these serious reservations into account in any subsequent conversations they may have with Saudi leaders about arms sales. We need much more constructive action from Saudi Arabia to support American peace efforts and to end the Saudis state of war with Israel before Congress will look favorably upon new Saudi requests.

I ask unanimous consent that the full text of the letter to the President on this issue, signed by 63 Senators, appear in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, January 29, 1985.

DEAR MR. PRESIDENT: We are writing to express our deep concern about reports of an imminent Administration decision to sell Saudi Arabia significant additional military weaponry.

We have serious reservations about the wisdom of such a sale at this time.

Therefore, we respectfully request that prior to making any decision or commitment on such a sale, you undertake thorough consultations with the leadership and appropriate committees of the Congress.

Sincerely,

Senators Cranston, Andrews, Baucus, Bentsen, Biden, Bingaman, Boren, Boschwitz, Bradley, Bumpers, Burdick, Chiles, Cohen, DeConcini, Dodd, Hawkins, Packwood, Durenberger, Exon, Ford, Gore, Gorton, Grassley, Harkin, Hart, Hatch, Hecht, Heinz, Hollings, Inouye, Johnston, Dixon, Kasten, Kennedy, Kerry, Lautenberg, Leahy, Levin, Long, Matsunaga, McConnell, Melcher, Metzenbaum, Mitchell, Moynihan, Murkowski, D'Amato, Pell, Pressler, Proxmire, Pryor, Quayle, Rockefeller, Riegle, Sarbanes, Sasser, Simon, Specter, Trible, Weicker, Wilson, Danforth, and Symms.

Mr. BYRD. Mr. President, I yield the remainder of my time to Mr. BOREN for his control.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

THE FARM CRISIS

Mr. BOREN. Mr. President, I thank my distinguished colleague and Democratic leader for yielding to me his time.

I heard the expressions on the schedule offered earlier by the distinguished majority leader. I say I hope also that we shall be able to proceed with business as planned this week; but I think, in all conscience, whether or not we are able to proceed as planned with business as usual will depend upon whether or not we are able to reach an agreement to schedule for speedy action on the Senate floor an effective farm crisis package that will avert the disaster that is looming across the heartland of America, in agricultural communities across this country.

Just during this recess, I held five regional hearings in my home State of Oklahoma to discuss the present crisis in agriculture. At the hearing which I conducted in Oklahoma City, which was an official Senate agriculture hearing, representatives from the Oklahoma Bankers' Association and the Community Bankers' Association testified. They estimated that 13 to 15 percent of Oklahoma's farmers and ranchers would be forced out of business this year unless the existing debt could somehow be restructured.

Mr. President, these figures are not representative only of Oklahoma; they are representative of the entire heartland of America. If we should allow that many farm units to collapse in 1 year, it could well have a domino effect not just on the agricultural sector of this country but on the financial institutions and the small businesses from coast to coast. It is an effect that will be felt in our Nation's largest cities before it ceases to reverberate, and its impact is far from certain, but it is undoubtedly of very serious magnitude.

So, Mr. President, I only say that the Senator from Nebraska [Mr. EXON] and I have previously notified the majority leader that we hope to be able to have assurance from him that action on an effective agricultural credit package will be scheduled very

soon. We simply cannot wait. We do not have 6 months, we do not have even 3 months. We need action, in my opinion, in the next few days by the entire Congress to avert disaster. Therefore, we are prepared to use those parliamentary tools available to us to focus the attention of our colleagues on the disaster that is looming in the agricultural sector of our economy.

I hope that negotiations will be successful with the majority leader and others that will allow us to proceed in a timely fashion. If such an agreement can be reached, it is not our intention to delay action on other matters, but we cannot, in conscience, allow other matters to go forward until we know that action has been scheduled very soon on an emergency package for agriculture.

Mr. President, at this time, I yield as much time as he needs to my distinguished colleague from Nebraska [Mr. EXON].

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I thank my friend and colleague from Oklahoma. I endorse everything he has just said. There is a strong feeling on both sides of the aisle today that we have a dual crisis in agriculture. The first is the short line or the short track. The next 45 days is especially critical. Unless we can do more here in Congress in cooperation—and I emphasize the word "cooperation"—with the administration, then somewhere between 5 and 20 percent, at least, of our farmers are not going to get a crop in the ground in 1985.

This is not a Democratic problem, it is not a Republican problem, it is a national one and will require the dedication of all of us to do something about it. The other, longer, track on this dual track is the longer term problem in agriculture that we shall also be addressing this year in the 1985 farm bill. But first things first. It is the short track that is of critical importance to the soundness of our food-producing plants in America.

Mr. President, we shall be hearing a lot about this in the next few hours and in the next few days. If nothing else takes place in the U.S. Senate, I think it is fundamental that we come to an agreement, a bipartisan agreement, if you will, to do something about this problem rather than just laying it aside.

There are those of us on this side of the aisle—and there are a number on that side of the aisle—who are going to insist that we have some kind of an arrangement to fast track this short line approach to get something done and get it done fast. For the most part, the laws are presently on the books for the administration to do 90 percent of what we think it should do. Therefore, some of the legislation we will be introducing will be in a form to draw attention in the Senate and the House of Representatives to what can be done that without additional legislation.

What we are doing then is seeking some bargaining chips, with which we are going to seek cooperation and understanding so that the Senate might move ahead to do its work on a measure that we would all like.

Failing that, I must emphasize once again that we are not about to take a backseat to any item that might be brought forth on the floor of the Senate.

ORDER OF PROCEDURE

The PRESIDING OFFICER. The time allowed the Democratic leader has expired.

Mr. EXON. Mr. President, I ask unanimous consent that the time I and others need be charged to the 15 minutes that has been allotted previously to the Senator from Oklahoma.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. PRYOR. Mr. President, will the Senator yield?

Mr. EXON. I yield to Senator BOREN, who has control of the time.

RECOGNITION OF SENATOR BOREN

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. BOREN. Mr. President, parliamentary inquiry. Are we now on the 15 minutes of my special order?

The PRESIDING OFFICER. That is correct.

Mr. BOREN. Can we proceed at this point in time? Is that in order?

Mr. DOLE. Mr. President, in what order are the special orders?

The PRESIDING OFFICER. The original order was for the Senator from Pennsylvania to be next but by unanimous consent that was changed.

Mr. BOREN. I thank the Chair.

Mr. PROXMIRE. Mr. President, will the Senator yield? It is my understanding that the Senator from Pennsylvania was first, the Senator from Wisconsin was second, and the Senator from Oklahoma was third. Now we have it reversed.

Mr. BOREN. Mr. President, I understand there was unanimous consent just agreed to that would allow us to proceed with the 15 minutes at this time so that it would flow uninterrupted with the leadership time; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. BOREN. I thank the Chair.

Mr. CRANSTON. Will the Senator yield?

Mr. BOREN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 13 minutes.

Mr. BOREN. I yield 1 minute to the Senator from California.

THE FARM CRISIS

Mr. CRANSTON. I thank the Senator from Oklahoma and the Senator from Nebraska for the leadership they are providing the troubled farmers of America. I associate myself with their effort.

Mr. President, it is generally felt that the farm problem is mainly one in the heartland of the country. However, that is not the case. There are many farmers in California who are in desperate straits. Basically, these farmers are not in trouble because of their failings or faults but because of Government policies that have put them into a desperate situation.

I am eager to work with other Senators to find a solution to the problem to the best of our abilities. I believe we can and must give great focus to this problem at this time because the situation is desperate.

Mr. BOREN. Mr. President, I yield 1 minute to the Senator from Arkansas [Mr. PRYOR].

Mr. PRYOR. Mr. President, I thank my friend from Oklahoma for yielding. I would like to make a point or two about the agricultural situation.

Mr. President, last week Newsweek magazine had a cover picture of an American farmer, and the caption under that picture, Mr. President, was "The Angry Farmer." Over the last week, I visited with some 3,000 to 4,000 farmers in the State of Arkansas.

I must say that I did not find angry farmers, Mr. President. I found bewildered farmers; I found frustrated farmers, farmers who recognize that they have today become an economic prisoner of an agricultural policy—a national policy—that has given them a death row sentence. And, they are sitting on death row, Mr. President, just as certainly as we are standing in this Senate this afternoon. The agricultural credit crisis must be solved. It must be given top priority in the business of this Senate or we are going to see the very foundation, the very social and economic fabric of this country, come unglued. It will have a ripple effect throughout our entire economic structure that could be devastating to our great country. We simply must act on the farm crisis now, not at some point in the future.

Mr. President, I yield back the remainder of my time.

Mr. BOREN. Mr. President, I yield 1 minute to the Senator from Tennessee [Mr. SASSER].

Mr. SASSER. Mr. President, I thank the Senator from Oklahoma. I applaud his action and that of the Senator from Nebraska in bringing this

matter to the attention of the Senate today. I am delighted to see my junior colleague on the floor. I suspect that he will bear out my observations.

I have talked to a great many farmers in my State during the past few months. My visits with them indicate that they are facing the worst economic crisis since the dark days of the depression in the early 1930's.

Make no mistake about it, Mr. President, there is a short-term credit crisis down on the farm, and unless we act and act quickly, in conjunction with this administration, we are going to lose 20 to 30 percent of the farmers in my State because they do not have the funds to put their crops in the ground this spring.

I say to you, Mr. President, it is not the fault of these farmers. It is not bad mangement on their part. It is the result of overwhelming Federal deficits that have skyrocketed the value of the American dollar in the international currency market. American farm products today cannot compete abroad. Land prices are declining as much as 40 percent in some Midwestern States—as much as 20 percent in 1 year.

I submit, Mr. President, that unless we deal very shortly—I am talking about in a matter of days and certainly weeks—with this short-term farm credit crisis, we are going to give a death blow to literally thousands of family farmers across this country.

For that reason, I want to associate myself with the remarks of the Senator from Oklahoma and the Senator from Nebraska.

Mr. BOREN. I thank the Senator from Tennessee.

Mr. President, I yield 1 minute to the Senator from Montana [Mr. MELCHER].

Mr. MELCHER. I thank my friend for yielding on this very important subject.

Mr. President, in refusing to grant the necessary farm credit to abate the agricultural emergency credit crunch that we are in right now, President Reagan is dead wrong.

After getting an overwhelming percentage of the votes from agriculture and agribusiness and from their bankers last fall, President Reagan now has a strategy that advocates a "market-oriented policy" and an "orderly transition."

In effect, what this means is that commodity prices for farmers should be even lower than they are now and there should be an "orderly transition" of farmers going broke and out of business.

What I advocate is akin to what the Independent Bankers Association have endorsed, and that is to use their existing lending process for their borrowers and provide emergency credit by reducing the interest rates and longer terms for the loans. Agricultural loans would become federally guaranteed loans. They are not necessarily very costly to the Federal Government. A virtually small amount results in losses—a very small amount compared to other Government expenditures.

What we are attempting to do is to save these farmers and ranchers from going broke and to save agribusiness and their lenders from disaster.

The program we advocate would also apply to Production Credit Association borrowers whose loans are in distress.

The guaranteed loans at reduced interest rates over a longer period of time for repayment will provide a chance to save agricultural producers. To implement this program I and others are joining Senator ZORINSKY in a bill he is introducing today.

The cost to the Government can be met without exceeding in outlays the Department of Agriculture average outlays for the past 2 years. It is not a budget busting proposal.

It is absolutely vital.

Mr. BOREN. I thank the Senator from Montana.

Mr. President, I yield 1 minute to the Senator from Michigan [Mr. LEVIN].

Mr. LEVIN. I thank the Senator.

Mr. President, I commend the Senator from Oklahoma and the Senator from Nebraska for the leadership they are providing on this issue.

Let me make a prediction. They will receive a great deal of support from Senators in the so-called industrial States because we have a large number of farm families. Indeed, in my State there are more farm families than in the State of Nebraska, South Dakota, and Oklahoma. They will receive support from us because we represent consumers who will end up paying much more for food if we lose 5 percent to 30 percent of our farms.

I hope that the majority leader, who I know has been listening to this discussion this afternoon, is going to agree to a schedule, as the Senator from Oklahoma asks, for some legislation addressing the crisis in America.

David Stockman may say that if you lose 5 percent to 30 percent of the farms, this is a dynamic economy at work. I say it is a sick agricultural economy at work if that happens. We cannot allow it to happen. We have to pierce the protective armor that has surrounded this President on this matter. He has to hear the story as I heard it last week in Michigan, South Dakota, and Nebraska, where I spent a week listening to this plight.

I am convinced that the Senate must and will act promptly on this crisis.

Mr. BOREN. I thank the Senator from Michigan.

Mr. President, I think it is clear from the voices we have heard—and if there were time, we could hear from twice as many—that there is determination on this floor that, if necessary, we will bring other business to a halt until we focus on the dire situation we are now confronting in agriculture.

I yield 1 minute to the junior Senator from Tennessee.

Mr. GORE. Mr. President, I commend the Senator from Oklahoma and the Senator from Nebraska for their leadership in this effort. I want them to know that I join them.

During the past 10 days, I have had some 25 to 30 town hall meetings in Tennessee; and, like my senior colleague from Tennessee, who spoke a moment ago, I find signs of a real disaster for the farm economy in Tennessee. It has been building for quite some time, of course, but the time for us to respond is now.

The President's spokesman on budget and economic policy, Mr. Stockman, was quoted as saying last week something to the effect that saving small farmers is not worth the effort. Mr. President, the farmers in Tennessee and elsewhere in this country did not ask for deficits in the $200 billion range which are pushing the dollar's value all out of proportion to its worth and are making their products difficult to sell overseas.

The nomination of Mr. Meese may take an extremely long time if we do not get some response to the great needs of the farmers in this country.

Mr. BOREN. I thank the Senator from Tennessee.

Mr. President, I yield to the Senator from Illinois [Mr. SIMON].

Mr. SIMON. I thank my colleague from Oklahoma, and I applaud his leadership and that of the Senator from Nebraska [Mr. EXON] in this matter.

It is grim out there for the farmers. I see my friends from Iowa, Kansas, and other States. It is grim everywhere.

Some people say to me, "What is the difference? We let the local hardware store go down. Why do we help the farmers?"

The difference is between the small bank and Continental, between the hardware store and Chrysler. We could not let Chrysler go down because of its national implications. We could not let Continental go down because of its national implications. We cannot let one-fifth or one-sixth of the farmers of this country go down the drain without having massive economic dislocation.

So we have to move on this matter, and I hope we will do so in this session and move quickly.

Mr. BOREN. I thank the Senator for his thoughtful remarks.

Mr. President, I yield 1 minute to the Senator from Arkansas [Mr. BUMPERS].

Mr. BUMPERS. Mr. President, in my State alone there are thousands of Farmers Home Administration appli-

cations pending. They could not begin to process all the applications until long past planting time.

I cannot believe that the President of the United States really believes or endorses what either David Stockman or John Block have said. I further believe that if we can pass a bill in the next 2 or 3 days and send it to the President, he will be more than happy to sign it.

Since I have been in the Senate, we have bailed out Continental Illinois and Chrysler Motors. We have appropriated money to the International Monetary Fund because they owed $600 billion to American banks which they could not pay.

The cost of what we want to do here now is minimal compared to any of those. I voted to bail out New York City, and I can tell you that in the State of Arkansas that was not the most popular vote I ever cast, but I thought it was important.

Mr. President, I will not belabor the matter. I echo what has already been said. I commend my colleagues.

Condemning David Stockman or John Block or the President of the United States is not our purpose. Our purpose is to try to save the 7 percent to 13 percent of farmers who will not be able to stay in farming this year unless we do something fast.

I promise you one thing: If we let the farmers go down the tube, whatever the budget savings are this year, the losses down the pike will be a hundred times that much.

I thank Senator BOREN and Senator EXON for their efforts and for yielding to me.

Mr. BOREN. I thank the Senator from Arkansas.

I thank the distinguished minority leader for yielding time to me.

Mr. President, this is a concern that is felt not only on this side of the aisle. I have talked with my colleagues on the other side of the aisle as well, and I know that many of them share that concern. Many are from farm States and have agricultural communities, and we will be discussing this matter again this afternoon. We look forward to meeting with the distinguished majority leader very shortly.

We have no choice. It is not a matter of delaying action. I have already made clear that my position in the parliamentary situation is not based upon my own personal view of the nomination that will be pending shortly. I am not bringing up this matter in opposition to that nominee or any other piece of legislation. I simply feel that it is imperative that we act before it is too late.

We realized that there was a crisis when we had the Continental Bank matter. We were dealing with $5 billion or $6 billion. We have talked about the catastrophe that would occur if there were default on five or six key Latin American loans.

Those loans total about $50 billion to $60 billion.

We are dealing here with $220 billion worth of credit that cannot at this time be financed in the agricultural sector of this country.

Mr. President, I only conclude by asking if when 1.5 percent of our farm units were forced on the market last year it caused a 10-percent decline in the market value of land, what will happen in this country if 13 to 15 percent of the farm units of this country are forced onto the market within a period of time perhaps as short as the next 6 months? What impact will it have on the rest of this economy?

There was a saying in the 1930's that the depression of that time was farm led and farm fed, that it began with the collapse of land unit of value, of land unit of value not only to agriculture but to the rest of the economy.

Mr. President, no matter what I or anyone else might wish, we simply cannot afford to wait, and that is the message that we have tried to deliver on the floor of the Senate today. We cannot wait. In conscience we cannot be a party to waiting to take action on this serious matter.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

EXTENSION OF MORNING BUSINESS

Mr. DOLE. Mr. President, I ask unanimous consent that the morning business time today be extended to 3:30 p.m. under the same terms and conditions.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Pennsylvania is recognized.

Mr. SPECTER. I thank the Chair.

Mr. President, I have been asked by the distinguished minority leader to have 2 minutes of my time, which I hereby yield.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Pennsylvania.

AMERICAN FARMER CREDIT CRISIS

Mr. BYRD. Mr. President, I wish to express my concern over the credit crisis facing American farmers. It is a crisis that affects not only farmers and their families, but also the banks that have loaned money to those farmers and the economic future of thousands of farm communities across the Nation.

We should not turn our backs on the crisis situation that now prevails. I hope that the administration will respond and support the efforts of those Senators here who are speaking out today, who are attempting to deal with this problem and to resolve it quickly before it ends in disaster for so many farm families across this country.

Mr. President, I ask unanimous consent that the time I consumed not be charged against my friend's time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Pennsylvania.

S. 464—RELATING TO THE SALE OF CONRAIL

Mr. SPECTER. Mr. President, I am today introducing two bills dealing with the sale of Conrail, and I do so at the first available moment on the Senate floor after the proposal by the Secretary of Transportation, Elizabeth Dole, to sell Conrail to Norfolk Southern.

Mr. President, I have been concerned about the sale of Conrail since last June when proposals were made by three private bidders. My first concern arose in connecting with potential harmful consequences to my own State, the Commonwealth of Pennsylvania. During the course of my studies, and further review, I have became very much concerned about the proposed sale of Conrail in terms of the very serious, if not disastrous, consequences which will result for the entire Nation.

It is for that reason that I am today introducing these two bills. The first bill blocks the proposed sale of Conrail to Norfolk Southern. The second bill proposes that in the event that a sale of Conrail is deemed advisable, it proceed by public stock offering, and not by private sale.

Mr. President, I come to the views which I hold as a result of extensive consultation with labor and business, both within Pennsylvania and outside of my State, and after consultation with the Secretary of Transportation, Elizabeth Dole.

In addition to those meetings, I have studied voluminous documents, and I have participated in six hearings. Three hearings were held in Pennsylvania late last year—October in Harrisburg, in December in Philadelphia, and in January in Pittsburgh. Then, along with Senator Dixon of Illinois, my cochair on the Northeast-Midwest Senate Coalition, hearings were held in Washington this year in January and February. I held the sixth hearing yesterday, and again in Pittsburgh. As a result of those hearings, I am convinced that it would be strongly contrary to the national interest to proceed with the proposed sale of Conrail to Norfolk Southern.

The best starting point on this issue is to deal with an article published by the distinguished Secretary of Transportation, Elizabeth Dole, in the New

York Times the day before yesterday, Sunday, February 17.

I applaud Secretary Dole on her sincerity. But I must disagree with her both on her analysis of the facts, and on her conclusions as to what is best for the United States.

In the New York Times article Secretary Dole refers to a review of the Norfolk Southern by the Department of Justice, and she concludes that there will be preservation of competition in the region now served by Conrail.

My analysis of the facts convinces me that exactly the contrary is the case.

Today these two carriers, Conrail and Norfolk Southern, compete and have over 1,200 miles of parallel trackage throughout their systems.

The proposed sale would combine the current 18,000 miles of Norfolk Southern with 15,000 miles of Conrail and would have a very serious anticompetitive impact on the entire Nation.

The magnitude of the threat to competition is apparent when one considers that the combined rail system would have approximately 60 percent of the rail market in Michigan, 95 percent of the market in northeast Indiana, 70 percent of the southern Michigan steel traffic, 85 percent of the Cleveland grain traffic, and 94 percent of the eastbound New England-New York-Texas corridor rail traffic.

In fact, the Department of Justice itself in its January 29 report noted that the merger of Norfolk Southern and Conrail will have a "very serious anticompetitive effect."

It is apparent on the face of the Justice Department letter that Justice was straining to find some way to approve what the Secretary of Transportation wanted to accomplish. The final arbiter on the use of compliance with the antitrust laws, however, is obviously not the Department of Justice, but the courts. I submit that lawsuits which have already been promised by the Chessie Railroad at hearings held by the Northeast-Midwest coalition, will result in a round of litigation that will last a decade. The eventual conclusion will be to ban this proposed sale of Conrail to Norfolk Southern on the ground that it would violate the antitrust laws.

The Department of Justice further outlined the fact that there would be anticompetitive effects in 100 markets, and in 21 States. The Justice considerations ignored the impact on the area east of Buffalo, Harrisburg, and Philadelphia, and further ignored the antitrust problem which would be magnified by the consequences of abandonment of lines by the CSX Corp. On the basis of the existing facts, there is, therefore, no question about a violation of the antitrust laws.

The second point that Secretary Dole makes is one relating, as she points out in this New York Times article, to the best way to preserve service to Conrail shippers.

The conclusive evidence presented at the hearings which I have referred to discloses that there would be an adverse impact on shippers throughout the area served by Conrail within the Northeast-Midwest region.

Testimony, for example, by John Westhouse, the director of traffic for National Steel, disclosed that in 12 markets in which National Steel now ships where competition presently exists between Conrail and Norfolk Southern, such competition would be obliterated, thus raising prices for National Steel.

Similar testimony was given by Robert Corcoran, director of traffic for the United States Steel Corp.

I suggest, Mr. President, that it would be very harmful to add to the substantial costs which the American steel industry has already sustained in its battle to compete with foreign imports.

Testimony by many other shippers, including PPG, Fort Pitt Consolidators, and Consolidation Coal, disclosed that they now benefit from the competition of Conrail and Norfolk Southern, and that such petition would be eliminated by the proposed merger.

Throughout the corridor presently served by Conrail, such disastrous effects upon shippers, especially small shippers, would result, thereby adding to the cost of goods sold, impacting upon consumers, and causing a very severe inflationary impact.

The next issue involves the assertion by Secretary Dole that the "public should gain the best possible return on its investment" by a sale of Conrail to Norfolk Southern.

Mr. President, a return to the taxpayers of $1.2 billion for 85 percent of the stock of Conrail is a very small price considering the following facts. First, the taxpayers have expended $7 billion on Conrail. Second, the book value of Conrail is in excess of $4 billion at the present time. We have yet not had an itemization of the assets of Conrail, notwithstanding my request to Secretary Dole which has been pending since August of 1984. At the present time, Conrail has $1.050 billion in cash—some $850 million in a cash reserve, and $200 million in excess funding for the pension plan which is really cash available to Conrail.

On the basis of these undisputed facts, Mr. President, I suggest that $1.2 billion for 85 percent of the stock is a grossly low price to be received by the taxpayers of the United States and the U.S. Government and that, in any event, such a low price should preclude any sale at this time. The bidding may be reopened and bids at a later date should not be hard to obtain, considering the fact that Conrail is currently earning profits of $500 million a year. Even without the tax breaks which Conrail presently receives as a governmental entity it would earn in the range of $230 million a year.

Secretary Dole further asserts in her New York Times article that the Conrail employees deserve to know what they futures hold. This assertion suggests that Conrail employees would be protected by the proposed sale to Norfolk Southern. The contrary is the fact. Norfolk Southern, in a press conference held last week, conceded that at least 2,500 employees would lose their jobs, and the estimates are that many times that number would in fact lose their employment.

The Secretary of Transportation further asserts that Conrail's Philadelphia offices would be maintained. Such an assertion seems fine, but there is no specification of the time period, and it is obviously inevitable that Norfolk Southern headquartered in Norfolk, VA, would abandon the Philadelphia, PA, offices.

One factor not considered by the Secretary of Transportation is of enormous importance to this Nation, and that is the competition offered by the port of Philadelphia to the port of Norfolk. If Norfolk Southern acquires Conrail, it will be only a short time before rail traffic will be diverted from the port of Philadelphia—notwithstanding the enormous investments made in that port to handle coal, and notwithstanding the absence of competitive benefits which run to the shippers now able to choose between ports through which to send their coal and their other products.

I do agree with one assertion in Secretary Dole's article, and that is the statement that an acquisition by Norfolk Southern would provide long-term stability for the Conrail system. Mr. President, I submit that the best way to provide maximum stability for the rail system in this country is to have one rail owner. But that is hardly the preferable course for this country, which thrives on competition. Further, it is too high a price to pay for stability to eliminate the competition which now benefits so many shippers throughout the areas now served by Conrail.

Mr. President, as to the issue of price, persuasive testimony has been adduced by investment bankers at Morgan Stanley that a public sale would yield $300 to $400 million more than the $1.2 billion offered by Norfolk Southern. On the basis of this record, it is my conclusion that the national interest would be best served by not selling Conrail at all at this time.

I do agree as a matter of philosophy that it is desirable ultimately to return

Conrail to the private sector because, over the long term, a Government-held railroad should not exist and compete with private railroads. But on its face, given the sale price of $1.2 billion—which is totally inadequate according to the facts at hand—no sale would be the best alternative at the present time. If that fails, Mr. President, then I urge that the best alternative, considering the necessity for a sale, would be a public offering which would return the stock of Conrail to the American people and would, according to a very reliable estimate, yield $300 to $400 million more than the price is being offered by Norfolk Southern.

Mr. President, I make this statement today at some length because I think it is vitally necessary that the Senate of the United States focus on this issue at this time. Some suggestion has been made about folding the Conrail sale into the budget resolution, which I strongly oppose. But this matter will soon be before this body on one day or another. These facts are matters of great importance which far transcend the cataclysmic consequences to the State of Pennsylvania in terms of the loss of corporate headquarters, the loss of the repair yards in Hollidaysburg near Altoona and the impact on some 15,000 employees and 2,300 shippers. It is not in the national interest to sell Conrail to Norfolk Southern.

Mr. President, I ask unanimous consent that the text of the two bills that I am introducing today be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 464

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds that—

(1) the United States has invested more than $7,000,000,000 in the Consolidated Rail Corporation since April 1, 1976;

(2) the Consolidated Rail Corporation generated over $500,000,000 in profits in 1984;

(3) the Consolidated Rail Corporation has a book value in excess of $4,000,000,000;

(4) the Consolidated Rail Corporation has cash assets in excess of $1,000,000,000; and

(5) the United States Railway Association has determined that the Consolidated Rail Corporation is a profitable carrier as defined in section 403(a)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 763(a)(2)).

SEC. 2. (a) Notwithstanding any provision of law, the Secretary of Transportation may not enter into any agreement with the Norfolk Southern Corporation for the sale of the Consolidated Rail Corporation.

(b) Notwithstanding any provision of law, any proposed agreement between the Secretary of Transportation and the Norfolk Southern Corporation for the sale of the Consolidated Rail Corporation, existing before or on the date of enactment of this Act, is hereby declared null and void.

S. 465

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled, That the Congress finds that—

(1) the United States has invested more than $7,000,000,000 in the Consolidated Rail Corporation since April 1, 1976;

(2) the Consolidated Rail Corporation generated over $500,000,000 in profits in 1984;

(3) the Consolidated Rail Corporation has a book value in excess of $4,000,000,000;

(4) the Consolidated Rail Corporation has cash assets in excess of $1,000,000,000; and

(5) the United States Railway Association has determined that the Consolidated Rail Corporation is a profitable carrier as defined in section 403(a)(2) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 763(a)(2)).

SEC. 2. (a) Notwithstanding any provision of law, any disposition of the government's interest in the Consolidated Rail Corporation shall proceed by public stock offering, and not by private sale.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. The Senator from Wisconsin.

HOW TO CUT THE DEFICIT BY $75 BILLION IN 1986

Mr. PROXMIRE. Mr. President, in the past few weeks there has been an increasing sentiment in the country and in the Congress to take some of the hard, tough steps necessary to begin to reduce the immense Federal deficit. Republican Senators, lead by Majority Leader ROBERT DOLE, Budget Chairman PETE DOMENICI and others have begun to put together a combination of spending restrictions that obviously take political courage to propose and I think they have great merit. Their general idea is that if we can hold spending in 1986 at the same level as it will be in 1985, the growth of the economy, which is estimated to raise about $55 billion in additional revenue in 1986 compared to 1985, will sharply cut the deficit. So the roughly $220 billion estimated deficit of 1985 would decline. But by how much? It would not decline by $55 billion. Why not? Because at least one major expenditure cannot be reduced by congressional fiat—that is the increase of about $12 billion in interest on the national debt now estimated for 1986.

There is one other major expenditure that will surely rise in 1986—defense outlays. This splits the White House from the Congress. At best the Congress can expect to hold the increase in military spending down to a "real"—that is after inflation—level of 3 percent. That would mean an increase in actual dollars of 7.2 percent or about $18 billion.

All this would mean that if the Republican Senators should succeed in freezing all other expenditures in 1986, including politically explosive Social Security benefits, the spending in 1986 would rise by $30 billion. If revenues were to rise by $55 billion, the deficit would fall by $25 billion. That would bring the 1986 deficit down from about $220 billion to $195 billion. What is wrong with that? Plenty. The 1986 deficit would be distinctly worse than the 1984 deficit of $175 billion. Such a reduction in the deficit is far too little. It's specially too little for another reason. The denial of a cost-of-living increase to Social Security recipients would come at a time when the Social Security trust fund will be showing a sharply growing surplus and the military will be enjoying an $18 billion increase. Many of the retired elderly would protest and with reason.

The Republican majority in the Senate can and will do better than this. They have not disclosed the details. But they will not simply propose a freeze in nonmilitary programs. They will propose to cut some agencies' budgets sharply. They would eliminate others entirely. The administration has set the pace with a long list of Federal Government functions they would terminate at the end of the current fiscal year. The administration would abolish the Small Business Administration, the Job Corps, revenue sharing, the Work Incentive Program, urban development ACTION grants, operating subsidies for public transportation, legal services, virtually all publicly assisted housing programs, the Community Action Agency, and others. In addition the administration would not simply freeze other programs at the 1985 level. It would reduce the level of spending in these agencies in some cases to a sharply lower level. Farm price supports, foreign aid, educational assistance and many others would suffer actual reductions in funding. Republican Senators would not go as far in this respect as the President. Almost no one would give the President much of a chance of getting these reductions. They may be wrong. Here is why: The President can get virtually all of these reductions if he is willing to use his veto early and often, and go the country to appeal for support for his crusade to hold down spending. All he needs to hold down spending anywhere is his veto and one-third plus one of the House or the Senate. If he goes for it, he will get it.

Is it possible the President could achieve his aim of actually cutting the deficit by $44 billion and get the deficit level down to $180 billion in 1986? Yes, and then some. That is not only possible. The President can do better than this. How? Listen: the Congress can cut the President's military program by at least $18 billion below what he has requested by holding the increase to 3 percent in real terms—7.2 percent in nominal terms. It can cut

his foreign aid program by $2 or $3 billion and his requests for NASA—that is, for the Space Program—by $1 billion or so. If the President wields his veto vigorously, and the Congress gives the President less than he asks in military spending, space and foreign aid requests, and if the Congress resists all supplementals, the deficit reduction could go to $60 billion and the level of spending overall for the Federal Government, including both military spending and interest on the national debt in 1986, could actually fall below the spending level in 1985. It could do so without any cuts in Social Security cost-of-living adjustments.

And that is not all. If the President stood by his guns on "no tax increase," he could still raise revenues by at least $15 billion by calling for a minimum tax of 15 percent or so on the net income of corporations and individuals with very substantial net incomes—say $100,000 in the case of individuals and $1,000,000 in the case of corporations which pay little or no income taxes. We know. I document it again and again; that is, the fact some of the leading corporations in this country make billions of dollars in net income a year and pay nothing in income taxes. General Dynamics, for instance, has paid no income taxes since 1972, our No. 1 defense contractor.

The minimum tax would have to be absolutely without exception or exemption. Present minimum taxes are a joke. This proposal would not touch the taxes paid by 99 percent-plus of the people in this country. It would simply require that high income individuals and corporations pay a minimum, a small part of their net income. In the case of individuals, it would be less than a third of what the top tax bracket would require. In the case of corporations, that 15 percent would be far less than the 46 percent top rate.

Put all together this kind of a program would cut spending by $60 billion. It would raise revenues by $15 billion. It would cut the deficit by $75 billion in a single year, and provide the clearest kind of signal that the Congress and the administration really mean business about getting these grossly irresponsible deficits off the back of future Americans.

STAR WARS QUIET AND NASTY LITTLE BROTHER

Mr. PROXMIRE. Mr. President, on another subject, on Valentine's Day, February 14, the New York Times handed the Congress a from-the-heart Valentine—a gift we should honor and cherish, and a first-class, logical editorial that every Member of the Congress should read. It pleaded for an end to the President's proposal to spend endless sums on the star wars antimissile defense. It did so by calling attention to star wars' tiny, quiet, little mouse of a brother. He is the type who does not say much but he has one terrible future. If we do fund star wars, little brother designed to penetrate Russian antimissile defense is going to blow big brother star wars and all its trillion dollars out of sight some day.

The President has asked the Congress this year to appropriate $3.7 billion for star wars research. That sum will double and triple to a total of $25 billion in total in the next 2 or 3 years until it explodes to $1 trillion a little later. Keep in mind that $1 trillion is $1,000 billion. If you like our present deficits, you will adore star wars. As the President might put it: "Baby you ain't seen nothing yet."

That is the big boy. On a smaller scale, the quiet, little mouse of a brother—otherwise know as the advanced strategic missile system—will call for only $174 million in appropriations this year for the 1986 budget. This is about 5 percent or one-twentieth, of the spending for star wars.

The New York Times says that the relative appropriation size—20 times as much for defense to offset the quiet, little brother offense—is about the difference in the proportions we can expect to spend to defend against the Russian offensive missiles and to penetrate Russia's defensive missiles. The Russians can, of course, do the same thing. Any doubt that they will?

Now for anyone who has gone past the fourth grade in school—child arithmetic—the logic of what we ought to do should be clear. If it takes us 20 times as much to defend against enemy missiles as it does to penetrate enemy defense against our missiles, why not maintain the deterrent that has kept the peace by forgoing the costly defensive system and spend only the much smaller sum that will defeat our adversary's antimissile defense? We can save $1 trillion this way. And important as $1 trillion is, there is something more important. We can keep the stable, standoff, mutual-assured destruction relationship that has kept the superpower peace for more than 30 years. We can do this by simply saying "no" to star wars. But can we keep it if the Soviet Union develops even a temporary antimissile defense that could give them a decisive nuclear weapons advantage? We have on the books an answer and a good one right now. The answer, of course, is that since 1972 we have had in place an Antiballistic Missile [ABM] Treaty with the Soviet Union ratified by the U.S. Senate by the overwhelming vote of 88 to 2. That treaty prohibits both sides from developing a star wars antimissile defense or any other antimissile defense. Star wars, of course, would flagrantly and totally violate that treaty. But some say the Soviets have already beaten us to it by violating the treaty with their giant radar complex under construction at Krasnoyarsk since it has the capacity to serve as a component of an ABM system. The Russians deny they are in violation. How about it? Maybe they are. If so we can and should promptly go to the mat with them on this issue.

But in any event no one has suggested that the Russian radar could begin to stem the absolute and total devastation of the U.S.S.R. with at least 100 million human casualties if the United States should retaliate for a Russian attack on the United States. The superpowers have each spent hundreds of billions of dollars to build their mammouth nuclear weapons capacity. Each superpower can boast between 20,000 and 25,000 nuclear warheads. Each country has strategic advantages. The Soviets have greater megatonnage, greater accuracy, far more powerful land-based ICBM's. The United States has a much less vulnerable deterrent with a great deal more submarine-based and bomber-based nuclear warheads. We can deliver our payload on Soviet targets including their ICBM's. They cannot find much of our deterrent because it is mobile and invisible. Each side can devastate the other. We know that. They know it. Mutual destruction is assured. So there is peace, uneasy peace, but peace. Star wars would torpedo that assurance. Maybe, just maybe, star wars could, for a little while, defend specific land-based ICBM's. If so, the technology would be far more useful to the Soviets with 70 percent of their deterrent stationary and land based than the United States with only 25 percent of our deterrent needing this kind of protection. And certainly the assurance of security against nuclear attack would be far less with the uncertainty of a star wars defense—challenged not just by the immense offensive nuclear power now in being on both sides, but by that little, mouseyquiet brother, the advance strategic missile system at a low, very low, cost and designed precisely to penetrate missile defense. So that is the answer? That is easy! First, strengthen and reinforce the ABM Treaty. Second, negotiate an end to both star wars and the Soviet radar defense. Third, work for mutual, verifiable nuclear weapons arms control—just as comprehensive as possible.

Mr. President, I ask unanimous consent that the editorial entitled "The Strategic Black Hole" to which I have referred from the February 14 New York Times be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 14, 1985]

THE STRATEGIC BLACK HOLE

President Reagan's "Star Wars" strategic defense program has an unpretentious little

brother. It's the Advanced Strategic Missile Systems program, which aims to insure that American missiles could penetrate any future Soviet defense system.

Research for Star Wars will cost $3.7 billion next year, but little brother's only $174 million. That fairly reflects the comparative costs of strategic defense and offense. It mirrors something else too: what the Russians will surely be doing as their first line of response to Star Wars.

Didn't the superpowers come this way before? Yes, in the 1960's, when the Soviet Union developed its Galosh defense system around Moscow. That provoked American strategists to put multiple warheads on each missile, so as to overwhelm the defense and guarantee penetration. Far from leaving the Soviet Union better off than before, Galosh only provoked a more terrible threat.

But the multiple-warheads missile also left its American inventors worse off once the counter-measure was completed. Soviet rockets had always carried much heavier warheads to compensate for their relatively lesser accuracy. But as the Russians gained in accuracy and applied the multiple-warhead technique to their much larger rockets, they created a potentially threatening advantage in land-based weapons—the theoretical chance to lob two or more warheads at every American missile before it could leave the ground.

Now the multi-headed SS-18 in turn is about to leave the Soviet Union worse off than before. It provoked the American MX, a direct counterpart, and revived the American interest in missile defense, which has come to bloom as Star Wars.

The pattern has been constant. Every step forward compels the adversary to respond. And the response, by decreasing security and stability, leaves both sides worse off than before. The vicious circle cannot be broken because the advantage at hand always seems more compelling than the adversary's distant countermeasure.

The shining exception in this dismal spiral was the antiballistic missile treaty of 1972, in which both superpowers agreed to forgo missile defenses. Since nothing drives offense as much as defense, the treaty might have stood as an important restraint.

Instead of building on that restraint, Star Wars would abolish it. When President Reagan started the program in 1983 he implied it would defend cities as well as missiles. Now he's hedging, telling The Times that Star Wars is intended to provide "a good chance of keeping all or at least the bulk of [missiles] from getting to the target." But a less-than-perfect shield is little solace for cities; even 1 percent of the 9,000 Soviet warheads could devastate society. As other officials explain, the main attraction of Star Wars is for missile defense.

So as both sides move toward vast new missile defenses, they will strive to make their offenses more terrible and more certain of penetrating the defense. That little $174 million item in the Pentagon's budget for Advanced Strategic Missile Systems is a reminder of what will happen if the prohibition on defenses is shattered: full-scale development of strategic weapons in every form.

A PLEA FROM A CHILD OF HOLOCAUST SURVIVORS

Mr. PROXMIRE. Mr. President, I recently received a letter from Mr. Michael Korenblit, executive vice president of the International Network of Jewish Holocaust Survivors. He is the coauthor of the book "Until We Meet Again" which tells the experiences of two teenagers during the Holocaust. The story is of Mr. Korenblit's parents who have willingly shared their fearful and traumatic experiences with him. The book is his attempt to tell people what can happen if we lose our courage and refuse to stand up for what we know is right.

We, as Americans, are refusing to stand up for what we know is right by failing to ratify the Genocide Treaty. The Holocaust represents the most extreme example of genocide. It is not the only one, however. People in various places throughout the world are living in constant fear. Millions continue to face starvation, forced labor, imprisonment, and even death in Latin America, Eastern Europe, and elsewhere. Human suffering and destruction still are major problems that all nations must work to eliminate. By not ratifying the Genocide Treaty, we are limiting the influence we can exert in condemning such practices.

Mr. Korenblit states that our ratification of the Genocide Treaty will show to the world that we firmly believe in and are dedicated to opposing crimes committed against humanity.

Mr. Korenblit sent a letter last month to the entire Senate urging us to ratify the Genocide Treaty. I have been urging this body to take such action for the last 17 years.

Firmly believing in and endorsing the contents of the letter, I ask, Mr. President, unanimous consent that it be printed in the RECORD so we all can be reminded of the urgency of this matter.

I remain hopeful that the Senate will announce its acceptance of this human rights treaty by ratifying it as soon as possible.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INTERNATIONAL NETWORK OF CHILDREN OF JEWISH HOLOCAUST SURVIVORS, INC.,
New York, NY, January 11, 1985.

To the U.S. Senate:

I am writing to you on behalf of the sons and daughters of the surviving victims of the Nazi attempt to exterminate the Jewish people.

On October 11, 1984 the United States Senate voted overwhelmingly on a resolution to support the principles embodied in The Convention on the Prevention and Punishment of the Crime of Genocide. The resolution also declared its intention to act expeditiously in the first session of the 99th Congress to ratify the treaty.

Forty years ago our country, with other members of the Allied forces, liberated the surviving remmants of the victims of the Nazi Genocide, our mothers and fathers. As American citizens we are thankful and proud of the role the United States played in liberating the survivors of the Holocaust, but we are also embarrassed that our country is the only major industrial nation which four decades after the end of World War II has still not ratified the treaty to which the deaths of our families gave its name.

The liberation of Europe and the death camps which inhabited them is a glorious page in American history and must no longer be marred by our failure to join the world community in the solemn obligation to oppose crimes against humanity wherever and whenever they occur. Throughout our history we have always been the leader concerning the issues of human rights. Let us once again step forward for those principles we hold so dearly as a nation. The ratification of the Genocide Convention can not be put off any longer.

I respectfully ask that you insist that the ratification be put to a floor vote as soon as possible and oppose all tactics to delay its passage.

Sincerely,

MICHAEL KORENBLIT,
Executive Vice President.

Mr. PROXMIRE. Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. There will now be a period for the transaction of routine morning business.

Mr. RUDMAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUDMAN. It is my understanding that morning business is extended until 3:30. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. RUDMAN. I thank the Chair.

THE DEFENSE DEPARTMENT AND THE BUDGET DEFICIT

Mr. RUDMAN. Mr. President, I rise today to address what is justifiably the most significant and far-reaching challenge facing this Chamber—the burgeoning budget deficit and what we can do about it. We in this Chamber are facing fundamental decisions about the role of Government at a time when the Federal budget deficit is projected to exceed $200 billion in this year alone and there is little public support for increased taxes. In doing so, we must not overlook the basic truth that economic stability is critical to our future security. Today, I am offering a proposal which will produce significant savings in the area of national defense without affecting our force posture or readiness.

Four years ago, the United States embarked upon the largest peacetime rearmament program in its history. This military buildup was required to strengthen a defense posture eroded by years of neglect and to help redress the dangerous imbalances which had developed in several key areas between U.S. forces and those of the Soviet Union. During this period, substantial progress has unquestionably been made in restoring our defenses to a

level commensurate with our global responsibilities.

Yet, even as the program proceeds, few would deny that threats to our security have multipled and become more complex. Beyond the relentless growth and modernization of Soviet forces, other nations and groups with political interests hostile to our own have acquired the means and increasingly the will to challenge U.S. objectives in various regions. We cannot afford to reverse course and risk undoing the progress that has been made in improving our military strength and modernizing our force structure.

Having said that, it is both a political and fiscal reality that, if real progress is going to be made in reducing the budget deficits, the defense budget must be subject to the same searching examination and restraint that domestic programs have been and are currently undergoing. In this regard, it must be noted that defense spending accounts for nearly 34 percent of the President's proposed fiscal year 1986 Federal budget, exclusive of interest on the national debt and offsetting receipts. While I agree with the proposition that national defense is the first and primary purpose of the Federal Government, what strategic goal is served if we spend ourselves into oblivion in molding a powerful force structure, only to find that the economic and political base required to sustain it over time is in shambles?

Although I generally support the thrust of the Defense Department budget developed by Secretary Weinberger, I believe he has been somewhat deficient in working to identify savings that can be made. Of the $8.7 billion in outlay cuts developed with great fanfare late last year, $1.1 billion is attributable to a proposed 5-percent cut in pay for Federal civilian employees, a proposal which was developed by the Office of Management and Budget and which is to be applied government-wide in the unlikely event it receives congressional approval; $4.1 billion is proposed to be saved by the elimination of a proposed 6-percent pay increase for uniformed personnel, but that is offset in part by the proposed granting of a 3-percent increase on July 1, 1985, for an addition of $500 million to the fiscal 1985 deficit. Finally, $1 billion was saved by revising inflation forecasts. That is a bookkeeping change, not a real savings.

But as Secretary Weinberger points out, it is meaningless to speak to the defense budget in terms of percentages—to debate whether there should be 6 or 3 or 0 percent real growth. At best, such percentages can only serve as vague guidelines. A 1-percent change in the defense budget represents an increase or decrease of $2.9 billion. The wisdom of the change depends on what is being added or cut.

Conflicting claims about the propriety of defense budget cuts are now being made with little or no regard for their impact on force structure or overall readiness. In short, Mr. President, the current debate is unfocused and wholly lacking in clarity. It is high time that Congress, not to mention the media and the general public, begin to address the defense budget and possible cuts from the administration's proposal in specifics.

The basic question, then, is where defense cuts should be made and by how much. Most of the debate thus far has focused on procurement, with suggestions to cancel certain weapons systems and to stretch out procurement of others. While I would certainly agree that each procurement request should be closely examined for cost-effectiveness, the focus on procurement to the exclusion of other portions of the defense budget is a serious mistake. Procurement represents only about one-third of the defense budget. Furthermore, while reducing budget authority for procurement will clearly have an impact on the Federal budget deficit over time, cuts in this area make little contribution to reducing the deficit in the short term. Only about 11 percent of the funds appropriated for the B-1 bomber in a given year are actually spent that year, while 22 percent of the appropriations for the MX missile are spent in the initial year. In addition, procurement decisions usually involve issues of national security, the U.S. negotiating position in arms control negotiations, and related questions of policy. Having been responsible for the cancellation of the Viper, I certainly recognize there can be waste in procurement. But, waste is not the question when debating the MX, the B-1, or most of the other major weapons programs which have commanded public attention, unless, of course, one equates waste with one's perception of mistaken policy.

One aspect of the defense budget which has received virtually no attention in the current debate is personnel, although personnel costs account for at least half of the defense budget. But, it is this area, where a dollar of reduced budget authority leads immediately to virtually a dollar's reduction in the budget deficit, in which the greatest promise for defense savings lies.

With this background in mind, I would like to put forward a proposal which would reduce the budget deficit by about $4.5 billion in fiscal 1986 alone and by about $21 billion cumulatively through fiscal 1988. This proposal consists of three elements:

First, elimination of the 3-percent military pay increase proposed for July 1, 1985.

Second, elimination of the Defense Department's proposed personnel increase this year of 36,000 people.

Third, a 10-percent reduction of military and civilian support personnel in the Defense Department.

The first two elements of this proposal are relatively simple and can be discussed briefly. Eliminating the proposed July 1 pay raise would save $500 million in fiscal 1985, $1.8 billion in fiscal 1986, and $6 billion through fiscal 1988. I do not believe that it is either fair or equitable to provide military personnel with an additional pay increase when civilian Federal employees are being asked to take a 5-percent pay cut. For those who are concerned about the potential impact that elimination of the pay cut would have on recruitment and retention of personnel, I would like to make two points. Military pay, for a given rank, has been increased by 43.6 percent over the last 4 years while inflation has only been 26 percent. It was increased by 4 percent just 6 weeks ago at a time when civilian pay was increased by only 3.5 percent. Finally, a great many soldiers and sailors will get a pay raise within the next year or so as they get a promotion; elimination of the cost-of-living adjustment does not preclude higher compensation.

The second part of the proposal would eliminate DOD's proposed increases in end strength for fiscal 1986 of 25,600 military personnel and approximately 10,400 civilians. The bulk of this increase is for support billets. In my view, the Pentagon can fill those positions they absolutely need out of available personnel. Incidentally, a case that these extra personnel are critically needed has yet to be made to Congress.

The third part of the proposal is to reduce military and civilian support personnel by approximately 10 percent, a reduction in military personnel of 76,200 and in civilian personnel of about 104,600. At the outset, I should state that I have defined support personnel, as it relates to those on active duty, quite conservatively. Support personnel, in determining the base number from which the 10-percent reduction should apply, only includes those individuals assigned to auxiliary and support activities as defined by the Defense Department. Personnel assigned to strategic or tactical or mobility units, again as defined by the Pentagon and other individuals were not included, although a great many of those people are, in fact, support personnel. However, in making the reductions, the Defense Department could make them in any support personnel irrespective of their unit of assignment. Accordingly, the Department would have a great deal of flexibility in making the reductions in active duty personnel and, given

normal active duty attrition rates, could achieve those reductions without resorting to layoffs.

With regard to civilian personnel, all were defined as support and 104,600 is about 10 percent of the total. In this area, I am compelled to admit that some layoffs might be necessary.

Even a cursory examination of the Defense Department's use of manpower proves there is a grossly excessive support establishment. According to the Department's own listing of the skills and specialties of enlisted men and women on December 31, 1983, only 258,254 of 1,812,477 or merely 14 percent had combat as a skill. However, 289,861 had their specialty listed as administration and clerks. This is unbelievable. DOD has 31,000 more people trained in filing and typing than it has trained for combat.

Additionally, there are 168,647 supply and service handlers among the enlisted personnel, 534,237 whose specialty is electrical, mechanical, or electronic equipment repair, and 85,446 medical and dental personnel. I understand that we need to provide medical and dental care for our personnel, but to have almost 5 percent of our enlisted personnel engaged in this work in a peacetime situation, not to mention thousands more who are officers—including all the doctors, dentists, and senior nurses—and civilians, seems excessive. Certainly military equipment needs to be kept in good shape. But when almost 30 percent of our enlisted personnel are repairmen, there is something either badly wrong with the equipment being bought or there is excess manpower in this area.

The units to which uniformed personnel have been assigned also leads to the conclusion that there is waste which can be cut. Leaving aside the support personnel that are assigned to the strategic and tactical forces, there are over 752,000 individuals assigned to purely support functions. DOD has 38,500 active duty personnel assigned to "management headquarters"—meaning the Pentagon and similar headquarters. That might not be so bad, except there are an additional 44,800 assigned to "centralized support activities," and yet another 21,800 assigned to "centralized logistics." Then there are 301,300 assigned to "base operating support." This again might not be so bad in and of itself, but one should not forget that the individual combat units stationed at those bases have their own support components. Finally there are 155,200 employed at training facilities, including such well-known facilities as the Joint Military Packaging Training Center and the Defense Equal Opportunity Management Institute.

In addition, there are 311,500 uniformed personnel who are not assigned to any unit. Of these, 74,200 are transients, meaning they are moving between bases or assignments, and 213,400 are students, not including the cadet corps at the three service academies, and trainees—presumably being trained by the 155,200 mentioned before.

The situation is not any better when it gets to civilian personnel. I have already recited some of the numbers relating to uniformed personnel working in support functions. But, it takes an added 522,464 civilians to provide operations and maintenance support for the active duty uniformed services—that is, the same work for which there is a massive support structure in uniform. In addition, DOD has 274,346 civilians working on industrial or commercial type functions such as laundries, depot maintenance activities, public works centers, printing plants, shipyards, and so forth.

Moreover, the Armed Forces have far too many officers. In 1962, the enlisted men to officer ratio was more than 7 to 1. Passing over the Vietnam war and the post-Vietnam reduction in troop strength, the ratio had dropped to 6.5 in 1977. In 1980, the ratio was 6.3. Since that time, DOD has been adding 1 officer for every 3 enlisted men and the ratio has now dropped to 5.9 to 1.

In 1945, there were 12 million men under arms. The Armed Forces was commanded by 101 three-star generals and admirals and 38 four- and five-stars. In 1983, with one-sixth the number of people in uniform, there were 118 three-stars and 34 four-stars. It may be true that there is a need for proportionally more of these high ranking officers in today's professional and more technically complex military, but not seven times more.

The Army has 17 divisions; thus it has 17 command slots for major generals, and a handful of operational staff positions for that rank. How many major generals does the Army have? 140. The Navy has almost 100 times as many captains as it has seaborne command slots for captains and the Air Force has 30 colonels for each squadron command.

But, each of these officers ends up with jobs. The Air Force Systems Command, whose primary responsibility is to define Air Force requirements for and supervise acquisition of equipment, has 10,524 officers, including 34 generals. That is more than twice as many officers as the Federal Department of Education has employees.

All this overstaffing does not, in my opinion, result in a benign situation where there are a few too many people on the Federal payroll. Leave aside the fact that this adds billions to the Federal budget deficit. It also results in a more inefficient and ineffective military establishment. It was estimated last year that 66,000 forms are being filled out every day in just the Navy for aircraft maintenance alone. The Air Force Systems Command has its own division of manpower and personnel which itself is broken down into nine offices or directorates, each headed by a middle grade officer. NBC News reported last month that the abortive raid on the American Embassy in Teheran in 1980 involved planning by 21 different agencies or units using 59 different radio frequencies and 150 code words and call signs. To quote Prof. Edward Luttwak, in his recent book "The Pentagon and the Art of War," which is also the source for some of the statistics I cite:

> In the vast non-combat organization . . . a myriad of separate divisions, offices, "centers," departments, and directorates have divided and subdivided each legitimate function to the point where large coordinating headquarters are required merely to achieve coherence.

It is no wonder that nothing ever seems to be accomplished at the Pentagon, that reforms never get off the ground, that it takes so long for even simple decisions to be made, or that the procurement process is in a state of shambles.

Mr. President, I could stand here for hours and cite additional examples to bolster the contention that the expansion of noncombat support personnel has not produced any increase in the effectiveness of our fighting forces. Secretary Weinberger has stressed that the defense budget cannot be frozen or cut without harming our ability to meet the external threats we face. In general, I share his assessment. The proposal I am offering should, in fact, reinforce the Secretary's goals. It would leave our combat force structure unaffected and probably improve management. This initiative might also contribute indirectly to a marginal increase in combat capability if, when the defense budget cuts inevitably occur, legitimate military requirements are left unscathed. While some will undoubtedly argue that even the reductions I propose are too drastic, the prevalent political and economic realities remain unchanged. We simply cannot continue profligate spending patterns in the defense budget while domestic social programs are forced to accept austerity in the name of fiscal prudence. To do so would be an abdication of our responsibilities; to do so may well mean consigning this Nation to an economic debacle as potentially devastating as a military defeat.

In summary, let no one mistake my intentions. The adoption of this plan will not reduce our fighting force by one plane or pilot, ship or gunner, infantryman or tank. Nor will it affect the growth of the strategic force. Mr. President, in this time of calm before what could be national economic calamity, I urge my colleagues to seriously consider this proposal.

51-059 O-86-35 (Pt. 2)

"CIVIL RIGHTS" CAN BE A DECEPTIVE LABEL

Mr. HATCH. Mr. President, last week a number of Congressmen introduced something they are calling the Civil Rights Recovery Act of 1985, which is essentially, a rehash of last year's Grove City bill. Some people called last year's bill the Big Brother Act of 1984.

Also last week our distinguished majority leader introduced a version of this legislation which apparently has the support of the administration, and which is very close to the compromise bill worked out in the closing days of the session last year, and which had fairly broad, though not universal, support. I expect that Senator PACKWOOD and others will this week introduce a counterpart to the House bill.

All of this effort is designed to overturn part of last year's decision by the Supreme Court in the Grove City case, a decision which held that aid to one part of an educational institution constitutes aid to the entire institution.

Contrary to popular belief, there is not much opposition to overturning that part of the decision. Indeed, Senator PACKWOOD last year introduced a narrowly-drawn bill which would have done that, and which, I believe, could have passed easily. However, the professional civil rights lobby asked for far more than that, asking for legislation which would essentially destroy the distinction between public and private in the United States.

At bottom, these bills deal with the basic question of that "civil rights" means. In all honesty, I do not believe, Mr. President, that there is anyone seriously arguing that Federal funds should be used to support discrimination in educational institutions or anywhere else in America. But there is a very real question about what eliminating "discrimination" means these days.

Apparently it no longer means treating all individuals equally. If it did, then there could be no support for racial preferences and quotas in hiring or admissions. If it did, there would be no busing just because historic residential patterns have produced schools of predominantly one race or another.

The controversy arises because of an outrageous interpretation of the words "civil rights," which have been transmuted into a talisman producing an equality of result, and not opportunity. That is true as much of "sex discrimination" as it is of discrimination based on racial or ethnic classifications.

In other words, Mr. President, it is no longer safe to support legislation just because it is called a Civil Rights Act, or even a Civil Rights Recovery Act. Such bills should be examined carefully, on their own terms, and their results carefully scrutinized.

That is the tenor of a recent analysis of the Grove City controversy by Mr. Gordon S. Jones, vice-president of the Heritage Foundation. Mr. Jones examines the legislative history of last year's bills, notes that many of their cosponsors had never read them, and urges that before Senators and Congressmen sign on to similar bills this year, they look before they leap.

I found Mr. Jones' analysis provocative and useful, and I urge my colleagues to heed his counsel. I therefore ask unanimous consent that the Issue Bulletin in question be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

"CIVIL RIGHTS" CAN BE A DECEPTIVE LABEL

INTRODUCTION

I am a cosponsor, but I did not read it before I cosponsored it and I doubt if many of the 63 [other cosponsors] did. I am not even certain if the principals did.[1]

So said Senator Robert Dole last year at hearings on the so-called Civil Rights Act of 1984. He apparently backed the measures, as did many of his colleagues, because they assumed that any bill bearing the civil rights label is worthy of passage. At one time that might have been the case, but no longer. The meaning of the term "civil rights" has been stretched far beyond what logic supports or public policy should tolerate. The definition has come to include quotas, affirmative action, and measurements of racial or sexual composition in student bodies and workforces. Much of this was embodied in the proposed bill to which Dole referred.

While this bill failed to pass the 98th Congress, a version of it is certain to be reintroduced this month as the 99th Congress gets down to work. This new bill almost surely will be based on a flawed interpretation of the meaning of "civil rights." As such, legislators this year should not repeat the mistake to which Dole referred; they instead should read and study the bill before cosponsoring it or voting for it.

BACKGROUND

Title IX of the Education Amendments of 1972 bars sex discrimination in education programs or activities receiving federal financial assistance. On February 28, 1984, the Supreme Court rules in what is known as the Grove City case that federal scholarship assistance to students subjects the college enrolling those students to Title IX. The Court added, however, that Title IX coverage extends only to the federally assisted program itself—the college's student aid program—and not to the entire institution.

This seemed a correct decision in the view of the statute's plain language and its legislative history. Some federal bureaucrats had extended vastly the authority given to them by Congress and had subjected entire institutions to federal civil rights jurisdiction even if only one part of the institution received federal aid. This, said the Supreme Court in last year's decision, contravened the program-specific language of the 1972 statute.

[1] Senator Robert Dole, Hearings Before the Senate Judiciary Subcommittee on the Constitution on the Civil Rights Act of 1984, June 5, 1984.

At attempt to overturn the Court ruling, led by Senator Edward Kennedy (D-MA) last April, introduced what they shrewdly, but misleadingly entitled the "Civil Rights Act of 1984." It was said by its supporters that the bill had a very limited aim, simply to overturn the program-specific portion of the Grove City decision. In truth, however, it expanded enormously federal civil rights coverage not only under Title IX, but also under Title VI of the Civil Rights Act of 1964 (banning racial discrimination in federally assisted programs or activities), Section 504 of the Rehabilitation Act of 1973 (banning discrimination against qualified handicapped persons in federally assisted programs or activities), and the Age Discrimination Act of 1975 (banning age discrimination in federally assisted programs or activities).

The bill additionally would have mandated a breadth of civil rights coverage that never before had been introduced in Congress or even advocated by the federal civil rights bureaucracy. Among other things, the Kennedy bill would require numerous businesses and entities never before covered to meet federal guidelines. Few elements of American society would have escaped the jurisdiction of the federal rights bureaucracy, with their quotas, social engineering schemes, and burdensome and costly paperwork and compliance requirements.

This bill was barely analyzed in the House and passed there 375-32. The Senate, however, took much more time with it. As its flaws were recognized and its greatly expansive scope became clear, opposition mounted. Numerous organizations, including the American Farm Bureau Federation, National Grocers Association, U.S. Chamber of Commerce, National Association of Manufacturers, religious school groups and many others, voiced criticism of the bill. Finally, Senator Orrin G. Hatch, the Utah Republican, and others blocked passage.

LESSONS OF THE 1984 BILL

A number of lessons have been learned from what became an acrimonious debate over the 1984 bill. Among them:

(1) The name "Civil Rights" in the title of a bill does not automatically mean it is well drafted or advances civil rights. Even if its intentions are laudable, the bill itself may be seriously flawed.

(2) Bills submitted in the 99th Congress to address the Supreme Court's Grove City decision must be carefully and rigorously scrutinized. There should be no stampede on a matter as important at this. It is not enough to be beguiled by a title and uncritically endorse a bill, as Dole's remark suggests may have happened in the 98th Congress.

(3) Analyses of civil rights legislation by its liberal proponents and lobbying groups must be regarded with skepticism. When independent, objective analysts first began to raise questions and concerns about the unprecedented scope of the 1984 bill, the legislation's supporters derided these concerns. They repeatedly assured the Congress that their bill was a mere technical adjustment to reverse the Court's Grove City ruling. Yet a New Republic article observed on November 26, 1984, that:

[Hatch's] objections to the bill's ambiguous language were legitimate. Even Kennedy conceded that groups and individuals who were not covered prior to Grove City might conceivably have been forced to bear a host of bureaucratic burdens such as federal compliance reviews.

[Moreover, the] initial language of the bill was so vague, and the clarifications by the

bill's supporters so many, that a judge could well have had difficulty deciding how to apply the law.

(4) Principled opposition to a "civil rights" bill need not result in political disaster. Ronald Reagan told a news conference in the spring, shortly after the bill was introduced, that the measure went too far. This emboldened lawmakers opposed to the bill. As a result, Senators Hatch, Grassley, Hecht, and Thurmond, Assistant Attorney General for Civil Rights William Bradford Reynolds, Staff Director of the U.S. Commission on Civil Rights Linda Chavez, and others began expressing serious reservations with the bill and exposing its flaws. The bill's backers countered that the opponents would suffer at the polls, particularly among minorities and women. Yet the bill's opponents all did well at the ballot box and Ronald Reagan won 57 percent of the women's vote.

(5) To be challenged in the 99th Congress are the underlying liberal assumptions: (a) that the part of the Grove City decision holding that federal aid to students is federal aid to the college must be affirmed by a civil rights bill and (b) that vast civil rights coverage is today needed. With respect to the first point, a college that refuses all direct federal aid to preserve its independence from government control and merely enrolls students who themselves accept federal education aid, such as Grove City College, ought to be entirely free of federal oversight, even its student-aid policies. Three Justices of the Supreme Court noted that no one had ever accused the college of discriminating against anyone. As for the second point, it is no longer 1964 with respect to equal opportunity for racial minorities nor 1972 or 1973 with respect to equal opportunity for women and handicapped citizens.

CONCLUSION

The Grove City decision gives Congress an excellent opportunity to examine carefully the scope of civil rights laws needed today. Tremendous strides have been made in civil rights. There is a much greater acceptance of the moral imperative of equal opportunity for all citizens.

There also has been a proliferation of other federal, state, and local civil rights laws which protect citizens' rights. In view of this, Congress should question whether there is a need for a civil rights statute to overturn Grove City. Such a law's attendant meddlesome and costly paperwork and compliance inspections, its thousands of words of regulations, its requirements for quotas, color and gender-conscious behavior, and similar schemes by federal aid recipients may well be counterproductive in achieving a society of equal opportunity today.

If Members of Congress respond to the Grove City decision with careful and reasoned scrutiny and a willingness to examine underlying assumptions honestly, a sound piece of legislation can emerge. If they continue to assume that any piece of legislation with the name "civil rights" on it should be passed, the goal of a society where individuals are judged on their merits, rather than on extraneous characteristics may well be set back.

GATSHA BUTHELEZI AND THE ISSUE OF DISINVESTMENT IN SOUTH AFRICA

Mr. HATCH. Mr. President, I recently had the pleasure of meeting Chief Mangosuthu Buthelezi, the Chairman of the South African Black Alliance and the Chief Minister of South Africa's Kwazulu people. Chief Buthelezi and I exchanged views on South African race relations, constructive engagement, and the issue of disinvestment in South Africa. I expressed to the Chief my revulsion for apartheid, and I asked him what the United States can do to help bring an end to this reprehensible system. He told me very frankly that there is a limit to what America or any country can do, but he added that American firms do have an opportunity to help. Chief Buthelezi also stated that, in his view, American disinvestment would hurt South African blacks more than whites. As the Chief states in the attached position paper, "No one has proved to us that the suffering which will ensure within the black community as a result of disinvestment will actually force the regime to effect the fundamental changes which all of us are clamouring for."

Mr. President, I ask unanimous consent that Chief Buthelezi's statement on disinvestment be printed in the CONGRESSIONAL RECORD in its entirety.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ON THE ISSUE OF DISINVESTMENT IN SOUTH AFRICA

(Chief Mangosuthu G. Buthelezi)

Disinvestment or Divestment in South Africa has become a parrot cry amongst those Blacks who imagine that they will by making noises about Disinvestment or Divestment so frighten White South Africa that White South Africa will fall in line as far as human rights, social justice and black human dignity are concerned. Pressures on the South African Regime which are likely to move the Regime into bringing about fundamental changes in South Africa, are welcome. But to exert pressures which do more harm to the oppressed then to oppressors is madness. Gestures of this kind which are too costly to the politically and the economically deprived of this land can be callous in the extreme. No one has proved to us that the suffering which will ensue within the Black community as a result of disinvestment will actually force the Regime to effect the fundamental changes which all of us are clamouring for. It is no use doing things just in order to salve consciences, that we are doing something to bring about changes in South Africa, regardless of whether our pressures do in fact promote real change.

As the economic situation continues to deteriorate it is black people who are the first to bear the brunt of it all. Black people are not only underemployed and unemployed but in the current economic depression, they are the ones who have been retrenched in droves. Black people, to be specific, the African people, are the only race group that is excluded from freely seeking employment in all the metropolitan areas of South Africa without getting permission from the Influx Control Bureaux or Pass Offices. Black people are already very disadvantaged because they are the real pariahs of South Africa.

The African people are the only race group that has to pay for school buildings, and that pays fees which no other race groups pay at Primary and High Schools. All Black people in both urban and rural areas are now cash-dependent. Neither Soweto or any other urban township nor any of the rural Regions of South Africa such as KwaZulu can survive even for one week without cash. Black people have no choice about where they live be this in Urban or rural areas. It is therefore a lot of balderdash for some people to say to you Senator, that American investors should not be involved in the so-called 'Homelands'. These areas were not created by the government, but by history and conquest just like your American Reservations.

The wickedness about government policy is to try to force Black people to have rights and a state only in these areas and nowhere else. This is as evil as saying to Sowetans that they can only have a stake in that government created labour dormitory, which Soweto is.

Areas such as KwaZulu existed (although not as they are today) long before Whites came to this land and they will exist even after we have achieved the freedom we are all striving for. The people who bear the worst brunt of the white jack-boot are in these rural areas, where poverty is worsening as a result of the current economic situation and the fact that economic growth cannot cope with the present population growth.

It is good that the Senator has spoken to various leaders including labour leaders. The labour unions are still trying to find their feet in a new ball game from which we Africans have been excluded for many years.

So there are people who dread the back-breaking job of organising people who try to poach membership of some trade unions to use them as political cattle who must do their political bidding. Some functionaries who help in running some of our trade Unions particularly of other race groups, behave just like Whites behave towards us when they pontificate for members of trade Unions without consulting them, just as Whites dictate to us without consulting us.

So please do listen to what labour leaders say to you Senator, but do bear in mind what I have just said to you. Black workers as black workers have not yet called for Disinvestment or Divestment.

PUPIL PROTECTION RIGHTS REGULATIONS

Mr. HATCH. Mr. President, on November 12, 1984, the regulations issued by the U.S. Department of Education went into effect, almost 6 years to the day after the President signed Public Law 96-561 containing my amendment which was designed to let parents decide whether or not to permit their school children to be subjected to research and demonstration projects, a component of which is psychological or psychiatric testing, or treatment. It was the purpose of my amendment to guarantee the right of parents to have their children excused from federally funded activities under carefully specified circumstances. The activities we are talking about are nonscholastic aptitude in nature.

For these reasons, Mr. President, I am amazed at the overreaction of educational lobby groups to the Department's regulations. The NEA and the School Boards Association, just to name a couple, would have us believe that if a teacher greets a youngster with a "hello, how are you today," this query is a form of psychological testing because the pupil would have to make a value judgment about how he or she feels. Then, if the student should happen to tell the teacher that they are upset because of a family disagreement that occurred just before the student left home, and should the teacher try to comfort the child that "everything will turn out alright," a form of treatment would be taking place. Apparently, the educational groups contend that because of the Department regulations, parents can demand to be advised before a teacher either asks a child how he or she feels, or before a teacher reassures the pupil that such problems usually are worked out, or teachers should never ask such questions.

Moveover, some of the lobby groups are alarmed because some parents are exercising their right to examine instructional material. That provision of law is not contained in the Hatch amendment, but rather in section 439(a) of the General Education Provisions Act and was in effect long before the Hatch amendment was enacted in November 1978.

On the other hand some parent groups have interpreted both the statute and the regulations so broadly that they would have them apply to all curriculum materials, library books, teacher guides, et cetera, paid for with State or local money. They would have all tests used by teachers in such nonfederally funded courses as physical education, health, sociology, literature, et cetera, reviewed by parents before they could be administered to students. Because there are no Federal funds in such courses, the Hatch amendment is not applicable to them. A number of States do, however, have statutes or State board regulations which do safeguard these parental rights.

Some other parent groups contend that because school districts receive some Federal funds on a formula basis such as impact aid, chapter I, et cetera, when a teacher made test is given that may ask such pupils to make a value judgment on a topic, this would invoke the Hatch amendment. This was never the intent of the Hatch amendment.

Were a school district to use its chapter II funds to establish experimental, demonstration or testing programs, the primary purpose of which is to elicit the type of information proscribed by the Hatch amendment, that activity would fall within the purview of the amendment. A direct relationship can be determined, and Federal funds would be paying for an activity that could be challenged under the Department of Education regulations.

On the other hand, Mr. President, if the chapter II funds were used to pay for a course in citizenship—as authorized by chapter II—and the local school board agrees to allow a political science graduate student whose dissertation project is funded from non-Federal sources to administer a survey—which is actually a test—to the class, and that survey attempts to elicit information about the student's perceptions of politics, politicians, people who work for governments, and so forth, because such questions may cause a student to divulge his or her—or their parent's—political persuasion, a parent may ask to have their child excused, but if refused, the relief, it would seem to me, would have to be on some basis other than the Hatch amendment.

Mr. President, there are also those who would have certain courses, such as sex education, paid for with other than Federal funds, eliminated from the curriculum. They contend that the Hatch amendment prevails because in such courses, pupils cannot discuss the course content without making some value judgments about sexual behavior. Were such a course to be funded with chapter II funds, for example, it certainly would be covered by the Hatch amendment and the Department of Education regulations. If the course is nonfederally funded, the Hatch amendment does not prevail.

The fact that students for whom a school district has received Federal funds on a formula basis are attending a class—such as sex education—does not in and of itself bring to bear the Hatch amendment. Were we to agree that it does, we would also have to agree that there is nothing amiss with any of the proposed legislation to overturn the Grove City et al. Supreme Court decision now before us. That is, at least one of these bills contends that such an indirect relationship can bring almost every entity, public and private, under the full weight of the Federal civil rights reporting and enforcement process.

Let us assume for a moment, Mr. President, that the appeal process established by the Department of Education regulations could be invoked in any controversy between parents and school officials over course content, curriculum—regardless of the source of funding—that would require a student to make certain value judgments, or library materials that are offensive to parents. The Department of Education regulations call for the aggrieved party to exhaust all administrative remedies at the local level before appealing the matter to the Secretary of Education only if the materials in contention are federally funded. I would repeat again, Mr. President, that some States already have statutes covering the right of parents to appeal decisions of local educational agencies in such matters.

Let us also assume, Mr. President, that after having exhausted all of the administrative remedies available to parents at the local level, an impasse is reached between a parent and a school district over a sex education course that is not federally funded. Should the matter be resolved by the Secretary of Education irrespective of the source of funding? Do we really want the Secretary to rule on the appropriateness of the course content? Do we want a Federal official to tell local school boards what is or what is not appropriate curriculum materials? I think not. This would be the first step in the direction of a federally sanctioned national curriculum, something that is anathema to both parents and educators, and at the present time, patently illegal.

Mr. President, the Secretary of Education cannot even exercise control over curriculum content in a program that is federally funded, let alone one that is not. Section 432 of the General Education Provisions Act, clearly precludes any official of the Federal Government from making such judgments.

This provision of the law, which clarifies the application of the Hatch amendment, says:

> No provision of any applicable program (meaning federally funded) shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school, or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or school system.

At this point, Mr. President, it is important to note that the proscription against Federal involvement as outlined in section 432 first came with the National Defense Education Act of 1958. About the same language as quoted above is also found in the Job Training Partnership Act, the math/science bill, and in the act creating the U.S. Department of Education.

While I am on the subject of instructional materials, Mr. President, I agree with former Secretary Bell, when he said that we have so "dumbed down" textbooks in an effort not to offend any minority group in this country, that they are bland, uninteresting, and something less than challenging. We have even emasculated Shakespeare. A major publisher's recent edition of Romeo and Juliette—read mostly by high school juniors and seniors—has removed all reference to their love affair and suicide. This in response to pressure from parents who do not want their high school youth to think

about such things and who claim that such literature may in part be responsible for the increased rate of suicide in school age youth. Yet those same high school juniors and seniors come home from school, turn on the TV and watch murder, rape, suicide, infidelity, et cetera, at almost any hour of the day or night.

Mr. President, the regulations of the Department of Education are in force; and, as even the Department will acknowledge, they lend themselves to various interpretations. But, for the first time in 6 years, we have some guidelines to work with. Granted, there are some ambiguities and some vague definitions in those regulations, but they should be given time to work. Through experience with them at the local level, the Secretary of Education will no doubt find ways to improve upon them.

In the meantime, Mr. President, I would hope that both the educational groups and some parent groups would not torture the intent of the Hatch amendment or the provisions of the Department of Education regulations. In my judgment, in dealing with their constituencies, representatives of both the educational groups and some parent groups have played the game of "worst possible scenario." It is time to let the rule of commonsense prevail.

THE REVERSE SEQUENCE IN CIVIL LIBERTIES

Mr. HATCH. Mr. President, the Congress of the United States once more has before it legislation ostensibly designed to overturn part of the Grove City decision rendered by the Supreme Court just a year ago. In my opinion, Mr. President, the bills so far introduced go substantially beyond merely overturning a narrow court ruling, but I will leave the analysis of the proposals for another time and place.

However, I have just read a fascinating article by Prof. Aaron Wildavsky of Berkeley which casts light on what is happening with these bills, and why there is so much objection to what is being labeled civil rights legislation.

Writing in the current issue of The Public Interest, Professor Wildavsky notes that in recent years the sequence of civil liberties in the United States has come to be reversed. When civil rights law first gained acceptability and momentum, it was thought that equal treatment under the law would bring equal opportunity, and that those two together would produce an acceptable equality of result.

Over the years, the equal treatment of individuals before the law has essentially been achieved, and equality of opportunity has been greatly enhanced. However, in the minds of some, progress toward an equality of result is still inadequate.

Therefore, rather than waiting for the equality of result to come over time, the sequence of civil liberties is being reversed. Such legislative proposals as last year's Grove City bill, the Voting Rights, Act of 1982, the horrendous provision appearing in last year's cable TV bill, the fair housing bills that are perennially before us, and the whole regulatory thrust toward quotas and affirmative action embody this reversal. What they do is to codify an effects test, under which any evidence of disparate outcomes is prima facie evidence of discrimination under law and in opportunity. Under this reversal of sequence, equal results comes first, and will then produce equality of opportunity and equal treatment before the law.

Mr. President, Professor Wildavsky finds this reversal abhorrent, and so do I. We simply must not move beyond the kinds of procedural guarantees which permit individuals to act freely and advance themselves. To do so we will have to discriminate, we will have to classify by race, sex, and ethnic group. I believe that there is no group in America, black or white, male or female, which wants to go in that direction. I continue to believe in the original sequence, and that we will come closer to equal outcomes by insisting on equal treatment than in any other way.

I commend Professor Wildavsky's article to the attention of my colleagues, and to save them the trouble of looking it up, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE "REVERSE SEQUENCE" IN CIVIL LIBERTIES

(By Aaron Wildavsky)

For a number of years I belonged to the American Civil Liberties Union. To me this membership was part of a commitment to perfecting American democracy. I became a political scientist for the same reason. The two commitments, American patriotism and democratic values, went together. By improving the one—the procedures for participation in political life through protection of individual liberty—the other, America as a force for freedom at home and in the world, would also be enhanced. The combination of a strong national defense, social welfare programs, and civil liberties, as exemplified in the 1940s and 1950s by the New York State Liberal Party (in whose youth division I was active) seemed mutually reinforcing. But that combination, however comforting it seemed in the Eisenhower years, was not to last long.

In the early sixties, while teaching politics at Oberlin College in Ohio, I served for a couple of years on the executive committee of the local ACLU. It was not easy, given our interest in procedures per se, to find violations of proper practice in a liberal arts college town. By moving a few miles away, however, we could come up with a couple of cases of unreasonable search or a few days of possibly unlawful detention. In retrospect, it was an innocent time and I know now, from having read William A. Donahue's *The Politics of the ACLU* that it was, for me at least, a time of naivete as well.

The ACLU was never what I thought it was, an organization standing up for people whose civil liberties were threatened by the passions of the time. The ACLU has always been what Donahue says it is—an organization committed to a shifting agenda of substative policy change as dictated by the political perspectives of its most active members.

Nor was the ACLU what it "purist" members thought: to refer back to its name, a union of people concerned primarily with civil liberties. Whether it was support for unions in the 1920s and 1930s, the New Deal/Fair Deal social welfare agenda of the 1940s and 1950s, or its devotion to equal outcomes since the 1960s, the ACLU has viewed civil liberties, so Donahue shows, as instrumental to other purposes.

Starting somewhere in the mid-1960s, it became apparent to me that I was out of sympathy with the ACLU. Either it had changed, as I then thought, or I had changed, or both. Saddened by the loss of a sympathetic association, and even, to an extent, a source of identity, I wondered what had happened to it or to me.

To say that organizations must adapt to a changing environment is a cliche. The ACLU is anomalous only in that it is such a classic example of the very spirit—absorption into the dominant values of the time—that the naive like myself once thought it was supposed to counter in favor of eternal verities.

When a group organizes to make demands on government to support the group's economic self-interest, no one is surprised that organizational doctrines change as a means of securing the substantive end of increasing its income. That large oil companies should favor market forces when these produce high prices, and governmental allocation when gluts produce low prices, raises few eyebrows. For organizations like the March of Dimes to seek new diseases to conquer after polio declined, has been a subject of mild amusement. For the ACLU radically to reorient its position on fundamental issues decade-by-decade, so that there is little relationship between what it said 50 years ago and what it says today, is more surprising. Yet this exactly what has happened.

Quotas, anathema in the past, now have become desirable as a form of positive discrimination. (Who remembers when the ACLU taught that the Constitution was color blind?) Balancing competing values—order in society with the rights of the accused—has given way to attacks upon authority. ("Lawlessness," the ACLU now says, "is a direct consequence of the failure of the community.") In briefest compass, the ACLU, once devoted to achieving individual freedom from government restraint, has become a convert to advocacy of governmental compulsion to achieve equality of condition. From defense of individuals differences against government, the ACLU has moved to diminish differences among people—white and black, rich and poor, young and old, authority and citizen, parent and child—the list grows all the time.

Just as the ACLU identified itself with industrial unionization in earlier times, it has in recent years become part of the civil rights movement, the women's movement, and the movement against "ageism" and other "isms" devoted to diminishing inequalities in American life. There has been no conspiracy. No one pushed me out to put

the present participants in. Two things happened concurrently: Activists in these other movements moved into the ACLU, and people discomforted by this trend toward support of equal results moved out. The process is self-reinforcing: new policies attract more like-minded adherents. No one has to tell the ACLU membership what to do. They can guess what equality of condition requires, and trial and error tells them what catches on with the people who flock to their cause. What is behind this reversal of values and practices?

THE "ORIGINAL SEQUENCE"

Americans are able to agree about the desirability of equality because they mean different things by it. Equality before the law (or equal rights) signifies that people in similar positions will have similar legal standing, so that administrative and judicial decisions will be uniform and predictable. Equality of opportunity signifies the ability to enter contests of various kinds and to keep the proceeds, providing only that one does not prevent others from trying. Equality of condition (or outcome, or result) means that the resources possessed by individuals and groups in society should be roughly equivalent. Rights, opportunity, and outcomes are worlds apart, so distant in practice that it has proved expedient for many to deny the full extent of the differences.

The much-remarked unideological, or better still, a-ideological character of American political history may be attributed to the denial of these differences. Rather than admit that more of one meant less of another, it has been the special bent of American political thought to claim just the opposite: More of one kind of equality would also lead to more of another. Equality before the law, secured by such devices as extension of the franchise and a Bill of Rights providing procedural guarantees, would help secure opportunity to participate in political and economic life. And genuine equality of opportunity, by preventing government from introducting unnatural inequalities into American life, would produce as much equality of condition as is compatible with the innate or behavioral differences among people or as is necessary to preserve republican government.

American exceptionalism is not just the absence of hereditary hierarchies, though that was (and still is) important. What was truly distinctive, in that it was not found elsewhere, was the belief that equality or opportunity, properly pursued, would lead inexorably to equality of condition. Believing people to have moderately equivalent skills and observing that social and economic conditions were far more egalitarian than in Europe, early Americans thought that competition would increase or maintain whatever equality there was; inequality could not come out of competition, unless, as the Jacksonians feared, government introduced banks, charters, franchises, and other privileges not equally available to all citizens.

Observe the initial sequence of relationships among ideas about equality. They run from equality before the law, to equality of opportunity, and only then to equality of results. Of course, the prospects for republican government were related to the relative equality of condition fostered by American circumstances. America was blessed. In order, as the Declaration put it, to secure these blessings for posterity, this God-given equality was not to be decreased by the kind of distant central executive against which the colonies had so recently rebelled.

Insofar as inequality of condition resulted from differences in the faculty of individuals (but *only* to this extent, and no further), this was tolerable, expected, and natural, if not entirely desirable. In no way did the varying aptitudes for acquiring property (then considered an attribute or extension of the individual person) seem to threaten self-government. The battles of the party-of-the-country against the party-of-the-king in England were appropriated by the American branch of the British Whig opposition. Without an American equivalent of the King's men in parliament—the hated placemen put there by royal patronage, including the venal sale of offices—neither the English monarch nor his American successors could maintain their preponderance of power. Once these special privileges (the anti-federalists especially feared holders of national debt) were removed, equality before the law would help secure the equality of opportunity that kept sufficient equality of condition so that republican government could thrive.

As soon as it is understood that the historic source of inequality was found in central governments ruled by strong central executives, there need be no puzzle over the lack of a socialist party in America. The stronger the central government—in this time-bound equation, good at least until the Civil War—the weaker are individual liberties. After the revolution was won and its posterity assured by Jacksonian democracy, the United States of America and its Constitution became the exemplar of good (i.e., reasonably egalitarian) social relations. The flag, and hence the social relations for which it stood, was worth defending. Satisfaction with the circumstances of American life reinforced the original sequence. Inequality of condition could be bracketed-off and accepted, provided that legal and political equality were achieved. In this way a separate and protected preserve for civil liberties could be carved out. Of course there was nothing like universal agreement on civil liberties, but those who thought of themselves as civil libertarians could reflect a simultaneous satisfaction with conditions in general and dissatisfaction with flat-out violations of legal and political rights.

THE SEQUENCE REVERSED

But the original sequence—in which equality before the law helps secure equality of opportunity and both, taken together, prevent such gross disparities of conditions as to render republican government suspect—was based on assumptions subject to the ravages of time. The rise of corporate capitalism after the Civil War strained the social fabric. Yet populists could not quite bring themselves to turn against their Jeffersonian and Jacksonian forebears by embracing big government as the antidote to big corporations. Eventually populists merged into the progressive movement, which sought regulation to restore equality of opportunity to the conditions of competition in the face of inequalities fostered by giant capital. It took the great depression and the civil rights movement to raise (and, for some, to answer affirmatively) the question of whether the original sequence needed reversal.

It is the reverse sequence (to use a dramatic term from a quite different field) that characterized the ACLU world view. Increasingly, unceasingly, equality of condition was viewed as a precondition of equality of opportunity.

Driving home the proposition that the most widely espoused principles—equality before the law and equality of opportunity—had been denied to black citizens, i.e., that the powers that be had not followed their own announced beliefs, the civil rights movement legitimated much that it touched, including a focus on group as distinct from individual rights. When a number of its leaders came to believe that equal opportunity would, in their circumstances, lead inexorably to inequality of results, they began to seek policies enforcing equality of condition on a group basis. Their position deserves elucidation.

Under their formulation, equal opportunity may promote inequality of outcomes for individuals but not groups. Their objective is not to alter the range of inequality of results among individuals, they say, but to assure that the same distribution of inequality of results obtains across all relevant groups—whatever that range may be. Therefore, to them, a rough group parity of outcomes is a reasonable measure of the actual degree of equality of opportunity that exists. Thus they argue that no group as such (because it is that group) should be denied significant shares of equal opportunity, measured by equal outcomes compared to other groups. Whether those who hold these views, once group differences narrowed, would accept unequal outcomes for individuals within them, I cannot say.

For others, of course, the present range of unequal outcomes (among both groups and individuals) is too high, and their goal is to narrow the range. It is this view, embodied in the reverse sequence, that I believe currently characterizes ACLU action. Without equality of resources, it was argued, competition for the good things of life was prejudged in favor of those who had more and against those who had less. In order to do better, one had to be pre-endowed with the results of already having done better. Hence positive discrimination. What is more, without this substantive equality, the lack of equal opportunity would mean a denial of equality before the law. The opportunities that equal rights had been thought essential to maintain (for those who had them) or achieve (for those who didn't) instead became the prerequisite. Civil liberties had been turned upside down. The causes—equal rights and equal opportunity—had become the consequences of equal rights. What had been widely agreed—the indispensability of equal rights as a precondition of equal opportunity—was replaced in importance by what had been problematic—securing equal outcomes.

LIBERALISM AND CIVIL LIBERTIES

To this very day, the profound consequences of adopting the reverse sequence remain for those who regard themselves as civil libertarians. The spoken premise had been that people who disagreed about policy outcomes could still agree on process and procedure. The American political system, it was widely held, was legitimated by agreement that its processes accorded with equality before the law, which nurtured equality of political opportunity. Even if mass attitudes did not always favor the Bill of Rights, elites, despite policy differences, would rally around these procedural guarantees. Exceptions, such as denial of the franchise to black people were numbered among faults to be corrected; and they were thought to be exceptions, not the rule. Had this not been so, it would not have been possible to distinguish civil libertarians from

other people who differed about the role of government or the kinds of policies it should pursue. The reverse sequence not only sought to diminish differences among Americans in general, it also obliterated the rationale for distinguishing a particular kind of American, a civil libertarian, from any other political actor.

Now we know from casual observation, as William Donahue has shown in detail, that most members of the ACLU were politically liberal as well. In the era after World War II, this meant that they (I would then have said "we") favored governmental action to improve the economic conditions of poor people and the political opportunities of racial minorities. Insofar as the reverse sequence meant adopting the liberal welfare program, it may have been uncomfortable for economic conservatives, but not for those who agree with the substanace. (Allowing substance to mask prinicple was a mistake, but it is not easy for people to see a threat lurking behind those who agree with them on policy.) If the ACLU was becoming more liberal, it must be because liberals cared more than conservatives about the people being hurt—or so I thought in the early 1960s.

In the 1970s, another consequence of adopting the reverse sequence emerged, this one harder to deny. The very government that was urged to achieve greater equality of results was also, by virtue of being in authority, responsible for keeping the deprived down. What else but "the system" (i.e., established authority) denied poor people, racial minorities, and women the equal rights and opportunity that could be enjoyed only by first achieving equality of conditions? The disposition to blame the system led to an anti-authority position. This explains why, amidst an epidemic of strong-arm crime, the ACLU fought to make arrest, detention, and conviction more difficult.

At one and the same time, therefore, the ACLU, responding to the reverse sequence, favored stronger governmental action to reduce inequality while simultaneously attacking government's authority. A long-overdue appreciation of this no-win situation—government in America damned if it did and damned if it didn't—led to my unwillingness to renew my membership.

I do not mean to say that these who were out of symathy did not change at all, and that the ACLU did all the changing. We have less reason to cry foul than I once thought. For one thing, those who joined the organization in the 1950s became active during an aberrant period. The patriotism fostered by the war againt fascism created common ground that gave way when the enemy stood for something other than gross racial, religious, political, and economic inequality. During the conservative Eisenhower era, widespread antipathy to Communism and the Communist party made it unsafe to leap to their defense. Faced with a bipartisan consensus on security matters, the ACLU ducked difficult issues, not least by bargaining with J. Edgar Hoover, head of the Federal Bureau of Investigation. Of this, the membership knew nothing. What it *did* know was that in those days the ACLU concentrated almost entirely on procedural rights. Criticism and patriotism still seemed compatible. But the decades before and after this period—when, by default, means were more important than ends—were times in which the reverse was more nearly true—policy ends mattered more than procedural means.

Those of us who felt aggrieved at having our ACLU taken from us were too self-satisfied by far. Since we believed in the pure civil liberties project, and those who displaced us did not, we identified ourselves as the long-suffering adherents of the original creed. So far as it went, that was true enough. But we did not understand at that time (certainly I did not) that the initial sequence reflected a set of preferences about how American society should be organized. We were (and are) no more neutral in our views than current ACLU adherents; the difference (and it is profound) is that what they take for granted—the desirability of equal results, even at some sacrifice of equal rights—is problematic for us, and what we assume—the desirability of equal rights and opportunity, even if inequalities do not hereby decline—has become problematic for them. The separation of legal rights from the maelstrom of social life, which in our own eyes makes us true-blue civil libertarians, makes us in their eyes apologists for unconscionable inequalities. And that (leaving out the "unconscionable") is what is in dispute.

Guilty as charged! Some of us discover that we approve of many aspects of traditional morality and, therefore, of the social hierarchy from which it stems. Acceptance of a modicum of hierarchy, moreover, includes respect for authority as well as other forms of inequality. Others among us 1940s and 1950s civil libertarians discovered that if we wanted the creativity and spontaneity of market forces, we had to accept the inequality (as well as the vulgarity) that went with it. Had we believed that the combination of hierarchy and market relationships that constitutes whatever established authority remains in American life was vicious—leading to cumulative inequalities threatening American democracy along with its civil liberties—we, too, might have considered equality before the law as an epiphenomenon and equality of condition as all that was worth fighting for.

When the ACLU accepted the reverse sequence (some time in the late 1960s or mid-1970s) it also rejected the insulation of law and opportunity from condition. From then on equality of condition was primary and equality before the law secondary.

THE ACLU'S FUTURE

The ACLU has become an adjunct of movements to attack existing authority in the name of equality. If these movements weaken, the ACLU, if its past is any guide to its future, will abandon the reverse sequence and retreat to delineating a privileged position for legal rights. Should these egalitarian movements grow stronger, the ACLU may well become absorbed into them, making manifest what is now latent, namely, its service as their legal arm. Whatever happens, the experience of the ACLU will have taught us something about the conditions for treating civil liberties as an end in itself.

One such condition occurs when civil libertarians are numerous enough to band together, but still so weak as a group as to require tolerance from dominant social forces. Rather than fight losing battles over the substance of policy, this civil liberties group seeks to separate itself and its issues from substantive outcomes. The stance is tactical: The emphasis is on procedures because the group is sure to lose on policy. Once the group is strong enough to enter contests over policy, civil liberties become the means to more important ends. Those who disagree on substance leave the organization; gradually, the end goals overwhelm the former (and expedient) concentration on the means, and the initial sequence gives way to the reverse sequence.

Are there, then, no social conditions that would sustain disagreement over substance in the midst of agreement over procedures? Yes, but these conditions are delicate in that they require a certain kind of balance among forces. There must be people favoring hierarchy, for without hierarchy there is no place for legal rights, universalistic rules, adjudication of who has the right to do what, or predictable responses from government. And to some degree there must be pro-market forces. Without them there would be no one who believed in competition for its own sake. And without people to safeguard the right to switch support, there could be no change in political office. Egalitarians are needed, also, to keep differences—including those between authority and citizen—from growing too large. Otherwise, hierarchies might seek to throttle competition and capitalists to control markets, making it difficult for newcomers to enter. Should any of these social orders grow too powerful (the danger of which Aristotle was well aware), procedural rights would be nullified. Hierarchy might stifle alteration in office and the criticism that goes with it; market forces might create inequalities; and an egalitarian social order might deny liberties on the grounds they would interfere with equality. What the proper balance should be has, to be sure, eluded all of us. No doubt those who promote the reverse sequence would argue there is so little equality of condition that American society could stand for a great deal more before it becomes unbalanced. No doubt others will say that the pendulum has swung too far toward seeking equal conditions. I believe that the reverse sequence, by making civil liberties hostage to prior conditions, will weaken liberty without achieving equality.

To see why this is so—why equal conditions drive out equal rights rather than fully achieve them, as is commonly asserted—consider the coercive qualities required to maintain the reverse sequence. How can it be guaranteed that no citizen or group will acquire an unfair (in contemporary discourse, read "unequal") command over resources? Acknowledging that perfect equality of condition is unobtainable and may even be undesirable, attempting nevertheless to attain it justifies regulation of virtually every aspect of life that tends toward substantive inequality, i.e., most everything. So long as every deviation from equal conditions is regarded as unfair, undemocratic, and therefore, illegitimate, governmental intervention in the interstices of social life is mandated. In do sweeping a conception of democracy, equality before the law, except for instantaneous votes at the moment of achieving equality of resources, is a fatal impediment.

A different view of democracy, not heard from much in recent times, is that people get together to find common grounds on which to secure the blessings of liberty. The initial sequence—the procedural rights they can agree on—matters mightily precisely because people do not agree on substantive ends. They expect to come in with different degrees of interest and information; they expect to be unequal in some respects because they want to be taken as they are; and they think that established positions should give way only slowly, since this resistance to change will dampen their proclivity to do

whatever they decide to do. By foreclosing the end, or, rather, by making the end of equal condition the only legitimate beginning of political life, there is no room for a democracy of learning what to prefer. There can only be a democracy of enforcing prior preferences. And that, ironically, renders civil liberties useless, because there are no preferences to be changed. The reverse sequence and the original sequence are antithetic to each other; if you have one, despite what the song says, you can't have the other.

NORWALK'S WOMEN'S CLUB CENTENNIAL

Mr. DODD. Mr. President, I would like to take this opportunity to formally congratulate the Norwalk Women's Club, from Norwalk, CT, on their 100th anniversary.

For the past 100 years the Norwalk Woman's Club has unselfishly served the Norwalk community and the State of Connecticut. The effort and dedication of these women has extended into the areas of health care, education, scholarship, and civic affairs. Recognized for outstanding contributions in all areas of the arts, the club received the Naoma Morgenstein Award. In addition, two of their members were awarded the CSFWC Outstanding Volunteer Clubwoman of the Year Award. What the club has accomplished in the last 10 years—contributions of over $50,000 to the community and over 60,000 hours of volunteer service—is a demonstrative example of what the Norwalk Women's Club has been about for the last 100 years. And that is a continuous commitment to the betterment of their community through volunteering their time and energies by being in service to others. Believe it or not these women have something in common with Muhammed Ali, who has said that "service to others is the rent I pay for my room here on Earth." I would submit that the members of the Norwalk Women's Club share this same attitude.

During the past few years when we have witnessed massive cuts in social programs, the arts, and education, our communities have come to rely on volunteer organizations to fill the void left by these cuts. I am proud to acknowledge the Norwalk Women's Club, on the celebration of their Centennial, and particularly for the contributions they have made to the citizens of Connecticut. They are a credit to volunteer organizations all over the United States, and their unselfish service to their community during the past 100 years has made a positive difference in the lives of their neighbors and fellow citizens. It has been greatly appreciated.

OPERATIONAL WEAPONS TESTING

Mr. PRYOR. Mr. President, I wish to call attention today to an article by the senior Senator from Colorado [Mr. HART] which appeared in Newsday on February 5 of this year.

The article concerns the critical need for a truly independent and conscientious office of operational testing within the Pentagon.

We have all heard too many stories of weapons which failed to fire when our troops were in the field, and we continue to produce weapons of questionable worth at astronomical cost. It is understandable that the contractors and contracting officers responsible for developing new systems are less than rigorous in subjecting those weapons to realistic tests under combat conditions, but this sort of negligence is unacceptable to any of us who are concerned with the best interests of our troops in the field.

The Senate recognized this problem in approving the creation of an independent office by a vote of 91 to 5 in 1983. Since then, however, the Defense Department has dragged its feet. Although the new office and its Director were supposed to be in place by November 1, 1983, it was only last week that the Senate received the name of a nominee to head up the operational testing effort.

I hope our colleagues will give special attention to the comments of Senator Hart, and I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Newsday, Feb. 5, 1985]

OUR SOLDIERS' LIVES DEPEND ON REFORM OF WAY WE BUY ARMS

(By Gary Hart)

The past year has seen a stream of defense horror stories. Most have been of two types: overpricing or failure to meet specifications.

These are important issues. But there is a risk that concern about overpricing and shoddy manufacturing will distract us from the principal problem with many of our weapons—that even if they are manufactured correctly and priced fairly, they are not likely to work in combat.

One example is the Army's new personnel carrier, the Bradley Infantry Fighting Vehicle. At more than $1.5 million apiece, the Bradley is about 10 times as expensive as its predecessor, the M-113. If if did a better job of keeping the infantry inside it alive on a battlefield, it would be worth the extra cost. But instead, it threatens their lives.

Like the M-113, the Bradley is made of aluminum. When aluminum is hit by a shaped-charge weapon, such as the RPG-7 that is found in every Soviet infantry squad, it vaporizes at the point of contact and creates a fireball inside the vehicle.

Troops in the M-113 can reduce the risk from shaped charges and from mines by riding on top, as they usually did in Vietnam. The Bradley's design makes it impossible to ride on top. The Bradley is equipped with an antitank weapon, which the M-113 is not, but the weapon is a missile, not a gun, which means an enemy tank can usually destroy the Bradley while the missile is still in flight. The Bradley is filled with highly explosive ammunition; soldiers in the Bradley are riding in a powder keg.

When it tested the vehicle last year, the Army reportedly skewed the tests in several significant ways to cover the Bradley's flaws. Such test jiggering is all too common.

The fundamental issue is the way we develop and test weapons. Today our weapons are designed by a combination of large service bureaucracies and manufacturers that are closely meshed with their government customers. Designs are evolved in a series of committee meetings where each element in the bureaucracy, including the "private" design firm, gets to add its favorite characteristics to the system. Then, the same people who have developed the weapon control its testing.

The large majority of weapons programs should involve design competitions, with the military setting not characteristics but performance goals: what they want the weapon to do. Then, the most promising designs should be prototyped and subjected to competitive "shootoffs" or "flyoffs."

After a design is chosen, enough of the system should be built to permit thorough operational testing. But until it passes the tests, no more should be built.

The testers should be fully independent from the developers. Last year an overwhelming, bipartisan majority of the Congress voted to establish a new, strong, independent office of operations testing and evaluation to make certain that we find out about poor weapon designs before they kill American soldiers. But the Reagan administration has resisted truly independent operational testing.

No administration that stands in the way of such testing can claim to be for a strong defense. Strength requires not just more spending, but reform of the current processes. Our great national strength is a system that relies on competition, not all-wise bureaucrats, to ensure a quality product. Until we make our weapons development competitive, and have independent testing to keep the competition honest, more spending is just going to buy more weapons that don't work. The choice is between military failure and military reform.

COSPONSORSHIP OF ANTI-TERRORISM LEGISLATION

Mr. THURMOND. Mr. President, on January 24, 1985, the distinguished junior Senator from Alabama [Mr. DENTON] introduced three legislative initiatives that are designed to enhance the security of the United States and its citizens. With the consent of Senator DENTON, I ask unanimous consent that I be added as a cosponsor to these bills, S. 274, S. 275, and S. 276.

Mr. President, last year I introduced four bills on behalf of the administration to address the serious problem of international terrorism. I was pleased that two of those proposals became law. However, additional action can and must be taken to protect our country from the terrorist activity we

have seen increase over the past two decades.

It is my belief that the antiterrorism legislation introduced by Senator DENTON identifies appropriate areas for such action and deserves the careful consideration of my colleagues.

I look forward to working with Senator DENTON as we address this important issue.

REACTIVATION OF THE 10TH MOUNTAIN DIVISION

Mr. DOLE. Mr. President, on April 14, 1945, the 10th Mountain Division spearheaded the Fifth Army's northern Appennines offensive, the drive which was to break the back of the German resistance in Italy. By April 20, units of the division had moved down from the last mountain slopes and out across the plain of the Po Valley, the first allied troops into the vital flatland from the Appennines. Because of the 10th's participation, resistance in Northern Italy ended on May 2. After V-E Day, the 10th Mountain Division was inactivated in November 1945.

As a member of the 10th during World War II, I recently had the honor of participating in the reactivation ceremony of the 10th Mountain Division [light infantry] at Fort Drum, NY. Others in the official party included:

The Honorable PATRICK MOYNIHAN, U.S. Senator.

The Honorable ALFONSE D'AMATO, U.S. Senator.

The Honorable SAMUEL STRATTON, U.S. House of Representatives.

The Honorable DAVID MARTIN, U.S. House of Representatives.

The Honorable SHERWOOD BOEHLERT, U.S. House of Representatives.

The Honorable John O. Marsh, Jr., Secretary of the Army.

Gen. John Wickham, Army Chief of Staff.

Gen. Robert Senewald, Commanding General, U.S. Forces Command.

Maj. Gen. William Carpenter, Commanding General; 10th Mountain Division (light infantry).

I ask unanimous consent that the text of my remarks at the reactivation ceremony be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR BOB DOLE—REACTIVATION OF THE 10TH MOUNTAIN DIVISION; FORT DRUM, NY

During World War II, a German General, H. Von Senger, who had fought throughout Europe, declared that the Tenth Mountain Division "was the best division he had faced on any front." After the war, Colonel David Fowler, who commanded one of our regiments said "the tenth contributed more to the downfall of the Germans in Italy than any other division." Even now, when veterans return to Italy, American flags and welcome signs are strung throughout the villages to honor those returning victors.

I traveled to one such reunion when I represented the President last year commemorating the fortieth anniversary of the liberation of Rome. At the time I spoke about the honor of visiting Italy—a nation blessed with the fruits of peace. However, that celebration could never have occurred had it not been for the bravery of the Tenth Mountain Divison, for the tenth, lead by General Ryan, was a unique group of World War II daredevils.

Perhaps if General Ryan had not been so persuasive when he told General Truscott to "give us a crack at the Po" things might have been a little different today. For one who fought in that battle as part of the Tenth Mountain, who spilled some of his own blood and left a bit of himself forever behind, I like to think that no single group played a prouder role in the long campaign that started in Sicily and rolled to its victorious conclusion nearly 600 days later—the prolonged and bloody battle to set Italy free.

OUR GOAL OF PEACE AND FREEDOM

As a second lieutenant and leader of the 2nd Platoon of "I" Company, my goal was to reach hill 913. Today, as a Senator, my goal is to make sure that the peace we fought so valiantly for is maintained—that peace is preserved. It required so much of us, in manpower, in money, and above all, in spiritual and national resolve. Those of us that took part in the fighting bless the subsequent peace. We hail the friendships that grew out of the hostility and we pledged ourselves anew to the cause for which so many gave so much.

This is a day to pause and pay tribute to the soldiers of the tenth who gave everything they had for freedom. No less important, it is also a time to pay tribute to the new soldiers of the tenth. I am confident that you will be worthy of that trust.

The fighting may have ended long ago. Yet the dangers persist. The need for a strong and equitable defense is ever present. So let us resolve: so long as human freedom is threatened, then we will keep our watch. Let us pray that the lessons of the Italian campaign have been learned and that no future wars need be fought.

MAINTAINING OUR WATCH

Soldiers of the tenth, may God give you the strength to do what history tells us is right. Under the leadership of General Bill Carpenter may each of you find the wisdom to do what may be necessary. General Marshall, architect of victory in Europe, may have put it best: "The only way to win a war," he declared, "is to prevent it." Gentlemen, that is a responsibility both of us share.

Thank you and good luck.

THE SALE OF CONRAIL

Mr. HOLLINGS. Mr. President, on February 8, 1985, Secretary Dole announced her selection of Norfolk Southern to be the purchaser of Conrail. This selection represents the culmination of many months of intense deliberations on the part of Secretary Dole and others and is an important step toward securing a private sector rail system serving the Conrail region.

Today I am placing in the CONGRESSIONAL RECORD an editorial by Secretary Dole in the Washington Times for February 19, 1985, which highlights the important details of the Norfolk Southern [NS] bid. These details represent many months of negotiations, and the parties are to be commended for their efforts to ensure the long-term financial viability of the Conrail system without further Federal subsidies and a continuation of competitive rail service in the Conrail region and as an important link to other parts of the country.

Questions have been raised about the soundness of the NS bid by competing railroads who fear traffic diversions and a loss of existing competitive service, by certain rail labor and shipper groups who also fear the impact of any such rail merger on jobs and service levels, and by proponents of the public offering as an alternative to selling Conrail to a single entity. On February 27 and 28, the Commerce Committee will be holding hearings on DOT's selection and the sale of Conrail in general, and I and my fellow committee members will be examining the strengths of the NS bid and any such concerns that have been raised. In examining these concerns, we must not lose sight of the obvious strengths of the Norfolk Southern as a railroad company, and of our primary goal to transfer Conrail to private sector ownership in such a way as to ensure the long-term financial viability of a rail network in the Conrail region that will remain an integral part of the Nation's rail system.

I ask unanimous consent that the text of Secretary Dole's editorial be included in the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Feb. 19, 1985]

PUTTING CONRAIL BACK ON A PRIVATE TRACK

(By Elizabeth Dole)

Selling government-owned enterprises to the private sector or, as the British call it, "privatization," is an idea whose time has arrived in America. We are very near a major advance for the cause of privatization through the process now taking place to sell the federally owned freight railroad, Conrail. After a thorough competitive bidding process, I have selected Norfolk Southern Corp. to purchase the railroad, providing a sizable return to the taxpayers.

The government has been in the rail freight business since 1976, when Congress created Conrail by combining the Penn Central and several other bankrupt railroads operating in the Northeast and Midwest. Congress intended that the government should help the railroad get back on its feet, to the point where it could once again operate without government assistance.

In 1981, the Northeast Rail Service Act directed the secretary of transportation to prepare and carry out a plan for selling Conrail that ensures viable railroad service to the region Conrail serves.

I have conducted the sale of Conrail with this in mind. My goal in selling the railroad has been to select a buyer that leaves Conrail in the strongest position after the sale,

best preserves service to Conrail shippers, and consistent with these criteria, gives the taxpayers the highest rate of return possible. The Norfolk Southern offer fully meets these criteria.

The agreement already negotiated with Norfolk Southern assures that those criteria will be fulfilled. Norfolk Southern has agreed to pay $1.2 billion in cash at the time of the sale, none of it leveraged against Conrail's assets. In addition, any cash in Conrail's account exceeding $800 million at the time of closing will also go to the government.

Norfolk Southern also has agreed to surrender the tax benefits Conrail has received during its period of public ownership. Norfolk Southern will forgo all of Conrail's net operating loss carry-forward benefits, worth about $2.1 billion, and $275 million in investment tax credits. These tax concessions by Conrail's bidders represent real value to the Treasury.

Money is only part of the package that the government will receive through the sale of Conrail to Norfolk Southern. We have also negotiated strong public interest convenants which are specificially designed to protect Conrail service and the railroad's financial integrity during a five-year transition period following the sale.

They strictly limit the amount of dividends Conrail's new owners can receive in any year, and prohibit the payment of any common or preferred dividends above certain amounts of earnings unless a cash balance of at least $500 million remains in the company after the dividends are paid.

The covenants also require, with limited exceptions, that Norfolk Southern maintain Conrail's current practice of high levels of reinvestment in Conrail, and preclude deferral of maintenance. Conrail must give up its expedited abandonment authority and offer any abandoned lines to shippers or short line railroads at 75 percent of net liquidation value.

Norfolk Southern must also continue Conrail's business substantially as it is now being conducted and maintain a controlling interest for at least five years. All current Conrail service agreements with shippers will be continued. Conrail's Philadelphia office will be maintained. Finally, Norfolk Southern must provide certifications of compliance and regular reports and audited financial statements to the government, and all covenants are enforceable in court by injunction. False statements are subject to criminal penalties.

These covenants are of real value to the public. In the absence of these restrictions, the market price for Conrail likely would be higher, but the protections for the shippers and taxpayers would be fewer. The negotiated package nets the best possible return for the taxpayers.

The careful, deliberative sales process we have followed is the best assurance that Conrail will be returned to the private sector as a viable railroad continuing to provide first-rate service at a reasonable cost.

The government and Conrail have reached their intended destination. We have a willing buyer with the resources and capability to run the railroad, and the public has guarantees that ensure long-term rail service to the communities and shippers in the 15 states Conrail serves. It's time for the government to sever its ties with Conrail and give free enterprise the opportunity to direct Conrail into the future.

AMERICAN AIRLINES SERVICE TO SOUTH CAROLINA

Mr. THURMOND. Mr. President, there is an interesting phenomenon taking place in our Nation—one which is having a positive impact on the State I represent. As more Americans migrate to the Sun Belt, many of those families are making South Carolina their new home.

Not only are families heading southward, but businesses and industries are drawn almost magnetically to the tremendous growth opportunities which the Palmetto State offers.

Coupled with this migratory trend is a strong and stable economic surge, resulting in greater expansion throughout South Carolina.

Mr. President, I am pleased that American Airlines, one of the oldest and most reputable airlines in our country, has recognized this growth and announced its intention to begin service to cities in my State. We welcome American Airlines to South Carolina and look forward to the safe, friendly and convenient service which they are sure to provide to South Carolinians and visitors alike.

Mr. President, I ask unanimous consent that the following articles about this announcement from the Columbia (SC) Record and the Charleston (SC) Evening Post be included in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

AMERICAN AIRLINES TO BEGIN FLIGHTS FROM COLUMBIA, CHARLESTON, UPSTATE

[From the Columbia (SC) Record Jan. 23, 1985]

Airport officials say American Airlines will announce this week that it will begin flights from Columbia, Greenville-Spartanburg and Charleston to the Western United States.

Dick Graham, executive director of the Greenville-Spartanburg Airport, said American Airlines' arrival ends two months of "mutual" recruitment. "They're coming, and I think it's going to be in June," Graham said.

In Columbia, airport director Robert H. Waddle said negotiations have just about been completed with the airline on landing fees and rental space, and he believes American will announce the start of service at a 10 a.m news conference tomorrow.

The news conference is set for Columbia Metropolitan Airport.

Charleston airport officials expect three flights daily to leave the Charleston airport, starting during the spring.

Al Becker, an American spokesman, said the airline will formally announce its plans for entering markets in North Carolina and South Carolina at a 2 p.m. press conference tomorrow at Greenville-Spartanburg airport.

American will offer flights to the West, including Hawaii, California, Canada and Mexico, but none to the Northeast, Becker said.

"Everything we do at American domestically is tied to one or both of our major hubs, Dallas-Ft. Worth and Chicago," he said.

Becker would not confirm the other cities in the Carolinas that will be served by American, although airport officials confirmed negotiations have been under way for some time now.

"We will reveal the entire expansion Wednesday," Becker said.

North Carolina's Fayetteville, Raleigh-Durham, Winston-Salem, Charlotte, High Point and Greensboro, and South Carolina's Columbia and Charleston "are among those that have been rumored" to be part of the expansion, he said.

Becker said he could not estimate how many jobs the airline will offer South Carolinians because jobs will be offered first to current employees. "But there will be some local hiring," he said.

American will not enter the Greenville market offering special rates other than the "Ultimate Super Saver" plan the airline plans to introduce nationwide next month, Becker said.

[From the Charleston (SC) Evening Post, Jan. 23, 1985]

AMERICAN AIRLINES TO BEGIN SERVICE HERE

American Airlines will begin three daily flights from Charleston International Airport beginning April 11.

"The Charleston service is part of a larger expansion in the Southeast under which American also will begin service at six other major Carolina airports—Raleigh-Durham, Charlotte, Greensboro/High Point/Winston-Salem and Fayetteville in North Carolina, and Columbia and Greenville-Spartanburg in South Carolina," according to airline officials.

"Most of American's Southeast expansion takes place on April 11. The exceptions are Greenville-Spartanburg and the Atlanta-Chicago flights, which begin on July 15," they said.

Jerry Jacob, American's eastern division vice president, said today there are four reasons why the airline has chosen to serve markets in the two Carolinas.

"Economic conditions in the Carolinas are generally strong and show excellent signs for the future," he said.

"This region has historically been one of the finest air transport markets in the country. There is room for a large, nationwide carrier like American Airlines in the Carolinas, and the prospects for long-term growth here seem exceptionally bright.

"And, finally, American can bring Charleston—and other communities throughout the Carolinas—a whole new dimension of service to the Midwest, the West, Hawaii and Mexico through our hubs in Dallas/Fort Worth and Chicago."

Charleston International Airport already is served by Delta, Eastern, Piedmont and United Airlines. When American begins service, it will be at the new terminal complex, which is approaching completion and is scheduled to open April 3.

American's Charleston International service will consist of morning, early afternoon and evening flights in each direction.

To the west, the morning flight will leave Charleston at 8:40 a.m., arrive in Charlotte at 9:20 a.m., depart Charlotte at 9:45 a.m. and arrive in Chicago at 10:30 a.m. the second flight will leave at 12:30 p.m., arrive in Atlanta at 1:15 p.m., depart there at 1:57 p.m. and arrive in Dallas/Forth Worth at 3:03 p.m. The evening flight will depart Charleston at 6:20 p.m., arrive in Charlotte at 7 p.m., leave at 7:25 p.m. and arrive at Dallas/Forth Worth at 8:57 p.m.

Eastbound, the morning Dallas/Forth Worth flight leaves at 7 a.m., arriving in Atlanta at 9:55 a.m., departs at 10:20 a.m. and arrives in Charleston at 11:15 a.m. The evening flight from Chicago leaves at 5:35 p.m., arrives in Charlotte at 8:11 p.m., departs at 8:53 p.m. and arrives in Charleston at 9:33 p.m.

The second Dallas/Forth Worth flight leaves at 1 p.m., arrives in Charlotte at 4:13 p.m., departs at 4:38 p.m. and arrives in Charleston at 5:18 p.m.

Dallas/Forth Worth is the headquarters for American, but Chicago is the airline's other major hub airport.

American will also offer Charleston passengers a set of discount fares, including its new Ultimate Super Saver fare.

Between Charleston and Los Angeles, for example, the Ultimate Super Saver will be $129 each way, a savings of $301 from the normal coach fare of $430. Ultimate Super Saver rules include buying tickets at least 30 days in advance and staying at least through Saturday night.

APPOINTMENT OF LT. GEN. LA VERN E. WEBER AS EXECUTIVE DIRECTOR OF THE NATIONAL GUARD ASSOCIATION OF THE UNITED STATES

Mr. THURMOND. Mr. President, I rise to call to the attention of the Senate the recent appointment of Lt. Gen. La Vern E. Weber as executive director of the National Guard Association of the United States.

It has been my privilege to know General Weber during the last 15 years of his outstanding career as a leader in the Army National Guard forces of our country. Therefore, I am pleased that, upon his retirement last year, he has entered a new phase of service to our Nation by assuming the leadership here in Washington of the National Guard Association.

During the last session it was also my privilege to acknowledge, along with other Members of the Senate, the outstanding work of the outgoing director, Maj. Gen. Francis S. Greenlief. Today, my purpose is to focus attention on General Weber as he begins his first full year as association director.

A native of Oklahoma, General Weber has had a long and distinguished career of military service. He served with the U.S. Marines during World War II and began his career in the Army Guard in 1948. During the Korean War he served with the 180th Infantry Regiment of the 45th Infantry Division, one of only two National Guard divisions called to service during that conflict.

Upon return to the United States he rose steadily in the ranks of the National Guard, and in 1965, was named the Adjutant General of Oklahoma. During this period he worked closely with former U.S. Senator Dewey Bartlett, who also served as Governor of Oklahoma.

In 1971 he was named Director of the Army National Guard. Three years later he became the head of the National Guard Bureau, which has jurisdiction over both the Army and Air Guard Programs. In 1979 he was promoted to the rank of lieutenant general.

Mr. President, after completing service as Bureau head, General Weber was named as Deputy Commanding General for Mobilization of the U.S. Army Forces Command in 1982. More recently, he was military executive of the Reserve Forces Policy Board in the Office of the Secretary of Defense.

During his long military career he has received many awards and decorations, including the U.S. Army and U.S. Air Force Distinguished Service medals, the Legion of Merit, and other high awards.

Mr. President, the National Guard Association is fortunate to have as their new leader a man with the experience of General Weber. I feel sure the Congress will look to him for guidance in National Guard matters, and I personally look forward to working with him in this area during the years ahead.

Mr. President, I ask unanimous consent that a press release announcing General Weber's appointment to the Guard Association and a biography describing his military career be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WEBER SELECTED TO HEAD NATIONAL GUARD ASSOCIATION OF THE U.S. STAFF

WASHINGTON, D.C. (NGAUS).—Major General William E. Ingram, president, today announced the appointment of Lieutenant General LaVern E. Weber to be the full-time chief executive officer of the National Guard Association of the United States (NGAUS) effective July 1, 1984. Weber will retire from active duty on June 30 and will succeed Major General Francis S. Greenlief who has been executive vice president of the 106-year-old organization since 1974.

Weber is a former Chief of the National Guard Bureau, the Pentagon agency which is the channel between the Departments of the Army and the Air Force and the states. Since leaving that post in 1982, the Oklahoma National Guardsman has held two high-level Army assignments. He was the deputy commanding general for mobilization at Headquarters, U.S. Army Forces Command in 1982-83. More recently he has been on duty in the Pentagon as military executive of the Reserve Forces Policy Board in the office of the Secretary of Defense. He was the first National Guard Bureau chief to attain three-star rank in the Army.

A native of Lone Wolf, Oklahoma, Weber has been a teacher, a coach, a National Guard administrator and a part-time farmer. He served in the U.S. Marine Corps during WWII and was commissioned out of Officer Candidate School. His service in the National Guard began with his appointment as a second lieutenant in 1948. He served with Oklahoma's 45th (Thunderbird) Infantry Division in Korea as an S-3 (operations officer) with the 2d Battalion, 180th Infantry.

Upon his return from Korea, Weber served in key staff assignments in the 45th Division and rose to be the division chief of staff prior to his appointment as the Adjutant General of Oklahoma in March, 1965. He was promoted to major general in 1966.

As the leader of the Oklahoma National Guard he began to play an increasing role at the national level. He served on the NGAUS Executive Council from 1965 to 1971 and was chairman of the "Weber Committee" which was responsible for a major overhaul of the Association. During 1969-71 Weber became a member of the Army Reserve Forces Policy Committee, an advisory body to the Secretary of the Army. In 1971 he was appointed to the Reserve Forces Policy Board at the Department of Defense level.

He came to Washington on a full-time basis in 1971 when he was named to be the Director, Army National Guard. He was then a major general. In 1974 he was named by President Gerald R. Ford to be Chief, National Guard Bureau, a post he would fill until 1982. He was recommended for promotion to the rank of lieutenant general and confirmed in that grade by the U.S. Senate in 1979. General and Mrs. Weber are residents of Fairfax City, Virginia and Perry, Oklahoma.

[Biography]

LT. GEN. LA VERN E. WEBER (RET.), EXECUTIVE DIRECTOR, NATIONAL GUARD ASSOCIATION OF THE UNITED STATES (1984–)

Lieutenant General LaVern E. Weber was appointed as the full-time chief executive officer of the more than 56,000-member National Guard Association of the United States (NGAUS) effective 1 July 1984. He joined the Association staff the day following his retirement from the position of military executive for the Defense Department's Reserve Forces Policy Board. His retirement culminated 42 years of military service.

Weber has been in Washington on a full-time basis since 1971 when he was named to be the Director, Army National Guard. In 1974, he was named by President Gerald R. Ford to be Chief, National Guard Bureau, a post he would fill until 1982. He was recommended for promotion to the rank of lieutenant general and confirmed in that grade by the U.S. Senate in 1979, obtaining distinction as the first Guard Bureau Chief to attain three-star rank.

As Chief of the National Guard Bureau, the Pentagon agency which is the channel of communication between the Departments of the Army and the Air Force and the states, he spearheaded the planning, programming and administration of all National Guard programs. Following his tour as Bureau Chief, he served as the deputy commanding general for mobilization at Headquarters, U.S. Army Forces Command.

A native of Lone Wolf, Oklahoma, Weber has been a teacher, a coach, a National Guard administrator and a part-time farmer. He served in the U.S. Marine Corps during WWII, enlisting in 1942 to enter the Navy V-12 Program. He was commissioned out of Officer Candidate School in the Marines in 1945. His service in the National Guard began with his appointment as a second lieutenant in 1948. He served with Oklahoma's 45th (Thunderbird) Infantry Division in Korea as the S-3 (operations and training officer) for the 2d Battalion, 180th Infantry.

Upon his return from Korea, Weber served in key staff assignments in the 45th Division and rose to be the division chief of

staff prior to his appointment as the Adjutant General of Oklahoma in March, 1965. He concurrently was promoted to major general.

As the leader of the Oklahoma National Guard he began to play an increasing role at the national level. He served on the NGAUS Executive Council from 1965 to 1971 and was chairman of the "Weber Committee," which was responsible for a major overhaul of the Association. During 1969-71, Weber became a member of the Army Reserve Forces Policy Committee, an advisory body to the Secretary of the Army. In 1971, he was appointed to the Reserve Forces Policy Board at the Department of Defense level.

His many awards and decorations include, among others, U.S. Army Distinguished Service Medal, U.S. Air Force Distinguished Service Medal, Legion of Merit, U.S. Marine Corps Good Conduct Medal, Combat Infantryman Badge, Norway Order of Saint Olav (Cdr with Star), Norway Medal of Merit and the NGAUS Distinguished Service Medal.

FARM FINANCIAL CRISIS

Mr. DURENBERGER. Mr. President, as you will recall, the "Minnesota Chill" which gripped Washington during inaugural week was warmed considerably by continuing good economic news on the front pages of the Nation's major newspapers.

According to the Commerce Department, the U.S. economy expanded at a rate of 3.9 percent in the fourth quarter of 1984, resulting in a 6.8-percent gain for the year. That is the most growth the U.S. economy has experienced in any one year since 1951.

Equally positive are the reports on inflation. The 3.7-percent inflation rate for 1984 was the lowest since 1967. And, while unemployment is still too high at 7.4 percent, it is down significantly from the double-digit figures we were seeing a year ago. Overall, a record number of Americans are now at work. Encouraging headlines indeed.

But Americans in heavily agricultural areas of our Nation are reading different headlines. Their newspapers are blackened with reports of a farm economy in crisis.

Just a few weeks ago, for example, Minnesota's rural newspapers were filled with stories of families traveling to the farm crisis rally at the State Capitol in St. Paul.

More than 10,000 people from Minnesota and several neighboring States attended the rally to dramatize their plight and to urge swift action by State and Federal officials. Schools and businesses in more than 30 communities were closed so that students and business people could attend.

I read this week in the Mankato Free Press that farmland values in Blue Earth and surrounding counties have dropped to their lowest level since 1978 and are expected to drop another 10 to 15 percent in the next year. According to the Blue Earth County Extension Director, average farm land values in the county fell more than 25 percent just last year, from $2,300 to $1,700 per acre.

And, Mr. President, I read this week in the Canby News about the closing of Great Plains lumber yards in Clarkfield, Madison, Dawson, and Montevideo. In all, the retailing subsidiary of the giant Harvest States Cooperative closed 38 lumber yards in farming communities last week due to declining sales.

But most of what I have learned about the crisis in rural America was not found in newspapers. The education of this public servant was through face-to-face encounters with troubled farmers, and hundreds of letters, like the following from Correll, MN:

DEAR SIR: I am writing to you concerning the farm crisis and the poor people of America. . . .

I have four sons that have been farming for 16 years. They expanded from the home farm after their father passed away, but they use the machinery together. This year their line of credit has been cut off and they have no where to turn for help . . . Doesn't the legislature realize if farmers get a decent rate of return on their investment the whole country will benefit. Our rural towns are disappearing, mainstreet is losing a lot of their business—so many buildings standing empty. This is a major problem in America and I think you in the legislature better work on it. We all can't come to work. About all we can do is write letters and let you know how serious the problem is.

So, Mr. President, as proud and as pleased as we all are about the overall success of President Reagan's economic plan, we are obliged to remember that economic recovery is not shared by the farmers and small business people in the agricultural communities of Minnesota and elsewhere.

Any constructive analysis of today's farm situation must begin with our $200-plus billion national deficit. Our soaring deficits have had—and continue to have—a substantial impact on the feasibility of proposed solutions to address these problems.

First, consider the impact that the deficit has had on interest rates, certainly one of the problems facing farmers.

At current rates, interest on the national debt is now expected to climb to $171 billion per year by 1988, up from $46 billion in 1980. All that borrowing by the Federal Government cannot help but push up interest rates for farmers, homeowners, and everybody else.

A recent survey by Farm Credit Services in 16 countries in the Red River Valley showed that, for the average farmer, a one point decrease in interest rates would be equivalent to receiving an additional 9 cents per bushel for the crops he or she produces.

In other words, if we would lower interest rates from what many farmers are now paying down to 9 or 10 percent, the average farmer would gain as much as 45 cents per bushel. With today's low commodity prices, that would make a great deal of difference.

Whopping Federal deficits have also contributed substantially to strengthening the U.S. dollar against other world currencies, hurting the marketability of our farm products overseas while continuing to buildup surpluses here at home.

In 1982, for example, a $6 bushel of soybeans cost West German traders 10.2 marks. In 1984, that same bushel at $6 cost 18.1 marks, an 80 percent increase in just 2 years. The same calculations can be made for wheat or corn or any other commodity.

In 1983, when the U.S. price support loan rate for wheat was $3.65 a bushel, this equated with $4.32 per bushel in Canadian dollars to the Canadian producer. In 1984, the United States lowered its loan price for wheat to $3.30, but, because of adjustments in the currency exchange, the Canadian farmer still received $4.32 a bushel for the wheat he produced.

This not only signals the Canadian farmer to increase his production, it also provides an additional margin with which the Canadian Wheat Board can negotiate in order to underbid the United States in Third World markets. It is no wonder that American companies like Cargill are finding it economically—if not politically—attractive to buy their wheat and other farm products from overseas.

Finally, the Federal budget deficit affects the fiscal and political feasibility of addressing the farm crisis in this session of Congress.

Proposals are being made by the administration and others to substantially cut spending on Federal farm programs this year as part of our overall deficit reduction effort. The latest proposals I have seen would slash farm programs by $14 billion over the next 3 years.

The farmers I have spoken with are more than willing to sacrifice farm program benefits in order to reduce the deficit. But there is a better way to reduce farm spending than the proposal circulated by Mr. Stockman, and farmers know it.

Instead of terminating the acreage reduction and paid land diversion programs, I think farmers would like to see them strengthened and applied across the board.

Instead of placing a 5-percent origination fee on CCC export credits, farmers would rather see the lucky person who finds a willing buyer for U.S. commodities rewarded with a 5-percent bonus.

Instead of terminating the dairy program and forcing an end to the livelihood of one of agriculture's hardest workers, farmers would rather extend the current program for 2 more years.

Instead of leaving farmers with no choice but to plant as much as they can, farmers would prefer to see a sodbuster bill with cross compliance features.

Most important, instead of trying to create export markets by reducing loan rates and phasing out target prices, Minnesota farmers would like to see the Government take steps to reduce the value of the dollar in the currency markets. It is not the price of farm commodities that is too high, it is the price of the dollar. It is not $3.00 corn, $4.50 wheat or $7 beans that our trading partners cannot afford. It is the high cost of the dollar. The day this Government reduces the dollar's value to its 1981 level is the day when our farm management problems will disappear.

Mr. President, farmers are a lot smarter than the beancounters at OMB think they are. They know things are getting worse. They know the situation will not straighten itself out. They know Washington and the Federal Government are a major factor in their problems. And they know that the proposals circulating at OMB are only going to make things worse. As an illustration, I hope my colleagues will read an article by John Martens which appeared in the Farm Journal.

I ask unanimous consent that the article be inserted in the RECORD at his point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARE YOU READY FOR $2.40 WHEAT AND $2 CORN?

(By John Martens)

Ah—you can almost feel the pleasant tingle from being "wrapped in the warm blanket of recovery" to quote Presidential candidate Reagan from his "farm" stop in Iowa last September. But wait. Is it from a worn-out electric blanket? You can decide.

Two warnings.—Only certified market-oriented folks with low debt-asset ratios or high nonfarm incomes should continue reading unless seated. And, of course, more than the normal chance for change is involved in the analysis below, since this was written in mid-December. Trial balloons were being released almost daily by the Reagan/Stockman/Block trio. Here's the detail on one set of balloons.

The "no frills" crop plan floated by the Administrator contains:

(1) ending the farmer-owned reserve;

(2) a $10,000 payment limit and a $200,000 CCC loan maximum;

(3) full "recourse" loans set at 75% of the last three years' farm price for soybeans, cotton, wheat and feed grains;

(4) a five-year phase-out of target prices, dropping 5% a year from 100% of the last three-year average farm price in 1986 down to the loan level (75%) after 1990;

(5) a modest conservation reserve designed to idle about 20 million acres of highly erodible land;

(6) all other acre-idling programs would be discontinued (no ARP, PLD or PIK), so *all production* would be loan and target "eligible."

I've estimated the results in the table for the three key crops. I assumed normal weather, a continued strong U.S. dollar, more big deficits in the $150+ billion area and current interest rates.

It's a "cold turkey" approach. *Recourse means you must repay the loan!* So the effective price support would drop from the 1985 loan rates listed in the table to nothing! Wow. *So there would no longer be a support price for any crop!* The loan rate really would be used only by those who couldn't get a loan from normal sources. Who'd want a $1.68 corn loan in 1988—let alone one that couldn't be forfeited!

As the table shows, the five-year "gradual phase-out" of target prices turns into only a two-year removal when practical numbers are used. So, corn deficiency payments would run $5 billion in 1985; about $2.5 billion in 1987; and near $0 in 1988.

Economic consequences of the policy shift described herein are many. Here's a partial list.

Farm exports would go up perhaps 20% by 1987 if prices dropped about 30% as shown. Eventual gains of up to 40% to 50% would be possible if export competitors didn't retaliate.

Food price inflation would be very low until about 1990 as the cheaper raw farm prices worked their way through the system.

Initial farm-income losses of $11 to $14 billion would drop net farm income to $6 to $9 billion by 1988.

Hog prices likely would fall to $30 per cwt. or less in 1987 as farmers tried to "market crops on four legs." Farmers in wheat states like Kansas would have the highest bankruptcy rate.

Severe stress would put increased pressure on farm suppliers.

FmHA failure rates would reach or exceed 80%—leading to the eventual write-off of perhaps $20 billion of the current $25-billion loan total.

The farm credit system probably would fail if Uncle Sam didn't step in.

Perhaps 40% of all farmers would fail by 1988—and these hold over half the $190-billion private farm debt.

Land prices would decline another notch along with cash rents—a structural shift toward direct operations by outside investors would develop due to the tax law.

Soybean prices would still average near 2.4 times corn price—about $4.75 a bushel with $2 corn.

Surviving farmers with good marketing skills and some cash in hand would do relatively well in the '90s—especially if they bought more land and machinery at the bottom of the late-'80s collapse.

With no reserve, food-price instability would become an issue.

Perhaps the "trial balloons" analyzed herein are just that. The immediate removal of price supports with a two-year income assistance phase-out seems radical when farmers already are under severe stress. Both the treasury and trade deficits will need to be trimmed before "free market" policies have any chance of being a "fair market" policy for U.S. farmers.

THE REAGAN PRICE PLAN

Crop and years	Target [1] price	Recourse [2] loan rate	U.S. average [3] farm price
Corn (dollars per bushel):			
1985	3.03	2.55	2.55
1986	2.82	2.11	2.20
1987	2.35	1.86	2.00
1988	2.02	1.68	2.00
Wheat (dollars per bushel):			
1985	4.38	3.30	2.30
1986	3.41	2.56	2.60
1987	2.95	2.32	2.40
1988	2.48	2.07	2.40
Cotton (cents per pound):			
1985	81	57.3	55
1986	61	45.2	46
1987	51.3	40.5	45
1988	43.8	36.5	45

[1] Assumes 100 percent of last three years in 1986, 95 percent in 1987, 90 percent in 1986.
[2] 75 percent of last three years' farm price.
[3] USDA actuals plus author estimates.

Mr. DURENBERGER. Mr. President, it is small wonder that farmers are angered by the proposal to phase out target prices and reduce loan rates over the next few years, when these two farm program elements comprise, in large part, the Government's commitment to agriculture. Moreover, we have heard scant evidence that such grave steps would benefit the farm economy or the Nation.

Minnesota farmers do not buy the argument that it is high loan rates which have made our exports too expensive and have encouraged expanded production abroad. Neither do I. Again, we must look to other factors for the true story.

While current support prices are a factor in the decline of U.S. farm exports, they take a back seat to the impact the strong dollar had had. Today's dollar has increased the cost of U.S. wheat, corn, and soybean exports by 32 percent since 1980.

If Congress adopts the market-oriented approach, we would have to drop the loan rate to $1.70 per bushel just to offset the strength of the dollar. And I cannot think of a single farmer in Minnesota who can pay off his debt with $1.70 per bushel corn. Let me restate that it is the dollar, not the loan rate, that has priced us out of the world market.

And why are we to believe that high loan rates have led to the expanded production abroad? There is not a single leader in the world who does not understand that a stable food supply ensures a stable government. When Presidents Nixon, Ford, and Carter withheld grain from our established customers those nations had no alternatives but to find a new source or develop their own supply. It was embargoes—not $2.45 bushel corn—that compelled our former customers to clear rain forests, irrigate deserts, plow up virgin prairies and plant wheat, corn, and soybeans. Is it any wonder that we have become residual suppliers and our former customers

have become our toughest competitors?

The other half of the market-oriented approach—after slashing loan rates—is cutting target prices and deficiency payments. But target prices and deficiency payments perform two important functions for farmers. First, they provide the incentive farmers need to participate in Federal farm programs. Without a meaningful target price, there would be very little participation in Federal acreage reduction and soil conservation programs. And with carryover stocks of corn reaching 1.2 billion bushels and prime farmland silting up our lakes and rivers faster than we can dredge them, this is not the time to cut target prices or reduce the cap on deficiency payments.

Second, target prices and deficiency payments force the Government to accept the responsibility and share the risks when Federal policies fail. If OMB wants to reduce budget exposure on deficiency payments, I would suggest that it start by finding ways to get the value of the dollar down. As it is, if this Government is going to use the agricultural sector to break the back of inflation, it will either have to improve its management of current farm programs or be prepared to spend a little money.

Unfortunately, this administration's management track record is more than a bit shoddy—$600 toilet seats, $10 billion PIK programs, and Allen wrenches worth their weight in gold, do not do much to reduce a deficit that is expected to exceed $200 billion next year. Every farmer I have spoken with believes the Federal deficit is the No. 1 cause of the high interest rates and the strong dollar. They know their problems will not be over until our spending habits are brought under control. And they know that if Congress does not act this year, there will not be a crop to harvest next year.

A Minnesota Department of Agriculture survey has estimated that, without quick action, 13,000 Minnesota farms will fold in the next 2 years. I repeat, 13,000 farms in Minnesota alone. Moreover, studies show that every time a farming operation is liquidated, three jobs are lost. And, every time 10 farms fold, a business on the main street of Jackson, or Elbow Lake, or some other farming community is forced to close. As William Jennings Bryan said nearly a century ago:

> Burn down your cities and leave our farms, and your cities will spring up again as if by magic; but destroy our farms and the grass will grow in the streets of every city in the country.

A businessman in rural Wilmont sent me this letter about the financial crisis in farming communities:

> I have personally owned this retail farm store in Wilmont for seven years. Prior to that, my father owned and operated the business for ten years. In the last two years, the store sales and thus its profits have eroded and our accounts receivable from farmers has grown enormously. Area banks have taken monies received by farmers and reduced loans and paid interest, leaving creditors like me to carry balances for fertilizer, feed, seed and equipment. In essence, the farmers' creditors are financing and carrying balances that should have been paid from the sale of crops and livestock.
>
> Soybean and corn yields in our area were good, but prices are so low that the monies received by farmers didn't cover the cost of putting the crop in, much less the cost of cultivating, spraying and harvest.
>
> Area bankers are writing down the values of land and equipment used for security by the farmers. Not only has the farmers' net worth eroded, but they are saddled with paper losses in addition to cash losses on this year's crop.
>
> I think the survival of many farmers and small businesses is dependent on your taking action immediately. We need low interest rates, an influx of cash, price supports, and breathing room from area bankers, and we need it now.

And there was this letter from Granite Falls:

> As a director on the Willmar branch of the Federal Land Bank I am acutely aware of what is happening to the farm population. As County Commissioner of Chippewa County I am also very much aware of the social problems we are seeing—alcoholism, abuses, depression—with the recent closing of 9 Standard Lumber Yards in the immediate area and 42 lumber yard closings by Great Plains. We are also losing many small independent businesses up and down main street.
>
> STANLEY JACOBSON
> *Granite Falls, MN.*

The current farm financial crisis is multifaceted. That is part of the reason it is so difficult to address. It involves the immediate crisis of borrowing money for seed and fertilizer and fuel to put in a crop this spring. It involves the longer term problems that farmers have making their payments and paying their bills with current high interest rates and low prices. And, it involves responding to people, like this woman in Lewiston, who are concerned about their neighbors' welfare:

> DEAR SENATOR DURENBERGER: I am writing to voice our alarm at the deteriorating farm economy. We need fair prices—we cannot continue selling for less than it costs to produce.
>
> We know of 20 farmers in this area who have lost their farms, or are in the process of losing them. We know six young couples with families who are leaving Minnesota to go to Arizona and Washington because of the sagging farm economy.
>
> Two bankers have been shot and two more have been threatened. How many suicides have there been? How many more banks and small businesses must close before someone realizes there is a serious problem? WAKE UP!
>
> Lowering prices still further as Reagan and Stockman plan to do will make matters worse. Prices are already below the cost of production. The arms manufacturers are not losing money, although we clearly have a surplus of arms. We can blow up the world several times over—now that's a surplus!
>
> American family farms are the most efficient food producers in the world. They care for the land. Corporate farms care only for profits. They do not rotate crops and they rely heavily on chemicals and pesticides which are harmful to our topsoil.
>
> Please work for better prices. The open market isn't working. We need prices which will allow us a profit so we can raise and educate our families and pass our farms on to our children. Our children have all left the farm because they see no hope here.

The current farm financial crisis is, at once, nobody's fault and everybody's fault. It is going to take the concerted effort of all of us—Federal and State, urban and rural—to begin to solve.

Certainly, declining land values are at the very heart of concerns many farmers have about getting the credit they need to put in a 1985 crop.

A recent study by the Minnesota Agricultural Statistics Service found that Minnesota farmers lost $8.9 billion in equity from 1981 to 1984, mainly through the erosion of land prices. In southwestern Minnesota's Nobles County, the total decline in land values in the past 4 years was a startling $352 million. Just in 1984, land values in Nobles County dropped by almost $100 million.

It is no surprise, then, that bankers are joining farmers in the front rows of rallies being held around Minnesota.

According to the Minnesota Bankers Association, Minnesota farmers are now $12 billion in debt with $4 billion of that debt at serious risk of default. An estimated 44 percent of the State's farmers have debt-to-asset ratios greater than 40 percent—the point above which bank examiners start to classify loans as shakey.

Without question, some of these farmers are doomed to bankruptcy. No amount of Federal or State assistance will—or should—bail out a farmer or any other business owner who fails because of poor management, overexpansion, or other factors under his control.

But, despite the callous and exaggerated comments of David Stockman, this current farm financial crisis goes far beyond the poor managers and the farmers who are doomed to failure regardless of what action might be taken. Efficient, otherwise solvent farmers are not being swept under by declining equity positions against loans that could be made payable. Here are letters from two such farmers:

> DEAR SENATOR DURENBERGER: My husband and I live on a four generation farm. We made the poor conditions of the 30's and early 40's but the spring of 1984 the Rossow homestead farm came dollars away from losing the family who cleared the land and built the 100 year old buildings.
>
> According to every economic guideline, this strong, hardworking, educated family of four is eligible for fuel assistance, food

stamps, medical assistance, virtually every level of welfare. We raise corn, soybeans, cattle, hogs, alfalfa, hay, and work 365 days a year since animals, like people, need to be fed daily.

Something is not right in every way of thinking.

The farmer who farms 100 acres of land and provides the food for the nation is then slapped in the face and treated with such disrespect and given an income so low that enables him to apply for and be eligible for every state welfare program available! It's an outrage!

The leaders of this great country better get their priorities into perspective!! Soon!!

DEAR SENATOR DURENBERGER: We are writing to tell you that there are real problems out here.

To start with, we have too many big banks that are buying smaller banks. As soon as they take over the small bank they begin trying to get rid of all agriculture loans.

Second, the lending institution that we are with is 2% higher on interest than they were one year ago. They say this is because of bankruptcies and vulnerable loans. When we cannot pay our own interest how can we pay this much more.

Our boy farmed last year and FmHA tells him they do not know if funds will be available this year or not. It's only a few months until planting time and rent will be due.

Third, there are a lot of families out here being totally shut out. All their income taken away and then they are told it's simply their own problem where their next meal or heat is coming from. We think it's time we worry about our own people's problems.

Fourth, we have a good line of older machinery and our livestock and it keeps getting devaluated to the point that we don't know how long we can hang on.

Fifth, we owned 467 acres. Last year we sold 75 acres to try to hang on. Now the value of the land has dropped so far we couldn't sell it if we had to. We ask you—is this what must happen after 21 years of farming?

We need guaranteed loans made available now and we absolutely need low interest.

Mr. President, who knows what current land values really are? My suspicion is that one reason they have continued to fall is that buyers have backed off, waiting for prices to come down even further.

To me, that suspicion means that we need to find some way to force bank examiners to stop continually devaluing farmland, at least until we understand better where the market really is.

One smalltown banker whom I respect, took the time last week to send me a publication put out by the Iowa Bankers Association dealing with subject of farmland devaluation. An Iowa banker quoted in the publication reported on his recent experience in being examined by the FDIC. He related how FDIC examiners informed him they were writing down all land values to a flat dollar amount on this exam, and that he was lucky because when they come back the next time, land values would be lowered an additional $400 per acre, across the board.

During his review with the examiners, the banker said he was told "We're going to close up these small banks. You're done for. Small towns are out. You might as well get a supply of plywood and be ready to board up your bank and schools within 5 years."

It was comments such as these that led me to schedule several meetings with OMB, Agriculture and Treasury Department officials, including incoming Secretary James Baker. I would like to think those meetings has something to do with the President's pledge to call off the FDIC watchdogs. All the same, the President's pledge will not send land values back to where they were last year. Accordingly, whatever is done to address the problems caused by sliding land values must be done quickly, so that deserving farmers are not prevented from obtaining enough operating capital to begin spring planting. And I would like to say that the President's pledge to extend additional loan guarantees to lending institutions will solve the credit problems, but that remains to be seen. Lenders are still sending producers down the road to the Farmers Home Administration, and this letter from New Richmond explains what they find there:

DEAR SENATOR DURENBERGER: I am writing to you today concerning the depressed economy in rural Minnesota. I support the Republican platform on government getting out of our lives—but government has been involved in the farm economy for 50 years. Now when we need government interference the most, please don't desert us!

My husband and I have been farming for 16 years. Our lending institution will not lend us the money to continue on. If FmHA won't help us we will have to leave farming just as so many other neighbors have had to do the past three years.

I realize balancing the budget is number one, but please don't forget when the farm economy is booming, so does the iron and steel industries; chemical and fertilizer companies; and all the main street businesses in these small communities—which in turn is felt in the metro areas. If help could be given to us today, the government will feel its returns for many years to come.

We are praying that you will hear our cry for help.

But, Mr. President, spring planting expenses are a short-term problem, and it is the long-term credit needs of agriculture that concern me most. No one in Washington, not John Block, not KIKA DE LA GARZA, not JESSE HELMS, not BOB DOLE, seems to have a program to put agriculture on its feet. But, in addressing the longer term cash-flow problems caused by high interest rates, I have been most impressed by one proposal put forward recently by Communicating for Agriculture [CA], a national farm advocacy organization based in Fergus Falls, MN. Although it may cost some money—and, therefore, have to be sold to a deficit-minded administration and Congress—the CA proposal has my full support.

The CA's Modified Debt Recovery Program would assist farmers by buying down interest rates and restructuring loans by extending payments out over a longer period of time. Three existing Farmers Home Administration programs would be modified and incorporated into the CA plan: the Approved Lenders Program, the Insured Operating Loan Program, and the Limited Resource Program.

Local lenders would have a central role in making, servicing, and collecting the loans, reducing FmHA paper work and time requirements. They would have a large stake in ensuring that available resources are properly targeted. Final decisions on farmers' eligibility, use of funds and creditworthiness would remain with the FmHA.

The Communicating for Agriculture proposal has now been endorsed by the Minnesota Farmers Union, Minnesota Farm Bureau Federation, Minnesota National Farmers Organization, Minnesota Chapter of the American Agricultural Movement, and the Minnesota Bankers Association and Minnesota Independent Bankers Association.

Mr. President, I ask unanimous consent that the Communicating for Agriculture proposal be inserted into the RECORD at this point.

There being no obligation, the proposal was ordered to be printed in the RECORD, as follows:

FARM DEBT RESTRUCTURING CA MODIFIED DEBT RECOVERY PROGRAM

CA is proposing a farm-debt restructuring plan designed to build on present programs, and target farm borrowers who are in financial difficulty yet who can be helped with the right program.

Today, many farmers find themselves in a financial bind. While about 30% of farmers have little or no debt and are doing well economically, there are between 30% and 40% of all farmers who have substantial debt and are in various stages of financial difficulty.

WHO ARE THESE FARMERS IN DIFFICULTY?

Most agricultural production, about 60% in 1982, comes from 205,000 farms (out of 2.4 million total farms) with more than $150,000 in annual sales. Narrowing our focus somewhat, of these farms with sales of $40,000 to $200,000.

19% have a debt-to-asset ratio of greater than 70%. That means, for every $10 of assets, the farmers has more than $7 of debt;

44% have debt-to-asset ratios greater than 40%;

Farms with debt-to-asset ratios greater than 40% account for 71% of debt on farms in this sales class but only 36% of assets.

For farms in all sales categories with a greater than 70% debt-to-asset ratio, there is little hope of economic survival. In a recent Iowa study, 10% of the farmers fall into this category, hold 9% of the assets and 25% of the total debt.

Farmers with debt-to-asset ratios of greater than 40% are also facing financial difficulties. In that same Iowa study, 28% of the farmers with 30% of the assets and 65% of the debt fall into that category.

The Iowa survey further shows that farmers from all sales/size categories are in the over 40% group and that the majority of these are full-time family farmers.

WHAT IS THE NATURE OF THE FARM DEBT?

Nationally, the total farm debt has increased dramatically. In 1971, total farm debt totalled around $54 billion; in 1976, around $91 billion; and in 1984, total farm debt stands at $215 billion.

Farmers as a group have a much higher debt to income ratio now than in the past. In 1950, the overall debt-to-income ratio stood at less than 1; in 1960, it doubled to 2, changed to over 3 in the early 1970's, to 8 in 1980 and to 10 in 1984. Today the average farmer is trying to support $10 of debt for every $1 of income.

But even more important, the nature of the debt has changed dramatically. Debt today has a much shorter maturity.

Much of the debt is short term with interest rates tied to current loan rates. Even real estate debt is based on variable interest rates or is based on relatively short contract purchases. Maturities on a great deal of real estate debt has moved from 20–25 years in the 1960's and 1970's to 10–15 years or less today.

CAN FARMERS WITH HEAVY DEBT LOADS BE SAVED?

For a substantial segment of the 30% to 40% of farmers who have substantial debt and who are in various stages of financial difficulty, economic survival is a serious question. To help this group, representing between 720,000 and 960,000 farms out of 2.4 million total U.S. farms, there must be a restructuring of farm debt. This group, mostly full-time family farmers, were caught with too much debt at the wrong time, debt that was manageable under the prevailing economic conditions when it was incurred but become a crushing burden when conditions changed.

In the group of farmers, there are many good farmers facing bankruptcy for lack of a way to make the transition from an economy of high inflation, rising land values and low interest rates to one of low inflation, sinking land values and high interest rates.

Many of the farmers in this group can be helped and saved with the right debt restructuring programs.

CA'S DEBT RESTRUCTURING PROPOSAL

In order for farm debtors to pay off debt obligations, a major restructuring of indebtedness will be necessary.

The number one feature of any debt restructuring program is to stretch out principal payments into a manageable debt repayment schedule. The second major feature must provide for a lower rate of interest, and third, for farm lending to continue, the risks must be shared.

The CA proposal utilizes existing FmHA programs and expertise of commercial lenders to accomplish this.

These are the Approved Lenders Program, Insured Operating Loan Program and Limited Resource Program. CA's Debt Restructuring Plan modifies slightly these existing FmHA programs to create a program of modified recovery debt credit.

The heart of the CA debt restructuring proposal is the utilization of FmHA's Approved Lender Program, with some minor modifications.

FMHA APPROVED LENDERS PROGRAM

Under FmHA's Approved Lenders Program, a qualified commercial lender is approved in advance to process FmHA Guaranteed Loans. The approved lender makes the loan, services the loan and collects the loan, thereby reducing the paperwork and time required for FmHA approval of loan guarantees. The lender is responsible for seeing that proper and adequate security is obtained and maintained. FmHA makes the final decision on farmers' eligibility, use of funds, and credit worthiness.

WHO DOES THE APPROVED LENDERS PROGRAM HELP?

In today's farm economy, there are many farmers whose debt-to-assets ratio between 40% and 70% who are caught in a 'credit availability gap.' These farmers are not in serious enough financial difficulty for consideration by the lender of last resort, FmHA. Yet, they do not quite meet the credit standards of private commercial lenders.

This group is a relatively stronger class of farm borrowers than normal FmHA borrowers. The problem for this class of farm borrowers is that their cash flow is inadequate under current high interest rates and low commodity prices, though their basic personal net worth and equity remains relatively strong. The security behind the loan is strong enough to satisfy the bank lender, yet the loan is classified by bank regulators as a classified loan. For the bank, every classified loan reduces the amount of available assets against which credit can be made available, resulting in less credit being available to farm borrowers.

THE FMHA LOAN GUARANTEE PROGRAM

FmHA Loan Guarantees are designed to provide the credit necessary for family farmers to conduct successful operations. The loans are to be used for the purchase of farm machinery and equipment, basic livestock, annual operating expenses and refinancing for authorized operating loan purposes. They may not be used to purchase or refinance land, finance lease costs or exceed $200,000. Interest rates may be fixed or variable and cannot exceed the rate common in the area. The terms of the loan may be up to seven years on basic security. Quality loans may be guaranteed up to 90% while high risk loans may receive less than a 50% guarantee.

HOW WILL THE APPROVED LENDERS PROGRAM HELP?

Utilizing FmHA's Loan Guarantee Program, the commercial lender will have the additional security to make a bankable loan to farmers who find themselves in a "credit gap". The program is not a bailout for lenders. Unless the loan meets requirements, with a reasonable chance for success FmHA will not approve it.

The program will help, first, by making credit available. Second, the banker will use the banks own (pre-FmHA approved) loan forms familiar to both the borrower and the banker, reducing FmHA's paper-handling load. Third, credit will be available on a much quicker basis, assuring that available guarantee loan funds reach eligible farmers as quickly as possible. Fourth, the banker and borrower are familiar with each other, helping to insure that better loans will be made. Fifth, the borrower is most likely to stretch out the loan payback. A commercial lender will normally have a maximum of five years on the loan while under the FmHA Loan Guarantee Program, a maximum of seven years is possible. This extra two years can assist the farm borrower in achieving an attainable cash flow-payback program.

CA'S MODIFIED DEBT RECOVERY PROGRAM

CA proposes to utilize FmHA's Approved Lenders Program and Operating Loan Program to achieve a significant plan for farm debt restructuring. To achieve this will require some modification of each of these programs.

MODIFICATIONS TO THE APPROVED LENDERS AND DIRECT LOAN PROGRAMS

A basic modification to the Approved Lenders Program is to place a maximum rate to be charged on interest. Under the Approved Lenders Program, interest rates may not exceed the prevailing interest rate in the areas in which the loan is made. At present, this interest rate is approximately 14½%.

Under the modified Approved Lenders Program, a maximum interest rate would be set at 2½% above Federal Funds. This would yield an interest rate of 12½% at October 22, 1984 rates.

Clearly, there is a need to lower interest rates in order to create a more achievable positive cash flow-debt repayment plan for many farm borrowers. In addition to the obvious advantage of lower interest rates, by lowering the maximum interest rate which a commercial lender may charge under the Approved Lenders Loan Program, the result will be to create opportunities for additional farm borrowers to take advantage of the Loan Guarantee Program. A lower maximum interest rate will encourage the lender to graduate the borrower to a regular commercial status.

The second basic change in the Approved Lenders Program would help to expand the program to include the commercial lenders' ability to lend to those in the creditability gap.

FMHA OPERATING LOAN PROGRAM

FmHA Operating Loans are made for both operating expenses and farm ownership. Ownership loans may carry an interest rate as low as 5½% and may be written up to 40 years. Operating loans may carry an interest rate as low as 7¼% and may be written up to 15 years. Under the Direct Loan Program, appraisals are done by the FmHA and security in the loan is named and itemized per lender.

MODIFICATIONS TO THE DIRECT LOAN PROGRAM

In order to restructure farm debt, lower interest rates and longer pay back terms will be required to attain a manageable, attainable cash flow for many farm borrowers.

The CA Modified Debt Recovery Program would incorporate into the Approved Lenders Program the use of FmHA Operating Loans in the same manner as the FmHA Guaranteed Loans. The pre-FmHA approved commercial lender would process the paperwork for FmHA Operating Loans, using the commercial lender's forms. FmHA would still have the final say-so on the loan under a shortened turn around approval or denial. Appraisals would be done by the pre-FmHA approved commercial lender or qualified appraiser. The main change in the present FmHA Direct Operating Loan Program would be to share security on a prorated dollar value basis. This last change is important to create an environment where the financial risk is shared and one which will create far fewer complications than the present system of named security.

BLENDED CREDIT ILLUSTRATION

Under the CA Modified Debt Recovery Program, there can be a significant debt restructuring which will assist present finan-

cially troubled borrowers who have a stronger asset base yet who can neither qualify for FmHA loans or regular commercial lender loans.

As an illustration: Farm Borrower with $100,000 of indebtedness—cash flow shows $21,000 available for debt retirement.

Example 1—Farm Borrower with Commercial Lender, Loan Term—5 years, Loan Interest Rate—14½%:

Cash Required for:	
Principal Reduction	$20,000
Interest Payment	14,500
Total	$34,500
Payment Deficit	$13,500

Example 2—Farm Borrower under Approved Lenders Program (no modifications), Loan Term—7 years, Loan Interest Rate—14½%:

Cash Required for:	
Principal Reduction	$14,285
Interest Payment	14,500
Total	28,785
Payment Deficit	7,785

Example 3—Farm Borrower under CA Modified Debt Recovery Program, Debt is divided between Approved Lender Loan and Limited Resource Loan (3A) and Insured Loan Programs (3B):

	Approved lender loan (3A)	Approved lender loan (3B)
FmHA Guarantee Loan	$50,000	$40,000
Loan Term (years)	7	7
Loan Interest Rate (percent)	12½	12½
Repayment required for:		
Principal Reduction	$7,143	$5,714
Interest Payment	$6,250	$5,000
Total	$13,393	$10,714

	Limited resource	Insured loan
$50,000 FmHA Operating Loans	$50,000	$60,000
Loan Term (years)	15	15
Loan Interest Rate (percent)	7¼	10¼
Payment required for:		
Principle Reduction	$3,333	$4,000
Interest Payment	$3,625	$6,150
Total	$6,958	$10,150
Total Payment Required for:		
Principal Reduction	$10,476	$9,714
Interest Payment	$9,875	$11,150
Total	$20,351	$20,864
Cash Flow Balance	$649	$136

From the above example, the Modified Debt Recovery Program has accomplished a significant reduction in interest rates and has extended payments over a longer period of time to achieve a reasonable and achievable cash flow.

The Modified Debt Recovery Program covers the three areas of need: restructuring of debt, adjustment of interest and sharing of risk. The Modified Debt Recovery Program shares the risk by bringing the Government in on a percentage of the Approved Lender Program. Debt is restructured by adding the Direct Lending Program, and interest is lowered with a combination of ability through the Direct Lending Program to lower to a minimum of 7¼% and a maximum of 2½% plus Federal Funds on the Approved Lender portion. The Modified Debt Recovery Program utilizes the assets of the FmHA, the types of funds which are already available and adds the expertise of Commercial Lenders. The Modified Debt Recovery Program would only be in place long enough to carry agriculture through this present period of adjustment.

Mr. DURENBERGER. Mr. President, I wish to point out that the concept of restructuring debt in order to ease cash-flow is not new. We are doing it all the time for Third World countries that have been in danger of defaulting on their debts to American banks. Surely, if we can be that flexible with the governments and private borrowers in places like Mexico, Poland, and Brazil, we ought to be willing to extend the same kind of assistance to our country's hard-pressed farmers.

I realize that these two approaches—trying to ease the effects of declining land values in the credit system, and trying to reduce debt service payments through low-interest rates and stretching out payment schedules—are not the total answer.

They do not do anything about our ability to market soybeans in Germany, or our ability to compete with low-priced Argentine wheat, or the fact that a bushel of corn today brings a farmer less than it did a generation ago.

Hopefully, these and other farm problems can be addressed as the 1985 farm bill is introduced and moves through the various committees of the House and Senate.

We also have to start by acknowledging the responsibility of the Federal Government in addressing the farm crisis that owes much of its existence and severity to Federal policy itself.

I do not have to spend a lot of time explaining to my farm constituents about the impact of past grain embargoes—and the encouragement which various Government agencies and programs have given to expansion and excessive borrowing—and the impact the Federal Government's growing budget deficit has had on interest rates and farm and other exports—and even the push given in the early and midseventies to farmers to expand exports as a way of offsetting our rising trade imbalance resulting from increasing oil prices.

Mr. President, even all other arguments aside, the fact remains that farming is simply too important to our Nation—and our Nation's security—to be allowed to founder. Daniel Webster called farmers "the founders of human civilization"; George Washington observed, "I know of no pursuit in which more real and important services can be rendered to any country than by improving its agriculture * * *." Farming built our Nation, and farming keeps it thriving.

Agriculture is the one major sector of our economy that we do better and more efficiently than anyone else on Earth. It must continue to be a vital and profitable sector of our economy in the years and decades ahead.

We who are elected to represent the people must heed the plea for help from rural America. I am receiving more mail on this issue than at any time in my 6 years in the Senate. I have referred to many of these letters in the course of this speech. If farmers in my colleagues' States are anything like those in Minnesota—and I know they are—the letters are just as heart-wrenching.

In the communications I receive from Minnesota farmers, three themes stand out. The first concern they express is that the rural way of life which has made this country strong is dying. The second concern is over the impact this rending of the rural fabric is having on their neighbors, schools, and churches. And their last concern is always for themselves and their burning desire to continue in the noblest profession known to mankind: farming.

I know, when I read these letters and talk to these fine people, that they are coming to Washington as a last resort. They are telling us in their own way that they took our advice and now they are paying for it.

I know that many of these farmers have wondered if their elected officials in Washington grasp the dimensions of the farm problem. Coming from rural Stearns County, I can believe and understand the problem. Unfortunately, despite my best efforts and the efforts of other Members of this body to inform this administration of the situation, it is clear that very few people in the executive branch truly believe there is a crisis in rural America.

Four times in 3 weeks, the Cabinet Council met to discuss whether there should be any additional Federal action on farm credit. Please note, Mr. President, the Cabinet Council met not to decide what additional Federal response is necessary, it met to decide whether additional assistance is necessary. Well, I am happy that we were able to get John Block and Dave Stockman to admit there is a problem, but I am not convinced their response will help much.

I wish the administration could listen to what rural America is telling me. Pleas like this from Butterfield, MN:

> We are losing our farms out here in rural Minnesota and if it keeps up our towns and churches will be gone too. I have never written a Congress person before but I feel such a sense of discouragement to see people losing all they have worked for. I know there is no easy answer but I also know that our prices are made in Washington.

And this:

> Dear Senator Durenberger: I am writing to you about our concern over the family farm. My husband and I run a 3rd generation family farm. Our livelihood, and that

of many around us, is being threatened and our government is the only place we can turn.

We love America and what it stands for and has to offer. It just doesn't seem fair to work 14-18 hour days just to have foreclosure at your heels!

Please know the problem is real and will not go away. The family farm needs more tax breaks instead of discrimination. We need to know our government believes in us or all hope is gone! Yes, we are a minority, but we have a major task—to feed millions.

Even the older, more established, farmers are having trouble making a go of it. These farmers wrote from Pipestone, Little Falls, and Cleveland, MN:

I was discharged from the Army Air Force in October 1945, but never thought I was coming back from overseas to an America such as we have now, especially in agriculture. I doubt if we can afford to plant a crop this spring. We cannot continue to produce below the cost of production. Perhaps it would be best if not one farmer planted a crop regardless of the consequences. I can manage to farm for nothing, but when it's less than nothing we are in great trouble.

I am a 60 year old farmer's wife. Although we are not yet in danger of losing our farm—it would be difficult to sell—and still have enough to retire. I urge you to do what you can to keep the farmland in the hands of farmers instead of corporations as it is in South America. Food will follow the path of fuel when that happens. The food goes where the money is. Coffee is raised in South America and sent to the United States. The people who live in these lands go hungry. Trusting that you understand these things, and realize that our democracy is based on small farms and small business . . .

I am 55 years old and was born and raised on the farm which I now own and operate with the help of my two younger brothers. We have a family type farm and we love it. We all served our country in the Army starting in 1950 through 1956. The trouble started in 1978 with poor crops due to hail, drought and then floods. Then came high interest, and now very low grain prices. (We are facing trouble!) We all need help before it is too late. Our government bailed out Chrysler Corporation and they "made it". I am sure our farmers could also "make it" if they were given the same chance.

The fact is, farmers are hurting and it is our problem. All of us. The despair is expressed in letters from our future farmers; like this young man:

Dear Senator: I think it's time for farmers to get a fair price for his crops, livestock, milk, etc. that we are producing in this country. It seems to me that the prices we are getting for our products never increases, while our expenses for production are constantly on the rise along with our taxes that are foolishly spent by the government.

The young farmers today must be able to borrow money at lower interest rates! This could be done by reducing the federal deficit. If the deficit was lower it would reduce the amount of money the government would have to borrow, making more money available to small businesses and farmers.

In the future, I planned on a career in farming, but the way things look now, I think I should switch and become a politician!

And from clergy:

Dear Senator: Greetings and God's blessings on your work, especially for agriculture.

Today, I write you and plead help for all farmers.

1. Help them all, to get loans.
2. To be able to borrow money for their farms.
3. Make a good profit.
4. Have a voice in farm issues.
5. Get a reward for their labors.

I totally trust you will help all farmers.

Thanks and God bless you.

Sincerely in Him, Our Father,

SISTER MARY ELIZABETH BORN.

And from our rural business people like this resort owner in Osakis:

Dear Senator: I am very concerned about what is to come of rural America. What I am seeing as I travel in our area is a very depressed economy. Farmers and businesses making less money, and paying more for the necessities of life. Last summer less people were able to afford the recreation of our lake and facilities. Meaning less revenue available to everyone. I'm afraid of what may come to be this summer. I hate to see my friends hurting so badly; the survival of their businesses and therefore their incomes are a big (?). The resorters may go bankrupt as well.

And from farm wives:

Dear Senator: There must be a just price for our products so we can pay our way and start reducing the debt. When consumers understand what is actually happening to the families that have been producing their abundant and cheaply priced food, I feel they too will support a fixed price in order to answer plentiful future food supplies.

I am a farm wife and am painfully aware of the stress it is causing in our own family and in the families of many others in our area.

Your thoughtful consideration of any form of legislation is of the utmost importance. To stop all support, would be a disaster for rural America—businessmen, schools, churches, families, etc. all are interrelated.

The displaced farmer would be highly skilled and would in turn displace city workers, only adding to the unemployment, crime, etc. Other problems of the overburdened city.

And from concerned city dwellers:

Dear Senator Durenberger: It is urgent for the people of Minnesota to make some basic changes in priorities. The immediate and most urgent need is to assure the preservation of family farms in our state. The family farm is basic to our way of life in all of the rural areas and the smaller towns and cities of Minnesota. We cannot afford to let these farms fail without experiencing a devastating loss in the Twin Cities as well. We pride ourselves on being the state with "the government that works". This farming crisis plus other somewhat less urgent, but still very important, problems will provide the test of whether or not we will orient our priorities to secure the foundations of our interdependent society.

There are many more letters I would like to share. I ask unanimous consent that a number of letters I have received from farmers and other Minnesotans be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DURENBERGER. Mr. President, the crisis in rural America seems apparent to just about everyone in the upper Midwest. I have tried to communicate this fact to the Comptroller of the Currency, the Chairman of the FDIC, the Administrator of the Farmers Home Administration, the Secretary of Agriculture, the Secretary of Treasury, the Chief of Staff of the White House, the Director of the Office of Management and Budget, and finally, to the President himself. But my letters, requests and calls for help have gone unheeded or ignored. My colleagues in the Senate have done no better, and there is no pride in universal failure.

So I will ask once again that this administration and this President go out and see what is happening to rural America. See what is happening to farmers, businesses, and bankers, to families and to an entire way of life. Ignore me if you choose. But do not ignore them. Theirs is a plea for the survival of an industry and a nation.

EXHIBIT 1

The following are letters, or excerpts from letters, received by Senator Durenberger concerning the farm crisis in Minnesota.

"We are farmers. We have problems. Over the past year our problems have been multiplying faster than we believe. In the beginning, we were having trouble with the cash flow on our farm. On the advice of our banker we went to the FHA to apply for financial help for next year. Our problems are no different from hundreds of other farmers in America. We planted good seed, we fertilized, we cultivated, we harvested our largest corn crop in our history—and we are going broke. So we went to FHA hoping for some temporary help to get us back on our feet. We filled out all the forms, checked everything over, redid others, and returned everything to the FHA as soon as possible. On December 11, we found out that we hadn't even applied for help! We had only applied for permission to apply. FHA also told us that they only had half the money available this year that they had last year. And our names are now quite far down on the list.

"My husband and I feel we have been misinformed, misled and just generally jerked around by our government. Before the election we were told that there would be special funds authorized to help farmers. So why does the Martin County FHA only have half the funds they had last year: We do not need a quarter of a million dollars to keep us in farming. Our banker told us that if we could get a break on high interest rates and a longer term loan to get our cash flow moving better, we could make it. We are not making high land payments, we rent from my husband's father who charges a fair rent. The only things that are strangling us now are the rising option costs, the high interest rates, and the low crop prices. We hear nothing from FHA.

"Waiting to hear from FHA is bad enough. Since the first of the year our problems have become more immediate. We have no income. The bank can loan us money for livestock and small farming bills, but that is it until we hear something from FHA. We have been looking for jobs since October. Once I was told by the Job Service in Fair-

mont that they only had twelve jobs in their job box. Twelve jobs! We have applied to every industry around here that is still taking applications. I am scheduled to take a test for the Minnesota Merit system next Saturday. What else can we do?

"We have since borrowed all the remaining cash value of my husband's life insurance policy (about $400). When that is gone, I don't know what we will do if we are unable to find jobs. The sad thing about this whole situation is that our position is not unique. We are one of a growing number of small farmers who are beginning to believe that our government regards us as so much chaff. The general consensus is that no one cares. We hear nothing from our government that makes us believe that people in Washington really know what's going on out here. Please don't misunderstand me—most farmers (including ourselves) do not want handouts and welfare and security blankets—all we want is a relief from interest rates before they eat us up and a chance to do what we do better than anyone in the world—farm. We also want the same rights that the inner-city poor and the immigrants have—a chance to get help to feed our families when we absolutely can't get money anywhere else!

"When a worker is laid off, he is entitled to unemployment insurance. Well, in effect my husband has been laid off—with two crucial differences—he still does all the work, but someone else gets all the money, and he is not entitled to unemployment insurance or welfare. There is no safety net in this great country for farmers.

"There is a growing anger in this area—a frustrating, almost debilitating anger about things over which we have no control. The budget deficit, the crop prices, the operating expense—we are helpless to fight these things. On top of all these problems, now we have to worry about feeding our families!

"I have read of one farmer who only had a gallon of milk left in his refrigerator. I have read of another who could only afford to eat once a day. I read these articles and I wonder if the farmers have children. I think I am so fortunate because I still have some meat in my freezer and I still have some canned goods left from last summer. But when the meat is gone and the canned goods are eaten and when my children (who have allergies) get sick and I don't dare take them to the doctor because I'm afraid he'll ask me for money that I don't have—what then?

"Senator Durenberger, this problem certainly deserves immediate attention from somebody. We live in one of the richest areas of the richest nations on earth and we are worried about our children going hungry. I was raised to believe that a person who worked hard could succeed. Well, we have worked hard and we did succeed—we raised great crops. But great crops sold in November to pay off loans do not feed the family in January. It does not make it easier to bear to know that there are many other similar and even worse positions. I am a mother. Mothers are selfish for their children. When the meat in the freezer is gone, when the canned goods are eaten, when the last of the insurance money is used up—what do we do then—eat cake?" Ormsby, MN.

"As an Attorney practicing in the heart of a farm community, I have a chance to see on a day to day basis the status of the farm situation, and I can positively state that it is not good. In fact, as well as each of you gentlemen stay in touch with your constituents, you may not fully realize or understand the seriousness of the problem. As a conservative Republican, I do not at all consider myself an alarmist, but I do believe myself to be a realist. I certainly want the budding Republican emergence to continue, and accordingly I feel it is imperative that a workable farm program be developed this coming year. If not, I can foresee some real disaster overtaking Republicans in the farm states in the coming years." Marshall, MN.

"Something has to be done. You must be aware of the farming situation, but if you are not I will inform you. The farmers are losing money every year and have been for the past five years. The cost of putting in a crop is more than we receive when we harvest it and try to sell it, and that is without taking a wage.

"What is going to happen to the rural communities and small businesses? What is the situation going to be in 15 years when my son is making up his mind on what to do with his life—or won't there be a choice? I thought this country stood for Freedom. Well if it keeps going the way it has been, there are going to be a lot of people disappointed in the government officials that we elected. We can't do it alone, we need your help and we need it now." Vesta, MN.

"We have completed our income tax and found that we worked all year, produced an average crop and had a loss of $5,000.

"We have farmed about 500 acres for 37 years. We have equity in our business, so interest rates are not our problem, we did not buy new equipment, and still we operated at a loss. The reason has got to be the unfair prices we are forced to accept. The Reagan Administration's cheap food program, and the strong dollar in foreign countries, unfair marketing, are all part of the problem.

"The farmer has not caused these conditions, but they have cut the farmer out of business, and with the farmer many rural merchants and laborers.

"We recommend that you get busy and back price supports which will give us cost of production + a fair profit. If the farmer gets a fair price, he can handle the taxes and the interest. If the farmer prospers, the whole country prospers. We need help now!" Madison, MN.

"We are writing you in response to the PIK Disaster Loan Program, controlled by the Small Business Administration.

"We are a small grain company with four elevators in (X) County which are eligible for the loan. However, our main office and parent elevator is in....., an ineligible county, making the whole company ineligible for any part of the loan.

"What we would like to know is why we are not eligible for the loan? What does a county line have to do with need? Besides the lost income, we have had to tie up a large percentage of working capital to purchase the PIK corn stored in our facilities. This loan is exactly what we needed but were denied. Is the SBA to help businesses in need, or are they to help only the businesses which meet asinine, bureaucratic requirements?" Name and city withheld.

"Things are getting so tough in our community and in the surrounding area that we have taken a collection at church for money, food, and clothing to help those in desperate need. The economic trouble in our rural community cuts across all occupations, ages, and income classes. Big farmers and small, bank vice-presidents and assembly line workers, retired couples and mothers with five children on A.D.C., all of these persons are being hurt by the rural crisis and cutbacks at the federal level.

"The charitable work of our church and others is helpful, but in a sense only a bandage on the severe wound of problems that now face rural America. High interest rates on loans, lack of foreign trade, low commodity prices, and decreasing land values have taken their toll on farmers and their rural neighbors. Some of this was brought on by farmers themselves. But the banks, the market, and the government also share in the fault. The inconsistent agricultural policies of the federal government have certainly contributed to rural communities' problems." Dundee, MN.

"Interest, land taxes and poor prices are killing us. I applied for an FHA operating loan in October and I received a letter in January 18. The letter said I was eligible for an operating loan, but there are not any funds available. Are there going to be funds allocated? As farmers we need funds to operate. The Nixon, Ford and Carter Embargoes have brought us to the ground. We don't need any more. I pay my cash rent on March 1. I am not asking for a handout, but we need operating funds." Butterfield, MN.

"I'm writing to you to appeal for your help. The American farmer needs help. You say, just a small part are in trouble. If you think 30%-50% of the farmers in Martin County is a small part, then there's no need for you to come and see. Even the farmers that owe no money or very little are having some trouble—there's just no or very little profit in agriculture.

"Do you realize the price of soybeans is the same today as it was 10 years ago? Is the price of machinery, repairs, seed, fertilizer and chemicals the same? You know darn well it isn't.

"Interest is about double what it was then, that's part of our problem. All of our input costs are way up, but income the same or less, it just doesn't work.

"Farmers don't now or never have wanted a handout; all we want is a chance to make a decent living.

"At this time we need much lower interest rates, some additional money for operating loans, and better grain and livestock markets. Long-term we need better exports of our products, higher markets, interest rates in balance with everything else, and some lower input costs. I feel most of this can be done by Congress now.

"We've had to cut our spending, why can't the government do the same and cut down the deficit?

"You, the President and all city people better stop and think—if agriculture stays sick will the economy ever get completely well? We're still the backbone of America, maybe 2 percent or 3 percent of the vote but, 40 percent of the economy one way or another. Wake up now or it will be too late." Granada, MN.

"I am writing this letter to express my concern for the future of family farming. It seems as farming numbers drop, so does our importance with Congress. Rural America has reached a crisis stage and if farm programs are phased out, many more family farm members will go with it. I hope you have seen our attempts at reaching the American public with the U.S. solidarity movement and the closing of small businesses in the rural towns. I hope that you can work towards a bipartisan solution of balancing the budget and devaluating the dollar. Possibly we should be looking more to a gold standard than having our dollar be the standard that other country's currencies are measured against. Also, I have no problems paying income tax if I have made

money, so raising income taxes does not bother me. Best of luck in attempting to solve a very complex problem." Windom, MN.

"I feel I must write a letter in support of the farmers of which I am one. Please support us and do what you can. I don't know the answer but I do know interest rates have to come down and prices for our products have to go up. I pray that you will do all you can to help us in our time of need, which is now." Lamberton, MN.

"I have been farming eight years, seven of which have been on a farm I bought. I have never made any money at it, but have been able to keep on farming until now. I am financed through Farmers Home Administration, which has been a big help in obtaining my farm, and for yearly operating expenses, except to today! Because of low prices, my cash flow shows objectionably to F.H.A., and thus no financing for putting in 1985's crop. So thus another family farm is forced out of business. How many more, until there is no return." Rural Jackson, MN.

"The Family Farm is a Family Heritage. This year my family's farm is a century farm. Farmers in southwestern Minnesota desperately need your help to survive due to the low prices for our farm products, high interest rates and farm foreclosures. Conditions in the rural areas were never this serious. All we ask is a fair price plus a reasonable return for our work and investment in an effective workable farm program to help keep the family farm." Windom, MN.

"We enjoy farming very much but at this time we don't know for sure if we're going to be able to keep our farm for another year or not. We support our community but we are having hard times. It seems by the time we pay our bills there is barely enough money left over for groceries. The interest payments are getting harder to make. This year we have no cash flow to work with. The farmers desperately need lower interest rates and higher prices. Something needs to be done to help us keep farming. We are looking to you for some kind of help. We need it desperately to keep on farming and so our children can farm. Our small towns and small farmers need help now. We need some kind of help to keep on farming even one more year. Please help support the farmers!" Wabasso, MN.

"Our personal net worth has dropped to 25% of what it was 5 years ago. Five or six years ago we wanted to help a son get started in farming. There was no land for sale near here. The only place we could even look was 50 miles away. It was like that back then. Just nothing for sale. Today there is land all around us for sale. Now we don't even have buyers. Please don't leave budget director Stockman with the farm program. We need someone that is concerned with helping farmers keep farming." Morton, MN.

"We live on a family farm and firmly believe they must be saved. The large corporate farms are the very worst thing for the community. A Congressional meeting of some kind would be a good way to start and for our elected officials to learn firsthand about it. The new farm bill must do something to help the family farmer." Currie, MN.

"This is perhaps the hardest letter I've ever written. First because I don't see the paper through the tears in my eyes, and second, because I am so full of anger and sadness that I can't put my thoughts into words.

"If something isn't done soon, a whole way of life is going to disappear. I'm sure many people can tell you better than me about how things are here. All I can tell you is that we aren't even farmers and we have to sign up for welfare today. My husband is a small business owner and along with him, every single other small businessman is hurting because the farmer is our number one customer.

"We will be moving from our hometown soon if something doesn't happen because we don't want to live on welfare and we don't want our kids living in poverty. I am so sick of everyone saying how the economy is better when towns are dying more everyday." Slayton, MN.

"I am from Boyd, a small community in southwestern Minnesota. In the past few months we have lost our fertilizer plant and the State Bank of Boyd was closed by the FDIC. Many farmers have nowhere to turn, and in my opinion, we must turn to you. One study has shown that by 1986 one third of Iowa farmers will fail. Suicide rates are skyrocketing. The suicide rate in some Iowa counties is twice that of the national average. This is tremendously shocking! We, as farmers, must pay the price for our seed, machinery, and repairs but must take what we are offered for our products. This cannot continue. We need to receive a fair price for our products. Without those prices the family farmer faces extinction." Boyd, MN.

"What is needed is direct and immediate action to raise the prices for 1985 commodities. The only institution that can deal with the need for immediate action is the U.S. Congress. We don't want another PIK, but we need a sensible, long-term set-aside program which will cut or bring production into line with use and demand. At the same time, we need to reach an agreement with Canada and other competitors which will cause them to also cut production. Taxpayers will accept such a program if they can see land on each farm that is put into long-term conservation use. Such a program also has to have 'teeth' in it." Boyd, MN.

"I feel you must cut government spending! You must lower the interest rates! You must get us better prices for our farm products! If we farmers don't get this, we will all be on welfare! I don't think you understand how serious this problem is!" Westbrook, MN.

"I know you know that the general economy is booming. And I know you know that the ag economy is faltering, but do you know that we're bleeding to death out here?" Lakefield, MN.

"What is left in your home state without agriculture? Tourism, hi-tech, education, government employees—but our number one industry is agriculture.

"Don't you think it's about time all of you in Washington cooperated to come up with a solution for a critical problem, one that won't go away by itself? Only you folks can come up with the bold strokes necessary to solve this one, and it has to happen now.

"Please before it's too late for a lot more folks than those directly involved in farming, get it together and take care of America." Jackson, MN.

"We are a farm family in southwest Minnesota by Worthington. Have been on this same farm for 25 years.

"Now we're told we can lose everything. If we could get some decent prices for our crops and they would bring the interest rate down, things sure would look brighter.

"It would be nice if we farmers could set our prices like everyone else does.

"I wonder what will happen if all the farmers lose everything? Then the big corporations will come in and then what?" Fulda, MN.

"All of a sudden everyone is concerned about the plight of the family farmer as though this problem cropped up overnight. With high interest rates and commodity prices at below cost of production, what did they expect?

"Agriculture is the largest single enterprise in the U.S. and when it's in trouble, the country is in trouble. Subsidies for a family unit are a small price to pay for the stability we seek. Limit subsidies to family units, of say, $100,000 gross and let the free market control the rest. It would cost a lot less than it is costing now, and if large operations want to set up family units, OK. If not, let the market prevail. This is the only way we will always have abundant food, soil preservation, and a strong country. Perhaps it's too simple, that is why it has never been tried." Zumbrota, MN.

"I am writing this letter as a plea for your assistance in supporting the family farmer. We don't have years left to avert this crisis—we have only a few short months if we are going to save thousands of small farms in 1985.

"Family farming is a way of life and source of income for millions of people who work the land and who want to preserve it for future generations. In addition to providing a way of life for millions of farm families, other jobs and businesses can flourish in rural areas. If farmers are forced off the land, this, in turn, will close down small towns with their banks, businesses, schools, and churches. Thousands upon thousands of jobs will be lost.

"Family farmers have a respect and love for the land and are proud of the heritage that is theirs. Our family farm is now in the fifth generation, dating back to the pioneer settling of Minnesota. This demonstrates many years of hard work with long hours of toil and hardship to preserve one of the country's most valuable resources—the family farm." Rochester, MN.

"I am reaching the age of retirement (60) and don't think I'll be on the farm long enough to reach the age of 62. Land prices and machinery prices are so inflated that there won't be any money left to satisfy the creditors. Inflation back in the 1970s made the price of land and machinery worth more than you paid for it. In turn, labor and prices of products we purchase went sky high and today products we purchase have not dropped despite the fact that our goods and commodities have deflated 50% and more. Interest rates are so high and the margins so little that there is no profit to be made.

"In 1974, farmers paid a great deal in income taxes. Today, they pay little. Just imagine what it would do to the federal deficit if our leaders would realize how important it is for agriculture to prosper. This is our only renewable resource." Rushmore, MN.

"I am writing this letter because I don't think you people who we elected to represent us understand the problems of agriculture or you do not care!

"If you wanted a strong country, you would fight to keep the smaller family farm instead of promoting big corporate farming and big business, our churches and schools and main streets would be strong and self-supporting, when corporate farming takes over we will lose our pride and incentive to work efficiently. When the big corporate farmers farm the land, they will demand a

price and that will be the end of "cheap food" and our freedom.

"I was born and raised here and have lived on this family farm for 46 years. I am trying to buy the farm from my father so at least one of my sons can farm, but it appears to me that the government does not want the family farm to stay in business!

"It seems to me that our President and our leaders have more concern for what is on the other side of the world than our problems right here in this country! Also, Mr. John Block is the poorest excuse for a Secretary of Agriculture this country has ever had!

"Every time we have a election you people are out campaigning for our votes, now where are you when we need you?" Fulda, MN.

"I am a farmer from west central Minnesota. My wife and family and I have owned and operated a 200 acre farm for the last 10 years. The last four years we had some weather problems, but mostly high interest rates and low commodity prices. It became impossible for us to continue farming.

"I have found a buyer for my farm and now am unable to sell it because of USDA's reversal on FmHA sales directive in late December.

"The buyer, my FmHA supervisor, and myself had put together a plan where I would deed the farm to FmHA and then the buyer, who is also an FmHA borrower, would buy it from FmHA. We have studied the different ways open to us and this one was about the only one that would work for us.

"A December 18, 1984 FmHA directive said that no properties could be sold until further notice. We had planned to finish our transaction in the first part of January when our supervisor discovered that he could no longer help because of these new rules." Clenwood, MN.

"We cannot continue to operate at a loss so that the people of the nation can eat. You are not subsidizing the family farmer to any great extent. We are subsidizing you. Last year, we received a deficiency payment of $1,284.36. This year, we had to pay back. Then, to hear that they want to limit the payments to $200,000 per farm. I would suppose these little payments go to family farmers like John Block and his friends. We do not want handouts. We need a price for our product which will give us a profit so that we can purchase those things that we need for our farming operations as well as personal needs." Currie, MN.

"I don't think any of you people in the legislature know how serious the farm problem is. There has to be something done. It should have been done years ago. One thing is to get the interest rate down and to stop foreclosures. All we ask is a fair price for our products—the same as other industries get and we can make it." Pipestone, MN.

NUCLEAR TECHNOLOGY TRANSFER TO SOUTH AFRICA

Mr. KENNEDY. Mr. President, I would like to call attention to a letter which I received from Secretary of Energy Donald Hodel regarding pending requests from U.S. firms for authorizations to transfer nuclear technology to South Africa pursuant to 10 CFR part 810 of Department of Energy Regulations.

Last October 31, Senators PROXMIRE, CRANSTON, and I wrote to Secretary Hodel outlining the reasons why we believed these requests should not be approved. Any authorizations for the transfer of nuclear technology to South Africa would not only ignore resolutions passed by the IAEA and votes taken in the House of Representatives and the Senate on amendments to the Export Administration Act. They would also undermine U.S. efforts to broaden support for the Non-Proliferation Treaty [NPT] and overall U.S. nonproliferation efforts.

In his reply dated February 1, 1985, Secretary Hodel said that the specific applications in question remain pending until the completion of interagency review. However, he added that progress toward our nonproliferation goals has been made by South Africa and that such progress will continue to be possible so long as a productive dialog can be maintained with countries not accepting comprehensive safeguards. As examples of progress by South Africa he cited its resumption of discussions with the IAEA regarding safeguards at its new commercial enrichment facility as well as an announcement that it will conduct its external nuclear affairs in a manner consistent with the spirit, principles, and goals of the NPT. Secretary Hodel did not respond to our concerns about the importance of U.S. acceptance of IAEA resolutions or about the risk of undermining U.S. efforts to broaden support for the NPT treaty.

Mr. President, I fail to see how the mere resumption of discussions with the IAEA on safeguards or a unilateral, nonbinding statement of intent to abide by the spirit, and not the letter, of the NPT could in any way be sufficient to justify nuclear technology transfers to South Africa. Rewarding partial, inadequate measures such as these by approving the pending 10 CFR part 810 requests would not cause South Africa to sign the NPT and accept full IAEA safeguards. It would tell the South African Government, as well as other potential signatories, that they can have their way without signing the NPT and without accepting full safeguards. Moreover, it would represent gross insensitivity to the strongly held views of the IAEA, the U.S. Congress, and world public opinion on this issue.

I hope the administration will consider all of these factors and will decide not to approve the pending requests for nuclear transfers to South Africa.

I request that the full text of both letters be inserted at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF ENERGY,
Washington, DC, February 1, 1985.

Hon. EDWARD M. KENNEDY,
U.S. Senate.
Washington, DC.

DEAR SENATOR KENNEDY. The Department of Energy is pleased to respond to your letter of October 31, 1984, regarding pending requests from U.S. firms for authorization, pursuant to 10 CFR Part 810, to assist a South African electric utility.

At this time, these specific Part 810 applications remain pending, and we are awaiting the completion of interagency review. However, we would like to take this opportunity to detail the concerns which the Department and other U.S. Government agencies address in their consideration of these applications.

Implicit in your letter is the view that decisions regarding the subject requests should be in the best nuclear nonproliferation policy interests of the United States and that possible adverse consequences for overall U.S. nonproliferation efforts and the Non-Proliferation Treaty (NPT) regime should be avoided. We certainly agree with you on these points. As with previous Administrations, it remains this Administration's objective to seek to halt the spread of nuclear weapons, to urge adherence to the NPT, and to encourage nonnuclear weapon states to submit all their nuclear facilities to safeguards inspections by the International Atomic Energy Agency (IAEA). The Department of Energy's decision regarding any Part 810 request will always be made in consideration of these objectives, and only after careful and extensive examination of each case. This examination includes technical and policy reviews by the Department, as well as review by five other federal agencies.

The fundamental question on a Part 810 request for any country is whether the activity should be considered inimical to U.S. interests, including our nonproliferation interests and objectives. A request is approved only if we judge the activity will not increase the risk of proliferation and will further U.S. nonproliferation efforts. Such approvals are subject to the concurrence of the Department of State, whose judgment is also based on our overall foreign policy interests.

In the case of South Africa, our nonproliferation goal has been for South Africa to submit all of its nuclear facilities to IAEA safeguards, and the Administration has frequently urged it to do so. Progress has been made to broaden the application of safeguards in South Africa, and to encourage it to participate in the nonproliferation regime. As a result of our dialogue on nuclear matters, South Africa has resumed discussions with the IAEA regarding the application of IAEA safeguards to its new commercial enrichment facility. In another major positive step, South Africa announced in January 1984 that it will conduct its external nuclear affairs in a manner that is consistent with the spirit, principles, and goals of the NPT and the Nuclear Suppliers Group Guidelines. This includes requiring IAEA safeguards on all South African exports of uranium, sensitive technology, and nuclear equipment. This kind of progress continues to be possible so long as a productive dialogue can be maintained with countries not accepting comprehensive safeguards.

These are some of the reasons why the Administration opposed the amendments to the Export Administration Act which would have precluded all Part 810 activities in

countries without comprehensive safeguards, regardless of the possibility of expanding safeguards coverage in the country concerned.

While we may disagree on specific tactics and measures to achieve our goals, I hope we can agree that a principal U.S. concern must be to work toward the adoption of comprehensive safeguards by countries such as South Africa. The Administration is striving diligently to achieve this goal. We appreciate receiving your views on these matters, and we will take them fully into account in our review.

Sincerely,

DONALD PAUL HODEL.

U.S. Senate,
Washington, DC., October 31, 1984.

Hon. DONALD P. HODEL,
Secretary, Department of Energy, Forrestal Building, 1000 Independence Avenue, SW., Washington, DC

DEAR MR. SECRETARY: We are writing to you and to the Secretary of State to express our concern about the possibility of future authorizations by the Department of Energy (DOE) for transfers of nuclear technology to South Africa pursuant to 10 CFR Part 810 of the Department's regulations. We understand that at least 10 requests for specific authorizations for U.S. firms to provide assistance to South Africa's Koeberg nuclear plant are currently pending and that future requests are possible. For the reasons set forth below, we firmly believe that your approval of any of these requests would be highly inadvisable and would not be in the best nuclear non-proliferation policy interests of the United States. Accordingly, we request that no such approvals be given.

As you know, the members of the International Atomic Energy Agency (IAEA) at the 28th General Conference in early October passed by a 57-10 vote a resolution calling on IAEA member states to "end all nuclear cooperation with the South African regime, and, in particular to terminate all transfers to South Africa of fissionable material and technology which could be used for developing the capability of producing nuclear arms. . . ." That resolution clearly indicates the strength of world sentiment that now exists against such trade with South Africa.

The resolution also repeats a call made in a similar resolution passed a year ago urging South Africa to submit all of its facilities to safeguards inspections by the IAEA. We are greatly dismayed that the United States, represented by Ambassador Richard T. Kennedy, voted against the resolution.

Mr. Secretary, the call for comprehensive safeguards in these resolutions is completely consistent with votes taken in the House of Representatives and the Senate on amendments to the Export Administration Act. The amendments prohibit certain nuclear transfers to non-nuclear weapons countries unless they have an agreement for cooperation with the United States and have agreed to safeguards inspections of all their nuclear facilities. These affirmative legislative actions clearly convey the intent of Congress that an agreement and comprehensive safeguards should be prerequisites for certain transfers, including those specifically authorized by the Department of Energy.

There are several additional reasons why U.S. approval for the pending requests involving South Africa should not be given.

First, U.S. trade policy should expressly favor signatories to the NPT, not those that refuse to sign it. Any such approval to South Africa would show that the U.S. is indifferent to the distinction between trading with nations that are a party to the NPT and those that are not.

Second, there may be negative consequences for the United States if future approvals are given. Recognizing that the United States needs and should be seeking all the support for the Non-Proliferation Treaty that is possible, we are surprised and concerned about the Administration's continued willingness to approve technology transfers to South Africa. We are concerned that serious and careful thought may not have been given to the possible loss of support for the NPT by other African nations in direct response to approvals for South Africa. Many nations, as we have seen in the case of the recent IAEA resolution, strongly protest all nuclear cooperation with South Africa and are willing to continue their opposition.

Furthermore, such approvals could also pose grave and adverse consequences for the Non-Proliferation Treaty Review Conference scheduled for September, 1985. Any such approval, in our view, would not only be unwise, but also inconsistent with the Administration's express objective to seek new signatories to the NPT. The Administration has given a high priority to progress in the upcoming NPT Review Conference; such approvals would complicate positive U.S. efforts at a particularly inauspicious time. Indeed, if any individual nation or bloc of nations were to drop its adherence to the NPT, the effect could be catastrophic both for the Review Conference and for the future of the treaty itself.

Finally, we must consider the political implications of this issue in the broader context of U.S. relations with South Africa. In light of the recent massive campaign of violent repression in South Africa, that has resulted in over 80 deaths and 2,000 arrests of black opponents during the past two months, this is precisely the wrong time to provide any nuclear cooperation to the white minority regime in South Africa.

Clearly, in view of the considerations outlined above and the possible adverse consequences for overall U.S. non-proliferation efforts and the NPT regime, any approval of the pending requests would be wholly inappropriate and not consistent with the intent of Congress.

Again, we urge you not to approve pending or future requests for transfers to South Africa under these circumstances. Thank you for your consideration in this important matter. We look forward to hearing from you soon.

Sincerely,

WILLIAM PROXMIRE.
ALAN CRANSTON.
EDWARD M. KENNEDY.

SENATE RESOLUTION 50: SAVE THE JOB CORPS

Mr. CRANSTON. Mr. President, on January 24, I introduced Senate Resolution 50, a resolution expressing the sense of the Senate that the Job Corps program has been a cost-effective and successful effort to assist disadvantaged young men and women in obtaining and holding employment, that the Senate's commitment to the program should be reaffirmed, and that no significant reduction in the level of the program should be made. Since I introduced this measure, Senators BAUCUS and FORD have joined with me as cosponsors.

When I introduced Senate Resolution 50, Mr. President, I noted that it was in response to reports that the Reagan administration would, in connection with its fiscal year 1986 budget, propose to reduce significantly and then completely eliminate this valuable initiative designed to assist the neediest youths in finding jobs and improving their lives. Those reports have proven to be the case.

Indeed, the President's budget proposes that funds available for the Job Corps Program in fiscal year 1986 be used solely for the purpose of shutting the program down, terminating staff, and closing centers. And on what does the Reagan administration justify the termination of this important program? In short, it is based on a completely misleading and inaccurate assessment of the program.

Mr. President, I want to quote from page 5-97 of the President's budget:

> The Job Corps has now been operating for 20 years. In 1985, the budget authority of $617 million would finance 40,000 training slots, at a cost of over $15,200 each. Despite the amount of time available to develop an effective program and the large cost for the program as a whole as well as per training slot, the Job Corps has not been able to meet the needs of most of those it was intended to serve. About 65% of those leaving the program each year drop out without finishing training. Only 35% of all Job Corps participants are recorded as being placed in jobs. Even though the Job Corps is intended to help those who are less job ready, this low placement rate occurs despite the fact that between 20 and 25% of those entering the Corps have completed 12 years of school. Therefore, the budget proposes to eliminate funding for the Job Corps in 1986.

Mr. President, the real facts could not be any more at variance from OMB's version of them.

The Home Builders Institute, which constitutes a major component of the private sector's very substantial involvement in and support for the Job Corps Program, has prepared a point-by-point rebuttal to the statements in the President's budget. I am most grateful to the Institute for putting together such a meticulous document, and I believe that if my colleagues will take the time to read it carefully they will immediately see how the facts have been distorted to justify an unjustifiable proposal. I ask unanimous consent that the text of this rebuttal be printed at this point in the RECORD so that my colleagues may review it in detail.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

"TERMINATE THE JOB CORPS"

A REBUTTAL

(Prepared by the Home Builders Institute)

On February 4, 1985 in the Background on Major Spending Reforms and Reductions in

the FY 1986 Budget the Office of Management and Budget (OMB) distributed misleading and inaccurate information about Job Corps to the United States Congress. This was their budget justification for the proposed elimination of Job Corps in Fiscal Year 1986. In an effort to set the record straight, here are the facts:

OMB says: "In FY 1985, each one of the Job Corps 40,500 slots will cost the taxpayer $15,000. This cost:

Nearly equals the annual cost of sending a student to Harvard or Stanford University which is far beyond the reach of most American families.

Is more than three times the annual cost of education at the average year public university."

The facts are:

In FY 1984 98,809 youth participated in Job Corps. This represents a cost of $6,244 per participant. "Slot costs" represent the cost of one year's training which serves more than one participant.

While comparison with university education is not relevant, nevertheless, it should be noted that the $6,244 cost per Job Corps participant buys remedial education, vocational training, room and board, transportation, clothing, medical care, counseling, and recreational programs, as well as facilities construction and rehabilitation.

Statistically, 4 out of 10 new enrollees in Job Corps have prior arrest records. Costs to incarcerate an individual range from $22,000 to $30,000 per year.

OMB says: "Job Corps high cost is not justified by program effectiveness; despite the provision of higher cash allowances for Job Corps members who continue in the program, most members do not remain onboard long enough to complete coursework."

The facts are:

The Job Corps' $40-$100/month allowances have been unchanged since 1978. These allowances are for personal necessities such as toothpaste, female hygiene needs, soap, telephone calls, snacks and soft drinks, etc. Average allowance is $14/week, not a high cost item.

Furthermore, the chance to earn higher allowances is but one very small motivational factor for a corpsmember.

OMB says: "65 percent of all Job Corps terminees do not complete a course of study before leaving."

The facts are:

This statistic is based on an internal Job Corps reporting category of top level program completion. This calls for a corpsmember to achieve the highest skill level in a particular occupation; the optimal level of achievement, but a level not realistic for every corpsmember.

Job Corps vocational curricula are competency based and provide for training in increasingly sophisticated skill levels, e.g., in the clerical occupation, ranging from file clerk through secretary stenographer. There are numerous "step off" occupational choices.

While 35 percent achieve the highest skill level, others leave the program after achieving intermediate skill levels, e.g., clerk typist, to seek work at that level. This, of course, does not mean that these corpsmembers exit as failures without marketable skills.

OMB says: "Almost half of all terminees go AWOL or voluntary resign; of these about 30 percent leave within one month of entering."

The facts are:

Termination statistics for FY 1984 show that, of all terminees:

11.4 percent leave within the first 30 days.

16.4 percent leave between 30 and 90 days.

The average length of stay is 8.2 months.

Early dropouts (e.g., within the first 30 or 90 days) often leave because they cannot adjust to the strict disciplinary systems and rigorous academic and behavior requirements imposed. This has the effect of providing available slots to those who can and will benefit from the intensive training provided.

OMB says: "Only one-third of Job Corps terminees are reported as being employed within the year after they leave Job Corps."

The facts are:

Employment Services and other placement agencies attempt to contact terminees within 6 months (not one year) after termination.

Since a substantial number of terminees do not return to their home communities, often in search of improved job opportunities elsewhere, ES agencies are often unable to locate these terminees.

The OMB statistic of a 35 percent rate is the result of dividing the number located and employed by all terminees, including those who have not been contacted, and assumes that none of the unreported individuals obtained employment. This borders on false and misleading advertisement.

The OMB statistic also carefully disregards placements in further education (community colleges, vocational schools, etc.), a valid and desirable outcome for the Job Corps youth population.

Actual known statistics are as follows:

	Year-to-date (6 months) program year 1984 July to Dec. 1984	Fiscal year 1984 Oct. 1983 to Sept. 1984
Total terminations	29,437	58,834
Terminees contacted/reported	22,736	34,096
Reported placement outcomes:		
Terminees entering employment	15,317	20,655
As a percentage of terminees contacts	67.4	60.6
Terminees in further education	2,726	5,134
As a percentage of terminees contacted	12.0	15.1
Total positive outcomes	18,043	25,789
As a percentage of terminees contacted	79.4	75.6

Furthermore, comprehensive follow-up conducted on a statistically valid sample of terminees indicates no systematic pattern of difference between those contacted and reported and those not located by ES agencies.

OMB says: "Job Corps job placement is only marginally better than that of the CETA Public Service Employment program. CETA was a generally recognized failure and was terminated with bipartisan support."

The facts are:

As indicated above, the placement rate quoted by OMB is, at best, misleading and not meaningful.

Job Corps is an intensive education and skills training program for disadvantaged youth with no subsidized jobs involved; CETA Public Service Employment provided subsidized employment for an entirely different population. Any comparisons are far fetched and inappropriate.

Job Corps has been a recognized success and has earned, broad bipartisan support. It is the only employment and training program where graduates have the pride to form an alumni association to help others in need.

OMB says:

"Reports of 85-90 percent positive termination rates and statistical studies purporting to demonstrate cost effectiveness of Job Corps border on false and misleading advertisement

"85-90 percent positive termination rate is greatly overstated.

"Reported rate counts only those terminees who were 'counseled and placed' or 'not placed' and ignores the 31 percent of terminees who were not interested enough in a job to seek counseling, were subsequently jailed, or could not be located by surveyors."

The facts are:

Through 1982, the Employment and Training Reports of the President and Secretary of Labor have reported that approximately 85 percent of terminees available for placement were placed in jobs, the military or further education. The practice of eliminating those not available for placement (e.g., full-time family responsibilities) was discontinued.

As indicated above, current statistics, which count all terminees contacted, indicate that 79 percent are being placed in jobs or education.

With regard to corpsmembers "not interested enough in a job to seek counseling" from the Employment Service, Job Corps trains corpsmembers in job search techniques and encourages selfplacements efforts. These terminees are not "ignored".

The assertion regarding corpsmembers being "subsequently jailed" is contrary to all study findings and available evidence; it is not worthy of comment.

OMB says: "Reported rate includes as a positive termination anyone who subsequently reported being employed in school, or in the Armed Forces regardless of whether Job Corps had any effect on their positive outcome. Clearly some terminees would have found jobs, reenrolled in school, or entered military service without the aid of the Job Corps."

The facts are: All training programs report the success of their participants upon termination. The question of whether participants would have succeeded on their own is properly the subject of an evaluation study to determine the net impact of a program. The 1982 study by a well respected, independent research organization of Job Corps clearly concludes that the Job Corps program did, in fact, have a positive impact on its trainees and that a carefully-drawn comparison group did not fare as well.

OMB Says:

"The most recent statistical study ackowledges the softness of its findings by noting that for Job Corps be considered economically efficient it is necessary to assure that:

Job Corps training does not displace others in the job market, and

Reductions in crime while participants are in the program must be counted."

That facts are:

The 1982 study referred to was conducted by Mathematica Policy Research, Inc., an independent, well respected research organization. Researchers followed up on Job Corps terminees for four years and compared their experiences with a carefully drawn comparison group to assess whether Job Corps members fared better and if the cost justified the difference.

Upon hearing the favorable results, OMB insisted that the Department of Labor engage outside experts to critique the study. These experts concluded:

The study "is on the whole reliable and represents the current state of economic and econometric art"

The study "demonstrates an exceedingly high level of competence by the evaluators and does not contain any limitations."

With regard to the OMB contention on the displacement of workers, Mathematica concluded that there is no evidence that Job Corps graduates displace workers to any great extent.

With regard to reductions in crime, Mathematica concluded that this is a worthwhile benefit since incarceration is a more expensive proposition for our society than the cost of providing education and skills in Job Corps.

Among the many impressive findings in the Mathematica Study (critically and favorably evaluated by the outside experts at the request of OMB) are:

1. Benefits vs. Costs

Job Corps benefits are greater than its costs. Measured in 1977 dollars, Job Corps produces benefits for society of approximately $7,300 per participant as against about $5,000 in costs, or about 45 percent more than the costs.

2. Stability of Gains

The overall gains experienced by corpsmembers gradually build up during the initial months out of Job Corps, and then persist fairly stably for most of the four-year post-program period.

3. Subgroup Differences

There is strong evidence that longer study in the program is associated with greater post-program gains. Completers made significantly greater gains than comparable non-participants.

OMB says:

"Other training programs, such as the Block Grant Training Program under the Job Training Partnership Act (JTPA), can more effectively and more efficiently train youth for jobs.

Recent JTPA data reveal that:

JTPA cost per participant is one-third that of Job Corps'.

JTPA cost per job placement is less than one-fifth of Job Corps'."

The facts are: JTPA is designed to serve a substantially different population. Recent data shows:

[In percent]

	JTPA	Job Corps
Youth	39	100
School dropout	10	78
Minority	46	73
Combined youth/minority/dropout	7	60

The "typical" or average Job Corps enrollee is an economically disadvantaged youth, 18 years of age, minority, school dropout, reads at the 6th grade level, has never been employed full-time, comes from either a family receiving public assistance or one earning $5,389 per year, and is in need of intensive services.

One hundred percent of Job Corps enrollees receive basic education and vocational training. Only 53 percent of JTPA youth receive training in the classroom or on the job.

This is no criticism of JTPA. The comparison made by OMB is an "apple and orange" one. JOb Corps complements, not competes with JTPA. Job Corps serves severely disadvantaged youth in need of intensive services. The residential, 24-hour per day aspect of Job Corps offers the opportunity to motivate, influence and guide these youth toward a new direction to become self-sufficient, productive, tax paying citizens. This costs more. The payoff to the country has been well documented and widely recognized.

OMB says: "The relative success of JTPA is largely due to active private business sector involvement."

The facts are: OMB seems to have forgotten that Job Corps has the most direct and extensive participation by private business of any training program in the federal government: 77 of 107 Job Corps centers are operated by private companies (e.g., RCA, Singer, Teledyne, ITT) under competitive bids. The remaining 30 centers are Civilian Conservation Centers operated on public lands by the Departments of Agriculture and Interior. Moreover, vocational training on centers, leading to careers in the construction and transportation industries, have long been sponsored by the National Association of Home Builders and national labor unions. Additionally, thousands of volunteers in communities across the country help recruit, screen and provide support services to corpsmembers before they enter Job Corps, while on center and upon their departure. Job Corps, in fact, has epitomized a partnership between the federal government and the private sector for over two decades.

OMB says: "Available evidence suggests that eliminating the Job Corps and transferring responsibility to JTPA will benefit both the taxpayer and youth who are trying to overcome their disadvantages and become permanent members of the workforce."

The facts are:

Job Corps is one title of the Job Training Partnership Act. Congress recognized the need for a residential program that would take the most severely disadvantaged youth from their disruptive and culturally deprived backgrounds and immerse them in a setting of comprehensive and intensive educational, employment and support services.

Obviously, this so-called conclusion is not supported by facts or even OMB's "analysis". OMB's real intent is to isolate and attack selected programs in the guise of economic "savings". In the case of Job Corps, this was done without regard to benefit for youth or taxpayers.

Sources: All Job Corps program statistics reported under "The Facts Are . . ." come from the established Job Corps reporting systems at the U.S. Department of Labor. Post-program outcomes, including the benefit-cost analysis, are documented in "A Comparative Evaluation of the Benefits and Costs of Job Corps after Eighteen Months of Post-Program Operation," Mathematica Policy Research, Inc., 1982. Note: The Office of Management and Budget does not substantiate its findings.

Mr. CRANSTON. In addition, Mr. President, I want to bring to the Senate's attention the remarks of William Mirengoff, a former National Director of the Job Corps, at a January 10, 1985, Job Corps Policy Forum sponsored by the Home Builders Institute. Mr. Mirengoff, now in the private sector with the Bureau of Social Science Research, speaks with much authority on the Job Corps having been intimately involved with it during the 1969 attack on the program by the Nixon administration. His remarks offer not only a retrospective on its past and a summation of its present successes, but also some critical comments about its problems and needs for the future.

I hope that my colleagues will take the time to read Mr. Mirengoff's remarks. If they do, I believe they will conclude, as I have, that Mr. Mirengoff is correct when he says:

The central test to be met is: does Job Corps provide greater value to society than the value of the resources it uses. Job Corps passes [this test] with flying colors.

Mr. President, I ask unanimous consent that the text of Mr. Mirengoff's remarks be printed at this point in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

JOB CORPS POLICY FORUM—THE NIXON EXPERIENCE AND BEYOND

(By William Mirengoff)

I. INTRODUCTION

It's good once again, to be with friends in the Job Corps (J.C.) family. I wish the occasion was more auspicious. A few months ago, we were celebrating the 20th anniversary of JC; today we are concerned about its survival.

The Home Builders Institute, Phil Polivchak and LaVera Leonard are to be commended for organizing this timely forum.

My own enthusiasm for the J.C. flows from my conviction that it does the most for those who are most in need and that it returns to society far more than it takes. I have been intimately involved in all of the alphabetical combinations that constituted the employment and training programs over three decades and am convinced that the J.C. concept is the most valid for the population it serves. Unlike single dimensional programs, the J.C. approach is holistic. It recognizes the necessity of a multi-faceted approach in dealing with the host of problems besetting the most disadvantaged segment of our population.

I guess my role this morning is to review the trials and tribulations of the 1969 cutback on the assumption that the lamp of experience may illuminate present paths. I am pleased to do this but would also like to dwell a bit on our present situation and future directions. All, I believe, are interrelated.

II. THE NIXON PERIOD

In 1968, Richard Nixon promised to eliminate the J.C., which, at that time, was vulnerable on several counts.

1. Its public image, molded by a constant stream of horror stories, was very poor. The media blew up every fistfight into a storm of violence. J.C. centers were perceived as places where riots, vandalism, assaults and sexual behavior were out of control. Although grossly overblown, serious problems did exist. I don't know how many hours I spent over such issues as the use of mace by security guards, inter-racial conflicts (West Side Story revisited), contraception and abortion policies, Corpsmember safety, tamper-proof lockers, dormitory discipline, etc.

2. J.C. management, in my opinion, was weak both at the national level and in the centers. I have seen centers in which streetwise youth were calling the shots.

3. J.C. entry and exit was a revolving door. The length of stay was very short, resulting in high recruitment and transportation costs.

4. Job placement, the presumed objective of the program, was very low on the centers' priorities.

5. Job Corps was exploited. Too many J.C. personnel at all levels were "working JC" rather than working for J.C.

But J.C. was not eliminated in 1969. It was, however, transferred from OEO to Labor, cut by ⅓ based upon six performance criteria, and put on probation. White House principals Ehrlichman and Colson sent imperious memos to Secretary of Labor Shultz demanding to know how he was going to straighten out the J.C. mess. Here is a quote from one such memo:

"The President saw JC as an unsuccessful program which should not be perpetuated; its many troublesome and unsatisfying aspects should be totally discontinued now. What is constructive will remain, and be dovetailed into your Department."

Although J.C. was not disestablished, its ultimate demise was considered a foregone conclusion. Congressman Flood of Pennsylvania called the transfer from OEO to Labor, "the kiss of death." The National office staff was convinced that Bill Mirengoff had come, not to praise but to bury J.C. So pervasive was this belief that even a year later, as I travelled across the country, people were surprised to learn that yes, there still was a J.C.

The effects of 1969 surgery and the assumed demise of J.C. were devastating. And it is important that the results of that experience be widely understood so that the consequences of a replay of that scenario be fully appreciated.

The first effects were felt among staff. Anxieties and sinking morale almost paralyzed operations. Even in centers not affected by the cuts, staff began looking for other employment.

The enrollee recruitment machinery fell into disuse and rusted. It was difficult to maintain enrollment at full capacity at the surviving centers. As a result of underutilization, unit costs shot up and we were in trouble on that score.

Logistic and transportation problems were severe and costly.

Contract terminations, cancellation of leases, divestiture of property, maintenance of closed centers including security guards, etc. all involved huge expenditures—cost without benefits.

Most harmful was the effect on the Corpsmembers who were shuffled among centers or sent back to the inner cities, disillusioned and alienated. Many were simply lost in the process.

The cost considerations of dismantling J.C. must be underscored because it is germane to the fiscal objective of OMB. It may very well be that the costs of termination would approximate the costs of continuation, at least for the first fiscal year. It can of course be argued that the "out-years" expenditures would be reduced. This is true if we are concerned only with direct program outlays for J.C. But if we take a broader view of societal costs, if we quantified the economic and non-economic outcomes of J.C. participation, I am satisfied that the gains would far outweigh the costs.

Rigorous studies of the economic and non-economic impact of the J.C. program indicate that J.C. was successful in:

1. Increasing employment—by four weeks a year; and earnings—by $600.

2. Improving future labor market opportunities through work experience, job seeking skills, work habits, military service, better training, geographic mobility, and higher educational levels. There was a five-fold increase in the number who achieved high school degrees or equivalencies.

3. Reducing dependency on public assistance; over 38 percent of J.C. enrollees come from AFDC rolls.

4. Reducing criminality; in 1978, 38 percent of the Corpsmembers had prior arrest records. Some had been remanded to J.C. by the courts in lieu of incarceration. Ex-offenders improved in criminal behavior after J.C.

Among women Corpsmembers, for example, criminal activity had been reduced from 32 percent to four percent. This has major implications for the young people themselves and for society. Many programs refuse to admit young people with criminal records. J.C. accepts them, educates them, trains them, counsels them and reduces recidivism. Society saves money on courts, prisons and probation. Depending upon whether it's a one star or three star facility, it costs between $25,000 to $30,000 to keep a person in jail for one year; twice the J.C. cost.

In addition, J.C. had a positive impact on a number of noneconomic outcomes:

1. Job satisfaction.
2. Attitude towards authority.
3. Self esteem.
4. Health—enrollees were provided 10 times as many medical visits as they would have received outside the J.C.

In sum, objective evaluations demonstrated that J.C. is a worthwhile public investment. Social benefits exceed costs by $2,300 per enrollee. The average investment per Corpsmember is paid back in three years. Moreover, JC touches, in a positive way, each of the areas of greatest public concern—crime, taxes, welfare payments and national security (via entrance into the military).

The real issue is not the savings, but the cost of terminating J.C. Society will certainly pay a price. As the TV ad puts it, "You can pay me now or pay me later."

This is the message that must be trumpeted. If the 1960's was the decade of the idealists, the 80's is the decade of the pragmatists. The central test to be met is: does J.C. provide greater value to society than the value of the resources it uses. J.C. passes with flying colors.

III. THE PRESENT

Unlike previous years when the J.C. budget was treated as a discrete program, it is now caught up in a larger game in which the major considerations are defense expenditures, domestic expenditures, and tax policies. However that game is played out, it will be necessary to assess the strengths and problems of J.C. in making the case for continuation.

A. Strengths

First, its strengths. The J.C. has overcome most of the problems of the 1969 period.

1. Its image and performance are good. It has moved from the bottom of the array of manpower programs to the top. Success stories have replaced the horror stories of the Sixties which led many Congressmen to claim that "J.C. had failed more noticeably than any other program." Most importantly, the program is cost effective.

2. The positive outcome rate for Corpsmembers is high—75 percent.

3. The value of goods produced by Corpsmembers is significant.

4. The concept of youth conservation programs is perceived as part of the American tradition. Every public opinion poll shows overwhelming support for the civilian conservation concept. Congressman Williams reminded me that practically everyone had a family member, relative or friend in the old CCC camps. Moreover, most of what had been done in the program is still in evidence.

5. The management of J.C. at the national and center levels has improved considerably.

6. J.C. assigns to the private sector the responsibility of operating most of its centers. Nixon had pledged greater involvement of private industry to solve America's social problems. The present Administration views private sector initiatives as the centerpiece of its employment and training programs. Witness, for example, the Private Industry Councils (PIC) in JTPA. Thus, it seems passing strange that the program which most fully embraces the Administration's philosophy should be considered for extinction.

7. The constituency of JC is legion. It includes:

a. The private sector as represented by the J.C. contractors. This leverage could be extended through such influential organizations as the Business Roundtable, Chambers of Commerce and the National Association of Manufacturers.

b. The trade unions; not only those participating in center training programs, but also the national AFL–CIO.

c. In most of 107 communities, J.C. has become an integral part of the local economic fabric. Its jobs are filled by local residents and the centers make their purchase within the community. The termination of these centers would threaten the well being of innumerable people and localities.

d. In addition to those who are parties at interest, there are numerous disinterested organizations committed to the support of youth and conservation programs.

e. Most important, of course, are the members of Congress—and not only those with centers in their districts. Unlike 1969 when J.C. had become a divisive party issue, it now enjoys strong bi-partisan support. Witness the budget actions in the last session of Congress.

In my opinion, it was the efforts of business, labor, local communities, a handful of determined Congressmen such as Carl Perkins, and the unflappable perseverance of Secretary Shultz that saw J.C. through its crisis in 1969.

B. Problems

On the other side of the ledger are a number of serious problems that will have to be faced.

1. First, there is the overriding concern over the size of the deficit, that could overshadow all other considerations.

2. There is also a remote possibility of a recision of some 1985 funds and perhaps a reconciliation bill. This would lump appropriation reductions in a single package and force an up or down vote on the entire package. It would also affect authorization provisions.

3. The fate of J.C. could be affected by the approach taken to accomplish budget reductions—across-the-board cuts, line item cuts, a budget freeze or some combination. The freeze seems to be gathering support. It has an aura of "fairness" and avoids forcing Congressmen to choose among competing programs. There is also support for exempting programs for the poor, which should include JC. However, if selected cuts are added to a freeze, JC could be in trouble. These matters will be discussed at greater

length and more authoritatively in the afternoon session. In any event, there is a pressing need to be sure that the J.C. programs and their accomplishments are fully understood.

4. J.C. unit costs have been a bugaboo since the inception of J.C. and continue to be a sore point with OMB.

5. There is always the danger of fragmenting program support by salami slicing—lopping off parts of a program with the expectation that the sacrifice would be acceptable to the survivors. Benjamin Franklin offered some sound advise on this score.

6. Finally, there is the problem of parentage. Current programs cannot retroactively choose their parents any more than you or I. Frequently, the sins of the parents are visited upon their children. A review of the programs proposed for elimination indicate that most are the progeny of previous administrations. J.C., a Great Society survivor, unfortunately does not have the imprimature of this administration.

IV. THE FUTURE

In conclusion, a word about the future. I understand of course that if we don't get past the present, there is no future. But I am an optimist and I believe that our reach must exceed our grasp. We must look beyond the present and turn the face of J.C. towards the future, formulating new ideas and adapting J.C. to the needs of an evolving society.

We came out of the 1969 episode with a more viable program because we did not try to explain away the problems that plagued J.C. We acknowledged them and set to work to overcome them. We took a fresh look at the assumptions upon which J.C. was based. We accepted some as valid, rejected others and struck out in new directions. This was the essential tool that Secretary Schultz used to protect the basic program.

The separate men and women Job Corps were consolidated followed by coed centers. Input into centers was regionalized. Contract practices were tightened. Job placement was emphasized. Greater use was made of trade union programs. Large centers, which had become unmanageable, were reduced in size, and experiments with new in-city centers were conducted.

Where do we go from here? I suggest that we look upon our present situation as not only a challenge that must be met but also as an opportunity to reexamine what we have been doing; to seek innovations that will strengthen the program and build new constituencies. It is because I believe in the fundamental validity of the J.C. concept and its adaptability that I have confidence in the present and future of J.C.

To those of you who lived through the 1969 experience, this may seem like the second episode of the Perils of Pauline. But remember, in the end, Pauline always was saved.

Mr. CRANSTON. Finally, Mr. President, I want to note a recent editorial from the Washington Post of February 9, 1985, entitled "Save the Job Corps," which cites the Job Corps as being "one of the few programs that has ever succeeded in realistic measure in dealing with the Nation's hardest-to-employ youth." It goes on to say that "controlled comparisons"—such as the one prepared in rebuttal by the Home Builders Institute which I have just inserted into the RECORD—show that the Job Corps is a good investment for the taxpayer. Most importantly, from the perspective of what this program is all about, the editorial concludes that even controlled calculations don't take account of the moral returns to a country that reaches out to its most disadvantaged young people.

I ask unanimous consent that this editorial be printed in the RECORD at the conclusion of my remarks.

Mr. President, in conclusion, I want to take this opportunity to urge all Senators to join with me in supporting the continuation of this vitally important and most valuable contribution to addressing a critical national problem: The needs of our neediest young people. We cannot let this proven program and all the youths it can help be cast aside and cut adrift.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SAVE THE JOB CORPS

One of the last survivors of the War on Poverty is slated for extinction. The president's budget for fiscal 1986 and beyond would close down the Job Corps, one of the few programs that has ever succeeded in realistic measure in dealing with the nation's hardest-to-employ youth.

Like most social experiments of the 1960s, the Job Corps was conceived with an excess of expectation and a deficit of common sense. Unlike most social experiments, the Job Corps was allowed to survive long enough to learn from its mistakes. When Richard Nixon proposed ending the Job Corps, management was poor, discipline was lax and some sites suffered from racial discord and vandalism. As William Mirengoff, who took over the program for the Nixon administration recalls, "The media blew up every fist-fight into a storm of violence."

Job Corps' administrators recruited counselors who knew how to deal with street kids, tightened up standards for counselors and youths and got unions and businesses to update training courses. A few years later, careful studies showed the Job Corps scoring impressive successes in changing the lives of kids otherwise headed for disaster—those with arrest records, out-of-wedlock pregnancy and truancy, for example, in their backgrounds.

The Jobs Corps is a residential program. It takes youths out of ghettos and depressed rural areas and moves them to camps to do conservation work and training. The hope is that the change of atmosphere and routine will make it easier for them to shake off the bad habits. That makes the program expensive—$15,000 for a year-round slot. It also means that the initial dropout rate is high, since many can't make the adjustment. But it also accounts for the program's notable success in increasing employment, military enlistment and further education, and reducing criminality and welfare dependency among those who stick it out.

In making its case for disbanding the program, the Office of Management and Budget focuses only on the high cost per slot—ignoring the fact that more than one youth can fill a slot during a year—and the relatively low rate of direct placement in jobs—ignoring other positive outcomes such as military enlistment or return to school or the fact that, as in most training programs, large numbers of graduates find jobs for themselves. But controlled comparisons (which don't make all these obvious mistakes) show that the Job Corps is a good investment for the taxpayer. And even those calculations don't take account of the moral returns to a country that reaches out to its most disadvantaged young people.

MESSAGES FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on February 8, February 11, and February 12, 1985, during the adjournment of the Senate, received messages from the President of the United States submitting sundry nominations and a treaty; which were referred to the appropriate committees.

(The nominations received on February 8, February 11, and February 12, 1985, are printed in today's RECORD at the end of the Senate proceedings.)

REPORT ON THE NATIONAL DEFENSE STOCKPILE—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 18

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on February 8, 1985, received the following message from the President of the United States, together with an accompanying report, which was referred to the Committee on Armed Services:

To the Congress of the United States:

Pursuant to the provisions of Section 904 of the Department of Defense Authorization Act, 1985 (Public Law 98-525), I herewith transmit a report on the National Defense Stockpile.

RONALD REAGAN.

THE WHITE HOUSE, *February 8, 1985.*

ANNUAL REPORT OF THE U.S. ARMS CONTROL AND DISARMAMENT AGENCY—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 19

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on February 11, 1985, during the adjournment of the Senate, received the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

The security of our people, the primary responsibility of the Federal government, is accomplished through the complementary objectives of a strong defense capability and unambigous and credible arms control agreements. While we have made substantial

progress in rebuilding our defenses during the past four years, progress in arms control has not kept pace.

It is my intention in the next four years to do everything possible to find practical arrangements with the Soviet Union that will sharply reduce nuclear weapons. Arms control negotiations are surely the best way for pursuing such important objectives, and thus, I view with the utmost seriousness the negotiating commitments made with the Soviet Union four weeks ago in Geneva. We are now prepared to address not only nuclear offensive systems, but also strategic defenses and the essential improvements in verification.

In addition to these new bilateral arms control efforts, a number of multilateral activities play significant roles in our comprehensive arms control program. For example, discussions are being directed to banning chemical weapons and to reaching agreement on measures that will build confidence in understanding the activities and intentions of adversaries. This 24th Annual Report of the United States Arms Control and Disarmament Agency describes these and all the many facets of the Administration's 1984 program. I am pleased to forward it to the Congress.

RONALD REAGAN.

THE WHITE HOUSE, *February 11, 1985.*

U.S. GOVERNMENT DEPARTMENT AND AGENCY ACTIVITY TOWARD PREVENTING NUCLEAR PROLIFERATION—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 20

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on February 12, 1985, during the adjournment of the Senate, received the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I have reviewed the activities of United States Government departments and agencies during the calendar year 1984 related to preventing nuclear proliferation, and I am pleased to submit my annual report on this subject pursuant to section 601(a) of the Nuclear Non-Proliferation Act of 1978 (Public Law 95-242).

The Report concludes that the United States during 1984 continued to make important progress in its efforts to achieve its non-proliferation goals.

It is my firm conviction that preventing the spread of nuclear explosives to additional countries is essential to world peace and stability. It forms an indispensable complement to the efforts we have undertaken to bring about deep reductions in strategic and intermediate-range nuclear weapons. It is no exaggeration to say that the future of mankind may well depend on the achievement of these goals, and I intend to pursue them with unflagging determination and a deep sense of personal commitment.

RONALD REAGAN.

THE WHITE HOUSE, *February 12, 1985.*

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE NATIONAL ADVISORY COUNCIL ON ADULT EDUCATION—MESSAGE FROM THE PRESIDENT—PM 21

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with the provisions of Public Law 91-230, as amended (20 U.S.C. 1209(d)), I herewith transmit the 1983 annual report of the National Advisory Council on Adult Education.

RONALD REAGAN.

THE WHITE HOUSE, *February 9, 1985.*

MESSAGES FROM THE HOUSE RECEIVED DURING THE ADJOURNMENT

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on February 7, 1985, during the adjournment of the Senate, received a message from the House of Representatives announcing that the House had passed the following joint resolution, without amendment:

S.J. Res. 36. Joint resolution to designate the week of February 10, 1985, through February 16, 1985, as "National DECA Week."

ENROLLED JOINT RESOLUTION SIGNED

Under the authority of the order of the Senate of January 3, 1985, the Secretary of the Senate, on February 8, 1985, during the adjournment of the Senate, received a message from the House of Representatives, announcing that the Speaker pro tempore had signed the following enrolled joint resolution:

S.J. Res. 36. Joint resolution to designate the week of February 10, 1985, through February 16, 1985, as "National DECA Week."

Under the authority of the order of the Senate of January 3, 1985, the enrolled joint resolution was signed on February 8, 1985, during the adjournment of the Senate by the President pro tempore [Mr. THURMOND].

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on February 8, 1985, she had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 36. Joint resolution to designate the week of February 10, 1985, through February 16, 1985, as "National DECA Week."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-378. A communication from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting, pursuant to law, a report on the conversion of the laundering/dry cleaning service at the Marine Corps Base, Camp Pendleton, California to performance by contract; to the Committee on Armed Services.

EC-379. A communication from the Assistant Secretary of Defense (Manpower, Installations, and Logistics), a report on the extent to which commercial and industrial-type functions were performed by Department of Defense contractors during fiscal year 1984; to the Committee on Armed Services.

EC-380. A communication from the Administrator of the Panama Canal Commission, transmitting, pursuant to law, a report, including unaudited financial statements, on the operation of the Panama Canal from October 1, 1983 through September 30, 1984; to the Committee on Armed Services.

EC-381. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, the second half of fiscal year 1984 listings of Department of Defense contracts negotiated under section 2304(a)11 and 2304(a)16 for experimental, developmental, test, or research work; to the Committee on Armed Service.

EC-382. A communication from the Administrator of the Energy Information Administration, Department of Energy, transmitting, pursuant to law, a report entitled "Annual Energy Outlook, 1984"; to the Committee on Energy and Natural Resources.

EC-383. A communication from the Associate Director for Workforce Effectiveness and Development, Office of Personnel Man-

agement, transmitting, pursuant to law, the fiscal year 1984 report on the implementation of the Federal Equal Opportunity Recruitment Program; to the Committee on Governmental Affairs.

EC-384. A communication from the Acting Secretary of Education, transmitting, pursuant to law, assistance for local educational agencies in areas affected by Federal activities and arrangements for education of children where local educational agencies cannot provide suitable free public education—extension of fiscal year 1985 closing date; to the Committee on Labor and Human Resources.

EC-385. A communication from the Acting Secretary of Education, transmitting, pursuant to law, the seventh annual report on implementation of the Education of the Handicapped Act; to the Committee on Labor and Human Resources.

EC-386. A communication from the Clerk of the United States Claims Court, transmitting, pursuant to law, a copy of the Courts judgment in the case Pueblo of Taos v. The United States; to the Committee on Appropriations.

EC-387. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on agreements entered into under the NATO Mutual Support Act of 1979 for fiscal year 1985; to the Committee on Armed Services.

EC-388. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report on State truck weight limitations and enforcement efforts during fiscal years 1982 and 1983; to the Committee on Commerce, Science, and Transportation.

EC-389. A communication from the Chairman of the Consumer Product Safety Commission, transmitting, pursuant to law, the Commission's fiscal year 1986 budget request; to the Committee on Commerce, Science, and Transportation.

FC-390. A communication from the Deputy Administrator of the National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the biennial report of the findings of the National Oceanic and Atmospheric Administration's Program of Research and Monitoring for Early Detection of Stratospheric Ozone Change; to the Committee on Environment and Public Works.

EC-391. A communication from the Chairman of the Advisory Commission on Intergovernmental Relations, transmitting, pursuant to law, the twenty-sixth annual report of the Commission; to the Committee on Governmental Affairs.

EC-392. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Follow-Up Review of the District's Foster Care Program"; to the Committee on Governmental Affairs.

EC-393. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report under the Federal Managers' Financial Integrity Act, dated December 1984; to the Committee on Governmental Affairs.

EC-394. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, the annual report of GSA for fiscal year 1984; to the Committee on Governmental Affairs.

EC-395. A communication from the Chairman of the Board of Directors of the Tennessee Valley Authority Retirement System, transmitting, pursuant to law, the annual report on the TVA retirement system for the plan year ended September 30, 1983; to the Committee on Governmental Affairs.

EC-396. A communication from the Under Secretary of Labor, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-397. A communication from the Vice President of Washington Gas (Information Systems and Controller), transmitting, pursuant to law, a copy of the balance sheet of Washington Gas as of December 31, 1984; to the Committee on Governmental Affairs.

EC-398. A communication from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting, pursuant to law, copies of grants of suspension of deportation of certain aliens under sections 244(a)(1) and 244(a)(2) of the Immigration and Nationality Act; to the Committee on the Judiciary.

EC-399. A communication from the Administrator of Veterans Affairs, transmitting, pursuant to law, a report on a planned administrative reorganization within the Veterans' Administration involving the transfer of certain functions from the VA Prosthetics Center in New York City to a new Prosthetics Assessment and Information Center in the Washington, D.C. area; to the Committee on Veterans' Affairs.

EC-400. A communication from the Acting Comptroller General of the United States, transmitting, pursuant to law, a report on the President's fourth special message for fiscal year 1985; pursuant to the order of January 30, 1985, referred jointly to the Committee on the Budget, the Committee on Appropriations, the Committee on Foreign Relations, the Committee on Armed Services, and the Committee on Commerce, Science, and Transportation.

EC-401. A communication from the Secretary of the Air Force, transmitting, pursuant to law, notice that the unit cost of the low-level laser guided bomb has climbed to the point that it is no longer an affordable weapon, and that the Air Force is cancelling production with the completion of the 1985 buy; to the Committee on Armed Services.

EC-402. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on standardization within NATO highlighting Department of Defense and Alliance efforts to standardize, or at least make interoperable weapons systems and equipment used by the allied forces committed to NATO; to the Committee on Armed Services.

EC-403. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Navy's proposed letter of offer to Canada for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-404. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on officers or employees of a Federal Contract Research Center paid out of Federal funds whose pay exceeded the basic pay authorized for level II of the Executive Schedule; to the Committee on Armed Services.

EC-405. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report on a transaction involving U.S. exports to Spain; to the Committee on Banking, Housing, and Urban Affairs.

EC-406. A communication from the Assistant Attorney General (Civil Rights Division), transmitting, pursuant to law, a report on the administration of the Equal Credit Opportunity Act for calendar year 1984; to the Committee on Banking, Housing, and Urban Affairs.

EC-407. A communication from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to implement certain recommendations made pursuant to Public Law 98-360; to the Committee on Energy and Natural Resources.

EC-408. A communication from the Acting Executive Director of the United States Holocaust Memorial Council, transmitting a draft of proposed legislation authorizing appropriations to the Executive Director of the United States Holocaust Memorial Council for services necessary to perform the functions of the United States Holocaust Memorial Council; to the Committee on Energy and Natural Resources.

EC-409. A communication from the administrator of the Agency for International Development, transmitting a draft of proposed legislation to authorize the President to furnish assistance to alleviate the human suffering in sub-Saharan Africa, and for other purposes; to the Committee on Foreign Relations.

EC-410. A communication from the Director of the Federal Mediation and Conciliation Service, transmitting, pursuant to law, material to augment the report of the service on the Federal Managers' Financial Integrity Act of 1982 covering Title II for calendar year 1984; to the Committee on Governmental Affairs.

EC-411. A communication from the Vice President of the Chesapeake and Potomac Telephone Company, transmitting, pursuant to law, a statement of receipts and expenditures of the Company for calendar year 1984; to the Committee on Governmental Affairs.

EC-412. A communication from the Acting Secretary of Education, transmitting, pursuant to law, final regulations for the Guaranteed Student Loan Program and PLUS Program; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Res. 64. An original resolution waiving section 303(a) of the Congressional Budget Act of 1974 for consideration of S. 391.

By Mr. GOLDWATER, from the Committee on Armed Services, without amendment:

S.J. Res. 14. Joint resolution authorizing the President to advance Lieutenant General Ira C. Faker, USAF (ret.) and Lieutenant General James H. Doolittle, USAF (ret.) to the grade of general on the retired list.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. GOLDWATER, from the Committee on Armed Services:

Mr. GOLDWATER. Mr. President, from the Committee on Armed Serv-

ices, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of January 24, January 31, February 5, and February 19, 1985, at the end of the Senate proceedings.)

*1. Vice Admiral Lee Baggett, Jr., U.S. Navy, to be admiral. (Ref. #57)

*2. Lt. Gen. David M. Twomey, U.S. Marine Corps, to be appointed to the grade of lieutenant general to which grade he was appointed during the recess of the Senate. (Ref. #58)

*3. In the Navy there are 333 appointments to the grade of chief warrant officer (W-4) and below (list begins with Robert A. Hahn). (Ref. #59)

*4. In the Navy there are 1,053 appointments to the grade of permanent ensign (list begins with Selim Boutros Abounader). (Ref. #60)

*5. In the Naval Reserve there are 1,713 appointments to the grade of permanent ensign (list begins with John C. Abbott). (Ref. #61)

*6. Major General Andrew P. Chambers, U.S. Army, to be lieutenant general. (Ref. #62)

*7. General Robert W. Bazley, U.S. Air Force, to be appointed to the grade of general to which grade he was appointed during the recess of the Senate. (Ref. #67)

*8. In the Marine Corps there are 19 permanent appointments to the grade of second lieutenant (list begins with Racine L. Christensen). (Ref. #68)

*9. General Robert C. Kingston, U.S. Army, to be appointed to the grade of general to which grade he was appointed during the recess of the Senate. (Ref. #73)

*10. In the Army National Guard there are 10 appointments to the grade of major general and below (list begins with James A. Baber, III). (Ref. #74)

**11. In the Air Force there are 2,222 promotions to the grade of lieutenant colonel (list begins with Byron A. Abbott). (Ref. #75)

**12. In the Air Force there are 28 appointments to the grade of lieutenant colonel and below (list begins with Norman J. Baumann). (Ref. #76)

**13. In the Air Force Reserve there are 160 promotions to the grade of colonel (list begins with Lewis Aaronson). (Ref. #77)

**14. In the Air National Guard there are 22 promotions to the grade of lieutenant colonel (list begins with Ralph P. Anderson). (Ref. #78)

**15. In the Naval Reserve there are 974 appointments to the grade of permanent commander (list begins with Robert Allyn Cook). (Ref. #79)

*16. In the Marine Corps there are 5 promotions to the permanent grade of major general (list begins with William R. Etnyre). (Ref. #82)

*17. In the Marine Corps there are 11 promotions to the permanent grade of brigadier general (list begins with Michael P. Sullivan). (Ref. #83)

Total 6,555

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. LUGAR (by request):

S. 457. A bill to authorize the President to furnish assistance to alleviate the human suffering in sub-Saharan Africa, and for other purposes; to the Committee on Foreign Relations.

By Mr. EXON (for himself, Mr. BOREN, Mr. SIMON, Mr. BURDICK, Mr. PRYOR, Mr. HARKIN, Mr. LEVIN, and Mr. ZORINSKY):

S. 458. A bill to provide emergency credit and debt adjustment relief to financially stressed farmers and ranchers; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HART:

S. 459. A bill to provide emergency assistance to farmers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. GRASSLEY:

S. 460. A bill to provide emergency operating credit for farmers and ranchers; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HATCH:

S. 461. A bill for the relief of Pedro (Jimenez) Castro and Amalia Corna De Castro; to the Committee on the Judiciary.

S. 462. A bill for the relief of Barbara Crisp, Sean Anthony Crisp, and Andrea Leech; to the Committee on the Judiciary.

By Mr. GRAMM:

S. 463. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers, to construct a project for flood protection for Lake Wichita, Holliday Creek, TX; to the Committee on Environment and Public Works.

By Mr. SPECTER:

S. 464. A bill entitled the "Railroad Competition Protection Act of 1985;" to the Committee on Commerce, Science, and Transportation.

S. 465. A bill entitled the "Railroad Competition Protection Act of 1985;" to the Committee on Commerce, Science, and Transportation.

By Mr. ZORINSKY (for himself, Mr. HARKIN, and Mr. EXON):

S. 466. A bill to amend the Farm Credit Act of 1971 to ensure greater protection for the borrowers and investors of the farm credit system; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. ROTH (for himself and Mr. PELL):

S. 467. A bill to amend title 10, United States Code, to authorize the President to award prisoner of war medals in appropriate cases; to the Committee on Armed Services.

By Mr. INOUYE:

S. 468. A bill for the relief of Mark Maio Fernandez; to the Committee on the Judiciary.

By Mr. DECONCINI (for himself and Mr. PROXMIRE):

S. 469. A bill to rescind certain budget authority proposed to be rescinded in a special message transmitted to the Congress by the President on February 6, 1985, in accordance with section 1012 of the Impoundment Control Act of 1974 and section 2901 of the Deficit Reduction Act of 1984; pursuant to the order of January 30, 1975, referred jointly to the Committee on the Budget and the Committee on Appropriations.

By Mr. RIEGLE:

S. 470. A bill to require the Federal Energy Regulatory Commission to make annual determinations under 46(f)(1) of the Internal Revenue Code of 1954 relating to the sufficiency of domestic gas supply; to the Committee on Finance.

By Mr. DODD (for himself and Mr. MELCHER):

S. 471. A bill to amend the Federal Election Campaign Act of 1971 and the Internal Revenue Code of 1954 to provide a 100-percent tax credit for small contributions to candidates for the Senate of the United States who agree to abide in the general election by an overall spending limit and a limit on the use of personal funds; to create a new overall limit on contributions by nonparty multicandidate political committees to Senate election campaigns; to provide Senate candidates with the ability to respond free or at reduced costs to independent expenditures made against a candidate or in favor of the candidate's opponent; and for other purposes; to the Committee on Finance.

By Mr. DOLE (for himself, Mr. COHEN, Mr. NICKLES, Mr. STENNIS, Mr. PRYOR, Mr. ABDNOR, Mr. RIEGLE, Mr. NUNN, Mr. BENTSEN, Mr. MITCHELL, Mr. SARBANES, Mr. SYMMS, Mr. DURENBERGER, and Mr. STAFFORD):

S. 472. A bill to amend title V of the Social Security Act, and section 2192 of the Omnibus Budget Reconciliation Act of 1981, to modify the terminology relating to certain disabled children; to the Committee on Finance.

By Mr. NICKLES (for himself and Mr. BOREN):

S. 473. A bill to amend the Clayton Act to temporarily prohibit hostile corporate takeovers of domestic petroleum corporations; to the Committee on the Judiciary.

By Mr. HELMS:

S. 474. A bill for the relief of Muradali P. Gillani, Yasmeen Muredali Gillani, and Aneela Gillani; to the Committee on the Judiciary.

By Mr. EXON (for himself, Mr. FORD, Mr. RIEGLE, Mr. MOYNIHAN, and Mr. ZORINSKY):

S. 475. A bill to amend the Motor Vehicle Information and Cost Savings Act to require certain information to be filed in registering the title of motor vehicles, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. ZORINSKY (for himself, Mr. MELCHER, Mr. FORD, Mr. HARKIN, Mr. EXON, and Mr. BOREN):

S.J. Res. 49. Joint resolution to provide emergency credit assistance to the Nation's farmers and ranchers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. RIEGLE (for himself, Mr. KENNEDY, Mr. JOHNSTON, Mr. MATSUNAGA, Mr. KERRY, Mr. BUMPERS, Mr. INOUYE, and Mr. BRADLEY):

S.J. Res. 50. Joint resolution to designate the week of April 1, 1985, through April 7, 1985, as "World Health Week," and to designate April 7, 1985, as "World Health Day."

By Mr. HATCH (for himself and Mr. DENTON):

S.J. Res. 51. Joint resolution to designate the week beginning November 24, 1985, as "National Adoption Week;" to the Committee on the Judiciary.

By Mr. MOYNIHAN (for himself, Mr. HATFIELD, Mr. JOHNSTON, Mr. HATCH, Mr. BURDICK, Mr. DURENBERGER, Mr. SARBANES, Mr. NUNN, Mr. SIMON, Mr. HOLLINGS, Mr. SYMMS, and Mr. PELL):

S.J. Res. 52. Joint resolution to designate the month of April 1985 as "National School Library Month;" to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE (for himself and Mr. BYRD):

S. Res. 71. Resolution to authorize production of documents by the Senate Permanent Subcommittee on Investigations; considered and agreed to.

By Mr. HEINZ (for himself and Mr. SPECTER):

S. Res. 72. Resolution expressing the sense of the Senate that the Secretary of Transportation of the United States should seek legislation authorizing a contingent public offering of Conrail stock; to the Committee on Commerce, Science, and Transportation.

By Mr. MOYNIHAN:

S. Con. Res. 14. Concurrent resolution to express the sense of the Congress that Josef Mengele should be brought to justice; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LUGAR (by request):

S. 457. A bill to authorize the President to furnish assistance to alleviate the human suffering in sub-Saharan Africa, and for other purposes; to the Committee on Foreign Relations.

ASSISTANCE TO SUB-SAHARAN AFRICA

● Mr. LUGAR. Mr. President, by request, I introduce for appropriate reference a bill amending the Foreign Assistance Act of 1961 to authorize the President to furnish assistance to sub-Saharan Africa.

This proposed legislation has been requested by the Agency for International Development and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with a section-by-section analysis of the bill and the letter from the Administrator of the Agency for International Development to the President of the Senate dated February 5, 1985.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 457

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

INTERNATIONAL DISASTER ASSISTANCE

Chapter 9 of part I of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following:

"SEC. 495K. AFRICA RELIEF, REHABILITATION, AND RECONSTRUCTION ASSISTANCE.—(a) The Congress recognizes that the food crisis in sub-Saharan Africa, the effects of which are magnified by acute health problems, is unprecedented in its magnitude and the misery it has caused the peoples in that region. Accordingly, the President is authorized to furnish assistance, on such terms and conditions as he may determine, for relief, rehabilitation, and reconstruction activities to alleviate the impact and immediate causes of the food and health crisis in sub-Saharan Africa. Such activities may include (1) the provision of food, medicine, medical care, transportation, training, equipment, or other assistance necessary for the effective utilization of assistance provided by the United States or other donors; and (2) assistance to address longer term rehabilitation and reconstruction needs.

"(b) There are authorized to be appropriated to the President for the purposes of this section, in addition to amounts otherwise available for such purposes, $25,000,000 for the fiscal year 1985. Amounts appropriated under this section are authorized to remain available until expended.

"(c) Assistance under this section shall be provided in accordance with the policies and general authorities contained in section 491.".

SECTION-BY-SECTION ANALYSIS—INTERNATIONAL DISASTER ASSISTANCE

This section amends the International Disaster Assistance chapter of the Foreign Assistance Act of 1961 to authorize the appropriation of $25,000,000 to assist in meeting the emergency relief, rehabilitation, and reconstruction needs of those affected by the food crisis in Africa. The section authorizes the use of these funds for such activities as the provision of food, medicines transportation, and other assistance to address longer term rehabilitation and reconstruction needs.

AGENCY FOR INTERNATIONAL DEVELOPMENT,
Washington, DC, February 5, 1985.

Hon. GEORGE BUSH,
President of the Senate, Washington, DC

DEAR MR. PRESIDENT: I herewith transmit, on behalf of the President, a bill to amend the Foreign Assistance Act of 1961 to authorize the appropriation of supplemental disaster assistance for those suffering from the severe food crisis in sub-Saharan Africa.

America's response to the continuing food emergency in Africa has been massive, and the United States has been in the forefront of donor countries providing food, medicines and other help to those in need in Africa. The generous response of millions of Americans to the plight of those affected by drought, famine, and disease in Africa has been particularly gratifying.

The authorization of the additional $25 million requested by the bill I am transmitting today is an important part of a total supplemental request of $235 million for emergency food and non-food assistance. Enactment of legislation authorizing additional disaster assistance funds, and the appropriation of the Administration's request for supplemental assistance, will enable the United States to continue to provide help to the people of Africa affected by the drought and food shortages. I ask your urgent consideration of this legislation.

The Office of Management and Budget advises that there is no objection to the presentation of this draft proposal and that its enactment would be in accord with the program of the President.

Sincerely yours,

M. PETER MCPHERSON.●

By Mr. EXON (for himself, Mr. BOREN, Mr. SIMON, Mr. BURDICK, Mr. PRYOR, Mr. HARKIN, Mr. LEVIN, and Mr. ZORINSKY):

S. 458. A bill to provide emergency credit and debt adjustment relief to financially stressed farmers and ranchers; to the Committee on Agriculture, Nutrition, and Forestry.

FARM EMERGENCY CREDIT ACT

Mr. EXON. Mr. President, I am introducing legislation today which will effectively deal with the farm debt crisis currently facing our family farmers and ranchers throughout America. This legislation is truly an emergency measure designed to save family agriculture until necessary fundamental reforms can be adopted to restore economic health to our valuable agriculture sector.

This legislation is the product of a bipartisan group of Members of Congress from rural areas of this country who reject the administration claim that the farm debt crisis has been caused solely by the farmers.

Mr. President, it is time to take off the rose colored glasses and see the reality of the causes behind the current depression in agriculture. The facts of the matter are simple. The Federal Government's policies of high deficits, high interest rates, the overvalued dollar abroad, and sharply declining land values have pushed farmers into a corner and now the Government must provide the relief required to put them on sound financial footing once again.

Mr. President, this bill I am introducing provides for the following:

First. Advance Commodity Credit Corporation loans to producers of 1985 crops;

Second. A debt restructuring mechanism at a low interest rate of 2½ percent above the Federal Reserve's discount rate;

Third. A 90-percent Government guarantee on loans provided through the farm credit system and commercial lenders;

Fourth. An emergency transfer of personnel from agencies of the Department of Agriculture to the Farmers Home Administration.

Mr. President, this legislation will give our family farmers the necessary short-term assistance to get them through this next 45-day period. It will also give the Congress some

breathing room to begin its work on an adequate long-term solution which will hopefully put agriculture on the road to recovery and negate the need for this kind of emergency legislation in the future.

Mr. President, I ask unanimous consent that a more detailed summary of this legislation as well as the text of the bill be inserted in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 458

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Farm Emergency Credit Act of 1985".

ADVANCE RECOURSE COMMODITY CREDIT CORPORATION LOANS

SEC. 2. Effective for the 1985 crops, the Agricultural Act of 1949 is amended by adding at the end thereof a new section 424 as follows:

"SEC. 424. (a) Notwithstanding any other provision of this Act, the Secretary shall make advance recourse loans available to producers of each of the commodities of the 1985 crop for which nonrecourse loans are made available under this Act, as follows:

"(1) Advance recourse loans shall be available (A) to producers of commodities for which a production adjustment program is in effect who agree to participate in the program announced for the commodity, at the applicable nonrecourse loan rate for the commodity involved, on an amount of the commodity equal to 50 per centum of (i) the Farm Program yield for the commodity times the farm program acreage for the commodity, or (ii) the farm marketing quota for the commodity, as determined by the Secretary, and (B) to producers of other commodities at the applicable nonrecourse loan rate for the commodity involved on an amount of the commodity equal to 50 per centum of the farm yield for the commodity times the farm acreage for the commodity, as determined by the Secretary.

"(2) When the producers on a farm harvest the commodity involved, they may convert the loan to a nonrecourse loan, as otherwise provided for in this Act, by providing the amount of the commodity of the grade and quality represented by the loan as security for the loan.

"(3) The proceeds of advance recourse loans shall be made available as needed solely to cover expenses incurred in the production of the crop.

"(4) Advance recourse loans shall be made available only to producers who agree to comply with terms and conditions determined appropriate by the Secretary consistent with the provisions of this section.

"(b) The Secretary shall carry out the program provided for under this section through the Commodity Credit Corporation, using the services of the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act to the extent appropriate.

"(c) The provisions of this section shall take effect, and advance loans under this section shall be made available, fifteen days after the date of enactment of the Farm Emergency Credit Act of 1985.".

FARM DEBT RESTRUCTURING

SEC. 3. The Consolidated Farm and Rural Development Act is amended by—

(1) adding at the end thereof a new section 349 as follows:

"IMPLEMENTATION OF THE DEBT ADJUSTMENT PROGRAM AND THE PROGRAM FOR SPECIAL SET-ASIDES OF FARMER PROGRAM INDEBTEDNESS

"SEC. 349. Notwithstanding any other provision of law—

"(a) In implementing the debt adjustment program established under section 339 of this title on October 19, 1984, the Secretary—

"(1) shall permit lenders to qualify for a loan guarantee under the program by making the loan available to the borrower at an annual interest charge not in excess of the rate on short-term adjustment and seasonal credit provided by the Federal Reserve banks to financial institutions at the time the application for the loan guarantee is made plus 2.5 percentage points, in lieu of writing off a portion of the existing debt being adjusted under the program;

"(2) shall provide that, for the purposes of the program, a cash flow that reflects a balance available of 100 per centum of the amount needed to pay all the year's debt due including anticipated tax liability will be considered a positive cash-flow; and

"(3) shall make guarantees available for 90 per centum of a loan for an amount not in excess of the outstanding principal and interest owed on the existing debt being adjusted under the program.

"(b) In implementing the program for special set-asides of a portion of the indebtedness under Farmers Home Administration farmer program loans established under section 339 of this title on October 19, 1984, the Secretary shall provide that, for the purposes of the program, if a farm and home plan for the typical year shows a balance available of 100 per centum of the amount needed to pay all the year's debts due including tax liability, the borrower will be considered to have a positive cash flow projection.

"(c) The provisions of this section shall take effect fifteen days after the date of enactment of the Farm Emergency Credit Act of 1985."; and

(2) adding at the end of section 346 a new subsection (f) as follows:

"(f) In addition to any amounts heretofore authorized by law for loan guarantees under this Act in fiscal year 1985, there are hereby authorized to be guaranteed under the Agricultural Credit Insurance Fund $2,350,000,000 in farm ownership loans and operating loans in fiscal year 1985.".

LOAN SERVICING RESOURCES

SEC. 4. (a)(1) Congress finds that—

(A) persistently low farm income (due in part to weak export demand), high interest rates, and declining farmland values have created severe financial stress for many farmers;

(B) many financially stressed farmers have turned to the Farmers Home Administration for assistance (including insured loans, loan guarantees, deferral of loan payments, and restructuring of debt) in coping with their credit-related problems; and

(C) it is essential for the national welfare that farmers' requests to the Farmers Home Administration for assistance be processed as expeditiously as possible, especially in light of the need of many farmers to resolve their credit problems in a timely manner to be able to plant and cultivate the 1985 crops.

(2) It is the sense of Congress that the Secretary of Agriculture should immediately take steps, using authorities of law provided to the Secretary, to make personnel and other resources of the Department of Agriculture available to the Farmers Home Administration sufficient to enable the Farmers Home Administration to process applications from farmers for assistance expeditiously and in a timely manner with respect to farm operations relating to the planting and cultivation of the 1985 crops.

(b) Subsection (h) of section 309 of the Consolidated Farm and Rural Development Act is amended by—

(1) designating the existing text thereof as paragraph (1); and

(2) inserting at the end thereof a new paragraph (2) as follows:

"(2) In implementing the approved lender program established under section 339 of this Act on May 4, 1984, the Secretary shall ensure that each request of a lending institution for designation as an approved lender under the program be reviewed, and a decision made on the application, within fifteen days after the lending institution has submitted a completed application to the Farmers Home Administration. The provisions of this paragraph shall become effective fifteen days after the date of enactment of the Farm Emergency Credit Act of 1985.".

REGULATIONS

SEC. 5. Notwithstanding any other provision of law, the Secretary of Agriculture shall issue or amend regulations to implement the provisions of this Act as soon as practicable but not later than fifteen days after the date of enactment of this Act.

SUMMARY OF FARM EMERGENCY CREDIT ACT OF 1985

SECTION 1.—ADVANCE COMMODITY CREDIT CORPORATION LOANS

Advance price support loans will be made available to producers of 1985 crops. These loans will be made available to producers who participate in the 1985 farm program, with a maximum of 50 percent of the producer's 1985 crop eligible for advance CCC price support loans.

Eligible crops shall include those crops for which price support loans are available as specified in the 1949 Food and Agriculture Act.

These loans shall be recourse loans as long as the crop remains unharvested. Upon harvest, and certification that the crop is available as collateral for the loan, the status shall change to non-recourse.

The interest rate on the advance support loans would be set at normal CCC interest rate levels.

The advance loan program would be administered by the ASCS and ASC county committees.

SECTION 2.—DEBT RESTRUCTURING

The current administration loan guarantee (debt adjustment) program would be revised as follows:

A 90 percent guarantee will be available on loans provided through the farm credit system and commercial lenders.

The FmHA's cash flow requirement would be reduced from 110 percent to 100 percent. (This would apply to the FmHA debt set-aside program, as well as new loans.)

A lender would be required to establish interest rates on the loan at a level of not more than 2½ points above the Federal Reserve's discount rate.

A program would be available for debt restructuring as well as current operating expenses.

SECTION 3.—ADMINISTRATIVE PROVISIONS

USDA will be instructed to use all possible avenues available to the Department to facilitate the administration of this program.

Loan guarantee authority will be increased to $3 billion.

Legislation requires the USDA to have both the advance price support program, and the debt restructuring program available within 15 days of enactment of the legislation.

Within 30 days of application, FmHA must approve or reject the lending institutions' application for participation in the "approved lender" program, in order for the institution to provide immediate credit assistance.

By Mr. HART:

S. 459. A bill to provide emergency assistance to farmers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

1985 EMERGENCY FARM CREDIT RELIEF ACT

● Mr. HART. Mr. President, today I am introducing the 1985 Emergency Farm Credit Relief Act, legislation to provide immediate credit relief to thousands of financially strapped farmers across the country. Once enacted, this bill will provide the means necessary to enable farmers in Colorado and around the Nation to begin their spring planting.

We are all well aware of the financial crisis which has gripped the Nation's farm belt in recent months. Farmers in nearly every State continue to experience deteriorating financial circumstances because of persistent high interest rates, stagnant farm prices, rising production costs, and an erosion of the value of farm equity. Without dramatic action during the next 90 days to restore confidence in the financial viability of agriculture, many farmers will be unable to secure the crop and livestock financing necessary for the upcoming crop year.

The legislation I am introducing today has three principal emergency components. First, it makes available advance commodity loans to farmers for one-half their anticipated crop, based on historic yield. In short, it provides farmers the cash necessary to plant—before they plant, not when they harvest. Second, this legislation expands the Farmers Home Administration [FmHA] operating loan guarantee program to $3 billion from the currently authorized $650 million level. And finally, the bill permits farm lenders to qualify for the loan guarantee program by writing down interest rates to a level not exceeding the so-called discount rate plus 2.5 percent. By eliminating the "forgiveness" feature, this provision will encourage greater numbers of farm lenders to participate in the previous announced farm debt restructuring program by enabling them to write down interest rates in exchange for loan guarantees instead of taking a loss on 10 percent of any given agricultural loan.

Mr. President, I would like to make several important points about this legislation. For the first time this bill includes a mechanism to target Federal assistance toward small- and medium-sized producers—those experiencing the most acute financial stress in the farm economy. By incorporating a graduated or tiered loan rate, this legislation can provide the emergency relief necessary to sustain many of our best farmers another year and, at the same time, prevent unlimited access to this important program by the Nation's largest farms and corporate producers.

By phasing down the loan rate as volume increases, the Federal Government can begin to establish limits on the volume of wheat and corn eligible for CCC loans, thereby helping to create a disincentive to unlimited production. Moreover, by establishing this important mechanism in law, we can begin to target our limited Federal financial assistance toward the small- and medium-sized, independent and family farm operators—those identified by the Department of Agriculture as the most efficient producers of food and fiber.

By providing advance CCC loans for one-half their anticipated crop, we can help the Nation's farmers weather these uncertain and chaotic economic circumstances. We can provide the bridge across rough financial waters, enabling thousands of farmers in my own State and others to survive until the farm economy improves, and a sound and equitable farm bill is enacted.

Perhaps most important, we can provide much of this assistance at virtually no cost to the Treasury. Although there are risks associated with the advance outlay of CCC loans, the potential costs of this risk pale by comparison to the costs which will accompany the collapse of an important and efficient segment of our farm economy. Should the latter occur, the costs of welfare, unemployment, and other Federal safety-net programs for farmers can be expected to cost millions and millions of dollars. In contrast, the emergency steps authorized by this legislation will have little impact on the budget now and no impact once the harvest is completed next fall.

Finally, this legislation authorizes expansion of the FmHA Operating Loan Guarantee Program to permit a larger number of farmers to reschedule their debt, and to encourage more agricultural lending institutions to participate in the program. Since its inception during the 1970's, the loan guarantee program has incurred an average historical loss rate of 4.7 percent. Both the popularity of this program and its low loss rate make it a particularly attractive tool to alleviate financial stress in agriculture. I cannot overemphasize the importance of expanding this program and making it more attractive to farm lenders. This emergency effort can help us reach many more farmers around the country who need desperately to reschedule and secure additional crop and livestock financing for the coming crop year.

Mr. President, this legislation will provide additional help to many of the Nation's hard-pressed farmers. This is a short-term emergency proposal to address what appears to be a short-term emergency situation in America's heartland. It is not put forward as a cure-all for what ails the farm economy—this will require substantial efforts to address problems in the general economy and enactment of a new farm program framework. But without dramatic action during the next 60 days many of our most efficient farmers' livelihoods will be cut short, undermining the economies of many small towns in Colorado and other States.

Nothing we do today can substitute for measureable progress on the deficit, a restoration of funds for important rural development and agricultural programs, and passage of a sound and equitable farm bill which helps restore stability and prosperity to the farm economy.

Mr. President, I urge the Senate to promptly consider and pass this and other legislation providing emergency assistance for farmers. I ask unanimous consent that the text of this bill appear in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 459

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled, That this Act may be cited as the "1985 Emergency Farm Credit Relief Act".

SEC. 2. Effective only for the 1985 crops of wheat and feed grains, the Agricultural Act of 1949 is amended by adding after section 107C the following new section:

"ADVANCE LOANS

"SEC. 107D. (a) Notwithstanding any other provision of this Act, the Secretary shall make available advance recourse loans to producers who agree to participate in the wheat or feed grain program authorized by section 107B or section 105B of this Act, respectively, for the 1985 crop of such commodities and who agree to comply with such other terms and conditions as the Secretary may prescribe consistent with the provisions of this section.

"(b)(1) Advance recourse loans under subsection (a) shall be made to the producer at the levels described in paragraph (2) of this subsection. Such loans shall be made on an amount of the commodity determined by multiplying (i) 50 per centum of the farm program payment yield established for farm for the crop, by (ii) the estimated farm program acreage for the crop, as determined by the Secretary.

"(2)(A) Advance recourse loans for wheat shall be made available on the amount de-

termined under the second sentence of paragraph (1) of this subsection at the following levels:

"(i) $3.80 per bushel for any portion of the amount so determined that does not exceed 10,000 bushels;

"(ii) $3.55 per bushel of any portion of the amount so determined that is more than 10,000 bushels but does not exceed 20,000 bushels;

"(iii) $3.30 per bushel of any portion of the amount so determined that is more than 20,000 bushels but does not exceed 30,000 bushels; and

"(iv) $3.00 per bushel of any portion of the amount so determined that is more than 30,000 bushels but does not exceed 40,000 bushels.

"(B) Advance recourse loans for corn shall be made available on the amount determined under the second sentence of paragraph (1) of this subsection at the following levels:

"(i) $2.60 per bushel for any portion of the amount so determined that does not exceed 10,000 bushels;

"(ii) $2.40 per bushel of any portion of the amount so determined that is more than 10,000 bushels but does not exceed 20,000 bushels;

"(iii) $2.20 per bushel of any portion of the amount so determined that is more than 20,000 bushels but does not exceed 30,000 bushels; and

"(iv) $2.00 per bushel of any portion of the amount so determined that is more than 30,000 bushels but does not exceed 40,000 bushels.

"(C) Advance recourse loans for grain sorghums, barley, oats, and rye shall be made available on the amount determined under second sentence of paragraph (1) of this subsection at such levels that the Secretary determines are fair and reasonable in relation to the levels that advance recourse loans are made available for comparable quantities of corn.

"(3) Notwithstanding the provisions of paragraphs (1) and (2) of this subsection, an advance recourse loan made to a producer under subsection (a) shall be limited to an amount that the Secretary determines necessary to produce the commodity.

"(4) Unless an advance recourse loan made under subsection (a) has been repaid by the producer, the loan shall be converted to a nonrecourse loan authorized by section 107B(a) or 105B(a) of this Act to the extent that the producer meets the requirement of such a nonrecourse loan. The conversion shall be made as soon as practicable after the crop is harvested.

"(5) Except as provide in paragraph (6) of this subsection, an advance loan made under subsection (a) shall become due at the end of the marketing year for the crop unless such loan has been converted to a nonrecourse loan under paragraph (4) of this subsection.

"(6) If a producer who has received an advance recourse loan under subsection (a) fails to comply with any applicable requirement of the wheat or feed grain program or terms and conditions prescribed by the Secretary under subsection (a), the producer shall repay such loan immediately, plus interest thereon in such amount as the Secretary shall prescribe by regulations.

"(7) The Secretary may issue such regulations as the Secretary determines necessary to carry out this section.

"(8) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(9) The authority provided in this section shall be in addition to, and not in place of, any authority granted to the Secretary or the Commodity Credit Corporation under any other provisions of law.".

FARM DEBT RESTRUCTURING

SEC. 3. The Consolidated Farm and Rural Development Act is amended by—

(1) adding at the end thereof a new section 349 as follows:

"DEBT ADJUSTMENT AND SPECIAL SET-ASIDES OF INDEBTEDNESS

"SEC. 349. (a) Notwithstanding any other provision of law, in implementing the debt adjustment program established by the Secretary under section 339 of this Act on October 19, 1984, the Secretary—

"(1) shall permit lenders to qualify for loan guarantees under the program by making the loan available to the borrower at an annual interest rate not in excess of the rate on short-term adjustment and seasonal credit provided by the Federal Reserve banks to financial institutions at the time the application for the loan guarantee is made plus 2.5 percentage points, in lieu of writing off a portion of the existing debt being adjusted under the program;

"(2) shall provide that, for the purposes of the program, a cash flow that reflects a balance available of 100 per centum of the amount needed to pay all debt becoming due in the year, including anticipated tax liability, will be considered a positive cash flow; and

"(3) shall make guarantees available for 90 per centum of a loan for an amount not in excess of the outstanding principal and interest owed on the existing debt being adjusted under the program.

"(b) Notwithstanding any other provision of law, in implementing the program established by the Secretary under section 339 of this title on October 19, 1984, for special set-aside of a portion of the indebtedness under the Farmers Home Administration farmer loan program, the Secretary shall provide that, for the purposes of the program, if a Farm and Home Plan for the typical year shows a balance available of 100 per centum of the amount needed to pay all debt becoming due in the year, including anticipated tax liability, the borrower will be considered as having a positive cash flow projection."; and

(2) adding at the end of section 346 a new subsection (f) as follows:

"(f) In addition to any amounts heretofore authorized by law for loan guarantees under this Act in fiscal year 1985, there are authorized to be guaranteed under the Agricultural Credit Insurance Fund $2,350,000,000 in farm ownership loans and operating loans in fiscal year 1985.".

EFFECTIVE DATES

SEC. 4. (a) The provisions of section 2 of this Act shall become effective and advance loans thereunder shall be made available fifteen days after the date of enactment of this Act.

(b) The provisions of sections 3 and 4 of this Act shall become effective fifteen days after the enactment of this Act.

REGULATIONS

SEC. 5. Notwithstanding any other provision of law, the Secretary of Agriculture shall issue or amend regulations to implement the provisions of this Act as soon as possible but not later than fifteen days after the date of enactment of this Act.●

By Mr. SPECTER:

S. 464. A bill entitled the "Railroad Competition Protection Act of 1985"; to the Committee on Commerce, Science, and Transportation.

S. 465. A bill entitled the "Railroad Competition Protection Act of 1985"; to the Committee on Commerce, Science, and Transportation.

(The remarks of Mr. SPECTER and the text of the two bills appears earlier in today's RECORD.)

By Mr. ZORINSKY (for himself, Mr. HARKIN, and Mr. EXON):

S. 466. A bill to amend the Farm Credit Act of 1971 to ensure greater protection for the borrowers and investors of the Farm Credit System; to the Committee on Agriculture, Nutrition, and Forestry.

FARM CREDIT ADMINISTRATION IMPROVEMENT ACT

Mr. ZORINSKY. Mr. President, the bill I am introducing will provide the Farm Credit Administration with many of the same enforcement powers currently held by other financial institution regulatory agencies.

This legislation is needed to ensure greater protection of the borrowers and investors of the Farm Credit System.

The Farm Credit System is the largest provider of agricultural credit in the world. The System has about 1 million loans outstanding and a loan portfolio in excess of $80 billion.

Because Farm Credit System lenders make loans almost exclusively for agricultural purposes, they have been hard hit by the depression that plagues the agricultural economy. In recent months, System lenders have experienced record losses. The hundreds of millions of dollars in losses have forced numerous production credit associations to liquidate their loan portfolios or merge with other PCA's.

When a PCA is forced to liquidate its loan portfolio, the member-owners of the PCA often lose part or all of their investment in the cooperative. This has happened in my State of Nebraska and in several other States. In addition, because System lenders are cooperative in nature, the losses experienced by one association or region are shared with the other lenders of the System. This results in higher interest rates for all Farm Credit System borrowers.

There is no question that the primary cause of the Farm Credit System's financial problems is the depressed farm economy. However, I have raised the issue of what steps the regulator of the Farm Credit System—the Farm Credit Administration—can take to provide for the maximum protection of borrowers and investors.

Under current law and despite its tremendous responsibility, the Farm Credit Administration has very limited

51-059 O-86-36 (Pt. 2)

authorities which can be used to intervene to protect the interests of the System or its borrowers and investors. The legislation I am introducing will provide the additional authorities needed to ensure sound banking practices while establishing the formal procedures that will guarantee the management rights of the System's directors and officers.

Specifically, the bill authorizes the Farm Credit Administration to issue cease and desist orders, establish a formal procedure for the removal of System directors or officers, establish a formal procedure for assessing civil money penalties for violations of certain orders or regulations, to apply directly to Federal courts for enforcement of orders and civil penalties, and to require the merger of like System institutions.

The Farm Credit Administration, at my request, assisted in drafting this legislation. It is my understanding that since the Farm Credit Administration responded to my request, the Federal Farm Credit Board has decided to endorse this type of legislation.

I ask unanimous consent that the text of the legislation, a section-by-section analysis of the legislation, and the text of the letter from Governor Wilkinson transmitting the draft legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 466

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled, That this Act may be cited as the "Farm Credit Administration Improvement Act of 1985".

SEC. 2. Title IV of the Farm Credit Act of 1971 is amended by adding at the end thereof a new part as follows:

"PART F—ENFORCEMENT ACTIONS AND PENALTIES

"SEC. 4.30. CEASE AND DESIST PROCEEDINGS.—(a)(1) The Farm Credit Administration shall issue and serve a notice of charges upon an institution of the Farm Credit System, or any other person participating in the conduct of the affairs of the institution, if the Farm Credit Administration has reasonable cause to believe that the institution or the person (1) is engaging in, has engaged in, or is about to engage in, an unsafe or unsound practice in conducting the business of the institution; or (2) is violating, has violated, or is about to violate, a law, rule, or regulation, or any condition imposed in writing by the Farm Credit Administration in connection with the Farm Credit Administration's supervision of the institution or any written agreement entered into with the Farm Credit Administration.

"(2) A notice issued and served under paragraph (1) shall contain a statement of the facts constituting the basis for the charges made therein against the institution or person. The notice shall fix a time and place for a hearing on the charges to determine whether an order to cease and desist from the violation or unsafe or unsound practice should be issued against the institution or person. The hearing shall be fixed for a date not earlier than thirty days nor later than sixty days after service of such notice unless an earlier or a later date is set by the Farm Credit Administration at the request of any party so served.

"(b) If a party charged in a notice under subsection (a) of this section fails to appear at the hearing personally or by a duly authorized representative, such party shall be deemed to have consented to the issuance of the cease and desist order. If consent is so deemed, or if the Farm Credit Administration finds upon the record made at the hearing that any violation or unsafe or unsound practice specified in the notice of charges has been established, the Farm Credit Administration may issue and serve upon the party an order to cease and desist from the violation or practice. In addition, the order, by provisions that may be mandatory or otherwise, may require the institution or any person participating in the conduct of the affairs of the institution to cease and desist from the same and take affirmative action to correct the conditions resulting from any such violation or practice.

"(c)(1) An order issued under subsection (b) of this section shall become effective at the end of thirty days after service upon the party to whom it is directed (except in the case of a order consented to by a party, such order shall become effective at the time specified therein), and shall remain effective and enforceable as provided therein, except to the extent that it is stayed, modified, terminated, or set aside by action of the Farm Credit Administration or a reviewing court.

"SEC. 4.31. TEMPORARY CEASE AND DESIST ORDERS.—(a) Whenever the Farm Credit Administration determines that any violation or unsafe or unsound practice specified in the notice of charges issued and served upon any party under section 4.30, or the continuation thereof, is likely to cause insolvency or subtantial dissipation of assets or earnings of the institution, or is likely to seriously weaken the financial condition of the institution or otherwise seriously prejudice the interest of the stockholders of the institution prior to completion of the proceedings conducted under section 4.30, the Farm Credit Administration may issue a temporary order requiring the party to cease and desist from any such violation or practice and to take affirmative action to prevent such insolvency, dissipation, condition, or prejudice pending completion of such proceedings. Such order shall become effective upon service upon the party and, unless set aside, limited, or suspended by a court in proceedings authorized by subsection (b) of this section, shall remain effective and enforceable pending the completion of the administrative proceedings pursuant to the notice and until such time as the Farm Credit Administration dismisses the charges specified in the notice, or if a cease and desist order is issued against the party, until the effective date of such order.

"(b) Within ten days after an institution or other party has been served with a temporary cease and desist order under subsection (a) of this section, the party may apply to the United States district court for the district in which the principal office of the institution is located, or the United States District Court of the District of Columbia, for an injunction setting aside, limiting, or suspending the enforcement, operation, or effectiveness of such order pending the completion of the administrative proceedings pursuant to the notice of charges served upon the party under section 4.30, and such court shall have jurisdiction to issue such injunction.

"SEC. 4.32. ENFORCEMENT OF TEMPORARY CEASE AND DESIST ORDERS.—In the case of violation or threatened violation of, or failure to obey, a temporary cease and desist order issued under section 4.31, the Farm Credit Administration may apply to the United States district court, for the district in which the principal office of the institution is located, for an injunction to enforce such order, and if the court determines that there has been such violation or threatened violation or failure to obey, it shall be the duty of the court to issue such injunction.

"SEC. 4.33. REMOVAL OR SUSPENSION OF DIRECTOR OR OFFICER.—(a) The Farm Credit Administration may serve upon any director or officer of an institution of the Farm Credit System a written notice of its intention to remove such director or officer from office if the Farm Credit Administration has reasonable cause to believe that—

"(1) the director or officer has committed (A) any violation of law, rule, or regulation, or a cease and desist order that has become final; (B) has engaged or participated in any unsafe or unsound practice in connection with the management of the institution; or (C) has committed or engaged in any act, omission, or practice that constitutes a breach of such person's fiduciary duty as a director or officer; and

"(2)(A)(i) the institution has suffered or will probably suffer material financial loss or other damage, or the interests of its stockholders could be seriously prejudiced by reason of such violation or practice or breach of fiduciary duty; or (ii) the director or officer has received financial gain by reason of such violation or practice or breach of fiduciary duty; and

"(B) such violation or practice or breach of fiduciary duty is one that involves personal dishonesty on the part of the director or officer, or one that demonstrates a negligent, willfull, or continuing disregard for the safety or soundness of the institution.

"(b) The Farm Credit Administration may serve upon any director or officer of an institution of the Farm Credit System a written notice of its intention to remove such director or officer from office if the Farm Credit Administration has reasonable cause to believe that the director or officer, by conduct or practice with respect to any institution of the System or other business entity that resulted in substantial financial loss or other damage, has evidenced either personal dishonesty or a negligent, willful or continuing disregard for the safety and soundness of the institution, and has evidenced unfitness to continue as a director or officer.

"(c) The Farm Credit Administration may serve upon any person participating in the conduct of the affairs of an institution of the Farm Credit System written notice of its intention to prohibit such person from further participation in the conduct of the affairs of the institution whenever the Farm Credit Administration has reasonable cause to believe that such person, by conduct or practice with respect to any institution of the Farm Credit System or other business entity that resulted in substantial financial loss or other damage, has evidenced either personal dishonesty or a negligent, willful, or continuing disregard for the safety and soundness of the institution, and has evidenced unfitness to participate in the conduct of the affairs of such institution.

"(d) If the Farm Credit Administration deems it necessary for the protection of the institution or the interests of the stockhold-

ers of the institution prior to completion of proceedings under subsections (a), (b), or (c) of this section, the Farm Credit Administration may, by written notice served upon a director, officer, or other person subject to such proceedings, suspend such person from office or temporarily prohibit such person from further participation in the conduct of the affairs of the institution as the case may be. Such suspension or temporary prohibition shall become effective upon service of such notice and, unless stayed by a court in proceedings authorized by subsection (f) of this section, shall remain in effect pending the completion of the administrative proceedings pursuant to the notice served under subsections (a), (b), or (c) of this section and until such time as the Farm Credit Administration dismisses the charges specified in such notice, of if an order of removal or prohibition is issued against the person, until the effective date of any such order. A copy of any notice issued under this subsection shall be served upon the institution concerned.

"(e) Any notice served upon a person under subsections (a), (b), or (c) of this section shall contain a statement of the facts constituting the grounds therefor and shall fix a time and place at which a hearing will be held thereon. Such hearing shall be fixed for a date not earlier than thirty days no later than sixty days after the day of service of such notice, unless an earlier or a later date is a set by the Farm Credit Administration at the request of the party upon whom the notice was served. If a party upon whom the notice was served fails to appear at the hearing in person or by a duly authorized representative, such party shall be deemed to have consented to the issuance of an older of removal or prohibition. If consent is so deemed, or if the Farm Credit Administration finds upon the record made at the hearing that any of the grounds specified in such notice have been established, the Farm Credit Administration may issue such orders of removal or suspension from office, or prohibition from participation in the conduct of the affairs of the institution as it may deem appropriate. A copy of any order issued under this subsection shall be served upon the institution concerned.

"(f) An order issued under subsection (e) of this section shall become effective at the end of thirty days after service upon the party to whom it is directed (except in the case of an order consented to by a party, such order shall become effective at the time specified therein). The order shall remain effective and enforceable except to the extent that it is stayed, modified, terminated, or set aside by action of the agency or a reviewing court.

"(g) Within ten days after a director, officer, or other person participating in the conduct of the affairs of an institution of the Farm Credit System has been served a notice under subsection (d) of this section, such person may apply to the United States district court for the district in which the principal office of the institution is located, or the United States District Court for the District of Columbia, for a stay of any suspension or temporary prohibition under the order pending the completion of the administrative proceedings pursuant to the notice served under subsection (a), (b), or (c) of this section, and such court shall have jurisdiction to stay any such suspension or prohibition.

"SEC. 4.34. SUSPENSION OR REMOVAL OF A DIRECTOR OR OFFICER CHARGED WITH A FELONY.—(a) Whenever any director or officer of an institution of the Farm Credit System, or other person participating in the conduct of the affairs of such institution, is charged in any information, indictment, or complaint authorized by a United States attorney, with the commission of or participation in a crime involving dishonesty or breach of trust that is punishable by imprisonment for a term exceeding one year under State or Federal law, the Farm Credit Administration may, by written notice served upon the person, suspend the person from office or temporarily prohibit the person from further participation in the conduct of the affairs of the institution if continued service or participation by the person poses a threat to the interests of the institution's shareholders or may threaten to impair public confidence in the institution. A copy of such notice shall also be served upon the institution concerned. Such suspension or temporary prohibition shall be effective upon service and shall remain effective and enforceable until the final disposition of such information, indictment, or complaint except to the extent that it is stayed, modified, or terminated by the Farm Credit Administration. If a judgment or conviction with respect to such crime is entered against the person, and at such time as such judgment is not subject to further appellate review, the Farm Credit Administration may issue and serve upon the person an order removing the person from office, or prohibiting the person from further participation in the conduct of the affairs of the institution except with the consent of the Farm Credit Administration, if continued service or participation by the person may pose a threat to the interests of the institution's stockholders or may threaten to impair public confidence in the institution. Such order shall be effective upon service and shall remain effective and enforceable except to the extent that it is stayed, modified, or terminated by the Farm Credit Administration. A copy of such order shall also be served upon the institution concerned. A finding of not guilty or other disposition of the charge shall not preclude the Farm Credit Administration from thereafter instituting proceedings to remove the director or officer from office or to prohibit the person from further participation in the conduct of the affairs of the institution, under section 4.33.

"(b) Within thirty days from service of any notice of suspension or temporary prohibition or any order of removal or prohibition issued pursuant to subsection (a) of this section, the person concerned may request in writing an opportunity to appear before the Farm Credit Administration to show that the continued service to or participation in the conduct of the affairs of the institution by such individual does not, or is not likely to, pose a threat to the interests of the stockholders of the institution or threaten to impair public confidence in the institution. Upon receipt of any such request, the Farm Credit Administration shall fix a time (not more than thrity days after receipt of such request, unless extended at the request of the concerned person) and place at which the person may appear, personally or through counsel, before one or more designated employees of the Farm Credit Administration to submit written materials (or, at the discretion of the Farm Credit Administration, oral testimony) and oral argument. Within sixty days of such hearings, the Farm Credit Administration shall notify the person whether the suspension or temporary prohibition will be continued, terminated, or otherwise modified, or whether the order of removal or prohibition will be rescinded or otherwise modified. Such notification shall contain a statement of the basis for the Farm Credit Administration's decision, if adverse to the director, officer, or other person.

"SEC. 4.35. HEARINGS AND JUDICIAL REVIEW. (a) Any hearing provided for in this Part (except section 4.34) shall be held in the Federal judicial district in which the principal office of the System institution is located unless the party afforded the hearing consents to another place, and shall be conducted in accordance with the provisions of chapter 5 of title 5 of the United States Code. After such hearing, and within ninety days after the party has been notified that the case has been submitted by an Administrative Law Judge to the Governor for final decision, the Governor shall (1) render a decision that includes the findings of fact upon which it is based and (2) issue and serve upon each party to the proceeding an order or orders consistent with the provisions of this Part. Judicial review of any such order shall be exclusive as provided in subsection (b) of this section. Unless a petition for review is timely filed in a court of appeals of the United States, as provided in subsection (b) of this section, and thereafter until the record in the proceeding has been filed as so provided, the Farm Credit Administration may at any time, upon such notice and in such manner as it shall deem proper, modify, terminate, or set aside any such order. Upon such filing of the record, the Farm Credit Administration may modify, terminate, or set aside any such order with permission of the court.

"(b) Any party to the proceedings under subsection (a) of this section, or any person required by an order issued under section 4.30(b) to cease and desist from any of the violations or practices stated therein, may obtain a review of any order served pursuant to subsection (a) of this section by the filing in the court of appeals of the United States for the circuit in which the principal office of the institution is located, or in the United States Court of Appeals for the District of Columbia, within thirty days after the date of service of such order, a written petition praying that the order of the Farm Credit Administration be modified, terminated, or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the Farm Credit Administration, and thereupon the Farm Credit Administration shall file in the court the record in the proceeding, as provided in section 2112 of title 28 of the United States Code. Upon the filing of such petition, such court shall have exclusive jurisdiction to affirm, modify, terminate, or set aside, in whole or in part, the order of the Farm Credit Administration. Review of such proceedings shall be had as provided in chapter 7 of title 5 of the United States Code. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court of the United States upon certiorari, as provided in section 1254 of title 28 of the United States Code.

"(c) The commencement of proceedings for judicial review under subsection (b) of this section shall not, unless specifically ordered by the court, operate as a stay of any order issued by the Farm Credit Administration.

"SEC. 4.36. JURISDICTION AND ENFORCEMENT.—The Farm Credit Administration may apply to the United States district

court, or the United States court of any territory, within the jurisdiction of which the principal office of the institution is located, for the enforcement of any effective and outstanding notice or order issued under this Part, and such courts shall have jurisdiction and power to order and require compliance herewith; however, except as otherwise provided in this Part, no court shall have jurisdiction to affect by injunction or otherwise the issuance or enforcement of any notice or order under this Part, or to review, modify, suspend, terminate, or set aside any such notice or order.

"SEC. 4.37. PENALTY.—(a) Any System institution or any person participating in the conduct of the affairs of such institution who (1) violates the terms of any order issued under sections 4.30 or 4.31 that has become final, or (2) violates any provision of this Act or any regulation issued under this Act by the Farm Credit Administration, shall forfeit and pay a civil penalty of not more than $1,000 per day for each day during which such violation continues. The Farm Credit Administration may, in its discretion, compromise, modify, or remit any civil money penalty that is subject to imposition or has been imposed under this section. The penalty may be assessed and collected by the Farm Credit Administration by written notice.

"(b) In determining the amount of the penalty, the Farm Credit Administration shall take into account the appropriateness of the penalty with respect to the size of financial resources and good faith of the institution or person charged, the gravity of the violation, the history of any previous violations, and such other matters as justice may require.

"(c) The System institution or person assessed shall be afforded an opportunity for a hearing by the Farm Credit Administration upon request made within ten days after issuance of the notice of assessment. In such hearing all issues shall be determined on the record pursuant to section 554 of title 5 of the United States Code. The agency determination shall be made by final order which may be reviewed only as provided in subsection (d) of this section. If no hearing is requested as herein provided, the assessment shall constitute a final and unappealable order.

"(d) Any System institution or person against whom an order imposing a civil money penalty has been entered after a hearing under this section may obtain review by the United States court of appeals for the circuit in which the principal office of the System institution is located, or the United States Court of Appeals for the District of Columbia, by filing a notice of appeal in such court within twenty days from the service of such order, and simultaneously sending a copy of such notice by registered or certified mail to the Farm Credit Administration. The Farm Credit Administration shall promptly certify and file in such court the record upon which the penalty was imposed, as provided in section 2112 of title 28 of the United States Code. The findings of the Farm Credit Administration shall be set aside if found to be unsupported by substantial evidence as provided by section 706(2)(E) of title 5 of the United States Code.

"(e) If any System institution or person fails to pay an assessement after it has become a final and unappealable order or after the court of appeals has entered final judgment in favor of the Farm Credit Administration, the Farm Credit Administration shall refer the matter to the Attorney General, who shall recover the amount assessed by action in the appropriate United States district court. In such action, the validity and appropriateness of the final order imposing the penalty shall not be subject to review.

"(f) All penalties collected under authority of this section shall be covered into the Treasury of the United States.

"SEC. 4.38. FORFEITURE OF FRANCHISE.—If the directors of any System institution shall knowingly violate, or knowingly permit any person participating in the conduct of the affairs of the institution to violate any of the provisions of this Act, all the rights, privileges, and franchises of the institution shall be thereby forfeited. Such violation shall be determined and adjudged by a district court of the United States in a suit brought for that purpose by the Farm Credit Administration, in its own name, before the institution shall be declared dissolved.

"SEC. 4.39. REPLACEMENT OF SUSPENDED OR REMOVED DIRECTORS.—If, at any time, because of the suspension or removal of one or more directors pursuant to sections 4.33 or 4.34, there shall be on the board of directors of a System institution less than a quorum of directors not so suspended, all powers and functions vested in or exercisable by such board shall vest in and be exercisable by the director or directors on the board not so suspended or removed, until such time as there shall be a quorum of the board of directors. In the event one or more of the directors of a System institution are removed, the Governor shall appoint persons to serve temporarily as directors in their place and stead pending any appeal of such removal until such time as those who have been removed are reinstated or their respective successors are duly elected and take office.

"SEC. 4.40. DEFINITIONS.—As used in this Part—

"(a) the phrases 'cease and desist order that has become final' and 'order that has become final' mean a cease and desist order, or an order, issued by the Farm Credit Administration with the consent of the System institution or the director or officer or other person concerned, or with respect to which no petition for review of the action of the Farm Credit Administration has been filed and perfected in a court of appeals as specified in section 4.35(b) or with respect to which the action of the court in which said petition is so filed is not subject to further review by the Supreme Court of the United States in proceedings provided for in section 4.35(b), or an order issued under section 4.34 (a) or (c);

"(b) the term 'violate' means to act (alone or with one or more persons) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation; and

"(c) the term 'violation' includes without limitation any action (alone or with one or more persons) for or toward causing, bringing about, participating in, counseling, or aiding or abetting a violation.

"SEC. 4.41. NOTICE OF SERVICE.—Any service required or authorized to be made by the Farm Credit Administration under this Part may be made by registered mail, or in such other manner reasonably calculated to give actual notice as the Farm Credit Administration may by regulation, or otherwise provide. Copies of any notice or order served by the Farm Credit Administration upon any association or any director or officer thereof or other person participating in the conduct of its affairs, pursuant to the provisions of this Part, shall also be sent to the supervisory bank.

"SEC. 4.42. ANCILLARY PROVISIONS; SUBPOENA POWER.—In the course of, or in connection with, any proceeding under this Part, the Farm Credit Administration, or any designated representative thereof, including any person designated to conduct any hearing under this Part, shall have the power to administer oaths and affirmations, to take or cause to be taken depositions, and to issue, revoke, quash, or modify subpoenas and subpoenas duces tecum. The Farm Credit Administration shall make rules and regulations with respect to any such proceedings, claims, examinations, or investigations. The attendance of witnesses and the production of documents provided for in this section may be required from any place in any State or in any territory or other place subject to the jurisdiction of the United States at any designated place where such proceeding is being conducted. The Farm Credit Administration or any party to proceedings under this Part may apply to the United States District Court for the District of Columbia, or the United States district court for the district in which such proceeding is being conducted, or where the witness resides or carries on business, for enforcement of any subpoena or subpoena duces tecum issued pursuant to this section and such courts shall have jurisdiction and power to order and require compliance therewith. Witnesses subpoenaed under this section shall be paid the same fees and mileage that are paid witnesses in the district courts of the United States. Any court having jurisdiction of any proceeding instituted under this Part or any System institution or other party, may allow to any such party such reasonable expenses and attorneys' fees as it deems just and proper; and such expenses and fees shall be paid by the institution or from its assets. Any person who willfully fails or refuses to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda, contracts, agreements, or other records if in such person's power so to do, in obedience to the subpoena of the Farm Credit Administration, shall be guilty of a misdemeanor and, upon conviction shall be subject to a fine of not more than $1,000, or to imprisonment for a term of not more than one year or both.

"SEC. 4.43. LIABILITY OF DIRECTORS AND OFFICERS.—If the directors or officers of any institution of the Farm Credit System knowingly violate, or permit any director, officer, or other person participating in the conduct of the affairs of any institution of the Farm Credit System to violate, any provision of this Act or rules or regulatons of the Farm Credit Administration issued under this Act, any director and officer participating in or assenting to such violation shall be held personally liable for all damages that the institution, its stockholders, or other persons sustained in consequence of such violation.".

SEC. 3. Section 4.12 of the Farm Credit Act of 1971 (12 U.S.C. 2183) is amended by—

(1) in subsection (a), deleting the last sentence thereof; and

(2) adding a new subsection (c) as follows:

"(c) The Governor may require two or more System institutions operating under the same title of merge when the Governor determines that (i) one or more such institutions (A) is insolvent, (B) is not financially viable, (C) has failed to comply with the provisions of an order issued under Part F

of title IV of this Act, or (D) has otherwise failed to conduct its operations in accordance with this Act; or (ii) the merger would be in furtherance of more efficient and effective service to borrowers."

SECTION-BY-SECTION ANALYSIS

SECTION 1. This section provides that this Act may be cited as the "Farm Credit Administration Improvement Act of 1985".

SEC. 2. This section amends Title IV of the Farm Credit Act of 1971 by adding a new Part F containing the following sections:

Section 4.30 authorizes the Farm Credit Administration to issue cease and desist orders against any institution of the Farm Credit System or any director, officer, employee, agent, or other person involved in the conduct of the affairs of such institution. The order would issue upon a finding that the entity or other party is engaged in an unsafe or unsound practice or is in violation of any law, rule, or regulation. Any party so charged would be afforded an opportunity for a hearing before the issuance of a final order. Such orders are appealable in accordance with section 4.35.

Section 4.31 authorizes the Farm Credit Administration to issue temporary cease and desist orders if the Farm Credit Administration determines that a delay is likely to cause the insolvency or substantial dissipation of assets or earnings of the institution or is likely to seriously weaken the condition of the institution or otherwise seriously prejudice the interests of its stockholders. Temporary orders are appealable to a United States district court.

Section 4.32 authorizes the Farm Credit Administration to apply to a United States district court to enforce a temporary cease and desist order.

Section 4.33 authorizes the Farm Credit Administration to issue a written notice of intention to remove from office any director or officer of an institution of the Farm Credit System if such director or officer has been found to have violated any law, rule or regulation or cease and desist order that has become final, to have engaged in unsafe or unsound practices, or to have breached a fiduciary duty, and the Farm Credit Administration determines that the institution has or will suffer substantial financial loss or the interests of the stockholders of the institution have been or will be seriously prejudiced if the director or officer is not removed. This section also provides authority for the Farm Credit Administration to prohibit any person, including a director or officer, from engaging in the conduct of the affairs of an institution. Any party issued a notice of removal or prohibition would be afforded an opportunity for a hearing before issuance of a final order under this section. Authority is also provided for the Farm Credit Administration to suspend such directors or officers from office or to temporarily prohibit any person from engaging in the conduct of the affairs of an institution pending completion of administrative action on the permanent removal or prohibition.

Section 4.34 authorizes the Farm Credit Administration to remove a director or officer from office, or to prohibit any person from engaging in the conduct of the affairs of an institution of the Farm Credit System if such person is indicted for a felony involving dishonesty or breach of trust. Such person is entitled to a hearing before the Farm Credit Administration regarding such action.

Section 4.35 establishes the procedures for administrative hearings and judicial reviews of the proceedings described in sections 4.30, 4.31, 4.32, and 4.33.

Section 4.36 authorizes the Farm Credit Administration to apply to any district court of the United States with jurisdiction for the enforcement of any outstanding notice or order.

Section 4.37 provides that any institution of the Farm Credit System or any director, officer, employee, agent, and other persons participating in its affairs are liable for a civil penalty if such institution or other party has been found to be in violation of the terms of any final order or any provision of the Farm Credit Act of 1971 or regulations issued thereunder. The penalty shall be not more than $1,000 per day for each day the violation continues. The institution or person against whom such a penalty is assessed may request a formal hearing on the record. A final order assessing a penalty is appealable to an appropriate court of appeals of the United States. The Attorney General of the United States may take action at the request of the Farm Credit Administration to collect any unpaid assessment that has become final and unappealable. All penalties collected are to be covered into the Treasury of the United States.

Section 4.38 provides that an institution of the Farm Credit System is subject to the forfeiture of all its rights, privileges, and franchises if the directors of the institution knowingly violate, or permit others to violate, any provisions of the Farm Credit Act of 1971 or regulations issued thereunder. Such violations must be adjudged in an appropriate district court of the United States in a suit commenced by the Farm Credit Administration.

Section 4.39 authorizes the board of an institution of the Farm Credit System to conduct business with its remaining members as a quorum where one or more members have been suspended or removed. The Governor of the Farm Credit Administration is authorized to appoint temporary replacements for directors who have been removed.

Section 4.40 contains definitions applicable to the new provisions.

Section 4.41 contains the provisions governing the required service of process.

Section 4.42 contains ancillary authorities provided in connection with the proceedings authorized under the new provisions, including the power to administer oaths, take depositions, and issue subpoenas, among other things.

Section 4.43 provides that directors and officers of institutions of the Farm Credit System who knowingly violate, or permit others to violate, any provisions of the Farm Credit Act of 1971 or regulations issued thereunder shall be personally liable for all damages suffered by the institution, its stockholders, or others as a consequence of such action.

SEC. 3. This section would amend section 4.12 of the Farm Credit Act of 1971 to authorize the Governor of the Farm Credit Administration to require the merger of two or more like institutions of the Farm Credit System (1) when such institutions are insolvent, are not financially viable, have failed to comply with an order issued under Part F of the Farm Credit Act of 1971 as added by section 2, or have failed to conduct their operations in accordance with the Farm Credit Act of 1971; or (2) when such merger would provide more efficient and effective service to borrowers.

FARM CREDIT ADMINISTRATION,
February 5, 1985.

Hon. EDWARD ZORINSKY,
U.S. Senate, Washington, DC.

DEAR SENATOR ZORINSKY: This responds to your request that the Farm Credit Administration ("FCA") provide, as a drafting service, a bill which would provide the FCA with the same enforcement powers currently held by the other financial institution regulatory agencies and to direct the FCA to study the feasibility of establishing an insurance fund to protect Farm Credit System ("System") institutions and their stockholders from losses. The enclosed bill would provide the FCA with the enforcement powers of the other Federal financial regulatory agencies except to the extent that the activities of the other agencies and the institutions they regulate that are similar from those of the FCA and the System institutions. Following is a brief summary of the provisions of the draft bill:

SECTION I. Would amend Title IV of the Farm Credit Act of 1971 by adding a new Part F containing the following sections:

Section 4.30 would authorize the FCA to issue cease and desist orders against any System institution or director, officer, employee, agent or other person when such institution or person is engaging in an unsafe or unsound practice or is violating any law, rule or regulation, or any condition imposed by the FCA. Such entity or person would be afforded an opportunity for a hearing before the issuance of a final order. Such orders are appealable in accordance with section 4.35.

Section 4.31 authorizes the FCA to issue temporary cease and desist orders which are immediately effective, under circumstances where the FCA determines that a delay is likely to cause the insolvency or substantial dissipation of assets or earnings of the institution or is likely to seriously weaken the condition of the institution or otherwise seriously prejudice the interest of its stockholders. Temporary orders are appealable to a United States District Court.

Section 4.32 authorizes the FCA to apply to a United States District Court to enforce a temporary cease and desist order.

Section 4.33 authorizes the FCA to issue a written notice of intention to remove from office, any director or officer of a System institution who has violated any law, rule or regulation or cease and desist order which has become final, has engaged in unsafe or unsound practices, or has breached a fiduciary duty, if the FCA determines that the institution has or will suffer substantial financial loss, if the interest of its stockholders could be seriously prejudiced or as otherwise provided. This section also authorizes the FCA to temporarily suspend such persons, effective immediately, pending the completion of the administrative process associated with the removal hearing. A person against whom a removal petition has been filed may request a formal hearing on the record. Following a determination of the facts by an administrative law judge, the Governor of the FCA would make a final detemination regarding the issuance of the order. The order is effective unless and until appealed to a United States District Court.

Section 4.34 authorizes the FCA to remove a director or officer of a System institution or other person participating in the affairs of such institution, when any such person is indicted for a felony involving dishonesty or a breach of trust. Such person is also entitled to a hearing before the agency regarding such action.

Section 4.35 establishes the procedures for administrative hearings and judicial reviews of the proceedings described in Sections 4.30, 4.31, 4.32, and 4.33.

Section 4.36 authorizes the FCA to apply to any district court with jurisdiction, for the enforcement of any outstanding notice or order.

Section 4.37 provides that any System institution or its officers, directors, employees, agents or other persons participating in its affairs, who violate the terms of any final order are liable for a civil money penalty of not more than $1,000 per day during which such violation continues. Institutions or persons against whom such penalties are assessed may request a formal hearing on the record. A final order assessing such a penalty is appealable to an appropriate United States Court of Appeals. The FCA may refer to the Attorney General any matter involving a person who has failed to pay an assessment after it has become a final and unappealable order. All penalties collected are covered into the Treasury of the United States.

Section 4.38 provides that when any director of a System institution knowingly violates any provisions of the Farm Credit Act or regulations issued pursuant thereto, the institution is subject to the forfeiture of all its rights, privileges and franchises. Such violations must be adjudged in an appropriate district court in a suit commenced by the FCA. This section further provides that any System institution or officer, director, employee, agent or any other person participating in its affairs who violates any provision of the Farm Credit Act of 1971 or regulations issued pursuant thereto can be assessed a civil money penalty of not more than $1,000 per day during which such violation continues. Civil money penalties under this section are subject to the same administrative review and judicial appeal as applies to civil money penalties associated with violations of cease and desist orders.

Section 4.39 authorizes the board of an institution to conduct business with its remaining members as a quorum where one or more members have been suspended or removed, and authorizes the Governor of the FCA to appoint temporary replacements for directors who have been removed.

Section 4.40 contains definitions applicable to the new provisions.

Section 4.41 contains the provisions governing the required service of process.

Section 4.42 contains ancillary authorities provided in connection with the proceedings authorized under this part, including the power to administer oaths, take depositions, issue subpoenas, etc.

Section 4.43 provides that directors and officers of System institutions who knowingly violate or permit the violation by others of any provision of the Farm Credit Act of 1971 or regulations issued thereunder shall be held liable in their personal and individual capacities or all damages suffered by such institution as a consequence of such actions.

SECTION II also amends section 4.12 of the 1971 Act by expanding the authority of the FCA to require the merger of one or more like System institutions.

SECTION III directs the FCA to conduct a study and issue a report regarding the feasibility of establishing an insurance fund to protect System institutions in the event of losses or for other purposes.

As you know, this draft has been provided to you as a service and the FCA takes no position at this time in support of, or opposition to any bill that may be introduced. We trust that this responds fully to your request.

Sincerely,

DONALD E. WILKINSON,
Governor.

By Mr. ROTH (for himself and Mr. PELL):

S. 467. A bill to amend title 10, United States Code, to authorize the President to award prisoner of war medals in appropriate cases; to the Committee on Armed Services.

AWARDING OF PRISONER OF WAR MEDALS

● Mr. ROTH. Mr. President, I am proud to introduce today a bill that will formally recognize that character of military service which arises under the most hostile and difficult of circumstances—that of being a prisoner of war.

The prisoner of war medal, which will be authorized under this legislation will, like other military badges, identify the wearer as having given special service to his country. We have long recognized the sacrifices of our men and women under arms. A sophisticated system of awards and decorations recognize meritorious service, outstanding achievement, and heroism in action. Likewise, a wide range of veteran's benefits seek to compensate former service members for both interrupted lives and disabilities incurred while in the Armed Forces. Yet, it is worth remembering that wartime service does not impose an equal burden on all who serve.

Many provide valuable services without having to risk direct exposure to enemy fire. Of those who are combatants, some are wounded and smaller number are killed. Even fewer are taken prisoner. Yet, the prisoner of war must serve under extraordinarily difficult circumstances. Held in hostile confinement, often physically and psychologically abused, he does not know if, when, or how his imprisonment will end. He may be subjected to pressures that break his health and defeat his spirit. Some have been murdered. For many, the pains of imprisonment at the hands of the enemy remain for life.

It is not our place to sit in judgment of those who were taken prisoner of war. We cannot know what they felt or the thoughts that came to them in bamboo cages, isolated stalags and oflags, or frozen mines. What we do know is that they served when they were called. Only the true fighting man comes close enough to the enemy to be captured. That he is not listed among the slain is due to the infinite care of providence. While captive, most exhibited extraordinary gallantry; others simply tried to survive within the limits of their ability. Some could not cope.

A prisoner of war medal would signify service in that status. It would acknowledge military service under the most difficult circumstances a soldier, sailor, or airman can endure. It would simply be an overdue recognition by the people of the United States that the individual forfeited his freedom in the cause of freedom.●

By Mr. INOUYE:

S. 468. A bill for the relief of Mark Maio Fernandez; to the Committee on the Judiciary.

RELIEF OF MARK MAIO FERNANDEZ

● Mr. INOUYE. Mr. President, Mark Maio Fernandez was born on March 14, 1958, at Tripler Army Medical Center in Honolulu, HI. He was one of two twin boys born 6 weeks premature, weighing 2.5 pounds. According to the records, he became jaundiced sometime on his second or third day of life, and his jaundice condition was noticed on the third day and yielded a microbilirubin test result of 25.5 mg. A subsequent test yielded a result of 32.6 mg. bilirubin.

Excessive bilirubin is believed to be the cause of brain damage. Although it is alleged that a blood transfusion should have occurred when the bilirubin count reached 20 mg., no transfusion was performed until the 32.6-percent level.

Mr. Fernandez's brother, Wayne, is 6 feet 5 inches and graduated from the University of Hawaii in 1981. He is normal, bright and will be a police officer with the Honolulu Police Department. Mark Fernandez is a young man with serious brain damage and a limited IQ slightly above the level of mental retardation. He suffers from deafness and spasticity in his lower limbs. At 5 feet 5 inches, he is 1 foot shorter than his twin brother.

As a result of his handicaps, he attended the Hawaii School for the Deaf and Blind. Although he can understand and utilize sign language, apparently his level of communication is elementary, and he is limited in his ability to deal with such ordinary matters such as money or caring for himself. In an attempt to assist himself, he has found employment as a janitor at a fast food restaurant, but his earning capacity is obviously severely restricted for the rest of his life.

In 1976, after reading about a similar case, his parents sought legal counsel and filed an administrative suit with the Department of the Army. His attorneys feel that his claims were and are strong, and medical experts from both Hawaii and the mainland testified about medical negligence and the relationship of this failure to administer a timely transfusion to the subsequent brain damage.

The trial court ruled that the claim was barred by the statute of limitations. The Ninth Circuit Court of Appeals affirmed, based on the theory that his parents should have known of the medical malpractice earlier since

they were given a discharge report by the treating physician at Tripler Army Medical Center, from which they could have derived knowledge of the action.

However, the decision overlooks the fact that Mark's parents are not highly educated. Further, the report is technical and meaningless to one not trained in medicine. I believe that the members of the subcommittee will concur that the language used therein would not unduly alarm those without medical knowledge.

The bill provides only that the U.S. District Court for the District of Hawaii have jurisdiction to hear and try the case notwithstanding the statute of limitations, laches or any previous dismissal. It does not provide any direct relief for the claimant.

I ask the subcommittee to act favorably to this bill.●

By Mr. DECONCINI (for himself and Mr. PROXMIRE):

S. 469. A bill to rescind certain budget authority proposed to be rescinded in a special message transmitted to the Congress by the President on February 6, 1985, in accordance with section 1012 of the Impoundment Control Act of 1974 and section 2901 of the Deficit Reduction Act of 1984; pursuant to the order of January 30, 1975, referred jointly to the Committee on the Budget and the Committee on Appropriations.

APPROVAL OF CERTAIN BUDGET RESCISSIONS

Mr. DECONCINI. Mr. President, on April 26, 1984, the Senate overwhelmingly adopted my amendment to the Deficit Reduction Act, calling for spending cuts and debt collection savings totaling $4,360,000,000 in fiscal year 1985. Specifically, by a vote of 78 to 15, this body approved reductions in: Government travel (−$750,000,000); consultant services (−$1 billion); public affairs, public relations, public information and advertising (−$100 million); publishing, printing, reproduction, and audiovisual services (−$250 million); Federal motor vehicle spending (−$160 million); and debt collection (−$2.1 billion). A House-Senate Conference Committee adopted my amendment in principle by directing the Office of Management and Budget to develop a plan to achieve these savings in fiscal 1985. Now, nearly 10 months since the amendment passed the Senate, the President has submitted a package of rescissions to implement a portion of the mandated savings called for in what is now section 2901 of the Deficit Reduction Act of 1984.

Mr. President, the bill that I am introducing today for myself and the distinguished senior Senator from Wisconsin, Senator PROXMIRE, would implement every one of the 226 rescissions submitted by the President on February 6 (H. Doc. 99-24) to implement section 2901. Those rescissions, covering most Federal agencies, Commissions, Departments and boards, total $371,994,000 in new budget authority that will be saved if this bill is adopted by both Houses of Congress.

Let me say early on, that I am extremely disappointed with the total rescission package that has been submitted by the President. Excluding the debt collection savings which, I understand, will be submitted under separate legislation, the total aggregate savings in this rescission package is only 16.4 percent of the spending cuts called for in my amendment. In all fairness to the Office of Management and Budget, it appears that they made every effort to force the agencies and departments to submit the necessary savings to reach the total spending cuts called for in section 2901. But, in true bureaucratic form, the agencies' response was the usual wringing of hands and cries of woe that they couldn't give up that extra consultant service; those extra few trips around the country; those few extra Xerox machines sitting in the basement somewhere in downtown D.C.; or that car that is used to drive non-law-enforcement officials around town or back and forth to work. For example, the department with the biggest consultant budget and the largest travel budget—the Department of Defense—did not contribute one dime to savings in any of the five savings categories outlined in the amendment or in the OMB bulletins. The Office of Personnel Management—an agency that has been pounding Federal workers to do more with less—did not contribute one nickel in savings for travel out of their overall $106.6 million budget. Even NASA—an agency whose budget has done rather well during the past 4 years of this administration—told OMB and the taxpayers of America that they can't give up one penny of their consultant services budget to help reduce the deficit. On the bright side, the Department of Labor met 72 percent of its savings target established by OMB. So, as the Labor Department has shown, it can be done if the agency or department head is committed to cutting costs and saving the taxpayers some serious money.

Mr. President, even though the total rescission package is not as large as I would have liked, it is a beginning. For the past 4 years, Senator MATTINGLY of Georgia; Senator PRYOR of Arkansas, Senator SASSER of Tennessee; former Senator RANDOLPH of West Virginia; and others have joined me in fighting to cut these wasteful, low priority administrative overhead expenditures without much luck. Now, after a smashing victory last April, we are beginning to see a trickle of hope that maybe the Federal agencies are finally looking at these unnecessary costs and reducing them. We must pass this bill in both Houses and send it to the President for his signature—right now, before we lose even these small savings that have been so hard to come by.

Mr. President, I am pleased to see that the President has included a 10-percent reduction in agency administrative costs as part of his fiscal year 1986 budget. This cutback would save $535 million in budget authority next year. Although this is a good start, I believe at least five times that amount could be saved in fiscal year 1986, just in the five spending categories contained in section 2901 and the amendment that passed the Senate last year. I intend to offer an amendment to the first available deficit reduction bill this year to build on the President's cuts in administrative overhead and rollback travel, consultants, public relations, and other low priority activities even further. In the meantime, it is essential that the Congress pass this bill to adopt the rescissions submitted to the Congress by the President on February 6.

Mr. President, I urge the swift passage of this bill by the House and Senate so that we can begin to make a dent in waste, fraud and abuse, and in the skyrocketing Federal deficit. I ask unanimous consent that a copy of the bill be printed in the RECORD at this point. I also ask unanimous consent that a summary of the specific rescissions contained in the President's February 6 submission be printed in the RECORD prior to the printing of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 469

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the rescissions of budget authority made in subsection (b) are made under section 1012 of the Impoundment Control Act of 1974 (2 U.S.C. 683) pursuant to the rescission proposals contained in the special message (printed as House Document No. 99-24) transmitted to the Congress by the President on February 6, 1985, in accordance with such section and section 2901 of the Deficit Reduction Act of 1984.

(b) Each of the following amounts of budget authority, provided for the projects and activities identified in the rescission proposal referred to in this subsection with respect to each such amount, is rescinded:

Rescission Proposal Number	Amount of Budget Authority Rescinded
R85-2	$5,168,000
R85-3	1,231,000
R85-4	838,000
R85-5	114,000
R85-6	149,000
R85-7	497,000
R85-8	41,000
R85-9	24,000
R85-10	1,313,000
R85-13	151,000
R85-14	310,000
R85-15	11,000
R85-16	206,000
R85-17	132,000

Rescission Proposal Number	Amount of Budget Authority Rescinded
R85-18	32,000
R85-19	424,000
R85-20	52,000
R85-21	9,000
R85-22	100,000
R85-24	1,906,000
R85-25	31,000
R85-26	36,000
R85-27	288,000
R85-30	1,315,000
R85-31	5,174,000
R85-32	235,000
R85-33	133,000
R85-34	918,000
R85-35	126,000
R85-36	164,000
R85-37	1,464,000
R85-38	94,000
R85-39	150,000
R85-40	18,000
R85-41	2,473,000
R85-42	684,000
R85-43	8,762,000
R85-44	34,000
R85-45	117,000
R85-46	50,000
R85-47	923,000
R85-48	463,000
R85-49	12,134,000
R85-50	1,922,000
R85-51	68,000
R85-53	499,000
R85-54	120,000
R85-57	241,000
R85-58	791,000
R85-59	433,000
R85-60	2,783,000
R85-61	6,000
R85-62	305,000
R85-63	468,000
R85-64	4,140,000
R85-66	1,472,000
R85-67	1,019,000
R85-68	183,000
R85-69	32,000
R85-70	2,000,000
R85-71	4,000,000
R85-72	8,000,000
R85-73	1,200,000
R85-74	1,000,000
R85-75	3,900,000
R85-79	4,189,000
R85-80	8,280,000
R85-81	38,000
R85-82	2,676,000
R85-83	968,000
R85-84	860,000
R85-85	3,276,000
R85-86	181,000
R85-87	931,000
R85-88	156,000
R85-89	846,000
R85-90	51,000
R85-91	156,000
R85-92	204,000
R85-93	23,000
R85-94	29,000
R85-95	15,000
R85-96	243,000
R85-97	432,000
R85-98	2,786,000
R85-99	2,194,000
R85-100	2,263,000
R85-101	161,000
R85-102	2,261,000
R85-103	4,362,000
R85-104	1,401,000
R85-105	166,000
R85-106	1,171,000
R85-107	462,000
R85-108	428,000
R85-109	211,000
R85-110	309,000
R85-111	173,000
R85-112	542,000
R85-113	196,000
R85-114	250,000
R85-115	241,000
R85-116	354,000
R85-117	182,000
R85-118	3,972,000
R85-119	493,000
R85-120	1,540,000
R85-121	1,334,000
R85-122	396,000
R85-123	34,000
R85-124	1,246,000
R85-125	496,000
R85-127	6,919,000
R85-128	5,778,000
R85-129	679,000
R85-130	2,951,000
R85-131	1,764,000
R85-132	546,000
R85-133	333,000
R85-134	2,571,000
R85-135	209,000
R85-136	1,540,000
R85-137	1,468,000
R85-138	4,519,000
R85-139	1,355,000
R85-140	3,869,000
R85-141	40,000
R85-142	8,598,000
R85-143	94,000
R85-144	397,000
R85-145	52,000
R85-147	5,570,000
R85-148	107,000
R85-149	166,000
R85-151	470,000
R85-152	65,000
R85-153	889,000
R85-154	309,000
R85-155	43,000
R85-156	3,505,000
R85-157	876,000
R85-158	947,000
R85-159	451,000
R85-160	894,000
R85-161	13,000
R85-162	2,031,000
R85-163	218,000
R85-164	11,447,000
R85-165	1,678,000
R85-167	1,635,000
R85-168	1,694,000
R85-169	1,776,000
R85-170	765,000
R85-171	728,000
R85-172	3,766,000
R85-173	20,000
R85-174	2,432,000
R85-175	164,000
R85-176	767,000
R85-177	408,000
R85-178	250,000
R85-179	100,000
R85-180	170,000
R85-181	90,000
R85-182	140,000
R85-183	200,000
R85-184	265,000
R85-185	18,888,000
R85-186	1,065,000
R85-187	17,000
R85-188	10,000,000
R85-189	14,724,000
R85-190	500,000
R85-191	441,000
R85-192	135,000
R85-193	888,000
R85-194	300,000
R85-195	435,000
R85-196	65,000
R85-197	969,000
R85-198	90,000
R85-199	75,000
R85-200	972,000
R85-201	397,000
R85-202	1,223,000
R85-203	87,000
R85-204	52,000
R85-205	198,000
R85-206	781,000
R85-207	1,588,000
R85-208	1,633,000
R85-209	1,465,000
R85-210	1,862,800
R85-211	4,125,200
R85-212	7,413,000
R85-213	3,204,000
R85-214	300,000
R85-215	30,848,000
R85-216	45,000
R85-217	63,000
R85-218	415,000
R85-219	145,000
R85-220	207,000
R85-221	1,832,000
R85-222	403,000
R85-223	35,000
R85-224	19,000
R85-225	8,000
R85-226	4,000,000
R85-227	1,161,000
R85-228	3,781,000
R85-229	10,261,000
R85-230	323,000
R85-231	2,109,000
R85-232	4,334,000
R85-233	377,000
R85-234	1,139,000
R85-235	786,000
R85-236	1,287,000
R85-237	166,000
R85-238	1,070,000
R85-239	2,002,000
R85-240	4,329,000
R85-241	1,538,000
R85-242	433,000

Contents of Special Message

[In thousands of dollars]

Rescission timber and item	*Budget Authority*
Funds Appropriated to the President:	
International Development Assistance:	
R85-2: Functional development assistance program	5,168
Peace Corps:	
R85-3: Peace Corps operating expenses	1,231
Overseas Private Investment Corporation:	
R85-4: Overseas Private Investment Corporation	838
Department of Agriculture:	
Office of the Secretary:	
R85-5: Office of the Secretary	114
Departmental Administration:	
R85-6: Departmental Administration	149
Office of Governmental and Public Affairs:	
R85-7: Office of Governmental and Public Affairs	497
Office of the Inspector General:	
R85-8: Office of the Inspector General	41

Rescission timber and item	Budget Authority
Office of the General Counsel:	
R85-9: Office of the General Counsel	24
Agricultural Research Service:	
R85-10: Agricultural Research Service	1,313
R85-13: Cooperative State Research Service	151
Extension Service:	
R85-14: Extension Service	310
National Agricultural Library:	
R85-15: National Agricultural Library	11
Statistical Reporting Service:	
R85-16: Salaries and expenses	206
Economic Research Service:	
R85-17: Salaries and expenses	132
World Agricultural Outlook Board:	
R85-18: World agricultural outlook board	32
Foreign Agricultural Service:	
R85-19: Foreign Agricultural Service	424
Office of International Cooperation and Development:	
R85-20: Salaries and expenses	52
R85-21: Scientific activities overseas (Foreign currency program)	9
Agricultural Stablization and Conservation Service:	
R85-22: Salaries and expenses	100
Federal Crop Insurance Corporation:	
R85-24: Administration and operating expenses	1,906
Commodity Credit Corporation:	
R85-25: Commodity Credit Corporation fund	31
Office of Rural Development Policy:	
R85-26: Salaries and expenses	36
Rural Electrification Administration:	
R85-27: Salaries and expenses	288
Farmers Home Administration:	
R85-30: Salaries and expenses	1,315
Soil Conservation Service:	
R85-31: Conservation operations	5,174
R85-32: River basin surveys and investigations	235
R85-33: Watershed planning	133
R85-34: Watershed and flood prevention operations	918
R85-35: Great plains conservation program	126
R85-36: Resource conservation and development	164
Animal and Plant Health Inspection Service:	
R85-37: Salaries and expenses	1,464
Federal Grain Inspection Service:	
R85-38: Salaries and expenses	94
Agricultural Marketing Service:	
R85-39: Marketing Services	150
Office of Transportation:	
R85-40: Office of Transportation	18
Food Safety and Inspection Service:	
R85-41: Salaries and expenses	2,473
Food and Nutrition Service:	
R85-42: Food program administration	684
R85-43: Food Stamp Program	8,762
Human Nutrition Information Service:	
R85-44: Human Nutrition Information Service	34
Packers and Stockyards Administration:	
R85-45: Packers and Stockyards Administration	117
Agricultural Cooperative Service:	
R85-46: Salaries and expenses	50
Forest Service:	
R85-47: Forest research	923
R85-48: State and private forestry	463
R85-49: National forest system	12,134
R85-50: Construction	1,922
R85-51: Land acquisition	68
Department of Commerce:	
General Administration:	
R85-53: Salaries and expenses	499
Economic Development Administration:	
R85-54: Salaries and expenses	120
Bureau of the Census:	
R85-57: Salaries and expenses	241
R85-58: Periodic censuses and programs	791
Economic and Statistical Analysis:	
R85-59: Salaries and expenses	433
International Trade Administration:	
R85-60: Operations and administration	2,783
R85-61: Participation in United States expositions	6
Minority Business Development Agency:	
R85-62: Minority business development	305
United States Travel and Tourism Administration:	
R85-63: Salaries and expenses	468
National Oceanic and Atmospheric Administration:	
R85-64: Operations, research, and facilities	4,140
Patent and Trademark Office:	
R85-66: Salaries and expenses	1,472
National Bureau of Standards:	
R85-67: Scientific and technical research and services	1,019
National Telecommunications and Information Administration:	
R85-68: Salaries and expenses	183
R85-69: Public telecommunications facilities, planning and construction	32
Department of Defense—Civil:	
Corps of Engineers—Civil:	
R85-70: General investigations	2,000
R85-71: Construction, general	4,000
R85-72: Operation and maintenance, general	8,000
R85-73: General expenses	1,200
R85-74: Flood control, Mississippi River and tributaries	1,000
R85-75: Revolving fund	3,900
Department of Education:	
Departmental Management:	
R85-79: Salaries and expenses	4,189
Department of Energy:	
Atomic Energy Defense Activities:	
R85-80: Atomic Energy Defense Activities	8,280
Energy Programs:	
R85-81: General science and research activities	38
R85-82: Energy supply, research and development activities	2,676
R85-83: Uranium supply and enrichment activities	968
R85-84, R85-85: Fossil energy research and development (Fossil energy construction)	4,136
R85-86: Naval petroleum and shale reserves	181
R85-87: Energy conservation	931
R85-88: Strategic petroleum reserve	156
R85-89: Energy information administration	846
R85-90: Emergency preparedness	51
R85-91: Economic regulation	156
R85-92: Federal Energy Regulatory Commission	204
R85-93: Alternative fuels production	23
Power Marketing Administration:	
R85-94: Operation and maintenance, Alaska Power Administration	29
R85-95: Operation and maintenance, Southeastern Power Administration	15
R85-96: Operation and maintenance, Southwestern Power Administration	243
R85-97: Construction, rehabilitation, operation and maintenance WAPA	423
R85-98: Departmental Administration	2,786
Department of Health and Human Services:	
Food and Drug Administration:	
R85-99: Salaries and expenses	2,194
Health Resources and Services Administration:	
R85-100: Health resources and services	2,263
R85-101: Indian health	161
Centers for Disease Control:	
R85-102: Disease control	2,261
National Institutes of Health:	
R85-103: National Cancer Institute	4,362
R85-104: National Heart, Lung and Blood Institute	1,401
R85-105: National Institute of Dental Research	166
R85-106: National Institute of Arthritis, Diabetes, and Digestive and Kidney Diseases	1,171

Rescission timber and item	Budget Authority
R85-107: National Institute of Neurological and Communicative Disorders	462
R85-108: National Institute of Allergy and Infectious Diseases	428
R85-109: National Institute of General Medical Sciences	211
R85-110: National Institute of Child Health and Human Development	309
R85-111: National Eye Institute	173
R85-112: National Institute of Environmental Health Sciences	542
R85-113: National Institute on Aging	196
R85-114: Research resources	250
R85-115: John E. Fogarty International Center	241
R85-116: National Library of Medicine	354
R85-117: Office of the Director	182
Alcohol, Drug Abuse, and Mental Health Administration:	
R85-118: Alcohol, drug abuse, and mental health	3,972
Office of Assistant Secretary for Health:	
R85-119: Public health service management	493
Health Care Financing Administration:	
R85-120: Program management	1,540
Human Development Services:	
R85-121: Human development services	1,334
R85-122: Family social services	396
R85-123: Community services block grant	34
Departmental Management:	
R85-124: General Departmental management	1,246
R85-125: Office of the Inspector General	496
Department of Housing and Urban Development:	
Management and Administration:	
R85-127: Salaries and expenses, including transfer of funds	6,919
Department of the Interior:	
Bureau of Land Management:	
R85-128: Management of lands and resources	5,778
R85-129: Oregon and California grant lands	679
R85-130: Working capital fund	2,951
Minerals Management Service:	
R85-131: Minerals and royalty management	1,764
Office of Surface Mining Reclamation and Enforcement:	
R85-132: Regulation and technology	546
R85-133: Abandoned mine reclamation fund	333
Bureau of Reclamation:	
R85-134: Construction program	2,571
R85-135: General investigations	209
R85-136: Operation and maintenance	1,540
R85-137: General administrative expenses	1,468
Geological Survey:	
R85-138: Surveys, investigations and research	4,519
Bureau of Mines:	
R85-139: Mines and minerals	1,355
United States Fish and Wildlife Service:	
R85-140: Resource management	3,869
R85-141: Construction	40
National Park Service:	
R85-142: Operation of the national park system	8,598
R85-143: National recreation and preservation	94
R85-144: Construction	397
R85-145: Land acquisition	52
Bureau of Indian Affairs:	
R85-147: Operation of Indian programs	5,570
Office of Territorial Affairs:	
R85-148: Administration of territories	107
Department of Justice:	
General Administration:	
R85-149: Salaries and expenses	166
Legal Activities:	
R85-151: Salaries and expenses, General Legal Activities	470
R85-152: Salaries and expenses, Antitrust Division	65
R85-153: Salaries and expenses, United States Attorneys and Marshals	889
R85-154: Fees and expenses of witnesses	309
R85-155: Salaries and expenses, Community Relations Service	43
Federal Bureau of Investigation:	
R85-156: Salaries and expenses:	3,505
Drug Enforcement Administration:	
R85-157: Salaries and expenses	876
Immigration and Naturalization Service:	
R85-158: Salaries and expenses	947
Federal Prison System:	
R85-159: Salaries and expenses	451
R85-160: National Institute of Corrections	894
R85-161: Buildings and facilities	13
Office of Justice Programs:	
R85-162: Justice assistance	2,031
Department of Labor:	
Employment and Training Administration:	
R85-163: Program administration	218
R85-164: Training and employment services	11,447
Labor-Management Services Administration:	
R85-165: Salaries and expenses	1,678
Employment Standards Administration:	
R85-167: Salaries and expenses	1,635
Occupational Safety and Health Administration:	
R85-168: Salaries and expenses	1,694
Mine Safety and Health Administration:	
R85-169: Salaries and expenses	1,776
Bureau of Labor Statistics:	
R85-170: Salaries and expenses	765
Departmental Management:	
R85-171: Salaries and expenses	728
R85-172: Inspector General salaries and expenses	3,766
R85-173: Special foreign currency program	20
Department of State:	
Administration of Foreign Affairs:	
R85-174: Salaries and expenses	2,432
Department of Transportation:	
Federal Highway Administration:	
R85-175: Motor carrier safety	164
National Highway Traffic Safety Administration:	
R85-176: Operations and research	767
R85-177: Trust fund share of operations and research	408
R85-178: Highway traffic safety grants	250
Federal Railroad Administration:	
R85-179: Office of the Administrator	100
R85-180: Railroad research and development	170
R85-181: Rail service assistance	90
R85-182: Railroad safety	140
R85-183: Northeast corridor improvement program	200
Urban Mass Transportation Administration:	
R85-184: Urban mass transportation fund, administrative expenses	265
Federal Aviation Administration:	
R85-185: Operations	18,888
R85-186: Headquarters administration	1,065
Operation and maintenance:	
R85-187: Metropolitan Washington Airports	17
R85-188: Facilities and equipment (airport and airway trust fund)	10,000
Coast Guard:	
R85-189: Operating expenses	14,724
R85-190: Acquisition, construction and improvements	500
R85-191: Reserve training	441
R85-192: Research, development, test, and evaluation	135
Maritime Administration:	
R85-193: Operations and training	888
Office of the Inspector General:	
R85-194: Salaries and expenses	300
Office of the Secretary:	
R85-195: Salaries and expenses	435

Rescission timber and item	Budget Authority
R85-196: Transportation planning, research and development	65
Department of the Treasury:	
Office of the Secretary:	
R85-197: Salaries and expenses	969
Office of Revenue Sharing:	
R85-198: Salaries and expenses	90
Federal Law Enforcement Training Center:	
R85-199: Salaries and expenses	75
Financial Management Service:	
R85-200: Salaries and expenses	972
Bureau of Alcohol, Tobacco and Firearms:	
R85-201: Salaries and expenses	397
United States Customs Service:	
R85-202: Salaries and expenses	1,223
Bureau of the Mint:	
R85-203: Salaries and expenses	87
Bureau of the Public Debt:	
R85-204: Administering the public debt	52
Internal Revenue Service:	
R85-205: Salaries and expenses	198
R85-206: Processing tax returns and executive direction	781
R85-207: Examinations and appeals	1,588
R85-208: Investigation, collection, and taxpayer service	1,633
United States Secret Service:	
R85-209: Salaries and expenses	1,465
Environmental Protection Agency:	
R85-210: Salaries and expenses	1,863
R85-211: Research and development	4,125
R85-212: Abatement, control, and compliance	7,413
General Services Administration:	
Real Property Activities:	
R85-213: Federal buildings fund	3,204
Personal Property Activities:	
R85-214: Personal property, operating expenses	300
R85-215: General supply fund	30,848
Office of Information Resources Management:	
R85-216: Operating expenses, Office of Information Resources Management	45
R85-217: Consumer information center fund	63
R85-218: Federal telecommunications fund	415
R85-219: Automatic data processing fund	145
Federal Property Resources Activities:	
Operating expenses, Federal Property:	
R85-220: Resources Service	207
R85-221: Expenses, disposal of surplus real and related personal property	1,832
General Activities:	
R85-222: General management and administration, salaries and expenses	403
R85-223: Office of the Inspector General	35
R85-224: Allowances and office staff for former Presidents	19
R85-225: Working capital fund	8
National Aeronautics and Space Administration:	
R85-226: Research and program management	4,000
Office of Personnel Management:	
R85-227: Salaries and expenses	1,161
Small Business Administration:	
R85-228: Salaries and expenses	3,781
Veterans' Administration:	
R85-229: Medical care	10,261
R85-230: Medical and prosthetic research	323
R85-231: Medical administration and miscellaneous operating expenses	2,109
R85-232: General operating expenses	4,334
R85-233: Construction, minor projects	377
Other Independent Agencies:	
ACTION:	
R85-234: Operating expenses.	1,139
Federal Emergency Management Agency:	
R85-235: Salaries and expenses	786
R85-236: Emergency management planning and assistance	1,287
National Archives and Records Administration:	
R85-237: Operating expenses.	166
National Labor Relations Board:	
R85-238: Salaries and expenses	1,070
National Science Foundation:	
R85-239: Research and related activities	2,002
Nuclear Regulatory Commission:	
R85-240: Salaries and expenses	4,329
Tennessee Valley Authority:	
R85-241: Tennessee Valley Authority fund	1,538
United States Information Agency:	
R85-242: Salaries and expenses	433
Total, rescissions	371,994

SUMMARY OF 2901 RESCISSION PROPOSALS
SAVINGS*

Savings categories:
(1) Travel of personnel and transportation of things for personnel
(2) Consultant services
(3) Public affairs, public relations, and advertising activities
(4) Publishing, printing, reproduction and audio-visual activities
(5) Operation, maintenance, management, leasing, acquisition and disposal of motor vehicles

*Details by account are shown in the Justification Section of the individual Special Message reports except for programs in the Department of Labor.

CATEGORIES

[Obligations in thousands of dollars]

Agency	(1)	(2)	(3)	(4)	(5)	Other [1]	Total
Funds Appropriated to the President	353	515	270	1,043	5,056		7,237
Agriculture	14,600	13,196	2,097	10,709	4,547	−1,902	43,247
Commerce	507	4,694	1,564	4,446	1,281		12,492
Defense (Civil)	9,100	1,500	3,000	2,000	4,500		20,100
Education	15	1,060	530	2,110	474		4,189
Energy	7,219	4,635	355	995	8,947		22,151
Health and Human Services	566	6,481	1,379	9,229	13,454	−4,271	26,838
Housing and Urban Development		2,082	803	1,717	2,317		6,919
Interior	17,515	11,598	1,935	4,872	6,520		42,440
Justice		4,131	1,561	880	4,087		10,659
Labor	4,305	15,701	291	2,251	1,688	−509	23,727
State	1,000	500	250	100	582		2,432
Transportation	1,642	19,674	3,097	7,193	18,406		50,012
Treasury	930	3,631	633	3,247	1,089		9,530
Environmental Protection Agency	200	1,000		500	11,701		13,401
General Services Administration	30,607	2,351	762	2,841	963		37,524
National Aeronautics and Space Administration	600		897	750	1,753		4,000
Office of Personnel Management		366	64	658	73		1,161
Small Business Administration		1,207	340	342	1,892		3,781
Veterans Administration	5,945	6,117	795	3,327	1,220		17,404
Other Independent Agencies	703	4,200	1,085	5,046	1,716		12,750
Total, by categories, 2901 rescission proposals savings	95,807	104,639	21,708	64,256	92,266	−6,682	371,994

[1] Portions financed by trust fund transfers or reductions in collections.

By Mr. RIEGLE:

S. 470. A bill to require the Federal Energy Regulatory Commission to make annual determinations under 46(f)(1) of the Internal Revenue Code of 1954 relating to the sufficiency of domestic gas supply; to the Committee on Finance.

DOMESTIC GAS SUPPLY

● Mr. RIEGLE. Mr. President, today I am introducing legislation which will modify a minor provision of law, but one which may reduce the cost of natural gas to thousands of consumers throughout the Nation. The legislation would require an annual review of the domestic supply of natural gas by the Federal Energy Regulatory Commission (FERC). This review, which is authorized by section 46(f) of the Internal Revenue Code, has not been conducted since 1972. The finding made in the review is used to determine the amount of tax benefits earned from the Investment Tax Credit and retained by interstate natural gas pipeline companies. These tax credits reduce capital costs of pipeline companies, but are ignored by FERC in determining rates that pipelines can charge to local distribution companies. As a result, local distribution companies pay rates that are probably higher than they should be, and ultimately the consumer must pay higher rates, as well.

FERC is able to ignore these credits because of a determination made in 1972 that natural gas was in short supply, and that there was every indication that the shortage would continue. My legislation would simply mandate that FERC make this important finding on an annual basis. It is my belief that a decision of this magnitude must be reviewed and updated. It has been 13 years since the original decision, and the natural gas market is fundamentally different today than it was in 1972.

Mr. President, this legislation seeks to ensure that a governmental ruling which involves billions of dollars is reexamined on a periodic basis. It is sound public policy, and wholly logical that FERC review the original decision, and once again determine whether the current policy accurately reflects the facts of today's natural gas market.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 470

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) of paragraph (1) of Section 46(f) of the Internal Revenue Code of 1954 (relating to limitation of investment tax credit in case of certain regulated companies) is amended by adding at the end thereof the following new sentence: "The determination described in the immediately preceding sentence shall be made annually."

(b) The amendment made by subsection (a) shall apply to calendar years beginning after December 31, 1984.●

By Mr. DODD (for himself and Mr. MELCHER):

S. 471. A bill to amend the Federal Election Campaign Act of 1971 and the Internal Revenue Code of 1954 to provide a 100-percent tax credit for small contributions to candidates for the Senate of the United States who agree to abide in the general election by an overall spending limit and a limit on the use of personal funds; to create a new overall limit on contributions by nonparty multicandidate political committees to Senate election campaigns; to provide Senate candidates with the ability to respond free or at reduced costs to independent expenditures made against a candidate or in favor of the candidates opponent; and for other purposes; to the Committee on Finance.

SENATE CAMPAIGN FINANCE REFORM ACT

● Mr. DODD. Mr. President, I am introducing legislation designed to increase the role of small contributors in the election of Senators.

It has been more than 10 years since any major campaign financing legislation has passed and the system is in serious need of repair. No reform effort is successful forever and we must be prepared to make further changes as the need becomes apparent. The 1974 reforms produced some major successes, the most prominent of which was public financing of presidential campaigns. In addition, public disclosure of contributions has enabled the people to see who contributes to elections campaigns, and limitations on the amounts individuals can contribute have eliminated some of the scandals of the early 1970's.

At the same time, the 1974 reforms had some unintended consequences. First, the public financing of presidential races moved the private money that used to be spent on those races into congressional races. Then, when the Supreme Court struck down the expenditure limitations for congressional races contained in the 1974 law, the costs of campaigns took off. Finally, the 1974 legislation authorized the creation of political action committees (PAC's) and those PAC's have become a major source of funding for congressional elections.

A Common Cause analysis developed some very disturbing statistics about the cost of Senate elections. The analysis found that "the Senate campaign expenditures—when looked at in terms of voting age populations—have almost doubled over 1982 to $1.28 in 1984 (as of mid-October in each year)."

If we are going to change the present system of campaign financing, however, first the political climate must be right for it. I believe that we are starting to see a reaction among lawmakers and the special interests that could grow to match the public's concern with the present system. In the last Congress, more and more Senators of both parties introduced bills designed to cure the problems of the system. I think we're approaching the point where all parties see the system spinning out of control.

But if the political climate is ripe, how do we translate that climate into legislation that can pass the Congress? I think the answer lies in first agreeing upon a list of objectives. Any such list would certainly include the creation of a system that would make it easier for individual candidates to obtain the money necessary to run an effective campaign without having to depend upon great personal wealth or spending exhausting months in fundraising and without having to rely on special interest money. I think we need a system that increases the influence of individuals.

I believe the system proposed in the bill I am introducing today, the Senate Campaign Finance Reform Act of 1985, addresses those objectives, but I am less concerned about its details than I am in initiating a dialog that can lead to passage of good reform legislation.

The basic concept behind my bill would be to authorize a 100-percent tax credit for contributions to the general election campaigns of Senators who chose to limit their expenditures to certain specific amounts. Because the bill would curtail the existing tax deductions for political contributions, it is anticipated that the bill would have no revenue impact on the Government.

Specifically, the bill would apply only to general election campaigns for the U.S. Senate. To weed out frivolous candidates, the bill would not permit a candidate to receive tax creditable contributions unless the candidate had already received threshold contributions amounting to 5 percent of the expenditure limit for the State—which is determined by a formula utilizing voting age population. At least 80 percent of the threshold amount would have to be received from individuals who reside in the State in which the general election is to be held.

A candidate who had raised the threshold amount in the prescribed way, and had agreed to abide by the expenditure limits, would be entitled to receive tax creditable contributions from individuals. A person who contributed to the general election campaign of a qualified candidate for the Senate could get a 100-percent tax credit for contributions up to $100 to any candidate, with a maximum available credit of $200 to all qualified candidates in an election. It is believed

that the tax credit would be no more costly than the existing credit of 50 percent for all contributions up to a limit of $50 per individual, because the bill would repeal the existing tax credit for Senate candidates and would make the present tax credit for other political contributions available only once during the 2-year election cycle.

The campaign expenditure limits would be equal to $500,000 plus 15 cents for each person of voting age in the State—plus the amount presently permitted for political party spending. Spending limits would range from $629,750 in Alaska to $4,798,419 in California with a limit of $1,048,842 in Connecticut. Candidates and their families could contribute only $35,000 and nonparty PAC receipts would be limited to 20 percent of the candidate's expenditure limitation. The PAC limit would apply for both qualified and nonqualified candidates.

If a qualified candidate has a serious opponent who does not choose to participate in the tax credit system, the limits on overall expenditures and the use of personal funds would be lifted for the qualified candidate.

The bill also addresses the question of independent expenditures. Where any broadcast station carries independent expenditures ads in oppositon to a qualified candidate or in support of the candidate's opponent, the candidate would be eligible to receive an equal amount of free time from that station. Qualified candidates also would be eligible for the low-cost postage rates now available to political parties to respond to nonbroadcast independent expenditures.

I think the approach of my bill would go a long way toward achieving the objective of making it easier for candidates to raise the money needed to air their views without having to depend upon personal wealth or special interest money. Clearly it would strengthen the importance of individuals. Further, it has the advantage of achieving these goals without imposing an additional burden on Federal Government revenues, in a nonbureaucratic method, and by permitting individuals to designate the specific beneficiaries of their contributions.

Finally, while I do not think it is good policy to condition legislation on the preservation of short-term advantages, I think it is important to note that this bill would not adversely affect the major existing advantages of the Democratic and Republican parties. People would still be able to volunteer their time and efforts to aid candidates without having their work be counted against the candidate's expenditure limitations. Similarly, the party with sophisticated lists of small contributors and large funds would be well situated to continue to exercise those advantages.

Mr. President, in closing, I would like to reiterate that the system of campaign financing in this country is seriously broken and needs to be fixed. We all know that and the people know it even better than we do. While I am not wedded to every provision of this bill, I hope it can serve as the basis for a serious bipartisan effort to reform the present system.

I ask unanimous consent that the text of the bill be printed in full after my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 471

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Senate Campaign Finance Reform Act of 1985".

SEC. 2. (a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to nonrefundable personal credits) is amended by inserting after section 24 the following new sections:

"SEC. 24A. CONTRIBUTIONS TO CANDIDATES FOR THE OFFICE OF UNITED STATES SENATOR.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed, subject to the limitations of subsection (b), as a credit against the tax imposed by this chapter for the taxable year, an amount equal to the sum of all political contributions to qualified candidates for the office of Senator.

"(b) LIMITATIONS.—

"(1) MAXIMUM CREDIT.—The credit allowed by subsection (a) for a taxable year shall not exceed—

"(A) $100 with respect to political contributions to any qualified candidate ($200 in the case of a joint return under section 6013), and

"(B) $200 with respect to political contributions to all qualified candidates ($400 in the case of a joint return under section 6013).

"(2) TIME LIMITATIONS.—The credit allowed by subsection (a) shall be available—

"(A) in the case of political contributions to qualified candidates in a regularly scheduled general election, only in the year of such general election, and

"(B) in the case of political contributions to qualified candidates in a special election, only during the period of such special election.

"(3) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under section 33 (relating to foreign tax credit), section 37 (relating to credit for the elderly and the permanently and totally disabled), and section 38 (relating to investment in certain depreciable property).

"(c) VERIFICATION.—The credit allowed by subsection (a) shall be allowed, with respect to any political contribution, only if such contribution is verified in such a manner as the Secretary shall prescribe by regulations. A receipt or acknowledgement from a qualified candidate confirming that the political contribution is eligible for the credit allowed by subsection (a) shall be deemed sufficient to meet the verification requirements of this section.

"(d) DEFINITIONS.—For purposes of this section—

"(1) POLITICAL CONTRIBUTION.—The term 'political contribution' means a contribution (other than a threshold contribution) to a qualified candidate for use by such candidate in a general election for the office of Senator except that—

"(A) no contribution received as a subscription, loan, advance, or deposit, or as a contribution of products or services, shall be taken into account; and

"(B) no contribution made through an intermediary or conduit referred to in section 315(a)(5) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) shall be taken into account.

"(2) OFFICE OF SENATOR.—The term 'office of Senator' means the office of Senator in the Congress of the United States.

"(3) QUALIFIED CANDIDATE.—The term 'qualified candidate' means, with respect to the office of Senator, a candidate who has met the eligibility requirements of section 502 of the Federal Election Campaign Act of 1971.

"(4) THRESHOLD CONTRIBUTION.—The term 'threshold contribution' means a contribution by an individual to a candidate for election to the office of Senator and used by such candidate to establish eligibility under section 502(a) of the Federal Election Campaign Act of 1971 as a qualified candidate for such election, except that no contribution received from any individual shall be taken into account to the extent that such contribution exceeds $100 when added to the amount of all other contributions made by such individual to such candidate for such purpose.

"(5) GENERAL ELECTION.—The term 'general election' means any election which directly results or can directly result in the election of a person to the office of Senator.

"(e) MISREPRESENTATION PROHIBITED.—No candidate or agent of a candidate or other person shall knowingly misrepresent to any contributor or potential contributor the status as a qualified candidate of any candidate for the office of Senator or the eligibility of the contributor to receive a tax credit under the provisions of this section.

"SEC. 24B. REPORT ON USE OF POLITICAL TAX CREDITS.

"Not later than the June 30 following each Federal election, the Secretary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, and to the Federal Election Commission, a report on the use by taxpayers of the tax credits allowable under sections 24 and 24A and on compliance with the provisions and restriction that such sections place on the use of such credits.".

(b)(1) Section 24(a) of such Code is amended by striking out all after "this chapter" and inserting in lieu thereof "in the taxable year of a congressional general election, an amount equal to one-half of all political contributions, payment of which is made by the taxpayer within that taxable year or within the preceding taxable year.".

(2) Section 24(c)(1)(A) of such Code is amended by—

(1) striking out "Federal,",

(2) striking out the comma after "State", and

(3) inserting after "public office" the following: "or the office of President or United States Representative".

(3) Section 24(c)(1)(B) of such Code is amended by—

(A) striking out "Federal,",

(B) striking out the comma after "State", and

(C) inserting after "public office" the following: "or the office of President or United States Representative".

(4) Section 24(c)(2) of such Code is amended in the matter before subparagraph (A) by—

(A) striking out "Federal,",

(B) striking out the comma after "State", and

(C) inserting after "public office" the following: "or the office of President or United States Representative".

(5) The section heading for section 24 of such Code is amended to read as follows:

"SEC. 24. CONTRIBUTIONS TO CANDIDATES FOR THE OFFICE OF PRESIDENT OR UNITED STATES REPRESENTATIVE, TO CANDIDATES FOR STATE AND LOCAL OFFICE AND TO POLITICAL COMMITTEES.".

(c) The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 is amended by striking out the item relating to section 24 and inserting in lieu thereof the following:

"Sec. 24. Contributions to candidates for the office of President or United States Representative, to candidates for State and local office, and to political committees.

"Sec. 24A. Contributions to candidates for the office of United States Senator.

"Sec. 24B. Report on use of political tax credits.".

SEC. 3. The Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end thereof the following new title:

"TITLE V—FINANCING OF GENERAL ELECTION CAMPAIGNS FOR THE SENATE

"DEFINITIONS

"SEC. 501. When used in this title—

"(1) The term 'Secretary' means the Secretary of the Treasury or his delegate.

"(2) The term 'authorized committee' means, with respect to any candidate for election to the office of Senator of the United States, any political committee which is authorized by such candidate to accept contributions or make expenditures on behalf of such candidate to further the election of such candidate.

"(3) The term 'qualified candidate' means a candidate who has established eligibility for tax credits for his contributions under section 502.

"(4) The term 'election' means any general or special election which directly results or can directly result in the election of a person to the office of Senator of the United States.

"(5) The term 'immediate family' means a candidate's spouse, and any child, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate, and the spouses of such individuals, and any child, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate's spouse, and the spouses of such individuals.

"CANDIDATE ELIGIBILITY

"SEC. 502. (a) To establish eligibility as a qualified candidate for the purposes of this title and the Internal Revenue Code of 1954 a candidate in an election, no earlier than January 1 of the year of a general election, or in the case of a special election, within 15 days after the deadline for qualification for the special election ballot shall—

"(1) certify to the Commission that such candidate and his authorized committees—

"(A) will not accept any contribution in violation of section 315(a) or make any expenditure which exceeds the limitations established in section 315(c) or section 503;

"(B) will maintain and place in a separate account, in accordance with section 507, contributions that qualify for the tax credit under section 24A of the Internal Revenue Code of 1954 and will use such funds to defray election campaign expenses incurred with respect to the period beginning with the day after the date on which the candidate qualifies for the election ballot under the law of the State involved and ending on the date of the election or the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election, whichever occurs first; and

"(C) will furnish campaign records, evidence of contributions and expenditures, and other appropriate information to the Commission and the Secretary and will cooperate in the case of any audit and examination conducted by the Commission under section 507; and

"(2) certify to the Commission that such candidate and his authorized committees have received threshold contributions aggregating not less than five percent of the total expenditure limitation of subsections (c) and (e) of section 315, at least 80 percent of the total amount of which was received from individuals who reside in the State in which the election is held.

"LIMITATION ON EXPENDITURES OF PERSONAL FUNDS

"SEC. 503. No qualified candidate who establishes eligibility under section 502 shall make expenditures from the personal funds of such candidate, or the funds of any member of the immediate family of such candidate, aggregating in excess of $35,000, with respect to the election involved.

"SUSPENSION OF EXPENDITURE LIMITATION

"SEC. 504. (a)(1) If any candidate in the election has not become a qualified candidate, the limitations established in sections 315(c) and 503, and the repayment provisions of section 507(d), shall not apply to any qualified candidate in the election involved, and any such qualified candidate shall be entitled to mail campaign matter in such election at the postal rates established for a qualified political committee under section 3626(e) of title 39, United States Code. All material mailed under this subsection shall receive the most expeditious handling and transportation afforded mail matter by the Postal Service.

"(2) As used in this subsection, the term 'candidate' means—

"(A) an individual who is the candidate of a political party whose candidate for the office of President in the preceding general election received, as the candidate of such party, at least 25 percent of the votes received by all candidates for such office; or

"(B) an individual who is seeking election as an independent or as a candidate of a political party whose candidate for the office of President in the preceding general election failed to receive, as the candidate of such party, at least 25 percent of the votes received by all candidates for such office, and who has received contributions, or made expenditures, aggregating at least 50 percent of the expenditure limitation contained in section 315(c).

"(b) If any qualified candidate exceeds the limitations established in section 315(c) or 503, except in the case of a qualified candidate whose limitations have been made inapplicable as provided in subsection (a)(1), the limitations established in sections 315(c) and 503 and the repayment provisions of section 507(d) shall not apply to any other qualified candidate in the election involved, and any other qualified candidate shall be entitled to mail campaign matter in the election at the postal rates established for a qualified political committee under section 3626(e) of title 39, United States Code. All material mailed under this subsection shall receive the most expeditious handling and transportation afforded mail matter by the Postal Service.

"(c) Any candidate referred to in subsection (a)(2)(B), who has received contributions, or made expenditures, aggregating at least 50 percent of the expenditure limitation contained in section 315(c), shall notify the Commission and all other candidates in the election within 48 hours (or 24 hours, in the 14 days preceding an election) after such funds are received or expended.

"(d) Any qualified candidate who exceeds the limitations established in section 315(c) or 503, except in the case of a qualified candidate whose limitations have been made inapplicable as provided in subsection (a)(1), shall notify the Commission and all other candidates in the election within 48 hours (or 24 hours, in the 14 days preceding an election) after such limitation has been exceeded.

"INDEPENDENT EXPENDITURES

"SEC. 505. (a) Any person who makes independent expenditures shall notify the Commission and each candidate in the election not later than 48 hours (or 24 hours, in the 14 days preceding an election) after such independent expenditures total more than $5,000 and thereafter shall make such notification each time such person's additional independent expenditures total $2,500 or more.

"(b) If with respect to an election, a total of more than $5,000 in independent expenditures is made in opposition to, or on behalf of an opponent of, a qualified candidate, such candidate shall be entitled to mail matter at the postal rate established for a qualified political committee under section 3626(e) of title 39, United States Code, with respect to an election in an amount equal to the value of the independent expenditures involved. All material mailed under this subsection shall receive the most expeditious handling and transportation afforded mail matter by the Postal Service. This subsection shall not apply to those independent expenditures that are covered under section 315(c) of the Communications Act of 1934 (47 U.S.C. 315(c)).

"(c) Expenditures by qualified candidates as provided in subsection (b) shall not count against the expenditure limit established in section 315(c).

"CERTIFICATION BY COMMISSION

"SEC. 506. (a) Not later than 48 hours after a candidate files a request with the Commission, containing the information specified in section 502 to establish eligibility under such section, the Commission shall certify such eligibility to the Secretary if the request contains—

"(1) such information in accordance with such procedures as the Commission may provide by regulation; and

"(2) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is

correct and fully satisfies the requirements of this title.

"(b) Initial certifications by the Commission under subsection (a) and all determinations made by the Commission under this title, shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 508 and judicial review under section 509.

"(c) Any candidate certified as a qualified candidate by the Commission shall thereafter and throughout the course of the election be subject to all provisions of this title.

"ACCOUNTING FOR CERTAIN CONTRIBUTIONS TO QUALIFIED CANDIDATES; REPAYMENT

"SEC. 507. (a) A qualified candidate for the office of Senator of the United States who receives contributions for an election that qualify for the tax credit under section 24A of the Internal Revenue Code of 1954—

"(1) shall keep such contributions in a separate account which will contain only funds so received and shall use such funds only to defray election campaign expenses incurred with respect to the period beginning with the day after the date on which the candidate qualifies for the election ballot under the law of the State involved and ending on the date of the election or the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election, whichever occurs first; and

"(2) shall include in each report required under section 304 the number and aggregate amount of all contributions that qualify for the tax credit under section 24A of such Code.

"(b) A qualified candidate who does not become eligible for the election within 30 days after the determination that the candidate is not eligible shall transfer to the Secretary all funds required to be placed in the special account established in compliance with this section.

"(c) Any funds remaining in the account established under this section after a qualified candidate has defrayed all campaign expenses in a general or special election shall be subject to section 313.

"(d) If the total aggregation of funds placed in the special account by any qualified candidate exceeds an amount equal to the limitation on expenditures established in section 315(c), the candidate shall transfer to the Secretary an amount equal to the amount by which the aggregation of funds in the account exceeds the limitation on expenditures. This provision shall not apply in the case of any qualified candidate whose limitation on expenditures has been made inapplicable as provided in section 504.

"EXAMINATION AND AUDITS

"SEC. 508. (a) After each general and special election, the Commission shall conduct an examination and audit of the campaign accounts of qualified candidates.

"(b) If the Commission determines that any portion of the funds placed in the special account in accordance with section 507 is not used in compliance with that section, the Commission shall so notify such candidate, and such candidate shall pay to the Secretary an amount equal to two times the amount of the misused funds.

"(c)(1) Any authorized committee of a qualified candidate that makes expenditures exceeding the limitation on expenditures under section 315(c) by 5 percent or less, shall pay to the Secretary an amount equal to the amount of the excess expenditure.

"(2) Any authorized committee of a qualified candidate that makes expenditures exceeding the limitation on expenditures under section 315(c) by more than 5 percent, shall pay to the Secretary an amount equal to three times the amount of the excess expenditure.

"ENFORCEMENT AND JUDICIAL REVIEW

"SEC. 509. (a) The Commission may bring a civil action in the appropriate United States district court to enforce any provisions of this title, including a civil action to recover any amounts determined to be payable to the Secretary as a result of an examination and audit made under section 508 and a civil action for declaratory or injunctive relief. The action may be brought in the district where the defendant resides or does business or in the United States District Court for the District of Columbia.

"(b) Any person who believes a violation of this title has occurred or will imminently occur may file a complaint with the Commission. The Commission shall expeditiously take whatever action may be appropriate with respect to such complaint.

"(c) Any person aggrieved by any action of the Commission under this title, including any person who has filed a complaint under subsection (b) which the Commission has either denied or failed to act on within 180 days, may bring a civil action against the Commission in the United States District Court for the District of Columbia. Any such action must be brought within 30 days after the act or failure to act complained of.

"(d) Actions brought under this section shall be treated on an expedited basis by the courts that hear them.

"(e) The Commission may, on behalf of the United States, appeal from, and petition the Supreme Court of the United States for certiorari to review judgments entered with respect to actions in which the Commission appears under this section.

"(f) The Commission may appear in any action filed under this section, either by lawyers employed in its office or by counsel whom it may appoint without regard to the provision of title 5, United States Code, concerning appointment in the competitive service, and whose compensation the Commission may fix without regard to the provisions of chapter 51 and chapter III of subchapter 53 of such title.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 510. There are authorized to be appropriated to the Commission and to the Secretary, for the purpose of carrying out functions under this title, such sums as may be necessary.".

SEC. 4. Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by striking out "SEC. 301. When used in this Act:" and inserting in lieu thereof "SEC. 301. Except as provided in section 501, when used in this Act—".

SEC. 5. Section 301(8)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)) is amended—

(1) in clause (i), by striking out "or" after the semicolon at the end thereof;

(2) in clause (ii), by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(3) by inserting after clause (ii) the following new clause:

"(iii) with respect to a candidate for the office of Senator of the United States and his authorized political committees, any extension of credit for goods or services relating to advertising on broadcasting stations, in newspapers or magazines, by direct mail (including direct mail fund solicitations) or other similar types of general public political advertising, if such extension of credit is—

"(I) in an amount of more than $1,000; and

"(II) for a period of more than 60 days after the date on which such goods or services are furnished, which date in the case of advertising by direct mail (including a direct mail solicitation) shall be the date of the mailing.";

SEC. 6. Section 304(a)(6)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)(A)) is amended by inserting after "as appropriate" the following: "(and to each other candidate in the election)".

SEC. 7. Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended—

(1) by redesignating paragraphs (4) through (8) as paragraphs (6) through (10), respectively; and

(2) by inserting after paragraph (3) the following new paragraphs:

"(4) A candidate for the office of Senator of the United States shall not accept, in a calendar year, contributions from multicandidate political committees, other than multicandidate committees of a political party, aggregating more than an amount equal to 20 percent of the total expenditure limit provided for in subsections (c) and (e) of section 315 for the State in which election is being sought, except that in the case of a candidate who is a candidate in a general election and a special election, such candidate may accept such contributions aggregating—

"(A) an amount equal to 20 percent of the total expenditure limit provided for in subsections (c) and (e) of section 315 for the State in which election is being sought with respect to such general election; and

"(B) an amount equal to 20 percent of the total expenditure limit provided for in subsections (c) and (e) of section 315 for the State in which election is being sought with respect to such special election.

For purposes of this paragraph, any contribution made in a year other than the calendar year in which the election is held with respect to which such contribution is made, is considered to be made during the calendar year in which such election is held, and any contribution made after the date of such election shall be considered a contribution with respect to such election only if such contribution is used to pay obligations incurred with respect to such election. The voting age population of each State shall be determined as certified under section 315(f) of this Act.

"(5) If any person (other than the candidate involved or the candidate's authorized agent) acts as an intermediary or a conduit for, or in any other way collects and transmits contributions that are earmarked or otherwise directed to the candidate, such contributions shall, for purposes of this Act, be considered contributions by both the original contributor and the intermediary or conduit.".

SEC. 8. (a) Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by redesignating subsections (c) through (h) as subsections (d) through (i), respectively, and by inserting after subsection (b) the following new subsection:

"(c) Except as otherwise provided in section 504, no qualified candidate for the office of Senator of the United States may make expenditures in excess of an amount equal to $500,000 plus 15 cents multiplied by the voting age population of the State in

which election is being sought, in the case of a campaign for election to such office. The voting age population of each State shall be determined as certified under section 315(f) of this Act.".

(b) Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) as so redesignated by subsection (a) is amended by striking out "subsection (b) of this section and subsection (d)" and inserting in lieu thereof "subsections (b), (c), and (e)".

(c) Section 315(d)(2)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)(2)(B) as so redesignated by subsection (a)) is amended by inserting after "calendar year 1974" the following: ", except that, with respect to the limitations established in paragraph (4) of subsection (a), and subsection (c), such term means the calendar year 1984".

SEC. 9. Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end thereof the following new paragraph:

"(4) In addition to the expenditures authorized under subsection (c), if with respect to an election for the office of Senator of the United States, the national committee of a political party or a State committee of a political party with which a qualified candidate (as defined in section 24A of the Internal Revenue Code of 1954) is affiliated certifies that it will not make all or a portion of the expenditures under such subsection on behalf of that candidate, that candidate may make such expenditures in the manner and to the extent authorized by subsection (e)(3) in lieu of the political party committee.".

SEC. 10. Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(2) by inserting after subsection (b) the following new subsection:

"(c)(1) If, with respect to an election for the office of Senator, any licensee shall permit any individual, political committee, or other person (other than a candidate for such office, or a political committee authorized by a candidate for such office or by a political party) to purchase time on a broadcasting station to support a candidate or to criticize the views, positions, actions, or qualifications of a candidate, the licensee shall provide to any candidate whose views, positions, actions, or qualifications were criticized, or to any opponent of the candidate supported, as the case may be, the opportunity to use the same amount of time on such broadcasting station, during the same period of the day, without charge, except that such licensee shall have no power of censorship over the material broadcast under this subsection.

"(2) As used in this subsection, the terms 'candidate', 'political committee', and 'political party' have the meanings given such terms in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431).".

SEC. 11. Section 3626(e) of title 39, United States Code, is amended by adding at the end thereof the following new paragraph:

"(3) The rates under paragraph (1) shall not apply with respect to any mailings on behalf of a candidate for the office of Senator provided for in section 315(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)).".

SEC. 12. If any provision of any amendment made by this Act, or the application of such provision to any person or circumstance, is held invalid, the validity of any other such provision and the application of such provision to other persons and circumstances shall not be affected thereby, except that if any provision of section 3 of this Act or the application of such provision to any person or circumstance is held invalid, then section 7 of this Act shall not apply.

SEC. 13. The amendments made by this Act shall apply to elections taking place 60 days after the date of enactment of this Act.●

By Mr. DOLE (for himself, Mr. COHEN, Mr. NICKLES, Mr. STENNIS, Mr. PRYOR, Mr. ABDNOR, Mr. RIEGLE, Mr. NUNN, Mr. BENTSEN, Mr. MITCHELL, Mr. SARBANES, Mr. SYMMS, Mr. DURENBERGER, and Mr. STAFFORD):

S. 472. A bill to amend title V of the Social Security Act and section 2102 of the Omnibus Budget Reconciliation Act of 1981, to modify the terminology relating to certain disabled children; to the Committee on Finance.

TERMINOLOGY RELATING TO PERSONS WITH DISABILITIES

Mr. DOLE. Mr. President, today I introduce legislation to amend the Social Security Act to modify the terminology relating to physically disabled persons.

The purpose of this bill is straightforward. It will strike the words "crippled" and "crippling" wherever they appear in the statute and insert in lieu thereof the terms "physically disabled" and "physical disability" respectively. This legislation would in no way change the intent of the Social Security Act.

The terminology used to refer to persons with disabilities is important. Language often persists in reinforcing attitudinal barriers which are more difficult than physical barriers to eliminate. The words we use, often rooted in archaic concepts of dependency and helplessness, can continue to perpetuate negative attitudes and corresponding patterns of response and expectation.

I believe that it is time that we modernize the Social Security Act so that it reflects a positive attitude in portraying persons with disabilities. I therefore encourage you, my colleagues, to support this legislation.

Mr. NUNN. Mr. President, I am pleased to have the opportunity to join the distinguished majority leader Mr. DOLE in support of this bill which will simply, yet significantly, alter the terminology used to refer to disabled children in that portion of the Social Security Act which relates to the Maternal and Child Health Services block grant. Passage of this measure will eliminate the use of the words crippled and crippling which imply helplessness and will substitute the more appropriate terms "physically disabled" and "physical disability."

For several years I have had the pleasure of meeting with representatives of the Georgia Council on Developmental Disabilities, an organization of 30 members appointed by the Governor to work for improving the lives of developmentally disabled persons. Last June, during a meeting in my office, I met Cheryl VanDiviere, an active council member from St. Simons Island, GA. Cheryl and the other council members present described some of their successful efforts to increase and improve services for people with disabilities in Georgia. The Georgia Council has been especially concerned about improving the public's perception of the physically and mentally challenged. The council's media campaign entitled "Yes, I Can!", which includes a television spot featuring Secretary of State Max Cleland, a triple amputee, is highly acclaimed.

While acknowledging that the Council of Developmental Disabilities has accomplished a great deal, Cheryl also reminded us that it is a difficult job to change the attitudes of the public toward disabled persons. Cheryl is a bright, articulate woman who is paraplegic and uses a wheelchair. She described a common problem she encounters as a disabled person—a barrier of prejudice and misunderstanding rather than a physical barrier. On several occasions when meeting people for the first time, Cheryl has found that people consider her handicap to mean that she is totally incapacitated—incapable of speaking, hearing, or understanding. People talk about her to her companions as if she cannot comprehend their comments. For some reason, the wheelchair is viewed, not as a means for mobility, but as a symbol of helplessness. The experience has made Cheryl angry and frustrated—and even more determined to continue working to educate the public about disabled people.

The elimination of words such as "crippled" and "crippling" from our statutes seems to be a small step toward educating the public, but it is an important one. Through language we communicate our thoughts and our attitudes. The attitude of the Federal Government should be positive; we should not encumber disabled persons with outdated words and attitudes which imply that they are helpless and crippled. We should speak with words that provide hope and that recognize the potential of all persons who are physically or mentally challenged.

By Mr. NICKLES (for himself and Mr. BOREN):

S. 473. A bill to amend the Clayton Act to temporarily prohibit hostile corporate takeovers of domestic petroleum corporations; to the Committee on the Judiciary.

MORITORIUM OF HOSTILE TAKEOVER OF DOMESTIC PETROLEUM CORPORATIONS

● Mr. NICKLES. Mr. President, earlier this month I introduced a bill and cosponsored another bill that were designed to remove some of the tax incentives that make the hostile takeover of corporations attractive. I have always felt that the Government should stay out of the merger business, except to guard against antitrust violations. And I still feel that way.

However, it is increasingly apparent that the Federal Government has been and is involved in these affairs due to the structure of our Tax Code. The Government in effect gives incentives to speculators to attack corporations purely in the short-term interest of their pocketbook, not in the interest of our country, the company, its employees, or the local communities. The Tax Code actually subsidizes these corporate raiders.

This is not free enterprise. I will defend the free enterprise system anytime and anywhere, but what we are seeing now is abuses of our free enterprise system. The most recent hostile takeover attempts are not being engineered by persons knowledgeable and able to run the acquired companies, but by persons who would dismantle and dismember these corporate citizens without a second thought.

Today I am introducing with Senator BOREN a bill to impose a 6-month moratorium on the hostile takeover of any large petroleum and/or natural gas corporation. This bill is unlike those that I have opposed in the past. This bill only deals with hostile takeovers, not all mergers. Second, this bill simply prohibits these hostile attempts, but does not add permanent restrictions on lease rights or other long-term prohibitions that previous bills proposed.

Third, previous bills suggested moratoriums while there were no plans of what to do in the interim. Well there are two bills now before the Senate Finance Committee and a third one that was introduced today. I encourage my colleagues to first move on this bill and then during the moratoria to examine closely these three bills I mentioned and other bills which would have the effect of making the Federal Government neutral on the merger question.

If the current Treasury tax simplification proposal is suggesting that interest deductibility on second homes should be denied, then it is certainly appropriate for the Senate to consider ending the deductibility on loans used to finance hostile takeovers. This is just one example of a possible step we could take during this moratoria period that would put a stop to these current abuses in our free enterprise system.●

● Mr. BOREN. Mr. President, today I am joining Senator NICKLES in introducing legislation to impose a temporary moratorium on hostile takeovers of domestic petroleum corporations. Congressman MICKEY EDWARDS has introduced similar legislation in the House of Representatives.

Vast sums of scarce credit are being consumed by these mergers. The present Tax Code also appears to encourage certain kinds of mergers. It is simply wrong to allow speculators motivated purely by personal financial gain to get tax benefits and to use up precious capital resources to destroy responsible corporate citizens and imperil thousands of jobs.●

By Mr. EXON (for himself, Mr. FORD, Mr. RIEGLE, Mr. MOYNIHAN, and Mr. ZORINSKY):

S. 475. A bill to amend the Motor Vehicle Information and Cost Savings Act to require certain information to be filed in registering the title of motor vehicles, and for other purposes; to the Committee on Commerce, Science, and Transportation.

ODOMETER TAMPERING BILL

Mr. EXON. Mr. President, today I am introducing legislation which seeks to remedy one of the largest consumer frauds being perpetrated on the American public; automobile and truck odometer rollback. This consumer fraud is not only one of the largest in terms of the number of consumers being defrauded, but it is also one of the most costly consumer frauds. It has been conservatively estimated that over 3 million used cars sold each year have had their odometers rolled back. It is also estimated that the average mileage reduction on a used car on which the odometer has been rolled back is 30,000 miles. This is equal to almost 3 years of driving by the average American.

The cost of this fraud to the consumer is even more astounding. The National Highway Traffic Safety Administration estimates the cost of odometer tampering to consumers is in excess of $2 billion annually. This amounts to an average cost to consumers of approximately $750 per car in cases where the odometer has been rolled back. However, because of the difficulty in tracing and identifying cars on which odometers have been rolled back, and the number of cars on which odometers have been rolled back, the number of cars involved, and the total cost to consumers may be substantially greater than current estimates indicate. Even more alarming is the fact that the practice of odometer rollback is increasing each year. Not only is this particular consumer fraud extremely lucrative, but in addition, it can be perpetrated with very little risk of ever being caught.

Mr. President, this is an extremely difficult problem to eliminate entirely, but certainly steps can be taken and should be taken to help enforcement agencies, as well as the general public, in identifying those vehicles which have odometers which have been rolled back. This bill is designed to create a record of odometer readings throughout the life of the vehicle which will greatly assist law enforcement personnel and individual used car consumers in identifying cars with tampered odometers.

Under current law, it is extremely difficult to identify cars on which the odometer has been rolled back. It is even more difficult to successfully prosecute those who engage in this fraud. Summarized briefly, this bill provides the following:

First, following the sale of a motor vehicle from one person to another, such vehicle may not be registered or licensed for use in any State unless: the seller discloses on his title certificate the true odometer reading as of the date of sale, and; the application by the new owner of the vehicle for a certificate of title is accompanied by the prior owner's most recent vehicle registration card.

Second, no registration card may be issued in any State unless the application for registration includes the odometer reading on the vehicle as of the date of the application.

Third, the State must take the odometer reading shown on the application and include it as part of the new registration card.

Fourth, the certificate of title issued by the State to the new owner must indicate the odometer reading as of the day of transfer—printed on the title—and the title must be printed in bank note intaglio printing process.

Fifth, in addition, the certificate of title must contain a space for the disclosure of the odometer reading when the car is sold in the future.

Sixth, all auction companies are required to maintain the following records for all cars sold at their auctions:

The name of the seller and the name of the buyer of the motor vehicle; the vehicle identification number of the motor vehicle; and the odometer reading on the date on which the auction company took possession of the motor vehicle.

Seventh, maximum criminal penalties are increased from 1 year to 3 years.

Eighth, maximum civil penalties are increased from $1,000 to $2,000 per violation.

Ninth, the Secretary of Transportation is granted the authority to approve alternative methods of complying with the requirements of the act upon application from a State, if such alternative compliance method is consistent with the purposes of the act.

Mr. President, I ask unanimous consent that the entire text of the bill be printed directly following the conclu-

sion of my remarks and that Senators FORD, RIEGLE, MOYNIHAN, and ZORINSKY be added as original cosponsors.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 475

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 408 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1988) is amended by adding at the end thereof the following new subsections:

"(d)(1) No motor vehicle, the ownership of which is transferred by any person to another person in interstate commerce, may be registered or licensed for use in any State, or used in interstate commerce, unless—

"(A) the application to the State by the new owner of such motor vehicle for a certificate of title is accompanied by—

"(i) the prior owner's most recent registration card for such motor vehicle; and

"(ii) the prior owner's title (containing the information required under paragraph (2), where applicable);

"(B) the certificate of title (or other document indicating ownership) of such motor vehicle which is issued by the State to the new owner following such transfer—

"(i) is printed in bank note intaglio printing process;

"(ii) indicates on its face the mileage required to be disclosed by the transferor under subsection (a); and

"(iii) contains a space for the transferee to disclose (in the event of a future sale or other transfer of title by such transferee) the mileage at the time of such future transfer and to sign and date such disclosures.

"(2) In the case of an application for a new certificate of title for a motor vehicle, if the prior owner's certificate of title contains the space referred to in clause (iii) of paragraph (1)(B), when such certificate of title is submitted to the State under clause (ii) of paragraph (1)(A), it shall contain a statement, signed and dated by such prior owner, of the mileage required to be disclosed by such prior owner under subsection (a).

"(3) No registration card may be issued in any State for any motor vehicle used in interstate commerce unless—

"(A) the application for such registration card contains the information specified in paragraphs (1) and (2) of subsection (a), determined as of the date on which such application is submitted by the owner of the motor vehicle; and

"(B) such registration card contains such information, as provided on the application.

"(4) Any State may submit to the secretary an alternative method for compliance with the requirements of this subsection by motor vehicles registered or licensed for use in the State. The Secretary may promulgate regulations establishing procedures for the consideration and approval of such alternative methods of compliance. No such alternative method may be approved unless the Secretary determines that such method is consistent with the purposes of this subsection.

"(e) If any motor vehicle is sold at an auction, the auction company which owns or operates the facilities at which such auction takes place shall maintain a record for a period of at least four years following the date of such sale that includes—

"(1) the name of the seller and the name of the buyer of the motor vehicle;

"(2) the vehicle identification number of the motor vehicle; and

"(3) the odometer reading on the date on which the auction company took possession of the motor vehicle.".

SEC. 2. Section 402 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1982) is amended by redesignating paragraphs (1) through (5) as (2) through (6), respectively, and by inserting before the newly designated paragraph (2) the following:

"(1) The term 'auction company' means any person who takes possession (whether through consignment, bailment, or through any other arrangement) of a motor vehicle owned by another person for purposes of selling such motor vehicle at an action.".

SEC. 3. (a) Paragraphs (1) and (2) of section 408(d) of the Motor Vehicle Information and Cost Savings Act, as added by the first section, shall apply with respect to motor vehicles which are transferred after eighteen months after the date of enactment of this Act.

(b) Section 408(d)(4) of the Motor Vehicle Information and Cost Savings Act, as added by the first section, shall apply with respect to motor vehicles which are registered in any State after eighteen months after the date of the enactment of this Act.

(c) Section 408(e) of the Motor Vehicle Information and Cost Savings Act, as added by the first section, shall apply with respect to motor vehicles which are sold by an auction company after eighteen months after the date of the enactment of this Act.

(d) For purposes of this section, the terms "motor vehicle" and "auction company" shall have the same meanings as used in the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1901 et seq.).

SEC. 4. (a) Section 412(a) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1990b(a)) is amended by striking out "$1,000" and inserting in lieu thereof "$2,000".

(b) Section 413(a) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1990c(a)) is amended by striking out "one year" and inserting in lieu thereof "three years".

By Mr. ZORINSKY (for himself, Mr. MELCHER, Mr. FORD, Mr. HARKIN, Mr. EXON, and Mr. BOREN):

S.J. Res. 49. Joint resolution to provide emergency credit assistance to the Nation's farmers and ranchers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

EMERGENCY FARM CREDIT ASSISTANCE ACT

Mr. ZORINSKY. Mr. President, today I am introducing emergency agricultural credit legislation that will provide much needed assistance for many farmers experiencing financial stress due to low farm income, high-interest rates, and declining farmland values.

The proposal I am offering is fiscally sound. It does not create any new bureaucracies and the responsibilities associated with making this assistance available will be shared with lenders, Federal and State governments, and farmers.

During the past several weeks, I have urged the President and Secretary of Agriculture to use authorities under existing law to address farm credit problems. However, the Office of Management and Budget's response has been to rule out most proposals other than to offer telephone hot lines and various action teams. Those steps are fine but the worst agricultural crisis in half a century requires much more.

INDICATORS OF STRESS IN THE FARM ECONOMY

The threat of foreclosure is the most serious and demoralizing aspect of the current depressed agricultural economy. Although some would say that the media has sensationalized the financial problems of farmers, I believe there is an abundance of evidence proving that our family farm system of agriculture is threatened with extinction by the present credit crisis.

During the last 3 years, over 24,000 farmers with Farmers Home Administration loans have been forced to liquidate their operations due to financial reasons. As a result of overseeing record numbers of farm liquidations since 1981, FmHA now has over 2,200 farms in inventory. Prior to 1981, the number of farms held by FmHA had never exceeded 260. The farms held by FmHA consist of about 488,000 acres having a value of several hundred million dollars.

It should be noted that this unprecedented number of liquidations has occurred during a time when Federal courts greatly limited the number of foreclosure actions the Farmers Home Administration could initiate. FmHA has been working to revise its loan liquidation regulations to comply with court orders. Those revisions will be completed by spring; at that time the number of liquidations can be expected to dramatically escalate.

The General Accounting Office has recently reported to me that 16,000 Farmers Home Administration farm borrowers with outstanding loans of over $3 billion are so far behind on their payments that liquidation appears to be inevitable.

FmHA borrowers are not only farmers experiencing difficulty. The Department of Agriculture estimates that about 18 percent—or 430,000 farmers—have debt to asset ratios that are dangerously high, in excess of 40 percent.

In its 1985 agriculture and credit outlook report, the Farm Credit Administration states that production credit association loan-losses totaled $500 million during the past 2 years. That amount exceeds the combined losses during all the other years in the 50-year history of PCA's. Further, the Farm Credit Administration estimates that over 3 percent of all farm credit system borrowers could be forced out of business during the next 12 to 18 months.

In addition, farmers have lost an unprecedented amount of equity in their

operations during the last 4 years—$200 billion in inflation adjusted dollars. Further, the rate of return to equity in farm assets has been negative for the past 4 years. Although farmers have traditionally realized a low rate of return on their investment, prior to the Reagan-Stockman-Block years, 1953 was the last time the rate of return to equity was negative.

The long-term solution to farm credit problems is stronger commodity prices and improved farm income. Those issues will be addressed in the 1985 farm bill. However, unless immediate action is taken to provide emergency credit relief, thousands of farmers will be forced out of business before the 1985 crop is even planted.

For that reason, I have developed this emergency credit assistance proposal that will enable farmers to plant a crop this spring and restructure their debt to make them financially sound in future years.

FAILURE TO TAKE ADMINISTRATIVE ACTION NECESSITATES LEGISLATION

As I have indicated, the administration's response to recommendations that discretionary authorities be used to provide immediate credit relief has been inadequate. Because appropriate administrative actions have not been taken, the bill I have developed requires the administration to begin using certain administrative authorities.

Under this legislation, the Farmers Home Administration would be required to take immediate action to hire additional personnel on a temporary basis to process and service loans; reduce the interest rate on direct loans; and eliminate unnecessary administrative requirements that have discouraged participation in the Debt Set-aside program and the Loan Guarantee Program. In addition, the legislation requires FmHA to act within 15 days on requests from lenders to be designated as approved lenders—a step that will expedite the processing of loan guarantee applications.

Further, this legislation establishes a special task force to study agricultural credit problems and make recommendations on what steps can be taken to provide long-term solutions.

The Senate called for the establishment of such a task force on May 2, 1984, when Senate Resolution 287 was approved. Under that proposal, the task force would have completed its work by January 1, 1985. It is unfortunate that we must now address agricultural credit problems without the benefit of the task force's recommendations.

The many problems surrounding farm credit are complex and serious, and are related to other aspects of the national economy. Federal farm credit programs cannot address the weaknesses in the overall economy caused by bankrupt fiscal policies that result in huge budget deficits, but they must be adjusted to reflect the credit problems for farmers stemming from these policy failures.

A careful, unbiased examination of our Nation's agricultural credit industry and Federal agricultural credit policies will assist the administration and Congress in developing long-term legislative remedies.

NEW AUTHORITIES NEEDED

In addition to requiring the administration to use the discretionary authorities I have mentioned, the legislation I am introducing would provide several new and expanded authorities. Those provisions would:

Provide $2.35 billion in additional loan guarantee authority for the Farmers Home Administration;

Authorize the Farmers Home Administration to provide $200 million in matching funds to States that implement a program to buy down the interest rate on loans made by commercial or cooperative lenders;

Authorize transition assistance for certain Farmers Home Administration borrowers to ease the hardship resulting from insolvency;

Require the Farm Credit Administration to study the feasibility of obtaining insurance to protect the financial integrity of farm credit system institutions and thereby protect farm credit system borrowers and investors; and

Direct Federal bank regulators to exercise caution and restraint in adversely classifying agricultural loans.

Without the type of credit assistance I have outlined, thousands of farmers will be faced with financial ruin. Agricultural credit needs cannot be ignored any longer if we are to avoid irreversible injury to our Nation's family farm system of agriculture. Further, unless we act quickly to assist our Nation's farmers, what is not an agricultural credit crisis will quickly develop into an ecomomic disaster for all of rural America.

I ask unanimous consent that the text of the joint resolution, a brief explanation of the legislation, and the text of the cover letter from the report issued by the General Accounting Office be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S.J. RES. 49

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That this joint resolution may be cited as the "Emergency Farm Credit Assistance Act of 1985".

TITLE I—EMERGENCY FARM CREDIT ASSISTANCE

ADDITIONAL LOAN GUARANTEE AUTHORITY

SEC. 101. Section 346 of the Consolidated Farm and Rural Development Act is amended by adding at the end thereof a new subsection (f) as follows:

"(f) In addition to any amounts heretofore authorized for loan guarantees under this Act for fiscal year 1985, there are hereby authorized to be guaranteed under the Agricultural Credit Insurance Fund $2,350,000,000 in farm operating loans for fiscal year 1985.".

TRANSITION ASSISTANCE FOR CERTAIN BORROWERS

SEC. 102. The Consolidated Farm and Rural Development Act is amended by inserting after section 331B as new section 331C as follows:

"TRANSITION ASSISTANCE FOR CERTAIN BORROWERS

"SEC. 331C. (a) Any borrower owing claims or obligations administered under this title and facing imminent foreclosure or bankruptcy may be released from personal liability and receive a release of any lien the Secretary may hold upon the borrower's assets valued not in excess of $10,000, as determined by the Secretary on the basis of their current market value, if—

"(1) in accordance with regulations issued by the Secretary, the remaining security property is transferred to the Secretary or the remaining security property is sold by the borrower and the proceeds paid to the Secretary on such claims or obligations;

"(2) the borrower has a negative net worth at the time of the transaction;

"(3) the borrower certifies that the released assets or cash realized from the sale of the assets will be used to assist in the transition from farming and ranching and not for other purposes;

"(4) the Secretary determines that the borrower has no reasonable debt-paying ability, considering the assets and income of the borrower at the time of the transaction; and

"(5) the county committee certifies that the borrower has acted in good faith, used due diligence to maintain the security property from loss, and has otherwise fulfilled the covenants incident to the loan to the best of the borrower's ability.

"(b) Notwithstanding any other provision of this Act, the Agricultural Credit Insurance Fund established under section 309 of this Act may be used by the Secretary in implementing this section.".

FEDERAL-STATE COOPERATIVE INTEREST BUY-DOWN PROGRAM

SEC. 103. Effective for the period beginning on the date of enactment of this Act and ending September 30, 1986, the Consolidated Farm and Rural Development Act is amended by adding at the end thereof a new section 350 as follows:

"FEDERAL-STATE COOPERATIVE INTEREST BUY-DOWN PROGRAM

"SEC. 350. (a) To assist farmers and ranchers whose debts are restructured by commercial or cooperative lenders, the Secretary may make grants to States for use in buying down the interest rates charged by such lenders.

"(b) The grant program established under this section shall—

"(1) be used to provide interest reduction payments on loans secured by real estate or other assets made to restructure debts;

"(2) provide for interest reduction agreements of not less than three years; and

"(3) except as provided in subsection (d), be administered by States that provide equal matching funds for interest reduction payments.

"(c) The Secretary shall provide, and the State may provide, for the recapture of any assistance provided under this section from the assisted borrower or such borrower's

heirs upon the disposition of, or other transfer of title or ownership to, the real estate or other assets. The amount to be recaptured shall be secured by a lien on the real estate or other assets.

"(d) The Secretary shall make grants for interest reduction payments under this section without requiring that a State provide equal matching funds whenever the Secretary determines that it would not be practicable for such State to provide matching funds.

"(e) Notwithstanding any other provision of this Act, the Agricultural Credit Insurance Fund established under section 309 of this Act may be used by the Secretary in implementing this section.

"(f) The total amount of funds used by the Secretary in making grants under this section shall not exceed $200,000,000.".

IMPROVEMENTS IN THE FARMERS HOME ADMINISTRATION FARM DEBT RESTRUCTURING PROGRAM

SEC. 104. The Consolidated Farm and Rural Development Act is amended by adding at the end thereof a new section 349 as follows:

"Implementation of the Debt Adjustment Program and the Program for Special Set-Asides of Farmer Program Indebtedness

"SEC. 349. Notwithstanding any other provision of law—

"(a) In implementing the debt adjustment program established under section 339 of this title on October 19, 1984, the Secretary—

"(1) shall permit lenders to qualify for a loan guarantee under the program without requiring that lenders cancel any portion of the total principal or interest outstanding on the existing indebtedness owed by the borrower;

"(2) shall provide that, for the purposes of the program, a cash flow that reflects a balance available of 100 per centum of the amount needed to pay all the year's debt due, including anticipated tax liability, will be considered a positive cash flow; and

"(3) shall make guarantees available for up to 90 per centum of a loan for an amount not in excess of the outstanding principal and interest owed on the existing indebtedness being adjusted under the program.

"(b) In implementing the program for special set-asides of a portion of the indebtedness under Farmers Home Administration farmer program loans established under section 339 of this title on October 19, 1984, the Secretary shall provide that, for the purposes of the program if a farm and home plan for the typical year shows a balance available of 100 per centum of the amount needed to pay all the year's debts due, including tax liability, the borrower will be considered to have a positive cash flow projection.".

SPECIAL REDUCED INTEREST RATES ON FARMERS HOME ADMINISTRATION FARM OWNERSHIP AND OPERATING DIRECT LOANS

SEC. 105. (a) Effective for the period beginning October 1, 1984, and ending September 30, 1986, section 307(a)(2) of the Consolidated Farm and Rural Development Act is amended by changing the period at the end thereof to a colon and inserting the following:

"Provided, That where joint financial assistance is being provided by commercial or cooperative lenders, such interest rates on insured loans shall not exceed one-half of the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, plus not to exceed 1 per centum, as determined by the Secretary, and adjusted to the nearest one-eighth of 1 per centum.".

(b) Effective for the period beginning October 1, 1984, and ending September 30, 1986, section 316(a)(1) of the Consolidated Farm and Rural Development Act is amended by changing the period at the end of the second sentence to a colon and inserting the following:

"Provided, That where joint financial assistance is being provided by commercial or cooperative lenders, the interest rates on such loans, except for guaranteed loans and loans as provided in paragraph (3), shall not exceed one-half of the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, plus an additional charge not to exceed 1 per centum as determined by the Secretary, which charge shall be deposited in the Rural Development Fund or the Agricultural Credit Insurance Fund, as appropriate and adjusted to the nearest one-eighth of 1 per centum.".

IMPROVEMENTS IN THE PROCESSING OF APPLICATIONS FOR FARMERS HOME ADMINISTRATION LOANS

SEC. 106. (a)(1) Congress finds that—

(A) persistently low farm income (due in part to weak export demand), high interest rates, and declining farmland values have created severe financial stress for many farmers;

(B) many financially stressed farmers have turned to the Farmers Home Administration for assistance (including insured loans, loan guarantees, deferral of loan payments, and restructuring of debt) in coping with their credit-related problems; and

(C) it is essential for the national welfare that farmers' requests to the Farmers Home Administration for assistance be processed as expeditiously as possible, especially in light of the need of many farmers to resolve their credit problems in a timely manner to be able to plant and cultivate the 1985 crops.

(2) The Secretary of Agriculture shall immediately take steps—using authorities of law provided to the Secretary, including the Agricultural Credit Insurance Fund and the employment procedures used in connection with the emergency disaster loan program—to make personnel and other resources of the Department of Agriculture available to the Farmers Home Administration sufficient to enable to Farmers Home Administration to process applications from farmers for assistance expeditiously and in a timely manner with respect to farm operations relating to the planting and cultivation of the 1985 crops.

(b) Subsection (h) of section 309 of the Consolidated Farm and Rural Development Act is amended by—

(1) designating the existing text thereof as paragraph (1); and

(2) inserting at the end thereof a new paragraph (2) as follows:

"(2) In implementing the approved lender program established under section 339 of this Act on May 4, 1984, the Secretary shall ensure that each request of a lending institution for designation as an approved lender under the program be reviewed, and a decision made on the application, within fifteen days after the lending institution has submitted a completed application to the Farmers Home Administration.".

REGULATIONS

SEC. 107. Notwithstanding any other provision of law, the Secretary of Agriculture shall issue or amend regulations to implement the provisions of this title as soon as practicable, but not later than fifteen days after the date of enactment of this title.

TITLE II—TASK FORCE ON AGRICULTURAL CREDIT

SHORT TITLE

SEC. 201. This title may be cited as the "Agricultural Credit Task Force Act of 1985".

FINDINGS AND DECLARATION OF POLICY

SEC. 202. (a) Congress finds that—

(1) agriculture is the Nation's most basic industry, and its associated production, processing, and marketing sectors, together, provide more jobs than any other single industry;

(2) United States agriculture is the world's most productive and the world's largest exporter;

(3) United States agricultural producers are the basic element in the food and fiber system and their ability to make a profit and meet their financial obligations is critical to their remaining in business;

(4) technological developments have greatly increased the capital requirements of agricultural production;

(5) agricultural-related debt has risen from approximately $50,000,000,000 in 1970 to approximately $215,000,000,000 in 1984;

(6) a general decline in the financial condition of producers, as evidenced by increases in the average debt-to-asset ratio and debt-to-equity ratio, threatens the ability of producers to obtain the credit needed to continue their operations;

(7) it is essential that producers be able to obtain adequate credit at interest rates conducive to debt servicing and profit making; and

(8) the foundation of the Nation's agricultural system will be adversely affected if producers are unable to obtain a return on their investment that enables them to service their debt and continue their operations

(b) It is hereby declared to be the policy of Congress to take such steps as may be necessary to enable United States agricultural producers to obtain adequate credit at interest rates conducive to debt servicing and profit making so as to ensure that the Nation has an adequate and dependable supply of food and fiber at reasonable prices.

ESTABLISHMENT OF AGRICULTURAL CREDIT TASK FORCE

SEC. 203. (a) There is established a National Task Force on Agricultural Credit to conduct a study of the credit problems confronting United States agricultural producers and related businesses.

(b)(1) The Task Force shall be composed of fifteen persons appointed or designated by the President and selected as follows:

(A) the President shall select five members; and

(B) the Speaker of the House of Representatives and the Majority Leader of the Senate shall each select five members.

(2) In selecting persons as members of the Task Force, the President, the Speaker, and the Majority leader shall endeavor to ensure that the Task Force has a balanced membership representing all major functions in agriculture, such as farmers, suppliers, marketers, and lenders.

(c) A vacancy in the Task Force shall be filled in the manner in which the original appointment was made.

(d) The Task Force shall elect a chairman from among the members of the Task Force.

(e) The Task Force shall meet at the call of the chairman or a majority of the Task Force.

CONDUCT OF STUDY

SEC. 204. The Task Force shall—

(1) identify and describe the components of the existing agricultural credit system;

(2) identify and describe the credit needs of agricultural producers and related businesses; and

(3) evaluate the ability of the existing agricultural credit system to meet the credit needs of agricultural producers.

SEC. 205. (a) On the basis of its study, the Task Force shall make findings and develop recommendations for consideration by the President and Congress with respect to the agriculture-related credit policies, programs, and practices of the United States, and the manner in which such policies, programs, and practices can be improved to ensure that United States agricultural producers obtain adequate credit at interest rates conducive to debt servicing and profit making.

(b) The Task Force shall submit to the President and Congress—

(1) such interim reports on its work as may be requested by the chairman of the House Committee on Agriculture or the chairman of the Senate Committee on Agriculture, Nutrition, and Forestry; and

(2) a report containing the final results of its study and recommendations therefrom by September 1, 1985.

ADMINISTRATION

SEC. 206. (a) The heads of Executive agencies, the General Accounting Office, and the Congressional Budget Office shall, to the extent permitted by law, provide the Task Force such information as it may require in carrying out its duties and function.

(b) Members of the Task Force shall serve without any additional compensation for work on the Task Force. However, members appointed from among private citizens of the United States may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the government service under sections 5701 through 5707 of title 5, United States Code.

(c) Upon request of the Task Force, the Secretary of Agriculture and the Governor of the Farm Credit Administration shall furnish the Task Force with such personnel and support services as are necessary to assist the Task Force in carrying out its duties and functions.

(d) Upon request of the Task Force, the heads of other Executive agencies and the General Accounting Office are each authorized to furnish the Task Force with such personnel and support services as the head of the agency or office and the chairman of the Task Force agree are necessary to assist the Task Force in carrying out its duties and functions.

(e) The Task Force shall not be required to pay or reimburse any agency or office for personnel and support services provided under this section.

TERMINATION

SEC. 207. The Task Force shall terminate sixty days after the transmission of its final report to the President and Congress.

TITLE III—RESTRAINT IN ADVERSELY CLASSIFYING AGRICULTURAL LOANS; PROTECTION OF FARM CREDIT SYSTEM BORROWER CAPITAL

CAUTION AND RESTRAINT IN ADVERSELY CLASSIFYING LOANS MADE TO FARMERS AND RANCHERS

SEC. 301. (a) Congress finds that—

(1) high agricultural production costs, low prices for some commodities, and declining farmland values have combined to greatly reduce the income of many agricultural producers and to subject these producers, through no fault of their own, to severe economic hardship and, in many cases, to temporarily impair the ability of such producers to meet loan repayment schedules in a timely fashion;

(2) a policy of adverse classification of agricultural loans—that is, designating such loans as problem loans—by Federal bank examiners under these circumstances could trigger a wave of farm foreclosures and similar actions that would depress land values and the value of agricutural facilities and equipment; and

(3) liquidations of agricultural assets on a broad scale would have a devastating effect on farmers and the banking industry, and on rural United States in general.

(b) Notwithstanding any other provision of law, to guard against improper and untimely liquidations of agricultural assets, the Federal bank regulatory agencies shall ensure that examiners, in carrying out their duties, exercise caution and restraint in making adverse classifications with respect to agricultural loans. Examiners shall give due consideration not only to the current cash flow of agricultural borrowers under financial stress, but also to factors such as loan collateral and ultimate repayment ability. Futher, regulatory agencies shall continue this policy for so long as the condition of the agricultural economy and the effects of natural disasters temporarily impair the ability of agricultural borrowers to meet scheduled loan repayments.

(c) Not later than ninety days after the enactment of this title, the Chairmen of the Board of Directors of the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Chairmen of the Board of Governors of the Federal Reserve Board shall report to Congress on the actions they have taken to carry out this section.

PROTECTION OF FARM CREDIT SYSTEM BORROWER CAPITAL

SEC. 302. (a) The Farm Credit Administration shall conduct a study regarding the need for establishment of a fund to be used to insure System institutions against losses on loans or for any other purpose that would assist in stabilizing the financial conditions of the Farm Credit System and provide for the protection of borrower capital. In conducting the study, the Farm Credit Administration shall consider the advisability of using the revolving funds provided for in section 4.1 of the Farm Credit Act of 1971 to provide start-up capital for any insurance fund and estimate the amount and level of future assessments for System institutions that would be necessary to ensure the long-term liquidity of such an insurance fund.

(b) The Farm Credit Administration shall submit a report containing the results of the study required by this section to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry not later than one hundred and eighty days after the enactment of this title.

EXPLANATION OF SENATOR ZORINSKY'S EMERGENCY AGRICULTURAL CREDIT ASSISTANCE PROPOSAL

TITLE I

Emergency Farm Credit Assistance

Additional Farmers Home Administration Loan Guarantee Authority.—The legislation authorizes $2.35 billion in loan guarantee authority in addition to the $650 million already available for fiscal year 1985.

Loan guarantees result in Federal expenditures only when a borrower—whose loan has been guaranteed up to 90 percent of the principal amount—is unable to meet his obligations. The lender and the Government share in the loss. Historically, the loss rate has been about 5.5 percent on Farmers Home Administration loan guarantees. Assuming that loss rate, the cost of this provision will be less than $130 million, realized over several years.

Transition assistance for certain Farmers Home Administration borrowers.—The legislation authorizes the Farmers Home Administration to release to certain borrowers up to $10,000 (current market value) in assets used as security for a loan. The assistance is directed to borrowers who have a negative net worth and who are faced with imminent foreclosure or bankruptcy.

The proposal is designed to allow qualified borrowers to keep or liquidate enough assets so that the borrower will have $10,000 in cash or assets with which to assist in a transition out of farming. The borrower, in consideration for his transition assistance, would convey the remainder of his property to the Government or conduct a sale of the property.

The program would save the Government the legal fees and administrative problems associated with foreclosure or bankruptcy proceedings. In addition, the problems of abandonment would be reduced and the Government would likely recover more of the principal owed if a farmer had some incentive to conduct a sale of his property and maintain the property until it is liquidated and the proceeds applied against his loan.

Federal/State interest buy-down.—The legislation authorizes the Farmers Home Administration to use the resources of the Agricultural Credit Insurance Fund to provide $200 million in matching funds to States that implement a program to buy down the interest rate on loans made by commercial or cooperative lenders. The legislation requires the Secretary of Agriculture to make exceptions and allow Federal funds to be used to buy down interest rates in cases where it is not practicable for States to provide matching funds.

Under the legislation, the interest buy-down would apply to at least the first three years of loans made for the purpose of restructuring a borrower's debts. The Federal interest subsidy would be recaptured when the land or other asset is sold or the title is otherwise transferred. The States would also have the option to recapture the interest subsidy.

It is estimated that this program would allow a 5 percent interest buy-down on $3.5 billion in principal.

Improvements in the Farmers Home Administration Farm Debt Restructuring Program

Improvements in the loan guarantee program.—The legislation eliminates the exist-

ing administrative requirements that lenders must write off part of the principal or interest to obtain a loan guarantee. Under this provision, lenders could voluntarily write off principal or interest if that was necessary to ensure repayment ability.

Modification of cash flow requirements.—The legislation modifies the Farmers Home Administration existing regulations that require borrowers—as a condition of eligibility for the loan deferral or the debt set-aside program—to show that they have 110 percent of the cash flow needed to meet their obligations. The legislation lowers the cash flow requirement to 100 percent of borrower debt obligations.

Interest rate reduction on direct loans.—The legislation reduces the interest rate on Farmers Home Administration direct loans to one-half the Treasury's cost of borrowing on 50 percent of the direct loan funds available for fiscal years 1985 and 1986. The provision will be applied retroactively for loans already approved.

Borrowers may use these low-interest loan funds in conjunction with loans from commercial or cooperative lenders. The blend of commercial or cooperative credit with Farmers Home Administration credit would effectively reduce the amount of interest a borrower must pay to obtain credit.

Additional personnel for loan processing.—The legislation directs the Secretary of Agriculture to use existing authorities to hire additional personnel to process Farmers Home Administration farm loan applications.

Improvements in the approved lender program.—The legislation requires the Farmers Home Administration to act on the request of a lender for designation as an approved lender within 15 days after the lender has submitted a completed application.

Regulations.—The legislation requires the Secretary of Agriculture to issue regulations implementing this title as soon as practicable, but not later than 15 days after enactment.

TITLE II

Agricultural credit task force.—The legislation establishes a special task force to study agricultural credit problems and make recommendations on what steps can be taken to provide long-term solutions. Under the legislation, the task force must complete its final report by September 1, 1985.

Such a task force was called for in Senate Resolution 287, which was approved on May 2, 1984.

TITLE III

Classification of loans by Federal bank regulators.—The legislation directs Federal bank regulators to exercise caution and restraint in adversely classifying agricultural loans. The legislation requires the specified banking regulators to report to Congress within 90 days of enactment on the actions they have taken to carry out these provisions.

Protection of Farm Credit System borrower capital.—The legislation requires the Farm Credit Administration to study the feasibility of obtaining insurance that will effectively protect Farm Credit System borrower stock. Under the legislation, the study must be completed within 180 days.

Farm Credit System borrowers are required to invest capital, in the form of stock, in the lending institution from which they obtain a loan. In the event of financial problems, the stock or "risk capital" might be partially or entirely lost as was the case when several production credit associations began liquidation proceedings during the past year.

U.S. GENERAL ACCOUNTING OFFICE,
Washington, DC, February 6, 1985.

Re B-217648.

Subject: Information on Delinquent Borrowers in Farmers Home Administration Major Farmer Loan Programs (GAO/RCED-85-71).

Hon. EDWARD ZORINSKY,
Ranking Minority Member, Committee on Agriculture, Nutrition, and Forestry, U.S. Senate, Washington, DC.

DEAR SENATOR ZORINSKY: On November 1, 1984, your staff asked whether we had developed any information on delinquent Farmers Home Administration (FmHA) borrowers as part of our ongoing review of FmHA's management of farm property. Specifically, your staff was interested in the number of and length of time borrowers were delinquent in FmHA's five major farmer loan programs: farm ownership, operating, economic emergency, emergency disaster, and soil and water.

On November 20, 1984, we provided your staff with an oral briefing on the information we had developed on delinquent FmHA borrowers. At that time your staff stated that the information presented was very useful and requested that we provide you with a brief written explanation of the methodology used to obtain the information and any documentation, such as data tabulations, that showed the results of our work. The following information summarizes the data we tabulated on FmHA delinquent borrowers.

As of June 30, 1984, there were 267,252 active FmHA borrowers with one or more of the major farmer program loans. Of these active borrowers, 94,035 or about 35 percent were delinquent.

These 94,035 borrowers were about $5.4 billion delinquent on scheduled payments (principal and interest) for loans representing over $14 billion in unpaid outstanding principal.

Of these delinquent borrowers, 16,093 or 17 percent, were delinquent on at least one FmHA farm loan for over 4 years. These over 4 year delinquent borrowers have a net delinquent amount of over $2 billion in payments for loans representing over $3 billion in unpaid outstanding principal.

We are providing you with three enclosures which provide details on this information. The first enclosure provides data on the status of delinquent borrowers for the five farmer loan programs as of June 30, 1984. The information was obtained by analyzing FmHA's computerized Master Borrower File. This file is used by FmHA to generate FmHA Report 616 on the status of active delinquent borrowers in all FmHA loan programs. Because of variances in FmHA and our programming and format methodology, there are some minor number differences (as explained in the enclosure) between our data and FmHA loan and borrower data.

The second enclosure presents historical FmHA data on delinquent borrowers for the five farmer loan programs over a 10 year period, 1975 through 1984. This data was obtained directly from FmHA Report 616. The third enclosure presents data on the number of FmHA borrowers with farm ownership loans that were delinquent over 4 years and the number of FmHA borrowers with farm ownership loans whose farm property was acquired by FmHA during the period 1975 through 1983. Data on delinquent borrowers was obtained from FmHA Report 616 and data on borrowers whose farm properties were acquired by FmHA was obtained from FmHA Report 592. However, no valid, direct correlation or trend analysis can be made between the length of time a borrower is delinquent and FmHA's acquisition of the property as explained in the enclosure.

Each enclosure contains a brief explanation of the table or graph presented, the methodology used to develop the information, and an explanation of any data limitations.

Although we did not test the validity of the FmHA data used in our tabulations, we did provide copies of our work to appropriate FmHA officials and they concurred that it was valid and accurate.

If you have any additional questions or if we can be of any further assistance on this issue, please feel free to contact Jim Wells of my staff on 475-4880.

Sincerely yours,

RALPH W. PERLONE,
(For J. Dexter Peach, Director).

By Mr. RIEGLE (for himself, Mr. KENNEDY, Mr. JOHNSTON, Mr. MATSUNAGA, Mr. KERRY, Mr. BAUCUS, Mr. INOUYE, and Mr. BRADLEY):

S.J. Res. 50. Joint resolution to designate the week of April 1, 1985, through April 7, 1985, as "World Health Week," and to designate April 7, 1985, as "World Health Day"; to the Committee on the Judiciary.

WORLD HEALTH WEEK AND WORLD HEALTH DAY

● Mr. RIEGLE. Mr. President, today I am introducing for myself, Senator KENNEDY, Senator JOHNSTON, Senator MATSUNAGA, Senator KERRY, Senator BUMPERS, Senator INOUYE, and Senator BRADLEY, Senate Joint Resolution 50, designating April 1, 1985, as "World Health Week" and April 7, 1985 as "World Health Day".

In the 98th Congress the Senate introduced and passed S.J. Res. 137, calling for April 7, 1984 as "World Health Day". However, to our disappointment the resolution was not considered by the House of Representatives. This year the American Association for World Health has requested that we sponsor the week beginning April 1, 1985, as "World Health Week" culminating with "World Health Day" on April 7, 1985.

April 7, is celebrated as "World Health Day" around the world to promote better health care for all people and to draw attention to the World Health Organization's goal of health for all by the year 2000. Good health is essential for all people to be able to lead socially and economically productive lives.

Mr. President, given the quality of life enjoyed by many in this country, the call for a healthy world embodied in this resolution might easily be taken for granted. However, the plight of those in Sub-Sahara Africa has drawn our attention back to those in need of life's basic necessities. In Ethi-

opia alone, it is estimated that the lives of more than 5 million people are endangered by drought and famine. The interplay between inadequate nutrition, shelter and health is well established. Yet the delivery of a few essential services could improve the health status of millions all over the globe. The objectives are simple, the minimum requirement of safe water and adequate sanitary facilities; immunization against diptheria, pertussis, tetanus, poliomyelitis, measles, mumps, rubella, and tuberculosis; local health care within 1 hour's travel; and the availability of trained health practitioners for childbirth, perinatal care, and the care of children throughout infancy.

The World Health Organization continues to direct international health activities. The constant surveillance, control, and eradication of disease; the collection, dissemination, and exchange of health data; and collaborative research are all directed and supported by the World Health Organization. In this country, the American Association for World Health serves to heighten our awareness of the issues surrounding world health needs and works with the World Health Organization to make our participation in their efforts worthwhile. In declaring the week of April 1, 1985, through April 7, 1985, as "World Health Week," and April 7, 1985, as "World Health Day," it is my hope that we will increase our awareness of what must be undertaken to make ourselves and all people in the world healthier. Good health does not just happen. To contribute to making health for all a reality by the year 2000, I urge all my colleagues to join with me in cosponsoring this resolution.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 50

Whereas the health of a nation depends upon the health of its people;

Whereas improvement of the health of the people of our Nation contributes to world health, and world health contributes to the health of our Nation—a principle enunciated in the Constitution of the World Health Organization and accepted by the United States;

Whereas the United States is an active member of the World Health Organization and has both benefited from and contributed to the achievements of the organization;

Whereas the countries of the world, acting through the World Health Organization, are committed to the goal of "Health for All by the Year 2000";

Whereas primary health care is recognized as a key to the attainment of "Health for All by the Year 2000";

Whereas health education and health awareness, prevention, and treatment of common diseases and illnesses, basic sanitation, and adequate nutrition are essential elements of primary health care;

Whereas the World Health Organization has established April 7 of each year as World Health Day to call attention to what individuals and governments can do to further the health of human beings everywhere, and the American Association of World Health has sponsored and assisted in this endeavor; and

Whereas it has been the custom for the President to call attention to World Health Day each year in the form of a public message: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of April 1, 1985, through April 7, 1985, is designated as "World Health Week" and April 7, 1985, is designated as "World Health Day" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs, ceremonies, and activities.●

By Mr. HATCH (for himself and Mr. DENTON):

S.J. Res. 51. Joint resolution to designate the week beginning November 24, 1985, as "National Adoption Week"; to the Committee on the Judiciary.

NATIONAL ADOPTION WEEK

Mr. HATCH. Mr. President, it is again my privilege to sponsor a Senate joint resolution proclaiming Thanksgiving week as National Adoption Week. Last year was the first year we were successful in this resolution becoming public law. It is my hope to again achieve that goal.

During the past few years, a growing number of Americans have felt a need to reestablish our traditional values, especially family values. The official designation of Thanksgiving week as National Family Week is an example of this encouraging trend. National Adoption Week recognizes that adoption is an important part of the life and love of many American families, and thus, it seems fitting for it to coincide with National Family Week.

There are many children in this country who need and desperately long for a permanent home with a family. In America today, there are estimated to be 50,000 adoptable children who are legally free for adoption. These children, however, remain in foster care and institutions due to various public and private barriers. There also remains a lack of awareness by prospective parents who don't know that these children are available. We must do more to remove the barriers to place these children into permanent homes.

The majority of the children who are legally free for adoption have "special needs." They may have physical, emotional, or mental handicaps, or they may be children who have already reached school age. They may be children from various ethnic backgrounds. They may be children with brothers and sisters. What they all share in common is a fundamental need for a permanent, secure and loving home.

This is why this Joint Resolution is so important. It is not just another commemorative Joint Resolution. It gives clear meaning to the congressional intent in support of encouraging and supporting fair adoption practices.

As part of National Family Week, adoption has been honored over the past 10 years. The North American Council on Adoptable Children [NACAC] has been actively involved in providing information highlighting this week's activities. Further, the National Committee for Adoption has also sponsored activities during this week along with the Department of Health and Human Services, under the direction of Assistant Secretary Dorcas Hardy. Assistant Secretary Hardy is an inspiration in working to gain the adoption of children with special needs. I am including with this statement an article written by Assistant Secretary Hardy and urge my colleagues to read it carefully. It has a vital message that can be summed up in the opening quote of the article:

There are only two bequests we can give our families, one of them is roots, the other is wings. Families can help provide both the security of roots and the inspiration of wings.—Henry Ward Beecher

Let us focus attention on adoption and commend those public and private institutions working to find permanent homes for all adoptable children. Let us join in a celebration for families who have united through adoption. Children grow better in families. I urge you to join Senator DENTON and I in sponsoring and enacting this Joint Resolution. I ask unanimous consent that the complete text of the Joint Resolution, as well as the article entitled "Adoption of Children with Special Needs, A National Perspective," be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 51

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas the week of November 24 has been commemorated as National Adoption Week for the past ten years;

Whereas we in Congress recognize the essential value of belonging to a secure, loving permanent family as every child's basic right;

Whereas approximately 50,000 children who have special needs—school age, in sibling groups, members of minorities or children with physical, mental and emotional handicaps—are now in foster care or institutions financed at public expense and are legally free for adoption;

Whereas the adoption by capable parents of these institutionalized or foster care children into permanent, adoptive homes would

insure the opportunity for their continued happiness and long-range well-being;

Whereas public and private barriers inhibiting the placement of these special needs children must be reviewed and removed where possible to assure these children's adoption;

Whereas the public and prospective parents must be informed of the availability of adoptable children;

Whereas a variety of media, agencies, adoptive parent and advocacy groups, civic and church groups, businesses and industries will feature publicity and information to heighten community awareness of the crucial needs of waiting children; and

Whereas the recognition of Thanksgiving week as National Adoption Week is in the best interest of adoptable children and the public in general: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, that the week of November 24 through November 30, 1985, hereby is designated "National Adoption Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

[From the American Psychologist, August 1984]

ADOPTION OF CHILDREN WITH SPECIAL NEEDS—A NATIONAL PERSPECTIVE

(By Dorcas R. Hardy, U.S. Department of Health and Human Services)

There are only two bequests we can give our families, one of them is roots, the other is wings. Families can help to provide both the security of roots and the inspiration of wings.—*Henry Ward Beecher*

One of the most encouraging child welfare trends in recent years is the adoption of so-called "unadoptable" children by people who were once totally overlooked as prospective parents. Today, all over the country, children with special needs—children who are older, handicapped, in sibling groups, or members of minorities—are being moved out of foster care into lifetime homes. The new adoptive parents are as diverse as the children—older couples with adult biological children, single men and women, handicapped parents, foster parents, and individuals or couples who may not have much money or many possessions, but who do have love, flexibility, and the desire to reach out to one or more children who need them. These new style families provide both roots, to give the security of belonging, and wings, to help children with special needs to reach their fullest potential.

These families show that in the last 15 years, the focus of adoption has shifted from the healthy, white infant and the financially secure, "perfect" family to the universe of real people with a great variety of characteristics. Public policies have also shifted, due in part to two concurrent trends: First, fewer infants were available for adoptions, and second, more and more children were going into foster care—not as a temporary haven as intended, but often to spend their childhoods in a succession of foster homes. By the late 1970s, more than 500,000 children were in the foster care system. The actual and potential damage to children, and thereby to society, was apparent, as was the increasing drain on public resources. The public reacted with a clear message: These are our children, they belong in families, we have responsibility for them. Policymakers at the state and federal levels responded.

LEGISLATIVE REFORM

One basic philosophy began to emerge: permanency for children, ideally with their birth parents, if this is possible, and if not, then with adoptive parents. Urged by prospective adoptive parents and child welfare organizations, much of the early reform centered on subsidized adoptions. Starting in New York in 1968, states began to pass adoption subsidy laws. In 1974, the Children's Bureau provided a grant to the Child Welfare League of America to develop a Model State Subsidized Adoption Act. Today, every state, the District of Columbia, and the Virgin Islands have such a law, except Hawaii, where adoption subsidies are handled administratively. State laws vary, but most subsidies cover the cost of maintenance as well as medical and other special services needed by the child. Subsidies helped families, especially foster families, overcome the tremendous financial hurdle often associated with a special-needs child and offered a savings to states, because subsidized adoptions are cheaper than foster care. The movement culminated when Congress, with strong bipartisan support, passed the Adoption Assistance and Child Welfare Act of 1980. This Act, which made permanency for children our national policy and provided for federal participation in adoption subsidies, is described below.

Significant progress has been made in recent years, but there are still more than 250,000 children in foster care, 36,000 special-needs children who are legally free for adoption, and thousands more for whom adoption is the plan of choice. Our job today is to translate the ideal of permanency into reality for these children. In fiscal year 1983, at the federal government level, we launched a national effort to help achieve this goal.

NATIONAL SPECIAL NEEDS ADOPTION INITIATIVE

As part of our National Special Needs Adoption Initiative, we are working with states and local communities to promote the adoption of special-needs youngsters. We are asking the public and private sectors to focus on increasing public awareness of special-needs children who are in foster homes, group homes, and institutions; on recruiting prospective adoptive parents, with an emphasis on minority parents; on training adoption workers in current adoption practices and policies; on encouraging review and analysis of state adoption laws; on addressing national issues such as adoptions across state lines; and on opening avenues of additional support for meeting the needs of waiting children.

Two laws define my Department's responsibilities in special needs Adoptions: Title II, Adoption Opportunities, which was part of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (PL 95-266), and the Adoption Assistance and Child Welfare Act of 1980 (PL 96-272).

Title II: Adoption Opportunities

Title II, passed in 1978, was the first federal legislation specifically dealing with adoption. Title II mandated a number of activities to eliminate barriers to the adoption of special-needs children. For example, Title II funds helped develop a Model State Adoption Act, a 50-hour curriculum that has been used to train 300 trainers selected by the states, and an approach to help agencies and adoptive parents prepare prospective adoptive parents. Title II funds also helped expand the number of local, state, and regional adoption exchanges to assist agencies in promoting waiting children across jurisdictional lines. One of the most far-reaching programs mandated by Title II is a National Adoption Exchange, currently operated by the Adoption Center of Delaware Valley, which has established a computerized system and registered more than 900 children and 1,100 families.

The Adoption Assistance and Child Welfare Act of 1980

Title II activities prepared the way for the Adoption Assistance and Child Welfare Act of 1980 (PL 96-272). This Act amended Title IV of the Social Security Act and created a new Title IV-E, Federal Payments for Foster Care and Adoption Assistance. This landmark legislation was designed to reduce the number of children going into foster care, to keep children from drifting in foster care for long periods, and to curb the rising costs of care. States, in order to receive their maximum share of foster care maintenance and service funds, must determine the number of children in care, develop a case plan and track every child, establish a process for periodic case review to determine whether continued foster care is necessary, and provide procedural safeguards for foster children and their parents to protect their rights, with oversight by the courts.

Before PL 96-272, the federal focus had been on reimbursement for foster care only, a disincentive to adoption because state and local funds paid for subsidized adoptions. Prior to the passage of the law, the state would lose the federal foster care match when a child was placed into a subsidized adoption. Today, the federal government will pay a percentage of the cost of adoption subsidies; the state must create an adoption assistance program in accordance with the Social Security Act in order to continue to participate in the Aid to Families with Dependent Children (AFDC) program. Federal reimbursement is available for subsidies paid to special-needs children, as defined by the state, who are eligible for AFDC or Supplemental Security Income (SSI). We urge states, as they revise their adoption laws and administrative procedures to comply with PL 96-272, to continue or broaden eligibility standards of their own state subsidy program in order to also cover special-needs children who are not eligible for AFDC or SSI.

We also urge states to define special needs broadly, as permitted by the federal law, to cover not only mentally or physically handicapped children, but also the many children with other characteristics that may be impediments to adoption. Some states, for example, do not define age or minority status as a special need. Many older or minority children miss opportunities for adoption because they do not fit the definition set by the state and are thus not eligible for assistance.

Children eligible for federal adoption assistance payments are also eligible for Medicaid. Previously, loss of Medicaid eligibility when a child was adopted had been a tremendous barrier to adoption, especially for children with severely handicapping conditions. The subsidy and the Medicaid benefits follow the child should the adoptive family move into another state. The issues surrounding such moves are among those being addressed by a Model Interstate Adoption Assistance Compact being developed in cooperation with the American Public Welfare Association (APWA). Because health care providers often will not honor out-of-

state Medicaid cards, this poses a major problem that we are working with the Health Care Financing Administration (HCFA) to resolve.

Federal reimbursement for Title IV-E Adoption Assistance was not widely claimed by the states by the end of fiscal year 1982, when compliance became mandatory. In that year, 11 states claimed reimbursement for about 1,300 children. As part of the National Special Needs Adoption Initiative, we are urging states to make fuller use of the Federal Adoption Assistance Program. In fiscal year 1983, 40 states and the District of Columbia served about 4,700 children monthly with federal adoption assistance; 45 states and the District of Columbia have estimated that they would serve almost 11,000 children in fiscal year 1984.

It is too early to assess the impact of Title IV-E on special-needs adoptions. It is not too early, however, to assess the perceived impact of PL 96-272 with its multipronged approach to permanency for children. My office, if fiscal year 1982, funded a child welfare survey in nine states: New York, California, Illinois, Michigan, Florida, Massachusetts, Virginia, Georgia, and Texas. In these states, which represented 43.5% of the children in foster care based on figures from a 1980 Report of the Office of Civil Rights, all but one showed a decline in their foster care population by December 1982. The average decline was 13.6%. The states also reported that adoptions increased since enactment of PL 96-272. Although much of the improvement can probably be attributed to the new law, six of the nine states had passed legislation in the 1970s similar to the intent of PL 96-272 and had already begun the reforms.

Virginia, for example, which instituted permanency planning in 1977, reported a decline in foster care population from 10,827 in that year to 7,085 in 1982—a 34% decrease! Virginia also reported that its use of subsidized adoptions, in addition to providing permanent homes for children, saved the state $213.79 per month for each child placed.

Illinois, another of the states surveyed, has had one of the most aggressive special-needs adoption efforts in the nation for the last few years. Among many activities, Illinois overhauled its law regarding parental terminations and embarked on a massive media campaign under the slogan, "I Want to Be a Son; I Want to Be a Daughter." The effort has brought tremendous returns. In a 15-month period, for example, the state increased special-needs adoptions by 70%, and the number of children in subsidized adoptions went from 212 in 1979 to 493 in 1982.

PRIVATE SECTOR INVOLVEMENT

Many states are finding the media to be an effective partner in special-needs adoptions, especially in recruiting adoptive families. Many newspapers and corporate newsletters throughout the country are featuring waiting children on a regular basis. Nearly 80 television stations are doing weekly features as part of the evening news. I have been pleased to present awards to a number of these stations for their "Wednesday's Child" or "Thursday's Child" features, most of which report a placement rate of more than 80%.

Indeed, in our initiative, we are building on the energy and commitment already being used—or waiting to be tapped—in the media, national and local organizations, parent groups, voluntary agencies, and corporations. In Houston, a young patent attorney recruited 60 corporate attorneys to handle special-needs adoptions, saving families almost $30,000 in legal fees. In Atlanta, a volunteer parent group publishes the state's photo listing book, which is used by state and private agencies to help match prospective parents and waiting children. Two private agencies, Aid to the Adoption of Special Kids (AASK) in California and Downey Side in Massachusetts, cosponsored an interstate conference on special-needs adoptions with private sector backing. My office supported this effort. We are also working with the National Committee for Adoption, which, among many activities, has provided national leadership in promoting adoption benefits among corporations.

We have enlisted organizations such as the Young Lawyers Division of the American Bar Association and the National Council of Juvenile and Family Court Judges as partners in our initiative. And we funded the National Black Child Development Institute to sponsor a special-needs adoption national conference for representatives of major black organizations. We are also working with several organizations to develop a strategy for the placement of Hispanic children. The emphasis on minority children and the recruitment of minority parents is particularly important to the initiative because minority children make up about 46% of all children in foster care.

Within the Office of Human Development Services, the Administration for Children, Youth, and Families (ACYF), which implements the adoption legislation and has the lead in the initiative; the Administration on Developmental Disabilities (ADD); the Administration for Native Americans (ANA); and the President's Committee on Mental Retardation (PCMR) are all coordinating efforts to get special-needs children placed. In July, for example, ADD and ACYF sponsored a special-needs adoption work-shop for representatives of the organizations that make up the Consortium concerned with Developmental Disabilities. In addition, we have allocated $1.9 million of our Human Development Services Coordinated Discretionary Funds Program for innovative adoption demonstrations in both fiscal years 1982 and 1983. Here are just a few examples. The American Indian Law Center in Albuquerque is working to strengthen tribal-state relationships and improve permanency planning for American Indian and Alaska native children. Family Builders of Colorado is providing training on permanency planning to 250 health professionals, social workers, teachers, and others who work with developmentally disabled children. The Illinois Department of Family and Children Services is expanding the One Church/One Child project begun by Father Clements, a black priest and adoptive father in Chicago. Father Clements's idea is that each church will recruit at least one family to adopt at least one child.

We are implementing our special-needs adoption initiative, as well as a broader initiative on strengthening the family, in keeping with the basic philosophy of the Reagan administration. We believe that the well-being of the public is primarily a responsibility of individuals, families, and the communities in which they live. We believe that services are best defined and identified through public or private institutions at the level closest to the problems. We recognize that foster care, and the attendant adoption services, are the responsibility of the states. In our adoption initiatives, we are promoting, building on, and sharing with the nation the public-private partnerships that have made, or can make, a difference in the lives of children who wait for permanent homes.

Whether influencing or implementing public policy around permanency, the changing foster care and adoption scene in America today demands the attention of lay people and professionals in a variety of fields, including psychiatrists, psychologists, family therapists, and other mental health practitioners, not to mention the cadre of social workers, lawyers, judges, court-appointed special advocates, and others who find themselves involved in keeping children out of the child welfare system or moving them quickly into permanent families. And it is the family, whether the biological or adoptive family, that our public policies must undergird.

By Mr. MOYNIHAN (for himself, Mr. HATFIELD, Mr. JOHNSTON, Mr. HATCH, Mr. BURDICK, Mr. DURENBERGER, Mr. SARBANES, Mr. NUNN, Mr. SIMON, Mr. HOLLINGS, Mr. SYMMS, and Mr. PELL):

S.J. Res. 52. Joint resolution to designate the month of April 1985 as "National School Library Month;" to the Committee on the Judiciary.

NATIONAL SCHOOL LIBRARY MONTH

● Mr. MOYNIHAN. Mr. President. I rise today to introduce a joint resolution to designate the month of April 1985 as National School Library Month. By this joint resolution, we would recognize an often overlooked institution—the school and university library—that performs a crucial role in American education, fostering an interest in learning which can last throughout a person's life.

All of us have benefited from school libraries. In the critical early years of a child's education, the elementary school library nurtures youthful curiosity and offers the world of books to those just learning to read. Secondary school students use their school libraries to broaden academic and extracurricular interests while they develop research skills. The college library is a center for study and more intensive research, and the postgraduate level, the universities library's extensive collections are the locus of scholarly research. At every level of education, the library is an integral component of the larger educational system.

The first permanent library in the American colonies was a university library, established at Harvard College in 1638. In the 19th century, the American public school movement fostered the growth of school libraries, as well as free public lending libraries.

In 1920, Mr. C.C. Certain of the American Library Association established the Certain standards for school libraries, calling on school libraries to include not just books, but a broad variety of resource materials. This Certain standard has become a hallmark of the modern American school library. Today, the complete library in-

cludes collections of magazines, periodicals, tapes, and films, works of art, braille, and other special materials for handicapped readers, and, of course, computers. Computers now allow librarians and students immediate access to information from all over the world.

Today, more than 70,000 elementary and secondary school libraries house more than 530 million volumes. Each school year, students borrow more than 19 million books. These school libraries, moreover, depend on the skills of well-trained librarians. A well-read, well-trained librarian can make such a difference in the lives of young students, instilling a love of books and learning. Recently, eight States, including my own State of New York, have designated special days to recognize school libraries. Now it is fitting that the Congress join these States in honoring libraries.

The special contributions of school libraries—to education, to the American library system, and to the entire Nation—has for too long been overlooked. I suggest April for this recognition to coincide with the annual celebration of National Library Week. This joint resolution, endorsed by the American Library Association and the American Association of School Librarians, honors the unique and incalculable contribution of school libraries to American education. I urge my colleagues to support this joint resolution to designate April 1985 as National School Library Month.

I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 52

Whereas school libraries serve a critical function in American education and provide an information center for students at all levels of study;

Whereas elementary and secondary school libraries provide young people with their first exposure to books, and can instill a lifelong love of reading;

Whereas university and college libraries are the cornerstone of scholarly research, and house information and resources to be used for the improvement of all society;

Whereas school libraries at all educational levels provide a full range of media resources, including audio-visual aids, computers, works of art, and materials for the blind and handicapped;

Whereas school libraries, with their extensive collections, serve as an important link in interdisciplinary education;

Whereas school libraries rely on the dedication and talents of well-trained, well-read librarians and other support staff;

Whereas school libraries should be encouraged and assisted in efforts to expand and diversify collections to meet the changing needs of patrons;

Whereas the special role school libraries play relative to American libraries in general and in American society warrants special recognition; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of April 1985 is designated "National School Library Month" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate programs, ceremonies, and activities.●

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. CRANSTON, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 8, a bill to grant a Federal charter to the Vietnam Veterans of America, Inc.

S. 11

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 11, a bill to amend the Steel Import Stabilization Act.

At the request of Mr. HEINZ, the names of the Senator from Missouri [Mr. EAGLETON], the Senator from Connecticut [Mr. WEICKER], the Senator from South Dakota [Mr. ABDNOR], the Senator from North Carolina [Mr. HELMS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oklahoma [Mr. BOREN], the Senator from Tennessee [Mr. GORE], and the Senator from Tennessee [Mr. SASSER] were added as cosponsors of S. 11, supra.

S. 15

At the request of Mr. MOYNIHAN, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 15, a bill to authorize the Secretary of Health and Human Services to make grants to States for the purpose of increasing the ability of States to provide drug abuse, prevention, education, treatment, and rehabilitation, and for other purposes, to authorize the Attorney General to make grants to States for the purpose of increasing the level of State and local enforcement of State laws relating to production, illegal possession, and transfer of controlled substances.

S. 44

At the request of Mr. THURMOND, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 44, a bill to grant the consent of the Congress of the Southeast Interstate Low-Level Radioactive Waste Management Compact.

S. 46

At the request of Mr. HELMS, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 46, a bill to amend the Civil Rights Act to protect the lives of unborn human beings.

S. 67

At the request of Mr. GORE, the names of the Senator from Kentucky [Mr. FORD], the Senator from Hawaii [Mr. INOUYE], the Senator from Maryland [Mr. SARBANES], and the Senator from Ohio [Mr. GLENN] were added as cosponsors of S. 67, a bill to amend the Agricultural Adjustment Act of 1938 to prohibit the importation of tobacco which has been grown or processed using pesticides and other chemicals whose use has been prohibited in this country for health reasons.

S. 70

At the request of Mr. INOUYE, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 70, a bill to establish a temporary program under which parenteral diacetylmorphine will be made available through qualified pharmacies for the relief of intractable pain due to cancer.

S. 84

At the request of Mr. INOUYE, the names of the Senator from Nebraska [Mr. EXON], the Senator from Idaho [Mr. MCCLURE], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Arizona [Mr. DECONCINI], the Senator from Utah [Mr. HATCH], the Senator from North Dakota [Mr. ANDREWS], the Senator from Louisiana [Mr. JOHNSTON], and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of S. 84, a bill to incorporate the Pearl Harbor Survivors Association.

S. 104

At the request of Mr. THURMOND, the names of the Senator from California [Mr. WILSON] and the Senator from Virginia [Mr. WARNER] were added as cosponsors of S. 104, a bill to amend chapter 44, title 18, United States Code, to regulate the manufacture and importation of armor-piercing bullets.

S. 120

At the request of Mr. MOYNIHAN, the names of the Senator from Georgia [Mr. NUNN] and the Senator from Minnesota [Mr. DURENBERGER] were added as cosponsors of S. 120, a bill to amend the Tax Reform Act of 1984 to provide a transitional rule for the tax treatment of certain air travel benefits provided to employees of airlines.

S. 176

At the request of Mr. PROXMIRE, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 176, a bill to require a charge for meals furnished to certain high-level Government officers and employees in the executive branch and for meals furnished in Senate dining facilities.

S. 177

At the request of Mr. HART, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 177, a bill to authorize a national program of improving the quality of education.

S. 209

At the request of Mr. D'AMATO, the names of the Senator from Florida [Mrs. HAWKINS], and the Senator

from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of S. 209, a bill to amend chapter 37 of title 31, United States Code, to authorize contracts retaining private counsel to furnish collection services in the case of indebtedness owed the United States.

S. 210

At the request of Mr. D'AMATO, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 210, a bill to repeal the inclusion of tax-exempt interest from the calculation determing the taxation of Social Security benefits.

S. 231

At the request of Mr. DOLE, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 231, a bill to establish a National Commission on Neurofibromatosis.

S. 233

At the request of Mr. D'AMATO, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 233, a bill to provide for the minting of coins in commemoration of the centennial of the Statute of Liberty.

S. 235

At the request of Mr. THURMOND, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 235, a bill to amend title 5, United States Code, to prohibit employment in civil service positions in the executive branch of any individual required to register under the Military Selective Service Act who has not yet registered.

S. 251

At the request of Mr. DURENBERGER, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 251, a bill to amend the Internal Revenue Code of 1954 to make permanent the rules relating to imputed interest and assumption of loans, and for other purposes.

S. 274

At the request of Mr. DENTON, the names of the Senator from Idaho [Mr. SYMMS], the Senator from South Carolina [Mr. THURMOND], the Senator from North Carolina [Mr. HELMS], and the Senator from North Carolina [Mr. EAST] were added as cosponsors of S. 274, a bill to provide for the national security by allowing access to certain Federal criminal history records.

S. 275

At the request of Mr. DENTON, the names of the Senator from Idaho [Mr. SYMMS], the Senator from South Carolina [Mr. THURMOND], the Senator from North Carolina [Mr. HELMS], and the Senator from North Carolina [Mr. EAST] were added as cosponsors of S. 275, a bill to protect the internal security of the United States by creating the offense of terrorism, and for other purposes.

S. 276

At the request of Mr. DENTON, the names of the Senator from Idaho [Mr. SYMMS], the Senator from South Carolina [Mr. THURMOND], the Senator from North Carolina [Mr. HELMS], and the Senator from North Carolina [Mr. EAST] were added as cosponsors of S. 276, a bill to amend the Freedom of Information Act to provide for the protection from disclosure of records related to terrorism and foreign counterintelligence.

S. 281

At the request of Mr. PRYOR, the names of the Senator from Louisiana [Mr. LONG], the Senator from Texas [Mr. BENTSEN], the Senator from Louisiana [Mr. JOHNSTON], the Senator from North Carolina [Mr. HELMS], the Senator from New York [Mr. D'AMATO], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Iowa [Mr. HARKIN] were added as cosponsors of S. 281, a bill to amend the Internal Revenue Code of 1954 to add a section dealing with public safety vehicles.

S. 318

At the request of Mr. HEINZ, the names of the Senator from Michigan [Mr. LEVIN], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Wisconsin [Mr. KASTEN], the Senator from Illinois [Mr. DIXON], the Senator from Utah [Mr. GARN], the Senator from Alabama [Mr. HEFLIN], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 318, a bill to extend the Revenue Sharing Program for local governments through fiscal year 1991.

S. 323

At the request of Mr. PROXMIRE, the names of the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Montana [Mr. MELCHER] were added as cosponsors of S. 323, a bill to amend the Federal Election Campaign Act of 1971 to limit contributions by nonparty multicandidate political committees in election campaigns for the U.S. Senate, to provide for tax credits for contributions to general election campaigns for the U.S. Senate, and for other purposes.

S. 329

At the request of Mr. HECHT, the names of the Senator from Utah [Mr. GARN], the Senator from Idaho [Mr. MCCLURE], the Senator from North Carolina [Mr. HELMS], the Senator from South Carolina [Mr. THURMOND], and the Senator from Montana [Mr. BAUCUS] were added as cosponsors of S. 329, a bill entitled the Highway Speed Modification Act of 1985.

S. 367

At the request of Mr. HART, the names of the Senator from Illinois [Mr. SIMON], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Alabama [Mr. DENTON], and the Senator from Massachusetts [Mr. KERRY] was added as cosponsors of S. 367, a bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes.

S. 370

At the request of Mr. MELCHER, the names of the Senator from Oklahoma [Mr. BOREN], the Senator from North Dakota [Mr. ANDREWS], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of S. 370, a bill to make available supplemental assistance for famine relief and recovery in Africa.

S. 374

At the request of Mr. PRESSLER, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 374, a bill to provide authorization of appropriations for the U.S. Travel and Tourism Administration.

S. 377

At the request of Mr. DECONCINI, the names of the Senator from Illinois [Mr. SIMON], the Senator from Montana [Mr. MELCHER], and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 377, a bill to provide for a General Accounting Office investigation and report on conditions of displaced Salvadorans, to provide certain rules of the House of Representatives and of the Senate with respect to review of the report, to provide for the temporary stay of detention and deportation of certain Salvadorans, and for other purposes.

S. 385

At the request of Mr. PROXMIRE, the names of the Senator from Georgia [Mr. MATTINGLY], and the Senator from Nebraska [Mr. EXON] were added as cosponsors of S. 385, a bill to prohibit acquisitions officers of the Federal Government from accepting compensation from certain contractors; to prohibit certain contractors from paying compensation to certain acquisitions officers of the Federal Government; to provide criminal penalties for the prohibited conduct, and for other purposes.

S. 408

At the request of Mr. WEICKER, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 408, a bill to amend the Small Business Act to provide program levels,

salary and expense levels, and authorizations for the Small Business Administration's programs for fiscal years 1986, 1987, and 1988, and for other purposes.

S. 412

At the request of Mr. GOLDWATER, the names of the Senator from Wyoming [Mr. SIMPSON], and the Senator from Montana [Mr. BAUCUS] were added as cosponsors of S. 412, a bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

S. 425

At the request of Mr. GOLDWATER, the names of the Senator from Illinois [Mr. SIMON], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of S. 425, a bill to amend the Public Health Service Act to establish a National Institute of Arthritis and Musculoskeletal and Skin Diseases.

S. 426

At the request of Mr. WALLOP, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 426, a bill to amend the Federal Power Act to provide for more protection to electric consumers.

S. 434

At the request of Mr. D'AMATO, the names of the Senator from Utah [Mr. GARN], the Senator from Louisiana [Mr. JOHNSTON], and the Senator from Tennessee [Mr. SASSER] were added as cosponsors of S. 434, a bill to extend the authorization of the Robert A. Taft Institute Assistance Act.

S. 435

At the request of Mr. BUMPERS, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 435, a bill to amend the Consolidated Farm and Rural Development Act to improve and streamline the provision of farm credit assistance through the consolidation of the real estate, operating, economic emergency, soil and water, limited resource, recreation, and rural youth loan programs into one agricultural adjustment loan, to reduce paperwork and make the Farmers Home Administration loan process more responsive to farmers' needs, and for other purposes.

SENATE JOINT RESOLUTION 15

At the request of Mr. DECONCINI, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of Senate Joint Resolution 15, a joint resolution to designate May 7, 1985 as "Helsinki Human Rights Day."

SENATE JOINT RESOLUTION 17

At the request of Mr. D'AMATO, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Virginia [Mr. WARNER], and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of Senate Joint Resolution 17, a joint resolution to authorize and request the President to issue a proclamation designating April 21 through April 28, 1985, as "Jewish Heritage Week."

SENATE JOINT RESOLUTION 22

At the request of Mr. HOLLINGS, the names of the Senator from Utah [Mr. GARN], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of Senate Joint Resolution 22, a joint resolution designating March 1985 as "National Mental Retardation Awareness Month."

SENATE JOINT RESOLUTION 32

At the request of Mr. PRESSLER, the names of the Senator from New York [Mr. MOYNIHAN], the Senator from Michigan [Mr. LEVIN], the Senator from Nevada [Mr. LAXALT], the Senator from Indiana [Mr. LUGAR], the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of Senate Joint Resolution 32, a joint resolution to authorize and request the President to designate September 15, 1985, as "Ethnic American Day."

SENATE JOINT RESOLUTION 33

At the request of Mr. MATTINGLY, the names of the Senator from Alaska [Mr. STEVENS], the Senator from South Carolina [Mr. THURMOND], the Senator from Ohio [Mr. METZENBAUM], the Senator from Virginia [Mr. WARNER], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of Senate Joint Resolution 33, a joint resolution to authorize and request the President to designate May 12, 1985 to June 16, 1985, as "Family Reunion Month."

SENATE JOINT RESOLUTION 40

At the request of Mr. LUGAR, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of Senate Joint Resolution 40, a joint resolution to designate the month of October 1985 as "National Down Syndrome Month."

SENATE CONCURRENT RESOLUTION 4

At the request of Mr. MOYNIHAN, the name of the Senator from Missouri [Mr. DANFORTH] was added as a cosponsor of Senate Concurrent Resolution 4, a concurrent resolution calling on the President to appoint a special envoy for Northern Ireland.

SENATE RESOLUTION 34

At the request of Mr. D'AMATO, the names of the Senator from Illinois [Mr. SIMON], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Illinois [Mr. DIXON], the Senator from Tennessee [Mr. GORE], the Senator from Texas [Mr. GRAMM], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of Senate Resolution 34, a resolution condemning the Government of the Union of Soviet Socialist Republics for 5 years of forced and oppressive military occupation of Afghanistan in the face of popular resistance to Soviet imperialism.

SENATE RESOLUTION 37

At the request of Mr. PRYOR, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of Senate Resolution 37, a resolution regarding small business and agricultural representatives on the Federal Reserve Board.

SENATE RESOLUTION 65

At the request of Mr. BUMPERS, the names of the Senator from Hawaii [Mr. INOUYE], the Senator from North Dakota [Mr. ANDREWS], the Senator from Oklahoma [Mr. NICKLES], the Senator from Mississippi [Mr. COCHRAN], the Senator from California [Mr. CRANSTON], and the Senator from Georgia [Mr. NUNN] were added as cosponsors of Senate Resolution 65, a resolution commending the soil conservation service.

SENATE RESOLUTION 66

At the request of Mr. COHEN, the names of the Senator from Nevada [Mr. LAXALT], the Senator from South Dakota [Mr. PRESSLER], the Senator from Vermont [Mr. STAFFORD], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Arizona [Mr. GOLDWATER], the Senator from North Dakota [Mr. ANDREWS], the Senator from Utah [Mr. GARN], the Senator from Florida [Mrs. HAWKINS], the Senator from Georgia [Mr. MATTINGLY], and the Senator from Wyoming [Mr. WALLOP] were added as cosponsors of Senate Resolution 66, a resolution expressing the sense of the Senate with respect to certain matters involving the Government of New Zealand and the United States.

SENATE RESOLUTION 67

At the request of Mr. BOREN, the names of the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of Senate Resolution 67, a resolution urging the President to provide emergency credit for the Nation's farmers.

SENATE RESOLUTION 68

At the request of Mr. TRIBLE, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of Senate Resolution 68, a resolution congratulating the people of Cyprus on the 25th anniversary of their independence, and supporting the establishment of a Cyprus Cooperative Development Fund to foster improved intercommunal relations on Cyprus.

SENATE CONCURRENT RESOLUTION 14—RELATING TO JOSEF MENGELE

Mr. MOYNIHAN submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 14

Whereas Josef Mengele was the chief doctor at the Nazi concentration camp of Auschwitz-Birkenau during the Second World War where he personally sent more than four hundred thousand Jews, including close to two hundred thousand children to the gas chambers and conducted unspeakable pseudo-scientific experiments on many of the inmates of Auschwitz; and

Whereas Josef Mengele has lived in freedom since the end of the Second World War, initially in his hometown of Gunzburg, in the American zone of Germany, and thereafter, for the past thirty-five years, in South America; and

Whereas Josef Mengele became a naturalized citizen of Paraguay in 1959, and is believed still to be living there; and

Whereas the Minister of the Interior of Paraguay has promised the members of a delegation sponsored by the International Network of Children of Jewish Holocaust Survivors that the Paraguayan Government would undertake a nationwide investigation to locate Joseph Mengele and allow foreign observers to participate in such investigation: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) the Government of Paraguay should immediately carry out an investigation to locate and arrest Josef Mengele and extradite him to the Federal Republic of Germany;

(2) the United States should send representatives to Paraguay to observe and participate in such an investigation; and

(3) the United States should take all possible actions to ensure that Josef Mengele is brought to justice.

● Mr. MOYNIHAN. Mr. President, I rise today to submit a concurrent resolution expressing the sense of Congress that Josef Mengele be brought to justice. The concurrent resolution urges the Government of Paraguay immediately to carry out its investigation into the whereabouts of Josef Mengele, do all in its power to locate and arrest Josef Mengele, and extradite him to the Federal Republic of Germany.

Josef Mengele was the chief doctor at the Nazi concentration camp of Auschwitz-Birkenau during the Second World War where he personally ordered more than 400,000 Jews—including close to 200,000 children—to the gas chambers after, in many cases, conducting barbarous, unspeakable pseudo-scientific experiments on many of them. Despite this vast criminality, Mengele has lived in freedom since the end of the Second World War, and for the past 35 years in South America.

The civilized peoples of the world ought no longer to allow Josef Mengele's crimes to go unpunished, and to allow him to live, untried, in freedom.

On November 22, 1984, the Paraguayan Minister of Interior promised that the Paraguayan Government would undertake a nationwide investigation to ascertain the whereabouts of Josef Mengele. Yet after 3 months, there has been no investigation. The world community, and the United States, must ensure that justice is done. This concurrent resolution puts the U.S. Congress on record that there must be no further delay in bringing Josef Mengele to trial.●

SENATE RESOLUTION 71—AUTHORIZING THE PRODUCTION OF DOCUMENTS BY THE SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. DOLE (for himself and Mr. BYRD) submitted the following resolution; which was considered and agreed to:

S. RES. 71

Whereas, in 1971 the Permanent Subcommittee on Investigations investigated and held hearings on organized crime and stolen securities;

Whereas, the Department of Justice has requested access to certain papers in the Subcommittee's files from that investigation which may be useful in connection with a criminal proceeding;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers, and records under the control of or in the possession of the Senate are needful for use in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That the Chairman and Ranking Minority Member of the Permanent Subcommittee on Investigations, acting jointly, are authorized to provide to the Department of Justice records of the Subcommittee relating to its investigation of organized crime and stolen securities.

SENATE RESOLUTION 72—RELATING TO A PUBLIC OFFERING OF CONRAIL

Mr. HEINZ (for himself and Mr. SPECTER) submitted the following resolution; which was referred to the Committee on Commerce, Science, and Transportation:

S. RES. 72

Whereas, Conrail began operations on April 1, 1976; and

Whereas, the United States has invested more than $7 billion since April 1, 1976, in order to sustain Conrail as a financially viable operation; and

Whereas, Conrail has required no federal subsidy during the last four years, has generated increasingly large annual cash reserves, and has been determined by the United States Railway Association to be a 'profitable carrier' as that term is defined in the Northeast Rail Service Act of 1981; and

Whereas, it is desirable to return Conrail to the private sector, in keeping with the provisions of the Northeast Rail Service Act of 1981, now that Conrail has become a profitable entity; and

Whereas, the Secretary of Transportation, in keeping with the Northeast Rail Service Act of 1981, has engaged in an exhaustive process to return Conrail to private ownership, and has negotiated the private sale of Conrail to one of three bidders; and

Whereas, the process engaged-in by the Secretary has been remarkable for thoroughness and good-faith, and should go forward in the absence of an acceptable alternative; and

Whereas, the sale of Conrail will provide the purchaser with substantial and significant tax advantages; and

Whereas, the American public, which so heavily subsidized Conrail during the first five years of operations, deserves the first opportunity to purchase Conrail and to benefit from the advantages associated therewith; and

Whereas, a public sale of Conrail stock would give the American people an opportunity to purchase Conrail and to reap the rewards of their $7 billion investment; and

Whereas, the capital markets have improved as a result of railroad deregulation and a public offering of Conrail stock could be accomplished within a reasonable period of time; and

Whereas, a public sale could be structured to accommodate the covenants available in a private sale, including, but not limited to, agreements requiring the owners of Conrail to: conduct Conrail's business substantially as it is being conducted now; make capital expenditures sufficient to protect Conrail's capital plant; refrain from paying dividends unless a minimum cash balance of $500 million would remain; guarantee the maximum level of service economically justifiable; and provide the Federal Government with regular certification of covenant compliance; and

Whereas, a public sale, if successful, would leave Conrail in a strong financial position by giving it access to the deep pockets of the capital markets, promote long-term freight rail-service in the regions served by Conrail, and maximize the return to the United States and its citizens on their investment in Conrail; and

Whereas, a public sale of substantially all of Conrail's common stock could be conducted on a contingent basis, so as not to preclude a subsequent private sale should a public sale fail to realize an amount at least equal to that guaranteed by a private sale: Now, therefore, be it

Resolved by the Senate of the United States:

That is is the sense of the Senate that the Secretary of Transportation of the United States should immediately seek legislation which would—

(1) authorize and require the Secretary of Transportation, as a condition precedent to taking any other action with respect to returning Conrail to the private sector, to first make a contingent public offering of Conrail stock, and use the Secretary's best efforts to ensure the success of that offering; and

(2) in the event that such public offering failed to realize an amount at least equal to the amount heretofore guaranteed by any other purchaser, as evidenced by a letter of intent submitted to the Secretary of Transportation on February 8, 1985, authorize the Secretary of Transportation to designate, in keeping with such terms and conditions as Congress in such legislation shall prescribe, and alternate purchaser of Conrail, provided that such purchase is otherwise in compliance with the law.

STATEMENT

(1) It is the sense of the Senate that the Secretary of Transportation of the United

States should immediately seek legislation which would—

(a) authorize and require the Secretary of Transportation, as a condition precedent to taking any other action with respect to returning Conrail to the private sector, to first make a contingent public offering of Conrail stock, and use the Secretary's best efforts to ensure the success of that offering; and

(b) in the event that such public offering failed to realize an amount at least equal to the amount heretofore guaranteed by any other purchaser, as evidenced by a letter of intent submitted to the Secretary of Transportation on February 8, 1985, authorize the Secretary of Transportation to designate, in keeping with such terms and conditions as Congress in such legislation shall prescribe, an alternate purchaser of Conrail, provided that such purchase is otherwise in compliance with the law.

(2) A copy of this resolution shall be forwarded to the Honorable Elizabeth Hanford Dole, the Secretary of Transportation of the United States.

● Mr. HEINZ. Mr. President, at stake in the sale of Conrail is the economic security of the Northeast. The selection of a purchaser will have profound consequences for the Northeast freight transportation system and the hundreds of thousands of people whose livelihood depends upon it. Given the magnitude of the potential consequences associated with the privatization of Conrail, it is not surprising that interest in the sale of Conrail has been keen nationwide.

Throughout the debate over the future of Conrail, everyone has agreed on one major point: the U.S. Government should not be in the business of owning and operating railroads. Conrail should be sold to the private sector as soon as practicable.

Transportation Secretary Elizabeth Dole may have jeopardized the effort to sell Conrail when she designated the Norfolk-Southern Corp. as her preferred purchaser. Here in Congress, where the sale issue will ultimately be decided, the Secretary's action has met with considerable controversy in both Chambers, and may result in a legislative deadlock. Those of us who favor a return of Conrail to the private sector would find such a stalemate highly undesirable.

The proposal to merge Conrail with Norfolk-Southern is controversial on two counts. First, a Conrail-Norfolk merger could result in a dramatic reduction of northeastern rail competition. Transportation statistics show that a Conrail-Norfolk combination would not only leave 5,557 shipping points bereft of access to competing lines, but would also create a duopoly in the East between Norfolk-Southern and the CSX rail network. Together, Norfolk-Southern and CSX would control 90 percent of all rail originations and terminations in most eastern cities. This duopoly could breed tacit or direct collusion between these giant rail systems, resulting in the creation of a de facto monopoly. In anticipation of possible anticompetitive effects of a Conrail-Norfolk merger, the Antitrust Division of the Department of Justice has indicated that it will oppose the proposed merger unless the anticompetitive aspects are remedied before any sale takes place. Regrettably, the approach proposed by the Department of Justice is fraught with pitfalls and unanswered questions which could take a long time to resolve. At present, it is unclear which lines Norfolk-Southern will have to divest, how much they are worth, and to whom they will be sold. These uncertainties tend to frustrate, rather than facilitate, Conrail's return to private ownership.

Second, a Conrail-Norfolk merger could result in major unforeseen employment reductions. Although Norfolk-Southern Chairman Robert B. Claytor has stated his belief that job eliminations on the combined system are not likely to exceed 2,300, he is unable to say so for sure. Conrail officials estimate that the figure will be at least that high for Conrail alone, and independent industry analysts believe that Norfolk-Southern and Conrail combined could lose as many as 10,000 jobs within 5 years. Employee protection is of vital concern in the Conrail sale. No action should be taken in Congress in the absence of sound information on how many jobs will be lost in a Conrail-Norfolk merger.

In 1981, this body passed the Northeast Rail Service Act of 1981 to denationalize Conrail and restore it to free market conditions. Secretary Dole's proposal to sell Conrail to Norfolk-Southern is unlikely to accomplish that objective. The deleterious effect such a sale would have on the Northeast has virtually guaranteed that the Secretary's proposal will not receive the support of Congress anytime soon. There is more than one way to skin a cat, however, and the Congress would do well to consider as an alternative to the Secretary's plan a public offering of Conrail stock.

Many different kinds of public offerings have been proposed over the past several months, not all of them good. The public offering proposed by Conrail Chairman Stanley Crane, for instance, relies on the use of $300 million in Conrail cash and too much preferred stock, and is actually a leveraged buyout. I favor a public offering which would rely substantially on the sale of common stock and would not employ leverage. I am submitting legislation today that would accomplish that objective.

Mr. President, the measure I submit today affords us a way to get the privatization of Conrail out of the box in which it seems to have gotten stuck. The compromise I propose is presented in the form of a resolution, rather than as a bill, because it is the concept, rather than the details, of the compromise which is important.

The concept is a simple one. My resolution would instruct the Secretary of Transportation to seek Conrail sale legislation which would first, authorize a contingent public offering of Conrail stock before any further action is taken to privatize Conrail, and two, designate an alternate method of sale in the event that the public offering should fail to generate an amount for Conrail at least equal to the amount guaranteed by Norfolk-Southern. If the public offering raises more than the amount pledged by Norfolk-Southern, Conrail would be sold to the American people. If the public offering fails to meet that price, Conrail would be sold in accordance with such terms and conditions as Congress shall prescribe. Either way, Conrail would be returned to the private sector.

A public offering of the type I propose can occur in a reasonably short period of time, accomplish all of the Secretary's policy objectives, and be presented in a way that permits a subsequent private sale should a public sale prove unsuccessful. Best of all, a public offering of Conrail stock would give the American people a chance to vote with their wallets and settle the Conrail debate once and for all.

Mr. President, I urge my colleagues to give this measure their full consideration and support.●

NOTICES OF HEARINGS

COMMITTEE ON THE BUDGET

Mr. DOMENICI. Mr. President, the Senate Committee on the Budget will hold a hearing to consider the President's fiscal year 1986 budget submission on Tuesday, February 19, 1985, from 3:30 p.m. until 5:30 p.m. in room 608 of the Dirksen Senate Office Building. The Honorable George Shultz, Secretary of State, is scheduled to testify.

For further information, contact Susan Yurko at the Senate Budget Committee at 224-0536.

Mr. President, the Senate Committee on the Budget will hold a hearing to consider the President's fiscal year 1986 budget submission on defense on Tuesday, February 19, 1985, at 10 a.m. in room 608 of the Dirksen Senate Office Building. Witnesses will be Dr. William Kaufmann of Brookings Institution, Dr. Edward Luttwak of CSIS, and Richard Stubbings of Duke University.

For further information, contact Susan Yurko at the Senate Budget Committee at 224-0536.

Mr. President, the Senate Committee on the Budget will hold a hearing to consider the President's fiscal year 1986 budget submission on Wednesday, February 20, 1985, from 12:30

p.m. until 2:15 p.m. in room 608 of the Dirksen Senate Office Building. The Honorable John R. Block, Secretary of Agriculture, is scheduled to testify.

For further information, contact Susan Yurko at the Senate Budget Committee at 224-0536.

Mr. President, the Senate Committee on the Budget will hold a hearing to consider the President's fiscal year 1986 budget submission on Wednesday, February 20, 1985, from 2:30 p.m. until 4:30 p.m. in room 608 of the Dirksen Senate Office Building. The Honorable James A. Baker, Secretary of the Treasury, is scheduled to testify.

For further information, contact Susan Yurko at the Senate Budget Committee at 224-0536.

Mr. President, the Senate Committee on the Budget will hold a hearing to consider the President's fiscal year 1986 budget submission on Thursday, February 21, 1985, at 10 a.m. in room 608 of the Dirksen Senate Office Building. Witnesses will be Rudiger Dornbusch of MIT; Alan Greenspan, Townsend-Greenspan & Co.; and William Nordhaus of Yale University.

For further informaton, contact Susan Yurko at the Senate Budget Committee at 224-0536.

Mr. President, the Senate Committee on the Budget will hold a hearing to consider the President's fiscal year 1986 budget submission on Thursday, February 21, 1985, at 2 p.m. in room 608 of the Dirksen Senate Office Building. Witnesses will be John Carlin, NGA; John Martin, NCSL; George Voinovich, NLC; and Philip Elfstrom, NACO. For further information, contact Susan Yurko at the Senate Budget Committee at 224-0536.

Mr. President, the Senate Committee on the Budget will hold a hearing to consider the President's fiscal year 1986 budget submission on Friday, February 22, 1985, at 11 a.m. in room 608 of the Dirksen Senate Office Building. Witnesses will be Dr. John Albertine, American Business Conference; Mr. John Motley, National Federation of Independent Business; and Mr. Van Smith, U.S. Chamber of Commerce.

For further information, contact Susan Yurko at the Senate Budget Committee at 224-0536.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of three public hearings before the Committee on Energy and Natural Resources.

On Wednesday, February 27, beginning at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building the Committee will hold an oversight hearing to consider the President's proposed budget for fiscal year 1986 with witnesses from the Department of the Interior.

On Thursday, February 28, beginning at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building the Committee will hold an oversight hearing to consider the President's proposed budget for fiscal year 1986 with witnesses from the Department of Energy.

On Friday, March 1, beginning at 9 a.m. in room SD-366 of the Dirksen Senate Office Building the committee will hold an oversight hearing to consider the President's proposed budget for fiscal year 1986 with witnesses from the Department of Agriculture (Forest Service), the U.S. Synthetic Fuels Corp. and the Federal Energy Regulatory Commission.

Those wishing to submit written statements for the hearing record should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information regarding these hearings, you may wish to contact Mr. Richard Grundy at 224-2564.

COMMITTEE ON SMALL BUSINESS

Mr. WEICKER. Mr. President, I would like to announce that the Senate Small Business Full Committee hearings scheduled for February 21 and 25, 1985, on S. 408, a bill to authorize funding for the Small Business Administration for fiscal years 1986 through 1988, starting at 9:30 a.m. on the 21st has been changed to 9 a.m., and on the 25th, from 10 a.m. to 9:30 a.m. For further information please contact Mike Haynes, chief counsel for the committee, at 224-8487.

ADDITIONAL STATEMENTS

NATIONAL HEART MONTH

● Mr. INOUYE. Mr. President, in declaring February 1985 as American Heart Month, both the Congress and the President have recognized the need to continue the battle against this Nation's leading killer—heart disease. Over 42 million Americans have one or more form of cardiovascular disease. Almost as many people will die from cardiovascular disease in 1985 as from cancer, accidents, and all other causes of death combined. In 1985, 550,000 individuals will die from heart attacks, and 500,000 individuals will suffer a stroke. The total economic cost of cardiovascular disease this year will reach $72 billion in direct medical expenses and indirect costs such as insurance, disability claims, lost salaries, and rehiring and training.

As alarming as these statistics may seem, there are some positive trends as well. Since 1968, the death rate from coronary heart disease has declined by 33 percent and the death rate from stroke has plummeted by 46 percent. The research efforts by the American Heart Association [ANA], the National Heart, Lung and Blood Institute [NHLBI], and by the National Institutes of Health [NIH], have contributed significantly to this remarkable decline in the mortality rate from coronary heart disease and stroke.

However, the scope and magnitude of cardiovascular disease demands that further progress in research, prevention and treatment be made. The potential for further impact on the decline in death rates due to heart disease and stroke is evident as new and exciting research pathways emerge. Some examples include: The application of advances of cellular and molecular biology to the study of atherosclerosis and hypertension; research in the relationship of nutrition to cardiovascular disease; study of the effects of behavior, stress and exercise on cardiovascular patients; and new educational efforts in the area of hypertension, cholesterol and smoking aimed at the general public.

The above-mentioned research areas are only few of the many being pursued by both AHA and the NHLBI at this time. In proclaiming February as National Heart Month we are actively encouraging the continuation of this unique and successful partnership of the private sector and the Federal Government that began in 1948 with the creation of both the association and the institute. These joint efforts offer the hope that the incidence of all forms of cardiovascular disease will continue to decline in the coming years.●

FAMINE: A PREVENTABLE DISASTER

● Mr. KENNEDY. Mr. President, the world is witnessing today in Africa one of the most preventable of human disasters—famine—and on a scale that is truly horrifying.

Although the international community, with the strong leadership of the United States, is beginning to respond, the tragedy is, as Dr. Jean Mayer outlines in this week's Science magazine editorial, that it is all so preventable. As he notes, "every generation redefines what is intolerable * * * in this century the world has acquired the scientific basis and the technology to predict, mitigate, and eventually prevent famines."

We know what needs to be done, writes Dr. Mayer, but it is far beyond the capacities of voluntary relief agencies, the private sector and the African nations themselves. Rather, "it must be carried by governments in cooperation with foundations, universities, and international organizations experienced in such programs."

But the United States has a unique role to play, Mr. President, as Dr. Mayer outlines in his article. I com-

mend to the attention of the Senate the thoughtful editorial Dr. Mayer submitted to Science magazine, and ask that it be printed in the RECORD.

The editorial follows:

[From Science, Feb. 15, 1985]

PREVENTING FAMINE

Every generation redefines what is intolerable in public health as science generates the knowledge needed for action. In this century the world has acquired the scientific basis and the technology to predict, mitigate, and eventually prevent famines. I am convinced, however, that little will happen without a concerted and continuing political effort on the part of the scientific and technological community.

The devastating famine that is striking African nations from Mauritania to Ethiopia is being treated as a sudden disaster. In fact, an early warning system more comprehensive than the present Food and Agriculture Organization system could have been in place. It could have been connected with a mechanism that would trigger an immediate response to a developing crisis. This response should be based on meterological data (collected daily by international airlines among others) coupled with satellite photography (which registers color changes in vegetation as droughts become more severe), economic data on prices and stores of basic foods in famine-prone regions, and health data on the rate of growth and appearance of poor children in vulnerable areas.

This information, transmitted to a international office under the FAO and the World Health Organization, could trigger the release of emergency reserves from storage in strategic locations in cold climates. Grain ships at sea could then be diverted to the threatened area so that the famine could be contained or even prevented.

In the long run, the African problem is solvable. Agricultural self-sufficiency is possible by the end of the century, but not without a major commitment by the African nations and the developed countries, the United States in particular.

Nutrition is one area where figures can be put on human needs. The techniques of the Green Revolution have enormously increased the potential to fulfill those needs. We know what should be done: improved road systems; better soil and water management; greater availability of nitrogen, potash, and phosphate fertilizers and of pesticides, insecticides, and rodenticides; a change from slash-and-burn agriculture to appropriate modern tillage methods; better herd health and genetic improvement of herds; more research in high-yielding crops suitable for African soils and climate (together with preservation of the germplasm of existing plants of economic importance); for farmers, primary education and agricultural extension; programs in rural health and birth control; a rural credit infrastructure; and development of agriculture-related industries like canning, repair of farming equipment, and fertilizers. Africa will also need steady, and for a time increasing, food aid, which must be very carefully managed so that it does not undermine local farmers' buying power.

This effort is far beyond the capacities of voluntary relief organizations and initially unsuited to private investment, at least in the first stages. It must be carried by governments in cooperation with foundations, universities, and international organizations experienced in such programs.

The burden must be shared by the world at large, but the United States has a particular role. We have the world's largest grain surpluses. We have the most efficient agriculture per farmer (although not the highest yield per acre). We developed agricultural research to its present effectiveness (although our research still concentrates too much on higher yields for U.S. crops already in surplus, rather than on tropical agriculture). We invented agricultural extension services, land-grant colleges, the rural banking system. And, if any science can be said to be peculiar to one nation, nutrition is surely the "American" science.

With greater knowledge comes greater responsibility. It is my hope that as scientists and technicians who have generated some of this knowledge we will make sure that it is used for peaceful development of the world, and I urge Congress to commit U.S. resources to that goal.—Jean Mayer, President, Tufts University, Medford, Massachusetts 02155.●

COSPONSORSHIP OF S. 11 TO AMEND THE STEEL IMPORT STABILIZATION ACT

● Mr. D'AMATO. Mr. President, I rise today to join my colleague, Senator HEINZ, as a cosponsor of his legislation, S. 11, to amend the Steel Import Stabilization Act. This legislation will assist in the effective and undiluted implementation of the President's steel program.

In an effort to restrict undesirable surges in the level of imported steel within the parameters of the President's program, the Office of the U.S. Trade Representative is seeking voluntary restraint agreements with several countries, including Japan and Korea. This particular segment of S. 11 concerns me at this point in time.

Japanese steel constitutes a signficant portion of imported steel. Although Korean steel import levels are not as sizable as Japanese, Korean import levels have been escalating dramatically. These levels require special attention if we are to prevent any sizable adverse reactions to the agreements currently being pursued. Although the United States, Japan, and Korea have agreed in principle to overall limits on imported steel, S. 11 addresses some of the special considerations that must be made.

Of particular interest to domestic specialty steel producers is a provision to establish 27 subcategories in the negotiations with Japan and Korea. These subcategories would protect American steel producers who might be harmed if a general restraint agreement were reached where either of these countries could adhere to an overall level, yet fluctuate between categories and violate the spirit of the original agreement, thus offering little protection and assistance to those most in need of it. This legislation would also instruct the Office of the U.S. Trade Representative to unilaterally create these 27 subcategory limits if it becomes impossible to reach a voluntary restraint agreement of this nature. In order to protect our sensitive trade position in these negotiations, S. 11 will allow the President to waive these requirements if distortions occur that would cause such regulations to damage our national steel policy.

The thoroughness of this bill allows me to reach only one conclusion: that its passage would create a more viable direction in our continuing efforts to reach a balanced steel policy. I believe S. 11 to be consistent with the President's steel program, and I urge my fellow Senators to join in this constructive initiative.●

ADVANCE NOTIFICATION—PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million, or in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Committee on Foreign Relations.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that such notification has been received.

Interested Senators may inquire as to the details of this advance notification at the office of the Committee on Foreign Relations, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, February 8, 1985.

Dr. M. GRAEME BANNERMAN,
Deputy Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR DR. BANNERMAN: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to an East Asian recipient tentatively estimated to cost in excess of $50 million.

Sincerely,

PHILIP C. GAST,
Director.●

ANNIVERSARY OF LITHUANIAN INDEPENDENCE

● Mr. SIMON. Mr. President, I wish to express my thoughts on the occasion of the 67th anniversary of the restoration of Lithuanian independence. The brave people of Lithuania deserve our recognition. Since 1941, they have lived under forced occupation by a nation which does not recognize their rights as human beings.

We, in the United States of America, are fortunate to live in a society where our freedoms are protected by the Constitution. We are guaranteed the freedom to gather in groups of celebrants, like the Lithuanians of America do today. We may speak our opinions. We are free to practice our religions.

The Soviet Union is a nation which suppresses religion and speech. It rejects the principles of freedom and scorns human rights. The provisions embodied in the Atlantic Charter call for adherence to the principle of self-determination. The Soviet Union has defied the Atlantic Charter for over 40 years by its forcible incorporation of the Baltic States.

U.S. policy has consistently supported Freedom for Lithuania. Allow me to quote the Deputy Chairman of the U.S. Delegation to the 1980 Review Conference on the Helsinki Act.

> No occupation or acquisition of territory in contravention of international law will be recognized as legal.

This statement is exemplified by the Soviet Union's occupation of Lithuania.

I will continue to vigorously support freedom and self-determination for the people of Lithuania. I salute the American-Lithuanian community in commemoration of Lithuanian independence and freedom. All people, all over the world, must be able to pursue their dreams of liberty.●

TRIBUTE TO WINE INSTITUTE'S CODE OF ADVERTISING STANDARDS

● Mrs. HAWKINS. Mr. President, on February 7, 1985, as chairman of the Senate Subcommittee on Alcoholism and Drug Abuse, I conducted a hearing on the issue of beer and wine advertising on radio and television. I received extensive testimony from representatives of Federal agencies, community and research organizations, consumer groups, brewers, vintners, broadcasters, advertising associations, university and constitutional scholars.

The materials and opinions presented to the subcommittee reveal divergent views on a most complex and important subject. More hearings appear warranted. At the outset of what promises to be a sharpening debate over public policy and advertising I believe it timely that I share with my colleagues an initial finding that most impressed me.

I found that voluntary Code of Advertising Standards adopted by the California wineries in 1978, through their industry organization, the Wine Institute, to be exemplary in its provisions and practice. As an example of private initiative the code stands as a model of social responsibility which deserves wider support and recognition.

The self-developed and self-policed advertising ethics have received high praise over the years from many local, State, and Federal leaders representing Government, public health, alcoholism, and community organizations. As a small example of this widespread support I would like to cite only a few of the commendatory letters that have come to my attention. In April 1978, Rita Saenz of the California Office of Alcoholism greeted the new standards with this letter to John De Luca, president of the Wine Institute:

> On behalf of the many diverse elements within the alcoholism constituency, please accept my congratulations on a very positive and forthright set of standards . . . and my compliments for your efforts toward social responsibility.

At the same time, Luther Cloud, then president of the National Council on Alcoholism, wrote:

> We believe the social significance of this Code will be recognized across the nation by alcoholism councils . . . By assuring that wine advertising will not be designed to appeal to young persons, and will not glorify or misrepresent wine use, the [California] wine industry has distinguished itself as a trendsetter in addressing contemporary issues. The alcoholism movement is well served by such voluntary action, and we publicly applaud Wine Institute for its initiative and example.

A year later, Mrs. Virginia Sparling, then President of the National PTA, included the following message in her communication:

> We commend the Wine Institute for its effort to promote responsible advertising standards . . . , and we would especially commend eliminating appeals to young people.

The Federal Trade Commission, in an advisory opinion in antitrust matters, has not encouraged Wine Institute to seek parallel guidelines from media organizations or noninstitute wineries, American and foreign. This has prompted the association to petition the Bureau of Alcohol, Tobacco, and Firearms to adopt its code as a mandatory regulation for all parts of the wine industry.

The most salient parts of the code, which addressed the major concerns of my subcommittee, merit publication:

1. A distinguishing and unique feature of wine is its traditional use with meals. Subscribers to the Code shall show foods available to be used or intended to be used in ads where wine is served.

2. Wine advertising should encourage the proper use of wine. Code subscribers shall not show: Consumption of wine for the effects its alcohol content may produce; excessive drinking as a subject for amusement, or appearances of persons who have lost control; and wine used in conjunction with feats of daring or activities requiring unusual skill.

3. Any attempt to suggest that wine directly contributes to success or achievement is unacceptable and the following restrictions apply: Wine shall not be presented as being essential to personal performance, social achievement, success, or wealth; wine shall not be associated with social, physical or personal problem solving; and wine shall not be represented as vital to social acceptability or crucial for successful entertaining.

4. Any advertisement which has particular appeal to persons below the legal drinking age is unacceptable and code subscribers shall not: Show models and personalities in advertisements who appear to be under 25 years of age; use music, language, gestures or cartoon characters specifically associated with or directed toward those below the legal drinking age; appear in children's or juvenile's magazines, newspapers, television programs, radio programs or other media specifically oriented to persons below the legal drinking age; be presented as being related to the attainment of adulthood or associated with "rites of passage" to adulthood; suggest that a wine product resembles or is similar to other beverages with particular appeal to persons below the legal drinking age; use traditional heroes of the young such as those engaged in pastimes and occupations having particular appeal to persons below the legal drinking age (for example, cowboys, race car drivers, rock stars, etc.); and use amateur or professional sports celebrities, past or present.

5. Wine advertising should in no way suggest that wine be used in connection with driving.

6. Wine advertising by code subscribers shall not appear in or directly adjacent to television or radio programs or print media which dramatize or glamorize over-consumption or inappropriate use of alcoholic beverages.

The Wine Institute has been at the forefront of many contemporary issues. In addition to its leadership on advertising matters it has called for tougher law enforcement against drunk driving offenders; and last year supported enactment of the 21-year requirement for the purchase and public possession of alcoholic beverages. For this and many other initiatives I wish to commend the leadership and efforts of John De Luca, president of Wine Institute, and his entire membership for their enlightened, responsive, and exemplary approach.●

PUTTING VIETNAM INTO PERSPECTIVE

● Mr. GOLDWATER. Mr. President, for far too long now this Nation and its people have been anguishing over the causes and effects of the war in Vietnam. We are still feeling the repercussions from that experience in Southeast Asia and probably will for some time to come. Recent examples such as the disposition of the agent

orange issue, the libel trial between Gen. William Westmoreland and CBS, and the unresolved issue of those men still missing and unaccounted for in Southeast Asia are reminders we are still carrying a lot of mental baggage from that era. Well, I think it is time we put the problem behind us once and for all and my dear friend and colleague Adm. JERRY DENTON, the junior Senator from Alabama, has written an excellent article on just this problem. His article entitled "Putting Vietnam Into Perspective," which appeared in the March issue of the American Legion magazine, provides, I feel, a tremendous insight into the difficulties that we as a nation have had in facing up to the issues surrounding the Vietnam war.

I can think of no more credible expert on this subject than Senator DENTON because not only did he serve heroically as a naval aviator in Vietnam but spent many years thinking about these issues as a prisoner of war in Hanoi. His scholarly effort is certainly worthwhile reading and I highly recommend it to all Members of Congress and I ask that it be printed in the RECORD.

The article follows:

PUTTING VIETNAM INTO PERSPECTIVE

(By Rear Adm. Jeremiah A. Denton, Jr., U.S.N., Ret.)

EDITOR'S NOTE.—Though this article was written before the Soviet invasion of Afghanistan, Rear Adm. Denton's clear-sighted analysis of the dangers of unchecked Communist aggression and wavering American influence in world affairs is no less relevant. In fact, his views here have proved prophetic.

After a career in the United States Navy and considerable formal and informal education in international affairs, I am painfully conscious that our nation is floundering in confusion which accelerated in the late 1960s. I was then a prisoner of war in Communist North Vietnam.

I was directly affected and know firsthand what went on over there. That's why I feel I can say, "Let's look at it squarely . . . we lost the Vietnam war." In the process, we also lost some other definable and undefinable things, though perhaps only temporarily.

To help insure the loss is indeed temporary, we cannot remain numbly silent while others who would wreck America draw wrong lessons from the experience and etch them indelibly into the conscience of our nation. Some of the wrong lessons are:

The war was an immoral war in which the United States slaughtered innocent civilians;

Those who burned their draft cards were right, the cause in Vietnam was wrong;

Military service is not the "in" thing and is for volunteers only;

The United States can no longer afford to take a major role in influencing world affairs.

I would not say the military as a group is innocent of all errors in Vietnam. Nor could that be said of any military in any other war in history. But in no other war did any nation lean farther over backward trying to avoid killing innocents than did we—in spite of exceptions such as My Lai.

I believe that all of the wars fought in our history, our armed forces should rightly be most proud of their service and sacrifice in Vietnam. Our services "did their thing" under conditions that tested esprit in terms of loyalty and courage—tested them as no previous war ever did.

We endured the test and our military honor remains untarnished. Discipline shown in campaigns was outshown only by the discipline displayed after the war when the issue which had been decided militarily at such cost was being obfuscated in subsequent non-military actions.

But the cause in Vietnam was not wrong.

The issue—the cause there at stake—was whether the relative degree of freedom enjoyed in those countries (one of which was an ally to whose defense we were committed by treaty and the word of four Presidents) was worth preserving against an externally designed and empowered aggression to bring them into an utter vacuum of freedom.

The present-day holocaust in Cambodia and the late, but real, blood baths in South Vietnam and Laos have proved that our basic commitment was justified. Perhaps one-third of Cambodia's population has been slain since the war ended. Communist jackals are now fighting over the carcass of Southeast Asia. Tens of millions of human beings were doomed by our needless cop-out when Congress cut off bombing in Cambodia—bombing which was helping those trying to resist the Khmer Rouge.

The final straw came when we withdrew material aid just when South Vietnam had finally achieved the solidarity to defend itself effectively if equipment were forthcoming. When we withdrew our support, both Cambodia and South Vietnam were doomed. They fell as I knew they must.

We did make errors in Vietnam, and it is easy for me to understand how many well-meaning Americans became unsupportive of the war then. And, even now, they still suffer from what I call the "Vietnam Hangover."

Among government officials and civilians, the Vietnam Hangover has been manifested by doing away with the draft; creating a national mood making possible the invasion of Angola by Cuban troops carried by Russian ships; making possible the enslavement not only of South Vietnam, but also of Cambodia and Laos; making possible the endangering of the achievement of a proper structure for a much-needed Salt II Agreement. Afghanistan is, politically, a fallen domino. Zaire and the Horn of Africa are in peril. The energy shortage and the fantastic deficit in balance of payments are not unrelated to the Vietnam Hangover. The situation in Iran is shocking, but is only a continuation of the more rapidly-falling dominoes. We cannot afford to continue to act from a false perspective.

Our initial error, which tended to create conditions which led to other errors, was that we began in Vietnam with a too-gradualistic military approach. A small portion of the blame for that error belongs with some in the military. But most military opinion, even early on, was to apply what the U.S. Army calls "shock."

We did not apply "shock." We continued the gradualistic buildup. Personally, I believe it would have been difficult given the political factor, if not impossible, to apply that shock by U.S. land forces in South Vietnam. MacArthur and Ridgeway tried to pass on that bitterly learned legacy.

In my opinion, based on personal contact with the Vietnamese Communists for nearly eight years, that shock could have been applied easily, cheaply and humanely by air and naval means in 1965 or any subsequent year. It was finally and effectively applied in 1972 with the strategic bombing of military targets around Hanoi and by mining of and bombing near Haiphong, their major port. If 10 percent of that air and naval shock had been applied in the north in 1965, the war would have been over in a week, no freedom would have been lost and we would still have a correct perspective.

Our great folly was not in calling a series of losing plays, for some plays were bound to be ill-conceived in that difficult game. Our great folly was that after calling and executing a winning series, we snatched defeat from the mouth of victory in an orgy of confusion. Most Americans still have no idea that the strategic bombing applied in December 1972 was a complete American victory. The issue was amazingly dropped in national confusion following the war.

The confusion arose during the war from an over emphasis on two valid ideals and an under emphasis on two valid facts. The two valid ideals are these: (1) War is a prospect to be avoided if at all possible without the sacrifice of important national interests; (2) Violence against human beings is abhorrent to the concept of civilization.

The two valid facts which were under emphasized are these: (1) Notwithstanding the stated noble aim of the United Nations to outlaw aggression, Communism is a force which has found effective means of conducting aggression. These means constitute externally-supported subversions to overthrow imperfect governments, and conquest by proxy nations conducting ambiguous forms of aggression. In selective instances like Vietnam and Korea, the United States has justly chosen to commit military force to stop Communist aggression after diplomatic means were exhausted.

War is a last resort because war is hell, but slavery is an even worse hell, kills more people, lasts longer, and—if Communist aggression, which is really the imposition of slavery, is condoned by mankind today—civilization will be set back 500 years, thereby returning the conduct of international affairs to the rules of the jungle.

I am not saying that war is necessarily the only way to check Communism—deterrence is the best way. I am saying that the willingness to use decisive force when justified, and the perceived possession of that force constitute the only deterrence or actual combat combination they understand. It is the only combination that can keep the peace, prevent further aggressive spread of Communism, and protect our essential national interests abroad. Communism has some differences in form around the world, but it is still basically the enslavement of people.

(2) The second fact is that when military force is committed in a war, the object is not to twist gradually the enemy's arm, but quickly to break his will. This axiom is especially true when dealing with as small an antagonist as North Vietnam. I quite agree, however, that losing 50,000 Americans is not properly called police action—it is war, requiring national backing and congressional commitment.

As to the anti-war ideals, I agree with them. Mankind took a while to address these ideals. Civilization itself took mankind millions of years to achieve. Civilization is only about 5,000 years old, is fragile and has failed at times in a given society. But civilization has advanced in efforts to eliminate war as a routine means of settling interna-

tional differences, as well as in efforts to alleviate some of the unnecessary brutalities of war. Particularly, the late 19th and the first half of the 20th centuries saw important steps in this direction with the Hague Tribunal, Geneva Conventions, the League of Nations and the United Nations. Perhaps we can dismiss the present UN as a major factor, but we cannot ignore the fact that the League and the UN did prevent many wars which would otherwise have occurred, and they limited the time and scope of some that did.

During and after World War II, the United States became a major leader in this trend. Korea was a UN action. Our going to the defense of Vietnam was in accordance with the UN Charter. Both actions were not only not immoral, but were also idealistic. The United States had not much selfish interest in Korea or South Vietnam, but as a major nation interested in the continuing development of inhibition against aggression by truly immoral nations, we committed first our diplomatic efforts, then our treasure and then our blood.

Those are the two facts and the two ideals.

On another front we must consider the NATO alliance—an anti-aggressive, truly defensive alliance which has worked. Since 1949, NATO-alliance nations have done some fighting, but, per-capita-per-year, they have lost a fraction of the lives lost throughout the rest of their history. NATO brought Soviet Communist expansion in Europe to a halt without a single casualty. But the Communist resort to ambiguous proxy aggression and their conquests by subversion are the tactics for which we have not yet found an effective answer.

To me, the big picture is that our nation became confused on these points, among others. We lost the issue as well as more than 50,000 Americans. And we lost some important degree of credibility in the world.

Our nation and others have survived even worse confusion such as our own Civil War. But the consequences of the loss of credibility still continue and they hamper our conduct of international affairs under President Carter, as they hampered them under Presidents Johnson, Nixon and Ford.

Our nation urgently needs a return to an informal bipartisan approach to foreign policy which we enjoyed from about 1942-1965. To achieve that approach, we need to help our citizenry attain a better national understanding of our place in world affairs. Our dollar-motivated media, especially television, have the power to do this but they have not done so.

During the war, big media tried to portray Thieu and his armed forces as the ones that copped out. Many still believe that lie. Our public read about the tanks and planes captured by the massive invasion from the North. They did not read that those tanks and planes did not have enough fuel or ammo for a long campaign. Americans would have fled like the South Vietnamese did had they faced the same situation.

Nor did they read that during that massive invasion by many regular army divisions, the Vietcong were no factor in the South. The Vietcong were never anything but terrorists. But to report that would be to admit that it was a lie to pretend that the trouble in South Vietnam was mainly internal.

Now, thank God, at least some in the media are showing signs of beginning to show their basic integrity and set the record straight.

In 1978 the Society of Professional Journalists gave their Award For Research to Peter Braestrup's "Big Story," a book which demonstrates how the big lie was foisted on the American public by reporting of the 1968 TET offensive. Our public was then hopelessly deluded, led to believe that what was really a military disaster for the North was a victory for them. This retrospective act of self-criticism by the press, although too late to save the Southeast Asian issue, could be an important beginning to an essential need: getting that experience sorted out, regaining national perspective on international affairs.

But movies on Vietnam still run to fantasies like "Apocalypse Now" and distortions like Jane Fonda's "Coming Home" which instill not only condemnation of our cause in the war, but also hatred of the military, contempt for our system and misunderstanding of vital issues.

NBC-TV made a movie of my book. "When Hell Was In Session," and it got very good Neilsen ratings, indicating that the public does like the truth.

TV, which carefully brought the blood and gore, but not the perspective on the war, into our living rooms, carefully avoided reporting in proportion the current big news of the world which was the story available from refugees of what is going on in Cambodia, Laos and South Vietnam. They did this because that news would reveal how wrong their earlier slant has been. But in the past few months there has been some improvement in coverage.

Newspaper column inches were as sparse as TV footage on the big story of our day—the holocaust in Cambodia. A brief wire service account in 1978 commented on the holocaust mentioning that apparently the Cambodian leaders had been "improperly-schooled" in Marxism-Leninism in the USSR and China to have developed such brutal habits. That rationale is poisonous and absurd in the face of the Stalinist purges and Communist purges in China. We can pray that the Chinese are making a real major change, but that definitely remains to be seen.

Our citizens are confused on vital issues.

Our nation's people need to be told the truth. An informed citizenry is essential to survival of a democracy. The three truths which need to be emphasized now by the media and our educational systems are these:

With its imperfections, the United States of America is the best in terms of its record of national and international justice, of any major nation in the world's history.

Communism is a great threat to out well-being and security; it is the antithesis of our principles regarding religion, family, free enterprise and the government-citizen relationship. We need to continue to pursue international ideals but, until ideals become reality, we must look to protect the interests of this nation at home and abroad. We need to continue to help relatively free nations to survive against Communism and help them with ideas and material support.

We must be true to our own valued national principles which, most importantly, brought us to this pinnacle of material and spiritual greatness. We cannot continue a trend of blindly individualistic selfishness and promote the so-called new morality which is really just the old immorality. We must try again to progress toward becoming one nation under God. No matter how far we have slipped personally or nationally we can attain well-being and security again if we act again as if we are "relying on Divine Providence."

Until we regain among our citizenry an understanding and necessary emphasis on acting from those three truths, we shall continue on the drunken road to disaster.

It's time to act! Let's clean up our minds, clean up our acts and get the great American show back on the road.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive prior notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Committee on Foreign Relations.

In keeping with the committee's intention to see that such information is available to the full Senate, I ask to have printed in the RECORD at this point the notifications which have been received. The classified annex referred to in one of the covering letters is available to Senators in the office of the Committee on Foreign Relations, room SD-423.

The notifications follow.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, February 7, 1985.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-14, concerning the American Institute in Taiwan's proposed Letter of Offer to the Coordination Council for North American Affairs for defense articles and services estimated to cost $86 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

PHILIP C. GAST,
Director.

TRANSMITTAL NO. 85-14—NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Coordination Council for North American Affairs (CCNAA) pursuant to P.L. 96-8.

(ii) Total Estimated Value: Major Defense Equipment,[1] $0 million; other, $86 million; total, $86 million.

(iii) Description of Articles or Services Offered: Cooperative Logistics Supply Support Arrangement (CLSSA) under a Foreign Military Sales Order II (FMSO II) Blanket Order Requisition for spare parts and supplies to support F-5A, B, E, and F aircraft, F-100, T-33, and T-28 aircraft, AN/TPS-43 radar and other U.S. origin equipment

[1] As defined in sec. 47(6) of the Arms Export Control Act.

under the cognizance of the USAF now in Taiwan's inventory.

(iv) Military Department: Air Force (KCL).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: None.

(vii) Section 28 Report: Included in report for quarter ending March 31, 1984.

(viii) Date Report Delivered to Congress: February 7, 1985.

POLICY JUSTIFICATION—COORDINATION COUNCIL FOR NORTH AMERICAN AFFAIRS—COOPERATIVE LOGISTICS SUPPLY SUPPORT ARRANGEMENT

This proposed Letter of Offer and Acceptance provides for a Cooperative Logistics Supply Arrangement (CLSSA) under a Foreign Military Sales Order II (FMSO II) Blanket Order Requisition for spare parts and supplies to support F-5A, B, E, and F aircraft, F-100, T-33, and T-28 aircraft, AN/TPS-43 radar and other U.S. origin equipment under the cognizance of the USAF now in Taiwan's inventory. The estimated value of the proposed sale is $86 million.

The proposed sale of these spare parts and supplies is consistent with United States law and policy, as expressed in Public Law 96-8.

This sale will provide the CLSSA FMSO II for spare parts and supplies necessary for Taiwan to maintain its U.S. origin Air Force equipment.

The sale of this equipment and support will not affect the basic military balance in the region.

Procurement of these items and services will be from private contractors.

Implementation of this sale will not require the assignment of any U.S. Government personnel or contractor representatives to Taiwan.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, February 7, 1985.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 85-15 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Navy's proposed Letter of Offer to Egypt for defense articles and services estimated to cost $50 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Director.

TRANSMITTAL NO. 85-15—NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Egypt.

(ii) Total Estimated Value: Major Defense Equipment[1], $37 million; other, $13 million; total, $50 million.

(iii) Description of Articles or Services Offered: One E-2C aircraft with spare parts.

(iv) Military Department: Navy (SAN).

(v) Sales Commission, Fee, etc., Paid Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Included in report for quarter ending 30 September 1984.

(viii) Date Report Delivered to Congress: February 7, 1985.

POLICY JUSTIFICATION—EGYPT—E-2C AIRCRAFT

The Government of Egypt (GOE) has requested the purchase of one addition E-2C aircraft with spare parts at an estimated cost of $50 million.

The proposed sale supports the American foreign policy and national security objectives of assisting the GOE in its program of modernizing its armed forces so that it may provide for its own security and self-defense and contribute to regional security and stability. A strong and independent Egypt will be able to participate in the Middle East peace process and resist incursions of Soviet client states in the region.

The sale of this and four previously purchased E-2C aircraft will provide the Egyptian Air Force with extended early warning as well as command and control capabilities. The E-2C aircraft will also be used to augment ground radar units.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the Grumman Aerospace Corporation of Bethpage, New York.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Egypt.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

LITHUANIAN INDEPENDENCE DAY

● Mr. LUGAR. Mr. President, while the Congress was out last week, an important anniversary occurred on February 16—the 67th anniversary of Lithuanian independence. After centuries of struggle for an independent identity, Lithuania achieved her independence in 1918, and for the next 20-odd years was able to establish her ethnic and cultural heritage in national institutions and laws. This noble effort was brutally ended in June 1940 when the Soviet Union invaded Lithuania, as well as her sister Baltic republics, and forcibly incorporated Lithuanians against their will into the U.S.S.R. Many Lithuanians were summarily deported to Russian labor camps to perish, and relentless russification was enforced on Lithuania in an effort to eradicate the Lithuanian language, religious freedom, ethnic and cultural traditions, and all other traces of Lithuanian national identity.

Moscow's suppression of all things Lithuanian continues to this day. But the spirit of a free Lithuania has not perished because it lives on in the hearts of Lithuanians both in their homeland and in exile abroad. It is fitting that we in the Congress pay tribute to this year's anniversary of Lithuanian independence, in the hope that liberty will one day return to that proud land, and in gratitude for the many fine contributions that Lithuanian-Americans have made to the heritage of their adopted country here.●

LITHUANIAN INDEPENDENCE DAY

● Mr. HEINZ. Mr. President, February 16 marked the 67th anniversary of Lithuania's Declaration of Independence. Freedom-loving people across the world bear witness daily to the values and ideals embodied in Lithuania's struggle for freedom. The yearning for self-determination and human rights is alive in the hearts of every individual who lives under the yoke of totalitarian tyranny.

The current State Department Human Rights Report reveals that Soviet efforts to suppress religious belief and eliminate independent political belief appeared to intensify in 1984. Courageously, Lithuanian Catholics displayed their continuing dedication to religious freedom by protesting, through letters and petitions, the imprisonment of Catholic priests.

As a member of the Commission on Security and Cooperation in Europe, I joined my colleagues on the Helsinki Commission in nominating six leaders of Helsinki Groups in Eastern Europe for the 1985 Nobel Peace Prize. One of these brave men is literary historian Viktoras Petkus, leader of the Lithuania Helsinki Group.

These men advocated fulfillment of the human rights principles of the 1975 Hilsinki Act and called upon the Soviet government to observe its solemn Helsinki human rights pledges. Today, Viktoras Petkus is serving a 15-year prison term, imposed on August 23, 1977, for his human rights work.

All of us must rededicate ourselves to the noble cause espoused by Viktorus Petkus and his counterparts in other Soviet-dominated countries. We must continue to support the Lithuanian people's quest for freedom. As this solemn anniversary is commemorated, our commitment to Lithuanian independence must be reaffirmed.●

VETERANS' HEALTH CARE BENEFITS

● Mr. MITCHELL. Mr. President, as a member of the Senate Veterans' Affairs Committee, I am concerned over the President's proposed budget for the Veterans' Administration in fiscal year 1986. It is that agency which is responsible for providing benefits and services to the country's 28 million veterans, the 51 million members of their families and the 2 million survivors of deceased veterans. It is an awesome responsibility and Congress provided approximately $26 billion in fiscal year 1985 to the VA for it to meet its obligations. The President, in his budget proposal has called for

roughly that same amount in fiscal year 1986.

Obviously, that is a huge figure and there are many who look upon the VA budget as an inviting target for spending reductions. What those individuals often fail to recognize is that cutting VA services, particularly VA health care, does not diminish the need for those services. That is true anytime: but it is particularly true now, as America's veteran population ages over the next decade.

All of these points are succinctly and clearly made in an excellent publication sent to me by Dan Lambert, adjutant, Department of Maine, the American Legion. That publication, "The Aging Veteran, Uncounted Costs Unkept Promises?" was prepared by the staff of the Legion's veterans planning and coordinating committee. I recommend it to my colleagues.

I ask that the publication's section entitled, "Maine's Hidden Asset," be printed in the RECORD.

The material follows:

MAINE'S HIDDEN ASSET

VETERANS HEALTH CARE BENEFITS CUT ACROSS ALL POLITICAL, ECONOMIC AND SOCIAL LINES

The Maine state budget includes an asset that few, if any, of those responsible for the budget are aware of. It is an asset that, in 1983, accounted for some $42 million of benefit to the citizens of the state—$42,196,771 to be exact, that the legislature of Maine did not have to raise and her politicians did not have to account for. If current challenges to the nation's largest hospital system succeed, all that could change.

Maine is home to more than 153,000 veterans, 24,700 of them over age 65. By 1990, that figure will increase to 39,100 and by the year 2000, the total will have jumped to more than 50,100. Without VA hospitals and health care systems, those veterans will have to be cared for by Maine hospitals and staffs that are already under severe strains. Can Maine afford such a budget shock? Can her citizens allow anything short of the quality care now being provided her veterans? How has such a threat arisen? And finally, what can be done to avoid its obvious consequences?

Challenges to veterans' earned benefit programs are nothing new. What sets current proposals to cut VA expenditures apart from the historical pattern is that, in 1985, it is not only the cost that is under scrutiny, but also who will bear the cost of veterans' health care—the VA, other federal agencies or the states.

Those who propose to dismantle the VA health care system consistently recommend alternatives that would, ultimately, place the burden for providing health care on the individual states. The effect of America's aging population and the increasing number of veterans over age 65 indicates that demand for health care by those aging—and possibly indigent—veterans will only increase. Thus, those veterans affected by any change in eligibility and who are residents of Maine will have nowhere else to turn but to the health care systems of Maine. This effective transfer of funding is the real nature of the threat to VA health care.

It is not apparent that the purpose of such proposals is, in their basic form, to force the states to absorb health care costs traditionally provided by the federal government. Lost in the rush for change, however, is an understanding of the multiple nature of the VA health care system's mission: to provide care tailored to the needs of veterans; to back up the military hospital system in a national emergency; to conduct research and to train the nation's health professionals; and to blaze a trail for all other medical entities in the nation in the area of geriatric care.

Coupled with the mood of less government services by the federal government and the needs of the private sector is the pressure on the federal government to stem the tide of red ink washing over the nation.

To achieve spending cuts, the government has commissioned several studies to probe the areas of waste and possible saving in government programs. Notable among them are those by the Congressional Budget Office and the President's Private Sector Survey on Cost Control, or the Grace Commission.

The Congressional Budget Office study was an attempt to deal with the magnitude and policy options of the impact of an aging veteran population on American society and systems, particularly the VA. Among its many recommendations were:

To convert beds in under-utilized wards, and shift long-term care patients from those wards, to nursing homes, domiciliary or outpatient care;

To convert acute care facilities to long-term care such as nursing homes;

To require reimbursement from private and public insurers;

To increase services provided by non-VA nursing homes;

To reduce eligibility or the scope of benefits.

Clearly, the impact of such sweeping changes in the VA health care system does not suggest that care or benefits be denied, only that the way and source of provision be altered. That is where the authority of Maine is affected.

The Grace Commission, likewise, saw a shifting of responsibility for care, not elimination of care, as one answer to the cost of providing care to the veteran. The findings of the Grace Commission, tasked as it was to ferret out waste and inefficiencies in the federal government's operations, have taken a short view of the problem. As in the general population, the level of elderly among veterans will increase; the demand by them for health care will coincide with reaching the stage in life when health care needs are greatest—all at a time when available health care owed them for faithful service is threatened.

The elimination of VA health care would affect all of society. The American Legion is concerned. The leadership in Maine should be concerned, too.

If the VA health care system is drastically altered, Maine's legislature would face hard decisions that could call for increasing the tax burden on its constituency.

In addition, money not spent on VA health care would represent millions of payroll dollars lost to thousands of citizens who now work for the VA in Maine. Millions of dollars in retail sales, jobs, and the tax revenue that depends on VA payrolls also would be lost.

The Governor's office, as a consequence of the loss of VA jobs and the tax dollars they produce, would face the political fallout as Maine health care, education, welfare, unemployment, and jobs training programs reel under the impact.

In the Congress, Maine legislators who may consider the VA health care budget outside their concerns will experience new realities. The critical health care needs of America's aging veteran population will be met by other programs well prepared to absorb the cost and meet the demand. For, when all is said and done, health care for the elderly, whether veteran or not, is not a luxury. It is a necessity.

Any drastic alteration of the VA health care system will not ease budget pressures; rather it further complicates matters for Maine. The loss of VA health care facilities in Maine would have a significant economic, political and social impact.

To meet only its health care responsibility to Maine veterans, the Veterans Administration provided $42,196,771 during FY 1983, Even so, the VA medical center in Maine was forced to limit availability of health care to many veterans. The projected population of Maine veterans over age 65 will place tremendous demands on an already restrictive VA budget because this population will require longer and more intensive hospital stays.

Consider for a moment the devastating impact of having no VA health care system. The VA Medical Center and clinics in Maine treated 6,398 inpatients and recorded 51,246 outpatient visits during FY 1983. Additionally, 272 veterans received nursing home care in VA facilities and community nursing homes through VA provided funds. During the same period, Maine's VA Medical Center trained 305 personnel, including 22 physician house staff. the VA Medical Center in Maine employed 1,186 people, with salaries alone for them totaling $29,818,232. It is apparent that Maine and its economy needs the VA as much as Maine's veterans do. We must build our alliance, because, not only should Maine be concerned about the health and welfare of our nation's past defenders but the state's leaders must also consider the impact further VA budget reductions and elimination of services will have on all her citizens.

Provisions and funding for medical care comprise only a small part of VA's contributions to Maine. During FY 1983 alone, total VA allocations for Maine veterans equalled $158,457,492. Included in this amount was $97,440,007 for payments to 27,809 Maine citizens who are either disabled as a result of military service (compensation), or receive financial assistance as a result of having become unable to provide for themselves (pensions); $10,814,636 in Readjustment and Vocational Rehabilitation programs; $6,186,442 for insuarance and indemnities; and $1,819,637 for construction and related costs. Considering future annual outlays, the total reaches amounts which clearly could not be provided through Maine resources alone.

In addition, proposed major VA construction in Maine is expected to exceed $30 million from FY 1985 through FY 1989. During 1984 and 1985, three smaller construction projects will cost approximately $1,077,000. These programs represent thousands of jobs for Maine residents.

Other contributions by VA to Maine include support of Vietnam Veterans Outreach Centers, burial services, regional offices, and other activities and facilities taken for granted. Clearly, a loss of any major component of VA spending in Maine is a potentially deadly blow to the state as well as to her military veterans.

Maine gains a significant benefit from the total impact of VA programs. The benefit is

undoubtedly higher than just impersonal dollar figures. Medical education, research, employment, quality of life, security, peace of mind, and the ripple effect on the economy all are factors hard to calculate.

From 1974 to 1984, the VA health care system experienced a usage explosion. At the same time, the total budget for the system grew from $3 billion to $8.1 billion. But figures mislead. Projecting that ten year growth in constant 1974 dollars, the VA health care budget grew by about 1.25 percent per year.

The American Legion, the nation's largest veterans organization, is concerned about the future. Lawmakers and policy makers at every level of government share that concern. The nation's veterans do not oppose change, but any change must benefit all citizens of our country, and not be at the expense of those least able to provide for themselves.

There are more than 28 million veterans in America. Not every one of them will require medical care in a VA facility as they age, but many will. Regardless of what happens to the VA health care system, the need for care will not go away.●

SMALL TOWN BANKER HELPS FARMERS

● Mr. FORD. Mr. President, agriculture is the very backbone of this Nation. The farmers fed this Nation from its birth, and now they have become important to the economy of the entire free world. Farming is not a special interest that is isolated in a particular segment of the economy or by geographical region. Instead, it cuts across the Nation, woven as a fabric of life in a special breed of men and women—America's farm families.

Today the precious 2 percent of the population working in agriculture are in a state of crisis. Our farmers fuel the very economy of this Nation. But they are suffocating under a tremendous debt load that threatens any future viability.

With all of the problems the farmers are facing, we tend to overlook the effect their problems are having on "Main Street America." A good friend of mine, Charlie Bennett, of Breckinridge County, KY, is a prime example of how community business leaders can work together to help ease the farmer's debt burden and lessen the damaging effect on the entire community.

Mr. Bennett, a smalltown banker, was recently the subject of a Washington Post article in which his efforts to help his community's farmers were detailed. I submit this article for the RECORD as an example of how the farmers' plight relates to the entire rural community.

The article follows:

[From the Washington Post, February 10, 1985]

FARM COMMUNITY NOURISHED BY DEVOTED COUNTRY BANKER

LENDER CHARGES LOW RATES, DEFERS INTEREST PAYMENTS

(By Ward Sinclair)

C.D. (Charlie) Bennett isn't an elected official and he doesn't make headlines, but he just might be the most important man in Breckinridge County, Ky., these days. He is the country banker who makes the loans that keep farmers going.

His Farmers Bank, as appropriately named today as when it was founded in 1902, is one of more than 5,000 rural banks that hold about $80 billion of agricultural debt—a third of what American farmers owe.

Unlike many of its sister institutions farther west, Grain Belt lenders that are in trouble because of farmers' low prices and declining land values, Farmers Bank in Hardinsburg is in relatively good shape, due in part to the area's more diversified agricultural base. But in almost every other sense, the Farmers Bank is the prototypical country lending institution.

The rural bank is one of the engines that keep agriculture running. Or doesn't. When things go bad on the farm, things go bad in the neighboring town and things go bad at the country bank.

Reflecting the recession in the agricultural heartland, more than a dozen of these banks failed last year, as the ripples reached out and rolled over businesses that prop up and supply the farmer. Federal bank regulators predict that more than 100 will topple this year.

Bankers such as Bennett, farmstate legislators, governors and farmers warn that, unless strong action is taken, there will be devastation in rural communities that rely on agriculture and repercussions throughout the economy.

"This country was built on rural people," Bennett said the other day. "If we let rural America suffer, people not only leave the farms. They have to go somewhere and they have to do something. This could mean an even heavier drain on society. . . . I can see what's happening now in rural America costing us billions down the road—we're going to have social programs no matter what the administration says and they are going to cost money."

The Reagan administration, under pressure from farm-state legislators and the banking industry, has reacted with a debt-restructuring program aimed at helping many farmers find a way to finance spring planting. But critics, including the bankers, say the plan is unlikely to work.

Agriculture Secretary John R. Block, among other administration officials, says the recently reshaped program will work if given a chance. But, he also has said repeatedly, banks must share more of the burden if financially strapped farmers are to make it through 1985.

Bennett's bank, with about 60 percent of its loans made to farmers, already carries a sizable load. Farmers Bank makes year-to-year operating loans at 12 percent, a rate lower than normal, "because the profit is not there in agriculture and the farmer just can't pay."

Beyond that, Bennett said, "We have forgone interest for this year so farmers can put in a crop. That's just a fact of life in rural America. The people are as honest as the day is long and they'll pay it back when they can."

That means, of course, that the bank's earnings go down. Or it means that other customers must subsidize the borrowing farmer by paying higher rates on their own loans. And it means there is less money available in the general loan pool.

Most of Farmers Bank's capital comes from local depositors and most of its loans go to local people, principally farmers who rely on it for yearly operating funds.

When a local business wants to expand, it goes to Bennett for money. When the fertilizer company, the implements firm and the seed dealer need to buy supplies, they see Bennett.

The country bank is so reactive to local situations that at Farmers, for example, most of the agricultural loans are timed to coincide with tobacco farming, a major source of income for Breckinridge County farmers. Most of the tobacco loans—to small farmers who borrow between $5,000 and $10,000 yearly—come due after the burley auctions in late fall.

Now, as these farmers prepare to plant, they line up to see Charlie (like most country bankers, he's on a first-name basis with his customers) for operating money. Bennett and his staff base their decisions on farming ability and likelihood of repayment. Often, a mere handshake seals the deal.

Bennett's bank holds about $30 million in different types of deposits. It must pay for the use of that money, but it also makes money by putting the deposits to work. Much of it goes back out as loans—all in the area around Hardinsburg. Some of its money is deposited in larger banks, earning interest.

Farmers Bank also has invested about $1 million in bonds of the Farm Credit System, the farmer-operated lending network that—like the country banks—holds about one-third of the agricultural debt. As the credit crisis intensified in recent months, financial specialists expressed growing concern about the FCS.

"We invest in those bonds just as many other people do," Bennett said. "There is something about rural America that still is very basic, and a lot of individuals who feel strongly about it buy the FCS bonds. There surely would be another serious ripple effect if we see Farm Credit defaulting. The government would have to go in, no question about it."

As in many rural communities, feeling about the role of the country bank runs strong in Hardinsburg, a town of about 2,100 southwest of Louisville.

When it appeared in the early 1970s that outsiders might buy Farmers Bank, Bennett and some of his friends decided to cut them off at the pass.

There was, naturally, appeal in the idea of making some money. But, to Bennett, there was something else that bespoke the unusual relationship between country bank and country customer.

"We had to borrow money from a bigger bank in Owensboro to get control. But we bought the Farmers Bank to keep it in the community," he said, adding:

"Your rural banker has a feeling for helping rural people. That's why I went into it. I felt I could do something for the community. And we just don't loan money outside of the community."

"We are a part of the community," Bennett said, "and we support all of the local activities. We bought computers for the grade school. We contribute to all the causes. And everyone calls on us for donations. That's the way it is."●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. DANFORTH. Mr. President, I speak today as one who serves a great democracy where religious freedom is an unquestioned fact of everyday life. The people of this country are horrified by accounts of persecution driven by religious hatred and intolerance of differences in others. And yet Americans have not always spoken out against such injustices, which is why we must not take for granted the Congressional Call to Conscience voiced today. No such call rang out a little over four decades ago when the Nazis were in the throes of the debacle of the final solution, the systematic extermination of the Jewish people. Our present denunciations of the Soviet Union's oppression of Jews are a public declaration that we can never again remain silent in the face of religious persecution, and a recognition that any level of intolerance, any degree or type of torment inflicted upon a people because of their religion, is a virulent disease.

In this sense, the persecution of Jews in the Soviet Union today is of one piece with the horror of the Holocaust of the 1940's. Certainly the extent of the oppression is different, as are the methods, although violence is common to both. However, the intent is the same: to stifle the very breath of life of a religion or cultural tradition, which is the freedom to bequeath upon one's children one's inheritance from the past. It is the same disease that ultimately killed 6 million Jews during World War II.

Nazis sought to eradicate the Jewish people by an all-encompassing and immediate physical extermination. The demonic travesties of their final solution are crimes which we, in the remote present, have vehemently denounced. Yet, the more gradual and less glaring cruelties of the Soviet Government toward Soviet Jews is aimed at the same result—extinguishing the flame of the Jewish religion and tradition in the Soviet Union. Without the benefit of distance in time or perspective it is more difficult perhaps to identify the parallels. However, qualified persecution is a myth. Whenever a religious group is subjected to systematic oppression because it is different from the designated norm, we must combat the same forces which bred the monstrosities of Nazism.

The Soviet Union's campaign of oppression of Jews is not a new phenomenon in Russian history. In this latest phase, however, the visible targets are now religious teachers and cultural activists as well as prominent Jewish intellectuals. Not only is the desire to leave the Soviet Union punished, but also the desire to preserve the Jewish religion and cultural tradition within the Soviet Union. In the past 6 months, 11 religious teachers and Jewish cultural activists were arrested. Four were sentenced to labor camps. The charges were engaging in anti-Soviet agitation, slander, and propaganda—the standard rhetoric used by the Government in its repressive exercises. Further attacks have come through the "Anti-Zionist Committee on the Soviet Public" which has served as a platform from which the media has launched a campaign of anti-Semitic propaganda. These developments become even more disturbing in view of the decline in emigration. In 1979, 31,000 Jews were permitted to leave the Soviet Union. In 1984 the total exodus was 896. This was 30-percent less than in 1983 and 98-percent less than in 1979. The State Department estimates that 400,000 Jews—(20 percent of the community—would emigrate if the Soviet Government would allow it.

Soviet Jews are trapped in a labyrinth, a Catch-22, created by the game of application for emigration, denials, false accusations, threats and labor camps. It is a slow process of mental and physical torture in which reality and absurdity are inextricably linked. And if we ask why it is so, that also eludes a logical answer, for the Soviet Government neither wants the Jews in its country nor does it wish to permit them to leave.

We, Members of the Congress of the United States, representatives of a few people, must not stand by in silence—dumb witnesses to the evils of our fellow men. We must raise our voices in moral indignation and do what we can to bring a halt to the Soviet's religious persecution of the Jews. The courage and stoicism shown by those Jews within the Soviet Union and others who have sought to help them from the outside must serve as an inspiration to us all. We cannot turn our backs on this fight.●

CONNECTICUT MAN COMPLETES HISTORIC RUN

● Mr. DODD. Mr. President, I rise today to honor a young Connecticut man named Jeff Keith for completing his miraculous run across America. I speak on behalf of the people of Connecticut when I extend my heartiest congratulations to Jeff and his family. He has brought a strong and valuable message to all Americans that any obstacle, no matter how great, can be overcome with the strength of will and the courage to try. He deserves the title of a true American hero, and Connecticut is extremely proud of him.

A sports enthusiast from an early age, the 22-year-old Fairfield resident returned to physical activities quickly after he lost his right leg to cancer 10 years ago. He began his comeback by lifting weights, bicycling, and swimming, and then entered downhill ski competitions, competed on his high school tennis team, and played goalie for the varsity lacrosse team at Boston College. Outside of school, he participated in a triathlon in New York State, placing 30th out of 500 in the 1½-mile swim event and finishing the 25-mile bike race and 10-mile run along with the 300 remaining competitors.

Jeff began his run 9 months ago in Boston where he was joined by his friend Edward Kennedy, Jr., son of Senator EDWARD KENNEDY. Young Kennedy also lost his leg to cancer at an early age. In reaching his goal, Jeff raised national and international awareness to issues facing the handicapped while drawing contributions from people all over the country to the American Cancer Society for research. While he made his way through Washington this summer, I had the pleasure of meeting Jeff. He spoke to the Connecticut congressional delegation and to other prominent Members of Congress emphasizing the theme of his run. He prefers to label his condition as "physically challenged" rather than physically handicapped. Perhaps the most commendable of all his efforts during his run was to provide hope and inspiration to young cancer victims with whom he met in rehabilitation centers. Jeff proved most resoundingly yesterday to these youngsters and to all of us that cancer can be beaten and that no obstacle is too great to be overcome.

Mr. President, at this time, I ask to have placed in the RECORD an article which appeared on the front page of the Hartford Courant today.

The article follows:

AMPUTEE BREAKS BARRIER—STATE RESIDENT COMPLETES RUN ACROSS COUNTRY

(By Alan Sternberg)

LOS ANGELES.—"I think there were a lot of doubters, but I always knew I would make it."

Then Jeff Keith, the 22-year-old from Fairfield, Conn., who nine months ago set off from Boston on a 3,300-mile run across America, was tossed ceremoniously from a marina dock into the Pacific Ocean.

Members of his entourage had removed his artificial leg and hoisted it aloft like a trophy.

Keith, who lost his right leg to bone cancer 10 years ago, emerged from the water, bouncing nimbly on one foot, and faced the television cameras.

His journey—the first coast-to-coast run by an amputee—had progressed from a solitary workout with little fanfare in Oklahoma and Texas to a full-blown media event in Los Angeles.

During welcoming ceremonies, attended by Mayor Thomas Bradley and celebrities, President Reagan telephoned.

"You've been an inspiration for thousands of Americans," the president told him. His remarks were amplified for the crowd.

"This is a most courageous and wonderful thing you've done, and you have our fondest wishes for continued health and the fulfillment of your dreams."

Keith repeated a theme he has used throughout the run: that amputees are not "physically handicapped" but "physically challenged."

The 6-foot-2, slightly balding Keith is now well-tanned. At 164 pounds, he is 40 pounds lighter than he was last June. His left leg is enormously developed.

During the journey, which covered seven to 20 miles a day, Keith and his group used four motor homes; three broke down. It rained for two weeks in Missouri, but he kept running. Twice, in the Midwest and in the lee of the Rockies, he and the crew had to drive due south—without reducing the final distance—to find warmer weather and better running conditions. He developed blisters on his amputated right limb in Oklahoma in October and had to stop for three days. He slogged through a snowstorm that deposited 14 inches in the New Mexico mountains. He wore out 39 pairs of sneakers and two artificial legs.

Keith undertook his run as a spirit-raiser for cancer victims and the American Cancer Society. He was greatly influenced by another amputee—Terry Fox, a Canadian who ran two-thirds of the way across Canada before the cancer that had claimed his leg recurred. Fox died in Thunder Bay, Ontario, in 1981.

Keith, who underwent 1½ years of chemotheraphy a decade ago, does not expect any recurrences.

"I wanted to do it," he said of the run. "I thought about it while I was in college, and finally last year I started putting the plans down on paper. It cheers people up. It helps them. It shows what's possible. A lot of people aren't aware of the progress that's been made with artificial limbs."

At the finale, the 6½-pound artificial leg was shod in a gray Saucony running shoe, a kind of outpost of normality at the end of the gold-colored, metallic device. The leg featured a hydraulic cylinder at the knee and a white plastic socket that cupped over the vestige of Keith's thigh.

Still, if his legs didn't match, the shoes did, and left, right, left, right they went down the road.

Keith ran by planting his right leg—the artificial one—then pushing off it, bouncing twice on his left foot in a kind of skipping motion, and planting the right leg again. It was an awkward gait made graceful through millions of repetitions across 16 states and 3,300 miles. Using it, he made deceptively fast progress, moving at the pace of a steady jog with a kind of relentless, rolling rhythm.

In the smog-dulled Los Angeles sunlight at 9:10 a.m. Sunday, two men who design artificial limbs for a living were standing on top of the latest motor home. It was rolling at 5 miles per hour down Venice Boulevard through a neighborhood filled with auto body shops, liquor stores and Mexican food stands.

"He's about 10 strides faster per mile than the last time I saw him." said Alan Finniesston, who built the leg a year ago. "Then, he was doing 15-minute miles. Now he's down to about 12.

"Of course," he added, "the last time I saw him was in Maryland."

The designers of artificial limbs—four limbs, each valued at $7,000 were donated to Keith—were here because Keith was a symbol of the progress that has been made with artificial limbs and because Keith had proved to be a valuable laboratory. Nobody else has ever put an artificial leg under such stress.

Designers said the information could be valuable to amputees who seek more active lives, especially in sports. Jan Stokosa, director of the Institute for the Advancement of Prosthetics in Lansing, Mich., said he will work with Keith to come up with a leg that will enable Keith to run "leg over leg"—that is, in normal fashion.

Prosthetists, as designers of artificial limbs are called, cite the advances that made it possible for Jeff Keith to run across the nation on an artificial leg:

The foot of the device, known as the "Seattle foot," is made of a resilient plastic that flexes and then springs back, propelling the body forward much as the big toe of a normal foot does during walking or running.

The hydraulic cylinder at the knee, devised five years ago, controls the swing of the artificial leg so that it stays in equilibrium; as the pace increases, more hydraulic force comes to bear to keep the lower appendage from swinging too wildly.

A thin, clear, plastic film, originally designed by Johnson & Johnson as a dressing for wounds, eases the problem of blisters, bleeding and cuts caused by friction between the artificial limb and the human appendage.

For years, these consequences have kept amputees from strenuous activity.

But last year, while training for his run, Keith found that the adhesive-backed film, called Bioclusive, protected his thigh from the constant chafing.

Keith was already a celebrity in Los Angeles several days before he crossed the finish line.

Friday night he was introduced at a basketball game between the Los Angeles Lakers and the Atlanta Hawks. "The place went nuts," said Hugh Curran, Keith's buddy during their days at Boston College. "They couldn't believe this guy out on the court had gone across the country on an artificial leg."

Saturday at noon, at a basketball game between the University of Southern California and the University of Arizona, Keith received a jersey and hat from USC President James Zumberge and had his picture taken while surrounded by USC cheerleaders.

Then a Saturday night appearance at a Los Angeles Kings hockey game was canceled by Curran, the group's informal manager, "because everyone's too tired."

Later Saturday there was a two-hour cocktail reception for the press and Keith's crew, and on Sunday Keith attended mass and a reception at Loyola Marymount University and was interviewed on NBC television.●

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. WILSON). Time for morning business has expired.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now go into executive session to consider the nomination of Edwin Meese III, to be Attorney General.

Mr. BYRD. Mr. President, reserving the right to object, I realize that the distinguished majority leader can move, if there is an objection to proceeding to the nomination. I merely want to ask a question.

I note that on the Executive Calendar, in respect to the nomination of Mr. Meese, there is no asterisk which would signify the nominee's commitment to respond to a request to appear to testify before a duly constituted committee of the Senate.

Can the distinguished majority leader give assurance that that asterisk—which would indicate such commitment on the part of the nominee to appear and testify before any duly constituted committee of the Senate—will appear on the Executive Calendar tomorrow?

Mr. DOLE. I certainly give that assurance.

I should like to have the response of the distinguished Senator from South Carolina [Mr. THURMOND], the chairman of the Committee on the Judiciary.

Mr. BYRD. I thank the majority leader.

Mr. THURMOND. Mr. President, if the Senator desires that assurance, I am sure we can get it. The asterisk did not appear in connection with the name of Mr. Baker to be Secretary of the Treasury or the other Cabinet officers whose nominations were confirmed last week.

Mr. BYRD. Those nominations were confirmed without the asterisk?

Mr. THURMOND. I believe they were.

Mr. BYRD. I am sorry there was an oversight on the part of those of us——

Mr. DOLE. We can give that assurance.

Mr. BYRD. That assurance is given, that the calendar will so show tomorrow?

Mr. DOLE. Yes.

Mr. BYRD. I thank the distinguished majority leader.

I have no objection to the distinguished majority leader's motion.

Mr. MELCHER. Mr. President, reserving the right to object, I say to the majority leader that it is not for the purpose of delaying the consideration of the nomination of Mr. Meese, but there are certain matters pending—or we hope will be pending—on the farm credit crisis—and we want to stress the need for consideration of that type of legislation or indication from the administration as to how it would address this problem immediately.

It is only for that purpose that I think we should at least have a vote on this. So I will object, Mr. President, and I ask for the yeas and nays when the motion is made to proceed.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. MELCHER. I yield.

Mr. DOLE. I can report to the distinguished Senator from Montana and other Senators that we have just concluded a brief meeting in the majority leader's office with the chairman of the Senate Agriculture Committee [Mr. HELMS], the Senator from Nebraska [Mr. EXON], the Senator from Oklahoma [Mr. BOREN], the Senator from Illinois [Mr. DIXON], and the Senator from Kansas, where we discussed, in a general way, what might be done on the farm credit problem.

We left that meeting after directing staff to contact the USDA, the OMB, and other appropriate agencies to go over a list of suggestions that were presented. We have started the hearing process of going over a number of suggestions, and we believe some progress can be made.

I hope—this is only a hope, and I understand that any Senator can do what he wishes—that we will not hold the Meese nomination hostage, that at least we will move to proceed. I hope there is no objection to proceeding to the nomination.

If, in fact, there is a determination by certain Senators not to let us vote on the Meese nomination, that is a determination they must make.

But I think I have correctly described the progress so far.

I yield to the distinguished chairmant of the Agriculture Committee if he has any comments.

Mr. HELMS. Mr. President, the distinguished majority leader is exactly right. We have been working on this for several weeks, as my friend from Montana knows, and we are now embarked on a two-pronged procedure. One is to see how much can be done administratively, and then analyze what we should do legislatively.

I do not think there is anything to be gained, I say to the majority leader, from delaying the consideration of the Meese nomination because we are going full-speed ahead on the credit problem anyhow. So I hope that there will not be any delay in it.

Mr. PRYOR. Mr. President, will the Senator from North Carolina yield for a question?

Mr. MELCHER. Mr. President, do I have the floor yet?

The PRESIDING OFFICER. No Senator has the floor, and a unanimous-consent request is pending, and it is not debatable.

Mr. MELCHER. Mr. President, reserving the right to object, I ask unanimous consent to proceed for 5 minutes on this subject.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Without objection, it is so ordered.

Mr. DOLE. That is under the reservation; is that correct?

Mr. MELCHER. Yes, under the reservation.

Mr. President, as I understand the majority leader and the chairman of the Agriculture Committee, the discussion is two-pronged. I assume one of those prongs is with the White House. Did I understand the Chairman correctly?

Mr. HELMS. We are trying to pursue every available course that will expedite precisely what the Senator wants to do, what I want to do, and what all Senators want to do.

Of course, the administration will be involved in terms of what can be done administratively. Then we will determine what that is and then we will proceed to see what we can or should do legislatively.

Mr. MELCHER. I thank the chairman.

Mr. President, will the Majority Leader yield for a question?

Mr. DOLE. I yield.

Mr. MELCHER. Is it possible that, even prior to the final vote on the Meese nomination, we may have worked out a solution to this that is meaningful in terms of farm credit?

Mr. DOLE. I say to my friend from Montana that that is a possibility. But if we make the assumption that we cannot complete the Meese nomination until we work out a package on farm credit, some Member of the Senate might decide we should not have a farm package. As I understand it, there is some urgency about this. If we start playing political games rather than responding to the real concerns of these issues, then we are finished. The majority leader is not going to participate in that.

I hope that we all want to reduce the deficit and that we do not set a bad example on our first action in the Senate in dealing with the farm credit crisis. Something needs to be done, but it has to be reasonable, sensible, and we have to have broad support.

Mr. BOREN. Mr. President, will the Senator from Montana yield?

Mr. MELCHER. I promised to yield first to the Senator from Arkansas.

Mr. PRYOR. I thank the distinguished Senator from Montana for yielding.

I wish to pose a question to the distinguished chairman of the Agriculture Committee. The distinguished chairman several times in the last few moments has used the word "we." "We are working on a program; we are working on a farm credit deal; we are working on something." Who is "we"?

Mr. HELMS. Everyone who was present at the various meetings.

Mr. PRYOR. I do not know that there has been any meeting of the Agriculture Committee yet. Is this Mr. Stockman or Mr. Block and the chairman of the Agriculture Committee, or who is "we"? That is what I am interested in.

Mr. HELMS. The Senator can include himself in that.

Mr. PRYOR. I have not been invited to any of them.

Mr. HELMS. The others were not invited. They requested a meeting with the majority leader.

The Senator from Arkansas can request a meeting with anyone whom he pleases, and I will be glad to meet with him.

Mr. PRYOR. I want to sort of clarify the statement because it appears that we are holding out, that we are meeting and we are about to come out with something, and frankly I do not know that anyone is about to come out with anything, and I take great reservation to the distinguished chairman——

Mr. HELMS. I do not think the Senator should take offense at the meeting that was just held, and I was alluding to the meeting that was just held, and in that context I used the word "we," because I did go to that meeting at the request of Senators EXON, BOREN, and others.

I wish the Senator had been there. I did not designate who was to be there.

Mr. PRYOR. I thank the Senator.

Mr. HELMS. The Senator is welcome.

Mr. MELCHER. I yield to the Senator from Oklahoma.

Mr. BOREN. I thank the Senator from Montana.

Mr. President, I say to my colleague from Montana that at this point in time I hope he will reconsider objecting to the request to go into executive session to consider the Meese nomination.

None of us are playing games. I think we all know that. We are deadly in earnest, and I think we are all attempting now to talk in good faith and to negotiate in good faith to work out the answer to a very serious immediate problem.

It is very clear in conscience several of us feel that we cannot go to a vote on the Meese nomination until we have been assured that there will be an effective emergency package to deal with the agricultural crisis scheduled for the Senate to act upon within the very near future, the time certain and with some specificity as to what is in that package.

But, on the other hand, I think while we are continuing our negotiations in good faith, it would be appropriate that we not object to at least going to the Meese nomination, to allow it to be taken up so that the discussion could begin on that nomina-

tion while we can continue our deliberations.

I say again my own feelings about the need to delay a vote on the Meese nomination until we have some understanding on the farm package is not a matter of individual personalities. It has nothing to do with any personal objections on my part in regard to the Meese nomination. It is simply the matter that I in conscience, and I know the Senator from Nebraska and others and I am sure the Senator from Montana also, feel that we simply in conscience cannot allow the farm crisis to go on unattended any longer but we must move on.

The PRESIDING OFFICER. The time of the Senator from Montana has expired.

Mr. MELCHER. Mr. President, I ask unanimous consent for 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. I am not going to delay this process. I think there is going to be plenty of time to debate this. But what I earnestly ask of all of my colleagues, and particularly the majority leader and the chairman of the Agriculture Committee, is to lay this matter directly before the President and get a resolution very quickly.

What David Stockman says, or John Block as Secretary of Agriculture says, is irrelevant to the massive crisis that faces American agriculture, and it is a question that deserves and demands the attention of the President immediately.

So I just want to emphasize my request to my two distinguished colleagues that they get that answer very promptly and there be a meaningful answer, because what Stockman has said and what Secretary Block has said is meaningless and is irrelevant to the facts.

The PRESIDING OFFICER. The time of the Senator from Montana has expired.

Mr. DIXON. Mr. President, will the majority leader yield for a question?

Mr. DOLE. Does the Senator reserve the right to object?

Mr. DIXON. I beg pardon.

Mr. EXON. Mr. President, reserving the right to object.

Mr. DIXON. Mr. President, will the majority leader yield?

Mr. EXON. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I do not intend to object, because I think the quicker we move ahead with the consideration of the Meese nomination the better off those of us who are trying to work out some kind of a compromise that is acceptable to the farmers would be. I simply say that I suspect that there is going to be a great delay of maybe 2 or 3 months, 2 or 3 years possibly, hopefully, on the Meese confirmation unless something forthcoming can be arranged with the White House, the President, and not Mr. Stockman or Mr. Block, who are the temporary popular punching bags.

I simply say that those of us who have been moving in this area honestly feel that the quicker we get the Meese nomination up for consideration the stronger position we will be in rather than the weaker position.

I have been very fearful, frankly, talking out of school, that the majority leader might decide to put off the Meese nomination to some other day and take up something like the highway construction bill or aid to starving people in Africa. It would be much more difficult, it seems to this Senator from Nebraska, to be delaying that type of action.

I think it is in my interest and what Senator BOREN and I and most of us are trying to get done to get the Meese nomination out on the table.

I suspect that, with all the parliamentary skill that the Senator from Kansas has, he probably has some anecdote to that, but at least that is my thinking at the present time, and I hope that we move as quickly as possible to bring up the Meese nomination with the clear understanding that there is no time agreement on how long we might debate that measure.

I thank the Chair.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. Is there objection to the request?

Mr. DIXON. Mr. President, reserving the right to object, and I do not intend to object, may I address the majority leader on a unanimous-consent request?

Mr. President, pursuant to the conference that was held by the distinguished Senator from Nebraska [Senator EXON]; the distinguished Senator from Oklahoma [Senator BOREN]; the distinguished chairman of the Agriculture Committee [Senator HELMS]; this Senator, and the majority leader, I now wish to ask unanimous consent that the bill I introduced a week or so ago on February 7, S. 433, which is held on the calendar by unanimous-consent agreement with the majority leader and the chairman of the Agriculture Committee and others, pursuant to our agreement of today, be continued on the calendar, held on the calendar until next Monday, February 25. May I have unanimous consent to do that? That is the bill that would permit a one-third advance on the loans from the ASCS, which could be obtained by the farmer after harvest in the fall, in the spring, in order to permit farmers in the country to buy feed so they can put in a crop, because they cannot harvest a crop if they do not put in a crop.

I ask unanimous consent to hold that on the calendar.

THE PRESIDING OFFICER. Is there objection?

Mr. HARKIN. Mr. President, reserving the right to object.

THE PRESIDING OFFICER. The Senator from Iowa.

Mr. BYRD. Mr. President, how many unanimous-consent requests are before the Senate at this point?

THE PRESIDING OFFICER. There are two pending.

Mr. HARKIN. Mr. President, I had not expected my first words offered in this Chamber would be to engage in polemics with the distinguished majority leader, but when I came to the floor I heard the distinguished majority leader say that he did not want us to engage in political games. Those of us who are seeing thousands of our farmers go under in our respective States are not here to play political games.

What I cannot, for the life of me, understand is why it is more important for our country now to take the time of the Senate to take up the nomination of Ed Meese to be Attorney General when, in fact, our family farmers are going under day after day. The Justice Department seems to be operating quite well. The bureaucrats are busy, law enforcement goes on apace, and yet we are taking the time in the Senate to debate and discuss the nomination of Ed Meese to be Attorney General.

I would like to ask, if I might, the distinguished majority leader why it is more important for us to take the time to act on Ed Meese's nomination rather than to take up important agriculture legislation that will stop the forced bankruptcies of our farmers, the liquidation of banks that are going under in my State, and I am sure the majority leader's State, too. I wonder why it is more important to do this than to take up necessary agriculture legislation which we could pass this week.

Mr. DOLE. If I might respond to the distinguished Senator from Iowa, as I understand it, the bill was just introduced today and there is another being held at the desk. There have been no hearings; really no discussion.

Ed Meese has been waiting now for 1 year to become Attorney General. I think it is appropriate that we take up the Meese nomination. In addition to that, there has been a plan announced by the administration to address the farm credit problem.

We have been unsuccessfully trying to solve the farm crisis around here for 40 years. That is one reason why farmers in my State of Kansas and in other States are in such difficulty. Every year we have another crisis and another solution.

The Federal Government has spent between $50 and $60 billion in the last 4 years on agriculture programs. And

we may now have a problem we need to address and address very quickly. But it is my view that if everybody starts putting the pressure on for instant action on the farm credit issue, we may not get around to addressing the real problem.

We need to determine at the outset what needs to be done. We have and will continue to approach this issue in good faith. The administration has announced a debt restructuring program including $650 million in loan guarantees. We have been told that this level of guarantees could be modified. It could go to $1 or $2 billion.

So it would seem to me that we ought to move on with the Meese nomination, continue to discuss the farm credit crisis, and see if it can be addressed responsibly.

I do not know anybody who has a solution. We all have ideas, but I have not seen one that everyone has recognized and accepted as a solution to the farm credit problem.

Mr. HARKIN. Further reserving the right to object, Mr. President.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, Ed Meese may have been waiting for 1 year to become Attorney General, but I have farmers in my home State of Iowa who have been waiting at least 2 or 3 years to have something done about their plight. We have farmers right now who, for the lack of some adequate financing, will not be able to get the crop in. That could be done this week by this body in concert with the House of Representatives. Mr. Meese still has a job and an income; he can wait a little longer to change jobs.

Mr. DOLE. May I ask whether the distinguished Senator from Iowa has a bill pending?

Mr. HARKIN. Senator Dixon has a bill.

Mr. DOLE. I was under the impression, based on your earlier remarks, that you must have a bill.

Mr. HARKIN. Do you want me to write one? I could write one right now for you. You know that.

We could do a lot of things, as the Senator knows, and we have not had one meeting of the Agriculture Committee yet, and the Senate has been here for almost 2 months. The farmers have been crying out across this land for us to do something and we are taking up Ed Meese's nomination. That is why I was reserving the right to object, because we are not here to play political games, but we are here to conduct the most important business of this country which I believe is to help save our family farmers.

Mr. DOLE. In response to the distinguished Senator from Iowa, Mr. President, I would say I have no objection to that last statement. I do not know of any Members of the Senate, and some have been on the Agriculture Committee for a long time, that have not been sensitive to the needs of the farmers. I would only say that there are a lot of ideas and, as far as this Senator knows, they have not yet gelled. We are looking at many different ideas. We may be able to work out an improved program. The distinguished Senator from Illinois says he has a program that will not cost one dime. If that is the case, we may be prepared to move quickly.

Mr. DIXON. Mr. President, reserving the right to object, if my colleague from Iowa will permit me, may I say to the majority leader that this has not been clarified. I wonder if the Chair would rule on my unanimous-consent request that S. 433 be held on the calendar until next Monday, February 25. May I have unanimous consent in accordance with the earlier agreement?

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

Is there objection to the majority leader's request for unanimous consent?

Without objection, it is so ordered.

EXECUTIVE SESSION

NOMINATION OF EDWIN MEESE III TO BE ATTORNEY GENERAL OF THE UNITED STATES

The PRESIDING OFFICER. The clerk will report.

The bill clerk read the nomination of Edwin Meese III, of California, to be Attorney General.

Mr. THURMOND. Mr. President, I rise today to strongly support President Reagan's nomination of Edwin Meese III to be Attorney General of the United States, and to express my hope that the Senate will act without delay in confirming Mr. Meese to this important position.

As my colleagues are well aware, this nomination has been before the Senate since February of last year. Now, I believe all of the issues relevant to this nomination have now been resolved in Mr. Meese's favor. It is time for the Senate to vote on this matter.

As this Nation's chief law enforcement officer, the Attorney General is one of the most important officials in the Federal Government. Mr. Meese has a long and distinguished record of public service and experience in the field of law enforcement, and I believe he is well qualified to be Attorney General of the United States.

I also consider Mr. Meese to be firmly committed to the fair and impartial administration of justice for all Americans and to upholding the independence of the Justice Department.

Mr. President, this nomination has been subjected to some of the most intense and exhaustive scrutiny I have witnessed in my Senate career. In every case, the facts have clearly shown that Mr. Meese has violated no criminal laws and has acted ethically in his business and personal dealings.

We have, therefore, arrived at a point where all speculation about criminal and ethical violations has been completely dismissed, and each Member of this Chamber must decide whether he or she believes Edwin Meese is otherwise qualified to be Attorney General.

That decision, whether based on personal opinion, political philosophy, or any other consideration, can be expressed in a vote on this matter.

I would like to recount for the Senate the history of this nomination, which includes seven separate hearings by the Judiciary Committee, during which more than 50 witnesses testified. I believe the record of these proceedings clearly shows that this nomination should not be delayed any further.

In February 1984, when the Judiciary Committee first received this nomination, four hearings were held, lasting from March 1 to 6. At that time, questions arose concerning whether Mr. Meese had violated criminal statutes in his official and financial dealings.

The committee's ranking minority member, Senator BIDEN, and I formally requested on March 22 that an independent counsel be appointed to resolve those questions.

Mr. Meese himself independently requested such a probe on the same day.

As to the investigation and report of independent counsel, Mr. Jacob Stein was selected as the independent counsel to investigate these matters. His investigation lasted more than 5 months and generated a report of almost 400 pages. The report is thorough, complete, and true to its mandate: the investigation of any possible violation of criminal law by Mr. Meese. its conclusions are strong and unequivocal: there is no basis whatsoever for a criminal prosecution of Mr. Meese. I want to add that the investigation covered not only those issues outlined by Senator BIDEN and me, but five others deemed relevant by the independent counsel.

I think it is worthwhile at this time to review the conclusions and scope of Mr. Stein's efforts in order to demonstrate the thorough nature of this investigation. So, I shall quote briefly:

The office of Independent Counsel conducted eleven separate inquiries relating to Edwin Meese III. They were:

1. Mr. Meese's failure to include in his Financial Disclosure Statements a $15,000 loan made by Edwin Thomas to Mrs. Meese.

2. The relationship, if any, of certain loans made to Mr. and Mrs. Meese and the appointment of Edwin Thomas, Gretchen Thomas, Tad Thomas, John McKean, Gordon Luce, Edwin Gray, Marc Sandstrom, Clarence Pendleton, and Thomas Barrack to federal jobs.

3. Mr. Meese's and his family's stock trading.

4. Whether Mr. Meese obtained special treatment from government agencies for business entities in which he had a financial interest.

5. Mr. Meese's change of status from the retired Army Reserve to the Active Reserve and his later military promotion.

6. Mr. Meese's statements to the Subcommittee on Human Resources of the Committee on Post Office and Civil Service, House of Representatives, and the Senate Judiciary Committee, concerning Carter campaign materials.

7. Mr. Meese's retention of cuff links given to him by the government of South Korea.

8. Mr. Meese's receipt of payments by the Presidential Transition Trust and the Presidential Transition Foundation.

9. Mr. Meese's reporting on his Financial Disclosure Statements of reimbursements for travel expenses.

10. Mrs. Meese's receipt of funds from the William Moss Institute.

11. Mr. Meese's connection, if any, with Federal grants to Pepperdine University and the American University.

Allegations 1-6 were identified in the Order Appointing Independent Counsel.

Allegations 7-11 came to our attention during the investigation.

In the course of the investigation, we examined all documents we believed might be relevant. This included files of the White House Office of Presidential Personnel, the Counsel to the President, and White House Central Files relating to how individuals who allegedly had financial relationships with Mr. Meese were considered for Federal positions. Agendas and handwritten notes taken at White House Senior Staff meetings were reviewed. We also examined numerous files and other documents in the possession of Mr. Meese and his staff, including correspondence, entries in Mr. Meese's telephone logs and daily schedules and contemporaneous notes taken by Mr. Meese and by members of his staff. We obtained similar documentation from other government agencies, including the General Services Administration, the Merit Systems Protection Board, the Departments of Interior, Commerce and Labor, the Small Business Administration, and the Departments of Defense and the Army, relating to how certain individuals were considered for Federal positions, and to other allegations listed above. We obtained documents from various witnesses who were considered for Federal positions or who had knowledge relating to such consideration. Finally, we obtained documents and other information from entities which independently conducted inquiries into certain allegations. They included the Federal Bureau of Investigation, the General Accounting Office, the Securities and Exchange Commission, entries in Mr. Meese's telepone logs and daily schedules, and contemporaneous notes taken by Mr. Meese and by members of his staff.

We were refused no documents we sought.

With respect to Mr. Meese's financial transactions and his reporting of those transactions, we examined all documents we believed might shed light on the drafting, preparation and review of Mr. Meese's Financial Disclosure Statements, including files maintanined by his office and by White House Counsel. These files contained handwritten and typewritten drafts, working papers, memoranda, notes and internal White House communications. We obtained records of all of Mr. Meese's tax returns and his accountants' tax preparation workpapers and internal notes and memoranda for the relevant years.

Before reaching the conclusions we set forth in this Report, we conducted investigative interviews with over 200 witnesses. With rare exception, each interview was conducted by at least two staff members. Forty-five of the witnesses testified before a Federal grand jury empaneled on May 8, 1984, by the United States District Court in the District of Columbia. Mr. and Mrs. Meese were among those who testified. No witness refused to testify or sought immunity in consideration of testifying.

Based upon the investigation described above, we find no basis with respect to any of the eleven allegations for the bringing of a prosecution against Mr. Meese for the violation of a Federal criminal statute.

Mr. President, these words from the independent counsel's report clearly vindicate Mr. Meese from any criminal wrongdoing.

As to the reconsideration of Mr. Meese's nomination, prior to completion of this investigation, I decided on September 7 of last year to remove Mr. Meese's nomination from the committee's agenda. I did so because I felt that any further consideration of the matter during the election season would be overly politicized and would not serve the public's best interest.

With the election over, Mr. Meese's nomination was resubmitted to the Senate on January 4, 1985, and the Judiciary Committee began a new round of hearings on January 29, which lasted 3 days.

While these new hearings were underway, new questions arose as to whether Mr. Meese had complied with Government ethics requirements during his service to President Reagan.

To determine the facts in this matter, I summoned Mr. David Martin, Director of the Office of Government Ethics, and two of his staff attorneys to testify before the committee.

At the same time, I asked that an internal staff memorandum, prepared by two of Mr. Martin's staff attorneys regarding Mr. Meese's compliance with Government ethics statutes, be submitted to the committee.

Since this document was an internal one, and did not represent the final decision of the Office of Government Ethics or any of its staff attorneys, Mr. Martin requested that the memorandum be reviewed by the committee on a confidential basis.

In an effort to clear the air over this entire issue, Senator BIDEN and I later requested that the document be made public. We wanted all the facts to come out. Mr. Martin agreed to honor that request, although he expressed concern over public disclosure of an internal working document.

During his testimony, Mr. Martin acknowledged that his staff attorneys had indicated in the memorandum that Mr. Meese's dealings with John McKean had created what they called an "appearance problem."

Under questioning from the committee, Mr. F. Gary Davis, the senior staff attorney responsible for drafting the memorandum, testified that his term "appearance problem" did not mean there was an impropriety—only that matter required further investigation.

Davis also testified that upon further examination of the facts, there was no violation of the Office of Government Ethics' code of conduct by Mr. Meese.

I agree with those findings, since the mere perception or appearance of impropriety must disappear once the facts conclusively show that there was no violation of the law. I think it is clear that Mr. Martin and his staff acted fairly, impartially, and independently in reaching that conclusion.

The committee finished its second round of hearings on January 31, 1985, and voted 12 to 6 on February 5, 1985, to send the nomination to the Senate floor with a favorable recommendation.

All questions about whether Mr. Meese acted within the law have now been answered, and it is time for the Senate to vote on this nomination. I hope that we can do so without further unreasonable delay since any such delay would be unfair to a number of people.

It would be unfair to President Reagan, who wants Mr. Meese to serve in his Cabinet, and as any President, deserves to have a prompt decision by the Senate on his nominations.

It would be unfair to outgoing Attorney General William French Smith, who has indicated his desire to return to private life after a distinguished career of public service.

It would be unfair to Mr. Meese himself, who has demonstrated to the Judiciary Committee that his conduct in both his business and official dealings has been proper.

Most important, any further delay would be unfair to the American people, who have every right to expect and demand that the processes of their National Government, as established in our Constitution, function in a timely and responsible manner.

Therefore, out of attention to our duty as Senators, and out of decency to this nominee, we must press forward on this matter and come to a decision—one way or the other—without any further delay.

I am confident that Mr. Meese is a man of ability, dedication, honesty, and integrity, and one who will be faithful to the trust reposed in him.

On behalf of the Judiciary Committee, I recommend that the Senate approve Mr. Meese for the position of Attorney General of the United States.

The PRESIDING OFFICER (Mr. EVANS). The Senator from Utah.

Mr. HATCH. Mr. President, I rise in strong support of the nomination of Mr. Edwin Meese to be Attorney General of the United States. I do so because I believe him to be an individual of substantial character, professional competence, and integrity. Mr. Meese will serve his country with high distinction as Attorney General.

The Judiciary Committee, on which I serve, has had the opportunity to learn a great deal about Mr. Meese's personal and professional fitness over the course of the past year. We have scrutinized this nomination with as much care and intensity as any Presidential nomination in recent years. We have conducted an exhaustive series of hearings on Mr. Meese; we have quizzed Mr. Meese and other knowledgable individuals minutely about matters relating to his conduct as a public servant; we have submitted hundreds of interrogatories to Mr. Meese on matters of conduct and substance; we have triggered a massively detailed investigation by the special counsel; we have witnessed an equally far-reaching investigation of Mr. Meese by the independent Office of Government Ethics; each of us on the committee has weighed and deliberated upon this nomination for more than a year.

What is the product of all this? In my own judgement, the product is a record on Mr. Meese that demands his confirmation at this time. It is a record that shows him to be a dedicated and committed public servant, both in California and in Washington, both in State and National Government—indeed so dedicated and committed that his and his family's personal situation has suffered as a direct result. It is a record that shows Mr. Meese to be an intelligent and respected member of his bar—both as a practitioner and an educator. It is a record that shows Mr. Meese to be unswervingly committed to the rule of law, strong and effective enforcement of that law, and the application of that law in a fair and just and equal manner to all persons.

Further, the record established by the Judiciary Committee, as well as by the special counsel and the Office of Government Ethics, demonstrates that there are no blemishes of any sort in Mr. Meese's history that warrant the rejection of his nomination. The report of the special counsel concluded that any allegations of criminal misconduct on his part were baseless; the report and testimony by the Office of Government Ethics failed to identify any ethical breaches on Mr. Meese's behalf; and the committee has failed to uncover any additional information or evidence that would suggest that he has conducted himself in a manner unworthy of the position of Attorney General of the United States.

Mr. President, at this point in the RECORD, I would like to submit for the consideration of colleagues a summary analysis of the allegations of wrongdoing made, chiefly by Common Cause, against Mr. Meese as well as the conclusions of the special counsel and the Government Ethics Office after conducting independent and thorough investigations. They make clear, in my opinion, that despite all the smoke that has been blown for the past year about Mr. Meese that there is simply no evidence that he has ever failed to comport himself in his public service in the most responsible manner possible.

I am confident that, if my colleagues will take the time to assess the record of the committee, the nomination of Mr. Meese will be approved by this body by an overwhelming margin. There is not simply an absence of evidence of any misconduct; more importantly, there is a wealth of evidence on the caliber and professional competence of the nominee. I strongly urge my colleagues to support the present nomination. Mr. Meese will become an outstanding Attorney General of the United States.

I ask unanimous consent that that summary analysis be printed in the RECORD.

There being no objection, the summary analysis was ordered to be printed in the RECORD, as follows:

INTRODUCTION

This is a compilation of the conclusions reached by those charged with investigating and analyzing the conduct of Mr. Edwin Meese III. They have been drawn, and in some cases condensed, from three sources: the report issued by the Independent Counsel, Jacob Stein—cited as "Report of Independent Counsel; the working paper prepared by two staff attorneys at the Office of Government Ethics—cited as "working paper"; and, the cover letter written by the Director of the Office of Government Ethics, David Martin, which accompanied the staff working paper when it was released to the public—cited as "cover letter". It is important to understand the interrelationship of the latter two sources.

On January 29, 1985, the Director of the Office of Government Ethics, David Martin, made an exception to a long-standing policy of that office and publicly released the working paper. He did so, following a partial "leak" to the press, in response to a request made by Senators Thurmond and Biden of the Senate Judiciary Committee based upon their belief that it was necessary "to openly resolve any issues regarding the nomination of Edwin Meese III to be Attorney General of the United States." (cover letter, p. 1) The cover letter which Mr. Martin attached to the working papers serves two important purposes.

First, Mr. Martin's cover letter explains the context in which the working paper was prepared. He states that the working paper was "an exhaustive review of the report of the Independent Counsel" prepared to aid the Office of Government Ethics in "determining whether or not there were any actual conflicts of interest or any other ethics-related problems raised, but not addressed, by the Independent Counsel." He had instructed the two staff attorneys assigned the project to "raise all matters that might present problems. (He) put no restrictions or limitations on their review." This, Mr. Martin explained in the letter, was in the tradition of the "open and robust internal communications regarding sensitive matters" on which his office has always prided itself. (cover letter, p. 1)

As a working paper, Mr. Martin cautioned, the document did "not represent the final decision-making act of (the Office of Government Ethics), nor does it represent the final conclusion reached by its authors. It was truly part of an on-going deliberative process which properly should not be disclosed." (cover letter, p. 1)

The second purpose of the cover letter was to declare again that "Mr. Meese was in compliance with applicable laws and regulations regarding conflicts of interest," and to explain how the issues raised as potential problems in the working paper had been resolved in Mr. Meese's favor "after a series of meetings and discussions which included (OGE) Chief Counsel, Donald Campbell; and the authors of the working paper, Gary Davis and Nancy Feathers. Upon "further examination and factual development, it was my judgment that there was no substance to the appearance problem based on the facts as developed * * *," Mr. Martin wrote. He went on to say that he was satisfied "That Mr. Meese had not lost his complete independence or impartiality." (cover letter, p. 2)

The work of the Office of Government Ethics then must be looked at in its entirety—the working paper as clarified by the cover letter—in order to accurately assess that office's evaluation of Mr. Meese's activities in his current position as Counsellor to the President. Therefore, this compilation cites the final determinations detailed in the cover letter as well as the initial observations explored in the working paper. In cases where either the cover letter or the working paper is silent on an issue, I have, of course, included the single source since it is the only available indication of the Office of Government Ethics' findings other than its official conclusion that "Mr. Meese was in compliance with applicable laws and regulations regarding conflicts of interest." (cover letter, p. 1)

This compilation is organized according to the eleven separate inquiries conducted by the Independent Counsel. After listing the specific inquiry, the conclusion reached by the Independent Counsel is provided. This is followed by the determination of the Office of Government Ethics concerning the inquiry as found in either the cover letter or working paper.

COMPILATION OF CONCLUSIONS RELATING TO THE CONDUCT OF EDWIN MEESE III

(Prepared by Senator Orrin Hatch)

The Office of Independent Counsel conducted eleven separate inquiries relating to Edwin Meese III. They were:

1. Mr. Meese's failure to include in his Financial Disclosure Statements a $15,000 loan made by Edwin Thomas to Mrs. Meese.

2. The relationship, if any, of certain loans made to Mr. and Mrs. Meese and the appointment of Edwin Thomas, Gretchen Thomas, Tad Thomas, John McKean, Gordon Luce, Edwin Gray, Marc Sandstrom, Clarence Pendletion, and Thomas Barrack to federal jobs.

3. Mr. Meese's and his family's stock trading.

4. Whether Mr. Meese obtained special treatment from government agencies for

business entities in which he had a financial interest.

5. Mr. Meese's change of status from the retired Army Reserve to the Active Reserve and his later military promotion.

6. Mr. Meese's statements to the Subcommittee on Human Resources of the Committee on Post Office and Civil Service, House of Representatives, and the Senate Judiciary Committee, concerning the Carter campaign materials.

7. Mr. Meese's retention of cuff links given to him by the government of South Korea.

8. Mr. Meese's receipt of payments by the Presidential Transition Trust and the Presidential Transition Foundation.

9. Mr. Meese's reporting on his Financial Disclosure Statements of reimbursements for travel expenses.

10. Mrs. Meese's receipt of funds from the William Moss Institute.

11. Mr. Meese's connection, if any, with federal grants to Pepperdine University and American University.

(Source: Report of Independent Counsel, pp. 8-9.)

First, Mr. Meese's failure to include in his Financial Disclosure Statements a $15,000 loan made by Edwin Thomas to Mrs. Messe.

Report of Independent Counsel

In conclusion, we find no substantial evidence of any motive on Mr. Meese's part to conceal the Thomas loan, Mrs. Meese's stock purchases, or any conduct linked to these transactions. In particular, we find no indication of any underlying improper or illegal conduct on the part of the Meeses, and no evidence that they had knowledge of any such conduct by anyone else. * * *

In our view, there being no evidence of motive, that is, no discernible reason why Mr. Meese would need or want to conceal the loan, Mr. Meese's explanation for his failure to list the loan is credible. * * *

Finally, because we found no indication of any underlying imporper or illegal conduct that Mr. Meese might have sought to conceal, prosecution in this case would be inconsistent with Justice Department policy. (pp. 106-107)

Office of Government Ethics

This specific issue was not discussed in the Office of Government Ethics cover letter or working paper.

Second. The relationship, if any, of certain loans made to Mr. and Mrs. Meese and the appointment of Edwin Thomas, Gretchen Thomas, Tad Thomas, John McKean, Gordon Luce, Edwin Gray, Marc Sandstrom, Clarence Pendleton, and Thomas Barrack to federal jobs.

A. EDWIN THOMAS

Report of Independent Counsel

* * * We uncovered no direct evidence linking the offer of the loan, or the subsequent making of the loan, to Mr. Meese's offer of a job [as Assistant Counsellor to the President] to Mr. Thomas.

There is substantial uncontradicted evidence that Mr. Meese's offer of the position to Mr. Thomas was based on the longstanding personal and professional relationship between the two men, rather than any financial transaction between them. * * *

With respect to Mr. Thomas' obtaining a position as Regional Administrator of GSA in San Francisco, the uncontradicted evidence is that Mr. Thomas obtained this position himself, without the knowledge of (or intervention by) Mr. Meese. * * *

Consequently, we conclude that there is no basis for the bringing of a criminal charge against Mr. Meese based on the allegation that he violated federal criminal statutes in connection with Mr. Thomas' obtaining any federal position. (pp. 72-74)

Office of Government Ethics, working paper

Our examination of Mr. Meese's activities reveals no violation of the standards of conduct for the Executive Office of the President (3 C.F.R. § 100), which apply to Mr. Meese as Counselor to the President, or Executive Order 11222.

* * * * *

With respect to Mr. Thomas' prosition as Regional Administrator of GSA in San Francisco, the Independent Counsel's report concluded that Mr. Thomas obtained that position himself, without Mr. Meese's knowledge. (working paper, pp. 1-2)

B. GRETCHEN THOMAS

Report of Independent Counsel

* * * There is no evidence that Mr. Meese promised to intervence on Mrs. Thomas' behalf or that he did intervene with respect to either of [the position obtained by her]. Nor is there evidence that Mr. Meese was aware of Ms. Thomas obtaining these positions at the time she did so. Thus, we find no basis for the bringing of a criminal charge with respect to Ms. Thomas' hiring. (p. 74)

Office of Government Ethics, working paper

* * * Gretchen Thomas obtained a position as an unpaid intern in the White House Counsel's office in the fall of 1981. In the following summer, she took a job as an attorney-examiner in the San Francisco office of the Merit Systems Protection Board. The evidence reveals that Mr. Meese was unaware that Ms. Thomas was seeking these positions and did not assist her in obtaining them. (working paper, p. 2)

C. TAD THOMAS

Report of Independent Counsel

There is no evidence indicating that Mr. Meese was involved in the hiring of Tad Thomas by the Department of Labor in the fall of 1982. There is no basis for a criminal charge concerning Tad Thomas' hiring. (p. 74)

Office of Government Ethics, working paper

* * * [T]here is no evidence that Mr. Meese influenced the Department of Labor's decision to hire Tad Thomas in the fall of 1982. (working paper, p. 2)

D. JOHN MC KEAN

Report of Independent Counsel

We found no evidence that Mr. Meese solicited a loan from Mr. McKean with the express or implied intention of assisting him in obtaining a government position, or that Mr. McKean offered to arrange a loan in the expectation or understanding that Mr. Meese would so assist him.

* * * Furthermore, the loan Mr. McKean arranged appeared to have been an arms-length transaction, and the stated rate of interest was higher than Mr. Meese would have paid had he been able to negotiate a loan from a bank to be secured by a second mortgage on his Virginia home. * * *

* * * [T]here is no evidence that at the time the loan arrangements were made Mr. McKean was interested in or even contemplated a federal position. His actions were consistent with a professional interest in representing his client as a financial manager and accountant. * * *

* * * * *

* * * There is no direct evidence that there was any connection between Mr. McKean's willingness to continue to forego interest until 1983 and Mr. Meese's willingness to support him for a longer term on the Board. There are credible explanations for the actions of both individuals independent of their financial relationship. * * *

Accordingly, we found no basis upon which to recommend the bringing of a criminal against Mr. Meese relating to the McKean loan. (pp. 145-148)

Office of Government Ethics, cover letter

* * * After a series of meetings and discussions which included my Chief Counsel, Donald Campbell; Gary Davis and Nancy Feathers, I concluded that there was no violation of the standards of conduct regarding the forbearance and gift problem, because we determined that since Mr. McKean was the trustee and had not extended the loan, he did not, even in this unique situation, give Mr. Meese a gift. * * *

As regards the McKean appointment, my initial impression was that this was a basis for concern that required further probing. After further examination and factual development, it was my judgment that there was no substance to the appearance problem based on the facts as developed, and, in particular, on the following:

At the time the loans were made, there was not evidence that Mr. McKean was interested in, or even contemplated receiving, a federal position;

Both loans were arms-length transactions at higher than prevailing bank rate interest;

Consideration of Mr. McKean's name was initiated by Mr. Deaver;

Mr. Deaver initiated the nomination of Mr. McKean for a longer term on the Board, at which time the appointment process was already in motion; and

The Independent Counsel's report found no evidence that Mr. Meese spoke to anyone or took any action to assist Mr. McKean in obtaining a longer term.

* * * [T]here existed credible explanations for the actions of both Mr. McKean and Mr. Meese independent of their financial relationships. * * * Mr. Meese had not lost his complete independent or impartiality.

* * * Mr. Meese's objectivity had not been impaired in the McKean matter. (cover letter, p. 2)

Working Paper

Our examination of the facts reveals two probable ethics violations by Mr. Meese. The first, is Mr. Meese's participation in the Senior Staff approval of Mr. McKean for his positions on the Postal Board of Governors. Second, Mr. Meese's acceptance of Mr. McKean's six-month deferral of the interest due on the loans might have violated the restrictions on gifts to federal employees.

* * * * *

Also in the area of gifts is 5 U.S.C. § 7351, which prohibits any federal employee from accepting a gift from any other federal employee receiving less pay than himself.

* * * It is unclear whether this statute was intended to apply only to employees in superior-subordinate relationships or to all employees, regardless of the chain of responsibility. (working paper, pp. 3-5)

E. GORDON LUCE, EDWIN GRAY, MARC SANDSTROM, AND CLARENCE PENDLETON

Report of Independent Counsel

We found no evidence that Mr. Meese solicited or received something of value from Messrs. Luce, Gray, Sandstrom or Pendleton as individuals. The evidence showed, however, that Mr. Meese solicited and re-

ceived something of value from Great American, the institution with which these individuals were affiliated. Throughout this investigation, the Bank has maintained that its handling of the Meese loans was not unusual for "preferred" customers and was sound from a business point of view. We have corroborated this.

* * * * *

For federal criminal law violations to have occurred, the things of value received by Mr. Meese from the Bank must have been received "in consideration of" a promise of assistance by Mr. Meese in obtaining federal positions for the persons in question (18 U.S.C. § 211) or "because of any official act performed or to be performed by him" (18 U.S.C. § 201).

We conclude that, despite the various degrees of support Mr. Meese gave to the appointments of Messrs. Luce, Gray, Sandstrom, and Pendleton, the evidence does not warrant the finding that such support was connected to the Bank's treatment of the Meeses.

* * * * *

[W]e found no evidence that Messrs. Luce, Gray, Sandstrom, and Pendleton were involved materially, if at all, in the Meeses' financial dealings with the Bank.

* * * * *

[W]e conclude that no basis exists for charging Mr. Meese with federal criminal law violations in connection with the federal appointments of the Great American officials. (pp. 184-187)

Office of Government Ethics, working paper

Our examination of the facts leads us to conclude that Mr. Meese did not violate the standards of conduct. Because none of the men had participated in the loans to him, Mr. Meese did not have any favors to return, and there was no conflict of interest. Any action he took on their behalf appears to have been prompted by previous associations with the persons in state government and civic affairs. (working paper, p. 7)

THOMAS BARRACK

Report of Independent Counsel

* * * [T]here was no direct evidence that in any of their meetings or conversations, Mr. Meese promised to support or use his influence on behalf of Mr. Barrack. Nor was there any direct evidence that Mr. Barrack solicited such a promise, or that any promise was communicated, either directly or through Mr. James.

* * * * *

In any event, with respect to the Interior position, the uncontradicted evidence was that Mr. Meese did not in fact contact anyone on Mr. Barrack's behalf and that Mr. Barrack received a position at Interior from Secretary Watt independent of any connection with Mr. Meese. * * * [W]e conclude that Mr. Meese did not violate any federal criminal statute in connection with Mr. Barrack's initial appointment.

We did find that Mr. Meese, in his role as a member of the Senior Staff Personnel Committee, passed on the nomination of Mr. Barrack to be Assistant Secretary for Trade Development in the Commerce Department, a presidential appointment. However, there was no direct evidence that Mr. Meese's non-veto of Mr. Barracks appointment to this job was based upon his earlier receipt of assistance from Mr. Barrack in the sale of the Meeses' California property. * * * There was no evidence that Mr. Meese was involved in Mr. Barrack's securing this job, or that he contacted anyone on Mr. Barrack's behalf in connection with this position.

Accordingly, we conclude that Mr. Meese did not violate any federal criminal statute in connection with Mr. Barrack's recommended appointment to a position at Commerce. (pp. 223-225)

Office of Government Ethics, cover letter

* * * [The authors of the working paper initially] concluded that there was an appearance problem in regard to the proposed appointment of Thomas Barrack to a position in the executive branch, when Mr. Barrack had found purchasers for the Meese residence in California.* * * [I] concluded that, based on the facts, there was not an appearance problem created in the proposed appointment of Thomas Barrack to an executive branch position because Mr. Barrack arranged or found purchasers for the Meese residence based on his belief that it was a good deal for the purchasers. Additionally, Mr. Meese was unaware of any financial involvement by Mr. Barrack. The sale of the Meese residence took place in September, 1982 and Mr. Barrack's appointment was not even considered until February 1983. Based on these facts, it was my judgment that there was not even an appearance problem. (cover letter, pp. 1-2)

Working Paper

Although the Independent Counsel's Report concluded that there were no criminal violations, there is an appearance problem. Section 100.735-4(c) prohibits employees from engaging in activities that might create the appearance of giving preferential treatment or of losing independence or impartiality. (working paper, p. 9)

Third. Mr. Meese's and his family's stock trading.

Report of Independent Counsel

There is no evidence with respect to the purchase and sale of Biotech stock that Mr. or Mrs. Meese received non-public information about the company. We therefore find no basis for any criminal charge in connection with the Biotech stock purchase or sale.

Similarly, there is no evidence that either Mr. or Mrs. Meese received any non-public information about American Cytogenetics.

* * * * *

Therefore, we find no basis for any criminal charge arising out of the purchase or sale by Mrs. Meese of American Cytogenetics.

* * * There is no evidence that Mr. Meese was aware of any benefit that might arguable have flowed from Dr. Brian or his companies to Mrs. Meese. * * *

Hence, we find no basis for any criminal charge against Mr. Meese arising out of his recommendation of Dr. Brian for the NSB. (pp. 243-245)

Office of Government Ethics, working paper

We found no ethics violations in our review of the facts. (working paper, p. 14)

Fourth. Whether Mr. Meese obtained special treatment from government agencies for business entities in which he had a finacial interest.

Report of Independent Counsel

The evidence indicates that Questech received no special treatment from the SBA. There is no evidence that Mr. Meese communicated with the SBA concerning the Questech application, nor is there any evidence that anyone communicated with the SBA at the direction of Mr. Meese. (p. 253)

Office of Government Ethics, working paper

We conclude from the facts in the Independent Counsel's report that Mr. Meese did not violate any standards of conduct in this situation. (working paper, p. 15)

Fifth. Mr. Meese's change of status from the retired Army Reserve to the Active Reserve and his later military promotion.

Report of independent counsel

Based on [our] findings, we determined that there was no evidence justifying a criminal charge against Mr. Meese.

There is no evidence that Mr. Meese had knowledge that improper actions were being taken to return him to active status in the Army Reserve.

* * * * *

There is no direct evidence that Mr. Meese's recommendation in favor of General Berkman's reappointment was linked to a perception that General Berkman gave him something of value.

We found no direct evidence that Mr. Meese took action favorable to General Berkman in return for something done for Mr. Meese by General Berkman, and no evidence that Mr. Meese had earlier induced favorable treatment by General Berkman with a promise of such action or assistance. Consequently, we conclude that there is no basis for a criminal charge against Mr. Meese arising out of these matters. (pp. 279-280)

Office of Government Ethics, working paper

Our review of the facts fails to uncover any standards of conduct violation under 3 C.F.R. § 100 735-4.

With respect to General Berkman's appointment, Mr. Meese did not violate the standards of conduct. Although initially Mr. Meese's actions could create an appearance of using his White House position for private gain, the facts demonstrate that there was no actual impropriety. (working paper, p. 11)

Sixth. Mr. Meese's statement to the Subcommittee on Human Resources of the Committee on Post Office and Civil Service, House of Representatives, and the Senate Judiciary Committee, concerning Carter campaign materials.

Report of Independent Counsel

* * * The evidence developed in the two previous investigations into this matter, and in our own investigation, does not support a conclusion that Mr. Meese's statements to the committees were untrue.

* * * There is no basis for prosecuting Mr. Meese for federal criminal law violations in connection with the acquisition by the Reagan/Bush campaign of Carter materials or in connection with his statements on the subject to the Congressional committees. (pp. 337-338)

Office of Government Ethics, working paper

The Independent Counsel's report noted no evidence of criminal law violation by Mr. Meese with respect to his statement to the Congressional committees concerning the Carter briefing papers. Our review of the facts fails to uncover any standards of conduct violations by Mr. Meese in this area. (working paper, p. 12)

Seventh. Mr. Meese's retention of cuff links given to him by the government of South Korea.

Report of Independent Counsel

The * * * facts and circumstance suggest that Mr. Meese's failure to surrender the cuff links was based on his good faith belief

that the value of the cuff links was within acceptable limits. There is no basis for a criminal prosecution. (pp. 372-373)

Office of Government Ethics, working paper

* * * Because [Mr. Meese] did not violate 5 U.S.C. § 7342, we do not find a violation under the standards of conduct at § 100.735-14(d), which use § 7342 as their standard for gifts from foreign governments. (working paper, p. 17)

Eighth. Mr. Meese's receipt of payments by the Presidential Transition Trust and the Presidential Transition Foundation.

Report of Independent Counsel

* * * [W]e do not believe a violation of § 209 by Mr. Meese could be established, even if § 209 were construed to forbid payment of moving expenses by an organization such as the Trust, to Mr. Meese.

Mr. Meese testified before the Senate Judiciary Committee that he paid his own moving expenses * * *. [W]e do not believe Mr. Meese's testimony has been contradicted by the payment to Mr. Meese from the Trust. (pp. 350-351)

* * * * *

Both the monthly consulting fees and the rent payments [paid by the Presidential Transition Trust] appear to be legitimate compensation for services Mr. Meese performed for the transition effort. These payments were reported properly by Mr. Meese for tax purposes and were disclosed on his Financial Disclosure Forms. * * * During this period, he received no pay from the federal government and he was not a federal employee. The consulting payments * * * were not an illegal supplement of his federal salary under section 209. (pp. 252-253)

Office of Government Ethics, working paper

Our review of the Independent Counsel's report fails to reveal any violation of 3 C.F.R. § 100.735-13, which prohibits supplementation of a federal employee's salary as compensation for his federal service. We concur with the Independent Counsel's conclusion, based on the facts he presented, that the monthly consulting fees and the rent payments appear to be legitimate compensation for services Mr. Meese performed for the transition effort. (working paper, p. 13)

Ninth. Mr. Meese's reporting on his Financial Disclosure Statements of reimbursements for travel expenses.

Report of Independent Counsel

* * * [W]e discern no motive Mr. Meese or his staff could have had for wanting to conceal the reimbursements in question by failing to report them. * * * [W]e conclude that Mr. Meese's failure to disclose certain travel-related expenditures on Financial Disclosure Forms for May of 1982 and 1983 was not "willful" and there is no basis for a criminal prosecution. (p. 362)

Office of Government Ethics, working paper

Given the facts set forth in the report, we concur in the Independent Counsel's conclusion that Mr. Meese's failure to disclose certain travel-related expenditures was not "willful". Therefore, there is no basis for a * * * standards of conduct violation. (working paper, p. 15)

Tenth. Mrs. Meese's receipt of funds from the William Moss Institute.

Report of Independent Counsel

* * * Neither Mr. Moss, whose donations served to underwrite Mrs. Meese's salary, nor any member of Mr. Moss' family, has been considered for government office or received government contracts during Mr. Meese's tenure in office. Neither Mr. nor Mrs. Meese played a role with respect to the tax exemption granted the William Moss Institute. Thus, there is no basis for criminal prosecution of Mr. Meese.

Office of Government Ethics, working paper

* * * [W]e find no basis for any standards of conduct violations. (working paper, p. 16)

Eleventh. Mr. Meese's connection, if any, with federal grants to Pepperdine University and American University.

Report of Independent Counsel

There is no evidence to support the allegation that Mr. and Mrs. Meese intervened to obtain federal grants for Pepperdine University and American University. (p. 378)

Office of Government Ethics, working paper

* * * [W]e find no violation of the standards of conduct. (working paper, p. 17)

ULTIMATE CONCLUSIONS

Report of Independent Counsel

Based upon [our] investigation * * *, we find no basis with respect to any of the eleven allegations for the bringing of a prosecution against Mr. Meese for the violation of a federal criminal statute. (p. 11)

Office of Government Ethics

* * * Mr. Meese is in compliance with applicable laws and regulations governing conflicts of interest. (Letter from David Martin, Director of the Office of Government Ethics, dated January 24, 1985, to Senator Strom Thurmond, Chairman of the Senate Judiciary Committee.)

Mr. HATCH. In addition, I would like to place in the RECORD at this point the text of my introductory committee statement on the nomination of Edwin Meese as Attorney General, as well as two additional items relating to the concept of "appearance of impropriety." The first is an excerpt from the Annotated Code of Professional Responsibility for Lawyers relating to the concept of "appearance of impropriety" as an appropriate ethical standard. The second is an excerpt from the Judiciary Committee hearing on January 31, 1985, in which I addressed a series of questions to Mr. David Martin, the Director of the Office of Government Ethics, on the "appearance of impropriety" standard. In my own opinion, this exchange makes clear the extent to which this is a vague and directionless concept with great potential for tarnishing the reputations of honest and decent individuals. While the "appearance of impropriety" may well suggest the occurrence of actual impropriety, where it does not do so—as in the case of Mr. Meese—it is an inappropriate standard by which to judge a person's actions.

I ask unanimous consent that the items I have mentioned be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Feb. 4, 1985]

"FEW OF US COULD MEET THIS STANDARD"

Mr. Chairman, I wish to welcome Mr. Meese again to the Senate Committee on the Judiciary. Although I am certain that Mr. Meese has amply enjoyed the continued company of each of us on this panel, I would hope that we would now move with expedition to process his nomination. I believe that Mr. Meese is a man of character, a man of professional competence, and a man of integrity. He will serve his country with distinction as attorney general of the United States.

There is little that I can add to the statements of Sens. Thurmond and Laxalt, but I would like to be permitted a few general observations on this whole affair. In particular, I would like to briefly comment on the significance of the report of the independent counsel. We have all heard it said that the report is not particularly relevant to the present hearings—that the report has found "merely" that Mr. Meese is not a criminal and that this is not a sufficient recommendation for attorney general.

REPORT'S REAL MEANING

Of course, it is not enough that a nominee for attorney general is not indictable. However, the report of the independent counsel is of critical importance for reasons that go far beyond the question of criminal conduct. To downgrade the significance of the counsel's report is to distort its real meaning.

The investigation by the special counsel was triggered by a perception among some members of this committee that there were unanswered questions about details of Mr. Meese's conduct as counselor to the president. If explained one way, they would give rise to issues of criminal or ethical character. If explained differently, they would be purely innocent. It has been the charge of the special counsel, not merely to determine whether Mr. Meese was indictable, but to determine the facts of his conduct.

In the course of carrying out its mandate, the special counsel has accomplished a great deal that is useful and instructive to this committee. First, he has explicitly concluded that Mr. Meese did nothing of a criminal character, nothing that warranted an indictment. Second, in so doing, he has made necessary findings which exculpate Mr. Meese from even many of the allegations of unethical conduct. If, for example, Mr. Meese had traded in governmental employment for personal favors, he not only would have been acting in a manner inconsistent with proper standards of conduct, but he would have been in violation of section 201 or 211 of the criminal code. Mr. Meese, thus, has been found by the special counsel not merely to be innocent of criminal wrongdoing but at the same time to have been free of any related ethical breach.

I understand, of course, that the counsel has refused—properly refused—to offer conclusory observations on the ethical behavior of Mr. Meese. He has done so indirectly, however, in the course of many of his conclusions about Mr. Meese's compliance with federal law.

Finally, the special prosecutor has made substantial contribution. He has laid out the facts in a clear and thorough manner for this committee. He has described for us what took place in the dealings by Mr. Meese which are in controversy. He has set forth for details for us to consider and assess.

What are we left with then as the substance of the case against Mr. Meese? He has been exonerated of criminal misconduct. He has indirectly been exonerated by the counsel of the most serious breaches of ethical wrongdoing. Even Mr. Meese's friends at Common Cause have responded

to the final report by conceding that "Mr. Meese may have intended no wrong."

Indeed, there is absolutely no evidence that Mr. Meese did intend to do wrong. There is no evidence for this in the counsel's report; there is no evidence in our prior hearings; and there is no evidence in the testimony by the various groups before us today. There is not merely an absence of a smoking gun; there is not even a hint of gunsmoke.

What we are left with is simply that Mr. Meese has not satisfied, in the minds of some, the obligation to avoid even the "appearance" of misconduct. This accusation has apparently become the last refuge for those who are determined to assassinate a good man's character. Never mind the facts, let's concentrate instead on "appearances."

Because there were members of this committee who initially believed there to be a potential "appearance" of misconduct, we authorized the actions of the special counsel. It was either to confirm or to allay this "appearance" of misconduct that the investigation was launched. Whatever the "appearance" to some of misconduct, the counsel concluded that, in fact, there was no actual misconduct. Read the report. He investigated the circumstances of Mr. Meese's conduct and concluded that, whatever "appearance" of misconduct there may have been in the first place, it had been adequately explained in a reasonable way.

What Common Cause and others are now saying is that, although we cannot point to evidence of actual misconduct, Mr. Meese acted wrongly in even giving rise to an "appearance" of misconduct. Of course, even this is not true. There are many members of this committee, including myself, who were never persuaded that Mr. Meese's conduct "appeared" to be improper. We never believed it particularly suggestive that individuals are likely to be favorably disposed toward helping their friends where possible. Following the counsel's report, we are even less comfortable in acknowledging any "appearance" of impropriety.

When Common Cause is saying is that the standard is not merely going to be whether there is a mere "appearance" of improper conduct but that such "appearance" is to be ascertained by those individuals or organizations that are most suspicious, most skeptical, and least trusting of the good faith of the individual in question. It is an absurd and grotesque standard. It is a standard that few of us in this body could satisfy. We could not satisfy it if we ever accepted a campaign contribution from a business or labor organization whose interests we subsequently promoted with a roll-call vote; we could not satisfy it if we ever hired a friend in our office or assisted one in wending his way through the bureaucracy; we could not satisfy it in a 1,001 other ways, and I think everyone up here knows it.

Let us make no mistake about it. The standard that Common Cause would have us employ is not merely unworkable—which it is—but violates fundamental concepts of due process and fairness. I have no doubt about that. Mr. Meese has been found to violate no rule of law; he has been found to violate no precept of ethical conduct; those of his actions which are susceptible to ambiguous interpretation have been explained favorably to Mr. Meese. Read the report. All that we are left with is the view of some observers, certainly not all or even many, that Mr. Meese has been insufficiently cautious in avoiding the "appearance" of impropriety. Never mind that the reality of the conduct has been explained. For me, the integrity of Common Cause's case is adequately summed up by their fascinating statement about Mr. Meese—"whatever his subjective motive, Mr. Meese did link by his actions the loan and the job." Whatever his subjective motivation! It used to be that this little detail of "subjective motivation" was the linchpin of the investigative process.

Thus, the reputation of Mr. Meese is ultimately to be left to the interpretation of those least disposed to believing explanations of his innocence. Mind you, we are not referring to their judgment on the fundamental question of guilt or innocence, but rather to their judgment of the exotic question of the "appearance" of guilt or innocence. Caesar's wife could not have satisfied this test, much less any one of the rest of us who are occasionally embroiled in the grit of day-to-day politics.

Mr. Chairman, what we see here is the anatomy of a scandal in search of itself. Common Cause seeks to cloak its antipathy for the kind of conservative causes championed by Mr. Meese in procedural garb. We have seen a succession of efforts to twist stray, innocent facts into a grand jury case. If the gift of Korean rings doesn't fly, let's try "debate-gate"; if not that, then insider-trading; if not that, then perhaps the "appearance" of impropriety can be run up the flagpole. No serious case has yet been made.

SUFFERED SUBSTANTIAL LOSSES

The Wall Street Journal has described this process as a lesson in how to effectively quash political enemies in three easy steps—"raise accusations, damage reputations, and ignore vindications." In conclusion, let me place one further bit of perspective on Mr. Meese's situation. As an indisputed result of his financial dealings in question here, he has incurred no great wealth; in fact, he has incurred no wealth whatsoever and, indeed, has suffered substantial losses. These are losses directly attributable to his public service in counseling the president of the United States. Mr. Meese has cheated no one; he has lied to no one; he has defaulted on none of his obligations; and he has come out of his dealings a poorer man than when he began. Considerably poorer.

The nomination of Mr. Meese as attorney general deserves to go ahead expeditiously. There is not simply an absence of evidence that would cast a shadow upon Mr. Meese; there is, in addition, a wealth of evidence that would suggest that he is well-equipped to serve his country with honor and distinction.

[From the O. Maru, Annotated Code of Professional Responsibility (Am. Bar Found. 1979)]

TEXTUAL AND HISTORICAL NOTES

The material contained in current EC 9-1 was subject to minor changes during the drafting process. The third sentence of current EC 9-2 reads: "In order to avoid misunderstandings and hence to maintain confidence, a lawyer should fully and promptly inform his client of material developments in the matters being handled for the client." This sentence was added in the final draft of July 1969. In the same draft, the material contained in EC 9-4 of the preliminary draft (January 1969) was reworded, amplified, and renumbered EC 9-6.

John F. Sutton, Jr., reporter for the drafting committee, has stated that some interpreters of Canon 9 have radically misunderstood the purpose of the Canon; they have assumed that there is a rule in the Canon that states that a lawyer should avoid the appearance of impropriety, but there actually is no such rule (Transcript of Interview with John F. Sutton, Jr., by Olavi Maru, Dec. 20, 1976, Houston, p. 83 (on file at American Bar Foundation, Chicago)). Sutton noted that the committee intended for the last Canon to provide the lawyer with guidance about what to do in situations not discussed in the first eight Canons. He stressed, however, that the lawyer's duty to avoid the appearance of professional impropriety was of a much lower order than the duties specified in the other provisions of the Code:

"If a lawyer has a duty to a court, or to a client or to some one else, the lawyer ought to take action to meet that duty even if his conduct will be misunderstood. Only where there's no real guidance and no other interest to be served should a lawyer act on the possibility of appearance. If there's no other guidance anywhere in the Code, then the lawyer looks to Canon 9 and does what makes the professional look best; however, the lawyer should not let the Canon 9 stand in his way in doing what's proper under other canons and DR's."

Transcript of Interview with John F. Sutton, Jr., by Olavi Maru, Dec. 20, 1976, Houston, p. 83 (on file at American Bar Foundation, Chicago). Sutton also stated that the drafting committee thought that there were situations in which the appearance of impropriety became so important that such situations should be mentioned specifically the Disciplinary Rules. The Committee conceived of three such instances and set forth rules to govern the lawyer's conduct in these situations in DR 9-101 (A), (B), and (C). ("[W]e carved out three specifics and in effect said: these are the only three situations where you must act—where you are required to act—to avoid the appearance of impropriety" (*id.*, p. 85).)

Formal Opinion 342, November 24, 1975, interprets DR 9-101(B). In this Opinion, the Committee stated that " 'appearance of professional impropriety' is not a standard, test or element embodied in DR 9-101(B)" but rather "is a policy consideration supporting the existence of the Disciplinary Rule." The Committee also noted that "[t]he appearance of evil is only one" of the considerations underlying the rule and that it "is probably not the most important reason for the creation and existence of the rule itself." In *Formal Opinion 342* (n.17), the Committee states:

"Perhaps the least helpful of the seven policy considerations mentioned above is that of avoiding the appearance of impropriety. This consideration appears in the heading of Canon 9 and is developed more fully in EC 9-2 and 9-3, thereby giving guidance to lawyers when making decisions of conscience in regard to their professional responsibility. Thus, 'avoiding the appearance of evil' is relevant to our task of interpreting DR 9-101(B), even though it is not relevant when a grievance committee or court is determining whether a violation of the standard of DR 9-101(B) has in fact occurred. It is fortunate that 'avoiding even the appearance of professional impropriety' was not made an element of the disciplinary rule, for it is too vague a phrase to be useful [citations omitted], and lawyers will differ as to what constitutes the appearance of evil [citations omitted]. For the same reasons, the concept is of limited assistance as an underlying policy consideration. If 'appearance of professional impropriety' had been included as an element in the discipli-

nary rule, it is likely that the determination of whether particular conduct violated a rule would have degenerated from the determination of the fact issues specified by the rule into a determination on an instinctive, ad hoc or even ad hominem basis [citation omitted]."

JUDICIARY COMMITTEE HEARING (JANUARY 31, 1985)

Senator HATCH. Let me ask you a question, Mr. Martin. I think it is important to understand your standards here. Suppose a member of a legislative body, the U.S. Senate, for example, received a PAC contribution from a business or labor interest and subsequently casted a vote beneficial to that interest. Would this also constitute an "appearance of impropriety" problem?

Mr. MARTIN. In my view it would. The Senator has done nothing wrong. He has done nothing unethical or improper, but it would tend to raise an appearance problem.

Senator HATCH. So under the standard that you have described here today that would constitute an "appearance" problem even though there was absolutely no intent to do anything wrong.

Mr. MARTIN. That is right.

* * * * *

Senator HATCH. What about this: Suppose a Member of Congress accepts a job upon departure from office from a business enterprise whose interests he voted in favor of during the time he was in office. Would that constitute an "appearance" problem?

Mr. MARTIN. I believe it would.

Senator HATCH. Under your standard?

Mr. MARTIN. Sure. Probably a criminal violation as well.

Senator HATCH. What if a Member of Congress invests in stock whose interests are potentially affected by his or her committee actions or votes? Is that an "appearance" problem?

Mr. MARTIN. Yes, it is.

Senator HATCH. What if a Member of Congress assists an individual constituent of his or hers who has contributed to a recent campaign, maybe assists them in getting a Federal job or a Federal contract? Would that constitute an appearance problem?

Mr. MARTIN. Yes, I think it probably would.

Senator HATCH. In other words, under the standard you have discussed here——

Mr. MARTIN. It would raise an appearance under this.

Senator HATCH. What if a Member of Congress accepts an honorarium for a speech before a trade association which has interests which may be affected by a committee that he or she sits on?

Mr. MARTIN. That clearly raises a problem.

Senator HATCH. Again, an "appearance" problem, not illegal, not wrong, but an "appearance" problem. Is that correct?

Mr. MARTIN. That's correct.

Senator HATCH. What if a Member of Congress accepts a dinner or Christmas basket from a business which is affected by decisions made by his or her committee? Could that be an "appearance" problem?

Mr. MARTIN. It could.

* * * * *

Senator HATCH. What about a Member of Congress who assists in the appointment to public office of a constituent who happened to have made a campaign contribution to him or her?

Mr. MARTIN. That certainly could.

Senator HATCH. That also might constitute an "appearance" problem under your standard.

Mr. MARTIN. It may.

Senator HATCH. Or secures an ambassadorship for a campaign contributor or a personal friend? All of these things happen around here. I mean, I just want people to realize that it is nice to sit back and judge any human being who comes up for a position in government, but you could find fault with almost everybody if all that is wrong is an "appearance" problem.

Mr. MARTIN. Well, that is why it is so important for us to go behind an appearance and it is so important for the public and I think for the newspaper to realize they really ought to look behind an appearance before they print a headline that is saying there is an appearance problem because reputations are destroyed in the ethics area or tarnished and that is why we really insist on having our facts straight and our judgments clear.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I express my appreciation to my colleague from Wisconsin who has been good enough to permit me to take the floor at this point.

Mr. President, we meet today to consider the nomination of Edwin Meese to serve as Attorney General of the United States.

The individual who occupies that Office is the guardian of a 200-year ideal—that our Nation is a government of laws, not of men. We uphold that ideal through a legal system founded on the principle that all men and women are equal under the law. These two simple concepts represent the soul of our democracy.

Over the years, when our faith in our system has been tested by the weakness of men and the strain of events, history has brought forth individuals whose finely honed sense of law and ethics led them to elevate constitutional principles above personal ambition and self interest.

Elliot Richardson and William Ruckleshaus resigned as Attorneys General rather than yield to President Nixon's effort to subvert the law;

Attorney General William Rogers ordered U.S. marshals to Little Rock to enforce civil rights laws over the objections of defiant State officials;

Attorney General Nicholas DeB Katzenbach quashed the FBI's program of illegal wiretapping of American citizens.

Attorney General Herbert Brownell resisted enormous political pressure from within the Eisenhower administration to support a bipartisan drive to enact this country's first civil rights bill in 100 years.

These men set a standard of legal excellence and personal courage. They challenged their own popular President and they challenged the country to reach beyond the narrow confines of ideology. In each case their actions helped restore a nation's trust in its leaders.

These types of men, men with uncommon sensitivity to our most basic values, are the kind of individuals we have come to expect as Attorney General.

The Attorney General must be a person who establishes a standard of conduct, who leads by example. The Attorney General must be someone who commands trust, not someone who comes to the job lacking that trust and who must develop it on the job.

I do not believe that Edwin Meese commands the public trust essential for the person serving as Attorney General of the United States. Accordingly, I urge the Senate to reject this nomination.

Some have said that we should confirm Mr. Meese because he is the choice of the President and therefore we should give him the benefit of the doubt.

But I believe that when there are serious doubts, we should not vote to confirm. We should not trifle with the public trust. There is already too much doubt and cynicism about our leaders. We cannot afford to compromise our ideals for they are far too important and the public confidence in their execution is far too fragile.

In deciding how to vote on this matter, each of us has an obligation to judge Mr. Meese with care. We must ask if he has the breadth of legal knowledge, the ethical sensitivity and the social compassion that the Office of Attorney General demands. When all is said and done, we must measure Edwin Meese's conduct against our own sense of what is right and proper.

Ask yourself what you would do if an individual gave you an unsecured $60,000 loan, with interest deferred for 1 year, and then that individual appeared before your committee to be confirmed to a high Federal position. Would not warning bells go off? Would you not, at the very least, advise your colleagues of a potential conflict, if not actually recuse yourself from passing on the nominee?

Ask yourself what you would do if, a few weeks after your election, a foundation gave you $10,000 to help cover your move to Washington and you subsequently learned that the payment was probably illegal. You would not keep the money and ask foundation officials to alter the records to call the payment something else. Instead, would you not consider returning the money?

Ask yourself what you would do if you learned that the Army broke numerous rules and regulations to secure your promotion in the Reserves. You would not keep it under those circumstances.

These situations exactly parallel those faced by Ed Meese. But in each case, and numerous others like them, he totally failed to see that they posed genuine ethical problems.

Ask yourself how you would have acted in these cases and compare that with how Ed Meese acted. That should be the basis for your vote today or tomorrow or whenever this body gets to the actual vote.

Some would argue that individually, each of Edwin Meese's ethical lapses was minor, that he had no willful intent to violate the law nor White House ethical standards. I could agree with these views. But that still would not change the central point. Each incident, each act or failure to act, in and of itself may not provide a basis for disqualifying Mr. Meese. But added together, they paint a picture of a man who lacks the sensitivity to ethical propriety required of the Attorney General.

Mr. Meese has said he would act differently knowing what he knows today, but not because he believes his actions were wrong. How can we expect him to make better judgments next time when he fails to appreciate the impropriety of his past conduct?

Indeed, time and time again, Mr. Meese has chosen to defend his conduct on narrow or technical grounds, rather than demonstrate sensitivity to the larger issues at stake. It is his consistent failure to see beyond the specific facts at issue to these larger questions that I find so troubling.

Senator BIDEN pressed him to explain why, after receiving $60,000 in loans from Mr. McKean, he did not disclose his financial relationship when Mr. McKean's name came before the senior White House staff for appointment to the Postal Board of Governors.

Mr. Meese replied that the senior staff meeting was an informal meeting and no votes were taken. What difference does it make whether it was a formal or an informal meeting? The fact is that the individuals involved had the clear power to give or deny the appointment to John McKean.

Senator DECONCINI and others pressed Mr. Meese to explain why he had accepted and retained his Army promotion once he learned that the rules were violated to secure it and that he was being treated more favorably than nearly 2,000 other qualified officers. He responded that he was technically qualified and, even though a shortcut was taken, he deserved the promotion.

But what difference does it make whether he was technically qualified? Perhaps he would have, in the normal course of events, received the promotion. But the fact is that the rules were broken. The fact is that he had knowledge of that special treatment. Yet, rather than give up the promotion, he stands before us and defends it on narrow technical grounds.

Several committee members asked him to explain why his relationship with Mr. McKean did not constitute a conflict of interest. He replied that Mr. McKean was only the trustee for the $60,000 loan, not the actual source of funds.

What difference does it make whether Mr. McKean was the trustee or the source? The fact is Mr. McKean arranged the original loan, he negotiated the terms, he set the interest rate, and he was intimately involved in every decision regarding it. Yet Mr. Meese ignores these facts in favor of doing another rhetorical tapdance.

He was asked to explain why his nomination does not run counter to the recommendation of the Watergate Special Prosecution Force that a President should not nominate as Attorney General his campaign manager or someone who has served "in a similar high level campaign role."

He replied that his role in the 1980 campaign was limited to policy development, that he was not involved in day-to-day campaign decisions.

What difference does it make if he was involved in day-to-day decisions? What difference does it make if he actually counted delegates? The fact is he was second in command of the campaign.

The concern of the Watergate Task Force was to depoliticize the Office of the Attorney General, to make it the province of legal professionals, not political operatives. Mr. Meese is truly splitting hairs when he stands before us and describes his role as a policy analyst, not someone dealing with the leaders of the Reagan campaign.

It is also worth noting that in May 1976, the Senate thought that the Watergate Task Force proposal made a lot of sense. In fact, it made so much sense that this body unanimously adopted an amendment barring the appointment as Attorney General of any individual "who has held a high level position of trust and responsibility while serving on the national personal campaign staff or in an organization or political party working on behalf of the national campaign of an individual who was elected to the office of President or Vice President."

Has something happened to cause the Senate to reconsider this eminently sensible prohibition? Or is it simply that the President wants Ed Meese and the Senate will abandon an important principle to give Mr. Reagan what he wants?

Ultimately, I find it difficult to be comfortable with Mr. Meese's commitment to follow a higher standard in the future. He is a man who seeks to defend his prior conduct at every turn rather than acknowledge its fundamental impropriety. His intense focus on narrow issues blinds him to larger, more basic issues.

Mr. President, I want to address myself to one other issue that has been raised during this confirmation process. For while the immediate focus of our debate has been Mr. Meese's qualifications for the office, a deeper and more enduring issue has also emerged.

This issue involves the people's confidence in the integrity of our Government and our leaders. That confidence is at an all-time low.

A government of laws only functions if those governed believe that the laws are being fairly enforced. There is no room for bowing to the privileged few, no room for self-serving decisions. For in the final analysis, the motivation for all Americans to act within the law stems at heart from the knowledge that the laws are being fairly and impartially administered.

If our faith in that principle is eroded by exposure to patterns of actual or perceived impropriety by public officials, then the motivation to act within the law is likewise eroded.

It is said that the treatment Mr. Meese has received will discourage honorable men and women from serving in public life, that the post-Watergate ethics mentality has gone too far.

I reject these statements.

Many qualified and successful Americans want to serve in public life, not for personal fame nor for enrichment, but because they understand that if a democracy is to function some individuals must subordinate their personal ambition to the common good.

To suggest, as some have, that rigorous ethical standards will somehow disqualify and discourage gifted persons from a life of public service is a profoundly cynical view. To be sure, some may shy away from service to avoid the spotlight that must be directed at public officials. But the reservoir of talent is deep. And many Americans will want to serve as long as they believe that public service will be viewed as an honorable calling and that their service will enhance their stature in the eyes of their peers.

It is only if they come to believe that public service will diminish their stature that qualified men and women will avoid it. We risk losing persons to public life not when we demand persons of ethical probity, but when we fail to demand persons of ethical probity.

I want to emphasize one additional point. Obviously, there is no proscription against Mr. Meese or any other public official accepting financial assistance from friends.

What is proscribed is, once having received assistance, acting in a way that compromises, or appears to compromise, one's independence and impartiality.

Ed Meese should understand that the concerns about him relate not to his receipt of financial favors from friends, but how he acted toward these individuals after they came to his aid.

Mr. Meese's nomination has been challenged not because he is a man of modest means, but because, having pursued and received assistance to ease his financial plight, he then failed to segregate his public obligations from his personal relationships.

Every 6 years, the performance and conduct of each Member of this body is judged by those we represent, when it comes to Cabinet officials and other nominees, though, we are the electorate, we are the ones who must vote "aye" or "nay."

With our jobs comes the obligation, enshrined in the Constitution, to seek the highest standards for the Attorney General and for other Presidential appointees subject to confirmation. If we do not exercise that obligation then we will not grow as individuals, nor as an institution.

We must strive to find individuals who have demonstrated a consistent pattern of sound judgment and ethical sensitivity.

We must seek the highest standard possible in the Attorney General of the United States.

The vote we will cast on this nomination is not just another vote to confirm or reject a Presidential nominee, it is not an ideological vote, nor a vote that should be determined by party loyalty. And I wish to reemphasize that. It is not a vote that should be determined by party loyalty. It will be a vote which will have repercussions for years to come. For we must understand that faith in the law and faith in those who execute it are the inseparable bedrocks of our democratic system.

In the end, it is up to us, and us alone, to maintain, indeed, to strengthen public confidence in our officials and our system. That is what is at stake today in this nomination. Confirming Edwin Meese as Attorney General will lessen public trust in our Government and therefore I will vote "nay."

"NO" ON THE MEESE NOMINATION

Mr. PROXMIRE. Mr. President, when the roll is called on the nomination of Edwin Meese to be Attorney General of the United States, I shall cast a "no" vote.

There are many reasons why Senators can and should oppose the Meese nomination. Here are the ones that I find most persuasive.

First, what does the United States of America need in an Attorney General? The Attorney General is the top man, the leader, the head of the U.S. Department of Justice.

Now hold that a minute and dwell on it. The head man, the leader of the Department of Justice.

Now ask yourself: What makes the United States the unique and great country it is? Is it our wealth? No; true, we are uniquely wealthy—the wealthiest country in the world. That is reason to be proud and grateful. But it is not the great distinction of the United States that we have far more of the material wealth of the world than any other country on Earth.

It is not our rich natural resources. It is not our competitive capitalist system, although most of us enjoy that aspect of America and believe that we have the best economic system in the world.

What is the most critical distinction that makes America America? It is our freedom. It is the expression of that freedom in our Constitution. It is our Bill of Rights. It is the fact that you or I or any other American can get up any time, any place, and criticize any institution or person or combination of persons—no matter how powerful or popular they may be—and be protected by the Constitution in doing so.

CRITICISM OFTEN WRONG

That criticism is often vicious, mean, and absolutely wrong. It may come from Communists or Fascists or atheists. Of course, sometimes the criticism is right and the powerful people who occupy our highest public offices are wrong. But unlike countries that operate with totalitarian regimes of the left or right, we protect the most strident and wrongheaded as well as the positive and reasoned critic.

What has all this got to do with the confirmation of Ed Meese to be Attorney General? The answer is everything: the Attorney General of the United States, the head of our country's Department of Justice, should be the champion of constitutional rights for all Americans, Including Americans who denounce our country and the policies of its leaders.

The Attorney General of the United States should appreciate the special importance for our country of the American Civil Liberties Union. Few Americans who have followed the ACLU have not, at one time or another, been offended—and, in the case of this Senator, often been offended—by the kind of people the American Civil Liberties Union has gone to court to defend: the knee-jerk Communists and Nazis, the assorted ill-informed and ignorant extremists of the far right or far left.

The ACLU, to its everlasting credit, has consistently defended these critics of our country when they have gotten into legal trouble. Yet, Edwin Meese, the President's nominee for Attorney General, has denounced the ACLU as part of the criminals' lobby in this country.

Let me repeat that: Edwin Meese has denounced the ACLU as part of the criminals' lobby in our country.

There is one organization that could not last 5 minutes in the Soviet Union. It could not last in any totalitarian country. But it is one of the most distinctive aspects of this country that we not only permit the ACLU to operate but that we do our best to champion it because, as I say, it does express the essence of what makes this country unique.

FREE SPEECH OUR HALLMARK

There is no way this great country, with its sacred commitment to freedom of speech as the true hallmark of our country, can justify elevating a person to be our Attorney General, the head of our Department of Justice, who has shown this appalling misunderstanding of the American Civil Liberties Union struggle for freedom in its constant defense of the right of every person to speak freely.

As Justice Holmes said, the real test of freedom of speech is the freedom we afford to those who speak the words we hate. No freedom in America better illustrates the immortal words of Voltaire: "I disagree with everything you say, but I will fight to the death for your right to say it."

Justice Holmes would have had a lot of trouble with this nomination of Ed Meese for Attorney General. So would Voltaire and so should the U.S. Senate.

Mr. President, the clearly expressed attitude of the nominee against the American Civil Liberties is just one—albeit a very important one—of my reasons for opposing Mr. Meese.

My prime reason for voting against Mr. Meese is not exciting or elevating. It is plain and pedestrian. And it should be obvious to any Senator who will take 30 seconds to think about it. Edwin Meese is simply not qualified to be the Attorney General of the United States.

When you or I hire an administrative assistant or a typist, we have a simple criterion. Is the applicant for the job the best qualified person we can hire? And just think of the time and energy that goes into selecting a university president, a corporation chief executive officer, or for that matter, a head coach of a National Football League football team. Search committees are formed. A number of candidates are interviewed. Years of experience and a winning track record are required. When the top man is finally picked, those who select him feel certain he can do the job and do it well.

But somehow when a President of the United States picks a Cabinet officer, he frequently selects a crony with no qualifications other than that the President likes him and the crony wants the job. Consider the fact that none of those positions to which I have referred in the private sector have nearly the power or influence in

our lives in this country that our top Government jobs have. And yet, over and over again, we in the Senate ignore our constitutional responsibility to advise and consent to the President's nomination for the top offices in our Government. We mindlessly rubber stamp anyone any President selects. Unless we can catch the nominee with both hands in the cash register, he or she is in.

MEAGER LEGAL EXPERIENCE

Edwin Meese's only significant legal experience came during his 8 years in the Alameda County District Attorney's office, where he ultimately became deputy district attorney. Mr. Meese left that job in 1966 to spend 2 years as Governor Reagan's legal secretary on clemency and extradition. Since that time, Meese's total and longstanding professional identification has been with President Reagan's political career. And despite the fact that Meese's inept administrative skills are frequently noted by friends and foes alike, he is being nominated to head the biggest law office on the face of the Earth, with supervision over more than 60,000 employees.

Mr. President, I hold in my hand here a list of more than 1,000 lawyers who should be considered as this country's Attorney General ahead of Edwin Meese.

In my judgment, if an objective analysis were made of this list with the name of Mr. Meese and the other 1,189 names attached—it will take me just a minute to lay it out here; these are the names of the people who without question are better qualified to head the Department of Justice and be the Attorney General of the United States than Mr. Meese.

That is only a partial list, but here are those names, Mr. President.

Now, I say that not with any reference to ethical problems but simply on the basis of competence. On the basis of competence this nomination should be rejected. I say that competence can only come from relevant experience.

The list is not infallible. I have, in fact, already removed one name from the original list, based on developments that occurred since the compilation was made.

But my point is this: A responsible search for the person to fill the position of Attorney General of the United States should be broadbased and thorough. Perhaps there is not the time or resources to examine carefully over 1,000 names.

But a fair consideration of the wide range of available legal talent and experience is not too much to ask. A list of the kind that I have prepared would be a good place to start.

I should point out, by the way, that to avoid any accusation of pushing personal cronies, I have included no one from Wisconsin on my list. Had I done so, I could have easily expanded this list from my own personal knowledge to 2,000 or more.

Mr. President, I ask unanimous consent that the list of lawyers to which I have been referring be printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

SELECTED LIST OF ATTORNEYS (TOTAL 1,181); ALL ATTORNEYS ALPHABETICAL BY NAME

Name, State, and status

Abbott, William Saunders; Massachusetts; Practitioner.
Ablard, Charles D.; Washington, DC; Bar Official.
Abrams, Robert; New York; Attorney General.
Abrams, Samuel K.; Washington, DC; Practitioner.
Ackerman, J. Waldo; Illinois; Federal Judge.
Acton, Robert Cook; Ohio; Practitioner.
Adair, Thomas; Washington, DC; Labor Counsel.
Adkisson, Richard B.; Arkansas; State Judge.
Aibel, Howard J.; New York; Corporate Counsel.
Alaimo, Anthony A.; Georgia; Federal Judge.
Alcaron, Arthur L.; California; Federal Judge.
Alderman, James E.; Florida; State Judge.
Alderman, John D.; Virginia; U.S. Attorney.
Aldisert, Ruggero J.; Pennsylvania; Federal Judge.
Allard, David Henry; Washington, DC; Practitioner.
Allen, Charles M.; Kentucky; Federal Judge.
Alley, Wayne E.; Oklahoma; Academic.
Almond, Lincoln C.; Rhode Island; U.S. Attorney.
Alschuler, Leon Samuel; California; Practitioner.
Alston, Paul Douglas; Hawaii; Practitioner.
Alsup, Richard Claybourne; Texas; Practitioner.
Amabile, John Louis; New Mexico; Practitioner.
Ambrose, Myles Joseph; Washington, DC; Practitioner.
Amsterdam, Anthony G.; New York; Academic.
Amsterdam, Anthony Guy; New York; Practitioner.
Anderson, Aldon J.; Utah; Federal Judge.
Anderson, Charles Austin; Ohio; Practitioner.
Anderson, Gene S.; Washington; U.S. Attorney.
Archer, Dennis; Michigan; Bar Official.
Areeda, Phillip; Massachusetts; Academic.
Armstrong, David; Kentucky; Attorney General.
Armstrong, Henry Jere; Virginia; Practitioner.
Arndahl, Douglas K.; Minnesota; State Judge.
Arnett, Foster Deaver; Tennessee; Practitioner.
Arnold, John Fox; Missouri; Bar Official.
Arnold, Richard S.; Arkansas; Federal Judge.
Arrington, John Leslie; Oklahoma; Practitioner.
Ashcroft, John; Missouri; Attorney General.
Atlas, Morris; Texas; Practitioner.
Auerbach, Joseph; Massachusetts; Practitioner.
Ayer, Don; California; U.S. Attorney.
Ayscue, E. Osborne, Jr.; North Carolina; Bar Offical.
Babcock, Barbara Allan; California; Academic.
Babcock, Barbara Allen; California; Practitioner.
Backes, Orlin W.; North Dakota; Bar Official.
Baer, Jay Robert; Pennsylvania; Practitioner.
Baird, Russell Miller; Illinois; Practitioner.
Baker, Donn F.; Oklahoma; U.S. Attorney.
Balbanian, David Mark; California; Practitioner.
Baliles, Gerald L.; Virginia; Attorney General.
Bamberger, E. Clinton, Jr.; Maryland; Academic.
Banks, Robert Sherwood; Connecticut; Corporate Counsel.
Banzhaf, John F.; Washington, D.C.; Academic.
Bardacke, Paul G.; New Mexico; Attorney General.
Bardwell, Stanford O., Jr.; Louisiana; U.S. Attorney.
Baris, David Henry; Virginia; Practitioner.
Barnes, Christopher; Ohio; U.S. Attorney.
Barnes, Don; Oklahoma; State Judge.
Barr, Capers Gamewell, III; South Carolina; Practitioner.
Barr, John Robert; Illinois; Practitioner.
Barr, Thomas D.; New York; Practitioner.
Barrett, James E.; Wyoming; Federal Judge.
Barrett, St. John; Washington, D.C.; Practitioner.
Barron, Jerome A.; Washington, D.C.; Academic.
Barron, Myra Hymovich; Washington, D.C.; Practitioner.
Bartosic, Florian; California; Academic.
Bator, Paul M.; Massachusetts; Academic.
Battin, James F.; Montana; Federal Judge.
Battisti, Frank J.; Ohio; Federal Judge.
Bauer, William J.; Illinois; Federal Judge.
Bazler, Frank E.; Ohio; Bar Official.
Beaird, James Ralph; Georgia; Academic.
Beauregard, Henry George; Maryland; Practitioner.
Beckwan, Bruce Alan; California; Practitioner.
Beckwith, Raymond W.; Connecticut; Bar Official.
Bednar, James Edmund; California; Practitioner.
Beemer, John Barry, Pennsylvania; Practitioner.
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Blumrosen, Alfred William; New Jersey; Practitioner.
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Grinnell, Joseph Fox; Minnesota; Practitioner.
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Hafner, Thomas Mark; Tennessee; Practitioner.
Haines, Robert Henry; New York; Practitioner.
Hale, Hamilton Orin; Illinois; Practitioner.
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Hautzinger, James Edward; Colorado; Practitioner.
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Hay, Peter; Illinois; Academic.
Hazel, Joseph Patrick; Texas; Practitioner.
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Levetown, Robert A.; Pennsylvania; Corporate Counsel.
Levin, Arnold; Pennsylvania; Practitioner.
Levin, Betsy; Colorado; Academic.
Levy, Robert Moton; West Virginia; Practitioner.
Lewin, Nathan; Washington, D.C.; Practitioner.
Lewis, Barbara B.; Kentucky; Academic.
Lewis, James B.; New York; Bar Official.
Lewis, James Woodrow; South Carolina; State Judge.
Lieberman, Joseph; Connecticut; Attorney General.
Lightsey, Harry M., Jr.; South Carolina; Academic.
Link, David Thomas; Indiana; Academic.
Lipson, Barry J.; Pennsylvania; Practitioner.
Lipton, Martin; New York; Practitioner.
List, David Patton; Illinois; Practitioner.
Lively, Pierce; Kentucky; Federal Judge.
Lobel, Martin; Washington, D.C.; Practitioner.
Lockwood, Charles Henry, II; Michigan; Practitioner.
Loefflar, Robert Hugh; Washington, D.C.; Practitioner.
Loeffler, Robert Hugh; Washington, D.C.; Practitioner.
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Lopez-Romo, Daniel F.; Puerto Rico; U.S. Attorney.
Lord, Miles W.; Minnesota; Federal Judge.
Lorenz, Jack Chapin; Missouri; Practitioner.
Lowell, Abbe David; Washington, D.C.; Practitioner.
Lucchesi, Lionel Louis; Missouri; Practitioner.
Lum, Herman T. F.; Hawaii; State Judge.
Luongo, Alfred L.; Pennsylvania; Federal Judge.
Lustig, Gerald I.; New York; Practitioner.
Lutz, William L.; New Mexico; U.S. Attorney.
Lynch, Edward James; New York; Practitioner.
Lynch, Robert James; New York; Practitioner.
Lyons, J. Austin, Jr.; New York; Corporate Counsel.
MacDonald, Thomas Cook, Jr.; Florida; Practitioner.
MacKenzie, John A.; Virginia; Federal Judge.
Madden, Paul Robert; California; Practitioner.
Madsen, Henry Stephen; Ohio; Practitioner.
Magill, Frank John; North Dakota; Practitioner.
Maltz, Gerald Stuart; Arizona; Practitioner.
Malz, Edmond; New York; Practitioner.
Manley, Robert Edward; Ohio; Practitioner.
Manners, Joseph; Washington, D.C.; Labor Counsel.
Manoukian, Noel E.; Nevada; State Judge.
Marazeti, Joseph James, Jr.; New Jersey; Practitioner.
Marcus, Stanley; Florida; U.S. Attorney.
Margolis, David; Washington, D.C.; Practitioner.
Markey, Howard T.; Washington, D.C.; Federal Judge.
Markley, Michael Mark; Texas; Practitioner.
Marshall, Burke; Connecticut; Academic.
Marston, W. Emmett; Tennessee; Bar Official.
Martin, Peter W.; New York; Academic.
Martin, William L.; New York; Practitioner.
Martouche, Salvatore R.; New York; U.S. Attorney.
Marx, Henry Mosler; New York; Practitioner.
Massey, Albert P., Jr.; Pennsylvania; Bar Official.
Matheson, Alan A.; Arizona; Academic.
Mathies, Mary Tillman; Oklahoma; Practitioner.
Mattox, Jim; Texas; Attorney General.

Mauro, Richard Frank; Colorado; Practitioner.
Maxfield, Peter C.; Wyoming; Academic.
Maxwell, Robert Earl; West Virginia; Federal Judge.
Mayfield, Edgar; Missouri; Corporate Counsel.
Maynard, Robert W.; Minnesota; Corporate Counsel.
McAllister, Kenneth W.; North Carolina; U.S. Attorney.
McAtee, Miles Francis; Washington; Practitioner.
McClintock, Archie G.; Wyoming; Attorney General.
McClure, Donald John; Texas; Practitioner.
McCormack, F.X.; California; Corporate Counsel.
McCree, Wade H., Jr.; Michigan; Academic.
McDonald, A. Melvin; Arizona; U.S. Attorney.
McDonald, William J.; New York; Corporate Counsel.
McEachern, John Hugh; New Hampshire; Practitioner.
McGarr, Frank J.; Illinois; Federal Judge.
McGovern, Walter T.; Washington; Federal Judge.
McGowan, William; Washington, D.C.; Labor Counsel.
McGrew, Thomas James; Washington, D.C.; Practitioner.
McHenry, Powell; Ohio; Corporate Counsel.
McHugh, Thomas E.; West Virignia; State Judge.
McKay, Brian; Nevada; Attorney General.
McKenzie, Robert Alexander; South Carolina; Practitioner.
McKissock, John Bruce; Pennsylvania; Practitioner.
McKusick, Vincent L.; Maine; State Judge.
McLaughlin, Patrick M.; Ohio; U.S. Attorney.
McLeon, David Lyle; New York; Practitioner.
McManus, Edward J.; Iowa; Federal Judge.
McMaster, Henry Dargan; South Carolina; U.S. Attorney.
McMorris, Richard Phillip; California; Practitioner.
McNicholas, Robert J.; Washington; Federal Judge.
McQuillan, John Patrick; Indiana; Practitioner.
McRae, Robert M., Jr.; Tennessee; Federal Judge.
McSwain, Angus S., Jr.; Texas; Academic.
McWhorter, Hobart Armory; Alaska; Practitioner.
Meador, Paul Maurice; Arizona; Practitioner.
Medalie, Richard James; Washington, D.C.; Practitioner.
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Meeks, James E.; Ohio; Academic.
Meierhenry, Mark; South Dakota; Attorney General.
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Meredith, Ronald E.; Kentucky; U.S. Attorney.
Merkel, Edward Wagner, Jr.; Ohio; Practitioner.
Merkle, Robert W., Jr.; Florida; U.S. Attorney.
Merrill, Lawrence Everett; Maine; Practitioner.
Merrill, Richard A.; Virginia; Academic
Meserve, Robert William; Massachusetts; Practitioner.
Messner, Harold Dale; California; Practitioner.
Metzger, Karen Susan; Colorado; Practitioner.
Meusey, John Kenneth; Nebraska; Practitioner.
Middlebrook, Stephen B.; Connecticut; Corporate Counsel.
Miles, Wendell A.; Michigan; Federal Judge.
Millard, Kenneth E.; New York Corporate Counsel.
Miller, Henry G.; New York; Bar Official.
Miller, Robert; Nevada; Bar Official.
Miller, Robert Earl; Maine Practitioner.
Miller, Robert N.; Colorado U.S. Attorney.
Miller, Tom; Iowa; Attorney General.
Mills, Lamond R.; Nevada; U.S. Attorney.
Mills, Martha A.; Illinois; Practitioner.
Milstein, Ira Martin; New York; Practitioner.
Mindheim, Robert H.; Pennsylvania; Academic.
Mishkin, Paul J.; California; Academic.
Mitchell, Walter L.; New Hampshire; Bar Official.
Moran, John Peter; Arizona; Practitioner.
Moran, Paul Robert; Ohio; Practitioner.
Morgan, Thomas D.; Georgia; Academic.
Morganthan, Robert M.; New York; Practitioner.
Moriarty, Edmond Jeffrey; Illinois; Practitioner.
Morrill, Earl David; South Dakota; Practitioner.
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Morrison, John Horton; Illinois; Practitioner.
Morrison, Sidney Eder; Illinois; Practitioner.
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Mosk, Richard Mitchell; California; Practitioner.
Moss, Frank E.; Utah; Practitioner.
Motley, Constance Baker; New York; Federal Judge.
Motz, J. Frederick; Maryland; U.S. Attorney.
Mouat, William Gavin; Montana; Practitioner.
Moye, Charles A.; Jr.; Georgia; Federal Judge.
Mudd, John O.; Montana; Academic.
Muecke, C. A.; Arizona; Federal Judge.
Mueller, William P.; Nebraska; Bar Official.
Mullinex, Edward Wingate; Pennsylvania; Practitioner.
Munsell, Elsie L.; Virginia; U.S. Attorney.
Munson, Howard G.; New York; Federal Judge.
Murphy, George; Washington, D.C.; Labor Counsel.
Murphy, Robert C.; Maryland; State Judge.
Murphy, Samuel W.; Pennsylvania; Corporate Counsel.
Murray, William Stanton, North Carolina, Practitioner.
Nachman, Merton Roland, Jr.; Alaska; Practitioner.
Nance, James Rupert; North Carolina; Practitioner.
Nangle, John F.; Missouri; Federal Judge.
Nealon, William J., Jr.; Pennsylvania; Federal Judge.
Nelson, Gerald Edward; Texas; Practitioner.
Nelson, Jane Wardel; Nevada; Practitioner.
Nelson, Robert Dale; Oklahoma; Practitioner.
Nesson, Charles R.; Massachusetts; Practitioner.
Nevas, Alan; Connecticut; U.S. Attorney.
Nickerson, Eugene; New York; Federal Judge.
Nix, Robert N. C., Jr.; Pennsylvania; State Judge.
Noe, James Alva; Washington; Practitioner.
Nolte, Henry R.; Michigan; Corporate Counsel.
Noonan, John T., Jr.; California; Academic.
Nordhaus, Robert Keith; Texas; Practitioner.
Notte, Guy Joseph; Georgia; Practitioner.
Null, Douglas Peter; New York; Practitioner.
Nunally, Knox Dillon; Texas; Practitioner.
Nunez, Peter K.; California; U.S. Attorney.
Nussbaum, Bernard William; New York; Practitioner.
O'Connor, Earl E.; Kansas; Federal Judge.
O'Meara, John Corbett; Michigan; Practitioner.
O'Neal, F. Hodge; Missouri; Academic.
O'Reilly, James Thomas; Ohio; Practitioner.
Oberly, Charles M., III; Delaware; Attorney General.
Olson, Steven James; Minnesota; Practitioner.
Ostrowe, Norman S.; New York; Practitioner.
Overstreet, James Carlisle; Georgia; Practitioner.
Owens, Wilbur D., Jr.; Georgia; Federal Judge.
Parker, John V.; Louisiana; Federal Judge.
Parkinson, Kenneth Wells; Maryland; Practitioner.
Patterson, Neville; Mississippi; State Judge.
Patton, Thomas Earl; Washington, D.C.; Practitioner.
Pearlman, Peter Steven; New Jersey; Practitioner.
Pearson, Linley E.; Indiana; Attorney General.
Peck, Aaron Martin; California; Practitioner.
Peck, David Warner; New York; Practitioner.
Peckham, Robert F.; California; Federal Judge.
Pederson, William Francis, Jr.; Washington, D.C.; Practitioner.
Pennegar, Kenneth L.; Tennessee; Academic.
Perlman, Harvey S.; Nebraska; Academic.
Persky, Bernard; New York; Practitioner.
Peters, Samuel Anthony; California; Practitioner.
Peterson, Edwin J.; Oregon; State Judge.
Pettenger, John Chapman; New Jersey; Academic.
Phillips, George L.; Mississippi; U.S. Attorney.
Phillips, Layn R.; Oklahoma; U.S. Attorney.
Pickholz, Marvin G.; Maryland; Practitioner.
Pierce, Hinton R.; Georgia; U.S. Attorney.
Pierce, Lawrence W.; New York; Federal Judge.
Pitofsky, Robert; Washington, D.C.; Academic.
Pittman, Edwin Lloyd; Mississippi; Attorney General.

Plager, Sheldon J.; Indiana; Academic.
Plain, R. Scott; Kentucky; Bar Official.
Player, Mack Allen; Georgia; Academic.
Pleasure, Robert Jonathan; Washington, D.C.; Practitioner.
Plesser, Ronald Louis; Washington, D.C.; Practitioner.
Plowman, Jack Wesley; Pennsylvania; Practitioner.
Pogrebin, Bertrand B.; New York; Practitioner.
Pointer, Sam C., Jr.; Alabama; Federal Judge.
Pollitt, Daniel H.; North Carolina; Academic.
Ponader, Wayne Karl; Indiana; Practitioner.
Pope, Jack; Texas; State Judge.
Pope, Michael Arthur; Illinois; Practitioner.
Popeo, Ronald Robert; Massachusetts; Practitioner.
Prager, Susan Westerberg; California; Academic.
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Price, William S.; Oklahoma; U.S. Attorney.
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Prunty, Bert S.; California; Academic.
Pugliese, Robert F.; Pennsylvania; Corporate Counsel.
Quaintance, Charles; Minnesota; Practitioner.
Queen, David D.; Pennsylvania; U.S. Attorney.
Quigley, Leonard Vincent; New York; Practitioner.
Raab, Sheldon; New York; Practitioner.
Rabin, Robert L.; California; Academic.
Rachlin, Robert David; Vermont; Practitioner.
Raffetto, Shakley Frederick; Hawaii; Practitioner.
Railsback, David Edmond; Ohio; Practitioner.
Raines, Jim Neal; Tennessee; Practitioner.
Ramey, Cecil Edward, Jr.; Louisiana; Practitioner.
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Ramsey, Norman; Maryland; Federal Judge.
Ratner, David L.; California; Academic.
Ratner, Leonard Gordon; California; Academic.
Rauh, B. Michael; Washington, D.C.; Practitioner.
Read, Frank T.; Florida; Academic.
Real, Manuel L.; California; Federal Judge.
Reasonover, Charles Kirk; Louisiana; Practitioner.
Redish, Martin H.; Illinois; Academic.
Redlich, Norman; New York; Academic.
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Rendlen, Albert; Missouri; State Judge.
Refrew, Charles Byron; California; Practitioner.
Reynoldson, W. Ward; Iowa; State Judge.
Ribicoff, Irving S.; Connecticut; Practitioner.
Rice, Lacy I., Jr.; West Virginia; Bar Official.
Richman, Gerald F.; Florida; Bar Official.
Richman, Sheldon Barnett; Virginia; Practitioner.
Richmond, Robert Lawrence; Alaska; Practitioner.
Rideout, Richard Scott; Wyoming; Practitioner.
Rifkind, Simon Hirsch; New York; Practitioner.
Riley, Wallace D.; Michigan; Bar Official.
Riordin, Richard J.; California; Practitioner.
Rissman, Burton Richard; Illinois; Practitioner.
Rivkin, Steven R.; Maryland; Practitioner.
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Robie, William Randolph; Virginia; Practitioner.
Robinson, Aubrey E., Jr.; Washington, D.C.; Federal Judge.
Robinson, David Wallace; South Carolina; Practitioner.
Robinson, James Kenneth; Michigan; Practitioner.
Robinson, Spottswood W., III; Washington, D.C.; Federal Judge.
Rockefeller, Edwin Shaffer; Washington, D.C.; Practitioner.
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Rolfe, James A.; Texas; U.S. Attorney.
Rooney, John J.; Wyoming; State Judge.
Rose, Jonathan Chapman; Virginia; Practitioner.
Roseman, David Michael; Massachusetts; Practitioner.
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Ross, Joseph E.; Washington, D.C.; Bar Official.
Ross, Wayne Anthony; Alaska; Practitioner.
Ross, William Warfield; Washington, D.C.; Practitioner.
Rosson, Jordon; Michigan; Labor Counsel.
Rothschild, Steven James; Delaware; Practitioner.
Royster, George Durword, Jr.; Connecticut; Practitioner.
Rubenstein, Louis Baruch; Rhode Island; Practitioner.
Rubin, Alvin B.; Louisiana; Federal Judge.
Rubin, Carl B.; Ohio; Federal Judge.
Rubin, Robert Avrom; New York; Practitioner.
Ruder, David S.; Illinois; Academic.
Ruff, Charles; Washington, D.C.; Practitioner.
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Russell, Terrence Lee; Florida; Practitioner.
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Sacks, Stephen H.; Maryland; Attorney General.
Safko, Fred Anthony; California; Practitioner.
Sager, Lawrence Gene; New York; Academic.
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Salazar, John Paul; New Mexico; Practitioner.
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Sapp, Walter W.; Texas; Corporate Counsel.
Scalia, Antonin; Washington, D.C.; Federal Judge.
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Schickler, John Russell; Ohio; Practitioner.
Schippers, David Phillip; Illinois; Practitioner.
Schlei, Norman Anthony; California; Practitioner.
Schlotterbeck, W. A.; Connecticut; Corporate Counsel.
Schmerz, Eric J.; New York; Academic.
Schmidt, Benno C; New York; Academic.
Schmukler, Martin Lawrence; New York; Practitioner.
Schmults, Edward C.; Connecticut; Corporate Counsel.
Schneider, David Walter; Connecticut; Practitioner.
Schotland, Roy A.; Washington, D.C.; Academic.
Schoumaker, Bruce Herbert; Illinois; Practitioner.
Schroeder, Alfred G.; Kansas; State Judge.
Schwab, Evan Lynn; Washington; Practitioner.
Schwartz, Frederick A. O.; New York; Practitioner.
Schwartz, Theodore Frank; Missouri; Practitioner.
Schwartz, William; Massachusetts; Academic.
Sciamanda, John; Minnesota; Corporate Counsel.
Scism, Robert Bruce; Iowa; Practitioner.
Scofield, Milton N.; New York; Practitioner.
Scott, Nauman S.; Louisiana; Federal Judge.
Scullin, Frederick J., Jr.; New York; U.S. Attorney.
Sears, Mary Helen; Washington, D.C.; Practitioner.
Seay, Frank H.; Oklahoma, Federal Judge.
Segal, Bernard G.; Pennsylvania; Practitioner.
Seiffert, Terry L.; Montana; Practitioner.
Selig, Edward Issaac; Massachusetts; Practitioner.
Selinger, Carl M.; West Virginia; Academic.
Senter, L.T., Jr.; Mississippi; Federal Judge.
Sessions, William S.; Texas; Federal Judge.
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Shaffer, Charles Norman; Maryland; Practitioner.
Shane, Raymond Edward; Missouri; Practitioner.
Sharp, Allen; Indiana; Federal Judge.
Shea, William A.; New York; Practitioner.
Shepherd, John C.; Missouri; Bar Official.
Sherman, Edmond Francis; Texas; Practitioner.
Shestak, Jerome Joseph; Pennsylvania; Practitioner.
Short, George Ford; Oklahoma; Practitioner.
Shralow, M. Melvin; Pennsylvania; Practitioner.
Shultz, Donald R.; South Dakota; Bar Official.
Shyer, Herbert P.; New York; Corporate Counsel.
Sifton, Charles P.; New York; Federal Judge.
Siler, Eugene E.; Kentucky; Federal Judge.
Silverman, Leon; New York; Practitioner.
Simmons, Peter; New Jersey; Academic.
Simons, Charles E., Jr.; South Carolina; Federal Judge.

Sims, Robert Barry; Connecticut; Practitioner.
Singleton, John V., Jr.; Texas; Federal Judge.
Skolnik, Barnet David; Maryland; Practitioner.
Skolnik, Barnet David; Maryland; Practitioner.
Sloss, Robert Lee; Kentucky; Practitioner.
Smathers, Bruce A.; Florida; Practitioner.
Smietanka, John A.; Michigan; U.S. Attorney.
Smith, Arthur Harold; Ohio; Practitioner.
Smith, Gregory H.; New Hampshire; Attorney General.
Smith, Jim; Florida; Attorney General.
Smith, John Anthony; Alaska; Practitioner.
Smith, Paul T.; Massachusetts; Bar Official.
Smith, Tom; Wyoming; Bar Official.
Smith, William Reece, Jr.; Florida, Bar Official.
Sneed, Joseph T.; California; Federal Judge.
Sofaer, Abraham; New York; Federal Judge.
Solberg, Norman Robert; Illinois; Practitioner.
Soulter, Thomas D.; Rhode Island; Practitioner.
Sovern, Michael I.; New York; Academic.
Spaan, Michael R., Alaska; U.S. Attorney.
Spero, Morton Bertram; Virginia; Practitioner.
Speziale, John A.; Connecticut; State Judge.
Spivak, Leonard A.; New York; Practitioner.
Spong, William B.; Virginia; Academic.
Spradin, Thomas Richard; Maryland; Practitioner.
Sprague, Richard A.; Pennsylvania; Practitioner.
Spritzer, Ralph Simon; Pennsylvania; Practitioner.
Sprouse, James M.; West Virginia; Federal Judge.
St. Clair, James Draper; Massachusetts; Practitioner.
Stacy, Richard A.; Wyoming; U.S. Attorney.
Stafford, William H., Jr.; Florida; Federal Judge.
Stapleton, Walter K.; Delaware; Federal Judge.
Steele, Charles Joseph; Washington, D.C.; Practitioner.
Steele, R. Lawrence, Jr.; Indiana; U.S. Attorney.
Stein, Jacob; Washington, D.C.; Practitioner.
Stein, Lewis; New Jersey; Practitioner.
Stein, Robert A.; Mississippi; Academic.
Steiver, Peter Otto; Michigan; Practitioner.
Stephan, Robert T.; Kansas; Attorney General.
Stephens, Robert F.; Kentucky; State Judge.
Stern, Gerald M.; California; Corporate Counsel.
Stern, Herbert J.; New Jersey; Federal Judge.
Sternberg, Paul J.; Iowa; Practitioner.
Sterrett, Joel Anthony; Texas; Practitioner.
Stevenson, John Reese; New York; Practitioner.
Stichnoth, John A.; Connecticut; Corporate Counsel.
Stoddart, John B., Jr.; New Jersey; Corporate Counsel.
Strauss, Peter L.; New York; Academic.
Strieb, Victor Lee; Ohio; Practitioner.
Stringfellow, Forrest Warren; Mississippi; Practitioner.
Stroh, John Harry; Missouri; Practitioner.
Struve, Guy Miller; New York; Practitioner.
Stuart, William C.; Iowa; Federal Judge.
Subak, John T.; Pennsylvania; Bar Official.
Suciu, Larry W.; Arizona; Bar Official.
Summers, Clyde W.; Pennsylvania; Academic.
Sutro, John Alfred; California; Practitioner.
Sutton, John F., Jr.; Texas; Academic.
Swain, William Pendleton; Kentucky; Practitioner.
Sweeny, John LaRue; South Carolina; Practitioner.
Taintor, Frederich Giles; Maine; Practitioner.
Talley-Morris, Neva Bennett; Arkansas; Practitioner.
Tang, Thomas; Arizona; Federal Judge.
Tapper, Joseph M.; Connecticut; Practitioner.
Tartt, Blake; Texas; Practitioner.
Taylor, Robert L.; Tennessee; Federal Judge.
Teague, Marvin O.; Texas; Practitioner.
Tefera, Raymond Anthony; Massachusetts; Practitioner.
Teitelbaum, Hubert I.; Pennsylvania; Federal Judge.
Thayer, W. Stephen, III; New Hampshire; U.S. Attorney.
Thompson, Gordon, Jr.; California; Federal Judge.
Thompson, Larry; Georgia; U.S. Attorney.
Thorton, Robert; North Carolina; Practitioner.
Threet, Martin Edward; New Mexico; Practitioner.
Tierney, James E.; Maine; Attorney General.
Tigar, Michael E.; Washington, D.C.; Practitioner.
Tillinghast, Charles, Jr.; New York; Practitioner.
Tinder, John D.; Indiana; U.S. Attorney.
Tinnin, Robert, Jr.; New Mexico; Bar Official.
Tobias, Paul H.; Ohio; Practitioner.
Tomlinson, Robert John; Washington; Practitioner.
Topkis, Jay; New York; Practitioner.
Torbert, C. C., Jr.; Alabama; State Judge.
Torruella, Juan R.; Puerto Rico; Federal Judge.
Tribe, Lawrence; Massachusetts; Academic.
Trienens, Howard J.; New York; Corporate Counsel.
True, Roy J.; Texas; Practitioner.
Trygstad, Lawrence Benson; California; Practitioner.
Tucker, Marna S.; Washington, D.C.; Bar Official.
Turk, James C.; Virginia; Federal Judge.
Turk, S. Maynard; Delaware; Practitioner.
Turner, Charles H.; Oregon; U.S. Attorney.
Turner, Richard C.; Iowa; U.S. Attorney.
Turner, Robert J.; Oklahoma; Bar Official.
Turpin, Mike; Oklahoma; Attorney General.
Twitty, James Alan; California; Practitioner.
Tyler, Harold Russell, Jr.; New York; Practitioner.
Ulrich, Robert G.; Missouri; U.S. Attorney.
Unterman, Thomas Edward; California; Practitioner.
Urbom, Warren K.; Nebraska; Federal Judge.
Vacarello, Vincent B.; Pennsylvania; Practitioner.
Van Alstyne, William W.; North Carolina; Academic.
Van Bokkelen, Joseph Scott; Indiana; Practitioner.
Van Vooren, Robert; Iowa; Bar Official.
Van Wentworth, Paul; Arizona; Practitioner.
Van de Kamp, John; California; Attorney General.
VanBourg, Victor J.; Washington, D.C.; Labor Counsel.
Vanhole, William R.; Idaho; U.S. Attorney.
Varner, Robert E.; Alabama; Federal Judge.
Vaughn, C. David; Georgia; Practitioner.
Venable, William Henry Cabell; Wyoming; Practitioner.
Verhaaren, Harold Carl; Utah; Practitioner.
Verkuil, Paul R.; Louisiana; Academic.
Vincek, Edward Karl; Florida; Practitioner.
Vining, Joseph; Michigan; Practitioner.
Violent, Arlene; Rhode Island; Attorney General.
Vlahos, John J.; California; Practitioner.
Volz, John P.; Louisiana; U.S. Attorney.
Von Mehren, Robert Brandt; New York; Practitioner.
Voortman, John J.; Illinois; Practitioner.
Vorenberg, James; Massachusetts; Academic.
Wachtler, Sol; New York; State Judge.
Waggoner, William Johnson; North Carolina; Practitioner.
Wagman, Jerry C.; Idaho; Practitioner.
Wagshal, Jerome Stanley; Washington, D.C.; Practitioner.
Wald, Patricia M.; Washington, D.C.; Federal Judge.
Walker, James J.; Pennsylvania; Corporate Counsel.
Walsh, Donald P.; Pennsylvania; Corporate Counsel.
Walsh, Thomas Charles; Missouri; Practitioner.
Ward, Brent D.; Utah; U.S. Attorney.
Ward, Hiram H.; North Carolina; Federal Judge.
Warden, John L.; New York; Practitioner.
Warren, William Gerald; Michigan; Practitioner.
Washburn, Robert Buchanan; Pennsylvania; Practitioner.
Waters, H. Franklin; Arkansas; Federal Judge.
Watson, James William; Tennessee; Practitioner.
Weatherly, Charles Lockridge; Georgia; Practitioner.
Webb, Dan K.; Illinois; U.S. Attorney.
Webb, Rodney S.; North Dakota; U.S. Attorney.
Wefald, Robert; North Dakota; Attorney General.
Wein, Bruce J.; New York; Practitioner.
Weinstein, Jack B.; New York; Federal Judge.
Weisman, Lawrence Paul; Connecticut; Practitioner.
Weiss, Mark A.; Washington, D.C.; Practitioner.
Weitzel, William C., Jr. New York; Corporate Counsel.
Welch, Charles E.; Delaware; Corporate Counsel.
Weld, William Floyd; Massachusetts; Practitioner.

Weld, William F.; Massachusetts; U.S. Attorney.
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West, William Beverly, III; Texas; Practitioner.
Wetzel, Robert Ellsworth; Illinois; Practitioner.
Whipps, Edmond Franklin; Ohio; Practitioner.
White, H. Blair; Illinois; Practitioner.
Whiting, Richard A.; Washington, D.C.; Bar Official.
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Wieland, Robert Richard; Ohio; Practitioner.
Wilentz, Robert N.; New Jersey; State Judge.
Wilkinson, David L.; Utah; Attorney General.
Wilks, William L.; Pennsylvania; Academic.
Willemin, Robert B.; Michigan; Practitioner.
Williams, G. Mennen; Michigan; State Judge.
Williams, Parham H., Jr.; Mississippi; Academic.
Williams, Stephen Fain; Colorado; Practitioner.
Wilson, William R., Jr.; Arkansas; Bar Official.
Winer, Burton; Massachusetts; Practitioner.
Wing, Leonard F., Jr.; Vermont; Bar Official.
Winter, Harrison L.; Maryland; Federal Judge.
Wold, Douglas J.; Montana; Bar Official.
Wood, David T.; Mariana Islands; U.S. Attorney.
Woodard, Duane; Colorado; Attorney General.
Woodard, Halbert O.; Texas; Federal judge.
Woodard, Madison Trumen, Jr.; Louisiana; Practitioner.
Woolf, John Paul; Kansas; Practitioner.
Work, Charles Robert; Washington, D.C.; Practitioner.
Wortham, Robert J.; Texas; U.S. Attorney.
Wozencraft, Frank McReynolds; Texas; Practitioner.
Wright, Charles Alan; Texas; Academic.
Wright, Ray Alan; Oregon; Practitioner.
Wrobel, Robert Franklin; Kansas; Practitioner.
Wycoff, William Mortimer; Pennsylvania; Practitioner.
Yoskowitz, Irving B., Connecticut ; Corporate Counsel;
Younger, Irving; Washington, D.C. Practitioner.
Zarr, Melvyn; Maine; Practitioner.
Zeidman, Philip Fisher; Washington, D.C.; Practitioner.
Zelenko, Benjamin L.; Washington, D.C.; Practitioner.
Ziegler, William Alexander; New York; Practitioner.
Zilly, Thomas Samuel; Washington; Practitioner.
Zimmerman, Leroy S.; Pennsylvania; Attorney General.
Zimny, Max; New York; Labor Counsel
Zinn, Matthew J.; Washington, D.C.; Practitioner

STATISTICAL SUMMARY—SELECTED LIST OF ATTORNEYS

State	Practitioners	U.S. attorneys	Federal judges	State judges	Academics	Bar officials	Attorneys general	Corporate counsel	Labor counsel	Total
Alabama	0	3	5	1	1	1	1	0	0	12
Alaska	6	1	1	1	0	1	1	0	0	11
Arizona	9	1	2	1	1	1	1	0	0	16
Arkansas	3	2	3	1	0	1	1	0	0	11
California	34	4	8	1	15	3	1	4	0	70
Colorado	6	1	1	1	1	1	1	0	0	12
Connecticut	12	1	2	1	5	1	1	6	0	29
Delaware	4	1	1	1	0	1	1	2	0	11
Florida	10	3	4	1	1	4	1	0	0	24
Georgia	9	3	3	1	3	1	1	0	0	21
Hawaii	6	1	1	1	0	1	1	0	0	11
Idaho	4	1	1	1	0	1	1	0	0	9
Illinois	33	3	5	1	9	2	1	1	0	55
Indiana	6	2	2	1	2	2	1	1	0	17
Iowa	5	2	2	1	1	1	1	0	0	13
Kansas	4	1	1	1	1	1	1	0	0	10
Kentucky	3	2	3	1	1	1	1	1	0	13
Louisiana	9	3	4	1	1	1	1	0	0	20
Maine	5	1	2	1	0	1	1	0	0	11
Maryland	26	1	3	1	2	1	1	0	0	35
Massachusetts	18	1	2	1	10	4	1	0	0	37
Michigan	16	2	3	1	6	2	1	3	1	35
Minnesota	8	1	2	1	0	2	1	2	1	18
Mississippi	3	2	2	1	2	1	1	0	0	12
Missouri	10	2	2	1	2	2	1	1	0	21
Montana	3	1	1	1	1	1	1	0	0	9
Nebraska	2	1	1	1	1	1	0	0	0	7
Nevada	1	1	0	1	0	2	1	0	0	6
New Hampshire	2	1	1	1	0	1	1	0	0	7
New Jersey	8	1	2	1	2	1	1	2	0	18
New Mexico	4	1	2	1	1	1	1	0	0	11
New York	82	3	12	1	13	2	1	15	1	130
North Carolina	6	3	4	1	4	2	1	1	0	22
North Dakota	1	1	1	1	0	1	1	0	0	6
Ohio	22	2	3	1	4	2	1	1	0	36
Oklahoma	7	3	3	1	1	1	1	1	0	18
Oregon	3	1	1	1	1	1	1	0	0	9
Pennsylvania	30	3	5	1	3	3	1	6	1	53
Rhode Island	4	1	1	1	0	1	1	0	0	9
South Carolina	6	1	1	1	1	1	1	0	0	12
South Dakota	2	1	1	1	0	1	1	0	0	7
Tennessee	8	3	2	1	23	1	1	0	0	39
Texas	28	4	5	1	5	3	1	2	0	49
Utah	5	1	1	1	1	1	1	0	0	11
Vermont	3	1	1	1	0	1	1	0	0	8
Virginia	11	2	2	1	4	3	1	0	0	24
Washington	6	2	2	1	0	1	1	1	0	14
Washington, DC	70	1	9	0	8	13	.....	0	7	108
West Virginia	4	2	3	1	1	2	1	0	0	14
Wisconsin	0	0	0	0	0	0	0	0	0	0
Wyoming	4	1	2	1	1	1	1	0	0	11
Mariana Islands	0	1	1	0	0	0	0	0	0	2
Puerto Rico	0	1	1	0	1	1	0	0	0	4
Virgin Islands	0	1	1	0	0	0	0	0	0	2
Guam	0	0	1	0	0	0	0	0	0	1
Total	571	90	135	49	140	87	48	50	11	1,181

Mr. PROXMIRE. Mr. President, what does this list disclose? It discloses that every Senator in this body has at least six constituents better qualified by recognized experts of performance and experience than the man we are asked to confirm today.

In the State of Washington, for instance, I have 14 from the State of the Presiding Officer. From the State of the manager of the bill, South Carolina, I have 12 names listed here who would be better qualified. From the State of Ohio, that great State, I have 36 names of people who are better qualified.

And I have offered the names, States and status of each of these better qualified lawyers. Some are distinguished practitioners. Some are U.S. attorneys. Some serve as Federal judges, some as State judges. Some have won special distinction as legal scholars, some as bar officials. Some serve as the attorney general of their State. Some have won recognition and respect as corporate counsel or as labor counsel. Every one of the 1,181 whose names, States and status I list deserve consideration before this nominee from Alameda County, CA, whose law career has not won distinction. If the President is intent on picking a Californian to serve in this critical Office of Attorney General he could have picked from the list I hold in my hand—or I have laid down here on the floor—of 34 distinguished California practitioners, 4 U.S. attorneys, 8 Federal judges, an outstanding State judge, 15 celebrated legal scholars, 3 bar officials, a top flight attorney general or 4 leading corporate counsels. Any one of these 70 California would in all likelihood bring more ability, experience and distinction to the top legal office in this country than Edwin Meese. From Pennsylvania, I list 53 persons of obviously greater distinction and qualification, from Illinois 55, from Washington, D.C. 108 and from New York 130. In the judgment of this Senator, every single one of the 1,181 persons I list is better qualified and would serve as a more competent and effective Attorney General than the man we are asked to confirm today.

Mr. President, what were the Founding Fathers thinking of when they gave the U.S. Senate the power to advise and consent to the President's top policymaking positions in our Government? Why did they do it? Why didn't they simply let the President appoint his Cabinet without consent by the Senate? Obviously they expected that Presidents, being human, would not appoint the best qualified persons, the people who could serve our country with the greatest distinction. Instead they feared that the President would tend to appoint his friends, his cronies, his buddies, the people with whom he felt comfortable, the kind of nominee who would protect the President and his administration if the President should get into trouble. The Founding Fathers recognized that almost any President of any party would look for one single qualification above all others. That quality would be loyalty to the President. How prescient they were! At first the nominations to the Cabinet by our Presidents were excellent. Our first Presidents made magnificent appointments. Alexander Hamilton still ranks as probably the country's greatest Secretary of the Treasury. Thomas Jefferson was a superb Secretary of State.

It is doubtful if better qualified candidates would have been found anywhere in those Thirteen Original States. But today in a country with 600,000 lawyers, we have a nominee to be the country's top lawyer who has earned absolutely no distinction at any level or in any way as a lawyer. Mr. Meese would administer over 60,000 employees, thousands of them top professionals. What administrative experience has he had? Virtually none. With his record if any Senator here had a vote in determining who would run a law office in Oshkosh, or Scranton, or Winston-Salem, or Seattle—of course, Seattle, Mr. Meese would not make it on his record. Yes, indeed, he does have the warm friendship of the President. He is a close and trusted friend. But that is it. And this pathetic lack of qualifications is precisely why the Constitution charges us as Senators with the responsibility of advising and consenting to this nomination.

Voting "No" on a Presidential nomination is never easy. It is always easier to go along with the President and with a man who will have the kind of power Mr. Meese will have as Attorney General. The Attorney General can be a very important man in deciding whether or not to give a Senator a hand in the Senator's plea to bring the Justice Department's authority to bear in any number of situations that could and probably will develop on his State. The Attorney General can say "yes" or "no" in deciding whether to prosecute or not prosecute, to negotiate a settlement or to press for conviction. Often these decisions are very close. Frequently they can be absolutely critical to the economy of a State. It is a simple first rule in politics that an elected official does not make enemies unnecessarily. The second rule is that you especially do not make enemies if those enemies have power they can use against you. Let us not kid ourselves. Mr. Meese will be confirmed. We will have very considerable power. So the temptation for Senators to walk out on their responsibility under the Constitution will be very great.

On the other hand, this should be an easy decision. Is Mr. Meese qualified? The answer is: "No Way." The fact that a Senator can provide 1,181 persons identified by name who are in all likelihood better qualified makes that obvious.

THE MEESE-GENERAL DYNAMICS CONNECTION

Mr. President, several weeks ago, I asked Mr. Meese to confirm a meeting he had with David Lewis, chairman of the board of General Dynamics, in August 1981, and to list any other meetings he or his staff may have had with Lewis or other officials of the company. Mr. Meese confirmed the August 1981 meeting and listed a number of other meetings and conversations with General Dynamics. The company contacted him to discuss problems it was having on the Trident program, to express its interest in the Cruise Missile Program, and to discuss the F-16A aircraft program.

The Meese-General Dynamics connection is interesting from two perspectives. It is a rare, although tantalizingly sketchy, look into the White House and how a top Presidential adviser relates to defense contractors and throws his weight around. It cannot now be concluded that Mr. Meese did anything improper concerning General Dynamics. It is true that the meeting about Trident came at a critical time when the firm was embroiled in a bitter controversy with the Navy, and that in the weeks that followed the Navy turned around and made decisions in General Dynamics' favor. But there is nothing on the record that indicates there were improprieties.

On the other hand, Mr. Meese has not been completely candid about this matter and a number of inconsistencies are now on the record. For example, on January 28 he told me that his records revealed no meetings or conversations between himself or his staff and Navy Secretary John Lehman or other Navy officials concerning General Dynamics. But on February 8, Secretary Lehman wrote me that during the period in question, August-December 1981, he did receive a message from Mr. Meese's staff about General Dynamics.

Mr. Meese states that his relationship with General Dynamics was minimal and routine. Yet they involved discussions about three separate weapon systems according to Mr. Meese. Is it minimal and routine for a White House advisor to let his Office become a kind of hand-holding operation for a major defense contractor?

I asked Mr. Meese if he discussed defense contract problems with firms other than General Dynamics and if so to provide a listing of them. His response was that he has met with numerous representatives of firms, large and small and "Our records do not provide a listing as to which, if any, of them might have contracts with the Department of Defense or its subordinate entities." Is Mr. Meese saying that if he had meetings with officials of Lockheed, Boeing, North American Rockwell and McDonald-Douglas that he would not be aware that they had defense contracts?

The lack of candor and the inconsistencies, his inability to recall certain facts, and the evasiveness of his responses are what concern me.

I ask unanimous consent to have printed in the RECORD my correspondence with Ed Meese and the letters I received from Secretary Lehman.

There being no objection , the material was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
Washington, DC, January 18, 1985.

Mr. EDWIN MEESE III,
Counselor to the President,
The White House,
Washington, DC.

DEAR MR. MEESE: You may be aware that I have been investigating Navy shipbuilding contracts with the General Dynamics Corporation. According to press accounts, you met with David Lewis, General Dynamics' Chairman of the Board, at the White House on at least one occasion in 1981 to discuss the company's problems with the Navy. I am requesting the following information:

1. A listing of any meetings or telephone conversations since January 1981 between yourself or members of your staff and Mr. Lewis and any other officials or employees of General Dynamics, including lawyers and consultants representing the firm.

2. The dates and purposes of any such meetings or telephone conversations.

3. A listing of any meetings or telephone conversations since January 1981 between yourself or members of your staff and Navy Secretary John Lehman or other Navy officials concerning Navy contracts with General Dynamics.

4. The dates and purposes of any such meetings or telephone conversations.

5. A listing of any meetings or telephone conversations since January 1981 between yourself or members of your staff and Attorney General William French Smith or other Justice Department officials concerning General Dynamics.

6. The dates and purposes of any such meetings or telephone conversations.

Please provide this information no later than January 29, 1985. Your cooperation will be greatly appreciated.

Sincerely,

WILLIAM PROXMIRE,
Vice Chairman, Subcommittee on International Trade, Finance, and Security Economics.

THE WHITE HOUSE,
Washington, January 28, 1985.

Hon. WILLIAM PROXMIRE,
U.S. Senate,
Washington, DC.

DEAR SENATOR PROXMIRE: In response to your 18 January 1985 letter, I attach information derived from a search of my office records. You will note that neither I nor my staff ever had any contact with the Department of Justice regarding any matter concerning General Dynamics, other than recent routine briefings for my current confirmation hearings.

Indeed, you will see that my staff refused a request by General Dynamics that a call be made to the Department of Justice in support of a report for a favorable press release in January, 1984. This refusal was considered so routine and so in accordance with my standard instructions that the matter was never even raised with me.

Sincerely,

EDWIN MEESE III,
Counsellor to the President.

RESPONSE TO QUESTIONS OF SENATOR PROXMIRE

Questions 1 and 2:

A. Meetings with Edwin Meese:

1. 7 August 1981 meeting for 15 minutes between Edwin Meese, Edwin Thomas (Meese's assistant), David Lewis (chairman of General Dynamics), and Edward LeFevre (a General Dynamics executive). Lewis and LeFevre told Meese that a conflict regarding problems in constructing the trident submarine had arisen between the Secretary of Defense and General Dynamics. Mr. Meese decided the White House would not become involved in the circumstances of the dispute, but that he would call Secretary Weinberger to determine the possibility of arranging a meeting between the parties.

2. 17 March 1983 meeting for 15 minutes between Edwin Meese and Edward LeFevre. LeFevre apprised Meese of General Dynamics' interest in the cruise missile project. Meese received this as information only and took no action.

B. Meetings with Meese's Staff:

1. 14 October 1981 meeting between Robert Garrick, then Meese's Deputy, and Edward LeFevre. The only record of this meeting is a secret service clearance into the White House, but the subject was apparently the same as the 7 August 1981 meeting described above.

2. 22 December 1981 meeting between James E. Jenkins, Deputy Counsellor to the President, and Edward LeFevre that was of a purely social nature (Jenkins and LeFevre have known each other for 30 years).

3. 7 May 1984 meeting between Edward LeFevre and James Jenkins to secure a reference concerning someone LeFevre was considering for employment.

C. Telephone Conversations with Edwin Meese:

Our records revealed no telephone conversations between Edwin Meese and General Dynamics officials (or employees, lawyers, consultants).

D. Telephone Conversations with Meese's Staff:

1. 26 August 1981 telephone conversation between Robert Garrick and Edward LeFevre. The purpose appears to be a follow-up to the 7 August 1981 meeting.

2. There were six telephone conversations between James Jenkins (Mr. Meese's Deputy at the time) and Edward LeFevre:

4 February 1982: concerning a social invitation.

18 April 1983: concerning setting up a meeting between Jenkins and LeFevre.

14 June 1983: asking Jenkins' assistance in having the Vice President accept a speaking invitation.

15 June 1983: same purpose as 14 June 1983 conversation.

15 September 1983: asking Jenkins' assistance in having the President attend launching of the trident submarine "Scoop Jackson".

28 October 1983: seeking guidance on government help in selling F-16A's to our allies. Jenkins referred this to the Foreign Military Sales Office at the State Department.

3. 19 January 1984 call from Ted LeFevre to Dorothy Kuhn, Assistant to James Jenkins. LeFevre had asked the Department of Justice to issue a press release saying that no charges against General Dynamics had resulted from the Department of Justice investigation, but DOJ refused. LeFevre wanted the White House to intervene. Miss Kuhn brought this up with Kenneth Cribb, Meese's Assistant. Cribb refused to place a call to DOJ or to interfere in any way on this matter.

Questions 3 and 4:

Our records revealed no such conversations or meetings.

Questions 5 and 6:

Our records revealed no meetings between Edwin Meese and Justice Department officials concerning General Dynamics. During the recent briefing process for confirmation hearings as Attorney General, the Justice Department advised Mr. Meese of Senator Grassley's interest in obtaining access to files on the ongoing investigation of the General Dynamics Electric Boat Division. Those briefings were as follows: (a) 20 December 1984 briefing by the Deputy Attorney General; (b) 6 January 1985 briefing by the Associate Attorney General; (c) 7 January 1985 briefing by the Acting Assistant Attorney General, Office of Legal Counsel.

CONGRESS OF THE UNITED STATES,
Washington, DC, January 31, 1985.

Hon. JOSEPH BIDEN,
U.S. Senate,
Washington, DC.

DEAR JOE: I would be very grateful if you would send to Edwin Meese, III, a series of questions I have prepared inquiring into his relationship with General Dynamics and other defense contractors, and request that the answers be submitted as soon as possible for the record of your Committee's confirmation hearings. I am hopeful that Mr. Meese's response will be available before the Senate is called upon to vote on his nomination.

By the way, I read the remarks you made in yesterday's hearings, as reported in the *Washington Post,* and was impressed with the way you got to the heart of the matter.

Sincerely,

WILLIAM PROXMIRE,
Vice Chairman, Subcommittee on International Trade, Finance, and Security Economics.

QUESTIONS FOR MR. MEESE FROM SENATOR WILLIAM PROXMIRE

1. According to your January 28, 1985, letter, your first meeting with General Dynamics occurred on August 7, 1981, and it was with David Lewis, Chairman of the Board, and Edward LeFevre, the company's chief lobbyist in Washington. Describe how this meeting was arranged, who called your office to set it up, and when the call, if there was such a call, was made.

2. Why did you agree to meet with Mr. Lewis?

3. Did you know in advance that he wanted to talk about the company's problems with the Defense Department over construction of the Trident?

4. Did you know that the company was experiencing very large cost overruns on the Trident and that it was facing large losses on this contract?

5. Were you aware that the company was taking steps to avoid having to report those losses to the SEC or disclose them to the public?

6. Were the company's finances or its cost overruns discussed in the August 7, 1981, meeting?

7. Were you aware at the meting that Mr. Lewis and Mr. LeFevre were anxious to get Admiral H. G. Rickover fired or forced to retire?

8. Did the subject of Admiral Rickover come up at this or any other meeting or conversation with General Dynamics?

9. Were you aware at the time of the meeting that the Justice Department was investigating General Dynamics for allegedly filing false claims against the Navy?

10. Did the Justice Department's investigation come up at the meeting?

11. Were you asked to intervene on any of these matters at the August 7 meeting?

12. Whose idea was it for you to call Secretary Weinberger about the Trident program?

13. Why did you agree to arrange a meeting with Secretary Weinberger and General Dynamics concerning the Trident program?

14. Did you call Secretary Weinberger to set up a meeting with General Dynamics? When?

15. Did such a meeting take place? If so, when and who took part?

16. Were you aware that a call by you to the Pentagon could be interpreted as applying White House pressure in favor of General Dynamics, and did you intend to apply pressure?

17. Were you or your staff ever asked by General Dynamics officials to intervene with the Navy on Trident or any other Navy contract?

18. Were you or your staff asked to interverne with the Justice Department prior to the closing down of the General Dynamics investigation in December 1981?

19. Have you or your staff ever discussed the Justice Department's investigation of General Dynamics with Lowell Jensen or any other Justice official?

20. Can you explain why General Dynamics came to you to discuss its defense contracts problems rather then discussing them with the Defense Department?

21. Did you invite General Dynamics to inform you if it had problems with its defense contracts?

22. Did you discuss defense contract problems with firms other than General Dynamics, and, if so, will you provide a listing of any meetings or telephone conversations since January 1981 between yourself or members of your staff and officials or representatives of such firms?

23. Are you aware that, in September and October of 1984, James Baker and Fred Fielding intervened in efforts by Senator Grassley and Senator Proxmire to obtain the records of the Justice Department investigation of General Dynamics?

24. Are you aware that, in September and October 1984, Mr. Baker and Mr. Fielding intervened in the Grassley subcommittee requests for the Justice Department records?

25. Have you talked to Mr. Baker or Mr. Fielding about the General Dynamics case?

26. Did you know about Mr. Baker's and Mr. Fielding's intervention in the congressional dispute over access to the Justice Department's records of the General Dynamics investigation at the time they were intervening?

27. Did you recommend or make your views known to Mr. Baker or Mr. Fielding that the Justice Department records not be turned over to the Grassley subcommittee?

28. In view of the contacts you and your staff have had with General Dynamics since 1981, do you think it would be proper for you to take any part in the present investigation of General Dynamics, if you are confirmed, or do you intend to recuse yourself from the case?

29. Last August, Attorney General Smith took part in a ship-launching ceremony at the invitation of General Dynamics, after he recused himself from the General Dynamics case because of a possible conflict of interest. Do you think it was proper for the Attorney General to take part in such a ceremony of a company under investigation by the Justice Department, and would you take part in such a ceremony for a firm under investigation by the Justice Department if you are confirmed as Attorney General?

DEPARTMENT OF THE NAVY,
Washington, DC, February 8, 1985.

Hon. WILLIAM PROXMIRE,
U.S. Senate,
Washington, DC.

DEAR SENATOR PROXMIRE: Mr. Kaufman of your staff has inquired whether Mr. Edwin Meese had ever discussed the subject of General Dynamics with me during 1981.

I have no recollection of discussing the subject of General Dynamics with Mr. Edwin Meese. Although the specific date is unknown, my best recollection is that a message was conveyed during that period from a member of Mr. Meese's staff to the effect that the Navy should continue to do what it was doing and that Mr. Meese did not wish to become involved in the matter.

Sincerely,

JOHN LEHMAN,
Secretary of the Navy.

THE WHITE HOUSE,
Washington, February 18, 1985.

Hon. WILLIAM PROXMIRE,
U.S. Senate, Washington, DC.

DEAR SENATOR PROXMIRE: Before giving a detailed response to your second set of questions, which were provided to me after the close of my confirmation hearings, a brief overall statement is in order.

The involvement of my office in the U.S. Navy-General Dynamics relationship in 1981 was altogether routine and minimal. My practice, like that of other White House staff officials (in this and previous administrations), is to meet with individuals who believe they have significant information, grievances, or views to offer representatives of the President.

In line with this practice, on August 7, 1981, I met with Mr. David Lewis of General Dynamics, who discussed his company's then-pending dispute with the Department of the Navy relating to the manufacture of the Trident submarine. I determined, again as a completely routine matter, that the White House would not become involved in the controversy and that the matter should be left to the primary parties—the Department of Defense and General Dynamics—to resolve, hopefully in a constructive fashion. I do not recall and have no records of any meetings or conversations on this subject with Defense Secretary Weinberger or Navy Secretary Lehman. Neither then nor thereafter did I lend any support whatsoever to General Dynamics' position in the dispute—neither in communications with the Defense Department, the Navy, the President, any of my colleagues in the White House, or anyone else in the Administration. Nor did I at any time become involved in any way with any Department of Justice matters concerning General Dynamics.

My responses to your specific questions are as follows:

Questions 1—5.

The August 7, 1981 meeting was requested by representatives of General Dynamics. I do not know, nor do office records show, who called my office or when such a call was made. I agreed to meet with Mr. Lewis for the reasons stated above, in accordance with White House practice. I do not recall whether I knew in advance that Mr. Lewis wanted to talk specifically about problems relating to the construction of the Trident, but I do recall that Mr. Lewis wanted to discuss problems between the Department of Defense and General Dynamics. I did not know whether General Dynamics was experiencing cost overruns or facing large contract losses, and was unaware of any actions that the company might have been taking with respect to its financial reporting to the SEC or to the public.

Questions 6-11.

To the best of my recollection, there were discussions at the August 7, 1981 meeting about problems between General Dynamics and the Navy on construction of the Trident submarine. I do not recall any discussion of cost overruns and am certain there was no discussion about Admiral Rickover or any Justice Department investigation. I was not aware whether Mr. Lewis and Mr. LeFevre desired Admiral Rickover's firing or forced retirement, or whether the Justice Department was "investigating General Dynamics for allegedly filing false claims against the Navy." I certainly was not "asked to intervene on any of these matters."

Questions 12-16.

General Dynamics requested that I telephone Secretary Weinberger because the company had been unable to secure a meeting with him. To the best of my recollection, which is confirmed by the records of both my office and Secretary Weinberger's office, I did not telephone the Secretary to arrange a meeting. I did not agree to arrange such a meeting, but simply stated that I would look into the possibility. I do not know whether any such meeting ever took place. Furthermore, I did not believe, nor did I intend, that any actions that might be taken by my office, acting in accordance with longstanding White House practices, "would be interpreted as applying pressure." As Secretary Lehman has advised your office, in fact no pressure was exerted.

Questions 17-19.

Neither my staff nor I was ever requested by General Dynamics officials to intervene with the Navy with respect to Trident or any other Navy contract. Nor were we "asked to intervene with the Justice Department prior to the closing down of the General Dynamics investigation in December 1981." The only discussion I have had with any Justice officials concerning General Dynamics was during routine briefings in connection with the current confirmation proceedings.

Question 20-22.

I did not invite General Dynamics to raise any problems with me, and assume that the company did so because it desired an opportunity to be heard. During the past four years my staff and I, along with most members of the White House Office, have met with numerous persons ranging from individual businessmen to representatives of firms, large and small. Our records do not provide a listing as to which, if any, of them might have contracts with the Department of Defense or its subordinate entities. Therefore, I have no way of answering Question 22 unless you refer to a specific company or transaction and in some specific time context.

Question 23-27.

I do not recall, prior to receiving your questions, being aware of any of the matters raised in questions 23, 24 and 26. I do not now know whether such actions took place. Mr. Fielding indicates that he purposefully would have avoided bringing such matters to me because of my status as Attorney General-designate.

I do not recall talking to Mr. Baker or Mr. Fielding about the General Dynamics case. I recall no recommendation or expression of views to Mr. Baker or Mr. Fielding that the Justice Department records not be turned over to the Grassley subcommmittee.

Question 28.

As I stated in the hearings on my confirmation, I would be guided by the legal opinions from the Office of Legal Counsel with respect to the propriety of recusing myself from specific matters before the Justice Department. I therefore have an open mind on the question you raise. I should add, however, that since my contacts with General Dynamics officials have been so minimal and since they did not relate to the Justice Department's investigation, I do not presently see a basis for recusal.

Question 29.

I do not think it would be appropriate for me to express an opinion, directly or indirectly, on the actions of the current Attorney General. The question about my own participation is totally hypothetical. But, as a general rule, I do not intend to take part in ceremonies or other events sponsored by firms that are under investigation by the Department of Justice.

Sincerely,

EDWIN MEESE III,
Counsellor to the President.

Mr. PROXMIRE. Again, Mr. President, when the name of Edwin Meese is presented to the Senate for confirmation as Attorney General of the United States, I shall vote "no."

Mr. President, I yield the floor.

Mr. METZENBAUM. Mr. President, it is my understanding that there are a number of Members who wish to be heard on the Meese nomination. The Senator from Ohio has made it clear he would not delay the vote and I do not intend to do so.

However, I believe that those Senators who wish to be heard should come to the floor. I do not know what the position of the manager of the matter is as the chairman of the committee or when he intends to go forward with the vote, but as I understand it around here when there is no further debate the issue comes up for a vote automatically.

I do not want to preclude anyone who wishes to be heard, but I would urge upon them that they come to the floor rather than expect that the floor will be protected.

The PRESIDING OFFICER. The Chair suggests that the sentiments of the Senator from Ohio are well taken.

Mr. LAXALT. Mr. President, I shall be brief in these remarks, for everything that could reasonably be said about this nomination and, unfortunately, much more—has already been stated and restated over the course of 1 full year.

Months of unsubstantiated innuendo followed by months of intense scrutiny and investigation have failed to alter the most basic relevant facts. Ed Meese is an honorable and principled man who, at great personal expense, has devoted a lifetime of service to his country. He is eminently qualified to serve as Attorney General, by virtue both of his integrity and of his ability.

Throughout his law enforcement career as both scholar and practitioner, Ed Meese has demonstrated precisely the virtues that we seek in the Nation's chief law officer. Whether in his capacity as professor at some of our most distinguished law schools, as an extraordinarily successful prosecutor, as Director of the Center for Criminal Justice Policy and Management, or as Counselor to the President, he has consistently combined hard work, commonsense, and a commitment to the public good in such a way as to translate sound legal theory into workable policy. His unstinting efforts, for example, to ensure that our system of justice considers the rights of crime's victims as well as the rights of crime's perpetrators have benefited people all across this country.

Committing his energies to the public service, Ed Meese has amassed no great fortune; the rewards of his labors have been shared by the community at large. It is ironic, therefore, that vicious allegations necessitated work even by an independent counsel to compile the full record showing that this nominee has never designed to use public office for private gain.

Our recent hearings in the Judiciary Committee examined in great detail the findings made by independent counsel Jacob Stein and his expert team. Their exhaustive report, compiled over a 6-month period, is an extraordinarily precise document: It has not been shown to contain a single factual error. This accuracy reflects the thoroughness of the investigation conducted by Mr. Stein and his pick of FBI agents and crack prosecutors. They sifted through thousands of papers, including telephone logs, staff notes, and internal White House files: They were refused no document they sought. They interviewed over 200 witnesses, and no one they asked refused to testify. Wherever innuendo had been raised, they found the true facts.

At the conclusion of their investigation, Mr. Stein and his staff proclaimed: "We find no basis with respect to any of the * * * allegations for the bringing of a prosecution against Mr. Meese." The law does not authorize an independent counsel to offer more general observations dealing with questions of ethics, but just as Mr. Stein's report provides us with ultimate conclusions that Mr. Meese has done nothing illegal, it supplies us also with hard facts demonstrating that Ed Meese has done nothing unethical. Indeed, much heralded testimony from lawyers at the Office of Government Ethics who reviewed these facts confirmed that Mr. Meese has at all times acted in accordance not only with the law, but also with the ethical code of conduct.

As the well respected former Attorney General and Secretary of State Bill Rogers noted in his testimony supporting Ed Meese, Common cause and others originally pushed for the independent counsel system as a way of providing—and I quote—"an important safeguard * * * for ultimately assuring that the public accept a finding that there was no improper conduct." That is exactly what the independent counsel found here. I return to the point made so often throughout our hearings that distorted accounts of Mr. Meese's actions cannot be allowed to replace the independent counsel's findings of actual fact. When we know, for example, that loans to Ed Meese were not related to Federal appointments, we cannot subscribe to more sinister hypotheses. Any standard based on "appearances" must be employed in concert with a reasonable interpretation of all the facts on record. Otherwise, the Wall Street Journal would be correct in saying: "Political enemies can be quashed in three easy steps: Raise accusations, damage reputations, ignore vindications."

Ed Meese and his loving family have undergone an ordeal that I do not believe they deserved. They have endured unprecedented scrutiny and attack remarkably well, emerging not embittered but committed still to the ideal of public service. Ed Meese has served his country with distinction, and I look forward to his playing an historic role as Attorney General over the next 4 years. I will vote proudly for his confirmation.

Mr. THURMOND. Mr. President, we are ready to vote. This side is ready to vote. If any Senator wants to speak, we certainly do not wish to deny that opportunity on either side. We want to give a full opportunity for everyone to speak who wants to. On the other hand, there is no need in taking 2 days to do something you can do in 1 day.

There is no need to take 3 days to do something you can do in 2 days. I have repeatedly said I think we waste a lot of time here in the Senate. It is very costly to the taxpayers when we do not expedite the work. This matter is coming to a vote. It is just a question of when. The quicker we vote, I think, and dispose of it, we can get on to the farm bill which deserves attention, we can get on to many other matters which deserve attention, and we can get on to the people's business transacted. I hope if there is any further interest in this nomination on either side that it will be expressed, and that the individuals will come forward.

I want to commend the distinguished Senator from Ohio, Senator METZENBAUM, for calling attention to that because it is important, I think, that we not delay. I have heard no desire on the part of the majority leader nor the minority leader not to go forward with this vote. So I hope those who are listening on their squawk boxes in the Senate offices will come forward, or have their Senators come forward and express themselves if they wish to have a vote.

51-059 O-86-38 (Pt. 2)

I notice the distinguished Senator from North Carolina desires to get the floor. I am glad to yield to him.

Mr. HELMS. I thank the distinguished President pro tempore.

Mr. President?

The PRESIDING OFFICER (Mr. HECHT). The Senator from North Carolina.

Mr. HELMS. Mr. President, I have been hearing the exhortation on the squawkbox, as it is called. I have been here on the floor for an hour but I have elected to bide my time until those who are opposed to Edwin Meese's nomination have had their say.

Let me say at the outset, Mr. President, that I do not doubt the sincerity of anybody who has spoken. But I think they are sincerely wrong. Frankly, during the past year I have been astonished at the vehemence of the criticism of Edwin Meese. A great deal of it has been contrived—in the media and elsewhere. I think there is a hidden motive certainly as to some. But be that as it may, Mr. President, the Senate has begun debate on the nomination of Edwin Meese to be Attorney General of the United States. And I think it is time that we delay no longer, and instead move expeditiously to confirm him.

Mr. President, lost in the shuffle of the cacophony of criticism of Ed Meese has been the fact that this man has devoted himself to public service for most of his professional life. Since he was graduated from law school in 1958, he has served as a criminal prosecutor, as a legal adviser to the governor of California, who happens now to be President of the United States. He also served as a law professor, and now he serves as Counselor to President Reagan.

In these capacities, and in his other civic activities, Ed Meese has demonstrated, I think, a commitment to the common good and the public interest few of his fellow citizens can match. I know that runs contrary to much of the criticism of Ed Meese, but it happens to be a fact. This man is a good citizen. His record over the last 27 years is not that of a man pursuing private gain or personal interest. Those who are fair enough to examine his career are bound to acknowledge that the past 27 years disclose the record of a man deeply concerned about his country, about its future, deeply concerned about law and order, and deeply concerned about the administration of justice.

Mr. President, America is the land of opportunity. We say that now as a cliche. But it is true because in this land men and women of all levels of talent and all degrees of dedication can achieve substantial material rewards in a lifetime of work. Honest ambition, applied in the American marketplace, can and does produce private prosperity on a scale unparalleled in the history of any other people at any other time. And this is good, and all Americans should be grateful for this fact.

But, Mr. President, no country, however blessed with opportunities for individual prosperity, can long endure without men and women who are willing to sacrifice private goods for the commonweal. I have known and worked with Ed Meese since he came to Washington, and I regard him as precisely such a person. And I challenge anyone willing to look objectively—and the keyword, Mr. President, is "objectively"—at Ed Meese's career in public life and try to demonstrate to the contrary. It cannot be done.

We can engage in all manner of showmanship, but when all of the veneer is stripped aside and we look at the nominee, it is clear that Ed Meese is a good, dedicated, and capable man. I have heard acknowledgement of that in these cloakrooms. It is not unusual in this Chamber for politics to raise its head against a symbol that may be portrayed as unpopular. But back there where Senators talk privately, it is acknowledged that Ed Meese has been, and is, a good and capable public servant.

So I reiterate again despite all the vehemence of the criticism of Ed Meese, the fact remains that an honorable man has been attacked here.

I do not think many people realize—in and out of Government across this country—I doubt that really many know—the sacrifices Ed Meese, his wife, and family have made over the past 27 years. His personal financial balance sheet would have been no doubt extraordinary if he had elected to confine himself to private law practice in California, or if he had decided to begin a Washington law practice in January 1984. I do not think there is any question about it. But he did not do that.

As for the rather picky, tacky criticism of Ed Meese, I pose this question: Who among us in this Senate on either side of the aisle has experienced in the preceding 12 months anything like the microscopic national media scrutiny, so full of abuse and inuendo, that Ed Meese has endured? Indeed, some of his most vocal critics—in and out of Congress, in and out of Government, in and out of politics—would fail the test.

Even that group that has assigned to itself the noble name Common Cause has made getting Ed Meese—and I stress the word "getting"—virtually its sole "cause" of late. Senator EAST aptly described the whole atmosphere surrounding this nomination as "carnivorous and cannibalistic." JOHN EAST was right. I wish he were here today to say again what he has so eloquently said before. Senator EAST is recovering from surgery. I hope he will be here tomorrow or whenever the vote is taken on this nomination.

And, Mr. President, how many of us have been required to pay so high a cost, attendant to service in Washington, DC, as Ed Meese and his family have paid, for example, in 1982, with the tragic loss of a son? A lesser man I think would have quit Government service long ago for the comforts of private life.

So, Mr. President, we know this much. Mr. Meese enjoys the full confidence of millions of Americans who have no voice in the editorial columns, or in the television comments, or in the political speeches on this floor or elsewhere.

He has the confidence of the President of the United States, who, this past November, carried all but one State. He has a career of distinguished public service to his country. I think it is time to cease the acrimony and the political posturing and let there be a vote on this man and see how it comes out. I hope the Senators will remember the creditable things about Ed Meese's career and the sacrifices he has made.

And what about the responsibilities of the Attorney General of the United States, Mr. President? Somehow, discussion of that has been lost in the shuffle, except in the twisted logic that has so often been expressed, but we ought to be talking about what are the responsibilities of the Attorney General. In my judgment, I do not think any responsibility of the Attorney General of the United States is more important than his leadership role in our criminal justice system. On that score, Ed Meese passes the test with flying colors. But this is never mentioned. Let me explain what I mean.

Crime in this country has reached the proportion of a plague, and it is a condition from which the average American has loudly called for relief—first sounding the call in fear and now sounding it in anger because so much needs to be done about it. The growing vigilantism that comes from fear and anger is dangerous and must be stopped, but its cause lies in the danger on the streets and the failure of the courts. The answer to vigilantism must be swift and fair governmentally administered punishment for crime, so that there will be no reason for vigilantism.

The thought has often occurred to me during the debate about the picky and tacky criticism of Ed Meese that this country is approaching a crossroads in that respect. If we do not soon deliver on the promises of safe streets and quick justice, the destabilizing effects of lawlessness may soon cross over into the law-abiding community. I need refer only to the episode in New York City and the sympa-

thy the vigilante, frustrated as he was, received in such large proportion.

Let us be fair about it. You can unroll all the lists you want to on the Senate floor, but I cannot think of any person in America better qualified to reform the criminal justice system than Ed Meese. I reiterate, he spent a lifetime studying and working in the criminal justice system. As a deputy district attorney in Alameda, CA, he gained years of practical experience in the reality of criminal trials—not as we wish they would be, but as they are. He has seen the business end of criminal law and procedure, but in that regard it is interesting and perhaps annoying, simultaneously that there are those who have expressed scorn for Ed Meese because in his prosecuting days he would ride along with the police on their beats. They have come forth with criticism even of that. I recall a particularly distasteful column in the Washington Post a few weeks ago dealing with this topic.

Mr. President, I guess I am saying this: If genuine effective reform is to be accomplished, how much better to have a man at the top who knows and understands the flight of our police, men and women, at the bottom. Perhaps that is why Ed Meese has been one of the earliest and most effective leaders for bail reform. He knows firsthand that the revolving door of justice can be lethal to innocent citizens.

But the ugly reality of street crime has not hardened Ed Meese as it has so many. To the contrary, from his early days as a prosecutor, Ed Meese was not only a tough trial lawyer, but a compassionate and optimistic private citizen. He was an active participant in the Alameda County Delinguency Prevention and Family Assistance Program to help young people break out of the economic situations that too often lead to crime.

I would interpose a question here, Mr. President: How many times have you heard reference to that in terms of Ed Meese's career? And another question: Why should that not have been emphasized all along? No; that has not been a part of the discussion, that has not been a part of the debate.

Ed Meese was an adviser to the Crittenden Center, a halfway house for parolees and drug offenders that provides counseling and rehabilitation. This man who has been so constantly and lengthily excoriated found time to be a volunteer legal officer to the Alameda Youth Opportunity Board, which happens to be an organization that finds jobs for young people.

Why has there been no mention of this? Why is that not pertinent to the debate, to the discussion, to the consideration?

Ed Meese has been an active participant in the prison reform movement. While others were out making their fortunes, Ed Meese was spending his nights and his weekends in volunteer service to his community. And it is from this very solid base of practical law enforcement and community experience that Ed Meese moved up to the higher levels of understanding of criminal justice.

I would wager, Mr. President, that not 5 percent of the American people, based on the news reports, are aware that Ed Meese taught law at one of the Nation's preeminent law schools, the University of California at Berkley, as well as the University of San Diego. If we went out on the streets of Washington or any community in this Nation, how many people would know that he was director of the Center for the Study and Research of Criminal Law at USD.

He was a member of the trial and appeal advocacy advisory board at the Hastings College of Law Center and chairman of the California Bar Association's Committee on Indigent Criminals, and he went on to be vice chairman of the California Organized Crime Control Commission, and as then Gov. Ronald Reagan's legal affairs secretary he was chief liaison between the Governor, Mr. Reagan, and the judicial, correctional, and law enforcement agencies.

So where do these editors come from when they say this man is unqualified? How do you compose a list, flamboyantly released, of people better qualified? I would be perfectly willing to lay Ed Meese's credentials alongside those of almost anyone else available to serve as Attorney General of the United States and let the public decide. But the public is not provided an opportunity to make a judgment based on both sides of the argument. And again I insist that I do not doubt the sincerity of anyone who has criticized Mr. Meese, but I say again I think they are sincerely wrong.

When he came to Washington, he came as counselor to the President, and since that time he has been the lead official at the White House on legal and criminal policy reform. So what do we have in this man? And this may be Ed Meese's problem in part. For one thing, you have a tough law-and-order man. Now, you know, Mr. President, in some circles in this country that is not regarded as a desirable thing for a nominee for Attorney General.

The country needs a tough law-and-order man, but Ed Meese is more than that. I remember, Mr. President, his testimony before the Judiciary Committee when he was asked about the use of polygraph for national security purposes. Now, his answer was anything but ideological; I acknowledge that.

He proceeded to explain to the Judiciary Committee that from his firsthand experience with polygraph he was keenly aware of their limitations. He noted that while they can be helpful, usually for the purpose of clearing a suspect, they are not sufficiently reliable to be a central component of an investigation.

Now, this is the kind of a man he is. Certainly, in my judgment, in terms of my relationship with him since he has been in Washington, and I suppose the bottom line, if I can use that cliche—and I do not particularly like it—is that I for one Senator am confident that Ed Meese's decades of experience in law enforcement will invest his policy decisions as Attorney General with this kind of sensible, realistic analysis. Here is a man who is both a theoretician and a practitioner. But when you get to the final judgment, at least insofar as this Senator is concerned, Ed Meese, despite all of the criticism, contrived and otherwise, is preeminently qualified to be the next Attorney General of the United States. And this Senator believes that he deserves confirmation.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. GLENN. Mr. President, the Senate has pondered the nomination of Edwin Meese III to be Attorney General for nearly a year. This has not been an easy or pleasant process but it is an important and necessary one. It is important because the Office of Attorney General is a unique and critical Cabinet position. It is necessary because in light of the Senate's duties to advise and consent, we are responsible for ensuring the integrity of Government and maintaining the public's faith and confidence in our political institutions.

In many ways, the Office of Attorney General is the most important appointment a President makes. The Attorney General serves as the chief legal adviser not only to the President but to all Federal agencies. This person is the Nation's chief law enforcement officer and is responsible for protecting the civil rights and liberties of all Americans, regardless of their economic status or philosophical beliefs. This high office requires a person who symbolizes the highest standards of integrity, justice, and impartiality in the fair and evenhanded administration of the law.

I believe our duty as Senators is clear. It is to carefully review Mr. Meese's past actions and statements and measure them against the special responsibilities and high visibility of the Office of Attorney General. We must remember that our action on this nomination will send a message to the American people and to all who cherish the freedom and justice our system of laws provides. To keep their faith, that message must convey our insistence that the Attorney General meet the most rigorous standards of

ethical conduct and possess complete dedication to full and fair treatment of all our citizens under the law.

Over the past few weeks it has been suggested—even by some in the Senate—that the standards I have enunciated are too high or, even worse, hypocritical. It has been argued that Senators themselves could not meet those standards—and that it is therefore unfair to ask Mr. Meese to do so.

But that argument is wrong for reasons that go beyond the question of whether Senators could or could not meet the standards. It is wrong because it misses the crucial distinction between those appointed to serve as Attorney General and those elected to serve in Congress. As Senators, we must stand for election and are accountable to the people. If they lose faith in us—or believe our conduct, judgment or ethics to be improper—they may use the ballot to remove us from office. The Attorney General, however, is appointed by the President, not elected by the people. And that is why the Constitution gives us—as the people's representatives—the duty to advise the President on his nominations and to give or withhold our consent on his nominees.

Unfortunately, Mr. Meese's past actions and statements raise serious questions regarding his inclination and ability to administer the duties of Attorney General in a rigorous and even-handed manner. By calling the American Civil Liberties Union "a criminals' lobby," for example, Mr. Meese reveals a callous disregard for the rights of the accused. By praising the Grove City decision of the Supreme Court, Mr. Meese conveys his belief that our civil rights laws may be selectively enforced to permit discrimination.

While Mr. Meese's views on these important legal issues are disheartening, his actions as counselor to the President are deeply disturbing. Mr. Meese was instrumental in the effort to eliminate funding for the Legal Services Corporation, and when Congress rejected that proposal, he used the appointment of people opposed to the Corporation to undermine its effectiveness and thwart the intentions of Congress. Mr. Meese was also involved in packing the U.S. Civil Rights Commission which, for 25 years, had served the Nation and Presidents of both parties with the effectiveness and credibility that only complete independence can engender. His active participation in changing Government regulations to grant Bob Jones University tax-exempt status casts serious doubt on Mr. Meese's willingness to enforce laws intended to eliminate segregation and racism.

Now some have argued that none of this should necessarily disqualify Mr. Meese from serving as Attorney General. In their view, Mr. Meese's past statements and actions are merely reflective of a particular political orientation—and that while others may disagree with that orientation, a President should be able to appoint men and women of his ideological choosing, so long as they possess the judgment and ethical sensibilities required of the office. Mr. President, to some degree I share those sentiments. And so, while I continue to believe that a well developed social conscience is essential for an Attorney General, the crucial question for me is not whether Mr. Meese's politics are right or left—but whether his ethics are right or wrong.

More recently, the Senate Judiciary Committee has once again examined Mr. Meese's behavior while serving as a public official; behavior which reveals extremely poor judgment at best—and an ethical blindspot at worst. Although Mr. Meese has been cleared of indictable offenses, that finding should hardly be interpreted as giving Mr. Meese a clean bill of ethical health. Indeed, in evaluating his qualifications to be Attorney General, I believe we must go beyond the narrow question of whether or not Mr. Meese acted illegally, and confront the broader question of whether or not he acted improperly. And to do that, we must carefully examine the actions by Mr. Meese that inspired the special prosecutor's investigation in the first place.

Executive Order 11222 prohibits Government officers and employees from actions "which might result in, or create the appearance of, using public office for private gain; giving preferential treatment to any organization or person; or losing complete independence or impartiality of action; or affecting adversely the confidence of the public in the integrity of the Government." Federal regulations further state that—

> It is equally important that each employee (of the Executive Office of the President) avoid becoming involved in situations which present the possibility, *or even the appearance,* that his official position might be used to private advantage. (Emphasis added.)

By accepting unsecured loans from Mr. John McKean totaling $60,000—on which interest was deferred—and then by participating in the selection of Mr. McKean for a Federal position, Mr. Meese showed gross insensitivity to the appearance of impropriety. By failing to realize that his position as counselor to the President might result in preferential treatment of his application to return to the Active Army Reserves and, later, of his promotion to the rank of colonel, Mr. Meese demonstrated extremely poor judgment. And by asking that a check he had already deposited be crudely altered to say "consulting fees" instead of "moving expenses" after he discovered that the latter might be illegal, Mr. Meese exhibited a clear contempt for the intent of the laws he is sworn to uphold.

In light of his many years in politics and public service, I find it utterly incredible that Mr. Meese would seek to defend these actions and profess not to understand why they have, in the words of the Cleveland Plain Dealer, placed "a disagreeable scent in the public nostril." I can only conclude that Mr. Meese either does not understand the special responsibilities and ethical standards required of public officials, or that he holds them in regrettably low regard.

Mr. President, recent history tragically demonstrates the dangers that lie in confirming an Attorney General who displays a cavalier disregard of ethical propriety and a callous indifference toward civil rights and liberties. On this nomination we must demonstrate to the public that we have learned the lessons of Watergate; namely, that partisan loyalty and personal friendship with the President are alone insufficient qualification for the highest legal office in the land. On this nomination, we must affirm that service as Attorney General is and should be a high and noble calling, reserved only for those who meet the highest professional and ethical standards. And we must prove that the check and balance of advice and consent—which protects our laws and rights from politicization—is alive, well, and evident in this Congress and in this confirmation.

Mr. President, this is not a department that just administers a lot of dollars and programs. It is not a dollars-and-cents department. This department administers what we consider the right or wrong for this country, what laws should be emphasized. This is a department that assures that we have equality for all our citizens. This is the department that says there will be fairness to each and every person in our land. It is the department that, in effect, sets the moral tone for the United States of America.

What we need in the Office of Attorney General is not a superman, a Solomon, or a saint. What we need is merely a human being who is keenly aware of the power, scope, and responsibilities of the Office; an individual who clearly understands and fulfills the ethical demands of high public office, and a person who is wiliing to extend to others the same compassion and tolerance of human imperfection that he asks for himself.

In my judgment, Mr. Meese is not that person.

By declaring that "the progressive income tax is immoral" and by implying that those who shiver in the cold of winter soup lines are little more than cheaters and freeloaders, Mr.

Meese has shown himself to be disposed to the strong and disdainful of the weak.

By describing the American Civil Liberties Union as "a criminals' lobby," Mr. Meese has exhibited a shocking scornfulness for the rights of the accused and a probable predisposition to prosecute crime in the streets more vigorously than crime in the suites.

By praising the Supreme Court's Grove City decision, and by actively participating in the scheme to grant tax breaks to segregationist academies, Mr. Meese has revealed a worrisome tepidness toward civil rights, and troubling tolerance of uncivil wrongs.

By accepting several unsecured loans from a man he later helped appoint to a Federal position; by accepting a promotion in the Army Reserves that smacked of preferential treatment; and by asking that a check he had already deposited be altered when it appeared that the original purpose of the check might be illegal—by doing all these things, Mr. Meese has demonstrated that he is lacking in judgment and appallingly indifferent to the appearance of impropriety.

Accordingly, I shall vote against the confirmation of Edwin Meese as Attorney General—and I urge my colleagues to do the same.

Mr. METZENBAUM. Mr. President, I commend my colleague from Ohio for the excellent statement he has made in connection with this matter.

Mr. President, a great number of editorials have been written in connection with this matter. I ask unanimous consent that these editorials be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Toledo, OH, Blade, Jan. 30, 1985]

MEESE LEGAL EAGLES

Whether Ed Meese has the capacity to become a competent attorney general of the United States is a matter of partisan opinion. One thing for sure, though, he is not turning out to be any bargain for the U.S. taxpayers.

On the eve of his second confirmation hearing this week—the first one was delayed by wrangling over whether charges of financial misconduct against him had any legal basis—Mr. Meese has submitted a request for reimbursement of $720,000 in legal fees incurred during an independent counsel's investigation of the White House aide's finances.

Mr. Meese apparently emerged relatively unscathed from the investigation, although an important question remains: Is he even remotely the best possible candidate for the post of the nation's top judicial officer? He undoubtedly would say yes, although his opponents plan to bring up other charges which they say were not settled by the special counsel's report and which, they say, raise serious questions about his fitness for such a high office.

What is even more irritating is the way Mr. Meese's lawyers have sought top dollar for their services. The tab runs to $225 an hour, which is defended as being the going market rate for attorneys in the nation's capital. That led Jack Germond and Jules Witcover, whose column appears in The Blade's Pages of Opinion, to remark that inasmuch as the Reagan administration has sought to put ceilings on other forms of expenditures, why not cap lawyers' fees, too? It is worth noting, incidentally, that in the past two years the Government spent $50 million on payments to private attorneys, some of whom billed Uncle Sam for as much as $285 an hour.

It will be argued that top-rated lawyers will not work for a set fee. In that case there are plenty of less experienced younger lawyers who will. Of course, they would not have the influence within government circles that Mr. Meese desires and is willing to buy—or allow the taxpayers to pay for.

There probably was no good time for Mr. Meese to submit his bill. He could not do it once he has become attorney general. But on the face of it, $720,000 is a high price to pay to assure that Mr. Reagan will find a high-ranking government job for one of his California cronies.

That brings us back to the basic question: Is Ed Meese the best candidate money can buy for the post of attorney general? The answer to that question should be obvious.

[From the Winston-Salem Journal, Jan. 28, 1985]

REJECT ED MEESE

Tomorrow, the Senate Judiciary Committee is to take up once again the nomination of Edwin Meese to be Attorney General. The committee owes it to the country to give this man's background dispassionate and uninhibited scrutiny. If it does, it will conclude that to confirm him would be to diminish the office.

It won't be easy. Meese is perhaps the closest political associate of a very popular president, whose party controls the Senate. Questions about his conduct as a White House counselor were referred last year, under the Ethics in Government Act, to an independent counsel (formerly called a special prosecutor), Andrew Stein. He concluded that there was not sufficient evidence to indict Meese. He expressly declined to evaluate the propriety of the man's actions.

Despite the narrow limits of that investigation, Meese and others have characterized it as a certification of fitness. The current political wisdom is that, in the face of this "clean bill of health," even skeptics in the Senate will feel obliged to hold their peace.

If they do, they will be ignoring a pattern of conduct that at least violated a standing Executive Order and a federal regulations setting ethical standards for government officers and employees. And they will be doing so in filling the office—attorney general—that, more than any other, is responsible for upholding and enforcing those standards.

The evidence is in Stein's report as independent counsel. Common Cause, the citizens' lobby, has analyzed that report and laid out the case.

It consists of a series of instances in which Meese accepted unusual and substantial financial favors from people who got presidential appointments. He was in every case a member of the White House committee that passed on patronage appointments.

As cited by Common Cause, Executive Order 11222, in effect since 1965, prohibits any action

". . . which might result in, or create the appearance of . . . using public office for private gain; . . . giving preferential treatment to any organization or person; . . . losing complete independence or impartiality of action; . . . or . . . affecting adversely the confidence of the public in the integrity of the Government."

After joining the president's staff, Meese accepted unsecured loans totaling $60,000 from John R. McKean before and after McKean was appointed to the U.S. Postal Service Board of Governors. The referral to McKean was made by White House aide Michael Deaver, who also arranged a loan from him and proposed him for the presidential appointment. The loans were repaid only after the transaction was reported in the press.

Stein concluded that the facts would not support a criminal action mainly because there was no concrete evidence that Meese "solicited a loan from Mr. McKean with the express or implied intention of assisting him in obtaining a government position, or that Mr. McKean offered to arrange a loan in the expectation or understanding that Mr. Meese would so assist him."

There was only the coincidence of timing and respective interests served. It was surely enough to create the appearance of using public office for private gain.

The pattern was repeated in 1982 in a highly unorthodox transaction concerning the sale of Meese's California home. Three months later, Thomas J. Barrack, who arranged the deal, was appointed deputy undersecretary of Interior.

Also in connection with his real estate, Meese had loans from the Great American First Savings Bank ultimately totaling $402,000. Payments were repeatedly deferred and terms modified after Meese joined the White House. Four officials of the bank received presidential appointments early in the administration.

Meese's friend Edwin Thomas loaned Mrs. Meese $15,000 in 1981, a few days before Reagan took office. At about the same time, Thomas joined the government and in succeeding months, his wife and son got federal jobs.

In 1981, Meese's status in the Army Reserve was changed from retired to active. In 1983, he was promoted from lieutenant colonel to colonel, to a position created especially for him. The effect was to increase his pension benefits. He was under the command of Gen. William Berkman, who at about the same time Meese was recommending for reappointment as Chief of the Army reserve.

There are other examples in the same vein. Together they constitute a pattern of indifference to the appearance of impropriety, if not of deliberate influence peddling.

How can a man so extraordinarily indifferent to the ethical requirements of public service be trusted, as attorney general, to oversee the ethics of the entire executive branch? Sadly, the question answers itself.

[From the Boise (ID) Statesman, Jan. 29, 1985]

TIME TO SAY 'NO' TO EDWIN MEESE

If the U.S. Senate truly respects the law and expects top law officers to show a similar reverence, it will refuse to confirm presidential counselor Edwin Meese III as the next attorney general.

A confirmation hearing on Mr. Meese's nomination was scheduled for today. A full Senate vote was expected within a week or so.

An independent counsel who investigated Mr. Meese for alleged misconduct concluded in September that available evidence did not justify bringing charges against him.

But that was a far cry from an affirmation of Mr. Meese's ethical fitness. The investigation raised enough questions about Mr. Meese's ethical sensitivity to make his nomination ludicrous.

Added to that, the Office of Government Ethics staff concluded that Mr. Meese violated federal ethics rules, but was overruled by its director.

Among other things, the federal standards forbid an official from taking actions that "might result in, or create the appearance of . . . giving preferential treatment to any organization or person."

The ethics office staff report focused on two of Mr. Meese's financial transactions. One involved a loan arranged for Mr. Meese by a San Francisco accountant who later was appointed to the U.S. Postal Board of Governors. In the other, Mr. Meese's California home was sold with the help of a man later hired by the Interior Department.

An ironic side issue is that Mr. Meese now is seeking government reimbursement for the more than $720,000 in legal fees he incurred during last year's investigation. The Justice Department—which Mr. Meese would head if he becomes attorney general—is challenging that plea.

[From the St. Louis Post-Dispatch, Feb. 3, 1985]

MEESE CONFIRMATION UNJUSTIFIED

If the Senate Judiciary Committee and then the full Senate vote to confirm Edwin Meese as attorney general, they will be sending the country a signal that they do not expect the nation's highest legal officer to abide by very high ethical standards. Although Mr. Meese was revealed to have been involved in numerous ethically questionable transactions, he showed in his appearances before the committee no real understanding of why what he did was wrong.

Yet many senators seemed satisfied when they heard Government Ethics Office Director David Martin—in what looked like an extraordinary stretching of the rules—pronounce Mr. Meese ethically clean. Although Mr. Martin acknowledged that Mr. Meese had a problem in relation to ethics rules that forbid even the "appearance" of conflicts of interest, he said he was "totally satisfied" that Mr. Meese was in compliance with the rules. The ethics chief's clearance of Mr. Meese came after he had ignored the earlier conclusions of two staff lawyers that Mr. Meese in two instances "had violated the standards of conduct or other applicable statutes." But the staff lawyers, by the time they appeared before the committee, were, for reasons that are unconvincing, concurring with Mr. Martin.

As shown by the committee testimony of Archibald Cox, former U.S. solicitor general and now chairman of Common Cause, the citizens lobby, the staff lawyers were clearly right in their initial judgement. Mr. Cox, citing Executive Order 11222, said Mr. Meese violated the rules when he helped get high government appointments for California accountant John McKean, who arranged loans for Mr. Meese, and for real estate developer Thomas Barrack, who helped Mr. Meese sell his California house. The order (1) forbids conduct ". . . which might result in, or create the appearance of . . . using public office for private gain (or) losing complete independence or impartiality of action . . ." and requires a public official to step aside if the business or appointment of a benefactor comes before him.

Although Mr. Meese ignored both of these requirements, he was held in compliance with the rules on the thin grounds that Mr. McKean did not personally provide Mr. Meese a loan and that Mr. Meese did not know that Mr. Barrack had put $83,000 of his own money into the Meese house. The facts are that Mr. McKean arranged loans when Mr. Meese needed such help and that Mr. Barrack, with Mr. Meese's knowledge, helped substantially in the sale of the Meese house. Mr. Cox pointed out that government employees are constantly being reprimanded or otherwise disciplined for just such conduct as Mr. Meese's.

Mr. Meese not only violated rules in the McKean and Barrack cases but also in failing to report an interest-free loan to his wife and in urging the reappointment of a general who aided his promotion in the Army Reserve. Given these facts, senators would be blind to ethical standards if they voted to confirm Mr. Meese simply because the president wants him and because Independent Counsel Jacob Stein concluded that Mr. Meese did not commit crimes.

[From the Arizona Daily Star (Tucson), Feb. 3, 1985]

MEESE'S HEARING—DESPITE HIS EXPLANATIONS, A DISTASTEFUL AIR LINGERS

The painstaking and often boring Senate hearing on Edwin Meese's nomination as attorney general is over. All the loose ends seem tied, and the questions answered. He appears free of criminal guilt and violations of ethics. Yet a taint of distaste hangs over Meese that the hearing failed to flush.

Loans for thousands of dollars from a man he later rewarded with a high government post, his promotion in the Army Reserve when Army officials said it gave the appearance of favoritism—these are the matters that still stick in the memory after of all Meese's elaborate explanation. What's left is a man without any felonious guilt, a man who passes the Office of Government Ethics review, a man with lots of friends in high places, but a man who has exercised very poor judgment in several rather important matters.

Between occasional bursts of support by his friend Sen. Orrin Hatch of Utah, who droned on and on about this "man of character and professional competence," the nation heard Meese explain why he failed to make his mortgage payments for four consecutive months. This man of "professional competence" explained that he received hundreds of letters a day and just doesn't remember the ones from the bank threatening foreclosure.

Try missing four mortgage payments and see what happens. Try persuading the bank that you just didn't see those warning letters and hope they believe you. Meese must have believed it would come out all right, as in fact it did when somebody made him a loan, and that he didn't have to attend to little matters.

But no fairy godmother will appear in the escrow office to produce the money for the rest of us working stiffs. And most of us would take four delinquent mortgage payments pretty seriously.

It's the little things like these and the big ones like patronage and promotions that leave a sour air around Edwin Meese. He's not the man for the job.

[From the Cleveland Plain Dealer, Jan. 30, 1985]

HOW MEESE FAILS THE TEST

The Senate Judiciary Committee is deciding whether to endorse Edwin Meese III as attorney general. It should view him with disfavor. His ethical lapses have been grave; his inability to recognize those lapses has been obvious; his lack of demonstrable legal and social sensitivities is undeniable. He has not established, by word or deed, his ability to manage the nation's law.

It is not just a question of specificity. The detailed charges against Messe's ethical awareness are irrefutable. Thus the debate must concern itself with arguments of abstractions. What does the post of attorney general represent? And from that perspective, can Meese adequately fill the role?

The attorney generalship is a position of towering national influence. In this post-Watergate age it has assumed, in addition to its other crucial chores, responsibility as an additional check on the presidency. The position never was one that could be properly served by a person who reflected merely political correctness. Now it is less so.

Yet Meese's great promise to the administration is his politics. At least, the promise surely cannot be his legal skill. As a Reagan aide in California, Meese was responsible for the People's Park debacle at Berkeley, which resulted in the death of activist James Rector. Recalling that event in 1980, Meese is reported to have said: "James Rector deserved to die." Would that peculiar mind-set be applied to questions of vigilantism in the 1980's?

As a presidential counselor, Meese also was responsible for the ill-designed position, adopted by the president on Meese's advice, to support tax exemptions to segregated schools. Given that enforcement of the Civil Rights Act is one of the Justice Department's most persistent battles, does Meese reflect a position appropriate to that cause?

The attorney general also servies as an example. It is not naive to expect, therefore, that the position be filled by someone who can fulfill that charge. Meese fails that test, and fails it badly. He has been involved in indisputably unethical associations as a White House aide, yet he has failed to recognize them. Just as damning is his—and the president's—evident disdain for the reasonable proposal that the appearance of impropriety is as damaging as the impropriety itself.

President Reagan has nominated Edwin Meese because he is a friend and because he is politically reliable. That makes the nomination noble in its loyalty, but it also makes the nomination troubling in its denial of responsiblity. The right of presidents to make nominations depends on their willingness to make fair and objective choices.

There is no evidence that Meese will bring vigor and confidence to Justice. Indeed, the evidence is exactly opposite. Meese represents positions and entertains perspective antithetical to the job. Clealry, he is the wrong man for it.

[From the Detroit Free Press, Jan. 29, 1985]

MEESE: HE MAY GET THE TOP JOB AT JUSTICE, BUT WHAT WILL THE NATION GET?

Edwin Meese is a long, long way from being the best possible nominee to head the Justice Department. It's customary to give the president the benefit of the doubt on cabinet appointments, and it appears that Mr. Meese's nomination as attorney general will glide through the Senate hearings that begin today. If that happens, though, a disservice will have been done.

The confirmation of Mr. Meese has been delayed almost a year because questions were raised about his failure to disclose a

$15,000 interest-free loan, the appointment to federal jobs of several individuals who aided him financially, the special treatment for businesses in which he had a financial interest and similar matters. A special counsel examined the case and concluded that there was no basis for indicting Mr. Meese.

President Reagan hailed the counsel's report as vindication of his nominee. But saying Mr. Meese committed no criminal offense is not the same as saying he has displayed the ethical sense expected in the nation's chief law enforcement officer. The facts are that Mr. Meese got substantial financial benefits in loans, gifts and delayed interest payments; that people who gave him those benefits got federal jobs, and that Mr. Meese appears to lack any notion that what he did was wrong.

There's a lot in Mr. Meese's record to suggest that, like William French Smith before him, he has less concern with civil liberties, civil rights and equal protection of the laws than is appropriate in an attorney general. He has termed preventive detention justified and has called the American Civil Liberties Union part of a nationwide criminals' lobby. He's indicated a distaste for enforcing civil rights laws and skepticism that poor people need lawyers.

Yet it is all but assured that the Senate will confirm him. Although integrity is not a quality acquired during a few days of hearings, the senators should make it as clear as possible that, as attorney general, Mr. Meese is expected to hew to higher standards. The cause of justice deserves no less.

[From the Pittsfield (MA) Berkshire Eagle, Jan. 29, 1985]

THE MEESE WHITEWASH

President Reagan has nominated for attorney general his White House counsel, Edwin Meese, who has a bad habit of getting financial favors from people who end up with cushy government jobs. The coincidences were striking enough to prompt the appointment last year of an independent counsel, who came to the conclusion that there wasn't enough hard evidence to justify a criminal indictment.

That's reassuring, but it doesn't answer the question at hand: whether Mr. Meese has the ethical sensitivity that the Senate should expect of a person asking to be confirmed as head of the Department of Justice. Therefore it is gratifying to know that Mr. Meese's ethics—and not just his criminal liability—has been addressed by the Office of Government Ethics.

The staff of that agency studied the report of the independent counsel and came to the conclusion that, in two matters, Mr. Meese's financial dealings had, in fact, appeared to conflict with his official duties. This is a violation of federal regulations which forbid actions by officials that might even "create the appearance of" preferential treatment for someone.

This clear statement of some of the issues involved in the Meese appointment was almost not available to the Senate Judiciary Committee as it begins what its Republican chairman, Strom Thurmond, has said will be just a one-day, hurry-up confirmation hearing of Mr. Meese.

The contents of the report were kept under wraps by the Office of Government Ethics' director, David H. Martin, after he was persuaded by Mr. Meese's attorneys and White House officials not to take action on the staff's findings. The report saw the light of day only after it was leaked to The Wall Street Journal.

There are no damning new revelations in the document. All that the staff's attorneys did was to study the independent counsel's record, examine the pertinent federal regulations and come to a conclusion that should have been obvious to the Senate: Mr. Meese has not met the minimum standard for conduct by government officials or employees. The advantage of having this report on the table is that it forces Senators to recognize just what they will be condoning if they give their blessings to this unworthy nomination.

[From the Staten Island Advance, Jan. 22, 1985]

EDWIN MEESE, AGAIN

Now that the election is over and President Reagan's second term has begun, the Senate will resume an important piece of unfinished business: the confirmation of Edwin Meese as attorney general.

One year ago, when Mr. Meese was nominated for the post, it seemed he would face a long, tough battle for confirmation. Charges of financial misconduct and conflict of interest simply would not go away.

Ultimately, the charges proved so serious that an "independent counsel" (formerly called a "special prosecutor") was appointed to look into them. After a five-month investigation, the counsel released a 400-page report concluding that there was no basis for bringing criminal charges against Mr. Meese.

The report did not, however, pass judgment one way or the other on Mr. Meese's suitability for attorney general. In fact, the independent counsel took great pains, despite pressure from both supporters and opponents of the nomination, to refuse any comment on the subject.

President Reagan, of course, would like us to believe that the counsel's report represents a ringing endorsement of Mr. Meese's qualifications for office. It does no such thing. It merely states that Mr. Meese meets the lowest possible standard by which he could be judged—he is not a criminal.

But does he also meet the *highest* possible standard by which a potential attorney general should be judged?

On this point the counsel's report is mute; it does not offer a judgment. It does, however, present sufficient evidence, some of it new, to suggest that Mr. Meese acted unethically, if not criminally, on at least three separate occasions:

Mr. Meese apparently played a part in getting a position on the Postal Board of Governors for a San Francisco accountant who arranged personal loans totaling $60,000 and helped postpone for up to 14 months interest payments on those loans. Although there may not have been a *quid pro quo* involved, on at least one occasion Mr. Meese and the accountant discussed both the job and the loan at the same meeting.

Mr. Meese apparently played a part in getting two high-level government jobs in the Interior Department and the Commerce Department for a Los Angeles lawyer who arranged and financed the sale of Mr. Meese's house.

Mr. Meese allowed the Army to give him preferential treatment by waiving an educational requirement that stood in the way of his promotion within the Army Reserve, despite a warning from the Secretary of the Army to Mr. Meese that such an action would be "unwise." That promotion resulted in Mr. Meese's being eligible for as much as 26 percent more in retirement benefits.

It is, of course, a good thing that the prospective attorney general is not a crook. Such a thing is to be desired of a man who would occupy our nation's top law enforcement position.

But it is also to be desired that that man have an ethical standard that clearly separates right and wrong. That is the job of an attorney general. On that point, unfortunately, Mr. Meese fails. Although his actions were not criminal, they were almost certainly in violation of the federal government's code of ethical standards adopted in 1965.

Taken in conjunction with his apparent disregard for civil liberties—he has publicly called for the abolition of the so-called exclusionary rule, not just for "good faith" cases, but for all cases—the report of the independent counsel should be evidence enough that Edwin Meese is not suited to be attorney general of the United States.

The Senate should reject Mr. Meese's nomination and allow President Reagan to present a more suitable candidate for the job.

[From the Pasco (WA) Tri-City Herald, Jan. 22, 1985]

QUESTION OF ETHICS

A disturbing although not a criminal, picture is painted by "independent counsel" Jacob Stein of Edwin Meese III, nominated by President Reagan to be U.S. Attorney-General.

Mr. Stein, a prominent Washington, D.C. lawyer, investigated 11 allegations of wrongdoing by Mr. Meese. The allegations grew out of Senate committee hearings last March on Mr. Meese's nomination.

In September, Mr. Stein issued a nearly 400-page report concluding that there was "no basis" for bringing criminal charges against Mr. Reagan's long-time friend, counselor and confidant.

Mr. Meese's supporters were jubilant, claiming he had to been vindicated.

But while the report did not recommend the filing of criminal charges, it called into serious question Mr. Meese's ethical qualifications to be the nation's chief law-enforcement officer.

If found, for example, as Common Cause put it, that he has been "grossly insensitive to appearances—approving presidential appointments of men who have done him financial favors, and brushing off signals that his pending promotion (from lieutenant-colonel to colonel in the Army Reserve) appeared to be a result of preferential treatment."

The report also shows "that he is seemingly unaware of some of the laws and regulations governing his conduct as a high-ranking federal official, or careless in observing them."

The picture Mr. Stein's report paints is of a man who repeatedly has violated or ignored ethical standards and regulations and who has, through carelessness or forgetfulness, repeatedly failed to report loans on forms he was required by law to complete.

This record hardly qualifies him to be U.S. Attorney-General.

The Senate should reject Mr. Meese's nomination.

[From the Flint (MI) Journal, Jan. 29, 1985]

UNETHICAL MEESE STILL A BAD CHOICE

Edwin Meese's confirmation as U.S. attorney general has been expected to whiz

through the Republican-controlled Senate after minimal exposure before the Senate Judiciary Committee. The timetable may change because of new information revealed Monday.

Meese, a close friend of President Reagan, has shown defiance of ethical standards expected of the nation's most powerful law-enforcement officer. He is, bluntly, a bad example.

A special independent counsel concluded after a long investigation there was no basis to prosecute Meese for accepting loans from people later appointed to government jobs.

But staff reports leaked from the Office of Government Ethics leave no doubt some of his financial transactions appeared to conflict with his official duties as presidential counselor. The reports were quashed in bargaining between that office and Meese's lawyers.

There are serious doubts about Meese's impartiality in other areas. As a deputy district attorney in California in 1964, he supervised the arrest of more than 700 participants in the free-speech movement at Berkeley and put down other civil protests.

He has attacked the American Civil Liberties Union as a "criminals' lobby," objected to exclusion of illegal evidence from trials, and defended Reagan's pardon of FBI officers convicted of unauthorized burglary.

This is the man the nation wants leading its law enforcement? "Law and order" is more than a political catchphrase. It is the sincere desire of most Americans. Yet it must be applied with fairness and high ethics.

We don't see these in this most unfortunate nomination. The Senate should turn him down.

[From the Albuquerque (NM) Journal, Jan. 12, 1985]

MEESE IS STILL A LOSER

A sanitized Edwin Meese III has been renominated by President Reagan as attorney general. Unfortunately, in this second try Meese's chances for Senate confirmation are considered much stronger. Why? Because, despite highly questionable ethics, Meese has been cleared by a special counsel of any criminal wrongdoing.

The sleaze factor lives in Washington, D.C.

Meese's first go-around for Senate confirmation to replace the resigning William French Smith stalled last year, when questions involving Meese's personal finances led to a special prosecutor's investigation. Included in the investigation was the awarding of federal jobs to people who directly or indirectly helped the Meese family financially. And there was the small matter of a no-interest loan to Meese's wife, which Meese failed to disclose.

Clearly, though the special counsel has cleared Meese of any criminal wrongdoing, Meese is not qualified to head the nation's chief law firm. This is because, despite his official innocence, Meese still carries a large ethical scar. It remains that he cashed in on his high office as White House counselor to throw some jobs in the direction of his friends. That is conduct hardly becoming the nation's chief lawyer.

The general practice in Washington is to allow a president his team, to carry out mandate and to support his philosophies. Thus, the Senate usually confirms the president's cabinet appointees.

But on occasion, a candidate emerges who, for various reasons, ranging from questionable past conduct to conflict of interest, ought not to be confirmed. Meese is one such candidate.

But his removal from the criminal list apparently puts him back on the qualified attorney general candidates' list in the minds of many senators. Which tells us one of two things: Either some senators have little understanding of ethical considerations or appearances or they have worried of the Meese issue and simply want to get on with other business.

In either case, confirmation of Meese as attorney general would leave this national lacking in that office. The president could, and should, do better. But since he doesn't seem so inclined, the Senate should force him to find another attorney general designate.

[From the Paladium-Item, Richmond (IN), Jan. 31, 1985]

MEESE NEEDS TO PROVE WORTH

Ed Meese is the Bob Uecker of the White House when it come to ethics.

Bingo.

Meese isn't in the front row. His attitude is way out in left field when it comes to his financial transactions and his friends' securing government jobs.

This week's Senate hearings on Meese's confirmation are like the beer commercials:

"He's qualified!"

"He's not ethical!"

Batted about by both sides is a special counsel's report that cleared Meese of 11 criminal allegations—a hodgepodge of loans, circumstantial evidence, innuendo, real estate and government jobs for his friends.

It took six months and 200 witnesses for the counsel to sort the Meese mess. Meese spent $700,000 on lawyer's fees defending himself.

The counsel refused, however, a request from Congress to rule on Meese's suitability to serve as attorney general, or whether Meese's actions were ethical.

The counsel's reluctance stiffened the backs of Meese's opponents, who equate allegation with fact and find Meese's ethics lacking because of the "facts of the case." They say the best thing that can be said about Meese is that he isn't a criminal.

President Reagan insists that the counsel's finding vindicates Meese. Supporters have cried loudly for Meese's rapid confirmation as attorney general. Accusations and allegations do not tarnish a reputation, say Meese's supporters, who believe he is being chased by the hound-dog media and baying senators.

Unless new information can be found, the Senate will have little option but to confirm Meese's nomination. Before Meese receives its blessing, however, the Senate should make a deliberate inquiry into his ethics, beliefs and financial entanglements.

Meese may not be a criminal but his actions created an appearance of preferential treatment and sleazy deals. His explanations of those actions show a naive understanding of governmental ethics for high officials.

Even though Meese's worst offense may be his naivety, he is obligated to prove that he is suitable and ethical, a man worthy to be in charge of fighting crime in the United States. Without adequate proof, the Senate should refuse to confirm Meese as attorney general.

[From the Bend (OR), Bulletin Jan. 24, 1985]

LET MEESE RETIRE, TOO

Now that his new term officially is under way President Reagan is getting used to operating with several new Cabinet officers. And some of the White House staff has decided that four years is long enough, and will return to more lucrative pursuits.

But one of the faithful still will be around. The president is expected to send the nomination of Edwin Meese III to the Senate to ask once again for his approval as attorney general.

Many presidents have managed to fill that particular office with nonentities. Bobby Kennedy's preparation for it was so limited that his brother was forced to joke about it when he sent the nomination to the Senate. No one would claim that John Mitchell was a great attorney general.

But at least those two and a host of others whose qualifications appeared to have been limited had not had their personal integrity questioned at the time they were nominated. Meese has. There was nothing serious enough in his conduct to bring criminal charges, a special prosecutor found. But he also found that, in his opinion, Meese's ethical standards and public policy judgment left something to be desired.

The president can get Meese confirmed if he wants. No one doubts that. But we wish someone could persuade him to submit another name to replace William French Smith so the attorney general can return to his Los Angeles law firm. And we wish President Reagan would suggest to Ed Meese that it's time for him, too, to retire from federal service.

[From the Watertown Daily Times, Jan. 30, 1985]

ETHICS AND MR. MEESE

Only a few days ago, presidential counselor Edwin Meese seemed well on his way to speedy confirmation by the Senate to head the Justice Department. The revelation that David H. Martin, director of the Office Government Ethics scrapped a staff report which concluded that Mr. Meese violated federal ethical standards has radically altered the situation, however.

An independent counsel last fall found no basis for bringing criminal charges against Mr. Meese for transactions that included a $40,000 loan from San Francisco accountant John R. McKean, and assistance from Thomas Barrack in the sale of the Meese family's California home. Subsequent to the transactions, Mr. McKean was appointed to the U.S. Postal Board of Governors and Mr. Barrack to a post in the Interior Department.

Groups opposed to placing Mr. Meese at the helm of the Justice Department have argued vociferously that clearing him of criminal responsibility was not enough. Just this week, it became apparent that the attorneys who drew up a report for the Office of Government Ethics also shared that opinion. Director Martin, nevertheless, after meeting with Mr. Meese's attorneys and White House counsel Fred F. Fielding, rejected the findings of his staff. Further, neither he nor anyone else with inside knowledge mentioned the unfavorable staff report to Senate Judiciary Committee members, and it did not become public knowledge until the Wall Street Journal disclosed the matter Monday.

Granted, the federal ethics regulations set high standards. They not only forbid gov-

ernment employees to take actions that "might result in, or create the appearance of . . . giving preferential treatment" but also urge officials to refrain from actions that could even give the impression that they have lost "complete independence or impartiality of action."

While the argument that Caesar's wife must be above suspicion is an old one, it remains valid in many instances, and particularly where the Justice Department is concerned.

The conclusion is inescapable that Mr. Meese does not measure up to the high ethical standards which the American people have a right to expect of their Attorney General. Given the facts it now has in hand, the Senate therefore should not confirm him for the Justice Department post.

[From the Syracuse Herald-Journal, Feb. 5, 1985]

MEESE: A DISGRACEFUL CHOICE BY ANY STANDARD

Ronald Reagan has made some terrible appointments over the years. James Watt and Anne Gorsuch Burford quickly come to mind.

But the president's nomination of Edwin Meese III for attorney general may be his worst. Yet, after a year's delay. Meese is working his way through the Senate process toward what now appears likely confirmation. Some senators will vote "no"; more will swallow hard, hold their noses and vote "yes" because there has been no public outcry over the nomination.

Common Cause chairman Archibald Cox, Sen. Joseph Biden and a legion of newspaper editorial writers cringe at the thought of Meese as the nation's top law enforcement officer. Beyond that, though, a coast-to-coast collective yawn is almost audible.

Part of the disinterest stems from a widespread belief the president should get his way on appointments. No he shouldn't—not when the choice is as direct a slap at the public good as this one is.

Senate Judiciary Committee hearings reaffirmed that Meese floated around in ethical weightlessness when he first came to Washington.

Big loans, sometimes unsecured and interest-free, to Meese and his wife were followed by political appointments to the loaners. Just coincidences, the public is told.

Meese got far behind on his mortgage payments and another large loan due American First Savings Bank of San Diego. There was no foreclosure. Later, several bank officers were named to government positions. That isn't a conflict of interest, the public is told.

On and on they go—so many allegations that a special federal prosecutor was named to investigate. Last year, the prosecutor decided there was "no basis" under federal law for prosecuting Meese.

The attorney general-designate's supporters point to special prosecutor Jacob Steins findings as exoneration. Legally, yes; ethically, no—a distinction Stein's Sept. 20 report made, Stein explicitly refused to say ". . . that the evidence does not substantiate the loose charges of moral turpitude against Mr. Meese."

Not being indictable is a pretty flimsy base on which to build a case for Meese—especially for a position that requires the highest personal conduct.

"Much more than the career of a single individual will be at stake" when the Senate considers Meese's nomination, says Archibald Cox, the first Watergate prosecutor and now chairman of Common Cause.

"If Meese is confirmed, we will be taught a dismaying lesson about the state of our public ethics, and about the moral code of the United States Senate . . .

"A vote to confirm Meese on the strength of the Stein report would say to thousands of government officials and employees; We, the United States senators, think that anyone in public office should feel free to accept large financial favors that might not otherwise come to him. Don't worry that those who do you a favor may later look for government appointments or have business with the government that you may affect. Don't even worry about later participating in their appointment, or their receipt of other government benefits. We, as senators, see nothing wrong in this. Just be sure not to commit a crime."

Senators should think of that when they reach for their noses. The odor will be partly self-generated.

[From the Burlington, (VT) Vanguard Press, Jan. 27, 1985]

THE CASE AGAINST MEESE

Appointing Ed Meese as the nation's highest law enforcement official is a little like naming a suspected bank robber head of security at Chase Manhattan. Since coming to Washington as the president's counsel, Meese has frequently trod the fine line between perceptions of impropriety and outright malfeasance.

Briefly reviewed, the case against Ed Meese is as follows: He failed repeatedly to report information on his financial disclosure forms required by law. (The Justice Department, which Meese would head, successfully prosecuted Representative George Hansen, R-Idaho, for similar infractions.) In a disturbing pattern of coincidences, four people who loaned Meese or his family money subsequently got top federal jobs. And Meese benefited from an unusual promotion through the Army Reserve ranks—a promotion he was not qualified for, and for which no job existed until the day after Meese was switched from active to the ready reserves.

When questioned about these irregularities last summer, during the first phase of his aborted confirmation hearings, Meese claimed memory loss 79 times—a bout of amnesia the likes of which hasn't hit a public official since Watergate.

A special prosecutor looked into these irregularities, and at charges that Meese was less than candid with a House committee about what he knew of the Debategate affair. The prosecutor, Jacob Stein, found that there was "no basis" to bring criminal charges against the man who would be attorney general. But Stein resisted attempts by Meese's lawyers to issue a statement asserting that Meese was fit to be attorney general. A look at Stein's report shows why the lawyer refused to pass judgment.

Stein was not asked to rule if Meese's conduct was proper for a government official. But those of us who are not bound by such constraints can take the evidence in the report and conclude that Meese is a man who scoffs at even maintaining the appearance of ethical conduct.

The people who loaned him money got federal jobs; and one of the loans was never reported on his financial disclosure forms, an omission that raised the suggestion of bribery. The army officer who engineered Meese's reserve promotion was singled out for praise by Meese when the officer was up for reappointment as reserve chief. Meese called Defense Secretary Caspar Weinberger and lobbied on the officer's behalf.

The evidence shows that Meese is either ignorant of the laws governing official conduct, or flouts them outright. But just as disturbing are the programs Meese has supported in office.

Meese has been a guardian angel for Louis Giuffrida, the controversial director of the Federal Emergency Management Administration (FEMA). Meese supports Giuffrida's efforts to redefine "national emergencies"—to include not only run-of-the-mill nuclear wars but also "routine domestic emergencies." National emergencies, according to FEMA's draft legislation, can be met by calling out the military. That definition even upset current Attorney General William French Smith, who accused Giuffrida of trying to set himself up as "emergency czar."

It's likely that Meese will be swiftly approved by a Senate cowed by Reagan's landslide. Meese's confirmation will go through, according to one Senate aide, "like shit through a goose."

But the Senate should still vote its conscience and strongly oppose the Meese nomination, both by vigorously questioning the potential attorney general during the January 29 confirmation hearings and by refusing to give their approval to this dismal choice. We applaud Senator Patrick Leahy, who says he's still opposed to the choice of Ed Meese. We hope that the rest of the Senate, including Robert Stafford, demonstrates a similar concern for the law.

[From the Charleston, (WV) Gazette, January 16, 1985]

BYRD ON MEESE?

Senate Minority Leader Robert C. Byrd, D-W.Va., has proven himself on occasion to be a keen interrogator of appointees up for Senate confirmation.

We urge Byrd to zero in on Edwin Meese when Byrd and other members of the Judiciary Committee resume hearings Jan. 29 on the attorney general nominee.

Disturbing questions about Meese haven't been dispelled. A thorough hearing, we think, would establish conclusively that he's unfit for the nation's highest law-enforcement post. He reeks of conflicts. For example:

Thomas Barrack put up $83,000 to facilitate sale of Meese's California home. Then Meese joined three fellow White House aides in recommending Barrack for assistant secretary of commerce. Meese didn't tell the other three of his private aid from Barrack.

Meese accepted a $40,000 loan from John McKean, then another loan from McKean, then a $12,000 deferment of interest—all the while supporting McKean's appointment to the U.S. Postal Board of Governors.

Meese failed to report an unsecured, interest-free $15,000 loan which Edwin Thomas gave to Meese's wife just before Thomas was hired as Meese's White House assistant.

Meese joined in decisions to give federal posts to officers of Great American First Savings Bank, while Meese was in default on loans from that bank.

Meese testified that he paid all his moving expenses to Washington at the start of the Reagan administration, but the Presidential Transitional Trust had given him a $10,000 check marked "moving expenses." The words were marked out and "consulting fees" inked in.

Meese urged reappointment of Gen. William Berkman as chief of the Army Reserve after Berkman helped contrive Meese's promotion to Reserve full colonel.

Too many cronies who helped Meese personally got federal plums at Meese's urging. These events have been ruled insufficient for indictment, but they show his unsuitability for a post requiring supreme integrity.

The White House expects Meese's nomination to clear the Senate, but the vote will be close. Keen questioning of the sort Byrd has done in the past might be enough to prevent America from having another dishonest attorney general.

[From the Bridgeton, (NJ) News, Jan. 18, 1985]

NOT ABOVE SUSPICION

Later this month the Senate will resume hearings on the nomination of Edwin Meese III, President Reagan's choice to be attorney general of the United States.

Argument is made that a president should have a right to name his own choice for high appointive office. Such argument is specious. That is why the Constitution provides that such appointments be subject to approval by the Senate.

While the president should have that right, within reason, the public is entitled to have as its chief legal officer a man who is above suspicion—Meese, whatever his other qualifications, is not.

Ohio Sen. Howard Metzenbaum, Meese's principal critic, is expected to question him again on some of his activities, such as his favored promotion in the Army Reserve, the appointment of several of his associates who aided him financially to government jobs, and the 52 times during a previous hearing that he could not remember the situations about which he was being questioned.

A subsequent investigation of Meese's activities found that, whatever irregularities there might be, he had committed no crimes. The report said nothing, however, about ethical or moral implications. It left unanswered about as many questions as it settled. The mere clearing him of any criminal charges does not clear him of suspicion.

Deviousness is not a characteristic we can afford in the nation's highest legal officer. His appointment should be denied.

R.E.B.

[From the Owensboro (KY) Messenger & Inquirer, Jan. 23, 1985]

ETHICS HAVE TAKEN BEATING FROM MEESE

Edwin Meese III should not be confirmed as attorney general.

Meese has violated no laws. But he repeatedly has violated federal ethics regulations. His record speaks for itself.

Meese got a $40,000 unsecured loan (with no interest due for one year) from his accountant John McKean. As a member of the Senior Staff Personnel Committee, Meese supported McKean's nomination to the Postal Board of Governors.

After Meese got another $20,000 loan and deferral of $12,000 in interest payments, much of it overdue, Meese supported McKean for a position on the board with a longer term. McKean had told Meese he wanted that post.

Meese not only failed to remove himself from the discussion of McKean's appointments, but never even mentioned his indebtedness to McKean.

Meese participated in decisions to name officials of Great American First Savings Bank to posts on the President's Commission on Housing, the Legal Services Corporation, the Commission on Civil Rights and the United Nations. At the time Meese supported these appointments, he was several hundred thousand dollars in debt to Great American, had received forbearance on monthly payments on one loan of $120,000, and was in default on another.

Meese did not disclose the potential conflict of interest.

The Senior Staff Personnel Committee of which Meese was a member recommended that Thomas Barrack be appointed Assistant Secretary of Commerce. Barrack had arranged the sale of Meese's California home when Meese was in financial trouble and unable to sell it. Barrack contributed $83,000 to the sale.

Meese did not disclose his ties to Barrack in discussing his appointment.

Meese failed to report a $15,000 loan his wife got. The interest-free loan came from someone he appointed to public office.

It "never occurred to him" to report it, he said.

Although he knew his promotion to colonel in the Army Reserve would be irregular—he lacked the required educational background—Meese allowed others to obtain preferential treatment for him. During this period Meese called the Secretary of Defense to urge the reappointment of General Berkman, one of the people responsible for his promotion.

The nation's chief legal officer should have impeccable legal and ethical credentials. By contrast, the Independent Counsel's Report, sparked by the allegations into Meese's conduct, documents a clear pattern of insensitivity to the ethical standards of public office.

Meese may not be a crook, but neither does his record qualify him to be attorney general.

[From the St. Louis Post-Dispatch, Jan. 26, 1985]

FURTHER QUESTIONS ON MR. MEESE

Another indication of Edwin Meese's unfitness to be attorney general has arisen just as the Senate prepares to hold new hearings on President Reagan's revived nomination of his friend to be the nation's top legal officer. Mr. Meese is seeking about $700,000 from the government to pay legal bills incurred in his own defense after his nomination last year—thus presenting the Justice Department with an awkward situation.

Commendably, the department has resolved it be challenging Mr. Meese's request as excessive and asserting that the Ethics in Government Act "does not require the use of the 'prevailing market rate.'" That stand is courageous, for Mr. Meese, if confirmed, will be in a position to retaliate against the Justice lawyers who are opposing his claim.

Reagan administration policy has been that lawyers who win cases against the government are entitled to fees of no more than $75 an hour. In fact, the president has supported legislation to set that upper limit. Now comes Mr. Meese with a personal request for nearly three-quarters of a million dollars in public funds to cover legal fees for lawyers who are reported to be asking up to $225 an hour. Small wonder that a three-judge court has ordered Mr. Meese to produce further information to document the validity of his claim.

Mr. Meese's exorbitant lawyer fee bill is just one more example of his apparent blindness to the impropriety of using his high White House position (counselor to the president) to advance his own interests. Similar ethical questions arose last year in connection with the original nomination of Mr. Meese. Although Independent Counsel Jacob Stein found "no basis" for a criminal indictment, he did not clear Mr. Meese of violating ethical standards set by Executive Order 11222 and federal ethics regulations applicable to all federal employees.

Indeed, Mr. Stein's report called attention to Mr. Meese's role in helping to get high government appointments for people who had helped him financially; his role in getting high level positions for people who helped him get a promotion in the Army Reserve despite a recommendation to the contrary; his repeated failures to report, as required by law, a $15,000 interest-free loan to his wife; and his memory lapses when he was asked about events that touched on his questionable conduct. Although Mr. Stein confined his own findings to the issue of criminal violations, he said there was "sufficient interest in those other issues (the ethical ones) to support an expectation that they will not remain unexplored."

When it opens hearings soon on the Meese nomination, the Senate Judiciary Committee should make sure that those ethical issues are further explored. And it should question Mr. Meese further about his role in trying to reverse longstanding denial of federal tax exemptions for segregated schools and his efforts to weaken federal support for voting rights. The nation's top law enforcement officer should support the law and set a higher ethical standard than Mr. Meese has.

[From the Decatur (IN) Democrat, Jan. 21, 1985]

THE MEESE OPPOSITION

The Providence (Rhode Island) Journal, noting the renomination of Edwin Meese for attorney general, says ". . . leftist journals used the Meese affair as an excuse to list all the Reagan appointees who had ever been charged with anything, however petty or unsubstantiated. The 'sleaze' factor became an early campaign issue."

Meese, as is well known by now, demanded an independent investigation of his financial and other affairs and in September a special prosecutor issued a 385-page report exonerating Meese.

"What the report actually says," the newspaper remarked in an editorial, "is that Edward Meese remains a conservative. That is what galls so many about his nomination. But Congress cannot reject—at least historically it has not rejected—presidential nominees for ideological reasons."

The newspaper seems to be missing one very valid point in last year's uproar over the Meese nomination.

Obviously, some in the media and Congress oppose Meese on ideological grounds. But others, many others, oppose Ronald Reagan's pal because they have a desire to see the nation's highest law enforcement officer possessing a much cleaner background.

The report found Meese guilty of no illegalities. But many ethical questions remain about Meese's finances and about past practices of cronyism.

If Meese's confirmation were blocked, the president would nominate another conservative, a fact plain to all those so-called "leftist journals." Other past Reagan nominees who were every bit as conservative as Meese were confirmed with no opposition. Many of the objections to Meese, as noted, deal with the post itself and the hope that the attorney general of the United States would have a "cleaner" past than Ed Meese.

But, then, one must admit it has become increasingly difficult to find those "clean" records in the nation's capital these days—on both sides of the political fence.

BOB SHRALUKA.

[From the Oregonian, Jan. 29, 1985]

LOOK TO MEESE ETHICS

The Senate should reject the nomination of Edwin Meese to be attorney general, the nation's top law enforcement job, if it is established that his financial transactions have conflicted with his official duties. It is not enough to clear Meese of criminal wrongdoings. As attorney general, he is expected to meet the nation's highest standards of ethical conduct.

Leaks from the staff of the Office of Government Ethics, reported in a Wall Street Journal story, indicate that in two instances an independent study showed Meese suffered conflicts of personal and official duties. Why this report was not made public is another unanswered question for the Senate to ask when it begins its confirmation hearings Tuesday.

Meese's nomination had been on hold for almost a year pending completion of an investigation by a special prosecutor. This probe said it found no evidence justifying criminal charges. Yet, concern has grown about Meese's role in recommending friends for government jobs after they had loaned his family money. There were also his failure to list pertinent financial disclosure information and his curious memory lapses about large financial transactions.

Even if Meese's affairs did not tread on ethical standards, there is left a messy picture of personal disorganization that raises questions as to his competency for the attorney general's job.

Archibald Cox, the Watergate special prosecutor, has been spearheading a Common Cause drive to block the Meese nomination. Cox wrote recently that for the Senate to confirm Meese would be to declare that those seeking public office should feel "free to accept personal financial favors."

There is a certain irony in Meese's efforts to have taxpayers pick up the $750,000 legal bill he was charged by lawyers defending him in the investigation. The bill, charged at $250 an hour, came to more than twice what the government spent to investigate him. Meese has led the administration's efforts to kill legal services for the poor and to limit to $75 an hour what private attorneys who beat the government may charge.

Meese is in a real Catch-22. If he gets outside help to meet his legal bills, he risks violating the federal bribery laws. If the lawyers reduce their bill, they face charges of overbilling the government and Meese faces taxes on the net amount reduced as a gift of funds. Receiving a supplement to a federal salary also may violate the federal criminal code, making it risky for wealthy friends to come to his rescue. Some pickle for a prospective attorney general.

Members of the Senate Judiciary Committee, which will conduct the Meese hearing, have a responsibility to consider not just whether the attorney general is a crook, but whether his personal financial dealings symbolize the high standards of competence, honesty, integrity and freedom from self-serving deals that the nation's highest law enforcement office demands. If Meese fails these tests, he should not be confirmed.

[From the USA Today, Feb. 14, 1985]

MEESE MUST LIVE UP TO HIGHER STANDARDS

Edwin Meese, the president's choice for attorney general, is still on the griddle. On Tuesday the Senate Judiciary Committee will vote whether to confirm him.

Some senators will vote no. They agree with Sen. Joseph Biden, D-Del., that Meese's conduct, while not illegal, is "beneath the office" of the USA's top law officer.

Others, like Sen. Orrin Hatch, R-Utah, say the opposition to Meese is just partisan politics, from people "determined to assassinate a good man's character."

A special prosecutor said Meese did nothing illegal, but made no judgment on his ethics. Just what did Meese do?

While White House counselor, he accepted two loans arranged by his accountant, John McKean, who delayed some interest payments. Then—partly at Meese's urging—McKean got a full term on the U.S. Postal Board.

Meese's wife Ursula received an interest-free $15,000 loan from Edwin Thomas, which Meese initially failed to disclose. Thomas then got a White House job under Meese.

Meese was on a committee that recommended Thomas Barrack for assistant secretary of commerce. Barrack had used $70,000 of his own money to help sell Meese's home—but Meese never told other committee members.

The secretary of the Army alerted Meese that his reserve promotion to colonel would not be "regular and normal"—but Meese accepted it anyway.

How could Meese have been so blind? In contrast, the nomination of his colleague James Baker as Treasury secretary sailed through the Senate, partly because of Baker's unblemished ethical record.

Meese is not the first White House aide to be accused of ethical lapses; they have darkened many administrations.

He continues to insist that he has done nothing wrong. He should have learned, as most public officials learned long ago, that the appearance of impropriety can be as serious as impropriety itself. He says that if he had it all to do over again, he would do some things differently.

At worst, Meese is guilty of unethical behavior. At best, he is guilty of alarming insensitivity to ethical standards and sloppy management of his own affairs.

But it has been almost 30 years since the Senate refused to confirm a president's choice for a Cabinet position. The president, fresh from a landslide victory and enjoying high public approval, still wants Meese.

So it is likely Edwin Meese will become the nation's top law enforcement officer.

If confirmed, he will enter office under a cloud. To remove it, Meese has told the senators who questioned him that he will live by "different" standards in the future.

That must mean higher standards. For an attorney general, it is not enough simply to prove you are not a crook—the mere appearance of wrongdoing can undermine justice. And that's what Edwin Meese must understand.

[From the Bellevue (WA) Journal-American, Jan. 29, 1985]

MEESE UNFIT FOR ATTORNEY GENERAL

The continued bad judgment of Edwin Meese demonstrates that he is ill-suited to become attorney general of the United States.

Meese's nomination was put aside at his own request to permit a special prosecutor to look into charges that he accepted financial favors from people who later won federal jobs when Meese went to work in the Reagan White House. Armed with a finding that Meese had committed no indictable offense, the president decided to press ahead. Now Meese has billed the government for $720,000 in legal fees run up in his defense.

The government has some responsibility to defray his expenses. If it didn't, virtually any presidential nominee could be thwarted by a campaign of accusations serious enough, if true, to disqualify him. But Meese has brought this on himself. He hired top-price attorneys at $225 per hour. This is the man who, as a presidential counselor fought to put a $75 lid on the fees that could be claimed by attorneys who won cases against the government.

So Meese is in a bind. If the government pays his fees, it will establish a peculiar precedent regarding equality before the law. If wealthy friends bail him out, they will give him a substantial gift and create possible conflicts of interest. If his attorneys forgive part of their bill, they will raise questions of whether the elaborate documentation of their charges defrauded the government.

Meese's supporters will ask whether his critics mean to make it impossible for a person of modest means to serve in the Cabinet. But that is the wrong question. Meese is not everyman. He is committed to having champagne on a beer budget. If the Senate OKs his nomination and pays for his champagne, it had better not forget to smite taxpayers with the empty bottle.

[From the Toms River (NJ) Observer, Jan. 23, 1985]

UNIQUELY UNQUALIFIED

Ronald Reagan wants Ed Meese to be attorney general and, had it not been for those charges of impropriety, Meese probably would have been confirmed last spring. Now, with the special prosecutor's report in hand and the election over, Reagan has resubmitted Meese's name to a Republican-dominated Senate that's expected to confirm him.

A cynic may point out that, if confirmed, Meese would be just another in a long line of political hacks and presidential cronies who, at one time or another, have served as attorney general. But while that may speak to his lack of experience, if not his lack of competence, it does nothing to raise his ethical stature. And in this area he may well be uniquely unqualified.

[From the Barre-Montpelier (VT) Times-Argus, Jan. 30, 1985]

RUBBER-STAMP FOR MEESE

The American public deserves better than an attorney general who says he's not a crook but who cannot say with equal confidence "I am the best."

The best that President Reagan's nominee for attorney general, Edwin Meese III, can say is that he has not been indicted for anything and that he has been, and continues to be, a close personal friend of President Reagan. In between that has been a disturbing pattern of behavior ranging from the slippery, highly questionable handling of his personal finances while White House counselor and presidential adviser, to consistent attacks on basic civil rights, civil liberties and the poor.

Meese, with some success, has attacked the Legal Aid program, has helped weaken federal anti-discrimination laws as they apply to higher education, and has expressed arrogance bordering on contempt for the needy and those who defend them.

Meanwhile, he has asked taxpayers to pay the more than $720,000 in legal bills accumulated during his as-yet inconclusive defense of his ethical practices as White House counsel. And now he is trying to explain away a report in the Wall Street Journal that he was cleared of ethics charges in an Office of Government Ethics investigation only when the director of that office, after conferring with new White House counsel Fred F. Fielding, overruled two staff attorneys who had concluded otherwise.

Unfortunately, however, the quality and qualifications of presidential nominees for top cabinet posts have rarely seemed of much importance to most senators, including Vermont's own Sen. Robert T. Stafford. Whatever a president wants, a President usually gets from the Senate when the time to vote arrives, barring some smoking gun impossible for senators to ignore.

Meese, despite the fuss over highly questionable, if not indictable, behavior for a would-be attorney general, seems likely to join that long list of less-than-the-best appointees in the end.

What would make this an especially serious shirking of Senate responsibility, however, can be found in something President Reagan said the other day as he launched his second term: That he plans to use that term to reshape the nation "forever."

One of the ways a permanent reshaping of the nation could be accomplished, as other Presidents have demonstrated in the past for better and worse, is by using their attorneys general as political tools in the court rooms. Even for conservatives, whose ideology stands to gain the most if such a promise is kept, the Meese appointment should strike a disturbing chord, too. Conservatism is one thing, after all; abusing power by bending, undermining or failing to enforce laws to achieve a political end is something quite different.

[From the Delaware County Daily Times (PA) Feb. 5, 1985]

MEESE UNFIT

After a year of starts, stops and jump starts, the Senate Judiciary Committee is to vote today on whether to approve the nomination of Edwin Meese III to serve as Attorney General of the United States.

The support for the nomination comes primarily from Republicans, the opposition from Democrats (several of whom might oppose Snow White if she were nominated by a Republican president). As Republicans control the committee and the Senate, and as President Reagan regards this nomination as quite important, it may be assumed that the president is willing and able to indulge in enough horse-trading to ensure that Mr. Meese joins the cabinet.

Nonetheless, several Republican senators have not yet fallen into line, chief among them Pennsylvania's own U.S. Sen. Arlen Specter, who says "I'm going to think it all through" and decide after final testimony and argument today.

The senator is well-advised to think it all through, because Mr. Meese is not to be confused with Snow White. Ever since he's been hanging around the White House, Mr. Meese has been receiving money from folks who've been getting favors from the federal government.

He's been investigated extensively for approving federal jobs for his financial benefactors, for acquiring promotion to colonel in the Army Reserve and knocking down a $10,000 payment from a presidential transition organization.

His supporters state that Mr. Meese has been "vindicated" because a six-month examination of his activities concluded that there was not enough evidence to prosecute him for violating the law. As vindications go, this one's mighty weak. The investigator said only that he didn't have proof that Mr. Meese tried to break the laws on bribery and so forth, and he carefully refused to discuss the ethics, or lack of them, demonstrated by the nominee.

The character reference, in short, is this: "He hasn't been caught yet."

That's not good enough for Attorney General—the nation's top law enforcement official. After Senator Specter thinks it through today, he should vote "No" on the nomination.

[From the Chicago (IL) Southtown Economist, Jan. 15, 1985]

ETHICS AND MEESE

Once again conservatives are clamoring for the U.S. Senate to quickly confirm President Reagan's nomination of Edwin Meese III as U.S. attorney general.

The original hue and cry was silenced by allegations that Meese failed to disclose a $15,000 interest-free loan to his wife, mysteriously received a promotion in the Army Reserve and helped to get federal jobs for people who helped him financially.

A special prosecutor, Jacob A. Stein, was appointed to investigate the accusations and after a lengthy investigation found nothing illegal in Meese's behavior.

However, Stein's findings do not mean that Meese's conduct was ethical.

Common Cause, the organization that brought some of the original accusations against Meese, isn't satisfied. it says the Senate should refuse to confirm the nomination on the grounds that Meese is "blind" to ethical standards.

The Senate Judiciary Committee is expected to recommend that the full Senate confirm Meese when the issue is taken up later this month.

While he was Reagan's presidential counselor, Meese was known for making statements that outraged civil libertarians across the country.

His apparent willingness to accept financial favors, while legal, demonstrates a naivity we don't like to see in a nominee for attorney general.

Rather than quickly confirming his nomination, we hope the Senate takes its time in pondering Meese's personal conduct. Meese's political philosophy doesn't bother us as much as his convenient short-sightedness.

Certainly there is a conservative somewhere in the land who is better qualified to be attorney general.

[From The Houston Post, Jan. 29, 1985]

WE CAN DO BETTER

Today the Senate Judiciary Committee is to begin hearings on the nomination of Edwin Meese to be U.S. attorney general. The senators should take a hard, close look at what is being offered.

Last year, when President Reagan first offered up Meese for the job, a number of allegations were made against the nominee. An independent counsel, Jacob Stein, was appointed to investigate. He concluded that there was "no basis" for a criminal indictment.

That sounds as if it should remove any objection to Meese as the nation's chief legal officer—but look at what Stein *did* find:

Meese nominated to the Postal Board of Governors a man to whom he owed $72,000—$12,000 of it in arrears. The other members of the nominating panel apparently were never told of the loans.

After a friend helped obtain the sale on very favorable terms of Meese's California home—in fact throwing more than $80,000 *of his own money* into the deal—Meese was one of four officials recommending the man for assistant secretary of commerce. He did not reveal the link.

After receiving forbearance of $120,000 in monthly loan payments to a bank, Meese helped get officials of that bank named to high government positions. Again, there was no mention of a possible conflict of interest.

Meese took a lucrative hurry-up promotion to colonel in the Army Reserve even after the secretary of the Army pointed out to him that the move would not be a "regular and normal affair."

The list goes on, but the pattern is clear: Here is a man devoid of any sense of ethical propriety or awareness about conflicts of interest. As recently as Monday, it was revealed that an Office of Government Ethics staff report found specific ethics violations in two of Meese's dealings. Even now, his claim for $720,000 in legal fees related to Stein's investigation is being challenged by the very Justice Department that Meese would head if confirmed.

The very least that can be said about Meese as attorney general is that he would set a truly awful example—hardly the type of leadership the country needs.

We urge the senators to reject this nomination. The president can surely find a better nominee—one with both a good legal mind and an understanding of ethical conduct.

[From the Hartford Courant, Jan. 30, 1985]

MR. MEESE AND RED HERRINGS

Edwin Meese III, who wants to be attorney general, entered the Senate Judiciary Committee's hearing room Tuesday amid a school of red herring. The panel members will serve the country best by emulating well-trained beagles, keeping their noses on the trail despite all those interesting smells.

It might help for the Senators to concentrate on their duty in assessing presidential choices. It isn't to sit as a kind of supreme court, ruling merely whether nominees are guilty of this or that legal or regulatory sin. They work on a higher plane. Their job is to decide—applying standards that consider adherence to laws and rules, but also transcend them—whether nominees are fit to hold the offices they seek.

Until Monday, the Meese record seemed to be on the table. Then The Wall Street Journal reported that two lawyers in the Office of Government Ethics had concluded that Mr. Meese violated federal ethical regulations in connection with two financial arrangements.

The staff memo, if divulged, was certain to give ammunition to Mr. Meese's opponents. Perhaps that's why there seems to have been no intention to let that happen. Although the memo was discussed with Mr. Meese's lawyer and with White House counsel Fred F. Fielding, it wasn't given to the

Judiciary Committee until the committee asked for it.

The staff lawyers' conclusion was overridden by their boss, the director of the ethics office, David H. Martin—a Reagan appointee. In a letter to the committee chairman, Sen. Strom Thurmond, Mr. Martin declared that Mr. Meese "is in compliance with applicable laws and regulations governing conflicts of interest."

Why was the staff memo suppressed? Should Mr. Martin, as head of a supposedly independent agency, have discussed it with a White House lawyer? Given Mr. Meese's propensity for appearing in situations that at least raise questions about impropriety, and given the broad sweep of the ethics rules, is there sufficient reason for the clean bill of health given him by Mr. Martin? These are all questions worth discussing.

But in broad context, they're red herrings, no more important than the president's eagerness to get Mr. Meese confirmed or the November election landslide or Mr. Meese's long ordeal or even the conclusion of independent counsel Jacob A. Stein that Mr. Meese shouldn't be prosecuted for criminal misconduct.

With enough beaglelike persistence, the senators will soon end the hunt. They will find that Mr. Meese's weak professional qualifications make him a poor choice to head the nation's biggest law firm. They will see that his lack of ethical sensitivity, profusely illustrated in the Stein report, is incompatible with the unique office to which he aspires.

For the Senate to make Mr. Meese attorney general would be for it to say that the quality of the highest officials in the federal government isn't very important. To say that is to render the confirmation process meaningless.

[From the New Kensington (PA) Valley News Dispatch, Jan. 22, 1985]

MEESE NOMINATION SHOULD BE REJECTED

President Reagan has resubmitted the nomination of Edwin Meese III to be Attorney General, and Senate Judiciary Committee hearings on the confirmation are to begin Jan. 29.

We hope the full Senate rejects the nomination of Meese.

After Reagan first submitted Meese's nomination early last year, a series of allegations against Meese led to the appointment of an independent counsel. That counsel concluded last September that there was "no basis" to support a criminal indictment of Meese. Reagan hailed the report as a vindication of Meese.

Far from it. A Common Cause review of the independent counsel's report, released in December, showed the report portrays a man who has violated basic standards of conduct for government public officials. The only vindication is that the report does not warrant filing a criminal charge against Meese.

The five-month investigation by the independent counsel examined 11 charges against Meese, including the connection between his acceptance of financial favors and his help in appointing his benefactors to high-level federal positions.

It concluded there was "no basis" for prosecuting Meese under federal criminal law, but the counsel explicitly refused to say "that the evidence does not substantiate the loose charges of moral turpitude against Meese," despite the repeated pleading of Meese's counsel.

Common Cause said the report demonstrates that Meese is "blind to the ethical standards and obligations required of a public official," and should not be confirmed as Attorney General.

As The New York Times observed in a December 1984 editorial, "To be cleared of criminal suspicion is a relief but not a qualification for high office."

There may indeed be nothing illegal about a government official conferring public rewards on those who have done him private favors, but such actions are ethically indefensible. Especially in one who would hope to become the chief law enforcement officer in the country.

The Attorney General is the chief legal officer of the nation, and more than any person other than the president has the responsibility to set the ethical tone of an administration. High ethical standards are necessary to maintaining public confidence in the even-handedness of the law—an essential ingredient to democracy.

Ed Meese through his public conduct does not meet those qualifications.

He is a poor choice to be Attorney General and he should be rejected.

It's not enough for the Attorney General to say "I'm not a crook," He has to be much more than that.

[From the Ottawa (KS) Herald, Jan. 1985]

GOOD-BUDDYISM

Archibald Cox, the high-minded Watergate prosecutor, says Edwin Meese is unfit to be U.S. Attorney General.

He's right about that, but not necessarily for the reasons he cites.

Cox is most concerned about Meese's "utter insensitivity to ethical standards."

That's a valid point. When ethics were ladled out, Meese was playing golf. But Washington's hide is well-scarred with character lapse.

Even more to the point in the Meese nomination are his professional qualifications. To say the kindest, they are modest.

Meese was deputy district attorney of California's Alameda County. He directed a Center for Criminal Justice Policy at San Diego school of law.

That's it, so far as law goes. Yet he is slated to be our top law official.

We have hundreds of men and women who are better grounded in law and the Constitution. No, we have thousands.

Meese is a businessman, trouble-shooter, and politician. He also is a good buddy of the President.

He qualifies to be "crony-general," as the Chicago Tribune puts it. But is good-buddyism the way to pick cabinet officials?

[From the Boston Globe, Jan. 29, 1985]

THE ETHICS OF EDWIN MEESE

The air of shoddiness and concealment that surrounds the financial transactions of Edwin Meese, President Reagan's nominee for Attorney General, is thickening. In an Office of Government Ethics staff report, two agency lawyers have concluded that Meese violated federal ethics standards in two financial dealings. The report was suppressed by the agency's director, David H. Martin, after he talked to Meese's lawyers and Reagan officials, according to an article in yesterday's Wall Street Journal.

The report was based on an evaluation of the 385 pages of findings by Jacob Stein, who conducted the original, independent investigation of Meese last year. Stein concluded that Meese was not guilty of an indictable offense.

The Ethics Office lawyers, however, concluded that Meese violated federal standards prohibiting an official from taking action that "might create the appearance of . . . giving preferential treatment to any organization or person." The same standards urge officials not to give the impression that they are acting with anything other than "complete independence or impartiality. . . ."

The lawyers concluded that Meese violated these standards when he was involved in helping get federal jobs for John R. McKean, who lent Meese $40,000, and for Thomas Barrack, who sold Meese's California home under extraordinarily favorable terms.

Martin's attempt to keep this information secret raises new questions about how the Meese affair has been handled. His meeting with Meese's lawyers may have been legal and proper, but the decision not to disclose the report by his staff creates more suspicion.

Senate Judiciary Committee hearings on the nomination are scheduled to begin today. Chairman Strom Thurmond (R-S.C.) has wisely decided to call Martin and the two lawyers as witnesses.

In light of the disclosures, the committee should not rush through the hearing without thoroughly examining the Ethics Office report—which deals with how a nominee for the highest law enforcement office in the land looks at the law—and the reasons it has been concealed so long.

So far, only Sen. Howard Metzenbaum of Ohio has said he will vote against the nomination. Now, however, Meese's supporters on the committee may also find that the report has a dampening effect on their enthusiasm.

[From the Chicago Tribune, Jan. 30, 1985]

THE CASE AGAINST MR. MEESE

A great many irrelevant questions have been asked about Edwin Meese, President Reagan's nominee for attorney general, and most have been answered. It is now time for the Senate Judiciary Committee to ask the relevant one: Is Mr. Meese qualified for this post? The answer is no.

A special counsel concluded after a five-month investigation that Mr. Meese is not a crook, and administration spokesmen seem to think that that fully establishes his claim to the post. It does not.

Mr. Meese's principal claim to the office is his loyalty to Ronald Reagan. That ought to be considered a liability for an attorney general nominee. In Mr. Meese's case there aren't any balancing qualifications. His close identification with President Reagan's partisan interests makes it hard to have confidence that he will show independence in making the difficult, principled decisions an attorney general must make. Furthermore, he simply does not have the legal stature that is expected of the nation's chief law enforcement official. With all the distinguished conservative lawyers and judges in the United States, why should the Justice Department be entrusted to Mr. Meese?

His nomination has been troubled from the beginning. Unfortunately, most of the complaints have centered on questions about whether he violated legal or ethical standards while working as one of President Reagan's key advisers in the White House. There have been two recent developments on that score that continue to cloud the debate.

First, a federal court is considering his request to have the government pay the attorneys who represented him during the inves-

tigation of his financial affairs. Under the 1978 Ethics in Government Act, officials may be reimbrused for lawyers' fees incurred as a result of investigation by indepedent counsels. The Justice Department has challenged the request, and a court must now decide whether or how much the government must pay Mr. Meese's lawyers. It is an awkward situation for everyone, but not germane to whether he should be confirmed.

The other development relates to a report by two staff members of the Office of Government Ethics, rejected by their boss, accusing Mr. Meese of violating government ethics standards. Again, this complicated and probably unresolvable matter should not obscure the genuine questions about Mr. Meese's legal stature and political independence.

Mr. Meese may have been unjustly maligned thanks to all the attention focused on his financial affairs. But even if he never violated a law or regulation, he would still be a bad choice as attorney general.

[From the Dayton Daily News, Dec. 29, 1985]

SPECIAL PROBE MAKES CASE AGAINST MEESE LOOK BETTER

On the assumption that some Americans have not read the 400-page report issued by Independent Counsel Benjamin Stein on the matter of Ed Meese, Common Cause has offered a summary of it. This turns out to be a more useful act than it might seem.

News accounts about the Stein report correctly emphasized that it found Mr. Meese guilty of no crimes. Those accounts reports said—secondarily—that Mr. Stein did not clear Mr. Meese of any ethical transgressions; the Stein report limited itself to legal issues.

That's all accurate as far as it goes. But a look at the Stein report that is any more than cursory reveals this: The report tends to confirm the slew of charges made against Mr. Meese in various press reports and in congressional testimony.

The dubious act happened, Mr. Stein said. They just don't happen to be illegal. Mr. Stein reported that he had no proof that, for example, "Mr. Meese solicited (or accepted) a loan . . . with the express or implied intention of assisting (the lender) in obtaining a government position." Again and again throughout the report, the matter of intent surfaces as the stumbling block in any prosecution.

But the facts are not disputed.

Now picture Mr. Meese as attorney general. Suppose, suggests Common Cause, "that . . . some high official in the White House had supported individuals . . . for important government positions after he had received unusual financial assistance from them or (their organizations). Could Mr. Meese . . . be expected to press a vigorous investigation?" Would a young lawyer in Justice feel free to propose that?

Suppose somebody took gifts. "Could Mr. Meese be expected to see anything wrong in such conduct?" Could the public expect strong action?

If, every time an ethical issue arises, the attorney general has to ask himself whether strong action will subject him to the charge of hypocrisy, then the cause of justice is not served. And the cause of justice is what the attorney generalship is all about.

Mr. Meese came under severe financial stress in the early 1980s, primarily the result of his difficulty in selling his California house. He was not using the various financial favors he received to get rich. That fact deserves some place in these proceedings.

He should not be sent to jail. Mr. Meese should not be fined. He should not be an object of contempt. He should not be blackballed from gainful employment. He should not be attorney general.

[From the Missoula (MT) Missoulian, Jan. 29, 1985]

SENATE SHOULD REJECT MEESE'S CONFIRMATION

(By Sam Reynolds)

The Senate Judiciary Committee, on which Sen. Max Baucus sits, today begins its hearings on the nomination of Edwin Meese III to become attorney general.

Strenuous objections are rising against the appointment. The objections, outlined in detail on this page today by Archibald Cox, rest not on political opposition to the president. After all, another top White House aide, James A. Baker III, recently received unanimous backing from a Senate committee to become secretary of the treasury.

Nor are questions raised that Meese is an incompetent lawyer, or has offended special interests, or beaten his wife or kicked his dog.

The opposition against Meese rests on the question of ethics. The man has committed acts that a public servant even marginally sensitive to ethical standards avoids. He has received financial favors and participated in personnel decisions that, while not illegal in themselves, are direct conflicts of interest.

Is this the man the U.S. Senate should confirm to become the nation's top law enforcement officer? Obviously not.

The allegations against Meese are not based on hearsay. They were brought out by an exhaustive examination of the facts by a special prosecuter, Jacob A. Stein. Stein was appointed last year to investigate Meese to determine whether the president's counsel had committed any criminal acts.

No, concluded Stein, Meese had broken no laws. But Stein declined to comment on the propriety of what Meese had done or how fit he was to serve as attorney general. Stein's investigation was limited to whether Meese could be prosecuted.

But the facts about the favors Meese had received and dispensed were presented in Stein's report. They are damning to a person who would be the nation's attorney general.

There's more to it than that. There is another fear, involving the same worries that count against Meese's confirmation as attorney general. The other fear has to do with the Supreme Court.9

Meese is known to aspire to appointment as a Supreme Court justice. Two or more Supreme Court seats are expected to fall vacant during President Reagan's second term.

There's little doubt that if Meese, despite his dismal ethical record, can survive the Senate confirmation process and become attorney general, he would be able to survive a second confirmation process and become a justice.

The thought of such a sleaze serving as the president's legal counsel is bad enough, but can be swallowed. The president may surround himself with anyone he wants. The thought of the man becoming attorney general is deeply disturbing, for the reasons Cox presents so well. The thought of his becoming a Supreme Court justice is intolerable.

Stop it, now. Let Meese return to duty at the White House, if that suits him and the president. But he should not be advanced any further up the ladder of public responsibility, dragging with him, as he always will, the baggage of an ethically tainted past.

Baucus should oppose Meese's confirmation in committee. Both he and Sen. John Melcher should vote against confirmation if it reaches the Senate floor.

[From the Monterey Peninsula Herald, Jan. 22, 1985]

QUESTIONS ABOUT MEESE

(It is not enough for a man who is attorney general to have a sign saying I have been found not to be a crook.—Archibald Cox, Common Cause chairman.)

Although a few weeks remain before Ed Meese's nomination for U.S. attorney general will be resubmitted to Congress, opposition is already beginning to line up.

The Common Cause organization has little use for Meese's promotion from his post of White House adviser to attorney general and is dissatisfied with what it regards as the limited perspective of a special prosecutor, who concluded earlier this year that Meese's conduct, involving allegations of awarding jobs to persons who provided him with financial or other assistance, did not violate any criminal laws.

There are plenty of reasons for the Senate to examine the questions raised. Common Cause has a point when it asserts that it is not enough to have an attorney general who has not been formally accused of committing a crime but whose background is questionable. After all, the job to be filled is that of the top law enforcement officer in the land, not some minor penny-ante bureaucratic post.

Senators should keep that in mind and resist any temptation to rush the nomination through simply to allow President Reagan to have his way.

[From the New York Times, Jan. 29, 1985]

MR. MEESE DOESN'T MEASURE UP

Eleven months have passed since Edwin Meese went before the Senate Judiciary Committee seeking confirmation as Attorney General. Though slight of legal stature, he had the warm endorsement of a popular President and seemed easily confirmable. But questions arose about his fitness for that office, serious enough to require a special investigation by an independent counsel. The counsel concluded that none of the charges warranted a criminal indictment, so the President renewed the nomination. This week the Senate returns to the crucial question: What qualifies Mr. Meese for this job?

There is much to be said for letting Presidents have their choice in Cabinet officers. But unless the qualifications are cut to fit the candidate, Mr. Meese is not a desirable choice. Some senators seem in no mood to measure the nominee. For them the key factors now are President Reagan's landslide re-election and the independent counsel's report that Mr. Meese has done nothing criminal. Yet senators, in voting to confirm or reject, should apply a higher standard of what the Attorney General ought to be.

The person entrusted with the Department of Justice need not be a legal scholar or master of every legal specialty under his direction. But he should be learned in the law and have distinguished himself in its practice and application. Moreover, he should aspire to be the conscience of any

Administration, guiding the President in setting its ethical and moral tone. He should become not only the President's advocate but also his chief legal adviser, ready to give the unwelcome advice that the law limits his client's power.

When visible, Mr. Meese's approach to the law has been aggressively opportunistic. As White House counselor, he sought to wipe out years of gains in civil rights by restoring tax exemptions to schools that discriminate against blacks. Even at the risk of abusing executive power, he led the effort to sabotage Congress' repeated affirmation of a law creating a Federal program of lawyers for poor people. Without a trace of courtesy to a responsible adversary, he kept calling the American Civil Liberties Union a "criminals' lobby."

In explaining his failure to report financial favors by benefactors who then obtained Government jobs, Mr. Meese convinced the independent counsel, Jacob Stein, that he attaches no legal significance to some of these transactions, and simply could not remember others. That negates criminal intent but it does not make Mr. Meese a bloodhound when it comes to questionable conduct in high office.

The nation has endured some undistinguished Attorneys General. It has also been blessed with some whose achievements in law enforcement, civil rights and the protection of liberties marked them for honor. Mr. Meese represents a throwback to the kind of Attorney General the last Watergate prosecutor warned against: the political manager, the Presidential buddy.

The standard for performance in this critical job has been rising. Mr. Meese doesn't measure up.

[From the Philadelphia Inquirer, Jan. 31, 1985]

THE RECORD WARNS SENATE TO GO SLOW ON MR. MEESE

The more that the fitness of Edwin Meese 3d to be attorney general is examined in public, the more it appears that he doesn't have what it takes to be the nation's chief law-enforcement officer. Thus, the Senate Judiciary Committee should not be in any hurry to vote on his confirmation.

Lapses in ethical standards keep cropping up. They are lapses that the public has every reason to expect Mr. Meese would have avoided—if not as result of his long experience as a public official, then certainly by virtue of his being the President's choice to head the Department of Justice.

Nevertheless, before the Judiciary Committee re-opened hearings on his nomination Tuesday there were new charges raised by a staff report of the Office of Government Ethics, charges that were changed after David H. Martin, director of the office, consulted the White House and Mr. Meese's attorneys. And there was Mr. Meese testifying on one hand that he had met "ethical as well as legal" standards of conduct for public officials and on the other hand that he has "a much higher sensitivity to these matters now than when I arrived in Washington."

Mr. Meese's nomination has been hanging fire for almost a year. A court-appointed independent counsel investigated 11 allegations of improprieties and found that Mr. Meese had not violated any federal laws, but he expressly did not pass judgment on whether Mr. Meese was fit to be attorney general. That question is now before the Judiciary Committee.

Lest anyone think that question is being raised as a smokescreen to embarrass the President, let it be pointed out that on Tuesday the Senate unanimously confirmed Mr. Reagan's nominee for Treasury secretary, James A. Baker 3d.

No, the question is a real one. It is critical especially because the attorney general not only must decide sensitive ethical questions in the government's handling of civil and criminal cases, but also is almost on the same level as the President in setting an administrations' ethical tone. The committee, whose members include Pennsylvania's Arlen Specter and Delaware's Joseph R. Biden Jr., must shake out this entire matter before voting. On the record that exists, that should not be done quickly.

[From the Seattle Post-Intelligencer, Jan. 29, 1985]

MEESE'S LEGAL BILL TOO STEEP

We are beginning to lose patience with White House counselor Edwin Meese. Meese, President Reagan's choice for attorney general, has just presented the government with the $720,000 bill his lawyers charged him for representation when independent counsel Jacob Stein investigated Meese's propensity for borrowing money from people who later ended up with government jobs.

It seems Meese's principal attorneys, Leonard Garment and E. Robert Wallach, charge $250 an hour. Their tab comes to more than twice the $320,000 it cost the government for the investigation. Garment and Wallach, it turns out, decided that they must not cut their rate for Meese lest they be accused of trying to gain special favors from a future attorney general. Somehow we have no more sympathy for them than we do for their client.

It's reasonable to provide for reasonable government payments to be made in such cases. Otherwise, frivolous accusations could bar all but the wealthy from the pressure cooker process of being nominated for top government jobs. But the Meese tab is clearly excessive, and its presentation to taxpayers—most of whom earn far less than $250 an hour—is an act of arrogance and poor judgment.

Since it is clear Meese could not afford to hire such limousine attorneys, it's fair to ask why he did not use the time-honored, consumer-wise tactic of consulting the yellow pages for more reasonable services. Simultaneously, he has been endorsing a proposal to place a $75-an-hour limit on fees paid to lawyers who successfully sue the government and are entitled to taxpayer reimbursement.

Meese's actions in this matter don't speak well for the way he would handle himself as the top law enforcement officer in the land. Now that he has taken us all to this sorry point, if seems only a mess can result. Meese is asking lawyers in the Justice Department who presumably will be his subordinates to judge in his favor. They probably will compromise and pay only part of the bill, and that makes sense. But if his attorneys reduce whatever sum is left to pay, then they could run afoul of bribery statutes. If friends pick up the bill for him they could be stopped by the same statutes.

All this occurs just as the Senate is preparing to whisk Meese through the confirmation process and as David H. Martin, director of the Office of Government Ethics, confirms that his staff found Meese violated ethical standards in two of his questionable transactions. Martin said that after he met with Meese's lawyers he decided against taking further action persuant to this staff's findings.

Is Meese indictable? No. Are his ethical standards acceptable? Very debatable.

[From the West Palm Beach (FL) Post, Jan. 17, 1985]

MEESE LACKS QUALIFICATIONS

It has been nearly a year since President Ronald Reagan nominated his good friend Edwin Meese to succeed his good friend William French Smith as U.S. attorney general.

When he was nominated last January, Meese picked up immediate opposition on the grounds that his professional qualifications to head the mighty Justice Department were virtually invisible. Later, as the Senate began the investigation that normally precedes its confirmation hearings, facts emerged that indicate his unfitness for the job for more substantive reasons.

The investigation by a special counsel showed that Meese repeatedly did favors for people who had lent him money. The favors took the form of appointments to federal jobs or government office, an area in which Meese had great influence as special counsel to the president.

Ultimately, the special counsel concluded that he found " . . . no basis for the bringing of a (criminal) prosecution . . . " The White House thereupon began acting as though Meese had been cleared of all wrongdoing. So have certain Republican senators who are anxious to get the matter behind them.

What they gloss over is the fact that the special counsel was asked to say that the evidence " . . . did not substantiate the loose charges of moral turpitude against Mr. Meese," but he refused to go beyond that, just as he refused to evaluate Meese's fitness for public office. He said those questions were beyond his jurisdiction.

They are not beyond the jurisdiction of the Senate Judiciary Committee, which will resume hearings on the Meese appointment in two weeks. The committee must ask whether someone of Meese's background is fit to serve as the nation's chief law enforcement officer.

Archibald Cox, chairman of Common Cause, said the special counsel's report shows that Meese "is blind to the ethical standards and obligations required of a public official." Cox has it right.

[From the Anniston (AL) Star Jan. 8, 1985]

MEESE AND ETHICS

Both of Alabama's senators sit on the Sentate Judiciary Committee, the committee that passes on the president's nominations for high federal office. Both are men of high ethical principles.

To be true to those principles, both Sens. Howell Heflin and Jeremiah Denton should vote against the nomination of Edwin Meese III to be attorney general of the United States.

Mr. Meese's qualifications as an attorney for this post are questionable, but they are not the problem. Normally a president should be granted wide latitude in selecting his Cabinet officers. But he should not be permitted to place in the top law-enforcement position in the nation a person with questionable ethical standards, a man who accepted favors from those he helped through White House connections.

The questions raised about Meese were sufficiently serious that an independent counsel was appointed to review his situation. That counsel, Jacob Stein, issued his report last September, concluding that there was "no basis" for indicting Meese on criminal charges. He found there was no

identifiable connection between the favors granted Meese by various friends, and his favors to those same friends.

There may be no connection. It is not suggested here that Mr. Meese necessarily sold government appointments for financial favors. Nonetheless he assisted those who helped him gain federal appointments. At the very least his conduct showed poor judgment and undermined the high ethical standards expected of White House officials.

According to federal regulations, "It is equally important that each employee (of the Executive Office of the President) avoid becoming involved in situations which present the possibility, or even the appearance, that his official position might be used to his private advantage."

Mr. Meese accepted a $40,000 loan from a man he then supported for nomination to the board of governors of the U.S. Postal Service. His wife accepted a $15,000 loan from another man who subsequently became Meese's assistant in the White House. Yet another man who arranged the sale of Messe's house, using some of his own money, was proposed as an assistant secretary by a four-member senior staff committee which included Edwin Meese.

Mr. Meese intervened to urge the reappointment to head the Army Reserve of a general who had approved an irregular promotion of Meese to colonel in the Army Reserve.

President Reagan characterized the report of the independent counsel as a "vindication" of Meese.

Yet Mr. Stein, the independent counsel, was asked to say, ". . . that the evidence does not substantiate the loose charges of moral turpitude against Mr. Meese." He refused. He was asked to make an "evaluation of (Meese's) fitness for public office." He refused.

Lack of evidence of violation of criminal statutes is one thing. Compliance with the ethical requirements of high office is quite another.

Edwin Meese II should not head the Department of Justice of the United States.

[From the Astoria (OR) Daily Astorian Jan. 3, 1985]

WE ASKED FOR IT

The citizens' lobby, Common Cause, and its chairman, Archibald Cox, are right about Edwin Meese, but they cannot expect Congress to do their bidding. Members of Congress always have been reluctant to oppose the president in the choice of a member of his Cabinet, and that's the way it will be with Meese.

Nevertheless, Common Cause and Cox have served a useful purpose in declaring that Meese is not qualified to be attorney general simply because a special prosecutor concluded there was "no basis for the bringing of criminal prosecution against President Reagan's choice to head the Justice Department."

We are well-served by being reminded by Cox that "The uncontradicted evidence in the (special prosecutor's) report shows that Mr. Meese repeatedly participated in appointing to high government positions individuals who had done or were doing him financial favors or who were affiliated with a bank that had done him financial favors."

It is important to make this point because while it will not prevent the appointment of Meese as attorney general it should give the president pause when he considers nominating the man for the next opening on the Supreme Court.

The Reagan administration has exhibited a degree of sleaziness exceeded only by that of the Nixon administration, whose leader had to resign and several of whose employees went to prison. At last count, some 45 Reagan appointees had to leave government because of their sleazy ethical standards.

The head of the Justice Department should be as clean as a hound's tooth. Instead we get Edwin Meese, an old Reagan crony, whose ethics have been suspect for a long time. To complain is useless. We're getting what we deserve. We asked for it.

[From the Austin (TX) American-Statesman, Jan. 1, 1985]

MEESE NOT QUALIFIED

President Reagan is expected to once again nominate Edwin Meese as attorney general when Congress convenes. But the presidential counsel is no more fit for that high office now than before he was "cleared" of violating federal law after a five-month investigation. Meese's nomination should be rejected.

A year ago, Meese was nominated to be attorney general. Within three months, because of information revealed in the press and during hearings on his nomination, a preliminary investigation of possible criminal charges against the nominee began. Later, an independent counsel was selected to investigate thoroughly.

In September, the counsel's report was released. It concluded there was "no basis" for indicting Meese on criminal charges. Mr. Reagan claimed the report was a "vindication" of Meese.

But, as Common Cause chairman Archibald Cox has said, the report is no such thing. A Common Cause review of the counsel's report notes that it carefully refused to state that the evidence does not substantiate the charge of moral turpitude or to make an evaluation of Meese's fitness for public office.

Indeed, the conclusion that can be taken from the counsel report is that Meese has very little sensitivity to the sort of ethical standards to be expected of an attorney general.

[From the Beaumont Enterprise, (TX) Dec. 22, 1984]

REAGAN SHOULD LIFT MEESE NOMINATION

America's top law enforcement officer *never* should have to prove his innocence of charges that he misused his position or influence.

Yet, that is what presidential counselor Edwin Meese III—President Reagan's choice to be the nation's new attorney general—has been forced to do.

Despite being cleared of criminal wrongdoing by an investigation into whether he improperly obtained government jobs for friends, Meese is no more qualifed to join the Cabinet now than he was when the questions first arose.

The citizens public interest lobby Common Cause, certainly no friend of the Reagan administration, has issued a report of its own that condemns the Meese nomination. Common Cause chairman Archibald Cox, the former Watergate special prosecutor, said the group's study reveals Meese's "utter insensitivity to ethical standards critical to confidence in government."

Meese's nomination came under fire last year when an investigation looked into allegations that his wife spent government money for personal use and charges that Meese used his influence in the administration to win favors for friends. But just last September, a special prosecutor who investigated Meese said he found "no basis . . . for the bringing of a prosecution against Mr. Meese for the violation of a federal criminal statute."

However, the prosecutor did not deny that Meese did the things for which he was investigated. He said only that he saw no grounds for prosecution.

All right, Meese is not a criminal.

But that does not automatically qualify him to be attorney general of the United States.

Too many questions remain from the investigation into Meese's conduct for him to serve in a post that requires absolute trust.

Characteristically, the president has vowed to stick with his nominee and says he will present his name to the Senate once more for consideration. he should, however, withdraw his good friend's name.

The president surely can find someone with impeccable professional *and* ethical qualifications. Ed Meese simply does not fit that description.

[From the Boston Globe, Dec. 22, 1984]

MEESE'S DEFEAT: A COMMON CAUSE

Archibald Cox, chairman of Common Cause, and his organization are to be admired for taking on the uphill fight to get the Senate to reject President Reagan's expected nomination of Edwin Meese as the nation's top law enforcement officer.

Meese is a man of questionable integrity and is not fit to be Attorney General of the United States. He has been accused of helping to arrange positions in the Reagan Administration for persons from whom he received financial assistance. Meese denies any wrong-doing. The facts are clear—Meese received financial help from five persons, all of whom subsequently got jobs in the Administration.

An independent counsel was appointed to investigate the charges last spring after Meese was nominated to replace Attorney General William French Smith. The counsel, Jacob A. Stein, found no basis for criminal prosecution of Meese. He did not comment on the propriety of Meese's behavior or on his fitness to be Attorney General.

Meese was not vindicated by the Stein report. If anything, the report proved that Meese's accounts of his financial machinations were less than forthright. Senators should read and take heed of a 37-page analysis of the Stein report by Common Cause.

Reagan says he intends to nominate Meese again when Congress reconvenes. The Senate Judiciary Committee is expected to begin hearings on the nomination late next month.

The Administration's disregard for facts and ethics, while inexcusable, is well-known. A series of resignations and embarrassments involving Reagan officials has done nothing to deter the President from demonstrating loyalty to persons who have proved to be lacking in integrity.

There is no excuse, however, for the Senate to stand aside while President Reagan continues to be blind to the implications of his appointments. Representatives and senators must join Common Cause and Sen. Howard Metzenbaum of Ohio in encouraging Meese to seek employment elsewhere.

[From the Bristol (CT) Press, Dec. 28, 1984]

CLEARING THE MEESE MESS

After months of delay, Senate Republicans appear confident that presidential adviser Ed Meese can be confirmed as attorney general. Without doubt, the confidence is well founded.

Still, rejection would be best for the country. There are several reasons that Meese should be denied the office, and no amount of political maneuvering can change that.

Forget his assertion that poor people stand in soup kitchen lines because they want "free food." Technically, he's correct. If they could afford to pay for their food, you can bet they would. Meese suspects that these are people out to rip off the system. In fact, they're those who have been ripped off by the system—who literally cannot afford a meal. But a warped perspective on hunger in America doesn't disqualify a candidate for attorney general.

This is, after all, the man who once referred to the American Civil Liberties Union as a "criminals' lobby," Granted, Ed Meese is entitled to an opinion. All the same, his words indicate a woeful inability to understand the principles inherent in the Bill of Rights. Safeguards exist not to protect criminals, but to protect everyone. One searches Meese's record in vain for a sense that he has grasped that argument.

Then, too, there was his maneuvering to win a tax exemption for Bob Jones University—the Segregated, theological academy based in South Carolina. As a presidential aide, Meese was perhaps following the wishes of the White House. Still, such exemptions violate both law and precedent. Does the nation need an attorney general who is willing to do that?

Meese's backers are so confident partly because their nominee has been "cleared" by a special prosecutor investigating charges that he traded in high-level appointments for President Reagan's political friends. Still, there are indications that he was less than honest in hearings before the Judiciary Committee. Besides, it's indisputable that the Reagan appointment policy has rested upon a base of patronage.

None of this means, of course, that Ed Meese will be rejected. It does suggest strongly, though, exactly why he should not be allowed to become attorney general.

[From the Charleston, (WV) Gazette, Dec. 28, 1984]

MEESE MESS

The Attorney General of the United States should be a person of unquestioned integrity. Such individuals are available. Numberless lawyers and politicians are honorable.

Why, then, is the White House determined to hand the nation's top legal office to a card-carrying member in the Reagan administration's sleaze gang?

Although a special prosecutor concluded that Edwin Meese committed no crime for which he could be indicted, his conduct wasn't honorable. He got loans from at least five Californians. Such cash he neglected to report, as demanded by law. Worse, five lenders were appointed by the White House to federal posts.

Former Watergate prosecutor Archibald Cox, now chairman of Common Cause, says Meese's failure to object to federal jobs being offered to private benefactors shows him to be morally unfit to be attorney general.

Why do so many appointees to this key federal office have feet of clay.

The present officeholder, William French Smith, had to return a dubious $50,000 bonus provided by a corporation, had to drop a tax shelter that netted him a $66,000 deduction for a $16,500 investment, and his round-the-world drug enforcement junket may have set a new record for squandering while traveling on supposed government business.

Former Attorney General Richard Kleindienst was convicted of misleading a Senate committee, got $250,000 "finder fee" from a crooked insurance broker for arranging Teamsters union business and temporarily lost his law license.

Before him, Attorney General John Mitchell went to prison for Watergate evils.

Attempts to block Meese's nomination haven't been helped by a discovery about his chief attacker. Sen. Howard Metzenbaum led the opposition in the first round of Senate hearings on Meese's confirmation. Now it turns out that Metzenbaum took a $250,000 finder fee for making a phone call to expedite sale of the Hay Adams Hotel in Washington. He eventually returned the money, but his standing as a moral accuser has been undercut.

Other senators, however, should continue the fight. This society doesn't need any more tainted attorneys general.

When Meese's name comes up for Senate confirmation, we urge West Virginia's new team, Sen Robert C. Byrd and Sen. J.D. Rockefeller IV, to cast their votes in keeping with a view expressed by retiring Sen. Jennings Randolph:

Meese may be fit for some federal jobs—but not for the sensitive post of top legal officer.

[From the Buffalo News, Jan. 8, 1985]

MEESE IS ILL SUITED FOR TOP JUSTICE POST

Although not surprising, it is nonetheless disappointing that President Reagan has again nominated Edwin Meese III, a longtime Reagan political adviser and now a presidential counselor, to become attorney general of the United States.

The president had originally selected Mr. Meese to succeed Attorney General William French Smith a year ago. Then questions arose about earlier financial dealings between Mr. Meese and several friends who later received appointments to federal jobs.

A lengthy investigation by an independent federal counsel cleared Mr. Meese of any wrongdoing and, in the wake of that, the president announced that he planned to renominate him. This he has now done. Sen. Robert Dole, the majority leader, wants to "move as quickly as possible" to confirm the appointment.

But this is a nomination the Senate should approach with care. There may be many responsible federal positions that Mr. Meese would be well suited to fill. But attorney general, the nation's chief law enforcement office and exemplar of sensitivity to the strictest ethical standards in government, is not one of them.

In his investigation, the special independent counsel found "no basis" for criminal prosecution of Mr. Meese but did not evaluate his fitness for the office of attorney general. That is a task for the Senate, and it should not be hurried. The report did not dispute the fact that on several occasions Mr. Meese supported for various federal posts persons who had granted him financial favors in the recent past. In one instance, he backed for a position on the Postal Board of Governors a man who had arranged a $40,000 loan for him. In another, a longtime friend who gave Mrs. Meese a $15,000 interest-free loan went to work soon afterward on Mr. Meese's White House staff.

Archibald Cox, chairman of Common Cause, pointed up the troubling aspects of those personal-public relationships in observing that "a bare minimum of public integrity requires the public official who has accepted financial favors to take no part in choosing his personal benefactors for government jobs or in otherwise doing business with them on behalf of the government."

In opposing Mr. Meese's nomination, Mr. Cox, a former solicitor general and former Watergate special prosecutor, asserted that no one can effectively serve the high standards of the top Justice Department position "who, even though not guilty of a crime, has left the appearance of repeatedly mixing government appointments with his private financial affairs."

There is another reason to question this nomination. In wrapping up the Watergate investigation in 1975, the special prosecutor's office recommended that future presidents should not nominate as attorney general, nor the Senate confirm, "a person who has served as the president's campaign manager or in a similar high-level campaign role." That projects a standard not always followed in past administrations. Even so, Mr. Meese was campaign director for the president in the 1980 national campaign, and it would be prudent to avoid even the appearance of mixing politics and leadership at the Justice Department.

For these reasons, the Senate would be justified in turning down Mr. Meese's nomination as attorney general.

[From the Charlotte Observer, Jan. 2, 1985]

IS MEESE FIT?—ETHICAL QUESTIONS REMAIN

Apparently Edwin Meese's nomination as U.S. Attorney General will sail through the Senate next month, now that a court-appointed independent counsel has found him unindictable for criminal misconduct.

In other words, Mr. Meese is not a crook. Never mind that he has shown almost no sensitivity for the questions of ethics, integrity and propriety that ought to concern the nation's top law enforcement officer. Apparently his loyalty to the president is sufficient qualification to get him into the attorney general's office.

Last year's confirmation hearings were aborted when questions arose about Mr. Meese's propensity for making rashly insensitive remarks about civil libertarians (among others) and for helping people get federal jobs after they helped bail him out of financial crises.

After a five-month probe of the favoritism charges, independent counsel Jacob Stein reported in September that he had found "no basis" for "the bringing of a prosecution against Mr. Meese for violation of a criminal statute." Mr. Stein took pains to point out, however, that he made "no comment on Mr. Meese's ethics and the propriety of his conduct or an evaluation of (his) fitness for office."

The president nevertheless hailed the report as a "gratifying" vindication of his old friend. N.C. Sen. John East, a judiciary committee member, said it reaffirmed his view of Mr. Meese as "a man of character and integrity." And Sen. Robert Dole, the new majority leader, pledged to move swiftly on the nomination. "I think we've held Ed Meese hostage long enough," Sen. Dole said.

The only fly in the ointment at this point is Archibald Cox, chairman of Common Cause and former Watergate special prosecutor. Mr. Cox has lately been pointing out that the Senate will be shirking its responsibility if it does not examine the ethical questions raised—but not resolved—by the Stein report.

". . . It is not enough for an attorney general to have a little ticket saying, 'we find no basis . . . for the bringing of a (criminal) prosecution.' Lack of evidence of violation of criminal statutes is one thing," said Mr. Cox. "Compliance with the ethical requirements of high office is quite another."

We concur with Mr. Cox and admire his perseverance. But we fear his eloquent defense of integrity will be drowned out by the pro-Meese chorus, led by a president whose standards for cabinet members have set a new low.

[From the Chicago (IL) Herald, Dec. 29, 1984]

NO MEESE

One of the early items of business for the Senate after the Congress convenes Jan. 2 is likely to be President Reagan's renomination of Edwin Meese to be U.S. attorney general, succeeding William French Smith, and it will be anything but a routine confirmation.

In September Meese was cleared by a special prosecutor of any criminal wrongdoing, and the president indicated he would still push for Meese as attorney general if he were re-elected.

Meese may not have broken any laws, but he is tainted by actions that clearly demonstrate his insensitivity to the code of ethics that should govern those who hold high office. He apparently recognized no conflict of interest when he took part in appointing to federal positions people who had done him financial favors, and he accepted a military promotion that gave the appearance of receiving preferential treatment even though he had been warned about it by the Secretary of the Army.

We said earlier we believe President Reagan can find a better qualified person to be U.S. attorney general, and we suspect many in the Senate feel the same way. Pushing for Meese's confirmation can only further alienate those Republican Senators who already differ with Reagan on the budget.

Too many important issues need to be tackled, like tax reform, the deficit and immigration reform for the Senate to waste time haggling over Meese. Reagan should look for someone else.

[From the Chicago Tribune, Dec. 29, 1984]

APPOINTING A CRONY-GENERAL

According to Archibald Cox, the former special prosecutor in the Watergate case, presidential counselor Edwin Meese has shown "utter insensitivity to ethical standards" and therefore should not be confirmed as U.S. attorney general. His reasons seem more complicated than they need be. Mr. Meese should not be attorney general simply because he is a bad choice for the job.

Mr. Cox made his comments at a press conference on findings by another special prosecutor—this one a court-appointed investigator who looked into charges that Mr. Meese had violated federal laws. The conclusion was that he had not. He was charged with nominating or supporting for federal jobs several persons with whome he'd had financial dealings; Jacob Stein, the independent counsel, did not dispute that, but found that these actions did not add up to criminal wrongdoing. Mr. Stein did not comment on the ethical questions involved on Mr. Meese's overall fitness for the post.

Ethics is just what concerned Mr. Cox and Common Cause, the public-interest group he now heads. And it has become the principal focus of attention in the Meese appointment.

But this is not the only argument against Mr. Meese, or even the main one. Let us pretend that Mr. Meese had never tried to wangle federal jobs for people who had done him financial favors—that he was a model of rectitude admired by all. That does not change the fact that he is unqualified for the post.

Mr. Meese has some background in law; he was deputy district attorney of California's Alameda County, and formerly directed the Center for Criminal Justice Policy and Management at the University of San Diego school of law. But this country abounds in better legal scholars and constitutional experts; Mr. Meese is primarily a businessman, and his role in the administration has been that of a planner and organizational troubleshooter. He was nominated for the sole reason that President Reagan likes him and seems unaware that any other qualification is needed.

If the appointment goes through, it will be an unabashed admission that the federal government is being run on the buddy system. To be the nation's top legal officer under this administration, one apparently needs only to be a booming, jovial fellow whose political views coincide with the President's. But that isn't nearly enough.

[From the Cleveland (Ohio) Plain Dealer, Dec. 31, 1984]

ED MEESE, REDUX

Early in the new year White House counselor Edwin Meese III is expected to appear before the Senate Judiciary Committee in his second effort to win confirmation as attorney general. He should not be confirmed.

Ethical questions regarding Meese's personal financial dealings, which caused the committee to suspend 1983's confirmation proceedings, remain. The fact that the five-month investigation by special prosecutor Jacob A. Stein could find no basis for prosecuting the president's lawyer for violating criminal law does not mean that Meese is fit to serve as the nation's chief law enforcement officer.

Nor did the Stein report attempt to address that issue. The special prosecutor specifically pointed out that he was making no comment on Meese's ethics or the propriety of his conduct.

He wasn't required to. Nor was there any need to. It was plainly improper for Meese to have helped people who lent him money get government jobs—before or after the exchange of funds. Since he did, ignoring the ethical considerations involved with such behavior, there is no putting aside the concern that as attorney general, Meese might be less than effective as a watchman responsible for pursuing the impropriety of others.

There is further discomfort in Meese's engineering for himself a promotion to the rank of colonel in the Army reserve when he lacked the formal training requirements—which were waived in lieu of something called "constructive educational credit." Presumably he was awarded such credit for his White House work experience with the commander-in-chief. In any event, the man who assigned the credit—the chief of the Army reserve, was recommended for a second term. By the new reserve colonel and counselor to the president, Edwin Meese III.

If the attorney general of the United States should be a person whose credentials should be above reproach—and that is what the job demands—then Meese is the wrong individual for the post. His casualness with ethical standards places a disagreeable scent in the public nostril. He does not deserve Senate confirmation.

[From the Cocoa, Florida Today, Dec. 22, 1984]

MEESE OPPOSITION GROWS

A highly respected former high official in both Democratic and Republican administrations has joined the ranks of those trying to persuade President Ronald Reagan to back away from his effort to name presidential pal Edwin Meese III attorney general of the United States.

So many people objected to the Meese appointment earlier this year that stormy hearings in the Senate Judiciary Committee were suspended to await a special report by independent counsel Jacob Stein.

The Stein report found no basis for prosecuting Meese for the violation of a federal criminal statute, but citizens lobby Common Cause says the evidence, "far from vindicating Mr. Meese, clearly shows that he repeatedly acted in violation of the ethical standards that should have governed his conduct."

This evidence, says Common Cause chairman Archibald Cox, shows that Meese "is therefore unfit to be attorney general."

Cox has impressive credentials as the former Watergate special prosecutor in the 1973 impeachment proceedings against Richard Nixon who ordered Cox fired in the famous purge of Oct. 20, 1973. Cox had been solicitor general before that in the Kennedy and Johnson administrations.

Common Cause leaders have promised a major campaign in an effort to block the Meese confirmation, but the president has shown no signs of weakening, says he plans to resubmit Meese's name to the Judiciary Committee early next year.

As we have stated here previously, we sincerely hope that members of that committee will not yield to pressure from the president on behalf of his long-time crony.

The Common Cause conclusion that Meese violated a 1965 executive order which prohibits actions which adversely affect the public's confidence in government is too serious a charge to be overlooked.

We cannot believe that there are not men or women available for this appointment who meet the "cleaner than a hound's tooth" requirements that should prevail for the chief legal officer of this nation.

[From The State, Columbia, SC, Jan. 6, 1985]

QUIET MEESE REVIVING

No prominent political figure has had a lower profile in Washington, D.C., in the past six months than President Reagan's close friend and counselor, Edwin Meese III. But he will resurface soon.

Mr. Meese was chosen last winter by the President to be U.S. attorney general replacing William French Smith, who wants out. But the appointment, which must be approved by the U.S. Senate, snagged on severe criticism about alleged deals in which

Mr. Meese's friends got government jobs after lending him money.

Mr. Meese asked for and got an investigation of 11 allegations against him by a special prosecutor, who reported last September there was "no basis . . . for bringing of a prosecution . . . for violation of a criminal statute." But the special prosecutor had "no comment on Mr. Meese's ethics and the propriety of his conduct or an evaluation of Mr. Meese's fitness for office."

Senate hearings on the appointment, suspended last March, will resume soon after Congress convenes. Mr. Meese will be opposed by the so-called people's lobby, Common Cause, and a coalition of other groups on grounds that he is not fit to serve as attorney general.

President Reagan intends to stand by his old friend, and Washington insiders say the Senate is likely to approve the appointment. The Senate only rarely turns down a President's choice of a Cabinet member.

Here is another situation where the public figure is blameless of criminal conduct, but there is dark suspicion about his ethical behavior. There are many distinguished and capable lawyers who would splendidly fit the office of attorney general, and we wish the President would choose one of them. Mr. Meese is not the best man for the job.

[From the Concord Monitor, Jan. 15, 1985]

REJECT MEESE

After reports last March that presidential counselor Ed Meese had failed to report loans from friends who subsequently got high-paying jobs in the Reagan administration, The Wall Street Journal grabbed the issue by the throat. It denounced the Watergate-era financial disclosure laws that had tripped Meese up, arguing that they created an impossible situation for candidates and public officals.

In one editorial, the Journal lamented that because of the requirements for honest financial accounting by government officials, "we shall see no more (Henry) Clays or (Sam) Rayburns in this town." In an even more remarkable editorial, the paper proclaimed, "We are going to have to kill ethics before ethics kills us." The paper suggested that because some of the people who had criticized Meese were themselves less pure than fresh snow, it made little sense to be too picky about Meese's reporting-failures and his various memory lapses.

Since the Journal made those observations, the tide has turned in Ed Meese's favor in his bid to become attorney general. A special prosecutor appointed to examine the charges against Meese concluded last fall that he found no grounds for bringing indictments. President Reagan said he was gratified that "the honor of a just man is vindicated." Except for Sen. Howard Metzenbaum and the citizens' lobby Common Cause, public opposition to Meese has muted. He is believed a shoo-in for confirmation.

Yet, as Finley Peter Dunne's Mr. Dooley was fond of saying, "not so fast." Nothing in special prosecutor Jacob Stein's 385-page report suggested that Meese was the victim of a media vendetta or that he had acted responsibly. Nothing in it contradicted the charges that Meese had failed to report, as the law required, an interest-free $15,000 loan from a friend to Meese's wife. Nothing in the report contradicted a Washington Post story that Meese was the beneficiary of $60,000 in loans arranged by his tax accountant, shortly before President Reagan named the accountant to a seat on the U.S. Postal Service board of governors. (Meese began repaying that loan only after the Post story ran in July 1983.)

On these matters, the Stein report simply determined that Meese had committed no indictable offense—largely, it would appear, because Stein felt be couldn't prove that the people who had helped Meese financially had gotten jobs as a quid-proquo for their help.

Stein's report, which was reasonable enough on legal grounds, is hardly the vindication President Reagan pronounced it. Being innocent of an indictable offense is surely necessary, but it is not sufficient grounds to be appointed to the nation's top law enforcement job.

We have some substantive problems with Mr. Meese as a potential attorney: his view of the American Civil Liberties Union as a "criminals lobby," for one thing, and his support for the ill-conceived National Security Decision Directive 84, which would impose lifetime censorship on more than 100,000 government employees, for another. But these matters trouble us less than Meese's ethics, which demonstrate a gross insensibility to the standards that an attorney general ought to uphold and exemplify.

Meese's incredible memory lapses on loans (would you forget a $15,000 loan from a friend to your wife—especially if that friend were angling for a job you could help him get?), combined with verifiable misstatements about the circumstances surrounding the sale of his California home and other apparent legal evasions examined in the Stein report, suggest that he is not the best person, by a long shot, whom the president could appoint to a most sensitive job.

The Wall Street Journal notwithstanding, we believe ethics do matter. We hope the Senate will refuse to confirm Meese's appointment.

[From the Davenport, IA, Quad City Times, Dec. 21, 1984]

WE SAY . . . FORGET ABOUT MEESE

If press forecasts are accurate, Ronald Reagan shortly after his inauguration will renominate presidential counselor Edwin Meese III to replace William French Smith as attorney general and the Senate will confirm the appointment with little opposition. That's nothing to look forward to.

Just because some special prosecutor found "no basis" for indicting Meese for some questionable actions—like helping to get government jobs for several people who did him financial favors—that does not mean he is fit to lead the Justice Department and become the nation's top law officer. This leadership post should not be manned by anyone whose ethics are under such serious question.

Reagan could do the country—and probably himself—a big favor by looking among nearly a quarter-billion people for an attorney general who would command more respect, trust and confidence. Archibald Cox, former Watergate prosecutor and chairman of Common Cause, reports that Meese is "blind to the ethical standards and obligations required of a public official." The Senate would be blind, too, to confirm his appointment—as blind as when warning whistles were ignored to put Ray Donovan at Labor.

Common Cause points to "uncontradicted evidence" that Meese had a hand in getting high government jobs for people who did him financial favors. And it pointed out that Executive Order 11222 prohibits conducts that "might result in, or create, the appearance of . . . giving preferential treatment to any organization or person . . . losing complete independence or impartiality of action."

Relative to this is Meese's appointment to colonel in the Army Reserve. Though he fell short in educational requirements, he was given something called "constructive educational credit" to gain the promotion. Meese then interceded with a successful recommendation to get an unusual second term for the chief of army reserves. That just happened to be the fellow who got him the credits.

When the "sleaze factor" was brought up during the recent election, Meese's name wasn't far behind. America should shoot for the highest moral standards at Justice. But Meese, who deals for personal advantage through use of government influence and leverage, undermines such a quest.

Meese simply isn't attorney general material. That's plain enough to Americans. It should be plain enough to Reagan and, if not, then to a Senate that should demand a higher standard.

[From the Des Moines Register, Dec. 26, 1984]

AT LEAST HE'S NO CRIMINAL

Archibald Cox is right about Edwin Meese: The Senate should vote "no" if, as expected, President Reagan renominates Meese for attorney general. The fact that an independent counsel cleared Meese of any crime in connection with accepting favors from people who later received federal appointments does not mean he is fit to be the nation's highest-ranking law officer.

Cox, the chairman of Common Cause, learned a lot about ethics—or lack of ethics—in government when he was Watergate special prosecutor. He said last week that the report of independent counsel Jacob Stein showed Meese to be "blind to the ethical standards and obligations required of a high public official." We expressed a similar view when Meese was first proposed for the attorney generalship some months ago.

The Stein report showed that Meese, as counsel to the president, "repeatedly participated in appointing . . . persons who had either done or were doing him financial favors," said Cox. Apart from his ethical failings, Meese is a mediocrity with few visible qualifications for the job except his friendship with the president.

Unfortunately, the Senate seems not to have the stomach for a nomination fight, so the nation is likely to get an attorney general who, for all his shortcomings—well, who at least is not a criminal. We can be thankful for that small favor.

[From the Durham (NC) Herald, Jan. 12, 1985]

EDWIN MEESE III NOT BEST ATTORNEY GENERAL NOMINEE

Executive Order 11222 requires federal employees to maintain "the highest standards of honesty, integrity, impartiality and conduct" and to avoid "misconduct and conflicts of interest . . . through informed judgment."

Edwin Meese III, President Reagan's nominee for attorney general, is not a crook. But based on this executive order he is not a good choice to become the nation's top-ranking law enforcement officer.

Mr. Meese is one of Mr. Reagan's closest friends. He underwent a tough examination by an independent counsel, Jacob Stein, a

prominent Washington attorney. Mr. Stein said in a 400-page report that there were no reasons to bring criminal charges against Mr. Meese.

So Mr. Meese was clearly exonerated from criminal liability of the allegations that he had used his position and accepted money to grant political favors.

He did not, however, come squeaky clean—at least not when one considers Executive Order 11222.

At best, he showed lack of good judgment when he accepted a $40,000 loan from San Francisco accountant John McKean, whom Meese approved for an unexpired term on the Postal Board of Governors. (Mr. McKean later arranged another loan for Mr. Meese and deferred interest payments on the $40,000).

The same can be said of Mr. Meese's approval of Los Angeles lawyer and real estate developer Thomas Barrack for two high-level government jobs. That came after Mr. Barrack arranged the sale of Mr. Meese's house, which had been on the market for 18 months, causing him serious financial hardship. Interestingly, the down payment on Mr. Meese's house was made by Ted Elkin, Mr. Barrack's friend and employee, using more than $83,000 of Mr. Barrack's money via a loan that Mr. Barrack later forgave.

Questions have also been raised about Mr. Meese's promotion in 1983 from lieutenant colonel to colonel in the Army Reserve. The Army concluded, after an internal investigation, that the promotion was made "not on the basis of past military performance but rather on the basis of national prominence." While that's no terrible sin, it is worrisome that Mr. Meese later endorsed the reappointment of Army Reserve chief Gen. William Berkman, one of three Army officers who signed a section related to Mr. Meese's promotion.

The Stein investigation revealed other possible conflicts. While saying Mr. Meese was guilty of no criminal offense, Mr. Stein's report did leave distinct impressions: Mr. Meese was a man who was careless about his financial dealings, who could be justifiably criticized for cronyism, who might be considered sloppy in his legal interpretations on matters which affected him.

The job demands more courage and propriety that Mr. Meese has shown. The Stein report said nothing specifically about Mr. Meese's qualifications to serve as attorney general. That was not Mr. Stein's job. But the report clearly shows Mr. Meese lacks the judgment and mettle the job demands.

[From the Gilroy, CA, Dispatch, Jan. 2, 1985]

MEESE UNFIT FOR APPOINTMENT

In June and December of 1981, an accountant named John R. McKean arranged unsecured loans totalling $60,000 for presidential counselor Ed Meese. In October 1981, Meese supported McKean's nomination to an unexpired term on the U.S. Postal Board of Governors, and in January 1983, with interest on the loans still overdue, Meese supported McKean's nomination to a full term on that board.

In August 1982, attorney and real estate developer Thomas J. Barrack, Jr., assisted Meese and his wife Ursula in the sale of their California home, a complicated deal that included a personal loan of $70,000 Barrack made to the buyer of the house and that Barrack later forgave. A week after the deal was closed, a meeting was arranged between Barrack and members of the White House Personnel Office, including Meese, and three months after that Barrack began work as deputy secretary of the interior, a post for which Barrack had Meese's approval. It appears that at no point in that process did Meese disclose that he was a personal beneficiary of Barrack's considerable financial assistance.

In a period lasting through 1982, Meese received a series of loans from the Great American First Savings Bank that eventually totalled $402,000. Meese was substantially in arrears on several of those loans and failed to answer a number of requests from the bank to sign a modification agreement extending the loan. In the same period, Meese helped arrange senior administration posts for four officers and former officers of the bank, among them Gordon Luce, the bank's chairman and chief executive officer (member of the President's Commission on Housing and, later, alternate delegate to the United Nations General Assembly); Marc Sandstrom, bank vice president and general counsel (board member of the federal Legal Services Corporation); and Clarence Pendelton, a member of the bank's board of directors (chairman of the U.S. Commission on Civil Rights).

On Jan. 7, 1981, Edwin W. Thomas, a friend of the Meeses, lent Ursula Meese $15,000 to purchase stock. Virtually at the same time, Thomas became Meese's White House assistant and, later, administrator of the San Francisco office of the General Services Administration. Subsequently, Thomas' wife and Thomas' son also obtained federal jobs. Meese failed to report the loan, even though he filed a required federal financial disclosure report less than two months after she received it.

In each of these instances, and in several others, among them Meese's frequent failures to recall significant documents, conversations and transactions, a special prosecutor found no evidence to sustain criminal charges. But the special prosecutor avoided as beyond his mandate any comment on Meese's ethical or moral fitness to be attorney general of the United States.

Ronald Reagan wants Ed Meese to be attorney general and, had it not been for those charges of impropriety, Meese would probably have been confirmed last spring. Now with the special prosecutor's report in hand, and with the election over, Reagan will resubmit Meese's name to a Republican-dominated Senate that's expected to confirm him. Meese, says the president, has been "vindicated." But the report does nothing to dispel the charges—indeed it confirms their accuracy—other than to say Ed Meese is not an indictable crook.

A cynic may point out that, if confirmed, Meese would be just another in a long line of political hacks and presidential cronies who, at one time or another, have served as attorney general. But while that may speak to his lack of experience, if not his lack of competence, it does nothing to raise his ethical stature. And in this area he may well be uniquely unqualified.

The attorney general is the nation's chief law enforcement officer and as such—to quote former Watergate Special Prosecutor Archibald Cox—the office requires a person who can "symbolize the highest standards of honor, integrity and freedom from favoritism or other self-interest." With a record like his, how could Meese direct an investigation into charges (for example) into high-level favoritism by others in government, or assure anyone else, in or outside government, that if such allegations came to his attention he would even begin to understand them? To quote Cox again: "Meese may have intended no wrong. His past conduct shows, however, that he is blind to the ethical standards and obligations required of a public official." The fact that he is not subject to criminal prosecution himself does not save his stunted ethical sense from serious doubt and it surely does not qualify him to be the attorney general of the United States.

[From the Fresno Bee, Dec. 31, 1984, the Modesto Bee, Jan. 4, 1985, and the Sacramento Bee, Jan. 14, 1985]

ED MEESE'S ETHICS

In June and December of 1981, an accountant named John R. McKean arranged unsecured loans totaling $60,000 for presidential counselor Ed Meese. In October 1981, Meese supported McKean's nomination to an unexpired term on the U.S. Postal Service Board of Governors; in January 1983, with interest on the loans overdue, Meese supported McKean's nomination to a full term on that board.

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[From the Hartford Courant, Jan. 13, 1985]

EDWIN MEESE, AGAIN

Soon after President Reagan's inauguration for a second term, the Senate will again take up the nomination of Edwin Meese III for attorney general. At that point, a rigorous test of the Senate's good judgment will begin.

Confirmation hearings were postponed last year by a special prosecutor's investigation of 11 allegations against the nominee. Mr. Meese's advocates, including the president, imply that the report of the five-month inquiry eliminated all questions about his fitness to head the Justice Department.

That however, is not the case. In fact, the reverse is true: The report made it impossible to argue credibly that Mr. Meese is a wise choice for attorney general.

The investigation by special prosecutor Jacob A. Stein dealt with just one subject: whether there was enough evidence of criminal wrongdoing by Mr. Meese to warrant prosecution. He concluded that there wasn't.

Mr. Stein wasn't told to review other possibly illegal behavior by the nominee, such as violations of civil laws or federal regulations. Nor was he directed to evaluate Mr. Meese's ethical sensitivity or other character traits bearing on his fitness to be attorney general.

The special prosecutor said only that Mr. Meese shouldn't be prosecuted for the behavior in question. The Senate must avoid getting caught up in the attempt by the White House to use the report to sweep the remaining questions under the rug and Mr. Meese into office.

Senators with open minds and high ethical standards who can lay aside party loyalty will find it extremely difficult not to conclude that, while Mr. Meese may be innocent of criminal conduct, he is an unacceptable candidate for a position of such special public trust.

Few senators may find time to read the lengthy Stein report. Fortunately, there's an excellent 37-page review of the report prepared and recently released by Common Cause, the non-partisan citizens' lobby.

Common Cause, which opposes Mr. Meese's nomination, discussed in detail six of the 11 allegations investigated by the independent counsel. They involve these matters:

Two nominations of accountant John R. McKean to the U.S. Postal Board of Governors, and two loans from Mr. McKean to Mr. Meese, who was on a White House committee that recommended Mr. McKean for the board.

High federal jobs given to Thomas J. Barrack Jr., an attorney and real estate developer who helped Mr. and Mrs. Meese sell their home in California when they were in deep financial trouble.

Mr. Meese's irregular promotion to colonel in the Army Reserve (allowing him a higher pension) and his equally irregular change from retired to active status, together with the nomination—after Mr. Meese's urging—of the chief of the Army Reserve to a second term.

Three loans to the Meeses—and a generous tolerance of their failure to repay them on time—by a bank, four of whose current or former officials were given presidential appointments.

A loan from a friend of the Meeses, Edwin W. Thomas, to Mrs. Meese, and the federal jobs obtained for Mr. Thomas, his wife and son. Also, Mr. Meese's failure to list the loan in his disclosure statements.

Mr. Meese's acceptance, as reimbursement for "moving expenses," of money left in a 1980 presidential transition fund despite the possibility that the reimbursement was illegal. Also, Mr. Meese's later having the records changed to show that his check was for "consulting fees."

Perhaps in none of these cases was Mr. Meese intentionally involved in anything wrong. The extent of his personal involvement isn't clear, thanks largely to his memory lapses. But time after time he should have known that what was occurring would raise strong suspicions that he was using public office for private gain. As a federal employee, he was subject to rules prohibiting acts that could create even the appearance of such impropriety.

There are many ethically sensitive, distinguished and broadly experienced attorneys whom the president could have asked to serve. Instead, he picked Mr. Meese.

By tradition, presidents are given a relatively free hand in making executive branch appointments. But when the job is as important as that of attorney general, and when the president uses such poor judgment in choosing, an exception to the rule is in order.

[From the High Point (NC) Enterprise Dec. 27, 1984]

POWERFUL FOE FOR MEESE

Soon after the first of the year the new U.S. Senate will have to deal with the matter of Edwin Meese. Meese is the nominee of President Reagan to be attorney general of the United States. An independent counsel selected by the administration has concluded that there is no basis for indicting Meese on criminal charges which surfaced earlier this year and raised questions about his suitability to take such an important post.

Rises now Common Cause, the self-designated citizens' lobby, to say that it will actively oppose the Meese confirmation. A fact not to be overlooked is that Archibald Cox, who ten years ago headed the independent prosecution of Richard Nixon for the sins of Watergate, is now chairman of Common Cause.

In a recently issued statement, Cox minced no words in declaring his belief that Meese is unfit for the appointment, because of his various financial dealings with individuals which were followed by appointments to comfortable federal jobs as well as for his apparent wheeler-dealing to fatten his own future military pension probabilities.

Cox makes much of the language in the independent prosecutor's report. That report did say that nothing was found to form the basis for the bringing of a prosecution. It did not refute the charges of moral turpitude and it did not make an evaluation of Meese's fitness for public office.

Cox insists that the "uncontradicted evidence . . . shows that Mr. Meese repeatedly participated in appointing to high government positions individuals who had done or were doing him financial favors or who were affiliated with an organization that had done him financial favors." In various cases, he added, "Meese violated Executive Order 11222, which proscribes conduct: ". . . which might result in, or *create the appearance of* . . . giving preferential treatment to any organization or persons . . ."

And Cox concludes, "Mr. Meese may have intended no wrong. His past conduct shows, however, that he is blind to the ethical standards and obligations required of a public official."

These are sentiments which we voiced several months ago. The U.S. Senate will strike a blow for higher ethical conduct if it will reject Edwin Meese for the job of attorney general.

[From the Huntington (WV) Herald-Dispatch, Dec. 24, 1984]

MEESE INSENSITIVITY

Serious questions about Edwin Meese's finances put his nomination as attorney general on hold earlier this year. But in September an independent prosecutor said he found no basis for a criminal prosecution of Meese.

Describing that as "vindication" of one of his top aides, President Reagan has said he will re-submit Meese's nomination to the Senate when it convenes next month. And Sen. Robert Dole, the Senate's new majority leader, has predicted that "unless there is some new disclosure,' Meese's nomination will be approved by the Republican-controlled Senate with little or no delay.

A new report prepared by Common Cause, the liberal lobbying group, offers no new information. Nonetheless, the report raises the important issue of what it calls Meese's "insensitivity to ethical standards."

Common Cause researchers, who studied the independent prosecutor's report, concluded that Meese more than once ignored a 1965 executive order prohibiting conduct that "might result in, or create the appear-

ance of . . . giving preferential treatment to any organization or person . . . losing complete independence or impartiality of action."

For example, there's the $40,000 loan that accountant John McKean arranged for Meese who, in turn, later supported McKean's nomination to the Postal Service's Board of Governors. Still later, after McKean helped with another loan, Meese backed McKean for a full term on the board, which he now serves as chairman.

As Archibald Cox, the former Watergate prosecutor who is chairman of Common Cause, observes: "A bare minimum of public integrity requires the public official who has accepted personal financial favors to take no part in choosing his personal benefactors for government jobs."

That seems obvious to everybody but Ed Meese—and the President who is determined to appoint him attorney general.

[From the Hyannis (MA) Cape Cod Times, Dec. 30, 1984]

CATCH 11222: THE MEESE AFFAIR

At the moment, the appointment of presidential counselor, Edwin Meese III to the post of U.S. attorney general seems safe. For one thing, President Reagan is determined that his man will get the position. For another, an independent investigation has found "no basis" for Meese's prosecution for ethics violations. Rather like William Casey having been found "not unfit to serve" as CIA director.

Whether or not there is basis for prosecuting Meese on the charges the independent counsel investigated is largely beside the point—if that finding isn't questionable in itself. What Reagan loyalist Meese (Gov. Reagan's chief of staff from 1970 to 1974) lacks is the aura of integrity.

And, some recent attorneys general aside, integrity is a necessary qualification for a position that demands the absolute impartiality of the nation's number-one lawyer. Only such a person can build confidence in the even-handedness of law enforcement that is essential to democracy.

What are Meese's faults? Several. The independent counsel's report shows without question that, as counsel to the president, Meese repeatedly participated in the appointment of friends and financial supporters to important government positions. For example:

John McKean, named at Meese's urging to the U.S. Postal Service' Board of Governors, had earlier arranged a $40,000, low-interest loan for Meese, and later agreed to defer $12,000 in interest payments owed by Meese.

Edwin Thomas, who was named to the position of assistant counsel to the president early this year, granted a $15,000 unsecured, interest-free loan to Meese, who is now his boss. Furthermore, Meese failed to report the loan on his financial disclosure statement.

Thomas Barrack, who arranged the sale of Meese's California house, was recommended for the position of assistant secretary of commerce. Meese, whose name was included among those proposing Barrack for the job, told no one of his connection with the man.

"In each of these instances," reports Common Cause, "Mr. Meese violated Executive Order 11222, which proscribes conduct . . . 'which might result in, or give the appearance of . . . giving preferential treatment to any organization or person. . . .'" Common Cause will lead the attack on the Meese nomination when it comes before the Senate next month.

The Meese affair concerns more than the fitness of the man himself. If he is appointed, the message will be implicit to others in federal government that with a certain amount of care, they are free to use their offices for personal gain.

"Toleration of the appearance of linking personal financial advantages with government appointments," said Common Cause chairman Archibald Cox, "is the beginning of a long downhill slide into major corruptions." Cox, who was Watergate special prosecutor, knows what he's talking about.

Earlier this year, a senior Justice Department official made this comment about the Meese nomination: "This is the danger when a president appoints a political crony. You can be sure that if the nominee had been someone not close to the president his background would have been thoroughly checked.

"There are a number of distinguished lawyers in this department," he said, "who believe the attorney general should himself be a distinguished lawyer. We feel the president could do better."

The Meese affair, with its implied violations of Executive Order 11222, continues. So do the dangers of cronyism. The battle is now largely Common Cause versus the White House. It is a contest that should be fought, because Meese certainly is not the man who would bring the mantle of honor and integrity to that important national office.

[From the Kalamazoo (MI) Gazette, Jan. 3, 1985]

A YEAR HASN'T ERASED EDWIN MEESE'S FLAWS

Nearly a year has passed since President Reagan nominated Edwin Meese to succeed William French Smith as attorney general. He was not a good candidate for the job then, and he isn't now. Meese's primary qualification, as far as we can see, is his strong and long personal relationhip with the president, which may serve him well in his role as presidential counselor, but is inadequate for the nation's top law-enforcement officer.

The case against Meese is just as strong now as it was last year when independent counsel Jacob A. Stein investigated his tangled financial affairs. While Stein found nothing to warrant prosecution, he also was silent on Meese's ethical standards, saying there was nothing in his instructions about addressing those issues.

That silence, however, was not golden. The Senate Judiciary Committee, expected to hold confirmation hearings later this month, should give close attention to Stein's demurral that he would leave it to others to determine Meese's fitness to serve as head of the Department of Justice.

The committee should also consider what an independent counsel of an earlier era, Archibald Cox, had to say about Meese's fitness to serve. Cox, now chairman of Common Cause, knows a thing or two about ethical conduct; he was the first Watergate special prosecutor, the one President Nixon ordered fired.

In a press conference recently, Cox said Meese's conduct—finding government jobs for people who helped him out of financial difficulties and finagaling a promotion in the Army reserve—was evidence "that he is blind to the ethical standards and obligations required of a public official."

Cronyism is practiced to some degree by most administrations, usually to their dismay. President Reagan would do well to forgo renominating Meese as attorney general—but he won't. The Senate would do well to deny confirmation—but it probably won't. Only eight nominees for Cabinet positions have been rejected in the Senate in the history of the nation.

A ninth would be in order. But that is probably too much to ask.

[From the Kansas City Times, Jan. 4, 1985]

NOT MR. MEESE

Presumably the landslide re-election of President Reagan assures the appointment of Edwin Meese III, a long-time Reagan political ally and currently presidential counselor, as attorney general. Yet the thought remains: His clearance of criminal wrongdoing by an independent counsel does not necessarily mean Mr. Meese is qualified to be the chief law enforcement officer of the land.

In fact, if adherence to ethics rules and setting the proper tone and example for this sensitive office are considered, Ed Meese should not be U.S. attorney general.

While the extensive investigation of Mr. Meese did not turn up an indictable offense, the independent counsel's report notes conduct outside the rules that apply to federal officials. Both a presidential order and federal regulations prohibit use of official position for private advantage or even the appearance of such conduct.

Among other acts, the report shows that contrary to rules Mr. Meese did not include in his financial disclosure statement an interest-free $15,000 loan to his wife from a friend who a short time thereafter was hired to work under Mr. Meese in the White House. Mr. Meese also participated in decisions to appoint people to government jobs who had helped him during a time of financial distress.

The attorney general should be sensitive, not only to violations of the letter of the law but to upholding the spirit of the law. By his actions, Mr. Meese has demonstrated either an inadequate knowledge of the rules, a poor memory of written correspondence and conversations about his outside financial dealings, or refusal to abide by well-known standards of conduct. In any case, Mr. Meese lacks the credibility to serve as attorney general.

[From the Lebanon (NH) Valley News, Jan. 3, 1985]

ED MEESE RETURNS

The wrong kind of resignation will soon bring the saga of Edwin Meese 3rd to a sorry end. No, Meese won't do the country a favor and leave the Reagan administration. Instead, the U.S. Senate will resign itself to Meese's ethical shortcomings and approve his appointment as attorney general of the United States.

How quickly America forgives and forgets.

When President Reagan nominated Meese a year ago to be attorney general, liberals were immediately outraged. As one of Reagan's top advisers, Meese had made a name for himself as a callous hard-liner. The nomination came only a few weeks after Meese had offended most sensibilities by saying that the recession-struck people in charity soup kitchens were only there to cash in on free food.

Even conservatives started to worry about putting Meese in charge of the Justice Department, however, once the Senate began its confirmation hearings. Each day brought forth a new story about a friend who had loaned Meese money and then received a

government job. By March, Republican senators were beginning to squirm: If they supported Meese, voters would question their ethical standards, and if they opposed him, they would be denouncing their own president's ethics.

Just when the controversy was reaching its peak, the public investigation went private, thanks to the appointment of a special prosecutor to see if Meese had broken any laws. The investigation took five months, during which Meese kept an extremely low profile. The prosecutor concluded that there wasn't enough evidence to indict Meese on any charges. That, of course, is not the same as clearing him of any wrongdoing. The country has to presume Meese's innocence, but it should note that the report said others would have to decide if Meese's conduct had been ethical.

That might have been a worthwhile campaign issue, but Walter Mondale never got voters interested in the "sleaze factor." Rather than push the Senate to approve Meese's nomination before the election, the president kept Meese out of the spotlight for the duration of the campaign.

So now he's back, waiting for confirmation. Reagan has had his big win—despite the sleaze factor—and senators can be forgiven for concluding that voters don't care about ethical standards in the Cabinet. Those few senators willing to take on the administration will probably focus on the budget—an issue where their efforts may still make a difference. Even Meese's opponents are probably resigned to his victory.

It remains true that Meese is unfit for the job. His vision of justice does not extend to the poor, as shown by his repeated attempts to dismantle the Legal Services Corporation. His faith in civil liberties is meager, as shown by his support of strong-arm tactics to detect government leaks and censor government employees. His work as director of Reagan's 1980 campaign will make it difficult for Meese to bring sufficient political independence to the Justice Department.

The Senate won't care, though, because Meese has beat the system. He has kept quiet and let the passage of time make him dull, forgetable, noncontroversial. Unfortunately, the Justice Department needs a leader who is more than unindictable.

[From the Lincoln (NE) Evening Journal, Jan. 9, 1985]

PALACE GUARDSMANSHIP

The job swap by Treasury Secretary Donald Regan and White House chief of staff James Baker III displays an unsuspected creativity at the very top of the Reagan administration.

Baker's departure would end all linkages with the Reagan first-term troika system of highest echelon management. Or it will if the Senate confirms presidential counseler Edwin Meese III as attorney general. (More on that later.) Baker, Meese and Michael Deaver—outwardbound for the green paradise of public relations—were the Big Three.

Henceforth, Donald Regan, a blunt CEO type who loyally espoused the company line at the Treasury for four years, will be the singular top dog at the White House. That is almost always a better staff arrangement than one which is structurally divided and thus can internally find itself at odds.

Whether this switch will result in any significant policy alterations should be doubted. The Boss still signs off on position papers presented for his approval.

A pleasant surprise was how the episode of musical chairs—satisfying personal ambitions of both Baker and Regan—was received by the loyal opposition.

So uncharacteristically gracious was the reaction of Speaker of the House Thomas P. O'Neill Jr. that his comment bears repeating: "Jim Baker and Donald Regan are very able and talented public servants who always do a job well. I am looking forward to working just as constructively with them in their new positions as I have in their previous assignments. The country has been well served by their past efforts and I expect that the country will be just as well served by their efforts in their new jobs." Wow!

With that from Speaker O'Neill, one might have guessed that the Republican New Right would then be sour and grumpy. Sure enough, parts of it—the part which has tended to view Baker as a kind of closet moderate—were.

Let's hope this unusual shift of Palace Guardsmen does not depend upon what happens to Meese, for Meese should not be confirmed. Not if the head of the Department of Justice is to be a universal symbol of the highest standards of ethical behavior, an officer who does not bring in with in a cloud that darkens the public trust which is his.

Last year the independent counsel who ran a detailed look at Meese's financial dealings concluded there was "no basis . . . for the bringing of a (criminal) prosecution." But, as Common Cause Chairman Archibald Cox said last month, "the uncontradicted evidence in the report shows Mr. Meese repeatedly participated in appointing to high government positions individuals who had done or were doing him financial favors, or who were affiliated with an organizations that had done him financial favors."

There are many, many conservative Republican lawyers whose ethical conduct has never been called into question. They are men and women whose fitness for the office of attorney general could not be challenged—as Edwin Meese's qualifications have been.

President Reagan would do honor to his own reputation by withdrawing Meese's name and offering another.

[From Newsday, Dec. 21, 1984]

MEESE IS UNFIT TO BE ATTORNEY GENERAL

Archibald Cox and Common Cause, the nonpartisan citizens' lobby he heads, are doing the nation a favor by continuing to address the issue of Edwin Meese's fitness to serve as attorney general.

In a letter sent this week to all Senators, Cox said a special prosecutor's report showed that Meese was "blind to the ethical standards and obligations required of a public official." Cox understands those requisites; he was the first Watergate prosecutor and was fired for being too effective.

Last spring, the Senate postponed action on Meese's nomination to succeed William French Smith after a number of charges surfaced. They were subsequently investigated by a special prosecutor, Jacob Stein, who concluded that there was not enough evidence to support a prosecution for violations of federal criminal law. President Ronald Reagan has said he intends to renominate his counselor and old friend early next year.

Yet Meese and his family were repeatedly the objects of extraordinary financial largesse from friends and acquaintances, several of whom later landed federal jobs. There were also allegations of filing false financial disclosure statements, illegally accepting gifts and insider stock trading.

In response to the special prosecutor's queries, Meese often said he couldn't remember events or actions. As Cox noted, Stein's report "reflects a man who is not merely occasionally forgetful, but rather, if taken at his word, suffers from frequent lapses of memory concerning conversations, documents and events bearing upon the integrity of his conduct."

Last fall, Meese and Reagan hailed Stein's report as proof of Meese's total exoneration. But it's considerably less than that. Stein refused to comment on the appropriateness or ethics of Meese's actions or his fitness for office. But he noted rather pointedly, "There is sufficient interest in those other issues to support an expectation that they will not remain unexplored . . ." Common Cause now seeks to insure that they won't.

Not being indictable is surely an insufficient qualification for the nation's top law enforcement job. As we have said before, Reagan would be wise to look for another nominee. Better yet, Meese should withdraw of his own accord.

[From the Los Angeles Times, Dec. 31, 1984]

MEESE: THE WRONG MAN

Last February President Reagan nominated his longtime associate and counselor, Edwin Meese III, as attorney general. Late next month the Senate Judiciary Committee is expected to hold confirmation hearings on that nomination. This will be the second time around for Meese and the committee, the first hearings having been suspended earlier this year so that an independent counsel could investigate allegations of criminal wrongdoing by the nominee.

The counsel, Jacob A. Stein, a respected Washington lawyer, concluded last September that there was no evidence to support criminal prosecution of Meese on any of the 11 charges raised against him. But Stein said that he would leave it to others to determine whether Meese had adhered to the standards of ethics and propriety that his White House position required and that his potential role at the head of the Justice Department demands.

The ethical questions regarding Meese for the most part involve money and patronage. In half a dozen cases Meese arranged federal jobs for people who had either directly or, through the institutions that they served, indirectly helped the Meese family financially. These favors included cash loans—among them an interest-free loan of $15,000 to Meese's wife that he failed to disclose, as the law requires.

An additional favor to Meese came from the Army, which at his request approved a highly irregular transfer from the retired to the ready reserve. That move opened the way for Meese to enjoy more exalted rank and the benefits that accompany it. The Army later acknowledged the impropriety of the transfer, and Meese withdrew to the retired reserve. But he retained the promotion and benefits that he received as a result of the unwarranted move.

There may indeed be nothing illegal about a government official conferring public rewards on those who have done him private favors, but, unproscribed or not, such actions are ethically indefensible. They are particularly so for a person who seeks to become the nation's chief law-enforcement officer. The Senate, in the view of many of its leaders, has no taste for continuing the fight over the Meese nomination, and his confirmation as attorney general for now

seems assured. But Senate approval will neither answer nor eradicate the questions that have been raised about proper behavior. An ethical blind spot is a major infirmity in an attorney general. In our view it is a disqualifying one.

[From the Lousiville (KY) Times, Jan. 7, 1985

NEW CAST TO PLAY IN REAGAN SHOW

As President Reagan prepares to begin his second term, there are major changes in his supporting cast. Here's a look at three of them.

President Reagan has resubmitted the name of his counselor, Edwin Meese, to the Senate for confirmation as attorney general. However, the reasons for rejecting the longtime presidential chum are, if anything, clearer than they were last year when the nomination was tabled.

Unfortunately, there may not be much opposition to the nomination. Pressure from the Oval Office to ignore Mr. Meese's regrettable ethical lapses and install him at the Justice Department is said to be intense.

And why not vote for him? Mr. Meese's supporters ask. Wasn't their man cleared of any criminal wrongdoing last fall by an independent counsel? Back in September, President Reagan hailed the report of Jacob Stein, the lawyer who sifted through three years of Meese activities, as total "vindication" for his crony.

But Mr. Stein took pains to note that his charge was simply to review the record to determine whether there was criminal misconduct worthy of indictment. Though he found insufficient evidence to recommend charging Mr. Meese, the counsel noted that he lacked authority to pass judgment on the "propriety or the ethics" of Mr. Meese's activities.

Fortunately, Archibald Cox—former Watergate prosecutor, retired Harvard law professor and now chairman of the public interest organization Common Cause—has taken up the challenge at least to air those doubts that senators should be expressing. This is the first time, Prof. Cox notes, that Common Cause has ever opposed a Cabinet-level appointment.

But the unusual step is clearly justified, as Mr. Cox's 37-page review of the Stein report shows. Left up in the air are allegations that federal appointments were arranged by the attorney general-designate for individuals who helped him financially. Mr. Meese admits that he failed to comply with the law when he did not disclose a $15,000 interest-free loan to his wife. And the details surrounding the sale of his California home still invite charges of favors done for favors received.

"The White House response (to the Stein report) has created the impression that Mr. Meese has been cleared of all wrongdoing and that no legitimate hurdle remains to prevent his confirmation," Mr. Cox recently noted. But Mr. Stein's research did anything but lay the groundwork for exoneration.

Indeed, as Mr. Cox claimed, "the information . . . reveals a man who is not fit to serve as attorney general."

Coupled with the issue of Mr. Meese's finances is the matter of the Carter briefing book caper from the 1980 campaign debate. Most of us may consider that ancient history, but the fact remains that the attorney general-designate has not responded to questions about his role, if any, in acquiring or using the documents. When questioned about it by the Senate Judiciary Committee, he was sarcastic, derisive and, ultimately, offensive.

Mr. Meese's champions claim that the real reason that Common Cause and others are keeping these matters alive is political. The attorney general-designate is too conservative, they claim, and his ideology, not his ethical conduct, is the real issue.

Hogwash! What is political is Ronald Reagan's determination to appoint an old-time chum to a post for which he is unqualified in virtually every way. The best way that the Republican-dominated Senate can assert its independence is to let Mr. Reagan know that Ed Meese simply won't be acceptable as the nation's No. 1 law enforcer.

[From the Milford (NH) Cabinet, Dec. 27, 1984]

BUT WHY EDWIN MEESE?

Archibald Cox helped to set the record straight when he said last week that the fact that there may be no grounds to prosecute Edwin Meese III, the President's choice to become Attorney General, does not mean that he is ethically fit to hold the post. Common Cause, of which Cox is chairman, is urging people to write their senators and representatives asking them to oppose Meese's confirmation.

The President's sense of personal loyalty may be commendable, but the Meese nomination does nothing to build confidence in the judgment of the administration.—WBR.

[From the Middletown (CT) Press, Dec. 26, 1984]

THE MEESE APPOINTMENT

When the Congress reconvenes, one of the first matters it will take up will be the confirmation hearing of Edwin Meese as attorney general. While Meese has been investigated and not found to be indictable, his judgments leave much to be desired. Archibald Cox, the Watergate prosecutor who is now the chairman of Common Cause, has commented on the report of the Independent Counsel, and he says, "The uncontradicted evidence in the report shows that Mr. Meese repeatedly participated in appointing to high government positions individuals who had done or were doing him financial favors or who were affiliated with an organization that had done him financial favors or who were affilated with an organization that had done him financial favors." Cox has spelled out his objections to confirmation on the following grounds:

"(a) After receiving a $40,000 loan arranged by John McKean to relieve his financial distress, Mr. Meese supported the nomination of McKean to fill a vacancy on the Postal Board of Governors before the four-member Senior Staff Personnel Committee of which Mr. Meese was a member. Later, after receiving not only a further loan but also Mr. McKean's agreement to defer $12,000 in interest payments, some of which were in arrears, Mr. Meese as a member of the four-member Senior Staff Personnel Committee, joined in approving McKean for a position providing a longer term on the Postal Board of Governors desired by Mr. McKean.

"(b) On January 7, 1981, Mrs. Meese, with Mr. Meese's approval, received an unsecured, interest-free $15,000 loan from Edwin Thomas, a close friend, which Mr. Meese omitted from his financial disclosure report although plainly required. Thomas went to work under Mr. Meese in last January as Assistant Counsellor to the President.

"(c) While he was heavily in debt to Great American First Savings Bank, had received forbearance of monthly payments on some of his loans, and was in default on one of his loans, Mr. Meese participated in decisions to name Bank officials to government positions—again without disclosing the danger of conflicting interests.

"(d) While Mr. Meese was suffering financial difficulty partly because of inability to find a buyer for his California house, Pendleton James, who had recently left his position as White House Director of Personnel, asked Thomas Barrack to provide Mr. Meese with assistance. Barrack quickly arranged a very favorable sale. At the same time Barrack was pursuing a federal appointment under Pendleton James's sponsorship. The evidence, while not conclusive, makes a convincing showing that Mr. Meese must have known that Barrack was interested in a federal job. Mr. Meese was also sent a copy of letters sent by Mr. James to five Cabinet secretaries using his Meese's name in pressing Mr. Barrack for appointment. Without revealing his link to Mr. Barrack, Mr. Meese was one of the four-member Senior Staff Personnel Committee that recommended Mr. Barrack for Assistant Secretary of Commerce.

"(4) In each of these instances Mr. Meese violated Executive Order 11222, which proscribes conduct: '. . . which might result in, or create the appearance of . . . giving preferential treatment to any organization or person; . . . losing complete independence or impartiality of action. . . .' To accept financial assistance and thereafter join in appointing one's benefactor to public office creates "the appearance of . . . giving preferential treatment' and of 'losing complete independence or impartiality of action.' "

This kind of behavior raises a number of questions. It undermines public confidence in the office, it sets a poor example for others, and it raises the question of whether the individual himself, in dealing with those of whom he is indebted, can even be sure himself that he is being even-handed. Quite apart from the fact that Meese has no broad legal experience or high attainments at the law, his major problem is that he has been blind to the ethical conduct required of a high government official. He should not be confirmed as attorney general, no matter how firm a friend of the president he may be.

[From the Middletown (NY) Times Herald Record, Jan. 4, 1985]

PUT AN END TO MEESE'S MISERY

Edwin Meese has been dangling in the wind for a year, waiting to be appointed attorney general of the United States. It's time to end his misery—cut him down and tell him to forget about the job.

He is not suited for the top criminal justice position in the country.

President Reagan first nominated Meese for the job a year ago. A slew of charges arose concerning apparent improprieties, possible illegalities and dubious ethics. An independent counsel appointed to investigate the charges cleared Meese of the illegalities, but declined comment on the propriety or ethics of Meese's behavior.

A case is now being made for Meese's nomination based on the counsel's report. A counter case is being pressed, most notably by Common Cause, based on the issues the report failed to address. The Senate Judiciary Committee is expected to hear both sides later this month.

Meese, the president's chief counsel, accepted a variety of financial favors—loans,

an irregular Army Reserve promotion, questionable mortgage deals and sale of his house—from people who later were appointed to lucrative federal jobs, with his help. The report said there was no basis for prosecution. Period.

Common Cause—and common sense—say that's not enough. Absence of evidence of criminal wrongdoing does not automatically qualify someone to be attorney general. Nominees for high public office, particularly that of attorney general, must answer to a higher standard. They must avoid even the appearance of giving preferential treatment to an organization or person because the public must have complete confidence in the attorney general as an independent, impartial officer of the government. That requirement is part of an Executive Order that defines moral principles required among high public officials.

Much of Meese's testimony before the independent counsel consisted of not remembering transactions or conversations or not being aware that interest-free loans had to be reported, by law, as income. That is hardly an encouraging performance from a lawyer who aspires to head the Justice Department and it certainly makes one wonder how (or if) Meese would investigate similar behavior by other government officials.

It is heartening to learn that there is no evidence Meese *intended* to abuse his position at the president's side to achieve personal gain. No one gains from wishing others ill. But it is disheartening to think that someone so insensitive to the appearance of impropriety and so apparently unaware of the law could seriously be considered for so sensitive a position as attorney general.

[From the New London (CT) Day, Dec. 24, 1984]

MEESE: A SHOO-IN IN SPITE OF HIMSELF

Unless lightning strikes, the Senate is likely to approve Edwin Meese III as attorney general. If it does, it will follow tradition by declining to defeat a president's nomination for the Cabinet. Not since 1959 was a nominee turned aside. Nonetheless, the Senate will be wrong.

Meese has demonstrated that he is insensitive to the ethical consideration that go hand-in-glove with high government office and particularly with the job of attorney general.

Common Cause director Archibald Cox, the distinguished former Harvard Law School professor, says naming Meese as attorney general will ignore evidence that the man disregarded conflicts and improprieties in his government service. Cox ought to know disrespect for ethical considerations when he sees them. As the lawyer first appointed special prosecutor for the Watergate affair, Cox was breathing down Richard Nixon's neck when the former president fired him.

Jacob Stein, the special counsel assigned to Meese's case, reported that he found no evidence that Meese violated any federal laws in his dealings in the government. But as Common Cause and Cox correctly point out, Stein did not address the ethical considerations in the case and did not answer the question whether Meese is fit to hold the nation's highest law enforcement post.

Regardless of the Senate's likeliness of approving Meese's nomination the arguments for turning him down are numerous and persuasive.

Meese received aid from John McKean in obtaining $60,000 in loans and McKean subsequently was named chairman of the Postal Service's Board of Directors. As White House counsel, Meese has a major voice in patronage appointments such as the one McKean received.

Bank officers who arranged $480,000 in credit assisting Meese to buy a new home in Washington before selling his house in California received federal jobs. They also allowed Meese to delay 15 months worth of mortgage payments on his loans.

Thomas Barrack, a California real estate developer who in effect contributed $83,000 out of his own pocket so someone could buy Meese's $300,000 home in California, ended up as an assistant secretary of the Interior Department. Meese could not remember playing any role in the appointment of Barrack.

Meese at first listed as moving expenses some $10,000 in trust funds arranged to provide transition money for Reagan administration officials as the president was taking office. But when apprised that the Justice Department probably would consider payment of such moving expenses illegal, Meese listed the money as consulting fees and reported them as income on tax returns.

Maybe Meese is being honest in saying there was no quid pro quo between him and people who made loans and later got federal employment. Maybe Special Counsel Stein was correct to believe Meese when he said he had lapses of memory in failing to report the interest-free loan and in not remembering conversations about patronage jobs for individuals who had helped him financially.

But even if the public stretches the point by believing Stein and Meese on the ethical considerations, it must conclude that Meese is a bungler. In short, he's hardly the kind of alert, thoughtful and ethically sensitive person most Americans want in charge of the Justice Department.

[From the New Republic, Jan. 21, 1985]

WHAT A MEESE!

By last spring it had become clear that Ed Meese couldn't be confirmed as Attorney General as long as suspicions remained about why so many of his financial benefactors had obtained government jobs. So Mr. Meese did a smart thing. He asked the Justice Department to appoint an independent counsel to decide whether or not to indict him—thus shifing public attention from the question of his fitness to be Attorney General to the question of his criminality. Last September Independent Counsel Jacob Stein decided that, on balance, Mr. Meese was not a criminal. President Reagan hailed the report as conclusive proof that the charges against Mr. Meese were "baseless." He demanded that the Senate swiftly confirm his friend. Most Senators seem eager to go along with this post post-Watergate mentality: if you're not indicted, you're a Boy Scout.

Well, we hate to be the only bluenoses in town, but we still have our doubts about Mr. Meese's qualifications. Mr. Stein himself emphasized that he could not meet a request from Mr. Meese's lawyers to dispel charges of "moral turpitude" against Mr. Meese. And the Stein report makes it clear that its conclusion doesn't mean there was no evidence of criminal conduct. The report depended also on "prosecutorial discretion"—subjective judgments about the severity of Mr. Meese's offenses and how difficult it would be to gain a conviction. Indeed, far from finding that the charges against Mr. Meese were baseless, the Stein report introduces damning new evidence, some of which is at odds with testimony given during Mr. Meese's confirmation hearings. (Scandal connoisseurs who want to learn more should consult articles by Christopher Hitchens in the December 29-January 5 issue of *The Nation* and Julie Kosterlitz in the January-February *Common Cause.*)

Mr. Meese, who always had to struggle to keep up with his wealthy California friends, invited trouble in the first place by living beyond his means. Then he relied on the kindness of those friends (and even strangers) to bail him out. Mr. Stein couldn't prove beyond a reasonable doubt that Mr. Meese knew his financial angels wanted government jobs—largely because Mr. Meese couldn't recall dozens of crucial events and document. But it's hard to believe that Mr. Meese wasn't aware of what they were after.

Take the case of Thomas Barrack. In the summer of 1982, the Meeses wanted desperately to sell their San Diego home. Not only was their bank about to foreclose on the place, but they were also behind in payments on their $250,000 home in suburban Virginia. At the request of Mr. Meese's friend, Pendleton James, who had just stepped down as White House personnel chief, Mr. Barrack (whom Mr. Meese barely knew) came to the rescue. By September 1, Mr. Barrack had arranged a complicated sale which involved shelling out $83,000 of his own money.

Mr. Barrack then set about looking for a federal job. At Mr. Meese's confirmation hearings, Mr. Barrack said he never met with Mr. Meese during his job hunt. But the Stein report shows that Mr. Meese and Mr. Barrack met no fewer than four times that fall. After a meeting in Washington on September 8, Mr. Barrack sent Mr. Meese a letter thanking him for his "counsel and encouragement." On November 9 the Meeses has dinner in Georgetown; earlier that day Mr. Barrack had met with two cabinet officers about possible jobs. (Pendleton James was supposed to be there too, but had to cancel at the last minute. He asked Mrs. Meese if she and her husband would recognize Mr. Barrack. Mrs. Meese replied, "Oh, we'll recognize him. He'll be the one with a halo around his head.") Mr. Meese and his wife stayed at Mr. Barrack's California ranch over the Thanksgiving holiday, by which time James Watt had created a job for Mr. Barrack at the Interior Department. And on December 2 Mr. Barrack showed up at Mr. Meese's birthday party; the day before, he had started working for Mr. Watt. But Mr. Meese is not a curious man. He claims he didn't ask about Mr. Barrack's job hunt on any of these occasions.

Yet another murky series of events centers on the $10,000 Mr. Meese received from the Presidential Transition Trust in November 1980. Mr. Meese testified to the Senate Judiciary Committee that the money was a "consulting fee." According to the Stein report, however, the $10,000 check was marked "moving expenses" when Mr. Meese cashed it on November 22. Later the check stubs were changed to read "consulting fees." Why the switch? No one remembers exactly. But Peter McPherson, a lawyer who headed the Transition Trust, testified to Mr. Stein that he told Mr. Meese in early December that it was illegal to use the trust's money for moving expenses. According to Mr. McPherson, Mr. Meese told him to drop the matter—but didn't mention that he'd already cashed a check for moving expenses. Also, fellow White House aide Michael Deaver told Mr. Stein that Mr. Meese said he'd try to find a source of cash to help

Mr. Deaver make the move east, but later told him that "the lawyers" wouldn't permit it.

The only thing Mr. Meese claims to remember about all this is that he heard—somewhere—that there would be a "problem" with being paid moving expenses, and ordered the checks changed. Is Mr. Meese saying that he changed the records, but doesn't know why? (He never submitted a bill for consulting.) In a particularly generous bit of prosecutorial discretion, Mr. Stein came up with an innocent explanation. "Mr. Meese . . . did substantial work for [the Trust] . . . and thus was entitled to compensation for his services. Despite questions as to who authorized the changes . . . the records of the Trust were changed to reflect the revised purpose of the checks as consulting fees. On the basis of the above, we do not believe a violation . . . by Mr. Meese could be established."

We could go on and on. At a meeting on November 8, 1982, Mr. Meese and a San Francisco accountant, John McKean, agreed to defer $12,000 in interest payments Mr. Meese owed Mr. McKean. At the same meeting the two discussed extending Mr. McKean's appointment on the Postal Board of Governors. But Mr. Meese insists "there was never any connection in his mind" between the two matters. Contrary to what Mr. Meese implied at his confirmation hearings the Secretary of the Army warned Mr. Meese—in a memo and a phone call—that it would at the very least create a bad appearance to grant Mr. Meese's request for a highly unusual (and highly lucrative) promotion in the Army Reserve. Mr. Meese took the promotion anyway. He claims not to remember the memo, even though the Stein investigators tried to refresh his memory by showing him a copy which he himself had mailed back to the Secretary. (Interestingly enough, the Stein report is silent on the question of whether Mr. Meese remembers the phone call.)

But you get the picture. The Stein report goes on for 400 pages and one searches in vain for signs that Mr. Meese ever thought of calling a halt to the monkey business being conducted on his behalf. He may not have done anything provably criminal, but his behavior was hardly what we'd expect from the nation's highest law enforcement officer. Mr. Meese's nomination comes up again at the end of this month, and the Administration wants a no-muss, no-fuss confirmation. The Senate shouldn't go along.

[From the New York Times, Dec. 20, 1984]

QUESTIONS FOR MR. MEESE

To be cleared of criminal suspicion is a relief but not a qualification for high office. Yet when a court-appointed independent counsel found no basis for indicting Edwin Meese in September, President Reagan saw the judgment as "vindication" of his nomination to be Attorney General. Now Robert Dole, the new Senate majority leader, says Mr. Meese, having endured Judiciary Committee grilling and a six-month special investigation, merits swift confirmation next month.

That skips an important step, as a new report by Common Cause makes clear. Before confirming Mr. Meese, the Senate needs to confront the ethical questions raised but not resolved in the report of the special counsel, Jacob Stein. It was beyond Mr. Stein's mandate to state an opinion of Mr. Meese's fitness for the highest law enforcement office. But the facts recited in his report call for analysis by the Senate.

Of chief concern are a number of financial favors for Mr. Meese around the time that, as the President's counselor, he helped his benefactors get Federal jobs. The Stein investigation uncovered no evil motive, or even conscious pattern in those favors. But Mr. Meese needs finally to explain why he sees no connections between favors received and extended, and why he senses no ethical danger in those transactions.

For example, Mr. Meese's promotion to colonel in the Army Reserve, though in no sense criminal, was highly irregular. Lacking the educational requirements, he was given "constructive educational credit" and the promotion—and then recommended an unusual second term for the chief of army reserves who had awarded that credit. Mr. Meese's well-based intercession, with the Secretaries of the Army and Defense, was successful.

Curiously, Mr. Meese couldn't recall either a memorandum or telephone call from former Secretary of the Army John Marsh advising that it would be better for him to wait a year for a more regular-seeming promotion. Such forgetfulness ran through Mr. Meese's Senate testimony and also his response to Mr. Stein.

An Attorney General needs a good memory and a sharp eye for impropriety. The Office helps set an administration's moral tone. The Senate cannot responsibly confirm Mr. Meese without getting better answers to the questions of ethics and appearances that his case raises.

[From the Virginian-Pilot, Norfolk (VA) Jan. 1, 1985]

REAGAN'S POOR CHOICE

One of the new year's political hangovers is President Reagan's continuing desire to have White House aide Edwin Meese confirmed as U.S. attorney general. A president ought to be able to have his choice of Cabinet members—as long as the choice possesses the basic qualities of good judgment and a sharp mind needed in the top echelons of the federal government. Unfortunately, on the evidence at hand, Mr. Meese fails that test.

We defended Mr. Meese a year ago, when the president first nominated him, because the opposition seemed petty and politically inspired. But as revelations about Mr. Meese's behavior continued, a pattern became apparent: People who helped Mr. Meese and his wife out of financial trouble got cushy government jobs. A man who loaned Mr. Meese $40,000 became a member of the Postal Board of Governors; a man who gave Mrs. Meese an interest-free, unsecured loan went to work as an assistant to the president; a man who arranged the sale of Mr. Meese's house at favorable terms was recommended by Mr. Meese for assistant secretary of commerce. There was more, and Mr. Meese, when questioned about the incidents, could never remember the facts of the cases.

Because of questions raised by these revelations, the Senate Judiciary Committee suspended Mr. Meese's confirmation hearings last year until a special prosecutor, Jacob Stein, could investigate. Mr. Stein found "no basis" for prosecuting Mr. Meese under criminal statutes, but declined to deal with the ethical questions involved. However, even if Mr. Stein did not himself comment on Mr. Meese's ethics, the details unearthed in his investigation confirmed that Mr. Meese was guilty of poor judgment and had shown little regard for the ethical standards that should govern the actions of a public official—especially one who aspires to be the nation's top law-enforcement officer.

Federal Executive Order 11222, "Prescribing Standards of Ethical Conduct for Government Officers and Employers," which has been in effect since 1965, prohibits activity by federal officials—including White House aides such as Mr. Meese—which ". . . might result in, or *create the appearance* [emphasis added] of using public office for private gain; . . . giving preferential treatment to any organization or person; . . . or affecting adversely the confidence of the public in the integrity of the government."

Mr. Meese certainly has—on more than one occasion—engaged in activity that created appearances that affect adversely the confidence of the public in the integrity of the government. To put it simply: He sets a bad example.

The second set of hearings on his confirmation begin soon. Unless political cronyism and ethical blindness are prerequisites for attorney general, the Senate should reject the president's unfortunate choice.

[From the Parsons (KS) Sun, Jan. 3, 1985, and the Hays (KS) News, Jan. 2, 1985]

MEESE'S MODEST QUALIFICATIONS

Archibald Cox, the high-minded Watergate prosecutor, says Ed Meese is unfit to be U.S. attorney general.

He's right, but not neccessarily for the reasons he cites.

Cox is most concerned about Meese's "utter insensitivity to ethical standards."

That's a valid point. When ethics were ladled out, Meese was playing golf. But Washington's hide is well scarred with character lapse.

Even more to the point in the Meese nomination are his professional qualifications.

To say the kindest, they are modest.

Meese was deputy district attorney of California's Alameda County. He directed a Center for Criminal Justice Policy at a San Diego law school.

That's it, so far as law goes. Yet he is slated to be our top law official.

We have hundreds of men and women who are better grounded in law and the Constitution. No, we have thousands.

Meese is a businessman, troubleshooter and politician. He also is a good buddy of the president.

He qualifies to be "crony-general," as the Chicago Tribune puts it. But is good buddyism the way to pick cabinet officials?

[From the Rochester (NY) Sunday Democrat and Chronicle, Dec. 23, 1984]

HE WOULDN'T BE A GOOD CHOICE

Archibald Cox, the first Watergate Special Prosecutor and a man who knows much about the need for integrity in government, has now, as Common Cause chairman, urged the Senate not to confirm former presidential counselor Edwin Meese III to the post of attorney general.

It will be recalled that an independent counsel, Jacob A. Stein, found no basis for prosecuting Meese for any violation of federal criminal law. He also declined to evaluate Meese's fitness to become attorney general as a question that lay beyond his jurisdiction. Stein's investigation had focused on allegations that Meese had helped arrange positions in the Reagan Administration for individuals who had assisted him financially and that he had failed to disclose an interest-free loan to his wife.

Though he may be legally in the clear, Meese, as Cox points out, has not displayed the judgment and the high ethical standards required of an attorney general. Cox in fact says bluntly that Meese has shown a "lack of ethical sensitivity" and "blindness to abuse of position."

If it is sensitive to the need for an untarnished reputation in a post as critical as that of attorney general, the Senate will vote against confirmation.

[From the Salt Lake City Deseret News, Jan. 5, 1985]

MEESE STILL NOT BEST MAN TO BE ATTORNEY GENERAL

President Reagan's support and loyalty to his friends usually are understandable and even admirable. But some of the president's warmest backers are wishing he would nominate somebody besides Edwin Meese for the sensitive post of U.S. attorney general.

Reagan picked Meese a year ago for the country's No. 1 law enforcement job, but so many disturbing questions were raised in Senate hearings about Meese's activities that a special prosecutor was named to examine the allegations.

The questions included certain unreported loans and subsequent government jobs for the lenders, stock deals, gifts received, Meese's military promotion, and various fees and favors by or for Meese.

Eventually, the investigation found no evidence that would call for prosecution of Meese under federal law—a rather restrained report that still left a certain uneasiness about Meese's judgment in his personal affairs.

Undaunted by all of this, President Reagan this week re-nominated Meese for the attorney general job, a post that supposedly represents a life-long ambition for the former county prosecutor and law professor from California.

Although his legal background is not a particularly distinguished one, Meese is qualified in a narrow legal sense to be attorney general. And a president obviously should be free to name trusted associates to top administrative positions.

After all, Meese has been with the president a long time, serving as his chief of staff in Reagan's days as governor of California.

But the job of attorney general is unlike that of adviser or head of a federal agency, although it is both of those, too. The attorney general is the top law enforcement official in the nation and must have the confidence of his countrymen as well as the president.

After all his troubles, that public confidence in Meese is not particularly strong. His appointment will be seen by some as merely political cronyism.

No doubt President Reagan—particularly after his landslide re-election—will be able to push Meese's nomination through the Senate, but it won't be without opposition from people who see Meese as "insensitive" to issues of civil rights and civil liberties.

With all the dedicated, skilled and worthy people in America who might fill the attorney general post with distinction, it's a shame that the president is going with friendship and a man who remains under something of a cloud.

[From the Scottsdale (AZ) Daily Progress, Jan. 9, 1985]

ROUND 2 FOR MEESE

President Reagan has nominated his friend Edwin Meese to be the next attorney general of the United States. In preliminary Senate hearings last summer, Meese was charged with violating the law by using his position as presidential counselor to do favors for friends who had helped him financially.

After a lengthy investigation, special counsel Jacob Stein reported that Meese had not actually broken the law. The report, however, did not present an opinion on the ethical conduct of the nominee.

That issue now will confront the Senate Judiciary Committee. Meese will have to explain why he believes it is proper to grant favors to persons who have helped him financially.

In addition, Meese will have to explain his promotion to colonel in the Army Reserve when he lacked the normal experience requirements. And he must explain why he then recommended the chief of the reserves for an unusual second term.

The attorney general should have a broad legal background as a practitioner. Meese's legal background is limited and is largely political.

But the heart of the matter is whether the nominee has the moral qualifications for the job. He should be totally above suspicion and incorruptible, for the office sets a moral standard for the nation.

Based on his past record, Meese fails these ethical tests. His nomination should be turned down by the Senate.

[From the Seattle (WA) Times, Dec. 31, 1984]

TRADITION FAVORS MEDIOCRE NOMINEE

Forecasts that the Senate soon will confirm President Reagan's nomination of Edwin Meese III as attorney general are based on a tradition that senators rarely second-guess Cabinet choices, no matter how mediocre.

In all of U.S. history, in fact, Cabinet nominees have been rejected only eight times, most of them in the 1800s. The most recent was 1959, when Dwight Eisenhower's choice of Lewis Strauss as commerce secretary was rebuffed by only three votes.

But if tradition is on Meese's side as his nomination comes up for a vote in the new Congress, few of the questions raised almost a year ago, when Reagan first proposed him as successor to William French Smith, have been answered satisfactorily.

Those questions centered largely on Meese's role in getting federal jobs for people who had helped him get out of some financial difficulties. To dispose of what Meese called "baseless insinuations," the nominee asked for and got a five-month investigation by a Justice Department-appointed special prosecutor, Jacob A. Stein.

Stein reported in September that he would have "no comment on Meese's ethics and the propriety of his conduct or an evaluation of his fitness for office." That, he said, was beyond his mandate. Instead, Stein said only that he could find no basis for prosecuting Meese for violation of any criminal statute.

Meese said he was "very happy" with the report, and the White House issued statements leaving an impression that the nominee had been "cleared" of problems impeding his appointment as the nation's top legal officer.

Common Cause, the citizens' lobby, rightly served notice that it will continue to oppose the nomination. Archibald Cox, Common Cause chairman, said that despite the special counsel's report, Meese's past conduct "shows that he is blind to the ethical standards and obligations required of a public official."

Other critics have noted Meese's limited credentials in the legal field.

About the best that can be said of Meese is that he has been politically loyal to Reagan. If the Senate does indeed confirm his appointment, it will be a sad commentary on the system for determining fitness for high public office.

[From the Spokane (WA) Spokesman-Review, Jan. 5, 1985]

MEESE IS A POOR CHOICE FOR ATTORNEY GENERAL JOB

President Reagan created an untimely political problem for the Senate and cast an unfortunate shadow on the ethical integrity of his administration by renominating his longtime friend, Edwin Meese III, as U.S. attorney general this week.

Consideration of the Meese nomination is likely to tie the Senate in political knots at a time when it ought to be concentrating on the many crucial issues it must resolve this year, such as the federal budget deficit.

The ongoing controversy over Meese's nomination also will mire the Reagan administration in renewed doubts about its regard for the appearance of ethical integrity—at a time when the administration needs public confidence and a fresh start on the nation's problems.

Meese would not inspire confidence, either in the administration generally or in the high office for which he has been nominated.

True, a special prosecutor, after investigating 11 allegations of wrongdoing, found that there are no grounds to charge Meese with a crime.

But the prosecutor took pains to point out that his report was limited to the question of criminal violations and could not address the question of ethical violations and Meese's fitness for the position of attorney general.

As the top law enforcement official in the nation, the attorney general should be a lawyer of the highest caliber, with ethical integrity that is beyond reproach.

Perhaps no crime occurred when several people who furnished Meese with personal financial aid obtained federal jobs or when the presidential counselor was promoted to colonel and transferred from the Army's retired reserve to its ready reserve in 1981 (thus, Meese acquired a larger pension), without completing necessary course work.

But it looks bad, and integrity as well as the appearance of integrity is essential to high public office.

Ordinarily, the Senate respects a president's choices for his Cabinet. However, if the Senate takes its confirmation role seriously, it must consider the need for top government officials to have not only the fact but also the appearance of integrity, so as to inspire respect and trust in the public they serve.

To be cleared of criminal wrongdoing by a special prosecutor is not enough. The fact a special prosecutor was needed at all is cause for concern. So many doubts have arisen about Meese that he is a poor candidate for this important position.

Clearly, there are many lawyers of high caliber, conservative philosophy and impeccable reputation who would be acceptable to President Reagan and who would serve well in the office of attorney general, without inspiring public cynicism and distrust.

Meese does not belong in that office, nor does he deserve the Senate's confirmation.

[From the St. Louis Post-Dispatch, Dec. 23, 1984]

NO VINDICATION ON CHARACTER

Should Edwin Meese, the White House counselor, be confirmed as attorney general? Breaking its tradition of never having opposed a Cabinet-level nomination, the respected and nonpartisan citizens' lobby, Common Cause, says No. The reasoning behind that unusual judgment is solid and deserves the most serious consideration by the Senate, which must confirm President Reagan's selection.

Common Cause bases its conclusion on the report, issued in September, by Special Prosecutor Jacob Stein, who investigated a wide assortment of charges of wrongdoing that had been leveled against Mr. Meese. Chief among these were allegations that Mr. Meese had improperly helped put persons who had assisted him financially into high positions in the Reagan administration and that he had failed to report, as required, a $15,000 interest-free loan to his wife. Both Mr. Meese and the president say that the prosecutor's finding, which absolved Mr. Meese of criminal behavior, have vindicated him. But Archibald Cox, Common Cause chairman and the first Watergate special prosecutor, says the report does no such thing.

To understand why, it is important to keep clear the exact purpose and intent of Mr. Stein's report. That is the only way to appreciate the significance of what it said and what if did not. A special prosecutor's only charge is to determine whether cause exists for criminal action against a high federal official. He has no mandate—and indeed it would be inappropriate for him to assume one—for any other investigation into that official. Hence's the question of Mr. Meese's fitness for attorney general was beyond Mr. Stein's charter. Properly, it was left unaddressed in the report.

Mr. Stein found no evidence that Mr. Meese had engaged in crimes, such as bribery, which had been suggested by the apparent quid pro quo of financial help for him and federal jobs for his benefactors. But the 385 pages of the Stein report constitute a deep reservoir of facts—about loans to Mr. Meese and other matters—that ought to be deeply disturbing to those who must vote on his confirmation.

Was it good judgment to accept the money and then assist the lenders to obtain federal positions? Was it ethical for Mr. Meese to redesignate a $10,000 payment from a Reagan presidential transition trust from "moving expenses to "consulting fees"—after learning that the former might well have been a violation of criminal law? Was it proper for Mr. Meese to recommend a second term as chief of Army Reserves to the officer who made possible his promotion to reserve colonel, although Mr. Meese lacked the formal educational requirements for the rank?

The criminal possibilities in those questions have been answered by the special prosecutor. But the issues of judgment, ethics, and sensitivity to propriety—in short, the question of character—remain unsettled. The nation's highest law enforcement officer must have impeccable credentials on these matters; and here, the verdict of the Stein report has not vindicated Mr. Meese.

[From the St. Petersburg (FL) Times, Dec. 20, 1984]

COMMON CAUSE'S LOST CAUSE?

There are compelling reasons why Edwin Meese, the presidential counsellor, should not be allowed to become attorney general of the United States. Someone who has been so openly contemptuous of civil rights is implausibly cast as head of the department that's supposed to enforce civil rights. Someone who so often has been blind to the appearance of conflict of interest on his own part is an unacceptable candidate to police the ethics of others.

But Washington reasons in strange ways. Meese, having submitted to thorough scrutiny by an independent counsel under the Ethics in Government Act, was found to have done nothing for which he could be prosecuted criminally. The independent counsel, Jacob A. Stein, took pains to point out in his report that he wasn't passing judgment on Meese's ethics. The Senate, however, seems to have eyes only for the other parts, which say in effect that Meese is not a crook. His confirmation is said to be assured.

That would set a shabby standard for one of the nation's highest and most sensitive offices. Meese's conduct, however immune to prosecution, smells of chronic cronyism, a conveniently feeble memory and a galling insensitivity to the urgent need to keep the President's office above suspicion.

Stein's report did not deny that Meese's wife had borrowed $15,000, to play the stock market, from one of Meese's White House employees, Edwin W. Thomas. He said simply that the loan had nothing to do with subsequent federal patronage appointments for Thomas and Thomas' wife and son. Yet Meese forgot to report that outstanding loan on his financial disclosure forms. Stein reasoned that Thomas had many other friends of long standing in the Reagan White House, including the President himself, and could have gotten jobs without Meese's help. Even so, Meese should have reported the loan. One might understand how a rich man might overlook such a debt. But Meese wasn't rich. The circumstances may not spell criminal conduct, but they raise profound questions about Meese's attentiveness to important details.

Stein also acknowledged that Meese had involved himself with the appointment to the Postal Service Board of Governors of a California man who had provided him with a personal loan, and with other appointments to four men connected with a bank that had carried an overdue mortgage on Meese's California house. Meese disclosed those transactions properly. But why didn't he also disqualify himself from having anything to do with those appointments? If his failure to do so does not require Meese to stand in a prisoner's dock, neither does it qualify him to run the Justice Department.

Happily, there are still people who believe that high public officials should be held to the highest standards of conduct. Common Cause, the public affairs lobby, announced this week that it will oppose Meese before the Senate Judiciary Committee. Washington wisdom says that's a lost cause. But the chairman of Common Cause is a person who knows something about matters like that. He is Archibald Cox, the one-time Watergate special prosecutor who preferred to be fired rather than compromise on principle. History will remember who was right this time, too, regardless of the immediate outcome.

[From the Syracuse Herald-Journal, Dec. 5, 1984]

MEESE: THE AWFUL APPOINTMENT THAT SIMPLY WON'T GO AWAY

As soon as Bob Dole was crowned king of the Senate, he started showing signs of a strange ailment.

His mind goes blank whenever Edwin Meese III, friend of the president and financial finagler extraordinaire, is discussed. It may be catching; Meese's problem also involves memory lapse.

One of Dole's first promises as Majority Leader was to push for a vote on Meese's appointment as attorney general. Given his powerful position, if Dole wants a vote he'll get a vote.

And he'll probably get Meese confirmed, which would be an insulting disregard of the job description for the attorny general. He or she is supposed to be the nation's top law enforcement officer.

It's reasonable to expect high standards of conduct from anyone in that post. That's why we choke at the thought of Meese.

Soon after President Reagan nominated him, allegations about Meese's financial sleights of hand began surfacing. A special prosecutor was appointed but, on Sept. 20, he decided there was "no basis" under federal law for prosecuting Meese.

Senator Dole sees that as complete exoneration. "I think we've held Ed Meese hostage long enough," he said Sunday.

Poor Ed Meese. There he is, chained to his White House desk and forced to stay in a $60,000-plus job when he could be having fun as the nation's top cop.

Meese was cleared legally, it's true, but he certainly wasn't cleared ethically. The special prosecutor didn't say Meese did nothing wrong—nothing as clearcut as that. He chose his terminology carefully. The prosecutor found "no substantial evidence of any motive" to conceal questionable financial deals. Meese's explanations for omissions were "credible," prosecutor Jacob Stein said.

We'd call that a less than wholehearted exoneration—with good reason. Consider one of several accusations against Meese: He "forgot" to report a $15,000 interest-free loan to his wife from an old friend, Edwin Thomas. Later, Thomas, his wife and son got federal jobs. All just coincidences, the special prosecutor assures us.

Right. We're expected to believe a man with serious financial difficulties stemming from problems selling his California home would forget a loan amounting to one-fourth of his salary. And we're expected to believe he forgot or overlooked other financial favors from powerful people.

Dole accepts all this with blind faith—or he has forgotten Meese's past.

Senators should give the nominee the benefit of doubt legally. He's entitled to that. Then they should consider if his conduct meets the high ethical standards required of an attorney general.

On that count, Meese is entitled to no such benefit of doubt.

[From the Tacoma News Tribune, Jan. 4, 1985]

MEESE DOESN'T DESERVE JOB

There's a strong chance taxpayers will get stuck with all or part of the huge legal bills presidential counselor Edwin Meese ran up defending himself in an ethics investigation.

But that doesn't mean they should get stuck with Ed Meese as U.S. attorney general, too.

A judge will rule soon on Meese's request for government reimbursement of his legal bills, incurred during a special prosecutor's five-month investigation of allegations against Meese. A new federal law allows for such payment.

The special prosecutor concluded in September there was no basis for filing criminal charges against Meese, but that was not enough to dispel the ethical questions that cloud Meese's record. Among other things, Meese repeatedly "participated in appointreport a $15,000 personal loan from a friend he subsequently hired as his White House deputy.

Archibald Cox, former Watergate special prosecutor and chairman of the Common Cause citizens lobby, noted that Meese violated a federal executive order barring even the appearance of conflict of interest by public officials. After examining the report on Meese, Cox concluded recently that Meese repeatedly"participated in appointing to high government positions individuals who had done or were doing him financial favors . . ."

While Meese may have intended no wrongdoing, Cox added, "his past conduct shows, however, that he is blind to the ethical standards and obligations required of a public official."

Cox's criticisms of Meese stem from a well-known scrupulousness rather than partisan politics. It's unfortunate that President Reagan chose to ignore this and instead resubmitted Meese's nomination to the Senate yesterday. The nation's top legal officer should be someone of spotless reputation; Edwin Meese doesn't fit the bill. The Senate should act accordingly.

[From the Tallahassee Democrat, Jan. 9, 1985]

MEESE—NOT QUALIFIED TO BE NOMINEE

Ed Meese, former counselor to President Reagan and now his nominee for U.S. attorney general, says he has been completely vindicated by the report of an independent counsel appointed to consider charges brought against him during Senate confirmation hearings.

Not quite.

Washington lawyer Jacob Stein found "no basis" for bringing criminal charges against Meese. He was not asked, and did not volunteer, an opinion on whether Meese violated civil law or federal regulations.

But Stein's report does not paint a picture of a careful, prudent man qualified to become the nation's chief law officer. Instead, it shows someone who, at best, is sloppy in his personal financial dealings and who, at worst, uses his position of public trust to enrich himself.

Common Cause Chairman Archibald Cox and others who continue to postpone the confirmation of Meese are correct. He is not the man for the job.

Federal regulations require that officials "avoid any action . . . which might result in, or create the appearance of, using public office for private gain; giving preferential treatment to any person (and) losing complete independence or impartiality."

Yet Meese approved the appointment of San Francisco accountant John McKean to fill an unexpired term on the Postal Board of Governors a month after McKean had arranged a $40,000 loan for him. Later, after McKean got Meese another $20,000 loan and deferred interest on the initial loan, he was appointed to a full nine-year term on the board. The Stein report says that the interest deferral and the long-term appointment were discussed by Meese and McKean at the same meeting.

Is there no appearance of preferential treatment here?

Los Angeles real estate developer Thomas Barrack arranged for the sale of Meese's California home, which had been on the market for 18 months; apparently, $83,000 of Barrack's own money was used to complete the deal. Barrack later was approved for two federal jobs. The second, as assistant secretary at the Commerce Department, required approval by Meese and three other members of the Senior Staff Personnel Committee.

Is there no appearance of preferential treatment here?

Meese was promoted from lieutenant colonel to colonel in the Army Reserve, a move that allowed him to get 26 percent greater retirement benefits when he later retired. An internal Army investigation later found Meese was promoted "not on the basis of his past military performance, but rather on the basis of national prominence."

The Stein report found "some evidence" that Meese knew that he was going to get special treatment, but did nothing to stop it. He later called Defense Secretary Caspar Weinberger to recommend Gen. William Berkman for appointment to a second term as reserve chief.

Is there no appearance of special treatment here?

Surely the president can find a person better suited to be attorney general than Ed Meese.

[From the Vancouver, (WA) Columbian, Dec. 23, 1984]

COX' MEESE FIGHT IS FUTILE BUT STILL WORTH THE TRY

There's really no way that liberals and civil libertarians are going to prevent U.S. Senate consent to the nomination of Edwin Meese III as attorney general. Nonetheless, they are right to make the attempt.

As Meese's chief adversary said the other day, the nominee has been shown to be "blind to the ethical standards and obligations of a public official."

That adversary—no stranger to such standards and obligations—is Archibald Cox, now chairman of Common Cause, formerly special Watergate prosecutor and nemesis of Richard Nixon.

President Reagan insists that he will have Meese as his chief law-enforcement official and head of the Justice Department. Reagan's smashing electoral victory reinforces the traditional argument that a president should have the Cabinet he wants. The Senate is dominated by supporters of Reagan—or at least those who dare not oppose him. So nothing is surer than renomination of Meese and Senate consent to that renomination.

So why does Cox persist? Why is he joined by the Leadership Conference on Civil Rights, an organization described as an umbrella for more than 150 civil rights groups?

Quite apart from their concerns about Meese's sloppy bookkeeping and soft attitude on influence dealing, they are concerned about his authoritarian approach to law and conservative views of civil rights. By establishing a firm adversarial position to Meese now, they can hope to improve his tenure.

Reagan has moved beyond politics. He works now for history's judgment, and he must be aware that opponents such as Cox will help write his administration's history. Meese is Reagan's man, and he cannot relish smudging Reagan's record by offensive public behavior in high office.

In the face of Reagan's electoral mandate, any opposition to his wishes may seem futile. In a democratic society, however, opposition is necessary however vain.

[From the Tampa Tribune, Jan. 7, 1985]

TRIBUNE EDITORIALS—ED MEESE ISN'T BEYOND SUSPICION

One of the early responsibilities of the 99th Congress will be consideration by the Senate of confirmation of President Reagan's nomination of White House Counselor Edwin Meese III as Attorney General of the United States.

Meese's name was first submitted to the Senate a year ago but information developed by the news media and during Senate Judiciary Committee hearings resulted in a preliminary investigation by Attorney General William French Smith of possible criminal charges against the nominee.

An independent counsel, Jacob Stein, was appointed "to investigate any allegation or evidence of violation of any criminal law by Mr. Meese."

These included reports that Meese had accepted financial favors in return for helping individuals obtain federal jobs, that he had willfully filed false financial disclosure statements and that he had improperly obtained a promotion in the U.S. Army Reserve.

Last September the independent counsel's report was issued. It concluded there was "no basis" for indicting Meese on criminal charges. That was a reasonable conclusion, as far as it went, but information developed suggests that, if Ed Meese hadn't broken the law in fact, he had surely mangled it in spirit.

Common Cause, a citizens' lobby, is strongly opposed to the Meese nomination. Its chairman, Archibald Cox, formerly solicitor general of the United States and the first Watergate special prosecutor, says the Stein report shows that the nominee "lacks the qualities necessary to be a credible attorney general."

Cox charges that Meese:

Accepted a $40,000 loan arranged by John McKean and supported the nomination of McKean to fill a vacancy on the Postal Board of Governors.

After receiving a further loan from McKean and obtaining an agreement from him to defer $12,000 in interest payments, joined in approving his benefactor for a longer term on the Postal Board of Governors.

Participated, in decisions to name Great American First Savings Bank officials to government positions while he was heavily in debt to the institution and in default on one loan.

Accepted help in selling his California home from Thomas Barrack and subsequently recommended Barrack for Assistant Secretary of Commerce.

Accepted preferential treatment in gaining a higher rank in the Army Reserve although he had been informed by the Secretary of the Army that his promotion would not be a "regular and normal affair."

Failed to include in his financial disclosure report a $15,000 loan by Edwin Thomas to Mrs. Meese. (Thomas was appointed assistant counselor to the President and, later, administrator of the San Francisco Regional Office of the General Services Administration.)

Cox, in a statement issued last month, said, "Mr. Meese may have intended no wrong. His past conduct shows, however, that he is blind to ethical standards and obligations required of a public official."

Ed Meese's intentions may be the very best, but he has utterly failed the "Caesar's wife" test and is certainly not beyond suspicion. If his name remains before the Senate it will become the center of a prolonged and acrimonious debate which could delay consideration of more important issues.

Sherman Adams, the deposed White House chief of staff during the Eisenhower administration, was cashiered for accepting a simple vicuna coat. Meese's indiscretions are far more complicated and raise serious questions about integrity and judgment which should not be associated with an individual in the position of attorney general.

If Meese respects his President, he will do Mr. Reagan a favor and step aside now before the storm breaks over both their heads.

[From the Tucson (AZ) Star, Dec. 22, 1984]

QUESTIONS OF CHARACTER—MEESE MIGHT NOT BE CROOKED, BUT HIS LAPSES ARE CRITICAL

The report of a special investigator concludes that Edwin Meese is not a crook, at least not an indictable one. But that declaration does not make Meese a fit candidate for attorney general.

Meese keeps repeating that he has a poor memory for detail. He also seems to have a poor grasp of ethics in government. Neither failing is desirable in an attorney general, yet the Senate seems ready to confirm Meese's nomination to become the nation's head lawyer.

Senate debate on President Reagan's nomination of his chief adviser is scheduled to resume in late January or early February. Meese would succeed William French Smith, who resigned to work on the president's re-election campaign.

The special investigator, Jacob A. Stein, reported in September that he found "no basis" for prosecuting Meese for any violation of federal criminal law. Stein refused to evaluate Meese's fitness for the office because, he said, it was beyond the scope of what he was appointed to do.

However, Stein concluded that Meese had displayed a "lack of ethical sensitivity" and a "blindness to abuse of position" as he directed federal appointments on the basis of favors done for the Reagan campaign and in the way he accepted a promotion without merit in the Army Reserve.

Stein also was assigned to investigate Meese's failure to disclose a $15,000 interest-free loan made to Meese's wife by a Reagan ally. Meese himself received payment from a trust established to finance Reagan's transition to office in 1981.

Meese pleaded poor memory on all counts. Stein found no felonious intent in Meese's actions. But that does not make those small lapses in honesty irrelevant to Meese's appointment as attorney general. That fine point was well made this week in a letter to all senators from Archibald Cox, the chairman of Common Cause, the citizens' lobby.

Meese's lapses are rather enough to reject his nomination as attorney general. It is too critical an appointment to be dictated by Senate partisanship.

[From the Abilene (TX) Reporter-News, Jan. 31, 1985]

QUESTIONS REMAIN—ED MEESE

Presidential Adviser Edwin Meese is not a crook. A special prosecutor determined as much after a painstaking investigation of Meese's financial affairs as a member of the White House team.

The investigation found "no basis" on which to prosecute Meese for criminal wrongdoing. So, it is fairly certain Meese will not be cracking rocks in a federal penitentiary.

But does a clean bill of health from a special procesutor mean that Meese is entitled to serve as U.S. attorney general, as the highest ranking law enforcement official in the land? That is a quantum leap we wish the Senate did not have to consider.

Serious ethical questions remain. These are questions not covered by the letter of the law by which special prosecutors are constrained.

Reports this week revealed that staff members in the Office of Government Ethics concluded that Meese had violated federal ethics rules on at least two occasions. In one instance, Meese failed to disclose a $15,000 interest-free loan from a close friend. In another, he played a role in finding jobs for other friends who helped him out of financial straits.

Legal? Perhaps. Ethical? That is at least open to disput—hardly a ringing endorsement of a future attorney general, whose ethics should be beyond reproach.

Meese's credentials in the legal field also leave much to be desired. He once served as an assistant district attorney in California. He was director of the Center for Criminal Justice Policy and Management at the School of Law at the University of California in San Diego before coming to Washington.

Aside from those positions, his primary occupation has been that of politician, chiefly as Ronald Reagan's friend, counsel and confidante.

These factors surely vex many of the senators charged with the task of deciding Meese's fitness to serve as attorney general. Texas' two senators said Tuesday, as hearings before the Judiciary Committee began, that they have not decided whether they will support Meese.

Lloyd Bentsen, a moderate Democrat who rarely votes against presidential nominees, is taking a "wait-and-see" attitude. Even more surprising, GOP. Sen. Phil Gramm, a diehard Reagan loyalist, said he would not make a final decision until he reviews the Judiciary Committee report.

Reagan probably will never withdraw his appointment of Meese. He is as hardheaded as Harry Truman in supporting cronies in key positions. The president's support has remained steadfast during last year's investigation and after the surfacing of the Ethics Office report this week.

Perhaps it's too much to expect that the Senate will reject Meese because his background is tainted and because he lacks the qualities to be anythging more than a mediocre attorney general. But the country and the president would be better served if Reagan would choose another appointee from among the huge pool of qualified legal minds in the country.

[From the Austin (TX) American Statesman, Jan. 31, 1985]

THE FACTS REMAIN: MEESE NOT QUALIFIED FOR AG POST

The Senate hearings this week on the nomination of Edwin Meese to be attorney general probably will break no new ground. The facts are not in dispute. Though a special investigator found no basis for charging Meese with criminal conduct, he clearly has scant sensitivity to or respect for high standards of ethical conduct and his nomination should be rejected.

If the Senate fails to confirm him, it will send a clear message that it expects nominees to such lofty positions as attorney general to be of high quality. "Not actually indicted" just isn't good enough.

But if the Senate confirms the nomination, it could be sending an unfortunately different message. It would be that it finds nothing wrong in Meese's as White House counsel, having appointed to federal office six individuals who personally gave him tens of thousands of dollars in financial assistance or who were officers of a bank that extended him favorable treatment on more than $400,000 in loans; nothing wrong in Meese having received special treatment in being promoted from lieutenant colonel to colonel in the Army Reserve, over the objection of the Army deputy chief of staff; nothing wrong in changing records to show a legally questionable "moving expense" payment as a consulting fee; and nothing wrong with having failed to file complete financial disclosure forms.

Certainly, presidents are entitled to nominees who agree with them philosophically and politically and who are friends. But not when the nominee has an almost total blindness to the sort of ethical standards expected of the nation's top lawyer. There are thousands of better qualified lawyers who also are conservative Republicans and who are rigorously ethical. The Senate should tell President Reagan to find one to nominate as attorney general.

[From the Bakersfield (CA) Californian, Jan. 28, 1985]

OURS—BETTER CANDIDATES EXIST

Edwin Meese III returns to the Senate Judiciary Committee tomorrow for renewed hearings to determine whether the Senate should confirm him as Attorney General. It will be almost a year to the day since earlier hearings were suspended.

The earlier hearings were suspended to allow an independent counsel to investigate whether federal laws had been broken during a complex series of financial transactions entered into by Meese. Questions also were raised about his role in the Reagan campaign's acquisition of a Carter campaign debate briefing book—the overballyhooed "debategate" affair.

After a narrowly conducted five-month investigation, special counsel Jacob Stein concluded that "no basis" had been found "for the bringing of a prosecution against Mr. Meese for violation of a criminal statute." Stein refused to "comment on Mr. Meese's ethics and the propriety of his conduct or an evaluation of his fitness for office."

We agree that is more appropriate for the Senate to determine than it is for a federal appointee.

We opposed Meese's earlier nomination to succeed William French Smith on two grounds: the questions that had been raised regarding improper actions which he may have taken while a presidential counselor and because we felt that there were better candidates.

We are willing to accept Stein's conclusion that Meese engaged in no criminal actions, even if his actions were indiscreet.

But nothing in the year that has passed between the two rounds of confirmation hearings has convinced us that Meese is the best person available for the job.

Meese is a former Alameda County District Attorney. A staunch conservative—which is not the basis of our objection to him—he has pledged to carry on Reagan administration policies: stronger drug enforcement actions, fighting organized crime and an emphasis on victims of crimes.

As good as that sounds, he has also said things which give us pause, such as chacterizing the American Civil Liberties Union as being a part of a national crime lobby, the manner of his support for "preventive detention" and his advocacy of using illegally obtained evidence in trials.

The attorney generalship is one of the country's most sensitive domestically oriented offices. We think there are other persons available who can carry on the president's mandate in a more even-handed way.

[From the Beaver Dam (WI) Daily Citizen, Feb. 1, 1985]

A LESSON FROM MEESE

Twelve months is a long time for a Cabinet appointee to twist in the air. Something beyond mere partisan or ideological wrangling must have held up approval of Edwin Meese III by the Senate Judiciary Committee for that long. The designation of James Baker III, the fellow White House troika alumnus, as secretary of the Treasury took but one day to pass muster in the Senate Finance Committee before being promptly ushered down to the Senate floor for quick approval.

The lesson in the Meese ordeal is that Cabinet appointments should be made in the first instance principally on the basis of professional competence and probity, not on the basis of personal loyalty to the president, reward for longtime service, or the desire to reassure a political constituency that its support will not be forgotten. This is especially true of the post of attorney general, whose officeholder might have to confront the chief executive with unwelcome, impartial counsel.

The Meese appointment bore too heavy a personal weight. No acclamation of his impersonal competence by legal professionals came to his rescue. The conventional notion that a president should be able to appoint the people he wants played too strongly in the initial Meese decision. Once launched, the appointment ensured a personal ordeal for Mr. Meese and his family, an embarrassing loose end for President Reagan through the last election, and the prospect that Meese would have a harder time winning the confidence of the American people by his performance on the job, given the long public attack on his fitness.

That public confidence is important. The designers of the process would not have required Senate approval if a president's imprimatur on an appointment were enough.

The remarkable hiatus stemmed largely from reservations about Mr. Meese's ethical fitness for the job. It has all been gone over so many times that perhaps his supporters hoped that familiarity with the charges would make them seem less offensive. These include instances of financial assistance to Meese or his wife by individuals who later won government posts with his help, a preferential advance in Meese's Army Reserve status, and a record of testimony that showed a disconcerting imprecision in his recall of events and in the orderliness of his private affairs. A court-appointed independent counsel, Jacob A. Stein, found that Meese had committed no criminal actions. In recent days, an Office of Government Ethics staff report was made public. The report, rejected by the office's director, accused Meese of violating federal ethical standards.

In his defense, Mr. Meese ascribes his problems to disorder and haste in the early days of the Reagan administration, not to self-seeking, and he promises greater sensitivity to the appearances of confict of interest in the future.

Another line of reservations about Meese derives from this views and actions on civil rights, on legal services for the poor, and other matters that could come into his domain for action as attorney general. Unfortunately, inquiry into these issues had to struggle for equal footing with the ethics question.

The sense in Washington for weeks now has been that Meese would eventually weather the assault on his nomination. But more-exacting attention to ethical principles in the White House four years ago would perhaps have eliminated the apparent conflicts of interest. And a more impersonal search for someone to fill the nation's top law enforcement office could also have given the Senate approval process a more affirmative ring than has been heard in the Meese case the past dozen months. (CSM)

[From the Bennington (VT) Banner, Feb. 1, 1985]

THE MEESE WHITEWASH

President Reagan has nominated for attorney general his White House counsel, Edwin Meese, who has a bad habit of getting financial favors from people who end up with cushy government jobs. The coincidences were striking enough to prompt the appointment last year of an independent counsel, who came to the conclusion that there wasn't enough hard evidence to justify a criminal indictment.

That's reassuring, but it doesn't answer the question at hand; whether Mr. Meese has the ethical sensitivity that the Senate should expect of a person asking to be confirmed as head of the Department of Justice. Therefore it is gratifying to know that Mr. Meese's ethics—and not just his criminal liability—have been addressed by the Office of Government Ethics.

The staff of that agency studied the report of the independent counsel and came to the conclusion that, in two matters, Mr. Meese's financial dealings had, in fat, appeared to conflict with his official duties. This is a violation of federal regulations which forbid actions by officials that might even "create the appearance of" preferential treatment for someone.

This clear statement of some of the issues involved in the Meese appointment was almost not available to the Senate Judiciary Committee as it begins what its Republican chairman, Strom Thurmond, has said will be just a one-day, hurry-up confirmation hearing of Mr. Meese. The contents of the report were kept under wraps by the Office of Government Ethics' director, David H. Martin, after he was persuaded by Mr. Meese's attorneys and White House officials not to take action on the staff's findings. The report saw the light of day only after it was leaked to The Wall Street Journal.

There are no damning new revelations in the document. All that the staff's attorneys did was to study the independent counsel's record, examine the pertinent federal regulations and come to a conclusion that should have been obvious to the Senate: Mr. Meese has not met the minimum standard for conduct by government officials or employees. The advantage of having this report on the table is that it forces senators to recognize just what they will be condoning if they give their blessings to this unworthy nomination.

[From the Bethlehem (PA) Globe-Times, Jan. 29, 1985]

CONFIRMATION OF MEESE WILL SEND WRONG MESSAGE

Most Washington insiders expect the U.S. Senate will confirm White House Counselor Edwin Meese III's appointment as U.S. attorney general. Normally, the president is given his choice on such appointments. If it happens in this case, however the senators will have sent a troubling message about the state of our public ethics.

An independent counsel who investigated charges against Meese found there was insufficient evidence for prosecuting him. This is being interpreted as a clean bill of health, justifying speedy confirmation. In fact, the independent counsel's 385-page report is anything but vindication. It contains detailed, largely uncontested evidence of Meese's own low regard for ethics in government, and of his willingness to engage in behavior that raises the most serious questions about his fitness to become our country's chief law-enforcement officer.

Meese secured federal appointments for several people from whom he borrowed money or was helped financially, in some cases with no interest charged, and in one case failing to report the loan as required by law. The independent counsel said he could not prove the people won the jobs because of the financial relationship. But the counsel explicitly left it to others to determine whether Meese had adhered to standards of ethics and propriety required to head the Department of Justice.

In the past, receiving personal financial benefits, as Meese did, and then exercising governmental power in favor of the benefactor has been condemned as grossly unethical—even when there was no proof of a causal connection.

When it became known that Sherman Adams, the senior White House aide to President Dwight D. Eisenhower, had accepted a vicuna coat, the loan of an expensive oriental rug and the payment of his hotel bills from a textile executive who had matters pending before other departments of the government, Adams was forced to resign, even though he had committed no crime.

When it became known that Supreme Court Justice Abe Fortas accepted a gift of $20,000 from financier Louis Wolfson and agreed to accept annual retainers, Fortas, too, was forced to resign, even though he neither gave nor promised official favors.

Even if an official can maintain complete impartiality, the sight of a government official using his office to help or simply to deal with individuals who have done him financial favors undermines public confidence in government. Free government cannot survive that loss of confidence.

In particular, the attorney general has more opportunity to set the ethical tone of an administration than any official other than the president. He must symbolize the fair-minded, impartial, sensitive but impersonal administration of justice. Organized society depends on a wide network of obligations that cannot be enforced by criminal punishment but that must be honored by most of us if we are to remain a free society.

One tangible result of confirmation would be to lower ethical standards for govern-

ment workers throughout the nation. As Archibald Cox, the respected attorney, professor and former Watergate Special Prosecutor, has noted, a vote to confirm Meese would say to thousands of government officials and employees:

"We, United States Senators, think that anyone in public office should feel free to accept large financial favors. Don't worry that those who do you a favor may later look for government appointments or have business with the government that you may affect. Don't even worry about later participating in their appointment, or their receipt of other government benefits. We, as Senators, see nothing wrong in this. Just be sure not to commit a crime."

[From the Biloxi-Gulfport (MS) Daily Herald, Jan. 29, 1985]

MEESE PASSING LEGAL BILL TO TAXPAYERS

Until he tried to pass on his $720,000 legal bill to the taxpayers, Ed Meese seemed assured that the senate would approve his nomination to be the U.S. attorney general. Now it appears that if anything convinces the senate to withhold its approval, it will be this newest controversy over how much of Meese's legal bills should be paid by the taxpayers.

The Meese-for-attorney general story is as long as it is messy. Had the legal payment question not surfaced, the probability is that this week's Senate Judiciary Committee hearings would have ended it with a cleared path to Senate confirmation. After all, senators are considering a nomination from a president with a 49-state landslide re-election—that's high-powered political clout.

But the legal payments issue is a substantial one. Ironically, it stems from the services of the very people who successfully defended their client during a detailed investigation last year, his lawyers Leonard Garment and E. Robert Wallach. They are not your everyday attorneys; when they work, they command fees of $250 an hour.

In the Meese case, the tab for their legal services ran up to $720,000. That's twice as much as the federal government spent for the lawyers who conducted the investigation.

The law that created the special prosecutor also allows a public official who has been investigated and cleared to have his reasonable legal fees paid for by the government. Meese's case raises the question "What is reasonable?" A panel of three circuit judges will have to answer that question. If they find that "reasonable" fees would be an amount equal to what the government spent on the case, Meese would face a $400,000 bill, steep by any standards and almost impossible for someone whose annual salary is $80,000.

If Garment and Wallach charge less than their regular fees, Meese would be receiving a substantial financial favor. If friends raise the difference between what the government would pay and what he owes, he and they would be violating a statute that forbids paying a supplement to his federal salary.

It is ironic that Meese has helped lead the administration's fight to end free federal legal services for the poor and to limit private attorneys who beat the government in court to fees of $75 an hour.

Meese survived a five-month investigation headed by Jacob Stein, the Independent Counsel who looked into numerous charges leveled at Meese last year. Stein studied 11 charges, including the connection between Meese's acceptance of financial favors and his help in appointing his benefactors to high-level federal positions.

Stein's conclusion was that there was "no basis" for prosecuting Meese under federal criminal law, but his report was far from an exoneration. The conduct revealed by the investigation may not have merited criminal prosecution but it certainly did not describe the qualifications that ought to be required of the person who would be the chief law enforcement official of the nation and its highest legal officer.

It has only been a few years since that office was tarnished by John Mitchell's involvement in Watergate. Citizens look to the Senate to assure that candidates for that office meet the high ethical standards.

Meese's standards seemed less than adequate before. Sticking taxpayers with his $720,000, or trying to, does nothing to elevate them.

[From the Bradenton (FL) Herald, Feb. 1, 1985]

CLEARED, BUT UNQUALIFIED

". . . since when is not being indicted a qualification for a Cabinet post?" asks Sen. Howard Metzenbaum, one of the few members of the Senate Judiciary Committee who has publicly opposed Edwin Meese III's confirmation as attorney general. Metzenbaum was referring to the shaky logic used to support Meese's confirmation during Senate hearings this week: Since Meese has been cleared of criminal wrongdoing, the theory goes, there is no reason not to make him the most powerful law officer in the nation.

Metzenbaum and others who oppose Meese's confirmation have one insurmountable reason why he should not be attorney general—he is guilty of unethical, if not illegal, conduct. His failure to live up to the ethical standards expected of federal servants proves that he is a particularly unacceptable candidate to lead the nation's criminal justice system.

When Meese's confirmation was opposed last spring, independent counsel Jacob A. Stein was appointed to investigate charges that Meese had unethically and illegally won administration jobs for individuals who did him financial favors. In September, Stein concluded that Meese had done nothing to violate federal criminal laws. The Reagan administration joined Meese in pronouncing the report a complete vindication, without mentioning that Stein had refused to comment in his report on charges that Meese had acted unethically.

Meese claimed the report "left no stone unturned" to prove his ethical as well as legal innocence. But slimy signs of ethical misconduct by Meese have nevertheless surfaced this week, via a report from the Office of Government Ethics. The internal report by staff lawyers F. Gary Davis and Nancy Feathers, which concludes that Meese violated ethical standards required of federal employees, was suppressed by office chief David H. Martin. It saw the light of day this week, after Senate Judiciary Committee members learned of the report's existence and demanded to see it.

The report states that Meese violated an ethics rule that limits federal employees' ability to accept gifts, and a rule intended to protect federal servants from conflicts of interest. It refers to a $60,000 loan Meese received with the help of his accountant John R. McKean, who was later nominated to a seat on the U.S. Postal Board of Governors. Meese also created, at the very least, the appearance of impropriety when he accepted help in the sale of his California home from Thomas J. Barrack Jr., who was later given a job in the Interior Department.

These incidents show, at best, Meese's disregard for ethics. Even if Meese did not intentionally abuse his influence for personal gain, the conflict of interest has undermined public faith in his ability to handle the power and responsibilities of attorney general fairly and intelligently.

Added to Meese's misjudgments his latest affront—asking the government to pay $720,924 in legal fees for $250-an-hour lawyers he hired to defend his past conduct. Under certain circumstances, federal employees are entitled to receive reimbursement for legal fees for private lawyers. But Meese's lawyers exceeded the Reagan Justice Department's policy of limiting federal employees' private attorney fees to $75 an hour. Not only is it hypocritical of Meese, an opponent of free legal services for the poor, to expect taxpayers to foot the bill for his high-priced legal help; it is a violation of the Justice Department's own code. That Meese has once again disregarded rules set by the administration he serves is another indication that he is not fit to lead the justice system.

Common Cause chairman Archibald Cox, an outspoken opponent of the expected Meese confirmation, maintains that Meese's insensitivity to the standards expected of an attorney general "would disqualify even a lawyer of broad legal experience and high legal attainments. Mr. Meese has neither."

What Mr. Meese does have is the support of the president—and good reason to believe he will become attorney general. President Reagan has chosen and defended some woefully unqualified and combative officials in the past—James Watt and Anne Burford being the worst of the lot—who have done the nation and the Reagan administration far more harm than good. Surely he could have found a more qualified, less controversial candidate for attorney general than Edwin Meese. Americans have a right to expect much more from their attorney general than the absence of a criminal record.

[From the Brattleboro (VT) Reformer, Jan. 30, 1985]

THE MEESE APPROACH TO GOVERNMENT ETHICS

President Reagan gets his way with a lot of things on Capitol Hill these days, as befitting one of the most popular presidents in modern history, and he probably will get his way with the Edwin Meese nomination. The Republicans control the Senate, and senators of all persuasions always are reluctant to reject a presidential Cabinet appointment.

But in the Meese case, that's too bad. It is unfortunate that President Reagan still insists that he be attorney general.

As attorney generals normally go, Meese probably wouldn't be all that bad. He is not even close to being as awful as John Mitchell, who was Richard Nixon's attorney general, and who is now an ex-jailbird because of his sleaze role in Watergate. Meese is a conservative, which is hardly anything to hold against him, and he is loyal to the President, as all good attorneys general should be.

Nevertheless, the nation's chief law enforcement officer should be a man above reproach, and Meese is not. Compared to Robert Kennedy, for example—who is the subject of a current television mini-series—

Meese falls short not only on ability and compassion, but integrity.

This really is the issue in the Meese controversy. Jacob Stein, the independent counsel who investigated allegations that Meese aided friends in return for loans, found no legal wrong-doing. But the question is not criminal activity, or the lack of it; it is Meese's ethical behavior in government.

One report by staff lawyers for the Office of Government Ethics has concluded that while Meese didn't violate the law, he did violate ethical standards in his conduct while in the White House. That report is now figuring prominently in the Senate Judiciary Committee confirmation hearings on Meese that got underway yesterday.

Meese's problem is compounded by the job he is seeking. The "Justice" Department, by any standard, should be as clean as a hound's tooth owned by Caesar's wife. The attorney general should not be tainted by even the hint of scandal. If a special counsel has to be chosen to investigate allegations of impropriety, as was the case with Meese, that in and of itself should be enough to disqualify any prospective head of the Justice Department. It's bad enough that the Reagan administration's secretary of labor, Raymond Donovan, is actually under indictment; it is even worse that Justice now be tainted.

Over and above all this is Meese's demand that the Reagan administration—the nation's taxpayers, in short—pay the staggering $725,000 in legal fees that were run up by two private lawyers who represented him during the government's investigation of his activities. That princely sum came about because the two princely attorney's charged him $250 an hour. Even so, three-quarters of a million dollars is an outrageous amount of money for taxpayers to spend either on Ed Meese or on his lawyers.

All of this is even more outrageous, of course, because it was Meese who has led the battle to limit to $75 an hour the fees of private attorneys who beat the government in court. And it was Meese who has helped lead the Reagan administration's drive to prevent free legal services for the poor.

Rich lawyers, in short, protect and enhance other rich lawyers. And if that is the Meese concept of "justice" in American society, then there is ample reason to reject his nomination, even forgetting his footloose and fancy approach to ethics in government.

[From the Camarillo (CA) Daily News, Jan. 30, 1985]

GOOD "CRONY-GENERAL"

Archibald Cox, the high-minded Watergate prosecutor, says Ed Meese is unfit to be U.S. attorney general.

He's right, but not necessarily for the reasons he cites.

Cox is most concerned about Meese's "utter insensitivity to ethical standards."

That's a valid point. When ethics were ladled out, Meese was playing golf. But Washington's hide is well-scarred with character lapse.

Even more to the point in the Meese nomination are his professional qualifications.

To say the kindest, they are modest.

Meese was deputy district attorney of Alameda County and he directed a Center for Criminal Justice Policy at a San Diego law school.

That's it, so far as law goes. Yet he is slated to be our top law official.

We have hundreds of men and women who are better grounded in law and the Constitution. No, we have thousands.

Meese is a businessman, troubleshooter and politician. He also is a good buddy of the president.

He qualifies to be "crony-general," as the Chicago Tribune puts it. But is good buddyism the way to pick cabinet officials?

[From the Carrollton (GA) Times-Georgian, Feb. 2, 1985]

THE ARROGANT MR. MEESE

The whole Ed Meese affair is beginning to have a very bad taste in the mouths of Americans. Southerners, especially, dislike arrogant politicians. And there are legions of them in the Reagan administration. Meese has demonstrated amply during his confirmation hearings that he is of the same holy cloth as his fellow snobs in the administration.

We'll grant you there will never, never come to light any actual wrongdoing by the presidential counselor. But the confirmation hearings have shown there exists the very distinct probability that there was unethical conduct on his part in his past political dealings.

And now the news becomes known that Meese, who has worked hard for four years to kill the federal legal services program for the poor, is billing the government for more than $700,000 to pay his lawyers.

That's within the law. The legislation that set up the process under which the misconduct charges against Meese were investigated provides for such reimbursement if the subject of the charges is cleared. In Meese's case, however, there are some questions about the amount. The Reagan administration has been trying to limit reimbursement of lawyers in similar cases to a rate of $75 an hour. Meese's lawyers are billing at $225 an hour, the going rate in leading Washington firms.

That $700,000 would support one fair-sized legal services office with 15 lawyers and supporting staff for a year. Somebody ought to ask him how he feels about legal services now—for the poor, and for Ed Meese.

The more shenanigans that come to light about Mr. Meese, the more some people are inclined to wonder whether this man—even if he is qualified—deserves to be attorney general of the United States. We need no more embarrassment in that high office.

[From the Chanute (KS) Tribune, Jan. 29, 1985]

MEESE'S ETHICS

The question before the United States Senate is whether Edwin Meese is competent to become the nation's attorney general. President Reagan has appointed Meese, an old California crony with scant qualifications, for the job.

Certainly from all the possibilities, the White House could have found a better man. Meese simply doesn't fit the bill.

True, a special prosecutor found no evidence to warrant criminal charges against him. But the man's ethics are quite another story. All kinds of questionable dealings have come to the surface against him; Meese was shown to have engaged in dubious transactions of all kinds. His fitness will be closely examined by the Senate Judiciary Committee as a result.

Various groups and individuals have questioned Meese's judgment and will have him on the griddle in the hearings.

As Republican leader of the Senate, Bob Dole of Kansas will be charged with carrying the ball for the White House on the nomination.

Dole thus has an unpleasant duty, and as a loyal Republican, doesn't have much choice unless the evidence against Meese is overwhelming. In that case the president should withdraw the nomination.

The Senate usually accepts presidential nominations, even if it holds its collective nose while doing so. That's an old Senate habit.

The Senate still has a duty to look closely at Meese because the attorney general is a sensitive cabinet position, even when there are no doubts around.

[From the Cocoa (FL) Today, Jan. 31, 1985]

MEESE'S REFUND REQUEST SHOWS HE'S UNFIT FOR POST

One more reason has been added to an already formidable list of reasons why Edwin Meese should not be confirmed as the next attorney general of the United States.

Meese already was under fire from former U.S. Solicitor General Archibald Cox as "unfit to be attorney general" because of his repeated acts "in violation of the ethical standards that should have governed his conduct."

That statement came from Cox after Meese had survived an investigation that found there was no basis for prosecuting Meese for violation of any federal criminal statute.

Sen. Howard Metzenbaum, D-Ohio, urged his committee colleagues to reject the Meese nomination "unless political cronyism and ethical blindness are prerequisites for the position."

Cox and Metzenbaum and other Meese critics take the position that the top legal officer of the nation should not just be able to avoid indictment but should be clean as a hound's tooth.

The additional reason for the Senate committee to think long and hard before confirming Meese stems from the atrocious judgment Meese has displayed in trying to get the taxpayers to pick up the tab for his $720,000 in legal fees.

Since Meese was certified as non-indictable, he is entitled to ask that he be reimbursed for what it cost him to prove himself so.

The special prosecutor act allows officials who are cleared to apply to a three-judge court for reimbursement of some of their legal fees.

But the embarrassment here is that Meese's bill was more than twice what it cost the government to investigate him, with his two lead attorneys billed at a rate of $250 an hour.

The U.S. Justice Department, where Meese would preside if confirmed, is vigorously opposing the Meese request for full reimbursement.

Washington observors doubt that the full payment will be approved by the Court of Appeals, and speculate that they might approve a payment to equal the government's cost of $320,000.

That would leave Meese with a number of not very comfortable options.

If his lawyers settle for half, it could raise some serious questions about possible initial overbilling.

If his lawyers agree to let him pay the additional $400,000 after he leaves office there might be some serious problems with the Internal Revenue Service.

And if he tried to pay it himself on his $80,000 a year Cabinet salary, the already heavily mortgaged Meese might well find it impossible.

51-059 O-86-39 (Pt. 2)

As we have said previously, there are men and women available for this appointment who meet the requirements for the chief legal officer of this nation, but, unfortunately, Edward Meese is not one of them.

His confirmation appears likely because the president has so far refused to budge from backing his long-time crony.

But it will be a shame if it happens.

[From the Dallas Times Herald, Jan. 30, 1985]

MEESE WRONG FOR JOB

Presidental adviser Edwin Meese may have been cleared of criminal wrongdoing with respect to the many questionable financial and political activities he has engaged in since coming to Washington four years ago, but that does not mean he is qualified to hold the important, and highly sensitive, position of United States attorney general.

Serious ethical questions remain in connection with Mr. Meese, and the Senate Judiciary Committee, which on Tuesday opened hearings on his nomination, ought to have been reminded of that by the reports this week that an Office of Government Ethics staff report concluded that he had violated federal ethics rules on at least two occasions.

President Reagan contends that Mr. Meese, a longtime friend and political associate, was "vindicated" last September when special prosecutor Jacob A. Stein found no basis for filing official charges against him. Perhaps. But that hardly makes him a good choice to serve as the nation's top law enforcement officer. In truth, Mr. Meese is a poor choice: He has not demonstrated that he has either the moral character or the legal experience needed to carry out the important duties of attorney general in a professional, equitable and ethical fashion.

Although Mr. Stein found no grounds on which to prosecute, he delivered a 385-page report on Mr. Meese's activities that raises substantial questions about his fitness as a lawyer and a public servant. We agree with Common Cause chairman Archibald Cox, a special prosecutor himself during the Watergate era, who said, "It is not enough for someone to be attorney general to have a sign saying, 'I've been found not to be a crook.'" Mr. Cox charged that the attorney general-designate had displayed a "lack of ethical sensitivity" and a "blindness to abuse of position" in some of his dealings.

While serving as counselor to the President, for example, Mr. Meese failed to disclose a $15,000 interest-free loan from a close friend and played a role in obtaining federal jobs for friends who had helped him out of financial troubles. He also managed to obtain a promotion to colonel in the Army Reserve even though he didn't have the qualifications to merit the promotion.

Equally troubling is Mr. Meese's somewhat skimpy legal background. Although he once served as an assistant district attorney in California and was director of the Center for Criminal Justice Policy and Management at the School of Law at the University of California in San Diego before coming to Washington, he has spent much of his career doing political work for Mr. Reagan. He is a lightweight in the lagal arena, and we think this country has had enough of attorneys general who gained their appointment through political cronyism. The nation's top law enforcement official should have an extensive legal background, and he or she should be above reproach from a moral and ethical standpoint. Mr. Meese falls short on both counts.

Ed Meese may be a valued friend and political adviser to Mr. Reagan. But there are many other people in this country who are better qualified to be attorney general. The Senate should reject his nomination and the President should come up with a better one.

[From the Davenport (IA) Quad-City Times, Jan. 29, 1985]

HE'S ASKING TOO MUCH

If it wasn't bad enough that Edwin Meese seemingly lacks the right ethics stuff to become the U.S. attorney general, now he wants taxpayers to pick up the full $720,923 he spent on expensive lawyers to prove to investigators that he is not a crook and is qualified for the presidential appointment.

Meese hired some top legal guns to defend himself against accusations of financial improprieties. While these investigations let Meese off the criminal hook, they scarred his nomination to such an important position in the Justice Department. Ethics considerations remain in light of Meese helping to get government jobs for a half dozen people who did him financial favors. Meese's wheel-and-deal with federal jobs and other questionable actions make him unfit to serve at Justice.

As for the fees that Meese is trying to recover from his investigation by independent counsel Jacob Stein, that is an extravagant request that Justice properly is contesting. Meese is entitled to some reasonable reimbursement for legal fees as established by law, but not in a $250-an-hour category. The outrageousness of the Meese request can be seen by comparing it to the $320,000 cost of the government investigation.

Meese, the White House counselor who helped battle against federal legal services for the poor, apparently is a more liberal government spender when he is affected personally. Meese should submit a much smaller legal bill. He also should save President Reagan further embarrassment by withdrawing his name from attorney general consideration. He just doesn't morally measure to such a sensitive post.

[From the Des Moines Register, Jan. 31, 1985]

MEESE IS NOT QUALIFIED

Let it be said clearly: Edwin Meese III is not a criminal, but neither is he qualified, professionally or ethically, to become attorney general of the United States.

James J. Kilpatrick, writing on the opposite page, devotes quite some space to ridiculing Archibald Cox as just too, too virtuous, and declares Meese to be a fine fellow guilty of no more than "the ordinary manifestations of politics and friendship."

Colman McCarthy's column gets closer to the heart of the matter, saying it isn't right vs. left, as some would make it, but right vs. wrong: that Meese's dubious money deals with people who got government jobs and his buddyism would disgrace the Justice Department.

Not to the extent that Richard Nixon's attorneys general, John Mitchell and Richard Kleindienst, disgraced it before they went to jail, McCarthy concedes. Much is made by Meese's backers of the fact that an independent counsel examining allegations against him found nothing that would sustain an indictment.

As we have said before, the mere fact that a person is not a criminal does not qualify him for the nation's highest law-enforcement office. Neither do "the ordinary manifestations of politics and friendship."

[From the Duluth (MN) News Tribune, Jan. 29, 1985]

MEESE REMAINS A POOR CHOICE

The worst of the storm may have passed, but Ed Meese is still not a proper choice to be attorney general of the United States.

The Senate Judiciary Committee begins hearings today on President Reagan's nomination of his old friend Meese to be our nation's chief legal authority. Meese's nomination has long been a subject of controversy in our nation's capital because of his many questionable practices during his first-term stint as Reagan's White House counsel.

But now Washington pols predict Meese will win Senate confirmation. The Reagan administration argues the controversy surrounding him was ended by a report of a special prosecutor who last fall found no cause to charge Meese with violating federal laws. Furthermore, Reagan's recent electoral landside seems to have helped grease the skids for Meese.

On the latter point, we would point out that Reagan's personal popularity is in no way transferrable to his friend and would-be attorney general. As to the claims concerning the special prosecutor's finding of "no basis" to indict Meese, we concur with former special prosecutor Archibald Cox: "The effort to sweep Mr. Meese into office on the strength of the independent counsel's report misrepresents the character of that report." That report, Cox contended a month ago, showed Meese to be "blind to the ethical standards and obligations required of a public official."

Lack of criminality does not justify making a person our government's most important and most powerful crime fighter and legal protector. If Meese's nomination reaches the Senate floor, we hope there are enough Republican senators with the nerve and the decency to defy their president and vote to reject this imprudent choice. And we hope to be able to count Minnesota's two Independent-Republican senators, David Durenberger and Rudy Boschwitz, among the "no" votes.

[From the Easton (PA) Express, Jan. 31, 1985]

MEESE LIKELY TO WIN, BUT QUESTIONS REMAIN

If tenacity were the main requirement for the office of attorney general, Edwin Meese III would qualify easily. President Reagan nominated his "trusted counselor" and longtime California friend to head the Justice Department more than a year ago.

The Cabinet position, of course, requires much more. It calls for a person with a firm grasp of the law, a dedication to its highest principles and a professional background that is as clean as the proverbial hound's tooth. Some past attorneys general have fallen short of these ideals, but his administration has often sounded the trumpet of ethical purity.

Meese's political history and the rather narrow views he has voiced about justice in America—including his famous remark that some stand in soup lines "because the food is free and it's easier than paying for it"—lead us to question whether he could bring even-handed leadership and set an ideal example in the administration of justice.

Against that must be measured the traditional right of a president to choose his Cabinet members. Reagan and Meese have

stood their ground through more than a year of controversy. Meese may well win confirmation primarily because the Republicans control the Senate.

A court-appointed independent counsel last year investigated allegations that Meese had helped obtain federal jobs for people who had helped him with his own financial problems. The counsel, Jacob A. Stein, found that Meese had not committed any criminal actions and that there was "no basis" to prosecute him. But Stein did not take up the ethics question. Two lawyers on the government ethics office staff found that Meese had "violated the standards of conduct or other applicable statutes."

The director of the ethics office, Reagan appointee David H. Marin, not only rejected his staff's findings but sought to keep the report from the public. Martin at first wrote to the Judiciary Committee that Meese had committed one violation of standards involving an appearance of impropriety, but a day later Martin wrote that "there was no substance to the appearance problem." Martin said he reached his conclusion after a "robust, open and free exchange" with his staff.

A sore point to many people is Meese's effort to win reimbursement for $720,000 in legal fees he incurred defending himself. These fees were at the rate of a mere $250 an hour.

Two points are especially irritating: Much of the legal work was done by associates and assistants to Meese's star-priced lawyers; only under questioning by Sen. Charles McC. Mathias, R-Md., did Meese later admit that his lawyers would accept whatever the court rules they are entitled to be paid. The rate will probably be much lower than $250. Ironically, it is the Justice Department that is responsible for preventing excessive drains on the U.S. Treasury.

If Meese is confirmed, he will enter the office with inappropriate baggage of ethical conduct questions that have not been resolved to the complete satisfaction of many. And that will be a burden to his effective conduct of that office.

[From the Elmira (NY) Star-Gazette, Jan. 27, 1985]

UNFIT FOR ATTORNEY GENERAL

The case against Edwin Meese III is growing more interesting each day with no further evidence being produced to justify his appointment at attorney general. His latest caper is a request for a court award of $700,000 in legal fees that it cost to clear him of criminal charges.

Meese, who has been blind to the ethical standards of public office, is not qualified to become the nation's highest law enforcement officer. Although Washington lawyer Jacob A. Stein, an independent counsel who investigated 11 charges of misconduct failed to find basis to indict him on criminal charges, the report doesn't bleach out the stained record of the presidential adviser.

The indisputed evidence in the report shows Meese repeatedly participated in appointments of high government officials who gave financial favors.

There are too many failures in Meese's past to warrant confirmation of his appointment. The sooner President Reagan realizes his close political associate is unfit to serve the better off the nation.

[From the Eugene (OR) Register-Guard, Jan. 23, 1985]

SENATE SHOULD DUMP MEESE

We suspect that even the Republicans in the U.S. Senate would be happy to see President Reagan withdraw the nomination of Edwin Meese for attorney general. But Reagan won't.

The Senate should reject the nomination out of hand. But, sadly, it probably won't.

So, the frustrating prospect is that the Senate will confirm this sleazy appointment and the wheeling-and-dealing Mr. Meese will sometime next month become the chief legal officer of the United States. How utterly outrageous that prospect is.

It's true that special prosecutor Jacob Stein investigated various allegations against Meese and last September cleared the nominee of any indictable offense. But Stein pointedly left unanswered the questions of Meese's ethical behavior or his fitness for office. In fact, Stein clearly urged the Senate to explore those areas on its own.

The ethical questions involve cases of people who had helped Meese and his family financially suddenly receiving lucrative federal jobs, an unreported $15,000 interest-free loan to Meese's wife, his highly irregular promotion in the Army reserve and his still-fuzzy role in the purloined Carter campaign documents.

We presume Stein is legally correct in concluding that none of these instances violated federal law. But that is a far cry from saying that they meet even the minimum standards the nation should expect of a person in high office, especially the office of attorney general. If Meese's activities aren't indictable, they are ethically indefensible. As for his legal credentials, we view them as, at best, limited.

In short, Meese's only real qualification for the job is personal loyalty to Ronald Reagan. By any measure that's simply not enough. As the Los Angeles Times noted recently, an ethical blind spot is a major—and disqualifying—infirmity in an attorney general. We wish that the President and, especially, the Senate agreed.

[From the Gary (IN) Post-Tribune Feb. 1, 1985]

MEESE IS NOT BEST CHOICE

The only compelling argument for confirming Ed Meese as attorney general of the United States is that he's President Reagan's choice. That is a powerful political argument. The real test is whether Meese is qualified for the job, and of course he is not.

Being an old, loyal friend of a president is not good enough. What has happened to high standards in public service? The Senate may not want to open that door because it is a broad question that its members have to answer.

There are enough questions about Meese's definition of ethics to raise doubts, but there is no evidence that he has violated any laws. Impropriety is not the same as illegality, but it is unbecoming in a man who aspires to be the country's chief law enforcer, its role model in the fields of justice and fairness.

The perception of impropriety is deadly, too. Meese has been cleared of any criminal acts. That's good, but the fact that an investigation was necessary is significant. Saying that he is not a crook is no great accolade.

But aside from these questions, there is very little to recommend Meese for this position. He has not distinguished himself in the law, and his concern for the rights of poor people in seeking justice is revealing. He has vigorously opposed creating a federal program that would provide lawyers for the poor, and he called the American Civil Liberties Union a "criminals' lobby."

The president apparently does not expect the new attorney general to inspire the nation to lofty levels of justice. If he does not see this office as the very heartbeat of the American system, he is endorsing mediocrity, not urging the country to stand tall. He can find distinguished lawyers to do the job. There is no indication that he has looked for such persons, and that is discouraging.

He has turned to a buddy, and Meese is a distinguished buddy.

Meese's confirmation will tell the country that there is little room for high expectations.

[From the Huntington (WV) Herald-Dispatch, Feb. 2, 1985]

MEESE UNFIT FOR JOB

We've said it before and we'll say it again: Ed Meese isn't fit to be attorney general of these United States.

After lengthy scrutiny, Meese has been officially cleared of any criminal wrongdoing in connection with his financial dealings. But just because he's not a crook, doesn't mean he's qualified to be attorney general.

It was, after all, Ed Meese who convinced President Reagan to try for a while to block extension of the Voting Rights Act.

It was Ed Meese who, as White House counselor and the president's long-time friend, dragged Reagan into the indefensible position of trying to award tax-exempt status to schools which practiced unabashed racial discrimination.

It was Ed Meese who made Scrooge look like a saint when he suggested that thousands of hungry Americans lining up at soup kitchens were really bums and chislers just looking for a free meal.

And it was Ed Meese who, despite that clean bill of health given his financial dealings has revealed a total failure to understand this basic rule of public life: You must not only avoid conflicts of interest but also the appearance of such conflicts.

Is this the kind of man who should be the top "lawman" in America?

No.

Barring some further revelations, it appears likely that Reagan's nomination of Meese will be confirmed by the Senate.

The issue seems to be hardening along party lines, and the Republicans are in the saddle. Even in the Democratic ranks, the argument is being offered that, no matter how distasteful an appointee and his views might be, the president is entitled to have the people he wants to have serving in his Cabinet.

We urge West Virginia's senators—Robert C. Byrd and Jay Rockefeller—to reject this easy rationalization.

For the attorney general is not just another secretary of Commerce or Labor. As the chief legal officer for the nation, he is expected to be, in the words of Sen. Joe Biden, D-Del., "the beacon, the citadel of what young lawyers should aspire to."

To confirm Ed Meese as attorney general would tarnish the luster of one of the most important public offices in this land.

[From the Jackson (MI) Citizen Patriot, Jan. 31, 1985]

MEESE IS UNFIT FOR THE JOB

Once again Edwin Meese III is seeking confirmation as President Reagan's nominee for U.S. attorney general. This week a new round of confirmation hearings began before the Senate Judiciary Committee.

Last year, the Senate delayed confirmation when questions were raised concerning Meese's fitness to serve as the nation's highest law enforcement official. An independent counsel, Jacob A. Stein, was appointed to conduct an inquiry into the allegations, some of which were criminal in nature.

After five months, Stein reported on Sept. 20 that he had found no basis "for bringing of a prosecution against Mr. Meese for violation of a criminal statute." Stein studiously avoided characterizing the ethical propriety of Meese's business dealings.

Meese, who is White House counsel, declared that he had been vindicated, and Mr. Reagan vowed to resubmit his name to the new Congress as the attorney general nominee.

This week, however, there was more damaging material submitted. Two attorneys in the Office of Government Ethics concluded that Meese had violated federal ethics laws, but they were overruled by the head of the office, who is a Reagan appointee. Their dissenting report asserts that there are grounds for prosecuting Meese.

Well, one need not be an attorney to see why Meese is unfit for the job. This is not a position for someone who merely squeaks by in a technical reading of the law. The person holding that high office must be above reproach. Meese's recent career poses too many annoying and unresolved questions.

President Reagan, in persisting to nominate his friend, has turned loyalty from a virtue into a vice. The Senate owes nothing to the president or to Meese on this nomination, but it owes much to the American public. An honest judgment should be rendered on the Meese nomination, and we think honesty would dictate that confirmation be denied.

[From the Janesville (WI) Gazette, Feb. 1, 1985]

MEESE CONFIRMATION WOULD BE A MISTAKE

An extraordinary examination has been going on this week into the questionable ethical conduct of President Reagan's choice for attorney general, Edwin Meese III. Nothing criminal has been disclosed, but some pretty unseemly conduct is readily apparent.

The office Meese seeks is the most sensitive in the Justice Department, a position requiring infinite integrity. The attorney general's post, as Delaware Sen. Joseph Biden said the other day, should be "a beacon, the citadel of what young lawyers should adhere to."

Questions of ethical judgment center on these issues:

Charges that Meese received financial help from individuals who later were given federal jobs in the Reagan administation.

The promotion of Meese in the Army Reserves. He was found to have been improperly transferred from retired to active-reserve, then promoted to colonel. He later was retired.

Meese's request for $720,000 from the government to pay legal expenses in his own defense regarding his finances—at rates up to $250 an hour charged by his lawyers.

An item reported by the Wall Street Journal stating that Meese had violated the government's ethical standards in two instances and that a report regarding those incidents was not released.

Common Cause, an independent watchdog of government operations, has been fighting an aggressive drive against confirmation. Its chairman, Archibald Cox, former Watergate special prosecutor, said the report contained evidence of "Meese's own low regard for ethics in government."

"To declare that the president's nominee for attorney general should be approved whenever there is no basis for his criminal prosecution would have disastrous consequences," Cox wrote. "The attorney general has more opportunity to set the ethical tone of an administration than any official other than the president . . ."

Newspapers across the country have voiced opposition to Meese's nomination, including the Chicago Tribune, Los Angeles Times, Des Moines Register, Boston Globe and others.

In March 1984, the Senate Judiciary Committee began hearings on Meese but postponed action in response to numerous charges revealed in committee hearings and in the press. Attorney Jacob Stein was appointed as independent counsel to head a criminal investigation of Meese.

Eleven charges against Meese resulted, but in September it concluded there was "no basis" for prosecuting Meese under federal criminal law. Reagan hailed the report as a "vindication" of Meese, leading to the impression that he had been exonerated.

But Meese was not exonerated of ethical improprieties.

We believe it would be a grave mistake for the Senate to confirm the appointment of Meese and that President Reagan should withdraw Meese's name.

[From the Lansing (MI) State Journal, Feb. 2, 1985]

MEESE NOT BEST CHOICE

Members of the Senate Judiciary Committee are expected to vote next week on sending the nomination of attorney general designate Edwin Meese III to the full Senate for confirmation.

If that happens, Meese likely will be confirmed on a mostly party line vote—and that's regreattable. We editorialized nearly a year ago that Meese was a poor choice for this most crucial job, and we still think so.

Arguments raged on this past week over allegations of unethical conduct by Meese, despite the fact that a special prosecutor investigated the charges last year and cleared Meese of any criminal wrong doing. The charges centered primarily on claims that a couple of friends who performed financial favors for Meese about four years ago ended up with top federal appointments.

Jacobs Stein, the special prosecutor, did not pass judgment on the ethics questions, but held that Meese was not in conflict of interest and had committed no violations of law. Meese continued to insist that he had done nothing wrong, but did suggest last week that if he had to do it over he might do things differently.

In pursuing their attack, his critics suggest that the ethics questions leave a cloud over the nomination. They do, but that will not likely change anything in the Senate, where the Republican majority will argue that President Reagan is entitled to have the person he wants for the job.

A concern seldom mentioned is that Meese does not have the best credentials for this job, which is the top law enforcement posision in the nation.

It is a post that calls for a leader with considerable experience in legal practice, one who is far above average in knowledge of the law and the Constitution, and one who is not heavily burdened by prior political activism. We believe Meese falls short on all these counts.

Meese's major claim to the office seems to be the fact that he was the president's chief of staff when he was governor of California; that he was a key official in Reagan's 1980 election campaign, and that he since has served as a White House legal counselor—who has remained politically active.

In other words, he is the president's buddy.

Well, we question again that this is the best standard for choosing the person who will head the U.S. Justice Department. We have seen in the past the not-so-happy results of President Nixon's appointment of political buddy John Mitchell to the post years ago. And it was to the dismay of legal experts across the land that President John F. Kennedy named his brother Robert to the job in the early 1960s, even though the younger Kennedy fell far short of the legal experience appropriate to the post.

Cronyism was not and is not a desirable credential from the standpoint of creating public confidence in the Justice Department.

It's regrettable that President Reagan did not ask his friend to withdraw long ago, since he surely could present other candidates who are far more qualified and find other ways to reward Meese for his loyal and effective personal service.

Had he done so, it might have saved the taxpayers about $720,000 in legal expense reimbursement Meese claims is due him for defending himself against the ethics and conflict of interest issues last year. Meese reportedly is entitled to ask for the reimbursement under provisions of the Ethics in Government Act.

Reagan, being Reagan, is not going to back off. The only hope now is that the Senate committee will reject the nomination, but that seems highly unlikely, too.

[From the Lexington (KY) Herald-Leader, Jan. 31, 1985]

MEESE JUST ISN'T CUT OUT TO BE ATTORNEY GENERAL

President Reagan has put the nation's senators in a bind. They can either deny a recently re-elected president the right to appoint whomever he wants to one of the nation's most important positions, or they can allow him to name an unqualified man to be the nation's top legal officer.

That is the choice posed by the president's nomination of Edwin Meese to be attorney general. The Senate Judiciary Committee is now considering the nomination; it will eventually go to the full Senate for consideration.

In making the decision on Meese's appointment, the senators face a difficult decision. First off, he is a close adviser to President Reagan. There is much to be said for the notion that a president should be given broad latitude to appoint those he wants to important posts.

The question is, how broad should that latitude be? A thorough investigation into Meese's background failed to turn up any evidence that he broke the law in some questionable dealings while on the White House staff. There is nothing in his back-

ground that would immediately disqualify him from being attorney general.

That's good enough for many senators, perhaps enough to ensure Meese's confirmation. Meese's critics, led by Democrat Howard Metzenbaum of Ohio, contend that even though Meese broke no laws, his financial arrangements with people later appointed to high government positions show an ethical insensitivity that should disqualify him from office. There is weight to that argument, though it would be easier to accept if it were being put forward by someone other than Metzenbaum, whose own record is not exactly a shining example of ethical sensitivity.

The concern over Meese's sense of propriety does not by itself disqualify him. But Meese's insensitivity to ethical conflicts is really just a symptom of a larger problem with his nomination. Meese simply does not have the legal background the nation has a right to expect of an attorney general.

Meese's legal career has never carried him into the upper reaches of the legal world. He can point to no major cases, no experience as a judge. His major qualification is that he is the president's friend. Were that not the case, no one would ever think of him as material for such an appointment.

In some offices, the question of qualifications does not matter. The attorney general, though, is not just the president's lawyer. He is also the nation's lawyer, its top prosecutor, its top law-enforcement official.

In deciding to stick with Meese and to push for his confirmation, the president has displayed considerable loyalty. That is one of the admirable personal qualities that led American voters to re-elect him overwhelmingly last November. The Republican-controlled Senate, mindful of the size of that victory, are likely to be of a mind to go along with what the president wants to do.

That would be a serious mistake in this case. The Senate should reject the nomination. The president and the nation can—and should—do better than Ed Meese for this important job.

[From the Lexington (NC) Dispatch, Jan. 30, 1985]

MEESE IS UNFIT

The office of Attorney General of the United States is the nation's top legal position. The person filling that high post is the country's chief law enforcement official and the president's most trusted legal adviser. Quite simply, he or she should be above reproach—a person of high ethical standards, of proven legal ability, of sound judgment and with a sense of fairness.

Over the years, the men who have served as Attorney General generally have fulfilled those broadly expected but unwritten requirements; naturally, some have been stronger than others.

The man President Reagan wants to serve in his Cabinet as Attorney General, Edwin Meese 3d, is totally unfit to hold that high position.

For almost a year, attention has focused on whether Mr. Meese is a crook or not. A special, independent counsel determined last year that there was no reason to prosecute Mr. Meese for criminal wrongdoings, but now, this week, it has become known that two Office of Government Ethics officials have concluded that he violated ethics rules. That conclusion was kept secret by the investigators' boss, David H. Martin, a political appointee of President Reagan; Mr. Martin simply suppressed the evidence and overruled it, reporting that Edwin Meese had not violated any ethics rules.

As Archibald Cox, who served as first Watergate Special Prosecutor under President Nixon until the "Saturday Night Massacres," noted recently, "It's not enough for someone to be Attorney General to have a sign saying, 'I've been found not to be a crook.'"

Now Mr. Meese may have to add an appendage to that sign, this one explaining, "But I do break government ethics rules."

Is this the kind of man Americans want to be Attorney General? We think not.

There are those people in Washington who think that Mr. Reagan, in light of his landslide victory in November, can do almost anything. He can, of course, choose whom he wants for his Cabinet members, and, to a point, he should; those Cabinet members are his most trusted circle of advisors, men and women who help establish and implement policy. The Attorney General is no different from the other Cabinet members.

But even if Mr. Meese did not break the law, and even if the federal ethics investigators are wrong, he should not be confirmed.

The reason simply is that he is not qualified. His legal scholarship is far from distinguished and so is his career in the law. In his most recent job, as counselor to the President, Mr. Meese sought to wipe out years of gains in civil rights and undermine a law creating a federal program of lawyers for poor people. He speaks out crassly, making absurd and unsupportable comments such as calling the American Civil Liberties Union a "criminals' lobby." His memory is poor, which is how he has explained many of his questionable dealings that led to the criminal investigation.

Why should Mr. Reagan go out on such a weak limb with his nomination of, and continued support for, Mr. Meese? He shouldn't.

It would be better for him and his administration, and certainly for the country, if he would withdraw the nomination and choose "someone with impeccable professional and ethical qualifications," as the Beaumont (Texas) Enterprise said last December.

[From the Lincoln (NE) Evening Journal, Jan. 31, 1985

WHAT ONE MIGHT EXPECT?

Question. Was Edwin Meese III telling the truth when he declared to a Senate Committee he has met all "ethical as well as legal" standards and therefore should be confirmed as attorney general of the United States?

Answer. Yes, given Meese's ill-formed understanding of ethical behavior.

Who other than one with such a narrowness of conprehension would do what Meese did in 1981? When told that he could not legally use about $10,000 from the Presidential Transition Fund in 1980 to move his family to Washington, Meese ordered public records doctored to reflect the payment as a "consulting fee".

It is just such incidents that get seized and exploited by to many people as monkey-see, monkey-do justifications for scams they try to pull on government. (Welfare Queen, anyone?) Never discount the power of example at the top, both positive and negative, to influence behavior at other points on the human bean pole.

How many Nebraskans would want as their attorney general a man who displayed such ethical flexibility as Meese? Not us, here in Lincoln, or in Washington. The fitness of men and women for such great public trusts can be measured by their previous conduct in situations requiring ethical decisions.

[From the Arkansas Gazette, Jan. 31, 1985]

MR. MEESE FAILS THE TEST

The attorney general of the United States should be able to recognize and therefore avoid situations that may have the appearance of unethical behavior. Despite his disclaimers before the Senate Judiciary Committee, Edwin Meese III does not seem to have these necessary qualities. Based on President Reagan's continuing support for the White House counselor, Meese's nomination as attorney general may well win committee approval, but Meese would be doing Mr. Reagan a favor by withdrawing at some early juncture in the Senate confirmation process.

It is true that Mr. Meese has been cleared of any criminal violations in alleged fiscal improprieties that were the subject of an investigation last year by independent counsel Jacob A. Stein, who was appointed by a panel of federal judges to make the investigation under the Ethics in Government Act. There is disagreement before the committee over whether ethical questions have been settled, but this disagreement suggests another question: Should there be such a close question about ethical judgment when the job at issue is attorney general, who is the nation's top law enforcement official?

We must agree, at least in part, with Senator Howard Metzenbaum of Ohio that "Mr. Meese lacks the integrity of character, the even-handedness of purpose and the sensivity to ethical values required of the attorney general of the United States." Mr. Meese has pledged to the committee that in the future he will be more alert to "appearances of impropriety" if he is confirmed, and on this he should be given the benefit of the doubt. But he shouldn't be given the job.

[From the Longview (TX) Morning Journal & News, Jan. 31, 1985]

EDITORIALS—MEESE'S IMAGE DAMAGED

After months of haggling over the "appearance of improprieties" in the activities of Edwin Meese, it's fair to ask whether the nation would be better off if the attorney general-designate withdrew his name from consideration.

There is no question that opposition to Meese's nomination is largely political, but it is also apparent he runs a loose ship. Meese admitted to the Senate Judiciary Committee that he had been less sensitive to potential ethical or conflict-of-interest problems than he should have been.

Meese has steadfastly denied any wrong doing and no evidence presented to the inquiring committee so far proves otherwise. But Meese's business transactions have made him vulnerable to accusations no attorney general-designate should face.

One report by the Office of Government Ethics staff concludes that "an appearance of using an official position to private advantage" was created by Meese's support of a San Francisco accountant's appointment to the U.S. Postal Board of Governors. A month before the accountant's name first came up at the White House, he arranged a $40,000 loan for Meese, who at that time was on the White House staff.

Perhaps Meese had no intention of seeking a favor, but it was also noted in the report that after the accountant received

the appointment, he allowed Meese to defer payment of some interest on the loan.

In another instance, a man who helped finance the purchase of Meese's California home was given a job with the Interior Department. It may have been a coincidence, as the director of the ethics office says it was.

Nevertheless, these and other incidents raised serious questions. Meese may be one of the most honest men in Washington, but his ability to serve effectively as attorney general has been hurt.

He is a victim of "appearance of improprieties," which can be as damaging as an actual violation.

[From the Los Angeles (CA) Herald Examiner, Jan. 30, 1985]

JUSTICE FOR MEESE? YES, BUT NOT THE JUSTICE DEPARTMENT

Everyone makes mistakes, but Edwin Meese has used up the quota for a prospective Attorney General, particularly when he stubbornly insists he did nothing wrong. To be sure, a special prosecutor found Meese innocent of any *criminal* violations last fall. But an Office of Government Ethics staff report made public yesterday looks at the case differently.

The report's authors, both attorneys, assert that Meese may indeed have violated both federal statutes and ethical requirements. Yet David H. Martin, the ethics office chief, whom President Reagan appointed, shelved the report and gave Meese a clean bill of health.

The report says Meese may have violated statutes "prohibiting a federal employee from accepting a gift from any other federal employee receiving less pay than himself." For one thing, in 1981, Meese received a $60,000 loan from John R. McKean, part of which was paid after McKean had been nominated to a seat on the U.S. Postal Board of Governmors. (Meese participated in McKean's personnel review, by the way.) The report also stated there was "an appearance problem" in the $70,000 that Thomas J. Barrack Jr. contributed to help finance the purchase of Meese's San Diego home. Afterwards, Barrack received two high federal appointments, again with Meese playing a role in the personnel-review process.

Even if Meese is innocent of violating any other federal statutes, he appears to have violated at least the spirit of the Ethics in Government Act, prohibiting actions that "might result in, or create the appearance of . . . using public office for private gain . . . giving preferential treatment to any organization or person . . . or affecting adversely the confidence of the public in the integrity of the government."

The $15,000 interest-free loan Meese received from Edwin Thomas, a family friend who, along with his wife and son, were later appointed to federal jobs, follows the pattern. And Meese's highly unusual promotion to colonel in the Army Reserve while serving in the White House makes the case even more damning. An attorney general is far more than a politician; he is the highest law-enforcement officer in the land. Meese's actions make him unsuitable for the job.

[From the Louisville (KY) Courier-Journal, Jan. 30, 1985]

SENATE HAS REASONABLE GROUNDS FOR REJECTING MEESE NOMINATION

What the White House hoped would be a quick and fairly quiet Senate hearing on Edwin Meese's fitness to be U.S. attorney general has again erupted in controversy. That's tough on Mr. Meese and his friend and mentor, President Reagan. But this nomination, which was put on hold last year after earlier controversy, is much too questionable to be confirmed in haste.

In fact, at this point the Senate—based on the public record—has solid grounds for rejecting the Meese nomination. Even the nominee doesn't deny that individuals who helped him financially, by lending him money or arranging loans on unusually favorable terms, were the later recipients of federal appointments. To make matters worse, Mr. Meese was a member of the senior White House staff that approved these appointments. Yet Mr. Meese righteously insists only that there was no connection whatsoever between those federal jobs and the personal help he had received.

Maybe not. But according to The Wall Street Journal, two staff members of the Office of Government Ethics who studied the record concluded that Mr. Meese violated federal rules that forbid actions that "might result in, or create the appearance of . . . giving preferential treatment to any organization or person." The staff report was later overruled by the director of the ethics office, a Reagan appointee. But the conclusions of the two staffers are pretty much what any reasonable and unbiased observer would reach when confronted by the facts in the case. At the very least, there was the appearance of serious conflicts of interest.

Mr. Meese and his defenders note that a thorough investigation last year by an independent counsel, Jacob Stein, uncovered no evidence of criminal conduct. But the Stein report hardly amounted to an endorsement of Mr. Meese's nomination to be the nation's top legal officer. An attorney general should have an impeccable record that enables him to proclaim more than just "I am not a crook."

Mr. Meese has billed the government for more than $700,000 in fees for lawyers representing him during the Stein investigation. The bill seems high—reportedly about $225 an hour—but that's said to be the going rate for first-rate legal help in Washington these days. The government should try to bargain the figure down, if only to get an example in other cases in which it pays private attorneys. But the government's expressions of shock subsided quickly when news got out that it has been paying private lawyers as much as $285 an hour.

In any event, there is no question that Mr. Meese has a right, under 1983 amendments to the Ethics in Government Act, to demand that the government pick up his legal tab. Beyond that, though, he's not in a position to do much demanding. Nor is Mr. Reagan. The Senate is under no obligation to confirm this nomination merely because Mr. Meese has for so long been a pal, adviser and ideological soul-mate of the President.

The only legitimate question at the moment is whether Mr. Meese is qualified to be attorney general. The evidence so far—which shows an appalling insensitivity by Mr. Meese in situations fraught with ethical dangers—suggests that he isn't fit for the job.

[From the Louisville Times (Louisville), KY Jan. 30, 1985]

WRONG-HEADED AND WRONG-HEARTED, MEESE'S ETHICAL SHORTCOMINGS MAKE HIM UNFIT FOR ATTORNEY GENERAL

Edwin Meese III contends he has conducted himself "in accordance to the ethical as well as the legal standards of behavior for public officials." If that is the case, then Mr. Meese needs to consult a dictionary.

Since a special counsel, after a five-month investigation, concluded that Mr. Meese was not indictable for some of his actions, he can claim to have acted legally. But there should be a higher standard for the attorney general, the nation's top law-enforcement officer, than the fact that he is not a crook.

For if words means what they said, Mr. Meese is at best dissembling when he claims to have obeyed the ethical standards laid down for public officials. Those standards, among other things, forbid officials from taking actions that "might result in, or create the appearance of . . . giving preferential treatment to any organization or person."

Two lawyers on the staff of the Office of Government Ethics concluded that Mr. Meese's actions on two occasions violated that code. One involved Mr. Meese's assistance in getting a government appointment for John R. McKean, a San Francisco Accountant, who arranged a $40,000 loan for Mr. Meese. The other involved the appointment of another California, Thomas Barrack, to an Interior Department job after he helped sell Mr. Meese's California house.

David Martin, director of the ethics office, overturned the staff recommendation, ruling that Mr. Meese only had "minor participation in the appointment of Mr. McKean. He did concede that there was an appearance of a violation of the standards. In other words, he and Mr. Meese say the ethical standards don't say what they say about creating "the appearance" of a conflict.

But Mr. Meese's weaknesses go beyond his ethical overights. He lacks broad legal experience. His understanding of the law is brought into question by his efforts to restore tax exemptions to schools that discriminate against blacks and to sabotage the program of legal services to the poor.

Mr. Meese is wrong-headed and wrong-hearted. Nothing says the attorney general can't be both. But he doesn't have to be. Mr. Meese is not the only lawyer who can give the President advice that he want to hear. The Senate should give one of them the opportunity by rejecting the Meese nomination.

[From the Capital Times (Madison, WI), Jan. 31, 1985]

CONTAIN THE MESS AROUND MEESE

The continuing saga of Ed Meese, the man who wants to set the tone for the nation's Justice Department, gets messier and messier.

Meese, of course, ran into trouble with the Senate in his bid to become attorney general because he seemed to have difficulty paying attention to ethical niceties like not using his powerful position as counselor to the president to help out those who had done him personal favors.

The Reagan administration thought Meese was "vindicated" last fall when a special prosecutor said Meese had broken no laws. That was good to hear, because Meese thus will not need furloughs from prison to run the Justice Department.

But the special prosecutor's report was not quite the vindication it seemed to be at first blush. Common Cause used the material gathered by the prosecutor to demonstrate Meese's insensitivity to the ethics

that should go with someone holding a high government position.

Now we learn that the staff attorneys in the Office of Government Ethics had their own concerns about whether Meese followed government rules in dealing with his friends who later got government jobs.

But we didn't learn that because the Office of Government Ethics let us know about it. The head of that office, David H. Martin, neatly skipped over the attorneys' concerns when he told the Senate Judiciary Committee last week that Meese had complied with federal conflict-of-interest laws and regulations.

Meanwhile, Meese himself told the committee he has developed "a much higher level of sensitivity" to ethical questions since he first came to Washington. We would hope so, given what he's been through. His plea for the government to pay his legal fees—outlined by columnist Colman McCarthy at right—suggests that some more "sensitivity training" might be in order here, however.

The fundamental problem with making Meese the nation's attorney general is that it sends the wrong signal to all in public service. If anyone in government should set a high ethical tone, it should be the attorney general. From the initial conflicts through the coverup of the attorneys' reservations about him through the dispute over the legal fees, the Meese nomination has been stuck in an ethical swamp.

There's no need to bring that swamp into the halls of the Justice Department.

[From the Wisconsin State Journal (Madison, WI) Jan. 30, 1985]

MEESE FALLS SHORT

An independent investigation last year cleared Edwin Meese III, President Reagan's nominee for attorney general, of criminal wrongdoing in connection with his personal finances.

Hearings on Meese's nomination were delayed, pending outcome of that investigation.

Now, on the eve of confirmation hearings, Meese's lawyer has acknowledged that a preliminary report by the office of government ethics found Meese had violated federal ethics rules, but the findings were overruled by David Martin, director of the ethics office.

The ethics office found violations involving two individuals—Thomas Barrack, who helped Meese sell his California home, and John R. McKean, who arranged two loans for Meese totaling $60,000.

Barrack, a California real-estate developer, was hired by the Interior Department. McKean became chairman of the Postal Service Board of Governors.

The incidents were part of the earlier independent investigation, which cleared Meese of criminal offenses. No ethical judgments were made as a result of that inquiry.

Sen. Strom Thurmond, chairman of the Senate Judiciary Committee that is holding confirmation hearings and a Meese supporter, promptly arranged for Martin and the two staff members who prepared the preliminary ethics report to testify before the committee.

The U.S. attorney general is the nation's chief law-enforcement officer. As such, his integrity and personal virtue should not be suspect.

But even the most charitable reading of Meese's convoluted financial dealings must conclude they have been ethically questionable.

Meese has been a valuable personal adviser to the president; that doesn't mean he has the right stuff to be attorney general. President Reagan should replace Meese with someone more qualified.

[From the Miami (FL) Herald, Jan. 29, 1985]

OF CAESAR'S WIFE

As this nation's chief law-enforcement officer, the U.S. Attorney General should have an unblemished reputation for probity and rectitude. The name of the Department that he heads—Justice—encapsulates in itself the reason why: If the Attorney General is not without taint, how can his Department's policies be perceived as blind to all interest save that of justice?

That is the question that confronts the Senate Judiciary Committee today as it opens hearings anew into President Reagan's nomination of his White House counselor, Edwin Meese III, to be Attorney General. The nomination itself is not considered imperiled, because a court-appointed independent counsel last September cleared Mr. Meese of any criminal wrongdoing. That done, the Senate committee's Republican majority is not likely to deny the President his choice as Attorney General.

Criminality is not the issue here, however; ethics is. It is one thing to absolve a nominee for Attorney General of criminal misdeeds. It is quite another thing to say that Mr. Meese has lived up to the ethical standards that an Attorney General, especially, should observe.

Independent Counsel Jacob A. Stein's court-specified duty was to investigate and report on whether Mr. Meese broke any criminal laws. Mr. Stein was not asked to evaluate Mr. Meese's ethics, on which his report therefore is silent.

Clearly Mr. Meese's actions were not ethical. It was not ethical for him to accept loans totaling $60,000 from John R. McKean, later named to the U.S. Postal Service's governing board. It was not ethical for Mr. Meese to "forget" a $15,000, interest-free loan to his wife from a man who later got a Government job. It was not ethical for Mr. Meese to accept $10,000 for "moving expenses" from Mr. Reagan's 1980 election campaign and, when told that paying moving expenses was illegal, to have the payment's alleged purpose changed to read "consulting fees." Nor was it ethical for Mr. Meese to accept financial assistance in the sale of his California home from a man who later was named an assistant Secretary of Commerce by a committee on which Mr. Meese served.

So Edwin Meese, the Attorney General-designate, stands exonerated of criminal conduct. Yet time and again, Mr. Stein's report found that persons who assisted Mr. Meese in his personal finances then got Federal jobs.

Perhaps these coincidences are just that, without cause-and-effect ties. Or perhaps they indicate an indifference to the Caesar's wife principle—an indifference that Mr. Meese, as Attorney General, cannot afford to display.

The Attorney General directly sets the priorities, and through them the ethical and moral tone, of the Justice Department. His standards, whether articulated directly or perceived through his example, become the marching orders for U.S. attorneys throughout the nation. Indeed, the Attorney General is the exemplar for state prosecutors as well because his is the mantle of ethical leadership.

Because his ethics are in question, Mr. Meese as Attorney General will have no greater task than ensuring that no such questions ever are raised about his performance at the Justice Department. Let him, upon his confirmation, set no imperative higher than fealty to the Caesar's wife principle.

[From the Miami (FL) News Jan. 31, 1985]

MEESE FALLS SHORT OF ETHICS STANDARD

Edwin Meese's mistake, which he has repeated often, was to play with the high-rollers on a public servant's income. His problems follow from that, and they will become the nation's problems if the Senate votes to confirm him as attorney general.

Meese, 53, has spent nearly all of his working years at what his friends might call the public trough. Chief of staff when President Reagan was governor of California, he has seen wealthy people help his boss throw a lavish inaugural and furnish a White House. He never had money to throw around, but he has seen how it is thrown.

In all the controversy over the loans he has accepted and the jobs he has helped hand out to his creditors, no one has accused Meese of trying to get rich. If he had been trying, he would be rich. No, his problem is that he has acquired champagne tastes on a beer budget.

So it was that a man who thinks lawyers for the poor shouldn't be paid more than $75 an hour turned to Washington's pricier lawyers for counsel when the special investigator began looking into his loans and appointments. Meese's lawyers charged $250 an hour.

It is a typical Meese problem that he will have trouble paying for such expensive counsel. Under a recent law, the government gets the bill, but it only pays what a panel of three federal judges determines is reasonable. Meese's bill is $720,000. The cost of the government investigation of Meese was only $320,000. Investigator Jacob A. Stein had to pursue dead ends; Meese's lawyers only had to respond to live leads.

The judges must decide if Meese's lawyers were worth it. If the judges decide to limit reimbursement to what Stein's investigation cost the Justice Department, Meese could have to make up the $400,000 difference. The alternatives—Reagan's wealthy backers paying the remainder of the bill, or the lawyers writing most of it off—easily could raise the kinds of conflicts that Stein investigated.

What Meese needs is a fat job in the private sector to pay off his debts, which are around $320,000 even without the new legal costs.

What President Reagan is trying to give him is the attorney generalship, which pays $80,000 a year.

Meese's flaw is more than the arrogance of someone who would deny to the poor the kind of expensive legal services which he would make the government buy for himself. His flaw is an inability to untangle his personal finances and friendships from his public offices and duties.

Investigator Stein found "no basis" in criminal law for prosecuting Meese. But the pattern of forgetfulness and lack of concern on Meese's part, which Stein detailed and which is directly related to Meese's bills, leaves serious ethical questions.

Those questions can't be answered by saying that since Meese wasn't indicted he is fit to be attorney general.

Two members of the Office of Government Ethics and the first Watergate prosecutor, Archibald Cox, read the record and found Meese has violated minimum ethical standards for a job of such trust.

To confirm him now would be to apply the lowest standard—indictability—to the highest law officer in the land.

[From the Middletown, (NY) Times Herald-Record, Jan. 29, 1985]

HERE WE GO AGAIN

The Senate Judiciary Committee begins hearings today on the nomination of Edwin Meese III to be attorney general of the United States. One year and $720,923 in legal expenses later, Meese stands cleared of criminal wrong-doing in a series of unorthodox financial arrangements between him and persons who later received federal jobs.

Many senators feel the new hearings will be much easier on Meese, but, even as they begin, there is a smell of funny money business about them. This time it involves the fees submitted by two lawyers who represented Meese in the government investigation. The law provides for reimbursement of legal fees in such cases, but the Justice Department—which may soon be working for Meese—and the independent counsel who investigated him have doubts about fees of $250(!) an hour.

This when the Justice Department is in the midst of a campaign—at the president's bidding—to limit fees reimbursable to lawyers at taxpayers' expense to $75 an hour. Meese surely knows this. He's the president's alter ego. Does he mean to say, by routinely passing through such bills, that they seemed to be appropriate to him? If he becomes attorney general will he follow such a generous policy? Is he truly so ignorant about money? Or is this just the same old Meese arrogance?

Let's hope some senators ask the same questions.

[From the Milwaukee (WI) Journal, Jan. 30, 1985]

MEESE MESS GETTING MURKIER

Almost a year after being nominated for U.S. attorney general, Edwin Meese is finally nearing a confirmation vote in the Senate. Should he be approved?

Within broad limits, we favor letting presidents have their own choice of cabinet members. Even an appointee of somewhat marginal ability should be confirmed if his or her integrity is above reproach. Thus, Meese lack of distinction in the law enforcement field does not rule him out, but we think the Senate should very carefully weigh ethical shortcomings that might render him unfit. The attorney general, after all, is the country's highest law enforcement officer and should set an example of probity.

Embarrassing disclosures keep cropping up, making Meese's nomination look less and less defensible.

At the outset, questions were raised about (among other things) his personal financial dealings with Californians who subsequently received federal job appointments. Meese, as White House counselor, participated in the appointment process. After investigating, a special counsel said there was no basis for criminal prosecution of Meese but declined to say whether he had breached ethical standards.

After a review of the evidence by the Office of Government Ethics, that agency's director concluded that Meese had not violated rules governing conflicts of interest. But now it has been revealed that the director's legal staff has come to the opposite conclusion, and even suspected that Meese may have violated a law against accepting gifts.

The ethics office director reversed the staff's finding of conflict of interest—and suppressed it—after consulting Meese's principal lawyer and the White House legal counsel. Such goings-on, sad to say, fall short of the independent, arm's length proceedings that are needed to make an investigation credible.

Meanwhile, Meese is asking the government to pay a whopping $720,000 in lawyer charges that he incurred (at the princely rate of $250 an hour) during the investigations. This is the same Meese who has advised the Reagan administration that $75 an hour is enough for the government to pay when it reimburses people who have successfully sued it. The amount of the legal fees is being challenged—as it should be—by the court that ordered the special investigation and by the very same Justice Department that the president wants Meese to head.

In short, the Meese affair becomes messier by the day. His problems may not have risen to a level that would call for his rejection by the Senate, but they are getting close.

[From the Minneapolis (MN) Star-Tribune, Feb. 4, 1985]

A QUESTION OF HONOR

Edwin Meese III should not be the next attorney general of the United States. He has traded too many favors and shrugged off too many mistakes to serve as the country's top guardian of the law. That should be the conclusion of the Senate Judiciary Committee, which is scheduled to vote tomorrow on the nomination.

Last week's Senate hearings on Meese's nomination to replace William French Smith as head of the Justice Department raised as many questions as they answered: about Meese's tangled finances, his peculiar lapses of memory, his notions of right and wrong. As emphasized during the hearings, Meese has steered clear of criminality and ethics violations. But he several times has swerved close to such misconduct, provoking credible challenges to his vision of the law and of ethics.

As Sen. Charles Mathias, R-Md., argued during the first round of Meese hearings last year, "The attorney general must be perceived to be absolutely above any suspicion." On that criterion, Meese falls short. Since coming to Washington, Meese has accepted thousands of dollars in loans, favors and foregone interest from wealthy friends. He helped arrange federal appointments of people who had helped him financially, accepted an Army reserve promotion to which he was not entitled and received a questionable payment from the Presidential Transition Trust.

Last year, an independent counsel appointed to investigate Meese's affairs found that his conduct was legal. And the Reagan-appointed head of the Office of Government Ethics found Meese's conduct technically proper—despite an initial staff finding to the contrary. But legal, technically proper conduct may fall short of honorable conduct.

Honor should be an indispensable qualification for an attorney general. Meese lacks it. He has been imprudent and unscrupulous in his personal dealings. He has refused to acknowledge his mistakes, invoking narrow technical defenses when his errors were obvious. As presidential counselor, he has played a special role as a saboteur of civil-rights laws and critic of civil liberties. Americans expect more of the attorney general, who must pledge to preserve the law, not circumvent it. The Judiciary Committee should reject Meese's nomination.

[From the Moline (IL) Daily Dispatch, Jan. 30, 1985]

REPUBLICAN FOLLIES

The Republicans' enjoyment of the Democrats' discomfiture is hindered by GOP-dominated proceedings elsewhere in Washington.

The Senate Judiciary Committee, controlled, as is the Senate, by Republicans, is pondering whether to approve President Reagan's nominee, Edwin Meese, as attorney general of the United States. Republicans on the committee, and in the Senate, probably are going to—as the saying goes—hold their noses and vote the party line.

Confirmation of Meese would give us a new attorney general about as undistinguished as any who's ever taken the office. He's been an assistant county prosecutor in California, and a water-carrier for Ronald Reagan. As White House counselor, he's been embroiled in one controversy after another, many of them centered around the fact that so many people who did him financial favors ended up in government jobs.

A special counsel took a long look at the money-jobs ties and concluded there was no basis for criminal prosecutions. But the Office of Government Ethics, in a report that was initially suppressed, said Meese's dealings violated ethical standards.

Complicating the situation is the fact that the Justice Department, which he would head as attorney general, is currently challenging a $700,000 bill Meese submitted to cover the legal expenses he incurred during the special counsel's probe.

Given that Reagan is sticking with his buddy Meese through all this, the Republicans in the Senate probably will go along.

So the nation will have, as it has all too often in the past, a political hack for its attorney general.

[From the Monroe (MI) Evening News, Jan. 31, 1985]

REJECT EDWIN MEESE

Although some members of the Senate Judiciary Committee are giving former presidential counselor Edwin Meese a tough time, it appears the panel will recommend his appointment as attorney general. But that would be a mistake.

The nomination was stalled last year while a special investigator, Jacob Stein, looked into allegations of impropriety against Mr. Meese. On Sept. 20 Mr. Stein cleared the former counselor of any criminal wrong-doing. But he had "no comment on Mr. Meese's ethics and the propriety of his conduct or an evaluation of his fitness for office."

Such concerns are vitally important. Mr. Meese's nomination is for the highest law-enforcement office in the land. As Archibald Cox, chairman of Common Cause and former Watergate prosecutor, observes, "It's not enough for someone to be attorney general to have a sign saying, 'I've been found not to be a crook.' "

These are some of the actions raising ethical questions:

In meetings to consider the appointment of John R. McKean to the U.S. Postal Board of Governors, Mr. Meese did not mention that he was the beneficiary of $60,000 in loans arranged by Mr. McKean, or that Mr. McKean had forgiven the interest due on $40,000 of this. Nor did Mr. Meese exclude himself from the meetings.

Mr. Meese participated in decisions to name officials of the Great American First Savings Bank to high government positions after he had received forbearance of monthly payments on $120,000 of loans from the bank.

Mr. Meese recommended Thomas Barrack as assistant secretary of commerce after Mr. Barrack arranged the sale of Mr. Meese's California home, with Mr. Barrack himself contributing $83,000 in the transaction. (Mr. Meese says he did not know of Mr. Barrack's involvement in the sale.)

Mr. Meese called the secretary of defense to urge reappointment for the chief of army reserves, who had awarded Mr. Meese a promotion to colonel in the reserve under unusual circumstances.

To be sure, some of Mr. Meese's critics are relying on the ethics issue to block the appointment of an attorney general whose law-and-order views they abhor. And these favors did not actually enrich Mr. Meese; they largely helped him with the financial pickle he found himself in when he moved from California to Washington and from private practice to the public sector, with a huge cut in pay.

Nevertheless, questions of criminality aside, the impression conveyed is this: He is adept at landing cozy government jobs for people who have done him financial favors. This is not the sort of high moral ground that Americans expect their attorney general to occupy.

The Senate panel, should reject the Meese nomination; failing that, the full Senate should do the job.

[From the New London (CT) Day, Jan. 30, 1985]

ED MEESE, HE LACKS THE SUBSTANCE FOR ATTORNEY GENERAL

The political mood in the Senate now beckons confirmation of Edwin Meese III as attorney general. President Reagan has won a landslide election and Meese has been cleared of any violation of the law by a special counsel who investigated questions raised in connection with his finances and his handling of patronage appointments.

Edwin Meese's experience in the law does not qualify him to be attorney general. But the issue that seals his incompatibility for the post is his faulty memory and casual attitude about handling personal money matters and then being involved in dispensing patronage jobs to people who did him financial favors. This is a record of personal ethics insensitive to the standards Americans expect from the nation's highest law enforcement officer.

Just as the Senate is about to consider Meese's nomination, Leonard Garment, the nominee's lawyer, admits that the Office of Government Ethics found that Meese violated federal ethics rules. Lawyer Garment, a former law partner of Richard M. Nixon, says he convinced the director of the office to reverse the staff's evaluation.

So Mr. Meese is batting two for two. He was cleared in two investigations, or was he?

Independent Counsel Jacob A. Stein, an attorney in private practice in Washington, concluded that Meese did not violate any federal laws. Stein did not rule on whether the attorney general nominee transgressed in ethical situations. "There is sufficient interest in those other issues to support an expectation that they will not remain unexplored. . ." said Stein.

The attorney general's office embodies a respect for the law. It must set high ethics and expect that agencies throughout the government respond to that tone. Other appointments within the government may allow for the naming of old friends on the buddy system, but the attorney general's job is not one of them.

The Senate should not blithely approve Meese. There are any number of other people President Reagan could nominate who are more qualified in the law and more attuned to a higher standard of personal ethics. The Meese nomination is good 'ole boy politics, and the public be damned.

[From the Norfolk (VA) Virginian-Pilot, Jan. 30, 1985]

THE MEESE STANDARD

The most striking aspect of the Senate Judiciary Committee's hearings yesterday on Edwin Meese's nomination to become attorney general was the acrimony of the debate, particularly in the viciousness of the attacks made by Mr. Meese's supporters upon those who oppose his nomination.

Why is this? Why would senators such as Alan Simpson of Wyoming, Jeremiah Denton of Alabama and Orrin Hatch of Utah—all well-regarded by their peers—lash out so bitterly at their Democratic colleagues, at the media, at Common Cause, at anyone who opposed Mr. Meese?

It's not simpy that they are fulfilling the role of partisan Republicans. Partisan debates on most issues in the Senate have an air of civility that was missing yesterday.

Could it be that the senators see of lot of themselves—a lot of many politicans, Democrat, Republican or independent—in Mr. Meese? Are they putting themselves in Mr. Meese's place and saying:

"Gee, I may be as culpable as he is, and I don't do anything that I consider unethical. All he did was get some financial help from friends who later obtained nice government jobs. That doesn't prove anything. Sure, if you know the right people, have the right connections, you've got a foot in the door in government. Isn't that the way the world works?"

One Meese supporter, outraged at the "unfairness" of the treatment, said there is no way members of the Senate could live under the same standards that Mr. Meese's detractors are applying to the attorney general-designate.

After all, the senator said, members of Congress get honorariums and large campaign contributions from interest groups and then later have to vote on measures that affect those same groups. We shouldn't be expected to refuse the contributions just because accepting them creates an appearance of impropriety, he said. Don't people trust us? he asked.

The short answer is: no. The public has a right to be suspicious when public officials appear to be getting something for nothing. This is particularly true when the public official in question happens to be in line for a sensitive and important job such as attorney general. Mr. Meese may be a fine fellow and may have a good legal mind. But it is clear that his primary attribute is his close personal and political association with the president. It is also clear that he has a huge ethical blindspot. Based on his record, he shouldn't be trusted as the nation's top law-enforcement officer.

[From the Oakland (CA) Tribune, Jan. 24, 1985]

A QUESTION OF ETHICS

If Richard Nixon himself were nominated attorney general, some admirer would no doubt say in his defense, "after all, he's never been indicted."

That seems to be the most one can say for attorney general designate Edwin Meese III, a man who has set off one explosion after another in a blind stumble through the ethical minefields of Washington, D.C.

Last September, court-appointed counsel Jacob Stein reported that he could find "no basis" for a criminal prosecution of Meese on any of 11 different charges. Armed with that ringing endorsement, President Reagan vowed to fight for Meese's confirmation.

But surely the nation should hold the chief law enforcement officer in the land to a higher ethical standard.

As former Watergate prosecutor Archibald Cox observed last month, "The office of Attorney General requires a person who can symbolize the highest standards of honor, integrity, and freedom from favoritism or other self-interest in the performance of public office. Only such a person can build the confidence in the integrity and even-handedness of law and law enforcement that is essential to democracy."

Special counsel Stein pointedly refused to pass judgment either on Meese's character or suitability for office. That task lies with the Senate. But the evidence detailed in his report argues powerfully against seating Meese in that powerful job.

Though Meese may have committed no crimes, he most certainly violated the spirit of Executive Order 11222 which prescribes "Standards of Ethical Conduct for Government Officers and Employees."

That order prohibits actions that might "create the appearance of . . . using public office for private gain . . . giving preferential treatment to any organization or person . . . (or) losing complete independence or impartiality of action . . ."

By that test, consider just a few of the lowlights of his career as counselor to the president:

After receiving an unsecured $40,000 loan from one John McKean, Meese helped obtain his nomination to the U.S. Postal Board of Governors. Later, after McKean extended a further loan and deferred overdue interest, Meese helped his benefactor get a longer term on the postal board.

Only after The Washington Post exposed the conflict did Meese pay back the interest he owed, totaling more than $20,000.

Meese let Thomas Barrack, a friend of a friend, help arrange the sale of his California home, which had been on the market for a year and a half. Barrack put up a total of $83,000 of his own money to sweeten the deal. Later, Meese approved his appointment as assistant secretary of commerce apparently without mentioning the conflict.

On Jan. 7, 1981, Meese's wife Ursula, with his approval, borrowed $15,000 from a friend who Meese appointed his assistant in the White House, Meese didn't disclose the loan though the Ethics in Government Act clearly required it.

Meese went more than $400,000 into debt to the Great Amercian First Savings Bank, defaulted on one loan and had payments on others deferred. Yet still he participated in decisions to name four of the bank's officials to high government posts, without disclosing his conflict of interest.

Friends in the Pentagon arranged Meese's promotion in the Army Reserve first to active status and then to the rank of colonel—with higher pension benefits. The Army inspector general concluded that "Meese, despite his disclaimer, was accorded special treatment and consideration that far transcended that which might be considered reasonable.

Meese was informed of the irregularities yet did nothing to correct them. Indeed, while his own promotion was still under consideration, Meese influenced the reappointment of his main backer, the chief of Army Reserve.

Told by an attorney in December 1980 that his acceptance of $10,000 in moving expenses from the Presidential Transition Trust would probably violate the law, Meese didn't return the money. He simply told the trust's office manager (later White House personnel director) to change her records so the payment would reflect "consulting fees." Apparently he did not submit any statement of hours worked.

[From the Pendleton (OR) East Oregonian, Jan. 31, 1985]

REJECT MEESE NOMINATION; HE IS UNFIT FOR THE JOB

Members of the U.S. Senate should show conscience and reject emphatically nomination of Ed Meese to be attorney general. Meese's behavior has disqualified him from serving as the nation's top law enforcement official.

We are sorry most senators are keeping silent on this travesty proposed by President Reagan.

This is what came out about Meese after investigation by an independent counsel appointed under the Ethics in Government Act and a report to a special grand jury:

A San Francisco tax accountant, John McKean, helped rescue Meese from personal bankruptcy in 1981 by arranging two unsecured loans totaling $60,000. Meese recommended McKean shortly afterward for a seat on the Postal Board of Governors with no disclosure of his link to McKean.

Also without disclosure of his personal interest, Meese helped recommend federal appointments of Gordon Luce, Edwin Gray, Marc Sandstrom and Clarence Pendleton. All were officers and directors of a San Diego bank that made a $400,000 home loan to Meese and then let him get 15 months behind.

When Meese was unable to sell his California home, real estate developer Thomas Barrack put together a deal in which Meese escaped financial damage. Barrack was then nominated to be deputy undersecretary of the interior.

After Meese moved to Washington when Ronald Reagan was elected, he received a $10,000 check with a notation "moving expenses." Meese said later he ordered the notation changed to "consulting fees" after he learned of a legal problem in accepting moving expenses.

Meese received a promotion in the Army Reserve from lieutenant colonel to colonel even though he had failed to meet the normal educational requirement. The secretary of the Army told an investigator he had recommended to Meese that he refuse the promotion.

In his government financial disclosure forms for 1981 through 1984, Meese failed to include required information on loans, fees received, trips and stock transactions. And Meese on 52 occasions said he could not recall documents or events about loans or discussions about jobs with those who had helped him financially.

To nominate Ed Meese to be attorney general would be a good plot for a political satire or a night club routine, but this man has no business in that job. We hope senators will rise up and say no.

[From the Petoskey (MI) the News-Review, Jan. 29, 1985]

ATTORNEY GENERAL MUST HAVE ETHICS

We find it incredible that President Reagan has resubmitted the nomination of his old buddy Edwin Meese III to serve as attorney general of the United States, even though an in-depth investigation by independent counsel Jacob Stein has found "no basis" for a criminal indictment against Meese.

In our opinion, the nation's top law enforcement officer needs better credentials than the fact that he is not going to stand trial or go to prison.

Although Meese is technically in the clear insofar as criminal violations are concerned, the Stein investigation did not delve into the ethical ramifications of croynism, favoritism and the good-old-boy system of political patronage that Meese appears to have used to his advantage during his years as a presidential adviser.

Yet Meese's name is back in the hopper for attorney general and the Senate Judiciary Committee is scheduled to begin hearings on the confirmation today. The administration appears confident that Meese will be confirmed without a great deal of fanfare, in light of the Stein report. Reagan himself sees it as a "vindication" of his old friend.

However, Archibald Cox, chairman of Common Cause and a former U.S. solicitor general, says Stein's report demonstrates that Meese is "blind to the ethical standards and obligations required of a public official," and should not be confirmed as attorney general.

"It's not enough for someone to be attorney general to have a sign saying, 'I've been found not to be a crook,' " Cox said recently.

Echoed the New York Times: "To be cleared of criminal suspicion is a relief, but not a qualification for high office."

What did Meese do—or fail to do—that he should be denied confirmation as attorney general? Here are a few examples:

After receiving a $40,000 unsecured loan—with no interest due for a year—from his accountant John McKean, Meese, as one of four members of the Senior Staff Personnel Committee, supported the nomination of McKean to fill a vacancy on the Postal Board of Governors. No one present recalls Meese informing the others of the loan, or of asking to be excused from making the decision.

Participated in decisions to name officials of the Great American First Savings Bank to high government positions at a time when he was deeply indebted to the bank and in arrears on some of his loans.

Recommended appointment of Thomas Barrack as assistant secretary of commerce after Barrack arranged the rapid sale of Meese's California home, a deal to which Barrack reportedly contributed $83,000 of his own money. Meese did not reveal his connection to Barrack to other members of the Senior Staff Personnel Committee in recommending Barrack for the commerce post.

The Stein report notes that Meese suffered lapses of memory when questioned about potentially embarrassing situations.

Although Meese's activities as a presidential adviser may not have placed him in legal jeopardy, we are confident that somewhere in this broad land Reagan can find someone eminently better qualified to serve as attorney general, someone who will set a high moral tone for the entire nation.

We are sure Michigan Sens. Carl Levin and Donald Riegle would like to know how you feel about the appointment of Edwin Meese as attorney general before the confirmation hearings begin. They may be reached at the Senate Office Building, Washington, D.C. 20515.

"Our Opinion" represents the views of the News-Review Editorial Board. Serving on this board are News-Review staffers: Kirk Schaller, Ken Winter, Paula Holmes-Greeley, Bob Clock, Kendall P. Stanley and Dianne Murray.

[From the Roanoke (VA) Times & World News, Jan. 25, 1985]

AGAIN, ED MEESE TRIPS HIMSELF UP

Edwin Meese III, who raised eyebrows with his financial dealings as a counselor to the president, won vindication late last summer when a special federal prosecutor found nothing actionable in what he'd done. But now there's fresh evidence that Meese—appointed to be the next attorney general—lacks judgment and a sense of proportion. That's what a lot people have been saying was his problem all along.

Remember, Meese ran into financial trouble as a result of his move from California to Washington in order to serve Ronald Reagan. Not unusual for people who shift temporarily from the business world to lower-paying jobs in government. The unusual angle was that several individuals helped out Meese and his wife with loans and then got cushy positions in the federal realm.

Suspicous-minded people might have seen a classic case of influence-peddling. Not so. Meese is not a corrupt individual. However, he failed to perceive that this pattern of actions could be interpreted as corruption. Even when their acts and intentions are innocuous, public servants ought to avoid the very appearance of wrongdoing.

Meese's actions didn't get serious scrutiny until the president nominated him last year to succeed William French Smith as attorney general. On petition from some of Meese's critics, a special three-judge panel of the U.S. circuit courts of appeal named an independent prosecutor under the Watergate-era Ehtics in Government Act. After a six-month investigation, Meese was cleared.

Now it comes out that Meese is seeking about $700,000 from Uncle Sam to pay legal bills incurred in his defense during that investigation. His attempt is legitimate; federal law allows such reimbusement.

But just as with Meese's financial gyrations, it's the circumstances that are questionable. His lawyers want as much as $225 an hour for their services. Reagan administration policy has been that lawyers who win cases against the government should get no more than $75 an hour. No matter what happens it's a potential embarrassment for the Justice Department that Meese is nominated to head.

None of this seems to bother Meese. He is a babe in the woods, his view of the forest blinded by all those trees. Here is a man slated to be the nation's chief law-enforcer, supposed to descry others' evildoing, but unable to comprehend that his own behav-

ior can look suspicious or insensitive to others. Keep him in an office close to the president, who trusts him as friend and adviser. But don't make him attorney general.

[From the Salinas (CA) Californian, Jan. 30, 1985]

THE EDWIN MEESE CASE

Edwin Meese has returned to the Senate Judiciary Committee.

He comes bearing a report from an independent counsel who found no basis for prosecuting him under federal law but made no judgment on Meese's ethics.

Meese's supporters saw the report as a vindication. Meese's foes pointed to new issues that had been raised.

The voluminous record on the Meese case contains no "smoking gun", just accounts of a series of poor judgments and questionable decisions that raise legitimate questions about Meese's ethical standards.

For example, when Meese was in financial trouble and having problems selling his home, he contacted Pendleton James, who had recently left his job as White House Director of Personnel. James contacted Thomas Barrack, who helped arrange the sale of Meese's home and contributed $83,000 himself toward the purchase. At the same time, James was sponsoring Barrack for a federal appointment. Meese was one of a four-member group that recommended Barrack be appointed to an Interior Department post.

After receiving an unsecured loan for $40,000 from his accountant John McKean, Meese supported McKean's nomination to fill a vacancy on the Postal Board of Governors. Later, after receiving an additional $20,000 and an agreement that McKean would defer some interest payments that were already in arrears, Meese joined in approving McKean to a longer term on the board.

In neither of these cases did Meese exempt himself from the decision-making process, or even point out his possible conflict of interest.

When questioned by the independent counsel, Meese said on 52 different occasions that he did not recall key information or events surrounding these job decisions affecting those who had helped him financially.

These two incidents were cited by Office of Government Ethics investigators as being in violation of ethics guidelines. That report was overruled by the head of the department, a presidential appointee, after he discussed it with Meese's attorney and the White House counsel.

Another questionable judgment by Meese involved the $10,000 he received from the Presidential Transition Trust in November 1980. In earlier testimony, Meese said it was a consulting fee. But the independent counsel report said the check was marked "moving expenses" when Meese cashed it. He was later told it was illegal to use the money for moving expenses. He then apparently changed the notation on the check stub to "consulting fee."

Standing alone, none of these acts would have an impact on his confirmation. But the picture that emerges is of a man living beyond his means, a man who appears to be using his public office for private gain.

Meese told committee members Tuesday that his confirmation ordeal will make him far more sensitive to such conflicts in the future. That would be welcome. The message must be delivered that government by cronyism and patronage is simply not acceptable.

Despite his troubles, it appears Meese eventually will win confirmation. The president is strongly backing his longtime adviser. That should be enough to win him confirmation in the Republican-controlled Senate, especially in the absense of unified Democratic opposition.

But the question is not a partisan one. The question should simply be whether Edwin Meese, based on this record, is the best person available to become the nation's top law-enforcement officer.

We think not.

[From the Santa Barbara (CA) News-Press, Jan. 31, 1985]

QUESTIONS DANGLE

Questions regarding Edwin Meese III's ethical conduct that were raised a year ago did not go away when the Senate suspended confirmation proceedings as the presidential election period approached. Neither have the questions clouding the name of President Reagan's friend and appointee to the office of Attorney General become less relevant over time.

As the Senate Judiciary Committee again considers whether to confirm Meese's appointment as Attorney General, however, there are disturbing signs that time and political realities—not the least of which is Meese's friend's overwhelming re-election to the highest office in the land—have softened the committee's view of conduct more harshly treated before the election.

A court-appointed independent counsel absolved Meese of any criminal wrongdoing in September. In a report summarizing the findings of an investigation of allegations that Meese had traded financial favors for federal job appointments, accepted improper gifts of money and benefited undeservedly from an Army Reserve promotion arranged by a longtime friend, the special investigator concluded, in effect, that Meese had done nothing worthy of criminal indictment, but that questions regarding the morality of his conduct remained unanswered.

They dangle still, even as Meese swears to the senate panel that he is now more sensitive to ethical issues.

No doubt he is more sensitive to the troubles that can derive from a disregard of such issues, but we question whether adversity has actually increased Meese's ability to appreciate the moral distinctions that he was so recently unable to perceive. Attorneys in the Office of Government Ethics put their doubts about Meese's ethical judgment in writing, but the internal report was suppressed by another Reagan appointee, the director of the government ethics office.

Such a lack of consensus among Meese's examiners surely weakens the public's confidence that the Attorney General-designate possesses sufficient strength of judgment, if not of character, for the job of top U.S. legal counsel.

It is a position that requires absolute rectitude, in fact and in appearance. We doubt the Senate can credibly find that Meese satisfies that requirement on both counts.

[From the St. Petersburg (FL) Times, Jan. 29, 1985]

A QUESTION OF JUDGMENT

The U.S. Senate's Judiciary Committee today will begin hearings on President Reagan's nomination of his friend and adviser, Edwin Meese III, to become the next attorney general of the United States. We have previously stated our opinion that the Senate should decline to confirm Meese for the reason that he is not suitably qualified to become the nation's chief law enforcement officer, even though an independent prosecutor found no cause to indict him for his pattern of arranging federal jobs for persons who performed personal favors for him.

Meese's handling of the extraordinary legel fees associated with his defense is a further reason to question his judgment in carrying out the public's legal work.

Meese clearly deserves fair and adequate compensation for the attorneys who defended him. It is provided by law and is not an issue in our minds.

The issues are what is fair compensation, how Meese has handled the matter and the irony of Meese's strong opposition to the government's paying lawyers' fees for the less powerful and less wealthy.

A 1983 amendment to the Ethics in Government Act provides that Meese, and anyone else cleared in an inquiry by a special prosecutor, is entitled to apply to a three-judge federal court for the legal fees. The surprise was that Meese and his attorneys asked for $720,923 for Washington lawyers Leonard Garment and E. Robert Wallach for fees ranging up to $250 an hour, including time spent as Meese's press agent.

That is high legal cotton, which seems even higher in the light of two other facts. Meese's legal bill is more than double the cost to the government of the entire investigation into his conduct. Special Prosecutor Jacob Stein and his five assistants billed the government $320,000 for the Meese investigation. Also, the Reagan Justice Department has argued repeatedly to the court and to Congress that the government should pay no more than $75 an hour for private lawyers. The department apparently applied that rule to Stein, who wrote in objecting to the large fee: "In the civil context, it is our impression, based in part on recent personal experience, that existing Justice Department policy is to negotiate contracts for outside counsel at a rate of no more that $75 an hour."

The natural question is whether Meese agreed to such large fees in advance. If so, it shows a high degree of fiscal irresponsibility. If not, it bears the administration's mark of generous and thoughtless spending on behalf of the rich and powerful while squeezing the weak and the poor.

Finally, there is an ironic political issue here. As the presidential adviser in charge of liaison with the legal services program, Meese for four years has waged a kind of guerrilla warfare against legal aid for the poor. On Meese's advice, the President has gone to extraordinary lengths, including the abuse of his powers to make recess appointments, to frustrate the will of Congress to continue legal aid to the poor. He has named people to run the program who are dedicated to destroy it.

For the official who has tried so hard to keep the poor from obtaining government-paid legal services now to ask the government to pay his lawyers' inflated fees of almost three-quarters of a million dollars is a kind of legal socialism for the powerful that violates the American sense of fairness.

[From the St. Paul (MN) Pioneer Press Dispatch, Jan. 29, 1985]

MEESE DOES NOT MERIT ATTORNEY GENERAL POST

The Senate Judiciary Committee is scheduled to begin hearings today on the nomination of Edwin Meese III to serve as attorney

general of the United States. That panel, and ultimately the full Senate, would serve justice best by denying confirmation.

President Reagan warrants no less discretion in making senior appointments than that enjoyed by his predecessors. (The Senate has rejected by 11 Cabinet nominees in the history of the republic; only three this century and none since the Eisenhower administration.) But Mr. Meese's dull appreciation for propriety in high public life requires that he not serve as the nation's preeminent law enforcement officer.

We first urged that Mr. Meese's name be withdrawn last March, after it was learned that at least six people who had lent him money, or who otherwise had helped him financially, had wound up with federal jobs. A subsequent investigation by an independent counsel, Jacob Stein, found "no basis" for the "bringing of a prosecution against Mr. Meese for violation of a criminal statute." This, though, was inadequate vindication, because Mr. Stein's 385-page report, released in September, did not address the nominee's ethics or his fitness for office. And there's rub: Mr. Reagan's longtime aide and former high-ranking campaign official may not have committed an indictable offense, but that is slight recommendation to lead the Justice Department. By his utter casualness in observing the public's trust, he had proved himself unfit to be attorney general.

Mr. Meese's naming shows itself even weaker once his civil rights proclivities and his disregard for civil liberties are considered. He was party to unsuccessful maneuverings during Mr. Reagan's first term aimed at granting tax exemptions to segregated private schools. He also tried to stem leaks by requiring federal employees to take lie detector tests while in government service and by broadly restricting what they could write afterward. This foray failed too. Added can be the admonition in the 1975 final report of the Watergate prosecutor: "The president should not nominate and the Senate should not confirm as attorney general . . . a person who has served as the president's campaign manager or in a similar high-level campaign role." The risk of conflicts of interest, real or simply perceived, is too high.

Nonetheless, it is not this last paragraph of problems that persuades us that Mr. Meese should not be attorney general. Each drawback was known last January when he first was nominated, and while we said then that his selection was disappointing, we did not oppose confirmation. We did, however, reach that conclusion two months later when it become clear that, at best, he is weakly animated by legitimate concerns about the proper uses of great authority.

Mr. Meese's standards are not those of an attorney general. The Senate should tell him so.

[From the Centre Daily (PA) Times, Jan. 28, 1985]

EDWIN MEESE IS TOO TAINTED TO BE ATTORNEY GENERAL

Tomorrow, in Washington, D.C., the Senate Judiciary Committee will resume deliberating whether Edwin Meese III should be confirmed as the nation's next attorney general.

The odds would appear to be in Mr. Meese's favor: Only two presidential nominees to cabinet posts have been rejected by the Senate in this century.

The nation would be better served if Mr. Meese became the third such rejection.

Better yet, President Reagan himself should end this episode, which has gone on for a year now since he nominated Mr. Meese on Jan. 23, 1984. The president should withdraw Mr. Meese's name from consideration. But that appears unlikely: The president is confident that the Senate—which first took up the Meese nomination last March—will approve the nomination swiftly.

Mr. Meese isn't a crook. But he is, without a doubt, a man who has on more than one occasion displayed incredibly poor judgment and questionable ethics. Some examples:

In 1960, Mr. Meese accepted a check for $10,000 from a Presidential Transition Trust to cover "moving expenses" to Washington. Later, after a White House lawyer told him the acceptance probably violated a federal statute, one of Mr. Meese's assistants changed the wording on the canceled check from "moving expenses" to "consulting fee."

In 1982, Mr. Meese seems to have knowingly benefited from preferential treatment by the Army. Records show that high Army officials violated military rules by transferring Mr. Meese to the active reserve and promoting him to colonel—increasing his annual pay by $2,000 and his pension by 18 percent.

Mr. Meese paid back the financial help he received from some friends with federal jobs. In one instance, Mr. Meese took part in a mid-1981 White House decision to obtain a position on the Postal Board of Governors for Jack McKean, a San Francisco tax accountant. A month earlier, Mr. McKean had helped Mr. Meese out of a bad financial situation by arranging a $40,000 loan on which no payments were due for a year.

The following year, after obtaining another $20,000 loan from Mr. McKean, Mr. Meese said nothing about his dealings with the tax accountant when he participated in White House talks that resulted in Mr. McKean being recommended for a longer term on the postal board.

An independent counsel appointed to investigate the allegations against Mr. Meese last year found no "criminal violations" by the attorney general-designate, but Jacob Stein's findings were hardly a vote of confidence.

As the Los Angeles Times observed in an editorial last month: "There may indeed be nothing illegal about a government official conferring public rewards on those who have done him private favors, but, unproscribed or not, such actions are ethically indefensible. . . . An ethical blind spot is a major infirmity in an attorney general."

It certainly is. If Mr. Meese were being considered for a less critical or non-legal post, it might be possible to overlook his many errors and reluctantly endorse his confirmation. But Edwin Meese isn't being nominated for the Postal Board of Governors. He is being nominated for attorney general—the nation's top law enforcement officer.

The person who holds that job must be beyond reproach. He must be a person whose past is reasonably free of acts that give even the appearance of impropriety. He must be a person who, by word and deed, sets a good example for all Americans.

Edwin Meese III is not that man.

[From the Stuart (FL) News, Jan. 28, 1985]

WRONG MAN FOR THE JOB

The Reagan administration apparently is determined to have Edwin Meese as the nation's next Attorney General, and the U.S. Senate will likely resound with heated debate over his confirmation.

Meese, a presidential counselor, was accused last year of using his influence to get federal jobs for persons to whom he owed money. A special prosecutor, however, found insufficient evidence to indict Meese.

Still, the episode is bound to weigh on the minds of senators as they ponder whether to approve the appointment. Just because Meese was not indicted doesn't mean he is above reproach.

Senators would do well to consider what former Watergate Special Prosecutor Archibald Cox said the other day at a government ethics seminar at Florida State University in Tallahassee. Cox believes senators are "beginning to realize it isn't true that the special prosecutor cleared Meese of the charges."

Cox, now a Harvard law professor and chairman of Common Cause, is the man who pursued the Watergate investigation so aggressively that President Nixon fired him. He knows a thing or two about the importance of ethics among public officials.

"The attorney general should be symbolic of the fairness, integrity and even-handedness of the government," Cox said.

In this regard, Meese fails to measure up. His reputation is tainted. He could not possibly enjoy the full confidence of the American people.

Even if Meese's ethics were unquestioned, we don't believe he is qualified to be attorney general. That vital post needs someone who ranks among the nation's finest in the study and practice of law. Meese has not reached that level.

The Senate ought to turn down the Meese appointment. Then the president can do what he should have done initially—find someone more suitable for the job.

[From the Sun City (AZ) Daily News-Sun, Jan. 30, 1985]

TOO MANY GRAY AREAS

Edwin Meese is President Reagan's close friend and trusted adviser—one of the Californians who have stood by the president through the traditional "thick and thin."

Meese's own "thin" time came Tuesday as charges of unethical behavior were revealed in a Government Ethics Office internal report.

Independent Counsel Jacob Stein, chosen by the president earlier to investigate criminal charges against Meese, found "no basis" for indictment.

But the independent counsel refused to give an opinion on Meese's ethical behavior, something he said he hadn't been asked to do.

Now, in hearings before the Senate Judiciary Committee, Meese's ethical behavior is under close scrutiny.

Government Ethics Office attorneys submitted a report Jan. 14 which said that in at least two instances Meese "violated the standards of conduct or other applicable statutes" and that his actions created "the appearance of preferential treatment" in federal appointments.

The internal report was overruled by David H. Martin, ethics office director, who concluded that Meese "was in compliance with applicable laws and regulations regarding conflicts of interest."

But Judiciary Committee Chairman Strom Thurmond requested the internal report for the committee's consideration.

Now, with the report before them, along with Martin's letter explaining why he rejected it, the Senate committee has a ticklish task. It must decide whether President Reagan's longtime friend is suited for a job where ethical performance is a high-priority requisite or whether his participation in approving federal appointments for persons who had done him favors represents conflict-of-interest and makes him unfit for the office of attorney general of the United States.

Although Mr. Reagan steadfastly supports his friend's nomination for U.S. attorney general, it appears that Meese's appointment could prove to be an embarrassment to him.

Meese should not be approved.

[From the Thousand Oaks (CA) News Chronicle, Jan. 30, 1985]

THE MEESE MESS

Your brother-in-law has a bookkeeper whom you are thinking of hiring as office manager.

You find out that the bookkeeper has been borrowing money from one of the company's suppliers and that the lender got a large contract from the company after making the loan to the bookkeeper.

You wonder whether that was the right thing to do, so you hire a private investigator to find out more about it.

The private investigator reports back to you that everything is fine. He asked your brother-in-law.

That is about what happened in the Edwin Meese affair, except that it isn't a bookkeeper we're talking about, nor is it an office manager.

It is the No. 1 presidential counselor and the U.S. attorney general. And it isn't your brother-in-law, it is the president of the United States.

Meese will likely win confirmation to the highest law enforcement post in the nation, and he will likely win it on Thursday as scheduled.

That despite his admission that he borrowed money and favors from individuals who not much later won high offices in the federal government by appointment.

Damning as that is ehtically, even worse in Meese's statement to the Senate Judiciary Committee on Tuesday that "I have conducted myself in accordance to the ethical as well as the legal standards of behavior for public officials."

It is conceivable that he is not prosecutable for what he did; it is inconceivable that he was innocent in doing it.

If he regarded the non-prosecution of the conflict of interest charges against him as evidence of exoneration, he will likely regard the Senate's expected confirmation of him as vindication.

That would be a double disservice.

[From the Torrington (CT) Register Citizen, Jan. 30, 1985]

THE MEESE NOMINATION

President Reagan has nominated for attorney general his White House counsel, Edwin Meese, who has a bad habit of getting financial favors from people who end up with cushy government jobs. The coincidences were striking enough to prompt the appointment last year of an independent counsel, who came to the conclusion that there wasn't enough hard evidence to justify a criminal indictment.

That's reassuring, but it doesn't answer the question at hand: whether Mr. Meese has the ethical sensitivity that the Senate should expect of a person asking to be confirmed as head of the Department of Justice. Therefore it is gratifying to know that Mr. Meese's ethics—and not just his criminal liability—has been addressed by the Office of Government Ethics.

The staff of that agency studied the report of the independent counsel and came to the conclusion that, in two matters, Mr. Meese's financial dealings had, in fact, appeared to conflict with his official duties. This is a violation of federal regulations which forbid actions by officials that might even "create the appearance of" preferential treatment for someone.

This clear statement of some of the issues involved in the Meese appointment was almost not available to the Senate Judiciary Committee as it began Tuesday what its Republican chairman, Strom Thurmond, has said will be just a one-day, hurry-up confirmation hearing of Mr. Meese. The contents of the report were kept under wraps by the Office of Government Ethics' director, David H. Martin, after he was persuaded by Mr. Meese's attorneys and White House officials not to take action on the staff's findings. The report saw the light of day only after it was leaked to The Wall Street Journal.

There are no damning new revelations in the document. All that the staff's attorneys did was to study the independent counsel's record, examine the pertinent federal regulations and come to a conclusion that should have been obvious to the Senate: Mr. Meese has not met the minimum standard for conduct by government officials or employees. The advantage of having this report on the table is that it forces senators to recognize just what they will be condoning if they give their blessings to this unworthy nomination.

[From the Trenton (NJ) Trentonian, Jan. 31, 1985]

REJECT MEESE

President Reagan's persistence in attempting to make his old buddy Edwin Meese the Attorney General of the United States raises some serious questions as to why Mr. Reagan feels it is so important to have Mr. Meese in this important, demanding and sensitive office.

It is just stubbornness? Does he really believe Mr. Meese is the best qualified person for the post? Does he *owe* him? Or is it more than that?

True, a special prosecutor found no grounds for prosecuting Mr. Meese after an investigation of some of his rather intriguing activities—including finding federal posts for people who loaned him money, interest free. Now, Mr. Reagan has renewed the nomination and wants the Senate to confirm him.

The special prosecutor found no cause for prosecution, but specifically declined to certify that Mr. Meese was fit to be the nation's Attorney General. What was unsaid thereafore says a lot more than what was said.

Common Cause, the citizens lobby group, opposes confirmation of Mr. Meese by the Senate because of his numerous eyebrow-raising but technically legal dealings.

Common Cause is right. The fact that Mr. Meese may not have broken any laws doesn't mean that his activities that were investigated (numbering 11 in all) aren't sufficient reason for the Senate to reject him.

The conservatives find this rather hypocritical. They argue that since Mr. Meese isn't guilty of breaking any laws he is innocent of wrongdoing and shouldn't be barred from holding the office.

That just won't wash. The public has a right to demand higher ethical and moral standards of high officials than the law may stipulate.

Mr. Meese can say, as former President Nixon did, that he is "not a crook." His personal professional conduct is, however, less than the public has a right to expect from a man who will preside over the administration of justice in this nation for the next four years.

[From the Tucson (AZ) Citizen, Jan. 29, 1985]

CONFIRMATION WON'T BE END OF MEESE CASE

Once again the matter of confirming Edwin Meese III is up for consideration in the U.S. Senate, and this time—just over a year after he was nominated to succeed William French Smith as U.S. attorney general—it appears he will be approved.

For many Americans, including members of the Tucson Citizen editorial board, this is not a happy thought. We believe President Reagan could have done better than choose his long-time acquaintance. We see a danger that Meese will be an embarrassment to the administration, along the lines of a James Watt or a David Stockman or an Anne Burford.

This is not to say the president has bombed out on all his appointments; some have been excellent choices. But it seems most unlikely that the naming of Meese will rank up there with the appointments of Sandra O'Connor and George Shultz.

Meese, renominated on Jan. 3, first was appointed attorney general in January of 1983. But questions about his financial dealings arose, questions that centered on whether he had helped to get federal jobs for persons who provided financial assistance to Meese and his wife. Confirmation proceedings were suspended in April pending an inquiry by an independent counsel, Jacob A. Stein, into allegations of criminal conduct.

After a five-month investigation, Stein reported in September that "no basis" had been found "for the bringing of a prosecution against Mr. Meese for violation of a criminal statute." He said he had "no comment on Mr. Meese's ethics and the propriety of his conduct or an evaluation of his fitness for office," because the inquiry did not extend to those questions.

Does this finding "clear" Meese of all suspicion and serve as a mandate for his speedy confirmation? We don't think so, but the word from Capitol Hill is that Meese will indeed be confirmed, despite some remaining opposition. Among those speaking against confirmation is Archibald Cox, the first Watergate special prosecutor and now chairman of Common Cause. In a commentary for the Los Angeles Times, Cox said:

"In the past, receiving personal financial benefits, as Meese did, and then exercising governmental power in favor of the benefactor has been condemned as grossly unethical—even when there was no proof of a causal connection. . . . The attorney general has more opportunity to set the ethical tone of an administration than any official other than the president. He must symbolize the fair-minded, impartial, sensitive but impersonal administration of justice. But he cannot do so if he himself has repeatedly accepted material favors and then used his of-

ficial position in a way that helps his benefactors."

We believe that Meese, if confirmed, will take office under a suspicion that he will not be able to shake. As a tough "law and order" prosecutor in California, he made lots of enemies (and some friends) in supervising arrests of protesters and helping put down demonstrations at Berkeley. He has attacked the American Civil Liberties Union as part of a nationwide "criminals' lobby."

Given Meese's problems even before confirmation, one must wonder if he will be able to serve as an effective, credible attorney.

Surely President Reagan could have made a better choice.

[From the Waukesha (WI) Freeman, Jan. 29, 1985]

DIFFERENT SET OF VALUES

See, if every taxpayer sent a penny to Poor Ed he would collect about a million dollars so he could pay off his lawyers—and have some spare change to maintain his lifestyle, the lifestyle that put Meese in a bind and heavily in debt when his pal Ronald Reagan first went to the White House.

What prompts this commentary is, of course, the news from the nation's capital that Meese has asked U.S. taxpayers to pay a $720,900 legal bill he ran up while proving he did nothing illegal when a friend obtained loans for him and another friend "found" a buyer for Meese's California house and also loaned the buyer some money for the purchase. Both these helpers later got appointments to federal jobs.

A federal regulation allows Meese to ask the U.S. Treasury to reimburse him for his team of $250-an-hour lawyers. (For a 40-hour work week, that comes to a weekly check of $10,000.)

If he becomes attorney general, Meese's salary will be only $80,000 a year so he couldn't cover the bill himself. Also, for him to ask other "friends" to chip in with some cash would not look too good for the nation's chief administrator of law. Alas, nothing to do but ask all of us to come up with $720,900.

(By the way, the investigative costs incurred by the U.S. special prosecutor amounted to a mere $320,000.)

Just to be even-handed, we must mention that Republicans in D.C. aren't the only politicians who seem to work in a different world than ordinary people. Wisconsin Democrats managed to pull a spiffy stunt when they hired an ex-legislator named William Rogers to an $1,886-a-month job as aide to a committee of the Legislature.

Rogers, 54, had served his Kaukauna constituency for 22 years before losing the November election. Assembly Speaker Thomas Loftus, D-Sun Prairie, recommended that a committee hire Rogers because he needed a job.

"Democrats don't shoot their wounded," Loftus said.

Democrats should try triage next time.

Rogers didn't show for work during the first week. Now, he's been fired. Good.

The examples being set in Madison and Washington are poor. Cronyism, favoritism and insensitivity to public opinion serve only to support the viewpoint of many Americans that most politicians are a lower order of life.

The way to end the Meese mess is for Meese to withdraw his name from consideration and for President Reagan to find another attorney general candidate. OK, taxpayers will pick up the tab for him—because it's cheaper and better for the nation to be rid of Meese as a public official.

But we don't need him in the attorney general's chair. Meese's judgment has been shown to be flawed. Seriously flawed.

We hope that Wisconsin's senators, Republican Robert Kasten and Democrat William Proxmire, refuse to confirm Meese as U.S. attorney general.

[From the Wichita (KS) Eagle-Beacon, Jan. 28, 1985]

MR. MEESE HARDLY "VINDICATED"

Last fall, the independent counsel who'd investigated Edwin Meese was asked to say if "the evidence does not substantiate the loose charges of moral turpitude against Mr. Meese." The counsel, Jacob Stein, who'd just absolved Mr. Meese of criminal wrongdoing, refused to answer. Nor would he offer his opinion on Mr. Meese's fitness to be attorney general.

President Reagan subsequently used Mr. Stein's conclusion on criminality to pronounce Mr. Meese "vindicated" and said he would renominate him to be attorney general. It's important that the Senate, when it takes up the Meese renomination later this month, consider what Mr. Stein said—and wouldn't say.

Mr. Stein's charge was narrow: "to investigate any allegation or evidence of violation of any criminal law by Mr. Meese." His findings were offered in that narrow context.

But evidence uncovered during the Stein investigation reveals that Mr. Meese, a counsellor to Mr. Reagan since 1981, consistently used his power and influence in ways that appeared wrong, or left him open to compromise. He apparently doesn't understand that persons in high public office must have a sense of ethics and sufficient judgment to know when to exercise it. And he either was ignorant of—or didn't care about—a presidential executive order on ethics, in effect since 1965, that says government officers shouldn't act in ways that "might result in or create the appearance of . . . using public office for private gain."

It all boils down to this: Should the same strict standard of proof that keeps those who aren't indictable from the dock be used to judge the ethical qualifications of a man who would be chief legal officer of the nation? The answer is no, and that's the conclusion the Senate should reach.

[From the Willingboro (NJ) Burlington County Times, Jan. 30, 1985]

ETHICS: MEESE'S RECORD STILL TROUBLING

Edwin Meese III, President Reagan's nominee to succeed William French Smith as attorney general, is not qualified to be the nation's chief law enforcement officer.

It's not that Meese has broken the law. An independent investigation into Meese's financial affairs last year cleared him of criminal wrongdoing.

However, a new report raises serious questions about Meese's ethical judgment.

According to the Wall Street Journal, investigators for the Office of Government Ethics found Meese in violation of federal ethical standards. Curiously, their report was quashed by David H. Martin, head of the ethics office.

The issue is not so much whether Meese was involved in an outright conflict of interest—although that's a legitimate issue for debate—but whether Meese, as a public servant, took care to avoid the appearance of conflict.

Meese is alleged to have benefited from financial transactions with two men who subsequently obtained jobs in the government.

Sen. Strom Thurmond, R—S.C., chairman of the judiciary committee, said on Tuesday that he would seek to avoid "unreasonable inquiries" into Meese's conduct in office.

To hear Thurmond talk about it, one would think Meese had only been accused of stealing pencils or paper clips. There have been more serious allegations against Meese and—perhaps—an attempt to conceal the truth about two of the many incredible and profitable coincidences in the life of Edwin Meese III.

It is hardly high praise to say of Ed Meese that he is not, to anyone's knowledge, a criminal—that, at best, he walks a thin line between ethical and unethical behavior.

[From the Worcester (MA) Evening Gazette, Jan. 30, 1985]

ETHICS AND ED MEESE

Edwin Meese continues to meet obstacles on his way to being confirmed as attorney general.

Two weeks ago, he said that the government should pay legal costs of $700,000 that he incurred defending himself against allegations of improper conduct last year. Meese was cleared of breaking the law, but his high-priced attorneys are charging $225 an hour, more that the government wants to pay.

Yesterday the Senate Judiciary Committee discussed a secret staff report from the Office of Government Ethics that Meese, although cleared of any indictable offense, had nevertheless violated the federal government's ethical standards in two instances. The document was leaked to the press this week, apparently by someone in the White House with no great love for Meese.

The new development is vexing to the Republican leaders in the Senate. They had planned to whisk his confirmation through the Judiciary Committee and the Senate within a week or two.

Meese has been cleared of any crime, but is that enough? Should he have taken the $40,000 loan in 1981 from a man who was later appointed to a government job with his support? Should he be "as clean as a hound's tooth," or is that an unreasonable standard to set for the top law officer of the nation in 1985?

Maybe it's only a matter of "appearance," but appearances do count, especially when they involve the attorney general of the United States.

Meese's ordeal is not yet over. He still may have to face some tough grilling before he settles the disturbing questions that have been raised.

Mr. METZENBAUM. Mr. President, I previously indicated that I did not intend to delay this matter. I do not intend to delay it now. It is my understanding that Senator LEVIN is in the library and is prepared to come to the floor to speak.

I again suggest that those who are concerned about the farm issue, as I am, but not as a direct participant in this endeavor, see fit to be on the floor in order to protect their position.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I ask unanimous consent that a number of newspaper articles and editorials concerning Mr. Meese for Attorney General be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the National Review, Feb. 8, 1985]

MEESE AND THE LAW

Edwin Meese, who is as honorable and selfless as any man in public life today, will apparently have to undergo one last bout of character assassination before his confirmation as Attorney General of the United States.

The report of the independent counsel charged with investigating allegations against Meese showed that he was gulity of violating no rule other than the one that might be called Metzenbaum's Law: That public office is the preserve of the very rich. Faced with a financial crisis when he was unable to sell his house in California after moving to Washington, Meese persuaded his bank to grant an extension of time for mortgage payments instead of foreclosing, borrowed money from his accountant and from a close friend, and eventually was able to sell his house. Some of the people involved in these transactions (like virtually everyone Meese knew well or did business with) were also friends of other Administration officials or of President Reagan himself. Several later received low-level government appointments through their other contacts in the Administration—not through Meese. In no instance was it found either that the business transactions were improper in themselves or that they had anything to do with the appointments.

A memorandum now being circulated by Common Cause, however, suggests that the independent counsel's report exonerates Meese only of criminal wrongdoing. The memorandum argues against Meese's confirmation on the ground that his perfectly legal business transactions gave rise to an "appearance of impropriety." But the appearance is in the eye of the beholder. Common Cause overlooks the fact that the very things that make it improper for government officials to engage in certain business transactions also make these transactions illegal. If, as the independent counsel found, none of these factors was present in any of Meese's dealings it can only have been because they were conducted at arm's length and were therefore entirely proper.

The Common Cause memorandum also makes much of the fact that Meese—who has participated in meetings at which thousands of names were discussed for various positions in government, and whose office has received many thousands of letters—was in some instances unable to remember whether he had heard names discussed or read letters people said they had mailed to him.

Under the standard implicitly suggested by Common Cause, Meese was bound either to declare bankruptcy rather than borrow money to save his home, or to keep a list of the people with whom he did business in order to veto them in the event other people chose them for jobs for which they were well qualified. Official misconduct used to be made sterner stuff.

[From the San Francisco Progress, Jan. 13, 1985]

THINKING OUT LOUD

(By Nathan Cohn)

Our government was organized to guarantee its permanence.

The men who desired to live in a democracy designed a government of checks and balances.

We have three branches of government: the executive, the judicial and the legislative.

The three branches were set up to guarantee that our form of government would protect itself within its own framework.

The judicial branch determines the legality of these laws.

The executive branch executes these laws if they are recognized as constitutionally legal by our judicial branch.

The president of the United States, who is elected by the people, heads the executive branch.

Our forefathers who designed this fantastic government either were geniuses or were the luckiest group of people in the world.

It really works.

Our freedoms are completely protected by this simple, but brilliant theory of self-government.

We have a president who has been elected by a majority of our citizens.

Under our government, even those who did not vote to elect the president are duty-bound to support the selection by the majority.

The president heads the executive branch and has been allocated the power to select men and women to assist him in his executive position.

I did not vote for our present president, but as the majority of our people elected him into office, I support him. I do not agree with many of his ideas or actions, but as he is our duly elected leader, his actions and ideas are the law of the land.

President Reagan has made many appointments to his cabinet which leave me cold, and in some instances, quite a little worried. But, the public elected Reagan and Ronnie has the right to surround himself with the people he desires to assist him in running our country.

Years ago, I tried a case with two other attorneys representing co-clients. One of the other two was an outstanding trial attorney named James Martin MacInnes. I became a little upset with our third co-counsel and remarked to Jim that our associate was an "idiot." Jim looked at me solemnly and stated, "Yes, Nate, but he's our idiot."

Reagan has recently nominated Edwin Meese III to be attorney general of the United States.

The president should have the right to select the attorney general to serve as a member of his executive team.

Some senators have objected to Meese's nomination on the grounds that Meese failed to disclose loans from close friends. The loans were for a few thousand dollars. This is understandable. Many people would consider loans of such amounts from close friends as personal obligations and might not even think of such a friendly loan as something which should be included in one's profit-and-loss statement. A loan such as this might not even be remembered as an outstanding obligation which need be reported.

Meese was questioned about the fact that a couple of close friends of his were appointed to government positions.

This is a ridiculous issue to raise in evaluating Meese's qualities for his appointment. Our political leaders appoint people they know and trust to positions in their administrations.

Jacob Stein, a special prosecutor, was appointed by a special three-judge panel to investigate the allegations regarding Meese. After a five-month investigation special counsel Stein reported that there was no basis to bring any prosecution against Meese.

If Meese had performed illegal acts or had an intent to violate the law, Meese would have never been cleared by special counsel Stein.

Politicians usually appoint people to positions in government who might assist the politician in his reelection or in election to some higher political office.

President John Kennedy appointed his brother Robert attorney general. Bobby Kennedy had no legal experience which guaranteed his being named attorney general. Bobby performed ably, but neither his knowledge of the essential legal procedures nor his personal experience in law would have qualified him for appointment to this position by another president.

For many years, the postmaster general of the United States was nominated not for his abilities but only because he had served as campaign manager for the successful president.

Ed Meese is a well-qualified attorney. He was a former prosecutor, professor of law and a legal adviser to Reagan before the president acquired his present position.

Meese is from this area. He has always been reputed to be an honest, decent, hard-working lawyer.

Who does a person borrow from? Friends, of course. This is the normal procedure. A person would have a difficult time attempting to borrow money from strangers.

If a person is a close enough friend to loan one money, that person would, without doubt, be a close enough friend to trust in a government position when one wishes to name people who can be trusted to such position.

Loyalty should be rewarded, not used as a device to defame the loyal one.

Since 1966, Meese has been a person Ronald Reagan trusted. Meese served Reagan for two terms as chief of staff when Reagan was governor of California.

During President Reagan's first term. Meese served Ronald Reagan as counselor to the president.

No one can fault Reagan for naming a trusted, loyal supporter to be his attorney general.

Perhaps if you or I were president, we would select someone other than Meese to be attorney general. But neither of us is president, and the selection is not ours.

The Senate Judiciary Committee should recommend the confirmation of Edwin Meese's nomination as attorney general and the Senate should follow that recommendation.

Edwin Meese III should make a competent attorney general.

As Jim Macinnes would say, "Ronnie is our president."

[From the San Diego (CA) Union, Jan. 8, 1985]

CONFIRMATION DUE

There is every indication that the Senate Judiciary Committee will recommend that the Senate confirm Edwin Meese III, presidential counselor, to be attorney general when the issue is taken up again later this month. This will end nearly a year's delay in carrying out a key shift within Mr. Reagan's official family.

An independent special prosecutor, the respected Washington lawyer Jacob A. Stein, reported last September that there are no grounds for criminal charges against Mr. Meese in connection with any of the matters that came to light during his earlier confirmation hearings. This was no surprise to those who know Mr. Meese as a man of honesty and integrity. His sins of omission or commission involving loans, gifts and federal jobs were not those of someone intent on breaking the law. Mr. Meese did not always appreciate that innocent actions could be misunderstood when they are carried out by someone in his powerful position in the government.

Common Cause, the organization that brought some of the original accusations against Mr. Meese, won't let go of the issue. No matter what the special prosecutor says, Common Cause would like to see the Senate refuse to confirm the nomination on grounds that Mr. Meese is "blind" to ethical standards. That's reading far too much into Mr. Meese's lapses in judgment.

It's not unusual for presidents to name as Attorney General a close political associate or adviser who happens also to have appropriate credentials as a lawyer. Mr. Meese's long association with Mr. Reagan as governor, as candidate and President qualify him on the first score; his experience as a prosecutor and law professor qualify him on the second.

At the Justice Department, Mr. Meese will have the backing of strong staff—experienced professionals who are prepared to provide expertise and continuity in their respective fields. The man in the front office, we suspect, will spend a lot of time on the phone to the White House.

[From the Wall Street Journal, Jan. 3, 1985]

COMMON CAUSE VS. COMMON LAW

Just in time for today's return of Congress to Washington, the angels at Common Cause are enjoying one last dance on the pinpricked hide of Edwin Meese. Chairman and head ethicist Archibald Cox recently issued a 37-page report urging that everyone ignore last September's 385-page investigator's report exonerating Mr. Meese.

Not to worry that independent counsel Jacob Stein and five deputy counsels interviewed 200 witnesses, and a grand jury questioned 45 witnesses, and both read libraries full of documents. They cleared Mr. Meese of all allegations of criminal improprieties.

Mr. Stein was careful to note that he could only consider the criminal charges, and wasn't empowered to report the "propriety or the ethics" of Mr. Meese's conduct. But obviously ethical judgments depend, or should depend, on the facts, which Mr. Stein found weren't there. Yet Common Cause harps on some of the same charges, which include failure to report a pair of cuff links given by South Korea, a loan to Mrs. Meese by someone who later got a government job, and an extension on the Meese house mortgage.

The Stein report said there was nothing up Mr. Meese's sleeve on the cuff-link case, or when it came to the friend who made loans to Mrs. Meese and then got a government job "without the knowledge of or any intervention by Mr. Meese," or when the Meese mortgage was extended instead of foreclosed, which was "sound from a business point of view." It's not as if he was accused of breaking campaign finance laws or using a widow's trust fund for Meese family purposes.

What's really going on here is what's been going on ever since William French Smith resigned. Some people simply don't want an attorney general with the conservative views of Mr. Meese. Many of these apparently pay dues to Common Cause. Mr. Cox didn't let the Stein report facts get in his way. Even before the report was assigned, Mr. Cox was convinced that Mr. Meese violated "ethical mandates," and last spring sent a letter to all the senators saying so. So far, the anti-Meese lobby has managed to keep the attorney general's office vacant for almost a year, leaving in limbo some important programs of the Reagan mandate. Finally, Senate Majority Leader Bob Dole now says, "We've held Ed Meese hostage long enough."

One overdue reform for Attorney General Meese would be to end the Legal Services Corp., the American lawyers' version of UNESCO. The program was supposed to help the poor enforce their rights, but has been hijacked by social-engineering lawyers whose fascination is with redistributionist politics, not with the interests of individual poor people. Mr. Meese may also have some ideas for reducing the amount of litigation this country suffers, which accounts for a whopping 2% of GNP, more than steel.

The Senate Judiciary Committee hearings to confirm Mr. Meese are rescheduled for later this month. He is perfectly qualified for the job, as he was before the independent counsel's report, much personal torment, and a year ago.

Indeed, judging by the damage groups such as Common Cause would wreak on cherished legal principles, it strikes us that it may be import to have a chief law-enforcement officer with a victim's firsthand knowledge of the fragile nature of the rule of law. Consider this Common Cause argument. Despite the factual findings of the Stein report, the group only required its collective judgment to conclude that Mr. Meese lacks "ethical sensitivity," and so must never be attorney general. Each page from Mr. Cox must have the strength of 10 pages from the independent report because Common Cause hearts are so pure.

Consider what Common Cause would have us adopt as a new standard of proof. For example, the Cox report acknowledges the Stein finding that there was no link between the loan and the job, but concludes, "whatever his subjective motive, Mr. Meese did link by his actions" the loan and the job. "Subjective motive?" Common Cause is apparently relying on an "objective motive," an idea only a studied Marxist could understand. Since no evidence is offered to suggest any action by Mr. Meese to support a link between the loan and the job, this pathbreaking legal standard requires no proof.

The gist of the Common Cause argument makes a hash of the very concepts of guilt and innocence: Even though Mr. Meese did nothing criminal, there were allegations of criminal behavior, and the existence of allegations is fatal to Mr. Meese. In Mr. Cox's estimation, the controversy surrounding Mr. Meese means he can no longer "symbolize the highest standards of honor, integrity and freedom from self-interest." Mr. Cox and Common Cause of course were sources of many of these allegations in the first place. So political enemies can be quashed in three easy steps: Raise accusations, damage reputations, ignore vindications.

Neat.

But this procedure turns the major principle of common law inside out. The accepted idea has been that people are considerd innocent until proved guilty. The suggested reform from Common Cause, as applied to Mr. Meese, is that he's guilty after being proved innocent. A more proper verdict would be a speedy confirmation as attorney general.

[From the Sacramento Union, Jan. 2, 1985]

SECOND ROUND FOR MEESE

With a landslide reelection behind him, President Reagan is expected to have little difficulty in belatedly obtaining Senate acquiescence to his choice of Edwin Meese III as attorney general.

It should also help Mr. Meese and Mr. Reagan that Congress is—or should be—embarassed by its clumsy whitewash of Democratic vice presidential candidate Geraldine A. Ferraro's financial disclosure problems.

Post-Ferraro partisan attacks on Mr. Meese's integrity—now that he has been cleared of criminal suspicion by special prosecutor Jacob A. Stein—would not play well with the voting public that so overwhelmingly expressed its confidence in Mr. Reagan.

Mr. Stein thoroughly investigated Mr. Meese's personal finances, his controversial promotion in the Army Reserve, and insinuations that he helped to get federal jobs for people who helped him financially.

Some members of the Senate Judiciary Committee—which must confirm Mr. Meese as attorney general—and others in Congress had a field day grilling Mr. Meese during his initial round of confirmation hearings last year.

Some Democratic senators obviously found the presidential counselor a tempting surrogate target for his Republican boss in a crucial election year.

Now that the presidential election is over, the Senate Democrats presumably won't have much incentive to keep up the attacks on Mr. Meese.

Those who have followed Mr. Meese's governmental career in California and Washington are convinced that he is honest.

This, of course, doesn't excuse Mr. Meese from the charge that he was careless in keeping his financial affairs—including an interest-free loan of $15,000 to his wife that he failed to disclose as the law requires—straight and above suspicion.

We are confident that Mr. Meese will lay to rest any lingering doubts about his suitability to serve as attorney general.

When Round 2 of his confirmation hearings begin, Mr. Meese should be on his way toward restoring his reputation, that was tainted by nothing worse than occasionally poor judgment and excessively partisan attacks.

RECORD CLEARED: AN APOLOGY TO ED MEESE

(By James J. Kilpatrick)

WASHINGTON.—Back in March I wrote a column about Ed Meese. It hurt to write it. The President had nominated Meese to become attorney general, and the nomination had been caught in a fog of suspicion and innuendo. Meese was being perceived as

a wheeler-dealer who peddled federal jobs in return for personal favors.

"Because perception counts so heavily," I said then, "my unhappy thought is that Meese ought to withdraw his name. . . . Reagan has enough heavy baggage to carry into the coming campaign without the burden of a long and distasteful battle for (Meese's) confirmation."

I write today's column with a lighter heart. Meese now has won vindication—vindication in every way that a court-appointed independent counsel could provide it. An exhaustive review of 11 allegations of wrongdoing failed to turn up the slightest evidence against him.

With only a few days remaining before Congress adjourns on Friday, it is too late to resume confirmation hearings now; but if Reagan is reelected in November, the Senate's first order of business in January should be the speedy rectification of the injury that has been done to an honorable man.

Jacob A. Stein was appointed independent counsel on April 2. My expectation—an expectation nurtured in Washington journalism—was that we were in for a summer of leaks. I could see The Washington Post's bloodhounds sniffing on the trail of Stein's investigators. It didn't work out that way. As it now transpires, there was nothing scandalous to leak. Moreover, Stein ran a tight ship. He gave no press conferences, and he kept his crew buttoned up: "We were successful in affording confidentiality concerning the appearance of witnesses."

By the time his investigation ended, Stein and his staff had interviewed more than 200 witnesses and had pored over thousands of pages of relevant material. No witness sought immunity. No witness took the Fifth. Under the ethics statute, Stein had no authority to consider matters of propriety, appearance or judgment on Meese's part. The question was whether Meese had violated federal law. And the upshot?

"We find no basis with respect to any of the 11 allegations for the bringing of a prosecution against Mr. Meese."

One of the more serious allegations last spring had to do with a $15,000 loan from Edwin W. Thomas to Meese's wife Ursula. Meese had failed to report the indebtedness on his Form 278; the loan carried no interest; Thomas had been named to head the San Francisco office of the General Services Administration; Mrs. Thomas had become an attorney-examiner with the Merit Systems Protection Board; their son Tad Thomas held a job for 10 months with the Labor Department. It looked bad.

Stein's metriculous investigation dissipates the cloud. The two families were quite close; the loan was a friendly accommodation intended to help Mrs. Meese in the timely purchase of a promising stock. (The stock, as it turned out, was a bummer.) Thomas got his GSA job on his own. There was no-evidence "that Mr. Meese was involved in or was even aware of Mr. Thomas' appointment." As for Mrs. Thomas: "No evidence of Mr. Meese's participation in her hiring was found." As for Tad: "No evidence regarding Mr. Meese was discovered."

The same negative findings were made in the matter of Meese's real estate loans. After Reagan's victory in November 1980, it was imperative that Meese make a move to Washington in order to serve as the incoming President's chief counselor. The Meeses put their San Diego home on the market and simultaneously arranged to purchase a house in McLean, Va., a Washington suburb. The San Diego property remained unsold until September 1982. Much of the financing was through Great American First Savings Bank. Subsequently Gordon Luce, chairman of Great American's board, was appointed to a part-time position as alternate delegate to the U.N. General Assembly.

Stein's conclusion, after an exhaustive tracking of documents and testimony, is that there simply was no nexus between the bank's easygoing treatment of Meese and Luce's appointment to a largely honorary post. Luce was close to the President. If he had wanted a high-ranking job in Washington, he would not have needed Ed Meese to intercede for him. All other allegations faded away in the same fashion.

In the newspaper business, all this would add up to "no story." The media, regrettably, have treated the Stein report as such. The abbreviated coverage of Meese's vindication this month is in marked contrast to the voluminous reported of the allegations against him last spring. This is how the system works: No story is no story. But it is pure pleasure for me to rejoice that Meese spurned my bad advice in March. He and the President stood fast, and they have come through with colors flying.

(James J. Kilpatrick's writing appear in numerous American newspapers and magazines.)

Ed Meese Cleared and Ready

President Reagan's announced intention to have Edwin Meese, his White House counselor, serve as the next U.S. attorney general got a big boost recently.

Meese was officially cleared of possible criminal charges having to do with his financial affairs and possible violations of bribery statutes. Specifically, he was found innocent of allegations that he helped to get federal jobs for individuals who had lent his family money or helped him sell his La Mesa, Calif., home.

This vindication came in the form of a 385-page report. The findings summarize an exhaustive five-month investigation by Jacob A. Stein, who was appointed last April by a three-judge federal court as a counsel independent of the Justice Department to determine Meese's culpability.

Stein, one of the country's most respected attorneys, was assisted by five deputy counsels, including three former government prosecutors, and four FBI agents.

There were 11 separate inquiries of possible wrongdoing, some of which were niggling. One, for example, had to do with Meese's retention of cuff links given to him by the government of South Korea.

The most serious inquiry and the center of the investigation concerned Meese's failure to list a $15,000 loan to his wife on federal disclosure forms. The exonerating verdict on this is clear enough: ". . . we find no indication of any underlying improper or illegal conduct on the part of the Meeses and no evidence that they had knowledge of any such conduct by anyone else." Stein did cite Meese's "general lack of attention to the forms . . ."

As for the charge that Meese helped his friends obtain federal jobs in return for personal favors. Stein found in every instance that the individuals were so well acquainted either with the president himself or with other top officials in the administration that ". . . none of them needed Mr. Meese's support and influence to obtain federal jobs . . ."

So much for the criminal aspect. But what about ethics and judgment? Appropriately, Stein resisted pressure from both friends and foes of Meese to express an opinion on the moral aspects and confined his report to the strictly legal. Thus, these subjective considerations remain as a factor in the confirmation proceedings after the November election, assuming Mr. Reagan's victory. Senators from both parties predict, however, that the president will be given the attorney general he has pledged anew to nominate.

Indeed, Sen. Edward M. Kennedy, apparently reflecting the views of other Judiciary Committee Democrats, has said, "the questions examined and resolved by the special counsel should no longer be part of the confirmation process." Instead, he promised to question Meese about his "sensitivity to issues of civil rights and civil liberties." Such partisan and philosophical dickering will not likely amount to much.

The real question now is this: What can be expect from Meese as the nation's top law-enforcement official? Putting aside his advocacy of law and order since his days as deputy district attorney in California's Alameda County during the early 1960s, we find a thoughtful answer from a prominent and qualified Democrat: Lloyd N. Cutler, a lawyer and counsel to President Jimmy Carter, wrote not long ago that Meese's academic and professional records ". . . may not be up to the standards of distinction set by Nicholas Katzenbach and Edward H. Levi, but he compares favorably with most of our attorneys general * * *

Philosophy Behind Meese Mess an AP News Analysis By Mike Feinsilber

Washington.—From one viewpoint, the fight over the fitness of Edwin Meese III to serve as attorney general was over his ethics. But that was only part of the story. Much of the opposition facing Meese was based on his political philosophy rather than his ethics.

The long, painful, expensive fight over Meese's nomination illustrates a point about the way Washington works.

These occasional confirmation battles—always distasteful because a person's reputation is at stake—are almost always over a hidden question.

Usually the battle grounds are the nominee's ethics while what's really at issue is his philosophy.

In Meese's case, special prosecutor Jacob A. Stein absolved Meese of criminal wrongdoing last week in the culmination of a five-month grand jury investigation.

The fight wasn't over a $15,000 interest-free loan from a long-time California friend who ended up on the federal payroll. Nor was it over Meese's forgetfulness in neglecting to list some stock transactions on his financial disclosure forms, or his hasty promotion in the Army Reserve, or his failure to turn over to the government a $375 pair of jade and gold cuff links given him by the South Korean government.

Meese's ideological foes in the Senate raised those issues in an attempt to keep him from becoming head of the Justice Department because they don't like his ideas, not because they cared what he did with a pair of cuff links.

Meese's critics don't like his conservative political philosophy, his feelings toward the poor, his attempts to weaken or abolish the Legal Services Corporation, his attempt to restore tax-exempt status to Bob Jones University despite its record of discrimination on the basis of race, his opposition to the

Equal Rights Amendment and what one witness at Senate hearings called "the Administration's insensitivity, unfairness and indifference to women, minorities, the disabled and many other victims of discrimination."

The witness, Ralph Neas, testifying on behalf of the Leadership Conference on Civil Rights, told the Senate Judiciary Committee last Feb. 2, "Bluntly put, we oppose the nomination because, on the basis of our observations over the past three years, we do not believe Ed Meese, as the nation's chief law enforcement officer, would enforce, vigorously and objectively, our nation's civil rights laws."

That sort of argument doesn't get very far, and the Meese nomination was headed for the Senate floor, and probable confirmation, when the personal financial questions that caused the appointment of a special prosecutor arose.

EDITOR'S NOTE: Mike Feinsilber, an AP reporter in Washington, has covered the fight over the nomination of Edwin Meese III and other confirmation battles.

[From the St. Louis Globe-Democrat, Sept. 22-23, 1984]

VINDICATION FOR EDWIN MEESE III

When there were stories day after day on the charges made against White House Counselor Edwin Meese III during Senate hearings on his suitability to serve as U.S. Attorney General, the constant repetition had the effect of virtually convicting Meese without a trial.

The inquisitors of Meese, led by Sen. Howard M. Metzenbaum, D-Ohio, hounded him with a succession of allegations that seemed to indicate Meese had accepted financial favors in exchange for helping a number of his friends get cushy government jobs.

Democratic foes of Meese even went so far as to invent a term, "the Sleaze Factor," which they claimed applied to the Reagan administration as well as to Meese.

Meese's detractors were so convinced of his guilt they called on him to ask President Reagan to withdraw his nomination because they were sure he had committed serious, possibly criminal offenses.

Meese finally had all he could take of this guilt-by-accusation strategy and asked for an independent investigation of the charges that Metzenbaum and Company arrayed against him.

Now, after an exhaustive investigation by an independent counsel, Jacob A. Stein, the latter says the five-month probe found "no basis" for bringing criminal charges against Meese on 11 allegations made against him.

This 378-page report should silence a lot the irresponsible charges and innuendos that political opponents of Meese and President Reagan have coantinued to make against Meese. The Sleaze is on the other foot. Those who jumped so quickly to conclude that Edwin Meese had broken the law in a number of financial dealings must now be feeling pretty sleazy, and deservedly so.

It is not surprising that Senator Metzenbaum is still talking about "inconsistencies" between what Stein reported and testimony heard before the committee, or that Metzenbaum has called anew for Meese to ask Reagan to withdraw the nomination. There probably is nothing on earth that could persuade Metzenbaum to drop his vendetta against Meese. Fortunately, if the present trend in the presidential race holds up, the influence of the noted real estate broker from Ohio will be further diminished after Nov. 6.

The lesson here is that it is always wrong to attempt to convict someone before he has had a fair hearing on the charges made against him. The overzealous pursuers of Mr. Meese weren't just out to defeat his nomination, they intended to destroy his effectiveness in the White House, and to then use the demise of Meese to batter the administration as well. The exoneration of Meese of any illegal behavior has foiled this plan. It should serve as a caution flag for some in Congress and in the media who have been inclined to conclude that any behavior that appears suspicious is, ipso facto, criminal behavior.

[From the New Republic, Aug. 27, 1984]

BURNING THE SCANDAL AT BOTH ENDS—MEESE MESS

(By Michael Ledeen)

Scandals make good copy and sometimes make journalistic careers, but do they make for good government? The case of Ed Meese shows the press in a less than flattering light, diligently hunting down all the leads that might show malfeasance in high places but often exaggerating the significance of what has been discovered, and leaving one in the end with the disturbing thought that the whole "affair" will prove to be one more blow to reasonableness

My favorite contemporary author, the Swiss Friedrich Durrenmatt, provided the best perspective on scandal in his novel *Traps*, later a Broadway play entitled *The Deadly Game*. The theme as in all his works, was justice. What is guilt, and who can judge it? In *Traps*, a nondescript person wanders through a winter blizzard into a chalet to find three old men having their monthly dinner together, a retired judge, a retired prosecutor, and a retired defense attorney. The three try the greatest case of history, but as one of them explains to Traps, it's more fun with a real person, and they ask if he will stand trial in exchange for food and drink. He agrees, but when his attorney suggests he plead guilty to a minor charge ("everyone has done something wrong after all"), Traps insists that he has lived an exemplary life and claims innocence. In the end, the prosecutor finds that Traps, having discovered his wife involved in an affair with his boss, arranges for the man—who has a heart condition—to undergo a shock, which kills him. "You knew he would die," the prosecutor proclaims enthusiastically. "Yes," says Traps, who is promptly sentenced to death by the judge. Taking matters into his own hands, Traps hangs himself and when the three old men—now happily drunk—find his body, they lament, Traps, Traps, why did you do that? You have ruined the most wonderful evening we ever had."

As Durrenmatt realized, no one's life can withstand intense scrutiny. We have all done something we regret, or failed to do something we should have done, and a canny prosecutor in a courtroom or in the media can eventually ask enough damaging questions to make us look bad. In practice, once the life of a public figure comes under the microscope, he is in trouble. One hopes that the issue is one of degree, and that we are entitled to be judged by standards of reasonableness. Are our sins grave or only the usual ones?

In the Meese affair, the protagonist's major malfeasance seems to have been that he borrowed money. His other alleged sins, for the most part, are those that define the political process and the spoils system: he got people he knew appointed to jobs; he rewarded party loyalists and Reagan supporters; he did his best to rally public and Congressional backing for his President's programs.

Yet even though there is virtually unanimous testimony from those who know him best that Meese is an honest and scrupulous man, the media have investigated his activities without the kind of fairness we so badly need to keep society civil. THE NEW REPUBLIC for one, used a nasty cover headline—SLEAZY ED MEESE—to highlight a TRB column about the case (TNR, April 2). Consider two other examples. The first came on April 4, when Ronald J. Ostrow of the *Los Angeles Times* wrote a story (picked up by *The Washington Post*) with this lead paragraph:

Clarence M. Pendleton Jr., chairman of the U.S. Commission on Civil Rights, won appointment to his federal job while serving on the board of Great American Federal Savings & Loan Association, the San Diego institution that allowed Attorney General-designate Edwin Meese III to fall fifteen months behind on his mortgage payments."

After noting that Pendleton was the third former official of the S&L to get a job in the Reagan Administration. Ostrow leveled his charge against Meese in the form of a question: "In an interview, Pendleton said he had no knowledge of Meese's mortgage debt . . . or of Great American's apparently unusually tolerant attitude. . . ." The insinuation here is that the bank let Meese off easy because the bank's officials wanted (and got) jobs in Washington, or alternatively, that bank officials helped Meese and he rewarded them later on by getting them Washington jobs.

Meese and Pendleton were old friends, Pendleton having served on the board of San Diego Coalition for Economic and Environmental Balance—co-founded by Meese—in the late 1970s. Thus Pendleton was already in the basic pool of people from whom the Reagan Administration chose many of its officials. Furthermore, as Ostrow's own information demonstrates, the dates of Pendleton's association with the bank don't support the suggestion that he was instrumental in the Meese loans. Pendleton came to the bank in January 1981 (by which time the Meeses were trying to sell their house) and left in November. Ostrow himself observes that Meese's mortgage debt" . . . climbed to $423,000 in April 1982," by which time Pendleton had been gone for five months and was hardly in a position to influence anything. In any event, the bank's willingness to let Meese delay payments until the house was sold is hardly surprising; California real estate is not a bad risk. Meese was gainfully employed, and his future earning prospects were excellent. Meese says that he didn't even know Pendleton was on the board, and nothing in prunt suggests the contrary.

Had the media been of a fairer turn of mind, they might have reported that the stones of Meese and his California home reflected the man's real condition: Meese had to borrow money, tried to sell his house during a tough time for the real estate market, and got some help during that period from—imagine—his friends.

The other main sin of which Meese has been accused is more interesting, because it is related to the post-Watergate effort to eliminate venality from government. As usual, the procedures were designed by the lawyers, who created complicated forms for government officials to fill out. It was

Meese's failure to completely fill out one of these forms that led to one of the most outrageous headlines in the whole affair, in the Washington Post on April 6: Meese Failed to List Paid Trips. The clear suggestion of the headline—and much of the story—was that Meese was cheating in fact he had run afoul of same tough paperwork. The new ethics laws require you to report almost everything you do and have done, including everthing you own, all jobs you have ever held any company with which you have had a relationship, any board on which you have sat, and so on. I know of one older government official who has done a lot in his life who had to pay a lawyer and an accountant for thirty days' work in order to fill out the forms in full.

The ordeal by form does not end there, however, for if you travel while a government official, you have to report that, too, and it is very difficult to deduce from the laws how to report it all. If a group asks you to speak and offers to pay for the cost of your travel and lodging, there are two possibilities: you can pay the expenses and ask for reimbursement, or you can ask for the tickets, the hotel bills, and the meals to be paid directly for you. If I understood the requirements properly, the first case is termed "reimbursement" and goes on one form, while the second is a "gift" and goes on a different form. Moreover, the government's lawyers were in a quandary for the first couple of years about how to report all these things, and even about whether they all had to be reported.

This aspect of the Meese story offered the media the chance to look into the Ethics in Government Act and ask some intelligent questions about it, but to my knowledge no publication or network did so. Yet as John H. Gross, who investigated the Carter family business for the Justice Department in 1979, wrote in the New York Law Journal back in January 1982:

". . . the Act does not effectively deal with the problem it was intended to address. In fact, its chief effect has been to deflect public inquiry from genuine improprieties of those in high office and focus public interest instead on errors which those officials comment in preparing their disclosure reports.

"This is essentially a misplaced focus because most such errors are nothing more than honest mistakes. Not only do the Act and its regulations call for elaborate detail, but they do so in a terribly confusing manner. . . . A government official without specialized training in the requirements of the Act is likely to be mystified by the task before him. Mistakes are almost unavoidable.

"Such mistakes seem to hold an interest for "public interest" groups and the media well beyond their intrinsic importance . . ."

Meese didn't want to spend the money on a lawyer, and filled out the forms himself. On one occasion he omitted a $15,000 loan to his wife from a California friend who later got a government job (he had declared the loan on other forms), and this got him into hot water. Just as John Gross had predicted, an innocent error became characterized as malfeasance.

In Traps, the old men's game becomes deadly because Traps makes a claim of absolute innocence that cannot possibly stand close investigation, and he forgets that he is involved in a game and acts as if his mock trial and sentencing were real. The judge and the attorneys were shocked to see the effect of their amusement, for they had believed it was all a game. I sometimes think the media behave in the same way, and one of the tip-offs is the fact that almost without exception the major media have termed Jacob Stein the "special prosecutor" in the case. His actual title is "independent counsel" and the title was changed from "special prosecutor" in 1982 precisely because Congress decided that the latter was too prejudicial. Yet among leading publications only *The Wall Street Journal* has used the correct label with any frequency.

The Meese affair has produced hundreds of pages of articles and hours of broadcast time. This is disproportional to the significance of Meese's actions. It hurts Meese, an honest and capable official, and it makes it more difficult to recruit other good people for similar positions. In fact, for a day at the Democratic convention, some journalists noted that Geraldine Ferraro had not listed her husband's business activities on her disclosure form, and there was a brief flurry of investigative activity. Happily, it quieted down, but we shall soon witness her second ordeal by form. If we continue to subject our public officials to such unfair examinations, we shall end up with either inexperienced novitiates or experienced crooks in high office.

The government and the media must reach a reasonable compromise, whereby the media continue to scrutinize the activities of government officials but a sense of balance about improprieties is observed. The alternative is for political life to grow less and less civil.

(Michael Ledeen is Senior Fellow at the Georgetown University Center for Strategic and International Studies.)

[From the Washington Times, Apr. 2, 1984]

CANNIBALISM CAPITAL-STYLE

(By Aram Bakshian)

Attention, readers: Can you name this tune?

"This is a hell of a job I have no trouble with my enemies. I can take care of them all right. But my damm friends . . . they're the ones that keep me walking the floor nights!"

Wrong again. It's not a quote from Ronald Reagan's diary. This conversational fragment was uttered by President Warren Gamaliel Harding to journalist William Allen White, some 60 years ago.

One wonders though, whether some similar thought—neatly shorn of the expletives, of course—doesn't occasionally echo in the sound chambers of the current First Executive Cranium. Especially just now, while Edwin Meese, one of the president's closest confidants and his nominee for attorney general, has become an inadvertent means of raising doubts about the ethical practices of the Reagan administration.

Fritz Mondale, the candidate of compassion and the open mind, has already tried Mr. Meese and found him guilty of being part of, in Mr. Mondale's own delicate words, the Reagan "sleaze factor." My question, and perhaps I should use a Mondalian frame of reference, is, "Where's the sleaze?"'

Until and unless the investigation of the newly appointed special prosecutor uncovers any real illegalities or improprieties on the part of Mr. Meese, it will become Mr. Mondale and the rest of the pack yapping at his heels to pass judgment on one of the more decent, dedicated people to come to Washington and the executive branch in recent years.

Let me confess that I am not a neutral spectator in this tawdry political melodrama. I knew, worked with—and occasionally disagreed with—Ed Meese in the Reagan White House for several years. When you gain insight into and respect for a person's character on the basis of close contact, you may be better qualified to pass judgment on their conduct and character than someone who is trying to use them as a political punching bag—but you are not an unbiased juror.

So, having admitted that extensive exposure to Ed Meese left me with the highest opinion of him as a man of honor and a public servant of integrity, let me confine myself to some of the factual details of the "case" that is being mounted against him by Sen. Howard Metzenbaum. D-Ohio, and other partisan politicians trying to inflict damage on Ronald Reagan in what just happens to be an election year.

By the way, a close look at Mr. Metzenbaum's own colorful rise to riches as a Midwest parking lot millionaire, and his exceedingly cordial relations with trade union bosses might prove most informative as an example of how to get rich quick and then be elected to the Senate. One hopes that somewhere, even now, a dedicated sociologist—or an employee of Jack Anderson—is compiling the full story so that it will not be lost to future generations wishing to emulate it.

As for the Ed Meese case, herewith a few facts that have been lost in the blizzard of innuendo. On the basis of all the evidence and accusations made to date.

1. Mr. Meese never proposed any full- or part-time federal job for any person (or their relatives) to whom he or his wife were ever indebted.

2. He never proposed any federal full- or part-time job to anyone who assisted, financially or otherwise, in the sale of his San Diego home.

3. His debts never exceeded his assets.

4. All of his debts have been paid, along with all interest due.

5. He made no effort to receive special treatment for promotion in the Army Reserve.

6. Out of four annual financial filings, each requiring scores of complex entries, he forgot to list only three items, one of which may not have been required in any event. All omissions have been corrected.

7. There is not inconsistency in any of his statements, sworn or unsworn, about Carter materials, or statements he made about other routine unclassified Carter campaign materials having nothing to do with the debates.

It may well be that, thanks to a media blitz and the cheap shots of Messrs. Metzenbaum, Mondale, and crew, Mr. Meese may never become attorney general. Ted Stevens, the Republican Senate Whip, has said that, if he were Ed Meese, he'd wait to be exonerated by the special prosecutor and then tell them what to do with the job. I suspect that's what many of us would do in a similar case.

Mr. Meese may also conclude that he has, fairly or unfairly, become a political liability to his old friend, the President. But if he has—and if he goes—it will be much more of a tribute to cynical political cannibalism Washington-style than to anything remotely resembling justice.

Where's the decency?

[From the Washington Post, Apr. 2, 1984]

(By R. Emmett Tyrrell Jr.)

OUR ANEMIC SCANDALS

Apparently the first obligation of every White House appointee and nominee is to serve as raw material for the American soap opera industry, particularly that annex of the industry, that has arrogated the term journalism.

In the Carter administration Tim Kraft, Ham Jordan, and Bert Lance dutifully served this high purpose. Even the President is expected to serve, as Jimmy Carter learned when the reporters called him onto the carpet to explain the dark intricacies of the sale of his fabulous peanut warehouse.

Now it is the Reagan administration's appointees who are learning their roles in our national morality pageants, and for three years various ill-starred eminentoes have been duly responding to the lurid charges lodged by suspicious journalists and congressional investigating committees.

Only one Reagan appointee has been convicted of any crime whatever. Yet the Democrats now speak portentously of the Republican's "moral character," and recently in Iowa Gary Hart adjudged the administration's ethics as unparalleled throughout the long, sordid history of the republic.

This creation of melodrama where theretofore only dull government toil was spied is a fascinating process. Ominous stories appear in the press. A barrage of inquiries from the journalists falls upon the fated appointee. Overnight the head of the National Security Council, the head of the Central Intelligence Agency, the secretary of the Navy and all manner of smaller fish are turned from their governmental tasks and obliged to provide us with thrills on the evening news and opportunities for Pulitzer Prizes.

"Since Ronald Reagan took office," an inflamed New York Times reporter revealed last week, "more than a dozen high-level officials have resigned, been investigated or been forced to explain their actions after charges of impropriety.

"Forced to explain their actions." What pale representation of scandal is this? Moreover what kind of ethical issue is it?

Well, for the credulous it is a scandal to curl the hair, and for the Democrats, whose policies and presidential contenders are so thunderously unfetching, it is an issue on the order of "Fifty-four Forty or Fight."

Currently in our nation's capital we have two more appointees jumping through the journalists' hoops and otherwise being sweated by the news industry at taxpayers' expense. They are the sinister Edwin Meese, President Reagan's nominee for attorney general, and Leslie Lenkowsky, a Democrat whose appointment as deputy director of the United States Information Agency was a shoo-in until it was discovered that someone somewhere at the USIA had compiled a list of speakers to be barred from USIA trips.

Did Lenkowsky know about this Procrustean tool of Reaganite totalitarianism? If he cannot prove his ignorance, back to New York he, his wife and two children will be sent, and under a very dark cloud.

Of these two scoundrels, Meese is providing the greater melodrama. His imbroglio involves money, cuff links, and the mysterious Carter briefing papers. Lenkowsky's is merely a question of whether he knew about the infamous list (now reported to be a bureaucratic record of the 96 or so speakers rejected by political appointees out of the 5,600 accepted over 2½ years).

Lenkowsky says he abolished the list when he heard of it, which is perfectly plausible. He is a lifelong Democrat and Democrats are politically savvy enough to know intuitively whom to invite to represent them. Republicans are comparatively quite ignorant. They need lists.

There are two lessons to be learned here. The first is for the White House. If it wishes to avoid future imbroglios such as the Meese grilling, do not appoint middle-class salary-earners. Appoint the really rich who can afford to lose money in their moves to Washington, and fire those in the White House who allow such puny scandals to grow vast and blood-curdling.

I suggest that former Treasury Secretary William Simon be brought in. He is as rich as Croesus, and he makes it all himself. Not only that, he is Reaganite to the core.

The second lesson is for those who create these melodramas. In time, these scandals are an embarrassment to America. We should have scandals as great as America is great. Each administration should have to appoint a few certifiable gratters to positions of public trust. Anyone familiar with urban politics knows where to find likely candidates.

[From the Washington Post, Mar. 30, 1984]

HANG TOUGH, ED

(By Kenneth Adelman)

Dear Ed: It's a tough thing you're going through. Confirmation battles have become like an annual springtime rite of passage. You are no doubt pondering exactly how you got into this situation and planning how to get it resolved. Then you may be able to appreciate what Virgil wrote in 23 B.C.: "Perhaps someday it will be pleasant to remember even this."

I learned some lessons at the same time last year:

1. The controversy transcends the nominee. Advocates of a political cause think they have to personalize their issue to be effective. The issue precedes the confirmation battle and will persist afterward. In your case, they are trying to dramatize what they see as a "liberal" versus "conservative" issue. They are trying to use you to advance the idea that the Reagan administration cares more about its own advantage than about the disadvantaged. While the words and investigations concentrate on the nominee, the controversy is fueled by emotion on the issue, quite apart from your fate. Precise answers to charges made are necessary but not sufficient; they deal with the facts rather than the passion. I was extensively queried on South Africa, traits of a successful president, African art acquisitions, and sundry other topics which do not, shall I say, now cross my desk. You try not to take it personally, but that's impossible.

2. Senators on the march seem spirited, relentless, pointed; those on the defense seem hesitant, sporadic and diffused. What seems is often what is. Those on the attack seek to mobilize troops by transforming the issue into a highly symbolic skirmish over the confirmation. They use overstatement, high drama and vigorous reconnaissance missions—not all that much different from what was once called a witch hunt.

In such circumstances, even the most meager tidbit is often heralded as an exceptional scoop. Only a rare senator or commentator breaks from the chase to suggest that justice for the nation—the Senate's constitutional obligation to pass a sound judgment on a nomination—has to be somehow balanced by justice for that individual. Public servants have a right to avoid having their reputations besmirched by "revelations" of silly mistakes, which become of consequence only because they appear at a particular intense moment. Clement Haynsworth, Walter Hickel, Theodore Sorensen, William Clark and other decent and capable men—from different administrations—were treated roughly and seriously bruised in and by the confirmation process.

At risk is a nominee's reputation. That is most valuable. At risk, just as vital, is the willingness of persons out of government ever to serve and thereby unavoidably enter the fray.

3. Each new revelation, no matter how dinky, arouses more and more committee members and, in confirmation battles, the senators have the power. Most of the time most senators feel themselves less powerful than people in the executive branch—the opposite of what most in the executive feel—but not in this case. Here, everyone agrees that the nominee is almost wholly in the committee's, then the Senate's hands. In fact, in what constitutes the quintessence of John C. Calhoun's concept of government by concurrent majority, a willful handful of senators can halt a critical action—the appointment of the president's person to implement his policies.

It's not surprising that the United States is the only country with such a confirmation process, or that the provision was put together in a compromise during the final weeks of the Constitutional Convention. Still, the process is there to be used, not abused.

4. Time is a big problem and a big frustration. A nominee naturally yearns to move into the new job to tackle the challenges. The delays seem unending. They increase the opportunities for hyping otherwise insignificant material; the opposition needs that to keep the tale alive. Delays are oftentimes tailored to drive the nominee or the president to yield. Hang tough, Ed.

5. Some members of the press quickly become participants rather than observers. The opposition on the Hill feeds material to reporters friendly to them; supporters do likewise to try to achieve a semblance of news balance. As is too frequently the case with the rush of deadlines and lack of in-depth knowledge, some reporters are propelled to print material furnished by sources without independent substantiation.

Above all media, television news reigns supreme. As a form of theater, it thrives on passion and controversy. Do not expect a fair exposition of the facts. But what television news brings forward, from among a multitude of factors, will be what makes the Senate cloakroom and other "talk of the town." That's terribly important.

6. Despite all this, final votes are cast largely by what the senators think of the nominee as a person—how decent, how truthful, how qualified, how interested in the public good rather than in private gain. This in your favor, Ed. Senators are, by and large, keen at gaining a sense of the person. After all, they are at the top, which demands agility at sizing up people. Integrity becomes the supreme consideration, as is proper for the process, for the nominee, and for the country. As long as the nominee conducts himself then, as before, with decency and integrity, it shines through.

Until that final resolution, an abundance of frustration, creeping doubt and emotional tearing are the lot of the nominee and the nominee's family. All want to cry out:

"This just isn't fair." That's only human, and it's also true.

The unfairness grinds away at the collective enthusiasm for the new position. "Is it worth it?" During a confirmation ordeal, that question can be difficult. But the enthusiasm springs back the instant you are sworn in and begin tackling the new challenges.

Strangely enough, it is somehow consoling to grasp that after all this furor, in short order Washington will move along to a new Major Issue, which, in turn, will soon be overshadowed, continuing the endless march of Major Issues and Big Controversies in Washington—many furnishing little meaning beyond the Potomac, much less any historical legacy.

Not fleeting, but enduring is the maxim of Abba Eben: "Politics is not for the faint-hearted."

(The writer is director of the Arms Control and Disarmament Agency.)

[From the New York Post, Mar. 5, 1984]

ED MEESE: RIGHT MAN FOR THE JOB

The Senate Judiciary Committee's confirmation hearings on the nomination of Edwin Meese 3d to become the new U.S. Attorney General did not lay a glove on him.

For sheer election-year hypocrisy, however, they will take some beating.

For the millionaire Sen. Howard M. Metzenbaum (D-Ohio) to pursue Meese about the financing of his two homes on a White House salary was the worst kind of limousine liberal demagoguery.

For Sen. Joseph R. Biden Jr. (D-Del.), with Sen. Edward Kennedy sitting next to him, to fret about Meese's closeness to Reagan would be laughable if it were not so undiscerning.

What, pray was the late Robert Kennedy if not his brother Jack's most active political campaign manager and closest confidant?

Every President has a right to a trusted friend as attorney general. Eisenhower had his top political strategist Herbert Brownell, JFK had Bobby, Nixon had his law partner and campaign director John Mitchell, Carter had his boyhood friend Griffin Bell.

Yet a more persuasive message is coming from the hearings. This is that Ed Meese is a decent guy—reserved, of modest means, a quiet family man who has lived through a great personal tragedy, a man with close ties to his church and a highly regarded expertise in law and order.

In short, an ordinary American who has done the nation some service. The Senate, this week should allow him to do still more.

[From the New York Times, Apr. 26, 1984]

BE FAIR TO MEESE

(By Lloyd N. Cutler)

WASHINGTON.—Although the independent counsel appointed to investigate Edwin Meese 3d, the President's counselor, has just begun his work, many are saying that Mr. Meese is not fit to be confirmed as Attorney General and ought to withdraw his name now—no matter what the independent counsel concludes.

As one who supported the original special-prosecutor law and its extension in 1982, I believe this position offends the basic principle of this important post-Watergate reform. The decision to appoint an independent counsel is not a judicial judgment of guilt. It is not even a judicial accusation of guilt, as a grand jury indictment would be. It is merely a recognition that there is a reasonable basis for investigating whether a crime may have been committed by a top-ranking member of the incumbent Administration.

Since the Attorney General would appear to have a political conflict of interest in conducting such an investigation, the job of investigating further and deciding whether to present charges to a grand jury is turned over to an independent counsel. (The title of the investigator was changed in 1982 from "special prosecutor" to "independent counsel" to avoid an implication either of guilt or an accusation of guilt against the subject of the inquiry.)

Mr. Meese has not yet been officially accused of any criminal act. The independent counsel may conclude that no such accusation is justified. That would not automatically mean that Mr. Meese was fit to be confirmed as Attorney General. That judgment depends on two factors: his credentials and record apart from the events under investigation by the independent counsel, and on the bearing of these events, even if they do not justify criminal charges, on Mr. Meese's fitness for the office.

On the first point, his academic and professional records, he may not be up to the standards of distinction set by Nicholas deB. Katzenbach and Edward H. Levi, but he compares favorably with most of our Attorney General. The President plainly trusts Mr. Meese and is prepared to rely on his advice. While many of us have publicly disagreed with his views on particular issues of civil rights and criminal justice, his record places him well within the range of discretion that Presidents have been and should be granted in selecting their Attorneys General.

The second point is more subtle. Even if Mr. Meese's actions are not found to warrant criminal prosecution, they may amount to a civil violation of the Ethics in Government Act. And even if they do not amount to a civil violation, they may still justify an inference that Mr. Meese has been too inattentive and irresponsible about his personal legal duties as a public official to make a credible Attorney General. But until the independent counsel finishes his work and reports his findings, we cannot fairly pass judgment on any of these issues.

Even then, the independent counsel's full report to the court cannot legally be published unless the court finds it in the public interest to do so. In the three cases to date where a report declining to prosecute was filed, the court made the full report public only in the case of Hamilton Jordan, President Jimmy Carter's chief of staff. It published an excised version in the investigation of Raymond J. Donovan, Mr. Reagan's Secretary of Labor, and nothing at all in the case involving Timothy Kraft, President Carter's appointments secretary. In the event that a report declining prosecution is filed, Mr. Meese ought to request that the court promptly publish it in full. This would best serve the public interest as well as his own. Only then would the Senate and the public have an informed opportunity to advise on and consent to his accession to the highest lawyer's office in the land.

Until then, fairness to Mr. Meese, as well as a decent respect for the principles of the law creating the independent counsel, oblige us all to reserve our judgment.

(Lloyd N. Cutler, a lawyer, was counsel to President Jimmy Carter.)

[From the Wyoming State Tribune, Mar. 8, 1984]

MEESE IN THE TIGER'S DEN

Ed Meese went before the Senate Judiciary Committee yesterday for his confirmation hearings. One member, Sen. Alan Simpson of Wyoming, put the whole thing in proper perspective with the following remarks. We reprint below an excerpted version: It says it all better than anyone else could.

I would like to welcome Ed Meese in the tiger's den. Let me say first that I am pleased we could start these hearings on such a light, bipartisan note.

I note that you and I are the same age—and that we served in the Army at the same time, 1954 to 1958. I relate that because we both obviously trained and qualified for long hours on the rifle range with the M1 rifle.

Do you remember that Ed? Now you are about to be hauled up out of the range pit and will soon become the target. I think you are well prepared for that. But I know that you also know what happened when they would splatter away all day—and on a complete miss they would haul out a red flag called "Maggie's Drawers."

After some of these pesky rascals on the Judiciary Committee have peppered away at you during their allotted—or unalloted—time, that is what they will come up with—a big goose egg. But the ritual must be played out and that is as it should be.

We do have some members here today who would flunk a saliva test waiting for your appearance in order that they might do a tattoo on your freckled dome. No experience is required to be a critic—and anyone can qualify. We will trot out everything you have done—or uttered—and yet if somebody gathered up the collected mumblings of Al Simpson, I'd be in the clink.

As they vent their spleen on you as the alleged alter ego of this fine president, you will again be acquainted with the remarkable ambivalence of this place—a city where we have organizations that gather together and raise millions of dollars to care for every known species of tree, bird, beast or brook—and yet trot up another human being and they will exhaust the group's treasury to trash the guy.

All this under the guise of protecting the rest of us from the wretched ogre. People see through that, they see through those efforts, knowing that the real goal is to keep the old membership up—or keep the executive directors eating—and for heaven's sake, making the building payments after they have sandbagged their poor members into erecting an edifice in Washington.

Our sole purpose here today is to determine the capacity of this lawyer to be attorney general of the United States. Nothing more. When the shot and shell have stilled, it will become obvious that your education, training, experience, intellect and temperament eminently qualify you for the task our president has chosen for you.

Good luck. Grab a tight rein on the backer and come out of Chute No. 4!

[From the Albuquerque Journal, Mar. 4, 1984]

MEESE DESERVES A CHANCE

It would be foolish to believe Edwin Meese, as attorney general, would not be partial to the philosophy of the man in the White House, where Meese has worked for three years. But it would be equally foolish

to think a president would choose a philosophical adversary for a Cabinet position.

President Reagan has nominated Meese, a longtime confidant and White House counselor, to replace William French Smith at the Justice Department. Meese's philosophy, troubled home mortgages, and reputation among Democrats as oppressor of the poor and hungry were very much in the limelight at the Senate confirmation hearings.

Meese has pledged to pursue "even-handed justice and equal protection of the law for all citizens regardless of race, color, sex, creed, background or economic circumstances." His law background includes a stint as assistant district attorney in Alameda County (Oakland), Calif., and the directorship of the Center for Criminal Policy and Management at the University of San Diego.

As a former insider at the White House, Meese might have enhanced access to the president. But should the need for a Justice Department probe of the White House arise, of course it would be inappropriate for Meese to head it—just as it would have been had Bobby Kennedy been called upon to investigate his brother, President John Kennedy.

The Justice Department under Meese probably would not differ much in style or substance from the Smith-led department. Those criticizing him the most probably are just blowing election-year smoke. Meese is the president's man. Reagan is in charge. Meese should get his chance.

[From the Houston Chronicle, Mar. 4, 1984]

MEESE RIGHT MAN FOR THE JOB

Edwin Meese should be confirmed by the U.S. Senate as attorney general.

Meese has the qualifications and the experience required. He is a first-rate lawyer and a former prosecutor who earned the reputation of being a law and order man. He has served for three years as White House counselor to President Reagan, and therefore is familiar with the president's domestic policies.

President Reagan said in nominating Meese for this post that Meese "is a person whose life and experience reflect a profound commitment to the law and a consistent dedication to the improvement of our justice system."

Because Meese is controversial, the Senate hearings on his confirmation have lasted for several days. Meese has not equivocated in his statement to the senators. He said he can and will act in an "impartial, independent manner" as the nation's top law enforcement officer. He said there must be "in the Department of Justice and in our government a commitment to evenhanded justice and equal protection of the law for all citizens regardless of race, color, sex, creed, background or economic circumstances.

Meese is the right man for the job, and deserves Senate approval.

[From the Oakland Post]

EDWIN MEESE

President Ronald Reagan once again showed his loyalty to his long-time staff members when he touched Ed Meese, one of Oakland's fair-haired boys, to serve as United States Attorney General.

This is another star in the crown of Oakland, as it has put one of our most loyal citizens as Head of the Justice Department of the United States and makes him even more closely identified (and with more responsibilities) to the President of the United States. Not only does he have more responsibility, but Meese loses none of his close association with Ronald Reagan as he moves to attempt to be the President of the United States for another four years.

It was in 1969, when Ed first came to the attention of Ronald Reagan, who was then Governor of the State of California and Meese was appointed State Legal Affairs Secretary. From there, he became Reagan's Chief of Staff for the remaining eight years that the President was Governor of the state. In the interim years between his governorship and ultimately becoming the Chief Executive of the United States, Ed has been a constant associate of the President and has carried on his shoulders many of the major responsibilities that the governorship and the White House placed upon the shoulders of Ronald Reagan.

POLITICAL PHILOSOPHY

It goes without saying that in his tenure with the President, he has been loyal to him in carrying out the President's political philosophy, both as a Governor and as a President, and has earned high marks in this assignment.

Earl Warren, who was the District Attorney of Alameda County and subsequently became the Governor of the state of California, spawned a political philosophy very much like the one that Ed Meese is putting together. Those long-time residents of Oakland remember how Earl Warren ran for President and ultimately became the Chief Justice of the United States Supreme Court. All this is possible for Ed and more. Those of us who have known him since he was a young man plying his trade as Deputy District Attorney of Alameda County, where I and many other lawyers had an occasion to observe him in his fairness and compassion, obviously wish him well.

It would be difficult to speculate to the amount of good that he has done for the City and the County and its citizens. His elevation and career is one that all of us can be proud of.

His father before him served the County well, too, in the capacity of Tax Assessor for over 15 years. It was his father's influence and the good fortune that he had to be born in Oakland that helped lay the foundation for the kind of character and dedication to hard work and loyalty that went into molding Ed Meese into the kind of person that he really is.

He has never failed to support those things that are important to the County. For example, the East Bay Regional Park District, where he worked in 1947 for $2.50/day; his support for citizens who called upon him to aid them as they attempted to work with the bureaucracy whether or not it was state or federal; his loyalty to his many friends in Oakland is legendary and his friends are legion that he has taken the time in his busy career to help when they needed him.

I suppose he could be referred to as a "Renaissance Man." It goes without saying that he will make a substantial contribution to President Ronald Reagan's cabinet. His loyalty is unquestioned and his trust by the President is monumental. In short, the transfer of Edwin Meese from Counsel to the President to United States Attorney General bodes well for this community and solicits from men of good will an enthusiastic congratulations.

I too, am one who has been touched by his generosity. I speak from this point of personal involvement. A few months ago, I was invited to the White House to be briefed by the Executive Staff and had a chance to request him to speak in favor of a project in which I was interested. His response to me was positive, his action was immediate and the results were as I wished. It gives me a great personal satisfaction to speak of his worth and to his value to the City, County, the State, and the Nation.

[From the Cincinnati Enquirer Jan. 26, 1984]

MEESE, AS SMITH'S SUCCESSOR, MAY BE ONE OF REAGAN'S BEST APPOINTMENTS

Edwin Meese III will be a tough, no-nonsense attorney general. Importantly, he wants the job, which is more than could be said for the retiring William French Smith. He will be a highly active Justice Department head who won't flinch from controversy.

Yet if his nomination pleases Mr. Reagan's most conservative supporters, the vacuum he leaves in the White House won't. The President, curiously has decided not to replace him as counselor. That may save on payroll—though obviously this wasn't his main intent—but it won't please those who worry about Mr. Reagan's vulnerability to advisers more pragmatic but less ideological than Mr. Meese.

While Mr. Smith's action as the sixth member of Mr. Reagan's Cabinet to resign was a jolt, it wasn't wholly unexpected. He was never enamored of the job. He apparently accepted it mainly as a favor to the President for whom he had worked as a tax lawyer and financial adviser. Neither Mr. Smith, who did a credible job, nor his wife loved Washington. Both, presumably, will be happier back home in California.

By contrast, Mr. Meese thrives in the political arena, having served as chief of Mr. Reagan's staff when the President was governor of California. Moreover, a good record as attorney general, assuming Mr. Reagan's reelection, could point him toward a Supreme Court vacancy.

One of Mr. Meese's longest suits is that he is a crime fighter who fervently believes and will vigorously acknowledge that a victim's rights are at least as important as those of the accused. While Mr. Smith put the Justice Department on a commendably activist course in pursuing organized crime and drug racketeers, Mr. Meese will almost certainly be more aggressive. He may be just what Justice—and the nation—need, and turn out to be one of Mr. Reagan's top Cabinet choices.

[From the Springfield (IL) State Journal-Register Jan. 26, 1984]

MEESE'S NOMINATION SETTING OFF FIREWORKS

The only surprise about Attorney General William French Smith's resignation was its timing. The quiet, patrician Smith never regarded himself as a fixture in the capital and, accordingly, he and his wife chose to reside in a downtown Washington hotel rather than to lease or buy a suburban home.

His departure at the end of President Reagan's first term was a given in Washington circles. That he should resign at this particular time is another vivid indication that Mr. Reagan will soon announce for a second term: Smith has been an active participant in all of the Reagan campaigns and indeed, he said he was motivated more by politics than by a yearning for California sunshine.

That Mr. Reagan should immediately name Edwin Meese III, his White House counselor, to be the next attorney general, confirms a solid tradition in recent years of president appointing alter egos or very close associates to head the Department of Justice. Smith, closer to Ronald Reagan than any other Cabinet member, often described himself as "the president's lawyer." That is precisely what Meese will continue to be, assuming he is confirmed.

Without Washington experience or much knowledge of the Justice Department, the low-keyed Smith was served up as a lightweight in the earlier days of the administration. But the Justice Department under Smith reshaped the face of American justice and stirred storms of controversy.

Reversing the direction of recent presidents of both parties, the department aggressively opposed busing and reverse discrimination as civil rights mechanisms, loosened antitrust restrictions, stepped up efforts against drug smuggling and organized crime and waged an intense campaign to curb activist judges. Attorney General Smith crusaded against creation by the courts of new "fundamental rights" that benefit criminals at the expense of society.

The Meese nomination is already setting off fireworks, left and right. The liberals are exercised because they rightly fear that Ed Meese will be more visible, vigorous and even more effective than was William French Smith: they plan what one Democratic senator predicts will be "a hell of a grilling" during forthcoming Senate confirmation hearings.

The conservatives are dismayed that, with Meese departing the White House on the heels of his fellow-conservative, Judge William P. Clark, who succeeded James Watt as secretary of the Interior Department, there will be no offsetting balance to the relatively liberal pragmatism of White House Chief of Staff James Baker and his deputy, Michael Deaver.

Meese has been a law-and-order enthusiast since his days as deputy district attorney in Alameda County, Calif. during the early 1960's. It would appear that, in contrast with Judge Clark, who has taken a subdued approach that calms the troubled Interior Department. Ed Meese will have a much sharper image at the Justice Department than his quiet predecessor. This is apparently what President Reagan wants in both instances.

[From the Wichita Eagle-Beacon, Jan. 24, 1984]

MEESE IS LAW ENFORCEMENT'S KIND OF A GUY

(By Aaron Epstein)

WASHINGTON.—If police officers and prosecutors could select the nation's top law enforcement officer, their choice might be the very man that President Reagan named Monday to become attorney general—White House counselor Edwin Meese.

Meese is an unqualified admirer of the police, an unyielding conservative on law and order issues who, as a county prosecutor in California, used to love riding in patrol cars, talking to cops about their day-to-day problems.

A federal drug enforcement official told a reporter:

"Ed Meese is our kind of guy."

Meese is Rep. William Hughes' kind of guy, too.

Hughes, D-N.J., a former prosecutor and chairman of the House Crime Subcommittee, predicted that Meese would fight for a high Justice Department budget and "become a catalyst" for legislation to increase penalties for drug offenders and other criminals, to make it easier to extradite criminals from one jurisdiction to another and to weaken protections for defendants.

[From the San Diego Union, Jan. 24, 1984]

FIREWORKS, LEFT AND RIGHT

The only surprise about Attorney General William French Smith's resignation announced on Sunday was its timing. The quiet, patrician Mr. Smith never regarded himself as a fixture in the capital and, accordingly, he and his wife chose to reside in a downtown Washington hotel rather than to lease or buy a suburban home.

His departure at the end of President Reagan's first term was a given in Washington circles. That he should resign at this particular time is another vivid indication that Mr. Reagan will soon announce for a second term. Mr. Smith has been an active participant in all of the Reagan campaigns and, indeed, he said he was motivated more by politics than by a yearning for California sunshine.

That Mr. Reagan should immediately name Edwin Meese III, his White House counselor, to be the next attorney general, confirms a solid tradition in recent years of presidents appointing alter egos or very close associates to head the Department of Justice. Mr. Smith, closer to Ronald Reagan than any other Cabinet member, often described himself as "the President's lawyer." That is precisely what Mr. Meese will continue to be, assuming he is confirmed.

Without Washington experience or much knowledge of the Justice Department the low-keyed Mr. Smith was sized up as a lightweight in the earlier days of the administration. "A society lawyer with a short attention span," miffed New York Times columnist Anthony Lewis. Such contempt proved to be a bitter mistake for the liberals. The Justice Department under Attorney General Smith reshaped the face of American justice and stirred storms of controversy.

Reversing the direction of recent presidents of both parties, the department aggressively opposed busing and reverse discrimination as civil rights mechanisms, lessened antitrust restrictions, stepped up efforts against drug smuggling and organized crime, and waged an intense campaign to curb activist judges. Attorney General Smith crusaded against creation by the courts of new "fundamental rights" that benefit criminals at the expense of society.

To be sure, Mr. Smith also suffered some stunning setbacks, including defeat of his challenge to the landmark 1973 decision legalizing abortion and his attempt to restore tax exemptions to private schools judged guilty of racial discrimination.

The Meese nomination is already setting off fireworks, left and right. The liberals are excused because they rightly fear that Ed Meese will be more visible, vigorous and even more effective than was William French Smith, they plan what one Democratic senator predicts will be "a hell of a grilling" during forthcoming Senate confirmation hearings.

The conservatives are dismayed that with Mr. Meese departing the White House on the basis of his fellow-conservative, Judge William P. Clark, who succeeded James Watt as secretary of the Interior Department, there will be no offsetting balance to the relatively liberal pragmatism of White House Chief of Staff James Baker and his deputy, Michael Deaver.

But the special relationship between Mr. Meese and Mr. Reagan that has endured every test for almost two decades will abide and perhaps be enhanced, in any event, Mr. Meese is known to vent this challenge and to be excited about the new opportunity for services. He has been a law-and-order enthusiast since his days as deputy district attorney in Alameda County during the early 1980s. In fact, he has been a police buff ever since he graduated from the University of California's Law School in Berkeley. And, before rejoining Mr. Reagan in Washington, he was director of the Center for Criminal Justice at the University of San Diego School of Law.

It would appear that, in contrast with Judge Clark who has taken a subdued approach that claims the troubled Interior Department, Ed Meese will have a much sharper image at the Justice Department than his quiet predecessor. This is apparently what President Reagan wants in both instances.

San Diegans, who remember their fellow townsman with affection and appreciation, welcome Mr. Meese's nomination to this high office with pride and high expectations.

[From the Chattanooga News-Free Press, Jan. 24, 1984]

MEESE NAMED, ATTACK BEGINS

The nomination of Edwin Meese III to be attorney general of the United States, succeeding retiring William French Smith, has set off an immediate attack by the Democratic political leaders who are looking for partisan advantage more than they are looking for tough legal leadership for our nation's Justice Department.

House Speaker Tip O'Neill said he thinks the nomination of Mr. Meese "is bad, to be perfectly truthful."

And Democratic presidential frontrunner Walter Mondale asserted, "Mr. Meese is unfit to be the highest law enforcement official in our land. Based on his record, Mr. Meese's guiding principle appears to be 'with liberty and justice for a few.'"

With criticism from such sources, the nomination of Mr. Meese should be heartbreaking to many Americans. And that his predecessor did a good job may be indicated by an interesting attack upon him. Tass, the Soviet news agency, assailed outgoing Attorney General Smith as a "racist with a stained reputation." If Mr. Meese and Mr. Smith were popular with Mr. O'Neill, Mr. Mondale and the Soviets, there would be cause to wonder, indeed. Perhaps "by their opponents we shall know them."

Mr. Smith is a brilliant attorney who long had handled President Ronald Reagan's personal affairs, and had been his business counselor and political helper before being named to the Cabinet office. Under him, the Justice Department did many notable things. It cracked down in a big way on the illegal drug traffic, gaining military cooperation with enforcement efforts aimed at the large-scale importation of illegal drugs into this country. His efforts have had great success. He also has changed the Justice Department emphasis on civil rights away from the foolishness of forced boxing and the injustice of quota systems, substituting an effort for real equal application of the law without regard for race, opposing both discrimination and reverse discrimination. In anti-trust matters, he has been inclined to reduce federal interference, increasing market freedom.

Mr. Meese has been an ardent, vociferous leader is the Reagan administration. Quick of mind, firm in conservative principle, he has displayed a talent for expressing directly and clearly the conservative principles and policies of the president. In doing so, he has occasionally gotten into hot water, as in the case of recent remarks on the "hunger" problem. But usually such difficulties have resulted from accidental or purposeful lack of full, honest reporting of what Mr. Meese has really said rather than from error on his part.

It is the right of the president under our Constitution to appoint to his Cabinet posts the people he thinks will best carry out his aims. Such appointments are confirmed with the "advice and consent of the Senate." That gives the political opponents a chance they will enjoy to try to tear down the president's appointments.

In the case of Mr. Meese, we may expect loud political fireworks from Democrats in this election year, followed by his confirmation and then effective service as a soundly conservative and able attorney general of the United States.

[From the Contra Costa Times]

MEESE RATES APPROVAL AS ATTORNEY GENERAL

Departures of officials from President Reagan's team in Washington will give Congress a host of new appointments to approve. But the first order of business should be to approve White House counselor Edwin Meese as U.S. attorney general. As Senate Majority Leader Robert Dole says, "we've held Ed Meese hostage long enough."

The president's choice of Meese to replace William French Smith as head of the U.S. Department of Justice met considerable opposition last year. Questions were raised about the nominee's financial dealings and acceptance of loans from persons who received federal jobs. However, politics figured heavily in the tough going-over he received.

Democratic senators found Meese a tempting target in a year in which they were trying to unseat President Reagan. The upshot of the initial confirmation hearings was that a court (with Meese's support) appointed an independent special prosecutor to investigate him—prominent Washington attorney Jacob Stein.

Stein thoroughly investigated Meese's personal finances and in the end, cleared him of criminal suspicion. The special prosecutor said in a report issued in September that there was "no basis" for prosecuting Meese in connection with any of the matters that came to light during the Senate Judiciary Committee hearings.

Meese has had a close association with governor, candidate and President Reagan during a long and distinguished governmental career in California and Washington. A lawyer, he has worked as assistant Alameda County district attorney, as a University of California law professor and as Reagan's legal affairs secretary in Sacramento.

He can be faulted for carelessness in keeping his financial affairs above suspicion. But Meese is a man of honesty and integrity who is well-qualified to take over a department that plays a key role in constitutional interpretation, the general thrust of law enforcement and the selection of judges.

Earlier this month, President Reagan renewed his request to the Senate to confirm him. After a year of delay and mudslinging, Meese deserves support from the Senate Judiciary Committee and confirmation by the full Senate so he can promptly assume his new responsibilities.

Attorney General Smith, who waged war on violent crime and drug traffickers, has done much to return the Justice Department to a sound, law-and-order course. Meese is a sound choice to continue policies which have given many Americans confidence that they finally had a defender in nation's top justice slot.

[From the Wall Street Journal, May 30, 1984]

THE POLITICS OF ETHICS

By now we have all had a good snicker over Sen. Howard Metzenbaum.

Sen. Metzenbaum, a Democratic member of the Judiciary Committee, since March has been holding up Ed Meese's nomination for attorney general. Sen. Metzenbaum has cited a torrent of alleged violations by Mr. Meese of the Ethics in Government Act. These accusations have to do mainly with home mortgages, federal job recommendations, a $15,000 loan and a stock investment by Ursula Meese that lost $3,000. The whole matter is in the hands of the by-now familiar special prosecutor.

So it came to light last week that Sen. Metzenbaum himself creamed a $250,000 finder's fee out of a $30 million hotel deal last year by putting the seller and buyer in touch with each other. The senator says he didn't break the rules of the Senate because he made the phone calls in the evening and that he didn't break the D.C. real estate licensing laws because he made them from his home in Virginia. A fastidiously ethical mind would be careful about that sort of thing. Besides, says the senator, he has given the money back. Before turning to a broader consideration of the moral spider's web Washington has woven around itself, let it be recorded that in returning the money Sen. Metzenbaum added accrued interest of about $25,000, a grimly amusing irony to the Meeses of the world who find themselves twisting over a $15,000 principal.

At one exceedingly low level this makes for an amusing spectacle. But isn't there a point at which those of us in the political community have to do some hard thinking about the amount of productive time we're wasting on this kind of political garbage? Ethics? Come off it. There can't be five people in all the churches of Washington who go down on their knees at night in the belief that the greater good is being served by the unending prosecution of the two main legislative artifacts of post-Watergate morality—the Ethics in Government Act and the Federal Election Campaign Act.

These laws have lost any connection they might have had with ethics or clean politics. They're gravy for the lawyers. And for the politicians they're two pieces of heavy artillery, which any party or candidate can roll out to bomb the opposition.

Gary Hart's current assault on Walter Mondale's delegate committees—for violating "the spirit" of the campaign laws—is a perfect example. What precisely is this holy spirit that now animates our campaign laws? In point of fact, the campaign spending act is now such a huge, convoluted tangle that the thing has become a laughingstock among political professionals. A lawyer reviewing a *two-volume* explication of the act referred to the lawyers now hired by politicians like Messrs. Hart and Mondale as "election law rabbis."

The details of the Ethics in Government Act go on and on with a mind-boggling list of disclosure requirements and specifically forbidden acts. You must report the "source and brief description or estimated value of any gift or reimbursement which is not received totally independent of the spouse's relationship to the reporting individual and certain assets, liabilities and transactions of the spouse, unless the reporting individual certified that he or she had no control over them. . ." These are the laws of a great nation?

The problem is this: We have formalized into explicit law areas of public and political life that are more effectively controlled by informal politics or less construction legislation. It's now obvious that the informal procedures produced a healthier political climate. Back then, the press could be expected to learn of and report alleged breaches of political ethics by elected breaches of political ethics by elected or appointed officials. Such stories rose or fell on their own weight. Watergate stayed afloat, and its principals are largely out of public life.

The "jury" in this informal system is the electorate, which balances the accusation against an official's usefulness and passes judgment in the voting booth. Why did the sponsors of the ethics act think our politics would be better served or improved if mostly trivial affairs were dragged out through the public minutiae of the legal system? Under these laws the issue often becomes, as it has in the $15,000 Meese loan, not whether the behavior was improper but whether the bureaucratic forms were filled out properly.

These laws also put the press in an odd bind. They have turned us into law clerks. Politicians and their staffs may be inwardly laughing like madmen as they use the ethics and campaign laws to pontificate about the alleged improprieties of Messrs. Meese, Lankowsky or Mondale. And the press, with no easy way to report motive, must restrict itself to detailed citations of the laws. We may not be serving our readers the whole story. Worse, we're probably boring them.

We're all for ethics. Who isn't. But the campaign reform law and the Ethics in Government Act aren't about ethics. They're about politics at best and political hypocrisy most of the time.

Mr. HECHT. Mr. President, the consequences of juvenile crime have been known to criminologists and sociologists alike for decades now, but I do not recall a nominee for the post of Attorney General whose experience in work with juveniles exceeds that of Edwin Meese III.

Mr. Meese's qualifications as a former assistant district attorney who prosecuted many courtroom cases are well known. So are his convictions concerning the rights of victims and the need for judicial reform. His experience and views will be welcome in the Department of Justice, where they will bring long-awaited advocacy of the rights of law-abiding citizens to justice and public safety.

But those who must weigh his qualifications for the position of Attorney General are, in all likelihood, far less aware of another aspect of his legal career. I am referring to Mr. Meese's work in preventing juvenile crime and assisting disadvantaged youth in finding opportunities for employment and improvement in their lives.

In the same county where he served as a prosecutor, Mr. Meese also partici-

pated in the Alameda County Delinquency Prevention and Family Assistance Program. This program helped young people break out of the economic and social problems which too often led to involvement with the criminal justice system.

Mr. Meese also volunteered his services as a legal officer to the Alameda County Young Opportunity Board, an organization which assisted young people in finding jobs, and arguably helped many to avoid the temptations of unlawful behavior.

For some young people these affirmative efforts came too late. But here Mr. Meese also was of assistance, working with the Crittenden Center—a halfway house for parolees and drug offenders in Alameda County. Crittenden Center provided counseling and rehabilitation for drug offenders seeking to overcome their dependency to reenter society.

Nor has his work been limited to youth in immediate peril. He has also understood the importance of teaching promising youngsters respect for the institutions and of our government of the law. He has served as president and a board member of the trustees of Junior Statesmen, a California foundation which promotes leadership and government interests in high school-aged young people.

These are not the usual qualifications we seek in an Attorney General. They are not prerequisites for the post. Nor are they among the matters that have been most hotly debated with regard to Mr. Meese's nomination. But they are testimony to his character and his civic involvement. They reveal more about the man than any number of legal briefs or presentations to bar associations. They show that his commitment to law and to our young people is deep and personal.

I believe they also show a facet of his character that has been overlooked. Edwin Meese is a man who cares about people, and who cares about respect for the rights of others and the law. He is a man willing to devote his time to the improvement of his community and the lives of those he has come into contact with.

Together with what has been demonstrated with regard to his ethical conduct and professional qualifications, this personal commitment argues highly that Mr. Meese is eminently qualified for the post of Attorney General and should be confirmed by the Senate.

Mr. THURMOND. Mr. President, we have reached a point now where there appears to be no one who wants to speak.

If there is anyone who wants to speak, I suggest he do so now. We have been asking for those who care to express themselves to do so.

Does the distinguished Senator from Michigan who just came to the Chamber wish to speak?

Mr. LEVIN. I would be happy to speak.

Mr. THURMOND. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. I thank the Chair.

Mr. President, I think our colleague from Colorado may wish to speak at this time, and I will yield to him if he does, if he is within earshot.

I do have a fairly lengthy statement. I am not going to be able to complete it tonight because we have been expecting a report from the Office of Government Ethics, which was supposed to have been in by now, which has not arrived, which is now promised for tomorrow morning.

I happen to be on the Governmental Affairs Subcommittee with oversight jurisdiction over the Office of Government Ethics, and so I have been engaging in some correspondence with them relative to their testimony and their answers in the Meese matter.

They sent me one letter which raised more questions than it answered. So I sent them another letter a little over 1 week ago and asked for an answer by now, and they have not answered by now, but I have been promised within the last few hours that we would be receiving an answer from them by 11 a.m. tomorrow morning.

So, I am going to have to divide my statement in about two parts at least for the opening statement.

But I do wish to thank my friend from South Carolina at least for yielding at this time, and I am happy to begin this statement unless the Senator from Colorado wishes to proceed.

Mr. THURMOND. Mr. President, if the Senator wishes to speak tonight, of course it is a good opportunity to do so. If he prefers to wait until tomorrow, though, that will be all right with us.

Mr. LEVIN. That would be fine. At that point I could have the Government Ethics report at 11 a.m., and I could include this in my opening statement.

Mr. THURMOND. Incidentally, on the ethics section of the Department of Justice the Senator is speaking about, the ones who testified in the Meese hearing——

Mr. LEVIN. The Office of Government Ethics.

Mr. THURMOND. The Office of Government Ethics—I might say that we had extensive examination and cross-examination of them, and if the Senator has time he might care to read that testimony. It would be helpful to him.

Mr. LEVIN. I already have. I thank my friend. It is that testimony which raises many questions in my mind, and because I am the ranking minority member of the Subcommittee on Governmental Affairs that has oversight over the Office of Government Ethics, I asked that office to answer some questions which that testimony raised, and they are supposed to have answers to me by tomorrow morning at 11 a.m.

So that would be fine with me if I complete my opening statement in one fell swoop tomorrow morning.

Mr. THURMOND. We are glad to accommodate the Senator in any way we can.

Mr. LEVIN. I thank the Senator.

Mr. THURMOND. Mr. President I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, I ask unanimous consent that I be able to proceed briefly as in morning business.

The PRESIDING OFFICER (Mr. DURENBERGER). Is there objection? Without objection, it is so ordered.

Mr. EXON. I thank the Chair.

(The remarks of Mr. EXON relating to the introduction of legislation are printed in the RECORD under Statements on Introduced Bills and Joint Resolutions.)

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. BYRD. Mr. President, I make a parliamentary inquiry. I am sure there is no intention on the part of anyone to put the Senate back into legislative session. As I recall the precedents, any action while in executive session "as in legislative session" has the effect of putting the Senate back into legislative business. We do not want that to happen. I am sure that was not the intention of Mr. EXON. Am I correct?

Mr. EXON. The Senator is correct.

The PRESIDING OFFICER. The Senator had permission to proceed as in morning business.

Mr. BYRD. Yes; but under the precedents that has the effect really of putting the Senate back into legislative business. That is correct, I believe.

The PRESIDING OFFICER. That is not the understanding.

Mr. BYRD. Let us take a look.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, just to put the precedent to which I referred, or the language of the "precedent" in the RECORD, I read as follows from page 670: "During an executive session the request to transact business as 'in legislative session' is construed as action upon the part of the Senate to return to legislative business."

The book refers us to the Journal, and the RECORD, under date of April 1 and 2, 1914.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I understand that there will be a response by the Chair on the part of the Parliamentarian to the inquiry of the distinguished minority leader.

The PRESIDING OFFICER. The Senator is correct.

The precedent cited by the Democratic leader is a precedent from 1914 when the words "executive session" referred to a session behind closed doors. Using that definition, the precedent is a valid precedent. But the Senate now uses the words "executive session" to refer to its consideration of treaties and nominations, which does not ordinarily take place behind closed doors.

Mr. BYRD. I thank the Chair.

ORDERS FOR WEDNESDAY

ORDER FOR RECESS UNTIL 9 A.M. TOMORROW

Mr. DOLE. Mr. President, as in legislative session, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 a.m. on Wednesday, February 20.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS TOMORROW

Mr. DOLE. Mr. President, I ask unanimous consent that following the leaders' time of 5 minutes each, the following Senators be recognized for not to exceed 10 minutes each for special orders: the distinguished Senator from Pennsylvania [Mr. SPECTER], the distinguished Senator from Indiana [Mr. QUAYLE], the distinguished Senator from Wisconsin [Mr. PROXMIRE], the distinguished Senator from Oklahoma [Mr. BOREN], the distinguished Senator from Montana [Mr. MELCHER], the distinguished Senator from Arkansas [Mr. PRYOR], the distinguished Senator from Tennessee [Mr. SASSER], the distinguished Senator from Michigan [Mr. LEVIN], and the distinguished Senator from Nebraska [Mr. EXON].

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR RECESS AT 10:40 A.M. TOMORROW

Mr. DOLE. Mr. President, for the information of all Senators, we are asked to assemble in the Senate Chamber not later than 10:40 a.m. tomorrow to proceed as a body to the Hall of the House of Representatives to hear an address by the Prime Minister of Great Britian, the Right Honorable Margaret Thatcher. Therefore, I ask unanimous consent that at 10:40 a.m., the Senate stand in recess until 12 noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. DOLE. When the Senate reconvenes at 12 noon, Mr. President, I ask unanimous consent there be a period for the transaction of routine morning business not to extend beyond 1 p.m., with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY

Mr. DOLE. As in executive session, I ask unanimous consent that the injunction of secrecy be removed from a treaty with Canada concerning Pacific salmon (Treaty Doc. No. 99-2), which was transmitted to the Senate by the President of the United States on February 12, 1985; and ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Treaty between the Government of the United States of America and the Government of Canada Concerning Pacific Salmon, with annexes and a related Memorandum of Understanding, signed at Ottawa January 28, 1985. I also transmit for the information of the Senate the report of the Department of State. This treaty would establish a basis for bilateral cooperation in salmon management, research, and enhancement on the west coast of North America. It will enter into force upon exchange of instruments of ratification.

The treaty would establish a bilateral commission with coastwide responsibilities for management of "intercepting" salmon fisheries, fisheries of one Party that harvest fish which spawn in the waters of the other Party. These responsibilities would include management of the fisheries on Fraser River sockeye and pink salmon, now governed by the Convention for the Protection, Preservation, and Extension of the Salmon Fishery of the Fraser River System, signed at Washington May 26, 1930, entered into force July 28, 1937, as amended. That convention would be superseded by this treaty. An annex to this treaty would prescribe specific fishery regimes, establishing allocations, annual catch levels, and broad regulations by time, area, or gear for (1) transboundary rivers, (2) the northern boundary area, (3) chinook, (4) Fraser River pink and sockeye, (5) southern coho, and (6) southern chum.

This treaty represents the culmination of fourteen years of negotiations on this issue. It establishes a basis for bilateral cooperation on management, research, and enhancement of salmon stocks throughout the west coast of North America. This treaty provides a framework that will enable us to conserve this precious resource. The increases in salmon production made possible by this treaty will inure to the benefit of fishermen of both the United States and Canada.

I recommend that the Senate give early consideration to the treaty and give its advice and consent to ratification of the treaty, including its annexes and related Memorandum of Understanding.

RONALD REAGAN.

THE WHITE HOUSE, *February 12, 1985.*

AUTHORIZATION FOR PRODUCTION OF DOCUMENTS

Mr. DOLE. Mr. President, as in legislative session, I send a resolution to the desk on behalf of the majority leader and the distinguished minority leader and ask for its immediate consideration.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 71) to authorize production of documents by the Senate Permanent Subcommittee on Investigations.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, during 1971, the Permanent Subcommittee on Investigations conducted an investigation and held hearings on the activities of organized crime in stolen securities. The Department of Justice has asked the subcommittee for a document received by the subcommittee during its investigation for use in a current criminal proceeding. Senators

ROTH and NUNN, the chairman and the ranking minority member of the subcommittee, would like to be in a position to respond to authorized requests for pertinent subcommittee records.

The enclosed resolution would authorize the chairman and the ranking minority member, acting jointly, to provide the requested document. It reserves for the subcommittee discretion to withhold confidential matters.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 71) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 71

Whereas, in 1971 the Permanent Subcommittee on Investigations investigated and held hearings on organized crime and stolen securities;

Whereas, the Department of Justice has requested access to certain papers in the subcommittee's files from that investigation which may be useful in connection with a criminal proceeding;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers, and records under the control of or in the possession of the Senate are needful for use in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges and rights of the Senate: Now, therefore, be it

Resolved, That the chairman and ranking minority member of the Permanent Subcommittee on Investigations, acting jointly, are authorized to provide to the Department of Justice records of the subcommittee relating to its investigation of organized crime and stolen securities.

VOTE ON MEESE NOMINATION

Mr. DOLE. Mr. President, before moving in accordance with the previous order, I hope that we can have a vote on the Meese nomination sometime in the early afternoon tomorrow. I also hope that a number of my colleagues who are concerned about the farm credit crisis will decouple the Meese nomination from their concerns. The Senator from Kansas would indicate that many of us have the same concerns. There has been a meeting at the White House as recent as 5 o'clock this afternoon on this issue. So it is my hope, since there is being a good faith effort made and the administration has already announced considerable relief to farmers across the Nation in this area, we would permit a vote on the Meese nomination sometime tomorrow.

The distinguished chairman of the Agriculture Committee, Senator HELMS, has instructed his staff to work with all Senators and their staffs to go over ideas they might have. I will be meeting at 10 a.m. in the morning with a number of Republican Senators who have ideas, as does the Senator from Oklahoma and others, so we hope that sometime tomorrow we will have the input, or at least the ideas from a broad cross-section of Senators and that we can then meet with the Secretary of Agriculture, Secretary Block, and with the OMB Director or someone in the OMB office who deals in agriculture matters.

I make that plea to my colleagues; that we move on and confirm the nomination of Mr. Meese to be Attorney General. We hope to have something worked out on the farm credit matter soon. I hope that we will not couple those two matters.

RECESS UNTIL 9 A.M. TOMORROW

Mr. DOLE. Mr. President, I then move, in accordance with the previous order, that the Senate stand in recess until 9 a.m. on Wednesday, February 20.

The motion was agreed to, and at 6:22 p.m. the Senate, in executive session, recessed until Wednesday, February 20, 1985, at 9 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate February 8, 1985, under authority of the order of the Senate of January 3, 1985:

INTER-AMERICAN FOUNDATION

Lynda Anne Barness, of Pennsylvania, to be a memebr of the Board of Directors of the Inter-American Foundation for a term expiring October 6, 1990, vice Doris B. Holleb, term expired.

DEPARTMENT OF DEFENSE

John E. Krings, of Virginia, to be Director of Operational Test and Evaluation, Department of Defense (new position—Public Law 98-94 of September 24, 1983).

IN THE MARINE CORPS

The following-named brigadier generals of the Marine Corps for promotion to the permanent grade of major general, under provisions of title 10, United States Code, section 624:

William R. Etnyre	Norman H. Smith
Louis H. Buehl III	Ray M. Franklin
Charles H. Pitman	

The following-named colonels of the Marine Corps for promotion to the permanent grade of brigadier general, under provisions of title 10, United States Code, section 624:

Michael P. Sullivan	Gail M. Reals
Jarvis D. Lynch, Jr.	Matthew P. Caulfield
John I. Hopkins	Henry C. Stackpole III
Ronald L. Beckwith	Frank J. Breth
Ross S. Plasterer	David M. Brahms
Matthew T. Cooper	

IN THE COAST GUARD

Pursuant to the provisions of 14 U.S.C. 729, the following-named lieutenant commanders of the Coast Guard Reserve to be permanent commissioned officers in the Coast Guard Reserve in the grade of commander:

Ernest J. Teichert	Peter J. Vernesoni
Denise G. Howard	Roger M. Huff
John H. Nicholson	David G. Ortez
Michael H. Jones	Carter T. Gunn
Douglas J. Sheehan	Terrence J. Stobbe
Neil W. Wiley	James E. Prindiville
Richard G. Seagrave	Raymond M. Paetzold
William J. Dennison	Joseph H. Langjahr
Robert M. Bell	Ronald J. Friedman
Thomas M. Maddock	Roy F. Schoepf II
Robert B. Nesmith	Charles L. Dirienzo
Durham J. Monsma	Richard F. Valderrama
Richard R. Clark	Charles E. Pyne
Gary W. Nystul	Martin P. Doolan
Thomas D. Lincoln	Michael D. Allen
Harold T. Enger	George A. Weller
Alan K. Tingquist	Stephen W. Crawford
Carlton D. Moore	Willian B. Sobeck
Jon H. Holbrook	John A. Gaughan
Edward A. Altemos	Kim I. MacCartney
John S. Spencer	John M. Kinsey
Ralph D. Stern	
Richard C. Wacker	

Executive nominations received by the Secretary of the Senate February 11, 1985, under authority of the order of the Senate of January 3, 1985:

AFRICAN DEVELOPMENT FOUNDATION

Mark L. Edelman, an Assistant Administration of the Agency for International Development, to be a member of the Board of Directors of the African Development Foundation for the remainder of the term expiring September 22, 1985, vice Francis Stephen Ruddy, resigned.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

Daniel H. Carter, of Texas, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1989, vice Margaret S. Warden, term expired.

NATIONAL INSTITUTE OF BUILDING SCIENCES

The following-named persons to be members of the Board of Directors of the National Institute of Building Sciences for terms expiring September 7, 1987:

MacDonald G. Becket, of California (reappointment).

Kyle Clayton Boone, of North Carolina (reappointment).

Executive nominations received by the Senate February 19, 1985:

IN THE COAST GUARD

The following-named captain of the Coast Guard Reserve to be a permanent commissioned officer in the Coast Guard Reserve in the grade of commodore:

Captain Bennett S. Sparks, USCGR.

IN THE AIR FORCE

The following officer for appointment in the Reserve of the Air Force under the provisions of section 307, title 32, United States Code, and sections 8351 and 8496, title 10 of the United States Code:

To be brigadier general

Col. John F. McMerty, [redacted] PG, Air National Guard.

IN THE AIR FORCE AND MARINE CORPS

The following-named officers for promotion to the grade indicated under the provisions of article II, section 2, clause 2 of the Constitution of the United States of America:

IN THE AIR FORCE

To be colonel

Lt. Col. Loren J. Shriver, xxx-xx-xxxx

To be lieutenant colonel

Maj. Ellison S. Onizuka, xxx-xx-xxxx
Maj. Gary E. Payton, xxx-xx-xxxx

IN THE MARINE CORPS

To be colonel

Lt. Col. James F. Buchli, xxx-xx-xxxx

IN THE MARINE CORPS

The following-named officers of the Marine Corps Reserve for transfer into the Regular Marine Corps under the provisions of title 10 United States Code, section 531.

To be captain

Brady, Terrance C., xxx-xx-xxxx
Close, Guy M., xxx-xx-xxxx
Devore, Kevin M., xxx-xx-xxxx
Franzone, Joseph F., xxx-xx-xxxx
Halligan, James P., II, xxx-xx-xxxx
Jenkins, Carl J., xxx-xx-xxxx
Johnston, John W., xxx-xx-xxxx
McNabb, Charles L., xxx-xx-xxxx
Morales, Anthony M., xxx-xx-xxxx
Murray, Carl M., xxx-xx-xxxx
Putnam, Donald J., xxx-xx-xxxx
Silliman, James P., xxx-xx-xxxx
White, Ray M., xxx-xx-xxxx

To be lieutenant

Aldridge, Jon K., xxx-xx-xxxx
Allen, Robert D., xxx-xx-xxxx
Anderson, Eric M., xxx-xx-xxxx
Barry, James T., xxx-xx-xxxx
Beaudreault, Brian D., xxx-xx-xxxx
Beiswanger, John W., xxx-xx-xxxx
Bergeria, William J., xxx-xx-xxxx
Biedermann, Eric J., xxx-xx-xxxx
Blackwood, Michael E., xxx-xx-xxxx
Blaul, David M., xxx-xx-xxxx
Bolick, George M., xxx-xx-xxxx
Britton, Arthur, Jr., xxx-xx-xxxx
Brown, James T., xxx-xx-xxxx
Browne, Stephen L., xxx-xx-xxxx
Bryan, Donovan E., xxx-xx-xxxx
Bryant, Lance M., xxx-xx-xxxx
Buran, Robert S., xxx-xx-xxxx
Burns, Mary F., xxx-xx-xxxx
Camp, James B., xxx-xx-xxxx
Choike, Daniel J., xxx-xx-xxxx
Clingman, Angela B., xxx-xx-xxxx
Cooke, Patrick M., xxx-xx-xxxx
Crane, Howard D., xxx-xx-xxxx
Crowell, Stephen W., xxx-xx-xxxx
Cyr, Mark R., xxx-xx-xxxx
Dallabetta, Mark A., xxx-xx-xxxx
Davidson, Cullen L., III, xxx-xx-xxxx
Dearth, Rodney L., xxx-xx-xxxx
Dickerson, David L., xxx-xx-xxxx
Drechsler, Thomas A., xxx-xx-xxxx
Dunford, Michael P., xxx-xx-xxxx
Edmonds, Craig S., xxx-xx-xxxx
Ellis, Stephen L., xxx-xx-xxxx
Ettore, Michael L., xxx-xx-xxxx
Fabinski, Daniel P., xxx-xx-xxxx
Faulkner, William M., xxx-xx-xxxx
Fessler, Michael E., xxx-xx-xxxx
Fey, Todd R., xxx-xx-xxxx
Foster, Joel T., xxx-xx-xxxx
Franklin, Val T., xxx-xx-xxxx
Fuller, Patrick E., xxx-xx-xxxx
Funderburke, Dennis E., xxx-xx-xxxx
Gamboa, John D., xxx-xx-xxxx
Gannon, Daniel P., xxx-xx-xxxx
Gill, Stephen J., xxx-xx-xxxx
Granger, Mark O., xxx-xx-xxxx
Hagood, Benjamin A., Jr., xxx-xx-xxxx
Hague, Tracy R., xxx-xx-xxxx
Hall, James E., xxx-xx-xxxx
Hamilton, Charles M., xxx-xx-xxxx
Hartman, David R., xxx-xx-xxxx
Head, David J., xxx-xx-xxxx
Heesacker, David S., xxx-xx-xxxx
Heideman, Anthony J., xxx-xx-xxxx
Hoffman, Everett S., xxx-xx-xxxx
Hofstetter, Debra L., xxx-xx-xxxx
Hom, Donald D., xxx-xx-xxxx
Howard, Kirk W., xxx-xx-xxxx
Jackson, Mitchel S., xxx-xx-xxxx
Janzen, Leslie N., xxx-xx-xxxx
Jennings, Douglas B., xxx-xx-xxxx
Jewell, Cynthia A., xxx-xx-xxxx
Johnson, Darin D., xxx-xx-xxxx
Kahn, Jeffrey A., xxx-xx-xxxx
Karem, Conan D., xxx-xx-xxxx
Kasselmann, James R., xxx-xx-xxxx
Kelly, Timothy E., xxx-xx-xxxx
Kitchings, Park J., xxx-xx-xxxx
Long, Jeferey M., xxx-xx-xxxx
Lunt, Lynne P., xxx-xx-xxxx
Malay, Patrick J., xxx-xx-xxxx
Mandio, Mark A., xxx-xx-xxxx
Mayer, John L., xxx-xx-xxxx
McBride, Eugene T., xxx-xx-xxxx
McCarron, Daniel C., xxx-xx-xxxx
McCollough, William R., xxx-xx-xxxx
McGuire, Fred J., xxx-xx-xxxx
McKinley, David R., xxx-xx-xxxx
Metcalf, Oliver P., Jr., xxx-xx-xxxx
Mitchell, William R., xxx-xx-xxxx
Montgromery, Robert A., xxx-xx-xxxx
Mullen, Richard D., xxx-xx-xxxx
Murray, Thomas M., xxx-xx-xxxx
Newell, Daniel M., xxx-xx-xxxx
Nibley, Michael G., xxx-xx-xxxx
Obom, Robert R., xxx-xx-xxxx
O'Donohue, Daniel J., xxx-xx-xxxx
Oleary, Paul J., xxx-xx-xxxx
Orabona, Justin B., xxx-xx-xxxx
Peterson, David B., xxx-xx-xxxx
Pratt, Daniel B., xxx-xx-xxxx
Pratt, Stephen H., xxx-xx-xxxx
Ralph, Steve, xxx-xx-xxxx
Ramey, Peter M., xxx-xx-xxxx
Redford, Brady B., xxx-xx-xxxx
Reynolds, Shaugnessy A., xxx-xx-xxxx
Rice, Robert K., xxx-xx-xxxx
Richtsmeier, David M., xxx-xx-xxxx
Rouse, James G., xxx-xx-xxxx
Salesses, Robert G., xxx-xx-xxxx
Sammel, David J., xxx-xx-xxxx
Sands, Jeffery F., xxx-xx-xxxx
Sayler, Roger A., xxx-xx-xxxx
Schaller, Michael K., xxx-xx-xxxx
Serbousek, Thomas R., xxx-xx-xxxx
Singleton, Mark A., xxx-xx-xxxx
Smith, Gregory G., xxx-xx-xxxx
Snow, John E., xxx-xx-xxxx
Snyder, Daniel L., xxx-xx-xxxx
Sontag, Charles R., xxx-xx-xxxx
Stafslien, Thomas A., xxx-xx-xxxx
Sullivan, James F., xxx-xx-xxxx
Sweaney, Keith M., xxx-xx-xxxx
Tabak, James J., xxx-xx-xxxx
Thyrring, Michael D., xxx-xx-xxxx
Turello, Michael D., xxx-xx-xxxx
Vankan, Mark D., xxx-xx-xxxx
Vernon, Howard W., III, xxx-xx-xxxx
Weaver, Catherine M., xxx-xx-xxxx
Whitworth, LLoyd R., xxx-xx-xxxx
Wlochowski, Margaret M., xxx-xx-xxxx
Wriggle, Mark D., xxx-xx-xxxx

IN THE NAVY

The following-named commanders of the line of the Navy for promotion to the permanent grade of captain, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

Adair, Hugh Reeves
Adams, Frederick Arthur
Amborn, Lloyd Phillip
Amerau, Harold Francis, Jr.
Anderson, Jimmy Duke
Anderson, Russell Frederick
Asbell, Richard Carroll, II
Baca, Fidel Leroy
Bailey, Jerry Robert
Barker, Bruce William
Barry, Thomas Anthony
Beard, Garnet Chapman, Jr.
Bell, Barbara F.
Bell, Robert Stevens
Bellamy, David B.
Berkebile, Donald Freeman
Binford, Benjamin James
Bloch, Paul Stanley
Bloomer, John Godfrey
Blount, Thomas Edward, Jr.
Boink, Louis Herman, III
Bontrop, Paul Nichols, Jr.
Borchardt, Curtis George
Borchers, Doyle John, II
Bordy, Michael William
Bower, Ammon William, III
Bowman, Frank Lee
Bowman, Gene Melvin
Bozzelli, Philip Anthony
Bradbury, Donald Taylor
Branco, Robert John
Brittain, Albert Russell, Jr.
Brockley, John Patrick
Burck, Clarence William
Burke, James Lawrence
Burns, Richard James
Busch, John Robert
Campbell, Archibald George
Carey, David Jay
Carroll, David Lee
Castelano, Kenneth Michael
Christian, Dennis Howard
Christie, Warren Byron, Jr.
Clark, Terrell Irvin
Clemins, Archie Ray
Clesen, Gerard Foster
Collins, John Patrick, Jr.
Concannon, Michael J.
Conder, Robert Aubrey
Cook, Dixie Carol
Cook, John Clark, Jr.
Coonan, John Joseph, Jr.
Costello, Terrence W., III
Coughlin, Frank Thomas
Cramer, Charles Rebert
Crump, David Allen
Curley, Richard Charles
Daly, Thomas Milton
Danner, Terrence Nye
Davis, Dickey Parrish
Davis, Ralph Richard
Degreef, Donald James
Dobbins, William Peyton, Jr.
Doherty, Hugh Michael
Donnelly, Michael Patrick
Dow, John Irvan
Drew, James Joseph
Duermeyer, Stephen Paul
Dunlap, David Bartlett
Dyck, Harry Milton, Jr.
Eacott, Richard George
Ellis, Robert Lee, Jr.
Ensch, John Clyde
Enterline, Edward Russell
Erickson, William John
Ernst, Eric Rodholm
Ewing, Kent Walker
Fahy, Andrew Wilson
Fast, Richard Edwin
Ferguson, James Beaty, III
Ferry, Francis Joseph
Fickenscher, Edward R, III
Findley, Joseph Herbert, Jr.
Fitzpatrick, William Edward
Flint, Charles G.
Flynn, John Patrick
Folsom, Benjamin Franklin, Jr.
Forbes, George Thomas
Fosina, Andrew Joseph
Fulkerson, Grant Dale
Galbraith, Peter Marshall

Gastar, Stanley Douglas
Gebhardt, Laurence Philbert
Gehman, Harold Webster, Jr.
Gerard, Walter J.
Gibson, Elwood Lloyd
Gladin, Bennie Ronald
Goolsby, Richard Edwin
Graf, Clifford Maxwell, II
Grause, Francis Patrick
Gregory, Barbara Lynn
Gunn, Lee Fredric
Gustafson, Carl Eric
Gustavson, Fred Perry
Haley, Willard James
Hamilton, Stephen Howard
Hanke, Robert Richard
Hansen, Kathleen
Hardt, Lorry Michael
Harford, Joseph Leo
Hayden, William Buford
Heid, Billy Lee
Henderson, Harry Gene
Hickman, Donald Patrick
Hill, Theodore Drummond, Jr.
Hoepfner, Karl Thomas
Hofstetter, Lawrence Lynn
Holbert, Warren Lee
Hontz, Edward Brigham
Horton, Forrest Austin
Howell, Stephen Hunt
Hughes, Gary Michael
Hunt, William Baile
Hura, Myron
Hurley, George Edward, Jr.
Husak, Stephen Bruce
Jacobi, Leslie Martin
Jeffers, Barry N.
Jogan, Stephen
Johnson, Kenneth G.
Johnson, Kenneth Humphrey
Jones, Robert Drake
Jukoski, Michael Joseph
Julian, James Allen
Juroff, Kurt Thomas
Kamrath, Robert Allan
Katz, Douglas Jeffrey
Kennedy, James Conway, Jr.
Kent, George Alan
Killion, Robert Allan
King, Leon Fleming, Jr.
Kirkpatrick, Howard David
Kleemann, Henry Martin
Konetzni, Albert Henry, Jr.
Krieger, David Harry
Kristensen, Edward Kristian
Krom, Richard William
Lamb, James Bernard, Jr.
Larguier, Isidore, Jr.
Latendresse, Thomas B.
Lavarre, Claude Andrews, Jr.
Lewis, Ronald Bruce
Lherault, David John
Long, Edward Charles, III
Lopez, Thomas Joseph
Lowe, Julian R.
Luecke, John Michael
Lyall, Gerald James
Macmichael, John Lee
Madison, William Ross
Magalis, Richard Ludwell
Mahood, James Norton
Maixner, Harold Vincent, Jr.
Maloit, Robert James, Jr.
Marcinko, Richard
Martin, Kenneth Mark
Maslowski, James Irwin
Mattson, James Lee
McAlexander, Elroy Allen
McConagha, David Leigh
McCoy, Norman Kitchen, Jr.
McCrory, Seaborn M., III
McDermaid, Steven William
McFarland, Robert Stephen
McKinley, John C.
Meyer, Herman Joseph
Milioti, Louis David, Jr.
Miller, Harry James, Jr.
Minderlein, James Lloyd
Mitchell, John Bullard, Jr.
Moni, Wayne John
Montgomery, David James
Morgan, Edward Lee
Morgan, Thomas Edmund
Morgen, Marty Paul
Morris, Roy Anthony, Jr.
Moser, Ronald Bryant
Moyer, Clyde Toone, III
Munro, Richard Pulliam, Jr.
Murphy, Andrew Joseph
Naro, Edward Louis
Negin, Jerrold Jay
Nelson, Barron Craig
Newby, Lewis Raymond
Newlon, Arthur William, Jr.
Newman, Martin Harvey
Noce, Robert Stephen
Norman, Robert James, Jr.
Norwood, Richard Leon
O'Connor, Peter Edward
Oliver, Daniel Trantham
O'Neill, David Lynn
Orr, William Stewart, Jr.
Pacek, Robert Dennis
Parnell, Allan Donald
Parodi, Richard Steven
Perine, Philip Condit
Perkins, Henry Grady, Jr.
Perkins, James Blenn, III
Pernini, James Kanellos
Peschka, Jerome Aloysius, Jr.
Peterson, Eric Laurence
Pignotti, Dennis Alexander
Pilling, Donald Lee
Pollock, John Corse, III
Polsenski, Martin Joseph, Jr.
Previty, William Harry
Prose, Dorothy Anne
Purdy, Robert Franklin, Jr.
Rainey, Daniel Lawrence, Jr.
Ramsdell, Steven U.
Refo, Carter Beaumont
Reighley, Robert William
Reiniger, Peter David
Rempt, Rodney Peter
Renager, Burton Whitmon, Jr.
Rhodes, Donald Ray
Rice, Peter Adolph
Ritzman, William Floyd
Roletter, George Joseph, Jr.
Rouse, James Richard
Rushing, John Michael
Russell, David Leroy
Scarborough, Oscar D., III
Schmidt, Richard Harry
Schultz, James Stuart
Scully, Michael Charles
Sehlin, Donald Barry
Selfridge, Harry Edward
Setser, Raymond Howard, Jr.
Seymour, Harry Augustus, Jr.
Shanahan, James Francis
Shaw, Michael Gilbert
Shepherd, Patrick Martin
Shields, Charles Daniel, Jr.
Sidney, Richard William
Simms, Richard Galen
Sloane, Richard Tobias
Snodgrass, Donald James
Snyder, Darrell Paul, Jr.
Stair, Sammy Dean
Stankowski, Robert John, Jr.
Stark, James Reynolds
Stein, John Howard, Jr.
Stephan, Charles Royal
Strickland, Henry Wilson
Strong, Walter Garland, Jr.
Sullivan, Jerry Michael
Sussilleaux, John Francis
Swartz, Peter Milton
Switzer, William H., III
Tangeman, Richard George
Taylor, Billy Glen
Taylor, John Mallory, IV
Tobias, Walter Adam, II
Tolbert, James Kirkland
Tracy, Robert Nottingham
Vail, David William
Valovich, Paul Joseph, Jr.
Vambell, James Peter
Vanderschroeff, Coenraad
Vanlue, Kenton Walter
Vickery, Wayne Marshall
Vogt, Frederick Henry
Vomastic, John Emil
Wagner, Tod William
Weaver, Thomas Stephen
Webb, Hugh Leonard
West, Franklin Griffith, Jr.
West, Richard D.
Williams, Donald Edward
Williams, Lewis Irving, Jr.
Williams, Robert Russell, III
Wilson, Christopher T.
Witzenburg, Dennis Leon
Wojcik, Raymond Thomas
Wojtkowski, William S., Jr.
Wolter, Richard Charles
Wright, Donald Alexander, III
Wright, Douglas Scott
Yusi, Frank Louis
Zardeskas, Ralph Anthony
Zohlen, John Thomas
Zunich, Ralph Edward
Zwirschitz, Gary Wayne

ENGINEERING DUTY OFFICER (14XX)

To be captain

Becker, Alan Robert
Donahue, John Cliff, III
Doroshenk, Theodore
Doyle, Dennis Michael
Ericson, Walter Alfred
Felton, Lewis Allen
Grasser, Philip Farr
Humphreys, Wayne Ives
Jenkins, Neal Cornell
Kalyn, Richard Adrian
McGaraghan, Michael John
Meyer, John Ferrandello
Michelini, Raymond Theodore
Mitchell, John Thomas, Jr.
Oien, Harley Martin
Sack, Brian Philip
Smith, Gordon Lee
Staub, James Andrew, Jr.
Taylor, James Louis
Treiber, Gale Edward
Tucker, Albert Lee
Vinroot, Charles Arthur

AERONAUTICAL ENGINEERING DUTY OFFICER (AERONAUTICAL ENGINEERING) (151X)

To be captain

Bailey, David Laurence
Boehmer, Charles Edward
Bondi, Robert Carl
Brown, Wendell Earl
Bruflat, Arne Bredo
Burt, John Alan
Coburn, Lewis Laddie
Colyer, Thomas James
Dethomas, John Victor
Elder, Philip Robert
Finch, Donald Leslie
Hall, Robert Eric, III
Hawver, Jack Hunter, Jr.
Kenton, Bruce Holladay
Macdonald, James Ronald
Obar, Michael Wayne
Park, Carl Sheldon, Jr.
Sapp, Charles Nim, Jr.
Siegel, William Morris

Stucki, Laurence Valdimir

AERONAUTICAL ENGINEERING DUTY OFFICER (AERONAUTICAL MAINTENANCE) (152X)

To be captain

Blinn, Norman Roy
Hancock, Thomas William
Tafuri, Ronald Robert

SPECIAL DUTY OFFICER (CRYPTOLOGY) (161X)

To be captain

Campbell, Darrell W.
Carlin, Daniel Stephen
Cole, Ronald Arthur
Lapierre, Terrence Paul
Moore, John Albert
Reser, Gerald Harrison, Jr.

SPECIAL DUTY OFFICER (INTELLIGENCE) (163X)

To be captain

Christman, Robert Harvey
Clarke, Lawrence Mason, Jr.
Fragomene, Vincent Michael
Jones, Charlie Reed, Jr.
Kirchhoff, Charles William
Lauer, Joseph James
McConnell, John Michael
Messman, Harold Eugene
Mueller, James Walter
Saenz, Roland Ashley
Schmidt, Knute Menge, Jr.
Sedgwick, Dean Lance
Simpson, John Drury, Jr.
Stoddert, Robert William B.
Sullivan, David Charles
Wilkins, Frank Scott

SPECIAL DUTY OFFICER (PUBLIC AFFAIRS) (165X)

To be captain

Becker, Alfred Edward
Sharp, Erwin Arthur

SPECIAL DUTY OFFICER (OCEANOGRAPHY) (180X)

To be captain

Glaes, Roger Burton
Pine, Donald William
Puccini, Donald Emil
Sokol, David

LIMITED DUTY OFFICER (61XX/64XX)

To be captain

Baker, Robert William
Elliott, Shirley Holt
Kennedy, James John
King, Carl
Rogers, Paul Harry, Jr.
Sicari, Anthony Charles
Weisensee, William John, Jr.

EXTENSIONS OF REMARKS

SOCIAL SECURITY BENEFITS

HON. MEL LEVINE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. LEVINE of California. Mr. Speaker, during the November campaigns, candidates from both parties promised not to cut benefits to Social Security recipients. Yet, now that the votes have been cast, and the election season has ended, the President and legislative leaders are discussing the possibility of a freeze on cost of living increases for Social Security recipients.

It seems that many of those who had so earnestly assured our senior citizens that they would never support any reductions in benefits have changed their minds. I have not.

I have always opposed efforts to reduce Social Security benefits and will continue to do so. It is a tragedy that whenever the need arises to cut government spending policy makers first turn to programs like Social Security which benefit the elderly and the poor.

I have thousands of senior citizens in my district whose sole source of income are their Social Security benefits. Without these benefits, they will be unable to pay their rent, clothe themselves, and buy food.

We are a wealthy society. The least we can do is provide a decent standard of living to those people who have worked throughout their lives and have contributed so much to our society.

An insightful article recently appeared in the Washington Post by Robert M. Ball, a former U.S. Commissioner of Social Security and a member of the National Commission on Social Security Reform on this subject. In his article he argues eloquently in favor of providing a cost of living increase for Social Security recipients.

I would like to share it with my colleagues. I hope it will help convince every member of this body to oppose any budget which does not contain cost of living increases for Social Security recipients.

SOCIAL SECURITY: LEAVE THE COLA ALONE
(By Robert M. Ball)

Skipping or cutting the cost-of-living adjustment (COLA) for Social Security is both unwise and unfair. Although many seem to have forgotten, the Social Security COLA was permanently cut in the 1983 legislation. The date of payment was moved from July to January, and as a result, Social Security benefits were cut approximately $5 billion in 1984 and again in 1985, and will be cut by $6 billion in each of the next three years. These cuts continue. The cuts in the 1983 legislation amounted, on average, to a reduction of 2½ percent in benefits over the lifetime of both present and future beneficiaries.

The 1983 cuts were part of an agreement struck among many diverse interests in order to bring the separately financed old-age, survivors and disability insurance systems (OASDI) into balance. Employers, employees, the self-employed and the general taxpayer all made some sacrifices. To now impose additional sacrifice on one group, beneficiaries, breaks that agreement. It would seem particularly unfair since OASDI is both adequately and separately financed and is not contributing one cent to the deficit.

Let me review the recent history:

All during 1981 and 1982, Social Security beneficiaries—36 million elderly retired persons, totally disabled people, widows and motherless and fatherless children—were terrorized by the fear that their benefits would stop or be reduced. There were almost daily reports of Social Security "bankruptcy." Under this daily pounding, not only beneficiaries, but a high proportion of the 120 million contributors to the program became convinced that they would never receive their benefits.

As a consequence of the great public concern, a National Commission on Social Security Reform was appointed jointly by the president and the Republican and Democratic leadership of Congress. After a year of study, the commission presented a set of recommendations, which were endorsed by 12 of its 15 members. These recommendations were in turn endorsed by the president, the Republican leadership in the Senate and the Democratic leadership in the House and became the basis for the 1983 Amendments. These amendments have restored financial integrity to OASDI as far as the eye can see. (Medicare is another story and probably faces financial problems within about 10 years.)

Because of the 1983 Amendments, Social Security is already helping to reduce the deficit in the consolidated budget and will do so for a long time. In order to build up reserves, Social Security, under present law, will be taking in more than it pays out for several decades. This, of course, helps overall government financing. Social Security funds that are not needed for the payment of benefits are lent to the government at interest. Thus other activities can be partially financed by borrowing from Social Security, without the government's going into the financial markets and competing with private industry. Social Security is doing more than its share now, and benefits should not be reduced because of an apparent unwillingness to raise the taxes necessary to pay for other spending.

The COLA is not something extra but an integral part of Social Security. The law provides that Social Security should be inflation proof, and Social Security financing is designed to pay for it. People are counting on it. The president has reinforced the promise in the law by an unequivocal pledge not to cut Social Security protection, including the COLA. He was very clear on this, even after the campaign.

The American people agree with this policy. For example, in a Washington Post/ABC poll conducted Jan. 11 to 16, only 5 percent said Social Security should be cut to reduce the budget deficit, as compared with 46 percent who said military spending should be cut.

Nevertheless, many in Congress have shown support for a COLA cut or freeze. Some of them seem to have the mistaken notion that Social Security, because it has no needs test, is somehow a "middle-class program." Social Security is a universal program and, of course, does cover the middle class, but it is also our most effective anti-poverty program.

If there were no Social Security, there would be about 3.5 elderly poor persons for everyone now below the poverty level. The overwhelming majority of beneficiaries have low incomes. Social Security supplies more than half the income of two-thirds of its over-65 beneficiaries. About one-third get more than 90 percent of their income from Social Security. Yet, the average benefit payment is less than $450 a month. If the increase in the Consumer Price Index for next year is 4 percent, a freeze would cost the average beneficiary $18 a month; if 5 percent, $22.50. These amounts may sound small to most of us, but to people largely dependent on Social Security, these cuts can mean choosing between food and medicine. An additional 500,000 people would be pushed below the government's rock-bottom measure of dire poverty if their purchasing power were cut by a COLA freeze.

Most fundamentally, the main reason for not tampering with the COLA is that keeping benefits up to date with the full cost-of-living makes sense, and not just for the poor. It makes sense to decide on the proper level of benefits that people should get at the time of first receipt, then to maintain the purchasing power of that benefit. It doesn't make sense to provide a given level of benefits at the time of retirement or total disability, or to survivors on the death of a wage earner, and then let inflation cut the value of those benefits so that people in their seventies or eighties, for example, have less to live on than when they first started to get benefits.

The 1983 amendments to the Social Security Act restored fiscal solvency to Social Security and, as the amendments are understood, will reassure people that their benefits are safe. That is, if we don't start tampering with the system for purposes that have nothing to do with Social Security. After the turmoil of 1981 and 1982, Social Security is now doing just fine. Let's keep it that way.●

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

THE IWO JIMA MEMORIAL

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, today marks a critical time in our Nation's history. Forty years ago today, on February 19, 1945, American Marine forces, with Army and Navy attached units, invaded the small island of Iwo Jima. This battle was the first time that U.S. forces captured a piece of Japanese territory. As a result, some 6,800 Americans died and 18,000 suffered wounds, and almost 20,000 Japanese soldiers died in battle.

Today, some 225 American veterans, widows, and other relatives and about 100 Japanese, including some of the few remaining survivors, have reunited in Iwo Jima to dedicate a memorial to the battle of Iwo Jima. The memorial proclaims in English and Japanese a "reunion of honor" and expresses the hope that "our sacrifices will always be remembered and never repeated." It has been funded by the Veterans Associations of the 3rd, 4th, and 5th Marine Divisions and the family of the late John Wayne, who starred in the 1949 film, "Sands of Iwo Jima."

One of the veterans attending this important event, and the only one from the State of Connecticut, is Ed Moraniec, of Milford, CT, in my Third Congressional District. In 1945, he served as a corporal in the K Company, 3d Battalion, 25th Regiment, 4th Division of the U.S. Marine Corps. Corporal Moraniec was wounded while manning a 16mm mortor gun on the 20th day of the battle of Iwo Jima, and for his brave and herioc efforts, was awarded the Purple Heart and the Bronze Star for Valor. He now serves as Commander of the Disabled American Veteran's Post 15 in Milford.

I know that my colleagues join with me in remembering this important annivesary and in honoring Cpl. Ed Moraniec, and the many other American soldiers whose brave and selfless actions won this critical campaign in the cause of freedom.●

A CONGRESSIONAL SALUTE TO WILLARD T. McGUIRE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. MATSUI. Mr. Speaker, I would like to take this opportunity to commend a Sacramento resident who served in the U.S. Army valiantly during World War II, and who has waited 40 years with a great deal of patience before being recognized for his bravery.

Cpl. Willard T. McGuire served with the 822d Tank Destroyer Battalion in the European campaign. On April, 16, 1945, enemy fire struck Corporal McGuire's tank near Munich, Germany. Corporal McGuire and three others were able to get out of the tank which was nonfunctional, and ran through enemy fire, taking cover in a nearby ditch. One soldier remained in the tank, which had begun to burn. Corporal McGuire gallantly returned to the tank and pulled his comrade out of the flames. While he was extinguishing the other soldier's burning clothing, the tank's fuel tank exploded, causing shrapnel injuries to Corporal McGuire's legs. In spite of his injuries, Corporal McGuire was able to drag the other soldier to the safety of the ditch, some 75 feet away.

Later McGuire was evacuated to an aid station and was informed by a major that he was to be recommended for the Silver Star. Due to an extended hospital stay after the war, Corporal McGuire was unable to follow up on the paperwork involved with receiving the Silver Star. He corresponded with the Army for many years regarding his award, but finally gave up.

Recently, Corporal McGuire reinitiated correspondence with the Army and provided statements from several of his comrades who had witnessed his actions during the battle. On January 16, 1985, I received notification from the Army that Corporal McGuire had indeed been awarded the Silver Star. I am pleased that the Army has afforded Corporal McGuire this most deserved honor after his many patient years of waiting. Corporal McGuire's valor and patriotism provide a fine example for all Americans, and his actions were certainly worthy of this fine recognition.●

CIGARETTE SMOKING AND HEALTH RISKS

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. VENTO. Mr. Speaker, cigarette smoking is the single most important cause of preventable premature death and illness in the United States, according to the American Lung Association. Smoking is a major factor in contributing to coronary heart disease and respiratory illnesses. In terms of its financial costs, smoking accounts for $13 billion in medical costs each year, $25 billion in lost productivity per year, and $3.8 billion for Medicare and Medicaid expenditures each year. The extensive efforts which have been made by the American Lung Association and various other organizations in educating the American public about the health risks associated with cigarette smoking are well known. However, it is also important that we acknowledge the important efforts which have been made by individuals who have become involved in helping smokers to quit smoking.

Katherine J. McMonagle has consistently demonstrated her concern for the health and well-being of others. She is a health sciences instructor at North High School in North St. Paul, MN. Last November, she coordinated a "D-Day Program" at North High School where she solicited the pledges of students and faculty who committed themselves to giving up smoking. Twenty-two students signed up on "D-Day" along with three school staff members. A month later they were all honored at a school assembly for giving up the smoking habit. The "D-Day Program" has been a tremendous success thanks to Kathie's hardwork and dedication. It was certainly appropriate that on November 15, 1984, Kathie McMonagle was honored by the Minnesota Lung Association for her outstanding work in developing the "D-Day Program." I commend Kathie for her fine work and also those students and faculty who have committed themselves to a healthier life by quitting smoking.

[From the Ramsey County (MN) Review, Dec. 26, 1984]

TWENTY-FIVE STUDENTS, STAFF QUIT SMOKING FOR 1 MONTH ON D-DAY PROGRAM

(By Carol Pettitt)

Twenty-five people at North High School say they are feeling healthier these days.

They stopped smoking one month ago. The 25 (three staff members and 22 students) were among three times that many who signed up Nov. 15 on D-Day, to quit smoking. They succeeded for one month, and were honored at an assembly at the school Dec. 7.

Coordinator of the D-Day program, health sciences instructor Kathie McMonagle, said the results were "unbelievable." She said she had hoped to get about 13 people to succeed. "I thought 20 was out of reach," she added, "and I think 25 is just unbelievable."

About 175 people attended the assembly, including State Sen. Jerry Hughes (DFL-Maplewood), and State Rep. Dick Kostohyrz, (DFL-North St. Paul), both of whom congratulated the students and staff for their victories. Letters were also received from Minnesota Sen. Rudy Boshwitz, Sen. Dave Durenburger, Surgeon General C. Everett Koop, Secretary of State Joan Growe, and Sister Mary Ashton, director of the Minnesota Health Department.

McMonagle said that U.S. Congressman Bruce Vento (DFL-St. Paul), also intends to read into the Congressional Record, the accomplishment of these D-Day victors.

McMonagle was honored by the Minnesota Lung Association Nov. 15 for her work in developing the D-Day program. In addition to encouraging people to sign up for the North High quit smoking program, she arranges for local businesses to donate prizes to those who succeed, she signs up volunteers who serve in the Adopt-A-Smoker

aspect of the program, and this year she coordinated districtwide student contests for posters, jingles, essays, and diary and letter writing.

McMonagle said she was pleased with the growth of the D-Day program, which she initiated last year. There were about 30 businesses involved in donating prizes a year ago (there were 46 this year), and 11 people successfully remained smoke-free for one month.

Those students who quit smoking in 1984 are: Randy Asher, Patti Blekeberg, Kay Cooper, Jayne Daniel, Tony Ensign, Francois Fouquerel, Sandra Fuller, Eric Griffin, Eric Lester, Jeff Lunceford, Kelli Martin, Tammy Marx, Jodie Nemo, Katrina Nisben, Tammy Richie, Scott Roth, Dee Ryden, Kelly Strom, Mickey Talbot, Julie Taverna, Toni Trepanier and Sean Sadler.

Staff members who quit are: Ellen Dellaney, Jean Davis, and Marilyn Pearson.

Adopt-A-Smoker volunteers whose smokers quit are: Andrea Bohn, Karen Kane, Scott Lyons, Janice Rademacher, Betty Sarner, Michelle Sauvageau, and Rhea Springer.

North High homerooms which had remained tobacco free for the entire month from Nov. 13 to Dec. 17 were those of: Ms. Buskin, Mrs. Beck, Ms. Miller, Mr. Miska, Mrs. Shager, and Mrs. Warren.

The winners of "The Good Things About Being Tobacco Free" contest, at North High, are: art, Kii Arens; essay, Karen Lien; and jingle, Tom Bohmbach.

Contest winners at John Glenn Middle School are: poster, David Lien and Ken Hunt: jingle, Brian Peterson; essay, Pat Oster.

District-wide contest winners are: poster, David Lien; jingle, Tom Bohmbach; essay, Karen Lien; letter, Tara Reinhardt; and diary, Tammy Marx.●

KENTFIELD, CA, DOCTOR VOLUNTEERS FOR SUDAN RELIEF WORK

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mrs. BOXER. Mr. Speaker, I am proud to call attention to a constituent of mine who is the epitome of a caring doctor. Most of the time, Dr. Royce Truex of Kentfield, CA, is a noteworthy pediatrician at the Ross Valley Medical Clinic in Greenbrae, CA.

But recently, Dr. Truex has volunteered his services to aid the famine-plagued victims along the Sudanese-Ethiopian border. He is part of a small group organized by San Francisco-based Medical Volunteers International. Currently, there are 10 new volunteers, 8 of whom are from the bay area. The volunteers will assist in dispensing food and will train Sudanese in routine medical procedures. Dr. Truex will be separated from his wife and high school age daughter for 2 months while caring for the patients in Sudan's Tokar Valley.

I am sure you will agree that this mission Dr. Truex is undertaking is truly admirable. It takes a special type of person to volunteer his valuable time and talent to give assistance to those less fortunate in a very difficult environment. Dr. Truex is an individual who values human life, as is evidenced by his commitment to those in desperate need.

I am proud of him.●

THIS IS AN ALTERNATIVE IN NICARAGUA

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. BARNES. Mr. Speaker, in the corridors of the Capitol one can already hear the talk that there are no alternatives for U.S. policy in Nicaragua. The administration is arguing that we must resume funding of the groups fighting to overthrow the Government of Nicaragua because the only other approach is to abandon our interests. Nothing could be further from the truth. As a close observer of the situation in Nicaragua, I share much of the administration's discomfort over the policies of the Sandinistas. I do, however, part company over the administration's solution. The funding of the "secret war" against Nicaragua does not have the support of the American people. Attempting to overthrow governments with whom we are at peace is not consistent with American traditions, our laws, or our treaty commitments. The administration has not made its case, and more importantly, its policy does not make sense.

There is still time to develop an alternative policy in Nicaragua. But the Congress cannot do it all alone. We need the executive branch as much as they need us. That is the wisdom of our Constitution's checks and balances.

The New York Times last week published a very thoughtful editorial on this subject. It argues that there is a middle way in Nicaragua that can protect our security interests and avoid involvement in a deepening morass. The Times correctly sees that "judicious pressures for negotiable ends promise a better result than aimless combat." I highly recommend this editorial to my colleagues.

[From the New York Times, Feb. 13, 1985]

A MIDDLE WAY IN NICARAGUA

President Reagan has given interviewers from The Times a clear, concise statement of his attitude toward the Sandinista rulers of Nicaragua. They betrayed the revolution that Americans cheered for its promise of democracy, he said. They have become pro-Soviet, chased democrats into exile and refused to subject their power to the consent of the Nicaraguan people. The exile army of "contras," therefore, has every reason to fight for democracy. The United States has ample reason to help them.

The President's premises are admirable and accurate. But his attitude is not a policy. Americans are also displeased by betrayals of democracy in South Korea and Haiti, Cuba and Poland, but do not make war for such displeasure. Why not?

First, because the costs of exporting democracy by war are usually too high. Even direct invasion of nearby countries would plunge them into endless civil war. We could capture Managua or Havana but we could not clear the hills of the guerrillas thus created.

A second reason is that we're rotten at making intrusive war, overtly or covertly. The Sandinistas and Fidel Castro are good examples of how rotten. Their regimes result directly from dictatorships sponsored by America's Marines or meddling diplomats. The CIA's overthrow of pro-Communists in Guatemala 30 years ago delivered that country to right-wing totalitarians.

A third reason is more abstract but no less compelling. Americans don't want to live in a world where nations feel free to impose their political doctrines on others by force. War should be a last resort, to defend vital national interests. To act otherwise is to stimulate aggression the world over.

When a President declares war on a country, he needs a better reason than distaste for its regime. Even when he has one, he needs to be sure that his goals are attainable with the force he is prepared to expend. Only with such calculation does an attitude become a policy.

The American-sponsored contra army is simply too weak to overthrow the Sandinistas. Its hit-and-run assaults can damage their economy and punish their hostility. But such warfare also invites either unthinkable escalation or the ultimate humiliation of failing to achieve our stated purpose. Meanwhile, the combat cruelly exploits Nicaraguan patriots whose goal we know to be unattainable. In the end, they will be twice betrayed.

Still, couldn't the contra army hurt the Sandinistas enough to make them willing to deal? Perhaps, if the price were clear to them, and tolerable. As the President recognizes, the Sandinistas can't be forced out of power. What they might do under pressure is agree to bar Soviet and Cuban military bases and to let an inter-American force guard against arms shipments to El Salvador.

What then of the political, religious and labor freedoms that the President and all Americans want to see in Nicaragua? As in dealing with other countries, these could be made the price of real friendship, of aid and trade concessions.

The policy choices in Nicaragua are not between blind force and abject acquiescence. Geography and circumstance create an American interest in Nicaragua's future, and opportunities to influence it. Surely judicious pressures for negotiable ends promise a better result than aimless combat. At worst, the Nicaraguan people would be left in a grim peace. At best, they would have America to thank for a gradual improvement in their condition.●

A CONGRESSIONAL SALUTE TO THE SACRAMENTO UNION ACADEMY BAND

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. MATSUI. Mr. Speaker, I rise today to honor a group of fine young Americans, the Sacramento Union Academy Band. I take great pleasure in commending this talented group of musicians for their selection to participate in the 50th Presidential Inauguration.

The Sacramento Union Academy Band has distinguished itself as talented, innovative, and exciting group of young performers receiving numerous awards and commendations. Throughout the years of this outstanding band's existence, it has consistently performed at a level of excellence matched by few and surpassed by none.

Mr. Speaker, it is not surprising that the Sacramento Union Academy Band has been selected to honor the President of the United States on the occasion of his inauguration. This group of young musicians touched the hearts of the President and First Lady through their energetic performance at the steps of California's State Capitol in Sacramento last November. Indeed, the Sacramento Union Academy Band exemplified the spirit of California, and I take great pride in the fact that the Third Congressional District has been duly represented by this elite organization. I ask my colleagues to join me in saluting this fine example of American youth.●

A COSTLY MOVE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. FRANK. Mr. Speaker, on May 7, 1984, the Government Operations Subcommittee on Manpower and Housing which I chair and the Post Office and Civil Service Subcommittee on Civil Service chaired by Ms. SCHROEDER held a joint hearing on the Office of Personnel Management's proposal to move the Western Executive Seminar Center from Denver to Grand Junction, CO.

At this hearing representatives from the General Accounting Office testified that such a relocation would result in a net additional cost to the Government of more than $300,000 in fiscal year 1985, more than $100,000 in fiscal year 1986, and more than $80,000 in subsequent years. This does not include the cost related to extra travel time by participants in the Federal Executive Training Program who must first fly to Denver to board a second flight to Grand Junction.

Notwithstanding the additional costs to the taxpayers, the Office of Personnel Management appears determined to continue its efforts to effectuate this unnecessary, costly and impractical relocation.

I wish to share with my colleagues a recent editorial from the Denver Post of January 26, 1985, concerning this proposed move which tells it like it is:

EXPENSIVE REVENGE

Pursuing a partisan political feud at taxpayer expense, the Reagan administration's Office of Personnel Management has renewed its effort to punish Denver Congresswoman Pat Schroeder by moving a federal executive training program out of Denver.

Schroeder chairs the House civil service subcommittee and has often clashed with OPM chief Donald Devine over issues involving federal employee policies. Last year, Devine retaliated by ordering that the training program—which Denver Mayor Federico Peña estimates generates about $1 million a year in business in the city—be moved out of Schroeder's district to Grand Junction.

Congress, however, blocked the move after a study showed what every Coloradan knows: that to get to Grand Junction from most places in this country you first have to fly to Denver, then catch a second flight to Grand Junction. The increased air fare alone, added to moving expenses, would increase operating costs $301,508 in the first year and $104,203 the second. Extra travel time for participants would add about $329,200 to the annual cost. Thus, Devine's little "message" to Schroeder would cost taxpayers about $640,000 the first year and more than $400,000 a year thereafter.

But, as unconvinced by economics as he is by legalities, Devine recently renewed his campaign. The General Services Administration, which is in charge of renting space for the program, took a more respectful view of the law. In a letter Dec. 20 to Peter Chen, chief of the OPM's Management Support Services Division, the GSA pointed out that Congress had banned such a move without congressional approval of a cost-benefit analysis. Chen replied on Jan. 2, demanding the move be given "expeditious handling" in spite of the congressional ban.

Cost aside, such a move is a lousy idea. In Denver, the training program is linked effectively with the Graduate School of Public Affairs of the University of Colorado and draws support from many nearby business and governmental agencies. In Grand Junction, where no similar support is available, it would be little more than a vacation billed to the taxpayers.

But Devine and Chen seem only concerned with getting even with a critic. If these two clowns are so determined to send Schroeder a "message," they should buy a can of spray paint and write it on some overpass. That seems about their style—and it's a lot cheaper than their present scheme to embarrass her by ripping off the taxpayers.●

FOUR CHAPLAINS DAY

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, I am proud to join with American Legion Post 76 of North Haven and the town of North Haven, CT, in my Third Congressional District, in honoring four brave chaplains who, 41 years ago, gave their lives so that 200 men could live. Walter J. Gawrych, first selectman of the town of North Haven, has proclaimed February 21, 1985 the 41st anniversary of the four chaplains death, as "Four Chaplains Day." Post 76 members, along with the citizens of North Haven, will be commemorating this in a memorial service in North Haven's Post 76 American Legion Hall.

On February 3, 1943, off the coast of Greenland, the troopship U.S.S. *Dorchester* was torpedoed by an enemy submarine. Four chaplains aboard the ship offered reassurance and encouragement to the panic stricken soldiers trying to flee the sinking ship. As the ship began to founder, the chaplains helped men into life boats and others to get life jackets from the lockers. When the supply of life jackets was exhausted, the chaplains gave their own life jackets to others who had none and then remained with the ship as it went down in a blaze of fire.

These four chaplains were credited with saving the lives of over 200 men who managed to survive the icy waters off the coast of Greenland. Their names were George L. Fox, Alexander D. Goode, Johnny P. Washington and Clark V. Poling. Each one received the Purple Heart and the Distinguished Service Cross posthumously for their extraordinary heroism in connection with military operations against an enemy of the United States. In addition, on July 14, 1960, the U.S. Congress awarded each of the four chaplains with our Nation's highest distinction, the Congressional Medal of Honor.

I am proud that North Haven's American Legion Post 76, which has worked hard to maintain the memory of the four chaplains, and the town of North Haven have chosen to honor them in this day of reflection and prayer. I hope that my colleagues will join with me in remembering these heroic men. Their compassion and love for their fellow man, above their own life, serves as an inspiration to us all.

I would like to share with my colleagues, the town of North Haven, CT's proclamation on behalf of the four chaplains. It reads as follows:

FOUR CHAPLAINS DAY

Whereas: Murray-Reynolds Post 76, American Legion, has had both the patriotic and

spiritual foresight to help perpetuate a historic event which took place more than forty years ago, and

Whereas: The Murray-Reynolds leadership in its infinite wisdom has for many years performed both a local and regional human service in keeping alive the memory of the now-immortal four chaplains who served aboard the USS Dorchester during World War II and gave of themselves so that others might live, and

Whereas: We as loyal Americans should use this memory of ultimate sacrifice as a foundation for building and maintaining our own lives and as a measure of respect and compassion for people throughout the world.

Now, therefore, I: Walter J. Gawrych, Chief Executive of the Town of North Haven, by virtue of the power and authority vested in me by the Town Charter, do hereby proclaim February 21, 1985, as Four Chaplains Day and urge all residents to recognize this day in reflection and prayer.

In witness thereof: I have hereunto set my hand and caused the seal of the Town of North Haven to be affixed on this first day of February in the year of Our Lord Nineteen Hundred and Eighty Five.

WALTER J. GAWRYCH,
First Selectman.●

A FLAW IN RADICAL TAX REFORM

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. MATSUI. Mr. Speaker, Norman Ornstein, a respected and brilliant scholar at the American Enterprise Institute, recently wrote a column for the New York Times on whether this Nation will be better off if Congress radically reforms our tax system.

Mr. Ornstein's arguments are both perceptive and persuasive, and I would like to share his thoughts with my colleagues:

A FLAW IN RADICAL TAX REFORM

(By Norman J. Ornstein)

WASHINGTON.—It would appear that the climate for a flat or modified flat tax is as favorable as could be. But there is one factor, overlooked so far, that may give pause to many people who are so enthusiastic about tax simplification. That is the probability that radical tax reform could, over time, lead to a more-intrusive Government.

Any system of taxation plays three main roles: raising revenue; shaping the nature of economic investment and growth; and influencing social policy. We already have had an extensive debate about the first; while all the major flatter-tax proposals are "revenue-neutral," each has been designed with the understanding that the need to raise money to shrink the budget deficit may require adjustments. On the second role, the consensus among economists is that a more neutral tax code, one that does not distort investments into unproductive tax shelters or unnecessary office buildings or dying industries, would be a real step forward.

So far, so good. But what about the third role—influencing social policy? Over the decades, we have added provisions, exceptions, "loopholes," and incentives to the tax code, usually for one overriding reason: to foster better social ends in the least obtrusive, most efficient way possible. Our social ends have included enhancing charitable organizations (by providing incentives for private-sector contributions), encouraging and protecting the goal of home ownership (through mortgage interest deductions), encouraging provision of basic benefits to workers, like health benefits (through various tax incentives to employers and employees) and countless others.

Why did we do all these things through the tax code? Because the alternative was so unpalatable and inefficient: more Government programs, intervention and regulation.

Take charities. As a nation, we plainly wanted to encourage and protect philanthropic organizations. But what if we had decided not to do so through tax incentives that encouraged individuals to give. We would very likely have done it through a Government program that appropriates money and allocates it to designated charitable organizations—in other words, by Government bureaucrats deciding which charities are deserving or not.

We have had a fair approximation of that process in the past few years in the way that the Federal Government, through its Office of Personnel Management, has handled the combined Federal employee campaign for the United Way, bringing in some newly favored conservative action organizations while trying to exclude, for example, Planned Parenthood.

The same thing is true of nearly every other program protected or enhanced through the tax system. The lesson is that if we eliminate the tax preference, the outcome will be a new program, bureaucracy or set of regulations that relies that much less on free market forces and individual incentives.

Does anybody believe, for example, that if we scrap the various tax breaks that favor "smokestack" basic industries that our society will let them die—even if, in pure economic terms, they should? Of course not. We'll simply turn to a combination of bailouts and direct Government subsidies, and beef up protectionist barriers.

All of this should give conservatives hellbent for flat-tax reform some considerable pause. It should do the same for forward-looking liberals, with an added twist: with tax reform, at least a few important Government goals and roles cherished by liberals are likely to be reduced or eliminated and not resurrected.

This is not to deny the tangible benefits of tax reform. There is also merit to the notion of periodically scraping the barnacles off the ship of state, even if they would eventually be replaced by new ones. But pure economic goals are not the whole story here. There were important, rational and legitimate reasons that drew us over the years to work much social policy through tax provisions and incentives instead of through Government programs.

If we eradicate our current tax system, there will be costs to pay, and one of them, ironically, may well be more-instrusive Government. As this reality descends on the tax debate, the flat tax may just fizzle.●

IN HONOR OF MARION MURPHY

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. FISH. Mr. Speaker, I rise today, to honor a dedicated, selfless woman who has dedicated her life to the betterment of her community.

Marion Murphy, county clerk of Orange County, NY, was honored recently at an annual Lincoln Day dinner for her outstanding service in the Republican Party and county government. She is in her second term as the county clerk of Orange County and prior to that, served five terms as the town clerk in the town of Newburgh. She is the first woman to be county clerk in Orange County as she was the first woman town clerk in the town of Newburgh.

Marion Murphy is a member of the New York State Association of County Clerks, and is serving as the chairperson of its resolution committee, vice chairperson of the environmental conservation committee, and in June 1984, was elected to the executive committee. She has asserted herself as a leader in these State and national organizations with the energy and vitality that mark all of her endeavors.

I am honored to work with Marion Murphy in her capacity as county clerk and leader of the Republican Party. She is devoted to her family, her community, and all of the people of Orange County whom she serves.●

LIBYAN INVOLVEMENT IN THE MINING OF THE RED SEA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. BROOMFIELD. Mr. Speaker, the name Qadhafi has become synonymous with international terrorism. Intelligence reveals that the Libyans were definitely responsible for the recent mining of the Red Sea and the subsequent damage done to shipping in that strategic waterway.

According to the recently revealed information, the Libyans used one of their ships to plant fairly sophisticated mines in the Red Sea. While Libyan complicity in the mining operation has always been suspected, a Soviet mine was recovered by a British team last August. All indications point to Qadhafi as the perpetrator of this terrorist act.

Involvement in terrorist operations and other schemes is nothing new to Qadhafi and company. He has armed the Polisario guerrillas in their battle against Morocco over control of the

western Sahara and has used Libyan agents to buy the votes of delegates to the Organization of African Unity in order to gain support for Libyan efforts in Africa. Qadhafi has claimed the mineral-rich northern part of Chad and has sent Libyan troops to support the military efforts of a Chadian political group trying to gain power in that impoverished country. He has also threatened to assassinate President Reagan and has sent terror teams throughout Europe to eliminate opponents of his unfortunate regime. He recently sent 2,000 Libyans disguised as religious pilgrims going to Saudi Arabia and planned to use them to seize the holy city of Mecca and embarrass the Saudi Government. In addition to mining the Red Sea, Qadhafi planned to sink a ship in the Suez Canal and bomb the Aswan high dam.

The Egyptian intelligence service cleverly foiled a recent Qadhafi plot to assassinate a former Libyan minister in Egypt for anti-Qadhafi sentiments.

Our Government is also concerned about recent Libyan political and military penetrations in Malta. Last year, the two governments signed the Malta-Libya treaty which calls for the two countries to hold consultations aimed at harmonizing their viewpoints on political, security, and international issues. In addition, Libya will train Maltese personnel in Libya and in Malta and will supply any military equipment and armaments which the Maltese side may require. Because of its location, Malta is an ideal place for the transshipment of goods and arms and Maltese passports are easily acquired. Equally disconcerting is the shift to the left which the Government of Malta has made in recent years. Former Prime Minister "Dom" Mintoff closed the NATO base in Malta in 1979 and signed a neutrality agreement with Moscow in 1981. He also had North Koreans train Malta's riot police. His successor, Carmelo Mifsud Bonnico has pledged to continue the policy of nonalignment. He may soon declare a state of emergency and seems reluctant to carry out parliamentary elections next year. Western countries are concerned that the island of Malta could become a staging area for Libya's various shady activities in Europe and the surrounding region.

While Libyan involvement in the mining of the Red Sea should not come as a surprise to anyone who follows the maneuverings of the sly desert fox, this recent story highlights the deep commitment that Qadhafi has to the use of terrorism as an instrument of state. He hopes to gain Libya's foreign policy objectives, in part, by the coldblooded use of mindless terrorism. Fortunately, our Government is ready, willing, and able to put a stop to his meddling.

With these thoughts in mind, I commend the following USA Today article to my colleagues in the Congress:

RED SEA MINING DONE BY LIBYANS

(By William Ringle)

WASHINGTON.—A never before-seen, "fairly sophisticated" Soviet mine was recovered during the five nation sweep of the Red Sea last August, the chief of naval operations revealed Wednesday.

And it definitely was planted by Libyans, Adm. James Watkins disclosed to the Senate Armed Services Committee.

"There is no doubt about where it came from," added Navy Secretary John Lehman, also a committee witness.

Previously, only "persuasive circumstantial evidence" that a Libyan ship was involved had been reported by official agencies, and the mine had only been characterized as a 1981 Soviet model.

At the request of Egypt, the United States, Italy, France and Britain sent minesweepers, divers and other mineclearing gear to the Red Sea after 20 ships had been damaged by mines. British divers, however, were the only ones who recovered a mine. Egypt charged at the time that Libya had planted the mines, but Libya denied it.

Watkins said the mine had been laid by the Libyan container ship Ghat and its crew. The ship was "clearly geared up to go in there and lay mines," he said.

The Soviet mine was "a modern mine, in fact a fairly sophisticated one—one we hadn't seen before," Watkins added.

The Ghat had been seen zig-zagging in the Red Sea for 17 days in mid-July, after which about 20 vessels reported they were damaged by underwater explosions, none seriously.●

JUSTICE DELAYED 43 YEARS

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. MINETA. Mr. Speaker, today is the anniversary of Executive Order 9066; the document signed 43 years ago which authorized the evacuation, relocation, and internment of 120,000 loyal Americans of Japanese ancestry purely because of their race.

This internment constitutes a shocking and still unresolved abuse of the constitutional rights of those who were interned. I am proud to be a supporter, along with more than 100 of my colleagues, of H.R. 442, the Civil Liberties Act of 1985 which seeks, once and for all, to put this sad episode in our history to rest. Just as importantly, H.R. 442 ensures that such a fundamental loss of constitutional rights is never imposed upon any other group of Americans in the future.

One of the U.S. court decisions of the 1940's which upheld the internment was a case known as Korematsu against United States. Recently, in a U.S. district court in San Francisco, Judge Marilyn Patel overturned that conviction, and gave to Fred Korematsu the only thing he has sought: a clear record and an honorable name.

I would like to insert into the RECORD at this point a summary of the Korematsu case, and the decision overturning it. This Nation owes Mr. Korematsu, his attorneys, and Judge Patel a debt of gratitude for their efforts to bring justice after so many years.

The summary follows:

BACKGROUND ON WRIT OF ERROR CORAM NOBIS AND SUMMARY OF KOREMATSU VS. THE UNITED STATES

Fred T. Korematsu, an American citizen, was convicted on September 8, 1942 [1] for refusing to obey militay orders leading up to the mass racial internment of 110,000 Japanese Americans, 70,000 of whom were American citizens.[2] Specifically, Korematsu was convicted of being in a place from which all persons of Japanese ancestry were excluded pursuant to Civilian Exclusion Order No. 34 issued by Commanding General J. L. DeWitt.[3] His conviction was upheld by the U.S. Supreme Court in 1944, when the high court accepted the government representations that the internment camps were justified by "military necessity."[4]

The Court's finding of "military necessity" was based on the representation of government lawyers that Japanese Americans were committing espionage and sabotage by signaling enemy ships from shore. The government also charged that it was impossible to separate the loyal from the disloyal due to the racial characteristics of Japanese Americans.[5]

However, documents recently discovered under the Freedom of Information Act revealed that government attorneys suppressed key evidence and authoritative reports from the Office of Naval Intelligence, the F.B.I., the Federal Communications Commission, and Army Intelligence which flatly contradicted the government claim that Japanese Americans were a threat to security.

The Office of Naval Intelligence report issued in February of 1942, before the internment began, was the culmination of a two-year study of the West Coast Japanese American population. Authored by the ONI authority on Japanese Americans, Lieutenant Commander K. D. Ringle, the report concluded that only a small and readily identifiable portion of the Japanese American people were even potentially disloyal. "The entire Japanese problem has been magnified out of its true proportion largely due to the physical characteristics of the people."[6]

Edward Ennis, Director of the Alien Enemy Control Division of the Justice Department and the attorney responsible for supervising the drafting of the Justice Department brief in Korematsu versus the United States, advised Solicitor General Charles Fahy in April of 1943 that, "we must consider most carefully what our obligation to the Court is in view of the fact that the responsible Intelligence Agency regarded selective evacuation as not only sufficient by preferable [to mass evacuation]. I think we should consider very carefully whether we do not have a duty to advise the Court of the existence of the Ringle memorandum and of the fact that it represents a view of the Office of Naval Intelligence . . . Any other course of conduct might approximate the suppression of evidence."[7]

In response to a request by Attorney General Francis Biddle to verify the accuracy of military claims of shore-to-ship signaling, J. Edgar Hoover wrote in February of 1944

before the Korematsu case was argued, "Every complaint [of shore-to-ship signaling and radio transmissions] has been investigated, but in no case has any information been obtained which would substantiate the allegation that there has been illicit signaling from shore to ship . . ." [8]

In response to a similar request, James Fly, the Chairman of the Federal Communications Commission, wrote in February of 1944: "There were no radio signals . . . which could not be identified, or which were unlawful." [9]

In a February 1944 memo to Attorney General Francis Biddle, Ennis criticized the Final Report of General J.L. DeWitt as being highly inaccurate in stating that Japanese Americans were committing acts of espionage and sabotage and were prone to disloyalty. He wrote, "[The Final Report] stands as practically the only record of causes for the evacuation and unless corrected will continue to do so. Its practical importance is indicated by the fact that it is being cited in the briefs in the Korematsu case in the Supreme Court . . ." [10]

Justice Department Attorney, John Burling, also responsible for drafting portions of the Korematsu brief, wrote in a memo to Assistant Attorney General Herbert Wechsler in September of 1944, "You will recall that General DeWitt's report makes statements concerning radio transmissions and ship-to-shore signaling which were categorically denied by the F.B.I. and the Federal Communications Commission. There is no doubt that these statements are intentional falsehoods . . ." [11]

Burling attempted to alert the Supreme Court of the falsity of the military claims, particularly with respect to allegations of shore-to-ship radio transmissions, by inserting a footnote in the Korematsu brief stating that such allegations were in conflict with information in the possession of the Department of Justice. War Department officials objected to Burling's footnote and the printing of the brief was stopped in midstream.[12] Despite the protestations by Edward Ennis that the footnote should remain, the Justice Department ultimately omitted the footnote from the government's Korematsu brief.[13]

Armed with this new evidence, Fred Korematsu filed a petition for writ of error coram nobis, a petition to correct "fundamental errors" or more "manifest injustice," alleging that a fraud had been committed upon the Court, and that high government officials and Justice Department lawyers knew that there was no factual basis for the claim of "military necessity." On November 10, 1983, in Federal District Court, Judge Marilyn Hall Patel ruled that the government's failure to substantively respond to Korematsu's petition was "tantamount to a confession of error." [14] Referring to the congressional report of the Commission on Wartime Relocation and Internment of Civilians and the documents attached to the Korematsu petition as exhibits, Judge Patel stated that the claim of military necessity justifying Executive Order 9066 was based upon "unsubstantiated facts, distortions and representations of at least one military commander, whose views were seriously infected by racism." [15]

On April 19, 1984, Judge Patel issued her written opinion formally vacating Korematsu's conviction.[16] Referring to the newly discovered government documents attached as exhibits to the petition, Judge Patel wrote, "The substance of the statements contained in the documents and the fact the statements were made demonstrate that the government knowingly withheld information from the courts when they were considering the critical question of military necessity in this case." [17] Citing the instance of the original Burling footnote which revealed that the Justice Department attorneys possessed reports contradictory to the allegations of espionage and sabotage, Judge Patel noted, "The record is replete with protestations of various Justice Department officials that the government had the obligation to advise the courts of the contrary facts and opinions. In fact, several Department of Justice officials pointed out to their superiors and others the "willful historical inaccuracies and intentional falsehoods" contained in the DeWitt Report. "These omissions are critical." [18] Judge Patel continued, "Omitted from the reports presented to the courts was information possessed by the Federal Communications Commission, the Department of the Navy, and the Justice Department which directly contradicted General DeWitt's statements. Thus, the Court had before it a selective record." [19]

In concluding that coram nobis relief exists for a claim of prosecutorial impropriety,[20] Judge Patel wrote, "There is substantial support in the record that the government deliberately omitted relevant information and provided misleading information and papers before the Court." [21] "The judicial process is seriously impaired when the government's law enforcement officers violate their ethical obligations to the Court." [22]

In closing, Judge Patel wrote of the original Supreme Court decision in Korematsu, "Justices of that Court and legal scholars have commented that the decision is an anachronism in upholding overt racial discrimination as 'compellingly justified.' The government acknowledged its concurrence with the Commission's [Congressional Commission on Wartime Relocation and Internment of Civilians] observation that, "Today the decision in Korematsu lies overruled in the court of history."

"Korematsu remains on the pages of our legal and political history. As a legal precedent it is now recognized as having very limited application. As historical precedent it stands as a constant caution that in times of war or declared military necessity our institutions must be vigilant in protecting constitutional guarantees. It stands as a caution that in times of distress the shield of military necessity and national security must not be used to protect governmental actions from close scrutiny and accountability. It stands as a caution that in times of international hostility and antagonisms our institutions, legislative, executive and judicial, must be prepared to exercise their authority to protect all citizens from the petty fears and prejudices that are so easily aroused." [23]

FOOTNOTES

[1] *Korematsu* v. *the United States*, 584 F. Supp. 1406 (N.D. Cal. 1984), at p. 1409.

[2] *Report of the Commission on Wartime Relocation and Internment of Civilians*, "Personal Justice Denied", December 1982, p. 2.

[3] *Korematsu* v. *the United States*, 584 F. Supp. 1406 (N.D. 1984), p. 1409.

[4] *Korematsu* v. *the United States*, 324 U.S. 885 (1944).

[5] Lt. Gen. J. L. DeWitt, *Final Report: Japanese Evacuation From the West Coast, 1942:* "There were hundreds of reports nightly of signal lights visible from the Coast, and of intercepts of unidentified radio transmissions. Signaling was often observed at premises which could not be entered without a warrant because of mixed occupancy. The problem required immediate solution. It called for the applications of measures not then in being." Quote, at p. 8. "Because of the ties of race, the intense feeling of filial piety and the strong bonds of common tradition, culture and customs, this population presented a tightly-knit racial group. It included in excess of 115,000 persons deployed along the Pacific Coast. Whether by design or accident, virtually always their communities were adjacent to very vital shore installations, war plants, etc. While it was believed that some were loyal, it was known that many were not. It was impossible to establish the identity of the loyal and the disloyal with any degree of safety. It was not that there was insufficient time in which to make such a determination; it was simply a matter of facing the realities that a positive determination could not be made, that an exact separation of the 'sheep from the goats' was unfeasible," at p. 10. See also *Hirabayshi* v. *the United States*, 320 U.S. 81 at p. 99, "Whatever views we may entertain regarding the loyalty to this country of the citizens of Japanese ancestry, we cannot reject as unfounded the judgment of the military authorities and of Congress that there were disloyal members of that population, whose number and strength could not be precisely and quickly ascertained. We cannot say that the war-making branches of the government did not have ground for believing that in a critical hour such persons could not readily be isolated and separately dealt with, and constituted and menace to the national defense and safety . . ."

[6] "Report on the Japanese Question", by Lt. Commander Kenneth D. Ringle, U.S. Navy, Office of Naval Intelligence, January 26, 1942.

[7] Memorandum from Edward Ennis (Director, Department of Justice Alien Enemy Control Unit) to Solicitor General Fahy, April 30, 1983.

[8] Memorandum from J. Edgar Hoover, Director, Federal Bureau of Investigation, to Attorney General Francis Biddle, February 7, 1944.

[9] Letter from F.C.C. Chairman James L. Fly, to Attorney General Francis Biddle, April 4, 1944, at p. 3.

[10] "Memorandum for the Attorney General Re: General DeWitt's Final Report on Japanese Evacuation", from Edward J. Ennis to Francis Biddle, February 26, 1944.

[11] Memorandum from J. L. Burling to Asst. Attorney General Herbert Wechsler, September 11, 1944.

[12] Memorandum from J. L. Burling to Asst. Attorney General Herbert Wechsler, September 11, 1944; memorandum from J. L. Burling to Edward Ennis, October 2, 1944.

[13] See *Korematsu* v. *the United States*, 584 F. Supp. 1406 (1984) at 1417 and 1418. Judge Patel notes regarding the footnote revision: "The final version made no mention of the contradictory reports. The record is replete with protestations of various Justice Department officials that the government had the obligation to advise the courts of the contrary facts and opinions. Petitioner's Exhibits A to FF. In fact, several Department of Justice officials pointed out to their superiors and others the 'willful historical inaccuracies and intentional falsehoods' contained in the DeWitt Report."

[14] Transcript from proceedings of "Motion to Vacate Conviction and Dismiss Indictment of Fred T. Korematsu before the Honorable Marilyn Hall Patel", San Francisco, California, November 10, 1983, at p. 35.

[15] Transcript from proceedings of "Motion to Vacate Conviction and Dismiss Indictment of Fred T. Korematsu before the Honorable Marilyn Hall Patel", San Francisco California, November 10, 1983, at p. 37.

[16] *Korematsu* v. *the United States*, 584 F. Supp. 1406 (N.D. Cal. 1984), at p. 1409.

[17] Ibid., p. 1417.

[18] Ibid., p. 1418.

[19] Ibid., p. 1419.

[20] Ibid., p. 1420.

[21] Ibid.

[22] Ibid.

[23] Ibid.●

THE CUYAHOGA COUNTY BAR ASSOCIATION 39TH ANNUAL PUBLIC SERVANTS MERIT AWARD RECIPIENTS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. STOKES. Mr. Speaker, each year, the Cuyahoga County Bar Association hosts an awards luncheon to salute the exceptional work and contributions of selected county court system employees. This year, the association will sponsor the 39th Annual Public Servants Merit Awards Luncheon on Wednesday, February 27, 1985, in Cleveland.

I take this opportunity to salute the Cuyahoga County Bar Association and the five public service award recipients.

Mr. Speaker, each of the honorees has a 30-year record of public service in the court system. The honorees are: Mr. John Bokoch, support unit supervisor, juvenile court; Ms. Lucille J. Corea, notary and license registrar, county clerk's office; Mr. James P. Madden, jury commissioner, common pleas court; Ms. Ann McClory, deputy, estate tax, probate court; and Mr. Walter J. Sutkowy, Sr., probation office, Cleveland Municipal Court.

At this time, I would like to share the accomplishments of the honorees with my colleagues.

Mr. John Bokoch began his affiliation with the court system in 1952 in the auto title bureau of the county clerk's office. In April 1954, Mr. Speaker, Mr. Bokoch was appointed an assistant assignment commissioner of the common pleas court. On August 15, 1960, Mr. Bokoch joined the juvenile court where today he is counselor supervisor in the child support department.

A native of Masontown, PA, Mr. Bokoch is a graduate of the San Antonio Business College in San Antonio, TX.

Mr. Speaker, the second honoree, Ms. Lucille J. Corea, is a 30-year employee with the county clerk's office. She currently supervises the registration and recording of notary and real estate licenses, new attorneys and the payment of juror and venire panel fees.

Ms. Corea is a member of the Cuyahoga County Democratic Party Executive Committee and has served in Richmond Heights as a Democratic ward leader since 1958.

Mr. James P. Madden, the third honoree, has enjoyed 34 years of public service beginning as a deputy county clerk from 1951 to 1969. Since 1969, Mr. Madden has served in a variety of positions with the common pleas court including a 3-year stint as a court constable. Currently, he serves as a jury commissioner with the court.

An activist within the Democratic Party, Mr. Madden serves as a member of the Lakewood County Democratic Party Executive Committee.

Mr. Speaker, Ms. Ann C. McClory is the association's fourth honoree. She currently is employed with the probate court as the deputy of the estate tax division.

Ms. McClory is a graduate of the Lourdes Academy.

Mr. Walter J. Sutkowy, Sr., is the fifth honoree, this year. A graduate of Baldwin Wallace College, Mr. Sutkowy worked for many years as a teacher and administrator in various area school systems.

For the past 28 years, Mr. Sutkowy has worked as a Cleveland probation department officer preparing presentence reports and supervising the cases of those clients placed on probation.

Mr. Speaker, it is a special honor for me to join in the salute to these exemplary public servants. Employees such as Mr. Bokoch, Ms. Corea, Mr. Madden, Ms. McClory and Mr. Sutkowy make the system work for all of the citizens of the Cleveland metropolitan area. I join with the Cuyahoga County Bar Association, its president, Mr. Alan M. Wolk and the Merit Awards Committee chairman, Mr. Franklin A. Polk, in paying tribute to the 1985 Public Servants Merit Award recipients.●

THE PROVISIONS OF THE CONTE CONTRIBUTION CREDIT

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. CONTE. Mr. Speaker, the legislation which I introduced today to allow a tax credit for contributions to reduce the public debt is very simple—very straightforward. It simply provides a 25-percent nonrefundable tax credit for qualified contributions to reduce the public debt.

Under present law, a taxpayer may deduct donations to reduce the debt in the same manner as deductions for donations to charity. The rules for charitable donations (generally, in section 170 of the Internal Revenue Code) are, however, extremely complex. My legislation must necessarily be combined with the rules of section 170 and the Internal Revenue Code generally with respect to limits on donations, valuation of noncash contributions and application with other credits. In addition, creditable contributions under my bill would reduce the deduction limits under section 170. Due to the complexity that could result, I have prepared a detailed summary of my legislation, with five specific examples of how it would work.

The legislation generally provides a 25 percent nonrefundable tax credit for contributions to reduce the public debt. The credit would be available to both corporations and individual taxpayers regardless of filing status. No deductions would be allowed under section 170, of course, with respect to contributions for which the credit is claimed.

A tax credit is generally of greater benefit to taxpayers whose effective tax rate is lower than the percentage of expenses for which the credit is allowed. Most taxpayers have an effective tax rate of less than 25 percent.

Second, with respect to noncash contributions, there is no change from present law. The Treasury Secretary and the Administrator of GSA may accept donations of property and provide for its sale. The proceeds of the sale must be used to reduce the public debt. Contributions of property will be valued under the valuation rules of present law for purposes of determining applicability of the credit. For example, donations of ordinary income property (which generally means property which, if sold, would result in the recognition of ordinary income) are generally valued at the donor's basis. Capital gains property donated to public charity may be valued at fair market value.

The third provision of my bill deals with the percentage limitations on charitable contributions. Under present law, a taxpayer's donation to a charitable organization is limited to 50 percent of adjusted gross income. A taxpayer may, however, carry forward unused deductions indefinitely. Deductions for donations of capital gains property are limited to 30 percent of adjusted gross income.

The legislation provides that the amount of contributions will be determined without regard to the 50- and 30-percent caps. Thus, a taxpayer could elect to donate any amount of income to reduce the public debt. Any additional donations to other charities, however, would remain subject to the cap, and if a taxpayer's other contributions, when combined with donations to reduce the debt, exceeded 50 percent of adjusted gross income, the excess would have to be carried forward to succeeding taxable years.

As a practical matter, a taxpayer who could afford to donate all or a substantial portion of his income to reduce the public debt would probably be in a tax bracket higher than the amount of the credit. Thus, it is anticipated that such an individual would take the deduction allowed under section 170. Additionally, since the credit is nonrefundable, taxpayers who made donations respresenting a large percentage of income may not be able to take full advantage of the credit and

the section 170 deduction would be more desirable.

It is also important to explain how my credit would interact with other credits in the code. Since present law allows a deduction for donations to reduce the deficit, deductions which may be carried forward when the donations made exceed the caps described above—the legislation makes the credit for contributions to reduce the public debt nonrefundable, and provides no carryback or carryforward. Since the credit is available to both individuals and corporations, it is placed outside of the general business credit and is listed with the foreign tax credit, et cetera. Because the credit is nonrefundable and no carryback or carryforward is provided, it is anticipated that many taxpayers would take the contribution credit before other credits.

Finally, Mr. Speaker, I think it is important to explain how my credit would apply with deductions under section 170. In general, the legislation denies the section 170 deduction for contributions to reduce the debt when the credit is taken. A taxpayer may, of course, deduct other donations under section 170, and may elect not to take the credit for contributions to reduce the public debt and instead take the deduction.

In addition, the legislation provides that creditable contributions will reduce other charitable contributions when all contributions combined exceed the 50-percent cap. In other words, the credit for donations to reduce the debt would be taken first. If additional donations to other charities, combined with donations to reduce the debt, exceeded 50 percent of adjusted gross income, the excess of total contributions to other charities over 50 percent of adjusted gross income reduced by contributions to reduce the debt would be carried forward to a succeeding taxable year. For example, if a taxpayer with $20,000 of adjusted gross income contributed $8,000 to reduce the deficit and $5,000 to other charities, the $3,000 excess over 50 percent of adjusted gross income would be carried forward to the next year—$2,000 of the donations made in the current year could be deducted under section 170.

The preceding explanation is best demonstrated by the following examples.

Example one: T, a single taxpayer, has taxable income of $10,000. T donates $400 to reduce the public debt. Assuming no other deductions and no other contributions, T's tax liability would be $1,079 (tax liability on $10,000) minus $100 (25% of contribution to reduce the debt) for a total of $979.

Example two: Taxpayers C&D, a married couple filing a joint return, have adjusted gross income of $45,000. Although C&D did not itemize their deductions, they donated $500 to C's old college and took advantage of the above-the-line deduction of present law. In addition, C&D donated $2,000 to reduce the public debt. Their tax liability would be calculated as follows:

	Dollars
Adjusted gross income	45,000
Personal exemptions	−2,000
Above-the-line deduction	−75
Total	42,925
Tax liability on $42,925	8,823
Credit for donations to reduce the debt	−500
Total	8,323

Example three: X, a single taxpayer, had $30,000 in adjusted gross income. In addition, he claimed $200 in medical expenses, paid $7,500 in interest, donated $500 to his church, and paid $500 in union dues. X was also a member of a limited partnership which invested in rehabilitating old buildings eligible for the rehabilitation tax credit. X invested $15,000 in qualified rehabilitation expenses with the partnership. Finally, X donated $4,000 to reduce the debt. X's tax liability would be calculated as follows:

	Dollars
Adjusted gross income	30,000
Excess itemized deductions	−6,400
Personal exemption	−1,000
Total	22,600
Tax liability on $22,600	3,888
Tax credit to reduce debt	−1,000
Rehab tax credit	−3,750

Since this would result in negative tax liability for X, he can reduce his tax liability to $0 in the current taxable year, and carry back $862 in unused rehabilitation credits to prior years.

Example four: F, an unmarried, retired banker, has taxable income of $20,000 in 1984. F decides to donate $18,000 to reduce the public debt. Assuming no other donations, F's tax liability would be calculated as follows:

	Dollars
Tax liability on $20,000)	3,212
Tax credit to reduce the debt	4,500

Since this would result in negative tax liability, X could elect to deduct $10,000 in 1984 and carry forward $8,000 in deductions to 1985. Alternatively, X could take a credit of $3,212 (and reduce his tax liability to $0) and carry forward a deduction of $5,152 to the succeeding taxable year.

Example five: G&H, married taxpayers with three children, have adjusted gross income of $50,000. G&H itemize their deductions. They do not meet the 5% of AGI test so cannot deduct medical expenses. They paid $8,000 in interest, donated $22,000 to the American Red Cross and paid $1,000 in state taxes. G&H contribute $6,000 to reduce the public debt.

Since combined charitable contributions and contributions to reduce the debt exceed 50% of income, itemized deductions for charitable contributions are limited to $19,000, calculated as follows:

	Dollars
50 percent of adjusted gross income	$25,000
Contribution to reduce the debt	−6,000
Total	19,000

Their tax liability would be calculated as follows:

	Dollars
Adjusted gross income	50,000
Excess itemized deductions	24,600
Personal and dependency exemptions	5,000
Total	20,400

$2,547 (tax liability on $20,400) − $1,500 (credit) =$1,047. In addition, G&H can carry forward $3,000 of the unused donations to the next taxable year.●

THE SOVIETS AND ARMS CONTROL

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. BROOMFIELD. Mr. Speaker, while I fervently hope that the upcoming arms control talks in Geneva will be fruitful and will ultimately bring about reductions in the weapons of mass destruction, I am concerned about Soviet violations of the 1972 Anti-Ballistic Missile [ABM] Treaty.

It appears that the Soviets have built an extensive radar system in a remote region of the Soviet Union. According to experts in our Government, this system constitutes a violation of legal obligations under the 1972 ABM Treaty. In a recently released report, our Government charges that the Soviets have violated or "possibly violated" various agreements by using chemical and toxic weapons, deploying the mobile SS-16 missile, testing a second land-based intercontinental missile, using new equipment associated with ABM's, and not giving the West prior notification of large-scale maneuvers to be held by Warsaw Pact forces in Eastern Europe.

It is difficult to deny that the Soviet Union set out shortly after the accord was signed on a course specifically prohibited by the treaty. They have yet to admit that the radar site even exists.

Soviet violations of the letter, and certainly the spirit of these solemn accords, should give all of us concern. For me, these violations clearly highlight the need for verifiable agreements. While we should continue to talk and meet with the Soviets about arms control, we should proceed ahead with these agreements cautiously and prudently, and not try to get an agreement for agreement's sake.

With these concerns in mind, I recommend the following Washington Post editorial to my colleagues in the Congress.

THE KRASNOYARSK RADAR

A year's further discussion of whether the Soviet Union is respecting its arms control obligations has produced more of a consensus than most people had thought possible. The release of President Reagan's latest congressionally mandated report on "Soviet

noncompliance with arms control agreements" makes this clear.

The main thing that has happened since the last report is that public attention has focused on one alleged violation—the Krasnoyarsk radar. Most of those who previously hesitated to call it a violation of the 1972 Antiballistic Missile Treaty (ABM) have stopped hesitating. It has become very hard to deny that the Soviets set out shortly after the treaty was signed on a course specifically blockd by the treaty, that they stonewalled through years of American efforts to induce them to admit it or correct it and persist on that course to this day. Fewer people remain to say that it really doesn't matter all that much and that in any event it's wrong to talk about it in public.

Some Americans feared—others hoped—that official efforts to nail the Kremlin on this violation would unravel the whole arms control process. This has not happened: President Reagan and the Russians are headed back to full-scale negotiations at Geneva. But there have been other major consequences. The American standards for verification of new agreements have been toughened. And major impetus has been given to the idea of an American defense against ballistic missiles—this is the idea embodied in the president's Strategic Defense Initiative. Unlike the Soviet radar at Krasnoyarsk, this program, in its current, research phase, is entirely consistent with the ABM Treaty.

A few Soviets have hinted that, if Moscow felt it could avoid public embarrassment, it might find a way to halt construction on the radar or other wisesignal that it understood American sensitivities. But of course Moscow had years to do just that, and so far has chosen not to, even though it was being discreetlly pressed on the matter by Americans of very different political persuasions.

Is there not someone in the Kremlin with the wit to recognize the immense Soviet interest in quietly unfolding a few tarpaulins at the Siberian construction site? What a pity that its political radar is so inferior to that huge electronic radar being built at Krasnoyarsk.●

AMERICAN LEGION POST 76

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. MORRISON of Connecticut. Mr. Speaker, today I would like to extend my warmest congratulations to American Legion's Post 76 of North Haven, CT, in my Third Congressional District. This month, Post 76 was recognized by the American Legion as "Post of the Month" for its invaluable service to the community.

Post 76 sustains an active membership of over 290 veterans including many local community leaders, as well as members of North Haven's police and fire departments. It provides numerous invaluable services to the citizens of North Haven, such as food and emergency funds to the needy, sponsorship of a local Boy Scout troop and baseball team, color guard at inaugurations of town selectmen, and organization of the town's annual Memorial Day parade. Members of the women's auxiliary are active in sponsoring local students in the girls' State program and supporting a battered women's shelter.

Post 76 instills in the citizens of North Haven a sense of community and civic pride. I congratulate them in their hard-earned and well-deserved honor of "Post of the Month." I know that all of us are extremely proud of their accomplishments.

Following is a copy of an article that appeared in this month's American Legion magazine describing in detail Post 76's activities:

FEEDING THE POOR OF THE COMMUNITY

"As a kid growing up in the '30s I recall how much I looked up to those men who belonged to the local American Legion post. I remember thinking that some day I wanted to be part of that, to be one of those guys who did so much for our town and meant so much to me."

That's how Walter Gawrych felt about the men of Murray-Reynolds Post 76, North Haven, Conn., and that's why he joined the post when he was discharged after WWII.

As first selectman (mayor) of North Haven, Gawrych has a particularly good vantage point from which to judge the post's impact on North Haven and to recommend it for Post of the Month. "This post is extremely supportive of the people in this community," he said. "Post members don't sound their own horn very much, but everyone knows about them because of their work."

Founded in 1920, the post's 287 members have sustained their founders' desires that the post become a positive force for North Haven, a town of about 25,000 near New Haven in southern Connecticut.

Years ago, town leaders felt area poor children needed help to enjoy a merrier Christmas, so they asked the post for help. Post 76 began a gift program that is now an annual project of the entire community. The post also gives 80 to 90 food baskets, each weighing about 60 pounds, to needy families at Thanksgiving and Christmas. Emergency funds for needy families are available from the post, thanks mostly to the efforts of Jim DeMarzo, post service officer and liaison to the town board.

Post members' service to the community is known beyond the Legion and North Haven. Charlie Slavin, an aide to the leader of Connecticut's Knights of Columbus and a nearby Hamden resident, said, "Whenever they're called upon for help, the men of that post never refuse."

The post's impact on the community is symbolically evident, too. "The post faces our 'green' or public square and is right next door to our town hall," explained Fred Foster, administrative assistant to Selectman Gawrych. The post's closeness to town hall comes in handy when large crowds show up for town meetings. When that happens, the meetings are moved to the post.

Post members provide a color guard for swearing-in ceremonies of town selectmen, volunteer their services at VA hospitals in both New Haven and Fairfield, sponsor a Boy Scout troop, send delegates to Boys' State, sponsor Legion Oratorical Contests, sponsor a Sons of The American Legion Squadron, volunteer at Special Olympics programs in two cities, conduct an annual Veterans Day dance, help out at a town playground and give aid to handicapped children. Members also sponsored the baseball team that finished fifth in the Legion's 1972 World Series.

Post 76 Legionnaires have organized the town's Memorial Day parade for 25 years and for 16 years have presented a nationally recognized series of Four Chaplains services in February.

Organizing those annual services has been the job of Wallace Bassett, a tireless Legionnaire and past post commander. Bassett and other volunteers present their program to keep alive the sacrifices of two ministers, a priest and a rabbi who gave away their life jackets so that soldiers on a torpedoed WWII troop ship, the USS *Dorchester*, could live.

The services have been attended by past national officers, including a national chaplain, and for years were attended by the late Mrs. Bruce Cunningham, the widow of the Rev. Clark V. Poling, one of the chaplains who died on the Dorchester. The post, partly because of the services, has won its department's "Back To God" award four times in the last 10 years. In 1983, thanks in part to Post 76's work, Connecticut Gov. William A. O'Neill proclaimed February "Four Chaplains Month."

Besides its own leaders, including Post Cdr. George Breuler and Post Adj. Michael Pelligrino, Post 76 provides leaders for the larger community, too. In addition to Gawrych, three state representatives as members of Post 76, and a half dozen others are on the town's police and fire departments. Pelligrino has also been a second district commander. George Nye, a WWII veteran, was a department historian and Rev. Earl T. Williams is the chaplain at the West Haven VA Medical Center.

Working with Post 76 Legionnaires are members of their Auxiliary, who sponsor students to Girls' State and support a battered women's program. Auxiliary President Eloise Swingler Kennedy also plays the bugle for the Four Chaplains services.

Rev. Vincent E. Lyddy, pastor of St. Francis Cabrini Church, and one of several persons who recommended Post 76 for Post of the Month, may have summed it up best when he wrote: "Post 76 is a credit to veterans, to our country, to our town especially, and to the (Legion's) national organization. We are very proud of it."●

A CONGRESSIONAL SALUTE TO C.R. "CAL" FLORENCE, SR.

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. MATSUI. Mr. Speaker, I rise today to honor one of my outstanding constituents, Mr. C.R. "Cal" Florence, Sr., recently selected 1984 Sacramento Citizen of the Year by the Sacramento Board of Realtors.

Mr. Speaker, Cal Florence has faithfully served the city of Sacramento for more than three decades. He is currently serving his 7th consecutive year as chairman of the Cerebral Palsy Telethon and is also serving as the 1985 president of the Easter Seal Society and Goodwill Industries.

In 1984 alone, Mr. Florence founded and implemented the Sacramento Sheriff Department's Thumbs Up Program, raised funds for many local agancies which benefit the handicapped and underprivileged, served as a Lions Club district 4 officer, participated in the Society of the Blind White Cane Days, and was secretary of the northern California Peace Officers Association. With his record of service to the community, it is clear why Mr. Florence was selected by a panel of community representatives from over 20 highly qualified nominees to receive the honor of 1984 Sacramento Citizen of the Year.

Mr. Florence's career as a Sacramento deputy sheriff and staff assistant was characterized by a very caring and compassionate attitude. Even in his retirement, Mr. Florence still exhibits these qualities in his daily community efforts. I know that his wife, Edyth, and his three children, Bobbie, Sandy, and Cal, Jr., are proud of his many achievements.

Despite battling several health problems, Cal Florence has remained involved and active as a volunteer in more than 70 community programs.

Mr. Speaker, I ask that my colleagues join me in saluting this outstanding individual, Mr. C.R. "Cal" Florence, Sr., a truly fine gentleman and an outstanding member of the Sacramento community.●

GROWTH ALONE WON'T DO IT

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. DENNY SMITH. Mr. Speaker, it is a rare occasion that I come across an opinion/editorial piece so instructive and so professionally crafted that I feel the article merits a printing in the CONGRESSIONAL RECORD for the benefit of my colleagues.

The following article, authored by Mr. Frank Gregorsky, editor of the Republican Study Committee Bulletin, is such a piece. The article appeared in the Wednesday, February 13, 1985, edition of the Wall Street Journal.

As a member of the Committee on the Budget trying to separate fact from fiction during the fiscal year 1986 budget debate, I think that Members from both sides of the aisle will find Mr. Gregorsky's thoughts most instructive.

GROWTH ALONE WON'T DO IT

(By Frank Gregorsky)

Too many people make federal budget policy without having any idea of what's in the budget and how it relates to the economy. The partisans of economic growth as cure-all took heart from the fact that the fiscal 1984 budget deficit was $20 billion narrower than the fiscal 1983 budget deficit. This was hailed as evidence that economic growth could eventually balance the budget. But a look at the budget, item by item, suggests that new rules are at war with old formulas. It is time to reexamine the links between deficit spending and economic growth.

During fiscal 1983 growth averaged 5%. During fiscal 1984 it was a roaring 6.2%. We had, by any definition, a strong economy. (And it is still strong: This is the 10th straight quarter of economic growth.) Unemployment, from a December 1982 peak of 10.6%, had fallen to 9.1% by the close of fiscal 1983. Still, that year's deficit was much bigger than fiscal 1982's—$195 billion vs. $110 billion. The link—economic recovery, rising red ink—was partly because average unemployment was higher during fiscal 1983 than during fiscal 1982.

But what about the perverse figures for fiscal 1984? Unemployment fell from 8.7% in October 1983 to 7.1% by June 1984 (with no trend since). The average rate dropped from near-10% during fiscal 1983 to 7.7% for fiscal 1984. In the 1970s, liberals and conservatives agreed that a 1% annualized drop in unemployment would cut the deficit $25 billion to $30 billion. By that standard, the 1984 deficit should have plunged about $60 billion. It declined only $20 billion.

We can't blame the shortfall on revenues. The federal tax take expanded smartly in fiscal year 1984. Total revenues rose $66 billion from 1983, nearly 11%. If we could count on that every year for the next three, with the new money not spent, the deficit would be gone by fiscal 1988. Economic growth would indeed "end deficits." But, while revenues were rising $66 billion, aggregate 1984 spending was increasing $46 billion—even with a sharp downward trend in joblessness, economic growth the highest in decades, and a low inflation rate taking pressure off cost-of-living adjustments.

Not 'Countercyclical' Now

[Percent growth during fiscal 1984]

"Human development" (human services block grants, work incentives, family social services)	10.3
Federal housing programs	7.9
Child nutrition programs	7.8
Community planning and development	6.9
"Assistance payments" (formerly AFDC)	6.0
State grants for Medicaid	5.7
Low-income energy assistance	1.7

Source: Treasury Department.

What sort of "automatic budget reductions" should a booming gross national product trigger? For starters, unemployment compensation and food stamps should cost less. That part of conventional wisdom remains wise. The Employment and Training Administration, which administers unemployment payments, cost a whopping 31.3% less during fiscal 1984. Food stamp outlays fell a bit (2.3%) from their fiscal 1983 levels. Prosperity-induced reductions in these two areas saved almost $16 billion in fiscal 1984.

Where the Budget Ballooned

[Percent during fiscal 1984]

Rural Electrification Administration	579.4
Foreign military assistance	130.9
Export-Import Bank	84.8
Federal Railroad Administration	77.9
Nuclear waste disposal fund	69.4
Bilingual education (Dept. of Ed.)	67.0
Farmers Home Administration	41.0
International Security Assistance	36.9
Agency for International Development	31.3
Guaranteed student loans	27.0
Disaster relief	20.3
Interest on the public debt	19.4
Federal prison system	17.4
Federal spending on highways	17.3
Legal Services Corporation	15.8
Miliary procurement	15.4
National Institutes of Health	11.0
Spending by Congress on Congress	10.2

Source: Treasury Department.

But other items should have held level or dropped in cost as prosperity returned. These functions are at least partly influenced by the economy's strength. But they rose with the GNP, as the first table shows.

Why these rises during 12 months of more than 6% GNP growth? Perhaps bureaucratic overhead gobbled up the money even as aggregate benefit payments fell. That's a favorite suggestion of those who hope to cut budgets without taking away checks from voters. But most of the items in the table are transfer-payment operations, without much Washington overhead.

A more compelling conclusion is that the "safety net" is so broad and deep that people stay in it even when economic growth surges. The GNP is no longer very good at bidding Americans away from the services of the welfare state.

Liberals will suggest the defense budget is really driving the spending side. In fact, Pentagon outlays accounted for only $17 billion of the $46 billion rise during fiscal 1984. Interest on the debt accounted for an additional $21 billion. That means all other spending rose $8 billion. That may not sound like much, but non-debt, non-defense costs are not supposed to rise during the second year of an economic recovery.

The Council of Economic Advisers' monthly economic indicators show how total domestic spending and unemployment have been moving in opposite directions. The "transfer payments" index in the indicators covers social insurance benefits, direct relief, and payments to veterans. In 1982's fourth quarter, with unemployment at 10.5%, transfer payments were at an annual rate of $399 billion. In 1983's third quarter, with unemployment at 9.2%, they had risen to $403 billion. In June 1984, with unemployment down to 7.1%, they were at a $416 billion annual rate. By last November, with joblessness at 7%, transfer payments were costing over $424 billion.

Some budget functions took cuts in fiscal 1984. Revenue-sharing outlays dropped 1%. The Environmental Protection Agency got 5.6% less, and the Department of Education 6.4% less. Agriculture Department spending fell $19 billion from its fiscal 1983 level of $46.3 billion (an all-time high). Appalachian development programs lost a fifth of their allocation, as did the Civil Aeronautics Board. The Small Business Administration parted with 46.7% of its 1983 money. Domestic spending wasn't entirely out of control.

Yet those savings only make more alarming the overall rise in spending. Not only did the economic expansion fail to dent key social-welfare programs, but it was deliberate policy to lavish new funds on other items. The second table shows some of last year's big winners.

Five years ago, tax-cutting conservatives honestly assumed that low inflation and high economic growth would generate new tax revenues and control spending; economic health would thus end deficits. The 1981–82 recession prevented an early test of that theory, and many Republicans asserted that

the deficit was mostly cyclical (and hardly structural). When the recovery blossomed early in 1983, they said the U.S. would now "grow its way out of the deficit."

The theory of the fiscal optimists has now been tested, during eight quarters of low inflation and economic boom. During that period, the red ink totaled $370 billion; during fiscal 1984, unemployment's plunge did not reduce aggregate spending levels, even with defense and debt interest factored out. The first quarter of fiscal 1985 also showed good growth—along with poor progress on the deficit.

The U.S. economy can't grow fast enough to catch up with deliberate high spending that has followed the Reagan team's 1981-82 budget cuts. Neither can the economy grow fast enough to overtake spending on an aging population interacting with too-generous transfer-payment laws. Sen. Alan Simpson was right: "No slot machine in America pays off like that." Economic growth remains an insurance policy against bigger deficits. But it will take politicians investing political capital to achieve balanced budgets.

At the very least, the numbers are telling us to change the terms of debate. Liberal Democrats need to forget charges of mass victimization via budget cuts; Reagan partisans should put away the rose-colored glasses. With the election over, people in various political camps can afford to take a magnifying glass to everything the government does, or thinks it does. We need fewer soft options from the interest groups and more hard data from the GAO. We need to put aside ideological budgeting and to perfect investigative budgeting.●

AMERICANS SUPPORT A STRONG NATIONAL DEFENSE

HON. BILL HENDON

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. HENDON. Mr. Speaker, the House of Representatives will obviously be faced with many difficult and important national security decisions this year. The votes we cast will significantly impact the President's strategic modernization program, and in many ways they will determine the future of America's leadership position in the free world.

A clear mandate for a strong national defense does not presently exist in this body, and it did not exist in the last Congress. Last year, the House placed a moratorium on the deployment of the MX Peacekeeper missile system until April 1, 1985. The vote in favor of this moratorium was by a slim majority of 199 to 197, and we now face as many as six votes on MX before it can be deployed. The President's request for military aid to El Salvador passed the House last year by the slim margin of 212 to 208, and in 1984 the Senate had tie votes on both the defense appropriations bill and on funds for the production of binary chemical weapons.

The simple point I am trying to make is that the many major national security issues confronting us will be decided by just a handful of votes, and because of this I think all of my colleagues should be well aware of the sentiments of the American people.

According to recent indepth scientific survey research, the American people clearly support President Reagan and his national security policies. Cambridge Reports, one of our Nation's leading pollsters, reports that American opinion strongly supports the President's strategic modernization program, and our people definitely are in favor of programs such as the MX Peacekeeper missile, the antisatellite [ASAT] weapon, and the Strategic Defense Initiative. Recent, findings by the Opinion Research Corp. of Princton, NJ, show that only 19 percent of the American people would favor the Kennedy-Hatfield nuclear freeze resolution if it left the United States inferior to the Soviet Union. The same survey shows that 80 percent of Americans want a national strategy of peace through strength; 78 percent of our people believe that the United States should pursue positive, nonmilitary means to roll back the growth of communism, and 62 percent say they want "overall military and technological superiority over the Soviet Union." I was particularly pleased to note that the Cambridge Reports poll shows Americans supporting the MX missile by a 60- to 36-percent margin.

A bipartisan organization that mirrors American public opinion is the American Security Council. I was encouraged when I recently reviewed the results of over 15,000 national security legislative action surveys that were completed by ASC members just last month. The views of ASC supporters are particularly important to me because this group includes our Nation's most vigorous and effective prodefense advocates. This group has worked vigorously in support of both the President's strategic modernization program and the Strategic Defense Initiative. These 15,000 legislative action surveys were completed by a membership that includes many national security experts, and they provide vital grassroots assistance to ASC's role as program secretariat for the bipartisan Coalition for Peace Through Strength.

There are now 235 members of the U.S. House and Senate who belong to the coalition, and it is the largest congressional caucus on Capitol Hill. Despite this, the prodefense community is obviously faced with many uphill battles on vital defense issues, and the grassroots support of the American people and ASC members in particular is urgently needed. I hope these legislative action surveys will be translated into concrete results by this Congress, and I know the Coalition for Peace Through Strength will be supporting the President's mandate to rebuild our defenses. By an overwhelming majority, the ASC membership feels our top priority must be full funding for the Strategic Defense Initiative, and this position is definitely supported by the American people themselves.

Mr. Speaker, I insert the results of the national security legislative action survey of the American Security Council in the RECORD.

The material follows:

THE NATIONAL SECURITY LEGISLATIVE ACTION SURVEY OF THE AMERICAN SECURITY COUNCIL

[In percent]

	Yes	No	Undecided
1. Should the President establish a National Strategy Advisory Board within the National Security Council to prepare and keep updated a peace through strength strategy for the United States?	69	7	18
2. Should the United States use its advanced technology to rebuild its conventional military capability by producing inexpensive unmanned planes or cruise missiles which could search out and destroy enemy tanks, guns and emplacements, and planes?	84	3	8
3. Should the United States build space and ground based defenses which could destroy Soviet missiles and bombers before they reach the United States?	91	1	5
4. Should the United States back the anti-communist freedom fighters in Afghanistan, Angola, and Nicaragua with enough logistic support so that they have a chance to win?	84	1	13
5. Should the United States join with other American countries under the Rio Treaty to establish this hemisphere as a Communist-free Peace Zone to the Americas?	91	2	6
6. Should the United States establish an Office of Strategic Trade to devise and implement strategies to bring about a fundamental change in the politico-economic structure of the USSR?	64	9	26
7. Should the United States mount a communications offensive to sow seeds of Solidarity in the Soviet Union and persuade the Russian people to work for gradual increases in their own freedom?	73	5	16
8. Should the United States decline to sign any arms control agreement which is not fully and completely verifiable by on-site inspection or which would lock the United States into an inferior military position?	92	3	1
9. Should the White House and the Congress change the regulations and laws which prevent monitoring the activities of organizations which plan or use terrorism against U.S. citizens?	91	2	2
10. Should the United States regain superior strategic warfighting capability by building such weapons as the MX missile, B–1 bomber, Trident submarine and cruise missiles?	81	2	11 ●

COOPERATION IN THE FIGHT AGAINST TERRORISM

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. BROOMFIELD. Mr. Speaker, this is the time to work together to combat international terrorism. Now, more than ever, our Government is facing the threat of terrorism. We are not retreating from this menace. I commend the Secretary of State for his recent remarks to the American Society for Industrial Security on the subject of cooperation. In addition to calling for expanded cooperation with our allies around the world in the struggle against terrorism, the Secretary also called for greater cooperation between the U.S. Government and the private sector.

Not unlike our Foreign Service and military personnel, American businessmen and their families are assigned to a variety of countries around the world. They face the same threats which most official Americans face. As American citizens, they are not exempt from terrorism, crime, and petty thievery. As the real economic backbone of the United States, American businessmen around the world are also obliged to protect their homes and investments. Although there has always been cooperation between the Office of Security at the Department of State, and the U.S. private sector, both here in the United States and overseas, the new program will expand and formalize the relationship. This new joint venture between the private sector and the Department is called the Overseas Security Advisory Council.

Deputy Assistant Secretary of State for Security, David Fields, is to be commended for his abiding commitment to helping the business community overseas. Thanks to the foresight of professional corporate security officers such as Steven Van Cleave, Fred Bornhofen, Robert Disney, Myron Weinstein, Ed Meserve, Eugene McCarthy, Warren Metzner, and George Murphy, all members of the Society's Standing Committee on Terrorism, progress was made in expanding cooperation between the government and business community.

In addition, Mr. John Thomas brings to the standing committee unique experience in that he served as Assistant Secretary of Administration at the Department of State, and later worked as the vice president of International Assets at Norton-Simon Inc. Other members of the committee also had similar backgrounds in Government and the private sector.

Since U.S. businesses and our diplomatic missions face similar security problems, they will be able to share their solutions to these common problems, or pool resources to develop new approaches in the fight against terrorism. Through this joint effort, and this new spirit of cooperation, let us hope that the lives of innocent citizens serving their country overseas can be saved.

With these thoughts in mind, I recommend the Secretary of State's comments to my colleagues in the Congress.

[The Secretary's comments follow:]

U.S. GOVERNMENT AND BUSINESS: OUR COMMON DEFENSE AGAINST TERRORISM

(Following is an address by Secretary Shultz before the American Society for Industrial Security, Arlington, Virginia, February 4, 1985.)

International terrorism has rapidly become one of the gravest challenges to American interests around the world. In the Middle East, in Latin America, and in Western Europe, we have suffered heavy casualties, and the threat has not diminished.

Terrorism poses a foreign policy problem of immense proportions, and as a foreign policymaker I consider the reduction and eventual eradication of terrorism one of our most important goals. But I also see the terrorist threat on a much more personal level. A Secretary of State is obviously responsible for helping the President set the direction of American foreign policy. But he is also responsible for the health, safety and well-being of the thousands of men and women who work for the State Department both here and overseas—and not only the State Department but those assigned overseas from other agencies of the government; and not only employees of government but private citizens working or visiting overseas. I feel that responsibility deeply.

When a terrorist attack kills or injures our people abroad, it is a loss for our foreign policy, but it is even more a deeply personal loss. Some may think that deaths and injuries at the hands of terrorists are the cost of doing business in some regions. But if anyone stood in the bombed-out ruins of the courtyard at our Beirut Embassy Annex, as I did, and saw firsthand the terrible destruction wreaked by terrorism, they would agree that the price is unacceptable and intolerable. Clearly, we cannot retreat in the face of the terrorist threat, but, just as clearly, we have to do more to protect our people.

Part of the answer comes from understanding the nature of the terrorist phenomenon. We have learned a great deal about the scope and nature of international terrorism in recent years, though our education has been painful and costly. We have learned about the terrorists themselves, their supporters, their international links, their diverse methods, their underlying motives, and their eventual goals. We have learned that terrorism is, above all, *political* violence. What once may have seemed the random, senseless, violent acts of a few crazed individuals has come into clearer focus.

Today, we are confronted with a wide assortment of terrorist groups which, alone or in concert, orchestrate acts of violence to achieve distinctly political ends. Their stated objectives may range from separatist causes to revenge for ethnic grievances to social and political revolution. Their techniques may be just as diverse: from planting homemade explosives in public places to suicide car bombings to kidnapings and political assassinations.

But the essential method of all terrorists is the same: they are trying to impose their will by force—a special kind of force designed to create an atmosphere of fear. The terrorists want people to feel helpless and defenseless; they want to undermine people's faith in their government's capacity to protect them and thereby to undermine the legitmacy of the government itself, or its policies, or both. The terrorists profit from the anarchy caused by their violence. They succeed when governments change their policies out of intimidation.

DEVISING AN EFFECTIVE STRATEGY TO DEAL WITH TERRORISM

Over the years, the pattern of terrorist violence has become increasingly clear. It is an alarming pattern, but it is something that we can identify and, therefore, a threat that we can devise concrete measures to combat. The knowledge we have accumulated about terrorism can provide the basis for a coherent strategy to deal with it, if we have the will to turn our understanding into action.

An effective strategy must incorporate many elements. I have spoken on other occasions about the need to go beyond a purely passive defense to consider means of active prevention, preemption, and retaliation. Our goal must be to prevent and deter future terrorist acts, and experience has taught us over the years that one of the best deterrents to terrorism is the certainty that swift and sure measures will be taken against those who engage in it.

We have also recognized the need for a broader international effort. Terrorism poses a direct threat not only to Western strategic interests but to the very moral principles that undergird Western democratic society. The enemies of the West are united. So, too, must the democratic countries be united in a common defense against terrorism. The leaders of the industrial democracies, meeting at the London summit last June, agreed in a joint declaration that they must redouble their cooperation against terrorism. There has been followup to that initial meeting, and the United States is committed to advancing the process in every way possible. Since we, the democracies, are the most vulnerable, and our strategic interests are the most at stake, we must act together in the face of common dangers.

Sanctions, when exercised in concert with other nations, can help to isolate, weaken, or punish states that sponsor terrorism against us. Too often, countries are inhibited by fear of losing commercial opportunities or fear of provoking the bully. Economic sanctions and other forms of countervailing pressure impose costs and risks on the nations that apply them, but some sacrifices will be necessary if we are not to suffer even greater costs down the road. Some countries are clearly more vulnerable to extortion than others, but surely this is an argument for banding together in mutual support, not an argument for appeasement.

Even these steps, however, will not be enough. For until the day comes when we have banished the scourge of terrorism from the modern world, we will continue to face threats. We must, therefore, summon all our resources, all our knowledge, and all our will to find ways to protect ourselves, our installations, and the people, both in government and in the private sector, who represent America abroad. We must take every precaution to provide the safest possible environment for our citizens who live and work overseas. And I believe there is much that the American Government and

American businesses can do together to meet this challenge.

Most of you here today have the great responsibility of providing security to American businesses around the world. As a former business executive myself, I know how important it is that your people abroad have some degree of confidence in their safety. Without that confidence, doing business effectively is practically impossible. And when America's businesses have a hard time doing business abroad, all of America suffers. Our nation loses jobs and income. Our balance of payments is adversely affected. And, not least important, the constructive ties that American business creates with our friends and allies around the world are eroded.

U.S. MEASURES TO ENHANCE SECURITY

The problems that you face are not very different from those I have faced as Secretary of State. In fact, I often feel like a security executive myself. At the State Department, we have made enhancing the security of our personnel and installations abroad a top priority. I'd like to take a few moments to outline for you some of the measures we are taking to enhance the security of our posts and personnel overseas.

One thing we have learned over the years is that defense against terrorists depends to a great extent on timely and accurate information and intelligence. We have, therefore, begun to augment and improve our capabilities in this vital area. We have strengthened our ability to analyze and report on terrorist threats. We have expanded our data facilities to keep on record biographical information on individual terrorists and terrorist groups, the kinds of weapons they use, and their modus operandi. And we have developed better and faster procedures for our posts in the field to gather and report information on terrorist activities.

We have taken great strides toward bringing our installations in threatened areas up to the standards we believe necessary to protect our people. All our posts have done intensive reviews of their security needs, and these reviews have been the basis for speedy action. We have made immediate improvements at 23 high-threat posts. We are planning to construct 13 new office buildings that will measure up to the latest security standards. In addition, we have contracted out to private firms longer term improvements at 35 of our posts. Construction at these posts will begin this spring. As we move ahead on all these projects, we will continue to test and evaluate new technologies for enhancing physical security. Finally, we will be adding over 400 new security personnel, including Marine security guards, to our posts around the world.

Obviously, we have been forced to spend more money to protect our people abroad, and the Congress, on a bipartisan basis, has been enormously helpful to these efforts. From 1979 to 1983 the Congress tripled the State Department's authorization for security. Last year the Congress authorized a $361 million security supplemental, which is paying for the bulk of the measures we are now taking. In 1985 we expect to spend more for security than we did in all of the preceding 5 years combined. We are grateful for this congressional support.

Protecting ourselves against terrorism, however, will require more than these tangible security improvements. We must also take steps to educate ourselves and our personnel abroad, to raise our awareness of the terrorist threat and what needs to be done to counter it. I myself meet every morning with Ambassador Oakley [Director of the Office for Counter-terrorism and Emergency Planning] and our security and intelligence officials to stay abreast of the very latest information on terrorist activities and to discuss ways of improving security. But *all* our personnel must learn to adapt to the new and dangerous circumstances that the terrorist violence has created. The State Department is now developing a comprehensive multidisciplinary program using our security, medical, training, and public affairs officials as educational resources. As long as the terrorist threat persists, all our people must be vigilant and ready to respond to any crisis quickly and effectively.

State Department officers around the world in many ways represent the front line of the U.S. Government. But the men and women who work for American businesses abroad are also on the front line, and their safety and well-being are also at the forefront of our concern, as I know they are of yours.

POOLING THE RESOURCES OF THE PUBLIC AND PRIVATE SECTORS

I'd like to turn now to the ways American Government and American business can pool their energies and resources to enhance the security of all Americans overseas, whether they represent the public or the private sector.

Obviously, terrorism poses the same kind of difficulties and dangers to businessmen abroad as to government officials. And the security measures needed to protect businesses are also substantially the same. There is much room, therefore, for collaboration. We can share information on terrorist activities and on the new technologies for enhancing security. We can coordinate our security efforts overseas. In short, we can meet the threat together.

In July I convened a blue-ribbon panel on overseas security chaired by retired Admiral Bobby Inman. I asked this panel to look into the security of our Embassies abroad and to tell us, in essence, how much security is enough. One of the specific questions posed to this panel was: "What responsibility does the U.S. Government have for the protection of American business people abroad?"

For a number of years now, we have worked informally with many American firms on local security issues. The main players have been the regional security officers at overseas posts and our Threat Analysis Group here in Washington. This has been a good and growing relationship. But we would like to put it on a more formal footing and make it available to more American firms and organizations.

In this regard, I am pleased to announce today the formation of a new joint venture between the State Department and the private sector: the Overseas Security Advisory Council. The members of this council will come from a wide range of American businesses that operate abroad, as well as from the State Department, American law enforcement agencies, and other foreign policy agencies. Its goal is to establish a continuing liaison between officials in both the public and private sector in charge of security matters; to provide for regular exchanges of information on developments in the security fields; and to recommend plans for greater operational coordination between the government and the private sector overseas. The creation of this council marks an important step forward. There are many ways our security officers overseas can assist businesses abroad with emergency communications, information about specific threat conditions, and even advice on the best locales for residences overseas. I am sure that, by working together to enhance security, we can be more effective in saving lives and reducing the dangers of doing business abroad.

Obviously, all our efforts will not eliminate the threat. That will require time and a broad, consistent strategy combining elements of defense, response, and international cooperation. But we must stand firm. So long as terrorism continues to be a grave problem, we must not waver or bow to terrorist intimidation. The United States cannot allow the actions of terrorists to affect our policies or deflect us from our goals. When terrorist intimidation succeeds in changing our policies, when it forces businesses to close down overseas, we hand them a victory; this only opens the door to more terrorism. It shows that terrorism works; it emboldens those who resort to it; and it encourages others to join their ranks.

If we remain firm, we can look ahead to a time when terrorism will cease to be a major factor in world affairs. But we must face the challenge with realism, determination, and strength of will. Not so long ago we faced a rash of political kidnapings and Embassy takeovers. These problems seemed insurmountable. Yet, through increased security and the willingness of governments to resist terrorist demands and to use force when appropriate, such incidents have become rare. In recent years, we have also seen a decline in the number of airline hijackings—once a problem that seemed to fill our newspapers daily. Tougher security measures and closer international cooperation have clearly had their effect.

I have great faith that we do have the will, and the capability, to act decisively against this threat. It is really up to us. We must work together and apply ourselves to the task of ensuring a safer future.●

HOUSE OF REPRESENTATIVES—*Wednesday, February 20, 1985*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Almighty God, for the beauty of this day we give You thanks; for the friends of this day may we show appreciation; for the opportunities of this day may we have strength; for any dangers of this day may we have courage; and for all the good gifts of this day, let us rejoice. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

After consultation with the majority and minority leaders, and with their consent and approval, the Chair announces that today when the Houses meet in joint meeting to hear an address by the Prime Minister of Great Britain only the doors immediately opposite the Speaker and those on his left and right will be open.

No one will be allowed on the floor of the House who does not have the privilege of the floor of the House.

Children of Members will not be permitted on the floor and the cooperation of all the Members is requested.

RECESS

The SPEAKER. Pursuant to the order of the House of January 31, 1985, the House will stand in recess subject to the call of the Chair.

Accordingly (at 10 o'clock and 2 minutes a.m.), the House stood in recess subject to the call of the Chair.

JOINT MEETING OF THE 99TH CONGRESS HELD PURSUANT TO THE ORDER OF THE HOUSE OF JANUARY 31, 1985, TO HEAR AN ADDRESS BY THE RIGHT HONORABLE MARGARET THATCHER, PRIME MINISTER OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

The SPEAKER of the House presided.

The Doorkeeper, the Honorable James T. Malloy, announced the Vice President and Members of the U.S. Senate who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker and the Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to conduct the Prime Minister of Great Britain into the Chamber:

The gentleman from Texas [Mr. WRIGHT];

The gentleman from Washington [Mr. FOLEY];

The gentleman from Missouri [Mr. GEPHARDT];

The gentlewoman from Ohio [Ms. OAKAR];

The gentleman from Florida [Mr. FASCELL];

The gentleman from Illinois [Mr. MICHEL];

The gentleman from Mississippi [Mr. LOTT];

The gentleman from New York [Mr. KEMP]; and

The gentleman from Michigan [Mr. BROOMFIELD].

The VICE PRESIDENT. The President of the Senate, at the direction of that body, appoints the following Senators as members of the committee on the part of the Senate to escort the Prime Minister of Great Britain into the House Chamber:

The Senator from Kansas [Mr. DOLE];

The Senator from South Carolina [Mr. THURMOND];

The Senator from Wyoming [Mr. SIMPSON];

The Senator from Maryland [Mr. MATHIAS];

The Senator from Wyoming [Mr. WALLOP];

The Senator from Kansas [Mrs. KASSEBAUM];

The Senator from West Virginia [Mr. BYRD];

The Senator from California [Mr. CRANSTON];

The Senator from New York [Mr. MOYNIHAN];

The Senator from Rhode Island [Mr. PELL];

The Senator from Illinois [Mr. SIMON]; and

The Senator from Tennessee [Mr. GORE].

The Doorkeeper announced the ambassadors, ministers, and chargés d'affaires of foreign governments.

The ambassadors, ministers, and chargés d'affaires of foreign governments entered the Hall of the House of Representatives and took the seats reserved for them.

The Doorkeeper announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 11 o'clock and 4 minutes a.m., the Doorkeeper announced the Prime Minister of Great Britain.

The Prime Minister of Great Britain, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives, and stood at the Clerk's desk.

[Applause, the Members rising.]

The SPEAKER. Members of the Congress, it is my great privilege, and I deem it a high honor and personal pleasure, to present to you the Right Honorable Margaret Thatcher, the Prime Minister of the United Kingdom of Great Britain.

[Applause, the Members rising.]

ADDRESS BY THE PRIME MINISTER OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

Prime Minister MARGARET THATCHER. Mr. Speaker, Mr. President, distinguished Members of Congress, on this, one of the most moving occasions of my life, my first words must be to say thank you for granting me this rare privilege of addressing a joint meeting of the United States Congress.

My thoughts turn to three earlier occasions when a British Prime Minister—Winston Churchill—has been honored by a call to address both Houses.

Among his many remarkable gifts, Winston held a special advantage here. Through his American mother he had ties of blood with you. Alas for me, these are not matters we can readily arrange for ourselves. Those three occasions deserve to be recalled because they serve as lamps along a dark road which our people trod together, and they remind us what an extraordinary period of history the world has passed through between that time and ours. And they tell us what later generations in both our countries sometimes find hard to grasp—why past associations bind us so closely.

Winston Churchill's vision of a union of mind and purpose between

the English speaking peoples was to form the mainspring of the West.

No one of my generation can forget that America has been the principal architect of a peace in Europe which has lasted 40 years. Given this shield of the United States, we have been granted the opportunities to build a concept of Europe beyond the dreams of our fathers: A Europe which seemed unattainable amid the mud and slaughter of the First World War and the suffering and sacrifice of the second.

When, in the spring of 1945, the guns fell silent, General Eisenhower called our soldiers to a service of thanksgiving. In the order of service was the famous prayer of Sir Francis Drake: "O Lord God, when Thou givest to Thy servants to endeavor in great matter, grant us to know that it is not the beginning but the continuing of the same, until it be thoroughly finished, which yieldeth the true glory."

On this day, close to the 40th anniversary of that service, and of peace in Europe, one of the longest periods without war in all our history, I should like to recall those words and acknowledge how faithfully America has fulfilled them.

For our deliverance from what might have befallen us, I would not have us leave our gratitude to the tributes of history. The debt the free peoples of Europe owe to this Nation generous with its bounty, willing to share its strength, seeking to protect the weak, is uncalculable. We thank and salute you.

Of course, in the years which separate us from the time when Winston Churchill last spoke to Congress, there have been disappointments, as well as hopes fulfilled, the continued troubles in the Middle East, famine and oppression in Africa, genocide in South East Asia, the brutal occupation of Afghanistan, the undiminished agony of tortured Poland, and above all the continued and continuing division of the European Continent.

From these shores it may seem to some of you that by comparison with the risks and sacrifices which America has borne through four decades, and the courage with which you have shouldered unwanted burdens, Europe has not fully matched your expectations.

Bear with me if I dwell for a moment on the Europe to which we now belong. It is not the Europe of ancient Rome, of Charlemagne, of Bismarck. We who are alive today have passed through perhaps the greatest transformation of human affairs on the continent of Europe since the fall of Rome.

In but a short chapter of its long history, Europe lost the position which it had occupied for 2,000 years. And it is your history as much as ours.

For five centuries, that small continent had extended its authority over islands and continents the world over, for the first 40 years of this century there were seven great powers—the United States, Great Britain, Germany, France, Russia, Japan, and Italy.

Of those seven, two now tower over the rest—the United States and the Soviet Union.

To that swift and historic change Europe—a Europe of many different histories, of many different nations—has had to find a response.

It has not been an easy passage to blend this conflux of nationalism, patriotism, sovereignty into a European community.

Yet I think that our children and grandchildren may see this period, these birth pangs of a new Europe, more clearly than we do now. They will see it as a visionary chapter in the creation of a Europe able to share the load alongside you.

Do not doubt the firmness of our resolve in this march toward this goal.

But don't underestimate what we already do.

Today, out of the forces of the alliance in Europe, 95 percent of the divisions, 85 percent of the tanks, 80 percent of the combat aircraft and 70 percent of the fighting ships are provided, manned, and paid for by the European allies, and Europe has more than 3 million men under arms and more still in reserve. We have to.

We are right in the front line. The frontier of freedom cuts across our continent. Members of Congress, the defense of that frontier is as vital to you as it is to us.

It is fashionable for some commentators to speak of the two superpowers, the United States and the Soviet Union, as though they were somehow of equal worth and equal significance.

Mr. Speaker, that is a travesty of the truth.

The Soviet Union has never concealed its real aim. In the words of Mr. Brezhnev: "The total triumph of socialism all over the world is inevitable, for this triumph * * *. We shall struggle with no lack of effort."

Indeed, there has been no lack of effort.

Contrast this with the record of the West. We do not aim at domination, at hegemony in any part of the world. Even against those who oppose and who would destroy our ideas. We plot no aggression.

Of course, we are ready to fight the battle of ideas with all the vigor at our command. But we do not try to impose our system on others. We do not believe that force should be the final arbiter in human affairs. We threaten no one. Indeed, the alliance has given a solemn assurance to the world: "None of our weapons will be used except in response to attack."

In talking to the Soviet Union, we find great difficulty in getting this message across. They judge us by their ambitions. They cannot conceive of a powerful nation not using its power for expansion or subversion.

And yet they should remember that when, after the last war, the United States had a monopoly of nuclear weapons, she never once exploited her superiority. No country ever used such great power more responsibly or with such restraint.

I wonder what would have befallen us in Western Europe and Great Britain if that monopoly had been in Soviet hands.

Mr. Speaker, wars are not caused by the buildup of weapons.

They are caused when an aggressor believes he can achieve his objectives at an acceptable price.

The war of 1939 was not caused by an arms race. It sprang from a tyrant's belief that other countries lacked the means and the will to resist him.

Remember Bismarck's phrase: "Do I want war? Of course not, I want victory."

Our task is to see that potential aggressors from whatever quarter understand plainly that the capacity and the resolve of the West would deny them victory in war: and that the price they would pay would be intolerable.

That is the basis of deterrence and it is the same whatever the nature of the weapons. For let us never forget the horrors of conventional wars and the hideous sacrifice of those who have suffered in them. Our task is not only to prevent nuclear war, but to prevent conventional war as well.

No one understood the importance of deterrence more clearly than Winston Churchill when in his last speech to you he said: "Be careful above all things not to let go of the atomic weapon until you are sure, and more than sure, that other means of preserving peace are in your hands." Thirty-three years on, those weapons are still keeping the peace.

But since then, technology has moved on, and if we are to maintain deterrence, as we must, it is essential that our research and capacity do not fall behind the work being done by the Soviet Union.

That is why I firmly support President Reagan's decision to pursue research into defense against ballistic nuclear missiles—the strategic defense initiative.

Indeed, I hope that our own scientists will share in this research.

The United States and the Soviet Union are both signatories to the 1972 Anti-Ballistic Missile Treaty, a treaty without any terminal date. Nothing in that treaty precludes research, but should that research on either side lead to the possible deployment of new defense systems, that would be a

matter for negotiation under the treaty.

But, Mr. Speaker, despite our differences with the Soviet Union, we have to talk with them. For we have one overriding interest in common: That never again should there be a conflict between our peoples. We hope, too, that we can achieve security with far fewer weapons than we have today and at lower cost. And thanks to the skillful diplomacy of Secretary Shultz, negotiations on arms control open in Geneva on the 12th of March. They will be of immense importance to millions. They will be intricate, complex and demanding. And we should not expect too much too soon.

We must recognize that we shall face a Soviet political offensive designed to sow differences among us, calculated to create infirmity of purpose, to impair resolve—and even to arouse fear in the hearts of our people.

Hope is such a precious commodity in the world today that some are tempted to buy it at too high a price. We shall have to resist the muddled arguments of those who have been induced to believe that Russia's intentions are benign and that ours are suspect, or who would have us simply give up our defenses in the hope that where we led others would follow.

As we learned cruelly in the 1930's, from good intentions can come tragic results.

Let us be under no illusions: It is our strength and not their goodwill that has brought the Soviet Union to the negotiating table in Geneva.

Mr. Speaker, we know that our alliance, if it holds firm, cannot be defeated. But it could be outflanked. It is among the unfree and the underfed that subversion takes root.

As Ethiopia demonstrated, those people get precious little help from the Soviet Union and its allies. The weapons which they pour in bring neither help nor hope to the hungry.

It is the West which heard their cries. It is the West which responded massively to the heart-rending starvation in Africa. It is the West which has made a unique contribution to the uplifting of hundreds of millions of people from poverty, illiteracy and disease.

But the problems of the Third World are not only those of famine. They face also a mounting burden of debt, falling prices for primary products, protectionism by the industrialized countries.

Some of the remedies are in the hands of the developing countries themselves. They can open their markets to productive investment. They can pursue responsible policies of economic adjustment. We should respect the courage and resolve with which so many of them have tackled their special problems. But we also have a duty to help.

How can we help? First, and most important, by keeping our markets open to them. Protectionism is a danger to all our trading partnerships. And for many countries trade is even more important than aid. And so we in Britain support President Reagan's call for a new GATT round.

The current strength of the dollar, which is causing so much difficulty for some of your industries, creates obvious pressures for "special cases," for new trade barriers to a free market. I am certain that your administration is right to resist such pressures.

To give in to them would betray the millions in the developing world, to say nothing of the strains on your other trading partners. The developing countries need our markets, as we need theirs.

And we cannot preach economic adjustment to them, and refuse to practice it at home.

And, second, we must remember that the way in which we in the developed countries manage our economies determines whether the world's financial framework is stable; it determines the level of interest rates; it determines the amount of capital available for sound investment the world over; and it determines whether or not the poor countries can service their past loans, let alone compete for new ones.

Those are the reasons why we support so strongly your efforts to reduce the budget deficit. No other country in the world can be immune from its effects. Such is the influence of the American economy on us all.

We in Europe have watched with admiration the burgeoning of this mighty American economy. There is a new mood in the United States. A visitor feels it at once. The resurgence of your self-confidence and your national pride is almost tangible. Now the Sun is rising in the West.

For many years our vitality in Britain was blunted by excessive reliance on the State. Our industries were nationalized, controlled and subsidized in a way that yours never were. We're having to recover the spirit of enterprise which you never lost.

Many of the policies you are following are the policies we are following.

You have brought inflation down. So have we.

You have declared war on regulations and controls. So have we. Our civil service is now smaller than at any time since the war. And controls on pay, prices, dividends, foreign exchange all are gone.

You have encouraged small business, so often the source of tomorrow's jobs. So have we.

But above all, we are carrying out the largest program of denationalization in our history. Just a few years ago in Britain, privatization was thought to be a pipe dream. Now it is a reality, and a popular one.

Our latest success was the sale of British Telecommunications. It was the largest share issue ever to be brought to the market on either side of the Atlantic. Some 2 million people bought shares.

Members of Congress, that is what capitalism is: A system which brings wealth to the many, and not just to the few.

The United Kingdom economy is in its fourth year of recovery, slower than yours but positive recovery.

We have not yet shared your success in bringing down unemployment, although we are creating many new jobs.

But output, investment and standard of living are all at record levels and profits are well up.

And the pound, it is too low. But whatever the proper international level of sterling, it is a marvelous time for Americans not only to visit Britain, but to invest with us.

And many are. America is by far the largest direct investor in Britain and I am delighted to say that Britain is the largest direct investor in the United States.

The British economy has an underlying strength. Any, like you, we use our strength and resolve to carry out our duties to our allies and to the wider world.

We were the first country to station cruise missiles on our territory. Britain led the rest.

In proportion to our population we station the same number of troops as you in Germany.

In Central America we keep troops stationed in Belize at the Government's request. That is our contribution to sustaining democracy in a part of the world so vital to the United States.

We have troops in Cyprus and in the south Atlantic and, at your request, a small force in the Sinai, and British servicemen are now on loan to some 30 foreign countries. We were alongside you in Beirut. We work with you in the Atlantic and in the Indian Ocean. Our navy is on duty across the world.

Mr. Speaker, Britain meets her responsibilities in the defense of freedom throughout the world and she will go on doing so.

But, Members of Congress, closer to home there is a threat to freedom both savage and insidious. Both our countries have suffered at the hands of terrorists. We have both lost some of our best young lives. And I have lost some close and dear friends.

Free, strong, democratic societies will not be driven by gunmen to abandon freedom or democracy.

The problems of the Middle East will not be solved by the coldblooded murder of American servicemen in

Lebanon, nor by the murder of American civilians on a hijacked aircraft. Nor will the problems of Northern Ireland be solved by the assassin's gun or bomb.

Garret Fitzgerald and I and our respective governments are united in condemning terrorism.

We recognize the differing traditions and identities of the two parts of the community of Northern Ireland, the nationalist and the unionist. We seek a political way forward acceptable to them both which respects them both.

So long as a majority of the people of Northern Ireland wish to remain part of the United Kingdom, their wishes will be respected. If ever there were to be a majority in favor of change, then I believe that our Parliament would respond accordingly.

For that is the principle of consent, enshrined in your Constitution and an essential part of ours.

There is no disagreement on this principle between the United Kingdom Government and the Government of the Republic of Ireland.

Indeed the four constitutional nationalist parties of Ireland, north and south, who came together to issue the new Ireland forum report, made clear that any new arrangements could only come about by consent, and I welcome, too, their outright condemnation and total rejection of terrorism and all its works.

Be under no illusions about the Provisional IRA. They terrorize their own communities. They are the enemies of democracy, and of freedom, too.

Do not just take my word for it. Ask the Government of the Irish Republic, where it is an offense even to belong to that organization, as indeed it also is in Northern Ireland.

I recognize and appreciate the efforts which have been made by the administration and Congress alike to bring home this message to American citizens who may be misled into making contributions to seemingly innocuous groups. The fact is that money is used to buy the deaths of Irishmen, north and south of the border; and 70 percent of those killed by the IRA are Irishmen. And that money buys the killing and wounding even of American citizens visiting our country.

Garret Fitzgerald—and I salute him for the very brave thing he did yesterday in passing a special law to see that money did not get to the IRA—Garret Fitzgerald and I will continue to consult together in the quest for stability and peace in Northern Ireland. And we hope we will have your continued support for our joint efforts to find a way forward.

Distinguished Members of Congress, our two countries have a common heritage as well as a common language. It is no mere figure of speech to say that many of your most enduring traditions, representative government, habeas corpus, trial by jury, a system of constitutional checks and balances, stem from our own small islands.

But they are as much your lawful inheritance as ours. You did not borrow these traditions. You took them with you, because they were already your own.

Human progress is not automatic. Civilization has its ebbs and flows. But if we look at the history of the last 500 years, whether in the field of art, science, technology, religious tolerance or in the practice of politics, the conscious inspiration of it all has been the belief and practice of freedom under law, a freedom disciplined by morality, under a law perceived to be just.

I cannot conclude this address without recalling words made immortal by your great President Abraham Lincoln in his second inaugural address, when he looked beyond an age when men fought and strove toward a more peaceful future. "With malice toward none, with charity for all: With firmness in the right as God gives us to see the right, let us strive on to finish the work that we are in * * * to do all which may achieve and cherish a just and lasting peace, among ourselves and with all nations."

Members of Congress, may our two kindred Nations go forward together, sharing Lincoln's vision, firm of purpose, strong in faith, warm of heart, as we approach the third millenium of the Christian era.

Mr. Speaker, thank you.

[Applause, the Members rising.]

At 11 o'clock and 37 minutes a.m., the Prime Minister of Great Britain, accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet.

The ambassadors, ministers, and charges d'affaires of foreign governments.

JOINT MEETING DISSOLVED

The SPEAKER. The Chair declares the joint meeting of the two Houses now dissolved.

Accordingly, at 11 o'clock and 41 minutes a.m., the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

□ 1230

AFTER RECESS

The recess having expired, at 12 o'clock and 30 minutes p.m., the House was called to order by the Speaker pro tempore [Mr. FOLEY].

PRINTING OF PROCEEDINGS HAD DURING THE RECESS

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PRIME MINISTER THATCHER'S ADDRESS

(Mr. BIAGGI asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, we had the privilege of listening to the Prime Minister of the United Kingdom this morning, and there is no question she is a woman of great substance and held in high regard, and properly so.

It was comforting to note that she felt as strongly about the alliance between the United Kingdom and the United States, but then when she shifted into the question of the Irish problem in Northern Ireland, what was important is that she did raise the issue here, in the Congress of the United States in joint session.

That, we would like to believe, was in response to a letter signed by 40 Members of the House, urging her to do that.

We do, however, take some exceptions to the manner in which she addressed it. She addressed it from her perspective; she talked about terrorism, and we all condemn terrorism universally.

Terrorism comes in many forms. Institutional terrorism which is inflicted by a representative of the United Kingdom that enforced the law in that area.

There is a question of basic rights, civil rights, the discrimination and denial of political opportunity, denial of employment opportunity, denial of proper housing that exists in the six counties of Ulster that the Prime Minister did not address herself to. Hers was a single-dimension approach, serving her own best interests.

What heartened me is the fact that she will continue to speak to the Prime Minister of the Republic. And hopefully that will be productive. We agree that in the end, it will not be terrorism or force of violence that will bring about the solution; it will be a political solution, but there will not be a political solution until all parties to the conflict sit down in good faith, with a determination to resolve an age-old problem.

RESOLUTION ON JAPANESE AUTO IMPORTS

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MICHEL. Mr. Speaker, I am today introducing a sense-of-the-Congress resolution calling for the retention of the Japanese auto import agreement.

I do so because I think we need to send a message to the Japanese Government that they need to be much more forthcoming in opening up their markets and turning around the dollar/yen imbalance.

The fact is that despite the talk, all the meetings, and all the promises, we have seen very little in the way of concrete action on the part of the Japanese.

They supposedly agreed to steps last year to stabilize the dollar/yen alignment, but the value of the yen has now reached an all time high.

They continue to drag their feet in a whole host of areas with respect to allowing our products into their markets.

Our trade imbalance with the Japanese has now reached an unbelievable high of $37 billion.

Twenty billion of that is due to auto imports, even with the import cap. The total imbalance is costing us nearly 1 million jobs according to Commerce Department figures.

The U.S. Trade Commission estimates that removal of the import cap on autos will result in 4 to 5 billion dollars worth of additional Japanese cars flooding our markets.

I don't care what the health of our auto industry is at this time, we as a nation simply cannot afford such an addition to our trade imbalance.

And we cannot afford the job loss that will result.

The resolution I am introducing, identical to one being introduced today in the Senate by Senator DANFORTH, calls for retention of the voluntary restraint agreement until our exports to Japan are substantially increased and our trade deficit with the Japanese is substantially reduced.

I urge that it be given early committee consideration and be taken up on the House floor as soon as possible.

Mr. Speaker, under my unanimous-consent request, I include the text of the resolution at this point in the RECORD.

H. CON. RES. 63

Whereas, the United States merchandise trade deficit with Japan reached the unprecedented level of $37 billion in 1984—accounting for almost one-third of the entire United States deficit with the world;

Whereas, this unprecedented bilateral deficit was accumulated in spite of significant growth in the Japanese economy;

Whereas, the principles of free trade provide for trade flows between nations on the basis of each nation's comparative advantage;

Whereas, Japan has extensive access to the United States market for products where Japan has comparative advantage;

Whereas, United States exporters lack access to the Japanese market for manufactured goods, forest products, key agricultural commodities and certain services where the United States has comparative advantage;

Whereas, the bilateral trade imbalance is costing the United States hundreds of thousands of jobs every year;

Whereas, the high value of the dollar relative to the yen effectively subsidizes Japanese exports to the United States and taxes United States exports to Japan;

Whereas, despite the voluntary restraint Japanese autos continue to account for approximately 2 million cars imported into the United States market—contributing over $20 billion to the bilateral trade deficit;

Whereas, years of negotiating with Japan to secure meaningful improvements in market access for competitive United States exports have been largely unsuccessful;

Whereas, many other countries experience comparable difficulty in obtaining access to the Japanese market;

Whereas, an end to the voluntary restraint on autos without a comparable improvement in access for competitive United States exports to the Japanese market will severely exacerbate the bilateral trade deficit;

Whereas, this deficit has the potential of undermining the entire range of bilateral relations between the United States and Japan: Therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the voluntary restraint on Japanese autos not be ended until United States exports to Japan are substantially increased and the United States trade deficit with Japan is substantially reduced.

APPOINTMENT AS MEMBERS OF HOUSE OF REPRESENTATIVES PAGE BOARD

The SPEAKER pro tempore. The Chair wishes to announce that pursuant to section 127 of Public Law 97-377, the Chair appoints, on behalf of the Speaker, as members of the House of Representatives Page Board the following Members of the House:

Mr. FAZIO of California; and
Mr. KILDEE of Michigan.

APPOINTMENT AS MEMBER OF HOUSE OF REPRESENTATIVES PAGE BOARD

Mr. MICHEL. Mr. Speaker, pursuant to section 127 of Public Law 97-377, I appoint the gentleman from Indiana [Mr. MYERS] as a member of the House of Representatives Page Board.

ADMINISTRATION'S PROPOSED CUTS IN STUDENT FINANCIAL AID SEVERE, UNFAIR, AND SHORTSIGHTED

(Mr. PERKINS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. PERKINS. Mr. Speaker, the administration's proposed cuts in student financial aid are severe, unfair, and shortsighted. The cuts are too broad. At least 1 million students would be adversely affected by no longer being eligible for assistance.

The proposals are unfair. They strike at the middle class and the poor student, jeopardizing equal opportunity in education by limiting access to private and prestigious universities to only the very rich.

Beyond being unfair, the proposals are shortsighted. Where will tomorrow's scientists, doctors, and lawyers come from? An educated population is a nation's strength. We cannot sacrifice our most valuable asset for tomorrow—our youth.

DON'T INTERFERE WITH THE VOLUNTARY RESTRAINT AGREEMENT WITH THE JAPANESE

(Mr. GAYDOS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GAYDOS. Mr. Speaker, I wish at this time to commend the minority leader for his foresight in introducing the resolution directed to the Japanese, and as to the trade problems as we have grown to know it.

The voluntary restraint agreement should not be interfered with at this time. We have experience with the Japanese. Not only the $27 billion trade deficit, but there is a serious question as to whether you can depend upon their word.

Some 6 months ago, Ambassador Brock, our special trade negotiator, was sent to Japan, commitments were made, there are going to be some changes; some of our electronics industry was going to be given better consideration and more fair international trade concessions; that did not materialize.

We end up buying everything, all specialty, all highly labor intensive products from the Japanese, and they buy from us oranges and other minor things.

I wish to commend again the minority leader. I am going to be one of the very early cosponsors of his resolution, and I hope and I urge that my colleagues would join in this, what I think is a very proper exercise of the intent of Congress via the resolution area.

□ 1240

DON'T PULL THE PLUG ON FAMILY FARMERS

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend

his remarks and include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, recently the New York Times published editorial support for the Reagan administration's elimination of farm programs. The Times, like too many other eastern media, does not understand the severity of the farm problem nor its ultimate impact on urban America.

Today, our colleague LINDSAY THOMAS of Georgia, responded eloquently to the New York Times editorial, explaining the fallacy of the administration's proposal, warning that it would be "an economic time bomb in rural America * * * the beginning of the self-immolation of the agricultural system that is our national treasure and our best hope for a hungry world."

Mr. Speaker, the American family farm is in a state of economic depression. The farmer needs the understanding of his Government and of the press. I commend Mr. THOMAS of Georgia for his excellent article in today's New York Times and recommend his insights into the farm problem for the consideration of our colleagues.

[From the New York Times, Feb. 20, 1985]

DON'T PULL THE PLUG ON FAMILY FARMERS

To the Editor:

Your Feb. 7 editorial in support of the Administration's proposed dismemberment of Federal farm programs reflects the same tragic misunderstanding of American agriculture that we see today in the White House.

The killing blow that the Administration is preparing for the family farm will not destroy a "19th-century vision of pastoral life" or a handful of marginal farm operators. It will bankrupt many of our most productive farmers and brutalize the economy of our urbanized nation.

The Administration proposes to eliminate $26 billion from credit and farm subsidies over three years. Many of these programs are sorely in need of reform. But in their place, the Administration proposes nothing.

U.S. agriculture could prosper without such programs if world agriculture operated in a free market. But it does not. Canada is decimating our timber industry with harvests from its government-owned forests. Brazil and Argentina produce the bulk of their commodities on government-owned land with government financing. Australia floods our markets with meat processed under health standards not accepted here. Throughout the world, our farmer competitors are generously cultivated by their national treasuries.

But in America, farm programs are designed primarily to provide stability of supply and price. The support programs we have are truly support programs for the grocery shopper, who enjoys the cheapest food in any developed nation. When Government-induced surpluses and trade policies threw the farmer against the rocks, he continued to subsidize the consumer by using up the equity in his land.

This Administration's best agricultural minds gave us PIK (payment in kind), the most expensive failure of a farm program in recent history. Now, having waited until the credit and price crisis is full blown, it would step adroitly aside, and presto, we will have more efficient agriculture.

The result of that play will not be the loss of a misty-eyed vision of Americana: it will be the detonation of an economic time bomb in rural America, the collapse of agricultural banks and the eventual soaring of food prices. It will be the beginning of the self-immolation of the agricultural system that is our national treasure and our best hope for a hungry world.

Our best and cheapest course of action is not to pull the plug on the family farmer. Our course must be to modernize our trade and farm policy tools to sustain our agricultural resource through these troubled times.

LINDSAY THOMAS,
Member of Congress, 1st Dist., Ga.,
Washington, February 8, 1985.

STRATEGY MUST BE DEVELOPED TO DEAL WITH PROBLEMS ON MEXICAN BORDER

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, in the last few days the United States has launched an intensive search along the Mexican border for U.S. Drug Enforcement Agent Enrique Camarena Salazar, who was abducted on February 7.

This border crackdown has generated a lot of controversy both in Mexico and the United States. In so doing, it has focused new attention on just how open our border is, and why we have so many problems with illegal aliens, terrorists, drugs, and other contraband entering our country through the border with Mexico.

The fact is, it's easy to cross the border between Mexico and the United States. While our Border Patrol and Immigration Service are doing the best they can to police the border, they just don't have the manpower and resources necessary to do the job. How can they be expected to control the influx of illegal aliens and drugs into our country when we have something like one border patrolman for every 200 miles of border with Mexico?

The chaos which is occurring now as a result of the search for Agent Salazar is unacceptable to both America and Mexico. I regret that it has taken this kidnaping incident to show that we are capable of tightening the security along our borders, but that we don't even have a coordinated strategy for doing so.

I hope and pray that Agent Salazar will be rescued safely, and that the rumors of other plots to kidnap U.S. drug enforcement officials prove to be groundless. But we cannot depend on that.

I hope that we have finally learned from this incident that we must develop a strategy and commit the resources now to deal with the terrorism, drug smuggling, illegal aliens and other problems along our border with Mexico.

THE SOCIOECONOMIC WAR IN NORTHERN IRELAND

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, today the House heard Margaret Thatcher proclaim her concern for resolving the problems of violence in Ireland. I hope those concerns would focus on the undeclared socioeconomic war in Northern Ireland, that has made life in Northern Ireland a living hell for the Catholic minority which is constantly reminded of the fact that there are no laws to protect them, no job opportunities, and no hope for the future.

The continued use of the lethal plastic bullet by British Forces occupying that region, and the suspension of basic and individual rights under the Prevention of Terrorism Act, the Emergency Powers Act, and the Diplock court system, continue to frustrate and anger those who work for peace in Northern Ireland. Of all of the human rights violations suffered by the Catholics in Northern Ireland at the hands of this system, however, perhaps none is as pervasive and as detrimental as the discriminatory employment practices exercised toward Catholics in this region.

The right to work is a fundamental right that is not only an economic, but a spiritual necessity. On this note I commend New York City Comptroller, Harrison Goldin for his recent efforts to convince the 13 companies in which the New York City pension funds have investments, to adopt the MacBride principles. If successfully adopted by these American corporations, these equal opportunity-affirmative action principles could have a profound effect on the quality of life for Catholics in Northern Ireland.

THE HATCH ACT

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Mr. Speaker, the Hatch Act was originally intended to protect the average Federal employee from political intimidation by their supervisors. It has, however, recently been perverted under this administration and has become the chief instrument for silencing the private, voluntary, political expression of Federal workers.

Recent examples include the banning of Federal employee participation in nonpartisan voter registration, visible and highly publicized attempts to prosecute Federal employee union leaders who spoke out on behalf of their workers.

We should not, of course, allow Government workers to politic or become

involved in politics to the detriment of the public good. The original intent is sound: Stop harassment, allow the performance of duties without political interference and prevent work in campaigns.

But the Hatch Act is not an excuse to silence dissent. It is not an excuse to prevent the exercise of constitutional liberties. The recent announcement of the prosecution of the leaders of Federal unions is not an act of law enforcement, it is an act of revenge and it has no place in our country.

ON AMERICAN INTERESTS IN IRELAND

(Mr. DIOGUARDI asked and was given permission to address the House for 1 minute and to revise and extend his remarks and to include extraneous material.)

Mr. DIOGUARDI. Mr. Speaker, we have witnessed today a great occurrence in the House with the Prime Minister Margaret Thatcher addressing the joint session today.

I wish to make a statement that I think is very timely and very important today.

Mr. Speaker, today, February 20, 1985, Ash Wednesday, Congress was addressed by the Prime Minister of England, Margaret Thatcher. Mrs. Thatcher was the first successor of Lord North so honored since Winston Churchill was so honored in 1952.

That such an honor be bestowed upon the head of a government in whose name numerous human rights and civil rights violations are perpetrated upon the Irish people, in those six of the divided Irish province of Ulster's nine counties, known as Northern Ireland, has been protested by numerous Irish-Americans, and Irish-American organizations, and private citizens.

Irish America came to Washington today by the thousands from all over this great country in order that they might bring to the attention of this Congress and of the executive branch their moral outrage over the continuing injustice which is the partition of Ireland and the occupation of part of the Irish national territory by a foreign government and army, contrary to the expressed wishes of the overwhelming majority of the Irish people.

They also came to express their belief today that in all the world only the Government of the United States has the power to focus the attention of the British Government upon the necessity to seek a just and lasting peace for all of Ireland through the recognition of the sovereignity of the Irish nation over the entire island of Ireland, her islands and territorial seas.

In consideration of the concerns of Irish America and of my own concern for peace, justice, and stability in the North Atlantic community, I welcome this opportunity to begin a dialog with the Westminister Parliament and so shall offer a proposal that this Congress begin by responding to Mrs. Thatcher's remarks with the serious consideration of American interests in Ireland.

I have drafted my position in this grave matter in a paper entitled "On American Interests in Ireland," which I shall offer in this RECORD.

I am thankful for the opportunity to address the House on this most timely and important matter to all Americans.

ON AMERICAN INTERESTS IN IRELAND

To many Americans, the tragedy that is in "Northern Ireland" today is little more than an internal British squabble, or at most, a bilateral concern between Dublin and London. In any case, most Americans feel that the "Irish Question" is of no practical concern to the United States. Nothing could be farther from the truth.

The United States has a definite interest in the establishment of a just and lasting peace in Ireland and in the corrolary reconciliation of the "British" and Irish peoples. American interests go beyond the fact that we have deep and abiding ties of blood and affection with all parties to the tragic conflict that is in Ireland today. Our interest also lies in the establishment of political, economic and military/naval stability in a part of the world which lies immediately beside the jugular vein of commerce and communication between North America and most of the rest of the North Atlantic community.

The continuing conflict in those six of the divided Irish province of Ulster's nine counties known as "Northern Ireland" costs the United Kingdom in blood, treasure, and reputation. It costs the North Atlantic Treaty Organization (NATO) in terms of the absence of Ireland (with her proven military manpower and her strategically-located naval and air bases) and its costs in downgraded British participation in the face of the Soviet threat. Ultimately, though indirectly, it is the American soldier, sailor, airman, Marine and taxpayer who must take up the slack in the maintenance of the defense of the West. (This last point was reenforced by the recent South Atlantic conflict with Argentina).

Since the 1981 Hunger Strikes, interest in the "troubles" in Ireland has increased around the world, especially in the United States; New York City, for example, witnesses months and months of the largest sustained Irish demonstrations and general press and media interest since the early 1920's. It is a matter of public scandal for the entire Western World that Ireland today is witness to political concentration camps. Whether viewed as a question of human rights or of political/military insurgency, and current conflict in the "North" of Ireland is a blot upon the reputation of the United Kingdom and a chink in both the moral and the physical armor of the West.

The American dimension to the centuries-old Anglo-Irish conflict has existed since long before the independence of the United States. There is a significant body of American opinion which believes not only in the moral rectitude of a truly independent Irish Ireland, "not Free merely, but Gaelic as well, not Gaelic merely, but Free as well," but which feels a moral imperative to work through the American political system to seek to hasten the English withdrawal and the reunification of Ireland which are the sine qua non of a just and lasting peace for all of Ireland. It is most significant that the Primate of All Ireland and the previous Taoiseach (Irish Prime Minister) alike have recognized both the legitimacy and the utility of the American dimension.

Sharing the bright dream of the men and women of Easter Week 1916, many Americans have pledged themselves "To aid and advance by all legitimate means the aspirations and endeavors of the Irish people for complete and absolute independence."

Ireland is chronically destabilized by the "British" presence. The on-going conflict in north-east Ireland is not only a growing concern to Irish America, but also a potential threat to the security and stability of the North Atlantic community. Ireland lies astride the sealanes through which Europe and, yes, Great Britain must be reinforced and resupplied in the event of a crisis. We have no less an authority for this strategic judgement than the former Chairman of the NATO Military Committee, Admiral of the Fleet Sir Peter Hill-Norton(No soft Options: The Politico-Military Realities of NATO, 1978).

Nothing that has been tried since 1920 has alleviated the sufferings of the Irish people nor the political instability of Ireland. Partition was the principal cause of Irish "official" neutrality during the Second World War, and Partition has the same effect today. Ireland must reachieve national unity with sufficient alacrity to preclude meddling by agents of the other great destablizer. The reunited Irish people, themselves, are the most secure custodians of their own liberties.

I agree that a change in British policy must be encouraged and I further contend that the ultimate reunification of Ireland is an important element of a just and lasting peace for all Ireland; in the words of Padraic Pearse: "Ireland unfree shall never be at peace."

The United States is currently on friendly terms with all of the principals of this unhappy conflict, most especially with the United Kingdom. A true friend does not encourage error, but rather appeals to the other's better nature.

I shall encourage the Reagan Administration to pursue on behalf of the United States, policies which will persuade the British government that the orderly, phased reunification of a truly independent sovereign Ireland is not only historically and morally just, but is also a matter of enlightened self-interest for the United Kingdom and beneficial to the entire North Atlantic community.

Looking not only to the principle of Liberty, but also to the pragmatic, peaceful means of United States assistance in the achievement of Irish re-unification, I shall join my efforts with those of my friend, Chairman Mario Biaggi, and the Ad Hoc Congressional Committee for Irish Affairs as with any other sincere friends of Ireland in a variety of measures including the amendment of the Foreign Assistance Act of 1961 to authorize economic relief and rehabilitation assistance for Ireland. I shall also continue to consult with County Executive Andrew P. O'Rourke, with Senator John E. Flynn, and with my constitutents concerning issues of interest of Irish America.

With the Bicentennial of the American War for Independence still green in our

memory, let us not forget that the American debt to the Irish is not less than the debt we redeemed in France in 1917/18 and again in 1944.

REPORTS ON THE 24TH MEETING WITH THE EUROPEAN PARLIAMENT DELEGATION AND FACTFINDING MISSION TO PORTUGAL, ISRAEL, THE SOVIET UNION, AND AUSTRIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. FASCELL] is recognized for 5 minutes.

● Mr. FASCELL. Mr. Speaker, the 24th meeting between Members of Congress and of the European Parliament was held in Brussels, Belgium, on January 7 through 9 of this year—at an important time in the history of United States-European Community relations.

The U.S. delegation to the conference was cochaired by the gentleman from California [Mr. LANTOS] and the gentleman from New York [Mr. GILMAN], the ranking majority and minority members respectively of the Subcommittee on Europe and the Middle East. Other members of the U.S. delegation were: J.J. PICKLE, of Texas; GUS YATRON, of Pennsylvania; LES AUCOIN, of Oregon; HARRY REID, of Nevada; E. THOMAS COLEMAN, of Missouri; ROBERT E. BADHAM, of California; WILLIAM M. CLINGER, of Pennsylvania; DOUG BEREUTER, of Nebraska; MARK D. SILJANDER, of Michigan; and ALFRED M. MCCANDLESS, of California.

In addition to the conference in Brussels, members of the delegation visited Portugal, Israel, the Soviet Union, and Austria and met with key government leaders and officials at each stop. The focus of these meetings were: First, Portuguese accession into the European Economic Community; second, U.S. bilateral relations and the internal political situation with all countries visited; third, arms control issues; and fourth, human rights.

Mr. Speaker, I include in the RECORD at this time a detailed report I have received from the cochairmen of the U.S. delegation on the factfinding mission. This is followed by a separate report covering the agenda of the Brussels conference, including the U.S. presentations on these topics, and opinions and observations expressed by both delegations.

The Congress will face many of these issues this session, and I believe that the business in which this bipartisan delegation engaged is of serious importance and directly related to the participants' legislative responsibilities.

I strongly commend this material to the attention of my colleagues.

The reports follow:

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 8, 1985.

Hon. DANTE B. FASCELL,
Chairman, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: We respectfully submit our report on the 24th meeting between a delegation from the United States Congress and a delegation of the European Parliament held in Brussels, Belgium on January 7-9, 1985. Congressman Tom Lantos (D-Calif) chaired the U.S. Delegation; Congressman Benjamin A. Gilman (R-NY) served as co-chairman. Other members of the delegation included J.J. Pickle (D-Tex), Gus Yatron (D-Pa), Les AuCoin (D-Ore), Harry Reid (D-Nev), E. Thomas Coleman (R-Mo), Robert E. Badham (R-Calif), William M. Clinger (R-Pa), Doug Bereuter (R-Neb), Mark D. Siljander (R-Mich), and Alfred McCandless (R-Calif). The European delegation was chaired by Mr. Pieter Dankert of the Netherlands, a former President of the European Parliament. Messrs. Vincenzo Giummarra of Italy and Rene-Emil Piquet of France served as the co-chairman.

This parliamentary exchange occurred at an important time in the European Community and in the history of European-American relations. The new European Commission, headed by Jacques Delors of France, had entered office on January 7th. Europeans and Americans alike looked forward to what new measures the Commission would implement to resolve many of the issues confronting the United States and the European Community. The new Commission was taking office at a time when economic questions were affecting U.S.-European relations more than at any time in the past twenty-five years. For the U.S. delegation, this meeting presented an opportunity to discuss these matters for the first time with members of the new European Parliament elected in June 1984.

The agenda of the two-day meeting focussed on trade, economic and political questions affecting our relationship. Although some members of the European delegation suggested that U.S.-EC relations were generally good, it soon became apparent that significant differences existed on several fronts, foremost of which was trade and agriculture.

ECONOMIC AND TRADE ISSUES

None of the agricultural disputes appear near solution. The European Community's reliance on subsidies through its Common Agriculture Policy (CAP) has enabled it to take markets from the U.S. farmers. The U.S. delegation expressed clearly its belief that the attempt to reform CAP in 1984 had not corrected the conditions which cause European surpluses. Briefly, the difference is that the United States tries to store a sizeable share of its agricultural surplus while the EC exports much of its surplus.

Representatives Tom Coleman and Doug Bereuter led much of the discussion on agricultural trade. Other agricultural issues discussed included the possibility of the EC's removal of duty-free status for imports of corn-gluten and soybeans. The U.S. delegation also stated its concern that the EC might alter the terms set for certain agricultural imports, especially soybeans, in order to adjust its economic system to the forthcoming admission of Spain and Portugal, scheduled for January 1986. The Europeans expressed much interest in the Reagan Administration's future farm policy and future Congressional action. With the Administration still determining its own position it was not possible for the U.S. delegation to make any definite prediction on farm legislation desired by the President. Several of the Europeans were very concerned about recent policy statements on U.S.-EC farm trade by Secretary of Agriculture John Block and stated their concern about a future trade war.

However, not all issues in trade were disputed as much as agriculture. The announcement on January 4, 1985 of an agreement between the U.S. and EC to limit imports of pipe and tube steel from the EC to 5.9 percent of the U.S. market made the issue moot. There was general agreement, too, about the importance of a new round in the General Agreement on Trade and Tariffs (GATT), although the European delegation tied on conditions or observations. Most less-developed countries were not interested in a new GATT round if it discussed services—a topic of much importance to the U.S. and EC; the Europeans insist that the terms of the previous round—the Tokyo Round—should be implemented, which is an argument sometimes used to imply that the U.S. is not currently adhering to the GATT; and, lastly, that the U.S. should work toward an adjustment of exchange rates as part of a GATT settlement. The last condition was also part of a European argument that high budget deficits have affected the value of the dollar by making it high and thereby have caused a $120-$130 billion U.S. trade deficit in 1985—a point with which many in the U.S. delegation agreed.

INTERNATIONAL DEVELOPMENT AND FOOD AID

A second general topic on the agenda was international development and food aid. Representative Gilman presented both an overview of U.S. and EC policies and an analysis of needed policy. Representative Gilman pointed out that more people had come to realize that the food problem goes beyond the need for more food production, that, in fact, it is interwoven with the need for economic development. He explained, too, the impact of international indebtedness on the food and development programs. The coordination of policy among developed nations was an especially important goal, and to that end Representative Gilman recommended the convening of a summit conference of developed nations to address the problem of world hunger and development.

The European delegates agreed with most of Representative Gilman's observations and added some interesting ideas of their own. Some of the Europeans thought the Community had been slow to organize its own efforts to assist famine-stricken Ethiopia. There was no criticism of U.S. policy toward Ethiopia, but the European delegation did suggest that the U.S. and EC should contribute a certain amount of cereals each year to the World Food Program. Some encouraged consideration of a moratorium on debt payments by the lesser developed countries (LDCs) in order to assist their development. When asked about their reaction to the Caribbean Basin Initiative of the United States, they commended the initiative's intent but decried its inadequate funding.

POLITICAL ISSUES

The remainder of the meeting concentrated on political issues and human rights. In a discussion of East-West relations, Representative Mark Siljander observed that the United States and the EC were stronger than the Soviet Union, which, he argued,

was faced with increasingly complex problems at home and abroad. The strength of the West put it in the position to negotiate a comprehensive arms control agreement concerning strategic, intermediate, and offensive space-based weapons, as well as chemical weapons. Furthermore, the West's strength would enable it through exploitation of opportunities to influence Eastern Europe and the Soviet Union toward democracy—an observation with which some Europeans disagreed.

The response of the European delegation was affected greatly by the meeting, occurring simultaneously in Geneva, of Secretary of State George P. Shultz and Soviet Foreign Minister Andrei Gromyko. Like their American colleagues, the Europeans were greatly interested in the formula to emerge from Geneva, and they hoped any future negotiations would include the INF systems. The other major concern was the Strategic Defense Initiative proposed by President Reagan. In this system of sophisticated technology which could destroy incoming missiles, the Europeans saw a possible decoupling of the U.S. nuclear link and security commitment to the European allies. The U.S. delegation assured the Europeans that this was not the purpose of the SDI.

Closely related to the question of nuclear arms control was the issue of the western nations' conventional strength. Several Europeans endorsed the upgrading of NATO's conventional strength. Representative William Clinger argued strongly in favor of the new emphasis on conventional strength in NATO, which he discussed in the context of the debate surrounding the Nunn-Roth amendment that addressed NATO's capability and the possibility of removing up to 90,000 U.S. troops from Western Europe. Representative Clinger urged the Allies to try to meet the 3 per cent guideline on defense spending set in 1978 but emphasized his disagreement with the method used in the Nunn-Roth amendment to obtain Europe's adherence to the latter or agreement to take certain steps in increasing NATO's conventional capabilities. To the European Parliament, these issues have become of such importance that the Parliament, after the 1984 elections, established a subcommittee to deal with such questions.

Representative Gus Yatron opened a discussion on human rights with a presentation on human rights in the Soviet Union. It focused on the abuse of psychiatry, the continued existence of forced labor camps, and the harassment and persecution of Soviet Jews. Representative Yatron suggested that the Helsinki Accords and other documents had been an effective way of confronting the Soviet Union with its record on human rights in international fora. The European delegation shared Representative Yatron's concerns and noted the importance of the forthcoming conference in Ottawa in May 1985 in which the Soviets have agreed to discuss human rights. However, the European delegation noted areas where the West could face some embarrassment because of its human rights record—Central America, South Africa and Turkey. Turkey posed an especially awkward problem because of its status as a NATO ally; yet, in the opinion of some in the European delegation, it had not reached the state of democracy where it could join its allies in proposals to the Soviet Union.

The discussion on Central America examined differences between Democrats and Republicans in the Congress over this issue as well as the perspectives of the EC and its members. Representative Tom Coleman reviewed present U.S. policy toward both El Salvador and Nicaragua. There is, Representative Coleman noted, a consensus in the Congress over assistance to El Salvador and support for the government of President Jose Napoleon Duarte. Republicans, as well as Democrats, desired the continuation of land reform and an end to the violent terrorism of the death squads on the right and left. On Nicaragua, there was far less agreement in the Congress because of the controversy surrounding covert assistance to the Contras. Representative Coleman suggested opponents of covert assistance used a double standard when they criticized human rights violations in El Salvador and overlooked them in Nicaragua. Many Republicans want a symmetry on U.S. policy, meaning an end to covert assistance if the Sandinistas likewise end their support for revolutions elsewhere in Central America and allow genuine elections and pluralistic democracy to develop.

Representative Harry Reid reviewed U.S. policy in Central America from the perspective of many Democrats. Representative Reid explained the reasons for opposition to the covert funding of the Contras in Nicaragua: The eventual public knowledge of the policy, its cost to U.S. credibility with its allies, and the strain on relations between the Executive and Legislative branches. Also, U.S. policy has risked violation of the charters of the United Nations and Organization of American States and the Inter-American Treaty of Reciprocal Assistance. Representative Reid said the covert aid had been ineffective, although he recommended assistance to countries so they could interdict the flow of military equipment from Cuba and the Soviet Union.

The opinions of the European delegation were varied. There was strong support for the Contadora process and the formula discussed at the San Jose Conference in September 1984. The European perspective on El Salvador and President Duarte was very sympathetic, and the Europeans stated their support of the negotiations between the guerrillas and El Salvador's government. On Nicaragua there was less unanimity. Some Europeans argued that the outcome of the elections in Nicaragua had to be judged in the context of that country's history and not in comparison with the record of El Salvador or other Central American nations.

The meeting with the European Parliament delegation ended with a review by Representative Gilman of the problems of drug abuse and narcotics trafficking. Time constraints did not permit discussion of Representative Gilman's paper, and it was agreed the two delegations would look at this issue more closely in their next meeting in the summer of 1985. There was agreement as well to discuss Western security issues and NATO more extensively in the next meeting.

As part of the program with the European Parliament, the two delegations joined in a dinner hosted by the President of the European Parliament, Pierre Pflimlin. A prominent French statesman who participated in the creation of the European Community, President Pflimlin spoke on the importance of harmonious U.S.-European relations. The U.S. delegation also had a chance to meet with one of the new EC Commissioners. Willy De Clercq, and with the President-in-Office of the Council of the European Community, Mario, Fioret. Both meetings touched briefly on trade issues which had been discussed in more depth in the working sessions.

The new Congress will face major legislative decisions which will affect U.S. relations with Europe. These will come in matters of security, trade and general economic relations. We believe this exchange with the European Parliament has given the United States delegation a very clear indication of European opinion on many of these issues. This knowledge will prove very helpful as the Congress attempts to solve many of the problems before it.

Sincerely

TOM LANTOS,
Cochairman,
U.S. Congressional Delegation.
BENJAMIN A. GILMAN,
Cochairman,
U.S. Congressional Delegation.

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 8, 1985.

Hon. DANTE B. FASCELL,
Chairman, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: We are writing to you to report on a fact-finding mission to Portugal, Belgium, Israel, Denmark, the Soviet Union and Austria from January 4 through January 19, 1985. This trip included a meeting in Brussels, Belgium between our Congressional delegation and a delegation from the European Parliament. We are submitting a separate letter to you on this meeting, which was held on January 7-9. The delegation was co-chaired by Congressmen Tom Lantos (D-Calif) and Benjamin A. Gilman (R-NY). Other members of the delegation included J.J. Pickle (D-Tex), Gus Yatron (D-Pa), Les AuCoin (D-Ore), Harry Reid (D-Nev), E. Thomas Coleman (R-Mo), Robert E. Badham (R-Calif), William M. Clinger (R-Pa), Mark D. Siljander (D-Mich), and Alfred McCandless (R-Calif). In each country, it was the delegation's purpose to obtain an understanding not only of the nation's relationship with the United States but also an appreciation of the internal political and economic issues affecting its policies.

PORTUGAL

The delegation's visit to Portugal was part of the preparation for its meeting with the European Parliament. Portugal, along with Spain, which the delegation visited last year, is negotiating its admission into the European Community. For the United States, there are important implications from Portugal's membership in the EC. Not only will its economy be affected, but Portugal's young democracy will receive a strong endorsement from the ten members of the Community. Portugal will also have to make decisions affecting trade with the United States, and particularly trade in agricultural imports.

After receiving a briefing from U.S. Ambassador W. Allen Holmes, the delegation had meetings with Foreign Minister Jaime Gama, Minister of Agriculture Alvaro Barreto and Minister of Finance Ernani Lopes. The delegation also met with Prime Minister Mario Soares and Deputy Prime Minister Carlos da Mota Pinto. The Portuguese emphasized the importance of their membership in the European Community in our meetings. Portugal hopes negotiations for admission will be completed by March 1985, thereby enabling admission in January 1986. In explaining Portugal's objectives,

the Minister of Agriculture told the delegation that EC membership would promote more stability within Portugal and thereby assist the political stability and security of southwestern Europe. Portugal's stability would be the consequence of a strengthening of democratic forces in the country and of an improvement of its economic structure. Negotiations for admission had resolved many of the issues, but several remained, including fishing, which was close to agreement, and the status of Portuguese tomato paste, wines, cereals, olive oil, and sugar. In the opinion of Portuguese officials, delay of its membership was the result of confusion within the European Community and difficulties in the negotiation of Spain's admission, which with a larger agricultural economy is a greater threat to the Mediterranean members of the EC. The U.S. delegation listened with great interest, since 36 per cent of Portugal's agricultural imports (1982) come from the United States. The Portuguese cautioned that there would be a decrease in imports of grains and soybeans, but the full impact of this would not be evident until Portugal had become fully integrated into the EC ten years later.

Foreign Minister Gama raised several other issues in his meeting with the delegation. In response to questions, he stressed the importance of U.S. assistance to Portugal and emphasized the role of Economic Support Funding in encouraging more private investment in scientific, technical and business concerns. The Foreign Minister said that U.S. military assistance could aid Portugal's military in acquiring new technology, fighter interceptors, maritime patrol aircraft, and increasing mechanization of the army with more tanks. Negotiations with West Germany were progressing well on the construction of a new frigate. Turning to a question about the strength of the Communist Party in Portugal, Mr. Gama pointed out that Communist parties tend to be weakest in the developed countries in Europe—an observation that stressed the importance of Portugal's economic growth. On other issues, the Foreign Minister emphasized the importance of close collaboration with the United States in southern Africa, and explained that the lack of an embassy in Israel, which Portugal has recognized, was the consequence of financial pressures and concern about diplomatic retaliation from the Arab states. The U.S. delegation urged the Foreign Minister to send an ambassador to Israel.

BELGIUM

The primary purpose of the delegation's visit to Brussels was its exchange meeting with the European Parliament. However, the delegation did have meetings with the U.S. Ambassador to the European Community, George Vest, and with the U.S. Ambassador to NATO, David Abshire. The delegation also had a meeting scheduled with Belgian Foreign Minister Leo Tindemans, but weather delayed Mr. Tindemans and Deputy Foreign Minister Paul De Keersmaeker took his place.

The two U.S. Ambassadors presented a varied portrait of U.S. relations with West Europe. Ambassadors Vest noted the long-term continuation of trade and economic problems between the United States and the Community, which were discussed in greater length in the delegation's meeting with the European Parliament. One significant improvement in trade relations had been the resolution in early January of the dispute between the U.S. and EC over imports of tube and pipe steel from Community members. A difficult time was ahead in U.S.-EC relations, but the overall U.S.-EC relationship was good, in Ambassador Vest's opinion. Ambassador Vest also commented that the institutions of the EC were beginning to take stronger interest in security issues, which means more attention to NATO affairs and the strength of the European voice within NATO.

Ambassador Abshire's remarks noted the unprecedented interdependence of economic and security issues in NATO but emphasized the positive steps NATO's members were taking to address the Alliance's needs. The Ambassador praised the leadership of NATO's new Secretary General, Lord Carrington, and observed that the Alliance's framework and institutions were generally healthy. He said the Alliance had been especially successful in establishing a consultative framework for INF deployment which would be a model for consultations regarding the forthcoming Geneva arms control negotiations. Noteworthy measures had been adopted in NATO's new six-year infrastructure agreement to improve minimal operation and air facilities—actions which Ambassador Abshire thought directly addressed criticisms of NATO's capabilities made in the Nunn-Roth amendment. In response to widespread concerns about NATO's conventional weakness and the consequent possible need of an early use of nuclear weapons, he said NATO was beginning to implement steps to upgrade conventional weapons and enlarge ammunition stocks. This improvement of conventional capabilities would be a leading priority for NATO during the coming years.

The meeting with the Belgian Foreign Ministry concentrated on the major issue in U.S.-Belgian relations, namely the beginning of the scheduled deployment of ground launched cruise missiles in Belgium in March 1985. Because the government of Prime Minister Wilfried Martens appeared to be wavering in its commitment to follow the schedule, the delegation asked about Belgium's intentions. Deputy Foreign Minister De Keersmaeker explained that a decision to deploy could have political repercussions in the country and bring about the defeat of the present coalition, which supports deployment, in elections scheduled later in 1985. De Keersmaeker warned that a government controlled by the opposition could halt deployment. Based on these remarks, it appeared likely that Prime Minister Martens would advise President Reagan later in January that actual deployment should be delayed until after the national election, thereby hopefully preventing the election of a government opposing deployment.

Other major bilateral issues discussed with the Deputy Foreign Minister included East-West technology transfer and Belgium's consideration of a nuclear cooperation agreement with Libya. To the former, Mr. De Keersmaeker stated a concern that the United States was seeking stricter controls on some forms of technology transfer to Eastern Europe and the Soviet Union than Belgium preferred. As to the second issue, he noted Belgium's appreciation of U.S. concerns about nuclear cooperation with Libya but sought to assure the U.S. delegation that Belgium would follow a prudent course on this matter.

ISRAEL

The delegation's visit to Israel sought not only to gain an understanding of Israel's economic needs and its internal situation but also to acquire a sense of Israel's perception of major parties and issues in the Middle East. The delegation began its review of the Israeli situation with a briefing by U.S. Ambassador Samuel W. Lewis and the Consul General in Jerusalem, Wat T. Cluverius. Their presentations focussed on three issues affecting Israel—Lebanon, the national economy, and the status of the Middle East Peace Process. Ambassador Lewis commented that U.S.-Israeli relations had improved since the Israeli-Lebanese-U.S. agreement on Lebanon of May 17, 1983, but the Israel, itself, had become increasingly disillusioned with its involvement in Lebanon. Without Syrian withdrawal of its forces in Lebanon, Israel was prepared to begin a unilateral withdrawal of its forces, which is, in fact, what the Israeli government announced only a few days after the delegation's visit to Jerusalem and Tel Aviv. The economy was Israel's second problem, and here, the Ambassador noted some progress by Israel but added that additional measures needed to be taken if Israel were to receive higher levels of U.S. assistance. Three steps were especially important—improved management of the monetary system, a reduction of employment in the public sector, and the shift of more money and employment to the private sector. Turning to the third issue, the Middle East Peace Process, Ambassador Lewis and Consul General Cluverius cited examples of some progress—the reopening of channels between Egypt and Jordan, the recommencement of negotiations between Israel and Egypt over the status of Taba, and the more moderate policies of the new Israeli government on the West Bank.

The delegation then had meetings with the leadership of the Israeli government in both Tel Aviv and Jerusalem. The first meeting was with Vice Premier and Foreign Minister Yitzhak Shamir, who, in answering questions, gave a *tour de horizon* of Israel's foreign policy concerns. Mr. Shamir expressed his gratitude for the reference to the issue of Soviet Jews made by Secretary of State Shultz in his meeting with Soviet Foreign Minister Gromyko in Geneva. Looking at Israel's neighbors, Jordan and Egypt, the Foreign Minister stressed the importance of finding agreement with Jordan but stated strong concern about the relationship of King Hussein with Yasir Arafat. Mr. Shamir said he could better assess Egyptian policy after the conclusion of the first round of talks on Taba, but he added his concern about Egypt's failure to normalize fully its relationship with Israel. When asked about the U.S.-Israel Free Trade Zone, the Foreign Minister remarked negotiations were nearly completed, the major remaining difficulty being textile imports into the U.S. from Israel. In response to questions about Israel's rescue program for Ethiopian Jews, Mr. Shamir explained Israel had acted to save them from a regime which was both pro-Soviet and anti-Jewish. The cost of the operation was undetermined, but it could run into the hundreds of millions of dollars.

The focus of the meeting with Prime Minister Shimon Peres was Israel's role in Lebanon and the Middle East Peace Process. Prime Minister Peres stated his government's intention to begin a unilateral withdrawal of its forces from Lebanon and to take steps which would assure protection of Israel's northern region. These would be the maintenance of the Southern Lebanon Army, maintenance of the right to overfly Lebanon and patrol along its coasts, the deployment of UNIFIL north of the area con-

trolled by the Southern Lebanon Army, and an assurance that Syria would not move its forces beyond their present positions. On Jordan and the West Bank, the Prime Minister said Israel would attempt to persuade Jordan to participate in negotiations and that his government wanted to promote economic development for the Arab population on the West Bank and to encourage more local leadership.

Israel's security and defense needs were subjects examined in depth in two meetings. The Deputy Director General of the Ministry of Foreign Affairs, Hanon Bar-on, observed that the Soviet Union was striving to exacerbate regional differences in the Middle East and thereby to undermine the Peace Process. Although the Soviets had suffered setbacks in Egypt in 1972 and in the Camp David Accords, they had gained footholds in South Yemen, Ethiopia, and, most visibly, in Syria. With an army of 500,000 troops and 4,000 tanks, Syria's military strength surpassed that of any of America's allies.

Soviet assistance to Syria, particularly the provision of MIG-23s and advanced air-to-air missiles, was one of several points emphasized by Defense Minister Yitzhak Rabin, who reviewed Israel's security posture and weapons needs. Mr. Rabin's assessment of Israel's present position was that it was generally secure but that Israel faced threats from Arab countries which had not signed peace treaties with Israel and from terrorism. Lebanon, he stated, could again become a base for terrorist attacks into Israel unless the Southern Army controlled the region in the south and an expanded UNIFIL force was deployed in other areas previously controlled by Israeli forces. Moving to Israel's military needs, Defense Minister Rabin stated that U.S. assistance was especially important for the supply of tanks, artillery, and aircraft. In the last category, he reiterated the importance of the next delivery of 75 F-16s which is to commence in 1986. When asked about the Israeli fighter aircraft, the Lavi, Mr. Rabin said production would begin in the 1990s. Approximately one-half of the Lavi's parts will be American manufactured, and Israel could not export the Lavi without U.S. permission since some of the technology used in the plane was subject to export controls.

The meeting with Finance Minister Yitzak Moda'i concentrated totally on the state of Israel's troubled economy. Moda'i briefly explained the origins of the problems, pointing out as some of the reasons Israel's sixfold population increase since 1948, the lack of natural resources, the building of a national infrastructure "from scratch", and the cost of five major wars. At present, Israel faced significant budget deficits because of government overspending and high inflation, which decreased the value of revenue collected through taxes. Moda'i remarked that there was no other alternative to solve the problem than a quick, deep budget cut, but that, in addition, there would have to be structural changes in the economy and an accommodation of the needs of employees and unions. Because of Israel's serious shortage of foreign currency reserves, estimated to be no more than a two month supply, the Finance Minister stated that Israel had discussed with the United States the possibility of extending to Israel a safety net of foreign currency. Despite Israel's present economic problems, Moda'i remained confident about its future and predicted that it would begin recovery after a difficult period of 1-2 years.

Two other meetings with former Israeli ambassadors to the United States provided broad overviews of issues affecting Israel and the United States. In a luncheon hosted by Minister Without Portfolio Moshe Arens, the former ambassador commented extensively on the potential danger to Israel from Lebanon after the withdrawal of Israeli forces and the drain on the Israeli economy created by Israel's defense burden and the cost of its military presence in Lebanon. Simha Dinitz, now a member of the Knesset, pointed to the ongoing threat Israel faces from Syria. A militarily strong Israel is an asset to the United States and a requirement for Arab willingness to negotiate, since no Arab leader will negotiate with Israel if he believes he can destroy it. Ambassador Dinitz also explained that the present National Unity Government in Israel was a result of extraordinary problems posed by Lebanon and the economy. He cautioned the delegation that the government would survive strains presented by these two issues but that it could split over any other issue if either major party saw such division to its advantage.

DENMARK

The delegation's visit to Denmark was overnight, intended primarily to receive a Soviet aircrew in order to enter into the Soviet Union. However, the delegation had requested a briefing on Denmark by U.S. Ambassador Terence A. Todman and pertinent Embassy staff. Ambassador Todman outlined Denmark's role in NATO and the difficulty its present government has had in meeting some of its NATO obligations. Denmark's government, a four-party coalition, controls only 78 seats in a 175 seat Parliament. Consequently, the government has had to accept some defeats on NATO issues, most notably the Parliament's vote to withhold infrastructure funding for INF deployment. However, the government has not had to resign because of these defeats, and on a motion of no confidence would likely win because of the support its economic policies enjoy. Like most of its European neighbors, Denmark's economy has undergone hard times, and the government has responded by lowering spending in order to reduce the deficit. Defense is the only area in the budget where cuts have not been implemented, although there is a freeze on defense spending, but Denmark has tried to fill its NATO role in the Baltic.

THE SOVIET UNION

In Moscow, the delegation was briefed by U.S. Ambassador Arthur H. Hartman on the internal political and economic situation in the Soviet Union and on the current state of U.S.-Soviet relations. Its first meeting with Soviet officials was with representatives of the Institute of the USA and Canada of the USSR Academy of Sciences, including Director G.A. Arbatov.

Mr. Arbatov argued that U.S.-Soviet relations were still poor, and that while the agreement to begin new arms control discussions in Geneva was an encouraging step, nothing concrete had materialized. Arbatov also stated that past negotiations with the Reagan Administration had only been a cover for a U.S. arms buildup and a quest for military superiority.

Unless this attitude changed and a realization of the impossibility of nuclear war developed on the American side, Mr. Arbatov argued that the Geneva talks would fail to accomplish their purpose. Members of the U.S. delegation rejected the idea that U.S. policy supports the idea of a winnable nuclear war and stressed that Soviet human rights policy has made it difficult to foster the proper political atmosphere necessary for progress in arms control efforts.

The delegation also met with Deputy Minister of Foreign Trade A.N. Manzhulo. Mr. Manzhulo stressed the Soviet policy of just and equitable trade based on equality and freedom from preconditions and efforts to obtain political leverage on the issue of human rights. Manzhulo also argued that past efforts to link trade to human rights issues had failed and that in 1984 U.S.-Soviet trade had reached a near-record level of $3.5 billion.

However, Manzhulo pointed out that legal instruments like the Long-term Grain Agreement and Most Favored Nations (MFN) status were needed to regularize trade and make it more predictable and reliable. He also criticized U.S. efforts to prevent Western Europe and Japanese companies from selling equipment and technology to the Soviet Union as an example of discriminatory trade policy that disrupted East-West trade. The delegation pointed out that human rights concerns were an inevitable and integral part of U.S. trade policy toward the Soviet Union and that both sides typically employ linkage in various aspects of U.S.-Soviet relations to advance their objectives.

The U.S. delegation held a highly productive session with Dr. O.N. Bykov, Deputy Director of the Institute of World Economics and International Relations, and several staff members of the Institute. Bykov stressed that the Soviet position at the upcoming Geneva talks would include insistence on agreement in all three subgroups (strategic, intermediate, and space weapons) before agreement in any one of them could go forward. This insistence stemmed from the reality of the interaction of weapons in all three subgroups. Bykov also argued that the issue of the President's Strategic Defense Initiative (SDI) would be raised by the Soviet delegation because it undermines strategic stability by complicating the relationship between strategic offensive and defensive systems and forces both sides to compensate for the other's offensive and defensive deployment if the SDI is deployed and the ABM Treaty is scuttled.

The final meeting in Moscow took place with August Voss, Chairman of the Council of Nationalities of the Supreme Soviet of the U.S.S.R. Human rights concerns were repeatedly raised by the delegation, particularly with respect to harassment, detention, and arrest of Soviet jews seeking to emigrate. Mr. Voss argued that criticism of the Soviet Union on the issue was "far-fetched and based on false information." He denied that there was no right to emigrate, that some 260,000 Jews have emigrated since World War II and that this accounted for the recent decline of emigration approvals from over 50,000 in 1979 to under 900 in 1984.

According to Mr. Voss, the relatively few denials for emigration were due to work in military related industries, access of applicants to classified information or because of an applicant's imprisonment for crimes under Soviet law. The delegation pressed Mr. Voss on these issues and presented a series of individual cases for his consideration and response.

Accompanying Mr. Voss was Yuri Zhukov, a political observer for the Soviet Communist Party newspaper, *Pravda*. Mr. Zhukov objected to the delegation's criticism of the Soviet Union's human rights policy and its

policy regarding the practice of religion. He pointed out that a recent visit to the Soviet Union by some 270 American religious officials was highly successful. That group visited Jews, Chrisitans and Moslems in the Soviet Union and according to Mr. Zhukov returned to the United States stating there was no religious discrimination in the Soviet Union. Additionally, when pressed by the delegation about Soviet press reports that blamed the United States for the assassination of India's Prime Minister Indira Ghandi and for fomenting terrorism in Italy, Zhukov denied the Soviet press contained such articles. The delegation, through the U.S. Embassy staff, has presented copies of these articles to Zhukov for his further comment because the Members believed that the political atmosphere for constructive U.S.-Soviet relations is crippled by such irresponsible reporting.

In addition to raising human rights concerns with Soviet officials, the delegation also conducted a series of meetings with Soviet Jewish refuseniks, Soviet Christians, and divided family members. These meetings revealed a pattern of harassment that begins with the application to emigrate. Loss of job and subsequent charges of "parasitism", planting by authorities of drugs and small arms in refusenik apartments for purposes of arrest for "anti-Soviet slander", persecution of other family members including children of those seeking emigration, the formation of an official Anti-Zionist Committee to increase anti-Semitism, and pressure on Soviet Jews to conform to the system all indicate an increase by the Soviets of human rights violations that are associated with the recent downturn in U.S.-Soviet relations. These developments make it essential that the future conduct of U.S. relations seek to correct worsening human rights conditions in the Soviet Union to avoid a "detente without a human face."

AUSTRIA

The delegation's last series of meetings was in Vienna, Austria, where there were conferences with U.S. representatives to some of the arms control and international organizations in the city as well as with officials of the Austrian government. The delegation's first meeting was with our U.S. Ambassador to the Mutual Balanced Force and Reduction Talks, Maynard W. Glitman, who was shortly thereafter named to the American negotiating team at Geneva. Ambassador Glitman briefly reviewed the eleven year history of the MBFR talks and then explained the major areas of disagreement between the NATO and Warsaw Pact delegations. The major problems were the following: A geographical asymmetry which would allow the Soviets to pull back into designated number of forces into the western part of the Soviet Union but require the United States to remove its share of the reduced forces to the United States; a dispute over the number of military forces the Warsaw Pact claims it has in the region affected by the negotiations; significant problems in verification of the strength of ground forces; disagreements over the inclusion or exclusion of conventional arms in the negotiations; and the status of the West German army, which would have to disband a sizable number of its troops and place them into reserve units. Ambassador Glitman saw no agreement forthcoming on any of these issues.

The country team briefing was led by U.S. Ambassador Helene Von Damm, and it provided a review of the few issues which actually affect the very friendly relationship between the United States and Austria. A neutral and politically stable country, which has an economy that is outperforming many of its European counterparts, Austria faces no major internal changes except for the possible development of a "Green" movement comparable in its environmental interests to that in West Germany. Three bilateral issues received special attention in the briefing. Austrian policy on East-West technology transfer has caused concern in the United States, and U.S. officials have repeatedly urged Austria to take measures to reduce the diversion or export of sophisticated, militarily-related technology to Warsaw Pact countries. In December 1984 Austria's Parliament passed legislation tightening Austrian export controls, but their effectiveness must await a future test. A second issue is Austria's consideration of the Northrop F-5E as an interceptor for its air force. Austria is examining this aircraft along with aircraft manufactured in Britain, France, and Sweden, and it will likely make its decision by May 1985. The last issue concerned works of art which were seized by the Nazis after the end of the Second World War and which ended up in Austria's possession. Austria has returned some of these items to their original owners, but many remain in Austrian government hands. It is hoped that Austria will try to return as many as possible to the original owners and contribute either through donation or by their direct sale the value of the remaining art works to Jewish and Christian chairty groups which work with surviving victims of Nazi repression.

After the country team briefing, the delegation met with the Minister of Public Economy and Transport Ferdinand Lacina. Mr. Lacina wished to discuss the impact of U.S. trade policy on Austria with the delegation. As an export-dependent country, Austria was greatly worried about the effect of U.S. anti-dumping restrictions on Austrian steel. Mr. Lacina stated that company record showed that Austria was not dumping steel into the U.S. marketplace. He also wished to assure the delegation that Austria did not wish to act as a loophole for the diversion of advanced technology to the Soviet Union and the Warsaw Pact, and that Austria had changed its laws in order to stop illegal transfers of technology. The U.S. delegation's primary concern was Austria's forthcoming decision on the F-5E. Lacina explained that Austria's decision would be influenced by its desire to purchase an aircraft at a reasonable price and by a public desire to avoid the establishment of a large military. He did add that Austria was interested in the offset arrangements to be available if Austria purchased the F-5E.

The meeting with Austrian Foreign Minister Leopold Gratz covered some of the same issues, particularly the status of the F-5E. However, Foreign Minister Gratz also desired to convey an understanding of Austrian foreign policy, which he pointed out sought good relations with its neighbors. At present, relations were good with Hungary, Yugoslavia, and Poland, the only problem being Czechoslovakia with which Austria had poor relations because of violations of its border by Czech border police. Turning to human rights and the status of refugees, Mr. Gratz expressed his hope that an improvement in U.S.-Soviet relations might allow for an increased emigration of Soviet Jews. He said Austria would continue to keep its borders open to refugees—a commitment which costs Austria about $50 million annually. Asked about the status of art works Austria acquired after the defeat of Nazi Germany, the Foreign Minister stated Austria intended to sell the unclaimed works and distribute the money to Jewish and Christian charities.

The last meeting with Chancellor Fred Sinowatz presented an opportunity to discuss Austria's general political situation. Chancellor Sinowatz referred repeatedly to Austria's neutral status and the nature of its outlook on Europe which had been shaped by the Austrian-Hungarian Empire—a longstanding historical entity whose post World War I components had been arbitrarily separated from one another by the Iron Curtain. Europe had been one, not two, bodies before this division. The Chancellor warned against the belief that the West could bring the Soviet Union down through economic pressure; its people had known immense hardship and could endure more. But as a neutral, Austria also wanted the United States to remain so strong that nothing could alter the international balance.

Austria was symbolically the proper place to end this trip. Its geographic and political position gives it a unique vantage point into both eastern and western Europe. It is the one nation from which the Soviet Union voluntarily withdrew its forces after the end of the Second World War. The important services it has given to human rights and arms control have made it an actor in two of the most important issues on the East-West agenda. Its role as a contact point between eastern and western Europe in business and culture is a reminder of the hope that someday the division of Europe can perhaps be peacefully ended.

Mr. Chairman, we believe this trip provided a valuable opportunity to learn on a first hand basis the issues which affect the relations of the United States with several of its key allies as well as with its leading political adversary. The Congress will face many important foreign policy decisions in the coming year, and we believe the knowledge gained from this two-week mission will help us in contributing to the deliberation of the Congress on these matters.

Sincerely yours,

TOM LANTOS,
Cochairman,
U.S. Congressional Delegation.
BENJAMIN A. GILMAN,
Cochairman,
U.S. Congressional Delegation.●

LIVING UP TO PAST COMMITMENTS: THE PHILIPPINE SCOUTS AND THE BATTLE FOR BATAAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

● Mr. PANETTA. Mr. Speaker, I rise today to introduce legislation to redress a longstanding inequity in our treatment of a very special group whose vital services to our Nation have passed virtually unacknowledged. My first bill simply authorizes equal pay for equal risk for veterans of the World War II Philippine Scouts who fought so bravely as part of the U.S. Army. Second, I would like to introduce a companion resolution to ex-

press our deep gratitude to the people of the Philippines and Filipino-Americans who took up arms on behalf of the United States and Allies during World War II.

Before turning to the legislation at hand, I believe it is important to pause and reflect upon the events of over 40 years ago. Prior to the outbreak of war, when the Philippines were an American territory, a crack unit of Filipinos—known as the Philippine Scouts—was organized under the direction of Gen. Douglas MacArthur. The unit, a fully incorporated part of the U.S. Army and never numbering more than 12,000 soldiers, was to serve a pivotal role in the valiant defense of the Bataan Peninsula. General MacArthur was later to describe the Scouts as "excellent troops, completely professional, loyal, and devoted." They were an elite organization with a high esprit de corps in which membership was considered an honor by Filipinos and the strictest standards were followed in selection.

In recruiting the Scouts, General MacArthur pledged, and I quote:

War is the great equalizer of men. Every member of my command shall receive equal pay and allowances based on the United States Army pay scale, regardless of nationality.

At the onslaught of the war in the Pacific when the enemy attacked Pearl Harbor and invaded the Philippine Islands, these soldiers became key to the success of our entire South Pacific strategy. It was the continued resistance on Bataan that denied the Japanese an essential base for the projected thrust into the South Pacific. The enemy was forced to retain large army and naval forces in the Philippines, which otherwise could have been employed against allied shipping of men and materials to Australia and New Caledonia from the United States and Middle East. Their protracted defense of these islands against incredible odds allowed the United States to recover from the first blows of the war and regroup for what would ultimately prove to be a successful counterattack.

The defenders of Bataan suffered extremely high casualties and many of those who survived the harsh conditions of battle did so only to be held as prisoners of war by the Japanese. On a tragic note, it is estimated that one out of every two members of the Philippine Scouts captured by the enemy following the collapse of the Allied effort at Bataan did not survive captivity. Other members fortunate enough to escape were organized in guerrilla units to carry on resistance efforts and to support the return of General MacArthur and his liberating forces.

Despite the valiant services of the Philippine Scouts who fought and sacrificed side by side with American soldiers, and despite the fact that the Scouts were a fully incorporated unit of the U.S. Army, the Philippine Scouts received only a fraction of the regular pay received by their American counterparts. In fact, while an American private was earning $30 a month during the war, a Philippine Scout with comparable rank and length of service received only $9 for his exposure to the same hardships and dangers.

Mr. Speaker, I believe that the time has come for Congress to redress this longstanding inequity in our Nation's treatment of this very special group of World War II veterans. The legislation I am introducing today to correct this injustice is direct and simple. It authorizes the Department of the Army to make a lump-sum payment to former Scouts or their survivors equal to the difference between the pay received by American soldiers of corresponding grades and lengths of service and the total amount actually received by the individual Scouts. In addition, this measure would direct the Secretary of the Army to redetermine the rates of retirement pay presently received by a small number of former Scouts to reflect adjustments in their basic pay. The latter provision is minor when measured in terms of dollars as there are now less than 300 former Scouts receiving regular or disability pay from the Department of the Army. In fact, as of 1979, the estimated cost of implementing the entire bill was set at a little over $9 million. I think that you would agree that it is a small price to pay for a commitment ignored for over 40 years.

While the budgetary impact of these pay equalization measures is small, their symbolic value is immense. Congressional authorization of equal pay for the Philippine Scouts would provide a meaningful demonstration of our gratitude for their faithful and gallant service during World War II. I again urge my colleagues to support this worthwhile measure.

Finally, as a complement to the pay equalization legislation, I am introducing a commemorative resolution to pay tribute to the people of the Philippines and Filipino-Americans who fought on behalf of the allied war effort in the South Pacific. My resolution would designate the week of April 1, 1985, as "National Philippine Veteran Week," marking the 43d anniversary of the historic battles of Bataan and Corregidor. It is only fitting that we take this occasion to express our gratitude for the loyal and courageous service of the Filipino people in the common struggle for freedom.

In addition to the fighting forces of the Philippine Scouts, the U.S. Armed Forces operating in the Pacific theater during World War II were aided by units of the Philippine Commonwealth Army and Naval Insular Force as well as the guerrilla units organized during the occupation of the islands. Additionally, two units of Filipino-Americans—the 1st and 2d Filipino Regiments—were trained and assembled in the United States for service in the South Pacific.

Enactment of this resolution would provide a meaningful demonstration of our gratitude for the faithful and gallant service of Philippine soldiers and guerrillas in assisting the allied war effort during World War II. I urge my colleagues to join with me in honoring these special veterans, as they so justly deserve.●

JUDGE KELLY'S DECISION IN JOHNSON VERSUS UNITED STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. PRICE] is recognized for 5 minutes.

● Mr. PRICE. Mr. Speaker, a frenzy of litigiousness is sweeping the country. It seems that almost every loss, hurt, or damage is being attributed to the fault or responsibility of someone else. Lawyers are widely blamed for stirring up this kind of business, in which litigation plays a large role. One wit has said that justice is what lawyers study to circumvent. But the courts and legislatures, too, must assume considerable responsibility for the chorea-like affliction of legal claimmaking that is now epidemic.

Today, the Federal Government is the defendant in an extraordinary number of tort cases—probably over 40,000. Asserted claims exceed $100 billion. These totals are climbing. It is important to bear in mind that the Government's defendant posture in these cases can lead to enormous outlays of taxpayer dollars, not considered at all in our well-publicized intention to cut the Federal deficit. We in Congress have not done enough to face this enormous problem.

Our courts often encourage inclinations to sue by loosening previously established criteria for liability, by making new law, or simply under the guise of dispensing fairness. But there are still some fine judges in the land.

With a good deal of pleasure—somewhat detectable from my letter to Judge Patrick Kelly of the U.S. District Court for the District of Kansas, which I include at the end of my statement—I recommend to my colleagues in the Congress, and to everyone else interested in topics such as those mentioned after this sentence, that they read the decision in the case of Johnson versus U.S.—handed down by Judge Patrick Kelly in November 1984. You will see how a judge can effectively cope with complicated scientific and medical issues, particularly in a case involving 53 witnesses, 42 days of testimony, thousands of exhibits, and more than 5,000 pages of trial tes-

timony; how a judge distinguished between sound and less validly held scientific opinions respectively offered under oath by different scientists of some renown; whether the opinions of scientists who were "heroes" in the Silkwood and other cases deserve special regard in other trials or, on the other hand, whether their scientific views and conclusions can be validly rejected; how a judge explains in clear, layman's language the types of ionizing radiation, radium 226, and its natural decay products; the health and safety impact of radium 226 with a half-life of 1,602 years, in an environment where radon gas is removed about as fast as it is generated; radium and radioactivity in our natural environment; radiation doses and applicability of safety standards; the history and development of radiation standards; how the scientific method works; statistical risk calculations; and that the label "hazardous" cannot be broadly tied to anything that is radioactive without an understanding of the doses involved.

Read Judge Kelly's decision in Johnson versus U.S. Whatever your background, you will learn something of interest.

This is the letter I recently wrote to Jude Kelly:

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, January 31, 1985.

Hon. PATRICK KELLY,
U.S. District Court for the District of Kansas, U.S. Courthouse, Room 232, 401 North Market Street, Wichita, KS

DEAR JUDGE KELLY: Your decision in the consolidated lawsuits identified as Johnson v. United States is lucidly written, excellently reasoned, and solidly based. I must quickly add that I am not a lawyer. My opinion is influenced by my own background and experience—principally my association with nuclear matters for four decades during my service on the Joint Committee on Atomic Energy and on the House Armed Services Committee.

I can appreciate the great extent of your patience and diligence, and the learning experience you rapidly acquired in health and safety aspects of nuclear radiation in the course of the trial. The testimony of 53 witnesses and the review of more than 5,000 pages of transcript amounted to a considerably body of information from which to distill essential validity.

I have had similar experience, but over a long period of time, not in a single episode. In legislative capacities, I too have had to listen to hypotheses and findings of nuclear scientists and related health and safety specialists, to distinguish between suppositions—however enthusiastically embraced—and objective findings, to pay close attention to diverse scientific views held by different professionals in nuclear fields and, most importantly, to ascertain and comprehend the views of the most preeminent scientists in particular disciplines.

Dr. Lauriston Taylor, Dr. Robley Evans, Dr. Robert Rowland—what can I say about such exceptionally knowledgeable and able persons except that they are great national assets. The Joint Committee on Atomic Energy invariably sought their advice, among other scientists held in high esteem by their peers.

You were outspoken in your judicial evaluation of the testimony of Dr. Morgan and Dr. Gofman. In the past, on the Joint Committee, I too had occasion to listen to their testimony on radiation effects. Suffice it to say that I and the rest of the committee were largely persuaded to accept the scientific principles and standards recommended by the National Council on Radiation Protection and Measurements, the International Commission on Radiological Protection, and the National Academy of Sciences—National Research Council, and related thoughts expressed by preeminent scientists such as Drs. Taylor, Evans, and Rowland. As you did, we rejected the idea that—using the words in your decision—"all of the most eminent radiation scientists in this country and the entire world are as incompetent as Dr. Gofman claims, and that only Dr. Gofman has been able to define the true risks for radiation." From his testimony before the JCAE and his writing (including "Population Control Through Genetic Pollution," which he coauthored and was published in 1970 by Nelson-Hall Company), I can appreciate your judgment that—again, using words from your decision—there "is a bias in him which destroys his credibility as an objective witness in radiation cases."

Your decision was particularly interesting to me. I hope it is widely read because it deserves to be, in the national interest.

Sincerely,

MELVIN PRICE,
Chairman Emeritus.●

A TRIBUTE TO EDWIN D. ESHLEMAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 60 minutes.

Mr. WALKER. Mr. Speaker, it is my sad duty to officially inform the House today that in January of this year, last month, Edwin D. Eshleman of Pennsylvania died in Lancaster, PA.

Ed served in this body from 1967 through 1976. He was a distinguished legislator, an educator, who will be sorely missed by his friends, by the district that he served, and by this country.

I am today taking this special order in honor of Ed Eshleman who was a devoted and effective public servant and a man greatly loved by those who knew him and worked with him.

Mr. Speaker, I would be very glad at this time to yield to the gentleman from Pennsylvania [Mr. GAYDOS] who must get to another meeting, but wanted to participate in this special order.

Mr. GAYDOS. I thank my colleague for yielding.

Mr. Speaker, today we gather here to pay tribute to a former colleague of ours, Ed Eshleman of Pennsylvania, who passed away last month after fighting a losing battle with cancer.

Ed Eshleman served in this body for 10 years, from 1967 to 1976. In that span of time, Ed developed a reputation in the House as a man who cared about how government affected people rather than how people affected government.

I knew Ed quite well. Not only did we start out together in the House, but we also served together on the Education and Labor Committee. In fact, we both served in the Pennsylvania State Legislature at the same time.

Ed was a colleague and a friend. He was concerned about his friends and his constituents.

A few days after Ed's death, a letter written by one of his constituents in Lancaster appeared in one of the local newspapers. I'd like to read that letter into the RECORD because it says what all of us today feel about Ed. The letter writer obviously knew Ed well, trusted him, and, even more, liked and respected him.

The death of our former Congressman, Edwin D. Eshleman, has brought forth richly deserved laudations from persons in every walk of life. Although Ed was a "rock-ribbed" Lancaster County Republican, he never allowed partisan politics to stand in the way of helping a Democratic or Independent constituent.

There are thousands of persons on the "other side" of the political fence who have been touched by the honesty, graciousness and very desire to help that marked our late Congressman.

Despite the heat and passion of political campaigning, never was the slightest implication raised that Ed was anything less than a man of uncommon integrity. Few men in political life have enjoyed such respect from all sides as has Ed Eshleman.

Ed liked to boast that he was a "stubborn Lancaster County Dutchman," but he was the first to suggest a sensible compromise solution when that seemed practical. Moreover, he served his constituents with a fidelity rarely seen today.

He had a knack of knowing—perhaps it was his political instinct—exactly what his constituents wanted, and he voted in accordance with the majority regardless of his personal feelings.

Ed knew very well that a small number of politicians were dishonest and corrupt, but that did not deter him from defending with all his vigor the principles and institution of representative government as well as the necessity for strong, healthy political organizations.

He will be missed by his legion of friends and admirers. But Ed has left a legacy that will serve countless generations of Lancaster Countians. What finer memorial could one have?

That letter, Mr. Speaker, gives us a better insight into Ed Eshleman than anyone of us here could. I would hope that when I leave Congress, my constituents can say the same about me as this one said about Ed Eshleman.

□ 1250

I conclude by thanking again my colleague for giving me priority in time, especially when the minority leader wishes to speak.

Mr. WALKER. I want to thank the gentleman from Pennsylvania, who is the dean of the Pennsylvania delegation and who did serve with Ed Eshle-

man. His remarks are very much appreciated.

I would be very glad at this moment to yield to the distinguished minority leader of the House who served with Ed while Ed was in the Congress.

Mr. MICHEL. I thank the gentleman for yielding, and I want to thank him especially for taking the time for this special order. It was news to me that Ed had passed away during the period in which we were not in session and would not have been privy to that news. I am sorry to hear that, because as I recall, when Ed left this House he was a relatively young man, did have his health problems at the time, and just felt that he wanted an easier way of life than pursuing the vigors of this particular job.

But aside from those beautiful things that have already been said by the gentleman from Pennsylvania [Mr. GAYDOS], upon which I certainly could not enlarge, other than my own personal knowledge of the way Ed worked here in the House during those 10 years, he was not the most flamboyant of our Members, the most raucous or one who would be on his feet every day, but he worked in a rather quiet, mysterious sort of way. I think that was probably in keeping with the conservative nature of Lancaster County and the people there.

We all knew, from the manner in which Ed conducted himself on this floor of the House, that that was the general nature of his constituency. And while they might, too, have been of quiet, reserved character, nevertheless every person in the country is deserving of having a voice in this House through their elected Representatives. As the gentleman has said, Ed represented his district so well, in keeping with the feelings and philosophy of that particular district.

I am certainly sorry to hear of his having passed, as I said, at such a relatively young age. He was one of those nice persons that we get to know in politics as friends whom we might otherwise have never ever touched. So, for me, I would look back on those 10 years during which I used to see Ed sit right over here, about the second or third seat in, and we would talk about a number of things. I personally feel that I have lost a dear friend in Ed's passing.

I appreciate the gentleman's opportunity for me to say just these few words in his behalf.

Mr. WALKER. I thank the gentleman for his very fine remarks.

Ed was very proud of the fact, after he left the Congress, that the gentleman from Illinois [Mr. MICHEL] had been elected as the minority leader because he very much appreciated his abilities while he was here.

I would be very glad to yield to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. I want to thank my colleague for yielding.

Mr. Speaker, Ed Eshleman, who served this body for many years, was a dedicated Congressman who understood and served his constituency very well. In addition to this commitment to public service, Ed also knew how to enjoy himself.

Now, this was something I learned when I came to Congress. I knew all about Ed before I got here and before I ever met him, because, of course, he served with my dad—another hardheaded Pennsylvania Dutchman. In fact, I do not know how they made out when they disagreed on anything. But dad used to say and tell us about all of the wonderful characteristics of Ed Eshleman.

And then soon after I came here, my wife Hilda and I first met Kitty when Ed and Kitty and Hilda and I went on a trip with one of the committees to the Middle East. Even though we had to work long, hard hours on that trip, we also had a little time to play. I can remember, with great appreciation, the times we spent with Ed and Kitty on that trip. We were either pushing each other through the pyramids or we were trying to straighten each other's camels; but we just had a most enjoyable time.

And then what a magnificent example Ed set by showing the rest of us how to enjoy life. Even with his physical adversities, which could have made it very difficult for anybody else, it never made it difficult for Ed to enjoy life. Even though these adversities were strong at times, he showed the rest of us just how you can accept things and how you can show others how to love and how to enjoy life.

I think it is probably that characteristic of Ed that will help to sustain Kitty in these days and years to come. I think the greatest tribute that we could pay to Ed is to try to honor him by emulating his love of life and his love of people.

I thank the gentleman for giving me this opportunity to share.

Mr. WALKER. I thank the gentleman from Pennsylvania very much.

I would be glad at this time to yield to another gentleman from Pennsylvania, another next-door-neighbor Congressman to Ed Eshleman when he served in this body, Mr. SCHULZE.

Mr. SCHULZE. I thank the gentleman for yielding, and I, too, would like to thank him for taking this special order, a time when we honor a colleague who was much honored while he was here as an outstanding Member of this body.

Mr. Speaker, I had the pleasure of working with Ed Eshleman when he served in this body, and I had the honor of knowing him personally over many succeeding years. He was a trusted friend. The very foundation of this country is its hard-working, self-sacrificing people. Ed was one of those people.

□ 1300

He had many careers and interests in his life, and the one common thread among them was that they were in the service of others. He had a deep desire to teach, to give our children all the opportunities possible to make good lives for themselves, and it was his hope that they would share with their communities some of what they had learned.

Ed was a man of the people. He gave support, and it was returned to him. He gave and received guidance. He befriended and was himself befriended. Each circle was complete and fit neatly within the other.

But that alone does not convey all of Ed Eshleman. He was a gentle, yet stern man. He did not tolerate dishonesty and was himself one of the most honest and forthright men I have ever had the good fortune to know. He had an amazing strength of character, but he did not allow that to overshadow or suffocate anyone. Still he knew his own mind and followed his instincts. He was a born leader, if there ever was one.

We remained friends throughout his long battle with cancer, and I can tell you that he did not change one iota. He suffered his pain quietly, continuing on his determined path to reach out to as many young students as possible and instilling them with a sense of duty mingled with adventure.

His hopes for America did not die with his passing. They are alive in each child he touched and in every man and woman he helped during his long and distinguished public service career.

He probably would not have thought of it as his bequest to his beloved Pennsylvania, but it is an enduring legacy to leave the world a little better than you found it. Measured in people, Ed Eshleman certainly left behind a lot of improvements.

When I first met Ed Eshleman, when I came to Congress, I was introduced to him as "Dutch" Eshleman, and I thought, where does that come from, this "Dutch" Eshleman? Then later I learned, of course, that he represented Lancaster County, which is historically the Pennsylvania Dutch area. In fact, I think that Ed Eshleman and his colleague, Mr. WALKER, coauthored a book on Pennsylvania Dutch, which I would commend to all to read.

But that Dutch Eshleman proved to be a very good nickname. He was a man of the soil. Those who know the Pennsylvania Dutch know that they are frugal, they are tough, and they get everything they can for as little as possible. They work their fields and their farms very well, and they

produce probably the best products that it is possible to produce in the agriculture field.

And that was Dutch Eshleman. That was Ed Eshleman. The products that he produced in Congress, the things that he worked on, were absolutely the finest that could be produced.

He was highly respected by the Pennsylvania delegation. As the gentleman from Pennsylvania [Mr. GAYDOS] referred to a short time ago, we often meet. We meet on a regular basis as a delegation from Pennsylvania. I remember times when we would have a point in contention and things would go back and forth, and suddenly Ed would break into the conversation and everyone would be quiet. The room would quiet down, and Ed would sift from this complicated argument the succinct points, put them together, and everyone, protagonists and antagonists, would sit there and nod their heads, and an agreement was reached and we went on with the meeting. He was respected on both sides of the aisle.

Finally, let me say that I spent a lot of time with Ed in the woods. Ed was an outdoorsman. He was a hunter. He and his son Lee and my sons and I had almost an annual event going deer hunting. I know that you can tell a lot about a man when you work with him in committee or when you work with him in Congress or maybe on the golf course or someplace else, but I think a man's true character comes through when you are out in the woods and there are not a lot of people around to impress; you just sit and talk. That is when the real Ed Eshleman impressed me, with his basic honesty and his decency. When we would go hunting, he would bring a young man, either from Lancaster County or from somewhere else, and he would introduce him around, and I would say, "Ed, who is that young man?"

And he would say, "That boy would probably never have the opportunity to go deer hunting if he didn't come with me." He did not do it in a flamboyant way, but he wanted that young man to have the opportunity to know what it is like to not only enjoy hunting but to experience the outdoors and the communing with nature which goes along with it.

I had and still have nothing but the utmost respect for Ed Eshleman and for his memory. One of my regrets is that when they renamed the post office in Lancaster for Ed, I was unable to attend. I honored him mentally that day, as we do today.

Ed will be missed. I personally will miss him. I often ask when things get tough, "What would Ed Eshleman have done in this circumstance?"

I truly will miss Ed Eshleman, and I hope that his family realizes that over the years those of us who are Members of Congress often do not spend as much time with our families as we would like, but I hope that his family in retrospect will realize the great good that he did, not only in Lancaster County and Pennsylvania, but for the country and the world as well. We miss him, we love him, but he will be with us always.

Mr. Speaker, I thank the gentleman for yielding.

Mr. WALKER. Mr. Speaker, I thank the gentleman from Pennsylvania [Mr. SCHULZE] for his very fine remarks, and I appreciate his participation in this special order.

I am very pleased to yield to the distinguished gentleman from Mississippi [Mr. LOTT], the distinguished minority whip of the House.

Mr. LOTT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am very pleased to rise in this tribute to the memory of our former colleague, Ed Eshleman. I do come from another part of the country, but I did have an opportunity to serve here in the House with Ed Eshleman and got to know him and respect him and appreciate him and love him very much.

There are Members in this Chamber that you get to know when you serve with them on a day-to-day basis and that you grow to respect, and there are a few that you get to know as a gentle man. I think that applied to Ed Eshleman so appropriately. When there seemed to be a furor all around us, there always seemed to be a calm in the center with Ed Eshleman, and you could go back and find him in his usual spot here in the Chamber and you could seek his counsel, and it was always good, sound, low-key, but very valuable counsel.

I appreciated the relationship that I had in serving with Ed Eshleman here in the House. I did not know him as well or serve with him as long as some of the others here who have spoken before me today, but I do honor his memory and appreciate the fact that I had the opportunity to know this gentleman from Pennsylvania.

One of the things I observed about Ed that I think we could all take to heart was that he really did care about the people that he represented. You could see it in the way he conducted himself as a Member. You could see it in conversations with him. He was always thinking about their interests and what he could do as their Congressman here in Washington, to see that they were properly represented by the Government he had the opportunity to serve in. I think those are two valuable things we should remember about Ed Eshleman, that he was such a kind, gentle person, and that he was so concerned and caring about the people he represented in Pennsylvania.

So, Mr. Speaker, I thank the gentleman from Pennsylvania for having this opportunity for us all to express our appreciation for him and to extend our best wishes to his family as we remember the great service he gave us.

Mr. WALKER. Mr. Speaker, I thank the gentleman for his remarks. I know Ed Eshleman appreciated, when the gentleman from Mississippi came to Congress, that this was going to be one of the young leaders of the future, and he was certainly right in that regard. I thank the gentleman again for his remarks.

Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. COUGHLIN].

Mr. COUGHLIN. Mr. Speaker, I thank my dear colleague and esteemed colleague and congratulate him for taking out this special order.

Mr. Speaker, I pay tribute today to our former colleague, Edwin D. Eshleman, whose long and gallant battle against cancer ended last January 10 when he died at the age of 64 at home in his beautiful and beloved Lancaster County, the heart of the Pennsylvania Dutch country.

Those of us who were privileged to know and serve with Ed Eshleman always will remember him as a warm and unpretentious person whose industry and plain ways marked him as a man of the people he served. Through his many hospital bouts caused by cancer, he would return to his duties in the U.S. House of Representatives where his driving interest was in the field of education.

A five-term Member of Congress, first elected in 1967, Ed Eshleman began his public-service-oriented career as a school teacher. He served in Pennsylvania State government and was elected in 1955 to the first of six consecutive terms in the State assembly. Establishing himself quickly as a solid, hard-working public servant, Ed Eshleman rose rapidly to leadership positions both in the Pennsylvania house and the Republican Party. He served as chairman of the house education committee, assistant Republican leader, majority whip, and later as minority whip. He was an influential force in strengthening and redirecting the Commonwealth's education programs.

Ed Eshleman's unquenchable thirst for improvement and excellence in education continued during his service in the U.S. Congress. As a respected and nationally recognized spokesman on education issues, he served as ranking member of the House Education and Labor Subcommittee on Postsecondary Education and later as ranking member of the Select Education Subcommittee.

A Coast Guard veteran of World War II who won a commendation for conduct in action, Ed Eshleman was honored by Congress in 1983 when the

post office in Lancaster was named for him. It was an honor well-merited for a gentleman whose contributions to our Nation's education system were matched only by his community efforts in his native Lancaster County.

Ed Eshleman, in his busy career and continuing fight against cancer, found time to write a book, "Congress, Pennsylvania—the Dutch Representatives." He was aided in writing the book by his administrative assistant, ROBERT S. WALKER, who succeeded him as U.S. Representative.

After retiring from Congress, Ed Eshleman returned to his career roots, serving as a circuit teacher at area colleges and high schools. From a deep personal commitment, he fought the disease of cancer, not just for himself, but for his fellow citizens. He was chairman of the local American Cancer Society's fund-raising efforts and served his community in other volunteer capacities.

That he will be missed by his friends and former constituents in Lancaster County is undisputed. He served them and the U.S. House of Representatives with honor and distinction. His contributions at the national, State, and local levels in serving the public are highlighted by his accomplishments in the field of education.

I hope his wife and family are comforted by the knowledge that Ed Eshleman left a legacy of devoted and effective public service, and of respect and warmth by those who knew and worked with him.

□ 1310

Mr. WALKER. Mr. Speaker, I thank the gentleman very much.

The gentleman knows that Ed Eshleman appreciated the relationship that he had with the gentleman from Pennsylvania [Mr. COUGHLIN] over the years that they served in two legislative bodies together and I thank the gentleman again for his remarks.

Ed Eshleman was my predecessor in the Pennsylvania 16th Congressional District seat. He was also my boss, because for the 10 years that he spent here in the House of Representatives, I had the privilege of working on his staff for that entire period of time.

I learned a great deal from him in that period of time, because Ed Eshleman was an educator in the finest tradition. He really lived by Plutarch's maxim that, "The very string and root of honesty and virtue lies in good education."

He intuitively knew that the most basic function of a legislator is to educate, and he did it well.

Born into a family of educators and raised in Millersville, PA, he was the son of Reeder and Mary Green Eshleman, from whom he inherited a fierce pride and sense of devotion to community involvement. His father was a prominent educator who later became the Lancaster County Superintendent of Schools and he instilled in his son the solid values of education, civic activity, and hard-nosed integrity, the legacy which is now passed on to his family and to all those whose lives he touched during almost 50 years of service to the people of Lancaster County.

He graduated from Penn Manor High School, but his education at Franklin and Marshall College was interrupted by World War II. During his 18 months of service, where he saw action in Anzio, Salerno, and Normandy, he received commendations for his conduct as a lieutenant.

He returned to graduate from Franklin and Marshall and later did graduate work in political science at Temple University.

After the war, he began his formal teaching career in the Lancaster County public schools. Reflecting his commitment to the ideal of strong mind and strong body, he also coached high school basketball teams, once leading his teams to back-to-back championships, which was one of his proudest accomplishments. In fact, through most of the 10 years that Ed was in the House, he and I would drive back and forth to Lancaster County, and when he reflected on many of those trips about his career, it was not just a lot of his political accomplishments that he would talk about, but rather the accomplishments as an educator, particularly his accomplishments when he coached what he regarded as one of the finest groups of young men that he had ever had a chance to deal with.

He entered State government as the director of the State bureau of county audits in Harrisburg in 1949 and moved on from there to become executive assistant in the Pennsylvania Treasury Department.

He won the first of his six elections to the State House of Representatives in 1954. It was there that he began to show the innate legislative skills and leadership qualities that would serve him so well in the State house and later when he became a Member of Congress.

Years afterward, when he was asked why he entered politics, he remembered the advice of Graybill Dean, the late Lancaster County Republican chairman. Graybill Dean had told him at that time, "The big fellow has the know-how and the wherewithall to take care of himself, but the only person the little fellow has is his elected official."

Ed took that advice to heart and it was put to good use for the remainder of his career. It was that dedication to helping the little guy that became Ed Eshleman's trademark in public office, earning him the reputation for honesty and integrity that would serve him well for the rest of his life and serve so many others that he touched during his life.

In the Pennsylvania General Assembly, he quickly rose through the ranks to occupy leadership positions. He became chairman of the house education committee, where he could devote his energy and attention to improving the quality of education in the Pennsylvania public schools.

He was elected majority whip, reflecting the confidence that his peers placed in him.

Very few State legislators ever reach national prominence while they are serving in a State legislature, but Ed did and he did it in very typical fashion, quietly, forthrightly, yet effectively.

When the Supreme Court in 1962 held that prescribed prayer and Bible reading in the schools was unconstitutional, it was a Pennsylvania case, the Abington against Schempp case, that was at issue. Ed moved to change the wording of the State law to make the Bible reading exercise voluntary rather than mandatory. His action called for simply changing the law to read "may" rather than "shall," but the State senate changed the language back to mandatory. The house bill went on to become law, however, and it made the existing statute a moot question, and as a result of that simple change of a word the Supreme Court, the U.S. Supreme Court's implementation of the prayer ban was delayed in our State for a full year.

Though he received national prominence, he never lost sight of his duty to his constituents and in particular helping the little guy. It was the fierce dedication, combined with integrity beyond reproach, that proved to be the decisive factor in his seven-way primary race for Congress which he won in 1966. He won an easy election in the general election that November and was never seriously challenged in the four elections that followed. The confidence placed in him by the voters of the 16th District would prove well founded.

Jack W.W. Loose, who is one of the foremost experts in Lancaster County, PA, history profiled the spirit of the typical Lancastrian in a foreword to a book Ed and I coauthored called "Congress, Pennsylvania—The Dutch Representatives," which was referred to earlier by one of my colleagues. Jack Loose says in that book, the portion which he authored:

> Always responsive to the challenges, for that is what brought most settlers here originally, but never rash nor gullible, the solid citizen of the Pennsylvania Dutch district has relied on his limitless faith in God and himself. His religious heritage has taught him that he is responsible for his own decisions and for his own welfare. Self-reliance is a virtue that he had developed to an uncommonly high degree. He may be unsophisticated and direct, but he is intelli-

gent, perceptive and wary of new-fangled notions. His heritage has stimulated him to pursue private enterprise relentlessly. The same guide admonishes him to conserve his capital, borrow cautiously and employ the investment of others with the same care as applied to his own. He is strict with himself and he expects the same from those he elects to serve in his government.

Those were the character traits that Ed Eshleman brought with him to Washington as he served in Congress for 10 years from 1966 to 1976. Much of what Jack Loose writes about was very much involved with the legislative philosophy that he had with him, the votes that he cast and the legislation that he sponsored in this body.

Once again, in coming to Washington he was able to secure for himself a seat on the House Education and Labor Committee, allowing him to further his lifelong interest in improving educational quality. He rose to become the ranking Republican on the Agriculture and Labor Subcommittee and then moved to become the ranking Republican on the Select Education Subcommittee and later bacame the ranking Republican on the Postsecondary Education Subcommittee. From those vantage points he established himself as an effective concerned voice on education issues, overseeing the creation and implementation of the many college assistance programs that have educated millions of college graduates and students. As he did in committee, he quickly earned a reputation on the House floor as someone who could be depended upon for solid advice, continuing to build his career around the idea that blunt honesty, brutal though it may be at times, still had a place in modern politics. Not one for flashy or headline grabbing statements, as he wrote himself in his book, he was an independent voice and his voice is usually the result of an independent judgment that he made, rather than any political or ideological expediency.

His counsel was often sought on the House floor because he was known as a representative who was not afraid to speak his own mind on policy matters.

He also left his mark on constituent operations. He was the first representative in the Pennsylvania Dutch seat to expand his congressional office operations and use modern technology to turn his district office into an aggressive problem-solving unit, reaching out to help his constituents.

In order to increase communication between himself and his constituents, Ed began the first regular series of newsletters, radio reports, newspaper columns, and questionnaires. He put in a hotline telephone service between Lancaster and Washington. In addition to returning home every weekend, he established a procedure for holding regular congressional office hours in post offices throughout the 16th District.

□ 1320

As a result, he developed a near-legendary rapport with the people that he represented, never losing his ability to see issues not through the eyes of a Washingtonian looking at Lancaster County, but through the eyes of a Lancaster countian looking at Washington.

One of his former staffers relates a story in which he had to draft a press release for Ed that was to go back home. As is sometimes the case, a little more "Washingtonese" than needed to be had crept into the release. After reading it, Ed leaned back in his chair, looked at the staffer and said, "Well, you can write, but is anyone in Rawlinsville going to want to read it? Write it so the people in Rawlinsville will read it." This staffer happened to be from Rawlinsville.

The message came through loud and clear: Remember your roots, remember the people back home and cut out the bureaucratic mumbo-jumbo. From then on, rather than asking "Will it play in Peoria?" the standard question in writing a press release, constituent letters or anything having to do with the district became: "Will they want to read it in Rawlinsville?"

The late 1960's and the early 1970's, as anyone who lived through them knows, were one of the most turbulent periods in our Nation's history. Decisive, gut-wrenching debates over the Vietnam war, the assassinations of Bobby Kennedy and Martin Luther King, the subsequent race riots and demonstrations, the elections of 1968, and finally the pain of Watergate and the fall of South Vietnam were all events that seared the national conscience.

All Americans were tested, but none more so than our elected officials. Ed would later call his decision to support impeachment of former President Nixon one of his most soul searching, and made so much more because Nixon was so extremely popular in his district. And he would later call his vote to continue the Vietnam war his most difficult to cast.

Another of his tough decisions was to support admitting the Vietnamese boat people into America, despite the fact that his constituent mail was running heavily against that kind of immigration policy. His reason for supporting the Vietnamese was something which comes as close to providing insight into Ed Eshleman's philosophy as any of his public comments.

He said, "Should we have let them float? We are a Christian Nation; 70,000 people fled in panic, what could we do? I don't think there's much question of what you do, not if you want to be able to look at yourself in the mirror in the morning when you shave."

Ed's rock-ribbed integrity, blunt honesty, and fierce devotion to his family were the anchors that pulled him through those years. Dealing with thorny national issues was not the only problem he faced, however. He also had to come to grips with serious personal health problems; two bouts with cancer, and open heart surgery. Through it all, he dealt with those problems as he did with all others: bluntly, forthrightly, never shrinking from the task ahead and perhaps most importantly, with a sharp sense of humor.

The people of the 16th District rallied behind him as he battled through operation after operation for his cancer and heart troubles. His openness and candor about not only Watergate and the Vietnam crisis but also his health problems, reinforced his constituency's respect for him, and in so doing, he managed to turn what would be for ordinary politicians a major political liability into real political capital.

Despite his personal problems, Ed thrived on his ability to work with and help the voters of the 16th District. "Always put more marbles on the pile than you take off—if you don't, you soon run out," was one of his favorite sayings. He never ran out. Always adding more marbles to the pile and benefiting peoples' lives immeasurably while doing so.

But to Ed, regardless of all else, family always came first. Ed genuinely enjoyed his family. The faster he could get out of Washington at the end of the week and back home to Kitty and their two sons, Bruce and Lee, the better. And it was to them that he returned after stepping down from Congress in 1976.

When he stepped down, though, despite the health problems, he also went back to teaching; he resumed his teaching career becoming a, something that he created, a "circuit teacher," touring college campuses and high schools to pass on the reflections on his life as a public individual, about the workings of Government and in an imperfect world.

More than anything else, he wanted the next generation to learn the lessons that he had learned, to see the flaws that he had seen and to avoid the mistakes that he had made, so that they could enjoy the same opportunities that he had enjoyed. He said:

If I can only light a few sparks within the students to get involved in the political process, then it is all worth it.

He seemed to instinctively know, as it seems all good natural educators do, that as Henry Brooks Adams has written, "A teacher affects eternity; he can never tell where his influence stops."

Ed lit more than a few sparks; his influence lives on in Lancaster County and among all those whose lives he touched. He gave much more to the

community and to Lancaster County than he ever took from it. Those of us who were fortunate enough to know him, to be counted among his friends, know that he added much more to our lives than he ever asked in return. I regarded him as a mentor from whom I learned much, but more than that, he was a friend.

"He was a gutsy man," Charlotte Reinhold, executive director of the Lancaster County Cancer Society said upon hearing of Ed's death. Her comments sum up the feelings of everyone who knew him and who knew of his work to battle the disease that would eventually take his life.

"He was the only man ever to lead three cancer crusades for us," she added. He threw himself into the fight against cancer not only for himself but for all the millions of others who were afflicted by that disease.

Upon learning that his cancer would be terminal, Ed didn't flinch or feel sorry for himself. Instead, he lived the rest of his life by the quote from Peter Marshall's book, "It is not the duration of life that counts, but it is the donation to life that matters."

With that as his guide, he spoke before group after group of cancer patients, constantly imploring them not to give it, urging them on and telling them to live the rest of their days with the zest that he did.

Through tireless efforts, he more than doubled the amount of contributions to the Lancaster County Cancer Society in just 1 year. In recent years, he submitted himself to experimental test after test, many of them resulting in excruciating pain, all the while knowing that the test would be of no benefit to him, but still hoping that they would yield a clue to a cure that would help future patients.

His battle, and the way he fought it, was an inspiration to all of us. John Bergey, president of the Lancaster County cancer unit said upon hearing of this death,

Ed Eshleman was much more than a fine statesman, teacher, and citizen of Lancaster. Unbeknownst to most, Ed spent countless hours volunteering his time to help conquer the dreaded disease of cancer. We * * * will miss him, but his legacy of concern will live for a long time.

As another of his former staffers says, he never complained or wondered, why me? Although given the circumstances he had every reason to. Instead he plowed on, knowing that what he was suffering and what was being learned because of it would perhaps help someone else some day.

That was really Ed Eshleman.

Through it all, he never lost his quick sense of humor; that was amply demonstrated in dedication proceedings last year for the Lancaster Post Office that was named in his honor. Mr. SCHULZE referred to it a little while ago.

Despite his poor health, he was there, and the wit sparkled through when he said, "Whenever the postal rates are hiked, I want my name taken off—at least for a couple of months." I assume he will want his name taken off right about now.

He lived his life with energy and devotion, and he was one who cherished the heritage from which he came; his family; he was a man who loved his country and fought for a better tomorrow for all Americans.

In the epilogue to Ed's book, another distinguished historian of our area who just happens to be my father, Dr. Joseph Walker, writes:

From the opening of the Continental Congress * * * the holder of the Dutch Seat has had a reputation among his colleagues for hard work, stable counsel and service to constituents. He has sometimes been in the foreground, as was Frederick Muhlenberg—the first speaker of the House of Representatives—James Buchanan or Thaddeus Stevens. More often he has exerted his influence through the effective service on committees, consistent research of legislative matters before the House, and good relations with the leadership in the executive branch * * *. For 200 years, Lancastrians have filled the Dutch Seat with solid, useful men who reflect accurately its own steady, diversified progress and prosperity.

Ed Eshleman maintained that standard of excellence, carrying on the tradition as it was passed on to him. He skillfully blended the two roles, becoming a national influence on matters of concern to his constitutents, never letting his national attention overshadow his responsibility to his constituents.

At the same time, he never let official business detract from family life; understanding that this family was a vital part of the team that allowed him to represent the 16th District so well.

Not many men move through life like Ed did, fighting the battles he fought, asking the questions he asked, taking on the causes he took on, and yet still managed to emerge with their reputation and their integrity fully intact.

□ 1330

It is a testimony to the strength of his character that Ed Eshleman did. He will be missed as a husband. Kitty Eshleman was certainly his partner throughout this whole public career. He will be missed as a father. He loved his sons like no man has loved a family. He will be missed as a teacher. And I will say he will certainly be missed as a friend.

Mr. McDADE. Mr. Speaker, I rise today to pay tribute to my good friend and our former colleague, the late Edwin Eshleman of Lancaster, PA, who passed away earlier this year. I had the privilege of serving with Ed during his 12 years in the Congress and I greatly respected his work and service to his constituents of the 16th District of Pennsylvania.

Ed was a fine man and an outstanding legislator. My sympathies go out to his wife, Kathryn, and his two boys, Bruce of Elton, SC, and Lee of Harrisburg, PA.

All Pennsylvania citizens and particularly those in the Lancaster area benefited from the years of public service by Ed Eshleman. Ed served Pennsylvania and the Nation at the local, State, and Federal levels with vigor and devotion. During his 10 years on the Education and Labor Committee, he became a nationally known figure in his efforts to improve opportunity in the area of education and personal development. He was a key figure in several efforts to improve America's system of education and his legacy in that field continues to live on.

I am proud that we saw fit to honor Ed by naming a post office building in his honor during the 98th Congress. It is so much more meaningful that Ed was with us and able to be recognized by this tribute to this long and generous service as a public servant. It is equally fitting that this House pay tribute to him for his dedication, loyalty, and concern.

Those of us who served in the Congress with Ed will long remember his contributions, both in office and in private life. We also will remember the personal warmth and cheer that he brought to those of us who consider him a friend. I speak for all of his friends when I say we will all miss Ed very much.

I wish to thank the gentleman from Pennsylvania, Hon. ROBERT S. WALKER, who was Ed's administrative assistant, for taking the time today to honor our friend.

Mr. GEKAS. Mr. Speaker, Congressman MCDADE has quite eloquently portrayed our acquaintanceship with our former colleague, Ed Eshleman, and I simply wanted to add to the record my recollections, all warm ones, of his service in the Pennsylvania General Assembly and in the U.S. Congress. He was a fine gentleman.

● Mr. YATRON. Mr. Speaker, I join with my colleagues today to help honor and pay tribute to a distinguished former Member of this body, the late and most esteemed Congressman Edwin D. Eshleman. My tenure in the House of Representatives overlapped with Congressman Eshleman's for four terms and I was also privileged to have served with him in the Pennsylvania General Assembly for 4 years. Our congressional districts were adjacent and we were thus close to many of the same issues.

Congressman Eshleman was first and foremost a teacher and throughout his public career he was known as a gifted educator and advocate of edu-

cation and higher learning. He shaped education programs at the State level and influenced the course of public education policy at the Federal level. An eloquent discourser, Congressman Eshleman was always depended on to reason through the problems and issues of our day and to articulate their solutions with a clarity and logic that made them readily apparent and easily implemented. The contributions Congressman Eshleman made in Congress and through all the years of an extraordinary public career are too great and numerous to measure. Their salutary effects have been long lasting and they will continue to help many in the years to come.

I am thus proud to join in praising the memory of our late distinguished colleague, in commending the value of his public service, and, in thanking him posthumously for all his life's work and beneficial achievements. I know I join my colleagues as well in a more poignant offering of condolences to Congressman Eshleman's wife, Kathryn, and their two sons.●

● Mr. HORTON. Mr. Speaker, I would like to thank my colleague BOB WALKER for arranging this special order to pay tribute to Congressman Ed Eshleman. I was privileged to serve with Ed and was deeply saddened to learn of his passing on January 11, 1985.

Ed joined us in Congress in 1966, having already served the people of Lancaster for 10 years in the Pennsylvania State Assembly. He brought with him a profound and sensitive understanding of the problems facing American education and a deep desire to improve the lives of his constituents and Americans across the country.

Recognized immediately as an individual with insight and perseverance, Ed was assigned to the Committee on Education and Labor. He rose to positions of leadership on two subcommittees and became a national spokesman and a recognized expert on postsecondary and select education.

Ed retired from Congress in 1975, but those of us who knew him knew that this would not be the end of Ed Eshleman's service to his home community. From his new vantage as citizen-scholar, Ed continued to shape politics in Lancaster until he succumbed to cancer.

Ed Eshleman established a standard toward which we all should strive. He cared deeply for his constituents and he worked hard to improve the lives and educational opportunities of all Americans. His death is a personal loss, and I would like to offer my condolences and best wishes to his wife Kitty, and his sons Lee and Bruce.●

GENERAL LEAVE

Mr. WALKER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore (Mr. FOLEY). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

THE AFRICAN FAMINE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New Jersey [Mrs. ROUKEMA] is recognized for 60 minutes.

GENERAL LEAVE

Mrs. ROUKEMA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mr. MITCHELL. Mr. Speaker, will the gentlewoman yield?

Mrs. ROUKEMA. I yield to the gentleman from Maryland.

Mr. MITCHELL. I thank the gentlewoman for yielding.

Mr. Speaker, drought in Ethiopia and 24 other African nations, has been and continues to be extraordinarily severe. Lasting as long as a decade in some regions, the scorching drought has laid waste to parts of central Africa, turning much of mountainous highlands there into a brown uninhabitable moonscape.

Relief workers in Ethiopia say that 1 million people could die there in the coming year. While Ethiopia has grabbed the world's attention, the crisis is much wider. The United Nations Food Agriculture Organization [FAO] has said that more than half the countries of Africa may need food aid in the coming year. Besides Ethiopia, there is famine to the point of starvation in parts of Sudan, Chad, Mali, and Mozambique. Severe hunger has also been reported in Zimbabwe and Zambia.

The images are becoming familiar around the world. Dying children with aged faces; holocaust-like camps where limp and almost lifeless human beings wait passively for bowls of gruel; stretcher bearers setting out at sunrise to collect the night's harvest of dead bodies.

Triggered by these haunting images, questions of blame and responsibility are being asked abroad with growing outrage: Did nature cause this horror or did man? Regardless of the cause, what continues to be baffling is that we are in on the threshold of the 21st century. With all of the technological advancements of man in our generation, how could this tragedy have been overlooked for so long? It is truly ironic that the continent that is credited for the origin of man, must suffer the consequences of neglect by his own.

Fortunately, the rest of the world is recognizing this crisis, and help is coming. For the 24 countries most seriously affected by the drought, an estimated 3.3 million tons of grain will be coming this year. About 30 international agencies and governments of the developed world have pledged 2.3 million tons of grain and a large share of additional contributions will come from the U.S. Agency for International Development.

A recent trip to Africa permitted me and my colleagues that accompanied me, to observe with striking clarity the devastating effects of famine on the people of that continent. Much of what we saw and learned reinforced my conviction that the United States must act swiftly to reduce the deadly toll of famine on the African Continent.

My colleagues and I returned home more committed than ever to making increased famine relief and recovery assistance for drought-ravaged areas of Africa an urgent legislative priority in the 99th Congress.

Mrs. ROUKEMA. I thank the gentleman for his comments.

Mr. Speaker, I yield to my colleague from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker. I want to thank my colleagues, Congressman SILVIO CONTE and Congresswoman MARGE ROUKEMA for scheduling this special order to bring to the attention of this body and the public the severity of the hunger situation on the continent of Africa.

As we stand here today, the worst human disaster in recent history is happening in Africa. Estimates run as high as 35 million people—a number equal to one-sixth of the population of this country—are directly affected by the drought conditions on the continent. United Nations officials have also estimated that up to 23,000 people may die each day unless relief is found. At that rate, the number of Africans who will die in 1 year might equal the number of residents in New York City.

The American response to this tragedy has been overwhelming. The American people, as is often the case, have responded quickly and generously to the threat of starvation. According to a January 1, New York Times article, the American public had donated more than $40 million in 2 short months for aid to starving Ethiopians through various private relief and development agencies. The U.S. Government has also responded by providing approximately $370 million in emergency aid to the continent of Africa since October 1, 1984.

So why with this outpouring of support through the generosity of our citizens and our Government are we here today expressing our concerns about the ever-worsening conditions in Africa? Because we are not doing enough. It is extremely hard for those of us in the United States to come to the stark realization that despite our ever-increasing efforts, we have not been successful in our fight to combat world hunger. As an example, 10 years ago, member nations of the United Nations made a historic commitment to eliminate world hunger within a single decade. However, today, even though those member nations are still committed to that goal, there is even more hunger in the world.

In the early 1960's, President John F. Kennedy laid out two goals for this Nation: One was to get a man to the Moon before the end of the decade, which we did. The other was to eliminate hunger "within our lifetime." Unfortunately, that goal is as elusive today as it was then.

How can this be? America is recognized as the world's breadbasket. In my own congressional district in Maryland, lies the world renowned Beltsville Agricultural Research Center. The Center is primarily responsible for research leading to increases in food yields. Scientists test new fertilizers which may aid food production efforts in the more arid parts of the world, such as the Sahel region in Africa. Elsewhere throughout our Nation and our world, efforts have been and will continue to be made to alleviate world hunger. Yet we are still behind in our efforts. As an example, Africa is the only continent in the world that grows less food today than it did 20 years ago.

The United States has shipped to the country of Ethiopia alone approximately 276,000 metric tons of emergency food pledges since October 1. Yet it is estimated by the United Nations that the total food deficit of the 20 drought-affected countries for the 1984–85 crop year is 6.8 million metric tons of cereal grain.

We can't stop the suffering completely, we all realize that. But we also cannot sit idly by and do nothing, for if there is any central theme to the great religions of the world, it is for each of us to have as our principal objective to reach out to feed the hungry, uphold the poor, and love one another—that is what this hunger issue is all about, and there can be no greater moral imperative for us all.

In view of the severity of this problem, I would like to commend my colleagues Congressman MICKEY LELAND, chairman of the House Select Committee on Hunger, and Congressmen HAROLD WOLPE and TED WEISS who have worked with Congressman SILVIO CONTE and Congresswoman MARGE ROUKEMA in crafting a bipartisan bill, H.R. 1097, to alleviate the suffering in Africa. Through this initiative, we can move toward relieving and eliminating the scourge of hunger that afflicts too many of our fellow men and women.

Mrs. ROUKEMA. Mr. Speaker, as we gather this afternoon millions of people on the African Continent are suffering in the midst of the worst drought of the century. Famine and the diseases fostered by famine are decimating an entire generation of Africans.

Together with the gentleman from Massachusetts [Mr. CONTE], I have reserved this time today for a special order on the Africa famine. This is an opportunity for Members of this House to express their deep concern for the tragic situation unfolding on the continent of Africa and for the need for timely and sufficient emergency food aid to its many victims.

I would like to use my time to relate some recent experiences of my own.

It certainly is not every day that one feels like crying in the midst of a family grocery shopping trip.

No words can adequately describe the outright sense of mourning that overwhelmed me when, 48 hours after returning from a factfinding trip to Ethiopia, I visited my neighborhood supermarket. My senses and my memory were assaulted by the cornucopia we Americans take for granted.

It was late November, and I had just been transported from the richest nation in the world to the poorest of the poor and back again in less than 1 week. As I stood in that supermarket I experienced severe "culture shock."

Just a few days before, I had been standing in the middle of an Ethiopian refugee camp. At every turn, a child tugged at my skirt, imploring, "Sister, Sister!" I stood helpless in the face of the pleadings of famished mothers and emaciated fathers. The stench of death was everywhere.

The sounds, the smells, and the sights of mass starvation, deprivation and disease jolt one's sensibilities and release emotions long repressed. Such an experience transforms the way one looks at the world, perhaps forever.

This human catastrophe has been vicariously experienced by millions of people around the world as the media have vividly portrayed its gruesome reality in our living rooms. Reams of newsprint and hours of newstape have seared our souls with the tragic drama unfolding on the African Continent.

All of this gives new meaning to the 17th century words of John Donne: "No man is an island * * * Any man's death diminishes me because I am involved in mankind; and therefore never send to know for whom the bell tolls; it tolls for thee."

America's humanitarian tradition seems to spring from Donne's words. We answer the query of Cain, "Am I my brother's keeper?", with a prayerful, "Yes."

Indeed, our country's response to this human catastrophe has been exemplary. At President Reagan's personal insistence, our official efforts have been second to none in the international community. The characteristic generosity of the American people has manifested itself in an outpouring of contributions to the various private voluntary relief agencies.

However, to stem the tide of death and disease more aid, from both the Government and the private sectors, will be required from the United States and the international community over the months and years ahead. Aid knows no politics when the misery of hunger threatens a continent.

Clearly, the need has outpaced our budgeted resources. This crisis has drained our Government's emergency drought and famine relief fund. Emergency feeding operations will be severely hampered if new resources are not available and programmed in the next few weeks. Thus, this Congress must fashion a fast-track and approve an emergency supplemental appropriation.

H.R. 1096 is a bipartisan compromise measure to provide such fast-track assistance. My colleague, Mr. CONTE, at this very moment is working in a markup in the Appropriations Committee to see it that this emergency supplemental comes before the Congress quickly.

While I do have persisting concerns about the aid efforts, I am not worried about Congress' response. We will respond, and we are doing everything possible with concerned colleagues on both the Appropriations Committee and the Foreign Affairs Committee to ensure that this response is neither a dime short nor a day late.

Were Mr. CONTE here, he would go into an explanation of the details of our compromise. It is a package of $701 million. It is divided between immediate food aid and nonfood aid of a developmental and refugee and rehabilitative nature.

Mr. Speaker, at this point I insert in the RECORD the details of H.R. 1096:

FACTSHEET: THE AFRICAN FAMINE RELIEF AND RECOVERY ACT OF 1985—H.R. 1096/1097

Food aid, $526.5 million.
Non-food aid, $175 million.
Total package: $701.5 million.

1. EMERGENCY FOOD AID—$526.5 MILLION

A. Provides $526.6 million in title II, P.L. 480 assistance. Includes money sufficient for acquisition and transport to port of 1.1 million metric tons of food (@ $360 per metric ton), with the remainder to be used for internal transportation costs (approx. $133 million, one-half of such costs).

B. Directs the President to use existing authority to meet remaining need (approx. 200,000 metric tons). Legislation addresses total emergency food aid need for the re-

mainder of FY 1985 at 1.3 million metric tons.

2. DISASTER ASSISTANCE—$137.5 MILLION

A. $110 million to be used for relief, rehabilitation, and recovery projects, including providing seeds, farm implements, blankets, clothing, water projects, etc. of the total used for just rehabilitation and recovery projects, not less than 80% shall be provided as grants to PVO's and international organizations in carrying out such projects.

B. Not less than 18% of the total ($25 million) to be used for emergency health care projects.

C. $2.5 million is appropriated to increase food aid monitoring and help prevent diversions of assistance. The President is also directed to take any additional steps deemed necessary to ensure that U.S. assistance is provided to those for whom it is intended.

3. REFUGEE ASSISTANCE—$37.5 MILLION

A. Not less than 54% of this total ($20 million) is made available for the U.N. Development Program (UNDP) Trust Fund for projects proposed at the Second International Conference on Assistance to Refugees in Africa (ICARA II). These projects address immediate development needs, primarily agriculture-oriented, created by refugees and displaced persons in famine-affected African countries. These projects are ready for implementation and awaiting funding.

B. The remainder of this total ($17.5 million) is appropriated for use by the State Department's Bureau of Refugee Programs.

4. MID-YEAR NEEDS ASSESSMENT

A. Not later than June 30, the President is required to report to the Congress with an assessment of the African food and disaster assistance needs for FY 1985, together with a projection of the total funding required to provide an appropriate U.S. contribution toward meeting those needs.

B. If current funding levels are insufficient to meet the desired U.S. commitment, the President is urged to request supplemental funding sufficient to accomplish that purpose.

This bill is closest to the mark in calculating a realistic estimate of the need. We can reasonably assure Congress and the American people that this emergency aid bill will forestall the need for additional emergency legislative actions later this fiscal year.

While I do have persistent concerns about the aid efforts, I am not worried about Congress' response. We will respond and I am doing everything possible, along with my concerned colleagues on the Appropriations and Foreign Affairs Committees, to ensure that this response is neither a dime short nor a day late.

While attention remains riveted primarily on the emergency humanitarian requirements, there are emerging policy concerns of equal importance and more enduring consequence. First among them are the impediments fostered by civil strife and ruthless Government action that are unnecessarily slowing the delivery of food.

In addition to the certified evidence of Ethiopian Government seizure of Western food shipments at the Port of Assab, reports persist of Ethiopian Government attacks on food convoys and refugees. Actions such as these only underscore the need for the international community to exert more influence over the actions of the Ethiopian Government. Short of withholding food shipments we must use all moral suasion possible to gain the agreement of the Ethiopian Government and other affected groups to ensure safe passage of food aid delivery vehicles and personnel. Clearly, the United Nations and the International Red Cross could supervise these deliveries in a neutral manner.

Safe passage would be a major humanitarian breakthrough in the improvement of food delivery to those in dire need as well as a means to reduce the costs of transportation which are rapidly becoming prohibitive.

I am not suggesting that we seek to intervene in the domestic politics of a sovereign nation. However, our food aid must not be used as a political weapon. At present, the full weight of the international community has not been brought to bear on the Government of Ethiopia. For example, the United States should call upon the Soviet Union, which thus far has been recalcitrant, and the United Nations, which has been less than diligent in this area, to use all diplomatic means possible on behalf of the suffering millions. The United States should lead by bringing the bright spotlight of world opinion on the Ethiopians and the Soviets to obtain their cooperation.

By agreeing to safe passage, the Ethiopian Government could move to restore a measure of goodwill in the world community and gain credibility for its resettlement program which is falling far short of its targets in restoring the nation's agricultural economy.

Accommodation in this vital area would also establish a foundation for future cooperative long-term development aid, which is essential if Ethiopia is to become economically viable. Continued dependency on short-term emergency relief erodes its economic and agricultural base, degrades its ability to become self-sufficient and relegates the nation to a state of eternal hand-to-mouth existence.

Indeed, not only Ethiopia, but all of sub-Sahara Africa is in such jeopardy. We must look beyond today's humanitarian imperative. We who have eyes to see and ears to hear observe the political, strategic, and economic importance of the continent and its population. If these millions are impoverished they hold the seeds of a future harvest of continued political and social unrest and threaten the vital geopolitical and stragtegic concerns of the West.

Therefore, it becomes even more important that we bring the benefits of a new "Green Revolution" to Africa. The United States has traditionally supported African development through the transfer of agricultural technology and aid assistance. Indeed, our participation in the World Bank's International Development Association and the United Nation's World Food Program, International Fund for Agricultural Development and the Food and Agriculture Organization, has created many local success stories. These programs remain crucial if the momentum of agricultural innovation is to continue.

However, without fundamental changes in the agricultural, economic, and population policies of the various African governments, the seeds of progress sown by agricultural innovation will fail to flower. We must work to change the ill-conceived and regressive perceptions of governments that view agriculture as the primitive sector of their economies to be tolerated and taxed solely for the benefit of the urban and industrial sectors. Only when this antiagricultural mindset of postcolonial Africa changes, can genuine progress be made toward the elimination of the conditions that foster these catastrophic famines.

Historically, America's abundant resources and moral leadership have been the world's fortress against hunger. American political and economic innovation provides a beacon lighting a brighter future for a dark continent and the only response to John Donne's admonition "Do not ask for whom the bell tolls. It tolls for thee."

Mrs. ROUKEMA. Mr. Speaker, at this point I yield to my colleague, the gentleman from Michigan [Mr. PURSELL].

Mr. PURSELL. Mr. Speaker, first, I would like to compliment the gentlewoman from New Jersey for an outstanding piece of work and leadership on her trip to Ethiopia and her leadership in initiating the compromise and working with our Appropriations Committee in respect to assistance to not only Ethiopia but Africa itself and other countries.

I had the occasion to travel to Africa during the first Reagan years and, in fact, had a protocol on the Republican side and had an opportunity and the honor to meet African leaders in respect to Rhodesia, Tanzania, Somalia, and some of the other countries, and witnessed on our tour with our congressional delegation, on behalf of the Appropriations Committee at that time, the famine and the concerns that we had as a nation, the leader of the free world, in respect to assisting our colleagues in Africa as well as other countries aside from Ethiopia.

I am today in the well to address a specific issue which I am excited about. A group in our congressional district, along with the University of Michigan, private, high-tech people, have come to me and asked me to take

a look at what we call remote sensing devices, in which we can track water tables and look at some high technology in a country like Africa and Ethiopia to assist that nation, through our Agency for International Development, under the leadership of Peter McPherson, who is a Michigan man himself, and I have recommended to AID that they take a look at our proposal on this sensing high-tech project in recommending to the subcommittee and not the supplemental that is being marked up at this hour, as you nicely mentioned today, but for the full foreign aid appropriation bill that will be subsequently before the subcommittee and full committee later in the spring and summer, in which we will present testimony looking at this project in order to assist developing a long-term solution to this crisis rather than just spending dollars, a quick fix, which is important, nevertheless, and I support the appropriation effort and your leadership, but I want to be very careful in saying constructively, in developing public policy, that we ought to look at the long-range problem of not just this famine but subsequent famines, because the history of Africa is very clear, because of population problems and the movement of tribes and individuals, nomads, and the arrangement of the land itself and the terrain and the seasonal climate that they have to deal with, that it is not just an economic or political problem, in the sense of who is in the government and has power, in terms of refugees and the governmental conflicts that are now existing in various provinces, but more importantly I think the long-term concern that I have is addressing a solution that we could constructively help, through our appropriation process in the Congress and the leadership of the gentlewoman from New Jersey, to find a long-term solution to a problem that is critical for Africa and maybe other parts of the world.

I just wanted to briefly outline that proposal. One of the most promising avenues of assistance is to use America's technological leadership to help African nations find new sources of water.

I am supporting the famine prevention project being organized by a group of our leading companies in the field of remote sensing technology. They propose to use their instruments and analytical skills to detect potential underground water sources.

Now, how does remote sensing work and how can it be of help?

Working much as oil companies do to find drilling sites, these scientists can use various satellites and airplanes to analyze oil and determine the most likely places to find water.

Maybe this is potentially helpful in the West and to some of our southern colleagues who are having water shortages, rather than trying to attempt any water diversion from the Great Lakes.

Anyway, an analysis of surface temperature variations is the most promising method of detecting possible water reservoirs.

Other techniques include patterns of vegetation, soil composition and surface features which may indicate hidden water deposits.

I reemphasize that: Hidden water deposits that are in and have been located, to some extent, in Africa, by previous remote sensing technologies. But I want to emphasize that it has not been intensive enough to really constructively integrate the technology into the government and the private sector and the public sector, through our AID organization, as well as the leaders of Ethiopia and other countries.

So if enough water can be found and developed, it might be possible to break the cycle of drought and famine in Africa.

I propose the following: That leaders of the famine prevention project be allowed to testify before the appropriate congressional committees on their long-range proposal.

I will invite them, through the subcommittee chaired by DAVID OBEY, and Representative JACK KEMP, of our subcommittee, to make that presentation during our congressional hearing.

Next, that Congress consider alternatives to encourage long-range plans to prevent drought and famine.

That one plan that we could do would be to earmark a portion of our relief dollars. As a fiscal conservative, I suggest that we do not always have to add money. We can take the existing appropriation and use earmarked funds and set aside some dollars for a high-tech project. We could do that in order to bring about this high-tech project, in terms of our long-range solution, and that such proposals would not involve new spending, to any extent; that we would agree on a fixed figure, as you have in the compromise, that we would keep it within the framework of those dollars, because of the deficit and what we want to do to achieve a balanced budget in this nation, along with trying to help our fellow brothers.

In the course of my work in the Appropriations Committee, I visited Africa, of course, as I indicated, and I think a project like this deserves some attention by the subcommittee. I will offer that leadership with your help and with the Members and colleagues who are speaking today who have an intensified, sincere effort to lead this nation to the support of any-long-term solution as well as the short-term problems that now exist in Africa.

□ 1350

I remember my former superintendent of schools, Russell Isbister—God love him—who said to me as a young man when I was a county commissioner that "We are not our brother's keeper; we are our brother's brother."

I think that is important to remember here, that as a leader of the free world we act not just in our self-interest but act to help the free world so that we can make a major contribution in solving the long-term problems of famine. That is a constructive policy I would like to help provide with your leadership on this project.

Mr. Speaker, I thank the gentlewoman from New Jersey for yielding.

Mrs. ROUKEMA. Mr. Speaker, I thank the gentleman, and I appreciate his focus of attention the next step, which is, of course, long-term development if we are to keep these tragic nations from living a hand-to-mouth existence.

Mr. Speaker, I yield now to my colleague and friend, the gentleman from Missouri [Mr. EMERSON], who as a member of the Select Committee on Hunger accompanied us on the trip to Ethiopia.

Mr. EMERSON. Mr. Speaker, may I ask the gentlewoman from New Jersey to yield first briefly to the gentleman from Virginia?

Mrs. ROUKEMA. I yield to the gentleman from Virginia.

Mr. WHITEHURST. Mr. Speaker, I thank the gentlewoman for yielding, and I wish to just take a moment to say that I have listened to the dialog and salute the gentlewoman from New Jersey for what she is doing. I want her to know that she can certainly count on my support.

Mrs. ROUKEMA. Mr. Speaker, I now yield to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Speaker, I rise today to join with my colleagues to discuss the famine in Africa, particularly in Ethiopia, and I compliment the gentlewoman from New Jersey [Mrs. ROUKEMA] for her leadership in giving us this opportunity.

As a member of the Select Committee on Hunger, I traveled with the gentlewoman from New Jersey [Mrs. ROUKEMA] and other colleagues to Ethiopia in November 1984. During that trip the select committee toured relief camps for famine victims and met with United States and Ethiopian Government officials, as well as the private voluntary organizations providing relief efforts. As you may be aware, about 10 million people are at risk due to the drought, and thousands have already died.

The select committee found some progress in several areas. When we arrived on November 24, there was a great concern over a possible shortfall in food supplies from December through mid-January. While we were there, the chairman, the gentlewoman from New Jersey, and our delegation

cabled the AID Administrator, Mr. McPherson, and our President to request that an additional 10,000 metric tons of fortified foods be sent to Ethiopia to help cover this projected deficit. AID was able to divert a ship that was bound for India, got it pointed out of the Indian Ocean and into the Red Sea. At the same time, large new commitments were finalized by the World Food Program and other Western donors which will fill this gap. In addition, the administration announced its intention to tap the International Wheat Reserve, thereby freeing up 300,000 tons of additional source of disaster assistance for Africa.

The logistics of transportation and distribution in Ethiopia seem to have improved somewhat. The Ethiopian Government has increased its capacity to handle shipments coming into the ports and then transporting them to feeding centers around the country. These shipments are being processed faster at the docks, and more trucks are now available. Assessments are being made of how to improve the transportation and distribution systems when increased shipments arrive in 1985.

We closely explored the question of whether our aid was in fact reaching those in need and not being diverted. The private voluntary organizations assured us that the food provided by the United States was being distributed properly. The Agency for International Development has expanded its operations in the country.

Administrator McPherson has directed the placement of AID field personnel, and they are stationed at the American Embassy, working in conjunction with the Ethiopian Government's relief and rehabilitation commission. AID has monitors to constantly check on the distribution of food shipments.

During our visit we met with a number of Ethiopian officials, including Chairman Mengistu. We exchanged frank opinions on the need for improved government-to-government relations. In December 1984, the congressional delegation met with President Reagan to report to him on the situation as we witnessed it. We stressed that the United States can be proud of its response to this human catastrophe.

The food assistance is beginning to alleviate the crisis, but more will be needed from the United States and the international community, and certainly from the private groups who are doing such a splendid job there.

According to AID reports, over 900,000 metric tons of emergency food aid have been provided to sub-Saharan Africa by the United States. This figure is over and above the regular Public Law 480 food Programs. The total U.S. contribution to sub-Saharan Africa, approved so far for fiscal year 1985, is 1.9 million metric tons valued at $603 million.

Private donations have increased as well. According to Interaction, the American Council for Voluntary International Action, the 15 major relief agencies operating in Ethiopia have received $60 million for relief efforts in that country.

There is no question in my mind as to the need for additional aid for Ethiopia and the other African countries affected by the famine. However, I want to stress the need for caution and accurate assessments of both the extent of the need and the ability of the governments and other organizations within the famine-affected countries to absorb the donated food and to contribute toward a reversal of the factors at the root of the problem.

Correction of the problem of Africa's shortage of food will come by encouraging African farmers to produce more food by modern techniques and by increasing the ability of the poor to purchase these products.

Several of the policies of the governments in question act as a disincentive for domestic food production and inhibit such food production, private sector activities encouraging economic growth are not adequate, and insufficient attention is given to basic human needs such as education and training.

So our attention today is focused on the emergency need in Africa. It is there, and the United States has been and will continue to be a most generous contributor of aid. It is my hope that we will also be able to contribute to the permanent reversal of the causes of the famine-related problem in sub-Saharan Africa.

I have said many times in reports that I have given in and around my district since we have returned from Ethiopia that you really cannot verbally describe the situation there. A lot of pictures were taken, and as I look back on those pictures, they do not really reveal the whole story. This situation is something you really have to see, touch, feel, smell, and hear to grasp the dimensions of it.

I think that we came back from Ethiopia with a lot of impressions that will be with us forever. But one of the most compelling impressions on me was the fact that the country, at least the famine area to which we traveled, is lacking in an infrastructure, and I do not think that problems of that sort can be overcome overnight. It is not that we and other humanitarian nations of the Western World cannot provide the famine relief. The question is, how much really, given the logistical limitations, can they absorb?

I think, as we address this problem this year, we have to be very careful in our assessment of that factor. I also think, in terms of the actions that the U.S. Government may take, that we have got to be very careful to not give the impression to the rest of the world and certainly to our own citizens that the United States is going to wave a magic wand and everything is going to be all right. I think that we have got to do what we need to do, and I think AID is in the best position to assess what we should do and what we can do, but I think we should not let the rest of the Western World off the hook.

□ 1400

I think they, too, have an obligation to participate with us in relieving this tragic stituation.

Finally, I want to say that I do not want our Government to do anything that is going to diminish the efforts of the private relief organizations that are doing such a magnificent job here. These organizations have the expertise to sensitively administer humanitarian aid. They are the real experts in the field. We know that over $60 million has been contributed in recent months through private sources, so we do not want to give the impression that the U.S. Government is going to handle the whole thing, because I think some of the best efforts that are taking place there are those that are being made by the private relief agencies, such as Catholic Relief Services, Lutheran World Services, World Vision, Bread to the World, and many other church groups and private organizations. We really need to encourage them and we need to encourage our own citizens to participate directly.

I think one of the things the gentlewoman and I are glad to be able to give some assurances on, because we had the assurances from the organizations that are operating there, is that money contributed by our constituents for famine relief actually goes for famine relief and that the administrative costs are handled in some other manner, but they do not come out of the direct contributions that our people are making.

I thank the gentlewoman for yielding.

Mrs. ROUKEMA. Mr. Speaker, I thank my colleague, the gentleman from Missouri [Mr. EMERSON].

I want to stress two points that the gentleman made. One is the world contribution. We have set as our historic portion of the contribution for humanitarian aid a 50-percent level and that is consistent with what I think it should be.

Mr. McPherson, our AID Administrator, has already set up, and I believe it is in May, I am not sure about the date, but he has set up a conference in Europe of donor nations to assure precisely that the other industrialized countries in the European Common Market and Japan will do their fair share and we should stick to that proposal.

Second, I want to endorse everything the gentleman from Missouri said about the private voluntary organizations. They have a proven record of aid going directly to the people. They know how to work in these countries. They know how to assure deliveries and they are our best hope and they are the agencies through whom we should be directing our assistance.

I thank the gentleman very much.

Mr. Speaker, I yield to my colleague, the gentleman from New York [Mr. MOLINARI].

Mr. MOLINARI. Mr. Speaker, I would like to thank Congresswoman ROUKEMA and Congressman CONTE for reserving this time and join my colleagues in expressing my concern over the famine that is affecting millions of lives throughout sub-Sahara Africa. At the same time, I commend the Agency for International Development for the relief work it has done since the beginning of fiscal year 1985. The United States has already far surpassed the record amount of food aid that was donated in fiscal year 1984.

The African famine is not a recent development; rather it has been building for a number years. In November 1983, I served as the congressional adviser to the World Conference of the Food and Agriculture Organization, an agency of the United Nations. At that conference, the issue which received the most attention was the drought in Africa and the severe famine which was a result of that drought. In a land such as Africa, which has few resources even in normal circumstances, this is particularly devastating.

When I returned to the United States, I committed myself to do whatever I could to ensure that our Government responsed in a timely and effective manner.

Although a few Members of Congress were aware of the situation in Africa at that time and actively involved, the issue had not yet caught the attention of the public in general. Just 1 year ago, on February 21, 1984, I joined five of my colleagues at a press conference which was held to draw attention to the famine in Africa and the need for passage of a supplemental appropriation in order to continue U.S. food aid to those starving there. Eventually, the supplemental was passed, but the famine quickly faded from the minds of most people, both here on Capitol Hill and elsewhere.

Now, thanks to extensive media attention, the famine in Africa and particularly Ethiopia, is an issue that has remained at the forefront of American concern for several months. Once people saw the extent of a famine which has placed millions on the brink of disaster, Americans responded by opening their hearts and their pocketbooks. They have contributed over $60 million of their private funds and are calling upon us to ensure a continued response by the U.S. Government.

Unfortunately, this year, as last, we are facing a crisis in the level of funds remaining in our Food Aid Program. AID has done a remarkable job in obtaining funds from any possible source but funds for this fiscal year will soon run out. Several weeks ago, a deadline of March 1 was given as the date on which, without additional funding, our Food Aid Program would be interrupted. That date is approaching all too quickly.

Last year, the House Appropriations Committee moved in a few hours to approve $150 million of additional food aid. I urge them to act as quickly this year. The original supplemental last year was held up for months as funding for more and more programs was added to it. That cannot happen again this year. If anything, the situation is even more critical.

As you know, various proposals for food and nonfood aid for Africa ranging from $235 million to almost $1 billion have been offered. I am confident that the United States will continue to contribute at least its fair amount to the African relief effort. Traditionally, our share has been one-half of all donations. In fact, that is the goal of the various legislation which has been offered.

Timely passage of a supplemental appropriation is as important as the amount contained in the supplemental. I hope we can all work together to accomplish our goal of continued assistance to those in Africa who are in desperate need. The entire Nation is now familiar with what is at stake and we must act quickly to avert further tragedy.

Mr. Speaker, I would just like to make some further comments on the package that the gentlewoman has put together, which I think should be noted.

Emergency food aid in the package that is now being deliberated would amount to some $526 million. We should understand that of that amount, $133 million will be expended just to transport overland the food that this country is sending, so when we talk about dollars, we must remember that the dollars that we are spending are not merely to purchase food aid. We have in that wonderful package $137 million for disaster assistance to be used for such things as relief, rehabilitation, seeds, farm implements, blankets, clothing, and water projects.

One figure that does not seem to be a very sizable figure, but I think one of the most important elements of the package, is that $2.5 million is appropriated for the monitoring of the transportation to be sure that the food gets where it is supposed to get and to prevent diversions of assistance. I understand that funding will be used to hire additional AID personnel.

I think, Mr. Speaker, that this country is responding in a responsible manner and we are doing more than our fair share, which is the history of this great Nation.

I thank the gentlewoman very much.

Mrs. ROUKEMA. Mr. Speaker, I thank the gentleman and I yield to my colleague, the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Speaker, I thank the gentlewoman for yielding to me.

First of all, I want to express my appreciation to the gentlewoman from New Jersey for taking this special order to focus on this really very critical, critical problem, and, second, to give her full commendation and credit for the role that she has played in helping to forge a bipartisan compromise over the course of these past months which will result hopefully in the early part of next week in a very significant African famine relief bill going through the House of Representatives, hopefully to be followed almost immediately by action in the Senate.

Yesterday, the better part of the day was spent with the gentlewoman from New Jersey [Mrs. ROUKEMA], myself, and the chairman of the Africa Subcommittee, the gentleman from Michigan [Mr. WOLPE], the gentleman from Massachusetts [Mr. CONTE], the gentleman from Texas [Mr. LELAND], and all of our staffs appearing before the Foreign Affairs Committee and the Appropriation Committee's two subcommittees dealing with this matter. The remarkable thing is that this was an issue which really had no partisan politics involved in it whatsoever. We came before the committee with a package agreed upon between Members of both parties. Because of the kind of presentation the gentlewoman was able to make with us at the same time, there was just no question but that there was a united effort in this House to get the relief to the people who are on the verge of starving, far too many who have already starved, and because of the gentlewoman's efforts, combined with others, I think we have seen the kind of rapid action in this House which is not often seen. So I want to give her full credit for the role that she has played and hopefully we will be able to join together and undertake efforts of this kind in the future for the well-being and betterment of humanity, whether in this country or elsewhere.

Again, my very, very sincere thanks to the gentlewoman.

Mrs. ROUKEMA. Well, the gentleman is very kind, I say to the gentleman from New York [Mr. WEISS], but I think equal if not more credit goes to the gentleman from New York and his colleague, the gentleman from Michigan [Mr. WOLPE] on the Foreign Affairs Committee for the initiative and

actions of the gentleman from New York. The gentleman has been discussing this problem for months, if not years, and to a large extent, the actions we are now seeing are the cumulative results of the gentleman's efforts and I thank him for his help.

Mr. WEISS. I thank the gentlewoman so much.

Mrs. ROUKEMA. Mr. Speaker, I yield to my colleague, the gentleman from Wisconsin [Mr. GUNDERSON].

□ 1410

Mr. GUNDERSON. Mr. Speaker, I am not going to take a great deal of time here this afternoon; I think there is so much that has been adequately said already. I do think that I must join, however, with everyone else in a special commendation to the lady from New Jersey for her leadership and efforts in this regard.

It is so easy for all of us to become involved and committed from an emotional perspective to what we have seen on the evening news. I think, however, it is a much different thing to try to develop that emotion and channel it into a rational and proper public policy in the real world in which we live, and I think you've tried to do that, and have done it successfully, and I mean that sincerely.

Mrs. ROUKEMA. I thank the gentleman.

Mr. GUNDERSON. Mr. Speaker, I would like to just make three comments outside of my remarks I am going to submit for the record.

My first and foremost needs to be reemphasized, from the distinguished Prime Minister this morning, when she talked about Africa and its famine, and who was providing aid and who was not; we had better not lose sight of the fact that the United States alone is committing up to 50 percent of the food relief needs in the entire continent, and when you add the other countries of the West, I think quickly we recognize in the great East-West dialog and competition of ideas and ideology we have, who really is committed to helping people; who is committed to sending arms.

The second point that I want to make is a point which I hope this Congress can consider from an aside, outside of this issue—but I think this issue has very great significance and lessons for us all to learn.

Clearly, Africa is in the problems it is today because of drought. But let us not underestimate that many of their problems are also because of mismanagement of farm programs and inadequate government policies.

As we go forth with the development of a farm bill in dealing with our own agricultural problems in this country, I hope we will keep that in mind and never lose sight of our need for a food policy in the United States.

The third thing I want to bring up is something that I think is important when we deal with famine relief. It is easy to talk about the need for economic assistance to provide the food and the transportation. When we talk, as they have earlier today about the $160 million, I believe it is for transportation, then I think we have to ask ourselves the question of, how do we provide that food? Not just, do we provide dollars but how can we best do it?

I would like to suggest that the United States has a unique role there, and I would hope that our AID people, that our Department of Agriculture and others would recognize that as we channel our Public Law 480 money and programs into this, we, in the United States, have a very special task, not only to provide the cereals—I am all for providing the cereals—but equally important, to provide the processed, fortified food.

If you will take a look at any of the studies or, as our colleague from New Jersey and others have done, to visit these camps, you will find that most of the people who tread over miles and miles to get to a food camp arrive there very malnourished, very sick as a result of this; they are in need of concentrated doses of high protein, of high calorie supplemental food.

Second, I think when you look at the scarcity of the food cooking materials, what we need to do is provide some type of food which, with a minimum of cooking, with a minimum of water, with the minimum of preparation will be able to provide that particular protein substance that is so essential.

Third, when we look at countries such as Ethiopia with their problems in transportation; their security problems due to the civil war, their rugged terrain, et cetera, I think then it becomes incumbent upon us as we recognize the difficulties in keeping that food chain open that we put a special emphasis from the U.S. perspective in providing high protein, high caloric food commodities which will give the most nutrition per pound of food that is transported.

Now why do I say all this? I say it because the United States, unlike any of the other countries providing food assistance to Africa, has a special opportunity in that we have the processed foods. Most of these countries cannot do that; they can only provide the cereals in their basic forms.

We produce, through our Public Law 480 program, the processed foods, and I would hope that as we go forth with this, we do not only provide the dollars; we do not only provide the transportation but we also take the leadership in how those dollars, how that food is provided that is of the most benefit to the people in the area.

Again, I want to commend the lady for her work, and I commend to her colleagues who are listening and to the American public as we debate this special supplemental and as we try to move forth, let us deal with a rational public policy perspective and not just the emotions, because I think they have succeeded in bridging and uniting those two concerns.

Mr. Speaker, the world is faced with a catastrophic disaster in Africa to an extent that both immediate short-term and extensive long-term responses are required from the community of nations. But it is the United States which is uniquely qualified to respond to this drought and famine which has devastated much of the African continent.

The bleak facts have been presented on the front pages and covers of our major newspapers and magazines, and brought right into our homes by the evening news, yet they bear repeating. Twenty countries are experiencing food shortages resulting from 3 years of drought, and widespread death is occurring in a number of these. The total food deficit for these nations for the 1984-85 crop year is estimated by the United Nations at 6.8 million metric tons of cereal grain; the drought is estimated to affect some 150 million people.

Unquestionably, these facts dictate that an immediate short-term response to the hunger problem be undertaken by the world. Clearly, large quantities of food and nonfood assistance are required.

I recently had the opportunity to discuss the famine with Mr. John Wise, a representative of a Wisconsin milling firm, who had gone to Africa to view conditions firsthand. Mr. Wise concluded that the United States opportunity and ability to respond to the famine is unique. Frankly, ours is one of the few countries in the world with the food surpluses and ability to produce enriched foods which these starving Africans can consume. In addition, the demand for these enriched commodities is increased by the circumstances of the drought and famine.

In Ethiopia for example, the people arrive in food camps after walking as much as 30 miles and, as such, in extremely malnourished condition. The scarcity of fuel and water for cooking also necessitates food with minimal preparation requirements. Finally, small children are particularly vulnerable to malnutrition and disease caused by famine and thus require highly nutritious foods.

It is our enriched foods which can quickly respond to these needs. The efficiency of American agriculture provides the raw materials for foods such as CSM—a corn, soy, and dry milk mixture—which is high in protein and of high caloric content. And our Government already has a range of these foods available for aid through the Public Law 480 Food for Peace Program.

The sponsors of today's special order, and concurrently the sponsors of H.R. 606, are to be commended for their prompt response to the immediate famine problems we confront in Africa. While the original bill would provide a $628 million supplemental, it is my understanding that the Foreign Affairs Committee has reported an amended version, supported by Representative ROUKEMA and Representative CONTE, providing $701 million in total assistance. The increase has been provided to cover higher transportation costs as determined by the Agency for International Development.

This supplemental is important because it will meet the American objective of providing 50 percent of the nearly 3.9 million metric ton food aid needs of the famine nations. The legislation is complete in that it also provides $175 million for nonfood relief assistance such as emergency shelter, medical care, and refugee programs.

Clearly, the passage of authorizations and appropriations for this supplemental aid is a near-term priority for Congress and the starving people of Africa. I urge my colleagues to support it.

Finally, we must also consider the long-term problems which will continue to face the African Continent. We must, in the future, address the system and deficiencies of Afrcian agriculture which have permitted this famine to occur. If we do not do so in a manner which will allow Africa to provide itself, supplementals such as this may confront us again and again.

For now, what we are doing is necessary and the least we can be asked. Already our Government's response, through steps taken by the administration, has been generous. We should now meet our further responsibilities by completing our obligations to world society and the people of Africa.

Mrs. ROUKEMA. I thank my colleague from Wisconsin, and I would like to point out, of course, that as you know, this year we will, the Congress will be addressing the question of reauthorization of the Public Law 480 program in the farm bill; that will be a unique opportunity to address some of these very valid concerns of yours.

Also, on the Committee on Foreign Affairs we will be reauthorizing a foreign operations bill which also can be the vehicle for addressing these real problems of infrastructure, agricultural and economic innovation, development innovation that America is so uniquely in a position to provide for Africa, and create another green revolution for the continent of Africa so that we will not have these persistent cycles of famine and devastation.

Mr. GUNDERSON. Just a quick comment in that regard.

Mr. Speaker, anyone who looks at hunger anywhere in the world will quickly discover you will never solve the hunger problems until you solve the poverty problem, on any type of long-term basis. So I think it is a good point to bring out in this debate.

Mrs. ROUKEMA. I now recognize my colleague, the gentleman from Washington [Mr. CHANDLER].

Mr. CHANDLER. Mr. Speaker, I, too want to join my colleagues in commending the gentlewoman from New Jersey for her leadership. I think the comments today have been excellent. Mine will support those of Mr. PURSELL in a slightly expanded way.

Mr. Speaker, 150 million people in Africa, the world's least developed are affected by chronic food shortages. In Ethiopia, 6 to 10 million people are directly affected by the current famine. Almost all of rural black Africa is starving.

The severe drought is the latest and most visible exacerbation in Africa's long history of failing to provide food for its swelling population. The United States must help starving Africans, but must also seek long-term solutions to the African's situation at the same time. Paradoxically, one of the answers lies in preserving life, which will have the long-term effect of reducing the population growth.

Black Africa is the world's poorest region; 29 of the world's 36 poorest nations are in sub-Saharan Africa. All are in desperate need of both immediate and long-term survival assistance; 9 of every 10 people live in absolute poverty in the rural areas. They have the highest population growth rates, and face the most severe environmental problems in the world. Most of the adults will not live past 40 years, and they know they will lose half of all their children to disease and malnutrition.

According to Dr. Lewis Thomas, the eminent medical researcher—

> Two-thirds of the world population's disease problems in the underdeveloped countries are, in part, the result of poverty and malnutrition, which are in part due to overpopulation. But the problem reverses itself, the overpopulation is in part due to disease, poverty, and malnutrition. It is not one problem; it is a system of problems, and to change the system without making matters worse will not be easy. But to decide to let matters stay as they are and let nature continue to take its course would create the setting for future events that would be politically as well as morally unacceptable.

Chronic illness—disease—is the most serious problem in Africa. And, it is a well-known fact that most chronic illness in Africa—and other developing countries—is related in one way or another to contaminated water supplies and poor sanitary environment. Because of its scarcity, water has always been Africa's most precious commodity. However, most of Africa's water is contaminated with human feces and is the greatest cause of debilitating disease, along with malaria and malnutrition. Humans, animals, food supplies—all potentials are either diminished or extinguished by contaminated, unsafe water.

Few changes or other forms of assistance would benefit the health and productivity of Africa as dramatically as sufficient supplies of safe water and hygienic methods of sanitation to control water-related disease. Control of disease that is preventing the people from realizing their potential would lead to control of the population growth rate and the stabilization of Africa itself. How so? Child survival would slow down the birth rate. Keeping children now living alive would eliminate the need for their replacement. Parents who expect their children to die, inadvertently force the population growth rate upward by giving birth to more children than they want, to replace their losses. On the other hand, if parents know that their children are more likely to live, then they will give birth to fewer children. Already,[7] countries in the developing world have reduced their infant death rates and birth rates. According to UNICEF's 1985 report—

> If every developing nation had infant death rates and birth rates as low as Sri Lanka's, there would be 7.5 million fewer child deaths each year, and 35 million fewer births.

Once freed from the hazards and uncertainties of disease and overchildbearing, parents can be in control of their situation and future.

Black Africa is the only region in the world where the population is growing faster than food supply. The rural economy of rural black Africa has traditionally favored and dictated large families to ensure assistance and family survival. There is an old African saying, "Plenty kids, plenty poverty." But because half of all the children die in infancy or early childhood from disease and malnutrition, custom-bound parents accordingly must produce as many more children as early as they can. To ensure their heritage, many African women, often merely children themselves, impoverished and malnourished, give birth to too many children too close together, reinforcing the poverty-population cycle.

Chronic poor health and high mortality caused by water-borne disease have taken a high toll in African lives and suffering. Parasitic, infectious, and communicable diseases historically have undermined the health and capability of the poor to subdue and control their environment. The most common and severe disease, malaria and diarrheal infections, kill more than 1 million African children every year. Malaria, sleeping sickness and bilharzia—worm-infestations—together affect more than 200 million Africans, causing chronic invalidism and

high mortality. Because of the loss of energy and vitality, most of the people are reduced to a listless struggle for mere survival. Control of a single disease, infectious diarrhea, alone would save the lives of hundreds of thousands of children every year and help to bring down the birth rate.

At one time, in our country, we had to worry about dying prematurely or suffering for life from many of the same diseases that are killing most people in Africa and other parts of the developing world. Again quoting from Dr. Thomas—

> The contamination of water by human feces was at one time the greatest single cause of human disease and death for most of us and remains so along with malnutrition and malaria for the 3rd world. However, much of the credit for our good health today goes to the sanitary engineers and plumbers and not to the presence of the medical profession. Only when the plumbers and the sanitary engineers completed their work in the construction of our cities in the early years of the 19th century did typhoid fever, cholera and dysentery—the chief threats to survival—begin to vanish. And you can be sure that if we went back to the old ways of finding water to drink, those diseases would reappear.

In just 15 years the African population will have doubled, and 80 African towns will each have more than 1 million people. That future population will have no more of a chance for survival and progress without modern methods of water purification than do the people of today. We will see the doubling of all the present problems that are concomitant with population growth if we do not act now to stabilize population growth with modern methods of water purification. Africa's permanent recovery is contingent upon safe water to sustain a healthy people and their environment.

This is a crucial point in Africa's long-delayed development. What we do for that country now, we do for ourselves and the world. Tropical deforestation is extinguishing ecosystems upon which other systems are dependent, perhaps causing global climatic changes. The effects of natural disasters, such as the drought, are worsened by poverty, environmental damage, and rapid population growth. Much of the sub-Saharan land has been deforested, due in part to lack of sufficient water, in part to cattle overgrazing, and in part to cutting down of trees for use as fuel. Today 20 percent of Africa is desert, but if land use patterns don't change drastically, 50 percent of Africa will be desert in 50 years. In less than 20 years, Ethiopia's forest covered land area already has been reduced from 16 percent to 3.1 percent.

Vast areas of land to be reforested as quickly as possible in order to maintain ecosystem balance. Reforestation is dependent upon a healthy energetic people and modern methods of water delivery and purification. Upon this basis the country will continue to exist and progress and play its role in the global ecosystem balance.

We will long wait to see the results of our work in Africa. Although it is the African countries themselves who will have to take the final responsibility for improving the physical and social status of its population, we and our Government and other governments and organizations can work together now to give Africa the basis it needs to restore both reason and hope for successful development.

□ 1420

Mrs. ROUKEMA. I thank my colleague.

The issue of child health and infant mortality of course is a complex one, but you are quite correct and we are grateful for your including that aspect of the subject in this discussion here today.

I think it is an appropriate time to acknowledge the contribution of our colleagues, the gentleman from Ohio [Mr. HALL] and the gentleman from Texas [Mr. LELAND], the chairman of the Select Committee on Hunger in their efforts last year in seeing to it that a child health and nutrition bill was passed for overseas relief. They were particularly concerned with some of the issues that the gentleman discussed. One of the greatest scourges among children, whether in the starvation category or the malnutrition category is dehydration. The problem of dehydration is high on the death list.

Their bill to the amount of $50 million is currently being programmed through AID and I think we should all be grateful for their vision last year and for their leadership in seeing to it that Congress addressed this problem. But more obviously needs to be done as the gentleman pointed out.

Mr. CHANDLER. I believe the gentlewoman is referring to the substance that has been created. If you take a dehydrated child and simply administer water, if anything, that exacerbates the problem. But a substance has been developed, the contents of which I do not recall, that upon feeding the child, within hours, regains consciousness if it has been lost, regains vitality, and so forth.

But again it is the short-term solution. It does not ignore, I do not suggest that, but it does beg the question of how do you purify those water supplies so that you avoid that dehydration in the first place.

Mrs. ROUKEMA. Well, it is an essential medical adjunct at the current time.

Mr. CHANDLER. Absolutely.

Mrs. ROUKEMA. But it does not address the long-term problem, the fundamental problem.

Mr. CHANDLER. If we can demonstrate to those families that their children will survive—in the seven or eight other countries where that has been the case we will, I believe, see population rates decline.

Mrs. ROUKEMA. I thank the gentleman very much.

Our colleague from Nebraska [Mr. BEREUTER] has been quite patient. I think he has a visual display to help understand the problem.

Mr. BEREUTER. Mr. Speaker, I want to commend the gentlewoman for the leadership she has shown, not only on the committee, but for taking out this special order.

The gentlewoman and I, in addition to her leadership role as the ranking member of the Select Committee on Hunger, does serve on the International Development Organization Subcommittee of the Banking Committee and therefore has that additional valuable perspective.

I was preparing for a special order myself when I noticed the nature of the gentlewoman's special order and I thought I would share with my colleagues an experience I had this past week in the district work period in my own district. I visited the Creek Mills in my own district and in the process I watched the preparation of processed grain being loaded for our Public Law 480 programs and specifically for our famine assistance programs in Africa.

We have heard many comments about how our grain is delivered and many sources of misinformation, I think, have been all too prevalent.

I would like to show this 50-pound sack which happens to be delivering in this instance corn sorghum milk. It says: "Furnished by the people of the United States of America. Not to be sold or exchanged."

It has the contract number for quality control and inventory control, plus the distributing private voluntary organization, in this case CARE.

□ 1430

Now, if you take a look at the reverse side, you also see the same message in 12 other languages, including those that are commonly used in the continent of Africa. Not only is processed grain being provided, like this corn soya milk, but bulgur wheat, fortified processed wheat, fortified corn, in interesting and relevant combinations.

I would simply like to say that the material that we are providing today in this way comes from the heartland of the United States, from 50 miles from the geographic center of the continental United States.

I watched a traincar being loaded, one of many that day, headed for the Port of Corpus Christi and then for Nigeria. This 50-pound sack I showed you is not a typical sack. It is lined with plastic to be insect resistant, and the material that is provided needs

only the addition of milk or water and it becomes something, frankly, that is more nutritious than the average American schoolchild receives for breakfast at home or school.

It seems to me, after hearing some comments from various sources and seeing some resource material, that indeed we might be well advised to deliver more processed product because it seems to me, from what I have heard, that some of the grain delivered directly is not used well, cannot be used well under certain conditions, depending on the condition of the person to be assisted. Frankly, it is of no parochial interest to me because the grain can come directly from States like my own or the processed grain, but I would hope, and I fully expect, that the Select Committee on Hunger is looking at the proper distribution and allocation of food, be it processed or raw commodities.

I thank the gentlewoman for yielding me this time.

Mrs. ROUKEMA. I thank my colleague, and I would like to just briefly summarize two points that I think have been made in one form or another during this special order but I believe bear repeating.

One of those is the fact that we have heard about problems with respect to distribution, problems particularly in Ethiopia, but there may be in other countries, about food diversions, black marketeering and other efforts by local governments to prevent food from being distributed.

With respect, specifically, to the problem in Ethiopia, it is my concern and the concern of many in Congress, I know, that they want to carefully distinguish between essential humanitarian aid which is being delivered, and not let a backlash develop or any hesitancy or withholding of assistance develop because of the unsavory and, in some cases, illegal conduct of the local government.

With respect to this, I do not think, particularly in Ethiopia, that either the United Nations or the U.S. Government has exercised and exerted all influence and moral suasion possible to get the cooperation of the Ethiopian Government for what is known as granting of safe passage for food delivery.

I know that this is the desirable thing to do, but I think, in the absence of the leadership in the United States, and exerted influence by the United Nations, perhaps using the spotlight of public opinion on the Soviet Union, who thus far has been recalcitrant to help in any way in assuring food deliveries within the country of Ethiopia, I think that we must use the spotlight of public opinion to force the Ethiopian Government to grant the United Nations and the International Red Cross their request to guarantee safe passage.

Not only will that assure that food is being delivered but it will also greatly reduce the transportation costs in country and relieve many of us and actually open the pursestrings of many other countries who are skeptical about these food deliveries.

I guess, finally, I must repeat and underscore the need for a long-term look at the needs of Africa to promote a green revolution in Africa. That will require the cooperation and changing of agricultural and economic policies of the African nations themselves, but the United States' ability and innovation, both in agriculture and direct economic aid, as well as through World Bank resources, can provide daylight for the Dark Continent that they have not yet received. It will take a generation, perhaps, but we have no alternative. We do not want Africa to become permanent wards of the world and all of the political and social unrest and volatility that goes with that. It is enlightened self-interest and it is humanitarian need in the best tradition of Donne's admotion: "We are all involved with mankind."

Mr. BEREUTER. I thank the gentlewoman for her excellent leadership and for taking this special order today. Indeed, it is enlightened self-interest. I was trying to provide a few parochial examples of what it means directly in employment in a part of our society, at ports, at processing facilities, and at the production point.

● Mr. OWENS. Mr. Speaker, the world is again witnessing massive hunger and even starvation in Africa—a mere decade after there was similar human tragedy in Ethiopia, Mali, and other parts of the Sahel. Again people of goodwill are responding with compassion to the faces of starvation, even as they are overwhelmed by the ever-increasing projections of the numbers of likely victims.

HISTORIC FACTORS

Africa's current food shortages and economic dependency have roots in the history of its relationship with European nations and the Western Hemisphere. Before Europeans became involved, agriculture was the primary economic activity in Africa. Sophisticated techniques had evolved which were suited to the needs of the people and their fragile environment and which helped them cope with cyclical droughts and crop failures due to other causes. Adequate food, security, and self-reliance were common before European colonialization. Methods had been developed for storage of surpluses and complex patterns of trade had been developed around food availability.

The slave trade, which over a period of nearly 300 years took from Africa many of the most able-bodied men and women—totaling as many as 100 million people—severely disrupted the food producing and storing capacity in much of the continent. The colonial period which followed further damaged Africa's ability to feed itself.

Colonialism was a system for extracting wealth from the continent; agricultural products were part of this wealth. Colonial powers normally emphasized production which met their needs and tastes, not the needs of the people of Africa. Cash crops were planted for export in order to pay the taxes mandated by the colonial governments. These cash crops frequently displaced food for local consumption.

Colonial powers oversaw the development of roads and railways in Africa. This transportation network, however, was designed to facilitate the flow of material goods between Africa and European nations, not to facilitate the development of Africa. The impact of colonialism on human resources was as profound as on the natural resources and wealth of the African Continent. It created many forms of dependency and it limited human development. The education and training which were provided under colonial rule were usually inadequate or inappropriate to the needs and cultures of the African peoples.

The problems of hunger must be viewed in the context of this history. While it would be an oversimplification to argue that slavery and colonialism are the direct causes of hunger in Africa today, it must be recognized that these factors disrupted old patterns which historically had helped African people cope with periodic crop failures. They have had a lasting influence which has weakened rather than strengthened African capacities to cope with crop failures today.

CURRENT ECONOMIC DEPENDENCY

Economic development as carried out in much of Africa is fueled by the desire for rapid industrialization. Unfortunately, the models which have been adopted have frequently served primarily the interests of a few privileged groups in Africa and the economic interests of Eastern and Western Europe, Japan, the United States, and other industrialized nations. Many of the development plans which are encouraged and financed by these industrialized nations are large in scale and based on high technology. Even when launched with the highest of ideals, these plans frequently fail because the required technical and economic infrastructures do not exist in most African countries.

MILITARISM AND INSTABILITY

Many of the countries of Africa currently facing famine are also involved in wars, civil strife, or threats to their stability and security. Mozambique, one of the countries most hard hit by the current drought and food shortage, is at the same time confronted with South African-backed guerrilla forces which are wreaking havoc on

the nation's economy and infrastructure. Ethiopia has been involved in military conflict for many years with Somalia and with separatist or autonomist movements in Eritrea and Tigray. Chad's civil strife has been exacerbated by military intervention from Libya and France.

The frequent correlation between hunger and military conflict reflects the terrible consequences of militarism and fighting in Africa where cyclical droughts and the negative impact of inappropriate development already make millions of people vulnerable to hunger and starvation. Nations which are involved in military conflict or which face concerted destabilization, end up channeling their already limited national resources into armies and military hardware rather than into the needs of their people. When famine situations develop, military priorities, instability, and insecurity make relief efforts all the more complex, as is now the case in Ethiopia.

A further destructive consequence of militarism in Africa is its relation to foreign debt. Military assistance, whether from East or West, rarely comes without a price. The assistance is often in the form of arms sales for which payment is required, thus deepening foreign debts of African nations to industrialized powers.

FAMINE AND DEVELOPMENT

Recurrent famine in many parts of Africa must be addressed through wise development plans. This much is clear. Less clear is the precise nature which will be most effective for development. Plans must consider the issues noted.

First, many African nations will need long-term development assistance from the industrialized and more affluent nations of the world for many years. It should be provided in a way which is sensitive to the needs and particularities of the individual nations. The assistance should be provided at a scale which allows community participation in planning and implementation and as a technologic level which is appropriate to community needs and capacities. A fundamental aim of long-term assistance should be food self-reliance for the millions of African women and men who are now dependent on imported food.

Second, effective strategies for economic development and food production will require recognition of the particular historic economic role of women. Aid programs and governments must involve men and women in planning and implementing development programs.

Third, new international financial arrangements must be devised which free debtor countries from the requirements of export of crops and minerals as their primary role in the international economy.

Fourth, the United States, the Soviet Union, and all nations must recognize the legitimacy of African nations choosing their own economic and political systems to meet the needs of their people.

Fifth, the nations of Africa ultimately are responsible for finding solutions to the military conflicts on the continent. Nonetheless, the industrialized powers have the responsibility to abstain from outside manipulation and escalation of local conflicts and from placing them in the framework of the cold war or other international conflict. They must further refrain from arms sales which deepen foreign debts and make local conflicts more lethal. The United States and Western European nations must use their considerable leverage to stop the destabilizing efforts and military intervention of South Africa in the southern portion of the continent. Only when the people of Africa are freed from the suffering caused by war and the distorting effects of militarism on their countries will the necessary resources, energy, and commitment be devoted to development of economic systems which meet the needs of people.

Much of the developmental assistance characterized by high technology, whether from socialist or capitalist industrialized nations, has resulted in severe vulnerability to oil price inflation. This consequence has been a significant factor in the large scale debt of many African countries and in their increasing dependence on industrialized nations. Their debts to private banks and international lending agencies, such as the World Bank and the International Monetary Fund, rival the more publicized debts of Mexico and Brazil on a per capita basis. Yet, because of their weaker economies and smaller populations, the absolute amounts of their debts do not pose a threat to the international financial system. The countries of Africa, therefore, do not have the leverage of larger debtor nations to negotiate terms of repayment.

In this modern context, the cash crop system remains a reality in much of Africa. Agricultural exports are the primary source of foreign exchange, and little of the balance is used to better the conditions of the majority of African people who are rural and poor.

The International Monetary Fund imposes numerous conditions on debtor nations in order to assure they meet their obligations; the conditions must be met if new loans are to be secured or old debts are to be rescheduled or refinanced. These conditions frequently include requirements that the debtor nations export products and reduce imports in order to gain foreign currency, requirements that they devalue their currencies, and requirements for other changes in the management of their economies. Similar conditions for economic and developmental assistance to Third World countries are now being established by the U.S. Government.

Many countries of Africa, regardless of political orientation or alliance, have thus lost or are losing control over their own economies. The pressure to export tends to exacerbate the problems of economies which in many cases were already distorted and which have traditionally provided raw materials to the rest of the world. As many African nations are required further to emphasize production and development of their resources for export, they are increasingly placed in the position of having to import basic necessities for their own people.

POVERTY AND PEOPLE

Rarely do middle class and wealthy people go hungry in the countries experiencing drought or famine. Food is usually available to those with money. It is the poor—and usually those in rural areas—who go hungry; indeed, even in normal times they often exist on the margins of national economies.

Although the current famine is rooted in the past and nourished by current power struggles, the problem must be addressed now—before we can deal with the complex underlying factors. Hunger is curable. Food is the immediate solution, and we must begin to provide the vast quantity of emergency food relief which is needed.

Once emergency relief has begun, we must address the more basic causes of famine in Africa and other parts of the world. This will require that we not use other nations as our surrogates in power struggles. It will require that we not hold nations hostage to indebtedness which forces them to grow export crops while ignoring domestic needs. It requires that we recognize that we share this world and its resources fairly with others. It requires that we become a good neighbor to all nations.

America has met many challenges. It can meet the challenge of limited resources in a world that seems ever closer.●

● Mr. PEPPER. Mr. Speaker, we are all facing a grim situation: that of millions of human beings who are about to die of continued starvation in Africa.

There has been little rain in recent years, none in many regions, too much fighting among insurgents and dictators who usurp the right to make such life-or-death decisions without advice or guidance, lack of international training, assistance, helping to build wells and roads and other dire causes.

Nevertheless millions have already died and millions more will die, while the world is spending over $1 trillion in 1985 on military programs and manpower. Some of that money is neces-

sary to protect one nation from another since no one else will do so for them. Some of it feeds the families of enlisted men and officers and contributes to the lives of those people. But the magnitude of that figure spent on protection when measured against the greatness of our highest ideals and principles of civilized justice and of secular law and when measured against the needs of so many people who can be helped for a few dollars per year until they, too, have the know-how, the health and the stamina to join the productive citizens of this world—when measured against all that, surely we can agree to help and surely we can help effectively for far less money and food otherwise going to waste while ruining the farmer of our own country for lack of buyers.

Mr. Speaker, I am a cosponsor of a bill, H.R. 100, which seeks to address this problem as adequately as presently seems possible and I urge all of our colleagues to become interested and involved in this matter affecting the basic dignity of human life on our globe.●

● Mrs. SCHNEIDER. Mr. Speaker, today we are confronting the severe famine which is affecting over 20 African countries. The unprecedented media coverage of this tragedy has brought it to the attention of millions of concerned American citizens. The tragic conditions in Africa seem endless.

In Ethiopia alone 2.5 million people are in life-threatening situations and 150 million Africans are affected by the drought.

Crop levels for 1984 in some areas of Africa are reported to be as much as 40 percent below the already low levels of 1983.

There are reports of starving Africans resorting to eating the seeds intended to be planted this fall, leaving little or none for next year's harvest.

The United States, always a leader in humanitarian assistance to developing countries, once again leads the relief efforts. To date, the United States has been the largest food donor to Africa, contributing more food aid than all the other donors combined.

Yet there is no significant improvement in sight.

We face a problem in Africa of a magnitude that most of us cannot imagine, a problem that will not even begin to be solved until we appreciate its origins. Although a natual disaster of tremendous proportions set into effect the suffering that we are witnessing, we can and must accept the human error that has compounded the tragedy.

Food and emergency aid are absolutely necessary for relief efforts now, but we must also look for long-range policies that will prevent future natural disasters from being worse than they need to be. We can begin by focusing on assistance that will make effective use of existing natural resources without burdening the people with technologies that require high levels of costly energy.

First, the American public must appreciate that this effort will take time. Solving the problem rather than responding to the crisis requires patience. The initial results of projects aimed at developing small, least-cost energy, high density food plots are extremely encouraging. Ongoing work in Mexico, India, Togo, South Africa, and China are using biointensive methods based on research demonstration that a complete diet can be grown on a plot of 2,800 square feet. This is one-tenth the area required by traditional methods, and one-third of that required on mechanized U.S. farms. This biointensive method of food production can be done with simple hand tools, requires no petrochemical inputs for fertilizers or pesticides, no irrigation systems, or expensive machinery, and consumes only a fraction of the water required in conventional farming. It is truly an appropriate technology for the 1 billion poverty-stricken individuals in developing nations.

I would like for this body to invest greater effort in forward-looking solutions to world hunger, solutions based on self-sufficiency rather than emergency relief. It is time to appreciate the limits of exporting fully developed, energy-intense technologies to developing, energy-poor nations. It is time to take an aggressive stand by encouraging the use of our development aid for projects that satisfy the needs of small farmers rather than increasing their dependence on expensive fuel. We can do this by creating and implementing a new model of least-cost energy as the starring point for our development programs.

If we are to make progress in ending famine in Africa, then we must encourage the development of agriculture markets that fit the needs and capabilities of the small farmer. We must encourage the growth of food crops rather than cash crops in countries that are not self-sufficient. We must take the responsibility to ensure that the development aid that we provide to African nations is used to promote independence, and not a new cycle of famine and starvation.●

● Mr. GREEN. Mr. Speaker, I would like to thank my colleagues, Representatives ROUKEMA and CONTE, for organizing this special order on Africa. One can scarcely pick up a newspaper without reading something about the African famine and its effects on individual lives. I know that my constituency, and I'm sure all our constituencies, is particularly disturbed and touched by the enormity of this tragic famine.

I would like to bring to my colleagues' attention a report which was recently released for the Office of Technology Assessment on the African food crisis. The report predicts that the sub-Saharan Africa food situation will continue to decline and that a solution to these problems will only be reached with new approaches and long-term commitment on the part of African nations and those nations assisting them. The OTA report points to the small, subsistence-level farmers and herders as they key to such a solution and warns that this faction, which raises most of Africa's food, has been largely ignored.

I would urge that as we continue the debate and votes on African developmental assistance, in the imminent emergency supplemental as well as in later long-term considerations, that this very interesting report should be taken into serious consideration.●

● Mrs. SMITH of Nebraska. Mr. Speaker, I wish to thank my colleagues, Mr. CONTE and Mrs. ROUKEMA, for providing this opportunity to address the critical situation that is facing the millions of hungry people in Africa. I compliment their leadership in the continuation of our American philosophy of sharing, caring, and meeting the needs of those less fortunate, not only here at home, but around the world.

We are all keenly aware of the tragic famine that has stricken an estimated 150 million people of the nations of Africa. And this number is growing constantly, as evidenced this year in the loss of thousands of innocent lives in Ethiopia, Sudan, and 18 other African nations.

In this time of immense human suffering, we must not only make expenditures to provide relief, in addition, we need to ensure that the aid that we provide truly reaches the hungry. Many in this Nation and in other countries are working to accelerate grain shipments, provide land vehicles, lend voluntary assistance, and send medical aid to those in desperate need. As Members of Congress, it is our responsibility to facilitate the creative capabilities of private, voluntary organizations, concerned citizens, and the appropriate Government agencies to deal with the current crisis.

I would like to take this opportunity to commend the Agency for International Development for its fine work in coordinating the African relief effort. But even more impressive is the response of the American people to the African situation. Last December, I helped shovel the first of 1,000 tons of Great Northern beans that were sent by farmers in western Nebraska to contribute to the famine relief effort. The residents of Crete, NE, are sending 50-pound bags of flour to the sub-Saharan, drought-stricken areas.

These are the actions of compassionate, concerned people, who are truly

sacrificing to lend aid to those needing relief. But these same citizens are concerned that the aid we send actually reaches the people that need assistance. Recently, the New York Times reported that perhaps only a third of our aid extends beyond the the comparatively well-to-do cities to the tragically malnourished in the more remote areas.

This acute hardship is faced at a time of crisis for our Nation's agricultural community as well, but for much different reasons. Grain is in surplus here in America, waiting to be used by those who most need it. My hope is that we can quickly take action to address both of these crises, partly by sending our plenty to those in Africa—simply put, sending our resources where they are needed.●

● Mr. BOLAND. Mr. Speaker, I am pleased to have this opportunity to express my concern for the victims of the worst drought and famine in this century. More than 150 million people in at least 28 countries in Africa face famine as a result of this drought. The African crisis has raised public consciousness about the problem of hunger in the world, and underlined the need for an appropriate response by the United States.

The drought has placed 7.7 million people at some risk of starvation, with 2.5 million of those in immediate life-threatening jeopardy. As we know, during the first 3 months of fiscal year 1985 the United States has provided $348 million to aid victims of the famine. In the past, the United States has provided at least half of the international food aid in emergencies and it is important that we do as much as we can to continue that level of support. We will soon consider an emergency supplemental appropriations bill to provide more aid to those starving in Africa. I believe that it is imperative that this legislation be passed quickly so that the necessary assistance reaches Africa in time to save lives.

Emergency food aid is of unmistakable value to the people of Africa, but it only addresses the most visible part of the dilemma which confronts them. Assistance is needed to store and transport the supplies, medical care must be provided for refugees and other famine victims, and, above all, a long-term program of aid designed to improve agricultural practices and procedures must be implemented. If we do not take these steps, I fear the tragedy of Ethiopia and her sister countries will be repeated often in the future. We have all been touched by the news photos of the starving in Africa and we must certainly do what we can to address their immediate needs. But we must also be prepared to help the nations of Africa begin to do the things necessary to insure that the children of those now driven by hunger far from their homes do not have the same experience in their lifetimes.

Mr. Speaker, the people of the United States have historically given from their hearts to ease the suffering of people in need in the world. We now have budgetary problems in this country that must be addressed, but we also have an ability to do more in Africa. I urge my colleagues to take the opportunity which soon will be presented by the urgent supplemental appropriations bill to bring relief to those so desperately in need of it, and to be prepared to make the kind of long-term commitment that will hopefully make other emergency measures of this kind unnecessary.●

● Mr. McGRATH. Mr. Speaker, several months ago when BBC footage of the famine in Ethiopia flashed across the television screens of our Nation, our collective heart went out to a people in utter despair.

When such massive suffering, unbeknownst to most of us was witnessed, Americans responded with a ground swell of compassion and charity. I am sure many of my colleagues became aware as I did, of constituents who decided the best way to celebrate the true spirit of the Christmas/Chanukkah season was to forgo an exchange of family gifts and instead pledge their allotted holiday money to famine relief efforts.

Our Government has also generously responded by providing more than $366 million since October 1 to the nations of Africa for famine relief, with $150 million alone provided to Ethiopia. We can be justifiably proud of our response to the humanitarian needs on the African Continent. However, the situation there is still critical. We cannot afford the luxury of sitting back to admire what we have accomplished. There is much more to be done.

Nearly 200 people die each day in Ethiopian feeding camps, while millions of others throughout the continent are confronted by the real possibility of death by starvation. We must develop new ways to meet the life-threatening prospects of drought victims. One of the greatest needs is to find easily digestible nourishment. Often the emergency food provided to those whose bodies have been ravaged by starvation is rejected because it requires breakdown by the digestive system that the body is unable to perform.

If another drought disaster of this scope is to be avoided, the provision of farming technology is imperative. Within the constraints of our laws toward the affected nations we must provide for the teaching of skills which will yield enough food for the African population.

I commend my colleagues Mr. CONTE and Mrs. ROUKEMA for reserving time for this special order to focus on the future needs of those whose lives have been imperiled by the drought. I urge my colleagues to support ongoing relief efforts when this body addresses the relevant legislation.●

● Mr. MATSUI. Mr. Speaker, I would like to applaud the efforts of my colleagues from both sides of the aisle who have joined together to fashion H.R. 1096, a bill which will provide famine relief for the millions starving in Africa. As a cosponsor of H.R. 100, I am pleased to also identify my name with H.R. 1096.

This bipartisan effort is eloquent testimony to the spirit of sharing and giving that is the hallmark of the American people.

Mr. Speaker, I am pleased and proud to join with my colleagues here in the House of Representatives and with the American people, who have opened their hearts and generously responded to the cry for help from Africa.●

● Mr. MORRISON of Connecticut. Mr. Speaker, it is time to fully mobilize the resources of this great Nation to meet the challenge of the current famine in sub-Sahara Africa. Over 150 million people in 24 countries are in some way affected by the worst drought in recent history. Every moment we delay leads to a further loss of life. Those who survive may be developmentally impaired for the rest of their lives.

In Ethiopia, 300,000 people have died; 2½ million people in that country are reported to be in immediate life-threatening jeopardy. Almost 8 million people are affected by the famine.

In Mozambique, the Government has a minimal stock of 1,300 tons of grain when the need is estimated at 3,450. Estimates are that 100,000 people in that country died in 1983.

In Burkina Faso, which has the highest reported infant mortality rate in the world, crop losses are severe. One northern province of that nation has reported a 95-percent crop loss for the second consecutive year.

In Cameroon, severe water shortages are plaguing both human beings and livestock. Refugees from Chad, pouring over their border in search of food, are further stretching scarce resources.

In Somalia, a country of only 4 million people, three-quarters of a million refugees are totally dependent on assistance for all basic needs. They continue to cross the Ethiopian border attempting to escape the desperate conditions of their country.

We also know of the plight of people in Mauritania, Niger Kenya, Sudan, Senegal, Burundi, Ruanda, Tanzania, Angola, Botswana, Lesotho, Zambia, and Zimbabwe.

Despite these facts, the administration has cut its food aid request for 1986, citing as the reason its uncer-

tainty about the continuation of the drought. They request an appropriation which would provide 395,000 metric tons of food. Clearly, they are underestimating the current need for food aid, just as they have done for the past 2 years.

Fortunately, Members of the House of Representatives are more realistic in their request. H.R. 100, a bill cosponsored by over 90 Members of the House, provides funds for 1.7 million metric tons of food. H.R. 606 would include an appropriation for 1.2 million metric tons of food.

But immediate food aid, as important as it is, is not enough. Money is needed for medical care, clothing, blankets, and other emergency aid for those suffering from the famine. So, also, is money for long-term development programs, refugee aid, food transportation, and food storage. In each of these areas, my colleagues in the House have seen fit to be more generous than the President would have us be.

And, given the political situation in a number of African countries, we must do all that we can to ensure that food provided is received by all those in need, not just those who subscribe to the political ideology of the ruling leaders. The voluntary agencies working in Africa are devising creative plans to ensure that this occurs. Their efforts in this area, as well as in the entire distribution operation, must be applauded. But more is needed, and only the Government can provide the funds to ensure that all of those suffering receive the help they so desperately need.

Mr. Speaker, Michael Burek of the British Broadcasting Co. has brought the human tragedy of hunger and starvation in Africa into the consciousness of the world. We are all aware of the problems. It is time to move from awareness to action, from study to implementation, from compassion to responsibility.●

● Mrs. JOHNSON. Mr. Speaker, I would like to call attention to the efforts of a small group of seventh graders in my district who worked to alleviate some of the pain and suffering of their fellow human beings.

The seventh grade of Regional School District No. 7, under the direction of their teacher, Mr. Bruce Miller, raised $1,800 to aid the people of Ethiopia. They donated the money to Africare to purchase agricultural tools and seeds to aid the Ethiopian people. The money was raised through a dinner they organized from start to finish.

Their actions reflect a variety of lessons that go beyond any one subject. Geography, agriculture, international trade, and Third World economics are all valuable academic lessons. But these remarkable young people are learning compassion for others, and an understanding of the complex yet fragile web of interdependence of one person upon another, regardless of age, color, or nationality.

With the rapid advances in technology, our world is only growing more complex with each passing day, not less. The opportunities to reach out across the boundaries of both space and experience to relate to others on an individual level are what provides us with an understanding of the scope of these complex problems as well as alternative solutions.

I commend Mr. Miller, and the entire seventh grade at R.S. No. 7 in Winsted, CT, for their innovative and heartfelt response to the plight of the starving Ethiopian people.●

● Mr. WIRTH. Mr. Speaker, we have all noted here the extraordinary aid given by individual Americans to the famine-stricken peoples of Africa. By the end of January, the American Council for Voluntary International Action, known as Interaction, reported to us that they had received hundreds of thousands of dollars in private donations and $60 million in total aid for Ethiopian relief activities. It is gratifying, in fact overwhelming, to witness such an outpouring of concern.

The American people, by their generosity, have sent a clear signal to the Congress that we should set aside political concerns and address the problem of famine with great urgency. We have responded by assembling several commendable legislative packages in order to continue our massive relief programs for the remainder of fiscal year 1985. The House and the Senate committees responsible for these bills have placed them at the forefront of their agendas and have already begun hearings and markups

Yet despite this expeditious approach, we are already beginning to see bottlenecks emerge, bottlenecks on both sides of the Atlantic which threaten to choke off the short-term and long-term aid that are essential parts of any strategy for Africa's revival. The most serious obstacle we face in getting food aid to starving people is political strife. In Ethiopia, in Mozambique, in Chad, and in the Sudan, governments beleaguered by armed insurgencies withhold food shipments from famished people in areas controlled by insurgents.

But while we cannot deny the strength of these armed movements, we also cannot deny the right of all people to food. In short, Mr. Speaker, access to food should not hinge on political alliance. The Congress must be adamant that the tremendous food aid which the American people have so generously donated is received by those people who truly need it. We must warn the Government of Ethiopia that we will not tolerate the confiscation of food shipment destined for the northern regions of Ethiopia, where starvation has become the norm. We cannot condone that government's use of vital food aid as a carrot with which to lure starving people from their ancestral homelands in the north to uncertain futures in southern Ethiopia. The guerillas operating in Tigray and Eritrea have agreed to the "safe passage" of aid-carrying vehicles operated by internationally recognized relief organizations, but the government refuses to guarantee such passage.

Mr. Speaker, 6 years ago, America and her allies, in concert with the International Red Cross, the U.N. High Commission on Refugees and a number of private voluntary organizations, began massive food shipments to Cambodia, which was also facing famine conditions. The Government of Cambodia was given the type of logistical assistance necessary to better distribute the food aid. But instead, government officials kept most of the aid within city limits and away from the rural areas where people suffered from starvation and malnourishment. At the same time, bags of grain and other staples were diverted to swelling black markets, where government officials and others reaped huge profits.

The same phenomena are occurring in Ethiopia and some other African countries receiving food aid. Let us avoid our past mistakes, and unambiguously inform African governments that we will not permit the obstruction and diversion of food aid intended for srarving people.

Let us also begin to focus on how we can assist these countries in the future. While we have responded to the current crisis with speed and vigor, we bear partial responsibility for the state that Africa finds itself in. Over the past few years, American development assistance has steadily eroded, a trend that is highlighted this year in the administration's foreign aid budget request. Now more than ever, that request is tilted toward military assistance at the expense of long-term agricultural and economic development aid. In fact, the aid proposal, by increasing military assistance by 15 percent, directs over two-thirds of foreign aid to developing countries for security purposes. Meanwhile, under the proposed fiscal year 1986 budget, total development assistance levels will decline by nearly $500 million, and will affect efforts in health care, family planning, and agriculture programs.

Although it may be beyond our control to break the bottleneck impeding the flow of food aid to African famine victims, it is certainly within our power to open the bottleneck that appears to be closing in on long-term development assistance. We must reverse the decline in America's share of long-term aid and follow on the heels of our relief effort with a carefully planned and well-funded agricultural

and economic aid program that will help Africans chart a course of self-sufficiency in food.

I am encouraged by the legislative approach taken by both H.R. 100, the Weiss-Wolpe-Leland bill and H.R. 606, the Conte-Roukema bill. Each seeks supplemental appropriations not only for food aid, but also for long-term development assistance. Although they differ over the totals to be spent, they share the common objective of beginning the eradication of hunger in Africa. I have joined as a cosponsor of H.R. 100 and urge my colleagues to seriously evaluate these two legislative proposals and support them as a means of loosening one of the major bottlenecks we confront. And as we continue to send aid to Africa, let us also continue to pressure recalcitrant African governments into fairly distributing the food aid so generously donated by people around the world. By opening these two bottlenecks and keeping them open, we can attain the goal of ensuring that the people of Africa have sufficient food supplies, now and in the future.●

● Mr. NELSON of Florida. Mr. Speaker, in Ethiopia, a drought-stricken country, the enormity of the hunger problem baffles the mind. As I visited the feeding centers where gentle humans are restoring life to some of the starving, I was bewildered as to how to solve this crisis.

The problem of famine in Africa is real. Twenty nations have been affected. Seven are critical. Just in Ethiopia alone, over 7 million people are threatened by starvation.

A severe drought is a major cause. The rains either did not come or were less than is required to germinate the seeds in the fertile soil.

Agriculture techniques are backward. There are few drilled wells, little irrigation, almost no fertilizer used and severe topsoil erosion. If there is to be problem solving, it will be long term and it will be painful. Attitudes will have to be changed to use modern agricultural methods. And in Marxist countries, the collective farm reduces the farmer's incentive to produce for himself and only aggravates the sparse production.

There have been four major droughts in Ethiopia in the last 35 years. People have died of starvation. But this is the worst drought and death is apparent throughout the land.

My visit to Alamata and Korem, two feeding centers 250 miles north of Addis Ababa, was shocking. The emaciated bodies of young and old were overwhelming. One's emotions cannot be controlled as you see the helpless trying to survive. The huge numbers dulled my sense of hope.

Thousands have died and thousands more died in remote villages which statistics will not record. But there is hope—because humankind is responding—and responding well.

The free world is responding swiftly by sharing its abundance of food, medicine, and blankets. Help from Western nations, from the private sector and from government, is pouring in. People are acting out of their best humanitarian instincts.

The United States is leading the pack. There are not many "ugly Americans" in Africa today. We are responding from our generosity. And America is responding mightily.

Americans are responding as a government. President Reagan has announced his intention to provide one-half of the food assistance needed in Africa this year—a $500 million U.S. contribution. For Ethiopia, a Marxist state, with whom we have strained relations, $130 million in food is already planned. This Government-supplied grain is distributed by many private volunteer agencies, such as Catholic Relief and World Vision, and soon some will be given directly to the Ethiopian Government relief agency. The sacks bear the words: "Donated by the People of the United States of America."

The private sector is also responding. For 1985, food assistance to Ethiopia through private organizations is estimated to be $125 million, with another $22 million spent on Ethiopian refugees elsewhere.

The private sector from Florida responed magnificently. A flight of mercy was organized, funded, loaded, and flown to Addis Ababa, which bespeaks the generosity of Floridians.

The mission was conceived by my wife, Grace Nelson, as a needed response to the problems she had seen in Africa last summer. In Mali, she held a starving child in her arms. She has not been able to forget it. After organizing some fundraising activities, the thought of a flight of mercy came from a discussion with the editor of the Florida Times Union. He suggested that although people wanted to help, they needed a concrete mission to respond to and one which could be tracked to a successful conclusion.

This story is an American success story. A DC-8 was chartered and loaded with 40 tons of food, medicine and blankets, in the midst of ongoing fund drives. WCPX-TV in Orlando collected over $80,000 and two truckloads of blankets. World Vision, a Christian humanitarian organization, provided the mechanism for obtaining the 2 tons of medicine and 38 tons of fortified food, 11 tons of which were donated by a former Ethiopian official in Indiana. This special mixture of oats, powdered milk, and honey, known as ATMIT, is indigenous to Ethiopia. Another $120,000 was raised before the flight departed Chicago on January 12.

The plane was so long you could hardly see from one end of the cargo bay to the other. During the 24-hour journey, our group of "food shepherds" slept on top of the pallets of fortified food using some of the donated blankets for warmth. It was a good feeling to know that our mission was one of trying to help the starving by actually taking food to them.

Our landing was the first of a stretch DC-8 on the Addis Ababa runway. TransAmerican Airlines and World Vision soon had the cargo unloaded.

Success does not come easily and indeed we soon had our problems. Food was being delayed to the feeding centers because rebel activity in the region interrupted transportation of supplies. When we finally were cleared for an old DC-3 to fly us to the camps, we found they were running dangerously low on food. But our supplies arrived just in time.

I shall never forget the children, also starved for affection, clinging to my hands and arms smiling in spite of their physical deprivation. They were proof that the World Vision feeding center was successful because only a few weeks before they had been lifeless and lethargic. Others were in intensive care, often with their mothers, as nutritional supplements were administered—sometimes through a tube because they were too weak to eat.

The staff was loving and kind, it showed. The nuns at the Missionaries of Charity compound ministered to the dying. These sisters are sponsored by Mother Teresa of Calcutta, who had just paid a visit, greeting and blessing each person in the camp—9,000 of them. What a lesson in love.

There are those who say, "let them die." Their theories of overpopulation and survival of the fittest are practical, they say. Besides "why should we care about a foreign, strange land?" Fortunately, most of America does not think that way. The good will, hopes and prayers of Floridians were obvious in our specific flight of mercy. Many have responded before, others are following.

This mission was successful because of the spirit and character of our people. Perhaps it is best summed up in Matthew chapter 25. "When you did it for the least of these, you were doing it for me."●

● Mr. LOWERY of California. Mr. Speaker, I rise on the occasion of this special order in reference to the ongoing tragic situation in Africa.

I commend my colleagues on both sides of the aisle for their statesmanship and compassion in considering aid for the several hundreds of thousands in danger of starvation in Africa. I strongly support increasing aid to these unfortunate victims.

However, during the consideration of relief legislation, there has been little or no mention of Ethiopia's failure to effectively anticipate and ameliorate famine conditions in its own countryside. To this end, I recently introduced House Concurrent Resolution 43, a measure that criticizes the Ethiopian Government for its failure and for its hinderance of relief efforts.

Mr. Chairman, I strongly support the efforts of this committee to help the suffering going on in Africa, but the United States cannot solve the problem alone. The Soviet Union, although in a firm alliance with Ethiopia, has responded to aid needs with little more than symbolic gestures, sending last year approximately 10,000 metric tons of rice and several tons of salt, even though Ethiopia is an exporter of salt.

The Ethiopian central government (Dergue) has done little on its own to help the suffering of its people. In fact, instead of diverting resources toward irrigating agrarian lands, it has chosen to equip its 500,000-person military organization. Moreover, the Dergue has proven reluctant to assist in the food distribution efforts in Eritrea and Tigre, areas of civil strife. For example, aid ships full of supplies have been delayed at unloading docks in favor of Soviet cargo ships laden with military goods. Supply trucks have also been delayed or actually destroyed to areas with reported rebel activity, with devastating effects for innocent civilians.

Mr. Chairman, a clear message must be transmitted to the Government of Ethiopia that the relief system is not available for its individual and political disposal, that those who seek to assist famine victims will no longer abide by further restrictions or hinderances. Whether as language in a supplemental measure or in resolution form, I hope my colleagues here and in the full House will join in a bipartisan effort to demonstrate to the Dergue and Colonel Mengistu the imperative need for direct reform and responsibility in this grave matter.●

● Mr. GARCIA. Mr. Speaker, there are few problems confronting the world today that are more pressing than world hunger, and more specifically, the famine that is plaguing millions of Africans.

Yesterday, in his testimony before the House Foreign Affairs Committee, Secretary of State Shultz spoke about the food crisis in Africa saying that, "If they—millions of African people—are to survive, they need urgent assistance in terms of food, medical care, and shelter." The Secretary was right; we must continue to aid the African people.

We can no longer put the plight of these suffering people on the back pages of our consciousness. We can no longer relegate Africa to the status of puppet in the drama of East-West confrontation. The African people need our help. We are responding, but we must make sure that we continue to do so for as long and as much as it is necessary.

Ethiopia is not the only nation crippled by this tragedy—Niger, the Sudan, Kenya, and Mozambique—to name a few are all suffering. This is not a political question. It is a question of survival; it is a question of heeding the call of poor, starving people who have nowhere else to turn.

The U.S. Government, as I said, has responded to this call, but I believe that we can do more. I believe we have to do more in order to truly confront the epic misery and privation confronting these people. This means not only food aid but long-term development assistance. As the Bible says, it is time to turn our swords into plowshares so that our brothers and sisters in Africa may live; so that they may have the promise of a future.●

● Mr. BROWN of California. Mr. Speaker, we are starting a new Congress which must rapidly deal with an old problem: the African famine. This is an enormous task, one which requires both immediate attention and long-term focus; it is a task which demands our continuing attention.

This famine is the result of a drought which is now over 3 years old in many regions. We were warned 3 years ago that this famine was on the horizon. Yet, we waited until the death toll had reached tragic proportions before we began to seriously address the problem.

Last fall, media reports began flooding our lives with reports of starving children in Ethiopia. These reports prompted an overwhelming and generous response by Americans and people around the world. Relief agencies working on the African Continent were inundated with calls. This winter, the Peace Corps sent out a request for volunteers with farming backgrounds and received thousands of applications within weeks. The United States has already committed twice as much aid this fiscal year as we sent last year. I am proud to be a citizen of a country which expresses such compassion for peoples halfway around the world.

Still, Africa is not out of danger. In fact, its situation worsens daily. We must not allow our past deeds of good will to lull us into a false sense of complacency about the African situation. It will be a long time before Africa can stand on her own again.

Currently, 21 countries in Africa face food shortages. The United Nations Food and Agriculture Organization [FAO] recently estimated that the combined food needs in Africa will come to 6.6 million tons of food this year, twice the amount needed last year. Our past aid has saved tens of thousands of lives, but there are millions in danger.

This December, several relief sites in Ethiopia, Sudan, Mali, Mozambique, and elsewhere ran precariously low on food, because of inconsistencies and delays in food shipments. While the food pipeline was filled at our end, the lag between the time food left the United States and the time it actually reached the hungry was too long. Mr. Speaker, this situation did not happen overnight; we were warned this fall that this type of catastrophy would occur if food shipments were broken. We cannot allow a break in food shipments again or we will face the same severe and unnecessary loss of lives later on this spring.

In January, President Reagan announced an increased assistance program for Africa, a move which I applaud. Yet, Peter McPhearson, Administrator of the Agency for International Development, stated that unless supplemental appropriations are passed by Congress by March 1, U.S. shipments of food will again be interrupted.

Mr. Speaker, it is already February 20. We must all work to get additional funds passed by the end of this month. Early this winter, Congressman WEISS introduced H.R. 100, which I cosponsored, to appropriate over a billion in supplemental appropriations for fiscal year 1985. The United States traditionally supplies half of international emergency assistance for disasters, and these funds, in addition to the amount already committed, would bring U.S. assistance up to half of the total projected need for 1985. Representatives ROUKEMA and CONTE introduced H.R. 606 which would provide a smaller, but still substantial amount of assistance. A compromise bill, H.R. 1097 has been introduced which would provide $526.5 million for additional food assistance and $137.5 million for disaster assistance. We must pass these supplemental provisions before further delay results in the needless loss of lives.

But we also face another challenge. In the coming months, in addition to appropriating vital emergency aid, we must also work to improve our assistance programs and consider ways to help Africa in the long run. This must include increasing our research and development efforts of applicable agriculture; increasing technology transfer to Africa; and encouraging more educational programs both in the United States for Africans and in Africa for her people.

We have faced this challenge before. Fifteen years ago, southern Asia was on the verge of famine, while Africa was a net food exporter. Today, Asia is largely food self-sufficient, while Africa, where food production per capita has declined steadily each year,

is in the midst of the worst famine in this century. Political turmoil and drought contributed to this famine, but much of the starvation could have been prevented had we heeded advance warnings and initiated a proper agricultural development program. Asia's agricultural success took several years and is due mainly to the research and extension work done under the "Green Revolution." Unfortunately, most of the technologies which aided Asia are not transferable to Africa, due to different soil and climate conditions, as well as a poorly developed research and extension system in Africa.

The drought has caused tremendous damage in Africa. Farmers have left their land, seed stocks have been eaten, and soil erosion has increased the desert's spread. Because of this damage, Africa will need enormous help not just in emergency food assistance, but in longer-term assistance as well. I feel strongly that the United States should contribute to this revival.

This is an enormous task. But we cannot allow ourselves to be satisfied with anything less. It has been estimated that food shortages will occur in Africa for years to come. Africans will continue to starve until Africa can once again support her own.

I would like to call to my colleagues' attention to an article which appeared in the February 11, 1985 Christian Science Monitor.

[From the Christian Science Monitor, Feb. 11, 1985]

FOOD AID TO AFRICA SLACKENS BUT NEED EXPECTED TO DOUBLE NEXT YEAR

(By David K. Willis)

The world aid effort to feed the hungry in Africa is caught in a crunch.

Aid from private, individual pockets and purses is slowing down. Efforts by the United Nations, private agencies, and governments are beset by politics in Ethiopia and are not well coordinated overall, diplomats and private analysts agree.

Yet famine in Africa is worsening. The UN estimates that the 21 worst-hit countries will need twice as much food aid this year as they needed last year.

A complex picture of the situation emerges from Monitor telephone interviews with public, private, and government sources in London, Rome, New York, and Washington.

On the one hand:

The massive response from individuals in the West to pleas for food donations to Africa—a response that has seen about $60 million donated in the US and as much as $112 million in Europe since October—is beginning to slacken.

The fear is that the graphic television pictures of African famine victims aired last autumn might only have created a donor cycle in the West—a cycle, as one analysis has it, of "shock, pity, giving, feeling better, and forgetting."

The slowdown is reported by private agencies here such as Oxfam International and Save the Children, and also by a private campaign that raised $1.12 million in Britain to send wheat to Ethiopia between June and December last year.

Overall coordination of the global aid flow remains a problem. While the US and some other governments continue to pour food and other supplies into Africa (the US effort alone may reach $1 billion in the fiscal year ending Sept. 30), private aid agencies and the UN may not be coordinated enough to respond well to the current situation.

Some private agencies are unhappy with new coordination machinery set up by the UN. "The UN is so compartmentalized," says Hugh Mackay, director of overseas operations for Save the Children (UK). "It lacks the sense of urgency that is so needed."

At the same time, some private donors think the private agencies themselves need to show more efficiency to match their generous motives. "Well meaning, but too often disorganized," is how one donor characterizes the agencies.

Meanwhile, the situation in Africa is worsening:

Famine in the Horn of Africa, westward in the Sahel, and south in Mozambique is growing so much worse that the 21 most needy countries will need 6.6 million tons of food aid this year, according to the latest famine report by the UN Food and Agriculture Organization (FAO) in Rome. The countries needed half that amount—3.3 million tons—last year.

Pledges from donors have reached 4.4 million tons, but the FAO reports that "less than half of the known pledges have yet to be delivered." There are fears of an aid "gap" after April, though the UN World Food Program says pledges are in sight after April.

Growing alarm is heard here about the Sudan, which so far has lacked the kind of dramatic television coverage that roused public concern for Ethiopia.

So many refugees are pouring into Sudan from other countries—including as many as 250,000 from Uganda and 100,000 from Chad—that the total number is now put at 1 million. They exacerbate drought conditions in Dafur and Kardofan to the west, and in the Red Sea hills among the Beja nomads. Large crowds are camping at Omdurman, on the bank of the Nile opposite Khartoum.

The population of a former watering hole called Wad Kowli, also just across the Ethiopian border, has jumped from a handful of people last December to some 85,000 today as refugees from the province of Tigre drag themselves across into Sudan. Conditions are so desperate that the private agency in charge, Save the Children (UK), reports that the camp will need to be moved in 20 days because it has almost run out of water.

In Ethiopia, the FAO now estimates that 7.7 million people face food shortages or starvation. This is more than 1 million higher than estimates made last autumn.

In northern Ethiopia, in the Tigre and Eritrea provinces that are waging civil war against the Marxist government in Addis Ababa, so many areas are now uninhabitable that refugees are fleeing across the border into Sudan at a rate that may be as high as 2,000 people a day.

"You also have politics," says one international aid official. "The port of Massawa, to the north, isn't being used because it is the port for areas held by rebels in the civil war." So, he notes, "You still have Ethiopia, a country of 40 million people, depending on a single small U-shaped port—Assab on the Red Sea—with only five berths."●

● Mr. LEVIN of Michigan. Mr. Speaker, today's special order on Africa recognizes the immediacy of the crisis throughout that troubled continent.

This Congress, my home district in Michigan, and concerned Americans across this country have become increasingly alarmed at the urgent plight of those in dire need in Chad, Ethiopia, Kenya, the Sudan, and elsewhere. Ten million lives are at risk. It is literally vital that we in Congress act as quickly as possible.

Last night, the House Foreign Affairs Committee agreed on a compromise proposal providing emergency supplemental appropriations for African aid in the amount of $701.5 million. The legislation is presently before the Appropriations Committee, which I hope will move it swiftly to the floor.

Seldom does our legislative agenda provide us with more tangible evidence of the challenge confronting us. What is needed is clear and very real: Wheat, corn, sorghum, and chick peas; blankets and tents, transportation to take these materials to the people who need them and personnel to distribute them, and medicine for the sick.

The list is short—the task is enormous. By the time we see the faces of the starving children on the evening news, many of them have already died. Many more will die before $705.1 million will meet even the most immediate needs. Let us demonstrate that we have the resolve to rise to this challenge.●

● Mr. AuCOIN. Mr. Speaker, last Christmas eve a cargo plane flew from Portland, OR, to Addis Ababa, Ethiopia on a mission of mercy. Oregonians watched its progress on television while they celebrated the holidays; the flight represented their gift of life to those dying of disease and starvation.

A month previous the U.S. National Bank of Oregon had initiated a drive, Oregonians Helping Ethiopians, for relief funds by opening the doors of the bank's 186 branch offices to donors with a promise to match the first $50,000 collected. Evergreen International Airlines of McMinnville, OR, had already offered to donate all costs of a flight to Ethiopia.

Within 2 weeks an extraordinary outpouring from 10,000 people of all ages and incomes raised $580,000. Many businesses, too many to recount here, gave food, medical supplies, and storage space. With labor donated by the bank and other volunteers, a planeload of supplies was purchased and readied within days. Once in Ethiopia, the goods were immediately distributed by World Vision.

With remaining funds, a ship was outfitted and sailed from Portland last Saturday, with a much greater store of food and medical supplies. Northwest

medical teams has just sent a corps of 15 volunteer doctors and nurses to Ethiopia to serve the emergency health needs of refugees there. Another group is preparing to leave in March.

To my knowledge Oregon's was the first statewide private effort for African famine relief. The Oregon project has inspired others throughout the country and has demonstrated, once again, that the human community does not end at arbitrary State or national borders, but extends as far as awareness of human suffering can take it.

Mr. Speaker, the efforts and concerns of Oregonians have been repeated nationwide. In 1985, Americans donated nearly $60 million to provide for the needs of the hungry and homeless in Africa. But even this great outpouring cannot begin to address the need.

Conditions in the Horn of Africa, the Sahel and Mozambique are desperate. Nearly 21 African nations will need 6.6 million tons of food aid this year—double the need level of last year. In Ethiopia alone nearly 8 million people face food shortages or starvation.

To meet the increasing demand, the United States doubled its contribution to African relief efforts for fiscal year 1985. However, our emergency feeding programs have been all but depleted after only 3 months. The U.S. Agency for International Development estimates that U.S. feeding programs will be crippled if additional funds are not approved by Congress by the end of this month.

It is absolutely imperative that Congress approve additional money as soon as possible. For that reason, I fully support the proposals to provide an additional $701.5 million for emergency famine relief. Of this total, $526.5 million is earmarked for food aid and transportaiton costs. An additional $137.5 million is earmarked for emergency shelter, land rehabilitation, and refugee assistance programs, marking the beginning of U.S. efforts to prevent similar disasters in years to come.

Aside from emergency relief efforts, the United States must provide the wherewithal for the proud people of Africa—seeds, tools, and technical help—for them to grow their own food and become self-sufficient as they have been for centuries. I pledge my efforts to working for legislation that will meet the long-term development needs of Africa.●

● Mr. SCHUMER. Mr. Speaker, I would like to express my deep concern over the suffering of the thousands of people starving in Ethiopia. Like my colleagues, I have been horrified by the reports that over 300,000 people perished from starvation in 1984. The effects of the current drought plaguing the country could be even more devastating. Following 3 successive years of exceptionally low rainfall, the 1984 crop harvest is significantly smaller than any harvest in the last 3 years, and it is estimated that this meager harvest will be consumed by the end of February. In fact, the total food aid requirement for Ethiopia and its refugees in 1985 will be 1.5 million metric tons of grain. If the food aid requirement is not met, the number of people who die every day in Ethiopia's feeding camps could climb well beyond the current figure of 200.

No group has endured greater hardship in Ethiopia thant he Falashas. At least 2,000 Ethiopian Jews have died in refugee camps in Sudan since last spring and still 3,000 are believed to be in Sudanese refugee camps. While as many as 15,000 Ethiopian Jews have managed to emigrate to Israel, an estimated 7,000 still remain in Ethiopia. Those Jews remaining in Ethiopia suffer more than the horros of the famine. They are caught in the crossfire between the government and rebel armies. Moreover, Ethiopian Jews have been subjected to religious repression by a government that has supported the burning of Hebrew books, the incarceration of teachers, and the closing of schools where Hebrew is taught. Recently, two Ethiopians who had escorted three of our colleaggues—Senators TRIBLE and DECONCINI and Representative ACKERMAN—to Falasha camps were attacked and beaten by men identified as government authorities. It is imperative that we not sit idly by and allow this repression to continue.

We cannot cease our efforts until every Ethiopian Jew is allowed to emigrate to Israel. I pledge my continued support for efforts to provide assistance to combat the drought, such as H.R. 100, which would provide over 700 million in supplemental assistance to drought-stricken Africa, and I urge our Government and all other governments, to do all that they can to see that the Ethiopian Jews are allowed to emigrate.●

● Mrs. COLLINS. Mr. Speaker, Americans have witnessed with horror the drought and famine which has struck Africa in recent months. In all, 150 million people in 27 countries are affected by this disaster. Our Nation has reacted generously to this tragedy as individuals and groups from all walks of life and backgrounds have donated vast amounts of relief money.

I am proud to be an original cosponsor of H.R. 100, a supplemental appropriation bill which will provide major increases in famine relief and recovery assistance for fiscal years 1985 and 1986.

Specifically, the bill increases funds for the Food for Peace title II program by $787 million. This will provide money to purchase and ship 1.7 million metric tons of food, an estimated half of Africa's emergency food needs. As the world's largest food producer, the United States has traditionally provided at least half of international food assistance in emergencies.

The supplemental bill also contains an additional $225 million in nonfood aid, mainly for projects to promote long-term recovery. It is vital that we link emergency aid to projects that promote a return to normal farm production.

This recovery aid has four main components. First, $80 million for rehabilitation programs involving the health, water, and agricultural development needs of the poor. Second, $70 million for foreign disaster aid, such as shelter, blankets, and fertilizer. Third, $50 million for assisting refugees and displaced persons. Fourth, $25 million for overcoming the transportation and storage problems of regular food aid programs of the poorest Africans.

Mr. Speaker, the World Food Council at its 10th anniversary session last June stated that hunger today is largely created by human error or neglect. Human indifference perpetuates it and human resolve can eradicate it. I firmly agree with this assessment and have seen for myself how American aid has saved lives throughout Africa and the world. I urge my colleagues to support H.R. 100 and other legislation which promotes relief for this horrible tragedy in Africa.●

STATEMENT ON THE IMPACT OF THE FISCAL YEAR 1986 REAGAN BUDGET ON THE 21ST CONGRESSIONAL DISTRICT OF OHIO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. STOKES] is recognized for 30 minutes.

● Mr. STOKES. Mr. Speaker, on February 4, 1985 President Reagan submitted his fiscal year 1986 budget to the Congress and the American people. The President's fiscal year 1986 $973.75 billion budget plan would finance a massive $30 billion increase in defense spending with severe cutbacks in domestic programs, totaling nearly $40 billion. I oppose this unfair, irrational, and irresponsible transfer of funding from programs for the people to programs for war. Once again, it appears that this budget is being balanced on the backs of the poor and the disadvantaged. Already, the American people have begun to understand the truly negative impact of this budget, and have begun to speak out in opposition to it.

In my own congressional district—the 21st District of Ohio—it is patently clear that the passage of the President's budget will hurt the quality of life for many needy and disadvantaged people. The fiscal year 1986 budget

will produce another victim—the middle class.

Further, not only does this budget hurt people, but also it will stunt ongoing community revitalization efforts. Major metropolitan centers, such as the Cleveland area, are just beginning to progress after years of decay and the devastating impact of the Reagan recession. This budget, if passed, will set the clock back on the revitalization of these great urban centers.

I have consulted with numerous program experts in my district with respect to the impact of the Federal budget proposals in the areas of employment, education, health, housing and transportation, et cetera. That impact, not only in my district, but also in districts across America, must be our primary focus as we begin deliberations on the President's budget request. For those reasons, I would like to share with my colleagues my analysis of how the 21st Congressional District of Ohio will fare under the administration's budget plan.

STATEMENT ON THE IMPACT OF THE FISCAL YEAR 1986 REAGAN BUDGET ON THE 21ST CONGRESSIONAL DISTRICT OF OHIO

EMPLOYMENT

Despite continuing high levels of unemployment in Cleveland, Ohio and in other parts of the country the federal government will play a diminishing role in supporting local employment and training programs. Federal support for employment and training activities has been drastically cut since 1980, when $8.1 billion was available under the Comprehensive Training and Employment Act. Job training appropriations have now dwindled under the Job Training Partnership Act (JTPA) to $3.5 billion in FY 1985 and will further decrease to $2.8 billion in FY 1986, under the President's budget plan. Fiscal year 1986 funding for the largest component of JTPA—the Employment and Training Block Grant—would be frozen at $1.886 billion. The second largest JTPA component—the Summer Youth Employment Program, now funded at $825 million, would lose $100 million in FY 1985 and another $60 million in FY 1986. With Summer Youth jobs funding reduced to a total program level of $664 million, summer jobs for 67,000 teenagers across the country would be eliminated. A third JTPA component—the Dislocated Workers Program, now funded at $223 million, would be cut by $120 million in FY 1985 and by another $3 million in FY 1986. Finally, the $617 million Job Corps Program, a fourth JTPA component—would be terminated altogether.

In summary, the President's budget proposals for employment and training assistance represent bad news for the unemployed residents and the youth of the 21st District and the Cleveland area. More than 61,000 people are unemployed in Cuyahoga County. Of these individuals, more than half live in the City of Cleveland, which had an unemployment rate of 13.2 percent in December 1984, the most recent month available. This high level of unemployment reflects the large proportion of low income and minority Cleveland families who need job training and large number of middle income persons who need retraining because of plant closings and fewer job opportunities in the auto and steel industries.

No additional help will be coming to Cleveland from Washington, D.C., however. The tremendous need for job training assistance for Cleveland residents is currently addressed by Cleveland's share of about $20.0 million in funds from JTPA. For FY 1986, the City of Cleveland can expect to receive at most about $13 million in JTPA funds—a loss of about $7 million under the President's proposed budget. Most of the loss would be realized by the closing of the Cleveland Job Corps Center, which currently receives in excess of $5.0 million from the U.S. Department of Labor. If President Reagan is successful in terminating the successful Job Corps Program, 530 disadvantaged Cleveland youth each year would lose valuable skills training in allied health occupations, clerical and data entry positions. Cleveland would also lose the resources for the Summer Youth Employment program in the amount of about $500 thousand. As a result, more than 625 much needed summer jobs for teenagers would be lost. It is doubtful that these young people could be accommodated in the City of Cleveland's other job training programs.

ELEMENTARY AND SECONDARY EDUCATION

President Reagan's FY 1986 budget fails to give education the high priority called for by the President's National Commission on Excellence in Education by freezing at about FY 1985 levels the three largest federal elementary and secondary education programs for compensatory, handicapped and vocational education. These programs would be funded at $3.647 billion, $1.306 billion and $738 billion, respectively, in the FY 1986 budget. Several other but smaller education programs, however, would receive deep budget cuts, including Impact Aid (22 percent), bilingual education (17 percent) and Special Programs under the Chapter 2 Block Grant (69 percent). Additionally, the budget calls for a rescission of the $75 million in FY 1985 funding appropriated for the new Magnet Schools Grants for school districts undergoing desegregation. Overall, the President's budget request for elementary and secondary education programs totals $7.481 billion, a decrease of $271 million below the FY 1985 appropriated level.

The Cleveland Public Schools and other urban school districts will have difficulty maintaining quality programs for the disadvantaged, handicapped and language minority children under the Administration's virtual freeze on federal support for elementary and secondary education. In FY 1985, the Cleveland Public Schools can expect to receive about $18-19 million in elementary and secondary education aid, including $13.5 million in aid from the Chapter 1 Compensatory Education program. About the same amount of funding would be available for Cleveland's school children in FY 1986, under the President's budget plan.

Of major consequence to the 21st District is the President's decision to cancel $75 million in FY 1985 funding for a new program financing the development of magnet schools in desegregating school districts.

The Cleveland Public Schools received $7 million in FY 1980 and $4 million in FY 1981 to finance the implementation of desegregation activities, primarily the establishment of magnet schools. These dollars are no longer available due to the enactment of the Chapter 2 Block Grant in FY 1982. If Congress concurs in the termination of the new Magnet Schools program, Cleveland will lose a valuable and much needed infusion of new resources to strengthen and further develop the City's magnet schools.

HIGHER EDUCATION

Under President Reagan's FY 1986 budget proposals, the dream to pursue a higher education at the college of one's choice would no longer become a reality for many students in the 21st Congressional District and throughout the nation. A reduction of 25 percent in federal support for student financial aid is included in the FY 1986 budget, with total funding for student grants, loans and work opportunities dropping from $8.3 billion in FY 1985 to $6.3 billion in FY 1986. The President's budget also proposes a major restructuring of federal student aid programs which would place a heavy burden on parents and students to finance a larger share of college expenses. Most notably, eligibility for Pell Grants, National Direct Student Loans and College Work Study would be restricted to students from families with adjusted gross annual incomes of $25,000 or less. A similar income cap of $32,500 for eligibility for Guaranteed Student Loans (GSLS) would be established. Additionally, no student would be able to receive more than $4,000 annually in aid from the Department of Education and each student would be required to contribute $800 to his or her college expenses before receiving any federal assistance. These proposals would have the greatest impact on students from middle income families.

Assistance for higher education is a high priority for many families in the 21st Congressional District. Yet, under President Reagan's proposals, students from one-third of all families in the district would be ineligible for federal Pell Grants, National Direct Student Loans or College Work Study. About 15 percent of 21st District families would be ineligible for Guaranteed Student Loans, which carry a lower interest rate than commercial loans.

Needless to say, under President Reagan's proposals, many bright and talented 21st District students would be unable to attend the college of their choice because of fiancial need. A cap of $4,000 on the total amount of assistance that each student may receive would permit many students to attend only lower cost two and four year colleges.

More than 40 percent of the 65,000 students currently enrolled in the 13 higher education institutions in Cuyahoga County receive one or more types of aid from the Department of Education. Students most affected by the $4,000 mega-cap on federal student aid would be graduate and professional students and students attending more expensive institutions, such as Case Western Reserve University (CWRU). For example, one-third of the undergraduate enrollment, or about 940 students, at CWRU would lose about $1 million in federal aid under the $4,000 mega-cap proposal. The 2,700 graduate and professional students at CWRU who now receive GSLs would also lose more than $1 million in assistance under the mega-cap.

However, at the other end of the spectrum, even lower cost institutions such as Cuyahoga Community College and Cleveland State University may find the very neediest students being squeezed by the $4,000 mega-cap.

The proposed income caps on Pell Grants, Guaranteed Student Loans and other aid programs would work a particular hardship for middle income students at all types of

institutions. Roughly 20 percent of those students now receiving Pell grants could become ineligible and as many as 60 percent of those students now receiving National Direct Student Loans and College Work Study on some campuses could become ineligible for this assistance due to the proposed income ceilings.

MEDICARE

The Medicare program is the cornerstone of this nation's commitment to adequate health care for 27 million aged and 3 million disabled persons. The Medicare program is the single most important Federal program protecting older Americans from financial hardship due to age or major illness. Despite recent Congressional reforms to increase cost-sharing and to bring program costs under control, Medicare is once again the victim of the Reagan budget ax. Unfortunately, it will be the elderly who will bear the brunt of the burden.

In his FY 1986 budget proposal, President Reagan has proposed a total of $3.9 billion in Medicare reductions, in addition to the $332 million in the fiscal year 1985 medicare savings passed by Congress in 1984. The total Medicare savings in the FY 1986 budget is $4.2 billion. These reductions will come in the form of legislative and regulatory changes. The most significant reductions requested by the President include an extension of the physical fee freeze which began on July 1, 1984 and a freeze on medicare reimbursement rates for hospitals, and skilled nursing facilities. Additionally, the President, has proposed that the out-of-pocket costs which Medicare beneficiaries must pay for Part B premiums, deductibles and co-payments for home health services be increased.

Part B is the portion of Medicare which pays for physician and other medical services, including x-rays and diagnostic tests; outpatient services and home health care. Additionally, the Administration proposes to begin Medicare coverage on the first day of the month following the month in which age 65 is achieved. This proposal will mean that many seniors will have to go an additional month without the financial security of medicare coverage.

To achieve this projected cost savings in the Medicare program, the elderly will be once again be asked to reach into their pockets. The President's proposals would shift nearly $700 million in additional costs to the most vulnerable segment of our population. Beginning in 1986, monthly premiums for Part B would increase from $15.50 per month to $16.60 for month. The premium would continue to rise by two percentage points each year until 1990.

Due to recent Congressional reforms in the Medicare program, our senior citizens are caught up in a Catch 22 situation where the right to health care is no longer an option many of them can afford. Medicare is the only health insurance program most older Americans have. Nevertheless, Medicare covers only about 45 percent of their total day-to-day medical expenses. For Ohio, and the Cleveland Metropolitan area in particular, the President's proposals will result in severe financial hardship for a significant number of people. In the Cleveland metropolitan area, nearly 72,000 or roughly 13 percent of the population is 65 or older. Moreover, 3 out of 10 people admitted to Cleveland area hospitals are Medicare recipients.

The average medicare beneficiary receives $284.30 per month for social security. The average daily hospital cost is $245.00. For many low-income elderly, faced with delays in inflation adjustments in social security, cutbacks in housing, and food stamp programs, and rising utility costs, increased medicare deductibles and co-payments may force many elderly citizens to forego some other basic necessity.

In addition to the elderly, hospitals in the Cleveland area will be faced with added financial pressures as a result of the President's proposals. Currently, 5 hospitals (Cleveland Metro General, Mt. Sinai, St. Lukes, University Hospitals, and St. Vincent's Charity Hospital) in the Cleveland metropolitan area provide 90 percent of all medical indigent care services rendered in Cuyahoga County. All of these hospitals are located in the 21st Congressional district. In 1984, the total cumulative cost of uncompensated care provided by these institutions was more than $65 million. The added financial burden which will be placed on our elderly population because of the President's policies, will almost certainly be felt by these hospitals, as more and more medicare beneficiaries become unable to afford the increased cost of the program.

Additionally, the President's budget proposal to freeze hospital reimbursements and his refusal to even offer any financial compensation to hospitals that serve significant numbers of the medically indigent, may threaten their very existence. No one would argue that hospitals must share in bringing down the costs of health care. However, hospitals should not be forced to make the choice of serving the health care needs of the poor or keeping their doors open.

MEDICAID

The medicaid program helps States to pay for medical services for the poor. The medicaid program is the largest federal health program for poor mothers and children. In fiscal year 1985, the program is expected to provide services for nearly 24 million persons, including 11 million children. For these individuals, the medicaid program is the only way to pay for check-ups, medical treatment, dental care, hospitalization and needed drugs. Additionally, for several hundred thousand pregnant women, the program pays for prenatal and delivery services.

The rising cost of the Medicaid program has placed a strain on both federal and state budgets. Since 1981, nearly every state in the nation has been forced to place limits on the number of mothers who can qualify for Medicaid.

In recent years, the State of Ohio has not only been forced to accept federal reductions in the medicaid program but has had to trim its own budget as well. Since 1982, 84,000 people have lost medicaid benefits in Ohio, including 50,000 children.

President Reagan's fiscal year 1986 budget proposals include $1.1 billion in Medicaid reductions in fiscal year 1986 and $6.5 billion over fiscal years 1986-88. The reductions in the Medicaid program would be achieved by placing a cap on federal matching payments to states. Under the cap, medicaid spending would increase by only 3 percent in fiscal year 1986 over last year's spending. This small rate of increase in federal reimbursements is well below the rate of medical care cost inflation. States would have increased flexibility to adjust their programs to meet lower federal reimbursements.

In Ohio, 144,500 persons are eligible for Medicaid. However, only 70,000 persons or 49 percent, are being served. The President's proposal to cap federal payments to the states will have a severe impact on Ohio, particularly the 21st Congressional district. Of all Ohio medicaid recipients, 17 percent live in the Cleveland area.

According to officials at the Ohio Department of Public Welfare, the state projects that in fiscal year 1986 a 14 percent increase over last year's medicaid expenditures will be necessary to meet the needs of medicaid recipients. If the President's proposal is approved, by mid-1986, the state of Ohio will experience a $40 to $50 million shortfall for Medicaid. This shortfall would force the state to trim medicaid eligibility, reduce services and take other actions to limit medicaid expenditures.

Moreover, medicaid law authorizes states to pay premiums for certain low-income elderly in the Medicare program. With the President's proposal to increase out-of-pocket expenses for the elderly, an additional financial burden may be shifted to the medicaid program if a significant number of seniors become unable to pay for the costs of their Medicare Part B premiums. Under this scenario, a significant amount of the burden will be felt in the 21st district where nearly 13 percent of the population is 65 or older.

FAMILY PLANNING

Family planning (Title 10) is the primary voluntary family planning program funded by the federal government. The program provides over 50 percent of available federal support for family planning services and the national network of family planning agencies through which all subsidized services are provided. The goal of the program has been to serve a population of nearly 11 million women at risk of unintended pregnancy. This includes 5 million adolescent women ages 15 to 19 and 6 million adult women ages 20 to 44 in families with incomes below 200 percent of poverty. Services include physical exams, contraception, counseling, cancer detection, health and social service referral, and community education.

As a direct result of the federally funded family planning program, in 1981 alone, more than 800,000 unintended pregnancies—about half of them among teenagers—were averted. If these unplanned pregnancies had occurred, there would have been an estimated 282,000 additional births and 433,000 more abortions that year. In the State of Ohio, family planning saves $5.30 in taxpayers dollars for every $1.00 of public funds invested.

Despite the apparent need for family planning services nationwide, the Reagan Administration has consistently taken actions to erode funding for the program. In fiscal years 1982 through 1985, President Reagan proposed to repeal the family planning program as a categorical grant program and place it in a block grant. Each time the Congress has rejected the Administration's proposals. In spite of past Congressional objections to his policies in this area, President Reagan has again, in his FY 1986 budget, proposed to consolidate family planning activities into a primary health block grant. Budget authority for the primary block grant would be set at $550 million. In addition to family planning services, the block grant would include, black lung clinics and migrant and community health centers. Taking inflation into account, this amount results in a net 3 percent reduction in funding for these programs.

In FY 1984, Cuyahoga County spent roughly $670,000 in federal funds for family planning and served over 25,000 women,

most of them low-income teenagers. For FY 1985 the County expects to receive $539,200 in federal family planning funds, 17 percent below the FY 1984 amount. If the President's FY 1986 proposals are successful, nearly 3,700 low-income patients would have to be dropped from the program over the next two years. For many of these women, denied access to the program will most likely result in an unintended and unwanted pregnancy. Moreover, the Cleveland area has one of the highest teenage pregnancy and infant mortality rates in the nation. If Mr. Reagan has his way, what is now a national problem may become a local tragedy.

HEALTH MANPOWER EDUCATION AND TRAINING

One critical health manpower program marked for extinction by the Reagan Administration is the National Health Service Corps (NHSC) Scholarship Program. The NHSC was established in 1970 to help eliminate the maldistribution of medical personnel throughout the U.S. Students participating in the program exchange their future medical services to medically underserved communities for scholarships paying tuition and a monthly stipend. The National Health Service Corps Scholarship program has afforded medical students, a great many of them disadvantaged minorities, a unique opportunity to develop their professional talents, and then offers them the chance to provide medical services in their own communities.

Since its inception, the NHSC has experienced remarkable success, particularly through physician placements in community health centers. In communities served by these health centers, child immunizations have increased by as much as 50 percent, hospitalizations decreased by 60 percent and the incidence of preventable diseases has declined dramatically. The NHSC has been cost-efficient as well. For every $1 spent on prenatal care, an estimated $4 to $6 is saved on newborn intensive-care costs. Despite the well documented effectiveness of the National Health Service Corps, the President has proposed no funding for new scholarships in his FY 1986 budget.

Currently there are 105 NHSC practitioners in the State of Ohio. Nearly 50 percent of the state's total are providing health care services at community health centers in the Cleveland area. In 1984, over 39,000 medically needy and poor residents sought medical and dental services from NHSC physicians and dentists practicing at the Hough Norwood Community Health Center. For communities with significant numbers of poor and underserved individuals, the Presidents decision to terminate the NHSC scholarship program will severely affect their ability to continually ensure that accessible and affordable health care is available to all in need.

Additionally, President Reagan has proposed to eliminate federal assistance for students pursuing careers in the health professions. Financial assistance is provided for health professionals and nurses under Titles 7 and 8 of the Public Health Service Act. For FY 1986, the Administration projects it will save nearly $210 million for this purpose.

Today, the cost of an education is simply out of reach for most Americans and federal assistance has become increasingly necessary as the costs of medical education continue to rise. Recent projections indicate that students graduating from some private medical schools in 1985 will have accumulated debts of $50,000 to $60,000, and that by 1986 debts of $40,000 will be typical of all students graduating from both public and private schools.

Moreover, with sky-rocketing medical school costs, federal financial aid programs have been extremely important toward ensuring that equal opportunities for access to a medical education is available to students from every socioeconomic stratum. Moreover, the continuation of medical education assistance is particularly important to well qualified disadvantaged and minority students who would otherwise be denied this opportunity simply because they lack the necessary financial resources.

The 21st Congressional District includes one of the greatest concentrations of outstanding health professions schools and health facilities anywhere in America. Any proposal to reduce or repeal financial aid for health professions students attending these colleges or universities may result in significant decreases in enrollment.

Since 1983, the federal government has provided no new funds for the Health Professions Student Loan (HPSL) Program and an increased number of students have had to look to the more expensive guaranteed loan programs for support. However, schools have been allowed to use the funds that have been repayed by former students to offer new loans to incoming students.

At Case Western Reserve University (CWRU), which has one of the finest medical and dental schools in the area, over half of the students receive some type of financial assistance. Last year, 43 students received loans from the HPSL Program for a total $168,000. Without any additional revenue, the elimination of the HPSL Program would result in the depletion of the school's HPSL loan fund and fewer financially needy and minority health professions students would receive aid. For the nursing school at CWRU, the elimination of funding for nurse education and training would have an even greater impact. Of a total enrollment of 309 students, 145 students receive financial aid. The President proposals would result in the loss of over $650,000 in aid for the nursing school.

AID TO FAMILIES WITH DEPENDENT CHILDREN

The Aid To Families With Dependent Children (AFDC) Program provides cash assistance to low-income families with children, primarily single parents. About 3.7 million families currently receive AFDC benefits, but these families represent only a fraction of all poor families. AFDC payments average only about $24 a week per person nationally.

During the past four years, about 725,000 families lost AFDC benefits entirely due to budget reductions initiated by the Reagan Administration. Federal expenditures for AFDC program were reduced by more than $2 billion during the period.

For FY 1986, the Reagan Administration again plans to reduce AFDC benefit expenditures by about $271 million or 3%. These budget "savings" would be offset by $145 million in increased administrative costs associated with the Administration proposed program changes for a net AFDC budget cut of $126 million. In order to achieve budget savings, the Administration proposes four program changes which are identical or similar to proposals already considered and rejected by Congress. They include:

Requiring employable AFDC recipients to work or participate in job training programs; all AFDC applicants should be required for jobs.

Requiring single minor parents to live with their parents to be eligible for AFDC benefits.

Denying AFDC benefits to employable parent or relative caring for children when the youngest child reaches 16.

Establishing a state administrative block grant for costs of adminstering AFDC and other welfare programs.

In Cuyahoga County, about 119,000 parents and children receive AFDC benefits each month. Most are 21st District residents and all "employable" parents would be affected by the Administration's workfare proposals. An uncertain number of beneficiaries would be affected by the other proposed AFDC program changes.

LEGAL SERVICES

For the fifth consecutive year, President Reagan has proposed to terminate the Legal Services Corporation (LSC) at a time when the need for the LSC has never been higher. With the number of families in poverty at record high numbers, more and more people are in need of assistance for the often desperate legal problems that can accompany poverty. In the 21st District, more than 100,000 persons, or 20 percent of the total population of the 21st District, have incomes below the poverty line and qualify for services funded by the LSC. Currently, the Legal Services Corporation receives $305 million in federal support and provides vital funding to the Legal Aid Society in Cleveland.

If President Reagan's FY 1986 budget proposal is approved, the Legal Aid Society in Cleveland would lose $1.7 million in resources needed to assist low-income citizens with such every day problems as tenant-landlord disputes, social security disability payment terminations and consumer protection issues. Under the President's budget, the Legal Aid Society would be forced to lay off more than 15 lawyers who together handle more than 3,000 cases each year. This lost capacity to help poor and disadvantaged citizens in the 21st District translates into a profound and direct denial of essential services to needy clients.

MASS TRANSIT

Urban mass transit programs throughout the nation would be severely affected by Administration budget proposals which would slash federal funding for Urban Mass Transportation Administration (UMTA) programs. The FY 1986 budget includes only $1.127 for federal assistance for mass transit programs compared with a FY 1985 appropriation of $3.382 billion. In slashing the federal mass transit budget by nearly three-fourths, President Reagan would abolish mass transit operating assistance grants and discretionary capital grants. Additionally, interstate transfer transit grants (grants obtained in substitution for old I-490 projects) would be funded under the program previously reserved for substitute highway projects.

To replace these programs, a scaled-back formula capital assistance program, financed by the one cent gasoline tax dedicated to transit, would be funded at $1.1 billion, with an increased local matching requirement of 30 percent.

The President's proposals would completely alter the current structure of federal mass transit programs established in 1982 and revoke the historical federal commitment to mass transit. These proposals would impair the ability of urban cities, such as Cleveland, to maintain a high degree of mo-

bility for their residents and sustain economic vitality and growth.

For FY 1985, Cleveland's Regional Transit Authority (RTA) will receive at least $30 million in federal resources to operate and maintain rapid transit services in Cleveland. Under the President's budget, RTA would lose nearly 50 percent of this aid, including $11 million for operating assistance and at least $6 million in formula and discretionary capital grants. Additional dollars could be lost in FY 1986 depending upon RTA's success in competing for interstate transfer Transit grants. Major capital investment projects that would be jeopardized by the Administration proposals include the rehabilitation of the Red Line from Burke Airport to Windemere; improvements to the Terminal Tower station, and planned bus replacement. The drastic cut in federal operating subsidies, comprising 10–11 percent of RTA's total operating budget, would force either fare increases, service reductions or some combination of these actions to offset the sudden and striking loss of vital federal resources.

AMTRAK

Amtrak, which provides passenger rail service largely in the Northeast and the Midwest, would receive no federal funding in FY 1986 under President Reagan's FY 1986 budget. In FY 1985, Amtrak received $684 million in federal subsidies.

If Congress approves a termination of federal support to Amtrak, it is expected that Amtrak would have to declare bankruptcy on October 1, 1985. This would mean the termination of Amtrak's Lake Shore Limited rail service to Cleveland with terminal points in Boston, New York, and Chicago. The Lake Shore Limited services 40,000 Cleveland area riders annually.

Amtrak also buys about $1.3 million in goods and services annually from Cleveland area businesses. Thus, the Cleveland area economy would lose this source of revenue if Amtrak is forced to shut down due to the loss of its federal subsidy.

HOUSING

The Federal government currently provides housing assistance to over six million households. This broad undertaking reflects the national housing policy which Congress adopted in 1949 and has reaffirmed in successive amendments to the Housing Act. In that Act, Congress stated that a decent and safe living environment should be provided to every American family as soon as possible.

Over the last 12 years, Congress has provided $86 billion in housing assistance through the Farmers Home Administration (FHMA) and the Department of Housing and Urban Development (HUD) toward the goal of providing housing to those who are not ordinarily accommodated by the private market. This year, however, the Administration, through its FY 1986 budget proposals for HUD and FMHA would impose a moratorium on producting new units of federally subsidized housing and would terminate the FMHA housing assistance programs. In 1988, after the end of the proposed moratorium, the Administration plans to split federal allocations for new assisted housing units between rural and urban areas.

If Congress approves a two year housing moratorium the city of Cleveland would suffer the loss of at least 1,395 units of subsidized housing and probably more. About $14 million normally received by the City for planning and development purposes would also be lost. The city of Cleveland estimates its housing losses under the President's budget to include the following:

70 units under the Section 202 Elderly/Handicapped Housing Program;

200 units under the Rental Rehabilitation Grant Program;

50 units under the Housing Development Action Grant;

300 units under the Public Housing Modernization Program;

75 units under the Section 312 Program;

200 units under Section 8 Moderate Rehabilitation Program; and

500 units under the Section 8 Existing Housing Program.

The Administration contends that these cuts are necessary in order to reduce the deficit and reform the delivery of Federal housing assistance. However, a freeze on housing development programs will mean that the 100,000 housing units which historically have been produced each year nationwide will not be available to mitigate the effects of an annual loss of 350,000 units from the marketplace because they are either substandard or have been demolished.

PUBLIC HOUSING OPERATING SUBSIDIES

The Reagan Administration proposes an appropriation of $1.0 billion to pay operating subsidies to public housing agencies (PHA's) in FY 1986. This amount is 20% below the $1.4 billion appropriation for this purpose in FY 1985. Although Congress approved these funds to pay 100% of the entitlement amount due PHA's under HUD's Performance Funding System, the Administration has asked Congress to rescind $253 million of the $1.4 billion appropriation based on the assumption that these funds will not be needed due to new regulations and projected energy cost savings.

In FY 1984, the Cuyahoga Metropolitan Housing Authority received $25 million in federal operating subsidy payments to maintain the 11,800 public housing units in Cleveland. Of this amount, about $16 million was needed for utility payments, leaving only $8 million to finance essential maintenance, security and other operational activities. Even with the federal subsidy and rental income, the CMHA experienced a deficit of $3.5 million in FY 1984.

For FY 1985, CMHA expects to receive about $24 million in federal subsidies, based on receiving 100 percent of its entitlement. If Congress approves the Administration's rescission proposal and public housing operating requirements are greater than expected, CMHA could experience a significant loss in federal resources. This could have a critical impact on CMHA's ability to provide services to its residents, since the Authority already anticipates an operating deficit of at least $2 million in FY 1985.

A similar situation exists for FY 1986. According to the Council for Large Public Housing Authorities, about $1.3 billion will be needed in FY 1986 to provide PHA's with 100 percent of their operating subsidy requirements. If the President Reagan's budget request of $1.0 billion is approved, resulting in a 20 percent funding shortfall, PHA's across the country, including CMHA could face considerable difficulty in sustaining needed operations.

PUBLIC HOUSING MODERNIZATION

The President proposes a partial moratorium on the Public Housing Modernization Program for one year—FY 1986. During this year, the $1.7 billion Public Housing Modernization Program would be replaced by a $175 million Emergency Modernization Needs Program. This represents a sharp reduction of 90 percent in funding for critical public housing modernization projects. The definition of emergency needs under the interim program has not yet been defined by the Administration. Therefore, it is not possible to determine how much of these funds will be distributed to CMHA. At a minimum, however, Cleveland should qualify for funds to meet emergency heating needs at the Carver Park development.

The impact of the moratorium upon Cleveland will mean that CMHA will not receive funds to upgrade 300 now vacant substandard units. A high vacancy rate means that CMHA will continue to lose valuable income. CMHA has performed a study which reveals that in order to bring all its units up to standard, CMHA should receive $143 million in modernization funds. In FY 1984 CMHA received only $2 million in modernization funds for the second stage funding of Old Cedar Homes in the 21st District. The funds will modernize 651 apartments.

COMMUNITY AND URBAN DEVELOPMENT

Included in the programs to be eliminated by the fiscal 1986 budget is the popular Urban Development Action Grant Program (UDAG). This program is administered by the Department of Housing and Urban Development as part of its community planning and development efforts and was funded at $444 million in FY 1985. UDAG grants leverage private sector money for urban and small city revitalization projects.

UDAG funds have been used in the 21st District to provide financing for businesses which have provided over 800 new permanent jobs, thereby refuting the Administration's contention that the program does not create new jobs. Indeed, the program has been a vehicle for the creation of jobs. Out of the total of the jobs brought to Cleveland through the UDAG program, 23 percent are held by minorities. The termination of this important economic development and job creation tool will mean a loss to Cleveland of an average of $15 million a year in federal resources and an average private sector investment of $75 million. The abolishment of the UDAG Program would also mean that potentially 3,200 new jobs may not be realized because future UDAG grants would be used by the City to attract and assist new businesses to either retool, or to relocate in the Cleveland area.

Coupled with the termination of the UDAG Program is the Administration's intention to reduce funding for the Community Development Block Grant (CDBG). The FY 1986 budget includes only $3.1 billion for CDBG grants, down from the $3.5 billion appropriated by the Congress for fiscal year 1985. These funds are used by City of Cleveland and local communities to fund a wide range of activities, such as the acquisition and disposition of real property, construction of public facilities, rehabilitation of housing and business properties, and the provision of public services. CDBG allocations made by the City for street improvements and public services would probably be cut at least 10 percent below current levels in FY 1986 as a result of the lower level of federal support.

Section 108, an important loan guarantee component of federal community development activities is slated for zero funds in FY 1986. The Section 108 programs allows the City to finance the costs of rehabilitation and acquisition of publicly-owned building over an extended period. The loss of this important loan guarantee program will mean

that $1.2 million a year and 125 jobs will be lost to Cleveland. The Administration plans to make the FY 1986 zero funding request permanent by offering legislation to repeal Section 108.

EPA CONSTRUCTION GRANTS

This program provides grants to municipal agencies to assist in the construction of municipal waste water treatment plants. As a result of legislation enacted in 1981, the federal share for new projects has been reduced from 75 percent to 55 percent beginning in 1985. For FY 1986, the Administration again requests $2.4 billion (the annual level of funding provided since 1982), but is also asking for legislation to phase out the program by 1990. Under the proposal, remaining appropriations would be dedicated to the completion by 1990 of 11 existing projects which are now under construction.

The rationale advanced for the elimination of federal sewage construction grants is that their original purpose has been eliminated: the backlog which existed in 1972 currently does not exist. Further, the Administration believes that the duty to treat local water supplies is a state and local responsibility. These arguments are strongly refuted by the statistics which describe the State of Ohio. In Ohio, the priority project list for cities applying for EPA construction grants is comprised of 632 communities. In fiscal year 1984, grants to 34 projects were disbursed. However, in fiscal year 1985, the projects receiving aid will be less than half those of 1984. Obviously, towns, such as Bedford, Ohio, in the 21st District—number 432 on Ohio EPA's list—would not be able to obtain more than $7 million in resources needed to retrofit its existing plant for conformance with the requirements of the Clean Water Act.

Although the State of Ohio is now considering the establishment of a loan program to finance the difference between the costs financed by the federal government and the total amount required to build local sewage plants, the phase out of the federal program before the States have had the chance to establish a new financing structure could cause the reemergence of the backlog which existed in 1972. That backlog will certainly be greater than the 632 Ohio municipalities which are currently in need of assistance to build wastewater treatment facilities.

OFFICE OF REVENUE SHARING

The Administration seeks to phase out the General Revenue Sharing program on September 30, 1985, one year prior to the expiration of the State and Local Fiscal Assistance Act of 1972 which authorizes the distribution of $4.6 billion annually to over 39,000 units of local government in FY 1984, 1985 and 1986. The Administration believes that general revenue sharing no longer meets the purpose for which it was originally proposed in the seventies. It states that many beneficiary local governments do not need the revenue assistance because they are now hold surpluses instead of the deficits they ran previously. Further, the Administration states that the redistributive effect is random and the formula does not benefit the states with the greatest need.

The funds are provided to local governments through a formula which reflects the income of the community. Relatively higher payments go to communities with high tax efforts and low per capita incomes. Therefore, the most generous per capita payments go to thousands of poor rural communities as well as to financially troubled major cities. The proponents of the general revenue sharing program believe that it has made significant contributions toward reducing fiscal disparities between local governments receiving assistance.

The impact upon the 21st District of the termination of general revenue sharing would be a loss of $12-13 million. These resources are particularly useful to local communities. For example, in Cleveland, revenue sharing funds have been used to pay for the following programs:

$2.9 million for fire programs, 21 percent of the City budget for fire programs;

$2.8 million for health programs, 10 percent of the City budget for health;

$620,000 for libraries, 100 percent of the City budget for library programs; and

$5.3 million for parks and recreation, 24 percent of the City's budget for this item.

The positive impact that revenue sharing has upon Cleveland is best demonstrated by the amount that it receives for the library system. Without revenue sharing dollars, the City would have had to raise the entire amount from the residents of the City in the form of additional taxes. If the Administration's request is honored by the Congress, then the prospect of local taxes rising to replace the lost revenue sharing dollars is a firm prospect.

SMALL BUSINESS ADMINISTRATION/ECONOMIC DEVELOPMENT ADMINISTRATION

In the Budget for fiscal year 1986, the Administration intends to terminate funding for the Economic Development Administration and the Small Business Administration. Both programs have had a positive effect upon Cleveland and the 21st District.

The Economic Development Administration (EDA) which is funded through the Department of Commerce, has as major goals the stimulation of economic growth, the provision of permanent private sector jobs and the leveraging of private sector dollars. In order to accomplish its goals, the EDA utilizes industrial and commercial loans, provides technical assistance, and offers loan guarantees. Since 1965, EDA has used its resources to provide assistance to regions where advanced technology or foreign competition have caused severe economic distress, and where the businesses have moved taking jobs with them.

The Small Business Administration (SBA) is an independent agency in the Executive Branch. This agency offers to small business technical assistance, procurement information for the federal government, advocacy for the use of small business, research and technology, and also makes available a corps of retired executives for consultation.

Both the EDA and the SBA offer technical and financial assistance to businesses which are of sound value and, have sufficient resources to secure the repayment of the loans granted. The loans are made to firms which have tried to obtain funds from the private banks and have been turned down. In the case of the EDA, the borrower must have been turned down by two banks while SBA loan assistance is made available when the borrower either can not obtain funds or is unable to obtain the loan at a reasonable rate.

The Administration contends that the loan guarantees and loans made by both programs compete with private sector activities and therefore should be eliminated. The Administration further contends that neither program has created jobs at a reasonable cost and has created businesses which aid upper income groups. The Administration arguments are refuted by the statistics for the 21st District.

Combined funds of private sector, SBA and EDA have totaled over $10 million in the 21st District. These funds have been used to create over 400 jobs by aiding firms in retail, manufacturing, and construction. For example, the funds from EDA have been used to develop the Midtown Industrial Park and the Cleveland Industrial Park. An important fact to note is that these jobs were created at a cost of $4,000 per job, substantially under the Administration's estimated cost of $20,000 per job in the EDA program.

The termination of these two programs will mean that nearly 150 jobs provided annually by SBA-assisted firms and 350 jobs created by EDA loans made on an annual basis will be lost to the City of Cleveland.●

INDIAN JUVENILE ALCOHOL AND DRUG ABUSE PREVENTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska [Mr. BEREUTER] is recognized for 30 minutes.

Mr. BEREUTER. Mr. Speaker, today, the gentleman from South Dakota [Mr. DASCHLE], the gentleman from Arizona [Mr. UDALL], the gentleman from Montana [Mr. WILLIAMS], and this Member are reintroducing the Indian Juvenile Alcohol and Drug Abuse Prevention Act. We invite the attention and support of our colleagues in this very worthy effort.

For decades, researchers have documented the use and consequences of alcohol and drug abuse among Native Americans. Inevitably, stereotypes developed about Indian drinking, although the phenomenon began with the introduction of alcohol by early European explorers, who brought whiskey, horses, guns, and tools for trading purposes. While the reasons leading to such high rates of alcohol and drug abuse among Indian people are complex, most Indian and non-Indian researchers alike point to joblessness, dislocation from tribal homelands, decline in traditional culture and spirituality, and stresses on the family unit as being among the major causes of alcohol and drug abuse. Clearly, something needed to be done.

As a result, in November 1983, this Member and the gentleman from South Dakota, Mr. DASCHLE, began discussing the extensive problems of alcohol and drug abuse that we had observed among Indian youth on reservations in our own States and across the Nation. We discovered that alcohol-related illnesses and deaths among Indian people are considerably higher than among non-Indian people. On many reservations, alcohol plays a role in 95 percent of automobile fatalities. On some reservations, fetal alcohol syndrome occurs as frequently as 1 in 100 births, whereas its occurence in non-Indian populations is approximately 1 in 700 births. Children born to alcoholic mothers are almost always retarded, and most suffer facial abnor-

malities and abnormalities to extremities. The use of inhalents, such as paint thinner and cleaning fluid, occurs among Indian young people at a rate almost twice as high as among non-Indian young people. The results of this use range from damage to the central nervous system to kidney failure. In addition, the vast majority of contract health care dollars—up to 70 percent—provided through Indian Health Service goes to treat alcohol and drug-related problems. Clearly such statistics demand a reassessment of the problem and a new, innovative approach.

Thus we set out to establish what was being done, and how effective those efforts were. Our investigations over the course of a year and a half revealed that of some 200 Indian Health Service alcohol treatment centers, only one or two of them addressed the needs of youth. Prevention and education programs were sporadic at best. And while no one would say that treatment of adult alcoholics should be reduced, we decided that the way to seriously combat the problem would be to develop a program that stressed prevention and taught prevention techniques to children from kindergarten age on up through high school graduation. Pursuing such a strategy, we decided, would provide a better opportunity to accomplish a permanent change over time in attitudes and self-concept.

The time has come to stop the insidious hold of alcohol and drugs on Indian communities. Our legislation will, we believe, complement tribal initiatives already under way by requiring alcohol and drug abuse prevention instruction in reservation schools. It represents a comprehensive assault on the problem—one that engages the resources of the tribes and the Federal Government as well. Our bill also provides alternatives to incarceration, where appropriate, for those young people picked up on alcohol and drug-related charges. Finally, it provides for the use of facilities now existing in Indian country for treatment and rehabilitation.

Mr. Speaker and distinguished colleagues, we need your assistance. Our legislation is carefully crafted to secure bipartisan support. It is the product of months of consultation with Indian people, among them, health and education specialists. We would welcome inquiries about the measure, and hope that through discussions about the extent and tragic consequences of the problem, as well as through hearings, we will be able to build a strong case for a full-fledged prevention effort that will stop the useless waste of young lives and talent among Indian people.

I submit the full test and a section-by-section summary of the bill for printing in the RECORD at this point:

H.R. 1156

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Indian Juvenile Alcohol and Drug Abuse Prevention Act".

TITLE I—INTERDEPARTMENTAL AGREEMENT

SEC. 101. (a) Within 90 days after the date of enactment of this Act, the Secretary of the Interior and the Secretary of Health and Human Services shall agree by means of a memorandum of agreement to—

(1) coordinate the Bureau of Indian Affairs and Indian Health Service alcohol and drug abuse programs existing on the date of enactment of this Act and programs established by this Act;

(2) identify Federal, State, local, and private resources to combat alcohol and drug abuse among Indians;

(3) delineate the responsibilities of the Bureau of Indian Affairs and the Indian Health Service to coordinate alcohol and drug abuse-related services at the central, area, agency, and service unit levels;

(4) determine the scope of the Indian juvenile alcohol and drug abuse problem and its estimated financial and human costs;

(5) authorize the Bureau of Indian Affairs agency superintendents and education superintendents and the Indian Health Service service unit directors to enter into agreements described in section 102; and

(6) provide for biannual review by the Secretary of the Interior and Secretary of Health and Human Services of the agreement under subsection (a).

(b)(1) The Secretary of the Interior and Secretary of Health and Human Services shall consult with and solicit the comments of interested Indian tribes and Indian individuals and Indian organizations in developing the agreement under subsection (a).

(2) The agreement under subsection (a) shall be submitted to Congress and published in the Federal Register within 90 days of the date of enactment of this Act.

SEC. 102. (a) At the request of any Indian tribe, the Bureau of Indian Affairs agency superintendent, the Bureau of Indian Affairs education superintendent, and the Indian Health Service service unit director for such tribe shall enter into an agreement with such tribe to coordinate resources and services related to alcohol and drug abuse prevention, identification, treatment, and follow-up care.

(b) Such agreement shall—

(1) identify the responsibilities and referral resources of all agencies and programs providing alcohol and drug abuse-related resources or services within such tribe's service area; and

(2) be modified semiannually to reflect changes in the availability of resources and services related to alcohol and drug abuse prevention, identification, education, treatment, and follow-up care.

SEC. 103. The Secretary of the Interior, acting through the Bureau of Indian Affairs, and the Secretary of Health and Human Services, acting through the Indian Health Service, shall bear equal responsibility for the implementation of this Act in cooperation with Indian tribes.

TITLE II—EDUCATION

SEC. 201. Section 304 of the Indian Elementary and Secondary School Assistance Act (20 U.S.C. 241cc) is amended by—

(1) striking out "and" at the end of paragraph (1);

(2) striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(3) adding at the end thereof the following new paragraph:

"(3) the training of counselors at schools eligible for funding under this title in counseling techniques relevant to alcohol and drug abuse.".

SEC. 202. Section 423 of the Indian Education Act (20 U.S.C. 3385b) is amended by adding at the end thereof the following new subsection:

"(e) 10 percent of the fellowships awarded under subsection (a) shall be awarded to persons who are receiving training in guidance counseling with a specialty in the area of alcohol and drug abuse counseling and education.".

SEC. 203. Section 315(a) of the Adult Education Act (20 U.S.C. 1211a(a)) is amended by—

(1) striking out the period at the end of paragraph (5) and inserting in lieu thereof "; and"; and

(2) adding at the end thereof the following new paragraph:

"(6) to provide alcohol and drug abuse counseling services to better enable Indians in need of such services to take advantage of educational and employment opportunities.".

SEC. 204. (a) The Secretary of the Interior shall require Bureau of Indian Affairs schools and schools operated under contract under the Indian Self-Determination and Education Assistance Act (Public Law 93-638) to provide a program of instruction regarding alcohol and drug abuse to students in kindergarten and grades one through twelve.

(b) Schools providing programs of instruction under subsection (a) are encouraged to emphasize family participation in such instruction.

SEC. 205. (a) The Secretary of the Interior shall—

(1) establish summer recreation and counseling programs for Indian youth on reservations;

(2) require such Bureau of Indian Affairs schools and schools operated under contract under the Indian Self-Determination and Education Assistance Act as he determines to be necessary to remain open during the months of June, July, and August of each year to provide adequate facilities for such programs; and

(3) provide, as needed, salaried coordinators for such programs.

(b)(1) In addition to the facilities described in subsection (a)(2), the Secretary of the Interior is encouraged to use public facilities, other than those described in such subsection, and private facilities wherever possible for programs established under subsection (a)(1).

(2) Facilities which the Secretary may use under paragraph (1) shall be used under such terms and conditions as may be agreed upon by the Secretary and the authority having jurisdiction over any such facility.

(c) The Secretary of the Interior shall coordinate any programs established under subsection (a)(1) with any other summer programs for Indian youth.

SEC. 206. The Secretary of Interior shall, within 120 days of the date of the enactment of this title, publish an alcohol and drug abuse newsletter in cooperation with the Departments of Health and Human Services and Education to report on Indian alcohol and drug abuse projects and programs. The newsletter shall be published

once in each calendar quarter and shall be circulated without charge to schools, tribal offices, Bureau of Indian Affairs agency and area offices, Indian Health Service area and service unit offices, Indian Health Service alcohol programs, and other entities providing alcohol and drug abuse-related services or resources to Indian people.

TITLE III—FAMILY AND SOCIAL SERVICES

SEC. 301. (a) Any training program for community health representatives funded under the Act of November 2, 1921 (25 U.S.C. 13) shall include not less than two weeks of training on the problems of alcohol and drug abuse and shall include instruction in crisis intervention, family relations, and the causes and effects of fetal alcohol syndrome.

(b)(1) The Director of the Indian Health Service shall, either directly or through contract, make available training on the problems of alcohol and drug abuse, including instruction in crisis intervention, family relations, and the causes and effects of fetal alcohol syndrome to—

(A) the Bureau of Indian Affairs Superintendent of Education (or his designee);

(B) the Bureau of Indian Affairs Agency Superintendent (or his designee);

(C) Indian Health Service service unit directors;

(D) Bureau of Indian Affairs social workers;

(E) Indian Health Service doctors, nurses, nurse's aides, and paramedical personnel;

(F) Bureau of Indian Affairs school personnel;

(G) personnel of schools operated under contract under the Indian Self-Determination and Education Assistance Act; and

(H) supervisors of emergency shelters established under section 402(c) of this Act.

(2) The Director of the Indian Health Service shall also offer, upon request, the training described in paragraph (1) to—

(A) members of school boards governing—

(i) schools operated by the Bureau of Indian Affairs;

(ii) schools operated under contract with the Bureau of Indian Affairs; and

(iii) public schools on or near Indian reservations and public schools in Oklahoma, Alaska, and California with significant numbers of Indian students;

(B) members of parent advisory committees of Bureau of Indian Affairs schools;

(C) members of child welfare protection committees serving Indian communities;

(D) educators at Tribal colleges which do not otherwise provide alcohol and drug abuse training to their personnel;

(E) Urban Indian Center counselors;

(F) home-school-liaison personnel funded under the Indian Elementary and Secondary School Assistance Act;

(G) Tribal Council members;

(H) Tribal court judges;

(I) Administrators of the Women, Infants and Children Program operated by the Department of Agriculture;

(J) personnel of public schools on or near Indian reservations and public schools in Oklahoma, Alaska, and California with significant numbers of Indian students; and

(K) any interested member of the Indian community.

(c) The Secretary of Health and Human Services shall, upon request, provide certification to any person who completes training under this title for the purposes of obtaining academic credit or certification at any post-secondary educational institution.

TITLE IV—LAW ENFORCEMENT

SEC. 401. The Director of the Bureau of Indian Affairs shall, in the training of Bureau of Indian Affairs law enforcement personnel, provide education on the problem of alcohol and drugs among the Indian juveniles.

SEC. 402. (a)(1) Subject to paragraphs (2) and (3), any tribal, Federal, or Bureau of Indian Affairs law enforcement officer who arrests an Indian juvenile for any offense related to the abuse of alcohol or drugs shall, in lieu of incarceration, place such juvenile in a temporary emergency shelter described in subsection (c) or a community-based alcohol or drug abuse treatment facility to the extent such facilities are available.

(2) Paragraph (1) and any regulation promulgated under paragraph (3) of this subsection shall not supersede any tribal law.

(3) The Secretary of the Interior, in consultation with the Attorney General of the United States, shall promulgate guidelines under which a law enforcement officer may place an Indian juvenile arrested for an offense related to the abuse of alcohol or drugs in a facility other than an emergency shelter described in subsection (c) for the benefit of the Indian juvenile or the safety of the community.

(b) In the case of any State which exercises criminal jurisdiction over any part of Indian country under section 1162 of title 18 of the United States Code or section 401 of the Act of April 11, 1968 (25 U.S.C. 1321), such State is urged to require its law enforcement officers to—

(1) place any Indian juvenile arrested for any offense related to the abuse of alcohol or drugs in a temporary emergency shelter described in subsection (c) or a community-based alcohol or drug abuse treatment facility in lieu of incarceration to the extent such facilities are available; and

(2) observe the guidelines promulgated under subsection (a)(3).

(c)(1) The Director of the Bureau of Indian Affairs shall establish a program and approve a compensation schedule under which households of Indian families will be compensated to serve as temporary emergency shelters for Indian juveniles apprehended by any law enforcement officer for offenses related to the abuse of alcohol or drugs.

(2) No emergency shelter established under a program established under paragraph (1) shall commence operation until—

(A) the tribal council of any tribe to be served by such shelter approves such shelter; and

(B) such shelter meets the licensing requirements promulgated by the Bureau of Indian Affairs under paragraph (3).

(3)(A) The Bureau of Indian Affairs shall, within 120 days of the date of enactment of this paragraph, promulgate standards by which the emergency shelters established under a program under paragraph (1) shall become licensed.

(B) Such standards shall require that any individual supervising such shelter have completed the training described in section 301(b)(1) of this Act.

(4) The costs of construction of any emergency shelter are not authorized by this Act.

TITLE V—JUVENILE ALCOHOL AND DRUG ABUSE TREATMENT AND REHABILITATION

SEC. 501. The Director of the Indian Health Service shall, within 6 months of the date of enactment of this Act, conduct a study to determine—

(1) the size of the juvenile Indian population in need of residential alcohol and drug abuse treatment;

(2) where facilities to provide such treatment are or should be located; and

(3) the cost of providing such treatment.

SEC. 502. (a) The Director of the Indian Health Service shall provide a program of comprehensive alcohol and drug abuse treatment services, including detoxification and counseling services, and follow-up care in Indian Health Service facilities and in facilities operated under contract under the Indian Self-Determination and Education Assistance Act to to Indian juveniles and adults in need of such services.

(b) No health facility described in subsection (a) shall be required under this section to provide inpatient services if such facility is primarily an outpatient facility.

(c) The Director shall report on the progress of the program provided under subsection (a) to relevant committees of the Congress within 18 months after the completion of the study described in section 501.

SEC. 503. (a)(1) The Secretary of Health and Human Services shall, in consultation with the Indian Health Service and the Bureau of Indian Affairs, identify and utilize wherever possible existing federally owned structures suitable for use as residential alcohol and drug abuse treatment centers for Indian juveniles to meet the needs identified in the study under section 501.

(2) Any structure described in paragraph (1) may be used under such terms and conditions as may be agreed upon by the Secretary of Health and Human Services and the agency having responsibility for the structure.

(3) The Secretary of Health and Human Services may, directly or by contract, renovate any facility described in paragraph (1). Any such renovation shall conform with such terms and conditions as have been agreed upon under paragraph (2).

(b) The Secretary of Interior shall identify for the Secretary of Health and Human Services any existing Bureau of Indian Affairs facilities which could be utilized for residential alcohol and drug abuse treatment centers for Indian juveniles.

(c) If there is not an adequate number of facilities which may be renovated under subsection (a)(3) to meet the treatment needs identified in the study under section 501, the Secretary of Health and Human Services shall seek specific authority to construct such facilities as he finds necessary to meet such treatment needs.

TITLE VI—DEFINITIONS, EFFECTIVE DATE, AND AUTHORIZATION OF APPROPRIATIONS

SEC. 601. For the purposes of this Act, the term—

(1) "Indian tribe" means any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaskan Native village or regional or village corporation as defined in or established pursuant to the Alaska Claims Settlement Act (43 U.S.C. 1601, et. seq.) which is recognized as eligible for special programs and services provided by the United States to Indians because of their status as Indians;

(2) "Indian" means any person who is a member of an Indian tribe;

(3) "juvenile" means any Indian under the age of 18;

(4) "service unit" means an administrative entity within the Indian Health Service serving one or more Indian tribes within a

geographical area defined by regulation by the Indian Health Service;

(5) "service area" means the geographical area served by a service unit;

(6) "Indian Health Service area office" means an administrative entity within the Indian Health Service through which services and funds are provided to service units within a geographical area defined by regulation by the Indian Health Service;

(7) "Bureau of Indian Affairs area office" means an administrative entity within the Bureau of Indian Affairs through which funds and services are provided to agency offices within a geographical area defined by regulation by the Bureau of Indian Affairs; and

(8) "agency office" means an administrative entity within the Bureau of Indian Affairs serving one or more Indian tribes within a geographical area defined by regulation by the Bureau of Indian Affairs.

SEC. 602. (a) Except as provided in subsection (b), this Act shall become effective October 1, 1985.

(b) Titles I and VI and section 402(b)(3) of this Act shall become effective on the date of enactment of the Act.

SEC. 603. (a) There is authorized to be appropriated $5,000,000 to carry out the amendments in title II, the provisions of titles III and IV and the study in section 501 of this Act.

(b) There is authorized to be appropriated such sum as Congress determines to be necessary to carry out sections 502 and 503 of this Act after taking into consideration the findings of the study conducted pursuant to section 501.

SUMMARY OF JUVENILE INDIAN ALCOHOL AND DRUG ABUSE PREVENTION ACT

Section 101. Memorandum of Agreement to be made between Secretaries of Interior and Health and Human Services to coordinate programs and delineate responsibilities dealing with the prevention, identification, treatment and follow-up care of alcohol and drug abuse. Memorandum will include authority for agency level BIA Superintendents and IHS Service Unit Directors to enter into agreements with tribes regarding alcohol and drug abuse efforts.

Section 102. At the request of a tribe, IHS Service Unit Director and BIA Superintendent will enter into agreement with the tribe to coordinate programs dealing with the prevention, identification, treatment and follow-up care of alcohol and drug abuse.

Sections 201, 202 and 203. Amend the Indian Education Act to:

(a) include as Part A eligible activities drug and alcohol abuse counselling

(b) earmark in Part B fellowships a 10% setaside of fellowships for people pursuing degrees in counselling with an emphasis on alcohol and drug abuse counselling

(c) include as Part C eligible activities alcohol and drug abuse counselling

Section 204. Require all BIA and Contract schools to provide alcohol and drug education in grades K-12.

Section 205. Secretary of the Interior shall establish summer recreation and counselling programs for youth on reservations. Shall require, as necessary, BIA and Contract schools to remain open in the summer for these programs. Secretary may enter into agreements to keep public and nonpublic facilities open in the summer for youth programs. The Secretary may, as needed, provide for salaries coordinators for summer youth programs.

Section 206. Secretary of Interior shall publish, in cooperation with the Secretaries of Education and HHS, a quarterly alcohol and drug abuse newsletter reporting on tribal alcohol and drug abuse projects and programs. Publication shall be circulated free of charge.

Section 301(a). Community Health Representatives shall receive not less than two weeks training in alcohol and drug abuse, including instruction in crisis intervention, family relations and fetal alcohol syndrome.

Section 301(b)(1). IHS shall provide, directly or through contract, alcohol and drug abuse training to the following people: BIA Education Superintendents, BIA Agency Superintendents, IHS Service Unit Directors, BIA social workers, IHS doctors, nurses, nurses' aides and paramedics, BIA school personnel, Contract school personnel, and supervisors of emergency shelters.

Section 301(b)(2). IHS shall offer, directly or through contract, alcohol and drug abuse training to the following people: BIA, Contract and public school boards personnel (on or near reservations, including Oklahoma, Alaska and California), parent advisory committee members, child welfare protection committee members, Urban Indian Center counsellors, home-school liaison personnel funded under the Indian Education Act, tribal college educators (unless the college already offers this service to its employees), tribal council members, tribal court judges, WIC personnel, public school personnel on or near reservations (including Oklahoma, Alaska and California) and other interested community members.

Section 301(c). The Secretary of HHS shall provide certification for completed alcohol training for the purpose of obtaining academic credit at post-secondary institutions.

Section 401. The BIA shall provide, as part of its training for law enforcement personnel, education regarding alcohol and drug abuse.

Section 402(a) (1), (2) and (3). Indian juveniles arrested by federal, BIA or tribal law enforcement officers shall, when possible, be placed in emergency shelters or other facilities in lieu of incarceration. The Department of Interior shall establish guidelines for placement of youths in non-jail facilities. No guidelines or regulations can supercede tribal laws.

Section 402(b) (1) and (2). Where states exercise criminal jurisdiction in Indian country, law enforcement personnel are encouraged to place juveniles in emergency shelters or other facilities in lieu of incarceration. States are encouraged to follow regulations established by the Secretary of Interior regarding placement of juveniles.

Section 402(c) (1) (2), (3), and (4). The BIA is directed to establish a program to compensate families to serve as temporary emergency shelters for juveniles apprehended for alcohol and drug related offenses. Emergency shelters must meet BIA licensing requirements and be approved by tribal councils. Supervisors of emergency shelters shall have training in alcohol and drug abuse. No emergency shelter construction costs are authorized by this bill.

Section 501. IHS shall, within 6 months, provide a report to Congress on the size of the juvenile Indian population in need of residential alcohol or drug treatment, where such facilities should be located and the cost of providing such treatment.

Section 502. IHS shall provide comprehensive alcohol and drug treatment services, including detoxification, counselling and follow-up care.

Section 503. The Secretary of HHS, in consultation with the Directors of IHS and BIA, shall identify possible buildings that can be used as juvenile Indian alcohol/drug abuse residential treatment facilities. The Secretary of HHS is given the authority to renovate facilities, either directly or by contract, so that they may be used as juvenile treatment facilities. The Secretary of Interior shall make known any BIA facility suitable for juvenile treatment purposes. If not enough existing facilities are available, the Secretary of HHS shall seek authority to construct residential alcohol and drug treatment facilities for Indian juveniles.

□ 1440

GENERAL LEAVE

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 days in which to extend their remarks in the RECORD on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

THE DISPUTED ELECTION IN THE EIGHTH DISTRICT OF INDIANA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. Mr. Speaker, I take the floor this afternoon to talk about the case of the people of Indiana and Rick McIntyre, who won election in Indiana, and the problem we have in getting the people of Indiana adequate representation in the Congress and the very grave danger to this congressional system from the policies which have been followed by the Democratic leadership in not seating Mr. McIntyre.

The case is very simple. On election night Mr. McIntyre won the election in Indiana. Because of a mathematical error in counting the precincts twice by a Democratic judge in one particular county, for a brief period of time it appeared that the Democratic incumbent, Mr. McCloskey, had won, but in fact there was a mathematical error which was discovered, and when the votes were counted accurately, the secretary of state of Indiana concluded that Mr. McIntyre had won by 34 votes—a narrow victory, but nonetheless a victory.

The secretary of state of Indiana certified that Mr. McIntyre had won and sent the certificate to the House of Representatives, and on the day this Congress was convened the Clerk of the House reported that Mr. McIntyre had won, and indeed on the vote for Speaker Mr. McIntyre voted. Only after the vote for Speaker did the Democratic leadership move to stop Mr. McIntyre and to force him to stand to one side.

This is an unprecedent step. There were claims that there was confusion, that the 34 votes were too narrow, and that in fact there had to be a recount. Interestingly, the Democratic incumbent who had been defeated, Mr. McCloskey, did not file under the Federal Elections Act and did not seek to make a case and in fact behaved as though he had been defeated. But here on the House floor the Democratic leadership decided to do something which constitutionally is unprecedented, to stop the people of Indiana from having their Representative, even though the secretary of state of Indiana had certified that he had won.

A recount was underway. So without doing more than protesting with our votes and speaking out, we stood to one side for approximately 1 month, and when the recount was over, under Indiana law, in 15 counties, following the procedures of Indiana law, with Democrats in a majority of the recount situations being in charge, because they have local control, not only did Mr. McIntyre win the recount but he won by a larger margin; that is, he went from 34 votes ahead of Mr. McCloskey, the Democrat who had been defeated, to 418 votes ahead of Mr. McCloskey, the Democrat who had been defeated.

Once the recount was done, it was clear. There were no mathematical errors. They had carefully and scrupulously followed Indiana law. They had taken the steps necessary to prevent cheating, and they had taken the steps necessary to prevent the voting of ballots which may have been cast by fraud. They had done precisely what Indiana requires, and at that point Mr. McIntyre's margin had gone up to 418 votes. And yet on the last day we were in session before the Presidential holidays recess, this House voted, with only five Democrats voting to follow the Constitution, with only five Democrats voting to seat the man who had won the election and the recount.

Why did only five Democrats cross the line? I think there are two reasons. First, many good, decent Democrats have been misled by their leadership and have been told things which are simply not correct, and, second, many Democrats are afraid because some very powerful Democrats have put their prestige, indeed possibly their careers, on the line in an effort to take a seat which the people of Indiana have voted not to give to the Democratic incumbent.

We stand then today in a very unprecedented and a very dangerous situation. We stand in a situation in which for the first time in American history the people of a congressional district are being denied representation while a task force looks at the election.

Now, let me make very clear that there is nothing wrong with the task force looking at the election. I serve on the House Administration Committee, and I think when there is any question, we ought to investigate the elections and we ought to make sure the correct persons are seated. But historically, if the State government certifies that a member has won an election, if the State government is willing to put its honor and its prestige on the line and say, "We believe we have counted these votes honestly, and we believe Mr. McIntyre has won," historically we always seat the winner while looking at the election.

The reason for that is very simple. If we establish the precedent in this House that 218 Members can decide to deny an election winner and set him or her to one side and say, "We are not going to seat you while we decide some other things," and then go through long, complicated counting procedures and through the difficulties of staff work and for a variety of reasons drag it out—and, after all, the people of Indiana are now into their second month with inadequate representation—then the people of the Eighth District of Indiana have not been represented for the first 7 weeks of this Congress and they are literally being taxed without representation. That is precisely what the American Revolution was about.

This could drag on for months, with a truly clever political machine willing to place its own partisan interests above the Nation and above the Constitution. They could drag out a recount for 4, 5, or 6 months and could find all sorts of reasons to dispute it. And I have been told there is some dispute about what the Democrats were told on the day on which we voted. Some people suggested that within 45 days the work of the task force could be done. Others suggested that by April 30, a far longer period than 45 days, the task force's work could be done, and that is without any complications.

□ 1450

Now, we are not suggesting that the people on the task force are not trying to be sincere and to be dedicated and to be good citizens. What we are suggesting is that the task force could continue its policies while Mr. McIntyre was seated, that seating Mr. McIntyre would provide representation for the people of Indiana based upon the Indiana secretary of state certification, based on the election count and the recount, and that during the period the task force was meeting, at least the people of Indiana would have all their voices, rather than being one short and the people of the Eighth District would have their voice instead of being unrepresented.

Now, this opinion is not a partisan Republican opinion. Very sincere and very competent Democrats who have looked at this issue, five of them, took the very courageous risk of turning aside their party whip and voting against their party's leadership, an act for which some of them may indeed be punished ultimately, an act of great courage, because the pressures were enormous.

The Washington Post, hardly a Republican newspaper, on February 11 wrote an editorial entitled, "A Seat for Mr. McIntyre." I want to quote it, because the Washington Post is a liberal newspaper normally and normally not a newspaper that goes out of its way to be decisively helpful to Republicans, but it is a newspaper which has looked at this issue and which has come to the conclusion, which I think every Member of this House should look at.

> On the day the 99th Congress convened, a cloud remained over the election results in Indiana's 8th District. Incumbent Democrat Frank McCloskey appeared to be the victor on election night. He was ahead by 72 votes. But after a correction had been made in the count in one county, Republican challenger Richard McIntyre pulled ahead by 34 votes.
>
> Indiana's secretary of state certified Mr. McIntyre as the winner, but the Democrats demanded a full recount in each of the district's 15 counties. That recount had not been completed by the first week in January, and both men showed up to be sworn in when the House met. Because the earlier count had been so close and the recount was still in progress, the House, on a party-line vote, refused to seat either man that day, though both have been on the payroll temporarily. The postponement was reasonable at that time.
>
> Last week a recount of all counties in the 8th District was completed, and the final figures show Mr. McIntyre to be the winner by a comfortable 418 votes. There are no allegations of fraud, and even though thousands of ballots were disqualified during the recount, the action was taken, in 90 percent of the cases by election commissions dominated by Democrats. Nevertheless, the House on Thursday refused once again to seat Mr. McIntyre—even conditionally—because the Committee on House Administration is reviewing the returns. This process is expected to take another 45 days.
>
> Mr. McCloskey has every right to challenge the result of the election in court, as former Rep. George Hansen has done in his tight Idaho contest. But there is no need for the House to wait for a judicial determination to seat the winner. Nor is it necessary to leave the people of Indiana's 8th District without a voting representative in Congress until April. The votes are in. They have been counted twice. The margin of victory is comfortable, and Indiana election officials have twice certified the winner. The House is the final judge of the qualifications of its members, but until and unless the Committee on Administration finds otherwise, Mr. McIntyre ought to be seated.

That is the Washington Post calling for the seating of Congressman McIntyre.

Let me make this case again to reinforce the Post's point. The burden of proof is on the Democrats who lost the election, not on Mr. McIntyre who won the election. The secretary of

state said on election night that Mr. McIntyre won. The secretary of state has said now that the recount is done, Mr. McIntyre has won. Therefore, the burden of proof is on those who would take away his seat, not on him. He should be seated until there is proof conclusive that he should not have won. Every indication at the present moment is that he is seated, that he has won, that the people voted for him. And yet what do we find? We find that the people of the Eighth District of Indiana have no representation.

Other people around America are beginning to notice this case. The Winkler County News from the small town of Kermit, TX, wrote this editorial entitled "Poor Losers," and it is interesting that it was a Texan who was the Democratic leader who moved to take the seat away from the people of Indiana, and here is a Texas newspaper commenting in an editorial entitled "Poor Losers."

Residents of Indiana's Eighth Congressional District are being denied representation in Washington in a blatant abuse of power by Democrats controlling the House of Representatives. Richard D. McIntyre was elected to the House from the Eighth District last November, but he still is on the outside looking in. The election was a close one. Mr. McIntyre was certified the winner over the Democrat Frank McCloskey by a scant 34 votes in December. Mr. McCloskey demanded a recount, which was not expected. Now the recount has been completed by county election commissions that were dominated by Democrats in 11 of the 15 counties comprising the Eighth District. Mr. McIntyre again emerged the winner, but by the more substantial margin of 415 votes. The Democrats are turning out to be poor losers. Representative Tony Coelho of California, chairman of the party's Congressional Campaign Committee, insists the returns still are not conclusive. He points out that 1,000 ballots were ruled invalid in the precinct with a heavy pro-McCloskey vote, but conveniently ignores the fact that thousands more were ruled invalid in precincts that favored Mr. McIntyre. Election officials in Indiana are satisfied that the election of Mr. McIntyre was on the up and up, but the Democratic leadership in the House is insisting that the seat remain open until the House Administration Committee, which it controls, has had a chance to investigate the case. The investigation, of course, is a last ditch effort to find some reason to give the seat to Mr. McCloskey. This is believed to be the first time the House of Representatives has ever refused to seat a person whose election was duly certified by State election authorities. If the Democratic majority is allowed to impose its will in this manner, the implications are frightening. Why bother to have elections if the party controlling Congress can overrule the results? If McIntyre is not seated promptly, voters in Indiana should seek an order from a Federal Court granting them the representation in Congress that is being duly denied to them by the losing side in the November election."

Now, let me point out two things from this editorial from the Winkler County News in Kermit, TX. First of all, they make very clear that in 11 of the 15 counties that did the recount, Democrats provided the majority of the counters, so it was not a Republican steal of a seat. In 11 out of the 15 counties it was local Democrats in Indiana trying to hold an honest election and those local Democrats reported that Mr. McIntyre won.

Second, if we were truly going to be bipartisan, we would have a task force on the election similar to the way we run the Ethics Committee. On the Ethics Committee there are as many Republicans as there are Democrats. There are an equal number. They can only make a decision by ensuring that both parties agree; however, the election task force has two Democrats and only one Republican.

The fact is that if we truly were interested only in a bipartisan way of counting the ballots, we would have a task force that had the same number of Democrats as Republicans and that sought to make truly bipartisan decisions.

Now, I think there is a great deal of wisdom in the Winkler County News assertion:

Election officials in Indiana are satisfied that the election of Mr. McIntyre was on the up and up, but the Democratic leadership in the House is insisting that the seat remain open until the House Administration Committee, which it controls, has had a chance to investigate the case. The investigation, of course, is a last ditch effort to find some reason to give the seat to Mr. McCloskey.

It should worry every Member of this body that papers from the Washington Post to a Texas weekly are beginning to suggest that this body would take a seat away from the people of Indiana, would give that seat to a man who lost the election, because that indeed strikes at the very heart of the electoral process.

□ 1500

Major cities have also looked at this case. The Detroit Free Press, on February 14, 1985. Detroit, again, is not Texas, it is not Washington; a third voice from the Nation at large.

On February 14, the Detroit Free Press, in an editorial entitled, "Democracy in America," says as follows:

On today's op-ed page, Rep. Guy Vander Jagt gives a fairly detailed chronology of an outrage taking place in the U.S. House of Representatives. The Democratic leadership of the House had decided not to seat Richard McIntyre who, in the judgment of Indiana's secretary of state, won the right to represent Indiana's 8th District in Congress. House Speaker Tip O'Neill, Majority Leader Jim Wright, and Democratic Congressional Campaign Committee Chairman Tony Coelho defend their action by saying the election was improperly conducted, that Republicans threw out lots of votes—particularly in black precincts favorable to Mr. McIntyre's opponent, Frank McCloskey—and that the voters deserve a fresh, new election.

None of these pious justifications make much sense. No one has questioned the honesty of the election and nearly 90 percent of the ballots thrown out were discarded by Democratic election officials. What Democrats really want is to increase their sizable majority—they control more than 58 percent of the House seats, even though they won only 50.03 percent of the votes for those seats—by stealing a close election.

A couple of interesting things have happened since Rep. Vander Jagt wrote his piece, however. First, five Democrats refused to endorse their leadership's decision to ignore democratic tradition. In a vote to kill a Republican-sponsored "privileged motion" that would have seated Mr. McIntyre, Romano Mazzoli and four colleagues thumbed their noses at their party leaders.

Second, Mr. McIntyre and Everett Robertson, Jr.—an 8th District voter—have filed suit in the U.S. District Court for the District of Columbia, charging that House officials violated their First Amendment rights to free speech and Fifth Amendment rights to due process under the law by refusing to seat Richard McIntyre, give him an office, perform support services, and repay his travel expenses to and from his district. The suit asks the court to seat the Republican, force House Speaker O'Neill to administer the oath of office to the Republican, and demand that House officers give him an office, perform typical duties for the congressman, and grant him admission to House chambers. Democrats have asked to have the suit dismissed.

In a perfect world, the court would agree. The House's imperious action has no precedent in American history. Of the 82 challenged seatings of members-elect since 1933, 81 favored the winner. The only exception was the Rousch vs. Chambers case in 1961, in which Indiana's Republican secretary of state certified two winners but de-certified the Republican incumbent, George Chambers, for alleged vote fraud.

The fraud in the McIntyre case illustrates the danger Alexis de Tocqueville described in Democracy in America—that "the unbounded power of the majority . . . is favorable to the legal despotism of the legislature." Such tyranny, he warned, can weaken people's respect for their leaders and for the rule of law.

Certainly, it's made lots of people question the integrity of the House leadership, which abandoned a tradition that Congress has honored for nearly two centuries when it refused to seat a certified winner of an election. Boss O'Neill and his henchmen have made a mockery of the democratic process and have sullied the Democratic Party in the process. They deserve whatever grief angry voters and politicians give them for denying Richard McIntyre his rightful place in the 99th Congress.

Now, the Detroit Free Press is asserting three things that every Democrat should consider before voting again, on seating McIntyre.

They are setting first, that the Democratic leadership—"What Democrats really want is to increase their sizable majority . . . by stealing a close election."

I am convinced that the overwhelming majority of Democratic Members of this House have no intention of stealing an election. However, I am also convinced that they have gone

along with a process which the Detroit Free Press says, "The House's imperious action has no precedent in American history.

So in an unprecedented way, Democrats in this House have been going along with a process which is wrong, which is unconstitutional, and which again quoting de Tocqueville, "the unbounded power of the majority is favorable to the legal despotism of the legislature."

And they call it tyranny. And they warn, de Toqueville warns, "Such tyranny can weaken people's respect for their leaders and for the rule of law."

And then the Detroit paper goes on to say:

Certainly it's made lots of people question the integrity of the House leadership, which abandoned a tradition that Congress has honored for nearly two centuries when it refused to seat a certified winner of an election.

Now, my plea to every Democrat who is not totally bound to the leadership, who is not frightened by the whip, who is not unwilling to challenge the Democratic Campaign Committee, is to look at this case before we vote again.

There are no constitutional grounds; there are no precedents, there are no legal grounds for refusing to seat Rick McIntyre while waiting for the task force to report. There is every precedent for seating Rick McIntyre, who won the election. There is every precedent for seating Rick McIntyre who has been certified by the State of Indiana.

Only the tyranny of the majority would prevent his seating, and let me say to my colleagues on the Democratic side of the aisle: If you seek to run this House by tyranny, then you give those of us in the minority no alternative except to oppose tyrants.

Clearly, in the McIntyre case, we have begun an extraordinarily dangerous precedent which, if continued, would have the gravest, the gravest dangers for this country. Because it establishes the precedent that some time in the next few centuries of America's history anyone with 218 votes could simply expel and then argue about anyone they did not want to be seated. By refusing to seat them, could then create, based on the precedent of 1985.

The ground rule that says "After all, we're not sure, why don't we have a task force, and let's not seat them while we're looking?" It is a far more serious constitutional challenge than the vast majority of Democrats have yet come to consider because they have two good reasons for not thinking about it.

First of all, if they really think about it, they might decide that McIntyre is right; that the people of Indiana deserve representation. And then, they might have to vote against their leadership.

Second, it is just so much easier to hide from the issue, to ignore the facts, to wander in and vote and hope no one notices.

This House had a chance Thursday a week ago to seat the man who won the election, to do what the constitutional precedents would suggest, to give the people of Indiana in the Eighth District a voice in Congress. This House failed.

It runs a very real risk now of being a body which is an affront to the Constitution and which is violating the very basic American principle of no taxation without representation. Because in fact, the people of Eighth District of Indiana have no representation at the present time because of the Democratic leadership's decision.

What do the people of Indiana think? Let me cite first the leading paper in the State, the Indiana Star, dated February 13, 1985. An editorial entitled, "Suing for a Seat."

This is from Indiana now, from the State capitol.

And what does the Indiana Star say?

There is yet another twist in the tangled tale of Indiana's 8th Congressional District election. Republican Richard McIntyre, twice declared the winner and twice rebuffed by a Democrat-controlled House of Representatives, has now taken his case to a Washington, D.C. federal court.

McIntyre this week filed suit against Speaker Thomas P. O'Neill and the 221 Democrats who voted to keep the Eighth District seat vacant pending a House investigation of the election. He is asking that he be permitted to take office until the House rules on its own findings.

Indiana Secretary of State Edwin J. Simcox had certified that McIntyre had defeated Democrat incumbent Frank McCloskey by 34 votes and a later districtwide recount gave McIntyre a 418-vote edge.

On the opening day of Congress, Rep. Lee Hamilton, D-Ind., arguing that the certification was invalid and the election still unsettled, urged that McIntyre not be seated. It would be a disservice to the 500,000 residents of the 8th District "to seat the wrong man today only to have him unseated tomorrow," Hamilton said.

McIntyre's suit contends it is a much greater disservice to deny representation to the 500,000 residents of the 8th District, thereby violating their constitutional guarantees of free speech and association.

The House has the prerogative of judging the qualifications of its own members. That authority derives from the Constitution and ought not be questioned. In several respects, therefore, McIntyre's recourse to the judiciary is regrettable.

Yet McIntyre is miffed, and justifiably so, at the House's partisanship. Minutes after the House voted on Jan. 3 to deny Republican McIntyre his seat, it voted to seat another certified winner, Democrat Richard Stallings of Idaho, whose election is being contested by Republican George Hansen. In 82 other elections contested through the years, the House has allowed the certified winner to serve while disputes were settled. So McIntyre's case is unprecedented.

The best outcome would be for the House to recognize that it has made an unfortunate exception in McIntyre's case and permit him to be seated conditionally. If that were done quickly, the suit would be moot and the court would not have to determine if it has jurisdiction.

An in-House settlement would be eminently preferable to a possible testy confrontation between two branches of government.

□ 1510

In other words, the Indianapolis Star is saying to the Members of this House, "You have made a mistake, reverse your decision now before the court rules and seat McIntyre until the task force reports."

Let me draw the distinction which the Indianapolis Star refers to. On the date that the Democratic leadership refused to seat McIntyre in a close election, Republicans in this House unanimously voted to seat a Democrat from Idaho in a very close election. We said he was certified even though there might be a contest, even though there is a lawsuit, even though the incumbent Republican, who was defeated is contesting it, he should be seated because the Democrat had the certificate from Idaho.

There is no moral or legal ground to stop McIntyre from being seated if in fact the Democrat from Idaho is being seated. Yet the very Democrats who voted to seat the Idaho Democrat voted not to seat the Indiana Republican. It is clearly an act of discrimination. It is an act which has no precedent and it involves, I think, a very, very dangerous step against the Constitution.

Let me suggest also that we look at the Eighth District. Let us look first in the Evansville Press at a letter, an open letter, written to Mr. McCloskey, the defeated Democrat, by Dale McConnaughay in the Evansville Press, Evansville, IN, in the Eighth Congressional District.

Mr. McConnaughay says as follows. This is an open letter.

DEAR MR. MCCLOSKEY: You have waged a long, valiant and what for you as well as your opponent has to be a frustrating campaign.

That frustration is shared by 8th District constituents who, more than three months after the election, remain without a congressman. Many of those constituents have called this office, or written letters, expressing that frustration. You have no doubt heard from many others.

Some of them say they will never vote again. Fortunately, they appear to be in the minority. Most others have simply become cynical. But that cynicism, left unchecked, represents a cancer to the body politic, to our very democratic tradition.

That tradition, that system, is one that we cherish and respect because it has never failed in exalting individual valor, statesmanship and sacrifice for the common good, especially in the most trying of times where systems themselves seem to fail us.

The time has arrived to again summon those qualities.

What has become evident is that the proper course of action in the current dispute, one representing the best interests of 8th District constituents, cannot be inspired

by the system unless it is instigated by the individual.

If you persist in asking your Democratic colleagues who control the U.S. House of Representatives to essentially ignore the 8th District vote, to ignore the certificate of victory awarded your opponent, and to vote among themselves whom to seat, then you may have held onto a seat, but paid a terrible price to do so.

Your own colleagues' apparent reluctance to engage in so brazen, public and raw an act of power politics last Thursday, when five House Democrats defected from the party line and voted their conscience to seat your opponent.

Added evidence of reluctance by your colleagues can be found in the delays. House officials say it could be May—an added three months—before a congressman is seated from this district. As one who has served in that seat and understands the constitutional significance of taxpayer representation, you must find that unacceptable.

No one suggests you abandon your convictions or your proud fight; rather, that you step aside for now until the House completes its investigation, permitting conditional representation from this district by an opponent who at the moment holds the more valid claim to the seat.

What is gained by denying 500,000 residents of the 8th District a voice in Congress over the next three months?

Do you strengthen your claim to be a man who has the best interests of the people of your district at heart?

Do you show yourself to be a fair man who plays by the rules, even where those rules may appear less than favorable to your cause?

Do you enhance your reputation as a public servant?

Or, do you invite the incisive remarks from people like Rep. Bill Frenzel, the ranking Republican on the House Administration Committee, who charged last Thursday that: "The only way McCloskey can win is if he confuses his cronies so that they violate the law of the United States and the State of Indiana and vote him into Congress."

Much has been said in the long period since the November 6 election about "good faith."

Voters cast ballots in good faith on November 6. However, technically flawed ballots may have been, it seems a terrible miscarriage of justice to have tossed out thousands of them district-wide lacking conclusive evidence of any fraud.

The various local bipartisan commissions conducting recounts of ballots did so in good faith, though again flawed by inconsistent procedures from one county to the next which neither you nor your opponent protested sufficiently at that time.

The results soon after the election saw your opponent certified the winner by fewer than 50 votes. A Republican secretary of state who delayed certifying a winner can be criticized only for not having delayed that certification long enough, until the full recount was complete. But when that recount was complete, the margin of victory for your opponent grew to more than 400 votes.

"Good faith" on your own part should require respecting House tradition and permitting an opponent holding a victory certificate to be seated conditionally until you have satisfied the burden of proof that he doesn't have the right to his seat.

Since this is the kind of individual valor, statesmanship and sacrifice for the common good which is so desperately needed just now to regain some measure of voter trust and confidence.

In other words, a local editorial writer in the Eighth District of Indiana who has personally watched every day the process unfold comes to the conclusion that Mr. McIntyre won the election, that he won the recount and that, in fact, the time has come to change things. The time has come for this House to seat the winner, to give representation to the people of the Eighth District of Indiana.

Consider the editorial again from Evansville from the Evansville Press entitled "Time To Take a Seat." Notice this pattern. In Texas, a local writer says, looking at this process, the House is cheating. It is unfair. The Democratic leadership is doing something unprecedented.

In the Washington Post, they say the time has come to seat Mr. McIntyre.

In Detroit, they say the time has come to seat Mr. McIntyre.

In the State Capitol of Indiana, they say the time has come to seat Mr. McIntyre.

By a personal individual editorial writer in the Eighth District of Indiana, the time has come to seat Mr. McIntyre.

And now from the Evansville Press an editorial entitled "Time To Take a Seat."

I quote:

TIME TO TAKE A SEAT

The time has come for the United States House of Representatives to lay politics aside and consider the people of the 8th Congressional District of Indiana.

In its most recent action, the House once again refused to seat either Richard McIntyre or Frank McCloskey as the winner of last November's election. Instead, the House is conducting its own investigation of the close race and will report its findings by late April. As a result, it is likely the 8th District will be without representation until May, or beyond.

This is reprehensible and unacceptable.

That the House has the right to—and should—investigate the close election is not the question here. What is questionable is why the House does not seat the apparent winner until information to the contrary comes to light.

Mr. McIntyre, the Republican, was certified the original winner by a very slender margin, fewer than 50 votes; now, after a recount, he has again been declared a winner, by a more substantial 418 votes.

Mr. McCloskey, the Democrat, argues that the recounts were conducted under haphazard and inconsistent rules, and with that this newspaper agrees. But no where is anyone alleging fraud, and most of the commissions that participated in the recounts were dominated by Democrats. The fact that the recounts were inconsistent should not hinder the seating of Mr. McIntyre until the Democrat controlled House proves that recount certified the wrong man, or until a more consistent recount is ordered by the House Administration Committee, which now is handling the matter.

The argument that neither candidate should be seated until that committee reaches a decision ignores the fact that there are two other disputed elections now before the committee, and in both cases, the certified winner has been seated pending a resolution.

No one argues with Mr. McCloskey's right to challenge the result of the election. But Mr. McIntyre should be seated—conditionally—while that challenge is being resolved so the people of the 8th District of Indiana at least have someone in Congress to handle their affairs.

The votes are in. They have been counted twice. Mr. McIntyre has won both times. A serious responsibility now rests with the House. It must determine either that the recount was in error and another recount is justified, or it must seat Mr. McIntyre. In either event, it must follow its own tradition and seat the certified winner, Mr. McIntyre, in the interim.

By refusing to do so would only prove many people's worse suspicions: that the U.S. House of Representatives is more interested in playing politics than serving the people it has been entrusted to represent.

All voters in all districts, should remember that the next time the polls open.

□ 1520

Now, that is an editorial from the Evansville Press, in the Eighth District, saying that it is time to seat the winner of the election and making the point that in other contested elections we seat the man or woman who is certified as the winner while we look at the election.

If this was just a partisan matter, if this was just fun and games at party politics level, frankly, as a Republican, it might be tempting to let the seat go vacant until May, because, as the news media around the country begins to focus, as I have quoted already from Indiana, from Detroit, MI, from Texas, and from Washington, DC, as the news media begin to focus on the Democratic Party in this House, the vision of the Democratic leadership stealing the seat is so disturbing that it is helpful to Republicans to drag this out, to have several months of reminding the country that the Democratic leadership is willing to deny representation of the taxpayers of the Eighth District, to violate the basic American principles of fair play, and to break the constitutional precedent.

In fact, there is one article which should chill every Democrat in this House, in terms of the longrun implications of this current procedure.

On January 28, 1985, in the Detroit News, in an editorial under "Our Opinions," entitled, "The Undemocratic Party," the following was written:

The Democratic Party, ostensibly the party of compassion and fairness, had decided that Republican votes don't count in Indiana's 8th Congessional District. Indiana's secretary of state has certified Richard McIntyre as the victor in his race against previous incumbent Democrat Frank McCloskey, and a recount this week widened his ostensible margin of victory from 34 votes to 415 votes.

But House Speaker Tip O'Neill and Tony Coelho, chairman of the Democratic Con-

gressional Campaign Committee, have declared the voters and the Indiana officials wrong. Nothing has changed the fact that Frank McCloskey won on Election Day, and an honest, complete, and nonpartisan vote count will confirm that, Rep. Coelho said recently. So the Washington pols have voted themselves the power to overturn the judgment of the people of Indiana.

Here's what happened. Republicans learned on election eve that the returns from two precincts had been counted twice, giving Mr. McCloskey an apparent victory. They asked the local county clerk to notify the secretary of state that the results from that county were in error, but the clerk, a Democrat, refused. Republicans took the matter to court, where a Democratic judge eventually ordered the clerk to amend the results. When that was done, Mr. McIntyre was certified the winner by the secretary of state (a Republican), and the results were forwarded to the clerk of the U.S. House of Representatives.

Under normal procedures, that would have been the end of the matter. No one had alleged fraud in the election, and no one implied that Mr. McIntyre had done anything shady or undignified. Democrats didn't even bother to challenge the results under the Contested Elections Act, which sets forth a procedure for reviewing very tight elections. The law in effect lets the House review an election much as a court would—taking depositions, reviewing evidence, even demanding a new election. At first, they tried to have the recount thrown out, asking a federal court to find fault with Indiana's recount procedure. The judge dismissed the case.

Meanwhile, a series of recounts was taking place in Indiana. County clerks appointed three-member, bipartisan election review boards, which examined ballots and double-checked procedures. Those recounts enlarged Mr. McIntyre's margin by 381 votes.

Still, Reps. O'Neill and Coelho wouldn't rest. They strong-armed colleagues into accepting House Resolution 1—the first legislation of the session—that essentially gave the House Administration Committee, and not the people of Indiana, final say about the election. The Democratic leaders argued that a 1961 case, in which Democrat Ed Rousch was seated after earlier results had given Republican George Chambers the victory, offers a precedent. But in that case, the Indiana secretary of state invalidated his own certification of victory for Mr. Chambers, after verifying charges of election fraud. As we noted above, there were no such charges or changes in certification this time around.

House leaders have merely confirmed that they believe in the one-man, one-vote concept only if it favors Democrats. Consider a few interesting statistics: Democrats won 50.03 percent of the popular vote for House seats this year, but district lines drawn by state legislatures gave them 58.16 of the seats in the House. By the same token, the membership on key committees hardly reflects Americans' preferences on policy. Democrats hold 58.7 percent of the votes on the Budget and Armed Services committees and 61.4 percent of the seats on the Appropriations Committee.

The McIntyre case demonstrates with frightening clarity how politicians can abandon their principles for partisan reasons. In a fairer world, the House would seat Richard McIntyre provisionally, and let the courts or the sovereign people of Indiana do what they must to resolve matters further. He has, by any reasonable standard, won that seat fairly. His only sin seems to be that he didn't win by enough votes to make Tip O'Neill happy.

Let me carry you back, for a moment, to what newspaper after newspaper has said about our current situation.

Very strong words have been used. From the Detroit News, the words, "freightening clarity, how politicians can abandon their principles for partisan reasons."

From the Indianapolis Star, "McIntyre case is unprecedented."

From the Evansville newspaper we are warned by Mr. McConnaughay of cynicism, a cancer to the body politic, to our very democratic tradition.

From the Evansville newspaper's own editorial, they say it is "reprehensible and unacceptable." They charge that the House of Representatives is "playing politics."

From the Detroit Free press, they cite de Tocqueville's warning of the legal despotism of the legislature of tyranny.

Every person who voted to seat McIntyre, the five Democrats who had the courage to rebel against their party's whip, the 180 or so Republicans, now face a real choice. By any reasonable standard, as measured in Michigan, in Texas, in the Washington Post, in Indiana itself, this House is now violating the constitutional precedent. Every time we walk in this body and we permit tyranny and we permit a majority to steal a seat from the people of Indiana, every time we vote without the people of Indiana's Eighth District having a vote, we tolerate tyranny.

It is precisely this kind of erosion, this kind of arrogance of power, which most worried the Founding Fathers. They were very aware, in the Wilkes case in Britain, just before the American Revolution, of the dangers that a legislative body would decide not to seat someone chosen by the people. The Founding Fathers knew well the political bosses, ideological factions, interest groups could make decisions which deny to the people their voice, their spokesman, their seat. The Founding Fathers would never have tolerated this kind of scene. So we face a real challenge. And I urge every Democrat who voted not to give the people of Indiana a voice to look again at this case.

What you have been told by your leadership is simply not correct. It is not true to assert that the Democratic incumbent ever had a majority. It is simply not true. The only time he appeared to have a majority was a mathematical error because one clerk counted two precincts twice. There has never been an accurate or honest count which in any way gave the Democratic incumbent the majority. He lost the election. He lost the recount by a bigger margin.

It is simply not true to suggest that Indiana's law is peculiarly vague or strange. The fact is the State of Indiana has adopted very strict rules precisely to prevent cheating, to prevent stuffing the ballot box, to prevent voting by people who might put in a number of ballots without having the number of people.

□ 1530

The reason they have to initial each ballot is to make sure that a real person voted, and to turn that law on its head and suggest that those votes were thrown out in order to cheat is a disgrace. It is to shame the people of Indiana. It is to suggest that the State of Indiana would steal a seat. It is to suggest that the secretary of state and the legislature would conspire. In effect the honor of the State of Indiana is being smeared by those who suggest that a duly sent certificate should not be counted.

It is simply wrong to cite the 1961 case. It is factually inaccurate. There has never been a certificated winner in modern times who was not seated if his certificate was valid. The 1961 case is a red herring thrown across the path to stop the argument. Some members of the Democratic leadership have systematically and deliberately confused the issue and have sought to avoid an honest and fair hearing.

The fact is that McIntyre has won the election and McIntyre has won the recount. The people of Indiana's Eighth District deserve a hearing, and the challenge to those of us who believe that is to now ask, "What should we do when faced with a legislative tyranny which is willing to stop the people of Indiana from having their representation?"

I deeply urge every Member to look at this case. If you already believe that McIntyre should be seated, ask yourself, "What are the moral burdens and obligations you carry to insure in the next few days that McIntyre is seated and that the people of Indiana have their true voice?"

On the other hand, if you have not yet been convinced, look at the case. Read the Washington Post editorial, read the Indianapolis editorial, read the Evansville, IN, editorial, read the Detroit editiorials, read the Texas editorials. Why is it, if your leadership's case makes any sense, that again and again around the country, when people look at this case, they say, "You ought to seat McIntyre"? If the Democrats' case is so powerful, why did it fail to convince the Washington Post?

The fact is that there are no good, decent, legal grounds to avoid seating McIntyre.

Finally, every citizen who studies this case should ask himself, "What should I do? How did my Member

vote? Does my local news media understand this issue?" Because I think it really was said exactly correctly in the Evansville Press in the Eighth District, in the editiorial entitled, "Time To Take a Seat," when they said at the very end: "All voters in all districts should remember that the next time the polls open."

The fact is that if this House has the power to steal a seat from the people of Indiana, it has the power to steal a seat from the people of Texas; it has the power to steal a seat from the people of Georgia; it has the power to steal a seat from the people of California; and it has the power to steal a seat from the people of New York.

If this year they can deny Rick McIntyre and the people of the Eighth District a seat, then what can they do the next time? If we sit by passively and allow a handful of men to impose their will, to seize a seat, then what will they try next time? And what, 20 or 30 or 40 years from now, will their successors try?

We have here a clear case. The time to reassert the precedent that a certified winner sits in this House until the election committee reports is now. The time to draw the line and say the people of the United States deserve representation, full representation, for 2 full years is now.

I hope that every Member of this House will look carefully at this case, for in the next few days you will have a chance to vote again, and I hope this time you will vote, not as the Democratic whip insists, not as the Democratic Campaign Committee asks, but you will look at the real facts of the case and you will decide to vote to seat the person whom the people of Indiana elected, the secretary of state of Indiana certified, and the recount indicated won, and then allow the task force to do its work.

Mr. Speaker, that is the only reasonable and honorable procedure.

A STUDENT SPEAKS OUT ON CUTS IN THE STUDENT LOAN PROGRAM

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. SEIBERLING. Mr. Speaker, recently I received a touching letter from one of my constituents who is a high school senior considering her plans for college. She is afraid that if the Congress adopts the President's proposed cuts in the Student Loan Program and other student assistance programs, she will not be able to afford to attend a college that has her desired field of study. The full text of her letter is as follows:

DEAR REPRESENTATIVE SEIBERLING: I have just finished reading an article about President Reagan's plans for the Guaranteed Student Loan and financial aid.

I am, at the moment, extremely confused. Being a senior at Stow High School, I have done much thinking about college and my plans and goals. Because I am paying for my college expenses by myself, I am greatly in need of any aid I can receive. It is possible for me to attend a nearby university with an academic scholarship I have received; however, this university does not have my desired major in their curriculum. I am in need of assistance to attend Ohio State University.

As a current high school student, I have faced many changes because of the stressed "Excellence in Schools." President Reagan seems very concerned about high school students and their college board examinations, but may I ask what benefits a high SAT or ACT score has if one cannot afford to attend a quality university to which he has been accepted because of these scores? It seems to me that someone who is interested in bettering students would also want these people to attend a university to further this education. It has been expressed many times by various people that the future of this country is dependent on the people in my age group. Where is the country going if we cannot get more than a high school diploma?

This issue is extremely important to me and many other affected students. I hope we will receive your support.

Sincerely,

LAURA A. CASTNER.

I think that this letter clearly states why the Federal Government should have a responsibility to provide some financial assistance to students and to educational institutions. In order to provide equal opportunity for advancement in our society, the Federal Government should provide assistance to those who could not afford an education without the Government's help.

As we make difficult budget choices in the coming months, I urge my colleagues to consider how our decisions affect the lives of our constituents like this high school senior.●

PRODUCTIVITY INCENTIVE ACT

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. SEIBERLING. Mr. Speaker, I am today introducing legislation to encourage better labor-management relations and greater productivity in the United States.

The domestic manufacturing sector of the economy has been under severe pressure from foreign competition over the past decade. While foreign competitors have frequently had advantages in terms of newer production facilities and lower labor costs, I'm convinced that one of the most important factors in the import revolution has been the productivity gains made by our foreign trading partners.

Under the prevailing wage system in this country, employees often feel that they have little stake in the company's performance. Wages usually bear no direct relationship to company earnings, and companies usually adjust to downturns in the business cycle simply by laying their employees off. As a result, workers perceive their pay increases as being wholly independent of the company's profitability, and no clear link is established between pay and productivity. The hourly wage system gives employees little incentive to use their experience and ingenuity to help their company become more profitable by cutting costs and increasing productivity. The result has meant all-too-often that American manufacturers cannot compete with the productivity gains made by their foreign competition. Profits decline as imports penetrate the American market. Jobs are lost.

The prevailing wage structure also emphasizes the divergence rather than the community of interest between employer and employee and thereby contributes greatly to the antagonism that has been so characteristic of labor-management relations in the United States. We cannot afford such antagonism if we are to remain competitive in the changing global economy.

There are signs that workers and management are beginning to understand better the need to emphasize community of interest in the labor field. A Washington Post article of February 17 detailed the efforts by the U.S. auto industry to rethink its wage structure. General Motors, which committed recently to produce the Saturn, a completely new car for the American market, is examining ways of increasing worker involvement in quality and productivity improvement. The basic objective of the Saturn project is to improve productivity by nearly 50 percent, stripping some 60 of the 130 worker hours it now takes to build an average GM car. GM intends to achieve that goal by using its work force more effectively and, apparently, by drawing on the wealth of knowledge and experience of its employees to maximize productivity in the assembly line.

This is welcome news. Congress can and should help efforts to improve productivity by providing incentives to do so. My bill would encourage employers to adopt a wage base and a bonus determined by reference to company profits or cost savings, with the bonus comprising up to one-third of the employee's annual income. To offset any additional cost associated with establishing and running this new wage system, employers would receive a tax credit equal to 10 percent of the bonus in the first year of operation, 5 percent in the second year, and 3 percent in the third.

The bill would give workers a strong incentive to be more cost conscious and productivity conscious, since their pay would depend to a degree on the earnings of the company or increases

in productivity. To the extent that profit or gain sharing are adopted, the system would give the company a means of adjusting its labor costs during economic downturns without cutting the workers' base pay or, more important, without resorting to the traditional layoffs to maintain a specified level of corporate profitability. The resulting job security cannot help but produce greater loyalty on the part of employees, and an improvement in employer-employee relations. The bill should not be construed as a one-way street. It would be reasonable for employees, in exchange for their acceptance of a bonus wage plan, to be given more of a say in company operations, particularly those which tie directly to productivity, and hence to their bonus.

My bill is not a cure-all for our country's economic problems, but it should help improve job security as well as productivity, and many other changes are in order if we are going to reverse our poor productivity growth over the past few years. If we concentrate instead on dividing up a diminishing economic pie, we will all be losers. Our goal should be to enlarge the pie by examining policies and practices which hinder productivity, and replacing them with practices which encourage productivity gains and enhance job security.

A copy of the Washington Post article follows these remarks.

AUTO INDUSTRY SEEKS A NEW WAGE MODEL

(By Warren Brown)

When the U.S. auto industry introduced the assembly line early in the century, it revolutionized the way the American worker was paid. With a firm grip on the pace of production, U.S. manufacturing industries installed the hourly wage system—which has prevailed ever since.

Now the auto industry once again has become a laboratory for pay in America as manufacturers search for new ways to tie blue-collar wages to corporate performance.

General Motors Corp., for example, is examining the concept of "gain sharing," in which blue collar employes, working closely with management on the factory floor, are rewarded for their contributions to both quality and productivity.

These experiments may well change both the way millions of people are paid in this country and how a whole range of products outside the auto industry are manufactured.

But market forces unlike those of the early days of the industry are behind the new pressures for change. The assembly line permitted development of the mass production capabilities needed to meet vast, unmet consumer demand for an emerging product. And the hourly wage was a means to stabilize the industry work force.

Today, the search for a new pay system in America is the result of a much different challenge—shrinking domestic markets, largely caused by foreign competition. U.S. manufacturers are searching for new ways to compete in a post-industrial society.

The current focus for change is the new Saturn project announced recently by General Motors. GM Chairman Roger B. Smith said his company was going outside the current corporate structure to create Saturn Corp., a completely new car company for the American market.

Saturn's basic objective is to produce up to 500,000 subcompact cars annually, beginning by 1990. Its overall goal is to change domestic auto production methods radically, to strip 60 worker-hours from the average 130 hours GM now uses to build one car, and to come up with a pay system that more closely reflects production costs and corporate performance.

Ford and Chrysler are working on similar projects with similar aims. Ford calls its program Alpha. Chrysler has Concept 90.

In announcing the Saturn project, Smith said GM was giving the new company a "clean sheet" to build its cars. This would include a new relationship with the United Auto Workers union and the way its members would be paid, he said.

Neither Saturn nor UAW officials have offered any details on what type of pay system might be devised at the new GM company. But besides "gain sharing," company officials are using such terms as "pay-for-knowledge" (also known as "versatility premium"), and "employe involvement" to describe the system they hope will emerge eventually.

The push for a new wage system for the U.S. auto business follows a decade of decimation and change for the industry's work force. Imports rose from 15.2 percent of overall U.S. auto sales in 1970 to 23.4 percent in 1984 (reaching an all-time high of 30.5 percent in the third quarter of 1982).

Since 1979, the auto industry work force has been cut more than 40 percent—a loss of 656,000 jobs.

The erosion of jobs and the wave of imports appear to have created a new setting for labor-management relations in the industry as employer and worker search for ways to meet competition. These efforts at cooperation are intensifying as the major Japanese auto companies begin to set up manufacturing operations on American soil using techniques and traditions from their home country.

But not all will be imitation on the part of the Americans. GM's Smith, for example, said the Saturn operation will be designed "to leapfrog the Japanese." And George Hoffer, an economist and auto industry analyst at Virginia Commonwealth University in Richmond, predicted that the "Japanese mystique will disappear" as more Japanese auto makers are producing vehicles in this country.

By 1990, the Japanese will be able to make as many as 900,000 cars a year in the United States, according to Maryann N. Keller, a director and analyst at New York-based Vilas-Fischer Associates.

Japan's Honda Motor Co. Ltd. and Nissan Motor Co Lt. built a total of 234,111 vehicles in the United States last year. Both companies, which so far operate without a union, are planning to expand U.S. production facilities.

Toyota Motor Corp. and General Motors Corp. have formed a joint-venture company, New United Motor Manufacturing Inc. [NUMMI], to build up to 250,000 subcompact cars annually in Fremont, Calif. Production began last Dec. 4. Toyota also is allowed to build its own cars here under the joint-venture agreement.

Mazda Motor Corp. last December announced plans to invest $450 million in a new auto assembly facility in Flat Rock, Mich., where it plans to build 240,000 small cars annually. Mitsubishi Motors Corp. also is considering the possibility of assembling cars in this country.

The Japanese are coming here with new work rules, new production methods and a resolve to create a domestic work force that is willing to share the risk as well as the rewards of free enterprise. They are seeking a basic attitudinal change, one that would make employes more like entrepreneurs.

The Japanese objective is simple. At home, they enjoy an advantage in production costs over their American competitors estimated at more than $1,500 a car. They want to retain as much of the advantge as possible in their assembly operations in the United States.

U.S. auto industry analysts say the Japanese are traveling a difficult road. This country's car business traditionally has been characterized by inflexible work rules, an imbedded hourly-wage mentality and executive compensation practices that seem to assume guaranteed returns on investments, analysts say.

It will be difficult for the Japanese to alter this culture. But all of the Big Three domestics—GM, Ford Motor Co. and Chrysler Corp.—are acting as if the Japanese will succeed.

"That is the reason behind Saturn," Hoffer said.

"The main reason for Saturn is to break away from old union contracts and to establish flexibility in the workplace. GM no longer wants to have people on one specific line doing one specific job. The traditional auto assembler clearly will have a less important role in the cost of production," Hoffer said.

That does not mean assembly workers will disappear. "Your can't make a car without them, but there will be fewer of them. Their wages, as a result, will not be that much of a problem in the overall scheme of things," Hoffer said.

For example, to get 500,000 cars a year, Saturn officials will hire 6,000 production workers—3,000 per shift on a two-shift workday. GM would have had to hire about 10,000 production workers to get a similar output in 1975 and about 8,000 people to get a comparable yield in 1980, according to some industry analysts.

By assigning workers multiple tasks—the completion and quality of which would be aided by high-technology tools—Saturn would further lower the cost of production wages, Hoffer said.

GM's assembly workers currently receive an average base wage of $12.82 an hour, including cost-of-living allowances, according to UAW spokesman David Mitchell. GM would be able to increase those wages with relatively little pain by having a smaller work force that worked more efficiently.

NUMMI, which will negotiate with the UAW in the spring, is looking at a program comparable to gain sharing. NUMMI appropriately calls its program the "Suggestion Plan." Like gain sharing, the NUMMI plan would reward individual workers or worker teams based on their specific contributions to better product quality and efficiency.

"That kind of thing is very big at Toyota," said Tina Bunyard, a spokeswoman for the company. NUMMI currently has an average base wage rate of about $11 an hour. But "attendance awards" and other bonuses could lift that rate up to GM's average $12.82 hourly level, NUMMI officials said.

GM and Ford already have profit sharing, which means that workers share a part of those companies' annual earnings. GM's profit-sharing pool last year was $282 mil-

lion—an average of $515 for each of the company's 547,000 employes—out of earnings of $4.5 billion.

"Since 1985, we've always asked for profit sharing from the companies," said the UAW's Mitchell. "The companies said 'no' until 1982, when they didn't have any profits to share."

A ranking Chrysler official said last week that the company would push for profit sharing in contract negotiations scheduled next October. Mitchell said the UAW "does not regard profit sharing as a substitute for wage increases. We believe in wage increases, cost-of-living allowances and profit sharing on top of wages."

Mitchell said "there are really no fundamental changes" in the way the union approaches worker compensation." But he added that the union is not inflexible. "The UAW has always bargained based on the realities at the given bargaining table," he said.

With the growth of domestic production of Japanese cars, both the UAW and U.S. auto makers are being forced to rethink those realities, according to Audrey Freedman, labor economist at the The Conference Board in New York.

Mazda is a case in point, Freedman said. The Japanese auto maker has invited the UAW to represent what are expected to be 3,500 workers at its planned assembly facility in Flat Rock, near Detroit. But she said that Mazda is likely to push programs such as pay-for-knowledge.

GM officials said that they already are conducting some pay-for-knowledge experiments.

Nissan officials in Tennessee said that their comparable pay plan, which they call the "versatility premium," is running at top gear.

"We see no reason to have four maintenance men doing four separate maintenance jobs, when one can do all four," said Wayne L. Wright, Nissan's vice president for human resources in Smyrna.

"The better they become" at doing many jobs, "the more they earn," said Wright, who added that Nissan's U.S. workers receive a base hourly wage "in line" with the $12.82 paid at GM and Ford.

In terms of hourly wages, "Our competitors are well aware that they pay too much. We're guilty of that, too," Wright said. average hourly wages at GM and Ford are $3.60 above the $9.22 average for all manufacturing workers in the United States, according to the latest (October 1984) final figures provided by the Bureau of Labor Statisitcs.

But Wright said that Nissan is getting more for its money because most of its 2,300 employees are trained to do more than one job. "This works to the benefit of the employees, as well," he said. "It upgrades their skills, makes them transferable and, when one job goes down, they don't have to go home."

Increasing plant and worker efficiency, and designing compensation plans to better support those goals, probably is the best way to cut costs, Wright said.

Peter J. Pestillo, Ford's vice president for employee relations, agrees with that assessment.

"I think one of the ways to produce cars more efficiently, and therefore cheaper, is to use your work force more effectively," Pestillo said. "Workers know how to save effort and give you yield and the kind of quality you need. To the extent that you engage them in that, you get it.●

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Saunders, one of his secretaries.

JOINT RESOLUTION TO APPROVE THE COMPACT OF FREE ASSOCIATION RELATING TO THE TRUST TERRITORY OF THE PACIFIC ISLANDS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-29)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and the Committee on Interior and Insular Affairs and ordered to be printed:

(For message, see proceedings of the Senate of today, Wednesday, February 20, 1985.)

RULES OF COMMITTEE ON VETERANS' AFFAIRS FOR THE 99th CONGRESS

(Mr. MONTGOMERY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. MONTGOMERY. Mr. Speaker, pursuant to the rules of the House, I am pleased to submit for printing in the CONGRESSIONAL RECORD a copy of the rules of the Committee on Veterans' Affairs which were adopted at the organizational meeting on February 7, 1985. The rules were agreed to by a unanimous voice vote.

RULES OF COMMITTEE ON VETERANS' AFFAIRS FOR THE 99TH CONGRESS

RULE I—GENERAL PROVISIONS

The Rules of the House are the rules of the committee and subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees and subcommittees. Each subcommittee of the committee is a part of the committee, and is subject to the authority and direction of the committee and to its rules so far as applicable.

RULE II—MEETINGS

(a) The regular meeting day for the full committee shall be at 10 a.m. on the second Tuesday of each month, and at such other times and in such places as the chairman may designate; however, a regular Tuesday meeting of the committee may be dispensed with by the chairman.

(b) The chairman may call and convene, as he considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to the call of the chairman.

(c)(1) Each meeting for the transaction of business, including the markup of legislation, of the committee or each subcommittee thereto shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of the meeting on that day shall be closed to the public: *Provided, however:* That no person other than members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to subparagraph (2) of this paragraph, or to any meeting that relates solely to internal budget or personnel matters.

(2) Each hearing conducted by the committee or each subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided, however:* That the committee or subcommittee may by the same procedure vote to close one subsequent day of hearing.

RULE III—RECORDS AND ROLL CALLS

There shall be kept in writing a record of the proceedings of the committee and of each subcommittee, including a record of the votes on any question on which a roll call is demanded. The result of each such roll call vote shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order or other proposition and the name of each member voting for and each member voting against such amendment, motion, order, or proposition, and the names of those members present but not voting. A record vote may be demanded by one-fifth of the members present or, in the apparent absence of a quorum, by any one member. With respect to each record vote by the committee to report any bill or resolution, the total number of votes cast for and the total number of votes cast against the reporting of such bill or such resolution shall be included in the committee report.

RULE IV—QUORUMS

A majority of the members of the committee shall constitute a quorum of the committee for business and a majority of the members of any subcommittee shall constitute a quorum thereof for business: *Provided,* That any two members shall constitute a quorum for the purpose of taking testimony and receiving evidence.

RULE V—HEARING PROCEDURES

(a) The chairman, in the case of hearings to be conducted by the committee, and the appropriate subcommittee chairman, in the case of hearings to be conducted by a subcommittee, shall make public announcement of the date, place, and subject matter of any hearing to be conducted on any measure or matter at least one week before the commencement of that hearing unless the committee determines that there is good cause to begin such hearing at an earlier date. In the latter event, the chairman or the subcommittee chairman, whichever the case may be, shall make such public announcement at the earliest possible date.

The clerk of the committee shall promptly notify the Daily Digest Clerk of the Congressional Record as soon as possible after such public announcement is made.

(b) So far as practicable, each witness who is to appear before the committee or a subcommittee shall file with the clerk of the committee, at least 48 hours in advance of his or her appearance, a written statement of his or her proposed testimony and shall limit his or her oral presentation to a summary of the statement.

(c) When any hearing is conducted by the committee or any subcommittee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the chairman of a majority of those minority members before the completion of such hearing, to call such witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

(d) All other members of the committee may have the privilege of sitting with any subcommittee during its hearings or deliberations and may participate in such hearings or deliberations, but no such member who is not a member of the subcommittee shall vote on any matter before such subcommittee.

(e) Committee members may question witnesses only when they have been recognized by the chairman for that purpose, and only for a 5-minute period until all members present have had an opportunity to question a witness. The 5-minute period for questioning a witness by any one member can be extended only with the unanimous consent of all members present. The questioning of witnesses in both full and subcommittee hearings shall be initiated by the chairman, followed by the ranking minority party member and all other members alternating between the majority and minority. In recognizing members to question witnesses in this fashion, the chairman shall take into consideration the ratio of the majority to minority members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the members of the majority.

RULE VI—OVERSIGHT

(a) In order to assist the House in:

(1) Its analysis, appraisal, and evaluation of (A) the application, administration, execution, and effectiveness of the laws enacted by the Congress or (B) conditions and circumstances which may indicate the necessity or desirability of enacting new or additional legislation, and

(2) its formulation, consideration and enactment of such modifications or changes in those laws, and of such additional legislation, as may be necessary or appropriate, the various subcommittees, consistent with their jurisdiction as set forth in Rule VIII shall have oversight responsibilities as provided in paragraph (b).

(b) Each subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of that subcommittee, and the organization and operation of the Federal agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated.

In addition, each such subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of that subcommittee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of that subcommittee.

(c) Each subcommittee shall review and study on a continuing basis the impact or probable impact of tax policies affecting subjects within its jurisdictions.

RULE VII—BROADCASTING OF COMMITTEE HEARINGS

Broadcasting, either by radio or TV of all open committee hearings and meetings shall be permitted when, in the judgment of the chairman, in consultation with the ranking minority member, such action is warranted. Photographs shall be permitted during hearings of the full committee and subcommittees as the chairman decides.

All coverage shall be subject to the following provisions:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpoena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the committee or the visibility of that witness and that member to each other.

(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing or meeting by other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, between the witness table and the members of the committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

RULE VIII—NUMBER AND JURISDICTION OF SUBCOMMITTEES

(a) There shall be five standing subcommittees as follows: Oversight and Investigations; Hospitals and Health Care; Education, Training and Employment; Compensation, Pension and Insurance; and Housing and Memorial Affairs. All proposed legislation and other matters related to the subcommittees listed under standing subcommittees named below shall be referred to such subcommittees, respectively;

Oversight and Investigations: Investigative authority over matters that are referred to the subcommittee by the chairman of the full committee for investigation and appropriate recommendations.

Hospitals and Health Care: Veterans' hospitals, medical care, and treatment of veterans.

Education, Training and Employment: Education of veterans, vocational rehabilitation, and readjustment of servicemen to civilian life.

Compensation, Pension, and Insurance: Compensation, pensions of all the wars of the United States, general and special, and life insurance issued by the Government on account of service in the Armed Forces.

Housing and Memorial Affairs: Veterans' housing programs, and cemeteries of the United States in which veterans of any war or conflict are or may be buried, whether in the United States or abroad, except cemeteries administered by the Secretary of the Interior, and burial benefits.

(b) The chairman and the ranking minority member shall serve as ex-officio members of all subcommittees and shall have the right to vote on all matters before the subcommittee.

RULE IX—POWERS AND DUTIES OF SUBCOMMITTEES

(a) Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it or under its jurisdiction. Subcommittee chairmen shall set dates for hearings and meetings of their respective subcommittees after consultation with the chairman and other subcommittee chairmen with a view toward avoiding simultaneous scheduling of full committee and subcom-

mittee meetings or hearings wherever possible.

(b) Whenever a subcommittee has ordered a bill, resolution, or other matter to be reported to the committee, the chairman of the subcommittee reporting the bill, resolution, or matter to the full committee, or any member authorized by the subcommittee to do so, may report such bill, resolution, or matter to the committee. It shall be the duty of the chairman of the subcommittee to report or cause to be reported promptly such bill, resolution, or matter, and to take or cause to be taken the necessary steps to bring such bill, resolution, or matter to a vote.

(c) In any event, the report of any subcommittee on a measure which has been approved by the subcommittee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the subcommittee, for the reporting of that measure. Upon the filing of any request, the clerk of the committee shall transmit immediately to the chairman of the subcommittee notice of the filing of that request.●

RULES OF COMMITTEE ON INTERIOR AND INSULAR AFFAIRS FOR THE 99TH CONGRESS

(Mr. UDALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. UDALL. Mr. Speaker, as chairman of the Committee on Interior and Insular Affairs, I submit herewith for printing in the CONGRESSIONAL RECORD the rules of the Committee on Interior and Insular Affairs, in accordance with clause 2(a) of House rule XI:

RULES OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

A. RULES OF GENERAL APPLICATION

Rule 1. Rules of the House.—The Rules of the House of Representatives are the rules of its Committees and Subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in Committees and Subcommittees. Written rules adopted by the Committees, not inconsistent with the Rules of the House, shall be binding on each Subcommittee. Each Subcommittee of a Committee is a part of that Committee and is subject to the authority and direction of that Committee. Rule XI of the Rules of the House, which pertains entirely to Committee procedure, is incorporated and made a part of the Rules of the Committee which are supplementary to the Rules of the House.

Rule 2. Time, Place of Meetings.—(a) While Congress is in session, regular business meetings of the Committee shall be held in the regularly assigned committee room, Longworth House Office Building, beginning at 9:45 a.m. on each Wednesday, except that whenever any regularly scheduled party caucus or conference conflicts with such meeting of the Committee, then the Committee shall meet at a later time or on Thursday or on such other day as may be mutually agreed upon by the Chair and the Ranking Minority Member. Such meeting shall be called to order and presided over by the Chair, or in the absence of the Chair, by the ranking majority member of the Committee present.

(b) Special meetings shall be held at the call of the Chair or upon written request of Members of the Committee as provided in Rule XI, Clause 2, of the Rules of the House. When a regularly called party caucus or party conference is scheduled to be in session after 10 a.m. on any day, and the Chair is so advised not later than 12 noon on the preceding day, the regularly scheduled Committee meeting for that day shall be rescheduled at a later time or as provided in paragraph (a) of this rule.

(c) Each meeting of the Committee or any of its Subcommittees for the transaction of business, including the mark-up of legislation, shall be open to the public except when the Committee or Subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of the meeting on that day shall be closed to the public because disclosure of testimony, evidence or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided however,* That no person other than Members of the Committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or mark-up session which has been closed to the public. This paragraph does not apply to any meeting that relates solely to internal budget or personnel matters.

Rule 3. Agenda for Meetings.—The agenda for Committee meetings, setting out all items of business to be considered, shall be available and delivered to the office of each Member at least 48 hours in advance of the meeting: *Provided,* That this requirement may be waived by a majority vote, a quorum being present.

Rule 4. Adjournment of Meetings.—A motion to adjourn shall not be approved unless the Chair, in his discretion, recognizes a Member for the purpose of making such motion and the motion is approved by a majority of the Members present and voting.

Rule 5. Committee Procedure.—(a) The date, time, place and subject matter of all public hearings of the Committee or any of its Subcommittees shall be announced at least 1 week in advance of the commencement of such hearings. If the Committee, or any of its Subcommittees, determines that there is good cause to expedite the hearing, it shall make the announcement at the earliest possible date. Any such announcement shall be promptly published in the Daily Digest.

(b) Each hearing conducted by the Committee or Subcommittee thereof shall be open to the public except when the Committee or Subcommittee, in open session and with a majority present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives: *Provided,* That the Committee or Subcommittee may by the same procedure vote to close one subsequent day of hearing: *Provided further,* That two or more Members at a meeting held for the purpose of taking testimony may determine, by a majority vote,

(i) to close such hearing for the purpose of discussing whether testimony or evidence to be received would endanger national security or tend to defame, degrade, or incriminate any person in violation of rule XI, 2(k)(5) of the Rules of the House; or

(ii) to close the hearing as provided in rule XI 2(k)(5) of the House.

(c) No Member may be excluded from nonparticipatory attendance at any hearing of the Committee, or its Subcommittees unless the House, by majority vote, authorizes the Committee or its Subcommittees, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close such meetings to Members by the same procedures designated in this rule for closing meetings to the public.

(d) Each witness who is to appear before the Committee or one of its Subcommittees shall file with the Committee, at least 24 hours in advance of his appearance, a written statement of his proposed testimony and shall limit his oral presentation at his appearance to a brief summary of his argument, unless this requirement is waived by the Committee.

(e) The right to interrogate witnesses before the Committee or any of its Subcommittees shall alternate between the Majority Members and the Minority Members. In recognizing Members to question witnesses, the Chair may take into consideration the ratio of Majority and Minority party Members present and may recognize two Majority party Members for each Minority party Member recognized. Each Member shall be limited to 5 minutes in the interrogation of witnesses until such time as each Member of the Committee who so desires has had an opportunity to question the witness.

(f) No bill, recommendation, or other matter reported by a Subcommittee shall be considered by the Committee until 2 calendar days have elapsed from the time of the action of the Subcommittee and such action has been reported by the Committee Clerk to all Members of the Committee and, in the case of a bill, a copy has been delivered to the office of all Members so requesting the same, together with a section-by-section explanation and, if a change in present law is involved, a section-by-section comparison with the present law: *Provided,* That this requirement may be waived by a two-thirds vote of a quorum of the Committee Members.

Rule 6. Quorum.—No measure or recommendation shall be reported from the Committee unless a majority of the Members of the Committee is present, but for the purpose of transacting any other Committee business one-third of the Members shall constitute a quorum. Testimony and evidence may be received at any meeting at which there are present two or more Members of the Committee. A quorum, once established, shall be deemed present unless a Member objects to the transaction of business due to the lack of a quorum. When a call of the roll is required to ascertain the presence of a quorum, the offices of all Members shall be so notified and the Members shall have not less than 10 minutes to prove their attendance. The Chair shall have the discretion to waive this requirement when a quorum is actually present or whenever a quorum is secured and may direct the Clerk to note the names of all Members present within the 10 minute period.

Rule 7. Proxies.—A vote by any Member in the Committee or in any Subcommittee may be cast by proxy, but such proxy must be in writing. Each proxy shall designate the Member who is to execute the proxy au-

thorization, shall assert that the Member is absent on official business or otherwise unable to attend, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a Member may authorize a general proxy for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the Member assigning his vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum.

Rule 8. Subpenas and Oaths.—(a) A subpena may be issued by a Committee or Subcommittee in the conduct of any investigation or series of investigations or activities when authorized by a majority of the Members of the Committee or Subcommittee and approved by the Chair of the Full Committee and signed by his or her designee.

(b) The Chair of the Committee, the Chair of any of its Subcommittees, or any Member designated by either, may administer oaths to any witness.

Rule 9. Journal, Rollcalls.—(a) The proceedings of the Committee shall be recorded in a journal which shall, among other things include a record of the votes on any question on which a record vote is demanded. A copy of the journal shall be furnished the Ranking Minority Member through the Minority Counsel. A record vote may be demanded by one-fifth of the Members present or, in the apparent absence of a quorum, by any one Member. No demand for a rollcall shall be made or entertained except for the purpose of securing a record vote or in the apparent absence of a quorum.

(b) At the beginning of any meeting of the Committee, the Chair may announce to the Committee, in its discretion, that further proceedings will be postponed on any motions on which a recorded vote is ordered or on which the vote is objected to under Rule 6 until immediately preceding the conclusion of the meeting. In such instances, the Committee shall proceed with the consideration of the next regularly scheduled measures or matters until all such business is disposed of or until such time as the Chair announces that the question will be put on the matter deferred. The question on any motion so postponed shall be put by the Chair and shall be disposed of by the Committee, without further debate, as expeditiously as possible. If the Committee adjourns before the question is put and determined on such motion, then the first order of business at the next meeting shall be the disposition of such motion.

(c) The result of each rollcall vote in any meeting of the Committee shall be made available in the Committee office for inspection by the public. Such records shall constitute the official attendance records of the Committee.

Rule 10. Filing of Committee Reports.—(a) All Members of the Committee shall be given an opportunity to review each proposed Committee report for at least 2 days (excluding Saturdays, Sundays, and legal holidays) prior to filing.

(b) If, at the time of approval of any measure or matter by this Committee, any Member of the Committee gives notice of intention to file supplemental, minority, or additional views, that Member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) after the copy of the Committee report in substantially final form is completed, excluding formal or technical changes, in which to file such views, in writing and signed by that Member or Members, with the Clerk of the Committee. In the event that substantial or significant changes are made in the Committee report, such Member shall have not more than one calendar day to review such changes and alter his or her views in responding thereto. All such views so filed by one or more Members of the Committee shall be included within, and shall be a part of, the report filed by the Committee with respect to that measure or matter.

(c) The time requirements of paragraphs (a) and (b) of this rule shall run concurrently and shall not operate to delay the filing of Committee reports.

Rule 11. Record of Committee Proceedings.—(a) Evidence, testimony, and information relevant to any measure or matter before the Committee will be received for inclusion in the record of proceedings as determined appropriate. A formal transcript need not be made in all instances and the Chair may exercise discretion as to content of the record. A complete record of all Committee action, which shall include a record of the votes on any question on which a rollcall vote is demanded, shall be kept and retained in the permanent files of the Committee. All printing of proceedings or of other matter shall be subject to general principles promulgated by the Chair as well as by approval in each instance not only by the Chair of the appropriate Subcommittee but also by the Chair of the Committee.

(b) All transcripts of public meetings and hearings shall be available for review in the offices of the Committee. Unrevised and unedited hearing transcripts shall not be reproduced in any form without the written consent of the Chair or of the Member involved. Transcripts of other public meetings of the Committee and its Subcommittees shall not be reproduced in any form without the written consent of the Chair of the Committee or, as appropriate, of the Chair of the Subcommittee involved, in his or her discretion. Records and transcripts of public meetings of the Committee, conducted during any prior Congress, may be made available for review in the offices of the Committee, but such records and transcripts shall not be reproduced except as permitted by the House of Representatives.

(c) No records or transcripts of Committee meetings held in executive session shall be released unless the Committee directs otherwise. All classified documents, transcripts, or other materials shall be maintained in an appropriately secured location and shall not be released for review by any unauthorized person. Authorized persons must review such classified materials at an appropriate location in the Committee offices, but such material shall not be removed from the Committee offices for any reason without the written permission of the Chair and, as appropriate, of the Chair of the Subcommittee involved.

Rule 12. Broadcasting of Committee Hearings.—(a) It is the purpose of this clause to provide a means, in conformity with acceptable standards of dignity, propriety, and decorum, by which Committee hearings, or Committee meetings, which are open to the public may be covered, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage—

(1) for the education, enlightenment, and information of the general public, on the basis of accurate and impartial news coverage, regarding the operations, procedures, and practices of the House as a legislative and representative body and regarding the measures, public issues, and other matters before the House and its Committees, the consideration thereof, and the action taken thereon; and

(2) for the development of the perspective and understanding of the general public with respect to the role and function of the House under the Constitution of the United States as an organ of the Federal Government.

(b) In addition, it is the intent of this clause that radio and television tapes and television film of any coverage under this clause shall not be used, or made available for use, as partisan political campaign material to promote or oppose the candidacy of any person for elective public office.

(c) It is, further, the intent of this clause that the general conduct of each meeting (whether of a hearing or otherwise) covered, under authority of this clause, by television broadcast, radio broadcast, and still photograph, or by any of such methods of coverage, and the personal behavior of the Committee members and staff, other Government officials and personnel, witnesses, television, radio, and press media personnel, and the general public at the hearing or other meeting shall be in strict conformity with and observance of the acceptable standards of dignity, propriety, courtesy, and decorum traditionally observed by the House in its operations and shall not be such as to—

(1) distort the objects and purposes of the hearing or other meeting or the activities of Committee members in connection with that hearing or meeting or in connection with the general work of the Committee or of the House; or

(2) cast discredit or dishonor on the House, the Committee, or any member or bring the House, the Committee, or any Member into disrepute.

(d) The coverage of Committee hearings and meetings by television broadcast, radio broadcast, or still photography is a privilege made available by the House and shall be permitted and conducted only in strict conformity with the purposes, provisions, and requirements of this clause. No recording of Committee of Subcommittee proceedings shall be permitted except as authorized pursuant to these rules.

(e) Whenever any hearing or meeting conducted by any Committee of the House is open to the public, that Committee may permit, by majority vote of the Committee, that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, but only under such written rules as the Committee may adopt in accordance with the purposes, provisions, and requirements of this clause.

(f) The following rules shall apply to the Committee and its Subcommittees:

(1) If the television or radio coverage of the hearing or meeting is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

(2) No witness served with a subpena by the Committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off.

(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing or meeting room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing or meeting room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any Member of the Committee or the visibility of that witness and that Member to each other.

(5) Television cameras shall not be placed on the Committee rostrum or in positions which obstruct unnecessarily the coverage of the hearing or meeting by the other media.

(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing or meeting room while the Committee is in session.

(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing or meeting, except that the television media may install additional lighting in the hearing or meeting room, without cost to the Government, in order to raise the ambient lighting level in the hearing or meeting room to the lowest level necessary to provide adequate television coverage of the hearing or meeting at the then current state of the art of television coverage.

(8) Not more than five press photographers shall be permitted to cover a hearing or meeting by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International News pictures. If request is made by more than five of the media for coverage of the hearing or meeting by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

(9) Photographers shall not position themselves, at any time during the course of the hearing or meeting, on the Committee rostrum or between the witness table and the Members of the Committee.

(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobstrusive manner.

Rule 13. Committee Staffs.—(a) Pursuant to Rule XI, Clause 6 of the Rules of the House, the permanent staff of the Committee shall consist of not more than 30 staff members who shall be selected on the basis of fitness to perform the duties of their respective positions as follows:

three shall be chosen by the Committee from nominations approved by a majority of the Members of the Minority party of the Committee;

one shall be chosen by the Committee from nominations submitted by the Chair of each of the standing Subcommittees of the Committee;

one shall be chosen by the Committee from nominations submitted by the ranking Minority party Member of each standing Subcommittee of the Committee; and

the balance of any unfilled positions shall be chosen by the Committee from nominations approved by a majority of the Members of the Majority party Members of the Committee;

The staff members selected by the Majority party shall be assigned such legislative, oversight, and administrative duties and responsibilities as the Chair of the Committee may prescribe and shall assist Committee Members in connection with matters related to Committee business. Each staff member nominated by a Subcommittee Chair shall be under the general supervision and direction of that Subcommittee Chair. The staff members selected by the Minority party shall be under general supervision and direction of the Minority party Members of the Committee who may delegate such authority as they determine appropriate.

(b) A Subcommittee Chair shall be entitled to select and designate additional staff members, subject to the approval of a majority of the Majority party Members of the Committee, to assist the Subcommittee in carrying out its legislative, investigative and oversight responsibilities. The Minority shall be accorded fair and equitable consideration with respect to the appointment of additional staff, but Minority staffing shall continue to be approximately one-third Minority representation on the Committee. Such staff members shall be assigned such duties pertaining to Subcommittee business as the Subcommittee Chair or the Minority, respectively, deem advisable and shall be compensated at a salary commensurate with the responsibilities prescribed by such Subcommittee Chair or by the Minority.

(c) Notwithstanding paragraphs (a) and (b) of this rule, the Committee may employ such additional nonpartisan staff as it deems necessary to conduct the administrative and clerical functions of the Committee. Such staff shall be in addition to any staff designated exclusively for the Majority or Minority party and shall be appointed only with the approval of a majority of the Members of the Majority party and with the approval of a majority of the Members of the Minority party. The Chair of the Committee shall establish and assign the duties and responsibilities of such members of the staff and they shall be compensated at a salary commensurate with the responsibilities prescribed.

(d) In the event that staff is not otherwise available pursuant to paragraphs (a) and (b) of this rule, from the funds provided for the appointment of Committee staff pursuant to any primary and additional expense resolution:

(1) The Chair of each standing Subcommittee is authorized to appoint at least one staff member who shall serve at the pleasure of the Subcommittee Chair.

(2) The ranking Minority party Member of each standing Subcommittee is authorized to appoint one staff person who shall serve at the pleasure of the ranking Minority party Member.

(3) The staff members appointed pursuant to the provisions of subparagraphs (a) and (b) shall be compensated at a rate determined by the Subcommittee Chair pursuant to Rule XI, Clause 5(d) of the House of Representatives.

(4) The staff positions made available to the Subcommittee Chair and ranking Minority party Members pursuant to subparagraphs (1) and (2) of this paragraph shall be made available from the staff positions provided under Rule XI, Clause 6 unless such staff positions are made available pursuant to a primary or additional expense resolution.

(e) All staff selected pursuant to this rule shall be approved by the Committee and shall not be assigned any duties other than those pertaining to the business of the Committee and its Subcommittees. The staff of a Subcommittee shall be under the general supervision and direction of the Chair of that Subcommittee. The staff assigned to the Minority shall be under the general supervision and direction of the Minority party Members of the Committee who may delegate such authority as they determine appropriate. The staff of the Committee not assigned to a Subcommittee or to the Minority shall be under the general supervision and direction of the Chair of the Committee, who shall establish and assign the duties and responsibilities of such staff members and delegate authority as determined appropriate.

B. SUBCOMMITTEES: JURISDICTION, COMPOSITION, AND POWERS

Rule 14. Subcommittee Rules.—The Rules of the Committee, where applicable, shall be the Rules of its Subcommittees.

Rule 15. Reference of Legislation.—(a) Except for bills, resolutions, or matters involving Indians and Indian Tribes and the Commonwealths and Territories of the United States which shall be retained for consideration by the Committee unless referred by the Chair to an appropriate standing, select, or special Subcommittee, every bill, resolution, or other matter referred to the Committee shall be referred to subcommittee within 2 weeks from the date of its referral to the Committee unless the Chair, with the approval of a majority of the Majority Members of the Committee, orders that it be retained for consideration by the Committee or that it be referred to a select or special Subcommittee.

(b) A bill, resolution, or other matter referred by the Chair to a Subcommittee may be recalled therefrom by him or her with the approval of a majority of the Members of the Committee for the Committee's direct consideration or for referral to another Subcommittee. The Chair shall so inform the Members of this recommendation, in writing, and such recommendation shall be effective within 1 week if approved by a majority of the Members of the Committee.

(c) A bill, resolution, or other matter referred by the Committee to a Subcommittee may be recalled from such Subcommittee at any time by majority vote of a quorum of the Committee for its direct consideration or for reference to another Subcommittee.

Rule 16. Subcommittees.—There shall be the following six standing Subcommittees of the Committee: Subcommittee on Energy and the Environment; Subcommittee on Public Lands; Subcommittee on General Oversight, Northwest Power, and Forest Management; Subcommittee on Water and Power Resources; Subcommittee on Mining and Natural Resources; and Subcommittee on National Parks and Recreation. Additional standing Subcommittees may be created by resolution of the Committee.

Rule 17. Jurisdiction of Subcommittees.—(a) The jurisdiction, including legislative, investigative, and oversight responsibilities, of the six standing Subcommittees shall, sub-

ject to alteration as other Subcommittees are created, be as follows:

SUBCOMMITTEE ON ENERGY AND THE ENVIRONMENT

(a) Recommendations with respect to laws and programs under the jurisdiction of the Committee made by the Council on Environmental Quality in its annual Environmental Quality Report to the Congress.

(b) Selected matters and proposals, as referred by the Chairman, involving the environmental impacts of any laws or programs under the jurisdiction of the Committee.

(c) Regulation of the domestic nuclear energy industry, including regulation of research and development of reactors and nuclear regulatory research and special oversight functions with respect to nonmilitary nuclear energy and research and development, including the disposal of nuclear waste.

(d) Petroleum conservation on the public and other Federal lands and conservation of the uranium supply in the United States.

(e) Legislation concerning the transportation of natural gas from or within Alaska or concerning the disposition of oil transported by the trans-Alaska oil pipeline.

SUBCOMMITTEE ON PUBLIC LANDS

(a) Public lands, generally, including measures or matters related to entry, easements, withdrawals, and grazing.

(b) Measures and matters relating to the Alaska National Interest Lands Conservation Act.

(c) Forfeiture of land grants and alien ownership, including alien ownership of mineral lands.

(d) Forest reserves created from the public domain.

(e) National Wilderness Preservation System and all matters relating thereto.

(f) Preservation of prehistoric ruins and objects of interest on the public domain and other Historic Preservation programs, including the Historic Preservation Fund.

(g) Cooperative efforts to encourage, enhance, and improve international programs for the conservation of land and related resources, particularly as they may affect conservation efforts on the public lands of the United States.

(h) All measures and matters involving the Trust Territory of the Pacific Islands and Antarctica.

SUBCOMMITTEE ON GENERAL OVERSIGHT, NORTHWEST POWER, AND FOREST MANAGEMENT

(a) General and continuing oversight and investigative authority over activities, policies, and programs within the jurisdiction of the Committee as may be referred to the Subcommittee by the Chair of the Full Committee, after consultation with the Chair of the principal standing legislative Subcommittee involved.

(b) Such remedial legislation resulting from the findings or recommendations of the Subcommittee as may be referred to the Subcommittee, after consultation with the Chair of the principal standing legislative Subcommittee involved.

(c) Forest management of forest reserves created from the public domain, except matters in the jurisdiction of other subcommittees.

(d) Measures or matters pertaining to Northwest power and the Pacific Northwest Electric Power Planning and Conservation Act, together with jurisdiction over all transmission lines referred thereto by the Chair of the Full Committee.

SUBCOMMITTEE ON WATER AND POWER RESOURCES

(a) Irrigation and reclamation projects and other water resources development programs, including policies and procedures relating thereto.

(b) Compacts relating to the use and apportionment of interstate waters.

(c) Water rights and water related programs of the Geological Survey.

(d) Saline water research and development program and water resources research program.

(e) Water resources planning conducted pursuant to the Water Resources Planning Act.

(f) Programs involving major interbasin movement of water or power.

SUBCOMMITTEE ON MINING AND NATURAL RESOURCES

(a) Mining interests generally, including deep seabed mining and matters involving the Law of the Sea Treaty.

(b) Mineral resources of the public lands, except matters involving the Outer Continental Shelf.

(c) Mineral land laws, and claims and entries thereunder.

(d) Geological survey, except water related programs.

(e) Mining schools and experimental stations.

(f) Proposed long-range domestic minerals programs, including availability of domestic minerals to fulfill all domestic requirements.

(g) All measures and matters affecting geothermal resources.

SUBCOMMITTEE ON NATIONAL PARKS AND RECREATION

(a) Measures and matters related to the National Park System and all of its units.

(b) National Wild and Scenic Rivers System; National Trails System; national recreation areas; and other national units established for protection, conservation, preservation, or recreational development not within the express jurisdiction of the Subcommittee on Public Lands; and such military parks, battlefields, national cemeteries, and parks as the Secretary of the Interior may administer within the District of Columbia.

(c) National outdoor recreation plans, programs, and administration, including the Land and Water Conservation Fund and the Pennsylvania Avenue Development Corporation.

(b)(1) In order to enable the Committee to carry out its responsibilities under Rule X, Clause 2 of the Rules of the House, each Subcommittee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of that Subcommittee, and the organization and operation of the Federal agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, each such Subcommittee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of that Subcommittee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake future research and forecasting on matters within the jurisdiction of that Subcommittee.

(2) Pursuant to Rule X, Clause 2, of the Rules of the House, the Chair of the Committee and the Chair of the Subcommittee having jurisdiction over the matter involved or their respective designees, shall meet with representatives of the Committee on Government Operations to discuss and to assist in coordinating oversight plans of their respective Committees.

Rule 18. Party Ratios.—The Chair shall negotiate with the Minority with respect to the size of each Subcommittee, with due regard for the preference of Members for Subcommittee assignments, except that party representation on each subcommittee shall be no less favorable to the Majority party than the ratio for the Committee.

The Chair, if approved by a majority of the Members of the Majority party, and the Ranking Minority Member, if approved by a majority of the Members of the Minority party, may serve as Members of each Subcommittee.

The size and party representation for each Subcommittee during the 99th Congress shall be as follows:

Subcommittee [1]	Total members	Majority party [2]	Minority party [2]
Energy and the Environment	25	15	10
Public Lands	19	11	8
General Oversight, Northwest Power, and Forest Management	10	6	4
Water and Power Resources	13	8	5
Mining and Natural Resources	7	4	3
National Parks and Recreation	20	12	8

[1] The Chair and ranking minority member of the full committee serve as ex-officio members of all subcommittees, but are voting members only on the subcommittees to which they are assigned pursuant to rule 18.

[2] The Delegates from the Virgin Islands, American Samoa, and Guam and the Resident Commissioner from Puerto Rico do not count for purposes of the ratio between the majority and minority parties.

Rule 19. Special or Select Subcommittee.—The Chair is authorized, after consultation with the Ranking Minority Member of the Committee, to appoint such special or select Subcommittees as he deems advisable for carrying out the responsibilities and functions of the Committee. Party representation on each such Subcommittee shall be in the same proportion as that on the Committee.

Rule 20. Powers and Duties of Subcommittees.—Each Subcommittee is authorized to meet, hold hearings, receive evidence, and report to the Committee on all matters referred to it. The Chair of each Subcommittee shall set dates for hearings and meetings of their respective Subcommittees after consultation with the Chair of the Full Committee and of other Subcommittees with a view toward avoiding simultaneous scheduling of Committee and Subcommittee meetings or hearings wherever possible.

Rule 21. Travel.—(a) Subcommittee hearings outside of Washington, D.C., and travel by Members and staff shall be subject to approval by the Chair of the Committee pursuant to regulations promulgated by the Committee on House Administration. Each Subcommittee Chair may, for the purposes of field trips or hearings outside of the District of Columbia, assign any Members of the Committee to that Subcommittee.

(b) Staff members assigned to any Subcommittee may travel in connection with their respective duties only with the approval of the appropriate Subcommittee Chair and with the approval of the Chair of the Committee. Prior to submitting such travel requests to the appropriate Subcommittee

Chair, all Minority staff travel shall be subject to such approval as the Minority Members of the Committee deem appropriate. All such travel shall be subject to the regulations promulgated by the Committee on House Administration.

Rule 22. Subcommittee Chair.—(a) The Majority Members of the Committee shall have the right, in order of Full Committee seniority, to bid for Standing Subcommittee Chairs. Any such bid shall be subject to approval by a majority of the Majority Members of the Committee. The Minority shall select a counterpart to the Subcommittee Chair for each of the Subcommittees. The Chair of select and special Subcommittees shall be appointed by the Chair of the Committee, subject to approval by a majority of the Majority Members of the Committee except that no Subcommittee Chair shall be Chair of another legislative Subcommittee of the House.

(b) Members chosen to Chair a Subcommittee shall retain a ranking position on not more than one other retained Subcommittee. Any Subcommittee Chair serving on more than two Subcommittees shall be assigned positions on additional Subcommittees only after all other Members are assigned to Subcommittees and their ranking established on such Subcommittee, then the Subcommittee Chairs may serve in the order of their ranking on the Committee.

Rule 23. Duties of Chair Upon Favorable Action by Committee.—Whenever the Committee authorizes the favorable reporting of a bill or resolution from the Committee, the Chair shall report the same or designate some Member of the Committee to report the same to the House and shall use or cause to be used all parliamentary methods to secure passage thereof, without such additional authority being set forth particularly in the motion to report each individual bill or resolution. Without limiting the generality of the foregoing, the authority contained herein extends in appropriate cases to moving in accordance with Rule XXIV, Clause 5, of the said rules that the House go into the Committee of the Whole House on the State of the Union to consider the bill or resolution; and to moving in accordance with Rule XXIV, Clause 2, of said rules for the disposition of a Senate bill or resolution that is substantially the same as the House bill or resolution as reported.

Rule 24. Committee Budget and Expenses.—(a) Each Subcommittee Chair and the ranking Minority Members of the Committee shall submit to the Chair a budget for each session of the Congress covering the funding required for staff, travel, and miscellaneous expenses. The Chair shall prepare a consolidated budget for each session of Congress which shall include amounts required for all activities and programs of the Committee and the Subcommittees, except those Committee expenses to be paid from appropriations provided for by statute.

(b) Upon approval by the Committee of each such budget, the Chair, acting pursuant to Rule XI, Clause 5, of the Rules of the House, shall prepare and introduce in the House a supporting expense resolution, and take all action necessary to bring about its approval by the Committee on House Administration and by the House.

(c) The Chair shall report to the Committee any amendments to the Committee any amendments to each expense resolution and any changes in the budget necessitated thereby.

(d) Authorization for the payment of additional or unforeseen Committee and the Subcommittee's expenses may be procured by one or more additional expense resolutions processed in the same manner as set out herein.

(e) Committee members shall be advised of the availability of each monthly report, prepared by the Chair for the Committee on House Administration, which shows expenditures made during the reporting period and cumulative for the year, anticipated expenditures for the projected Committee program, and detailed information on travel.

Rule 25. Recommendation of Conferees.—Whenever in the legislative process it becomes necessary to appoint conferees, Majority Members shall be recommended to the Speaker as conferees as determined by the Majority, and Minority Members shall be recommended to the Speaker as conferees as determined by the Minority. Recommended party representation shall be in the same proportion as that in the Committee.●

RULES OF COMMITTEE ON GOVERNMENT OPERATIONS FOR THE 99TH CONGRESS

(Mr. BROOKS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

● Mr. BROOKS. Mr. Speaker, pursuant to clause 2(a) of rule XI of the House of Representatives, herewith are submitted for publication in the CONGRESSIONAL RECORD the rules of the Committee on Government Operations, which were adopted on February 6, 1985:

RULES OF THE COMMITTEE ON GOVERNMENT OPERATIONS

RULE 1.—APPLICATION OF RULES

Except where the terms "full committee" and "subcommittee" are specifically referred to, the following rules shall apply to the Committee on Government Operations and its subcommittees as well as to the respective chairmen. [See House Rule XI, 1.]

RULE 2.—MEETINGS

The regular meetings of the full committee shall be held on the second Tuesday of each month at 10 a.m., except when Congress has adjourned. The chairman is authorized to dispense with a regular meeting or to change the date thereof, and to call and convene additional meetings, when circumstances warrant. A special meeting of the committee may be requested by members of the committee in accordance with the provisions of House Rule XI, 2(c)(2). Subcommittees shall meet at the call of the subcommittee chairmen. Every member of the committee or the appropriate subcommittee, unless prevented by unusual circumstances, shall be provided with a memorandum at least three calendar days prior to each meeting or hearing explaining (1) the purpose of the meeting or hearing; and (2) the names, titles, background and reasons for appearance of any witnesses. The minority staff shall be responsible for providing the same information on witnesses whom the minority may request. [See House Rule XI, 2(b).]

RULE 3.—QUORUMS

A majority of the members of the committee shall constitute a quorum, except that two members shall constitute a quorum for taking testimony and receiving evidence, and one-third of the members shall constitute a quorum for taking any action other than the reporting of a measure or recommendation. Proxies shall not be used to establish a quorum. If the chairman is not present at any meeting of the committee or subcommittee, the ranking member of the majority party on the committee or subcommittee who is present shall preside at that meeting. [See House Rule XI, 2(h).]

RULE 4.—COMMITTEE REPORTS

Bills and resolutions approved by the committee shall be reported by the chairman in accordance with House Rule XI, 2(l).

Every investigative report shall be approved by a majority vote of the committee at a meeting at which a quorum is present. Supplemental, minority, or additional views may be filed in accordance with House Rule XI. 2(l)(5). The time allowed for filing such views shall be three calendar days (excluding Saturdays, Sundays, and legal holidays) unless the committee agrees to a different time, but agreement on a shorter time shall require the concurrence of each member seeking to file such views. A proposed report shall not be considered in subcommittee or full committee unless the proposed report has been available to the members of such subcommittee or full committee for at least three calendar days (excluding Saturdays, Sundays, and legal holidays) prior to the consideration of such proposed report in subcommittee or full committee. If hearings have been held on the matter reported upon, every reasonable effort shall be made to have such hearings available to the members of the subcommittee or full committee prior to the consideration of the proposed report in such subcommittee or full committee.

RULE 5.—PROXY VOTES

A member may vote by proxy on any measure or matter before the committee and on any amendment or motion pertaining thereto. A proxy shall be in writing and be signed by the member granting the proxy; it shall show the date and time of day it was signed and the date for which it is given and the member to whom the proxy is given. Each proxy authorization shall state that the member is absent on official business or is otherwise unable to be present; shall be limited to the date and the specific measure or matter to which it applies; and, unless it states otherwise, shall apply to any amendments or motions pertaining to the measure or matter. [See House Rule XI, 2(f).]

RULE 6.—ROLLCALLS

A rollcall of the members may be had upon the request of any member. [See House Rule XI, 2(e).]

RULE 7.—RECORD OF COMMITTEE ACTIONS

The committee staff shall maintain in the committee offices a complete record of committee actions including a record of the rollcall votes taken at committee business meetings. The original records, or true copies thereof, as appropriate, shall be available for public inspection whenever the committee offices are open for public business. The staff shall assure that such original records are preserved with no unauthorized alteration, additions, or defacement. [See House Rule XI, 2(e).]

RULE 8.—SUBCOMMITTEES; REFERRALS

There shall be seven subcommittees with appropriate party ratios which shall have fixed jurisdictions. Bills, resolutions, and other matters shall be referred by the chairman to subcommittees within two weeks for

consideration or investigation in accordance with their fixed jurisdictions. Where the subject matter of the referral involves the jurisdiction of more than one subcommittee or does not fall within any previously assigned jurisdiction, the chairman shall refer the matter as he may deem advisable. Bills, resolutions, and other matters referred to subcommittees may be reassigned by the chairman when, in his judgment, the subcommittee is not able to complete its work or cannot reach agreement therein. In a subcommittee having an even number of members, if there is a tie vote with all members voting on any measure, the measure shall be placed on the agenda for full committee consideration as if it had been ordered reported by the subcommittee without recommendation. This provision shall not preclude further action on the measure by the subcommittee. [See House Rule XI, 1(a)(2).]

RULE 9.—EX OFFICIO MEMBERS

The chairman and the ranking minority member of the committee shall be ex officio members of all subcommittees. They are authorized to vote on subcommittee matters; but, unless they are regular members of the subcommittee, they shall not be counted in determining a subcommittee quorum other than a quorum for the purpose of taking testimony.

RULE 10.—STAFF

Except as otherwise provided by House Rule XI, 5 and 6, the chairman of the full committee shall have the authority to hire and discharge employees of the professional and clerical staff of the full committee and of subcommittees subject to appropriate approval.

RULE 11.—STAFF DIRECTION

Except as otherwise provided by House Rule XI, 5 and 6, the staff of the committee shall be subject to the direction of the chairman of the full committee and shall perform such duties as he may assign.

RULE 12.—HEARING DATES AND WITNESSES

The chairman of the full committee will announce the date, place, and subject matter of all hearings at least one week prior to the commencement of any hearings, unless he determines that there is good cause to begin such hearings at an earlier date. In order that the chairman of the full committee may coordinate the committee facilities and hearing plans, each subcommittee chairman shall notify him of any hearing plans at least two weeks in advance of the date of commencement of hearings, including the date, place, subject matter, and the names of witnesses, willing and unwilling, who would be called to testify, including, to the extent he is advised thereof, witnesses whom the minority members may request. The minority members shall supply the names of witnesses they intend to call to the chairman of the full committe or subcommittee at the earliest possible date. Witnesses appearing before the committee shall, so far as practicable, submit written statements at least 24 hours in advance of their appearance. [See House Rule XI, 2 (g)(3), (g)(4), (j), and (k).]

RULE 13.—OPEN MEETINGS

Meetings for the transaction of business and hearings of the committee shall be open to the public or closed in accordance with Rule XI of the House of Representatives. [See House Rule XI, 2 (g) and (k).]

RULE 14.—FIVE-MINUTE RULE

A committee member may question a witness only when recognized by the chairman for that purpose. In accordance with House Rule XI, 2(j)(2), each committee member may request up to five minutes to question a witness until each member who so desires has had such opportunity. Until all such requests have been satisfied, the chairman shall, so far as practicable, recognize alternately on the basis of seniority those majority and minority members present at the time the hearing was called to order and others on the basis of their arrival at the hearing. Thereafter, additional time may be extended at the direction of the chairman.

RULE 15.—INVESTIGATIVE HEARINGS; PROCEDURE

Investigative hearings shall be conducted according to the procedures in House Rule XI, 2(k). All questions put to witnesses before the committee shall be relevant to the subject matter before the committee for consideration, and the chairman shall rule on the relevance of any questions put to the witness.

RULE 16.—STENOGRAPHIC RECORD

A stenographic record of all testimony shall be kept of public hearings and shall be made available on such conditions as the chairman may prescribe.

RULE 17.—TV, RADIO, AND PHOTOGRAPHS

When approved by a majority vote, an open meeting or hearing of the committee or a subcommittee may be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, subject to the provisions of House Rule XI, 3. In order to enforce the provisions of said rule or to maintain an acceptable standard of dignity, propriety, and decorum, the chairman may order such alteration, curtailment, or discontinuance of coverage as he determines necessary.

RULE 18.—ADDITIONAL DUTIES OF CHAIRMAN

The chairman of the full committee shall:

(a) Make available to other committees the findings and recommendations resulting from the investigations of the committee or its subcommittees as required by House Rule X, 4(c)(2);

(b) Arrange such meetings, designate participants and submit such reports to the House as may be necessary to carry out the coordination of oversight activities and reporting requirements under House Rule X, 2(c);

(c) Direct such review and studies on the impact or probable impact of tax policies affecting subjects within the committee's jurisdiction as required by House Rule X, 2(d);

(d) Submit to the Committee on the Budget views and estimates required by House Rule X, 4(g), and to file reports with the House as required by the Congressional Budget Act;

(e) Authorize and issue subpenas as provided in House Rule XI, clause 2(m), in the conduct of any investigation or activity or series of investigations or activities within the jurisdiction of the committee; and

(f) Prepare, after consultation with subcommittee chairmen and the minority, a budget for the committee which shall include an adequate budget for the subcommittees to discharge their responsibilities.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DEWINE) to revise and extend their remarks and include extraneous material:)

Mr. BEREUTER, for 30 minutes, today.

Mr. LUNGREN, for 60 minutes, today.

Mr. MICHEL, for 10 minutes, today.

(The following Members (at the request of Mr. PERKINS) to revise and extend their remarks and include extraneous material:)

Mr. MONTGOMERY, for 5 minutes, today.

Mr. STRATTON, for 5 minutes, today.

Mr. FASCELL, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. PRICE, for 5 minutes, today.

Mr. STOKES, for 30 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. BARNES, for 60 minutes, on February 28.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. STOKES, and to include therein extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $2,447.

Mr. MCDADE, on the subject of the special order of Mr. WALKER today.

Mr. GEKAS, on the subject of the special order of Mr. WALKER today.

(The following Members (at the request of Mr. DEWINE) and to include extraneous matter:)

Mr. MCKINNEY.

Mr. BROOMFIELD in two instances.

Mr. PORTER in two instances.

Mr. LENT in four instances.

Mr. HYDE in two instances.

Mr. RUDD.

Mr. MCGRATH.

(The following Members (at the request of Mr. PERKINS) and to include extraneous matter:)

Mr. STOKES.

Mr. DWYER of New Jersey.

Mr. DYMALLY.

Mr. FASCELL.

Mr. STARK in two instances.

Mr. MITCHELL.

Ms. OAKAR.

Mr. MARKEY.

Mr. COYNE.

Mr. DINGELL.

Mrs. KENNELLY.

Mr. BOLAND.

Mr. BEILENSON.

Mr. HALL of Ohio in two instances.

Mr. RODINO.

Mrs. BYRON.

ADJOURNMENT

Mr. GINGRICH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 37 minutes p.m.), the House adjourned until to-

morrow, Thursday, February 21, 1985, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

568. A letter from the Executive Associate Director for Budget and Legislation, Office of Management and Budget, transmitting facts in the case of an apportionment which would indicate the necessity of a supplemental estimate, pursuant to 31 U.S.C. 1515(b)(2); to the Committee on Appropriations.

569. A communication from the President of the United States, transmitting the 1985 Budget supplemental for the District of Columbia, pursuant to Public Law 93-198, section 446; Public Law 98-125, section 114 (H. Doc. No. 99-30); to the Committee on Appropriations and ordered to be printed.

570. A letter from the Assistant Secretary of Defense (Manpower, Installations and Logistics), transmitting a report on active duty strength level of components of the Armed Forces, civilian personnel, and base structure, pursuant to 10 U.S.C. 138(c)(3) (93 Stat. 806; 94 Stat. 2840); to the Committee on Armed Services.

571. A letter from the Deputy Assistant Secretary of Defense (Installations), Department of Defense, transmitting a report on active duty strength level of components of the Armed Forces and civilian personnel and base structure, pursuant to 10 U.S.C. 138(c)(3) (93 Stat. 806; 94 Stat. 2840); to the Committee on Armed Services.

572. A letter from the Secretary of Defense, transmitting a proposed transfer of functions currently assigned to the Assistant Secretary of Defense for Manpower, Installations, and Logistics to the Secretary of Defense, pursuant to 10 U.S.C. 125(a); to the Committee on Armed Services.

573. A letter from the Acting General Counsel, Department of Defense, transmitting a draft of proposed legislation to authorize certain construction at military installations for fiscal year 1986, and other purposes; to the Committee on Armed Services.

574. A letter from the Assistant Secretary for Congressional and Intergovernmental Affairs, Department of Commerce, transmitting a report entitled: "The U.S. Automobile Industry, 1983," pursuant to Public Law 96-185, section 12(b); to the Committee on Banking, Finance and Urban Affairs.

575. A letter from the General Counsel, Department of Energy transmitting a notice of meetings of the International Energy Program; to the Committee on Energy and Commerce.

576. A letter from the Secretary, Interstate Commerce Commission, transmitting an extension of a deadline in a rail carrier proceeding, pursuant to 49 U.S.C. 10327(k)(2); to the Committee on Energy and Commerce.

577. A letter from the Secretary, Interstate Commerce Commission, transmitting an extension of a deadline in a rail carrier proceeding, pursuant to 49 U.S.C. 10327(k)(2); to the Committee on Energy and Commerce.

578. A letter from the President, Inter-American Foundation, transmitting a draft of proposed legislation amending the Foreign Assistance Act of 1969 to authorize additional sums for fiscal year 1987; to the Committee on Foreign Affairs.

579. A letter from the Program Manager, Employee Benefits Division, NAF Personnel Directorate, Department of the Army, transmitting the U.S. Army nonappropriated fund [NAF] employee retirement plan for fiscal year 1983, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

580. A letter from the Secretary, Railroad Retirement Board, transmitting an annual evaluation of compliance with the laws relating to open meetings of agencies of the Government (Government in the Sunshine Act), pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

581. A letter from the Secretary of the Interior, transmitting a list of threatened areas on the Registry of National Landmarks and threatened areas of national significance on the National Register of Historic Places, pursuant to Public Law 91-383, section 8(a), (90 Stat. 1940; 94 Stat. 68, 1135); Public Law 97-100, section 108; to the Committee on Interior and Insular Affairs.

582. A letter from the Assistant Secretary of the Interior for Water and Science, transmitting a hydrologic determination regarding the Navajo Reservoir, pursuant to Public Law 87-483; to the Committee on Interior and Insular Affairs.

583. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the National Oceanic and Atmospheric Administration Marine Fisheries Program Authorization Act to authorize appropriations for fiscal years 1986 and 1987; to the Committee on Merchant Marine and Fisheries.

584. A letter from the Acting Administrator, General Services Administration, transmitting several prospectuses proposing building projects or leases, pursuant to Public Law 86-249, section 7(a) (86 Stat. 217); to the Committee on Public Works and Transportation.

585. A letter from the Acting Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on the origin, contents, destination, and disposition of all humanitarian foods and supplies transported by military transport to Central America, pursuant to section 1540 of the 1985 Department of Defense Authorization Act; jointly, to the Committees on Armed Services and Foreign Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WHITTEN:

H.R. 1153. A bill to provide additional emergency credit to farm producers; to provide funds to forego foreclosure and defer payment of indebtedness; and to determine damages caused by embargoes on the sale and delivery of agricultural commodities, either through direct embargo or failure to sell competitively; and for other purposes; to the Committee on Appropriations.

By Mr. BEILENSON:

H.R. 1154. A bill to amend the Motor Vehicle Information and Cost Savings Act to require that the motor vehicle bumper standard established by the Secretary of Transportation shall be restored to that in effect January 1, 1982; to the Committee on Energy and Commerce.

By Mr. BEREUTER:

H.R. 1155. A bill to provide emergency credit and debt adjustment relief to financially stressed farmers and ranchers, and for other purposes; jointly, to the Committees on Agriculture and Small Business.

By Mr. BEREUTER (for himself, Mr. DASCHLE, Mr. UDALL, Mr. YOUNG of Alaska, and Mr. WILLIAMS):

H.R. 1156. A bill to coordinate and expand services for the prevention, identification, treatment, and followup care of alcohol and drug abuse among Indian youth, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, Energy and Commerce, and Education and Labor.

By Mr. BIAGGI (for himself, Mr. JONES of North Carolina, and Mr. STUDDS):

H.R. 1157. A bill to authorize appropriations for fiscal year 1986 for certain maritime programs of the Department of Transportation and the Federal Maritime Commission; to the Committee on Merchant Marine and Fisheries.

By Mr. DYMALLY (for himself, Mr. KOSTMAYER, Mr. EVANS of Iowa, Mr. DE LUGO, Mr. BONIOR of Michigan, Mr. FAUNTROY, and Mr. MATSUI):

H.R. 1158. A bill to provide for the betterment of faculty development and university administration in certain countries in the Caribbean region and Central America; to the Committee on Foreign Affairs.

By Mr. EVANS of Illinois:

H.R. 1159. A bill to extend the Federal Supplemental Compensation Act of 1982; to the Committee on Ways and Means.

H.R. 1160. A bill to provide that the availability of extended and supplemental unemployment benefits shall be determined by using the total unemployment rate and that such benefits may be made available on an area basis within a State, and to extend the supplemental unemployment program; to the Committee on Ways and Means.

By Mr. FRANK (for himself, Mr. BERMAN, Mr. COYNE, Mr. GEJDENSON, Mr. JACOBS, Mr. LELAND, Mr. LUNDINE, Mr. MOAKLEY, Mr. MARKEY, Mr. MITCHELL, Mr. OWENS, Mrs. SCHROEDER, Mr. UDALL, and Mr. DONNELLY):

H.R. 1161. A bill to amend chapter 171 of title 28, United States Code, to allow members of the Armed Forces to sue the United States for damages for certain injuries caused by improper medical care; to the Committee on the Judiciary.

By Mr. GREEN:

H.R. 1162. A bill to amend the Clean Air Act to control certain sources of sulfur dioxides and nitrogen oxides to reduce acid deposition and for other purposes; to the Committee on Energy and Commerce.

By Mr. HANSEN (for himself, Mr. LOEFFLER, Mrs. BENTLEY, Mr. DENNY SMITH, Mr. RUDD, Mr. PASHAYAN, Mr. NIELSON of Utah, Mr. LEATH of Texas, Mr. CHAPPIE, Mr. KINDNESS, Mr. RALPH M. HALL, Mr. COBEY, Mr. BLILEY, Mr. SCHAEFER, Mr. LIGHTFOOT, and Mr. MONSON):

H.R. 1163. A bill to amend title 23, United States Code, to provide for State establishment of maximum speed limits not in excess of 70 miles per hour for portions of public highways located outside of traffic-congested areas; to the Committee on Public Works and Transportation.

By Mr. HARTNETT (for himself, Mr. DARDEN, Mr. HUTTO, Mr. MATSUI, Mr. MCCURDY, Mr. MONTGOMERY, Mr.

SPRATT, Mr. QUILLEN, and Mr. KINDNESS):

H.R. 1164. A bill to provide that the Secretary of the Army and the Secretary of the Air Force may authorize certain reserve officers who are employed as military technicians to be retained in an active status until age 60; to the Committee on Armed Services.

By Mr. HEFTEL of Hawaii:

H.R. 1165. A bill to amend the Internal Revenue Code of 1954 to broaden the income tax base, to lower tax rates, and achieve a more neutral tax system by imposing a fair and simple progressive cash flow income tax, and for other purposes; to the Committee on Ways and Means.

By Mr. HUGHES:

H.R. 1166. A bill to amend title 5, United States Code, to liberalize certain provisions authorizing reimbursement for expenses of sale and purchase of a residence upon the transfer of a Federal employee; to the Committee on Government Operations.

H.R. 1167. A bill to amend the International Revenue Code of 1954 to allow certain individuals who have attained age 65 or who are disabled a refundable tax credit for property taxes paid by them on their principal residence or for a certain portion of the rent they pay on their principal residences; to the Committee on Ways and Means.

H.R. 1168. A bill to investigate alternatives to the institutionalization of medicare and medicaid patients; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. HUGHES (for himself and Mr. KOSTMAYER):

H.R. 1169. A bill to amend title 5, United States Code, to include service during World War II in the U.S. merchant marine as military service for purposes of the civil service retirement system; to the Committee on Post office and Civil Service.

By Mr. HUGHES (for himself and Mr. HYDE):

H.R. 1170. A bill to amend the Congressional Budget Act to limit the growth of Federal spending and achieve balanced budgets, and for other purposes; jointly, to the Committees on Rules and Government Operations.

By Mrs. KENNELLY:

H.R. 1171. A bill to improve the collection of statistics on crimes motivated by racial, religious, or ethnic hatred by requiring the Attorney General to include in the uniform crime reports information describing the incidence of certain offenses involving the expression of racial, ethnic, or religious prejudice; to the Committee on the Judiciary.

By Mr. LEHMAN of Florida:

H.R. 1172. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

H.R. 1173. A bill to amend title XVIII of the Social Security Act to include, as a home health service, nutritional counseling provided by or under the supervision of a registered dietitian; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. McKINNEY (for himself and Mr. WOLPE):

H.R. 1174. A bill to amend the Export Administration Act of 1979 with respect to the export of domestically produced crude oil; to the Committee on Foreign Affairs.

By Mr. MARKEY:

H.R. 1175. A bill to amend the Communications Act of 1934 to provide for full and effective competition in international telecommunications markets, and for other purposes; to the Committee on Energy and Commerce.

By Mr. MITCHELL:

H.R. 1176. A bill to assist small business, independent investors, and for other purposes; to the Committee on the Judiciary.

H.R. 1177. A bill to provide for the establishment of revitalization areas in distressed areas, to amend the Internal Revenue Code of 1954 and to amend the Small Business Act to provide tax incentives and loan proceeds for development in revitalization areas, and for other purposes; to the Committee on Ways and Means.

By Mr. MITCHELL (for himself, Mr. ADDABBO, and Mr. BEDELL):

H.R. 1178. A bill to amend the Small Business Act to provide for equity in the establishment of small business size standards; to the Committee on Small Business.

By Mr. PANETTA:

H.R. 1179. A bill to provide for payment to persons who served during World War II as Philippine Scouts the difference between the pay of such Philippine Scouts and the pay for the same period of other members of the Armed Forces of the United States of corresponding grades and length of service and to equalize the retired pay of such persons; to the Committee on Armed Services.

By Mr. PARRIS:

H.R. 1180. A bill to amend title 10, United States, Code for the purpose of requiring that the minimum age established by a State law for persons purchasing, possessing, or consuming alcoholic beverages shall be the minimum age for such persons on military installations in such State; to the Committee on Armed Services.

By Mr. ROSE:

H.R. 1181. A bill to extend the authorization of appropriations for general revenue sharing for 5 years; to the Committee on Government Operations.

By Mr. ROSE (for himself, Mr. JONES of Tennessee, Mr. SWIFT, Mr. WEAVER, Mr. WHITLEY, Mr. HUCKABY, Mr. TALLON, Mr. ENGLISH, and Mr. DOWDY of Mississippi):

H.R. 1182. A bill to amend the Clayton Act to temporarily prohibit hostile corporate takeovers of domestic petroleum corporations; to the Committee on the Judiciary.

By Mr. SEIBERLING:

H.R. 1183. A bill to amend the Internal Revenue Code of 1954 to encourage increases in productivity by special tax treatment for certain employee bonuses which are determined on the basis of profits or cost savings; to the Committee on Ways and Means.

By Mr. SMITH of Nebraska:

H.R. 1184. A bill to provide emergency credit to financially stressed farmers and ranchers; to the Committee on Agriculture.

By Mr. UDALL (for himself and Mr. RUDD):

H.R. 1185. A bill to amend the act establishing the Petrified Forest National Park; to the Committee on Interior and Insular Affairs.

By Mr. YOUNG of Alaska:

H.R. 1186. A bill to amend the Internal Revenue Code of 1954 to exclude from a taxpayer's modified adjusted gross income the amount of interest received or accrued by the taxpayer in determining whether the taxpayer's social security benefits or railroad retirement benefits are to be included in gross income subject to income tax; to the Committee on Ways and Means.

By Mr. HERTEL of Michigan:

H.J. Res. 156. Joint resolution to designate the week beginning September 1, 1985, as "National Pedestrian Safety Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. PANETTA:

H.J. Res. 157. Joint resolution designating the week beginning on April 1, 1985, as "National Philippine Veteran Week"; to the Committee on Post Office and Civil Service.

By Mr. PEPPER:

H.J. Res. 158. Joint resolution to designate the week beginning May 12, 1985, as "National Digestive Diseases Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. STALLINGS:

H.J. Res. 159. Joint resolution commemorating the 75th anniversary of the Boy Scouts of America; to the Committee on Post Office and Civil Service.

By Mr. EVANS of Illinois:

H. Con. Res. 60. Concurrent resolution expressing the sense of the Congress with respect to using the total unemployment rate as the basis for determining the availability of extended and supplemental benefits for the unemployed; to the Committee on Ways and Means.

By Mr. HEFTEL of Hawaii:

H. Con. Res. 61. Concurrent resolution calling for a 1-year freeze in real Federal spending, and for other purposes; to the Committee on Rules.

By Mr. HUGHES:

H. Con. Res. 62. Concurrent resolution declaring the sense of Congress regarding periods of silence in the public schools; jointly, to the Committees on the Judiciary and Education and Labor.

By Mr. MICHEL (for himself, Mr. COUGHLIN, and Mrs. MARTIN of Illinois):

H. Con. Res. 63. Concurrent resolution concerning United States-Japan trade; to the Committee on Ways and Means.

By Mr. BROOKS:

H. Res. 62. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Government Operations in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. FASCELL:

H. Res. 63. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Foreign Affairs in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. HAWKINS (for himself and Mr. JEFFORDS):

H. Res. 64. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Committee on Education and Labor in the 1st session of the 99th Congress; to the Committee on House Administration.

By Mr. HAWKINS (for himself, Mr. CLAY, and Mr. JEFFORDS):

H. Res. 65. Resolution providing amounts from the contingent fund of the House for expenses of investigations and studies by the Subcommittee on Labor Management Relations of the Committee on Education and Labor in the 1st session of the 99th Congress; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mrs. BURTON of California introduced a bill (H.R. 1187) for the relief of Fung Ping Lee; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 3: Mr. EVANS of Illinois, Mr. STAGGERS, Mr. LUNDINE, Mr. SHARP, and Mr. BARNES.

H.R. 26: Mr. COYNE, Mr. TORRES, and Mr. HORTON.

H.R. 99: Mr. FORD of Tennessee, Mr. HENRY, and Mr. TORRES.

H.R. 153: Mr. OWENS, Mr. SOLARZ, and Mr. SCHEUER.

H.R. 346: Mr. YATES, Mr. ACKERMAN, Mr. SOLARZ, Mr. ROE, Mr. ADDABBO, and Mr. MITCHELL.

H.R. 423: Mr. SKEEN, Mr. FAZIO, Ms. MIKULSKI, Mr. ANDREWS, Mr. MARTINEZ, Mr. WAXMAN, Mr. BADHAM, Mr. GEKAS, Mr. DURBIN, Mr. SYNAR, Mr. CONTE, Mr. FIELDS, Mr. FORD of Tennessee, and Mr. WORTLEY.

H.R. 511: Mr. GRAY of Illinois, Mr. NIELSON of Utah, and Mr. PORTER.

H.R. 524: Mr. BEDELL, Mr. BROOKS, and Mr. ROSE.

H.R. 535: Mr. THOMAS of Georgia.

H.R. 568: Mrs. BENTLEY, Mr. LOEFFLER, Mr. TAUKE, and Mr. NIELSON of Utah.

H.R. 787: Mr. EDWARDS of California, Mr. KOLTER, Mr. RANGEL, and Mr. LUNDINE.

H.R. 849: Mr. WEAVER, Mr. MRAZEK, Mr. REID, Mr. RANGEL, Mr. KASICH, and Mr. BILIRAKIS.

H.R. 915: Mr. KOLTER, Mr. HERTEL of Michigan, Mr. GARCIA, Mrs. COLLINS, Mr. ROE, Ms. KAPTUR, Mr. DEWINE, Mr. ECKART of Ohio, Mr. BEDELL, Mr. BLAZ, and Mr. HAYES.

H.R. 917: Mr. DELLUMS, Mr. STOKES, Mr. OWENS, Mrs. COLLINS, Mr. JONES of North Carolina, and Mr. MATSUI.

H.R. 998: Mr. VALENTINE, Mr. CHENEY, Mr. CAMPBELL, Mr. COBLE, Mr. SHAW, Mr. STENHOLM, Mr. SCHAEFER, Mr. DOWDY of Mississippi, and Mr. EMERSON.

H.R. 1000: Mr. THOMAS of Georgia.

H.R. 1006: Mr. COUGHLIN, Mr. SEIBERLING, Mr. CAMPBELL, Mr. KOSTMAYER, and Mr. TALLON.

H.R. 1079: Mr. ADDABBO, Ms. KAPTUR, Mr. SABO, Mr. MANTON, Mr. LEVINE of California, and Mr. FROST.

H.R. 1086: Mr. ROBERT F. SMITH, Mr. DAUB, Mr. BADHAM, and Mr. YOUNG of Alaska.

H.J. Res. 27: Mr. HEFNER, Mr. RITTER, Mr. GOODLING, Mr. CHENEY, Mr. MORRISON of Washington, Mr. SCHAEFER, Mr. ROWLAND of Georgia, Mr. DREIER of California, Mr. WHITLEY, Mr. WEBER, Mr. LEATH of Texas, Mr. DEWINE, Mr. PURSELL, Mr. SPENCE, Mr. HILER, Mr. LENT, Mr. COATS, Mr. VANDER JAGT, Mr. EVANS of Iowa, Mr. BARNARD, Mr. SMITH of New Hampshire, Mr. TAYLOR, Mr. HILLIS, Mr. BATEMAN, Mr. MOORE, Mr. DAVIS, Mr. SWINDALL, and Mr. SMITH of New Jersey.

H.J. Res. 50: Mr. SYNAR, Mr. STRATTON, Mr. GROTBERG, Mr. OBERSTAR, Mr. BATES, and Mr. DORGAN of North Dakota.

H.J. Res. 74: Mr. FORD of Michigan, Mr. SNYDER, Mr. MARTINEZ, Mr. MOODY, Mr. PURSELL, Mr. CHANDLER, Mr. HERTEL of Michigan, Mr. RUDD, Mr. WAXMAN, Mr. BADHAM, Mr. HUGHES, Mr. PANETTA, Mr. ROWLAND of Georgia, Mr. LEVINE of California, Mr. EARLY, Mr. RANGEL, Mr. FORD of Tennessee, Mrs. COLLINS, Mr. BOUCHER, Mr. MICHEL, Mr. KOSTMAYER, Mr. WHITTEN, Mr. CROCKETT, Mr. HEFTEL of Hawaii, Mr. PEPPER, Mr. ST GERMAIN, Mr. PRICE, Mr. MURTHA, Mr. FOWLER, and Mr. JENKINS.

H.J. Res. 78: Mr. FRANK, Mr. WEAVER, and Mr. VENTO.

H.J. Res. 86: Mr. DERRICK, Mr. WRIGHT, and Mr. CHANDLER.

H.J. Res. 121: Mrs. BURTON of California, Mr. PERKINS, Mr. LAFALCE, Mr. MARTIN of New York, Mr. WORTLEY, Mr. RODINO, Mr. PASHAYAN, Mr. ROWLAND of Georgia, Mr. EMERSON, Mr. LUNGREN, Mr. GREEN, Mr. SCHAEFER, Mr. KILDEE, Mr. CROCKETT, Mr. SAVAGE, Mr. MAVROULES, Mr. MACKAY, Mr. EDGAR, Mr. BEVILL, Mr. RANGEL, Mr. VENTO, Mr. WEBER, Mr. MARKEY, Mr. COOPER, Mr. RALPH M. HALL, Mr. MATSUI, Mr. BLILEY, Mr. KEMP, Mr. SILJANDER, Mr. HAMMERSCHMIDT, Mr. MCGRATH, Mr. ROBERTS, Mr. TAUZIN, Mr. MURPHY, and Mr. VOLKMER.

H.J. Res. 123: Mr. BERMAN, Mr. CHAPPIE, Mr. FROST, Mr. MADIGAN, Mr. STRANG, Mr. HUGHES, Mr. ROSTENKOWSKI, Mr. SKEEN, Mr. NELSON of Florida, Mr. LOWERY of California, Mr. YOUNG of Alaska, Mr. DARDEN, Mr. WEISS, Mr. LUNGREN, Mr. HYDE, Mr. OWENS, Mr. HEFTEL of Hawaii, Mr. HENRY, Mr. LAFALCE, Mr. REID, Mrs. BOXER, Mr. FUQUA, Mr. BEDELL, Mr. GEKAS, Mr. MARTINEZ, Mr. VENTO, Mr. FISH, Mr. ORTIZ, Mr. STOKES, Mr. WAXMAN, Mr. DYMALLY, Mr. MRAZEK, Mr. ANDREWS, Mr. VALENTINE, Mr. WALGREN, Mr. KASICH, Mr. DYSON, Mr. BONER of Tennessee, Mr. BROWN of California, Mr. BEILENSON, Mrs. COLLINS, Mr. MANTON, Mr. JACOBS, Mr. FOLEY, Mr. SAXTON, Mr. SCHEUER, Mr. WORTLEY, and Mr. FAZIO.

H.J. Res. 134: Mr. ACKERMAN, Mr. ALEXANDER, Mr. ANTHONY, Mr. BOLAND, Mr. BONKER, Mr. BREAUX, Mr. BROWN of California, Mr. BRYANT, Mrs. BURTON of California, Mrs. BYRON, Mr. CARPER, Mr. CHANDLER, Mr. COELHO, Mrs. COLLINS, Mr. COURTER, Mr. CRAIG, Mr. DANIEL, Mr. DASCHLE, Mr. DERRICK, Mr. DOWDY of Mississippi, Mr. ERDREICH, Mr. EVANS of Illinois, Mr. FAZIO, Mr. FEIGHAN, Mr. FROST, Mr. GALLO, Mr. GEKAS, Mr. GILMAN, Mr. GORDON, Mr. GRAY of Illinois, Mr. GRAY of Pennsylvania, Mr. HEFTEL of Hawaii, Mr. HERTEL of Michigan, Mr. HUTTO, Mr. HYDE, Mr. JONES of North Carolina, Mr. KOLTER, Mr. LANTOS, Mr. LEVIN of Michigan, Mr. LIGHTFOOT, Mr. MATSUI, Mr. MCEWEN, Mr. MCHUGH, Mr. MILLER of California, Mr. MOAKLEY, Mr. O'BRIEN, Ms. OAKAR, Mr. ORTIZ, Mr. PACKARD, Mr. PANETTA, Mr. PERKINS, Mr. RAHALL, Mr. RUDD, Mr. SAXTON, Mr. SHAW, Mr. SHUMWAY, Mr. SMITH of Florida, Mr. STANGELAND, Mr. SYNAR, Mr. TAUKE, Mr. TOWNS, Mr. TRAFICANT, Mr. VENTO, Mr. WEAVER, Mr. WHEAT, Mr. WILSON, Mr. WISE, Mr. WORTLEY, Mr. YATES, and Mr. YOUNG of Florida.

H.J. Res. 135: Mr. MARLENEE, Mrs. COLLINS, Mr. BONER of Tennessee, Mr. DYMALLY, Mr. MANTON, Ms. KAPTUR, Mr. JACOBS, Mr. SABO, Mr. EARLY, Mr. HAYES, Mr. OWENS, Mr. KASICH, and Mr. COUGHLIN.

H.J. Res. 141: Mr. MARTIN of New York, Mr. EMERSON, Mr. DORNAN of California, Mr. BERMAN, Mr. SAVAGE, Mr. BONER of Tennessee, Mr. ADDABBO, Mr. BIAGGI, Mr. MANTON, Mr. DARDEN, Mr. STOKES, Mr. MRAZEK, Mr. BLAZ, Mr. YOUNG of Alaska, Mr. WAXMAN, Mr. OWENS, Mr. FAZIO, Mr. MCGRATH, and Mr. SCHEUER.

H. Con. Res. 26: Mr. MATSUI.

H. Con. Res. 37: Mr. ATKINS, Mr. BRYANT, Mr. DANNEMEYER, Mr. DEWINE, Mr. DAVIS, Mr. ECKART of Ohio, Mr. FAZIO, Mr. KILDEE, Mr. MATSUI, Mr. PEPPER, Mr. VENTO, Mr. WEISS, Mr. WAXMAN, Mr. WHITLEY, Mr. WIRTH, and Mr. YOUNG of Florida.

H. Res. 20: Mr. AUCOIN, Mr. LENT, Mr. WOLF, Mr. STANGELAND, Mr. MCEWEN, Mr. TORRES, Mr. FUSTER, Mr. KASTENMEIER, Mr. ROWLAND of Connecticut, Mr. MILLER of Washington, Mr. SAXTON, Mr. OBERSTAR, Mr. HAMILTON, Mr. GRAY of Illinois, Mr. EDWARDS of Oklahoma, Mr. GALLO, Mr. FAWELL, Mr. COELHO, Mr. YOUNG of Alaska, Mr. BEREUTER, Mrs. COLLINS, Mr. WIRTH, Mr. RANGEL, Mr. BLAZ, Mr. KLECZKA, Mr. BOEHLERT, Mr. WYDEN, Mr. GONZALEZ, Mr. LUKEN, and Mr. BOSCO.

PETITIONS, ETC.

Under clause 1 of rule XXII,

39. The SPEAKER presented a petition of the State Board of Administration of Florida, Tallahassee, FL, relative to the assets of the Florida retirement system trust fund, which was referred to the Committee on Foreign Affairs.

SENATE—*Wednesday, February 20, 1985*

(Legislative day of Monday, February 18, 1985)

The Senate met at 9 a.m., on the expiration of the recess, in executive session, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God, Lord of the nations, here are 100 of the most powerful people in the world, yet somehow collectively the whole is less powerful than its individual parts. We are grateful, Lord, for a political system which gives sovereignty to the people and is designed to represent fairly the unique pluralism of our Nation and protect all minorities. We accept with profound appreciation the equal representation of each State and region and that each Senator is accountable to the people of his State.

But, Father, we have just been reminded of Washington's Farewell Address and his strong argument for honoring and preserving the Union. We beseech You, enable the Senate to find the unity which will maximize the full potential of this powerful body without diminishing the power of each of its parts. In the all-powerful name of Him who was incarnate love. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished majority leader is recognized.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I ask unanimous consent that Senators who have special orders today be recognized in the order in which they appear in the Chamber.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SENATE SCHEDULE

Mr. DOLE. Mr. President, there will be about nine special orders, limited to 10 minutes each.

At 10:40 a.m., the Senate will stand in recess until 12 noon, so that the Senate may proceed as a body to the Hall of the House of Representatives and hear an address by the Prime Minister of Great Britain, the Right Honorable Margaret Thatcher.

The Senate will reconvene at 12 noon, and there will be a period for the transaction of routine morning business, not to extend beyond 1 p.m., with statements therein limited to 5 minutes each.

Following morning business, the Senate will automatically resume executive session, to consider the Meese nomination.

Mr. President, I say at the outset that I hope my colleagues who are concerned about the farm credit crisis will permit us to proceed with the Meese nomination and come to a vote sometime early afternoon, and then move to the highway bill.

Mr. President, the Senator from Kansas is aware of the crisis in the Farm Belt. There was a meeting this morning at 8 o'clock, attended by staff of various Senators. There will be another meeting at 10 o'clock of Republican Senators concerning the same matter. We are to have another meeting later today with Members on both sides who have expressed deep concern about the crisis in the Farm Belt so far as credit is concerned.

There is an urgency. If we are going to do anything, it should be done within the next 10 or 15 days.

However, the majority leader is unwilling to capitulate and say that whatever they want, we will lay it out on the table because we want a vote on the Meese nomination. There is no question, however, that the farm crisis is an urgent concern.

I hope my colleagues will understand that we are in the process of trying to work out some agreement. Maybe we cannot; maybe we can. I would hope that we can.

However, I also remind my colleagues that, so far as I know, there have been no hearings on any of the proposals. There has been no detailed legislative language proposed, except small portions of the proposals. There is nothing before anyone but a list of ideas, and I do not believe we can pass a list of ideas.

The highway bill, which involves billions of dollars, 150,000 or 250,000 jobs directly and another couple of hundred thousand jobs indirectly, is of great urgency. It is my understanding that the House is prepared to pass a bill pretty much like the one pending in the Senate. We can complete action on that in the Senate this week, and the House can take it up next week, and that will permit contracting to start in all these States for spring work throughout the country.

I would hope those who want to continue to express their concerns about the farm crisis understand that they are preventing progress in this area.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. STEVENS). The minority leader is recognized.

THE FARM CREDIT CRISIS

Mr. BYRD. Mr. President, the American farmer today faces a profound crisis. The recovery elsewhere in the economy has left agriculture behind.

When I say elsewhere, I do not mean just anywhere else. The recovery has not hit my State of West Virginia in a great way yet.

For the past 4 years, the value of farmland has been falling, crop prices have been stagnating, and net farm income each farmer receives has tumbled to its lowest level since 1971.

Now, as the time for spring planting nears, farmers are being hit with a severe credit crunch. They are finding fewer and fewer sources of credit to finance the seeds, fertilizer, machinery, and other items needed to produce this year's harvest. Without this credit, farmers will not be able to plant their crops; and without these crops, it is not just the farmer who will lose; the American economy and the consumer will lose, too.

The plight of the family farmer can hardly be overstated. Since 1981, 200,000 farmers have been forced out of business. It is estimated that an additional 12 percent could be forced out by the end of this year. And as many as 30 percent of all farmers could be slipping toward insolvency.

The farmers are not alone. The impact of the agriculture credit crisis is far ranging. Rural banks are threatened with collapse. Farm machinery and chemical suppliers are endangered. And, of course, thousands of jobs, in hundreds of small towns across the country, are on the line.

Mr. President, farmers are used to enduring the vagaries of pestilence and the weather. They have conquered both to make America the breadbasket of the world. But since 1980, the farmer also has had to endure a Government policy so misguided that many may not recover.

High interest rates and declining export markets have put a double whammy on the fortunes of the family

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

farmer. Clearly something is amiss when we have spent $57 billion over the past 4 years to support farm prices and yet many farmers find themselves in the most severe crisis since the depression.

Yet what is the administration's reply to this crisis? "Too little, too late" would be a generous characterization of their farm credit proposals. Of the $650 million in loan guarantees pledged just before the election in November, less than $25 million has been used. Even their revised program announced earlier this month will not do the trick.

Mr. President, Senators BOREN, EXON, DIXON, PRYOR, GORE, SASSER, MELCHER, and others have been at the forefront of efforts to get the administration to support serious, meaningful credit aid to the hard-pressed family farmer. I applaud their efforts and pledge my support to achieve such assistance. The farmers have supported this country since its birth. We cannot turn our backs on them now in their hour of severe need.

RECOGNITION OF SENATOR QUAYLE

The PRESIDING OFFICER. The Senator from Indiana is recognized.

STATEMENT OF PRINCIPLES FOR THE SUBCOMMITTEE ON DEFENSE ACQUISITION POLICY OF THE SENATE ARMED SERVICES COMMITTEE

Mr. QUAYLE. Mr. President, today I am sharing with my colleagues a statement of general principles concerning the Senate Armed Services Subcommittee on Defense Acquisition Policy.

Last year we had, under the former chairman of the Armed Services Committee, Senator Tower, a special task force on defense acquisition policy.

The new chairman of the Armed Services Committee, Senator GOLDWATER, has indicated that he will create a permanent Subcommittee on Defense Acquisition Policy and that I will have the privilege of serving as the chairman of that subcommittee.

Mr. President, as we look to dealing with our current Federal deficit and as we try to obtain more for the taxpayer's dollar, we must recognize that defense will have to take its fair share of budget reductions.

I can assure the Senate that this year's budget debate is not going to be a battle that we are going to fight only in 1985. It is going to continue the remainder of this decade. There is no doubt in my mind that we are not going to be able to spend as much on defense as perhaps we should or would like. Defense is going to have to take a fair share of the cuts this year, next year, and in the outyears.

If the budget deficit problem is going to be corrected, it must be corrected primarily through spending cuts and spending restraints.

Facing an environment of limited defense resources, we will have to continue our efforts to manage more effectively and be vigilant in our oversight of public moneys spent for our national security.

Mr. President, last year, the Senate Armed Services Committee Task Force on Selected Defense Procurement Matters provided solid and substantive perspectives to this body on a range of issues, including weapon system warranties, technical data on spare parts procurement, and small business competition. While the Task Force was active on a number of fronts, it is apparent to me that there is much to do in the future.

It is eminently clear, Mr. President, that we are heading for a fiscal crunch in our military budget. The modernization program that we embarked upon 4 years ago has reaped us considerable benefit in addressing the decline of our military forces, but it is becoming increasingly clear that we will have to do "more with less" in the outyears of our individual military service budgets if we are to combat looming Federal deficits. Given these fiscal constraints, effective management and the efficient allocation of our defense resources take on even more critical importance.

Our defense acquisition system is massive indeed, and constant vigilance by all parties concerned is required to be sure we are procuring the right weapons at reasonable cost. In a system that processes nearly 17 million procurement actions annually, there is always room for improvement.

Last year the extent of congressional interest in the defense procurement process was unprecedented. I congratulate my colleagues who participated in Senate efforts last year to increase competition and make our defense procurement process more efficient.

Still, there are questions which Congress must continue to ask as an active player in defense acquisition policy. How do we get more private sector innovation in developing our weapons systems? How do we assure that we are recruiting the best and brightest civilian and military employees to manage our procurement programs? How do we continue to increase competition in defense contracting—not just on major components, but among the thousands of items supplied by second- and third-tier subcontractors? How do we prevent excessive "gold-plating" of our weapon systems during their development without compromising on quality?

I believe that Congress must begin to focus on these larger, more fundamental problems of the defense acquisition system rather than on temporary management issues or quick fixes. We must look at the acquisition process as a whole and concern ourselves with some of the larger alarming trends we have recently witnessed, such as the long and increasing acquisition times for our major weapons systems.

We must strive to create an environment that will ensure the effective and efficient expenditure of the taxpayer's dollars, while protecting the interests of the ultimate users of our military hardware—the soldiers in the field.

We also must create an environment that promotes the motivation, entrepreneurship, and imagination necessary to continue our leadership in technology. It is essential that we create an environment where efficiency is the norm. We must take a look at current impediments to efficiency in our acquisition process, and avoid the micromanagement that has at times characterized congressional involvement in the defense procurement arena. We must try to get a better sense of where effective oversight ends, and micromanagement begins.

Also, it is important that we allow the defense acquisition system to be responsive and encourage the involvement of new and innovative small businesses. We need to encourage the participation of new players in defense contracting rather than putting up walls of excessive regulation that stifle creativity and contribute to the contraction of our defense industrial base.

It is with these broad goals in mind that I announce today a set of general principles which I believe should guide the work of the new Senate Armed Services Subcommittee on Defense Acquisition Policy.

I believe the following eight principles will enable us to achieve greater program stability, arrest unnecessary cost growth in weapon systems, shorten the time it takes to field a new system into service, achieve high reliability in the field, and provide a broader competitive opportunity for American business.

1. INCREASED COMPETITION

Though the Competition in Contracting Act will make it more difficult for the Defense Department to award contracts on a sole source basis, we need further assurances that DOD will obtain the benefits of competition wherever these benefits are likely to outweigh the costs. Therefore, I believe that we should require the Department to evaluate the feasibility and desirability of utilizing a dual source procurement strategy or other forms of maintaining continuous competition before entering into production of a weapon system and annually thereafter. Every study on competition has shown that competition saves money. The most effective way to ensure that the Defense Department

is receiving the lowest possible price from contractors is to make them compete for the business.

2. IMPROVED AUDIT COORDINATION

There is obviously a need for energetic and complete auditing of numerous aspects of weapon system contracts. But since the creation of an inspector general in DOD in 1982, I am becoming concerned that there is a counterproductive duplication of activities among the various departmental audit entities. It has been suggested that we simply have too many checkers today and not enough workers. I am inclined to believe that it would be useful to more clearly define the roles and responsibilities of all DOD audit entities in order to avoid duplication of work.

3. QUALIFIED ACQUISITION WORK FORCE

It should be relatively obvious that in any complex system, the ultimate performance of the system will be primarily a function of the competence, ability, and motivation of those who work in the organization. The defense acquisition process is certainly an example of this. A legislative proposal that I intend to offer will require DOD to institute standards that will ensure that all key personnel involved in the acquisition, maintenance, and support of weapon systems are qualified for such positions by virtue of prior experience and formal training. The legislation will also ensure that there exists an appropriate career path for acquisition personnel, and that there are sufficient top management opportunities, which means flag and general officer positions, to provide adequate incentive and regard for those who have made or wish to make their careers in weapon system acquisition or support.

4. IMPROVED JOINT PROGRAM ADMINISTRATION

Those who have studied the organization of DOD have for some time expressed a concern that there is inadequate commonality of equipment among the military services. It has historically been difficult to force the generation of joint military requirements, and weapon acquisition by more than one service has had a number of problems. It is obvious that greater integration and coordination of the services is required with regard to both generating military requirements and acquiring new weapon systems, and legislation I propose to introduce will encourage new structures to institutionalize the start and administration of joint weapons programs.

5. MANDATORY BASELINING SYSTEM FOR EACH SERVICE

The Air Force has implemented over the last several years a program which requires written agreement among high level personnel with respect to the basic content, cost, and schedule for the program. Changes in the program cannot be made without the concurrence of all of the parties to the original agreement. This baselining system offers promise in reducing the costs associated with substantial changes to weapon systems in midstream. We will look at legislative proposals to establish configuration control mechanisms to ensure that appropriate acquisition officials can stop expensive and unnecessary changes which, historically, have seemed to be a permanent part of weapon system development and production.

6. GREATER INNOVATION BY INDUSTRY IN WEAPON SYSTEM DESIGN

In 1976, the Office of Management and Budget issued Circular A-109, which established processes Governmentwide for the acquisition of major systems. Under that plan, which is still in effect, prospective bidders on a project should be given broad flexibility in the early stages of the procurement cycle in the formulation of concepts to meet certain mission needs. I am concerned that we have gotten away from this fundamentally sound concept. We have so many existing entities in the Government with bureaucracies established to design new weapon systems that there is a tendency for the services to specify details of weapon system design at an early stage and to require that industry proposals meet these specifications. We need to encourage alternate creative approaches for meeting military requirements, and we need to encourage imaginative designs. Accordingly, I would hope to encourage a more adequate balance of R&D and production moneys, the submission of alternative design proposals by the private sector during development of the concept for new major weapon systems, and the use of functional specifications, rather than detailed design specifications, in the issuance of solicitations.

7. IMPROVED COST ESTIMATES

The Congress has already taken steps to require that there be an estimate of the anticipated cost of a weapon system by a party other than those involved in the management of the program. These independent cost estimates assist both the Department of Defense and the Congress in resource allocation. But one weakness of these estimates is that they typically rely on historical data, and seldom do such estimates look creatively at the optimal manufacturing configuration for producing a particular system. I will be exploring means of improving Defense Department cost estimates, most importantly by providing the Department with access to improved manufacturing technology expertise.

8. IMPROVED QUALITY CONTROL

There has been significant congressional interest in the quality control problems revealed last year at the Tucson plant of Hughes Aircraft Co. in the manufacture of Phoenix, Maverick, and TOW missiles. Our Senate Armed Services Committee Procurement Task Force held a hearing on this subject on October 18. Though quality control is largely a management problem and does not lend itself to legislative direction, I am concerned that one reason the Hughes problem arose was an apparent lack of training of quality control personnel working in the Air Force Plant Representative Office in Tucson. I will propose legislation that will require that quality assurance monitoring personnel working for the Defense Department be qualified by virtue of formal training and prior experience to perform their responsibilities. If we cannot for some reason obtain the requisite level of training and experience on the Federal payroll, then we should consider contracting for such services.

These are the eight basic concerns which I envision will be the working foundation for the Subcommittee on Defense Acquisition Policy in 1985. I hope that my colleagues will share my belief that these steps should improve defense acquisition, and I would welcome all Senators as cosponsors when legislation is formally submitted. The Subcommittee on Defense Acquisition Policy will be holding hearings on some of these proposals over the next month.

I would like to make three final points. First, there are a number of import issues in the defense procurement area that relate to the overall organization of the Department of Defense. A typical issue, for example, is whether the Joint Chiefs of Staff and the unified and specified commanders should be more deeply involved in resource allocation. Senators GOLDWATER and NUNN are chairing a bipartisan task force of the Committee on Armed Services to look at these matters, and I am content to let these issues be considered as part of that effort.

Second, there are other acquisition related topics that our subcommittee will give attention to later in the year. Illustrative topics are weapons testing, profit policy, and multiyear procurement.

Third, the three major players on defense acquisition—Congress, the Defense Department, and industry—must strive for a collective recognition of our fundamental problems and a more healthy working relationship. The sometimes adversarial relations between us have to be overcome so that we can agree on strategies to pursue our important defense programs in an environment of limited resources. I am confident that we can improve this vital relationship, and I will strive to do so as chairman of the new Subcommittee on Defense Acquisition Policy.

I am confident that a package of acquisition improvements can be enacted in 1985, and that such a package will be an important step toward ensuring

the efficient acquisition of weapons systems in the future. I look forward to working with my subcommittee and Senate colleagues on these issues in the coming months.

ORDER OF PROCEDURE

Mr. PROXMIRE. Mr. President, will the Chair state the order of speakers?

The PRESIDING OFFICER. Under the previous order, the Chair is required to recognize those who have special orders in the order in which they come into the Chamber. The Chair has noted that the Senator from Oklahoma [Mr. BOREN], the Senator from Montana [Mr. MELCHER], and the Senator from Wisconsin [Mr. PROXMIRE] have entered the Chamber in that order.

RECOGNITION OF SENATOR BOREN

The PRESIDING OFFICER. Under the previous order, the Senator from Oklahoma [Mr. BOREN] is recognized for not to exceed 10 minutes.

THE AGRICULTURAL CRISIS

Mr. BOREN. Mr. President, during the recess I held five meetings in my home State of Oklahoma to discuss the present crisis in agriculture. Though I had known before that conditions were not good, I did not know just how serious it really is.

At my meeting in Oklahoma City, which was an official Senate Agricultural Committee hearing, representatives from the Oklahoma Bankers Association and the Community Bankers Association testified. They estimated that 13 to 15 percent of Oklahoma's farmers and ranchers would be forced out of business this year unless additional credit to restructure debt is made available immediately. The additional credit is necessary for refinancing of current debts and for providing operating capital for this year's crops.

Mr. President, the testimony presented by Bill Crawford, of Frederick, and Jim Eatherly, of Tonkawa, is very enligtening. I ask unanimous consent that copies of their testimony be included in the RECORD at the conclusion of my remarks. I urge each of my colleagues to carefully examine their testimony.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BOREN. I urge each of my colleagues to carefully examine their testimony. This crisis is real, Mr. President. We simply must act immediately to enact a meaningful farm credit debt restructuring package. If we fail to act now, 13 to 15 percent of the farmers and ranchers in many States in the Midwest will go out of business this year. During the decade of the seventies, we lost 21 percent of the farmers in my home State of Oklahoma. The present condition of Oklahoma agriculture will result in the loss of 13 to 15 percent this year. Surely, we cannot afford to wait. At no time since the Great Depression have we faced a more serious threat to the stability of the agricultural economy.

I urge my colleagues to join with me in my efforts and those of many others to secure a meaningful farm debt restructuring package.

Mr. President, I again say that those of us who have served notice that we intend to delay action on other matters until we deal with the farm crisis are not doing so out of any personal feeling about other items of business pending on the Senate floor. Nor are we motivated by any personal feelings, any kind of negative feelings toward the nominee for the Attorney Generalship of the United States. We are motivated simply by a strong concern with what is happening in the agricultural economy.

I have had some people say to me, "Well, why should we provide special help for the farmers? They are responsible for their own situation. They are adult people who entered into this debt voluntarily."

I think those kinds of comments reflect a lack of understanding of what has been going on in the agricultural community. It was not the farmers who imposed an embargo on overseas sales of their crops, costing them many of their long-term markets which have never been recovered since the ending of the embargo. It was not the farmers who drew up budgets with such record-breaking deficits that they drove up the interest rates for farmers. It was not farmers who developed a series of policies that caused the American dollar to be so overvalued that it made it impossible or next to impossible for our farmers to sell their products overseas. Our farmers are not inefficient. It is ironic and tragic that, indeed, one of the most efficient sectors of our entire economy is experiencing the current difficulty.

Mr. President, we must realize also that it is not only the farmer who is experiencing the immediate trouble today, who is in danger. All members of the farming community are in danger because we are facing the possible collapse of land values if we force too many farms onto the market all at once. As I have said on this floor before, when we had 1½ percent of our farm units liquidated and forced onto the market last year, we had a drop of approximately 10 percent in the value of agricultural land.

What does this mean? It means that the equity not only for the farmer in immediate difficulty is being wiped out; it means that we are facing the destruction of equity in farms for all farmers in America as land values begin to go down. If we had a 10-percent drop in land values when 1½ percent of the farmers went out of business, it is easy to calculate that we could face a devastating drop in land values if we were to have 13 to 15 percent of all farmers forced onto the market in a very brief period of time.

Mr. President, there are farmers, particularly those who are now up in years, who may not have any debt at all on their farms. But they are now in just as much peril as those who are having trouble meeting that payment that is due at the bank right now. Their life savings, for the most part, are reflected in the value of the land which they now own. Most farmers experience little cash income during their lifetime. Their savings, their life's work, is really reflected in the appreciation of the value of the land which they own. So we are facing today not only the tragic bankruptcy and liquidation of the younger farmers of this country, we are facing the potential destruction of billions of dollars in equity that also represent the life savings of those who have worked an entire lifetime on the farm as well.

Mr. President, when we talk about debt restructuring, we are not only talking about the preservation of opportunity for younger people in agriculture; we are talking about the preservation of the equity value of agriculture itself. If that equity value is wiped out through a rapid collapse of agricultural land values, of course, we not only wipe out the equity, billions of dollars in equity, which represents millions of man-hours of work by husbands and wives as partners on the farm; we also threaten the stability of the financial institutions of rural America, whose asset statements are based upon certain values attached to the land which secures loans which those institutions have made; we also face a destruction of a unit of value important to our entire economy.

It is not only farmers, it is not only rural banks that have a substantial investment in the equity value of land. Insurance companies and many other important elements of our economy have investments in land as well. We are talking about the potential collapse of rural America as we know it with an impending domino effect on the rest of our economy. We cannot afford to wait any longer to act.

EXHIBIT 1

TESTIMONY OF WILLIAM CRAWFORD, CHAIRMAN OF FIRST NATIONAL BANK, FREDERICK, OK

Mr. Chairman, I sincerely appreciate the opportunity to appear today before this distinguished panel to address the state of affairs in agriculture on behalf of the Oklahoma Bankers Association.

Farmers today are caught in a cost-price squeeze, due primarily to a sustained period of high interest rates, low commodity prices,

unusually poor weather conditions, and high production costs.

Over the past 15 years, the cost of borrowing money, and buying fuel, fertilizer, seed, machinery, and other essentials has skyrocketed, while commodity prices have remained low.

This crisis situation has forced many to leave the family farm. In Oklahoma, 3.8 percent of farmers left the business in 1984. This compares with 2.4 percent in 1983 and 2.1 percent in 1982. This is the worst crisis in agriculture since the Great Depression.

The ag picture in Oklahoma will grow dimmer in the next 6 to 8 months. Dropping land values, continuing high interest rates, a strong dollar, and good crops among competing grower nations suggest a tightening financial squeeze in the year ahead. Our Nation's debt-burdened farm economy is on a downward slide.

A good barometer of what's happening in agriculture is farmland values. Non-irrigated farmland in Oklahoma sold for an average of $668 per acre in 1979. At the end of 1981, non-irrigated acreage was bringing $812 per acre. In October of last year, the value of non-irrigated farmland had dropped to $634 . . . $34 lower than what it was selling for in December 1979.

Irrigated farmland has also dramatically declined in value. In 1979, the price per acre was $919. The price jumped to $1,165 in December, 1981. Today, the value of irrigated farmland has slumped to $814 per acre . . . $104 less than 1979 levels.

And the market for farmland has declined along with the value. In some areas of the State, those who can afford to purchase the land are not farmers, or ranchers, but speculators. And most of us would agree that farm real estate values haven't hit bottom yet.

The value of other collateral commonly held by our ag customers has also declined.

Let me give you an example of the cost-price squeeze I mentioned earlier: In 1952, a new pickup cost $1,600, or four fat steers. Today, if you were to buy a pickup with four fat steers, those animals would have to bring $2.72 per pound, instead of the current price of around .63¢ per pound. Simply put, farm products haven't kept pace with farm operating expenses.

A national survey of ag bankers indicates the financial condition of 85 percent of ag borrowers has deteriorated over the past year. That same national survey asked bankers what percentage of their ag borrowers would they be unable to loan to in 1985. The answer: 13 percent. That same question was asked in 1983 and 1984, with the answers being 3 percent and 7 percent respectively.

It's apparent that ag borrowers in Oklahoma and other midwestern states are unable to service their debt. A 1980 survey of bankers indicated only 8.7 percent of the banks polled experienced a drop in their loan repayment rate. The same question was asked in June, 1984: Is the rate of repayment lower today than a year earlier? Nearly 50 percent of the bankers polled said yes. And when those loans fail to perform, banks must charge them off immediately. Some within the banking industry seek authority to amortize those losses over a 10-year period.

The amount of debt-owned-to-assets-held is at record levels. National figures indicate 16 percent of all commercial-size farm operations (meaning farmers with over $40,000 in annual sales) have debt-to-asset ratios above 70 percent; and 22 percent of farmers have debt-to-asset ratios in the 41-70 percent range. This 38 percent of commercial farmers, roughly 250,000 individuals, who are leveraged above 40 percent in assets owe two-thirds of the total farm debt of about $215 billion. We believe those figures hold true for Oklahoma also.

The best most ag borrowers can hope for is to make their interest payments. Estimates indicate over 90 percent of Oklahoma's full-time farmers lost money in 1984. This alarming figure, coupled with predictions for more of the same for the next 3 to 5 years, has many young farmers voluntarily leaving agriculture. Others leave via bankruptcy.

In the Federal Reserve Banks' 10th District, which includes Oklahoma, farm bankruptcies jumped from .6 percent in April 1983, to 1.3 percent in October, 1984. Foreclosures moved from 1.1 percent to 1.7 percent in the same time frame. Partial liquidations in the same period increased from 4 percent to 5.7 percent.

A western Oklahoma bank reports nearly 50 percent of their 62 ag customers can't service their debt. And almost 10 percent of their ag borrowers may be forced into liquidation within the next year. And some bankers predict that within 3 years, 1 out of every 4 farmers will no longer be in business.

Royalties from oil and gas production have kept many farmers afloat. But, the downturn in that industry is also being felt.

Oklahoma's farmers and ranchers are struggling to survive. They're shrinking their operations, selling off land and equipment, and in turn reducing their debt load. And we're working with them. We realize that agriculture is the backbone of Oklahoma's economy, and we recognize the poor financial condition of most farmers. We are working with them to get through this difficult period. Those ag borrowers that survive this stressed situation will be better business managers because of it. They'll be financially-wise, top-notch managers.

A comprehensive solution is needed to adequately address the farm debt and credit crises.

Any solution to the ag crisis should begin with sincere efforts on the part of the administration and both Houses of Congress to balance the federal budget. We believe that a balanced budget lies at the heart of any solution to the dilemma in agriculture.

In many cases, interest paid is the largest annual expense item for farmers. When the Federal Government brings spending in line with revenues, you'll begin to see an easing in the credit markets, and then interest rates will slide . . . and with that, a weakening of the dollar in foreign markets.

However, there are no easy answers to a problem as complex as this.

We sent several Association representatives to Washington last week to meet with concerned bankers from other states. We feel confident that meetings between farmers, lenders, and government officials, and Congressional hearings such as this are steps in the right direction.

But without immediate action by Congress and the Administration, the human tragedy of the agriculture crisis will worsen, and the prospects for the future will appear dimmer, and dimmer.

Mr. Chairman, I thank you.

TESTIMONY OF JAMES R. EATHERLY, FIRST NATIONAL BANK, TONKAWA, BEFORE SENATOR DAVID BOREN'S AGRICULTURE COMMITTEE HEARING

Senator Boren and Committee Members: It is a pleasure to appear before you today to discuss agriculture conditions, not only in Oklahoma, but across the nation, as well.

I find it shocking that in Africa a farmer and his family must work every hour of the day in order to barely sustain themselves, with a large area of the country existing under starvation conditions, while in America, one good farmer produces food not only for his own family, but he feeds 75 others. Here we have one farmer starving because he cannot produce enough and another going broke because he produces too much!

Oklahoma farmers are experiencing continued financial problems. There is clear evidence of declining land values and an almost non-existent farm real estate market in some areas. Farm commodity prices continue at very low levels, depressing farm income, and classifications of agricultural credits are increasing at commercial banks. These conditions are particularly prevalent in the north central and western sections of Oklahoma. According to various sources, 200,000, or approximately 10 percent of the 2.4 million farmers in the U.S. could well be out of business within four years. The financial distress is most severe in the medium size farms having debt asset ratios above 40 percent.

Ten percent of all farmers fall in this category. Oklahoma farmers are no exception. The passage of a suitable and equitable farm bill has the attention of Congress at this time and rightfully so; but, I am inclined to think it is equally important to address immediately, the financial problems of approximately 10 percent of these American farmers that are barely holding on, with some facing imminent foreclosure. Should this occur, the impact on the value of farm land and machinery and equipment will be substantial; some rural communities will not survive; many of the Nation's 4,300 banks will surely fail!

Two-thirds of the Nation's full service banks are in communities of less than 25,000 people. In fact, half of these banks are in towns with fewer than 5,000 residents. According to the latest estimates, nearly 60 percent of these community banks list agriculture as the single most important source of income for their communities.

Agricultural bankers recognize the problems are both short-term and long-term and would like to have a part in the policy decision making for three reasons:

1. Agriculture banks are an integral part of rural communities and we must attempt to provide the skills and economic climate in which farmers, businessmen, and related customers can survive and prosper.

2. Rural communities as we know them today, will not survive without a strong agriculture base.

3. Banks cannot survive and prosper unless communities survive and communities cannot survive unless banks survive.

Agriculture banks are sensitive to the immediate needs of the agriculture borrower and for those who have a chance for survival, are willing to "write-down" interest rates, adjusted down by an amount which results in a positive cash flow to the customer, in exchange for a 90 percent FmHA guaranty. In addition to the sacrificed earnings which will result from the writing down of interest rates, banks might be willing to share in the

financial burdens of agriculture by partially funding this program in the form of payment of a fee of 1 percent of the guaranteed amount.

Small country banks prefer an interest "write-down" in lieu of a loan principal "write-off" because the "write-off" would have to be charged against the banks' capital accounts. If "write-offs" of principal capital were large enough, they could reduce a bank's capital below the capital adequacy ratios acceptable to bank regulators. Agriculture banks are particularly sensitive to bank examinations at present because many small banks are being forced to sign cease and desist orders and other enforcement agreements that place onerous burdens on the banks and their management until capital positions are returned to normal levels. Banks simply cannot give consideration to a large number of "write-offs" because such action would impair capital.

The proposal as outlined, is not a solution to the farmers' problems, but only temporary relief. I have not addressed the all important long-term problem, but conditions will continue to worsen for all farmers until they receive a fair price for their product.

Thank you, Senator Boren, for allowing me to appear before your committee!

RECOGNITION OF SENATOR MELCHER

The PRESIDING OFFICER. The Senator from Montana [Mr. MELCHER] is recognized for 10 minutes.

Mr. MELCHER. Mr. President, I am paraphrasing an old adage by reversing the gender, "What is sauce for the gander is sauce for the goose," because I am referring to Continental Bank of Chicago as the gander and the small rural banks and their farmer borrowers as the goose that annually lays the golden egg, which is the Nation's food supply. I believe it is fair to call upon the Federal Reserve Board to treat the stressed loans of farmers throughout the country just as well as they have treated Continental Bank. I today call upon the Federal Reserve Board to extend the same helping hand for $3.5 million of stressed farm loans as they provided for the distressed borrowers at Continental.

The reluctance of President Reagan and David Stockman to do anything for the hard-pressed farmers of our country is because of their fears and machinations of increasing the budget deficit. I can offer them a way around their fears by the Federal Reserve Board buying up 3½ billion' worth of distressed farm loans from hard-pressed rural banks, in exactly the same way that the Federal Reserve Board did for Continental Bank, and not listing it as a budget item. If they can do it in one case they can do it in this more urgent case for the Nation's farm operators. They won't have to wait—they can do it this afternoon or tomorrow morning. Either the administration and the Federal Reserve Board do it now or admit they are fakers and really are not concerned about the farm credit crisis.

The small banks in rural America that make the loans to farmers are, if anything, more deserving than Continental because their farm borrowers produce the bread, butter, meat, and potatoes for American consumers all over the country, plus produce the surplus food for the starving in Africa and the malnourished in other areas of the world that receive American food aid.

That farm production is the annual golden egg that comes from America's farms and ranches. The Federal Reserve Board can provide to the rural banks money at the discount rate today of 8 percent, and the small banks can loan it to their farm borrowers at 9.5 to 10 percent. The $3.5 billion, the same amount provided for Continental, will do the job for emergency loans now needed by the farmers and ranchers so they can have credit in time to plant their crops and keep on producing food for the country.

Today I am introducing a sense of the Congress resolution to request this most appropriate action immediately to provide the critical credit transfusion to save the life of rural America.

Mr. President, the prices of agriculture producers are at a very low point in 1985 and were in 1984, and this is the underlying problem of American farmers and ranchers. However, that is going to take a longer term of time to correct. The first action that is needed by the administration and the recognition this Congress should make is the distress that they are now faced with and the need for immediate action.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. WALLOP). The Senator from Wisconsin is recognized.

WHITHER THE FREEZE WITH REAGAN IN CHARGE?

Mr. PROXMIRE. Mr. President, must we wait 4 more years before we can begin to negotiate an end to the arms race? If we do wait 4 more years, will the nuclear arms technology be so far advanced that widespread nuclear proliferation will be certain and nuclear war, therefore, inevitable? What possible advances can we make for effective nuclear arms control if the freeze is not possible? Congressman ASPIN, the new chairman of the House Armed Services Committee, has answered that question in a speech before the Chicago Council on Foreign Relations by arguing that the form of arms control is not nearly as important as the fact of progress toward lessening the prospect of nuclear war. He contends that first, the freeze, second, the SALT approach that puts a cap on certain weapons to prevent explosive future increases, third, reductions in nuclear arms on both sides as advocated by both Presidents Carter and Reagan, or fourth, build down, that is, the removal of two or three old nuclear weapons for every new one either side installs—any and all these alternatives—can move arms control in the right direction. ASPIN argues we can begin with any of these as long as we begin. That means pushing for whatever will bring the best outcome the Soviets will "sign on to."

Is ASPIN right? What he is saying is that we can continue the arms race or stop it and it does not make any real difference. All these approaches, says ASPIN, have the advantage of either stopping the arms race, the freeze does that or capping the arms race at some prospective future level so it will not explode out of control. Or we can channel it in the direction of newer, more efficient, and more deadly weapons but fewer of them.

On ASPIN's side, it makes little practical sense to push for an arms control approach, which this Senator and a majority of the American people according to the professional polls strongly endorse—that is, the freeze—if the Reagan administration is going to oppose it. When it comes to arms control the position of the President is far more important than the posture of the Congress or than overwhelming public support.

The President alone decides to negotiate and to agree or refuse to agree to the terms of a treaty. Even if the Senate refuses to ratify a treaty the President negotiates, during his term of office the President can agree to abide by the treaty and it has much—if not all—of the same force as if the treaty had been ratified. SALT II, for instance, has been in effect for several years without Senate ratification because the Presidents—both Carter and Reagan—have agreed to abide by it. "Build down" is alive and the freeze is dead because the President will not negotiate the freeze, but he supports a sort of "build down." For the next 4 years ASPIN may be right—the freeze probably is dead until 1989. Our best hope may be that the President will stand by his announcement that he will honor SALT II even though it has not been ratified, and perhaps peace will be served if the President pushes for build down. I say perhaps. On the other hand, "build down" could turn out to be the most deceptive double-cross for arms control ever. Here is why: For the past 20 years the United States has been "building down." We have reduced our megatonnage and the number of our missiles, but we have built a far more powerful and devastating nuclear arsenal. We have literally made more with less by retiring big, clumsy, vulnerable missiles and replacing them with fewer and especially smaller missiles. We have

built down the numbers and built up the killing capacity. "Build down" would not stop the heart of the arms race. That is the competition between nuclear weapons scientists of both superpowers to constantly advance the killing power of nuclear weapons.

ASPIN sees this differently, of course. He contends that any of the four approaches will work to reduce the probability of nuclear war. According to ASPIN, the purpose of arms control should be to reduce or eliminate destabilizing weapons on both sides and shift to more stabilizing weapons in order to make sure there is no incentive for either superpower to go first.

Well, that sounds good. But is this what "build down"—the administration's favorite arms control innovation—would in fact do? What is there to assure us that the newer weapons would be more stable. After all, the MX is a new weapons system and one which ASPIN supports. It is also probably the least stable weapon system we will have. If we build down by putting in 100 MX's instead of several hundred single warhead missiles, we build down but we have moved decisively toward a less stable nuclear arsenal. This will always be possible as long as nuclear arms technology races along. This is why we should place the top priority on ending nuclear testing, thereby ending the arms race and then concentrate on agreements that will provide for more stable and secure weapons.

WHO IS TRUMPING-UP CHARGES?

Mr. PROXMIRE. Mr. President, the January edition of the Phyllis Schlafly report lists a number of "trumped-up charges" that U.S. citizens would have to face if we give our advice and consent to the Genocide Convention. These charges are themselves trumped up.

The claim is made that President Reagan could be accused of genocide because he does not stop apartheid in South Africa. The policy of apartheid is totally separate from genocide. Apartheid is the policy of racial segregation as an institution of government. Genocide is the intent to destroy a national, ethnic, racial, or religious group.

Some have called school busing an act of genocide. What a farce. School busing may be many things but it is not genocide. But one only needs to go one step further to see the problems with this argument. The transfer of children is not on a permanent basis and not for the purpose of destroying any group.

Birth control clinics are another claimed source of genocide. The birth control clinics in this country are entirely voluntary in nature. They are not mandatory with an intent to destroy any group.

The claim is made that limiting welfare benefits also could be considered genocide. In cases like these, the clear intent to destroy a group must be shown.

In all the above claims, the proof of intent to destroy is lacking. When thinking of all the evil effects the Genocide Convention might create, ask yourselves: Are the actions being taken with the clear intent to destroy a group? Without such intent, there is no genocide. There is no reason why the United States should delay ratifying the Genocide Convention even 1 more day. I therefore urge the Senate to give its advice and consent to the Genocide Convention.

WHAT CREDIT TO REAGAN ADMINISTRATION FOR DROP IN INFLATION RATE?

Mr. PROXMIRE. Mr. President, in the 27 years I have been in this body, I have never seen a more grossly unjustified appropriation of credit for a major economic development than the Reagan administration taking and getting credit for reducing inflation. In the President's inaugural address, once again the President took credit for cutting the rate of inflation. The national polls released on election day showed the vast majority of Americans give the administration full credit for bringing inflation under control. Scotty Reston, the highly respected New York Times columnist, on Inauguration Day praised the President for reducing inflation. Mr. President, how about it? Does the administration deserve any credit, any credit at all, for the dramatic moderation of inflation. Mr. President, no development in the past 4 years has been more salutary or more widely approved than the diminution in the inflation rate. Does the administration deserve any credit for this? Any? The answer must be an absolute, unequivocal and resounding: "No!" No! No! No!

Here we have the administration that has given this country by far the most irresponsible fiscal policy in our history. We have a deficit that will not stop. It is not just bigger than ever before. The deficit is three times bigger than it has ever been, ever, at any time. Has the colossal administration fiscal deficit brought down the rate of increase in prices? Of course not. If there is any simple, clear, and undisputed fact of economic life, it is that a government which spends more than it brings in in taxes, stimulates demand in the economy and in the process pushes up the rate of price increases. Does anyone seriously dispute this? Does anyone argue that the way to bring inflation under control is to open up the floodgates to Federal spending and stimulate private spending by cutting taxes? Of course not. That kind of policy, when pursued in the past, has consistently lead to increased inflation. That has been true in Europe, in Asia, in Africa, in Central and South America and it has been true in the United States. But wait a minute. Somehow this did not happen from the time the Reagan administration took office in January of 1981. In the past 4 years the deficit exploded through the roof and inflation diminished. How come? What happened? Why did inflation diminish while the Government following Reagan policies broke all records for fiscal stimulus?

For the answer we have to go back to October 1979 when the Federal Reserve Board, under the leadership of Chairman Paul Volker, decided to change its monetary policies. It forgot about trying to stabilize interest rates and concentrated instead on slowing runaway inflation. So in the fall of 1979, the Federal Reserve Board began to bring the rate of increase in the Nation's credit supply well below the rate of nominal growth in the economy. After a lag of a few months, this, of course, inevitably squeezed the supply of credit. Interest rates climbed to the highest rates by far in this country's history. And after a little more than a year of this tough medicine, interest-sensitive industries like housing and autos began to collapse. By the latter half of 1981 the recession was on, and in 1982 it became the worst recession this country had suffered in nearly 50 years. What slowed inflation? That recession did it. How? Here is how: Unemployment leaped to 10.8 percent. Demand, especially in areas requiring credit, dried up. Wages stopped pushing prices up, as the colossal surplus of workers hammered down wage increases, and even pushed millions of workers into accepting wage cuts. So the long, cruel recession broke the back of inflation.

What did the administration have to do with all this? Absolutely nothing. It deserved no blame for the recession and no credit for breaking inflation. The Fed's monetary policy did the job. The administration, when it spoke at all about monetary policy, criticized the Fed's tough anti-inflation stance. Meanwhile, the administration pursued an expansive fiscal policy with increases in Federal spending and sharp cuts in tax rates that tended to counteract the anti-inflation policies of the Fed. Those mammoth Reagan administration created Federal deficits did, indeed, help bring the country out of the 1981-82 recession.

In a perverse, totally unintended way the huge deficit also kept inflation from rising during the recovery in 1983, 1984 and into 1985. How did the deficit do this? Consider: Because the Federal deficit required $109 billion of

additional Federal borrowing in 1982 and an all time record $195 billion of additional Federal borrowing in 1983, plus a mammoth $175 billion in 1984, our interest rates stayed high relative to the greatly moderated rate of inflation.

So how did this keep inflation down? It kept inflation down by attracting enormous investments in American securities by foreigners. Japanese sold the yen to buy the dollar. Britishers sold the pound, the French the franc, the Germans the mark, the Italians the lira. All of them bought the dollar to get the higher interest rate with little or no risk. The dollar has become bloated almost out of sight, while other currencies of our trading partners have fallen sharply. This was an unanticipated anti-inflation bonanza for this country. And what did the Reagan administration have to do with it? Absolutely, positively nothing. How was this drop in foreign currencies relative to the dollar such an anti-inflation bonanza for Americans riding along in the third year of a strong recovery? It meant that Americans could buy more cheaply from abroad with price cuts of 20 percent to 50 percent or more in foreign currencies. It also meant that American firms had to hold down their prices if they competed in this country with Japanese cars or TV sets or British textiles or French wine or German steel and machinery. Can the Reagan administration boast that we planned it that way? Of course not. And if you press a Reaganite to see if the President really wanted this huge adverse trade balance, you will get a "who, me?"

Now, it is true that any good Reaganite could argue that the much maligned Reagan deficit swept America back from the depths of the 1981-82 recession, and on this the Reaganite is correct. The deficits certainly played a big part in the recovery, whatever the price, and it will be a painful price the economy will have to pay in the future. But there is no way, none, that the administration can claim any credit for the improved inflation performance of the economy. That was almost solely an accomplishment of Chairman Paul Volker and the Federal Reserve. The Fed deserves blame for the deep and painful recession. It deserves credit, all of it, for breaking the back of this country's worst inflation.

RECOGNITION OF SENATOR PRYOR

The PRESIDING OFFICER. Under the previous order, the Senator from Arkansas [Mr. PRYOR] is recognized.

THE FARM CREDIT CRISIS

Mr. PRYOR. Mr. President, yesterday I joined several of my colleagues who are interested in agriculture and the disaster we are facing, and spoke about the need to proceed immediately with legislation in an attempt to correct many of the problems our farmers are now facing. I think it is imperative, Mr. President, and I wish to reiterate it at this time, that the Senate immediately turn to the consideration of agricultural credit legislation, and postpone the nomination of Mr. Meese to be Attorney General until after we have disposed of the farm measure.

It is not a question of wanting to delay the Meese nomination. The debate on the merits of his nomination is for another day.

It is simply a question of priorities, Mr. President, and which issue—the plight of the thousands of farm families struggling to survive, or Mr. Meese's nomination—is more important to this Nation. I think the answer is clear, and for that reason I hope that we could proceed today or this week on some type of farm proposals.

Mr. President, the pending farm catastrophe, unless corrected immediately, is a noose around the neck of the economy of this country. We all know the importance of agriculture to our Nation's economy. Everybody cites statistics about it accounting for 20 percent of our gross national product [GNP], and providing millions of jobs to Americans. If you put two and two together, however, it becomes abundantly clear that unless our Nation's agricultural economy recovers, the overall economy of this country cannot sustain its present rate of growth. When the farmers are brought to their knees, we are all going to pay a dear and very costly price later on.

My purpose today, Mr. President, is to point out several things about the pending disaster that need to be brought out, discussed, and solved.

First, contrary to the recent statements of Budget Director David Stockman, most farmers are in financial trouble through no fault of their own. If everybody will remember what has happened the last few years, I think the point will be clear. In 1980, many parts of the country, including the State of Arkansas, experienced one of the most devastating droughts in history. Arkansas producers lost well over $1 billion in agricultural commodities, like soybeans, cotton and poultry. Then, in both 1981 and 1982, production was up, but due to a variety of factors, prices were very low. In 1983, we had the PIK Program, a sort of 1-year stopgap that was designed to give most of our producers some breathing room. Then, last year we had a combination of things, but the net result was still the same—the prices farmers pay for their production costs are increasing, but they are receiving less for their labor and for the product they produce. It is that simple.

So, Mr. President, I take strong exception to Mr. Stockman's statement. Farmers are in a financial crisis because they have had to compete directly with other governments, because they are being hammered by the strong dollar, because they are an "economic prisoner" of our system, and because they are the victims of a "cheap food policy."

Next, Mr. President—and this is potentially the most troubling thing to me—it seems that recent statements by Mr. Stockman and Secretary of Agriculture John Block, coupled with the budget documents that have been sent to Capitol Hill, present us with a new national policy with regard to agriculture. In a nutshell, this policy apparently is: We are prepared to have a large percentage of the farmers of this Nation go out of business, whether it's 10 percent, 20 percent, or 25 percent. This is normal in a dynamic market economy and what we're really seeing is a disinvestment in agriculture which is what should occur. That is the new policy, as best I can tell, from those two officials.

What I want to point out to other Members of the Senate is that, to the best of my knowledge, I am aware of no other country on the face of this Earth that has adopted that type of policy with respect to its farmers or any other segment of its economy. Every country of which I am aware, whether it is Japan, any member of the European Economic Community [EEC], or any other country, has an announced goal of support for the farmers of that nation. It is about time we realize that the investment in agriculture in this country is just as important to our health, well-being and security as any money or support we give for national defense.

Yesterday, Mr. President, I checked the numbers for the last couple of years, and for the coming fiscal year, as contained in the 1986 budget for agriculture, and compared that with total outlays of the Federal Government for those periods. The figures were startling. We are the best fed nation on this planet; our people spend less of their disposable incomes for food than anybody else in the world; and our farmers feed not only our entire population, but also millions of other people. In fact, each farmer feeds an average of 78 people today. For all of this, do you know what total budget outlays for agriculture price support programs, research and extension, crop insurance, and on-budget credit items were in fiscal year 1984—1.5 percent of the budget. For fiscal year 1985, the estimate is a whopping 2 percent, and for fiscal year 1986, under the Reagan budget, agriculture outlays are scheduled to

drop to 1.2 percent of the total Federal budget. These numbers are miniscule in comparison to some of the other figures in the budget.

Third, Mr. President, we have to do something meaningful for our producers in the area of international trade if we are ever going to fully solve the problems. This must be dealt with in the upcoming debate on the farm bill, and obviously we must deal with the short-term agricultural credit crisis this week, or next, but I did not want to let this opportunity pass without mentioning international trade problems, and how they relate to agriculture.

We all know our farmers are efficient. They feed millions of people. However, when we talk about free trade and an open market farm bill, we have to be aware of one thing: When it comes to international trade in agriculture, there is no free trade. To the maximum extent possible, we have tried to be open and fair traders. What has been the result? Our farmers and other agricultural producers have been forced to compete with foreign governments. They do not compete with the poultry producer in France, the soybean farmer in Brazil, the pork producer in Canada, or the rice producer in Taiwan. They compete with the respective governments when it comes to competition in foreign markets. I guess the wonder in all of this, Mr. President, is that our farmers have managed to compete as effectively as they have for such a long period of time when they have had to compete against another government.

It seems to me that as we consider farm measures over the next year we have to keep that in mind, and I believe it is time to pull off the gloves and get serious. Either we are going to help our producers in international markets, or we might as well fold up our tents and go home. It is harsh, but it is a fact of life.

To those who would say that we will start a trade war if we pursue this strategy, I would state that we are already in a trade war. We are losing that trade war. The only difference is that we do not even have our guns loaded, nor have we fired a shot.

In December of last year, Mr. President, the Senate Committee on Agriculture, Nutrition, and Forestry issued a report entitled "Trade Policy Perspectives: Setting the Stage for 1985 Agricultural Legislation." That report, which I believe all Senators interested in agricultural matters should review, contains these two sentences:

> Export subsidies are an unfortunate part of today's international agricultural trade picture. Foreign government assistance to production, processing and exports is faced by U.S. exporters of almost all agricultural products.

The report goes on to list the subsidies, by country, for each commodity, and points out several problems our producers are confronting. It points out the enormous subsidies given to poultry producers in the EEC and Brazil—sometimes as high as $400 per metric ton for broilers. It points out the subsidies given to Italian rice producers—in excess of $200 per metric ton; Japanese rice producers—as high as $1,000 per metric ton; and Taiwan rice producers—which were in the neighborhood of $450 per ton.

There are tables for each commodity, and I think Members of the Senate would find it interesting reading. I think, in summary, Mr. President, this report shows how widespread the subsidy issue is in world trade, and more importantly, how we simply cannot continue to sit idly by and be hammered by foreign governments. I hope we can deal with this problem, Mr. President, in our deliberations on the new farm bill.

Obviously, Mr. President, we have to take some steps in the next week or so on the agricultural credit emergency. I will have more to say about that in the next few days. I have specific concerns that Arkansas producers want to have dealt with in the credit area. However, I wanted to come to the floor today and point out several things about our overall agricultural situation that are serious and must be dealt with by the Congress.

I yield the floor.

The PRESIDING OFFICER. The time of the Senator from Arkansas has expired.

Mr. PRYOR. I thank the Presiding Officer.

RECOGNITION OF SENATOR SASSER

The PRESIDING OFFICER. Under the previous order, the Senator from Tennessee [Mr. SASSER] is recognized for not to exceed 10 minutes.

FARM CREDIT CRISIS

Mr. SASSER. Mr. President, I indicated yesterday that I have talked with literally hundreds of Tennessee farmers over the past few months about their credit situation. These visits and similar conversations with farmers and farm economists from other States make it clear that our farmers today are facing a disaster unlike anything since the 1930's if the administration and Congress do not act immediately to ease the farm credit crisis.

Make no mistake about it—there is a crisis down on the farm.

From field hearings of the Budget Committee which I chaired in Milan, TN, in early January, to a public forum sponsored by my distinguished colleague from Montana, Senator MELCHER, the message from the farm community has been the same: A sizable percentage of our Nation's farmers will be unable to put their spring crops in the ground unless immediate emergency action is taken here in Washington. Such is the case for my home State, where we estimate that the current credit crisis may prevent 20 to 30 percent of Tennessee's farmers from getting a crop in the ground in the days ahead.

Mr. President, I cannot overemphasize the need to act quickly. If we do not respond with emergency legislation in time for farmers to meet their spring planting schedule, it will simply be too late. Farm families will be forced out of business and in some cases they will be forced off the land and they will lose their homes by the end of this year.

By now, the roots of the present farm credit crisis should be clear to even the most obtuse—perhaps not Mr. Stockman—but for the rest of us. Farmers have been devastated by circumstances beyond their control. Farm income has remained at the depression-era levels over the past 4 years. In 1981, net farm income stood at $31 billion. By 1982, net farm income had slid to $22.3 billion, or a fall of almost one-third in 1 year. In 1983, a further slide to $16.1 billion was reported. This pattern was repeated in Tennessee where net farm income fell from $4,572 per farm in 1981 to $4,274 per farm in 1982.

A component in the shrinking net farm income has been the decline in U.S. farm exports. Due chiefly to an overvalued U.S. dollar, brought about by the worse budget deficits in the history of this country over the past 4 years, American farm commodities are no longer competitive in the world market. The value of our farm exports has declined for 3 years in a row and the U.S. share of the world export market has continued to shrink.

While exports and farm income has been shrinking, farm costs have been steadily increasing. The most agonizing of these production costs have been interest rates which remain at record levels. With real interest rates—that is interest rates corrected for inflation—remaining at historical highs, interest expenses are taking a bigger bite out of farm income than ever before. In my native State of Tennessee, the interest farmers pay on their mortgage debt shot up from $107 million in 1979, to $171 million in 1982, a shocking 60-percent increase in a 3-year period. On the average, Tennessee farm real estate debt increased 28 percent annually between 1970–81.

Paralleling this rapid rise in interest expenses has been a sharp upturn in other production costs. Again in Tennessee, production expenses totaled $1.7 billion in 1979, but grew to $2.2

billion in 1982. And while production costs accounted for 64 percent of a Tennessee farmer's cash receipts in 1960, production accounted for 77 percent of the farmer's cash receipts from 1980 through 1983.

The final ingredient in this recipe for economic disaster has been declining farm land values. Over the past 4 years, farmland values have declined an average of 25 percent nationwide: In some areas this dropoff has been much steeper at close to 50 percent, and in some Midwestern States by as much as 20 percent just last year alone. In Tennessee, farmland value fell from a high of $1,024 per acre in 1981, to $972 in 1982 and $923 in 1983.

Add to this list of depressing figures a few years of bad weather such as the back-to-back drought and flooding we have experienced in Tennessee and you have a farm credit crisis of staggering proportions. Farm debt which stood at $22.5 billion in 1960 nationwide, today stands at somewhere between $220 billion and $240 billion. Interest payments alone for this debt burden now total more than $21 billion a year. Let us reflect for just a moment that net farm income has only been averaging $23 billion a year for the past 2 years. So net farm income has been running only $2 billion above the farmers' interest costs for the past 2 years.

My colleagues may wish to know a bit more about who is actually feeling the impact of the farm credit crisis. It is not the 25,000 very large farms with sales of more than $500,000 a year who are being hurt. Frankly, it is not the 1.7 million small, part-time farmers feeling a tremendous crunch. These persons usually have cash flow from sources off the farm. Rather, it is the middle-size family farm operation, which has little outside income to supplement farm income which is being squeezed the hardest. There are some 641,000 farms all across this country in this middle category. And contrary to claims made by some, the majority of these family farmers are not in trouble because of poor management practices. As I have just presented, Mr. President, these producers have been caught by circumstances beyond their control. Indeed, many of the farmers currently experiencing financial stress were award winning farmers only a few short years ago.

It is not only our farmers who are now feeling the impact of the credit crisis. Financial strains are being felt by commercial bankers, production credit associations, Federal land banks, and other farm lending institutions. There are roughly 4,300 farm banks in the United States. These farm banks make up about 30 percent of the commercial banks in the country. Many of these institutions are beginning to stagger under the pressure of the economic crisis in the farm sector.

The number of farm banks reporting negative earnings is seven times greater today than during the 1970's. Loan losses in farm banks have more than tripled since 1979. And, Mr. President, we are just seeing the tip, of the iceberg in that statistic.

What is troubling are the trends evident in Tennessee's farm banking community. For example, the annual provision for possible loan losses at Tennessee farm banks has dramatically increased over the past 4 years, multiplying nearly four-fold during this period.

These trends underscore real trouble for many farm banks. At the end of December 1984, farm banks accounted for 37 percent of the problem banks in America. Of the 27 commercial banks that failed from June until September of last year, 10 were farm banks.

The cooperative farm credit system has not been immune from the economic ills associated with the present farm credit crisis. During the past 3 years, the farm credit system has sustained loan losses of over $600 million. System loan losses are estimated as topping $300 million for 1984. Also for 1984 nearly $5 billion in farm credit system loans were classified as nonperforming, that is no payments were being made on principle or interest. Five production credit associations have entered liquidation as a result of loan losses in the last 2 years, the first time this has ever happened.

The situation does not look to get better in the near future, Mr. President. The Federal Land Bank of Louisville, which services Tennessee's Federal land bank associations, expects substantial financial stress for the next 2 to 3 years. Much of the high risk business in the production credit associations in Tennessee and the Louisville district was transferred to other lenders or liquidated. This shift in turn, placed greater stress on the PCA's and the farm credit system as a whole. Interest rate spreads are being forced to record highs for those borrowers left in the system to offset loan losses.

Finally, evidence of the extent of economic strain in the farm sector can be seen in the lending activities of the Farmers Home Administration. The Farmers Home Administration currently holds more than 2,400 farms in its inventory as a result of bankruptcy and foreclosure. Prior to 1981, Farmers Home had no more than 231 farms in inventory at any time. Farmers Home has approximately $26 billion in outstanding farm debt. More than one-fourth of this debt is delinquent. Of the almost 270,000 Farmers Home borrowers, more than 30 percent are delinquent on their repayments. Tennessee borrowers with the Farmers Home are fairing better than the national average. Of our 9,300 FmHA borrowers, only 28 percent are delinquent.

Quite clearly Mr. President, the farm credit crisis is impacting more than a few, poorly managed farms. It is my fear that if we do not address this problem in a responsible, reasonable manner the impact of the farm credit crisis will spread from the farm and financial community to the main street shops in our rural communities. Given the clear need for substantial assistance, what has the administration done on behalf of our Nation's farmers facing this credit crunch?

The actions taken by the administration to date are grossly inadequate and have been virtually no help to farmers in Tennessee or other States. Indeed, for the past 3 years, the administration has refused to acknowledge that there even was a farm credit crisis. It was only shortly before the November election that the administration discovered that farmers were being pushed to the brink of economic disaster by forces beyond their control.

The administration's handling of the Economic Emergency Loan Program illustrates this callous disregard for our Nation's farmers. The Secretary of Agriculture had the authority to make up to $600 million in economic emergency loans in fiscal year 1982. Despite pleas from myself and others to implement this program, the Secretary refused to release the available funds. It took court action in 1983 to prod the administration out of its lethargy and into action on the farm credit crisis.

Despite a court order, the administration continued to drag its feet on farm credit aid. The Office of Management and Budget once more became involved in the implementation of the country's agriculture policy by making Economic Emergency Program funds more difficult to obtain. It took further congressional action last year to block the administration's efforts to circumvent a court order and congressional mandate.

Recent programs have faired no better. Despite Secretary Block's assertions to the contrary, the initiatives announced last fall have not done much to aid farmers caught in the credit crunch. No guarantees were made under this program in Tennessee through January 25, 1985. In addition, 3,192 Tennessee farmers applied under this program to obtain credit relief. Yet, only 15 had been granted deferrals through the end of January.

Perhaps the reasons for the administration's failure to adequately respond to the farm credit crisis have been set out by David Stockman in his recent outbursts before the Budget Committee and in subsequent interviews on this subject. In Mr. Stockman's eyes farm foreclosures, families forced to give up land they have held for gen-

erations, young persons denied the opportunity to farm are nothing more than necessary elements of dynamic economic growth. The significance of an American way of life carries no weight with Mr. Stockman as he seems content to send the family farm into extinction.

Fortunately, myself and many of my colleagues do not accept the Stockman vision of American farmers. We do understand that we cannot and should not loan American farmers out of debt. But, we also understand that the Federal Government can and should do more to help those farmers caught in dire straits through circumstances beyond their control.

We are presently working on a package of farm credit initiatives which we believe provide reasonable, prudent assistance to efficient farm managers. We have seen and heard of several farm credit packages over the past few days and will likely hear about many more in the hours ahead. I have been collaborating not only with my colleagues in the Senate but with my good friend from Tennessee, Congressman ED JONES who chairs the House Agriculture Committee Subcommittee on Farm Credit.

We propose a farm credit package containing advance CCC commodity loans on up to 50 percent of the farmer's crop, to let him get cash in hand to get a crop in the ground. We would cap the amount of advance payments which could be made under this provision at a reasonable level to avoid the abuses encountered with million-dollar payments under the PIK Program. We would expand the Emergency Loan Guarantee Program for 1985 operating loans and loans to restructure farm debt to $3 billion in guarantees. A guarantee would only be available where the interest rate on the loan was written down to a point where the borrower showed a positive cash flow. The Federal Government and the private lender would shoulder the burden of this interest write-down equally to an interest rate of 8 percent. If the private lender feels they must go below an 8 percent interest rate, they must bear this additional write-down on their own. The Federal share ends at an 8 percent rate.

Furthermore, we call for a moratorium on foreclosures of Farmers Home loans as well as on disposal of Farmers Home inventory property. We back these provisions up with calls for greater administrative assistance on the part of Farmers Home officials in dealing with the case-load at Farmers Home.

As I indicated Mr. President, variations on many of these proposals are contained in several of the farm credit packages under discussion on the floor. It is my hope that those of us interested in farm credit issues will be able to work out a consensus approach to this problem in the hours ahead and I stand ready to lend my energy to this task. The time for action is now. If we fail to pass an effective farm credit bill, we will be turning our backs on thousands of honest, hard-working American farmers, and, in effect, we will be saying that we have no real need for the family farm. That is simply not responsible farm policy and I urge my colleagues to join with us in preventing this tragedy.

RECOGNITION OF SENATOR EXON

The PRESIDING OFFICER. Under the previous order, the Senator from Nebraska [Mr. EXON] is recognized.

Mr. EXON. Mr. President, a matter of clarification. I was scheduled to speak at 10:30. I have been here for 20 minutes. I have listened with great interest to the excellent remarks of the Senator from Tennessee, before that the Senator from Arkansas, and before that, I believe, the Senator from Oklahoma.

There are two other Senators on the floor that wish to speak 10 minutes each and we have about 7 minutes remaining on the time, and I am referring to my colleague from Michigan and my colleague from Pennsylvania.

I could wax eloquent, in my opinion, for another 10 minutes and cut them out. I suspect, Mr. President, that I am going to have adequate time to talk later.

I am wondering if I might be able to accommodate my friend from Michigan and my friend from Pennsylvania by saying that I would be glad to give up my time if they could split the remaining 7 minutes between them or, in the opinion of the Chair, could we possibly extend for at least a period of time the end of morning business, which I understand is now scheduled for 20 minutes of 11 o'clock.

The PRESIDING OFFICER. In the opinion of the Chair, the time for morning business cannot be extended. The Senator is privileged to make any request for the use of his time which he chooses.

Mr. EXON. I request the balance of the time remaining be equally split between the Senator from Michigan and the Senator from Pennsylvania. I will make my fundamentally important remarks at some later time in the day.

The PRESIDING OFFICER. The Senator controls that time and has the right to divide it as he sees fit.

Mr. EXON. I then direct that half of my time be given to the Senator from Michigan and half of that time to the Senator from Pennsylvania and I will allow either one of them to go first as they see fit.

Mr. LEVIN. Mr. President, my friend from Nebraska is always so generous. I wish to first of all thank him. I believe our colleague from Pennsylvania was here first, so I would let him proceed for the first half of the remaining time, if he so wishes.

Mr. SPECTER. Mr. President, I thank the distinguished Senator from Nebraska for yielding part of his time, and I thank the distinguished Senator from Michigan for recognizing my earlier arrival.

S. 478—SURFACE MINING CONTROL AND RECLAMATION

Mr. SPECTER. Mr. President, I am introducing today a bill that amends the Surface Mining Control and Reclamation Act of 1977. A number of problems have developed since that act's adoption and I hope to eliminate with some simple and commonsense changes.

The Surface Mine Control and Reclamation Act of 1977 has been very useful in helping Pennsylvania correct dangerous conditions at abandoned mines. And as the State with the longest history of mining coal, Pennsylvania has more than its share of hazards caused by abandoned mines. In fact, Pennsylvania has approximately one-third of all abandoned coal mine problems in the Nation.

Our problems, like those of many other States, are caused by both surface and deep mines. Consequently, the reclamation fund is supported by contributions from both surface and deep mine operators.

However, it has been the experience in my State that a disproportionate share of money actually spent is for deep mine reclamations.

While I understand that deep mines can cause very severe problems, surface mines can also present serious dangers to the health and safety of nearby communities. The distribution of reclamation funds should be more equitable in order to reflect this fact.

At the time the Reclamation Act was enacted, surface mining problems were deemed to be predominate over those caused by deep mines. As a result, surface mine operators were assessed a 35 cents per ton of coal mined contribution to the fund while deep mine operators had a fee imposed of only 15 cents per ton. This fee schedule is uniform across the Nation. Since the act, has taken effect, a disproportionate share of the fund has been spent on deep mine reclamation.

In addition to the inequity between surface and deep mines, this spending pattern has resulted in regional disparities of expenditures.

In order to correct his problem, this bill establishes two trust funds. One will be fed by contributions from surface mine operators and the other from deep mine operators. Money from the trust account can be distributed by the State with approval from the Department of the Interior.

I am aware of the type and severity of abandoned mine problems associated with both surface and deep mines. My point is that both types of problems should be addressed simultaneously. The difficulties caused by abandoned mines have been accumulated over many decades. It will require many years to correct the situation. There is every reason to move along both fronts.

The bill also makes changes to the administration of the reclamation funds. For instance, the 50-percent State share for a particular project is made available once the general State program is approved without the time-consuming process of waiting for OSM scrutiny of each individual reclamation proposal.

Mr. President, taken together, these changes represent a vast improvement to the act as it is applied currently. I have worked very closely with the Pennsylvania Coal Mining Association in formulating this bill. They are to be commended for their leadership in suggesting needed improvements to the law. I believe that their ideas will appeal to a large and diverse coalition.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 478

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 401 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1231) is amended to read as follows:

"ABANDONED SURFACE MINE RECLAMATION FUND AND ABANDONED UNDERGROUND MINE RECLAMATION FUND

"SEC. 401. (a) There are created in the Treasury two trust funds to be known as—

"(1) the Abandoned Surface Mine Reclamation Fund (hereinafter in this Act referred to as the 'surface fund'); and

"(2) the Abandoned Underground Mine Reclamation Fund (hereinafter in this Act referred to as the 'underground fund'),

which shall be administered by the Secretary of the Interior. State abandoned mine reclamation funds (State funds) generated pursuant to this title shall be established by each State pursuant to an approved State program.

"(b)(1) There shall be deposited in the surface fund—

"(A) the reclamation fees levied on surface coal mining operations under section 402 of this Act: *Provided,* That an amount not to exceed 10 per centum of such reclamation fees collected for any calendar quarter shall be reserved beginning in the first calendar year in which the fee is imposed and continuing for the remainder of that fiscal year and for the period in which such fee is imposed by law, for the purpose of section 507(c), subject to appropriation pursuant to authorization under section 712: *Provided further,* That not more than $10,000,000 shall be available for such purposes;

"(B) any user charge imposed on or for land subjected to surface coal mining operations reclaimed pursuant to this title, after expenditures for maintenance have been deducted;

"(C) donations by persons, corporations, associations, and foundations for the purposes of section (c); and

"(D) recovered moneys as provided for this title attributable to surface mining.

"(2) There shall be deposited in the underground fund—

"(A) the reclamation fees levied on underground coal mining operations under section 402 of this Act: *Provided,* That an amount not to exceed 10 per centum of such reclamation fees collected for any calendar quarter shall be reserved beginning in the first calendar year in which the fee is imposed and continuing for the remainder of that fiscal year and for the period in which such fee is imposed by law, for the purpose of section 507(c), subject to appropriation pursuant to authorization under section 712: *Provided further,* That not more than $10,000,000 shall be available for such purposes;

"(B) any user charge imposed on or for land affected by underground coal operations reclaimed pursuant to this title, after expenditures for maintenance have been deducted;

"(C) donations by persons, corporations, associations, and foundations for the purposes of subsection (d): and

"(D) recovered moneys as provided for this title attributable to underground mining.

"(c) Moneys in the surface fund may be used for—

"(1) reclamation and restoration of land and water resources adversely affected by past surface coal mining operations including reclamation and restoration of abandoned surface mining areas, abandoned coal processing areas, and abandoned coal refuse disposal areas;

"(2) planting of land adversely affected by past surface coal mining to prevent erosion and sedimentation;

"(3) prevention, abatement, treatment, and control of water pollution created by surface coal mine drainage including restoration of streambeds and construction and operation of water treatment plants;

"(4) prevention, abatement, and control of burning coal refuse disposal areas and burning coal in situ; and

"(5) the purposes of subsection (e).

"(d) Moneys in the underground fund may be used for—

"(1) reclamation and restoration of land and water resources adversely affected by past underground coal mining, abandoned coal processing areas, and abandoned coal refuse disposal areas;

"(2) sealing and filling abandoned deep mine entries and voids;

"(3) planting of land adversely affected by past underground coal mining to prevent erosion and sedimentation;

"(4) prevention, abatement, treatment, and control of water pollution created by coal mine drainage including restoration of streambeds, and construction and operation of water treatment plants;

"(5) prevention, abatement, and control of burning coal refuse disposal areas and burning coal in situ; and prevention, abatement, and control of coal mine subsidence; and

"(6) the purposes of subsection (e).

"(e) The Secretary of the Interior may use such sums as the Secretary determines to be appropriate from the surface fund or the underground fund for—

"(1) use under section 406, by the Secretary of Agriculture, of up to one-fifth of the money deposited in the funds annually for transfer by the Secretary of the Interior to the Secretary of Agriculture for such purposes;

"(2) acquisition of land as provided for in this title;

"(3) enforcement and collection of the reclamation fee provided for in section 402 of this title;

"(4) studies by the Department of the Interior by contract to such extent or in such amounts as are provided in appropriation Acts with public and private organizations to provide information, advice, and technical assistance, including research and demonstration projects, conducted for the purposes of this title;

"(5) restoration, reclamation, abatement, control, or prevention of adverse effects of coal mining which constitutes an emergency as provided for in this title;

"(6) grants to the States to accomplish the purposes of this title;

"(7) administrative expenses of the United States and each State to accomplish the purposes of this title; and

"(8) all other necessary expenses to accomplish the purposes of this title.".

"(f)(1) Subject to the provisions of paragraph (2), moneys from the surface fund and the underground fund shall be available for the purposes of this title, only when appropriated therefor, and such appropriations shall be made without fiscal year limitations.

"(2)(A) Moneys from the surface fund and the underground fund allocated to the States and Indian tribes pursuant to section 402(g) shall be paid directly to the States and Indian tribes by the Secretary of the Treasury not later than ninety days following the end of each calendar quarter, without prior appropriation by Congress, for use by the States and Indian tribes as approved by the Secretary pursuant to section 405.

"(B) Moneys from the surface fund and the underground fund not allocated to the States and Indian tribes pursuant to section 402(g) shall be available for the purpose of this title only when appropriated therefor, and such appropriations shall be made without fiscal year limitations.

"(C) The Secretary of the Treasury shall pay interest to the surface fund and the underground fund quarterly at the prevailing rates of Treasury bills on the balance of moneys in the fund.".

(b) The item for section 401 of title IV in the table of contents for the Act is amended to read as follows:

"Sec. 401. Abandoned Surface Mine Reclamation Fund and Abandoned Underground Reclamation Fund.".

SEC. 2. Section 711 of such Act (30 U.S.C. 1301) is amended to read as follows:

"EXPERIMENTAL PRACTICES

"SEC. 711. (a) In order to—

"(1) encourage advances in mining and reclamation practices,

"(2) allow postmining land use for industrial, commercial, residential, or public purposes (including recreational facilities), or

"(3) encourage reclamation of abandoned mine lands and areas not reclaimed to meet the performance standards of this title.

the regulatory authority with approval by the Secretary may, subject to the provisions of subsection (b), authorize departures in individual cases on an experimental basis or by regulation for remining of abandoned mine lands from the environmental protec-

tion performance standards promulgated under sections 515 and 516 of this Act.

"(b) Departures may be authorized under subsection (a) if—

"(1) the experimental or alternative remining practices are potentially more or at least as environmentally protective, during and after mining operations, as those required by promulgated standards;

"(2) the mining operations approved for particular land-use or other purposes are not larger or more numerous than necessary to determine the effectiveness and economic feasibility of the experimental practices; and

"(3) the experimental practices do not reduce the protection afforded public health and safety below that provided by promulgated standards.".

SEC. 3. (a) Paragraph (1) of subsection (g) of section 402 of such Act (30 U.S.C. 1232(g)) is amended by striking out "fund" and inserting in lieu thereof "surface fund and the underground fund".

(b) Section 403 of such Act (30 U.S.C. 1233) is amended by—

(1) striking out the heading for such section and inserting in lieu thereof the following: "Objectives of Funds"; and

(2) striking out "fund" and inserting in lieu thereof "surface fund and the underground fund".

(c)(1) The last sentence of subsection (e) of section 407 of such Act (30 U.S.C. 1237(e)) is amended by striking out "fund" and inserting in lieu thereof "surface fund if such land is reclaimed from land that was subject to surface mining and the underground fund if such land is reclaimed from land that was subject to underground mining.".

(2) The last sentence of subsection (f) of section 407 of such Act (30 U.S.C. 1237(f)) is amended by striking out "fund" and inserting in lieu thereof "surface fund if such land is reclaimed from land that was subject to surface mining and the underground fund if such land is reclaimed from land that was subject to underground mining.".

(3) The first sentence of subsection (g) of section 407 of such Act (30 U.S.C. 1237(e)) is amended by striking out "fund" and inserting in lieu thereof "surface fund or underground fund".

(d) Subsection (a) of section 410 of such Act (30 U.S.C. 1240(a)) is amended by striking out "fund" and inserting in lieu thereof "surface fund and the underground fund".

(e) Section 411 of such Act (30 U.S.C. 1241) is amended by striking out "fund" both places it appears and inserting in lieu thereof "surface fund and the underground fund".

THE CLOSING OF THE PHILADELPHIA NAVAL SHIPYARD AND THE MILITARY SUPPLY DEPOT

Mr. SPECTER. Mr. President, there appears in this morning's Philadelphia Inquirer a comment from the distinguished Congressman from Philadelphia, WILLIAM GRAY, the chairman of the House Budget Committee, concerning the possibility of the closing of the Philadelphia Naval Shipyard and the military supply depot, albeit with quite a number of provisos. But the headline says, "Gray: Could Back Closing of Shipyard."

I rise today so that the people of Philadelphia who are employed both by the Philadelphia Naval Shipyard and at the military supply depot will know of my total opposition to any consideration of closing those important facilities. I have this morning checked with Captain Barnes, the second in command at the Philadelphia Naval Shipyard, concerning activities which are now ongoing. There are major renovation projects and programs involving the U.S.S. *Forrestal,* the U.S.S. *Lexington,* the U.S.S. *Coronado,* the U.S.S. *Guam,* the U.S.S. *Conyngham* and they are making preparations for the arrival soon of the U.S.S. *Inchon,* and the *Independence.*

The Philadelphia Naval Yard employs some 11,000 individuals and has an annual gross of over $600 million. The retention and the continuation of operations at the Philadelphia Naval Yard is in no way related simply to providing jobs for the people in that area. It is being maintained because of its vital work for national defense and as a vital part of the defense budget.

With respect to the Defense Personnel Supply Center, which is located at South 20th Street in Philadelphia, that facility has the primary function for buying for the military and is responsible for purchasing all the clothing, medical supplies, and food used by all the military services, the Army, Navy, and Air Force, stationed all over the world. It is the only facility of its kind maintained by the military for that purpose.

The services that depend on this supply depot include those assigned to the Rapid Deployment Force and it is certainly a vital operation for the Department of Defense.

This morning we have checked with Mr. Gerald Flassete, Director of Congressional Affairs at the Defense Logistics Agency, and there are no plans to close that facility. That was confirmed by telephone this morning with Brigadier General Henry, Chief of Staff of the Defense Logistics Agency.

There ought to be this statement on the record, for everyone to know that these facilities are being maintained because of their vital importance to the defense of this country.

The PRESIDING OFFICER. The time of the Senator from Pennsylvania has expired.

Mr. SPECTER. I thank the Chair. I ask unanimous consent that the referenced article from the Philadelphia Inquirer, February 20, 1985, be reprinted at this point in the RECORD.

I thank the distinguished Senator from Michigan for yielding to me.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Philadelphia Inquirer, Feb. 20, 1985]

GRAY: COULD BACK CLOSING OF SHIPYARD

(By Joyce Gemperlein)

WASHINGTON.—Rep. William H. Gray 3d, chairman of the House Budget Committee, said yesterday that under certain conditions, he would support the closing of the Philadelphia Naval Shipyard and military supply depot as a way of reducing military spending.

The Philadelphia Naval Shipyard employes about 11,000 people. The depot employs about 4,000 more.

In a proviso-laden, gingerly worded answer to a question, Gray, a Democrat from the Second Congressional District in Philadelphia, said he would not oppose such an effort if the Philadelphia facilities and others around the country had been "clearly demonstrated to be outdated."

He also said he would support such closings only if President Reagan were to take the lead in cutting military spending as he cuts other major programs in fiscal 1986.

Gray, who has been in his post as chairman for six weeks, said that members of Congress were committed this year to cutting the federal deficit through spending cuts but that they wanted every program, including defense, on the table for consideration.

Gray said Reagan would have to cut Pentagon programs because congressmen from districts where defense contractors were major employers would not make that move themselves.

"Yes, I am willing to make that tough decision," Gray said yesterday during a National Press Club luncheon, where he was the featured speaker. "However, it must be made in the context of a fiscal policy that is going to understand the needs of the Philadelphia community and also with regard to other areas."

Gray said he believed that other members of Congress with such facilities in their districts would be willing to support the closing of outdated facilities if national policy and across-the-board budget cutting demanded it.

Gray said hearings held throughout the country by the House Budget Committee in the last few weeks had shown him that American taxpayers were willing to "bear a fair share" of reducing the national deficit, that they knew precisely which programs they could live without and that there was bipartisan support for budget-cutting measures.

But Gray said that the budget sent to Congress by the White House, which included a proposed increase of 12.6 percent in military spending, was a "continuation of the same fiscal policies of buy now and pay later."

Gray said that Congress knew that "we cannot continue to spend, spend, spend and borrow, borrow, borrow," but that the cuts must be made "equitably, fairly and with balance . . . with compassion . . . and with every spending item on the table.

"The deficits that we are saddled with are not the result of 50 years of uncontrolled congressional spending," he said. "The facts show otherwise.

"In 38 out of the last 42 years, congressional spending has been less than requested by the White House, including the last four years. Today's deficits cannot be laid at the feet of Congress," he said.

He said he sensed an opportunity for real cooperation and a consensus on all sides to

reduce the deficit. "However, there are still some problems.

"How does the Congress make the tough choices and make the people accept the tough choices when the President has left the playing field?' he asked. "The Gipper has gone to the skyboxes to await the outcome," Gray said, charging that the Reagan administration had resorted to "game-playing" to obscure its unwillingness to cut military spending.

"If we are going to have a consensus, we need executive leadership to build that consensus," Gray told the luncheon audience.

RECOGNITION OF SENATOR LEVIN

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. I thank the Chair.

EMERGENCY FARM LEGISLATION

Mr. LEVIN. Mr. President, I happen to represent a predominantly industrial State, but not only am I going to be supporting the effort to get emergency farm legislation but I know that many other Senators from predominantly industrial States will do so also.

Our constituents, with their traditional high unemployment do understand the despair and the pain which results from the loss of work and the loss of income. This farm crisis is all of America's crisis. It is going to affect everyone of our constituents wherever we happen to live and Washington and this Congress will soon face a growing tide of humanity seeking survival arriving at our doorstep.

Michigan has a large farm economy. As a matter of fact, we have more farm families than many of the Farm Belt States. But we have a tragedy in agriculture. Cash income from farming was $820 million in 1980. In 1984, it is estimated that only $690 million will be the cash income of our farmers, and that will drop even further to $645 million.

Michigan's farm real estate averaged $1,230 an acre in value in 1981. By 1984, the value dropped to $1,109 per acre. The total farm assets in Michigan were $17.1 billion in 1981 and dropped to $16.1 billion in 1984.

My brother, Congressman SANDER LEVIN, and I visited a number of other States last weekend. We went to South Dakota and Nebraska and they are even worse off than Michigan. Their land values have dropped far more than land values in Michigan. Newspapers are full of notices of auctions of farms.

In many cases those farms have been in the same family three and four generations. The entire Legislature of South Dakota is coming to Washington. There are farm crisis rallies and stress hotlines, increases in spouse abuse, child abuse, suicides of farmers who believe there is no hope or who feel guilty for losing a family farm that has been in the family for generations.

What is the administration's response to a clear need to help our family farmers? It is proposing to drastically cut the amount of credit available to farmers from the Farmers Home Administration.

The administration proposes a loan level of $3.4 billion in the fiscal year 1986 budget compared to the $4.476 billion in fiscal year 1985. A drastic reduction in direct loans is proposed from $3.78 billion in fiscal year 1985 to $400 million in fiscal year 1986.

The administration proposes to reduce price support loan rates by taking the national average price of the commodity over a 5-year period and setting the loan rate at 75 percent of that price. For wheat farmers, it means about 56 cents less per bushel and for corn farmers it means nearly 43 cents less per bushel. Sorghum farmers would get approximately 47 cents less per bushel and barley farmers would get about 26 cents less per bushel. The administration's fiscal year 1986 budget is a prescription for disaster for agriculture in America.

In that prescribed disaster the FmHA would be little help. The Farmers Home Administration was designed to be the safety net—the lender of last resort. But the proposed cut in the FmHA direct loan level and the proposed cuts in price support loans would consequently result in tens of thousands of farmers perhaps hundreds of thousands of farmers, falling through that net and crashing to the ground, taking small businesses and banks with them in the process.

The Farmers Home Administration is being systematically strangled by funding cuts, slowdowns in processing of applications and staff reductions—there is a moratorium on hiring personnel for the Farmer's Home Administration with the result that loans take months and months to process.

The FmHA is failing in its statutory purpose of being a lender of last resort for American family farms because of a rigid, simplistic doctrine that less Government automatically, necessarily and instantly means the better off Americans are.

The most visible exponents of the administration doctrine are David Stockman and John Block. David Stockman has called the grinding into the ground of American farmers "the way a dynamic economy works." In fact, the bankruptcy of a large number of American farmers represents sickness in the agricultural economy, not proof of its health.

Even if you believe that the weak should perish as a beautiful byproduct of a pure, free economy, the weak and the less capable aren't the victims in the current agricultural crisis. It is chance and random luck that determines which farmers are going under to a large degree—such factors as when you bought your land, what the price of corn is in the world, and how much of it the United States is exporting.

The farm crisis is also the result of Government policies—big deficits which raised effective interest rates and produced over-valued dollars which reduces exports. So if you plant crops which are traditionally exported in large quantities, but aren't being exported at their usual capacity, you come up short.

The premise of Stockman's attack is wrong—random chance and Government policies are greater factors affecting farmers survival chances than efficiency or managerial skill in the current crises.

But the most lurid rhetoric of Stockman or Block cannot hide the fact that the policies are President's Reagan's. The proposed cut in our Agricultural Credit Program and FmHA lending authority are President Reagan's policies. The proposed cut in price support loan rates is President Reagan's proposal.

That is why the entire South Dakota Legislature and a good percentage of the Nebraska Legislature seek to meet with the President. They want to meet with the President and they are right.

The protective shield around the President must be pierced. He must confront the reality of 5 to 30 percent of our farmers not planting. He must fully and personally understand the threat to the values of family and independence which the growing farm upheaval represents.

Some legislation has been offered and more will be forthcoming.

Some is short-term—to get farmers help in time so they can plant this spring.

Some is long-term—successor legislation to the farm bill which expires at the end of this fiscal year. Both need the attention of this Congress on an urgent basis. If we fail to act in a prompt way, hundreds of thousands of Americans will be the immediate victims and all Americans who consume their products will be victimized in the marketplace in the not too distant future.

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY THE PRIME MINISTER OF GREAT BRITAIN

The PRESIDING OFFICER. Under the previous order, the hour of 10:40 a.m. having arrived, the Senate will stand in recess until 12 noon, and proceed as a body to the Chamber of the House of Representatives for the joint meeting.

Thereupon, the Senate, at 10:40 a.m., recessed until 12 noon; and the

Senate, preceded by the Secretary of the Senate, Jo-Anne L. Coe; the Sergeant at Arms, Larry E. Smith; the Vice President of the United States; and the President pro tempore (STROM THURMOND), proceeded to the Hall of the House of Representatives to hear an address by the Prime Minister of Great Britain.

(At the joint meeting the following Senators were appointed by the Vice President to escort the Prime Minister of Great Britain into the House Chamber: The Senator from Kansas (Mr. DOLE), the Senator from Wyoming (Mr. SIMPSON), the Senator from Maryland (Mr. MATHIAS), the Senator from Wyoming (Mr. WALLOP), the Senator from Kansas (Mrs. KASSEBAUM), the Senator from West Virginia (Mr. BYRD), the Senator from California (Mr. CRANSTON), the Senator from New York (Mr. MOYNIHAN), the Senator from Rhode Island (Mr. PELL), the Senator from Illinois (Mr. SIMON), the Senator from Tennessee (Mr. GORE), the Senator from South Carolina (Mr. THURMOND), and the Senator from Indiana (Mr. LUGAR).)

(This address delivered by the Prime Minister of Great Britain, the Right Honorable Margaret Thatcher, to the joint session of the two Houses of Congress, is printed in the proceedings of the House of Representatives in today's RECORD.)

At 12 noon, the Senate having returned to its Chamber, reassembled, and was called to order by the Presiding Officer [Mr. HUMPHREY].

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, the hour of 12 noon having arrived, there will now be a period for the transaction of routine morning business, not to extend beyond the hour of 1 p.m., with statements therein limited to 5 minutes each.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HEFLIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRUCKDRIVER HELPS FIND MISSING CHILDREN

Mr. HEFLIN. Mr. President, I rise to take notice of an Alabamian, Mr. Curtis Jones, who is a truckdriver and who has come up with an idea relative to missing children that I would like to bring to the attention of the Members of the Senate.

This trucker, a former prisoner of war in Vietnam, had come up with an idea of putting posters of missing children on his truck. Last August in Des Moines, IA, there were posters attached to his truck of two missing Iowa paperboys. Since then, he has put posters on the side of his truck of missing children. This is sort of a rolling billboard for missing children, a great idea.

Mr. Jones hopes to have 3,000 trucks carrying posters across America carrying pictures of missing children.

The Truckers Alliance and the American Trucking Association have adopted Mr. Curtis Jones' idea for their trucker image matters and Mr. Jones is proceeding to get a lot of attention on this.

Mr. Jones said most of the recruitment of truckers is done on his CB, "just talking on the radio" to get other truckers to join with him.

Mr. President, I commend Curtis Jones, of Cullman, AL, for his idea. I ask unanimous consent that there be printed in the RECORD a UPI news release of yesterday pertaining to Curtis Jones and his efforts.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

TRUCKDRIVER HELPS FIND MISSING CHILDREN

CULLMAN, ALA.—A trucker who uses the trailer of his rig as a billboard to display poster-size pictures of missing children says his idea is being copied by other truck drivers and he hopes that leads to results.

Curtis Jones, a former Vietnam War POW, says he had no idea that the idea would catch on when he left Des Moines, Iowa last August with the posters of two missing Iowa paperboys strapped awkwardly to his truck.

But people noticed and many called the Missing Children's Help Center in Tampa, Fla., about Jones and his good deed. The center invited Jones to visit and now is sponsoring an effort to get other truckers involved.

"We hope to have 3,000 trucks running the posters by the end of the month," said Jones, who stopped in Cullman over the weekend while leading a convoy of trucks with children's pictures on their sides.

Tony DiNova, who cofounded the Children's Help Center with his wife, Ivana, said the two of them coundn't help but get involved with Jones' after they began receiving telephone calls about what the man was doing.

"We just heard about this trucker carrying posters of missing children around the country," DiNova said. "The number of calls that started coming into the office from the placards on the truck * * *. We were getting calls in from all over the country."

DiNova said many of the calls were from people who thought they had seen some of the children displayed on Jones' rig.

"A lot of truckers have called and said, 'I've seen this child.' There are several children we did locate through these calls," he said. "You can't argue with success. You just can't do it."

The Truckers Alliance and the American Trucking Association have adopted Jones' idea for their trucker image programs, but Jones said most of the recruitment of truckers is done on his CB, "just talkin' on the radios to get other guys to join in with us."

DiNova said he thought the "rolling billboard" idea was the greatest.

"In the past, we thought of renting billboards, but it was too expensive," he said. "This is better. There's more trucks than there are billboards."

Jones, 36, himself the father of four, said he can't wait to get back home. The Alabama native has been on the special convoy about a month. He said he was grateful that other truckers have been recruited to continue the program.

"I really had no idea it was going to get this far," he said. "But I'm going to keep on until we don't need to any more. Until the problem's solved."

ORDER TO PRINT TRIBUTES TO THE LATE SENATOR LISTER HILL AS A SENATE DOCUMENT

Mr. HEFLIN. Mr. President, I ask unanimous consent that tributes to former U.S. Senator Lister Hill made on the floor of the Senate just before adjournment for the February recess—I believe on February 6—be printed as a Senate document in sufficient numbers so that copies may be sent to the family and distributed to libraries and other public depositories of documents.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

THE ENGLISH LANGUAGE AMENDMENT

Mr. SYMMS. Mr. President, America is the land where dreams can become reality.

I am sure that you were as thrilled as I was when President Reagan, during his State of the Union address, introduced two American heroes. Both Clara Hale and Jean Nguyen are people who deserve to be honored.

Cadet Jean Nguyen is an immigrant from Vietnam. She was only 11 years old when she and her family were evacuated by helicopter after the fall of Saigon. Her father, a colonel in the South Vietnamese Army, could not possibly have known that he would eventually become a factory clerk in Milton, PA.

Knowing no English, Jean struggled with her school subjects, but she remembered her father's admonition: "Just go to school and concentrate."

And concentrate she did. She eventually became a member of the national honor society at Milton Area Senior High School, and was involved in track, field hockey, and chorus.

Jean could not be where she is today without a good command of the English language. Unlike those of us born of English-speaking parents, Jean acquired English the "old-fashioned way," she earned it, so to speak. Had she been placed in a bilingual "maintenance" class at school, she would not

have the command of English that she has now; and she certainly would not have the honor of becoming a West Point graduate and a commissioned officer in the U.S. Army this May 22.

I support the English language amendment—the ELA—because I believe we must encourage more Jean Nguyens to become part of the American dream. I also support the conclusion of the prestigious Twentieth Century Fund task force on education: "Anyone living in the United States who is unable to speak English cannot fully participate in our society, its culture, (and) its politics."

For Jean Nguyen, opportunity in America spoke English. And for the parents and grandparents of most of us in this body, opportunity also spoke English.

Supporters of the ELA are often labeled as racist or xenophobic. Nothing could be further from the truth.

The long-time champion of the English language amendment is a brilliant semanticist of Oriental origin, and an immigrant to the United States—our former colleague, Senator S.I. Hayakawa.

Heading Senator Hayakawa's U.S. English organization is Gerda Bikales, who, at age 16, arrived in the United States when her family fled Nazi-occupied Europe. She spoke German, Yiddish, Flemish, and French, but no English. Like Cadet Nguyen, Gerda learned our language quickly because she could see that in America, opportunity spoke English.

Of interest to me is the fact that most of us here today could not serve on the board of U.S. English. That invitation is extended only to people with a command of at least one foreign language.

It would appear that those who cry "racist" stand alone. They may feign spokesman status, but their flocks have deserted them.

For example, in November 1983, San Francisco, the Nation's most ethnically diverse and politically liberal city, passed a proposition opposing bilingual ballots. It passed with a resounding 63 percent of the vote, including 90 percent of the Hispanic districts and 95 percent of the Chinese districts.

Typical of the numerous ethnic groups supporting the ELA is one representing immigrants from Cambodia, Laos, and Vietnam. Let me share with you, Mr. President, part of a letter I received recently from them:

> The legal recognition of English will insure that all of America's ethnic groups are treated by the Government equally and with respect. And that the most crucial element which binds together this multi-ethnic republic, the English language, is protected and preserved.
>
> Such respect for our ethnic diversity and protection for our political unity is undermined by the language policy mistakenly being pursued by our Government. Instead of strengthening a common citizenship, this policy, which is unwarranted, unwise, and ethnically divisive, is creating linguistic ghettos. And ghettos are barriers between peoples; barriers, both physical and emotional, which nurture suspicion, fear, and intolerance.
>
> Because of our pride and commitment both to our ethnic languages and to the English language which we adopted as immigrants to the United States, the Indochinese Coalition officially endorses the English Language Amendment.

So who is really racist and xenophobic? The person striving to help the non-English speaker enter the American mainstream as quickly as possible? Or the so-called "leader" who seeks to maintain his influence with an ethnic group by insuring that they remain dependent on a minority language?

Just compare the motivations and you will quickly see who are the friends and who are the foes.

My motivation in sponsoring the ELA is to bring national recognition to the need our Nation has for fundamental internal order and security. To continue growing strong, we need a common language.

The ELA will establish English as the official language of our Federal, State, and local governments and all elections. Also, it will reestablish Congress' original intent in passing the Bilingual Education Act in 1968: To teach students English as rapidly as possible so that they may more fully enjoy the blessings America offers.

And most important, the ELA will give new meaning to the proposition that we are "one nation * * * indivisible * * *."

But lest anyone be misinformed, let me outline what the ELA will not do: It will not prohibit or discourage other languages in any private context—church, private school, commerce, or private organizations.

Neither will it prohibit foreign language instruction in our Nation's public schools, or interfere with foreign language requirements in academic institutions. And it will not forbid second languages for the purpose of public convenience and safety in limited circumstances.

To my colleagues in this body, I ask: What are your motivations and desires with respect to our immigrants and those among us who speak little or no English? I ask you to search your hearts as you ponder my message today, then join me in this move to rally this Nation around a common goal expressed through a common language—the English language.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, in accordance with title 22 of the United States Code, appoints the Senator from Maryland [Mr. MATHIAS] as chairman and the Senator from Delaware [Mr. BIDEN] as vice chairman of the Senate delegation to the North Atlantic Assembly during the 99th Congress; the Senator from Texas [Mr. GRAMM] as chairman and the Senator from Connecticut [Mr. DODD] as vice chairman of the Senate delegation to the Mexico-United States Interparliamentary group during the 99th Congress; and the Senator from Alaska [Mr. STEVENS] as chairman and the Senator from Nebraska [Mr. ZORINSKY] as vice chairman of the Senate delegation to the Canada-United States interparliamentary group during the 99th Congress.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, there may not be any morning business to conduct, so I just announce, for the benefit of Members, that at 1 o'clock we will be back on the Meese nomination. As I understand it, there are still three, four, or five Members on both sides who wish to speak to the Meese nomination. It is still my hope that sometime before 3 o'clock we can vote on the Meese nomination.

Again I urge those who seem concerned about the farm credit crisis not to link the Meese nomination and whatever legislative proposals may be floating around—there are five or six—with that nomination.

I also say, without in any way indicating what may happen in the remainder of the week, that I assume that, depending on the will of Senators, we will stay on the Meese nomination until is is concluded—if not today, tomorrow; if not tomorrow, Friday; if not Friday, some other time.

That will be followed by the highway bill where several billions of dollars means employment for 200,000 to 300,000 Americans, and there is a bipartisan agreement on that bill. It has been reported out of the committee. We would like to dispose of that before we conclude business this week.

It is also fair to say that we have had a couple of meetings this morning concerning the farm credit matter. I urge those who may have not yet done so to take a look at the administration proposal, which has been rather sharply modified from their proposal of last September.

I also indicate, as I did yesterday, that I do not believe the $625 million

figure is a ceiling. I think we need to see whether the program works, and it is my opinion that that figure could be raised substantailly if necessary. Many of the other proposals or ideas that Members on both sides of the aisle have brought to my attention can be done through administrative action rather than legislative action.

We are pricing out some of the proposals, including the one the distinguished Senator from Illinois, Senator DIXON, and others, that have been introduced or will be introduced, and we may have that information available later today.

Again, I urge my colleagues on both sides not to couple the Meese nomination or the highway bill with any proposed legislative relief for the American farmer.

One thing I have noted is that at least one of the proposed farm credit relief bills seemed to lack any protection to prevent money from going to farmers who are not in need. There is nothing to require that farmers must try to borrow money from the bank before they are eligible for advance payments or other relief. If we are not very careful in what we do, and do not analyze all these proposals objectively, I am concerned we may do something that may be regretted later on. For example, we may make it possible for farmers who are really not in need to participate in programs at lower interest rates and receive other benefits, which is one of the problems with all the farm programs now.

So, again, I urge my colleagues who are expressing concern for the American farmer, as they should in at least five States if not more, to give us an opportunity to try to work this problem out and see if we can agree on a package. If we can, the leader is certainly not unwilling to urge the chairman of the Agriculture Committee, Senator HELMS, to bring it up as quickly as possible. If not, we may bring up a bill and try to work it out on the Senate floor.

SOCIETY OF FORMER SPECIAL AGENTS OF THE F.B.I. SUPPORT AMENDMENTS TO THE FEDERAL TORT CLAIMS ACT

Mr. DENTON. Mr. President, 14 years have passed since the Supreme Court decided the case of *Bivens* v. *Six Unknown Named Agents of the Federal Bureau of Narcotics.* 403 U.S. 388 (1971). During those 14 years, we have watched Federal employees of the highest caliber undergo the anguish and turmoil of trivial and vindictive lawsuits brought by private citizens to redress alleged constitutional torts. Imaginative plaintiffs have found alleged torts in the most innocent conduct and decisions of Federal employees in the pursuit of their duties.

Even the most able and well-intentioned public servant cannot avoid the potential for harassment and intimidation that can be unleashed by a disgruntled, vindictive plaintiff. Time and again, in hearings before the Subcommittee on Security and Terrorism, which I chair, reference has been made to Federal employees who are too intimidated by threatened or actual litigation to carry out their designated duties effectively.

Mr. President, since 1973, Congress has heard many compelling reasons why the Federal Tort Claims Act must be amended to substitute the United States as a defendant in cases against Federal employees arising out of decisions made within the scope of their employment. We cannot sit back and let another Congress pass without enacting the legislation necessary to restore the morale of Federal Government employees, especially law enforcement personnel, by removing the stifling atmosphere that now exists because of the threat of personal liability for pursuing their normal duties.

Mr. President, the Society of Former Special Agents of the Fedeal Bureau of Investigation has adopted a resolution urging Congress to pass legislation to amend the Federal Tort Claims Act. The resolution underscores the urgent need for immediate action by Congress. I ask unanimous consent that the resolution be printed in the RECORD immediately following my remarks. I urge my colleagues to read it and to support the legislation to correct the situation that it describes.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ON AMENDMENTS TO FEDERAL TORT CLAIMS ACT

Whereas the Federal Tort Claims Act, since the 1971 Supreme Court decision in *Bivins vs. Six Unknown Narcotics Agents,* now makes government employees personally liable instead of the government for actions taken in good faith within the scope of their authority and duty; and

Whereas the number of these suits pending has increased during the past two years from 2200 to 2600, involving an estimated 10,000 government employees; and

Whereas in publicly supporting proposed amendments to the Act the Department of Justice has declared the majority of these suits to be trivial and vindictive; and

Whereas the current legislation has a chilling and stifling effect on employees of the Congress, regulatory agencies, investigative agencies and other government bodies under its provisions; and

Whereas the proposed legislative amendments would not remove a citizen's legal recourse if wronged by the government but would curb harassing actions, increase legitimate plaintiffs' recoveries by encouraging settlements by the government, and reduce the government's litigation costs:

Now therefore be it resolved, That the Society of Former Special Agents of the FBI in convention at New Orleans, La., October 25, 1984, urges the Congress to pass legislation which will make the Federal Government the sole party defendant instead of the individual employee in such suits.

HUMAN RIGHTS ABUSES IN NICARAGUA

Mr. DURENBERGER. Mr. President, Rogelio Guevara Mena is a human rights attorney and a prominent member of the opposition to the Sandinista regime in Nicaragua. On February 5, Mr. Guevara was arrested by Sandinista Interior Ministry officials under decree 1074 and held incommunicado.

Decree 1074 allows the Sandinista government to arrest any individual for whatever offense is considered threatening to the public security of the Sandinista state. With decree 1074, any individual in Nicaragua can be charged with violation of public order and state security. Its existence and its use by officials of the Sandinista Interior and Justice Ministries points to the deterioration in the system of laws in Nicaragua. As a result of decree 1074, any person is subject to the whims of Sandinista officials and may be arbitrarily jailed for an indefinite period of time as the rule of habeas corpus does not exist in today's Nicaragua.

Mr. Guevara has been targeted by Sandinista officials for many months. Pressures on him increased as a result of his decision to serve as the attorney for Father Luis Amado Pena of the Catholic Church. Father Pena was imprisoned for 3 months in 1984, and was accused by Sandinista officials of collaborating with anti-Sandinista rebels to create an urban front. Father Pena was not tried and was pardoned, without explanation, by the Sandinista government. At that time, Mr. Guevara had stated that the evidence against Father Pena was "inconsistent" and that the priest was "a victim of the aggression of the state against the Catholic Church."

Sandinista officials delayed action on Mr. Guevara until the election period was completed, as they well recognized that negative publicity would result from public disclosure of Mr. Guevara's arrest. After Mr. Guevara's imprisonment on February 5, his attorney was told that Mr. Guevara was being held incommunicado, pending an investigation, and that he could not be visited for at least 8 days. It was subsequently determined that he was being detained at El Chipote maximum security political prison in central Managua. This action was in direct violation of various Nicaragua juridical statutes guaranteeing all prisoners legal rights. Sandinista officials refused to explain why Mr. Guevara had been arrested and denied his attorney the right to interview his client within 24 hours.

Several human rights organizations, including Americas Watch, Members

of Congress, and the U.S. Government made inquiries on Mr. Guevara's behalf. As a result of these requests, Mr. Guevara was released on February 14. I am pleased that the Nicaraguan Government has responded in this manner to resolving Mr. Guevara's plight. It's my hope that the quick resolution of this situation is indicative of President Ortega's stated commitment to permitting democratic institutions and groups to function freely. I remain concerned, nevertheless, by the arbitrary and antidemocratic actions of some members of his government, such as Interior Minister Tomas Borge; and I hope that these actions do not reflect the policies of the Ortega government as a whole.

The conditions under which Mr. Guevara was confined lead one to wonder if individual rights matter in the slightest to certain members of the Sandinista directorate. Mr. Guevara was kept alone in a totally dark cell for his entire period of confinement. His cell lacked sanitary facilities other than a hole, his food consisted of an inedible gruel, and dirty drinking water was available for only 2 hours each day. While he was not physically tortured, he was continually subject to a range of psychological threats from his interrogators. Interestingly enough, these officials focused their questions on Mr. Guevara's contacts with foreigners, which are not a violation of Nicaraguan law, with the Catholic Church, with other democratic opposition leaders, with American journalists, and on his rather distant association with the case of Jose Urbina Lara, the young Nicaraguan who was kidnapped from the Costa Rican Embassy by Sandinista officials on Christmas Eve. The senior interrogator responsible for Mr. Guevara's treatment was a Martin Espinosa of the Sandinista Interior Ministry. Espinosa concluded his dealings with Mr. Guevara last Thursday on a rather ominous note. He indicated to Mr. Guevara that he hoped that, "this has been a useful experience for you."

I believe that Mr. Guevara's sacrifices for democracy and his personal courage should not go unrecognized. There are many such individuals in Nicaragua who have risked everything because they believe in the concepts and the practice of freedom.

Among the most courageous of Nicaraguans is a remarkable young woman named Marta Patricia Baltodano. Marta Baltodano is the coordinator of the Comision Permanente de Derechos Humanos de Nicaragua [CPDH]. The Permanent Commission on Human Rights is an independent human rights agency that was established in 1977, and it played a major role in exposing the Somoza regime's human rights violations. During that period, Miss Baltodano and other members of the CPDH were repeatedly threatened by Somoza officials.

After Somoza was overthrown in 1979, the CPDH continued to report on human rights conditions inside Nicaragua. The CPDH operates at the sufferance of the Sandinista government. In fact, the Sandinista government originally proposed that the CPDH be disbanded, as it argued that the CPDH would be unnecessary in a society where there would be no human rights abuses. Sadly, the actions of the Sandinista junta have managed to keep the CPDH extremely busy. Because of its independence, its members have been repeatedly threatened by Sandinista officials. Various sources, both Nicaraguan and foreign, indicate that the CPDH's access to courts, tribunals, jails, and other detention facilities is increasingly restricted by Sandinista officials. When I met Miss Baltodano last May, she gave a statement which made a strong impression on me. The case of Mr. Guevara makes it all the more relevant today:

> What does exist, however, is a system of psychological repression which is seen not only in the prison, but in everyday life as well, in a permanent checking or control of all of the citizens of my country—a system which tends to destroy values and where it is claimed that there are only two kinds of citizens—Sandinistas and Counterrevolutionaries.
>
> There is really a permanent state of tension in our country in terms of the rule of law because any person can be taken off to jail without any concrete accusation being formed against him. A person may remain incommunicado for an indefinite period without assistance of counsel. He can stay six months, a year in prison, and no judge has the opportunity of declaring this person's innocence or guilt.

The isolation of Mr. Guevara and the increased incidence of secret prisons inside Nicaragua points to the deterioration of the rule of law in Nicaragua.

I do not believe that people in free societies, such as our own, should remain silent to the abuses of autocratic regimes. We in the Congress should continue to report such abuses and to support the true democrats in Nicaragua, the Rogelio Guevaras and the Marta Baltodanos. In 1770, Edmund Burke wrote, in his "Thoughts on the Cause of the Present Discontents," some lines which have some relevance to the current situation in Nicaragua:

> When bad men combine, the good must associate; else they will fall one by one, an unpitied sacrifice in a contemptible struggle.

Mr. President, let us not permit these courageous individuals to struggle in vain; our collective commitment to democracy demands no less of us.

Mr. President, I ask unanimous consent that the monthly human rights reports of the CPDH for the period from June to November of 1984 be printed in the RECORD, as well as the CPDH's report on the Sandinista Defense Committees. I also request that the State Department's study of Nicaragua in its 1984 human rights report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PERMANENT COMMISSION ON HUMAN RIGHTS OF NICARAGUA

The Sandinista Defense Committees

BACKGROUND

The Civil Defense Committees were organized by the Sandinista Front and leftist organizations of the United People's Movement in 1977, with the goal of organizing the different residential districts in order to support the armed insurrection and structure in them the civil defense of the population. In the early moments of existence they included all persons without ideological discrimination, aiming at a total popular participation. The Defense Committees should be restricted in principle to carrying out activities for social advancement; however, with the revolutionary victory, the leaders of the Sandinista Front decided to carry out substantial changes in these defense committees—from that moment they were transformed into Sandinista Defense Committees integrated into the mass organizations of the Sandinista Party. From that perspective they have the following fundamental objectives:

The propagation of the Sandinista ideology and the exercise of pressure on the citizens so that they will join in the political activities of the Sandinista Party.

The promotion of the loyalty of citizens to the FSLN.

Pressuring or forcing citizens in case that voluntary support does not come about.

Political and military control of the population.

ORGANIZATIONAL STRUCTURE

The basic structure of these Sandinista Defense Committees consists of a Coordinator, a Secretary, a person responsible for each of the subcommittees among which can be mentioned: political, health, culture, sports, supplies and finances. In turn these street, block or square block committees are part of what is called the Sandinista Barrio/residential district/Committee and these are part of a Zone Committee. Although in general terms it is hoped that the citizens who are part of the various committees will participate in the governmental efforts by discussing the problems of the community and contributing solutions, the process is the reverse and it is the Zone Committees which transmit to the Barrio Committees the guidelines or instructions coming from the high political command; in other words, the National Leadership of the Sandinista Front, and they in turn designate the block, street or sidewalk Defense Committee about what they have to do.

In order to help to maintain all of this structure the residents are obligated to pay a monthly or weekly quota to cover the expenses of the office, paper, secretaries and office articles. Without being state dependencies, their national and international activities are financed by the Reconstruction Board with the money that citizens contribute with their taxes.

GROUPS OF REPRESSION

The Sandinista Defense Committees act as instruments of control of the population, their nature being eminently partisan, their

operations aimed at preserving the political interests of the Sandinista Front and not the interests of the community. Although participation should be voluntary, there exists a permanent coercion for persons to join in partisan activities, and those who do not participate in the tasks that the SDCs assign them are denied the letter of recommendation that is requested in state agencies for drivers' licenses, business registration, loan applications, employment applications, police records, and others.

(a) Control of citizens:

It is carried out through reports prepared by the coordinators of the barrio committees, where they record the participation of citizens in the various activities that should be carried out; some are of a social nature but the population is coerced to join in order to be used for propagandistic partisan ends.

The method of control par excellence is coming to be the carrying out of population censuses which in addition to obtaining economic information, they use to gather information and political data.

Each head of family is subject to political questions; we could quote these questions as examples: How many persons reside in this house? What do they do? Where do they work? What party do they belong to? How much do they earn? Where did they reside before living in this unit? What mass organization do they belong to?

(b) Rationing:

It is one of the main weapons of these groups for controlling and pressuring Nicaraguans. In this way the Sandinista Party uses hunger as a punishment for all those persons who refuse to participate in their political activities, withdrawing or refusing them a ration card for ½ kilo of rice, ½ kilo of sugar, 1 liter of milk, 1 liter of oil, a bar of soap and roll of toilet paper per person per week.

(c) Revolutionary vigilance:

The SDC contribution to the defense of the Sandinista revolutionary process consists of the brazen espionage of some neighbors against others and is carried out through house-to-house visits in which members of the community are pressured to oversee (in shifts) the block and to pass on daily reports to the police and State Security. The houses of those who refuse to collaborate are stained with slogans that say: "here lives a counterrevolutionary, watch over him" or "contra, we are watching you."

(d) Denial of letters:

On conceiving the structure of the Sandinista state apparatus, the defense committees together with the other mass organizations were included as management groups for the carrying out of projects and programs, and for this reason letters are required of the Sandinista Defense Committees as an indispensable requirement for the carrying out of paperwork in the state offices; the coordinators deny these letters to all those persons who for ideological discrepancies do not participate in the activities fostered by those in their districts. Thus, many persons find themselves hindered from obtaining licenses, registration in centers of study, work and loans of money in the financial institutions.

(e) As proselytizing organizations and shock forces:

The persons are obligated to make posters, announcements, wall paintings, visits to the houses of the neighborhood, transmitting information and obligatory invitations or to participate in political acts. These activities are utilized as the specific channel for the political mobilizations of the FSLN; they are also used as shock forces to subjugate all those persons or political sectors that do not share the Sandinista ideology whether with subterfuge or force, physically attacking persons, destroying their property or through arrest threats.

CONCLUSIONS

The Permanent Commission on Human Rights of Nicaragua in virtue of the denouncements of abuses committed by these partisan organizations feels it appropriate to point out:

1. That the SDCs constitute a repressive structure created by the Sandinista Front and implemented in all of the national territory in order to subjugate their political adversaries and control the citizenry in general.

2. That as partisan organizations included in the structuring of the state for the development of social programs and projects, the Sandinista Party has institutionalized the violation of the most basic rights of Nicaraguans.

3. That on exercising the permanent coercion of the citizenry so that they will join in the political activities of the Sandinista Party and on establishing differences among persons according to their political ideologies, they are violating the Statute on Rights and Guarantees of Nicaraguans.

(a) Art. 3. on equality before the law without distinctions of race, sex, economic positions or opinions.

(b) Art. 18 on the non-interference, arbitrary or illegal, in the private life of persons.

(c) Art. 19 on the non-application of coercive measures that can lessen freedom of thought or conscience.

(d) Art. 31, No. 1 on freedom of assembly and association of persons.

4. For us special attention is deserved by the blackmail that these groups carry out with the rationing of basic products with which they try to subjugate by hunger all citizens who do not share their political interests; this strategy constitutes a violation of Art. 38, No. 2, which says: "Eradication of chronic malnutrition, insuring sufficient availability of food and a fair distribution of the same."

PERMANENT COMMISSION ON HUMAN RIGHTS OF NICARAGUA (CPDH)—REPORT ON PRINCIPAL DENUNCIATIONS MADE IN JUNE 1984

MISSING

Gregorio Gonzalez Garcia, 42, farmer with domicile in the Buena Vista District, jurisdiction of San Juan Rio Coco, department of Madriz. Since April 29, 1983, his whereabouts has been unknown, his family inquired at the jails of La Barranca and La Chacara in Esteli, and in the latter were told by a soldier that the prisoner was on the list of prisoners, but that they could not see him because he had been transferred to Zona Franca, where his family went without obtaining any positive results. The CPDH made efforts before the Penal Prosecutor's Office and Zona Franca without succeeding in determining so far where he is to be found.

Jose Luis Huete Rivas, 24, businessman with domicile in Rio Blanco, department of Matagalpa. On April 20, 1984, he was apprehended on Km 22.5 of the highway to Masaya. According to information received by his family from Mr. Sixto Ulloa, official of CEPAD, at the moment of his apprehension he was taken to a jail of the city of Masaya and later transferred to Matagalpha, since he was a native of the region of the country. But in spite of efforts made by his family and the CPDH, it has not been possible to establish the place where he is being detained.

VIOLATION OF UNION RIGHTS

Benito Gomez Centeno, 33, in charge of the CTN for the northern region of the country. On June 2, 1984, he was apprehended in his house of residence by military soldiers of State Security, who informed his family that the apprehension was due to counterrevolutionary activities against the Law on the Maintenance of Law and Order and Public Safety.

In a visit that was granted to his brother on June 11, he was able to note: marks from intravenous injections on the left arm, incoherence in speaking, inability to remember known persons, difficulty in motor coordination as a result of maltreatment and the worsening of his old illness in the lumbar region of the spinal column. On June 20, 18 days after his arrest, he was presented by State Security together with the prisoner, Pedro Hernan Espinoza Sanchez (the fish), who involved him in his statements as a member of the Internal Front of the Counterrevolution. The Appeals Court of Managua declared inadmissible a writ of personal appearance filed in his behalf due to his health situation, adducing that no right of his is being violated and that under the state of emergency collective rights have priority over individual rights; in this way denying him the right to be attended by a physician.

Numan Calderon Arauz, 35, union leader of the CTN. On June 2 of this year, he was apprehended in his house of residence by members of State Security. Mr. Calderon Arauz since 1980 had been a victim of harassment by the military authorities of the Sandinista government and its related agencies. According to the official communique of the Ministry of the Interior his apprehension is due to "counterrevolutionary activities" against the Law on the Maintenance of Law and Order and Public Safety. On June 20 he was mentioned by a prisoner as a member of the Internal Front of the Counterrevolution. Since the date of his detention he has been in a state of no defense and without being remitted to a judge.

Humberto Ramon Lopez Lopez, adult, with domicile in Corinto, department of Chinandega and Secretary of Labor Affairs of the Union of Nicaraguan Seamen (SUMANIC), part of the CST /the Sandinista worker's union/, On June 15, 1984, he presented a formal denunciation of harassment that had been suffered by the members of Sumanic since May 10 of this year, the date on which they reported to State Security on the disappearance of Mr. Luis Ramirez Guevara, 60 years of age, work colleague, who they were providing with lodging in the union office. During the first week of June the military authorities apprehended as implicated in Mr. Ramiriz Guevara's disappearance union members Henston Garth Mitchel, Alonso Estrada Gomez and Armando Soza Palacio, their families not knowing the place of their detention. Due to efforts by CPDH it was possible to establish that the prisoners are in the jails of State Security in Leon, known as Quinta "YE" and they have obtained versions that Mr. Luis Ramirez Guevara showed up dead on a ship on which he was working. Although apparently the present case is of a common type, directors of the union have informed CPDH that their members have been pres-

sured by elements of State Security so that they will withdraw from the International Transportation Federation, of which the union is a member.

VIOLATION OF POLITICAL RIGHTS

Oscar Antonio Flores Molina, adult, and of this domicile, member of Social Christian Revolutionary Youth. On May 22, 1984, he was apprehended by soldiers stationed at the Esquipulas Command in this department, when he was passing out propaganda flyers on the Social-Christian Party. While he was under detention he was tortured psychologically by the Sandinista policemen who put a revolver to his forehead, threatening him with the possibility of suffering an accidental death. He was released on May 24 on the condition that he report every week to the previously referred to headquarters.

On May 20, 1984, in the city of Boaco, military troops of State Security prevented the holding of an event of Social-Christian Revolutionary Youth.

On May 26 of this year, the mass organizations of the Sandinista Front Party of the Larreynaga barrio of this capital attacked the headquarters of the Social Christian Party, hindering through flames and with slogans the holding of a prayer vigil dedicated to Nicaraguan mothers; it was organized by the Association of Social Christian Mothers and Social Christian Revolutionary Youth.

On June 9, 1984, members of the mass organizations of the Sandinista Front Party, who were wearing military uniforms and carried regulation (M-16 and AK) weapons, broke into the central headquarters /Casa Central/ of the Social Democratic Party of Nicaragua, terrorizing and threatening those present, who were holding a seminar on political training.

The Nicaraguan Democratic Coordinator, denounced to the CPDH the anti-legal decision made by the National Council of Political Parties on June 12, 1984, which denied legal status to a faction of the Democratic Conservative Party, granting it only to the other. The decision of the CNPP constitutes a violation of the right to free political association of Nicaraguans and interference in the internal affairs of parties. It is in addition, a threat against the life of the democratic parties of Nicaragua, which could be victims of divisions brought about by the government.

VIOLATION OF RELIGIOUS RIGHTS

Luis Amado Pena, 45, priest of the diocese of this domicile, presented an explanation to the CPDH of Nicaragua in which he denounced the fact that on June 20 of this year an individual who offered to give him a ride asked him to hand over a suitcase to a man in the area of the Polideportivo Espana, it turning out that all of that was a trick by State Security and that the suitcase contained explosives which were filmed by television and that together with agents of that organization were hidden in said place, after the filming they simply ordered him to leave the place. That that same day the individual Pedro Hernan Espinoza was presented as a prisoner of State Security at a press conference, accusing himself of being the head of the internal front of the Nicaraguan Democratic Forces (FDN) and involving him and other members of the Political Parties of the Opposition and of the workers' organizations /independent ones/ of being involved in counterrevolutionary activities; although at said conference other prisoners were presented, only Pedro Hernan Espinoza was permitted to talk. In addition to that, at the same press conference a videotape was presented on which he appears participating in supposed counterrevolutionary activities.

Father Amado Pena states that he is being made a victim of a defamation campaign that at heart is attacking the Catholic Church in order to undermine the faith of the Catholic people and in addition an effort is being made to distract public attention from the serious problems facing the country, such as the persecution of youths who refuse to join the Patriotic Military Service (obligatory) and the problems in supplies in markets, in view of the new Consumer Protection Law. Father Pena currently has the seminary as a jail due to an order from the Ministry of the Interior, who accused him, found him guilty and sentenced the priest without a trial or defense.

Note: In the files of the CPDH of Nicaragua is a denunciation filed in March of 1983 by Carlos Huembes Trejos, National Leader of the CTN, in which he states that the individual Hernan Espinoza, a known State Security agent, of the zone of Las Mojarras of the department of Leon, was trying to involve him in counterrevolutionary activities.

SPECIAL CASES

Rolando Simon Membreno Gonzalez, 17 years old, domicile in the district El Bosque, jurisdiction of Posoltega, department of Leon. He was called to join the Patriotic Military Service, without the military authorities taking into consideration the strong nasal hemorrhage of a chronic nature from which he has suffered since he was nine years old. The youth Membreno Gonzalez asked permission to visit his mother who was ill, using this situation to take flight. Since then his family has been harassed by members of the Sandinista Popular Army, who once showed up at the house to carry out a search and who periodically show up to look for him, accusing his family of being reactionaries.

Lannie Eustes Flowers Kayla, Luis Padilla Hector, Steva Darlin Garth Wilson and Trino Paterson Albert, all adults, Nicaraguan citizens from Corn Island in the Department of Zelaya. On April 9, 1979, they set sail from Corn Island on the lobster boat "Lady Albina No. 1," towards the island of San Andres, their fate or location being unknown to this day.

Mr. Letio Own, who traveled to San Andres to carry out investigations aimed at establishing the whereabouts of the boat and crew, informed their family members that he had received a report that the crew had been the victim of a kidnapping perpetrated by two American drug traffickers; the reason why from that point on they were considered missing.

In December 1983 they were informed by Mr. Demry Dixon Carlos, who was studying in the Republic of Cuba, that all of them were being detained in one of the jails for foreigners located in the Province of Boyeros of the previously mentioned republic. Their families have made efforts before Commander Lumberto Cambell, who forwarded the documentation relating to the case to the Cuban Embassy in Nicaragua, where so far they have been given no report on those detained.

Maria Del Carmen Navarro de Herrera, adult, of this domicile. President of the Small Businessmen's Association of basic grains of Managua (ACOPROBAMA). On June 20 of this year she was apprehended in her house of residence by members of State Security, who carried out a search whose basic goal according to what they said was the search for weapons; they seized folders and documents of the Democratic Conservative Party.

State Security apprehended that same day Hugo Lau Arguello, Maria Jose Hernandez Mora, Lila Lopez and Elba Quintanilla. The apprehension of all these people was due to the invitation made by Eng. Dionisio Marenco, Minister of Commerce, to explain to the associations in ACOPROBAMA at the Mexico Theater, the scope and repercussions of the recent Consumer Protection Law, which was the object of ill-intentioned speculations by the mass organizations of the Sandinista Party.

Mrs. Blanco Rueda and others persons belonging to ACOPROBAMA were accused of carrying out ideological diversionism, being released by State Security on June 24, 1984.

Silvio Robelo Ortiz, adult and with this domicile. On January 10, 1983, he was apprehended by State Security, being transferred to the jails of El Chipote, where he spent 33 days under investigation.

During the first 12 days of his detention he was not given food in order to force him to sign a statement that they already had prepared, the reason why he had to be hospitalized in the Alejandro Davila Bolanos Hospital with a colitic ulcer being diagnosed. Again in El Chipote his food was suspended, and he was subjected to intense interrogations in which he heard simulated torturing applied to his wife and daughter, in this way agreeing to sign the previously-mentioned document.

On February 12 of the same year he was transferred to the Zona Franca and was put under the orders of the Anti-Somocist People's Courts on June 8, five months after his arrest. He was accused of organizing hunger strike in the jail in July 1983, which was controlled with excessive violence by the military, which led to his being put in a punishment cell. Later he was transferred to Cell No. 5, gallery No. 3, on the upper floor of the Model Jail of Tipitapa, where he was also placed in a punishment cell in April 1984; Mr. Robelo Ortiz is currently in bad health serving a 30-year prison sentence.

Roberto Jose Valle Gonzalez, 26, doctor, domicile in Masaya, who was providing professional services at the Health Center of Sumubila, a Miskito settlement in the department of Zalaya. On April 16, 1984, he was kidnapped together with other persons, by counterrevolutionary bands who attacked said village, supposedly taking them toward Honduras.

The CPDH has made efforts before the International Red Cross Committee in Honduras, the U.H. High Commissioner for Refugees, and before the Honduran Red Cross, trying to establish his whereabouts, without so far having obtained positive results.

PERMANENT COMMISSION ON HUMAN RIGHTS OF NICARAGUA [CPDH]—PRINCIPAL DENUNCIATIONS OF JULY 1984

1. Roger Antenor Espinoza, 17 years of age, of Miskito origin, reservist in the 70-11 Battalion, with domicile in Tuabe, Puerto Cabezas, department of Zalaya. On July 19, 1983 he was apprehended together with 30 comrades of the same battalion; since that time the place where he is to be found is unknown. According to what has been confirmed, 11 of those apprehended were sent to the Zona Franca at the orders of the Army Office of the Military Judge Advocacy and they were released in virtue of the Am-

nesty Decree of December of the same year. The CPDH has carried out efforts before the Ministry of Defense, the Army Office of the Military Judge Advocacy, the Reconstruction Junta of Puerto Cabezas the one in charge of the 70-11 Battalion in Bonanza, without being able to determine his whereabouts.

2. Pablo Jiron Jarquin, 33, watchman, with domicile in Managua. On July 21, 1984 he was apprehended by eight armed civilians at the house of a neighbor in the Georgino Andrade barrio of this capital, his whereabouts being unknown since that time. His family has made efforts at the substations No. 6 and No. 8 of the Sandinista Police, Palo Alto and State Security, where they have systematically denied to them that he is being detained. It is presumed that his captors were members of State Security since the vehicles in which Mr. Jiron was detained had a state license plate and a sign that said "State Property." Mr. Jiron Jarquin, at the time he was detained, was convalescing from surgery he had had as the result of a duodenal ulcer in May of this year. Therefore, and based on the circumstances surrounding his apprehension, the CPDH presumes that he is detained in El Chipote so that on July 25 it sent a telegram to Lt. Oscar Loza, Chief of State Security Operations, asking for his transfer to a hospital center in order to prevent irreparable damage to the prisoner.

DEAD

1. Silvia Ocamp Amador, 23 years old, her son Elder Jose Aguilar Ocampo, 7 years old, and her mother-in-law, Maria Auxiliadora Diaz Garcia, 60 years old, with domicile in Santo Tomas, department of Chontales, were seeking a ride at the junction of the highway to Boaco on July 18 when Mr. Jose Santos Hernandez passed by there, offering to take them. He was driving a red truck belonging to the Ministry of Health, which her mother and son got onto the back of. When they passed by the place known as Los Cocos, jurisdiction of San Lorenzo, in the department of Boaco, they heard a shot by two subjects who were dressed in Sandinista Police uniforms, the child, Elder Aguilar Ocampo, being wounded. For fear that they would kill all of them, they did not stop and headed toward the Health Center of Tecolostote, where they were unable to get medical attention because the child had already died since the bullet had struck him in the head. On July 23, his mother filed a formal denunciation in the Office of Police Prosecution of the city of Boaco, criminally accusing the soldier identified with the name of Enoc Rios Obando, being informed by the one in charge of the investigation that the case would be taken to the Office of the Military Judge Advocacy of the Army in the city of Juigalpa, department of Chontales. The soldier referred to also stated that the true guilty one was Mr. Hernandez Lopez, the driver of the vehicle in which they were traveling, and that he is currently being detained for not having heeded the call of the soldiers.

2. Mr. Domingo Gamali Salazar Fornos filed a complaint concerning the death of his brother, David Salazar Fornos, 20 years of age, electrical mechanic with domicile in Tipitapa, which occurred on July 13 of this year at the hands of members of State Security in the following circumstances: That day, Domingo Gamali Salazar Fornos and his uncle Leonardo Salazar Gonzalez, who lives in Tisma, in the department of Masaya, appeared at the school of that locality, where they were holding a meeting of parents with children in the Patriotic Military Service and local authorities; Mr. Leonardo Salazar Gonzalez used the opportunity to bring up the problem of his son who has been called on to serve military service even though he is ill, but by every reply he was accused by a member of the CDS of being a counterrevolutionary of the Conservative Party. Immediately after said meeting, Mr. Salazar Gonzalez was detained and Domingo Gamali Salazar Fornos managed to evade detention thanks to the support of the participants.

That same day at approximately midnight, six soldiers, two of which were dressed as civilians, showed up at the house of David Salazar Fornos, brother of Domingo Gamali, at the Tipitapa Mill, and forced him to show them the house where the latter was; once in said house David warned his brother that they were coming to look for him, so that he received a bullet in the stomach, later being taken to an unknown destination on a truck of the Nindiri Municipal Junta.

David Salazar Fornos was found by members of his family on Sunday, July 15 in the Manolo Morales Hospital and Managua and strangely enough showed another bullet wound in his chest. He died that day at approximately midnight. Domingo Gamali Salazar Fornos appeared to make a statement on the facts to the police command of Tipitapa and was threatened with death if he expounded the case to the CPDH or the press.

MALTREATMENT OF PRISONERS

1. Jorge Francisco Rios Lopez, 28 years of age, sergeant of the now defunct National Guard, currently a prisoner in the Model Jail of Tipitapa serving an 18-year-sentence which was imposed on him by the Special Courts of Justice. Together with five prisoners he is the object of unjustified transfers to jails of State Security known as El Chipote, where they are subjected to long interrogations, in order to make them waver in their demands for better treatment both for them and those who visit them.

On July 6 of this year, 2nd Lt. Jorge Rostran, in charge of the National Penitenciary System, sent a summons to the family members of those prisoners where he granted them a special visit, allowing them to take more food than what is stipulated in the regulations. During the meeting with the families, the prisoners said that they were being pressured and threatened for demanding their rights, refusing to receive the food supplies because with that an effort was being made to make them seem like privileged persons and expose them to possible physical attacks by the other prisoners.

2. Luz Marina Flores Rodriguez, 18 years of age, resident of the Jonathan Gonzalez District of this capital. According to testimony presented by father Florentino Herranz Ruiz, parish priest of the San Francisco Church of Managua, to the CPDH, on May 5 of this year, she was apprehended by two members of the Sandinista Police who took her to an abandoned house near the lagoon of Jiloa, where they abused her person; the reason why she was hospitalized at the Alejandro Davila Bolanos Hospital. Later, being under detention, she was transferred to a military base in Ciudad Sandino, where she remained for two days. She was released on May 13, 11 days after her apprehension since there were no charges against her.

VIOLATION OF RELIGIOUS RIGHTS

1. (84-7-042). Florentino Herranz Ruiz, adult, known as Rafael, Catholic priest of Spanish nationality, parish priest of the San Francisco de Asis Church of this capital. On Sunday, July 8, 1984, during his homily he denounced before his congregation the violation of the rights of two members of the community: Luz Marina Flores Rodriguez, a young resident of Jonathan Gonzalez Barrio and Tomas Gomez, organist of the parish, who, due to his religious activities was physically attacked by two persons unknown near Mi Preferida Radio. A police patrol that showed up took him together with his assailants to the substation of the Central America colony where he was released together with one of his attackers and without a statement on the events being taken.

At the end of the Eucharist celebration, Father Herranz was approached by a young girl who identified herself as the secretary of Commander Tomas Borge, accusing him of carrying out political activities by denouncing events such as the ones he had denounced without having enough proof. After this incident he was called on July 11 of this year, by Lt. Elear Rodriguez, Chief of the Police Prosecution Department, to appear before Commander Walter Ferreti, who repeated the accusation made by the secretary and sent him to the offices of Police Prosecution.

On July 17 he was again summoned, this time to House No. 50, where Lt. Oscar Loza, Chief of Operations of State Security, told him that he would be expelled from the country if he continued sticking his nose into politics and immediately after that he was photographed. Father Herranz fears that these events, added to the constant harassments that he has suffered since October 1983 from members of the so-called Popular/People's/Church, are manipulated by the authorities of the Sandinista Government in order to justify his eventual expulsion.

VIOLATION OF UNION RIGHTS

1. Sergio Antonio Castellon Gonzalez, adult, driver on Route 114, member of the union of Drivers of Urban Transportation (Simotur), member of the CTN. He was detained in the central office of the National Bus Company (ENABUS) on July 14, 1984, by two of his working companions who are militiamen. The event occurred while he was distributing flyers in which Cimotur was calling its members to a meeting to inform them of the state of the claim filed by labor back in March 1983 due to nonpayment of the seventh day. He was taken to the "Command Post" where he was interrogated by Mr. Guillermo Zapata, Director of Operations of the company, after which he was released.

2. Isidro Arbuzu Ocon, 40, and Daniel Leiva, 42, union members of the CTN, domicile in the region of Las Mojarras, department of Leon. On July 18, of this year, they were apprehended by military troops of State Security, being released the same day after having been threatened and intimidated to give up their union activities in the Mojarras zone.

3. Jose Altamirano Rojas, adult, domicile in Managua, Asst. Secretary General of the CTN. He was recently mentioned in public and televised statements of prisoners Luis Mora Sanchez and Pedro Hernan Espinoza, who implicated him in supposed counterrevolutionary activities. According to Altamirano Roas, those accusations constitute a virtual threat of apprehension with which an effort is being made to end his union activities and terrorize the political leaders of the

opposition so that they will leave the country.

VIOLATION OF POLITICAL RIGHTS

1. Nicolas Ochos Gomez, Napoleon Tabora Garrido, Justo Mendoza Mendoza, Emilio Cabrales Novoa. All adults, members of the Social-Christian Revolutionary Youth with domicile in El Viejo, department of Chinandega. They were apprehended on Monday, June 25, 1984 by military troops and taken to the jails of State Security known as Quinta Ye in the department of Leon, where they are accused of painting political graffiti. They were released the next day.

PERSONS LOCATED

1. Estanislao Cano Castillo, 70, farmer, domicile in the Los Mojarras region, department of Leon. On June 29, 1984, he was apprehended by members of State Security at the San Pedro Hacienda. According to his family, his apprehension follows suspicions concerning his son Bonifacio Cano Mayorga, presumably involved in counterrevolutionary activities. On July 11 of this year he was found in the jails of Security in Managua, known as El Chipote, where he was visited by his wife, Isidra Mayorga Obando, who at the end of the visit was subjected to an intensive interrogation; she fears for the health of her husband, since he is a cardiac patient.

2. Ricardo Moreno Perez, 33 watchman, domicile in Managua. On June 11, 1984, he was reported missing by his family before the CPDH. The Public Relations Office of State Security on repeated occasions denied his apprehension both to his family as well as to officials of CPDH, who finally found him in El Chipote on June 14. He is currently a prisoner in Zona Franca.

3. Jose Luis Huete Rivas, 24, businessman, with domicile in Rio Blanco, department of Matagalpa. On April 20 of this year he was apprehended on KM 22.5 of the highway to Masaya. On July 11, 1984, officials of CPDH were informed that the previous day he had been transferred to Zona Franca under the order of the Anti-Somocist People's Courts.

KIDNAPPED BY COUNTERREVOLUTIONARY FORCES

1. Lombardo Jose Monge Marin, 22, student with domicile in Masaya. On April 28, 1983 he joined Battalion 19-66 of the Sandinista Popular /People's/ Militias, being mobilized to the Atlantic Coast in the department of Zelaya. His family members were informed by military authorities on June 18 of the same year that he had been kidnapped by counterrevolutionary bands after combat in the sector of Perlas Lagoon.

In March of 1984 he called his family from San Jose, Costa Rica, telling them that he had escaped his captors and that officials of the Embassy of Nicaragua had refused to give him refuge, using budgetary reasons. His family made efforts in the Ministry of Foreign Relations of Nicaragua, being attended by Dr. Luis Manuel Perez, who finally informed them that he had forwarded the case to the General Office of Migration and Aliens, where it is currently being followed up.

2. Ronald Benavente Corea, 33, watchman, domicile in La Concordia, department of Jinotega. When he was returning from El Cua Hill, on a truck in the company of 24 persons more, on December 23, 1983, he was kidnapped together with the driver and taken to Honduras.

The efforts made by officials of the CPDH with Juan Jose Ubeda, Delegate of the Ministry of the Interior for Jinotega and Matagalpa, as well as before the High Commissioner of the U.N. in Honduras and the Honduran Red Cross have been fruitless.

Note: The denunciations presented to this office are truthful according to our understanding and are supported by properly signed denunciations and testimonies.

CPDH does not seek to justify or defend persons who have committed crimes; however, it believes that all Nicaraguans have the right to the minimum legal guarantees so that true justice will be served.

PERMANENT COMMISSION ON HUMAN RIGHTS OF NICARAGUA [CPDH]—PRINCIPAL DENUNCIATIONS IN AUGUST 1984

DEAD

1. 84-07-050. Andres Mejia Jiron. 30 years old, single, farmer with domicile in Jinotega. On March 10, 1983, he was detained and taken to the jails of Jinotega, being transferred to the Central Command of Matagalpa and then to the construction of the Penitentiary System known as Waswali in Matagalpa; he was accused of robbery and would be released June 15 of this year. But on June 10 of this year, when his sister Flora Mejia arrived to visit him, she was informed that he had died in "an effort to escape," without more details being given.

She has asked the authorities of the penal center to at least tell her where the body was buried and for the few personal possessions of the prisoner to be returned to her, but so far she has not received any reply.

CPDH presented the case to the Legal Department of the Ministry of the Interior of Matagalpa, so that an investigation would be begun to determine the circumstances of his death and his family members would be notified of the place where the body was buried.

2. 84-08-065. Demetrio Benedicto Artola Sanchez, 40 years old, single, farmer, domicile in the region of La Ceiba, jurisdiction of Villa El Carmen, in this department of Managua.

On August 18 of this year, about 9 a.m. three members of the Voluntary Police Department of Villa El Carmen showed up at the house of his brother Jose Angel Artola Sanchez, of the same domicile, searching for him, and identified as Rafael Fonseca, Domingo Chavarria and Domingo Perez, and a civilian, who accused him of having participated in a robbery and they coerced him to accompany them; they also accused him of being a member of the Conservative Party; he argued that he had to work and that he didn't have anything to do with any robbery and turned around to head for work and when he had gone a distance of about 8 meters, the soldiers fired several bursts against him, several bullets hitting him, which caused his death three hours later.

The CPDH has addressed the Ministry of the Interior requesting an exhaustive investigation of that case.

MISSING

1. 84-8-056. Alejandro Sotelo Mora. 32 years of age, farmer, domicile in Boaco. He was apprehended by members of State Security on August 21 of this year, while he was working on a farm near Rio Blanco. He was supposedly taken to the Commando of Rio Blanco, department of Matagalpa, and since that date the place where he is has been unknown.

His family has had reports that he is in the jails of State Security of Matagalpa, but both in this and other jails of Region VI they have been refused.

CPDH placed before the Appeals Court of Matagalpa a formal writ for personal appearance in his favor and of other prisoners who are missing.

VIOLATION OF RELIGIOUS RIGHTS

1. 84-8-002. Allan Delgado Useda, adult, Catholic priest, parish priest of the Santa Ana Church of this capital. On Sunday, June 17 of this year, while he was celebrating Holy Mass, he was interrupted by subjects who made fun of his prayers and who, penetrating to the center of the temple, shouted Sandinista slogans, so that the parishioners proceeded to expell them. Later, a youth who particpated in the expulsion of said individuals was apprehended by a Sandinista Police patrol, which was near the church.

Father Allan Delgado, since July 9, 1984, has been the victim of anonymous calls in which he is threatened with the publication of a prefabricated video cassette in which he is involved in supposed immoral acts. Currently his mother's house, where prayer groups are held, is under surveillance by members of the Sandinista Defense Committee and they term the participants as counterrevolutionaries.

THREATS OF APPREHENSION—ARREST

1. 84-08-016. Pedro Martinez Loaisiga, 50 years of age, watchman of the Higher Council of Private Enterprise (COSEP), with domicile in the Acahualincas residential district of this capital. At the beginning of July of this year, he was called to the police station located on Quinta Isabel in Acahualinca, where he was interrogated about the Patriotic Military Service being fulfilled by his children, it being proposed that he collaborate with State Security by handing over the keys to the COSEP office. After this incident he was again summoned; however he did not show up for the appointment.

On Tuesday, July 26, when he was returning from work, he was apprehended by two agents who took him to the Police Substation No 2. where some soldiers with the last names of Benavides and Nunez, identified as members of State Security, threatened him with 15 years of prison if he did not collaborate with them by handing over the keys to the offices. The soldiers referred to above on repeated occasions have called him to various places of the capital, the last time to House No. 50 of State Security on August 2 of this year.

CPDH has presented the case before the Complaints Department of the Ministry of the Interior so that the rights of this citizen will be respected.

2. 84-08-832. Jose Manuel Urbina Lara, 23 years of age, student of Law at the Central American University and with this domicile. Together with six classmates he was apprehended by members of State Security on November 12, 1983, being kept in the jails of Chipote where he was investigated for supposed counterrevolutionary activities; later he was transferred to Zona, obtaining his release December 12 of the same year.

The youth Urbina Lara went back to his studies, telling his family that he was being harassed by the members of Sandinista Youth 19th of July at the University. On June 23, 1984, two persons from State Security showed up at his house of residence, carrying out a search and asking for him; since that time he has fled from fear of being recaptured.

His father, Luis Urbina Chavez, and his brother, Luis Coronado, and sister Maria Elena were stopped by members of State Security on July 27 while they were riding in their vehicle near the colony Central Amer-

ica, being taken to Chipote, where they were investigated separately for four consecutive hours. His brother, Dr. Luis Coronado Urbina, was subjected to humiliating treatment, being forced to do exercises completely nude while he was being interrogated.

VIOLATION OF UNION RIGHTS

1. 84-08-037. Juan Mercado Samuria, adult, Union Advisor of the CTN, domicile in Granada, is being harassed by members of the mass organizations of the Sandinista Front, headed by Justino Diaz, in charge of the zone and two leaders of the Association of Workers of the Country-side of the region of Mombacho in the Department of Granada. On July 25 and August 14 of this year, these individuals came to look for him at San Emilio Hacienda, located near the volcano Mombacho, scaring the workers with shots in the air and throwing insults at the CTN.

Military troops of the Sandinista Police have dedicated themselves to investigating their union activities in the community of Guanacaste, with the evident intention of terrorizing the workers who are members of CTN.

CPDH as sent a communication to the Delegate of the Ministry of the Interior in Region IV, requesting guarantees for the workers' leader and respect for his union activities.

MALTREATMENT OF PRISONERS

1. 84-08-057. Wilmer Nazario Castro Mendoza, 27 years of age, was apprehended on September 20, 1979, being sentenced by the Special Courts of Justice to a sentence of 30 years. Mr. Castro Mendoza suffers from cardiovascular disturbances, having been prescribed medical treatment by members of the Red Cross, but the military refused to give it to him, which led him to go on a hunger strike demanding said treatment.

The military authorities of the Model Prison where he is currently serving his sentence have him punished in a special cell for prisoners with tuberculosis.

On August 28 of this year CPDH filed writ of assistance in his favor demanding the cessation of the repressive measures taken against him.

VIOLATION OF POLITICAL RIGHTS

1. 84-08-018. Marlon Madriz Mayorga, 20 years of age, worker, with domicile in Managua, since October of last year has worked as a cloth cutter for the National Clothing Company (ENAVES). His political militancy in the Democratic Social Youth has earned him the adversion of the members of the battalion of Militias 50-19 of the company for which he works, and he is constantly accused of being a counterrevolutionary and ideological diversionist. The previously mentioned soldiers tried to attack him physically on July 17 of this year, the reason why he denounced the act before the authorities of the Democratic Social Party, who gave him coverage in the daily La Prensa the 31st of the same month. Since that date the harassment and threats against him have increased. He was recently called on to enter Patriotic Military Service.

Note: The denunciations presented to this office are truthful according to our understanding and are supported by properly signed denunciations and testimonies.

CPDH does not seek to justify or defend persons who have committed crimes; however, it believes that all Nicaraguans have the right to the minimum legal guarantees to see that true justice is served.

PERMANENT COMMISSION ON HUMAN RIGHTS OF NICARAGUA (CPDH)—REPORT OF SEPTEMBER 1984—PRINCIPAL DENUNCIATIONS IN SEPTEMBER 1984

TORTURING AND MALTREATMENT OF PRISONERS

1. Hugo Torres Llanes, Manuel Lopez Bravo, Francisco Pizzi Perez, Justo Molina Gomez, Enrique Munguia Berrios, Denis Espinoza, Domingo Alonso Rivas, Marcial Gonzalez Loaisiga, Jose Daniel Centeno Gutierrez and Alfredo Hernandez, all of them sentenced by the Special Courts of Justice, were carrying out a sentence in the Model jail of Tipitapa and in October 1983 were transferred to the jails of State Security in Managua, known as El Chipote, where they still remain. Recently they have been receiving threats that, in case the military situation were to become more acute, they would be killed. They have also been threatened with being sent to clandestine jails so that their family members would not be able to see them. In these centers they are being subjected to new interrogations.

The CPDH has sent a communication to the Dept. of Complaints of the Ministry of the Interior so that these prisoners will not continue to receive discriminatory treatment and will be returned to the facilities of the penitentiary system to serve their sentence, as is established by law and the minimum regulations for the treatment of prisoners.

2. Uriel Algaba Delgado, Carlos Vargas Solis, Gustavo Robleto Sequeira, Miguel Davila Largaespada, Angel Castro Soza, Silvio-Garcia, Pedro Pablo Huete Torrez, Panfilo Cruz, Victor Manuel-Carmona, Jose Chavarria and Jaime Suarez Macis, are serving a sentence imposed by the Special Courts of Justice in the Modelo Jail of Tipitapa. On July 20 of this year at night they were subjected to torture consisting of blows by hands and kicks by the authorities of that penal center and then they were locked up in "punishment" cells that the prisoners call "extermination" cells since they were originally built for one prisoner. There they put six prisoners for 21 days. According to reports received by CPDH, the officials who mistreated the prisoners are: Angel Suazo, Octavio Flores, Julio Orozco, Guillermo Rodriguez and others with the last names Palaviccini and Figueroa.

MISSING

1. Julian Palacios Rosales, 45 years of age, married, farmer, domicile in Las Banderitas, jurisdiction of Rio Blanco in the department of Matagalpa. He was detained on August 5, 1983, in his house of residence and in the same district they apprehended four other peasants. Those who carried out the apprehension were militiamen stationed at Rio Blanco, who accused them of being counterrevolutionaries. They were taken on foot to the road from Copalar, where they were put in an Army truck and taken to State Security of Rio Blanco. There other peasants were released but not Mr. Palacios. The military refuses to explain his whereabouts to his family. On September 28 this year, the Permanent Commission on Human Rights of Nicaragua introduced a writ for personal appearance in the Appeals Court of Matagalpa, but this court so far has not taken any action.

2. Manuel Agustin Espinoza Gonzalez, 21 years of age, single, student and of this domicile, disappeared from his house in the residential district of Gadala Maria, on May 9 of this year, and his family has not been able to learn his whereabouts. He had been an escort of Eden Pastora, when he was in the Ministry of Defense. Days before his disappearance he stated to his family that he was being pressured and threatened so he would collaborate with State Security.

CPDH filed a writ for personal appearance at the Appeals Court of Managua in order to try to establish whether he is a prisoner.

UNION MEMBERS

1. Alvaro de Jesus Jimenez Salgado, 40 years of age, worker, of the industrial company Aceitera Corona and affiliate of the Central de Trabajadores de Nicaragua (CTN)/confederation of Nicaraguan workers/ for 11 years.

On September 15 of this year he was summoned to the Public Relations Office of the Headquarters of State Security of Managua, known as House #50, where he was interrogated for two and a half hours. Although the supposed motive of the appointment was that he was demanding in his work that he be paid extra wages, for September 15 (a holiday); during the interrogation he was asked about his union activities and his relations with the CTN. He was also asked about the relations and activities of his wife, Marta de Jimenez, who works for the independent newspaper La Prensa. Finally, they threatened to jail him if he continued union activities and that to ensure that he would not they would keep him under permanent surveillance.

2. Denis Lopez Arias, 32 years of age, single, fisherman and domicile in Casares, jurisdiction of Diriamba in the department of Carazo. He is a member of the Confederation of Union Unification (CUS), and as a member of a cooperative of fishermen has promoted that union organization; he is also a member of the Social Democratic Party.

In the middle of June of this year, two members of State Security showed up at his house and asked him about his relations with the CUS and they accused him of carrying out counterrevolutionary activities and being and instrument of the CIA, so that they proposed that he collaborate with State Security passing information on everything that CUS planned or did and in exchange he would receive a lot of money. In order to formalize his collaboration they would take him to State Security the next day. In effect, the next day the same members from State Security returned the next day but he was hidden at the house of some neighbors, where he saw them leave and for several days he remained sleeping outside of the house in order to prevent them capturing him at night because he had not accepted such an unworthy commitment.

On August 19 of this year, when a group of supposed members of the CUS occupied the facilities of that union organization, three State Security agents arrived to search for him but at that time he was not at home.

Approximately three days later a fisherman from a nearby community who is also a member of CUS, Jose Agustin Tellez, showed up at his house, and asked him to come to Managua to support those who had taken the CUS office and that were against the leadership of this organization, telling him that in that way his problems with State Security would end, since he (Jose Agustin) had been detained three days before and they had freed him on the condition or under the threat that he go to Managua to support those who took the office of CUS. He refused to go to Managua, saying that he would show up the next day.

Later he has had reports that they plan to detain him so that he has chosen to stay as little time as possible in his house and sleep on the coast, as if he had committed some crime.

The CPDH has received other reports which so far are confidential in which different members of the CUS in different regions of the country have been pressured by State Security so that they will support supposed members of the CUS who are bringing about fictitious divisions in the organizations.

VIOLATIONS OF POLITICAL RIGHTS

1. On September 13 of this year, a delegation of the Nicaraguan Democratic Coordinator headed by Dr. Arturo Cruz and Lic. Adan Fletes returned to the country after having met with five presidents of Latin America.

A bus in which members of the Social Christian Revolutionary Youth (JRSC) and which was headed to the headquarters of the CTN where there was to be a ceremony to receive the delegation was detained by members of the Sandinista police and they were taken to the police headquarters Ajax Delgado. The occupants of the bus were taken to an abandoned street, next to the headquarters, where soldiers in a number exceeding 25 surrounded the bus and threatened the youths with their weapons. Finally, the bus driver had his driver's license taken as well as the vehicle's traffic card.

That same day in the city of Chinandega military authorities prevented the departure of a bus that carried sympathizers of the Nicaraguan Democratic Coordinator to said ceremony. The explanation that the soldiers gave is that they were "carrying out higher orders."

2. On September 19 the Nicaraguan Democratic Coordinator held a peaceful meeting inside in the city of Leon, which was interrupted by a large number of fanatics known as "disburbers" but who are evidently led by soldiers in civilian clothes. They arrived armed with clubs and chains trying to physically attack those who were gathered, among whom there were women and children. The police limited themselves to giving protection to those gathered, ignoring the crime being committed by those who threatened the members of the Coordinator with death.

Later it was learned that in the schools and some state enterprises a free day was given so that the employees would go to demonstrate against said political opposition coalition.

KIDNAPPINGS

1. In the first days of September of this year, two activists of the FSLN, Ray Hooker and Patricia Delgado, were kidnapped by troops of the armed movement Democratic Revolutionary Alliance (ARDE), when they were piloting a small boat in the Perlas lagoon in the department of Zelaya.

Ray Hooker is a candidate for the Legislative Assembly for the Sandinista Front and Patricia Delgado is zone secretary of said political organization. Their whereabouts and physical condition are unknown.

PATRIOTIC MILITARY SERVICE (OBLIGATORY)

1. Carlos Alberto Flores Matamoros, 19 years old, single, domicile in Chinandega. He was called upon to comply with Active Military Service on December 26, 1983, remaining without any problem for the first four months and then later he began to have hallucinations, being fired at times, by imaginary things or he would wake up in the middle of the night shouting, as a result of nightmares. Therefore, he was temporarily transferred to his house of residence, where he continued with the same health problems and was able to sleep only with pills.

To the surprise and concern of his parents he was again taken to the military base known as Cosiguina in Chinandega, where his situation has worsened, since he suffers from headaches and frequent fainting as well as pains in the chest and fatigue.

In said base they have told his father that they will not release him until the Military Hospital of Managua decides, which is where they have come for consultation, but in that hospital center they refuse to grant him absence on the basis of illness. Currently CPDH is carrying out efforts so that he will be granted his definitive release in view of his state of health.

FOUND

1. Isidro Fernandez Orteza, 29 years of age, married, farmer, domicile in Rio Siquia, jurisdiction of Rama in the department of Zelaya, was detained on August 21 of this year, when he was working. He was put into a helicopter with an unknown destination. After that day his family looked for him in the different jails of the Chontales region, but without any results.

CPDH intervened with a writ of habeus corpus with which he was found in the jails of Matagalpa on September 11, of this year, being transferred to the jails of Chontales on the 14th of the same month.

2. Isacio Artica Lopez, 39 years old, single, mason and with domicile in Nindiri, in the department of Masaya. He was detained by State Security on July 29 of this year in the city of Nindiri when he was going to carry out a job. He was put in a white car and taken to an unknown destination. In spite of multiple efforts made by his family it was impossible to locate him.

He was found on September 17 of this year through efforts of CPDH in the jails of State Security of Jinotepe, in the department of Carazo, being released that same day. The authorities told him before freeing him that they had mistaken him for another person, but they did not explain why they refused to tell his family his whereabouts.

Note: The denouncements presented to this office are truthful according to our understanding and are supported by properly signed denunciations and testimonies.

CPDH does not seek to justify or defend persons who have committed crimes; however, it believes that all Nicaraguans have the right to minimum legal guarantees so that true justice will be served.

PERMANENT COMMISSION ON HUMAN RIGHTS OF NICARAGUA [CPDH]—PRINCIPAL DENUNCIATIONS OF OCTOBER 1984—DEATHS AND APPREHENSIONS

1. Claudio Garcia Sequeira, 44 years of age, married, farmer and with domicile in the La Mantequilla region, jurisdiction, Dept. of Rio San Juan. The first day of September of this year, the district was surrounded by more than 300 soldiers belonging to the Army, the Sandinista Popular Militias and the Special Troops of the Ministry of the Interior, under the command of Lt. Jose Murillo. Upon his arrival shots had been heard so that it is presumed that they were pursuing counter revolutionary elements. During the siege they came firing their weapons, and several residents of the district were on the road on horseback and on the way to cutting corn. Most of them ended up wounded, and Mr. Claudio Garcia Sequeira died.

Later they proceeded to apprehend several inhabitants of the district, among whom is Antonio Lanzas Morales, Mario Hurtado Gonzales, Leopoldo Ortega Zepeda, Juan and Wilfredo Calero Medina. Most of the residences of the district were searched and later residents detained, so that the inhabitants have had to flee to the mountains.

UNION MEMBERS

1. Ramon Mendieta Parrales, 56 years of age, married, fisherman and with domicile in the resort of Casares, jurisdiction of Diriamba, in the Department of Carazo, members of the Cooperative of Fishermen La Union, affiliated with the Confederation of Union Unification (CUS).

On September 5 this year, a member of the Border Guard Troops (TGF) of the site appeared at his house of residence to leave him a citation to appear before the police of Diriamba; on showing up he was detained, being told only that he was under the orders of State Security.

In the jail a man in civilian clothing who identified himself as State Security of the State of Jinotepe told him that he had to collaborate with State Security in a secret manner and they forced him to sign an "oath" that he was promising to be an informer. Later they gave him a political talk and explained to him that his man role was to see that the CUS separated from the Democratic Coordinator and he had to support some new leaders of CUS in order to change the board of directors of that group. Finally, he was threatened with death if he told anyone about what was happened and then he was released.

Since that day he has been forced to visit other members of the Cooperative of fishermen to give them "talks" on the need to change the leadership of CUS and he has been given money to mobilize a member of State Security that he only identifies with the alias of "Dorian."

2. We have received denouncements from different peasants of the domicile of the community of Tepano, Diriamba jurisdiction in the Dept. of Carazo; they are members of the Union of Peasant Workers (STC) of Tepano, an affiliate of the CUS. The peasants report that since the founding of the union they have been pressured by members of State Security, who state to them that CUS is promoted by the CIA and that it carries out counter-revolutionary activity. These pressures and threats became more evident after August 19 of this year on the occasion of a congress that CUS was to hold in Managua. Their houses of residence were "visited" by members of State Security of Jinotepe, who threatened them, telling them that they had to come to Managua to ask CUS to leave the Nicaraguan Democratic Coordinator. In view of the number of soldiers who came and due to the intimidating manner in which they appeared, the peasants found themselves obligated to attend that congress and appear as a group backing the supposed leaders that had taken over CUS and they demanded the withdrawal from that union group from the Democratic Coordinator.

PATRIOTIC MILITARY SERVICE

1. Ramiro Jose Toruno Carvajal, 18 years of age, farmer, domicile in Malpaisillo, Dept. of Leon. In February of this year he was notified that he had to render active military service, for which purpose he appeared in compliance with the law. Due to the intense exercises to which he was subjected, he

often fainted without receiving medical attention, so that he decided to return home to be treated medically, which he did in March of this year, being examined by a private cardiologist whose diagnosis was that he was suffering from a coronary disease, with a deficiency of irrigation of the myocardium, in addition to hypertension, and therefore he could not be subjected to fatigue or emotional stress.

This opinion was in agreement with the one from the "Perla Norori" Health Center of Leon and both opinions were presented to the Zone Delegation of Patriotic Military Service in Malpaisillo, where they received it without comments.

On September 10 of this year, at the home of the youth, some soldiers appeared to summon him to appear before the command of the locality, supposedly for having beaten a person. When he appeared, he found himself in the same situation as 4 youths of the Patriotic Military Service who were detained.

Family members protested but were suppressed by members of the Sandinista Youth 19th of July and the Association of Workers of the Countryside (ATC) (both groups partisans of the FSLN).

The youths were transferred in two vehicles supposedly to the city of Leon, but since that day their whereabouts has been unknown.

2. Francisco Javier Aragon Espinoza, 24 years old, single, bus assistant, with this domicile, was detained October 2 of this year, when he was at Migration offices getting his passport to leave the country. He is accused of having altered his birth certificate to evade Patriotic Military Service; he is under the orders of Captain Daniel Pozo, in charge of Patriotic Military Service.

MISSING

1. Alfonso Gomez Pena and Oscar Cruz Tenorio, adults, single, farmers with domicile in the region of Los Santos, jurisdiction of Nueva Guinea, in the Dept. of Zelaya. They were detained by militia traveling through the place on October 1, 1984 when they were going to work in the district El Nispero. Since that time the family has not known where they are or the concrete charges against them, although at the moment that they were apprehended they were threatened for being counterrevolutionaries.

2. Medardo Manuel Lopez Gutierrez, 53, married, farmer, with domicile on Km. 16½ on the road to Masaya, was detained September 24 of this year in his house of residence by agents dressed as military and civilians, a family member was able to see him in the jails of State Security of the State of Jinotepe, but later has been refused in said jails and they do not say where he was transferred.

MALTREATMENT OF PRISONERS

1. The CPDH has received different and agreeing denouncements on the bad treatment that is constantly applied to prisoners who are serving sentences in the prison center of Tipitapa, known as Model Jail, especially the prisoners who are in Gallery #3, both upstairs and downstairs.

According to the latest denouncements the prisoners of said Gallery #3 have not been allowed to receive sunlight, for more than four months, which causes their skin to dry and hair to fall out, the food is completely lacking since they are only given a tablespoon of boiled rice or beans twice a day and the family members are only permitted 20 pounds of provisions every two months, so that the prisoners are normally hungry.

On October 16 of this year, the prisoners protested this situation and in reply received a tear gas bombing. Later an official of the Ministry of the Interior told them that in case the military situation in the country sharpened, they had the order to kill all prisoners.

SPECIAL CASES

1. Reyna Isabel Olivas Araica, 24 years of age, single, businesswoman and with this domicile. On September 18, of this year, a youth 17 years of age named Oscar Danilo Molinares Mora hid in her house; he was fleeing from an Army official named Adolfo Meza Meza who in a state of drunkenness wanted to kill him. Since said soldier did not find the young man he fired at the denouncer without managing to wound her in order to force her to tell him where the young Molinares had hidden. Later the soldier fired several shots toward the bathroom of the room with the consequent danger for the children of the house and the neighbors.

When the soldier left the youth went to hide in the quarters of a battalion of militiamen (located one block to the south and one up from the Santa Ana Church), but he went to search for him there with a pistol in hand, so that he had to leave, fleeing through the back patio in view of the impotence of the militiamen who could do nothing. Later the soldier continued to search for him in a military jeep, No. 098, olive green.

The members of the Sandinista Police of substation #2 of the neighborhood (Mons. Lezcano) showed up at the house of Mrs. Olivas Araica, but they only took facts, without doing anything to detain the drunk soldier who apparently has the rank of captain.

The CPDH has presented the case to the Military Judge Advocate's Office demanding an investigation of the facts.

2. Ruben Lopez Marcia, 41, single, farmer and with domicile in Diriomo in the department of Granada. He was detained on July 3 of this year by members of State Security of Jinotepe, accused of undertaking supposed counterrevolutionary activities.

On September 15 of this year they offered him his release if he agreed to become a collaborator of State Security and his work would consist of visiting various persons, both civilian and military, to learn their opinion of the government and also to offer them possible participation in conspiratory activities.

Since his mother was gravely ill he accepted said propositions and was released.

His mother died three days after he had been released and now he is being pressured to comply by becoming an informer for State Security, which he does not agree with. He fears for his life and his freedom.

3. Manuel Salvador Sequeira Centeno, detained in pavillion #2, of the penal center Heroes y Martires of Nueva Guinea, known as Zona Franca, was recently subjected to surgery on the left eye and was returned to his cell where due to prison conditions he runs the risk of losing his sight. In the same unsanitary conditions are more than 10 internees who are sick in the same pavillion without being transferred to assistance centers, with the subsequent danger of suffering irreparable damage. The authorities of the National Penitentiary System turn a deaf ear to these demands and the CPDH every day finds it impossible to appeal to that body, whose persons in charge have given orders not to receive our attorneys or to accept any correspondence.

NOTE: The denunciations presented to this office are truthful according to our understanding and are supported by properly signed denunciations testimonies.

The CPDH does not seek to justify or defend the persons who have committed crimes; however, it believes that all Nicaraguans have the right to minimum legal guarantees so that true justice is served.

PERMANENT COMMISSION ON HUMAN RIGHTS OF NICARAGUA—REPORT OF NOVEMBER 1984—PRINCIPAL DENUNCIATIONS IN NOVEMBER 1984

MISSING

1. Angel Candido Gonzalez Munoz, 19 years of age, farmer and with domicile in El Sapote, Madriz jurisdiction. He was detained by members of the Headquarters of State Security on April 19, 1983. He was driven to the Somoto command and later transferred to the jail known as "La Chacara" of the Esteli penitentiary system. For about a year approximately, the authorities of the penal institution have refused to give information to his family on the prisoner's whereabouts. Writs of habeus corpus have been filed with the court of that city and the Court of Managua; in both reports the executing judges insist that after searching for him in vain they did not manage to find the prisoner.

2. Jose Javier Amador Salazar, 19 years of age, married, solderer and with domicile in El Coral, Nueva Guinea jurisdiction. He disappeared from his home of residence on May 5, 1984. Two youths who were accompanying him showed up to report that they had been kidnapped by the contras in the colony La Esperanza, that they had managed to flee but that they carried off Jose Javier. His mother did not hear anything more of him until November 10, the day on which some of his family residing in Camoapa reported to her that her son had been wounded in combat in which Sub-Commander Enrique Schmidt died and that some soldiers had taken him to the house of his uncle, Francisco Salazar, where they had him that night and part of the morning. The youth was wounded in a leg, which was becoming gangrenous and they took him away headed for Boaco.

On November 15, his mother inquired at the State Security of Boaco and there they told her that the youth had been transferred to Managua. The CPDH filed a writ of habeus corpus for him but so far there have been no results. Some reports insist that the prisoner is in the military hospital but nobody is allowed to visit him.

TORTURING AND MALTREATMENT IN JAILS

1. Manfredo Balmaceda Calero, 57 years of age, Jose Joaquin, 36 years of age, Edgar, 29, and Juan Carlos Balmaceda Sequeira, married, farmers, with domicile in La Ceiba, Rama jurisdiction. They were detained on October 8, 1984 in their respective houses of residence by members of State Security. They were taken to jail by that group in the city of Rama, and later to the jail of Juigalpa, where they remained incommunicado for 30 days. During the detention they were beaten and handcuffed. Jose Joaquin was beaten to such an extreme that he remained unconscious for two days in jail.

2. The prisoners of the Buenos Aires Jail in the city of Rivas denounced to the CPDH the poor jail conditions existing in that detention center. The prisoners whose names we keep back in order to prevent reprisals,

reported the lack of medical care; they state that there are Sandinista soldiers detained, with war wounds without anyone offering them any care.

They explain that the fact of sleeping on the floor as well as the lack of hygiene in the center is causing them serious illnesses. To this they add the disinterest that exists among jail authorities to turn them over to a judge or to free them.

3. Gabriel Villalobos Reyes, 36 years of age, single, farmer and with domicile in the community of Bijagua, San Pedro del Norte, Chinandega. He was apprehended December 23, 1982, by members of State Security and taken to a jail known as "El Zacaton." Later he was transferred to Quinta Ye in Leon, where he remained incommunicado for several months. In that jail they had him for two weeks without food and without permitting him water. Currently he is in Modelo Jail serving a sentence of the Popular Tribunals.

4. Fernando Villalobos Reyes, 38 years of age, farmer with domicile in the Bijagua Community, San Pedro del Norte jurisdiction of Chinandega. He was detained July 17, 1983 by members of State Security, who searched his house of residence, taking his money and some personal belongings. He was detained at the "Cinco Pinos" jail and then transferred to "Quinta Ye" in Leon. In that Security jail he was beaten savagely. He is currently in the penal center of Chinandega.

5. Marciano Martinez Osorio, 25 years of age, married, farmer and with domicile in Esteli. He was detained in Palacaguina by members of State Security, and transferred to the jail of that group known as "La Barranca." There he remained three and a half months, and then he was taken to the jails of the Penetentiary System of that city. The prisoner reported that while he was under State Security he was tortured. He was kept without food for periods of five days alternately. In the interrogations he was beaten with rifles of his captors and other times they put the tip of a bayonet to his neck, threatening to kill him. On one occasion they took him out of jail to do a mock execution. He is currently in Zona Franca and a trial is being carried out in the People's Courts.

PRISONERS NOT TURNED OVER TO JUDGES

Names, date and place of apprehension, place of imprisonment:

Cristobal Urbina Obando, Matagalpa, June 12, 1984, State Security Matagalpa.

Juan Fco. Sanchez, Matagalpa, June 12, 1984, State Security Matagalpa.

Antonio Mairena Palacios, Matagalpa, June 12, 1984, State Security Matagalpa.

Manuel Adan Lopez Suazo, Matagalpa, Nov. 10, 1984, Zona Franca.

Ramon E. Narvaez Rojas, Jalapa, Sept. 25, 1984, Zona Franca.

Eduardo J. Paredes Martinez, El Viejo, Chinandega, Sept. 8, 1984, Zona Franca.

Ciriaco Balmaceda Calero, El Rama, Oct. 13, 1984, Zona Franca.

Manfredo Balmaceda Calero, El Rama, Oct. 8, 1984, Zona Franca.

Jose Joaquin Balmaceda S., El Rama, Oct. 8, 1984, Zona Franca.

Juan Carlos Balmacada S., El Rama, Oct. 8, 1984, Zona Franca.

Roger Perez Barahona, Managua, Nov. 8, 1984, Palo Alto.

Julio R. Montes Martinez, Managua, Nov. 20, 1984, El Chipote.

Artiles Oporta Obando, Managua, Nov. 27, 1984, El Chipote.

Pedro Augusto Martinez Mena, Penas Blancas, May 1984, Zona Franca.

Antonio Guillen Duarte, Managua, Oct. 29, 1984, El Chipote.

Antonio Lanzas Moralas, Rio San Juan, Aug. 30, 1984, Zona Franca.

Juan G. Perez Gomez.[1]

Mario Navarrete.[1]

Roman Mejia.[1]

Orlando Estrada.[1]

PRISONERS OF POLITICAL PARTIES

1. Julio Ramon Montes Martinez, 28 years of age, single, office worker with domicile in Leon and leader of the Social Christian Party of Nicaragua. He was apprehended [2] in Managua, when he was headed for the national headquarters of his party. He is in Chipote at the orders of the Headquarters of State Security. So far he has been incommunicado. On December 26, 1983, Julio Ramon had been exonerated by the Council of State, obtaining his release before serving an eight-year prison sentence, according to the government, for violating the law on law and order. This leader had been taken up by Amnesty International as one of the main cases of political prisoners in Nicaragua. Again Julio Ramon Montes is facing his same persecutors.

2. Eduardo Jose Paredes Martinez, 23 years of age, single and with domicile in El Viejo, jurisdiction of Chinandega. He was detained on October 8 of this year by members of State Security, he was taken to "Quinta Ye," in Leon and currently is being held in Zona Franca. The youth Paredes Martinez is a youth leader of the Social Christian Party of Nicaragua and is one of the youths who remained detained after State Security apprehended several members of that organization in the city of Chinandega.

VIOLATIONS OF LABOR UNION RIGHTS

1. Alfonso Vasquez Molina, Director of the Union of the Oso Bottling Co, affiliated with the CTN. Since February of this year he was being pursued by persons unknown in a FIAT car, orange color. On Thursday, November 29, while he was walking in the area of the Los Ranchos Restaurant to the offices of the CTN, he was pursued by two individuals dressed in military uniform who were on a motorcycle, one of them proceeding to threaten Mr. Vasquez Molina with a pistol. Then they fled, without the person affected being able to recognize the subjects, due to the fear of the moment.

2. Medaris Acuna Jarquin, 26 years of age, secretary of Actas y Acuerdos acts and agreements/of the Federation of Democratic Workers of Nueva Segovia (FETRANS), affiliated with CUS. In February of this year she was detained together with other members of the Federation, by State Security agents of the State of Ocotal, due—according to what her captors said—to the fact that her union activities were an attack on State Security. She was released but before that she was threatened, being warned that if she did not quit the organization they would detain her again and would sentence her to two years in prison. Since that date all members of the Federation have been being watched constantly and interrogated on their union activities.

In the middle of August—days before the office of CUS was taken—Mrs. Acuna Jarquin has been pressured by State Security agents to sign her resignation from the Federation and to authorize the creation of another parallel group ready to attack CUS and slander its leaders.

[1] Accused of participating in a fire of the PROAGRO warehouse.

[2] For the fifth time Nov. 20, 1984.

VIOLATION OF RELIGIOUS RIGHTS

1. Father Rafael Jarquin C., parish priest of the Waslala Church. The event that we are going to describe occurred two years ago in the northern zone of the country; because of difficulty in obtaining the information, we are just now presenting this case so that it will be registered as one of the many violations of religious rights.

On Friday, May 14, 1982, near 12:30 at night, a group of soldiers of the Ministry of the Interior violently broke into the house of priest Rafael Jarquin in Waslala in order to take him away as a prisoner. The soldiers had a strong smell of liquor and when the priest resisted the apprehension he was beaten in the mouth, threatened with a pistol and held on the floor while he was grabbed by the neck. That same night of the detention, the soldiers informed him that they had 600 signatures of peasants who denounced him as a counterrevolutionary. The priest replied to them that he knew the way in which they had obtained that document, since several of the signers had already informed him that they had been called to some supposed conversations and at the end of them were all told that they should sign a letter of denunciation against the priest, and those who did not would be detained. Even with those clarifications the soldiers continued accusing him and said that he was responsible for the disintegration of the militias in that zone and guilty of the fact that father Pedro Dupy had been removed from the parish. He was taken to Matagalpa and handed over to Mons. Julian Barni, to whom the soldiers said, "Here we hand him over to you; we do not want to see him in Waslala again."

VIOLATION OF THE FREEDOM OF EXPRESSION

1. On Thursday, November 8, Lt. Nelba Blandon, Director of the Communication Section, the agency that is part of the Ministry of the Interior, called in journalists, radio directors and the manager of the daily La Prensa, to tell them of the new measures that would go into effect as of that date in the mass media:

Absolute prohibition against referring to the elections in terms that suggested fraud, abstention, manipulation or lack of trust in the electoral authorities.

Absolute prohibition against military news, except for the obligatory communiques from the Ministry of Defense, of the Interior and the Government Junta.

Absolute prohibition against publishing news that contains attacks against the government, the FSLN and the Revolution, by foreign persons or governments, especially the United States, and

Prohibition against publishing news on labor conflicts and strikes.

This arbitrary decision contradicts what is stipulated in Art. 21 of the Statute on Rights and Guarantees of Nicaraguans and violates what is provided in the Emergency Law, which limits censorship only to subjects of defense and national security.

VIOLATION OF THE RIGHT OF FREE MOVEMENT

1. Beginning in the month of November the persons: Alvin Guthrie Rivers, Jose Espinoza Navas, Omar Baca Castillo, Santos Tijerino Jimnez, Luis Rivas Leiva, Jaime Chamorro Cardenal, Roberto Cardenal Chamorro, Carlos Holmann Thompson, Miriam Arguello Morales, Mario Rappaccioli Marquis, Enrique Bolanos Geyer, Nicolas Bolanos Geyer, Carlos Noguera Pastora, Orestes Romero Rojas, Frank Ley Lau, Juan Carlos Morales, Angulo, Juan Lopez Zele-

don, Juan Ramon Aviles Molina, Francisco Caldera Lopez, Roger Guevara Mena, Azucena Ferrey Echaverry, Erick Ramirez Benavente, Roberto Rivas Reyes, Alfredo Montealegre Callejas and Jose Altamirano Rojas, all of them leaders of democratic organizations, businessmen, union members, professionals; their right as provided by the principle in the Pact of San Jose to freely leave the country has been violated, through the Migration and Aliens office through dilatory steps such as the following: invalidity of visas already issued, alterations in passports, retention of passports in the Migration office, tearing of pages in the passports, impediments of requirements not provided in the Migratory law, return from the airport, with the claim that higher orders are not to let them leave.

In accordance with the laws in effect, there is no justification for the Ministry of the Interior to restrict the freedom of movement among these citizens and such an arbitrary and illegal measure can only be attributed to an escalation of repression, both of them and the organizations that they represent, the only and true motive being the critical attitude that they maintain against the government party.

Note: The denunciations presented to this office are valid according to our understanding and are supported by properly signed denouncements and testimonies.

The CPDH does not seek to justify or defend the persons who have committed crimes; however, it believes that all Nicaraguans have a right to the minimum legal guarantees so that true justice will be served.

FEBRUARY 1985—DEPARTMENT OF STATE COUNTRY REPORTS ON HUMAN RIGHTS PRACTICES FOR 1984

A three-man junta—composed of one member of the Sandinista National Directorate, another high-ranking Sandinista member, and one pro-Sandinista Democratic Conservative Party member—served as nominal head of the Government of National Reconstruction throughout 1984. The Junta was formally terminated following the January 1985 inauguration of President Daniel Ortega and Vice President Sergio Ramirez, both former Junta members. Real political power continued to be wielded by the National Directorate of the Sandinista National Liberation Front, a group of nine Marxist revolutionary leaders who took control in July 1979. This body—of which the President is a member—controls policymaking in the Government, and to a large degree, implementation of policy through a parallel party-government structure.

The Sandinistas seized power in 1979, forming a coalition Government with broad popular support and promising to replace the discredited Somoza dictatorship with new social, political and economic systems based on the principles of pluralism, free elections, a mixed economy, and observance of human rights. In the ensuing five years, however, the Government has not fulfilled these promises. It has used intimidation and the restriction of basic human rights to consolidate the power of the Sandinista Front. Though elections were held on November 4, 1984, important sectors of the political opposition declined to participate because of the Government's failure to ensure conditions for a fair and free campaign. Repression and intimidation by government forces against the opposition political parties that did participate in the brief campaign further underscored the unfair nature of the elections.

The Nicaraguan economy is heavily agricultural. Its industrial sector (food processing and some light manufacturing) suffered heavily during the 1978-79 overthrow of Somoza and has yet to recover. Basic foodstuffs widely available in the past are increasingly scarce and subject to rationing. The Government has carried out a number of expropriations which have had a purely political objective. The increasingly state-managed economy, with pervasive controls on prices, credit, imports and exports, and sales of foodstuffs, combined wtih heavy military expenditures and an often capricious implementation of agrarian reform through expropriation, has negatively affected the middle and upper income groups while producing a decrease in living standards for the poor.

Nicaraguan society is divided into a large working class, composed basically of urban laborers and rural peasants, a small but important middle class, and a minute upper class. The population is overwhelmingly Catholic and the Church is a vigorous institution which serves as one of the country's most influential advocates of human rights. The Government has sought to reduce widespead illiteracy and has improved preventive health care for many Nicaraguans, though curative medicine has deteriorated.

The Government continued in 1984 to support terrorist groups in other countries of the region, notably in El Salvador. Honduras and Costa Rica protested Nicaraguan Army incursions and shellings of their territory. Throughout 1984, the Sandinista Government increasingly found itself fighting a civil war against anti-Sandinista guerrillas, which the Government called "counter-revolutionaries" or "contras" (terms used loosely by the Government to refer to guerrillas and anyone else it chooses to consider "subversive"). Government security forces reportedly tortured and executed persons suspected of assisting the guerrillas, while the Government accused the guerrillas of killing and kidnaping civilians. The Sandinista Army continued arbitrary and sometimes forced military conscription, prompting widespread dissatisifaction and several public protests by Nicaraguan mothers.

During 1984 the Government continued to tighten Sandinista control over Nicaraguan society and to intimidate the remaining opposition. The State of Emergency declared in 1982 remained in effect throughout 1984, although some provisions were modified. The Government continued to use Special Tribunals established outside the judicial system to try cases of suspected subversives. This denies the accused the better, though still flawed, legal protection provided by the regular courts. The Sandinistas continued to rely on organizations controlled by the Sandinista National Liberation Front, such as the ubiquitous "block committees," to help implement their policies at the local level and to exert control, instill loyalty and to identify and implement sanctions against suspected opponents. Using both its own powers and intimidation by Sandinista organizations, the Government systematically harassed opposition political parties, independent labor confederations, the private sector, the Catholic Church, and the independent media. The Government continued prior censorship of the print and electronic media, and cracked down with new vigor in this area after some relaxation during the 1984 capaign period. Sandinista block committees and other organizations frequently disrupted capaign rallies held by opposition political parties, contravening guarantees in the electoral law. The police often did not intervene to prevent such harassment or violence. Through both legal and extra-legal means, the Government continued to seize private property. The 10,000 Miskito Indians forcibly resettled from their Rio Coco homelands in 1982 continued to be prohibited from returning there. About 2,000 more Miskitos fled en masse to Honduras in April and May. There are continuing credible reports that the security forces have tortured and killed Miskito Indians and have confiscated or destroyed their food supply and property.

Two domestic human rights organizations operate in Nicaragua. The Permanent Human Rights Commission (CPDH) is an independent agency established in 1977. It played a key role in exposing human rights violations committed under the Somoza regime. After the Sandinistas came to power in 1979, the CPDH also publicized human rights abuses committed under the new Government. Since 1981, the CPDH has been subject to constant harassment by the Sandinista National Liberation Front, impeding its work but not silencing its voice. The Government founded the National Commission for the Promotion and Protection of Human Rights in 1980. The National Commission claims to be independent, but the Government appoints its members and funds its budget. It is the only organization permitted by the Government to file applications for pardon or to request the review of cases on human rights grounds. It is also charged with reporting incidents of human rights abuses to the proper authorities and promoting the observance of human rights within the Government.

RESPECT FOR HUMAN RIGHTS

Section 1.—Respect for the Integrity of the Person, Including Freedom from:

a. Political killing

There is credible evidence that the military and security forces were responsible for the deaths of a number of detained persons in 1984. The CPDH documented six such cases, and it estimated that many more went unreported. The Government responded to these accusations by claiming some were "killed while attempting to escape" or "killed while resisting arrest," while others were allegedly guerrillas killed in combat. The CPDH also reported that military and police officials arbitrarily shot a number of suspected subversives. In one case three officials reportedly shot a mentally handicapped farmer who they claimed was a dangerous suspect, though they had no warrant and did not present any charges to the family. Displaced persons reported that military and security forces operating in remote areas summarily executed local peasants whom they suspected were anti-government guerrillas or their sympathizers, sometimes after physically mutilating them. In the section on Nicaragua of its 1984 annual report, the Inter-American Human Rights Commission of the Organization of American States stated, "concerning the right to live, human rights organizations have continued to denounce violations, especially in the forms of forced disappearances and as a result of the abuse of power by members of the security forces. The Commission has been able to verify that a large number of the denunciations referred to events that took place in the zones of conflicts."

The Government claimed that guerrillas killed around 1,000 civilians in 1984. Some civilians have died in the fighting between

the Government and the guerrillas, although no reliable information is available on their number. Some reportedly died in guerrilla ambushes of government military vehicles carrying civilian passengers. The Government has charged the guerrillas with torturing and summarily executing prisoners. The guerrillas have denied that they target civilians and have asserted that the security forces' indiscriminate use of heavy artillery near population centers has caused civilian casualties.

On January 11, 1984, a Nicaraguan Army patrol crossed into Honduras and killed eleven Nicaraguan Miskito Indians—including three children—at Kiwastara. Honduras protested this and other Nicaraguan Army violations of Honduran territory, as well as Nicaraguan involvement in the infiltration into Honduras of Cuban-trained guerrillas in July 1984. Costa Rica protested several Nicaraguan violations of its territory, including Nicaraguan Army mortar attacks. There is credible evidence that substantial Nicaraguan support for the guerrillas in El Salvador continued to flow during 1984. El Salvador protested continued Nicaraguan material support for the Salvadoran guerrillas, documenting its charges in an August 1984 brief filed with the International Court of Justice.

b. Disappearance

The security forces often hold suspected guerrillas and subversives incommunicado indefinitely without notifying family members. In 1984 the CPDH documented 60 cases of disappearances in which security forces were implicated, but in which the Government would not acknowledge involvement. In some to those cases, though reported in 1984, the individuals had actually disappeared in earlier years. The Government for its part claimed the guerrillas kidnapped many civilians. It is widely believed that many of these alleged kidnappings may have been voluntary desertions to the guerrillas. Anti-Sandinista guerrilla forces took captive three Sandinista Front members, including Sandinista National Assembly candidate Ray Hooker, on September 5. The guerrillas released all three on October 30 in exchange for three prisoners held by the Government. During 1984, one guerrilla group turned over 54 captured soldiers to the Costa Rican Red Cross.

c. Torture and cruel, inhuman or degrading treatment or punishment

In 1984 the CPDH continued to collect evidence of systematic physical and psychological abuse and torture. Prisoners were reportedly kept in cramped, dark cells and fed meals at irregular intervals in order to disorient them, ordered to use only their prison numbers and not their names, and subjected to physical abuse and to threats against their family. One prisoner claimed that food and medical attention were almost nonexistent, and that whatever supplemental foodstuffs were brought in through relatives were stolen by the guards. Another reported that he was kept naked in a cold cell with a ceiling so low he could not stand upright. Other reports alleged prisoners were suspended from the ceiling by their hands during interrogation. Prisoners also reported being beaten with chains, fists and gun butts. It was alleged that, as a form of punishment, one prisoner was placed in a cell with several tuberculoid prisoners. Cases of psychological torture were also frequently reported. Prisoners were forced to listen to the screams of those being tortured, then were told by security officials that the screams came from members of their families. One prisoner was told, falsely, that his family had been arrested by security officials, who forced the spouse to don prison garb. She and her husband were then allowed to see each other but not to converse. Reportedly, security officials physically abused and threatened alleged "subversives" and political suspects. Nicaraguans who fled of Costa Rica reported incidents of rape, torture and murder of children by security and military forces. In the case of Prudencio Baltadano, soldiers tied him to a tree and cut off his ears. Interior Minister Thomas borge admitted that some cases of physical abuse and killings of detained persons by security forces had occurred, but claimed the Government was working to resolve the problem. The National Human Rights Commission also stated that occasional individual abuses of authority had occurred, but insisted that those guilty had been found and punished.

On May 30, 1984, Amnesty International reported in a press release that it had "confirmed that some prisoners have been tortured or ill-treated in Nicaragua." Protests of ill-treatment from individual prisoners or domestic and international organizations have been followed by internal military and police discriplinary hearings, as well as public hearings by criminal courts and courts-martial against police and military personnel alleged responsible. Recent cases include a civil court trial of police officers of the City of Leon, for mistreatment of prisoners. In March a public hearing was held to consider a range of charges against a local military commander and 41 subordinates in the northern department of Jinotega. Sentences of up to the maximum 30 years' imprisonment were handed down in the cases of the commander and 12 others after conviction on a series of charges for abuses, including torture and murder, carried out during counterinsurgency operations in the area in November and December 1983.

In general, Nicaraguan prisons suffer from severe overcrowding. The Government allows the prisoners one visitor every two months and recently announced that those prisoners serving sentences of longer than 10 years would be allowed one visitor every three months. The visitors are allowed to bring food to the prisoners, but no food may be left with the prisoner after the visit. Although conditions are reportedly better in a few prison farms in the Managua area, the CPDH says that these prison farms are used for propaganda purposes and that the only prisoners allowed in them are those whose sentences are almost completed or who have collaborated with the authorities. The CPDH believes that prison conditions in general deteriorated during 1984 and alleges that prisoners' families feared reprisals if they requested reviews of cases or conditions. The CPDH also said that in 1984 it became more difficult to pursue appeals and other legal recourses. The International Committee of the Red Cross made periodic visits to the prisons, providing medical and nutritional assistance and seeing all the prisoners at least once every three months. During 1983 these visits were interrupted, but they resumed in early 1984. However, the Red Cross has not been given access to those detained in special state security facilities separate from the regular prisons. According to Catholic Church officials, priests are denied access to most prison facilities.

d. Arbitrary arrest, detention or exile

According to the Government, there were approximately 5,000 persons in jail, including about 2,000 ex-National Guardsmen or persons accused of cooperation with former President Somoza. The CPDH estimated 900 prisoners had been convicted for "subversive" activities and an additional 500 were being held pending charges.

The 1982 State of Emergency suspended those provisions of the Fundamental Statute promulgated by the Government in 1979 which granted detained persons the right to be held for no more than seven days without arraignment. Habeas corpus was also suspended in security-related cases. Both of these rights were partially restored on August 6, 1984. As anti-government activities increased in 1984, the security forces arrested hundreds of suspects under the Law of Maintenance of Order and Public Security. Open expression of dissent on occasion resulted in harassment or detention. Suspected guerrillas and "subversives" continued to be held in special holding facilities with no access to legal counsel or to domestic or international humanitarian organizations. Some were released after the completion of an investigation lasting from three to six months on the average, others were remanded to the special tribunals, and many simply remained in detention. In 1983 the Government declared that because of the security situation, some former National Guard members had to remain in custody even though they had completed their sentences and this practice continued in 1984. Others held on security charges also remained incarcerated after they had been exonerated or had served their sentences. Former Minister of Defense Bernardino Larios, charged in 1981 with plotting the assassination of Sandinista leaders, was held for three years until the Supreme Court overturned his conviction and ordered his release. Larios was held an additional 40 days before the Government finally honored the release order, and after his release, he was refused permission to leave the country and was subjected to other government-inspired harassment. The Inter-American Human Rights Commission's 1984 annual report called attention to, "numerous detainees holding release orders issued by a competent judge, but who are kept in prison for prolonged periods, with no reason given for the detention. Situations such as the above represent a violation of the right to personal freedom and to due process, and they must be remedied promptly to lend substance to the Nicaraguan Government's statements concerning the independence and authority of the country's judiciary. The Commission repeats, with respect to the right to a trial and to due process, that the remedy of habeas corpus or amparo may not be suspended as it has been in Nicaragua."

In 1984 the Government extended indefinitely the amnesty originally granted in December 1983 to Miskito Indians from northern Nicaragua and certain exiles and "counterrevolutionaries." Nevertheless, the CPDH documented the cases of 60 Miskito Indians who remained jailed in 1984. Notwithstanding the CPDH's repeated inquiries, the Government gave it only partial responses in 17 of the cases. In one case the Government claimed the prisoner had been released, but prison officials told relatives the prisoner had merely been transferred to another facility. Moravian Church officials claimed to know of an additional 24 Atlantic

Coast residents being held in Nicaraguan prisons on political charges. In late 1984, the Government began talks with leaders of one of the Miskito Indian guerrilla groups.

The Government does not specifically exile dissidents. Many opposition leaders and activists have fled on their own, however, and fear they would be imprisoned if they returned. In a May 30, 1984 press release, Amnesty International reiterated its longstanding concern about the "detention of prisoners of conscience, deficiencies in trial proceedings, and limitations on the right of appeal to sentences handed down by Special Tribunals created to try some categories of prisoners." In its 1984 annual report, Amnesty International stated that, "Many supporters of legal political parties, trade union organizations, and other bodies opposing government policies were detained for questioning for periods ranging from several hours to over one month of incommunicado detention, before being released without charge. Amnesty International believed that a pattern of harassment emerged from the detention of trade union members and other suspected opponents of the government for short periods of questioning. Many such detainees subsequently reported being threatened that they would be detained again for prolonged periods under the Public Order Law if they did not assist the security forces or resign from certain lawful organizations."

The CPDH believes that the disappearances, noted in section 1b in which security forces were implicated, involve "a deliberate policy of keeping prisoners incommunicado and at the mercy of their captors, undergoing all sorts of physical and psychological abuse."

e. Denial of a fair public trial

Under the 1979 Fundamental Statute, the judiciary was to be an autonomous branch of government, an independence generally exercised in ordinary criminal cases. In cases where the accused was charged with "counterrevolutionary" or "subversive" activity, however, judges have routinely decided in favor of the prosecution. Nevertheless, some judges have continued to exercise limited independence. For example, the Supreme Court ruled in January that the conviction of former Defense Minister Bernardino Larios was improper, due to an absence of convincing evidence, and ordered that the prisoner be freed.

In April 1983 the Government established special "Popular Anti-Somocista Tribunals" to handle the rapidly growing number of cases of accused guerillas and "subversives." These tribunals, which became increasingly active in 1984, operate outside the conventional judicial system, and their decisions cannot be appealed to the regular court system. The members of the tribunals are selected from the tanks of Sandinista organizations, and only the president of each tribunal is required to be a lawyer. Persons tried in these courts have the right to counsel and to introduce evidence, but the tribunals are granted great discretionary powers in determining whether evidence is admissible and whether it is sufficient for conviction. The proceedings of the tribunals are declared to be open to the public, but in some cases attendance is restricted. Trials have reportedly been scheduled with little advance notice, limiting opportunities for the accused to prepare his defense. Often the prisoners, even after "confessing" to state security officials, have been held under investigation for three to six months before being suddenly brought to trial. Since all Special Tribunal cases are tried in Managua, witnesses who live in other areas of the country are hard-pressed to attend trials on time. In its 1984 annual report, the Inter-American Human Rights Commission wrote that, "The procedures followed by the Anti-Somoza Courts give rise to serious doubts with respect to observance of the norms that guarantee due process." According to the CPDR, during the first ten months of 1984 the tribunals had adjudicated the cases of approximately 620 prisoners, of whom about 90 percent were found guilty and sentenced to up to the maximum penalty of 30 years in prison. In one case a prisoner was sentenced to seven years, and upon appealing to another tribunal was sentenced to an additional eight years, reportedly for having made recourse to the services of the CPDH.

In 1984, as in past years, the Government made use of national television and radio to accuse suspected "subversives." In April, state security officials used this method to accuse a priest, a doctor and several members of an independent union of arms trafficking and sabotage.

f. Arbitrary interference with privacy, family home, and correspondence

The Government has developed an elaborate and effective security and intelligence network employing both government agencies, such as the security forces, and Sandinista party organizations, particularly the "Sandinista Defense Committees," to ferret out dissidents and suspected "subversives." The Sandinista Defense Committees, organized in most neighborhoods throughout the country, serve as a network of informers and as an instrument of pervasive political control and intimidation—they are self-described as the "eyes and ears of the Revolution." Participation in the Defense Committees is supposed to be voluntary. However, the Sandinistas employ many methods to entice or pressure individuals into joining, including Committee control over the distribution of ration cards for the purchase of basic products such as rice, beans, and soap. While many who do not participate in Sandinista activities suffer no ill effects, others are arbitrarily branded as politically suspect or are denounced by Sandinista activists as subversives. People who criticize the "revolutionary process" or its leadership may be subjected to pressure ranging from public ridicule and defacement of their homes by Sandinista mobs to loss of employment and even detention. There have been reports that members of the Sandinista youth group have denounced teachers for their political views, whereupon the teachers have been fired.

As the November elections approached, the Government made it increasingly difficult for citizens to remain neutral. Mobs composed of scores of Sandinista Front supporters demonstrated at the homes and offices of opposition figures, chanting slogans and threats, and defacing buildings with pro-Government graffiti. The mobs sometimes resorted to violence, vandalizing nearby cars, beating people, and disrupting opposition political rallies during the electoral campaign. Such mobs heightened the climate of fear in which critics of the regime lived and worked. The Government took no responsibility for these actions. It stated that it regarded them as "legitimate expressions of the popular will" and did not interfere to protect the rights of those victimized by them. In September, government agents closed several technical schools in Leon, transported the students to Chinandega, where they were directed against high school students, mostly female, who were marching in protest against the draft. A number of the girls were badly beaten. The Government also showed on occasion that it could stop such activity when it wished to do so. When several days of intense mob activity in September aimed at disrupting political rallies by opposition candidate Arturo Cruz focused wide international attention on the Government's use of such techniques, a subsequent opposition party rally took place with no interference whatsoever.

There are credible reports that under-age Nicaraguan males have been impressed into military services, including, in some cases, boys younger than 15. The Inter-American Human Rights Commission concluded in its 1984 annual report that, "On many occasions, young people who are ineligible under the very terms of that law that created the service have been drafted into it. Furthermore, it has been pointed out that this recruitment takes place not only for reasons of national defense but also as a means of political indoctrination of those drafted onto the ranks of the army. In November in the town of Chinandega, an estimated 3,000 young men were forcibly taken from their homes in handcuffs, during a massive forced conscription effort.

On December 24, 1984, government agents forcibly entered the Costa Rican Embassy and removed a Nicaraguan youth who had sought asylum there. Costa Rica vigorously protested this action.

The State of Emergency suspended the legal requirement for a search warrant. Police and state security officials regularly enter and search private residences. The Government opens private mail and intercepts both incoming and outgoing international mail. Officials inspect the baggage and personal effects of both arriving and departing international travelers and confiscate items of literature, including newspapers from neighboring countries alleged to be subversive.

In late 1981 and early 1982 the Government forcibly relocated about 10,000 Miskito Indians from their homelands to distant resettlement camps. During 1984 the Government refrained from further relocations but refused to permit those Indians already displaced to return to their homelands. Relocation camp residents are allowed to fish and hunt but are prohibited from using firearms unless they belong to the Sandinista militia. They reportedly cannot go more than two kilometers from their camps without government permission. Even their canoes, upon which they rely for their livelihood and transportation, must be registered with the Government. Residents are paid for agricultural work with food rather than money. There continued to be credible reports of food shortages and malnutrition in the resettlement camps during 1984. In its July 1984 "Report on the Situation of Human Rights of a Segment of the Nicaraguan Population of Miskito Origin," the Inter-American Commission on Human Rights concluded that, "hundreds of Miskitos have been arbitrarily detained without any formalities and under vague accusations of carrying out 'counterrevolutionary activities;' many of these detentions have been followed by prolonged periods of incommunicado imprisonment and in some cases the Commission has verified that illegal torture and abuse took place." The Commission also stated that, "With respect to the destruction of the homes, crops, livestock and other belongings of the Miskitos

at the time of the relocation, Government officials themselves have recognized that these acts took place."

Section 2. Respect for Civil Rights, Including:

a. Freedom of Speech and Press

The Government continued to maintain prior censorship of both the printed and electronic media throughout 1984. The only independent source of news in the country is the newspaper La Prensa. Since 1979, independent radio news programs have gone off the air as a result of government censorship. Currently, all radio news programs, the two television channels, and two of the three daily newspapers either support or are controlled by the Government. The Government expelled a correspondent from the Spanish news agency EFE in March 1984. While there is no censorship of domestic or imported books, few books from the West are on sale in Nicaraguan book stores, which are stocked almost entirely with publications from Communist countries. Censorship of La Prensa in 1984 continued to be capricious and increased sharply by the end of the year. Government censorship cut articles ranging from reports on democratic leaders, the expulsion of 10 foreign priests, a conversation with government guest Jesse Jackson and Costa Rican visas. Though a July 19 government decree proclaimed that censorship would continue only on matters of national security, censorship in fact continued on internal political matters, economic problems, human rights, and many other non-security related issues. Shortly after this decree was issued, the Government informed private radio station owners that all radio news remained subject to prior censorship.

La Prensa editors estimate that between January and October 1984 the Government censored 20 percent of their stories on current national and international events. The paper did not appear on at least 14 occasions in 1984 in response to heavy censorship. Following the elections, the Government doubled its censorship of La Prensa, with an average of ten censored articles per day in November. A La Prensa photographer and a journalist were detained for several months for alleged "subversive" acts. La Prensa charged that the Government also continued to harass its distributors outside Managua. The Government continued to insist that the sermons of Managua Archbishop Obando y Bravo be submitted to censors at the Ministry of Interior prior to live radio broadcast. The Church has refused to do this, and the Archbishop's sermons are no longer heard live on the radio, although they are printed in La Prensa and subsequently rebroadcast. In July the censors threatened to shut down Radio Catolica (the Catholic Church radio station) because it deviated from scheduled programming to play religious music as a tribute to 10 priests expelled by the Government.

The Government's imposition of "curriculum rationalization and coordination" on the two Nicaraguan universities has limited their autonomy in developing their curricula and has further circumscribed academic freedom. The Ministry of Education has imposed on primary and secondary schools as well curricula with a strong ideological content. The Sandinista youth organization is a pervasive influence in the public education system, and has reportedly paid for some members' tuition in private schools in order to have the organization represented there. Sandinista youth members allegedly have denounced teachers for not supporting the Government.

b. Freedom of peaceful assembly and association

The 1982 State of Emergency Decree suspended the right of assembly, but the Government allowed opposition groups to hold indoor meetngs. Small demonstrations, including one commemorating the anniversary of the death of former La Prensa editor Joaquin Chamorro, were also allowed. However, in July the Government reacted to a Catholic Church-organized march in support of a priest accused of "counterrevolutionary activities" by expelling ten foreign Catholic priests. On July 19, the fifth anniversary of the Nicaraguan Revolution, Junta Coordinator Daniel Ortega announced that the right of free assembly would be restored to those opposition political parties that registered for the November elections. Nevertheless, registered political party rallies and marches were subjected to frequent and often violent interruption by Sandinista mobs.

When students in Chinandega marched in August to protest against military conscription, the Government reportedly made teachers personally responsible to ensure their students did not participate in future demonstrations. At least one of the schools from which these students came has since been threatened with closure. Political meetings held indoors by non-registered political parties were also subjected to mob attacks. None of the restrictions applied to pro-government organizations, which held frequent open-air rallies throughout the year. Students in public schools were released from school early and obliged to participate in some Sandinista rallies, as were government workers and members of the armed forces.

The Government has attempted to weaken the independent labor movement while creating alternative labor bodies controlled by the Sandinista Front. It controls most of the 20 to 30 percent of the total workforce which is organized. The Sandinista Front's two principal confederations, the Sandinista Workers' Central (CST) and the Asociation of Rural Workers (ATC), have over 120,000 members and dwarf the non-Sandinista organizaitons, which have about 40,000. In theory, the Sandinista unions serve as a conduit for workers' desires and grievances to the Government. In fact, these confederations consistently support government policies such as strict labor discipline and worker participation in defense activities.

Approximately 60 members of the independent Nicaraguan Workers' Central (CTN) were detained during the year, some for as long as four months. At least six CTN members formerly convicted of "subversive" activity were pardoned by the Council of State in 1984. Twelve members remained in detention at year's end. Police entered and searched the Managua headquarters of the CTN on May 24, taking with them several documents, and returned later and arrested several members of the union. The independent Confederation for Labor Unification (CUS) was subject to similar government harassment. On May 1, a Sandinista mob entered a CUS school and damaged some of its equipment. In September, two CUS members who reportedly received logistical support from the Goverment occupied the CUS headquarters and called for its withdrawal from the Coordinadora, a coalition of groups opposing the Government. When Confederation leaders attempted to hold a meeting to discuss the isue, pro-government mobs interrupted the proceedings. In the resulting melee several injuries occurred. The police then occupied the headquarters briefly before returning the building to the CUS.

The Government requires that the Labor Ministry participate in collective bargaining and approve any labor-management contract; until August, strikes were illegal. On August 6 the Government restored the right to strike. Shortly thereafter, a Sandinista union called a strike. Further labor unrest was cut short by government warnings—supported by the Sandinista Workers' Central—that strikes or work stoppages were threats to national security and would not be tolerated. In a September 8 speech, Sandinista Front National Directorate member Victor Tirado declared that, "The strike as a weapon, as a political instrument of the working class, has already passed into history."

The major labor confederations maintained ties with recognized international labor bodies. The CST is a member of the Soviet-aligned World Federation of Trade Unions. The Christian Democrat-oriented CTN is affiliated with the Latin American Confederation of Workers. The CUS is a member of the International Confederation of Free Trade Unions as well as a member of several regional organizations. The Government designated the ATC to represent Nicaraguan labor at the 1984 International Labor Organization Conference in Geneva.

c. Freedom of religion

Catholicism is practiced by about 80 percent of the population. Although a number of other faiths are legal and operate freely, the Government has harassed and expropriated property from certain faiths, such as the Seventh-Day Adventists, Mennonites, Jehovah's Witnesses, Mormons, Jews, and the Moravian Church.

Initially highly supportive of Sandinista, the Catholic Church has become increasingly disenchanted with Sandinista policies. Most of the clergy, led by Managua Archbishop Miguel Obando y Bravo, wish to remain independent of the Government and are increasingly critical of it. At the same time, a minority faction which terms itself the "Popular Church" is strongly pro-Sandinista. The division between this faction and the rest of the Church is based partly on theological issues, but also reflects the ongoing struggle between the Church and the Sandinista Government over the direction of post-Somoza Nicaragua. The Government has harassed the Church repeatedly, and the bishops are regularly attacked in the government and pro-government press. The Church has resisted government efforts to assert greater control over Catholic schools. The Government, which had banned Obando Y Bravo's televised masses in 1981, continued to prohibit the live broadcast over radio of his Sunday sermons during 1984. In April the Government delayed the publication or a pastoral letter of the Catholic Church's Espiscopal Conference calling for national reconciliation, and conducted a bitter campaign against the Church hierarchy in the government media. Sandinista mobs harassed persons attending some Catholic Church events, and on one occasion set fire to weeds surrounding a church and hung a Sandinista union flag from the steeple. In late June the Government accused a priest of subversive activity and restricted him to a local seminary. When priests in Managua undertook a brief

protest march in support of the accused priest, Interior Ministry officials responded by expelling ten foreign priests—including some who had not taken part in the march—and canceling their residence permits. The Government also refused to grant residence permits to some foreign priests and nuns working in Nicaragua. On several occasions, the Government refused to honor visas issued to priests and denied them entrance into the country. The Government has also on at least two occasions attempted to place priests in sexually embarassing situations which could be manipulated to discredit the church hierarchy. In 1982 such an attempt was made against Church spokesman Monsignor Bismarck Carballo, and in 1984 against a visiting Venezuelan bishop and two other priests. The Inter-American Human Rights Commission fund that, "Although it is true that much of the friction between the Government and the churches arise from positions that are directly or indirectly linked to the political situation of the country, it is also true that statements by high government officials, official press statements, and the actions of groups under the control of the Government have gone beyond the limits within which political discussion should take place and have become obstacles to certain specifically religious activities."

Some smaller denominations continued to be persecuted for spreading allegedly subversive ideas and for collaborating with "counterrevolutionaries." Several properties that Sandinista mobs had seized in 1982 from the Seventh Day Adventists, the Church of Jesus Christ of Latter-Day Saints, the Mennonites and Jehovah's Witnesses remained under government control throughout 1984. Two members of the Jehovah's Witnesses were detained in August, and others requested protection from the courts because of harassment by Interior Ministry officials.

The 1978–79 insurrection and government policies since 1979 led virtually all of the approximately 50 members of the Jewish community to leave the country. In 1984 the Government maintained its 1983 offer to restore the Managua synagogue—which the Government had earlier confiscated—to the Jewish community, in response to repeated efforts by the Anti-Defamation League of the B'nai B'rith. The Government also agreed in principle to review one case of a member of the Jewish community whose property had been confiscated, but thus far has refused to restore the property or to offer compensation. The Government continues to maintain close ties with the Palestine Liberation Organization and maintains strong anti-Israel and anti-Zionist positions in international organizations.

d. Freedom of movement within the country, foreign travel, immigration and repatriation

On July 19, 1984, the Government announced it would guarantee freedom of travel throughout the country as part of its electoral campaign program. However, military and security forces in 1984 continued to operate numerous checkpoints, particularly in the northwestern areas of the country, and access to some areas was often temporarily restricted because of military activity. For example, the entire Atlantic Coast region remained a restricted military area, and individuals continue to require Interior Ministry permission to travel there.

The Government requires exit visas for all Nicaraguan citizens and residents who desire to leave the country. After the elections in late 1984, it blocked the departure from the country of at least 22 opposition leaders and members. Following intense international criticism, it subsequently authorized some of these people to travel abroad. In January 1985, the Government announced that tickets for foreign travel must be purchased in U.S. dollars. Since the sale of foreign currency is strictly controlled by the Government—and is usually unavailable to the general public—the result may be to curtail opposition travel abroad.

The Government continued in 1984 to confiscate the property of Nicaraguans who remained out of the country for periods of six months or more. It has not, however, permanently blocked the return of Nicaraguan citizens, nor has it taken action against non-Nicaraguans returning to Nicaragua from other countries. Neither has it revoked the citizenship of opposition leaders in exile, though it did begin criminal proceedings against a number of leaders of the armed opposition. The Government has, however, denied entry to several foreign priests, notwithstanding their possession of valid Nicaraguan visas. It also canceled the residence permits of 10 foreign priests in June and has refused to grant resident status to other foreign priests working in Nicaragua.

During 1984 thousands of Nicaraguans left the country, joining the tens of thousands who have abandoned the country since 1979. Between January and May 1984 an estimated 1,500 youths between 17 and 25 fled Nicaragua to avoid military conscription. Several thousand Miskitos crossed into Honduras during the year, including 2,000 who fled en masse in April and May. The flow of displaced persons from the north central departments continued due to heavy fighting. Many also left for Costa Rica as fighting continued in the south.

Nicaragua has received over 20,000 displaced persons since 1979, nearly all from El Salvador. The Government works closely with the United Nations High Commissioner for Refugees to provide food, clothing, and shelter for these people and attempts to integrate them into society. It does not forcibly repatriate displaced persons.

Section 3. Respect for Political Rights: The Right of Citizens to Change Their Government.

The Sandinista Front declares that it is a "vanguard party" with a historic right to rule. Its nine-man National Directorate has ruled Nicaragua through the Junta of Government, the cabinet ministries, and the Council of State, a quasi-legislative body. In all three bodies the Sandinistas have a decisive majority. For example, the Junta was composed of Sandinista Directorate member Daniel Ortega (the new President), Sandinista member Sergio Ramirez (the new Vice-President), and Democratic Conservative Party member Rafael Cordova Rivas. Daniel Ortega's brother Humberto, a fellow member of the Sandinista National Directorate, is Minister of Defense and Commander-in-Chief of the Sandinista Popular Army. Of the other seven Sandinista National Directorate members, three head the Ministries of Interior (including the security forces), Planning, and Agriculture. Another is President of the Council of State; yet another is Vice-Minister of Interior. All major appointments in the Government are made by the Sandinista National Directorate, acting through the Junta of Government. The National Directorate has also determined the allocation of seats in the Council of State, ensuring unchallenged Sandinista Front domination of that body. The Sandinista Front's victory in the November 1984 elections will continue its control through the Presidency and the new National Assembly, which replaced the Junta and the Council of State in January 1985.

Thirteen political parties exist in Nicaragua. The Government routinely harasses the opposition parties through the detention of party members and activists, mob action against party headquarters, threats, prohibition of large rallies, denial of exit visas, and censorship. A number of activists from opposition parties were detained during 1984 on politically motivated grounds. The Democratic Conservative Party obtained the release of approximately 60 imprisoned members, but claims another 140 remain in jail. Several members of the Social Christian Party were also detained and harassed.

The Government sought to improve its international image through the process culminating in the November 1984 presidential and National Assembly elections. Parties that registered for the elections were allowed to share 30 minutes per week on national television and 45 minutes per week of radio time during the three-month campaign. Each registered political party was also given nine million cordobas (approximately $320,000) to finance its campaign. In theory parties were allowed freedom of assembly and expression; in practice the Government frequently violated these rights. The Government specifically excluded the armed opposition from participating in the elections. Despite the Government's guarantees, pro-government forces repeatedly harassed the opposition parties throughout the campaign. Press censorship continued, including coverage of opposition rallies and statements. Opposition party youth activists were detained by the police, and in some cases were even drafted into the Armed Forces. Pro-government demonstrations repeatedly and sometimes violently disrupted opposition rallies without punishment or sanction of any kind. On one occasion a member of the Militia fired into an opposition meeting, injuring two persons. The Supreme Electoral Council, required by law to supervise the campaign process, did little to correct the situation.

Deeply skeptical of government objectives, and disturbed by government violations of the existing campaign rules, the principal democratic opposition group—known as the Coordinadora—conditioned its participation on the existence of adequate electoral conditions, including full freedom of assembly and of the press, access to the voter registration process, and the postponement of the elections to allow all parties to have at least 90 days in which to campaign. During Socialist International-sponsored negotiations in October 1984 between the Government and the Coordinadora, the Government initially accepted but then rejected these conditions. Consequently, the Coordinadora, led by presidential candidate Arturo Cruz, maintained its boycott of the elections.

The Independent Liberal Party also voted to withdraw from the elections, but the Government refused to take it off the ballot. In addition, Sandinista Front members interrupted a meeting of the Democratic Conservative Party to prevent a decision to join the election boycott. Of the remaining four non-Sandinista parties that were on the electoral ballot, three were small Marxist parties with little popular support. Consequently, the Nicaraguan people were

denied a broad range of opposition parties for whom to vote. The 1984 report of the Inter-American Human Rights Commission stated that, "The Commission has been able to verify that during the current electoral process, the Sandinista National Liberation Front has intensively used all of the resources made available to it by its holding of state power, which places it in an advantageous position with respect to other contenders. In this regard, the denounced harassment of political and union leaders is unacceptable. Furthermore, the IACHR considers that some candidates have been excluded, which could have been avoided if there had been greater flexibility, both on the part of the candidates and the Government."

With these serious shortcomings in the process, the Government party—the Sandinista Front—won the flawed elections with 62 percent of the vote. Many foreign observers reported that the balloting appeared to be orderly and honest, although some observers claimed that voter participation was lower than official figures indicated. In about two-thirds of the polling places there were poll watchers only from the Sandinista Front. About 25 percent of the registered voters failed to vote, and about 7 percent of the votes were declared improperly marked. Notwithstanding the Government professed interest in allowing opposition participation in political life, following the elections it increased press censorship and restricted foreign travel by opposition leaders.

Section 4. Governmental Attitude Regarding International and Non-governmental Investigation Of Alleged Violations of Human Rights:

The Government undertook a commitment to the Organization of American States in July 1979 to observe human rights, as well as to respect pluralism and to hold free elections. The Government professes to be proud of its human rights record and says it officially welcomes the scrutiny of the international community. During 1983 a team from the Inter-American Human Rights Commission of the OAS visited Nicaragua to conduct a follow-up investigation on the treatment of Miskito Indians in the Atlantic Coast region. In a report and resolution released in June 1984, the Commission provided further documentation of government violations of the Indians' human rights and terminated its role as a friendly mediator between the Miskitos and the Government.

The government-sponsored National Commission for the Promotion and Protection of Human Rights (established in 1980) continues to be the only organization recognized by the Government as competent to file applications for pardons or to request the review of cases on human rights grounds. During 1984 it brought about the release of approximately one hundred political prisoners, most in the week preceding the November 4 elections. The independent CPDH suffered continued harassment from the Government in 1984, including the detention of its workers and interference with the distribution of its reports. The Government refuses to deal directly with the CPDH or to acknowledge complaints submitted through it. Although lawyers acting on behalf of the CPDH frequently are denied access to prisoners, it nevertheless continues to collect data and to publish detailed reports.

ECONOMIC, SOCIAL, AND CULTURAL SITUATION

Nicaragua had a population of roughly 3,400,000 in 1984. According to the World Bank, its per capita gross national product in 1981 was $860 and its population growth rate was 3.9 percent (1970-81), although the Government reports a population growth rate of 3.3 percent. Nicaraguans have a life expectancy at birth of 59.8 years. Zero or negative economic growth is expected in 1984. In 1983, exports were about $430 million compared to the pre-1979 level of $650 million. Imports were $803 million in 1984. Foreign assistance decreased sharply in 1984, most of it coming from the Soviet bloc. Inflation for 1984 was about 60-80 percent. About 20 percent of the work force was unemployed.

Serious economic mismanagement, declining exports and guerrilla activity contributed to Nicaragua's economic problems in 1984. The lack of political stability and investor confidence contributed to the stagnation of the economy. The Nicaraguan private sector, which accounts for approximately 60 percent of gross domestic product, is very closely controlled by the Government, which has, inter alia, a monopoly on foreign trade and on bank credit. Although government leaders have reiterated their intention to foster a mixed economy, arbitrary property confiscations and the government's Marxist rhetoric have discouraged private investment. There were numerous instances during the year of arbitrary confiscation of land for political reasons.

The Government made efforts during the year to improve health services. Campaigns in 1984 provided vaccinations for several common diseases, reportedly resulting in the elimination of polio and a decrease in malaria cases. Medicine provided in hospitals and health centers is free, although a lack of foreign exchange shortages has resulted in extreme shortages of medicines. New health centers and regional hospitals were constructed. The infant mortality rate reportedly was reduced to 65.2 deaths per 1,000 live births in 1984. According to government figures, about 95 percent of the urban population and 12 percent of the rural population have access to safe water. World Bank statistics from 1976 stated that 70 percent of the population had access to safe water. The Government claimed to have 10 percent of the population on social security rolls in 1984, and to have raised literacy to 88 percent. The adjusted primary school enrollment ratio in 1983 was 73 percent. According to 1978 World Bank figures, 85 percent of school-age children were enrolled in primary schools.

Women are active at all levels of society and at all but the highest levels of the Government and the Sandinista Front. There is one woman on the Supreme Court and one woman Cabinet Minister. Women have served as national coordinators of one of the opposition parties as well as of the Permanent Human Rights Commission. A large number of seats on the Council of State are filled by women. Participation of women in the military is voluntary.

U.S. OVERSEAS—LOANS AND GRANTS—OBLIGATIONS AND LOAN AUTHORIZATIONS

[U.S. FISCAL YEARS—MILLIONS OF DOLLARS]

Country: Nicaragua	1982	1983	1984
I. Econ. Assist.—Total	6.3	0.0	0.1
Loans	0.0	0.0	0.0
Grants	6.3	0.0	0.1
A. Aid	5.8	0.0	0.0
Loans	0.0	0.0	0.0
Grants	5.8	0.0	0.0
(Sec. Supp. Assist.)	5.1	0.0	0.0
B. Food for Peace	0.4	0.0	0.0
Loans	0.0	0.0	0.0

U.S. OVERSEAS—LOANS AND GRANTS—OBLIGATIONS AND LOAN AUTHORIZATIONS—Continued

[U.S. FISCAL YEARS—MILLIONS OF DOLLARS]

Country: Nicaragua	1982	1983	1984
Grants	0.4	0.0	0.0
Title I—Total	0.0	0.0	0.0
Repay. in $—loans	0.0	0.0	0.0
Pay. in for. curr	0.0	0.0	0.0
Title II—Total	0.4	0.0	0.0
E. Relief, Ec. Dev & WFP	0.4	0.0	0.0
Vol. Relief Agency	0.0	0.0	0.0
C. Other Econ. Assist	0.1	0.0	0.1
Loans	0.0	0.0	0.0
Grants	0.1	0.0	0.1
Peace Corps	0.0	0.0	0.0
Narcotics	0.0	0.0	0.0
Other	0.1	0.0	0.1
II. Mil. Assist.—Total	0.0	0.0	0.0
Loans	0.0	0.0	0.0
Grants	0.0	0.0	0.0
A. Map Grants	0.0	0.0	0.0
B. Credit Financing	0.0	0.0	0.0
C. Intl Mil. Ed. Trng	0.0	0.0	0.0
D. Tran-Excess Stock	0.0	0.0	0.0
E. Other Grants	0.0	0.0	0.0
III. Total Econ. & Mil	6.3	0.0	0.1
Loans	0.0	0.0	0.0
Grants	6.3	0.0	0.1
Other US Loans	0.0	0.0	0.0
Ex-Im Bank loans	0.0	0.0	0.0
All Other	0.0	0.0	0.0

ASSISTANCE FROM INTERNATIONAL AGENCIES

	1982	1983	1984	1946–84
Total	51.3	31.3	0.3	732.9
IBRD	16.0	0.0	0.0	231.1
IFC	0.0	0.0	0.0	9.5
IDA	0.0	0.0	0.0	60.0
IDB	34.4	30.7	0.0	403.7
ADB	0.0	0.0	0.0	0.0
AFDB	0.0	0.0	0.0	0.0
UNDP	0.9	0.6	0.0	22.9
Other—UN	0.0	0.0	0.3	5.7
EEC	0.0	0.0	0.0	0.0

CORPORATE MERGERS

Mr. THURMOND. Mr. President, there is a lot of interest today in the question of corporate mergers, including so-called hostile takeovers. This is a very important matter that concerns a lot of companies. A great many of them are under threats today. There are several right now that have their backs to the wall on this question.

I have issued this press release today:

WASHINGTON, February 20.—The Senate Judiciary Committee will hold hearings in the near future on the current state of corporate mergers, including so-called hostile takeovers, Committee Chairman Strom Thurmond announced today.

THURMOND announced the hearings, saying he has been contacted about the issue of corporate mergers by Senators, Members of Congress, and business and industry officials, who have expressed interest in the issue.

"Since a great deal of interest and concern has been expressed on this issue, I think it best for the Judiciary Committee to pursue some hearings so that all the relevant information can be brought out," THURMOND said.

An exact date for the hearings will be announced later.

Mr. NICKLES. Mr. President, I wish to commend the chairman of the Judiciary Committee for his willingness to

participate and call for hearings on the issue of mergers, particularly as they pertain in hostile takeover situations. It is a very timely subject and a very important subject. Certainly, in our State of Oklahoma, we have seen a couple of mergers take place in hostile situations that have been very detrimental to our State. We have one now in process.

So I congratulate the Senator and look forward to working with him on this issue, and look forward to being an active participant in the hearings, as well.

Mr. PRYOR. Mr. President, I, too, would like to congratulate the distinguished Senator from South Carolina for holding these hearings. This is a major concern of this Senator. I appreciate very much the Senator from South Carolina making that announcement today that these hearings will be held.

Mr. THURMOND. I thank the Senator.

SENATOR GARN'S SHUTTLE MISSION 51-E

Mr. GARN. Mr. President, today would have been a particularly interesting day for me, since I had been originally scheduled to fly into space as a member of the crew of the space shuttle *Challenger* on flight 51-E.

Instead, I have been chairing a hearing of my Banking Committee speculating about our economic horizons, rather than observing the Earth's horizons from that unique vantage point.

The flight of 51-E has been delayed until early next month, and that delay has given me the opportunity to be here and to say a few words about this experience, and especially about the crew that I have been privileged to join.

The past 6 weeks have been perhaps the most interesting, educational, and exciting of my life, beginning on January 10, when I arrived in Houston, TX, at the Johnson Space Center for my initial training in preparation for the flight. I have been poked, prodded, examined, spun, evaluated, and tested in the most thorough medical and physical examination imaginable. I have been exposed to a universe of technical detail that boggles the mind, and observed an array of medical, technical, and logistical personnel at work in training and preparing the crew of the shuttle for the flight that is more impressive than you could imagine.

Much of what I have learned and observed I will be sharing with my colleagues over the next month and years in connection with my oversight responsibilities as chairman of the HUD and Independent Agencies Subcommittee. I have had a view of this Nation's Space Program that would not have been even remotely possible from the podium of my subcommittee, or from briefings by staff. Although not part of the NASA Administration's Space Program community, I have been trained and treated as though I were. I am not Senator JAKE GARN when I'm in Houston or Cape Canaveral; I am Payload Specialist GARN. That's the way I wanted it to be and that's the way it has been, and the result has been a real world view of how it all works—the good and the bad.

Certainly the best of all the good I've seen has been the crew of 51-E. I want to acknowledge here, and publicly state for the record, my respect and appreciation for as fine a group of professionals as I have ever met. They have accepted my last minute inclusion among them, not only with true professionalism, but with a warmth and friendliness that I find personally very gratifying.

I want my colleagues to know of these people and be proud, as I am, that they represent the essence of the best resource our Nation's space program has—the skilled professionals that make it all work.

Air Force Col. Karol J. "Bo" Bobko is the mission commander. Bo is the space veteran of the group, having flown as the pilot of the *Challenger* on STS-6 in April 1983. Bo has the overall responsibility for the mission activities.

Navy Capt. Donald E. Williams is the pilot for 51-E, who will be responsible for the shuttle's operating systems during the mission and for in-flight maneuvers related to the launching of the two satellites from the shuttle's payload bay.

Jeffery A. Hoffman, doctor of physics, is a mission specialist whose principal responsibility will be to deploy the TDRS-B and Anik C-1 satellites during the mission.

S. David Griggs is a pilot astronaut acting as a mission specialist on 51-E, who will assist in the deployment of the satellites and will also handle in-flight maintenance requirements of the shuttle's systems.

Dr. Rhea Seddon, a medical doctor, is a mission specialist with a broad range of duties assisting the crew in ascent and descent and satellite deployment. She will also be assisting in the medical experiments to be performed during the mission.

Lt. Col. Patrick Baudry is the French Cosmonaut who will be conducting equilibrium and vertigo experiments and various heart and blood vessel measurements with an echograph during the mission. Patrick has had the unique experience with training with both the U.S. and Soviet space programs, as he was the back-up to French Jean-loup Chretien, who flew with the Soviets on the Soyuz T-6/Salut-7 mission in June 1982.

In order to give my colleagues a better understanding of what this mission will involve, and what the crew members and myself will be doing, I ask unanimous consent that two articles from the recent issue of Aviation Week & Space Technology be included in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GARN. These six individuals have been a delight to get to know. I consider them to be friends, whom I enjoy personally and respect professionally. I have gone through hour upon hour of training simulation with them and watch their skill, imagination, and ability as they met the challenge of simulated problems in the shuttle mockup. I have absolutely no doubts or qualms about flying with this crew after seeing their response in those situations. I have spent a lot of time over the years as a member of countless flight crews and I have never felt any more comfortable than with this one.

Another aspect of this experience, Mr. President, has been the opportunity to get to know many of the support and training personnel, both at the Johnson Space Center and, this past weekend, at the Kennedy Space Center. Once again, I must acknowledge and praise the professionalism and expertise of those individuals involved in the training and preparation of the flight crews for the shuttle program. Shuttles have almost become so seemingly routine that we don't think what must go into the preparation for a launch. I know that I, for one, even with my exposure to the program through the appropriations process, never had any true idea of the depth and breadth of the preparations necessary for all aspects of a shuttle mission. I will have a lot more to say about this in the future but I want to at least acknowledge their role on this occasion. I especially want to express my appreciation to Lynne Collins and Erlinda Stevenson, in the Payload Specialist Office, for their cheerful and efficient support throughout my training program. Mike Smith, of the Astronaut Office, and Dr. Tom Moore, of the medical staff, have been magnificent in coordinating my training and helping me to learn the techniques and theories of the medical experiments I will be performing. And I can't forget the work of Astronaut/Doctor Bill Thornton, whose medical genius has served as the basis for many of the experiments I will conduct.

I could name many, many more individuals who have helped already to make this a rich, meaningful, educational, and unforgettable experience. One of my primary concerns from all of this is that those people will be recognized for their commitment, dedica-

tion, and hard work, for without all of them, this Nation would not have a successful space transportation system.

Mr. President, I will be returning to Houston this evening for the final preparations for the flight of *Challenger* and STS 51-E. I thank you and my colleagues for your support of this undertaking, and I look forward to my return to this body with a full report on the most exciting and fascinating experience I can imagine.

EXHIBIT 1

SHUTTLE MISSION 51-E WILL CARRY HEAVIEST PAYLOAD YET IN PROGRAM

(By Craig Covault)

WASHINGTON.—Space shuttle Mission 51-E set for launch Mar. 3 will carry the heaviest payload yet flown in the shuttle program on a five-day flight on which its seven crewmembers will conduct extensive medical tests to study space adaptation.

The mission will deploy the second TRW tracking and data relay satellite on a Boeing Inertial Upper Stage (IUS) and a $65-million Telesat Canada communications spacecraft that Telesat has no use for and is trying to sell through the Paine Webber brokerage firm.

The Mission 51-E crew also will conduct a variety of zero-g medical investigations with French cosmonaut Lt. Col. Patrick Baudry and U.S. Sen. Jake Garn (R.-Utah) as test subjects.

The flight's cargo weight of more than 50,000 lb. exceeds by more than a ton the heaviest previous payload weight carried into orbit by the space shuttle and approaches the 65,000-lb. maximum payload of the shuttle vehicle.

Primary elements of the five-day mission are:

Astronaut crew—Mission commander USAF Col. Karol J. Bobko and his crew originally were assigned to a mission that NASA canceled to combine two payloads on the first flight of the orbiter Discovery. The other Mission 51-E astronauts are pilot Navy Capt. Donald E. Williams and mission specialists Dr. Rhea Seddon, Jeffrey A. Hoffman and S. David Griggs, who is a pilot astronaut acting as a mission specialist on this flight.

Payload specialists—French cosmonaut Baudry is flying on the mission to conduct two detailed medical experiments and was focal point for the first joint U.S./French manned space exercise. Garn is flying the mission only as an observer but has been given a payload specialist designation. Garn has been assigned the minimal crew activity that will be expected from any flight observer—cooking, medical tests and photography. NASA physicians are using him as a subject for several simple tests that could be important in helping to understand the human body's adaptation to zero-g conditions. Garn is chairman of the Senate Appropriations subcommittee that oversees the NASA budget, and he pressed NASA repeatedly for permission to fly on a shuttle mission as part of his oversight responsibility.

Deployments—The second $100-million TRW/Spacecom relay satellite and its Boeing Inertial Upper Stage, weighing 18.5 tons, will be pushed off their cradle 10 hr. into the mission at a rate of only 0.4 fps. Bobko will be ready to maneuver Challenger out of the way if a malfunction should occur in the IUS spring ejection system as the 36-ft.-long stack moves out of the bay at a forward angle taking it directly over the cockpit. The Canadian Telesat I/Anik C-1 spacecraft and its McDonnell Douglas payload assist module (PAM) upper stage will be mounted forward of the IUS, directly outside of the crew's payload bay windows. The Anik spacecraft will be deployed on the second mission day at the 32-hr. point in the flight.

TDRS-B mission—The spacecraft is to be parked in geosynchronous orbit at 171 deg. W. Long. above the equator over the central Pacific Ocean. Once at that location, TDRS-B will operate in conjunction with the first TDRS to provide the shuttle and other U.S. spacecraft with communications contact for 85% of an orbit, compared with much more limited coverage with ground stations or only one TDRS satellite.

Anik's mission—Telesat Canada is trying to sell the spacecraft because its business has not developed enough for use of a third K_u-band spacecraft. Telesat already has two other Hughes HS-376 spacecraft in orbit. If no buyer is found before launch, Anik C-1 will be placed at 107.5 deg. W. Long. in a storage orbit. Telesat Canada has developed an innovative technique that will use the combined gravitational effects of the Earth. Moon and Sun to move the satellite gradually over a three-year period into exact position over the equator without expenditure of fuel, which must be saved for any buyer of the satellite. The company is launching the satellite instead of storing it on the ground because by doing so it has the advantage of a much cheaper shuttle launch cost—and therefore can offer a cheaper selling price—than would be charged if Telesat withdrew the satellite from the shuttle manifest and then scheduled launch later.

Halley's Comet preparations—Mission specialist Hoffman, an astronomer, will use a camera with an image intensifier, earlier used for shuttle glow experimentation, to assess how photography of Halley's Comet could be achieved with the same system on shuttle flights in late 1985 and early 1986. Hoffman's objective will be to see if the capabilities of the system will allow photography of Halley's Comet when it is closest to the Sun. This will be when the comet is most active, but also the most difficult to view.

Toys in space—The Houston Museum of Natural Science, in conjunction with the astronaut crew, has developed an educational flight project that will demonstrate physical laws and how they are affected by zero-g using simple toys as the demonstration tools. These exercises will be videotaped on board Challenger for distribution to school systems throughout the U.S. Studies show that when toys familiar to children are used in science demonstrations, young students can relate more easily to what is being demonstrated.

Space processing—One of Garn's duties will be to observe a new processing technique called two-phase acqveous polymer extraction. Two unmixed polymer materials will be dissolved in water and Garn will observe how they react to form a solution with two immiscible phases.

LAUNCH TIME

The Mar. 3 launch from Kennedy Space Center is set for 8:31 a.m. EST. Griggs will perform the center-seat flight engineer role, assisting Bobko and Williams for both ascent and reentry. Seddon will fly the ascent on the top deck and switch with Hoffman, who will fly the reentry on the top deck in the fourth flight deck seat. Garn and Baudry will ride in the middeck for both ascent and reentry.

The flight's second orbital maneuvering system burn [45 min. into the flight] will place Challenger in a 153-naut.-mi. circular orbit for the TDRS satellite deployment to follow later on launch day.

Preparations for the deployment will be simplified compared with deployment of the first TDRS on shuttle Mission 6. This is because on Mission 6 no communications relay was available and multiple checkout milestones for the IUS and satellite had to be achieved during short ground station passes.

For TDRS-B's deployment, the relay satellite already in geosynchronous orbit will be used to provide continuous coverage for much of the checkout. The U.S. Air Force Satellite Control Facility, Sunnyvale, Calif., however, will do some direct checkout of the IUS through USAF ground stations, according to lead mission flight director Randy Stone.

The IUS tilt table and mid-payload-bay support brace for the stage brings the total TDRS/IUS vehicle weight to more than 44,800 lb. Of this total, the deployed IUS/TDRS weighs 37,000 lb., with the satellite 2.5 tons of this total.

ANTENNA EXPOSURE

The payload's tilt table will first be raised to a 29-deg. elevated position where the spacecraft's antennas will be exposed for transmissions to Earth while it is still attached to the orbiter.

The formal countdown for payload deployment will begin 20 min. prior to the planned separation at 10 hr. into the flight on launch day.

Key events in the minutes leading to deployment will include the crew transferring the IUS to internal power from orbiter power and transfer of the TDRS from orbiter power to IUS batteries. These events will allow release of two umbilicals that connect the orbiter to the payload, followed by elevation of the payload's tilt table to the 59-deg. deployment position about 6 min. prior to release. Hoffman and Seddon will be primarily responsible for the TDRS deployment.

Orbiter attitude leading up to the deployment will be belly pointed to the Sun to shield the IUS/TDRS from excess heat.

The deployment is timed to occur as Challenger passes over the equator on orbit seven at 34 deg. E. Long. over western Kenya with Challenger in darkness. The IUS/TDRS will be illuminated by the payload bay flood lights. The deployment will be commanded manually.

Within 1 min. of the deployment, Bobko will perform about a 2.2-fps. reaction control system maneuver to nose Challenger down and away from the payload, which at that point will be over the orbiter's nose. A few minutes later he will perform an orbital maneuvering system burn to separate farther from the payload. This burn will place Challenger in about a 177 × 153-naut.-mi. orbit that early on Day 2 will be trimmed to 177 × 157 naut. mi. for the Anik deployment.

About 12 min. after separation, the IUS hydrazine attitude control jets will begin the first of a series of maneuvers to roll the payload for thermal control.

As the IUS/TDRA stack crosses the equator again about 55 min. after deployment, the IUS will fire its first-stage motor automatically, providing up to 62,000 lb. of thrust for 2 min. 33 sec.

This will place the IUS/TDRS stack in a climb toward 22,300 mi. altitude. As the stack climbs, the IUS will perform both a series of rolls for thermal control and five "dip-out" maneuvers during which the entire stack will pitch down sharply so the TDRS S-band antenna can be pointed at the ground and the spacecraft's health assessed. Six hours after separation from the shuttle and 5 hr. after the first-stage burn, the vehicle will be nearing geosynchronous altitude. The first-stage motor will then be separated and the second-stage motor fired. The second-stage motor will provide about 25,000 lb. of thrust for about 1 min. 45 sec. to place the stack in geosynchronous orbit, where it will be moved to the 171 deg. W. Long. parking position.

SPACECRAFT ATTITUDE

The TDRS will not be separated from the IUS for another 40 min. This is to allow the IUS to maintain the spacecraft's attitude while the TDRS White Sands, N.M., ground station commands deployment of the spacecraft's solar arrays, spanning 57 ft. from tip to tip.

The spacecraft then will be commanded onto internal power, and the K-band antenna that provides the primary link to White Sands will be deployed. The spacecraft then will be separated from the Inertial Upper Stage.

Immediately after separation, White Sands will command deployment of the satellite's two 15.7-ft.-dia. S- and K-band antennas that will span 46 ft. from tip to tip once deployed. This will bring the spacecraft to a point 7 hr. after shuttle deployment when its detailed checkout sequence will begin.

Following several weeks of checkout on TDRS-B, the twin-spacecraft, $2.8 billion TDRS system should be ready to provide communications coverage to spacecraft through 85% of their orbits—the maximum available considering the ground location of the White Sands facility.

The third TDRS, set for launch later this year, will replace the No. 1 TDRS, which will be relegated to backup status. TDRS-1 has had several communications system malfunctions, and TRW modified the newer satellites to prevent a recurrence. NASA is discussing with the Defense Dept. whether the launch planned in late November should swap places with a Defense launch planned in September.

BACKUP DEPLOYMENT

Shuttle Mission 51-E will have a backup TDRS deployment schedule on the second flight day should problems affect the planned first-day deployment. The primary activity scheduled for the second day is deployment of the Anik C-1 spacecraft for Telesat Canada. The deployment is scheduled when Challenger crosses the equator at 121 deg. W. Long. over the Pacific 32 hr. into the flight.

Paine Webber is trying to sell the satellite for Telesat Canada. A minimum price of $65 million has been set. A buyer for the spacecraft will have the advantage of having a launched and checked-out vehicle for K_u-band communications.

Forty-five minutes after deployment from the orbiter, the Anik's PAM motor will be fired automatically, placing the satellite in a highly elliptical geosynchronous transfer orbit. Telesat Canada will use its new ground station in Perth, Australia, for transfer orbit communications with the satellite. It later will fire the spacecraft's own solid-propellant motor to place the satellite in geosynchronous orbit, where it will be moved to 107.5 deg. W. Long. While at that position, the spacecraft will be positioned so that its latitude will daily move between both 3 deg. north and south of the equator.

The spacecraft will be set up so that at the end of three years in this storage orbit it will be halted essentially on the equator. Telesat developed the software to place the spacecraft in this mode so it could conserve positioning fuel in the event it takes up to three years to sell it. If the spacecraft is sold, it will be maneuvered by Telesat Canada to the geosynchronous location desired by the purchaser.

During the entire mission, several crewmembers will be involved in the French medical tests and those specifically assigned to Garn. The French tests follow similar experimentation done by French cosmonaut Jean-Loup Chretien on the Soyuz T-6/Salyut 7 mission. On Mission 51-E Baudry will operate:

Echography experiment—The experiment uses sound waves to measure the flow rate of blood in the body in zero-g. The hardware is the same flown on Salyut 7, except for modifications to accommodate shuttle locker stowage and the lower-frequency vibrations the shuttle has on launch compared with the Soviet Soyuz SL-4 booster on which it was launched earlier. Baudry will operate the experiment and use himself, Seddon and Garn as subjects. A particular advantage of the shuttle mission will be the ability of Baudry to unstow and use the hardware for bodily measurements immediately after launch so the body's earliest reaction to zero-g can augment the data acquired on the Soviet mission starting about 40 hr. after launch when Chretien's Soyuz had docked with the Salyut. The Soviets also continued to use the French hardware in space for additional measurements.

Equilibrium and vertigo experiment—A variety of vestibular-oriented zero-g tests will be conducted by Baudry as follow-up to the Salyut and Spacelab 1 vestibular tests. Previous space tests have shown that visual data from the eyes to the brain are extremely important in how the body adapts to zero-g, and this will be one area explored with the French equipment.

The ultrasonic waves created by the echograph instrument are applied to the body with a pen-like device and will be used to record cardiac wall and valve movements, imagery of the heart and abdominal organs, and blood flow through the blood vessels.

On Salyut, the blood flow at its exit from the heart was found to be somewhat faster than on Earth, but this velocity increase was not noted elsewhere. It is possible the increased flow rate could be found in connection with the kidneys. Specific points where the sensor will be used to acquire data will be over the heart, over the liver and abdominal blood vessels, the radial artery in the wrist, the renal artery in the upper abdomen, femoral artery and vein in the groin, the jugular vein in the neck and tibial artery in the ankle.

FRENCH MEASUREMENTS

The French equilibrium and vertigo measurements will involve:

Vision studies—Baudry will assume predetermined positions in the middeck during which visual perception will be modified using a visor. He will perform tests with both normal and occulted vision and those where a scene is projected on the visor.

Adaptation timing—Baudry will perform arm movements and correlate these with space adaptation symptoms.

Vestibulo-ocular reflex—Head movements in connection with how the eyes track will be performed—a measurement that could bring on motion sickness symptoms.

Eye reflex measurements—The rate at which Baudry's eyes follow a moving scene will be recorded.

Both sets of French experiments will be conducted throughout the mission to obtain a history on how data changes with time from immediate onset of zero-g through adaptation. Garn's experiment routine will be less involved but also conducted throughout the flight starting immediately with orbital insertion.

On the third mission day the crew will continue the medical tests, and Hoffman will use the image intensifier system for his tests associated with later Halley's Comet observations. A backup Anik deployment opportunity exists for this day.

On the fourth day, the pilots will conduct the standard flight control system checkout that verifies the orbiter's readiness for reentry. Landing at the Kennedy Space Center is scheduled early on Day 5, with the reentry burn performed on orbit 64 and the landing occurring early on orbit 65. Mission duration is planned to be just over 97 hr.

SENATOR GARN WILL HELP FILL MEDICAL DATA GAPS

WASHINGTON.—U.S. Sen. Jake Garn (R.-Utah) will conduct a number of simple medical tests in orbit that will help fill in data gaps created when many previous shuttle crewmen were unable to devote full attention to space adaptation testing because of their other flightcrew duties.

A primary objective will be to obtain test data immediately after orbital insertion when the body undergoes several changes as soon as it senses zero-g. Astronaut Dr. William Thornton developed many of these tests in connection with other Johnson Space Center physicians. Thornton also performed several of them while in space on shuttle Mission 8, and he plans to expand upon them during his upcoming Spacelab 3 flight in late April.

Garn also will cook, photograph and be responsible for a simple Marshall Space Flight Center fluids mixing test that could be an important precursor to a new fluid separation technique different from electrophoresis. Garn will shake the Marshall unit, then photograph the results at specific times afterward.

Garn has several medical science tests to perform including:

Gastric motility—The senator will wear microphones around his lower abdomen to record the sounds of solids and gas moving through his bowels as an indication of digestive activity. Previous studies show that digestive processes slow in zero-g, a phenomenon of medical interest. Garn also will wear sensors on his stomach to record its electrical potential. The electrical potential can change with the onset of motion sickness symptoms.

Space motion sickness—Garn has five tests to perform in the event he experiences motion sickness—as do about 50% of all space crew members. If he turns pale, he will measure the degree of color change with a chart—data useful in understanding fluid shift to the head. He will be able to measure the size of the pupils in his eyes as an indication of nervous system response. He will record heart and brain electrical waves with EEG and EKG equipment and

take his temperature if he has motion sickness symptoms.

Fluid shifts—Immediately upon entry into zero-g, bodily fluids move toward the upper torso. Garn will wear a stocking around one leg that has bands he will tighten to mark the degree of leg shrinkage immediately upon entering orbit. This would be a fluid shift indicator. He will measure total body water outflow by swallowing 5 cc. of "heavy water" containing oxygen 18, a nonradioactive tracer that can help determine water levels through saliva tests. He also will conduct blood pressure tests as the orbiter flies back into the gravity field during reentry.

Performance—Garn will use a bar with sequenced lights and a hand calculator to conduct hand/eye coordination and mental coordination tests in zero-g.

Drug monitoring—Physicians believe it is possible that the same medications prescribed for persons on the ground may react differently with persons in orbit because of bodily changes. To document the progress of medication through the body in zero-g, Garn will take a single Tylenol tablet during the flight followed by periodic saliva samples for analysis on Earth. The history of the medication in the samples will indicate how the medication was carried through the bloodstream in space.

Parallel swing tests—This test will be conducted before and after flight to document how the inner ear and brain's interpretation of acceleration messages change during a lengthy exposure to zero-g.

The idea with these tests is to assess all of the body's systems.

TOYS ON SHUTTLE TO AID PHYSICS TEACHING

WASHINGTON.—The space shuttle Mission 51-E astronauts each selected toys for use in orbit. The astronauts will be videotaped demonstrating the toys and the footage then shown to grade school and junior high school students to illustrate various physical laws already familiar to them.

The project is managed by Dr. Carolyn Sumners, a Johnson Space Center engineer. Dr. Sumners is also director of astronomy and physics at the Houston Museum of Natural Science. The project is a follow-up to an earlier National Science Foundation study on science curriculum aids and how they affect the ability to learn scientific principles.

The crew examined about 30 candidate toys and then chose one or more to demonstrate in space. They have devoted brief practice periods in the orbiter 1-g mockup to ensure they can get good photographic coverage of the short demonstrations that will be done when no critical mission activities are under way.

The toys elected by each crewman are:

USAF Col. Karol J. Bobko, a former Defense Dept. manned orbital laboratory astronaut who trained to obtain intelligence from above the Soviet Union, elected to use a Snoopy top and gyroscope.

Navy Capt. Donald E. Williams, a mechanical engineer and Navy fighter pilot, chose to demonstrate a pink mechanical mouse and a paddle ball.

S. David Griggs, a former Navy fighter pilot, will have a yo-yo.

Dr. Rhea Seddon, a physician, will be filmed demonstrating a Slinky toy and jacks.

Jeffrey Hoffman, a astronomer, chose magnetic marbles, a wheel that rolls on a track and a mechanical car.

MINNESOTA SALUTE TO ERWIN HILLESHEIM

Mr. DURENBERGER. Mr. President, at no time in the past 50 years has the family farm been under greater strain and threat of extinction than it is today. Faced with declining equity positions and high interest rates, many farmers are in real danger of not obtaining the credit they need to put in a crop this spring. And, all farmers are struggling under market conditions which have cut both exports and prices to levels below which even the most efficient farmers have difficulty surviving.

Nowhere is the current farm financial crisis more evident than on the main streets of the farming communities of the Midwest. It is there that the economic interdependence of town and country is played out daily in transactions between farmers and the business owners with which they deal.

Recognition of this interdependence was made a number of years ago in New Ulm, MI, with establishment of the Farm-City Hub Club. Each year, this organization of farmers and business owners gives an Outstanding Service to Agriculture Award to one individual who has made a substantial contribution to promoting cooperation between agriculture and agribusiness.

This year's recipient of this prestigious award is Erwin Hillesheim, who, with his wife, Elaine, farmed in the New Ulm area for 40 years before retiring last fall.

Erwin, in addition to being a successful farmer, has a long record of varied community service. He has been a member of the local school board, has been active on regional boards of the American Dairy Association, Midwest Breeders, and AMPI, and has been active in promoting recreational opportunities for young people in his community.

Because of the outstanding achievements represented in Erwin Hillesheim, I ask that the text of a recent article on him from the New Ulm Journal be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New Ulm (MN) Journal]

HILLESHEIM RECEIVES HUB CLUB AWARD

(By Donna Weber)

Erwin Hillesheim is the 1985 recipient of the Outstanding Service to Agriculture Award of the Farm-City Hub Club.

The award was presented to Hillesheim at the club's annual banquet Saturday night. It recognizes Hillesheim's contributions in promoting cooperation between rural and city residents.

Hillesheim grew up in Sigel Township and farmed there for 40 years. He and his wife Elaine moved to New Ulm in November, and they're "getting adjusted" to town life.

His reaction to receiving the award was astonishment. "They really surprised me," he said. "It's an honor."

Hillesheim owns two farms in Sigel Township and resided near Clear Lake. He characterized his farming operations as "diversified" with alfalfa, corn, soybeans, hogs, dairy cows and chickens. Approximately 40 to 45 cows made up the dairy herd, and the majority of the crops were fed to the livestock. "Those cows take a lot of hay," he said.

Because Hillesheim believes in the philosophy of the Farm-City Hub Club in promoting cooperation between agriculture and agribusiness, he's proud to be a member of the club. "It's good to let the city people know about farming," he said. "And it really has worked, by gosh!"

The concept of family farming is important to Erwin and Elaine, "There aren't many families that are as close as we are," Erwin said. Six of the nine Hillesheim children are farming at the present time.

Moving to town has not kept Hillesheim away from the farm. He frequently visits his sons' farms and helps with the work. "We work together . . . haying, planting, harvesting," he said.

Hillesheim started farming with four horses, a gift from his father. "We had seven cows, a few brood sows," he said, "We made a living then."

Hard work didn't bother the Hillesheims either. "It was worth it," Elaine said.

They acknowledged that farming currently is experiencing hard times. "It's tough right now," Hillesheim said. "We'll just have to hold back until it gets better. There's been lulls before. We'll weather this one too."

In addition to belonging to the Farm-City Hub Club, Hillesheim has a record of community involvement that includes membership on the District 179 school board, AMPI divisional board, American Dairy Association regional board, Midwest Breeders Association board and the Sigel Baseball Association board.

Hillesheim was one of the organizers for construction of the township baseball field. "I had a whole lot of kids who played baseball, he said. "I'd sooner have them on the baseball field than on the road."

Milking cows kept Hillesheim busy every morning and evening for nearly four decades. When his sons started to take over the milking, he found time to join the Farm-City Hub Club. He serves on the membership committee of the organization. He has worked at Hub Club Heritagefest and Farm Fest foodstands. "I've fried so many brats already," he said adding that the job was enjoyable because he liked visiting with people.

Don Potter, 1984 recipient of the award and chairman of the Hub Club legislative committee, said that Hillesheim is "always willing to share his time for betterment of the community."

THE FARM FINANCIAL CRISIS

Mr. NICKLES. Mr. President, there is no question about the financial crisis facing many thousands of farmers. They need immediate help. Let's not forget that it wasn't the farmer who caused high inflation or high interest rates. It wasn't the farmer who caused the value of the dollar to work against him outside the United States.

We have to remember that the Federal Government is largely responsible for the farmers' plight. And we have a responsibility to do everything possible to save the family farm.

That is why I joined the distinguished majority leader and 10 other concerned Senators January 31 in sending an urgent letter to the administration seeking changes in farm debt and credit policies.

The administration responded about 1 week later with a proposal, the main tenents of which are:

Banks may write down interest rates of farm loans in exchange for Federal guarantees of the principal;

Loan guarantees will be available to meet demand;

Additional field personnel will be provided to reduce the Farmers Home Administration backlog of cases;

A task force has been established within the administration to expedite the debt/credit issue; and

The administration agreed to make sure farmers have access to operating loans even if their local lending institutions fail.

That is how the administration's response was explained to me. It seems to me that those are steps in the right direction. And I very likely would support additional steps that have been proposed by my good friend and colleague DAVID BOREN, as well as ideas expressed by other farm State Senators.

I spent all of last week in my State, and participated in several agricultural meetings. And I must tell you that while Oklahoma may not be the State you hear about the most on the evening network news, its problems are just as severe as those of any other State.

The family farm must be saved. It is the backbone of my State's economy and a way of life for thousands of Oklahomans.

Of course, emergency aid will not solve all the farmers' problems, but it will allow many of them to continue their businesses. The answer to their longer term problems are first, a sensible farm bill and second, a Federal Government that lives within its means. We have got to get overall Federal spending under control.

I have a farm bill proposal which I outlined to Oklahoma farmers last week and would like to discuss with other Senators. But beyond this, the word I got from farmers across my State was "cut Government spending." The farmers do not mind taking their fair share of reductions, but they do not want the budget balanced on their backs either. I know there are other Senators who will join me in ensuring farmers are not singled out unfairly.

If Congress has the will to make the necessary spending cuts and reduce the deficit, I believe we will see interest rates fall significantly. Lower interest rates will take a lot of the pressure off the farm debt problem and ease the financial crunch farmers are facing today.

CANADA AND UNITED STATES BEER EXPORTS

Mr. KASTEN. Mr. President, today I would like to bring to the attention of the American public the unfair, unreasonable and unlawful barriers that have been erected by the Canadian Government to the sale of U.S. brewed beer in Canada. Both governmental and private restraints in Canada differ sharply with the open access to the U.S. market enjoyed by Canadian brewers.

The barriers in the United States to Canadian beer are minimal. Import tariffs are low and no discriminatory taxes or markups are imposed. Canadian imports are stocked and sold throughout the United States in the same outlets and under the same conditions as our domestic beer.

By contrast, American beers in Canada are confronted by restrictive, discriminatory, and artificial barriers erected by the Canadian brewers and the Canadian Federal and Provincial Governments. These barriers make meaningful competition by non-Canadian brands impossible.

Unacceptable Canadian restrictions include: first, a Federal import duty on beer and containers that greatly exceeds the duties imposed on Canadian beer by the United States; second, arbitrary and exclusionary Provincial "listing" requirements; third, exorbitant markups by Provincial alcoholic beverage sales outlets in all or most Provinces; fourth, the complete exclusion of U.S. beer from retail outlets accounting for 95 percent of beer sales in Ontario, Canada's largest Province; and fifth, a similar exclusion in Quebec of U.S. beer from grocery and convenience stores, which account for the vast majority of beer sales in that Province.

So massive are the barriers to U.S. beers that the two largest U.S. brewers, Anheuser-Busch and Miller—which is headquartered in Wisconsin—have been forced to license production of their most important brands, Budweiser and High Life, to Canadian brewers. Without this licensing agreement Budweiser and Miller High Life could not have any significant presence in the Canadian market.

Now is the time to remedy these inequities, Mr. President. The new Canadian Government is committed both to improved U.S. relations and to reduced trade barriers. I find this an encouraging note in an otherwise intolerable situation. The overall U.S. trade balance with Canada has worsened, a result, I believe, of restrictive Canadian practices such as those applied to beer.

Mr. Allan A. Rubin, Government Affairs Counsel for the G. Heileman Brewing Co., forcefully outlined the case for reduced Canadian trade barriers in recent testimony before the Trade Policy Staff Committee of the U.S. Trade Representative. I ask that the complete text of his testimony be included in the RECORD at this point, and commend it to the attention of all my colleagues.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF ALLAN A. RUBIN

Heileman is presently the 4th largest brewer in the U.S. and, if its agreement to acquire the No. 6 brewer Pabst is successful, it will leapfrog into third place. This past year over 18 million barrels of beer were produced by Heileman-owned plants located in 11 cities, accounting for 1984 sales in excess of a billion dollars, and for payment of over $200 million in federal and state malt beverage excise taxes.

Ever since the early 1970's the United States Brewers Association, which until the early 1980's represented brewers who produced over 75% of domestic beer, vigorously supported the principle of free trade and, if that broad goal proved unattainable, trade at least free of tariffs and other duties, however designated. To achieve that objective, the USBA on various occasions publicly advocated reciprocity as an appropriate response designed to end unfair and discriminatory foreign trade barriers. Presentations to that effect were made by the USBA to the U.S. Tariff Commission (Investigation No. 332-66), in 1972; to the Subcommittee on Trade of the House Ways and Means Committee in 1980; and to the ITC and to this Committee in 1980.

Similarly, representatives of other important U.S. brewers, such as Stroh-Schlitz, Pabst, Genesee and Christian Schmidt have all indicated a willingness to be recorded in favor of establishing free trade with Canada.

There can be no doubt that free trade with Canada would constitute an economic plus for the U.S. brewing industry which presently finds itself in the doldrums of flat sales and intense domestic competition (179,500,000 barrels sold in 1982, only 176 million in 1984). Few U.S. brewers have been able to maintain their barrellage sales of past years and projections for the immediate future are still less encouraging. Even were it possible to reverse the recent decline in barrellage, the history of the industry indicates that sales of all but the largest of the brewers, would suffer.

Moreover, that history reveals a very substantial attrition in both the number of brewing companies and of plants; and present circumstances indicate an immediate further decline in the number of independent brewers. The severity of the attrition in U.S. breweries from 197 in 1965 to 51 in 1984 was moderated only by the formation of half dozen specialty or micro breweries during that period. In the recent past, previously strong local, regional and even national brewers have either closed or sold out. To illustrate, national brewer Schlitz; regional brewers Schaeffer, Rainier, Lone Star, Olympia, Carling-National, and Blitz-Weinhard; and local brewers Falls City, Koch and Duncan, have all either been absorbed by another brewer or terminated operations.

The present economic difficulties being experienced by the U.S. brewing industry will be further exacerbated if the massive $150 billion U.S. trade deficits projected by reputable economists for each of the next several years are accurate. U.S. trade with

Canada alone contributes approximately. $20 billion of that trade deficit, which is to some extent being perpetuated by a comparatively weak Canadian dollar, now valued at about 75¢ U.S.

A document recently filed by the USBA with the International Trade Commission discloses that 1983 Canadian beer exports to the U.S. totaled over 57 million gallons, with a CIF value of slightly under $130 million. 1983 U.S. beer exports to Canada, by comparison, totaled about 9% of that, only slightly over 5 million gallons with a value of under $10 million. The USBA document also reveals that the comparative situation worsened last year. During the first ten months of 1984, Canadian beer exports to the U.S. totaled almost 52 million gallons valued at over $119 million against U.S. beer exports to Canada of a mere 3,350,000 gallons valued at a little over 6½ million dollars.

This gross imbalance in U.S. malt beverage trade with Canada is clearly attributable to the easy access to U.S. markets and to the non-discriminatory fair trade in the U.S. accorded Canadian beer in contrast to a plethora of Canadian barriers, both federal and provincial, and both tariff and nontariff, which initially operate to deny access and, if entry is obtained, to prevent meaningful competition by imports in Canada.

The first, and only significant federal barrier encountered by an American brewer attempting to export to Canada is an excessive federal tariff of approximately 20¢ per gallon, based on 15¢ per imperial gallon of beer plus 15% on the container in which the beer is packaged, compared to an extremely modest 6¢ per gallon total U.S. tariff. Although the Canadian tariff, at over 3 times that of the U.S., is unreasonably high, at least it does not discriminate any more than any other tariff. Incidentally, additional Canadian federal provisions impose dual language and metric net content labeling.

The mort difficult situation confronting those desiring to export beer to Canada results from the multiplicity of discriminatory provincial listing requirements, mark-ups, marketing practices and distribution constraints, all of which combine to establish an extremely difficult set of standards to be met by imports and different, much more lenient, standards for provincial beer.

Although each province maintains a slightly different system for controlling the marketing of malt beverages, the one similarity that runs through all is discrimination of a magnitude that precludes either free or fair trade for imports. These restrictive and discriminatory provincial barriers generally include a listing requirement which is interpreted and applied to protect provincial products from import competition; harshly discriminatory mark-ups, or disguised duties, which significantly favor the local product (the Canadian required "round-up" to the nearest 5¢ exaggerates the discrepancy); and a distribution system which denies import beer the opportunity to be marketed in retail outlets where most malt beverages are sold, relegating imported beer only to liquor and wine outlets. The precise impediments existing in each province against beer imports are detailed, province by province, in documents already filed by Heileman and further amplification now should be unnecessary. I would, however, like to suggest that the documents itemizing specific discrimination by provinces against imports in favor of domestic beer, under the categories of (1) listing practices; (2) quotas; (3) mark-ups; (4) distribution limitations; and (5) number of listings granted, warrant consideration for a better understanding of the extent and variety of these impediments to fair trade.

These discriminatory provincial barriers have been nurtured and sustained by the conventional wisdom that the provinces are absolutely autonomous and therefore not subject, in this area, to federal government constraints or dictates. Additionally, it has been the prevailing Canadian view that provincial barriers are beyond the reach of the GATT or other treaty obligations of Canada to the United States. We think that both these opinions are, at best, questionable and are probably erroneous.

To support this conjecture, I refer you to the Brief recently presented to the USTR by the Washington law offices of Wald, Harkrader & Ross which concludes that, under Section 91(2) of the British North American Act, the importation of foreign goods, including beer, into Canada is within the jurisdiction of the federal government, and any powers exercised by the provincial governments or their agencies would have to be derived from the federal government.

That same Brief also concludes that Section 301 of the Trade Act of 1974, as amended, properly extends to unreasonable and discriminatory acts by the provincial "political subdivision" authorities.

The G. Heileman Brewing Company is firmly convinced that diplomatic negotiations with Canada to establish free trade in the malt beverage sector would be appropriate at this time and should be undertaken immediately.

Adoption of free trade would benefit the brewing industries by eliminating all federal, state and provincial tariff and nontariff barriers. It would also advance the goal of "harmonization" without raising adverse elements inherent in "reciprocity" or "equity" proposals and would help moderate the U.S. balance of trade deficits.

Establishment of free trade with Canada would make the Canadian malt beverage market and the U.S. malt beverage market fully accessible to each other and obviate the need to address and correct, on an item by item basis, each individual barrier, tariff or non-tariff, imposed by either the national government or any political subdivision of either. Malt beverage production in one country would be permitted to compete head-on with the imports from the other on the realistic basis of quality and taste rather than of protectionism. Free trade between the two countries would promote efficiency in the distribution and marketing of the malt beverages of both nations by expanding marketing areas and eliminating distortions based solely on artificial boundaries.

Accordingly, the G. Heileman Brewing Company recommends that both governments enter into negotiations to establish free trade in the malt beverage sector (TSUS 167.05) between Canada and the U.S. This can be accomplished by removing all tariff and non-tariff trade barriers presently effective in either country.

THE WESTERN HEMISPHERE CONFERENCE ON NARCOTICS CONTROL

Mrs. HAWKINS. Mr. President, on January 31, and February 1, 1985, I was proud to sponsor the first Western Hemisphere Conference on Narcotics Control.

This gathering, the first of its kind in Washington, consisted of representatives of almost every major nation in the Western Hemisphere. The justice ministers of some nations, the drug czars of others, came to Washington to share experiences, views, and recommendations on a devastating problem affecting each and every one of our nations: narcotics abuse.

On the first day of the conference, the top drug control officials of the United States addressed the delegates on just about every aspect of the drug abuse situation. They included Caspar Weinberger, Secretary of Defense; Dr. Carlton Turner, Special Assistant to the President for Drug Abuse Policy; Lt. Gen. R. Dean Tice, Director of the Department of Defense Task Force on Drug Abuse; Adm. James Gracey, Commandant of the U.S. Coast Guard; Dr. D.I. Macdonald, Director of ADAMHA; Jon Thomas, Assistant Secretary of State for International Narcotics Matters; William Webster, Director of the FBI; Francis Mullen, Director of the DEA; William von Raab, Commissioner of the U.S. Customs Service; Dr. William Pollin, Director of NIDA; and Dr. Robert Niven, Director of NIAAA. With these deliveries, every branch of government was accounted for, and every speaker delineated plans for future direction of their agency's antidrug abuse efforts.

On the second day, the delegates, representing the nations of Argentina, Bahamas, Belize, Brazil, Bolivia, Canada, Chile, Colombia, Dominican Republic, Ecuador, Guatemala, Haiti, Honduras, Jamaica, Mexico, Panama, Paraguay, Peru, Uruguay, and Venezuela participated in panel discussions. The aspects of the drug abuse situation given special emphasis were drug abuse prevention and treatment; drug law enforcement; and narcoterrorism.

Mr. President, every single one of the conference participants made an invaluable contribution to the Western Hemisphere Conference on Narcotics Control. The realization of the impact of drug abuse on society is a new one for some of these nations, but the concern and the determination to find solutions were universal among the countries represented.

Belize, for example, a tiny but troubled nation, was represented by their Deputy Prime Minister and their commissioner of police. Both gentlemen spoke eloquently of their government's awareness of their growing drug production, and consumption, problems, and of their recent efforts to curb drug cultivation and use. Another example is the brave nation of Colombia, represented at the conference by their Vice Minister of Justice. This courageous woman, with whom I had worked on previous occasions, presented in detail the numerous efforts being made by Columbia in its cele-

brated, and continuously successful, war against drugs.

These were some of the nations making efforts to stop the problem of illicit narcotics internally; there were also nations represented at this conference who have made no effort. While their participation was encouraging, this conference provided an opportunity for nations like Bolivia to be warned that the United States would unequivocally cut off foreign aid funds if they did not take the necessary steps to curb their drug production. I think everyone at the conference will agree that the time has come for serious measures to be taken to stem the tide of drug abuse in our nations.

This mutual sharing of information regarding drug abuse prevention, and treatment, drug law enforcement, and narcoterrorism, and many other aspects of drug abuse, demonstrated how this forum, and others to follow, could be if immeasurable benefit to each of us. And I think that view was generally shared by the conference participants, as just about every delegate expressed the desire for an annual gathering of this kind. I am happy to oblige, and invite my colleagues to share in the benefits of this dialog, and the others to follow.

Mr. WARNER. Mr. President, I would like to take this moment to reflect on the struggles and hardships endured by Soviet Jews.

Each year thousands of Soviet Jews express their desire to emigrate.

Over 20,000 Refuseniks have had their requests denied and have further suffered harassment, job dismissal, school expulsion, and public denouncement as traitors.

It is clear that the Soviet Government has chosen to ignore the Helsinki accords of 1975, and other international human rights agreements, wherein they agreed to respect individual rights to the freedom of religion, cultural practices, and emigration.

As a nation founded on the cause of freedom, we must join together to express our concern for the abuse and mistreatment of Soviet Jews and urge the leaders of the Soviet Union to honor their commitments to human rights.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PROPOSED LEGISLATION TO APPROVE THE COMPACT OF FREE ASSOCIATION—MESSAGE FROM THE PRESIDENT—PM 22

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Energy and Natural Resources:

To the Congress of the United States:

There is attached a draft of a Joint Resolution to approve the "Compact of Free Association," the negotiated instrument setting forth the future political relationship between the United States and two political jurisdictions of the Trust Territory of the Pacific Islands.

The Compact of Free Association is the result of more than fourteen years of continuous and comprehensive negotiations, spanning the administrations of four Presidents. The transmission of the proposed Joint Resolution today, and Congressional enactment of it, marks the last step in the Compact approval process.

The full text of the Compact is part of the draft Joint Resolution, which I request be introduced, referred to the appropriate committees, and enacted. I also request that the Congress note the agreements subsidiary to the Compact. Also attached is a section-by-section analysis to facilitate your consideration of the Compact.

I originally submitted this same draft Joint Resolution to the 98th Congress on March 30, 1984. Before their adjournment, both Houses held extensive hearings on the Joint Resolution. The Administration stands by the policies it outlined during these hearings and hopes that they will serve to expedite consideration and approval of the Compact in this new Congress.

The defense and land use provisions of the Compact extend indefinitely the right of the United States to foreclose access to the area to third countries for military purposes. These provisions are of great importance to our strategic position in the Pacific and enable us to continue preserving regional security and peace.

Since 1947, the islands of the Trust Territory have been administered by the United States under a Trusteeship Agreement with the United Nations Security Council. This Compact of Free Association with the governments of the Marshall Islands and the Federated States of Micronesia would fulfill our commitment under that Agreement to bring about self-government in accordance with the freely expressed wishes of the peoples concerned. Upon termination of the Trusteeship Agreement, another political jurisdiction of Trust Territory—the Northern Mariana Islands—will become a commonwealth of the United States.

The Compact was signed for the United States by Ambassador Fred M. Zeder, II, on October 1, 1982, with the Federated States of Micronesia, and on June 25, 1983, with the Republic of the Marshall Islands. It is the result of negotiations between the United States and broadly representative groups of delegates from the prospective freely associated states.

In 1983, United Nations-observed plebiscites produced high voter participation, and the Compact was approved by impressive majorities. In addition to approval in the plebiscites, the Compact has been approved by the governments of the Marshall Islands and the Federated States of Micronesia in accordance with their constitutional processes.

Enactment of the draft Joint Resolution approving the Compact of Free Association would be a major step leading to the termination of the Trusteeship Agreement with the United Nations Security Council, which the United States entered into by Joint Resolution on July 18, 1947. Therefore, I urge the Congress to approve the Compact of Free Association.

RONALD REAGAN.

THE WHITE HOUSE, *February 20, 1985.*

MESSAGES FROM THE HOUSE

At 12:39 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that pursuant to the provisions of Title 19, United States Code, section 2211, and upon recommendation of the chairman of the Committee on Ways and Means, the Speaker appoints the following members of that committee to be accredited by the President as official advisers to the U.S. delegations to international conferences, meetings, and negotiation sessions relating to trade agreements during the first session of the 99th Congress on the part of the House: Mr. ROSTENKOWSKI, Mr. GIBBONS, Mr. JENKINS, Mr. CRANE, and Mr. FRENZEL.

The message also announced that pursuant to section 8002 of the Internal Revenue Code, the following members of the Committee on Ways and Means have been designated to serve on the Joint Committee on Taxation during the 99th Congress: Mr. ROSTENKOWSKI, Mr. GIBBONS, Mr. PICKLE, Mr. DUNCAN, and Mr. ARCHER.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-413. A communication from the Secretary of the Navy transmitting a draft of proposed legislation to exempt a commissioned officer serving as Deputy Assistant to the President for National Security Affairs from grade-ceiling accountability; to the Committee on Armed Services.

EC-414. A communication from the Acting Under Secretary of Defense transmitting, pursuant to law a report on funds obligated in the chemical warfare and biological defense research programs, and on use of human subjects for testing of chemical or biological agents; to the Committee on Armed Services.

EC-415. A communication from the General Counsel of the Federal Emergency Management Agency transmitting a draft of proposed legislation to authorize appropriations for civil defense for fiscal years 1986 and 1987; to the Committee on Armed Services.

EC-416. A communication from the Acting General Counsel of the Department of Defense transmitting a draft of proposed legislation to authorize certain military construction for fiscal year 1986; to the Committee on Armed Services.

EC-417. A communication from the Secretary of Defense transmitting, pursuant to law, an order proposed to be issued relating to certain function transfers and redesignations of positions; to the Committee on Armed Services.

EC-418. A communication from the Assistant Secretary of the Army transmitting, pursuant to law, notice that the Army intends to dispose of 16 chemical munitions at Rocky Mountain Arsenal, Colorado; to the Committee on Armed Services.

EC-419. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a proposed foreign military assistance sale to Egypt; to the Committee on Armed Services.

EC-420. A communication from the Acting Assistant Secretary of the Army transmitting, pursuant to law, a report on a decision made to convert the Redstone Arsenal Support Activity, Redstone Arsenal, Alabama to performance under contract; to the Committee on Armed Services.

EC-421. A communication from the Deputy Assistant Secretary of the Air Force transmitting, pursuant to law, a report on a decision made to convert the refuse collection and disposal function at Hill AFB, Utah to performance under contract; to the Committee on Armed Services.

EC-422. A communication from the President and Chairman of the Export-Import Bank transmitting, pursuant to law, a report on transactions by the Bank with Communist countries during December 1984; to the Committee on Banking, Housing, and Urban Affairs.

EC-423. A communication from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Examination of the Federal Financing Bank's Financial Statements for the Years Ended September 30, 1983 and 1982"; to the Committee on Banking, Housing, and Urban Affairs.

EC-424. A communication from the Secretary of Transportation transmitting, pursuant to law, the first three quarterly reports for fy 1984 for the Urban Mass Transportation Administration; to the Committee on Banking, Housing, and Urban Affairs.

EC-425. A communication from the Secretary of Transportation transmitting, pursuant to law, the fourth quarter report of the Urban Mass Transportation Administration for fy 1983; to the Committee on Banking, Housing, and Urban Affairs.

EC-426. A communication from the Administrator of the Veterans Administration transmitting, pursuant to law, a report on the waiver of the requirement for establishing Research and Technology Application Offices within the Veterans Administration; to the Committee on Commerce, Science, and Transportation.

EC-427. A communication from the Chairman of the Marine Mammal Commission transmitting, pursuant to law, the twelfth annual report of the Commission; to the Committee on Commerce, Science, and Transportation..

EC-428. A communication from the Vice President for Governmental Affairs, AMTRAK, transmitting, pursuant to law, a report entitled "Annual Route Review—Fiscal Year 1985"; to the Committee on Commerce, Science, and Transportation.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BOREN (for himself and Mr. NICKLES):

S. 476. A bill to amend the Internal Revenue Code of 1954 to impose a 50-percent nondeductible tax on certain profits realized in connection with corporate takeover attempts, and for other purposes; to the Committee on Finance.

By Mr. ANDREWS (for himself, Mr. LONG, Mr. STEVENS, Mr. FORD, Mr. DECONCINI, Mr. JOHNSTON, Mr. MELCHER, Mr. GORE and Mr. BENTSEN):

S. 477. A bill to enhance rail competition and to ensure reasonable rail rates where there is an absence of effective competition; to the Committee on Commerce, Science, and Transportation.

By Mr. SPECTER:

S. 478. A bill to amend the Surface Mining Control and Reclamation Act of 1977 to create a trust fund for the reclamation of underground mines and a trust fund for surface mines and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DENTON:

S. 479. A bill to prohibit any act of violence or threat of violence in a labor dispute and any conspiracy to accomplish such act or threat and to impose criminal and civil penalties therefor; to the Committee on the Judiciary.

By Mr. HATCH (for himself, Mrs. HAWKINS, Mr. EAST and Mr. DODD):

S. 480. A bill to authorize the Secretary of Education to make grants to strengthen the capacity of postsecondary institutions to respond to the continuing education needs of adults; to link postsecondary resources more closely to the preparation and performance of the American work force, and to enhance Federal policies affecting the development of the Nation's human resources; to the Committee on Labor and Human Resources.

By Mr. HATCH:

S. 481. A bill for the relief of Maria Cristina Perez-Lopez; to the Committee on the Judiciary.

By Mr. DECONCINI:

S. 482. A bill to provide for the designation on income tax forms of contributions to retire the public debt; to the Committee on Finance.

By Mr. DURENBERGER (for himself and Mr. WILSON):

S. 483. A bill entitled the "Intergovernmental Regulatory Relief Act of 1985"; to the Committee on Governmental Affairs.

By Mr. HATCH: (for himself, Mr. KENNEDY, Mr. D'AMATO, Mrs. HAWKINS, Mr. STAFFORD, Mr. QUAYLE, Mr. PELL and Mr. EAGLETON):

S. 484. A bill to amend the Saccharin Study and Labeling Act; to the Committee on Labor and Human Resources.

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 485. A bill to amend the Alaska National Interest Lands Conservation Act of 1980 to clarify the treatment of submerged lands and ownership by the Alaskan Native Corporation; to the Committee on Energy and Natural Resources.

By Mr. DENTON:

S.J. Res. 53. A joint resolution to authorize and request the President to designate the month of June 1985 as "Youth Suicide Prevention Month"; to the Committee on the Judiciary.

By Mr. McCLURE (for himself and Mr. SYMMS):

S.J. Res. 54. A joint resolution proposing a constitutional amendment relating to Federal spending responsibility; to the Committee on the Judiciary.

By Mr. COCHRAN (for himself, Mr. HELMS, Mr. EAST, Mr. JOHNSTON and Mr. NUNN):

S.J. Res. 55. A joint resolution to designate May 24, 1985, as "National Self-Help Housing Day"; to the Committee on the Judiciary.

By Mr. DECONCINI (for himself, Mr. WARNER, Mr. KENNEDY, Mr. DODD, Mr. HOLLINGS, Mr. HUMPHREY, Mr. CHILES, Mr. DOLE, Mr. JOHNSTON, Mr. DENTON, Mr. INOUYE, Mrs. HAWKINS, Mr. PRYOR, Mr. NUNN, Mr. STENNIS, Mr. BUMPERS, Mr. LAXALT, Mr. EXON, Mr. MOYNIHAN, Mr. LEVIN, Mr. BURDICK, Mr. PACKWOOD, Mr. LAUTENBERG, Mr. SARBANES, Mr. MCCONNELL, Mr. ANDREWS, Mr. BRADLEY, Mr. BOSCHWITZ, Mr. CRANSTON, Mr. HEFLIN, and Mr. MATSUNAGA):

S.J. Res. 56. A joint resolution to designate April 1985 as "National Child Abuse Prevention Month"; to the Committee on the Judiciary.

By Mr. CHILES (for himself, Mr. STENNIS, Mr. INOUYE, Mr. DOLE, Mr. GLENN, Mr. BOREN, Mr. JOHNSTON, Mr. RIEGLE, Mr. THURMOND, Mr. KERRY, Mr. NUNN, Mr. MOYNIHAN, Mr. ZORINSKY, Mr. GORE, Mr. KENNEDY, Mr. BURDICK, Mr. SARBANES, Mr. PRYOR, Mr. EAGLETON, Mr. HEINZ, Mr. HOLLINGS, Mr. ANDREWS, Mr. LAXALT, Mr. COCHRAN, and Mr. SYMMS):

S.J. Res. 57. A joint resolution to designate the week of October 20, 1985, through October 26, 1985, as "Lupus Awareness Week"; to the Committee on the Judiciary.

By Mr. CHILES (for himself, Mr. MOYNIHAN, Mr. ABDNOR, Mr. JOHNSTON, Mr. STENNIS, Mr. MATTINGLY,

Mr. LONG, Mr. BURDICK, Mr. WARNER, Mr. NUNN, Mr. KENNEDY, Mrs. HAWKINS, Mr. DOLE, Mr. BRADLEY, Mr. HOLLINGS, Mr. INOUYE, Mr. SARBANES, and Mr. GRASSLEY):

S.J. Res. 58. A joint resolution to designate the week of April 21, 1985, through April 27, 1985, as "National Drug Abuse Education and Prevention Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DANFORTH (for himself, Mr. BOREN, Mr. ABDNOR, Mr. ANDREWS, Mr. BAUCUS, Mr. BIDEN, Mr. BINGAMAN, Mr. BURDICK, Mr. BYRD, Mr. CHILES, Mr. DIXON, Mr. DODD, Mr. EAGLETON, Mr. EXON, Mr. FORD, Mr. GARN, Mr. GLENN, Mr. HEFLIN, Mr. HEINZ, Mrs. KASSEBAUM, Mr. KENNEDY, Mr. LAUTENBERG, Mr. LEVIN, Mr. METZENBAUM, Mr. MITCHELL, Mr. PRESSLER, Mr. PROXMIRE, Mr. QUAYLE, Mr. RIEGLE, Mr. SARBANES, Mr. SIMON, Mr. SPECTER, Mr. WARNER, Mr. HOLLINGS, Mr. ROCKEFELLER, Mr. THURMOND, and Mr. KASTEN):

S. Con. Res. 15. A concurrent resolution relating to United States-Japan trade; to the Committee on Finance.

By Mr. HATCH:

S. Con. Res. 16. A concurrent resolution expressing the sense of the Congress that the Job Corps Program is effective and should not be eliminated; to the Committee on Labor and Human Resources.

By Mr. MELCHER (for himself, Mr. GRASSLEY, and Mr. ZORINSKY):

S. Con. Res. 17. A concurrent resolution relating to discount interest rates for distressed agricultural lenders; to the Committee on Banking, Housing, and Urban Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BOREN (for himself and Mr. NICKLES):

S. 476. A bill to amend the Internal Revenue Code of 1954 to impose a 50 percent nondeductible tax on certain profits realized in connection with corporate takeover attempts, and for other purposes; to the Committee on Finance.

TAX ON PROFITS REALIZED IN CONNECTION WITH CORPORATE TAKEOVER ATTEMPTS

● Mr. BOREN. Mr. President, today I am introducing legislation to impose a 50-percent nondeductible tax on what are commonly called greenmail profits, realized in connection with two-tier corporate takeover attempts and to make the interest expenses attributable to the indebtedness undertaken in certain hostile attempts nondeductible.

Senator DON NICKLES joins me as an original cosponsor and Congressman JIM JONES has introduced the same legislation in the House of Representatives.

I am concerned that the tax code now confers tax benefits upon those who use precious credit resources in hostile takeover attempts which do not always treat all stockholders alike and which have no apparent benefits to economic productivity. This bill is aimed at stopping the misuse of the current tax code in those situations.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 476

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXCISE TAX ON GREENMAIL PROFITS.

(a) GENERAL RULE.—Chapter 46 of the Internal Revenue Code of 1954 (relating to golden parachute payments) is amended by adding at the end thereof the following new section:

"SEC. 4999A. GREENMAIL PROFITS.

"(a) IMPOSITION OF TAX.—There is hereby imposed on any person who realizes any greenmail profits a tax equal to 50 percent of the amount of such profits.

"(b) GREENMAIL PROFITS.—For purposes of this section—

"(1) IN GENERAL.—The term 'greenmail profits' means any gain realized by a 4-percent shareholder on the sale or exchange of any stock in the corporation—

"(A) if such shareholder held such stock (as determined under section 1223) for a period of less than 2 years, and

"(B) if, at some time during the 2-year period ending on the date of such sale or exchange, there was a public tender offer for stock in such corporation or a 4-percent shareholder submitted a written proposal to such corporation which suggests or sets forth a plan involving a public tender offer.

"(2) 4-PERCENT SHAREHOLDER.—The term '4-percent shareholder' means any person who owns (directly or through the application of section 318) stock possessing 4 percent or more of the total combined voting power of all classes of stock entitled to vote.

"(3) PUBLIC TENDER OFFER.—The term 'public tender offer' means any offer to purchase (or otherwise acquire) stock in the corporation if such offer was required to be filed or registered with any Federal or State agency regulating securities.

"(c) EXCEPTION FOR CERTAIN SHAREHOLDERS AND EMPLOYEES.—The tax imposed by subsection (a) shall not apply to any gain realized by any person on the sale or exchange of stock in any corporation if, throughout the 1-year period ending on the date of such sale or exchange, such person was—

"(1) an officer, director, or employee of such corporation, or

"(2) a 4-percent shareholder.

"(d) ADMINISTRATIVE PROVISION.—For purposes of subtitle F, any tax imposed by this section shall be treated as a tax imposed by subtitle A."

(b) CLERICAL AMENDMENT.—

(1) Chapter 46 of such Code is amended by striking out the chapter heading and the table of sections and inserting in lieu thereof the following:

"CHAPTER 46—GOLDEN PARACHUTE PAYMENTS; GREENMAIL PROFITS

"Sec. 4999. Golden parachute payments.
"Sec. 4999A. Greenmail profits.

(2) The table of chapters for subtitle D of such Code is amended by striking out the item relating to chapter 46 and inserting in lieu thereof the following:

"Chapter 46. Golden parachute payments; greenmail profits.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to sales and exchanges after February 6, 1985, in taxable years ending after such date.

(2) EXCEPTION FOR CERTAIN AGREEMENTS.—The amendments made by this section shall not apply to any sale or exchange pursuant to a written agreement in existence on February 5, 1985.

SEC. 2. INTEREST ON HOSTILE ACQUISITION INDEBTEDNESS.

(a) GENERAL RULE.—Part IX of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to certain items not deductible) is amended by inserting after section 279 the following new section:

"SEC. 279A. INTEREST ON HOSTILE ACQUISITION INDEBTEDNESS.

"(a) GENERAL RULE.—No deduction shall be allowed for any interest paid or accured during the taxable year with respect to hostile acquisition indebtedness.

"(b) HOSTILE ACQUISITION INDEBTEDNESS.—For purposes of this section—

"(1) IN GENERAL.—The term 'hostile acquisition indebtedness' means any junior obligation issued after February 18, 1985, in connection with a hostile acquisition.

"(2) HOSTILE ACQUISITION.—The term 'hostile acquisition' means any merger, consolidation, acquisition of property or stock, separation, reorganization, distribution of property (whether or not in liquidation), or any similar transaction involving any corporation, and any other person or group of persons acting in concert who acquired during the 12-month period preceding the transaction stock of such corporation representing at least 20 percent of the total combined voting power of all classes of stock entitled to vote, or at least 20 percent of the total fair market value of the shares of all classes of stock (other than nonvoting stock which is limited and preferred as to dividends), of such corporation, but only if the transaction, before consummation, was not formally approved by a majority (consisting of at least 2 members) of the independent members of the board of directors of such corporation. For purposes of the preceding sentence, no member of the board shall be treated as independent if such member is an officer or employee of the corporation or was nominated by the person or group of persons referred in the preceding sentence.

"(3) JUNIOR OBLIGATION.—The term 'junior obligation' means any obligation evidenced by a bond, debenture, note or certificate, or other evidence of indebtedness issued by any person which, upon issuance—

"(A) is expressly subordinated in right of payment to the payment of any substantial amount of unsecured indebtedness, whether outstanding or subsequently issued, of the issuer or the corporation referred to in paragraph (2);

"(B) is indebtedness of a person more than 50 percent of the value of the gross assets of which is (or following the hostile acquisition would be) represented, directly or indirectly, by the stock of the corporation referred to in paragraph (2), cash, and cash equivalents; or

"(C) bears a rating from any nationally recognized rating agency which is at least two ratings inferior to the rating from such agency in respect of any other substantial

class of indebtedness of the issuer or the corporation referred to in paragraph (2).

"(c) SPECIAL RULES.—For purposes of paragraph (1) of subsection (b)—

"(1) any extension, renewal, or refinancing of an obligation evidencing a pre-existing obligation shall not be deemed to be the issuance of a new obligation, and

"(2) any obligation which is hostile acquisition indebtedness of the issuer is also hostile acquisition indebtedness of any other person which becomes liable for such obligation as guarantor, endorser, or indemnitor or which assumes liability for such obligation in any transaction."

(b) CLERICAL AMENDMENT.—The table of sections for part IX of subchapter B of chapter 1 of such Code is amended by inserting after the item relating to section 279 the following new item:

"Sec. 279A. Interest on hostile acquisition indebtedness."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to interest paid or accrued with respect to obligations issued after February 18, 1985.●

By Mr. ANDREWS (for himself, Mr. LONG, Mr. STEVENS, Mr. FORD, Mr. DECONCINI, Mr. JOHNSTON, Mr. MELCHER, Mr. GORE, and Mr. BENTSEN):

S. 477. A bill to enhance rail competition and to ensure reasonable rail rates where there is an absence of effective competition; to the Committee on Commerce, Science, and Transportation.

CONSUMER RAIL EQUITY ACT

● Mr. ANDREWS. Mr. President, the legislation my colleagues and I are introducing today, the Consumer Rail Equity Act of 1985, represents a broad-based attempt to rectify a gross inequity that is affecting the well-being of industry in every part of the country.

From the coal fields of Appalachia, to the golden plains of the Midwest, to the bounty of the imperial valley, thousands of American business enterprises are feeling the economic pinch of uncontrolled railroad monopoly power.

When Congress approved the landmark Staggers Rail Act in 1980, our intent was to deregulate the American railroad industry, with one very important exception.

Congress recognized that railroad deregulation would leave some shippers and consumers at the mercy of a single carrier for transportation of their goods and services. In short, some consumers and shippers would find themselves captive to that particular railroad's monopoly power. In those situations, Congress directed the Interstate Commerce Commission [ICC] to protect consumers and shippers against the rate abuses of railroad monopoly power. Despite this clear mandate, the ICC has adopted policies which have left monopolized shoppers and consumers virtually unprotected.

The bottom line in this scenario is twofold. The ICC has blatantly ignored the intent of Congress with regard to monopoly rail rates. And in the process, American railroads have reaped wholesale financial benefits at the expense of American consumers.

ICC rulings have caused concern not only for consumers and shippers, but for the Federal courts as well. The U.S. Court of Appeals for the District of Columbia stated in 1981, "The legislation (meaning the Staggers Act) did not strip the Commission of its power and duty to protect shippers from the unreasonable high rates of carriers with market dominance." *Burlington Northern Inc.* v. *U.S.*, 661 F2d 964, 973 (D.C. Cir. 1981).

As time passed, the indignation of the courts increased. In *Arizona Public Service* v. *U.S.*, 724 F2d 644 (1984), the same court took exception to an ICC finding of no market dominance. The court, in overturning the ICC decision, found "nothing in the record that might reasonably be viewed as factual support for the position that intramodel competition constrains prices in this case." The court concluded by stating, "the ICC review and dismissal of this challenge bears the earmarks of a hasty route, not the measured passage from the old regime to the new, for which Congress provided." 744 F2d 644 at 655.

Clearly Staggers is not operating as we intended in 1980. Thanks to the ICC's laisses faire approach to its role in implementing the Staggers Act, the railroads have been free to charge excessive rates which have adversely affected farmers and agricultural shippers, mining, and manufacturing companies, small businesses, coal producers, and American consumers in general.

Whatever the form, it is always American consumers who will, in the end, feel the adverse economic impact of monopoly rail rates. When a railroad arbitrarily increases the rate it charges to an electric utility to haul coal to a generating facility, that increase is passed directly onto consumers in the form of a higher electric bill. And many times, that increased transportation cost will show up as a line item on a utility bill under the heading "fuel cost adjustments." And the numbers we are talking about here are substantial indeed.

Consider, that in Texas the total electric utility for the railroad transportation of coal was $16 million in 1976. In 1983, the same bill was a staggering $713 million. During the same period, the per ton rate for the transportation of utility coal went from $11.50 a ton to $24.50 a ton.

Another example, Florida. In 1976, the total electric utility bill for the transportation of coal was $5 million. In 1983, it was $102 million.

It is extremely important to understand that the serious problems associated with monopoly rail power are not restricted to the coal and electric utility industries. The problem is broad in scope and affects a diverse slice of American society.

It affects the phosphate industry in Florida, the potash manufacturer in New Mexico, the huge fruit and vegetable growers in California and thousands of farmers in America's heartland.

Representing an agricultural State such as North Dakota, I know firsthand of the ways in which railroad monopoly power is adversely affecting the livelihoods of American farmers. And I need not tell you that many of these farmers are presently engaged in what amounts to a struggle for economic survival.

Railroads utilizing the free market philosophy of Staggers, are, through anticompetitive practices able to force agricultural shippers out of a competitive environment into situations where they are just as captive to the pricing power of railroads as the coal and utility groups.

A railroad is currently able, merely by failing to renew a switching agreement with another line, to effectively eliminate a form of potential competition for the first carrier. Even the railroads themselves admit the current railroad actions are designed to monopolize traffic. A CEO of a large railroad was quoted as saying "deregulation makes it imperative that you serve markets with your own line, and not through connecting railroads * * * other railroads, are able to freeze you out of the market."

The problem agricultural shippers face is that anticompetitive actions by the railroad also freeze grain and other commodity shippers out of markets.

Railroad monopoly power has the ability to dramatically increase a farmer's cost of doing business. When the price of fertilizer, seeds and other bulk commodities that are essential to a farmer's operations increase as a result of excessive rail rates, the obvious result is increased operating expenses for the farmers.

Excessive rail rates hit America's farmers in another critical way. Farmers are generally at the mercy of large-scale buyers as to the price they get for their products. What many people do not understand is that farmers have very little control with regard to pricing. When large-scale grain buyers are faced with excessive rail transportation rates, it does not take an economist to figure out who suffers the consequences. For the American farmer, the result is a smaller slice of pie. For the American consumer, the result is higher prices for an assortment of grain-related products. Excessive rail rates are also inhibiting our ability to export agricultural products. And in so doing, we are further contributing to

the crisis facing American farmers, we are adding to our recordbreaking trade imbalance and we are simultaneously fueling the Federal budget deficit.

I am also concerned with the probability of future rate increases and how unrestrained increases will affect the rail movement of agricultural commodities.

At the present time, much of the grain moved by rail, is being moved at very competitive prices. The ICC, however, has given the impression that they might be willing to apply the coal rate guidelines to the movement of grain.

In the coal rate guidelines the ICC suggested that the upper limit for rail rates should be the stand alone cost, which is the cost that would be incurred if the shipper was forced to build its own railroad.

In the pending ICC proceeding *McCarty Farms, Inc.* v. *BN Inc.* (Docket Nos. 37809 and 37809 (DUB.-NO.1)). The ICC asked for comments on whether it should apply the coal rate guidelines to captive grain. On November 10, 1983, in its answer, Burlington Northern stated:

> There is no conceptual or legal justification for regulating market dominant coal traffic differently than other market dominant traffic under the statutory scheme of the Interstate Commerce Act. The Congress has chosen to make no distinction between maximum rate regulation on coal as compared with grain, as it has done, for example with recyclables. Thus, the defendant sees no economic or legal justification for finding these grain rates unreasonable.

The numerous problems associated with monopoly rail rates, and the increasing court concern with ICC implementation of the Staggers Act, mandate the serious attention of this Congress. The Consumer Rail Equity Act of 1985 has been developed to deal with these problems in a manner that reflects the will and intent of Congress as stipulated in the Staggers Rail Act.

This legislative package is not an attempt to reregulate the railroads. Rather, this bill merely reaffirms the responsibility of the ICC in its implementation of the Staggers Act—a deregulation improvement act.

The matter of excessive rail rates brought on by monopoly rail power is a pervasive problem that affects millions of American consumers. Our response to this very real problem, in the form of the Consumer Rail Equity Act of 1985, comes not a moment too soon.

I strongly urge my colleagues to join me in supporting this essential legislation.

Mr. President, I ask unanimous consent that the bill, a section-by-section analysis, a list of supporters of this legislation, and material from the National Governers' Association be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 477

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act be cited as the "Consumer Rail Equity Act".

SEC. 2. PURPOSE.

The purpose of this Act is to clarify and reaffirm the intent of the Congress that the Railroad Revitalization and Regulatory Reform Act of 1976 and the Staggers Rail Act of 1980 be interpreted and implemented in a manner which will—

(1) revitalize the national railroad system,

(2) ensure adequate service to the public,

(3) provide an opportunity for the nation's railroads to earn adequate revenues under honest, economical and efficient management, and

(4) enhance the availability of competitive alternatives,

under a balanced approach that encourages and promotes intramodal competition while providing adequate protection for persons served by market dominant rail carriers.

SEC. 3. MARKET DOMINANCE.

(a) DEFINITION OF MARKET DOMINANCE.—Section 10709(a) of title 49, United States Code, is amended by inserting "(1)" after "(a)" and by adding at the end thereof the following: "In determining the existence or absence of effective competition, the Commission shall consider only transportation competition for movement of the same commodity from the same point of origin to the same destination.

"(2) If a person challenging a rate demonstrates, with respect to the transportation to which the rate applies, that alternative non-circuitous rail service is not available from the same point of origin to the same destination (excluding transportation by or over the lines of any rail carrier that participates in the transportation to which the rate applies), the rail carrier(s) charging or proposing such rate shall be presumed to have market dominance over the transportation to which the challenged rate applies unless the rail carrier(s) charging or proposing the rate show(s) and the Commission finds that effective competition exists from other carriers or modes of transportation for the transportation to which the rate applies."

(b) PROCEDURE.—(1) Section 10709(b) of such title is amended by striking out "under section 10707 of this title to investigate" and inserting in lieu thereof "initiated to consider".

(2) The first sentence of section 10709(c) is amended by striking out "may then determine" and inserting in lieu thereof "shall determine".

SEC. 4. RATE REASONABLENESS.

(a) BURDEN OF PROOF.—Section 10701a(b)(2) is amended to read as follows:

"(2) In any proceeding to determine the reasonableness of a rate described in paragraph (1) of this subsection, the rail carrier establishing the challenge rate shall have the burden of proving that such rate is reasonable."

(b) DIFFERENTIAL RATES.—Section 10701a(b) is further amended by adding at the end thereof the following new paragraph:

"(4) The Commission may not determine a rate to be reasonable for purposes of this section if such rate exceeds the fully-allocated cost of the transportation to which the rate applies, unless the Commission finds, with respect to the challenged rate, that the differential in excess of fully-allocated cost is not greater than that which would result were the rail carrier, to the extent practicable, to equitably allocate the burden of producting revenues required to achieve or maintain revenue adequacy—

"(A) to the challenged rate, and

"(B) to all other rates which yield a revenue-variable cost percentage in excess of 180 percent (or such lower percentage as may be in effect under section 10709(d)(2)).".

(c) DETERMINATION PROCESS.—(1) Section 10701a(b)(3) is amended by inserting ", including the policy" after "title" and by inserting "be allowed to" before "earn".

(2) Section 10701a(b) (as amended by subsection (b)) is further amended by adding at the end thereof the following new paragraph:

"(5) In determining whether a rate described in paragraph (1) is reasonable, the Commission shall make specific findings with respect to—

"(A) the consistency of such rate (and such determination) with (i) each element of the rail transportation policy in section 10101a at issue in the proceeding, and (ii) the factors described in section 10707a(e)(2)(C); and

"(B) where applicable, the factors described in paragraph (4)."

(d) AMENDMENTS TO RAIL TRANSPORTATION POLICY.—(1) Section 10101a of such title is amended by striking out "and the demand for services" in paragraph (1); by inserting ", consistent with paragraph (6)," after "minimize" in paragraph (2); and by amending paragraph (6) to read as follows:

"(6) to maintain reasonable rates where there is an absence of effective competition;".

(2) Paragraph (15) of such section is amended to read as follows:

"(15) to encourage and promote competitive transportation rates for both domestic energy supplies and domestically produced agricultural commodities in order to increase their competitive position in both import and export markets."

(e) ACCOUNTING; INFLATION ADJUSTMENTS.—(1) Section 10707a(a)(2)(B) of such title is amended by inserting "actual cost experience and" after "reflect"; by inserting "and changes in railroad productivity, volume, and product mix" after "labor,"; and by inserting " , or for the fourth quarter of 1984," after "1982".

(2) Section 10707a(b) is amended by adding at the end of such subsection the following new paragraph:

"(4) If, and to the extent that, a rail rate has been changed under this subsection, or pursuant to section 10706 or 10712 of this title, such rate shall be reduced to the extent of any subsequent decreases in the rail cost adjustment factor. The Commission shall take such actions as may be necessary to ensure compliance with this paragraph. Such Commission actions shall not be deemed to constitute the prescription of maximum rates, and shall be without prejudice to the implementation of individual rate increases under any other provision of this title."

(3) Section 10709(d)(3) of such title is amended to read as follows:

"(3) For purposes of this subtitle, in determining the revenue-variable cost percentage for a particular rail carrier transportation, variable costs shall be determined using the Commission's Rail Form A cost-finding methodology in effect as of February 20,

1985, until changed in accordance with cost accounting principles established by the Railroad Accounting Principles Board under section 11162 which have been implemented, in accordance with section 11163, by Commission order which is final and no longer subject to judicial review."

(4) Section 10712(a) of such title is amended by inserting before the period at the end thereof the following: "and shall take into account changes in railroad productivity, volume, and output mix, and actual cost experience".

(f) TIME LIMITS.—(1) Section 10327(a) of such title is amended by inserting "(1)" after "(a)" and by inserting after the first sentence of subsection (a) the following new sentence: "Paragraph (2) of this subsection applies to any such matter involving rail rates."

(2) Such subsection is further amended by adding at the end thereof the following:

"(2) Except to the extent that a shorter period is applicable under section 10707(b), the Commission shall complete any rail rate proceeding and make its final decision therein by the end of the 12th month after the proceeding is commenced."

SEC. 5. STANDARDS AND PROCEDURES FOR DETERMINING REVENUE ADEQUACY.

(a) STANDARDS AND PROCEDURES FOR DETERMINATION.—Section 10704(a) of such title is amended in the first sentence of paragraph (2) thereof by striking out "and economic profit or return (or both)" and inserting in lieu thereof "return"; and by striking out paragraphs (3) and (4) thereof and inserting in lieu thereof the following:

"(3) The standards and procedures respecting revenue adequacy and any action of the Commission pursuant to this subsection to determine the revenue levels that are adequate for a rail carrier within the meaning of this paragraph, shall provide—

"(A) for identification of revenues, expenses and investment base reasonably related to providing rail transportation service;

"(B) for including in the investment base of a rail carrier only those assets reasonably related to providing rail transportation service valued at original cost depreciated using straight-line depreciation over the economic life of the assets, less the amount of the deferred tax reserves of the rail carrier resulting from the use of accelerated depreciation; and

"(C) that in establishing return on investment base, the cost of capital of such carrier shall be determined using the actual cost of debt capital, and reasonable estimates of the current cost of equity capital to such rail carrier.

"(4) In any action by the Commission to determine revenue levels that are adequate for a rail carrier, the Commission shall inquire into, consider, and specifically comment on the validity of its determination with respect to—

"(A) the factors described in section 10707a(e)(2)(C), and

"(B) indicators of financial health, including but not limited to—

"(i) bond ratings, fixed charge coverage, operating ratios, debt to equity ratios, return on investment base, return on shareholders' equity, and return on total capitalization; and

"(ii) actions taken with respect to any merger or other acquisition of other business interests, and the source and cost of capital employed in any such acquisition.

"(5)(A) The Commission shall on an annual basis determine which rail carriers are earning adequate revenues and which carriers are earning inadequate revenues. The Commission shall also determine for each rail carrier the revenues required to achieve or maintain revenue adequacy within the meaning of this subsection.

"(B) Before making a determination under subparagraph (A) with respect to a rail carrier, the Commission shall—

"(i) require such carrier to submit information in a form consistent with and appropriate to the discharge of the Commission's responsibilities under this paragraph and paragraphs (3) and (4), and

"(ii) provide notice and an opportunity for public comment on such information and on the revenue adequacy of such carrier."

(b) CONFORMING AMENDMENTS.—Section 10701a(b)(3), Section 10707a(d)(3) (A) and (B) and section 10707a(e)(1) are each amended by inserting "through (5)" after "10704(a)(2)".

SEC. 6. EXEMPTIVE AUTHORITY.

Section 10505 of such title is amended by striking out "shall exempt" and inserting in lieu thereof "may exempt" in subsection (a); by inserting "or other persons" after "shippers" in subsection (a)(2)(B); by striking out "or" before "(2)" in subsection (g); and by inserting before the period at the end of subsection (g) the following: ", or (3) to issue any exemption with respect to any transportation unless the Commission has specifically determined that the rail carrier does not have market dominance over such transportation (within the meaning of section 10709(a)), except that the Commission may issue an exemption without making such determination if adequate public and other appropriate notice has been given and no interested person has objected to such exemption within such reasonable period as may be specified in the notice".

SEC. 7. ENHANCEMENT OF COMPETITION.

(a) JOINT RATES.—Section 10705 of such title is amended by redesignating subsections (g) and (h) as subsections (h) and (i), respectively, and by inserting after subsection (f) the following new subsection:

"(g) Notwithstanding any other provision of this section, in order to achieve the objective of greater intramodal railroad competition, any rail carrier providing service under a single line rate, or a joint line rate, on a particular category of traffic, between an origin and destination, upon request of a rail carrier having an actual or practicable interchange connection with such rail carrier between such origin and destination (or upon request of a shipper or receiver), shall either participate in at least one competitive joint rail rate via such interchange on such traffic with such connecting rail carrier between such points or shall publish a competitive proportional rate on such traffic to or from such interchange point. Such joint rate or proportional rate shall be conclusively deemed competitive if the ratio of revenue to variable costs realized from the division of the joint rate or from the proportional rate is no higher than that realized from the rail carrier's single line rate, or its division of such existing joint rate, between such origin and destination.

(b) TERMINAL FACILITIES AND RECIPROCAL SWITCHING.—

(1) Section 11103(a) of such title is amended to read as follows:

"(a) Notwithstanding any other provision of this subtitle, upon petition of any interested rail carrier, shipper, receiver, or other party directly impacted, the Commission shall require terminal facilities, including main-line tracks, for a reasonable distance outside of a terminal, owned by a rail carrier providing transportation in interstate or foreign commerce, to be used by another rail carrier, if the Commission finds that use to be practicable and necessary for the provision of alternative competitive rail service by the latter carrier, or otherwise in the public interest, without substantially impairing the ability of the rail carrier owning the facilities or entitled to use the facilities to handle its own business. The Commission shall take final action upon any petition requesting the Commission to require such use no later than 180 days after the filing of such petition with the Commission. The carriers are responsible for establishing the conditions and compensation for use of the facilities. However, if the carriers cannot agree, the Commission shall establish conditions and compensation for use of the facilities. Such compensation shall not exceed the costs incurred by the owning carrier in making its facilities available for use by the other carrier (including both variable costs and an allocated share of the fixed costs and a reasonable return, associated with the facilities actually being used by the other carrier). The Commission shall take final action to fix such conditions and compensation within 90 days after any party requests it to do so. The compensation shall be paid or adequately secured before a carrier may begin to use the facilities of another carrier under this section."

(2) Section 11103 of such title is further amended by striking out subsection (c)(1) and inserting in lieu thereof the following:

"(c)(1) Upon petition of any interested rail carrier, shipper, receiver, or other party directly impacted, the Commission shall establish the compensation for reciprocal switching performed by a rail carrier at a level not to exceed the percentage then in effect under section 10709(d)(2) of the system average variable costs for such service, unless that carrier demonstrates that a higher level of compensation is reasonable and necessary for such switching service.

"(2) No rail carrier may cancel a reciprocal switching agreement except upon a minimum of 45 days' notice to the general public through appropriate tariff publications, unless the carrier can demonstrate that the continuation of reciprocal switching is not practicable or is unnecessary to provide alternative competitive rail service. The Commission shall suspend for investigation a proposed cancellation of a reciprocal switching agreement if it determines that a shipper has utilized or would utilize such reciprocal switching for a significant portion of its current or future rail transportation needs at the facility or facilities affected by the proposed cancellation.

"(3) Upon petition of any interested rail carrier, shipper, receiver, or any other party directly impacted, the Commission shall require rail carriers to enter into reciprocal switching agreements where it finds such agreements to be practicable and in the public interest, or where such agreements are necessary to provide alternative competitive rail service. The Commission shall take final action upon any petition requesting the Commission to require rail carriers to enter into reciprocal switching agreements no later than 180 days after the filing of such petition with the Commission.

(d)(1) In determining whether use of terminal facilities or reciprocal switching shall be provided or maintained under this section, the Commission shall not consider the adequacy of any rail carrier's revenues, or the alleged existence of competition other

than direct rail competition between the origin and destination of the traffic involved."

SEC. 8. ABANDONMENT PROCEDURE.

(a) ONE YEAR MORATORIUM AFTER DENIAL OF ABANDONMENT.—Section 10904(a)(1) of such title is amended by inserting "(A)" after "(a)(1)" and by adding at the end thereof the following new subparagraph:

"(B) A rail carrier may not file an application under subparagraph (A) with respect to any railroad line or rail transportation included in any prior application denied under this section until one year has elapsed after such denial has become final, unless such carrier shows a substantial change in circumstances that is material to abandonment of such line or transportation."

(b) LOCAL HEARING.—Section 10904(c) of such title is amended in paragraph (1) by striking out "45" and inserting "60" and by inserting "conduct a hearing under paragraph (4), and" before "determine"; in paragraph (2), by striking out "75" and inserting "90"; by redesignating paragraph (4) as paragraph (5); and by adding after paragraph (3) the following new paragraph:

"(4) On request of protestants who are located in any community affected by the abandonment, the Commission shall provide in one or more of such communities an opportunity for hearing on the proposed abandonment, unless the Commission for good cause finds that such a hearing is impracticable or unnecessary. The Commission may employ or contract with persons who are not regular, fulltime officers or employees of the United States for purposes of presiding at hearings under this paragraph. The rail carrier proposing the abandonment shall reimburse the Commission for the cost incurred in conducting such hearing."

(c) LINE SPECIFIC FINANCIAL DATA.—Section 10904(d)(1) of such title is amended by inserting "(A)" after "(d)(1)" and by adding at the end thereof the following new subparagraph:

"(B) In any proceeding under this section, the Commission shall base its determination upon financial data respecting the facility proposed to be abandoned rather than system-wide or industry-wide averages. The rail carrier proposing the abandonment shall file such data as may be necessary to permit the Commission to make such determination."

SEC. 9. STATE AUTHORITY.

(a) REQUIREMENT OF CONSISTENCY.—Section 11501(b) of such title is amended to read as follows:

"(b)(1) A State authority exercising jurisdiction over intrastate transportation provided by a rail carrier which also provides transportation subject to the jurisdiction of the Commission under subchapter I of chapter 105 of this title shall do so consistently with the provisions of this subtitle.

"(2) Any decision of a State authority exercising jurisdiction over intrastate rates, classifications, rules, and practices for intrastate transportation described in paragraph (1) of this subsection, upon petition of a party to its proceeding, shall be reviewed by the Commission to determine whether the State authority has entered a decision inconsistent with the provisions of this subtitle."

(b) SCOPE OF ICC REVIEW.—Section 11501(c) is amended to read as follows:

"(c) Within 120 days after the receipt of a petition under paragraph (b)(2) of this section, the Commission shall take action on any such petition, applying the same scope of review as that of a reviewing court as set forth in section 706 of title 5 for review of a decision of an administrative agency. If the Commission determines that the State authority's decision is inconsistent with the provisions of this subtitle, it may vacate the decision of the State authority and shall remand the matter for further proceedings."

SEC. 10. TRANSITIONAL PROVISIONS.

(a) GENERAL RULE.—Except as provided in subsection (b), the amendments made by this Act shall apply to any rail rate in effect on or after February 20, 1985, including any rail rate which is subject to a proceeding pending before the Interstate Commerce Commission or any court on such date.

(b) SECTION 229 RATES.—The amendments made by this Act shall not apply to a rate in effect on the effective date of the Staggers Rail Act of 1980 and not challenged during the 180 day period beginning on such effective date in accordance with section 229 of such Act, except that a party to a contract entered into during such 180 day period, or in effect on the last day of such 180 day period, may challenge a rate that would apply at the expiration of such contract.

(c) LIMITATIONS ON REPARATIONS.—The Commission shall have no authority to award reparations under section 11705 of title 49, United States Code, for any period prior to the date of enactment of this Act unless reparations could have been ordered by the Commission for any such prior period pursuant to its authority in effect prior to the enactment of this Act.

CONSUMER RAIL EQUITY ACT: SECTION-BY-SECTION ANALYSIS

INTRODUCTION AND OVERVIEW

The Consumer Rail Equity Act is a midcourse adjustment in the operation and implementation of the Staggers Rail Act of 1980. The purpose of this legislation is to reaffirm the balance that was carefully struck in the Staggers Rail Act of 1980 between the needs of large and small railroads, shippers, receivers and consumers, while preserving the fundamental structure and premises of the current law. The legislation's goal is to continue and enhance the Staggers Act's emphasis on permitting competitive market forces to govern the terms and conditions of rail freight service wherever possible, while providing a measure of practical protection for those shippers who remain subject to railroad monopoly power—as Congress also intended in enacting the Staggers Act.

The bill does not change the present statutory threshold for Interstate Commerce Commission jurisdiction over maximum rail rates, and thus does not seek to extend regulatory authority to any rates that are not subject to Commission review under present law. This legislation does not extend regulation to rates that are below the Commission's present jurisdictional threshold and continues the deregulation of contract rates that was established by the Staggers Act.

The most significant changes from present Commission practice and law that are proposed in the bill include a more realistic and market-based test of railroad revenue adequacy than the test being employed by the Commission, a simplification of the Commission's interpretation of the market dominance test to eliminate consideration of product and geographic competition, a shifting of the burden of proof with respect to rate reasonableness from the captive shipper to the railroad, and standard for maximum rate reasonableness to assure that those shippers, receivers and consumers who must bear most of the burden of helping the railroads achieve revenue adequacy are treated equitably.

The bill also enhances the availability of competitive rail opportunities for shippers and receivers and assists in the current transition to more accurate and cost-based railroad accounting. Several procedural improvements are proposed, including improvements in abandonment proceedings and the standard for ICC review of State commission rulings on intrastate rail rates. Finally, the bill assures that the national rail transportation policy which is embodied in the Staggers Act is consistent with other national goals of assuring competitive transportation rates for domestic energy supplies and domestically produced agricultural commodities.

SECTION 1—SHORT TITIE

This section provides that the bill may be cited as "The Consumer Rail Equity Act."

SECTION 2—PURPOSE

This section reaffirms the goals of the Railroad Revitalization and Regulatory Reform Act of 1976 [the 4R Act] and the Staggers Rail Act of 1980, and declares the intent of Congress that this bill shall assure that the previous two Acts are administered in a balanced manner that both provides adequate protection for those subject to railroad monopoly power and maximizes the opportunities for intramodal competition.

SECTION 3—MARKET DOMINANCE

This section is intended to simplify and streamline the procedure by which the Commission determines whether a rail carrier has market dominance over the transportation to which a rate applies. Under both present and proposed law, the Commission has jurisdiction over only those rates where the shipper is paying above a specified amount and the ICC finds the shipper is paying above a specified amount and the ICC finds the shipper to be subject to railroad market dominance. There is no change proposed to the provision of present law (49 USC 10701a(b)(1)) that a rate may not be challenged as exceeding a reasonable maximum unless the Commission first finds market dominance. There is also no change proposed to the conclusive presumption in 49 USC 10709(d) that market dominance is presumed not to exist if the rate yields a revenue-variable cost ratio below an annually calculated figure known as the cost recovery percentage, which is currently 180 percent, the maximum allowed under the Staggers Rail Act.

This section would eliminate, however, the current Commission practice of allowing a railroad to challenge the presence of market dominance by alleging that the shipper can use a different product (such as fuel oil instead of coal) or purchase the same product from a different geographic region (such as grain from the midwest rather than grain from the northern tier states). Under the present ICC practice, the shipper must prove the absence of product and geographic competition when the railroad has made the allegation. In effect, the shipper must prove all the elements of an antitrust case, which is costly, time consuming and intimidating, particularly to smaller shippers. Perhaps for that reason, the Commission that implemented the 4R Act, which first introduced the concept of "market dominance", determined to consider only competition in transportation.

The bill directs the Commission to confine its market dominance inquiry to the assess-

ment of whether the rail transportation is subject to competition from other rail carriers or other modes of transportation such as trucks or barges. Under the "market dominance" test provided in the legislation, there will be a rebuttable presumption of market dominance when the shipper or receiver challenging the rate demonstrates that its shipment is captive to a single rail facility for at least part of the movement. The rail carrier or carriers can then rebut the presumption by demonstrating that economically viable alternatives exist for rail transportation from other rail carriers or other modes of transportation.

This section also requires that the Commission make its market dominance determination within ninety days of the initiation of all proceedings challenging the reasonableness of a rate that is charged to a captive shipper. Under current law and practice, the Commission must complete its determination within ninety days only if it institutes an investigation of the rate after a complaint is received.

SECTION 4—RATE REASONABLENESS

A persistent complaint about the present administration and interpretation of the law has been the Interstate Commerce Comissions standard for determining the reasonableness of a rate that is being charged a captive shipper. The Commission has embraced a philosophy of maximum rate reasonableness based almost entirely on demand for rail freight service, rendering the cost to the railroad of providing the transportation nearly irrelevant as a rate-making consideration. No other regulated industry enjoys such freedom from cost scrutiny. In almost all other instances in which a company possesses monopoly power—and Congress recognized in Staggers that railroads continue to possess monopoly power with regard to captive shippers—cost-based regulation has been employed to discipline abuses of that monopoly power.

The intent of this bill is not to impose utility-type rate of return-based regulation upon market dominant carriers. The conclusive presumption that no market dominance can be found for a rate yielding revenues between 170 and 180 percent of variable cost, which precludes the Commission from even entertaining a complaint about a rate below that level, represents a fundamental policy judgment of the Staggers Rail Act that some shippers and receivers will be required to pay a greater share of the revenues needed to develop and sustain a sound national rail transportation system.

This bill does not revisit that policy decision of the Congress. This legislation does not quarrel with the jurisdictional threshold of the Staggers Act or with the judgment that some shippers and receivers, and by extension some consumers, should pay more than others for rail transportation. Section 4 of the bill does, however, alter the method by which the Commission has been reviewing the reasonableness of rates of carriers possessing monopoly power. The Consumer Rail Equity Act requires the Commission to give careful attention to the railroads' costs and revenue needs and to the manner in which the burden of producing needed revenues is allocated among captive shippers.

To assure that captive shippers are provided the protections intended by Congress in the Staggers Rail Act, the Consumer Rail Equity Act proposes several changes to present Commission practice. First, section 4 shifts the burden of proving the reasonableness of a challenged rate in all instances to the rail carrier, which is in a better position to supply the necessary information, including the cost of providing the service and the amount of traffic that is captive. This section also directs the Commission to make affirmative findings in support of its rate reasonableness decision, on the consistency of the rate with any of the fifteen elements of the national rail transportation policy (49 USC 10101a) that have been put in issue, and on the consistency of the rate with the "Long-Cannon factors." (The Long-Cannon factors were the result of a careful compromise during the Senate debate on the Staggers Rail Act. These provisions direct the Commission, in determining maximum rate reasonableness, to consider the amount of a railroad's traffic that is inefficiently priced and whether one commodity is bearing a disproportionate share of the carrier's revenue burden.)

If the challenged rate is above the railroad's fully allocated cost of providing the service (as well as above the jurisdictional threshold provided in the Staggers Act) the Commission must make certain findings in order to approve the rate as reasonable. It must find that the carrier needs to charge rates above its fully allocated cost to achieve or maintain revenue adequacy, and if so, it must also find that the rate being charged is no greater than it would be if the railroad's revenue adequacy burden were equitably distributed, to the maximum extent practicable, across all of its captive traffic, including the traffic in question. This standard, together with conforming changes to the national rail transportation policy, is designed to end the current regulatory focus on demand-based rate reasonableness to the exclusion of cost considerations, and, in particular, to end the use of any "stand-alone cost" standard of maximum rate reasonableness.

To assure accurate and expeditious proceedings, the Commission is directed (1) to continue to use its existing Rail Form A costing methodology until it has implemented the standards that shall be promulgated by the Railroad Accounting Principles Board which is authorized under 49 USC 11163, and (2) to complete any rate reasonableness proceeding within twelve months. The current time limits for completing an investigation would continue to apply to those proceedings. The Railroad Accounting Principles Board was constituted in November, 1984 and should complete its work in approximately two years.

Finally, this legislation expands one of the fifteen national goals to be achieved in the implementation of the Staggers Rail Act of 1980. This legislation provides that the fifteenth stated goal is expanded to include "competitive transportation rates for both domestic energy supplies and domestically produced agricultural products." When making a rate reasonableness determination, the ICC must make an affirmative finding that the rate is consistent with the achievement of these goals.

SECTION 5—STANDARDS AND PROCEDURES FOR DETERMINING REVENUE ADEQUACY

A critical goal of both the Railroad Revitalization and Regulatory Reform Act of 1976 and the Staggers Rail Act of 1980 was the attainment, by our nation's railroads, of "revenue adequacy." Section 10704 thus directs the Interstate Commerce Commission to determine regularly which carriers are receiving adequate revenues, that is, revenues that are sufficient "under honest, economical, and efficient management," to recover operating expenses, including depreciation and the replacement of obsolete assets, together with a "reasonable and economic profit or return (or both) on capital employed in the business."

The administrative standard now used to determine whether a railroad is revenue adequate—the current cost of capital measured against the railroad's investment base—does not realistically measure the true financial condition of a railroad, and tends to materially understate the "adequacy" of the railroad's revenues. The perhaps inevitable result is that the Commission currently finds all major railroads to be revenue inadequate, including some railroads which by other, more realistic measures and by the recent acquisition history of their holding companies appear to be financially secure. This is a matter of substantial concern to captive shippers since a judgment of the Congress in the Staggers Act was that a railroad's captive traffic must make the total contribution to the attainment of revenue adequacy that a railroad's competitive traffic cannot make.

Accordingly, section 5 of the bill seeks to assure that revenue adequacy determinations are based upon realistic measurements of a railroad's financial health. This very well may be the most important element in the Consumer Rail Equity Act because this analysis will determine the extra burden that must be carried by captive shippers. The revenue adequacy determination is to be made annually and shall allow for adequate public comment on the non-proprietary information submitted by the railroads. In making revenue adequacy determinations and applying them in administering the law, the Commission shall identify revenues, expenses and the investment base reasonably related to providing rail service, and place railroads on the same footing as any other industry by valuing assets at original cost reduced by straight line depreciation. In determining the cost of capital, the Commission shall use actual or embedded cost of debt (rather than the present practice of using current cost of debt, which gives a railroad a windfall for all of its debt for which it is paying less than the current rate) and reasonable estimates of the cost of equity.

This section would also expand the present scope of the Commission's examination of a railroad by requiring it to inquire into and consider several indicators of financial health routinely used in financial analysis, such as operating ratios, fixed charge coverage, debt/equity ratios, bond ratings and merger and acquisition activity. The Long-Cannon factors are to be applied in making revenue adequacy determinations. If a railroad is pricing an excess of its traffic inefficiently, the revenue shortfall attributable to that practice should not be considered in deciding whether the carrier is otherwise revenue adequate.

These broader inquiries do not dictate any particular outcome, but they should assist in producing more complete assessments of revenue adequacy.

Finally, to assist the Commission in its rate reasonableness proceedings, which under section 4 of the bill will not include a specific assessment of whether a challenged rate that is above fully allocated cost is bearing more than an equitable share of the railroad's revenue burden, the revenue adequacy determination is to include a specific Commission finding on the extent of revenues required to achieve or maintain revenue adequacy.

SECTION 6—EXEMPTIVE AUTHORITY

The Commission is directed in 49 USC 10505 to pursue exemptions from regulation where the regulation is not necessary to carry out the transportation policy set out in section 10101a, and is either (a) of limited scope or (b) no longer needed to protect shippers from abuse of railroad market power. This section would provide that an exemption "may" be issued if the Commission finds there is no market dominance (within the meaning of section 10709, as amended by section 3 of the bill) over the transportation involved in the exemption. This section also provides that the Commission should consider whether persons other than shippers (including receivers and consumers) require protection from abuse of railroad market power sufficiently to deny issuance of an exemption.

These changes are intended to prevent the use of the exemption power in circumstances where competitive forces do not exist to discipline railroad monopoly power effectively.

SECTION 7—ENHANCEMENT OF COMPETITION

A sound national rail transportation system involves a great amount of interdependence among carriers. The majority of rail freight shipments travel over the lines of at least two carriers, and thus require some interchange or switching arrangement between the participating carriers. The carriers also have a variety of methods of quoting one single rate—called a joint rate, with individual rates for each carrier's share of the movement.

In many major metropolitan areas or terminal areas, two (or more) carriers with long haul lines into the area can serve shippers on each other's lines if they agree to allow one another access to each other's lines in the area or if one carrier otherwise agrees to act as a switching agent for the other carrier. Thus, the carriers can enter into a reciprocal switching agreement, allowing mutual access to each other's shippers, or a terminal facilities agreement, where one carrier is paid a reasonable price for switching the other carrier's traffic to reach shippers located a short distance away on its lines.

The widest possible use of these various inter-railroad practices is essential to providing shippers and receivers with competitive alternatives and is essential to the maintenance of efficiency. Current law contains several provisions to assure that rail carriers do not cancel or refuse to enter into these arrangements for anticompetitive reasons. This section of the Consumer Rail Equity Act would strengthen these provisions.

This section would amend 49 USC 10705 to provide that, on request of a connecting railroad or a shipper or receiver, a railroad shall quote a competitive joint rate or proportional rate if interchange of the traffic is practicable. The quoted rate will be deemed conclusively to meet the "competitive" standard if the carrier's revenue-variable cost ratio for the quoted rate is no greater than the ratio for the carrier's existing joint rate or single line rate. Neither the intention nor the effect will be to force any carrier to carry traffic at noncompensatory rates, because section 10705a permits a carrier to unilaterally cancel or surcharge any noncompensatory joint rate. Rather, the intent and effect will be to assure that carriers do not use pricing techniques such as cancelling a joint rate or refusing to quote a joint rate to close off a competitive alternative to the shipper or receiver.

This section would also modify existing law regarding reciprocal switching and use of terminal facilities. The Commission's current discretion to order such arrangements is changed to a mandatory direction that the Commission shall order such arrangements when it finds they would be either practicable and in the public interest, or necessary to provide competitive rail service. The effect on competition should be salutary, giving a shipper or receiver in a major metropolitan or terminal area the option of choosing between two or more carriers providing line haul service.

SECTION 8—ABANDONMENT PROCEDURE

A railroad line (or other facility) that is proposed to be abandoned is typically a line that is of little interest to the abandoning carrier, perhaps because the line is not profitable. However, the facility to be abandoned is often of great importance to the shippers and communities served by the line. Because the impact on a community and its economy can be devastating, an abandonment decision deserves the most careful consideration.

The changes in this section make no change in substantive law. The railroad must continue to carry the burden of proving that the line to be abandoned is (1) uneconomic and (2) that the abandonment is in the public interest. This section is intended to give the Interstate Commerce Commission the most accurate record on which to base its abandonment decision, consistent with the obvious need to permit railroads to discontinue service expeditiously on truly money-losing facilities that lack commitment from the affected communities.

Three procedural changes are made. First, in order to clarify that abandonment proceedings are not to be instruments in a war of attrition, a railroad must wait one year after denial of an abandonment application before refiling to abandon the same facility, unless it can show that circumstances have materially changed since the unsuccessful application was denied. Second, if the abandonment is contested, the Commission must allow a hearing on the impact of the proposed abandonment on community or rural development (the standard set by current law) in one or more of the communities affected. The Commission may contract with outside parties to preside at the hearing, and the railroad proposing the abandonment must pay the expenses of the hearing. Third, the financial data used in deciding whether to permit the abandonment must be based on the revenues from and cost of operating the facility at issue, rather than system-wide or industry/wide averages.

SECTION 9—STATE AUTHORITY

This section will streamline procedures respecting State jurisdiction over intrastate rail transportation. The fundamental goal of present law is unchanged: a state commission exercising regulatory jurisdiction over intrastate rail transportation pursuant to state law must do so consistently with the provisions of federal law governing interstate rail transportation. This section would simplify the achievement of this goal by eliminating the time-consuming process of Interstate Commerce Commission certification that a state's law, rules and practice are consistent with the federal law. Instead, this section eliminates bureaucratic delays and protects the dignity of the state process by relying upon ICC review of state decisions to assure uniformity of implementation. The ICC's review is limited to an appellate function analogous to that of a court reviewing an administrative agency decision under the Administrative Procedure Act, including a provision for remand of any inconsistent decision to the state agency. The ICC is given 120 days to dispose of any appeal from a state agency decision, thus assuring prompt and effective review.

SECTION 10—TRANSITIONAL PROVISIONS

This section provides for a straightforward transition from current law to the changes made by the bill. The new law is to be applied to any rate in effect on or after February 20, 1985, the date of the bill's introduction, including a rate at issue in a case pending at the Commission (and by extension, pending before a state agency) or on appeal to the courts.

This section addresses one other transitional issue. Section 229 of the Staggers Rail Act provides that any rate not challenged within 180 days after enactment of the Act, or any rate so challenged and found by the Commission to be either reasonable or not subject to market dominance, would be deemed forever lawful and not subject to challenge. Over 800 so-called "Section 229" challenges were filed, very few if any of them successfully, and some rates were not challenged because they were covered by a contract entered into or in effect during the 180 day period.

This section will not affect any railroad contract covering the tariff in question. However, many of these contracts are expiring and, under present law, many of these tariffs would become operative again. This section would correct the inequity of shielding from review those rates that were unsuccessfully challenged under the current standards or not challenged because of the presence of a contract, while allowing any other rate to be judged by the revised standards of this bill. Any rate which was included in a section 229 complaint can be reviewed under the changes made by this bill. Any rate not challenged under section 229 because of a contract can also be reviewed under this bill's standards. The contract itself and the rates under the contract are to remain in full force and effect; only the underlying rate which will apply on expiration of the contract is subject to challenge.

SUPPORTERS OF THE CONSUMER RAIL EQUITY ACT

Alabama By-Products Corp.
Alabama Coal Association
Alabama Electric Cooperative, Inc.
Algona Municipal Utilities
Allegheny Power System, Inc.
Amca Resources, Inc.
American Bakers Association
American Electric Power Company
American Public Power Association
Arizona Electric Power Cooperative
Arkansas Electric Cooperative Corporation
Association of Illinois Electric Cooperatives
Association of Louisiana Electric Co-ops
Atlantic City Electric Company
Arizona Agricultural Chemicals Association
Baltimore Gas & Electric
Blue Diamond Coal Company
Carbon Coal Company
Carolina Power and Light Company
Cedar Falls Utilities
Central Illinois Light Company
Central Power and Light Company
City of Austin Electric Utility
City of Lakeland, Florida
City Public Service Board of San Antonio

Cleveland Electric Illuminating Company
Coal Exporters Association of the United States, Inc.
Colorado Rural Electric Association
Consolidation Coal Company
Consumer Energy Council of America
Consumer Federation of America
Cooperative Power Association
Dairyland Power Cooperative
Dayton Power and Light Company
Delta Coals, Inc.
Department of Utilities, City of Colorado Springs
Dixie Fuel Company
Drummond Coal Company, Inc.
Eastern Coal Transportation Conference
Edison Electric Institute.
Electric Power Associations of Mississippi, Inc.
Grand River Dam Authority
Gulf Ports Association
Heartland Consumers Power District
Houston Lighting & Power Company
Houston Port Bureau, Inc.
Illinois Farmers Union
Illinois Power Company
Indian Electric Cooperative, Inc.
Indiana Municipal Electric Association
Indiana Statewide Association of Rural Electric Cooperatives, Inc.
Indianapolis Power & Light Company
International Minerals & Chemical Corporation
Iowa Public Service Company
Iowa-Illinois Gas and Electric Company
Jim Walter Corporation
Kansas City Power and Light Company
Kansas Electric Cooperative, Inc.
Kansas Gas and Electric Company
Los Angeles Department of Water & Power
Lower Colorado River Authority,
Metropolitan Edison Company
Mining and Reclamation Council of America
Minnesota Power and Light Company
Missouri Public Service Company
Municipal Electric Systems of Oklahoma
National Association of Regulatory Utility Commissioners
National Association of State Utility Consumer Advocates
National Association of Wheat Growers
National Coal Association
National Council of Farmer Cooperatives
National Farmers Association
National Farmers Union
National Grange
National League of Cities
National Rural Electric Cooperative Association
Nevada Attorney General Consumer Advocate
North Dakota Public Service Commission
North Dakota Rural Electric Cooperative
North Dakota Wheat Commission
Ohio Edison Company
Ohio Rural Electric Cooperative, Inc.
Oklahoma Gas and Electric Company
Omaha Public Power District
Otter Tail Power Company
Peabody Holding Company
Pennsylvania Power and Light Company
Pennsylvania Rural Electric Association
Petit Jean Electric Cooperative Corporation
Platte River Power Authority
Portland General Electric Company
Potomac Electric Power Company
Public Service Company of Oklahoma
Pyro Mining Company
Randall Fuel Company, Inc.
Riley Whittle Inc.
Rocky Mountain Farmers Union
Royal Fuel Company
Salt River Project
Savannah Electric & Power Company
South Carolina Electric & Gas Company
South Carolina Public Service Authority
South Mississippi Electric and Power Association
Southern Indiana Gas & Electric Company
Surface Mining Research Library
Tampa Electric Company
Tennessee Valley Public Power Association
The Rail Action Corporation (TRAC)
The Southern Company
Transco Coal Company
Union Electric Company
United Auto Workers
United Steelworkers of America
U.S. Conference of Mayors
Virginia Electric and Power Company
Western Farmers Electric Cooperative
Western Coal Traffic League
West Virginia Surface Mining & Reclamation Association
Wisconsin Power & Light Company
Wisconsin Public Service Corporation
Women Involved in Farm Economics
Youth for Energy Independence.

National Governors' Association Resolution

Coal Transportation

One of the most significant constraints of the expansion of coal production, distribution, and use is the capacity and reliability of the coal transportation system throughout the country. An estimated 75 percent of this country's annual coal production is trucked on public roads for at least part of its journey. By 1985, this tonnage is expected to increase significantly. In addition to direct coal haulage, state and county road systems must bear increased traffic due to increased employment and the movement of equipment and other supplies. In regions where coal is carried exclusively by rail, the increased volume of shipments threatens to disrupt the highway system by blocking rail crossings for intolerable periods of time each day. Furthermore, the nation's waterways and port facilities are not adequate to meet the increased demands for the transportation of coal. These problems directly concern all states between the point of production and the point of use. The NGA Coal Transportation Task Force has worked closely with the Federal Highway Administration to develop an accurate assessment of coal transportation needs.

To maintain and expand production, distribution, and use of coal to meet the nation's critical energy needs, the President and Congress should formulate and implement as soon as possible a federal-state coal transportation assistance program. Revenue-generating mechanisms to fund a new coal transportation assistance program should be enacted. The program should be designed to provide for the rehabilitation, improvement, expansion, and maintenance of transportation facilities for moving coal by rail, highway, and waterway, in order to meet present and future coal transportation needs and to minimize adverse transportation impacts that result from expanded coal production, distribution, and use.

The nation's rail freight system continues to be of key importance to the transportation of coal. In the Staggers Rail Act of 1980, Congress recognized the unique dependence of coal shippers on rail transportation and the importance of balancing the needs of rail carriers, coal shippers and the public. However, the governors are extremely concerned that the way in which the Interstate Commerce Commission (ICC) has been implementing provisions of the law placing an unfair burden on captive coal shippers, consumers of electricity and consumers of coal. Areas of specific concern are:

Product and Geographic Substitution or Competition: Under the Staggers Act, rates for shipments are deregulated unless the ICC determines that a particular shipment is captive or a carrier has market dominance in transportation goods. The ICC in its regulations does not consider a shipment as captive or a rail carrier as having market dominance if geographic, modal or product substitutions are available. The Governors are troubled by this overly restrictive interpretation of the law and believe that the application of this theoretical standard to coal suppliers is unfair and inappropriate. With regard to product substitution, the negative effect on shippers and consumers of coal is particularly severe because an electric utility plant could be required to convert to other energy sources at prohibitive costs. The Governors urge the Congress to amend the Staggers Act to ensure that when no economical alternative means of transportation exists for a particular rail movement, such movement will be afforded full protection as a captive shipment.

Rate Guidelines: The proposed rate guidelines for coal and agricultural shipments subject to ICC review do not give equitable consideration to all parties involved. The Governors urge Congress in amending the Staggers Act to create an adequate balance between the needs of shippers and the railroads' need for an adequate rate of return.

The Governors believe the failure of the ICC to properly implement the Staggers Act has prevented the act from balancing the needs of shippers, carriers, and the public, and necessitates prompt congressional action to revise the statute accordingly.

The Governors would oppose changes to the Staggers Act in areas other than those addressed in this policy.

Resolution Adopted by the National Association of Regulatory Utility Commissioners

To Provide Reasonable Rates for Captive Railroad Traffic Under Standards Consistent With and Similar to Those Generally Applied by State Regulatory Commissions and to Provide Shippers Access and Use of a Railroad's Facilities

Whereas, the Staggers Rail Act of 1980 provided for the deregulation of competitive rail traffic and directed the Interstate Commerce Commission to continue to maintain reasonable rates where there is an absence of effective competition for rail traffic within the Commission's jurisdiction; and

Whereas, over half of the electric energy in the United States is generated using coal, the majority of which is transported to electric utilities under non-competitive conditions by one railroad and subject to the jurisdiction of the Interstate Commerce Commission; and

Whereas, the Interstate Commerce Commission has issued a series of decisions effectively withdrawing regulation over the pricing of this captive rail traffic, including decisions which: (1) define "market dominance" so as to place ICC regulatory protection beyond the reach of many captive coal shippers; (2) set standards for "reasonable" rates which have no relation to the cost of

providing service and which will allow coal transportation rates to double in real terms in five years; (3) exempt export coal from regulation although United States coal is already fifteen to twenty percent more costly than world market prices due in large part to transportation costs; (4) define "revenue adequacy," on which several pricing freedoms for railroads under the Staggers Act are based, unrealistically, so that no Class I railroads, no matter how profitable, are considered to have adequate revenues, and highly profitable railroads will be allowed billions of dollars in extra rate increases; and

Whereas, customers of electric utilities will, unnecessarily, incur such higher electricity rates as a result of these ICC determinations;

Whereas, over the repeated objectives of NARUC and individual state commissions, the Interstate Commerce Commission has usurped state authority to regulate intrastate railroad movements consistent with the Staggers Act; and

Whereas, the railroad industry, consumers and the captive shippers that serve them would benefit from (1) the restoration of competition to rail service areas now served by only one railroad and (2) the assurance that fair and reasonable freight rates are charged;

Now, therefore, be it resolved that the National Association of Regulatory Utility Commissioners assembled at Washington, D.C. on March 1, 1984 urges Congress to enact legislation,

First, to ensure reasonable rail rates for captive rail traffic, including provisions which:

1. Define "market dominance" in the context of effective competition for the transportation to which the rate applies, so that all captive shippers may drain off ICC regulatory review;

2. Require consideration, in determining "adequate revenues" for railroads, of several realistic indicators of financial health, and require:

a. the use of embedded cost of debt,

b. standard original cost depreciation accountiung,

c. other measures commonly applied by regulators in calculating the railroad's return on investment, and

d. when appropriate, consider equity and debt costs to the holding company and look at the reasonableness of the transfer price between affiliates;

3. Require ICC consideration, in setting maximum reasonable rates, of the following standards:

a. the cost to the railroad of providing the service involved;

b. whether the traffic involved is paying an unreasonable share of the railroad's fixed costs;

c. the impact of the rate on national energy goals;

d. the extent to which railroad revenue shortfalls are attributable to hauling traffic at noncompensatory rate levels or failing to maximize earnings on competitive traffic; and

e. price stability and impact on shippers;

4. Require the ICC to calculate the inflation index (as set forth in the Interstate Commerce Act) upon which automatic rate increases are based on the basis of actual, not imputed, increases in costs; as well as allowances for productivity gains; and to require rail rates which have increased automatically with that inflation index to decrease when decreases in railroad costs lower that index;

5. Reauthorize and fund the Railroad Accounting Principles Board;

6. Require adoption of fair and reasonable procedures for ICC review of state regulatory decisons on intrastate rail rates;

7. Prevent anticompetitive or predatory cancellations of joint rates;

8. Prohibit the Interstate Commerce Commission from exempting market dominant traffic from regulation; and

9. Prohibit the use of confidential pricing in shipping contracts, but in contrast make available all information necessary to ensure enforcement of (Long-Cannon) Congressional intent against cross subsidy; and

Second, to require:

a. rail carriers to permit, with reasonable compensation, access and usage of facilities to shippers for whom the sole means of connecting with the trackage of another rail carrier or of reaching the destination of a shipment is over the railroad's facility; and

b. a review of line abandonment procedures to ensure against abandonment of rail service due to the operational preferences and/or strategic planning of the rail companies;

Be it further resolved that the National Association of Regulatory Utility Commissioners supports legislative initiatives to address these critical issues, and urges the Congress to enact legislation to obtain for captive rail shippers

1. protection from the practices outlined above, and

2. access to competitive rail service and to obtain for consumers fair and reasonable regulation which protects them from exploitation.

U.S. CONFERENCE OF MAYORS—RESOLUTIONS ADOPTED

AMENDMENTS TO THE STAGGERS RAIL ACT OF 1980

Whereas, fifty-two percent of electric generation in the United States today is fueled by coal, sixty-five percent of all coal produced is moved by rail, and eighty-five percent of all coal shipped by rail is captive to one railroad, so that the price of electricity in much of the country depends upon the rail transportation rates charged to captive shippers; and

Whereas, the Staggers Rail Act of 1980 provided for deregulation of competitive rail traffic while continuing regulation of rail rates where railroads exercise monopoly power; and

Whereas, under the Staggers Rail Act, the Interstate Commerce Commission was charged with impartial balancing of the revenue needs of railroads with the needs of captive shippers and American consumers for protection from monopolistic pricing practices, and the ICC has issued a series of decisions granting to railroads virtually unlimited pricing freedom on captive rail traffic, including decisions which (1) define "market dominance" so as to place ICC regulatory protection beyond the reach of many captive coal shippers; (2) set standards for "reasonable" rates which will allow coal transportation rates to double in real terms in five years; (3) exempt export coal from regulation although United States coal is already fifteen to twenty percent more costly than world market prices due in large part to transportation costs: (4) define "revenue adequacy," on which several pricing freedoms for railroads under the Staggers Act are based, unrealistically, so that no Class I railroads, no matter how profitable, are considered to have adequate revenues, and highly profitable railroads will be allowed billions of dollars in extra rate increases; and

Whereas, the aforementioned Interstate Commerce decisions impose an enormous cost burden on captive shippers and their electricity consumers; and

Whereas, legislation has been introduced to the Congress which constructively addresses many of the needs outlined herein,

Now, therefore, be resolved that the U.S. Conference of Mayors urges Congress to enact legislation to ensure reasonable rates for captive rail traffic, including provisions which:

Define "market dominance" realistically, so that all captive shippers may obtain ICC regulatory review;

Require ICC consideration, in setting maximum reasonable rates, of not only the revenue needs of carriers, but also such standards as the cost to the railroad of providing service; whether the traffic involved is paying an unreasonable share of the carrier's fixed costs; the impact of the rate on national energy goals; and the extent to which carrier revenue shortfalls are attributable to hauling traffic at noncompensatory rate levels or failing to maximize earnings on competitive traffic;

Require consideration, in determining "adequate revenues" for railroads, of realistic indicators of financial health, and require the use of standard depreciation accounting and exclusion of deferred tax reserves in calculating the railroad's return on investment;

Require the ICC, in calculating the inflation index upon which automatic rate increases are based, to adjust for changes in railroad productivity;

Reauthorize and fund the Railroad Accounting Principles Board;

Allow for rail rate decreases when railroad costs decrease;

Require adoption of fair and reasonable procedures for ICC review of state regulatory decisions on intrastate rail rates;

Prevent anticompetitive or predatory cancellations of joint rates;

Prohibit the Interstate Commerce Commission from exempting market dominant traffic from regulation; and

Be it further resolved that the U.S. Conference of Mayors supports legislative initiatives to address these critical issues, and urges the Congress to enact legislation to obtain for captive rail shippers protection from monopolistic pricing practices outlined above.

NATIONAL LEAGUE OF CITIES POLICY RESOLUTIONS—RESOLUTION No. 11

Whereas, fifty-two percent of electric generation in the United States today is fueled by coal, sixty-five percent of all coal produced is moved by rail, and eighty-five percent of all coal shipped by rail is captive to one railroad, so that the price of electricity in much of the country depends upon the rail transportation rates charged to captive shippers; and

Whereas, the Staggers Rail Act of 1980 provided for deregulation of competitive rail traffic while continuing regulation of rail rates where railroads exercise monopoly power; and

Whereas, under the Staggers Rail Act, the Interstate Commerce Commission was charged with impartial balancing of the revenue needs of railroads with the needs of captive shippers and American consumers for protection from monopolistic pricing practices, and the ICC has issued a series of

decisions granting to railroads virtually unlimited pricing freedom on captive rail traffic, including decisions which: (1) define "market dominance" so as to place ICC regulatory protection beyond the reach of many captive coal shippers; (2) set standards for "reasonable" rates which will allow coal transportation rates to double in real terms in five years; (3) exempt export coal from regulation although United States coal is already fifteen to twenty percent more costly than world market prices due in large part to transportation costs; (4) define "revenue adequacy," on which several pricing freedoms for railroads under the Staggers Act are based, unrealistically, so that no Class I railroads, no matter how profitable, are considered to have adequate revenues, and highly profitable railroads will be allowed billions of dollars in extra rate increases; and

Whereas, the aforementioned Interstate Commerce Commission decisions impose an enormous cost burden on captive shippers and their electricity consumers; and

Whereas, legislation has been introduced to the Congress which constructively addresses many of the needs outlined herein;

Now, therefore, be it resolved that the National League of Cities urges Congress to enact legislation to ensure reasonable rail rates for captive rail traffic, including provisions which:

Define "market dominance" realistically, so that all captive shippers may obtain ICC regulatory review.

Require ICC consideration, in setting maximum reasonable rates, of not only the revenue needs of carriers, but also such standards as the cost to the railroad of providing service; whether the traffic involved is paying an unreasonable share of the carrier's fixed costs; the impact of the rate of national energy goals; and the extent to which carrier revenue shortfalls are attributable to hauling traffic at noncompensatory rate levels or failing to maximize earnings on competitive traffic;

Require consideration, in determining "adequate revenues" for railroads, of realistic indicators of financial health, and require the use of standard depreciation accounting and exclusion of deferred tax reserves in calculating the railroad's return on investment;

Require the ICC, in calculating the inflation index upon which automatic rate increases are based, to adjust for changes in railroad productivity;

Reauthorize and fund the Railroad Accounting Principles Board;

Allow for rail rate decreases when railroad costs decrease;

Require adoption of fair and reasonable procedures for ICC review of state regulatory decisions on intrastate rail rates;

Prevent anticompetitive or predatory cancellations of joint rates; and

Prohibit the Interstate Commerce Commission from exempting market dominant traffic from regulation.

Be it further resolved that the National League of Cities supports legislative initiatives to address these critical issues, and urges the Congress to enact legislation to obtain for captive rail shippers protection from monopolistic pricing practices outlined above.

RESOLUTION OF THE NATIONAL ASSOCIATION OF STATE UTILITY CONSUMER ADVOCATES (NASUCA)

Whereas, the Staggers Rail Act of 1980 provided for deregulation of competitive rail traffic and directed the Interstate Commerce Commission (ICC) to continue to protect rail traffic subject to the monopoly power or railroads;

Whereas, Congress directed the ICC to balance the national interest in a healthy railroad system with the national interest of protecting "captive" rail shippers from monopoly abuses;

Whereas, the ICC has weakened the Staggers Rail Act by ignoring the plight of shippers subject to railroad monopolies;

Whereas, over fifty percent of the Nation's electricity is generated using coal and 90% of utility plants dependent on rail are served by only one line and have no other means of delivering coal;

Whereas, the major victims of the ICC's failure to implement the Staggers Rail Act in a balanced manner are the Nation's electric utility consumers;

Whereas, the Interstate Commerce Commission has issued a number of decisions which effectively withdraw regulation over the pricing of this captive rail traffic, including decisions which: (1) define "market dominance" so as to place ICC regulatory protection beyond the reach of many captive coal shippers; (2) set standards for "reasonable" rates that are not cost based and which will allow coal transportation rates to double in real terms in five years; (3) exempt export coal from ICC regulation although United States coal is already fifteen to twenty percent more costly than world market prices due largely to transportation costs; (4) define "revenue adequacy," on which several pricing mechanisms for railroads under the Staggers Act are based, unrealistically, so that no Class I railroads, no matter how profitable, are deemed to have adequate revenues, and highly profitable railroads will receive billions of excess dollars as a result;

Whereas, customers of electric utilities will, unnecessarily, incur much higher electricity rates as a result of these ICC actions;

Whereas, the railroad industry, consumers, and the captive shippers that serve them would benefit from (1) the restoration of competition to rail service areas now served by only one railroad and (2) the assurance that fair and reasonable freight rates are charged;

Therefore, be it resolved that the National Association of State Utility Consumer Advocates assembled at Williamstown, Massachusetts on August 14, 1984 urges Congress to enact legislation, to ensure reasonable rail rates for captive rail traffic, to provide them access to competitive rail service, and to thereby obtain for residential electric utility consumers fair and reasonable utility rates.

● Mr. LONG. Mr. President, I am pleased to join as an original sponsor of the Consumer Rail Equity Act. This legislation is intended to promote competition within the rail industry and to restore a proper balance between the interests of consumers and the revenue needs of railroads.

In the Staggers Rail Act of 1980, Congress chose to deregulate the rail industry where competition exists. Congress also directed the Interstate Commerce Commission to protect shippers and consumers where effective competition does not exist, where railroads have monopoly pricing power.

Many believe the ICC has misinterpreted the Staggers Act, giving excessive deference to the revenue adequacy of railroads at the expense of shippers and consumers. The legislation introduced today is designed to correct this imbalance. The benefits of this legislation will be experienced by consumers throughout this country, without endangering the stability of our Nation's railroads.

High rail rates impact every aspect of our society, affecting everything from the price of the food we place on our tables to the cost of energy used in our homes. Prices for the transportation of coal used in the generation of electricity provide a good example.

Over one-half of the electricity used in the United States is generated by coal-fired plants. More than 60 percent of this coal is moved by railroad. Of this traffic, 85 percent is captive, meaning that there are no effective transportation alternatives and the coal movement depends on one railroad.

In my own State, $2 of every $3 Louisiana utilities pay for delivered coal has been for transportation. Similar situations exist throughout the country. If rail rates are too high because railroads have monopoly pricing power over captive traffic, consumers pay the price.

In passing the Staggers Act, which included the Long-Cannon amendment, it was not the intention of Congress to permit the railroads to charge captive customers "all the traffic will bear."

Yet, the case history of the complaints presented to the ICC clearly shows the act has been administered with little or no concern for the captive customer. It is clear to me that captive customers and those whom they serve could be victimized from now to eternity without any assurance of a change of heart by the majority of the ICC.

When I proposed the Long-Cannon amendment to the Staggers bill, I was fearful of precisely the kind of thing that has transpired even in spite of my amendment. I am now satisfied that the only way that captive shippers and those they serve can be assured of fair treatment is to amend the act. That is why I am joining with Senator ANDREWS and others in proposing a reasonable modification of the Staggers Act in order to protect the public interest.

I strongly urge my colleagues to join me in supporting this essential legislation.●

By Mr. SPECTER:

S. 478. A bill to amend the Surface Mining Control and Reclamation Act of 1977 to create a trust fund for the reclamation of underground mines and a trust fund for surface mines and for other purposes; to the Committee on Energy and Natural Resources.

(The remarks of Mr. SPECTER and the text of this legislation appear earlier in today's RECORD.)

By Mr. DENTON:

S. 479. A bill to prohibit any act of violence or threat of violence in a labor dispute and any conspiracy to accomplish such act or threat and to impose criminal and civil penalties therefor; to the Committee on the Judiciary.

CRIMES IN LABOR DISPUTES ACT

Mr. DENTON. Mr. President, I rise today to introduce the Crimes in Labor Disputes Act of 1985. The bill would make it a crime to use or threaten violence in a labor dispute. The bill would also provide a civil remedy for victims of union violence. Legislation is necessary to curb the nationwide flow of violence and threats of violence in the name of pursuing "legitimate" union goals.

Mr. President, the growth of union violence has reached dramatic proportions. According to Armand J. Thieblot, Jr., of the University of Maryland, and Thomas R. Haggard, of the University of South Carolina, "Labor violence is substantial, systematically applied, not diminishing, and the law tacitly allows unions wide latitude to use coercive techniques."

Statistics published by the Industrial Research Unit of the Wharton School of Business of the University of Pennsylvania reveal that there were at least 4,350 documented acts of violence committed by union members from 1975 to 1984. Those acts of violence were not isolated to any one area of the country.

In fact, every State represented in this body has experienced incidents of union violence. Since 1975 there have been: 36 documented incidents in Alaska, 21 documented incidents in Arkansas, 88 documented incidents in Arizona, 454 documented incidents in California, 44 documented incidents in Colorado, 108 documented incidents in Connecticut, 16 documented incidents in the District of Columbia, 13 documented incidents in Delaware, 79 documented incidents in Florida, 38 documented incidents in Georgia, 22 documented incidents in Hawaii, 44 documented incidents in Iowa, 31 documented incidents in Idaho, 125 documented incidents in Illinois, 115 documented incidents in Indiana, 16 documented incidents in Kansas, 225 documented incidents in Kentucky, 62 documented incidents in Louisiana, 87 documented incidents in Massachusetts, 34 documented incidents in Maryland, 20 documented incidents in Maine, 174 documented incidents in Michigan, 68 documented incidents in Minnesota, 199 documented incidents in Missouri, 25 documented incidents in Mississippi, 62 documented incidents in Montana, 40 documented incidents in North Carolina, 4 documented incidents in North Dakota, 11 documented incidents in New Hampshire, 186 documented incidents in New Jersey, 11 documented incidents in New Mexico, 38 documented incidents in Nevada, 249 documented incidents in New York, 227 documented incidents in Ohio, 115 documented incidents in Oklahoma, 66 documented incidents in Oregon, 390 documented incidents in Pennsylvania, 54 documented incidents in Rhode Island, 10 documented incidents in South Carolina, 5 documented incidents in South Dakota, 179 documented incidents in Tennessee, 99 documented incidents in Texas, 8 documented incidents in Utah, 11 documented incidents in Vermont, 91 documented incidents in Virginia, 90 documented incidents in Washington, 75 documented incidents in West Virginia, 115 documented incidents in Wisconsin, 2 documented incidents in Wyoming, and in my home State of Alabama there were 68 documented incidents of union violence.

I will not describe all of the 68 incidents in Alabama, but I must mention one incident, which involved the injury of two young men in a dispute on a picket line at the Birmingham Manufacturing Co. in Springville, AL. One individual, Russell Ray Gillian of Pell City, AL, was shot in the face with a gun of an unknown caliber when he reportedly confronted pickets at the plant, while another individual, Roger Lee Patterson, a worker from Springville, AL, was shot in the arm. There were other examples of union violence at the Birmingham Manufacturing Co. plant during that strike, involving harrassment of company workers, property vandalism in the form of smashed windows, damaged cars, tacks thrown in driveways, puncturing of tires, fires, and the like. The remaining incidents in Alabama demonstrate a similar lack of respect for the law.

Mr. President, the Crimes in Labor Disputes Act would help to curtail the spread of union violence by allowing for criminal prosecution of and the recovery of civil damages from individuals involved in violent, extortionate labor union tactics.

The bill would not interfere with the right of workers to strike for higher wages. Its provisions would come into effect only if a strike goes beyond the mere withholding of labor to include activities such as shooting, dynamiting, or arson directed against employers and nonstriking workers.

Mr. President, I believe that the Crimes in Labor Disputes Act is of paramount importance. We need the peacefulness that the bill would engender. We need teamwork, cooperation, and productivity in the workplace, not violence and threats of violences.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 479

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Crimes in Labor Disputes Act of 1985".

SEC. 2. Any act of violence or threat of violence in a labor dispute by any person or organization or any conspiracy to accomplish such act is hereby declared to be a crime, including violence to person or property.

SEC. 3. Any person or organization found guilty of the crime defined in section 2 hereof shall receive a penalty of $10,000 or less and/or a prison sentence of up to five years duration.

SEC. 4. Any loss from personal or property damage resulting from the offenses outlined in section 2 may be recovered in a civil action at law.

By Mr. HATCH (for himself, Mrs. HAWKINS, Mr. EAST, and Mr. DODD):

S. 480. A bill to authorize the Secretary of Education to make grants to strengthen the capacity of postsecondary institutions to respond to the continuing education needs of adults, to link postsecondary resources more closely to the preparation and performance of the American workforce, and to enhance Federal policies affecting the development of the Nation's human resources; to the Committee on Labor and Human Resources.

POSTSECONDARY CONTINUING EDUCATION ACT

Mr. HATCH. Mr. President, last fall, in introducing a measure to revitalize and reauthorize title I of the Higher Education Act of 1980, I called your attention to the need to develop creative programs to link postsecondary institutions with the employing community in order to assist about 23 million functionally illiterate adult Americans develop employability skills and to help others who are in dead-end jobs upgrade their skills and thus enhance their potential for continued employment.

You may recall, Mr. President, that I also mentioned that almost an equal number, about 23 million adults, are enrolled in some form of continuing education and that the median age for adult enrollments is about 30 and increasing.

The bill I introduced last fall took into account these facts, as well as the fact that the majority of adults who participate in continuing education are doing so for one primary reason—to get or keep their jobs or to improve their job status and employment opportunities in a dynamically changing labor force.

Since introducing S. 2919 in the last Congress, I have had numerous meetings with both educators the others interested in this legislation. Moreover, my staff has had countless meetings with such groups as the American

Council of Education, the State higher education executive officers, the National Association of State Universities and Land Grant Colleges, and others on ways my bill could be made to better serve the needs of the schools, the employers, but more importantly the individuals who would profit from such legislation.

We have received many constructive suggestions, most of which have been incorporated into the bill I am introducing today.

Mr. President, on the matter of education and training for adults—especially adults who are working or seeking work—the logic of colleges, universities, and others working closely together with employers is just good common sense. Many of the employers who will benefit from this bill are too small to have training divisions of their own, and they must rely upon our postsecondary institutions to assist them. My bill will provide an incentive for employers to share in the cost of training, and will encourage cooperation between employers and institutions. It will establish a pattern for extending help to those millions of others who may wish or need to participate, but for financial or other reasons, cannot.

It is a tragedy, Mr. President, that we have people in this country who cannot read, write or compute effectively enough to either hold a job, or if employed, advance in their job. It is a shame that people who want to continue to learn—for whatever reason—are not encouraged to do so, but who must work against odd and incomprehensible barriers.

It is the central purpose of my bill, Mr. President, to assist colleges and universities, and particularly 2-year institutions, in reaching out to these adults who are not now adequately served.

As I mentioned last year, my home State of Utah has several outstanding 2-year institutions, which, along with the continuing education divisions of 4-year postsecondary institutions, are doing a creditable job with meager resources to accommodate the needs of people who are enrolled in their regular adult of vocational education programs. But, like countless other institutions across the country, they need assistance in providing programs tailored to the needs of people neither of these fine programs was designed to serve. My bill will fill that void.

In summary, Mr. President, there are several critical issues addressed by my bill:

It would help postsecondary institutions improve and expand outreach services to communities;

It recognizes the relationship between continuing education and the workplace and encourages broader involvement of employers and employee representatives in the planning and implementation of postsecondary continuing education for adults;

It stands as a type of challenge grant program to encourage all institutions to reexamine their commitments to adult learning and to express these commitments through beneficial institutional policies and specific application of their resources to respond to the learning needs of adults; and,

The bill helps point the Secretary of Education in the direction of that portion of postsecondary education establishment where the greatest enrollment increases are and where innovative and nontraditional curricula and delivery systems are most needed.

Finally, Mr. President, with this legislation, I want to give a clear signal to institutional leaders, to corporate executives, and to others, that lifetime learning opportunities for all our citizens involves us all, including the Federal Government, which through this legislation can demonstrate its readiness to cooperate in this partnership.

Mr. President, I ask unanimous consent that the text of S. 480, the continuing Education Act of 1985, be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 480

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Postsecondary Continuing Education Act of 1985".

SEC. 2. Title I of the Higher Education Act of 1965 is amended to read as follows:

"TITLE I—POSTSECONDARY CONTINUING EDUCATION

"PART A—POSTSECONDARY CONTINUING EDUCATION INNOVATION AND OUTREACH GRANTS

"FINDINGS AND PURPOSE

"SEC. 101. (a) The Congress finds that—

"(1) enrollments by adult and non-traditional learners are changing the demography of American postsecondary education;

"(2) adult learners frequently encounter barriers which make them unable to participate fully in postsecondary education opportunities;

"(3) postsecondary institutions need to examine their policies and course offerings to integrate continuing education programs that serve the needs of adults into their general missions and to make a more substantial commitment to serve all learners on an equitable basis, regardless of age;

"(4) modern telecommunications technology is an effective tool that can be used to help make the resources of institutions of higher education more available to adult learners;

"(5) changes in the economy, in technology, and in communications, and the relocation and dislocation of industries and workers, demonstrate the need to improve the availability and delivery of postsecondary education to adults;

"(6) the majority of adults who continue their education do so for job and career-related reasons;

"(7) institutional linkages with the private sector can further enhance the efficiency and effectiveness of educational services for adults seeking work;

"(8) it is in the national interest to enhance and expand cooperation among providers of postsecondary continuing education and other providers of adult education and training and adult basic education, including State and local education agencies;

"(9) Federal assistance to institutions of higher education or combinations of such institutions can encourage the development of programs that more effectively and efficiently meet the needs of adult learners; and

"(10) it is in the interest of the Federal Government to support postsecondary education for adults that will help reduce unemployment and underemployment, enhance job opportunities, promote a skilled, flexible, and internationally competitive workforce, and ensure an educated citizenry.

"(b) It is the purpose of this part—

"(1) to assist institutions of higher education and combinations of such institutions to establish pilot projects and demonstration programs worthy of replication that respond to the learning needs of adults;

"(2) to establish or significantly expand cooperative arrangements between institutions of higher education and private sector employers that improve the delivery of postsecondary education to the American workforce; and

"(3) to demonstrate the effectiveness of postsecondary education outreach programs, particularly programs that adapt telecommunications and other technologies to reach new or isolated adult learners.

"INDIVIDUALS FOR WHOM PROGRAM IS DESIGNED

"SEC. 102. To promote the purposes of this part, individuals who are in need of postsecondary education and who would benefit from programs and services established by this Act may include—

"(1) potential new entrants to the workforce who have completed their secondary education but who have not found employment or who are underemployed, especially economically or educationally disadvantaged and minority individuals;

"(2) individuals who seek reentry to the workforce after prolonged absences, with particular attention to the needs of women;

"(3) workers who have been dislocated by plant closures, technological change, and new products and processes;

"(4) individuals who need guidance, counselling, and remedial instruction to enable them to benefit from postsecondary education;

"(5) individuals isolated from educational resources because of geographic location or impaired or restricted mobility;

"(6) employees of small- and medium-sized businesses that do not have the capacity to undertake education and training activities on their own; and,

"(7) individuals in fields of special concern to the national interest, such as teaching and nursing, health care, guidance and counseling, and library and learning center administration.

"ESTABLISHMENT OF PROGRAM

"SEC. 103. The Secretary shall carry out a program, in accordance with this part, to assist eligible institutions of higher education to establish programs to enhance the educational opportunities available to adult learners.

"APPLICATIONS FOR ASSISTANCE

"SEC. 104. (a) Any eligible institution of higher education, or combination of such institutions, which is eligible for assistance

under section 105 may submit an application under this part to the Secretary at such time, in such form, and containing such information, as may be necessary to enable the Secretary to evaluate the need for assistance. The Secretary shall make awards on a competitive basis taking into consideration—

"(1) the effectiveness of the program proposed in the application;

"(2) the demonstrated need and demand for such a program; and

"(3) reasonable geographic distribution, including ensuring equitable treatment of urban and rural populations.

"(b) Each such application shall—

"(1) describe the current academic program offered by the institution of higher education, or the combination of such institutions;

"(2) set forth a plan for the duration of the requested Federal support describing the activities proposed to be assisted under this part to enhance the educational opportunities and to meet the educational needs of adult learners;

"(3) provide evidence that the institution of higher education, or the combination of such institutions, meets the eligibility requirements of section 105;

"(4) provide evidence that the institution of higher education or combination of such institutions has sought to identify the educational needs of potential adult learners in the area served by the applicant;

"(5) describe a proposal for a program designed to enhance the educational opportunities available to adult students by (A) encouraging enrollment; (B) addressing specific educational needs of adult learners; (C) structuring programs and services designed to facilitate the attendance of working students, parents caring for dependent children, and persons seeking to reenter the educational system; (D) implementing guidance, counseling and other services designed to enhance career decisions and course selections; and (E) coordinating with existing institutional programs designed to serve the adult learner;

"(6) provide for such fiscal control and fund accounting procedures as may be necessary to ensure proper disbursement and accounting for funds made available to the applicant under this part;

"(7) include a statement by the applicant describing how it intends to achieve the institutionalization of the activities to be supported under the grant so that they will be continued after Federal support provided under this part has concluded;

"(8) set forth policies and procedures to ensure that Federal funds made available under this part for any fiscal year will be used to supplement and, to the extent practical, increase the funds that would otherwise be made available for the purpose of this part and in no case supplant such funds;

"(9) set forth policies and procedures for evaluating the effectiveness in accomplishing the purpose of the activities for which a grant is awarded under this part and the manner by which the applicant will disseminate information regarding such effectiveness to other agencies and organizations for purposes of replication; and

"(10) include such other information as the Secretary may reasonably require to carry out the provisions of this part.

"INSTITUTIONAL ELIGIBILITY

"SEC. 105. Each institution of higher education or each combination of such institutions shall be eligible if the Secretary determines that—

"(1) the institution or the combimation has demonstrated a willingness and commitment to work with professional and technical associations and agencies, employers, and employee representatives in planning and implementing effective adult postsecondary continuing education programs;

"(2) the institution or combination is willing to conduct and integrate into the curriculum effective adult postsecondary continuing education programs;

"(3) the institution or combination has the capacity to elicit contributions of staff, equipment, and resources from noninstitutional sources, particularly employers, on behalf of such programs; and

"(4) the proposed program is consistent with such State plans for postsecondary education as may have been issued by the State higher education agency.

"USE OF FUNDS

"SEC. 106. (a) Grants under this part to any eligible institution of higher education or combination of such institutions may be used for planning, developing, or operating the program designed by the institution of higher education to carry out the purposes of this part and may include—

"(1) making educational opportunities available to adult learners at convenient times and locations, including at home and at the workplace;

"(2) assessisng the learning needs of adults and, developing programs responsive to the postsecondary continuing education needs and objectives of adults in the service area;

"(3) identifying and eliminating institutional and other barriers which confront adults who wish to commence or continue their postsecondary education;

"(4) developing or expanding institutional outreach activities to improve educational and occupational information and counseling services to meet the special needs of adults, including information concerning available forms of student financial assistance;

"(5) training of administrators, faculty, and staff to improve their ability to teach and serve adult learners;

"(6) developing and expanding innovative delivery systems and curricula to facilitate career development and transitions;

"(7) promoting collaborative efforts between the institution of higher education, or combination of such institutions, and private sector employers and employee representatives to develop postsecondary continuing education curricula and services responsive to current and projected local, regional, or national employment and economic conditions, including joint planning and implementation of appropriate educational services and the sharing of personnel, facilities, and resources to ensure the efficient and effective delivery of services; and

"(8) implementing technology-based delivery systems including the use of computers, audio or visual telecommunications, or any combination thereof, or such other technologies, as may enhance access by adults to postsecondary education opportunities.

"(b) Funds paid pursuant to this part may not be used—

"(1) to purchase land or facilities; or

"(2) to pay stipends or provide student financial assistance to any individual participating in the programs established under this part.

"SIZE AND DURATION OF GRANT

"SEC. 107. (a)(1) Grants may be made for a period not to exceed five years. The maximum award that may be made to a recipient under this part shall not exceed $250,000 in the first year, $200,000 in the second year, $150,000 in the third year, $100,000 in the fourth year, and $100,000 in the fifth year.

"(2) Each institution awarded an initial grant under this part shall be eligible for noncompeting continuation grants if the institution receiving the grant under this part meets standards of performance established by the Secretary. Institutions or combinations of institutions receiving multiyear awards under this part shall not be eligible for further awards under this part until a period of five years has elapsed from the completion of a grant period.

"(b) Funds appropriated in any fiscal year shall remain available until expended.

'FEDERAL SHARE; COST SHARING

"SEC. 108. (a) The Federal share of each such grant shall not exceed 80 percent of the cost of carrying out the application approved under this part in the first year, 65 percent of such costs in the second year, 50 percent of such costs in the third year, 35 percent of such costs in the fourth year, and 20 percent of such costs in the fifth year.

"(b) The non-Federal share required under this part may be provided by the applicant institution or combination, or through it from any source, including but not limited to employers, employee representatives, State or local governments, community organizations, or private donors. The non-Federal share may be provided in cash or through the provision of services, facilities or other tangible assistance, and shall be documented in such fashion as the Secretary may require.

"(c) Any institution which is an eligible institution or an institution with special needs under title III may apply to the Secretary for a waiver of the matching requirements established by subsection (a) of this section.

"STATE PROGRAMS

"SEC. 109. (a) The Secretary may, in accordance with this section, carry out a program to assist State higher education agencies to enhance educational opportunities available to adult learners, and to provide for regional or statewide adult postsecondary continuing education information and guidance services.

"(b) Grants made under this section to any State higher education agency may be used for the planning, development, and operation of the program intended to carry out the purpose of this section and may include—

"(1) development and implementation of one or more regional or a statewide adult postsecondary continuing education information and counseling services; or

"(2) contracting with one or more institutions of higher education or any other organization or entity to provide such a system and services.

"PART B—POSTSECONDARY CONTINUING EDUCATION RESEARCH AND DEMONSTRATION GRANTS

"FINDINGS AND PURPOSE

"SEC. 121. (a) The Congress finds that—

"(1) research on the learning interests and needs of adults who are continuing their education or who would like to continue their education at postsecondary institutions and elsewhere has not kept pace with the rapid growth of adult learning throughout the Nation;

"(2) research that is available, particularly data and other information relating to postsecondary education for adults, labor

market needs, employment opportunities, and appropriate educational opportunities, is not being disseminated in a timely and useful fashion to postsecondary education planners and others;

"(3) long-term planning and allocation of institutional resources for postsecondary continuing education needs a sound research and scholarly base;

"(4) development of trained professional personnel to serve adult learners, whether in preservice or inservice training, requires access to recognized academic centers of training, scholarship, research, and demonstration specifically focused on postsecondary continuing education; and

"(5) national, regional, and State research and demonstration activities can provide direction and momentum to postsecondary institutions willing to develop or expand their services to adult learners.

"(b) It is the purpose of this part to ensure that institutions of higher education have the sustained capacity—

"(1) to undertake substantial ongoing research and demonstration activities in postsecondary continuing education, and

"(2) to provide leadership, advice, and technical assistance to other institutions of higher education and to public agencies and private organizations on the use and allocation of resources to serve national, regional, State, and local adult learning priorities.

"ESTABLISHMENT OF PROGRAM

"SEC. 122. The Secretary is authorized to make grants to, and to enter into contracts with, institutions of higher education, or any combination thereof, to carry out the purposes of this part by providing assistance to such institutions.

"USE OF FUNDS

"SEC. 123. Funds paid pursuant to this part to any institution of higher education, or combination of such institutions, may be used for planning, developing, or operating the program designed to carry out the purposes of this part, and may include—

"(1) identifying and analyzing special problems and needs of adult learners of national or regional significance;

"(2) training faculty and staff professionals engaged in adult learning in the latest techniques and approaches to postsecondary continuing education;

"(3) collecting, analyzing, and disseminating pertinent data affecting adult learners and their educational and employment objectives, with particular focus on analyzing and disseminating information on the current and projected postsecondary continuing education needs of the labor market;

"(4) research on the use and application of postsecondary resources for programs which may be replicated and projects appropriate to the postsecondary continuing education needs of adults;

"(5) examination and application of appropriate technologies to reach new and isolated learners, and promoting resource sharing to encourage the innovative uses of such technologies, including telecommunications, to overcome barriers to postsecondary continuing education opportunities;

"(6) advisory and technical assistance services to institutional and State policymakers on strategies to develop or expand postsecondary education programs and services for adults;

"(7) developing, demonstrating, and disseminating innovative outreach methods designed to attract and serve adult learners who are inadequately prepared to effectively participate in postsecondary educations;

"(8) collecting and disseminating relevant data generated by Federal agencies and other national, regional, and State sources applicable to institutional planning for postsecondary continuing education, including information on Federal and other sources of student financial assistance;

"(9) assisting State postsecondary education officials to develop interstate and interregional educational delivery systems, including cooperative and consortial arrangements, and programs (including those which use telecommunications) to more effectively address regional postsecondary continuing education needs;

"(10) examining appropriate State roles in continuing education and adult learning;

"(11) assessing alternative methods of financing adult learning activities and providing support for needy adult learners;

"(12) reviewing the effectiveness of programs and activities funded under this part for purposes of dissemination to user groups and of replication; and

"(13) such other research and demonstration activities as may be authorized by the Secretary.

"APPLICATION FOR ASSISTANCE

"SEC. 124. A grant or contract authorized by this part may be awarded by the Secretary on a competitive basis upon an application, which is submitted to the Secretary at such time and which contains such information as the Secretary may prescribe. Each such application shall—

"(1) contain provisions that demonstrate the sufficiency of existing resources and the academic capacity of the institution of higher education in the field of postsecondary continuing education relative to its ability to carry out such activities;

"(2) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this part;

"(3) provide for making such reports, in such form and containing such information as the Secretary may require to carry out the functions under this part, and for keeping such records and affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports; and

"(4) provide assurances that the applicant intends to continue the activities to be supported under the grant after the grant has been expended, including a detailed plan for obtaining funds to continue such activities.

"SIZE AND DURATION OF GRANT OR CONTRACT

"SEC. 125. (a) Grants may be made for a period of not to exceed five years. The maximum award that may be made to a recipient under this part shall not exceed $500,000 in the first year, $400,000 in the second year, $300,000 in the third year, $200,000 in the fourth year, and $100,000 in the fifth year.

"(b) Each institution awarded an initial grant under this part shall be eligible for noncompeting continuation grants if the institution receiving the grant under this part meets standards of performance established by the Secretary.

"FEDERAL SHARE; COST SHARING

"SEC. 126. (a) The Federal share of each such grants shall not exceed 80 percent of the cost of carrying out the application approved under this part in the first year, 65 percent of such costs in the second year, 50 percent of such costs in the third year, 35 percent of such costs in the fourth year, and 20 percent of such costs in the fifth year.

"(b) The non-Federal share required under this part may be provided by the applicant institution or combination, or through it from any source, including but not limited to employers, employee representatives, State or local governments, community organizations, or private donors. The non-Federal share may be provided in cash or through the provision of services, facilities, or other tangible assistance, and shall be documented in such fashion as the Secretary may require.

"PART C—THE NATIONAL ADVISORY COUNCIL ON CONTINUING EDUCATION

"ESTABLISHMENT OF NATIONAL ADVISORY COUNCIL

"SEC. 131. (a) The President shall appoint a National Advisory Council on Continuing Education consisting of eight representatives of Federal agencies having postsecondary continuing education and training responsibilities, including but not limited to, one representative each from—

"(1) the Department of Education,

"(2) the Department of Agriculture,

"(3) the Department of Defense,

"(4) the Department of Labor, and

"(5) the Veterans' Administration;

and 12 members appointed for three-year staggered terms, who are not full-time employees of the Federal Government. The 12 members appointed from the general public shall, to the extent possible, include individuals—

"(A) who are knowledgeable and experienced in the field of continuing education,

"(B) who are State and local government officials, and

"(C) who are representative of postsecondary education institutions, business, labor, and community groups.

"(b) The Advisory Council shall elect its own Chairman annually from among members of the Council who are not employees of the Federal Government. The Advisory Council shall meet at the call of the Chairman but not less often than four times a year.

"(c) The Advisory Council shall advise the Secretary in the preparation of general regulations and with respect to policies and procedures arising in the administration of this title.

"(d) The Advisory Council shall examine all federally supported continuing education and training programs and make recommendations with regard to policies to eliminate duplication and to effectuate the coordination of all federally-funded continuing education programs.

"(e) In carrying out its responsibilities under this part, the Advisory Council may conduct studies, hearings, and other activities in order to—

"(1) identify the continuing education and training needs and goals of the Nation, and to report to the President, the Congress, and the Secretary, about the needs and goals; and

"(2) collect, analyze, and disseminate information regarding programs conducted under this title and other Federal continuing education and training programs.

"(f) Commencing on September 30, 1986, the Advisory Council shall prepare and submit annual reports to the President, the Congress, and the Secretary, of its findings and recommendations, including recommendations for changes in the provisions of this title and other Federal laws relating to continuing education and training activities. The President shall transmit each such report to the Congress with his comments

51-059 O-86-44 (Pt. 2)

and recommendations. The Advisory Council shall make such other reports or recommendations to the President, the Congress, the Secretary, or the head of any other Federal department or agency as may be appropriate.

"(g) The Advisory Council may utilize the services and facilities of any agency of the Federal Government as may be necessary. The Advisory Council may accept, employ, and dispose of gifts or bequests to carry out its responsibilities under this title.

"PART D—GENERAL PROVISIONS

"DEFINITIONS

"SEC. 141. (a) For the purpose of this title, the term 'adult learner' means an individual—

"(1) who, by reason of his or her personal circumstance including age, marital or familial status, dependent children, lack of or need for new skills desires to pursue a new career; and

"(2) who engages or seeks to engage in a program of study to improve his or her knowledge, information, skills, or postsecondary education program offered by an institution of higher education.

"(b) For the purpose of part A of this title, an 'institution of higher education' includes all institutions of higher education described in section 481 of this Act.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 142. There are authorized to be appropriated $50,000,000 for the fiscal year 1986 and such sums for each succeeding fiscal year ending prior to October 1, 1991, as may be necessary to carry out the provisions of this Act. Not less than 15 percent nor more than 20 percent of the sum appropriated in any fiscal year may be used to carry out the provisions of part B of this title. The Secretary may reserve not to exceed 5 percent of the funds appropriated in any fiscal year for part A of this title for carrying out section 109.".

● Mr. DODD. Mr. President, today the Senator from Utah [Mr. HATCH], the Senator from Florida [Mrs. HAWKINS], the Senator from North Carolina [Mr. EAST] and I are introducing much-needed legislation to help address the educational and training needs of adults.

This proposed legislation would expand title I of the Higher Education Act of 1980 to emphasize congressional commitment to the educational and training needs of the Nation's adult working population.

Many recent reports and surveys have cataloged the needs and deficiencies of elementary and secondary school systems. Little focus, however, has been placed on postsecondary and adult education despite changes in the economy, in technology, and in communications that have caused the relocation or dislocation of industries and workers, greatly increasing the need for adult training programs.

Statistics show that approximately 23 million American adults, people who have 10, 20, 30 or more professionally productive years to contribute to society, are functionally illiterate.

This does not mean these Americans do not possess intelligence and a rudimentary education. Neither does it mean they are incapable of advanced learning or of acquiring those specialized occupational skills demanded by today's businesses and industries.

It does mean, nevertheless, that they are currently not qualified to fill many available career-advancing positions despite their willingness and eagerness to work.

The problem this bill is designed to address, Mr. President, is a reflection of our changing economy as well. The Bureau of Labor Statistics [BLS] recently published a report on the number of displaced workers in this country. The Bureau discovered 5.1 million displaced workers due to industrial plant closings, business failures, and so forth, over the last 5 years. Of this number 700,000 had left the labor force, 1.3 million were still unemployed, and 3.1 million had found new jobs as of January 1984. Of the 3.1 million who found new jobs, however, 900,000 had taken positions that paid them a smaller salary and, in many cases, no longer utilized the skills of their old job.

Only a few years ago, Mr. President, shipping, textiles, mining, shoes, farming and heavy manufacturing industries were the mainstay of the economy in many sections of the country. Rapid implementation of sophisticated technologies, however, has drastically altered the workplace. It has been said that the new sophisticated technologies are becoming to many States what oil is to Texas. It is not surprising, therefore, that the education and training needs of today's workers and would be workers has advanced far beyond the traditional 3R's to include specific technical knowledge and skills.

The Continuing Education Act of 1985 is, in my opinion, a first step toward recognizing these changes and equalizing employment opportunities in the workplace for all adults.

This proposed legislation requires cooperation between the Federal Government, institutions of higher education, employers and employees in all stages of implementing adult continuing education programs.

The Secretary of Education would make competitive challenge grant awards to institutions of higher education to meet continuing education and training needs of adult learners.

These institutions, with cooperation and support from the private sector, must integrate into the academic curriculum work-oriented professional and technical continuing education programs.

Maximum grant awards to a single applicant under this section for any 3-year period is $150,000.

In addition, this bill provides funds for research, application, and dissemination of data on the learning needs of adults as well as for the development of trained professional personnel to serve adult students.

Mr. President, this legislation, in my judgment, is a timely, cost-effective method of helping adult Americans help themselves. Federal leadership and cooperation between postsecondary education institutions and the private sector can provide for the development of this Nation's most valuable resource, its human capital. I urge my colleagues' support of this important legislation.●

By Mr. DECONCINI:

S. 482. A bill to provide for the designation on income tax forms of contributions to retire the public debt; to the Committee on Finance.

NATIONAL DEBT CONTRIBUTION ACT

Mr. DECONCINI. Mr. President, since I last spoke on behalf of this bill on October 19, 1983, our national debt has climbed dramatically. While it has been only slightly over a year since that day, our national debt has increased by approximately $263.719 billion. This represents an increase of $1,111 for every man, woman, and child in the United States. In addition to this alarming news, the Office of Management and Budget's proposed budget for the coming year will apparently not fulfill its deficit reduction goals. Without question, a comprehensive program must be developed to counteract these economic dangers; however, there are also intermediate steps that can and should be initiated immediately.

Toward that goal, I am reintroducing the National Debt Reduction Act, which will provide a clearly defined means for voluntary taxpayer contributions to reduce the public debt. Under my bill, taxpayers may designate $1, or any amount beyond that figure, from their Federal tax refund to go toward financing the reduction of the national debt. Taxpayers desiring to contribute toward this goal would merely check off a box on their tax return. Those who would not receive refunds would be able to make an outright contribution.

A program such as this would result in impressive returns when compared with its minimal startup costs. According to the Internal Revenue Service, of the 96 million tax returns filed in 1984, 76 million received refunds. This group represents a large number of potential contributions. I believe that with the American taxpayer's heightened awareness of the national debt and deficit problems over the past few years, they would be willing to make a contribution to resolve the problem.

There can be no single solution to the staggering national debt problem. But it is obvious that any and all programs which feature low costs and high yields are desirable and prudent. I believe my bill should be one of a series of such programs which we in Congress can utilize to help diminish the bloated national debt and gain a balanced budget.

Mr. President, I ask unanimous consent that my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 482

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) any taxpayer may designate on the form for the return of the tax imposed by chapter 1 of the Internal Revenue Code of 1954 for any taxable year, either—

(1) $1 of—

(A) any overpayment of such tax for such taxable year, or

(B) any contribution which the taxpayer forwards in money with such return, or

(2) an amount of such overpayment or contribution which is in excess of $1,

as a gift to the United States Government for the purpose of retiring the Federal public debt.

(b) In the case of a joint return of husband and wife, each spouse may make a separate designation of $1 or more under subsection (a) as a gift to the United States government for the purpose of retiring the Federal public debt.

(c) Space shall be made available for the designations referred to in subsection (a) on the first page of the tax return forms for such tax.

(d) For purposes of the Internal Revenue Code of 1954, any overpayment of tax designated under subsection (a) shall be treated as being refunded to the taxpayer as of the date prescribed for filing the return of such tax (disregarding any extension) or, if later, the date the return is filed.

(e) There is hereby appropriated to the special account described in section 3113(d) of title 31, United States Code, out of amounts in the general fund of the United States Treasury not otherwise appropriated, an amount equal to the amount of overpayments of tax designated under subsection (a). The amounts appropriated by this subsection shall be transferred quarterly to such special account by the Secretary of the Treasury.

(f) This section shall apply to taxable years ending after the date of enactment of this Act.

By Mr. DURENBERGER (for himself and Mr. WILSON):

S. 483. A bill entitled the "Intergovernmental Regulatory Relief Act of 1985"; to the Committee on Governmental Affairs.

INTERGOVERNMENTAL REGULATORY RELIEF ACT

Mr. DURENBERGER. Mr. President, today I am introducing the Intergovernmental Regulatory Relief Act of 1985. Its premise is quite simple. If Congress enacts legislation pursuing a national purpose or mandate, it should face up to its responsibility to pay for it's implementation.

Under our current system, the Federal Government doesn't always shoulder the full cost of implementing legislation enacted here in Washington. Often, a considerable amount of these costs is shifted onto State and local governments through the regulatory process.

Not only is this practice fiscally irresponsible, in effect making benefits loom large because costs are only partially projected when the State and local burden is ignored, it encourages vague and ambiguous legislation. All too often we give extraordinary discretion to the Federal bureaucracy and courts in perceiving legislative intent and issuing or enforcing appropriate regulations. In the end, State and local governments usually end up paying when the cost of implementation exceeds the expectations of congressional sponsors.

Mr. President, the Advisory Commission on Intergovernmental Relations found in its study of regulatory federalism that "although the specific programs imposing major fiscal and administrative costs vary greatly from one jurisdiction to another, most States, cities, and counties have been strained by the combined weight of the new Federal intergovernmental regulations taken as a whole." The Intergovernmental Regulatory Relief Act is based on this study, its findings and its recommendations.

As an example of cost shifting, consider a recent Urban Institute study of six Federal regulatory programs in a sample of seven cities and counties. It concluded that the annual federally mandated costs of just these particular six programs ranged from a total of $6 to over $50 per capita. For a State like Minnesota, this means the cost burden would run between $25 and $209 million annually for merely six programs.

This, I suspect, is only the tip of the regulatory iceberg. ACIR identified more than 35 major Federal regulatory statutes constituting thousands of pages of rules in the Federal Register aimed at or implemented by State and local governments.

In its recent tax reform and budget proposals, the Reagan administration seeks curtailment or outright elimination of many Federal financing tools which in the past have helped offset growing cost burdens imposed by enactment of Federal mandates. Eliminating general revenue sharing, economic development programs, and access to tax exempt financing, will make it even more difficult for State and local governments to comply with Federal regulations and implement important national objectives. By proposing the elimination of the Federal deductibility of State and local tax payments, the administration will restrict the ability of State and local governments to raise revenue on their own. The mere fact that we seemingly expect State and local governments to incur the cost of implementing Federal mandates is pernicious enough without then denying them almost any assistance from the Federal Government.

Mr. President, the Intergovernmental Regulatory Relief Act grants State and local governments some needed relief from the burden of costly Federal regulations by preventing future cost to them when Congress legislates to achieve a national goal, purpose, or mandate and by reducing their current regulatory cost burden.

Quite simply, the act requires Federal reimbursement for all additional costs incurred by State and local governments in complying with new Federal rule or regulations. In addition, it establishes a 10-year schedule of relief to reduce the existing regulatory burden. This schedule requires the Federal Government to reduce the existing regulatory burden on State and local governments by either a phased-in reimbursement for additional direct costs of existing regulations, a phase-in reduction of the regulatory requirements themselves, or a combination of each. If such relief is not forthcoming, the bill provides that no Federal agency or court shall enforce the unreimbursed regulation.

Furthermore, the President is required to prepare an annual report estimating the total additional direct costs incurred by State and local governments in complying with major Federal regulations. This report will contain detailed cost estimates upon which reimbursements are based. It will also allow Congress to more responsibly evaluate the total costs involved in achieving Federal goals when State and local governments are required to act in concert with the Federal Government under Federal law.

My purpose is not to make it more difficult to regulate, I seek to ensure that the Federal Government assumes the full cost of legislating and regulating Federal purposes and mandates. Hopefully, the byproduct of this process just might be a more efficient Federal regulatory system.

I ask unanimous consent that the Intergovernmental Regulatory Relief Act and a fact sheet discussing its contents be printed in the RECORD in their entirety.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 483

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intergovernmental Regulatory Relief Act of 1985."

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds and declares that—

(1) Federal regulation of State and local governments has become increasingly extensive and intrusive in recent years;

(2) such regulation has, in many instances, adversely affected State and local governments by placing excessive fiscal burdens on such governments;

(3) such excessive fiscal burdens have weakened the foundation of the federal system of government; and

(4) a lack of adequate fiscal resources to carry out necessary Federal regulation of

State and local governments in complying with any intergovernmental regulation which takes effect on or after the date of enactment of this Act.

(b) Therefore it is the purpose of this Act to establish procedures to—

(1) assure that the Federal Government pays the total amount of additional direct costs incurred by State and local governments in complying with any intergovernmental regulation which effect on or takes after enactment of this Act.

(2) assure that the burden on State and local governments resulting from compliance with intergovernmental regulations in effect before the date of enactment of this Act is reduced to the minimum level consistent with achieving major national objectives; and

(3) assure that the Federal Government ultimately pays the total amount of additional direct costs incurred by State and local governments in complying with intergovernmental regulations.

DEFINITIONS

SEC. 3. For purposes of this Act, the term—

(1) "additional direct costs" means the amount of costs incurred by a State or local government solely in complying with an intergovernmental regulation promulgated pursuant to a Federal law concerning with a particular activity which is in excess of the amount that such State or local government would be required to expand in carrying out such activity in the absence of such law, except that such term does not include any amount which a State or local government is required by law to contribute as a non-Federal share under a Federal assistance program;

(2) "compliance reforms" means market oriented procedures to replace or supplement strict governmental monitoring and enforcement activities, including the establishment and enforcement of penalties for noncompliance with Federal regulations that reflect the degree of such noncompliance, and the establishment of procedures to permit compliance with State or local regulations in lieu of compliance with Federal regulations;

(3) "Director" means the Director of the Office of Management and Budget;

(4) "economic incentives" means the process of making price corrections in the marketplace through governmental fees or subsidies that encourage or discourage activities in accordance with public policies;

(5) "Federal agency" has the meaning given to the term "executive agency" in section 6501(3) of title 31, United States Code;

(6) "Federal assistance" means any assistance provided by a Federal agency in the form of grants, loans, loan guarantees, property, cooperative agreements, or technical assistance to State and local governments or other recipients, except that such term does not include direct cash assistance to individuals, contracts for the procurement of goods or services for the United States or insurance;

(7) "intergovernmental regulation" means a regulation promulgated by a Federal agency that requires a State or local government to take certain actions or requires State or local governments to comply with certain specified conditions in order to receive or continue to receive Federal assistance and which requires the termination or reduction of such assistance if such government fails to comply with such conditions;

(8) "local government" has the same meaning as in section 6501(6) of title 31, United States Code;

(9) "marketable rights" means the process for allocating scarce resources through the establishment of rights that can be traded or sold among bidders, rather than through the distribution of resources through the issuance of permits by a Federal agency;

(10) "performance standards" means the criteria or goals that must be attained to comply with a Federal regulation, and does not include a detailed specification of the means of compliance;

(11) "significant law" means any Federal law which is likely, in the judgment of the Director of the Congressional Budget Office, to result in total additional direct costs to all State and local governments of $100,000,000 or more in any fiscal year, or is likely to have exceptional fiscal consequences for a geographic region or a particular level of government;

(12) "small government" means a government of a city, county, town, village, school district, or other special district established under State law which has a population of less than fifty thousand;

(13) "special provisions for small governments" means requirements for small governments contained in an intergovernmental regulation which are different from the requirements included in such regulation for other governments, and includes simplified compliance methods designed to reduce administrative burdens on small governments and reduced standards and modified compliance mechanisms which are proportional to the capabilities of small governments to comply with such regulations; and

(14) "State" means each of the several States, the District of Columbia, Guam, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

TITLE I—REVIEW OF INTERGOVERNMENTAL REGULATIONS

REPORT REQUIRED

SEC. 101. (a) Not later than thirty days after the date on which the President transmits a budget for a fiscal year to the Congress pursuant to section 1105 of title 31, United States Code, the President shall submit to the Congress a report specifying and evaluating the economic costs, noneconomic costs, and additional direct costs which have been incurred or which will be incurred by State governments and local governments in complying with intergovernmental regulations during the most recently completed fiscal year, the fiscal year in progress, and the first two fiscal years immediately succeeding the fiscal year in progress.

(b) Each report required under subsection (a) shall include—

(1) a list of each intergovernmental regulation in effect during each fiscal year for which the report is made and a citation of statutory and administrative authority for each such intergovenmental regulation;

(2) an estimate, for each such intergovernmental regulation, of—

(A) the total amount of economic costs, noneconomic costs, and additional direct costs that have been incurred or will be incurred in each such fiscal year by the government of each State and all local governments in such State in complying with such regulation in each such fiscal year; and

(B) the ratio (stated as a percentage) which the total amount of additional direct costs that have been incurred or will be incurred by all local governments in a State in complying with such regulation in each such fiscal year bears to the total amount of additional direct costs that have been incurred or will be incurred by the government of such State and all local governments in such State in complying with such regulation in such fiscal year;

(3) an estimate, for each such intergovernmental regulation, of the economic and noneconomic benefits that will be provided in each such fiscal year to each State government and all local governments in such State as a result of compliance with such regulation during such fiscal year;

(4) recommendations for changes in laws and regulations that will reduce the costs specified pursuant to paragraph (2), or that will achieve a more favorable balance between the benefits specified pursuant to paragraph (3) and the costs specified pursuant to paragraph (2); and

(5) proposals for legislation, and a statement of planned administrative actions, to implement the recommendations specified pursuant to paragraph (4).

(c) In preparing the report required by subsection (a), the President shall consider the potential for reducing costs incurred by State and local governments in complying with intergovernmental regulations through the promulgation of intergovernmental regulations which utilize means such as performance standards, special provisions for small governments, marketable rights, economic incentives, compliance reforms, and simplified procedures to certify the compliance of Federal assistance recipients with Federal requirements.

PROCEDURES FOR PREPARATION OF REPORT

SEC. 102. (a) The President may delegate to the Director or to the head of any other Federal agency the responsibility for preparing the annual report required by section 101.

(b) In carrying out the provisions of this title, the President, the Director, or the head of a Federal agency to which a delegation is made under subsection (a), shall, after providing public notice and an opportunity for comment in accordance with section 553 of title 5, United States Code, prescribe standards to be used by Federal agencies in estimating the costs of compliance with, and the benefits provided by, intergovernmental regulations administered by such agencies. Such standards may be revised from time to time to reflect changes in relevant economic and social circumstances and advances in pertinent branches of knowledge.

(c) The standards prescribed under subsection (b) shall provide, to the extent possible, for—

(1) uniform categories of costs of compliance with, and benefits provided by, intergovernmental regulations;

(2) methods to be used by Federal agencies in compiling the information required to be submitted under subsection (d) which shall be designed to—

(A) minimize the costs that will be incurred by the State and local governments and the Federal assistance recipients from which such information will be collected; and

(B) ensure the collection of reasonably accurate information in a form that will be useful to States in complying with section 204(c);

(3) methods for preventing disclosure of information about individuals or businesses the confidentiality of which is protected under Federal law;

(4) procedures to be followed by Federal agencies in reporting the information required to be submitted under subsection (d); and

(5) such other procedures and guidelines as may be necessary for the implementation of this title.

(d) Each year, at a time prescribed by the President, the Director, or the head of the Federal agency to which a delegation is made under subsection (a), the head of each Federal agency which administered any intergovernmental regulation during a fiscal year for which a report is required under section 101, shall prepare and submit to the President, the Director, or such agency head, a report setting forth, for each such regulation, the information required to be included for such regulation in the report required under section 101.

TITLE II—COMPENSATION OF STATE AND LOCAL GOVERNMENTS FOR ADDITIONAL DIRECT COSTS

COMPENSATION REQUIRED

SEC. 201. (a) A Federal agency or a court of the United States shall not require State governments or local govenments to comply with, in any fiscal year, any intergovernmental regulation which takes effect on or after the date of enactment and which is promulgated pursuant to a significant law unless provisions of law have been enacted which provide a sufficient amount of funds for such fiscal year to reimburse such governments for the total amount of additional direct costs that will be incurred by such governments in complying with such regulation during such fiscal year.

(b)(1) For the fiscal year ending on September 30, 1987, and each of the succeeding fiscal years, a Federal agency or a court of the United States shall not require State governments or local governments to comply with, in any fiscal year any governmental regulation which took effect prior to the date of enactment of this Act and which was promulgated pursuant to a significant law unless—

(A) provisions of law have been enacted which provide an amount of funds to reimburse such governments for the additional direct costs that will be increased by such governments in complying with such regulation in such fiscal year which is equal to or in excess of the amount described in paragraph (2) for such fiscal year;

(B) provisions of law have been enacted revising the significant law under which such regulation was promulgated, and such revisions will result in the reduction of such fiscal year by an amount equal to or in excess of the amount described in paragraph (2) for such fiscal year; or

(C) administrative actions have been taken which will result in the reduction of such additional direct costs for such fiscal year by an amount equal to or in excess of the amount described in paragraph (2) for such fiscal year; or

(D)(i)(I) provisions of law have been enacted which provide an amount of funds to reimburse State and local governments for such additional direct costs for such fiscal year which is less than the amount described in paragraph (2) for such fiscal year;

(II) provisions of law have been enacted revising the significant law under which such regulation was promulgated, and such revisions will result in the reduction of such additional direct costs for such fiscal year by an amount which is less than the amount described in paragraph (2) for such fiscal year; and

(ii) the sum of the amounts described in divisions (I), (II), and (III) of clause (i) with respect to a fiscal year is equal to or in excess of the amount described in paragraph (2) for such fiscal year.

(2) The amounts referred to in paragraph (1) for the fiscal years are as follows:

(A) FISCAL YEAR 1988.—An amount equal to the product of the total amount of additional direct costs that will be incurred by State governments and local governments in complying with an intergovernmental regulation in such fiscal year multiplied by 10 percent.

(B) FISCAL YEAR 1989.—An amount equal to the product of the total amount of additional direct costs that will be incurred by State governments and local governments in complying with an intergovernmental regulation in such fiscal year multiplied by 20 percent.

(C) FISCAL YEAR 1990.—An amount equal to the product of the total amount of additional direct costs that will be incurred by State governments and local governments in complying with an intergovernmental regulation in such fiscal year multiplied by 30 percent.

(D) FISCAL YEAR 1991.—An amount equal to the product of the total amount of additional direct costs that will be incurred by State governments and local governments in complying with an intergovernmental regulation in such fiscal year multiplied by 40 percent.

(E) FISCAL YEAR 1992.—An amount equal to the product of the total amount of additional direct costs that will be incurred by State governments and local governments in complying with an intergovernmental regulation in such fiscal year multiplied by 50 percent.

(F) FISCAL YEAR 1993.—An amount equal to the product of the total amount of additional direct costs that will be incurred by State governments and local governments in complying with an intergovernmental regulation in such fiscal year multiplied by 60 percent.

(G) FISCAL YEAR 1994.—An amount equal to the product of the total amount of additional direct costs that will be incurred by State governments and local governments in complying with an intergovernmental regulation in such fiscal year multiplied by 70 percent.

(H) FISCAL YEAR 1995.—An amount equal to the product of the total amount of additional direct costs that will be incurred by State governments and local governments in complying with an intergovernmental regulation in such fiscal year multiplied by 80 percent.

(I) FISCAL YEAR 1996.—An amount equal to the product of the total amount of additional direct costs that will be incurred by State governments and local governments in complying with an intergovernmental regulation in such fiscal year multiplied by 90 percent.

(J) FISCAL YEAR 1997 AND SUCCEEDING FISCAL YEARS.—An amount equal to the product of the total amount of additional direct costs that will be incurred by State governments and local governments in complying with an intergovernmental regulation in such fiscal year multiplied by 100 percent.

(c) For purposes of this section, the total amount of additional direct costs that will be incurred by State governments and local governments in complying with an intergovernmental regulation in any fiscal year shall be the total amount of such costs for such regulation estimated by the Director of the Congressional Budget Office in the report required under section 202 for such fiscal year.

REPORT BY THE DIRECTOR OF THE CONGRESSIONAL BUDGET OFFICE

SEC. 202. (a) For each fiscal year in which an intergovernmental regulation promulgated pursuant to a significant law will be in effect, the Director of the Congressional Budget Office shall prepare and transmit to the President and the Congress a report specifying, for such fiscal year and each of the two fiscal years succeeding such fiscal year, and estimate of the total amount of additional direct costs that will be incurred by State governments and local governments in complying with such regulation in each such fiscal year.

(b) In preparing each report required by subsection (a), the Director of the Congressional Budget Office shall transmit each report required by subsection (a) for a fiscal year to the President and the Congress by September 1 of the fiscal year preceding such fiscal year.

IMPLEMENTATION

SEC. 203. For each fiscal year in which an intergovernmental regulation promulgated pursuant to a significant law will be in effect, the Chairman of the committees of the Senate and the House of Representatives having legislative jurisdiction over such significant law shall propose, to an appropriate bill or resolution providing funds for such fiscal year, an amendment containing provisions to appropriate funds to reimburse State governments and local governments for the additional direct costs incurred in complying with such regulation. The amount of funds proposed to be appropriated by such amendment shall be equal to or in excess of the amounts described in subsection (a), subsection (b)(1)(A), or subsection (b)(1)(D) of section 201, as the case may be.

PROCEDURES FOR REIMBURSEMENTS TO STATE AND LOCAL GOVERNMENTS

SEC. 204. (a)(1) The head of each Federal agency which administers an intergovernmental regulation promulgated pursuant to a significant law shall pay to each State government in each fiscal year the amount determined pursuant to this section to reimburse the State government and local governments in the State for the additional direct costs incurred by such governments in complying with such regulation in such fiscal year.

(2) A State government which receives payments under this section for reimbursement for additional direct costs incurred in complying with an intergovernmental regulation in any fiscal year shall pay to each local government in the State the amount determined pursuant to this section to reimburse such local government for the additional direct costs incurred by such local government in complying with such regulation in such fiscal year.

(b) The total amount to be paid to a State to reimburse the government of the State and local governments in the State for additional direct costs incurred by such governments in complying with an intergovernmental regulation in any fiscal year shall equal an amount for reimbursement of additional direct costs for all State governments and local governments described in subsection (a), subsection (b)(1)(A), or subsection (b)(1)(D)(I) of section 201, as the case may be, with respect to such regulation for such

fiscal year, as the total amount of additional direct costs with respect to such regulation which are specified in such report for all State governments and all local governments for such fiscal year.

(c)(1) The total amount to be paid by a State government to local governments in such State to reimburse such governments for additional direct costs incurred by such governments in complying with an intergovernmental regulation in any fiscal year shall be equal to the product of the amount paid under subsection (b) to such fiscal year multiplied by the ratio determined by the President for such State with respect to such regulation for such fiscal year pursuant to section 101(b)(2)(B).

(2)(A) A State government which receives payments under this section to reimburse local in the State for the additional direct costs incurred by such regulation in any fiscal year shall pay to each such local government an amount equal to the product of—

(i) the total amount determined under paragraph (1) with respect to such regulation for such fiscal year, multiplied by;

(ii) the ratio (stated as a percentage and estimated by the State in accordance with subparagraph (b)) that the total amount of additional direct costs incurred by such local government in complying with such regulation in such fiscal year bears to the total amount of additional direct costs incurred by all local governments in such State in complying with such regulation in such fiscal year.

(B) Each State government which receives payments under this section for any fiscal year shall provide by law for the estimation of the amount of additional direct costs incurred by each local government in such State in complying with an intergovernmental regulation for which such payments are received. In providing for the estimation of such costs which are reasonably related to the actual additional direct costs incurred by such governments in complying with such regulation in such fiscal year.

EFFECT OF SUBSEQUENT ENACTMENTS

SEC. 205. No law enacted after the date of enactment of this title shall supersede the provisions of this title unless such law does so in specific terms, referring to this title, and declares that such law supersedes the provision of this title.

TITLE III—MISCELLANEOUS

COST ESTIMATES

SEC. 301. Section 403(c) of the Congressional Budget Act of 1974 is amended by striking out "$200,000,000" and inserting in lieu thereof "$100,000,000".

INTERGOVERNMENTAL REGULATORY RELIEF ACT OF 1985—SECTION-BY-SECTION ANALYSIS

Sec. 1. Contains enactment language.

Sec. 2. Findings and Purpose. This section expresses Congress' view that federal regulation of state and local governments has become too extensive and too burdensome, and that steps need to be taken to provide relief to the state and local governments. The purpose of the Act is stated in two parts: (1) to require a systematic approach to reducing intergovernmental regulatory burdens through an annual process of review involving both the Congress and the President in establishing priorities and taking appropriate action to this end, and (2) to provide for a more effective and efficient means of administering generally applicable federal assistance requirements.

TITLE I—REVIEW OF INTERGOVERNMENTAL REGULATIONS

Sec. 101. Definitions. This section defines "Director" to be the Director of the Office of Management and Budget, and "federal agencies" to be any department, agency, or other unit of the United States Government that imposes regulations upon the nation's state and local governments. The term "state and local governments" is defined in a very inclusive manner. In addition, the section defines "intergovernmental regulations" to include four relatively recently devised types, in addition to other regulations in federal aid programs. These types are crossover sanctions, direct ordered, partial preemptions, and generally applicable requirements. Finally, this section defines several alternative means of regulation, including compliance reforms, economic incentives, marketable rights, performance standards, and special provisions for small governments.

Sec. 102. Annual Report. This section requires the President to prepare and transmit to the Congress, 30 days following his budget message, a report evaluating the economic and noneconomic compliance costs incurred or expected to be incurred by state and local governments as a result of intergovernmental regulations imposed by the federal government. The contents of this report are specified to include an inventory of all federally imposed intergovernmental regulations, estimates of the compliance costs and benefits associated with each such regulation, planned actions of the executive branch designed to reduce intergovernmental regulatory burdens or to achieve a more favorable balance between benefits and costs, and recommended legislation, where needed, to enable such goals to be met more fully than is possible under existing laws.

Sec. 103. Alternative Means of Regulation. This section requires the President to consider alternative means of regulation in preparing his recommendations and plans for reducing burdens on state and local governments.

Sec. 104. Authority of the President. This section sets forth a procedure by which the President may delegate the preparation of his annual report to Congress to the Director of the Office of Management and Budget or another appropriate agency head. The section also provides authority for prescribing standards, methods, and criteria to be employed by relevant federal agencies in evaluating regulatory costs and benefits and reporting them for inclusion in the President's report to Congress.

Sec. 105. Submission of Information. This section requires all federal agencies imposing intergovernmental regulations to provide required information at the times specified by the President or his designee for inclusion in the report to Congress.

TITLE II—ADMINISTRATION OF GENERALLY APPLICABLE FEDERAL ASSISTANCE REQUIREMENTS

Sec. 201 amends the Intergovernmental Cooperation Act of 1968 to add a new section.

Sec. 6509—Administration of Generally Applicable Federal Assistance Requirements.

Subsection (a). Statement of Purpose. This subsection expresses Congress' intent to simplify, standardize, and coordinate the administration of all national policy requirements having general applicability to federal assistance programs by improving the procedures used in developing implementing regulations so as to reduce overall costs and burdens incurred by assistance recipients, including the elimination of any such requirements that are found to be unnecessary, infeasible, or inappropriate.

Subsection (b). Definitions. This subsection defines the term "Federal assistance" in a broadly inclusive manner, along with the terms "assistance agency," and "assistance recipient." It also defines the term "generally applicable requirement" as one which applies to programs administered by two or more assistance agencies, and the term "designated agency" as a federal agency designated by the President for the purpose of developing, adopting, and monitoring the implementation of coordinated requirements to be used by the two or more assistance agencies. In addition, this subsection defines the term "national policy assistance standards" as the guidelines, standards, and other substantially uniform requirements issued to achieve uniform implementation of generally applicable requirements throughout the federal establishment.

Subsection (c). Assignment of Designated Agencies. This subsection requires the President to designate a single federal agency to develop uniform regulations for each type of generally applicable requirement. Initial designations are to occur within 120 days after enactment of this legislation and would apply to such subject areas as labor practices requirements, public employee standards, equal services requirements, equal employment requirements, access to government information, procurement standards, planning requirements, financial and administrative requirements, citizen participation requirements, and environmental protection requirements. This subsectiopn requires the President to make agency designations only after considering the agency's program responsibilities in relation to the generally applicable requirement, the agency's capacity to effectively carry out its responsibilities under this legislation, and the need to keep the number of designated agencies small. Finally, this subsection provides for possible additional agency designations in cases where new generally applicable requirements are enacted.

Subsection (d). Issuance of National Policy Assistance Standards. This subsection requires each designated agency to develop national policy assistance standards in its field of designated responsibility within one year after receiving its designation from the President. The subsection also requires the designated agency to consult widely with affected federal agencies, assistance recipients, and other interested parties in carrying out this task. Any future legislation or administrative rules affecting a generally applicable requirement are expected to be incorporated into the national policy assistance standards by the designated agency within one year after they become effective. The national policy assistance standards adopted by a designated agency are to be simple and clear; to minimize reporting requirements, compliance costs, and other burdens on assistance recipients; to make use of standard compliance procedures; to provide for technical assistance and other facilitative procedures; and to cite all federal assistance programs to which such standards apply, including block grant programs as appropriate. Within 120 days after adoption of national policy assistance standards by the designated agency, all affected assistance agencies are required to implement such standards. In order to reduce the burdens imposed by frequently changing federal regulations, revisions or additions to such

standards may become effective only on the first day of each fiscal year.

Subsection (e). Implementation and Enforcement Roles of Federal Agencies. Each of the federal assistance agencies to which a generally applicable requirement applies is required to designate a senior official of the agency to cooperate with the designated agency and coordinate his agency's compliance activities with the standards adopted by the designated agency. This subsection also authorizes the head of any federal assistance agency to certify and accept state or local government laws, regulations, directives, standards, reporting requirements, and compliance monitoring and enforcement procedures in substitution for national policy assistance standards when they are at least equally stringent and are being faithfully enforced. Such certifications may be rescinded for cause after due notice and opportunity for the assistance recipient to demonstrate why the assistance agency should not do so. Finally, this subsection requires federal assistance agencies to assist affected assistance recipients in their efforts to comply with applicable national policy assistance standards.

Subsection (f). Legislation To Remove Impediments to Implementation. This subsection provides a procedure for a designated agency that is unable to develop uniform national policy assistance standards because of inconsistent provisions of law, to report that fact to the President and to develop proposed legislative remedies which the President may submit to the Congress. This procedure also may be followed to exempt federal assistance programs from a generally applicable requirement if such requirement is found to be inappropriate, inefficient, or poorly suited to effective management of the program.

Subsection (g). General Oversight. This subsection provides that the President may delegate his responsibilities under this Act to the Director of the Office of Management and Budget, or the head of another federal agency, except the authority to name designated agencies. Such delegated tasks may include establishment of procedures for developing, implementing, and evaluating national policy assistance standards; reviewing the administration of generally applicable requirements to improve their effectiveness; establishing procedures for resolving disputes and conflicts between designated agencies, assistance agencies, and assistance recipients; evaluating and developing techniques for certification of state and local requirements substituted for national ones; providing an annual catalog of all generally applicable requirements and national policy assistance standards; and keeping Congress fully informed about the administration of generally applicable requirements.

Sec. 202. Legal Authority Not Limited. This section provided that the new section added to the Intergovernmental Cooperation Act of 1968 does not in any way limit the authority of the President, or the Office of Management and Budget, or the Director of the Office of Management and Budget that may otherwise exist under the laws of the United States with respect to the administration of federal assistance requirements.

Mr. WILSON. Mr. President, I wish to join the distinguished Senator from Minnesota [Mr. DURENBERGER], in the introduction of the "Intergovernmental Regulatory Relief Act of 1985."

This legislation is designed to bring a greater measure of fairness to the entire process by which this Congress seeks to impose its will and its judgment upon the States and the local governments of this Nation.

Specifically, the intent here is to require Federal reimbursement for any additional costs incurred by State and local governments in complying with new Federal regulations.

Mr. President, this legislation, I am sure, will make great sense to any of my colleagues who have, in their experience, spent some time in State or local government. Many times in my capacity as a State legislator, and even more as mayor of a large city, I have questioned the judgment of legislators at the Federal level. Many times I must confess to having expressed deep resentment at their having imposed not only their judgment but the cost of their judgments upon local taxpayers.

The principle involved here, simply stated, is that the National Government bears some responsibility to fund duties and requirements it chooses to impose upon State and local governments. This position has been strongly endorsed by many State and local government officials.

Unfortunately, I must add in all honesty that even State governments have been guilty of imitating the Federal level by imposing upon local governments regulatory requirements without the benefit of adequate funding.

Some years ago this finally became intolerable in California, and the State legislature, to cure its own sin, enacted what was then called Senate bill 90, which said very simply that the State shall no longer impose new duties upon local governments without providing the funds for the performance of those duties.

Mr. President, I realize that this idea of full reimbursement to State and local governments could present a series of difficult fiscal and administrative problems for the Federal Government. I understand why at first blush many of my colleagues might find this approach a bitter pill to swallow, particularly now when we are almost obsessed with a discussion as to how we shall go about reducing deficits. That consideration is one we all share. It is a concern from which we cannot escape until, in fact, we have adequately reduced the existing Federal deficits.

Let me say it simply: If, in our judgment, a particular responsibility to be discharged at the State and local level is important enough for us to enact Federal legislation so as to require it, then it seems to this Senator that such mandates should be accompanied by appropriate Federal funding.

Mr. President, it may be that this type of legislation will, in the long run, actually help reduce Federal fiscal problems.

In recent years, Congress has often responded to problems without providing adequate funding to carry them out. If we now require Federal reimbursement of Federal mandates it may be that we will reform our own lack of realism by working to slow further regulatory proliferation as well as bringing relief, much deserved relief, to those who labor at the State and Federal level.

In a period of Federal deficits, such a requirement would impose an obstacle to new enactments by those of us in Congress.

Mr. President, the Advisory Commission on Intergovernmental Relations issued a report entitled "Regulatory Federalism: Policy, Process, Impact, and Reform." I agree with much of the report. It cites in some detail, with many examples, precisely the kind of abuses which the Federal Government has been guilty with the best of good intentions. I do not agree entirely with the recommendations of the report on the issue of reimbursement. Nevertheless, it may be helpful to close by quoting what the Commission had to say about its recommendations for full Federal reimbursement. I read from the report of the Commission on Intergovernmental Relations:

> The Commission strongly affirms the principle of Federal resonsibility for mandated costs, but it has carefully tailored its recommendation to current budgetary realities and to the administrative difficulties posed by full reimbursement of all existing mandates. This recommendation is limited to costs imposed on State and local governments by future intergovernmental regulations. This restriction avoids excessive immediate demands on the deficit-ridden Federal budget while simultaneously establishing an effective fiscal deterrent to future regulatory proliferation. The recommendation is also limited to additional direct costs of regulations, e.g., those expenses that are clearly attributable to implementing the regulation, above and beyond any related activity that would have been carried out in the absence of the Federal mandate. Although the Commission recognizes that such additional costs are difficult to measure and define, it expects that appropriate methodologies will be perfected by the Congressional Budget Office in implementing existing "fiscal notes" legislation. The exclusion of ambiguous "indirect" costs, like losses of efficiency and externalities, also simplifies this task. Finally, to strengthen implementation of this recommendation by potentially reluctant federal administrators, it contains an action-forcing provision: holding State and local governments free from regulatory compliance for any future Federal mandates that are unreimbursed. This provision provides justifiable grounds for challenging any future unfunded mandates.

For these reasons, Mr. President, I am joining my colleague and friend, Mr. DURENBERGER, in sponsoring this legislation.

By Mr. HATCH (for himself, Mr. KENNEDY, Mr. D'AMATO, Mrs. HAWKINS, Mr. STAFFORD, Mr. QUAYLE, Mr. PELL, and Mr. EAGLETON):

S. 484. A bill to amend the Saccharin Study and Labeling Act; to the Committee on Labor and Human Resources.

EXTENSION OF THE MORATORIUM ON BANNING SACCHARIN

Mr. HATCH. Mr. President, I am introducing a bill to extend the Saccharin Study and Labeling Act, which expires in April of this year. I am very pleased to be joined by Senator KENNEDY, ranking minority member, of the committee, and by Senators D'AMATO, HAWKINS, STAFFORD, QUAYLE, PELL, and EAGLETON.

Corresponding legislation has been introduced in the House by Representative FOLEY.

Saccharin is one of the oldest synthetic food additives and has been used by generations of Americans. There is as yet no sign that the use of saccharin has had an adverse impact on the health of our people. It is true that some studies indicate that it is a very weak carcinogen in extremely high concentrations used in laboratory tests. However, other studies have found no such link, and even the studies commissioned by the Food and Drug Administration itself are ambiguous in their results. Further, studies reinterpreting prior data indicated that any risk from use of saccharin in man is so slight as to be insignificant.

These matters are currently under review by the FDA, and I certainly encourage continuing study to clear up the ambiguities. However, under these circumstances, I believe it is just as appropriate to sound a note of caution now through this extension as it was the previous three times we have extended the moratorium. The moratorium would prohibit FDA action against saccharin solely on the basis of data available through 1978, the date fixed in the initial act.

It should be remembered that saccharin is not just an ordinary food additive. For the millions of Americans, including diabetics, who need to reduce their calorie intake or avoid sugar, there is no complete substitute for saccharin. While aspartame has taken over a sizable share of the artificial sweetener market, there are many applications for which it is unsuitable, such as those requiring cooking or heat processing, or where a long shelf life is desirable.

For these applications, the only alternative is saccharin. Other sweeteners are being developed, and previously marketed substances—cyclamates—are being reviewed by FDA for possible relicensing, but final actions on these substitutes will take years.

I feel that the American people should not be deprived of this widely used and currently irreplaceable sweetener without solid research demonstrating some public health threat. This bill would extend the current moratorium's expiration date 3 years, until May 1, 1988. During that time I am confident that sufficient knowledge can be marshaled to resolve conclusively the continuing questions about saccharin.

I ask my colleagues to join with me in cosponsoring this legislation and in assuring its timely passage.

● Mr. KENNEDY. Mr. President, I am cosponsoring this bill to extend the Saccharin Study and Labeling Act.

Saccharin is an important part of the diets of many Americans who need to avoid sugar intake. It is particularly important for diabetics.

While some things have changed in the artificial sweetener field since the last extension of this legislation—including the development of aspartame and new studies suggesting cyclamates may not be carcinogenic—there does not appear to be a fully satisfactory substitute for saccharin currently available.

In response to concerns expressed by Senator METZENBAUM, our committee will be holding a hearing shortly to review the issues surrounding artificial sweeteners. I am hopeful that this hearing will provide helpful information on appropriate Federal policy in this area and I appreciate Senator METZENBAUM's role in assuring that a hearing will be held. After the hearing, I believe we will be in a position to proceed with necessary legislation.●

● Mr. D'AMATO. Mr. President, I rise today to cosponsor legislation introduced by my good friend, the chairman of the Labor and Human Resources Committee, that would extend for 3 years the moratorium on the ban of the artificial sweetener saccharin. Specifically, this bill will amend the Saccharin Study and Labeling Act of 1977 (Public Law 95-203). This legislation was introduced near the end of the last session of Congress, but time ran out before we could act on it.

The conflict over saccharin has had a long history. Since it was discovered in 1879, its carcinogenicity has been suspect. From 1912 to 1925, it was banned from use in foods. In 1977, the Food and Drug Administration [FDA] announced its intention to ban saccharin once again. They had found that large quantities of the artificial sweetener caused malignant bladder tumors in some laboratory animals. Although the FDA noted that the sweetener has been in use for over 80 years and was never known to be harmful, it issued guidelines for ending the use of saccharin as a substitute for sugar.

This ban, of course, never occurred because the Saccharin Study and Labeling Act put a moratorium on the saccharin ban for 18 months. Since then, Congress has extended the moratorium three times. The current moratorium will end this April. This legislation would extend the moratorium for 3 years, or until May 1988.

This legislation, however, is not a congressional approval of saccharin as a safe substitute for sugar. But it does allow more time for safer substitutes to be produced and more conclusive studies on the danger, if any, of saccharin to be conducted. When we in Congress are periodically faced with a decision to extend the moratorium on the ban of saccharin, we are not acting because we have medical expertise; rather, we are merely representing our concerned constituents. We do not know if saccharin causes cancer in humans. What we do know, however, is that a large segment of our population depends on saccharin as a sugar substitute. For many, the small possible risk of cancer is necessary so that they may avoid immediate medical problems associated with diabetes or being overweight.

Unfortunately, the introduction of aspartame, another low-calorie sugar substitute, has not made the situation much better. Although it has been thoroughly tested, doubts still remain about its effects on human health. Also, aspartame's ability to replace saccharin is limited since it does not have a long shelf life and it cannot be used as a cooking ingredient. As a result, saccharin and aspartame now complement each other. In fact, a combination of these sweeteners can be found in many diet soft drinks. For these reasons, it is much more important that saccharin is allowed to remain available as an artificial sweetener until a more complete substitute can be found.

Cyclamates, which were banned in 1979, are being reconsidered as an artificial sweetener. Action to allow cyclamates on the market most likely would not be completed until early next year. Even so, cyclamates alone are not a complete sugar substitute. The necessity for saccharin would become more important.

Millions of Americans who depend on saccharin for their restricted diets are periodically faced with a possible ban of the low-calorie product. I support the legislation and ask for its prompt consideration so that people such as diabetics will know that they will be able to use saccharin until May 1988 or until a safer substitute can be found. During this time, I strongly urge the Food and Drug Administration to continue its investigations into the safety of saccharin and I strongly urge the industry to continue its effort to produce a safer sugar substitute. I do not state that saccharin is totally safe, but until a safer, all-purpose artificial sweetener is found or until saccharin is proven unsafe, people should

continue to have the option to use saccharin as a food additive.●

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 485. A bill to amend the Alaska National Interest Lands Conservation Act of 1980 to clarify the treatment of submerged lands and ownership by the Alaskan Native Corporation; to the Committee on Energy and Natural Resources.

OWNERSHIP OF SUBMERGED LANDS

● Mr. MURKOWSKI. Mr. President, today Senator STEVENS and I are introducing legislation which would rectify a serious problem in our State involving navigability determinations, conveyance acreage chargeability, and the ownership of submerged lands.

This is a complex problem that can only be corrected with legislation. The legislation we are introducing today reflects a consensus of the Alaska Congressional Delegation, the State of Alaska, the Alaska Native Community, the Department of the Interior.

Our bill, if enacted, would repeal section 901 of the Alaska National Interest Lands and Conservation Act [ANILCA]. The enactment of this bill will also ensure that the BLM will continue to apply the same survey and chargeability guidelines in Alaska that are applied in other States.

Mr. President, at the outset I want to stress a few major points. First of all, this bill is a limited, specific amendment to ANILCA which does not affect any of the fundamental conservation purposes of that act. I feel that it is highly unlikely that this bill will provoke the kind of heated debate that previously transpired during ANILCA's consideration. Second, I'd like to underscore what will occur if we fail to enact this legislation. If this bill is not enacted this year, the enormous, counterproductive and unnecessary burden of litigating hundreds of individual navigability decisions will fall on the State of Alaska and a number of Native village corporations. Frankly, Mr. President, many of these small Native corporations cannot afford complex, expensive litigation. We have the opportunity, and the responsibility, to eliminate their exposure while providing for a more rational method of addressing navigability disputes in Alaska.

Under the constitutional doctrine of the equal footing of States, the beds of navigable rivers and lakes in Alaska is vested in the State of Alaska on the date of statehood. Because of disputes over the proper criteria for determining navigability, the Department of the Interior has conveyed hundreds of rivers and lakes claimed by the State of Alaska to Native corporations, and has charged the submerged lands against their 44 million acre land entitlement granted by the Alaska Native Claims Settlement Act [ANCSA]. If these submerged lands are later determined to be navigable, the Native corporation receiving the conveyance containing the water body will be entitled to select upland acres to replace it.

However, the slow judicial progress of these navigability determinations means that the land status situation for Native corporations will remain uncertain for an indefinite period. At the time the navigability of a particular water body is finally settled, the affected Native corporation may be unable to select alternative lands.

Section 901 of ANILCA was an attempt to guarantee that Native corporations would not lose a portion of their acreage entitlement under ANCSA as a result of judicial findings of navigability. It established a time period after which the State could no longer assert title to river beds and lake bottoms conveyed to Native corporations.

Since the passage of ANILCA, both the State and the Natives have realized that the solution set out in section 901 will result in an excessive administrative workload and much needless navigability litigation. The statute of limitations found in section 901 will come into effect in December 1985, and the State of Alaska must begin to file lawsuits asserting its claims to navigable water bodies at that time if Congress has not acted to correct the law. That litigation will exacerbate the uncertainties regarding acreage chargeability and ownership of submerged lands in Alaska. The problem is made more acute by the relatively slow development of judicial criteria for navigability determinations in Alaska. In addition, the State has challenged the constitutionality of the statue of limitations in section 901.

The extensive disputes over navigability, and the related issue of chargeability for submerged lands, stem from the failure of the Department of the Interior to use the rules contained in the Manual of Instructions for the Survey of the Public Lands of the United States when surveying and conveying public lands in Alaska. These standard rules of survey require that only uplands be surveyed. Lakes 50 acres or larger and rivers and streams 198 feet in width or wider are segregated from the public lands. The recipients of conveyances from the Federal Government are charged only for the amount of public land identified by the properly conducted survey. River beds and lake bottoms are not included in that figure. Except for rivers and lakes smaller than the administrative criteria, navigability determinations do not affect the amount of land conveyed in fulfillment of acreage entitlements. These rules have always been applied to conveyances in other public land States, except Alaska. No evidence exists that Congress intended that a different survey and conveyance procedure apply to State and Native lands.

Beginning in 1981, the State, the Natives, and the Department of the Interior began discussions on alternative ways of solving the problems resulting from section 901. In 1983, the three parties agreed to a solution: The statute of limitations would be repealed and replaced with the traditional procedures for segregating water bodies set out in the survey manual.

On December 5, 1983, the Department of the Interior published a notice in the Federal Register announcing their decision to use the standard survey manual rules in Alaska. However, the statute of limitations contained in ANILCA remains in force and can only be repealed by Congress. Until it is repealed, the Federal Government, Alaska Native corporations, and the State of Alaska will be forced to engage in unnecessary and counterproductive litigation over the navigability of public water bodies.

The legislation we are introducing contains both of these important components—recognition of the 1983 DOI administrative decision to follow the rules found in the survey manual, and repeal of the statute of limitations. Use of the standard survey rules means that determinations of navigability or nonnavigability will no longer significantly affect the Native corporations' acreage entitlement. This change in practice also means that the statute of limitations may now be repealed without harm to Native interests.

The proposed solution is conceptually similar to section 918 of H.R. 39 as it passed the U.S. House in 1979. That provision was replaced in the Senate in favor of section 901. Experience and further legal research have shown that section 901 is not the best solution to this problem.

The State of Alaska, the Bureau of Land Management, and the Natives have worked for the past year to arrive at an accurate estimate of the amount of acreage which would be affected by the DOI decision to follow the standard rules of survey. That estimate indicates that a maximum of about 460,000 additional acres of uplands would be conveyed into State ownership, and 270,000 acres into Native ownership. These figures are based on a detailed analysis of the various physiographic regions of Alaska. A number of interested parties have been presented with the opportunity to examine and comment on the basis for these figures and no alternative figures or methodologies have been presented. The additional State conveyances will not affect any conservation system units.

Although additional Native in-holdings within conservation system units would occur, many of these would be

created in any event as a result of successful assertions of navigability by the State.

The Sierra Club and the Wilderness Society have recently filed litigation in U.S. District Court challenging the validity of the Department of the Interior's revised procedure for surveying public lands in Alaska. That litigation is based on the conclusion that Congress intended, without directly stating so in law, to establish special rules for Alaska conveyances. This conclusion is contradicted by the review conducted by the DOI Solicitor. The issue is one that is appropriate for Congress, and not the courts, to resolve. The pursuit of this litigation will result in burdensome costs to all the interested parties and only delay resolution of the ultimate problem. This policy issue has, on several previous occasions, been dealt with by Congress, and should again be addressed by us.

If the statute of limitations is not repealed, an enormous, and unnecessary, burden for litigating hundreds of individual navigability decisions will fall on the State and the Natives. To prevent that result, the proposed legislation would establish a situation comparable to that found in other States. There, litigation occurs in response to specific conflicts, and over a period of many years, without the artificial stimulation of a statute of limitations and the necessity of challenging individual land conveyances and navigability decisions.

Some have suggested a simple extension of the statute of limitations as an alternative to the proposed legislation. However, such an extension would not resolve the constitutional issues raised by the section 901 and would only postpone the deleterious impacts of that provision.

In closing, Mr. President, I believe it is important to point out that the Conference of Western Attorney Generals unanimously approved a resolution in August 1984, calling for the repeal of the statute of limitations found in section 901(a) of ANILCA. That resolution also called for a congressional confirmation of the use of the standard survey and acreage accountability procedures for Federal land conveyances in Alaska. Their resolution was based on the principle that no statute of limitations should run against a sovereign State, and that the use of the standard survey manual procedures was proper and would protect all affected interests.

Mr. President, it is clear that we must act on this matter this year. As a member of the Senate Energy and Natural Resources Committee, I will be seeking hearings and action on this legislation at the committee's earliest opportunity.

I urge my colleagues to join with me in ensuring that this bill receive the attention it deserves.●

By Mr. DENTON:

S.J. Res. 53. Joint resolution to authorize and request the President to designate the month of June 1985 as "Youth Suicide Prevention Month"; to the Committee on the Judiciary.

YOUTH SUICIDE PREVENTION MONTH

Mr. DENTON. Mr. President, I rise to introduce a joint resolution to designate the month of June 1985 as "Youth Suicide Prevention Month."

American children, adolescents, and young adults are killing themselves in ever-increasing numbers. The rate of suicide has increased more than threefold in the last 20 years and is still continuing to rise. This year, more than 5,000 young Americans can be expected to take their own lives.

Suicide now trails only accidents and homicides as the leading cause of death for those between the ages of 15 and 24. Even younger children experience problems which lead them to commit suicide. According to a report prepared by the National Center for Health Statistics, during a 13-year period ending in 1978, there were almost 2,000 documented cases of suicide among children under the age of 14.

The statistics represent only the tip of the iceberg. Some experts estimate that the actual number of suicides among young people is at least four times greater than is reported. Recent studies indicate that more than 2 million high school students attempted suicide last year.

Mr. President, youth suicide is a phenomenon which is so perplexing, contradictory, frightening, and troubling that our society avoids addressing it. As individuals and as a nation, we refuse to believe that young people emerging from childhood can feel the degree of sadness, hopelessness, and despair that leads to suicide.

Inaction and walls of silence serve only as barriers to solving the problem. As a caring nation concerned about the future of our youth, we must help. The children who we have already lost to suicide included some of the best and brightest of their generations and the hope for our future. Youth suicide is a problem of nationwide scope. It can only be solved through the combined efforts of individuals, families, communities, organizations, and government to educate our society about what can be done.

Mr. President, I hope by calling attention to the problem by designating the month of June 1985 as "Youth Suicide Prevention Month" we can help end the tragedy.

I urge my colleagues to support the joint resolution and pass it expeditiously.

I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 53

Whereas the youth of society represent the hope for the future;

Whereas the rate of youth suicide has increased more than threefold in the last two decades;

Whereas over five thousand young Americans took their lives last year, many more attempted suicide, and countless families were affected;

Whereas youth suicide is a phenomenon which must be addressed by a concerned society; and

Whereas youth suicide is a national problem which can only be solved through the combined efforts of individuals, families, communities, organizations, and government to educate society: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of June 1985 is designated as "Youth Suicide Prevention Month" and the President is authorized and requested to issue a proclamation calling upon the Governors of the several States, the Chief officials of local governments, and the people of the United States to observe such month with appropriate programs and activities.

By Mr. McCLURE (for himself and Mr. SYMMS):

S.J. Res. 54. Joint resolution proposing an amendment to the Constitution relating to Federal spending responsibility; to the Committee on the Judiciary.

CONSTITUTIONAL AMENDMENT RELATING TO FEDERAL SPENDING RESPONSIBILITY

● Mr. McCLURE. Mr. President, in 1982 this body passed the proposed constitutional amendment to balance the budget. I strongly supported that measure and felt it would go a long way in restoring fiscal responsibility to our Government. However, as with any compromise, there were imperfections. We can all agree that it is imperative that the Federal Government adopt and stick to a policy of spending no more than it takes in as revenue. The means of accomplishing this goal is under constant scrutiny. I feel as many of my colleagues do, that the temptation to raise taxes is too great in the balanced budget amendment. There is no doubt that the best way to go about balancing the budget is to focus on decreasing the role of the Federal Government in our economy.

That is what this amendment is all about, to try to get spending back down to the limits where Americans begin to see that the rewards of labor are more important to them than the rewards of leisure. We will never attain that in our system as long as the burden of taxation continues to rise. As important as the proposed constitutional amendment to balance the budget was, it did not do all of the job that needs to be done because spending can continue to rise under

the amendment. I warned this body of this fact but at the time felt that altering it then would have gone further to guarantee its defeat than its passage.

At that time, I vowed to raise the issue again. My views have not changed on this subject. Government spending is bleeding our Nation dry. Those on both sides of the aisle see this and should address it. The American poeple have delivered a message on two different occasions. They are tired of wasted dollars and they are tired of shouldering an increased burden as a means to satisfy uncontrollable spending.

If we look back to the 1950's and 1960's, when Federal spending took a smaller share of our economy, we were much more productive. In the 1960's, Federal spending was about 18 percent of our gross national product. During this period our economy, as it is measured by GNP, grew 6.72 percent. In the 1970's, during Congress' freewheeling spending spree, Federal spending as a percentage of GNP was 21 percent, and at the same time our inflation rate was above 7 percent and the growth of the economy was only 3 percent. There is no doubt that as Federal spending consumes more and more of our economy we are less productive and we turn to inflationary policies to make up the differences.

During the 1980's, we have seen double-digit inflation, drastically high interest rates, and a stagnant economy. We made some attempts to control spending and reduce the tax burden. We are experiencing the beginning of a strong recovery which should continue for the rest of the decade if we will impose the necessary restraints on spending. If we fail to impose such restraints, we will abort our recovery and find ourselves in the worst financial crisis we have seen for decades. We are now faced with the hard reality that we must look down the road and establish a policy which is in the best interest of all Americans. This policy must provide stability to our economy. We must tell the American public that Government will spend only a predetermined amount of productive capacity and will not continue to compete with citizens for their hard-earned dollars.

This amendment is the answer to our prevailing problem and will allow us to solve our crisis over time. It is very close to the administration's latest figures of deficit reduction.

The balanced budget amendment is one solution, but it creates an overwhelming temptation to levy additional taxes. My amendment will require Federal spending to be capped at 19 percent of GNP. It will be phased in it at the rate of 1 percent per year.

We must realize that expenditures are not the cure for all our problems. More often than not, increased expenditures have been the cause of our sickness. This body has conducted the world's longest experiment to prove that our fiscal problems can be solved with additional outlays. We have failed miserably. More money spent on a bad idea will not make that idea good.

The proposal we have today will go a long way to reaffirm valid financial standards. By reducing the Federal Government's share of GNP by 1 percent a year, until it is back down to a productive level of 19 percent, we will go a long way to restore responsibility to Government.

This was a promise President Reagan made to the American people. I intend to do everything I can to see this promise fulfilled. The time is now to give the American people what they want and what the economy needs. We will be faced with the deficit question for many years to come. The budget continues to grow with more and more items being placed off limits. We must make a decision at some time when this will end. Now is the time to end the game and place a limit on expenditures.

I ask all of my colleagues to join me in support of this important measure, and I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 54

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. In exercising its powers under article 1 of the Constitution, and in particular its powers to lay and collect taxes, duties imposts, and excises and to enact laws making appropriations, the Congress shall assure that the total outlays of the Government during any fiscal year (except for repayment of debt) do not exceed an amount equal to the greater of—

"(a) the difference between—

"(1) an amount which bears the same relationship to the gross national product of the United States at the close of such fiscal year as outlays for the preceding fiscal year bear to the gross national product of the United States at the close of such preceeding fiscal year, and

"(2) an amount which is equal to 1 per centum of gross national product for such fiscal year, and

"(b) 19 per centum of the gross national product for such fiscal year.

"SECTION 2. In case of national emergency or war, the limit may be exceeded but all expenditures in excess of the greater of the limitations listed in section 1 of this Act must be approved by a concurrent resolution agreed to by a rollcall vote of three-fourths of all the Members of each House of Congress. The limitation may be exceeded only in that fiscal year in which such a vote was taken.".●

By Mr. COCHRAN (for himself, Mr. HELMS, Mr. EAST, Mr. JOHNSTON, and Mr. NUNN):

S.J. Res. 55. Joint resolution to designate May 24, 1985, as "National Self-Help Housing Day"; to the Committee on the Judiciary.

NATIONAL SELF-HELP HOUSING DAY

● Mr. COCHRAN. Mr. President, this year marks the 20th anniversary of the Self-Help Housing Program. This program is a unique partnership between the Federal Government and the people of rural America. Under the program, rural families help build their own houses under supervisory and mortgage assistance provided by local, private, nonprofit sponsors, and the Farmers Home Administration.

Over 16,000 families in 43 States have benefited from this program. Their hard work has made home ownership a possibility for them. Furthermore, the pride engendered by their participation in the process of construction and the reality of home ownership have led to improved family life and civic responsibility in our rural communities.

To honor the accomplishments of all those involved in the Self-Help Housing Program, I am pleased to introduce today a joint resolution proclaiming May 24, 1985, as "National Self-Help Housing Day."

Home ownership and self-reliance have become the embodiment of the American dream and spirit. I hope my colleagues will join me in honoring this spirit by cosponsoring this joint resolution.●

By Mr. DECONCINI (for himself, Mr. WARNER, Mr. KENNEDY, Mr. DODD, Mr. HOLLINGS, Mr. HUMPHREY, Mr. CHILES, Mr. DOLE, Mr. JOHNSTON, Mr. DENTON, Mr. INOUYE, Mrs. HAWKINS, Mr. PRYOR, Mr. NUNN, Mr. STENNIS, Mr. BUMPERS, Mr. LAXALT, Mr. EXON, Mr. MOYNIHAN, Mr. LEVIN, Mr. BURDICK, Mr. PACKWOOD, Mr. LAUTENBERG, Mr. SARBANES, Mr. MCCONNELL, Mr. ANDREWS, Mr. BRADLEY, Mr. BOSCHWITZ, Mr. CRANSTON, Mr. HEFLIN, and Mr. MATSUNAGA):

S.J. Res. 56. Joint resolution to designate April 1985 as "National Child Abuse Prevention Month"; to the Committee on the Judiciary.

NATIONAL CHILD ABUSE PREVENTION MONTH

Mr. DECONCINI. Mr. President, I am introducing today a joint resolution to declare the month of April 1985 as "National Child Abuse Prevention Month." I am pleased to be joined

by a number of my distinguished colleagues in this effort.

Mr. President, child abuse is not a new phenomenon of the 20th century. Children of the world have been physically and mentally mistreated, molested, and deprived of life itself by adults since the first hours of human history. What is new, is the fact that the phenomenon has been formally identified and its pathologies examined. However, it was not until the early 1960's that any significant public and professional attention was focused on the problem of child abuse.

This problem is currently one of the Nation's greatest child-welfare risks. It accounts for an estimated 2 million abused children each year, with at least 5,000 children dying as a direct result of some form of child abuse.

During the past two decades, research has demonstrated that the problem of child abuse crosses social, racial, economic, cultural, and occupational boundaries. It does not allow us to point to one set of data, statistics, or demographics and conclude that it happens to one particular group or class. The underlying causes of child abuse remain largely hidden, but they are deep seated and very complex. What is known is that it is a problem of epidemic proportions which demands national attention.

We, in Congress, have an opportunity to assist the many individuals, agencies, organizations and research institutions that are striving to rid our Nation of this problem and to assist the victims as well. We must help to focus public attention on the goals and objectives of organizations such as the National Committee for Prevention of Child Abuse, the National Child Abuse Coalition and Parents Anonymous.

The NCPCA was established in the early 1970's in response to the increasing incidence of infant deaths due to purposely inflicted injuries. One of its goals was to prevent child abuse by involving concerned citizens in a public education process.

The declaration of April 1985 as "National Child Abuse Prevention Month" is one way in which we can emphasize the importance of the goals or organizations such as, NCPCA. Their work—to stimulate greater public awareness and education—should be our work, too.

We must encourage research, advocate policies to prevent child abuse, and support the efforts of our States in the development of their prevention programs and activities.

Child abuse is an ugly, extensive and expensive problem that is wearing and tearing our social fabric. The personal and social costs of the child abuse problem are beyond measure. Recent reports state that child abuse can be linked to juvenile delinquency and adult criminal behavior.

Approximately 80 to 90 percent of all incarcerated felons were victims of child abuse. The average cost of retaining a juvenile delinquent in a public detention facility is nearly $17,000 per year, and $14,000 for an adult criminal in a State facility. These crime statistics and cost figures are reason enough for us to move quickly toward a solution to the problem of child abuse. But it is not the most important.

We in public office have an obligation to take whatever steps are necessary to protect the life and health of our Nation's most valuable resource—its children.

One strategy to offer hope in the prevention of child abuse is to encourage and support increased public awareness through the proclamation of April 1985 as "National Child Abuse Prevention Month." I urge all my colleagues to join us in this effort.

By Mr. CHILES (for himself, Mr. STENNIS, Mr. INOUYE, Mr. DOLE, Mr. GLENN, Mr. BOREN, Mr. JOHNSTON, Mr. RIEGLE, Mr. THURMOND, Mr. KERRY, Mr. NUNN, Mr. MOYNIHAN, Mr. ZORINSKY, Mr. GORE, Mr. KENNEDY, Mr. BURDICK, Mr. SARBANES, Mr. PRYOR, Mr. EAGLETON, Mr. HEINZ, Mr. HOLLINGS, Mr. ANDREWS, Mr. LAXALT, Mr. COCHRAN, and Mr. SYMMS):

S.J. Res. 57. Joint resolution to designate the week of October 20, 1985, through October 26, 1985, as "Lupus Awareness Week"; to the Committee on the Judiciary.

LUPUS AWARENESS WEEK

● Mr. CHILES. Mr. President, today I am introducing a joint resolution to designate October 20–26, 1985, as "Lupus Awareness Week."

Lupus erythematosus is a chronic, inflammatory disease of the connective tissue. Translated, its name means "red wolf" which describes the red, bite-shaped rash characteristic of the disease. Skin rashes are just one of many symptoms common to lupus. Others include fever, joint pains, weight loss, fatigue, heart problems, anemia, kidney malfunction, Sun sensitivity, pleurisy, hair loss, nausea, and mental or emotional problems. Tragically, the cause(s) of lupus are still unknown. Current research suggests that in some lupus inflammation, the body seems to become allergic to normal components of body cells, and forms antibodies against its own tissues. In short, the body of a lupus victim is trying to destroy itself.

Nearly 500,000 people in the United States are afflicted with lupus; many of these are women in their childbearing years; 50,000 new cases are reported each year. Lupus affects more people than does muscular dystrophy, multiple sclerosis, or leukemia. This is not a rare disease, yet many Americans have never heard of lupus or its debilitating effects. Even some physicians are unfamiliar with lupus, and as a result the disease may be misdiagnosed or be diagnosed too late.

There is no known cure for lupus erythematosus. However, thanks to important research and improved diagnostic methods, 80 to 90 percent of all lupus victims can look forward to a normal life-span. Moreover, beneficial therapy and treatment is enabling lupus patients to lead productive lives. Unfortunately, though, some people still die from lupus and many others continue to suffer from its painful symptoms. Clearly, more needs to be done.

The purpose of this joint resolution is to encourage research to find a cure for lupus erythematosus through heightened public awareness. A more knowledgeable public can also insure the early diagnosis so essential to effective treatment of the disease. Progress has been made because of our efforts in recent years, but we must continue until a cure is found. Lupus Awareness Week can and will make a difference in the lives of lupus victims and their families. I urge my colleagues to join me in this continued effort to help them.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. Res. 57

Whereas lupus erythematosus is a disease of unknown cause that affects over five-hundred thousand people in the United States, 90 percent of whom are women in their childbearing years;

Whereas lupus erythematosus, though not a rare disease, is unfamiliar even to some physicians which may result in the disease being misdiagnosed or diagnosed too late;

Whereas lupus erythematosus in the most severe form can be fatal;

Whereas the Lupus Foundation of America, Inc., its constituent chapters, and other voluntary health organizations are established throughout the United States to serve and support victims of lupus and their families, encourage funding for research, and increase public awareness;

Whereas the public and the Federal Government are not sufficiently aware of the incidence of lupus erythematosus: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 20, 1985, through October 26, 1985, is designated as "Lupus Awareness Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week with appropriate programs, ceremonies, and activities.●

By Mr. CHILES (for himself, Mr. MOYNIHAN, Mr. ABDNOR, Mr. JOHNSTON, Mr. STENNIS, Mr. MATTINGLY, Mr. LONG, Mr. BURDICK, Mr. WARNER, Mr. NUNN,

Mr. KENNEDY, Mrs. HAWKINS, Mr. DOLE, Mr. BRADLEY, Mr. HOLLINGS, Mr. INOUYE, Mr. SARBANES, and Mr. GRASSLEY):

S.J. Res. 58. Joint resolution to designate the week of April 21, 1985, through April 27, 1985, as "National Drug Abuse Education and Prevention Week"; to the Committee on the Judiciary.

NATIONAL DRUG ABUSE EDUCATION AND PREVENTION WEEK

● Mr. CHILES. Mr. President, today, I am introducing legislation to designate April 21-27, 1985, as "National Drug Abuse Education and Prevention Week."

Many years have passed and countless drug-related deaths have occurred since drug abuse began to approach epidemic proportions in the United States. We have gone far in enacting stringent laws to thwart the proliferation of narcotics. We have gone far in strengthening our border patrols, Coast Guard, and other police forces to curb the influx of illegal drugs into our cities and towns. In the last Congress, we passed the Comprehensive Crime Control Act which, among other purposes, strengthened drug law enforcement. But today, drug abuse remains a national tragedy.

Each of us has been exposed to the statistics on drug abuse. We must not forget the deaths, the broken lives, and the distressed families which these figures represent. Moreover, we must always be aware of the less noticeable results of drug abuse: The promotion of criminal behavior among those addicted to drugs, the wasted potential of drug abusers to America's work force, and the fear which strikes every American touched, even remotely, by the effects of drug abuse.

To reverse this trend that is personally and economically detrimental to our society, we must intensify our efforts to educate ourselves and our children on the dangers of drug abuse. By trying to halt the demand for illicit drugs through intelligent and responsible publicity of the effects of drug use, we can do a great deal to eradicate this problem. This joint resolution to establish a "National Drug Abuse Education and Prevention Week" is aimed at reducing demand through education.

For several years such a week has been designated to coincide with pertinent conferences or broadcasts. This year, the dates chosen coincide with three major occurrences: the Pharmacists Against Drug Abuse [PADA] Foundation is celebrating its first anniversary in its efforts to educate parents on drug abuse; Parents' Research Institute for Drug Education [PRIDE] is hosting an international conference in Atlanta, GA, which will focus on current research findings and the outlook for prevention in the future; and Mrs. Nancy Reagan will host a meeting in Washington with first ladies from 17 other nations to discuss the problems of drug abuse among adolescents.

It is my hope that efforts such as these will help curb the problem of drug abuse in our Nation. The more we talk with our children about the inherent dangers associated with drugs, the better we prepare them to resist any temptations to experiment with drugs. If we try, we can show our young people that illegal drugs are the problem, and not the answer to the problem.

Mr. President, I ask unanimous consent that the text of the joint resolution I am introducing be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 58

Whereas the illegal drug trade consists of over $80,000,000,000 in retail business per year;

Whereas removing the demand for drugs would reduce the illegal drug trade;

Whereas drug abuse destroys the future of many of the young people and adults in the Nation;

Whereas the eradication of drug abuse requires a united mobilization of natural resources, including law enforcement and educational efforts; and

Whereas the most effective deterrent to drug abuse is education of parents and children in the home, classroom, and community: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of April 21, 1985, through April 27, 1985, is designated as "National Drug Abuse Education and Prevention Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to participate in drug abuse education and prevention programs in their communities and encouraging parents and children to investigate and discuss drug abuse problems and possible solutions.●

ADDITIONAL COSPONSORS

S. 11

At the request of Mr. HEINZ, the names of the Senator from Montana [Mr. MELCHER], and the Senator from Delaware [Mr. BIDEN] were added as cosponsors of S. 11, a bill to amend the Steel Import Stabilization Act.

S. 48

At the request of Mr. HELMS, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 48, a bill to amend title II of the Social Security Act to provide for the issuance of a certificate of guaranteed tax-exempt benefits to each individual who is entitled to an old-age insurance benefit under such title or who is 62 years of age and entitled to any other benefit under such title, and for other purposes.

S. 140

At the request of Mrs. HAWKINS, the names of the Senator from Utah [Mr. GARN], and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of S. 140, a bill to amend the Child Abuse Amendments of 1984 to encourage States to enact child protection reforms which are designed to improve legal and administrative proceedings regarding the investigation and prosecution of sexual child abuse cases.

S. 233

At the request of Mr. D'AMATO, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 233, a bill to provide for the minting of coins in commemoration of the centennial of the Statue of Liberty.

S. 251

At the request of Mr. DURENBERGER, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 251, a bill to amend the Internal Revenue Code of 1954 to make permanent the rules relating to imputed interest and assumption of loans, and for other purposes.

S. 317

At the request of Mr. DURENBERGER, the name of the Senator from Wisconsin [Mr. KASTEN] was added as cosponsor of S. 317, a bill entitled the "State and Local River Conservation Act of 1985."

S. 318

At the request of Mr. HEINZ, the names of the Senator from Maryland [Mr. SARBANES], and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 318, a bill to extend the revenue sharing program for local governments through fiscal year 1991.

S. 322

At the request of Mr. KASTEN, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 322, a bill to amend title XVIII of the Social Security Act to revise the requirements relating to nursing care provided by certain hospice programs through arrangements with other medicare certified providers.

S. 337

At the request of Mr. BURDICK, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 337, a bill to terminate the effect of provisions of the Voting Rights Act of 1965 that require bilingual ballots and election materials.

S. 374

At the request of Mr. PRESSLER, the name of the Senator from South Dakota [Mr. ABDNOR] was added as a cosponsor of S. 374, a bill to provide authorization of appropriations for the U.S. Travel and Tourism Administration.

S. 388

At the request of Mrs. KASSEBAUM, the name of the Senator from Wiscon-

sin [Mr. KASTEN] was added as a cosponsor of S. 388, a bill to amend the Consolidated Farm and Rural Development Act to establish a debt adjustment program for guaranteed loans, and for other purposes.

S. 408

At the request of Mr. WEICKER, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 408, a bill to amend the Small Business Act to provide program levels, salary and expense levels, and authorizations for the Small Business Administration's programs for fiscal years 1986, 1987, and 1988, and for other purposes.

S. 434

At the request of Mr. D'AMATO, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 434, a bill to extend the authorization of the Robert A. Taft Institute Assistance Act.

S. 437

At the request of Mr. QUAYLE, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 437, a bill to designate the Veterans' Administration Outpatient Clinic to be located in Crown Point, IN, as the "Adam Benjamin, Jr. Veterans' Administration Outpatient Clinic".

S. 447

At the request of Mr. DECONCINI, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 447, a bill to amend the Sherman Act to prohibit a rail carrier from denying to shippers of certain commodities, with intent to monopolize, use of its track which affords the sole access by rail to such shippers to reach the track fo a competing railroad or the destination of shipment and to apply Clayton Act penalties to monopolizing by rail carriers.

SENATE JOINT RESOLUTION 19

At the request of Mr. GARN, the name of the Senator from Missouri [Mr. EAGLETON], the Senator from Texas [Mr. GRAMM), the Senator from Wisconsin [Mr. KASTEN], the Senator from Mississippi [Mr. STENNIS], and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of Senate Joint Resolution 19, a joint resolution proposing an amendment to the Constitution of the United States for the protection of unborn children and other persons.

SENATE JOINT RESOLUTION 20

At the request of Mr. SYMMS, the name of the Senator from Utah [Mr. GARN], the Senator from North Carolina [Mr. HELMS], and the Senator from Georgia [Mr. MATTINGLY] were added as cosponsors of Senate Joint Resolution 20, a joint resolution proposing an amendment to the Constitution of the United States with respect to the English language.

SENATE JOINT RESOLUTION 23

At the request of Mr. MOYNIHAN, the name of the Senator from Georgia [Mr. NUNN], and the Senator from Minnesota [Mr. DURENBERGER] were added as cosponsors of Senate Joint Resolution 23, a joint resolution designating 1985 as the "Year of Social Security."

SENATE JOINT RESOLUTION 26

At the request of Mr. PRESSLER, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from North Dakota [Mr. ANDREWS], the Senator from Montana [Mr. BAUCUS], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of Senate Joint Resolution 26, a joint resolution to designate "National Farm Crisis Week."

SENATE JOINT RESOLUTION 27

At the request of Mr. HATCH, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Arizona [Mr. DECONCINI], the Senator from Nebraska [Mr. EXON], the Senator from Florida [Mr. HAWKINS], the Senator from Hawaii [Mr. INOUYE], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Maryland [Mr. MATHIAS], the Senator from Ohio [Mr. METZENBAUM], the Senator from Maryland [Mr. SARBANES], the Senator from Idaho [Mr. SYMMS], the Senator from Virginia [Mr. WARNER], and the Senator from Nebraska [Mr. ZORINSKY] were added as cosponsors of Senate Joint Resolution 27, a joint resolution to designate the week containing March 8, 1985, as "Women's History Week."

SENATE JOINT RESOLUTION 28

At the request of Mr. BOSCHWITZ, the names of the Senator from Alabama [Mr. HEFLIN], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of Senate Joint Resolution 28, a joint resolution to designate the week of September 8-14, 1985, as "National Independent Retail Grocer Week."

SENATE JOINT RESOLUTION 29

At the request of Mr. GLENN, the names of the Senator from California [Mr. CRANSTON], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Joint Resolution 29, a joint resolution to designate the week of November 11, 1985, through November 17, 1985, as "National Reye's Syndrome Week."

SENATE JOINT RESOLUTION 31

At the request of Mr. BURDICK, the names of the Senator from Kansas [Mr. DOLE], the Senator from Iowa [Mr. GRASSLEY], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Indiana [Mr. LUGAR], the Senator from Alabama [Mr. HEFLIN], the Senator from Mississippi [Mr. STENNIS], the Senator from Colorado [Mr. ARMSTRONG], the Senator from Georgia [Mr. NUNN], the Senator from Idahc [Mr. SYMMS], the Senator from California [Mr. CRANSTON], and the Senator from Utah [Mr. GARN] were added as cosponsorss of Senate Joint Resolution 31, a joint resolution to designate the week of November 24 through November 30, 1985, as "National Family Week."

SENATE JOINT RESOLUTION 32

At the request of Mr. PRESSLER, the names of the Senator from Iowa [Mr. GRASSLEY], and the Senator from South Dakota [Mr. ABDNOR] were added as cosponsors of Senate Joint Resolution 32, a joint resolution to authorize and request the President to designate September 15, 1985, as "Ethnic American Day."

SENATE JOINT RESOLUTION 52

At the request of Mr. MOYNIHAN, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of Senate Joint Resolution 52, a joint resolution to designate the month of April 1985 as "National School Library Month."

SENATE CONCURRENT RESOLUTION 14

At the request of Mr. MOYNIHAN, the names of the Senator from Maryland [Mr. SARBANES], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Nebraska [Mr. EXON], and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of Senate Concurrent Resolution 14, a concurrent resolution to express the sense of the Congress that Josef Mengele should be brought to justice.

SENATE CONCURRENT RESOLUTION 15—RELATING TO UNITED STATES-JAPAN TRADE

Mr. DANFORTH (for himself, Mr. BOREN, Mr. ABDNOR, Mr. ANDREWS, Mr. BAUCUS, Mr. BIDEN, Mr. BINGAMAN, Mr. BURDICK, Mr. BYRD, Mr. CHILES, Mr. DIXON, Mr. DODD, Mr. EAGLETON, Mr. EXON, Mr. FORD, Mr. GARN, Mr. GLENN, Mr. HEFLIN, Mr. HEINZ, Mr. HOLLINGS, Mrs. KASSEBAUM, Mr. KASTEN, Mr. KENNEDY, Mr. LAUTENBERG, Mr. LEVIN, Mr. METZENBAUM, Mr. MITCHELL, Mr. PRESSLER, Mr. PROXMIRE, Mr. QUAYLE, Mr. RIEGLE, Mr. ROCKEFELLER, Mr. SARBANES, Mr. SIMON, Mr. SPECTER, Mr. THURMOND, and Mr. WARNER) submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 15

Whereas the United States merchandise trade deficit with Japan reached the unprecedented level of $37 billion in 1984—accounting for almost one-third of the entire United States deficit with the world;

Whereas this unprecedented bilateral deficit was accumulated in spite of significant growth in the Japanese economy;

Whereas the principles of free trade provide for trade flows between nations on the basis of each nation's comparative advantage;

Whereas Japan has extensive access to the United States market for products where Japan has comparative advantage;

Whereas United States exporters lack access to the Japanese market for manufactured goods, forest products, key agricultural commodities and certain services where the United States has comparative advantage;

Whereas the bilateral trade imbalance is costing the United States hundreds of thousands of jobs every year,

Whereas the high value of the dollar relative to the yen effectively subsidizes Japanese exports to the United States and taxes United States exports to Japan;

Whereas despite the voluntary restraint Japanese autos continue to account for approximately 2 million cars imported into the United States market—contributing over $20 billion to the bilateral trade deficit;

Whereas years of negotiating with Japan to secure meaningful improvements in market access for competitive United States exports have been largely unsuccessful;

Whereas many other countries experience comparable difficulty in obtaining access to the Japanese market;

Whereas an end to the voluntary restraint on autos without a comparable improvement in access for competitive United States exports to the Japanese market will severely exacerbate the bilateral trade deficit;

Whereas this deficit has the potential of undermining the entire range of bilateral relations between the United States and Japan: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That the voluntary restraint on Japanese autos not be ended until United States exports to Japan are substantially increased and the United States trade deficit with Japan is substantially reduced.

Mr. DANFORTH. Mr. President, the foreign trade of the United States is in a state of emergency. In medical terms, we are a Code Blue. The patient is sinking, and sinking fast. Extraordinary measures are in order.

Consider the trade figures announced on January 30 by the Commerce Department: a deficit of $123 billion. I find such a deficit intolerable. I believe that my outrage is shared by a rapidly growing body of opinion in Congress.

The largest single contributor to this trade deficit is our commerce with Japan—in 1984, we ran a deficit with Japan of $37 billion. As recently as 1981, Mr. President, our worldwide deficit was $40 billion. Now, our deficit with a single nation, Japan, is at par with our worldwide deficit a mere 4 years ago.

The United States has invested a great deal of time and energy in efforts to secure a fair shot at making sales in Japan's domestic market. We have discussed, conferred, consulted, and negotiated in dozens of forums. We have secured commitments, pledges, assurances, understandings, agreements both preliminary and final, and communiques.

We have secured everything except meaningful results. We have seen literally everything the Japanese have to offer in trade negotiations—everything, except significantly increased sales of American goods and services.

To be sure, there have been marginal improvements in our trade relationship with Japan. But they have been few, far between, and meaningless when set beside this large bilateral deficit. What has been accomplished with business as usual? Mr. President, I am sad to say that what has been accomplished with business as usual is insignificant when balanced against $37 billion in red ink.

Today, I join with Senator BOREN and one-third of our colleagues, along with House Republican Leader BOB MICHEL, to suggest that conventional, business-as-usual approaches simply aren't working. We propose that limits on shipments of Japanese automobiles to the United States remain in place until we see significant increases in our sales of goods and services to Japan and significant increases in our balance of trade.

We will press for the strongest possible expression of congressional opinion on this point. America's international trade is very sick. The monitors are flashing red and the bells are ringing. I am one Senator who believes the situation could scarcely be more serious—and yet, by way of treatment, I hear prescriptions that amount to a new coat of paint for the hospital room.

In addition to pressing for linkage between auto limits and market access, I intend to conduct hearings before the International Trade Subcommittee to examine the effects of the trade deficits and to consider unconventional means to save the patient.

There are many reasons for the magnitude of our deficit—key among them is the value of the dollar. But while protection of foreign markets isn't the sole reason we are in trouble, it is an important reason for the size of the deficits we are posting.

Take a look at the results of the incremental, business-as-usual approach to improving our relationship with Japan. For all the negotiations, for all the promises, for all the packages, we have to show the following results:

An increase of 39 percent in Japan's exports to the United States, to a record $60 billion; and, on the other side of the ledger, an anemic gain of 8 percent in our exports sales to Japan.

Worldwide, our trade balance in manufactured goods deteriorated in 1984, from a deficit of $38 billion in 1983 to a shortfall of nearly $86 billion. Nearly two-thirds of this total can be found in our accounts with Japan.

In electronic products, where we are clearly competitive in such key areas as telecommunications, computers and semiconductors, the bilateral trade deficit with Japan is quickly approaching $20 billion.

It would seem that Japan is willing to do virtually everything except what the situation demands—open its markets and increase its purchases from the United States.

Earlier this year the President met with Prime Minister Nakasone. The President expressed concern about trade. The two heads of government agreed to hold bilateral talks in sectors including telecommunications and lumber.

But before the first American negotiator could set foot in Japan, the national telecommunications company, Nippon Telephone and Telegraph [NTT), reiterated its decision not to buy U.S. satellites. Before we could deplane for the newest talks, a high-level Japanese official is said to have assured a domestic television audience that lumber imports wouldn't be affected by the new talks with the United States.

Clearly, it is time to stop measuring progress in words. We must measure progress in sales. Hence, our, concurrent resolution.

To take a fresh look at our approach to bilateral relations shouldn't be understood as countenancing protectionism. I am convinced that protectionism would be disastrous to the United States. We must not close ourselves off from the world economy. For example, I have opposed domestic content legislation for automobiles with every means at my command. I continue to oppose such measures, and I have been, until recently, on record as not supporting extension of the restraints on Japanese auto shipments.

The choice cannot be between the status quo and protectionism. We cannot afford such a choice. We are bleeding to death under the status quo. Protectionism would savage agriculture, high-tech industries, and other exporting sectors; it would destroy the long-term vitality of our economy.

A good beginning can be made, I suggest, by extracting concessions from Japan in return for an end to the limits on auto exports. Given the seriousness of our circumstances, it seems to me that it would be irresponsible to give up the limits on Japanese automobile shipments to the United States and get absolutely nothing in return. An uncompensated concession by the United States would be consistent with our past behavior, perhaps. But I believe it would be irresponsible, particularly in terms of the signal it sends to the Japanese.

In 1981, I offered legislation to establish temporary limits on Japanese auto shipments for a period of 3 years. The result of that legislation was the so-called Voluntary Restraint Agreement [VRA] for Japanese auto shipments that is now at issue in our relations with Japan.

With the VRA in place, the American market is still the most open in

the world. Japan is selling almost 2 million cars annually in the United States, at a value of $20 billion. This is scarcely a closed market.

We should make use of leverage where we find it. The issue is not whether extension would be justified by the condition of the U.S. auto industry. I don't believe a case for extension can be made on this narrow basis.

More than any other nation, America is committed to a liberal trading system. But it is a cold, cruel world out there. Our custom has been to meet this world armed with an economics textbook and a willingness to negotiate any issue, any time, anywhere, for virtually any result—no matter how microscopic the gain. A primary cause of our difficulties, I suggest, is that others aren't necessarily playing by our rules.

The result is that we get taken to the cleaners time after time. Our competitors don't view trade as theoretical issues of comparative advantage economics. Instead, they approach trade as competition for commercial advantage.

With today's concurrent resolution and with the prospective work of the subcommittee, I am sending a signal. The signal is that I am fed up.

I have no further patience with assurances and negotiations. I am weary of protestations that American exporters aren't trying hard enough to establish themselves in foreign markets. I have had it with a trade deficit that goes further off the charts every year.

We must be open to unconventional answers to a terrible situation. I am here to begin the search for ways to cope with a trade imbalance which, left unattended, will destroy America's manifold opportunities for expanded exports; keep crucial industries on life support for years to come; and rob our economy of the ability to create jobs and opportunities for ourselves, our children and grandchildren.

Mr. BOREN. Mr. President, I am today joining with my colleague from Missouri, Senator DANFORTH, in introducing a resolution calling for the extension of the Voluntary Restraint Arrangement [VRA] on Japanese automobile imports into the United States. The VRA currently in effect is due to expire on March 31, 1985.

The broad, bipartisan support this resolution has already attracted shows a deep concern among Members of the Senate about the state of United States-Japan trade. The United States has for some time suffered a serious trade deficit with Japan. Last year alone, that deficit reached a staggering $37 billion. Unless something is done soon, it will continue to worsen.

It is estimated that if the VRA on Japanese autos is allowed to expire, the trade deficit with Japan will grow by an additional $10 billion over a 3-year period. Unless Japan reciprocates by relaxing import restrictions on U.S. goods and services, the effect will be a net increase in the deficit we suffer with the Japanese.

I believe it is high time for the United States to act, as well as talk, so that the Government of Japan will clearly see the strength of our determination to restore our trading relationship to a fair basis. The resolution we offer today makes it clear that the continuation of the VRA on Japanese autos will be linked to an overall improvement in U.S. access to Japanese markets.

We are not seeking protection for the U.S. auto industry, but rather the opening of Japanese markets to all U.S. products. Adoption of this resolution will send a much-needed signal to the Japanese Government that it must take significant action, not just in relation to the auto industry, but across the entire spectrum of our trade relations.

I have, for example, continually expressed my concern over certain aspects of our agricultural trade with Japan. When Japanese beef-import restrictions were renewed last year, it was only after last-minute negotiations that a modest improvement was achieved. Even that hard-won improvement, however, amounted to less than an additional 2 ounces of U.S. beef imports per Japanese citizen.

Mr. President, I have always considered myself an advocate of free trade and I continue to do so. I consider trade to be a two-way street, however. It is simply not possible for one nation to have a free trade policy all by itself. The United States must have trading partners who are equally committed to the principles of free trade. For that reason, I call upon the Senate to act quickly and decisively in adopting the resolution being offered today.

Mr. LEVIN. Mr. President, I support the concurrent resolution proposed by Senators DANFORTH and BOREN urging continuation of the voluntary restraint agreement on auto imports from Japan.

I believe this is a good resolution. The resolution would continue the voluntary restraint agreement on auto imports from Japan until Japan increases its purchases of U.S. goods and services, and our current trade deficit with Japan decreases substantially. This resolution is a statement cf our commitment toward that end. We need the VRA as a means of continuing pressure on Japan to open their markets to all U.S. goods and services—not just a few specific goods and services under certain conditions after long negotiations.

But we also need the VRA for the continued economic health of the auto industry, and the workers and communities dependent on that industry. Without the VRA, Japanese auto imports could capture upwards of 40 percent of the domestic market according to some estimates, resulting in increased unemployment and government spending for unemployment assistance, and a decreased capacity for the industry to make further progress toward improving its competitive position.

This concurrent resolution does not go as far as I would like, but it is probably the best that can be obtained at this time. Absent from this resolution is the need to remove restrictions by all other auto producing countries on auto imports from Japan. The major European nations have imposed restraints on Japanese autos far below the approximately 20 percent of the U.S. market captured by the Japanese last year. Allowing the VRA to lapse without a simultaneous lifting of restraints by the other auto producing countries would result in Japanese auto producers focusing solely on increasing their U.S. market share to our detriment.

Despite the absence from this resolution of any reference to trade restrictions on auto imports by other auto producing nations, I intend to support this concurrent resolution, and want to thank Senator DANFORTH and BOREN for taking the lead on this important issue.

Mr. President, I ask unanimous consent that the "Dear Colleague" letter circulated by Senators DANFORTH and BOREN be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, DC, February 4, 1985.

DEAR COLLEAGUE: We are writing to invite you to join us as an original cosponsor of a resolution linking extension of the Japanese export restraint on autos to increased Japanese imports from the United States and a reduction of the bilateral trade deficit. We intend to introduce the resolution on Thursday, February 7.

While it can be argued that the voluntary restraint arrangement (VRA) on autos has served its purpose, we believe that its termination at this time is virtually impossible to justify in view of the enormous bilateral trade deficit between the United States and Japan. Indeed, it is estimated that the removal of the VRA alone could increase the ballooning deficit by $6-13 billion over last year's intolerable $37 billion—without offering the slightest improvement in access for U.S. exports to Japan.

This prospect must be disturbing to proponents and opponents of the VRA alike—particularly in view of the many barriers faced by competitive U.S. exporters in the Japanese market and in view of the failure of past negotiations with the Japanese to secure improved access. Whether the issue is high technology, wood products, beef, tobacco, or other key industrial or agricultural products, it is hard to imagine Japan taking seriously U.S. efforts to secure improved access if the United States accepts an additional $6-13 billion in manufactured imports from Japan without so much as a whimper.

Last year, despite the VRA, 2 million Japanese automobiles were sold in this country. Taking into account shipments of parts, this represented over $20 billion of the bilateral trade deficit between the United States and Japan. We believe that until Japan demonstrates tangible evidence of increased purchases from the United States, we should not encourage the further deterioration of the bilateral trade balance.

If you have any further questions about the resolution of wish to be an original cosponsor, please have your staff contact Susan Schwab (x41415) or David Cox (x44721) by close of business on Wednesday.

Sincerely,

DAVID L. BOREN.
JOHN C. DANFORTH.

Mr. BAUCUS. Mr. President, I would like to briefly explain why I am cosponsoring the Danforth-Boren resolution to link termination of the automobile voluntary restraint agreement to increased U.S. exports to Japan.

The Commerce Department recently announced that America's 1984 trade deficit was $123 billion; our trade deficit with Japan was the largest component of this deficit: $37 billion.

To put it another way, for every $1 worth of products Americans sell to Japan, the Japanese sell $2.62 worth of products to us.

This huge imbalance is partly caused by macroeconomic factors like the Federal budget deficit, which inflates the international value of the dollar to make imports cheap and exports expensive.

But it is also caused by Japan's stubborn refusal to open its markets wider to the products of other countries, especially the United States.

Japan maintains a bewildering array of nontariff barriers. What's more, although Japan's overall tariff level is low, it maintains prohibitively high tariffs on products that might displace the products of inefficient existing Japanese producers.

For example, a large portion of the income of Western Montana comes from forest products, such as plywood, laminated lumber, and kraft linerboard. Japan is an attractive market for these products. In fact, in some recent years there have been more housing starts in Japan than in the United States.

U.S. companies have been working hard to sell in Japan. They've opened Tokyo offices. They've learned the language. And they've changed some of the manufacturing standards, by doing things like adding a special tint to the color of kraft linerboard, which has been done by a company in Missoula, MT.

U.S. forest products companies are selling more than $1 billion worth of forest products in Japan each year. They should be selling even more. But they're blocked by Japan's two-tier tariff system. Japan permits logs to be imported freely, but subjects processed products to tariffs as high as 20 percent. As a result, many processing jobs that could be in Missoula, MT, are protected in Sapporo or Osaka, Japan.

This two-tier system reduces potential U.S. sales by more than $1 billion a year. Granted, that's only a small part of our bilateral trade deficit. But, to the forest products industry and to the workers in Montana and elsewhere whose livelihood depends on that industry, it's a very significant amount.

This is only one example. You've all heard many more.

Up until now, we've tried to reduce these barriers through slow, painstaking negotiations. Unfortunately, the concessions we've eventually extracted from these negotiations haven't always resulted in increased imports, because new barriers have replaced old.

So we may need to use new tactics.

For example, we could use our assets—such as a huge market—more aggressively, and selectively deny market access to countries that refuse to dismantle their trade barriers. For another example, we could begin measuring success not on the basis of whether particular barriers are reduced, but on actual results—that is, on the basis of whether particular categories of exports are increased.

Mr. President, the resolution we are introducing today is a step in this direction. As an independent policy matter, I have grave reservations about the wisdom of extending the VRA now. But, at the same time, I'm unwilling to make a unilateral concession to Japan. If the VRA is to be terminated, Japan's trade barriers must fall and U.S. exports must rise.

I hope we can have the best of both worlds. If the pending "market oriented, sector specific" negotiations over Japan's barriers to processed forest products, telecommunications equipment, pharmaceuticals, and medical equipment succeed, and result in significantly increased U.S. sales in all product sectors, that may make extension of the VRA unnecessary.

Mr. MATTINGLY. Mr. President, I rise today in support of the principles behind Senate Concurrent Resolution 15, a resolution urging that the voluntary restraint on Japanese autos not be ended until our exports to Japan are substantially increased and our trade deficit with Japan is significantly reduced. I commend my esteemed colleagues from Missouri, Senator DANFORTH, and from Oklahoma, Senator BOREN for their many efforts to recapture for U.S. exporters access to an international marketplace based on free and fair trade.

Let me begin by saying that I believe this resolution to be of historical importance as it represents a clear signal of a fundamental change in the attitudes and beliefs of those who have long supported the idea of free trade. Many of the cosponsors of Senate Concurrent Resolution 15 have won reputations as guardians of the principles of international free trade. Many of us have walked a difficult path as we have sought to avoid protectionist solutions to our trade problems. Rather, we have struggled to devise, formulate, and implement positive approaches to address this country's growing trade imbalance—an imbalance that reached over $123 billion last year. The causes of the U.S. trade deficit are as varied as the colors of the rainbow and there are many that can be addressed as we prepare to deal with the overall U.S. budget deficit or as we work to restructure the multilateral frameworks that govern the international trade system, but one trouble spot has remained—indeed has grown—despite promises to effectively deal with the problem. I am referring to United States-Japan trade or maybe I should say Japan-to-the-United States trade since our trade deficit with Japan alone exceeded $36 billion in 1984.

Now, I have remained consistent in my opposition to any continuation of the voluntary restraints on Japanese auto exports to the United States. I have agreed with those who have pointed out that voluntary restrain agreements distort trade and, in the long run, may harm U.S. industry. I have agreed with those who have said that the U.S. auto industry has recovered and is ready to compete again in a free market environment. The point I am trying to make is that the issue of whether or not to extend the VRA is secondary. Rather, my statement today is the result of my frustration over the unwillingness of the Japanese to open their markets to U.S. goods and services, even to the degree that their goods and services are accorded free access to our markets. Negotiations have not worked. From my own point of view I know that less than spectacular gains have been made for exporters of Georgia lumber, tobacco, and telecommunications products to Japan. Ladies and gentleman, we have seen few if any positive steps that have had enough impact to help our trade deficit with Japan even one iota. Still the trade barriers exist; still the imports pour into the United States. I, for one, feel I have given negotiating in good faith a more than fair chance. It is time, once again, to send the Japanese a signal that we are prepared to take whatever steps are necessary to gain fair access to the Japanese market for U.S. goods and services.

Mr. GLENN. Mr. President, I rise to support this resolution calling for an extension of voluntary restraints on Japanese auto imports until U.S. exports to Japan are substantially increased and the U.S. trade deficit with Japan is substantially reduced.

For several years now, we in Congress and Presidents in both Democratic and Republican administrations have been struggling unsuccessfully to convince the Japanese to open their markets to American goods and services. It is now clear that conventional approaches to this problem are not taken seriously by the Japanese Government and that more forceful action is required.

Our trade imbalance with Japan continues to rise. This trend heightens economic tensions between our two nations and deepens feelings of bitterness among our citizens. I can tell you that when I travel around the State of Ohio, businessmen and workers are no longer expressing frustration with Japan's trade policies, they are voicing anger. They feel victimized by the targeting of U.S. markets and by barriers to entry into Japan's market. Moreover, they are deeply disappointed with those of us in Washington who complain about our trade problems with Japan but fail to do anything about them.

And make no mistake about it, our trade problems with Japan are not confined to any one sector of our economy nor are they the result of failure to maintain our comparative advantage. In telecommunications, for example, American manufacturers sold only $110 million worth of equipment in Japan last year, while their exports of telecommunications equipment to the United States totaled $1.5 billion. The Japanese refuse to buy American communications satellites so that they can protect their own infant industry that they will later unleash on the world market. Japanese bureaucrats create controls on computer communications systems that blunt the competitive edge that American manufacturers enjoy. Japanese trade negotiators drag their feet on lowering their trade barriers to such diverse industries as electronics, lumber, pharmaceuticals, and medical equipment. In all of these areas—where we hold a comparative advantage—the Japanese continue to act as though free trade is a one-way street.

The results of these actions have been devastating for our balance of trade. Between 1980 and 1983, U.S. exports to Japan rose from $8.1 billion to $9.7 billion, while imports from Japan increased from $31.7 billion to $42.3 billion. In 1984, the trade imbalance between Japan and the United States reached an all-time high of $37 billion. More than half of this bilateral deficit is in one product category: automotive trade.

Even with import restraints, America remains the most open auto market in the world. And even with a voluntary restraint agreement, Japanese import sales have continued to grow. I see no reason why we should lift these restraints—especially when it is clear that we will not get any liberalization of Japanese trade policy in return. What we will get, if we end voluntary restraints, is a larger trade deficit and a crippled auto industry.

Notwithstanding the need for reciprocity in trade, some argue that the auto industry's recent profits justify the termination of voluntary restraints. Others, including the Reagan administration, express an attitude of benign neglect toward them. These views neglect the original purpose of these restraints, overlook the considerable efforts made by the auto industry and its workers to become competitive, and ignore the dangers that lifting restraints would pose to large segments of our economy.

The original purpose of voluntary restraints was to allow U.S. auto producers time to reduce the substantial cost advantage of Japanese manufacturers in small car production and to recover their financial strength to meet future investment needs. Neither of these goals has been accomplished. Although domestic manufacturers have made dramatic improvements in their productivity, this progress has been offset by adverse exchange rate movements. While U.S. auto producers have enjoyed a year of strong sales and profit recovery, the industry's financial recovery is not yet complete. Continued profitability over the next few years is necessary to restore their financial strength to historic levels and enable them to fund future investments.

To become competitive, U.S. auto producers have closed inefficient plants, reduced work forces by more than 25 percent, negotiated concessions in labor costs with the United Auto Workers, reduced inventories, obtained price and credit concessions from suppliers and mounted the most ambitious investment program in history. From 1979 to 1983, domestic auto producers invested over $51 billion to build more fuel efficient and higher quality cars and trucks. To meet the challenge of foreign competition, they must invest at least $50 billion more over the next 5 years. They will not be able to finance these investments if we lift voluntary restraints and allow Japanese auto producers to seize the small car market from them.

The long-term success of the American auto industry depends on its short-term success in the small car market. U.S. auto producers face critical decisions to either modernize their small car production in the United States or to move design and production overseas. If import restraints are lifted, the combination of Japanese excess production capacity, manufacturing cost advantage and adverse exchange rates would result in such large market share losses for American companies that small car domestic production would no longer be economically feasible.

With subcompacts alone accounting for more than 40 percent of U.S. car sales, migration of U.S. small car production to offshore locations would diminish an industrial market critical to the development of new technologies such as computer-aided design, industrial robots, and laser applications. It would seriously weaken supplier industries in such areas as electronics, plastics, and high strength metals. It would cast hundreds of thousands of workers out of jobs and bring economic ruin to States and communities in our industrial heartland.

Mr. President, our competitive position in the international economy has deteriorated because we have failed to develop policies responsive to the changing context of international trade. Whereas private, multinational firms seeking the most efficient production and distribution of goods and services once dominated world markets, economic nationalism now prevails. In the critical areas of oil, steel, and autos, government owned or directed, vertically integrated corporations shape the flow of trade. They do so as instruments of national governments and their actions are directed by political, rather than economic considerations. Although I do not advocate adoption of such policies here in the United States, neither do I believe we can shape a coherent, effective foreign economic policy without responding to them.

Adoption of this resolution is a step in that direction. It tells our trading partners that our markets will not be fair game until the game is fair. Just as our Federal Government has a commitment to ensure that competition among firms in our domestic market is fair, so does it have a responsibility to ensure that American firms are not unfairly disadvantaged in world markets as a result of their commitment to free enterprise. Just as we can no longer afford to be the world's policeman, neither can we afford to be its only willing customer for goods and services.

The successful modernization of our basic industries, the employment of skilled American workers, and the full expression of our service sector's creativity cannot await the cessation of unfair trade practices and the realization of fair and equal investment opportunities. In short, we can no longer afford to pursue the ideal of free trade unless our trading partners are willing to reciprocate.

Mr. RIEGLE. Mr. President, I am pleased to sponsor this resolution that will put the U.S. Senate on record in support of an extension of the current restraint agreement on Japanese auto imports. This resolution makes it clear

that it is virtually impossible to justify lifting the auto restraints at this time.

Lifting the restraints on Japanese auto exports to the United States will not only add to the current record setting trade deficit with Japan. It will also signal to other nations that the United States is still not willing to stand up for its own interests in international trade.

We are still without a coherent trade policy that helps American industry compete in world markets. Worse still, this morning the papers report that the administration's cabinet council is content to let our trade and auto policy be made at the whim of our biggest competitor, the Japanese. I only hope that the President is not so willing to abdicate his own authority, and will instead ignore this incomprehensible recommendation.

This bipartisan resolution sends a message to both the administration and the Japanese that the Congress is not going to stand idly by while Japan grabs more of our markets.

But while I agree with the main point of this resolution—that the Voluntary Restraint Agreement [VRA] must be extended—it must be understood that this resolution tells only part of the story. Continuation of the restraint on Japanese auto exports to the United States is critical to the American auto industry. The restraint on Japanese auto imports is a necessity.

Autos account for over 70 percent of our record setting merchandise trade deficit with Japan. And the deficit with Japan accounts for almost one-third of this year's recordsetting merchandise trade deficit with the world of over $123 billion.

Each billion-dollar deficit in merchandise trade costs approximately 25,000 jobs. And every bit of the American market given to overseas competitors makes it that much harder for domestic industry to become more competitive.

Even under the current restraint on Japanese auto imports, the Japanese have had one-fifth of the American auto market for the last 4 years. Last year autos and auto products accounted for over $20 billion of our deficit with Japan. Without restraints the Japanese could take as much as 50 percent of the American auto market. This would add another $20 billion to our deficit at a cost of over 1 million American jobs.

There is no better example of the new realities of international trade than in the auto industry. Over the years Japan has systematically built up its auto industry with tax incentives, tariff, and nontariff barriers, and research and development assistance. Even today nontariff barriers continue to prohibit a free flow of auto imports into Japan.

The United States cannot expect our industries to become more competitive if we allow Japan to open the floodgates on the product that is the single biggest part of the current recordsetting deficits while they do nothing to open their markets or make any other trade concessions.

This is not a new situation or a new issue. There is no reason for the decision to be held till the last minute. Accordingly, I urge President Reagan and Prime Minister Nakasone to announced an extension of the VRA without delay.

Mr. CHILES. Mr. President, I am delighted to join with my distinguished colleagues from Missouri and Oklahoma in sponsoring this resolution linking extension of the Japanese export restraint on autos to increased Japanese imports from the United States.

In the flush of our current economic prosperity, it's sometimes easy to forget that we've got some shaky economic underpinnings. I know many of my colleagues are tired of hearing me talk about the threat of big budget deficits to our economic future so I won't, except to say what we all already know and that is that these deficits exacerbate an already difficult trade situation for the United States. There is no question that deficits have led to enormous overvaluation of the dollar relative to the yen and other foreign currencies. But this is not the only reason why we find ourselves in such a difficult trade situation and, in fact, well on our way to becoming a net debtor nation. That's another subject to keep talking about but I'll bite my tongue here too except to warn that until we get serious about reducing these deficits, we'll just continue our headlong lurch down this unfortunate path.

I'll spare my colleagues any further recitation of these budget-related facts. What I want to talk about now is simple: What is fair and what isn't when it comes to world trade. The way I see it what is fair is basically the way the United States treats its trading partners and what isn't is the way they treat us. Much has already been discussed about our current trade situation. Just as a reminder we have an enormous and incredible $123.3 billion trade deficit with Japan responsible for about one-third of $37 billion worth of this total. Do you realize that this $37 billion trade deficit with Japan is up from $19 billion in 1983, just a year ago. That's an unbelievable jump in just 1 year. Given this deficit it's no surprise that the United States is Japan's largest customer. And, while the growth in Japan's economy has slowed somewhat, this deficit accumulated at growth rates that would be the envy of most countries in the world. I think it's also interesting to look at the components of Japanese-American trade. With the exception of some computers and aircraft, the leading U.S. exports to Japan are raw materials or agricultural products such as corn, soybeans, logs, fish, cotton, aluminum, and beef. In contrast, almost everything they send to us is manufactured such as cars, trucks, electronic equipment, cameras, you name it. In fact, Japan sold $20 billion worth of cars to us alone last year amounting to over half of the trade deficit and one-third of their total exports to the United States. The International Trade Commission estimated the total deficit would have increased some $4 billion without the existing auto import restraints.

While we have given the Japanese almost unlimited access to our market, they have been much less generous to us. Year after year it's a fight just to gain minimal trade concessions from them and they still maintain one of the most subtle yet effective systems of nontariff barriers in the world. It's only been in the recent past that they've eased some of the more onerous barriers such as requirements to use Japanese import agents and insistence on lot inspections for foreign products rather than type inspections. Unfortunately, with respect to type inspections, it is still more difficult for foreign producers to achieve this approval. Japan has also been extremely reluctant to open its markets to American telecommunications equipment. We are extremely competitive in this area yet we were able to sell only $110 million of this equipment in Japan while they sold some $1.5 billion in the United States. Not quite equitable. In fact Japan almost refuses to buy American communications satellites. One more point and then I'll stop. Japan has been very slow to relax restrictions on foreign participation in its capital markets. Doing so would help take some pressure of the dollar in foreign exchange markets.

In short, Mr. President, Japan has a long way to go in opening its markets in a fair and equitable way. I believe the resolution being offered urges the Japanese Government to do so in a responsible and fair-minded manner and underscores our concern over this growing trade imbalance. I hope the Japanese Government listens because I believe this resolution is mild compared to some of the measures that could be in the offering should we not see renewed efforts on their part to open their markets to more American goods.

SENATE CONCURRENT RESOLUTION 16—FAVORING THE CONTINUATION OF THE JOB CORPS PROGRAM

Mr. HATCH submitted the following concurrent resolution; which was re-

ferred to the Committee on Labor and Human Resources:

S. CON. RES. 16

Whereas since 1965 the Job Corps has functioned to assist economically disadvantaged, unemployed youth earn employment opportunities;

Whereas eighty-five percent of its students are high school drop-outs, twenty-five percent have been rejected for enlistment in the United States Armed Forces for failure to meet minimum entry requirements, and one hundred percent are below the poverty level;

Whereas Job Corps is designed to provide students with a positive living environment to develop social and behavioral skills necessary for a productive life in our society;

Whereas Job Corps provides counseling, extracurricular activities, and recreation to assist students with interpersonal relations, self-discipline, leadership, and respect for authority;

Whereas Job Corps provides the health care and proper nutrition which were often neglected and which are required for maximum learning;

Whereas independent evaluations have consistently found the Job Corps to have positive net benefits;

Whereas studies show that Job Corps students averaged more weeks of employment and higher earnings than youth who did not enroll in Job Corps;

Whereas studies show Job Corps students averaged fewer weeks of public assistance and unemployment compensation;

Whereas the Job Corps program is supported by volunteer organizations throughout the nation, including a national alumni group;

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Job Corps program be retained as a separate component of the Job Training Partnership Act, and that sufficient appropriations be made to maintain the Job Corps as a viable federal effort to assist youth to obtain the human capital required for today's labor market and society.

Mr. HATCH. Mr. President, it is no secret that I have never believed in "handouts" from the Government. Such public sector programs have proven ineffective in addressing the causes of poverty; they have only helped to perpetuate it at taxpayers' expense. Rather, I believe income maintenance programs administered by Government tend to inspire permanent dependence on them. The Job Corps, I once thought, was not much more than a handout for youth so we could start their welfare dependence much earlier in life.

After I was elected a Senator from Utah, and was assigned to the Labor and Human Resources Committee, I began to learn much more about the Job Corps. I studied most of the reports on the effectiveness of the program and the long-term success of its students. Perhaps most importantly, I was invited to visit the Clearfield Job Corps Center operated by the Management and Training Corp. I was greatly impressed by what I saw and by the enthusiastic responses of the students. It was clear that the Job Corps was not a handout program at all, but a hand-up program designed to give youth the chance to learn lifetime skills.

The Job Corps is a unique concept for providing skills training and job counseling primarily to disadvantaged youth: 85 percent are high school dropouts and 100 percent are below the poverty level. As many as 25 percent have been rejected by the U.S. Armed Forces due to their inability to meet minimum entrance requirements. The individual Job Corps centers, managed and operated by public and private organizations, concentrate on developing competency in the basic educational skills and providing the skills training required for employment in the private sector or acceptance into the military.

The training programs have been designed by individual centers, in close collaboration with business and labor unions. The basic Job Corps programs are recognized for their effectiveness in not only basic education and general training, but in changing the attitudes of formerly discouraged young people. The private sector's faith in the Job Corps is exhibited by its willingness to be involved in the operation of Job Corps centers or in launching innovative programs which complement Job Corps training, and provide advanced learning and career development opportunities.

Further, Job Corps centers are residential and provide students with the kind of support that accrues from having nutritious meals, health services, student government, organized sports and recreation, and the chance to see life in a positive atmosphere. This unique concept is one through which teenagers can develop some self-discipline, respect for others, respect for authority, and can receive the friendship and support of their fellow students. Counselors are equipped to handle personal problems. Students can become well-rounded, productive individuals able to cope with the day-to-day problems we all face and who can derive some self-satisfaction from having done so.

The success of the concept is clear from the statistics: In 1979, 93 percent of Job Corps enrollees were placed either in private sector jobs, admitted to school or entered the Armed Forces. The placement rate of the Job Corps has increased steadily since it was created in 1964. Mathematica Policy Research, Inc., in a study performed for the Employment and Training Administration of the Department of Labor, found that:

First, corps members averaged over 4 weeks more employment per year than the control group.

Second, corps members averaged approximately $500 more per year in earnings than the control group.

Third, there was double the likelihood of entrance into the U.S. Armed Forces.

Fourth, corps members were three times as likely to earn a high school diploma or equivalent.

Fifth, 5 percent of corps members went on to college, while none of the control group did.

Sixth, corps members averaged 3 fewer weeks of public assistance than the control group.

Seventh, corps members averaged 1 week less per year of unemployment insurance than the control group.

Eighth, there were significant Job Corps related effects in terms of reducing out of wedlock children among females.

Robert Taggert, in a study issued by W.E. Upjohn Institute for Employment Research, estimates the social benefit-cost ratio of the Job Corps is about 45 to 1. His study is comprehensive since it includes such factors as reduced criminal activity, approximately $2,112 per corps member; reduced treatment costs for drug and alcohol abuse, about $30 per corps member; reduced dependence on transfer payments, approximately $1,515 per corps member; and, most importantly, increased post-program output, about $3,896 per corps member.

In short, I support the Job Corps because it works. We can count the results, measured by those young people who become full, contributing members of our society, rather than welfare junkies.

Since becoming a strong supporter of the Job Corps concept, I had the privilege of being asked to speak to the students of the Clearfield Center at their graduation. I felt a little like a proud parent, proud of the accomplishments of these determined young citizens. They worked hard for an education, for job skills and for self-respect. They beat the odds, and I know they will not give up if the going gets a little rough. They realize that nothing worth having is easily obtained, and that the fuel that drives all of us to greater effort is not the money, or power, or applause. These extrinsic rewards do not last. The payoffs for these graduates is in the personal satisfaction they feel from choosing right over expediency and from going the extra mile.

Mr. President, these young people are the future of our Nation. The Job Corps is where they are learning they truly have a stake in it. While other welfare programs provide only the bare necessities, and pretend to be compassionate even while the computer routinely processes and mails out checks, the Job Corps students understand that a better life requires a life of effort, and a pursuit of personal excellence.

While similar resolutions have been introduced, I am today submitting a concurrent resolution which is a simple enumeration of the reasons why I support the Job Corps. I want to join Senator CRANSTON and other bipartisan supporters of the Job Corps in urging that budget reductions which may be necessary this year to control the Federal deficit be made in the Job Corps Program as a last resort. If budget cuts are required for economic or equity reasons, they should not damage the essential elements of the Job Corps concept, namely its aim to provide life skills as well as job skills for those youth who are most in need.

I hope all Senators will join us in backing this unique education and training program.

SENATE CONCURRENT RESOLUTION 17—RELATING TO DISCOUNT INTEREST RATES FOR DISTRESSED AGRICULTURAL LENDERS

Mr. MELCHER (for himself, Mr. GRASSLEY, and Mr. ZORINSKY) submitted the following concurrent resolution; which was referred to the Committee on Banking, Housing, and Urban Affairs:

S. CON. RES. 17

Whereas, many farmers across the country are suffering serious liquidity problems resulting from the high interest rates and the other costs of agricultural production exceeding the return farmers and ranchers are receiving for their commodities; and

Whereas, the Administration has resisted moving quickly to provide needed Federal assistance to agriculture because it will add to the budget deficit; and

Whereas, in May 1984, the Federal Reserve Board, in cooperation with the FDIC, exercised its authority to extend $3.5 billion in credit directly to Continental Illinois Bank of Chicago to provide liquidity relief and assist in managing its loan portfolio in such a way as to not add to the budget deficit; and

Whereas, this extension of credit was at discount window interest rates: therefore be it

Resolved by the Senate (the House of Representatives Concurring), That it is the sense of Congress that the Federal Reserve Board, in cooperation with the FDIC, move immediately to use its authority to provide $3.5 billion in direct credit to distressed agricultural lenders at discount window interest rates, using the same procedures as in the Continental Illinois Bank package to avoid adding to the budget deficit.

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will hold an oversight hearing on the fiscal year 1986 budget requests on Indian programs on February 27, 1985, commencing at 10 a.m., in room 538 of the Dirksen Senate Office Building. The committee will receive testimony from the Department of the Interior, the Department of Health and Human Services, the Department of Education, and the Department of Housing and Urban Development. Those wishing to testify should contact Peter Taylor, staff director, at 224-2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. WARNER. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Wednesday, February 20, at 9 a.m., to hold a hearing on S. 259 and S. 287, sports franchise issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Wednesday, February 20, 1985, at 2 p.m., to conduct a hearing on the nomination of Richard Jones, to be Deputy Administrator of the Federal Aviation Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. WARNER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, February 20, at 9:30 a.m., to hold a hearing on Soviet-American relations and arms control.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. WARNER. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, February 20, in closed and open session, to hold hearings on Soviet treaty compliance.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. WARNER. Mr. President, I ask unanimous consent that the Veterans' Affairs Committee be authorized to meet during the session of the Senate on Wednesday, February 20, at 1 p.m., to hold a hearing on the Veterans' Administration's budget.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. WARNER. Mr. President, I ask unanimous consent that the Committee on Banking, Housing ,and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, February 20, at 2 p.m., to continue a hearing on monetary policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

FORTIETH ANNIVERSARY OF THE VICTORY OVER NAZISM—JOURNEY FOR PEACE

● Mr. SIMON. Mr. President, this spring, thousands of celebrations will be taking place throughout Europe commemorating the 40th anniversary of the victory over Nazi Germany. It is most appropriate that Americans join with our friends on the other side of the Atlantic in not only observing that anniversary, but also in honoring the memory of our veterans and those of our wartime allies who gave their lives so that we all could live in peace. Americans should especially join in paying tribute to the countless innocent victims of the Second World War, the millions of ordinary people whose means may not be remembered.

One such individual was Pvt. Joe Polowsky, from my home State of Illinois. It is fitting that Joe was from the Land of Lincoln, for President Lincoln dedicated his own life to peace and reconciliation. So did Joe. In April 1945, Private Polowsky was serving with the U.S. 1st Army's 69th Infantry Division on its eastward drive into Germany. On April 25, Joe and five other American soldiers reached the Elbe River. They found an abandoned sailboat along the shore, paddled to the other side, and met three Soviet soldiers on the embankment. The Third Reich had been cut in two.

The soldiers from both countries viewed the river bank littered with the bodies of German civilians who had perished in a nearby bridge explosion. "I still remember seeing a little girl clutching a doll in one hand," Joe recalled. "She couldn't have been more than 5 or 6 years old." Immediately, the American and Soviet soldiers took an oath pledging to do all in their power to prevent another war. Joe remembered, "All the soldiers swore that mankind must and could be dedicated to the establishment of a peaceful world that would somehow justify the immense striving and suffering of the Second World War."

For the remainder of his life, Joe worked tirelessly in promoting peace between our country and the Soviet Union, urging both to revive the "Spirit of the Elbe" and thereby avert thermonuclear destruction. As a symbol of our wartime alliance with the U.S.S.R., as a symbol of hope for a world at peace, Joe asked to be buried on the Elbe, where he had first met his Russian buddies. He struggled against cancer and financial hardship

that this might come to pass. Joe Polowsky died in Chicago in October 1983, and was buried at Torgau on the Elbe the following month.

And so it is fitting that all Americans this year honor not only the memory of the Allied heroes who fell in the cause of peace, but also that we honor the memory of Joe Polowsky and the millions of Joe Polowskys, the Anne Franks, the Tanya Savichevas, the little German girls who died with dolls in hand. It is altogether fitting and proper that we not forget—for ourselves and for the future. The manner in which we Americans pay our respects to those honored dead may well set the tone of United States-Soviet relations for years to come. It is fitting that we do this—in President Lincoln's words—"with malice toward none, with charity for all." Especially today, it is so important that we rededicate ourselves to the creation of a peaceful world. "May this country hold in piety and steadfast faith those who have battled and died to give it new opportunities for service and growth," President Roosevelt said in 1944, "and may it always give its support to those who have engaged with us in the war against oppression and who will continue with us in the struggle for a vital, creative peace."

For these reasons, I applaud one American project which will commemorate the victory over nazism—the 40th Anniversary Journey for Peace. The journey is being organized from our sister State of Kansas, home of President Eisenhower. It has been endorsed by my colleague Senator DOLE. My letter to the project planners reads as follows:

Thank you for your letter telling me of plans for the Journey for Peace which you are organizing.

April 25, 1985, is a day of great historical significance. It is the 40th anniversary of the day delegates convened in San Francisco to draft the United Nations Charter.

Also on that day 40 years ago, Russian and American troops converged on the Elbe, effectively signaling the Allied conquest of nazism. In many ways, the postwar era began on April 25, 1945.

I can think of no better way to commemorate this important anniversary than an expression of solidarity and friendship between veterans of that worthy joint endeavor. Your Journey for Peace signifies that.

It will also serve to remind us that the peoples of the East and West are not natural enemies, if enmity between peoples can ever be considered a natural state.

I am happy to endorse your initiative which I consider a useful contribution toward helping to reverse the dangerously confrontational atmosphere in current East-West relations.

My best wishes.
Cordially,

PAUL SIMON,
U.S. Senator.●

CALDWELL-VAN RIPER, A 20TH CENTURY PIONEER REACHES A 75-YEAR MILESTONE

● Mr. LUGAR. Mr. President, I wish today to acknowledge an exciting event in the life of the business community within my State of Indiana. Caldwell-Van Riper, Indianapolis' first advertising agency, has reached the venerable age of 75 years, a feat of some note in an industry where the average age of most agencies is a mere 25 years.

Centerpiece of Caldwell-Van Riper's anniversary celebration is a fine arts competition open to any former or present resident of the State. Five awards totaling $7,500 will be presented to artists whose work best depicts the vitality, growth and progress of the city of Indianapolis, a progress that parallels C-VR's own growth.

Merle Sidener and Guernsey Van Riper founded the agency in 1910, opening their doors on February 20. At that time, they called their company the Publicity Corp, and described themselves as publicity conductors.

In doing so, they introduced Indianapolis to the concept of the advertising agency, an idea that had not yet leaped the Alleghenies when the partners signed their first client. The agency has been a pioneer in the field ever since.

Sidener-Van Riper—a change in name was dictated when the young company became an important presence in the commercial life of the city—grew up with Indianapolis.

The agency's first client was the National Paving Brick Association, a strong trade association at the time horse-drawn vehicles and brick-paved streets were slowly giving way to the motor car.

Early clients reflected the city's growing involvement in the automotive industry—the well-known NAPA logo was developed in those years.

Both the agency and its clients achieved national attention when Sidener and Van Riper placed their first full-page ad in the Saturday Evening Post, a medium whose reach and influence rivaled that of today's network television.

As the industrial and commercial face of the city changed after the First World War, banks, retail merchants, pharmaceutical manufacturers, real estate and transportation companies replaced the automotive interests on the client roster. And, as Indianapolis attracted the national headquarters of business and industry, the agency extended its services to clients spanning the continent.

In the beginning, Sidener and Van Riper said they would "accept clients in whom we can take pride and be reasonably sure of getting paid," a policy still followed today.

That policy led to the partners' concern for truth in advertising which prompted Sidener to develop the concept that later became the Better Business Bureau.

Their concern for professionalism in the industry led to their becoming founding fathers of the American Association of Advertising Agencies whose membership today includes the leading agencies in the country.

One of Sidener and Van Riper's early employees was Howard Caldwell, who left after a 3-year apprenticeship to establish his own agency. In 1955, he returned to the fold, bringing his staff with him to form what eventually became Caldwell-Van Riper.

The merger was the first of several that strengthened and extended the agency's reach both in clients and territory.

In 1973, Winius Brandon changed the name on its door and the logo on its stationery to become the C-VR office at Fort Wayne, a city where C-VR had clients and interests. Gotsch Affiliates merged with the Fort Wayne division 3 years later, bringing a strong list of industrial clients with it.

As more and more clients demanded an expanded public relations capability as well as advertising services, C-VR added another branch to the family tree in 1975 with the merger of Charlene Hillman & Associates, an Indianapolis public relations agency.

A third office in another C-VR market, Evansville, was acquired in 1978 when Conant-Nienaber joined the C-VR fold.

Today, Caldwell-Van Riper still bears the strong imprint of Sidener, Van Riper and Howard Caldwell who won the admiration of the staff for once observing, "After all the meetings, some poor SOB is going to have to go back and write the ad."

He also said, "In this perilous business we've survived because we have been right a hell of a lot more than we've been wrong."

And he is the person who, 26 years ago, hired a PR man—turned advertising AE—Frank Wemhoff, the agency's president since Caldwell's retirement in April 1970.

Edward Van Riper, Guernsey's son, is still active in the agency as a member of the board and chairman-emeritus.

Today, C-VR's client roster shows the depth and versatility of the agency staff as well as the diversity that makes Indianapolis a dynamic city. Represented are banks, business and industry, restaurants, trade associations, real estate, Government units, retail and service companies.

From two partners and a receptionist, the agency has grown to a staff of 90 offering complete marketing, advertising and public relations services.

Indianapolis offices are in a company-owned 20,000 square-foot building

at 1314 North Meridian Street, in contrast to the two rooms the Publicity Corp. occupied on the sixth floor of the Majestic Building.

But the staff still faces the challenges met by Sidener and Van Riper: To find creative solutions for client problems and programs.●

THE PRO ARTE CHAMBER ORCHESTRA OF BOSTON

● Mr. KENNEDY. Mr. President, the Pro Arte Chamber Orchestra of Boston has successfully developed an outreach program to make their acclaimed performances available to low-income persons and to the handicapped.

Pro Arte is a cooperative orchestra with 140 musicians. Its innovative approach has brought free-lance musicians into a cooperative corporation, and their joint decisionmaking has sparked enthusiasm and encouraged greater artistic effort and accomplishment.

A January 15, 1985, article in the Boston Globe describes the group and a recent performance in Cambridge:

The result is a substantial audience in Sanders Theater, and a unique and rather wonderful atmosphere—this crowd differs from the usual concert assembly, and probably enjoys itself more. That enjoyment communicates itself to the stage, where the players thrive on it, and give it right back.

I congratulate Pro Arte on its well-deserved success. I especially applaud its efforts to reach new audiences. Rosemary Larking, the director of the "Access to the Best Music" program, summed up the goals, "Music is essential for everyone, but there are barriers put up by society. We're overcoming four barriers: architecture, finances, attitudes and transportation."

Ms. Larking, Music Director Larry Hill, and others associated with Pro Arte are doing an extraordinary job in breaking down these barriers. Diverse audiences whose common bond is a love of music are filling the Sanders Theater.

This program represents a major commitment by Pro Arte and serves as a model for other groups who seek to reach wider and more diverse audiences. I ask that the article from the Boston Globe may be printed in the RECORD.

The article follows:

[From the Boston Globe, Jan. 15, 1985]

PRO ARTE THRIVES IN A RARE ATMOSPHERE

(By Richard Dyer)

The Pro Arte Chamber Orchestra must be a grant-writer's dream. The group is a performers' collective; it regularly programs new works by area composers, and doesn't restrict itself to the most famous of them; it makes considerable outreach efforts to senior citizens, the handicapped, and other minorities.

The result is a substantial audience in Sanders Theater, and a unique and rather wonderful atmosphere—this crowd differs from the usual concert assembly, and probably enjoys itself more. That enjoyment communicates itself to the stage, where the players thrive on it, and give it right back.

Furthermore the Pro Arte, unlike some other groups, does not use grantsmanship to mask inferior artistic standards, though it has to be said that they have played with greater precision and with more tonal bloom than they did at Sunday afternoon's concert, which was devoted to music by Mozart, Schumann and David Hoffman, a Brookline resident who is active both as a psychiatrist and as a composer.

Hoffman's piece "Opening Cycles II" is a revision amounting to a recomposition of what must have been a student work he wrote seven years ago (Hoffman was born in 1954). The plan of the piece, he writes in his program note, is to pass "eidetic motives through a larger metric grid"; in the revision, the motives, the phrasing, the harmonies, and the orchestration are new. It begins with some furious ostinato activity full of shifting accents; this gives way to a stretching of the same ideas into a kind of slow movement before they work themselves up into a kind of finale. No doubt the composer meant the music to end inconclusively, even disturbing, but the piece might be more conventionally effective if the larger metric grid were reversed, somehow, so that the questioning gestures came at the beginning and the excitement at the end. But in any case, it's a nice piece, fun to follow, and apparently fun to play; the performance under Larry Hill was persuasive.

Mozart's "Posthorn" Serenade at the beginning of the program had energy and variety and some very classy playing of the wood wind episodes by flutist Michelle Sahm, oboist Barbara Knapp, bassoonist Jon MacGowan and their standmates. But there were also some ill-tuned episodes, and too much scraping of violins. The afternoon's soloist was David Deveau, who offered a sensitive, generally well-played, but curiously reticent performance of the Schumann Piano Concerto. This is music in which the soloist accompanies a fair amount of the time, but Deveau took this too far, and failed to project too many moments of interest in his part. He has plenty of technique, but he seemed embarrassed by the episodes that call for it and determined to get them over with as soon as possible. Florestan was on holiday, and Eusebius failed to give us the Schumann that soars.●

MINNESOTA SALUTE TO PROF. JOHN BORCHERT

● Mr. DURENBERGER. Mr. President, over the past three decades, the Twin Cities metropolitan area has become known as a living laboratory of innovation in regional government.

Spurred on by active organizations like the Citizens League, supported by an unusual compliment of progressive local officials, and orchestrated by a very supported State legislature and series of Governors, the Twin Cities Metropolitan Council and a series of regional operating commissions are now regarded as a model for regional planning, coordination and service delivery throughout the United States.

In addition to active support from organizations, local officials, and State government leaders, innovation in government in the Twin Cities has come about because of an extremely active citizenry.

To help recognize the contributions of active regional citizens, the metropolitan council initiated a Regional Citizen of the Year award in 1984. The award was established to honor one individual each year for particularly outstanding contributions to the region and the advances which it has made.

This year's very deserving regional citizen for 1985 is Prof. John Borchert, a regents professor of geography at the University of Minnesota.

In his 34 years as a university professor and Twin Cities community leader, John Borchert has made many contributions beyond his impact on students. He is a former member of the planning commission in his suburban community of Golden Valley, served on the metropolitan planning commission which preceded the metropolitan council, was a member of the boards of the Minnesota Pollution Control Agency, Minnesota-Wisconsin Boundary Area Commission, and Upper Midwest Council.

John helped found the university's center for urban and regional affairs and served as its first director. Throughout his long career of public and academic service, John has remained first and foremost a professional geographer and mapmaker. But, his approach to his profession has gone beyond "book learning" to have an impact on public policy in the State and region which is seldom realized in a university setting.

Because of the outstanding achievements represented in Prof. John Borchert, I insert the text of recent articles on him from the Minneapolis Star and Tribune and Twin Cities Metro Monitor in the RECORD.

The texts of the articles follow:

[From the Minneapolis Star and Tribune]

JOHN BORCHERT, MAPMAKER—HIS MAPS STRESS AREA INTERESTS

(Ellen Foley)

John Borchert is one of the few people in the country who knows *exactly* where he is.

Borchert regents' professor of geography at the University of Minneapolis, is the metropolitan area's master mapmaker. His maps have helped transform Twin Cities government and have made him the Metropolitan Council's 1985 Regional Citizen of the Year.

To these accolades, Borchert responds with a disarming modesty.

"All I do is hang up maps every once in awhile," he said, sitting in his university office with its globe, drafting table and stacks of yellowed, rolled-up maps.

But he does much more than that.

His map sense has earned him impeccable academic credentials, including membership in the prestigious National Academy of Sciences, and a reputation as one of the nation's top urban geographers.

He neglects to tell visitors that his maps have been used by governors, legislators, regional planners, state highway officials and suburban planning commissions.

He also shies from taking credit for his role in establishing the metropolitan approach to issues in the Twin Cities area, regarded by many as one of the most progressive at regional planning in the nation.

In the 1950s, when Minneapolis and St. Paul were acting like sibling rivals, Borchert brought out maps that showed officials of both cities how close they were and how much responsibility they shared. The maps convinced them that it was to their benefit to share the planning of efficient highways, adequate sewers, ample parkland and well-planned housing and commercial areas.

"He had much to do with the fact that many people in the Twin Cities metropolitan area have come to think of themselves not just as citizens of a city and a state, but as a region as well," said Gertrude Ulrich, a member of the Metropolitan Council.

To Borchert that viewpoint is a simple exercise of geography.

"It was important to back off once in awhile and look at ourselves on a map that had more on it than the individual municipality and the school district in which we lived," he said.

This is Borchert's approach to life as well as mapmaking. It's rooted in his own experience in a Chicago train station more than 50 years ago.

As a boy he often traveled by train from his home in Crown Point, Ind., to visit Chicago relatives. At the station he was fascinated by the rush of travelers catching trains to exotic-sounding places like Atlanta and Mexico. When he returned home he spent hours in the library looking at Atlases trying to see where those places were in relation to Crown Point.

When he moved to the Twin Cities in 1949, Borchert refined his research method by moving out of the library and into his car, where he took notes on a road map about pertinent features he saw.

He said his family's first task on arrival here was to find a spot to build a house. They drove through the metro area noting on the map the details of street conditions, school and commercial locations, differences in terrain, etc.

The technique became a Borchert trademark in the next 34 years at the university.

"(Borchert) actually studies by going to the places and visiting with the people," said John Adams, a former student and now a professor of geography and public affairs at the university. "He pays attention to the questions that are in people's minds, and it's not often that people at the U are seen as doing that."

Colleagues say the mapmaker became one of the university's superstars because of his excellent research on land use and his performance as a teacher. But they add that his most distinctive contribution to the university and geography has been his penchant for venturing beyond the campus.

He was a member of the Golden Valley Planning Commission, the Twin Cities Metropolitan Planning Commission (the predecessor of the Metropolitan Council), the Minnesota Pollution Control Agency Board, the Minnesota-Wisconsin Boundary Area Commission and the Upper Midwest Council, among others.

He helped found the university's Center for Urban and Regional Affairs and as its first director established a framework that encouraged researchers to go out and examine their community.

"I've always felt that my role was that of a teacher, but the class extended far beyond the classroom," Borchert said.

His innovation and persistence helped Minnesota become one of few States in which geography has an impact on public policy, said David Lanegran, professor of geography at Macalester College and a former graduate student of Borchert's.

"He began to explain cities to people and he began to explain the State to people," Lanegran said. "He has two extraordinary traits—common sense and common decency."

Judith Martin, coordinator of the university's Urban Studies Program and a research associate at the urban center, said Borchert was a role model for many of his graduate students who veered from the traditional course of academia and choose instead public service.

"He has been for a long time one of the people here at the university who is not just involved with working with the outside community but who sees that as an important part of his job—actually getting involved with problems in the community," she said.

He has built a legacy by training Minnesota politicians, planners and consultants who share the same "wild ideas," for which their former teacher became famous, said Ed Maranda, principal planner at the Metropolitan Council and a former Borchert student.

As Lanegran explains, his effect on students is dramatic:

"One thing that is so impressive about John Borchert is that he knows where he is," Lanegran said. "He can explain both the times and the place. That's where the maps come in."

Borchert said he is still busy pursuing that goal, although now he has a national focus. He said he is planning a book that will divide the nation into regions grouped around urban centers.

[From the Twin Cities Metro Monitor]

U'S JOHN BORCHERT HONORED FOR LONG SERVICE TO REGION

(By Lynna Williams)

John Borchert came to the Twin Cities in 1949 as a young assistant professor of geography at the University of Minnesota. He had an infectious smile, say people who knew him then, and his energy and enthusiasm for his subject and his new home were contagious.

Thirty-six years later, his smile and enthusiasm are still being talked about—and so are his accomplishments.

They have brought him recognition here and on a national and international scale. In 1981, Borchert was named a regents' professor, the highest honor a University faculty member can receive. That recognition was especially welcome, Borchert said, because it came from people who know him well.

At the Metropolitan Council's annual State of the Region event Jan. 30, Borchert was again honored by people who know him and his work well. He was named 1985 Regional Citizen of the Year.

The Council began the annual award competition in 1984 to honor a citizen who has made an outstanding contribution to the region as a whole.

"The citizens of our region seem to make outstanding contributions almost routinely," said Council Chair Sandra Gardebring, "so choosing just one to honor is difficult. But as excellent as all the nominations were this year, John Borchert seemed to represent the best of our region's tradition of leadership and excellence."

There's no doubt, Gardebring said, that Borchert has contributed to the region as a whole, both through his own pioneering research and his influence on hundreds of students who continue to have an impact in the area.

METROPOLITAN VIEWPOINT

In fact, said Council Member Gertrude Ulrich who chaired the selection committee, Borchert has "had much to do with the fact that many people in the Twin Cities Metropolitan Area have come to think of themselves not just as citizens of a city and state, but of a region as well."

"I think he's been the most articulate spokesman for a metropolitan viewpoint," said David Lanegran, a Macalester professor who did University graduate work with Borchert. "He's gotten out in the public arena and said what he thinks, applying geography to public-policy issues. The region has benefited in a number of ways."

Borchert says he is an educator rather than an advocate. "I've spent a lot of time talking to many different people about what I know, such as the changing structure of the Metropolitan Area and its changing competitive position. I think my feeling has always been that the strength of a scholar, and of the university, in these issues is their detachment and objectivity."

"If I appear before a legislative committee," said Fred Lukermann, dean of the College of Liberal Arts at the University, "the members know who I am. When Borchert comes in, they put their arms around him. They may not know every paper he's written, but they know him and the way he deals with problems. And they know that everything he says is true."

For a member of the academic community to enjoy that kind of trust with public officials is very rare, Lukermann added, "but he does it with ease. That's Borchert."

INTEREST IN PEOPLE

Another Borchert characteristic frequently remarked upon is the interest in people he brings to scientific research. "It's the merging of natural and social science that most describes him," Lukermann said. "For example, he's one of the major climatologists in the world but his focus is on the effects of climate on man. The human element is what drives him."

"I've often said I don't think there's anything as intellectually liberating as backing off and looking at yourself on the map of the world," Borchert said. "It raises so many questions, you can spend a lifetime thinking about them. And if you do that, you'll always be walking about with your head full of maps on the one hand and talking to people on the other."

His fascination with people and places began, Borchert said, as a child growing up in northwestern Indiana about 40 miles from Chicago. His mother took him to that city frequently to visit, he said, and the contrasts between the two environments started him formulating questions he has never stopped asking.

After study and work in the fields of geology and meteorology, Borchert discovered many of his interests merged in geography. He earned master's and Ph.D. degrees in that subject from the University of Wisconsin. From Madison, he and his family came to the University of Minnesota.

"One of the things that appealed to me about this area was the setting of the University in an urban area. It was an opportunity to work on real problems and immediate questions with people who were helping to make and shape the maps, not just interpret them."

HE SEES CONNECTIONS

Over three and a half decades, Borchert has been involved in dozens of important studies on the growth and development of the Twin Cities as well as on many statewide concerns. He has had an impact on public policies in land use and resource management, from highway planning to lakeshore development.

"Probably the most important thing intellectually about Borchert is that he's not a narrow technician." Lukermann said. "He sees connections and contexts and helps other people see them."

He has served on local, regional and state planning commissions, including the Metropolitan Council's predecessor, the Twin Cities Metropolitan Planning Commission. A former member of the Minnesota Pollution Control Agency, he helped create—and served as first director of—the University's Center for Urban and Regional Affairs.

Even in resume form, it takes nine pages to list his major publications and professional and community service over the years. In 1976, he was elected to the National Academy of Sciences, and national activities began to consume more of his time.

Whatever he's done, Borchert has never stopped teaching geography. Today, his students are scattered throughout almost every government agency—and many other places—in the Twin Cities. And other parts of the United States and world, of course. In fact, the building of a new town in Saudi Arabia is being managed by a former Borchert student.

It's those "regiments of former students" of which Borchert says he's most proud, followed, as a "weak second," by some of the research he's done over the years.

At 66, Borchert quotes something an older friend said to him about the friend's decision to work until age 70. "He said he was just getting the hang of it. I feel that way, too. I still like what I'm doing."●

ABORTION

● Mr. SYMMS. Mr. President, since reading a particular news item from Chicago the other day, I have often thought of the words of an old song, "What a difference a day makes, 24 little hours."

The newsclip told of the trial of a man accused of murdering his infant son in June 1983. The man allegedly slammed the infant's head on the floor minutes after birth because of the baby's birth defects. During the trial the Cook County medical examiner testified that surgery might have corrected the defects.

The point is this: Under our existing legal code the parents could have killed the child prior to its birth and no one would have cared—hence, "what a difference a day makes." We would have called it an abortion—1 of 4,000 that are performed each day in the United States.

But because the alleged killing came minutes after the birth, the law calls it murder—a crime punishable under our legal system.

You see, prior to its birth the infant was a fetus, according to the proabortion people, and it is easier to kill a fetus than kill a baby—it sounds more clinical and dispassionate. After the birth, even an abortionist has to call it a "baby."

Mr. President, my remarks today are prompted by a film I recently previewed entitled "The Silent Scream." The film shows via ultrasound an actual abortion performed by a vacuum device. I am sorry to say that words fail me in trying to describe the overwhelming nausea and repugnance I felt during the showing. The grisly atrocity I witnessed was more repulsive than one can imagine. Unless you have seen the film, you cannot appreciate my disgust.

The baby—notice that I choose to call it a "baby" rather than a "fetus"—opened its mouth in an unanswered silent scream as its tiny body was dismembered by the suction apparatus. We were told that the doctor who performed this particular abortion watched the sonogram afterward and was so appalled by what he had done that he had never aborted another baby.

Now come medical experts and other abortion apologists who claim that the baby's nervous system was not sufficiently developed, and, therefore, felt no pain. These so-called experts are members of an infamous group of intellectual rationalists who, historically, have joined in speculating about other peoples' suffering.

The Spanish conquistadores had little trouble justifying their treatment of Native Americans—after all, to them the Indians were not human beings, like a fetus is not a baby.

In the early days of slavery, blacks could be beaten or mistreated any way an owner desired. The experts of the day had decided that blacks were animals who really could not know human feelings anyway.

Hitler and his Nazi self-ordained geniuses exterminated without conscience some 6 million Jews because Jews were in their opinion an inferior, almost subhuman species to whom pain was inconsequential.

Today, 16 million babies—or "fetus" to the cold world of the surgical instruments—have perished because our judicial system, in its great wisdom, has decided that an unborn baby is a nonhuman mass of biological matter.

I find it ironic that we prosecute the people who blow up abortion clinics, yet do not raise our collective voices against the butchery that take place inside them. Fortunately, no one has been hurt in the bombings, but the larger issue still overwhelms us: 16 million babies have been destroyed. I strongly disapprove of the bombings, but I am adamant that the killing which goes on inside be stopped.

How can we as a nation plead with the Almighty for peace, and expect Divine help when we cannot clean up the carnage in our own backyard?

Mr. President, I wish to have included in the RECORD two news articles, one from the American Medical Association News and the other by George Will, which discuss the pain babies suffer when they are killed.

The articles follow:

[From the American Medical News, Feb. 24, 1984]

CHARGES DISPUTED—MD GROUP CLAIMS THAT FETUSES SUFFER PAIN

A coalition of physicians has rallied behind President Reagan, supporting his contention that aborted fetuses suffer "long and agonizing pain."

"A fetus shows the precise behavior as you or I in avoiding pain. It is not a reflex, but an actual aversion to a needle or chemicals. He squirms away from any noxious influence," said spokesman Vincent Collins, MD, professor of anesthesiology at Northwestern U. in Chicago, at a Washington, D.C. press conference.

The physicians delivered a letter to Reagan, saying that "we are pleased to associate ourselves with you in drawing the attention of people across the nation to the humanity and sensitivity of the human unborn. You stand on firmly established ground." Signatories include Richard T. F. Schmidt, MD, and Fred Hofmeister, MD, both former presidents of the American College of Obstetricians and Gynecologists (ACOG), and 24 other physicans.

The medical community has ignored fetal pain because "doctors don't want to dwell on it." Dr. Collins said. "They are afraid that women who have had abortions will develop guilt reactions."

In a Jan. 31 address to the National Religious Broadcasters convention, Reagan contended that "medical science doctors confirm that when the lives of the unborn are snuffed out, they often feel pain—pain that is long and agonizing."

This was challenged by Ervin E. Nichols, MD, ACOG director of practice activities, who said he was unaware of any evidence that pain is perceived by a fetus. Dr. Nichols said a fetus may have "demonstrated neurological reflexes," but that this should not be interpreted as pain.

The coalition of physicians said they were "astounded" by Dr. Nichols' comments. In response, they convened the "educational" press conference, as a way of "getting the truth out on the table." The press conference was sponsored by the anti-abortion group Value of Life Inc. of Brighton, Mass.

The dispute remains unsettled. Dr. Nichols has performed a National Institutes of Health literature search, and still contends that there is no legitimate scientific evidence showing that fetuses feel pain early in pregnancy.

In fact, scientific literature suggests just the opposite, he says: The fetal spinal cord is not adequately covered until the fifth month of pregnancy, and the fetal cerebellum is not sufficiently developed until the seventh month of pregnancy. A sensation of pain is dependent upon these two processes, he says.

Physicians know that fetuses feel pain, Dr. Collins counters, because:

The cortex is developed between four and five weeks of age.

Reflex actions can be observed between four and six weeks of age.

Brain waves are detectable between six and seven weeks.

Nerves connecting the spinal cord to peripheral structures have developed between six to eight weeks.

Adverse reactions to stimuli are observed between eight and 10 weeks.

Neurotransmitters capable of sending pain signals to the brain are present at 12 weeks.

Opiate receptors, designed to provide analgesia, can be seen at 12 weeks.

"You can tell by the contours on their faces that aborted fetuses feel pain," added obstetrician Matthew Bulfin, MD, of Lauderdale by the Sea, Fla. He described the case of a 25-year-old woman administered a prostaglandin abortion, who expelled her fetus in the middle of the night. Before hospital nurses arrived, she witnessed "the thrashing around and gruesome trauma on his face, and knew that the fetus had suffered."

Saline abortions cause the fetus to feel "the same agony as an adult who has suffered burns over 80% to 90% of his body," Dr. Collins said. The fetus "squirms, throws himself around, and shows a total grimacing patterns of withdrawal," he said.

Pain is most probable during second-trimester abortions, which account for 100,000 procedures a year. Pain during the first trimester is "documented with more difficulty," they said.

Local anesthesia to the mother does not ease fetal pain, Dr. Collins said. He rejected the suggestion that anesthesiologists should play a more major role in the abortion setting, saying, "We don't have enough anesthesiologists to take care of real medical problems. Most anesthesiologists I know would shun any involvement in non-productive, non-curative medicine."

[From the Washington Post, Nov. 5, 1981]

ABORTION DOES CAUSE PAIN TO ITS VICTIMS

(By George F. Will)

In the eight years since the Supreme Court nationalized the abortion controversy, one facet of that subject has been neglected: pain. Abortion is painful for the aborted.

The neglect is explainable. To opponents of abortion, death, not pain, is the paramount issue. And proponents of abortion need (emotionally or logically, or both) to deny the possibility of fetal pain.

In its 1973 decision legislating abortion on demand, the Supreme Court announced that fetal life is not alive. At least that is what the court seems to have meant (if it can be said to have meant anything) when it described the fetus as "potential life." Those who support the 1973 decision are committed to the idea that a fetus, being only "potential" life, cannot feel pain, pain being an attribute of actual life.

Thus does a legal absurdity breed a biological falsehood. This intellectual train wreck is the subject of an essay in The Human Life Review by Prof. John Noonan of the University of California (Berkeley) Law School. There are, he notes, four principal means of abortion.

Sharp curettage involves a knife killing the fetus (if the amateur embryologists on the court will allow us to speak of "killing" life that is merely "potential"). In suction curettage, a vacuum pump sucks out the fetus in bits (and a knife cleans out any remnants). In second trimester and later abortions, a saline solution is injected into the amniotic fluid. The salt seems to act as a poison; the skin of the fetus, when delivered, resembles skin soaked in acid. If by accident the solution leaks into the body of the mother, she experiences pain that is described as "severe." The fetus can be in this solution for two hours before its heart (a stubborn bit of "potential" life) stops beating. Alternatively, the mother can be given a dosage of a chemical sufficient to impair the circulation and cardiac functioning of the fetus, which will be delivered dead or dying.

A fetus, like an infant or an animal, has no language in which to express pain. But we infer, and empathize with, the pain of creatures, such as baby seals, which lack language to express pain.

There are uncertainties about the precise points in fetal development at which particular kinds of sensations are experienced. But observations of development and behavior indicate that by the 56th day, a fetus can move. Discomfort may occasion the movement. Tactile stimulation of the mouth produces reflex action about day 59 or 60. By day 77 the fetus develops sensitivity to touch on hands, feet, genital and anal areas, and begins to swallow. Noonan believes that the physiological literature teaches that "beginning with the presence of sense receptors and spinal responses, there is as much reason to believe that the unborn are capable of pain as that they are capable of sensation."

Americans are proud of their humane feelings and are moved by empathy. Thus, we regulate the ways animals can be killed. Certain kinds of traps are banned. Cattle cannot be slaughtered in ways deemed careless about pain. Stray dogs and cats must be killed in certain humane ways.

But no laws regulate the suffering of the aborted. Indeed, Planned Parenthood, the most extreme pro-abortion lobby, won a Supreme Court ruling that it is unconstitutional to ban the saline abortion technique. That's right: the court discovered that the "privacy" right to abortion, which right the framers of the Constitution neglected to mention, even confers a right to particular abortion techniques.

Most pro-abortion persons have a deeply felt and understandable need to keep the discussion of abortion as abstract as possible. They become bitter when opponents use photographs to document early fetal development. The sight of something that looks so much like a child complicates the task of trying to believe that there is nothing there but "potential" life. And if fetal pain is acknowledged, America has a problem: its easy conscience about 1.6 million abortions a year depends on the supposition that such pain is impossible.

Magda Denes, in her book, "In Necessity and Sorrow: Life and Death in an Abortion Hospital," brought to her subject not anti-abortion convictions but a reporter's eye for concrete details. Examining the body of an aborted child, she described the face as showing "the agonized tautness of one forced to die too soon." That is a description to bear in mind this day, as many thousands of abortions occur.●

● Mr. BUMPERS. Mr. President, it is a great pleasure for me to commemorate today the 67th anniversary of the Restoration of Lithuanian Independence on February 16, 1918, and the 734th anniversary of the creation of the Lithuanian state in 1251. This event symbolizes not only the desire of a nation for self-determination but also recognizes and encourages an ongoing struggle against the forces that stifle the freedom of the Lithuanian people.

The striving of a nation to determine its destiny is a right that is recognized by all nations of the world and is an essential value upon which the international order has been established. Lithuania has been repeatedly denied that right over the course of history, indeed up to this very day. Accordingly, the United States, which shares the values of democracy, freedom, and justice with the people of Lithuania, has not, cannot, and does not recognize the forceful subjugation of this nation by the Soviet Union. We abhor this violation of the internationally recognized norms of human rights as agreed upon in the United Nations Charter, the Helsinki accords, and the Universal Declaration of Human Rights. We reaffirm this day the sentiments expressed in the Atlantic Charter, that the United States yearns "to see sovereign rights and self-government restored to those who have been forcibly deprived of them."

Lithuania began its national quest in 1251, with the baptism of King Mindaugas as King of a united Lithuania. From that day forward the customs and traditions of the Lithuanian people have progressed, despite numerous imperial onslaughts. Following the collapse of the combined Lithuanian state in 1795 to the Russian czar, Lithuanian culture underwent an assault by the czarist government to stamp out Lithuanian language, tradition and religion. The Lithuanian people rebelled often, most notably in 1863; their spirit and determination caused the czarist despots to abandon their attempts at russification following that revolt.

It was finally the scourge of world war that brought the long sought independence to the nation of Lithuania. After defeat in 1917, Germany was compelled to allow the establishment of a 200-member Congress of delegates; democracy, though short-lived, had finally come to Lithuania. Lithuania thrived as an independent state for over 20 years during the 1920's and 1930's, flourishing in land reform, equitable labor laws, education and the arts. That brief period of creativity and accomplishment was extinguished with the ascension of the fascist Nazi and totalitarian Stalinist regimes. This time, instead of war bringing independence to Lithuania, it brought occupation. Under the pretense of an election, a government was formed in 1940 which resulted in the forced annexation of the Lithuanian state as a constituent republic of the U.S.S.R.

This struggle of the Lithuanian people to be free and independent continues today, both in that country and here in the United States. I am deeply concerned with the ongoing denial of religious freedom for the people of Lithuania. Despite a petition signed by some 132,000 Lithuanian Catholics last year, two Lithuanian priests—Alfonsas Svarinskas and Sigitas Tamkevicius—

continue to languish in jail as prisoners of Soviet intolerance of their religious beliefs. Just this past August, the Communist authorities denied Pope John Paul II entry into Lithuania to bring his message to the many Lithuanian Catholics who thirst to hear the word of this great world leader.

There are some 300,000 Americans of Lithuanian origin or descent in the United States. I want to express my solidarity with them on this day not only because I share in their desire to see independence once again restored to that country, but also in gratitude to the many great contributions they have made in the United States.

There is a wonderful group of Lithuanian-Americans in the city of Hot Springs in my own State of Arkansas, whom I am proud to salute today. They have joined together in a chapter of the Lithuanian-American Community of the U.S.A., under the leadership of President Steve Ingaunis. I pledge to them and to all Lithuanians that I will continue to provide my unwavering support for a renewed and independent Lithuanian state. We will continue to work with the Lithuanian legation in Washington as the true diplomatic representatives of the Lithuanian nation.

We cannot forget the desire of this proud nation to once again reap the bounty of freedom and self-determination. We shall never forget the inspiration that these patriots provide to the lovers of freedom who continue to hope for the liberation of the oppressed throughout the world.●

THE 117TH ANNIVERSARY OF THE BENEVOLENT AND PROTECTIVE ORDER OF ELKS

● Mr. HEINZ. Mr. President, on February 16, 1985, the Benevolent and Protective Order of Elks celebrated its 117th anniversary. The Elks are an exceptionally proud and patriotic group. They became the first fraternal organization, in 1907, to mandate the observance of Flag Day. Their pride in our heritage has never wanted. On behalf of the 1.6 million Elks across the Nation and the 90,000 Elks in Pennsylvania, I ask that the background of the Elks be placed in the record at this time.

The background follows:

BACKGROUNDER—THE ELKS

The Benevolent and Protective Order of Elks is one of the oldest and largest fraternal organizations in the United States.

The first formal meeting was held on February 16, 1868, in New York City. Fifteen persons turned out, most of them young, undiscovered but budding artists who had gathered for companionship and to help their order out-of-work peers.

The idea caught on and spread to other groups and other cities. As it grew, the new organization broadened its membership base to include businessmen, professionals, farmers and representatives from other occupations.

Today there are more than 1.6 million members of the Elks in 2,280 local "Lodges" found throughout all fifty states and the District of Columbia. Over the years, these Lodges have evolved into the primary building blocks of the highly decentralized Elks organization. They provide recreational facilities for the entire family, but the Lodges are also the focal point for the many community service and charitable programs that have become an Elk tradition.

Early in its history, the Elks supported groups such as the Salvation Army and the Red Cross. In 1871, they staged a benefit for the victims of the great Chicago fire. Money was raised for victims of the Seattle fire and the Johnstown flood in 1889. And the Elks were the first on the scene to supply money and rescue assistance during the San Francisco earthquake of 1906. Today, disaster relief continues to play an important part in Elk activities.

Patriotism has also been a hallmark of the Elks. In 1907, the Elks became the first fraternal organization in the nation to mandate observance of June 14 as Flag Day. More than 40 years later, fellow Elk, President Harry S. Truman signed into order a declaration naming Flag Day as an official national holiday.

The Elks National Foundation, the philanthropic arm of the organization, was created in July, 1928, as an income-producing fund to help support national Elk projects and to supplement programs at the state and local Lodge levels. Each year, scholarships are awarded to 500 outstanding high school students across the nation. Emergency educational grants are also provided to children of members who have died or been disabled.

Foundation support of state association projects is based on a "revenue sharing" concept. Funds are provided to each state in proportion to the level of contributions made by individuals in the state. The Elks contributed $26 million in 1983 to support cerebral palsy research, veteran's hospitals, retarded child care and to provide wheelchairs, recreational facilities and other aids to the handicapped.

The Elks devote a great deal of attention to youth programs. Lodges and individual members today sponsor more than 1,000 Boy Scout troops and 3,000 Little League teams, as well as Boy's Clubs and Camp Fire Girls Clubs.

But one of the most important youth programs in recent years has been the annual "Elks' Hoop Shoot,"® a national free throw shooting contest, for boys and girls from ages 8 to 13. Over three million youngsters from all fifty states participate yearly in the "Hoop Shoot,"® from local contests to the national finals where six champions were named.

The program, begun in 1972 on a national basis, provides spirited competition and the chance for youngsters to develop new friendships. Winners and their families also travel to state, regional and national competition, courtesy of the Elks.●

MOTHER SETON SCHOOL

● Mr. SARBANES. Mr. President, at a time when education in our country is the focus of so much attention, I am pleased to recognize and pay tribute to the Mother Seton School, the precursor of the American parochial school system, on the anniversary of its establishment February 22, 1810. In commemoration of the school's founding 175 years ago by Elizabeth Ann Bayley Seton, educator and saint, the Mother Seton School will commence its year-long celebration on February 22, 1985, followed by a Eucharistic Liturgy celebration on Sunday, February 24, officially opening activities for the year.

Elizabeth Seton, known as "Mother Seton," is special to all Americans for historical, humanitarian and spiritual reasons. Widowed at the age of 29 with 5 children, Elizabeth converted to Catholicism and was abandoned by her friends and family for doing so. Two years after changing her faith she accepted the invitation of Archbishop John Carroll and moved from her native New York to establish a girl's school near the St. Mary's Seminary on Paca Street in Baltimore, MD.

Opening a school for girls was a pioneering effort at that time in American history, for women and girls were considered inferior to men intellectually and physically and formal education for them was not thought worthwhile. Fortunately John Carroll, the first Bishop of Baltimore, did not share this belief, realizing the future of the Catholic faith in America depended largely upon the education of women and young girls. The bishop envisioned a community of American women who would devote themselves to educating young girls in the ways of Christian living as well as the arts and sciences.

Under Elizabeth Seton's leadership, the school was an instant success. Needing help in her project, several young women joined her in Baltimore, shortly thereafter, forming the nucleus of the American Sisters of Charity. She was designated "Mother" of the small religious community after taking her vows on March 25, 1809.

The establishment on Paca Street quickly outgrew its quarters and so, as a result of the benevolence of Samuel Cooper, a well-to-do seminarian, the Fleming farm in Emmitsburg, MD, was purchased for $70,000 to advance Mother Seton's efforts. In June of 1809, Mother Seton and 16 other women, including her children, 2 sisters-in-law, 2 schoolgirl boarders from Paca Street and 10 sisters, moved to the village of Emmitsburg. They quickly outgrew the Stone House, the first site of St. Joseph's in the valley, and moved 7 months later into a newly constructed house that would serve as both a convent and a school.

Father Duhamel, pastor of St. Joseph's Church in Emmitsburg, asked Mother Seton to let his parishioners into her school. On February 22, 1810, Mother Seton admitted three little girls from his parish, thus forming the Emmitsburg parish school and the nu-

cleus of the American parochial school system. This event was highly significant in that it was the first school that connected with a parish and that gave these children a free Catholic education. Sharing the revolutionary idea with Bishop Carroll that girls were entitled to the same opportunities as boys, Mother Seton formulated the charter of incorporation which stated the purpose of the sisters was the education of young females. There is no evidence that boys were ever admitted.

By 1813 attendance at the school had expanded to 32 paying boarders and 20 day pupils. When Mother Seton died on January 4, 1821, the little community was well established and the school was extremely successful, opening the new St. Euphemia's School to include boys in 1892. After a second expansion in 1957, the school was again renamed to its present day "Mother Seton School."

Under the leadership of Sister Mary Gilbart and her outstanding faculty, the Mother Seton School can boast a first-rate educational curriculum where the uniqueness and individual development of each child is stressed. Multiage instructional units enable teachers to set up math, reading and language arts groups according to ability. The multiaged unit includes an outstanding kindergarten that was made possible through the generous contribution of a Baltimore lawyer.

In addition to math, English, social studies and computers, the school continues to teach Christian values in the tradition of its founder who once said, "Let your chief study be to acquaint yourself with God, because there is nothing greater than God, and because it is the only knowledge that can fill the heart with a peace and joy that nothing can disturb."

The Mother Seton School's reputation not only stands on its fine academic standards and its leadersnip role in the parochial school system and in education for women, but also on its economic and cultural diversity and its commitment to community service. Today this fine institution serves Catholic, Protestant, and Jewish students from 28 towns in 5 counties in Maryland and Pennsylvania, some of whom travel 3 hours to and from school. The school, which is very accessible for the handicapped, reaches out to the community through its work with the elderly and its mission programs for the disadvantaged.

The Mother Seton School is, perhaps, unique in the vital role parents play in providing a volunteer and financial support system. Although the school has not been able to continue its free education to parish children, it is unnecessary to charge full tuition as a result of the parents' successful fundraising efforts.

I am pleased to call the Senate's attention to this celebration and ask my colleagues to join in saluting the success of the Mother Seton School which for 175 years, has been the flagship of the parochial school system in this country and has retained its strong commitment to the values of St. Elizabeth Ann Seton.●

GUN CONTROL

● Mr. SYMMS. Mr. President, recently I read a story in a local newspaper about a Boston woman who had a firsthand experience with our system of justice. It seems the woman was returning home on a train from the hospital where she had visited her daughter. Earlier the daughter had been shot while being mugged.

On the train the woman overheard a boy bragging about shooting a girl who wouldn't let go of her bag. The balance of the conversation let the eavesdropping mother know that this was the kid who had shot her daughter.

Unlike some whose vigilante blood would have boiled at this point, the woman had the boy arrested so that justice could deal with him. It did. In spite of his long criminal record, he paid $500 to a bondsman and walked free.

The point is, Mr. President, that all the gun laws notwithstanding, criminals somehow seem to get their hands on firearms when they want them. In fact, today there are some 60 million handguns in the United States, but less than four-tenths of 1 percent will be used to commit a crime. Over 99.6 percent of all America's handguns are not used for illegal purposes. No one can rationally conclude that private handgun ownership in our Nation contributes significantly to crime.

Yet, regardless of the facts, there is a mentality in this Nation which seeks to thwart, or even nullify, the second amendment. Perhaps as a scheme to remake society in their mold, or for some other reason, these antigun people choose to thumb their noses at the Founding Fathers and confiscate privately held firearms.

Our founders knew exactly what they were doing when they guaranteed our right, "the right of the people," to keep and bear arms. They listed that particular right second only to the rights enumerated in the first amendment; the rights of religion, speech, the press, and assembly.

James Madison, the father of the Bill of Rights, originally proposed that the second amendment read: "That right of the people to keep and bear arms shall not be infringed; a well armed and well regulated militia being the best security of a free country; but no person religiously scrupulous of bearing arms shall be compelled to render military service in person." His intent in the very first sentence is obvious: We, the people, have an unimpeachable right to possess firearms.

The final version, our present second amendment, passed the Senate only after that body indicated its intent that the right to keep and bear arms was an individual and private right. They did so by rejecting an amendment which would have limited the right (quote) "for the common defense" (end quote).

William Rawle, a friend of Thomas Jefferson and an early commentator on the Constitution, wrote the following about the second amendment in 1825:

> The prohibition is general. No clause in the Constitution could by a rule of construction be conceived to give Congress a power to disarm the people. Such a flagitious attempt could only be made under some general pretense by a State legislature. But if in blind pursuit of inordinate power, either should attempt it, this amendment may be appealed to as a restraint on both.

Mr. President, I could expound at great length on the legal and constitutional arguments which compel me to declare that the second amendment refers to our fundamental individual right as American citizens to keep and bear arms. I recognize that legal scholars have performed amazing feats of semantic gymnastics to prove otherwise. Likewise, I am sure that my colleagues in this body have been amazed at how the 27 words of the second amendment have been so misunderstood; especially when one is familiar with the very clear and concise intents of the framers of our Constitution.

Their intent is perfectly understandable to me, but apparently not to overly zealous lawmakers on the State and local levels. For this reason I have introduced S. 45, the Firearms Ownership Rights Act of 1985.

The intent of this bill is to send a message to those municipalities which would legislate away the rights of citizens to protect themselves, but which want the Federal Government to help fund their folly.

The message is this: Why should the Federal Government support your local law enforcement efforts when, with total disregard for the Bill of Rights, you have stripped your citizens of the best means of keeping the peace in your communities? Do you think that individuals desiring to commit a crime in your community will be unable to obtain a firearm, just because of your antigun laws?

The Second Congress defined the militia statement of the second amendment to include almost every free adult male in the United States. To them a "militia," as used in the context of the Bill of Rights, had reference to the time-honored concept of the entire populace. In other words, the framers considered an armed citizenry essential to ward off tyranny. To them it was the ultimate guarantee

of last resort to ensure that "Governments are instituted among men, deriving their just powers from the consent of the governed, that whenever any form of government becomes destructive of these ends, it is the right of the people to alter or to abolish it * * *." Those words founded this Nation, and they are as valid today as they were on July 4, 1776.

I recognize that our courts have permitted the States to apply the meaning of the second amendment to their individual circumstances. The States have, for the most part, been true to the fundamentals of our founders.

Yet, in their fervor, some municipalities have far exceeded even the laws of their own States. Neither I nor my lawyer friends can find any constitutional basis for such laws. Indeed, I believe that even the most avid States-rights enthusiast among our founders would recoil with alarm at these events.

S. 45 will prohibit the use of Federal funds for law enforcement activities in those cities which have unilaterally deprived their citizens of their constitutional rights by enacting firearms laws even more restrictive than their States' laws. The Federal Government should not be a party to a city's flagrant disregard for its inhabitants' fundamental rights. Indeed, I find it ironic that a city would, on the one hand, forbid the means of maintaining a "militia" (as understood by the Founding Fathers), yet, on the other hand, ask that someone else help fund their self-diminished law enforcement efforts. We are saying to them, "you cannot have it both ways."

Mr. President, I hope that my colleagues in this body will join me in this effort to preserve the spirit of our second amendment.●

FLORIDA SLOVAK GARDEN

● Mr. CHILES. Mr. President, Florida Slovak Garden is a retirement community in Maitland, FL, that all American Slovaks can call home. In its beautiful surroundings, American Slovaks live in harmony amidst true Slovak hospitality. On Feburary 17, 1985, members and residents of Florida Slovak Garden gathered to celebrate Florida Slovak Day. One of the events that day honored Henry J. Cibula as the "Slovak Man of the Year" for his life long dedication to Slovak Garden and the Slovak people in general. Today, I would like to present before the Senate the accomplishments and contributions of this fine man which make him deserving of this award.

Henry John Cibula was born in Pittsburgh, PA, in 1916. His parents were emigrants from eastern Slovakia. After attending the University of Pittsburgh, Henry Cibula became a registered professional chemical engineer in Pennsylvania. During the next 30 years he worked for several national corporations including Allis-Chalmers, Koppers, and Firestone.

It was during this period that Mr. Cibula's parents moved to Florida and became involved in the early stages of Florida Slovak Garden. His father, John Cibula, served as vice president of the organization until his death in 1965.

After his father's death, Henry J. Cibula moved to Florida. There he founded SERAD, Inc., which he still operates. He soon became the president of Slovak Garden. It is for his contributions through this position to the advancement of Slovak Garden during the next 16 years for which he is being honored.

Under the direction of Henry Cibula, Slovak Garden flourished. New resident duplexes were constructed, and existing apartments were renovated. A lighting system was installed in all of Slovak Garden and the community hall was built. Included in the community was a complete Slovak library and museum where residents, members, and visitors can study Slovak history and heritage. Because of Mr. Cibula's efforts, Florida Slovak Garden greatly increased the value of its property. His decisions concerning finances left the community's treasury able to operate more freely and independently.

Florida Slovak Garden is strong today primarily because of wise judgment and dedicated leadership in the past. The 16 years of Henry J. Cibula's administration added stability and solid continuity to the operation of the Slovak Garden. I commend Mr. Cibula on his outstanding service to the garden and the Slovak people of America.●

ARTHUR LYNCH WILLIAMS COMMENDED ON BOOK "COMMON SENSE"

● Mrs. HAWKINS. Mr. President, in 2 years, it will be the 50th anniversary of the enactment of the laws that established our Social Security system which commenced in 1939. Today, we face serious questions about the system's operations and solvency.

Of all the major issues of interest to Americans, few surpass the very real concern that our citizens have about their future financial security. In fact, on February 12, 1985, a story which appeared on the front page of the Washington Post detailed the very great interest that the citizens of Florida have in Social Security policy. This story described the diverging views of the young and the elderly in Florida about current Social Security costs and benefits. According to this article, one quarter of Social Security beneficiaries rely on Social Security for 90 percent of their income. The elderly in my State and across the country worry about their current benefits and the prospect of benefit freezes, while the young people worry that there will be nothing left for them when they retire.

While we in Congress debate the causes of the program's problems and the possible solution, one thing is certain: it is the goal of all Americans to be financially secure, particularly in their old age. In 1937, Franklin Delano Roosevelt designed the Social Security system to provide a sound foundation for the individual's financial security. Once this secure base was established, it would be up to the vast majority of able Americans to build their own houses of financial independence. Unfortunately, too many Americans rely on the Social Security program to provide their income in their retirement years.

It has been brought to my attention that there are people in the country who have thought long and hard about this dilemma. While Congress has the responsibility to review and perhaps rethink our Social Security system and whether it is fulfilling its intended purpose, I want to commend the efforts by individual citizens, such as Arthur Lynch Williams, Jr., for helping all of us address these concerns in terms of basic financial planning. Mr. Williams is the author of a simple, straightforward book entitled "Common Sense."

Mr. Williams' views on financial security provide guidance to the average American. He believes in consumer education and presents some simple guidelines on how each person can build his or her whole house of financial security using basic tools of financial planning. Mr. Williams encourages people not to look to or rely too heavily on Uncle Sam for their future financial security. This is a key principle in Mr. Williams' writings and one which should be impressed upon all able Americans.

People in our great Nation often work for 30, 40, 50, and sometimes 60-plus years. During these working years, we must all begin to plan for our futures, our families' futures, and for those nonworking days ahead.

As I have already pointed out, Social Security was originally intended to be the minimum requirement for people in their old age and to aid families in the event of the breadwinner's death. There are many ways in which individuals can plan, save, and invest for the future. Mr. Williams points out some simple, straightforward approaches to this problem that are available to individuals at almost any income level. He reviews many strategies for achieving security, including individual retirement accounts, maximum life insurance at minimum premiums, mutual funds, money market funds, and tax-deferred annuities.

The basic premise of Mr. Williams' book is that wage earners and business people alike should pay themselves first to guarantee their retirement. He points out simple concepts often lost in the growing complexity of today's investment opportunities such as the magic of compound interest.

In short, I am glad to see enterprising people like Mr. Williams foster commonsense attitudes and offer us the beneift of his thinking and experience to help all of us look to ourselves and not the Government for our future financial security. I also want to commend Mr. Williams on the publication of his newest book, "Pushing Up People," which expounds on the many opportunities available in our free enterprise system.●

OCONOMOWOC SENIOR HIGH SCHOOL CONCERT BAND, OCONOMOWOC, WI

● Mr. KASTEN. Mr. President, it is with great pride that I call my colleagues' attention to the accomplishments of the Oconomowoc Senior High School Concert Band from Oconomowoc, WI. They have been selected to receive the John Phillip Sousa Foundation, Sudler "Flag of Honor" award.

The band is one of only five nationwide to receive this honor. Their achievements in concert performance, regional and national evaluations as well as their range of musical activities and student participation in national honor bands merited this recognition.

In addition to being listed in "Who's Who in American High School Bands," the band will receive the flag of honor and individualized certificates for each member during a concert this month. Their director, Mr. A.J. Hoeffer, will be given an engraved plaque from the foundation for his fine work with the concert band.●

EMPLOYEE EDUCATIONAL ASSISTANCE ACT OF 1985

● Mrs. HAWKINS. Mr. President, I rise today in support of the Employee Educational Assistance Act of 1985, which would make permanent the present-law exclusion from adjusted gross income of employer-paid educational assistance. The exclusion would be limited to $5,000, as under current law, with the addition of annual indexation.

My distinguished colleague from New York, Senator MOYNIHAN, has introduced this bill which is essential in promoting the continual reeducation of our work force. Especially in our rapidly changing world of today—a world in which the technology of today may become obsolete tomorrow—it is paramount that we give employers the incentives to provide educational assistance to their employees. This bill would do exactly that.

What is there to be gained by the passage of this bill? As I have already stated, this bill would provide employers with an incentive to give employees educational assistance. This, in turn, would result in the improvement of employee skills, which may be a requirement of the employer or of the law. Simply, this bill would provide the employee with the education needed to keep his/her salary, status, or job.

The statistics show the popularity of these educational tuition benefits. It is estimated that annually, about 6 million individuals benefit from employer-paid education programs. According to as spokesman for the American Society for Training and Development, there was a 74-percent jump in the number of employer-paid courses between 1978, when the program was expanded to cover a broader range of employee education and training, and 1981. Many of the beneficiaries were women.

Opponents of extending this program argue the tax-free status of employer-paid educational benefits results in the erosion of our tax base. These people argue that taxing employee educational assistance would bring in many more revenue dollars. Such proposals to bring in a few extra tax dollars are ludicrous as well as narrowminded.

I maintain that the net effect of extending these educational benefits will not dangerously undermine our tax base, but instead, will ultimately reap new tax dollars as workers' earnings improve and subsequently produce more tax dollars. When you talk about taxing educational benefits, you are talking about cutting out human potential. Ending these programs would hurt the lowest paid and the lowest skilled workers. These workers are the ones who most urgently need the benefits provided under our proposal.

As a distinguished dean of a noted school of business administration has said:

> To keep America competitive and insure that our workers are prepared for tomorrow's jobs, we need to preserve incentives for all kinds of employees to upgrade their education and skills • • • our competitiveness as a nation depends largely on our competitiveness as a people.

I do not believe any of us could disagree with this assessment. It stands to reason that our economic competitiveness as a nation, as a whole, depends entirely upon the strengths of our individual workers. Historically, this Nation has enthusiastically encouraged its people to pursue education as a means of making oneself a viable competitor in the workplace. Voting against passage of this proposal would undoubtedly discourage many workers from seeking additional education, and the inevitable result would be the undermining of this Nation's strong, proud standing in the world economic community. It is quite simple. To remain strong, a strong nation requires strong workers.

Mr. President, passage of the Employee Educational Assistance Act of 1985 would represent a sound investment in this Nation's workers—who, after all, are the essential component of our economy. I urge all of my colleagues to support this bill and invest in our future and our workers' future—the same group that has always been the special ingredient that has made this great Nation what it is today.●

HIGHER EDUCATION BUDGET

● Mr. SARBANES. Mr. President, I am deeply concerned that the Reagan administration, in its recent Federal budget proposals, has proposed its most aggressive plan to date to slash Federal support for student aid programs. The President's fiscal year 1986 budget proposals for higher education, in effect, dismantle our Nation's historic Federal commitment to equal educational opportunities for all its citizens. The budget document asserts that the administration's proposals are based on dedication to the restoration of excellence at all levels of education, yet it proposes to terminate or significantly cut Federal programs specifically designed to strengthen and advance the quality of higher education. The reality of the Reagan administration's budget proposals for higher education is that a wide range of education programs would be slashed, with the result of diminishing and denying educational opportunity to thousands of our young people.

I am also deeply disturbed by Secretary of Education Bennett's attitude toward the proposed cuts in student assistance programs, as well as his callous characterization of our Nation's college students. Even President Reagan's former Education Secretary, Terrel Bell, concedes that the administration's proposed cuts in higher education programs would "hurt colleges" and "clobber students." Yet, current Secretary Bennett contends that the proposed cuts require only a "divestiture of certain sorts; stereo divestiture, automobile divestiture, three weeks at the beach divestiture." In my view, Secretary Bennett's mean-spirited comments trivialize a very critical national issue—an issue of grave concern to many middle-income and working Americans.

Since the enactment of the Higher Education Act of 1965, our Government has been committed to policies of equal student choice and access to postsecondary education. This Federal commitment has resulted in the development of the most diverse and heterogeneous system of education in

the world. The Reagan administration's proposed cutbacks and restrictions would deliver a severe blow to our educational system, and to the opportunity for each individual to obtain the education that is essential if he or she is to function effectively in our modern society. Continued support for current Federal student aid programs is a sound investment in our country's future. It is clear that the administration has not carefully examined the implications of its own policies—policies which would only serve to limit or eliminate educational opportunities for our young people, and destroy our Government's historic commitment to the principles of equal access to higher education.●

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER [Mr. DENTON]. Morning business is closed.

NOMINATION OF EDWIN MEESE III TO BE ATTORNEY GENERAL OF THE UNITED STATES

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read the nomination of Edwin Meese III, of California, to be Attorney General.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DENTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DENTON. Mr. President, I rise in support of the nomination of Edwin W. Meese III to replace William French Smith as Attorney General of the United States. I base my position on a review of 7 days of hearings before the Judiciary Committee, a report by an independent counsel, and a report by the Office of Government Ethics. I was able to conclude to my complete satisfaction that Mr. Meese has been completely vindicated of any and all suspicion of wrongdoing.

The independent counsel's report concluded: "We find no basis with respect to any of the 11 allegations for the bringing of a prosecution against Mr. Meese for the violation of a Federal criminal statute." The conclusion followed an extensive 6-month investigation of all 11 allegations. The investigators examined all documents believed to be relevant, including files from the White House Office of Presidential Personnel and, the Counsel to the President, senior staff, notes, Mr. Meese's files, telephone logs, bank accounts and tax returns, and documents from GSA, the Merit Systems Protection Board, the Departments of Interior, Commerce, and Labor, the Small Business Administration, and the Departments of Defense and the Army.

The independent counsel interviewed over 200 witnesses including Mr. and Mrs. Meese. Additionally, 45 of the witnesses testified before a Federal grand jury. All witnesses were forthcoming; no witness refused to testify or sought immunity. Mr. Meese was questioned for 2 full days by the independent counsel and testified before the grand jury for another 2 days. His responses were shown to be accurate in every significant respect.

Subsequently, the Office of Government Ethics certified that Mr. Meese was in compliance with applicable laws and regulations concerning conflicts of interest.

Mr. President, I have great confidence in Mr. Meese's honesty and integrity. Furthermore, I know that he will come to the office with an impressive background. In the field of law enforcement, for example, his record of experience and commitment to fighting crime is unsurpassed.

Mr. Meese has extensive courtroom experience as deputy district attorney of Alameda County, but his perspective in the criminal justice systems extends beyond the portfolio of a prosecutor. As legal affairs secretary to the Governor of California, Mr. Meese was chief liaison between California's executive branch and judicial, correctional, and law enforcement agencies.

He understands the legislative role in criminal justice, having represented both the California District Attorneys Association and the Peace Officers Association before the State legislature.

He knows the importance of crime prevention efforts. Both as a volunteer and in an appointed capacity, Mr. Meese has been active in delinquency prevention programs, youth job placement efforts, halfway house rehabilitation programs, and pretrial release programs. He also has worked in prison and bail reform efforts, and served as vice chairman of the California Bar Association's subcommittee on legal services for indigent criminal defendants.

Mr. Meese has been concerned with white-collar crime—in California as vice chairman for the State organized crime control commission and in Washington—through the President's Council on Integrity and Efficiency—an effort he helped establish to put teeth in the Inspector Generals Act.

In sum, Mr. Meese has an understanding that few people can match of the machinery of American justice. Equally important, he understands the principles upon which our system of justice is based. Mr. Meese will prove to be truly a distinguished Attorney General.

I urge my colleagues to vote to confirm the nomination.

Thank you, Mr. President.

The PRESIDING OFFICER [Mr. DENTON]. The distinguished Senator from Illinois.

Mr. SIMON. I thank the Chair.

Mr. President, I want to speak just briefly on the nomination of Ed Meese. If Ed Meese were before this body to be Secretary of Transportation or Ambassador to Norway or some other country, I would be voting for him. I am less concerned about his financial indiscretions than some people are. But I intend to vote against Ed Meese and, to my knowledge, it will be the only negative vote I shall cast on the names that have been submitted by the President up to this point. I shall be doing it for a different reason, if I can go into history just a bit.

Back in 1960, shortly after John F. Kennedy was elected President of the United States, Bob Wallace, who later became Under Secretary to the Treasury and was then on President Kennedy's staff, called me and said the President-elect was considering naming Bobby Kennedy as the Attorney General of the United States and asked my opinion. I told him I had great respect for Bobby Kennedy, thought he was a person of great ability, but that I felt it was a mistake to have someone too close to the President named as Attorney General.

That applies today with equal validity. Whoever is the Attorney General, we ought to have the feeling that justice is being served, that on the 99 percent of the decisions that no one knows about publicly, if an Attorney General has to make a decision between pressure from the White House and the cause of justice, the cause of justice will be served. There is an uneasy feeling on the part of many of us, and I think some of us on both sides of the aisle, that while there is no animosity toward Ed Meese personally, that will not be the case.

The question could be asked: Well, is it not true that almost all Attorneys General are very close to a President? The answer is that that is not necessarily true. And if I can give you an example from another Republican President, Gerald Ford appointed Ed Levi as Attorney General of the United States. He was the dean of the law school of the University of Chicago. I do not think anyone thought that Ed Levi was being appointed because he was a crony of the President. I do not think anyone in this or the other Chamber had any question about Ed Levi standing up for the cause of justice. That is the standard we ought to be following in the appointment of an Attorney General. And so, with some reluctance, because I believe the President generally ought to have the power to appoint whomever he wishes

to various positions, I am going to oppose the nomination. The Attorney General, after all, makes decisions in the antitrust field among others, the civil rights area, the Land and Natural Resources Division, he heads the FBI, he heads the Bureau of Prisons, Drug Enforcement Administration, Immigration and Naturalization Services; he has to supervise the U.S. attorneys and make decisions there.

There are a whole series of very, very sensitive areas where the Attorney General of the United States must serve and make delicate, extremely important decisions. The people of the United States ought to feel beyond any question that the cause of justice and justice alone is being served by the Attorney General of the United States. The appointment of Ed Meese, I do not think, meets that standard. For that reason, Mr. President, I shall not vote for Ed Meese for Attorney General.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I join my colleague, the distinguished Senator from Illinois, in also opposing the nomination of Ed Meese to be the next Attorney General of the United States. Mr. President, I too will oppose the nomination when it comes to the floor for a vote, hopefully sometime later this week, perhaps next week, after, of course, the Senate does see that the real important business which ought to be addressed in this body this week is not the nomination of Ed Meese to be Attorney General but the important business we ought to be about is passing some meaningful agricultural legislation to save our family farmers from going under in the next few days and weeks. That is really what we ought to be about, not the nomination of Ed Meese. As I said yesterday, Ed Meese has a job. His income is secure. He gets a paycheck, I am sure, every couple weeks or once a month. The Justice Department is proceeding. The bureaucrats down there seem to be working; everything seems to be going reasonably well. And so to say that most important thing we have about us now is to take up the nomination of Ed Meese I think is a real slap in the face to the thousands of farmers in Illinois, Iowa, the Dakotas, the South and western part of this country who literally are facing forced bankruptcy on a daily basis. In my home State of Iowa just this week another bank went under. That is three since the first of January. Three banks in Iowa have gone under.

Mr. SIMON. Will my colleague yield?

Mr. HARKIN. I am delighted to yield to my colleague from Illinois.

Mr. SIMON. I simply wish to join him in saying this is a pressing matter, and as I understand the Iowa State banking commissioner—I forget his exact title—has said that over 100 banks in the Senator's State may be troubled.

Mr. HARKIN. If the Senator will yield, the exact figure I heard a couple weeks ago was as many as 131 banks in the State of Iowa are now in trouble. As I have said, we have had three go under just since the first of this year.

Mr. SIMON. What we are seeing now may be the tip of the iceberg; it is not simply the farmers but the banks and fertilizer companies, grain elevators and implement dealers—something that could have ramifications far beyond the confines of rural communities is what we are talking about. I commend my colleague and I join in his sense of urgency on this matter.

Mr. HARKIN. I thank my colleague from Illinois. He is absolutely right. It is not just the farmers. If there are people here who buy David Stockman's theory that the farmers are themselves to blame and that the Government has no place in helping to save our family farmers, then look beyond the farmers. Look at the banks that are going to go under, look at the implement dealers, at all the businesses in our small towns throughout the countryside, fertilizer dealers, seed and feed dealers; businesses that maybe exist in Boston, MA, are going to be affected by the failure of these farmers if something is not done and done soon.

Now, there is legislation pending. I noted yesterday and I note again today that the Senate Agriculture Committee has not met since the first of this year with this urgency that is pending before us. With a virtual depression of unprecedented magnitude facing us in this country in agriculture, here we are taking up the nomination of Ed Meese to be Attorney General.

Well, he has waited a year. I think he can wait a few more weeks or maybe a month—I hope no more than just a week—until we pass some agriculture legislation. But the most important thing we ought to be about is getting a debt restructuring plan.

Now, there have been various proposals introduced by various Members of this body on both sides of the aisle, and I think we ought to bring those to the floor for open debate. Let us amend them and let us go through the normal process of the Senate and then let us see what the House does. If I am not mistaken, I think the House this week is passing legislation to address the debt problems in agriculture in this country.

That is really what we ought to be about. I guess what disturbs me is that we are taking this time to talk about the nomination of Ed Meese to be Attorney General. I am going to address that point on Ed Meese himself and why I think he lacks the qualifications to be Attorney General, but I would be remiss if I did not again point out that the urgent business of this body ought to be, before the close of business this week, discussion, debate, amendment, and passage from this body some form of debt restructuring for agriculture in this country and not to take up the nomination of Ed Meese.

Mr. LONG. Mr. President, will the Senator yield at that point?

Mr. HARKIN. I am delighted to yield to my colleague from Louisiana.

Mr. LONG. Mr. President, I ask the Senator if he did see a story this morning in the business section, page D1, continued on page D2 of the Washington Post, "Big Fed Loan to Continental Not in Budget"? It goes on to say in the story:

> The Government's $3.5 billion, 5-year cash loan to the troubled Continental Bank of Illinois was arranged last May so that it would not show up anywhere as a budget expenditure, according to a new report by the Congressional Budget Office.

Now, the point is that this action was taken—and I am not citicizing the way it was handled by the administration at all—to save the Continental Bank. I am not criticizing it. I am not doing that at all.

I am saying this was handled in a manner just as a bank would handle it—as a dual interest system, you might say, so that the Federal Reserve made the money available and the money was loaned to the Continental Bank of Illinois, so that Continental could carry on its business and go ahead and redeem whatever paper needed to be redeemed, and the Continental Bank was saved.

Now, as much as I respect the Continental Bank—I have high regard for its new chief officer, John Swearingen, whom I know and greatly admire—if the Government could do this for the Continental Bank, great as that bank is and worthy of saving as it is, why should millions of our farmers be any less worthy of consideration than that great bank? After all, we are talking about millions of farmers that the Senator would like to save.

I ask unanimous consent that this article to which I have referred appear in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIG FED LOAN TO CONTINENTAL NOT IN BUDGET

(By Hobart Rowen)

The federal government's $3.5 billion, five-year cash loan to the troubled Continental Bank of Illinois was arranged last May so that it would not show up anywhere as a budget expenditure, according to a new report by the Congressional Budget Office.

The money was put up in cash by the Federal Reserve Bank, and the loan was then assumed by the Federal Deposit Insurance Corp. as part of the overall government bailout of the Chicago bank.

The CBO report, which in general says that the Fed should be more accountable for its spending, reveals that instead of the normal procedure by which the FDIC would have directly acquired the cash by the sale of its own securities, the Fed's discount window "served as the source of financing."

Under the regular procedure, a $3.5 billion FDIC loan would have shown up as a budget expenditure item. The way it was done, there is no record of the loan in the budget.

Normally, says the CBO report, loans and equity assistance from the FDIC's fund are listed in the budget as expenditures; repayments of assistance are listed as offsetting collections. An FDIC sale of securities would show up as a decrease in FDIC's unobligated balances.

In the Continental case, because the cash was provided by the Fed, eliminating the need for the FDIC to disburse cash or to draw down its equity, the Office of Management and Budget decided that the transaction didn't have to show up as a budget outlay, the CBO study says.

The FDIC then assumed Continental's debt of cash to the Fed, acquiring in exchange some of Continental's troubled loans. "Over the next five years, the FDIC will pay the interest and principal payments due on these loans to the Federal Reserve," financing any shortfall from its own reserve fund, according to the CBO. Any FDIC losses will show up as expenditures in future budgets, a congressional source said.

Former Wisconsin congressman Henry S. Reuss said "it is unheard of" for the Fed to use its discount window for a five-year loan. He suggested a bad precedent had been created, whereby the Fed had printed money to help bail out a bank. However, a House Banking Committee staff member said the Fed window was used on a smaller scale in the Franklin National Bank case.

"The Continental Illinois loan is not recorded in the FDIC's budget because the FDIC did not provide any 'budgetary resources,' even though the FDIC did assume the risk of loss in the transaction," according to the CBO report. "The loan is not recorded in the budget under the Federal Reserve's account because the discount operations of the Federal Reserve are excluded from the budget."

The "moral of the tale," said economist James K. Galbraith, former staff director for the Joint Economic Committee, "is that the normal rules for spending and lending money don't apply to the Fed, because discount operations are excluded from the budget."

Legislation to implement some of the CBO's recommendations to make the Fed more accountable will be introduced by Rep. Lee H. Hamilton (D-Ind.), chairman of a Joint Economic subcommittee that released the CBO report. Hamilton's bill would require that all receipts and expenditures of the Federal Reserve System be presented in the budget.

Mr. HARKIN. I thank the Senator for bringing that out. Like the Senator, I have no quarrel with what happened with the Continental Illinois Bank.

Mr. LONG. It is fine to save Continental.

Mr. HARKIN. That is right. I have no problem with that, and I have no problem with the way it was done. But, on the same note, as the Senator pointed out, this administration can use the laws we have on the books today. We do not need tax legislation. We can use the laws on the books today to do the same thing as was done with Continental Illinois.

For example, in the Reconciliation Act of 1981 is a provision that gives the President the power, with a stroke of the pen, to have the Small Business Administration go out right now and, on a case-by-case basis, restructure every farm loan in this country at 5 percent interest for 20 years. That is off-budget. That would not even have to show up in the budget. They can do it the same way as was done with the Continental Illinois Bank, because it is a nonbudget item. They refuse to do that for the farmers.

I have no problems with what they did with Continental Illinois Bank. I understand the ramifications of it. But they say their hands are tied and they cannot do it for the farmers of this country.

Mr. LONG. When I was in Louisiana a few days ago, a fine, hardworking black man, who worked terribly hard for everything he owns, one of the first blacks elected to public office in the State of Louisiana in recent years, since the civil rights legislation, came to me to tell me about this problem. Unless we do something to help farm credit available, here is a man who worked a lifetime so that he could have 200 acres of farmland, and he could be wiped out.

Mr. HARKIN. I want to tell the Senator another story to show the difference between the way the Government is handling the Continental Illinois Bank and the way it is handling my farmers in Iowa.

I said earlier that we had a third bank in Iowa go under since the first of the year. It was the sixth since last year.

Last summer, we had a bank go under in my former district. The FDIC came in, just as they did with the Continental Illinois Bank, and they guaranteed the loans and picked up all the bad debts. I met with the FDIC liquidators at the bank and I said, "What are you going to do with all these loans."

They said: "Some banks will pick up some of the loans. We think we can sell a few more, but some are so bad that no one will pick them up."

I said: "What will you do with them?"

He said: "The FDIC is not a bank. We are not a lender. We can't carry these on our books, so we will have to foreclose."

I said: "Just a second. Aren't you the same FDIC that went into Continental Illinois Bank and did the same thing?"

He said: "Yes, we are the same organization."

I said: "Who had those debts of Continental Illinois Bank?"

He said that there was Mexico, Argentina, Venezuela, and maybe a couple of other countries.

I said: "Are you going to foreclose on those countries?"

He said: "No."

I said: "If you're not going to foreclose on them, don't foreclose on my farmers, either."

This shows the difference in the attitude of this administration, the way it treats the Continental Illinois Bank and the way it treats the farmers. If they are not going to foreclose on Mexico, they ought not foreclose on my farmers, either.

Mr. LONG. I thank the Senator.

Mr. HARKIN. I thank the Senator from Louisiana.

Mr. SIMON. Mr. President, will the Senator yield?

Mr. HARKIN. I yield.

Mr. SIMON. I heard the comments of the Senator from Louisiana and the Senator from Iowa, and I note the presence on the floor of my colleague from Illinois, Senator DIXON.

I want to underscore that what happened to Continental, while it was not a desirable action on the part of the Federal Government, was a necessary action. John Swearingen and the officers of Continental are doing a superb job of turning it around. It is an illustration of what we have to do in the farm economy. We do not want the Federal Government to come in, but there is no choice. Just as John Swearingen and the officers of Continental are turning that institution around, the farmers of this country can turn the farm economy around if we give them a chance.

Mr. HARKIN. This Senator was in the House when the New York City matter came up, when we had to bail out New York City. The biggest city in my district had 60,000 people; yet, I was asked to help bail out New York City, and I did. I voted for it. Why? Because they are part of our great Nation, just as our farmers are.

For someone to say, "Give me a reason," as David Stockman said, "to help the farmers," who he says got themselves into this trouble, is to say that somehow the farming sector of our country is not a part of our country anymore. That is the attitude that I see coming from David Stockman and the Department of Agriculture and this administration.

New York City is a part of this great Nation. I think that what we did at that time to help New York City proved invaluable. They have made good on those loans. They have paid them back with interest, just as the farmers of this country have already paid back the loans of the Government with interest. They have never defaulted. At this time of crisis, when they need that help, this administration is not forthcoming.

51-059 O-86-45 (Pt. 2)

Mr. SIMON. I thank my colleague from Iowa for his leadership on this matter.

Mr. DIXON. Mr. President, if my colleague from Iowa has concluded his remarks, which I generally support, I have some comments to make about the order of business today.

Mr. HARKIN. I have some comments to make about the order of the day, about Mr. Meese. I will be glad to yield and give up my time, if the Senator wishes, but I do have a statement about Mr. Meese which will take the better part of a half hour.

Mr. DIXON. If the Senator will yield, I have a 2 o'clock meeting of the Subcommittee on Procurement of the Armed Services Committee, at which I am obligated to be in attendance.

Mr. HARKIN. I am more than delighted to yield my time, and I will pick up later.

Mr. DIXON. I thank my colleague.

Mr. President, the Senate has been considering issues related to the nomination of Edwin Meese to the post of Attorney General for many months now. The independent counsel took his oath of office on April 2, 1984. He filed his report on September 20, 1984.

Last year, Congress did not act on the Meese nomination because time ran out. But, once again, the nomination is before us in the Senate, and the time for decision is now.

The question that will soon be put to the Senate will be whether to advise and consent to the appointment of Mr. Meese as Attorney General. It is a role that the Senate rightly takes very seriously.

For my part, I have given this nomination the most careful consideration. For Cabinet posts, in particular, I come at this process with a built-in bias—I think that a President is basically entitled to have his or her appointee.

So I would normally come to this nomination with a disposition to be for Mr. Meese. There is no doubt at all that he is the President's choice, and no doubt at all regarding his closeness to the President.

If the inquiry could be ended there, I would have no doubt on how to cast my vote. But it cannot be ended there. For while I have a general bias in favor of the President's choice, I also, along with the entire Senate, have a responsibility to assess the nominee's qualifications and his fitness for the post of Attorney General of the United States.

Mr. Meese has had considerable experience in public life and long association with Ronald Reagan. The truth is, however, that Mr. Meese does not have the kind of towering legal reputation that makes him a natural choice for the position of Attorney General.

Mr. Meese's views and actions also reflect on his lack of suitability for the post. This is a man that said poor people stand in soup kitchen lines because they want "free food." This is a man who refers to the American Civil Liberties Union as a "criminal's lobby." This is a man who overturned law and policy to give Bob Jones University—a segregated institution—a tax exemption.

Shedding additional light on the Meese nomination are those matters that were within the purview of the independent counsel, Jacob A. Stein. The independent counsel looked into 11 separate areas, and I share his conclusion that there is "no basis with respect to any of the 11 allegations for the bringing of a prosecution against Mr. Meese for the violation of a Federal criminal statute."

But that cannot be the end of the inquiry. It is not enough simply to say that the nomineee for Attorney General cannot be prosecuted for any Federal crime. There remain questions regarding the propriety and ethics of Mr. Meese's conduct—matters the independent counsel declined to review as being outside his charter.

Mr. President, I believe that the most charitable interpretation one can put on Mr. Meese's behavior was that he was insensitive to the ethical considerations involved, insensitive to the fact that he was creating the appearance of using his office for personal gain.

This is a thread that runs throughout the areas investigated by the independent counsel. Mr. Meese seems insensitive to potential conflicts of interest, insensitive to financial disclosure requirements; in fact, insensitive to ethical considerations generally.

Whether Mr. Meese behaved in an unethical manner in specific instances may be open to dispute. I am convinced, however, that time and time again, he does not seem to sufficiently consider ethical concerns before he acts. An Attorney General must set an example. The Attorney General must be the Government's guide in the legal and ethical area. I wish I did not have to say it, but I do not believe Mr. Meese is a suitable candidate to fulfill that sensitive role. He does not meet the kind of standard that this Nation should and must set, and which it has generally set, for its Attorney Generals.

I do not believe Mr. Meese is an evil man, but that is not enough to be Attorney General. I do not believe Mr. Meese has acted illegally, but again, that is not enough to be Attorney General. The fact he is the President's choice is, I regret to say, in this case, not enough. He needs more than that to be the appropriate choice.

I reluctantly urge the Senate, therefore, to join me in opposing this nomination. If we are to be true to ourselves and to our Nation's ideals, we have no other choice.

Mr. DOLE. Mr. President, I hope we are at last completing the final chapter on this nomination. Although I understand that may or may not happen today, hopefully it will; but if not today, tomorrow; if not tomorrow, Friday; if not Friday, Saturday; if not Saturday, sometime next week.

This nomination was first submitted by the President over a year ago. We have had extended hearings, detailed investigations, thousands of pages of testimony and documents. It seems that every issue which could have been raised, has been raised, be it the nominee's competence, qualifications, character, philosophy, or independence of judgment. While there have been some unpleasant moments during this 13 month process, the end result, in the opinion of this Senator, is the right one. A strong record has been established supporting this nomination's swift approval by the full Senate.

THE RECORD

Specifically, the record shows that Ed Meese has a life time of experience in Government and law enforcement which have prepared him well for the job of Attorney General. A scholarship student at Yale and graduate of the University of California at Berkeley Law School, Ed Meese's experiences range from deputy district attorney in Alameda County to volunteer worker in delinquency prevention and youth job placement programs; from legal affairs secretary to the Governor of California, to counselor to the President of the United States. Ed Meese stands shoulder to shoulder among those who have previously held the office of Attorney General in terms of the breadth and diversity of his résumé. And few, if any, of his predecessors surpass this commitment and dedication in the area of law enforcement.

The record also shows that Ed Meese is a fair minded, responsible individual, who is fully capable of remaining independent of the White House and political influence in carrying out the responsibilities of the Attorney General. He also has a deep, abiding respect of the law—all the laws. He understands how important it is for every American citizen to look to the Attorney General as their lawyer—the legal representative of all the people. As he said on the first day of the hearings,

> There must be in the Department and throughout our Government a commitment to evenhanded justice and the equal protection of the law for all citizens regardless of their race, color, sex, creed, background or economic circumstances.

Finally, the record shows that Ed Meese is an ethical man: A man of character and integrity—a dedicated public servant whose financial dealings became an issue only because he made such a substantial economic sac-

rifice in order to serve his newly elected President. In retrospect, there were some things Ed Meese should have done differently. But then, he was a newcomer to Washington and had not yet been indoctrinated into our hypersensitivity over the appearance of potential conflict. In any event, I believe he has learned from past experience and will make painstaking efforts to adhere to the highest standards of ethical conduct as Attorney General.

CONCLUSION

Mr. President, as I said, I have had the opportunity to work with Ed Meese on a number of occasions. I know him to be a good, honest man—we don't always agree, but I have always had great respect for his opinions. I appreciate, however, that many in the Senate are not so confident about their position on his nomination. As with any contentious nomination, much of the uncertainty stems from the lack of guidance contained in the Constitution concerning what standards should be applied by the Senate in exercising its responsibility to advise and consent.

In this regard, I think it interesting to note that the prevailing view among the Founding Fathers was that the Senate's role in the appointment process would be largely passive. For instance, Hamilton wrote in the Federalist Papers,

> It is not likely that (The Senate's) sanction would often be refused where there were not special and strong reasons for the refusal.

Perhaps the Senate, at times, has been more active in the appointment process than Hamilton expected. As a general rule, however, it has always given the President wide latitude in selecting high level members of his team. Indeed, throughout the history of the Senate, only eight Cabinet nominations have been rejected on the Senate floor—the last occurring over a quarter of a century ago.

During debate on the nomination of Griffin Bell, my friend and former colleague, Birch Bayh discussed the standards he applied in evaluating a nomination and I believe those comments are relevant here. Specifically he said,

> The question is not whether Giffin Bell is perfect. . . perhaps the only person who can judge the nominee by that standard is one who meets the identical standard himself. That means there are going to be very few Members who can decide for or against the nominee on the floor of the Senate. . . . I intend to support Griffin Bell for Attorney General for one basic reason: I think the man is going to be a good Attorney General.

I voted against Griffin Bell, and have since regretted it because Birch Bayh was right—he was a good Attorney General. And I believe that while Ed Meese, too, may not meet everyone's standard of perfection, he will also be a fine Attorney General.

So I would just hope that we can confirm that nomination of Mr. Meese this afternoon and then get on to the highway bill which involves literally billions of dollars, about $7 billion, I am advised. It means $170 million to the State of Illinois, $104 million to Oklahoma, $70 million to Iowa, $73 million to Tennessee, and even $23 million to the State of Kansas.

A lot of people are waiting for that highway money; there may be a lot of farmers who work on the highway part time waiting for that highway money.

But there are some who seem determined to postpone action on the Meese nomination, the highway bill or anything else until they have had their way on another issue.

But seriously I believe that we can and should separate all these matters.

Ed Meese is an honorable man. He has waited 13 months. He has not complained about it. He understands that there is opposition. He accepts that. He simply wants to serve as Attorney General. The President wants him to serve as Attorney General. So I hope that in fairness to Mr. Meese and in fairness to other matters of legislation we hope to take up at the appropriate time—including addressing the farm matter—that we will act speedily on this nomination.

(Mr. SYMMS assumed the Chair.)

Mr. MITCHELL. Mr. President, I will vote against the nomination of Edwin Meese III to be Attorney General of the United States.

I did not lightly or easily reach this conclusion. I believe that Presidents generally should be able to have the Cabinet members of their choice. As a matter of policy, every President should be free to select Cabinet nominees who share his philosophical outlook and his policy goals. Disagreement over philosophy or policy is not a sufficient basis for rejecting this or any other Cabinet nominee.

So the fact that Mr. Meese's record on public policy matters does not coincide with my policy preferences would not be sufficient grounds for me to vote against this nomination.

But there are other important factors which must be considered as the Senate discharges its constitutional duty in the filling of high government office.

One is the nominee's integrity and ethical standards. The degree of ethical insensitivity Mr. Meese has demonstrated, reveals a disregard for the appearance of probity that I cannot endorse in an Attorney General of the United States.

Mr. Meese's inability to separate his personal financial interests from his Government responsibilities has been clearly set forth in the public record. It needs, and will receive from me, no detailed repetition; I will, however, briefly summarize some of the aspects most troubling to me:

Mr. Meese accepted two unsecured loans totalling $60,000 which were arranged by his tax counselor, John McKean. Meese paid no interest on these loans nor any of the principal until 26 months after first receiving the money, and then only after a press story revealed their existence. McKean was twice appointed to the Postal Board of Governors and now serves as chairman. Mr. Meese personally took part in clearing these appointments.

Mr. Meese was aided in selling his California home by Thomas Barrack. Barrack, who received no commission, advanced the seller a $70,000 loan to consummate the deal, paid the mortgage for a period of time, and finally absorbed an $83,000 loss on the sale, according to the report of the Independent Counsel. Within a week of arranging that sale, Barrack met with Mr. Meese in connection with his efforts to seek a Presidential appointment. He was subsequently appointed to two Federal positions. Mr. Meese could not recall that meeting until he was shown a note confirming it, and denies any relationship between Barrack's $83,000 contribution on Meese's behalf and Meese's help in getting Barrack an important Federal job, even though both Meese and Barrack acknowledged that they had never met prior to this transaction.

What is the ordinary American to think of this? A total stranger makes what is, in effect, a gift of $83,000 to an assistant to the President. He then asks that assistant to the President for help in getting a Federal job. He, in fact, receives the help and the job. And Mr. Meese suggests that there was no connection between the two. Even if there were not, which must strain the credibility of any objective person, no one can deny that the appearance of impropriety is obvious in such a case.

Mr. Meese failed to disclose an interest free $15,000 loan to his wife on four separate annual disclosure statements. The creditor, Edwin Thomas, first became Meese's immediate subordinate at the White House, and later Regional Director of the General Services Administration in San Francisco. Thomas's wife was first employed at the White House and subsequently appointed to the Federal Merit Systems Protection Board. Mr. Meese claims it never occurred to him that this loan should be reported on the disclosure from.

Mr. Meese obtained a combination of mortgage loans, bridge loans and rescheduled loans from a bank, for a total indebtedness of $420,000. Payments were in arrears on some of these loans for up to 15 months. Four officers of the bank were subsequently

appointed to Federal positions. All of these appointments were among those Mr. Meese reviewed. Mr. Meese claimed that he was unaware of the connection.

Mr. Meese accepted preferential promotion to colonel in the Army Reserve, even though the Secretary of the Army had personally called the irregularities in the promotion to his attention. Mr. Meese says he cannot recall that conversation, although he contacted Secretary Weinberger to support the reappointment of the general who approved his promotion.

Mr. Meese accepted a $10,000 check from the Presidential Transition Trust for moving expenses, even through during his initial confirmation hearings last year he testified that he had paid for his moving expenses out of his pocket. When he was advised that the payment of moving expenses by the trust was probably illegal, he asked somebody at the trust to alter the check to reflect consulting expenses.

Taken individually, it may be that no one of these specific instances would represent a serious obstacle to Mr. Meese's confirmation.

But they are not separate incidents which occurred to different people. These lapses, errors, misjudgments, and oversights are all part of one man's record. In their totality they demonstrate at the least an indifference to the appearance of impropriety, at the worst, a misuse of power for personal gain.

It is dismaying to know that despite the substantial number of questions that have been raised, and despite the pointed failure of the Independent Counsel to give Mr. Meese the vote of confidence for which his lawyers asked, this nomination is regarded by many and perhaps is, as a foregone conclusion.

I do not dispute the accuracy of that political judgment. No doubt Mr. Meese's nomination will be approved. But its inevitability does not make it right.

Another important factor in evaluating this nomination is the extent to which Mr. Meese's qualifications justify his assuming the high post of Attorney General. In one sense, the inquiry in this case has unfortunately focused almost exclusively on the search for a disqualification—for a specific act or acts which would at once defeat the nomination. As a result, almost no attention has been paid to Mr. Meese's lack of affirmative qualifications for the position. Regrettably, Mr. Meese's professional credentials have received so little attention because his ethical standards have received so much. When examined, it becomes apparent that they are, at best, modest credentials.

The bulk of Mr. Meese's adult life has been spent in politics, not in the practice of law. His entire legal experience consists of 8 years as deputy district attorney in Alameda County, from 1959 to 1967, and then a 4 year period, from 1977 to 1981, when, according to his resume, he was a self-employed attorney and consultant and part-time law professor.

A closer examination of the latter period reveals that he was not a law professor in the ordinary meaning of that term. He taught no regular law classes. Rather, he periodically conducted seminars and promoted the Center of Criminal Justice Policy with which he was affiliated.

His law practice also can only be described as minimal. During the entire 4-year period in which he worked as a lawyer, only in 1 year did he report the practice of the law to be the major source of his inocme. In 1978 and 1979, he reported $5,100 and $19,500 respectively, in income from the practice of law. While success in the practice of law (or any other field) ought not be judged by the level of one's income, it is clear that Mr. Meese cannot be fairly described as having engaged in the private practice of law in any substantial sense.

Obviously, as is well known, Mr. Meese's close relationship with the President has meant that Mr. Meese devoted considerable time to working on political campaigns. That is an honorable form of employment, but it is not the practice of law.

It is also clear that Mr. Meese's primary qualification for the post of Attorney General is that he is the President's friend.

But in the wake of the Watergate scandals 10 years ago, the Senate went clearly on record as deploring the appointment of close political friends of a President to the post of Attorney General, and even approved an amendment to the Ethics in Government Act to discourage this practice.

That Senate's judgment was the right one. It is a judgment that should be applied against all appointees to the Attorney General's post, regardless of political party or political philosophy.

The Attorney General of the United States does not have the responsibility either for writing the laws or for interpreting the Constitution. But the enormous degree of prosecutorial discretion that the holder of that office possesses means that the Attorney General of the United States, more than any other single person, more even than the President, is the individual whose personal standards and judgments will be stamped on the enforcement of the laws of this country.

For a nation such as ours, a public belief in the impartial administration of the laws is absolutely crucial. Our Nation is deeply founded on the idea of law and respect for its authority. If our Nation is to survive as it began—based on equality before the law—then our laws must be impartially enforced, and they must be seen to be impartially enforced.

The persistent habit by Presidents of both parties of nominating individuals for Attorney General whose only or major qualifications are political creates the serious risk that over time, the impartial administration of the laws, like the authority of the ethics guidelines which should rule Government officials, will be undermined.

If the major qualification for the chief law enforcement official in our system becomes political, without regard to legal qualification, the authority of the law itself will be undermined.

Nothing is so easy to overlook as the gradual erosion over time of principle. Nothing is so hard to recapture as a sound and strong principle once lost in the mist of history. If we allow to become established and take hold in this country, as we are now in the process of doing in recent years in both parties, the practice of appointing as Attorney General unqualified or marginally qualified friends of the President, we will inevitably erode the principle of impartiality and the authority that goes with it.

That would be tragic for our Nation; it would alter the kind of Nation we will become. If we persist in ignoring shortcomings in each particular nominee's case, we will sooner or later have no standards at all by which to judge the fitness of individual nominees.

The process of erosion is already well underway. The debate over this very nomination demonstrates that the principle of high standards for public service has so eroded that the fact of non-indictment is, to some, an endorsement.

Who could have imagined, 10 years ago in the wake of the Watergate scandals, that we would so soon face the confirmation of an Attorney General about whose ethical judgments so many valid questions have been raised, but about whose ultimate confirmation there is virtually no doubt?

The erosion of the ethical standards by which Government officials are judged and judge themselves has been silent, but it has been devastating.

We elected officials wonder so often why so many of our citizens are cynical about their Government in so many cases. To find one reason, we have only to look at the kinds of ethical lapses we are prepared to repeatedly overlook. We cannot expect our citizens to respect the Government if we don't respect it; if the administration offers no more than a standard of noncriminality and the Senate accepts it.

A government or an idea of government can only be as good as the people who administer it. Our Nation's idea of government based on law, of a gov-

ernment constrained by the law, and a system in which the making of the laws is separate from their enforcement, is an idea which has successfully stood the test of two centuries of experience.

It is an idea which has given this Nation the greatest degree of personal, political, and economic freedom enjoyed by any people, anywhere, at any time in all of human history.

But the idea itself is not immune to human weakness or to human failings. If we give the high posts of our Government into the hands of individuals without regard for their personal integrity or their fitness, we will have done our part to undermine the principles of our Government.

It is easy to say—as many do—that no overwhelming case has been made against Mr. Meese. But surely the Attorney General of the United States should meet a higher standard than that no overwhelming case can be made against him. Is there no standard that says an overwhelming case ought to be made for him? Should that not be our standard? And if it were, can anyone doubt that Mr. Meese does not meet it?

I will not appeal to the opinions of editorial writers, although there have been many critical editorials written on this nomination. I will, rather, appeal to the fact that despite the common wisdom in this city that this nomination will and should go through, there is here in this Senate Chamber and throughout the Nation a great deal of uneasiness about his nomination.

That uneasiness reflects the fact that Americans in a sense remain idealists about their Government. They want to be able to have a Government whose officials command their respect, not a Government whose officials have simply avoided criminal indictment.

If we avoid the responsibilities implicit in the Senate's duty to advise and consent to nominations, we will have done our share to deepen the cynicism and encourage the apathy of our citizens.

And that is an outcome which will return to haunt all of us, elected and appointed officials alike, along with all of the American people.

I thank you, Mr. President.

Mr. HATCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I ask for the yeas and nays on the confirmation.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. METZENBAUM. Mr. President, I again ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. BOREN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BOREN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOREN. Mr. President, I feel at the present moment, because of the urgency of the situation in agriculture, that we should be turning our attention to the devising of an effective emergency package to deal with the devastating conditions in American agriculture today.

Mr. President, I understand that there are some meetings going on in other offices at this moment. We, myself and others, have made proposals to the majority leader and others which they have taken to the administration for their consideration. I am hopeful that we will be hearing in the very near future that there is some positive response on their part.

Mr. President, we have given some 14 specific suggestions for consideration in an effective package to help the situation in agriculture, to protect against the future erosion of equity values in agriculture.

Mr. President, while that negotiation goes forward, I would like to share with my colleagues in the Senate a portion of the findings of the Report of the Independent Counsel concerning Edwin Meese III. I think of no more appropriate place to begin than the forward of this document.

On April 2, 1984, I took the oath as Independent Counsel.

On April 4, 1984, I met with two former Special Prosecutors, Arthur Hill Christy and Leon Silverman. Both gave me the full benefit of their experience in the staffing and the planning of their investigations.

I might say, Mr. President, I hope I will have an opportunity, if necessary, to share this whole document with my colleagues. I think it will be constructive.

Shortly after my meeting with Mr. Christy and Mr. Silverman, I met with William H. Webster, Director of the Federal Bureau of Investigation, and members of his staff. Mr. Webster tendered the full cooperation of the FBI and he fully implemented the offer. He gave me my choice of agents and I selected four. They have reported directly to me and my staff with no parallel reporting to the FBI. All four showed great skill and devotion to their assignments.

The criterion used for the selection of Deputy Counsels was demonstrated excellence at the bar. I obtained, on very short notice, lawyers who fully qualified. They are John D. Aldock, David T. Austern, Richard L. Beizer, James A. Bensfield, and George T. Frampton, Jr. Their professional biographies are in an Appendix to this Report.

I may have an opportunity to share that information with my colleagues later:

After the initial press coverage associated with my appointment, I adopted a policy of giving no press conferences.

Each witness called before the grand jury impaneled in the District of Columbia on May 8, 1984, was given the customary warnings, which included the statement that anything the witness said could be used against him. No witness refused to testify. We were successful in affording confidentiality concerning the appearance of witnesses.

During the course of the investigation, we requested documentation from a number of governmental agencies, the White House, and Mr. Meese's counsel. Nothing we requested was withheld.

I received a letter dated July 11, 1984 from Senator Joseph R. Biden, Jr., requesting me, as Independent Counsel, to render my "opinion concerning the propriety or ethics of Mr. Meese's conduct." Senator Biden suggested the use of the American Bar Association's Model Rules of Professional Conduct as the standard for drafting such a comment. In addition to Senator Biden's letter, I received numerous requests to submit an evaluation of Mr. Meese's fitness for the post of Attorney General of the United States. I also received a request from Mr. Meese's counsel to declare ". . . that the evidence does not substantiate the loose charges of moral turpitude against Mr. Meese."

The statute authorizing the appointment of Independent Counsel confines the inquiry to the question of whether a federal criminal law has been violated by the respondent. 28 U.S.C. § 591(c). The Court's order directs Independent Counsel to investigate violations of federal criminal law.

Nowhere in the statute or the order is there a directive to investigate and report on the propriety or the ethics of the respondent's conduct.

Mr. PRYOR. Mr. President, would the distinguished Senator from Oklahoma yield for a question at this point?

Mr. BOREN. Mr. President, I ask unanimous consent that I may yield for a question without my resuming the floor being deemed a second speech on this legislative or calendar day.

The PRESIDING OFFICER. The Senator has a right to yield for a question.

Mr. BOREN. I yield for a question.

Mr. PRYOR. Mr. President, I deeply appreciate the Senator from Oklahoma reading this report into the RECORD. I think it is very, very interesting. I ask this question not as a Senator, but as a taxpayer. Is the report

that the Senator has on his desk this afternoon, in the Senate Chamber, the same report that cost roughly $720,000 to produce. Is that the report I have been reading about?

Mr. BOREN. I think the Senator is correct. Those were legal costs associated with the representation of the nominee in regard to the preparation of this document.

Mr. PRYOR. I have read some reports about the Senator from Oklahoma saying in all probability—I do not want to misquote my friend—but that in all probability he will vote for Mr. Meese's nomination. I do not want to argue the merits or demerits of that particular vote or whether he should be confirmed or not.

I was listening to other speakers earlier today in the Chamber. It really dawned on me that if farmers of our country had the same ability to get credit as Mr. Meese had, they probably would not be in the predicament they are in at this moment. He really had tremendous opportunities for receiving loans. I do not think any farmer in America has the same opportunities or right. Does my friend from Oklahoma agree with me?

Mr. BOREN. I would say to my friend from Arkansas that I certainly know many farmers—as I am sure he does—who would certainly like to have the same kind of opportunity to obtain credit under the current conditions that they are facing. One of the things that I think we fail to realize is that when a farmer fails to get credit and is pushed all the way to foreclosure on that farm—and there are, tragically, a large number of those foreclosures that are taking place, as my friend from Arkansas well knows, in his own State—not only is that one farmer impacted, but all other farmers are impacted as well by the foreclosure on that farm, because it tends to put more land on the market; it tends to further erode land values; that reduces the equity value of all other farms; that makes it more difficult for all other farmers as well to obtain credit.

I had a very interesting letter I received on February 7 of this year from Mr. Frank Conway, the senior vice president of McClain County National Bank of Purcell, OK. He is writing to me about the very problem that the Senator from Arkansas has brought up in regard to this nomination and the obtaining of credit. He says:

DEAR SENATOR BOREN: I am writing in response to your hearing on Oklahoma agriculture problems. It is my belief that this country cannot survive without agriculture; and mostly agriculture in its present form. I am referring to family type farms and ranches and free enterprise. If the U.S. gets to the point that we cannot feed our Nation and have a surplus to sell, then we are in trouble. I would hate to see our economy continue in its present direction and force the small operator to give up and leave only the large corporates to continue. This could happen if we do not reduce the interest rates, the cost of production and provide better markets for farm products.

Then he says this very interesting thing, and it relates back to what the Senator from Arkansas was questioning me about in regard to credit and the loans obtained by the nominee that we are discussing.

There are no simple answers, but from my own local standpoint, the one thing that would help our farmers and ranchers the most would be lower interest rates; or provide assistance in paying interest due, or both. My point is that lenders are going to be weakened each time that a customer goes through foreclosure. The lenders cannot forgive interest and compete for interest bearing deposits and stay in business. They have to have performing loans to do this.

My suggestion would be for the government to provide money for interest payments, so that customers could stay current on their notes. This does not have to be 100% of the interest, but enough to enable the borrower to avoid past due status and eventual foreclosure. We need this type of assistance more than we need money for new or additional loans. We need performing loans from operations already in existence.

I realize that I have only offered suggestions without solutions; but I do not believe that our state and nation can survive, very long, with a weakened agriculture program that in turn could cause financial failures to numerous lending institutions in agricultural areas. My request to you and everyone involved, would be to keep our established farmers and ranchers in business and keep the family-type operation in existence; whatever it takes.

In other words, it is not only that farmer who is being foreclosed upon, that individual who is suffering a personal tragedy, a great loss. There are some I have talked to who have been on the same farm, in many cases, the third and fourth generations, even, who are now losing all. When that heppens, it also puts additional pressure on that lender. He must find other better performing loans to make up for the losses that are incurred when he has to foreclose upon land. As I say, the equity value of that asset further erodes. So we are impacting the lender's ability to deal with other farms, we are dealing with the equity value being reduced for other farmers. And what happens shortly is this domino effect we have been talking about. This cycle begins to take hold.

That one farmer cannot get credit as other people appear to be able to get credit in our society. He is foreclosed upon, the land is put up for sale, the value of the land goes down, equity for other farmers goes down, the pressure on the bank increases, they cannot carry that farmer because of that situation, other parcels of land are put on the market, that reduces the value of all the other land still there. Before you know it, all the others are in trouble; before you know it, there are fewer customers for Main Street business and that Main Street business as well is foreclosed from getting credit.

I think the Senator from Arkansas is correct in the premise of his question. I think we need to be concerned about the availability of credit on a fair and just basis for all those in our society, whether they happen to be nominees for positions of Attorney General of the United States, members of the White House staff, or those who are attempting to eke out an existence on the farmlands in Oklahoma or any other State.

Mr. PRYOR. Mr. President, if I am not mistaken, the distinguished Senator from Oklahoma spent the recent recess in his State in agricultural meetings and hearings. I did the same thing. I am of the belief that, as neighboring States, we have some similar problems. We were both Governors at the same time. One of the problems that is not being addressed today with present farm prices, is what is happening to the tax base of the United States? It is being absolutely devastated by the demise of the farmer.

For example, last Friday night my friend and colleague, Mr. BUMPERS, and myself were in Jonesboro, AR. There were 400 chairs set up. It was advertised as a farm crisis meeting. Over 2,000 farmers and businessmen appeared at this particular meeting. Shortly before the meeting started, a farmer from Harrisburg, AR, came to my hotel room and knocked on the door. I was getting ready to go in and speak to the group of farmers and business people. He gave me two cancelled checks. One of those checks was written the 28th day of February 1974—not 1984, 1974. It was written to the State of Arkansas for State income taxes in the amount of $12,757. That was his State income tax for 1973.

He gave me another check payable to the Internal Revenue Service. That check was in the amount of $81,173 for his Federal income tax for the 1973 fiscal year.

I said to my colleague and friend from Oklahoma, that farmer gave me these two cancelled checks and he said:

"Senator PRYOR, in the past 5 years, I have paid not one penny in State or Federal income tax because I have not made a profit."

If we would simply multiply this, I say to my friend from Oklahoma and my colleagues in the Senate, by 60 or 800, or 1,000 farmers—maybe a million farmers today—who are absolutely making no profit whatsoever think of what is occurring. They want to become taxpayers of this country once again.

We are seeing the infrastructure of rural America, the infrastructure of our tax base in 24 rural States, being

eroded rapidly by what is happening. This erosion is occurring because the farmer is no longer making a profit. And, today there are hundreds and hundreds and thousands of farmers who are paying no income tax because they simply cannot show enough net profit to have any taxable income.

Once again, Mr. President, they want to pay taxes. They want to be productive. They want a net income to pay taxes from. Until we give them that opportunity, they will remain as individuals in our society who are not paying taxes, and we will see the tax base of our country steadily decline. The infrastructure of this country is at grave risk.

It was described to me, I think, in very simple but lucid terms, when someone said that this country is nothing more than a house that is built upon a foundation. That foundation for 200 years has been agriculture. It has been the rural, the social, the economic fabric of our country that has made this foundation of this house so strong. And, today it is eroding very, very quickly. There is nothing more important before this Senate, or that can come before this Senate than these agricultural issues, certainly not the nomination of Ed Meese to be our Attorney General. There is nothing more important to the Senate today or to this Congress or to this country, whether you live in a rural State or an industrial State, than to look at immediate agricultural credit for the hundreds and thousands of farmers who are waiting desperately on the signs of whether they will have enough money to plant a 1985 crop.

I thank the Senator from Oklahoma.

Mr. BOREN. I thank the Senator from Arkansas for the point he has made and the questions he has asked me. I say to him only in response to his questions that I agree fully with what he is saying about the improvement that would come to our whole national economy if we could again allow income and cash flow back to the national sector so that whole sector could become participants and taxpayers, paying taxes to the Government.

We have just gone through a very serious session of our own legislature in Oklahoma. We had the experience last year where we had very substantial deficits at the State level, and a very great portion of these deficits can be traced back to the decline in agriculture.

We had testimony in the meeting which I held in Oklahoma City, of which we made an official transcript as a Senate Agriculture Committee hearing, that perhaps 90 percent of all the farmers in my State lost money last year. That means, of course, they are not paying taxes. It means that a large number of their loans become not serviceable.

We said this morning that probably 38 percent of all the agriculture lenders in the country right now are highly leveraged, far beyond what is visible, putting them in the category in which the loans made to them under current regulations could be ended up as nonperforming loans.

If you take 38 percent of $220 billion, you are talking about $90 billion or so, a vast amount of credit that is imperiled right now.

As the Senator from Arkansas knows, those of us who are urging action are not asking for more credit; we are asking for restructuring of the current debt so that we can give the farmers of this country a realistic hope that they can come out from under the debt burden which they now have while we try to structure our long-range answers which will again generate cash flow into the agricultural sector.

A lot of people have asked me whether or not it is in the interest of the United States to maintain the family farm unit and whether or not farmers deserve consideration.

Well, I can only say that we have given consideration to those in need in other countries. The taxpayers of the United States at least indirectly have underwritten loan guarantees for South American countries using the International Monetary Fund. We have underwritten and guaranteed loans and the continued viability of banking institutions in this country, Continental Illinois Bank, for example. And in dealing with the credit in those situations, situations that according to those in the administration cast a cloud over the entire economy, endangering the future of the entire economy, the figures were far below the $90 billion potentially imperiled right now.

It is a strange thing to me that as we have debated over the past 2 or 3 years our policy in Central America there has been a general unanimity of opinion on this floor that it would be helpful if we could have land reform in the Central American countries. There were those in this Senate who wanted to condition any further help to the Government of El Salvador, for example, upon action by that government to bring about land reform. Again and again we heard criticism on this floor that it was not healthy for a society or for a nation to have a dozen families or two dozen corporations own the basic land of that country and control the entire agricultural industry of a nation. Yet we stand by and glorify as the operation of the free market the same kind of trends toward concentration, control, and ownership of land and agricultural production in this country that we have condemned as inappropriate in neighboring nations to our south.

I hear a lot said about the free market. I received a letter yesterday saying, "Why don't you let the farmers compete in the free market? Why are you Senators from agricultural States asking for some kind of treatment for the farmer that will go beyond what the free market would provide?"

Mr. President, the farmers of our Nation would welcome an opportunity to compete in the free market. We are not dealing here with a sector of our economy that is in trouble because of its own inefficiency. We are not dealing with a sector of our economy that is in trouble because it has not kept pace technologically. We are not dealing with a sector of our economy that has failed to keep pace because it has not invested in its means of production. There is not an agricultural producer in the world as efficient or cost effective as the American farmer. There is not a productive unit in agriculture in the world that is as scientifically advanced as our American agricultural units on the average.

There is not an agricultural unit in the world where the average level of capital investment has been as high as the average level of capital investment in the United States. Our farmers would like an opportunity to compete on a level playing field. They would like to be able to sell in the world markets without having other nations, including some European communities, pay export subsidies to their farmers for every bushel of grain that they sell. Our farmers do not run into trouble until they start having to compete with the treasuries of other nations. Our farmers would like to have had a free market in which to compete uninterrupted by Government decisions to impose embargoes which canceled their long-term agreements with other nations, which cast doubt on the reliability of the United States as a trading partner in the agricultural sector. Our farmers would like to have the kind of free market they could control themselves so that they could demonstrate without interruption by our own Government that they are reliable and can be counted upon to fulfill long-term obligations.

But, unfortunately, our farmers have been deprived of those kinds of free market opportunities. Our farmers would like to be able to sell their products based upon a dollar which has an appropriate level of value with other currencies in the world, but they do not have an opportunity to compete on that kind of level playing field.

We have seen every indication of that, for example, in the recent rumored purchase by one of our grain companies of grain from Argentina where the company purported to be

able to pay the freight on that grain, bring it into the port of Houston, pay a 21-cent a bushel duty on that grain and then sell below the cost of grain in the United States.

Again, I received some letters from constituents of mine at that time saying, "What is wrong with our farmers? How could they be so inefficient that Argentine farmers could sell us their grain, pay the shipment costs, pay tariffs and duties and still undersell our wheat farmers?"

Well, of course, Mr. President, the person who wrote me the letter did not have the full story. They did not understand that the Argentine currency had devalued almost 90 percent compared to the American dollar in the last year.

When you buy Argentine wheat or products from any other country you first take our dollars and buy their currency to pay them in their own currency. When you can now get twice as many units of Argentine currency for the dollar as you could get just a year ago, you have cut in half the real cost of those products to purchasers in this country. There is not any unit in our economy or in this world anyplace, no matter how efficient it may be, that can long compete under those kinds of conditions. I would call it a free market.

I do not know that there is any other sector of our economy which is selling its product cheaper today than it did 30 years ago while its cost of production, the equipment is uses, and the other inputs in its production have gone up fivefold or tenfold during the same period of time. I do not know that there is another sector in our economy—if there is, I do not know which it is—which has seen its real income, its real standard of living compared to other citizens of this country almost cut in half in the past 35 to 40 years, I do not know that there is another sector of our economy in which the life work of a person can be so immediately impacted by his competitors as is true in agriculture because, as I was saying earlier, let us suppose that the neighboring farm goes out of business. Let us suppose it is a large farm and you have next door to it a small family farm unit that has been operated efficiently and effectively with hard work for three of four generations. Let us suppose you have a farmer on that family farm, who is now 75 years of age, who has labored all his adult life on that farm, has taken almost no cash out of it but plowed it all back by updating his equipment and using the latest technology and science. He has had no real cash benefit from that land, but over time he has had the appreciated value of the land, its market price.

Now as the farm next to him, with large acreage, is forced onto the market by a farmer who is going broke, it causes a 20-percent decrease in land values in that county in which this farm family has worked for four generations.

Through no fault of his own, not because he was not efficient, not because he did not plow back, not because he did not work hard every day of his life, not because he was not careful about every dollar he borrowed, he is wiped out in a very brief period of time—in my example, 20 percent of his life's savings.

I do not know of other units of our economy where ownership is still so widely dispersed, where markets are still so dependent on Government policy, where this kind of immediate negative impact can occur with such speed as is true in agriculture.

So I think that the Senator from Arkansas has quite properly addressed questions to me about why we should be proceeding with this nomination at this time when we should be addressing the crisis we are facing in agriculture.

I say that not with disrespect to this nominee. I can imagine that the weeks and months have moved slowly and he is impatient for us to get on with action on this nomination. I have human sympathy for his feelings. As I have indicated, this is not a personal matter with me. I have every intention, unless something totally unforeseen comes out in this debate that I have not yet heard, to vote for the confirmation of this nomination.

However, in conscience, I simply cannot allow us to conduct business as usual on the floor of the U.S. Senate, pretending that all is right with the world, when I see a crisis sweeping across rural America that is not being addressed adequately; when the restructuring of existing debt that is badly needed is not going forward; when we are endangering not only the farm community itself but also the financial institutions which have provided the credit that has made the existence of that sector possible over the last several years, and the rural communities and the small businesses of all kinds and professional practices of all kinds that rest upon the well-being and continued well-being and continued existence of the agricultural sector.

I could not feel that I would have done my duty as a Member of this body if I had not tried, during these nomination proceedings, to alert my colleagues to what I think is the real danger to the rest of the economy of this country, if we allow a rapid deescalation in land values, the basic unit of our entire economy, in a way that will undoubtedly have an impact, a potentially devastating impact, on the entire economy of this country.

So I can only say to my friend from Arkansas that it is because I share the feelings he has expressed in his questions to me that I feel it is imperative that we continue to talk. As I have said, I look forward, if necessary, to sharing the contents of the special prosecutor's report and investigation, word by word, with my colleagues, and of course many other additional words in relation to the agricultural crisis, as well as words bearing upon the background study of this nominee for office, until we find out whether or not there will be a sufficient response from the administration to this crisis.

I do not want to go back to my home State 1 year from now or 2 years from now, or anyplace else. I do not want to go to New York City. I do not want to go into the heart of Los Angeles, or to have to meet with the auto workers whom the Senator from Michigan [Mr. LEVIN] described yesterday, and say to them that I stood by and did not raise my voice and did not do everything that was humanly possible for me to do in order to alert my country to the danger it faces; that I did not explain that agriculture generates, directly and indirectly, 20 percent of the jobs in this country; that I did not explain that they are the largest single customer of those auto workers in Detroit today; that I did not explain how the marketplace had its impact in 1929, and the financial institutions as they were impacted in the late 1920's and early 1930's by the collapse of American agriculture, the collapse of land values that began the collapse of rural banks, which spilled over to correspondent banks used by them—that I did not do everything I could to avert that.

I want to be able to say that I did everything I could. I hope I will be able to report that we had action, that we had an effective response from the administration, which realized that these are real problems, that these are not impersonal statistics, that human tragedies are occurring, and tragedies that are going to impact on the economic well-being of all of us before we are through.

Mr. President, the ball is now in the court of the administration. There is no reason why we cannot proceed later this afternoon to vote on this particular nomination. All we need is an assurance that an effective package—we have presented 14 proposed parts of an effective package to the majority leader and to the administration—will be put together. We have even made it clear that we do not insist on each and every one of these 14 points worded exactly as we have given it to them. We must have an effective package—not to satisfy me, not to satisfy the Senator from Arkansas, but to meet the pressing need we now face in the American economy.

So the ball is in their court. If we can be assured of a time certain at which we can vote on an effective

package, I see no reason why we cannot proceed with other business. But until we do, I think we would all be derelict in our duty as Members of the Senate, as those concerned about the welfare of our entire country, if we did not continue with our effort to alert our colleagues and those who work in the administration to the nature of the threat we are now facing. I certainly have that intention, and I know that is an intention shared widely by many other Members of the Senate.

It is in our hands and the hands of others now pondering our proposals, as to whether we will be able to proceed with other business, including this nomination. It is their responsibility at this point to deal with the emergency economic situation. We have given our good-faith suggestions, and we await an answer as to whether or not they are willing to consider them or make suggestions of their own which will be effective in meeting this crisis.

Mr. PRYOR. Mr. President, will the Senator yield for a question?

Mr. BOREN. I yield to the Senator for a question, with the understanding that I do not lose my right to the floor and that it not constitute another speech in this calendar day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I think the Senator from Oklahoma has very eloquently painted a picture today of how the trade policy of this country is affecting our agricultural dilemma.

The Senator, who is on the Senate Agriculture Committee with me and others, received, back in December, a publication published by the Senate Committee on Agriculture, Nutrition, and Forestry. This report, as the Senator well knows, was entitled "Trade Policy Prospectives: Setting the Stage for the 1985 Agriculture Legislation."

I think this report is probably one of the most alarming reports I have had the opportunity to read in recent years as a Member of this body. It states that export subsidies are an unfortunate part of today's agricultural trade picture. Foreign government assistance to production, processing, and exports is faced by U.S. exporters of almost all agricultural products.

For example, let me just mention to my friend from Oklahoma who has brought up the subject, the issue, and the problems of our whole trade policy and let us look at a few of the subsidies given by countries that our farmers are directly competing with.

Our farmers today are not asked to directly compete with their neighbors in poultry, rice, soybeans, cotton, and wheat. Nor are they asked to compete directly with farmers in other countries. We are asking our farmers as a policy to compete directly with foreign governments.

I think that this study points out the enormous subsidy given; for example, to poultry producers in Brazil and in the EEC countries, sometimes as high as $400 per metric ton for broilers; also subsidies given to Italian rice producers in excess of $200 per metric ton; Japanese rice producers as high as $1,000 per metric ton; the Taiwan rice producer roughly in the neighborhood of $450 per metric ton.

I know when we talk about trade, when we talk about subsidies, the Senator from Arkansas knows full well what we are up against because every time we talk about trade we hear the response, "Well, we all want to be free traders, we are a free trade country, and that is our policy."

Mr. President, if anyone thinks that our farmers today have free trade, he has another thought coming. Some people don't want to do anything or we might enter into a trade war, my response and the response of the farmers of this country is we are in a trade war at this moment. Not only are we losing that trade war at this moment, but we do not even have a gun that is loaded, and we are losing that trade war without ever having fired one shot. We are losing a trade war. The farmers are losing a trade war. Our exporters are losing a trade war.

Mr. President, it baffles me beyond imagination to still hear people say, "Well, let us not start a trade war."

The bottom line is we are in that trade war. We are losing that trade war today, and we have yet to fire the first shot.

I wish to say that the very distinguished junior Senator from the State of Michigan [Mr. LEVIN] today was in the Chamber, and I can say, Mr. President, to my colleagues that Senator LEVIN's statement—I yield to my distinguished Senator.

Mr. BOREN. Mr. President, I ask unanimous consent that I might yield at this point to the Senator from Arkansas without my yielding constituting a speech for the purposes of devising the number of speeches I made on the floor during this calendar day and that when I resume the floor later it still be considered to be part of my first speech for this calendar day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. This morning the Senator from Michigan, Senator LEVIN, eloquently expressed what the farmers of our rural State and the citizens of our rural State have been waiting to hear. That is a recognition of the importance of the crisis in rural America by someone who represents a State with relatively little agricultural production; and more importantly, how it affects his own constituency and the infrastructure of this great country of ours.

I applaud Senator LEVIN for his eloquence in his statement and his sympathy toward the problem that we are facing today because that great Senator from Michigan certainly recognizes the fact that if the farmers do not survive they do not buy trucks, they do not buy tractors, they do not buy cars, and this is going to have a domino effect throughout the entire country.

Mr. President, to members of the groups that I had the opportunity to visit with last week while in my home State touring the agricultural sector, I also had the opportunity to mention this to them. I said:

> Fellows, I am not sure you are going to drive your tractors back to Washington or not. I do not know whether you are coming back. I am not saying I advise you to get on your tractors and come back to Washington or not. That is your business.

But, I did say this:

> If you do get on your tractor, and if you do come back to Washington, bring your banker with you because the banker today is in the soup.

The small rural banker, of which 6 percent are on what they call the trouble list, that banker today is part of the financial infrastructure of our great country and is in almost as much danger today of extinction and going out of business as many of our farmers.

We see a new coalition in America of farmers and bankers and small business people who are joining together to come forward and try to make ends meet out of a catastrophic agricultural policy that is going to mean the demise of the infrastructure of our entire country.

A great concern I have sensed over the past several days and weeks, Mr. President, is one that was brought to my attention when I was back home in the State of Arkansas. I believe that my very distinguished friend from Oklahoma [Mr. BOREN], my very good friend, Mr. EXON, from Nebraska, would both agree with me on this. It is a rough accusation, but I believe, Mr. President that today it is the unstated policy of the Farmers Home Administration in Washington to delay giving borrowers a decision. At the State and local levels, in the district levels they are probably unaware of it. I do not think they are going to tell them "No." I think they are going to say to that farmer: "Well, you come back. We cannot talk to you until March 26. You come back and bring all of your information and we will visit with you about your problem." And then March 26 is going to come and that farmer and his wife, and probably their children, are going to walk in there and they are going to talk about their farm problem; they have to have this money to plant that crop,

And, the Farmers Home Administration is never going to give them a final answer. They are going to say: "Well, you have to go back and get some

more information from your CPA, you have to get some information from your bank, you have to get some more information from the ASCS office or some other farm-oriented agency or organization."

One, I think it is the policy to bury and innundate the farmers in redtape.

Two, I think it is the policy for them to by benign neglect, ultimately be saying to that farmer that some of you will go out of business, and we are going to frustrate you to death, and finally hopefully you will just walk off from that farm and we will put it on the auction block.

I hope that is not the policy of our country. I hope that is not the policy of the Farmers Home Administration.

Finally, Mr. President, we should send David Stockman a bouquet because it was his statement which I think became the catalyst or the lightning rod whereby the farmers, bankers, and small businesses of this country united with a common concern and a common goal. That goal is to reject the philosophy that 25 or 30 percent of our whole economic agricultural structure should be allowed to go down the drain.

I think that it is very sad he made that statement. The saddest part about it is that that statement seemingly represents not just the statement of a man named David Stockman. It represents the philosophy of government, it represents the philosophy of this administration and a policy of this administration with regard to thousands and thousands of farmers.

Finally, when Mr. Stockman said, or implied, that the farmers were inefficient, implied that the farmers had gone out there to capitalize and to make a lot of money on land speculation during an inflationary period, I received a letter from a farmer in Montrose, AR, dated February 13. This letter was from a man named Duane Massey, Post Office Box 387, Montrose, AR.

I am not going to read all of his letter, but I would like to read a paragraph or two from this farmer from south Arkansas. He gave me permission to do so. He talked about what Mr. Stockman had said in the earlier part of his letter, then he said:

"Conservation" is a key word in our "farming vocabulary".

Our latest model tractor was purchased when it was 4 years old, and is now 6 years old. Our main tractors range from 6 years old with nearly 4,000 hours on it, to 13 years old with nearly 8,000 hours on it.

Our combine is 12 years old. We have two cotton pickers, one 17 and the other 18 years old.

We have three grain trucks, ranging from 21 years to 35 years old, on which I, personally, built the grain beds. I have owned some of these trucks for over 20 years.

Our family car is eight years old and has 130,000 miles on it. Our farm pick-up is 7 years old and has 150,000 on it.

My wife works off the farm, and her income supplements our living expenses, so most of our farm expenses go directly into crop production. Yet, our 1984 crop did not pay even those expenses, much less, leave any margin of profit that might enable us to make a payment on even one of the items mentioned above, that are in such bad need of replacement.

I do not think all of our farmers are inefficient and I certainly do not think all of our farmers out there should be described as land speculators who try to make profits during an inflationary period from the rising cost of land.

Mr. President, as I conclude my statement, I wish to simply say once again and reiterate, as I did when I got up, that there is no matter more pressing before the Congress and before the country than reaching out and solving this problem—no longer talking about the problem, but solving and finding a solution to it.

Mr. President, I think we can do it. I reiterate that I am very hopeful we can postpone the nomination process of Mr. Meese because I think that ranks way down the line in importance and priority compared to the farm crisis that we face.

I see my very distinguished friend from Nebraska, Senator EXON, on the floor. I yield to the Senator from Nebraska.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. (Mr. COHEN). The Senator from Michigan.

Mr. LEVIN. Mr. President, it is far more urgent that we set a prompt timetable to legislatively address the agricultural crisis than it is to resolve the Meese confirmation. But the Meese confirmation being the pending business, I wanted to address a few remarks this afternoon to that nomination.

Mr. President, I cannot vote to confirm the nomination of Edwin Meese to be Attorney General of the United States.

Eleven times the Senate has rejected nominees for Cabinet-level positions, and in three instances it involved the position of Attorney General of the United States. I suspect that is because the position of Attorney General may well be considered the post next most important to that of the President. The Attorney General, as the chief law enforcement officer of the Nation, is in essence the lawyer for the Government, and since in our country the Government is of, by and for the people, the Attorney General is the lawyer for the people.

The Office of Attorney General was created by the Judiciary Act of 1789, and according to the act itself, the only statutory qualification a nominee for the position must have is that he or she be "a meet person, learned in the law." Meet is a rather archaic word now, but it means fit or proper. Mr. President, Edwin Meese does not fit that description.

In a way, we have been fortunate with this nomination. Because of the unusual number of allegations made against Mr. Meese during his tenure as chief of staff for the President, we have had the benefit of a 385-page report by Independent Counsel Jacob Stein, cataloging and detailing the factual bases behind approximately a dozen different allegations of misconduct. We have an unusually indepth picture of just how Mr. Meese conducts his personal and professional affairs. We should use this information, since we have it, to make the most informed judgment possible about Mr. Meese. We should read the facts and draw our own conclusions about his nature, his instincts, his sensitivities, his fitness for the job of Attorney General.

I have done that. I have reviewed the Stein report, and have followed the hearings before the Judiciary Committee. I have analyzed the conclusions of the Office of Government Ethics. Based on the results of this process, I find serious fault with Mr. Meese's fitness for the following reasons.

Mr. Meese is insensitive to protecting the public trust in Government.

Mr. Meese avoids accepting responsibility for his conduct by reaching for excuses to justify earlier actions.

Mr. Meese is reluctant and evasive in disclosing the truth both to Congress and the public.

Mr. Meese has a pattern of selective memory that neatly protects him from embarrassing or implicating himself.

In short, Mr. Meese reveals and does only that which is the very minimum necessary to get by. And that, Mr. President, is insufficient to get this Senator's vote for his confirmation. Let me explain in greater detail.

INSENSITIVITY TO PROTECTING THE PUBLIC TRUST

First let us look at Mr. Meese's concern for protecting the public's trust in its government. Executive Order 11222 opens with the following statement of policy, and indeed, it is an excellent one:

Where government is based on the consent of the governed, every citizen is entitled to have complete confidence in the integrity of his government. Each individual officer, employee, or adviser of government must help to earn and must honor that trust by his own integrity and conduct in all official actions.

Mr. Meese has demonstrated a fundamental insensitivity to that concern. First, he failed to disclose his personal involvement or recuse himself, in the appointment of John McKean to the Postal Board of Governors when he had received, through Mr. McKean, $60,000 in loans to cover his personal debts and finances. Just picture one of

us in that situtation. You are in a meeting with three or four of the other top Presidential advisers, to go over a number of selections for Presidential appointment. According to Mr. Meese, your role is to exercise a veto over anyone the group disapproves of—meaning, the name has to get through this group before it can get to the President. The name of McKean comes up. You are asked for your opinion.

Would you not feel obligated to at least explain your financial relationship with Mr. McKean at that time? It is such an obvious instinct, but one that Mr. Meese did not have. Not only that, but Mr. Meese also received a memo from McKean, in preparation for a meeting the two of them had, and two items listed for discussion at that meeting were interest arrangements for the outstanding loans made through McKean, and McKean's interest in obtaining a permanent appointment to his Federal position on the Postal Board of Governors. Should you not have another person present at that meeting, if you have it at all? Should you not recuse yourself from consideration of the permanent appointment? Would not lights go off in your head signaling the possibility that the relationship between those two agenda items could look bad? Not for Ed Meese. First, he does not recall seeing the memo, but second, in his testimony before the Senate Judiciary Committee, he baldly asserts—that "I honestly believe to an objective person, I did not create an appearance of impropriety." Even the timid Office of Government Ethics found an appearance of impropriety in the McKean matter.

There has been a lot of discussion as to the actual facts surrounding the loans—that they were not made, in fact, with McKean's money, but with money from his company; that they were made at prevailing market rates; that Mr. Meese maintains he always knew it was not McKean's money, even though that is not what he wrote on his disclosure form. On the issue of an actual conflict of interest, those factors may or may not be relevant. But clearly revelant here is that Mr. Meese displayed insensitivity to the appearance of a conflict of interest, and in so doing, an insensitivity to guarding the public's trust in the operations of our Government.

Second, Mr. Meese followed the same pattern with regard to the appointment of Thomas Barrack to be an Assistant Secretary of Commerce. He neither recused himself nor disclosed his personal involvement with Mr. Barrack when Barrack's name came before the Senior Personnel Committee for approval. Mr. Meese's involvement with Mr. Barrack pertained to the sale of his California home. Mr. Meese had failed to sell his house for over a year and a half and consequently was carrying the burden of two mortgages for that period of time on two very expensive houses. Mr. Barrack found a buyer for Mr. Meese within 2 to 3 weeks of being asked for help. And, Mr. Barrack did not ask for nor was he paid a real estate commission or a finder's fee. Yet Mr. Meese disclosed none of this to his colleagues on the Personnel Committee.

Third, Mr. Meese accepted and has retained his promotion to colonel in the Army Reserve despite the fact that he knows but for his illegal transfer from Retired to Active Reserve, such a promotion could not have been possible. There were actually two issues of concern here. First, the Army unlawfully placed Mr. Meese on Active Reserve and, shortly thereafter put into place action on his possible promotion. The Army Inspector General determined that Mr. Meese was not eligible at that time for placement in the Active Reserve and that the Army had actually violated its own regulations. Subsequent to that action, however, Mr. Meese's promotional opportunity arose, but such a promotion at the time it was sought was determined by Army superiors to require special treatment and therefore cautioned against it. The promotion itself, apparently, did not violate Army regulations—there is discretion in this area within the Army Reserve—but it certainly required special treatment and unusually swift action. Despite the cautions, however, the Army granted the promotion.

Now, upon hearing about this situation and the difficulties involved, and even assuming Mr. Meese heard about this after the fact—and that is open to question—Mr. Meese has taken no step to try to rectify the situation. He has accepted and retains the promotion—a promotion that, again, but for the illegal reinstatement to active duty, he would not be allowed to have—a promotion that despite the illegal reinstatement, was granted through the exercise of special treatment. He has without any qualms accepted and retained the fruits of an illegal action.

Fourth, Mr. Meese failed to disclose a $15,000 loan made to him and Mrs. Meese, because, he said, it was not the kind of thing he thought he had to disclose. He was wrong. Likewise, he did not disclose the stock he purchased with the loan money, because, he says, he forgot about that.

Finally, in an off-hand remark made before the Senate Judiciary Committee, Mr. Meese probably most accurately described his near contempt for the need to avoid the appearance of conflicts of interest or ethical misconduct. You will remember that the transition trust paid $10,000 to Mr. Meese as moving expenses but upon determining such reimbursement to be of dubious legality, the trust records were changed to reflect the payment as consulting fees. When asked if he should have handled the payment to himself of the $10,000 from the transition trust differently, Mr. Meese said, "Well, Senator, perhaps today I would go through that rigmarole to avoid even Common Cause finding anything to question." That "rigmarole" was the return of funds improperly paid him for moving expenses, submitting a bill for consulting fees, and then receiving appropriate payment for the consulting fees. What most people call ethical care and sensitivity, Mr. Meese labels "rigmarole."

In short, Mr. President, Mr. Meese has shown himself to be a careless man when it comes to concern for the public's trust in its Government. He could have taken small steps that would have helped to dispel suspicion of favored treatment, but Mr. Meese failed to have even the sensitivity to identify the ethically dubious situation. As he said to the Judiciary Committee relative to the McKean nomination, "the appearance problem never crossed my mind at all." Mr. President, I believe that.

EXCUSES

Second, Mr. Meese avoids accepting responsibility for his past conduct by reaching for excuses to justify earlier actions. This is one of the most disconcerting aspects of this nominee. He is a man of excuses—and to find his excuses, he searches the subtlety of the record religiously. He will do almost anything to avoid admitting what might be the true nature of a situation if it will place him in an unfavorable light. Let me give several examples.

First. The question was raised at the Judiciary Committee hearing about the propriety of his nomination to be Attorney General in light of his political connections to the President. The Watergate special prosecutor's report had expressed serious reservations about placing anyone too close politically to the President in the position of Attorney General, and many Members of the Senate have expressed their sympathy for such a concern. When asked how he felt about this situation, what did Mr. Meese say? Did he admit that his connections to the 1980 campaign of the President were intimate and that indeed he was one of the principal campaign advisers but that he disagreed with the recommendation of the Watergate report for various reasons? No. Mr. Meese looked for the excuse, and found it in this answer: Paraphrasing his words, he said, "I wasn't the campaign manager or finance director, which are the positions the Watergate report refers to. I was just the deputy campaign manager involved only in issues and policy and not in handing out political favors or dealing with the various political in-

terest groups." He said, and this is an exact quotation: "I was not a chief political adviser." Now I find that extremely hard to accept. In order to avoid the intent of the recommendation by the Watergate report and the Senators who support the recommendations of the people, Mr. Meese looked for the angle that he could use to wiggle out of an otherwise difficult situation.

Second. Mr. Meese was questioned at some length by the Judiciary Committee about his relationship to Thomas Barrack and the sale of his La Mesa home. Let's set the scene based on the facts and findings contained in the Stein report. The Meeses had not been able to find a buyer for their home for over a year and a half. They were carrying two very large first mortgages, as well as a second and a third on one of the houses. They were not able to meet those obligations and were, in short, financially strapped. They were anxious to sell their home—anxious enough to mention it to Pendleton James at a family barbecue on August 8, 1982. It was so important, in fact, that that very night at the barbecue, James called Barrack, a California real estate man, and asked for his assistance in helping the Meeses to sell their house. Barrack agreed to help and found a buyer and closed on the house in less than 1 month.

When Mr. and Mrs. Meese were to meet Mr. Barrack for the first time at a dinner meeting at a Georgetown restaurant and wondered how they would recognize their patron who did them such a favor without ever meeting them, Mrs. Meese said. "Oh, we'll recognize him. He'll be the one with the halo around his head."

Now that is all fact. It is in the Stein report and it bears on the question whether or not Mr. Meese created an appearance of a conflict of interest in supporting Mr. Barrack's appointment: Did Mr. Barrack do anything of value for Mr. Meese up to the time of his appointment? I think anyone in this Chamber would agree that selling a house that had been on the market for over a year and a half, without a commission or finder's fee was providing something of value. Mrs. Meese certainly saw it that way. But what does Mr. Meese say at the Judiciary Committee hearing on the subject, when it was beneficial to him to downplay the role Mr. Barrack had in his financial dealings? The following exchange with Senator SPECTER occured:

Senator SPECTER. Has anybody contended, Mr. Meese, that you knew about the financial involvement of Mr. Barrack—and you have testified that you found out about it first in 1984—has anybody made any suggestion to the contrary?

Mr. MEESE. Not that I know of, Senator, other than an implication in the so-called Common Cause report.

Senator SPECTOR. And what is the nature of that implication?

Mr. MEESE. The implication was that somehow, he had been helpful to me in this sale. And of course, that is refuted by the facts, other than what is described as the inconsequential assistance in finding a buyer.

"Inconsequential assistance." Do we really think that is how Mr. Meese felt at the time the house sale went through? Could that be how he felt when he was being hounded by his creditors, in large part, because he was still carrying the burden of a second house? Is that why the second most powerful person of the land had dinner with a person he had never met? Barrack was the Meeses' benefactor, in every sense of the word, so much so that Mrs. Meese said they would recognize him by his halo.

Third. A third example. Why did not Mr. Meese offer to give up his promotion in the Army Reserve when he found out about all the difficulties and concerns people had with it and that it was based on an illegal reinstatement to active duty? Here is his excuse—it was the Army's fault. The following exchange took place between Mr. Meese and Senator DECONCINI on this subject:

Senator DECONCINI. How do you feel about having that commission? Does that trouble you?

Mr. MEESE. Senator, it doesn't trouble me in this sense. I was fully qualified by the constructive credit for the promotion, and the Army made the decisions, and I felt I had done everything possible to preclude any kind of special treatment, or any misappropriation of the regulations. In retrospect, what I feel is that if I was—if the proper regulations were not followed, all of the Army redtape and technicalities was not followed in returning me to active status, the fact that I was returned to active status, operated on active status, went on active duty for several days during the period of time, that effectively, any irregularities were waived by the Army, and I was properly promoted.

Senator DECONCINI. And you don't feel any obligation about receiving that, even now that you know that there was applicable laws, regulations, administrative procedures that were misapplied, violated, or ignored?

Mr. MEESE. Well, as the Inspector-General pointed out, when he conducted an investigation of this matter, I believe in 1983, all of these things could have been corrected by the paperwork within the Army, and the fact that they were not, and the Inspector-General's report was reviewed by the Secretary of the Army, they were the ones that decided that no further action should be taken, and that the promotion should be allowed to continue.

"Any irregularities were waived by the Army," he says. "The Army made the decisions." "They were the ones that decided that no further action should be taken and that the promotion should be allowed to continue." In short, so long as it was the Army's illegality, and since they haven't seen fit to correct it, Mr. Meese doesn't feel obligated to offer to correct it either. It is not my fault, says Mr. Meese; it is the Army's, and he just happens to be the beneficiary of it.

Fourth. At the Judiciary Committee hearing, Senator METZENBAUM asked Mr. Meese some questions about an article that appeared in the Washington Post on June 2, 1984, in which a lawyer for Mr. Meese was quoted as saying, "Ed Meese had no knowledge of this under any circumstances" regarding who actually altered the checks for the transition trust from "moving expenses" to "consulting fees." Did Mr. Meese take the error head on and explain just why his attorney said that—like maybe his attorney didn't know all of the details of Mr. Meese's involvement with the transition trust? No, Mr. Meese searches for the excuse, and he finds it in this exchange with Senator METZENBAUM:

Senator METZENBAUM. Now, isn't that statement (in the Washington Post article) false?

Mr MEESE. Not to my knowledge, Senator. I don't know who did the actual work of correcting the records. I talked to someone—I believe it was Ms. von Damm—but I don't know whether it was her, the bookkeeper or who else may have had the technical responsibility of correcting the records.

Senator METZENBAUM. But (Mr. Wallach) made the statement that Ed Meese has no knowledge of that at all under any circumstances. Do you think that statement is correct?

Mr. MEESE. I think it is, because I don't know who did the actual job.

Mr. Meese had previously testified that he believed he told Helen von Damm to change the records, but now he says that, technically, his attorney was correct, because he did not have any knowledge of exactly who it was who took pen in hand and actually changed the records. So he says that the statement by his attorney is true, having found the technical excuse, because he does not know who did the "actual job."

EVASIVENESS

That incident also exemplifies the third point I want to elaborate on about Mr. Meese—that he is reluctant and evasive in disclosing the truth both to the Congress and the public. He is far from candid and forthright. He says and acknowledges only that which he is forced to acknowledge, and even then it is done only begrudgingly.

For instance, during the first set of hearings by the Senate Judiciary Committee, I asked Mr. Meese, for the record, to:

Please state what personal knowledge (he had) relative to the President Carter's papers being physically available to the Reagan campaign.

He replied to that question as follows:

I have no knowledge of any effort by the 1980 Reagan-Bush Presidential campaign, or anybody associated with that campaign, to obtain from the Carter administration, or

the 1980 Carter-Mondale Presidential campaign, any private material or information.

While it may or may not be helpful to know that Mr. Meese was not aware of any effort to obtain Carter campaign or White House materials, that was not responsive to the question I had asked him. I had asked him if he had any personal knowledge of Carter campaign or White House materials being present in the Reagan campaign. So I tried again. On March 9, 1984, I wrote to Mr. Meese, stating that his reply to my question had been nonresponsive. I asked him again to answer my earlier question specifically and in full. Mr. Meese never answered that letter. On March 25, 1984, a New York Times reporter asked Mr. Meese a similar question. The reporter wrote:

(H)e (Meese) was silent for a few moments and then said, I had no knowledge of any *effort* to obtain them. (Emphasis added.)

Because Mr. Meese's nomination was in question during the pendency of the Stein investigation, I withheld pursuing the matter further at that time, until it became apparent that Mr. Meese's name would again be submitted to the Senate for approval. When that became clear, I wrote to Mr. Meese again. In a letter dated December 21, 1984, I asked Mr. Meese to state whether or not he remembered seeing eight specific documents from the 1980 Presidential campaign, and I restated my earlier question.

Did you during the 1980 Presidential campaign believe, or have any knowledge, that copies of nonpublic documents from the White House or the Carter campaign were physically available to, or in the possession of, the Reagan campaign?

Mr. Meese answered that letter on January 23, 1985. He said he did not remember seeing any of the eight documents I listed and he stated:

To the best of my recollection, during the 1980 Presidential campaign I did not believe or have any knowledge that copies of nonpublic documents that had been *improperly obtained* (emphasis added) from the White House or the Carter campaign were physically available to or in the possession of the Reagan campaign.

Again, Mr. Meese evaded my clear question. I did not ask whether Mr. Meese had known about nonpublic Carter documents being improperly obtained. I asked if he knew if nonpublic Carter documents were in the Reagan campaign, period, however they had been obtained.

Senator LEAHY, on my behalf, posed these questions a final time at the Judiciary Committee hearing. Mr. Meese finally answered. When Senator LEAHY asked Mr. Meese why he had failed to answer these questions previously, Mr. Meese said he had tried to be precise in his writing to a Senator, and it was hard for him to understand just what was being asked. Besides being another excuse, it is an excuse I have a hard time believing. The letters were clear, so clear, in fact, that I believe Mr. Meese had to actually work at avoiding the intent of the question. Mr. Meese was simply trying to provide me with as little information as possible. I can conclude nothing other than that, since the question was so clear and the answers so misdirected or qualified.

As another example of this evasiveness, look at how Mr. Meese answered questions posed to him before the Judiciary Committee on the issue of attorney fees for the investigation by the independent counsel. He was asked if he is contractually obligated to pay the full amount of some $700,000. He stated, unequivocally, "yes" and referred the committee to a written contract dated June 1984. Upon further discussion, however, Mr. Meese stated that the attorneys will accept the amount set by the court and will waive the balance in a full and complete settlement of the fees. In other words, Mr. Meese will not have to pay the entire $700,000. This decision by Mr. Meese demonstrates the ethical shortcuts Mr. Meese commonly takes. The law governing the independent counsel states that the subject of an investigation can have attorney fees "reimbursed"—and I emphasize that word—if he has not been indicted and only for the amount he incurred solely because of the independent counsel investigation. Use of the terms "reimbursed" and "incurred" implies, and I expect the court to so hold, that Mr. Meese would actually have to have paid out those sums of money. Thus, Mr. Meese must state publicly that he is indeed liable for the whole sum. But, the truth of the matter is, that he isn't liable for the whole sum if the court reimburses him for a lesser amount. Mr. Meese, here, wants the facts both ways. He wants the court to interpret his liability as being for the full amount of the $700,000, while at the same time he has an agreement with his attorneys that they will accept whatever the court assesses. That is the kind of ethical corner cutting that exemplifies the Meese style.

Third, when Mr. Meese was asked why he had not included the Biotech stock on his disclosure form—that is, the stock he purchased with the $15,000 loan from Edwin Thomas—he searched for an excuse and stated that he did not have any records of the stock at that time, because the stock was held by the brokerage firm. "I never had it," he said.

Now, that is one of the weaker excuses—so weak, in fact, that it leads me to believe that he is simply evading the truth. Maybe the truth is that he just forgot about it. To some extent, I can accept that. But to use the excuse that he forget it because the stocks were in the hands of the brokerage firm is to strain credulity.

That excuse forces us to assume that Mr. Meese does not keep any list of his stocks separate from the stock certificates themselves or that he does not even keep the receipts of the records from the brokerage company to help him, in case he does not maintain a list, to remember just what is being held in his account.

The most basic home economic skills require such a list or a file, and, as I said earlier, it seriously stretches Mr. Meese's credibility when he proposes an excuse such as this one.

Mr. President, I notice that the Senator from Nebraska is on the floor.

I have been waiting for quite a time, as the Chair knows, for an answer from the Office of Government Ethics to a letter I wrote them some time ago. That letter was due a number of days ago, and finally it was due this morning at 11 o'clock. It came in the middle of the afternoon, and we have not had the time to review it. I will cover that particular issue of that report and Mr. Meese's selective memory at a later time.

At this time the Senator from Nebraska is on the floor, and I yield the floor.

Mr. EXON. Mr. President, I am pleased to join with my distinguished colleague from Arkansas and before him my colleague from Oklahoma in discussing the serious matter with regard to the farmers and ranchers and, I emphasize and underline, small business people in rural America U.S.A. that are in extreme stress today. That is why, although the Meese nomination is before the U.S. Senate, we hope that we can recognize that there are other matters far, far more important to the economy of these United States than the confirmation of Mr. Meese.

Indeed, I have some questions as to whether or not, as Attorney General of the United States, Mr. Meese would be a strong advocate protecting the antitrust laws that are designed to protect some of the farmers of this country, the co-ops of this country, and whether or not Mr. Meese, as Attorney General, would indeed understand the critical relationship that is necessary in this country for a sound farm economy, coupled with sound farm programs and concern—and I emphasize the word "concern"—on the part of those in high public office.

Certainly, in this case, Mr. Meese is moving from the right-hand man of the President of the United States to the top man in the Department of Justice that does have a key role to play with regard not only to mergers, which the distinguished Senator from South Carolina just addresses, but a whole host of other things that directly affect farmers in rural States like mine of Nebraska.

Mr. President, yesterday many of us who serve our States in this distinguished body met together to discuss a

critical problem which is permeating rural America and threatening the very structure of our family-based agriculture producers. Indeed, Mr. President, if the direction and the course of family-sized agriculture is not corrected, we are in the process of tearing apart the very fabric—tearing apart the very fabric, Mr. President—of rural America, not only its economic well-being, but the way of life that is an important part of the United States of America.

While each story we told each other yesterday when we met had a different cast of characters, the themes running through each story were similar. That similarity was the fact that our farmers and ranchers are in deep financial trouble and they are crying out for some reasonable help.

No, our farmers and ranchers and small businessmen do not want a handout. All they want is a fair chance.

The plight of the family agriculture unit has dominated much of the news during the recent months as the picture grew bleaker and bleaker as economic recovery skipped over this part of our society.

Battling a second year of uncooperative weather, declining farmland values, crop and livestock prices that allowed little to no return on investment, production costs that have risen twice as fast as prices received for farm products, and more difficult borrowing barriers, the farm and ranch operators—and their brothers and sisters on Main Street USA, and small businesses—are being tested as much as any time since the Great Depression.

In the first 8 months of 1984 in Nebraska alone, twice as many farmers and ranchers went into some form of bankruptcy as in the same period in 1983. An economist for the Federal Reserve Bank of Kansas City indicated that midwestern farmers are facing more financial stress than at any time since before World War II.

Yet, we heard the President, President Reagan, in his State of the Union Message a few days ago—and, yet, we see the President and his administration continuing to gloss over a raging economic fire storm.

Either he does not know, or care, or both about a major economic catastrophe happening now.

Wednesday night, our President delivered his State of the Union Address to the American people. It was a speech full of optimism and hope which all applauded and share to a considerable degree, yet there are serious problems in some areas of our economy including agriculture. Many have been exposed to different viewpoints about these problems—everything from movies like "Country" and "The River," depicting hard-working farm families struggling to survive, to urgent comments by administration spokesman David Stockman, which would drive farmers from the land, have been the other side of that explanation. I simply say that we appeal again for the President's active support and help right now when it is needed the most.

Let's get to the heart of this controversy. We accomplish nothing by pitting one group of Americans against another, by dividing to conquer. The problems in agriculture are national and not just temporary. These difficulties did not arise out of greed or massive speculation by family-sized farmers. The causes are tragically simple, low prices, high production costs, and mismanaged Government policies that among other factors have destroyed international markets.

Ten years ago, wheat sold for $5.25 per bushel—today, it sells for only $3.46. In contrast, we all know that prices for almost every other item produced by American workers such as homes and automobiles have skyrocketed over the same 10-year period. While the price of a loaf of bread has risen by 38 percent over the last decade, the farmer's return on that same loaf of bread has actually declined by 20 percent.

Unlike the situation facing most Americans, the value of agricultural land has dropped dramatically, in many instances 50 percent or more—eating away at the mortgage value farmers use to get operational loans.

Agriculture is unlike any other business. Farmers and ranchers have only limited influence over the marketplace. Consumers oftentimes fail to understand that only 28 cents of each dollar spent for food goes to the farmer. Food packaging alone now costs $24 billion a year. That is $2 billion more than total net farm income. Yes. We can agree that food—basic food—is cheap by any measurement.

Right now in rural America banks and small businesses are closing at a near-record rate. Farmers—farmers of all people—are having to organize food banks to feed their families during this agricultural depression.

Our food exports are dwindling due primarily to the record-high value of the U.S. dollar and unfair subsidies by foreign governments to their food producers.

Last year, European farmers received an average of $4.74 for producing a bushel of wheat—$1.10 more than American farmers. Likewise, European farmers also received $1.17 more than our farmers for producing a bushel of corn. Foreign governments, through high subsidies and import barriers, have devastated our farmers' chances of competing fairly in the international marketplace.

The President is absolutely correct in his call for reducing Federal expenditures and not increasing taxes to attack the budget deficit. Agriculture will take its fair share of the necessary cuts.

We must not systematically dismantle the structure of American agriculture or rip apart the basic social fabric of rural America. We have all grown accustomed to having plenty of food available at a reasonable price. But if the medium-sized farmers are driven out of business, we will be left with nothing but large corporate farm operations. That would mean a concentration of corporate power and monopoly prices, and no longer will housewives, and consumers of the United States only spend 28 cents of each dollar at the grocery store that would go exclusively to the producers of that food.

Our country needs long-term agricultural policies which will insure that we have food available at fair prices for all. Agriculture does not need or want a hand-out.

Food production is essential and farmers and ranchers make that production happen. What American agriculture needs is basic fairness and opportunity, a fair chance, no more and no less.

Measured against the gross State product, a measurement similar to the GNP, agricultural products in Nebraska and Iowa have declined as a percentage of the overall economy, meaning the value of farm products has not kept pace with the increased value of other goods and services.

Declining land values have been a key problem for Farm Belt farmers. Indications are that ranchland value in Nebraska has declined as much as 50 percent in the past 4 years. Farmland value decline ranges from 25 to 50 percent since the peak year of 1981. Since agriculture land serves as the major collateral base for many farm loans, agriculture banks have suffered as well as they attempt to meet strict loan-collateral requirements that are placed upon those banks by the Federal regulatory agencies.

Mr. President, the U.S. Department of Agriculture figures—and these figures are very clear—show that farm debt in relation to assets was heavier in Nebraska, some 30 percent, than in any other State as of January 1 of this year. In my State, for every $10 of assets, the average farmer had $3 debt. A University of Nebraska study indicated that 19 percent of the Nebraska farmers are experiencing moderate to severe financial stress carrying debt-to-asset ratio of 41 percent or better. Another 24 percent of our farmers and ranchers are experiencing some stress according to this same report in varying degrees and I suggest, Mr. President, that this is just the beginning. This is just a serious beginning of a collapse that is clearly signaling to America that it is happening right now.

Mr. President, these figures are startling and behind these figures there is an individual story of stress and strain which make up these impersonal and truly troublesome statistics.

In the next few weeks, the day of reckoning will be upon many of our best food producers. It will be at that time that these producers will have the final word on whether or not they will be able to obtain the necessary financial backing to plant a crop this year. I fear, Mr. President, that even if we in this body move to assist our agriculture sector, that it is already too late for a large number of these people who have already fallen prey to the triple whammy of high interest rates, declining land values, and low commodity prices.

Even though we have already lost a large number of producers we still have the opportunity to act and save a good share of these producers who currently are struggling to find a way to put a crop in the ground this spring. Mr. President, it is this Senator's view that it is part of our collective responsibility to assist this important segment of our economy in their time of need.

As most of you know, a set of proposals has been suggested as emergency short-term measures to alleviate the current credit crunch and give both the farmers and ranchers and their Main Street suppliers the time that is necessary to work their way out of this situation.

In addition to that we in the Congress will be addressing the longer term difficulties with the omnibus farm bill that we are charged with writing sometime this session, which will take over, of course, with the 1986 crop.

Mr. President, we must act immediately if we are to prevent wholesale bankruptcies and foreclosures which could claim up to 30 percent of the remaining farmers and ranchers, the food producers in the Farm Belt.

The PRESIDING OFFICER [Mr. TRIBLE]. The Senator from Nebraska.

Mr. ZORINSKY. Mr. President, yesterday I introduced emergency agricultural credit legislation—Senate Joint Resolution 49—that I feel is vital to the needs of the agricultural community.

We are faced with a severe economic crisis back home, one which is grossly underestimated here in Washington, both by the administration and by many of my colleagues.

This past week, during our recess, I attended farm meetings throughout the State of Nebraska. Everywhere I went, there was a common denominator and a common thread in the conversations farmers had with me. That was, "Do they know in Washington, DC, what is happening to us?"

I think that those in Washington, DC, are coming to know what is happening to farm communities as a result of the severe impact the depression in the farm economy is having on the rural and other banking systems.

It seems that here on the east coast—and I visit here quite often in my current occupation—the bureaucracy in Washington is well-versed in banking, outlays, expenditures, and especially how to print money. They do a good job of printing money here. They have far surpassed anything that was ever envisioned by the inventors of the printing process.

As a result of that, my friends back home indicate that they have experienced a severe economic erosion that has resulted in cash flow completely disappearing from their businesses.

When the administration presented their current farm program to me, I asked one question: "I see how much money this farm program will save in reducing the deficit in our budget, but has anybody gone to the FDIC to estimate how much money will be spent due to the bank failures that will take place as a result of the administration's farm program?"

Several banks have gone broke in the State of Nebraska. We are not unique. It is happening in all agricultural areas. The reason is that farmers cannot pay their bills and banks cannot collect those bills.

Not too long ago, there was a situation in which a banker came to repossess some property on a farm that the family had had in their possession for several generations. It was quite an emotional and traumatic experience. The situation grew tense and the banker finally got the sheriff. The farmer then indicated that he would not give up the farm. The sheriff then got a SWAT team. The farmer came running out of the house firing, and the SWAT team shot the farmer to death.

This is what is happening. We do not have to go to Central America to see violence. We do not have to go to Central America to see poverty and poor people. You can come to the good old U.S.A.—Vertigre, NE, where farmers are sending food to other farmers so that farm families can eat.

I feel that the Government should get out of the business of subsidizing agriculture. We have to end the cheap food policy in the United States. We spend approximately 15 percent of our disposable income for food, while in other countries their populace spends anywhere from 60 to 80 percent of their disposable income for food.

There are many times I wish I could take the consumers of America and place them into the economies of other countries for 2 weeks and let them go shopping in a supermarket and see what the cost of food is in other countries.

Food is a tremendous bargain here. The bargain is so good here it is below the farmers cost of production. If a farmer cannot make a profit, like any other business—he cannot survive.

Profit is not a dirty word; it is something that is required to stay in business. Very few people stay in business if they cannot make a profit. That is just an economic law of survival. That is why I feel that in any future farm bill, the consumer should bear the higher cost of food; not the taxpayer through subsidies in farm bills. I agree with the administration on that point.

How do we go about doing that? I am preparing a farm bill that will raise commodity prices and the price of food to the consumers of this Nation to the extent that consumers might spend 17 percent instead of 15 percent of their disposable income for food.

We will not bankrupt a consumer by having to pay $1.03 for a loaf of bread instead of $1 for a loaf of bread. And you know what that 3 cents would do? It would double the money a farmer receives for a bushel of wheat because only 3 percent of the product that goes into a loaf of bread goes to the farmer for the production of that wheat. The rest of the cost of that bread is in packaging, advertising, delivering, baking, selling, and all the other factors that go with the final sale.

If we were to double the price that a farmer receives for a bushel of wheat, only 3 pennies would be added to the cost of a loaf of bread. I think that is a small price to pay for saving the No. 1 industry in our country, which is agriculture. I think some of my colleagues understand that those long unemployment lines in cities where they once made tractors, where they make pickup trucks, where they make tires and many other commodities—those unemployment lines begin in the corn fields and wheat fields of Nebraska and Iowa and all the other grain-producing States. If a farmer makes money he can spend money. He can buy those items that he needs to produce food.

On a daily basis, I receive numerous letters, and incidentally I might say lately from the children of farmers who are overhearing unpleasant conversations within their own family due to the economic strains placed on them by the severe crisis that exists in agriculture.

Mr. President, yesterday I introduced emergency agriculture credit legislation that will provide much-needed assistance for many farmers experiencing financial stress due to low farm income, high interest rates, and declining farmland values.

The proposal I offered is fiscally sound, and it does not create any new bureaucracy, and the responsibilities associated with making this assistance available will be shared with lenders,

Federal and State Governments, and farmers.

During the past several weeks, I have urged the President and the Secretary of Agriculture to use authorities under existing law to address farm credit problems. However, the Office of Management and Budget's response has been to rule out most proposals other than to offer telephone hotlines and various action teams. Those steps are fine, but the worst agricultural crisis in half a century requires much more.

The threat of foreclosure is the most serious and demoralizing aspect of the current depressed agricultural economy. Although some would say that the media has sensationalized the financial problem of farmers, I believe there is an abundance of evidence proving that our family farm system of agriculture is threatened with extinction by the present credit crisis.

There is an alternative to not saving family farms. The alternative is, and we saw this not too long ago in the form of OPEC, to run food production like a giant business without regard for the need to practice soil conservation, water conservation, prudent land conservation, and land management. The cost of food under an agricultural OPEC would truly be expensive.

But farming is not like other businesses. Having been a former businessman myself, I could always regulate my outgo with my income by going to a 4-day week, a 3-day week, laying off people. I could always balance my outlays with my intake to somehow, some way survive.

In farming, when someone leaves that business or leaves the farm and abandons the farm, or has that farm repossessed, generally business people take over the farm, not farmers but business people. Business people look at one thing and that is the bottom line. Can I make money with this or not? If I cannot I am going to cut my losses and dump this and go on to the next business venture.

I can, frankly, say that anyone taking over a farm today is not going to be in a position to be a steward of that farm. We may take food for granted and some of my colleagues vote like they have never eaten or they will never have to eat or that all the food in our Nation is produced in the aisles of Safeway, but food is produced in the soil of this Nation. That soil has to be preserved. The only way farmers can hand it down from generation to generation is to be concerned about what happens to the land and how it is tilled. A family farm is not an operation where an auditor walks in someday and says "We have to dump this out of our portfolio because we can make more money investing in microchips than we can in farmland so get rid of it because our investors are demanding a greater yield for their investment."

Mr. President, lately I have heard from the Office of Management and Budget that it is time to disinvest in agriculture as we have disinvested in automobile manufacturing.

It is true, we have disinvested in automobile manufacturing. We can disinvest agriculture. We can disinvest in television manufacturing. We can disinvest in shoe manufacturing and all the other things we do in this country and bcome a nation where everything is manufactured in other countries and shipped to us. But the day will come when a few conglomerates will say, "We will now tell you what you are going to pay for your food since you are in no position to produce it for yourselves and we are now going to tell you what you are going to pay for everything you utilize in your country."

Consumers have a stake in the preservation of agriculture. It is not only in the best interest of the consumers, it is in the best interest of the United States of America.

Mr. President, I read history books. I find, unfortunately, we never learn from history; we never benefit from the mistakes we have made. But every empire, every nation, every country's decline and fall has begun when it could no longer feed its own people.

If we do not have a viable agricultural sector in our Nation, we will not have to worry about ED ZORINSKY serving on the Foreign Relations Committee. We will not have to worry about a Foreign Relations Committee. We will not have to worry about foreign policy. We will have to worry about the survival of a nation called the United States of America. If the time ever comes that we cannot feed our own people, everything else will be academic.

One valuable lesson to learn from history books is that above everything else, this country should never forsake its ability to provide a reliable supply of food at an affordable price.

I think that is what this debate is all about. I think that is what our focus of attention is all about. I am in no way attempting to denigrate Mr. Meese by participation in this filibuster.

However, we have an opportunity to bring the focus of attention of the people of our country on a severe problem that has persisted under Republican and Democratic administrations. Only farmers are told who they can sell to, who they cannot sell to, and when they can sell.

Let me just give a brief example relating to the minimum wage law. That law assures everybody who bakes bread, who sells bread, who packages bread, who advertises bread, and who delivers bread of a minimum wage for their participation in the end product. But that law that we passed here in the Congress starts above the farmer and does not include him. The farmer is not guaranteed any money at all for his or her labors of producing the wheat that goes into the production that makes possible the manufacture of a product called bread.

In addition, there is competition within farm ranks. People say, "Well, you cannot even get your farmers together." Of course not. If you are going to feed corn to animals and slaughter animals and go into the beef business and sell beef, you want low-cost feed. But if you are going to sell corn for domestic consumption and human consumption, you want to get a high price for the corn. So, obviously, it depends on what you are going to do with the corn as to what kind of price you want for corn. Quite obviously, everybody has their own unique situation, as we do in the free enterprise system.

But it is not a free enterprise system when just recently I found a Texas farmer who wanted to go over to Mexico and get some cheap bottled gas to process food. He was told he could not import gas from Mexico because the price was too low. Well, why shouldn't a farmer be able to seek the lowest cost of production? If they can save money by lowering their cost of production, they could sell the commodity cheaper.

We will tell the farmer that he can sell in the open marketplace, but you cannot do your best to reduce your cost of production. The public cannot have it both ways. If we are going to turn the farmer free in the marketplace, fine, but make sure that that farmer is on a level playing field, playing by the same rules as all other businesses.

Our farmers can compete with other farmers throughout the world. What they cannot compete with is the treasuries of other nations that subsidize their farmers.

For this or any other administration to say, "We are going to increase our exports through a market-oriented farm bill" is saying to me, "We really don't know what is happening out there in that so-called free marketplace," because there is no free marketplace until such time as we go out and do what needs to be done to recapture our share of exports throughout the world.

We talk about reducing the deficit and the Federal budget here in the U.S. Senate. There are two ways to reduce deficits—raise taxes and decrease spending. The President recommends decreasing spending and I do likewise and many of my colleagues support that philosophy.

There is one other way to do it—and nobody talks about this—and that is create more taxpayers. You do not

have to create more taxpayers by increasing birth rates. You can make more taxpayers by decreasing our trade deficit with the rest of the world. There was a $123 billion deficit last year.

Every $1 billion of the trade deficit represents us giving up 30,000 jobs. So when you say how do you create more taxpayers, it is to reduce our budget deficit and trade deficit. There is a $123 billion trade deficit—123 times 30,000 jobs that we have given up to the rest of the world because of our imbalance of trade with other countries. And the more taxpayers you have, the more people you have addressing envelopes on April 15 to the IRS.

If there is anything the taxpayers of America today need, it is more Americans helping them pay taxes, not Congress figuring out a way to spend more of their money. That is why I feel it is very important for us to become more realistic about the export of agricultural goods. However, we can't sell agricultural products without our farmers.

During the last 3 years, over 24,000 farmers with Farmers Home Administration loans have been forced to liquidate their operations due to financial reasons. As a result of overseeing record numbers of farm liquidations since 1981, the Farmers Home Administration now has over 2,200 farms in inventory.

Prior to 1981, the number of farms held by the Farmers Home Administration had never exceeded 260 farms. The farms held by the Farmers Home Administration consist of about 488,000 acres having a value of several hundred million dollars.

It should be noted that this unprecedented number of liquidations has occurred during a time when Federal courts have greatly limited the number of foreclosure actions that the Farmers Home Administration could initiate. The Farmers Home Administration has been working to revise its loan liquidation regulations to comply with court orders. Those revisions will be completed by spring. At that time, the number of liquidations can be expected to dramatically escalate. The General Accounting Office has recently reported to me that 16,000 Farmers Home Administration farm borrowers with outstanding loans of over $3 billion are so far behind on their payments that liquidation appears to be inevitable.

The Farmers Home Administration borrowers are not the only farmers experiencing difficulty. The Department of Agriculture estimates that about 18 percent, or 430,000, farmers have debt-to-asset ratios that are dangerously high—in excess of 40 percent.

In its 1985 Agriculture and Credit Outlook Report, the Farm Credit Administration states that Production Credit Association loan losses totaled $500 million during the past 2 years. That amount exceeds the combined losses during all the other years in the 50-year history of the Production Credit Association.

Further, the Farm Credit Administration estimates that over 3 percent of all farm credit system borrowers could be forced out of business during the next 12 to 18 months.

In addition, farmers have lost an unprecedented amount of equity in their operations during the last 4 years—$200 billion in inflation adjusted dollars.

Further, the rate of return to equity and farm assets has been negative for the past 4 years, although farmers have traditionally realized a low rate of return on their investment. Prior to the Reagan-Stockman-Block years, 1953 was the last time the rate of return to equity was negative. The long-term solution to farm credit problems is stronger commodity prices and improved farm income. Those issues will be addressed in the 1985 farm bill. However, unless immediate action is taken to provide emergency credit relief, thousands of farmers will be forced out of business before the 1985 crop is even planted. For that reason, I have developed an emergency credit assistance proposal—Senate Joint Resolution 49—that will enable farmers to plant a crop this spring and restructure their debt to make them financially sound in future years.

As I have indicated, the administration's response to recommendations that discretionary authorities be used to provide immediate credit relief has been inadequate. Because appropriate administrative actions have not been taken, the bill I have developed requires the administration to begin using certain administrative authorities. Under the legislation, the Farmers Home Administration would be required to take immediate action to hire additional personnel on a temporary basis to process and service loans, to reduce the interest rate on direct loans, and eliminate unnecessary administrative requirements that have discouraged participation in the Debt Set-Aside Program and the Loan Guarantee Program.

In addition, the legislation requires the Farmers Home Administration to act within 15 days on requests from lenders to be designated as approved lenders, a step that will expedite the processing of loan guarantee applications. Further, Senate Joint Resolution 49 establishes a special task force to study agriculture credit problems and make recommendations on what steps can be taken to provide long-term solutions.

The Senate called for the establishment of such a task force on May 2, 1984, when Senate Resolution 287 was approved. Under that proposal, the task force would have completed its work by January 1, 1985, and it is unfortunate that we must now address agriculture credit problems without the benefit of the task force's recommendations.

The many problems surrounding farm credit are complex, serious, and are related to other aspects of the national economy. Federal farm credit programs cannot address the weaknesses in the overall economy caused by bankrupt fiscal policies that result in huge budget deficits. But they must be adjusted to reflect the credit problems for farmers stemming from these policy failures. A careful, unbiased examination of our Nation's agricultural credit industry and Federal agricultural credit policies will assist the administration and Congress in developing long-term legislative remedies.

Mr. President, at this time I yield to the Senator from New Mexico, and ask unanimous consent that if I again receive the floor any future statement or speech today be considered as part of this initial speech, and not be considered as a second speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ZORINSKY. Mr. President, I yield to the Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I rise today to thank my distinguished colleague from Nebraska, the senior Senator from Nebraska as well, and also my colleague from Oklahoma for the leadership they are providing to the troubled farmers of America.

I am pleased to join their effort to focus the attention of the Senate and the American public on the agricultural crisis facing this country. What is this crisis and how did we get into it? The problem is both simple and urgent. By some estimates, 10 to 15 percent of the Nation's farmers now owe so much money with so little hope of repayment that they cannot borrow more to plant and pay family living expenses until harvest.

Widespread bankruptcies of farmers threaten the rural economy that depends on their prosperity.

Moreover, about 24 percent of farmers' debt is held by farm suppliers, neighbors who sold land on credit and other noninstitutional lenders.

The villains in the debt problem are low commodity prices, high interest rates on loans, and dramatic deflation in the price of farm land, particularly in the Midwest.

As 1970's expectations of agriculture as a lucrative business have diminished, prices for farm land have begun to drop dramatically.

For more than a decade, many farmers piled up debt, and were encourage to do so by not only their bankers but also top farm officials in Washington, respected academic economists and local extension agents.

During the 1970's, when export demand for U.S. farm goods rose dramatically every year, ambitious farmers bought more land, better equipment and more farm chemicals to increase their production; many bought on credit.

In the 1980's, export growth, for various reasons, ceased. Debt-laden farmers kept borrowing and the geared-up farm industy kept producing huge surpluses and market prices tumbled. Loans were made against rising land values to farmers who showed little cash profit from one year to the next.

In some regions the problem was compounded by loss of crops to bad weather, particularly the 1983 drought that savaged the Nation's corn crop. In 1980, the Nation's total farm debt was $166 billion; by 1983 it stood at a record $215.3 billion. In 1984 it declined by a little over 1 percent, according to USDA.

Of the total debt, some $60 billion to $70 billion is owed by farmers whose debts exceed 70 percent of their total assets, a ratio considered untenable in current economic conditions.

This year Congress is scheduled to draft a new farm bill and the debate over the farm program is important to every citizen in this country, not just to those who live on the farm or make a living or attempt to make a living through agriculture. It is critical to review some basic facts about this very important industry.

Agriculture is the most productive and most efficient sector of our Nation's economy. It is consistently one of the few sectors of our economy where we have a favorable trade balance. Last year, we sold to other countries $19 billion more in agricultural products than we purchased. Additionally, our farmers have been giving Americans the greatest food bargain in the world. Americans spend only 16 percent of their income for food. The average Russian spends 45 percent for food. Even in Great Britain, the average is about 28 percent. American food consumers get more for their money today than in 1950. In 1950, an hour's wage for the average worker bought 10 pounds of bread or 8 quarts of milk. Today, it will buy 16 pounds of bread or 15 quarts of milk.

In great part, American consumers have received these benefits due to dramatic increases in the productivity of our farmers. At the beginning of this century, one farmworker could only feed seven persons. By 1970, this farmworker supplied enough food and fiber for 47 people. In the past 10 years the productivity of this one farmworker has almost doubled—he now supplies enough for 78 people. This increased agricultural productivity, the rise of output per unit of input, has been a major contributor to improved living standards for Americans. As agricultural productivity has increased, consumers have been able to upgrade their diets at a lower cost.

The farmers, however, have been absorbing the cost of providing these benefits to the rest of the Nation, usually selling below their actual cost of production and by going broke in record numbers. When we have record numbers of farmers going bankrupt, our entire economic system is threatened. Let me review some of our agricultural history.

Just 35 years ago, net farm income for 1 year would have more than paid off total farm debt. This past year the debt was over 16 times as much as annual income. In 1950, net farm income was $19 billion and total farm debt was $12.5 billion. In 1983, net farm income had fallen to $5.4 billion while total farm debt had skyrocketed to $216.3 billion. For the past 5 years, American farmers have had very little income with which to attempt to service a huge debt.

FINANCIAL CONSIDERATIONS

Financial conditions in agriculture continue to deteriorate. Most agricultural lenders are witnessing declines in the overall quality of their loan portfolios as highly leveraged borrowers continue to face severe debt repayment problems. Reserves for loan losses are shrinking, and the increase in nonperforming assets is having an adverse effect on earnings.

Several factors have contributed to these financial problems. Following the boom of the 1970's, net farm income declined sharply in 1980; in constant dollar terms it has remained at historically low levels for almost 5 years. This stagnation, as evidenced through cash marketing receipts, reflects a combination of world grain surpluses, sagging world trade, and weak commodity prices. At first, many farmers as well as agribusinesses assumed that the downturn was temporary and that things would soon get better. Few farmers made the adjustments that lower incomes require; indeed, some continued to expand rapidly, borrowing as much money as they could. In the past 3 years, however, asset values in agriculture have dropped significantly. Between 1981 and 1983, farm real estate values declined about 10 percent, with the decrease in the Corn Belt averaging almost 25 percent. There are pockets—especially those hard hit by natural disasters—where land values have fallen almost 50 percent. At the same time, the farmer's ability to borrow, is declining because so many farms are being forced onto the market. The value of agriculture land has fallen 22 percent in the last 3 years. As land values have fallen, more and more farmers find their equity eroded to unacceptable levels. In the past 4 years, the value of equity in agricultural land owned by the farmers of this country has decreased by over $150 billion.

Another factor that contributed to the current stress in agriculture was the escalation in interest costs. Although nominal interest rates have eased since 1980, real rates have increased, adding further to the burden of highly leveraged borrowers. As a percentage of total production costs, interest costs have doubled since 1975 and now represent about 16 percent of the total. In 1983, agriculture's interest bill was $21.2 billion, as compared with $6.1 billion in 1975. In the past 5 years, we have seen a 200-percent increase in farm bankruptcies and forced liquidations.

From a lender's viewpoint, there is an additional problem because operators with debt-to-asset ratios above 40 percent—though relatively small in number—represent a large share of the total agricultural debt, about two-thirds altogether. Clearly, massive defaults by these borrowers would harm many agricultural lenders. Thus, various proposals for public assistance to help farmers restructure their debts have dual motives: to strengthen agriculture and to shore up troubled financial institutions.

No matter how conservative lenders may be in their business practices, they are vulnerable to widespread economic adversity, especially when their loans are concentrated in a single industry like agriculture. Prudent lenders always establish reserves for loan losses and build these reserves by adding a small fraction to the interest rates they charge borrowers. Normally, these reserves are adequate to handle losses from isolated case situations that inevitably arise with any lender. However, a serious charge-off problem can eat up low reserves quickly. A second, more immediate problem for the lender is the loss of interest earnings whenever a borrower fails to make payments. Nonperforming loans can quickly erode the earnings base of a financial institution. If the lender tries to protect earnings by increasing interest rates, good borrowers will likely take their business elsewhere. Thus, the financial condition of the lender can be adversely affected if the quality of the loan portfolio begins to deteriorate rapidly.

The most pressing problem facing agriculture in this decade is the price-cost relationship. Farmers and ranchers in New Mexico and across the Nation do not receive adequate return on their products to cover the cost of production and show a profit. Traditionally, producers borrow money to finance their production expenses and with the lack of a reasonable profit, these producers often borrow high interest money to finance the cost of doing business. Borrowing on equity, refinancing, and producing more have been the alternatives many farmers and ranchers have chosen. However,

increased production adds to the glut of farm and ranch products and is sometimes a detriment to adequate profits.

Adequate prices are beyond the reach of farmers and ranchers on an individual basis. They cannot compete against subsidized foreign agricultural products or stand alone against cartels that supply fuel and other products.

Changes in production methods and techniques over the last few decades have made the agricultural industry a large and intensive user of capital. The statement that best describes this trend is: "It requires fewer and fewer people using more and more capital to produce more and more total product." Much of this change is the result of adopting modern technologies including machinery, fertilizer, disease and pest and weed control, along with the farmers' and ranchers' willingness to use scientific methods and modern-day management practices.

As a result, there is no industry that uses more capital per unit of production than agriculture. Each person employed full time in commercial agriculture requires the investment of at least one-quarter million dollars. There is every reason to believe capital requirements in agriculture will continue to increase during the next 10–20 years.

To the detriment of this industry, the longrun return on capital invested in agriculture has been low. In the last 2 to 3 years, the rate of return has not exceeded 3 percent per annum. At the same time, nationwide net income per acre has gone from $11 in 1950 to $4 today. Total farm income in 1981, adjusted for inflation, was the worst since the depression. Purchasing power from crop sales is only half of what it was 30 years ago. Unfortunately, the equipment to be purchased has inflated beyond the means of producers. In 1970, a 100-horsepower tractor with a two-way plow cost $8,138. In 1981, a 130-horsepower tractor with a plow cost $45,849. This reflects a 568-percent increase in 11 years. Cotton and grain prices have risen only 100 percent.

The tendency for low returns on capital creates a problem for agricultural borrowers. Many financial lending institutions tend to shy away from providing credit for agricultural pursuits. Vertical and horizontal integration in agriculture by large conglomerates has been, in large part, due to economics of scale and to high cost and low availability of capital to individual farmers and ranchers. There is strong evidence that this trend will continue during the next decade and beyond. Agriculture cannot function at this level of capital cost unless price levels of agricultural products move upward.

NEW MEXICO AGRICULTURE

At this time, let me describe the agricultural environment of New Mexico. As a large ranching and farming State, New Mexico is certainly not immune to the agricultural crisis.

To put into perspective the problems which we face, it is important to understand the scope and size of New Mexico's agriculture.

Livestock production clearly dominates New Mexico agricultural income, with beef cattle by far the leader. Dairying has increased 450 percent in the past 3 years, while sheep numbers are increasing slowly. Production per acre is low for beef cattle on native range. On the other hand, production per dairy cow ranks third nationally. Swine production is largely confined to a few large commercial units.

Crop production in New Mexico is highly dependent on irrigation, with approximately 90 percent of total production coming from the irrigated sector. Total acreage devoted to irrigated crop production increased from 1,274,950 to 1,413,000 during the 1970–80 period.

Many challenges and problems face the farmer and rancher in my State as they attempt to go about the task of feeding and clothing the Nation and other countries of the world. Factors outside their control provide the framework within which they must operate. Economic factors, not all of which they can control or adapt to in advance, determine the outcome of production and marketing decisions.

Agriculture and rural New Mexico will undergo tremendous change in the decade ahead. The population base of our State is shifting toward the urban side. Moreover, we can expect about 21 percent more people in the State by the year 1990. In many areas, the limited supplies of ground water are being depleted; both ground and surface water used by agriculture may be preempted by urban or industrial needs, putting more pressure than ever before on water conservation in agriculture. Urbanization of prime irrigated farmlands in the narrow valleys and cultivable areas of New Mexico poses a real loss to agriculture.

Although we are an energy-rich State, New Mexico, because of its varied geography, faces some unusual challenges. It is likely that energy costs will remain relatively high in the 1980's, maintaining pressure on conservation and development of alternate sources. Certain agricultural operations—water pumping and transportation, for example—will feel the impact of extreme economic pressure.

Credit problems facing many segments of New Mexico agriculture are substantial and may result in the loss of many producers and even a shift in ownership. Primarily, this will hit young farmers and ranchers—the key to tomorrow's agriculture.

In 1981, there were 13,600 farms and ranches in New Mexico and they use about 90 percent of the 78 million acres in the Land of Enchantment. In 1981, their cash receipts from farm and ranch marketings was $854 million, down 25 percent from 1980 and 24 percent from the 1979 figures. Receipts from livestock and livestock products decreased by $311 million, while receipts from crops increased by $43 million. Much of the drop in receipts came from beef cattle production as ranchers held back animals and sold at depressed prices, a national trend in the livestock industry. The future outlook for earnings from farm and ranch operations indicates a continuance of depressed prices spurred by surplus production.

The lending picture in New Mexico is no less serious. Let me provide you some figures on New Mexico's FmHA loan portfolio. New Mexico has a total of 13,600 farmers contributing $1 billion in gross cash receipts.

Of those 13,600, 11 percent, or 1,527 presently have loans with FmHA. And of these 1,527 loans, 627 or 41 percent, are delinquent. For fiscal year 1984, New Mexico's portfolio included:

Farm ownership loans of $55 million with $3 million delinquent;

Operating loans of $25 million with $6 million delinquent;

Emergency loans of $40 million with $17 million delinquent; and

Economic emergency loans of $30 million with $9 million delinquent.

Forty-one percent of these loans being delinquent is certainly a cause for great concern in our State.

NEW MEXICO FARMERS OBVIOUSLY NEED OUR HELP

Last week in response to the crisis in New Mexico and the rest of the country, and the growing dissatisfaction with the September debt restructuring initiative, the administration announced plans to strengthen its original restructuring plan of last September. Last year's plan included a 5 year or up to 25 percent deferral principal and interest payments and a $650 million loan guaranteed made available to private lenders. The administration has now added an interest write-down option. This option is provided to enlist the participation of those banks which had shied away from the original plan because it left them too exposed financially.

The proposed new program is expected to allow a writedown of either interest or principal by a lender or some combination of both, as long as the overall writedown is equivalent to at least a 10-percent writeoff of the original balance due. The maximum guarantee will likely be no greater than 90 percent of the equivalent writedown of the original balance. The new loan has to be backed by adequate collateral and carry an interest rate no lower nor higher than that being

charged to borrowers in good financial standing with the lender.

The major difficulty banks face if they participate in the administration's current program is an immediate reduction in capital. If small country banks write off loan principal, the writeoff will be charged against bank capital accounts.

If writeoffs of principal are large enough, they may reduce bank capital below the capital adequacy ratios acceptable to bank regulators. Agricultural banks are particularly sensitive to bank examinations at present because many small banks are being forced to sign cease-and-desist orders and other enforcement agreements that place onerous burdens on the banks and their management until capital positions are returned to normal levels. If an interest rate alternative to the existing program could be adopted, this capital problem for small banks would be avoided and the banks could assist more agricultural borrowers.

Although the administration's proposal is most certainly a move in the right direction, it is unclear whether it will reach those most in need and not continue to finance farmers who have a strong chance of surviving this crisis. As my colleague of Kansas has said: "This program offers too little assistance and too little hope."

WHAT CAN BE DONE IN AGRICULTURE?

No one can pretend to have all the answers, but some steps clearly must be taken as we consider the farm bill and emergency credit measures presently before this body.

First, and foremost, we must bring down Federal budget deficits which lead to high interest rates for farmers and an overvalued dollar which prevents them from selling in world markets. A balanced Federal budget would be of great economic benefit to our Nation's farmers.

Second, we should develop a long-range, multiyear policy aimed at bringing production in line with demand and announce it early enough so that farmers can make plans. Often programs are changed even after farmers have planted their crops. All of this wastes taxpayers' money and our precious national resources.

Third, in our foreign aid programs, we should make greater use of our surplus farm products.

Fourth, a long-range conservation component is an essential ingredient in any good farm program. We need a program which will allow farmers to take erosion-prone land out of cultivation and place it in conservation treatment for a number of years while also providing financial incentives to make up for lost income from this land. Such a program would save our precious soil resources and would help the taxpayers by reducing surpluses and by cutting the cost of our commodity programs by hundreds of millions of dollars.

Of course, Mr. President, any consideration of long-range improvements in the farm program will become moot if we do not have emergency action on the credit front to keep the massive bankruptcies and collapse of the agricultural sector. This week several alternatives have been recommended to ease the credit crisis. I hope the Senate will move swiftly to consider these worthy options and that we can work in a spirit of compromise with the administration to pass emergency credit legislation. I believe it is essential that Congress take action now, Mr. President.

Mr. BUMPERS addressed the chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I want to echo and to some extent repeat the statistics that the distinguished Senator from New Mexico [Mr. BINGAMAN] has given the Senate. Senator PRYOR and I toured the State of Arkansas last week visiting with farmer groups all over the State, and one of the best suggestions I got was from a farmer down in southeast Arkansas who suggested we move the Department of Agriculture over to the Defense Department; then, he said, farmers could get anything they wanted.

To get down to the question that the American people are asking, or at least the question that David Stockman says they are asking—why the farmer? Why are we debating and holding up the Edwin Meese nomination on behalf of a bunch of people who, it is argued by Stockman, got themselves into this predicament and really do not deserve very much sympathy?

Well, let me start off by saying it is true that when I was a youngster, growing up in rural Arkansas, 25 percent of the people in this country lived on the land. Today that figure is probably a little under 3 percent. And, of course, of the 3 percent not everybody is on the endangered list. It is true that we have a lot of farmers in this country who are well enough off that they are going to survive this crisis whether we take action or not. But Mr. Stockman has said, why should the cabdriver of Washington, DC or New York City subsidize the American farmer? Well, No. 1, the cabdrivers of Washington, DC were not asked to give up a significant part of their income when the Soviets invaded Afghanistan and the embargo was declared. The American cabdriver has never been asked to give up a part of his income to implement a part of American foreign policy over which he has no control and very little interest. I said the other day that asking David Stockman to help the American farmer is like getting on the subway with Bernard Goetz and asking him to loan you $5. I cannot believe he sincerely believes the things he says about the American farmer, having grown up a farm boy himself.

Does not the American cab driver benefit from the reduction in trade deficits that we enjoy as a result of farmers?

Last year we exported $38 billion worth of agricultural products and we imported about $38 billion worth of agricultural products and we imported about $19 billion. So the farmers reduced the trade deficit last year by $19 billion. They are, so for as I know, the only segment of our economy which can say they exported twice as much as they imported.

Sometime this year, 1985, the United States, which is the most powerful Nation on Earth, will become a debtor nation for the very first time since we become a nation. What does that mean? That means that foreigners will have more money invested in the United States than we will have invested in all the other countries of the world. We will then be a net debtor nation. In one sense, we are no better off than Argentina, Brazil, and Mexico, when that happens. But you can say one thing: It is the American farmer who has kept that from happening before this year. It would have happened a long time ago if it had not been for agricultural exports.

Does the American housewife really want the American farmer to go under? Does she want land values to continue to decline and net income of farmers to decline? The most consumer-oriented Senator ought to stop and reflect on this point: If land values continue to decline as they have in the past 6 years, then ultimately the land is all going to be bought by the only people who can afford to buy it, and that is the corporate agricultural interests of this country.

If you want to make a conscious decision and say that is OK, then so be it. But let me tell you what the probable consequences of that will be. The probable consequences will be that once a sizable segment of the farmlands of this country falls into the hands of a few agricorporate interests, you will see prices dictated not by the strong dollar abroad, not by subsidies in this country, but by a few people who happen to control all the supply; and in every case throughout the economic history of this country and every other country, when a very few people control the supply, the price goes up.

Put the approximately 400 million acres of arable land in this country in the hands of corporations and see if soybeans sell for $5.70 a bushel. It will be more like $10.70 a bushel.

So the question that the American people are asking—and it is a legiti-

mate question—is, "Why is the family farm worth saving?" I want to reemphasize that we are not talking about saving every single farmer. We are not even talking about saving the inefficient farmer. We are talking about saving efficient farmers who have been losing money steadily for the last 5 years through no fault of their own. They have been good producers. But they are not the ones who set the interest rates. They are not the ones who set the prices on the tractors and the combines they have to buy. They are the victims.

At the expense of being repetitious, let me just point out these facts. I am personally familiar with this because I have a good pastureland farm that I wish I had sold back in the late 1970's, because it would have brought $400 to $500 an acre more in 1978 and 1979 than it would bring today.

Over the past 3 years, farm values have declined by 22 percent, and in some places as much as 50 percent and 60 percent. In the past 4 years, the farmers' equity—that is, the part he owned above what he owed—has declined by about $150 billion.

Listen to this statistic: Farm debt in 1950 was $12.5 billion. That is what farmers owed in 1950—$12.5 billion. The net farm income that year was $19 billion, or $7 billion more than all the money they owed. By 1984, in constant dollars, farm income was down to $5.4 billion. And everyone knows that debt is now up to $215 billion. That is the most staggering of all the statistics anybody could recite. Think about that.

Farm bankruptcies have increased 200 percent in the last 5 years. When the farmers came here in 1978, the first time, driving their tractors, and came back in 1979 and blocked traffic, everybody said: "Isn't that terrible? Those farmers are just making fools of themselves."

They have been doing what is traditional in this country, and that is that when you get desperate, you do anything you can to bring attention to your plight. What they were saying then is, "We are getting in deep trouble."

In the last 10 years, 1 to 2 percent of the farmers have gone out of business every year. But in this year, 1985, it is estimated by some that as many as 10 to 15 percent of the farmers are going to quit and leave the land.

We have lost 300,000 jobs in agriculture since 1982. Since 1981, over 20,000 farms have been auctioned off. That is one farmer losing his farm every 2 minutes.

If you go to a doctor and you have a broken rib and you are the 50th patient, you are not really concerned about the other 49 people in front of you who had broken ribs. You are just interested in yourself. And so it is, if you are not a farmer, you probably do not really care all that much about this problem, "because your rib is not broken."

Out of all the farmers in this country, one study shows that 243,000 of our 2.3 million farms are in very serious financial difficulty, and 145,000 more are in some difficulty.

Of the farms in this country that have $40,000 to $200,000 annual income—what we call the small to medium farmers—19 percent have a debt-to-asset ratio of greater than 70 percent. That means that for every $10 they have in assets, they owe $7.

About 44 percent of America's farmers have a debt ratio of more than 40 percent. Farmers have a much greater debt-to-income ratio than in the past. In 1950, the debt-to-income ratio was less than 1. In 1960, it doubled to 2, then to over 3, and it went up to 8 in 1980 and 10 in 1984.

You know what that means? To put that very simply, that means that farmers on average now are trying to sustain $10 in debt on $1 in average annual income. And that means that if the farmer is paying as much as 10 percent interest, he is just breaking even. If he is paying 12 percent, he is losing 20 percent of his income. He is going in debt 20 percent every year.

Mr. President, 14 percent of all the cash receipts a farmer gets today is going for interest and that compares with 8 percent, or almost less than half that amount, in 1977.

In the Southern States, including my home State of Arkansas, 25,000 of the area's 325,000 farmers are in serious financial difficulty. They are walking insolvencies. We have been losing 1,000 farms a year just in my home State.

Farm income today is lower than it was in the depths of the Great Depression of 1933.

And we thought the farm crisis was absolutely unsolvable in 1933 and the whole country was up in arms, and now there are just a few people from farm States who are dedicated to trying to save the American family farm.

The Farmers Home Administration considers itself the bank of last resort, and I am not one who goes around kicking on the Farmers Home Administration—they do the best they can. We have thousands of applications pending in Arkansas in Farmers Home Administration county offices and most of the time there are no more than three or four people in there to process those applications.

The other day a letter went out to a bunch of farmers in one county saying,

> You are no longer eligible because any farm of more than 1,000 acres is not a family farm, so you are no longer eligible.

And most of those farmers were sitting thinking their application was going to be approved any minute and all of a sudden 30 days before the planting period is to begin they get notices saying,

> No; we are not going to approve your loan; you are not eligible.

Mr. President, these statistics have been given and given and given here, and they have been repeated. But let me tell you, all the statistics in the world would not impress my colleagues as much as seeing the faces of 1,000 farmers in Jonesboro, AR, or 200 farmers in Gould, AR, or 150 farmers in Stuttgart, some of whom I have known virtually all my life, good farmers, good men and women, who love their life and want to stay on the land and have produced efficiently to the point that it is driving them into bankruptcy. One of the biggest problems we have right now, of course, is surplus, and the surplus has been created because of our productivity.

No one came in here and said Chrysler had been well managed. No one came in and said New York City had been well managed. No one said Continental Illinois Bank had been well managed. No one said Lockheed had been well managed. On the contrary, every one of those corporations were bailed out by the U.S. Congress not because they had been well managed, because they had been terribly mismanaged.

And here the American farmer is the most productive, efficient farmer in the world, and he is on the ropes because a contract that the United States made with him years ago promising to him that if he would plant fence row to fence row his commodities would be sold. How many times did Earl Butz say when he was Secretary of Agriculture, "You plant fence row to fence row and we will peddle your commodities," and so the farmers did.

No one said to the American farmer:

> We are going to double the national debt in 4 years and make the dollar so strong all over the world that you cannot sell your commodity.

The American farmer was not asked to acquiesce in that policy decision.

No one said to the farmer—because for a long period of time under Jimmy Carter, we had 20 percent inflation rates which drove the price of a tractor up to $100,000 and a combine up to $100,000—no one asked the farmer if he liked that. He just continued to plant and produce and produce well, sometimes in spite of horrible droughts like the one we had in 1980, which exceeded anything we have ever suffered in our State before, and he came back to plant again, and to provide trade balances for us.

The farmer has indeed been victimized, and as I said at the outset, I am not saying that every farmer is efficient and I am not saying every farmer ought to be saved, but I am telling you

that the vast majority of those farmers out there who are in terrible financial difficulty are there because of no fault of their own.

I talked to a farmer in southeast Arkanas the other day who has farmed for 40 years, and he said:

I am selling my equipment for whatever I can get for it, and I owe $300,000 on my land and I am going to sell enough land to cover that, and then I am going to try to find someone to rent the balance of my land.

No one ever questioned his efficiency, his dedication, or his business acumen. It is just a simple fact that you cannot raise soybeans for $5.70 when it costs you $7 to produce them. You cannot sell soybeans for $5.70 and make a profit when it costs you $1.30 more than that to produce them.

You cannot make a profit on rice for $3.65 a bushel when it costs you $4 to $4.50 at a minimum to produce it.

We are not here to debate and we are not asking the majority leader to pass a final solution to this problem. It is difficult. No one here has a final solution to this crisis. All we are saying is let us get some emergency money made available to the farmer right now so he can at least plant his crop. Within 30 days the farmers of my State are going to be sowing rice if they can get the money to do so. And if we do not do something very quickly, they are not going to be sowing rice or anything else.

So what we are asking for is simply help to get the crops planted now, and then when the Agriculture Committee of the Senate has an opportunity to draft a long-range bill, we will talk about how to export more commodities, and we will deal with other long-range issues.

One silver lining in this cloud is that last year the Soviet Union bought a little over 15 million metric tons of grain from the United States and most agriculture economists say that if the United States and the Soviet Union just do not blow their relationship with each other, if they just quit calling each other dirty names and sit down at the table to talk about arms control and at least show some determination to bring that problem under control, the Soviet Union will buy 20 million metric tons from us in 1985.

The Soviet Union is going to buy 70 million tons of grain from someone in 1985. And one of the reasons they are not going to buy more than 20 million tons from us is because they do not consider us a reliable supplier.

But in any event, they are the possible source of a lot of our exports, and that is going to help our farmers.

You know, I go out and talk to these farm groups. A couple of years ago I was down in southwest Arkansas talking to a bunch of farmers, and they were asking me, "Senator, will you ever support a grain embargo against the Soviet Union again?"

And I said I would not, and I cannot imagine supporting a grain embargo against the Soviet Union short of a war or some overwhelming circumstance that I cannot now anticipate.

There was an old man who stood up in the back of that audience that day—75 years old, sixth-grade education, whom I later found out was a horse trader. He said,

You know, Senator, I think we ought to sell the Soviet Union anything they want to eat because I think a fat, happy Russian is a lot less dangerous to us than a starving Russian.

And I told my wife that he has more common sense than most government officials in this country.

Well, Mr. President, those of us who are from farm States perhaps are more sensitive to this crisis because we have seen the look on the farmer's face. I have looked into the eyes of farmers who have been farming all their lives, farming land that their fathers and their grandfathers farmed, and who are desperate and so frustrated. I think we have an obligation to them.

I want to say to the President of the United States, David Stockman, and John Block, if your programs should ever happen to be adopted by the U.S. Congress, God forbid, the few billion dollars you save will be peanuts compared to what you are going to lose in the long run. If you say goodby to the American farmer, I promise you the U.S. Treasury will lose 10 times more than you are proposing to save with these big cuts in our farm programs.

One of the reasons I had a fairly successful second term as Governor of my State was because in 1973 the farmers in my State and all across this country had a bonanza crop. They had a bumper crop, and the prices of their commodities were the highest in the history of the country.

Then in the early part of 1974, the farmers began to pay State income taxes on that crop. I did not care, of course, how much Federal income taxes they paid. I was a Governor, and I was interested in how much State income taxes they were paying. They paid so much—you know how we big spenders are—I had to call a special session to spend it.

Senator PRYOR tells the story about one night a couple of years ago he was talking to a bunch of farmers. He asked,

How many farmers here will be willing to see a tax increase to get the deficit down?

They all started applauding.

He thought he was going to get rotten-egged when he walked out. He said:

You know, I can't believe that. When I suggested we might have to raise taxes to get the deficit under control, I thought they would start throwing tomatoes.

An old farmer said,

Senator, do you know why they were applauding? They couldn't care less what the tax rate is. They ain't going to pay any taxes anyway because they ain't making any money.

If we would make income earners and taxpayers out of the farmers and, instead of saying they got themselves into this mess, help them out, the U.S. Treasury and the American people would be the big beneficiaries.

I frankly do not believe that Congress is going to be callous or insensitive enough to sit idly by and do nothing to save one of the most important segments of the American economy. We did not sit by when Chrysler was going under. We did not sit by for all those other big corporations and we did not sit idly by for New York City.

Yes, we are all independent, but are also dependent upon each other. David Stockman ought to understand that it does make a difference to the cab driver in New York City whether or not the farmer in Iowa is prosperous or not. And I guess the farmer probably wants New York City to have a mass transit program, too.

When I voted to bail New York City out, I did it for the most practical reason in the world. I knew that if New York City went under, every municipality in the United States would have to pay 1 or 2 percentage points more on every bond they sold after that city went under. Not only did the United States make about $35 million out of the deal in the long run, but I like to think of all the money the municipalities in my State saved by keeping the interest rate on their bonds down from what it otherwise would have been.

I would like to take a parochial attitude and say to the Senators from Utah and the Senators from Idaho and the Senators from Washington and Oregon, I couldn't care less about that Bonneville power system. That is just a big subsidy the U.S. Government pays. Why is the U.S. Government subsidizing public power? The people out there on that system are getting power for nothing.

Well, those dams are there, and that hydropower is there, and I am pleased they are getting a break out of it, and I do not mind them getting a break. We are all interdependent. If we start looking at everything in such parochial terms here that we can only see what is good for our particular States instead of what is good for the Nation, we are really going to be headed for big trouble.

Mr. President, I yield the floor.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I sat here most of the day and have listened to the eloquent remarks of my colleagues throughout the day. I have to say that I commiserate and have a

great deal of sympathy with those who have been speaking on the floor today with regard to farm problems and with regard to what our farmers in this country have been suffering.

We simply have to do something positive for the farmer. I am not sure that there is any simple answer to that problem. We have been trying to solve farm problems for all of my lifetime and certainly since I have been in the U.S. Senate. Having served on the Agriculture Committee the last couple of years, I do have to say that the vast majority of effort that has gone on in that panel has been to resolve various conflicts between the States. I have never seen a committee that carves up a pie more carefully than the Agriculture Committee does. And maybe that is as it should be.

One thing that bothers me however, is that we now have on the floor, in executive session, the nomination of the President's choice for the Attorney General of the United States. This is not an inconsequential nomination. This is, as has been repeatedly stated by those who have opposed Mr. Meese's nomination, perhaps the most important single appointment the President can make.

We seem to have a conflict here between whether or not to vote on Mr. Meese or to consider a farm bill before Mr. Meese. My personal feeling is the longer that we delay a vote up-or-down on Mr. Meese as the President's nominee for Attorney General of the United States, the longer we put off solutions for the farmers of America.

So it seems to me that those who are taking this time, yesterday and today, although I agree with many of their aims and goals, are, in essence, delaying an ultimate solution to the farm problem.

My feeling is that we can solve that farm problem, or at least make great inroads toward solving it, within a short period of time if we can move ahead with the orderly course of the Senate's business. If we wanted to do so, we could vote on Mr. Meese up-or-down immediately. That vote would be over in 15 minutes, 20 minutes, a half-an-hour at the most. I think the majority leader has indicated he would like to bring the highway bill to the floor next. That should not take a long time because, basically, we were in agreement on the substance of that bill at the end of the last session.

Mr. MELCHER. Will the Senator yield?

Mr. HATCH. If I could just finish this statement, then I will be glad to yield to my dear friend from Montana.

I think we could dispose of that bill quickly. And, by the way, that in and of itself would benefit farmers. It would benefit everybody. Farmers could better get there product to market with the necessary highway and bridge improvements.

I think we will get the farm credit issue done. I want it done. I do not want my farmers in Utah or those anywhere else to suffer 1 day longer than necessary. I would like to solve these credit problems. I do not know that going off budget is the way to do it however, I think all items ought to be "on budget."

The American taxpayers ought to know explicitly what is going on. They ought to be able to make intelligent decisions about what is going on; the best way to do that is if everything shows up in that budget honestly and everybody knows precisely what is involved.

I would like to resolve these problems. I would like to resolve them in an orderly and expeditious fashion.

Before I make my final comments about the importance of the Meese nomination, let me yield to my dear friend from Montana.

Mr. MELCHER. I thank my friend from Utah for yielding.

While I shall not support Mr. Meese—and I do not look on Ed Meese as a bad person at all. I look at him as a very capable and productive member of the White House team—I do not really believe that he is the best person nor the best attorney available to be Attorney General. But having said that, that is my pitch on Ed Meese and I have said it. I have said it before publicly and now I have said it on the floor. That is why I am not going to vote for him.

I have no objection, however, of getting to a vote except for one thing. The President must be aware that the problem of farm credit is very urgent. Whether Ed Meese assumes the mantle of responsibilities of Attorney General this week, next week, this month, next month, or the month following is not going to upset the duties, the work of the Attorney General, nor the numerous people in that department.

Mr. HATCH. Will my dear friend yield back at that point?

Mr. MELCHER. Yes.

Mr. HATCH. I agree something has to be done about the farm credit problems. I will work with the distinguished Senator from Montana, as I have done in the past, to try to resolve those problems.

But I also think it is wrong to suggest that the delay of the Meese nomination another day, another week, or another month is not going to make much difference. Let me point out to my friend that the Justice Department today remains without an Attorney General who can exercise strong leadership in the development of new initiatives. As we all know, General William French Smith has desired to leave for more than a year; because of his announcement of that desire, it is difficult for him now to assert the strong leadership that has to be asserted now.

If you look at the personal and professional lives of the present Attorney General and the Attorney General designate, you have to have some sympathy for them because their lives are in a state of uncertainty and chaos. They have been so for more than a year. We have to resolve this. All it takes is a vote up or down. Let the chips fall where they may.

The Antitrust Division remains without a permanent chief. The Civil Division remains without a permanent chief. The Office of Legal Policy has an Acting Assistant Attorney General. The Office of Legal Counsel and the Office of Legislative Affairs remain without a permanent chief. If you look at what is happening down there, one has to be concerned.

On such issues as the legality of vertical agreements, the Grove City controversy RICO reform, and immigration, there is a state of limbo. Administration litigation policy in a variety of civil and criminal law areas remain undecided.

The processing of a significant number of Federal circuit court, district court, and bankruptcy court judges remain uncompleted.

We have 114 additional vacancies today on the Federal bench.

If you just look at the criminal justice reform bill, for example, that we just passed in the last Congress, implementation in various regard is being held in abeyance because the Department is not fully in place. That includes sentencing reform, bail reform, and such. It was one of the most important criminal bills ever enacted in this country.

In the process, the holdup seems to be because the majority leader has not satisfied some Senators as to when he is going to bring to the floor a farm bill that may resolve the credit problem. We thought when we considered the PIK Program that that would solve much of the problems. That has not been the case; it does suggest the potential difficulty in attempting to legislate too hastily in such a complex area as this one.

Mr. MELCHER. Will the Senator yield?

Mr. HATCH. I am glad to yield.

Mr. MELCHER. The Senator just mentioned the PIK Program. The Senator will recall the Senate never acted on the PIK Program. I advocated at the time before we acted on the PIK Program that we should have the input from farm groups, farm leaders, and farmers themselves across the country. Because of that, we did not act on it. The Senate never acted on the proposition even though the House passed the bill. We let it go. It was not necessary to act on it because unfortunately, I think, in my judg-

ment, the Department of Agriculture implemented the program anyway. But all we are asking for now is not to delay the vote on Meese, but to gain the attention of the President so they can act administratively on solving the farm credit crunch.

We know it can be done. It can be done this afternoon, yet, by the President asking the Federal Reserve Board to provide the same type of relief which was provided for the Continental Illinois Bank in Chicago, providing the window of the Federal Reserve Board for $3.5 billion in credit, the same way they provided it for the Continental Illinois Bank.

We are now told that the Continental Illinois Bank situation has improved. It was off budget. It was $3.5 billion and it was done very rapidly.

We are just asking that the President be aware of this concern and that he act immediately. So far, the President has not responded to letters that we have sent, requests that we have sent, more than 2 weeks ago to resolve this administratively.

So it is merely a means of getting the attention of the President and hopefully we will have that attention and resolution of the problem very quickly. We are not even asking to delay to the point of new legislation. It can be done administratively, if the President is aware of how urgent it is.

I have candidly said how I feel about Mr. Meese. It is not my purpose at all to hold up his appointment or his confirmation by vote 1 minute longer than is required for the President to take notice of the urgency of the agricultural crunch and to apply the same rule that was applied in the case of Continental. I do not think that is too much to ask. I do not want to delay other considerations such as the highway bill or the final vote on Mr. Meese 1 minute longer than it takes for the President to be cognizant.

I think the Senator would agree with what David Stockman has said about applying the pressure or the wringing out of more farmers by not providing the means of guaranteeing the loans could be the last word or the word of the President. I do not think it will be. I thank my friend for yielding.

Mr. HATCH. I thank the Senator for his observations. I know that he has the best interests of the farmer at heart.

All that I am saying is that I think the position of Attorney General of the United States is an extremely important one. It is one of the most important matters we can deal with now. We have to get the situation at the Justice Department cleared up and resolved.

That, of course, is no reflection on William Smith. I think he has given outstanding service to this country over the past 4 years; he will go down in history as having done a great deal for our country.

I make this observation, however—that the farmer is not served by delaying or holding up the nomination of the Attorney General of the United States. Nor is the country well-served. Nor is this body well-served.

Personally, having examined the record, having read the Stein report, having read the Common Cause analysis of the Meese nomination, having studied the report of the Ethics Office, having sat through virtually every minute of the Meese hearings, it is difficult for me to understand how anyone could oppose or seek to delay this President's choice in this case based on the record. I would again call to their attention the summary of allegations and conclusions on Mr. Meese which I placed in the RECORD yesterday (S 1460-2).

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. EVANS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, I think it is very appropriate we note that today is Ash Wednesday and the period of preparation for Easter begins. Easter Sunday falls in the spring time. Those of us who observe Christian traditions full well realize that Easter Sunday is that day for renewal, the rebirth of hope, and it parallels the operation of farmers who plant their crops and hope for those crops to succeed and a harvest will be in order later on in the summer.

What we are attempting to do in our discussions regarding the Meese nomination is to establish the priorities of Congress and impress upon the President that these priorities must be met in terms of the farm credit that is needed for the farmers who are in distress for lack of credit and who will be unable to plant their crops without some additional credit help.

That does not mean every farmer is in distress, but there is a significant number who are, and their lenders, whether it is the banks or the farm credit system with their production credit associations or those farmers who are awaiting Farmers Home loans. Surely we have not heard the final word from the President on this vital question, and I do not believe any of us could be comfortable with the expression of David Stockman in referring to too many farmers and some of them need to be eliminated. I do not believe the President, when he thought this through, would want that to be the final word of this administration, because it would mean that perhaps 15 percent, or even as high as 20 percent, of the farmers of this country would be faced with the serious situation that, lacking credit, they would be unable to plant their crops and would be unable to continue in business so that they could harvest crops.

The resolution that has been submitted today by me and others—and I might add that I am pleased that it is bipartisan—would express the sense of Congress that, facing this vital situation, the President would request action by the Federal Reserve Board to provide $3.5 billion worth of credit to the lenders, the banks in general, scattered around the country, to make loans to farmers, and who are finding in their portfolios up to 15 or 20 percent of their borrowers who are in agricultural production under a stress situation.

It should be noted further that in providing this type of mechanism for Continental Illinois Bank of Chicago in May 1984, the Federal Reserve Board, in cooperation with the Federal Deposit Insurance Corporation, acted very promptly and provided a window of credit amounting to $3.5 billion.

What this would mean in this situation is that the Federal Reserve Board could open their window, provide credit at the current rate, which for them is 8 percent, and the guaranteed loans then could be made available to the banks throughout the country; and that would perhaps result in an interest rate for the farm borrowers, who are in distress, of about 9.5 to 10 percent. The difference between 8 and 9.5 percent or 10 percent would be the requirement that the banks would have in servicing those loans and vying for the credit from the Federal Reserve Board.

The administration has made it clear that they do not want to provide emergency credit because it would impact on the budget. However, under the law, the Federal Reserve Board operation is off-budget and is not a matter of budget impact. Some people might say, "Well, it is still money." Of course it is still money. They are guaranteed loans. These loans are not going to create situations where much, if any, of the money would actually be lost to the Government. First, it would not have budgetary impact; and, second, in the long run, if farmers are given an opportunity to produce another crop—with better prices for their commodities, it is hoped—they will be successful, with sufficient cash flow to take care of their debts.

It should also be noted that under the conditions that the money was made available to Continental Illinois Bank, it was made available for up to 5 years. That also is significant, because to get the proper cash flow for farmers who are in distress now, with their

credit arrangements, it would perhaps be too optimistic to think that their loans could be made secure and the cash flow adequate for just 1 year.

It is absolutely essential that the emergency credit provided at a reduced rate of interest, and the mechanism we are describing in the situation with Continental Illinois Bank permits the loans to be guaranteed and credit to be available at a much lower rate of interest.

Farmers now are generally paying somewhere between 14 and 15 percent interest, some as high as 16 percent, for the credit they need for their operation. Just reducing that, through this mechanism, to a rate of 10 or 9.5 percent will help their cash flow situation immensely.

It is also pertinent to note that while we should pass a new farm bill before midsummer, that would be too late for these farmers who are now in such economic stress that they probably will not be in a position, with sufficient credit, to plant their crops.

So the urgency of this matter is obvious. It is do it now or forget about the production from a number of farm operators. If it will result in 15 to 20 percent of the farm operators throughout the country being unable to secure credit in time for their spring activities, we will have lost a great deal of production, and a great deal of rural America will be in a terrible situation.

The credit is needed to pay bills, and those are bills from the suppliers and the merchants in rural America. So we are not just talking about 15 to 20 percent of the farm borrowers. We are talking about a high percentage of rural America—agribusiness, small business in general—who have the debts that the farmers owe. They have extended credit to farmers and need to be paid.

It also means that the level of business for rural America and the Main Street of America will get probably another year of room in which economic recovery for agriculture can be worked out. We have had economic recovery in some segments of the economy of the United States, which has been most reassuring.

But we have not had economic recovery for the people on the land who produce the food and fiber of this country.

So the priority of having attention to this cannot be challenged as being more significant than whether or not we act on the final vote on the nomination of Ed Meese.

I draw attention in particular to the concurrent resolution that has been introduced today, and might I just read into the RECORD the resolving clause. I do so now.

Therefore be it resolved that it is the sense of Congress that the Federal Reserve Board in cooperation with the Federal Deposit Insurance Corporation move immediately to use its authority to provide $3.5 billion in direct credit to distressed agricultural lenders at discount window interest rates using the same procedures as in the Continental Illinois Bank package to avoid adding to the budget deficit.

I think that resolving clause is very easily understood and very easily implemented.

I hope the President will take note of our deliberations on this matter today and consult with his advisers and find it wise to request the Federal Reserve Board that their cooperation be extended immediately on their part for farm credit just as they acted quickly and expeditiously on the matter of the Continental Illinois Bank and that the amount of credit be made available to the same amount that was made available for the bank, and that is $3.5 billion.

I think this is a most reasonable request and the most easily expedited procedure. If that can be implemented, I would personally hope that we would have the vote on Mr. Meese very shortly after its implementation.

We are not sure whether the President is aware of how serious the matter is. I hope that some of our deliberations have been relayed to the President, that he will find it wise and prudent to act accordingly as we recommend.

However, I must say that perhaps there are some other administrative procedures that the President would prefer to take, and if so, if they would amount to the same expeditious treatment of this problem and providing the credit and at reduced interest rates, I express my willingness to consider any method he wishes to take. I advocate that the President do take note of the seriousness and the reason that we are taking this means of impressing on the President and his administration that action should be taken immediately.

Mr. DURENBERGER. Mr. President, I would like to take this opportunity to state my views on the subject of the nomination of Ed Meese to become Attorney General of the United States. Few nominations have consumed as much of my personal time and energy in the careful examination of the issues involved.

Ed Meese has a long and distinguished record of public service and experience in the field of law. He has spent a lifetime studying and working in the criminal justice system. As a deputy district attorney in Alameda, CA, he gained years of practical experience in the reality of criminal trials. During this time he was also an active participant in the Alameda County Delinquency Prevention and Family Assistance Program to help young people break out of the economic situations that too often lead to crime. From this hands-on perspective, Ed Meese moved on to more scholarly endeavors. He taught law at the University of California at Berkeley, as well as the University of San Diego. He was the director of the Center for the Study and Research of Criminal Law at USD. Ed Meese joined then Governor Reagan's team as legal affairs secretary where he was the chief liaison between the Governor, Mr. Reagan, and the judicial, correctional and law enforcement agencies. Mr. Meese then came to Washington as counselor to the President where he has been a leader on legal and criminal policy reform.

This sketch of the high points of Mr. Meese's career shows a man who has spent 22 years in public service, dealing with the criminal justice system and the law, a man who is highly qualified to be the U.S. Attorney General.

Ed Meese and I have often not seen eye to eye on issues ranging from the Civil Rights Commission to the attempt to restrict the flow of Government information to the public. Yet we in Congress are able to resolve honest differences of opinion between the legislative and the executive branches by our system of checks and balances. It is precisely because of the existence of these checks and balances that I have consistently adhered to a policy of not opposing a nominee of our President unless it can be proven that he or she is unqualified or unfit to hold that office. I do not see this evidence forthcoming in the case of Ed Meese.

A President has the right to nominate whoever he wishes to fill an important post in his own administration. It is a prerogative of his office. The President has made it clear time and time again that Ed Meese is his choice for Attorney General. We are a nation of laws rather than of men, as Prime Minister Margaret Thatcher so eloquently reiterated to the joint session of Congress today. Within this system a President stands judged—as Presidents Nixon and Carter were—in part by the way he discharges the responsibilities for the men and women he nominates and appoints to implement the law of the land or to carry out his programs. The outcome of the November election points to an overwhelming approval of the way this President fulfills his responsibilities. That is not to say large segments of the American people approve of each and every one of his choices to hold high office. We know that and the President knows that. We, in public office, do not realistically expect majority approval from our constituents or our colleagues for every step we take in the course of governmental events.

Consistently, I, for one, have supported the personal choices of the President to fill administration posi-

tions when there is an absence of evidence of unethical or unlawful activity in a nominee's background. In this instance, even some of my colleagues who have indicated a willingness to vote against Ed Meese do not charge or even allege wrongdoing or unethical conduct on his part. For these critics, it seems to fall on the principle that the President can do better—that there are surely better qualified people for the post of Attorney General. Simple logic suggests that this is certainly a safe assumption. And very much beside the point.

If Ed Meese has shown us anything in the past 4 years, it is an unrelenting bond of loyalty and philosophical consistency with the President. That is surely what Ronald Reagan is counting on, perhaps above all else, in his persistent support of Ed to head the Justice Department. This is a prerogative that any President must have if he is to be held strictly accountable for his policies and actions and those of his administration.

History has shown us, often through the magnificent window of so-called 20-20 hindsight, that some of the highest offices in the land have been filled through the nomination process by individuals who have demonstrated a remarkable unfitness for office. This does not reflect on the nominating process itself, but on the men and women who betrayed the trust inherent in their offices, and sometimes on the President himself. For Congress to intercede in the nomination process itself without due cause, based on individual preferences of what makes an "ideal nominee," is not what checks and balances are all about. I will vote in favor of bringing Ed Meese into our system as an official who has never had to stand for approval by Congress or any electoral before. Then I would fully employ our checks and balances to make certain the Nation and its people, not just a President or a philosophy of government, are served by the Attorney General.

Mr. President, there is one case before the Justice Department which I have watched with special care over the last several months. That is the case of Baby Jane Doe who was born in New York in 1983 with the condition known as spina bifida. This was certainly a very great difficulty for the parents of this child and in her first days and hours the parents were presented with very difficult decisions. With the advice of their doctors, they made those decisions. And the child is today alive and with her parents.

However, these decisions were challenged by the Federal Government under a completely novel interpretation of the provisions of the Rehabilitation Act of 1973. Baby Jane Doe's parents were taken to court by the Federal Government to have their decisions questioned on the basis that the parents might be discriminating against their child because of her handicap which is a violation of Federal law. The courts found no discrimination and supported as appropriate the decisions made by the parents.

The Justice Department lost both in district court and on appeal. But the parents of Baby Jane Doe did not exactly win. Although the courts on review supported the medical care decisions of the parents and although the parents successfully defended their rights to make their decisions, the Federal Government imposed on that family thousands of dollars in court costs—a burden imposed on top of the medical bills that the family already faced.

I can appreciate the national policy questions that were involved in the Baby Jane Doe case. In fact, I have strongly supported the efforts of the Department of Health and Human Services to write regulations that implement the intent of Congress as reflected in the Rehabilitation Act. But what I cannot understand is the failure of the U.S. Government or of the people who occupy its highest offices to show some compassion and extend some justice to this family which was made an instrument of its attempt to reach this policy through experimental litigation.

The parents of Baby Jane Doe sought relief for their legal fees. The Justice Department opposed the granting of any fees to this family. In other words, it is the policy of the U.S. Government that despite the fact that this family prevailed entirely in court and that the court reaffirmed the correctness of their decisions and that this family was forced to make a costly legal defense against the intrusion of the Federal Government, they are not entitled any relief for the costs. In fact, they must bear those costs on top of the medical expenses which have resulted from the extensive care required by their daughter.

I have done my best to persuade the predecessors of Mr. Meese at the Justice Department that such a policy in this matter is wrong. I hope now to make the same case more successfully with him. And perhaps his own experience with the Ethics in Government Act will open a new avenue of understanding. Under the provisions of that act, the lawyers who defended Mr. Meese during the investigation of the special prosecutor are seeking $700,000 in reimbursement of legal costs from the Federal Government. That the law should cover the legal expenses of Mr. Meese as he assumes the highest legal post in the land while denying a pittance by comparison to this family seems out of place in our American system of justice.

For I pray—as I know that Ed Meese prays—that the Government of the United States can be more than simply powerful in pursuit of its interests, but that it can also be compassionate and that it can through the eyes of its highest officials see the difference between prevailing in the cause of a particular policy and imposing the costs of the policy struggle on an entirely innocent family which already bears a tremendous burden. If Ed could come to see this difference, where his predecessors have failed, intellectually and spiritually, and put the face of mercy on the pursuit of justice, he would do much to allay the concerns that have been expressed by many here on the floor of the Senate.

My vote to support this nomination will not be a politically popular one back home in Minnesota, to say the least. Favorable editorials and comments in support of him are few and far between. Yet when one reviews the negative comments closely, the criticism falls squarely against Meese personally rather than on the nomination process itself. The word "honor" is used frequently in describing, editorially, a trait the writers see Ed Meese lacking. "Honor," like questions of ethical behavior, can be a subjective benchmark that calls into question the very character of an individual. Yet honor is in the eye of the beholder.

I know Ed Meese personally. Few of his editorial critics do. I like him. That, of course, is not enough. Yet I know our nominating process, too, and I have utmost respect for the purpose it serves in our executive branch of Government. Whether I may personally approve of a nominee or not, or agree with him philosophically, cannot be paramount to whether the President approves of his own nominee. As vague and ambiguous as our standards for judging public officials may be these days, I see nothing ethically or legally improper with this nomination.

I will vote in favor of Ed Meese to become Attorney General, Mr. President. And then I will be watching. I trust he will carry out his enormous responsibilities with the skill and wisdom the President has, obviously, staked a bit of his reputation on.

Mrs. HAWKINS. Mr. President, it is with the greatest pleasure that I shall cast my vote for confirmation of Edwin Meese III, as Attorney General of the United States.

It has been my privilege to have worked with Mr. Meese for over 4 years now. As a matter of fact, we arrived in Washington together, and I can state, unequivocally, that I have enjoyed working with no one in the administration more than Ed Meese. Always cooperative, always capable, and always professional, Mr. Meese has been a great asset to the President in his administration. I feel very strongly, therefore, that Mr. Meese be

allowed to continue in his standard fine job for the President.

During his long and distinguished career in law enforcement, both as legal scholar and law enforcement practitioner, Ed Meese represented the finest of attributes required for the Nation's chief law enforcement official. As a law school professor, as prosecutor, and as director of the Center for Criminal Justice Policy and Management, Ed Meese always excelled. In every step along the way, he manifested exceptional ability combined with a commitment to the public good. An outstanding example of this dedication is to be found in his determination to ensure that the rights of victims of crime were legally considered equal to those of criminals. Individuals all across the country benefited as a result of these efforts.

During his tenure as counselor to the President, I can personally attest to Ed Meese being of invaluable help to the President. On top of doing his normal, superb job, he was probably the most well-liked individual on the President's staff. He was always accessible, always knowledgeable, and always compassionate and optimistic.

Mr. President, Ed Meese has not changed. He is the same man who served so successfully as prosecutor, who distinguished himself as law school professor, and who was outstanding as Presidential counselor. It is clear to me, and obviously to the majority of my colleagues, that Ed Meese is a fine, dedicated, and capable man, and one I want to have as Attorney General of my country.

I am proud to cast my vote in favor of Edwin Meese III as our next Attorney General, and wish to take this opportunity to urge my colleagues to be expeditious in their approval of this nomination. We need to have Mr. Meese at the helm of our Justice Department, doing his usual superb job, as soon as possible.

Mr. METZENBAUM. Mr. President, as we debate the nomination of Edwin Meese III to be Attorney General, I would like to commend the efforts of Common Cause and its chairman, former Solicitor General and Watergate special prosecutor, Archibald Cox. Mr. Cox and Common Cause have performed a valuable service for the American public by analyzing in an extremely careful and thorough way the facts contained in the report of the independent counsel concerning Mr. Meese. The report of Common Cause sets out the ethical problems and violations of the standards of conduct for Federal employees that are shown by the facts in the independent counsel's report.

The effort Mr. Cox and Common Cause have committed to a more thorough and informed debate on this nomination have contributed substantially to the care with which the Senate has considered it.

In order to facilitate the public's understanding of the issues raised by this nomination, I ask that the report of Common Cause, the testimony of Mr. Cox, and a letter from Mr. Cox commenting further on the issues in the report be inserted in the RECORD accompanying the debate on the nomination.

The material follows:

[A Review of the Independent Council's Report Prepared by Common Cause]

THE CASE AGAINST EDWIN MEESE III FOR ATTORNEY GENERAL

In January 1984 Edwin Meese III was nominated to be Attorney General of the United States. In March, as a consequence of information revealed in the press and during the Senate Judiciary Committee hearings on the Meese nomination, Attorney General William French Smith initiated a preliminary investigation of possible criminal charges against Mr. Meese. Such an investigation is required before asking for the appointment of an Independent Counsel under the Ethics in Government Act. Concerned that the inquiry might be too narrow, Judiciary Committee Chairman Strom Thurmond (R-SC) and Joseph Biden, Jr. (D-DE), ranking minority member of the Committee, asked Attorney General Smith to conduct a comprehensive investigation of Mr. Meese. The next day, Mr. Meese asked for the appointment of an Independent Counsel. Several days later, after Mr. Smith, in accordance with the Act, had requested that a panel of judges from the United States Court of Appeals appoint an Independent Counsel, the court selected Jacob Stein, Esq., a well-known lawyer in private practice, "to investigate any allegation or evidence of violation of any criminal law by Mr. Meese."

Mr. Stein investigated 11 charges against Mr. Meese. They included allegations that Mr. Meese had accepted financial favors in connection with helping individuals to obtain federal jobs, that he had willfully filed false financial disclosure statements, and that he had improperly obtained a promotion in the U.S. Army Reserve.

In late September 1984, the Independent Counsel's Report was released. The Report concluded that there was "no basis" for indicting Mr. Meese on criminal charges. President Reagan immediately hailed the report as a "vindication" of his counsellor. Mr. Meese said he was "very happy" with the Report. Mr. Meese's lawyers, E. Robert Wallach and Leonard Garment, declared that the Report's "exhaustive" inquiry should end "suspicions" and that it would be "grossly unfair" to deny Mr. Meese "the benefit of the favorable outcome." The White House response and the accompanying publicity created the impression that Mr. Meese had been cleared of all wrongdoing and that no legitimate hurdle remained to prevent his confirmation as Attorney General of the United States.

The Independent Counsel's Report[1] does not constitute a "vindication" of Mr. Meese against charges of repeated ethical violations. It does not demonstrate his fitness to serve as Attorney General. Despite the request of Mr. Meese's counsel, Mr. Stein explicitly refused to say ". . . that the evidence does not substantiate the loose charges of moral turpitude against Mr. Meese." He also explicitly refused to make an "evaluation of Mr. Meese's fitness for public office." (3) He explained that neither of these questions was within his jurisdiction.

These are not merely technical distinctions. There is a marked difference between indictable crimes and violations of the ethical standards long applicable to public officials. A finding that there is no basis for prosecuting Mr. Meese for criminal misconduct is not enough to demonstrate that he has the ethical sensitivity and judgment required of an Attorney General.

The evidence summarized by the Independent Counsel, far from vindicating Mr. Meese, clearly shows that he repeatedly acted in violation of the ethical standards that should have governed his conduct, and that he is therefore unfit to be Attorney General.

I. THE ETHICAL STANDARDS REQUIRED OF AN ATTORNEY GENERAL OF THE UNITED STATES

Choosing an Attorney General of the United States is one of the most important appointments to be made by a President and confirmed by the Senate. The Attorney General is the chief legal officer of the nation, its highest law enforcement official, and, aside from the Supreme Court Justices and the President, the government official with the greatest responsibility for upholding the Constitution and federal laws. It is the Attorney General who is responsible for advising the President and the heads of all other executive departments on matters of law. It is the Attorney General who bears responsibility for ensuring that the law is applied evenly, impartially, and without regard for the position, power, or party of any of the individuals involved. And it is the Attorney General who has a greater opportunity than anyone other than the President to set the ethical tone of an Administration by both his personal conduct and his advice.

Archibald Cox, Chairman of Common Cause, formerly Solicitor General of the United States, and the first Watergate Special Prosecutor, stresses this point: "The Attorney General must symbolize the highest standards of honor, integrity and freedom from self-interest in the performance of public office. He, more than any other individual, must give the American people confidence that he regards—and is requiring other officials to regard—public office as a public trust." No one can effectively serve those functions who, even though not guilty of a crime, has left the appearance of repeatedly mixing government appointments with his private financial affairs.

An executive order and federal regulations applicable to all government employees—not merely the nation's highest officials—require that public office should not be used, *or appear to be used,* to serve private ends. Executive Order 11222, "Prescribing Standards of Ethical Conduct for Government Officers and Employees," which has been in effect since 1965, prohibits actions . . . which might result in, or *create the appearance* of . . . using public office for private gain; . . . giving preferential treatment to any organization or person; . . . losing complete independence or impartiality of

[1] The words "Independent Counsel" will be used in this Review, as they are in the Report, to refer to the Independent Counsel and his staff. Also, page references for quotations from the Report are set forth in parentheses following the quotations.

action; . . . or . . . affecting adversely the confidence of the public in the integrity of the Government. [Emphasis added.]

Moreover, White House officials are expressly instructed, by regulation, to "conduct themselves so as to exemplify the highest standards of integrity . . . [and] avoid any action . . . which might result in, or *create the appearance* of . . . [l]osing complete independence or impartiality . . . ." 3 C.F.R. § 100.735-4. [Emphasis added.] Federal regulations go on to state that—

It is equally important that each employee [of the Executive Office of the President] avoid becoming involved in situations which present the possibility, or *even the appearance*, that his official position might be used to his private advantage." 3 C.F.R. § 100.735-8. [Emphasis added.]

The reasons for the uniform prohibition against a public official's acceptance of financial favors creating the appearance of a loss of impartiality are plain:

First, even the most scrupulous of individuals who receives financial favors while in public office cannot be sure, even subjectively, that his later official action favoring the donor will not be influenced by gratitude—if not by the hope of future gain. To the extent that his judgment is so influenced, the public will be cheated.

Second, the sight of a government official approving for office or otherwise dealing on behalf of the government with individuals who have done him financial favors undermines public confidence in the honesty and evenhandedness with which government business is conducted. In the words of Executive Order 11222 it "create[s] the appearance of . . . losing complete independence or impartiality of action."

Third, the sight of a government official approving for office or otherwise dealing on behalf of government with individuals who have done him financial favors sets a destructive example inviting other government officials actually to use their offices for personal gain.

A man who has often violated Executive Order 11222, federal ethics regulations, and the basic standards they embody should not be Attorney General of the United States.

II. SELECTED AREAS OF INQUIRY DESCRIBED IN THE INDEPENDENT COUNSEL'S REPORT

The Independent Counsel investigated 11 sets of allegations against Mr. Meese. (See Appendix I for a list of all the inquiries conducted by the Independent Counsel.) This section reviews facts shown by the Independent Counsel's Report in six areas that especially bear on Mr. Meese's fitness for office.

1. The relationship, if any, between the loans made to Mr. Meese and the appointment of John McKean to the United States Postal Board of Governors.

Allegations: In the words of the Independent Counsel's Report: "In June and December 1981, John R. McKean made two loans to Mr. Meese totaling $60,000. It has been alleged that there was a connection between the loans and Mr. McKean's nomination, in October 1981, to an unexpired term on the U.S. Postal Board of Governors, as well as his nomination, in January 1983, to a full term on that Board." (108)

Facts Shown by the Independent Counsel's Report: In late June 1981, while serving as Counsellor to the President and as one of four members of the Senior Staff Personnel Committee, the group making final recommendations for Presidential appointments, Mr. Meese received an unsecured loan for $40,000 from John McKean, with interest due "not less than annually." Mr. Meese treated the loan on his Financial Disclosure Statement as one made by Mr. McKean, not knowing the exact sources available to Mr. McKean from which the money came. (Mr. McKean was actually the trustee or middleman for the loan, which came from private investment funds made available to his firm.) Mr. Meese had met with Mr. McKean, who was President of John R. McKean, Accountants, P.C., on the advice of White House Deputy Chief of Staff, Michael Deaver. Mr. Deaver, who was also discussing his personal finances with Mr. McKean and was about to receive his own loan arranged by Mr. McKean as part of a tax shelter Mr. McKean had suggested, was another member of the Senior Staff Committee.

On July 13, 1981, the Senior Staff Committee met to make a recommendation for a vacancy on the Postal Board of Governors. The list of names submitted to the Committee by the White House Office of Presidential Personnel (OPP), the office responsible for initially identifying potential nominees for presidential appointments, did not include the name of John McKean for the vacancy. Although the meeting agenda indicated a "decision" would be made, the decision was deferred, according to the notes of one participant, "until Deaver and Meese come back with a recommendation."

At a subsequent meeting, Mr. Deaver suggested John McKean for the position. According to two persons attending the meeting, after Mr. James Baker III, White House Chief of Staff, indicated he did not know Mr. McKean, Mr. Deaver turned to Mr. Meese and said, "You know him, Ed." Mr. Meese affirmed that he did know Mr. McKean, and that he would be a good person for the job. A tenative, if not final, decision to select Mr. McKean was then made.

The Report states: "None of those present at the Senior Staff meeting recalled any discussion of the fact that Mr. McKean was Mr. Deaver's accountant or Mr. Meese's accountant, nor of knowing that Mr. McKean had just arranged a loan for Mr. Meese or was about to arrange a loan for Mr. Deaver. None recalled Mr. Meese suggesting that he should 'recuse' himself." (124-5)

About one month after Mr. Meese supported Mr. McKean's nomination, they talked by telephone. Mr. McKean recalled telling Mr. Meese that he had learned that his appointment was going through and said words to the effect, "I appreciate any role you've played in this." (127)

A few months later, on December 28, 1981, Mr. Meese called Mr. McKean at his home and asked if he could borrow an additional $20,000, a matter they had discussed earlier. Mr. McKean arranged to have a check for this amount drawn that day on his personal business account, which was later reimbursed by his firm.

In June 1982, Mr. McKean sent Mr. Meese a bill for $3,900 in interest due on the first $40,000 loan through December 1981, to which Mr. Meese did not respond. Mr. McKean did not press him for a time after late July because of the death of Mr. Meese's son.

In September, while the interest was still unpaid, Mr. McKean informed Mr. Meese by a letter (which Mr. Meese did not recall) that he was interested in a full, nine-year term on the Postal Board that would become available in December. In the letter Mr. McKean stated, "With your help I can continue this [work]." (133)

In early November 1982, Mr. McKean sent Mr. Meese copies of bills showing that his accrued interest then totalled $12,000. At a meeting between the two men held on November 8, Mr. McKean agreed to defer Mr. Meese's interest payments until 1983. The agenda for the meeting called for the two men also to discuss at the same time Mr. McKean's desire to serve for a longer term on the Postal Board. The Report states that Mr. Meese did recall one occasion on which Mr. McKean told him that he was interested in a longer term on the Postal Board of Governors, but Mr. Meese did not give the date. Mr. McKean recalled a conversation that he says might have occurred on November 8, in which he asked and Mr. Meese agreed to support him for the longer term.

On November 17—one week later—Mr. McKean's renomination to the nine-year post was approved by the Senior Staff Personnel Committee. Mr. Meese told the Independent Counsel that he assumed that "Mr. McKean's name later came up at a Senior Staff Personnel Committee meeting, and that he supported the nomination. . . ." (135)

Interest on the McKean loans to Mr. Meese continued to accrue, totaling $20,100 by June 1983. In September, two months after a story appeared in the Washington Post which linked the McKean loan to Mr. McKean's appointments, Mr. Meese secured a bank loan or $80,000 to pay off his loan from Mr. McKean. In February 1984—just before the Senate hearings on Mr. Meese's nomination for Attorney General began—Mr. Meese sent Mr. McKean a check for the remaining $3,340 interest due Mr. McKean.

Conclusions to be drawn from the Independent Counsel's Report: The Independent Counsel concluded that the above facts would not support the bringing of a criminal prosecution against Mr. Meese, chiefly because there was no evidence that "Mr. Meese solicited a loan from Mr. McKean with the express or implied intention of assisting him in obtaining a government position, or that Mr. McKean offered to arrange a loan in the expectation or understanding that Mr. Meese would so assist him." (145) We do not and need not challenge that conclusion. The undisputed facts stated by the Independent Counsel show that Mr. Meese violated not only the most elementary ethical standards but also Executive Order 11222.

A high public official must not accept personal financial favors. A high public official must not give or appear to give government positions in actual or apparent return for favors done for government officials, whether for the appointing officer or for one of his friends. Such conduct is ethically wrong, even if there is no criminal bargain for a quid pro quo.

Mr. Meese did accept very substantial favors from Mr. McKean, both in the unsecured loan with "interest due not less than annually" that Mr. McKean arranged and also in the foregoing of interest. Mr. Meese did join with Mr. Deaver in supporting the first appointment of Mr. McKean, knowing that he had received financial favors from Mr. McKean. Subsequently, when Mr. Meese was further indebted to Mr. McKean, he joined in approving a second appointment for Mr. McKean. This was plainly wrong and a clear violation of ethical standards. Supporting the appointments also violated a regulation specifically applicable to White House employees, directing that "each employee avoid becoming involved in situations which present . . . the appearance that his official position might [have been] used to his private advantage."

2. The relationship, if any, of Thomas Barrack's role in the sale of the Meese's California home and his appointment to federal jobs.

Allegations: In the words of the Independent Counsel's Report: "In August 1982, Thomas J. Barrack, Jr., an attorney and real estate developer, assisted the Meeses in the sale of their La Mesa property. In mid-November 1982, Mr. Barrack accepted a non-Presidential appointment as Deputy Undersecretary of Interior. Shortly thereafter, he was offered and accepted a position as Assistant Secretary of Commerce for Trade Development, but later declined the position and left the government.

"It has been alleged that a connection existed between Mr. Barrack's federal appointments and his involvement, especially his financial involvement, in the sale of the Meeses' La Mesa house." (151)

Facts Shown by the Independent Counsel's Report: As of August 1982, the Meeses had been trying unsuccessfully to sell their La Mesa home for more than a year-and-one-half, a state of affairs causing them serious financial problems. The Meeses had failed to make payments on their California and Virginia houses for substantial periods and their bank had mentioned the possibility of foreclosure on their California property. On August 8, 1982, Pendleton James, who had recently been Director of the Office of Presidential Personnel and was a friend of the Meeses, called his friend Thomas Barrack—with whom Mr. James had been discussing possible federal employment—to seek his assistance in selling the La Mesa property.

Mr. Barrack had never met Ed Meese, but after speaking by phone with Mr. Meese at least twice in early August, Mr. Barrack began arranging a complicated sale of the Meeses' California home involving Irv Howard, a builder who had worked with Mr. Barrack, and Ted Elkin, a close personal friend of Mr. Barrack and his "right hand man." On August 18, 1982, only 10 days after the first phone call, Mr. Barrack and Mr. Meese agreed on a purchase price of $300,000. Both the Howards and Meeses signed escrow instructions for the property. Mr. Howard had not yet seen the property.

A few days later, the Great American Bank notified Mr. Meese's representative on the sale that more money was needed to cover the four loans to Mr. Meese which had been secured by the property as well as other payments due on his Virginia house. Mr. Barrack was informed that an additional $7,500 was necessary to complete the deal. At the same time the Bank informed Mr. Barrack that it would provide the buyer with more favorable financing terms than previously offered. Irv Howard agreed to the higher price with the new financing offered by the Great American Bank.

Mr. Barrack loaned his assistant Mr. Elkin $70,000 to be used toward the down payment. Shortly after September 1, 1982, the day of the closing, Mr. Elkin reimbursed Mr. Howard with Mr. Barrack's money for the down payment Mr. Howard had made. Mr. Howard made only one payment on the mortgage, after which Mr. Elkin—with money supplied by Mr. Barrack—took over the mortgage payments. A few months later, Mr. Barrack cancelled the note for $70,000 to Mr. Elkin, making Mr. Elkin a gift of the money.

One week after the closing on the La Mesa home, Pendleton James arranged for Mr. Barrack to meet with several members of the White House Personnel Office. On this occasion Mr. Barrack also met Mr. Meese face to face for the first time. After the meeting, Mr. Barrack wrote Mr. Meese a note which concluded: "Again, I am very grateful for your counsel and encouragement and if I may be of any aid or assistance please call on me." (210) Mr. Meese did not recall what they discussed. Mr. Barrack told the Independent Counsel that the "counsel and encouragement" reference in the note was likely referring to his having told Mr. Meese about his possible relocation to New York City, something he said he was considering besides government service.

The next month, Mr. James arranged for Mr. Barrack to explore possible high-level government positions with five cabinet secretaries, each of whom received a letter from Mr. James which said, "I should mention that Ed Meese knows Tom and I'm sure also would endorse my strong support." (212) Mr. James sent a copy of this letter to Mr. Meese, asking, "Is there anybody else you think Tom should see when he is in Washington?"

According to the Independent Counsel's Report:

"Mr. Meese stated that he could not recall when he learned that Mr. Barrack was interested in a federal position. He recalled that in August 1982, Mr. James told him that Mr. Barrack was someone Mr. James 'had tried' to recruit into the administration. However, Mr. Meese did not recall knowing that Mr. James was still engaged in such an effort. Mr. Meese told us that he might have known as early as the November 9, 1982 dinner [a dinner with Mr. Barrack that occurred the same day that Mr. Barrack interviewed with Transportation Secretary Lewis and HUD Secretary Pierce, and the day before he was to interview with Interior Secretary Watt and Energy Secretary Hodel], although he recalled no conversation about it. He thought he probably knew at Thanksgiving that Mr. Barrack was going to work for Secretary Watt." (220)

On December 1, 1982, Mr. Barrack began work as Deputy Undersecretary of Interior. One month later, according to the Report:

"In January 1983, Mr. Barrack told Secretary Watt that he had done what he could for the Secretary on his personal staff, and that it made no sense for him to continue there . . . Commerce Secretary Baldridge had an Assistant Secretary position open and recruited Barrack, with Secretary Watt's blessing, to go to Commerce." (220-1)

Concerning Mr. Meese's role in Mr. Barrack's selection for the Commerce Department position, Mr. Meese told the Independent Counsel that "he assumed he raised no objection to this appointment . . ." (222)

In May 1983, eight months after the purchase, Mr. Elkin sold the La Mesa property for $275,000, more than $30,000 below its purchase price. According to the Independent Counsel's Report, "Mr. Barrack contributed, through Mr. Elkin, approximately $83,000 in connection with the house—$70,000 for the down payment and initial expenses and $13,000 for mortgage payments and other expenses." (203)

Conclusions to be drawn from the Independent Counsel's Report: Here again, the facts found by the Independent Counsel reveal clear insensitivity to the ethical standards required of a nominee for Attorney General. Mr. Meese knew that Mr. James had requested Mr. Barrack to help Mr. Meese in connection with the sale of his California house at a time when he (Mr. Meese) was in financial difficulty. Mr. Meese knew that Mr. Barrack rendered him important assistance in the sale. Mr. Meese knew that Mr. Barrack was someone Mr. James "had tried" to recruit into the Administration. Mr. Meese had a copy of a letter from Mr. James telling him that he (Mr. James) was pushing Mr. Barrack for an important government appointment and giving Mr. Meese as a reference. Mr. Meese met Mr. Barrack twice in the fall while Mr. Barrack was in Washington, D.C. Interviewing for federal employment. It is hard to see how Mr. Meese could have missed or not inquired about Mr. Barrack's interest in a government position.

Later, Mr. Meese, knowing that he had received substantial benefits from Mr. Barrack's efforts on his behalf, joined in approving the latter's appointment for a sub-Cabinet position. The Independent Counsel did not recommend presecution because "there was no direct evidence that Mr. Meese's non-veto of Mr. Barrack's appointment to this job was based upon his earlier receipt of assistance from Mr. Barrack . . ." (225) But here again Mr. Meese apparently did not reveal the conflict between his self-interest as the beneficiary of Mr. Barrack's assistance and his own duty as Counsellor to the President to see that government appointments were made uninfluenced by personal gratitude for financial assistance or other personal considerations. Nor did Mr. Meese recognize either the obvious risk he was creating of appearance of impropriety or the dangerous example he was setting for others by participating in the appointment of a man who had given him assistance in arranging the sale of his house when he was badly in debt. The public interest is bound to suffer unless the Attorney General is quicker to perceive the ethical violation in such interconnected dealings even when there is no quid pro quo.

3. Mr. Meese's change of status from the retired Army Reserve to the Active Reserve and his later military promotion.

Allegations: According to the Report: "In July 1981, Mr. Meese's status in the U.S. Army Reserve was changed from Retired to Active. In early 1983, he recevied a promotion from Lieutenant Colonel to Colonel in the Reserve. In the spring of 1983, allegations appeared in the news media suggesting improprieties with respect to these actions, and suggesting that they somehow were linked to the nomination of General William Berkman in January 1983 to a second four-year term as Chief, Army Reserve."

Fact Shown by the Independent Counsel's Report: In June 1981, Mr. Meese addressed the annual meeting of an army group. General William Berkman, Chief of Army Reserve, and Colonel Joseph Sullivan, General Berkman's program and liaison officer—and a long-time acquaintance of Mr. Meese—were both in attendance. A conversation between Mr. Meese and Colonel Sullivan brought out the fact that Mr. Meese was interested in returning to Active status in the Army Reserve. Thereafter Colonel Sullivan initiated actions leading to Mr. Meese's transfer to the Active Reserve. An Army Inspector General's Report issued in 1983 concluded the applicable laws and regulations were misapplied, violated or ignored in changing Mr. Meese's status. (Although not stated in the Independent Counsel's Report, the Inspector General's Report shows that the irregularities included the creation of a position especially for Mr. Meese.)

Colonel Sullivan was also the moving force in obtaining Mr. Meese's promotion to Colonel. Because Mr. Meese did not meet the educational requirements for promo-

tion, the Deputy Chief of Staff for Personnel, Lieutenant General Max Thurman, wrote a memorandum analyzing whether constructive educational credit could be granted to Mr. Meese. In the memorandum dated November 1, 1982, General Thurman pointed out that such credit could be authorized jointly by General Berkman and the Director of the Industrial College of Armed Forces, but he advised against doing so that year. He outlined three approaches that could be taken. The first was to get constructive credit expeditiously for Mr. Meese. The second was to identify other individuals who might qualify for constructive credit so that Mr. Meese would not appear to be unique. And the third was to wait until the following year and pursue constructive credit in the "normal fashion." General Thurman recommended waiting so that "constructive credit for Mr. Meese could be accomplished as part of 'an orderly piece of work,' and a 'regular and normal affair.'" (267)

General Thurman showed this memorandum to General Berkman and told him that he recommended against giving constructive credit at this time "because of the risk that the matter would become publicly known, and would give the appearance of preferential treatment to Mr. Meese." (267)

Secretary of the Army Marsh was sent the memorandum and, according to his testimony, he sent it to Mr. Meese. Secretary Marsh also testified that when he called Mr. Meese about the Thurman memorandum, Mr. Meese said that he intended to take no position and wanted to stay out of the matter. Mr. Meese said that he did not recall the memorandum. Mr. Meese also could not recall speaking to Secretary Marsh on this subject; he could recall speaking about constructive credit with only Colonel Sullivan.

Despite the Thurman memorandum's adverse recommendation and General Thurman's statement to General Berkman that giving Mr. Meese constructive credit, if publicly known, would give the appearance of preferential treatment, within a few days General Berkman approved the constructive credit for Mr. Meese, with Colonel Sullivan hand-carrying the request document to General Berkman for approval. General Berkman then hand-carried it to Admiral Narmi, the Director of the Industrial College of Armed Forces, who also approved it. Mr. Meese was later promoted to Colonel. (Although not stated by the Independent Counsel's Report, Mr. Meese retired from the active reserve in March 1984—several months after the Inspector General's Report concluded that his return to active duty violated the regulations—But he retained his Colonelcy and the attendant higher pension benefits.)

Around the end of October, General Berkman, whose tour of duty as Army Reserve Chief was expiring in June 1983, indicated his interest in a second term. Sometime after November 1—at about the same time that the constructive credit necessary for Mr. Meese's promotion was granted—Mr. Meese spoke with Defense Secretary Caspar Weinberger and Army Secretary John Marsh to recommend General Berkman for another term. By mid-December, a decision has been reached to reappoint the General. Mr. Weinberger told Mr. Stein he remembers that Mr. Meese called to recommend that General Berkman be considered for appointment to a second term as Reserve chief. Mr. Meese says he also put in a good word for General Berkman with Army Secretary Marsh. Although General Berkman has been Mr. Meese's Reserve commander more than five years earlier, the relationship between them, according to the Stein report, was "limited and professionally based."

Mr. Meese told Mr. Stein's investigators he recommended General Berkman because he has heard from Reserve officials that General Berkman was doing a good job, it was his impression that the Army Reserve had been enhanced under General Berkman and General Berkman has impressed him in a speech he gave. But the Stein report says Mr. Meese "could not recall the identities of. . . [The Reserve officials] of the date of the conversation." Among the factors the Independent Counsel concluded may have played a role in General Berkman's reappointment was the telephone call from Mr. Meese to Secretary Weinberger supporting General Berkman.

Conclusions to be drawn from the Independent Counsel's Report: The Independent Counsel "found no direct evidence that Mr. Meese took action favorable to General Berkman in return for something done for Mr. Meese by General Berkman . . . ." (280) Again, we do not challenge the Independent Counsel's conclusion. Nonetheless, Mr. Meese—indifferent to the appearance of exchanging his government influence for private gain—went out of his way to support General Berkman's reappointment, during the period when he was seeking a promotion under General Berkman's command.

In addition, these central facts remain: The Secretary of the Army states he telephoned Mr. Meese to call his attention to a memorandum advising against offering constructive credit to Mr. Meese at that time. Instead the memorandum recommended waiting until the following year so that the constructive credit would be part of "an orderly piece of work," and a "regular and normal affair." Nonetheless Mr. Meese allowed others to press his cause and was content to accept the military promotion appearing to result from his White House position.

4. The relationships, if any, of certain loans made to Mr. Meese and the appointment of Gordon Luce, Edwin Gray, Marc Sandstrom, and Clarence Pendelton.

Allegations: The Great American First Savings Bank (Great American) made three loans to the Meeses in 1981 and 1982. Four officials of Great American received Presidential appointments in the Reagan Administration. In the words of the Independent Counsel's Report: "Questions have been raised as to whether there was any connection between the willingness of Great American to grant these loans to Mr. and Mrs. Meese and the appointments of its officials to federal positions. Questions have also been raised as to whether the willingness of the Bank to forego timely payments played any role in the appointments." (150)

Facts Shown by the Independent Counsel's Report: Prior to President Reagan's election in 1980, the Meeses had two loans from Great American, totalling $120,000, which were secured by the first two deeds of trust on their La Mesa, California home. Mr. Meese noted that when he purchased his La Mesa home, "he went directly to Great American for financial assistance in the purchase of his house, since four officers of the Bank at the time—Messrs. Luce, Schmidt [the person Mr. Meese primarily dealt with on his loans], Sandstrom and Gray—had all served with him in the Reagan [California] administration." (152–3)

In January 1981, Mr. Meese telephoned Edwin Gray, who had been Vice President and Director of Public Affairs at Great American prior to 1980, to offer him a position as Deputy Assistant to the President, which he accepted. Mr. Gray had previously expressed an interest in a White House position. In early 1983, he was appointed Chairman of the Federal Home Loan Bank Board, with Mr. Meese's strong support.

Mr. Meese obtained a third (bridge) loan from Great American in February 1981 for $132,000, secured by a third deed of trust on his California home. this was to cover the down payment on his new Virginia home and other related expenses.

Also in February 1981, Great American made a fourth loan to Mr. Meese, secured by a first deed of trust on the Virginia home, for $150,000. The total debt was now $402,000. In anticipation of an early sale of the California home, the Bank decided to defer for a "reasonable period" payments due on the notes secured by the first and second deeds of trust on the La Mesa property. According to the Independent Counsel's Report, the Bank had accorded such deferments to other customers.

On June 18, 1981, Gordon Luce, Chairman of the Board and Chief Executive Officer of Great American, was named to the President's Commission on Housing. He was approved by the Senior Staff Personnel Committee, of which Mr. Meese was a member. In the fall of 1982 Mr. Luce was appointed an Alternate Delegate to the United Nations General Assembly, with the approval of Mr. Meese and other Senior Staff Committee members.

On October 14, 1981, Mr. Meese, as a member of the Senior Staff Committee, approved Marc Sandstrom, the Bank's Executive Vice President and General Counsel, to be a recess appointee to the Board of Directors of the Legal Services Corporation. A few months later Mr. Sandstrom was formally nominated to the Board.

Around the same time, Clarence Pendleton, a member of the Bank's Board of Directors, was nominated to be Chairman of the United States Commission on Civil Rights, a position he assumed several months later. Mr. Meese had supported his nomination, but said he was unaware of Mr. Pendleton's affiliation with Great American.

In 1982, Great American began trying to obtain payments (which it had deferred) on the first two loans secured by the Meese's house in La Mesa. In February 1982, Mr. McHenry, the manager of Great American's loan servicing department, informed Mr. Meese by letter that he owed $11,499.84. Mr. Meese did not respond to the letter.

Because the third (bridge) loan secured by the La Mesa house, which was due in full in February 1982, also had not been repaid, the bank decided to modify its agreement with Mr. Meese, extending the original note. Repeated requests by the Bank in February, March and April to sign a Modification Agreement extending the loan until June went unanswered. Then, later in April, the Bank decided to extend the bridge loan until August and provide a fourth loan of $21,000 to cover overdue payments on both the Virginia and California properties and to be secured by a fourth deed on the La Mesa property. In May the Meeses accepted the extension on their third loan and the additional loan.

"On June 17, 1982, Mr. McHenry wrote to Mr. Meese demanding payment and, for the first time, mentioning the possibility of foreclosure. He received no response." (166)

Aside from the additional loan made by Great American to cover past payments due, Mr. Meese had failed to make mortgage payments on his two homes from February until September, when his California home was sold.

Conclusions to be drawn from the Independent Counsel's Report: The Independent Counsel concluded that "despite the various degrees of support Mr. Meese gave to the appointments of Messrs. Luce, Gray, Sandstrom and Pendleton, the evidence does not warrant the finding that such support was connected to the Bank's treatment of the Meeses." (185) The Independent Counsel's Report "found no evidence that Messrs. Luce, Gray, Sandstrom, and Pendleton were involved materially, if at all, in the Meeses' financial dealings with the Bank." Nonetheless, the ethical violation is clear: Mr. Meese participated in decisions to recommend individuals who he knew were high officials of Great American First Savings Bank for government appointments at a time when he had borrowed several hundred thousand dollars from the Bank on favorable terms, including forebearance of monthly payments on some of his loans, and in fact was in default on one of his loans.

5. The relationship, if any, of a $15,000 loan made to Mrs. Meese and the appointment of Edwin Thomas to federal jobs, as well as Mr. Meese's failure to include in his Financial Disclosure Statements the $15,000 loan made by Edwin Thomas to Mrs. Meese.

Allegations: In the words of the Report: "On January 7, 1981, Edwin W. Thomas [a friend of the Meeses] lent $15,000 to Ursula Meese. Mrs. Meese used the money to purchase stock in Biotech Capital Corporation on behalf of two of her children. It has been alleged that there was a connection between the loan and federal appointments obtained by members of the Thomas family.

"Questions have also been raised regarding Mr. Meese's failure to report the $15,000 on his Financial Disclosure Form (SF 278) filed February 19, 1981 . . . or on the forms he filed in May 1981 . . . and May 1983 . . . although the loan was partially unpaid until June 1983. . . ."

Facts Shown by the Independent Counsel's Report: On January 7, 1981, just before President Reagan took office, Edwin Thomas, a close friend of the Meeses, loaned Mrs. Meese $15,000 to buy stock in Biotech Capital Corporation, a company headed by a close friend of Mr. Thomas. Mr. Meese recalled discussing the Thomas loan proposal with his wife, and approving the idea, probably in December 1980. Mr. Meese thought he probably offered Mr. Thomas the job as Assistant Counsellor to the President, also in December 1980. Mr. Meese said he knew as early as election day what role he would play in the new Administration and "never doubted that he wanted Mr. Thomas to be his assistant." (53) In late January, Mr. Thomas began working as Assistant Counselor to the President, a position he held until February 1982, when he was appointed Administrator of the San Francisco Regional Office of the General Services Administration. (In the fall of 1982, Mr. Thomas' wife became an attorney-examiner with the Merit Systems Protection Board and his son took a job with the Department of Labor.)

After taking the position of Counselor to the President, Mr. Meese filed financial disclosure reports, as required under the Ethics in Government Act of 1978. His first report, the draft for which he prepared himself, was filed in February 1981, six weeks after Mrs. Meese received the $15,000 loan from Mr. Thomas. Although the Act clearly requires disclosure of liabilities in excess of $10,000, neither this statement nor Mr. Meese's subsequent statements listed the loan as a liability.

Explaining his omission, "Mr. Meese told members of his staff and others at the White House that it had never occurred to him or 'registered' in his mind that a loan such as this was the kind of thing he was required to include on an SF 278." (75) Moreover, the Report characterizes Mr. Meese as showing a "lack of attention" to his Financial Disclosure Forms.

Conclusions to be drawn from the Independent Counsel's Report: Independent Counsel found "no direct evidence linking the offer of the loan, or the subsequent making of the loan, to Mr. Meese's offer of a job to Mr. Thomas." (72) Whatever his subjective motive, Mr. Meese did link by his actions the receipt by his wife of an undisclosed financil favor and the giving of a government job to the man who had done the favor. Surely—in the words of Executive Order 11222—he became involved in a situation that presented the appearance of "losing complete independence or impartiality."

Not only does his conduct reflect marked in difference to ethical standards, but the Independent Counsel's discussion of Mr. Meese's failure to list the $15,000 loan from Mr. Thomas also shows him to be ignorant of a basic and ethical obligation of public officials.[2]

6. Mr. Meese's receipt of payments by the Presidential Transition Trust.

Allegations: Questions were raised regarding whether Mr. Meese's acceptance of payments from the Presidential Transition Trust was lawful.

Facts Shown by the Independent Counsel's Report: The Presidential Transition Trust was established in August 1980 to raise money to fund the Reagan/Bush Planning Task Force, a group intended to engage in "pre-transition" activities such as identifying government positions to be filled. After the election, when the Trust was terminating, some funds remained in its treasury. With this remaining money, checks were distributed to several persons soon to be members of the Administration, including $10,000 to Mr. Meese clearly designated for "moving expenses." Mr. Meese deposited his check in his bank account on November 22, 1980.

In early December, according to Mr. McPherson, counsel to the Trust, Mr. Meese said that money was needed to pay the moving expenses of the people coming from California to Washington to work in the Administration. After Mr. McPherson learned that this might constitute a legal problem, he informed Mr. Meese, who agreed with him that the matter should be discussed with the Justice Department. According to the Independent Counsel's Report, Mr. McPherson explained that—

"[He] received the oral opinion . . . that [the Justice Department] would probably consider payment of 'moving expenses' by the Trust to prospective government employees to be a violation of 18 U.S.C. § 209(a), a criminal statute barring payment or acceptance by any person of 'supplementation of his salary as a government employee.' [footnote omitted] Mr. McPherson said he reported this to Mr. Meese during December of 1980. Mr. Meese told Mr. McPherson not to pursue the matter further. At no time did Mr. Meese tell Mr. McPherson that he had received a check from the Trust for moving expenses in November and he had deposited it in his account on November 22, 1980." (344-5)

Mr. Meese said that he had no recollection of these conversations, but that he had learned from a source whom he couldn't recall that there might be "a problem" and asked "someone, probably Mrs. von Damm" (the office manager who later became White House Personnel Director) at the Trust to change trust records to reflect that his check was for "consulting fees," which he reported as income on his tax return and Financial Disclosure Form.

Conclusions to be drawn from the Independent Counsel's Report: Independent Counsel concluded that a criminal violation could not be established. We do not dispute this. But there is something disquieting about Mr. Meese's conduct when viewed in the light of Mr. Meese's insensitivity to ethical standards in other situations affecting his finances. Would a man sensitive to ethical standards who had received a $10,000 payment that he learned was "probably illegal" be content to keep the money and simply have the record changed to read "consulting fees?" Mr. Meese may have earned consulting fees. But surely in this difficult situation, an honorable man would want to return the money, submit a statement of the hours spent in consultation, and then obtain payment of his fee.

III. MR. MEESE'S FAILURE TO RECALL SIGNIFICANT EVENTS, CONVERSATIONS AND DOCUMENTS

One of the striking features of the Independent Counsel's Report is the extent to which Mr. Meese claims to be unable to remember significant events or actions. The Independent Counsel's Report reflects a man who is not merely occasionally forgetful, but rather, if taken at his word, suffers from frequent lapses of memory concerning conversations, documents and events bearing upon the integrity of his conduct.

1. In connection with the charges involving Mr. McKean it was important to know to what extent Mr. Meese was aware of Mr. McKean's interest in a government position. When asked questions about documents, conversations or events that would indicate he was aware of this, Mr. Meese answered that he could not recall.

Mr. McKean recalled telling Mr. Meese that he had learned that his appointment was going through and said words to the effect, "I appreciate any role you've played in this." Mr. Meese did not recall this conversation, although he thought it probably occurred. (127)

In a letter from Mr. McKean to Mr. Meese dated September 14, 1982, Mr. McKean expressed his interest in the longer term on the Postal Board, and said, "With your help I can continue this [work]." When confronted with this evidence of his knowledge, Mr. Meese said that he did not recall receiving the letter. (133)

According to the Independent Counsel's Report, "Mr. Meese assumed that Mr. McKean's name later came up at a Senior Staff Personnel Committee meeting, and

[2] The Independent Counsel's Report documents numerous other examples of Mr. Meese's failure to comply with the financial disclosure requirements of the Ethics in Government Act. The Report notes that during his first four years in office, Mr. Meese initially failed to list at least 20 items on the Financial Disclosure Forms he was required by law to complete.

that he supported the nomination, but he had no recollection of this occurring." (135)

2. In connection with the charges involving Mr. Barrack, it was important to know to what extent Mr. Meese was aware of Mr. Barrack's efforts to secure a government position. When asked questions about documents or conversations that would indicate he was aware of this, Mr. Meese repeatedly answered he could not recall.

According to the Independent Counsel's Report: "Mr. Meese had no recollection of Mr. Barrack's September 8 visit to his office [their first meeting occurring one week after the sale of Mr. Meese's home] until he found and reviewed the letter in his files. He did not recall what was discussed, or whether anyone else was present. He also did not recall if he knew Mr. Barrack had been interviewed by people in OPP [the Office of Presidential Personnel]."(210)

In a letter to several cabinet secretaries asking them to see Mr. Barrack, Mr. James wrote: "I should mention that Ed Meese knows Tom and I'm sure also would endorse my strong support." Mr. James sent a copy of the letter to Mr. Meese. According to the Report: "Mr. Meese did not recall the October 27 letter. He also did not recall knowing at this time that Mr. Barrack was interested in a federal position, or that Mr. James was seeking to obtain one for him." (214) He explained that he sometimes but not always read the contents of his "reading file" where a copy of the letter would have gone and that other staff read and filed the original.

According to the Report: "Mr. Meese stated that he could not recall when he learned that Mr. Barrack was interested in a federal position. He recalled that in August 1982, Mr. James told him that Mr. Barrack was someone Mr. James 'had tried' to recruit into the administration. However, Mr. Meese did not recall knowing that Mr. James was still engaged in such an effort. Mr. Meese told us that he might have known as early as the November 9, 1982 dinner [a dinner with Mr. Barrack that occurred the same day that Mr. Barrack interviewed with Transportation Secretary Lewis and HUD Secretary Pierce, and the day before he was to interview with Interior Secretary Watt and Energy Secretary Hodel], although he recalled no conversation about it. He thought he probably knew at Thanksgiving that Mr. Barrack was going to work for Secretary Watt." (220)

According to the Report: "Concerning his Senior Staff role in [Mr. Barrack's appointment to be Assistant Secretary of the Commerce Department] Mr. Meese said that he assumed he raised no objection to this appointment, but that he had no recollection of the matter." (222)

3. In connection with the charges involving Mr. Meese's Army Reserve status, it was important to know the extent to which Mr. Meese was aware that he could be receiving special treatment on his promotion and to know what his grounds were for favoring the reappointment of General Berkman. When asked questions about special treatment and the reappointment of General Berkman, Mr. Meese answered that he could not recall.

Secretary of the Army Marsh, who recalled sending General Thurman's memorandum to Mr. Meese and later calling Mr. Meese about it, recalled that Mr. Meese simply wanted to take no position on it. However, "Mr. Meese had no recollection of rceiving the memorandum. When he reviewed the original copy, which we had obtained, it did not refresh his recollection." (269) Mr. Meese also could not recall speaking to Secretary Marsh on this subject, stating that the only person he could recall talking to was Colonel Sullivan.

Mr. Meese spoke with Secretaries Weinberger and Marsh to recommend General Berkman. Mr. Meese explained that he supported General Berkman in part because of recommendations of several Reserve officials. however, "Mr. Meese could not recall the identities of those individuals, or the date of the conversation." (275)

The Independent Counsel apparently regarded Mr. Meese's repeated lapses of memory concerning tansactions of questionable ethical propriety as unimportant in deciding whether to seek an indictment, the truth of which would have to be proved beyond a reasonable doubt. In contexts other than a criminal investigation one might well be warranted in drawing adverse inferences from such repeated inability to answer key questions. But even if no adverse inference should be drawn about Mr. Meese's credibility, the lapses of memory surely confirm the charge of insensitivity to the ethical standards that apply to a Presidential Counsellor and future Attorney General. That a man with Mr. Meese's public responsibilities may neglect some of his personal affairs is readily imaginable. That a man as busy as Mr. Meese may forget incidents seemingly unimportant at the time they occur in the course of his duties is also obvious. But anyone who is truly sensitive to ethical concerns immediately becomes alert and does remember, when names are mentioned or proposals are made that suggest the danger of mixing the personal affairs with public duties, conflicts of interest, or other improprieties.

A man whose sense of propriety forbade his receiving preferential treatment in a military promotion because of his being a Persidential Counsellor, would unquestionably recall a warning telephone call from the Secretary of the Army. He would come alert, and not forget, when the name of the man (Barrack) who arranged the sale of his house came up for appointment to the sub-Cabinet. Likewise, one with appreciation of te impropriety of appointing one's creditor (McKean) to office would come alert and remember when the name of the individual who had arranged a $60,000 loan came up for appointment before a government committee of which he was a member. He would remember a letter from that man asking him for help in obtaining the appointment—if he had any sense of the impropriety of the request and the potential embarrassment if he had a hand in the appointment. Perhaps a man sensitive to ethical standards might forget once, but not on repeated occasions.

In short, even accepting the honesty and candor of Mr. Meese's statements of forgetfulness, they confirm the other evidence of unawareness of, or indifference to, ethical standards required of public officials.

CONCLUSION

We do not suggest that Mr. Meese should be denied confirmation simply because he made mistakes. We do submit that Mr. Meese's actions, though not determined to be criminal, do reveal that he is unfit to be Attorney General.

Confidence in the fairness and impartiality of the administration of justice is essential to a free government. Those who enforce the law must be free from personal interest. The Attorney General must be a symbol of these qualities, not only for the country but for other lawyers in the Department of Justice. Mr. Meese's record of violations of Executive Order 11222, applicable regulations and general standards of ethical conduct makes it impossible for him to be that symbol. He has accepted a promotion that gives the appearance of receiving preferential treatment after being alerted to the problem by the Secretary of the Army. He has failed to understand the wrong in approving for public office persons from whom he has accepted financial assistance. He has displayed an ignorance of the requirements of financial disclosure totally inconsistent with their purpose of revealing conflicts of interest.

An Attorney General can do more to set the ethical tone of an Administration than any other member of the Cabinet. Mr. Meese cannot now perform that function. How could Mr. Meese show by example or tell others that it is wrong to assist individuals in obtaining public office who have done one financial favors, or to accept financial aid or favors from government contractors or their officials, or to accept other preferential treatment?

The Department of Justice has the initial responsibility for investigating charges of wrongdoing against high government officials. Suppose that it were to develop, while Mr. Meese was Attorney General, that on numerous occasions some high official in the White House had supported individuals outside the government for important government positions after he had received unusual financial assistance from them or the organizations in which they held leadership positions. Could Mr. Meese, who has himself been the recipient for such favors, and participated in such appointments, be expected to press a vigorous investigation? Would a young lawyer in the Department of Justice to whom the allegations were referred recommend further investigation knowing that the Attorney General had been in just such a position?

Not infrequently the Department of Justice has the responsibility for investigating gifts made to government officials by government contractors. Could Mr. Meese be expected to see anything wrong in such conduct?

From time to time, attorneys of the Department of Justice are requested to do favors for friends, for political benefactors of an Administration, and for others in positions of influence. Often they have to choose between following high professional standards in the conduct of an investigation or litigation and resorting to unworthy tactics in order to prevail. No one can have confidence that Mr. Meese's example would steer them in the right direction.

In the end the question is very simple. The Independent Counsel did not charge Mr. Meese with a crime. Mr. Meese may have intended no wrong. His past conduct shows, however, that he is blind to the ethical standards and obligations required of a public official. He should not be confirmed as Attorney General.

Appendix I

A List of the Inquiries Concerning Edwin Meese III Conducted by the Independent Counsel

"The Office of Independent Counsel conducted eleven separate inquiries relating to Edwin Meese III. They were:

"1. Mr. Meese's failure to include in his financial Disclosure Statements a $15,000 loan made by Edwin Thomas to Mrs. Meese.

"2. The relationship, if any, of certain loans made to Mr. and Mrs. Meese and the appointment of Edwin Thomas, Gretchen Thomas, Tad Thomas, John McKean, Gordon Luce, Edwin Gray, Marc Sandstrom, Clarence Pendleton, and Thomas Barrack to federal jobs.

"3. Mr. Meese's and his family stock trading.

"4. Whether Mr. Meese obtained special treatment from government agencies for business entities in which he had a financial interest.

"5. Mr. Meese's change of status from the retired Army Reserve to the Active Reserve and his later military promotion.

"6. Mr. Meese's statement to the Subcommittee on Human Resources of the Committee on Post Office and Civil Service, House of Representatives, and the Senate Judiciary Committee, concerning Carter campaign materials.

"7. Mr. Meese's retention of cuff links given to him by the government of South Korea.

"8. Mr. Meese's receipt of payments by the Presidential Transition Trust and the Presidential Transition Foundation.

"9. Mr. Meese's reporting on his Financial Disclosure Statements of reimbursements for travel expenses.

"10. Mrs. Meese's receipt of funds from the William Moss Institute.

"11. Mr. Meese' connection, if any, with federal grants to Pepperdine University and American University."

STATEMENT OF ARCHIBALD COX BEFORE THE JUDICIARY COMMITTEE OF THE U.S. SENATE IN OPPOSITION TO THE CONFIRMATION OF EDWIN MEESE III TO BE ATTORNEY GENERAL

Mr. Chairman and Members of the Committee:

I appreciate this opportunity to appear on behalf of Common Cause before the Judiciary Committee in opposition to the confirmation of Edwin Meese III as Attorney General of the United States. I am Chairman of Common Cause, a citizens' organization of 250,000 members. I am also Carl M. Loeb University Professor Emeritus at Harvard University and a Visiting Professor of Law at Boston University. I have served in the U.S. Department of Justice as a young lawyer, as Special Watergate Proscecutor, and as Solicitor General of the United States.

Neither Common Cause nor I myself came lightly to the conclusion that we should oppose the nomination of Edwin Meese. Although we have often emphasized the constitutional responsibility of the Senate to investigate thoroughly and pass its own independent judgment upon a President's nominees, we also recognize that when a Cabinet post is involved, much can be said for deferring to the President's choice insofar as the grounds for possible objection lie in the realm of political philosophy or policies. We did not oppose Mr. Meese's confirmation until after the hearings last spring brought out such repeated violations of the ethical standards that should govern the conduct of government officials as to make it impossible to believe that he can both symbolize and ensure the honest, even-handed, and fair-minded administration of justice free from the taint of personal self-interest or prejudice. We then became convinced that Mr. Meese's record disqualified him from serving effectively as Attorney General, and that we should oppose his nomination. The intervening months have strengthened that conviction.

51-059 O-86-46 (Pt. 2)

The reasons behind our conclusion that the Senate should not confirm Mr. Meese's nomination are best explained in five steps that I shall first state and then elaborate:

First. The Senate must make its own determination of the ethical propriety of Mr. Meese's conduct. The Report of the Independent Counsel does not pass judgment upon whether Mr. Meese's past conduct disqualifies him from being Attorney General.

Second. A public official must not mix personal financial affairs with the exercise of official power or influence. This is one of the clearest and most widely-accepted ethical standards governing the holders of public office.

Third. Edwin Meese, as shown by evidence detailed by the Independent Counsel, did mix the receipt of personal financial benefits with the exercise of the powers and influence of Counsellor to the President by acting upon matters involving persons who had given him financial assistance.

Fourth. To treat Edwin Meese as vindicated because there is no basis for criminal prosecution would abandon the familiar and Long-accepted distinction between violation of criminal law and violation of the higher ethical standards that government officials should obey.

Fifth. For the Senate to repudiate the moral standard by treating freedom of criminality as sufficient for confirmation as Attorney General would have disastrous consequences throughout the government.

I. THE REPORT OF INDEPENDENT COUNSEL DOES NOT PASS JUDGMENT UPON WHETHER THE PAST CONDUCT OF EDWIN MEESE DISQUALIFIES HIM FROM BEING AN EFFECTIVE ATTORNEY GENERAL

Jacob Stein, Esq. conducted a careful investigation into the charges that Edwin Meese had engaged in numerous improprieties as Counsellor to the President. Mr. Stein found "no basis" for criminal prosecution. That finding should put an end to accusations of criminality. It grossly misrepresents the Independent Counsel's Report, however, to say that it is a "vindication" of Mr. Meese, or that it should remove all obstacles to his confirmation.

The Report does not constitute a "vindication" of Mr. Meese against charges of repeated ethical violation. It does not demonstrate his fitness to serve as Attorney General. Despite the request of Mr. Meese's counsel, Mr. Stein explicitly refused to say ". . . that the evidence does not substantiate the loose charges of moral turpitude against Mr. Meese" (Report, p. 2). Despite many other requests, Mr. Stein explicitly refused to make "an evaluation of Mr. Meese's fitness for public office" (Report, p. 3). He explained that neither of these questions was within his jurisdiction (Report, pp. 3-4), but expressed "an expectation that they will not remain unexplored by those who will strive to do so free from all bias and prejudice" (Report, p. 4).

II. A PUBLIC OFFICIAL SHOULD NOT MIX PERSONAL FINANCIAL GAIN WITH THE EXERCISE OF OFFICIAL POWER OR INFLUENCE

Public officials cannot and should not live in a vacuum. They cannot and should not shut themselves off from those whom they know from past social intercourse or business, professional, or political advice. In making and recommending appointments and also in seeking and evaluating advice, public servants often necessarily rely upon impressions and judgments formed by experience outside of office. The reliance will become abuse if friendship or mutual advantage takes precedence over sincere pursuit of the public interest. Cronyism is an abuse. In this area, however, it is impossible to set down a hard-and-fast rule. Here we must rely upon the integrity, fair-mindedness and public spiritedness of elected and appointed officials and upon the judgments of the electorate.

Once personal material advantage enters the picture—once money is involved—the situation is altogether different. Then a rule can be formulated. Then one can judge objectively whether the ethical standard has been honored or breached. As a result of scandals in previous administrations two precepts that had long been honored by conscientious public servants became firmly established as general rules:

Public officials should not accept personal financial favors from those who may seek appointments or may have other business with the government that either they or the use of their names may influence.

If the proposed appointment or business of a benefactor unexpectedly comes before a public official, that official should stand aside.

High officials who violated these precepts have, upon discovery, been severely criticized and forced to resign. The country was shocked by revelations that a White House aide to President Truman had accepted expensive gifts such as a deepfreeze locker from "five-percenters" seeking to place government contracts for a contingent fee. Part of the major scandal involving the Bureau of Internal Revenue that developed in 1950-1951 as a result of the investigations of Senator Williams and Congressman King was that the Chief Counsel and former assistant head of the Bureau, and also the Assistant Attorney General for the Tax Division, had allowed themselves to be put under obligation by accepting expensive gifts and entertainment from men who turned out to subject to investigation.

When it became known that Associate Justice Abe Fortas had accepted $20,000 from financier Louis Wolfson and a promise of annual payments, he was forced to resign from the Supreme Court even though Justice Fortas neither gave nor promised judicial or official favor nor intervened or promised to intervene on Wolfson's behalf.

When it became known that Sherman Adams, the senior White House aide to President Eisenhower, had accepted the present of a vicuna coat, the loan of an expensive oriental rug, and the payment of his hotel bills from Bernard Goldfine, a textile executive who had matters pending before other parts of the government, Sherman Adams was forced to resign, even though he had committed no crime. Senator Barry Goldwater, a leader in forcing Adams's resignation, succinctly stated a few years later: "There is much more to high standard of public officials than merely staying within the law. * * * It is a question for moral purity in public service."

These precepts were endorsed in Congress in slightly different language in a Concurrent Resolution adopted in 1958 at the time of the Sherman Adams affair (H.R. Con. Res. 175, 72 Stat. B12):

"Any person in Government service should: * * *

"5. Never * * * accept, for himself or his family, favors or benefits under circumstances which *might be construed* by reasonable persons as influencing the performance of his governmental duties." [Emphasis supplied.]

The precepts have also been embodied in slightly different language in Executive Order 11,222, which forbids an employee in the Executive Branch to do anything that "might result in, or create the appearance of * * * giving preferential treatment to any organization or person" or of "losing complete independence or impartiality of action." A public official who accepts financial favors risks actually "losing complete independence or impartiality of action," for the reasons that Senator Paul H. Douglas so well explained (see p. 8 below). All the more plainly his acceptance of the favors creates that appearance. And surely one who accepts financial favors and thereafter participates in naming his benefactor to a government office engages in conduct "which might * * * create the appearance of * * * giving preferential treatment."

The importance of avoiding appearances that create distrust in government was eloquently stated by Senator Strom Thurmond during consideration of the Senate Code of Ethics:

"John C. Calhoun, who was from my home state of South Carolina, one of the great Senators to serve this body, ably defined this aspect of the public trust in an 1835 speech when he wrote:

"'* * * the very essence of free government consists in considering offices as public trusts, bestowed for the good of the Country and not for the benefit of an individual or party.' * * *

"There is one thing my father told me when I started out in public life. He said, 'You have got to appear right as well as be right.'" (125 Cong. Rec. 8047-8 (March 17, 1977), 125 Cong. Rec. 8349 (March 21, 1977).)

The reasoning behind these ethical standards is simple and straightforward.

First, the public is entitled to the independent judgment of officials whose impartiality cannot have been tainted by the receipt of financial benefits from those whose cases they must judge. The world is full of people who, like Bernard Goldfine, are happy to earn the acquaintance and the gratitude or good will of high government officials by doing them financial favors, not because they are seeking to induce some particular official action at the time but because some day and in some way the acquaintance of one of the powerful may help advance the benefactor's affairs. Their method and the danger were admirably stated by one of the most distinguished Senators in this century, Paul H. Douglas, in a valuable study of Ethics in Government (p. 44):

"Today the corruption of public officials by private interests takes a more subtle form. The enticer does not generally pay money directly to the public representative. He tries instead by a series of favors to put the public official under such a feeling of personal obligation that the latter gradually loses his sense of mission to the public and comes to feel that his first loyalties are to his private benefactors and patrons."

The government official is also bound to know that, if he accepts personal financial favors in his hour of need, then it will be hard for him later—if the occasion should arise—to act upon a request of his benefactor wholly without some sense of obligation or gratitude. Senator Douglas went on to explain the point much more clearly than I can express it:

"What happens is a gradual shifting of a man's loyalties from the community to those who have been doing him favors. His final decisions are, therefore, made in response to his private friendships and loyalties rather than to the public good. Throughout this whole process, the official will claim—and may indeed believe—that there is no causal connection between the favors he has received and the decisions which he makes. He will assert that the favors were given and received on the basis of pure friendship unsullied by worldly considerations. He will claim that the decisions, on the other hand, will have been made on the basis of the justice and equity of the particular case. The two series of acts will be alleged to be as separate as the east is from the west. Moreover, the whole process may be so subtle as not to be detected by the official himself."

The only assurance is to refuse the financial favor or if the gift were mistakenly accepted from one who seemingly could have no government business, to stand aside. That is what H.R. Concurrent Resolution 175, Executive Order 11,222 and the public morality behind them plainly require.

Second, even if the official could achieve complete impartiality of judgment, the sight of a government official approving for office or otherwise dealing on behalf of government with individuals who have done him financial favors undermines public confidence in the honesty and evenhandedness with which government is conducted. Free government cannot survive that loss of confidence.

Third, the sight of a government official approving for office or otherwise dealing on behalf of government with individuals who have done him financial favors sets a destructive example, inviting other government officials actually to use their offices for personal gain. Toleration of the appearance of linking personal financial advantage with government appointments is the beginning of a long downhill slide into major corruption, public cynicism, and the collapse of confidence in public justice. Little favors—timely, well-placed telephone calls—follow. Then bigger courtesies, outright preferences, and the scarcely-concealed sale of influence and the kickback and bribe.

In sum, the standard by which Mr. Meese should be judged is not new. The firm ethical principle forbidding a government official to exercise official power or influence on behalf of an individual or organization that has given him financial assistance was hammered out as a result of scandals in the Truman Administration involving White House aides Matthew Connolly and Harry Vaughn, Assistant Attorney General Lamar Caudle, and officials in the Bureau of Internal Revenue. There was more debate at the time of the Sherman Adams affair and the consideration of House Concurrent Resolution 175, 72 Stat. B12, quoted above. Still further deliberation took place in connection with the acceptance of gifts by Associate Justice Abe Fortas of the United States Supreme Court. While the Watergate wrongs were of a rather different character, they too resulted in legislative actions strengthening the consensus that no official may accept financial favors and then act favorably on government business involving his benefactor. The principle applies regardless of whether the official thinks that he would have taken the same action even if he had not been under obligation. For the Senate now to judge the conduct of Edwin Meese by a different rule would be a long step backward, rejecting a hard-won consensus and opening the door to corruption on a major scale.

III. EDWIN MEESE, WHILE COUNSELLOR TO THE PRESIDENT, REPEATEDLY MIXED THE EXERCISE OF OFFICIAL POWER OR INFLUENCE WITH PERSONAL FINANCIAL AFFAIRS

The Report of Independent Counsel contains a wealth of evidence, mostly undisputed, showing that Edwin Meese did mix the receipt of personal material benefit with the conduct of his official duties, in violation of the established ethical standard for government officials and also in violation of Executive Order 11,222. Independent Counsel concluded that there was "no basis" for a criminal prosecution based upon the evidence described above largely because there was no direct evidence that Mr. Meese made the appointments because of the financial favors, or that the favors were given with the express or implied understanding that Mr. Meese would assist in the appointments. But, as we have shown, the proof of a specific corrupt intent or actual influence upon official action is not an element of ethical misconduct. The ethical standard and the Executive Order are concerned with risk of improper influence and with the appearance that destroy confidence in both government and the individual concerned.

1. While enjoying financial favors from John McKean, Mr. Meese twice supported him for terms on the Postal Board of Governors.

In moving to Washington early in 1981 to serve as Counsellor to the President, Edwin Meese encountered substantial financial problems. On the advice of Michael Deaver, Deputy White House Chief of Staff, he met with John McKean, President of an accounting firm, and in late June 1981 obtained an unsecured loan of $40,000 with interest payable "not less than annually." Apparently Mr. Meese had no previous personal or business contacts with Mr. McKean. Nevertheless, on July 13, 1981, when the filling of a vacancy on the Postal Board of Governors came before the four-member White House Senior Staff Personnel Committee, of which Mr. Meese was a member, decision was deferred, according to the notes of one participant, until Mr. Deaver and Mr. Meese came back with a recommendation. At a subsequent meeting held soon afterwards, Mr. Deaver proposed Mr. McKean. When James Baker III, a third member of the Committee, said that he did not know Mr. McKean, Mr. Deaver turned to Mr. Meese, saying, "You know him, Ed." Mr. Meese, whose direct knowledge of Mr. McKean apparently was still confined to their financial dealings, then affirmed that Mr. McKean would be a good person for the job, and the decision was made to choose him. Mr. McKean later thanked Mr. Meese: "I appreciate any role you've played in this" (Report, p. 127).

Independent Counsel concluded that these facts would not support a criminal prosecution because there was no evidence that Mr. McKean was interested in the position at the time he arranged the loan (Report, p. 146) or that "Mr. Meese sought Mr. McKean's assistance in obtaining a loan with the intention of promising him anything in exchange, or that Mr. Meese in fact initiated any action to propose Mr. McKean for the Postal Board" (Report, pp. 146-7). These findings may be freely conceded. Independent Counsel foiund only that Mr. Meese had not "initiated any action to propose Mr. McKean" [emphasis supplied]. The fact that Mr. Meese actively supported Mr. McKean shortly after receiving the $40,000 loan stands unchallenged. So far as

appears, Mr. Meese had no other direct knowledge of Mr. McKean when he assured Mr. Baker that he knew him and thought him a good choice. There is no reason to draw inferences about Mr. Meese's motives in supporting Mr. McKean upon such slender personal knowledge. As explained by Senator Douglas in the passage quoted above, neither observers nor the one receiving such a financial benefit and then acting in a matter affecting his benefactor can be sure of the part played by reciprocity. Vital ethical standards were violated by Mr. Meese's prompt support of a man to whom he was in debt for financial assistance.

On December 28, 1981, Mr. Meese turned to Mr. McKean for another $20,000 loan.

In September 1982, while Mr. Meese was in default in the payment of interest on the first loan, Mr. McKean wrote Mr. Meese a letter saying that he was interested in a new full nine-year term on the Postal Board that would become available in December. Mr. McKean added: "With your help I can continue this [work]" (Report, p. 133). Mr. Meese testified that he could not remember the letter (Report, p. 133). In early November Mr. McKean sent Mr. Meese copies of bills showing that his accrued interest totalled $12,000. The two met on November 8 to discuss the problem of interest payments. The written agenda for the meeting also called for the men to discuss Mr. McKean's desire to serve for a longer term on the Postal Board. Mr. McKean did agree to defer Mr. Meese's interest payments until 1983. Whether they also discussed Mr. McKean's desire to have Mr. Meese's help in obtaining a new, full term on the Postal Board of Governors is left chiefly to inference from the agenda. Supporting that inference is the fact that Mr. Meese did recall that on some occasion Mr. McKean told him that he was interested in a longer term on the Postal Board of Governors and Mr. McKean recalled a conversation, which he said might have been on November 8, in which he asked and Mr. Meese agreed to support him for the longer term.

One week later Mr. McKean's renomination to the nine-year post was approved by the Senior Staff Personnel Committee. Mr. Meese supported the nomination (Report, p. 135).

In this instance Independent Counsel found no basis for prosecution because—

"There is no direct evidence that there was any connection between McKean's willingness to continue to forgo interest until 1983 and Mr. Meese's willingness to support him for a longer term on the Board." (Report, p. 147, emphasis supplied.)

A decent sense of the ethical obligations of a public official forbade such support for a personal financial benefactor regardless of any conscious or even unconscious causal connection in the official's mind. Mr. Meese gave that support, whatever his state of mind.

The support was also a patent violation of Executive Order 11222 without regard to Mr. Meese's state of mind. The order forbids an employee in the Executive Branch to do anything that "might result in, or create the appearance of * * * giving preferential treatment to any organization or person" or of "losing complete independence or impartiality of action." For Mr. Meese to support Mr. McKean for the full term on the Postal Board of Governors just after Mr. McKean had both requested Mr. Meese's support and agreed to Mr. Meese's further deferring interest payments already overdue, indisputably "might * * * create the appearance of * * * using public office for private gain" of "giving preferential treatment" and of "losing complete independence or impartiality of action."

2. Mr. Meese mixed the receipt of personal financial benefit with the exercise of official power and influence by joining in approving Thomas Barrack for a Presidential appointment after Mr. Barrack had relieved him of his financial embarassment by accomplishing a favorable sale of his California home.

In June and July 1982 two facts conjoined:

(1) Thomas J. Barrack, a California lawyer and real estate developer, made known his interest in a post in the federal government.

(2) Edwin Meese's financial difficulties were increasing because a buyer had not been found for his California house that had been on the market for a year and a half.

Pendleton James, who had been Director of the Office of Presidential Personnel, was a friend of both Mr. Meese and Mr. Barrack. He had been discussing federal posts with Mr. Barrack for some months. By late July 1982 he knew of Mr. Barrack's desire for a federal job. He also knew by early August of Mr. Meese's financial difficulty because of the difficulty in selling the house. With knowledge on both points, on August 8, 1982, Mr. James, who had just left the White House, asked Mr. Barrack to help arrange a sale of the house for Mr. Meese, who in fact could also help Mr. Barrack obtain the federal job. Within a month, Mr. Barrack had worked out a complicated sale of the house to a builder who had worked with him. In fact, Mr. Barrack put up the $70,000 down payment first as a loan but later as a gift. Mr. Barrack also paid other costs and thus "contributed * * * approximately $83,000 in connection with the house" (Report, p. 203).

Within a week after the closing of the sale, Mr. Barrack was in Washington for interviews arranged by Mr. James at the Presidential Personnel Office. He met with Mr. Meese, with whom he had previously talked only by telephone. After the meeting Mr. Barrack wrote to Mr. Meese saying in part, "Again, I am very grateful for your counsel and encouragement. * * *" (Report, p. 210) Mr. Meese could not remember the meeting until shown the note, and then could not remember what was talked about. Mr. Barrack, although he had come to Washington and spent the previous day in interviews about federal employment, asserted that the subject was never mentioned during his meeting with Mr. Meese. He thought it likely that the counsel for which he had thanked Mr. Meese related to a possible move to New York.

On October 27 Mr. James wrote to five Cabinet Secretaries urging Mr. Barrack's qualifications for a high level position. He also said—

"I should mention that Ed Meese knows Tom and I'm sure also would endorse my strong support." (Report, p. 212)

"Ed Meese" knew "Tom" only as the benefactor who had arranged the sale of his house.

Mr. James sent Mr. Meese a copy of this letter to five Cabinet Secretaries, and also told Mr. Meese of his efforts to get Mr. Barrack into the Administration in an accompanying note. Mr. Meese said that he did not remember seeing the note or the copy of the letters. Two weeks later, while Mr. Barrack was in Washington for interviews with Cabinet Secretaries, Mr. and Mrs. Meese and Mr. Barrack dined together. At Thanksgiving the Meeses stayed at the Barracks' house in California. On December 2, Mr. Barrack attended a birthday party for Mr. Meese.

Early in December Mr. Barrack took a post in the Interior Department under Secretary Watt, but he appears to have either continued or soon resumed the search for a higher level government appointment. On February 14, 1983, a White House Personnel Office memorandum came before the four-member Senior Staff Personnel Committee stating that Secretary Baldrige of the Commerce Department had requested that Mr. Barrack be named Assistant Secretary of Commerce for Trade Development. Mr. Meese joined in approving the request despite his knowledge that he was obligated to Mr. Barrack for relieving his financial distress.

Independent Counsel found that "Mr. Meese did not violate any federal criminal statute in connection with Mr. Barrack's recommended appointment" (Report, p. 225), but the grounds of the finding do not exonerate Mr. Meese from the charge of ethical improprieties heretofore condemned in other public officials. Independent Counsel rested heavily upon the absence of "direct evidence that * * * Mr. Meese promised to support or use his influence on behalf of Mr. Barrack" (Report, pp. 223–4, emphasis supplied). Acting favorably upon a matter involving Mr. Barrack was wrong for a public official who had received Mr. Barrack's financial help, with or without the promise. It was wrong even if there was "no direct evidence that Mr. Meese's non-veto of Mr. Barrack's appointment to this job was based upon his earlier receipt of assistance from Mr. Barrack" (Report, p. 225). For reasons explained by Senator Paul Douglas in the passage quoted above, it is futile to probe for actual motivation—except in criminal cases. The message that observers are bound to read into the sequence of events involving Mr. Barrack—Mr. James' going to a man interested in a government appointment in order to get financial help for Mr. Meese, followed by the use of Mr. Meese's name to help get Mr. Barrack a job, then followed by Mr. Meese's joining in approving his benefactor as an Assistant Secretary—is that private financial assistance for White House officials is a path to favorable governmental decisions.

3. While enjoying financial favors from Edwin Thomas that he failed to disclose as required by the Ethics in Government Act, Mr. Meese selected Mr. Thomas to become Assistant Counsellor to the President.

On January 7, 1981, Edwin Thomas, a close friend of the Meeses, loaned Mrs. Meese $15,000 to buy stock in Biotech Capital Corporation, a company headed by a close friend of Mr. Thomas. No due date nor interest rate was mentioned. No interest was ever paid. Mr. Meese approved accepting the loan. Later that month, Mr. Meese offered Mr. Thomas a position as Assistant Counsellor to the President, a position Mr. Thomas accepted.

Mr. Thomas and Mr. Meese were longtime associates. Viewed in isolation the Meeses' acceptance of the interest-free loan of $15,000 from Mr. Thomas might perhaps seem to be no more than an indiscretion flowing from poor judgment and at most a technical violation of 5 U.S.C. 7351 (prohibiting the acceptance of gifts from a subordinate) and Executive Order 11,222. But the incident does not stand in isolation. The loan was one of a series of financial favors that Mr. Meese accepted from individuals who he would appoint or would support for

federal office, including Mr. McKean and Mr. Barrack who were not old friends.

The incident must also be viewed in the context of Mr. Meese's financial disclosure reports made under the Ethics in Government Act of 1978. Mr. Meese did not report the Thomas loan in 1981, 1982 or 1983, even though the Act explicitly requires disclosure of every liability in excess of $10,000. These were plain violations, though found not to be criminal because there was insufficient evidence of unlawful intent.

Mr. Meese's explanation of the failure to make disclosure was that "it had never occurred to him or 'registered' in his mind that a loan such as this was the kind of thing he was required to include on an SF 278." (Report p. 75) That it "never occurred to him" to disclose receipt of a sizable financial favor and the resulting debt to an individual whom he was appointing to work under him in the White House exhibits an extraordinary indifference to the purposes of the required financial disclosure and the need to avoid both actual and apparent conflicts of interest.

4. While enjoying favorable treatment on several hundred thousand dollars in loans from the Great American First Savings Bank, Mr. Meese supported the appointments of several officers of the Bank.

Prior to President Reagan's election in 1980, the Meeses had two loans from Great American, totalling $120,000, which were secured by the first two deeds of trust on their La Mesa, California home. Mr. Meese noted that when he purchased his La Mesa home, "he went directly to Great American for financial assistance in the purchase of his house, since four officers of the Bank at the time—Messrs. Luce, Schmidt [the person Mr. Meese primarily dealt with on his loans], Sandstrom and Gray—had all served with him in the Reagan [California] administration" (Report, pp. 152-3).

In January 1981, Mr. Meese had two loans outstanding from Great American and was about to negotiate two more loans to finance purchasing a home outside Washington, D.C. Mr. Meese telephoned Edwin Gray, who had been Vice President and Director of Public Affairs at Great American prior to 1980 (when he took a leave of absence), to offer him a position as Deputy Assistant to the President. Mr. Gray, who had previously expressed an interest in a White House position, accepted. After returning to the Bank in August 1982, Mr. Gray was appointed in early 1983 Chairman of the Federal Home Loan Bank Board, with Mr. Meese's strong support.

Mr. Meese obtained the third (bridge) loan from Great American in February 1981 for $132,000, secured by a third deed of trust on his California home. This was to cover the down payment on his new Virginia home and other related expenses and was due in full a year later.

Also in February 1981, Great American made a fourth loan to Mr. Meese, secured by a first deed of trust on the Virginia home, for $150,000. The total debt was now $402,000. Anticipating an early sale of the California home, the Bank deferred for a "reasonable period" payments due on the first two loans. Thus because the Bank had deferred this debt and had structured the third loan so that no payments were due prior to 1982, the only Bank obligations the Meeses had to meet in 1981 were the interest payments on the mortgage on their Virginia home. Nonetheless, they failed to make any payments until December 1981.

On June 18, 1981, Gordon Luce, Chairman of the Board and Chief Executive Officer of Great American, was named to the President's Commission on Housing. Mr. Meese apparently took part as a member of the Senior Staff Personnel Committee in approving Mr. Luce. Later in 1982 Mr. Meese approved Mr. Luce's appointment as an Alternate Delegate to the United Nations General Assembly.

On October 14, 1981, Mr. Meese, who was now even more in arrears on his Virginia mortgage payments, approved Marc Sandstrom, the Bank's Executive Vice President and General Counsel, to be a recess appointee to the Board of Directors of the Legal Services Corporation. A few months later Mr. Sandstrom was formally nominated to the Board.

Around the same time, Clarence Pendleton, a member of the Bank's Board of Directors, was nominated to be Chairman of the United States Commission on Civil Rights, a position he assumed several months later. Mr. Meese had supported his nomination, but said he was unaware of Mr. Pendleton's affiliation with Great American.

Until rescued by Mr. Barrack's sale of his California house in September 1982, Mr. Meese's financial situation deteriorated. He became more and more dependent on the Bank's willingness to defer his obligations. In 1982, Great American began trying to obtain payments (which it had deferred) on the first two loans secured by the Meese's house in La Mesa. In February 1982, the Bank informed Mr. Meese by letter that he owed $11,499.84. Mr. Meese did not respond.

Because the third (bridge) loan secured by the La Mesa house, which was due in full in February 1982, also had not been repaid, the bank decided to modify its agreement with Mr. Meese, extending the original note. Repeated requests by the Bank in February, March and April to sign a Modification Agreement extending the loan until June went unanswered. Then, later in April, the Bank decided to extend the bridge loan until August and provide a fourth loan of $21,000 to cover overdue payments on both the Virginia and California properties and to be secured by a fourth deed on the La Mesa property. In May the Meeses accepted the extension on their third loan and the additional loan.

Aside from the additional loan made by Great American to cover past payments due, Mr. Meese failed to make mortgage payments on his two homes from February until September, when his California home was sold.

The Independent Counsel concluded that "despite the various degrees of support Mr. Meese gave to the appointments of Messrs. Luce, Gray, Sandstrom and Pendleton, the evidence does not warrant the finding that such support was connected to the Bank's treatment of the Meeses" (Report, p. 185). The independent Counsel's Report "found no evidence that Messrs. Luce, Gray, Sandstrom and Pendleton were involved materially, if at all, in the Meeses' financial dealings with the Bank." The Bank officials in fact may have not interfered in the Bank's treatment of Mr. Meese. But that does not change the fact that Mr. Meese placed himself in a position where he was repeatedly asked to make official decisions that would affect the careers of individuals who could wield influence over his precarious financial plight. Mr. Meese repeatedly failed to remove himself from situations where his impartiality was clearly threatened by his personal financial status. Here, again, he violated Executive Order 11,222.

The special relevance of these incidents to Mr. Meese's fitness to be Attorney General is demonstrated by a simple example. Suppose that an Assistant Attorney General had financial relations with a bank paralleling those of Mr. Meese with Great American, and the Assistant Attorney General was then called upon to decide whether to authorize legal actions against high officials of the bank. Any lawyer sensitive to the necessity of avoiding conflicts of interest would immediately disqualify himself. His failure to disqualify himself or failure to reveal his connections would lead to the strongest criticism if not disciplinary action.

5. Mr. Meese knowingly accepted apparently preferential treatment in his promotion to Colonel in the Army Reserve, and helped General Berkman, who played a principal role in his promotion, obtain reappointment as Chief of the Army Reserve.

Edwin Meese, while in California, had been a member of the U.S. Army Active Reserve, but in 1977 he retired. In June 1981, while Counsellor to the President, Mr. Meese addressed the annual meeting of the U.S. Army Civil Affairs Association. General William Berkman, the Chief of Army Reserve, was also addressing the meeting. While there, Mr. Meese met his long-time acquaintance, Colonel Joseph Sullivan, who was General Berkman's program and liaison officer. Mr. Meese told Colonel Sullivan that he would be interested in returning to active status.

Colonel Sullivan then worked out a series of complicated steps necessary to return Mr. Meese to active status. An Army Inspector General's Report issued in 1983 concluded that applicable laws and regulations were misapplied, violated or ignored in changing Mr. Meese's status. The Inspector General's Report showed that the irregularities included the creation of a position especially for Mr. Meese.

"In another attempt to assist Mr. Meese" (Report, p. 258), Colonel Sullivan then directed inquiries to see whether an educational requirement that Mr. Meese had failed to complete could be waived in order to permit his promotion to the rank of Colonel. Colonel Sullivan first pressed the Secretary of the Army, John Marsh, to send a letter drafted by Colonel Sullivan to the promotion board requesting a waiver. Mr. Marsh refused.

Then, as a result of Colonel Sullivan's efforts, the Deputy Chief of Staff for Personnel, Lieutenant General Max Thurman, wrote a memorandum on Mr. Meese's options, concluding that constructive educational credit could be granted to Mr. Meese by General Berkman and the Director of the Industrial College of Armed Forces, but advising against doing so that year. General Thurman recommended waiting so that "constructive credit for Mr. Meese could be accomplished as part of 'an orderly piece of work,' and a 'regular and normal affair.'" (Report, p. 267) General Thurman, who showed this memorandum to General Berkman, told the General that he recommended against giving constructive credit at that time "because of the risk that the matter would become publicly known, and would give the appearance of preferential treatment to Mr. Meese." (Report, p. 267)

Secretary of the Army Marsh sent the memorandum to Mr. Meese. Secretary Marsh also testified that he telephoned Mr. Meese to call attention to the memorandum and asked whether Mr. Meese had read it. Although this call surely should have raised a red flag, Mr. Meese, according to Secretary Marsh, said that he intended to take no position and wanted to stay out of the

matter. Under the circumstances, Mr. Meese's reply can only lead to the inference that Mr. Meese was content to accept the military promotion appearing to result from preferential treatment. (Mr. Meese said that he did not recall the memorandum and he also could not recall speaking to Secretary Marsh on this subject.)

General Berkman then approved the constructive credit for Mr. Meese in early November. Afterwards, General Berkman hand-carried the request document to Admiral Narmi, the Director of the Industrial College of Armed Forces, who also approved it. Mr. Meese was later promoted to Colonel. In March 1984, several months after the Inspector General's Report concluded that his return to active duty violated the regulations, Mr. Meese retired from the active reserve. However, he retained his Colonelcy.

Around the end of October, General Berkman, whose tour of duty as Army Reserve Chief was expiring in June 1983, indicated his interest in a second term. At about the same time that the constructive credit necessary for Mr. Meese's promotion was granted, Mr. Meese telephoned Defense Secretary Caspar Weinberger to recommend General Berkman for another term and also spoke with Army Secretary Marsh to support General Berkman. Mr. Meese explained his recommendation to the Independent Counsel chiefly by saying he had heard good things about General Berkman from persons whose names he could not recall. General Berkman was reappointed. The Independent Counsel concluded that Mr. Meese's telephone call to Secretary Weinberger may have played a part in the decision.

The Independent Counsel concluded that no prosecution was warranted because he "found no direct evidence that Mr. Meese took action favorable to General Berkman in return for something done for Mr. Meese by General Berkman.* * *" (Report, p. 280) Again, we do not challenge the Independent Counsel's conclusion. Nonetheless, Mr. Meese—indifferent to the appearance of exchanging his government influence for private gain—went out of his way to support General Berkman's reappointment, during the period when he was seeking a promotion under General Berkman's command.

IV. TO TREAT EDWIN MEESE AS VINDICATED BY INDEPENDENT COUNSEL'S REPORT IS TO ABANDON THE FAMILIAR AND VITAL DISTINCTION BETWEEN FREEDOM FROM CRIME AND OBSERVANCE OF THE ETHICAL STANDARDS THAT SHOULD BIND PUBLIC OFFICIALS

There is a long and widely recognized distinction between the proscriptions of the criminal law and the ethical standards that should be honored by public officials. Individuals guilty of ethical shortcomings have been forced from office even though there was little or no basis for prosecution, as shown by the familiar instances of Presidential Aide Sherman Adams, Supreme Court Justice Abe Fortas, and National Security Adviser Richard Allen. Senator Goldwater, who took the lead in pressing for Adam's resignation, some years later declared—

"There is much more to [the] high standard [required] of public officials than merely staying within the law.* * *

"It is up to public officials to prove their innocence of moral stain, not up to the public to prove their guilt. It is a question for moral purity in public service."

William Safire, a White House Aide under President Nixon, wrote on March 29, 1984 in connection with Mr. Meese's nomination:

"Mr. Meese should withdraw because he made mistakes that must not be assumed as right; because whatever the explanation, the pattern that emerged of lenders who were patronage recipients must be treated as unethical; because a course of conduct improper on its face cannot go without some political consequences.

Mr. Meese may not be guilty, but he is not blameless; the charges may not lead to indictments, but they are not trivial. He could remain a useful White House counselor—no *mieskeit*, he—but he would not be a credible Attorney General."

Similarly, on December 31, 1984 the Los Angeles Times observed:

"There may indeed be nothing illegal about a government official conferring public awards on those who have done him private favors, but unproscribed or not, such actions are ethically indefensible."

Recent editorials in other newspapers from coast to coast expressed essentially the same view—The Buffalo News, for example, The Virginian-Pilot, The Charlotte Observer, The Cleveland Plain Dealer, the Kansas City Times, The Des Moines Register, the Austin American-Statesman, the Arizona Daily Star, and The Seattle Times. Opposition on the grounds of cronyism was expressed by the Chicago Tribune.

The settled distinction between criminal and unethical conduct is also widely acknowledged outside the realm of government. Individuals charged with the trust of expressing a fair and impartial judgment for the benefit of others are not free to pass judgment where they have accepted financial favors or otherwise come under obligation. The president of a bank would not tolerate a loan officer who approved a large commercial loan to a realty company which had bought the loan officer's house in order to relieve his financial embarrassment. A newspaper editor would not send out to interview a controversial figure a reporter who had received from the same man an interest-free loan without due date. If the reporter repeatedly turned in favorable stories about individuals who had done him financial favors, without making full disclosure, the editor would not even keep him on the payroll, much less promote him, even though there was no direct proof of quid pro quo.

V. FOR THE SENATE TO REPUDIATE THE ESTABLISHED MORAL STANDARD BY TREATING FREEDOM FROM PROSECUTABILITY AS SUFFICIENT FOR CONFIRMATION AS ATTORNEY GENERAL WOULD HAVE DISASTROUS CONSEQUENCES THROUGHOUT THE GOVERNMENT

To abandon the settled moral standard for a rule that says the President's nominee for Attorney General should be approved whenever there is no basis for criminal prosecution would have disastrous consequences. The Attorney General is our highest law enforcement officer. He must symbolize the fair-minded, impartial, sensitive but impersonal administration of justice. He has more opportunity to set the ethical tone of an Administration than any official other than the President. An individual cannot convincingly symbolize fair-mindedness, impartiality, and freedom from personal interest if he himself has repeatedly accepted material favors and then used his official position in a way that helps his benefactors. The force of the precedent would be felt throughout the government.

1. Consider first the impact within the Department of Justice. Attorneys in the Department are constantly making recommendations and decisions concerning the bringing of suits, the compromise of pending suits, and the prosecution or abandonment of appeals. Tax cases run from simple defense of alleged wrongful collections to collecting civil penalties for fraud to criminal prosecution. Many other cases call for selection over a similar range of possibilities. When a file is first brought to an individual attorney in the Department, only he is likely to know whether he is disqualified. Suppose now that a lawyer in the Tax Division receives a file dealing with alleged income tax delinquencies of the president of a savings and loan association. The central question is whether to sue for penalties for income tax fraud. The association holds a large mortgage on the lawyer's home. The lawyer, being financially hard-pressed, is in default on the mortgage payments. Recently, the bank has been generous in overlooking defaults. The lawyer has never dealt with its president personally. He needs another extension. Should he act on the case? To act would not be a crime. The lawyer knows or should know that most of his colleagues would stand aside as required by the pertinent regulations. But he would also know—if Mr. Meese were confirmed—that the new Attorney General, while in almost exactly the same situation on his debt to the Great American First Savings Bank, had supported the appointment of a Bank official to a federal post without disclosing his obligation to the Bank. The lawyer would also have every reason to suppose that the Senate saw no impropriety. If he followed the obvious parallel, if he followed Attorney General Meese's example, he would not disclose his personal financial involvement with the bank but would decide whether the United States should sue the bank president for fraud.

Perhaps the lawyer recommends, or makes the decision, that no penalties be sought. Later the facts are disclosed. Should the Assistant Attorney General in charge of the Tax Division take disciplinary steps if there is no proof that the lawyer acted in bad faith? He could have no confidence that Attorney General Meese would approve a reprimand or suspension.

The example is not the figment of wild imagination. The Department's lawyers are constantly called upon to make recommendations or to decide whether to authorize criminal prosecutions, civil actions or appeals. Every now and then a lawyer finds on his desk a case involving someone to whom he is indebted or someone he knows. He may even receive requests for favors. In the past, no lawyer has doubted his obligation to stand aside.

2. The repercussions of abandoning the precept that a public servant must not allow his personal financial affairs to become linked to exercise of governmental power or influence by acting in matters affecting individuals who have assisted him financially would reach far beyond the Department of Justice. To say that acceptance of such favors, even when the donors later receive favorable intervention by the recipient, is no barrier to confirmation as Attorney General because there is no prosecutable crime, would license the offer and receipt of such financial favors followed by official action on the donor's requests throughout the government. It would say that Sherman Adams, who committed no prosecutable crime, should not have been forced to resign.

Sherman Adams was, and Edwin Meese is, a high White House official. But the license would run on a small scale to the tens of thousands of officials constantly engaged in making decisions ranging from the letting of multi-million dollar contracts, to appoint-

ing junior personnel, to granting or denying claims for social security benefits. Presently, Executive Order 11,222 forbids government officials to act on any matters involving individuals or organizations to whom they may own some personal obligation—if only a debt of gratitude for a financial favor. Harry Pollack, Director of Personnel at the Securities and Exchange Commission for 17 years, has recently written Senators to say: "I had occasion to recommend the disciplining, suspension and/or firing of individuals for violation of the SEC's Conduct Regulation, for infractions in many cases of a lesser severity than those that involved Edwin Meese." Personnel officers in other departments and agencies must have had the same experience. For them to stop enforcing the regulation—to abandon the moral standards embodied in the Executive Order—would quickly destroy the morale of the public services and also the public's confidence in the impartiality and integrity of government. Yet, how could a government personnel officer or higher official continue to take any disciplinary action in such cases if the Senate of the United States has endorsed the principle that one who, as a high White House aide, has repeatedly violated the same regulation and moral standard is fit to be Attorney General because the evidence falls short of showing that he committed a crime? On the ground that the same standards do not apply to the really powerful officials? Or to the President's friends?

The danger of eroding both morale and public confidence is not fanciful. Before the case of Sherman Adams, there were similar favors bestowed upon two of President Truman's aides. Investigations in the late 1940s and early 1950s shook the Bureau of Internal Revenue, the Reconstruction Finance Corporation, and the Maritime Commission. By the searchlight of publicity, by both Congress and Executive Order, by the promulgation of ethical standards, and by their enforcement, both morale and public confidence were improved. The Senate should not step back.

3. Senator Strom Thurmond has explained as well as anyone the public importance of the ethical standards set by the Senate—set, we submit, not only for the Senate but also for the Senate to use in passing upon specific cases:

"It is our solemn duty to set an example for honesty and integrity in our Nation. If the Congress, the President, and the judiciary do not bear this responsibility, then, our national leadership will cease to be a leadership based on institutional trust and respect (125 Cong. Rec. 8047 (March 17, 1977)). * * *

"The Members of Congress are among our top leaders. If we do not set the standards for the people of this country to follow, who is going to set the standards? To whom can the man on the street look for proper standards of behavior and conduct? To whom can people on the street look to emulate in their life and conduct, especially in public office?" (125 Cong. Rec. 10047 (April 1, 1977).)

Earlier, Senator Paul H. Douglas, in a time shaken by other scandals, pointed out that "there is another and even more compelling reason why we should raise our governmental actions to a higher ethical plane. That is because of the powerful example set by public officials." The example of the Attorney General will be more powerful than any other.

Organized society depends upon a wide network of obligations that cannot be enforced by criminal punishment but that are honored, must be honored, by most of us if free society is to survive. To tell men and women to forget such moral obligations and feel free to say, "The law does not require me to do that, therefore I won't do it," would destroy the trust and confidence upon which we all depend. For a young reporter to fabricate a fascinating story about drug abuse is not criminal. Is the fabrication henceforth to be acceptable? Suppose that an employee of a realty company is charged with finding parcels of land that his employer may buy and sell at a profit. He finds acreage that offers extraordinary profit and therefore buys it for himself. Should it henceforth be tolerated because it is not a crime? The appointed Administrator of a decedent's estate invests $100,000 from the estate in his own business venture, believing that the investment is sound. Such conduct has long been regarded as a breach of trust. It is rarely a crime. Are we therefore to say that henceforth such conduct is acceptable? A businessman gives the Federal Bureau of Investigation a false account of the activities of an associate with whom he has bitterly quarreled. Are we henceforth to say that such fabrications are acceptable if the witness neither took an oath nor put the statement in writing, and therefore committed no crime? One's spontaneous statement to all these questions is "No, of course not." Yet affirmative answers are the inevitable logical consequence of espousing the proposition that one is fit to be Attorney General because the ethical derelictions with which he is charged have been found not to be prosecutable as crimes.

In summary, the essential issue before the Senate Judiciary Committee and the Senate can be shortly stated. The Report of Independent Counsel does not resolve the question of whether Mr. Meese's conduct as Counsellor to the President violated ethical standards so seriously as to disqualify him from becoming Attorney General. Independent Counsel explicitly denied requests to pass judgment either upon the charges of unethical conduct or upon Mr. Meese's fitness to be Attorney General.

Nor can the Senate responsibly defer to the President's judgment upon whether Mr. Meese's conduct, while Counsellor to the President, violated established ethical standards and Executive Order 11,222 so plainly and so often as to disable him from performing the Attorney General's high responsibility of both symbolizing and ensuring fair-minded, even-handed and sensitive administration of justice untainted by personal favor, gratitude or other obligation. Senators have not infrequently thought that they should not oppose a Cabinet appointment because critical of the nominee's political or legal philosophy. Common Cause does not oppose Mr. Meese's confirmation on that ground. There are many highly conservative lawyers who would bring distinction to the office of Attorney General and inspire the highest morale and professional standards throughout the Department. Possibly, a Senator might think that he should not seek to pass judgment on the professional competence, reputation or experience of a nominee. That point seems arguable, but we do not press it here. We do submit, however, that the Constitution puts upon the Senate of the United States the full and independent responsibility of deciding whether a nominee can be expected to conform to the ethical standards befitting public officials, especially those charged with the administration of justice.

Mr. Meese enjoyed financial favors, which he followed with the exercise of governmental power in favor of his benefactors. In the past, such conduct has long been condemned as grossly unethical, even if there was no proof of a causal connection. For the Senate to confirm Mr. Meese on the ground that Independent Counsel found no basis for criminal prosecution would therefore assert that, in passing on the fitness of a nominee for the Nation's chief law officer, the Senate is indifferent to ethical violations—provided only that the nominee has committed no crime. More particularly, the vote to confirm Mr. Meese would say not only to thousands of government officials and employees but people everywhere:

"We, United States Senators, think that anyone in public office should feel free to accept large financial favors that might not otherwise come to him. Don't worry that those who do you a favor may later look for government appointments or have business with government that you may affect. Don't even worry about later participating in their appointment, or their receipt of other governmental benefits. We, as Senators, see nothing wrong in this. Just be sure not to commit a crime."

Not just confirmation of Edwin Meese but the moral code of the Senate is at stake.

COMMON CAUSE,
Washington, DC, February 14, 1985.

DEAR SENATOR: I write, both personally and on behalf of Common Cause, to urge you to vote against the confirmation of Edwin Meese to be Attorney General of the United States.

In deciding whether to confirm Mr. Meese, the Senate bears a heavy responsibility, with potential consequences that reach far beyond this man, or this office.

We recognize that much can be said for the Senate's deferring to the President's choice insofar as objections relate to his philosophy or policies. But however controversial the issue of voting on a nominee's policies may be, no one may reasonably challenge the Senate's responsibility, indeed its duty, to consider ethical standards of conduct in reaching a determination on the next Attorney General. In the nomination before it, the Senate must determine—uncomfortable though it will be—whether Mr. Meese has observed the ethical standards required of a public official. It must decide whether Mr. Meese's example, as the chief legal officer of the Nation, would encourage the highest standards of integrity and freedom from favoritism or other self-interest in government. It will decide whether the Senate honors its responsibility to set an example of ethical sensitivity and integrity in government.

The Senate must make its own determination of the ethical propriety of Mr. Meese's conduct. The Report of the Independent Counsel does not pass judgment upon whether Mr. Meese's conduct disqualifies him from being Attorney General. Indeed, Mr. Jacob Stein, Esq. as Independent Counsel, refused to evaluate Mr. Meese's fitness to be Attorney General and expressed "an expectation that . . . [this issue] will not remain unexplored by those who will strive to do so free from all bias and prejudice." Mr. Stein's conclusion that there was no basis for bringing a criminal indictment against Mr. Meese did not exonerate him of all wrongdoing.

The independent Counsel's Report shows that Mr. Meese repeatedly participated in appointing to high government positions in-

dividuals who had done or were doing him financial favors or who were affiliated with an organization that had done him financial favors. This was wrong.

It is wrong for a government official to accept financial assistance from a benefactor who has solicited help in obtaining an official position, or to accept help in relieving him of financial difficulties and then use his official position to support that benefactor's appointment to high office. It is wrong for a government official who is heavily in debt to a bank that has treated him as a preferred customer to then use his official position to support the bank's officers for government positions. It is wrong for a government official to accept apparently preferential treatment in a promotion and then use his official influence to help someone who played a role in his promotion.

There is—and should be—an inviolate rule of conduct governing all who, as public servants, have been entrusted with the public welfare. A public servant should never mix the exercise of official power or influence with personal financial affairs. If the proposed appointment or business of a benefactor unexpectedly comes before a public official, that official should stand aside.

High officials who violated these precepts have, upon discovery, been severely criticized and forced to resign. When it became known that Associate Justice Abe Fortas had accepted a substantial sum from a financier, he was forced to resign from the Supreme Court even though he neither gave nor promised judicial favor, nor promised to intervene elsewhere on the financier's behalf. When it became known that Sherman Adams, the senior White House aide to President Eisenhower, had accepted the present of a vicuna coat, and other gifts from a textile executive who had matters pending before other parts of the government, Sherman Adams was forced to resign, even though he had committed no crime. Senator Barry Goldwater, a leader in forcing Adams' resignation, succinctly stated a few years later: "There is much more to high standard of public officials than merely staying within the law. . . . It is a question for moral purity in public service."

The principles stated above have been made applicable to all government employees in the executive Branch by Executive Order 11,222, which forbids a government employee to do anything that "might result in, or create the appearance of . . . giving preferential treatment to any organization or person" or of "losing complete independence or impartiality of action." A public official who accepts financial favors, such as Mr. Meese accepted, plainly risks "losing complete independence or impartiality of action." And surely one who accepts financial favors and thereafter participates in naming his benefactor to a govenment office, as Mr. Meese did, engages in conduct "which might create the appearance of . . . giving preferential treatment."

The executive order is necessary to ensure that all of us get evenhanded, impartial judgments by public officials, untainted by gratitude for past financial favors or hope of future financial benefit. The order has heretofore been enforced throughout the government. In the Department of Housing and Urban Development a Construction Analyst was reprimanded for recommending for employment by a HUD client a contractor who had purchased the Construction Analyst's home. In the Small Business Administration an Assistant District Director was removed from office for approving loans to borrowers with whom he had a financial relationship, including borrowers who had sold him property. Mr. Harry Pollack, who was Director of Personnel at the Securities and Exchange Commission for 17 years and was responsible for administering that agency's rules of conduct, has stated he "had occasions to recommend the disciplining, suspension and/or firing of individuals for violations of the SEC's Conduct Regulation, for infractions in many cases of a lesser serverity than those that involved Edwin Meese. . . ."

In a letter to Senators Thurmond and Biden dated January 29, 1985, David H. Martin, Director of the Office of Government Ethics has certified that Mr. Meese "was in compliance with applicable laws and regulations. Much of Mr. Martin's reasoning is patently absurd. For example, ethics regulations prohibit an employee from accepting "any gift . . . loan, or any thing of monetary value from a person who . . . [h]as interests which may be substantially affected by the performance or nonperformance of [the employee's] official duty." Mr. Meese accepted from John McKean an extension of the date for paying interest on an overdue loan at a time when he knew that Mr. McKean was seeking a government appointment that would "be substantially affected" by Mr. Meese's support while performing his duty of passing on such appointments. Mr. Martin writes that the regulation is inapplicable because Mr. McKean was lending other people's money. But it was Mr. McKean who arranged the first loan and Mr. McKean who made the new loan by deciding to agree to deferral of overdue interest. Mr. McKean gave help that Mr. Meese needed, and it was at least partly to Mr. McKean that Mr. Meese became personally obligated. Whether Mr. McKean was agent or trustee for an undisclosed principal is manifestly irrelevant.

Mr. Martin also suggests, for example, that the ethics regulation that prohibits actions that might create the appearance of losing complete independence is inapplicable because Mr. Meese did not "initiate" Mr. McKean's appointment. There is a conflict of interest when an official participates in a government decision involving someone to whom he is under obligation for personal financial assistance regardless of who "initiates" the action.

Mr. Martin's principal reason for exculpating Mr. Meese appears to be that this was an appearance problem only and there existed credible explanations for the actions of both Mr. McKean and Mr. Meese independent of their financial relationships. Similar arguments were presented on behalf of Mr. Meese at the recent Judiciary Committee hearings.

Mr. Martin's view that one may look behind a conflict of interest to see whether there was actually a corrupt bargain flies in the face of Executive Order 11,222, quoted above. The Executive Order has not been applied in that fashion in other cases. Mr. Martin's interpretation also flies in the face of the historic principle applicable to all those, inside or outside government, who hold positions of trust. A trustee is guilty of a breach of trust if he invests money or otherwise acts on behalf of the trust in a situation that also may affect his personal financial situation. The same rule applies to government officials, who are charged with acting as trustees for the people. Mixing personal financial affairs with government business does not merely give the appearance of wrongdoing. It does not constitute a kind of tentative conclusion—subject to further investigation of the official's "true" intentions. The appearance of wrongdoing cannot be dismissed as a misinterpretation, misperception, or misconstruction of the official's actions by those observing the official—that can be corrected with greater information. The mixing of financial favors and official duties is itself a wrong and is generally understood to be wrong.

The reasoning behind this rule is simple and straightforward.

First, the public is entitled to the independent judgment of officials whose impartiality cannot have been tainted by the receipt of financial benefits from those whose cases they must judge. The government official is bound to know that if he accepts a personal favor in his hour of financial need, then it will be virtually impossible for him later to act upon the business of his benefactor wholly without some sense of obligation or gratitude. Neither he nor anyone else can possibly be sure that his judgment was unaffected. Senator Paul Douglas, one of the most distinguished Senators of this century, explained the reason while discussing the problem that arises when a government official accepts financial favors:

"What happens is a gradual shifting of a man's loyalties from the community to those who have been doing him favors. His final decisions are, therefore, made in response to his private frendships and loyalties rather than to the public good. Throughout this whole process, the official will claim—and may indeed believe—that there is no causal connection between the favors he has received and the decisions which he makes. He will assert that the favors were given and received on the basis of pure friendship unsullied by worldly considerations. He will claim that the decisions, on the other hand, will have been made on the basis of the justice and equity of the particular case."

Second, even if the official could achieve complete impartiality of judgment, the sight of a government official approving for office individuals who have done him financial favors undermines public confidence in the integrity of government.

Third, the sight of a government official approving for office individuals who have done him favors sets a destructive example, inviting other government officials actually to use their offices for personal gain.

The rule against mixing personal financial favors with government duties and influence has been long accepted. Yet to this day Mr. Meese has never admitted or agreed that his conduct in support of his benefactors was wrong. He has couched his statements that he would act differently in terms of his desire to avoid the misinterpretations—the errors—of his critics. In effect, his position is that the wrong lies not in him but in others. And by this reasoning, it follows that if no one doubted the innocence of Mr. Meese's intentions, there would be nothing wrong with his continuing to act officially on behalf of those who provided him substantial favors.

What would it mean to confirm Edwin Meese as Attorney General?

Edwin Meese has admitted no wrong. The issue is drawn. The Senate must decide between affirming the ethical standards of conduct previously required of public officials or endorsing a reinterpretation that eviscerates the precept against mixing personal financial affairs with the exercise of government power. The established rules

generally applicable to government employees cannot long be sustained if the Senate of the United States has voted that one who, as a high White House aide, repeatedly violated the same regulation and moral standard is fit to be Attorney General. How can the case of Mr. Meese be conscientiously distinguished? Surely not on the ground that the general standards do not apply to the really powerful officials. Nor to the President's friends.

The repercussions of rejecting the settled ethical precept and established government rule would reach far beyond the Department of Justice. To say that accepting favors followed by favorable government action by the recipient is no barrier to confirmation as Attorney General would license the mixing of favors and official duty throughout the government. It would say that Sherman Adams, who committed no prosecutable crime, should not have been forced to resign. It would say that Justice Abe Fortas, who merely accepted financial favors and committed no prosecutable crime, should not have been forced to resign. It would send a signal of ethical blindness to the tens of thousands of officials constantly engaged in making decisions ranging from the letting of multi-million dollar contracts, to appointing junior personnel, to granting or denying claims for social security benefits.

In the past, conduct such as Mr. Meese's has been condemned as grossly unethical, even if there was no proof of a causal connection. For the Senate to confirm Mr. Meese on the ground that Independent Counsel found no basis for criminal prosecution would therefore assert that, in passing on the fitness of a nominee for the Nation's chief law officer, the Senate is indifferent to ethical violations—provided only that the nominee has committed no crime. More particularly, the vote to confirm Mr. Meese would say:

"We, United States Senators, think that anyone in public office should feel free to accept large financial favors that might not otherwise come to him. Don't worry that those who do you a favor may later look for government appointment or have business with government that you may affect. Don't even worry about later participating in their appointment, or their receipt of other governmental benefits. We, as Senators, see nothing wrong in this. Just be sure not to commit a crime."

More than any other appointment to the Executive Branch, the Attorney General of the United States is responsible for setting the moral tone of an Administration. In exercising its responsibility for the confirmation of Edwin Meese III to be Attorney General, the Senate will demonstrate the moral code it holds applicable to the officials of the United States Government.

I urge you to affirm the standards of conduct necessary for public confidence in the integrity of government, and to vote against the confirmation of Edwin Meese.

sincerely,

ARCHIBALD COX,
Chairman.

Mr. METZENBAUM. Mr. President, It is also important that the public has access to a detailed summary of the facts discussed in the report of the independent counsel as well as testimony given during the hearings of the Judiciary Committee that bear on the ethical questions that have been raised by the record in this matter. My staff has prepared a summary of this information and I ask that this document be included in the RECORD.

The document follow:

BRIEFING PAPER ON NOMINATION OF EDWIN MEESE TO BE ATTORNEY GENERAL

Questions about Mr. Meese's conduct raised by the Report of the Independent Counsel and the hearings before the Judiciary Committee fall in these areas:

1. His participation in recommending Presidential appointments for persons with whom he had business dealings;

2. His acceptance of a promotion to colonel in the Army Reserve despite a finding by the Army Inspector General that he had been given preferential treatment;

3. His acceptance of a $10,000 check designated "moving expenses" from the Presidential Transition Trust despite the fact that he was informed of a criminal prohibition on reimbursement for these expenses; and

4. His violation of financial disclosure rules and failure to recall certain information.

(Unless otherwise noted, page references are to the *Report of Independent Counsel Concerning Edwin Meese III.* Page references to the 1985 hearings are to the original transcript.)

This briefing paper discusses some of the key findings in the Report of the Independent Counsel as well as testimony given at the hearings that bear on these issues. In addition, a number of other areas received some attention at the hearings, including Mr. Meese's relationship with General Dynamics and its disputes with the Justice Department and the Navy over cost overruns, the claim by Mr. Meese and his lawyers for attorneys' fees resulting from the investigation of the independent Counsel, and Mr. Meese's possible knowledge of internal papers from the 1980 Carter campaign in the possession of the Reagan camp. Although these issues may also come up in the debate over Mr. Meese's confirmation, this paper does not discuss them.

PARTICIPATION IN PRESIDENTIAL APPOINTMENTS

White House Standards of Conduct required Mr. Meese to avoid the possibility or appearance of conflict and to decline to accept things of monetary value from a person if the performance of his official duty substantially affected that person. Nevertheless, Mr. Meese participated in a series of decisions by the Senior Staff Personnel Committee in the White House to recommend Presidential appointments for persons with whom he had financial dealings. The evidence in the report indicates that Mr. Meese did not disclose his financial dealings to the Senior Staff Committee or decline to participate.

The general conflict of interest standard for White House employees in the Code of Federal Regulations, which applied to Mr. Meese (see 3 C.F.R. Section 100.735-8), provides that:

"Each employee (should) avoid becoming involved in situations which present the possibility, or even the appearance, that his official position might be used to his private advantage."

The more specific rule regarding the acceptance of gifts, entertainment, and favors (see 3 C.F.R. Section 100.735-14) provides that:

"An employee shall not . . . accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan or any other thing of monetary value from a person who: . . . has interests which may be substantially affected by the performance or nonperformance of (the employee's) official duty."

The rules specifically exempt accepting loans from banks or other financial institutions on "customary terms." Consequently, loans from individuals or organizations that are not banks or financial institutions are covered by the rules as well as any loan from banks or financial institutions that are made on special, preferred terms.

THE MCKEAN APPOINTMENTS

Mr. Meese participated on two occasions in decisions to recommend Presidential appointments for John McKean. In June 1981, Mr. McKean met with Mr. Meese on two occasions to arrange a loan of $40,000. (pp. 110, 114) The loan was unsecured and interest was not payable for a year. (p. 146) On July 27, Mr. McKean's name came before the Senior Staff Personnel Committee for a recommendation for an appointment to the Postal Board of Governors. (p. 125)

Mr. McKean's name was not on the original list of possible nominees submitted by the Office of Presidential Personnel. (p. 120) Mr. Meese participated in the July 27 decision to recommend Mr. McKean and told the Committee that he knew him and that he would be good for the job. (p. 123) None of those present at the meeting recalled that Mr. Meese said anything about his financial relationship with Mr. McKean or suggested recusing himself (pp. 124-125).

In December 1981, Mr. McKean arranged another $20,000 loan for Mr. Meese on the same terms of the earlier loan—unsecured and no interest payable for a year. (pp. 128, 146) In June 1982, an interest payment was due on the first loan, but no payment was made. (p. 130) On November 8, 1982, Mr. McKean met with Mr. Meese to arrange an extension of credit on the two loans and to arrange deferring the interest until 1983. (p. 131) The agenda for this meeting suggests that at this same meeting Mr. McKean raised his interest in a longer term on the Board. (p. 133)

(This "tentative agenda" was included in a November 4, 1982, letter from Mr. McKean to Mr. Meese. It lists several items for disucssion, including "1. Note renewals . . . 2. Interest Billing . . . 4. United States Postal Board of Governors term of office . . .") According to Mr. McKean, at that same meeting, or in another conversation around that time, Mr. Meese agreed to support him. (p. 134)

On November 17, 1982, Mr. McKean's name came before the Senior Staff Committee for a recommendation for a longer term. Mr. Meese participated in this decision and there is no indication in the Report of the Independent Counsel that he disclosed his relationship with Mr. McKean to the Committee. (p. 135) No payment was made on either loan until August 1983, over two years after the initial loan and after stories about the loans had appeared in newspaper articles. (p. 137)

The Office of Government Ethics analyzed whether or not Mr. Meese had violated White House Standards of Conduct in accepting the loans and interest deferrals arranged by Mr. McKean, then participating in the decisions to recommend Presidential appointments for him. A memorandum, dated January 14, 1985, prepared by two staff attorneys in the Office of Government Ethics concluded:

". . . with respect to the loan Mr. Meese received from his accountant, Mr. McKean,

our examination reveals three ethics violations. Mr. Meese should not have participated when Mr. McKean came before the senior staff twice for approval with respect to positions on the Postal Board of Governors." (memorandum, p. 2)

After the staff discussed their memorandum with Mr. Martin, the Director of the Office of Government Ethics, these conclusions were modified. According to Mr. Martin's letter to the Committee, dated Jan. 29, 1985, the final conclusion of the Office of Government Ethics was that there were no violations of the Standards of Conduct in the case of the McKean appointments. Mr. Martin concluded that there was no violation of the rule regarding accepting things of monetary value because Mr. McKean was the trustee of the loan and did not use his personal funds. (Martin letter, Jan. 29, 1985, p. 2) He concluded that there was no appearance of impropriety (or, as Mr. Martin put it, no "substance to the appearance problem") for these reasons;

"At the time the loans were made, there was no evidence that Mr. McKean was interested in, or even contemplated receiving, a federal position;

"Both loans were arms-length transactions at higher than prevailing bank rate interest;

"Consideration of Mr. McKean's name was initiated by Mr. Deaver;

"Mr. Deaver initiated the nomination of Mr. McKean for a longer term on the Board, at which time the appointment process was already in motion; and

"The Independent Counsel's report found no evidence that Mr. Meese spoke to anyone or took any action to assist Mr. McKean in obtaining a longer term." (Martin letter, p. 2)

Archibald Cox, former Solicitor General and Chairman of Common Cause, testified as to his interpretation of conflict of interest regulations for federal employees. In regard to the McKean appointments and Mr. Meese's participation, Mr. Cox testified:

"I think he should have taken himself out of any discussions of appointment(s) for people to whom he was either indebted or people who had rendered him financial assistance . . . to discuss McKean's desire for a full term on the Postal Board of Governors, at the same time he discussed whether interest would be deferred, was itself a wrong. And, indeed, to accept the loan from one who was coming before the Presidential Personnel Board violated the regulations applicable to the White House . . ." (Tr. p. 187, 1/31/85).

As to Mr. Martin's argument that there was no violation of the rule regarding acceptance of gifts or other things of monetary value because the loans were not from Mr. McKean's personal funds, Mr. Cox testified:

"I must say, in reading the letter from the Office of Government Ethics, when I read that I found it incredible. I do find it incredible that anyone would say, oh, it doesn't matter, because Mr. McKean, with whom Mr. Meese dealt, was acting for another." (Tr. 188, 1/31/85)

As to Mr. Martin's argument that Mr. McKean did not give Mr. Meese something of value when he made the decision to defer payments, Mr. Cox stated:

". . . Certainly it's of value to me, if I am in arrears of interest on a debt and can't pay it, to have it extended. I don't see how anybody could see it in any other terms. It's something of value." (Tr. 190, 1/31/85)

Although the interest rate may have been comparable to interest rates charged for personal loans at that time, the fact that the loans were unsecured, with no interest payable for a year, indicates that these were not the type of loans that were customarily available to persons in Mr. Meese's financial condition. In addition, the payments were deferred on the loans for over two years. The Report of the Indepenent Counsel states:

". . . it could be concluded—and we assumed *arguendo* for purposes of our analysis—that Mr. McKean afforded the Meeses something of value by arranging for them, quickly and on an informal basis, an unsecured $40,000 loan (later increased to $60,000) with no interest payable for at least a year, particularly inasmuch as at a late time interest payments were waived for over 14 months." (P. 146)

In short, the argument that Mr. McKean did not give Mr. Meese something of monetary value is based on the fact that the loan was not from Mr. McKean's personal funds. On the other hand, Mr. McKean made the decision to arrange the June 1981 loan. (pp. 111-113) Mr. McKean made the decision to arrange the December 1981 loan. (p. 128) Mr. McKean agreed to a deferral of payments at the November 1982 meeting with Mr. Meese (p. 131) Consequently, the evidence shows that Mr. McKean played a major role in arranging these loans and deferring payments.

In regard to Mr. Martin's argument that the appointment was initiated by Mr. Deaver, Mr. Cox stated:

". . . I find it unbelievable that anybody could think that it matters who spoke first.

"Imagine what applying that rule through the government would be . . . I can't believe that Mr. Martin intends to generalize such a rule all through the government employees of the United States. I really find it frightening." (Tr. 191, 1/31/85)

As Mr. Cox pointed out, applying such a rule would mean that, as long as an employee was not the first person to be responsible for a matter or to recommend action, he or she would be free to participate regardless of financial conflicts of interest. (Id.)

Finally, as to Mr. Martin's argument that Mr. McKean was not interested in a federal position at the time of the loans, this statement is correct as of the time the initial loan was made in July 1981. However, at the time of the second loan in December 1981, Mr. McKean had already received an appointment to the Postal Board of Governors. At the time of the agreement to defer payments on the loan in November 1982, Mr. McKean was actively seeking an appointment to a longer term of the Board. (see pp. 133-134). The agenda of the November 8, 1982 meeting suggests that Mr. McKean raised his request for reappointment at the same meeting at which Mr. McKean agreed to a deferral of payments. (pp. 131, 133-134). Moreover, the terms of the Standards of Conduct are not limited to cases in which a person is seeking a favor at the time he provides something of monetary value to a government official.

THE BARRACK APPOINTMENT

Mr. Meese also participated in the decision to recommend a Presidential appointment for Thomas Barrack in February 1983. (p. 225) Mr. Meese first spoke with Mr. Barrack in August 1982 when Mr. Barrack agreed to try to help Mr. Meese sell his California home, which had remained on the market for almost two years. (p. 189)

Mr. Barrack eventually arranged the sale of Mr. Meese's house by finding buyers and arranging financing. No commission was paid to Mr. Barrack for his role in the sale of the house. (p. 196) In addition, Mr. Barrack eventually contributed $83,000 of his own funds in connection with the sale of the house. (p. 203)

The Independent Councel did not find evidence that Mr. Meese was aware that Mr. Barrack contributed financially to the sale of the house. (p. 223) However, even aside from Mr. Barrack's financial contribution, the Report concluded that Mr. Barrack assisted Mr. Meese in several ways that Mr. Meese knew about:

"We found that Mr. Barrack assisted the Meeses in several respects. He found the Howards to buy the property, negotiated the initial price and other terms of the sale with Mr. Meese, and negotiated both the final sales price and the Howards' loan with the bank. These facts were known to Mr. Meese." (p. 223)

The staff of the Office of Government Ethics also analyzed whether Mr. Meese's conduct in this situation violated White House Standards of Conduct. In their January 14 memorandum, the staff stated:

". . . Mr. Meese's approval of Mr. Barrack's appointment involves an appearance problem under 3 C.F.R. 100.735-4(c). Because Mr. Meese had received Mr. Barrack's assistance in the sale of his home, he had a personal interest in the appointment. Mr. Meese's participation in the approval of Mr. Barrack's appointment gives the appearance of preferential treatment and raises the question of whether Mr. Meese could have retained his impartiality." (p. 2)

After discussions with Mr. Martin, this conclusion was also modified. Mr. Martin concluded there was no violation of any standard of conduct in regard to the Barrack appointment because:

"Mr. Barrack arranged or found purchasers for the Meese residence based on his belief that it was a good deal for the purchasers. Additionally, Mr. Meese was unaware of any financial involvement by Mr. Barrack. The sale of the Meese residence took place in September, 1982 and Mr. Barrack's appointment was not even considered until February, 1983." (Martin letter, p. 2)

Mr. Cox testified that "Mr. Meese should not have acted when the recommendation of Mr. Barrack came up." (Tr. 189, 1/31/85) As to Mr. Martin's argument that there was no violation of a standard of conduct because Mr. Meese did not know that Mr. Barrack had contributed $83,000 of his own funds in connection with the sale of the house, Mr. Cox stated:

". . . the Independent Counsel did find that Mr. Barrack assisted the Meeses in respects that Mr. Meese did know about. He found the Howards to buy the property, negotiated the initial price, other terms of sale with Mr. Meese, negotiated both the financial sales prices and the Howards' loan with the bank.

"It was terribly important to the Meeses' financial condition that somebody do these things." (Tr. 193, 1/31/85)

Mrs. Meese, in fact, commented before a November 1982 dinner with Mr. Barrack that he is the one "with the halo around his head." (p. 218)

In regard to Mr. Martin's argument that there was no violation of a standard of conduct because the decision to recommend a Presidential appointment occurred five months after the house sale, Mr. Cox testified:

". . . Considering the amount of aid that Mr. Barrack gave Mr. Meese in trying to sell the house . . . I don't think that six months

or five months was anywhere near enough to say, oh, that's a thing of the past. It is also significant . . . that Mr. Meese's connections with Mr. Barrack had multiplied. Mr. Barrack had been coming to his office at times when Mr. Barrack is talking about a government job; they meet again in November at dinner . . . Mr. Meese goes and stays at Mr. Barrack's ranch . . . This certainly would be calculated to keep the earlier transaction very much in the foreground." (Tr. 192, 1/31/85)

In addition to Mr. Meese's participation in this decision, there are a number of questions about the accuracy and completeness of Mr. Meese's recollection of the series of meetings between Mr. Barrack and Mr. Meese during the period when Mr. Barrack was searching for a federal position. Neither Mr. Meese nor Mr. Barrack recalled a meeting in Mr. Meese's office on September 8 until they were shown a letter to Mr. Meese from Mr. Barrack referring to the meeting and thanking him for his "counsel and encouragement." (p. 210) Mr. Barrack explained the note as a reference to discussing with Mr. Meese the problems of moving to New York City. (p. 210)

Mr. Barrack also had dinner with Mr. and Mrs. Meese on November 9, 1982 at a Georgetown restaurant. (p. 218) Both Mr. Barrack and Mr. Meese said there was no discussion of the fact that Mr. Barrack was interested in a federal position even though Mr. Barrack interviewed with two cabinet secretaries that day and planned to interview with three more during the next two days. (p. 215) Finally, Mr. Meese stayed at Mr. Barrack's ranch over Thanksgiving 1982. (p. 219) In response to a letter from Chairman Thurmond prior to the hearing last year inquiring about the circumstances of Mr. Meese's relationship with Mr. Barrack, Mr. Meese mentioned only the meeting with Mr. Barrack in November 1982. (See letter from Edwin Meese to Chairman Thurmond, February 29, 1984, p. 5.)

PROMOTION TO COLONEL

Mr. Meese testified to the Committee last March that he insisted that the Army follow its rules in dealing with his transfer to the Active Reserve and his promotion to colonel. he said that he was a "victim of bad judgment within the Army" because of the Army's extensive violations of its own procedures. (Tr., p. B 112) He also testified:

"I also stated at that time that I wanted to be absolutely sure in view of my civilian position that there was no special treatment, no favoritism, or no bending of any rules in regard to my case.

"The result of (the Inspector General's investigation) clearly verified the fact that I did not seek any special treatment, and indeed, made specific representations to the contrary, and the investigation further stated that at no time did I have either any involvement in, seeking of, or knowledge of, any special treatment. (Tr., pp. A25–A26)

"I certainly did not seek special treatment. Indeed, I specifically asked not to have any special treatment. All of the actions you have described were totally unknown to me." (Tr., p. B110)

The Independent Counsel, however, found that Mr. Meese was sent a memo written by the Deputy Chief of Staff of the Army stating that he was educationally unqualified for promotion to colonel. The memorandum warned that Mr. Meese should not be promoted unless others in his position were given the same opportunity to bypass the required course work. In order to avoid the necessity for Mr. Meese to complete the course work, the Army was considering giving him "constructive credit" for his work experience. However, the memorandum pointed out that constructive credit had not been awarded during fiscal year 1982 for the level of course work required by Mr. Meese. The memo stated that only 610 of 2,500 persons on the list to be considered for promotion would be promoted that year. While almost all the persons on the eligible list were educationally qualified, Mr. Meese was not.

For all these reasons, the memorandum recommended against consideration of his promotion that year and in favor of deferring consideration until others in Mr. Meese's position could have the same opportunity to apply for constructive credit. By deferring consideration, the memo concluded, Mr. Meese's application could be pursued "in a normal fashion" and his promotion could be pursued as an "orderly piece of work" and a "regular and normal affair."

No copy was made of this memorandum and the original was given to the Secretary of the Army, John Marsh. (p. 267) Secretary Marsh then sent the original of this memo to Mr. Meese and called him personally about it. (p. 269) The report cites Secretary Marsh as recalling that: "Mr. Meese 'did not wish to take any action,' and indicated that he simply wished to take no position, and wanted to stay out of the matter." (See p. 269)

Questions about Mr. Meese's promotion led to an investigation by the Inspector General of the Army. The Army Inspector General's Report concluded that Mr. Meese did not meet the education requirements for the promotion and was given preferential treatment. (p. 261) The Inspector General's Report also concluded that Mr. Meese had no knowledge of violations of regulations or special treatment. The IG's Report, however, makes no reference to the facts that the memorandum was given to Secretary Marsh, that it was then sent to Mr. Meese, and that Secretary Marsh called Mr. Meese about the memo. Apparently, the investigators were unaware of these developments.

The principal issue for the Committee was whether Mr. Meese was put on notice of this possibility of preferential treatment but, nevertheless, accepted the promotion. An additional issue was whether he was straightforward with the Committee in testifying that he insisted on no special treatment and had no knowledge of it.

Mr. Meese testified that he did not recall the telephone call from Secretary Marsh. (Tr. p. 164, 1/30/85) However, he was able to state what he believed was said:

"Mr. MEESE. I think that probably the conversation was very benign, in the sense that he said he was probably sending Colonel Sullivan over to talk to me, but he certainly, at no time, I'm sure, said anything about there being any problem with this promotion, or it would have registered with me . . ." (Tr. p. 164, 1/30/85)

Mr. Meese responded similarly in response to questions from Senator Baucus:

"Senator BAUCUS. Did you receive a telephone call from anyone advising you of possible questions about the propriety of the promotion?

"Mr. MEESE. There is a telephone call referred to in the Independent Counsel's report, purportedly from the Secretary of the Army. I do not remember the phone call, but I am sure that in the phone call nothing was raised about any questions." (Tr. pp. 21–22, 1/30/85)

Although Mr. Meese testified that he did not recall the memorandum, he was able to state how the memorandum was delivered to him:

"Senator METZENBAUM. . . . This is a memo written entirely about you. It's written by a Lieutenant General, the Army Deputy Chief of Staff for Personnel. The Secretary of the Army calls you about it. He recalls that you returned it to him. . . . you don't recollect—you say you didn't see it. How do you explain that to the Committee?

"Mr. MEESE. I think it's very simple, Senator. I don't recall it because I don't believe that it ever came to me and that I ever saw it. I believe, and I reflect on this partially because of the Independent Counsel's inquiry, that Colonel Sullivan probably brought the memo and asked if I wanted to see a memo on the subject of my promotion.

"I would have taken the same position then as I always did, that I did not want to see any internal Army documents pertaining to my promotion, because I did not want to have any special information or take any special part, or have any involvement other than what any other Army officer in my position would have." (Tr. pp. 247–248, 1/30/85)

The thrust of Mr. Meese's testimony is that Colonel Sullivan probably brought the memorandum to him, but that he did not look at it. He testified that he did not recall the telephone call from Secretary Marsh. Secretary Marsh's statement to the Independent Counsel was that he personally called Mr. Meese about the memorandum and that Mr. Meese told him he wanted to take no action and stay out of the matter. In addition, the Report of the Independent Counsel indicates that Mr. Meese was aware of the problem of inadequate course work at the time Secretary Marsh sent the memo to him because of Mr. Meese's discussion with Colonel Sullivan about the possibility of a waiver or constructive credit as a substitute for the course work. (p. 266)

In summary, the question is whether Mr. Meese had sufficient notice of the concerns raised within the Army that he should have taken more affirmative actions to insure that the Army follow its regular procedures.

REIMBURSEMENT FOR MOVING EXPENSES

Mr. Meese accepted and kept a $10,000 check for moving expenses issued to him from the Presidential Transition Trust in November 1980. (p. 342) The check was marked "moving expenses" and was intended by the Trust to assist Mr. Meese and other officials in the new administration in their move to Washington. (pp. 342–344) After Mr. Meese had deposited the check, he was informed that the lawyers for the Trust, and subsequently the Office of Legal Counsel in the Justice Department, had concluded a criminal statute probably prohibited him from accepting reimbursement for moving expenses. (pp. 344–345) Mr. Meese told the lawyer who advised him of the problem not to pursue the matter further, but did *not* tell him he had already deposited the check. (p. 345) According to Mr. Meese's own recollection, after he was informed of the prohibition, he contacted someone at the Trust, probably Helene von Damm, and directed her to alter the Trust records to reflect a payment of a consulting fee. (See pp. 345–346). The designation "moving expenses" on the canceled check and checkbook stub were altered to show "consulting fees." In addition, the Trust altered the records of four other checks—$10,000 checks to E. Pendleton James and Michael Deaver, a $2,000 check to Helene

von Damm, and a $9,942.30 check to William Clark. (p. 346)

The first question about these circumstances is whether this payment could, in substance, only be considered as reimbursement for moving expenses and, in light of the notice to Mr. Meese about the legal problems with such a payment, whether he should have kept it. Mr. Meese testified that he had performed adequate services to justify payment for $10,000 in services. However, Mr. Meese testified that at the time he received the payment and deposited it, he considered it to be payment for moving expenses. (Tr. p. 244, 1/30/85) Mr. Meese never submitted a bill for services to the Trust. (Tr. p. 235, 1/30/85). At the time he received the check he did not plan to submit a bill for services. (Tr. p. 235, 1/30/85) Thus, the evidence in the Report of the Independent Counsel shows that Mr. Meese considered the payment to be reimbursement for moving expenses until he was informed of the legal prohibition on such a payment.

The first public account of the payment apparently occurred in an article in the Washington Post in June 1984. That article, in reporting that the records of the check to Mr. Meese were altered, contains the following paragraph:

"E. Robert Wallach, a lawyer for Meese, said the White House counselor had no idea who was responsible for blacking this out. 'Ed Meese has no knowledge of this under any circumstances.'" (June 2, 1984, p. A-2)

At the hearing Mr. Meese was asked if the statement made by his lawyer as quoted in the June 1984 Washington Post story was correct:

"Senator METZENBAUM. Now, isn't that statement (in the Washington Post article) false?

"Mr. MEESE. Not to my knowledge, Senator. I don't know who did the actual work of correcting the records. I talked to someone—I believe it was Ms. van Damm—but I don't know whether it was her, the bookkeeper or who else may have had the technical responsibility of correcting the records.

"Senator METZENBAUM. But (Mr. Wallach) made the statement that Ed Meese has no knowledge of that at all under any circumstances. Do you think that statement is correct?

"Mr. MEESE. I think it is, because I don't know who did the actual job." (Tr., p. 239, 1/30/85)

Mr. Meese did not refer to a payment from the "Presidential Transition Trust" on his 1981 disclosure form. In the section of the report calling for "Compensation In Excess of $5,000 Paid By One Source" there is no reference to the Trust, although there is a reference to the Presidential Transition Foundation. (See financial disclosure form for Edwin Meese III, Feb. 20, 1981, p. 5) Mr. Meese explained his failure to disclose separately a payment from the Trust on the grounds that the Trust and the Foundation were "part of the same organization." (Tr. p. 39, 1/30/85). However, the Trust was created by a Trust agreement on August 15, 1980 (see p. 340) while the Foundation was established as a separate corporation on November 5, 1980. (p. 340)

Mr. Meese testified to the Judiciary Committee last March that he had paid all his moving expenses:

"Senator HATCH. And in addition to that, if I understand correctly you had to pay all of your moving expenses as well.

"Mr. MEESE. That is right.

"Senator HATCH. And all of the costs of bringing your family back here, as well.

"Mr. MEESE. Yes, Senator.

"Senator HATCH. And that all this came out of your own pocket?

"Mr. MEESE. Yes, sir."

DISCLOSURE VIOLATIONS AND PROBLEMS WITH RECOLLECTION

An additional concern about Mr. Meese's fitness for office is his lack of attention to financial disclosure forms and his inability to recall key information. According to the Independent Counsel's Report, Mr. Meese frequently failed to make proper disclosures on his financial disclosure forms. The Report of the Independent Counsel concluded that no criminal prosecution was warranted because there was inadequate proof of intent, but it also concluded that Mr. Meese paid little attention to disclosure requirements: "only the weakest possible inference of willfulness could be drawn, particularly in light of Mr. Meese's general lack of attention to the (disclosure) forms and to his other personal financial affairs, and the numerous other non-material errors on his (disclosure forms)." (p. 97) For example, Mr. Meese failed to disclose a $15,000 loan from Edwin Thomas on his 1981, 1982, 1983 and 1984 disclosure forms. Attachment 1 shows other disclosure violations noted in the Report of the Independent Counsel.

The Independent Counsel's Report as well as the hearing testimony also show a recurring pattern of failure to recall documents, conversations or events. Although some of this information is minor, and could not be reasonably expected to be recalled, much of the information is significant. For example, the Independent Counsel cited Mr. Thomas as recalling that he reminded Mr. Meese of the loan in February 1981 (p. 40) and that he discussed the loan with Mr. Meese in February 1982 at a going away party. (p. 42) Mr. Thomas recalled discussing the loan with Mr. Meese in October 1982 in San Francisco and Mr. Meese recalled that conversation. (pp. 42-43) Mr. Meese discussed the loan twice with Mr. McKean in the fall of 1982 and Mr. Meese recalled those conversations. (pp. 45-48) Mr. Thomas recalled discussing the loan with Mr. Meese again in May 1983 in connection with the sale of Biotech stock. (p. 49) Nevertheless, Mr. Meese told the Independent Counsel that at all relevant times when he signed his financial disclosure form he failed to recall the existence of the Thomas loan. (p. 103)

Mr. Meese also failed to recall the visit by Mr. Barrack to his office in September 1982 (p. 210), the memorandum prepared by General Thurman discussing his promotion, the telephone call from Secretary Marsh asking him if he had read the memo from General Thurman, the conversations with the lawyer from the Presidential Transition Trust informing him of legal problems in receiving reimbursement for moving expenses (p. 345), two conversations with Michael Deaver about arranging payment for Mr. Deaver's moving expenses (p. 349), and a letter from a California bank threatening foreclosure on his home (Tr. p. 265-266, 1/30/85).

ATTACHMENT 1—DISCLOSURE VIOLATIONS NOTED IN REPORT OF INDEPENDENT COUNSEL

1981 FORM

Failed to disclose a $15,000 loan from Edwin Thomas, as filed originally and as refiled after modifications (84).

1982 FORM

(1) Failed to disclose the $15,000 loan from Edwin Thomas (95).

(2) Failed to disclose the holdings of Biotech stock (85).

(3) Failed to properly report that John McKean was trustee of loan, not source (87).

(4) Failed to disclose eight trips paid for by outside groups (359).

1983 FORM

(1) Failed to disclose the $15,000 Thomas loan (95).

(2) Failed to properly report that McKean was trustee rather than source of loan (90).

(3) Failed to disclose the gift of forbearance of interest during 1982 from the creditors of the McKean loan as determined by the Government Accounting Office (90, fn., 145).

(4) Failed to disclose ten trips paid for by outside groups (359).

1984 FORM

(1) Failed to disclose the sale of American Cytogenetics stock in April 1983 (91).

(2) Failed to disclose the $15,000 Thomas loan (92).

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER [Mr. GRAMM]. Without objection, it is so ordered.

ORDERS FOR THURSDAY

ORDER FOR RECESS UNTIL TOMORROW AT 10 A.M.

Mr. DOLE. Mr. President, as in legislative session, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m. on Thursday, February 21.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS TOMORROW

Mr. DOLE. Mr. President, I ask unanimous consent that following the two leaders under the standing order tomorrow the following Senators be recognized for not to exceed 15 minutes each under special orders—THURMOND, SPECTER, PROXMIRE, BOREN, PRIOR, HARKIN, SYMMS, and HART.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. DOLE. Mr. President, I ask unanimous consent that, following the special orders just identified, there be a period for the transaction of routine morning business not to extend beyond the hour of 12:30 p.m., with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE MEESE NOMINATION

Mr. DOLE. Following morning business, the Senate will automatically resume the Meese nomination in executive session.

INTERSTATE HIGHWAY FUNDING ACT OF 1985

Mr. DOLE. Mr. President, I ask unanimous consent to have printed in the RECORD a summary of the Interstate Highway Funding Act of 1985, along with the amount each State would receive if we pass the legislation this week. It totals about $7 billion. I have been indicating that if we can dispose of the Meese nomination—and I am hopeful that we can; we have made some progress on the related matter—we can then turn to the highway bill, because it is very important from the standpoint of every State in the Nation. I hope that might be accomplished no later than Friday afternoon.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

INTERSTATE HIGHWAY FUNDING ACT OF 1985

BACKGROUND

The Surface Transportation Assistance Act of 1982 included a provision requiring Congressional approval of cost estimates before Interstate construction funds and Interstate substitute funds can be apportioned to the States.

The specific cost estimates which must be approved are referred to as the Interstate Cost Estimate and Interstate Substitute Cost Estimate. The Interstate substitute funds represent amounts originally allocable to Interstate highway construction which the States, with DOT approval, have been allowed to divert to other highway or transit programs.

The oversight function is appropriate, but it must be done in a timely fashion. The States need stable, reliable long-term funding to plan large, costly highway projects. These funds must be released when the States were assured they would be available.

In the past, the ICE had been approved for a two-year period. Because of legislative complications, the last approval was five months late and only covered six months. Because of this, some States undertook lower priority, but less costly, projects. This is not a good return on Federal expenditures and will delay completion of the Interstate highway system.

IMPACT OF THE BILL

The bill will approve the ICE for the second half of FY 1985 and for all of FY 1986.

The bill will also approve the ISCE to apportion Interstate Substitute funds for the remainder of FY 1984 and for FY 1985 and 1986.

The amounts at stake here are over $7 billion. On a State-by-State basis, this bill will mean, for example, over $170 million to Illinois, over $104 million for Oklahoma, over $70 million for Iowa, over $73 million for Tennessee and over $23 million for Kansas.

It is estimated that they will provide between 150,000 and 250,000 direct construction jobs and up to an additional 200,000 related jobs. In addition to being good transportation policy, it will be good for the economy.

ESTIMATED APPORTIONMENT BASED ON S. 391 OF $5.28 BILLION OF FISCAL YEAR 1985 AND 1986 INTERSTATE FUNDS AND $779.6 MILLION OF FISCAL YEAR 1984 AND 1985 INTERSTATE HIGHWAY SUBSTITUTE FUNDS—85 PERCENT MINIMUM ALLOCATION FUNDS BASED ON SECTION 124

[In thousands of dollars]

	Interstate construction	Interstate highway transportation	85 percent minimum allocations	Grand total
State:				
Alabama	$174,907	0	0	$174,907
Alaska	26,402	0	0	26,402
Arizona	92,370	−$162	0	92,208
Arkansas	26,402	0	$7,105	33,507
California	445,649	3,516	149,646	598,811
Colorado	99,619	14,371	0	113,990
Connecticut	100,167	140,317	0	240,484
Delaware	26,402	0	0	26,402
District of Columbia	26,402	21,268	0	47,670
Florida	390,927	0	−41,632	349,295
Georgia	210,094	16,167	0	226,261
Hawaii	122,514	0	0	122,514
Idaho	43,526	0	0	43,526
Illinois	23,728	124,264	22,849	170,841
Indiana	26,402	8,014	94,550	128,966
Iowa	26,402	44,454	0	70,856
Kansas	23,427	0	0	23,427
Kentucky	96,876	0	0	96,876
Louisiana	246,665	0	0	246,665
Maine	26,402	0	0	26,402
Maryland	116,317	121,074	0	237,391
Massachusetts	107,043	16,126	0	123,169
Michigan	106,359	0	35,342	141,701
Minnesota	118,754	5,208	0	123,962
Mississippi	26,402	0	0	26,402
Missouri	20,302	0	8,236	28,538
Montana	26,402	0	0	26,402
Nebraska	26,402	2,916	0	29,318
Nevada	26,402	0	0	26,402
New Hampshire	26,402	0	0	26,402
New Jersey	174,608	55,010	0	229,618
New Mexico	26,402	0	0	26,402
New York	415,426	17,334	0	432,760
North Carolina	54,927	0	121,556	176,483
North Dakota	26,402	0	0	26,402
Ohio	111,191	22,934	136,750	270,875
Oklahoma	38,418	0	65,991	104,409
Oregon	34,116	19,440	0	53,556
Pennsylvania	378,679	18,667	0	397,346
Rhode Island	26,402	91,281	0	117,683
South Carolina	72,448	0	11,946	84,394
South Dakota	26,402	0	0	26,402
Tennessee	18,942	33,429	21,104	73,475
Texas	284,941	0	266,204	551,145
Utah	122,885	0	0	122,885
Vermont	26,402	0	0	26,402
Virginia	216,535	4,000	0	220,535
Washington	234,859	0	0	234,859
West Virginia	83,754	0	0	83,754
Wisconsin	24,189	0	72,516	96,705
Wyoming	26,402	0	0	26,402
Puerto Rico	0	0	0	0
Total	5,280,398	779,628	972,163	7,032,189

RECESS UNTIL TOMORROW AT 10 A.M.

Mr. DOLE. Mr. President, in accordance with the previous order, I move that the Senate stand in recess until 10 a.m. tomorrow morning, Thursday, February 21.

The motion was agreed to and, at 7:12 p.m., the Senate, in executive session, recessed until February 21, 1985, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate February 20, 1985:

INTERNATIONAL BANKS

James A. Baker III, of Texas, to be U.S. Governor of the International Monetary Fund for a term of 5 years; U.S. Governor of the International Bank for Reconstruction and Development for a term of 5 years; U.S. Governor of the Inter-American Development Bank for a term of 5 years; U.S. Governor of the African Development Bank for a term of 5 years; U.S. Governor of the Asian Development Bank; and U.S. Governor of the African Development Fund.

EXECUTIVE OFFICE OF THE PRESIDENT

The following-named persons to be members of the Advisory Board for Radio Broadcasting to Cuba for the terms indicated:

For terms of 2 years:

Anne Elizabeth Brunsdale, of the District of Columbia (new position).

Jose Luis Rodriguez, of Florida (new position).

For terms of 3 years:

Joseph Francis Glennon, of Florida (new position).

Danford L. Sawyer, Jr., of Florida (new position).

NATIONAL COUNCIL ON EDUCATIONAL RESEARCH

The following-named persons to be members of the National Council on Educational Research for terms expiring September 30, 1987:

Elaine Y. Schadler, of Pennsylvania (reappointment).

Gwyneth Gayman, of California (reappointment).

NATIONAL COUNCIL ON THE HANDICAPPED

Roxanne S. Vierra, of Colorado, to be a member of the National Council on the Handicapped for a term expiring September 17, 1987 (reappointment).

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

George D. Hart, of California, to be a member of the National Council on the Humanities for a term expiring January 26, 1990, vice Jacob Neusner, resigned.

IN THE ARMY

The following-named Army Medical Department officers for appointment in the U.S. Army to the grades indicated under the provisions of title 10, United States Code, sections 611(a) and 624:

To be permanent brigadier general

Col. Frederick N. Bussey, xxx-xx-xxxx
Medical Corps, U.S. Army.

Col. Robert R. Jorgensen, xxx-xx-xxxx
Veterinary Corps, U.S. Army.

EXTENSIONS OF REMARKS

THE 1986 BUDGET

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, February 13, 1985, into the CONGRESSIONAL RECORD:

THE 1986 BUDGET

President Reagan has just sent his 1986 budget to Capitol Hill. He wants to spend $974 billion, collect $794 billion in taxes, and run a deficit of $180 billion.

Under the fiscal plan that the President has proposed, spending would increase for defense, social security, and interest on the national debt, which make up two thirds of the budget. He hopes to reduce spending in the remaining one third of the budget by 10% overall. In effect, he is calling for a freeze in total spending, other than for debt service. He would eliminate more than 25 programs, including revenue sharing, the Job Corp, the Small Business Administration, the Economic Development Administration, the Legal Services Corporation, federal support for Amtrak, loans of the Farmers Home Administration, and subsidies for shipbuilding, mass transit, and air carriers. He would cut into farm price supports, soil and water conservation programs, welfare, low-income energy assistance, student loans, education for the handicapped, veterans' health care, Medicare, the Export-Import Bank, sewage treatment grants, the Strategic Petroleum Reserve, and subsidies for housing and rural electrification. Inside the government itself, he would roll back federal workers' pay by 5% phase out 35,000 jobs, and trim cost-of-living raises for military and civilian retirees. The budget is silent on taxes, except that Mr. Reagan recommends a few minor tax cuts and user fees and promises a later effort to simplify the tax code.

The themes of the 1986 budget are the same as those of the four previous Reagan budgets: low taxes, less federal regulation, and a reordering of priorities under which defense spending is increased while domestic spending is curbed. The President notes that the progress in reducing inflation represents no "final victory," and that the Federal Reserve should continue its policy of restraint in managing the nation's money supply. He concedes as well that the $180-billion deficit is a "far cry" from his goal of a balanced budget.

The economic assumptions that the President makes to support the budget are too optimistic. He estimates that the economy will keep growing at an annual rate of 4% through the end of 1986. He supposes that the inflation rate will rise slightly to 4.3%, that the unemployment rate will edge down to 6.8%, and that interest rates will keep declining for another two years. The five-year projections accompanying the budget are even more optimistic. What troubles me about the assumptions is Mr. Reagan's bet that huge deficits will not spur inflation and drive interest rates up as the recovery matures. Also, he ignores the possibility of a recession, which is likely to occur within the next three years. Either scenario might leave the nation with yearly deficits in excess of $300 billion.

Several special features of the budget should be noted. First, the President is to be commended for his suggestion that all off-budget programs be brought onto the budget, and for his insistence that administrative overhead be trimmed. Also, he deserves credit for proposing tough, even draconian, spending cuts. Indeed, this budget invites conflict with most of the organized forces of American politics. In past years, his spending cuts have centered on low-income people, but this time he shows that he is prepared to move against politically sensitive programs favored by the middle class, perhaps because after the last four budgets not much more could be done to restrict programs of benefits to the poor. The President's spokesmen admit that the spending cuts are aimed at state and local governments, farmers, small businessmen, and families of average means.

Second, while the President is to be commended for setting as a goal a gradual decline in the deficit, the budget does not advance a solution to the problem of deficits. It says implicitly that sharp reductions in one-third of the budget, combined with large increases in the other two-thirds, cannot bring the budget into balance in the foreseeable future. The budget tests Mr. Reagan's oft-stated belief that deficits matter and makes it clear the deficits have never been as important to him as his rhetoric would suggest. His true objectives are to lower taxes and shift spending toward the military and away from domestic concerns. The rearrangement of government, not its shrinkage, has been his plan all along. Today, the federal government is taking up nearly one-quarter of the nation's wealth, far more than the 20% share about which the President spoke four years ago. An impression widely shared among members of Congress is that Mr. Reagan has not done enough to reduce deficits.

Third, during the successful election campaign, the President did not lay out the spending cuts that he is now calling for. In some cases, he affirmed his support for continuing or expanding programs that he now targets for reduction. The budget does not break his promises in regard to taxes, social security, and defense spending, but neither does it hold him to his assurances that he could reduce the deficit without going after popular programs.

Fourth, some of the spending cuts are misleading. An example is the reduction of more than $1 billion in foreign aid, which is unlikely now that the President has committed himself to large but unspecified increases in aid to Israel.

Fifth, the defense buildup, now entering its fifth year with a request for an increase of more than 8%, continues to focus too narrowly on the purchase of advanced weapons. Not enough attention is paid to combat readiness.

Sixth, the budget would enlarge the role of government in several areas, including medical research and toxic waste cleanup, as it took the government out of others, such as farming.

Finally, the President will have trouble getting his spending cuts through Congress, but he has taken control of the terms of the political debate and he will succeed on many of them. He will not get his full request for the Pentagon. I think that an increase in the range of 3% to 5% is far more likely than an 8% hike.●

SCOOP JACKSON'S LEGACY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. KEMP. Mr. Speaker, it was my privilege to have known Senator Henry "Scoop" Jackson, to have served in Congress with him, and to have called him my friend. My wife, Joanne, and I treasure our continuing friendship with Helen Jackson. Her husband's death in September 1983 was a deep loss for the country, and his leadership has been sorely missed.

One of Scoop's many inspired contributions to public policy was the suggestion that a National Bipartisan Commission on Central America be established, to focus the Nation's attention on the pressing need to understand the dangers facing our neighbors, and to develop a comprehensive agenda for a prosperous and secure future for our hemisphere. Thus was born the Jackson Commission, named in his honor, whose work forms the basis of President Reagan's policy for Central America; and I was honored by being asked to serve on the Commission.

Yet there is no greater evidence of the lasting impact of Scoop's service in Washington than the men and women who worked with him, who learned from him, and who stayed in Government to further the Jackson tradition. Assistant Secretary of Defense Richard Perle is one of those excellent public servants who came from the Jackson office; Assistant Secretary of State Elliott Abrams is another.

Like Senator Jackson, Elliott Abrams has distinguished himself as a forceful and eloquent advocate of human rights. And he is equally eloquent in writing of the character and qualities of his former boss. Elliott's article in the February issue of Reader's Digest, entitled "Unforgettable Scoop Jackson," is a touching tribute to a great American. I ask that the article be reprinted in the CONGRESSIONAL RECORD, and commend it to my colleagues' attention.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

I'm proud to have known Senator Jackson and to recognize not only his impact on his own party but his profound impact on the Republican Party as well.

The article by Elliott Abrams follows:

[From the Reader's Digest February 1985]

UNFORGETTABLE SCOOP JACKSON

(By Elliott Abrams)

In the Senate reception room of the Capitol are portraits of five men, selected a quarter of a century ago to constitute a Senate hall of fame; Daniel Webster, John C. Calhoun, Henry Clay, Robert La Follette and Robert A. Taft. Columnist George Will recently suggested that a sixth portrait be added. "A Senate hall of fame without Henry Martin Jackson," he wrote, "is as unthinkable as Cooperstown without George Herman 'Babe' Ruth."

"Scoop Jackson, who died in September 1983, was my friend and former boss. I came to Washington to work for him and, like so many of his staff, remained in the federal government. Being in Scoop's office, watching him moving and shaking committees and statesmen, admiring his incorruptible style, got us hooked on public service.

Although Jackson wielded great power during his 42 years in government, he had no time for the egotism that often afflicts the powerful. He was interested in the work, not the credit. He held himself accountable to the citizens of Washington State who elected him, whom he once described as "hard-working, sensible folks who don't swallow any kind of political line. They vote for individuals and expect them to remain individuals." He believed deeply in bipartisanship, and used to say that "in national security the best politics is no politics."

Throughout his long career in government, the Senator never wavered in his beliefs, never tailored them to fit the mold of fashion, never thought that what people said about you was as important as what you did. His idea of "packaging" himself for politics was to buy a few new neckties. "For all of us who served him," said House Majority Whip (and former Jackson staffer) Tom Foley, that service "will remain to the end of our days a matter of enormous pride."

SECURITY FIRST

Scoop was born in 1912 in the rough-and-tumble lumber town of Everett, Wash. A child of Norwegian immigrants, he acquired his nickname from a comic-strip character whom his sisters thought he resembled. His older sister, Gertrude, a teacher, spent part of her meager paychecks to help him through law school. He was elected county attorney and, in 1940, at age 28, a U.S. Congressman.

This was the world of Roosevelt, Churchill and Hitler, and of Europe at war. To the young Congressman's thinking, national security was paramount. The Nazi invasion of his parents' homeland that same year had left a searing impression on him. "We're dealing with survival," he would tell those who advocated less spending on defense and more on domestic programs. "Norway had a thousand years of freedom—clean air, clean water, clean land. They had one of the first health programs. What good did it do them when the hobnail boots took over in the spring of 1940?"

Scoop served with distinction for 12 years in the House, but it was in the Senate, to which he was elected in 1952, that he made his greatest mark. As a freshman Senator, he was disturbed by top-secret reports on America's lagging missile program. Stressing how quickly the Soviets had developed nuclear bombs, he believed they would make a quantum jump and come up with a rocket delivery vehicle. He wrote President Dwight D. Eisenhower to urge that ICBM development be put on a wartime basis, prompting Eisenhower to undertake a full-scale briefing on the matter for the first time. Two years later, in 1957, the Soviets surprised the world with the powerful rocket that launched Sputnik, the first satellite. Colleagues began listening more closely to Senator Jackson, and American ICBM efforts were greatly accelerated.

Senator Jackson soon became one of the most influential men in the Capitol when it came to national security. For years he was ranking Democrat on the Senate Armed Services Committee, renowned for his extraordinary grasp of detail. In 1959 he initiated a landmark study of the National Security Council and of policy making at the Presidential level. He was a leader in restoring relations with China and forming the closest possible alliance with Israel, viewing the two countries as natural friends in the struggle against Soviet aggression. He helped defeat the proposed Senate ratification of the SALT II agreement, arguing that it relied too heavily on Soviet "good faith" and not enough on hard verification, and that in effect it only ratified the Soviet arms buildup.

QUIET MAN

Scoop was also a life-long advocate of human rights abroad. He had visited a Nazi concentration camp at the end of World War II, and was ever aware of the slave-labor camps in the Soviet Union. He wrote the Jackson Amendment of 1974, which grants more favorable tariff treatment to non-free-market countries that pledge to allow their citizens freer emigration. When Soviet dissidents needed a champion in Washington, they always knew where to turn.

Finally, Scoop was an old-fashioned conservationist who believed in a balance between development and preservation. As chairman of the Senate Interior Committee (later called the Energy Committee), he pioneered environmental legislation. He wrote the National Environmental Policy Act, which established a council to monitor environmental developments and keep the public informed. But he also has a continuing concern for the nation's energy needs. He advocated exploration for oil and natural gas and other energy development that would keep America growing. "Every time a tree is cut, a mineral mined, a dam constructed or a road built, the public interest is not being attacked," he said. Yet Jackson was the only Senator ever to win the Sierra Club's John Muir Award for conservation.

Scoop's achievements in the Senate, however, don't reveal what was so special about him as a person. Let me start with his integrity. "There has never been one breath of scandal around Henry Jackson," said his longtime fellow Senator from Washington, Warren Magnuson. "That's something in this day and age." As President Reagan noted: "Other people were embarrassed when disclosure laws revealed their vanities. Scoop was embarrassed when they revealed his virtues."

The President was referring to what Scoop had done with the money he earned giving speeches—as much as $56,000 one year. Quietly, he had put every cent into a scholarship fund in memory of his sister Gertrude, to help needy children back home in Everett. "He had never told the voters," observed President Reagan. "He never even told his own staff."

It was typical of Scoop's quiet style. His power came not from flights of rhetoric on the Senate floor, but through "putting the arm" on colleagues behind the scenes—often in the Senate gym. Each day he would return from the swimming pool with new ideas, new commitments. Once, when a staffer asked how he'd gotten a majority for a new proposal, his reply was something like this: "Maggie said he talk to Russell, and Tom promised this if I would back him on Ed's amendment, and Mike owes me one for last year's help on Pete's bill . . ." and so on. Not the stuff of network news, but very much the way to get business done in the Senate.

THE HUMAN TOUCH

Scoop had a special relationship with his "troops," as he called the people on his staff, many of whom stayed with him for decades. (Our softball team was called "Scoop's Troops.") He squeezed us dry—of ideas, speeches, bills and sheer hard work. He expected the best we could do. But he never asked us to do anything he wouldn't do himself. If you tried to carry his suitcase, you got into a wrestling match with him. He used strong language only under extraordinary provocation, and he never berated a staff member.

Once, because a new aide had given him inaccurate data, Scoop was forced to issue a retraction after a major press conference. The aide expected to be fired. Instead, Scoop put his hand on the young man's shoulder and told him, "We all make mistakes."

Performing tasks for his constituents was not a necessary evil to Jackson; it was one reason he was in government. "He used to drop by my office pretty nearly every morning," recalls Senator Magnuson. "He'd say, 'Who's in trouble today? Who can we help?' "

Once a staff member went to Scoop's office to bring him to the Senate floor where he was desperately needed to lead the debate over a bill he was sponsoring. Scoop was on the phone—and stayed on. The aide became frantic, but to Scoop that telephone call was more urgent. He was trying to arrange the transfer of a young soldier wounded in Vietnam from a VA hospital far from his home to one his parents could visit. Scoop had the Pentagon on the line, and he wasn't getting off until the answer was "yes."

Busy as Scoop was, he never forgot the human element. When my father died—five years after I left Scoop's staff—one of the first people to call and console me was Senator Jackson.

Scoop was a fabulously successful vote-getter in his home state, winning re-election in 1976 with 74 percent of the vote.[1] Voters liked his honor and incorruptibility, his constant hard work, his compassion for the weak. He also had a particularly disarming way with youngsters that showed at the oddest times. En route to chair a committee hearing one morning, he saw a staff member's eight-year-old nephew standing in the office. "You come along with me," he said,

[1] The Henry M. Jackson Foundation has been set up as a memorial to the Senator, with its major support going to the Jackson School of International Studies at the University of Washington.

tousling the boy's hair. In the committee room, he seated the awestruck boy behind him in the glare of the television lights, and from time to time leaned back to give the lad an explanation of the proceedings.

Twice Scoop went after his party's Presidential nomination. His 1972 campaign was only a trial run; in 1976 he raised money and ran widely, winning primaries in New York and Massachusetts. But he was still a Senator above all else, much to the despair of his campaign aides. No sooner had someone gotten his attention about a fund-raiser in Boston or a campaign stop in Miami than the office buzzer would announce a roll-call vote, and Scoop would run for the subway to the Capitol, leaving the pols sitting in their cigar smoke.

In the campaign Scoop preached oldfashioned New Deal liberalism at home and a strong and active defense of freedom abroad. But this combination had fallen out of favor with many Democrats in the wake of the Vietnam war, and Jackson's candidacy evaporated. His rocklike reliability, his refusal to sway with the political winds, may have cost him the Presidency.

In August 1983 Jackson went to China for the fourth time and, as usual, followed a strenuous work schedule. He caught a bad cold, but when he came home he didn't slack off. On September 1—after a day that must have been exhausting for a 71-year-old weakened by a cold—he went home to his wife and went to sleep. He never woke up.

Last June 26, many of Scoop's friends gathered at the White House to hear President Reagan award him, posthumously the Medal of Freedom, the nation's highest honor. It was a rare moment in the spotlight for his widow, Helen, and their children, Peter and Anna Marie, for Scoop had kept his private life private and talked of his love for his family and his pride in them only to people close to him.

"Henry Martin Jackson was one of the greatest lawmakers of our century," the President read from the medal citation. "He embodied integrity and decency in the profession of politics. For those who make freedom their cause, Henry Jackson will always inspire honor, courage and hope."●

STREAMLINE PROCEDURES FOR MILITARY BASE CLOSING

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. DENNY SMITH. Mr. Speaker, I am introducing legislation today to streamline the study and notification procedures contained in 10 U.S.C 2687 on closing military bases or realigning military activities. The modifications that I am proposing should eliminate the years of unnecessary delay that are associated with effecting a closure or realinement while retaining adequate safeguards for: First, notifying Congress; second, consulting with local governments, and third, accomplishing appropriate studies on proposals likely to have a significant socioeconomic impact prior to making final decisions.

Let me review for a moment the need for this legislation. Years of unnecessary delay have resulted from the onerous and in many instances, unnecessary study and notification procedures that pertain to closure or realinement actions; 10 U.S.C. 2687 has been effectively used by local interests to delay and reverse national security decisions purely for the purpose of saving civil service jobs in their town or State.

BACKGROUND

Prior to 1977, a relatively routine and unencumbered process was used to declare DOD facilities excess to military needs. In 1977, revised procedures were passed creating a number of new legislative requirements in reaction to DOD's decisions to close a number of major installations and to realine numerous activities. Of the 19 major installations announced for closure in 1977, only 5 were able to surmount the legislative roadblocks. The existing legislative roadblocks reflect the intent of a few Members of Congress to delay any action on the realinements or closures for political rather than national security. Consequently, national security decisions are being thwarted by local political interests which are counterproductive to providing a strong national defense in a fiscally responsible manner. The study requirements and legal challenges involved have added years of unnecessary delay to the disposal process.

Title 10, United States Code, section 2687 applies to any DOD facility with as few as 300 civilians, worldwide. Political interest resulted in the criteria being drawn to encompass just about every action rather than focusing on those likely to result in a significant impact. Accordingly, the Secretary of Defense is prohibited from taking any action involving a reduction by more than 1,000 or by more than 50 percent, in the number of civilian personnel authorized at the installation. A proposal affecting as few as 150 civilian personnel in a major metropolitan area could trigger the study requirements. Only if the President certifies to Congress that such action is necessary for reasons of national security or military emergency can the study requirements be waived.

Do we have to wait until the Nation is at war before the Secretary of Defense can adjust the base structure to manage our forces efficiently? Before the Secretary of Defense can make a tentative decision to close or realine, he must:

First, notify Congress that the installation or facility is a candidate for closure or realinement;

Second, issue a public notice of his intent to initiate a study on closure or realinement;

Third, prepare a study on the fiscal, economic, budgetary, strategic, and operational consequences of the proposed actions;

Fourth, evaluate the environmental consequences pursuant to the National Environmental Policy Act.

Only after those steps are completed, can a tentative decision be made. The Secretary must wait an additional 60 days before he can make a final decision. Even after a final decision is made, and assuming there is no court challenge, actual closure is still a number of years away.

Past experience indicates that it may take an additional 1 to 3 years to effect transition of the mission and transfer of the facilities to GSA for disposal. By this time, officials may have changed political office or lost their desire to pursue this onerous task.

PROPOSAL

To correct these abuses and to allow the Secretary to get on with the business at hand. I am proposing several modifications to 10 U.S.C. 2687; specifically:

Modify the criteria to limit extensive study and consultation to those proposals which could likely cause significant adverse socioeconomic impacts on the local or regional economy.

Simplify the study and the reporting requirements.

Reaffirm the requirements of NEPA compliance but grant a limited exemption of the provisions of NEPA concerning judicial review of Federal decisions to close, realine, transfer, exchange, or reuse military facilities or installations.

I believe there are sound fiscal, policy, and national security reasons for these changes.

MODIFICATION OF STUDY CRITERIA

It is intended that the Secretary of Defense will notify Congress of any proposal to realine missions or close any facilities. However, formal reports will only be required on actions that are likely to have a significant socioeconomic impact on the region affected. To affect that, I am proposing a change that will modify the threshold criteria for determining whether studies are mandatory.

Title 10, United States Code, section 2687 uses the number of civilian personnel impacted as the sole criterion for triggering the study and notification requirements. The criterion selected is entirely inappropriate. The issue of primary concern to local communities is the economic impact. Closures which have an inconsequential impact on the economy have been delayed for years purely because of the unnecessary study requirements embodied in 10 U.S.C. 2687. In retrospect, many costly and unnecessary studies assessing this impact have been done, directing scarce resources to unproductive uses. The cost of individual studies has ranged from $10,000 to $600,000.

We need to give the Secretary of Defense the flexibility to operate the Defense Establishment more efficiently with as little overhead as possible.

I am proposing that we change the triggering criteria to eliminate the studying of inconsequential actions—that is, those likely to have a minimal impact on the local economy. The triggering criteria will be changed to a measure of the unemployment rate in the economic region rather than using the number of civilian DOD employees affected.

This will serve as a screening mechanism to eliminate wasteful, costly, and unnecessary socioeconomic studies. To that end, I am proposing that we use a 1-percent change in the unemployment rate as the preliminary screening criterion for deciding whether or not a proposal requires more detailed study. This factor was selected after considering various criteria and after considerable discussion with experts in the field. Numerous socioeconomic studies were reviewed concerning mission realinement or closure. That review indicated that a 1-percent change in the region's unemployment rate has minimal economic impacts on the regional economy in the vast majority of cases.

The change in unemployment rate would be computed in the following manner: Percent change in the region's unemployment rate (ΔE) equals the number of anticipated civilians that would be unemployed in the region as a result of the military action (UE) divided by the regions total civilian work force, ΣWF, using the most recent data; that is:

$$\Delta E = UE/\Sigma WF$$

If the percent change is 1 percent or more, the studies as required by law, must first be completed and submitted to Congress before any final decision is made. Of course, the Secretary will have discretion to consider other socioeconomic factors and initiate formal studies for actions that would change the unemployment rate by less than 1 percent. It is intended that he would do so only in borderline cases where there are extenuating circumstances.

This approach reduces bias and permits calculation using readily available data collected by the Bureau of Labor Statistics. The approach is regionally sensitive as opposed to the current criteria which are arbitary. The Secretary will be responsible for defining the economic region of influence. In doing so, he should take into consideration such factors as population density, commuting patterns and other special circumstances concerning the area.

SIMPLIFY AND STREAMLINE THE STUDY AND PROCEDURAL REQUIREMENTS

The extensive study requirements contained in 10 U.S.C. 2687 is duplicative and confusing. Not only is a detailed justification required but also—statements on the fiscal, local, economic, budgetary, environmental, strategic, and operational consequences. Section 2687(b)(2) reaffirms that the Secretary of Defense is required to comply with the requirements of NEPA. In addition to preparing the necessary environmental assessment or impact statement, the Secretary is also to include an environmental analysis in the detailed justification that is to be submitted to Congress (reference section 2687, (b)(3)). This is unnecessary duplication.

I am proposing we modify this section to eliminate the redundancy and to focus on the key factors to assure that the decisions are not arbitrary and capricious.

In calling for a detailed justification, there is a tendency on the part of the executive branch to provide voluminous material that obscures the essential facts.

A concise statement of findings on the socioeconomic impacts with a succinct justification for taking the proposed action relative to the economic, strategic and operational aspects will better enable the public and the Congress to review and maintain oversight of the proposed action. Existing requirements place a burdensome hurdle on the Secretary's ability to move with timely deliberation in implementing realinement or closure, hampering his effectiveness in completing those actions.

Title 10, United States Code, section 2687(c) provides for the President to exempt certain actions. To do so, however, the President must certify to the Congress that such closure or realinement must be implemented for reasons of national security or a military emergency. Since the certification process for instituting this exemption falls principally on the Secretary of Defense, the President may decide that it is appropriate to delegate this authority to the Secretary.

PRECLUDING JUDICIAL REVIEW OF DECISIONS UNDER NEPA

The disposal of surplus property has met tremendous barriers in many cases because employees and local communities have brought suit against DOD on the grounds of insufficient socioeconomic analysis in the environmental impact statements. Any delay in the implementation of decisions to close facilities or realine activities comes as a welcome reprieve to those who might be relocated or lose their jobs. Inappropriate legal challenges have added years of delay and excessive cost to the disposal process.

DOD has made considerable effort to comply with the National Environmental Policy Act [NEPA] and has done so as the record shows. The courts have ruled consistently in DOD's favor. Generally, the real reason for the challenges have been socioeconomic concerns of the local community rather than environmental impacts. The appeals court has ruled that socioeconomic impacts in and of themselves do not necessitate the need for an EIS under NEPA. This has always been DOD's position. In *Breckenridge* v. *Rumsfield*, 537 F. 2d 864 (1976), the appeals court specifically stated:

> We hold the District Court was in error in undertaking to transform NEPA from a law designed to protect and enhance the natural resources of the nation into a statute prohibiting the discharge and transfer of personnel at an army installation, and that it was not the intention of Congress for NEPA to be used for purposes of promoting full employment or to prevent the discharge or transfer of federal personnel. . . . NEPA is not a national employment act. Environmental goals and policies were never intended to reach social problems such as those presented here.

Current law requires the Department of Defense to comply with NEPA which is appropriate and good public policy. It provides for better Federal decisions and is a reasonable expectation.

However, to prevent continuing inappropriate use of this law as a means of delaying decisions to save Federal jobs, we should provide a limited exemption in that such decisions to close, realine, transfer, exchange, or reuse military facilities are not subject to judicial review under NEPA. All such actions regarding base closure or realinement will need to be environmentally assessed and formal EIS's prepared and processed in accordance with NEPA regulations when it is determined that the proposal is a major Federal action significantly affecting the quality of the human environment. The Secretary is required to have prepared the necessary draft and final EIS's, and to seek and consider public views pursuant to the Council on Environmental Quality Regulations. This limited exemption would be for NEPA review only and not apply to any other substantive environmental law such as the Endangered Species Act or the Historic Preservation Acts.

SUCCESSFUL COMMUNITY ADAPTABILITY

The experience of communities affected by earlier base realinements clearly indicates that communities can successfully adjust to such actions. Over 123,000 new jobs have replaced the loss of 87,000 former DOD or contractor jobs. This is based on a DOD survey of 97 communities conducted in November 1981.

During the 20-year period since May 1961, economic adjustment assistance has been provided to over 280 communities throughout the Nation affected by major cutbacks, contract terminations, major base expansions and military base closures. Numerous success stories exist of how these facilities have been quickly converted to productive local use which has generated

new jobs, industry, tax revenue, and educational opportunities.

NOTIFICATION PROCESS

A final change enacted by this bill would amend 10 U.S.C., 2687(b), (4) that presently reads:

A period of sixty days expires following the date on which the justification referred to in clause (3) has been submitted to such committees.

This bill would speed the notification process by changing the idle time in which the proposal lays dormant from 60 to 30 days. This would make it consistent with the time frames established for NEPA review.

CONCLUSION

The administration has presented Congress with the bold management initiatives needed to pursue the disposal and sale of surplus Federal property. Creative and worthwhile administrative changes have been made to stop the transfer of surplus Federal facilities—except for those destined for use as jails—to other Federal agencies or State and local governments. All buyers will be required to pay full market price. Congress must take this opportunity to remove the unnecessary legislative barriers that bar the President and the Secretary of Defense from taking the swift action necessary to manage our base structure efficiently. Moreover, we need to shelter national security decisions from local self-serving political interests.

This bill will accomplish those tasks.●

TEENAGE SUICIDE

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. ACKERMAN. Mr. Speaker, the dramatic increase in suicide among teenagers in this country has forced the national spotlight to shine on this issue. Tragically, suicide has become the second leading cause of death for young people. In 1950, the suicide rate for the 15–24 age group was 4.9 per 100,000 youngsters. In 1965, the suicide rate was 8.1. By 1983 the estimated rate was 11.7.

Because of these astonishing figures, Messrs. HAWKINS, MILLER of California, and BIAGGI have joined me in introducing what we believe is a responsible and necessary piece of legislation to combat this suicide epidemic. The measure would create a small competitive grant program within the Department of Education. The Secretary would be authorized to solicit grant proposals from local education agencies to establish and operate programs of suicide prevention. The measure, if enacted, would establish a 3-year authorization of $10 million per year; no grantee would be awarded more than $100,000 in any year.

The Secretary of Education would assess each proposal based on its ability to:

First, increase awareness of teenage suicide among school personnel and community leaders;

Second, train school personnel in individual and schoolwide strategies for the prevention of teenage suicide;

Third, initiate and implement school-based suicide-prevention programs and pilot projects throughout the local educational agency; and

Fourth, utilize community resources and community cooperation in the development and implementation of suicide-prevention programs.

Mr. Speaker, suicide knows no geographic, educational, income, ethnic, religious, or gender boundaries. An adolescent living in Shaker Heights, Skokie, Fullerton, or Scarsdale is just as susceptible to suicide as one living in Cleveland, South Chicago, Watts, or the South Bronx. Leading psychiatric experts consider this distressing problem a major challenge of the eighties. According to the National Center for Health Statistics, about 5,000 young people take their lives each year. Research indicates that 500,000 others attempt to do so annually. Because there are no guidelines, schools have had to improvise programs. But these usually come too late—only after an adolescent's death. Such recent movies as "Surviving," "Silence of the Heart," and "Ordinary People" illustrate the problem. However, only a concerted effort by the Federal Government can bring about a significant reduction in his unacceptable and unfortunate trend.

As a former junior-high-school teacher, I fully realize that the task of identifying suicidal teenagers is difficult. But the most accurate means of finding these youngsters is through our educational institutions. This bill would enable school officials and guidance counselors to receive the Federal commitment which is so important to combating teenage suicide, and would assist these professionals in creating those critical programs that will save lives.

Mr. Speaker, this legislation, by saving innocent children and sparing families excruciating agony, would fill a void in our education system, a void that the Federal Government should help rectify. I invite my colleague to join in sponsoring this important measure.

Thank you.●

THE 1985 FARM BILL, PART TWO: THE IMMEDIATE NEED FOR FARM CREDIT LEGISLATION

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. GUNDERSON. Mr. Speaker, anyone who picked up a copy of Time or Newsweek magazines last week read about the credit crisis facing agriculture. Unfortunately, for all too many of those readers, this was the first they had heard about the credit and price problems that many of us with rural constituents had been warning the Nation about since 1981.

Quite frankly, the Time and Newsweek stories should not have surprised anyone. Given the economic events of the last decade, farm credit problems were inevitable. At the beginning of the 1970's, farmers were given price signals to plant fence row to fence row and assurances that any surplus would be marketed internationally. And, since real estate was being used as a hedge against inflation at that time, producers who were considering the expansion of their operations found that their individual borrowing capacities had expanded because of increasing land values.

However, double-digit inflation also brought double-digit interest rates by the end of the 1970's, and a grain embargo left us with limited international markets for our surplus domestic production. Accordingly, commodity prices dropped at a time when interest costs soared. As a result, a recession has plagued the farm economy since 1981, and land values—as well as farmers' borrowing capacity—have declined.

THE CURRENT FARM CREDIT SITUATION

The facts are that there are thousands of producers throughout our country who will not be able to get their crops in the ground or otherwise continue farming without some sort of action to make credit available to them.

Statistics for 1984 show that 7 percent of operators nationwide have debt-to-asset ratios in excess of 70 percent. Another 18 percent are in the 40- to 70-percent range. That's a full one-quarter of our producers who were experiencing significant financial stress during the 1984 crop year. Of these, 125,000 farmers are in severe and immediate financial trouble.

And those of us who come from the Great Lakes area and represent primarily dairy and livestock farmers have even less encouraging news. Over 30 percent of all of the producers in our area (including almost 35 percent of our dairy and livestock operators) have debt-to-asset ratios above 40 percent.

Since these surveys were completed, the overall picture for agriculture has not improved. In my State, alone, I have been told that we could lose a minimum of 25 percent of our livestock and dairy farmers within 2 years without positive action. Some other areas of the country, most notably the Great Plains, are even worse off.

Now, the basic problem is that the Farm Credit System and the commercial lenders which normally meet the credit needs of the vast majority of our farmers cannot, for the most part and for a variety of reasons, respond to the current increased demands for farm credit.

First, the independent Farm Credit System made up of Production Credit Associations [PCA's] and Federal land banks already has 6.6 percent of their borrowers in some stage of delinquency. In fact, $2 billion of their $78 billion in assets (97 percent of which are held in farm loans) are completely nonperforming. And they have acquired $500 million in property in the last 5 years.

Second, the 4,100 commercial lenders who have at least 25 percent of the portfolio in farm loans have FDIC regulations to meet in order to stay in business. Right now there are 800 problem banks in the United States, 100 of which are expected to close this year. In fact, over half of the nine banks that have gone out of business since the beginning of the year have been agricultural lenders.

If that statistic holds for the rest of the year, it means that about 10 percent of our commercial lenders who specialize in farm loans are in trouble and at least 1 percent of them will not be around at this time next year. And you can bet that the remainder are being overly cautious about the loans they approve.

Finally, the declining value of real estate continues to complicate the farm credit scene. Over 75 percent of all farm assets are held in real estate. The reduction in land values in the last 2 to 3 years of up to 30 and 40 percent in the Midwest—and elsewhere—has only served to further erode the borrowing capacity of every producer.

In fact, according to a 1984 ABA Credit survey, about 30 percent of Midwest farmers will be at their practical loan limits this year. In short, there are many good producers who, through no fault of their own, will not be able to obtain a loan to get a crop in the ground this spring if government at all levels does not act—and act soon.

THE FEDERAL RESPONSE

At the Federal level, the Farmers Home Administration [FmHA] has traditionally responded to the credit needs of the highly leveraged farmers as the Nation's lender of last resort. And, on February 7, Secretary Block announced revisions in the administration's September credit relief package.

Under these revised regulations, Federal guarantees of existing private-lender loans would be permitted after a sufficient principal writeoff or interest writedown to produce a positive cash flow, and attempts would be made to work toward eased FDIC regulations for lenders who work with troubled borrowers. This is certainly a step in the right direction. However, it is but a first step.

While the administration's credit package can assist those producers who have had significant credit problems in the past and continue to have a negative cash flow, it does little to address the "new credit crunch"—that is, the credit problems of those good producer/managers who still have a positive cash flow, but have been denied credit for the first time ever because of inadequate collateral due to declining real estate values.

Clearly, we have regular FmHA programs which would normally assist such producers. Unfortunately, the facts are that they are not presently funded at sufficient levels to meet these new demands for guaranteed operating loans.

That's why it is so important to proceed on the farm credit issue in advance of the farm bill. While the farm bill is the major piece of agricultural legislation we will produce this year, the long term will never come for many of these producers if the credit issue is not fully addressed immediately.

Obviously, we must not only meet the credit needs of our producers in the short term but also create an economic environment that permits the long-term repayment of these debts. To meet those short-term credit needs, it seems to me that we must do four things at the Federal level: (1) Current nonfunctioning loans should be rewritten and guaranteed by the Government if a positive cash flow results; (2) $3 billion in loan guarantees should be provided for new operating loans for good farmers who find themselves without adequate collateral due to recent land devaluation; (3) the Federal Government should assist and stand behind the Farm Credit System with the same insurance FDIC provides to private institutions; and (4) charges for credit, such as new loan origination fees proposed in the recent budget, should be delayed.

Mr. Speaker, when debt forces our farmers off their land, you can bet that the small businesses, banks, hospitals, schools, and churches of our rural towns and villages will not survive long. Clearly, within the credit crisis confronting agriculture we are literally facing the fundamental destruction of rural society. As I've said before, that should concern every Member of Congress for, as a nation, we cannot afford to lose our small towns and villages.

Those of us on the Conservation, Credit and Rural Development Subcommittee of the House Agriculture Committee will begin marking up emergency credit legislation on Thursday. Of course, at this point we do not know what final form this legislation will take.

But, whatever its provisions, it is my sincere hope that both the Congress and the administration will give it a fair and impartial review as well as expedite its consideration. The financial future of thousands of producers and the well-being of rural America depends on what we do—or do not do—about the farm credit crisis in the next 30 days.●

RESTORE RIGHTS OF STATES AND CITIES TO REGULATE HAZARDOUS MATERIALS TRANSPORTATION

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. WEISS. Mr. Speaker, Congress, in enacting the Hazardous Materials Transportation Act [HMTA], sought "to protect the Nation adequately against the risks to life and property which are inherent in the transportation of hazardous materials in Congress." Yet, when the Department of Transportation [DOT] issued an HMTA rule in early 1982 regulating transportation of radioactive materials, the result seemed intended to minimize inconvenience to commerce by streamlining transportation routes. Safety became a secondary consideration.

The rule, to be referred to here by its docket designation, HM-164, was expressly designed to preempt State and local regulations which do not conform to Federal laws and regulations. DOT's interpretation of HMTA paid little attention to the delicate balance between Federal, State, and local regulatory responsibilities Congress intended to establish.

In place of stringent State and local rules governing the transport of radioactive, flammable, explosive, and combustible materials into and through urban areas, DOT offered weak guidelines for routing with virtually no safety provisions. In particular, no consideration was given to alternatives to highway transportation. Contrary to the intent of HMTA, no special dispensation was awarded to non-Federal rules providing greater protection to the public without unreasonably burdening commerce.

Mr. Speaker, I am today reintroducing a package of amendments to HMTA which attempts to restore the

safety priority. The legislation would also provide State and local governments with additional resources to adequately meet their enforcement and emergency response responsibilities.

The cornerstone of the bill is language shifting the burden of proof in inconsistency and preemption proceedings from the State and local authority to DOT. The language, based in part on a ruling by a U.S. District Court in New York, creates a presumption in favor of local, safety oriented regulations which provide a level of protection to the public equal or greater than that provided by HMTA or regulations developed under the act, and which do not unreasonably burden commerce. The intent is to allow local officials to enhance safety by addressing unique situations within their jurisdictions without permitting the proliferation of unwarranted rules.

The ongoing dispute between DOT and New York City over shipments of radioactive materials from the Department of Energy's Brookhaven Laboratories on Long Island perfectly illustrates the need for this corrective action.

A longstanding city ordinance prohibits—quite reasonably—the transportation of large quantities of radioactive materials through the city. HM-164 directs the movement of radioactive materials over preferred routes which consist mainly of interstate highways and beltways around urban areas. But because New York City lacks such circumferential highways, HM-164 permits nuclear shipments from Long Island to move through downtown Manhattan or any of the other densely populated four boroughs if the route minimizes transit time.

In fact, the route used by Brookhaven until city officials challenged HM-164 in court ran along the Long Island Expressway through Queens and Manhattan, and over the George Washington Bridge. HM-164 does not require the shipper in this instance to consider the alternative mode proposed by city officials, barging the wastes around the city.

In a culmination of litigation extending over several years, the city took its court challenge of HM-164 to the U.S. Supreme Court, which last year declined to consider the case. The city subsequently applied to DOT for a waiver from Federal preemption of its transportation ban—a process which included hiring a consultant to prepare a comparative risk analysis of alternative routes through or around the city—and is presently awaiting a decision.

DOE, meanwhile, announced it intended to renew radioactive shipments using a new route through Queens and the Bronx. I joined a number of New York officials in immediately requesting that DOE postpone any shipments until DOT ruled on the city's preemption waiver. The city offered to assume either the cost of constructing additional storage facilities at Brookhaven or the incremental costs of using a barge or ferry route around the city.

DOE turned a deaf ear and on January 22 began a new round of shipments when it secretly trucked spent nuclear fuel rods through the Nation's most densely populated city en route to Idaho.

New York City is not alone among local governments lacking confidence in DOT's willingness or ability to protect the public. Hundreds of State and local restrictions on transportation of radioactive substances have been proposed since HM-164 went into effect about 3 years ago. A resolution urging the National League of Cities to oppose "any efforts to further expand the preemptive powers of the Federal Government * * * in the area of hazardous materials transportation" was presented by the mayors of New York, Chicago, Washington, DC, Columbus, Pittsburgh, Baltimore, Detroit, New Orleans, and Boston at the league's annual meeting last November.

They have good reason to be concerned. Recent events, such as the Pershing missile explosion killing three U.S. Army soldiers in West Germany, the chemical leak in India and the liquefied natural gas explosion in Mexico City, serve as stark reminders that statistically rare catastrophic accidents tend to occur with some regularity. As the number of hazardous materials shipments nationwide quickly increases, so do the chances of a disaster for which we are not prepared.

A 1980 study by Sandia Laboratories concluded that a worst case scenario involving a plutonium transportation accident in New York City could result in 1,800 latent cancer fatalities, 290 early morbidities, 5 early fatalities, and $9 billion in economic damage.

Other aspects of my legislation would assist emergency response preparation. Section 4 of my bill directs the Secretary of Transportation to establish regional training centers to meet the widespread demand for comprehensive enforcement and emergency response training. This provision was passed by the House in 1981, but the bill died in the Senate.

The measure directs the instructors, in addition to teaching classes at the centers, to conduct outreach training programs and to disseminate information within the communities served. The centers are in no way intended to weaken or eliminate private training enterprises, but simply to fill a clear need for high-quality instruction in areas not served by private programs.

Section 5 directs the Secretary to register hazardous materials shippers, transporters, and container manufacturers. HMTA authorizes the creation of such a program, but DOT has declined to do so to date. Registration would provide authorities at all governmental levels with basic and essential information—not currently available—for developing and improving enforcement and emergency response programs.

Section 6 of the bill instructs the Secretary to study the most effective, equitable, and cost efficient method of imposing a user fee on participants in the registration program. The present fiscal climate has left States and localities with minimal funds for vigilant enforcement of safety regulations and development of emergency response programs. Any fund resulting from this study would help finance those local efforts.

Since coming to office, the Reagan administration has zealously advocated a reduction of the Federal Government's role in favor of increasing State and local jurisdiction. Yet when the issue is hazardous materials transportation, the administration has aggressively sought stronger preemption.

I invite my colleagues to help correct this inconsistency by cosponsoring this bill. Common sense dictates that strong safety initiatives should not be automatically rejected for uniformity's sake. Our State and local officials deserve support in their effort to protect the health and well-being of our citizens.

The text of the bill follows:

H.R. 1146

A bill to amend the Hazardous Materials Transportation Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Hazardous Materials Transportation Act Amendments of 1985".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The congress finds that—

(1) the transportation of hazardous materials can create severe hazards to the public safety;

(2) State and local governments have both enforcement and emergency response responsibilities;

(3) uniformity of Federal, State, and local governmental regulation of hazardous material transportation, as encouraged in the Hazardous Material Transportation Act, should not be achieved through the exclusion of adequate safety precautions;

(4) certain rules contained in parts 171, 172, 173, and 177 of title 49 of the Code of Federal Regulations were issued by the Department of Transportation to preempt many valid and necessary State and local regulations, especially those dealing with routing, curfews, and prenotification of certain hazardous materials shipments;

(5) amending the Hazardous Materials Transportation Act to remove the likelihood of Federal preemption of valid and necessary State and local regulations would decrease the threat to health, safety, and

property created by the transportation of hazardous materials;

(6) there is a need to strengthen the available resources for State and local enforcement and emergency response;

(7) the establishment of several regional training centers would increase the number and improve the caliber of properly trained personnel for responding to hazardous materials transportation accidents and enforcing hazardous materials transportation laws and would allow for specialized training of such personnel to reflect the various needs and characteristics of the region;

(8) the prompt registration of all shippers and transporters of hazardous materials and manufacturers of containers used in such transportation would provide authorities at all governmental levels with basic and essential information for developing and improving enforcement and emergency response programs; and

(9) assessing such registrants with a fee for the purpose of generating funds for assistance grants to States and localities would be the most equitable means of financing enforcement and emergency response programs at those governmental levels.

(b) PURPOSE.—The purpose of this Act is to promote the public safety by providing State and local governments with the authority and resources to adequately meet their enforcement and emergency response responsibilities.

SEC. 3. INCONSISTENCY AND NONPREEMPTION DETERMINATIONS.

Section 112 of the Hazardous Materials Transportation Act (49 U.S.C. App. 1811) is amended by striking our subsection (b) and inserting in lieu thereof the following:

"(b) INCONSISTENT STATE PROVISIONS.—(1) A State or political subdivision thereof or any person affected by a requirement of a State or political subdivision thereof pertaining to the transportation of hazardous materials may apply to the Secretary for a ruling as to whether the requirement of the State or political subdivision is inconsistent with any requirement set forth in this title or a regulation issued under this title.

"(2)(A) The Secretary shall issue a finding that the requirement of the State or political subdivision is not inconsistent with the Federal requirement unless the Secretary finds that—

"(i) compliance with both the requirements is impossible, or

"(ii) the requirement of the State or political subdivision would make impossible the accomplishment of the purposes of this title or the regulations issued under this title.

"(B) Any requirement of a State or political subdivision thereof which is found not to be inconsistent with this title or a regulation issued under this title by a final determination of a Federal court made prior to the date of the enactment of the Hazardous Materials Transportation Act Amendments of 1985 shall be deemed to be consistent with the requirements of this title and the regulations issued under this title.

"(3) Any requirement of a State or political subdivision thereof which is found by the Secretary to be inconsistent with any requirement set forth in this title or any regulation issued under this title is not preempted if such requirement—

"(A) affords an equal or greater level of protection to the public than is afforded by the requirements of this title or of regulations issued under this title, or

"(B) such requirement does not unreasonably burden commerce.

"(4)(A) Any State or political subdivision thereof may apply to the Secretary for a determination that a requirement of such State or political subdivision which is found to be inconsistent with this title or regulations issued under this title in accordance with this subsection is not preempted.

"(B) The Secretary shall issue an order of nonpreemption under this subsection unless the Secretary finds that—

"(i) the requirement of the State or political subdivision does not afford a level of protection at least equal to that afforded by the requirements of this title and regulations issued under this title, or

"(ii) the requirement of the State or political subdivision unreasonably burdens commerce.

"(C) A requirement of a State or political subdivision thereof which is determined by the Secretary not to be preempted under this paragraph shall not be preempted to the extent specified in such determination for so long as such State or political subdivision thereof continues to administer and enforce effectively such requirement.".

SEC. 4. REGIONAL TRAINING CENTERS.

The Hazardous Materials Transportation Act (49 U.S.C. App. 1801-1813) is amended by adding at the end thereof the following new section:

"REGIONAL TRAINING CENTERS

"SEC. 117. (a) PURPOSE OF AGREEMENTS.—The Secretary shall enter into cooperative agreements or contracts under this section (hereinafter in this section referred to as 'agreements') for the establishment of regional training centers for purposes of providing an effective and efficient means for training State and local personnel in order to improve the capability of such personnel (1) to respond to hazardous materials transportation accidents, and (2) to enforce State and local hazardous materials transportation requirements that are not preempted under this title. Such training shall address all modes of transportation, inspection, emergency response, and compliance. Such training shall be provided primarily through programs conducted at the site of the regional training center, but shall also include the dissemination of teaching materials to, and the conduct of training programs in, the local communities to be served by such center.

"(b) APPLICATIONS.—(1) Any State, local or regional government agency, or private nonprofit entity or any combination of such entities may submit an application to the Secretary requesting that the Secretary enter into an agreement under this section with the applicant for the establishment of a regional training center.

"(2) An application to enter into an agreement under this subsection shall be submitted at such time and in such form as the Secretary may require and shall contain—

"(A) a description of the hazardous materials transportation training program that the applicant proposes to provide in the regional training center to be established, including (i) an explanation of how such program will accomplish the purposes set forth in subsection (a) of this section, and (ii) an estimate of the cost of such program;

"(B) a statement that the applicant agrees to provide not less than 60 percent of the estimated cost of providing training in the first year of operation of the regional training center and not less than 75 percent of such cost in the second and third years;

"(C) a statement that the applicant will make available one or more physical facilities that are satisfactory for use as a site for the regional training center; and

"(D) such other information with respect to the applicant or the proposed training program as the Secretary may require.

"(c) ACTION ON APPLICATIONS.—(1) The Secretary shall select for approval those applications submitted under subsection (b) of this section which the Secretary determines in his or her discretion best promote the purposes of this section, taking into account the need for the establishment of regional training centers in different regions of the Nation. In making a selection, the Secretary shall consider whether—

"(A) the program that the applicant proposes to provide in the regional training center will accomplish the purposes set forth in subsection (a) of this section;

"(B) the applicant is capable of paying its share of the costs as described in subsection (b)(2)(B) of this section; and

"(C) the applicant is capable of making available one or more physical facilities that are satisfactory for use as a site for the regional training center.

"(2) The Secretary shall act to approve or deny an application under this section within 60 days after the date such application is submitted.

"(d) DURATION AND TERMINATION.—(1) An agreement entered into by the Secretary and an applicant under this section shall be for a term of three years.

"(2) The Secretary may terminate any agreement entered into under this section upon 30 days' notice if the Secretary finds that the program operated under such agreement is not accomplishing the purposes set forth in subsection (a) of this section.

"(e) PHYSICAL FACILITIES.—Any cost of constructing a facility for use as a site for a regional training center shall be borne by the party to the agreement with the Secretary and shall not be included as a cost of providing training for purposes of subsection (b)(2)(B) of this section.

"(f) PARTICIPANTS.—Training provided by a party to an agreement with the Secretary in a regional training center established under this section may be available to private industry personnel only if such personnel provide reimbursement or make contributions (either monetary or in kind) to such party at least equal to the full cost of such training.

"(g) ASSISTANCE BY THE SECRETARY.—The Secretary, upon the request of a party to an agreement under this section, shall provide such party with training materials and such other assistance as may be appropriate to carry out the purposes of this section.

"(h) COORDINATION.—In developing training materials and conducting training pursuant to this section, a party to an agreement with the Secretary shall take into consideration the procedures and standards for responding to hazardous substance releases set forth in the national contingency plan required under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, at such time as such plan becomes effective.".

SEC. 5. REGISTRATION.

(a) MANDATORY ESTABLISHMENT OF CRITERIA FOR HANDLING.—The first sentence of subsection (a) of section 106 of the Hazardous Materials Transportation Act (49 U.S.C. App. 1805). is amended—

(1) by striking out "The" and inserting in lieu thereof "Not later than 12 months after the date of the enactment of the Hazardous

Materials Transportation Act Amendments of 1985, the "; and

(2) by striking out "is authorized to" and inserting in lieu thereof "shall".

(b) ESTABLISHMENT OF MINIMUM INSURANCE COVERAGE LEVELS.—Such sentence is further amended by inserting before the period at the end thereof the following: "and shall establish minimum levels of insurance coverage sufficient to meet injury or damage claims resulting from transportation of such materials".

(c) MANDATORY REGISTRATION.—The first sentence of subsection (b) of such section 106 is amended by striking out "may" and inserting in lieu thereof "shall".

(d) MANDATORY AMEMDMENTS OF REGISTRATION STATEMENTS.—Subsection (b) of such section 106 is amended by inserting after the third sentence the following new sentence: "Not later than 12 months after the date of the enactment of the Hazardous Materials Transportation Act Amendments of 1985, the Secretary shall issue regulations which require registrants to submit an amended registration statement at any time the registration information included in the statement is no longer accurate.".

(e) AVAILABILITY OF REGISTRATION STATEMENTS TO GOVERNMENTAL ENTITIES.—The fourth sentence of subsection (b) of such section 106 is amended by inserting after "any person" the following: "(including any governmental entity)".

SEC. 6. STUDY OF FUNDING METHODS.

The Hazardous Materials Transportation Act (49 U.S.C. App. 1801-1813) is further amended by adding at the end thereof the following new section:

"FUNDING METHODS STUDY

"SEC. 118. (a) STUDY.—The Secretary shall study the most effective, equitable, and cost-efficient methods for imposing a fee on all participants in the registration program mandated by section 106 of this Act for the purpose of determining the most effective, equitable, and cost-efficient method of imposing such a fee and assisting States or political subdivisions thereof in developing and conducting enforcement and emergency response programs related to transportation of hazardous materials.

"(b) CONSULTATION WITH STATE AND LOCAL GOVERNMENTS.—In conducting the study, the Secretary shall consult State and local governments which have successfully implemented similar fee programs within their jurisdictions.

"(c) REPORT.—The Secretary shall submit a report on the study findings to Congress within 12 months after the date of the enactment of this section.".

SEC. 7. AUTHORIZATION FOR APPROPRIATIONS.

Section 115 of the Hazardous Materials Transportation Act (49 U.S.C. App. 1812) is amended by adding at the end thereof the following new sentence: "There is authorized to be appropriated to carry out sections 106, 112, 117, and 118 of this title such sums as may be necessary for the fiscal year ending September 30, 1986.".●

WORK OF THE COALITION OF GREATER FLINT AFRICAN RELIEF FUND

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. KILDEE. Mr. Speaker, I would like to call to the attention of my colleagues in the Congress the tremendous work of the Coalition of Greater Flint African Relief Fund. The coalition will be holding a fundraiser on February 23 in Flint, MI, and is hoping for generous response from citizens to aid the starving millions in East Africa and Ethiopia. An earlier fundraiser on February 10 was a heart-warming success.

The coalition organized in late 1984 out of concern for the starvation crisis in Africa. Approximately 45 individuals representing a broad cross section of Flint's black community joined together at that time to support and raise funds for food relief. Since then, the coalition has been conducting various fundraising drives. As the result of one 6-day effort just before Christmas, nearly $5,500 in individual contributions was forwarded to Interaction for distribution among those American voluntary agencies which are delivering services to East Africa and Ethiopia. Since the holidays, additional moneys have been raised to push the total to more than $10,000. Fundraising efforts will continue through February 28.

The main event will be the "Miss a Meal for Africa" program at the University of Michigan-Flint. The speaker will be Mr. C. Payne Lucas, executive director of Africare, a private nonprofit organization working to improve the quality of life in rural Africa.

Chairperson of the coalition is Dr. Nathel Burtley, deputy superintendent of the Flint Community Schools. Other coalition officers are Inez Brown, assistant chairperson; George Wingfield, secretary-treasurer; Hiawatha Green, coordinator of solicitations, and Floyd Clack, coordinator of finance. Ms. Brown is deputy State director for the office of U.S. Senator DONALD W. RIEGLE, Jr.; Wingfield is a teacher at Holmes Middle School; Green is director of the Flint Human Relations Commission, and Clack is a member of the Michigan House of Representatives from the 80th district.

The coalition has contributed significantly both in emergency food aid to Africa and in helping to build public awareness of the crisis there. Its members and supporters deserve the highest commendations for their service.

All of the coalition's funding is being channeled to Africa through Interaction [American Council for Voluntary International Action]. It is an association of more than 120 private and voluntary American organizations. It has received hundreds of thousands of dollars in private cash donations for relief and development in Africa. The House Select Committee on Hunger gives high recommendations to Interaction as a reputable organization for the coalition to utilize in the fundraising efforts. Interaction includes such well known agencies as Catholic Relief Services, CARE, Save the Children Federation, U.S. Committee for UNICEF, World Vision Relief Organization, and Africare.●

MALT BEVERAGE INTERBRAND COMPETITION ACT

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. SCHUMER. Mr. Speaker, today, my colleague and friend from Texas, JACK BROOKS, has introduced the Malt Beverage Interbrand Competition Act. This misnamed and misguided piece of legislation has been introduced in the 97th, 98th, and now in the 99th Congress. Despite a total of nine hearings in the last two Congresses neither the House nor Senate Judiciary Committees nor any of their subcommittees reported the bill. There is a good reason for this. The Malt Beverage Interbrand Competition Act is among the most blatant special interest, anti-consumer pieces of legislation that has come across our desks. Last year the Wall Street Journal printed an article I wrote explaining why this bill is totally without merit. I commend this article to your attention.

A BEER BILL TO MUG CONSUMERS

(By Charles E. Schumer)

Brewers and beer wholesalers are now promoting a blatant piece of special-interest legislation aimed at giving beer wholesalers protection from competition. The beer industry is seeking a special exemption from the antitrust laws so that brewers can grant wholesalers exclusive distribution territories without fear of legal challenge. The result, as is usually the case with legislation of this sort, would be higher prices for consumers.

The bill is euphemistically titled the Malt Beverage Interbrand Competition Act. New York State Attorney General Robert Abrams, testifying against the bill, said, "the merits aside, the bill should be rejected because its very name amounts to a fraudulent misrepresentation by implying that it would foster rather than discourage competition." A more accurate title would be the Beer Monopoly Act because exclusive territories are really just monopolies. With these monopolies, every liquor store operator, grocer or tavern owner would be forced to go to the one authorized distributor for a given brand in the territory.

Supporters of the legislation, which is now before the House Judiciary Committee on which I serve, make several arguments in favor of the legislation. First, they argue

that exclusive territories are necessary to ensure product freshness. However, because beer has a shelf life of three to four months, beer wholesalers have a hard time explaining why they need exclusive territories when distributors of truly perishable products such as milk, fresh orange juice, meat, bread and produce don't have similar protections. If stale beer is indeed a problem, a better solution is clear labeling of expiration dates similar to what we see on milk and bread.

Second, some beer wholesalers argue that they need protection because "transhippers" (distributors who move across primary areas of responsibility) are stealing their business. But these transhippers are simply competing businesspeople who are trying to win new customers! I always understood this to be what competition is about. Beer wholesalers apparently are uncomfortable about the uncertainty that accompanies a competitive marketplace.

Third, they argue that the bill is necessary to clarify the scope of the 21st Amendment. Under several recent court decisions, federal antitrust laws have been held not pre-empted by the 21st Amendment, which has otherwise been interpreted as granting the states broad authority to regulate the sale of alcoholic beverages. However, even if the Supreme Court sustains this position, the bill does not appear to change the rule established in Continental T.V. Inc. vs. GTE Sylvania Inc. that non-price vertical restraints (which include exclusive territorial arrangements) are neither automatically legal nor illegal. The real reason beer distributors want Congress to enact this bill is to pressure states that have not yet decided the issue to permit exclusive territorial arrangements. They will argue that Congress must want these states to approve such arrangements if it passes a law, however redundant, that declares them not to be per se illegal.

Finally, supporters argue that the existing law isn't adequate to protect against frivolous, and costly, lawsuits. We are a litigious society. But the risk of litigation is one all businesspeople face. The beer industry is no different from any other in this regard and it certainly has not shown why it needs special treatment.

Interestingly, the risk of litigation has not prevented the two giant brewers, Anheuser-Busch and Miller Brewing (subsidiary of Philip Morris), which control over 50% of all beer sales, from instituting territorial monopolies this past year. As a result, according to the New York City Department of Consumer Affairs, prices of those brands of beer have gone up 30% in the first 10 months of 1983, while soft-drink prices have gone up only 4%. This striking disparity is confirmed by research in New Jersey and Indiana showing, not surprisingly, that beer monopolies mean higher prices to consumers.

Even the Justice Department and the Federal Trade Commission, which recently have not looked unkindly at vertical restraints imposed on distributors by manufacturers, oppose the bill. Justice says that the chances of anti-competitive consequences in the beer industry are "uniquely high." The FTC told the Judiciary Committee that it is "unaware of any evidence or pincipled argument that might justify the bill."

This is not the first time the beer industry has sought this kind of protection. Similar legislation failed to move through either the Senate or House Judiciary Committees in the 97th Congress. Typically, however, it is the state legislatures that are asked to endorse these monopolies. When I served in Albany, the beer wholesalers proposed that exclusive territories be mandated by law. (The New York Attorney General has now proposed that they be prohibited.) Back then, however, the brewers opposed that legislation calling it "special interest favoritism, granting wholesalers a perpetual hold on the distribution of products and foreclosing by legislation any competition. . . . [It] would inevitably precipitate a price rise." Miller Brewing said that in 1976 and it was right.

In 1979, the President's Commission for Review of Antitrust Laws and Procedures concluded that exemptions from the national policy of free-market competition should only be made upon compelling evidence of the unworkability of competition or a clearly paramount social purpose. The beer industry has not made this showing. Indeed, it is beer drinkers, not beer brewers or beer wholesalers, who need protection.●

FUTURE FARMERS OF AMERICA

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. NATCHER. Mr. Speaker, I join with the half million members of the Future Farmers of America as they celebrate National FFA Week, February 16-23. The theme of this year's observance is "Keep Agriculture Number One—Support FFA and Vocational Agriculture."

Future Farmers of America is a national organization of young men and women ranging in age from 14 through 21, who are interested in all aspects of agricultural industry. Through participation in activities, FFA members learn how to speak in public, conduct and take part in meetings, handle financial matters, solve their own problems, and assume civic responsibility.

Members elect their own officers and plan and carry out activities with a minimum of supervision from a vocational agriculture instructor, who serves as chapter adviser. Each chapter develops an annual program of activities and each member carries out a supervised occupational experience program. Degrees of membership are awarded on the basis of individual achievement. Each member begins as a greenhand and progresses to chapter farmer degree in the local chapter. The State farmer degree and American farmer degree are presented by the State FFA Association and the National FFA organization, respectively.

In my home State of Kentucky, the Future Farmers of America has again had a productive year. There are now 14,290 FFA members and 161 chapters. In 1984, over 1,000 FFA members and teachers attended 1 week of training at the Kentucky Leadership Training Center in Hardinsburg, KY. A computers in agriculture awards program instituted during the 1983-84 school year will be continued this year.

I am proud of the FFA members in the Second Congressional District of Kentucky, which I have the privilege of representing, and I am pleased to announce that the National FFA president, Steve Meredith, resides in my home district. Three FFA members in the Second District became regional star farmers in 1984: Barry Hines of Philpot (also became star State farmer), Richard G. Reynolds of Bowling Green, and David A. Mackey of Elizabethtown. The Spencer County FFA chapter won State and national awards for the chapter safety program, Building Our American Communities and the FFA Farm Operation Identification Program. At the 57th National FFA Convention, held in 1984 in Kansas City, Mr. Jewell Colliver, a teacher of agriculture at Barren County High School, received the FFA honorary American farmer degree and eight FFA members from the Second District received the American farmer degree: Terry L. Burke of Glasgow, Ronald Todd Henning of McDaniels, William M. Lipginski of Taylorsville, Glenn Mattingly of Rineyville, Steve Meredith of Glendale, John R. Richardson of Versailles, Mark Daniel Rock of Hodgenville, and Dennis Glenn Vaughn of Franklin.

I know of no group of young people who are accomplishing more in the field of agriculture than those affiliated with the Future Farmers of America and I would like to take this opportunity to commend the members of the Future Farmers of America for their past achievements and to wish them continued success in the future.●

PERSONAL EXPLANATION

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. CLINGER. Mr. Speaker, on February 7, 1985, I was absent from the floor of the House of Representatives. Had I been present, I would have voted in the following fashion:

Rollcall No. 8: Journal, the House approved the Journal of Wednesday, February 6; "yea"; and

Rollcall No. 9: House Resolution 52: Indiana election contest, the House agreed to a motion to refer to the Committee on House Administration the resolution to seat Richard D. McIntyre, "nay."●

JUSTICE FOR FRED PAUL

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. LOWRY of Washington. Mr. Speaker, today I introduced a private bill which would overturn the inequitable award given to Mr. Frederick Paul of Seattle, WA, for services rendered from 1966 to 1971 to the Inupiat Natives of Alaska's North Slope and other Alaskan Natives. Mr. Paul represented the Alaskan Natives in their attempt to gain Federal recognition of their aboriginal claims to the North Slope of Alaska. The Alaskan Natives turned to Mr. Paul because he was an Alaskan Native and also possessed vast historical knowledge of their aboriginal claims. Mr. Paul's efforts helped lead to the passage of the Alaska Native Claims Settlement Act of 1971 [ANCSA] which gave Alaska Natives title to 44 million acres of land in Alaska and also provided a monetary award of nearly $1 billion.

My bill would provide an undetermined amount "in full settlement of Mr. Paul's claim arising from the performance of legal services on behalf of Arctic Slope Eskimos and other Natives of Alaska in connection with the enactment of the Alaska Native Claims Settlement Act of 1971." Another bill that I have introduced would refer the payment bill to the U.S. Claims Court for review and a recommendation to Congress on the amount of compensation for Mr. Paul.

I have also introduced a third private bill which would relieve Mr. Paul and his wife, Aileen, of all Federal income tax liability, including interest and penalties, for sums awarded to Mr. Paul for the aforementioned legal services. A similar bill was introduced during the last Congress; the Judiciary Committee's Subcommittee on Administrative Law and Governmental Relations is still awaiting the IRS report on it. While I believe that Mr. Paul should be relieved of this tax liability because his fees were exempt by law, I am now focusing my effort on the congressional reference bills concerning the more basic issue of the fairness of Mr. Paul's award.

For more than 6 years of legal services to the Alaskan Natives, Mr. Paul received a $275,095 award from a $1.9 million fund which was established by section 20 of the ANCSA. This $1.9 million was the total amount provided to compensate all the attorneys who performed legal services directly connected to the adoption of the act. Mr. Paul's award was a small percentage of what he would have received had his original contract with the Alaskan Natives not been voided by section 22(a) of the ANCSA. This contract had been approved after an extensive, 17-month review by the Area Director of the Bureau of Indian Affairs acting on behalf of the Secretary of the Interior.

I do not believe that the $275,095 award given to Mr. Paul was fair compensation for the nearly 7,000 hours of dedicated and pioneering work he put into representing the Alaskan Natives. Moreover, activities such as State lobbying, negotiating with oil company representatives, and other services in which Mr. Paul participated—and which clearly related to the passage of the ANCSA—were arbitrarily excluded from compensation by section 20 of the ANCSA. The contractual violation that Mr. Paul suffered as a result of section 20 of the ANCSA seems particularly amenable to judicial review and assessment. I urge my colleagues to support me in righting this wrong.●

THE RESEARCH ACCOUNTABILITY ACT

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. TORRICELLI. Mr. Speaker, today, I am reintroducing the Research Accountability Act. The purpose of this bill is to correct the longstanding deficiency in the way this country manages its biomedical research enterprise. While we spend billions of dollars annually for research, there is no way that scientists can readily and economically find out what has been done before, so as to avoid performing duplicative research. The Research Accountability Act will serve both the scientific community and the taxpayer, and will result in more productive, efficient and innovative research.

The legislation stipulates that the National Library of Medicine, an arm of the National Institutes of Health, shall make available to all of the Nation's medical libraries the full text of published research results using modern information technology. It further provides for the establishment, within the facilities of the National Library of Medicine, a National Center for Research Accountability, staffed by specialists in the biomedical information sciences, who would conduct a full-text literature search prior to the funding of grant proposals involving the use of live animals. This provision is restricted to live animal research, because it continues to be the research method of choice, in addition to the fact that there is deep public disquiet over the duplication of experiments on live animals.

Mr. Speaker, the problem of duplicative and redundant biomedical research is not new. The National Library of Medicine, an arm of the National Institutes of Health, has existed, under various names, since 1836. Today, on its computerized facilities, the National Library of Medicine disseminates bibliographic information and sometimes a brief abstract, but then the serious researcher must find the full-text documents. This often requires a farflung search reaching to seven regional medical libraries across the Nation. This search is often so frustrating and time consuming that it is sometimes referred to as "the paper chase," and only as a last resort does the library provide the documents to the scientist.

Mr. Speaker, to add to the difficulty, published scientific literature doubles every 10 to 15 years. It has reached such massive proportions that no individual scientist could devote the necessary time to finding what has been done, currently or historically. In fact, the huge volume of biomedical information is so vast that neither grant reviewers nor the funding agencies can readily find out what has been done before, not even in specialized fields.

While the initial cost of this new technology would be significant, the investment would be very cost-effective. Vast sums of money would be saved over all of the ensuing years. It is estimated that with the elimination of wasteful, duplicative experiments, the savings would be more than enough to pay for the required techonology.

It makes no sense for our Government to go on spending billions of dollars annually for biomedical research, while it is virtually impossible for scientists to find out what has already been done. Figures are hard to come by, but the following will provide some indication of present expenditures. The annual appropriation for the National Institutes of Health alone is now over $4 billion annually. According to an internal National Institutes of Health memorandum, 55 percent of this money is spent for animal research—for a total of over $2 billion. According to an article that appeared in the Washington Post on March 19, 1983, a total of $4 billion is spent annually for animal research by all Federal agencies.

The acute nature of the problem can be illustrated by the fact that cancer research alone, which uses large numbers of animals, is published in 1,500 journals worldwide. Also, as reported in Science in 1972 (178:471-9, 25 to 50 percent of all scientific publications are never used. Thus, while billions of dollars are being spent for biomedical research, the results are not reaching the scientific community. It is this situation at which the Reasearch Accountability Act is directed.

The bill would not affect ongoing research. It would become operative only with new grant applications. Fur-

thermore, it is not aimed at experiments in which a researcher or team of researchers wish to confirm the results of experiments performed by another. Rather, the bill is addressed to widespread duplication and redundancy of the kind of experiments which appear in great quantity.

Since the modern technology is now at hand, this legislation, for the first time, gives the Congress and the American people the opportunity to address this enduring problem of efficient, cost-effective, full-text biomedical data storage and retrieval. Solving it will require the expertise of the high-tech biomedical information sciences, supplied by specialists from both inside and outside Government.

This bill will create the most modern, up-to-date, medical library in the world capable of providing our scientists, researchers, teachers, and students with almost instantaneous references and information; and would eliminate the tragic duplication of experiments on live animals.

I encourage my colleagues in the House to support this legislation.●

RONALD O. WARNER HONORED FOR VOLUNTEER WORK IN THE AREA OF HEALTH

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. KILDEE. Mr. Speaker, I am honored to call to the attention of the Congress the recognition being extended to Ronald O. Warner of Flint, MI, for his outstanding community service in the area of health. On February 22, Mr. Warner will be presented the Annual Health Advocate of the Year Award by the American Lung Association of Genesee Valley.

Flint's 1980 Citizen of the Year, Mr. Warner is one of the community's most active leaders and has been honored by a number of organizations over the years for his selfless and devoted service to bringing about a better way of life for his community. A Flint resident since 1934, he has been active in numerous State and local projects focusing on urban and social problems.

Mr. Warner's involvement and support of worthwhile organizations includes the following: The Michigan League for Human Services, Michigan Welfare League, Flint Area Chamber of Commerce, Urban League of Flint, Urban Coalition, United Way, Boy Scouts, Rotary, Goodwill Industries, American Red Cross, Greater Flint Area Council of Churches, Community Mobilization Against Poverty, Flint Industrial Club, AutoWorld Capital Campaign Committee, Flint Institute of Music, and Flint Area Conference, Inc., as only a partial list.

In the health field, he has been a member of the Hurley Medical Center board of managers since 1970 and was board president from 1974 to 1976. He was cochairman of the Hurley Development Committee, which raised $6.7 million for renovation and construction. He also has been a member of the boards of the Michigan Hospital Association, Mott Children's Health Center, Greater Flint Area Hospital Assembly, and Genesee-Lapeer-Shiawassee Health Systems Task Force.

Ronald O. Warner is one of Flint's most valuable assets. His record of service to others is outstanding. He retired in 1970 as manager of the Chevrolet Flint Manufacturing Division, but he has never retired as an active citizen of his community.●

BLACK AMERICAN PATRIOTS HONORED IN DAR PUBLICATION

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. GORDON. Mr. Speaker, it is my desire to bring to the attention of the 99th Congress the publication of a book which adds greatly to our understanding and appreciation of the contributions black Americans made during the American struggle for independence.

The book, published by the National Society Daughters of the American Revolution, is entitled "Black Courage, 1775-1783: Documentation of Black Participation in the American Revolution." This book documents the courage and valor of black Americans who struggled for freedom during the American Revolution.

The DAR has performed a great service by publishing this book. I intend to distribute copies of the publication to a number of public libraries and other such depositories in my congressional district so that this important story is available to all those who might benefit from it, be they scholars, schoolchildren, genealogists or amateur historians.

To help fully explain the benefit of this publication, I ask, Mr. Speaker, that the attached statement of Sarah M. King, president general of the National Society Daughters of the American Revolution, be made a part of the RECORD of the 99th Congress. Mrs. King made these statements upon the publication of the book. In her remarks, she singles out one black patriot from her hometown, Murfreesboro, TN. Peter Jennings fought in many important battles during the revolution and later settled in Murfreesboro, which is also my hometown. His grave, once unmarked and abandoned, is now a symbol of black participation in the American Revolution and is marked due to the efforts of Mrs. King and the DAR. In a similar but more symbolic effort, the DAR's publication of this book lights forever what was once an unmarked record of service rendered by these brave men.

Following are Mrs. King's remarks:

EXCERPTED STATEMENT OF SARAH M. KING

On the eve of Black History Month, which is also American History Month, it is both appropriate and a privilege for the DAR to formally announce the publication of "Black Courage: Documentation of Black Participation in the American Revolution," by Robert Ewell Greene.

As you may know, the National Society Daughters of the American Revolution is dedicated to the perpetuation of the memory and spirit of those brave and visionary men and women who fought to secure American Independence. Some names are familiar to us all—George Washington, Nathan Hale, the Marquis de Lafayette. But these celebrated patriots were by no means the only great carriers of the torch of Liberty.

Foot-soldiers, militiamen, medics, porters and countless others fought the battles, weathered the storms and, in many instances, gave their lives so that their neighbors and children might live free. These patriots were no less great, no less important, than the celebrated men who led them. They came from all walks of life and they were of varied ethnic and religious backgrounds. But they were joined by a spirit, and, driven by a strength, that built the greatest nation in the world.

Our history books pay tribute to many of these Revolutionary War heroes. Our history books, however, are far from complete. Some groups have not received the recognition they deserve. So it is with the nearly 5,000 Revolutionary soldiers and militiamen who were black. It is time to honor those courageous black Americans.

The National Society Daughters of the American Revolution is committed to doing just that. "Black Courage" was sponsored and published by the National Society. We believe it to be an important contribution to our nation's historical record.

"Black Courage" is the result of Mr. Greene's meticulous research of pension records and other documents in national and state archives. Most of his sources were original manuscripts. From those documents, Mr. Greene compiled more than just the names of black Revolutionary soldiers: he uncovered crucial information about their lives, their social and economic backgrounds, their length of service and their fortunes after the war. In short, Mr. Greene has brought elements of the Massasoit Guards, the "Bucks of America", the Rhode Island Black Regiment, and many others, to life.

In so doing Mr. Greene has accomplished something else that is important to the DAR: he has increased the sum of genealogical data which other Americans can use to trace their families back to the American Revolution and beyond. It is our sincere hope that Mr. Greene, and others like him who have taken the time to expand modern recognition of black patriots, will inspire the living descendants of those patriots to discover their eligibility and join the DAR. Just as our young nation needed their forefathers to join in the fight for liberty, we

need them to contribute to our work in the fields of history, education and patriotism.

Now, before I introduce the author of "Black Courage" to you today, I would like to add one personal note. I was pleased to see that one of the patriots listed in "Black Courage" settled in my home town of Murfreesboro, Tennessee. Peter Jennings enlisted in the army in Providence, Rhode Island, in 1776. He served in several companies, including Colonel Edward Olney's 5th Regiment of Artillery for Blacks, and he fought in the battles of Trenton, Princeton, Brandywine, and Germantown, and right to the end at Yorktown.

After the war, Mr. Jennings moved to Murfreesboro, where he was a baker. He was given a pension in 1832, when he was eighty years-old. He died ten years later.

More than ten years ago—in 1974—while searching the old city cemetery for the grave of my own maternal grandfather six generations removed, my DAR chapter and I found that Peter Jennings had been buried there in an unmarked grave. We applied to the General Services Administration for grave-stones, and then marked both graves with stones bearing their names and their titles as Revolutionary War Soldiers. Those headstones were placed side-by-side.

Now, who says genealogy isn't exciting?●

WE SHOULD NOT PLACE AN UNFAIR BURDEN ON OUR SENIOR CITIZENS

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. WOLPE. Mr. Speaker, in the past 2 months I have received 4,200 petitions from the National Committee to Preserve Social Security and Medicare expressing their concern that the Social Security and Medicare systems be protected.

The magnitude of the deficits that we have experienced in recent years poses a grave threat to the economic security of the country, and finding ways to reduce the deficit must be given the highest priority in the months ahead. However, in my view, it would be patently unfair to ask millions of senior Americans on low- and fixed-incomes, already faced with rapidly increasing health care costs, to now accept an even greater economic burden.

Mr. Speaker, why is this administration so reluctant to attack the real waste in the Federal budget—the Pentagon cost overruns, the wasteful Synfuels Corporation, the cost-ineffective water projects? Seniors are no less willing than other Americans to accept needed sacrifice, but they are correctly insisting that the sacrifices be equal, that the burden be shared. The Congress must demand no less.●

NO MORE NUCLEAR WASTE SHIPMENTS THROUGH LARGE CITIES

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. BIAGGI. Mr. Speaker, today I am joined by my fellow colleagues from New York, Messrs. SCHEUER, MANTON, and WEISS, in introducing a bill to restrict the transportation of radioactive materials through large cities. This measure, which is entitled the Radioactive Materials Transportation Safety Act of 1985, is in direct response to the U.S. Department of Energy's decision to transport nuclear waste by truck from their Brookhaven National Laboratory on Long Island through New York City, Westchester County and other densely populated areas.

DOE's action, while in accordance with one U.S. Department of Transportation regulation, is totally contrary to another. On the other hand, a DOT regulation issued in 1981—HM-164—designates the interstate highway system as a preferred route when shipping large-quantity shipments of radioactive materials. This regulation, then, would appear to give DOE the right to truck the nuclear waste from Brookhaven through the city of New York and Westchester County, since that is where the nearest interstate highway system to Brookhaven runs. However, a second DOT regulation states that whenever possible major urban areas should be avoided when shipping hazardous materials. This regulation would appear to preclude DOE from shipping through New York City and Westchester County, since safer alternative routes avoiding those two major urban areas are known to exist.

My bill seeks to resolve this inconsistency in Federal regulation by requiring shippers of nuclear waste to avoid large cities and instead use alternative routes. This legislation would provide a responsible solution to the Brookhaven dilemma, but it would also establish a clear national policy that would help to promote safety in other parts of the country as well.

Consider, for example, that during the last 10 years there have been an average of about 300 shipments of U.S. nuclear spent fuel each year affecting all regions of the country—large and small cities alike. According to the Environmental Policy Institute, that number is expected to increase to nearly 9,000 shipments per year by the year 2004. Clearly, then, this is a growing problem that must not be allowed to continue.

Why should we be concerned about transporting nuclear waste through large urban areas? Risk assessments vary widely, with anywhere from 5,000 to 10,000 immediate deaths projected, and between $4 billion to $9 billion in costs associated with a nuclear waste shipment accident involving leakage in a large urban area. Further, experts have informed me that to minimize resulting illnesses and fatalities persons within a 2½-mile radius of the leakage would have to be evacuated in a matter of minutes, a virtual impossibility in an urban area like New York City.

Officials at the Departments of Transportation and Energy argue that the chances of a nuclear waste accident involving leakage are highly remote; that every possible safety precaution has been taken. They base their confidence on the fact that during 40 years of nuclear waste shipments there has never been a death or injury resulting from an accident. But, my concerns are also based on fact. For instance, a Ralph Nader study revealed that there were 122 accidents involving nuclear waste shipments in 1979—the most recent year any such study was conducted. Although no injuries or deaths resulted, it seems certain that as the number of nuclear waste shipments increase, so does the risk of accident and leakage. We need only to look at the Bhipal, India tragedy to know that no matter how remote the odds, catastrophes involving hazardous materials can and do occur.

Suffice it to say that when deciding how to ship nuclear waste, we should be working with the worst-case scenario in mind—namely, that there might be an accident involving leakage. The obvious question, then: How can we minimize safety risks in the event of an accident resulting in radiation leakage? The answer: Avoid large cities when transporting the nuclear waste.

That logic is both sound and practicable. Consider, for instance, that a recent study conducted by Arthur D. Little, Inc., a highly respected and knowledgeable firm in the area of hazardous material transportation risks, concluded that there are at least three safer alternatives to the New York City highway route now being used by DOE. The study specifically concluded that any of these three routes would increase safety by from 4 to 9 percent, without any significant cost or mileage increase. The three alternative routes each involve a combined highway-water mode of transport. The average cost per shipment would go from about $12,000 under the current method to only $13,000 under the highway-ferry method. Distance would be increased by a mere 15 to 60 miles—depending on which of the three alternative routes were used—out of the total 2,500-mile trip to Idaho.

The uniqueness of New York City's interstate highway system makes the combined highway-ferry alternative

particularly attractive. While DOT's regulations for nuclear waste shipments encourage shippers to use the Interstate Highway System, they also state that an interstate system bypass or beltway around a city is to be used when available. Unfortunately, New York City is one of the only major urban areas in the country without an interstate bypass or beltway. Instead, New York City's interstate highway system cuts directly through some of the city's most densely populated areas, including Co-op City in the Bronx, which is a stone's throw away from the nuclear waste shipments route and his home for more than 40,000 of my constituents. Despite this added safety concern, however, DOE has refused to either delay shipments so other alternatives can be explored—even though they have plenty of extra storage capacity—or to reroute their shipments. I view this inflexibility on the part of DOE to be contrary to the best interests of public safety, and this situation must not be allowed to continue.

DOT issued their regulations governing radioactive material shipments in an effort to promote uniformity. Specifically, they were responding to the fact that some 200 localities nationwide had passed their own laws restricting or prohibiting nuclear waste shipments through their jurisdictions. Their regulations preempted all of those local laws, thus creating uniformity, but at the same time ignoring a number of crucial safety concerns—like what happens when an Interstate Highway System runs straight through our Nation's largest city. My bill effectively and responsibly addresses this problem, without unduly interfering with the overall nuclear waste transportation process. I strongly urge that it receive the prompt and favorable consideration it deserves.

Mr Speaker, at this time I wish to insert the full text of the Radioactive Materials Transportation Safety Act of 1985:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Radioactive Materials Transportation Safety Act of 1985".

SEC. 2. RESTRICTION ON TRANSPORTATION OF RADIOACTIVE MATERIALS.

Section 105 of the Hazardous Materials Transportation Act (49 U.S.C. app. 1804) is amended by adding at the end thereof the following new subsection:

"(d) RADIOACTIVE MATERIALS.—

"(1) RESTRICTION.—No controlled quantity of radioactive materials may be transported by public road or highway through or into any large city.

"(2) EXCEPTIONS.—The restriction established in paragraph (1) shall not apply to the transportation of radioactive materials—

"(A) to be used for medical diagnosis or treatment in the large city involved; or

"(B) during a national emergency.

"(3) APPLICABILITY.—The provisions of this subsection shall be applicable to any transportation of radioactive materials occurring on or after the date of the enactment of the Radioactive Materials Transportation Safety Act of 1985.

"(4) DEFINITIONS.—For purposes of this subsection—

"(A) the term 'controlled quantity of radioactive materials' means a highway route controlled quantity of radioactive materials under section 173.403(1) of title 49, Code of Federal Regulations, as in effect on January 1, 1985; and

"(B) the term 'large city' means a city having a population of not less than 50,000 persons, as determined by the most recent data available from the Bureau of the Census.

"(5) REGULATIONS.—The Secretary shall revise the regulations issued under subsection (a) to carry out the provisions of this subsection.".●

THE 40TH ANNIVERSARY OF THE BATTLE OF IWO JIMA—"UNCOMMON VALOR WAS A COMMON VIRTUE"

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. LANTOS. Mr. Speaker, today—February 19—is the 40th anniversary of the beginning of the battle for Iwo Jima during 1945. In honor of this anniversary, I was pleased to make available space I had reserved in the Cannon Rotunda for an exhibit entitled "The Island War—Marines in the Pacific," which displays art from the Navy, Marine Corps, Army, and Coast Guard collections depicting the heroic struggle in the Pacific Theater of World War II. The works are done largely by participants of Iwo Jima and other battles in the Pacific. Many were done while shots were being fired. They reflect the real faces of war—fatigue, fear, sorrow, and determination. I urge my colleagues to view this exhibition while it is on display during the next 2 weeks.

Although today we are commemorating the battle of Iwo Jima, we are, in a broader sense, honoring all who served in the Pacific during World War II. This battle was one of the many that were fought by our brave men in the Marine Corps, Navy, Army, and Air Force in the Pacific Theater during World War II. They fought in other major Pacific battles—Midway, Coral Sea, Guadalcanal, Layete Gulf, Tarawa, Kawajalein, Guam, Peleliu, Saipan, Tinian, Okinawa and others—and and in the thousands of small skirmishes throughout the Pacific Ocean and in Asia.

Yet in many ways, Iwo Jima has become a symbol of the bravery and courage of all those who fought in the Pacific, first because of the great bravery and courage of those who fought there. Iwo Jima was appropriately called "the Gibralter of the Pacific." The 8 square miles of the island were covered with almost 23,000 defenders who were armed with antiship guns imported from Singapore, as well as machine guns and rifles. The Japanese were prepared to fight to the death.

The battle that began February 19 was one of the bloodiest in Marine Corps history, and some of the most intense hand-to-hand combat of the war took place during the conquest of the island. The Japanese defenders refused to surrender and were annihilated almost to the last man. The island was not declared secure for 5 weeks.

The battle of Iwo Jima took a heavy toll—6,821 marines and sailors were killed and 19,217 more were wounded. For herosim during the seizure of the island, 24 Medals of Honor were awarded. As Adm. Chester Nimitz said of those who fought there: "On Iwo Jima, uncommon valor was a common virtue."

A second reason that Iwo Jima has become a symbol of the American struggle in World War II is that the battle also gave us the most famous photograph of World War II, and one of the finest war photographs of all time. Taken by Associated Press photographer Joe Rosenthal, the photo shows five Marines and a Navy hospital corpsman raising the American flag on the crest of Mount Suribachi on February 23. Three of these brave men died in later action in the war. That photograph is the basis of the Marine Corps War Memorial at the Arlington National Cemetery.

The capture of Iwo Jima was an important contribution to the U.S. victory over Japan in World War II. The island gave U.S. forces a base from which fighters escorted B-29's making bombing runs over Japan and provided an airfield for damaged bombers returning from these runs. Over 24,000 American airmen found refuge on Iwo Jima before the war ended. Thus control of Iwo Jima contributed to shortening the war in the Pacific.

Mr. Speaker, as we mark the 40th anniversary of the battle for Iwo Jima today, we honor those Marines who fought in this battle. But we also honor today all those who contributed to the American victory in the Pacific during World War II. I urge my colleagues here in the House and the American people throughout our Nation to remember on this occasion the unselfish sacrifices made by so many that we might enjoy the blessings of liberty and freedom from tyranny.●

NEWTON N. MINOW'S SPEECH TO THE ASSOCIATION OF AMERICAN LAW SCHOOLS

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. YATES. Mr. Speaker, my good friend, the wise and constructive lawyer Newton Minow, recently made a speech to the Association of American Law Schools which raises and discusses most perceptively a number of important issues of interest to every Member of Congress. I have attached it to my remarks and I urge my colleagues to read it:

Your meeting is a most appropriate time and place to announce the completion of a major work of legal scholarship. After thirty-five years, I have finished a comprehensive study of European Comparative Law. Your invitation enables me to share my exhaustive research with our nation's law professors.

After careful study of four legal systems in Germany, France, the Soviet Union and Italy, here are my conclusions:

In Germany, under the law, everything is prohibited except that which is permitted.

In France, under the law, everything is permitted, except that which is prohibited.

In the Soviet Union, under the law, everything is prohibited, including that which is permitted.

And in Italy, under the law, everything is permitted, especially that which is prohibited.

Now, there may be some of you who are not interested in these finer points of European comparative law, and may ask, so what? What about the United States? I suggest that is why there are American law schools and law professors. For it is your task to analyze and debate what is prohibited and what is permitted in the United States. We have a never ending search for the answers, especially because we ask American law professors for even more: we ask that you teach us not only what is prohibited and what is permitted, but also why—and we also ask you to reflect on what should be prohibited and what should be permitted.

It is a high privilege for a practicing lawyer to speak at your annual meeting. The three cornerstones of our profession—the judges, the teachers, and the practitioners—have much to say to each other, and I am honored to bring my perspective to this indispensable dialogue.

As a partner in a large law firm which searches in your schools for talented young men and women to join our practice, my partners and I thank you for giving us splendid lawyers who are well trained and even, in recent years, well mannered.

Yet, while law firms are in your debt for producing practicing lawyers, my thesis today is that our country's citizens are too often being shortchanged by our law schools and the gifted men and women who teach in them.

I take as my text an article which my partner, Ben Heineman, Jr., wrote last year:

"Put simply, the law schools—especially the top 25 that believe they are in the top 10—should be a major source of vision about the kind of society America ought to be, in its third century . . ."

"Yet few outside observers, and few candid insiders, would say that the nation's law schools and law professors are possessed by a breadth of vision or are taking a comprehensive view of the major problems that this society must address in the decades ahead, either in the public or private sector."

While I agree with Ben, I am reassured by the theme of your 1985 Annual Meeting: "The Law Teacher and the Public Interest: Professor Deeds Goes to Washington." One question we will be discussing this afternoon is: Do law teachers have a special obligation to illuminate politics and public life?

To me the answer is clear. Your analytical skills are needed, not only to study also to safeguard principles of law, especially in this confusing time of rapid technological revolution. Your vision is needed if we are to avoid narrow approaches to legal questions—such as what is permitted and what is prohibited in terms of rigid, either/or choices. Last month, Judge Bork reminded us in an important opinion: "The temptation to adhere to sharply-defined categories is understandable. Judges generalize, they articulate concepts, they enunciate such things as four-factor frameworks, three-pronged tests, and two-tiered analyses in an effort, laudable by and large, to bring order to a universe of unruly happenings and to give guidance for the future to themselves and others. But it is certain that life will bring up cases whose facts simply cannot be handled by purely verbal formulas, or at least not handled with any sophistication and feeling for the underlying values at stake. When such a case appears and a court attempts nevertheless to force the old construct upon the new situation, the result is mechanical jurisprudence."

Judge Bork is right. As technology rushes forward in the remaining 15 years of this century, traditional definitions of life itself fail to offer useful answers to new questions. Life support machines extend breathing; do they extend life? As technology rushes forward, do traditional perspectives of the Constitutional war power extend to pushing a button which may blow up the world?

Civilization, said H. G. Wells, is a race between education and catastrophe. I believe it is also a race between law and technological and social change in modern life. Your unique ability to study and apply principles of law to the issues posed by onrushing technological and social change is needed to provide the light of reason.

Here are a few issues of modern life where the law, it seems to me, has thus far been of little help in even asking the right questions, much less in reaching useful answers.

First, the relationship between politics, public office and the public interest. Running for office in our country is a hard, miserable, frustrating and intimidating experience. A candidate must be up and at the voters at 6:00 a.m. shaking hands at the factory gate or the commuter station. A candidate must raise enormous sums of money. A candidate must submit to the most intense scrutiny by the media, and serve up his or her entire family for public examination. A candidate must abandon any notion of privacy, disclose all sorts of personal information, financial data, and expect and accept abuse and constant criticism.

As a result, some people have found it much easier to take a short cut and avoid the political process. All you have to do is simply announce one day that you have been appointed as a representative of the "public interest." If you appoint yourself, you don't have to subject yourself or your family to all the rigors of a campaign. Yet, in the past 10 or 15 years, self-appointed representatives of the public have come to be regarded and treated, especially by the media, as somehow being more legitimate and authentic representatives of the public than the men and women who were elected according to the law.

Why? Traditional legal analysis would tell only a small part of the story—that certain elective offices are created for which persons standing for election must have certain qualifications. But in the real world, forces outside the law—especilaly post-Vietnam, post-Watergate cynicism about public officials—have changed modern life to the point there where self-appointed citizens are often perceived as more representative than our elected officials.

Second, last year I served as Chairman of the Search Committee for the next President of Northwestern University. Our Committee reflected various parts of the institution: trustees, faculty, alumni, and students. We conducted a nationwide search for eight months; simultaneously, our nation searched for nominees for the next President of the United States. Having been a delegate for years to the Democratic National Conventions, it quickly became apparent to me that the way we search for university presidents offered significant lessons compared to the way we nominate our Presidential candidates. When our country began, President George Washington was chosen through the Electoral College which was designed much more like a university search committee than the 1984 primaries and caucuses.

Again, a traditional legal view, based on the literal requirements of the Constitution, would tell us that the Electoral College remains inviolate in the Constitution. But the real world tells us that this part of the Constitution has little to do with modern life.

A third issue concerns changing economic conceptions and the law. In our firm's practice, we counsel different industries and professions trying to adjust to the new world of deregulation. We see pluses and minuses in adapting to deregulation of communications, transportation, banking and medical care. It is currently fashionable for some economists to argue that the all-knowing marketplace is the solution to all problems and, as a result, we see many young lawyers who know the price of everything—and the value of nothing. (Do you remember what one economist said to the other economist? "It may work in practice, but it doesn't work in theory.") But just as many regulators of the seventies were too narrow and rigid, so many deregulators of the eighties are too narrow and rigid. The pendulum is now swinging from everything is prohibited to everything is permitted, from the overregulation of the seventies to what could become the anarchy of the nineties.

What is needed—and has begun at some of your schools—is a new and more subtle form of legal analysis to assess how varying amounts of intervention in markets really work in modern life.

Each of these questions is an example where law, which is the indispensable instrument for orderly change in our governance, has almost became a bystander, an observer, a non-participant. While all of us have been looking for what is permitted and what is prohibited in our law libraries, we failed to look out the window where other things were happening.

When we look in the books to read the Constitution, we learn that the Constitution is subject to amendment only through specific, prescribed procedures. I suggest to you that sometimes the law and the Constitution are amended without any of us realizing it. Sometimes, as in the case of the Electoral College, this happens through the evolution of political practices, and sometimes, this happens when the Constitution is amended by technology. Then it happens silently and instantly.

For example, consider the relevance of political jurisdictions. When the technology of television developed, the television and advertising industries quickly saw that television signals did not correspond with political boundaries. A television signal spreads through the air in a circle with a radius of about sixty miles. Viewers of a signal broadcast from my hometown of Chicago live in the City of Chicago, the Cook County suburbs, the other five county metropolitan area of Chicago, and in other parts of Illinois, Wisconsin, Indiana and Michigan. The same situation exists throughout the United States, and across our national boundaries into Canada and Mexico. When this became apparent, the broadcasting and television industries quickly acted. They drew their own map, ignoring city, county, state and national boundary lines, and divided the country into 211 ADI's—Areas of Dominant Influence. They didn't call for a Constitutional convention or persuade Congress to change any laws. They simply threw away the official governmental maps and boundaries and adapted to the new technology, by defining their business in terms of ADI's, instead of cities, counties, states, and the nation.

In government, however, we haven't acted—or reacted to the new technology.

For example, government failed to act and react while television fundamentally altered the balance between our three branches of government. Only one branch, the Executive, has access to television on its own terms, essentially at the discretion of the President. Congress now knows that television fundamentally altered legislative debates. The other day, Senator Howard Baker observed that Senators do not need to participate much in Senate debates these days because "if no one listens, the Senators don't care because they go outside the Senate floor and someone will listen to them with a television camera."

While Presidents and Senators learned about television, most academics have been slow learners, and closed their eyes to the impact of television.

Suppose I gave you a test with this multiple choice question: Which of the following is the most influential educational institution in America? (a) Harvard (b) Yale (c) the University of California (d) Northwestern University (e) Notre Dame University (f) Your own University (g) None of the above.

The correct answer is (g) None of the above: the correct answer is television.

Watching television is how most Americans spend most of their time—close to eight hours a day in the average home. Most Americans now receive most of their information through broadcasting. As Professor Benjamin Barber observes:

"The community of citizens governing themselves face-to-face has given way to the mass society, and live talk has been replaced by telecommunications. Once a nation of talkers, we have turned into a nation of watchers—once doers, we have become viewers—and the effect on our democracy has been profound."

Yes, the effect on political processes has been more profound than any other technological change since the printing press. And its effect on the democratic process, its effect on law, its effect on government, and its effect on politics all are a set of questions which call for more attention from the best legal minds in America.

Television does enlighten citizens and does advance the democratic process in ways far beyond the capacity of any other medium. Television's coverage of the Watergate hearings and the impeachment hearings gave the American people more than a civics lesson; it also gave them front row seats in the hearing room and a sense of unparalleled participation. The Presidential debates, with all their faults, do bring the candidates into millions of homes and offer citizens a first-hand chance to evaluate the candidates.

But, with all the advances through this powerful medium, there are also setbacks to the democratic process. Theodore White, the best historian-journalist in our time, said it best when he wrote last year that the flood of money that gushes into politics to buy television time is the pollution of democracy.

I propose that you law professors address, analyze, and reflect on this question: What is the best way to harness this great gift of television to improve and advance the electoral process? You have the expertise, analytical skills, and vision to find ways—constitutional ways consistent with First Amendment freedoms—to achieve four goals:

First: To promote rational political discussion in Presidential campaigns.

Second: To reduce the amount of money required to run for political office, especially to buy television time.

Third: To shorten campaigns.

Fourth: To assure basic access to television for all significant candidates for President and Vice President.

Let us examine each goal.

First, to promote rational political discussion in Presidential campaigns. Sophisticated campaign strategists and political consultants now create commercials and spots which dominate the airwaves at a cost of many millions of dollars. In my own State of Illinois in the recent Senate election, our major candidates, Paul Simon and Chuck Percy, found our Illinois situation even worse than usual. A California businessman—unathorized by Simon—spent more than 1.1 million dollars of his own money to "help" Simon by buying radio and television commercials that attacked Percy. Although Simon disavowed the ads, he could not stop them. A law, which I think could be drafted to satisfy Constitutional tests, is needed to stop not only this form of assault on the democratic process, but to stop all political commercials. John O'Toole, Chairman of one of the nation's leading advertising agencies, Foote, Cone and Belding, put the issue in plain English: "The time has come to stop trivializing the electoral process by equating a candidate and a public office with an antiperspirant and an armpit. It is time to stop selling television spots to political candidates."

Second, to reduce the amount of money required to run for political office, especially to buy television time. Once the major Presidential candidates are nominated, they now receive more than $40 million in public funds for the campaign. In 1984, most of that money went to purchase television time, almost all of it to purchase commercials of thirty or sixty seconds. In the primaries, approximately $85 million was raised and spent by the candidates, mostly for commercials.

Presidents of the television age, starting with Presidents Eisenhower and Kennedy, saw the problem coming and urged reform. Now, more than twenty years later, the problem is more than twenty times worse. Why on earth should the American people spend millions out of the public treasury so that the Republican and Democratic candidates can flood the air with thirty second television commercials contributing nothing to political enlightenment? If this money is to be spent, at least let us insist that the candidates appear live to deal with issues. I ask you to search for ways, constitutional ways, to eliminate this pollution of democracy, and use this great medium to inform and enlighten us.

If you are not indignant at the current situation, I remind you of what Kipling did not say: "If you can keep your head while all others about you are losing theirs, maybe you don't understand the seriousness of the situation."

Third, to shorten campaigns. If you've ever been in Great Britain during a political campaign, you saw campaign periods strictly limited to a three-week period during which no candidate can buy television time. Instead, the parties are allocated an amount of political time on the air to use as they wish—with the parties sharing the time and taking their own cases to the voters. No commercials. No payments for time. And Western civilization was not impaired—and has survived.

Fourth, to assure basic access to television for all significant candidates for President and Vice President. As you know, our Federal Communications Act requires that all candidates for the same office be treated equally by broadcasters. This means that if a broadcaster gives or sells time to one candidate, time must be made available on the same terms to his or her opponent. There are certain exceptions for news programs and interviews. The Presidential Debates, with which I was deeply involved in 1976 and 1980, were conducted under regulatory and judicial interpretations of these exceptions—an interesting legal story, but too long to go into here. I believe that not *all* candidates need to be treated equally; there were 229 candidates for President in 1984; not all of them were serious. How can we distinguish between serious, significant candidates—and the others? How do we do this under the law, under the Constitution, under our sense of fundamental fairness?

While the courts have dealt with some of these issues, the law remains murky.

These four goals are worthy of the serious analysis, research, and thought which legal scholars give to other questions every year. While I do not read widely in the law reviews these days, I do skim the tables of contents, and I find bountiful articles on the finer, esoteric points of law such as: (1) Can a policeman look under a blanket in the automobile trunk when he stops a suspicious driver who may be carrying drugs? (2) Protected "puffery" in commercial speech. (3) The application of the Due Process Clause to an unending stream of actions. (4) Liability of construction lenders to contractors, subcontractors and materialmen. While these issues are worthy of your skills, I suggest that basic issues involving the effect of the electronic media on politics and governance deserve equal time.

Why do I suggest that this issue of television and politics be examined in the law schools? Because law schools are unique institutions in our society, unlike any other part of the academic world. As one privileged to serve as a trustee of several major American universities, I see excellent graduate schools whose function is to train teachers to impart knowledge of English Literature. I see excellent schools where engineers and scientists are trained to create new technological progress. I see business and management experts trained through MBA programs to run complex business and public organizations. I see excellent medical schools train physicians and surgeons to help keep our good health and preserve and prolong life. These are essential, vital and valuable contributions to our society.

But law schools are unique. A law school is the only place where the life of the mind is joined with the practical, real world search for justice, for ethical values, for fairness, for the protection of individual rights and responsibilities, and for the preservation of principles of a free society. As the world of technology becomes more and more complex, your unique competence as professors of law is called upon to reconcile these precious values with the technological revolution and the Information Age.

In only two years we approach the bicentennial of our Constitution to celebrate what the Jeffersons, Franklins, and Madisons gave us in 1787. Where are the 1987 Jeffersons, Franklins and Madisons? I hope some of you are in this room today.

I was lucky in law school to have some wise teachers who passed on enduring lessons to me. Some may say that these lessons have little to do with the law—and others may say they have everything to do with the law. My law professors, some of whom are here today, taught me the value of civility in dealing with contentious matters, the need for respect for opposing views, and the necessity of continuing lifetime learning after law school. Some statements still ring through my memory, such as: "Civilization advances when what had been perceived as a misfortune comes to be perceived as an injustice . . ." and "the challenge is to become one in spirit—if not necessarily in opinion."

More than thirty years ago, I accompanied my boss Adlai E. Stevenson when he addressed the Association of American Law Schools on December 28, 1953. He spoke of the need for justness . . . and the need for a compassionate eye and a strong arm to see that each individual, no matter how weak or unappealing, is dealt with fairly and justly. And he reminded law professors of the university's essential mission: to search for truth and to communicate that truth to succeeding generations.

Today, more than thirty years later, two of my daughters and my son-in-law—all lawyers—are here as part of a succeeding generation. To them—and to you—I leave the words of a great teacher, Professor John Fairbank, about the student-teacher relationship and the debts a student owes a teacher: "For all students who feel indebted to their teachers, the rule is 'Don't feel you should try to pay it back. Instead, pass it on.' "●

NATIONAL SCHOOL LIBRARY MONTH

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Ms. SNOWE. Mr. Speaker, I am introducing a resolution today which would designate April 1985 as "National School Library Month."

School libraries from the elementary to the university level play a vital role in educating America's students. A school library today, as in years past, often provides children with their first access to books. School libraries staffed by talented, dedicated professional librarians can instill in young people a love of reading which lasts a lifetime. In addition, the modern school library is equipped to provide a full range of media resources, including computers, audiovisual aids, materials for the handicapped, and works of art, to students of all educational levels.

The ability to continue to expand collections and develop new resources to meet the changing needs of teachers and students depends, in part, on the public recognition of the fine services provided by school libraries. By proclaiming April 1985 as "National School Library Month" we can help generate public support and recognition for school libraries. We may also help to spark a renewed interest in reading and learning among our Nation's children.

I invite my colleagues to join me in showing support for school libraries by cosponsoring this resolution.●

MARTIN LUTHER KING HOLIDAY COMMISSION

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. COURTER. Mr. Speaker, last month I had the honor of being included in a group of individuals in Atlanta, GA, who were sworn in as commissioners of the Martin Luther King, Jr. Federal Holiday Commission. This Commission is charged with coordinating ceremonies and activities throughout the United States relating to the first observance of the Federal legal holiday in honor of the great civil rights leader. At this time, I would like to share with my colleagues my remarks at the Atlanta ceremony.

The central feature of American political history has been a deep tension between populism and elitism; between those who have and those who need; between economic and political oligarchs and the people. In no other area has this tension been more tragic than in the relations between black man and white man. A nation founded on the eternal truth, that "all men are created equal," was torn apart and nearly collapsed when this truth collided with the Southern, white slave-owner, resulting in a bloody civil war.

The civil rights movement, as we all know, did not end with Lincoln. In fact, he unleashed a flood-tide so powerful that many of those who would keep the black man and woman down have drowned or are barely clinging to the last unsubmerged rocks. And one of the greatest descendants of Lincoln was Martin Luther King, Jr., a man who also had a profound understanding of the implications of the Declaration of Independence. King was an instrument of freedom. He was one of the few men who have been able to prove that history is not always slower than the men who try to make it. He was also, like Lincoln, destroyed just as his revolution reached its apogee. Yet, before he was killed, King had successfully turned his tremendous powers of leadership, organization and persuasion on the pernicious structure of racial segregation. He successfully built a broad consensus in this country that that structure must be brought down.

Many words will be spoken today on the virtues of Martin Luther King, but there is one important aspect of his life that I would like to point out, particularly for many of my conservative friends. King worked within the framework of the Constitution, defending the law of the land as it, in the end, defended him. As Professor Harry Jaffa, an erstwhile speechwriter for Barry Goldwater, pointed out in a fascinating essay on the 15th anniversary of King's death, "Those who arrested King were the lawbreakers. Jim Crow never was law. . . . Hitler and Stalin may have embodied the unjust law in their evil regimes, but Bull Connor never embodied the positive law of the United States, which under the Constitution must be consistent with natural justice."

Where does the civil rights movement go from here? I would like to see President Reagan continue the 20 year old "War on Poverty" with a program that uses private incentives to revitalize our cities and wrest the poor from government dependence. Enterprise Zones are at the heart of this strategy—which also includes home ownership programs and tax relief for the working poor—and I am proud to note that Governor Tom Kean is already advancing this reform at the state level in New Jersey.

This strategy would mobilize the most dynamic and creative source of social and economic change: the private enterprise sector. I support Robert Kennedy's remarks in 1967 that "to ignore the potential of private enterprise is to fight the war on poverty with a single platoon while great armies are left to stand aside."

We can never forget the unemployed in the inner cities who have not fully shared in America's prosperity. This is not a time for gradualism and delay; the President has a mandate to end long years of economic neglect. And I believe the American civil rights revolution will not be complete until we fully assimilate blacks and other minorities into the mainstream of the American economy by putting all Americans back to work. Thank you very much.●

YEAR OF THE TEACHER

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. FORD of Michigan. Mr. Speaker, I rise today to introduce a bill proclaiming 1985 as the "Year of the Teacher."

There are more than 3 million teachers in the United States teaching at every level of education. These teachers are the most critical link in the educational process. It is their job to bring together the learner and the skills, information and knowledge that the learner seeks to attain.

The teaching profession as a whole is performing in a dedicated and exemplary manner. However, teachers frequently do not receive the recognition, rewards and respect that their important role and their outstanding performance merits. Designating 1985 as the "Year of the Teacher," which would be accompanied by appropriate ceremonies and other activities, is one small way to express the Nation's gratitude to its teachers and to elevate them in the public's esteem. A largely symbolic act, such as this resolution, certainly does not replace the need to devote adequate resources to education in general and teachers in particular. Nevertheless, it can be a significant stimulus for improving educational excellence and for recognizing the contributions and needs of our Nation's teachers.

I hope that you will join me in cosponsoring this resolution which recognizes the importance of teachers to our Nation.●

A TRIBUTE TO THE TURKISH BRIGADE

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. DioGUARDI. Mr. Speaker, I rise to draw the attention of this body to the anniversary of a proud service rendered this country on the field of battle. On January 25, 1951, soldiers of Turkey, fighting side by side with Americans under the flag of the United Nations, saved the lives of thousands of Americans. Fighting hand to hand combat in savage cold for many days and nights, the combined forces of Americans and Turks held off an enemy advance that could have entrapped tens of thousands of Americans. In the words of General Walton H. Walker, the commander of the troops whose lives were spared, "You have saved the 8th Army and the 9th Army Corps from encirclement and the U.S. 2d Division from destruction."

No friend is truer than the friend who stands forth in your hour of need and risks all that he has. The Turkish Brigade clearly took such risks to save the lives of Americans. In fact, these forces, along with their American counterparts, were honored with a Distinguished Unit Citation by Congress. This was the first time in history that such an honor was afforded to troops of another nation.

I think that we in Congress should pause to honor those of other nations who gave their lives to defend the American way of life. Clearly, the members of the Turkish Brigade deserve such recognition. I urge each of my colleagues to take the time to reflect on the great service done this nation by those fine soldiers.

Thank you, Mr. Speaker.●

VETERANS' PREFERENCE BILL

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. RAHALL. Mr. Speaker, today I am introducing legislation which I believe preserves one important aspect of the Veterans' Preference Act, which was passed during the 78th Congress. Similar legislation was passed by the House of Representatives during the 98th Congress, and I believe it is an important and necessary step in insuring a continuation of the act's original intent—to protect and show commitment to our Nation's veterans.

The bill I am introducing provides that Federal agencies may not separate a veterans' preference eligible from the position of guard, messenger, elevator operator, and custodian, because of a contract award. The bill also gives priority to preference eligible when vacancies occur or new positions are available. Due to a technical interpretation by certain Government agencies which dictates that guards and uniformed officers be given separate classifications, this bill will make it clear that "guards" and "uniformed officers" are synonymous.

Technically, title V, section 3310, provides that competition for the positions of guard, messenger, elevator operator, and custodian, in the civil service, will be restricted to veterans' preference eligibles, as long as preference eligibles are available. However, in recent years, the opportunity for veterans to obtain secure employment in these four restricted positions has been decreasing. A major reason for this decrease is the conversion of many of these positions to contract performance. My bill addresses the route of this decrease is an attempt to shore up the provisions of the Veterans' Preference Act.

We must not forget this Government's longstanding commitment to our Nation's veterans, a commitment which recognizes the tremendous contribution these men and women have made to our country. We cannot turn our backs on veterans who served this country—to ensure the security of our ideals—by ignoring special protections which were instituted to show our commitment and appreciation.

I realize that sheltered workshops for the handicapped have expressed concern about the impact of a blanket prohibition on contracting out these positions, on their ability to contract with the Government for certain services. I am confident that this bill favorably addresses these legitimate concerns, while still upholding the original intent of the Veterans' Preference Act.

I am honored to be joined in introducing this legislation by my distinguished colleagues MERVYN DYMALLY, WILLIAM CLAY, MICKEY LELAND, AUSTIN MURPHY, RICHARD SHELBY, STENY HOYER, DENNY SMITH, MARCY KAPTUR, J. ROY ROWLAND, MICHAEL BILIRAKIS, DAVID BONIOR, SONNY MONTGOMERY, DON SUNDQUIST, HARLEY STAGGERS, JOE KOLTER, MATTHEW MARTINEZ, and RICHARD DURBIN, Members who have consistently demonstrated their commitment to veterans. I am hopeful that all of our colleagues will support this opportunity to say "We have not forgotten."●

INSPIRATION FROM A HEAVYWEIGHT

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. DAUB. Mr. Speaker, one of the finest monuments to man's capacity to reach out and care for another less fortunate and make a world of difference lies in my Second District of Nebraska. It's known everywhere—Boys Town. On February 6, it was the scene of a special program called Horatio Alger Day, honoring Horatio Alger's type of hero, the one he wrote about in more than 100 books who against all odds rose from rags to riches, and became a finer, more sensitive human being in the process.

The keynote speaker was the former Olympic gold medalist and later world heavyweight boxing champion, George Foreman, who is now a minister in Houston, TX. George was made one of the Horatio Alger Association of Distinguished Americans inductees in 1984. He started as the youngest son of a lady barber in the "bloody fifth ward" of Houston, and was one of the juvenile delinquents and high school dropouts who went into the Job Corps Program in the 1960's.

His Boys Town appearance offered him an occasion to tell another side of

American business, as he wound up in the Parks Urban Job Corps Center near Pleasanton, CA, which was operated by Litton Industries, Inc. Litton's founder, the late Charles B. "Tex" Thornton, believed poverty was not so much lack of money, but lack of employable skills, and he turned away from the traditional direction of a business to test a company's expertise against a rising sociological problem. More than 14,000 youngsters from every State were in that center, about 9,500 of them going into jobs for which they were trained, and George Foreman was only the most famous success story of them all. Thornton sensed something special about George and assigned a former Nebraskan, retired USAF Col. Barney Oldfield to be available to him, to counsel him, to help him as he was a most confused and much troubled youth. Oldfield was with him in Mexico City when he won the gold medal in 1968, in Jamaica with him when he won the championship from Joe Frazier in 1973, and in Zaire in Africa with him when he lost his crown to Muhammad Ali in 1974—but they have stayed together as George has found this new and constructive direction for his life.

One of the last things Thornton did before he died was to nominate his successor as chairman of Litton for the Horatio Alger Award. He, Fred W. O'Green, a onetime high school clarinet player in Mason City, IA, had that honor conferred on him in 1983. When Foreman was named for the Horatio Alger class of 1984, in sentimental memory of the difference Litton industries had made in his life, he asked that O'Green be his presenter, and O'Green gave him his trophy.

And as frosting on the cake, George told one of the Boys Town students in his audience Anthony Cardenas, that he will be going to New York on April 10, to recieve a $5,000 Horatio Alger Scholarship.

That my colleagues may know that there are indeed happy endings the best kind being those continuing with no end in sight—and for those who sometimes wonder whether the legislation we enact here actually reaches out and touches people, I commend for their reading George Foreman's remarks as delivered at Boys Town, NE, February 6, 1985:

REMARKS OF GEORGE FOREMAN AT THE HORATIO ALGER DAY FOR STUDENTS PROGRAM, BOYS TOWN, NE

Father Hupp and my new Boys Town friends: One of the lasting dividends of having been champion of the world is that I get invited to places like Boys Town which gives me a chance to be with people like you. Being world champion entitles you to claim everywhere as your home. One is never a stranger. He's never without friends somewhere. Somebody is always glad to see you. Somebody always wants to talk with you. You hear from people all over this Earth. Some are proud to be seen with you. They tell their friends what we've talked about—the laughs we've had together, or the troubles that we have shared.

People in sports—especially professional sports—are always talked about a lot in terms of money. Money has its importance, but the real riches if you are lucky, are when you emerge from whatever you've done with the respect or other human beings—to have fought the fair fight, to have taken your lumps and survived, to have been admired as a competitor, and to still be admired after competition.

One of the things having the championship teaches you is that sooner or later, you'll have to do something about what comes after that. Nobody can ever keep something like a championship, or be a winning team forever. Somewhere out there, somebody or some group or team is going to take it away from you, and you will be a loser. There are many lessons in losing, the biggest one is that if you are going to stay a loser, that's your decision. It needn't be so. There's always life that is going on, and in that life there's always the possibility that it can be better beyond where you are now. If you learn to put an occasional loss down as just a happening along the road to be put behind you, and go on, you can probably be a big winner and find ways to win forever. Here at Boys Town, you are being prepared for what comes later.

When they asked me if I would come to Boys Town today and represent the Horatio Alger Association of Distinguished Americans, I was putting my coat on while I was still on the phone, and was ready to run for the airport the minute I hung up. They said I had a little more time than that, as it wasn't scheduled until today.

There was a time in my life when Boys Town was a kind of dream. As I had heard about it, if you make it to the gate out there, they'd tell you to come in. Once in, they fed you, cared for you, taught you, guided you, and made sure when you came of age, you would be man and count for something.

In the bloody fifth ward of Houston, Texas, where I grew up, it was like comedian Danny Thomas once described his hometown: Everybody had an equal opportunity—to die in the electric chair. We did all of what kids think are great adventures, hustled pool games, did shoplifting, had fights. I was already an alcoholic when I was ten years old. Nobody forced me to drink that cheap wine. It was my own idea, and I chose to do it myself. I was a big kid, did a lot of street brawling. It was great preparatory training for what I would become as a teenager, a mugger.

Not long ago, I took my son with me back to that old fifth ward. I wanted him to see the houses we lived in—my mother, my brothers, and sisters. I took him there and showed him where I had been on the run and crawled under to hide when the police were looking for me with dogs. Have you any idea what it's like to be lying there alone in the dark, with not too much maneuver room, trapped, and out there in the night you hear police shouting, and dogs snarling and barking, and you are the focus of their attention? I don't recommend it. My little boy got quieter and quieter as I told him about it, and that it had happened right there, and to his father.

You see, he wasn't born until after I had been champion of the world. In his mind, that's where I'd come from. Now he was having to make a big adjustment in his thoughts about his father. He had to include that old bloody fifth ward, being under that house, hiding from cops and dogs. Not so with me, I knew that's where I'd come from.

If you've had a starting point like that, everything would seem bound to get better. I didn't realize it there in the dark—but when there were troubled times later—I could remember being alone there under that old house and not far from those dogs. The important thing is to put as much distance as one is able from a repetition of such experiences. But if you have known such things, never forget them either.

Life teaches you about alternatives. There is never only one way to go, or only one way to do anything. When I was a kid—the friends I had as well as myself—we all thought the bad alternatives were the ways to go. There were so many of them. The bad ones were so easy. Either we weren't looking too much for the good alternatives, or we were turned off them by the fact that there was usually work involved if they were to be realized. Only suckers worked, we thought—and we had some basis for believing that. I used to get hired to unload trucks at a warehouse and they said they'd pay me $1.25 an hour. When I was paid, I got a dollar an hour and they kept the 25 cents. That told me one was a fool to do physical labor. It was easier to steal except—if we thought about it—there were risks involved—things like jail and reform school. As I was making one bad alternative selection after another, they were closing in on me. I was finally given a choice of either going to jail or to the Job Corps. Job Corps was a place where we were taught employable skills. I was to be in two of them—one in Grants Pass, Oregon, and the other in Pleasanton, California, near San Francisco.

I'd been the usual bad boy one day in Oregon, and the center director told me, as punishment, to dig a big deep hole. That ground was hard. I was digging and sweating like a water fountain. When I finally got done with the hole, they told me what it was for, that's where they were going to put the Camp Flagpole. Because I had dug the hole, after the pole was up, they let me raise the flag the first time. It was there that they had told all of us kids that no matter what we'd been called before, Chicanos, chinks, niggers—in that Job Corps Center we were all Americans, and not to forget it. I can't tell you what a deep impression that made on me. I felt so proud that the country into which I'd been born really included me. I don't think I ever felt that before. But there in Oregon they told me that even if I was a bad one—I was an American, too. In my mind, there had always been a place called America, but I was only a problem to it. And then there was an even more terrible thought which I didn't like to have—that I was an outsider because I'd chosen to be one—and a bad one, too. That's not a nice thought to live with, and it made me return to my old rebellious ways. Soon they sent me to another Job Corps Center, the one which was operated by Litton Industries in California.

They were teaching me to be an electronic assembler. Imagine, George Foreman, this human demolition derby, doing something about building rather than destroying. They told me if I followed their instructions about putting a transistor radio together—it would not only function, but it would be mine to keep. To my amazement everything they said would come about, did come about and the radio was mine. Other things they told me were also true. But I was always get-

ting in fights. One day they sent me to the gym and I was told every big guy in the place was going to beat on me. There was nothing much in way of punishment to that, as I was doing that kind of stuff in alleys all the time. But the alternative of doing it in the ring made all the difference in the world. If one does it in the ring, I found, people holler, and cheer, and applaud. One thing led to another, golden gloves, and then to my total surprise a berth on the United States Olympic team in 1968. There in Mexico City, with half a billion people watching by satellite, for the first time in my life I was a winner. They put that Olympic Gold Medal around my neck to prove it, and I slept with it on me that night. I believe I was the proudest American anywhere alive then. What a long, long way that was from being under that old bloody fifth ward house with the police and dogs trying to find me. It says a lot for taking the good alternative, believe me—no matter how unknown the way ahead may be when you do it.

In the minds of most people, it's an easy step from the Olympic Gold Medal to the heavyweight boxing crown. Don't you believe it. There were all those fights after I turned pro in towns where the crowds were small, and I'd have to hock my watch to get to the next town for the next fight. But I thought if I hung in there, my time would come. It did, and I won that long sought championship. When that happen, you are no longer a private person. Everyone thinks he knows you, has a right to part of you, and there are times when you ask yourself whether you really won it all, or lost it all. But that's also when you begin to find out what you're made of, who your friends really are, who wants to help shape you up, and more likely, who wants to shake you down. The alternatives again. They increase in number, the pricetags on the right ones are whoppers, but the pricetags on the wrong ones stagger the imagination. One day when it's all behind you, you get to thinking it was almost like being back under that old house hiding from the police and their dogs. The alternatives had different dimensions, but they were just as fearful—the consequences even more awful.

But whatever I am today, good or bad, it's the sum total of having gone through it all. When God asserted himself in my life, I had been all the way down, all the way up, and I was on the ropes again. He took me over. In boxing—it's almost a tradition that somebody, or several somebodies—have pieces of you, a percentage. But God isn't much interested in limited partnerships, I've found. He wants all there is of you. And for a guy like me, who has known about every bad deal there is—he made me the best one I've ever known. The purse after his struggle to get me was the most generous one there is . . . peace of mind.

Part of that has come through realization that along my tortured trail others saw things in me I never knew were there. One of the recognitions was given me only last May at the Century Plaza Hotel in Los Angeles. The occasion was my selection as one of ten people in this whole country for induction in the Horatio Alger Association of Distinguished Americans. Horatio Alger wrote more than a hundred books about rising from rags to riches, so these awards are given annually based on his theme that people by hard work are capable of winning big. That one of these would fall to George Foreman—that same kid who had hid under that old house from the police and their dogs had to be one of the most humbling, the most unlikely events of all time. But, in this America which includes caring men and women who want to help others—who create places like Boys Town and pat people like George Foreman on the back and urge him on, we have to know the accident of birth has placed us in a truly blessed corner of the world. I'd like to have you know that no matter how bleak it looked out there sometimes, if you make the good try, you'll find more people are paying attention than you think and will applaud you, too.

That's a long, long way from running from dogs and police and hiding under old houses, believe me.

But let me make some statements here about how many human beings there are out there who are probably waiting to help, if you show some signs of being worthy of their help.

Tex Thornton I thank. What a human being he was. His company ran that Job Corps Center in California where I trained. He was there that day I put that transister radio together. It is often said that businessmen are too busy to be concerned about social problems—that social problems are not for business. But Tex Thornton surely didn't think that way. Over four years, besides George Foreman, he helped more than 14,000 youngsters from every State in the Union, and most of them got—and were able to hold jobs—in the skills in which they were trained. And he didn't stop there. He gave a 3,200-acre ranch in Colorado to have it turned into a child caring haven for court awarded victims of child abuse. After he died in 1981, because of what he did for me, I came on the board of directors of that establishment which is called the Triple L Youth Ranch.

That man who gave me my award that night, Fred W. O'Green, he heads the sixty-eighth largest company in America, Litton Industries. He hasn't been able to hear without a hearing aid since he was twenty-six years old. He never let that stop him.

President Ronald Reagan who said nice things about me, used to live up over the store in an apartment which was all his parents could afford when he was a boy. His father had a drinking problem. When World War II bagan, President Reagan's eyesight was so poor, he was barely able to qualify for military service. But he wanted to serve his country, and he did. Once on a movie set, a pistol loaded with blanks, was fired too close to his ear, and his hearing deteriorated. So, our President wears contact lenses and a hearing aid, but it didn't keep him from being President of the United States. From all of them, I have benefitted from their examples. Each one of them in his own time became a Horatio Alger winner and I take pride that we have this in common.

Just a month ago, I had my thirty-sixth birthday. That say's I'm middle-aged. When I was your age, it was an even bet I wouldn't live through some fight to see the next day. I never thought I'd live this long. But from this perspective, when I consider all the incredible things, the people I've been privileged to know, the events I've been part of, how can I ever doubt there's a way over every obstacle there is.

Although I don't know all your personal stories, I believe it's a safe bet that I probably started worse off than any of you. I hope so, for your sakes. Yet with what Boys Town and other high schools offer you, and prepare you for, there's an even richer life expectancy for you than there has been for me. Education is one thing that unlocks almost any door. Cherish the fact that it's available to you and make the most of it. I wish a great full society-serving life for you all, and if the Horatio Alger spirit is with you—you'll make it.●

H.R. 1018, A COMMISSION TO REVIEW FEDERAL RETIREMENT SYSTEMS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. ARCHER. Mr. Speaker, in this Congress, I have again introduced legislation which would establish a commission to review Federal retirement systems. The bill, introduced on February 7, is H.R. 1018.

The issue of Federal retirement systems is one which I have long felt needs a thorough examination. The purpose of this bipartisan commission shall be to review and examine the Federal civilian and military retirement systems. It will assess the long-term financial requirements of each system in terms of both the projected benefits and anticipated receipts for the systems.

In light of the recent events and circumstances surrounding the debate over Federal pension plans and retirement systems, this bill is timely and merits the prompt attention of the Congress. Some sources estimate that Government retirement plans provide benefits and incur costs three to six times as great as the best private sector plans. At this time of tremendous budget deficits, there is no doubt a need to eliminate waste while continuing to provide a supportive Federal pension system. A bipartisan commission with a congressional directive to review the Federal retirement systems could offer suggestions for pension system reforms which are both fair and equitable. It would provide an opportunity for all affected groups to participate in the process of reaching a public consensus on the scope of the issue of pension reform. It is essential that our Federal pension systems ensure efficiency while providing incentives for attracting and retaining our civil service and military employees. I urge my colleagues to join me in cosponsoring H.R. 1018 to establish a commission to review our Federal retirement systems.●

PRESIDENT ALFONSIN OF ARGENTINA RECEIVES DEMOCRACY AWARD

HON. MICHAEL D. BARNES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. BARNES. Mr. Speaker, it was recently my privilege to cosponsor, along with the gentleman from California, [Mr. LAGOMARSINO], the first Western Hemisphere Legislative Leaders Forum. Some 50 legislative leaders from around our hemisphere attended this 2-day conference, which was held in the Foreign Affairs Committee room in the Rayburn Building. The meeting was organized by the Center for Democracy, and owes much of its success to the vision and dynamism of the center's president, Dr. Allen Weinstein. I hope and trust that other such forums will be held in the future.

During the conference, the Center for Democracy presented its Democracy Award to President Raul Alfonsin of Argentina. As the leader of Argentina's transition to democracy during the past year, President Alfonsin is indeed a worthy recipient of this award. As some of my colleagues may know, President Alfonsin will make a state visit to the United States next month, and I know we all look forward to receiving him.

Accepting the Democracy Award on behalf of President Alfonsin was Argentina's very able Ambassador to the United States, His Excellency Lucio Gracia del Solar. Because Ambassador Garcia del Solar's address contains many important insights on the transition to democracy in Latin America—and on the threat to that transition that is posed by what the Ambassador calls "the specters of growing poverty, economic hardship, unsatisfied need and want"—I am including the address at this point for the information of the Members.

DEMOCRACY IN THE HEMISPHERE

It gives me great pleasure to address this audience of distinguished legislators from our hemisphere at a meeting organized by the Center for Democracy which is bestowing the Democracy Award on the President of my country, Raul Alfonsin. This award represents a recognition of the success Argentina is having in recovering the democratic traditions that contributed to the development of the nations of the hemisphere; it is also a recognition of the significance of the regeneration of democratic governments in many Latin American countries.

Democracy is not just a word in our hemisphere, but, as you well know, neither is it a practice that can be taken for granted. Too many nations of the hemisphere are still struggling to return to a democratic way of life or to conserve it. Many of us have learned through bitter experience that democracy is not only necessary for institutional stability, and economic development, it is also the only way of honorably and effectively upholding western values in our societies.

As President Alfonsin has said "Democracy is not simply established by majority rule: What makes a system democratic is the way power is exercised, the manner in which governments submit themselves inexorably to institutional and electoral constraints." I am proud to say that the administration of the radical civic union has governed Argentina for more than a year and in that time our government has restored a sense of decency and fairness to public affairs in a very troubled land, while earning credibility abroad. The award the center is giving our President is a testimony to this fact.

But though it is true that democracy is necessary for justice, freedom and peace, it is also true that recuperating political liberty is not sufficient to achieve and preserve these values. We cannot live by democracy alone.

The move towards democracy in the hemisphere, which is a move towards establishing a viable center in our societies that will cement and preserve our institutions, is threatened by the most serious financial crisis that we have ever faced. This international crisis is beyond our control and in its potential for devastation it has been compared to the depression of the thirties.

I hope that it is only ironic and not tragic that at a time in which the move towards democracy is deepening and widening in the hemisphere, knitting our societies together with bonds based on common values and political practices—in many of the reclaimed democracies we are faced with the specters of growing poverty, economic hardship, unsatisfied need and want.

We understand that the present economic and financial crisis of our countries is not due to the ill will of our creditors. The hard economic realities with which we cope; high interest rates that increase our debt burden and the forces leading to the protectionism that limit our exports, adversely effect economies in the north as well as in the south. But it is also true, and we are quite aware of this truth, that the north is more in a position to solve our common problems than those who have not yet achieved the political stability and economic prosperity that the democratic way of life promises.

Fortunately throughout the hemisphere many people have become aware of the stake we all share in reconstructing and protecting the link between prosperity in the north and growth and democracy in the south. It is becoming more and more obvious that a rich democratic north, financially, economically and politically alien to an improverished south, is a danger to hemispheric values, stability, peace and security.

One of the important roles the Center for Democracy may play in world affairs is to highlight relevant issues and to stimulate the discussion of problems by persons who are in a position to implement their conclusions. This is another reason we value the award you are bestowing our President.

Those of us who are committed to shared values must come together to coordinate our efforts in behalf of practical goals and ideals by getting to know one another and learn about the similarities in our geographically very distant political contexts, whether these contexts are shaped by the concerns of farmers in Iowa or peasants in Peru, steelworkers in Pennsylvania or miners in Oruro, cane cutters in Jamaica or textile workers in Argentina. This kind of cooperation has worked in the European Community and between Europe and the United States. Why should it not work in our hemisphere?

Solutions to international problems cannot be brought about by self-defeating political and economic confrontation, but only by a wider and more knowledgeable cooperation. It is in this field of international cooperation where the Center for Democracy excells as the presence here of legislators from all points of the hemisphere confirms. It is by addressing frankly, in such a forum, the unsolved problems of today, that you will assure that these problems will not set the stage for the future.

Thank you.●

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CARDINAL STEPINAC—A MARTYR FOR HUMAN RIGHTS

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. MURPHY. Mr. Speaker, February 10, 1985, marked the 25th anniversary of the death of Cardinal Aloysius Stepinac, the Primate of Yugoslavia's 7 million Catholics. The free world will remember this great churchman as an unrelenting opponent of totalitarianism of any form. During the Second World War, Cardinal Stepinac's public condemnations of Nazi and Fascist ideologies showed rare and exemplary courage. Through his words and actions, he cautioned all people against the malevolent forces which had engulfed his beloved Yugoslavia.

In the turbulent postwar period, he was no less energetic in deploring the communism which threatened the hearts and souls of his people. In an attempt to silence this champion of human rights, the Communist regime of Premier Tito accused Cardinal Stepinac of collaboration with the Nazis and sentenced him to prison in 1946.

This travesty of justice became a highly controversial international issue and provoked worldwide outcry. The Vatican took the extraordinary step of ordering the excommunication of all those connected with Stepinac's trial. Although he was released from prison in 1951, he was forced to live a life of police-enforced isolation in his native village of Krasic until his death on the 10th of February 1960.

On this occasion, I would ask my colleagues to remember Cardinal Stepinac as a brave religious leader whose commitment to human dignity reached far beyond his native Croatia and touched all mankind.●

TOBACCO IMPORT RELIEF ACT

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. ROGERS. Mr. Speaker, today I am introducing the Tobacco Import Relief Act of 1985.

This bill would limit annual imports of burley tobacco to 45 million pounds, flue-cured tobacco to 31 million pounds, and filler tobacco to 25 million pounds. This represents about a 50-percent reduction of imports for each of these different types of tobacco.

This bill incorporates the provisions which were included in the section 22 petition for relief from tobacco imports, which was filed by the American Farm Bureau Federation, and the 12 tobacco producing State Farm Bureaus. It has become necessary to file this bill since the ITC has now decided not to recommend administrative relief from tobacco imports under section 22.

The facts clearly point out the need for such relief from imports. Imports have skyrocketed, increasing by 400 percent from 1975 to 1983. Imports' share of the tobacco market is also increasing dramatically, rising from 4 percent in 1975 to 26 percent in 1983. And the U.S. Department of Agriculture has projected that if the current trends continue, tobacco imports' share of the market will exceed 40 percent by 1990.

The net result of all these tobacco imports has been that domestic loan stocks are increasing, from 180 million pounds in 1975 to 798 million pounds in 1984.

The impact of these developments on the hundreds of small tobacco producing farms across the United States has been devastating. We've been forced to reduce price support levels. And we've been forced to accept a 36-percent reduction in marketing quotas just since 1980.

These reductions alone have resulted in an estimated $733 million loss in growers' income. And when increases in no net cost fees, compensating for the swollen stocks are added on, our small family farms have suffered an approximately $1 billion loss in income. This is a terribly cruel blow, especially when considered in light of the generally severe financial conditions in our farming communities.

Mr. Speaker, today we are in the deplorable situation where we are restricting our domestic growers production in order to stabilize market conditions—but at the same time, we are giving our foreign competitors a free hand, to sell as much as they wish to in our borders. And these imports, flooding unrestricted into our markets, are wreaking havoc with our tobacco growers' incomes.

The Tobacco Import Relief Act of 1985 will help to correct these problems. By placing strict limits on imported tobacco, and reducing these imports by 50 percent, it will give us breathing room to solve our import problem. It will allow us to reduce our loan pools and give our growers a chance to get back on their feet. This relief is essential to the survival of our small tobacco producers. I urge my colleagues to support this bill.●

USE CIGARETTE EXCISE TAX REVENUES TO SAVE MEDICARE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. STARK. Mr. Speaker, on January 3, I introduced H.R. 236, a bill to keep the cigarette excise tax at 16 cents, adjust it annually for changes in the cost-of-living index, and earmark the additional revenues from this tax to the Medicare trust funds.

This proposal is a user fee: Those who smoke cost the Nation's health care systems a great deal more than those who don't. The cigarette users should therefore be willing to pay more for their practice and those revenues should be used to help pay for the health care system.

The Economic Report of the President, issued this February 5, contains a section (page 137-8) discussing the enormous costs of smoking to the health system. The data is another strong argument for my bill, and I include it in the RECORD at this point:

THE EFFECTS OF LIFESTYLE ON HEALTH

If the effectiveness of additional medical care in producing better health is questionable, the opposite can be said about the importance of lifestyle factors such as smoking, consumption of alcohol, and diet. Studies of middle-aged men have identified three risk factors—smoking, cholesterol, and blood pressure—as the major determinants of the risk of death from any cause. These factors are all influenced by a person's lifestyle.

A number of investigators have estimated that 30 percent, or more, of coronary heart disease deaths can be attributed to cigarette smoking. Smoking is the major single cause of cancer deaths in the United States, and it is a contributing factor to deaths from stroke and emphysema. In fact, the U.S. Surgeon General calls it "the chief, single avoidable cause of death in our society, and the most important public health problem of our time." The total annual U.S. mortality from smoking is estimated to exceed the number of Americans killed in battle during World War II.

According to one estimate, the total direct medical care cost of smoking was $12.8 billion in 1972 (using 1983 prices). The discounted value of lost earnings attributable to sickness or death related to smoking was $31.1 billion. The total cost for smoking-induced illness represented 10.9 percent of all medical care costs in 1972. Focusing on the smoking-induced direct costs of cancer, there was a marked increase from 1972 to 1980—from $1.67 billion to $3.15 billion (in 1983 prices). . . .

These negative externalities can be affected by taxing the products that cause them. . . . The Federal excise tax per package of cigarettes was raised from 8 to 16 cents by the Tax Equity and Fiscal Responsibility Act of 1982. This provision is due to expire later this year when the Federal cigarette tax will revert to its old level. Several studies have shown that consumption of alcoholic beverages and cigarettes falls if the prices of these products are increased by an excise tax.●

THE 75TH ANNIVERSARY OF THE BOY SCOUTS OF AMERICA

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. YATRON. Mr. Speaker, this year, our Nation celebrates an important anniversary—the 75th anniversary of the Boy Scouts of America. In celebration of this important event, the Hawk Mountain Council of the Boy Scouts of America, located in Pennsylvania, will hold a Diamond Jubilee Scout Show at the Kutztown fairgrounds.

Clearly, the Boy Scouts of America are deserving of our highest tribute for their outstanding contributions to our Nation. Since the beginning of this organization in 1910 they have given millions of young men an opportunity to come together, to learn, to develop, and to excel. The actual date of organization of the Boy Scouts of America is February 8, 1910. Additional recognition of the diamond jubilee year will be at the camporees and Scout shows in the months ahead and the different councils throughout the country.

The Hawk Mountain Council celebration will be held on May 10 and 11. This council is 15 years old. It was established when the former Daniel Boone Council in Berks County, which can be traced back to 1911, merged with Appalachian trails in the Schuylkill County Council. Hawk Mountain Council encompasses all of Berks County, all of Schuylkill County and a portion of Carbon County. There are nearly 10,000 youth in Cub Scout Packs, Boy Scout troops and Explorer posts in the Hawk Mountain Council. Hawk Mountain Council has strong business, community, and family support and is counted as one of the most successful councils in the Boy Scouting family.

The Hawk Mountain Council and the leaders and Scouts who have come together under its unity, exemplify the type of community spirit so important to the American way of life. The council has enhanced the lives of so many of our youth and it is especially fitting that we pay tribute to the

council and to the Boy Scouts of America today. I know that my colleagues will join me in wishing the council a most successful Scout show and continued success in all their future endeavors.●

"CAN-DO" REAGAN GOVERNMENT

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. MICHEL. Mr. Speaker, as we move forward into the second Reagan administration, it is useful to reflect on the work of those first 4 years. What were some of the successes in meeting the goals of the 1980 election challenge?

In a perceptive article entitled "'Can-Do' Government" published in the current issue of Policy Review (Winter, 1985), William Kristol draws our attention to the effectiveness of three appointees who have translated the challenge into a meaningful reordering of Government agency priorities.

The subtitle of the article: "Three Reagan Appointees Who Made a Difference" focuses on the work of Thomas Pauken, Director of ACTION, James Miller, Chairman of the Federal Trade Commission, and William Bennett, Chairman of the National Endowment for the Humanities and the new Secretary of Education.

At this time, I would like to insert into the RECORD, "'Can-Do' Reagan Government" by William Kristol as published in the current issue of Policy Review.

CAN-DO GOVERNMENT

THREE REAGAN APPOINTEES WHO MADE A DIFFERENCE

(By William Kristol)

William J. Bennett, James C. Miller III, and Thomas W. Pauken have defied the conventional wisdom about institutional paralysis in Washington. Neither Tip O'Neill nor career bureaucrats nor the *Washington Post* stopped these three Reagan appointees from translating their president's mandate into fundamental policy changes at the agencies they lead.

When Mr. Bennett took over the National Endowment for the Humanities (NEH) at the end of 1981, the agency was a roaring success by Washington standards: its budget had grown even faster than the norm during the 1970s. Unfortunately, there was no evidence that the humanities were better off as a result of these unfocused dollops of Federal spending. If anything, the NEH was aiding and abetting the shallowest and trendiest sorts of projects, those least likely to be of enduring value.

Three years later, the institution has been transformed. Its budget has been cut in real terms by 15 percent. The Division of Special Programs, which gave grants to such noted bastions of the humanities as labor unions and the National Organization for Women, has been eliminated. There is a new focus on restoring the vitality of core humanities disciplines: new guidelines for education grants promote basic courses in the humanities, and a successful new program provides summer seminars for secondary school teachers on great books or themes in the humanities.

Mr. Bennett has also played a role beyond the direct effect of NEH programs in reframing the public debate on education and the humanities toward a concern with excellence and with fundamentals. For example, his recent public request for lists of 10 works in the humanities that every high school student should read, and his argument that the knowledge of such works is more important than acquaintance with the latest trends, has strengthened the hand of "back-to-basic"-minded parents, teachers, and school board members throughout the nation.

If the NEH was drifting before Mr. Bennett took over, the Federal Trade Commission was self-destructing. Under the leadership of Naderite Michael Pertschuk, the FTC had become notorious as the "National Nanny" for its campaign against "unfair" advertising on children's TV programs; by 1981, when James C. Miller III replaced Mr. Pertschuk as Chairman, Congress had reserved for itself a legislative veto on all new FTC regulations, and had cut back on the agency's authority in various ways. In this respect, one might say that some of the Reagan Administration's work had already been done for it. But Mr. Miller was not content to preside over a relatively harmless FTC.

He has moved aggressively to transform the FTC into an agency that promotes the free market by moving against government-created restrictions on competition, such as municipal taxi-licensing, and by speaking out for deregulation and free trade within the Federal government. More important, he has made the FTC an example of rulemaking based on serious economic analysis.

No longer does a subjective judgment that certain business practices are "unfair or deceptive" justify government intervention and rulemaking; now the FTC requires solid evidence that consumers are actually harmed, and that the proposed remedy would improve the situation.

Not only has this resulted in fewer but better cases being brought by the Commission, and in more emphasis on voluntary compliance than on rulemaking, it also has elevated the level of public understanding about the workings of the market, and the effects of government intervention on markets.

OPENING NEW VISTAS

Another dramatic turnaround was engineered by Thomas W. Pauken at ACTION, the Federal volunteer agency. Mr. Pauken succeeded anti-war activist Sam Brown as director of ACTION; the director of VISTA, ACTION's most prominent component, had been Marge Tabankin, whose claim to fame was a comradely visit to Hanoi in 1972. Under these two, as one might expect, a good chunk of Federal volunteer funds were going to various New Left community organizing and advocacy organizations. Mr. Pauken has failed in his efforts to persuade Congress to abolish VISTA; but he has succeeded in reorienting a considerably smaller VISTA, and ACTION as a whole, away from left-wing politics.

Today ACTION focuses on voluntarism and self-help. A drug prevention program helps to enlist corporate leaders and money in supporting local parents' drug awareness efforts. In the Vietnam Veterans Leadership Program, veterans who have successfully reestablished themselves in civilian life volunteer to help other veterans with problems stemming from their war experience.

Mr. Pauken has not had the impact on the public debate in his field that Messrs. Bennett and Miller have had in theirs; but that is not due to any shortage of efforts on his part to articulate a theme of "voluntarism" as an alternative to liberal, dependency-creating social welfare policies. Rather, his lonely voice has been drowned out by others within the Administration determined to prove that the Reagan Administration is even more "generous" than its predecessors.

GOVERNING STRATEGICALLY

To the degree they have governed successfully, Messrs. Bennett, Miller, and Pauken all emphasize, it is because they have tried to govern strategically. This means first of all having certain fundamental objectives; as Mr. Pauken puts it, "You've got to have a strategy, and that means an agenda." This may seem too obvious to be worth saying; but few Reagan appointees have had a vision of what their agency should be doing, or have thought seriously about how to get there. Far more common is the simple desire to cut back on certain activities or the limited ambition to "manage" one's agency or department well.

All three of our political appointees distinguish their approach from either of these more common alternatives. Governing strategically is different from "good management," for example, because setting as one's goal "good management" means making no serious change in the direction of the agency. Furthermore, the attempt to "manage" non-controversially usually fails even on its own terms. According to John Agresto, Mr. Bennett's deputy, "it's those who try to make the least waves who get into the most trouble." They end up reacting to developments shaped by others, and fighting on others' terrain, at someone else's chosen time and place. And they end up being judged by criteria set by others.

The political appointee who tries to govern strategically, by contrast, not only has a substantive agenda; he articulates it clearly and publicly. Mr. Bennett offers this "first law" for political appointees: "Before someone else tells the world what you're doing, what you're about, get the bull by the horns and tell everyone—loudly and clearly and repeatedly—what it is you intend to do, and why you're doing it.

You need, first and foremost, to articulate a vision of what the agency should be." This is because in politics, unlike football, there is no referee who makes sure you have a turn on offense. "If you don't act as if you had the ball, if you don't put yourself on the offensive, setting the terms of debate around your agency, then you're on the defensive, and that's no place to be."

One implication of this perspective is that the political executive ought not to be afraid of publicity—or controversy. Mr. Bennett does not mind being called "the outspoken chairman" of the NEH; Mr. Miller does not hesitate to say, "I don't make any bones about it—there's been a change of emphasis and philosophy at the Federal Trade Commission"; and Mr. Pauken does not worry when it is said that he "has made his share of enemies" while transforming ACTION.

All three regard publicity, and controversy, more as a tool than as a threat—but only because they have attended to framing the terms of debate in which the controversy

will be reported. This, in turn, requires that the appointee have what Mr. Miller calls an "intellectual framework" that governs his actions within his agency but that also provides a basis for explaining and defending them. As Mr. Miller puts it, "Loyalty and good instincts are not enough. Without an intellectual framework either you get captured and don't get much done—or you get in a lot of trouble."

It is this framework that seems to distinguish Mr. Miller from, say, Anne Burford, President Reagan's first administrator of the Environmental Protection Agency. As one sympathetic Administration official explains, "She knew she was supposed to change things, to be more pro-business, but she didn't have ideas of her own. So she would ask the bureauracy for options and then choose the most pro-business one that was given her. She wasn't able to redefine the agenda; and in the end the bureaucracy and the media destroyed her." In reaction to Mrs. Burford's fate, many appointees who would have to be judged loyal Reaganites ran for cover: better to go native than to be eaten by them.

Messrs. Bennett, Miller, and Pauken avoided both these fates. All three wanted to cut back on certain activities of their agencies, but all found, in Mr. Pauken's words, that "you can't beat something with nothing." Having "something" does not necessarily mean having initiatives of one's own to propose, though that may help; it does mean articulating clearly and publicly a new understanding of the mission, a new governing philosophy of one's agency. Only by doing this does the political executive give himself a fighting chance not to be judged by the standard of whether he is liked by the relevant interest group network in Washington, or by the standard of whether what he does corresponds to the conventional (liberal) wisdom.

TAMING THE PRESS

Is the press sufficiently open-minded to permit a successful reframing of the debate? Mr. Miller comments ruefully that reports prove the dictum that "A little knowledge is a dangerous thing." But he agrees with Mr. Bennett that, at least in the case of the print media, the conservative political executive will on the whole be treated fairly if he can make a coherent and credible case. And he increases his chances of being treated well if he remembers that the press wants news—which means interesting stories. Mr. Bennett saw that asking for lists of books that every high school student should have read would be an interesting story; and the coverage of that story did as much to further his agenda of fostering a kind of back-to-basics movement in the humanities as any of the NEH's grants or any of his formal speeches.

Of course, the only thing the press likes more than an interesting story is a scandal. This means, Mr. Pauken says, that conservatives sometimes have to resist the temptation to have their offices redecorated. It also means that they have to ensure that there is no disjunction between what is said internally and what is said externally. Since everything in Washington will eventually come out, and since the press loves to think of itself as "exposing" the nasty truth beneath the high-toned rhetoric, honesty does turn out to be, to a surprising degree, the best policy.

Messrs. Bennett, Miller, and Pauken are all known for their candor, and they all recommend a policy of clearly proclaiming one's purpose, and then making operations conform to the statement of purpose. As Mr. Bennett notes, Reagan appointees do have the advantage that the public tends to agree with their purposes; therefore they can usually survive attacks on their statements of purpose, and on actions taken in accord with such statements. They do get in trouble when they are timid about publicly proclaiming their intentions, and then the press can expose a disjunction between stated policy and actual policy.

MOTIVATING CIVIL SERVANTS

One great advantage of redefining the terms of public debate is the effect this has within the agency. Mr. Bennett says that the best way to get NEH employees to work implementing a new idea is to announce to the press in advance that this is what the Endowment is doing. Professionalism and pride that their agency is doing something newsworthy may lead civil servants to cooperate, even if they disagree with much of the political appointee's program.

By instituting new programs in line with a mission that has been reasonably articulated, and by giving career employees opportunities to help make these programs successes, Mr. Bennett has found it possible to marshal cooperation and even support for the civil service.

Mr. Bennett also, to be sure, took advantage of the fact that though career civil servants are very hard to fire, they are easy to transfer at the same grade level; he used this mechanism to break up old loyalties and vested interests. But on the whole Mr. Bennett has found the civil service so "governable" that he has brought in only five or six political appointees to join a professional staff of about 250.

More than Mr. Bennett, Mr. Miller brought aboard his own team of top appointees at the beginning, people who shared the same general point of view and who were committed to his program. But he, too, says he was pleasantly surprised by how unresistant the career employees were: "I thought 80 percent of the career staff would be ideologically opposed; in fact the number was more like 20 percent."

And though he has been tough in dealing with civil servants when necessary, Mr. Miller says he is struck by how useful it is to spend time, at brown bag lunches and seminars, working to convince the career staff that his policies are intellectually correct—that they really will help consumers more over the long run. Miller also notes that he stood on principle against efforts of many, including Republicans, in Congress to strip the FTC of the authority to enforce the antitrust and consumer protection laws against the learned professions and city governments. His opposition, he says, was very important in winning a hearing for himself, and building support within the Commission.

Mr. Pauken inherited a group of career employees who were more ideological, and less professional, than either of the others. He therefore had to bring more political appointees into key line positions, using "Schedule B"—a civil service shortcut for hiring people with special skills—to bring in loyalists, and had to do more in the way of transferring and even firing civil servants in order to establish control over the agency. As if this were not enough, Mr. Pauken also had to fight hard with the White House to resist ACTION's being used as a "dumping ground" for loyal Reaganites, regardless of background or qualifications. Yet in the end, by sticking to his guns Mr. Pauken was able to hire a remarkable crew of associates, many of whom had little or no government experience and little in the way of political connections, almost all of whom have since moved onward and upward in the Reagan Administration.

By spending his first few months establishing internal control, rather than setting out on speaking tours as suggested by the career staff, he was also able to find out which career employees were willing to work with him, and which could not. Once most of the career civil servants saw, Pauken says, that he was not simply there to trash the agency, most came around, and "a good working relationship" now exists.

Indeed, as one of Mr. Pauken's former deputies points out, it may well be that activists like Messrs. Bennett, Miller, and Pauken get more cooperation from the civil service than would a "good manager." Civil servants are paid to manage, and they resent the claim by businessmen that they are going to come in and, for the first time, impose sound management practices. As long as the political appointee gives civil servants a chance to participate in implementing his program, most of them will be reasonably hospitable to the efforts of the political appointee to change the agenda of the agency. After all, even civil servants will admit, that is what we have political appointees for.

CANDOR, CLEVERNESS, AND CONGRESS

Getting control of the agency requires what Mr. Bennett calls the "will to administer"—the willingness to pay attention to detail, to personnel, to all of the boring chores that translate broad policies into real programs. But even a combination of the broad vision and the will to administer would be insufficient if Congress made the successful governance of an executive agency impossible. Mr. Pauken's effort to kill VISTA, Mr. Bennett's attempt to cut the budget further and to shift more funds from media programs to educational ones, and Mr. Miller's proposal to change the FTC's enabling legislation have all been thwarted by Congress. But all have nonetheless been successful in generally reshaping their agencies in accord with their new agendas. How?

Here again all three emphasize the importance of being able and willing to make a case and defend it, both in general terms and in its concrete implications. Most Congressmen are not spoiling for a fight with an articulate and confident defender of a particular vision of an agency. Of course that vision must fall within the legislative mandate, but most legislative mandates are sufficiently broad that executive officials have room to maneuver. Thus when Mr. Miller decided that Congress could not be persuaded to narrow the FTC's authority to police "deceptive" trade practices, the Commission was able to issue a policy protocol on deception administratively. And though Congress has saved VISTA, Mr. Pauken has succeeded in changing its character.

These three men also consistently sing the praises of candor and straightforwardness. Mr. Bennett stresses in particular the inadvisability of putting oneself in the situation of making deals with particular Congressmen, citing Senator Jacob Javits admonition that "if you dance with one, you have to dance with everybody," and your freedom of action is lost. Thus when one Congressman asked Mr. Bennett to ensure that a particular applicant receive a grant, Mr. Bennett responded that he would be happy to oblige—and would publicly announce that

this applicant's proposal had not been judged worthy, but that he was nonetheless receiving support because of the intervention of Congressman X. Mr. Miller tells a similar story of more gently rebuffing an attempt to sway his vote on a case; and both say they have not been bothered again.

Of course, candor does not preclude a degree of cleverness in dealing with Congress. When Mr. Bennett refused to submit affirmative action goals to the Equal Employment Opportunity Commission, he came under fire from Representative Cardiss Collins, chair of the House subcommittee that monitors "equal opportunity" practices in the Federal government.

Representative Collins demanded a list of the race and sex of all NEH panelists. Mr. Bennett responded that the NEH did not keep records of this; but wary of the trap of seeming to be "obstructionist," he sent all panelists a letter explaining Representative Collins's demand, and inviting them—as a matter of choice—to identify their race and sex. Mr. Bennett thus brought home his point about the indignity of quotas, and rallied political support behind him, while complying with the Congresswoman's request. But the key here, as in other areas, was the willingness to go public in defense of one's principles.

In the course of berating, Mr. Bennett for his stand on quotas, Representative Collins threatened to cut the NEH's budget. But in this respect, as Mr. Bennett points out, most conservative political appointees have a peculiar advantage in dealing with Congress: they often want lower budgets than Congress has given them. The reason most political appointees are captured by congressional committees is that they are first captured by their own agencies; those who view their job as moving their agency toward certain policy goals, rather than as increasing their agency's budget, can resist congressional pressure much more easily.

But resisting all of the pressures for accommodation is not easy. These men happen to have strong beliefs and forceful character; without these they would not have set out to transform their agencies in the first place. But though each of them is too loyal to complain about it, one learns from talking to others that in its first term at least, the Reagan Administration did little to support or reward the attempt by some of its appointees to take seriously the job of carrying through the President's program. The chances of more such appointees being willing to resist all the pressures in the second term would seem to depend on a White House commitment both to recruiting such individuals and to supporting them.

"An agency can be run effectively with a conservative philosophy," says Thomas Pauken. This claim must be vindicated before the American people will be willing to give that philosophy a hearing for more fundamental changes.●

HOW CAN WE HELP BUILD A PEACEFUL WORLD

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. GIBBONS. Mr. Speaker, as you and many of my colleagues know, last June I was privileged to participate in the ceremonies commemorating the 40th anniversary of D-day in Normandy. My participation in those meaningful events—both the original and the commemoration—provided an opportunity for me to recall how my service in World War II caused me to seek a life of public service; and particularly the opportunity to work for peace.

Some fine young people in my congressional district were also provided with an opportunity to think about the need for everyone to contribute to this effort when they entered an essay contest sponsored in Hillsborough County by the Sun City Peacemakers on the topic: "How Can We Help Build A Peaceful World?" It is my privilege to share with you today the two winners' thoughts. I know you will find them stimulating.

The winner at the high school level was Tommy Chen, a student of Mrs. Sylvia Sarrett at Chamberlain High School, in Tampa. Tommy is 14 and entitled his essay which follows:

PEACE: A WORLD CONCERN

Ever since the development of nuclear weapons, man has lived in fear of a war that could completely destroy his race. It is now imperative that mankind develop a system to insure that his fears are never transformed into reality. Unfortunately, such a task will not be an easy one and will require the co-operation of all nations. Nations must educate their people, improve relationships among themselves, and reduce their nuclear arsenals in order to bring world peace. These three steps are sequential, each establishing the basis for the next.

The first, education, is the vital factor that forms the foundation for this peace effort. It not only has the responsibility of helping to attain this goal but also of preserving it once the goal has been achieved. The young, who represent the future of the human race, must be taught not to be prejudiced against the governments of other nations because they are different. They must also learn that the government of a nation and its people may be two very different entities and that one does not necessarily reflect the other. Too often, American children are given the impression that all Soviet people are evil warmongers. Undoubtedly, Soviet children are given the same impression about Americans. Although both sides are obviously misinformed, this distrust is often carried into adulthood. Sadly, this distrust is not only found between these superpowers but is also prevalent in other rival countries. As long as this distrust remains, a permanent and world-wide peace cannot be achieved.

Finally, the young must be well-informed of all the consequences of a nuclear war. They must know the long and short-term effects of radiation sickness, radioactive fallout, and "Nuclear Winter" as well as the widespread destruction caused by a nuclear war. Only with this knowledge will the youth of this planet be able to make the decisions that will have profound effects on the future of the human race.

The second factor, the improvement of political relations among nations, will be the product of good education. First, politicians must stop using propaganda and rhetoric to cause their people to hate or fear the people of another nation. Second, when nations are in conflict, they should send more ambassadors to each other rather than withdrawing those that were already there. By sending more ambassadors, each nation shows its willingness to negotiate. With this attitude, it is more likely that a peaceful compromise can be reached. Finally, if the two nations are unable to settle their dispute between themselves, they should call upon an international peace organization such as the UN, OAS, or OAU to serve as mediators in their negotiations.

Since the heart of the problem, however, lies in the nuclear arms race, the most important result of good education and the improvement of political relations is the gradual elimination of the number of nuclear weapons. The arms race between the United States and the Soviet Union has increased the number of missiles on both sides and has strained foreign relations between these two superpowers. Since the negotiations on arms reduction between these two nations have made very little progress, these two countries should call upon the United Nations to mediate in their dispute and break the present stalemate. The reduction of nuclear arms must be carried out in mutual trust rather than each side accusing the other of cheating. It is of monumental importance that these two superpowers work together in the peace effort. This reduction, however, must not be limited only to the United States and Soviet Union but must also be carried out by any nation possessing these weapons.

Through these three methods—education, political reform, and arms reduction—man can strive for peace and harmony on his planet. The cost of this project will doubtlessly be phenomenal, but even so, it is a small price to pay for the preservation of humanity. It took millions of years for man to become the master of his planet. It can only be hoped that the technology that made man so powerful will not also prove to be his destruction.

At the junior high level, Tammie Rattray, a 12-year-old student in Mrs. O'Sullivan's class at Tampa's Young Junior High, won first prize with this entry:

I believe better relations between the United States of America and the Soviet Union would be a giant step in achieving world peace. Being the two strongest countries on the earth, together they could put an end to violence throughout the rest of the world. The question is, how can we settle our differences with the Soviet Union?

To achieve better harmony between the Soviet Union and the United States the two countries need to have more negotiations between top officials of the countries. A one to one basis is needed to talk about such controversial issues as weapons in space, territorial rights, and the amount of military power a country should have. The more negotiations we have, the better chance the two countries have to settle their differences and work together to help spread world peace.

I also feel that the Soviet Union, United States, and other countries with nuclear weapons should talk about putting into effect at least a partial or limited disarmament. Disarmament is needed now because any nation that has large stockpiles of nuclear weapons must spend a large portion of its resources on maintaining and increasing them. It is well known that countries in an arms race must keep many of their scientists and engineers working on military projects. In 1973, it was reported that the Soviet Union was recruiting geophysicists,

meteorologists, and other scientists to work on space stations. Was this for peaceful or militaristic purposes?

There is a history of the United States and Russia making and breaking peace agreements. In 1961, Russia resumed testing atomic weapons, breaking a test ban that had lasted nearly three years. Shortly after that, the United States resumed its testing. In 1962, the Cuban Crisis brought the United States and the Soviet Union to the brink of war. It was this crisis that convinced both countries of the need for controls on nuclear weapons. As a result, in 1963, the Atomic Test Ban Treaty was signed by the United States and Russia. This treaty was a step in the right direction, but why did the two countries have to come so close to war to realize this?

As the number of nations that possess nuclear weapons increases, so does the chance that a nuclear war may begin. There will never be any assurance of peace as long as large stocks of nuclear weapons exist in the world.

There are a number of other ways Russia and the U.S. could work together to eradicate violence in the world. Russia and the United States should make a bolder effort to work together on exploring the vast regions of outer space. Space, if used correctly, could be of great benefit to mankind. Weathermen can receive warnings of storms with pictures taken by weather satellites. Physicists can perform experiments to unravel the laws of nature for the betterment of all people of all nations. Navigators can map the positions of ships using signals broadcast from navigational satellites. Telephone calls and television pictures can be sent around the world by communication satellites. All of these are examples of the nonviolent uses of outer space.

The Space Age officially began October 4, 1957, when the United States and Russia began the space race after the launching of Sputnik I. During the early years of the space age, success in space became a measure of a country's leadership and national defense. President John F. Kennedy focused the national attention on the space race, and set as a national goal that the United States would reach the moon before the end of the 50's decade. In 1958, the first U.S. satellite was launched. Three years later, on April 12, 1961, a Russian became the first man to fly in space. It is interesting to note that five days later, on April 17, the Bay of Pigs invasion occurred. In a similar vein, as Alan Sheppard became the first American in space on May 5, 1961, that same year the Berlin Wall cut off East Berlin from West Berlin. It seems that as the space race intensified, so did the tension between the Soviet Union and the United States. Instead of taking a competitive attitude toward the exploration of outer space, I believe a more cooperative approach should be taken.

In 1963, the General Assembly of the United Nations declared that other space should be used for the benefit of all people. Twelve years later, in 1975, the United States and Russian had their first joint space mission—the Apollo-Soyuz Test Project. On July 17, a three man U.S. Apollo space craft docked with a Soyuz with two Russian cosmonauts. Then for two days they conducted experiments together. This is an example of what we can accomplish when we work together.

According to the Russians, they seek space pilots on the basis of their "spiritual and ethical qualities, ideological views, and social attitudes." If they could dwell on such areas with the United States and work together, like we did in 1975, we could open new horizons in the peaceful and non-violent exploration of outer space.

The U.S. and Russia could also co-operate in the development and exploration of the resources of the sea. In 1967, the United Nations agreed that a large area of the sea bed should be beyond the control of individual nations and should be used for the benefit of all people. And then in 1971, a treaty was developed which barred the testing of nuclear weapons from the sea bed beyond a twelve nautical mile coastal range. The United States and Russia could well take a leadership role in similar co-operative measures for the exploration of the resources of the sea and the peaceful use of the knowledge gained.

Another way to promote peace is through the Olympic Games. They are an excellent way to encourage world peace and friendship. The Soviet Union and the United States could do a great deal to keep politics out of the Olympics and set an example of friendship and peace for the other participating nations.

I feel the United Nations is an excellent way to bring nations together. The United Nations works for world peace and the betterment of humanity, its two goals being peace and human dignity. Many times disagreements (including those between Russia and the U.S.) among United Nations members interfere with their peacemaking ability. Once we have an organization such as the United Nations, it takes the leadership and dedication of the major world powers to achieve the organization's goals. In many instances the United States and Soviet Union prefer to use their own forces to settle conflicts. This makes me doubt their dedication and allegiance to the ideals of the U.N.

The United States and Russia need to work co-operatively in the area of human rights. Many people in underdeveloped nations have a very low standard of living and in some cases are not treated well. If Russia and the United States could get together and use their resources co-operatively they could help people in these underdeveloped nations. In 1961, President Kennedy sent thousands of Americans in the U.S. Peace Corps abroad to help people in underdeveloped nations raise their standards of living. Maybe the two countries could get together and organize a similar program on an even larger scale. If the United States and the Soviet Union could do this, other nations might follow their example.

If Russia and the United States could become allies, I believe the whole world would benefit. There are many things Russia and the United States could do together that couldn't be done alone. Hopefully, they can settle some of their differences in the near future and help other countries, thereby benefiting all the people of the world.

Mr. Speaker, these young people are to be commended for the thought they have given to a subject of grave importance. As Tommy says, "man can strive for peace and harmony on his planet" through education, political reform, and nuclear arms reduction. And so man must.●

LITHUANIAN INDEPENDENCE DAY

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. EARLY. Mr. Speaker, I rise today to join my colleague FRANK ANNUNZIO in commemorating the 734th anniversary of the Lithuanian Republic and the 67th anniversary of their declaration of freedom and independence from Russian domination and oppression.

This is both a joyous and disturbing commemorative day. Joyful because we may honor February 16, 1918, as the day of the establishment of a free and sovereign Lithuanian Republic; but disheartening because this independence was so short lived. In June 1940, Soviet troops invaded Lithuania, Latvia, and Estonia, quickly ending over two decades of freedom relished by the Baltic States. This relentless and hostile annexation was in direct violation of a peace treaty signed July 19, 1920, by both Lithuania and the Soviet Union. The treaty stated that the Soviet Union "voluntarily and forever renounces all sovereign rights possesssed by Russia over the Lithuanian people and their territory."

During the first days of the 1940 invasion, over 30,000 Lithuanians were deported to labor camps in Siberia. It is estimated that between 1945 and 1951, during Stalin's brutal and violent reign of terror, 340,000 Lithuanians were arrested and deported by the Soviet Army. Ironically, the persecution and atrocities committed by the Soviets against these people and the Lithuanian Republic has only strengthened their unbending spirit and courage. The 22 years of independence rightly enjoyed by Lithuania will remain imbedded in the wills and hearts of these freedom-loving people forever.

Today, the Soviet Union continues their oppressive "Russification" of the Lithuanian and Baltic States in the attempt to disperse and break these peoples' fierce sense of nationalism and their cultural and religious identity. Soviet efforts, however, to deport Lithuanians throughout the Soviet Union and to encourage and order ethnic Russians to settle in Lithuania to promote the Russian language and culture there, seems only to increase the Lithuanians passionate quest for self-determination and freedom. The Soviet attempts to subvert the Catholic Church, perhaps the most important institution for spiritual and cultural expression in Lithuania, has only succeeded in strengthening the faith and religious beliefs of the people as they pray for the end of Soviet domination and continue to spread the

Word of God and message of freedom throughout the land. Although the persecution and deportation of clergymen and clergywomen and the destruction of monasteries and convents in common practice by the Soviets, faith, worship, and prayers of hope by the Lithuanian people continue to prevail.

The United States will never recognize the illegal occupation of Lithuania and the Baltic States. I am proud to join my colleagues and over 1 million people of Lithuanian descent residing in the United States in honoring the 67th anniversary of the Declaration of Lithuanian Independence and in celebrating the spirit and courage of the Lithuanian people.●

CASH FLOW INCOME TAX

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. HEFTEL of Hawaii. Mr. Speaker, today I am introducing a bill to replace our present income tax with a progressive cash-flow income tax. I am introducing this proposal as an alternative to those tax reform proposals already presented to Congress because I feel that my proposal provides the best incentive for savings and investment. Only through sustained incentives for savings and investment can we attain the capital formation vitally needed for long-term economic growth and enhanced employment.

The present income tax structure is so weak and diminished by exclusions, deductions, exemptions, credits, and other tax privileges that it is no longer capable of distributing the tax burden in an equitable manner.

At the same time, long-term U.S. economic growth has been poor at best. Our savings and investment rates are lower than those of our faster growing allies in Canada, Japan, France, and West Germany. Today, income is taxed when it is first earned and, again, when the savings generate additional income. The U.S. income Tax Code discourages saving and subsidizes consumption.

The taxation of cash flow provides the best incentive for savings and investment. Under the cash-flow income tax system, all income is taxed once—either at the time of consumption or at the time of death in estate tax form. Cash-flow tax can be deferred as long as one's lifetime, providing the stimulus for capital formation. The formation of capital will result in positive, long-term economic growth and enhanced employment.

Therefore, I am proposing a cash-flow tax which will assess people according to their personal expenditures, not according to their income. People would be taxed not by how much they put into the national product, but by how much they take out.

In this bill, annual cash flow is derived by calculating the value of his or her total receipts in the year using the W-2 and 1099 forms as presently used. From that value is subtracted the amount of net savings and investment made by the taxpayer during the year. The difference between what was received and what was saved over the year is cash flow—the tax base.

It is necessary that the taxable base of the cash-flow tax be broader than that of any income base since consumption by definition is smaller than income. Thus, to raise adequate revenue levels, the tax base or tax rate on a comprehensive cash-flow base would have to be higher than that on a comprehensive income base.

In addition to the inclusion of all forms of income in the taxable base—net capital gains, all dividends and (most) interest, retirement income, and all gifts and bequests—unemployment compensation would also be considered part of the taxable base.

The remainder of the taxable base would be made up of net borrowing amounts for that year. However, borrowing to buy a principal residence is excluded from the tax base. Conversely, debt repayment is subtracted from the base, or the adjusted gross cash flow. This bill also provides for a lifetime exclusion of $20,000 in borrowing for every individual.

A limited number of deductions, or a standard deduction, would be subtracted from AGCF and graduated tax rates would be applied to the taxable cash flow.

Deductions allowed to be subtracted for individuals include: First, mortgage interest payments on principal residence and interest on indebtedness for purchase of investment assets and that incurred in the conduct of trade or business (whether personal or partnership); second, medical expenses in excess of 5 percent of adjusted gross cash flow; third, charitable contributions up to 5 percent of an individual's adjusted gross cash flow; fourth, State and local income taxes; and fifth, uninsured property losses in excess of $500.

We would also provide credits of $200 for each personal exemption, which is equivalent to a $2,000 exemption. However, the credit provides the same value at the 30-percent consumption rate level as it does at the 10-percent level.

The bill repeals most of the current credits and deductions provided for businesses and individuals. Depreciation for property placed in service by a corporation during the taxable year would be expensed or subtracted to arrive at adjusted net income. Indexing would not be necessary since the current value of money is the basis for the tax. Therefore, inflation has no effect on the rates. As an offset to the expensing of depreciation, which is most attractive for capital formation, current deductions for capital gains, investment tax credits, and foreign tax credits would all be repealed. Similarly, fringe benefits, such as contributions by employers to health and life insurance plans, would be included in the individual's taxable base. The amount of medical insurance added to the taxable base would likewise be accrued toward the 5 percent of adjusted gross cash flow level necessary for the medical deduction. Deductions for real and personal property taxes would also be repealed.

We provide for three progressive rates: 10 percent, for married individuals filing jointly up to $15,000 in consumed income and unmarried individuals up to $12,000; 23 percent for married individuals filing jointly and unmarried individuals up to the Social Security wage base; and 30 percent for those above the Social Security wage base. A family of four with less than $12,000 in consumed income will pay no taxes. The indexing of the Social Security wage base provides for automatic indexing of the 30-percent rate. However, language to index other individual rates could be incorporated. Meanwhile, corporations would pay one rate, 30 percent, on retained earnings.

We provide for zero bracket amount deductions of $4,000 for individuals, $6,000 for heads of household, and $8,000 for joint returns. A tax credit of $200 is included for each dependent claimed.

A cash-flow tax system would simplify our Tax Code by repealing the loopholes listed in today's massive number of deductions and credits. Expensing of depreciation, and incentives for savings and investment will provide the mechanism for the increased capital formation needed for revitalization of American business.

A cash-flow tax system is workable, simple, and effective in developing the capital necessary for long-term economic growth. I hope that my colleagues will seriously consider the merits of this proposal.●

LITHUANIAN INDEPENDENCE DAY

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. McGRATH. Mr. Speaker, I rise today to join in the commemoration of the 67th anniversary of the restoration of Lithuanian Independence.

The declaration of Lithuanian independence came at the tail end of World War I upon the withdrawal of

its two occupants, Germany and Russia. Lithuania remained independent for parts of two decades, however in 1940, 300,000 Soviet soldiers invaded Lithuania. As in most nations the Soviet Union has illegally annexed, human rights were denied, dissension to official Soviet policy was punished, mass deportations were carried out, religious expression was outlawed and all land was nationalized. In the later stage of World War II, Lithuanians suffered at the hands of the imperialist and bloody Nazi regime. After the war, Lithuania again came under Soviet control.

Yet despite a tragic history of foreign domination and oppression, the spirit of Lithuanians around the world remains strong in the pursuit of the restoration of a truly free homeland. Their struggle has been valiant. Occasions such as today's special order which lend tangible support to the ongoing struggle for Lithuanian independence are important in the realization of that goal.●

REPORT ON NORTHERN IRLAND

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. LENT. Mr. Speaker, my good friend Peter King, comptroller of the county of Nassau, NY, has returned from a recent visit to Northern Ireland. At his request, I would like to share a report of his visit with my colleagues. Mr. King's report follows.

LOYALIST ALIENATION IN NORTHERN IRELAND: AN OPPORTUNITY FOR A DIPLOMATIC BREAKTHROUGH

(By Peter T. King)

During the period of January 26-January 31, 1985, I was in Belfast, Northern Ireland at the invitation of Families For Legal Rights which is an organization comprised of relatives of loyalist defendants who have been charged on the uncorroborated testimony of "supergrass" informers.

The purposes of this visit were (a) to observe the current loyalist supergrass trial where 29 alleged members of the outlawed loyalist para-military Ulster Volunteer Force (UVF) are being tried on the uncorroborated testimony of supergrass James Crockard and (b) to meet with leaders and representatives of the loyalist community.

These supergrass trials, where large numbers of defendants are tried together for unrelated crimes, without a jury, and are convicted on the uncorroborated testimony of a supergrass informer are show trials reminiscent of Stalin's Russia. The judiciary of Northern Ireland has surrendered its independence and has become a mere adjunct of British military policy. The use of supergrasses is merely the latest abuse by England of Northern Ireland's criminal justice system. Previous abuses, some of which continue to date, include internment without trial, tortured confessions, the use of lethal plastic bullets against civilians, and indiscriminate searches of homes and arrests of civilians by security forces.

I accepted the invitation of Families For Legal Rights because it has always been my position it is just as wrong when loyalists have their rights violated as it is when nationalists' rights are violated. Human rights are universal and cannot be allowed to be restricted by political or sectarian boundaries. I also believed it was significant that a hard-core loyalist group, which was fully cognizant that I was a Catholic and supported the nationalist cause, would invite me to assist it. This signaled to me a considerable change in loyalist thinking.

The Crockard trial is as violative of due process and civil and human rights as were the McGrady and Grimley trials. In virtually every particular this loyalist trial equaled the nationalist trials in its perversion of justice. Even if any or all of the 29 defendants are acquitted, justice will not have been done because the lives of the defendants and their families will have been devastated because of a criminal prosecution and trial which were fatally defective ab initio. In fact, the supergrass trials are a sophisticated version of internment because whether or not the defendants—bowing to international pressure, the judges have been acquitting defendants on evidence which would have been more than sufficient for conviction just one year ago—large numbers of them are imprisoned from the time of their arrest until trial. This time "on remand" often exceeds two years.

What has made the supergrass system unique is the extent to which it has been imposed upon the loyalist community. Internment, tortured confessions and plastic bullets were directed primarily against the nationalist community and this caused England considerable public relations problems. England attempted to avoid this problem with the supergrass system by charging loyalists as well as nationalists, thereby giving the appearance of even-handedness.

This has outraged the loyalist community for several very basic reasons. First, in their frenzied pursuit to erect the facade of impartiality, the British have charged loyalists on evidence which, in some instances, is even less credible than the evidence against nationalists. Second, the "terrorist" offenses for which the loyalists are now being charged are the very type actions which, in the past, the British security forces condoned and even encouraged them to commit against the nationalists. Third, while the British have moved against the loyalists in the past, it has never been on this scale or to this extent. Indeed, the loyalists have historically viewed themselves as the ultimate defenders of British rule in the six counties. For loyalists to witness the British system of justice being so horribly perverted with themselves included among its victims is psychologically shattering to growing numbers of loyalists.

The extent to which many working class loyalists feel alienated from England was made clear to me in my meetings with Families for Legal Rights and with loyalist politician George Seawright and with Andy Tyrie who is the commander of the loyalist paramilitary Ulster Defense Association (UDA).

At this juncture, I believe that my terminology should be defined. In the context of Northern Ireland, "loyalist" is interchanged with "Protestant" and "nationalist" is interchanged with "Catholic". It has been, however, and continues to be my firm belief that the tragedy of Northern Ireland is in no sense a "religious" conflict. The loyalists historically were Scotch or English settlers who happened to be Protestant and the nationalists were native Irish who happened to be Catholic. It has also been my belief that the loyalist and nationalist communities have far more in common with one another than they do with England. The British, however, have succeeded in dividing the communities and pitting one against the other by according the loyalist majority a status superior to the nationalists. Among the working class, however, where, ironically, the animosity is most bitter, the loyalist superiority is often marginal. As Andy Tyrie stated to me: "The Catholics have always claimed they have been second class citizens in Northern Ireland. That is not true. The loyalists were the second class citizens; the Catholics were third class citizens."

I do not for a moment minimize the extent of the breach between the communities. Nonetheless, I believe that there now exists a unique diplomatic opportunity which should be seized before the moment passes. The ideal role for the United States to play is as an honest broker. Every effort should be made by the United States to encourage meaningful dialogue between the two communities on issues of mutual relevance and importance. Supergrasses and strip-searches are two such issues. Additionally, the United States must not only permit but indeed encourage loyalist and nationalist representatives to set forth and articulate their positions to the American people. In short, the United States must descard its visa denial policy and allow all Northern Ireland representatives into our country including nationalists such as Gerry Adams, Danny Morrison and Owen Carron and loyalists such as Andy Tyrie, George Seawright and Ian Paisley.

The time has also long since come to acknowledge that a war situation exists in Northern Ireland and that peace will never come until all parties to the conflict including para-militaries such as the Ulster Defense Association, the Ulster Volunteer Force and the Irish Republican Army are permitted to take part in whatever negotiations are ultimately held.

Ideally, the United States would set this process in motion by furthering the dialogue between loyalists and nationalists. Even, however, if the dialogue does not bring about a long-term political solution, it could nevertheless result in the alleviation of human rights violations by the British against both communities and that in itself would be a very meaningful achievement.

The people of Northern Ireland have suffered too long and too hard for the United States to ignore the potentially historic diplomatic opportunity which presently exists. The time for action is now. The judge is history.●

PROPOSE RESTRICTIONS ON EXPORT OF NORTH SLOPE OIL

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. WOLPE. Mr. Speaker, I am pleased to join with my colleague from Connecticut, Mr. MCKINNEY, to once again introduce legislation extending vital restrictions on the export of Alaskan oil. These restrictions, contained

in section 7(d) of the Export Administration Act, guarantee that no export or swap arrangements involving Alaskan oil will be permitted unless it can be clearly demonstrated that such exports would directly benefit the American consumer and would serve our national security interests.

These restrictions were overwhelmingly endorsed by both Houses of Congress with the passage of the Export Administration Act in 1979. This support was reaffirmed in the last session of Congress when 237 House Members cosponsored legislation identical to the legislation we are introducing today. Although I was successful in attaching a slightly modified version of our legislation to the bill reauthorizing the Export Administration Act last term, the effort to forge a compromise with the Senate on other, more controversial, provisions of the reauthorizing bill failed in the final days of the session. Therefore, we present our legislation again in anticipation of efforts to renew the Export Administration Act in this Congress. Let our resolve on this issue be equally firm in 1985: it simply makes no sense from either an economic or a national security perspective to allow unrestricted exports of our finite reserve of Alaskan oil. I urge my colleagues to join us in the fight to protect American consumers, and to promote a wise and responsible export policy that will serve both our energy and national security interests.●

INTERNATIONAL TELECOMMUNICATIONS COMPETITION ACT OF 1985

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. MARKEY. Mr. Speaker, today I am introducing the International Telecommunications Competition Act of 1985, a bill to promote full and effective competition in international communications. I offer this bill in order to open up the process which determines our international telecommunications policy, and also to assure that American industries can compete on an equal footing with their foreign counterparts.

Congress created the Communications Satellite Corporation, Comsat, two decades ago to meet national and world needs at the birth of the space age. Twenty years later the information age is now mature and we find our Nation's high tech industries struggling to cope with an outdated structure while facing stiff competition from abroad.

Today we stand on the brink of change in the international telecommunications arena. From this vista, I think a new look at Comsat and its structure is entirely appropriate. Less than 2 months ago, President Reagan sent to the Federal Communications Commission the recommendation of a special Federal task force that Comsat should not retain its monopoly status, that international competition would serve our national interest. As a result of the President's recommendation, the Federal Communications Commission has begun to examine Comsat's monopoly position in light of the President's recommendation and ask a question I have asked for many months: Why should Comsat be immune from competition?

In the context of this debate, I think the timing is fortuitous for an examination of Comsat's structure. I find it consistent with the other discussion now focused on Comsat and I believe it gives us a special opportunity to reshape our international telecommunications system in order to meet the exigencies of the 1980's.

This bill addresses four major problems currently plaguing our international telecommunications system.

First, Comsat is engaged in both monopoly and competitive activities. This corporate structure creates the potential for cross-subsidization that unfairly increases costs to telecommunications users and to the American public at large. In addition, these cross-subsidies place the industry at an unfair disadvantage in competition with Comsat's subsidiaries.

Second, Comsat—a private entity—serves as the official U.S. representative before the international satellite organizations, Intelsat and Inmarsat. As our representative at these organizations, Comsat sits beside offical government representatives from over 100 other nations. A competitor in the rapidly growing telecommunications industry, Comsat has substantial conflicts which impinge on its unbiased implementation of U.S. policy. I believe this situation hampers our Nation's ability to compete fully and fairly in the telecommunications field.

The third problem involves an inherent conflict of interest which Comsat faces. At the Intelsat table, Comsat stands out as the only delegate not directly controlled by its Government. Our Nation suffers from this arrangement because many other Intelsat delegates turn over the documents they receive at the meetings to their fellow countrymen who manufacture communications equipment. As a result, Comsat is the only company in the United States that has the timely access to these important documents, while many foreign manufacturers enjoy significant lead time advantages in the development of equipment for international communications services. Consequently, American companies find themselves left at the starting gate and American workers find themselves losing the race to foreign competition.

Fourth, there is presently no method to assure that Comsat complies with the instructions of our Government when it represents the United States at Intelsat or Inmarsat. Indeed, we allow this company, with its own agenda that may or may not be the same as the public interest, to be our official spokesman with no effective supervision. This problem cannot be dismissed as simple paranoia. In fact, a representative from the State Department testified last summer that there was evidence that Comsat failed to follow the clear directive from our Government. If we intend to have our national interest served unwaveringly at critical international meetings, then this situation must be rectified.

The Federal Communications Commission and the Departments of State and Commerce have attempted to offest these problems with burdensome regulatory oversight. The International Telecommunications Competition Act, however, offers solutions to these problems that address the underlying conflicts inherent in the present legislative scheme.

Mr. Speaker, the bill I introduce today requires timely public disclosure of the documents Comsat receives in connection with its Intelsat/Inmarsat activities. This should put American firms back in a fair competitive position with respect to foreign manufacturers. It requires the divestiture of Comsat's competitive ventures. In short, it presents a legislative framework that returns the corporation to the original activities that Congress envisioned for it. These changes also would eliminate the possibility of unfair and anticompetitive cross-subsidization of monopoly and competitive endeavors.

In addition, this bill authorizes the President to appoint a representative to Comsat's delegations to Intelsat and Inmarsat in an effort to monitor the corporations' compliance with our Government's instructions and to avoid the situation I described before. This provision should help insure that our national interests is articulated forcefully at Intelsat and that the policies which are pursued in our name really represent the best interests of our country, and not just the interests of one company.

Finally, it creates a mechanism for public input into the process by which governmental instructions are formulated and implemented. This feature would give the public a voice in the formulation of our international telecommunications policy and insure the fair input of American firms into our communications policy.

I invite my colleagues to join me in join me in supporting this bill and ad-

dressing these critical communications issue facing our Nation.●

A TRIBUTE TO COL. WILLIAM HARRIS

HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. MITCHELL. Mr. Speaker, on Tuesday, February 19, 1985, city, State, and Federal officials and hundreds of his friends attended the funeral services of Col. William Harris. He was my friend. During the days of the civil rights struggle we were often together, working cooperatively to prevent violent confrontations between protesters and law enforcement agents. At the height of the Vietnam protest we worked together, successfully stopping violent confrontations.

For more than 12 years Colonel Harris volunteered his services to my advisory board which makes recommendations to the military academies. He was as devoted and zealous in that capacity as he was in every endeavor he undertook.

The following editorial from the Baltimore Afro-American newspaper tells of his life far more effectively than I could ever do.

[From the Baltimore Afro-American, Feb. 16, 1985]

WILLIAM "BOX" HARRIS

When young blacks hear about pioneers such as William "Box" Harris who died this week they don't fully appreciate the magnitude of their contributions. "Box" Harris was not only a pioneer in law enforcement and national guard matters he was also a mediator and peacemaker in an era characterized by anger and confrontation.

Harris served in both World War II and the Korean War and spoke out against the sickness of racism in the military. In between the two wars he managed to graduate from Morgan State.

He became Maryland's first black parole officer in 1952 and four years later he became the first black U.S. Deputy Marshal. During the bitter racial turmoil that struck Cambridge in 1964 Harris served with the National Guard as a captain.

He resigned from his marshal's job to remain in Cambridge as an economic development program officer helping the residents to bring about economic opportunity for blacks and heal the racial tensions that rocked the community.

Harris was appointed head of the city police department's community relations division by Gen. George Gelston, acting head of the department of 1966 and he is credited with helping keep Baltimore cool during the long hot summers that plagued the nation during the 60s. In 1971 he was promoted to lieutenant-colonel and made head of the traffic division.

Harris was also the first black law enforcement official to apply for membership in the Maryland Law Enforcement Officers Inc. His membership was accepted.

In 1971 he retired from the National Guard after 20 years service.

Governor Mandel appointed Harris special executive assistant for community affairs in 1973 and he served in the post until 1979 when he retired.

Harris was a man who fought injustice yet he was able to bring disputing factions together because of the respect he earned and because of his uncompromising stand against discrimination. He was a first and he was a giant among his contemporaries. He will be missed.

To say he will be missed is almost an understatement. He was indispensable in his time, and therefore leaves a large void in the life of our communities.

HEALTH MAINTENANCE ORGANIZATIONS: THE NEXT 10 YEARS

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. DWYER of New Jersey. Mr. Speaker, it is an honor for me to share with my colleagues a statement by Mr. Thomas P. Hartnett, president of Healthways, a health maintenance organization [HMO] based in New Jersey's Sixth Congressional District. This statement provides an informative look at the growing HMO alternative to providing cost-effective, quality health care services to our constituents.

The statement follows:

HEALTH MAINTENANCE ORGANIZATIONS [HMO's]—THE NEXT 10 YEARS

(By Thomas P. Hartnett)

Nearly ten (10) years have elapsed since the first Health Maintenance Organization (HMO) received federal qualification, representing the beginning of a federal initiative to introduce prepaid, competitive programs as an alternative form of health care financing and delivery to the American people. According to the Office of Health Maintenance Organizations, there are now more than three hundred and twenty-five (325) HMO's serving in excess of 14 million enrollees. More than fifty (50%) percent of these programs became operational through his federal effort.

The federal government, which supplied funding through grants and loans, awarded its last grant for development or expansion in September 1981, and has phased out the loan program. The successful development and funding effort has been replaced by the Office of HMO's pursuing strategies to encourage private sector involvement.

The first ten (10) years of the HMO "industry" saw the health care field dealing with governmental regulation regarding cost, planning, and health care delivery. This environment is now being modified by marketplace forces which directly involve the payors and providers of health-care services in decisions regarding facility and service needs of their respective constituents.

Other major philosophical changes are resulting in significant developments which will impact over the next decade on the financing and delivery of health care services. HMO's will remain on the cutting edge of these developments. HMOs are in an excellent position to create efficient delivery of quality health care services because of their unique provider/payor characteristics of operation.

Change is coming fast. Last year $1,365.00 was spent for health care service for every person in the U.S. Federal, state and local governments paid forty-two (42%) percent of this amount, and they are looking for methods to control further spending. Employers have seen their health care expenditures rise seven hundred (700%) percent since 1970, whereas the G.N.P. in comparison has risen by two hundred and eleven (211%) percent. Employers are now very actively looking at ways to limit their cost increases for health care benefits for their employees without reducing those benefits. In addition, a longer-living populus now requires greater amounts of health services, and significant life-expanding technological innovations (E.g., artificial organs, limbs, etc.), while welcome, involve additional costs.

Over the next 10 years, many medical and surgical procedures will be performed in surgicenter-type facilities, and more services will be available to be provided in the home. The trend will also be toward basing health care costs on the rationality of services being provided.

In summary, the HMOs of today are in the premier position to blend their operating characteristics with the massive change that is taking place. Those that can and do adapt will be in the forefront over the next decade in providing for quality and cost-effective health care services.●

CONGRESS CAN SAVE MONEY ON UNEMPLOYMENT COMPENSATION ADMINISTRATIVE COSTS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. STARK. Mr. Speaker, yesterday I introduced H.R. 1143, "The Unemployment Insurance Administrative Cost Improvement Act of 1985," which is designed to make the unemployment compensation [UI] system more cost-efficient.

All too frequently, the Congress has overlooked the opportunity to save millions of dollars by improving the administration of the UI Program. At the Federal level, the Department of Labor's Employment and Training Administration administers the UI Program and is essentially responsible for assuring that the States operate effective and efficient systems. In actuality, the UI Program is executed at the local level by 53 UI jurisdictions in accordance with their own State laws and policies and with their own employees. As a result, there are significant differences in productivity rates among States and offices within States. According to the Government Accounting Office [GAO], much of the difference is attributable to variations in operating practices. For ex-

ample, in 1982, productivity among all States ranged from a weighted average of 19 to 40 hours per case. This wide separation has persisted for at least the past 5 years. This means that some States are using up to twice as many staff hours on average as other States to do essentially the same thing. The range within a State is even greater. In 1982, in one State, the range was from 7 to 29 hours per case, and in another State, the range was 6 to 59 hours per case, a 939 percent variance.

These variations in efficiency within and among States could be significantly cut if two major improvements were made in the administration of the UI State programs.

Possibly the most important cost-efficient step necessary is to modernize the outdated computer system now in place. The UI system has in the past—and will in the future—relied heavily on its use of automated technology to carry out its unemployment insurance and employment service responsibilities. In spite of this fact, there have been no major investments in data processing systems since the mid 1970's. The result of this lack of funding is that the UI system is now being supported primarily with obsolete data processing equipment and aging patched together computer programs. This legislation would make available assistance to the States to establish and implement modern computer programs, equipment and operations in the local offices of the State agencies.

The greater matching of staff to workload is the second major step needed to improve the cost effectiveness of the UI Program. In UI offices, the workload can fluctuate by day by week and by season and may vary as much as 200 percent or more within 1 year. Often to adjust for these changes, part-time employees are utilized. This legislation seeks to increase the use of permanent part-time employees in order to account for these fluctuations and to provide a labor force that is experienced enough to produce high quality work efficiently.

The GAO has estimated that computer improvements and the better matching of staff to workload could save about $140 million annually in salary costs.

The use of a one-step notice of termination is a third cost improvement measure contained in this bill. The processing of claims can be facilitated by having employers provide their employees or the UI office a notice citing the reason of termination. Such a notice saves time by eliminating the need for the local UI office to prepare and mail a form to the employer asking for confirmation of the reason for termination. It also eliminates the need for the employer to look up the information and complete the form. Additionally, it allows faster service and reduces the potential for erroneous payments.

Provision has also been made to allow the States to retain 50 percent of their contingency funding. This will allow the local offices to quickly hire temporary or intermittent staff during times of rapidly increasing workloads and to acquire the space and equipment to serve the unemployed.

Last, the bill removes the State UI trust funds from the Federal unified budget. State UI trust funds were included in the Federal unified budget by Executive order in 1968. This action has focused Federal attention on UI benefits as a means of reducing the Federal budget. This creates a false sense of cost savings because the State funds cannot be used for anything but the UI Program.

A short factsheet follows which explains the provisions of the bill in more detail:

SECTION II—ADMINISTRATIVE IMPROVEMENTS

The State agency is to establish within 2 years of enactment:

1. Computer programs to determine individual eligibility and benefits at the local UI offices.

2. Written notices from employers to employees stating the reasons for termination of employment to assist in the determination of eligibility for UI benefits.

3. Greater utilization of part-time personnel on a permanent basis in the administration of the UI program.

4. Utilize other administrative practices—including payment of benefits on a biweekly basis—and recommendations of the Secretary of Labor.

To facilitate implementation of the above, the Secretary of Labor is to:

1. Fund modern computer programs and equipment.

2. Provide technical assistance for employer termination notices.

3. Establish a model of productivity practices and procedures for the administration of the UI program.

SECTION III—BUDGETARY TREATMENT OF STATE UI FUNDS

1. Effective with fiscal year 1990, UI trust funds are to be removed from the unified budget.

SECTION IV—RECOVERY OF ADMINISTRATIVE CONTINGENCY FUNDING

1. States are to retain 50 percent of their contingency funding to be utilized for part-time personnel or nonpersonal service costs.

2. No recovery of contingency funds is made until the fourth quarter of the fiscal year.

SECTION V—DEMONSTRATION PROJECT FOR DISLOCATED WORKERS

1. Establishes a three State demonstration to develop programs to provide immediate and long-term training and relocation assistance to dislocated workers.

SECTION VI—COMPUTER PROGRAMS FOR EMPLOYMENT SERVICES

1. The Secretary of Labor is to make grants to States for modern and efficient computers and systems to improve and expand job bank and job matching capabilities, other UI employment services and data processes in UI.

2. One hundred million dollars is authorized over 5 years.

Mr. Speaker, I urge my colleagues to join me in finding ways to improve the cost efficiency of the UI system and making it more responsive to the needs of the unemployed.●

LEGISLATION TO RESTORE AUTO BUMPER PROTECTION

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. BEILENSON. Mr. Speaker, today I am reintroducing legislation I originally introduced last summer to restore automobile bumper protection standards to the 5-mile-per-hour requirement which was in force when the Reagan administration took office.

As part of the President's plan to ease the so-called regulatory burden on the automobile industry, the National Highway Traffic Safety Administration rolled back the 5-mile-per-hour standard, which had been in effect since the mid-1970's, to a much weaker 2.5-mile-per-hour standard.

The bumper standard is the speed at which a car should sustain no damage when it crashes directly into a flat barrier. Actually, the benefits are greater: bumpers meeting the 5-mile-per-hour standard also sustain less damage in angular crashes and crashes into poles.

The Reagan administration's argument for relaxing the standard to 2.5 miles per hour was that weaker bumpers would be cheaper to install and replace, and their lighter weight would improve fuel economy, saving consumers money on the purchase price and operating cost of their cars. The administration also promised to provide bumper data to consumers, so that car buyers could make informed choices about the amount they wished to spend for extra bumper protection.

I am sorry to report that none of these economic benefits has materialized. Not only is the Government ignoring the consumers' need for adequate, accessible crash safety and damage information—by making bumper and crash test information difficult for new car purchasers to find—but the car makers themselves are not reducing the prices on cars that they have equipped with the weaker bumpers. And in at least some cases the weaker bumpers are actually heavier than the stronger ones, so they do not provide an advantage in fuel economy either.

Further, by some estimates consumers have spent hundreds of millions of dollars in extra repair costs because of the extra damage incurred in slow speed accidents: in 5-mile-per-hour crash tests done by the Insurance Institute for Highway Safety, cars with the weaker bumpers sustained up to $2,000 in needless damage. And, to add

insult to injury, in some models the stronger bumper actually costs less to replace than a weaker bumper on another model from the same manufacturer.

Mr. Speaker, the administration made a serious, costly mistake when it rolled back the bumper standard. It has cost consumers many millions of dollars, with no offsetting benefit at all. Some manufacturers have continued to supply the stronger bumpers voluntarily, but consumers have no easy way of knowing whether cars have the stronger or weaker bumpers.

It is time for Congress to reverse this foolish and costly error by establishing in law the same standard that existed by regulation prior to 1982. We can save consumers millions of dollars by a proven regulation that worked well in actual practice only a few years ago. This administration has shown that it will allow rhetoric about the burden of Government regulation and the advantages of free market economics to blind itself to the reality of the economic and human costs of automobile accidents. It is up to Congress to restore rationality to automobile bumper protection standards.

Mr. Speaker, I urge my colleagues to join me in cosponsoring this simple, straightforward bill.●

LITHUANIAN INDEPENDENCE DAY

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. HUGHES. Mr. Speaker, I am very proud to join with my many colleagues who have spoken this week to commemorate the 67th anniversary of Lithuanian Independence Day.

Lithuania formally broke free from extended Russian domination and brief German occupation on February 16, 1918. On that date, a 20-member elected council proclaimed an independent Lithuania, bounded by ethnographic frontiers and governed by democratic principles. The Nascent government had to endure a Soviet invasion in 1919, but Lithuanians rose to the challenge and expelled their oppressers in 1920, forcing the Soviet Union to legally recognize "without any reserve the sovereignty and independence of the state of Lithuania * * * and forever (renounce) all sovereign rights possessed by Russia over the Lithuanian people and territory."

In 1940, however, after 22 years of freedom, the promise of Lithuanian autonomy was broken by the Soviets. During World War II, the Republic of Lithuania was invaded by Soviet forces, occupied, and incorporated into Soviet boundaries. Russian oppression caused an abrupt halt to the strides which the tiny republic had made both economically and culturally in this short period of time.

It is a tribute to justice and courage that the people of Lithuania still refuse to relinquish their national spirit. Despite attempts at russification, the Lithuanians continue to use their own language, and have retained their unique cultural heritage. In support of the continuing Lithuanian struggle for autonomy, the U.S. Government refuses to acknowledge the permanent incorporation of the Republic of Lithuania into the U.S.S.R. While the Russians continue to control Lithuanian territory, the people of this courageous nation steadfastly adhere to their national identity.

On this occasion, we salute the determination of the people of Lithuania, and join in solidarity with them in their continuing opposition to tyranny, and their enduring quest for true human rights. The strength of the Lithuanian dissidents truly serves as a beacon to oppressed people throughout the world.●

THE VISIT OF MRS. THATCHER

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. ADDABBO. Mr. Speaker, I, like so many others who serve in this House, would be less than honest if I did not note how deeply disturbed our people are about the policies of the Thatcher government. The entire policy of the British Government toward the resolution of the conflict in Ireland leaves much to be desired. Since the decision to send troops into Ireland, very little has been accomplished toward a resolution of the problem and, many would say, that the difficulties have increased because of the presence of English troops.

Many of us join members of the American Irish Congress today in protesting against Mrs. Thatcher, particularly in regard to those injured in Belfast last August 12. Because the State Department tends to deny visa privileges to those who seek to bring the Irish point of view to our country, our people have been getting a distorted appraisal of what the Thatcher government seeks to do in Ireland. I would urge Mrs. Thatcher to tell the American Congress that she will withdraw British troops from that troubled land and exert her leadership toward beginning negotiations that will peacefully end the fighting in that troubled land. Those of us who seek a just and peaceful end to the killing in Northern Ireland implore the British Government to take a leadership role.●

SUPPORT AID TO AFRICA

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. LENT. Mr. Speaker, I would like to join my colleagues in supporting relief efforts in drought-ridden Africa. The faces are all too familiar. Specters of hunger and malnutrition stare out at us from the television and newspaper almost every day, constant reminders of the tragic situation which exists in Africa today. Children dying in the arms of their mothers, young and old alike lying in the sun-baked dust of sub-Saharan Africa too weak to move as they wait for death.

The figures are staggering, almost 10 million people throughout the 23 countries in Africa face the risk of starvation as a result of the drought and famine conditions. The United States has sent millions of dollars in emergency aid to the drought-stricken African Continent and yet thousands are still dying each day. As with any difficult battle, this fight against hunger may only be won through perseverence and sustained aid. It is easy to lose hope when these tragically haunting images of death and widespread starvation reappear each night on the news despite our continued emergency assistance to Africa. However, we cannot lose faith that our effort will bring about an eventual end to the adversities in that area of the world and eliminate the suffering of so many people. I am convinced that through public expression of our deep concern and our strong advocacy of effective relief efforts we may achieve these goals.●

WOMEN IN BUSINESS

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mrs. SCHNEIDER. Mr. Speaker, an article was recently brought to my attention which I would like to share with my colleagues, discussing the programs and problems faced by nontraditional women-owned businesses. This was one subject addressed by a series of meetings held last year around the country by the members of President Reagan's Advisory Committee on Women-Owned Business.

This article appeared in Newsday, and was authored by a member of the advisory council, Robert R. McMillan, vice president for public affairs, Avon Products, Inc.

[From Newsday Jan. 14, 1985]

RUNNING A BUSINESS? "NO JOB FOR A WOMAN" IS STILL THE PREJUDICE

(By Robert R. McMillan)

If you were a manufacturer, would you buy sophisticated nuclear sub parts from a business owned and managed by a woman? Would you want a new factory or warehouse constructed by a contractor owned and managed by a woman?

I have found over the last year that the answers to these questions and the answers to the same questions for every "nontraditional" woman-owned business comes very slowly. In fact, there is often a hesitancy to say "yes" and in some cases, distrust of the capabilities of women-owned businesses. Many businessmen are still not ready to do business with businesses owned and managed by women.

As a member of President Ronald Reagan's Advisory Committee on Woman-Owned Businesses, I recently concluded a series of meetings throughout the country with bankers, women business owners, educators, community leaders and representatives of corporate America.

In spite of the distrust by some in the private sector towards these businesses, they continue to grow at an unprecedented rate. In fact, women-owned businesses between 1977 and 1982 grew from 1.9 million to over 2.6 million. Women-owned businesses today account for sales of almost $50 billion a year and that figure, too, is growing. These figures could be even greater if women were dealt with fairly in the marketplace.

There is no doubt in my mind that women business owners in the "nontraditional" areas of business have a much harder time than men in getting past the purchasing agents of companies and the loan officers of our nation's banks.

One member of our committee sells sophisticated parts to a nuclear submarine builder. When she first started to manage the business—and to some extent even today—there was great skepticism about her capacity to deliver. As she tried to bid for work, purchasing agents would ask—subtly—"how can a woman manage a company machine-tooling submarine parts?" "Quite well" is the answer.

During our meetings across the country, I heard from a radio talk-show host whose wife was interested in opening a restaurant. She needed a business loan; bankers would not even return her call. Then the talk-show host, well-known in the community, called the bank and the president of the bank immediately got on the phone to assist him.

These examples are symbolic of the challenges faced by women-owned businesses today. Women, while still interested in owning gift shops, boutiques and providing decorating services, are also coming on strong in the "nontraditional" business areas. They are now in the mainstream. But that mainstream has some very tough crosscurrents and rapids that must be overcome by women entrepreneurs. They cannot do it alone.

Many large companies and banks have policies against discrimination, but sometimes they do not filter down to purchasing and loan officers. On the other hand, we have found that many companies not only have strong policies on purchasing from businesses owned by minorities and women, they have strong outreach programs to secure bids from women and minority-owned businesses.

Women-owned businesses are providing more and more jobs each year. It is only fair, therefore, that the private sector take a deep responsibility to make sure that budding women entrepreneurs are given every opportunity to secure bank loans and bid for business without any "tilt" against them.●

BUDGET FREEZE PROPOSAL

HON. CECIL (CEC) HEFTEL

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. HEFTEL of Hawaii. Mr. Speaker, today I am introducing a concurrent resolution calling for a freeze on Federal spending in fiscal year 1986 at fiscal year 1985 levels. Furthermore, this legislation would limit spending increases in fiscal year 1987 and fiscal year 1988 to the lesser amount of 5 percent of the rate of the consumer price index.

Although President Reagan endorses a constitutional amendment to balance the budget, this same President has recently submitted a budget containing a $180 billion deficit. Our national debt has doubled in 4 years. President Reagan's budgets have matched the amount of debt which took our Nation over 200 years to first accumulate. It does not, however, solve the deficit problem by blaming any particular President or political party.

It is more important to be constructive and take the first immediate step. While we debate how to balance the budget; whether it be achieved through reducing or eliminating Government programs, or from increasing taxes or a combination of both, we must first freeze Federal spending to halt spiralling budget expenditures. We must halt these increasing expenditures before the ability to reduce the deficit or balance the budget is nothing but a dream.

We need to freeze Federal spending before entitlements and interest on the national debt reach such a magnitude that we will never be able to control or reduce those expenditures.

I realize that a 1-year budget freeze is not the total solution. Even if all the President's budget savings recommendations are adopted by this Congress, the deficit will surpass $140 billion in fiscal year 1986. We must limit the growth of Federal spending in the outyears as well.

We must first and immediately adopt a budget freeze. Then we can consider the variety of alternatives necessary for achieving fiscal responsibility, whether it be passage of a line-item veto or something as drastic as a constitutional amendment to balance the budget. Our deficit problem is in such dire straits that we should not rule out anything at this time.

Mr. Speaker, I ask that Congress put partisan interests aside since our deficits are harmful to all of our constituents and all interest groups. Middle-income people should be capable of owning a home without being crowded out of the borrowing market by high interest rates. Private capital formation provides far greater job opportunities than does borrowing by the Federal Government.

Mr. Speaker, I ask that Congress get on with the extremely difficult task of reducing our growing Federal deficits and attain permanent fiscal responsibility. Let us begin with a 1-year budget freeze in fiscal year 1986 and limitation on budget growth in fiscal year 1987 and fiscal year 1988.●

THE CONCEPT OF SANCTUARY

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. GARCIA. Mr. Speaker, I want to bring an editorial from the January 31 edition of Catholic New York to the attention of my colleagues. The editorial was sent to me by the South Bronx Committee in Solidarity with Central America, a very concerned and committed organization based in the South Bronx.

The sanctuary movement, as the editorial explains, has an honorable history within the Catholic church, but it is by no means limited to that or any other church. The concept of sanctuary—that is providing a place of refuge and protection—should not be at all a foreign idea to Americans. Our Nation is, in essence, a sanctuary, a refuge for the world's "tired, hungry, and poor."

What is going on now with regards to the refugees coming from Central America is merely an extension of this principle. I believe the editorial eloquently states the case for those who support the sanctuary movement. I submit it for my colleagues perusal.

[From the Catholic New York, Jan. 31, 1985]

SANCTUARY AT WORK

The concept of sanctuary is a long and honorable one in the history of the Church; for centuries those who sought the Church's protection in time of peril have found refuge there.

The theory finds itself up against a stern test at the hands of the administration these days. People affiliated with the sanctuary movement have been indicted both in Texas and Arizona in recent weeks on charges of aiding illegal Salvadoran refugees, and even though one Church worker won an acquittal last week, the issue is far from resolved.

Members of the new sanctuary movement, who claim to be acting out of religious convictions, say the aliens they assist are political refugees from countries such as El Salvador and Guatemala, and that they face

persecution or death if they are deported. However, the U.S. Immigration and Naturalization Service classifies almost all Salvadorans and Guatemalans here without proper documentation as economic refugees, which makes them ineligible for political asylum.

The government would do well to listen to the arguments of bishops in the affected areas, who have given the sanctuary movement a strong voice. Echoing earlier support from Bishop John J. Fitzpatrick of Brownsville, Texas, three other bishops from the Southwest—Bishops Thomas J. O'Brien of Phoenix, Manuel D. Moreno of Tucson, and Jerome J. Hastrich of Gallup, N.M.—last week called on President Reagan to allow Central American refugees to remain in this country while fighting continues in their homelands. They emphasized especially that doubts in the matter should be resolved in favor of the refugees themselves.

Those in the sanctuary movement are acting in the firm conviction that the refugees are victims of political instability and forces beyond their control. In offering sanctuary, the bishops said, their actions are "consistent with our national history and with biblical values." They added this thought in a message to the president:

"If there is room for legal doubt and debate on this issue, it should be clear that their choice represents a moral position publicly affirmed, a choice which does not harm or threaten other persons, a choice made with the willingness to accept the consequences within our country's legal system if necessary."

The words are well chosen. They deserve a fair and full hearing.●

NEW FEDERAL DEBT OF $936 FOR EVERY MAN, WOMAN, AND CHILD IN THE CURRENT FISCAL YEAR

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. STARK. Mr. Speaker, in the President's budget requests submitted on February 4, is the admission—which has almost totally escaped attention—that the deficit for the current fiscal year will be $222.2 billion.

There are now 237.4 million Americans.

The numbers are therefore easy to remember. For every man, woman, child, and baby, the President's budget policies will add almost $1,000 in new Federal debt during the 12 months between October 1, 1984, and September 30, 1985.

This is not an opportunity society. It is an opportunistic society, which refuses to pay its bills or cut the things it wants—and leaves the bill paying to its children.●

TAX REFORM: A PENNSYLVANIA APPROACH

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. COYNE. Mr. Speaker, along with Federal tax reform, the Nation could also benefit from a new look at local taxation.

Theoretically, the separation of powers suggests that the Federal Government has no say in local taxes. In reality, however, they are interrelated. Much local taxation is needed to comply with Federal requirements or to match Federal funding. Much Federal taxation, on the other hand, is a response to essential national needs for which local funds are inadequate.

Congress and the administration thus have a real interest in taking a close look at how some new local tax reforms are generating more revenues, contributing to healthier local economies, spurring new housing construction and rehab and generating higher employment.

These are among the results of what we in Pennsylvania call the "two-rate property tax." We simply impose two different property tax rates—a higher rate on land values and a reduced rate on buildings.

When I served on the Pittsburgh City Council, we were able through this kind of reform to offer tax relief to most homeowners and progressive businesses at the same time we increased city revenues. I doubt it was a coincidence that Pittsburgh then enjoyed dramatic downtown renewal and that homebuilding remained healthy during the past recession when construction nationwide came to a near standstill. Similar good results also occurred in Harrisburg, Scranton, McKeesport, and New Castle after they adopted the two-tax rate.

Two more western Pennsylvania cities, Washington and Duquesene, began using the two-rate tax in 1985. Legislators in California, Missouri, and elsewhere are asking about adopting this system.

Members of Congress, I believe, will do communities in their districts a service by bringing this innovation to their attention. A documentary that gives an overview of the two-rate tax and its accomplishments is available from the Center for Public Dialogue in Kensington, MD. Several recent articles on the topics are of interest as well. At this point, I would like to include in the record some articles on the topic:

[From the Chicago Sun-Times, Sept. 20, 1984]

DUAL TAXATION SYSTEM UNEARTHS REVENUE

(By Michael J. McManus)

The public's attention is naturally drawn to the presidential race this fall. But there's an important issue that ought to surface in the election of governors and state legislators of every old industrial state, as it has in Missouri.

How would you like a state law that would:

Cut the taxes of the average homeowners, or rents of most apartments?

Provide an incentive for rehabilitation, by cutting taxes on improvements?

Increase the property taxes of land speculators, giving them an incentive to build on their land (creating jobs in your community) or sell it to someone who will?

Spur needed new development in old communities with stagnant tax bases?

There are no more important state-local issues, in my opinion. But I'll wager that your state representative and his challenger never heard of what Pennsylvania calls "Incentive Taxation," or what Missouri Rep. Walter Muller calls "Site Value Taxation."

But take a look at "a quiet tax revolution" that is gaining so much momentum in Pennsylvania that it was praised by Fortune magazine Aug. 8, 1983, as one of the few forms of taxation "that promote development." And it is the subject of a film called "A Tale of Five Cities—Tax Revolt Pennsylvania Style" that ought to be shown at any meeting where those running for state office have to face the voters.

But to understand the solution, you must first understand the problem. Here's how Dr. Steven Cord, an economics professor at Indiana University of Pennsylvania, and editor of a publication called Incentive Taxation, explains the issue in the film:

"An owner who just sits on prime city land and keeps it idle is rewarded with low property taxes, and yet he can make big, speculative, unearned profits by selling it at some future time. What about the man who builds on his central-city site? He puts up office buildings and housing, and he is penalized by high taxes year after year, not just once."

The solution is simple.

Five cities in Pennsylvania of varying size—Pittsburgh, New Castle, Scranton, Harrisburg, McKeesport—have increased property taxes on land, and cut building taxes.

And Washington, Pa., will implement such a law Jan. 1.

If you look at your property tax bill, you will see that there are really two taxes—one on land, and the other on buildings. If you don't live in the above cities, your rate of taxation is the same on both forms of real estate. For example, if Washington had not passed its law, its residents would have paid 2.58 percent on both land and improvements.

But in January, Washington will tax land more than three times higher than its buildings: 6.056 percent on land vs. a 1.68 percent tax per dollar of building value.

Some 81 percent of homeowners will have a lower property tax than they would have had if there had not been a shift to a dual tax rate. Taxes will increase on owners of large quantities of underused land, such as parking lots in the downtown—often owned by speculators. That will give them an incentive to build on the land, or sell to someone who will.

This is not theory, but proven fact in the five cities whose laws are older.

Scranton, a city of 87,378, doubled its land tax rate in 1980 and made any commercial or industrial construction property tax exempt for a decade while new residential construction was made completely tax

exempt the first year, 90 percent exempt the second year, then 80 percent and so forth over a decade. These new construction exemptions provide extra incentives to build over the simple duel tax rate.

"The builder is no longer penalized in the city of Scranton," said Mayor James McNulty. The result: new construction rose from $8.6 million to $10.6 million in Scranton while it plunged in neighboring Wilkes-Barre—a city of similar people and economics—by 44 percent, from $14.5 million to $8.1 million.

Pittsburgh is a more dramatic case study. The value of building permits from 1976–8 averaged $82 million a year. In 1979, Pittsburgh made its land tax four times higher than its buildings. And that represented a tax increase, not just a tax shift. Building permits in 1979 jumped to $108 million, nevertheless.

In 1980, the tax on land rose again to five times that of buildings. And a property tax deferment was granted for three years on commercial or industrial buildings and five years on new residential construction. The results were incredible.

New construction soared to $297 million in 1980 and skyrocketed to a record-breaking $563 million in 1981. The figure slipped back to $201 million in 1982 and $212 million in 1983. But that is still 2½ times the average of 1976–8.

Why can't it be seen in other states? Only Pennsylvania permits any locality to have a dual tax rate. Illinois will permit it in counties with a population of 200,000 only. Peoria has scheduled hearings on the issue for Oct. 1 and 2, thanks to leadership of John Kelly, a stockbroker.

Missouri's House of Representatives passed enabling legislation proposed by Rep. Walter Muller by a 5–1 vote last spring, but there wasn't time for the Senate to act. Minnesota Rep. John Burger backs the concept in his state.

"Site Value Taxation is eminently fair," said Muller. "The more favorable your location is, the higher your tax. The person who improves his property won't have to pay a higher tax. Speculators will pay more while the average person's taxes are cut."

To see the film, call Walt Rybeck at (301) 933-0277.

[From the Nation's Cities Weekly Jan. 7, 1985]

TWO-RATE TAX OF FIVE CITIES PUT ON FILM

[By Linda R. Woodhouse]

How five Pennsylvania cities are using a two-rate property tax system as a "potent new tool" to spur economic growth and financial stability is the subject of a recently released film.

The film, "A Tale of Five Cities: Tax Revolt Pennsylvania Style," tells how Scranton, Harrisburg, McKeesport, Pittsburgh and New Castle impose higher tax rates on land and lower tax rates on buildings and improvements as an incentive for landowners to make improvements to their property. The film was produced by the Center for Public Dialogue of Kensington, Md.

The concept has many names (graded tax, differential tax, two-rate tax) but one purpose—to spur economic development by discouraging land speculation, promoting new construction which will create jobs, and encouraging proper upkeep of buildings, especially in aging neighborhoods.

All five cities have gradually increased tax rates on land while holding constant or reducing rates on homes and other buildings, and have reaped these benefits: 1) dramatic upturns in privately financed downtown construction; 2) increased housing starts in the midst of a national housing slump; 3) new jobs in construction and related fields; and 4) increased tax revenue that has enabled these cities to maintain services and programs at a time when other cities are cutting back because of loss of federal funds and effects of the recession.

Pittsburgh and Scranton were the first to adopt the concept in 1914 when they began to tax land at twice the rate of buildings.

From 1978–1982 Pittsburgh gradually increased the land tax to six times the rate for buildings, with dramatic results. Fortune magazine reported in August 1983 that, after a land tax increase from 4.95 percent to 9.85 percent of assessed valuation in 1979, "new construction, measured by the dollar value of building permits issued, rose 14 percent as compared with the 1977–78 average."

With another increase in Pittsburgh's land tax rate to 12.55 percent in 1980 (2.475 percent was the rate for buildings), construction in that year" leaped 212 percent above the 1977–78 average, reflecting groundbreaking for a new crop of office skyscrapers that is giving the city its so-called second renaissance," Fortune reported.

In 1980, when Pittsburgh adopted a three-year tax exemption on all new buildings, construction again rose and peaked in 1981 at nearly six times the 1977–78 rate, Fortune reported.

In Scranton the tax rates since 1980 have been 9.6 percent on land and 2.55 percent on buildings.

[From the John Herling's Labor Letter, Sept. 22, 1984]

"Quiet" property tax revolt: The effects on housing, jobs, downtown renewal and local revenues have been documented in "A Tale of Five Cities" in Pennsylvania. Sponsors of this movie are the U.S. Conference of Mayors, the League for Urban Land Conservation, the National Forest Products Association, The Metropolitan Washington Planning and Housing Association, the National Association of Home Builders, and the Center for Public Dialogue.

Without ballyhoo, Pittsburgh, Scranton, Harrisburg, McKeesport and New Castle have gradually increased tax rates on land while holding constant or reducing their tax rates on homes and other buildings.

Unlike Proposition 13 in California and other highly publicized tax limitation devices, a two-tier tax enabled these five cities to increase revenues substantially. Economists, business people and others in the film tell of:

Dramatic upturns in privately financed downtown construction.

Increased housing starts in the midst of a national housing slump.

New jobs in construction and related fields.

Further, mayors and council members say this property tax changes enables cities to maintain adequate services at a time when federal supports are being cut—and in a way that eases tax burdens for most homeowners.

Scranton' tax rate on land is now four times the rate on buildings. Mayor James B. McNulty credits this differential with inducing a 22 percent rise in the value of local building permits. Chamber of Commerce President Austin J. Burke says the two-rate tax reduces the cost of new construction and gives a signal to industry that Scranton wants development.

From 1978 to 1982, Pittsburgh gradually increased the land tax from double to six times the rate on buildings. Annual construction rose 14 percent the first year, 211 percent the next, and 600 percent the next. Rep. William J. Coyne, a former councilman who led Pittsburgh's move toward higher land taxes, explains that the higher tax cost of holding vacant and underused land in the core of the city has generated exciting new downtown construction.

Pittsburgh, Scranton and McKeesport alone saw building construction increase by three-quarters of a billion dollars in 1980, 1981 and 1982 after their tax reform, accounting for at least 5,800 new full-time construction jobs for those years.

A shortcoming of Pennsylvania's system is pinpointed by Mayor Dale Yoho of New Castle. Only cities may now use the two-rate tax. Urban counties and school districts still await enabling legislation to give them the same option.

Harrisburg Mayor Stephen R. Reed urges cities across the nation to employ the two-rate tax as an economic stimulus. Efforts are reportedly underway in a number of states to follow Pennsylvania's lead in modernizing the property tax.

Walter Rybeck, director of the Center for Public Dialogue and producer of the film, led a discussion of the documentary on Capitol Hill. Among those present were Congressman Coyne, Michael Sumichrast, chief economist, National Association of Homebuilders, and Father William S. Byron, S.J., president, Catholic University, former head of Scranton University.

For further information write to: Center for Public Dialogue, 10615 Brunswick Ave., Kensington, MD 20895.●

STRENGTHENING THE PEACE

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. BROOMFIELD. Mr. Speaker, we and the Soviet Government have once again commenced an important effort to reduce and, hopefully, eliminate our nuclear arsenals.

On January 11, the Voice of America broadcast to the world an educational editorial explaining the nature of these talks in Geneva and our hopes for their success. The issues are as difficult as they are important. We cannot hope for overnight success. However, as President Reagan said, "We must work together, wherever possible, to strengthen the peace."

Mr. Speaker, I commend the following Voice of America editorial to my colleagues for their consideration.

STRENGTHENING THE PEACE

This week in Geneva, American and Soviet officials sat down to talk about arms control. Led by George Shultz, United States Secretary of State, and Andrei Gromyko, Soviet Foreign Minister, the two delegations agreed to negotiations to reduce nuclear weapons and strengthen strategic stability. Although both sides still have many differences, they agreed in a joint communique on an ultimate objective: total elimination of the nuclear weapons that threaten

the world. President Reagan heralded the meeting as "the beginning of a new dialogue between the United States and the Soviet Union."

According to the Agreement, the major arms control questions will be discussed simultaneously by delegates divided into three groups. This welcome step should streamline the negotiating process. Previous talks on strategic and medium-range nuclear weapons were broken off by the USSR in late 1983.

One group will take up the question of long-range nuclear weapons that can reach targets on another continent, a hemisphere away. A second group will discuss reducing intermediate-range weapons—the Soviet SS20's and SS4's in Europe and Asia, and the U.S. missiles deployed in response, in member countries of the North Atlantic Treaty Organization. In both groups, the delegates will concentrate on reducing all nuclear weapons, with the final goal of putting them away for good. If a treaty is adopted, it must include some provision for verifying compliance. As the President pointed out in his press conference Wednesday night, "Zero nuclear weapons is easier to verify, far easier than if you're simply reducing the numbers."

The third group in the forthcoming talks will discuss space and defense weaponry, an issue that was not on the agenda of earlier arms control talks. At present, the Soviet Union has an operating anti-satellite weapon as well as an anti-ballistic missile, or ABM, system. The United States dismantled its own ABM system some time ago, and its anti-satellite device is only in a testing stage. Recently, our Government began a research program, known as the Strategic Defense Initiative, to find out if it is possible to build a defensive system that could destroy nuclear weapons before they can strike the United States or our allies.

The chief accomplishment of the Geneva meeting is the promise of serious dialogue to come. We are encouraged by the resumption of arms talks with the USSR and are prepared to be flexible as well as persevering. We ask the same of the Soviet Union, and hope its leaders will help make the negotiations a success. Our two nations cannot be expected to overcome basic differences of belief, and the United States will continue to speak out for democracy and freedom. But, in the words of President Reagan, "We must work together, wherever possible, to strengthen the peace."●

HATE CRIME STATISTICS ACT

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mrs. KENNELLY. Mr. Speaker, the Hate Crime Statistics Act which I am introducing today will improve the collection of statistics on crimes motivated by racial, religious, or ethnic hatred. It requires the Attorney General to include in the FBI's Uniform Crime Reports information concerning the incidence of crimes where it appears that the crimes were committed to express racial, religious, or ethnic prejudice. The idea of developing a nationwide system of reporting to produce an accurate measurement of this type of crime was first advanced by the U.S. Commission on Civil Rights in July 1983, and it is my hope that this bill will turn that recommendation into a reality.

A series of arsons of synagogues in my congressional district last year drew my attention to this problem. Each year hundreds of acts of violence and intimidation are committed against specific groups in every region of the country because of their race, religion, or ethnic background. Every time such acts occur, they threaten the basic precepts of a peaceful and pluralistic society. Cross burnings, swastikas sprayed across the walls of a temple or school, desecrations, arson, or intimidation of people because of their skin color, religion, or ethnic heritage, are threats to us all.

Unfortunately, it is impossible to measure the extent of the problem. We do not know the amount, location, or type of crime that is motivated by racial, religious, or ethnic hatred. We do not know if it is on the rise or on the ebb. There is simply a shortage of hard data on this problem. The Anti-Defamation League does collect valuable information on anti-Semitic incidents in selected areas throughout the country, but their efforts, while important, are not comprehensive. And although annual crime statistics are collected and published by the Federal Bureau of Investigation in the Uniform Crime Reports, the slaying of a spouse in a domestic quarrel and the murder of a black person because of his color are both recorded as homicide.

There is a clear and demonstrable need for reliable statistical information on the subject of crime motivated by racial, religious, or ethnic hatred. Communities presently cannot respond to the problem because there is not enough information on criminal violence motivated by bigotry. This lack of data makes it very difficult for law enforcement officials to measure trends in such crimes, to develop enforcement strategies, and to allocate personnel in areas of greatest need. The lack of data impairs the ability of policymakers to assess the extent of the problem and develop adequate measures of prevention. Such data is also needed to highlight and determine national, local, and regional trends in this type of crime, and to evaluate the effectiveness of particular efforts to combat it. Such statistics would ensure that Federal, State, and local governments are aware of the dimension of this threat, and would help reinforce the fact that the problem does exist, and must be addressed.

Finally, the systematic gathering of information about such crimes would symbolize society's commitment to eradicating bigotry, racism, and its violent byproducts by demonstrating its willingness to commit time and resources to this problem.●

BROKEN PROMISES

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Ms. OAKAR. Mr. Speaker, the following article is the painful story of a truly unsung hero. I hope we can, in some way, rectify this terrible neglect.

[From the Cleveland (OH) Plain Dealer, Feb. 17, 1985]

BROKEN PROMISES—MAN WHO SAVED REAGAN DENIED WHITE HOUSE GLORY

(By Mairy Jayn Woge)

He was named Italian-American Man of the Year in one city, feted at a giant union dinner and admitted to the Senior Citizens Hall of Fame. He was hailed as a hero and became the pride of Garfield Heights. A street was named in his honor.

But Alfred A. Antenucci, credited with saving President Reagan's life nearly three years ago by tackling would-be assassin John W. Hinckley Jr., died last May without receiving the recognition his family believes he deserved.

Reagan administration officials made many promises to Antenucci—a lunch with the president at the White House, financial help with his medical bills—but few of those promises were kept. The lunch never materialized, and Antenucci's widow, JoAnn, paid $28,000 in medical bills out of her savings after her husband died.

Now Antenucci's two children, Dominic A. Antenucci and Maria Bennett, are pressing for some official notice by the administration of their father's heroic act.

Antenucci would probably have had mixed feelings about their effort. For the most part, he wanted to forget the event that made him famous.

He was never the same, physically or emotionally, afterward, his family said. He had nightmares about the shootings, and dreaded reliving the episode for others, said Bennett.

"I don't feel like a hero. I just did what any average guy would have done," Antenucci often said.

Even though Bennett knew her father would have disapproved, she began writing letters to the White House, Congress and labor unions last June, asking that Antenucci's role in saving the president's life not be forgotten.

"He was the only real fatality from Hinckley but he never was mentioned with the other victims," Bennett said. "I heard they got bonuses or medals. They were honored at a luncheon with the president.

"The FBI agent who was in the ambulance when my father was taken to the hospital in Georgetown told him, 'You are going to get a medal. Anyone involved in something like this gets a medal,'" Bennett said. "Think about it, Michael Jackson got a medal."

Antenucci got plenty of headlines for what he did on March 30, 1981. But no medals.

As a business agent for Carpenters Local 1750, Antenucci was attending a building trades conference in Washington, DC. He elbowed himself into the second row of spec-

tators waiting to see Reagan leave the labor conference following a speech.

Antenucci would recount, "I saw this kid in front of me had his hands in his overcoat pockets. I should've wondered why anyone would wear an overcoat when the temperature was 80 degrees.

"I didn't think anything of it until the kid took a gun out of a pocket and fired two shots. I punched the kid in the back of the head twice. He started falling. He fired two more shots while he was going down. I jumped on top of him."

Antenucci was holding onto Hinckley and wrestling for the gun. Secret Service agents pounced on them. Al Antenucci, a veteran of union picket lines, would not let go. One agent, apparently believing Antenucci was the assassin, socked him in the jaw.

When Antenucci was pulled off Hinckley, he saw James S. Brady, the presidential press secretary. Brady had been shot in the head, and Antenucci later said the sight of Brady's blood greatly upset him.

News reporters declared Al Antenucci's quick action had saved President Reagan's life. Three hours later, Antenucci was rushed to Georgetown University Hospital with heart palpitations.

"He did not have heart trouble before March 30, 1981," said Dominic Antenucci, a golf professional at Walden Golf & Tennis Club in Aurora.

The day after the assassination attempt, the visits from White House officials and the promises began.

Dominic Antenucci had flown to Washington and was in his father's hospital room when Secretary of Labor Raymond J. Donovan and presidential aide Robert F. Bonitati arrived. He said he heard Bonitati advise his father, "The government will take care of everything, compensation for hospital bills, your family's trips to Washington while your are in the hospital."

"That did not happen," said Dominic.

Union hospitalization, Medicare and the Antenucci family paid $110,000 in hospital bills incurred after the Hinckley incident and again last year.

And the family footed the travel costs to Washington, including Antenucci's trip home when he was discharged from the hospital, April 8, 1981.

Donovan told Antenucci that he would be having lunch at the White House with Reagan, Dominic recalled. Another broken promise. Antenucci did have lunch at the White House—with Bonitati in 1982.

Clevelander Paul A. Russo, then a special assistant to Reagan, told newsmen that while Antenucci was hospitalized, he had talked on the telephone with Antenucci.

"I gave him the president's respect and gratitude and told him he would be hearing from the president," said Russo.

Russo, now a consultant, did not return Plain Dealer telephone calls.

The Department of Labor said Donovan is not available. He is on a leave of absence because of his indictment for filing false business returns.

According to Antenucci's family, the only time Antenucci was recognized publicly by Reagan was a year later when the president was at the podium during another building trades conference in Washington.

When Reagan was told Antenucci was in the audience, the president asked the hero to stand up.

"My dad was so short, 5 foot 2, he had to climb on a chair to salute the president," Bennett said.

In her Garfield Heights home that overlooks Antenucci Dr., Bennett recently explained, "My father did not expect anything. He told us what he did at the shooting was what any American would do. But when the Reagan people made promises, he trusted and believed them.

"The only thing he looked forward to was the luncheon and our family having a picture taken with the president," said Bennett, a federal employee.

According to Dominic Antenucci, "Even Gov. (James) Rhodes said father was to be honored by the White House. He was to go to Washington in the state plane. But no invitation came."

Al Antenucci would make excuses for the president, his children recalled.

"He said Mr. Reagan was very busy," said Bennett.

She said when Reagan telephoned Antenucci, once, six weeks after the shooting, a New York newspaper pulled the strings to make it happen.

Labor Secretary Donovan visited Antenucci twice in Garfield Heights in the summer of 1981. Each time, he said he was handling the White House luncheon engagement, Bennett and Dominic said.

Then came the final snub, according to Bennett.

When the Antenucci family accompanied her father to the building trades convention in Washington in 1982, Donovan and Russo did not return their telephone calls.

Meanwhile, Al Antenucci was showered with honors—named Italian-American Man of the Year in Chicago, feted at a union dinner in Cleveland attended by 750 people, and admitted to the Ohio Senior Citizens Hall of Fame. He retired at 70. Then there was Antenucci Dr., a short street between Interstate 480 and Turney Rd. in Garfield Heights.

"I think that because of all that attention, people thought the White House had fulfilled its promises. There was a great omission. I sometimes wonder if the president knew what was going on," said Bennett.

Plain Dealer telephone calls to the White House last week indicated there was no familiarity with the situation among the current staff.

"That man saved the president's life," said Rep. Mary Rose Oakar, D-20, of Cleveland. "He didn't expect anything from it. I think it was terrible the way he was treated by the White House. There was a ceremony for the other guys." She was referring to ceremonies honoring Secret Service agents and district policemen.

The White House even bungled the way it responded to Antenucci's death, and the brief illness that preceded it.

Last April 30, Antenucci helped install a dishwasher he had bought for Bennett as a surprise. At 11 p.m., he walked the three blocks back to his home.

About 7 the next morning, he was admitted to Marymount Hospital, breathless from the irregular heart beat that had begun in Washington.

On May 1, the Antenuccis heard from the White House—indirectly.

Someone from Columbus telephoned to report that the president was in Alaska, but planned to stop at Marymount to visit Antenucci on his way back to Washington.

"That didn't happen either. The president went straight to the White House. My father got a get-well telegram from Ron and Nancy Reagan," said Bennett—but the greetings came after Antenucci's death on May 9.

On May 14, a large envelope from the White House was delivered to Marymount Hospital. In it was a note signed by President Reagan, dated May 10, wishing Antenucci "good health and a speedy recovery," Bennett said.

No Reagan representatives were at her father's burial even though Garfield Heights police had been informed some were coming. Flags were hoisted along the street to greet them, she said.

"There were no flowers or a card or a call. I was hurt," she said.

Two thousand others mourned at the funeral.

The president extended his condolences to JoAnn Antenucci, the widow, in a telegram May 15, Bennett said.

Bennett's efforts to win recognition for her father likewise have been met with bureaucratic red tape instead of results. "I do not want my father's name to be lost in the shuffle of history . . . I sincerely hope you can do something about this," the daughter wrote in a letter to the president dated June 14.

That letter also brought up the matter of the unpaid hospital bills, "because they were part of the broken promise and because they were the result of the assassination attempt," Bennett said.

Antenucci received expensive care from specialists at Georgetown and the bills grew when he became ill last year and was treated at Marymount.

Despite warnings from Oakar, Antenucci had believed the White House would deliver on promises to pay the bills. "They'll do it," he would say. But, when Antenucci's widow had to pay the $28,000 balance on his medical bills, it was the last straw for Bennett.

"If promises can't be met, there is no reason to make them," Bennett said.

After writing to Washington, Bennett said, "It took me eight weeks to find out who had the letters that I sent to the president about my father."

One reply in August from Peter Rusthoven, associate counsel to the president, said that Rusthoven was handling her letters and the president's reply. Also in that reply Rusthoven said the government had no funds to pay the hospital bills.

In a follow-up letter, Bennett had to emphasize that the purpose of her letter to the president was not money, but recognition.

In a letter on last Nov. 5, Rusthoven continued to deal with hospital costs. He instructed Bennett to apply, ironically, to the James S. Brady Presidential Foundation.

The Brady foundation, funded by contributions, was created by Congress to pay medical expenses of civilians or public workers who are wounded during assassination attempts on high government officials, candidates for office and their families. It was the result of the Hinckley attack on March 30, 1981.

"The purpose of my letter to President Reagan was not money," Bennett wrote in one letter. "The reason was that the recognition of my dad was handled so poorly . . . It was my hope that the president would somehow acknowledge my father's brave, unselfish and heroic act."●

51-059 O-86-48 (Pt. 2)

PROPOSED RESTRICTIONS ON EXPORT OF NORTH SLOPE OIL

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. McKINNEY. Mr. Speaker, today my distinguished colleague from Michigan, Mr. WOLPE, and I have introduced legislation to make permanent the restrictions on the export of North Slope Alaskan oil. In the 98th Congress, 237 Members cosponsored similar legislation. This legislation will again give Members of Congress the opportunity to strongly support our Nation's efforts to become energy independent.

In 1973, before the Arab oil embargo, when a gallon of gasoline cost 40 cents and a barrel of oil $2, Congress saw Alaskan oil as a valuable domestic resource which should remain at home. In 1977, after a painful lesson from the Organization of Petroleum Exporting Countries on the consequences of energy dependence, Congress further strengthened restrictions on the export of Alaskan oil. In 1979, with the fall of the Shah of Iran, Congress adopted amendments to the Export Administration Act, reaffirming and strengthening the restrictions on the export of Alaskan crude. And in the last Congress, conferees overwhelmingly supported the provision of the Export Administration Act which restricts the export of Alaskan oil.

Some argue that exporting Alaskan oil to Japan would improve America's international trade balance. Actually, this only would improve Japan's trade position with the United States. Pressure on Japan to reduce significant barriers to U.S. manufactured and agricultural exports would be lessened and instead of exporting goods using American labor, the United States would be exporting a scarce domestic resource. Our lopsided trade position with Japan demands substantive trade concessions from the Japanese, not short-term cosmetic measure which only will mask underlying trade inequities. Moreover, the overall U.S. trade deficit will not be reduced because exports will force us to import an equal amount of oil from abroad. Indeed, exports are likely to increase our trade deficit as we pay more per barrel for replacement oil than we get for Alaskan crude abroad.

Exporting Alaskan oil would be a tremendous blow to our Nation's efforts to become energy independent. Currently, all of the approximate 1.7 million barrels per day of Alaskan oil now being produced travels through the Trans-Atlantic pipeline for exclusive use in the United States. This constitutes nearly 20 percent of total U.S. oil output. If this supply were sold abroad, it would have to be replaced by imports from foreign sources. Proponents of exporting Alaskan crude have claimed that lost Alaskan oil could be made up with imports from South America or Mexico. This is unlikely, however, as gulf coast refineries are geared for high-quality, low-sulfur Alaskan crude which only could be replaced by Mideast imports. The Iran-Iraq war, instability in Lebanon, and the turbulent history of the region all point out the risk of renewed dependence on Mideast oil.

There also is little evidence suggesting that the American consumer will benefit from the export of Alaskan oil. Due to the higher cost of foreign imports versus the price of Alaskan oil, exporting Alaskan oil will mean that consumers will pay $1 to $2 billion more each year for petroleum products. Moreover, since most of the benefits of increased Alaskan oil prices will be reaped by the Federal Government and the State of Alaska in the form of tax revenues, the export proposal is a cleverly disguised tax increase.

Exporting North Slope crude will in no way serve the interest of the American public or our national security. Therefore, I urge you to support this legislation in an effort to keep this vital domestic resource at home where it belongs.●

IS OVERPOPULATION TO BLAME FOR FAMINE IN ETHIOPIA?

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. PORTER. Mr. Speaker, I would like to draw the attention of my colleagues to an editorial by Werner Fornos, president of the Population Institute, which appeared recently in the Chicago Tribune regarding the famine in Ethiopia. In it Mr. Fornos asserts that many of us have missed the main cause of the problems in Ethiopia: "too many people living in an area with too few resources to sustain them." It is a very important article and I urge my colleagues to review it.

The article follows:

[From the Chicago Tribune, Jan. 28, 1985]

FACING AN AWESOME CHALLENGE

(By Werner Fornos)

A great deal of compassion and support has been expressed by the American people as they have watched the Ethiopian tragedy unfold on their television screens. That is understandable and even expected.

What is more difficult to understand are those misleading reports attributing the cause of the tragedy solely to famine caused by drought. This is a shortsighted viewpoint, to say the least.

Of course, drought has played a role, as have other factors like migration, civil wars and politics. But none of these is the main reason. The underlying cause for what has occurred in Ethiopia and its neighboring countries is overpopulation: too many people living in an area with too few resources to sustain them.

The Ethiopian tragedy would have occurred with or without the drought. It was inevitable. Demographers have been predicting it for a least four years, just as they are predicting similar tragedies in other parts of Africa. In another part of the world, Bangladesh may be the next "Ethiopia."

Third World countries are adding too many people without the economies or the food production to take care of them. Eighty-five million people are being added to the world population each year, with 90 percent of this growth in the already struggling poorest part of the world. Between now and the turn of the century, the world will grow from 4.8 billion to 6.1 billion people—the equivalent of the population of the City of Chicago every 13 days.

Africa is the continent facing the most crucial problems because its population is the fastest-growing. Its population today is 531 million, but by the year 2000 it will have risen to 855 million. It doesn't take a mathematical genius to see that if Africa has serious problems today, they are going to escalate dramatically in the next few years.

At a World Bank symposium this month in Washington, it was stated that with current death rates and the age structure in developing countries, an average of four children per couple assures a population growth rate of at least 2 percent a year. Growth at a rate of 2 percent annually means that in 100 years a population grows to eight times its original size. At 3 percent a year it grows 20 times.

By the turn of the century, 30 of Africa's 51 countries will be unable to feed themselves, according to the United Nations Food and Agriculture Organization.

The recently completed World Fertility Survey conducted in 60 nations found that 400 million women did not want their last child; nor did they want any more children. These women lacked the education and the means to determine the size of their families and the spacing between births. An immediate doubling of U.S. aid for international family planning assistance to $580 million a year would mean 100 million of these women could receive contraceptive help. As a result, world population growth could be stabilized at 8 billion in the next century, instead of the projected 12 billion to 14 billion.

Compare this amount to the more than $1 billion expended by the U.S. in 1984 for food and famine relief to only 18 African countries. Population assistance is much less costly than famine relief. Famine relief is projected to cost up to $1.7 billion by the year 2000 when population will have risen from 215 million to 339 million in these countries. Additional family planning services would have a dramatic impact in reducing these dollar outlays.

It also would require more virgorous leadership by the United States than is currently apparent. It is in the nation's economic, political and security interests to help solve the Third World's population problems.

It is important to emphasize, too, that each individual country must be responsible for providing its own solutions to reduce fertility rates. This will require political commitment, motivation and free access to readily available family planning services. When this has been tried—Indonesia, Mexico,

Japan, China, Singapore and South Korea—the results have been highly encouraging.

Family planning methods are closely tied to education. Studies have shown that women who have completed primary school have fewer children than women with no education. But there are 800 million people in the world who cannot read or write, and two-thirds of them are women. The illiteracy rate in Africa is 73 percent.

Population affects the quality of life within a country, from birth to death. To bring population under control, it must be emphasized that family planning will improve life standards for the individual family. This means family planning must be accompanied by economic development, better educational opportunities more jobs and a more secure outlook for the future.

It is an awesome challenge. But it must be undertaken if we do not want starvation and suffering to be the methods used to control the world's ever-increasing population growth.●

DISINVESTMENT IS ANTI-BLACK

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. HYDE. Mr. Speaker, several days ago I called the attention of my colleagues to the remarks of two legitimate black leaders in the Republic of South Africa. One of them was the chief of the Zulu Nation. In the Wall Street Journal of February 20, 1985, Chief Buthelezi has written with eloquent passion of the negative aspects of the present tidal wave of recrimination that could shortly surface against South Africa. He has argued that blacks will gain and have gained power because they are exercising new and stronger economic power. Disinvestment and other punishment meted out against South Africa can only negatively affect all population groups in that country. I recommend Chief Buthelezi's article to my colleagues:

DISINVESTMENT IS ANTI-BLACK

(By Mangosuthu G. Buthelezi)

In the struggle for liberation any black leader worthy of the title recognizes that the responsibility for bringing about radical change in South Africa rests on black shoulders. It is a South Africa struggle, and blacks have to lead in that struggle until we pass the point where the drive for improvements becomes nonracial. We have to shape events in our own chosen direction, and we have to fashion our society after the models that we ourselves emulate.

It must not, however, be forgotten that in life and death situations decency is so often under siege. Bloody revolutions fought against terrible oppression do not automatically bring about great improvements. Decency in South Africa is under siege at the moment in the sense that decency and democratic nonviolent opposition to apartheid are under threat by white recalcitrance, which is polarizing society and driving blacks to despair and anger. Decency is also under siege in the sense that time-honored civilized values and Western democratic principles are being viewed as impotent by an ever-increasing number of blacks. The struggle for liberation in South Africa still could take ugly turns; the prospects of widespread devastation of property and a sharp escalation of violence leading to a race war remain an ever-present possibility.

NEED ALL-PARTY ATTEMPT

It is against these background thoughts that I ask Americans to consider attitudes toward investment in South Africa, and attitudes toward President Reagan's constructive engagement policy. As a black leader I cannot be jubilant yet about the Reagan administration's South African policy. We don't know yet what deeds will be added to words, but we are aware that sufficient political time has not passed for anybody to make judgments on Mr. Reagan's approach to South Africa. As a black leader I must welcome his attempt to formulate a South African policy for the first time in the U.S.'s history, even if it has not yet been demonstrated that the U.S. government and the American people have the will and the ability to take South African issues out of U.S. party politics. Black South Africans still don't know whether petty politicking between Democrats and Republicans will turn apartheid into an American political football for party gain.

I make the point that for the U.S. the South African situation is distant and unimportant. The remoteness of South African issues from the daily vested interests of U.S. citizens does not demand that any U.S. government make more than vague moral pronouncements on what should and should not be happening in my country. The South African issue, however, does challenge Americans' moral fiber and the U.S.—as the world's leading democracy—should make an all-party attempt to side with the oppressed in South Africa.

This thought, however, does not belie the fact that medium- and long-term economic developments in South and Southern Africa have implications for U.S. interests. South Africa after liberation will be a great gateway to the African hinterland where the process of industrialization must inevitably be talked of in terms of many millions of dollars. At this juncture, however, the immediate challenge to the U.S. is a moral challenge.

If we are to avoid a destructive conflagration of forces in South Africa, the process of change in the country must be speeded up. I fail to see how those who agree with this statement can possibly talk of our effective economic isolation. Isolation will bring stagnation to the economy and perhaps even destroy its growth base. Yet it is in the circumstances of a rapidly expanding economy, where the interdependence of black and white is vastly increased, that the propensity of the country to change is enhanced. Black vertical mobility is a concomitant of economic growth. Anybody who knows anything about a society such as ours will know that the ceilings that apartheid imposes on this vertical mobility, produce the rubbing points that mobilize opposition to apartheid where it is most vulnerable.

Apartheid has lined white pockets and succored white privilege. When white privilege and standards of living are threatened through the prosperity of blacks and there is a rising claim to recognition, then the prospects of negotiated advances are the greatest. While protected by a wide range of apartheid measures, big business in South Africa has for decades sided with the oppressor and exploited black South Africans unmercifully.

That era has passed. No big business today can secure future plans without challenging apartheid. It was the large corporations that broke the apartheid barriers that led to real advancements for black workers. Ford Motor Co.'s bold indenturing of black apprentices against the law hastened the day when job reservation had to be abandoned. Progressive managements talking, dealing and negotiating with workers hastened the day of black trade-union recognition.

It is big business that keeps institutions such as the Institute of Race Relations alive, and it is very often big business that provides the financial muscle to challenge the government in the courts on civil-rights issues, on labor issues and on contradictions and ambiguities in law; and it is international capital that can back educational and development programs. For large American companies to opt out of the South African situation is to opt out of the prospects of being catalysts in the process of change.

Increased economic investment in South Africa by U.S. companies associated with a U.S. constructive engagement policy with real meaning is a moral option that the U.S. now has. In the circumstances that now appertain, withdrawal of investments in South Africa by Americans is a strategy against black interests and not a punitive stick with which to beat apartheid.

LIFE AND DEATH DIFFERENCE

There is a great deal of genuine interest in South Africa among many Americans, but I really am fearful that the upsurge of the current debate on the disinvestment issue and on Mr. Reagan's constructive engagement policy is in part fired by Americans for Americans on American issues. Apartheid should be more than some kind of looking glass in which Americans see themselves. Apartheid is real; it is out there and millions of black South Africans suffer indescribably under it. Americans should profess a humanitarian approach to the question of what the U.S. should do about apartheid. To stand on American indignant principles by withdrawing diplomatically and economically from South Africa is a luxury that the vastness of American wealth could afford. But indulgence in that luxury for the sake of purity of conscience, whatever genuine motives produce that conscience, would do no more than demonstrate the moral ineptitude of a great nation in the face of challenges from a remote area of the globe.

Black South Africans have to confine their options to realities, and we have to seek to bring about radical change in such a way that we do not destroy the foundations of the future. More than 50% of all black South Africans are 15 years old or younger. A huge population bulge is approaching the marketplace. To greatly exacerbate unemployment and underemployment, and to greatly increase the already horrendous backlog in housing, education, health and welfare services, would be unforgivable. Millions of black South Africans already live in dire squalor in squatter areas and in shantytowns. Jobs make the difference between hunger and starvation and between life and death. For Americans to hurt the growth rate of the South African economy through boycotts, sanctions and disinvestment would demonstrate a callous disregard for ordinary people, suffering terribly under circumstances that they did not create, and would be a gross violation of any respect Americans may have for the principle that people should be free to exercise their rights to

oppose oppression in the way they choose. Black South Africans do not ask Americans to disinvest. The strident voices calling for confrontation and violence are the voices most dominant in calls for disinvestment.●

NASSAU COUNTY COMPTROLLER PETER KING REPORTS ON NORTHERN IRELAND VISIT

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. McGRATH. Mr. Speaker, Nassau County, NY Comptroller Peter T. King recently returned from a visit to Northern Ireland and shared his observations and impressions with me. I am pleased to submit for my colleagues review his report, "Loyalist Alienation in Northern Ireland: An Opportunity for a Diplomatic Breakthrough." I commend this report as a thoughtful and cogent assessment from a man who is a Catholic, and a nationalist supporter, yet who visited Northern Ireland at the invitation of Families for Legal Rights which is an organization comprised of relatives of loyalist defendants charged in supergrass trials. Mr. Speaker, I am sure you will agree that this makes for very interesting and thought-provoking reading.

The report follows:

LOYALIST ALIENATION IN NORTHERN IRELAND: AN OPPORTUNITY FOR A DIPLOMATIC BREAKTHROUGH

(By Peter T. King)

During the period of January 26-January 31, 1985, I was in Belfast, Northern Ireland at the invitation of Families For Legal Rights which is an organization comprised of relatives of loyalist defendants who have been charged on the uncorroborated testimony of "supergrass" informers.

The purposes of this visit were (a) to observe the current loyalist supergrass trial where 29 alleged members of the outlawed loyalist para-military Ulster Volunteer Force (UVF) are being tried on the uncorroborated testimony of supergrass James Crockard and (b) to meet with leaders and representatives of the loyalist community.

I accepted the invitation of Families For Legal Rights because it has always been my position it is just as wrong when loyalists have their rights violated as it is when nationalists' rights are violated. Human rights are universal and cannot be allowed to be restricted by political or sectarian boundaries. I also believe it was significant that a hard-core loyalist group, which was fully cognizant that I was a Catholic and supported the nationalist cause, would invite me to assist it. This signalled to me a considerable change in loyalist thinking.

The Crockard trial is as violative of due process and civil and human rights as were the McGrady and Grimley trials. In virtually every particular this loyalist trial equalled the nationalist trials in its perversion of justice. The prevalent thinking in Northern Ireland today is that the use of supergrasses has just about run its course with only two significant cases remaining—Kirkpatrick (nationalist) and Gibson (loyalist). This, however, should provide little solace because recent history has demonstrated that England replaces one draconian system with another—e.g., internment was succeeded by Diplock Courts which were characterized first by tortured confessions and then by supergrasses.

What has made the supergrass system unique is the extent to which it has been imposed upon the loyalist community. Internment, tortured confessions and plastic bullets were directed primarily against the nationalist community and this caused England considerable public relations problems. England attempted to avoid this problem with the supergrass system by charging loyalists as well nationalists, thereby giving the appearance of even-handedness.

This has outraged the loyalist community for several very basic reasons. First, in their frenzied pursuit to erect the facade of impartiality, the British have charged loyalists on evidence which, in some instances, is even less credible than the evidence against nationalists. Second, the "terrorist" offenses for which the loyalists are now being charged are the very type actions which, in the past, the British security forces condoned and even encouraged them to commit against the nationalists.

Third, while the British have moved against the loyalists in the past, it has never been on this scale or to this extent. Indeed, the loyalists have historically viewed themselves as the ultimate defenders of British rule in the six counties. For loyalists to witness the British system of justice being so horribly perverted with themselves included among its victims is psychologically shattering to growing numbers of loyalists.

The extent to which many working class loyalists feel alienated from England was made clear to me in my meeting with Families For Legal Rights and with loyalist politician George Seawright. The meeting was held in the Loyalist Club on the Shankill Road which is the embodiment of the most bitter hatred between loyalists and nationalists. Yet, as a Catholic and professed nationalist supporter, I was graciously and politely received. Quite frankly, I could not imagine such a meeting taking place several years ago. These most dedicated loyalists were willing to ignore my Catholic religion and republican sympathies in an attempt to reach agreement on matters such as supergrasses which are of concern to both loyalists and nationalists.

I do not for a moment minimize the extent of the breach between the communities. Nonetheless, I believe that there now exists a unique diplomatic opportunity which should be seized before the moment passes. The ideal role for the United States to play is as an honest broker. Every effort should be make by the United States to encourage meaningful dialogue between the two communities on issues of mutual relevance and importance. Supergrasses and strip-searches are two such issues. Additionally, the United States must not only permit but indeed encourage loyalist and nationalist representatives to set forth and articulate their positions to the American people. In short, the United States must discard its visa denial policy and allow all Northern Ireland representatives into our country including nationalists such as Gerry Adams, Danny Morrison and Owen Carron and loyalists such as Andy Tyrie, George Seawright and Ian Paisley.

The time has also long since come to acknowledge that a war situation exists in Northern Ireland and that peace will never come until all parties to the conflict including para-militaries such as the Ulster Defense Association, the Ulster Volunteer Force and the Irish Republican Army are permitted to take part in whatever negotiations are ultimately held.

My own views on Northern Ireland are unchanged. I believe that Northern Ireland is a failed political entity and that the only viable, long-term solution is a united 32 county Ireland wherein the legitimate rights of loyalists and nationalists would be guaranteed. The precise framework and time table for a united Ireland would be arrived at after honest and meaningful diplomatic initiatives by London and Dublin and negotiations among all parties including para-militaries.

Ideally, the United States would set this process in motion by furthering the dialogue between loyalists and nationalists. Even, however, if the dialogue does not bring about a long-term political solution, it could nevertheless result in the alleviation of human rights violations by the British against both communities and that in itself would be a very meaningful achievement.

Finally, London and Dublin can be expected to resist any effort to achieve nationalist-loyalist dialogue because that will limit their influence. The English and Irish governments have, however, failed miserably over the past 65 years in Northern Ireland. Both have cynically manipulated and abandoned the communities whose interests they supposedly represented. In short, the bankrupt policies of London and Dublin cannot be allowed to once again frustrate the hope of progress.

The people of Northern Ireland have suffered too long and too hard for the United States to ignore the potentially historic diplomatic opportunity which presently exists. The time for action is now. The judge is history.●

JAMES DuBOSE RETIREMENT

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. RODINO. Mr. Speaker, last month, my very dear friend, James DuBose, retired from the Newark Police Department after 29 years of service. It is a privilege for me to take this time today to pay tribute to Detective DuBose.

I have known Jim for many years, and have a deep admiration for his outstanding service to our community. He began his career as a police officer in 1956 and rose through the ranks of the department, serving as a detective in the vice squad and the intelligence squad and earning numerous citations and awards. In 1974, he became special assistant to the police director, a position which Jim held until his recent retirement. Here he put his many talents to use, serving Police Director Hubert Williams and the people of Newark as well.

In addition to his service in the department, Jim DuBose has played an important role in numerous civic and community affairs. As one of the

founders of the Bronze Shields, an association of black police officers, Jim has assisted many charitable services in the community. He is also active in the 369th Veterans Association, and has for some time been working as a historian for this organization. It was while he was preparing an oral history of this brave and honorable unit that Jim came across a man from Newark named William O. Layton, who had fought with the 369th during World War I. Mr. Layton told Jim that he had been awarded the highest medal of honor by the French Government—the Croix de Guerre. Unfortunately, however, the medal was lost when he returned to the States. For over 60 years, Mr. Layton tried to have the medal replaced, but was unsuccessful until Jim DuBose got involved. He asked for my assistance, and last April, at a ceremony at Newark's city hall, Jim DuBose and I presented Mr. Layton with a Croix de Guerre.

This story says something about Jim DuBose that I have known for a long time—that he is a caring and dedicated individual with unlimited love for the people of our community. Although his retirement is a loss to the police department, I am confident that Jim will continue to be a very important player in the life of our community. I salute him on his retirement, and wish him all the best in the future.●

LITHUANIAN INDEPENDENCE DAY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. GILMAN. Mr. Speaker, I would like to take this opportunity to thank the gentleman from Illinois, the Honorable FRANK ANNUNZIO, for his leadership in sponsoring the commemoration of Lithuanian Independence Day. The 734th anniversary of the formation of the Lithuanian State is not only a time to reflect on a proud moment in Lithuanian history, but also a time to rededicate all our efforts toward securing Lithuanian independence again.

For more than a century, the Lithuanian people suffered under foreign domination, trying vainly to win their independence. But on February 16, 1918, Lithuania was able to do just that. This independence was soon followed by German occupation during World War I, but thereafter and for the next 20 years, until 1938, the Lithuanian people were free. That small nation then came under Soviet domination during the course of World War II, and in 1940, Lithuania was declared a constituent republic of the U.S.S.R. Thereafter, during World War II, Germany occupied this land once more, for another 4 years, until the end of the war. Since that date, Lithuania has remained under the thumb of the Soviet Union.

Mr. Speaker, millions of Lithuanians exist today within the captive borders of the Soviet Union. They cannot celebrate the day as we do. We, as members of the free world, must continue to exercise our right of free speech to ensure that their dream of independence never dies. The importance of this day cannot be underestimated as it is a tribute to the Lithuanian spirit and heritage.●

OLD TURKEYS, SACRED COWS AND PORK

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. EDGAR. Mr. Speaker, while I frequently have differences with David Stockman, we seem to agree a bit more regularly on matters of Federal water policy. Today I would like to bring my colleagues' attention to one such area of agreement, as summarized in an editorial from the New York Times last week. The piece points out the redundancy of having two major Federal agencies to build our water projects—the Bureau of Reclamation in 17 Western States and the Army Corps of Engineers throughout the country. Mr. Stockman believes that one agency would be enough.

For some time I have advocated the development of a rational, planned Federal water policy. Not one which stopped building necessary water projects or eliminated the Federal role in them, but a strategy which builds projects based on need, demonstrated local support, and with respect for the environment. I think that the Times editorial makes the simple point that having dual agencies for this purpose is an unaffordable extravagance in a time of $200 billion deficits. Moreover, the duplication of services works against the goal of a rational national water policy.

I think that David Stockman's idea has merit and deserves attention. I commend the following editorial to my colleagues:

OLD TURKEYS, SACRED COWS AND PORK

Representative Morris Udall of Arizona says the idea of merging the two big agencies that build Federal water projects—the Bureau of Reclamation and the Army Corps of Engineers—is just "an old turkey that comes back every few years." He's partly right. It had been around at least since Calvin Coolidge. But the idea is an old turkey, it has become one bacause the bureau is a sacred cow.

Budget director David Stockman dares to suggest that a single bureaucracy would suffice, and save money besides. Not surprisingly, he's run into a stone wall. Neither the Interior Department, where the bureau is located, nor the Pentagon sees any point to his proposal. President Reagan, however, is interested.

What's the problem? Mr. Udall and his colleagues from the West. No matter how many Presidents think one agency would be better than two, the Western contingent in Congress thinks otherwise. The bureau is their pork barrel. They want it kept separate.

The corps dates from the early years of the Republic, when its main business was building forts. The bureau came along in 1902, to reclaim arid regions in 17 Western states. Nowadays, the agencies' operations have grown more alike. The bureau, still confined to the West, emphasizes hydropower and irrigation. It has 8,200 employees and a $1.1 billion budget. The corps works all over, mainly on flood control and navigation. it has 37,000 employees and a $3.6 billion budget.

President Reagan's new 1986 budget proposes cutting $900 million from the corps and $100 million from the bureau. Merger wouldn't save nearly that much; Mr. Stockman estimates $50 million a year. And it certainly wouldn't shut down the Washington pork barrel. Both agencies know how to accommodate Congress.

But the potential public benefits are clear. The savings aren't peanuts. And over the long haul, one less agency generating new ideas for subsidized water projects would save much more. The major work the bureau was created to do is done.

The President won't take a stand until the new Interior Secretary, Donald Hodel, has reviewed his predecessor's findings. A credo to guide both men is available in Mr. Reagan's second Inaugural address: "If not us, who? And if not now, when?" ●

FIFTIETH ANNIVERSARY OF THE WILLIAM M. GOUSE, JR., VFW POST 3211

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. LENT. Mr. Speaker, February 1985 marks the golden anniversary of the William M. Gouse, Jr., Veterans of Foreign War (VFW) Post 3211 of Hicksville, Nassau County, NY. This landmark is an important occasion for the post, its members, and the local community. More importantly, the event symbolizes the lasting commitment to serving our Nation's veterans which has been the VFW's proud tradition throughout its history.

At the time the charter was approved on February 4, 1935, and instituted on February 11, 1935, 20 comrades comprised Post 3211 at the first muster. Originally the Manetto Plains Post, Post 3211 was renamed after William M. Gouse, Jr., who died October 16, 1938, at the age of 39. The original comrades had agreed, "Whichever of our comrades dies first, so shall the post be named after our deceased comrade."

VFW Post 3211 supports local veterans' centers and various programs to assist veterans and their families. In fact, the post earned a national recognition award for the formation of a veterans' employment agency.

The post is a place to share in the comradeship of fellow veterans. Many of the members visit the Northport Veterans' Hospital every month. In December, the hospital patients are brought to the post for a Christmas celebration and dinner. These visits help boost morale and spirit among the veterans.

The William M. Gouse, Jr., Post is dedicated to serving the local community as well. Members are active in many charitable organizations and community projects, such as the Hicksville Community Council.

The post also offers scholarships through the Voice of Democracy Program and the coloring book contests to students of the Hicksville school system. Post 3211 earned a national recognition award for sponsoring the first coloring book contest for area elementary students. They sponsor programs such as the International Games for the Disabled and donate food and clothing to needy families in the area. The post also sponsors Boy Scout Troop 3211.

The members of Post 3211 deserve our gratitude for their continued work on behalf of our Nation's veterans, their families, and the local community.

The VFW, as an organization and through its members, has been instrumental in reinforcing the principles of loyalty, strength, and patriotism in America. Our veterans are entrusted with passing on our country's noble ideals to present and future generations of Americans. The post's efforts in pursuit of these esteemed goals are worthy of the highest commendation.

I congratulate the William M. Gouse, Jr., Post 3211 and its members on their 50th anniversary. And I know my colleagues join me in wishing them 50 more years of continued success. Thank you.●

SETTING THE RECORD STRAIGHT

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. BROOMFIELD. Mr. Speaker, early last month, the Voice of America broadcast an editorial that puts the degree of aid we have been providing the people of Ethiopia and the reaction of Ethiopia's Marxist government into important perspective.

The editorial points out that while we have sent an unprecedented amount of aid to that country, the Ethiopian regime has made a point of concealing the true extent of our aid while exaggerating the importance of help from countries like the Soviet Union.

It also points out that while the attitude of the Ethiopian regime may be disconcerting to us, our overriding concern is for the welfare of the Ethiopian people. We have thus urged that their government consider our Food for Progress Program to promote agricultural development through private effort—an approach that as the President said "holds the promise to help prevent tragedies like Ethiopia from reoccurring in future years."

Mr. Speaker, with these thoughts in mind, I commend the following Voice of America editorial to my colleagues:

SETTING THE RECORD STRAIGHT

Since the first television pictures of the starving people of Ethiopia reached the West last October, people and governments around the world have sent an unprecedented amount of relief aid to that country. The United States has been especially forthcoming. In all, our government contributed two hundred and thirty thousand tons of grain to Ethiopia in the last three months of 1984.

The American aid to Ethiopia is a matter of record. Yet, for some reason, it's not a matter that Ethiopia's Marzist rulers like to acknowledge. In fact, Ethiopia's government has made a point of concealing the extent of U.S. aid. In December, the government-controlled Ethiopian Herald announced that Finland had donated two thousand blankets—but ignored the American contribution of five thousand blankets on the same day. In November, the same newspaper waited nineteen days before reporting a U.S. pledge of fifty thousand tons of grain, the single largest donation of any government. In its lists of foreign aid, the Ethiopian government has included direct U.S. government assistance, but excluded government aid distributed by private groups, thus understating total U.S. aid by some seventy five percent.

While the Ethiopian regime has downplayed U.S. aid, it has exaggerated the importance of the help it has received from its Chief foreign patron, the Soviet Union, which has contributed some ten thousand tons of food. Instead, Ethiopian leader Mengistu Haile Mariam talked at great length about the Soviet trucks and aircraft being used to distribute food. He doesn't say where the food is from.

It doesn't really matter who the Ethiopians think is feeding them—as long as they are fed. What the Ethiopian government does—or doesn't—say about its aid donors is not nearly as important as an Ethiopian commitment to provide for its people in the future. Unfortunately, such a commitment is nowhere to be seen. In the past decade, the Ethiopian government has collectivized agriculture according to the Soviet model, and with the same result: sharply declining farm productivity. Since 1982, Colonel Mengistu has ignored warnings that his farm policy could contribute to famine; now, the Ethiopian regime plans to extend collectivization so that, by 1990, more than half of its people will work on collective farms.

We are glad to be able to help the Ethiopian people in their present suffering. Last week, President Reagan pledged that the United States will provide one half of the emergency food aid needed for Africa in 1985. Yet we think that, in the long run, greater food-sufficiency is the answer to food shortage. Our government's Food for Progress program is meant to promote agricultural development through private effort. That approach, as the President said, "holds the promise to help prevent tragedies like Ethiopia from reoccurring in future years."●

THE PRESIDENT'S MESSAGES

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, February 20, 1985, into the CONGRESSIONAL RECORD:

THE PRESIDENT'S MESSAGES

President Reagan used his State of the Union Address to celebrate individual freedom and extol old-fashioned values. His flawless delivery and warm introduction of two "citizen heroes" contributed to the political theatre. He called for "a second revolution of hope and opportunity" as he developed his theme of unlimited horizons for all Americans. I was impressed by his praise of the nation's progress and of its stunning prospects. The President called for few new changes in government. In his view things are going well, with prosperity at home and stability abroad. Undoubtedly, most Americans agree with him.

The President's plea for a simpler tax code was the centerpiece of the speech. Having stressed the issue vigorously, he is now obligated to follow through. He pushed for lower tax rates for individuals, but expressed concern that a corporate tax hike like that in the Treasury's tax proposal will reduce incentives for new plant and equipment spending. He also questioned the elimination of preferential treatment for capital gains. The President faces a challenge in attempting to lower individual tax rates and keep current corporate tax levels without lowering revenues. Nonetheless, he gave impetus to tax reform without committing himself to a specific plan. I suspect he will propose a list of several provisions rather than comprehensive legislation when he finally endorses a plan.

The President reacted out to minority groups, advocating enterprise zones and subminimum wages for teenagers. Emphasizing the themes of social justice, he endorsed job training partnerships, tuition tax credits, and a program to help low-income public housing residents buy their own homes. He urged constitutional amendments to permit school prayer and ban abortions, and encouraged greater use of the death penalty.

The President's speech dwelt less on foreign policy than most State of the Union addresses. He requested further increases in both foreign aid and military spending. He again supported the MX missile and the Strategic Defense Initiative, which he called "the most hopeful possibility of the nuclear age." He asked for new negotiations to expand trade and strengthen the global economy. He was less combative toward the Soviet Union than in the past speeches. He saved his harshest language for the Sandinista leaders of Nicaragua.

The President's separate Economic Report also praised the outlook for the United States economy. Unlike the State of the Union Address, the report warned of the risks of massive federal budget deficits. One interesting section of the report criticized the Treasury tax plan, which the President has praised at other times. The report attributes much of the economic recovery to the accelerated depreciation and investment tax provisions of 1981 tax law, which the Treasury plan would dismantle. The report blames the trade deficit largely on a strong dollar. It attacks protectionism and favors comprehensive trade liberalization and a new round of multi-lateral trade negotiations. The President stressed further deregulation of the banking system, trucking, railroads, natural gas prices and the licensing of nuclear power plants.

The President credits the Federal Reserve for the recent drop in inflation and interest rates. The report embraces monetarism, an economic doctrine holding that money supplies should expand at a constant rate each year. The report says that fiscal policy (the taxing and spending process of government) has little direct impact on economic growth except in time of war. This is a striking departure from previous reports which stated the traditional view that fiscal policy more directly affects growth, especially in a slack economy. Both views agree, however, that money supply is a major factor in the economy's growth rate. The President seems to be positioning himself to blame the Federal Reserve if economic growth declines.

The President counts heavily on economic growth to control the budget deficit. My concern is that this approach does not warn of the risks ahead. I do not believe we can maintain strong growth with present economic policies. The message of the State of the Union Address and the Economic Report is that while we may be running large budget deficits, we can expect a healthy, rapidly expanding economy nonetheless. In my view, that message is mistaken.

For example, the overall federal debt is growing at a faster rate than the economy. The President often states his view that the federal government's role must shrink, and the private sector's role must grow. But instead of shrinking, the government's share of the economy has expanded significantly since 1980. Government outlays jumped to 24.8% of GNP from 22.9% four years ago. The overall debt could amost triple in this decade, rising from $914 billion in 1980 to $2.5 trillion by the end of the decade.

The deficit feeds on itself. Interest payments in the budget have quintupled in the past ten years, and they will continue to soar. Every time there is an additional $200 billion annual deficit there is another $20 billion each year in interest payments for that part of the deficit. The deficit is bleeding us and it can't be cured, as the President's budget suggests, by cutting spending in one-third of the budget (social programs) and increasing spending in the other two-thirds (defense, entitlements and interest payments). Reducing the deficit will have to be based on a wider range of spending cuts. And if a better budget cannot be found, it may have to include consideration of higher taxes, too.

My feeling is that our present recovery is due largely to the monetary policy of the Federal Reserve. Yet, we are on shaky foundations because of huge deficits and the influx of foreign capital. If foreign investment begins to dry up, the dollar will decline in value, interest rates could increase, inflation could rise, and a recession could occur. My sense is that the President is not giving enough attention to the chances of trouble ahead in the economy.●

GOOD NEWS FOR TAXPAYERS ON MILITARY PROCUREMENT

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. HALL of Ohio. Mr. Speaker, we have often heard horror stories of the Pentagon buying a claw hammer for $900 or a flat washer for $300. Rarely do we hear about military officials reducing the cost of procurement.

However, Defense Department officials are taking steps to cut costs, and these efforts should be recognized. For example, at Wright-Patterson Air Force Base adjacent to my district, officials running the F-15 Fighter-Plane Program have introduced a new procurement system which could save taxpayers millions of dollars.

For the benefit of my colleagues, I would like to introduce into the RECORD the text of an article from the Dayton Daily News on the new system. Here is some good news on military procurement.

The article follows:

[From the Dayton (OH) Daily News]

INNOVATIVE: WRIGHT-PAT BUYING DIRECT TO SAVE MONEY

(By Mary Beth Lane)

Officials running the F-15 fighter-plane program at Wright-Patterson Air Force Base have introduced an equipment-procurement system they predict will save millions of dollars.

Instead of buying items such as ladders and jack pads from McDonnell Douglas Corp., the company that builds the plane, the officials are buying the equipment directly from small businesses. They expect to save $1 million to $10 million when the contracts are signed next month.

"I just wanted to make sure we were doing business right in the F-15 (office) and avoid horror stories. I'd rather find a horror story than have you (the press) find it, to be frank," Col. Michael Butchko, director of the F-15 office, said in an interview.

"We're taxpayers, too. Everyone seems to forget that."

Butchko, a pilot who was assigned to the F-15 office six months ago, said he came up with the procurement idea when he learned his office faced the purchase of 350 support items for which McDonnell Douglas would charge $30 million.

"(I thought) maybe we could get it done quicker, cheaper and with the same quality as the prime contractor," he said.

Butchko plucked six employees from his staff of 200 and assigned them to a "tiger team" to work full time on the order. Creating a tiger team, an expression used by the military and defense contractors, means assigning a panel of experts to work on one matter exclusively.

Frederick MacLeod, who heads the team, said he and his colleagues studied the order and found 135 items out of 350 could be purchased quicker, cheaper and at equal quality from "small and disadvantaged" businesses instead of McDonnell Douglas. The federal government defines these as firms that are "socially or economically disadvantaged," including those owned by women, minorities, handicapped people or immigrants.

The items being purchased are simple devices used to support the F-15, including ladders, wrenches, ammunition trailers, tow bars and dollies.

Although this procurement system means less profit for McDonnell Douglas, the contractor has given its enthusiastic support, Butchko said. He said contractors generally would prefer not to handle support-equipment orders because it is not a high-profit area for them.

After contracts are signed with small businesses to provide the simple items, the same team will study whether any of 500 more sophisticated items used in the F-15 can be bought the same way, Butchko said.●

ETHIOPIAN LENINISM AND FREEDOM

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. HYDE. Mr. Speaker, as most of us know the current drought conditions in Africa have been exacerbated by socialist economic policies and a repression of freedom in those nations adopting a Sovietized Marxist-Leninist totalitarian political system. Ethiopia has become a bottomless funnel for foreign disaster assistance. Selectively hoarding food for its army, city dwellers and apparatchiks, this despicable regime continues to play the role of hapless victim of the elements.

In the February 20, 1985 edition of the Wall Street Journal writer Wayne Svoboda has aptly described the state of affairs in the most active Soviet satellite in the Horn of Africa. I recommend to my colleagues a careful reading of this report prior to writing a blank check to the Ethiopian regime and its Cuban and East European enforcers.

CALAMITY IN MENGISTU'S COUNTRYSIDE

(By Wayne Svoboda)

ADDIS ABABA, ETHIOPIA—In a recent speech here at Congress Hall, not far from Lenin's high-rise statue, Comrade Mengistu Haile Mariam, Ethiopia's self-appointed ruler, discussed fine points of revolutionary communist ideology as his countrymen suffered from the twin ravages of drought and his government's nonsensical economic policies.

What Ethiopia needed was a specific sort of cadre, proclaimed Comrade Mengistu, secretary-general of the central committee of the communist Ethiopian Workers' Party [EWP]. The ideal member of such a cadre, he said, should be "not one who is satisfied merely to exist, but one who will sacrifice himself for the program we have formulated and guarantee the freedom of the worker."

Comrade Mengistu need not have bothered. Tens, probably hundreds, of thousands

of Ethiopians had already offered the ultimate sacrifice in 1984: their lives. Weak from malnourishment brought on by three years of drought and aggravated by their unelected government's unenlightened policies, most died unseen in the hills. Others expired before the cameras of journalists allowed into the country during the last few months of the year.

Had these Ethiopians been better fed in their villages, they would not have contracted the dysentery, measles and other diseases that killed them; or, having contracted them, they would have recovered. Instead, weak, they died. As many more may die this year, despite massive Western aid and not-so-massive help from such Ethiopian allies as the Soviet Union and East Germany. Ordinary Ethiopians' only hope is that Comrade Mengistu will change his policies and provide incentives for peasant farmers to grow food. In normal times, most Ethiopians grow just enough for themselves; there is no incentive to grow more, because the government pays prices that are artificially low for the main grains. Only in the central highlands is there a small surplus; this goes to feed city dwellers.

Such a change in agricultural policy is unlikely. Comrade Mengistu's most recent bad idea is to shift individual peasants from subsistence to state-run farms, in which the government owns the land and laborers work for a wage, or to producer cooperatives, in which land is individually owned but equipment is shared. He thinks these are the fairest ways, and wants half the peasants to work on such collectives by 1994. At the moment, only 5% do. To speed up the transition, he has made it difficult for peasant farmers to obtain seed, fertilizer and credit to work their own plots. State farms and cooperatives get more than their share.

Comrade Mengistu generally pays little attention to the needs of the countryside, where more than 80% of Ethiopia's 36 million people live, preferring to concentrate on keeping his townfolk happy. In Addis Ababa on Sundays, crowds fill a fancy sports stadium to watch soccer; afterward, spectators heading home on broad paved streets can stop off for bakery goods, cups of cappuccino, glasses of fresh orange juice, or dinner by candlelight while a piano tinkles softly in the background. Contrast this with the rural areas, where children in dusty fields kick at a filthy ball made of cloth. There are almost no shops, paved roads, piped water, dams, irrigation programs or trees (wood is burned for fuel everywhere; as trees disappear, so does topsoil—and the desert spreads). Almost nothing, almost everywhere.

Comrade Mengistu's predecessor, Emperor Haile Selassie, was not much better, especially in the years just prior to his overthrow in 1974 by Comrade Mengistu and other officers (most of whom were killed before Mr. Mengistu became head of the government in 1977). Selassie was disposed because he refused to admit that 200,000 Ethiopians were dying as a result of famine in Tigre and Wallo provinces in 1973, much less seek help for them. The emperor thought that undue attention to such events was demeaning.

Mr. Mengistu has shown the same tendency. Western reporters who requested visas to visit Ethiopia throughout the winter, spring and summer of 1984 were consistently turned down. The thought that the reporters might have contrasted the plight of the starving with the government's celebration of its 10th-anniversary was apparently too much to bear. Mr. Mengistu moans about the West's alleged manipulation of humanitarian aid to serve political ends. But he knows why nearly all reporters were not allowed in until September, and why, even now, they are forbidden to travel outside the capital without government-approved permits and guides. Swift's metier was satire; Mr. Mengistu's, hypocrisy.

That Karl Marx might today cringe at those who act in his name seems not to interest Mr. Mengistu. Some other African heads of state mouth Marxist slogans but can tolerate some capitalism—Robert Mugabe, prime minister of Zimbabwe, is the best example. Mr. Mengistu speaks benignly ("it is imperative to give priority to, and focus on, the development of the agricultural sector") or banally ("you are being deployed to register another historical victory in the complex process of our class struggle"). But his actions are decidedly malignant.

He is fighting four wars—against Eritrean and Tigrean rebels in the north, Somali nationalists in the Ogaden, and Oromo nationalists in the south. Refugees walking out of Eritrea and Tigre toward the Sudan in search of food have been attacked by the Ethiopian air force. Hungry Ethiopians who opt for camps, called feeding centers, set up by the state often find themselves aboard Soviet transport planes flying south. There they are "resettled" in secure areas sometimes far different from those they left. The strife-ridden north is becoming less and less able to support the rebels.

Mr. Mengistu's ideological altar is supported by three planks—tired Marxist-Leninist cant from which even communist stalwarts such as China now are distancing themselves, food-price subsidies to urban Ethiopians and to the army to avoid coup attempts, and agricultural collectivization. Many attempts have been made to smash this ideological foundation. All have failed. An Oxford economist, Keith Griffin, was asked by the Ethiopian government to offer a plan for agricultural reform. He did. Mr. Mengistu ordered that it be kept secret and not used. The World Bank, in three reports over the past four years, has drawn attention to shortsighted, ultimately counterproductive agricultural policies followed by African nations including Ethiopia. Comrade Mengistu yawns.

His defenders say he deserves less blame than he gets: that leaders such as President Gaafar Nimeiri of Sudan also suffer from civil war, drought and famine, but escape condemnation because they are friends of the West. Yes and no. For drought, both men are blameless. For nurturing, not solving, an inherited civil war, each is guilty; Comrade Mengistu more than President Nimeiri. But Sudan has not tried to cripple private farming, and its food shortage is thus less severe. Much of it is also caused by the presence of hordes of refugees from neighboring countries—including, yes, Ethiopia.●

MOTHER SETON SCHOOL, EMMITTSBURG, MD

HON. BEVERLY B. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mrs. BYRON. Mr. Speaker, 175 years ago today, in the mountains of western Maryland, America's first saint of the Roman Catholic Church began one of the endeavors on the road to her eventual nomination to sainthood. On February 22, 1810, the original parochial school founded by Elizabeth Seton, was opened as a mission school to settlers living in what was then the far western frontier of the American wilderness.

From that small beginning Americans of all beliefs can learn a lesson in industry and faith. Our Nation has grown to boundaries unimagined in 1810, when that frontier school was formed. The subjects of history and science and mathematics have likewise expanded beyond the bounds first taught in the simple mission school. And the small school itself branched in growth to a university. And the individual efforts of Elizabeth Ann Seton progressed to the point that she was ultimately named the first American saint of her church.

On this day we can all be reminded that from small beginnings grow the ultimate greatness of spirit, accomplishment, and personality. And that is the heritage that this teacher gives to us all, no matter what our religion.●

IRS COMMISSIONER MAKES GREAT CASE FOR MASSIVE TAX REFORM

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. STARK. Mr. Speaker, every time he gives an interview, the President backs further away from the Treasury Department's outstanding work on tax reform. The concrete work of the Treasury's experts is rapidly turning to jello in the President's mouth.

Still, the people who really know taxes—such as IRS Commissioner Egger—continue to make the good fight as to why, without tax reform, our tax system could collapse. I would like to include at this point in the RECORD an excellent article by Commissioner Egger from the Washington Post of February 10, 1985:

WITHOUT REAL REFORM, OUR TAX SYSTEM COULD COLLAPSE

(By Roscoe L. Egger, Jr.)

In his State of the Union address President Reagan made a persuasive case for tax reform to achieve "fairness, simplification and growth." In addition, there is a factor that is of particular concern in my business of tax collecting: if we fail to make our tax code simpler and fairer in the near future, we could jeopardize a great American tradition—voluntary compliance with the tax laws.

Fundamental tax reform is now not a luxury. It is a stark necessity if we are to preserve that tradition of voluntary compliance. The latest figures we have are for

1981, when Americans failed to pay $90 billion in taxes they owed to the government. The size of this "tax gap" has probably grown in the last four years, and it is part of our deficit problem.

Not all tax avoidance can be described as cheating, because—unfortunately—a lot of it is legal. In the last few years there has been a staggering growth in the ways taxpayers have attempted to avoid taxes by investing in so-called shelters. Tax shelters are "exhibit A" when it comes to demonstrating the unfairness of our current tax system. They are also evidence of the lengths to which some taxpayers will go to avoid paying taxes—a sign, perhaps, of how close we are getting to a society in which dodging taxes becomes not only fashionable, but acceptable.

Some recent data on tax returns of selected partnerships is instructive, since partnerships are a common vehicle used for tax shelters. Between 1963 and 1982 the number of taxpayers who claimed partnership losses on their individual returns increased from 412,000 to about 2.1 million. At the same time there has been a significant erosion in the base of the federal income tax—that is, the amount of taxable, reported income—particularly among taxpayers in the higher income groups.

In 1983, partnership losses that were claimed by individual taxpayers sheltered as much as $35 billion dollars of income that would otherwise have been taxed. A sampling of 88 Form 1040 returns gives an illustration of how this works in individual cases.

These taxpayers held interests in certain tax shelters that are not being challenged by the Internal Revenue Service as abusive. The average income of this group was $193,000, and their total income before losses was $17 million. But their taxable income was just $1.9 million, because they deducted losses of $6.4 million from partnerships, and other losses totaling $8.7 million.

Of these 88 returns, 19 with average gross income before losses of more than $240,000 reported total income tax payments of less than $500. Thirty-seven with average gross income before loss of more than $170,000 reported total tax payments of $6,000 or less.

To compare, a typical family of four with income of $45,000 and no tax shelter losses would pay $6,272 in taxes. The current tax system in this country supports this kind of gross unfairness. It reinforces the notion that there are special privileges—but only for the few that somehow find ways to take advantage of the system.

Last year, the IRS commissioned a detailed study of public attitudes to the tax laws. The firm of Yankelovich, Skelly and White interviewed more than 2,000 people, and confirmed that most taxpayers consider the system unfair.

At least 75 percent of taxpayers believe their taxes are too high for what they get, and about two out of three believe they have to pay more than their fair share. A whopping 80 percent of the taxpayers in this country believe the present system benefits the rich and is unfair to the ordinary working man or woman.

Can we afford any longer a system whose very unfairness and complexity literally invites tax cheating? Can we support a system where special interests get a varity of tax breaks but the great majority of the people are squeezed just a bit harder each year to make up the difference?

The answer is obvious. Our survey of 2,000 taxpayers produced strong evidence of increasing public cynicism about taxes. Half the population thinks that 25 percent or more of all Americans cheat on taxes; a quarter of the population thinks more than half of us cheat. A majority said tax cheating is increasing. Nineteen percent of those we surveyed admitted cheating on their own taxes. What is the reason for this cheating? The answer given most often in our survey was that the existing system is unfair.

In our sample 38 percent of those questioned agreed with this statement: "Since a lot of rich people pay no taxes at all, if someone like me underpays a little, it's no big deal."

The reaction to the Treasury Department's new and admirable tax simplification package was a case study in what's wrong with our current system. One after another, the special interests have come forward to attack the Treasury plan.

Why? Because regardless of a general lowering of the rate structure to the benefit of the many, the few that have benefited in the past want *their* special tax breaks to continue. Never mind that they would receive the overall benefits of the reforms. The few also want to continue to receive their preferential treatments. But the very existence of all those special privileges is exactly why we need to reform the system—not later, but now.

For a quarter century we have been using the tax code to provide incentives for social and economic objectives deemed desirable by Congress. As a result we have a system piled high with patchwork complexities resulting from one so-called reform after another. For example, last year's "reform" effort amounted to more than 1,000 pages of legislative language and was designed to "fix" some of the difficulties of the system.

One of the greatest potential benefits of the Treasury Department's new proposals has gotten too little attention: the prospect of abolishing tax returns for most American taxpayers.

This isn't a pipe dream. About 90 percent of the wage earners in Japan don't have to file tax forms. In Britain, too, most wage earners are usually spared the need to file any forms. We could also develop a return-free program if we had a simplified tax code.

Beginning with the 1987 tax year, we could help 14 million people earning less than $50,000 a year pay their taxes without filing any forms. These taxpayers now file our shortest and simplest tax form, the 1040EZ. By 1990, we believe the program could reach as many as two-thirds of all individual taxpayers. We could determine their tax liabilities by processing information given to the IRS by employers, financial institutions, etc.

Think of the benefits this would bring: By 1990, taxpayers could be spared 97 million hours in return preparation and untold amounts in preparer fees. (Today we are the only country in the world where more than 40 percent of the people pay someone else to do their tax returns.) We would save reams of paper, eliminate much record-keeping, and add millions of smiles to Americans faces.

What's the alternative? Continued reliance on a patchwork tax code built around tax breaks for special purposes and special interests. But we simply cannot rely on tax breaks to drive our economy, to prop up our businesses or to be the deciding factor for personal investment decisions. If tax breaks are going to make the critical difference between whether one industry makes it or does not make it in the marketplace, then something is very wrong with the tax system and undoubtedly with that industry.

Whatever happened to the free-enterprise system? Since when does it require tax subsidies to make each industry function properly? Or must everyone get some sort of tax break? In that case we have chaos. Perhaps we should reserve tax breaks only for those with the more successful lobbyists. That sounds like the present system.

Today we are preoccupied with adjusting personal and corporate lives to fit the tax code. How much tax you pay is not governed any longer by how much money you earn. It reminds me somewhat of a family where one child is clearly the favorite. The child learns early on to expect special treatment, to know that whatever mistakes he or she makes, his or her interests will be protected. Healthy family relationships become impossible, and the reaction over time from less-favored children is deep and abiding resentment.

We have that resentment today. We also have strong public support for fundamental tax reform, as reflected in several recent opinion polls.

Perhaps it seems unusual that the commissioner of Internal Revenue is becoming an advocate for the American taxpayer. Think about that for a moment. We in the business of tax administration see the returns of the rich and the poor, the partnerships, the corporations, the families and the single people. We have seen it all. In the final analysis I am not sure there is any group of people more sensitive to the need for basic change that tax administrators.

Despite protests to the contrary, time is not on our side. The tax system cannot hold on indefinitely while we fumble around with so-called tax reform or, worse yet, continue meaningless debate over details of a system that cries out for reform. Let's work together now for ourselves as well as for future generations of taxpayers.●

LITHUANIAN INDEPENDENCE DAY

HON. SAMUEL S. STRATTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. STRATTON. Mr. Speaker, February 16, 1985, marked the 67th anniversary of Lithuanian Independence Day. I take this opportunity once again this year to pay tribute to the Lithuanian people everywhere who embrace the ideals of liberty and continue to long for the day when they can again freely and openly exercise their much-cherished cultural and religious freedom as an independent nation. A brief review of the events surrounding the inglorious Soviet conquest of Lithuania underlines how little has changed in the territorial ambitions of the Soviet system, and reminds us how every state bordering the Soviet Union remains in constant jeopardy of invasion and subjugation.

When the Lithuanian people at the close of World War I established their own government and proclaimed their independence, the Bolsheviks invaded

the newly created state. They fought the invaders fiercely and bravely until the Lithuanian nation finally emerged triumphant. On July 19, 1920, the Soviet Government signed a treaty of peace which declared that it "voluntarily and forever renounces all sovereign rights possessed by Russia over the Lithuanian people and their territory." During the subsequent 20 years the Lithuanian people were able to savor the peace and freedom they had so valiantly fought for.

But then came the Hitler-Stalin Pact and the partition of Poland between Nazi Germany and the Soviet Union. The Kremlin immediately demanded permission to place 20,000 troops in Lithuania for the duration of the war. These troops, it was emphasized, would be removed at the end of the war. On October 10, 1939, only 2 weeks after the original demand was served on Lithuania, the Soviet Union concentrated its armed forces on the Lithuanian frontier and compelled this brave nation to sign the pact of mutual assistance which the Kremlin placed before it. But at the point of signing, they discovered that the clause stipulating that Soviet bases would be removed after the war had been effaced from the pact on the personal instruction of Stalin.

On July 14, 1940, 8 months later, the Soviet Government demanded that the Lithuanian Minister of Interior and the Director of Security be brought to trial, that a government friendly to the Soviet Union be installed, and that that Red Army be granted free entry into Lithuania. Without even leaving enough time for a reply, the next day on June 15, the Red Army occupied Lithuania and the Government was forced to flee abroad. Then as today, the Soviet regime had carefully laid out its plans and proceeded to move rapidly. They had a quisling regime in the wings ready to be installed and a list of Lithuanian patriots whom they would ruthlessly eliminate.

This scene is sadly familiar to us because the Soviet invasion and occupation of Afghanistan parallels the Soviet invasion of the Baltic States in 1940.

Yet it is extremely heartening to see that the national consciousness of the Lithuanian people is not fading after all of these years as the Soviet ideologues had hoped, but is even more resolute today, especially in the face of ongoing Soviet aggression and imperialism. This spirit is also carried on to the brave people of Afghanistan.

Therefore, we rise today to call once again for individual freedom and self-determination in Lithuania, and to reaffirm our pledge that we in Congress will continue to do so until Lithuania and other captive nations are once again free.●

CHINESE NEW YEAR

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. GREEN. Mr. Speaker, as a Member of Congress privileged to represent Chinatown in New York City, I would like to announce that February 20 marks the beginning of the Chinese New Year. The Chinese year 4683 is the year of the ox. The ox is a totem of success, confidence, patience, and generosity. The Chinese New Year is regarded as a time of kindness and good will to all. It is celebrated on the first day of the month of the lunar calendar. The celebration lasts several days, beginning with family observances and ending with gala festivities. The week for the Chinese is also a week of closing the business of the old year, clearing debts, and cleaning house.

I have worked with the Chinese community. I have found my Chinese constituents to be both industrious and independent. The Chinese culture has enriched the lives of all New Yorkers. At this time we honor them and wish them a happy new year.●

EPSTEIN BARR VIRUS: A CONCERN OF US ALL

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. PORTER. Mr. Speaker, as a member of the House Appropriations Subcommittee on Labor, Health and Human Services and Education, I would like to bring to my colleagues attention two articles, the first from USA Today and the second from the Chicago Tribune, regarding the illness resulting from the Epstein Barr Virus. This is a debilitating illness which may affect many. According to the articles, most of us have been exposed to the virus at some time in our lives. For reasons we do not understand, the body's immune system usually supresses the disease. However, in some cases, the body cannot fight the disease and the result is years of chronic flue symptoms such a fatigue, low grade fever and swollen glands. The articles are informative and I bring them to my colleagues attention for their review.

The articles follow:

[From the Chicago Tribune, Jan. 7, 1985]

HAD THE FLU FOR AGES? VIRUS MAY BE CULPRIT

NEW YORK.—A newly recognized flu-like illness marked by fatigue, fever and swollen glands that can persist for years has been linked to a virus in the herpes family.

The disease is especially troubling because it cannot be detected by routine medical tests, despite its obvious symptoms, according to two reports to be published Monday.

"Most of the individuals we studied had been through many medical evaluations and had come to believe that there was nothing physically wrong with them, that it was all in their heads," said Dr. Stephen Straus, principal author of one of the reports.

"Considering the extent of the patient complaints and disability, the results of routine laboratory tests were strikingly normal," Straus and his colleagues wrote in one of the two reports to appear in the January issue of the Annals of Internal Medicine.

The illness was so severe that "about half the individuals couldn't work or go to school," said Straus, a researcher at the National Institute of Allergy and Infectious Diseases in Bethesda, Md., part of the National Institutes of Health.

Unfortunately, nothing can be done now to alleviate the ailment except to reassure the patients, many of whom have had considerable difficulties with their employers and families as a result of the illness, said Dr. James Jones of the National Jewish Hospital in Denver, principal author of the other report appearing Monday.

The ailment is not caused by the viruses that produce genital herpes or fever blisters, but apparently by another member of the herpes virus family called Epstein-Barr virus.

Epstein-Barr virus is known primarily as the cause of infectious mononucleosis, a disease most common in adolescents and young adults, Straus said.

About 90 percent of Americans have been exposed to the virus by age 30, making it one of the most widespread infectious agents known, Jones said.

The researchers said they do not know how many people are subject to these unusual flare-ups and that they cannot be certain the Epstein-Barr virus is the cause.

"The real problem in publicizing a study of this type is that chronic fatigue is very common," Straus said. "There are many diseases associated with chronic fatigue and a number of psychiatric conditions.

"If an individual has had chronic fatigue with low-grade fevers, mild swollen glands and a sore throat, then he might consider this diagnosis," Straus said.

It is only within the last few years that researchers have begun to suspect that the Epstein-Barr virus might be responsible for illnesses other than infectious mononucleosis.

Jones said he saw his first case about five years ago when a mother brought into his office her 3-year-old child who had been sick with recurrent infections since he was 3 months old.

(Chicago Radio Station, WBBM-AM "Newsradio 78", also carried this story on its news broadcasts during the day on January 7, 1985.)

[From the USA Today, Jan. 7, 1985]

FLULIKE ILLNESS CAN LAST FOR YEARS

(By Sally Ann Stewart)

Medical experts have recently identified an incurable illness that can cause flulike symptoms for years.

The disease—characterized by fever, sore muscles, chronic fatigue and depression—can persist or recur indefinitely, two new studies show.

The reports, published in today's Annals of Internal Medicine, say the illness cannot be diagnosed using routine medical tests.

Although there are no estimates yet as to how many people suffer from the flare-ups, "this is not a trivial matter," says Dr. Stephen Straus, a researcher at the National Institute of Allergy and Infectious Diseases in Bethesda, MD, and author of one of the reports.

An estimated 90 percent of Americans age 30 and older have been exposed to—and may carry—the virus that causes the illness. But in most people, the body's immune system suppresses the disease, Straus says.

But once the virus becomes active, the patient suffers the illness periodically, sometimes for years at a stretch.

"These people have suffered for years, yet there wasn't a diagnosis established for them," he says. "It led a lot of people to think that this was just in their minds."

The illness is caused by the same family of viruses that cause herpes and mononucleosis; it's called chronic active Epstein-Barr virus or chronic mononucleosis.

The most important diagnostic clue is the persistence in the blood of abnormally high levels of antibodies to virus proteins, which can be discovered only through extensive blood tests, Straus says.

The Epstein-Barr virus was identified in the late 1960s as the cause of infectious mononucleosis, a disease marked by fatigue and most common in adolescents and young adults. It's in the same family of viruses that cause chicken pox and oral and gential herpes.

Straus studied 23 young adults who suffered flu symptoms such as chronic fatigue, low-grade fever and swollen glands for at least four years.

In a related study, Dr. James F. Jones of National Jewish Hospital in Denver, studied 44 adults with chornic active Epstein-Barr virus. Key findings:

About 60 percent suffered depression.

About 60 percent experienced difficulty with thinking or completing school and work responsibilities.

"It's like having the aftermath of the flu all the time," Jones says.●

PEACE IN NORTHERN IRELAND

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. ROE. Mr. Speaker, I would like to join my colleagues in officially welcoming Prime Minister Margaret Thatcher of Great Britain to our Chamber.

She is indeed a most distinguished world leader and it is a high honor to have her address us here today. Great Britain is, of course, our closest ally in the world today. Historically and traditionally, we share a common heritage, which is underlined by a strong belief in democracy and the right of people the world over to live in freedom and peace.

It is because of that shared belief in the equality of man that I rise today to ask Prime Minister Thatcher do everything in her power to secure a breakthrough in the stalemated efforts to secure a peaceful solution to the violence that has plagued Northern Ireland these many years.

Mr. Speaker, the war that continues to rage in Northern Ireland is the longest standing conflict in the history of modern man. Literally thousands of innocent men, women, and children have lost their lives in this bloody battle that appears to have no end.

Prime Minister Thatcher told us here today of her own wish for a peaceful solution to the situation in Northern Ireland. But if she is true to her words, a most necessary first step must be the removal of all British troops from Irish soil. The British military presence there, is in my opinion, a key inhibiting force to the peace process.

As my colleagues here well know, I have gone on record many times detailing the horrible record of the Royal Ulster Constabulary, the major military force in Northern Ireland, in its treatment of the Irish people. The actions of those soldiers, including the inhumane and indiscriminate use of deadly rubber bullets, represents one of the worst violation of human rights in the world today. The people of Northern Ireland literally flee in fear of their lives at the sight of those soldiers and yet there are those who would try to convince us those British troops are based there on a mission of peace.

It is urgently important that the feelings of hatred and division that have developed over the years in Northern Ireland not be allowed to stand in the way of the drive for peace that we all hope will soon begin in earnest. In the past 15 years, more than 2,000 Irish lives have been lost in the violence that has made Northern Ireland one of the bloodiest battlefields in the world.

If Prime Minister Thatcher takes one message back to Great Britain, let it be that the American people want the British troops out of Northern Ireland now. The British must realize the turmoil in Ireland is an Irish problem that can only be solved by the Irish people.●

LITHUANIAN INDEPENDENCE DAY

HON. BOB EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. EDGAR. Mr. Speaker, today we commemorate the 734th anniversary of the birth of the Lithuanian state. As you know, the Lithuanian people are now engaged in a continuing struggle for independence. I commend the gentleman from Illinois for reserving this time today to honor their fight; as a member of the Ad Hoc Congressional Committee on the Baltic States and the Ukraine, I am pleased to join him in this special order.

Today we recognize the valor and indomitable spirit of the Lithuanian people. February 16 marked the 67th anniversary of the founding of the Republic of Lithuania in 1918. As we all know, however, after a brief taste of freedom Lithuania was annexed by the Soviet Union in June 1940. Although Lithuania is no longer free, Lithuanians everywhere still proudly celebrate the date of their independence.

Here in the United States the Lithuanian-American community has made a tremendous contribution to our diverse culture. On this day we join these Americans in honoring the dauntless spirit that is so much a part of their heritage. That spirit helped create a Lithuanian state, and it is a spirit that sustains Lithuanians around the world until their country is able to rejoin the community of free nations.

The courage of the Lithuanian people in the face of tremendous adversity stands as an example to us all. Mr. Speaker, as we stand to promote freedom and human rights around the world, let us be encouraged by the spirit and endurance of the Lithuanian people.●

LITHUANIAN AND ESTONIAN INDEPENDENCE

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. RODINO. Mr. Speaker, this week we commemorate the 67th anniversary of the Lithuanian and the Estonian proclamations of independence. Once again, our attention is focused on the struggle for freedom against oppression, and the courage of those people who live under Soviet domination.

The Lithuanians declared their independence on February 16, the Estonians on February 24 in 1918. These dates are symbols of hope for Lithuanians and Estonians everywhere, as we reflect upon a time that brought great possibilities for the future for the people of these two lands. Their dreams of independence have never died, and live on in the hope that one day, true freedom will come to the Baltic States.

As a nation committed to freedom, we cannot forget those who live in the hope of true independence. We pray that one day freedom and human rights will be restored to Lithuania and Estonia.

I commend my colleagues who every year arrange for us to speak out against the oppression that exists in the Baltic nations. We all look to the day when we will truly be able to celebrate the anniversaries of Lithuanian

and Estonian independence in a joyous, rather than a melancholy tribute to the cherished ideals of freedom and justice everywhere.●

A TRIBUTE TO SENATOR JOE TYDINGS

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. DYSON. Mr. Speaker, last December the University of Maryland celebrated 10 years of progress. As a public official with a strong and enduring interest in the university's development, I was invited to attend that celebration. Pressing engagements prevented me from being present. However, I am pleased to note that the event was a singular success.

The university has in fact flourished over the past decade. It has emerged as a leading research institution in the natural sciences, economics, and artificial intelligence. This progress is ample justification for last month's banquet, but it is not the only reason for the celebration. For the university's growth did not "just happen." People have brought this development. They have dedicated careers to the university, contributed funds, and imparted a vision of excellence that has guided the university's growth. In this collective effort, no one's vision has been more clear nor a truer guide than that of Senator Joe Tydings, the current chairman of the university's board of regents and a member of the board for the past decade.

The 10th anniversary of Joe's appointment to the board of regents afforded a suitable opportunity for the university—indeed, the State—to express its gratitude and appreciation. Joe, of course, would not accept such a tribute to himself. He requested that the evening celebrate the larger cause that he has championed. And so it did. Last month's tribute was to "Maryland in Motion," signifying the university's unflagging momentum, its push to the forefront of the Nation's educational and research institutions.

But Joe is not one to let a room full of prominent public figures gather without impressing on each one of them how important is their support of the university. That night was a perfect opportunity to continue his campaign on behalf of the university's newest center, the "School for Government and Public Affairs." More than $100,000 was donated for scholarships to the school. These will become known as the Joe Tydings scholarships, and a more fitting tribute would be hard to devise. Joe's accomplishments as regent will benefit students and the State for years to come, as will the Joe Tydings Scholarship Fund.

A good number of supporters and admieres spoke on Joe's behalf that night, and I would like to submit for the RECORD a transcript of the speech delivered by Mr. Roger Mudd of NBC News. It is a witty and revealing testimonial on the role Senator Joe Tydings has played in the growth of the university. I am pleased to submit it for my colleagues' review, and to have this opportunity to congratulate Joe on his many acomplishments as regent.

Welcome to this University of Maryland cocktail party and 9th annual Joe Tydings for Senate Launching Pad dinner.

When the Board of Regents invited me some months ago to speak, little did I know I would get to stand on the very spot in this hotel ballroom occupied only 2 weeks ago by Henry Kissinger. I have never stood on a rug once stood on by Henry Kissinger but already it is having an effect on me.

Because the Joseph Tydings Scholarship Fund at the University of Maryland is just as worthy as the Louis Goldstein Chair of Public Policy at Washington College, I, too, will waive my regular speaking fee of 25,000 dollars.

But unlike the man who made testament to Controller Louis Goldstein 2 weeks ago, I have met the Guest of Honor before. In fact, it was in 1964—20 years ago—when I first got to know Joe Tydings. I was working for CBS at the time and I used to anchor a broadcast called: "Meet Your New Senators."

I requested Joe Tydings as my interview because I had heard so much about him, what a reformer he was, what an exciting new breed of politician he was for Maryland. . . . I mean, exciting in the sense that here was a Maryland Senator who had actually gone to the University of Maryland.

Even though I have lived in Virginia for more than a decade now, both NBC and before that CBS have been aware of my roots in Maryland and my affinity for Maryland and both have seen fit to reward me with assignments to some of Maryland's great stories over the years:

In 1958, I was there when John Marshall Butler and Glenn Beall, Senior, stood on the steps of the Senate to announce they were introducing a constitutional amendment making the Black-Eyed Susan the national flower.

In 1961, during the height of the Cuban Missile Crisis, I was with Tommy D'Alesandro, Junior, when he was sworn in as a member of the Federal Renegotiation Board.

In 1964, I covered Speaker Marvin Mandel at the ribbon-cutting ceremony at the Elicott City By-Pass.

In '66, I was assigned as the main correspondent at the gubernatorial victory party for Carlton Sickles.

I actually flew back to Washington after that assignment. Have you ever flown from Friendship to Washington on Allegheny? A man runs alongside the plane on I-95 . . . holding up a picture of a cloud.

Just 2 weeks ago, I was rushed over to Annapolis to tell the nation about the unique and innovative way that District Judge in Frederick County had found to unclog the crowded court docket.

And just the other day, I was at your great Governor's press conference when he announced he could procrastinate no longer about his future political plans and therefore was appointing a task force to study whether he should reveal his intentions after the General Assembly adjourns next April or wait until it reconvenes in January '86.

So its a great record of assignments and I am grateful to the networks for having me present at Maryland's milestones.

Tonight I stand before you as one of the sons of Maryland who should have gone to the University but did NOT.

The reasons for not going are familar ones, but, I am happy to report, are becoming less and less valid.

My father—I should say OUR father because my older, wiser and more powerful brother John is here this evening—OUR father graduated from Maryland Agricultural College in 1912. Somewhere in the attic are his yearbooks the Reveilles from 1910 and 11 and 12.

Dad was from LaPlata and I can remember pouring over those yearbooks as a child looking at the football pages and the pictures of the Charles County Front Four: Kemp, Duckett, Posey and Mudd.

Dad once told us—and he didn't tell many stories about himself—but he once told us that he was injured for the big game against West Virginia, that his leg was strapped up so he couldn't bend it. Curly Byrd was the coach and West Virginia was punching through the right side of the Maryland line—which was Dad's side. So Curley put Dad in the game . . . He probably said, 'Suck it up, Mudd'. . . and because Dad couldn't move forward neither could West Virginia move him back. So the right side of the line began to hold and MAC beat their great rivals.

That was about as extravagant as Dad ever got in his story telling about College Park. But I suspect he always had a quiet pride about Maryland.

During the 30's he always managed to get us in the car once or twice a month on the pretext of getting ice cream cones at the college diary shop but somehow we wound up taking a very slow drive through the campus as he looked and studied and took note of a new building here or landscaping there. And our father was one of the few Redskins season ticket holders ever to give up his seats at Griffith Stadium so he could follow Maryland's great teams of the 50's.

But when the time came for me to go to college, I went elsewhere. And as we approached the time for our children to go to college, we moved into Virginia. But I suspect that if we were starting over, all that would be different.

The slogan for tonight's dinner is "Maryland in Motion" and indeed the motion and spirit and enthusiasm are unmistakable . . . not only in the state but also across the nation.

To read—as I have in the most cursory way about Maryland's uneven, indifferent and at times bizarre support for higher education over the years is to realize why so many of Maryland's sons and daughters used to go elsewhere to college; why Baltimore itself sometimes pretended there was No College Park; and why the big, bad Baltimore Sun declared the year that the University's enrollment was approaching 5,000 that "college education in America has been overdone."

But those days are done and gone, and I think the Sun knows it, I know Maryland knows it and I believe the nation is coming to know. Clemson sure as hell knows it.

What the University of Maryland has done in this past decade is to give her state and her people what they have deserved

and needed but have NOT had—a great public institution that is—at once—a scholarly, research center and a university that contributes to the health, subsistence and comfort of all the state's people.

Let Princeton or Amherst or Hopkins or my alma mater, Washington&Lee, specialize in the uplift of individuals.

Maryland's mission—indeed, Maryland's obligation as a public land-grant school—is to fuse its future with the future of the state it serves.

In Maryland, there is NO "preppy" state university, on the one hand, and NO "cow college" or ag school, on the other . . . as in Virginia or Indiana or Alabama or Colorado or North Dakota.

In Maryland, there is one system where all disciplines co-mingle . . . where the arts and history and philosophy and the law can come to know engineering and husbandry and journalism.

Maryland—in this Decade of Progress—has also developed that special land-grant relationship with the businesses and industries of the state . . . sitting astride, as it does, the nation's highest concentration of highly trained technical, professional and managerial workers in the country—the Baltimore-Washington Corridor.

The Corridor—with more than 400 government, university and corporate labs and think-tanks—now ranks with the Silicon Valley south of San Francisco the Research Triangle in North Carolina, Route One in New Jersey between New Brunswick and Trenton, and Route 28 around Boston.

And soon, if not now, the University of Maryland will be listed along side North Carolina, Texas, California and New York where the fusion of state government and state university has attracted new industry and jobs and economic growth in partnerships that are the pride of their states and the envy of the nation.

Not long ago, the Washington Post—the big, even badder Washington Post, suggested that little University's remarkable progress of the past decade would have been possible without the exertions of Blair Lee and Joe Tydings.

In fact, the Post even hinted that Joe's service as University Regent might have outweighed his performance as a United States Senator.

When I told Joe at lunch the other day that I had been hearing that same thing around the Senate for at least 3 or 4 years, he looked at me for quite a while before he laughed.

Joe doesn't know this but I first laid eyes on him during a football weekend at Washington & Lee in 1949. Some of the Baltimore boys in the fraternity had invited him down and I just assumed he went to Princeton or Hopkins or Virginia.

After all, he was from one of Maryland's fine families and he was the son of a United States Senator. So I just assumed. But, of course, I was wrong. I was wrong that Joe Tydings would ever misplace his loyalties to his home state.

Joe Tydings chose to go to College Park and he chose to go to Maryland Law School and he chose to practice law in Maryland.

And after 6 years in the Senate, after holding tenaciously to beliefs and principles, after refusing to compromise his views on gun control or on the Vietnam War, Maryland turned its back on Joe. But Joe did not and would not turn his back on Maryland.

He stayed in Maryland and stayed in her service as a Regent of his University and he touched the lives of Maryland's young men and women in unique and lasting ways.

Most of us are ambivalent about our lives and purposes. But Joe is not. Joe is steadfast. Joe has never embarrassed his state or his heritage or his alma mater with cheap and devious ventures.

In fact, he has elevated the calling of public service and the definition of volunteer with a seriousness of purpose and a clarity of mission that are beyond Maryland's ability to repay.

It's not that others haven't had similar opportunities to influence and shape and contribute; but it is rare when someone has never failed, never fallen short.

Joe Tydings has never failed. That's why its so easy for us to be here in this ballroom and at this microphone to honor him.

I am now about finished. But if there is anything Joe Tydings hopes you take from this room tonight it is a piece of the pride he feels in his University. There is no greater driving force than pride.

The historian of your University, Dr. George Calcott, believes there are two ingredients requisite for a great university: Morale and Will.

"Morale means an institution's belief in itself," writes Dr. Calcott, "its self-image, its pride. . . It is what parents in Texas and Oklahoma feel when they refuse to consider sending their children to colleges outside the state. . . . The institution that believes it is better than it is, is half-way to being there."

For you to know that you have attended a university that has been educating young people for 175 years, through five generations, through seven wars, six financial panics, four recessions and one Great Depression, to know that each of you is a beneficiary, however remote, of those first lectures in anatomy when John Beale Davidge opened the medical college on November 2, 1807, to know that you are all linked together with about 207,000 other living graduates surely that burden of history will bring you back to your alma mater again and again to guarantee that the University maintains its rightful place among the nation's finest.

And no one has set a finer example for you of what pride and loyalty can do than Joe Tydings.●

NORTHERN IRELAND SITUATION

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. MRAZEK. Mr. Speaker, earlier today, Mrs. Margaret Thatcher addressed a joint session of Congress. Many of her statements were met by almost unanimous approval by those of us assembled here. Yet, she also raised several issues that merit our concern.

While justifiably condemning those in the United States who provide financial support for violence in Northern Ireland, Mrs. Thatcher failed to condemn the violence perpetrated by those opposed to independence for Northern Ireland.

Mrs. Thatcher fails to realize that there are many in this body, and millions throughout this Nation who share a grave concern about the current situation in Northern Ireland. Further, we are deeply distressed by her policy of standing behind military force, rubber bullets, and informers.

It is now long past time for the Thatcher government as well as the Reagan administration to embrace a peace process that truly holds out the hope for a Camp David type accord. President Carter was able to use Camp David to bring together the warring factions in the Middle East. I believe President Reagan owes the people of this Nation and of Northern Ireland, no less.●

THE DESIGNATION OF THE CLEVELAND CLINIC FOUNDATION AS A NATIONAL AND REGIONAL REFERRAL CENTER

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. STOKES. Mr. Speaker, it gives me great pleasure to call to the attention of my colleagues that the Cleveland Clinic Foundation, one of our Nation's outstanding health care resources, has been approved by the U.S. Department of Health and Human Services, Health Care Financing Administration as meeting the requirements established for national and regional referral centers. This standing was created with the enactment of Public Law 98-21, the Social Security Act amendments, which established the Medicare prospective payment system for hospitals.

The purpose of this designation for national and regional referral centers is to ensure that our Nation maintains its position at the leading edge of technological innovation in the advancement of clinical medicine. More importantly, this status recognizes the special needs of facilities furnishing extraordinary medical and surgical care to the sickest and most resource intensive patients from diverse geographical origins. Both purposes are vital to our Nation as we move into an era of significant health care cost containment.

The Cleveland Clinic Foundation which is located in the 21st Congressional District of Ohio, has a distinguished 64-year history of providing the highest quality care to patients throughout its region, our Nation and around the world. The foundation has a singular history in the development and application of new technology and procedures for improving patient care.

Major advances in medical science have been accomplished at the Cleveland Clinic Foundation. These include: Pioneering work in kidney transplantation, kidney revascularization and the artificial kidney; the implementation of new techniques in chemothera-

py and the use of mixed beam therapy for cancer patients and; the design and refinement of artifical organs including assist devices for the heart, liver and pancreas and the totally artifical heart. However, these are just a few examples of the amazing medical and technological advances achieved by the foundation.

Mr. Speaker, as you can see from this description, the Cleveland Clinic Foundation truly represents a national resource. The care that the foundation provides serves not only Medicare but all patients, and the advances achieved here generally improve the quality of health care throughout the country. I take this time to commend the Health Care Financing Administration for the development of criteria which define this exemplary status and the Cleveland Clinic Foundation for the affirmation of its role as one of the leading health care institutions in the world.●

EDWARD H. MAHALAK HONORED

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. FORD of Michigan. Mr. Speaker, many years of distinguished and unparalled public service on the part of former Michigan State Representative Edward H. Mahalak are being commemorated by his family, friends, and associates at a testimonial dinner on February 23. Representative Mahalak has been a most effective and diligent representative of his constituents in the Michigan Legislature. While coming from an area with a rich diversity of interests and pursuits, Ed Mahalak had a special talent and ability to coalesce these points of view into a sound and systematic legislative program which served both his constituents and the people of Michigan with distinction.

He also is a worthy personality because of his other civic pursuits which are highlighted by his participation in a Michigan Civil War Regiment where he has participated in a number of reenactments and commemorations of Michigan's important role in the Civil War. I know all of us join in congratulating Ed on his peerless service to the public good and wish him success and happiness in the years ahead.●

REAGAN'S 1986 BUDGET

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. LIPINSKI. Mr. Speaker, I rise to speak against many of the components of President Reagan's 1986 budget which I find unacceptable or at the very least incongruent.

One of the major weaknesses of the Reagan plan as I see it is that it fails miserably to cut Government spending. The budget cuts domestic spending by $30 billion while at the same time it increases military spending by $30 billion.

The money that currently goes to the cities for such things as mass transit and development block grants will now be funneled to an already massive defense budget. When the new budget was unveiled, it proved to be nothing more than a continuation of the same policies that the President has been advocating since he took office 4 years ago. It pursues a rapid military buildup, provides for no new revenue increases and continues to seek deficit reductions solely through cuts in the same domestic spending programs that have been targeted for cuts throughout the Reagan administration.

The proposed elimination of general revenue sharing, urban development action grants, and sharp cutbacks in community development block grants, and rural and urban water and sewer grants, threatens the economic existence of our major smokestack cities and their surrounding communities. Cities have taken deep cuts in many of their community improvement programs while other programs in the budget have grown substantially. City administrations will now be forced to bear a disproportionate part of the burden of deficit reduction, along with a tax reform proposal which will significantly reduce their capacity to meet these new burdens.

Nevertheless, the unwillingness of the present administration to place a freeze on defense spending has meant that cuts in city and State programs will have to be more drastic in order to meet the $50 billion deficit reduction target despite the fact that these local programs make up a relatively small portion of the Federal budget.

During the first term of the Reagan administration, many of our major cities had to tighten their fiscal belts by raising taxes and user fees, cutting services and laying off employees, thus, they were able to balance their budgets during a time of severe recession and sharp Federal cutbacks. The budgetary responsibilities local administrations undertook during those first 4 years were based upon the promise that the growing needs of the homeless, unemployed, hungry, untrained, and uneducated would be addressed this year. Apparently, proposals now emanating from the administration seem to suggest that since State and local officials can manage their respective budgets so well, they can continue to do so but without Federal assistance.

Unfortunately, this assault on our major cities and their taxpayers will continue with other major domestic spending cuts being proposed under President Reagan's budget plan in many areas important to them.

MASS TRANSIT

The administration proposes to cut Federal assistance for mass transit by two-thirds to $1.6 billion in 1986. Under the President's budget, discretionary capital grants and operating assistance would be eliminated and the minimum local match on Federal mass transit aid would be increased from 20 percent to 30 percent. Invariably, this will jeopardize many community road improvement projects due to the financial constraints less solvent, municipalities will be placed under in trying to meet their funding requirements by an additional 10 percent.

SMALL BUSINESS ADMINISTRATION

In this area, the administration proposes to terminate the SBA's loan programs and transfer other programs to the Commerce Department. The heart and soul of many of our cities' neighborhoods is made up largely or in part by local businessmen. Their economic prowess and ability to keep a particular community thriving has been contingent upon federally funded incentive programs. The President's plan to eliminate these loan programs will ultimately stifle community growth and development and place many local merchants on the rolls of unemployment.

HOUSING PROGRAMS

The administration is proposing a 2-year moratorium on direct loan obligations on housing for the elderly and handicapped. The entire program will be cut by 97 percent this fiscal year.

SPECIAL SUPPLEMENTAL FOOD PROGRAMS

Proposed cutbacks in this program, which provides nutritious food supplements to low-income young children and pregnant women, could result in assistance to 100,000 fewer people next year.

ELEMENTARY, SECONDARY AND VOCATIONAL EDUCATION

In the area of education, the Reagan budget calls for holding appropriations at this year's level for handicapped, vocational, and adult education programs while limiting guaranteed student loans. In addition, the President calls for eliminating two programs for needy students—the supplemental education opportunity grant, and State student incentive grant programs—and putting an end to new Federal contributions to the Direct Student Loan Program. Unfortunately, these changes will put higher education out of reach for many poor and middle class families.

LOW-INCOME WEATHRIZATION

The administration proposes to eliminate programs to help low-income families weatherize their homes, and

to help schools and hospitals weatherize their facilities.

MEDICARE

The President proposes to reduce Medicare spending by a total of $18.7 billion over the next 3 years. Major cuts in this area will include a 1-year freeze on payment rates to hospitals and a 1-year extension of the present freeze on payments to physicians. In addition, the Reagan administration is proposing to raise the premiums that retirees pay for coverage under that portion of Medicare which pays doctor bills. Unfortunately, this course of action will further burden the financial plight of the elderly across this country.

MEDICAID

The administration is seeking to limit the amount of Federal payments allocated to State governments to operate Medicaid programs. These limits are expected to reduce payments approximately $6.5 billion below the amounts needed to continue current services over the next 3 years.

VETERANS' HEALTH CARE

The budget plan proposes to establish a means test for free Veterans' Administration hospital and medical care. Under current law, veterans over 65 are entitled to free medical care if hospital space is available. The proposed change would require those veterans over 65 who have no service-connected disabilities to prove a financial need in order to qualify for free VA hospital and medical care. The President's proposals are designed to ensure that approximately 11 million World War II veterans, who will be turning 65 in the next few years, will not be eligible for care in the VA hospital system.

These domestic cuts can be best put in perspective if we look at the overall distribution of Federal spending under Reagan's budget plan. The budget totals $973.7 billion and out of that figure, 30 percent or approximately $324 billion goes to military programs, while domestic programs, essential to our cities' existence, receive token consideration. For example, only 7 percent of the budget goes to Medicare, 5 percent for assisting the poor, 4 percent to health programs, 3 percent to transportation, 3 percent for veterans' benefits and services, 1½ percent for training and social services and 1 percent for community development.

The scenario of blatant economic inequities under the Reagan budget plan can also be highlighted on a State level where, for example, the Federal Government returns to Illinois 75 cents for every dollar State taxpayers pay into the U.S. Treasury, the remaining 25 cents is channeled to other States. At the other end of the scale, California gets back $1.08 for every dollar it puts in, and Hawaii gets $1.39, while the highest ratio can be found in the city of Washington, DC, which receives $4.80 for every dollar it provides in taxes.

An attempt must be made to target more tax moneys to States like Illinois. Senator ALAN DIXON'S 90 percent bill tried to address this issue. His legislation proposed that Federal funds for programs and procurement going to a particular State must equal at last 90 percent of what that State provides in tax dollars. If the Government falls short of this figure in 1 year, it would compensate the State by increasing its funds for programs and procurement the following year.

Although this bill never saw the light of day, it espoused a new principle: That a State is entitled to a specific percentage of the tax money it provides to the Treasury.

In short, all of the drastic domestic spending cuts in the new Reagan budget really do nothing to help meet the President's goal of bringing down Federal spending. Rather, these cuts, which go solely to pay for military budget increases, ultimately, endanger the economic survival of many major cities across America.●

CARIBBEAN/CENTRAL AMERICAN HIGHER EDUCATION FELLOWSHIP PROGRAM

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. DYMALLY. Mr. Speaker, I would like to acquaint my colleagues with a matter of vital significance to the development of education in the Western Hemisphere. For the past several years, the university system throughout Central America has fallen prey to the unsettling political conditions. In some Central American countries, professors and students have been killed, while classrooms have been ransacked and campus buildings destroyed. In other Central American nations, the university survives without violence, but slowly strangles from the lack of an adequate budget. In all cases, the situation is dramatic, whereby many predict the total collapse of the Central American university system within a few years. The Caribbean, on the other hand, struggles with the problems of modern university development; a more luxurious difficulty perhaps than Central America, but a critical one that requires delicate solutions at this early stage.

In response to this situation, I am proposing the creation of a Higher Education Fellowship for Caribbean and Central American academics, permitting these individuals to study university management and faculty development courses at several U.S. universities. Following this program, the fellowship participants would share their educational experiences with their colleagues at a special institute at the University of the West Indies. Once this is accomplished, they will return to their respective nations and implement the programs and policies that they have learned.

Some may say that this is a small step in the face of large problems. I believe that it is a first essential step to reform and development, symbolizing the cooperative spirit of United States-Caribbean relations, and placing the responsibility of doing something about the higher education situation in the Caribbean and Central America on the fellowship participants themselves. Given the significance of higher education in modern society, this fellowship should be regarded as valid as any strategic or economic initiative for this important part of the world.●

LITHUANIAN INDEPENDENCE DAY

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 19, 1985

● Mr. RUSSO. Mr. Speaker, on February 16, 1985, about 1 million people of Lithuanian descent residing in the United States commemorated the 67th anniversary of the Declaration of Lithuanian Independence. This day marked a remembrance of the courage and determination of the Lithuanian people in establishing peace and freedom in their nation. I am proud to join my colleagues in commemorating this day and hope that Lithuania will again be able to enjoy the rights they lost through the illegal incorporation of their country into the Soviet Union.

The peace and freedom Lithuania had gained after years of struggle for independence had been replaced by conflict and repression with the takeover of the country by the Soviet Union. During World War II, the Soviet Union invaded Lithuania and annexed the nation as one of its republics. This illegal acquisition has been a grave injustice to the people of Lithuania. It is our responsibility as members of a free society to support any nation whose people continuously strive to gain the right to govern themselves and retain their heritage and sovereignty.

The cultural, religious, economic, and political contributions Lithuania had made during their short-lived independence were manyfold. However, the eventual takeover and recent efforts by the Soviet Union to disrupt any roots of nationalism have delayed the advancements this country can make. Although Lithuania's progress

has been curtailed, it's spirit has not been dampened. It is our hope that this spirit will continue to grow and comfort them in their struggle to regain freedom.

It is an honor to be associated with remarks commemorating the brave Lithuanian people and I welcome the opportunity to express my hope and confidence in the efforts of the people of Lithuania. These courageous people have seen enough repression and control, and experienced enough hardship and injustice to know that they deserve the right of freedom. Let us join together today to proclaim our support for the people of Lithuania who strive to attain the greatness of a free society.●

PRESIDENTIAL ELECTIONS IN MARYLAND

HON. BEVERLY B. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mrs. BYRON. Mr. Speaker, John Willis' effort in researching and writing his book, "Presidential Elections in Maryland" is to be commended. It is sure to be a valuable tool and resource from both a historical viewpoint and a practical point of view.

For those wishing to research the election process in the State of Maryland, the Willis book is an interesting resource. And for those organizing a political campaign this book provides useful data on the widely varied forces within the State.●

A BILL TO EXPAND THE PETRIFIED FOREST NATIONAL PARK

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. UDALL. Mr. Speaker, today I have introduced legislation to expand the Petrified Forest National Park in Arizona. Although the expansion of the park is small in size—only about 40 acres—it is a highly significant archeological addition to the park. Furthermore, the addition involves property recently purchased by the Archeological Conservancy which most generously proposes to donate it to the park.

While known to the public primarily for its fascinating natural features, Petrified Forest National Park is an archeological gold mine. There are more than 300 recorded archeological sites within its boundaries dating from early archaic times to the 19th century. The property to be included in the park is known as site 236 and is the most significant nearby archeological site not now in the park.

Site 236 consists of a major Anasazi village dating from about the year 900 to 1100 A.D. There is a large circular depression adjacent to the village which is believed to be either a dance circle or a great kiva, either of which would be unique to the area and of great scientific importance. Broken pottery and other artifacts are in abundant supply. One of the most exciting aspects of this site is that its archeological aspects have not been extensively developed or explored. The knowledge it will yield undoubtedly will add greatly to our understanding of the cultural history of the region and to visitor interpretation of the park.

The site has just been purchased for $10,000 by the Archeological Conservancy which is a national organization based in Santa Fe, NM, and dedicated to the acquisition and preservation of the Nation's most important archeological sites. The property is currently part of a subdivision and was acquired from the original purchasers. Public acquisition of the land will involve no termination of other uses, such as grazing, at this time. Donation to the Park Service, however, will help protect the site from looters and other vandals who, unfortunately, are rather active in the area.

I know of no opposition to acceptance of this donation. I also would like to express my admiration of the work of the Archeological Conservancy and my personal gratitude for their most generous gift to the public.●

AFL-CIO EXECUTIVE COUNCIL SPEAKS OUT AGAINST APARTHEID

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. FAUNTROY. Mr. Speaker, as we in the Congress seek to develop a consensus around a legislative initiative aimed at dealing with the system of apartheid in South Africa, a recent statement by the executive council of the AFL-CIO may be of interest.

The statement was crafted and presented during the executive council's meeting in Bal Harbour, FL, February 19, 1985.

The statement follows:

STATEMENT BY THE AFL-CIO EXECUTIVE COUNCIL ON SOUTH AFRICA

Apartheid is a moral affront to civilized humanity. But despite the condemnations of an outraged world opinion, the South African government continues to resist the demands of its black citizens for an end to institutionalized racism and for full and equal participation in the political life of the nation.

The AFL-CIO is committed to cooperation with those forces in South Africa that seek an end to apartheid through peaceful, democratic means. The alternative is a violent revolutionary upheaval that would bring immeasurable suffering to all elements of South African society.

We appreciate the contributions of the many individuals who, because of their outspoken opposition to apartheid, have been driven into exile or prison. But it is to those inside South Africa, fighting on the front lines, that we look for leadership in the eradication of apartheid, which cannot be sustained if peace and stability are to be achieved in Southern Africa.

We have been especially encouraged by the emergence in recent years of the black trade union movement in South Africa. Freedom of association is the foundation of democratic institution-building and offers the most promising hope for peaceful social change.

The AFL-CIO will, therefore, continue to respond to requests for assistance through its Program of Action in Support of Black Trade Unions in South Africa and through the ongoing programs of the African-American Labor Center.

Our assistance will be guided by the same principle that has governed our aid to the workers of Poland, El Salvador and every other country where our help has been requested—namely, that we will respond to the expressed needs and wishes of our brothers and sisters who are under the gun.

The AFL-CIO calls upon the other free labor movements of the world—and especially those in the industrialized nations that trade with South Africa—to urge their governments to press South Africa for an end to the Preventive Detention laws that are used to harass, intimidate and imprison labor leaders and others without trial. These laws, in effect, nullify much of whatever benefit accrued from previous legislation recognizing the trade union rights of black workers.

The AFL-CIO will continue to contribute to the multilateral program of assistance to black trade unions directed by the International Confederation of Free Trade Unions and to participate in the union-to-union programs of the International Trade Secretariats.

In addition, we call upon the International Labor Organization to investigate the appalling conditions of black labor in South Africa including the forced removal of black workers in Bantustans. Toward this end, the ILO should consider setting up a commission of inquiry comparable to the commissions it established in the cases of Poland, Chile and other countries.

The ILO should also consider creating documentation and research machinery to monitor the conduct of all corporations operating in South Africa, with regard to their recognition of black trade union rights, the training and upgrading of black workers, and their observance of universal labor standards.

Companies that fail in their social responsibilities should be targeted for disinvestment, boycotts, adverse publicity campaigns and other appropriate measures. In considering whether and when to apply such measures, the AFL-CIO will be guided by the wishes of the black trade union movement of South Africa.

The Reagan Administration's policy of "constructive engagement" has not produced significant results. Indeed, Pretoria apparently views its good relations with the Administration as a license to delay indefinitely the dismantling of the odious apartheid system. But apartheid cannot be main-

tained indefinitely. The real issue is whether it will be abolished peacefully or violently. The longer South Africa resists peaceful change, the more it invites the bloody alternative.●

JUDGE ROBERT FALASCO RETIRES

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. COELHO. Mr. Speaker, recently, Judge Robert Falasco retired from the Merced County, CA, Superior Court after a long career of dedicated service to his community.

Judge Falasco received his law degree from the University of Santa Clara in 1951, and served as Merced County deputy district attorney after 2 years in private practice. In 1959 he was appointed a justice court judge, and held that position until Merced County converted to the municipal court system in 1977. He served as a municipal court judge until being appointed to the superior court in 1982. Aside from his judicial responsibilities, Judge Falasco has also served on the Los Banos Elementary School District Board of Trustees and the Merced County Fair Board.

On behalf of the people of Merced County, I would like to commend Robert Falasco for the outstanding job he has done on the Merced County Superior Court, and for his fine record of service to our community. His knowledge, compassion, and fairness certainly will be difficult to replace.●

ESTONIA'S INDEPENDENCE

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. RUDD. Mr. Speaker, Sunday, February 24, marks the 67th anniversary of the proclamation of Estonian independence.

Situated on the eastern shore of the Baltic Sea, Estonia's strategic location invited a succession of foreign invasions throughout that country's long history. However, the years of invasions and foreign domination could not crush the strong national spirit and pride of the Estonian people. Estonians fought a successful war of independence against the invading Bolshevik Russians at the end of World War I, and subsequently enjoyed a period of cultural progress, agricultural and economic development.

But Estonians were only able to hold onto their hard-won independence for a short time before Russian troops, entered their country in 1940, set up a new government and illegally annexed the country as one of the republics of the Soviet Union.

They have since suffered grave abuses of their human rights at the hands of Soviet oppressors. By mid-1941, some 60,000 Estonians, more than 5 percent of the population, were either tortured or killed, or sent to concentration camps where they later perished. They have suffered russification of their country in an attempt to deny them their very identity as a nation.

Despite the long years of hardship and oppression Estonians have never given up hope that one day they will again be free. We join them today in marking the anniversary of Estonian independence and focusing attention on the reprehensible occupation of this proud nation by the Soviet Union. The United States has never, nor will it ever recognize Soviet claim to Estonia. Nor will we ever allow the plight of our brothers and sisters in Estonia to be forgotten.●

A TRIBUTE TO FRITZ ODER

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. MINETA. Mr. Speaker, I would like to take a moment to honor a gentleman, Dr. Fritz Oder, who for the past 30 years has been a major participant in America's space programs. We honor him today on the occasion of his retirement from Lockheed Missiles and Space Co. and convey to him our appreciation and best wishes.

In the early 1950's, Fritz served as Technical Director of the Air Force's Geophysical Research Laboratories. Using instrumented V-2 and Aerobee rocket probes, Fritz greatly enhanced our understanding of the environment we would ultimately find in space. He used both theoretical underpinnings and subsequent scientific verification to reveal atmospheric conditions in space, thereby paving the way for the design of future space craft and their payloads.

Later as an Air Force colonel and program director of the first major Air Force space program, Fritz led a cooperative Government and industry team responsible for the design, development, and flight operations of the 117L Advanced Reconnaissance System Program. Our national security capability owes much of its current sophistication to the work originally performed by Fritz and his team.

When next he moved on to become assistant director of research and engineering at Kodak's Apparatus and Optical Division, he conceived and directed the design, the development, and the tests as well as the actual flight of the Lunar Orbiter photographic equipment. The data generated by this work was essential in the selection of lunar landing sites. Without the collection and analysis of such information, there would have been no Apollo missions and certainly none of the thrill and excitement generated by the first landing on the moon by American astronauts.

Since 1966, Fritz has been a member of Lockheed's senior management team. He has been responsible for the successful development of a family of extremely complex and sophisticated space systems incorporating absolute state of the art technology. As a result, this nation maintains a leadership role in remote sensing capability from space.

Throughout his career, Fritz has displayed exceptional technical insight in dealing with unusually complex engineering problems. He has ventured into areas lacking any precedent or workable body of knowledge and used his imagination, his innovative thinking and his expertise to produce for us a whole new range of possibilities in the field of astronautics. Without Fritz's contribution's, I doubt this Nation would enjoy such preeminence in space exploration.

And, through it all, Fritz has remained one of the kindest and most thoughtful of men. His many charitable contributions and his participation in professional and civic organizations has indeed rounded out a most distinguished career. Certainly, he is a model of the many dimensions a career in engineering can offer someone of his prodigious energy.

Mr. Speaker, I trust that you and all of our colleagues in the House of Representatives will join me in wishing Fritz Oder all the best and salute him for his many accomplishments which have served this Nation so well. Thank you.●

HUNGER IS NOT A STATISTIC

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. DORGAN. Mr. Speaker, when reckoning the continental famine in Africa, we often hear very sobering statistics. Over 100,000 people died from hunger and related causes in Mozambique in only 1 year. In Ethiopia, 7.7 million are directly affected by drought and, of these, 2.5 million presently face starvation.

But behind each of these numbers is a human being—many of them women and children. One recent article about an Ethiopian woman named Hawa Ali shows in grim detail how famine has devastated her life and those of her family.

I would like to insert this article to underscore why we need to redouble our emergency food and disaster relief efforts in Ethiopia and across Africa. We have the power to stop widespread famine—if only we immediately pass supplemental legislation to speed food, medicine, and relief to millions of desperate Africans.

The February 14, 1985 article from the Washington Post follows:

[From the Washington Post, Feb. 14, 1985]

ETHIOPIAN MOTHER RECOUNTS TRAGEDY FAMINE INFLICTED ON HER FAMILY

WE HAD EVERYTHING BEFORE RAINS STOPPED

(By Michelle Faul)

BATI, Ethiopia.—Hawa Ali smiled wistfully as she remembered the last good year—before her world collapsed in Ethiopia's devastating famine.

There were memories of a Moslem holiday when she spent two weeks preparing delicacies, of family and friends feasting on roasted goat, of the silk-embroidered white dress given her by a loving husband, of new clothes, too, for the children.

That was five years ago, just before the rains stopped, bringing drought, famine and death to Ethiopia as much of the rest of Africa. There has been no celebration since and, in the past year, only calamity and sorrow.

Hawa's husband left her last August. Four of her six children have died. The mother-in-law she had grown fond of walked out of their wood-and-mud hut one day without explanation and never returned.

The family's trials were part of what peasants at Hawa's lowland village of Kebbele, in the Galla district of Ethiopia's Welo Province, called *ye elketz emen*—the era of death.

"My husband didn't leave me because he didn't love me," she said proudly, speaking in Amharic through an interpreter. There was a glint of challenge in her gentle brown eyes.

"He said he couldn't just sit and watch me withering, the children crying from hunger, when he could do nothing. He went to find a job. Maybe he is in Assab, maybe he went to Djibouti. Maybe he is dead."

Assab is Ethiopia's biggest port, on the Red Sea. Djibouti is a neighboring country.

Hawa, in her late twenties, and her husband, Hussein Yusuf, had a "happy, fulfilled" life until the rains stopped.

Hawa was considered the belle of Kebbele—a tall, lithe girl with a cloud of silky, black shoulder-length hair. According to Moslem custom, her parents arranged a marriage soon after her 15th birthday to Hussein. He was a man as handsome as she was beautiful and a prosperous and sought-after bachelor in the district of peasant farmers.

"It was a good marriage," said Hawa. "My husband was not like other men in the village who went out drinking and had other women and came home to beat the wives. He worked hard in the fields and he was always very gentle and kind to me."

Hawa would milk their 36 cows, great wealth by Ethiopian peasant standards. Hussein would till the land with their six oxen. Together they would weed the fields of barley, sorghum and the staple grain, tef. Their oldest son, Muhammed, would tend the 55 goats and 30 sheep as they grazed.

At home their daughter Aminat would care for the younger children, and help her mother clean the hut, grind grain and prepare meals.

"We had milk, butter, everything," said Hawa. "Every 10 or 15 days my husband would slaughter a goat, so there was always meat."

Then the drought came. The last three years were the worst.

"Now it's all gone," said Hawa. "First we ate all the grain, even the seeds stored underground for planting in the new season. Then we sold and slaughtered all the animals. The last pair of oxen went for only 80 birr (about $40). Before, we could sell a fattened bull for 700 birr (about $350).

When there was no money left to buy food Hawa sold her clothes and then her dowry: amber beads and antique silver bracelets and anklets called "albo."

When the money ran out one day last September, Hussein's mother ran away, a month after Hawa's husband disappeared.

"She didn't even say she was going. She just went. But I know she did not want to be a burden for the food which wasn't even enough for the children," Hawa explained.

"The drought made the rich and poor equal," she said. "But it was the rich peasants who were more affected. They were the first to die, the first to abandon the village. They didn't have the strength for hardship of the poor."

Hawa rubbed a straw of grass in her fingers and covered half her face with a black net veil as she described her struggle to get food for the children.

"I went out every day to cut grass or cut wood to sell in town. Then I would buy a small tin of grain for the children. That's all there was—some grain.

"I walked for miles, collecting and chopping firewood and grass, then carrying it on my back to sell. When I came home it was hard to even wake the children to eat. They said they just slept all day, they were so weak."

But Hawa was pregnant. As she got larger, carrying heavy loads became more and more difficult.

"At last I knew I could do no more," said Hawa, whose child is due in about three weeks. "I heard there was food in Bati, so I came here."

Bati is the site of one of the more than 200 relief centers set up to cope with the famine, currently affecting an estimated 9 million of Ethiopia's 42 million people.

The town is usually a day's walk from Hawa's village. But it took her, along with her three sons and three daughters, three full days to get here because they were so weakened by hunger. She waited too long. Despite intensive, nutrious feeding at Bati's tented camp, Muhammed died after 15 days. He was about 12 years old. He was followed over the next three weeks by the baby of the family, a daughter called Lubaba, about 3, the second-youngest girl, Kaditcha, about 5, and then Aminat, about 11.

Hawa could not continue with the interview. A tear dropped to her cheek. The interpreter also fell silent and walked out of the tent to wipe his eyes.

"That's why I shaved my head," Hawa finally went on. She pulled her veil away from her head to reveal short sprouts of black hair. "It was for the sorrow of my children. . . ." My husband loved my long hair.

Hawa pulled onto her lap her remaining two children, Abdu and Ahmet, who appeared to be about 10 and 6. The boys, she complained, will not go out and play with stones and tin cans, toys for other youngsters at Bati.

They watched their mother listlessly as she stroked Ahmet's skinny legs. He scratched open some sores on his head but stubbornly clung to the dirty blanket his mother had wrapped around her hips as a skirt.

What now?

"Now I sit around the tent all day," she said. "Four of the other women here are from my district. We talk of the good days and a lot about these bad days and what they have done to our families."

About 40 men, women and children live in the tent, but Hawa said they make more room for her "because of my big stomach."

Asked what she did all day, Hawa waved her hands indignantly.

"What do you expect me to do? There is nothing to do. If I was at home, pregnant like this, in our custom my husband would care for me, buy me pretty things. He wouldn't allow me to work. I would have to rest for 40 days because of the baby.

"Now the little ones fetch the water for cooking. They bring the firewood. I cook—I have no daughters left, no Aminat to help me.

"Once the food rations for the day have been distributed, there is nothing to do but talk sometimes and hit at the flies. That is the worst thing—nothing to do."

Hawa straightened her back, indicating the interview was over.

"But now I have to be strong for the little one—this child that is kicking in my belly is a sign of happiness for me because I will know motherhood again.

"Perhaps the rains will come and we will go back to the village. Maybe my husband will find me again and see his new child," she added. "It's all with Allah."●

THE FOLGER THEATER

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. DOWNEY of New York. Mr. Speaker, I recently received the following letter from the students and professor of a class in Shakespearan literature at Millersville University in Pennsylvania in response to my efforts to assist the Folger Theater in resolving its current financial crisis. The letter eloquently expresses the invaluable mission of the theater as "an unparalled resource" serving thousands of persons from all parts of the country who visit our Nation's capital each year.

MILLERSVILLE UNIVERSITY,
February 13, 1985.

Congressman THOMAS J. DOWNEY,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN DOWNEY: What follows is not a schoolchild-write-to-your-Congressman exercise, quaint and not to be taken seriously, It is, instead, a strongly expressed opinion of voting taxpayers enrolled in a university course on Shakespeare.

Millersville is one of the Pennsylvania's state-owned universities. It lies two hours away from Washington by car. Institutions in Washington, such as the Folger Theater, are resources important to instruction for this university. The Folger Theater's 1984-5 season has material concern for English 343: Shakespeare.

The Folger Theater is also of material concern for these students and to me as well. We were all dismayed at the prospect of its closing and somewhat heartened by your suggestion that the Folger Library not receive federal funds if the theater were not to continue.[1] My English 343 students strongly subscribe to the idea that this very special resource, a gem for the nation's capital, be kept open to serve and to educate the public in the spirit of Shakespeare, who was not a research scholar or even a University Wit like Marlowe, but an actor, playwright, and householder in his own theater company. His plays were the thing for masses of Londoners as well as for the court and their guests. They were not mines of material available exclusively for seminars at Oxford and Cambridge.

We realize that $350,000 is very little against trillions for defense. We also realize that in the jockeying for funds, everyone who makes requests does so from his/her own set of values, vested interests, and priorities. We are obviously no exception. Further, that $350,000 comes from our money, and we have not only the right, but the duty to say how we think it should be spent. But we believe that keeping the Folger Theater operating is of utmost importance to our ongoing national and regional cultural health, both for now and for the future.

Although we recognize the value of scholarship and have benefited from it, we have benefited from the work of scholars from many eras and from a number of nationalities, not only those who have worked for or briefly at the Folger.

Further, we recognize the fact that the Folger productions have certainly made use of Shakespearean scholarship, not exclusively that conducted at the Folger Library, as valuable as its resources are. Through these productions, the public has benefited from the work of the specialists. The fact that the Folger has such a unique facility in its well-established, very effective theater program over the years makes it a valuable resource. Yet, these productions have not existed for specialists only; they have been, in the spirit of Shakespeare, for the public. However, while scholarship does not supplant the purpose of performing drama.

Therefore, we strongly support your position that:

1. The Folger Theater should continue since it is an unparalleled resource for the nation, for the capital, and for the 60,000 people from all over the country whom it serves each year.

2. The Folger Library should receive no federal funds if it should allow the Folger Theater to close since the taxpayers at large would not benefit widely from the expenditures that the Library now deems necessary to sustain research specialists.

We would urge further: That the Folger Theater should be regarded as part of the valuable work of the Folger Library with a special mission to the country—to supply drama live—for the public in the spirit of the man to whom the Folger Library owes its existence and part of its name: William Shakespeare.

Thank you for your attention. We should appreciate your acknowledging the receipt of this letter.

Sincerely,

DR. M.P.A. SHEAFFER
(And 18 others).●

[1] The New York Times, January 31, p. C21.

END THE STRIFE IN NORTHERN IRELAND

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. LENT. Mr. Speaker, I join my colleagues in Congress in expressing my grave concern over events in Northern Ireland. As a member of the Ad Hoc Committee on Irish Affairs since its inception 6 years ago and as one who has spoken out consistenly against human rights violations around the world, I am well acquainted with the injustice and violent political strife which have become epidemic in that country.

I had hoped that this day would mark the beginning of a change in the history of British injustice and oppressive occupation of Northern Ireland. Such is not the case. I am deeply disappointed over Prime Minister Thatcher's studied avoidance of the "real" problems plaguing Northern Ireland. This evasion of issues only perpetuates the violence and blood-letting that have horrified those of us who hold human and civil rights as the very definition of human existence and dignity.

I look forward to the day when my colleagues and I will not have to stand up any longer to protest the oppression and violence in Northern Ireland. I look forward to the day when the British Government heeds the call for justice and commits itself to restoring human rights in that troubled land. Until that time, however, I will continue to dedicate my efforts toward securing peace and ensuring a unified Ireland.●

BAD NEWS FOR THE AMERICAN AUTO INDUSTRY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. FORD of Michigan. Mr. Speaker, the reports in the newspaper today that a Cabinet-level committee unanimously recommended that the President let Japan decide whether to continue the so-called voluntary restraints on Japanese auto sales to the United States for a fifth year, are very bad news.

My constituents in the 15th District of Michigan have made it clear to me that they do not feel this is the right time to lift the quotas and allow more Japanese cars to enter the United States. Job losses in the auto industry are estimated anywhere from an immediate 200,000 to an ultimate 800,000 depending on how you count.

About 1 out of every 7 American jobs depends on auto production, so a big drop in U.S. auto production can have a horrendous impact on the whole Nation. At the current time, we are running a $19 billion trade deficit in autos with Japan and reports indicate that Japan has an unused auto capacity for making more than 2 million additional cars a year. The United States is the only open market left in the world, so in the words of UAW President Owen Bieber, "the United States would become the dumping ground for that excess capacity."

I have been receiving mail from across the State of Michigan on this most important matter. One of the letters I received was also sent to President Reagan. It explains the trade problem in realistic terms and is worthy reading:

HIGHLAND
CHRYSLER-PLYMOUTH-IMPORTS,
Grand Rapids, MI, October 29, 1984.

To: The President, Vice President, Cabinet Members, and Members of Congress.

DEAR MR. PRESIDENT: When you were visiting Detroit, Michigan, you advocated free trade but FAIR trade. Our late president, Dwight D. Eisenhower, said 25 years ago that our trade policies with Japan needed to be revised and updated.

In the authomobile industry, we ask you to immediately equalize our trade policy. What is good for Japan in trade-barriers is good for the United States.

Our company does sell Japanese imports, but justice is more important than the franchise.

Please review this example of injustice:

Import automobiles from Japan to United States	Amount	U.S. Export Automobiles to Japan	Amount
Vehicle cost	$10,000	Vehicle cost	$10,000
Undervaluation of the yen	−(1,200	23 percent added for Japan commodity tax.	+2,300
23 percent reduction for Japan commodity tax.	−(2,300	Shipping cost	+600
Shipping cost	+175	Tariffs	+300
Tariffs	+300	Landing fees, unloading costs, regulation, predelivery service.	+4,000
		Modifications	+1,000
Final U.S. price	6,975	Final Japan price	18,200

Be fair to American Industry and equalize trade agreements.

Also to remind you of other factors:

1. 13.7% of labor and salaries on U.S. cars support our Social Security system—up to the first $37,800.00.

2. Property tax and manufacturing taxes of U.S. industry support education, government, etc.

3. The Import deficit with Japan runs between four and five billion dollars per month, or approximately 50 billion dollars a year. This is counter-productive to our national deficit.

Please do not wait. Implement what you believe in—Fair Trade. We have delayed 25 years too long.

Yours truly,

JAY VAN HOUTEN,
President.

H.R. 1050—"the Made in America Act" is now more important than ever. Passage of this legislation which was introduced by my good friend, Congressman DINGELL and cosponsored by many of us, will help prevent or

remedy the serious injury which excessive automobile imports continue to pose for the U.S. economy especially with the cessation of the Voluntary Restraint Agreement with Japan covering passenger vehicles.

Mr. Speaker, as the Chrysler Corp. noted in a recent letter to me:

If the Japanese are allowed to add to their two million car imports in an unfettered matter, a sizeable portion of the U.S. car industry will be lost to the U.S. Congress should note that the damage will immediately extend to the steel, textile, electronics, rubber, plastic and other supplier segments as well. American automobiles are the biggest users and consumers of these products.●

ANATOMY OF A LEAK: UNFORESEEN CONSEQUENCES

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. HYDE. Mr. Speaker, one of the most important responsibilities of the Director of Central Intelligence [DCI] is to protect the sources and methods employed in intelligence gathering. Instructive is the National Security Act of 1947 which established the Central Intelligence Agency and stipulates "that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure."

All too often, the importance of this DCI responsibility is dismissed. Indeed, some view it as a tailor-made excuse for the DCI to not be as candid with Congress as many feel he should be. Such a perspective has led to the conclusion that Congress must aggressively insist that the various executive branch intelligence agencies be more forthcoming.

To practice meaningful oversight of the intelligence community, Congress does need to know what is going on in the necessarily clandestine world of intelligence. However, with that need to know goes the overriding responsibility to keep much of that information secret. As Members of Congress, we are often unable to anticipate fully the implications of disclosing sensitive information, but there are those who naively continue to think we can. Illustrative of what I am talking about is discussed in a recent article by Reed Irvine that I am inserting in the RECORD as recommended reading. It appeared in a recent edition of the Washington Times and focuses on the ramifications of a leak that may have sparked the current spy scandal furor in India.

Mr. Irvine's article follows:

WAS THIS INTELLIGENCE SOURCE SILENCED BY MEDIA EXPOSURE?

A small story on Page 19 of The Washington Post of Jan. 23, reported that the French government had recalled one of its diplomats from India after he was implicated in a spy scandal in that country. Two private French citizens who also were reportedly involved already had fled the country.

The Indian government had arrested several high officials in the prime minister's office on charges of providing information to an unidentified foreign power. The home minister told Parliament that it had not yet been determined what foreign intelligence agency was involved.

The story went on to say that the Indian government had been alerted to the espionage operation by stories that had appeared in The Washington Post and The New York Times last Sept 15. The stories concerned a CIA briefing of the Senate Intelligence Committee. They discussed a top-secret recommendation to the prime minister of India by some of her advisers suggesting a preemptive strike against a nuclear reactor in Pakistan. The Indian government deduced that there must have been a leak from the prime minister's office. Surveillance of aides working in the office was begun, with the result that several aides were accused of divulging information to unauthorized foreigners.

The first report of the CIA briefing of the Senate Intelligence Committee appeared on ABC's "World News Tonight" on Sept. 13. Anchorman Peter Jennings read this statement: "There is concern on Capitol Hill tonight about a possible confrontation between India and Pakistan. ABC's John Scali has learned that some senators became alarmed after they learned of a possible Indian attack on a Pakistani nuclear facility. U.S. intelligence authorities insist that no special warning was given to the senators that any attack on the facility was imminent, that this was just one of several trouble spots worth watching closely. There has long been concern in India that Pakistan might be constructing a nuclear device. Pakistan has said it was not."

Two days later, on Sept. 15, Philip Daubman had a long story in The New York Times reporting that Prime Minister Indira Gandhi had received recommendations from some of her senior advisers that India carry out an air strike against the nuclear reactor at Kahuta, Pakistan. The purpose would be to prevent the development of nuclear weapons by the Pakistanis. Mr. Taubman said that both Sens. Barry Goldwater and Daniel Patrick Moynihan had expressed concern about the possibility of an Indian air strike against the Kahuta installation. Mr. Taubman said: "The CIA told the Senate committee, according to two members, that it had learned from a sensitive intelligence source that Mrs. Gandhi received recommendations this year from some senior aides that India attack the Kahuta plant to make sure that the enrichment process was not used for the development of weapons."

The Washington Post story by Don Oberdorfer reported that government officials in Washington had discounted as "alarmist" the ABC News report that Prime Minister Gandhi had been urged by her advisers to attack the Pakistani nuclear installation. Mr. Oberdorfer said some officials noted that the report appeared to come from a CIA briefing of the Senate Intelligence Committee.

It would appear that the CIA had acquired its information from a foreign intelligence agency that had developed valuable assets within the Indian government, a government with close ties to the Soviet Union. The CIA shared that information with senators, and some of them promptly blabbed to the media. The intelligence operation was destroyed, and we can assume that the foreign source will be less willing to share its secrets with the CIA in the future.

Apparently neither the senators nor the journalists worried about what would happen to the sensitive source if the information were made public. The people who run The New York Times said The Washington Post claim that they are qualified to decide what should be kept secret.

Question: Did they blow this operation on purpose or did they goof? ●

NEW ZEALAND AND THE ANZUS ALLIANCE

HON. GUY V. MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. MOLINARI. Mr. Speaker, I lend my strong support to the actions taken by the administration, including the cancellation of six scheduled military exercises and meetings, against New Zealand in response to its decision to ban port visits of U.S. nuclear-powered/armed ships.

The actions of the Government of New Zealand are totally irresponsible and show a thoughtless disregard for the principle of mutual responsibility of allied nations. Should New Zealand come under attack, the United States would be ready to come to its defense. New Zealand seems to want all the benefits of the alliance while not bearing its fair share of responsibility. The United States carries a tremendous burden protecting freedom around the world and we certainly do not need those who ask for such protection banning U.S. ships in their ports. We cannot let this action set a precedent of accepted behavior around the world.

I hope that the administration will continue to take strong reprisals against New Zealand to send clear and regular signals to that Government on how serious we view its actions. In the absence of some movement by the New Zealand Government to turn the decision around, I believe we should be seriously considering the imposition of trade sanctions. I expect to see growing dissatisfaction here on Capitol Hill with the New Zealanders and know that when we consider any item dealing with New Zealand, they will be three steps behind from the start.

This year's budget contains initial funding for the homeporting of a seven-ship U.S. Navy Surface Action Group in my congressional district of Staten Island, NY. While some have asked about the presence of nuclear weapons on these ships, they have been given the same answer as the New Zealanders: that because of national security imperatives, the United

States can neither confirm nor deny the presence of nuclear arms on ships.

The great majority of my constituents, well over 90 percent, support the Navy coming to our community. We recognize our responsibility as a community to the Nation's defense. It is time New Zealand recognizes its responsibilities. Its recent actions are something we do not expect from our allies.●

EXPERTS NOT STARRY EYED ON STAR WARS

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. DORGAN of North Dakota. Mr. Speaker, scratch the administration's strategic defense initiative and you find a dangerous, wastefull, and ridiculous scheme.

That is not the view of an isolated campus radical but of three prominent defense advisers to Republican Presidents.

Lt. Gen. Brent Scowcroft, President Reagan's MX Commission Chairman and President Ford's national security adviser, said the so-called Star Wars proposal makes arms control immensely more complicated. The reason is because the Soviets would not logically reduce their offensive forces in the face of new defensive weapons. Scowcroft also argued that Star Wars would make verification more troublesome.

Dr. James Schlesinger, a former Defense Secretary and arms control adviser to President Reagan, dumped cold water on the notion that Star Wars could provide an airtight defense against Soviet missiles. He also warned that deploying defensive missiles could absorb at least $1 trillion—funds badly needed for conventional weapons.

Ford administration disarmament chief, Gerard Smith, has also warned that deploying a ballistic missile defense could prompt a new dangerous arms race.

Even if the administration found the perfect antiballistic missile defense, it would not protect the United States against the nuclear threat from penetrating manned bombers or low-flying cruise and depressed trajectory missiles. For my money, I would rather invest the $25 billion Star Wars downpayment in conventional forces and in modernizing our deterrent with air-launched cruise missiles.

To help focus the Star Wars debate, I have included for the RECORD articles which pinpoint the objections of defense experts who have served President Reagan and President Ford.

Articles from Science, November 9, 1984, and Los Angeles Times, February 7, 1985, follow:

GENERAL SCOWCROFT CRITICAL OF STAR WARS PROGRAM

(By Robert Scheer)

In a sharp break with the Administration's approach to arms control, Lt. Gen. Brent Scowcroft, the man President Reagan chose to chair his MX Commission, has attacked the "Star Wars" proposal, which the White House has made a centerpiece of its defense budget.

According to Scowcroft, who served as national security adviser to President Gerald R. Ford, the proposal, which is officially known as the Strategic Defense Initiative, will seriously complicate the coming round of arms control negotiations with the Soviet Union.

"There are immense arms control implications because it has been difficult enough to negotiate simply strategic offensive weapons agreements. When you throw defense in, it obviously makes it immensely more complicated," Scowcroft said in a telephone interview.

Scowcroft, the retired Air Force general who last year chaired the commission that Reagan named to evaluate U.S. strategic capabilities, was expanding on remarks scheduled to appear in Perspectives magazine, a publication of the Institute For National Strategy, the Los Angeles-based think-tank founded by former California Gov. Edmund G. Brown Jr.

Scowcroft was responding to the magazine's publication of a previous interview with presidential science adviser George Keyworth, who argued that the development of a strategic defense system is a necessary prelude to a reduction in the number of nuclear weapons.

"Effective arms control does not require defense." Scowcroft argued. "I do not agree with Keyworth there." In the magazine interview, Scowcroft added, "As a practical matter, it would be very difficult to induce the Soviets to reduce their offensive forces if they faced the prospect of a strategic defense for which they might need those offensive forces to penetrate."

Citing the U.S. reaction to earlier Soviet efforts at a defensive system. Scowcroft said in the telephone interview that he disagrees with Keyworth's assertion that defense would facilitate nuclear arms reduction.

"That is unlikely to be true," he explained, because "the most reasonable reaction is quite the opposite. And that, in a sense, is what happened in the late '60s and early '70s when the Soviets moved toward building an ABM system. We increased our offensive forces and went to MIRVs (missiles with multiple independently targeted warheads) in order to maintain the ability to penetrate a defense. I'm not saying the other reaction couldn't take place, but I think it's not—and has not historically—been the normal reaction."

According to Scowcroft, who has served as a U.S. representative to previous arms control negotiations, "It is difficult enough, given the kind of asymmetries between the U.S. strategic forces and the Soviets' strategic forces, to figure out what balancing reductions might be among bombers, submarine missiles and ICBMs. When you add the implications of the possible deployment of a defensive system and how one has to deal with that and how one balances that off against the various offensive systems, it just gets very, very complicated.

Noting that it would take a decade or more for a "Star Wars" system to be developed, Scowcroft suggested that the Soviets would delay any move toward the deep cuts in nuclear arsenals called for by the President until they could assess the effects of the new systems. He added that such systems also would seriously compound problems of verification in any future arms control agreement.

SCHLESINGER ATTACKS STAR WARS PLAN

Despite an aggressive White House marketing campaign, President Reagan's plan to defend the public nuclear missiles—popularly known as his "Star Wars" plan—continues to attract criticism from nuclear weapons experts. This, at least, was one message of a recent conference on space and national security in Bedford, Massachusetts.

A number of speakers at the conference, which was cosponsored by the Air Force and by the MITRE Corporation, a major Air Force contractor, ripped into the program and assailed the President for misleading the public in his initial April 1983 announcement about it. "The heart of Reagan's speech was the promise that someday American cities might indeed be safe from nuclear attack," said James Schlesinger, a former Secretary of Defense and arms control adviser to President Reagan. It is entirely unrealistic, he said. "There is no serious likelihood of removing the nuclear threat from our cities in our lifetime or in the lifetime of our children."

Schlesinger, who received classified briefings on the program as an adviser to the recently dissolved President's Commission on Strategic Forces, said that he doubted whether an effective space-based missile defense could actually be constructed, whether it would be affordable, and whether it would add to global stability. "Any [space] defense is going to suffer some erosion," he said, "and an effective opponent will develop defense suppression techniques and punch a hole in whatever . . . is deployed. . . . Even if we were able to develop a hypothetical leakproof [missile] defense we must bear in mind that there are means of delivering nuclear weapons other than nuclear missiles. I point this out because the United States Air Force has long argued that air defense systems are penetrable." Schlesinger added that the cost of a defensive missile shield would be at least $1 trillion, and that its development would adsorb funds drastically needed by conventional weapons programs.

He noted, however, that continued missile defense research is important, as did virtually all of those attending the meeting. He said that a number of recent Pentagon studies have indicated that a mixture of defensive and offensive weapons can indeed enhance global stability. But "all of these studies rest upon an assumption" that the number of offensive weapons will be constrained at the same time a missile shield is deployed, and it is unlikely that the Soviet Union will agree to such constraints so long as the United States is endeavoring to build the shield—a consummate Catch-22. Finally, Schlesinger said that talk of abandoning nuclear deterrance based on offensive weapons because of its alleged immorality is "reckless," "immature," and "pernicious." "We are going to rest on [this policy] for the balance of our days," he said.

Somewhat less strident criticisms were also voiced by Abram Chayes, a Harvard law professor: Albert Carnesale, academic dean at the John F. Kennedy School of government: and Richard Garwin, a physicist at IBM. Retired Lieutenant General James Stansberry, a former commander of the Air Force Systems Command, gently criticized

the program for its failure to have a concrete goal. "I've seen a lot of people spend a lot of money over time, when people didn't know quite what they were up to," he said. He added that the tough questions about the program "haven't been debated enough."

At the meeting, both Lieutenant General James Abrahamson, the director of the missile defense program, and Gerald Yonas, its chief scientific adviser, consciously downplayed any hopes of using it to defend cities. Abrahamson acknowledged that "there is no perfect weapons system, there is no panacea," and Yonas said that the program's only purpose is to "search for technology to see if we can find an alternative to the present system. . . . our program is the President's program."●

A TRIBUTE TO DR. MARTIN LUTHER KING, JR.

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. WIRTH. Mr. Speaker, 56 years ago a man was born who moved a nation with four profoundly simple words: "I have a dream." Dr. Martin Luther King, Jr., truly represents the best of American leadership, and I would like to pay tribute to him today, as I would have on January 15, had the House been in session.

Mr. Speaker, few men have advanced the cause of justice and affected such deeply rooted change as Dr. King. Endowed with inordinate courage, prescience, and commitment, Dr. King liberated the oppressed and pulled them from the abyss of despair, disaffection, and frustration.

But Martin Luther King was much more than the champion of the downtrodden. Like Jefferson, Lincoln, and other American leaders before him, he was a stalwart of democracy, tirelessly pursuing those basic principles which vouchsafe human dignity and progress.

Mr. Speaker, Dr. King was painfully aware of the sharp incongruity between the American rhetoric of "the inalienable rights of life, liberty, and the pursuit of happiness," and the ugly reality of racial bigotry and subjugation. With unbounded faith, he dreamed of a unified society, free from that incongruity. He envisioned an American democracy so true to its creed that the whole would be greater than the sum of its parts.

In an era of chaos and explosive racial hostility, Dr. King lived the alternative of peace, unity, and brotherhood. From Montgomery County to the jails of Birmingham, his redemptive spirit turned violence, bitterness, and alienation into nonviolent, constructive social change. In his actions and in his words, he stretched the limits of human achievement.

Dr. King's life was an unrelenting pursuit of a dream that was intensely American. And if his vision represents the American destiny, and I believe it does, Dr. Martin Luther King, Jr., will be remembered as the catalyst in the realization of our ideals.

Mr. Speaker, let us carry on the vision of Dr. King, and let us address the issues we face with the same foresight, courage, and integrity which characterized that great man.●

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS: U.S. ECOLOGISTS AND EVOLUTIONARY BIOLOGISTS LOOK AT THE ENVIRONMENTAL RISKS ASSOCIATED WITH BIOTECHNOLOGY

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 20, 1985

● Mr. DINGELL. Mr. Speaker, I wish to submit the enclosed article from the December 1984 issue of the Bulletin of the Ecological Society of America for inclusion in the CONGRESSIONAL RECORD. This article discusses the ecological consequences of the deliberate release of genetically engineered microorganisms into the environment. Most important, it outlines a minimum program for the responsible assessment of possible adverse environmental and evolutionary consequences. The article is signed by some of the foremost ecologists and evolutionary biologists in the United States, including James H. Brown (University of Arizona), Robert K. Colwell (University of California at Berkeley), Richard E. Lenski (University of Massachusetts), Bruce R. Levin (University of Chicago), Monte Lloyd (University of Chicago), Philip J. Regal (University of Minnesota), and Daniel Simberloff (Florida State University).

The Subcommittee on Oversight and Investigations of the Energy and Commerce Committee recently held a hearing which looked at these issues, and this is an area of continuing interest to us. I bring this article to the attention of my colleagues because it represents the type of discussion and thought which is needed from this academic discipline and from others concerned with biotechnology. Such approaches should continue to be of great value as we attempt to regulate appropriately this exciting new technology.

[From the Bulletin of the Ecological Society of America, December 1984]

REPORT ON WORKSHOP ON POSSIBLE ECOLOGICAL AND EVOLUTIONARY IMPACTS OF BIOENGINEERED ORGANISMS RELEASED INTO THE ENVIRONMENT

On 28-31 August 1984, seven ecologists and evolutionary biologists from academic institutions participated in an important workshop on the possible risks associated with release of biologically engineered organisms into the environment. The workshop was sponsored by the United States Environmental Protection Agency (EPA) and the Council for Research Planning. Other participants included academic geneticists, scientists from the biotechnology industry, and representatives of Federal regulatory and granting agencies (EPA, OTA, FDA, USDA, USDHHS, NIH, and NSF). The following position paper, adopted unanimously by the ecologists and evolutionary biologists attending the workshop, expresses their concern about possible ecological and evolutionary hazards associated with deliberate or accidental release of genetically engineered organisms and recommends initial steps be taken to assess and minimize these risks.

Of particular interest to ESA members is the fact that the EPA is currently developing procedures for assessing risk and regulating release of genetically engineered organisms. The EPA proposal, which is expected to be completed soon, should appear in the Federal Register and be mailed to many ecologists. Concerned members should watch for this document and make whatever responses they feel appropriate.

The text of the position paper is as follows:

Recent advances in biotechnology offer the potential for producing new varieties of organisms that can have enormous benefits for health, agriculture, and environmental management. On the other hand, there are serious concerns about the possible effects of deliberate or accidental release of genetically engineered organisms into the environment. Such release poses potential adverse consequences for natural and human-modified (e.g., agricultural and urban) ecosystems for the following reasons:

(1) Genetic engineering techniques raise the possibility of creating new varieties of microbes, plants, and animals that may be qualitatively or quantitatively different from the vast majority of variants that are found in nature or that can be produced by conventional biotechnology (e.g., artificial selection).

(2) The results of introductions of exotic species and historical changes in the roles of native species show that natural communities are not saturated, and there are many ways in which new genotypes can become incorporated into the trophic web. The continual evolution of species in communities has not led to perfection or saturation.

(3) Products of biotechnology pose problems different from those of nonliving substances that are released into the environment because genetic material has the capacity to replicate and organisms can increase in numbers and spread into new areas.

(4) It is possible that traits of genetically engineered organisms that have been developed to produce beneficial effects may be transmitted infectiously by plasmids, viruses, or other means to other organisms in which they may have adverse effects.

(5) Since the goal of many applied genetic engineering programs is to produce organisms of novel structure and function, these organisms can be expected to play different ecological roles than their progenitors and relatives. Commercial and academic research programs presently are attempting to develop new varieties that use new substrates for growth and development, modify microenvironments, extend the limits of tolerance of physical conditions, and confer resistance to predators and pathogens.

(6) Engineered organisms can have potentially deleterious environmental impacts by affecting the outcomes of direct interactions among species (including the natural and managed regulations of pests by predators and pathogens), by altering the indirect relationships among species, by influencing the geochemical processes that support all ecosystems, and by changing the rate and direction of the evolutionary responses of species to each other and to their physical and chemical environments.

Because of these considerations, the introduction of novel genotypes produced by genetic engineering requires careful investigation of possible adverse consequences. Both unintended genetic and unanticipated ecological effects are of concern. Quantitative experimental procedures will be needed to evaluate specific concerns in each case. The possible unintended consequences of most concern will depend on the particular kind of organism in question, and the specific characteristics of its intended release. Although the natural environment is so complex that it will not be possible to predict all the adverse effects of this (or any other) technology, ecologists and evolutionary biologists possess sufficient expertise to design and to execute these assessment procedures. Although these will not assure zero risk, they should substantially reduce the likelihood of unanticipated impacts that would be costly or impossible to mitigate.

In order to deal responsibly with the wide spectrum of possible ecological and evolutionary consequences of anticipated biologically engineered organisms, the following constitute a minimum program. Steps to implement these activities should be initiated immediately and pursued vigorously.

While it is our conviction that risk assessment must be on a case by case basis, the following potential adverse effects should always be considered:

1. Genetic:

i. Rate and nature of horizontal (infectious) genetic transmission.

ii. Stability of the engineered genetic change(s) (role of movable genetic elements).

2. Evolutionary:

i. Likelihood and nature of host range shifts.

ii. Likelihood of unregulated propagation.

iii. Likelihood of changes in virulence (parasites and pathogens).

3. Ecological:

i. Effects on competitors.

ii. Effects on prey/hosts/symbionts.

iii. Effects on predators/parasites/ pathogens.

iv. Role of introduced organism as vector of pathogens.

v. Effects on ecosystem processes (biogeochemical effects).

vi. Effects on habitat.

In addition to the need for a prior assessment of the risks associated with the release of genetically engineered organisms, there should also be an effort to so modify these organisms that the potential hazards are minimized. This can be accomplished in one of two ways. (a) When possible to "disarm" the novel organisms ecologically, so that they will not be likely to spread beyond the range where they are intended to be effective. (b) By the incorporation of characters that will facilitate recall (leases), e.g., sensitivity to broad classes of antibiotics and phage for bacteria.

The program of release should be followed by a continuous process of monitoring for changes in the released organisms and the community.

Although risk assessment can be instituted now with present personnel in ecology and molecular biology using available knowledge in these disciplines, there is a need for further basic research and for a larger body of experts in certain areas.

(1) Although there is a sound foundation for assessing the potential adverse consequences of release, there is need for an increased level of basic research into the nature of interactions among coexisting species and the rules by which groups of species are knit together into functioning communities.

(2) Ecologists and evolutionary biologists with expertise on the taxon proposed for release and on the types of target communities must be involved in the study. They also can advise genetic engineers on the design on new genotypes in ways that can fdacilitate the study, and can help to reduce the probability of adverse effects. Thus, there is a general need for increased graduate training in evolution and ecology.

(3) There is a particular need for enhanced training programs in certain ecological and evolutionary areas, such as microbial and soil ecology, to increase the corps of specialists who can participate in these studies.

(4) More basic research is needed on the transfer of genetic information between species by infective and other nonreproductive means in higher organisms.

(5) More research is also needed on the role of movable genetic elements in evolution and adaption, and the possible induction of genomic reorganization and evolutionary volatility.—James H. Brown, Department of Ecology and Evolutionary Biology, University of Arizona, Tucson, AZ 85721; Robert K. Colwell, Department of Zoology, University of California, Berkeley, CA 94720; Richard E. Lenski, Department of Zoology, University of Massachusetts, Amherst, MA 01003; Bruce R. Levin, Department of Zoology, University of Massachusetts, Amherst, MA 01003; Monte Lloyd, Department of Biology, University of Chicago, Chicago, IL 60637; Philip J. Regal, Department of Ecology and Behavioral Biology, University of Minnesota, Minneapolis, MN 55455; and Daniel Simberloff, Department of Biological Sciences, Florida State University, Tallahassee, FL 32306.●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, February 21, 1985, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 22

10:00 a.m.

Budget

To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1986 budget.

SD-608

Foreign Relations

To resume hearings, in closed session, to discuss U.S. foreign policy, focusing on U.S./Soviet relations.

S-116, Capitol

Joint Economic

To resume hearings in preparation of its forthcoming annual report.

2172 Rayburn Building

2:00 p.m.

Budget

To continue hearings in preparation for reporting the first concurrent resolution on the fiscal year 1986 budget.

SD-608

FEBRUARY 25

10:00 a.m.

Environment and Public Works

To hold hearings on S. 51, to extend and amend the Comprehensive Environmental Response, Compensation and Liability Act (Superfund) (P.L. 96-510).

SD-406

Small Business

To resume hearings on S. 408, authorizing funds for fiscal years 1986, 1987, and 1988 for the Small Business Administration.

SR-428A

Joint Economic

To hold hearings to review current U.S. agriculture conditions.

SD-G50

11:00 a.m.

Foreign Relations

To resume hearings to discuss American foreign policy, focusing on U.S./Soviet relations and arms control.

SD-419

2:00 p.m.

Armed Services

Closed briefing on strategic doctrine.

SR-222

Foreign Relations

To continue hearings to discuss American foreign policy, focusing on U.S./Soviet relations and arms control.

SD-419

FEBRUARY 26

9:00 a.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Interior and related agencies.

SD-124

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1986 for the

Office of the Secretary of Labor, and the Employment and Training Administration, Department of Labor.
SD-116

Armed Services
To hold hearings on arms control.
SD-G50

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

9:30 a.m.
Judiciary
Constitution Subcommittee
To hold hearings to review constitutional issues relating to the proposed Genocide Convention.
SD-226

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of the Disabled American Veterans.
345 Cannon Building

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Research and Special Programs Administration and the Office of the Inspector General, Department of Transportation.
SD-138

Environment and Public Works
Business meeting, to markup S. 51, to extend and amend the Comprehensive Environmental Response, Compensation and Liability Act (Superfund) (P.L. 96-510).
SD-406

Foreign Relations
To continue hearings to discuss American foreign policy, focusing on U.S./Soviet relations and arms control.
SD-419

Select on Intelligence
Closed briefing on intelligence matters.
SH-219

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Department of the Interior.
SD-192

Armed Services
To hold closed hearings on the maritime threat to U.S. national interests.
SR-222

FEBRUARY 27

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Labor-Management Services Administration, Employment Standards Administration, and Bureau of Labor Statistics, all of the Department of Labor, and the Pension Benefit Guaranty Corporation.
SD-116

Armed Services
To hold hearings on the status of the unified commands.
SR-222

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of the Paralyzed Veterans of America, Blinded Veterans of America, Purple Heart, and Vietnam Veterans of America.
334 Cannon Building

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the proposed sale by the Department of Transportation of Conrail.
SR-253

Energy and Natural Resources
To hold oversight hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's proposed budget for fiscal year 1986, focusing on the Department of the Interior.
SD-366

Labor and Human Resources
To hold oversight hearings to review labor violence activities, focusing on alleged violence committed by unions against management.
SD-430

10:00 a.m.
Environment and Public Works
To hold hearings on those programs which fall within the jurisdiction of the committee as contained in the President's budget requests for fiscal year 1986, focusing on requests for the Nuclear Regulatory Commission.
SD-406

Foreign Relations
To hold hearings on international economic issues.
SD-419

Select on Indian Affairs
To hold hearings on those programs which fall within the jurisdiction of the committee as contained in the President's budget requests for fiscal year 1986.
SD-538

Select on Intelligence
To resume closed hearings on proposed legislation authorizing funds for fiscal year 1986 for the intelligence community.
SH-219

2:00 p.m.
Appropriations
To resume hearings to review the President's proposed budget requests for fiscal year 1986.
SD-192

Armed Services
To continue hearings on the status of the unified commands.
SR-222

FEBRUARY 28

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Occupational Safety and Health Administration, Mine Safety and Health Administration, and Departmental Management, all of the Department of Labor, and the President's Committee on Employment of the Handicapped.
SD-116

9:30 a.m.
Commerce, Science, and Transportation
To continue hearings on the proposed sale by the Department of Transportation of Conrail.
SR-253

Energy and Natural Resources
To continue oversight hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's proposed budget for fiscal year 1986, focusing on the Department of Energy.
SD-366

10:00 a.m.
Appropriations
Defense Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1986 for certain intelligence programs.
S-407, Capitol

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Highway Traffic Safety Administration, Department of Transportation.
SD-138

Environment and Public Works
Business meeting, to resume markup of S. 51, to extend and amend the Comprehensive Environmental Response, Compensation and Liability Act (Superfund) (P.L. 96-510).
SD-406

Foreign Relations
To continue hearings on international economic issues.
SD-419

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Woodrow Wilson International Center for Scholars, and the National Gallery of Art.
SD-138

MARCH 1

9:00 a.m.
Armed Services
To resume hearings on the status of the unified commands.
SR-222

Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on the Pacific Salmon Treaty implementation legislation.
SD-562

Energy and Natural Resources
To continue oversight hearings to review those programs which fall within the jurisdiction of the committee as contained in the President's proposed budget for fiscal year 1986, focusing on the Forest Service (Department of Agriculture), U.S. Synthetic Fuels Corporation, and the Federal Energy Regulatory Commission (Department of Energy).
SD-366

10:00 a.m.
Environment and Public Works
Business meeting, to continue markup of S. 51, to extend and amend the Comprehensive Environmental Re-

sponse, Compensation and Liability Act (Superfund) (P.L. 96-510).
SD-406

MARCH 5

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Secretary of Health and Human Services.
SD-116

9:30 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Agriculture.
SD-124

10:00 a.m.
Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Army.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Highway Administration, Department of Transportation, and the Panama Canal Commission.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for the energy and water development programs, focusing on the Tennessee Valley Authority.
SD-192

MARCH 6

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Health Resources and Services Administration, and the Office of the Assistant Secretary for Health.
SD-116

Veterans' Affairs
Business meeting, to markup proposed legislation authorizing funds for fiscal year 1986 for the Veterans Administration.
SR-418

Office of Technology Assessment
To hold a general business meeting.
H-227, Capitol

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Commerce, Justice, State, the Judicary and related agencies.
S-146, Capitol

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Edward J. Philbin, of California, to be a Federal Maritime Commissioner.
SR-253

Foreign Relations
To resume hearings on international economic issues.
SD-419

11:00 a.m.
Select on Indian Affairs
To hold hearings on S. 277, authorizing funds for fiscal year 1986 for Indian health care programs.
SD-106

MARCH 7

9:30 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of State, focusing on foreign assistance programs.
SD-138

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Food and Nutrition Service, and the Human Nutrition Information Service, Department of Agriculture.
SD-124

Appropriations
Defense Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Navy.
SD-628

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Department of Energy.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Strategic Petroleum Reserve, and the Office of Emergency Preparedness.
SD-138

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Transportation Safety Board, and the St. Lawrence Seaway Development Corporation, Department of Transportation.
SD-192

MARCH 8

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

10:00 a.m.
Environment and Public Works
To resume hearings on those programs which fall within the jurisdiction of the committee as contained in the President's budget requests for fiscal year 1986, focusing on requests for the Army Corps of Engineers.
SD-406

MARCH 12

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of the Veterans of Foreign Wars.
345 Cannon Building

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Agricultural Research Service, Cooperative State Research Service, Extension Service, and the National Agricultural Library, Department of Agriculture.
SD-124

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the United Nations, focusing on voluntary contributions to international organizations and programs.
SD-192

10:30 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Interstate Commerce Commission.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on solar and renewables and energy research.
SD-192

MARCH 13

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1986 for the National Bureau of Standards.
SD-253

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of State, focusing on international security assistance programs.
S-126, Capitol

MARCH 14

9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration, and to hold oversight hearings on the Department of Transportation's Office of Commercial Space Transportation.
SR-253

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the U.S. Trade Representative, Japan-U.S. Friendship Commission, Federal Trade Commission, and the Civil Rights Commission.
S-146, Capitol

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Crop Insurance Corporation, and the Rural Electrification Administration, Department of Agriculture.
SD-124

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Aeronautics and Space Administration.
SD-192

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of State, focusing on international narcotics control, migration and refugee assistance, and antiterrorism programs.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Smithsonian Institution.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on nuclear fission, commercial waste management, and uranium enrichment.
SD-192

MARCH 19

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Institutes of Health, Department of Health and Human Services.
SD-116

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold oversight hearings on the aviation computer reservation system.
SR-253

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for the Earthquake Hazard Reduction Act (Public Law 98-241).
SD-G50

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on proposed asbestos claims facilities.
SD-430

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Animal and Plant Health Inspection Service, Agricultural Marketing Service, and the Food Safety and Inspection Service, Department of Agriculture.
SD-124

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Peace Corps, the Inter-American Foundation, and the African Development Foundation.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the land and water conservation fund.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for the Nuclear Regulatory Commission, and the Federal Energy Regulatory Commission.
SD-192

MARCH 20

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for the National Institutes of Health, Department of Health and Human Services.
SD-116

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, World War I Veterans, Jewish War Veterans of the U.S.A., and Atomic Veterans.
334 Cannon Building

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Commerce, and the International Trade Commission.
S-146, Capitol

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the American Battle Monuments Commission, Army cemeterial expenses, Office of Consumer Affairs (Department of Commerce), and the Consumer Information Center.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Railroad Administration, Department of Transportation, and the National Railroad Passenger Corporation (AMTRAK).
SD-138

Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on media efforts to deglamorize drug abuse.
SD-342

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Export-Import Bank of the United States.
S-126, Capitol

MARCH 21

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for the National Institutes of Health, Department of Health and Human Services.
SR-428A

9:30 a.m.
Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on S. 100, to provide for a uniform product liability law.
SR-253

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Neighborhood Reinvestment Corporation, National Credit Union Administration, Office of Revenue Sharing and the New York City loan program (Department of the Treasury), Federal Home Loan Bank Board, and the National Institute of Building Sciences.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Washington Metropolitan Area Transit Authority, and the Architectural and Transportation Barriers Compliance Board.
SD-138

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1986 for the maritime administration, and S. 102, authorizing funds for fiscal year 1986 for the maritime construction differential subsidy.
SD-628

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of the Treasury, focusing on multilateral development banks.
SD-192

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for energy conservation programs.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on atomic energy defense activities.
SD-116

MARCH 26

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Centers for Disease Control, Alcohol, Drug Abuse and Mental Health Administration, Office of the Inspector General, and Office for Civil Rights.
SD-1116

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Farmers Home Administration, Department of Agriculture, and the Farm Credit Administration.
SD-124

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Agency for International Development.
S-126, Capitol

2:00 p.m.
Appropriations
Foreign Operations Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for the Agency for International Development.
S-126, Capitol

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Geological Survey, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs, focusing on the Power Marketing Administration.
SD-192

MARCH 27

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including the Health Care Financing Administration, Social Security Administration, and refugee programs.
SD-116

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Board for International Broadcasting, Arms Control and Disarmament Agency, and the Federal Communications Commission.
S-146, Capitol

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for foreign assistance programs.
S-126, Capitol

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Selective Service System, Consumer Product Safety Commission, Office of Science and Technology Policy, and the Council on Environmental Quality.
SD-124

MARCH 28

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Health and Human Services, including Human Development Services, Office of Community Services, Departmental Management (salaries and expenses), and Policy Research.
SD-116

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Veterans Administration, and the National Science Foundation.
S-126, Capitol

Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Navajo and Hopi Indian Relocation Commission, and the Office of Surface Mining Reclamation and Enforcement, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 1

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 2

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary of Education, Departmental Management (salaries and expenses), Office of Civil Rights, Office of Inspector General, National Institute of Education, and Bilingual Education, all of the Department of Education.
SD-116

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Commodity Credit Corporation, Foreign Agricultural Service, Office of International Cooperation and Development, Food for Peace Program (P.L.

480), Soil Conservation Service, and the Agricultural Stabilization and Conservation Service, Department of Agriculture.
SD-124

Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Park Service, Department of the Interior.
SD-138

Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 3

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including vocational and adult education, education for the handicapped, rehabilitation services and handicapped research, special institutions (including Howard University), and education statistics.
SD-116

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of State, and the U.S. Information Agency.
S-146, Capitol

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Aviation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To continue hearings on proposed budget estimates for fiscal year 1986 for energy and water development programs.
SD-192

APRIL 4

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Oceanic and Atmospheric Administration, Department of Commerce, the Marine Mammal Commission, and the Small Business Administration.
S-146, Capitol

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To resume hearings in closed session on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Food and Drug Administration, Department of Health and Human Services, and the Commodity Futures Trading Commission.
SD-124

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Conrail, U.S. Railway Association, and the Office of the Secretary of Transportation.
SD-138

10:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To continue hearings in open session on proposed legislation authorizing funds for fiscal year 1986 for the National Aeronautics and Space Administration.
SR-253

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Indian Affairs, Department of the Interior.
SD-138

APRIL 16

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Urban Mass Transportation Administration, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Mines, Department of the Interior.
SD-138

APRIL 17

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Justice, and the Equal Employment Opportunity Commission.
S-146, Capitol

APRIL 18

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the U.S. Coast Guard, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the National Endowment for the Humanities, and the National Endowment for the Arts.
SD-138

APRIL 23

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including elementary and secondary education, education block grants, and impact aid.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Forest Service, Department of Agriculture.
SD-138

APRIL 24

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Education, including student financial assistance, guaranteed student loans, higher and continuing education, higher education facilities loans and insurance, educational research and training, and libraries.
SD-116

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Bureau of Investigation, Department of Justice, the Legal Services Corporation, and the Securities and Exchange Commission.
S-146, Capitol

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Federal Emergency Management Agency, and the Environmental Protection Agency.
SD-124

APRIL 25

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for ACTION (domestic programs), Corporation for Public Broadcasting, Mine Safety and Health Review Commission, National Commission on Libraries and Information Science, and National Council on the Handicapped.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of Indian Education, and the Institute of Museum Services.
SD-138

APRIL 30

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Soldiers' and Airmen's Home, Prospective Payment Commission, Railroad Retirement Board, National Mediation Board, OSHA Review Commission, and the Federal Mediation and Conciliation Service.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Office of the Secretary and the Office of the Solicitor, Department of the Interior.
SD-138

MAY 1

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

9:30 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Supreme Court of the United States, and the U.S. District Courts.
S-146, Capitol

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

MAY 2

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Department of Housing and Urban Development and certain independent agencies.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for territorial affairs, Department of the Interior.
SD-138

MAY 7

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Indian Health Service, Department of Health and Human Services.
SD-138

MAY 8

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

MAY 9

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Bureau of Land Management, Department of the Interior.
SD-138

MAY 14

9:00 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Departments of Labor, Health and Human Services, Education, and certain related agencies.
SD-116

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Energy Information Administration, and the Economic Regulatory Administration, Department of Energy.
SD-138

MAY 21

10:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for the Holocaust Memorial Council, Minerals Management Service, Department of the Interior.
SD-138

MAY 23

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1986 for Naval Petroleum Reserves, and fossil energy.
SD-138

CANCELLATIONS

FEBRUARY 21

9:00 a.m.
Veterans' Affairs
Business meeting, to consider committee budget for 1985, and committee rules of procedure for the 99th Congress.
SR-418